



REPRESENTATIVE PROTOTYPE PHOTO

THRIFTY WHITE PHARMACY

1460 MONTREAL STREET SE , HUTCHINSON, MN 55350

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EXCLUSIVELY LISTED BY:

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STATE BROKER OF RECORD:

JAMES CAMARATA

INTEGRITY LAKE MINNETONKA HOLDINGS, LLC

MN #40194993

INVESTMENT SUMMARY

List Price:	\$2,323,000
Current NOI:	\$145,187
Initial Cap Rate:	6.25%
Land Acreage:	1.01 Acres
Year Built	2019
Building Size:	3,500 SF
Lease Type:	NN+
Lease Term:	15 Years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present a brand new 2019 built-to-suit Thrifty White Pharmacy located at 1460 Montreal Street SE, Hutchinson MN. There is a brand new 15-Year NN+ Lease that commences in May of 2019. The lease features a 10% rent increase in year 11. There are three, 5 year option periods with 10% rent increases in place. Thrifty White Pharmacy is a regional credit tenant with 98 Locations in 5 states.

This investment property is surrounded by many national retailers such as Walmart, Target, Best Buy, Goodwill, Qdoba, McDonald's, Buffalo Wild Wings, Hutchinson Health Hospital, Culver's, Menards and many more. The ten mile population exceeds 21,000 residents. The average household income exceeds \$72,000 within 3 miles.

This is an ideal opportunity for an investor to purchase a passive income real estate asset with very minimal management responsibilities. The tenant is responsible for all property taxes, insurance and capital expenditures including the roof, HVAC, & CAM. Landlord is responsible for slab and structure.



PRICE \$2,323,000



CAP RATE 6.25%



LEASE TYPE NN+



TERM 15 Years

INVESTMENT HIGHLIGHTS

- NN+ Lease Requires Minimal Landlord Responsibilities
- Landlord is Responsible for Slab and Structure
- Brand New 2019 Built-to-Suit Construction | Rent Commenced May of 2019
- 15 Year Lease Term | 10% Rent Increase in Year 11
- Corporate Lease | Thrifty White has 98 Locations
- Located Along Major Retail Corridor in Hutchinson MN
- 5 Mile Daytime Employment = 28,500 | 5 Mile Population = 16,155
- Highly Visible to 11,800+ Vehicles Per Day

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PROPERTY SUMMARY

Year Built:	2019
Rent Commencement:	05/05/2019
Lot Size:	1.01 Acres
Building Size:	3,500 SF

LEASE SUMMARY

Tenant:	Thrifty White Pharmacy
Lease Type:	NN+
Primary Lease Term:	15 Years
Annual Rent (NOI):	\$145,187
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, HVAC, Parking:	Tenant Responsibility
Slab & Structure:	Landlord Responsibility
Lease Start Date:	05/05/2019
Lease Expiration Date:	05/31/2034
Lease Term Remaining:	15 Years
Rent Bumps:	10% in Year 11
Corporate Backed Lease:	Thrifty White Pharmacy
Renewal Options:	Three, 5 Year Options
Tenant Website:	www.ThriftyWhite.com





OVERVIEW

Company:	Thrifty White Pharmacy
Founded:	1884
Locations:	98
Headquarters:	Plymouth, MN
Website:	www.ThriftyWhite.com

TENANT HIGHLIGHTS

- **135 Year Operating History | Nearly No Long Term Debt**
- **Thrifty White is a Privately (Employee) Owned Company**
- One of the Nations top 100 Largest Employee Owned Companies
- Pharmacy Chain with Operations in 5 States; Montana, North Dakota, South Dakota, Minnesota, & Iowa
- 30% of Business Serves Long Term Care Facilities such as; Group Homes, Assisted Living, & Skilled Nursing Home Facilities
- Products also Include: Retail Pharmacy

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
1 - 10	\$145,187	\$12,099	-
11 - 15	\$159,706	\$13,308	10%
16-20 (Option 1)	\$175,676	\$14,640	10%
21-25 (Option 2)	\$193,243	\$16,103	10%
26-30 (Option 3)	\$212,567	\$17,714	10%

TENANT INFO:

Thrifty White Pharmacy is an American pharmacy chain with operations in 5 states; Montana, North Dakota, South Dakota, Minnesota, & Iowa headquartered in Plymouth, MN. It specializes in filling prescriptions, long term care consulting, community outreach, and specialty services. As of September 2016, Thrifty White received full URAC accreditation for its specialty pharmacy. URAC is the national standard for Pharmacy Accreditation.

Thrifty White was named the national "Pharmacy Innovator of the Year" in 2016 by Drug Store News. It won a similar award in 2012 by Chain Drug Review. Thrifty White was also named "#1 in Medication Therapy Management" by Mirixa (retail pharmacy network of over 55,000 locations) in 2016 and "Most Innovative" by Outcomes in 2016. Thrifty White's Medication Synchronization program has 65,000 patients enrolled and is leading the nation in medication adherence scores.



THRIFTY WHITE PHARMACY

TENANT INFO - CONTINUED:

White Drug was founded in 1884 and merged with Thrifty Drug in 1985 creating Thrifty White Pharmacy. Thrifty White is an employee owned company that operates a total of 98 drugstores under the banners White Drug, Thrifty Drug, and Thrifty White Drug. In addition, there are 82 Independent Retailers that operate their own pharmacies but use Thrifty White tools and contracts. Some locations are found inside shopping centers or strip malls. Most Thrifty White stores offer a wide range of items found in the typical retail drugstore including, household items, greeting cards, cosmetics, and a large gift section. A typical Thrifty White also has a full service One Hour Photo Lab. 30% of Thrifty White's business serves long term care facilities such as; Group Homes, Assisted living, and Skilled Nursing Home Facilities.

Thrifty White partnered with North Dakota State University to open a concept pharmacy for students to learn and experience the way of a retail pharmacy. Students are able to practice the duties of a pharmacist within an instructional pharmacy setting. Thrifty White has eight Telepharmacy Stores located in small communities where access to a pharmacist would not be available. First opened in 2003, these stores allow a pharmacist to communicate through an audio/video feed with a trained technician to fill and approve prescriptions. These stores allow for regular services such as MTM and patient counseling.

With a 135 year operating history, 98 Locations across 5 States, & 1,800+ employees Thrifty White has shown innovation and growth in the pharmacy sector for years. Thrifty White plans to continue to serve it's patients and is committed to providing healthcare to small towns and cities in the rural midwest that range from 1,000 to 90,000 in population.

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The 3M Company, formerly known as the Minnesota Mining and Manufacturing Company, is an American multinational corporation operating in the fields of industry, worker safety, health care, and consumer goods. The company produces a variety of products, including adhesives, abrasives, laminates, passive fire protection, personal protective equipment, window films, paint protection films, dental and orthodontic products, electrical & electronic connecting and insulating materials, medical products, car-care products, electronic circuits, healthcare software and optical films.

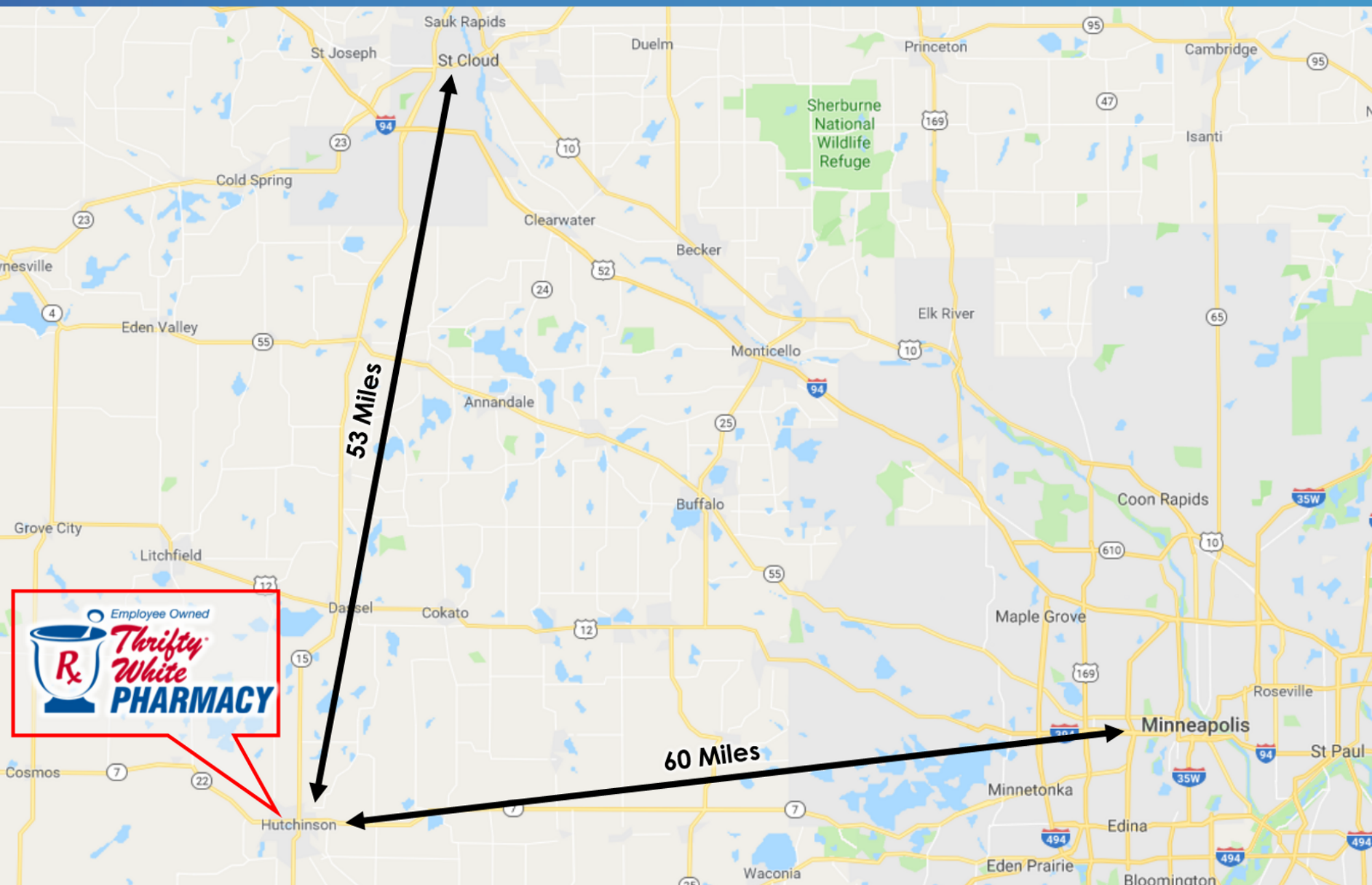
In 2017, 3M made \$31.7 billion in total sales, and the company ranked No. 97 in the 2018 Fortune 500 list of the largest United States corporations by total revenue. The company has 91,000 employees and has operations in more than 70 countries.



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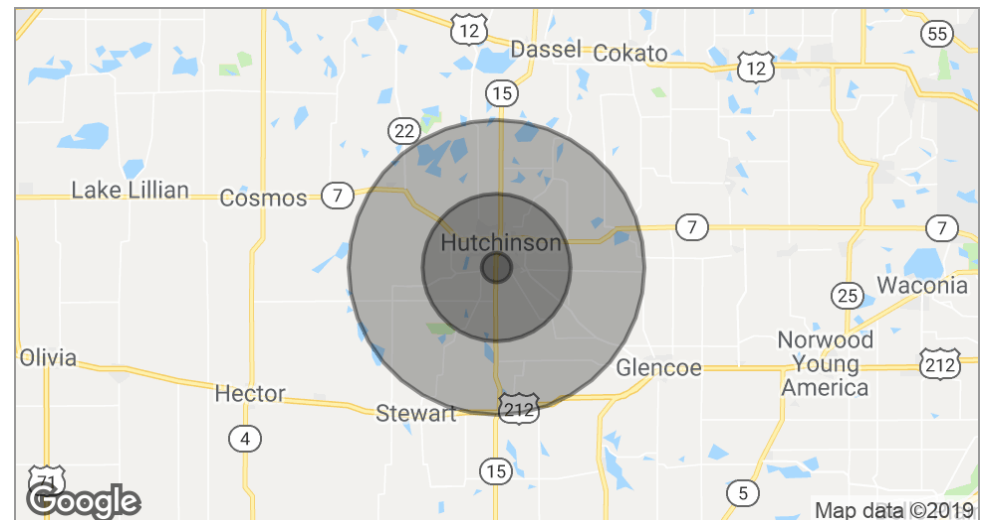


HUTCHINSON, MN

Hutchinson is the largest city in McLeod County, Minnesota, United States, and is located along the South Fork of the Crow River. Hutchinson's economy is lead by three sectors; manufacturing, retail, and medical. Manufacturing jobs are with Hutchinson Technology (~390 employees, computer and peripheral equipment) and 3M (2900 employees, flags and vinyl, Scotch tapes). The Goebel Fixture Co. employs 125 in a niche market, producing cabinetry fixtures for department stores nationwide.

The town possesses agricultural roots, notably as the birthplace of the Geier Hitch. The retail and service economy has grown from agricultural supply and processing to include a combination of local manufacturing, shopping, and a growing restaurant and food service industry with multiple new options opening recently. It also has an excellent hospital and medical center that offer primary care as well as full access to specialty care.

POPULATION	1 MILE	5 MILES	10 MILES
Total Population 2019	3,272	16,155	21,979
Total Population 2024	3,300	16,248	22,116
Population Growth Rate	0.86%	0.58%	0.62%
Average Age	40.30	39.90	40.50
# Of Persons Per HH	2.9	2.9	2.8
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	1,486	6,661	8,901
Average HH Income	\$59,745	\$72,756	\$74,818
Median House Value	\$144,274	\$159,388	\$166,447





TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

Click to Meet Team Fortis

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