



**RITE AID**

4914 Youngstown-Poland Rd • Youngstown, OH 44514

Corporate Guaranteed Lease  
Recently Extended Lease (10+ Years Remaining)  
Well Established Rite Aid (19 Years at this Location)



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RITE AID  
Youngstown, OH  
ACT ID Z0420055

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Marcus & Millichap

# INVESTMENT OVERVIEW



## EXECUTIVE SUMMARY

## OFFERING SUMMARY

Price	\$2,605,040
Net Operating Income	\$175,840
Capitalization Rate – Current	6.75%
Price / SF	\$233.01
Rent / SF	\$15.73
Lease Type	NNN
Gross Leasable Area*	11,180 SF
Year Built / Renovated*	1999 / 2015
Lot Size*	1.53 acre(s)

## FINANCING

Loan Amount	\$1,693,276
Loan Type	Financed - New Loan
Loan to Value	65.00%
Interest Rate / Amortization	4.75% / 30 Years
Annual Loan Payment	\$105,995
Net Cash Flow After Debt Service	7.66% / \$69,845
Cash on Cash Return	7.66%
Total Return	10.53% / \$95,974



## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
St Elizabeth Health Center	2,500
Forge Industries Inc	1,250
National Mentor Holdings Inc	1,023
Youngstown State University	853
St Elizabeth Boardman Hospital	800
Blue Cross and Blue Shield	620
US Post Office	535
William F Maag Jr Library	521
Schwebel Baking Company	450
Board Mhning Cnty Cmmissioners	400
Mahoning County	390
McDonalds	387

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	11,140	63,401	119,670
2010 Census Pop	11,324	64,614	121,897
2017 Estimate HH	4,675	26,222	49,773
2010 Census HH	4,814	26,988	51,213
Median HH Income	\$36,493	\$37,525	\$38,055
Per Capita Income	\$20,253	\$21,864	\$23,374
Average HH Income	\$48,051	\$52,603	\$54,843

\* # of Employees based on 5 mile radius

*\*Information sourced from LandVision and property records. Marcus & Millichap makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Buyer must conduct their own Due Diligence.*

## INVESTMENT OVERVIEW

The subject property is a single-tenant, freestanding Rite Aid drugstore located in Youngstown, Ohio. The corporately guaranteed lease was recently extended by Rite Aid and provides over 10 years of firm term remaining. It is a well-established drugstore with over 19-years of operational history at this location. The lease provides fixed rent escalations of 5.5% at each of the 6, 5-year option periods. The lease is corporately guaranteed by Rite Aid (NYSE: RAD), which carries a credit rating of "B" by Standard & Poor's and had revenues of over \$21.4 billion in FY 2018.

The property has direct street frontage along Youngstown-Poland Road, a main north-south thoroughfare in Youngstown with average daily traffic counts of 13,000 VPD. It is situated at the four-way signalized corner of Thalia Avenue and Youngstown-Poland Road. There is excellent access and visibility to the property with a two-way stop sign at the intersection of Country Club Drive and Youngstown-Poland Road. There are multiple entrances to the parking lot which allows the property to be entered from three-sides. The property contains a drive thru pharmacy on the north side of the building.

Youngstown, OH is part of the Youngstown-Warren-Boardman MSA, which is home to over 500,000 residents. The area extends across Mahoning and Trumbull counties in Ohio, and Mercer County in Pennsylvania. In 2012 and 2015 Forbes ranked Youngstown, OH the 4th "Best City in the Country to Raise a Family." The decision was based on the city's schools, current low crime, cost-of-living, and property rates. Youngstown is a city in Mahoning County in Ohio, with small portions of it extending into Trumbull County. The city is centrally located between Pittsburgh, Pennsylvania and Cleveland, Ohio. The Mahoning Valley area as a whole has 763,207 residents.

## INVESTMENT HIGHLIGHTS

- Drive Thru Pharmacy
- Recently extended lease provides 10-years of firm term remaining
- Rare rent increases of 5.5% during the option periods at each of the 6, 5-year option periods
- Well-established Rite Aid with more than 19 years of operational history at location
- Centralized location with direct street frontage along Youngstown-Poland Road
- National retailers in the trade area include: Valero, BP, Taco Bell, Pizza Hut, Family Dollar, AutoZone, PNC Bank, Arby's Starbucks, Walmart, Hobby Lobby and More





# TENANT OVERVIEW



# Rite Aid Corporation



## General Information

Address	30 Hunter Ln , Camp Hill, Pennsylvania, 17011, United States
Phone	(717)761-2633
Website	www.riteaid.com
Square Footage	11,180
Landlord Responsibilities	Roof & Structure
Initial Lease expiration	6/30/2029
Renewal Options and Increase	Six 5-Year Options 5.5% Increase

## Store Base

Store Count	2,533
TTM Sales	\$21,480,935,000



## Key Personnel

CFO & SVP	Darren Karst
Chief Operating Officer	Bryan Everett
Chief Executive Officer & Chairman	John T Standley
President & COO	Kermit Crawford

Rite Aid Corporation, through its subsidiaries, operates a chain of retail drugstores in the United States. It operates through two segments, Retail Pharmacy and Pharmacy Services. The Retail Pharmacy segment 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 other every day and convenience products. It also operates retail clinics that provide treatment for common conditions; and a range of preventive services comprising screenings, medical tests, immunizations, and basic physical exams. In addition, this segment offers healthcare coaching and disease management services. The Pharmacy Services segment provides pharmacy benefit management (PBM) services and a range of pharmacy-related services. This segment also performs prescription adjudication services for other PBMs; and offers integrated mail-order, specialty and compounding pharmacy, and infertility treatment services, as well as drug benefits under the federal government's Medicare Part D program. As of April 12, 2018, the company operated approximately 2,548 stores in 19 states. Rite Aid Corporation was founded in 1927 and is headquartered in Camp Hill, Pennsylvania.

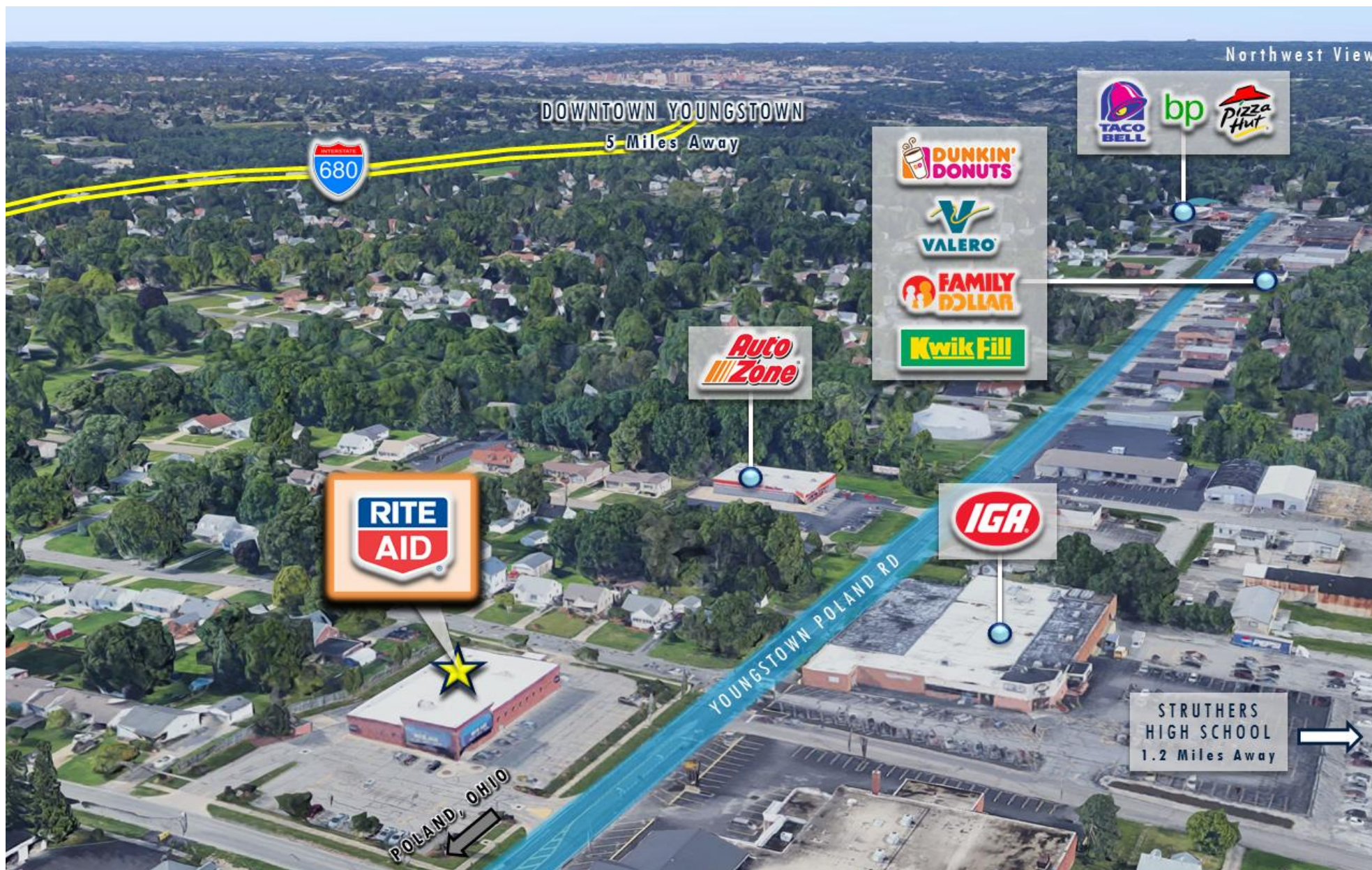
Fiscal Year Ended March 03, 2018



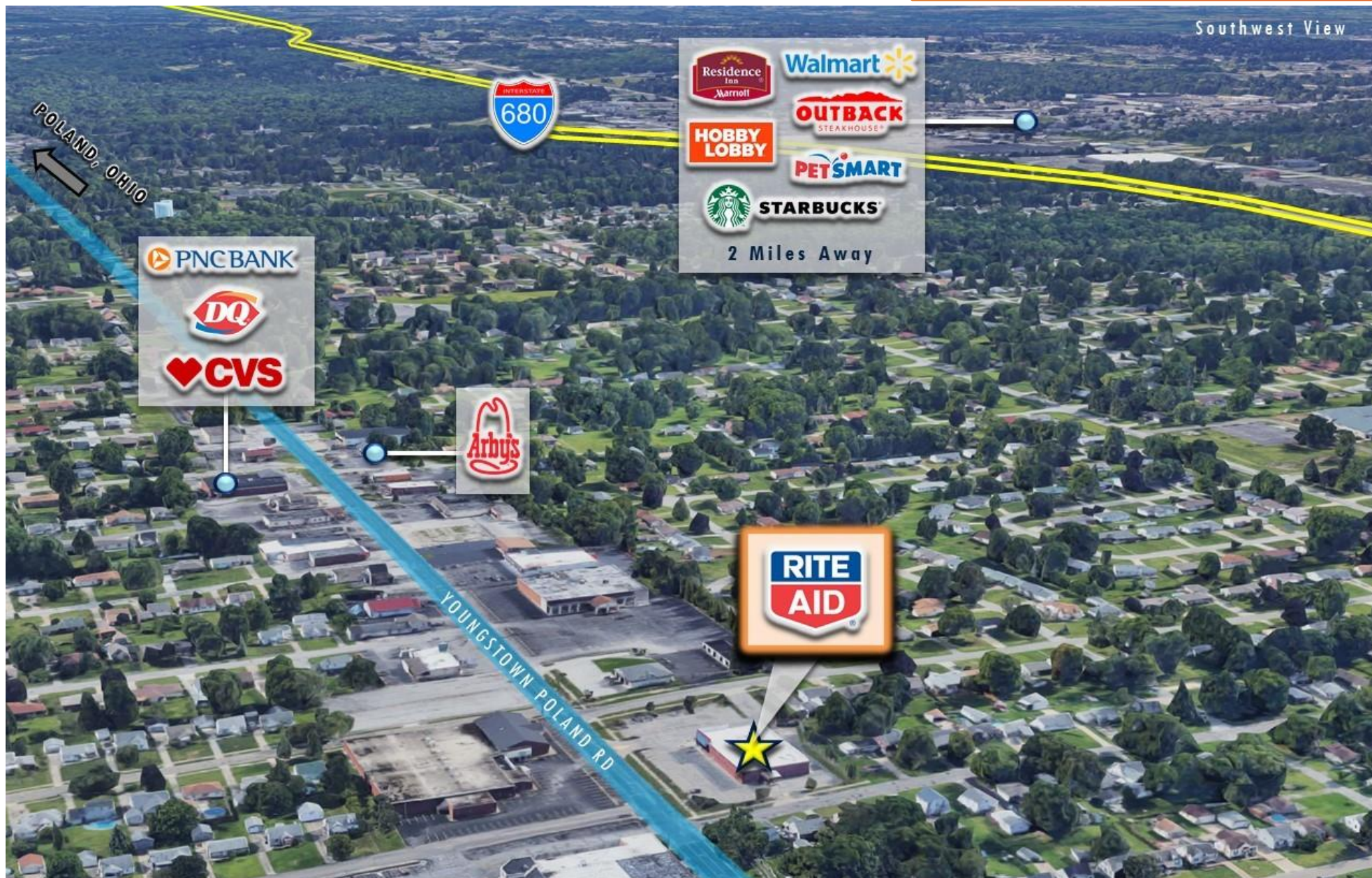
# MARKET OVERVIEW







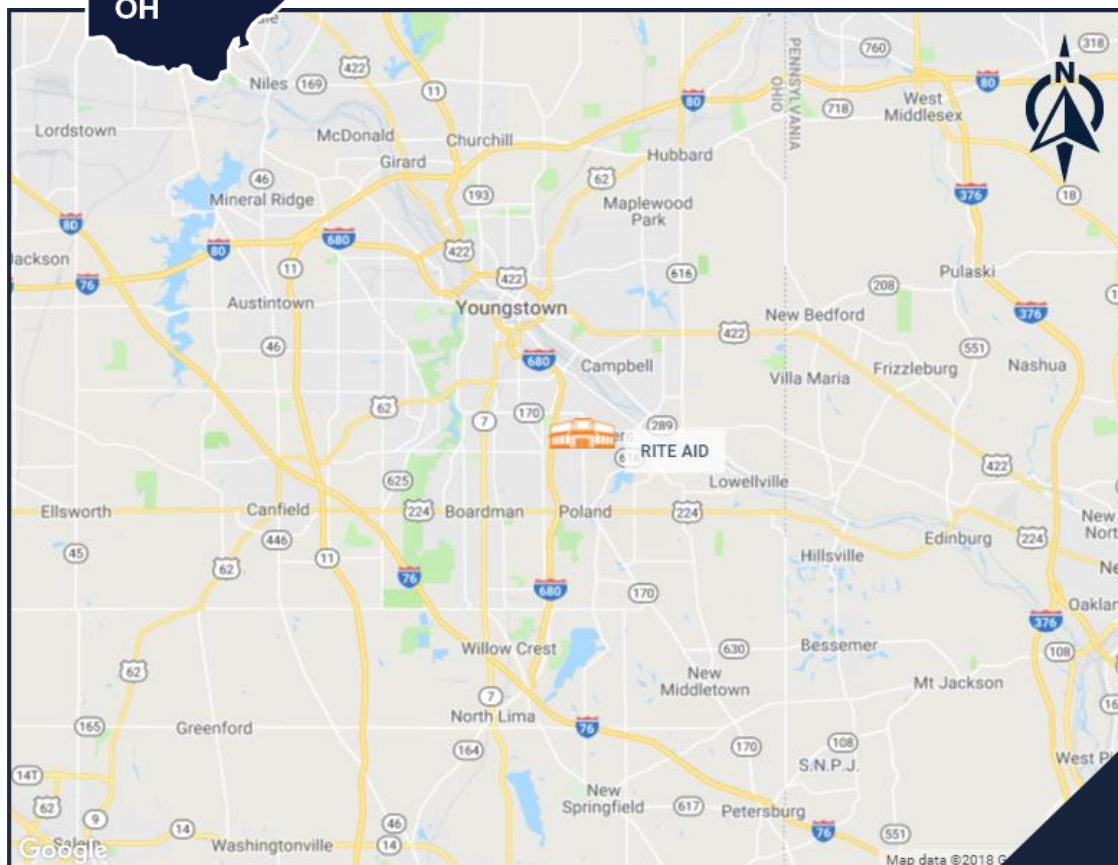








**4914 Youngstown-Poland Rd, Youngstown, OH 44514**



- Property situated on 1.53 acres
- Property accessible from north, east and south
- Youngstown-Poland Rd traffic 13,000 VPD
- Signage on north and south side of property
- Many national retailers in the area
- Close to schools and hospitals

This property is well situated in an established neighborhood. The property is less than 2 miles away from Struthers High School, 5 miles from downtown Youngstown and less than 3 miles from major shopping. It has close proximity to multiple hospitals and medical facilities. Youngstown-Poland Road runs north-south and connects to the town of Poland, which consistently ranks as one of the best places to live in Mahoning County.

CLOSE PROXIMITY TO:



## Downtown



### Major Highway

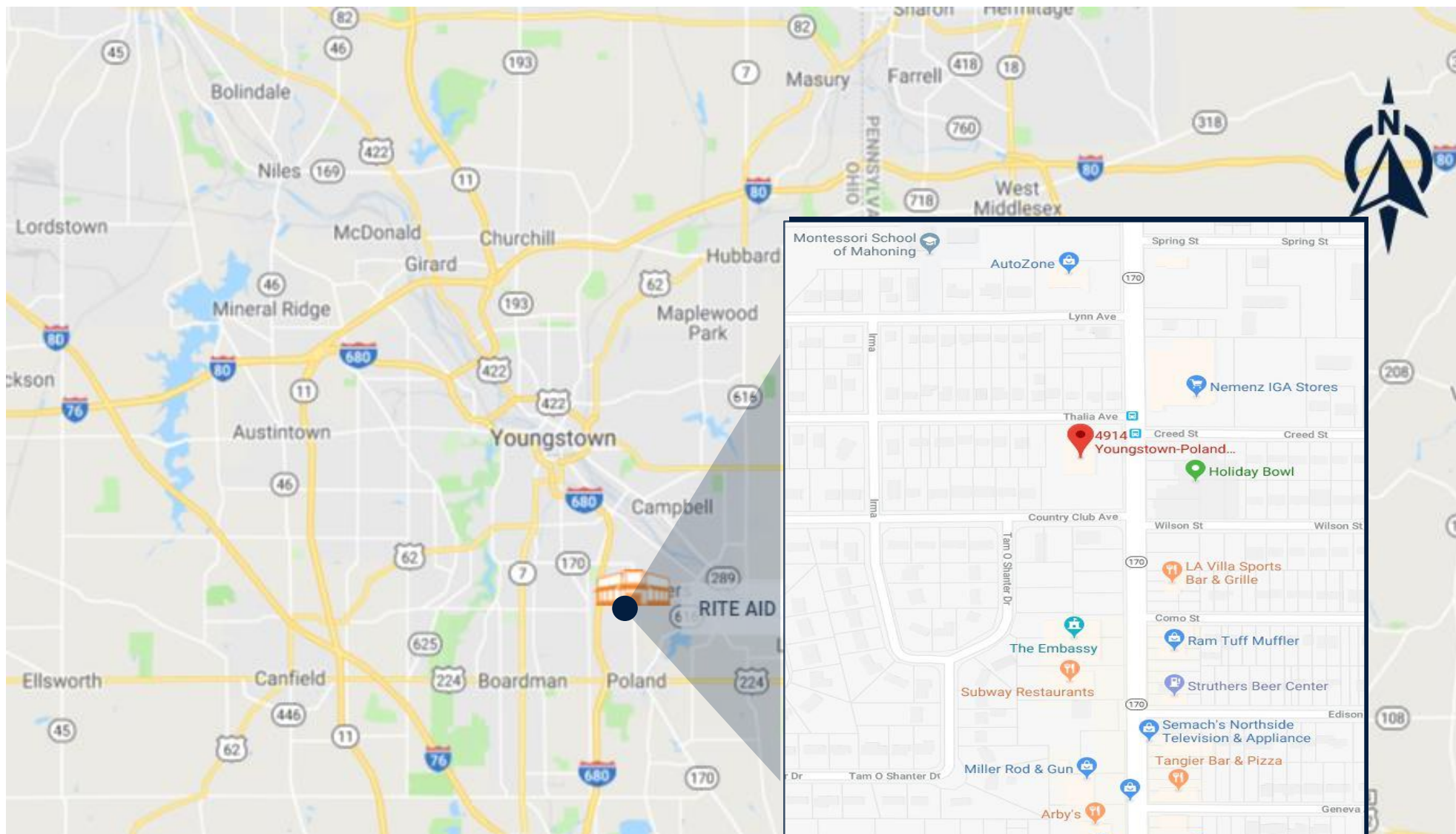


## Schools



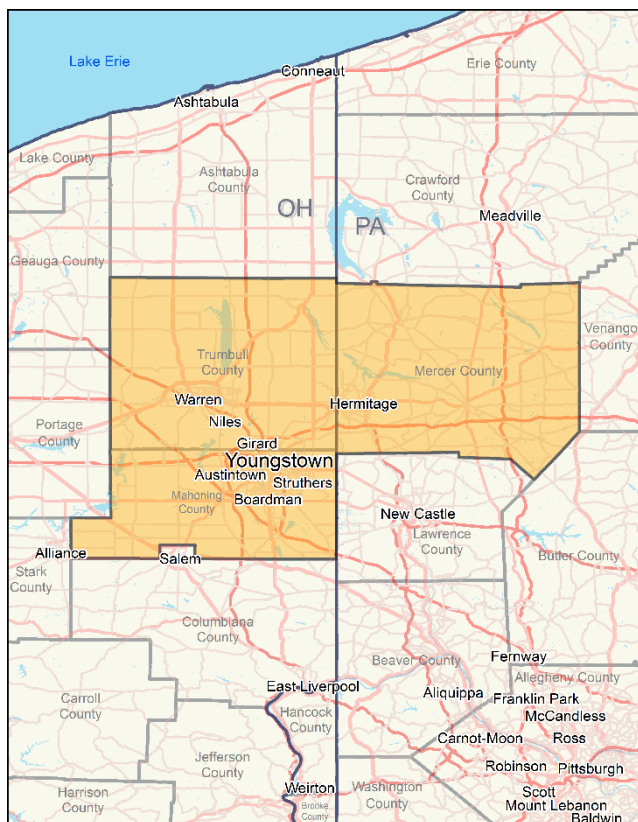
### Shopping Center

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## YOUNGSTOWN OVERVIEW

The Youngstown metro is situated in the Mahoning Valley, spanning portions of western Ohio and eastern Pennsylvania. The metro consists of Mahoning, Trumbull and Mercer counties. The city of Youngstown is the metro's largest municipality and a midpoint between Cleveland and Pittsburgh. Youngstown and the city of Warren account for a combined 107,000 citizens.



### METRO HIGHLIGHTS



#### FAMILY FRIENDLY

A desirable quality of life attracts many families. Draws include Youngstown's collection of four- and five-star schools.



#### ACHIEVABLE HOMEOWNERSHIP

The metro's affordable cost of living and low home prices allow 71 percent of households to own a home, well above the U.S. rate.



#### GROWING CONCENTRATION OF MANUFACTURERS

Matalco, Joseph Co. and other out-of-state manufacturers have recently secured incentives to construct facilities in the metro.



### ECONOMY

- The metro boasts a diverse employment base driven by the education, healthcare and manufacturing sectors. Youngstown State University is one of the metro's largest employers.
- Other major employers represent a variety of industries and include Joseph Company International, which is constructing a beverage and technology complex in Youngstown that will produce the world's first self-chilling beverage. Canadian-based manufacturer Matalco recently opened an aluminum re-melt factory in the village of Lordstown.
- Construction on the \$900 million Lordstown Energy Center is nearing completion and a second \$900 million gas-fired power plant is planned nearby.

### DEMOGRAPHICS



\* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	10,869	61,397	116,213
■ 2017 Estimate			
Total Population	11,140	63,401	119,670
■ 2010 Census			
Total Population	11,324	64,614	121,897
■ 2000 Census			
Total Population	12,370	73,445	137,429
■ Current Daytime Population			
2017 Estimate	9,962	53,583	127,812
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	4,623	25,712	48,873
■ 2017 Estimate			
Total Households	4,675	26,222	49,773
Average (Mean) Household Size	2.32	2.40	2.33
■ 2010 Census			
Total Households	4,814	26,988	51,213
■ 2000 Census			
Total Households	5,139	29,649	55,673
■ Occupied Units			
2022 Projection	4,623	25,712	48,873
2017 Estimate	5,342	30,878	58,661
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$150,000 or More	2.44%	3.36%	4.05%
\$100,000 - \$149,000	5.12%	7.08%	8.02%
\$75,000 - \$99,999	8.92%	9.31%	9.41%
\$50,000 - \$74,999	18.16%	17.58%	17.09%
\$35,000 - \$49,999	17.31%	15.61%	14.60%
Under \$35,000	48.06%	47.04%	46.82%
Average Household Income	\$48,051	\$52,603	\$54,843
Median Household Income	\$36,493	\$37,525	\$38,055
Per Capita Income	\$20,253	\$21,864	\$23,374

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$51,213	\$53,229	\$54,417
■ Consumer Expenditure Top 10 Categories			
Housing	\$14,038	\$14,457	\$14,729
Transportation	\$8,114	\$8,395	\$8,555
Shelter	\$7,939	\$8,245	\$8,425
Food	\$5,440	\$5,609	\$5,712
Health Care	\$3,818	\$3,771	\$3,846
Personal Insurance and Pensions	\$3,796	\$4,160	\$4,394
Utilities	\$3,226	\$3,265	\$3,313
Entertainment	\$1,921	\$1,970	\$2,001
Household Furnishings and Equipment	\$1,399	\$1,470	\$1,502
Cash Contributions	\$1,396	\$1,476	\$1,558
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	11,140	63,401	119,670
Under 20	22.07%	24.78%	23.20%
20 to 34 Years	18.80%	18.38%	18.59%
35 to 39 Years	5.58%	5.69%	5.50%
40 to 49 Years	11.73%	11.57%	11.49%
50 to 64 Years	21.91%	21.45%	22.30%
Age 65+	19.91%	18.11%	18.91%
Median Age	43.16	41.02	42.44
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	7,996	43,694	83,690
Elementary (0-8)	1.79%	1.84%	2.01%
Some High School (9-11)	8.87%	8.55%	8.36%
High School Graduate (12)	48.19%	40.09%	37.84%
Some College (13-15)	20.33%	22.68%	23.01%
Associate Degree Only	6.04%	6.21%	6.11%
Bachelors Degree Only	9.20%	13.08%	14.44%
Graduate Degree	4.70%	6.75%	7.51%

Source: © 2017 Experian



## Income

In 2017, the median household income for your selected geography is \$38,055, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 19.06% since 2000. It is estimated that the median household income in your area will be \$45,923 five years from now, which represents a change of 20.68% from the current year.

The current year per capita income in your area is \$23,374, compare this to the US average, which is \$30,982. The current year average household income in your area is \$54,843, 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: 72.08% White, 21.59% Black, 0.03% Native American and 0.89% 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 7.08% 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 \$89,707 in 2017, compare this to the US average of \$193,953. In 2000, there were 39,801 owner occupied housing units in your area and there were 15,872 renter occupied housing units in your area. The median rent at the time was \$363.



## Employment

In 2017, there are 53,921 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 55.03% of employees are employed in white-collar occupations in this geography, and 45.04% are employed in blue-collar occupations. In 2017, unemployment in this area is 8.12%. In 2000, the average time traveled to work was 22.00 minutes.





## RITE AID

4914 Youngstown-Poland Road  
Youngstown, OH 44514

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