

# For Sale Summary Report

## For Sale: 304 Broadway - Walgreens



Lynn, MA 01904 - Saugus/Lynn Submarket



### FOR SALE DETAILS

Price	\$1,747,663
Price/SF	\$149.37
Cap Rate	8.00%
NOI	\$139,813
On Market	322 Days
Last Updated	Mar 21, 2023
Status	Active
Sale Type	Investment
Conditions	Investment Triple Net
Investment Type	Core, Triple Net

### BUILDING

Type	2 Star Retail Drug Store
Location	Suburban
GLA	11,700 SF
Floors	1
Typical Floor	11,700 SF
Class	C
Year Built	1994
Tenancy	Single
	BD

### LAND

Land Acres	0.62 AC
Bldg FAR	0.43
Zoning	BD
Parcels	LYNN-000074-000103-000004
Land SF	27,007 SF

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### SALES CONTACTS

Sales Company	Marcus & Millichap John Glass 750 Battery St, Suite 500 San Francisco, CA 94111 United States (415) 963-3000 (p)	Recorded Owner	Stephen Helman 300 Wilmot Rd Deerfield, IL 60015 United States
Sales Company	Marcus & Millichap Jason Hernandez 3741 Douglas Blvd, Suite 200 Roseville, CA 95661 United States (916) 724-1400 (p)	True Owner	Walgreens 106 Wilmot Rd Deerfield, IL 60015 United States (847) 940-2500 (p)
Sales Company	Marcus & Millichap Thomas Shihadeh 100 High St, Suite 1025 Boston, MA 02110 United States (617) 896-7200 (p)		

### SALE HIGHLIGHTS

- NEW 13-YEAR ABSOLUTE NNN LEASES | LEASEHOLD INTEREST
- RARE 5% RENT INCREASES EVERY 5 YEARS
- INVESTMENT GRADE TENANT
- CRITICAL DRIVE-THROUGH LANE

### SALE NOTES

#### NEW 13-YEAR ABSOLUTE NNN LEASES | LEASEHOLD INTEREST

The subject properties operate under newly-signed 13-year Absolute NNN Leases with no landlord management or maintenance responsibilities whatsoever. The properties offer a rare opportunity for an investor to acquire the subject property improvements under a leasehold interest, which provides a significantly higher return compared to a traditional fee simple absolute NNN lease. Each property is subject to a ground lease (see Offering Highlights page for details).

#### RARE 5% RENT INCREASES EVERY 5 YEARS

The lease offers 5% rent increases every 5 years during the original term and the 12, five-year renewal options (if exercised) providing exceedingly more cash flow than a traditional flat Walgreens lease.

#### INVESTMENT GRADE TENANT2

The Lease is guaranteed by Walgreen Co., a subsidiary of Walgreens Boots Alliance, Inc. and rated Baa2/Stable by Moody's. Walgreens Boots Alliance, Inc., the Parent Company, carries an Investment Grade Credit Rating of BBB/Stable from S&P and Baa2/Stable from Moody's.

#### CRITICAL DRIVE-THROUGH LANE

According to the Wall Street Journal, more companies look for properties that will allow them to serve customers in their cars. Interest in drive-through real estate was growing even before Covid-19, but it exploded last year when total sales volume for restaurants, pharmacy and bank properties hit a record \$12 billion, according to data firm CoStar Group Inc. Finding drive-through real estate can be challenging, especially in densely built areas,

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because the properties need to have enough space to accommodate long lines of cars.

### ESSENTIAL RETAILER OPERATING AND ASSISTING U.S. AUTHORITIES DURING THE COVID-19 PANDEMIC<sup>3</sup>

As a global, pharmacy-led health care company, Walgreens Boots Alliance has been working to ensure the safety and well-being of their colleagues, patients and customers during the pandemic of COVID-19. Their retail pharmacies have worked to provide up-to-date information and public health guidelines to customers, and their emergency response teams across the business are actively working to find ways play a greater role in what has become a global emergency – including working with the United States federal government to expand access to COVID-19 testing.

(1) Rentable Area, Lot Size, Guarantor, Lease Terms, Building Specifications, Year Built, Demographics and S&P/Moody's Ratings are estimates. Buyer is responsible for verifying during the Due Diligence process.

(2) All financial data shown above is for Walgreens Boots Alliance, Inc., the Parent Company. The Tenant under the Lease, Walgreen Co., is a subsidiary of Walgreens Boots Alliance, Inc., the parent company. Walgreens Boots Alliance, Inc. does not guarantee the lease.

(3) Sources: www.walgreensbootsalliance.com, www.phoenixchamber.com

### KEY TENANTS

Tenant	Industry	Floor	SF Occupied	Exp Date
Walgreens	Retailer	1	9,226	-

### MARKET CONDITIONS

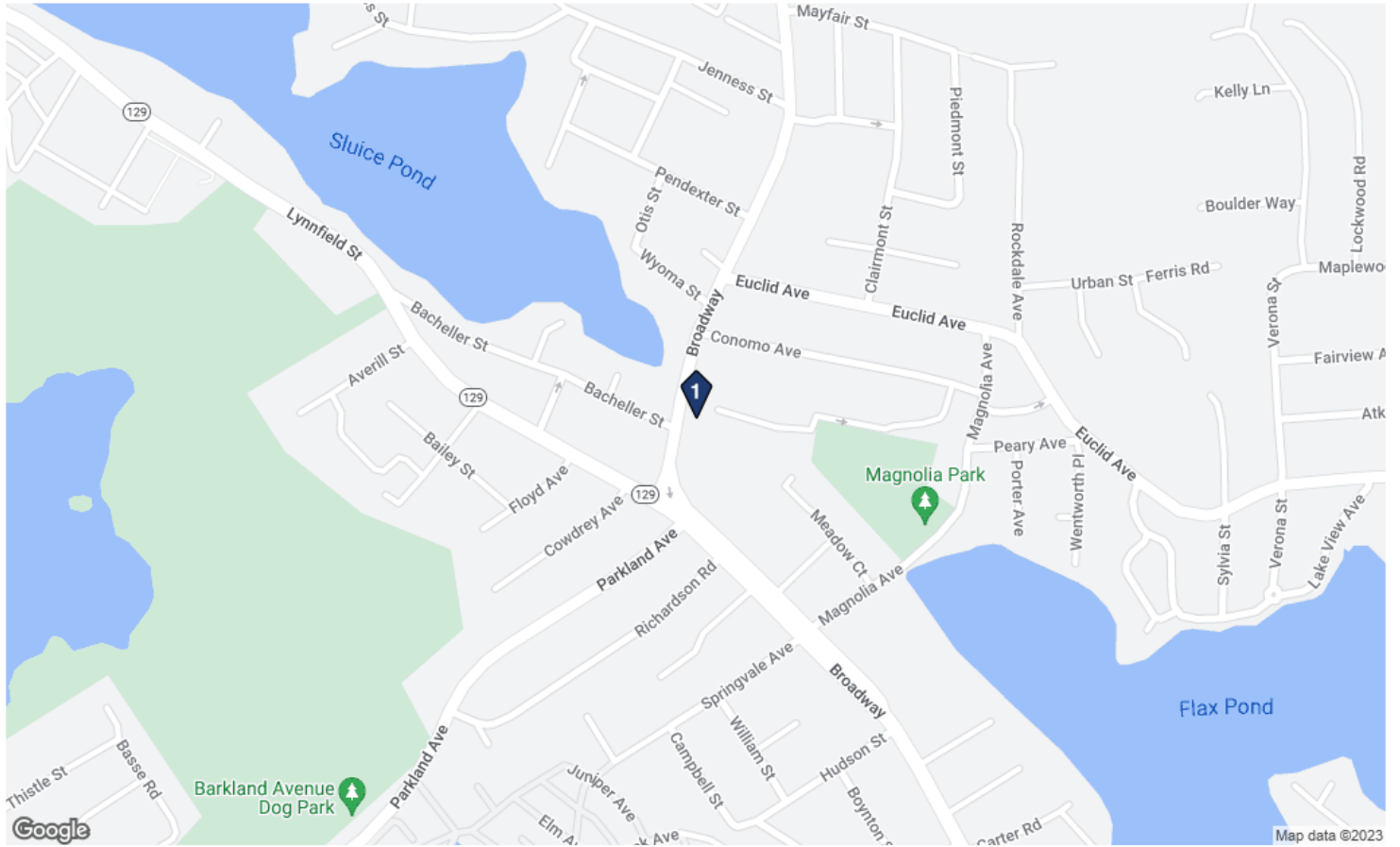
Vacancy Rates	2023 Q2	YOY Change
Subject Property	0.0%	0.0%
Submarket 1-3	1.7%	-1.0%
Market Overall	2.6%	-0.2%
Market Rent Per Area		YOY Change
Subject Property	\$24.61/SF	4.4%
Submarket 1-3	\$24.43/SF	4.5%
Market Overall	\$27.14/SF	4.7%
Submarket Leasing Activity		Prev Year
12 Mo. Leased	106,934 SF	94.4%
Months on Market	8.8	-14.7 mo
Submarket Sales Activity	2023 Q2	Prev Year
12 Mo. Sales Volume (Mil.)	\$100.01M	\$103.99M
Market Sale Price Per Area	\$272/SF	\$263/SF

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### LOCATION

Zip	01904
Submarket	Saugus/Lynn
Submarket Cluster	Route 128 North
Market	Boston
County	Essex
State	MA
CBSA	Boston-Cambridge-Newton, MA-NH
DMA	Boston (Manchester), MA-NH-VT

### TRANSPORTATION

Commuter Rail	6 min drive to Lynn Commuter Rail (Newburyport/Rockport Line)
Airport	20 min drive to Logan International Airport
Walk Score®	Very Walkable (75)
Transit Score®	Some Transit (28)

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### NEARBY SALE COMPARABLES

Address	Name	Rating	Yr Blt/Renov	Size	Sale Date	Sale Price	Price/SF
509 Eastern Ave	CVS	★★★★★	1940	12,858 SF	Jan 2023	\$4,650,000	\$361.64
272 Highland Ave		★★★★★	2008	12,810 SF	Apr 2022	\$6,451,667	\$503.64
365 Chatham St		★★★★★	1920	6,322 SF	Nov 2021	\$825,000	\$130.50
21A Market Sq		★★★★★		10,615 SF	Jun 2022	\$1,730,000	\$162.98
742 Western Ave	Celley's Pub & Grub	★★★★★	1926	8,500 SF	Apr 2022	\$1,231,000	\$144.82
465 Washington St		★★★★★	1911	6,863 SF	May 2022	\$1,750,000	\$254.99
1 Neptune Blvd		★★★★★	1987	11,956 SF	Mar 2022	\$2,250,000	\$188.19
798 Western Ave		★★★★★	1920	7,239 SF	Apr 2022	\$1,000,000	\$138.14
811 Lynnway		★★★★★	1960	13,255 SF	Sep 2021	\$3,100,000	\$233.87
163 Lincoln Ave		★★★★★	1945	5,936 SF	Mar 2023	\$1,400,000	\$235.85
438-440 Humphrey St		★★★★★	1900	6,997 SF	Dec 2021	\$1,250,000	\$178.65
564 Broadway		★★★★★	2014	6,762 SF	Nov 2022	\$3,663,000	\$541.70
600 Broadway		★★★★★	2000	11,540 SF	Sep 2022	\$5,250,000	\$454.94
682 Broadway		★★★★★	1990	16,460 SF	Dec 2022	\$5,825,000	\$353.89
682 Broadway		★★★★★	1990	16,460 SF	Apr 2022	\$4,500,000	\$273.39
15-17 Central St		★★★★★	1920	6,168 SF	Feb 2022	\$1,700,000	\$275.62

# 1 304 Broadway - Walgreens

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 11,700 SF Retail Drug Store Building Built in 1994  
 Property is for sale at \$1,747,663 (\$149.37/SF)



Investment Information	Sales Contacts
Sale Price: <b>\$1,747,663</b> Price/SF: <b>\$149.37</b> Cap Rate: <b>8.00%</b>	<b>Marcus &amp; Millichap</b> 750 Battery St Suite 500 San Francisco, CA 94111 (415) 963-3000
Sale Status: <b>Active</b> Sale Conditions: <b>Investment Triple Net</b> Sale Type: <b>Investment</b>	
Days On Market: <b>322</b>	<b>John A. Glass</b> Executive Managing Director, Investments (415) 625-2114 (phone) (415) 296-0619 (fax)
Portfolio Info: <i><b>This property is also for sale as part of a portfolio</b></i>	

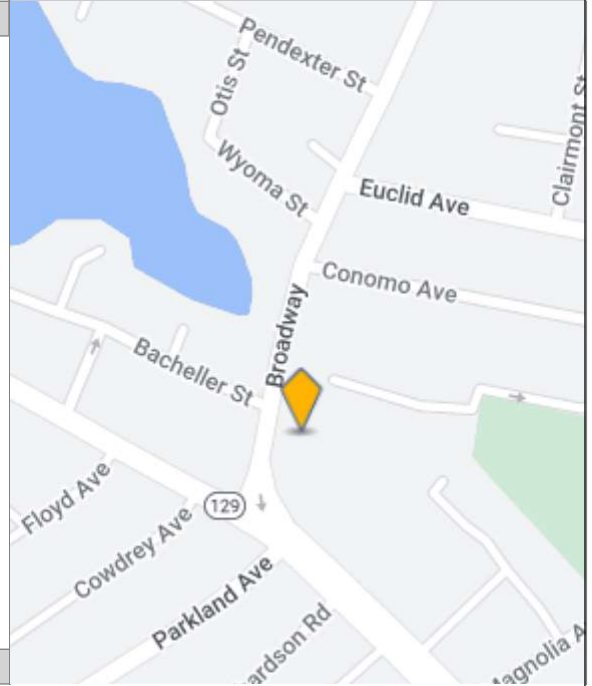
## Investment Notes

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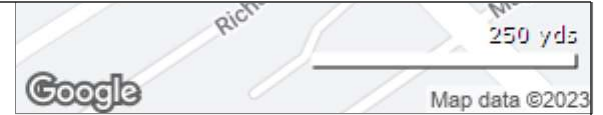


## Center Information

Center Type: **Drug Store**  
Bldg Status: **Built 1994**  
% Leased: **100.0%**  
Rent/SF/Yr: **For Sale**  
Stories: **1**  
Elevators: -

Total Avail: **0 SF**  
Bldg Vacant: **0 SF**  
Owner Occupied: -  
Tenancy: **Single Tenant**

Center Size: **11,700 SF**  
Zoning: **BD**  
Owner Type: **No**  
Land Area: **0.62 AC**  
Lot Dimensions: -  
CAM: -



Parking: **Ratio of 0.00/1,000 SF**  
Parcel Number: **LYNN-000074-000103-000004**