

Walgreens

1515 E BROADWAY ST | PEARLAND, TX 77581



INTERACTIVE
OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY:



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Conrad Sarreal (in conjunction with Matthews Real Estate Investment Services, Inc., a cooperating foreign broker for this listing pursuant to Section 535.4(b) of the Texas Administrative Code).



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OFFERING MEMORANDUM

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS



HOUSTON MSA – Pearland is the fifth fastest growing city in the State of Texas. According to U.S. Census data in 2020, Pearland received the largest growth of any city in Brazoria County with 38% POPULATION GROWTH since 2010.



DENSE RETAIL CORRIDOR – Located directly adjacent to a Home Depot, there are multiple national retailers in the immediate area including Chick-Fil-A, Walmart, and Starbucks, among many more that attest to the quality of the retail location. The intersection adjacent to the site generates over 55,000 vehicles per day.



INCOME TAX-FREE STATE – Texas is one of only nine states Nationwide that do not levy a state income tax.



AFFLUENT COMMUNITY – This Walgreens serves the affluent Pearland, TX community. The average household income within the 2-mile radius is north of \$119,000.



CRITICAL DOUBLE DRIVE-THRU LANE – Drive-thru lanes proved to be critical for retailers through the pandemic, and as total sales volume for restaurants, pharmacy, and bank properties last year hit a record \$12 Billion, the interest in drive-through real estate has exploded.



ABSOLUTE NNN – This lease offers zero landlord responsibilities ideal for an investor looking for an extremely passive and secure investment.



INVESTMENT GRADE CREDIT TENANT – Rent is guaranteed by Walgreens Corporate a Fortune 500 company boasting an S&P credit rating of BBB and a ± \$31 billion market cap.



PANDEMIC PROOF / ESSENTIAL RETAILER – As an essential retailer, Walgreens has been working to ensure the safety and well-being of patients, customers, and colleagues. The global, pharmacy-led health care company continues to prove its resilience through the Covid-19 Pandemic and economic downturn.



FINANCIAL OVERVIEW



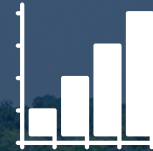
\$4,615,385

LIST PRICE



\$300,000

NOI



6.50%

CAP RATE

PROPERTY SUMMARY

Property Street	1515 Broadway St.
City, State, Zip	Pearland, TX 77581
GLA (SF)	±14,560 SF
Year Built	2003
Lot (AC)	±1.92 AC

FINANCIAL OVERVIEW

LEASE SUMMARY

Tenant	Walgreens
Parcel Number	5410-0031-115
Parking Spaces	±73
Store Number	#7459
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant's Responsibility
Original Lease Term	25 Years
Lease Commencement Date	7/1/2003
Lease Expiration Date	6/30/2028
Term Remaining	±5 Years
Options	Ten, 5-Year Options

ANNUALIZED OPERATING DATA

LEASE YEARS	ANNUAL RENT	MONTHLY RENT
Years 1-25 7/1/2003 - 6/30/2028	\$300,000	\$25,000
Options 1-10 7/1/2028 - 6/30/2078	\$300,000	\$25,000

FOR FINANCING OPTIONS REACH OUT TO:

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BROADWAY ST + 31,000 VPD

TENANT OVERVIEW



COMPANY NAME

Walgreens

OWNERSHIP

Public

YEAR FOUNDED

1901

INDUSTRY

Drug Store

HEADQUARTERS

Deerfield, IL

NO. OF EMPLOYEES

±315,000

Walgreens

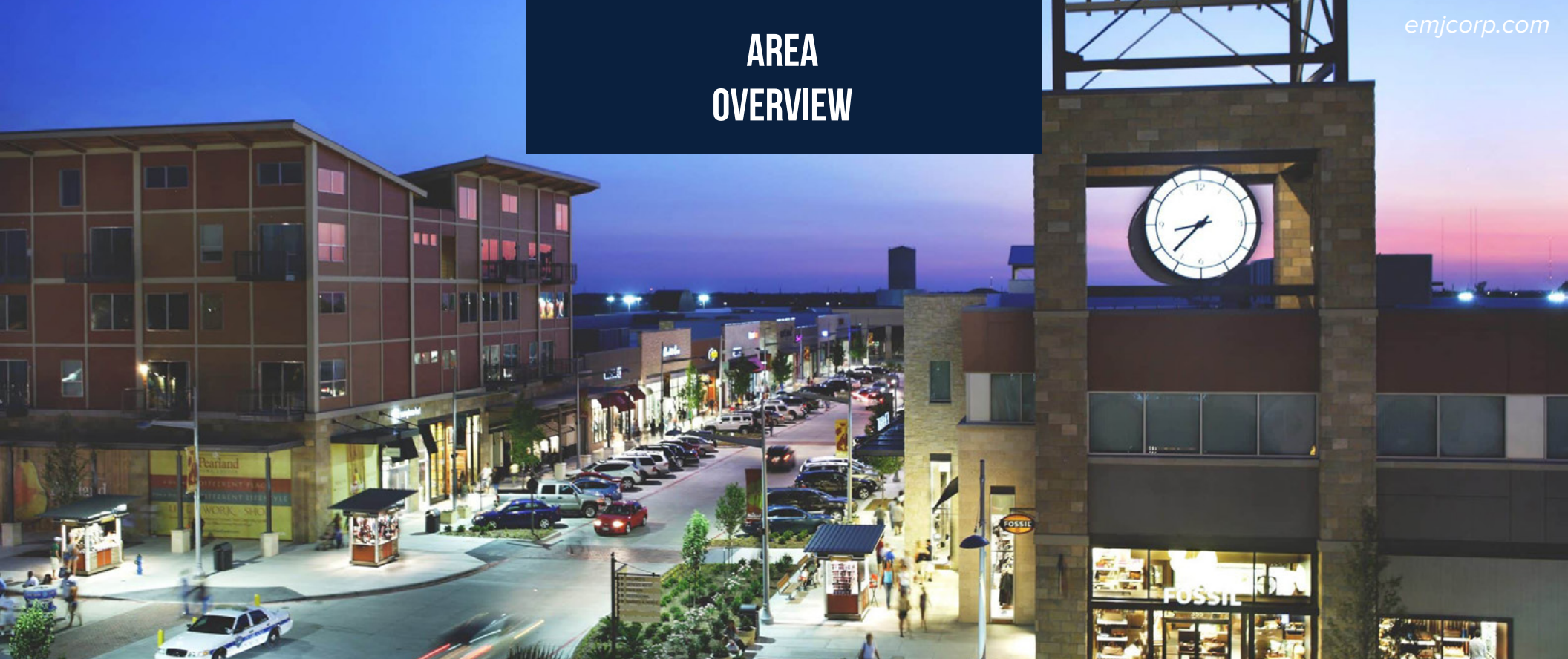
TENANT OVERVIEW

Walgreen Company is an American company that operates the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. It was founded in Chicago, Illinois, in 1901, and is headquartered in the Chicago suburb of Deerfield, Illinois. On December 31, 2014, Walgreens and Switzerland-based Alliance Boots merged to form a new holding company, Walgreens Boots Alliance Inc.-an integrated pharmacy, healthcare and retail leader serving millions of customers and patients every day, with a 170-year heritage of caring for communities. Walgreens became a subsidiary of the new company, which retained its Deerfield headquarters and trades on the Nasdaq under the symbol WBA. WBA has more than 315,000 team members and a presence in nine countries through its portfolio of consumer brands: Walgreens, Boots, Duane Reade, the No7 Beauty Company, Benavides in Mexico and Ahumada in Chile. Walgreens provides solutions for payers and health systems, resources for healthcare professionals, and has a Walgreens center for health & wellbeing research.

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.

AREA OVERVIEW



PEARLAND, TX

Pearland, Texas is a city located in the southern part of the Houston metropolitan area in the state of Texas, United States. With a population of over 120,000 residents as of 2021, Pearland is one of the fastest-growing cities in the state. It is situated in Brazoria County and is known for its proximity to major transportation routes, strong economy, and diverse community.

Pearland has experienced rapid growth in recent years, attracting new residents and businesses. The city's economy is diverse and includes sectors such as healthcare, manufacturing, education, retail, and professional services. Major employers in Pearland include Pearland Independent School District, Memorial Hermann Pearland Hospital, Kelsey-Seybold Clinic, and Bass Pro Shops.

Pearland also offers a variety of recreational opportunities for residents and visitors. The city maintains several parks, including Centennial Park, Southdown Park, and Independence Park, where people can enjoy sports fields, playgrounds, picnic areas, and walking trails. Additionally, Pearland is home to the Pearland Town Center, a popular shopping and entertainment destination that features a variety of retail stores, restaurants, and a movie theater.

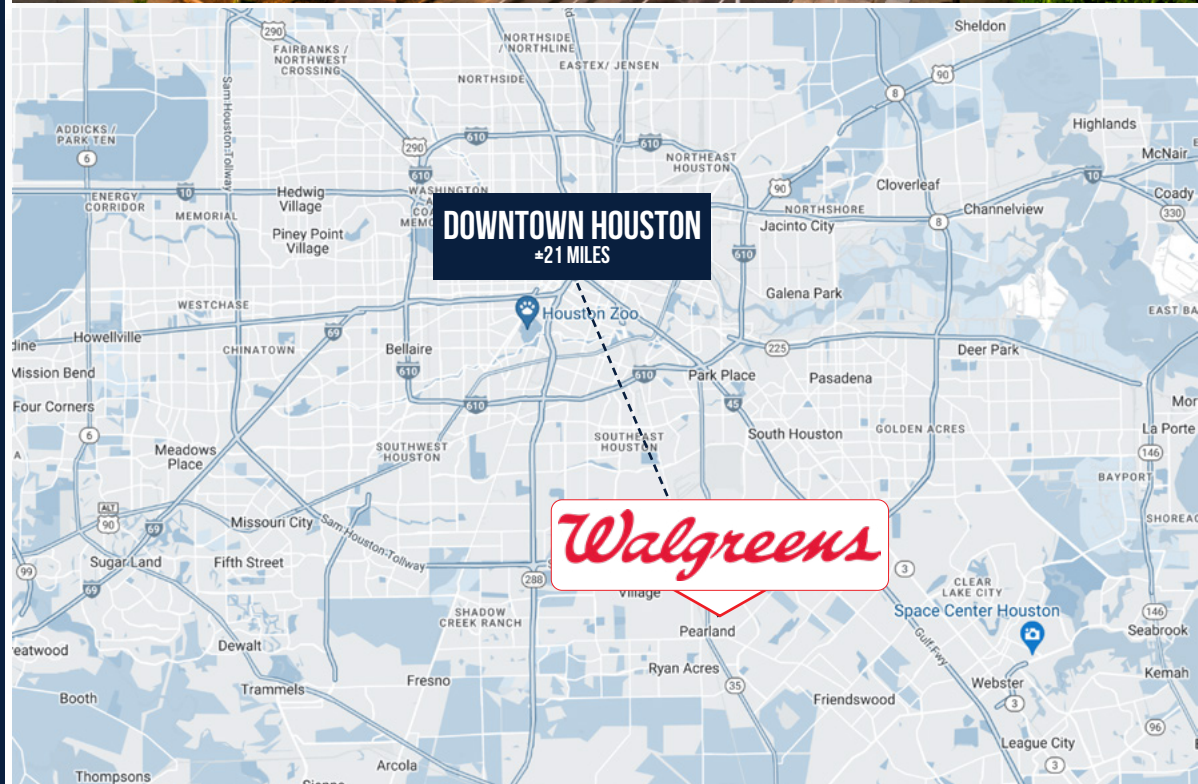
DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
2028 Estimate	16,394	129,061	271,685
2010 Census	16,127	127,075	266,542
2023 Estimate	15,150	118,413	247,764
Growth 2023-2028	1.66%	1.56%	1.93%
Growth 2010-2023	6.45%	7.31%	7.58%
HOUSEHOLD	1 MILE	3 MILE	5 MILE
2010 Census	5,461	43,325	94,253
2023 Estimate	2,051	3,600	4,991
Growth 2010-2023	3.90%	5.74%	6.69%
INCOME	1 MILE	3 MILE	5 MILE
Avg Household Income	\$84,783	\$75,455	\$80,540

HOUSTON, TX

With a city population of over 2.3 million people, Houston is the fourth-largest city in the United States. Houston is the most diverse metropolitan area in Texas and has been described as the most racially and ethnically diverse major metropolis in the U.S. It is home to many cultural institutions and exhibits, which attract more than 7 million visitors a year to the Museum District. Houston has an active visual and performing arts scene in the Theater District and offers year-round resident companies in all major performing arts.

Though Houston is the largest city in the United States without formal zoning regulations, it has developed similarly to other Sun Belt cities because the city's land-use regulations and legal covenants have played a similar role. Houston has the fourth tallest skyline in the United States (after New York City, Chicago, and Miami). A seven-mile system of tunnels and skywalks links Downtown buildings containing shops and restaurants, enabling pedestrians to avoid the summer heat and rain while walking between buildings. Centered on Post Oak Boulevard and Westheimer Road, the Uptown District boomed during the 1970s and early 1980s when a collection of midrise office buildings, hotels, and retail developments appeared along Interstate 610 West. Uptown became one of the most prominent instances of an edge city. Located in the American South, Houston is a diverse city with a large and growing international community.





ECONOMY

Houston is a city of endless possibilities: Its history has been marked with achievements from the first word heard from the moon to the first artificial heart transplant. A distinctly favorable business climate promotes trade, commerce, industry, and economic growth in the Houston region. Many businesses recognize the allure of all Houston has to offer. Once dominated by oil-related jobs, Houston's economy has diversified as new, core industries join energy in the regional employment mix. Houston's current major industries include energy, aerospace and defense, and bio-science. Houston is home to the Texas Medical Center, the world's largest concentration of health care and research institutions, and NASA's Johnson Space Center, where the Mission Control Center is located. According to Forbes, Houston has a gross metro product of \$482.1 billion.

Houston maintains a global position as an international trade leader with economic and cultural ties reaching across the globe. As one of only five cities in the world connecting to all six inhabited continents, Houston is a global manufacturing and logistics hub and an international finance center. Over 5,000 Houston companies are engaged in international business and approximately 1,000 Houston firms report foreign ownership. International trade directly or indirectly supports more than one-third of all jobs in the Houston metropolitan area. Fifteen foreign governments maintain trade and commercial offices here, and the city has 35 active foreign chambers of commerce and trade associations.

DOWNTOWN HOUSTON

Houston's downtown has been revitalized with numerous clubs, professional sports facilities, and musical entertainment that has helped bring nightlife back to downtown. As one of the few U.S. cities with resident companies in theater, ballet, symphony, and opera, Houston's Theater District, located downtown, offers visitors and residents alike exciting performances all season long. The city also shows its devotion to the arts through a full complement of art museums and critically acclaimed galleries in its Museum District.

Countless cutting-edge chefs have made a home in Houston, where diners eat out more than residents of any other city. There are more than 10,000 restaurants in the Houston area with culinary choices that represent more than 70 countries and American regions. This stylish dining scene only provides a glimpse of Houston's epicurean offerings, a fact that the city's culinary masterminds intend to prove with the Houston Culinary Tours.

TOP 10 BEST CITIES FOR YOUNG PROFESSIONALS

(FORBES, 2021)

#1 CITY FOR STEM JOBS

(WALLETHUB, 2021)

#1 BEST CITY TO BUY A HOME

(FORBES, 2021)



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **1515 E Broadway St, Pearland, TX 77581** ("Property"). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

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 Owner 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 of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.



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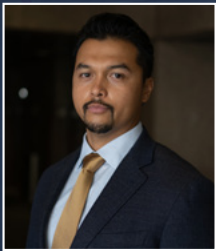
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