

Walgreens

500 CENTENNIAL BLVD | RICHARDSON, TX

OFFERING MEMORANDUM



EXCLUSIVELY OFFERED BY:

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NET LEASE INVESTMENTS



DISCLAIMER

Cushman & Wakefield has been retained as exclusive advisor to the Seller for the sale of the Walgreens parcel (the “Property”), approximately 14,820± square feet on 2.03± acres located at 500 Centennial Blvd, Richardson, TX 75081.

This Offering Memorandum has been prepared by Cushman & Wakefield for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by Cushman & Wakefield, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Cushman & Wakefield, therefore, are subject to variation. No representation is made by Cushman & Wakefield or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Cushman & Wakefield, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, and omitted from, this

Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. This Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner and Cushman & Wakefield each expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and its legal counsel, and any conditions to Owner’s obligations thereunder have been satisfied or waived. Cushman & Wakefield is not authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources

available to the public (such contents as so limited herein are called the “Contents”), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package 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 Owner or Cushman & Wakefield, (iv) to not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or Cushman & Wakefield, and (v) to return it to Cushman & Wakefield immediately upon request of Cushman & Wakefield or Owner.

The information contained herein has been obtained from the owner of the property or from other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.

If you have no further interest in the Property, please return this Investment Offering Memorandum forthwith.

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EXECUTIVE SUMMARY



Walgreens

TENANT:	Walgreens
LOCATION:	500 Centennial Blvd. Richardson, TX 75081
BUILDING SIZE:	14,820± square feet
LAND SIZE:	2.03± acres
YEAR BUILT:	2007
RENT COMMENCEMENT:	March, 2008
LEASE EXPIRATION:	March, 2033
OPTIONS:	Fifty (50) one (1) year options
LEASE TYPE:	Absolute NNN – no landlord responsibilities

PRICE	CAP	NOI
\$5,636,345	5.50%	\$309,999



INVESTMENT HIGHLIGHTS

- **Investment Grade Credit Tenant:** S&P Rating BBB
- **Absolute NNN lease**, no landlord maintenance or expense responsibilities
- **Long term Lease** - 14+ years left
- **Strategic Location** - Hard corner, signalized intersection. Centennial/Spring Valley Road is a major East-West corridor
- **In-fill population area** - 383,938 population in 5 mile radius
- **Strong income area** - \$87,359 average HHI
- **Excellent growth market** - population has increased by 10%+ since 2010
- **Good visibility and Traffic** - 31,000+ VPD
- **Dallas/Ft Worth MSA** - 13 miles to downtown Dallas
- **Complementary Retail** - Kroger, McDonalds, Bank of America, Sonic
- **Limited Competition** - next closest Walgreens is over 3 miles away
- 1.1 miles from US Route 75 (281,000 VPD)
- 2.0 miles from I-635 (233,670 VPD)
- 1.8 miles from Richland College



SURROUNDING RETAIL SOUTHEAST



Walgreens

SWEETWATER
Apartments - 312 units

SONORRA
Apartments - 312 units

CAMDEN
Apartments - 464 units

ARBORETUM ESTATES
Apartments - 338 units

Encore
AT BUCKENBERRY
SENIOR LIVING
Upscale Senior
Apartments
242 units

GNC
LIVE WELL
Great Clips

Kroger

Bank of America

ZAXBY'S

SONIC

BRAUM'S

HIGH DENSITY RESIDENTIAL AREA

POPULATION

1 MILE	3 MILE	5 MILE
18,667	169,948	390,759

31,030 **CARS PER DAY**

SURROUNDING RETAIL SOUTHWEST



SURROUNDING RETAIL WEST



Arden Courts
Assisted living - 60 units

NORTH DALLAS

FOSSIL CORPORATE HEADQUARTERS

ARBORETUM ESTATES
Apartments - 338 units

COURTYARD
Marriott

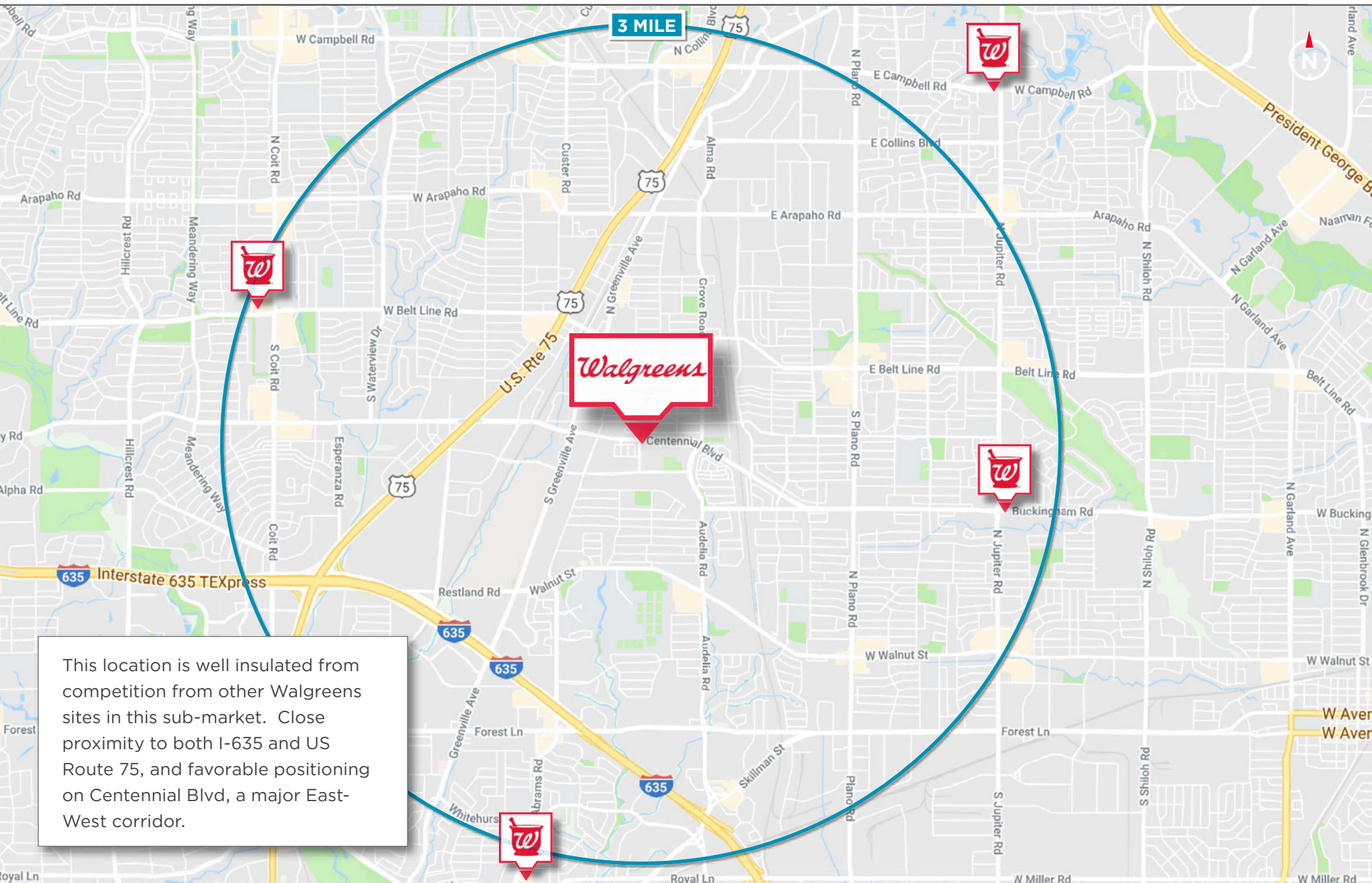
Walgreens

31,030
CARS PER DAY

CENTENNIAL BLVD



COMPETITION MAP WALGREENS STORES



This location is well insulated from competition from other Walgreens sites in this sub-market. Close proximity to both I-635 and US Route 75, and favorable positioning on Centennial Blvd, a major East-West corridor.



TENANT PROFILE

Walgreens Boot Alliance

(NASDAQ: WBA)

2017 SALES:	\$118 Billion	# OF EMPLOYEES (2017):	345,000
2017 NET INCOME:	\$4 Billion	# OF LOCATIONS (2017):	12,822
S&P CREDIT RATING:	BBB		

Walgreens Boots Alliance (NYSE: WAG) is the first global pharmacy-led, health and wellbeing enterprise in the world. It was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

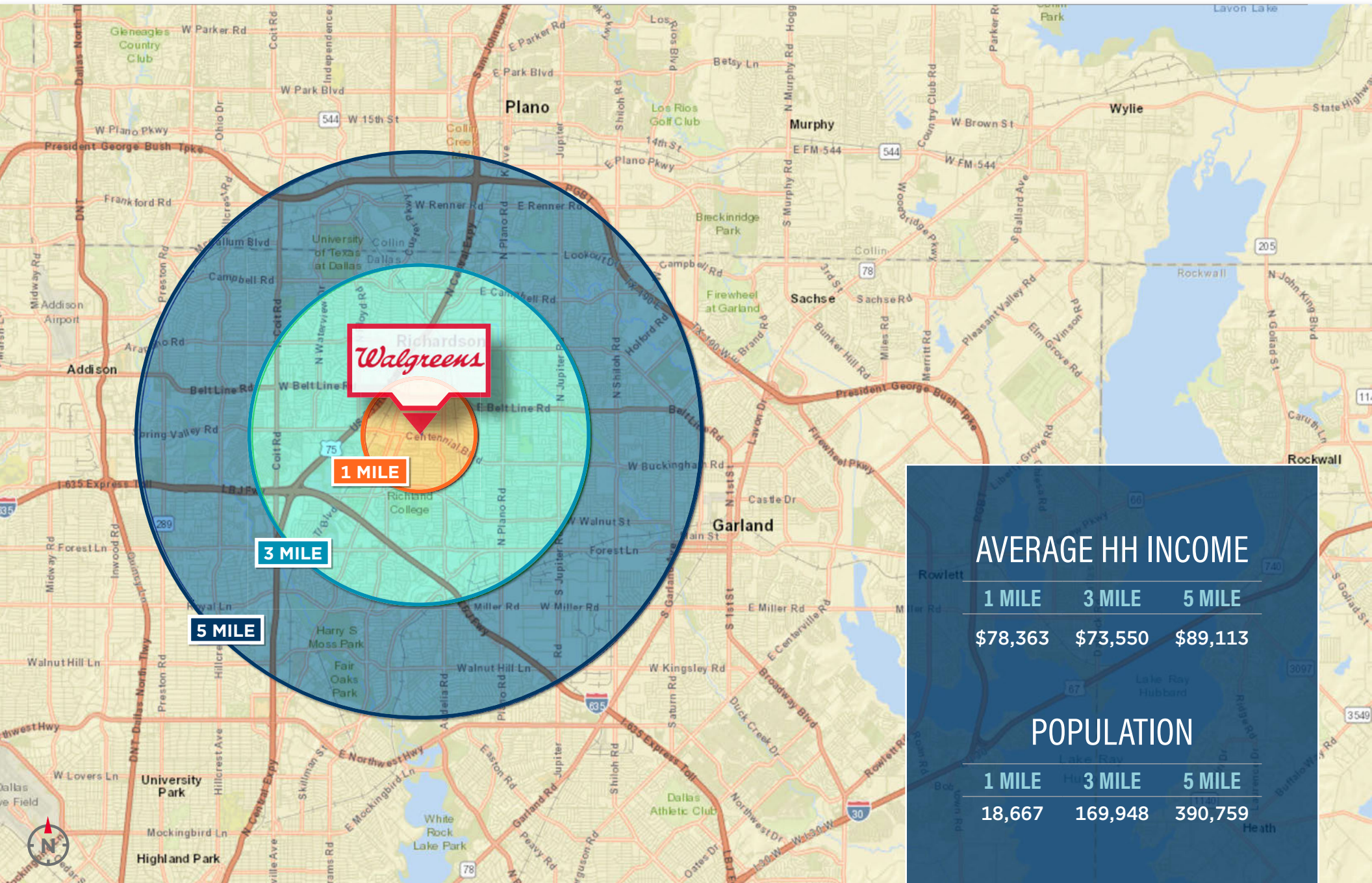
The new global enterprise combines Walgreens, the largest drugstore chain in the USA; Boots, the market leader in European retail pharmacy; and Alliance Healthcare, the leading international wholesaler and distributor. Together, Walgreens Boots Alliance spans more than 20 countries, with over 12,822 stores, over 345,000 employees and more than 390 pharmaceutical distribution centers serving more than 230,000 pharmacies and other points of care. The merger also brings together a unique brand portfolio of outstanding retail, wholesale, service and product brands, alongside the world's largest pharmaceutical wholesale and distribution network.

On September 19, 2017, Walgreens announced it had secured regulatory clearance to purchase 1,932 stores, three distribution centers and related inventory from Rite Aid for \$4.375 billion in cash and other consideration. Ownership of stores is expected to be transferred in phases, with the goal being to complete the store transfers in spring 2018.

Website: www.walgreens.com



DEMOGRAPHICS - 2018



AVERAGE HH INCOME		
1 MILE	3 MILE	5 MILE
\$78,363	\$73,550	\$89,113
POPULATION		
1 MILE	3 MILE	5 MILE
18,667	169,948	390,759

RICHARDSON, TX

Richardson is a principal city in Dallas and Collin counties in Texas. As of the 2015 American Community Survey, the city had a total population of 106,123. Richardson is an affluent inner suburb of Dallas. It is home to The University of Texas at Dallas (UTD) and the Telecom Corridor, with a high concentration of telecommunications companies. More than 5,000 businesses have operations within Richardson's 28 square miles, including many of the world's largest telecommunications companies: AT&T, DirectTV, Verizon, Cisco Systems, Samsung, ZTE, MetroPCS, Texas Instruments, Qorvo, and Fujitsu. Richardson's largest employment base is provided by the insurance industry, with Blue Cross Blue Shield of Texas' headquarters located in the community along with a regional hub for GEICO, regional offices for United Healthcare, and one of State Farm Insurance's three national regional hubs.

Despite declining economies in other parts of the United States, from 2005 to 2009 Richardson had substantial increases in its economy. The city's total assessed property value went up from \$8.3 billion in 2005 to \$14 billion in 2017. Sales tax collection went up from \$21 million in 2005 to an estimated \$32.9 million in 2017.

Since 2008, both Standard & Poor's and Moody's have upgraded Richardson's credit rating to "AAA" from the previous rating of "AA+". At the time, Richardson was one of only four cities in the state of Texas and one of 88 cities in the nation with an "AAA" rating from Standard & Poor's. In 2015, the North Central Texas Council of Governments (NCTCOG) determined Richardson's daytime population to be 156,065 based on American Community Survey information.

<https://www.cor.net/home>

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

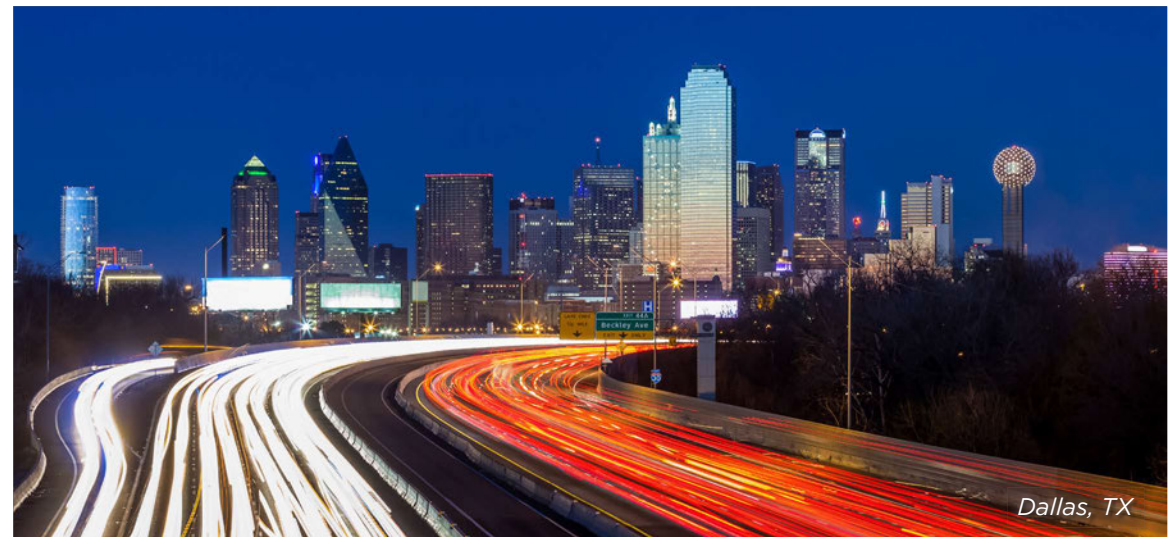
<https://www.richardsonchamber.com/>

https://en.wikipedia.org/wiki/Richardson,_Texas

Richardson and the region benefit from the location of two major highways in the city. The President George Bush Turnpike, running east-west along the northern border of the city, provides a convenient connection to the Dallas Fort Worth International Airport, as well as links to IH 35E, IH 30, IH 20, SH 114, and SH 183 west of the city as well as a second link to IH 30 east of the city.

Richardson also benefits from the Dallas Area Rapid Transit (DART) Light Rail line which parallels US 75 and has four stations in the city. In October 2016, DART approved the future construction of the Cotton Belt Commuter Rail Line with the adoption of its 20-Year Financial Plan. Service on the Cotton Belt is projected to commence in 2022.

The Telecom Corridor is a technology business center in Richardson which contains over 25 million square feet of office space and accounts for over 130,000 jobs. The Corridor is a strip about 6.5 miles long along U.S. Route 75 (the North Central Expressway), between President George Bush Turnpike and Interstate 635 and is often considered an area of the Silicon Prairie. More than 5,700 companies, including 600 technology companies are headquartered in the area.



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