



RITE AID (WALGREENS) & BODY WORKS
448 Appalachian Highway, Route 10 • Pineville, WV 24874

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RITE AID (WALGREENS) & BODY WORKS
Pineville, WV
ACT ID Z0370496

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INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

VITAL DATA				
			YEAR 1	YEAR 2
Price	\$480,000	CAP Rate	12.19%	12.19%
Down Payment	Cash	Net Operating Income	\$58,504	\$58,504
Loan Amount	Cash	Net Cash Flow	\$58,504	\$58,504
Loan Type	NA	After Debt Service		
Interest Rate / Amortization	NA	Total Return	12.19% / \$58,504	12.19% / \$58,504
Gross Leasable Area (GLA)	12,012 SF			
Price/SF	\$39.95			
Current Occupancy	100.0%			
Year Built / Renovated	1968/1984			

MAJOR TENANTS			
TENANT	GLA	LEASE EXPIRATION	LEASE TYPE
RITE AID (WALGREENS)	6,000	6/14/2023	NN
BODY WORKS	6,012	6/30/2023	NN

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Wyoming County Board Education	847
Seneca North American Coal LLC	700
Wyoming County Commission	122
County of Wyoming	102
Wyoming County Court House	100
Pineville Elementary School	80
Wyoming Continuous Care Center	70
Wyoming County East High Schl	60
Child Support Enforcement	50
Division of Highways	46
Pineville Middle School	38
Wyoming Co Career & Tech Ctr	38

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	611	1,948	3,237
2010 Census Pop	755	2,418	3,960
2017 Estimate HH	270	829	1,318
2010 Census HH	344	1,056	1,653
Median HH Income	\$38,394	\$38,105	\$38,136
Per Capita Income	\$23,168	\$21,784	\$20,725
Average HH Income	\$51,721	\$50,698	\$50,527



INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present this two-tenant, double-net leased Rite Aid (Walgreens) Pharmacy and Body Works fitness. This retail property consists of 12,012 square feet, on a two-acre parcel located at 448 Appalachian Highway, Route 10 Pineville, West Virginia.

Rite Aid has been at this location since March 8, 1988, and recently executed the first of six successive five-year renewal options, which was subsequently assigned to Walgreens Boots Alliance Inc., and the signage is in the process of being changed to Walgreens. In addition, Body Works executed their original lease in 2013 and recently executed a five-year renewal.

The Body Works tenant and ownership jointly invested about \$300,000 to renovate-to-suit the Body Works unit in 2013. The unit was gutted to the studs and tenant improvements included four new HVAC units, four showers, three public bathrooms, a floor plan that includes an aerobics room, five physical therapy rooms, lunchroom, office, and utility room. The exterior was painted and new light fixtures installed. In 2016, the entire roof was rubberized sealed and has a warranty.

This asset is leased to two solid long-term tenants, double-net (NN) lease with minimal landlord responsibilities.

INVESTMENT HIGHLIGHTS

- Stabilized Asset with Long-Term Tenants
- Corporate Guarantee from Walgreens Boots Alliance, Inc.
- Rite Aid (Walgreens) Recently Exercised the First Option to Renew
- Twelve Year Roof Warranty
- Newer HVAC Units for the Body Works Unit has a Warranty on the Heat Exchanger
- Below Replacement Cost
- Neighboring Tenants include Goodson's Supermarket, Dairy Queen, & First Century Bank

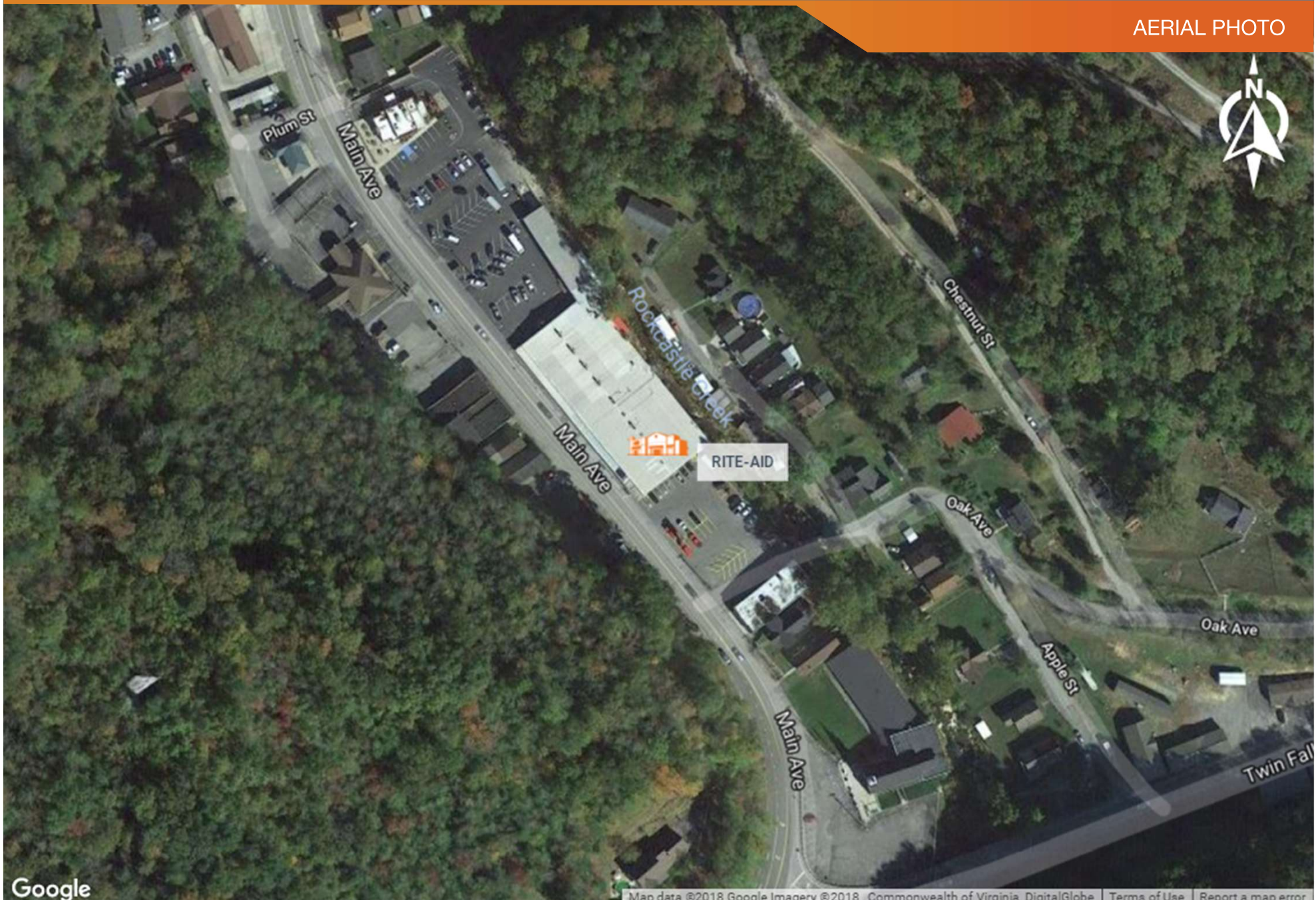


RITE AID (WALGREENS) & BODY WORKS

REGIONAL MAP

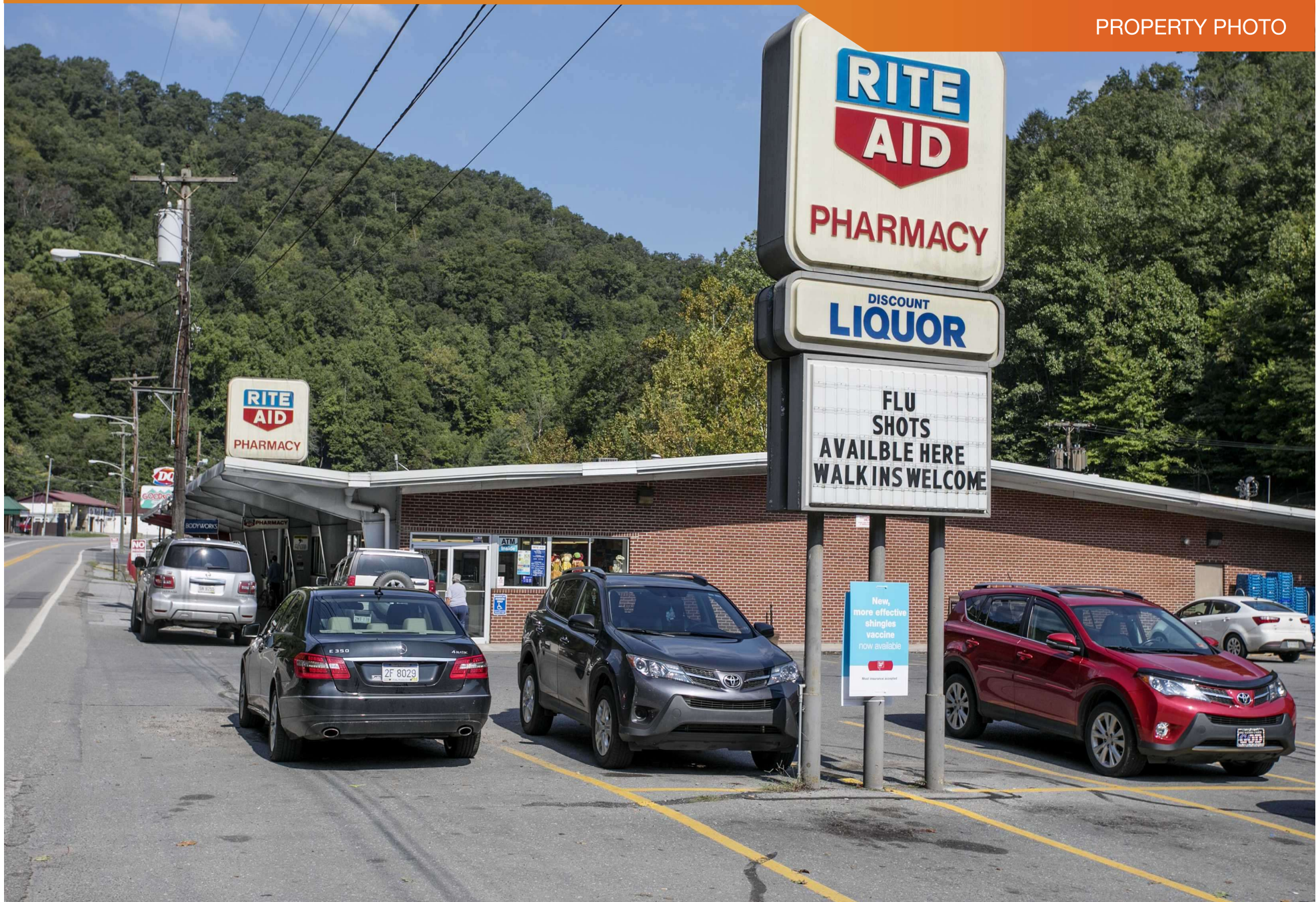






Google

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FINANCIAL ANALYSIS



TENANT SUMMARY

As of September, 2018

Tenant Name	Square Feet	% Bldg Share	Lease Dates		Monthly Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Lease Type	Renewal Options and Option Year Rental Information
Comm.	Exp.								
Walgreens/RITE AID (WALGREENS)	6,012	50.0%	6/15/18	6/14/23	\$0.58	\$3,504	\$42,054	NN	Five- Successive Five-Year Options to Renew
Body Works	6,000	50.0%	7/01/18	6/30/23	\$0.33	\$2,000	\$24,000	NN	
Total	12,012				\$0.46	\$5,504	\$66,054		
		Occupied Tenants: 2	Unoccupied Tenants: 0	Occupied GLA: 100.00%			Unoccupied GLA: 0.00%		

Note: The Walgreen's lease rate is \$18,000 annual plus 1.528% of gross sales, which is remitted annually in July. Gross sales remitted in July 2018 was \$25,404.

OPERATING STATEMENT

Income	CURRENT	Per SF
Scheduled Base Rental Income	66,054	5.50
Expense Reimbursement Income		
Total Reimbursement Income	\$0	0.0%
		\$0.00
Effective Gross Revenue	\$66,054	\$5.50
Operating Expenses	CURRENT	Per SF
Common Area Maintenance (CAM)		
Parking Lot Maintenance	483	0.04
Town of Pineville Business & Operating Tax	324	0.03
Insurance	2,456	0.20
Real Estate Taxes	4,286	0.36
Total Expenses	\$7,550	\$0.63
Expenses as % of EGR	11.4%	
Net Operating Income	\$58,504	\$4.87

PRICING DETAIL

PRICING DETAILS

Summary		
Price	\$480,000	
Down Payment	\$480,000	100%
Number of Suites	2	
Price Per SqFt	\$39.96	
Gross Leasable Area (GLA)	12,012 SF	
Lot Size	2.00 Acres	
Year Built/Renovated	1984	
Occupancy	100.00%	

Returns	Year 1	Year 2
CAP Rate	12.19%	12.19%
Cash-on-Cash	12.19%	12.19%
Debt Coverage Ratio	N/A	N/A

Operating Data				
Income		Year 1		Year 2
Scheduled Base Rental Income		\$66,054		\$66,054
Total Reimbursement Income	0.0%	\$0	0.0%	\$0
Other Income		\$0		\$0
Potential Gross Revenue		\$66,054		\$66,054
General Vacancy		\$0		\$0
Effective Gross Revenue		\$66,054		\$66,054
Less: Operating Expenses	11.4%	(\$7,550)	11.4%	(\$7,550)
Net Operating Income		\$58,504		\$58,504
Tenant Improvements		\$0		\$0
Leasing Commissions		\$0		\$0
Capital Expenditures		\$0		\$0
Cash Flow		\$58,504		\$58,504
Debt Service		\$0		\$0
Net Cash Flow After Debt Service	12.19%	\$58,504	12.19%	\$58,504
Principal Reduction		\$0		\$0
Total Return	12.19%	\$58,504	12.19%	\$58,504

Operating Expenses		Year 1	Year 2
CAM		\$808	\$808
Insurance		\$2,456	\$2,456
Real Estate Taxes		\$4,286	\$4,286
Management Fee		\$0	\$0
Other Expenses - Non Reimbursable		\$0	\$0
Total Expenses		\$7,550	\$7,550
Expenses/SF		\$0.63	\$0.63

Walgreens Boots Alliance, Inc.


CREDIT RATING: B1
www.fdreports.com | www.creditintell.com | May 31, 2018

General Information	
Address	108 Wilmot Rd , Deerfield, Illinois, 60015, United States
Phone	(847) 315-2500
Website	www.walgreens.com

Store Base	
Store Count	9,964
TTM Sales	\$128,244,000,000

Key Personnel	
Chairman	James A Skinner
President & COO	Alex Gourlay
Chairman & Chief Executive Officer	Stefano Pessina
Executive Vice President & Chief Financial Officer	James Kehoe

Financial Markets	
Stock Ticker	WBA
Current Price	\$71.28 as of 9/19/18
52 Week High/Low	\$81.27 / \$59.07

Whether you get your drugs from the pharmacist or the chemist, Walgreens Boots Alliance has you covered. The company, formed when US-based Walgreen Co. bought its European counterpart Alliance Boots, includes more than 13,200 retail pharmacies (or chemists in some parts of the world) in 11 countries, mostly the US and its territories and the UK, selling prescription and OTC drugs along with health and beauty products and general merchandise. The Alliance Boots part of the company also includes wholesale operations serving more than 230,000 pharmacies, hospitals, and clinics in upwards of 20 countries. Walgreens Alliance Boots was formed in 2014.

Fiscal Year Ended August 31, 2017

Credit Rating Chart Comparison Creditintell | F&D Reports

Please note that our rating model is our own proprietary model and is not meant to align with other rating agency models. This comparison was compiled purely for informational purposes based on a representative sampling of ratings on various retailers.

RATING	CREDIT QUALITY	EST. S&P
A1	Excellent	AAA
A2	Excellent	AA (+/-)
B1	Good	A (+/-)
B2	Good	BBB (+/-)
C1	Satisfactory	BB(+/-)
C2	Satisfactory	B+
D1	Below Satisfactory	B
D2	Below Satisfactory	B-
E1	Poor	CCC+/CCC
E2	Poor	CC
F1	Critical	C
F2	Critical	D



BodyWorks

General Information	
Tenant Name	BodyWorks
Website	http://www.bodyworkshfr.com/
Parent Company	PAXIS Corporation
Headquartered	Beckley, WV
Rentable Square Feet	6,000 SF
Percentage of RBA	50.00%
Lease Commencement	7/1/2018
Lease Expiration	6/30/2023
No. of Locations	2

Newly remodeled 6,000 square foot facility with a 24-hour access gym

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Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues to the benefit of our clients.



**Closed 1,707
debt and equity
financings
in 2017**



**National platform
operating
within the firm's
brokerage
offices**



**\$5.63 billion
total national
volume in 2017**



**Access to
more capital
sources than
any other firm
in the industry**

WHY MMCC?

**Optimum financing solutions
to enhance value**

**Our ability to enhance
buyer pool by expanding
finance options**

**Our ability to enhance
seller control**

- **Through buyer qualification support**
- **Our ability to manage buyers finance expectations**
- **Ability to monitor and manage buyer/lender progress, insuring timely, predictable closings**
- **By relying on a world class set of debt/equity sources and presenting a tightly underwritten credit file**

MARKET OVERVIEW



Created on September 2018

POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	561	1,794	2,998
■ 2017 Estimate			
Total Population	611	1,948	3,237
■ 2010 Census			
Total Population	755	2,418	3,960
■ 2000 Census			
Total Population	873	2,827	4,573
■ Current Daytime Population			
2017 Estimate	661	1,802	2,633
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	248	763	1,222
■ 2017 Estimate			
Total Households	270	829	1,318
Average (Mean) Household Size	2.40	2.38	2.40
■ 2010 Census			
Total Households	344	1,056	1,653
■ 2000 Census			
Total Households	401	1,242	1,918
■ Occupied Units			
2022 Projection	248	763	1,222
2017 Estimate	315	967	1,542
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$150,000 or More	2.24%	1.86%	1.88%
\$100,000 - \$149,000	8.67%	8.62%	8.43%
\$75,000 - \$99,999	11.11%	10.79%	10.85%
\$50,000 - \$74,999	16.44%	17.09%	17.46%
\$35,000 - \$49,999	17.08%	16.72%	16.03%
Under \$35,000	44.47%	44.92%	45.36%
Average Household Income	\$51,721	\$50,698	\$50,527
Median Household Income	\$38,394	\$38,105	\$38,136
Per Capita Income	\$23,168	\$21,784	\$20,725

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$51,866	\$51,276	\$51,122
■ Consumer Expenditure Top 10 Categories			
Housing	\$13,942	\$13,822	\$13,769
Transportation	\$9,538	\$9,470	\$9,473
Shelter	\$7,425	\$7,349	\$7,322
Food	\$5,525	\$5,483	\$5,483
Health Care	\$4,169	\$4,143	\$4,125
Personal Insurance and Pensions	\$4,124	\$4,015	\$3,983
Utilities	\$3,450	\$3,429	\$3,422
Entertainment	\$2,372	\$2,346	\$2,337
Cash Contributions	\$1,855	\$1,820	\$1,813
Household Furnishings and Equipment	\$1,527	\$1,517	\$1,506
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	611	1,948	3,237
Under 20	23.26%	22.92%	23.03%
20 to 34 Years	14.87%	15.05%	15.16%
35 to 39 Years	5.63%	5.70%	5.79%
40 to 49 Years	11.21%	11.29%	11.40%
50 to 64 Years	22.98%	23.56%	23.81%
Age 65+	22.05%	21.46%	20.82%
Median Age	45.41	45.43	45.09
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	439	1,403	2,327
Elementary (0-8)	8.83%	8.69%	8.43%
Some High School (9-11)	14.04%	14.28%	14.18%
High School Graduate (12)	42.62%	43.48%	44.33%
Some College (13-15)	17.26%	16.97%	16.85%
Associate Degree Only	7.23%	6.78%	6.30%
Bachelors Degree Only	5.69%	5.38%	5.53%
Graduate Degree	3.73%	3.79%	3.76%

Source: © 2017 Experian



Population

In 2017, the population in your selected geography is 1,948. The population has changed by -31.09% since 2000. It is estimated that the population in your area will be 1,794.00 five years from now, which represents a change of -7.91% from the current year. The current population is 49.46% male and 50.54% female. The median age of the population in your area is 45.43, compare this to the US average which is 37.83. The population density in your area is 68.84 people per square mile.



Households

There are currently 829 households in your selected geography. The number of households has changed by -33.25% since 2000. It is estimated that the number of households in your area will be 763 five years from now, which represents a change of -7.96% from the current year. The average household size in your area is 2.38 persons.



Income

In 2017, the median household income for your selected geography is \$38,105, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 61.62% since 2000. It is estimated that the median household income in your area will be \$42,719 five years from now, which represents a change of 12.11% from the current year.

The current year per capita income in your area is \$21,784, compare this to the US average, which is \$30,982. The current year average household income in your area is \$50,698, compare this to the US average which is \$81,217.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 98.00% White, 0.52% Black, 0.00% Native American and 0.12% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 0.39% of the current year population in your selected area. Compare this to the US average of 17.88%.



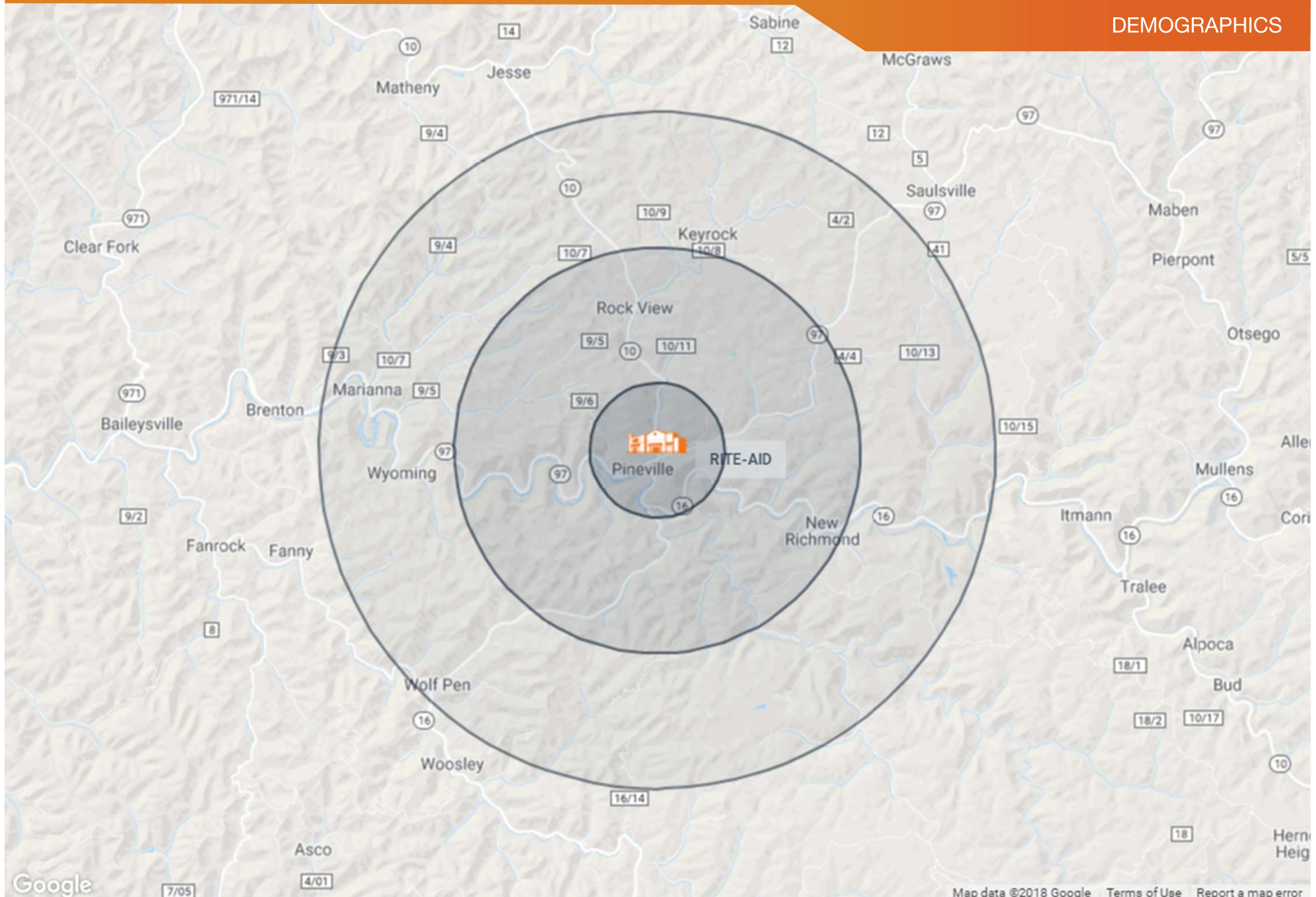
Housing

The median housing value in your area was \$70,653 in 2017, compare this to the US average of \$193,953. In 2000, there were 989 owner occupied housing units in your area and there were 253 renter occupied housing units in your area. The median rent at the time was \$249.



Employment

In 2017, there are 1,688 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 51.68% of employees are employed in white-collar occupations in this geography, and 49.40% are employed in blue-collar occupations. In 2017, unemployment in this area is 10.82%. In 2000, the average time traveled to work was 22.00 minutes.



PRESENTED BY

BROKER OF RECORD

Jane Scott

Marcus & Millichap

In association with, Old Spruce Realty

Lewisburg, VA

T: (215) 531-7000

WV License: WV0008718