

Walgreens (Ground Lease) | Leesburg, VA



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Financial Summary

424 Sycolin Road SE | Leesburg, VA 20175

Asking Price \$6,973,823 | Cap Rate 5.10%*

Net Operating Income (NOI)	\$356,665
Rent/Month	\$29,638
Rent/SF	\$24.18
Rentable Square Feet	14,707+/- SF
Land Area	2.00+/- Acres
Lease Area	1.50+/- Acres
Tenant Name	Walgreens
Credit Rating	S&P: BBB
Stock Symbol	NYSE: WBA
Guarantor	Corporate
Ownership Type	Fee Simple
Lease Type	NN Ground Lease
Landlord Responsibilities	CAM Reimbursement Shortfall**
Store Opened	July 2010
Initial Lease Term Remaining	12 Years
Rent Commencement	March 16, 2010
Lease Expiration	March 16, 2030
Increases	10% Every 10 Years

***Note: 12 year blended cap rate 5.51%**

****Note: 2017 shortfall \$2,334**

Investment Highlights

- Absolute NN ground lease
- Rent increase of 10% in 2 years (2020)
- Walgreens Boots Alliance lease guarantor - S&P: BBB
- Co-located with neighborhood strip center and day care facility
- Signalized intersection
- Located in Loudoun County (Washington, DC MSA)
- Strong demographics - avg HH income \$150K+ within 5 miles, the highest in the US



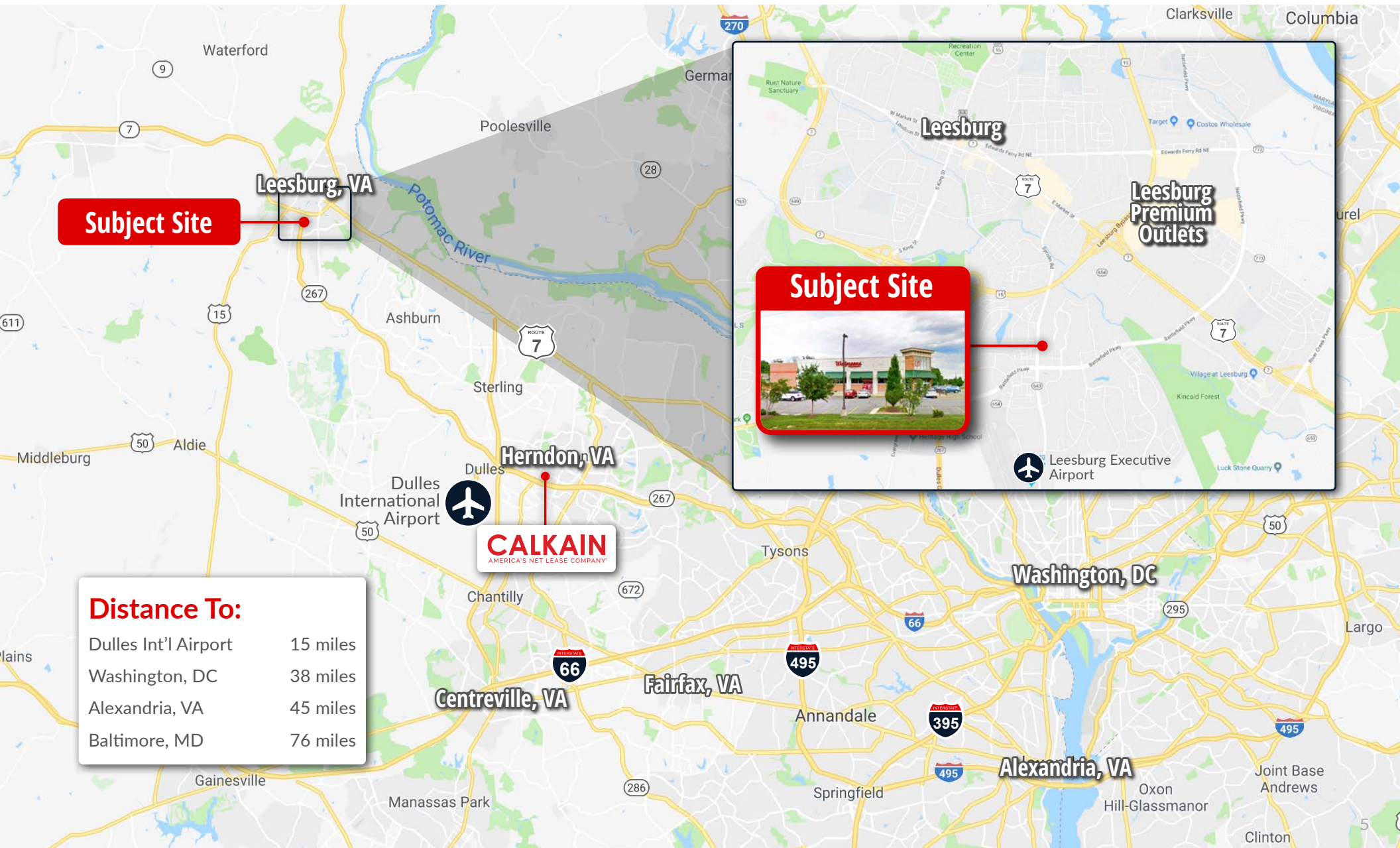
Site Photos



Surrounding Retail



Location Overview

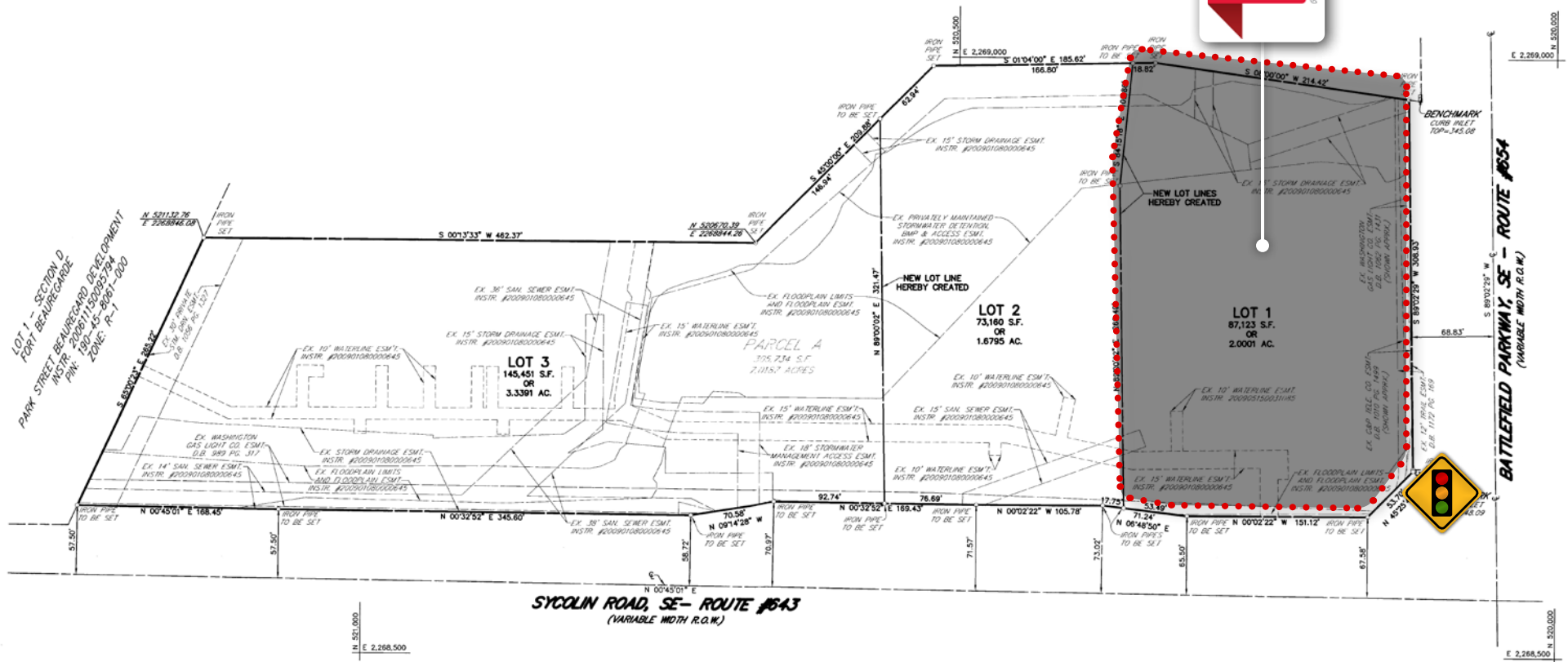


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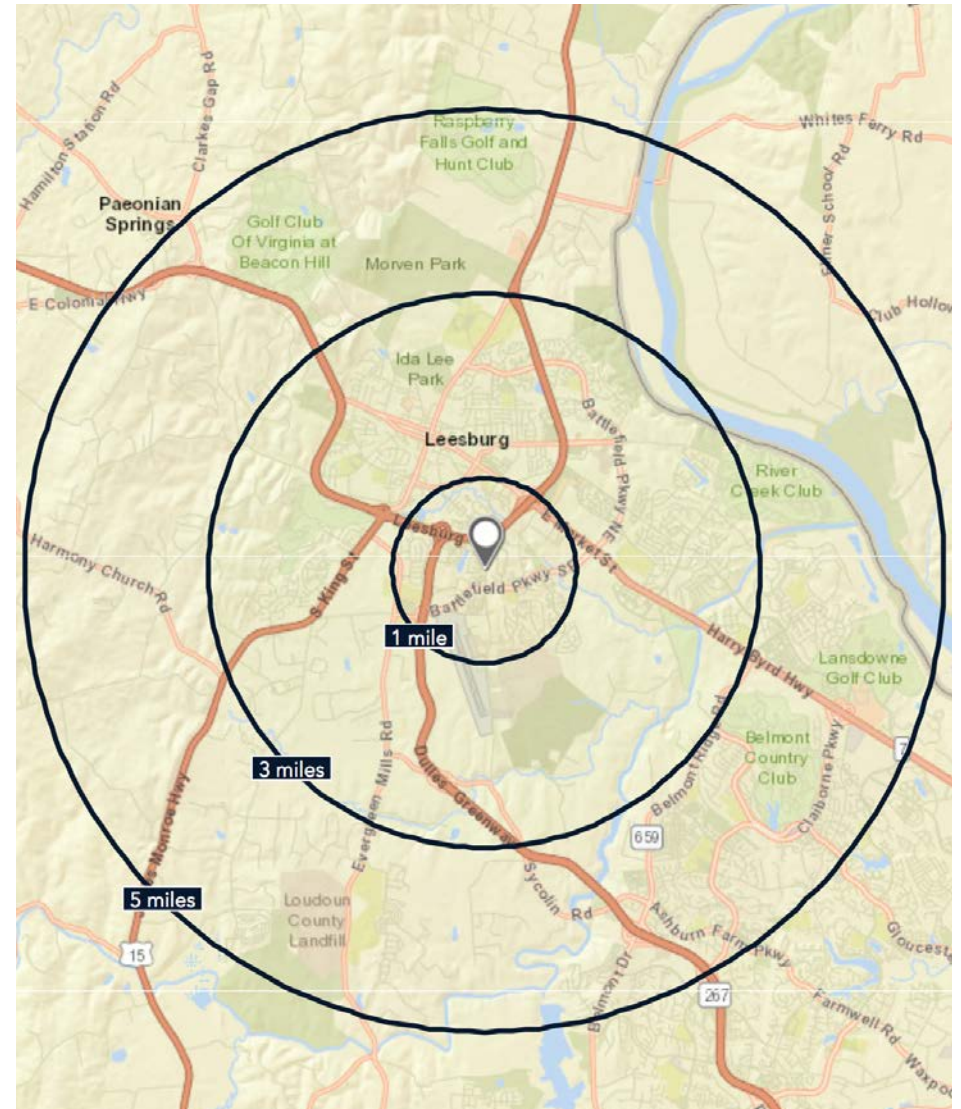
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Demographics

Radius	1 Mile	3 Miles	5 Miles
Population			
2017 Population	11,134	56,828	106,032
2022 Population	12,775	63,889	120,586
2010-2017 Annual Rate	1.75%	1.32%	1.89%
2017-2022 Annual Rate	2.79%	2.37%	2.61%
2017 Male Population	49.3%	49.3%	49.0%
2017 Female Population	50.7%	50.7%	51.0%
2017 Median Age	34.3	34.7	35.9
Households			
2017 Total Households	4,062	18,745	35,320
2022 Total Households	4,675	21,070	40,110
2010-2017 Annual Rate	1.86%	1.31%	1.82%
2017-2022 Annual Rate	2.85%	2.37%	2.58%
2017 Average Household Size	2.68	3.00	2.98
Median Household Income			
2017 Median Household Income	\$99,672	\$109,762	\$123,798
2022 Median Household Income	\$107,605	\$119,903	\$138,215
2017-2022 Annual Rate	1.54%	1.78%	2.23%
Average Household Income			
2017 Average Household Income	\$124,273	\$133,950	\$152,664
2022 Average Household Income	\$142,287	\$152,826	\$173,349
2017-2022 Annual Rate	2.74%	2.67%	2.57%
Per Capita Income			
2017 Per Capita Income	\$44,841	\$44,806	\$51,221
2022 Per Capita Income	\$51,312	\$51,034	\$58,011
2017-2022 Annual Rate	2.73%	2.64%	2.52%



Demographics | 3 Mile Radius

KEY FACTS

56,828

Population



Average Household Size

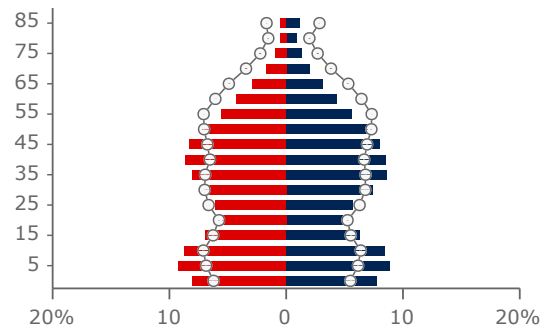
34.7

Median Age

\$109,762

Median Household Income

AGE PYRAMID



The largest group:

2017 Males Age 5-9

The smallest group:

2017 Males Age 85+

Dots show comparison to Montgomery County

INCOME



\$109,762

Median Household Income



\$44,806

Per Capita Income



\$283,480

Median Net Worth

BUSINESS



2,303

Total Businesses



29,232

Total Employees

EMPLOYMENT



White Collar

74%



Blue Collar

12%



Services

14%



Unemployment Rate

BUSINESSES



19

Comms (SIC)



237

Finance/Real Estate (SIC)



48

Banks (SIC)



38

Securities Broker (SIC)



45

Insurance (SIC)

Market Overview

Leesburg, VA

Leesburg is a historic town within and the county seat of Loudoun County, Virginia. Leesburg is 33 miles west-northwest of Washington, D.C. along the base of Catoctin Mountain and adjacent to the Potomac River. Its population according to the 2014 Census is 49,496. The town is also the northwestern terminus of the Dulles Greenway, a private toll road that connects to the Dulles Toll Road at Washington Dulles International Airport.

Leesburg, like the rest of Loudoun, has undergone considerable growth and development over the last 30 years, transforming from a small, rural, piedmont town to a suburban bedroom community for commuters to the national capital. Growth in the town and its immediate area to the east (Lansdowne/Ashburn) concentrates along the Dulles Greenway and State Route 7, which roughly parallels the Potomac River between Winchester to the west and Alexandria to the east.

The Federal Aviation Administration's Washington Air Route Traffic Control Center is in Leesburg.



The historic Leesburg courthouse



Downtown Leesburg, VA

In The News

Department of Economic Development Announces Record-Breaking Year

The
Loudoun Tribune
News • Analysis • Opinion

Loudoun Economic Development Executive Director Buddy Rizer (center) speaks before the county business community at the FY17 Annual Report Reveal July 27 at Selma Mansion in Leesburg. Rizer is joined on the balcony by Supervisor Suzanne Volpe (left) and “Loudoun County Virginia: Preserving Tradition, Embracing Innovation” photographer David Galen (right) and author Dusty Smith (far right).

Fiscal year 2017 was one of tremendous growth, according to the Loudoun County Department of Economic Development.

The DED revealed some of the FY2017 report findings at an event July 27 at the Selma Mansion in Leesburg. Guests received a summary of the report as well as a book commissioned by the DED to tell Loudoun’s story.

“In what other county can we be the data center capital of the world but then have the incredible beauty that we see here tonight, and the rich history we have in our county?” Supervisor Suzanne Volpe (R-Algonkian) said. “We need to cherish our heritage while being innovative.”

According to the annual report, the DED worked with more than 100 businesses that moved to or expanded in the county between July 1, 2016 and June 30, 2017. Those businesses invested a combined total of \$3.3 billion in Loudoun, bringing the department’s three-year total to more than \$7.2 billion in new, announced commercial investment. This is the largest amount of business investments in the country for counties Loudoun’s size, DED Executive Director Buddy Rizer said.

This is the department’s third record-breaking year in a row, following \$1.6 billion in FY15 and \$2.3 billion in FY16.

The companies that moved to or expanded in Loudoun in FY17 are from a wide range of industries, which include cyber security, health IT, aviation and aerospace, data centers, craft beverage producers and IT organizations of many kinds.

Over the last three years, Loudoun has attracted more than \$7.2 billion in



investment and 10,000 new jobs, Rizer said. Rizer credited Loudoun’s diverse economy, which encompasses the technologically advanced like data centers as well as a large rural component.

“It’s that diversity in our economy that sets us up for the future and it’s easy for us to take for granted the success we’ve had in Loudoun County but we should never take that for granted. It comes from all of our hard work,” Rizer said.

Rizer also said the economic success of the county comes from inter-departmental cooperation, specifically citing the Board of Supervisors. He said the Board has made it easy to do business in Loudoun and by working to create a supportive, welcoming environment, the county has prospered. He also cited the County’s Attorney’s Office, Department of Planning and Zoning, County Administrator Tim Hemstreet and all county staff.

“If all of us do work together, if all of us work to create the right kind of environment, it is possible for us to go forward. It’s possible for us to make the kind of economy we can be proud of in an environment that still remains very committed to what we grew up on in Loudoun County,” Rizer said. “For me, when we all work together, anything can be Loudoun possible.”

Source: www.loudountribune.com
July 28, 2017

About Calkain

Who Are We?

Calkain Companies LLC is a national commercial real estate firm that provides consulting and brokerage services to both private and institutional clientele with an expertise on triple net lease investments. We pride ourselves on being a world class leader by providing our clients a full array of commercial real estate investment brokerage and asset management solutions, including advisory, research, estate planning and wealth management.

We have built solid relationships throughout our decades of experience and innovation, implementing long-term allocation within the context of each client's particular risk tolerance and identifying how best to acquire and dispose of income producing properties for each entities' specific set of investment criterion. At Calkain, our foresight and past performance are leading the net lease investment industry.

Our History

Like most success stories, Calkain was formulated from humble beginnings. Jonathan W. Hipp, President and CEO, took the initiative to build upon his decades of experience and performance and left a large international brokerage firm to become an independent and innovative leader within the triple net lease investment community. Armed with a sole employee and a single office, the firm has grown exponentially since its infancy in 2005.

With the growth in staff, seasoned professionals have been attracted to Calkain's model of innovation, entrepreneurship and the fostering of long-lasting and meaningful relationships. Industry experts have joined Calkain in the hopes of implementing the skills they have honed in complementary aspects of real estate investment.

Through a tremendous endeavor, tireless hours have been committed to continually prove that Calkain is America's Net Lease Company®. Its countless accolades received from the world's leading business publications, including Forbes™, Fortune™ and the New York Times™ have confirmed that Calkain is a true leader in triple net lease investing services.

Client Testimonial

"USRA has worked with Calkain on numerous occasions. They have always been meticulous in their work ethic, providing superior service and extremely prompt attention to our needs. I highly recommend them."

- Jack Genende, Partner | U.S. Realty Advisors, LLC. (USRA)

\$11.5 Billion
in Closed Transactions

\$350 Million
in Active Listings



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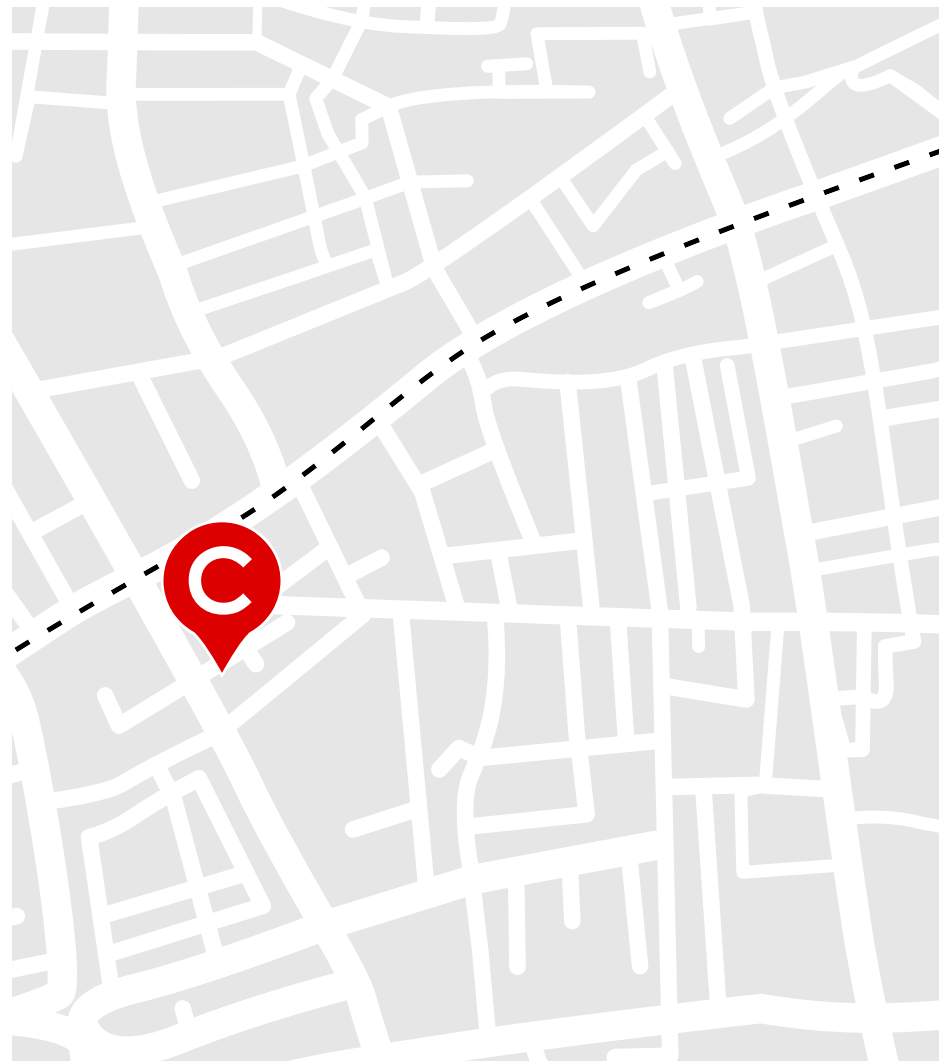
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