



Taken April 2022

ABSOLUTE NNN
CORPORATE GUARANTEE

Walgreens

11994 RICHMOND AVE | HOUSTON, TX 77082

EXCLUSIVELY LISTED BY

PRIMARY CONTACT

SEAN STEPHENSON

Senior Advisor
AZ Lic: SA653272000
619.944.6477
sean@retail1031.com

STEVEN DAVIS

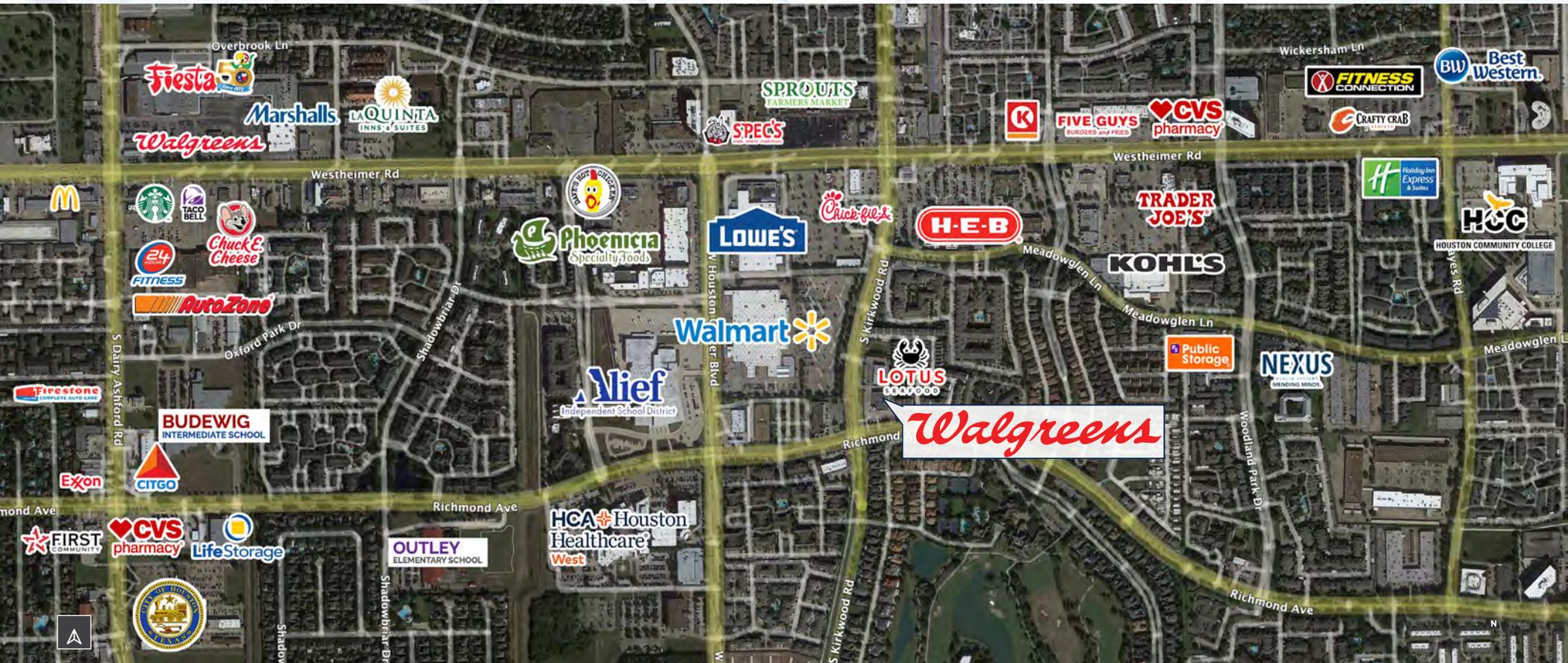
Managing Partner
AZ Lic: BR101032000
602.625.8338
steven@retail1031.com

MARK McLOONE

Managing Partner
AZ Lic: BR673250000
602.790.1526
mark@retail1031.com

BROKER OF RECORD

Steven Kleiman
TX Lic: 492577



Walgreens

\$5,490,196

PRICE

5.1%

CAP

\$280,000

NOI

±12,734 SF

BUILDING SIZE

±1.57 AC

LAND SIZE

2003

YEAR BUILT

EXECUTIVE SUMMARY

ADDRESS	11994 Richmond Ave Houston, TX 77082
LEASE TYPE	Absolute NNN (Landlord pays an annual HOA assessment that averages approx. \$1,000/year.)
LEASE EXPIRATION	11/30/2033
LESSEE	Walgreens Corporate
GUARANTOR	Walgreens Corporate
OPTIONS	Every 5 Years Up To 11/30/2078
INCREASES	None
ROFR	Yes

PROPERTY HIGHLIGHTS

- Recent lease extension - Walgreens recently added early 5 year extension in February 2021
- Adjacent to HCA Hospital, Lowe's, Kohl's, Walmart, HEB, Trader Joe's, Sprouts
- Village MD added a location to this store in 2021
- Corporate guaranteed lease from Walgreens Boots Alliance, Inc (NASDAQ: WBA)
- Tax-free state
- Population of nearly 487,000 and daytime employees of over 243,000 within 5 miles









Walgreens

WALGREENS.COM
WEBSITE

1901
FOUNDED

±121 YEARS
IN BUSINESS

DEERFIELD, IL
HEADQUARTERS

Walgreens

HOUSTON, TX

TENANT PROFILE

Walgreens is the second-largest pharmacy store chain in the United States. The chain specializes in health and wellness products and prescription medications through its pharmacies. Founded in Chicago in 1901, the company now operates more than 9,000 locations in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Most locations include a pharmacy, photo lab, cosmetics counter, and a general merchandise area; and select stores include onsite health clinics that offer treatment for common illnesses as well as vaccine administration and physicals.

Walgreens is a subsidiary of Walgreens Boots Alliance, Inc., the result of a merger between Walgreen Company and Switzerland-based Alliance Boots. Walgreens Boots Alliance, Inc., operates Walgreens and Duane Reade stores in the U.S., and Boots stores in Europe and Asia.



+9,000
Locations



+225,000
Employees



50 States
in the U.S.



±287.6M
Prescriptions
Filled in 2020



Retail Investment Group

480.429.4580 | retail1031.com



Walgreens Boots Alliance Makes \$5.2B Investment in VillageMD to Deliver Value-Based Primary Care to Communities Across America

- Investment increases ownership stake in VillageMD to 63 percent
- Increases number of co-located primary care practices to over 600 in more than 30 U.S. markets by 2025 and 1,000 by 2027, with more than half in underserved communities

DEERFIELD, Ill. & CHICAGO – October 14, 2021 – Walgreens Boots Alliance (Nasdaq: WBA) and VillageMD today announced that WBA has agreed to make an additional investment in VillageMD to advance its strategic position in the delivery of value-based primary care, a \$1 trillion, fast-growing segment of the healthcare system.

The \$5.2 billion investment will accelerate the opening of at least 600 Village Medical at Walgreens primary care practices in more than 30 U.S. markets by 2025 and 1,000 by 2027, with more than half of those practices in medically underserved communities. Walgreens' partnership with VillageMD will lead to a significant increase in access to primary care in underserved urban and rural communities – more than 75 percent of Americans live within five miles of a Walgreens.

The investment increases WBA's ownership stake in VillageMD to 63 percent from 30 percent. VillageMD remains a standalone company, with its own board and management, and the company plans to conduct an IPO in 2022.

Through its partnership with VillageMD, Walgreens is the first national pharmacy chain to offer full-service primary care practices with primary care physicians and pharmacists co-located at its stores all under one roof at a large scale.

"The best healthcare is deeply rooted in local communities, and Walgreens is committed to expanding convenient access to high-quality and affordable healthcare services to our patients and customers in our neighborhood locations," said Roz Brewer, CEO, Walgreens Boots Alliance. "VillageMD is a leader within the fast-growing, value-based primary care segment with high rates of patient satisfaction and a talented management team who share our strategic vision of the central role that primary care can serve to improve patient outcomes and lower costs."

VillageMD currently operates over 230 practices across 15 markets, with plans to expand nationally over time. The company has experienced rapid growth, increasing revenues from \$217 million in 2017 to \$1.3 billion expected in 2021.

"Over the past two and a half years, we have worked side-by-side with Walgreens to create an integrated primary care and pharmacy model that accomplishes one primary goal: better patient care. WBA's investment supports our ongoing commitment to providing the



highest quality healthcare to all patients, including many people who don't currently have convenient access to a primary care provider," said Tim Barry, CEO and chairman of VillageMD. "This expanded partnership helps us accelerate our mission to deliver the best healthcare in the world."

VillageMD delivers high-quality primary care and an outstanding experience to patients, and enables physicians to transition from traditional fee-for-service to risk-based care models. Its physician-led care teams include pharmacists, nurses, lab techs, behavioral health specialists and other types of providers with a national network of clinical best practices to help provide coordinated, personalized care for each patient.

With this investment, VillageMD can accelerate its strategy of providing comprehensive, coordinated care through a primary care model, including expansion into broader service lines. Village Medical at Walgreens locations accept a wide range of health insurance options. Patients may access care and support through in-person, at-home and telehealth visits.

WBA and VillageMD have 52 co-located primary care practice locations currently open, and will have more than 80 open by the end of this calendar year. The companies first announced a partnership in 2019 with the trial launch of five co-located practices in the Houston area. Following the highly successful pilot, the companies expanded the partnership in July 2020, followed by an announcement in January of this year when WBA accelerated its investment.

The transaction is subject to the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and other customary closing conditions and is expected to close by the end of calendar 2021. VillageMD's financials will be consolidated by WBA.

Sidley Austin LLP acted as lead legal advisor for WBA, along with Weil, Gotshal & Manges LLP. Latham & Watkins, LLP acted as lead legal advisor for VillageMD.

Source:

<https://news.walgreens.com/press-center/walgreens-boots-alliance-makes-52-billion-investment-in-villagemd-to-deliver-value-based-primary-care-to-communities-across-america.htm>

QUICK FACTS

2020 POPULATION
±2,304,580

FOUNDED
1836

TOTAL AREA
±671.67 SQ MI

ABOUT HOUSTON, TX

Houston is the most populous city in Texas, fourth-most populous city in the United States, most populous city in the Southern United States, as well as the sixth-most populous in North America, with a population of 2,304,580 in 2020. Located in Southeast Texas near Galveston Bay and the Gulf of Mexico, it is the seat and largest city 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 and the second-most populous in Texas (Dallas–Fort Worth is larger). 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 ninth-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.



DEMOGRAPHICS



POPULATION

	1 Mile	3 Miles	5 Miles
2022 Population	24,106	189,971	486,869
2027 Population Proj	24,603	194,441	502,127



INCOME

	1 Mile	3 Miles	5 Miles
2022 Avg HH Income	\$81,749	\$81,496	\$77,684
2022 Med HH Income	\$56,406	\$52,816	\$50,789



HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Households	11,094	76,509	183,060
2027 Household Proj	11,281	78,091	188,357



DAYTIME DEMOS

	1 Mile	3 Miles	5 Miles
2022 Employees	10,594	95,356	243,456
2022 Businesses	1,509	9,838	27,231

TRAFFIC COUNTS



S Kirkwood Rd @ Westheimer Rd N	±17,331 VPD
Richmond Avenue @ S Kirkwood Rd E	±22,060 VPD

Costar 2022



2022 DAYTIME
EMPLOYMENT OF OVER
243,000
WITHIN 5-MILES



2022 POPULATION
OF NEARLY
487,000
WITHIN 5-MILES



2022 AVG HH INCOME
OF OVER
\$77,500
WITHIN 5-MILES

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SEAN STEPHENSON

Senior Advisor

AZ Lic: SA653272000

619.944.6477

sean@retail1031.com

STEVEN DAVIS

Managing Partner

AZ Lic: BR101032000

602.625.8338

steven@retail1031.com

MARK McLOONE

Managing Partner

AZ Lic: BR673250000

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This Offering Memorandum is intended to provide a summary, unverified financial and physical 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. Retail Investment Group has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence of absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

Additional information and an opportunity to inspect the subject property will be made available upon written request to interested and qualified prospective investors. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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