



RITE AID PHARMACY

Offering Memorandum

4117 Kitsap Way
Bremerton, WA 98312



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- An aerial photograph of a commercial building complex, likely a retail or medical center. The building has a modern design with large glass windows and a flat roof. Signs for 'RITE AID PHARMACY' and 'GNC LiveWell' are visible on the building's facade. A parking lot with several cars is in the foreground. The background shows a suburban landscape with trees and distant hills under a clear sky.
- 04** Investment Overview/Rent Schedule and Return Matrix
 - 05** Property and Location Overview
 - 06** Investment Highlights
 - 07** Property Photos
 - 08** Market Overview
 - 09** Tenant Overview
 - 10-11** Maps
 - 12** Demographics
 - 13** Contact

A stylized blue outline of a house icon, consisting of a simple roofline and a chimney, positioned above the 'TABLE OF CONTENTS' text.

TABLE OF CONTENTS

INVESTMENT OVERVIEW



PRICE
\$7,670,000



CAP RATE
6.75%



NOI
\$517,666

4117 Kitsap Way, Bremerton, WA 98312

Tenant:	Rite Aid Pharmacy (Thrifty Payless Inc.)
Guarantor:	Rite Aid Corporation (NYSE: RAD)
Rent Commencement:	January 31, 2007
Initial Lease Term:	Twenty (20) Years
Lease Expiration	January 30, 2027
Remaining Lease:	~7.5 Years
Renewal Options:	(6) 5-Year
LL Responsibilities:	NN - Roof & Structure
Building Size:	17,272 sf +/-
Land Size:	2.57 acres +/-
Parking:	67 Parking Spaces
Type of Ownership:	Fee Simple Land & Building
Construction:	All Brick and Block Building

RENT SCHEDULE & RETURN MATRIX

LEASE YEAR	INITIAL TERM	INCREASE ANNUAL RENT	YIELD
1-20	None	\$517,666	6.75%

OPTION PERIODS

21-25	3%	\$534,938	6.97%
26-30	3%	\$552,210	7.20%
31-35	3%	\$569,482	7.42%
36-40	3%	\$586,754	7.65%
41-45	3%	\$604,026	7.88%
46-50	3%	\$621,298	8.10%



PROPERTY & LOCATION OVERVIEW

Illuminate Real Estate is pleased to exclusively present the opportunity to acquire a Rite Aid Pharmacy located at 4117 Kitsap Way, Bremerton, WA. Bremerton is the largest city in Kitsap County, WA with a population of ~41,500 and is conveniently located just 14 miles (30 minute fast ferry) from Seattle's central business district.

The subject property consists of a 17,272 sf building situated on a 2.57 acre parcel of land at the hard, signalized corner of Kitsap Way and National Ave. North. Traffic counts at this intersection provide exposure to over 48,700 vehicles per day. The Rite Aid has an astounding ~400ft of frontage on Kitsap Way, the length of which is lined with attractive landscaping. The property has full movement ingress/egress from both Kitsap Way and National Ave. North. With its reciprocal easement with the neighboring property owner immediately west of the site, the Rite Aid has a total of five (5) collective access points. With a parking field to satisfy 67 vehicles and a double lane drive-thru, the subject property possesses superior fundamental location qualities to that of the competing Walgreens to the east. Built in 2007, the property is subject to an original 20-year lease term with an expiration date of January 30th, 2027. The lease is NN with limited landlord responsibilities (roof and structure).

The subject property is surrounded by viable economic drivers and national retail tenants. Immediately west of the property a large, mixed use project Bay Vista is currently under various stages of construction including nine (9) three-story buildings containing 216 new apartments and a community center. A recent traffic study conducted by the city of Bremerton indicated that this phase of the project will generate 1,433 new trips along Kitsap Way on weekdays. The overall project includes commercial (recently constructed WinCo Grocery, new Carl's Jr.), residential, multi-family, senior housing, open park space and other public facilities. Other immediate area tenants include: Newly constructed Starbucks adjacent to the subject property, 24-hour WinCo Grocery Store, Jack in the Box, Walgreens, Safeway Grocery, Denny's McDonald's, Taco Bell and Verizon to name a few. Less than 2 miles away from the property sits Naval Base Kitsap and its more than 36,000 active personnel. Bremerton is also home to the Puget Sound Naval Shipyard and is a rapidly growing bedroom community to Seattle, WA.



INVESTMENT HIGHLIGHTS

- Signalized, hard corner location with over 400ft of landscaped frontage
- Jumbo sized 2.57 acre parcel with double drive-thru and 67 parking spots
- Five (5) full movement access points
- Heavily trafficked thoroughfare with over 48,700 vehicles per day
- Corporate guaranty from Rite Aid Corporation (NYSE: RAD, Rating: "B", ~2,500 locations in 19 states)
- Limited LL Responsibilities (roof & structure)
- Located just 14 miles from Seattle, WA central business district (30 minute via fast ferry)
- Bremerton is largest city in Kitsap County/Kitsap Peninsula with over 41,500 residents
- Excellent density with population of over 106,000 within a 5-mile radius
- Less than 2 miles from Naval Base Kitsap and its 36,000+ personnel



DRONE VIEW



Under Construction: Bay Vista Development - 8 acres, 216 Apartments, Commercial, Multi-Family, Open Space



48,700 COMBINED VPD

MARKET OVERVIEW

ABOUT BREMERTON, WASHINGTON AREA

A one hour ferry ride - or thirty minute fast ferry ride - from downtown Seattle, Bremerton is truly a beautiful City where guests enjoy the downtown Harborside area. It includes Kitsap Conference Center, two hotels, fine dining, coffee shops, cafes and the Port of Bremerton Marina with 220 permanent slips and 100 for visiting boaters. The city has an Arts District, Puget Sound Navy Museum, USS Turner Joy, Boardwalk, Harborside Fountain Park and PSNS Memorial Plaza all located near the ferry terminal. A short walk across the Manette Bridge features more cafes and shopping. A few blocks north of downtown is Evergreen Rotary Park featuring the 9/11 Memorial. Nearby Gold Mountain Golf Course includes two 18 hole championship courses and disc golf is available at NAD Park. Bremerton's diversity has rewarded Bremerton with a thriving artistic and cultural community. Bremerton has nine unique neighborhoods with new affordable housing, excellent schools, 35 parks and many recreation programs.



TENANT OVERVIEW

Rite Aid Corporation, through its subsidiaries, operates a chain of retail drugstores in the United States. The company sells prescription drugs and a range of other merchandise, including over-the-counter medications, health and beauty aids, personal care items, cosmetics, household items, food and beverages, greeting cards, seasonal merchandise, and more. The company operates ~2,500 stores in 19 states of the United States and the District of Columbia. Rite Aid Corporation was founded in 1927 and is headquartered in Camp Hill, Pennsylvania.

Company Type.....Public (NYSE: RAD)
2018 Employees.....36,020
2018 Equity.....\$1.60 Million

Credit Rating.....S&P: B
2018 Net Income.....\$943.47 Million
2018 Assets.....\$8.99 Billion



WEBSITE:
WWW.RITEAID.COM

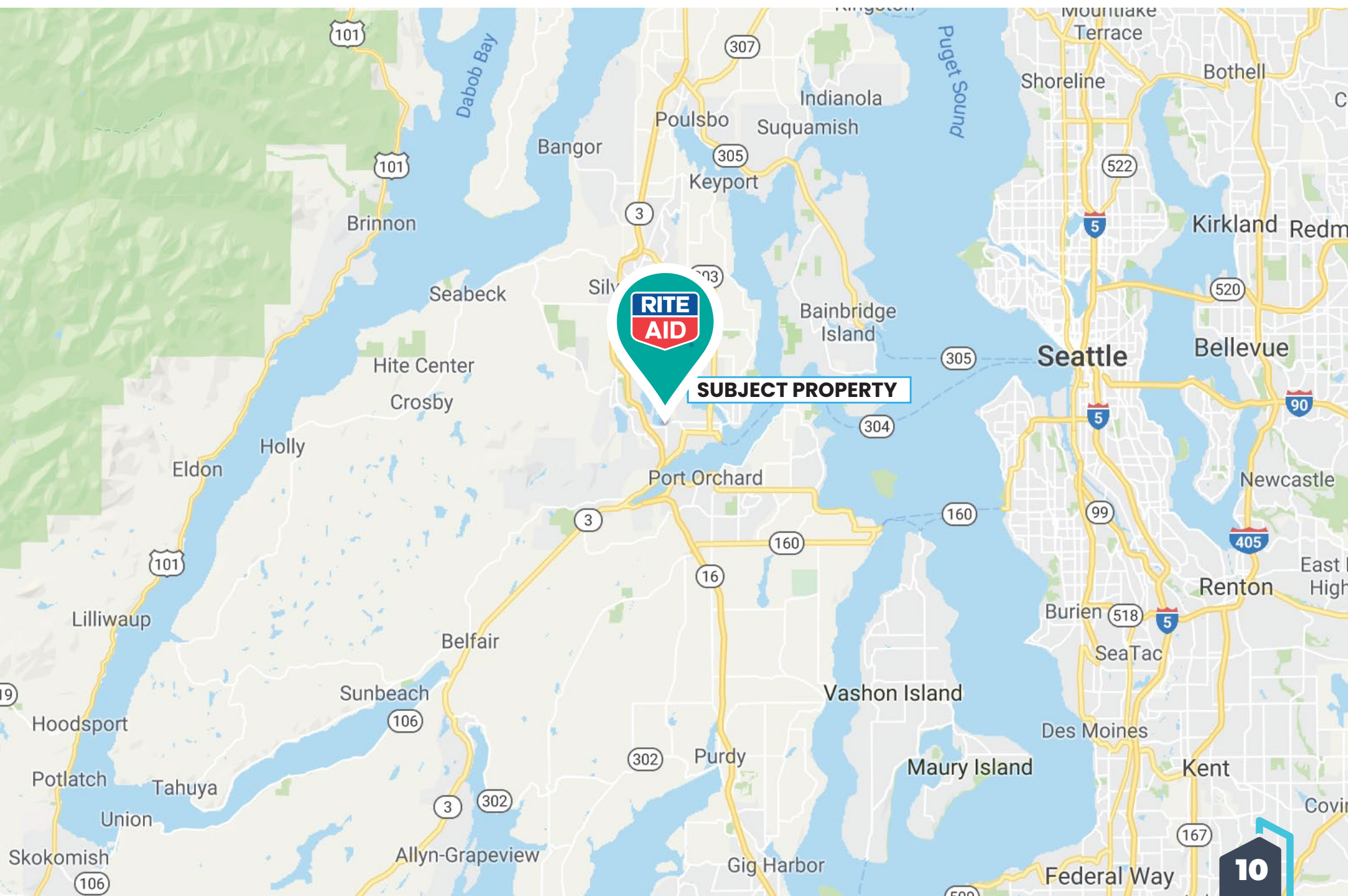
TICKER SYMBOL
RAD (NYSE)

CREDIT:
B
(STANDARD & POOR'S)

LOCATIONS:
~2,500 STORES

2018 REVENUE
21.54 B

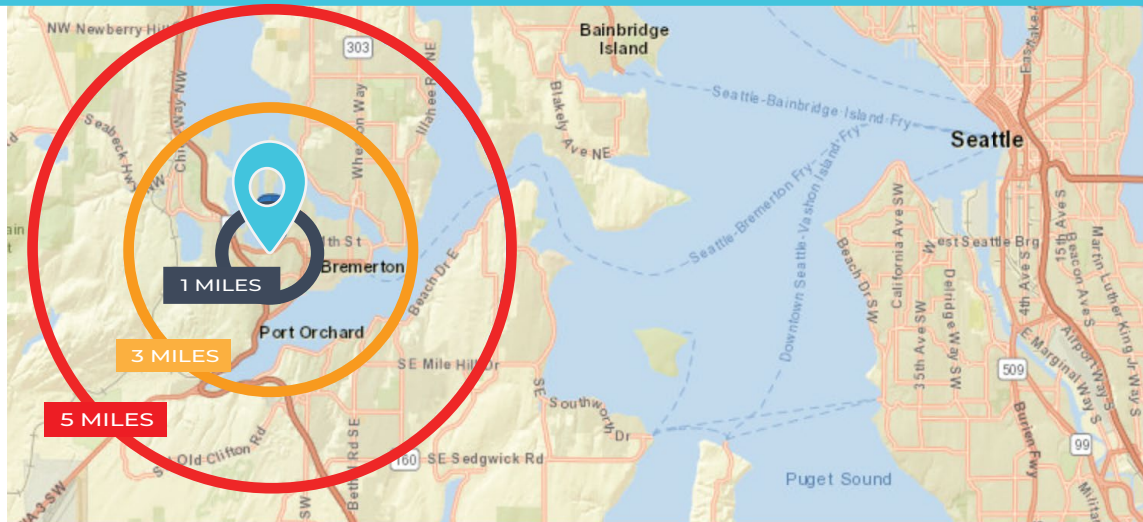
REGIONAL MAP



TRADE MAP



DEMOGRAPHICS



1 miles

8,759

Population

37.7

Median Age



Average Household Size

\$62,720

Average Household Income

BUSINESS



473

Total Businesses



4,682

Total Employees

INCOME



\$44,533

Median Net Worth



\$49,588

Median Household Income



\$27,732

Per Capital Income

3 miles

55,050

Population

34.4

Median Age



Average Household Size

\$67,279

Average Household Income

BUSINESS



1,928

Total Businesses



22,995

Total Employees

INCOME



\$45,395

Median Net Worth



\$52,027

Median Household Income



\$28,569

Per Capital Income

5 miles

106,069

Population

36.5

Median Age



Average Household Size

\$74,588

Average Household Income

BUSINESS



3,270

Total Businesses



35,757

Total Employees

INCOME



\$81,715

Median Net Worth



\$57,348

Median Household Income



\$30,348

Per Capital Income



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