

NEW 2023 CONSTRUCTION
NATION'S LARGEST SENIOR FOCUSED
PRIMARY CARE ORGANIZATION

 **CenterWell**
Senior Primary Care
A **Humana** Subsidiary

1201 E EXPRESSWAY 83
MCALLEN, TX 78501



DOLLAR TREE

STAPLES

Ashley
HOMESTORE

TJ-maxx

Academy
SPORTS+OUTDOORS

McDonald's



Marcus & Millichap
NNN DEAL GROUP

OFFERING MEMORANDUM

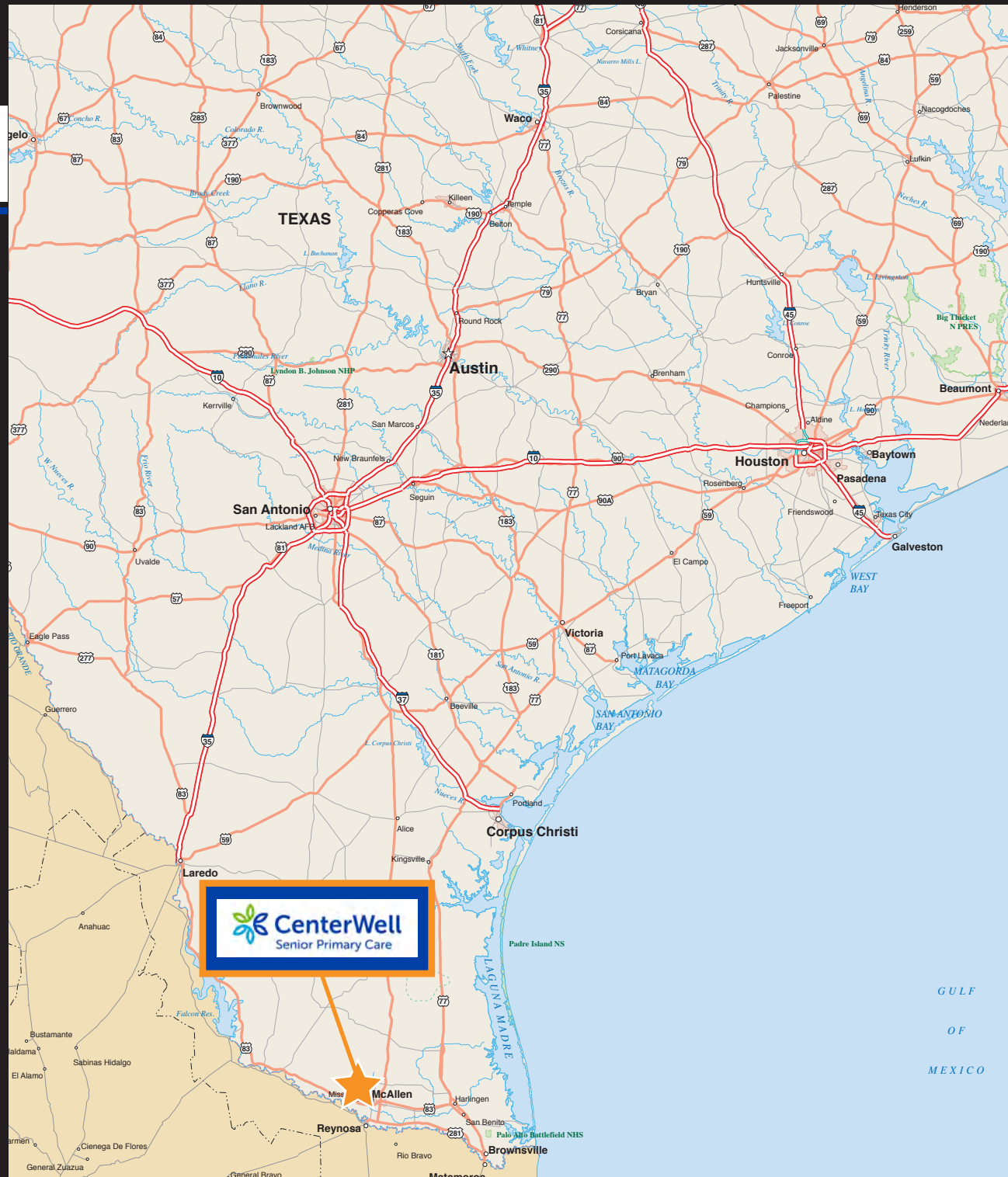
ACTUAL SITE

TABLE OF CONTENTS

- Investment Summary 3
- Investment Highlights..... 4
- Aerial Maps 5-8
- Tenant Summary 9
- Site Plan..... 10
- Location Overview..... 11
- Location Highlights 12
- Demographics..... 13

Marcus & Millichap
 NNN DEAL GROUP

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INVESTMENT SUMMARY

PRICE: \$5,707,000

CAP: 5.75%

RENT: \$328,149

OVERVIEW

PRICE	\$5,707,000
GROSS LEASABLE AREA (GLA)	12,996 SF
LOT SIZE	1.4 Acres
NET OPERATING INCOME	\$328,149
YEAR BUILT	2023

ANNUALIZED OPERATING DATA

BASE TERM	ANNUAL RENT
Years 1-12 (Current)	\$328,149
Option 1	\$360,964
Option 2	\$397,060
Option 3	\$436,766
Option 4	\$480,443

LEASE ABSTRACT

LEASE TYPE	NNN
BASE TERM	12 Years
LEASE COMMENCEMENT	4/1/2023
LEASE EXPIRATION	3/31/2035
RENEWAL OPTIONS	4x5
INCREASES	10% In Each Option
LANDLORD OBLIGATION	Roof, Structure, Parking Lot Replacement (Subject to CAM Reimbursement)
TENANT	HUM Provider Holdings, LLC (a wholly owned subsidiary of Humana Inc.)

INVESTMENT HIGHLIGHTS



LONG TERM PASSIVE LEASE STRUCTURE
11+ years remain with minimal landlord obligations



BRAND NEW 2023 CONSTRUCTION
All new built-to-suit premier medical facility



STRONG MEDICAL TENANCY
Nation's largest senior focused care provider, with 250 locations in 12 states and operated by a wholly owned subsidiary of Humana Inc.



TAX-FREE STATE
Texas is a highly desirable income tax-free state



STRONG INFILL LOCATION
Surrounded by major retailers, such as Home Depot, McDonald's & Costco, each drawing traffic to the immediate area



EXCELLENT VISIBILITY
Strategically located on a busy expressway boasting over 135K passing VPD





CINEMARK

five BELOW
Burlington
Academy SPORTS & OUTDOORS
JO-ANN stores inc.
WORLD MARKET
T.J. MAXX

NISSAN

CenterWell
Senior Primary Care

HYUNDAI

TOYOTA

Ashley HOMESTORE
STAPLES
DOLLAR TREE

McDonald's

Dentistry of Brownsville

I-2 - 121,419 VPD

THE HOME DEPOT

Ford

E EXPRESSWAY 83 - 116,462 VPD

CHRYSLER
Jeep
DODGE
RAM

83

INTERSTATE 2

ACTUAL SITE



DOLLAR TREE

STAPLES



CINEMARK

WORLD MARKET

Burlington

JO-ANN stores inc.

five BELOW

TJ-maxx



McDonald's

Dentistry of Brownsville

E EXPRESSWAY 83 - 116,462 VPD



ACTUAL SITE



CINEMARK

JO-ANN stores inc.

COST PLUS WORLD MARKET

FIVE BELOW

Burlington

T.J-maxx

CHIPOTLE

Academy SPORTS + OUTDOORS

Panera

BURGER KING

THE HOME DEPOT

STAPLES

Ashley HOMESTORE

DOLLAR TREE

McDonald's

Dentistry of Brownsville

INTERSTATE 2

I-2- 121,419 VPD

CenterWell Senior Primary Care

E EXPRESSWAY 83 - 116,462 VPD

CHRYSLER
Jeep
DODGE
RAM

AMERICAN FREIGHT

ACTUAL SITE



INDUSTRIAL AREA

CenterWell
Senior Primary Care

McDonald's

TJ-maxx **JO-ANN** stores inc.
BURGER KING **cricket** wireless
Papa John's **CRIPOTE** MEXICAN GRILL

THE HOME DEPOT
AMERICAN FREIGHT

STAPLES

Dentistry of Brownsville

OPPORTUNITY ZONE

HYUNDAI

TOYOTA

DAIRY QUEEN

Marlen's Gallery - Furniture Store

Thrift City - Thrift Store

CHRYSLER
Jeep
DODGE
RAM

Ford

Pizza Hut

7 ELEVEN

S 2ND ST - 27,910 VPD

S MCCOLL RD - 18,336 VPD

E EXPRESSWAY 83 - 116,462 VPD

I-2 - 121,419 VPD

S JACKSON RD - 31,204 VPD

E JACKSON AVE - 14,150 VPD

SAM HOUSTON RD

COSTCO WHOLESALE **LOWE'S**
Bank of America **at home** The Home Decor Superstore
Jack in the box **Chick-fil-z**
SONIC **RED ROBIN**

Hampton Inn & Suites

HomeGoods
TARGET
DICK'S SPORTING GOODS

Michaels Where Creativity Happens
Burlington
PETSMART

Walmart Supercenter

SAM'S CLUB

Rio Grande Regional Hospital

ROSS DRESS FOR LESS

VALERO

DOLLAR TREE

Marshalls

Office DEPOT

BEST BUY **CHASE**
at&t **verizon**
SALLY BEAUTY **SHERWIN WILLIAMS**
Starbucks **Arbuz**
WING-STOP **W**

TENANT SUMMARY

HUMANA AND CENTERWELL

Humana has teamed up with CenterWell and Conviva Care to create a PCO (primary care organization) under the brand name CenterWell Senior Primary Care. Through this strategic consolidation, CenterWell Senior Primary Care will become the largest provider of senior-focused primary care in the country.

CenterWell and Conviva Care together deliver care to approximately 266,000 patients from many different Medicare Advantage Plans, as well as some patients who have Original Medicare. The centers currently operate in Arizona, Florida, Georgia, Kansas, Kentucky, Louisiana, Missouri, Nevada, North Carolina, South Carolina, Tennessee, and Texas.

CENTERWELL SENIOR PRIMARY CARE PROPELS PRIMARY CARE NETWORK TO 250 CENTERS

Further Solidifies Position as Nation's Largest Senior-Focused Primary Care Organization

LOUISVILLE, Ky.--(BUSINESS WIRE)-- CenterWell Senior Primary Care is one of the fastest-growing senior-focused, value-based care providers, with plans to add 30-50 new centers per year through 2025.

"It's thrilling to reach the 250-center mark because this milestone is further evidence of the growing recognition that our model of integrated, coordinated, personalized care – tailored to the unique healthcare needs of seniors – can make a meaningful difference in the lives of the patients we serve," said Reneé Buckingham, president of Humana's Primary Care Organization (PCO). "We look forward to continuing to grow our value-based, senior-focused primary care presence in the years to come, allowing us to extend our services into even more communities – many of them currently underserved."

The Primary Care Organization of Humana Inc. (NYSE: HUM), comprised of the CenterWell Senior Primary Care and Conviva Care Center brands, delivers care to nearly 266,000 seniors across 12 states.

[CLICK HERE FOR FULL ARTICLE](#)



SITE PLAN



LOCATION OVERVIEW

McALLEN, TEXAS

McAllen, Texas is part of the McAllen-Edinburg-Mission metro and is located 250 miles south of San Antonio near the Texas-Mexico border, encompassing Hidalgo County. The rapidly growing metro being situated on the coast as well as the Texas-Mexico border make trade a large economic driver. The area is also known for its growing aerospace industry and strong education and healthcare sectors, seeing tremendous business development, and economic growth in recent years.

The site is situated near two major highways that connect McAllen to nearby cities, Interstate 69C which connects McAllen with San Antonio to the north, and Interstate 2 which runs east to west along the Mexico-US border. McAllen is just minutes north of the 2 million residents of Reynosa and Matamoros, both popular manufacturing centers in Northern Mexico.

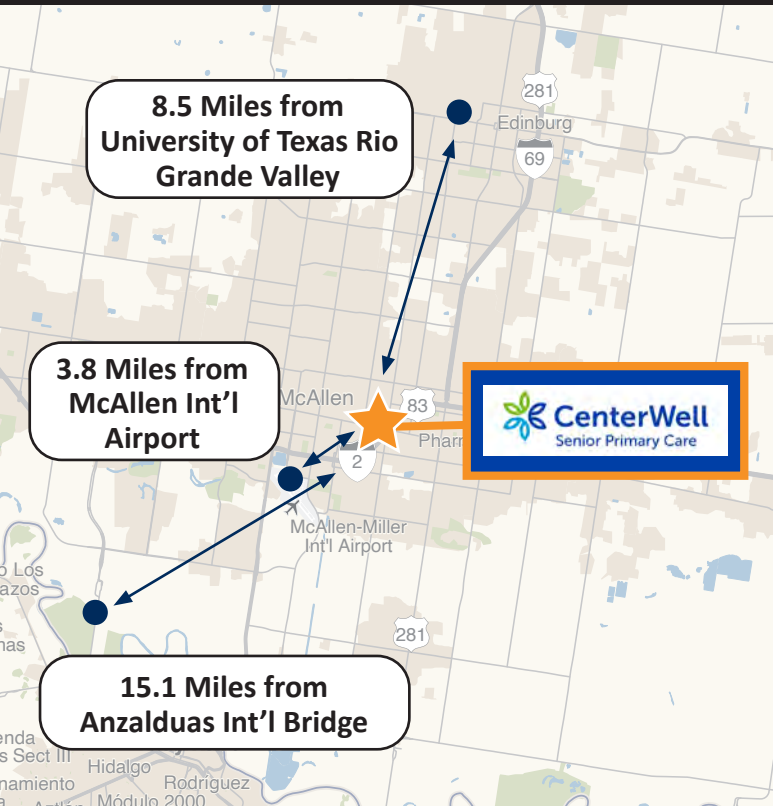
The McAllen Foreign Trade Zone (FTZ) is a pivotal foreign trade zone, as is the McAllen Miller International Airport, which facilitates air cargo needs, as well as two international bridge crossings, the Anzalduas Bridge, and the McAllen-Hidalgo-Reynosa bridge, which both cross from Reynosa, Mexico into Hidalgo County, Texas. Under U.S. and Mexican laws and NAFTA provisions, the FTZ designation offers specific cost saving opportunities to manufacturers. Products can be brought into the FTZ duty-free. Services have expanded to include full logistic support services, including public warehouse services, order processing, inventory control, incoming/outgoing quality inspection and kitting. As well as being major trade center there are various industry clusters in the town. These include auto assembly, consumer products, distribution & logistics, and medical manufacturing.

The city is also developing first rate commercial, retail, industrial, medical, retirement, and educational facilities, such as Cano Health. The site is adjacent to a large Opportunity Zone, further driving this development. The University of Texas, Rio Grande Valley has facilities in Edinburg, McAllen, and Weslaco, which is the area's largest employer, and provides an educated workforce to the region.

With its year-round sunshine, 80-degree winters, relatively low cost of living, and the Rio Grande river running through the area, McAllen is consistently ranked as one of the best places to retire in the country. The city offers outdoor and recreational activities for locals and visitors alike. CanoHealth, which primarily serves the senior community, is strategically positioned within one mile from 5 of the 15+ assisted living facilities in McAllen.



OPPORTUNITY ZONE: Federal Opportunity Zones, established by congress in the Tax Cuts and Jobs Act of 2017. Federal Opportunity Zones are designed to drive long-term investments to low-income communities. It provides federal tax incentive for investors to re-invest their capital gains into Opportunity Funds. These Opportunity Funds then delegate the investments to designated low-income areas.



LOCATION HIGHLIGHTS / McALLEN, TEXAS



McAllen, Texas is consistently ranked in the top 10 places to retire in the US, providing an enormous senior population, Cano's target market



Located 9 miles north of the border with Mexico, contributing to consistent traffic through the region



The site sits just off I-2, making it easily accessible, as the interstate runs along a significant portion of the border of the US and Mexico



Part of McAllen's rapid development, and sits adjacent to a large Opportunity Zone

MAJOR EMPLOYERS HIDALGO COUNTY, TX

COMPANY	EMPLOYEES
IDEA	8,559
Doctor's Hospital at Renaissance	5,600
University of Texas-Rio Grande Valley	4,900
H-E-B	4,750
Edinburg Consolidated Independent School District	4,747
Pharr-San Juan-Alamo Independent School District	4,644
Hidalgo County	4,439
La Joya Independent School District	4,049
McAllen Independent School District	3,348
Wal-Mart	3,200
South Texas College	2,321

DEMOGRAPHICS / McALLEN, TEXAS

POPULATION	1 MILE	3 MILES	5 MILES
2027 Projection	9,656	98,178	246,580
2022 Estimate	8,972	92,736	231,456
Growth 2022 - 2027	7.62%	5.87%	6.53%
2000 Census	6,728	72,676	166,103
2010 Census	8,090	84,530	209,169
Growth 2000 - 2010	20.24%	16.31%	25.93%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2027 Projections	3,354	33,486	77,268
2022 Estimate	3,103	31,292	71,957
Growth 2022 - 2027	8.10%	7.01%	7.38%
2000 Census	2,373	22,897	48,974
2010 Census	2,705	27,748	63,451
Growth 2000 - 2010	13.98%	21.19%	29.56%

2022 EST. HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$200,000 or More	5.83%	2.96%	3.17%
\$150,000 - \$199,999	4.25%	3.40%	3.51%
\$100,000 - \$149,999	9.48%	8.57%	9.82%
\$75,000 - \$99,999	7.40%	8.51%	9.46%
\$50,000 - \$74,999	16.43%	16.36%	16.94%
\$35,000 - \$49,999	13.47%	15.26%	15.35%
\$25,000 - \$34,999	8.24%	9.64%	9.96%
\$15,000 - \$24,999	13.49%	14.07%	13.83%
\$10,000 - \$14,999	8.04%	8.16%	6.95%
Under \$9,999	13.37%	13.04%	11.01%
2022 Est. Average Household Income	\$72,656	\$59,866	\$63,581
2022 Est. Median Household Income	\$42,626	\$40,350	\$43,021
2022 Est. Per Capita Income	\$25,579	\$20,328	\$19,847

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2022 Estimated Population by Age	8,972	92,736	231,456
Under 4	8.2%	7.9%	7.8%
5 to 14 Years	15.8%	15.4%	16.8%
15 to 17 Years	3.8%	4.3%	5.0%
18 to 19 Years	2.1%	2.5%	2.8%
20 to 24 Years	6.1%	6.6%	7.0%
25 to 29 Years	7.7%	7.6%	7.3%
30 to 34 Years	6.6%	6.8%	6.6%
35 to 39 Years	5.7%	6.3%	6.5%
40 to 49 Years	10.4%	11.4%	12.2%
50 to 59 Years	9.4%	10.1%	10.0%
60 to 64 Years	4.3%	4.6%	4.4%
65 to 69 Years	4.1%	4.2%	3.8%
70 to 74 Years	4.2%	3.9%	3.4%
Age 75+	11.6%	8.4%	6.3%
2022 Median Age	34.7	34.2	32.4

2022 Population 25 + by Education Level	1 MILE	3 MILES	5 MILES
Elementary (0-8)	10.82%	15.36%	14.41%
Some High School (9-11)	9.55%	11.38%	12.17%
High School Graduate (12)	23.12%	24.06%	23.77%
Some College (13-15)	21.68%	19.18%	18.98%
Associates Degree Only	5.19%	4.82%	4.98%
Bachelors Degree Only	20.07%	14.89%	15.54%
Graduate Degree	6.77%	6.31%	6.49%

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All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary. All potential buyers are admonished and advised to engage Professional Advisors on legal issues, tax, regulatory, financial and accounting matters, and for questions involving the property's physical condition or financial outlook.

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Information About Brokerage Services

11-2-2015

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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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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Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Regulated by the Texas Real Estate Commission

Buyer/Tenant/Seller/Landlord's Initials _____ Date _____

Information available at www.trec.texas.gov
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