



RITE AID

833 SOUTH SALISBURY BOULEVARD, SALISBURY, MARYLAND

EXCLUSIVELY LISTED BY :

STEVEN J. SIEGEL | SENIOR MANAGING DIRECTOR

Executive Director -

Institutional Property Advisors (IPA)

Senior Managing Director - Investments

National Retail Group

Net Leased Properties Group

Office: (212) 430-5166

Cell: (646) 996-3709

E-mail: SSiegel@SJSPartners.com

License: NY: 30SI0857139 NJ: 0015107 CT: REB.0754170

CHRISTOPHER S. PAPPAS, ESQ | INVESTMENT ASSOCIATE

Licensed Attorney - Maryland State Bar

Licensed Real Estate Salesperson

National Retail Group

Net Leased Properties Group

Office: (212) 430-5180

Cell: (646) 799-1419

E-mail: Christopher.Pappas@marcusmillichap.com

License: NY: 10401300636 NJ: 1861396

MICHAEL A. CARDONE | INVESTMENT ASSOCIATE

Licensed Real Estate Salesperson

National Retail Group

Net Leased Properties Group

Office: (646) 805-1491

Cell: (973) 902-6695

E-mail: Michael.Cardone@marcusmillichap.com

License: NY: 10401311477

Investment Contacts

STEVEN J. SIEGEL

Executive Director
Institutional Property Advisors (IPA)
Senior Managing Director - Investments

Office: (212) 430-5166
Cell: (646) 996-3709
E-mail: SSiegel@SJSPartners.com
License: NY: 30SI0857139
NJ: 0015107
CT: REB.0754170

CHRISTOPHER S. PAPPAS, ESQ

Licensed Attorney - Maryland State Bar
Licensed Real Estate Salesperson
National Retail Group
Net Leased Properties Group

Office: (212) 430-5180
Cell: (646) 799-1419
E-mail: christopher.pappas@marcusmillichap.com
License: NY: 10401300636
NJ: 1861396

MICHAEL A. CARDONE

Licensed Real Estate Salesperson
National Retail Group
Net Leased Properties Group

Office: (646) 805-1491
Cell: (973) 902-6695
E-mail: Michael.Cardone@marcusmillichap.com
License: NY: 10401311477

NANCY LEE

Transaction Manager - SJS & Partners LLC

Office: (212) 430-5177
E-mail: NLee@SJSPartners.com
License: NY: 10401234778

NICHOLAS GILLOTT

Financial Analyst - Marcus & Millichap

Office: (212) 430-1455
E-mail: Nicholas.Gillott@marcusmillichap.com

ANTONIO DIRE

Creative Director - SJS & Partners LLC

Office: (212) 430-6161
E-mail: ADire@SJSPartners.com

PHIL BIANCAVILLA

Research Analyst - SJS & Partners LLC

Office: (212) 430-5293
E-mail: PBiancavilla@SJSPartners.com

M&M CAPITAL CORP

CHRISTOPHER MARKS

First Vice President - Capital Markets, Origination

Office: (212) 430-5137
Cell: (516) 448-3293
E-mail: CMarks@ipausa.com

Table of Contents

- 4 Investment Overview & Highlights
- 5 Offering Summary
- 6 Property Details
- 7 Tenant & Lease Overview
- 8-11 Maps
- 13 Demographic & Location Overview
- 14-19 Property Images

Investment Overview

Marcus & Millichap is pleased to present for sale a strong performing Rite Aid located at 833 South Salisbury Boulevard in Salisbury, Wicomico County, Maryland. The subject property consists of a single-story 13,824 square foot free standing structure positioned on a 1.50-acre lot with 69 parking spaces and a drive-thru. This absolute triple-net (NNN) Rite Aid leased asset has over four years remaining on the lease base term (expiration November 2022) with four, five-year options featuring attractive rent increases in each option. The lease is corporately guaranteed by Rite Aid, the 94th largest company on the Fortune 500 with an S&P credit rating of B and operating over 2,500 stores nationwide.

This Rite Aid has great visibility as it is situated at the prime four-way signalized intersection of South Salisbury Boulevard/Ocean Highway (23,282 Vehicles Per Day (VPD)) and South Boulevard (6,982 VPD) at the intersection's southeast corner. The

subject property is securely positioned between two major institutions - Salisbury University (less than 0.5 miles south) with enrollment of over 8,700 students and Peninsula Regional Medical Center (one mile north), Wicomico County's largest employer featuring a 300-bed hospital serving over 500,000 patients annually and over 3,300 persons employed. A host of national and regional retailers surround the subject property including ACME, Food Lion, Wawa, CVS, Walgreens, AutoZone, Advance Auto Parts, Starbucks, Chipotle, and Taco Bell, among others. The subject property is situated in an area with over 77,000 people living within a five-mile radius with an average annual household income exceeding \$71,000. This Rite Aid provides qualified investors the opportunity to purchase a strong performing NNN leased asset with zero landlord responsibilities tenanted by the third largest retail pharmacy chain in the country.

Investment Highlights

- Absolute NNN Leased, Strong Performing Rite Aid Asset Situated at the Prime Four-Way Signalized Intersection of South Salisbury Boulevard (23,282 VPD) and South Boulevard
- Over Four Years Remaining on the Lease Base Term with Four, Five-Year Options Featuring Attractive Rent Increases in Each Option
- Situated Less Than 0.5 Miles From Salisbury University and Less Than One Mile From Wicomico County's Largest Employer - Peninsula Regional Medical Center
- Surrounded by a host of National and Regional Retailers Including ACME, Food Lion, Wawa, Starbucks, CVS, and Walgreens, Among Others
- Situated in an Area with Over 77,000 People Living Within a Five Mile Radius and an Average Annual Household Income Exceeding \$71,000
- Lease Corporately Guaranteed by Rite Aid, the 94th Largest Company on the Fortune 500 with over 2,500 Locations Nationwide

Offering Summary

PRICE

\$3,688,180

Gross Leaseable Area	13,824 SF	Price Per SF	\$267
Cap Rate	8.50%	Year 1 NOI	\$313,495
Expiration	November 19, 2022	Years Remaining	4+ Years
Lot Size	1.50 Acres		

Rent Schedule

START DATE	END DATE	PER SF	MONTHLY	ANNUAL	INCREASES	TERM
Nov 2002	Nov 2022	\$22.68	\$26,125	\$313,495	-	Base
Nov 2022	Nov 2027	\$23.18	\$26,701	\$320,407	2%	Option 1
Nov 2027	Nov 2032	\$23.68	\$27,277	\$327,319	2%	Option 2
Nov 2032	Nov 2037	\$24.18	\$27,853	\$334,231	2%	Option 3
Nov 2037	Nov 2042	\$24.68	\$28,429	\$341,143	2%	Option 4



Property Details



Street Address 833 South Salisbury Boulevard

City, State, Zip Salisbury, MD 21801

Building SF 13,824 SF

Lot Size 1.50 Acres

Tax ID 13-036721

Zoning Commercial/Retail

Frontage Approx. 183' on South Salisbury Boulevard, 363' on South Boulevard, and 190' on South Tower Drive with three curb cuts

Year Built 2002

Parking spaces 69

Stories/Drive Thru 1/Yes

Tenant & Lease Overview

Tenant Overview - Rite Aid

Tenant	Rite Aid Corporation
Industry	Drug Store / Pharmacy
Public/Private	Public
Ticker Symbol	NYSE: RAD
Net Revenue (FY 2016)	\$30.736 Billion
Operating Income (FY 2016)	\$764 Billion
Net Income (FY 2016)	\$5.319 Billion
Credit Rating / Rating Agency	B / S&P
Number of Stores	2,500+
Headquarters	Camp Hill, PA
Website	www.riteaid.com
Year Founded	1962
Fortune 500 Rank (2017)	#91

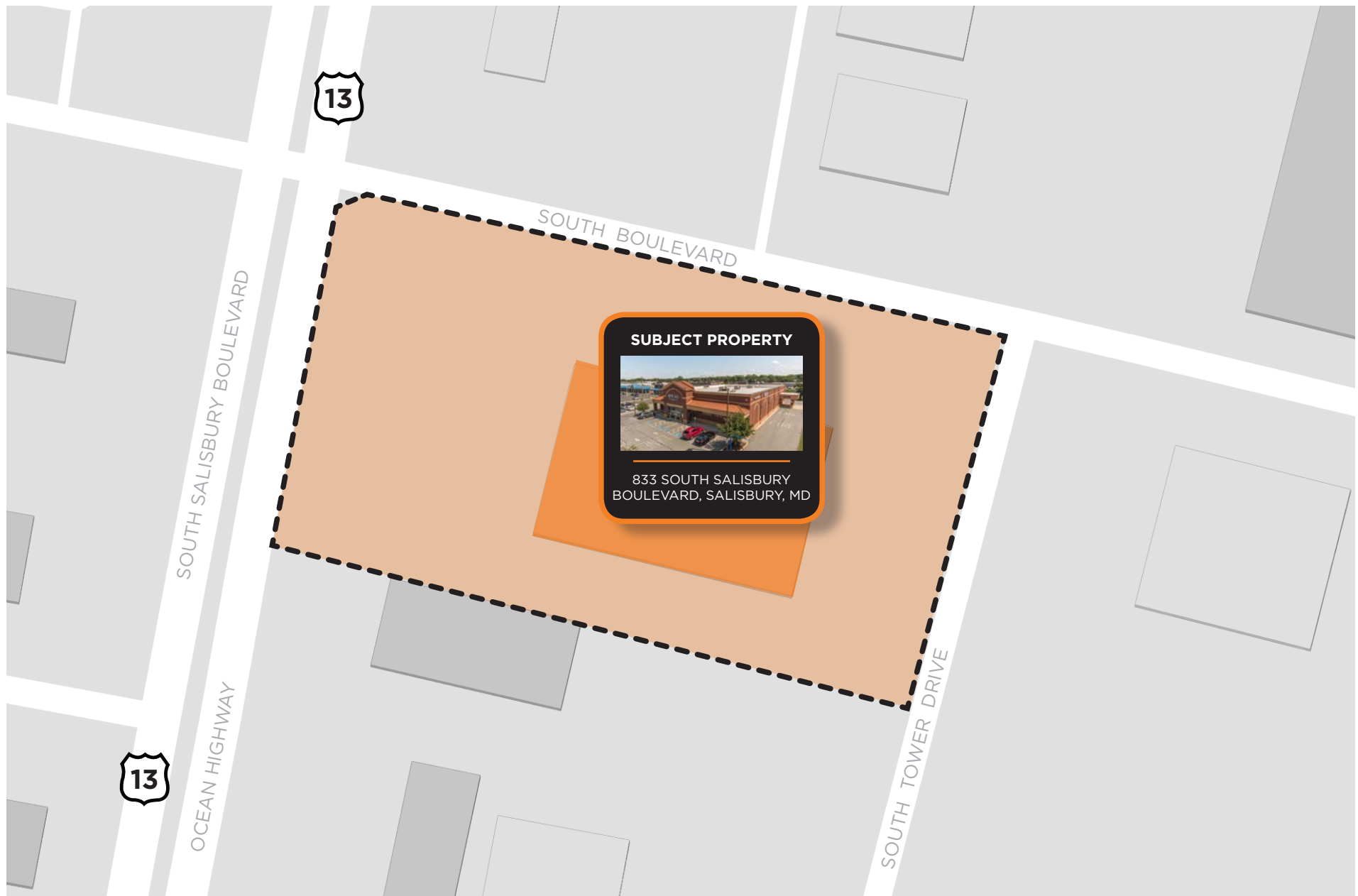
Rite-Aid Lease Overview

Building	13,824 SF
Lease Expiration	November 19, 2022
Lease Term Remaining	4+ Years
Rent / SF	\$22.68
Monthly Rent	\$26,125
Annual Rent	\$313,495
Lease Type	Absolute NNN
Roof & Structure	Tenant Responsibility
Guarantor	Corporate Guarantee
Broker Co-Op	Yes



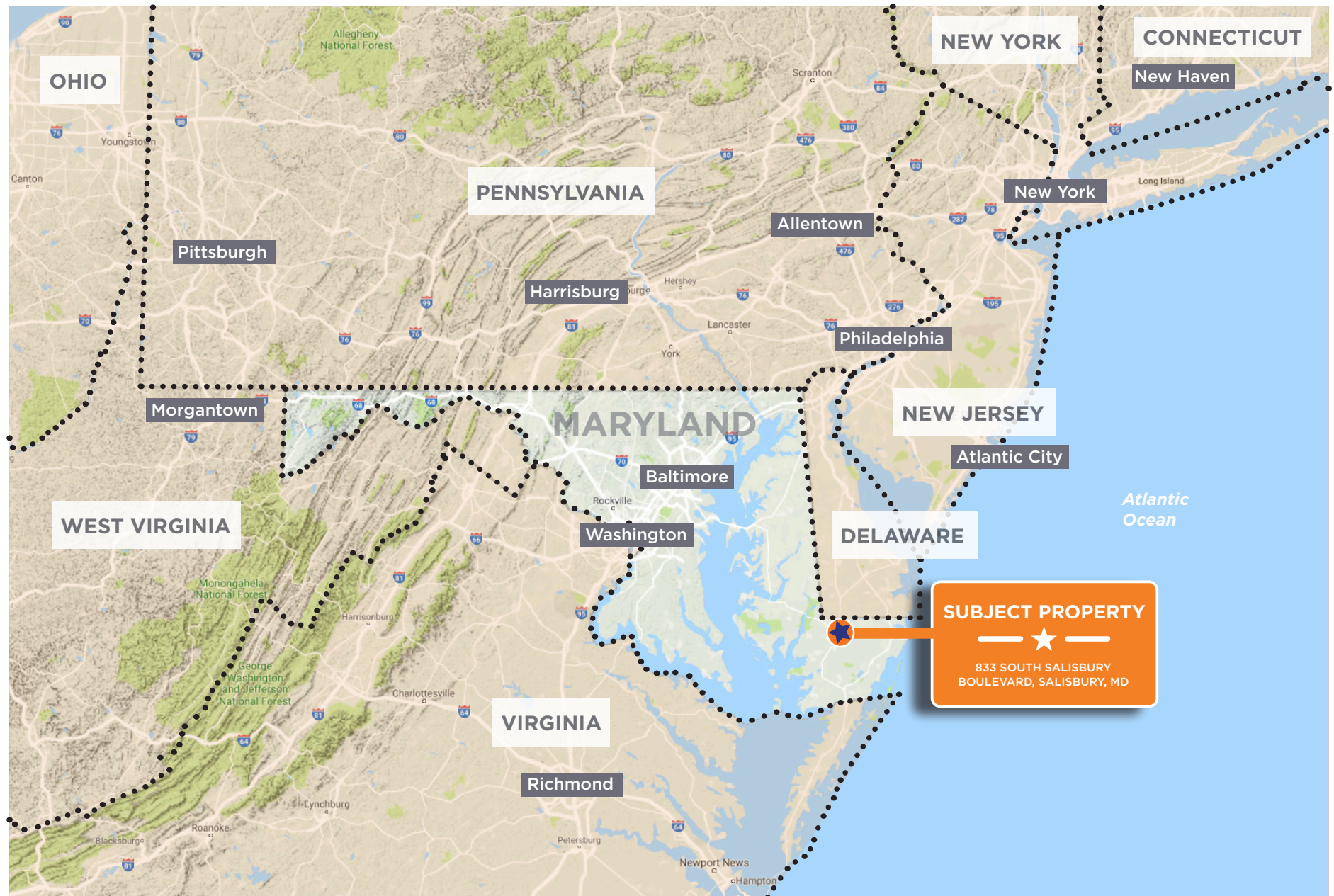
Founded in 1962, Rite Aid ranks as the third largest pharmacy in the United States drugstore business behind Walgreens and CVS with more than 2,500 drugstores across the nation. Rite Aid stores generate roughly 70 percent of their sales from filling prescriptions while the remainder comes from selling health and beauty aids, convenience foods, greeting cards, and an assortment of other items including approximately 3,500 Rite Aid brand private label products. More than 60 percent of all Rite Aid stores are freestanding and over half feature drive-thru pharmacy pick-up components. Rite Aid recently sold over 1,900 of its locations to Walgreens in a major repositioning of the company, the funds from which will be used to materially improve Rite Aid's financial stability.

Parcel Map



*Borders are approximate and to be used for reference purposes only.

Regional Map



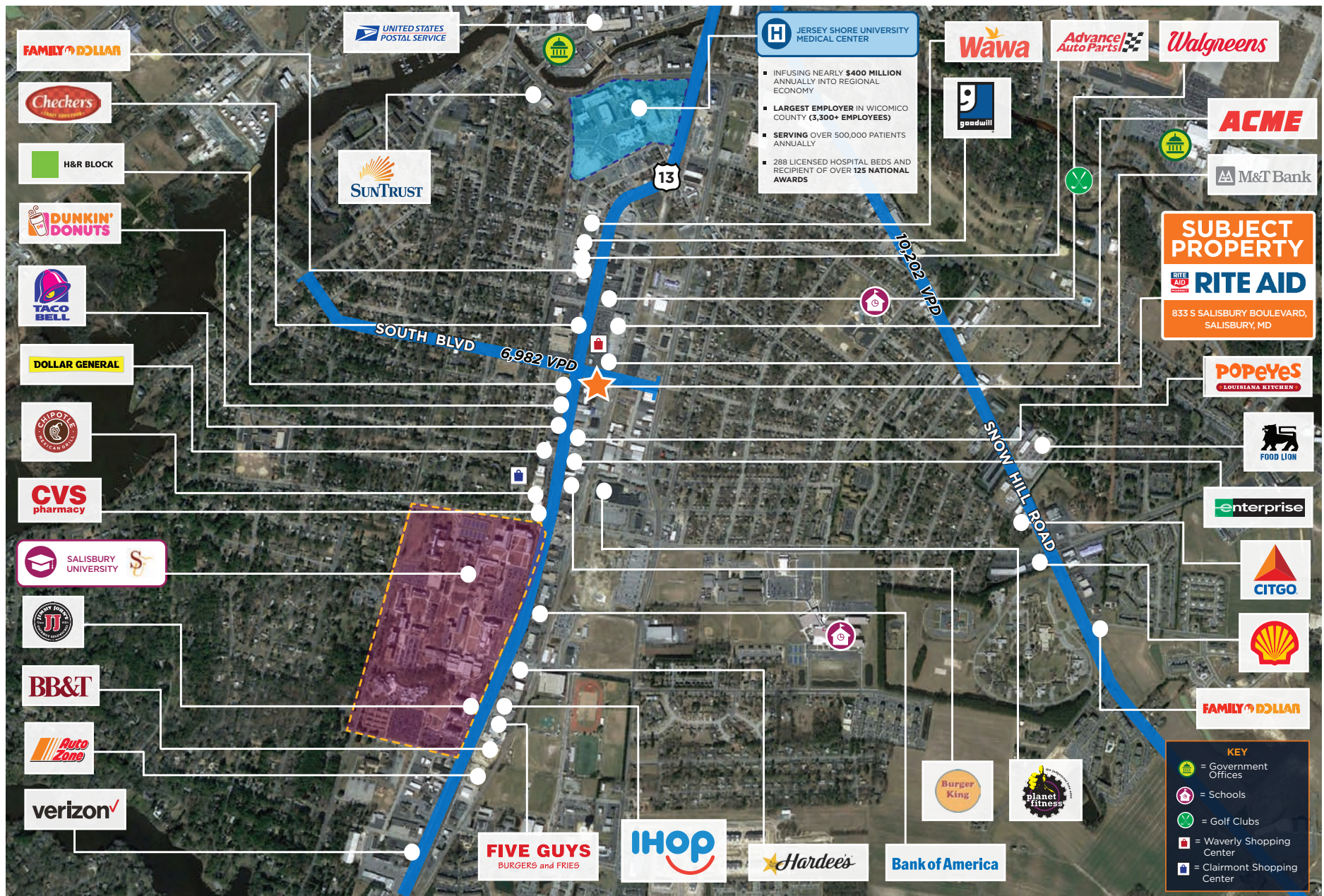
*Borders are approximate and to be used for reference purposes only.

Retail Map



*Borders are approximate and to be used for reference purposes only.

Major Retail Map





Location Overview

Locally known as “The Comfortable Side of Coastal”, Salisbury serves as the principal city of the Salisbury, Maryland-Delaware Metropolitan Statistical Area and the county seat of Wicomico County, Maryland. As the largest city in Maryland’s Eastern Shore region, Salisbury functions as the commercial hub of the greater Delmarva Peninsula and is home to major state institutions, a robust downtown district, and a secure economic base. Salisbury’s vibrancy is largely driven by the presence of Salisbury University, a member of the University of Maryland System with over 8,700 enrolled undergraduate and graduate students offering 58 distinct academic programs. Salisbury is also home to Wor-Wic Community College with over 10,000 students enrolled in over 2,500 courses taught each year. Further solidifying the city’s economy is the 288-bed Peninsula Regional Medical Center situated on Salisbury Boulevard ranking as Wicomico County’s largest employer. The hospital has been the recipient of over 125 national awards and generates nearly \$40 million annually in economic activity throughout the region as a result of its serving an estimated 500,000 patients annually.

Salisbury benefits from proactive governmental and civic institutions that will ensure the city’s vibrancy for decades to come. Major employers in Salisbury include the headquarters of Perdue Farms, Verizon, The Knowland Group, and Pepsi Bottling of Delmarva. Downtown Salisbury is home to a host of bustling restaurants, antique shops, and nightlife and features a Downtown Arts & Entertainment District which coordinates and manages various events including 3rd Fridays, The Downtown Salisbury Festival, and many other events integral to the community’s identity. Salisbury is also situated less than 40 minutes driving distance from Ocean City, Maryland which hosts up to 8 million visitors annually and becomes the second most populated municipality in the state during the summer.

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2017 Population	12,282	52,384	72,570
2022 Population	12,530	55,229	77,250
Expected Growth 2017 - 2022	2.02%	5.43%	6.45%
2017 Average Household Income	\$56,827	\$66,019	\$71,999

Major Area Employers

EMPLOYER

Peninsula Regional Medical Center
Salisbury University
Perdue Farms
Walmart
Wor-Wic Community College

Major Area Retailers

RETAILER

ACME
Food Lion
WaWa
Walgreens
Chipotle

Traffic Counts

STREET NAME	VEHICLES PER DAY (VPD)
South Salisbury Boulevard	23,282
Snow Hill Road	10,202
South Boulevard	6,982





This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap



SALISBURY UNIVERSITY





PENINSULA REGIONAL MEDICAL CENTER



This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap



SJS & PARTNERS
CLIENT FOCUSED, RETAIL DRIVEN

Marcus & Millichap