

OFFERING MEMORANDUM.



Walgreens Odessa, TX

The Maffia Team



File Photo



\$5,723,000
6.50% CAP Rate

- ◆ 20-Year NNN Lease
 - ◆ 8 Years Remaining
- ◆ Tenant is Rated “BBB” by S&P
- ◆ Exceptional Sales
 - ◆ \$6.9M Reported Sales
- ◆ Major Retail Corridor
- ◆ Located in High-Traffic Area – Combined 63,000 AADT at Intersection
- ◆ Booming Oil Area
 - ◆ Low 3.8% Unemployment Rate

Newmark Knight Frank
Cornish & Carey Commercial
Leased Investment Group

This property is listed in conjunction with Texas-licensed commercial real estate broker The Havens Group. www.maffiateam.com



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Seller is a trustee with limited knowledge of the property. Seller makes no representations or warranties as to the substance or accuracy of the information to be provided to a potential buyer.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Property Information

Location	The property is located at 2161 E. 42nd Street in Odessa, Texas, 79762.
Lot Size	Approximately 1.63 acres, or 71,002 square feet.
Improvements	Construction was completed in December 2003 of an approximately 15,120 square foot drugstore with a prescription drive-thru for Walgreens.
Lease	Leased to Walgreen Co. For 20 years from November 1, 2002 to October 31, 2022, at an initial net rent of \$372,000. After the base term of 20 years, the lease automatically continues in force for 40 more years unless Walgreens cancels. Walgreens may cancel at the end of the 20th lease year and every five years thereafter, with at least 6 months' notice. Walgreens pays all taxes, insurance, and maintenance including roof and structure. In addition to base rent, Walgreens is potentially liable for percentage rent. (See "Percentage Rent"). Walgreens has a right of first refusal.
Net Annual Income	\$372,000
Price	\$5,723,000 (6.50% Return)
Financing	The property will be delivered free and clear of permanent financing.
Percentage Rent	<p>The tenant pays the higher of fixed rent or percentage rent. The percentage rent calculation is 2% of general sales and 0.5% of food and prescription sales (excluding third-party prescription plans). Real estate taxes and insurance costs are then deducted from this, the net amount after this deduction being the percentage rent.</p> <p>Notwithstanding the paragraph above, it is unlikely Walgreens will "ever" pay percentage rent, on this store or any store. The calculated percentage rent, which excludes prescriptions covered by insurance, HMO's, or Medicare, is far too difficult to reach.</p>



Tenant Information

Walgreens

Walgreen Co. (NYSE: “WAG”), incorporated in 1909, together with its subsidiaries, operates the drugstore chain in the United States. It provides consumer goods and services, pharmacy, and health and wellness services through drugstores, as well as through mail, and by telephone and online. As of November 2013, it operated 8,131 drugstores in 50 states, the District of Columbia, Puerto Rico, and Guam. The company also operates approximately 700 worksite health and wellness centers, and in-store convenient care clinics in the United States.

For the fiscal year ended August 31, 2013, Walgreen Co. reported revenue of \$72.217 billion with net income of \$2.450 billion and net worth of \$19.454 billion. Walgreen enjoys a Standard & Poor’s rating of “BBB” and is ranked 32nd in the 2012 Fortune 500.

For additional information, see www.walgreens.com.



About the Area

Site Information

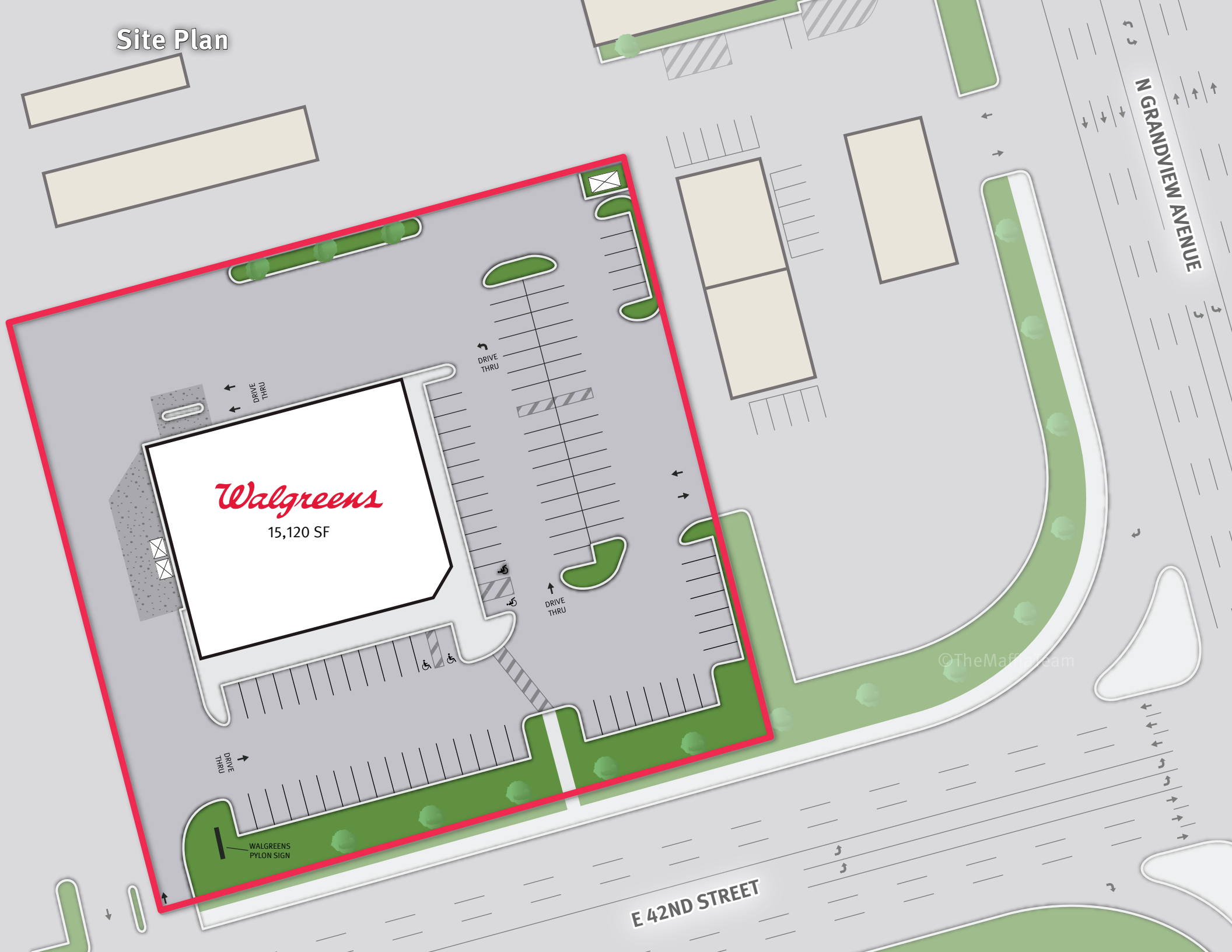
The property is located on the northwest corner of Texas State Highway 191 (35,000 AADT) and N. Grandview Avenue (28,000 AADT). Texas State Highway 191 is the primary east/west thoroughfare for the city of Odessa. The property is located in the heart of the retail corridor of Odessa with many nearby retailers including, HEB, Michaels, Big 5, PetSmart, Chase Bank, Chick-fil-A, Ross, Target and Hastings. In addition to the numerous national retailers, within the immediate trade area there are several banks with significant deposits including Chase Bank (\$380M), Wells Fargo (\$239M), Southwest Bank (\$132M) and Citibank (\$116M). This current location for Walgreens provides exceptional sales with reported sales in excess of \$6.9 million annually making this site one of the highest performing locations in the country.

General Overview

Odessa is the 31st largest city in Texas with a population of 144,325 and resides in Ector County. Odessa is located 350 miles west of Dallas Texas. The economy is booming in the Odessa-Midland area as new technology has led to increase production of oil as the surrounding Odessa area has one of North America's largest oil reserves. Odessa-Midland has transformed itself into the nation's fastest booming metro area, ranking at or near the top of the list of every major measure of recent economic and population growth. Odessa has experienced the largest increase in personal income per capita from 2010 and 2011 nationwide at 12.4%. Odessa also ranks with one of the lowest unemployment rates in the country at 3.8% as of August 2013. In addition to the oil economy, Odessa is also a regional transportation hub with major distributions for companies such as Coca-Cola and Family Dollar due to the city's location on major trade routes between the U.S. and Mexico.

The largest employers within Odessa include several oil and technology companies including Saulsbury Companies, Halliburton Services, Weatherford, Holloman Construction and Dixie Electric.

Site Plan



Walgreens

15,120 SF

DRIVE THRU

DRIVE THRU

DRIVE THRU

WALGREENS PYLON SIGN

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N GRANDVIEW AVENUE

E 42ND STREET

Aerial | Mid-Range View

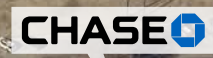


Walgreens



191 TEXAS / E 42nd St (35,000 AADT)

©TheMafiaTeam



BEALLS

N Grandview Ave (28,000 AADT)



rue21

maurices



BOB MILLS FURNITURE

SOCIAL SECURITY OFFICE

Aerial | Distant View

Permian High School

191 TEXAS

E 42nd St (35,000 AADT)

TheMafiaTeam

BEALLS
BOB MILLS FURNITURE

rue21 maunces

WALMART PAPA JOHN'S



SOCIAL SECURITY OFFICE



Optimist Park

Walgreens



N Grandview Ave (28,000 AADT)



H-E-B

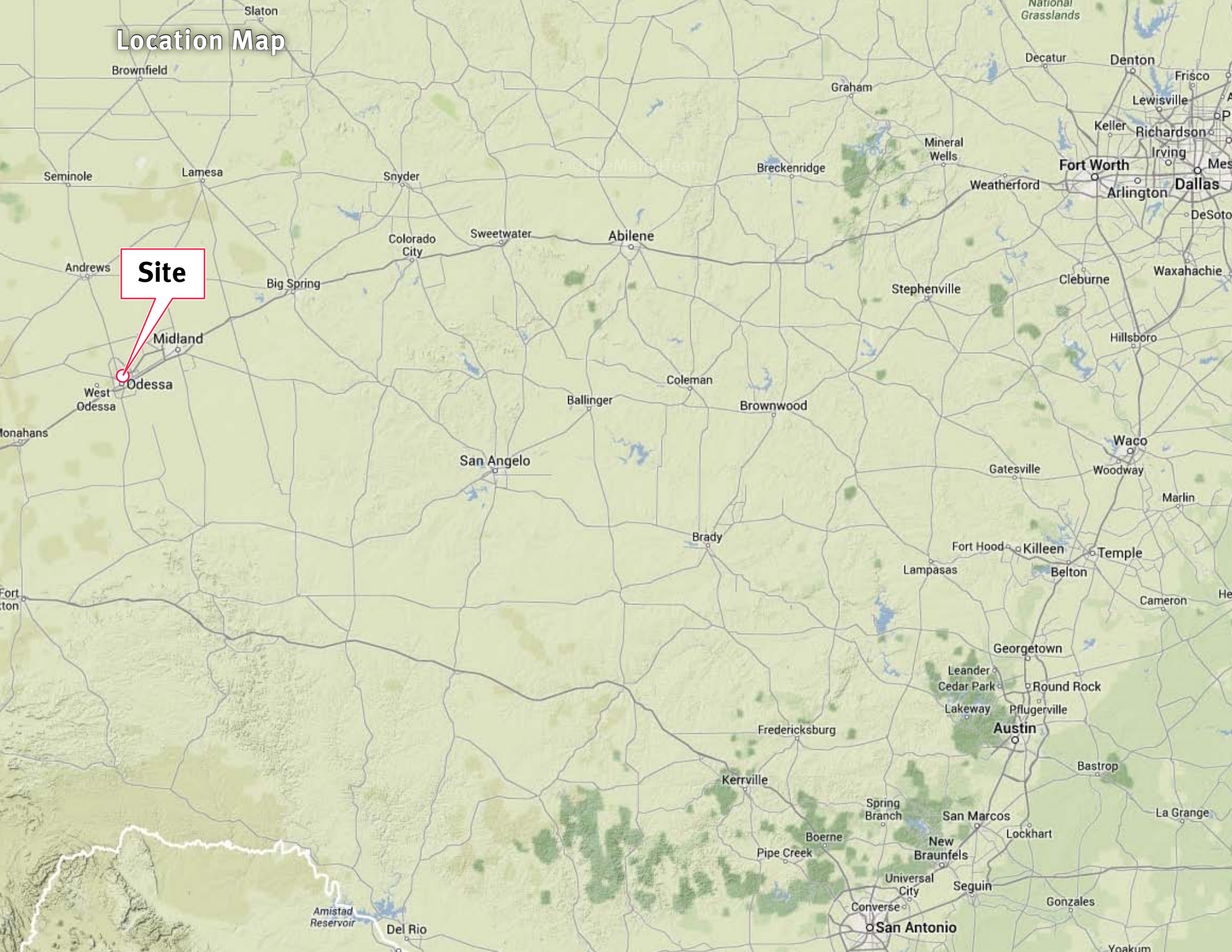
ROSS Dress for Less
Where Creativity Happens

BIG 5 SPORTING GOODS Hastings



Office DEPOT

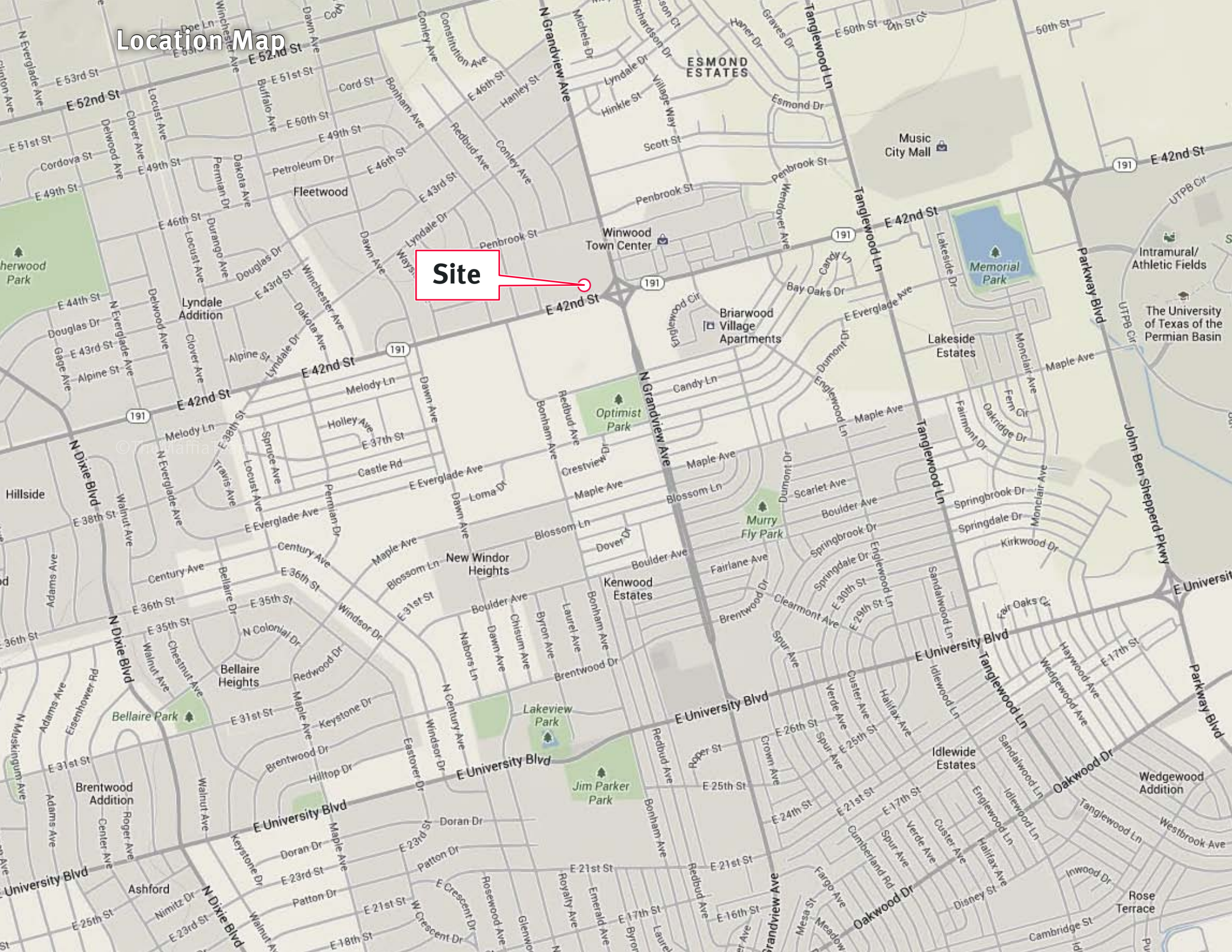
Location Map



Site

Location Map

Site





Demographics

2161 E 42nd St
Odessa, TX 79762

	1 mile	3 miles	5 miles
Population Summary			
2000 Total Population	14,256	61,496	99,201
2010 Total Population	15,227	66,695	108,793
2012 Total Population	15,463	67,271	111,432
2012 Group Quarters	259	1,165	1,739
2017 Total Population	16,405	70,610	119,140
2012-2017 Annual Rate	1.19%	0.97%	1.35%
Household Summary			
2000 Households	5,748	23,958	36,833
2000 Average Household Size	2.46	2.53	2.65
2010 Households	5,924	25,173	39,814
2010 Average Household Size	2.53	2.60	2.69
2012 Households	6,032	25,430	40,951
2012 Average Household Size	2.52	2.60	2.68
2017 Households	6,357	26,479	43,558
2017 Average Household Size	2.54	2.62	2.70
2012-2017 Annual Rate	1.06%	0.81%	1.24%
2010 Families	4,048	16,932	27,449
2010 Average Family Size	3.06	3.19	3.27
2012 Families	4,050	16,829	27,781
2012 Average Family Size	3.05	3.18	3.26
2017 Families	4,306	17,699	29,824
2017 Average Family Size	3.08	3.22	3.29
2012-2017 Annual Rate	1.23%	1.01%	1.43%
Housing Unit Summary			
2000 Housing Units	6,243	27,019	41,674
Owner Occupied Housing Units	61.2%	56.5%	57.7%
Renter Occupied Housing Units	30.9%	32.1%	30.7%
Vacant Housing Units	7.9%	11.3%	11.6%
2010 Housing Units	6,262	27,173	43,321
Owner Occupied Housing Units	63.2%	57.7%	58.6%
Renter Occupied Housing Units	31.4%	35.0%	33.3%
Vacant Housing Units	5.4%	7.4%	8.1%
2012 Housing Units	6,433	27,544	44,458
Owner Occupied Housing Units	61.2%	55.9%	57.0%
Renter Occupied Housing Units	32.6%	36.4%	35.1%
Vacant Housing Units	6.2%	7.7%	7.9%
2017 Housing Units	6,797	28,592	46,884
Owner Occupied Housing Units	61.8%	56.7%	58.0%
Renter Occupied Housing Units	31.7%	35.9%	34.9%
Vacant Housing Units	6.5%	7.4%	7.1%
Median Household Income			
2012	\$52,027	\$43,844	\$40,174
2017	\$57,162	\$52,406	\$50,261
Median Home Value			
2012	\$129,502	\$108,443	\$101,502
2017	\$137,018	\$117,472	\$113,622
Per Capita Income			
2012	\$24,839	\$22,540	\$21,130
2017	\$27,125	\$24,844	\$23,595
Median Age			
2010	33.3	31.9	31.9
2012	33.5	32.2	32.1
2017	34.2	32.7	32.7



Demographics

2161 E 42nd St
Odessa, TX 79762

	1 mile	3 miles	5 miles
2012 Households by Income			
Household Income Base	6,032	25,430	40,951
<\$15,000	11.6%	16.3%	18.1%
\$15,000 - \$24,999	11.6%	12.8%	14.2%
\$25,000 - \$34,999	9.4%	11.2%	11.6%
\$35,000 - \$49,999	14.3%	14.5%	14.4%
\$50,000 - \$74,999	24.6%	20.8%	18.4%
\$75,000 - \$99,999	12.7%	10.0%	9.8%
\$100,000 - \$149,999	11.7%	10.0%	9.1%
\$150,000 - \$199,999	2.4%	2.2%	2.1%
\$200,000+	1.8%	2.2%	2.3%
Average Household Income	\$62,863	\$58,007	\$55,898
2017 Households by Income			
Household Income Base	6,357	26,479	43,558
<\$15,000	10.3%	15.4%	17.3%
\$15,000 - \$24,999	8.0%	9.6%	10.9%
\$25,000 - \$34,999	7.1%	8.6%	9.1%
\$35,000 - \$49,999	12.4%	12.4%	12.4%
\$50,000 - \$74,999	30.0%	25.9%	23.0%
\$75,000 - \$99,999	15.2%	12.4%	12.3%
\$100,000 - \$149,999	12.3%	10.9%	10.2%
\$150,000 - \$199,999	2.6%	2.5%	2.4%
\$200,000+	2.0%	2.3%	2.5%
Average Household Income	\$69,320	\$64,620	\$62,960
2012 Owner Occupied Housing Units by Value			
Total	3,935	15,397	25,335
<\$50,000	0.3%	7.6%	11.7%
\$50,000 - \$99,999	24.2%	37.4%	37.5%
\$100,000 - \$149,999	43.3%	29.2%	26.2%
\$150,000 - \$199,999	24.3%	15.0%	12.8%
\$200,000 - \$249,999	5.6%	6.1%	5.7%
\$250,000 - \$299,999	1.4%	2.4%	2.5%
\$300,000 - \$399,999	0.7%	1.5%	2.1%
\$400,000 - \$499,999	0.1%	0.4%	0.8%
\$500,000 - \$749,999	0.1%	0.2%	0.5%
\$750,000 - \$999,999	0.0%	0.0%	0.1%
\$1,000,000 +	0.0%	0.0%	0.1%
Average Home Value	\$134,745	\$121,894	\$121,745
2017 Owner Occupied Housing Units by Value			
Total	4,202	16,211	27,197
<\$50,000	0.2%	6.1%	9.0%
\$50,000 - \$99,999	18.9%	33.8%	33.8%
\$100,000 - \$149,999	41.8%	28.9%	26.5%
\$150,000 - \$199,999	29.4%	18.5%	16.4%
\$200,000 - \$249,999	7.3%	7.8%	7.5%
\$250,000 - \$299,999	1.6%	2.8%	3.0%
\$300,000 - \$399,999	0.7%	1.6%	2.3%
\$400,000 - \$499,999	0.1%	0.3%	0.7%
\$500,000 - \$749,999	0.1%	0.2%	0.6%
\$750,000 - \$999,999	0.0%	0.0%	0.2%
\$1,000,000 +	0.0%	0.0%	0.1%
Average Home Value	\$141,999	\$129,230	\$131,977



Demographics

2161 E 42nd St
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	1 mile	3 miles	5 miles
2010 Population by Age			
Total	15,227	66,693	108,796
0 - 4	7.9%	8.4%	8.6%
5 - 9	7.3%	7.8%	8.0%
10 - 14	6.8%	7.1%	7.4%
15 - 24	15.4%	15.8%	15.6%
25 - 34	14.8%	14.9%	14.5%
35 - 44	11.8%	11.8%	11.9%
45 - 54	13.1%	13.2%	13.2%
55 - 64	10.3%	10.0%	10.0%
65 - 74	6.1%	5.7%	5.7%
75 - 84	5.1%	4.0%	3.8%
85 +	1.4%	1.2%	1.3%
18 +	74.0%	72.6%	71.7%
2012 Population by Age			
Total	15,461	67,273	111,433
0 - 4	7.8%	8.4%	8.6%
5 - 9	7.3%	7.8%	7.9%
10 - 14	6.7%	7.0%	7.2%
15 - 24	15.2%	15.6%	15.4%
25 - 34	15.1%	15.2%	14.7%
35 - 44	11.5%	11.5%	11.5%
45 - 54	12.7%	12.8%	12.8%
55 - 64	10.7%	10.4%	10.5%
65 - 74	6.5%	6.1%	6.1%
75 - 84	5.1%	4.0%	3.8%
85 +	1.4%	1.3%	1.3%
18 +	74.4%	73.0%	72.1%
2017 Population by Age			
Total	16,405	70,609	119,138
0 - 4	7.8%	8.4%	8.6%
5 - 9	7.2%	7.7%	7.9%
10 - 14	6.8%	7.0%	7.3%
15 - 24	14.2%	14.7%	14.5%
25 - 34	15.2%	15.3%	14.9%
35 - 44	11.3%	11.3%	11.3%
45 - 54	11.7%	11.8%	11.8%
55 - 64	11.2%	10.9%	11.0%
65 - 74	7.8%	7.3%	7.4%
75 - 84	5.5%	4.2%	4.0%
85 +	1.5%	1.4%	1.4%
18 +	74.6%	73.1%	72.3%
2010 Population by Sex			
Males	7,394	32,682	53,272
Females	7,833	34,013	55,521
2012 Population by Sex			
Males	7,518	33,032	54,668
Females	7,945	34,239	56,764
2017 Population by Sex			
Males	7,965	34,670	58,451
Females	8,441	35,940	60,688



Demographics

2161 E 42nd St
Odessa, TX 79762

	1 mile	3 miles	5 miles
2010 Population by Race/Ethnicity			
Total	15,226	66,694	108,794
White Alone	83.3%	78.4%	76.1%
Black Alone	4.2%	4.8%	5.3%
American Indian Alone	0.7%	1.0%	1.0%
Asian Alone	1.4%	1.1%	1.0%
Pacific Islander Alone	0.1%	0.1%	0.1%
Some Other Race Alone	8.1%	12.2%	14.0%
Two or More Races	2.2%	2.5%	2.5%
Hispanic Origin	31.8%	42.7%	50.1%
Diversity Index	60.6	68.5	70.9
2012 Population by Race/Ethnicity			
Total	15,464	67,271	111,433
White Alone	82.1%	77.0%	75.0%
Black Alone	4.5%	5.1%	5.5%
American Indian Alone	0.8%	1.0%	1.0%
Asian Alone	1.5%	1.1%	1.1%
Pacific Islander Alone	0.1%	0.1%	0.1%
Some Other Race Alone	8.6%	12.9%	14.6%
Two or More Races	2.4%	2.7%	2.7%
Hispanic Origin	34.1%	45.1%	52.1%
Diversity Index	62.8	69.9	71.7
2017 Population by Race/Ethnicity			
Total	16,406	70,611	119,140
White Alone	79.7%	74.9%	73.3%
Black Alone	5.0%	5.5%	5.7%
American Indian Alone	1.0%	1.2%	1.2%
Asian Alone	1.8%	1.4%	1.4%
Pacific Islander Alone	0.1%	0.2%	0.2%
Some Other Race Alone	9.6%	13.9%	15.3%
Two or More Races	2.7%	3.0%	2.9%
Hispanic Origin	39.5%	50.3%	56.7%
Diversity Index	66.7	71.8	72.5
2010 Population by Relationship and Household Type			
Total	15,227	66,695	108,793
In Households	98.3%	98.2%	98.4%
In Family Households	83.6%	83.5%	84.9%
Householder	26.5%	25.4%	25.3%
Spouse	19.1%	17.4%	17.3%
Child	32.1%	34.0%	35.6%
Other relative	3.5%	4.1%	4.3%
Nonrelative	2.3%	2.6%	2.4%
In Nonfamily Households	14.7%	14.7%	13.5%
In Group Quarters	1.7%	1.8%	1.6%
Institutionalized Population	0.5%	0.5%	0.8%
Noninstitutionalized Population	1.2%	1.3%	0.8%



Demographics

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Odessa, TX 79762

	1 mile	3 miles	5 miles
2010 Households by Type			
Total	5,924	25,173	39,813
Households with 1 Person	26.3%	27.4%	26.2%
Households with 2+ People	73.7%	72.6%	73.8%
Family Households	68.3%	67.3%	68.9%
Husband-wife Families	49.3%	46.1%	47.1%
With Related Children	22.8%	22.5%	23.7%
Other Family (No Spouse Present)	19.0%	21.2%	21.8%
Other Family with Male Householder	5.6%	5.8%	5.8%
With Related Children	3.7%	3.8%	3.7%
Other Family with Female Householder	13.4%	15.4%	16.0%
With Related Children	9.2%	10.9%	11.5%
Nonfamily Households	5.4%	5.3%	4.9%
All Households with Children	36.2%	37.6%	39.3%
Multigenerational Households	4.7%	5.4%	6.2%
Unmarried Partner Households	6.8%	7.5%	7.1%
Male-female	6.3%	6.9%	6.4%
Same-sex	0.5%	0.6%	0.6%
2010 Households by Size			
Total	5,926	25,174	39,814
1 Person Household	26.3%	27.4%	26.2%
2 Person Household	33.2%	30.5%	29.5%
3 Person Household	17.2%	16.6%	16.8%
4 Person Household	13.0%	13.6%	14.3%
5 Person Household	6.4%	7.1%	7.8%
6 Person Household	2.6%	3.0%	3.3%
7 + Person Household	1.4%	1.8%	2.1%
2010 Households by Tenure and Mortgage Status			
Total	5,924	25,173	39,814
Owner Occupied	66.8%	62.3%	63.8%
Owned with a Mortgage/Loan	41.9%	34.8%	33.6%
Owned Free and Clear	24.9%	27.4%	30.2%
Renter Occupied	33.2%	37.7%	36.2%