

WELLMED 3 TENANT RETAIL

DENTON, TX



OFFERING MEMORANDUM

Multi-Tenant Retail brought to you by

DUWEST
INVESTMENT SERVICES



STATEMENT OF CONFIDENTIALITY AND DISCLAIMER

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the retail property known as WellMed 3 Tenant Retail located at 500 Fort Worth Drive, Denton, TX being approximately 13,388 square feet of improvements ("the "Property"). It is not to be used for any other purpose or made available to any other person without the express written consent of Seller or DuWest Realty, LLC ("DW"). The material herein is based in part upon information supplied by the Seller and in part upon information obtained by DW from sources it deems reliable. No representation or warranty, expressed or implied, is made by the Seller, DW, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should conduct their own independent investigation, conduct their own due diligence, and form their own conclusions without reliance upon the material contained herein. 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 and Sale Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or DW or any of their affiliates or any of their respective officers, directors, owners, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from DW or Seller or their affiliates or any of their respective officers, directors, owners, or agents as legal, tax, or other advice. Prior to forming their acquisition value of the Property, prospective purchasers should consult with their own legal counsel and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

EXECUTIVE SUMMARY

DuWest Realty Investment Services is pleased to present the opportunity to acquire WellMed 3 Tenant Retail ("the Property") located at 500 Fort Worth Dr. (31,0290 VPD) in Denton, Texas. The property benefits from direct access to I-35 (139,230 VPD) and is positioned less than one mile from the University of North Texas, home to more than 47,000 students. Surrounded by dense multifamily and student housing developments, the center is well situated to capture both daily consumer demand and long-term growth trends.

The tenant lineup is anchored by essential service providers, including WellMed, a primary care provider backed by Optum and UnitedHealth Group, and Avoca Coffee, a popular local coffee brand with multiple DFW locations. The property also features a 1,427 SF vacancy, offered as a one-year master lease, providing immediate income stability and leasing opportunity to new ownership.

Denton continues its rapid growth transformation from a small college town into a thriving regional submarket. Denton County's population has surged nearly 13% since 2020 and over 40% since 2010, making it one of the fastest-growing counties in Texas. The city has been recognized among Texas' top business climates, driven by robust infrastructure and strong ties to UNT and Texas Woman's University. Major developments such as Hillwood's 3,200-acre Landmark project—planned for 6,000 new homes and five million square feet of mixed-use space—are accelerating demand, while H-E-B's upcoming Denton location, slated for 2026 delivery, further underscores the market's strength.

WellMed 3 Tenant Retail offers investors a stable service-oriented tenant mix in a prime growth market, supported by exceptional demographics, institutional developments, and long-term regional momentum.

500 FORT WORTH DRIVE
ADDRESS

DENTON
CITY

2020
CONSTRUCTION YEAR

13,388
BUILDING SIZE

1.84 ACRES
SITE SIZE

100%
ECONOMIC OCCUPANCY

\$424,641
IN-PLACE NOI

\$6,533,000
PRICING

6.50%
CAP RATE

I-35: 139,230 VPD
FORT WORTH DR: 31,029 VPD
TRAFFIC COUNTS

INVESTMENT HIGHLIGHTS



LOCATED IN HIGHLY TRAFFICKED CORRIDOR

- Less than one mile from UNT with over 47,000 students enrolled
- Situated amongst dense multifamily and student housing developments
- Direct access to I-35 (139,230 VPD)



ESSENTIAL SERVICE TENANT LINE UP

- WellMed operates hundreds of primary care clinics across Texas and Florida to deliver value-based care
- Upon joining Optum, a subsidiary of the UnitedHealth Group, they have gained access to broader resources while continuing their original business model
- Avoca Coffee is a local coffee shop concept that operates four locations across DFW, including one in the Fort Worth Stockyards
- Current 1,427 SF vacancy offered as a one year Master Lease

DENTON'S SURGE: FROM SMALL TOWN TO REGIONAL POWERHOUSE

- Denton County's population has grown nearly 13% since 2020 and 40% since 2010
- Texas' Top Cities for Business by employer sentiment, citing good business climate, infrastructure, and ties with local universities like UNT and Texas Woman's University
- Landmark by Hillwood, a 3,200-acre Perot development, is poised to become a new destination for people with 6,000 new homes and five million square feet of mixed use commercial space and multifamily
- Earlier this year, H-E-B announced a new store location in Denton to be delivered spring 2026



LOCATION MAP



377

FORT WORTH DRIVE | 31,029 VPD

Pylon Sign

DRIVE THRU



WELLMED®

MASTER LEASE

DRIVE THRU



RENT ROLL

WELLMED 3 TENANT RETAIL

500 Fort Worth Dr. Denton, TX 76201

TENANT	SIZE (SF)	% OF TOTAL(SF)	CURRENT TERM		CURRENT BASE RENT			RENTAL INCREASES			CAM RECOVERY	OPTIONS
			START	EXPIRE	PSF	ANNUAL	MONTHLY	DATE	PSF	ANNUAL		
WellMed	9,250	69.1%	6/16/2023	7/31/2031	\$29.42	\$272,112	\$22,676	Jun-25	\$29.42	\$272,112	NNN	Two, three - year, Options at FMV
								Jun-26	\$30.15	\$278,915		
								Jun-27	\$30.91	\$285,888		
								Jun-28	\$31.68	\$293,035		
								Jun-29	\$32.47	\$300,361		
Jun-30	\$33.28	\$307,870										
Master Lease**	1,427	10.7%	1/1/2026	12/31/2026	\$35.00	\$49,945	\$4,162	-	-	-	-	-
Avoca Coffee	2,711	20.2%	1/1/2021	12/31/2030	\$34.64	\$93,909	\$7,826	Jan-26	\$35.33	\$95,781	NNN	Two, five - year, Options at FMV
								Jan-27	\$36.04	\$97,697		
								Jan-28	\$36.76	\$99,651		
								Jan-29	\$37.49	\$101,644		
								Jan-30	\$38.24	\$103,677		
Total Occupied	13,388	100%			\$31.07	\$415,989	\$34,666					
Total Vacant	0	0.0%										
Total GLA	13,388											

*The Net Operating Income of \$424,641 is calculated including Wellmed's June 2026 rental increase and Avoca's January 2026 rent increase. Seller shall credit buyer the monthly differential on a Pro rata basis at closing for Wellmed's rental increase.

**Seller to escrow one year of base rent and NNN including TI/LC at closing as a master lease.

INCOME & EXPENSE

500 FORT WORTH DR, DENTON, TX 76201

YEAR ONE PROJECTED EXPENSES*

	CURRENT	PSF
CAM	\$43,592	\$3.26
Taxes**	\$85,984	\$6.42
Insurance	\$18,252	\$1.36
Management Fee	\$27,583	\$2.06
TOTAL EXPENSES	\$175,411	\$13.10

IN-PLACE NOI (YE JULY 31, 2027)

	IN-PLACE	PSF
Base Rent	\$424,641	\$31.72
Expense Reimbursements	\$175,411	\$13.10
Gross Revenue	\$600,052	\$44.82
Operating Expenses	(\$175,411)	\$13.10
NET OPERATING INCOME	\$424,641	\$31.72

*Expenses based on 2024 CAM Reconciliation Statement and grown 3% annually.

**Taxes pulled from Denton County CAD for 2025 and grown by 3%.

MEDIA

A NEW DESTINATION FOR DENTON

Landmark by Hillwood, where a North Texas natural treasure offers big benefits. This 3,200-acre development will be a new destination for live, work, play, and learning in southern Denton. Planned for 6,000 new homes and 5 million square feet of mixed-use, Landmark is poised to elevate nature for the benefit of all in the AllianceTexas region.

For centuries, Pilot Knob and its surrounding hills served as a wayfinder for early peoples, cattle drives, and frontier settlers.

Today, this land's history and unique geologic and topographic features have led the planning for an exciting Denton destination that seamlessly blends residential and commercial into a place brimming with opportunities to live, work, learn, play, and thrive in the embrace of nature.

This 3,200-acre planned development from Hillwood, a Perot Company, the visionary developer of AllianceTexas, will offer 6,000 new homes and 5 million square feet of mixed-use commercial space and multifamily.

Envisioned around an 1,100-acre green ecosystem of parks, trails, recreation and S.T.E.A.M.-focused learning parks, Landmark elevates nature for the benefit of the region. Central to the development plan is a 300-acre park and entertainment district offering retail, restaurant, office, hospitality, and outdoor activities.

Construction at Landmark began in September 2024, with 747 single-family lots planned for the opening phase. Nine builders will offer plans in a variety of sizes, designs, and price ranges with future development exploring additional product types and builders. Models are slated to open Spring 2026. Commercial planning and leasing are underway.

H-E-B ANNOUNCES TO GROW EVEN MORE IN NORTH TEXAS WITH NEW LOCATION

H-E-B announced plans to open its first store in Denton shortly after entering other major cities in North Texas, including a namesake store in Fort Worth and plans for an H-E-B in Dallas.

The new Denton H-E-B will be located about a 10-minute drive past the University of North Texas, in Hillwood's Landmark development. Plans for the Landmark describe it as being built around a 1,100-acre ecosystem of parks, trails and recreation. The massive community is expected to bring 6,000 single-family homes, 3,000 multifamily units and 5 million square feet of commercial, mixed-use space upon completion.

As for H-E-B, the store will be built on a more than 20-acre site at the northwest corner of Interstate 35W and Robson Ranch Road. H-E-B noted that its purchase of the property hasn't been finalized yet, but construction on the store is expected to begin this spring.

"This is a rapidly growing area, and we are excited to introduce this new H-E-B store to Denton and surrounding towns," said Mabrie Jackson, Managing Director of Public Affairs for H-E-B and Central Market. "We look forward to meeting our new neighbors and sharing more details soon."

H-E-B has seemingly been weighing plans in Denton County for a while, and was reportedly considering a store elsewhere in the North Texas county that's emerged as one of the most populous in the state. But the Houston area is growing as well, and a recent Texas Department of Licensing and Regulation filing indicates H-E-B will build a new store on land it owns in the suburb of Montgomery.

Additional details about the Denton project will be shared at a groundbreaking.

DENTON OVERVIEW

A PEAK BEHIND THE CURTAIN OF THE DENTON ECONOMIC DEVELOPMENT PARTNERSHIP

Let's take a look at the latest news and insights from within DEDP (Denton Economic Development Partnership). This organization is tasked to develop strategic partnerships between the public and private sectors, educate key stakeholders on the value of economic development, and engage in strategic marketing efforts on behalf of Denton, Texas. Its mission is to promote Denton and encourage commercial and industrial growth by expanding the tax base, creating jobs, and improving the quality of life for the community.

The people behind these initiatives are:

- Jamie Adams, Denton Economic Development Partnership Director of Strategic Partnerships
- Erin Carter, President of the Denton Chamber of Commerce
- Pam Marrufo, Vice President of Operations of the Denton Chamber of Commerce
- Travis Veselka, Director of Marketing & Communications of the Denton Chamber of Commerce

The relationship between the DEDP and area investors

Nine of the top 10 largest employers are DEDP investors. In fact, the investors that participate in DEDP come from universities, the industrial sector, real estate development, banking, small business, along with individuals from the community.

Why should a business consider investing in Denton?

Denton is the 20th-most populous city in Texas, and the 12th-most populous city in the Dallas-Fort Worth metroplex. Its current population is nearly 161,000 and has increased 13% over the 2020 census.

The city's population is young with 52% belonging to the Millennial and Gen Z categories; that's higher than the national average of 46%. And the average age of Denton's residents is 32.4 – lower than the national average of 39.

Denton also has a notable workforce pool to choose from as it's home to three major post secondary schools:

- University of North Texas (UNT), designated under the Carnegie Classification of Institutions of Higher Education as an R1 doctoral institution, and featuring a center for logistics and supply chain management
- Texas Woman's University, the first female focused university in the U.S., which graduates more new healthcare professionals than any other Texas university
- North Central Texas College Denton campus, offering 60 technical college programs

Collectively, these learning institutions have a total enrollment of nearly 60,000 students.

Denton boasts a highly educated workforce with 43.8% having a bachelor's degree or higher, and nearly 95% are high school graduates.

Ideally geographically situated, Denton is located along major distribution and transportation routes, including I-35, a NAFTA superhighway, and easy access to major DFW airports and railways.

The educational services, health and social services, manufacturing, and general retail sectors in Denton employ over 20,000 people. Peterbilt, the truck manufacturer, and Jostens, a major jewelry producer, are based in the city.

The types of businesses that tend to do well in Denton, include:

- Educational instruction
- Healthcare
- Management
- Office and administrative support
- Production
- Sales and related occupations
- Transportation and moving

Denton attracts tourists with culture and events too

Beyond its economic development advantages, Denton blends hip culture with historic charm. The city boasts a robust artistic and cultural vibe.

TEXAS MARKET OVERVIEW



2ND
FASTEST GROWING
ECONOMY IN THE U.S.



TOP
STATE FOR JOB GROWTH



NO STATE
INCOME TAX



FORTUNE 500
COMPANIES CALL
TEXAS HOME



POPULATION
30,503,301



WORLD'S 8TH LARGEST
ECONOMY
STATE FAIR OF TEXAS

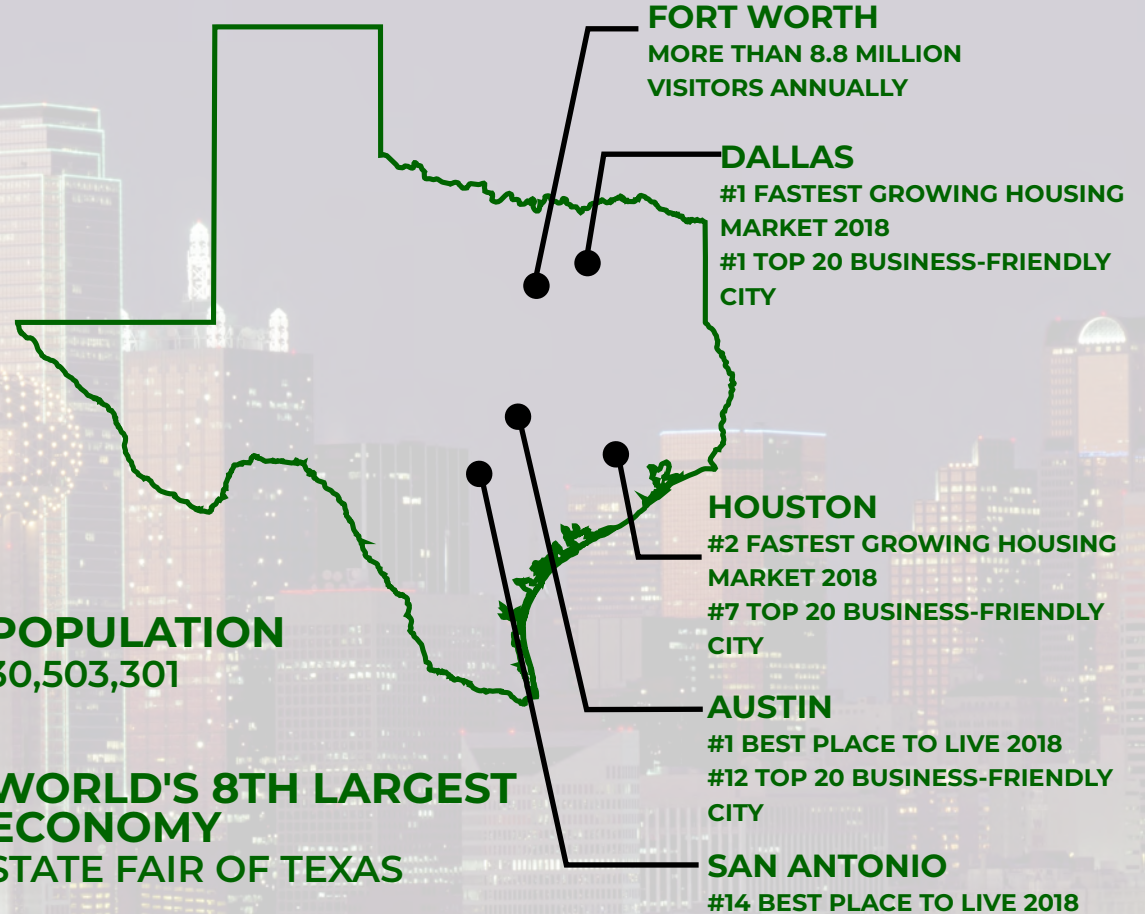


BEST STATE
FOR BUSINESS
FOR THE 17TH YEAR IN A ROW BY
CHIEF EXECUTIVE MAGAZINE



DALLAS/FORT WORTH
INTERNATIONAL AIRPORT
2ND MOST PASSENGER VOLUME IN THE WORLD

DALLAS LOVE FIELD
INTERNATIONAL AIRPORT
HOME TO THE NATIONS LARGEST DOMESTIC
AIRLINE



DEMOGRAPHICS

WITHIN 3-MILES



20,845
HOUSEHOLDS



22,156
HOUSING UNITS



50%
HOLD A BACHELOR
DEGREE OR HIGHER



40%
POPULATION
GROWTH SINCE 2010



\$131,121
AVERAGE HOUSE HOLD
INCOME (WITHIN 1 MILE)



\$554,174
AVERAGE HOME VALUE
(Within 1 Mile)

WELLMED 3 TENANT RETAIL

DENTON, TEXAS

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