



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

OFFERING MEMORANDUM

WALGREENS

4201 E Renner Rd | Richardson (Plano), TX 75082

EXCLUSIVELY LISTED BY

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OFFERING MEMORANDUM



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INVESTMENT HIGHLIGHTS

LOCATION HIGHLIGHTS

- Richardson is an affluent inner suburb located only 1-mile from Plano and 13 miles north of downtown Dallas. Richardson is home to the University of Texas at Dallas and is known for its high concentration of telecommunication companies (AT&T, Verizon, Cisco Systems, Samsung, ZTE, MetroPCS, Texas Instruments, Qorvo, and Fujitsu).
- The subject property is located in an area with an upper-middle income demographic profile. Average household income is over \$148,000 within the 1-mile radius, \$118,000 in the 3-mile radius, and \$101,000 in the 5-mile radius.
- There has been a 22% growth in population from 2010-2019 in the 1, 3, and 5-mile radius of the subject property. With over 90,000 residents in the 3-mile and over 255,000 in the 5-mile radius.
- The subject property sits at the signalized intersection of North Star Rd and E Renner with daily traffic counts exceeding 32,000 VPD. Nearby attractions include Breckenridge Park, Otto Middle School, and several golf courses.

TENANT HIGHLIGHTS

- Strong reported sales.
- Preferred 5-year option structure.
- Upgraded brick façade, prototype Walgreens 14,490 SF store format with a drive-thru on a signalized hard corner.
- Lease is fully guaranteed by Walgreens Co. (S&P rated BBB; investment grade credit). Walgreens Boots Alliance is ranked #17 on the 2019 Fortune 500 list.
- Over the next five years, the annual rate of change for Annual Consumer Spending is expected to increase 23%, 21%, and 20% in 1, 3, and 5-mile radius, respectively of the subject property. Additionally, over the next five years, Annual Consumer Spending for the subject product type (Health Care) is expected to increase 28%, 25% and 24% on 1, 3, and 5-mile radius, respectively of the subject property.



OFFERING OVERVIEW

WALGREENS

Store Number: 6663
4201 E Renner Rd
Richardson (Plano), TX 75082

List Price \$4,740,000
Cap Rate 7.00%
Gross Leasable Area ± 14,490 SF
Lot Size ± 1.74 AC
Year Built 2002



**FOR A CUSTOM LOAN QUOTE PLEASE REACH OUT TO
HUGH SEIFERT OF BARRINGTON CAPITAL**

Capital Markets
Direct 949.873.0271 | Mobile 619.818.4430
hugh.seifert@barringtoncapcorp.com
Lic. # 02035554

LEASE SUMMARY

Tenant	Walgreens Co
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	60 Years
Lease Commencement Date	3/1/03
Lease Expiration Date	2/28/63
Next Termination Date	2/28/23
Term Remaining	± 3.25 Years
Options	Tenant shall have the right to terminate the lease as of the last day of the 240th month, 300th month, 360th month, 420th month, 480th month, 540th month, 600th month, & 660th month

RENT SCHEDULE

Term	Dates	Lease Years	Annual Rent	Monthly Rent	Rent PSF
Current	3/1/03 to 2/28/23	1-20	\$331,821.00	\$27,651.75	\$22.90
Options	3/1/23 to 2/28/63	21-60	\$331,821.00	\$27,651.75	\$22.90

LEASE ABSTRACT

Tenant:	WALGREEN CO, an Illinois corporation
Tenant Address:	200 Wilmot Rd, Deerfield, IL 60015
Property location:	NEC North Star Road & Renner Road, Richardson, TX
Walgreens Store No.:	6663
Lease Commencement:	March 1, 2003
Lease Expiration:	February 28, 2063
Original Lease Term:	60 years commencing on the Rent Commencement Date and continuing to the last day of the same calendar month of the 60th year
Options to terminate:	Tenant shall have the right and option, at Tenant's election, to terminate this Lease effective as of the last day of the 240th, 300th, 360th, 420th, 480th, 540th, 600th, and 660th full calendar month of the Term. If Tenant shall elect to exercise any such option, Tenant shall send notice to Landlord least six (6) months prior to the date this Lease shall so terminate.
Fixed rent:	\$27,651.75 per month
Percentage rent:	The Lease contains the standard Walgreens percentage rent provision (% rent is the amount by which the sum of 2% of Gross Sales (excluding food and Rx) and .5% of Gross Sales of food and Rx exceed Fixed Rent). Total of fixed rent plus additional percentage rent, if any, payable by tenant in any lease year may not exceed twice the amount of fixed rent payable in such lease year. Tenant to furnish landlord a gross sales statement within 45 days after the end of each lease year. Any landlord objection to the gross sales statement must be made within 6 months after receipt of same or tenants' statement shall be conclusively presumed to be correct and final.
Parking and Landscaping	Tenant, at Tenant's cost and expense, shall clean, light, sweep, and remove snow and ice from the parking areas and shall maintain the landscaped areas of the Leased Premises. Landlord responsible for any replacements of the light poles, parking areas and any item(s) which under generally accepted accounting principles are classified as a capital expense
Repairs	Tenant shall repair and replace heating and cooling equipment (HVAC) and make nonstructural repairs to the interior of Building. Landlord, at Landlord's sole cost and expense, shall maintain and make all repairs to the exterior (including, but not limited to painting, tuckpointing and cleaning) and structural portions of the Building, roof, and all utility lines.
Real Estate Taxes:	Upon receipt of tax bills, tenant shall pay, when due and before delinquency, the ad valorem real estate taxes (including all special benefit taxes and special assessments) directly to the taxing authority.
Insurance (Tenant):	Commencing with the Initial Term and continuing until the last day of the Term, tenant shall carry fire and extended coverage insurance on the building and other improvements for not less than 100% of the replacement value.
Utilities:	Tenant shall pay when due all bills for water, sewer rents, sewer charges, heat, gas, phone and electricity used in the Building or on the Leased Premises.
Repairs and Maintenance:	Landlord responsible for all repairs to the exterior (including but not limited to painting, tuckpointing and cleaning) and all structural portions of the Building, roof and all utility lines, including but not limited to sewers, sewer connections, pipes, ducts, wires and conduits leading to and from the leased premises and or the Building, unless damaged due to the fault of Tenant.
Tenant Assignment and Subletting:	Tenant's interest may be assigned, or may sublet a portion of the Leased Premises, without Landlord's consent, provided that any such assignment be only to a corporation or other entity which is subsidiary to or affiliated with Tenant.
Right of First Refusal:	Yes – Tenant has ten (10) days from the receipt of a Bona Fide Offer to respond.



TENANT OVERVIEW

Walgreens

COMPANY NAME

Walgreens Boots Alliance

OWNERSHIP

Public

YEAR FOUNDED

1901

INDUSTRY

Drug Store

HEADQUARTERS

Deerfield, IL

NO. OF EMPLOYEES

±253,400

TENANT OVERVIEW

The nation's #1 drugstore chain, Walgreens, operates close to 8,300 stores in all 50 US states, the District of Columbia, the Virgin Islands and Puerto Rico. Prescription drugs are the focus of the company as they account for close to two-thirds of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics and groceries. Most locations offer drive-through pharmacies and one-hour photo processing, which separates them from competition. Recently, Walgreen Co. fully acquired Alliance Boots, Europe's leading drug wholesaler, to create Walgreens Boots Alliance, of which it is a subsidiary.

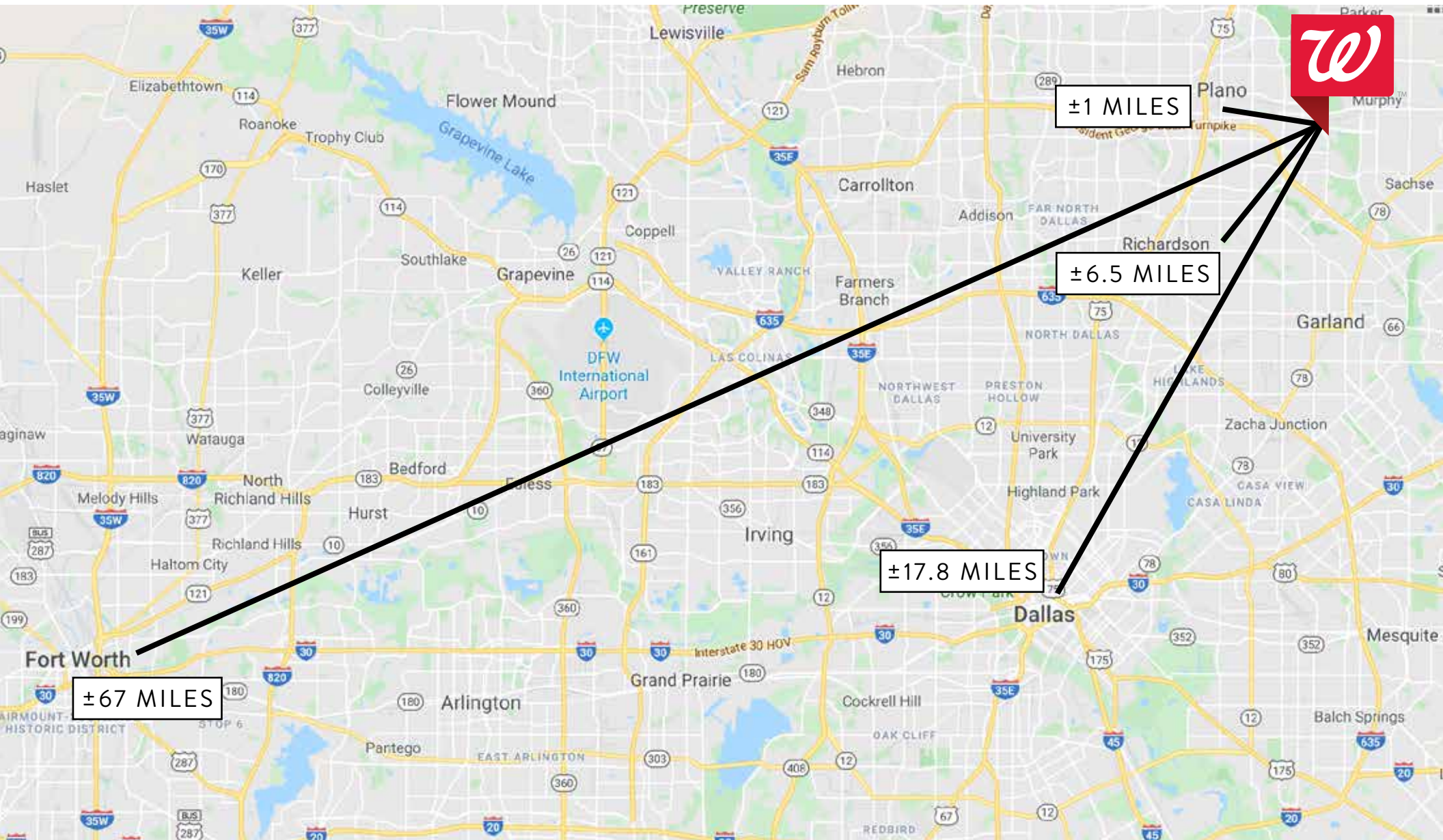
WALGREENS HEALTH FOCUS

Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.

MARKETING STRATEGY

Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.

REGIONAL MAP



PARCEL MAP



SURROUNDING TENANT MAP





AREA OVERVIEW

RICHARDSON, TX

Richardson is a principal city in Dallas and Collin counties in the state of Texas. Richardson is an affluent inner suburb of Dallas. It is home to the University of Texas at Dallas and the Telecom Corridor, with a high concentration of telecommunications companies. More than 5,000 businesses have operations within Richardson's 28 square miles, including many of the world's largest telecommunications and networking companies, such as AT&T, Verizon, Cisco Systems, Samsung, ZTE, MetroPCS, Texas Instruments, Qorvo, and Fujitsu. Richardson's largest employment base is provided by the insurance industry, with Blue Cross and Blue Shield of Texas's headquarters, a regional hub for GEICO, regional offices for United Healthcare, and one of State Farm Insurance's three national regional hubs located in the community.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	12,537	101,018	282,259
2020 Estimate	11,452	93,134	260,920
2010 Census	8,995	74,575	209,443
Growth 2020-2025	9.47%	8.46%	8.18%
Growth 2010-2020	27.32%	24.89%	24.58%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	4,241	33,246	95,764
2020 Estimate	3,896	30,811	88,849
2010 Census	3,119	25,187	72,359
Growth 2020-2025	8.86%	7.90%	7.78%
Growth 2010-2020	24.91%	22.33%	22.79%
INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$155,931	\$139,502	\$117,058

RICHARDSON ECOSYSTEM FOR ENTREPRENEURS

ACCESS TO VENTURE CAPITAL

Richardson contacts provide access to State/Federal Funding, Equity Funding, SBA Loans and other possible financing possibilities

UNIVERSITY CONNECTIONS

Richardson is home to the University of Texas at Dallas - the most selective public university in Texas. REDP has an ongoing affiliation with UT Dallas faculty members, in order to commercialize technologies that can be the foundation of high-tech start-up companies.

FACILITIES

Among Richardson's 30 million square feet of flex, industry and office space are many opportunities for companies to find the right fit.

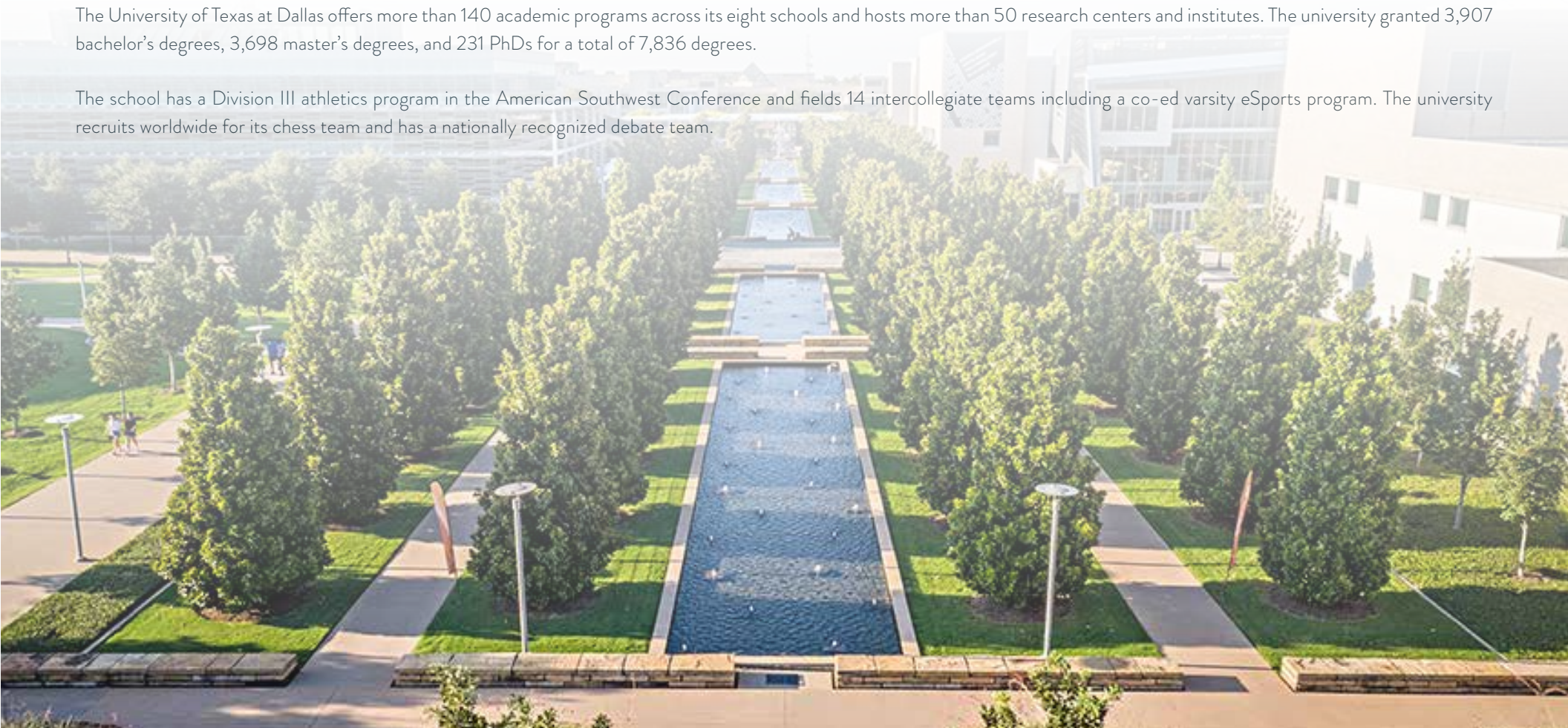
UNIVERSITY OF TEXAS AT DALLAS (UTD)

The University of Texas at Dallas (UTD or UT Dallas) is a public research university with its main campus in Richardson, Texas. It is part of the University of Texas System. Approximately one-third of the campus is located within Dallas County, with plans to open an on-campus DART train stop on the Silver Line (2022).

The university has been characterized by rapid growth in research output and its competitive undergraduate admissions policies since its inception. Less than 47 years after its founding, the Carnegie Foundation had classified the university as a doctoral research university with “Highest Research Activity”—faster than any other school in Texas. The university is associated with four Nobel Prizes, and has members of the National Academy of Science and National Academy of Engineering on its faculty. Research projects include the areas of Space Science, Bioengineering, Cybersecurity, Nanotechnology, and Behavioral and Brain Sciences.

The University of Texas at Dallas offers more than 140 academic programs across its eight schools and hosts more than 50 research centers and institutes. The university granted 3,907 bachelor's degrees, 3,698 master's degrees, and 231 PhDs for a total of 7,836 degrees.

The school has a Division III athletics program in the American Southwest Conference and fields 14 intercollegiate teams including a co-ed varsity eSports program. The university recruits worldwide for its chess team and has a nationally recognized debate team.



PLANO, TX

Plano is 1-miles from Richardson. The City is part of the Dallas-Fort Worth Metropolitan Area. Plano is home to several corporate headquarters and is the 9th most populous city in Texas. Recently named one of the “Safest Cities in America,” and one of the “Best Run Cities in America,” by Law Street Media and 24/7 Wall Street, Plano is a desirable place to both live and work. The city of Plano is known for its great schools, parks, and employment opportunities. Plano has over 3,000 acres of parks, along with a bustling retail scene in the day and an exciting nightlife after-hours.



DALLAS, TX

Dallas is a city where big ideas meet big opportunity. The city revolves around a bustling downtown area that expands through an assortment of neighborhoods and commercial centers, supported by a network of freeways that exceeds almost any other city. It boasts the largest urban arts district in the nation; where you'd be more likely to come across a world-class exhibit than a broken pair of chaps. Its past and present is rich in culture, an All-American city that was built on legends.

The central core of Dallas has experienced a steady and significant growth that speaks to its highly diversified economy. It has become a hub for real estate and business, establishing itself as one of the largest concentrations of corporate headquarters for publicly traded companies such as American Airlines, Neiman Marcus, Kimberly-Clark, JCPenney, ExxonMobil and many others. In 2015, Forbes reported that Dallas is “the best place for business and careers” in Texas. It's the perfect blend of big city living and rustic southern charm.

The Dallas economy is expected to grow over the next couple of decades making it the perfect time to not only invest in Dallas real estate but also relocate. As the 9th largest city in the country, Dallas has something for everyone. It combines clashing images of the city skyline and cowboy vibes. Yet, the city of Dallas describes itself best with the motto: “Big Things Happen Here.”



DALLAS-FORT WORTH MSA

The Dallas-Fort Worth Metroplex is the largest metropolitan area in the South, and fourth largest in the United States. It is a center for sporting events, tourism, and manufacturing. Dallas and its suburbs have one of the highest concentrations of corporate headquarters in the United States. Dallas is a center for corporate America. Because of its central location relative to the rest of the United States, Dallas is a popular convention site and site for many corporate headquarters and home to 21 Fortune 500 companies. Business management and operations is a major part of the economy. The Metroplex also contains the largest Information Technology industry base in the state. On the other end of the business spectrum, and on the other side of the Metroplex, the Texas farming and ranching industry is based in Fort Worth.



CONFIDENTIALITY DISCLAIMER AND AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **4201 E Renner Rd, Richardson, TX 75082** (“Property”). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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License No. 9005919 (TX)



Information About Brokerage Services

11-2-2015

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Kyle Matthews/Matthews Retail Group Inc.	<u>678067</u>	<u>kyle.matthews@matthews.com</u>	<u>(310) 919-5757</u>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
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Designated Broker of Firm	License No.	Email	Phone
_____ Licensed Supervisor of Sales Agent/ Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

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