

PHENOMENAL SALES AND TROPHY LOCATION ACROSS FROM \$1.3B ATLANTA BRAVES DEVELOPMENT



Walgreens

2670 Cobb Parkway | Smyrna, GA



PEGASUS



PEGASUS

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# \$4.34M REPORTED SALES: MORE THAN DOUBLE THE AVERAGE WALGREENS

Dobbins Air Reserve Base



± 260,940 ADT

± 140,920 ADT

± 39,320 ADT

Spring Road SE

Cumberland Blvd SE



# EXECUTIVE SUMMARY

2670 COBB PARKWAY  
SMYRNA, GA 30080

\$7,308,000

6.00%

\$438,480

WALGREENS

PRICE

CAP

NOI

## OFFERING SUMMARY

Pegasus Investments as exclusive sales advisor is pleased to present for sale an exceptionally high-performing, single-tenant, net-leased Walgreens drugstore across from the new Atlanta Braves stadium in Atlanta, Georgia. Walgreens has operated at this location since 2001 and had reported sales volumes of \$4.21M in 2015 and \$4.34M in 2016 – both years pre-dating the opening of the \$1.3B newly-developed SunTrust Park and Battery mixed-use development. Sales are expected to increase even more because of the significantly increased pedestrian and vehicular traffic generated by the ball park.

The strong store sales at this location, more than 215% above the average store sales of Walgreens, illustrate the strength of the underlying real estate and are a strong indicator of a long and stable occupancy for Walgreens in the future as they approach their option periods.

This opportunity, to acquire a trophy location Walgreens in a major metropolitan area with a proven track record of exceptional store sales, is made even more attractive by the comparatively high cap rate - newer Walgreens with inferior locations sell at cap rates nearly 20% lower. This Walgreens has a NN lease with minimal landlord responsibilities, offering stable and passive cash flow to investors. Furthermore, the irreplaceable, infill location offers investors long term value in the appreciation of the underlying real estate. The Atlanta, Georgia Walgreens at “The Battery” provides investors with an ideal blend of in-place cash flow, long-term value and appreciation.



# INVESTMENT HIGHLIGHTS

## EXTREMELY SUCCESSFUL, SEASONED LOCATION

- Reported store sales in 2015 were \$4,209,000 and \$4,344,000 in 2016, well over double Walgreens average store sales.
- 15+ year historical operating history.

## INVESTMENT GRADE CORPORATE NET LEASE

- Leased by the world's largest pharmacy chain Walgreens Boots Alliance, Inc. (NASDAQ: WBA)—\$86.9B market cap—considered to be one of the most stable and widely recognized companies globally.
- Net lease with minimal landlord responsibilities, offering stable and passive cash flow to investors.
- Fee simple land & building provides ownership with favorable depreciation.

## RAPIDLY GROWING, HIGH INCOME POPULATION

- Impressive trade area demographics with 5-mile density approaching 225,000 and average household incomes over \$95,000.
- Population is forecasted to grow over 8.0% in the next five years.
- Since 2010 the area's millennial population has jumped 32%—the highest millennial growth rate of any community in the Atlanta metro.

## IRREPLACEABLE INFILL REAL ESTATE

- Strategically located just north of the I-285/US 41 interchange, the property is situated on 1.37 acres at the hard, signalized corner of Cobb Parkway/US 41 and Cumberland Boulevard, two of the market's most highly trafficked retail corridors. The site includes multiple access points off both Cobb and Cumberland.
- The subject property is located just steps from the brand-new Braves SunTrust Park and The Battery Atlanta, a 1.3 billion, 1.5 million SF mixed use development surrounding the stadium. Once complete, the Battery will house over 1,600 new employees and 1,300 new residents.

- The Braves have seen a 37% increase in attendance year-over-year since the move to the new complex.
- Adjacent parcel also for sale – 28,000 SF Starbucks anchored shopping center is also for sale by separate owner providing a once in a lifetime, generational investment opportunity in an irreplaceable assemblage, located across from one of the most highly anticipated sporting venue and lifestyle developments in the country.

## LOCATED IN THE EPI-CENTER OF THE MOST EXCITING GROWTH STORY IN THE SOUTHEAST

- The subject property is centrally positioned near the middle of the Cumberland Community Improvement District, a self-taxing district established to improve the area's infrastructure to encourage continued development and investment. The Cumberland CID, a 6.5 square mile zone, only accounts for 1.6% of Cobb County's land area but 33% of its economy.
- Including the nearly complete Battery/SunTrust Park, more than two dozen commercial and residential projects are under construction in the CID including 5,300 new residential units which will yield nearly 11,000 new area residents, 1.7 million SF of Class A office and 625,000 SF of retail.
- From the CID's inception in 1988 until 2024, the area is on track to experience a 350% aggregate growth in commercial real estate values.

*Walgreens*

AT  
**B** THE  
BATTERY  
ATLANTA

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Current - 1/31/2022	\$36,540	\$438,480	\$29.00	6.00%
Options 1 - 8	\$36,540	\$438,480	\$29.00	6.00%

## TENANT SUMMARY

Lessee Name	Walgreen Co.
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	20 Years
Lease Commencement Date	1/3/2001
Lease Expiration Date	1/31/2021
Term Remaining	± 3.5 Years
Increases	None
Options	Eight, 5-Year Options



# ONCE IN A GENERATION INVESTMENT OPPORTUNITY



OFFERED FOR SALE SEPARATELY:  
STARBUCKS ANCHORED  
SHOPPING CENTER

PDF



# PHYSICAL DESCRIPTION

## THE SITE

2670 Cobb Parkway  
Smyrna, GA 30080

**WALGREENS**

17-0879-017

**APN**

± 15,120 SF

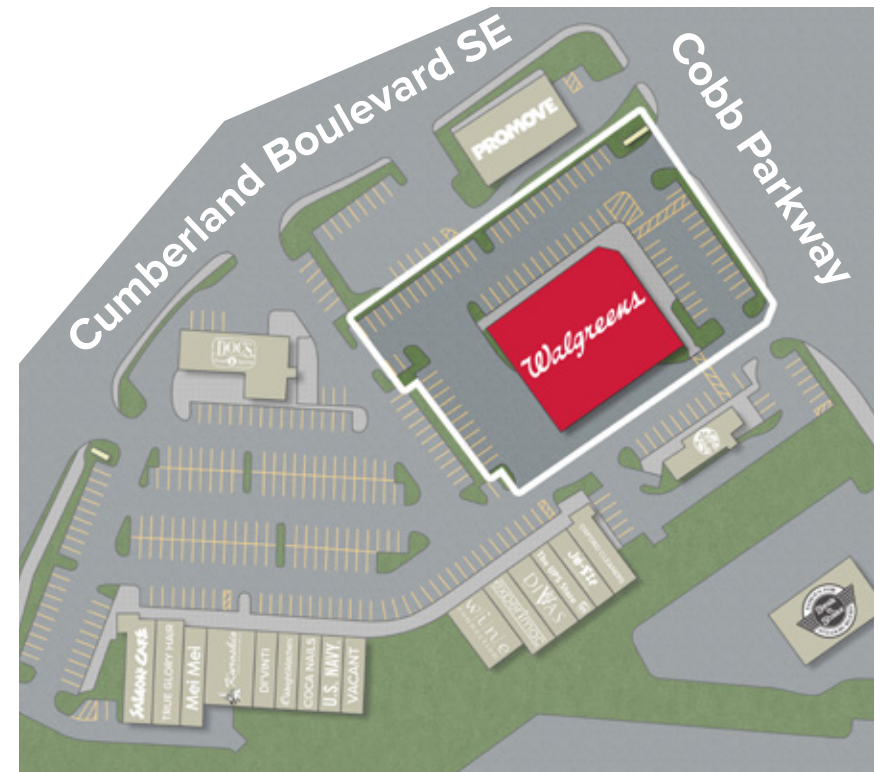
**GLA**

± 1.37 Acres (59,677 SF)

**LOT SIZE**

2000

**YEAR BUILT**



**SITE PLAN**

Number of Stories	1
Number of Buildings	1
Parking Spaces	98 ± Surface Spaces
Parking Ratio	4.5 : 1,000 SF



# Downtown Atlanta



Akers Mill Square  
BED BATH & BEYOND  
Toys R Us  
OfficeMax  
LONGHORN  
the Vitamin Shoppe  
Chick-fil-A  
Party City  
petco  
LAIFITNESS

Cumberland Mall  
★ macy's sears  
DSW  
DESIGNER SHOE WAREHOUSE  
The Cheesecake Factory  
GNC  
LIVE WELL  
BUFFALO WILD WINGS  
H&M

BARNES & NOBLE  
BOOKSELLERS

Pizza Hut  
Schlotzsky's  
at&t

Bank of America

COSTCO  
WHOLESALE

QT

Cumberland Crossing Shopping Center  
enterprise  
Domino's

EMBASSY SUITES  
by Hilton

COBB GALLERIA CENTRE  
ATLANTA

FIREHOUSE  
SUBS  
FOUNDED BY FIREMEN

Holiday Inn  
EXPRESS

ALDI

BURGER KING

COMCAST  
OMNI HOTELS  
& RESORTS

± 140,920 ADT

Hampton  
Inn & Suites

Applebee's

Cumberland Marketplace  
Starbucks  
UPS  
U.S. NAVY  
WeightWatchers

McDonald's

Residence  
Inn  
Marriott

SunTrust Park  
Home of the Atlanta Braves

Spring Road SE  
± 33,130 ADT

DOUBLE TREE  
BY HILTON

KFC

Subject Property

Heritage Pavillion  
COST PLUS  
WORLD MARKET  
ROSS  
DRESS FOR LESS  
SHOE CARNIVAL  
PET SMART  
Marshall's  
Michael's  
DOLLAR TREE  
ULTA

THE BATTERY  
ATLANTA

Red Lobster

DEL TACO

Olive Garden  
ITALIAN KITCHEN

The Promenade  
Shopping Center  
BEST BUY  
IHOP  
verizon  
West Marine

Cumberland Square North  
Office DEPOT

Cobb Parkway ± 39,320 ADT

1,600+ new employees and 1,300+ new residents just across the street from Walgreens



## LOCATION OVERVIEW

This Walgreens is prominently situated along Cobb Parkway, one of Smyrna's primary commercial corridors. Nearby retailers include Best Buy, Ross, Marshall's, Lexus, Aldi, Starbucks, McDonald's and a variety of other nationally recognized high-quality tenants. Within a 20-minute drive from the property, there are over 520,000 residents with an average income over \$86,000. The property is located near the center of the Cumberland Community Improvement District. The 6.5 square miles of the Cumberland CID will realize \$5Bn in public and private investment by 2018, including over 1MM square feet of new Class-A office, 4,000 new residences, 1,250 new hotel rooms, over 500,000 SF of new retail and nearly \$3Bn of infrastructure improvements.

# JUST STEPS FROM THE SUBJECT PROPERTY



“THE BATTERY ATLANTA WILL BE THE SOUTH’S PREEMINENT LIFESTYLE DESTINATION.”

## THE BATTERY ATLANTA

Located just across the street from the Property, The Battery Atlanta is a \$1.3 billion, 1.5 million square foot mixed-use destination that integrates a state-of-the-art Major League Baseball park with a multi-use development and community. The new home of the Atlanta Braves is the first of its kind, offering an unprecedented entertainment experience 365 days a year derived from an accessible, lively shopping and entertainment district, not just on gamedays.

The Battery redefines the traditional model of a “live, work, play” development into a “play, work, stay” destination, with SunTrust Park as its crown jewel. Featuring upwards of 400,000 square feet of unique and experiential retail—including restaurants by some of Atlanta’s most acclaimed chefs, 400,000 square feet of new class A office—adding to the area’s already booming daytime population, and over 500,000 square feet of residential—once completed over 1300 new residents will be located just steps from Walgreens.

**B** THE  
BATTERY  
ATLANTA

at SunTrust Park

HOME OF THE



**\$2B** of public infrastructure improvements accompanied the Battery development.

# DELIVERING A NEW STANDARD TO THE SOUTHEAST



## RESIDENTIAL: 523,000 SF

- 550 UNITS OF ONE, TWO & THREE BEDROOM CONDOS

## HOTEL: 265,000 SF

- 1,050 HOTEL ROOMS

## OFFICE: 400,000 SF

- HOME TO COMCAST'S SOUTHEAST HEADQUARTERS, WHICH EMPLOYS 1,000+ INDIVIDUALS IN ITS 250,000 SF SPACE

## RETAIL: 400,000 SF

- UNIQUE AND EXPERIENTIAL RETAIL INCLUDING RESTAURANTS BY SOME OF ATLANTA'S MOST ACCLAIMED CHEFS

**37%**  
INCREASE IN GAME  
ATTENDANCE



**3 MILLION**  
PROJECTED FAN  
VISITS PER YEAR



# SMYRNA, GA

Strategically located at the confluence of several highway systems, namely I-75 and I-285, the city of Smyrna is about 10 miles northwest of downtown Atlanta. Smyrna is in the inner ring of the Atlanta metropolitan area and continues to be one of the fastest growing cities in the state of Georgia. As one of the most popular places to reside in greater Atlanta, the city attracts people with its strong community spirit and visionary leadership.



**+223,963**

**5-MILE RADIUS POPULATION**

## CUMBERLAND SUBMARKET

Within Smyrna, the Property is ideally located in the thriving Cumberland Submarket, one of the largest submarkets in the southeast with over 32,000,000 square feet of real estate. Cumberland is a home of arts, culture and conventions. Between the Cobb Energy Centre—home of the Atlanta Ballet and The Atlanta Opera—and the Cobb Galleria Centre—one of the southeast’s largest convention centers—750,000 visitors are hosted annually in the district.



Additionally, major public investment is being made into the area’s sustainability, walkability and greenspaces. The Cumberland area continues to evolve into a community that offers it all – upscale hospitality, diverse leisure and entertainment, attractive housing and fast-paced business. This attention to community amenities and culture has resulted in a 32% jump in the area’s millennial population since 2010—the highest growth rate of any community in the Atlanta metro.

## PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2022 Projection	18,036	98,306	223,963
2017 Estimate	16,687	90,697	208,141
Growth 2017 - 2022	8.08%	8.39%	7.60%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2022 Projection	9,107	48,401	98,316
2017 Estimate	8,432	44,681	91,360
Growth 2017 - 2022	8.01%	8.33%	7.61%
INCOME	1-MILE	3-MILE	5-MILE
2017 Est. Average Household Income	\$75,894	\$85,007	\$95,335

# THE CUMBERLAND COMMUNITY IMPROVEMENT DISTRICT

The Cumberland Community Improvement District (CID), Georgia's first CID, is the mechanism by which local commercial property owners advance needed public infrastructure projects. The Cumberland CID was originally formed in 1988 by business leaders interested in improving access to the highways for the emerging Cumberland submarket.

The Cumberland CID is only 6.5 square miles within the Cumberland Submarket that accounts for 5.4% of the Georgia economy and 33% of Cobb County's economy (while only accounting for 1.6% of the county on a land basis). The CCID will realize \$5B in private and public investment by the end of 2018. Since the CID's inception, commercial real estate values in the submarket have more than doubled. Residential and commercial values are projected to grow another \$2.3 billion over the next 8 years (350% aggregate growth from 1988 to 2024).

## CORPORATE & EMPLOYMENT BASE

Major corporations that call the Cumberland CID home include The Home Depot, Genuine Parts Company, GE Energy, Comcast, HD Supply, RaceTrac, and The

Weather Company. The top-ten employers in the area deliver 12,000 of the CID's 76,400 jobs and produce nearly 165,000 total jobs around the state. 17% of Cobb County jobs and 62% of Cobb's management jobs are located within the Cumberland CID. It is forecasted that over the next 25 years at least 50% of the county's job growth will originate in the greater Cumberland submarket.

## NEW DEVELOPMENT

Including the nearly complete Battery and SunTrust Park, more than two dozen commercial and residential projects are under construction in the Cumberland CID area:

- 5,300 new residential units that will yield nearly 10,600 new residents
- 1,700,000 SF of Class A Office
- 1,400 hotel rooms
- 625,000 SF of retail
- hundreds of millions of dollars in commercial renovations



**Walgreens is centrally positioned near the middle of the Cumberland CID, near almost 10M square feet of new construction projects, including the Braves' SunTrust Park and the Battery Atlanta.**

# DISTANCE FROM



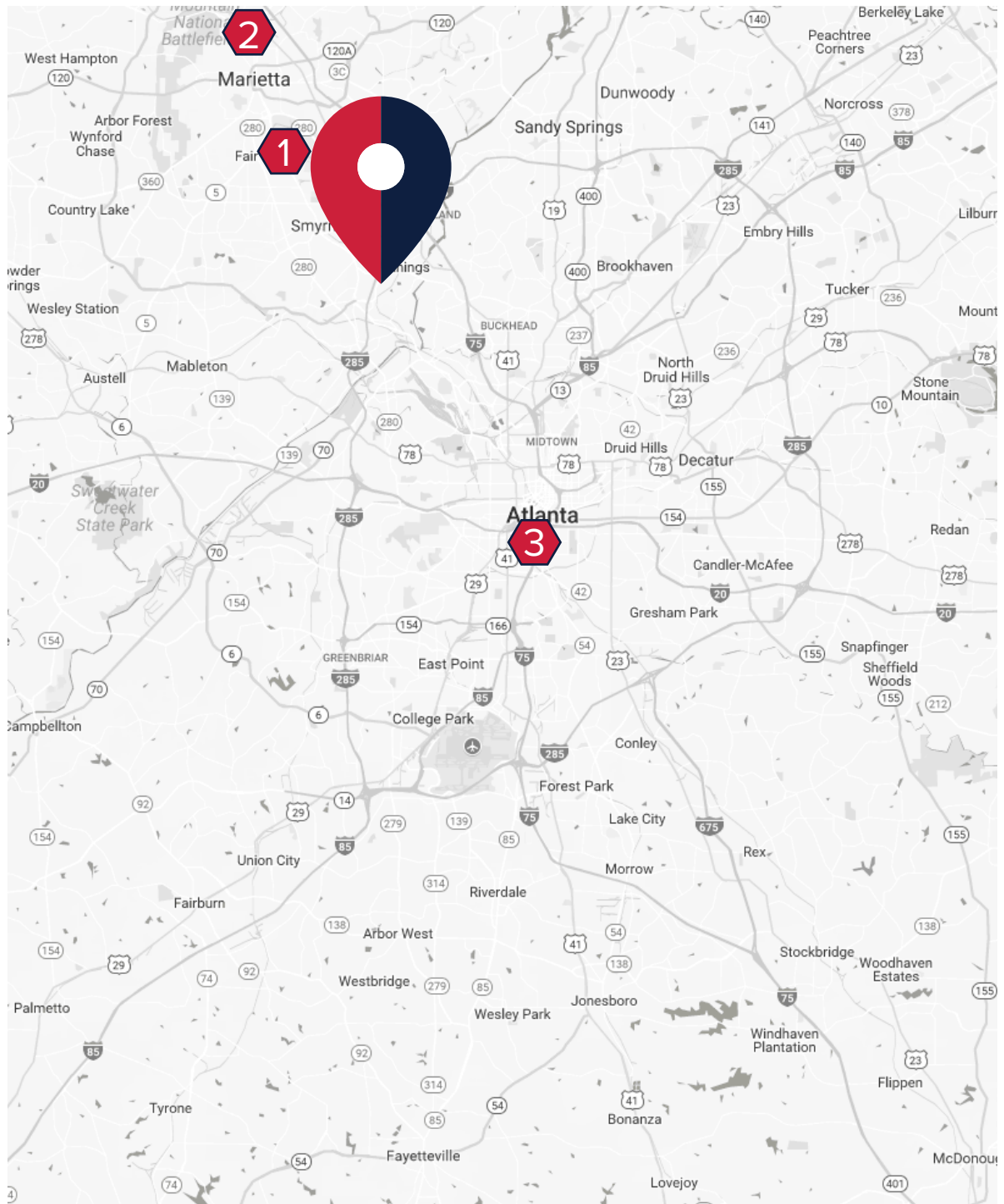
**1. DOBBINS AIR RESERVE BASE**  
Supports +10,000 military guardsmen and reservists  
2.8 MILES



**2. KENNESAW STATE UNIVERSITY**  
Total enrollment of +35,000 students  
4.9 MILES



**3. DOWNTOWN ATLANTA**  
#9 in Forbes' Best Places for Business and Careers  
12 MILES



# ATLANTA, GA

Atlanta is one of the fastest-growing cities in the nation. First home to giants Coca-Cola and Delta Airlines and today a booming hub for large corporate regional and international headquarters. The state capital is now a vibrant center for the increasingly prosperous South. With a GDP of \$304 billion, the metro Atlanta economy is the eighth largest in the country and 17th largest in the world. Atlanta houses the country's third-largest concentration of Fortune 500 companies, many of which are enticed by the city's highly educated work force.

An increasing number of college-educated young adults are moving to this booming metropolis, looking to take advantage of its distinct, vibrant and accessible neighborhoods. World-class restaurants, festive nightlife, seven professional sports teams and an abundance of attractions and events help make Atlanta the center for entertainment in the South. Visitors can experience a diverse and thriving cultural scene at the city's many theatres, museums, galleries and concert halls.







## TENANT REPORT

# Walgreens

Public | NYSE: WBA  
[www.walgreens.com](http://www.walgreens.com)

# of Locations ± 8,175

# of Employees ± 247,000

Credit Rating (S&P) BBB

Market Cap \$103.4 B

Headquartered Deerfield, IL

Year Founded 1901

### OVERVIEW

Walgreen Co., a subsidiary of Walgreens Boots Alliance, Inc., owns and operates one of the largest drugstore chains in the United States, Walgreens, with almost 8,175 store locations. Walgreens drugstores are located within 5 miles of approximately 76 percent of Americans, offering everything from prescription and non-prescription drugs, as well as general merchandise, including household items, convenience and fresh foods, personal care, beauty care, photofinishing and candy. Prescription drugs are the company's economic backbone, accounting for 67% of sales with retail products accounting for 33%.

### WALGREENS BOOTS ALLIANCE, INC.

In December 2014, Walgreens completed its strategic merger with Alliance Boots to establish Walgreens Boots Alliance, Inc., forging the first global pharmacy-led, health and wellbeing enterprise. The combination brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling. Both companies have more than a century's worth of experience in customer and patient care. Walgreens is today part of the Retail Pharmacy USA division of Walgreens Boots Alliance.

### THE NATION'S #1 DRUGSTORE CHAIN

Walgreens' mission is to be America's most-loved pharmacy-led health, well-being and beauty retailer. With a focus on consumer need and satisfaction, Walgreens works to offer ultimate convenience to all its patrons. Walgreens is constantly working to build a seamless customer experience as it is a trusted wellness provider that supplies customers, patients, and payers with everything from acute prescriptions and vaccinations to specialty pharmaceuticals and wellness services. The company also strives to deliver exceptional customer and patient care and drive the finest customer loyalty.



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# Walgreens

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## PEGASUS

# ABOUT PEGASUS INVESTMENTS

Pegasus Investments is a boutique commercial real estate investment and advisory firm based in Los Angeles, California. Specializing in retail shopping centers, single tenant net leased and multifamily properties throughout the United States, Pegasus has consistently delivered on its 28 year reputation of providing high quality, white glove service throughout all stages of the investment sales process. Pegasus provides its clients, which include high net worth private investors, family trusts, private & public REIT's, local and regional developers and syndicators with advisory services encompassing underwriting, market research, investment sales and asset management. Pegasus continues to set the bar for high quality, boutique investment sales brokerage and advisory by relying on its industry-leading talent which include experienced institutional and private sector investors.



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