CVS pharmacy

INVESTMENT OPPORTUNITY

CVS PHARMACY

(S&P: BBB)

20+ YEARS REMAINING ON TERM
ABSOLUTE NNN LEASE

HEATH, TX (DALLAS MSA)

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

OFFERED AT: $5,026,735 | 4.65% CAP

BARR&BENNETT
NETLEASEDINVESTMENTS
A Lee & Associates Team

Actual Property

Actual Property

TABLE OF CONTENTS

EXECUTIVE SUMMARY

4 Executive Summary
5 Investment Highlights
6 Lease Summary & Rent Overview
7 Lease Abstract

PROPERTY INFORMATION

9 Location Maps
10 Property Photos
11 Neighboring Tenants
13 Aerials

TENANT OVERVIEW

20 About CVS Health

AREA OVERVIEW

22 Heath Overview
23 Dallas-Fort Worth Overview
25 Demographics

Confidentiality Agreement & Disclosures

EXCLUSIVELY LISTED BY

RYAN BARR
Principal
760.448.2446
rbarr@lee-associates.com
DRE Lic#01338994

RYAN BENNETT
Principal
760.448.2449
rbennett@lee-associates.com
DRE Lic#01826517

DREW OLSON
Associate
760.448.1372
dolson@lee-associates.com
DRE Lic#02049653

LEE & ASSOCIATES COMMERCIAL REAL ESTATE SERVICES | BARR&BENNETT NET LEASED INVESTMENTS

Listed in conjunction with Texas real estate broker
DZ Net Lease Realty, LLC license 9002851

EXECUTIVE SUMMARY

CVS PHARMACY
Heath, TX (Dallas MSA)

Actual Property

-- OFFERING SUMMARY --

INVESTMENT HIGHLIGHTS	
Offering Price:	$5,026,735
Net Operating Income:	$233,743 ($16 psf)
Cap Rate:	4.65%
Price/SF:	$349
Lease Type:	Absolute NNN

PROPERTY OVERVIEW	
Address:	4282 Ridge Rd Heath, TX 75032
Property Size:	14,366 SF
Land Size:	1.79 Acre
Ownership:	Fee Simple ((Land & Building)
Year Built:	2015

Lee & Associates and DZ Net Lease Realty, LLC are pleased to exclusively offer for sale the opportunity to acquire the fee simple interest (land & building) in a CVS Pharmacy investment property located in Heath, TX within the Dallas MSA (the "Property"). Constructed in 2015 as a build to suit for CVS, the Property consists of a 14,366-square-foot retail building with drive thru lanes situated on a 1.79-acre parcel.

The subject property is leased to highly desirable national tenant CVS Health Corp. (S&P: BBB). CVS Pharmacy is currently the second largest retail pharmacy in the U.S. behind Walgreens. CVS is part of CVS Health Corporation, which includes CVS Pharmacy with 9,700 retail pharmacies, CVS MinuteClinic with more than 1,100 walk-in health care clinics, CVS Caremark, a leading pharmacy benefits manager with more than 90 million plan members, and CVS Specialty, a dedicated senior pharmacy care business serving more than one million patients per year. In 2020, CVS ranked 5th on the Fortune 500 and 13th on the Fortune Global 500 list with $194.58 billion in annual revenue.

CVS Pharmacy has 20+ years remaining on a 25-year lease that features (10) 5-year renewal options. The lease is true absolute triple-net (NNN) requiring zero management responsibilities from the landlord and providing an ideal passive income stream backed by an investment grade credit tenant.

The property is ideally located on the hard corner signalized intersection of Ridge Road & Smirl/Laurence Drive, offering excellent visibility and access to over 19,000 cars per day. The property offers multiple ingress/egress points for easy in/out access and a quick drive thru lane. Ridge Road is a major travel corridor between Heath and Interstate 30, offering easy access to Downtown Dallas. Additionally, the CVS is located within three miles of the Texas Health Hospital to the north and the Baylor Medical Plaza to the east, providing strong synergy for the Tenant's customer base and supporting the continued success of this CVS Pharmacy location.

The subject property is located within the city of Heath, an affluent and rapidly growing community with an average household income of $187,000 within a 1-mile radius of the subject property. Heath is also located just 20 miles east of Dallas. Its proximity to Dallas provides easy access to the business, cultural and entertainment amenities of the city, while its rolling hills and location along the shores of Lavon Lake provide a small-town environment for families.

Heath is part of the Dallas-Fort Worth Metroplex, which is the economic and cultural hub of North Texas. With an estimated 2019 population of 7.573 million, it is the most populous MSA in the Southern U.S., the fourth largest in the U.S., and the tenth largest in the Americas. The metropolitan region's economy is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation, and logistics, providing for a diverse and balanced economy for the region.

Dallas and its suburbs have the third-largest concentration of corporate headquarters in the United States. Moreover, it is the only metro area in the country home to three of the top-ten largest Fortune 500 companies by revenue. The area continues to draw corporate relocation from across the nation, and especially from California. The trend of major corporate moves and expansions has influenced the booming DFW construction industry, which ranks first nationally in new apartment development as of 2019.

-- INVESTMENT HIGHLIGHTS --

CVS HEALTH CORP: INVESTMENT GRADE CREDIT TENANT (S&P: BBB) | 2ND-LARGEST PHARMACY IN THE U.S. | REVENUES OF $195 BILLION | #5 ON FORTUNE 500

- Investment Grade Credit Tenant (S&P: BBB)
- 2nd Largest Retail Pharmacy in the U.S.
- Revenues of $195 Billion
- 9,700 Retail Pharmacies in the U.S.
- Ranked #5 on the list of Fortune 500 Companies

CVS IS PAYING AN UNDER-MARKET RENT ($16 PSF) | FUTURE UPSIDE IN RENEWAL OPTIONS (FMV) | HIGH LIKELIHOOD OF TENANT PROFITABILITY AT SITE | MITIGATED FUTURE VACANCY RISK

- CVS is paying only $16 psf, which is an under-market rent compared to other CVS locations nationally.
- Under-market rent offers future upside for an investor by pushing rent to Fair Market Value in the Renewal Options
- The low rent increases the Tenant's long-term profitability at this site, mitigating the vacancy risk

RARE CVS WITH OVER 20 YEARS REMAINING ON LEASE TERM | ABSOLUTE NNN LEASE | ZERO LANDLORD RESPONSIBILITIES | LONG-TERM PASSIVE INCOME STREAM

- Rare CVS for sale with over 20 years remaining on lease term
- Absolute NNN Lease with Zero Landlord Responsibilities
- Passive Income Stream Backed by an Investment Grade Credit Tenant
- Drive-Thru Window for Prescription Pick-Up

AFFLUENT DEMOGRAPHICS | EXPLOSIVE POPULATION GROWTH | TEXAS THE FASTEST GROWING STATE IN THE COUNTRY | LOCATED IN DALLAS MSA

- 2020 Estimated Average Household Income is $187,000 within a 1-Mile Radius of Prop.
- 2020 Estimated Average Household Income is $136,000 within a 3-Mile Radius of Prop.
- Projected Annual Population Growth 2020 to 2025 is 4.9% within 3 Mile Radius of Prop.
- Texas was the #1 Population Gainer in the United States from 2019-2020*

**Sources: U.S. Census Bureau, CoStar*

PROXIMITY TO MAJOR MEDICAL CENTERS: TEXAS HEALTH HOSPITAL-ROCKWALL & BAYLOR MEDICAL PLAZA | EXCELLENT SYNERGY FOR TENANT'S CUSTOMER BASE

- Ideally located within three miles of the Texas Health Hospital and Baylor Medical Plaza
- Texas Health Hospital offers 61 inpatient beds for acute medical and surgical needs, a Women's Imaging and Breast Center, a bariatric clinic, an ambulatory surgery center and a variety of physician practices dedicated to the evolving community health needs.
- Baylor Medical Plaza was established in 1989 in Rockwall and relocated to Heath eight years ago. The clinic is recognized as a Level 3 Patient Centered Medical Home.
- Provides for strong synergy for the Tenant's customer base
- Supports success for the CVS operations

HARD CORNER SIGNALIZED LOCATION AT RIDGE RD & SWIRL/LAURENCE DR (19,000+ CPD) | MAIN TRAVEL ARTERY IN/OUT OF HEATH | QUICK ACCESS TO INTERSTATE 30

- Strategically located on the hard corner signalized Intersection of Ridge Rd & Smirl/Laurence Dr (combined 19,000+ CPD)
- Ridge Rd the major travel corridor between Heath and Interstate 30
- Excellent visibility and signage
- Multiple entrances as well as drive-thru pharmacy lanes for easy in/out access

LOCATED IN CITY OF HEATH | 20 MILES EAST OF DOWNTOWN DALLAS | PART OF DALLAS-FORT WORTH METROPLEX (POP: 7.57 MILLION)

- Located only 20 miles east of Downtown Dallas
- Part of the Dallas-Fort Worth Metroplex (pop. 7.57 million), the economic and cultural hub of North Texas, and most populous MSA in the Southern U.S. and fourth-largest in the U.S.
- Diverse and balanced economy for the region

-- LEASE SUMMARY --

LEASE INFORMATION	
TENANT:	CVS Pharmacy, Inc.
GUARANTOR:	CVS Health Corporation (S&P: BBB)
STORE #:	10562
BUILDING SIZE:	14,366 SF
LOT SIZE:	1.79 Acres
RENT COMMENCEMENT:	October 16, 2015
LEASE EXPIRATION:	January 31, 2041
BASE TERM:	25 Years
REMAINING LEASE TERM:	20+ Years
OPTIONS TO RENEW:	(10) 5-Year Options
RENT INCREASES:	Renewal Options 3-10 (Fair Market Value)
LEASE TYPE:	Absolute NNN
LANDLORD RESPONSIBILITIES:	None
ANNUAL RENT:	$233,743 ($16 psf)
SALES REPORTING:	No

-- RENT SCHEDULE --

PRIMARY LEASE TERM					
TERM	START DATE	END DATE	NOI/YR	NOI/MO	NOI/SF/YR
Years 1 - 25	10/16/2015	1/31/2041	$233,743.20	$19,478.60	$16.27
OPTION PERIODS - (10) 5-YEAR OPTIONS					
Option 1	2/1/2041	1/31/2046	$233,743.20	$19,478.60	$16.27
Option 2	2/1/2046	1/31/2051	$233,743.20	$19,478.60	$16.27
Option 3	2/1/2051	1/31/2056	Fair Market Value		
Option 4	2/1/2056	1/31/2061	Fair Market Value		
Option 5	2/1/2061	1/31/2066	Fair Market Value		
Option 6	2/1/2066	1/31/2071	Fair Market Value		
Option 7	2/1/2071	1/31/2076	Fair Market Value		
Option 8	2/1/2076	1/31/2081	Fair Market Value		
Option 9	2/1/2081	1/31/2086	Fair Market Value		
Option 10	2/1/2086	1/31/2091	Fair Market Value		

-- LEASE ABSTRACT --

CVS pharmacy™

Repairs and Maintenance (Building):	5(a) - Tenant shall maintain, repair and replace, as necessary, and keep in good condition: the Premises and the Building, including the roof, structure, interior and exterior, and fixtures and equipment therein; parking lot; landscaping; HV AC equipment; broken glass; storefront; and all other aspects of the Premises and Building whatsoever. The foregoing notwithstanding, Tenant's obligations pursuant to this subdivision (a) shall exclude damage and injury arising under the provisions of Article 9 or Article 10 of Part II hereof. Landlord shall not be required to make any repair, replacement, maintenance or other work whatsoever, or to maintain the Premises in any way.
Utilities:	17 - Tenant acknowledges that the Premises are furnished with connections for heat, electrical and all other utilities required by Tenant, and Tenant acknowledges that all such connections are acceptable to Tenant and that Landlord has no obligation with respect thereto. Tenant agrees to timely pay for all utilities consumed by it in the Premises, prior to delinquency. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of Tenant's specifications.
Parking Lot Maintenance:	25 - With respect to the parking and other exterior areas of the Premises, Tenant shall be responsible for repairing, resurfacing, repaving, re-striping, and resealing, of the parking areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business, all at its sole cost and expense.
Taxes:	26(a) - During the Tenn, Tenant agrees to timely pay all Tax authorities for all real estate taxes and all assessments of any kind or nature, special and general, any license fee, gross receipts or commercial rental tax (but only to the extent related to the Premises and the Rent payable hereunder), improvement or maintenance bond or assessment, water and sewer rents, rates and charge, or other tax, fee or exaction imposed on the Premises, and any tax, fee, levy assessment, exaction, expense or charge in lieu of the above or in addition thereto, which have heretofore or may hereafter be levied against the Premises (collectively, "Taxes") with respect to each tax fiscal year (or portion thereof) whether occurring prior to or after the Date of Rent Commencement.
Insurance:	27(a) - Tenant shall maintain Causes of Loss- Special Fonn (formerly known as All-Risk) insurance for the Building for one hundred percent (100%) of its replacement value. Said policy shall include flood coverage if the Premises is located in a Flood Zone A, and shall not exclude earthquake coverage. Risk) insurance for the Building for one hundred percent (100%) of its replacement value. Said policy shall include flood coverage if the Premises is located in a Flood Zone A, and shall not exclude earthquake coverage. 27(b) - Tenant also shall maintain Commercial General Liability insurance coverage, written on an occurrence basis; in combined policy limits of not less than Five Million and No/100 Dollars ($5,000,000.00) per occurrence for bodily injury and for property damage arising out of the Premises. Additionally, Tenant shall also maintain at all times throughout the Term Workers' Compensation insurance to the extent required by applicable Law.
Estoppel Certificate:	37 - Landlord and Tenant agree to deliver to each other, from time to time as reasonably requested in writing, and within a reasonable period of time after receipt of such request (not to exceed thirty (30) days), an estoppel certificate certifying that this Lease is umnodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications), and the dates to which any Rent due hereunder has been paid in advance, if any, together with such other information as Landlord or Tenant may reasonably require with respect to the status of this Lease and Tenant's use and occupancy of the Premises.

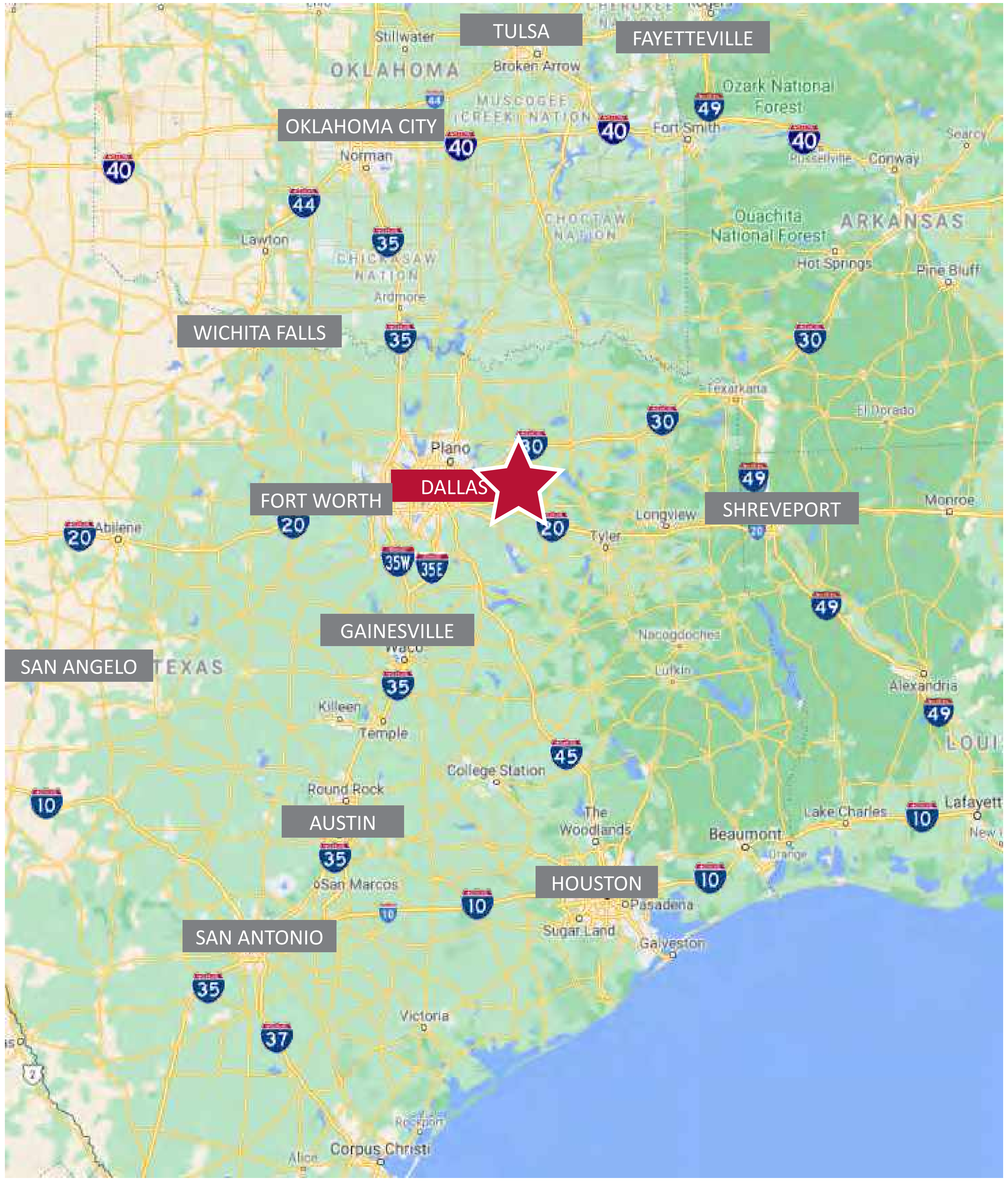
LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

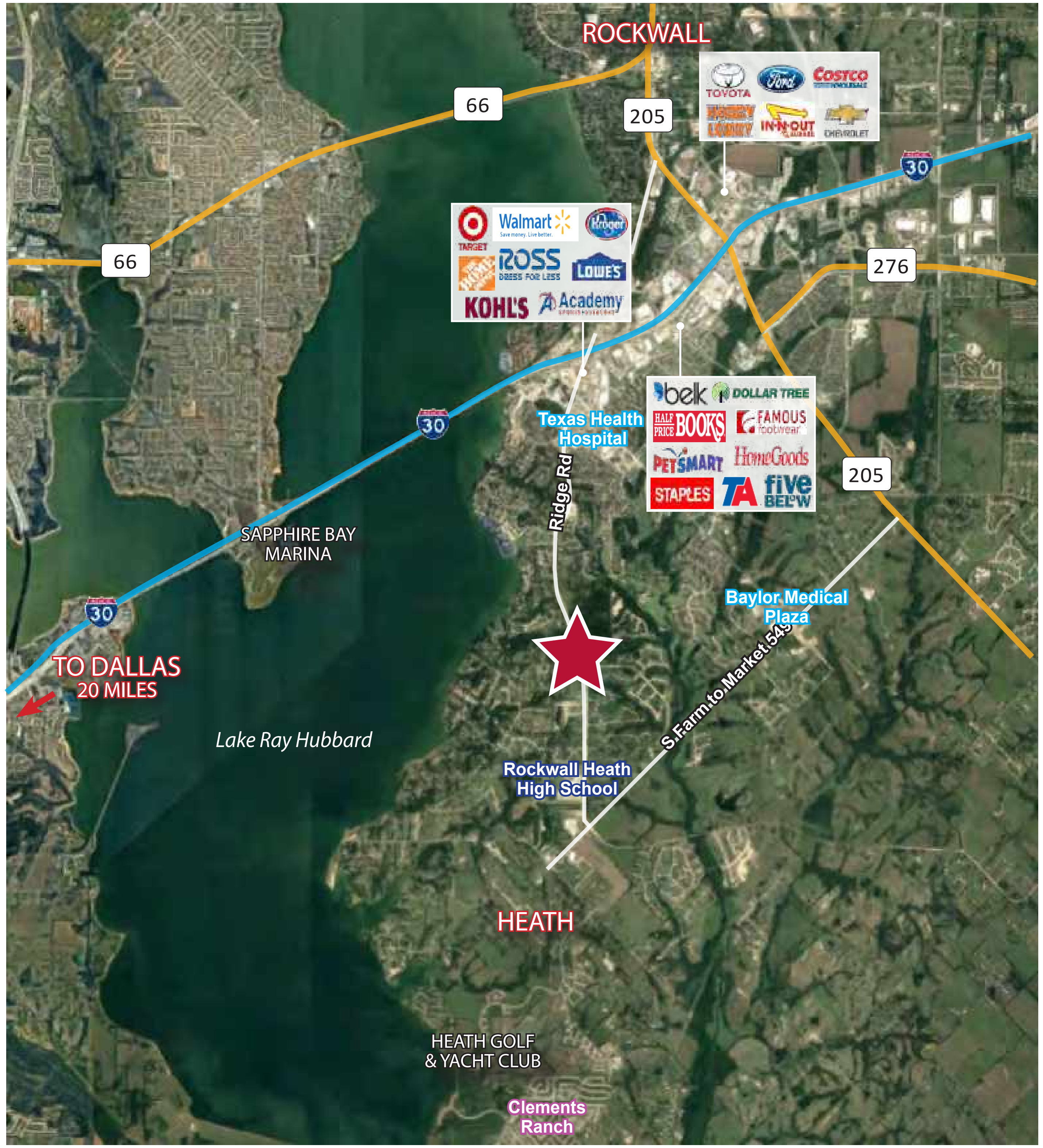
PROPERTY INFORMATION

CVS PHARMACY
Heath, TX

Actual Property

-- LOCATION MAPS --





-- PROPERTY PHOTOS --

Front Entrance to Store

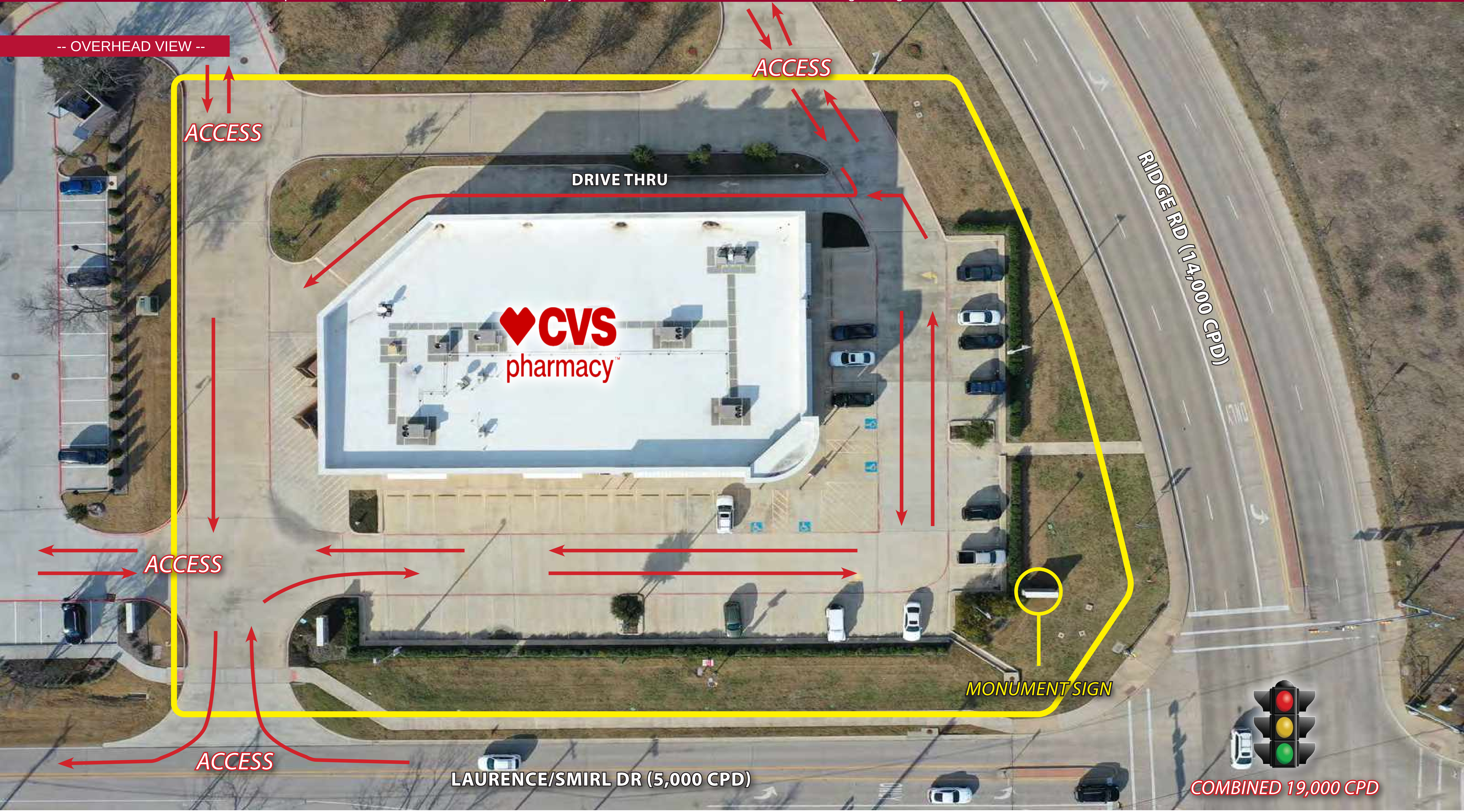
Access to Drive Thru

Monument Signage

Drive Thru

-- NEIGHBORING TENANTS --

-- ROCKWALL-HEATH HIGH SCHOOL --


-- OVERHEAD VIEW --
ACCESS
ACCESS
DRIVE THRU
CVS pharmacy
RIDGE RD (14,000 CPD)
ACCESS
MONUMENT SIGN
ACCESS
LAURENCE/SMIRL DR (5,000 CPD)
COMBINED 19,000 CPD


-- LOOKING NORTHWEST --
THE HARBOR ROCKWALL SHOPPING MALL
CINEMARK
CYCLEBAR
SIDEWAYS
Hilton
GLORIA'S
STEGER TOWNE CROSSING & ROCKWALL MARKET CENTER
ALDI
DUNKIN' DONUTS
KOHL'S
Kroger
Walmart
ROSS DRESS FOR LESS
LOWE'S
TARGET
Academy
SAPPHIRE BAY MARINA
ROWLETT
SACHSE
WYLIE
30
30
• WATERS EDGE
• SIGNAL RIDGE
TO DALLAS 20 MILES
CHANDLERS LANDING MARINA
Lake Ray Hubbard
TEXAS HEALTH HOSPITAL ROCKWALL
STANDARD
Fair Texas Title
MMR MIKE MAZYCK REALTY
GMR
RIDGE RD (14,000 CPD)
CVS pharmacy
THE FULTON SCHOOL OF HEATH
LAURENCE/SMIRL DR (5,000 CPD)
COMBINED 19,000 CPD


-- LOOKING NORTHEAST --
ROCKWALL
30
ROCKWALL CROSSING PLAZA AT ROCKWALL
belk
COSTCO
HOBBY LOBBY
STAPLES
five BELOW
Ford
TOYOTA
IN-N-OUT
HALF PRICE BOOKS
TA
CHEVROLET
DOLLAR TREE
PETSMART
TJ·maxx
BEST BUY
HomeGoods
FAMOUS footwear
NISSAN
HONDA
SUBARU
HYUNDAI
KIA
• LOLLICUP USA
• PRATT INDUSTRIES
• BIMBO BAKERIES
• EZ-FLO INT'L
• INTERSTATE WIRE
• SUNBELT RENTALS
• PEGASUS FOOD
• LEGACY COACH
• MCCLAIN'S RV
• SIGELS BEVERAGE
• AMERICAN STORAGE
• MAACO COLLISION
• NAPA AUTO PARTS
• NASH CONSTRUCTION
• GULF STATES DOOR
• TEXAS POOL PROF
BROADMOOR MEDICAL LODGE
RAYBURN COUNTRY ELECTRIC COOP
30
COLLIN COLLEGE
SPRINGER ELEMENTARY SCHOOL
SOMERSET PARK
BUFFALO CREEK GOLF CLUB
MALLARD CROSSING
CVS/pharmacy
RIDGE RD (14,000 CPD)
Fair Texas Title
STANDARD
GMR
MMR
MIKE MAZYCK REALTY
CVS pharmacy
COMBINED 19,000 CPD
HEARTLAND CROSSING
LAURENCE DR
LAURENCE/SMIRL DR (5,000 CPD)
THE FULTON SCHOOL OF HEATH


-- LOOKING EAST --
• CAIN MIDDLE SCHOOL
• PULLEN ELEMENTARY SCHOOL
BAYLORD MEDICAL PLAZA
BUFFALO CREEK GOLF CLUB
MALLARD CROSSING
HEARTLAND CROSSING
WILLOW SPRINGS
COMBINED 19,000 CPD
LAURENCE DR (14,000 CPD)
RIDGE RD (14,000 CPD)
CVS pharmacy
LAURENCE/SMIRL DR (5,000 CPD)
Fair Texas Title
GMR
MMR
MIKE MAZYCK REALTY
STANDARD
THE FULTON SCHOOL OF HEATH


-- LOOKING SOUTH --
The UPS Store
HEATH
HEATH GOLF & YACHT CLUB
Lake Ray Hubbard
HEATH FIRE DEPT
S FARM TO MARKET 549
ROCKWALL-HEATH HIGH SCHOOL
LAS LOMAS
WYNDEMERE
LAURENCE DR (14,000 CPD)
WILLOW SPRINGS
THE FULTON SCHOOL OF HEATH
HEARTLAND CROSSING
COMBINED 19,000 CPD
LAURENCE/SMIRL DR (5,000 CPD)
CVS pharmacy
MMR
MIKE MAZYCK REALTY
RIDGE RD (14,000 CPD)
STANDARD
Fair Texas Title


-- LOOKING WEST --
FORT WORTH
DALLAS
20 MILES
DALLAS LOVE FIELD
AIRPORT
GARLAND
INTERSTATE
30
INTERSTATE
30
Lake Ray Hubbard
Lake Ray Hubbard
CEDAR SHORES
MARIAH BAY
MMR
MIKE MAZYCK REALTY
GMR
STANDARD
Fair Texas Title
THE FULTON
SCHOOL OF HEATH
LAURENCE/SMIRL DR (5,000 CPD)
CVS
pharmacy
CVS/pharmacy
RIDGE RD (14,000 CPD)

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

TENANT OVERVIEW

CVS PHARMACY
Heath, TX

Actual Property

-- ABOUT CVS HEALTH --

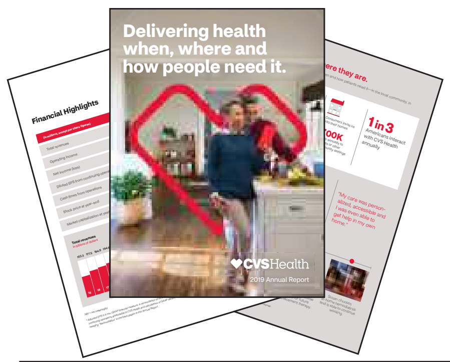
COMPANY OVERVIEW	
Company Name:	CVS Health
Year Founded:	1996
Credit Rating:	S&P: BBB+
Sales Revenue (2019):	$256.77 Billion
Net Income (2019):	$6.63 Billion
Total Assets:	$94.46 Billion
Locations:	9,900+ Retail Locations 1,100 MinuteClinic Locations
Employees:	300,000
Headquarters:	Woonsocket, Rhode Island
Website:	www.cvshealth.com

CVS Health, together with its subsidiaries, is an American retail pharmacy and health care company headquartered in Woonsocket, Rhode Island. The Company is the nation's premier health innovation company helping people on their path to better health. Whether in one of its pharmacies or through its health services and plans, CVS Health is pioneering a bold new approach to total health by making quality care more affordable, accessible, simple and seamless. CVS Health is community-based and locally focused, engaging consumers with the care they need when and where they need it. The Company has approximately 9,900 retail locations, approximately 1,100 walk-in medical clinics, a leading pharmacy benefits manager with approximately 105 million plan members, a dedicated senior pharmacy care business serving more than one million patients per year and expanding specialty pharmacy services. The Company has four reportable segments: Pharmacy Services, Retail/LTC, Health Care Benefits and Corporate/Other.

CVS Health also serves an estimated 37 million people through traditional, voluntary and consumer-directed health insurance products and related services, including expanding Medicare Advantage offerings and a leading standalone Medicare Part D prescription drug plan ("PDP"). The Company believes its innovative health care model increases access to quality care, delivers better health outcomes and lowers overall health care costs.

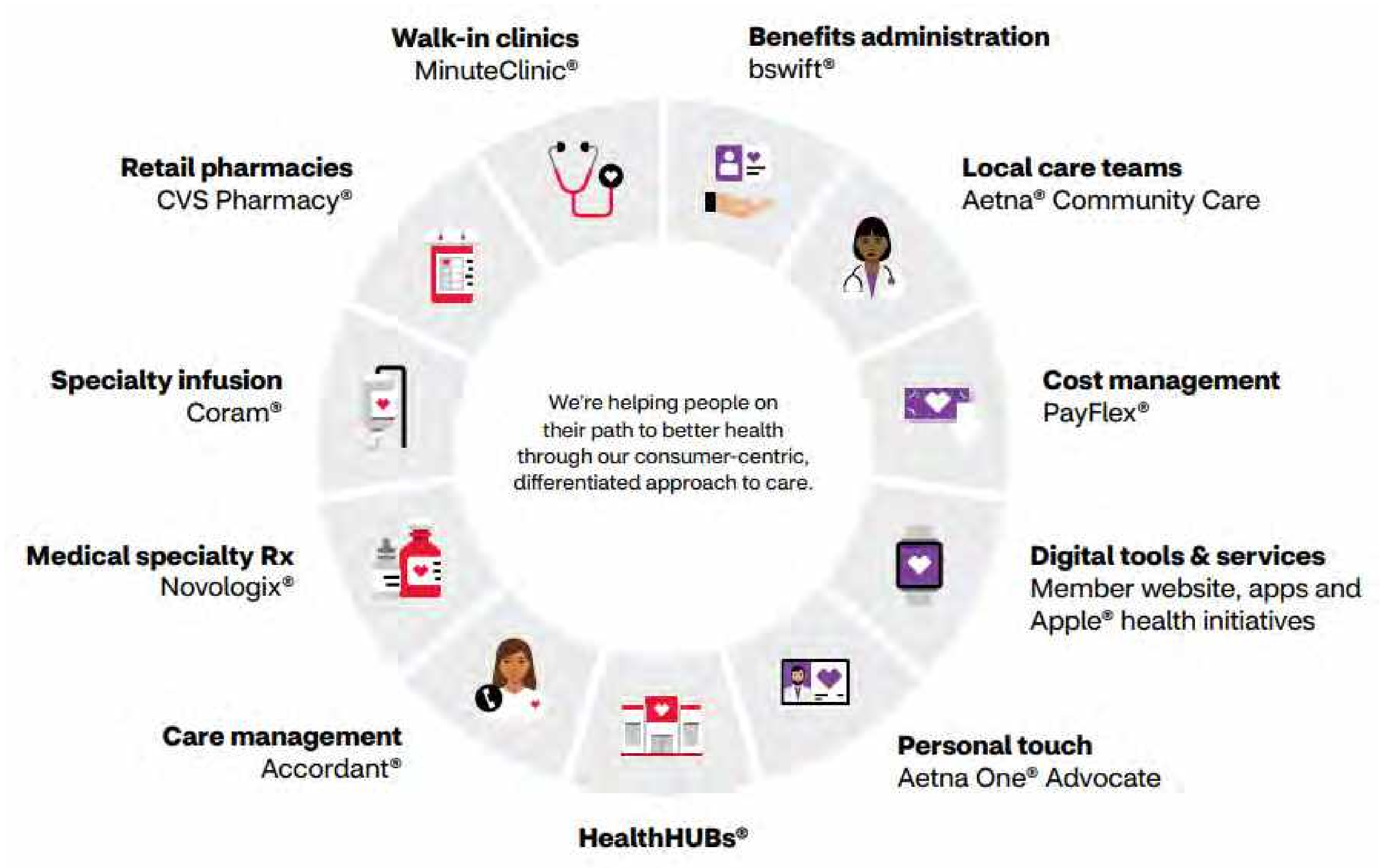
On November 28, 2018 (the "Aetna Acquisition Date"), the Company acquired Aetna Inc. ("Aetna") for a combination of cash and CVS Health stock (the "Aetna Acquisition"). The Company acquired Aetna to help improve the consumer health care experience by combining Aetna's health care benefits products and services with CVS Health's retail locations, walk-in medical clinics and integrated pharmacy capabilities with the goal of becoming the new, trusted front door to health care. As a result of the Aetna Acquisition, the Company added the Health Care Benefits segment. Certain aspects of Aetna's operations, including products for which the Company no longer solicits or accepts new customers, such as large case pensions and long-term care insurance products, are included in the Company's Corporate/Other segment.

Total revenues for 2019 increased 32% over 2018 from $194.58 billion to $256.776 billion.



VIEW ANNUAL REPORT

SUBSIDIARIES OF CVS HEALTH



AREA OVERVIEW

CVS PHARMACY
Heath, TX

Actual Property

-- HEATH, TX OVERVIEW --

Heath is a premier residential community located along the shores of Lake Ray Hubbard in Rockwall and Kaufman Counties, approximately 20 miles east of Dallas in North Texas. Heath is a community of more than 8,100 residents. The City of Heath is committed to preserving a special way of life where rolling hills and the sparkling lake provide a serene backdrop for beautiful neighborhoods and distinctive homes. While this pastoral setting offers a sense of being removed from the bustle of city life, residents enjoy spectacular views of the Dallas skyline and easy access to the business, cultural and entertainment amenities of the Metroplex.

PART OF THE DALLAS-FORTH WORTH METROPLEX • DIVERSE, BALANCED ECONOMY • GDP OF $620.6 BILLION (2020) • EDUCATED WORKFORCE

Heath is part of the Dallas-Fort Worth-Arlington Metropolitan Statistical Area, which is the economic and cultural hub of North Texas. The Dallas/Fort Worth Metroplex, commonly referred to as DFW or North Texas, encompasses 13 counties and is home to just over 7 million people. The DFW area encompasses more than 9,200 square miles of total area, making it the largest inland metropolitan area in the United States.

The metropolitan region's economy is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation and logistics. As of 2020, Dallas–Fort Worth is home to 24 Fortune 500 companies, the third-largest concentration of Fortune 500 companies in the United States behind New York City and Chicago. In 2016, the metropolitan economy surpassed Houston to become the fourth-largest in the U.S. The Dallas–Fort Worth metroplex boasted a GDP of just over $620.6 billion in 2020.

AREA OF EXPLOSIVE GROWTH • 3RD-LARGEST CONCENTRATION OF CORPORATE HEADQUARTERS IN THE U.S. • #1 IN NEW APARTMENT DEVELOPMENT

Dallas and its suburbs have the third-largest concentration of corporate headquarters in the United States. Moreover, it is the only metro area in the country home to three of the top-ten largest Fortune 500 companies by revenue. The area continues to draw corporate relocation from across the nation, and especially from California. From late 2018 to early 2019, both McKesson and Charles Schwab announced they would be relocating from San Francisco to the DFW area. Later in 2019, San Francisco-based Uber announced a massive corporate expansion just east of downtown Dallas. The trend of major corporate moves and expansions has influenced the booming DFW construction industry, which ranks first nationally in new apartment development as of 2019.

Rockwall County is listed as the **sixth-wealthiest county** in Texas.

-- DALLAS-FORT WORTH --

City of Dallas

Dallas is a city in the U.S. state of Texas and the largest city in (and seat of) Dallas County. With an estimated 2019 population of 1,34 million residents, it is the ninth most-populous city in the U.S. and the third-largest in Texas after Houston and San Antonio. Located in North Texas, the city of Dallas is the main core of the largest metropolitan area in the Southern U.S. and the largest inland metropolitan area in the U.S. It is the most populous city in the Dallas–Fort Worth metroplex, which is the fourth-largest metropolitan area in the country at 7.5 million people.

DIVERSE ECONOMY HOME TO 20+ FORTUNE 500 COMPANIES • FASTEST GROWING METRO IN THE U.S.

Dallas has become a strong industrial and financial center and a major inland port, due to the convergence of major railroad lines, interstate highways and the construction of Dallas/Fort Worth International Airport, one of the largest and busiest airports in the world. The City of Dallas is the largest local economy in the nation's fourth largest metropolitan area. Dallas' diverse industry employment mix continues to support steady and progressive local economic growth and continues to dampen the negative effects of any single industry downturn. In 2016, the Trade, Transportation and Utilities sector was the largest industry sector by employment within the City. The Professional and Business Services and the Education and Health Services sectors tied for the second largest employment share followed by Leisure and Hospitality. Dallas is home to ten Fortune 500 companies within the city limits, and over 41 colleges and universities are located within its metropolitan area, which is the most of any metropolitan area in Texas. The Dallas-Fort Worth region has the third highest number of Fortune 500 headquarters in the U.S., behind New York City and Chicago, and has one of the largest concentrations of corporate headquarters for publicly traded companies in the United States.

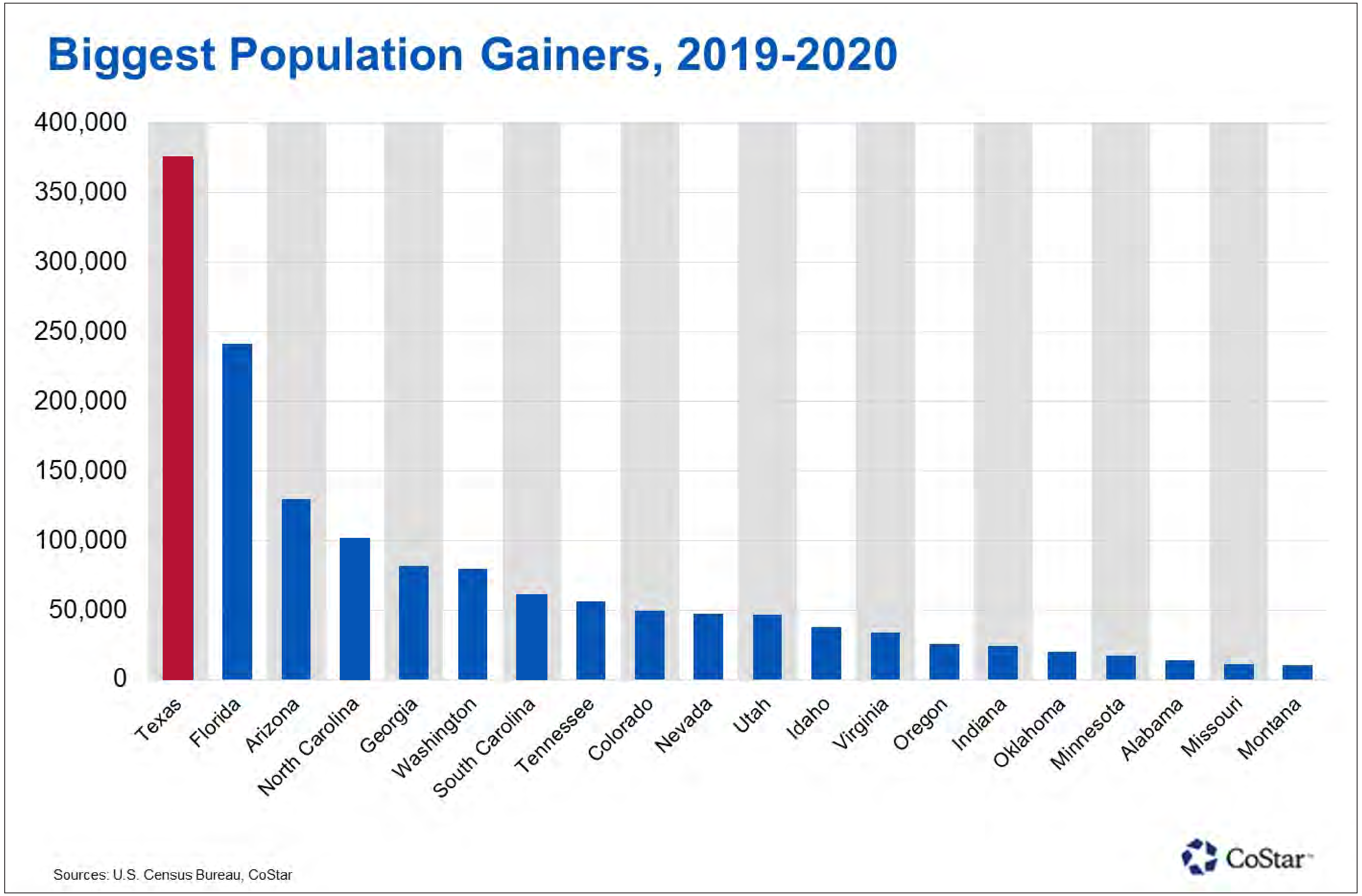
More than one million people have moved to North Texas since 2010, making it the fastest growing of the large metropolitan areas in the U.S. All that growth has bolstered the region's economy — job growth in this region outpaced Texas and the rest of the U.S. over the last 10 years, with about 900,000 net new jobs created in the area (Source: *Click here for article*). In the past decade, Texas - and the Dallas-Fort Worth area specifically - have seen a massive influx of major companies that have moved their headquarters, reflecting the continued strong growth in the metro economy. In 2020 alone, nearly 800 California companies had moved to the state, citing the lack of income tax, a more economical cost of living, more lenient Covid-19 policies/shutdowns, and a more central location. Amid the metro's flourishing economy, the real estate market has boomed and the Dallas-Fort Worth area has emerged as the top apartment market in the nation, with more than 150,000 apartments added since 2010.

Source: DallasEcoDev.org; FRED.org, Wikipedia

Dallas-Fort Worth Int'l Airport ("DFW") is the third busiest airport in the world and the tenth busiest airport in the world by passenger traffic in 2019. It is the largest hub for American Airlines. In 2019, DFW set a passenger traffic record serving 75,066,956 passengers.

The Dallas Cowboys of the National Football League play in nearby Arlington. Since joining the league as an expansion team in 1960, the Cowboys have enjoyed substantial success, advancing to eight Super Bowls and winning five. The Cowboys are financially the most valuable sports franchise in the world, worth approximately $4 billion.

-- DALLAS-FORT WORTH --



U.S. CENSUS BUREAU TEXAS POPULATION HIGHLIGHTS

» According to the 2020 Census, Texas ranked #1 in population growth in 2019-2020.

» Texas added nearly 374,000 residents between July 1, 2019 and July 1, 2020.

» Reflects a growth rate of 16.4% since the 2010 Census

» More than one million people have moved to North Texas since 2010, making it the fastest growing of the large metropolitan areas in the U.S.

» Job growth in the North Texas region outpaced Texas and the rest of the U.S. over the last 10 years.

-- DEMOGRAPHICS --

POPULATION SNAPSHOT

- Heath is expected to see annual population growth of 3%-5% between 2020 and 2025.
- Heath is part of the Dallas-Fort Worth Metroplex, which has an estimated population of 7.573 million (U.S. Census Bureau 2019)
- The median age in Heath is 45 years.

HOUSING SNAPSHOT

- The average property value is $540,623, reflecting a 3.6% increase over the past year. Home values are expected to increase by 8-9% this year.
- Approximately 95% of residents in Heath own their home, which is well above the national average of 63% and higher than the average in Rockwall County of 80%.
- There are approximately 25,500 households within 5 miles of Heath.

ECONOMY SNAPSHOT

- The median household income in Heath was $155,781 (2019).
- The Dallas-Fort Worth area has a labor force of 4.027 million as of November 2020 (Source: FRED).
- The metropolitan region's economy is primarily based on banking, commerce, insurance, telecommunications, technology, energy, healthcare, medical research, transportation and logistics.
- The Dallas–Fort Worth metroplex boasted a GDP of just over $620.6 billion in 2020.

		1 Mile	3 Miles	5 Miles
POPULATION	2020 Estimated Population	3,750	21,912	70,249
	2025 Projected Population	4,639	27,284	83,552
	2010 Census Population	2,928	19,239	56,706
	2000 Census Population	1,976	12,719	42,429
	Projected Annual Growth 2020 to 2025	4.7%	4.9%	3.8%
	Historical Annual Growth 2000 to 2020	4.5%	3.6%	3.3%
	2020 Median Age	44.4	40.7	38.0
HOUSEHOLDS	2020 Estimated Households	1,364	7,882	25,468
	2025 Projected Households	1,575	9,144	28,549
	2010 Census Households	1,046	6,731	20,234
	2000 Census Households	736	4,389	15,132
	Projected Annual Growth 2020 to 2025	3.1%	3.2%	2.4%
	Historical Annual Growth 2000 to 2020	4.3%	4.0%	3.4%
RACE & ETHNICITY	2020 Estimated White	88.3%	78.6%	73.2%
	2020 Estimated Black or African American	3.7%	5.6%	11.5%
	2020 Estimated Asian or Pacific Islander	4.2%	4.3%	4.6%
	2020 Estimated American Indian or Native Alaskan	0.4%	0.6%	0.6%
	2020 Estimated Other Races	3.4%	11.0%	10.1%
	2020 Estimated Hispanic	9.3%	22.9%	21.0%
INCOME	2020 Estimated Average Household Income	$187,553	$136,458	$107,809
	2020 Estimated Median Household Income	$154,801	$128,652	$98,951
	2020 Estimated Per Capita Income	$68,229	$49,085	$39,158
BUSINESS	2020 Estimated Total Businesses	45	1,366	3,084
	2020 Estimated Total Employees	355	12,776	28,441
	2020 Estimated Employee Population per Business	7.8	9.4	9.2
	2020 Estimated Residential Population per Business	82.5	16.0	22.8

EXCLUSIVELY LISTED BY

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

RYAN BARR
Principal
760.448.2446
rbarr@lee-associates.com
DRE Lic#01338994

RYAN BENNETT
Principal
760.448.2449
rbennett@lee-associates.com
DRE Lic#01826517

DREW OLSON
Associate
760.448.1372
dolson@lee-associates.com
DRE Lic#02049653

BARR&BENNETT
NETLEASEDINVESTMENTS
A Lee & Associates Team

Lee & Associates and DZ Net Lease Realty, LLC hereby advise all prospective purchasers of Net-Leased Investment property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Lee & Associates and DZ Net Lease Realty, LLC have not and will not verify any of this information, nor have Lee & Associates and DZ Net Lease Realty, LLC conducted any investigation regarding these matters. Lee & Associates and DZ Net Lease Realty, LLC makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of an investment property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Lee & Associates and DZ Net Lease Realty, LLC expressly deny any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of an investment property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any investment property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Lee & Associates and DZ Net Lease Realty, LLC and hold them harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this investment property.

Listed in conjunction with Texas real estate broker
DZ Net Lease Realty, LLC license 9002851

No warranty or representation is made as to the accuracy of the foregoing information. Terms of sale, lease, and availability are subject to change or withdrawal without notice.

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.

Name	License No.	Email	Phone
DZ Net Lease Realty, LLC Licensed Broker /Broker Firm Name or Primary Assumed Business Name	9002851	david@dznetlease.com	702.304.9900
David B Zacharia Designated Broker of Firm	634656	david@dznetlease.com	702.304.9900
Licensed Supervisor of Sales Agent/ Associate			
Sales Agent/Associate's Name			

Buyer/Tenant/Seller/Landlord Initials ______ ______ Date ______