Walgreens

3777 Gattis School Rd, Round Rock, TX 78664

Retail
Investment Opportunity
Offering Memorandum

MATTHEWS™

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PROPERTY OVERVIEW

Walgreens
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INVESTMENT HIGHLIGHTS

Property Highlights

- **Austin, TX MSA –** This Walgreens is strategically located in Round Rock, TX, an affluent, high-barrier suburb within the Austin metropolitan area—one of the nation's fastest-growing and most institutionally favored markets. Round Rock benefits from strong household incomes, sustained commercial development, a diversified employment base, and its role as the global headquarters of Dell Technologies, a foundational driver of long-term economic stability.
- **Rapidly Growing Trade Area –** The surrounding 1- and 3-mile trade areas are projected to experience average population and household growth of 20.5% over the next five years, supporting ongoing consumer demand and increasing long-term foot traffic for Walgreens.
- **Affluent Community –** Serving a high-income demographic, the property sits within a 3-mile radius where average household incomes exceed $156,868—driving strong retail spending and reinforcing tenant stability.
- **H-E-B Adjacent –** Positioned directly next to H-E-B, Texas's market-leading grocer, which ranks 99th percentile for foot traffic both nationally and statewide in the grocery category. This Walgreens benefits from a high-traffic, daily-needs retail corridor with a complementary mix of national and local tenants ensuring consistent consumer flow.
- **High-Visibility Location –** Located at a signalized intersection with over 37,350 VPD and less than one mile from Interstate 45 (60,000+ VPD), the site offers excellent visibility, access, and drive-by exposure.
- **Income Tax-Free State –** Texas remains a highly attractive investment market due to its lack of state income tax and business-friendly fiscal climate.
- **Assisted Living Proximity –** Within one mile of three assisted living communities, the property benefits from steady, needs-based traffic from residents, healthcare providers, and family visitors.
- **Significant Commercial Development Activity** – Round Rock continues to experience robust development, including "The District," a $500M mixed-use project set to deliver 2M SF of office, 150K SF of retail, and 1,500+ residential units. Ongoing investment by Dell Technologies and widespread industrial growth further reinforce the area's economic strength and job diversity.

Kalahari RESORTS & CONVENTIONS
Walmart Supercenter
N
Legacy Senior Apartments Round Rock
±157 Units
99th% Percentile Rank
H-E-B
FLEET FEET Sports ROUND ROCK
SUBWAY
FOREST CREEK MINI STORAGE
AMERICAN BOAT & RV STORAGE
Thai Spoon
FOREST CREEK FAMILY DENTAL
Red Bud Ln ± 14,850 VPD
Valvoline
PNC
Jack in the box
H-E-B Fuel
CIRCLE K
GATTIS SCHOOL ROAD dental
Gattis School Rd ± 22,500 VPD
Walgreens
Subject Property

LIVING SPACES
Distribution Center
amazon
Warehouse
COSTCO WHOLESALE
Storage Facility
The District
Large Mixed-Use Project Located at the I-35 + Sh-45 Toll Interchange in Round Rock
SW
45
± 60,840 VPD
ReadySpaces
purr-fectpets
petgrooming
Round Rock
HEART OF TEXAS
VETERINARY SPECIALTY CENTER
Donnell Park Condos
Complex
High Country Park
Park
GATTIS SCHOOL ROAD dental
Downtown Austin
±17 Miles Away
Walgreens
Subject Property
Gattis School Rd ± 22,500 VPD
PNC
Jack in the box
H-E-B
Fuel
Red Bud Ln ± 14,850 VPD

3777 Gattis School Rd
Round Rock, TX 78664

±14,259 SF
GLA

2003
Year Built

±37,350
Vehicles Per Day

Absolute NNN
Lease Type

$263.16
Price Per SF

FINANCIAL OVERVIEW

Walgreens
3777 Gattis School Rd Round Rock, TX 78664

FINANCIAL SUMMARY

$3,900,000 List Price	**8.30%** Cap Rate	**263.16** Price Per SF	**±1.82 AC** Lot Size

Property Details

Tenant	Walgreens
Parcel Number	R-16-4681-0000-0001
Store Number	#7537
Type of Ownership	Fee Simple
Lease Guarantor	Walgreens Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant's Responsibility
Lease Expiration Date	4/30/2029
Term Remaining	±3.25 years
Rental Escalations	None
Remaining Options	Ten, 5-Year

Annualized Operating Data

Term	Dates	Lease Years	Annual Rent	Monthly Rent
Current Term	**05/01/2004 - 04/30/2029**	**Years 1-25**	**$323,500**	**$26,958.33**
Options 1 - 10: 5 Years Each	05/01/2029 - 04/30/2079	25-75	$323,500	$26,958.33

TENANT OVERVIEW

Year Founded
1901

Headquarters
Deerfield, IL

Ownership Status
Privately held

Employees
312,000

Locations
8,700

Website
Walgreens.com

Annual Revenue
$147.66B

Walgreens

Tenant Overview
Walgreens, originally founded as the Walgreen Co. in Chicago in 1901, has evolved into one of America's most enduring and recognizable pharmacy and retail healthcare brands. Headquartered in Deerfield, Illinois, the company has maintained a strong national presence for over a century, anchoring community-level healthcare and everyday convenience through its vast network of retail pharmacy locations.

Why Invest in Walgreens?

- **Massive scale:** With thousands of locations, Walgreens remains a dominant U.S. pharmacy network.
- **Footprint optimization:** The store closure initiative signals a disciplined approach to refocusing operations on profitable assets.
- **Adaptability:** The company continues to invest in omnichannel capabilities and human-centered services even amid structural realignment.
- **Net Lease Appeal with National Credit Recognition:** Despite recent restructuring, Walgreens' scale, essential-service role, and brand visibility support its standing as a viable, risk-adjusted tenant for long-term net lease investors.

MARKET OVERVIEW

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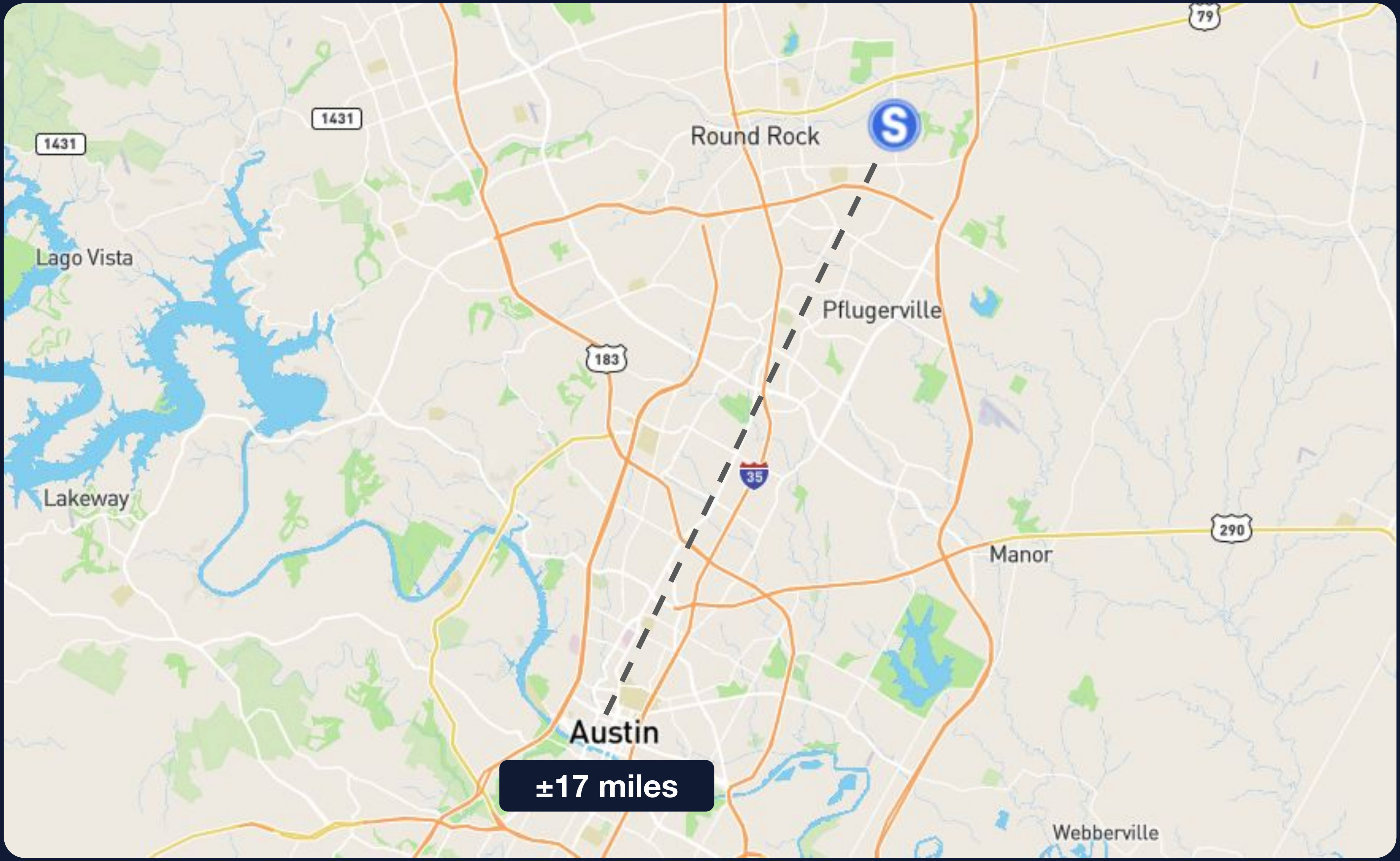

ROUND ROCK , TX

Local Market Overview

Located within the Austin metropolitan area, Round Rock is one of Central Texas's most established and fastest-growing suburban markets, supported by sustained population growth and a strong regional employment base. The city has experienced consistent in-migration over the past decade, driven by job creation, corporate investment, and its position as a primary suburban alternative to Austin. Household incomes in Round Rock exceed state and national averages, reflecting a predominantly middle- to upper-income population with strong purchasing power and long-term housing stability.

The city is located approximately 17 miles north of downtown Austin, with direct access to Interstate 35, SH-45, and SH-130, providing efficient regional and commuter connectivity throughout the Austin MSA. These major transportation corridors support daily commuter traffic, regional mobility, and ongoing commercial development. The local demographic profile—characterized by a balanced age distribution, strong household incomes, and continued residential expansion—supports durable demand for retail, healthcare, and multifamily housing, positioning Round Rock as a stable, long-term growth market within one of the nation's most dynamic metros.

Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	16,355	113,616	295,507
Current Year Estimate	13,476	95,410	247,676
Growth Current Year-Five-Year	21.36%	19.08%	19.32%
Households	**1-Mile**	**3-Mile**	**5-Mile**
Five-Year Projection	5,134	40,174	105,656
Current Year Estimate	4,217	33,529	87,953
Growth Current Year-Five-Year	21.75%	19.82%	20.13%
Income	**1-Mile**	**3-Mile**	**5-Mile**
Average Household Income	$142,798	$156,868	$144,590

AUSTIN, TX

Market Demographics

967,862 Total Population	**$91,461** Median HH Income	**440,000** # of Households	**57.7%** Homeownership Rate
578,459 Employed Population	**51.7%** % Bachelor's Degree	**34.5** Median Age	**$555,000** Median Property Value

Local Market Overview

Located in Central Texas, Austin continues to attract residents, businesses, and visitors due to its unique blend of cultural vitality, economic opportunity, and quality of life. The city is anchored by prominent institutions such as the University of Texas at Austin, which serves as a major driver of education, research, and workforce development. State government offices and cultural institutions further reinforce Austin's role as both the political and cultural capital of Texas. Entertainment districts along Sixth Street, South Congress, and the Red River Cultural District, as well as outdoor amenities surrounding Lady Bird Lake, contribute to the city's strong lifestyle appeal.

Tourism remains a significant economic contributor, supported by globally recognized annual events such as South by Southwest (SXSW), Austin City Limits Music Festival, and Formula 1 at Circuit of the Americas. A thriving live-music scene, extensive park systems, and natural attractions including Barton Springs Pool and the Barton Creek Greenbelt draw millions of visitors annually. The city's reputation as a creative and experiential destination continues to strengthen hospitality, retail, and food-and-beverage sectors.

Austin's economy is highly diversified and resilient, with technology firms, government agencies, higher education, healthcare, and creative industries collectively driving sustained growth. The metro area has emerged as a major technology hub, attracting both established global firms and a growing number of startups, particularly in software, semiconductor manufacturing, clean energy, and life sciences. This diverse employment base has fueled population growth, rising incomes, and continued demand across commercial and residential real estate sectors.

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **3777 Gattis School Rd, Round Rock, TX, 78664** (“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™. The material and information in the Offering Memorandum is unverified. Matthews™. 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.

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Owner and Matthews™. 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™. 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.

TREC
TEXAS REAL ESTATE COMMISSION

EQUAL HOUSING OPPORTUNITY

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.

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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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials ____ ____ Date ____