

Single Tenant Northern CA Investment Offering

\$5,696,000

6.25% CAP RATE

*20 Year Historical Occupancy
*Recently Extended 10 yr. lease

**526 E. Bidwell St.
FOLSOM CA**



Actual Store

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.



Clark Commercial
Real Estate Advisors

526 E. Bidwell St. Folsom CA

THE OFFERING

Clark Commercial, as exclusive advisor, is pleased to present 526 E. Bidwell St. Folsom CA, net leased investment offering with Rite Aid Corp on a recently extended 10 year NNN lease.

PRICE SUMMARY

PRICE:	\$5,696,000
Current NOI:	\$356,000
Cap Rate:	6.25%
Price per SF:	\$338

INTEREST OFFERED

100% fee simple

FINANCIAL SUMMARY

The following information is provided herein to assist investors in their initial underwriting of the Property.

- Lease Summary
- Rent Roll

PROPERTY TOURS

All property tours must be arranged with the exclusive listing agents. Please do not contact the tenants, on-site management or staff without prior approval. Tours will be conducted only after an initial underwriting has been completed by the potential purchaser and preliminary LOI is submitted with proof of funds, earnest money, due diligence and closing date.



Clark Commercial
Real Estate Advisors



Investment Overview

Clark Commercial Realty Advisors is pleased to exclusively offer for sale a 16,836-square-foot single tenant Rite Aid situated on ±1.8acres in Folsom, CA, just 25miles northeast of Sacramento MSA (Population: 2,445,000), and centrally located 85 miles from Lake Tahoe and 110 miles to San Francisco.

The ±16,836sf building with drive-thru was constructed for Rite Aid Corp. in 1999 and was re-modeled in 2015. The property is situated at a signalized intersection on the northwest corner of E. Bidwell and Glenn Dr. (combined Traffic Count: 30,000+ VPD), and accessible via two main access points on E. Bidwell and Glenn Dr. The large 1.8ac parcel offers excellent street frontage visibility and abundant parking. E. Bidwell is a main arterial in Folsom and serves as one of the area’s dominant retail corridors and heaviest traveled arteries connecting to Highway 50. Rite Aid has occupied the property for ± 20years, and recently extended the corporate guaranteed NN lease for 10 years including six 5-year options with rent increases. The 20yr. operating history of this Rite Aid in the growing community of Folsom provides the retailer with access to a substantial built-in customer base generating strong store sales with limited competition. This is the only Rite Aid location in the City of Folsom.

Rite Aid is positioned proximate to many national retailers including Walmart Supercenter, Kohls, Dicks, Lowes, and Petco and central hub to over 5 million square feet of retail. Rite Aid will continue to benefit from the affluent demographics and strong growth projections for the City of Folsom.

INVESTMENT SUMMARY

Address:	526 E. Bidwell St. Folsom, CA
Lease Term Remaining:	± 10 years
Parcel Size:	± 1.8 ac
Building Size:	± 16,836 SF
Parking:	± 86 spaces
Year Built:	1999
Base Rent:	\$356,000
Total NOI:	\$356,000
Price:	\$5,696,000
Cap Rate:	6.25%
Options:	Six (6) 5 yr
1st Option Period Rent:	\$401,701

DEMOGRAPHICS

1 Mile Pop	1 Mile AHI	3 Mile Pop	3 Mile AHI	5 Mile Pop	5 Mile AHI	5yr. Growth
12,401	\$96,094	85,427	\$120,416	154,485	\$131,422	Population: 6% Households: 6%



Investment Highlights

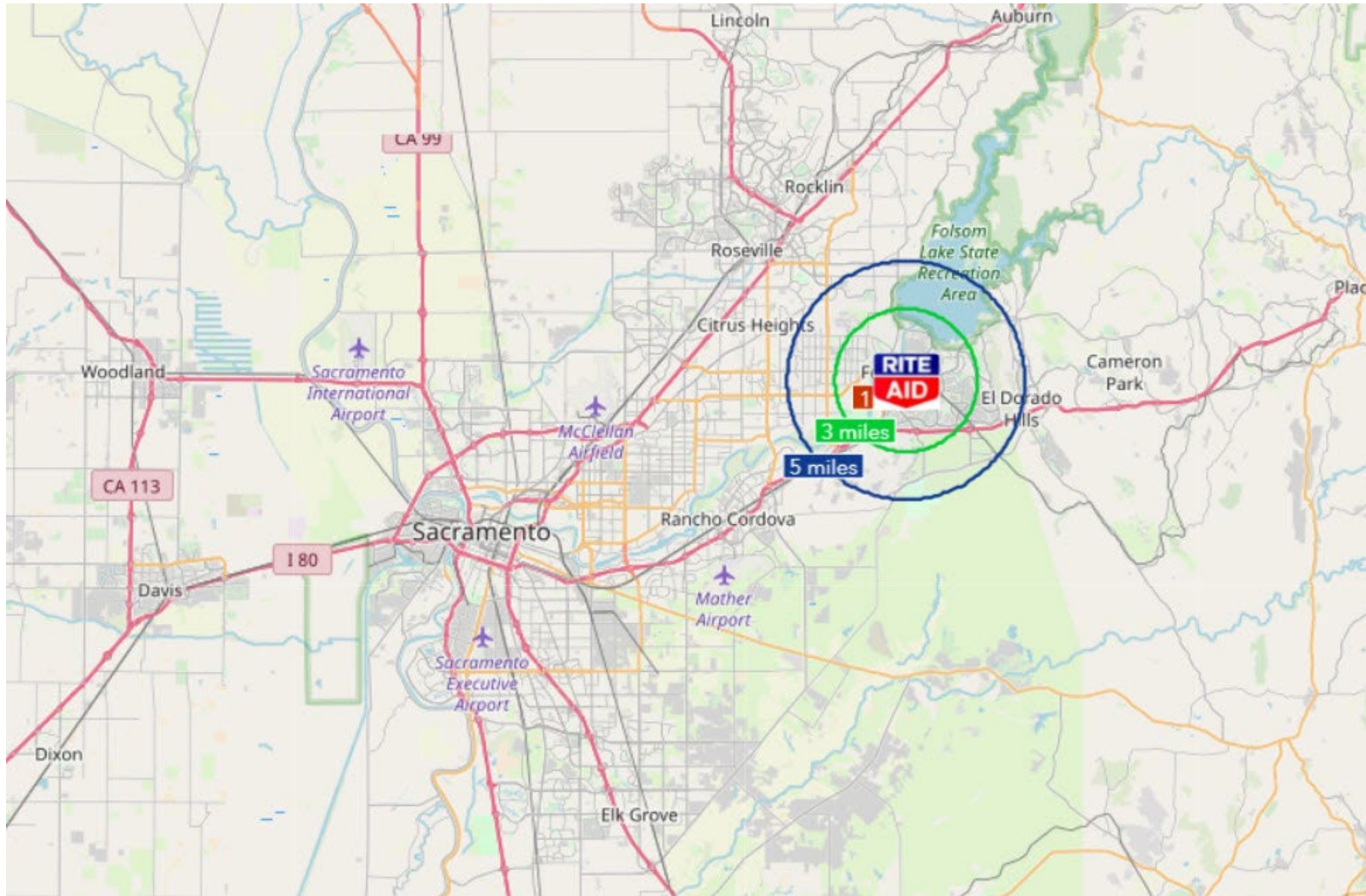
- National Retailer:** Rite Aid Corp. is a publicly held company (NYSE:RAD) based in Camp Hill, Pennsylvania. Since 1962, the company has grown to become the 3rd largest drugstore chain in the U.S. with over 2,600 locations throughout the U.S. The majority of U.S. locations are concentrated in California, Pennsylvania and New York. Rite Aid currently employs more than 60,000 people and reported 2019 sales were in excess of \$21.0 billion.
- Long Term Net Lease:** 20yr. operating history at this location. High volume store. Rite Aid Corp. recently extended the term for 10yrs, providing for 10.4yrs of remaining term with six (6) five (5) yr. options to renew with corporate guaranty. Tenant invested \pm \$1m in 2015 for remodel incl. Wellness Concept. Wellness Stores contain an expanded offering of clinical pharmacy services and health and wellness products focus on customers to live healthier lives.
- Dominant Retail Corridor:** The retailer is positioned proximate to many leading national retailers including Kohls, WalMart, Petco, Lowes, Dicks SportingGoods, Dollar Tree, Sprouts Markets, Big 5. In total, there is approximately 5 MSF of retail space within a 5-mile radius of the site.
- Excellent Access/Visibility:** The property is ideally situated at a signalized intersection with excellent street frontage on E. Bidwell, a main arterial to and from one of the area's heaviest traveled arteries connecting to Highway 50 (95k+avg vehicles per day).
- Minimal Competition:** The only Rite Aid located in the growing community of Folsom, providing retailer with existing customer base and proven long term operating history.
- Sacramento CA MSA:** Sacramento's 2018 estimated population of 501,000 makes it the sixth-largest city in California, the fastest-growing big city in the state, the 35th largest city in the United States. Sacramento is the core cultural and economic center of the Sacramento Metropolitan Area which includes El Dorado, Placer, Sacramento, and Yolo counties and has a combined population of approximately 2,400,000. The Sacramento metropolitan area economy is the fifth largest in California after the Los Angeles metropolitan area, the San Francisco Bay Area, the Inland Empire, and the San Diego metropolitan area, and is the 27th largest in the United States. The area boasts a robust economy with a 3.3% 2018 YE Unemployment rate.
- Folsom CA Submarket:** 526 E. Bidwell St. is located in the heart of the Folsom retail hub, a Sacramento submarket that contains over 5 million square feet of space and is one of the most affluent retail trade areas in the region. The Folsom retail submarket has a current vacancy of 5.8% as of Q4 2018. Average asking NNN rents range from \$20.56/sf per year to \$42.00/sf per year respectively. Rite Aid currently paying a low rent of **\$21.15/sf** per year or **\$1.76/sf NNN** per month.
- Affluent Demographics:** Average HH Incomes over \$96k in 1mi and over \$131k in 5miles.
- Above Avg. Population Growth -** Folsom population and household growth expected over 6% growth in the next 5 years
- Growing Community:** Over 1,700 residential, multifamily and senior living units planned and approved. Additional 11,000 housing units planned in Folsom Ranch, a 3,585 acre master planned development



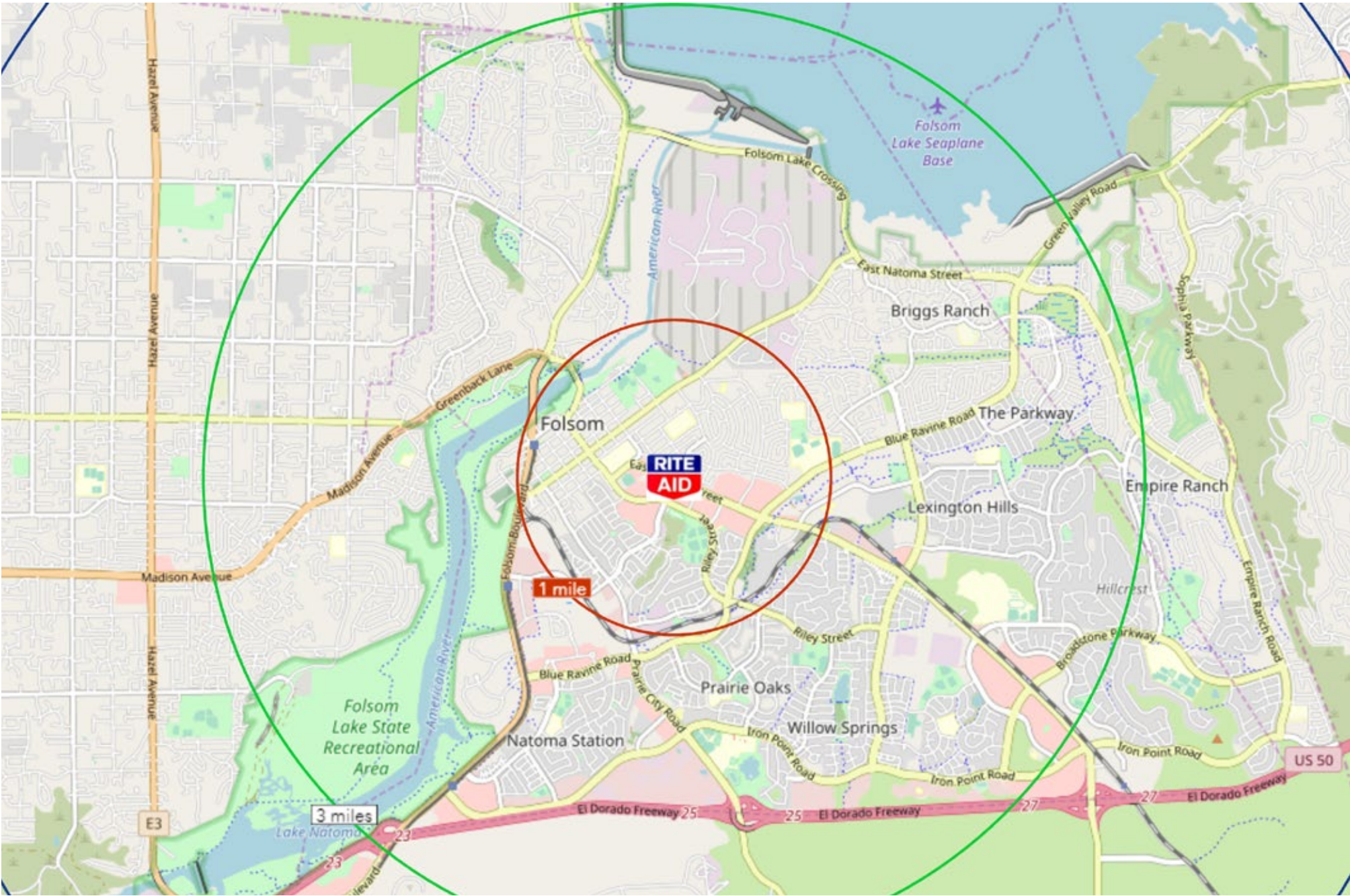
RITE AID

Pharmacy Drive Thru Liquor

Regional Map



Local Map



Folsom CA

- A part of Sacramento MSA (Population: 2,445,000), and centrally located 25 miles northeast, 85 miles from Lake Tahoe and 110 miles to San Francisco, the City is part of a four-county robust regional economy.

- The city has experienced rapid growth. Its population has increased by more than 60 percent in the past decade. Now home to over 79,000 residents, the population estimations are projected to continue to increase over the next five years.

- Highly educated workforce and affluent population with over 40,000 employees with average household incomes over \$108,000. It is a high-tech town as well, with firms ranging from small to large international corporations. The good network of area freeways has drawn distribution facilities to locate within the City. Top employers in the city include Intel, California ISO, Mercy Hospital, Folsom State Prison, Micron Technology.

- Folsom is well known as a safe, family-oriented community with a low crime rate (one of the lowest per capita crime rates in Sacramento County). Folsom is served by the Folsom Cordova Unified School District; one of the highest rated districts in the region, and is home to Folsom Lake Community College, one of the fastest growing colleges in the nation.

- Folsom is a draw for outdoor enthusiasts with water activities on Folsom Lake-the 18,000-acre park is the most popular multi-use year round unit in the California State Park System, waters of the American River, and over 36 miles of paved pedestrian/bike trails. The historical district and old town with their landmarks, great scenery and wonderful shopping are located just above the shores of Lake Natoma on the American River.

- Over 1,700 residential, multifamily and senior living units planned and approved. Additional 11,000 housing units planned in Folsom Ranch, a 3,585 acre master planned development.

- The area boasts a diverse economy and high quality of lifestyle for new residents while attracting major employers. Folsom has been recognized by Money Magazine, Newsweek, and Business Week as one of the best places in America to live, work, and play.



CITY OF FOLSOM

 **79,783** CURRENT POPULATION

 **\$108,152** MEDIAN HOUSEHOLD INCOME

 **3.9%** CITY OF FOLSOM UNEMPLOYMENT

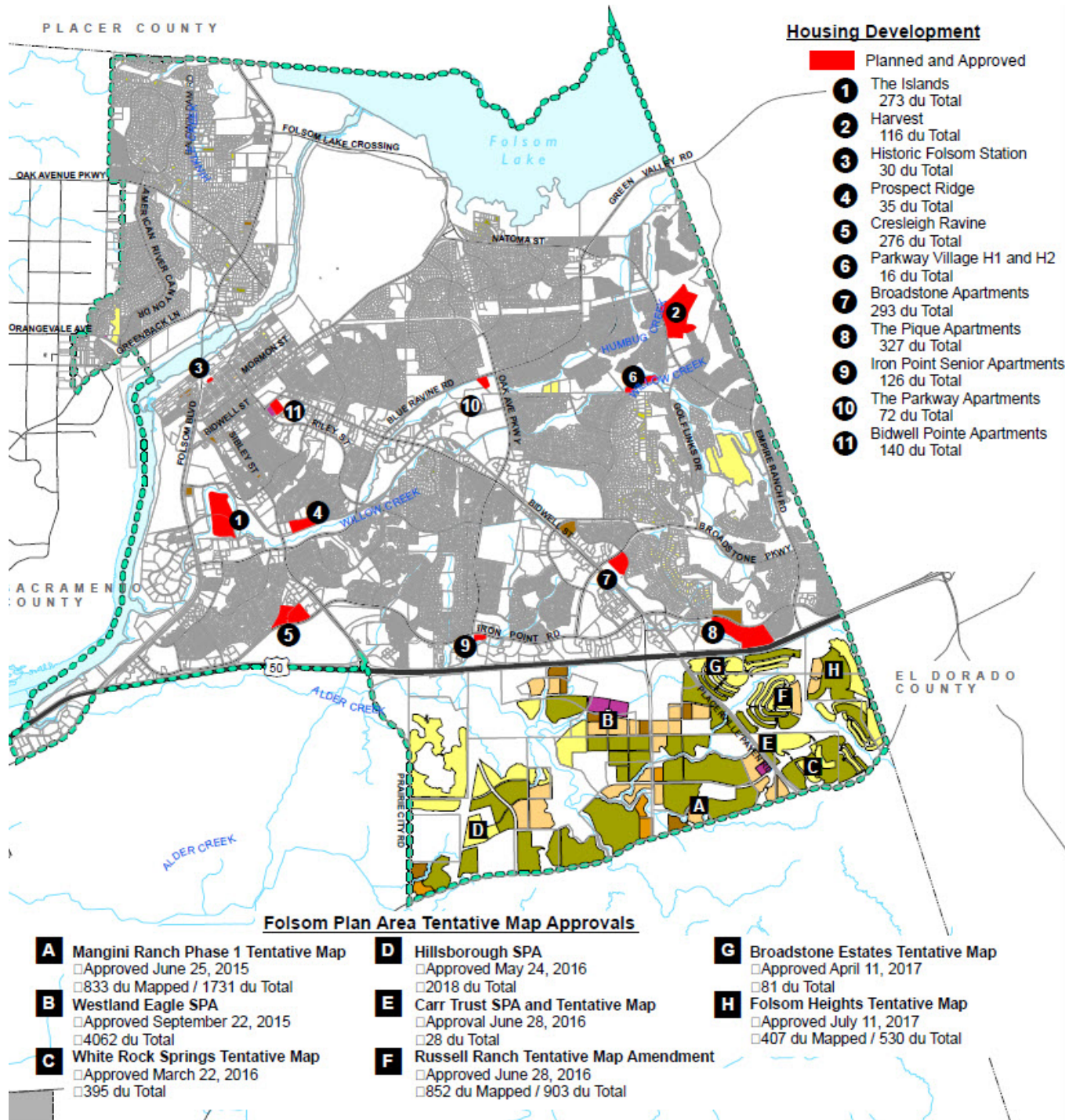
 **47%** BACHELOR DEGREE



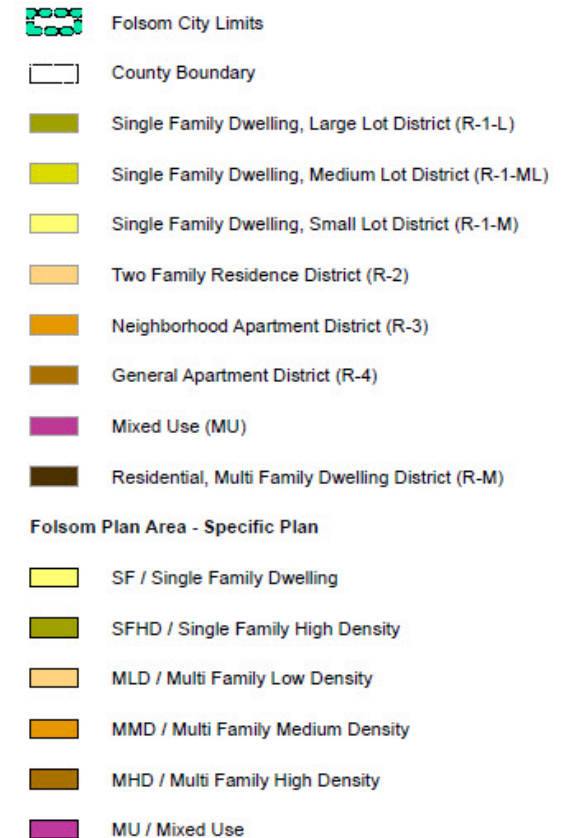
MAJOR EMPLOYERS

Private Sector Employers		Employees	Public Sector Employers		Employees
Intel		6,000	CA State Prison		1,726
Mercy Folsom		720	Folsom Prison		1,044
Cal Iso		600	FCUSD*		802
Maximus		600	City of Folsom		387
Voxpro		500	* Folsom Cordova Unified		
Vsp One		475	School District		
Powerschool		425			
Micron		425			

Folsom Housing Units



Residential Sites Inventory



Major Retail Corridor



Walmart
Supercenter

KOHLS

DOLLAR TREE

RITE AID

GROCERY OUTLET

McDonald's

Raley's

petco

SPROUTS

CVS
pharmacy

DICK'S
SPORTING GOODS

32,000 CPD

LOWE'S

TRADER JOE'S

HomeGoods

JOANN

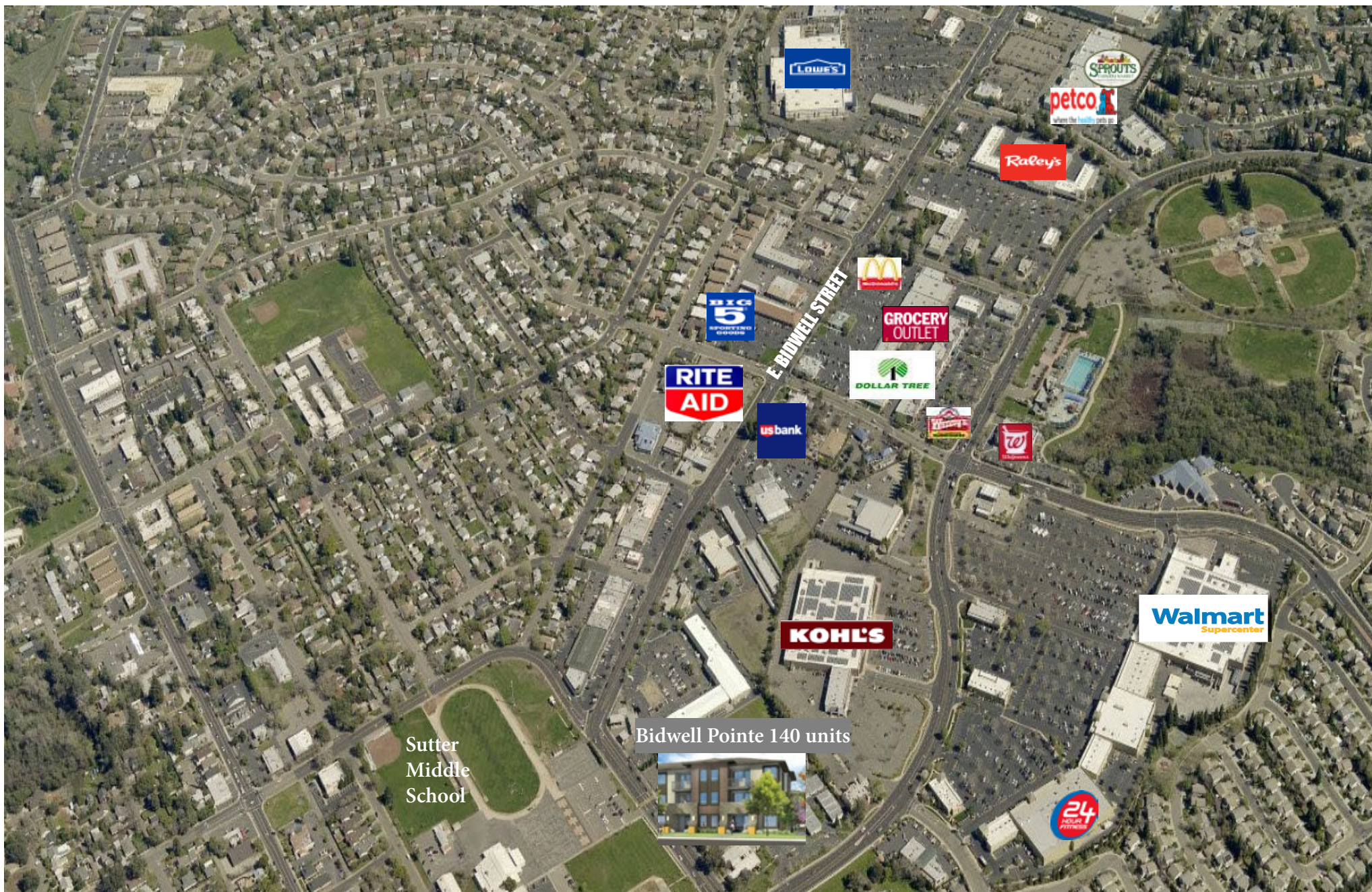
TARGET

E. BOWWELL

BLUE RAVINE

SCHOOL

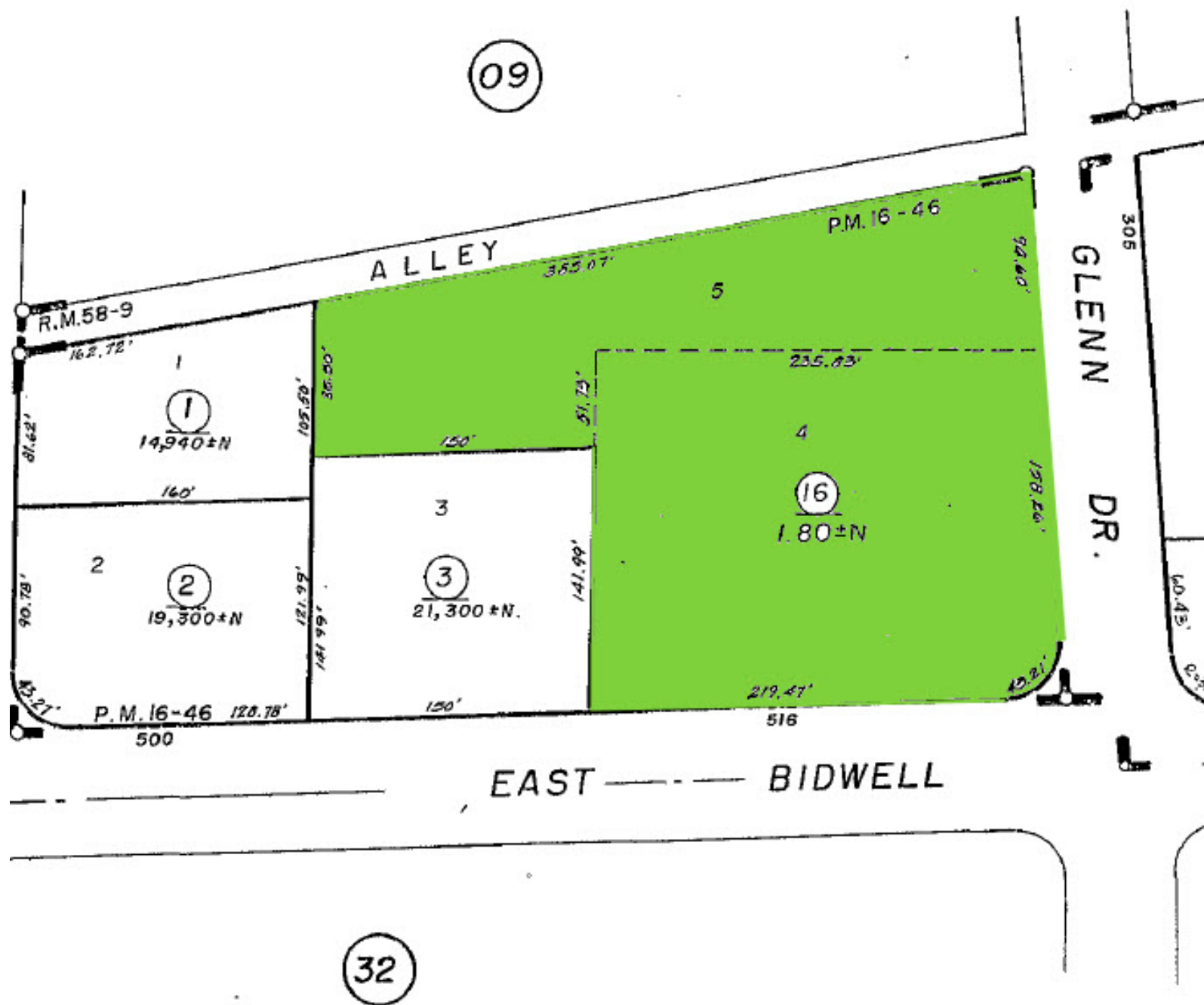
Aerial Map



Property Aerial



Parcel Map











and savings
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wellness
rewards

5

Joint Support

BEAUTY

Therapy Socks

Check This Out

MEN'S
GROOMING

SEASONAL

HOT

Health Care

PHOTO SERVICES

New & Innov

It's Your Wellness.
Own it.

MEMBER ONLY SAVINGS

Actual Store

RENT ROLL

TENANT	SUITE	SF	LEASE START	LEASE EXP.	RENT / SF	RENT / MO.	ANNUAL RENT	LEASE TYPE	INCREASES
Rite Aid Corp	1	16,836	8/25/1999	8/31/2029	\$1.76	\$29,666.67	\$356,000.00	NN ¹	6 (5yrs) ²

TOTAL SQUARE FEET:	16,836	
TOTAL AVAILABLE:	0	0% Vacancy
TOTAL OCCUPIED:	16,836	100% Occupancy

- NOTE:
- ¹ Limited Landlord responsibilities to roof & structure. Tenant pays all utilities and taxes directly. Tenant maintains and repairs parking lot.
- ² 1st Option Period rent increases to \$401,701.41 then +/-4% rent increases each 5yr. option period thereafter.

The information contained herein has been obtained from sources we deem reliable. CCRE makes no representation and cannot assume any responsibility for its accuracy.



Actual Store

Lease Summary

LEASE ABSTRACT

Rentable Square Feet	± 16,836 SF
Year Built	1999; remodeled 2015
Lot Size	± 1.8 Acres
Type of Ownership	Fee Simple
Parcel#:	071-360-016
Zoning:	C-2
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Tenant	RITE AID CORPORATION (NYSE:RAD)
Guarantor	Rite Aid Corporation
Lease Type	Double Net (NN)
Roof & Structure	Landlord Responsibility
HVAC	Tenant Responsibility
CAM/Parking	Tenant Responsibility
Insurances	Tenant Responsibility
Utilities	Tenant Pays Direct
Property Taxes	Tenant Pays Direct
Original Lease Term	20 Years
Annual Base Rent	\$356,000
Annual Rent/SF	\$21.15/sf / \$1.76/sf per month
Term Remaining in Lease	10.4 Years
Renewal Options	Six (6) Five (5) Year
Increases	4% Increase at Every Option Period



Actual Store

Tenant Profile

**RITE AID CORPORATION (RAD) - NYSE
(S&P RATED "B")**



Rite Aid is one of the nations leading drug store chain in the country with approximately 2,469 stores in 18 states as of April 11, 2019. The company posted total revenue of \$21.64 billion, an increase of .5% from previous year. EBITDA was \$563m for fiscal year 2019, also an increase from prior year. Rite Aid Corporation was founded in 1927 and is headquartered in Camp Hill, Pennsylvania. Pharmacy operations continue to be the most significant part of their business operation, accounting for 66.6% of total drug store sales in the most recent fiscal year. The remaining 33.4% of total sales is from front-end retail products such as over-the-counter medications, health and beauty aids, personal care items, cosmetics, household items, food and beverages greeting cards, seasonal merchandise and numerous other products.

Outlook for Fiscal 2020

Rite Aid said it expects sales to be between \$21.5 billion and \$21.9 billion in fiscal 2020. Adjusted EBITDA is expected to be between \$500.0 million and \$560.0 million.



SEASONAL

BEAUTY

HOME CARE

WELLNESS

PHARMACIST

COSMETICS

Wellness by



Pharmacy Services

- Immunizations
- Medication Therapy Management Consultations
- Specialty-Trained Diabetes Care Pharmacists
- Vitamin and OTC Product Selection Support
- Rite Aid Online Care Consultations
- Rx Reminder & Refill Services
- Specialized Health Condition Management
- 24/7 Access to a Pharmacist
- Caregiver Support

welcome



RITE AID

526 E. BIDWELL ST. FOLSOM CA

OFFERING MEMORANDUM

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