



Drinkwater and Richard of Marcus & Millichap rep seller in \$6.927m sale; 12,000 s/f Walgreens Pharmacy located at 99 Chestnut Street

July 15, 2013 - Upstate New York

Laurie Ann Drinkwater, CCIM, and Seth Richard of Marcus & Millichap Real Estate Investment Services completed the sale of a 12,000 s/f Walgreens Pharmacy located at 99 Chestnut St. The sale price of \$6.927 million represents the list price at \$580.60 per s/f.

Drinkwater, VP investments in Marcus & Millichap's Boston and New Haven office, and Richard, director of the national retail group located in the firm's Manhattan office, represented the seller, the original developer of the project, which received multiple competitive offers resulting in a full price all cash sale.

The Walgreens NNN lease has 21 years remaining on the primary term with two 5-year options followed by 40-one year options. The site is located across from Hartwick College and nearby SUNY College at Oneonta with a combined enrollment of over 7,300 students. Surrounding retailers include BJ's Wholesale Club, Wal-Mart Supercenter, The Home Depot, Advance Auto and Lowe's. The purchaser was represented by the Marcus & Millichap Ft. Lauderdale office.

"Single tenant net leased Walgreens remain a hot commodity. Cap rates on these core assets have even compressed this first quarter as demand for quality retail significantly exceeds supply, resulting in competitive bidding." said Drinkwater.

"One of the factors driving Walgreens cap rates down is lack of new construction." said Richard. In 2012, there were 212 new store openings versus 536 new stores in 2007. Walgreens expects to grow their store base by 1.5% to 2.5% in 2013, which equates to 121-202 stores." said Richard.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540