

Single-tenant drugstore property sold for \$4.1 million

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Investor interest in single-tenant buildings is still strong, said a broker on such a deal recently in Antelope.

Late last month, Southern California-based Top Terraces Inc. bought the [Walgreens](#) at 4331 Walerga Road for \$4.1 million, according to property records. Phillip FT LLC was the seller.

[Patrick Follett](#), an associate with [Core Commercial](#) in Sacramento, said generally, [buyers like](#) the stability and passive management with such deals.

That was slightly less true for this Walgreens, which is in a 15,120-square-foot building that dates to 2000. The drugstore only has three years remaining on its lease, which pushed up the expected cap rate on the deal, Follett said. There's also reason for concern because Walgreens parent company Walgreens Boots Alliance Inc. (Nasdaq: WBA) is, subject to federal approval, attempting to buy rival chain [Rite-Aid](#) Corp. (NYSE: RAD), which has a store a short distance away. That store property also sold recently, Follett said.

"However, this gentleman is a Southern California buyer who has owned in the area and is comfortable with the area," Follett said. With 54,000 vehicles passing the site daily and 29,000 residents within a square-mile radius, it's a good bet to get a new tenant if Walgreens decides to eventually close, he said.



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Southern California-based Top Terraces Inc. bought the Walgreens at 4331 Walerga Road in Antelope.

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