

WALGREENS

1103 W ROUND GROVE RD
LEWISVILLE, TX 75067

RECENTLY EXTENDED LEASE - NO RENT REDUCTION



OFFERING MEMORANDUM

CBRE

AFFILIATED BUSINESS DISCLOSURE

© 2024 CBRE, Inc. (“CBRE”) operates within a global family of companies with many subsidiaries and related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the “Property”) and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgment of that possibility and your agreement that neither CBRE nor any Affiliate has an obligation to disclose to you such Affiliates’ interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE and its Affiliates will act in the best interest of their respective client(s), at arms’ length, not in concert, or in a manner detrimental to any third party. CBRE and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc. (“CBRE”), and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs.

ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

TABLE OF CONTENTS

01 INVESTMENT SUMMARY
pg 4

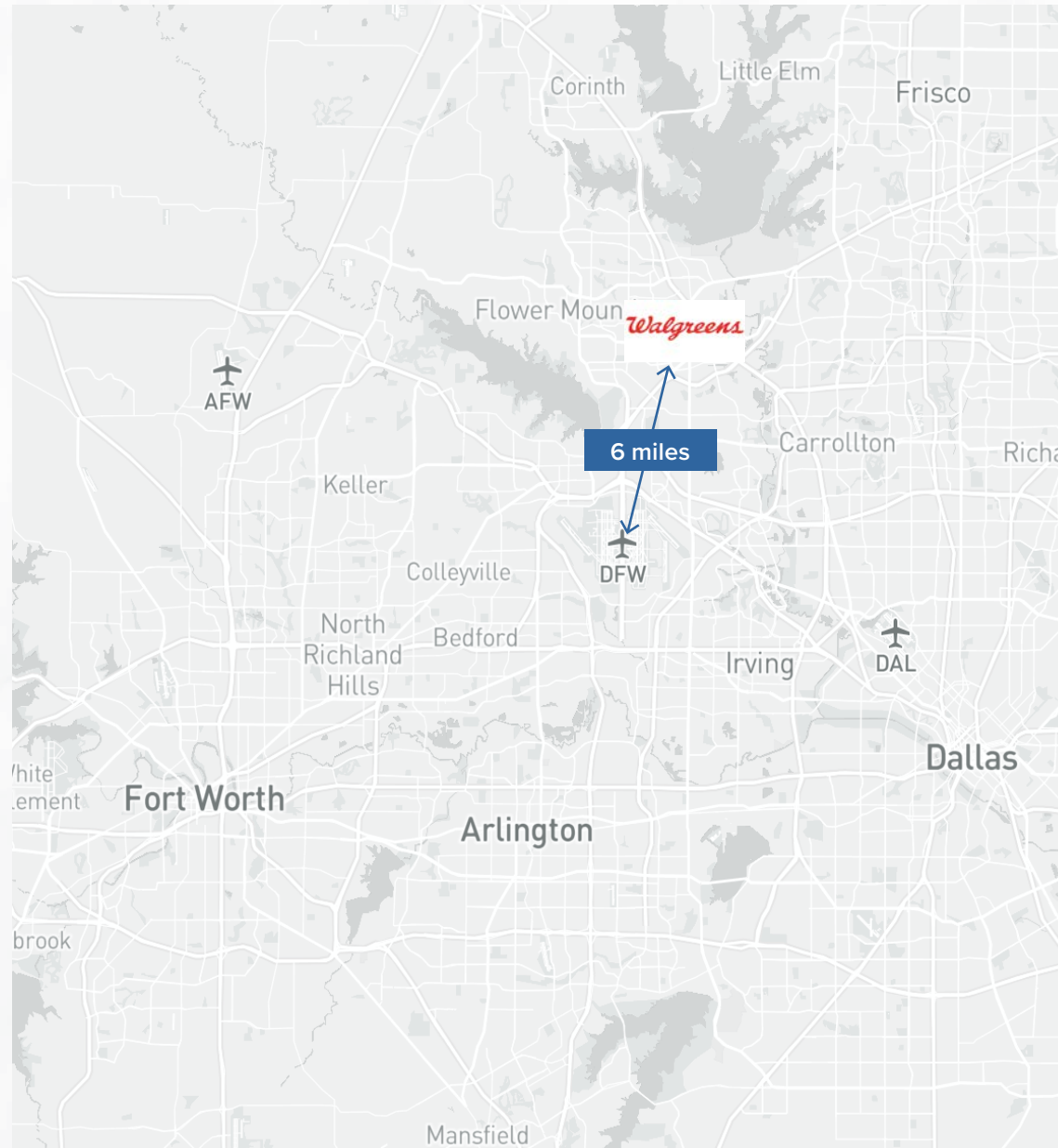
02 LEASE ABSTRACT
pg 5

03 AERIALS
pg 6

04 SITE PLAN
pg 8

05 TENANT OVERVIEW
pg 9

06 LOCATION OVERVIEW
pg 10



INVESTMENT SUMMARY



PRICING

\$5,072,000



CAP RATE

6.25%



NOI

\$317,000



LEASE EXPIRATION

5/31/2034



GUARANTEE

CORPORATE

INVESTMENT HIGHLIGHTS

RECENTLY EXTENDED LEASE – NO RENT REDUCTION

In May 2024, Walgreens agreed to extend their lease through May of 2034. Furthermore, there was no reduction in rent, demonstrating their commitment to this site. Walgreens also retains all ten of their 5-year renewal options.

IDEAL LOCATION

The subject property is strategically located next to two schools, Lewisville High School – Harmon and Parkway Elementary School, which combined have nearly 5,000 students and 340+ faculty members. The property is also surrounded by several residential developments, including a senior living facility across the street, The Pearl Senior Living at Lewisville, which is ideal for prescriptions. There are 114,938 people living within a 3-mile radius of the property.

ABSOLUTE TRIPLE NET (NNN) LEASE

The property is subject to an Absolute Triple Net (NNN) lease, resulting in zero landlord management responsibilities. The tenant is responsible for taxes, insurance, and all maintenance & repairs at the property, including roof and structure, providing a totally passive ownership structure for an investor.

EXCELLENT SITE-LEVEL VISIBILITY

Walgreens benefits from its location on the hard, signalized corner of the intersection of W Round Grove Rd and S Valley Pkwy, which has combined traffic counts of 42,275 vehicles per day. The property also benefits from its proximity to State Hwy 121, which has traffic counts of 44,616 daily vehicles in this area.

CORPORATE GUARANTEE FROM WALGREENS

The lease is corporately guaranteed by Walgreens Boots Alliance, the second largest pharmacy retail chain in the United States. It specializes in filling prescriptions, health and wellness products, health information, and photo services. Walgreens operates 9,000+ locations and has annual revenue exceeding \$139 billion, making it one of the ten largest retailers in the country.

DALLAS FORT WORTH INTERNATIONAL AIRPORT

The Dallas Fort Worth International Airport (DFW) is located just 6 miles south of the property. It is the second-busiest airport in the world by passenger traffic, serving over 81 million passengers in 2023. It's also the largest hub for American Airlines, which operates the second-largest single airline hub in the United States at DFW.

LEASE ABSTRACT

Tenant	Walgreens	Lease Type	Absolute Triple Net (NNN)
Address	1103 W Round Grove Rd, Lewisville, TX 75067	Original Lease Term	75 Years
Price	\$5,072,000	Rent Commencement Date	12/4/04
Cap Rate	6.25%	Lease Expiration Date	5/31/34
NOI	\$317,000	Term Remaining	9.5+ Years
Gross Leaseable Area	14,560 SF	Rental Increases	Flat
Lot Size	1.89 AC	Renewal Options	10, 5-Year
Year Built	2004	Lease Guarantor	Corporate

Taxes:	Tenant shall pay, when due and before delinquency, the ad valorem real estate taxes (including all special benefit taxes and special assessments) levied and assessed against the Leased Premises, commencing with the Rent Commencement Date and continuing for the remainder of the Term.
Insurance:	Tenant shall carry special form coverage insurance covering the Building and the other improvements on the Leased Premises to the extent of not less than 100% of replacement value, less foundations. Tenant shall also procure and continue in effect public liability and property damage insurance. Such public liability insurance shall cover liability for death or bodily injury in any one accident, mishap or casualty in a sum of not less than \$3,000,000 and shall cover liability for property damage in one accident, mishap or casualty in the amount of not less than \$300,000.
Utilities:	Tenant shall pay when due all bills for water, rents, sewer charges, heat, gas, and electricity used in the building or on the Leased Premises from the commencement of the Initial Term until the expiration of the Term.
Repairs & Maintenance:	Tenant, at Tenant's sole cost and expense, shall maintain the Leased Premises and make all necessary repairs and replacements, whether interior or exterior, to all parts of the same.
Right of First Refusal:	Tenant may, at Tenant's option and within 10 Business Days after receipt of Landlord's notice of receipt of a Bona Fide Offer (deemed to be an offer made in writing by a person or entity not related to Landlord which Landlord intends to accept), offer to purchase the Leased Premises at the price and upon the terms and conditions as are contained in said Bona Fide Offer, in which event, Landlord shall sell the Leased Premises to Tenant upon said terms and conditions and said price.
Percentage Rent	If a sum equal to 2.0% of the Gross Sales, except Gross Sales from the sale of food items and prescription items, plus 0.5% of Gross sales of food items and prescription items, made by Tenant in any lease year shall exceed the total fixed rent for such lease year, then within 45 days Tenant shall pay to Landlord the amount of such excess as additional percentage rent. However, in no event shall the total of fixed rent plus additional percentage rent paid by Tenant in any lease year exceed twice the amount of fixed rent.

RENT SCHEDULE			
Period	Lease Years	Annual Base Rent	Annual Base Rent PSF
Extended Term	Current - 5/31/2034	\$317,000	\$21.77
First Renewal Term	6/1/2034 - 5/31/2039	\$317,000	\$21.77
Second Renewal Term	6/1/2039 - 5/31/2044	\$317,000	\$21.77
Third Renewal Term	6/1/2044 - 5/31/2049	\$317,000	\$21.77
Fourth Renewal Term	6/1/2049 - 5/31/2054	\$317,000	\$21.77
Fifth Renewal Term	6/1/2054 - 5/31/2059	\$317,000	\$21.77
Sixth Renewal Term	6/1/2059 - 5/31/2064	\$317,000	\$21.77
Seventh Renewal Term	6/1/2064 - 5/31/2069	\$317,000	\$21.77
Eighth Renewal Term	6/1/2069 - 5/31/2074	\$317,000	\$21.77
Ninth Renewal Term	6/1/2074 - 5/31/2079	\$317,000	\$21.77
Tenth Renewal Term	6/1/2079 - 5/31/2084	\$317,000	\$21.77

AERIAL



Goodwill

CREST MANOR APARTMENTS

QT

Tom Thumb

ups

Starbucks

SUBWAY

CYPRESS AT LEWISVILLE APARTMENT HOMES

LEWISVILLE

STRICKLAND BROTHERS
10 MINUTE OIL CHANGE

Subject Property

Walgreens

42,275 VPD

BUCK'S
Original Hand Dry Cleaning

McDonald's

CHILDREN'S LIGHTHOUSE OF LEWISVILLE

Kwik Kar
Automotive Lubrication & Service Centers

AERIAL





LEWISVILLE HIGH SCHOOL

TECC WEST (LEWISVILLE ISD)

CYPRESS AT LEWISVILLE APARTMENT

Avalon
Memory Care

PARKWAY ELEMENTARY

Kwik Kar.
Automotive Lube & Service Centers

Subject Property

Walgreens

CHILDREN'S LIGHTHOUSE OF LEWISVILLE

BUCK'S
Original. Awarded by Consumers

42,275 VPD

Tom Thumb

STRICKLAND BROTHERS
10 MINUTE OIL CHANGE

SITE PLAN



TENANT OVERVIEW



Tenant Name

Walgreens

Business Summary

Walgreens is a globally leading pharmacy store chain in the United States with headquarters in Deerfield, IL. Walgreens specializes in prescription and non-prescription drugs, health and wellness products, health information, general merchandise, convenience foods, and photo services. Operating more than 9,000 retail locations, Walgreens brings in an annual revenue of more than \$142 billion, and has over 331,000 employees, making it one of the most successful United States retailers every year. Walgreens also operates over 400 in-store clinics nationwide and sees 9 million customers and patients across their retail and clinic locations daily.

Walgreens is a subsidiary of Walgreens Boots Alliance (WBA). Walgreens Boots Alliance recently announced they have entered a strategic, long-term relationship with AmerisourceBergen, one of North America's largest pharmaceutical services companies. This will allow for the improvement of service levels and efficiencies, while reducing costs and increasing patient access to pharmaceuticals. Walgreens aims to reimagine local healthcare and well-being for all as part of its purpose – to create more joyful lives through better health. Through dispensing medicines, improving access to a wide range of health services, providing high quality health and beauty products and offerings anytime, anywhere convenience, WBA is shaping the future of healthcare.

COMPANY FAST FACTS

Tenant Name

Walgreens

Parent Company

Walgreens Boots Alliance

Website

<https://www.walgreens.com/>

Guarantee

Corporate

Sector/Industry

Pharmacy

U.S. Headquarters

Deerfield, IL

Number of Locations

9,000+

LOCATION OVERVIEW



LEWISVILLE, TX

Lewisville, Texas was incorporated in 1925 with 850 residents and has since grown to a population of over 111,000+ people as of the 2020 census. It's located in between Fort Worth and Dallas near Lewisville Lake, around 15 miles from both, creating a dynamic suburb of Dallas. Lewisville benefits from its close proximity to the I-35 freeway and 121 Highway, with the area's transportation infrastructure centered around the I-35 Corridor. Lewisville Lake, a 29,000-acre reservoir known as the "Urban Bass Fishing Capital of Texas", has made it a recreational hub for the DFW metro.

DALLAS-FORT WORTH

The Dallas-Fort Worth metroplex is a metropolitan statistical area in Texas that encompasses 11 counties and is the largest MSA in the state of Texas and all of the Southern United States. With a total population of over 8.1 million, it's also the 4th most populous MSA in the country. Dallas-Fort Worth is a high-growth area, having the highest numerical growth of any metropolitan area in the United States.

DFW's economy, known as Silicon Prairie, is home to 23 Fortune 500 companies, as it has a large presence in the banking, commerce, insurance, technology and energy industries. Dallas-Fort Worth is the 4th largest metropolitan economy in the nation with a GDP of \$688.9 Billion in 2022, illustrating the thriving economic ecosystem created by its impressive blend of economic dominance and cultural vibrancy. Dallas is also home to 4 major sports teams: the Dallas Cowboys, Texas Rangers, Dallas Stars, and Dallas Mavericks.



DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles	
POPULATION				
2023 Population - Current Year Estimate	11,055	114,938	219,276	
HOUSEHOLD INCOME				
2023 Average Household Income	\$133,532	\$127,135	\$142,642	
2023 Median Household Income	\$105,931	\$95,337	\$105,815	Source: CBRE Research



WALGREENS

1103 W ROUND GROVE RD
LEWISVILLE, TX 75067



INVESTMENT CONTACTS

RICHARD BREHAUT

Senior Vice President
+1 909 560 3010
Lic. 01934760
richard.brehaut@cbre.com

TONY ANDERSON

Senior Vice President
+1 310 303 9870
Lic. 01936642
t.anderson@cbre.com

KENT PRESSON

Senior Transaction Manager
+1 916 471 8780
Lic. 02076597
kent.presson@cbre.com

BROKERS OF RECORD

BRAD BENJAMIN

Vice President
+1 214 252 1030
TX License #299995
Bradley.Benjamin@cbre.com

DEBT & STRUCTURED FINANCE

SCOTT BUDZENSKI

First Vice President
+1 646 423 2627
Lic. 01989360
scott.budzenski@cbre.com

© 2024 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such logos does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.

CBRE