
OFFERING
MEMORANDUM



WALGREENS

CHICAGO, ILLINOIS

Marcus & Millichap

NON - ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2018 Marcus & Millichap. All rights reserved.

NON - ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers. Activity ID: ZAA0030640

***ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.***

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com



EXCLUSIVELY LISTED BY

STEVEN WEINSTOCK

Broker of Record, IL

(630) 570-2200

steven.weinstock@marcusmillichap.com

License: # 471.011175

Marcus & Millichap



Pete's Fresh Market

Planet Fitness

Walgreens

GALLO equipment co.

TABLE OF CONTENTS

01

EXECUTIVE SUMMARY // 8

02

PROPERTY DESCRIPTION // 12

03

FINANCIAL ANALYSIS // 19

04

MARKET OVERVIEW // 22



Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap

section 1
Executive Summary



offering summary



investment overview



investment highlights

Marcus & Millichap

OFFERING SUMMARY

Walgreens

11801 South Avenue O, Chicago, IL 60617



\$5,800,000

Gross Square Feet	14,820 SF
CAP Rate	5.93%
Lease Type	Absolute Triple-Net
Price per SF	\$391.36
Year Built	2011
Lot Size	1.38 Acres

Marcus & Millichap



WALGREENS

11801 South Avenue O, Chicago, IL, 60617

The subject property is a 14,820-square foot freestanding Walgreens Pharmacy, with drive-thru, situated on 1.38-acres in Chicago, Illinois. More specifically, the property is located in the far south side of Chicago at the South Avenue O and 118th Street intersection, just miles from the Illinois-Indiana border. Built in 2011, the property is occupied by an investment grade tenant (Walgreens) on a long-term Absolute Triple-Net Lease.

There are 16.3 years remaining on the Absolute Triple-Net Lease (absolutely no landlord responsibilities) before the tenant can exercise an option to terminate. The original 75-year lease commenced in May of 2011 and is scheduled to expire in May of 2086. The lease includes annual tenant termination rights after the year 2036. The annual rent is \$344,012 with no rental increases through the life of the lease.

The corporate guaranteed lease is backed by Walgreens Co., investment grade tenant with an S&P Credit Rating of BBB. Walgreens, one of the nation's largest leading drugstore chains, constitutes the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (Nasdaq: WBA), the first global pharmacy-led, health, and wellbeing enterprise. More than 8 million customers interact with Walgreens each day across the United States. Walgreens operates 9,500+ drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Walgreens Boots Alliance reported sales of \$131.5 Billion and employs more than 230,000 people.

The subject property is a relocation site for Walgreens from an in-line shopping center located directly across the street. Walgreens has operated at this intersection for many years demonstrating their commitment and success at this site. Located at the South Avenue O and 118th Street intersection, the property enjoys daily traffic counts in excess of 16,000 vehicles per day. Furthermore, as of 2018 the population within a 5-mile radius is 245,183.

INVESTMENT HIGHLIGHTS

Long Term Absolute Triple-Net Lease with 16.3 Years Remaining

Relocation Walgreens (Moved From In-Line Location Across the Street)

Corporate Guaranteed Lease by Walgreens (S&P = BBB)

Walgreens is One of the Nation's Largest Leading Drugstore Chains

Drive-Thru Location



Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap

section 2
Property Description



the property

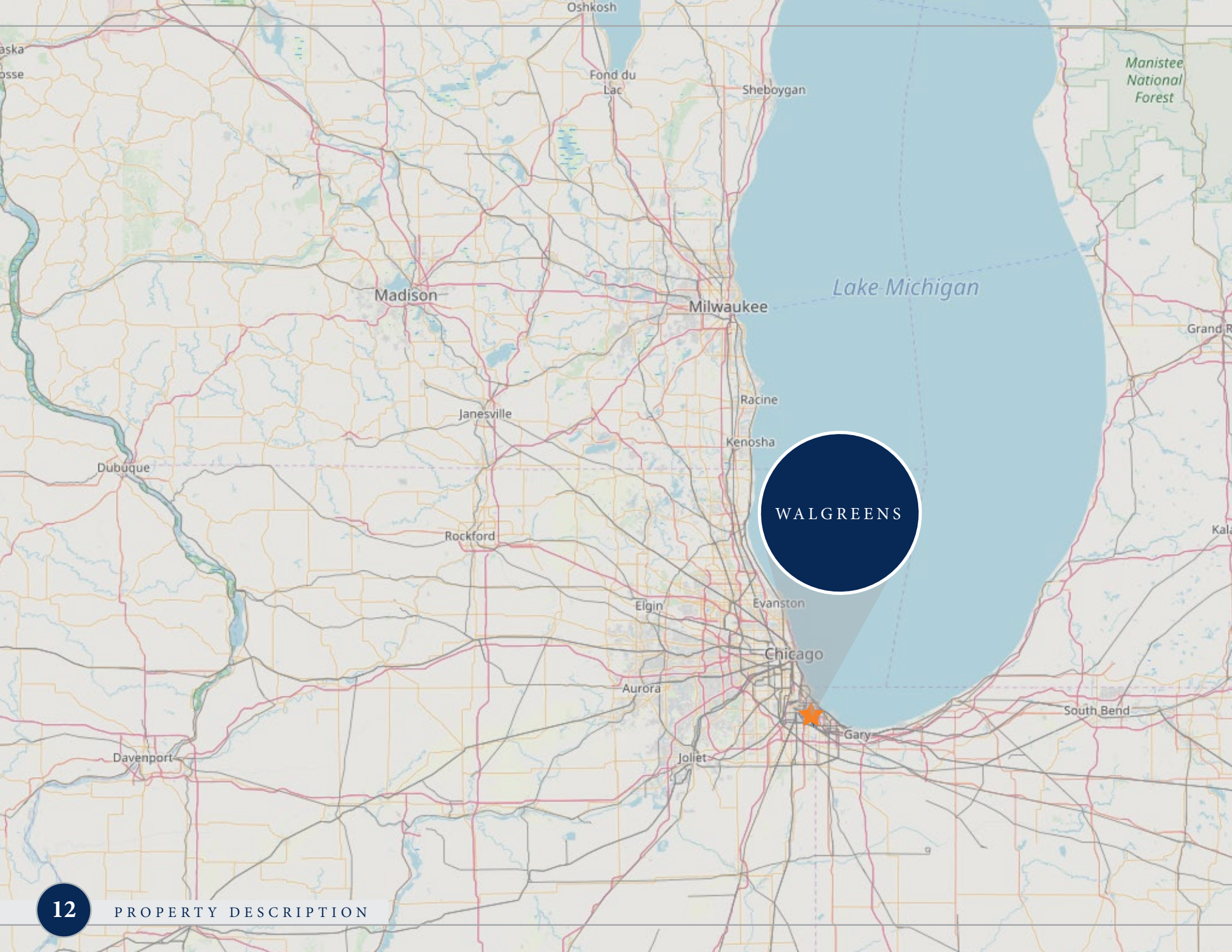


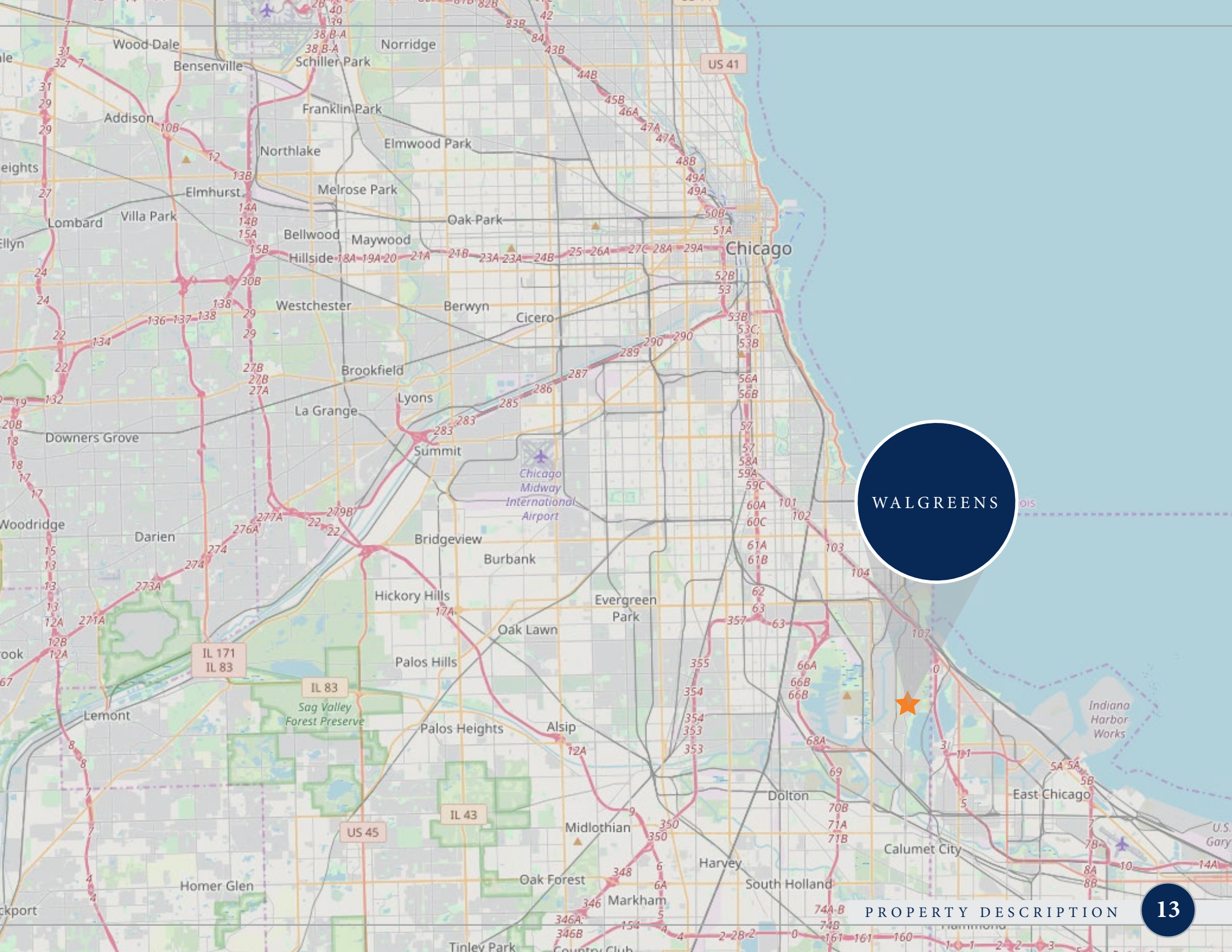
local and regional maps



aerial map

Marcus & Millichap





PROPERTY DESCRIPTION // *Walgreens*

Ownership	Fee Simple
Number of Stories	1
Parking	41 Spaces
Parking Ratio	2.77 Per 1,000 Square Feet
Topography	Flat
Number of tax parcels	1
APN	26-20-301-001-0000

CONSTRUCTION

Foundation	Concrete
Framing	CMU
Exterior	Brick & Concrete Block
Parking Surface	Asphalt
Roof	EPDM

MECHANICAL AND ZONING

HVAC	Roof Mounted
Fire Protection	Sprinklered
Utilities	Public To-Site
PUD	C1-1

ACCESS POINTS

Located on the SE corner of South Avenue O Street and 118th Street (access from both streets)

UTILITIES

Gas	Tenant Responsibility
Electric	Tenant Responsibility
Water	Tenant Responsibility
Sewer	Tenant Responsibility
Trash	Tenant Responsibility



LAKE MICHIGAN

George Washington High School

Royal BANK
 DOLLAR GENERAL
 SUBWAY
 T.J. maxx
 pete's fresh market
 planet fitness
 DOLLAR TREE

INDIANA ILLINOIS

DIAMOND CORING
CONCRETE CUTTING CONTRACTORS

118TH STREET

SOUTH AVENUE O - 16,000 VPD

GALLO Equipment Co.

SUBJECT PROPERTY
Walgreens
Chicago, IL



Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap

section 3
Financial Analysis



property details



pricing details

Marcus & Millichap



PROPERTY SUMMARY // *Walgreens*

THE OFFERING	
Property	Walgreens
Property Address	11801 South Avenue O, Chicago, IL, 60617
Price	\$5,800,000
Capitalization Rate	5.93%
Price/SF	\$391.36

PROPERTY DESCRIPTION	
Year Built / Renovated	2011
Gross Leasable Area	14,820 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	1.38 Acres

ANNUALIZED OPERATING INFORMATION	
INCOME	
Net Operating Income	\$344,012

LEASE SUMMARY	
Property Subtype	Net Leased Drug Store
Tenant	WALGREEN CO
Rent Increases	None
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	5/2/2011
Lease Expiration	5/31/2036
Lease Term	25
Term Remaining on Lease (Years)	16.4
Renewal Options	1-Year Options to Terminate to 5/31/2086
Landlord Responsibility	None
Tenant Responsibility	All Expenses
Right of First Refusal/Offer	Yes

LEASE SUMMARY				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$344,012	\$28,668	\$23.21	5.93%



Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap

section 6
Market Overview



location overview



market research



demographics

Marcus & Millichap



CHICAGO

ILLINOIS

POPULATION
2,700,000

CHICAGO // *Overview*

Chicago-Naperville-Elgin is one of the largest metros in the nation. Also known as the Greater Chicagoland area, it is bounded to the east by Lake Michigan, expands over a 5,000-square-mile region in northeastern Illinois and extends into Wisconsin and Indiana. The metro houses 9.6 million people and comprises 14 counties. The city of Chicago contains 2.7 million residents. The greatest growth during the past 20 years occurred in the western portion of the region. In recent years, however, businesses are relocating back into the city to attract young workers, supporting the development of high-rise residential towers in the downtown Chicago.

The Chicago metro has something to offer every one of its residents and visitors, whether it is legendary blues and jazz music, cultural and educational venues, professional sports, dining, entertainment, shopping or recreational amenities.

The Chicago area's relative affordability is largely due to its lower housing costs. The median home price is significantly less than in other cities of its size and is below that of many smaller cities, including Seattle and Denver.

Cultural activities and artistic venues underpin the metro's cosmopolitan lifestyle. The region is home to various well-known museums, including the world-class Field Museum, Shedd Aquarium, Art Institute of Chicago and Adler Planetarium. The theater scene rivals the world's best, and troupes, dance companies, symphony orchestras and music venues abound.

CHICAGO QUICK FACTS

- Third-Largest Metropolitan Area
- Wealth of Intellectual Capital
- Large, Diverse Employment Base



DEMOGRAPHICS // *Walgreens*



235,928

Total Population Within Five-Mile Radius



\$75,844

Average Household Income within
One-Mile Radius



86,199

Total Households Within
Five-Mile Radius





POPULATION	1 Mile	3 Miles	5 Miles
2023 Projection	4,962	57,482	235,928
2018 Estimate	5,033	59,415	245,183
2010 Census	5,014	59,710	247,578
2000 Census	4,998	62,422	281,659

INCOME	1 Mile	3 Miles	5 Miles
Average	\$75,844	\$56,497	\$51,712
Median	\$61,555	\$43,361	\$38,519
Per Capita	\$24,909	\$19,576	\$18,272

HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2023 Projection	1,642	20,146	84,791
2018 Estimate	1,653	20,532	86,199
2010 Census	1,636	20,568	86,775
2000 Census	1,685	22,057	95,274

HOUSING	1 Mile	3 Miles	5 Miles
2018	\$152,968	\$126,405	\$122,683

EMPLOYMENT	1 Mile	3 Miles	5 Miles
2018 Daytime Population	5,368	52,380	194,155
2018 Unemployment	4.35%	6.00%	8.56%
2018 Median Time Traveled	37	36	40

RACE & ETHNICITY	1 Mile	3 Miles	5 Miles
White	66.12%	54.32%	24.35%
Native American	0.02%	0.03%	0.02%
African American	1.79%	14.34%	60.63%
Asian/Pacific Islander	0.87%	0.44%	0.25%



Marcus & Millichap