



NET LEASE INVESTMENT OFFERING



CVS PHARMACY
6750 READING ROAD
ROSENBURG, TX 77471 (HOUSTON MSA)



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant net leased CVS Pharmacy located within the Houston MSA in Rosenberg, Texas. The property features an absolute triple net lease which presents zero landlord responsibilities. The lease has over 20 years remaining and ten 5-year renewal options. Additionally, the property features a drive-thru pharmacy. CVS Pharmacy is an investment grade rated company with a Standard and Poor's rating of BBB.

The 14,000 square foot building is located at a signalized hard corner along Reading Road (21,500 VPD) and is within close proximity to Interstate 69 (111,600 VPD). The CVS property is adjacent to Brazos Town Center with anchoring tenants such as Kroger, Academy Sports + Outdoors, HomeGoods, Ulta Beauty, The Home Depot, H-E-B, Best Buy, Target, Kohl's, Old Navy, and ALDI. Outparceled retailers within Brazos Town Center include Chase Bank, Starbucks, Chipotle, McDonald's, Chick-Fil-A, Buffalo Wild Wings, and more. 117,704 people living within five miles of the property earning an average annual household income of \$101,732. Population growth is expected to be 4.82% annually through 2026. Additionally, Texas is an income tax free state.

CVS Pharmacy is the nation's largest drugstore chain and total prescription revenue and operates 9,900+ locations in 49 states, the District of Columbia, Puerto Rico and Brazil. CVS Pharmacy is a publicly traded company on the New York Stock Exchange (Symbol: CVS) with a market capitalization in excess of \$71 billion.



INVESTMENT HIGHLIGHTS

- Positioned within the Houston MSA – Ranked #5 in the United States for population size
- Absolute NNN lease which presents zero landlord responsibilities
- CVS Pharmacy is an investment grade rated tenant (S&P: BBB)
- 20+ years remain on the primary lease term
- 30 miles from downtown Houston, Texas
- Texas is an income tax free state
- Positioned along Reading Road (21,500 VPD) and within close proximity to Interstate 69 (111,600 VPD)
- Population growth is expected to be 4.82% annually through 2026
- Located adjacent to Brazos Town Center with anchoring tenants such as Kroger, Academy Sports + Outdoors, HomeGoods, Ulta Beauty, The Home Depot, H-E-B, Best Buy, Target, Kohl's, Old Navy, and ALDI
- Outparceled retailers within Brazos Town Center include Chase Bank, Starbucks, Chipotle, McDonald's, Chick-Fil-A, Buffalo Wild Wings, and more
- 117,704 people living within five miles of the property earning an average annual household income of \$101,732



PROPERTY OVERVIEW

| | |
|------------------------|---|
| Price: | \$6,808,186 |
| Cap Rate: | 4.30% |
| Net Operating Income: | \$292,752 ¹ |
| Lease Expiration Date: | 1/31/2042 |
| Renewal Options: | Two 5-year fixed @ \$263,477 Eight 5-year @ Fair market value ² |
| Rental Escalations: | None |
| Guarantor: | CVS Health Corporation |
| Credit Rating: | Investment Grade: BBB+ (S&P) |
| Year Built: | 2016 |
| Lease Type: | NNN |
| Building Size: | 14,000 SF |
| Lot Size: | 2.09 AC |

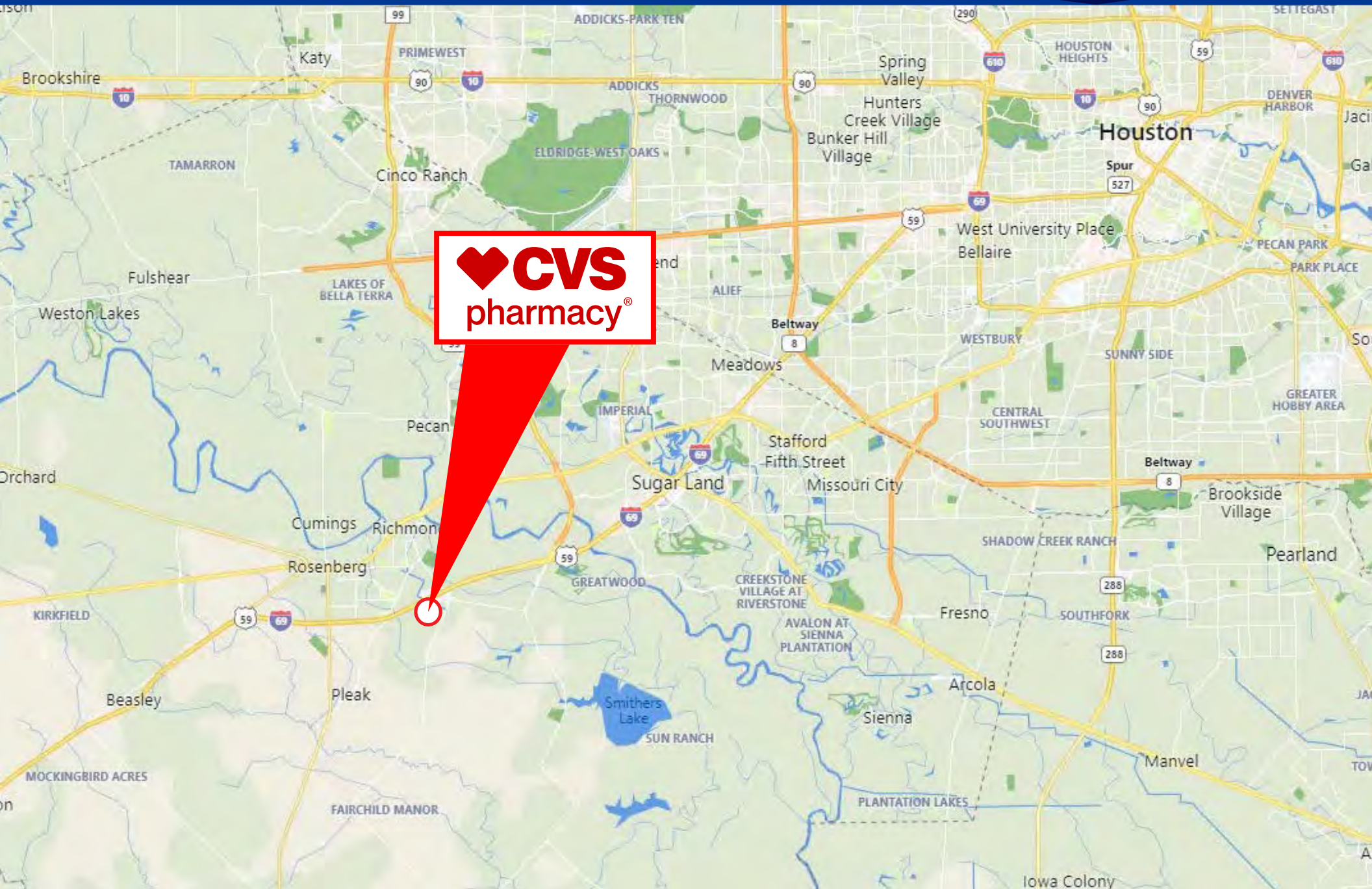
1) Rent holiday from 11/2038 – 1/2042 – Seller to credit buyer \$381,000 at closing.
2) The first two years of the 3rd renewal option will be 101% of fair market rental value as determined by an appraiser. Starting in the 3rd year of the 3rd option rent adjusts to 100% of fair market rental value as determined by an appraiser.











DEMOGRAPHICS

POPULATION

| | 1-Mile | 3-Mile | 5-Mile |
|-------------------|--------|--------|---------|
| Total Population: | 7,331 | 64,972 | 117,704 |
| Total Households: | 2,448 | 21,739 | 38,267 |

INCOME

| | 1-Mile | 3-Mile | 5-Mile |
|---------------------------|-----------|-----------|-----------|
| Median Household Income: | \$91,522 | \$75,668 | \$74,725 |
| Average Household Income: | \$117,799 | \$103,424 | \$101,732 |



CITY OF ROSENBURG, TEXAS

Rosenberg, Texas is located 25 miles west of Houston, on Interstate 69. At the geographic and logistic heart of Fort Bend County, Rosenberg is located in one of the fastest-growing and most ethnically diverse counties in the United States. It saw some of the earliest settlement in Texas because it was part of the land granted to Stephen F. Austin for colonization by the Mexican government in the early 19th century. The fertility of the soil, and the presence of the Brazos River, made it an attractive destination for American and European immigrants who came to farm the land. Yet Rosenberg didn't develop into the urban area it is today until the railroad arrived in the 1880's. In fact, the railroad had such an impact on the town's history that it was eventually named after Henry von Rosenberg, a Swiss immigrant who was the first president of the Gulf, Colorado & Santa Fe Railroad. Throughout its early years, some of Texas' most famous pioneers and citizens hung their hats in Fort Bend County.



CITY OF HOUSTON, TEXAS

Southern United States, as well as the sixth-most populous in North America, with an estimated population of 2,320,268 in 2019. Located in Southeast Texas near Galveston Bay and the Gulf of Mexico, it is the seat of Harris County and the principal city of the Greater Houston metropolitan area, which is the fifth-most populous metropolitan statistical area in the United States. Houston is the southeast anchor of the greater megaregion known as the Texas Triangle.

Comprising a total area of 637.4 square miles. Houston is the eighth-most expansive city in the United States (including consolidated city-counties). It is the largest city in the United States by total area, whose government is not consolidated with a county, parish, or borough. Though primarily in Harris County, small portions of the city extend into Fort Bend and Montgomery counties, bordering other principal communities of Greater Houston such as Sugar Land and The Woodlands.

Houston's economy since the late 19th century has a broad industrial base in energy, manufacturing, aeronautics, and transportation. Leading in healthcare sectors and building oilfield equipment, Houston has the second-most Fortune 500 headquarters of any U.S. municipality within its city limits (after New York City). The Port of Houston ranks first in the United States in international waterborne tonnage handled and second in total cargo tonnage handled.



CVS PHARMACY

CVS Pharmacy is engaged in the retail drugstore business. The Company operates 9,900+ locations in 49 states, the District of Columbia, Puerto Rico and Brazil. CVS Pharmacy is the nation's drugstore chain and total prescription revenue. As a retail division of CVS Caremark, CVS Pharmacy retail locations sell prescription drugs and a wide variety of general merchandise including over-the-counter medication, beauty products and cosmetics, film and photo finishing services, seasonal merchandise and convenience foods. CVS Pharmacy also offers healthcare services through their MinuteClinic locations, most of which are located within their stores. CVS is headquartered in Woonsocket, Rhode Island and was founded in 1963.

CVS Pharmacy is a publicly traded company on the New York Stock Exchange (Symbol: CVS) with a market capitalization in excess of \$71 billion. CVS is an investment grade rated tenant with a Standard & Poor's rating of BBB.

| | |
|---------------------------|-------------------------------|
| Website: | www.cvs.com |
| Founded: | 1963 |
| Number of Locations: | 9,900+ |
| Number of Employees: | 240,000+ |
| Stock Symbol: | CVS (New York Stock Exchange) |
| Standard & Poor's Rating: | Investment Grade: BBB |
| Headquarters: | Woonsocket, Rhode Island |



CONFIDENTIALITY & DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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StroudLink

Realty Services, LLC
linking business to solutions



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.

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.