

Walgreens

klnb Capital
Markets

OFFERING MEMORANDUM



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321 S Battlefield Blvd
Chesapeake, VA 23322

PRICE
\$4,142,857



CAP RATE
6.65 %

GROSS LEASABLE AREA
13,678 SF



LOT SIZE
1.579 Acres



YEAR BUILT
2002



LEASE TYPE
Absolute NNN



THE OFFERING

Tenant	Walgreens	Lease Comm.	12/1/2002
NOI	\$275,500	Lease Exp.	11/30/2038
GLA	13,678 SF	Term Remaining	13+ Years
Lot Size	1.579 Acres	Increases	5% / Every 5 Years
Year Built	2002	Options	Twelve; Five-Year Terms
Lease Type	Absolute NNN	Guarantor	Walgreens Co

RENT SCHEDULE

Lease Year	Date	Annual Rent	Monthly Rent	% Increase
Base Rent	12/1/2023 - 11/30/2028	\$275,500	\$22,958.33	-
	12/1/2028 - 11/30/2033	\$289,275	\$24,106.25	5%
	12/1/2033 - 11/30/2038	\$303,739	\$25,311.56	5%
Option Terms	12/1/2038-11/30/2043	\$318,926	\$26,577.14	5%
	12/1/2043-11/30/2048	\$334,872	\$27,906.00	5%
	12/1/2048-11/30/2053	\$351,616	\$29,301.30	5%
	12/1/2053-11/30/2058	\$369,196	\$30,766.36	5%
	12/1/2058-11/30/2063	\$387,656	\$32,304.68	5%
	12/1/2063-11/30/2068	\$407,039	\$33,919.91	5%
	12/1/2068-11/30/2073	\$427,391	\$35,615.91	5%
	12/1/2073-11/30/2078	\$448,760	\$37,396.71	5%
	12/1/2078-11/30/2083	\$471,198	\$39,266.54	5%
	12/1/2083-11/30/2088	\$494,758	\$41,229.87	5%
	12/1/2088-11/30/2093	\$519,496	\$43,291.36	5%
	12/1/2093-11/30/2098	\$545,471	\$45,455.93	5%



Investment Highlights



CORPORATELY GUARANTEED, LONG-TERM ABSOLUTE TRIPLE NET (NNN) LEASE

- Walgreens executed a brand new, long-term 15-year lease in December of 2023, displaying their long-term commitment to the market
- Absolute Triple Net (NNN) Lease with no landlord responsibilities; tenant is responsible for all expenses and maintenance/management of the real estate offering a true hands-off investment opportunity
- Walgreens was acquired by Sycamore Partners, a private equity firm with expertise in retail turnarounds, in an approximate \$10B deal that closed in August of 2025, in which Walgreens was valued at up to \$23.7B
- Walgreens is regularly among the largest American companies by revenue, and was ranked #26 on the 2025 Fortune 500 list



LONG-TERM HISTORICAL OCCUPANCY OPERATING WITH MINIMAL COMPETITION

- Walgreens has been a tenant at the subject location for over 23 years
- With the recent closing of Rite Aid across the street, Walgreens is the only freestanding, national pharmacy, within 2.8 miles of the property, offering services to a dense and captive audience but also limiting risk of competition
- Long term occupancy coupled with the new lease as of 2023, reinforces Walgreens commitment to the site
- Per Placer.ai the property sees 203,000 annual visits, an increase year over year

Investment Highlights



LOCATED ALONG THE MAJOR RETAIL CORRIDOR OF SOUTH BATTLEFIELD BOULEVARD AND SURROUNDED BY STRONG PERFORMING RETAILERS AND CENTERS

- Positioned along highly trafficked, and retail corridor, of South Battlefield Boulevard with easy access to major roadways
- South Battlefield Boulevard sees robust traffic counts of over 32,000 vehicles per day (VPD)
- At the intersection of S. Battlefield Boulevard and Mt. Pleasant Road, a feeder to the Chesapeake Expressway (Route 168), Walgreens is located less than 0.8 miles from the off ramp of this major state highway and the primary connector roadway to North Carolina that sees over 77,000 VPD
- Adjacent to the strong performing, Kroger anchored, Great Bridge Shopping Center which sees 2.6 million visitors annually, per placer.ai, ranking in the top 90th percentile amongst all neighborhood centers in Virginia, and top 91st percentile within a 15-mile radius, allowing Walgreens to benefit from a healthy cross-shopping environment



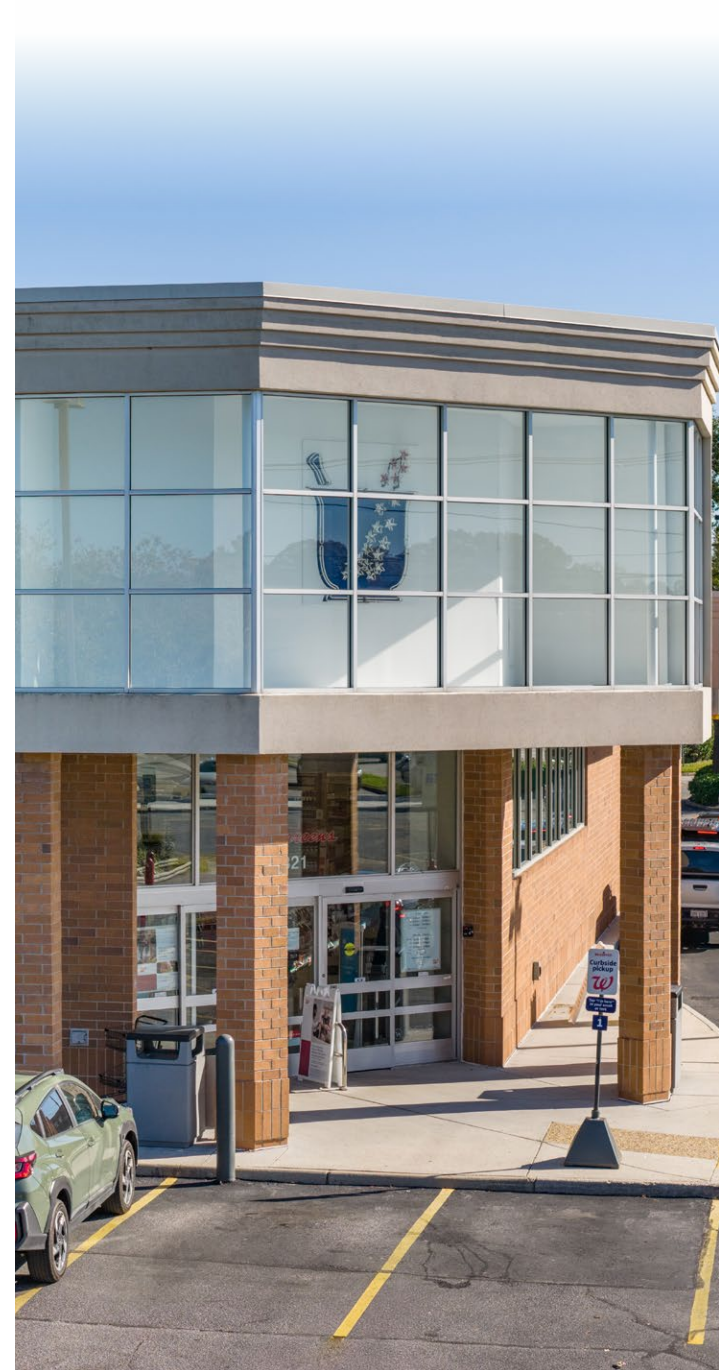
LARGE PARCEL WITH HIGH RESIDUAL VALUE AND MULTIPLE POINTS OF INGRESS AND EGRESS LOCATED IN A DEVELOPING CORRIDOR

- Walgreens sites on a 1.62-acre parcel that is oversized and offers an investor high residual value in their investment
- The parcel has two points of access, one from Mt. Pleasant Road off Woodford Drive and one directly off S. Battlefield Boulevard
- A brand-new Chipotle was developed across the street, on the site of a former bank branch, showing demand from national retailers to be along this stretch of the corridor and pointing to the lack of available space to develop in the submarket



STRONG SURROUNDING DEMOGRAPHICS POINT TO A DENSE SUBMARKET THAT IS GROWING AND AFFLUENT

- Average household income of \$143,881 with income and population expected to grow 1.86% and 0.36% annually through 2030 within a 3-mile radius
- 67,500 residents within a 3-mile radius, an 11% increase from 2010
- Insulated consumer base with 2,350 homes within a one-mile radius of the property, making Walgreens the most convenient pharmacy option for nearby residents



Aerials

Birds Eye - North





GREAT BRIDGE
PRIMARY SCHOOL

CHESAPEAKE
CITY HALL

CHESAPEAKE
CITY HALL

ELIZABETH RIVER

WILSON VILLAGE
SHOPPING CENTER

AutoZone

Western Union

**Taylor's
Do it Center**



TOWN AND COUNTRY PLAZA

metroPCS



TRUIST

Old Dr

Johnstown Rd

15,800
[2024 ADT]

Mount Pleasant Rd

19,800
[2024 ADT]

Battlefield Blvd

32,300
[2024 ADT]

PAPA JOHN'S

Woodford Dr

Walgreens

SUBJECT PROPERTY



0.7 MILES TO
VA-168

59,237
(2024 ADT)



TOWNE BANK

GREAT BRIDGE
MIDDLE SCHOOL

CHESAPEAKE
PUBLIC SCHOOL

GREAT BRIDGE
PRESCHOOL &
KINDERGARTEN



Johnstown Rd

15,800
(2024 ADT)



PAPA JOHN'S

Woodford Dr

Walgreens
SUBJECT PROPERTY



32,300
(2024 ADT)

Battlefield Blvd

Mt Pleasant Rd

19,800
(2024 ADT)

0.7 MILES TO
VA-168

VA-168

78,400
[2024 ADT]

GREAT BRIDGE
SHOPPING CENTER



Battlefield Blvd

32,300
[2024 ADT]

5 MILE DEMOGRAPHICS

	TOTAL POPULATION	127,508
	AVERAGE HOUSEHOLD INCOME	\$134,218
	DAYTIME POPULATION	117,428



TOWNE BANK

Woodford Dr

19,800
[2024 ADT]
Mt Pleasant Rd

Walgreens
SUBJECT PROPERTY

PAPA JOHNS®

Tenant Overview

Founded in Chicago, IL in 1901, Walgreens operates approximately 8,000 locations across the U.S. in all 50 states, DC, Puerto Rico, and the Virgin Islands. Walgreens is proud to be a neighborhood health destination serving approximately 9 million customers each day in the US. Walgreens is part of the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. the first global, pharmacy-led health and wellbeing enterprise. Anchored by Walgreens in the U.S. and Boots in Europe and Asia, the company is meeting customer needs through convenient retail locations, digital platforms and health and beauty products, while evolving the future of healthcare delivery by implementing innovations to customers and patients. One of the largest retail pharmacy, health, and daily living destination across the U.S. and Europe with sales of \$147.7B in 2024, the company has over 8,000 locations across the world and is ranked #26 on the 2025 Fortune 500 list. As of August 2023, approximately 78% of the population of the United States lived within five miles of a Walgreens. Walgreens is ranked #2 in the U.S. by the number of pharmacy locations as of October 2025.

Walgreens

NO. OF LOCATIONS:

8,000+

YEAR FOUNDED:

1901

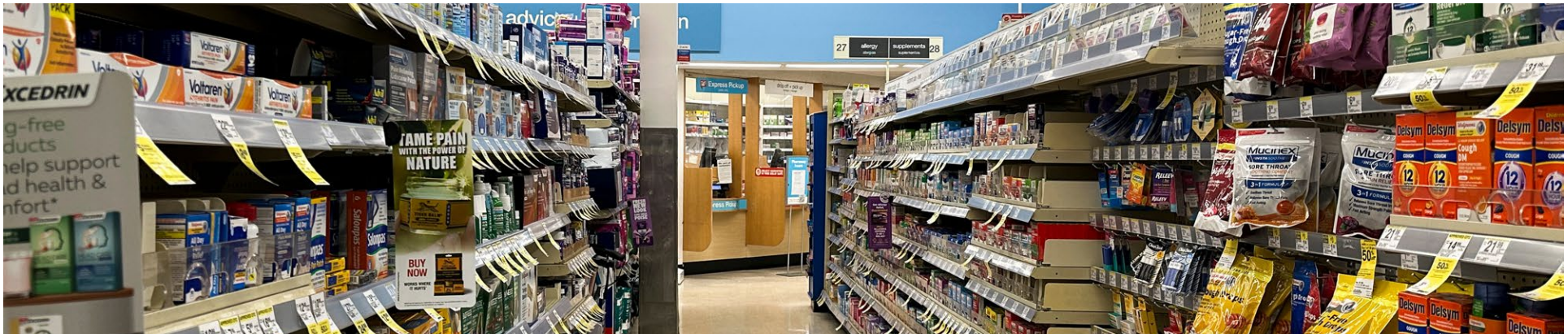
2024 REVENUE:

\$147.7 B



Lease Abstract

TENANT	Walgreens
GUARANTOR	Corporate - Walgreens Co
NOTIFICATION PERIOD TO EXERCISE OPTIONS	Unless this lease has been previously terminated, this lease will be automatically renewed for 12 consecutive periods of five years commencing upon the day after expiration of the firm term.
LANDLORD OBLIGATIONS	None
TENANT OBLIGATIONS	CAM, Taxes, Insurance, and Roof & Structure
PERCENTAGE RENT	None
SALES REPORTING	None
ASSIGNMENT & SUBLETTING	Tenant may assign or sublease without Landlord's consent provided that any such assignment be only to a corporation or other entity which is a subsidiary or affiliate of the tenant
RIGHT OF FIRST REFUSAL	If landlord receives Bona Fide Offer to purchase the leased premises, Landlord shall notify tenant, with a copy of the offer. Once tenant receives a copy of the offer, will have 20 days after receipt to make an offer based on the Bona Fide Offer the landlord received.



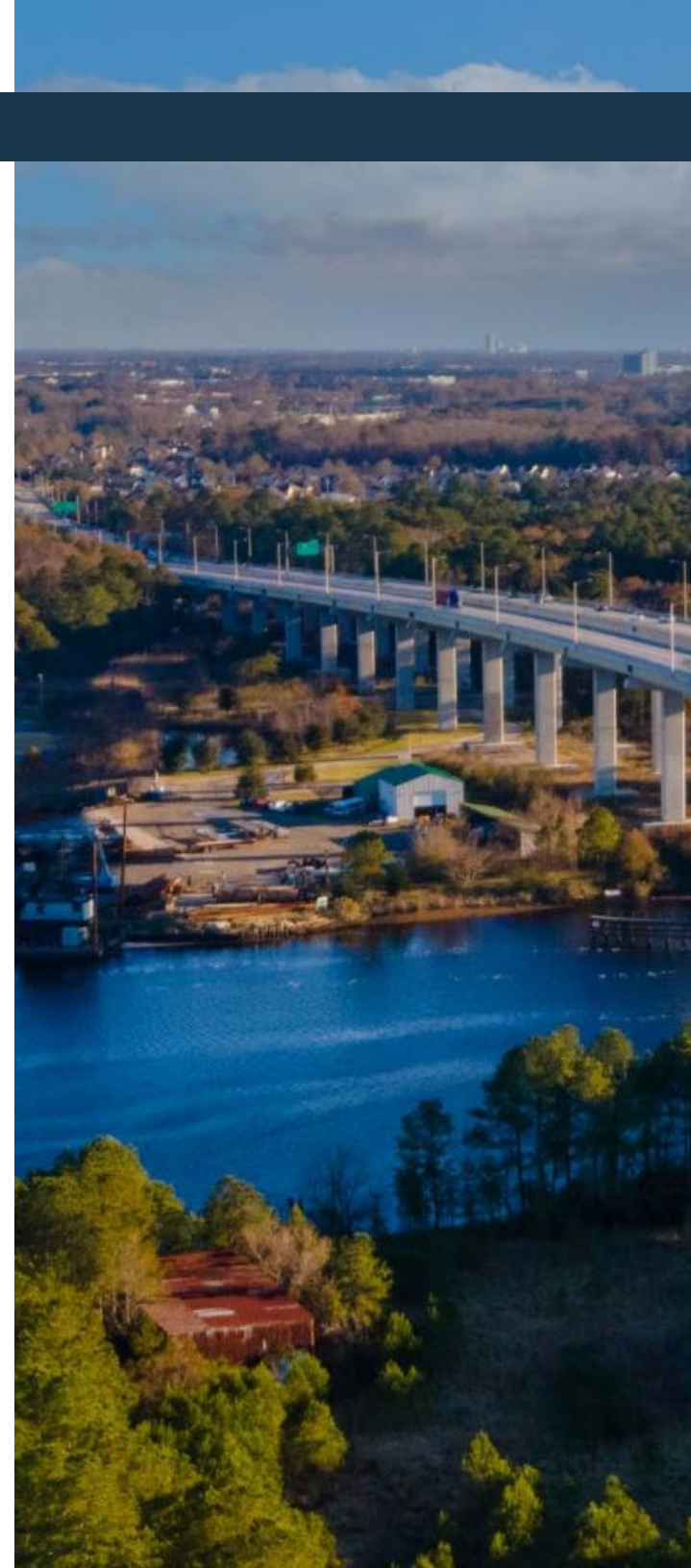
Source: Adobe Stock

CHESAPEAKE, VA

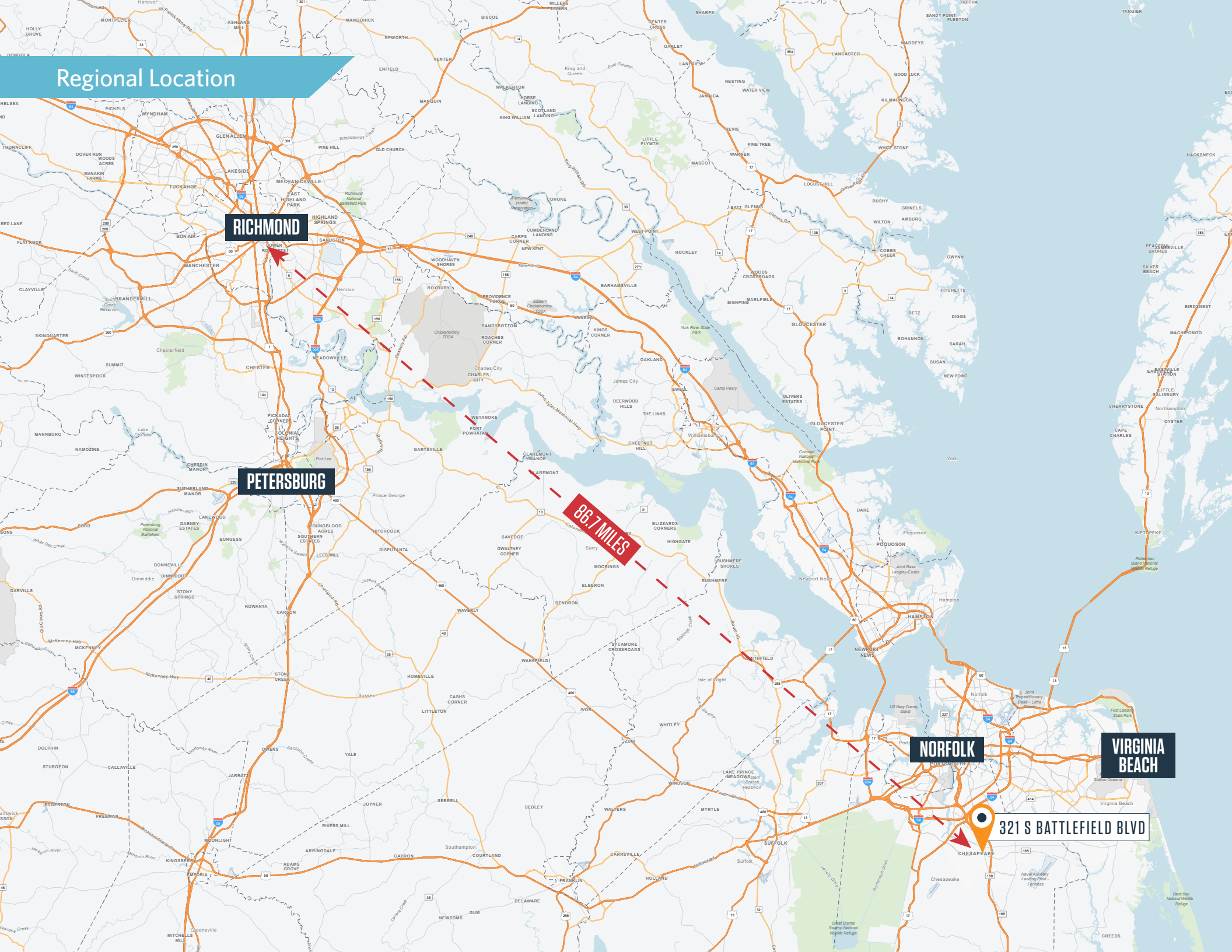
Chesapeake, Virginia is a thriving suburban city within the Hampton Roads metropolitan area, supported by strong population growth, diverse employment, and excellent access to regional transportation corridors. Home to over 250,000 residents with a median household income near \$94,000, the city offers a stable and affluent consumer base that drives steady demand for retail, services, and neighborhood amenities. Its proximity to Norfolk, Portsmouth, and Virginia Beach enhances both residential and daytime foot traffic. Ongoing population growth, housing development, and retail absorption make Chesapeake a resilient market, well-suited for neighborhood-focused retail, daily-necessity services, and light industrial uses that benefit from the broader port-driven economy.

THE PORT OF VIRGINIA

The Port of Virginia is a leading East Coast container port and a key economic engine for the Hampton Roads region. Handling roughly 3.5 million TEUs in FY2024, it continues to expand capacity and modernize infrastructure to accommodate larger vessels and growing trade volumes. The port's advanced facilities including on-dock rail access, deepwater channels, and direct connections to I-64, support efficient domestic and international distribution, driving demand for logistics, warehouse, and industrial properties in surrounding areas such as Chesapeake. Strategic investments and sustainability initiatives have further strengthened its efficiency and long-term competitiveness. The port's growth underpins durable real estate fundamentals across retail, industrial, and service sectors linked to regional trade and freight activity.







Regional Location





Demographics



2025 Demographic Summary

	1 MILE	3 MILE	5 MILE
 Total Population	6,909	67,681	127,508
 Average Household Income	\$125,408	\$143,898	\$134,218
 Households	2,263	24,699	47,855
 Daytime Population	9,040	55,777	117,428

2025 - 2030 Projected Annual Growth Summary

 Population	0.41%	0.36%	0.44%
 Average Household Income	1.72%	1.86%	1.91%

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