

OFFERING MEMORANDUM



BELLEVILLE, MICHIGAN

Marcus & Millichap

RITE AID

BELLEVILLE, MI

EXCLUSIVELY LISTED BY

ZACHARY TURNER

Associate
National Retail Group
COLUMBUS
Phone: (614) 360-9032
Fax: (614) 474-1696
Zachary.Turner@marcusmillichap.com
License: OH SAL.2018003592

SCOTT WILES

Senior Vice President Investments
Executive Director, National Retail Group
CLEVELAND
Phone: (216) 264-2026
Fax: (216) 264-2010
Scott.Wiles@marcusmillichap.com
License: OH SAL.2005013197

SIMON JONNA

Executive Managing Director Investments
National Retail Group
DETROIT
Phone: (248) 415-2625
Fax: (248) 415-2610
Simon@thejonnagroup.com
License: MI 6501323918

RAYMOND JONNA

Associate
National Retail Group
DETROIT
Phone: (248) 415-3018
Fax: (248) 415-2610
Raymond@thejonnagroup.com
License: MI 650137188

ERIN PATTON

Senior Vice President Investments
Executive Director, National Retail Group
COLUMBUS
Phone: (614) 360-9035
Fax: (614) 474-1696
Erin.Patton@marcusmillichap.com
License: OH SAL.2004010274

CRAIG FULLER

Senior Vice President Investments
Executive Director, National Retail Group
CLEVELAND
Phone: (216) 264-2043
Fax: (216) 264-2010
Craig.Fuller@marcusmillichap.com
License: OH SAL.2008001551

Marcus & Millichap

OFFICES NATIONWIDE AND THROUGHOUT CANADA

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Marcus & Millichap

EXECUTIVE SUMMARY

RITE AID

51341 W. Huron River Drive
Belleville, MI 48111



RENT SCHEDULE

Base Term	Annual Rent	Monthly Rent	CAP Rate
Current - 2/28/2021	\$317,360	\$26,446.67	8.00%
Years 16-20	\$328,540	\$27,378.33	8.28%

Option Terms	Annual Rent	Monthly Rent	CAP Rate
1st Option: Years 21-25	\$339,720	\$28,310.00	8.56%
2nd Option: Years 26-30	\$350,900	\$29,241.67	8.85%
3rd Option: Years 31-35	\$362,080	\$30,173.33	9.13%
4th Option: Years 36-30	\$373,260	\$31,105.00	9.41%
5th Option: Years 41-45	\$384,440	\$32,036.67	9.69%
6th Option: Years 46-50	\$395,620	\$32,968.33	9.97%

OFFERING SUMMARY

Offering Price	\$3,967,000
Cap Rate	8.00%
Current Annual Rent	\$317,360
Gross Leasable Area (GLA)	12,500 SF
Price/SF	\$317.36
Year Built	2005
Lot Size	1.40 Acres

LEASE SUMMARY

Legal Tenant	Perry Drug Stores, Inc
Lease Type	Double Net
Roof & Structure	Landlord Responsible
Ownership Interest	Fee Simple
Lease Guaranty Type	Full Corporate Guaranty
Guarantor Entity	RITE AID CORPORATION, a Delaware corporation
Original Lease Term	20 Years
Lease Commencement Date	2/27/2006
Rent Commencement Date	2/27/2006
Lease Expiration Date	2/28/2026
Remaining Lease Term	6 years, 7 Months
Renewal Options	Six, 5-Year Options
Rent Increases	\$0.89/SF every 5 years
Sales Reporting	None
Percentage Rent	None
Option to Terminate	None
Option to Purchase	None
Right of First Refusal	Yes, ROFR (30 Days)

DEMOGRAPHIC SUMMARY

	1 Mile	3 Miles	5 Miles
2018 Population	2,695	33,117	92,509
2023 Population Projection	2,867	34,723	97,782
2018 Households	1,089	13,596	37,467
2023 Households Projection	1,161	14,259	39,713
Average Household Income	\$87,783	\$71,637	\$70,382
Median Household Income	\$59,731	\$54,249	\$53,493

INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership as its exclusive advisor, is pleased to market for sale, Rite Aid in Belleville, Michigan. The subject property measures 12,500 square feet and is situated on 1.40 acres. Rite Aid was built-to-suit in 2005 and occupied a freestanding prototypical masonry building with a drive-thru. This asset holds a corporate guarantee from Rite Aid Corporation, who is listed on the NYSE under ticker symbol 'RAD,' and is currently ranked 107 on the Fortune 500. Rite Aid is encumbered by a Double Net lease wherein landlord is only responsible for Roof & Structure. Tenant is responsible for all other expenses including parking lot replacement. With an original lease commencing in February 2006, prospective purchasers can obtain this asset with 6.5 years remaining of base term. In 2022, base rent will increase by 4%, affectively increasing the going in CAP to 8.28%. Accompanying the initial 20-year term are six, 5-year options, all of which contain increases of \$0.89/SF.

Rite Aid is located at the hard corner of W. Huron Dr and Rawsonville Rd which combine to see over 31,305 vehicles per day. Demographics are stable and mature with population counts of 33,317 within 3-miles and 92,509 within 5-miles. Average household income within 1-mile is well above the national average at \$87,783 and remains high at the 3- & 5-mile radii at \$71,673 and \$70,382 respectively. The subject property shares ingress and egress with the neighboring shopping center which includes Marco's Pizza, Family Dollar, Cricket Wireless and The Lakes Dental Care. Other retailers and traffic drivers in the area include the adjacent 7-11, Joe's Coney Island, Mr. Pizza, and the Ford Rawsonville Plant. This asset is also less than 15-minutes from the Detroit Metropolitan Wayne County Airport.

Belleville is part of the Detroit Metropolitan Statistical Area, the 13th-largest MSA in the United States. The metro is a nearly 4,000-square-mile region composed of six counties: Wayne, Macomb, Lapeer, Oakland, St. Clair and Livingston. More than 4.3 million residents reside in the area and after years of declining population, the metro is adding residents again as employers and development expand. Wayne is the most populated county, followed by Oakland County. Detroit is the largest city with nearly 700,000 residents.

INVESTMENT HIGHLIGHTS

- ▶ 12,500 SF Rite Aid in Belleville, MI (Part of Detroit MSA – Population Count of Over 4.3M)
- ▶ 6.5 Years Remaining with Six 5-year Options
- ▶ Minimal Landlord Responsibility: Landlord Responsible for Roof & Structure, Tenant Responsible for All other Expenses, Including Parking Lot/Sidewalk Replacement
- ▶ Hard Corner Location Seeing Over 33,000 Vehicles Per Day
- ▶ Strong Immediate Demographics: AHHI \$87,783 and Population Counts of 33,317 within 3-Miles and 92,509 within 5-Miles
- ▶ Corporate Guarantee from Rite Aid Corporation - NYSE Ticker Symbol (RAD), Ranked 107 on the Fortune 500
- ▶ Neighboring Retailers & Traffic Drivers Include 7-11, Marco's Pizza, Family Dollar, Cricket Wireless, Joe's Coney Island, Mr. Pizza, and the Ford Rawsonville Plant





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TENANT OVERVIEW & PROPERTY DETAILS



Rite Aid Corporation, through its subsidiaries, operates a chain of retail drugstores in the United States. The company operates through two segments, Retail Pharmacy and Pharmacy Services. The Retail Pharmacy segment sells prescription drugs and an assortment 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 provides preventative services, such as screenings, medical tests, immunizations, and basic physical exams.

As of April 11, 2019, the company operated 2,469 stores in 18 states. Rite Aid Corporation was founded in 1927 and is headquartered in Camp Hill, Pennsylvania.

TENANT OVERVIEW

Ownership	Public
Stock Symbol & Exchange	RAD (NYSE)
Revenue	\$21.6 Billion
Market Capitalization	\$493.071 Million
Credit Rating & Rating Agency	B3 (Moody's)
Fortune 500 Rank	#107
Number of Locations	2,469
Headquartered	Camp Hill, PA

THE OFFERING

Tenant	Rite Aid
Property Address	51341 W. Huron River Drive Belleville, MI 48111

SITE DESCRIPTION

Parking	68 Spaces Available
Parking Ratio	5.44 : 1,000 SF
Topography	Level

PARCELS

Number of Tax Parcels	One
Parcel Number(s)	83-118-99-0021-704

CONSTRUCTION

Foundation	Concrete Slab
Framing	Steel
Exterior	Masonry
Parking Surface	Asphalt
Roof	Flat Rubber Composite

MECHANICAL

HVAC	Roof Mounted
Fire Protection	To Code
Utilities	All Local Providers

ZONING

PUD	Commercial
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ACCESS POINTS

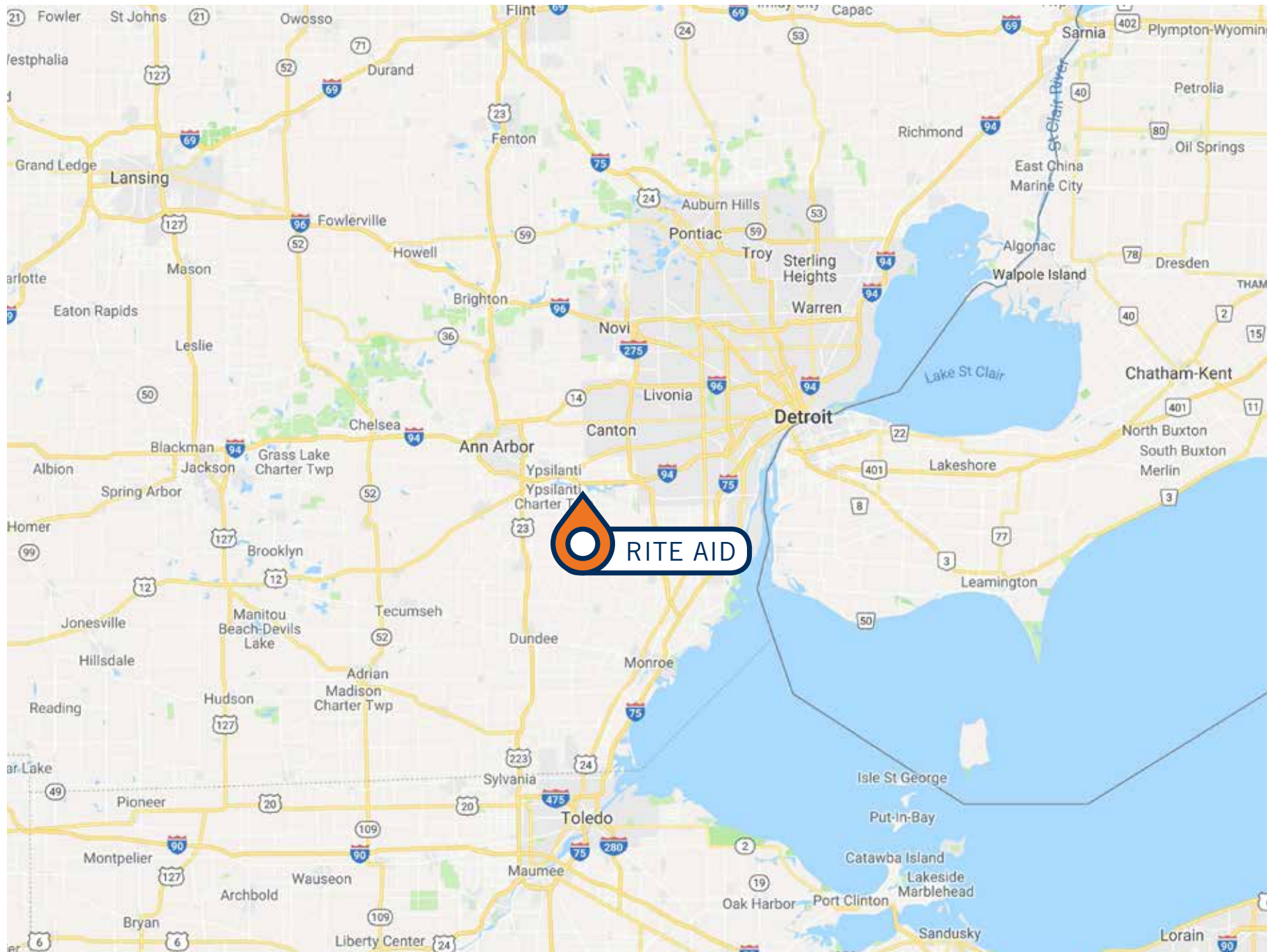
The property is accessed by one entrance on W. Huron River Drive and two entrances with neighboring strip center parking lot.

TENANT/LANDLORD RESPONSIBILITIES

Roof Repairs & Replacement	Landlord Responsible
Structure - Foundation, Sub-Floor, Exterior Walls	Landlord Responsible
Utility Tie-Ins & Sewage Line Repairs & Replacement	Landlord Responsible
Parking Lot, Driveway, Sidewalk, Curb Replacement	Tenant Responsible
Parking Lot Resurfacing/Overlay	Tenant Responsible
Parking Lot Striping & Sealcoating	Tenant Responsible
Parking Lot & Exterior Building Lighting	Tenant Responsible
Sidewalk, Curb & Driveway Repair	Tenant Responsible
HVAC Replacement	Tenant Responsible
HVAC Repairs & Maintenance	Tenant Responsible
HVAC Maintenance - Service Contract	Tenant Responsible
Utilities	Tenant Responsible
Real Estate Taxes	Tenant Responsible
Fire Insurance	Tenant Holds Policy
Liability Insurance	Both Landlord & Tenant Have Liability Insurance
Common Area Maintenance	Tenant Responsible
Landscaping & Lawn care	Tenant Responsible
Snow/Ice Removal & Salting	Tenant Responsible
Parking Lot Sweeping	Tenant Responsible
Plate Glass & Doors	Tenant Responsible
Fire Sprinkler System	Tenant Responsible
Janitorial	Tenant Responsible
Trash Removal / Dumpster	Tenant Responsible



REGIONAL MAP



cricket
wireless

FAMILY
DOLLAR

marco's
Pizza

SUBWAY

H&R BLOCK

FANTASTIC SAMS
CUT & COLOR

7
ELEVEN

RITE
AID



20,737 VPD — RAWSONVILLE ROAD

9,837 VPD

TEXTILE ROAD

30,574 VPD
AT INTERSECTION

PARCEL MAP & TAX SUMMARY

PROPERTY NAME HERE // PROPERTY ANALYSIS



PARCEL

	ACREAGE	PARCEL NUMBER (APN)	APPRAISED VALUE	2018 TAXES (PAYABLE 2019)	EFFECTIVE TAX RATE
Rite Aid	1.40	83-118-99-0021-704	\$778,600	\$38,959.38	5.00%

**All Data Per Wayne County Auditor*

RETAILER AERIAL





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DEMOGRAPHIC HIGHLIGHTS



92,509

POPULATION WITHIN 5 MILES



\$70,382

AVERAGE HOUSEHOLD INCOME
IN 5-MILE RADIUS



37,467

HOUSEHOLDS WITHIN 5 MILES

DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2018 Estimate Total Population	2,695	33,117	92,509
2023 Projection Total Population	2,867	34,723	97,782
2010 Census Total Population	2,732	32,306	91,238
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2018 Estimate Total Households	1,089	13,596	37,467
2023 Projection Total Households	1,161	14,259	39,713
2010 Census Total Households	1,102	13,289	36,967
Owner Occupied Total Households	873	8,147	22,948
Renter Occupied Total Households	216	5,448	14,518
HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2018 Estimate			
Under - \$25,000	16.6%	19.8%	21.5%
\$25,000 - \$34,999	8.6%	10.1%	10.2%
\$35,000 - \$49,999	16.2%	16.3%	15.3%
\$50,000 - \$74,999	21.0%	19.7%	18.9%
\$75,000 - \$99,999	12.8%	13.9%	13.7%
\$100,000 - \$124,999	8.7%	9.0%	9.1%
\$125,000 - \$149,999	5.5%	4.6%	4.9%
\$150,000 or More	10.7%	6.6%	6.4%
Average Household Income	\$87,783	\$71,637	\$70,382
Median Household Income	\$59,731	\$54,249	\$53,493

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
Population By Age			
2018 Estimate Total Population	2,695	33,117	92,509
Under 20 Years	23.6%	26.2%	26.1%
20 - 24 Years	6.2%	8.6%	8.7%
25 - 34 Years	12.2%	15.8%	15.2%
35 - 44 Years	13.4%	14.0%	14.0%
45 - 54 Years	14.8%	12.5%	12.7%
55 - 64 Years	16.6%	12.1%	11.8%
65+ Years	13.3%	10.9%	11.5%
Median Age			
Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,895	21,596	60,331
Elementary (0-8)	0.5%	1.1%	1.7%
Some High School (9-11)	8.9%	7.4%	7.7%
High School Graduate (12)	23.8%	26.0%	25.7%
Associates Degree Only	9.1%	9.6%	8.8%
Bachelors Degree Only	16.9%	17.3%	17.8%
Graduate Degree	14.3%	10.9%	10.4%
Some College, No Degree	25.9%	27.0%	26.9%
Population by Gender			
2018 Estimate Total Population	2,695	33,117	92,509
Female Population	1,368	17,185	47,563
Male Population	1,327	15,932	44,947



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PRESENTED BY

ZACHARY TURNER

Associate
National Retail Group
COLUMBUS
Phone: (614) 360-9032
Fax: (614) 474-1696
Zachary.Turner@marcusmillichap.com
License: OH SAL.2018003592

SCOTT WILES

Senior Vice President
Executive Director,
National Retail Group
CLEVELAND
Phone: (216) 264-2026
Fax: (614) 474-1696
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License: OH SAL.2005013197

SIMON JONNA

Executive Managing
Director Investments
National Retail Group
DETROIT
Phone: (248) 415-2625
Fax: (248) 415-2610
Simon@thejonnagroup.com
License: MI 6501323918

RAYMOND JONNA

Associate
National Retail Group
DETROIT
Phone: (248) 415-3018
Fax: (248) 415-2610
Raymond@thejonnagroup.com
License: MI 650137188

ERIN PATTON

Senior Vice President
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National Retail Group
COLUMBUS
Phone: (614) 360-9035
Fax: (614) 474-1696
Erin.Patton@marcusmillichap.com
License: OH SAL.2004010274

CRAIG FULLER

Senior Vice President
Executive Director,
National Retail Group
CLEVELAND
Phone: (216) 264-2043
Fax: (614) 474-1696
Craig.Fuller@marcusmillichap.com
License: OH SAL.2008001551