

# Walgreens

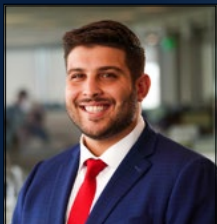
13714 STATE HIGHWAY 249 | HOUSTON, TX 77086



INTERACTIVE OFFERING MEMORANDUM



## EXCLUSIVELY LISTED BY



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# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- **BELOW MARKET RENT** - Walgreens is only paying \$12.40 per square foot. CoStar estimates the market overall rent at \$22.81 per square foot
- **HOUSTON, TX / STATE INCOME TAX FREE** - Houston is the most populous city in Texas and in the Southern United States. Houston is the fourth most populous city in the nation with over 2.3 million residents as of 2020. Residents of income tax free states can take advantage of the no state income tax in Texas
- **RECENTLY EXTENDED LEASE**- Walgreens has elected to take their option with zero concessions or rental incentives asked from current ownership.
- **DENSE RETAIL THOROUGHFARE** - Nearby retailers along Highway 249 include Taco Bell, Firestone Complete Auto Care, Burger King, Jack In the Box, Take 5 Oil Change, Chevron, Advance Auto Parts, Aldi, Bank Of America, Raising Canes, Wendys, panda Express, Walmart Super Center, Chick-fil-A, and many other local/regional tenants
- **NET LEASE** – This lease offers minimal landlord responsibilities ideal for an investor looking for a more passive and secure investment. The roof was recently replaced in 2015 and has a transferable warranty
- **EXCELLENT VISIBILITY + TRAFFIC COUNTS** - This Walgreens is easily seen and has direct access to and from the Highway 249 (±50,000 VPD)
- **CORPORATE GUARANTEE** – Rent is guaranteed by Walgreens Corporate a Fortune 500 company boasting a ±\$15 billion market cap
- **PANDEMIC PROOF / ESSENTIAL RETAILER** – Walgreens continues to prove its resilience through the Covid-19 Pandemic and economic downturn







# FINANCIAL OVERVIEW



**\$2,480,000**

LIST PRICE



**\$167,400**

NOI



**6.75%**

CAP RATE

## PROPERTY SUMMARY

Property Address	13714 State Highway 249 Houston, TX 77086
County	Harris County
GLA	±13,500 SF
Lot	±1.59 AC
Year Built	1994
APN	1181560010001



# FINANCIAL OVERVIEW

## LEASE SUMMARY

Tenant	Walgreens
Store Number	#3370
Type of Ownership	Fee Simple
Lease Guarantor	Walgreens
Lease Type	NN
Roof and Structure	Landlord Responsibility
Original Lease Term	20 Years
Lease Commencement Date	1/15/1994
Lease Expiration Date	10/31/2029
Term Remaining	±5.5 Years
Increases	NONE
Options	Three, 5-Year Options

## ANNUALIZED OPERATING DATA

TERM	DATES	ANNUAL RENT	MONTHLY RENT
Current	Current - 10/31/2029	\$167,400.00	\$13,950.00
Options 3-6	11/1/2029 - 10/31/2044	\$167,400.00	\$13,950.00

## FINANCING INQUIRIES

For financing options please reach out to:

GREGORY KAVOKLIS  
gregory.kavoklis@matthews.com  
(818) 206-5835





# DOWNTOWN HOUSTON



PARK AT WILLOWBROOK



WILLOW BROOK CROSSING APARTMENTS



CITITRENDS



BAMMEL NORTH HOUSON RD ± 20,000 VPD

HOUSTON ROSSLYN RD ± 26,000 VPD



SADDLEWOOD APARTMENTS

**Walgreens**

SUBJECT PROPERTY



STATE HIGHWAY 249 ± 50,000 VPD





CORONADO PARK APARTMENTS



COSTA MESA APARTMENTS

Firestone



CITITRENDS



Walgreens

SUBJECT PROPERTY

SADDLEWOOD APARTMENTS

STATE HIGHWAY 249 ± 50,000 VPD

BAMMEL NORTH HOUSON RD ± 20,000 VPD



CHAMPION FOREST



## TENANT OVERVIEW



### COMPANY NAME

Walgreens

### OWNERSHIP

Public

### YEAR FOUNDED

1901

### INDUSTRY

Drug Store

### HEADQUARTERS

Deerfield, IL

### NO. OF EMPLOYEES

±315,000

The Walgreens logo, featuring the word 'Walgreens' in a red, cursive script font.

## 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

## 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.

## DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
2028 Projection	21,180	115,340	334,015
2023 Estimate	20,642	111,785	323,543
2010 Census	19,318	100,811	290,665
Growth 2023-2028	0.5%	0.6%	0.6%
HOUSEHOLD	1 MILE	3 MILE	5 MILE
2028 Projection	6,037	33,237	109,332
2023 Estimate	5,862	32,138	105,732
2010 Census	5,366	28,543	94,048
Growth 2023-2028	0.6%	0.7%	0.7%
INCOME	1 MILE	3 MILE	5 MILE
Avg HH Income	\$55,601	\$69,460	\$70,256







## 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 the property owner and its tenant for real property located at **13714 State Highway 249, Houston, TX 77086** ("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.

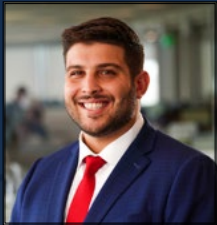




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## Information About Brokerage Services

*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.

**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.

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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