



**NEWMARK**

601 NORTH LOOP 274 | ANGLETON, TX (HOUSTON MSA)



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## NEWMARK

### AFFILIATED BUSINESS DISCLOSURE & CONFIDENTIALITY AGREEMENT

Newmark's Net Lease Practice Group (the "Agent") has been engaged as the exclusive sales representative for the sale of (the "Property") by 'Ownership' (the "Seller").

The information contained herein has been obtained from sources deemed reliable but has not been verified and no guarantee, warranty or representation, either express or implied, is made with respect to such information. Terms of sale or lease and availability are subject to change or withdrawal without notice.

This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.



## PRICE/CAP RATE

<b>Purchase Price</b>	\$5,444,000
<b>Cap Rate</b>	5.25%

## EXECUTIVE SUMMARY

<b>Address</b>	601 North Loop 274   Angleton, TX
<b>Tenant</b>	CVS Pharmacy, Inc.
<b>Acreage</b>	+/- 2.21 AC
<b>Rentable Building Area</b>	+/- 12,229 SF
<b>Expense Structure</b>	Absolute NNN
<b>Commencement Date</b>	March 1, 2010
<b>Lease Term</b>	25 Years
<b>Interest</b>	Fee Simple
<b>Year Built</b>	2009
<b>Rent Holiday</b>	Yes; Three (3) Years

## RENT SCHEDULE

<b>Years</b>	<b>Date</b>	<b>Annual Rent</b>	<b>Monthly Rent</b>
1 - 22	3/1/2010 - 1/31/2032	\$285,817	\$23,818
23-25 (Rent Holiday)	2/1/2032 - 1/31/2035	\$0.00	\$0.00
Option 1 (Years 1-2)	2/1/2035 - 1/31/2037	101% of FMV	
Option 1 (Years 3-5)	2/1/2037 - 1/31/2040	100% of FMV	
Option 2 - 10	2/1/2040 - 1/31/2080	100% of FMV	

# INVESTMENT HIGHLIGHTS



## 100% CVS CORPORATE GUARANTEED LEASE

The Subject Property is fully leased and guaranteed by CVS (NYSE: CVS). CVS is #4 on the Fortune 500 list and holds an investment grade credit rating of BBB with Standard & Poor's. The company's TTM revenues are in excess of \$285 Billion and they have a net worth of over \$140 Billion.



## HIGH GROWTH TEXAS MARKET

Angleton is included in the Houston, Texas MSA. Within 3-miles, there are projected to be nearly 25,000 people by 2026 approximately 9,000 households.



## INCOME TAX FREE STATE

Texas is one of eight states in the United States that has no state income tax.



## LONG-TERM LEASE

The Subject Property was a build-to-suit in late 2009 for CVS and there are approximately 13 years remaining on the primary term of the original 25-year lease with a three (3) year rent holiday at the end of the primary term. There are ten (10) additional options to extend the lease by five (5) years each.



## ABSOLUTE NNN

Subject Property is highly passive with no landlord obligations.





Walmart  
Supercenter

Kroger

Wendy's

McDonald's

SONIC

SPEC'S  
WINES • SPIRITS • FINEER FOODS

WHATABURGER

WARREN ST

Pizza Hut

The  
Picket Fence

Walgreens

274

DQ

Angleton

601 NORTH LOOP 274

CVS pharmacy®

WAKES

S VELASCO ST

EARLY BIRD  
TAQUERIA

El Patio  
TEX-MEX GRILL & BAR

ANGLETON  
SEAFOOD

THE  
DIRTY SOUTH  
COUNTRY KITCHEN

W MULBERRY ST

FAMILY  
DOLLAR

E MULBERRY ST

274



# LEASE

<b>Price</b>	\$5,444,000
<b>Cap Rate</b>	5.25%
<b>Address</b>	601 North Loop 274   Angleton, Texas
<b>Tenant</b>	CVS Pharmacy, Inc.
<b>Guarantor</b>	CVS Caremark Corp.
<b>Year Built</b>	2009
<b>Lease Commencement</b>	March 1, 2010
<b>Lease Term</b>	25 Years
<b>Renewal Options</b>	Ten (10), Five (5) Year Options
<b>Rent Holiday Date</b>	February 1, 2032
<b>Lease Expiration</b>	January 31, 2035
<b>Current Annual Rent</b>	\$285,817
<b>Rent Increases</b>	Flat in Primary Term
<b>Building RBA</b>	+/- 12,229 SF
<b>Acreage</b>	+/- 2.21 Acres

# TENANT OVERVIEW



**CVS HEALTH CORPORATION** provides health services in the United States and has been operating since 1963 with its first store in Woonsocket, Rhode Island. Today CVS operates in 9,917 locations around the world and continuing to expand. CVS offers many segments which includes a Pharmacy Services segment offering pharmacy benefit management solutions, plan design and administration, formulary management, retail pharmacy network management, mail order pharmacy, specialty pharmacy and infusion, clinical, and disease and medical spend management services.

CVS has a mission to take on the world's most prevalent and pressing health care needs. CVS takes an unmatched effort to understand and act on what consumers want and need which is a personalized, people-centered care that treats them like a human being.

In 2018, CVS Health completed the acquisition of Aetna which was the biggest health care merger in U.S. History, creating a new health-care powerhouse. The merger combined CVS' pharmacies with Aetna's insurance business. The combined company creates a new data-driven health care model that is more personal, convenient and tailored to individual patients than ever before.

CVS also acquired MinuteClinic in 2006 which provides retail clinic services and offers expanded services where clinicians can screen, diagnose and treat customers and provide follow-up care for chronic conditions as well as provide services for minor injuries and illnesses, immunizations and annual exams, in-store or virtually, the first of its kind. Today, there are 1,100 MinuteClinic locations within CVS stores across the United States.



STOCK SYMBOL: CVS  
New York Stock Exchange



YEAR FOUNDED  
1963



HEADQUARTERS  
Woonsocket, Rhode Island



LOCATIONS  
9,917



#4 on Fortune 500



TTM REVENUE  
\$285.06 Billion

TTM EBITDA  
\$17.18 Billion

NET WORTH  
\$142.66 Billion



WEBSITE  
[www.cvs.com](http://www.cvs.com)

# ANGLETON, TX (HOUSTON MSA)

Angleton, TX is the county seat of Brazoria County within the Houston-The Woodlands-Sugar Land Metropolitan Area which boasts a population of over 7 million people. The Houston-The Woodlands-Sugar Land MSA is the fifth-most populous metropolitan statistical area in the United States encompassing nine counties along the Gulf Coast of Southeast Texas. Angleton is a suburb of Houston and is home to the states largest county fair.

Angleton lies at the intersection of State Highway 288 which leads north to downtown Houston and south 18 miles to Freeport near the Gulf of Mexico. State Highway 35 intersects with Highway 288 and leads to Alvin and Bay City. Angleton continues to experience growth which is driven by multiple indicators which include a young population, affordability, warm climate, low taxes, generally pro-business environment, diversity, and culture continue to attract new residents.

The Houston-The Woodlands-Sugar Land MSA gained nearly 1.2 million new residents from 2010–20. Only Dallas-Fort Worth and Phoenix topped the MSA in terms of population growth in 2020. The Houston area is home to 22 Fortune 500 companies including Phillips 66, Sysco, ConocoPhillips, Halliburton, and Occidental Petroleum to name a few. The Houston area's gross domestic product (GDP) in 2016 was \$478 billion, making it the sixth-largest of any metropolitan area in the United States and larger than Iran's, Colombia's, or the United Arab Emirates' GDP.





	1 Mile	3 Mile	5 Mile
<b>POPULATION SUMMARY:</b>			
2021 Total Population	6,977	22,961	25,883
2026 Total Population	7,248	24,020	27,188
2021 Total Daytime Population	7,492	22,498	24,984
<b>HOUSEHOLD SUMMARY:</b>			
2000 Households	2,319	7,122	7,805
2010 Households	2,426	7,536	8,331
2021 Households	2,573	8,447	9,468
2026 Households	2,675	8,850	9,963
<b>MEDIAN HOUSEHOLD INCOME:</b>			
2021	\$68,528	\$65,266	\$66,229
2026	\$75,634	\$72,384	\$73,784
<b>MEDIAN HOME VALUE:</b>			
2021	\$159,717	\$190,500	\$191,645
2026	\$220,788	\$239,018	\$244,718
<b>MEDIAN AGE:</b>			
2021	39.0	37.7	37.9
2026	40.1	38.7%	39.0%
<b>2021 POPULATION BY RACE/ETHNICITY:</b>			
White Alone	65.3%	66.8%	67.7%
Black Alone	16.9%	14.8%	14.0%
American Indian Alone	0.6%	0.7%	0.7%
Asian Alone	1.1%	1.2%	1.2%
Pacific Islander Alone	0.1%	0.1%	0.1%
Some Other Race Alone	12.2%	13.1%	13.0%
Two or More Races	3.8%	3.5%	3.3%
Hispanic Origin	33.6%	35.4%	35.7%



## 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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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.

Newmark Real Estate of Houston LLC	537005		713.626.8888
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Arispah Hogan	342405	<a href="mailto:lhogan@nmrk.com">lhogan@nmrk.com</a>	713.490.9994
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](http://www.trec.texas.gov)

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