



\*REPRESENTATIVE PHOTO



**The Kase Group**  
Real Estate Investment Services

OFFERING  
MEMORANDUM

**CVS/PHARMACY**  
ABSOLUTE NNN LEASED OFFERING  
1000 E KING AVE KINGSVILLE, TX 78363 (CORPUS CHRISTI)

OFFERING MEMORANDUM  
**PRESENTED BY:**

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## DISCLAIMER & CONFIDENTIALITY

The material contained in this Investment Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of The Kase Group or Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Property Owner ("Owner") in connection with the sale of the Property is The Kase Group Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Investment Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to The Kase Group.

Neither The Kase Group Advisor nor the Owner or its affiliates make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future performance of the Property. This Offering Brochure may include certain statements and estimates by The Kase Group with respect to the projected future performance of the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, The Kase Group Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Investment Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement between it and Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or The Kase Group Advisor, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Investment Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.



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# INVESTMENT OVERVIEW



This is a rare CVS/pharmacy absolute net leased offering in Kingsville, TX. The lease calls for zero landlord obligations and comes with a 2.3% rent bump effective June 1, 2023, with two additional increases at the 5-year options: a 10% increase in 2028 and a 2% increase in 2033. The asset is well situated on a major commercial thoroughfare and is nearby H-E-B Grocery Store, McDonald's and Whataburger.

## INVESTMENT HIGHLIGHTS

CVS/PHARMACY ABSOLUTE NNN LEASE

ZERO LANDLORD OBLIGATIONS

100% FEE SIMPLE INTEREST

S&P RATED BBB CREDIT INVESTMENT GRADE

SURROUNDED BY NATIONAL RETAILERS INCLUDING  
WALMART AND MCDONALD'S

INCOME TAX FREE STATE

## OFFERING SPECIFICATIONS

PRICE \$4,029,510

CAP RATE 5.50%

NET OPERATING INCOME \$221,623

SQUARE FOOTAGE 10,908

LOT SIZE 1.33 AC

YEAR BUILT 1998

# FINANCIAL SUMMARY

## CVS/PHARMACY • ABSOLUTE NNN LEASE OFFERING

1000 E KING AVE KINGSVILLE, TX 78363 (CORPUS CHRISTI)

**\$4,029,510 • 5.50%**

### SUMMARY

TENANT NAME	CVS/Caremark
SQUARE FOOTAGE	10,908
LEASE BEGINS	05/31/1998
LEASE ENDS	05/31/2028
ANNUAL RENT	\$221,623
OPTIONS	Two, Five-Year
INCREASES	2.3% in 2023 10% in 2028 2% in 2033

### OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT	\$221,623	5.50%
2023	\$226,695	5.63%
OPTION 1	\$249,364	6.19%
OPTION 2	\$254,351	6.31%

# TENANT OVERVIEW



## CVS/PHARMACY

CVS Caremark Corporation (NYSE: CVS) is an integrated pharmacy services provider, combining a pharmaceutical service company with a U.S. pharmacy chain. CVS Caremark provides pharmacy services through its over 9,700 CVS/Pharmacy stores its pharmacy benefit management, mail order and specialty pharmacy division, (Caremark Pharmacy Services), its retail-based health clinic subsidiary (MinuteClinic) and its online pharmacy (CVS.com). CVS Caremark Corporation is chartered in Delaware and is headquartered in Woonsocket, Rhode Island. The pharmacy services business is headquartered in Nashville, Tennessee. As the retail pharmacy division of CVS Health, it ranks as the 7th largest U.S. corporation according to Fortune 500 in 2016.

CVS Caremark has two operating segments: CVS/Pharmacy and Caremark Pharmacy Services. CVS Pharmacy same store prescription volumes rose by 3.6 percent in 2016, with same store pharmacy sales up 3.2 percent. With front store same store sales declining by 1.5 percent, total same store sales increased by 1.9 percent. CVS Pharmacy locations now fill more than 1 billion prescriptions annually and have captured a 23.8 percent share of U.S. retail prescriptions. Size, scale, and expertise matter in health care.



**PUBLICLY TRADED**  
NYSE: CVS



**9,700+** LOCATIONS

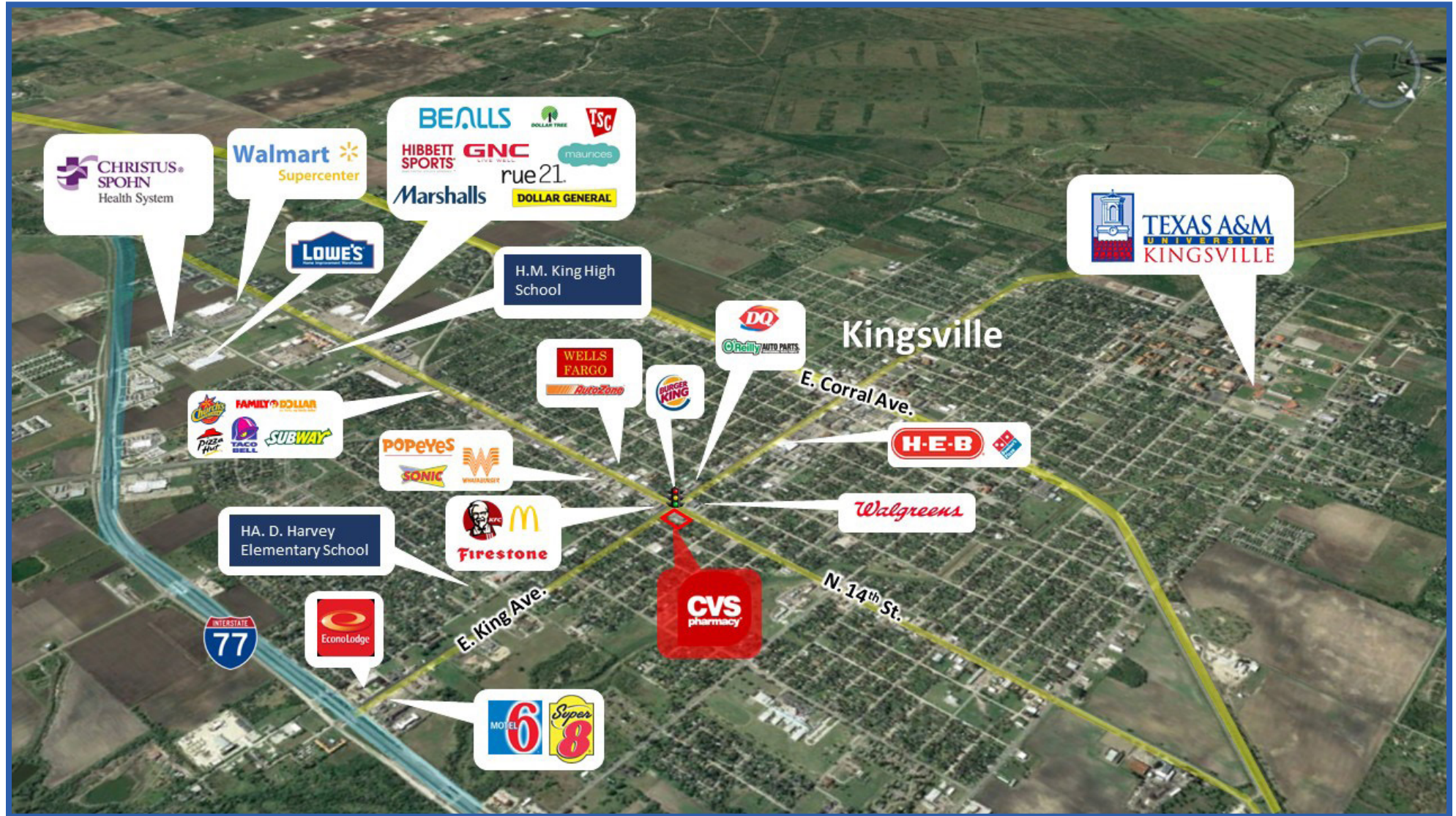


**80,000+** EMPLOYEES

CVS experienced strong organic prescription growth across the enterprise in 2016, augmented by the Omnicare and Target acquisitions. Nearly 1,700 pharmacies expanded their retail footprint by more than 20 percent. It also gave CVS a presence in new regions such as Seattle, Denver, Portland, and Salt Lake City. They have successfully completed the integration and are now focused on converting more of Target's 30 million weekly guests into CVS Pharmacy customers.

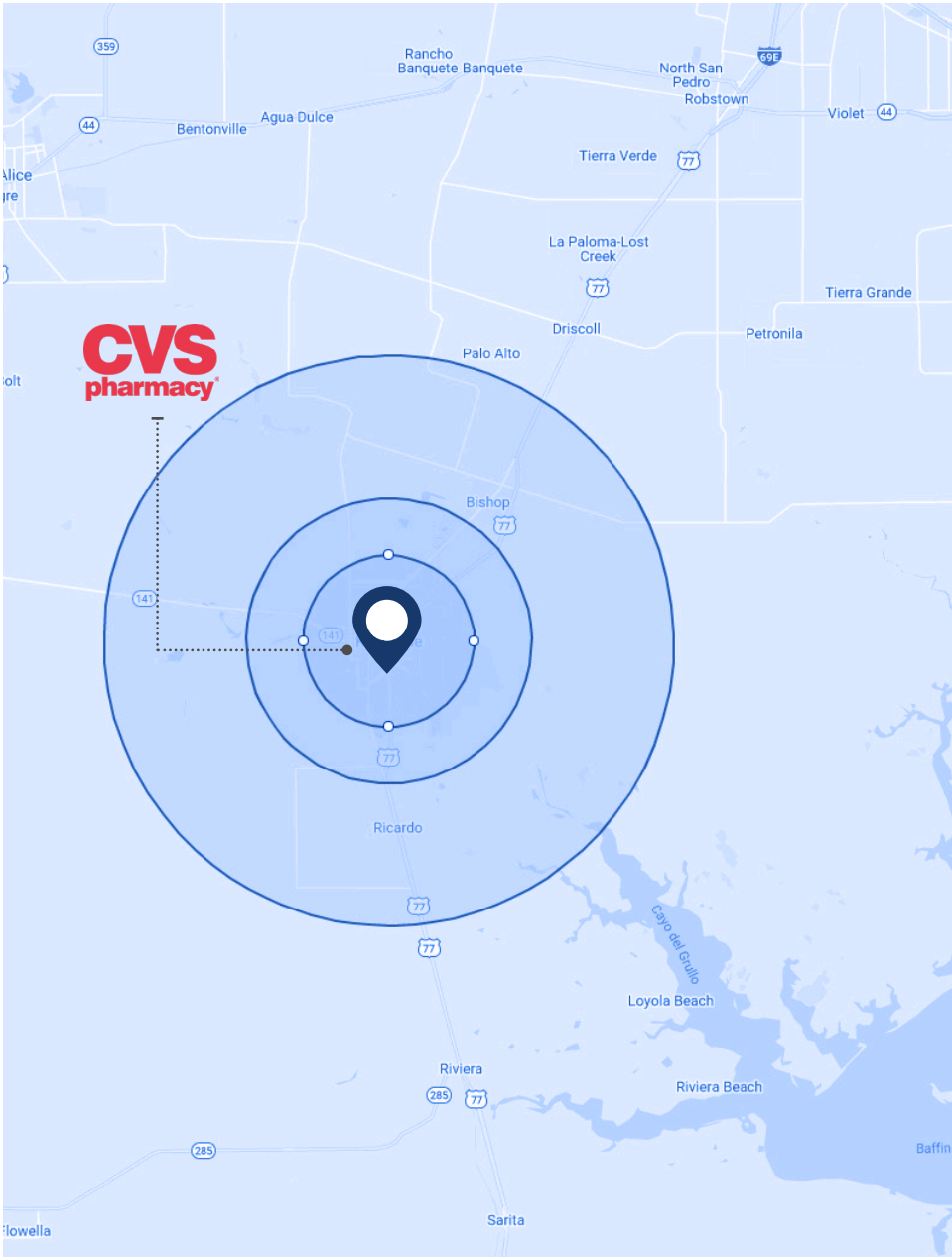
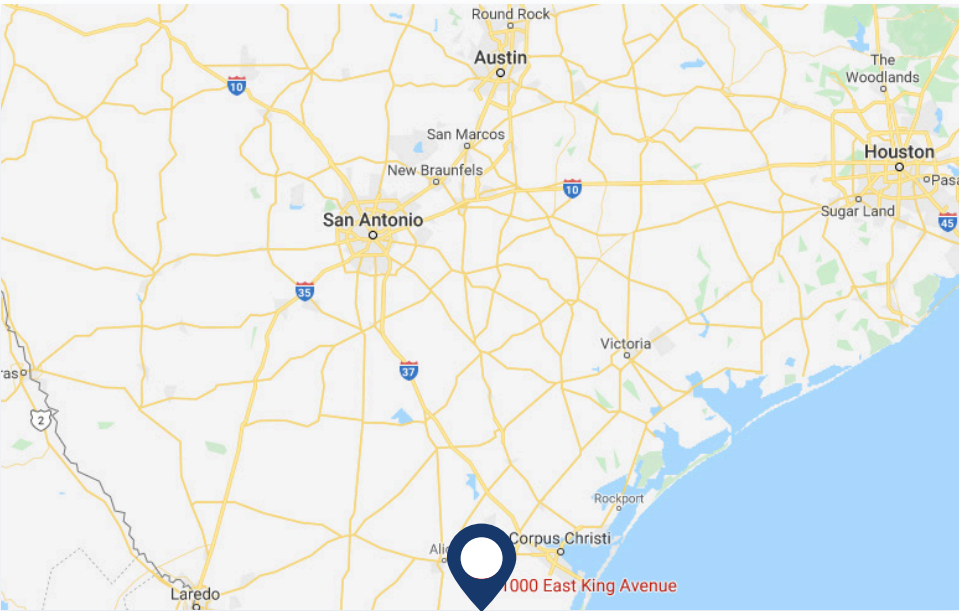


# LOCATION AERIAL



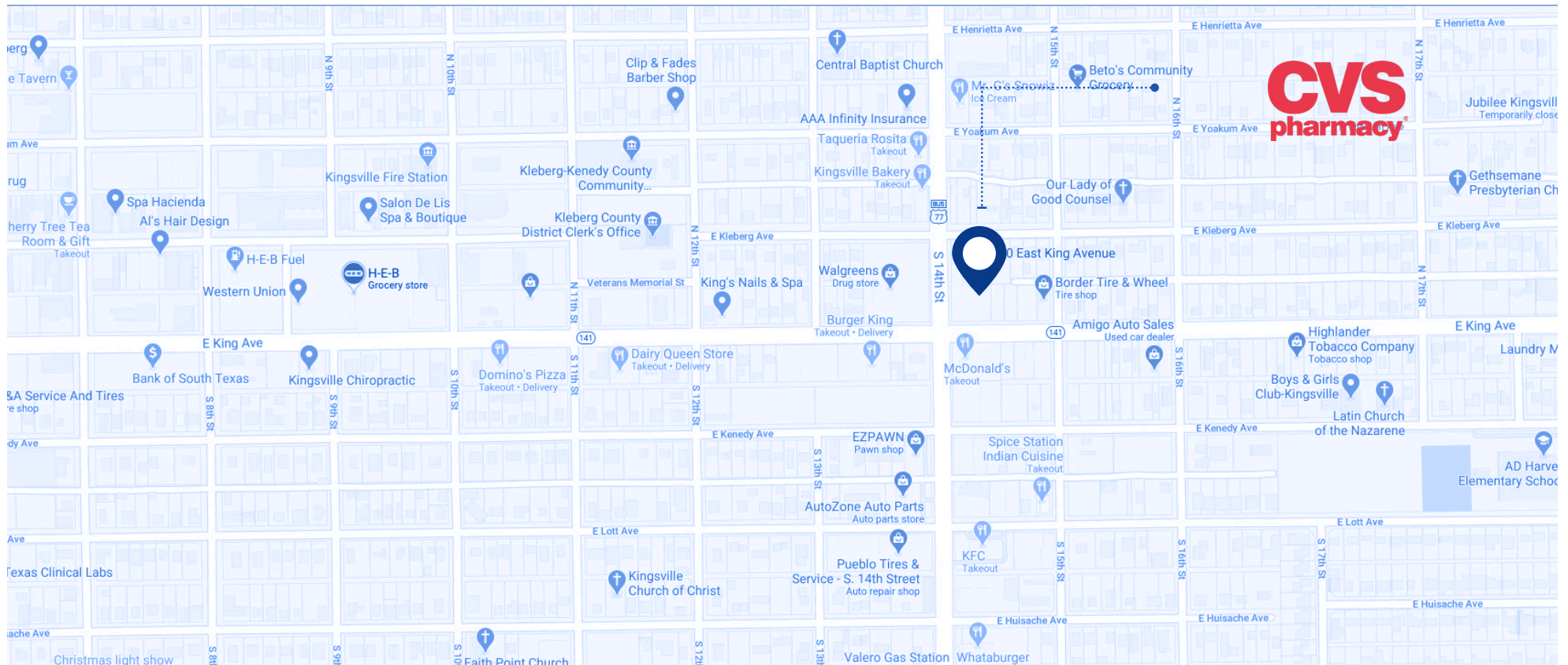


# REGIONAL OVERVIEW





# DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
<b>TOTAL POPULATION</b>	<b>25,825</b>	<b>26,558</b>	<b>33,180</b>
<b>TOTAL HOUSEHOLDS</b>	<b>9,057</b>	<b>9,304</b>	<b>11,549</b>
<b>AVERAGE HOUSEHOLD INCOME</b>	<b>\$55,819</b>	<b>\$56,267</b>	<b>\$58,940</b>
<b>AVERAGE AGE</b>	<b>33.20</b>	<b>33.20</b>	<b>34.20</b>

# AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	25,825	26,558	33,180
TOTAL HOUSEHOLDS	9,057	9,304	11,549
PERSONS PER HOUSEHOLD	2.70	2.70	2.70
AVERAGE HOUSEHOLD INCOME	\$55,819	\$56,267	\$58,940
AVERAGE HOUSE VALUE	\$82,424	\$83,636	\$88,647
AVERAGE AGE	33.20	33.20	34.20
POPULATION WHITE	23,141	23,827	30,170
POPULATION BLACK	1,232	1,244	1,361
POPULATION AM. INDIAN & ALASKAN	259	264	314
POPULATION ASIAN	721	735	774
POPULATION HAWAIIAN & PACIFIC ISLAND	50	51	56
POPULATION OTHER	424	436	506

## KINGSVILLE, TEXAS

Kingsville is a city in the southern region of the State of Texas and the county seat of Kleberg County. Located on the U.S. Route 77 corridor between Corpus Christi and Harlingen, Kingsville is the principal city of the Kingsville Micropolitan Statistical Area, which is part of the larger Corpus Christi-Kingsville Combined Statistical Area. The population was 26,213 at the 2010 census, and in 2019 the U.S. Census Bureau estimated the population at 25,315.

Named in honor of Richard King, the city was founded to provide infrastructure for the adjacent King Ranch, as well as serve as the headquarters of the newly founded St. Louis, Brownsville and Mexico Railway. In 1904, the first tracks were laid and the first buildings constructed for the planned city. In 1911, the city was incorporated.[4] It is home to Texas A&M University-Kingsville, a member of the Texas A&M University System, and Naval Air Station Kingsville, one of the U.S. Navy’s three locations for jet aviation training.



## Information About Brokerage Services

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

11-2-2015



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

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.

<b>TREX Net Lease, Inc.</b>	<b>9006301</b>	<b>kevin@thelasegroup.com</b>	<b>512.636.9613</b>	<b>Kevin Cordova</b>	<b>485683</b>	<b>kevin@thelasegroup.com</b>	<b>512.636.9613</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone	Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
<b>Kevin Cordova</b>	<b>485683</b>	<b>kevin@thelasegroup.com</b>	<b>512.636.9613</b>	<b>Kevin Cordova</b>	<b>485683</b>	<b>kevin@thelasegroup.com</b>	<b>512.636.9613</b>
Designated Broker of Firm	License No.	Email	Phone	Sales Agent/Associate's Name	License No.	Email	Phone





**KINGSVILLE, TEXAS**



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