

GENDRON

COMMERCIAL BOSTON

Walgreens Pharmacy

311 Main Street, Lewiston, ME 04240



John Gendron, CCIM

207-939-8500

johngendron@me.com

**John Gendron, CCIM**

Gendron Commercial Boston | New York, NY

P: 207-939-8500

John R. Gendron is a commercial real estate broker specializing in the selling, leasing and development of all types of commercial properties. He earned the designation of CCIM (Certified Commercial Investment Member) and holds several real estate broker licenses including Maine, New Hampshire, New York, Massachusetts, Florida and Connecticut. He is a past President, Vice President and Treasurer of the York County Board of Realtors, past President of Maine Homebuilders Association, past Director of the State of Maine Realtors Association, past Director of Portland Chamber of Commerce, past Director of Greater Portland Landmarks; past Member of Mercy Hospital Board of Trustees, and past Director of McAuley Residence.

John Gendron has represented CVS & Rite Aid as a preferred Broker and preferred developer during the 90s and 2000s. John represented CVS and Rite Aid (at different time periods), primarily in Maine and New Hampshire for several years.

John has also represented numerous national companies over the years (I.E. Gannet Corp, Home Depot and many more)!

ANALYSIS

Analysis Date	August 2019
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PROPERTY

Property Type	Commercial
Property	Walgreens Pharmacy
Property Address	311 Main Street, Lewiston, ME 04240
Year Built	1966

PURCHASE INFORMATION

Purchase Price	\$2,200,000
Fair Market Value	\$2,200,000
Tenants	1
Total Rentable Sq. Ft.	10,692
Resale Valuation	2.000% (annual appreciation)
Resale Expenses	4.000%

INCOME & EXPENSE

Gross Operating Income	\$163,944
Monthly GOI	\$13,662
Total Annual Expenses	(\$18,915)
Monthly Expenses	(\$1,576)

FINANCIAL INFORMATION

Down Payment	\$550,000
Closing Costs	\$75,000
LT Capital Gain	35.00%
Federal Tax Rate	35.00%
State Tax Rate	7.9500%
Discount Rate	6.00%

LOANS

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Fixed	\$1,650,000	25 years	25 years	4.00000%	\$8,709	



Subject property is located at 311 Main St. in Lewiston, Maine. Now operating as a Walgreens Pharmacy, former Rite Aid has been operating at this site since 1992. Currently, Walgreens is in the 4th renewal option expiring in 2022 with 1 more 5 year renewal option left. Rent increases in each option period. The lease is a rare base combined with percentage rent (2.5% of gross annual sales minus cigarette sales) .

Land Area: 1.11 Acres

Landlord is responsible for the roof and structure.

Current rent schedule:

06/01/2017-05/31/2022- \$148,931.70

06/01/2022-05/31/2027- \$178,718.04

Surrounding neighborhood businesses include Central Maine Medical Center (located across the street) which is a 250 Bed hospital with approximately 300 providers and a II Trauma Center, Dunkin Donuts, 7-Eleven, Big Apple, Sam's Italian Foods, Androscoggin Bank, Lewiston Fire Department, and more!

Additionally, Seller owns lot next to the Walgreens that is also For Sale separately. Please contact John at 207-939-8500 for further information on this additional lot.

Seller also has made an agreement with Central Maine Medical Center for additional land use.



06/14/2018

Bob Connor
Lewiston Realty Limited Partnership
12 Brook Street

Wellesley, MA 02482-6601

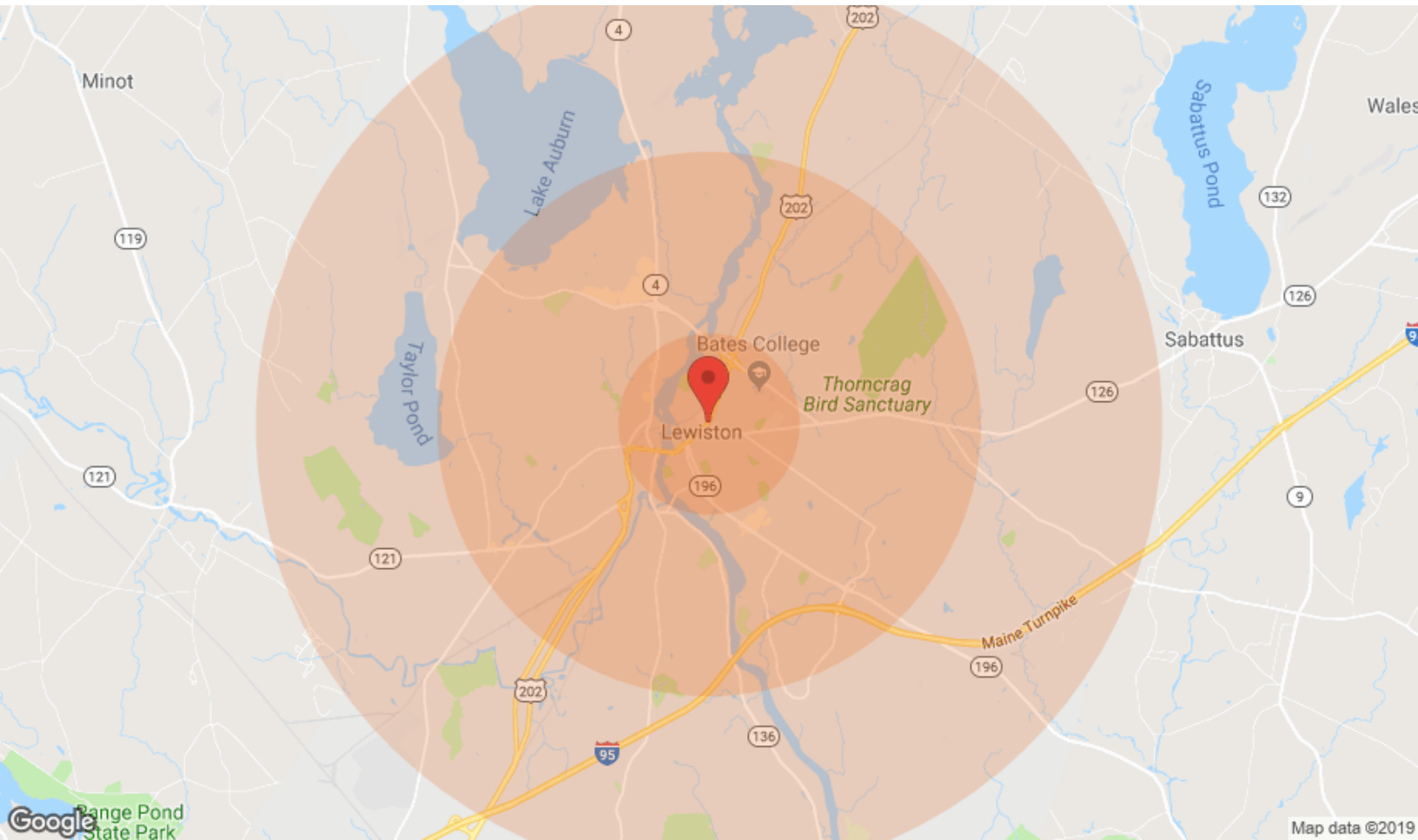
03300-01 - Lewiston, ME
315 Main Street

In accordance with the terms of your lease for the above mentioned location, payment has been calculated as follows. If you have any questions regarding these figures, please contact Jennifer Armermann at (717) 730-8316 or Jennifer.M.Armermann@riteaid.com or Malia Sonski at (717) 761-2633 x 8767 or Malia.Sonski@riteaid.com

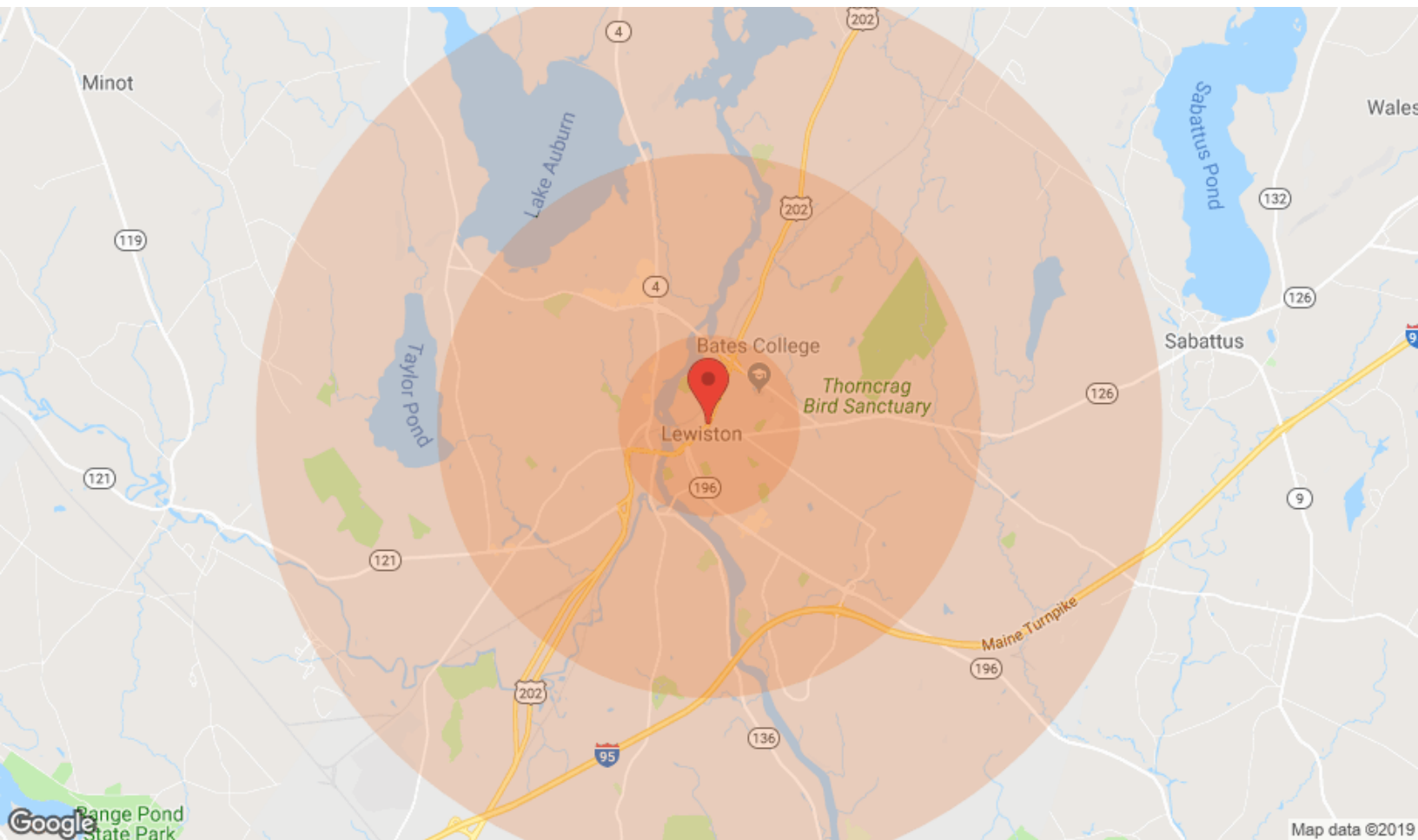
Period	Amount
06/2017	\$438,363.00
07/2017	\$416,687.00
08/2017	\$546,855.00
09/2017	\$446,330.00
10/2017	\$450,973.00
11/2017	\$563,102.00
12/2017	\$452,828.00
01/2018	\$424,989.00
02/2018	\$578,135.00
03/2018	\$455,750.00
04/2018	\$482,874.00
05/2018	\$592,699.00
Sales Total :	\$5,849,585.00
Breakpoint :	\$5,957,267.97
Difference :	\$0.00
Percent Rent Factor :	2.50 %
Percentage Rent Value :	\$0.00
Total Percentage Rent Value :	\$0.00
Less Prior Billings :	\$0.00
Less Recapture/Deductions :	\$0.00
Total Recaptures :	\$0.00
Percentage Rent Due :	\$0.00

I certify that the above information is a true and correct statement of sales made from the premises at the above location for the reported period of time.

Jonathan A Rudy
Senior Director, Real Estate Accounting



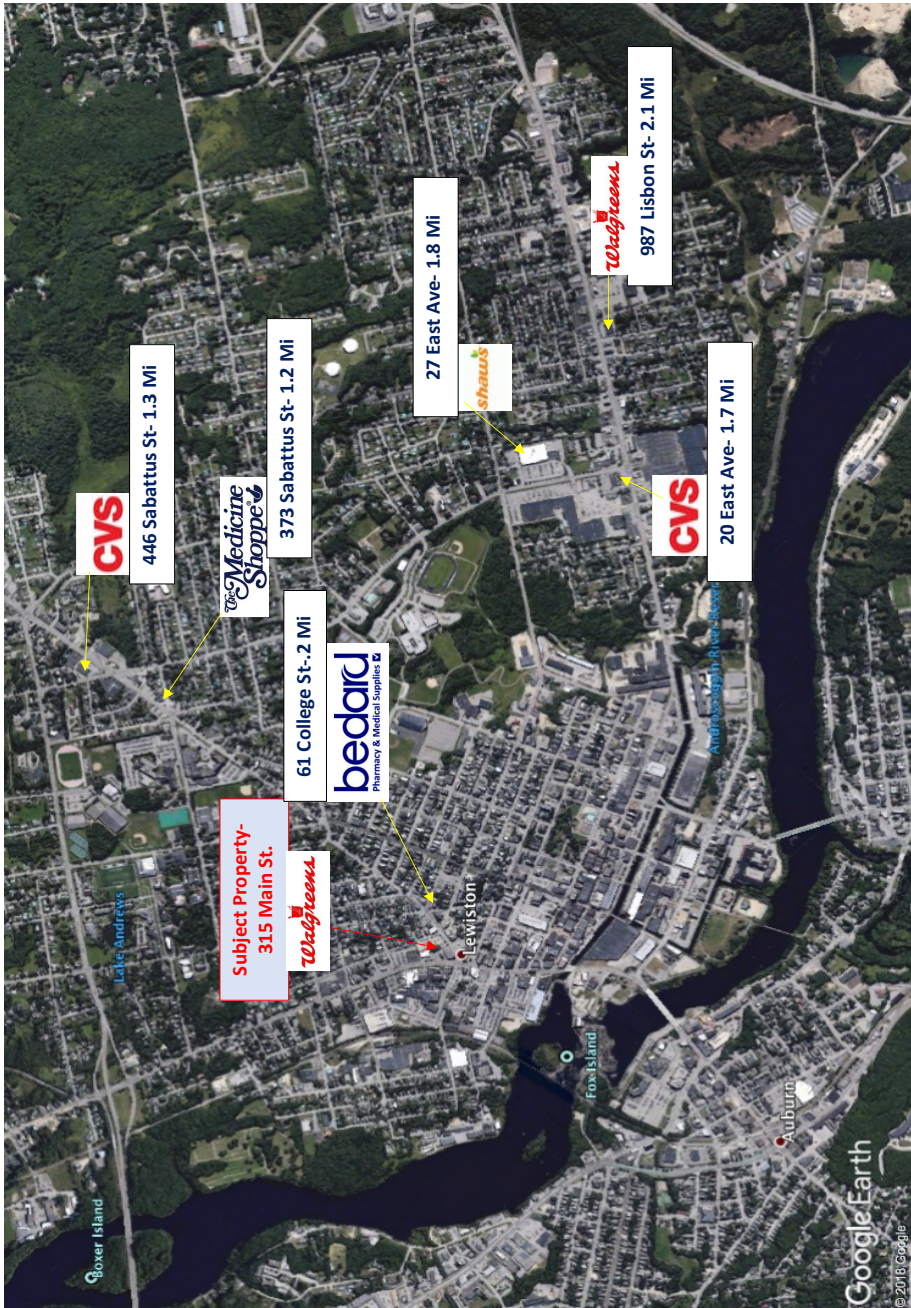
Population	1 Mile	3 Mile	5 Mile
Male	8,418 (49.40 %)	23,261 (48.63 %)	28,632 (48.43 %)
Female	8,621 (50.60 %)	24,569 (51.37 %)	30,489 (51.57 %)
Total Population	17,039	47,830	59,121
Race Demographics	1 Mile	3 Mile	5 Mile
Population Non Hispanic White	13,400	41,816	52,948
Population Black	2,920	4,664	4,708
Population Am In/Ak Nat	4	5	7
Housing	1 Mile	3 Mile	5 Mile
Housing Units	7,673	21,699	26,608
Occupied Units	6,670	19,564	24,178
Owner Occupied Units	1,091	8,705	12,418
Renter Occupied Units	5,579	10,859	11,760
Vacant Units	1,003	2,135	2,430



Household Income	1 Mile	3 Mile	5 Mile
Median Income	\$23,744	\$37,527	\$39,913
Less than \$10,000	1,933	2,613	2,703
\$10,000 - \$14,999	992	2,052	2,225
\$15,000 - \$19,999	622	1,513	1,741
\$20,000 - \$24,999	705	1,747	1,987
\$25,000 - \$29,999	330	1,186	1,571
\$30,000 - \$34,999	400	1,205	1,548
\$35,000 - \$39,999	395	1,191	1,462
\$40,000 - \$44,999	328	1,067	1,352
\$45,000 - \$49,999	188	917	1,173
\$50,000 - \$59,999	404	1,466	1,720
\$60,000 - \$74,999	274	1,889	2,570
\$75,000 - \$99,999	313	1,821	2,541
\$100,000 - \$124,999	122	792	1,162
\$125,000 - \$149,999	40	250	425
\$150,000 - \$199,999	83	421	502
Greater than \$200,000	N/A	147	280

Age Breakdown	1 Mile	3 Mile	5 Mile
Ages 0-4	1,305 (7.66 %)	3,051 (6.38 %)	3,575 (6.05 %)
Ages 5-9	1,460 (8.57 %)	3,514 (7.35 %)	4,190 (7.09 %)
Ages 10-14	1,226 (7.20 %)	3,116 (6.51 %)	3,760 (7.09 %)
Ages 15-19	1,124 (6.60 %)	2,989 (6.25 %)	3,641 (6.16 %)
Ages 20-24	1,110 (6.51 %)	3,023 (6.32 %)	3,686 (6.23 %)
Ages 25-29	1,200 (7.04 %)	3,119 (6.52 %)	3,738 (6.32 %)
Ages 30-34	1,301 (7.64 %)	3,157 (6.60 %)	3,725 (6.30 %)
Ages 35-39	1,318 (7.74 %)	3,139 (6.56 %)	3,683 (6.23 %)
Ages 40-44	1,229 (7.21 %)	3,112 (6.51 %)	3,705 (6.27 %)
Ages 45-49	1,104 (6.48 %)	3,111 (6.50 %)	3,827 (6.47 %)
Ages 50-54	982 (5.76 %)	3,039 (6.35 %)	3,862 (6.53 %)
Ages 55-59	844 (4.95 %)	2,849 (5.96 %)	3,712 (6.28 %)
Ages 60-64	698 (4.10 %)	2,515 (5.26 %)	3,327 (5.63 %)
Ages 65-69	582 (3.42 %)	2,155 (4.51 %)	2,882 (4.87 %)
Ages 70-74	463 (2.72 %)	1,775 (3.71 %)	2,385 (4.03 %)
Ages 75-79	347 (2.04 %)	1,374 (2.87 %)	1,839 (3.11 %)
Ages 80-84	255 (1.50 %)	1,014 (2.12 %)	1,345 (2.27 %)
Ages 85+	491 (2.88 %)	1,778 (3.72 %)	2,239 (3.79 %)

311 MAIN ST. LEWISTON-COMPETITION MAP

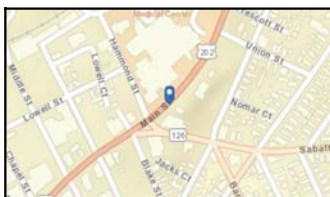
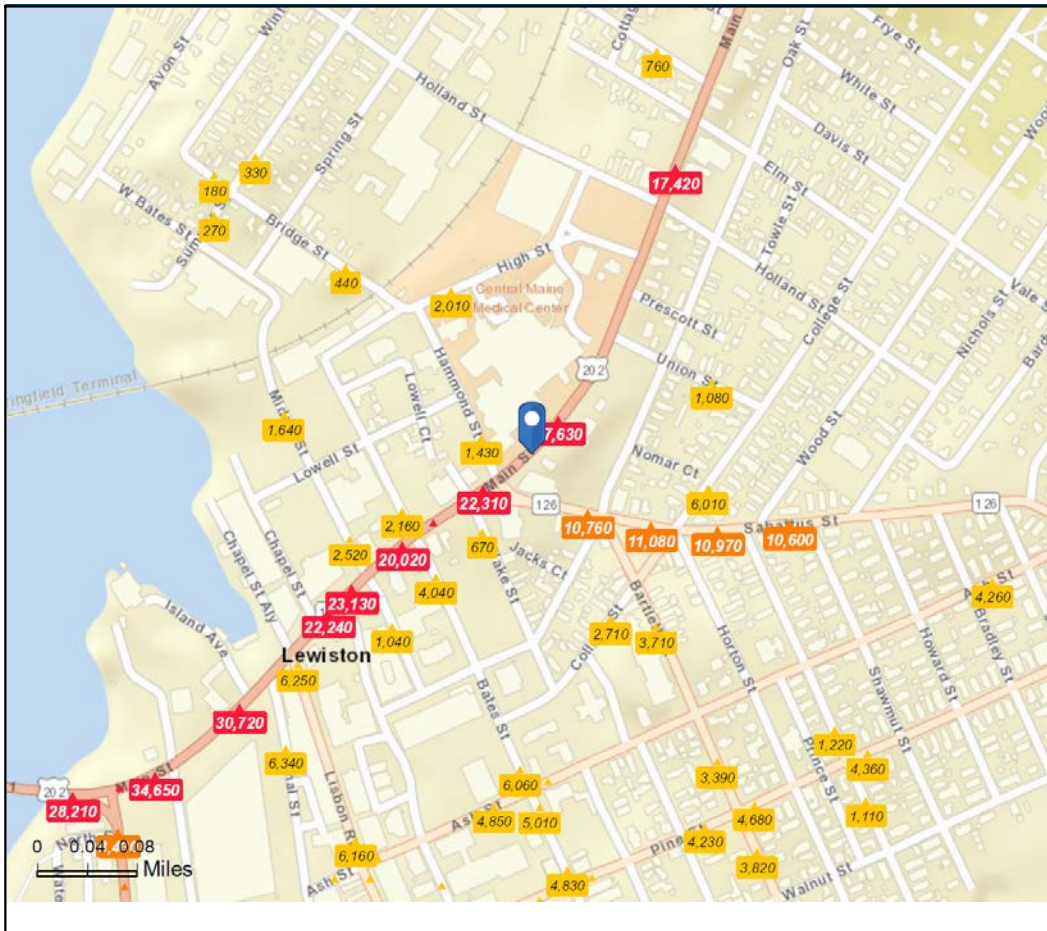




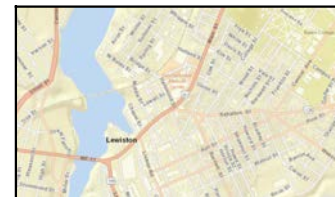
Traffic Count Map - Close Up

297 Main St, Lewiston, Maine, 04240
Rings: 1, 2, 3 mile radii

Prepared by Esri
Latitude: 44.10093
Longitude: -70.21440



Average Daily Traffic Volume
 ▲ Up to 6,000 vehicles per day
 ▲ 6,001 - 15,000
 ▲ 15,001 - 30,000
 ▲ 30,001 - 50,000
 ▲ 50,001 - 100,000
 ▲ More than 100,000 per day

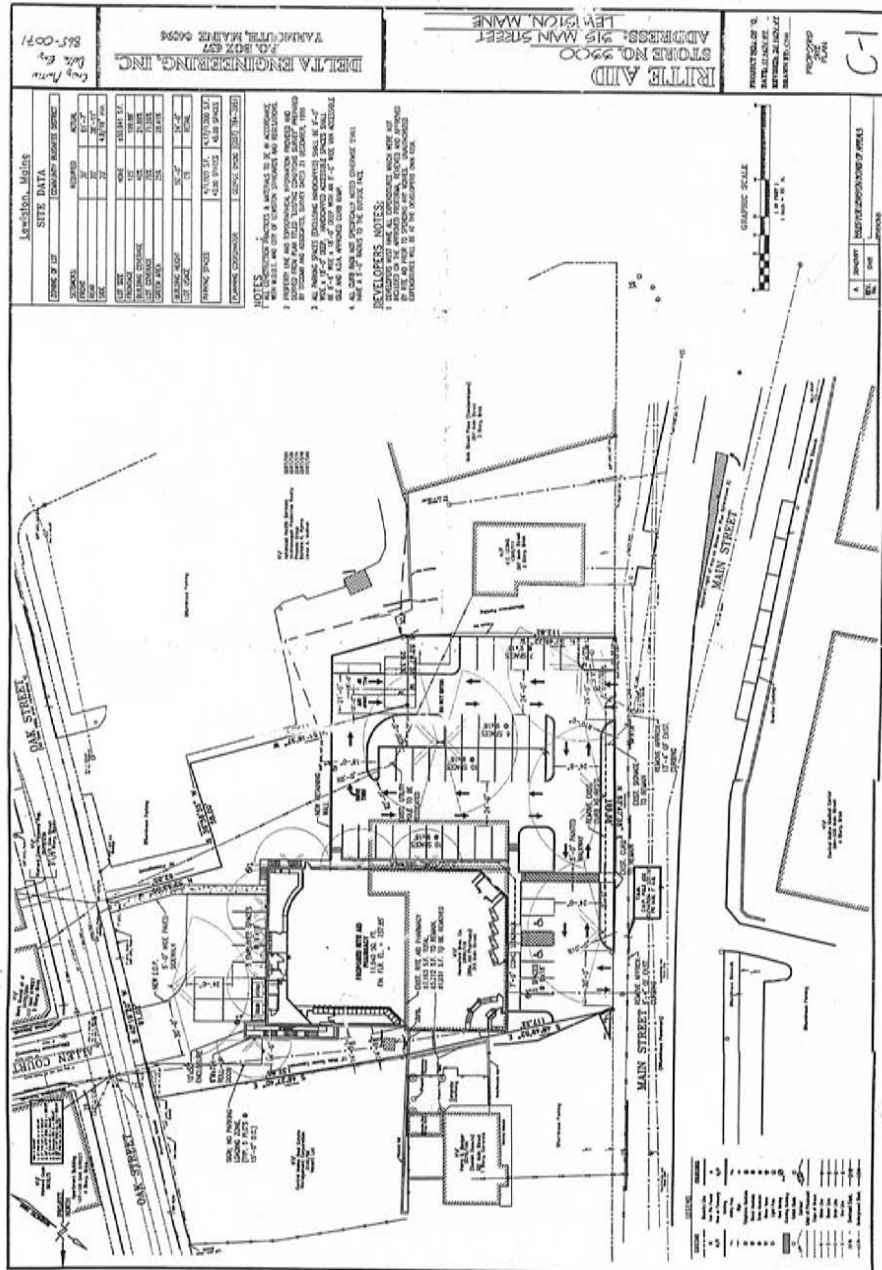


Source: ©2018 Kalibrate Technologies (Q2 2018).

October 24, 2018

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Page 1 of 1



ACQUISITION COSTS

Purchase Price, Points and Closing Costs	\$2,275,000
Investment - Cash	\$625,000
First Loan	\$1,650,000

INVESTMENT INFORMATION

Purchase Price	\$2,200,000
Price per Tenant	\$2,200,000
Price per Sq. Ft.	\$205.76

INCOME, EXPENSES & CASH FLOW

GROSS SCHEDULED INCOME	\$163,944
Total Vacancy and Credits	\$0
Operating Expenses	(\$18,915)
NET OPERATING INCOME	\$145,029
Debt Service	(\$104,512)
CASH FLOW BEFORE TAXES	\$40,517
AFTER TAX RESULTS *	
Total Interest (Debt Service)*	(\$65,286)
Depreciation and Amortization*	(\$55,897)
Taxable Income (Loss)*	\$23,846
Tax Savings (Costs)*	(\$10,242)
CASH FLOW AFTER TAXES*	\$30,275

FINANCIAL INDICATORS

Cash on Cash Return Before Taxes	6.48%
Optimal Internal Rate of Return (yr 9)	11.06%
Debt Coverage Ratio	1.39
Capitalization Rate	6.59%
Gross Income / Square Feet	\$15.33
Gross Expenses / Square Feet	(\$1.77)
Operating Expense Ratio	11.54%

ANNUAL PROPERTY OPERATING DATA

Walgreens Pharmacy
311 Main Street | Lewiston, ME 04240

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Rental Income	\$148,932	\$148,932	\$148,932	\$156,378	\$178,719	\$178,719	\$178,719	\$178,719	\$179,612	\$183,204
Tax & Ins. Escrow	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012
GROSS SCHEDULED INCOME	\$163,944	\$163,944	\$163,944	\$171,390	\$193,731	\$193,731	\$193,731	\$193,731	\$194,624	\$198,216
GROSS OPERATING INCOME	\$163,944	\$163,944	\$163,944	\$171,390	\$193,731	\$193,731	\$193,731	\$193,731	\$194,624	\$198,216
Expenses										
Replacement Reserves	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)
Insurance	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)
RE Taxes	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)
Stormwater Charges	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)
TOTAL OPERATING EXPENSES	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)
NET OPERATING INCOME	\$145,029	\$145,029	\$145,029	\$152,476	\$174,816	\$174,816	\$174,816	\$174,816	\$175,710	\$179,302

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	13.69	13.96	14.24	13.89	12.54	12.79	13.04	13.31	13.51	13.53
Capitalization Rate	6.59%	6.59%	6.59%	6.93%	7.95%	7.95%	7.95%	7.95%	7.99%	8.15%
Cash On Cash Return b/t	6.48%	6.48%	6.48%	7.67%	11.25%	11.25%	11.25%	11.25%	11.39%	11.97%
Cash On Cash Return a/t	4.84%	4.90%	4.79%	5.35%	7.26%	7.13%	7.00%	6.86%	6.80%	6.81%
Debt Coverage Ratio	1.39	1.39	1.39	1.46	1.67	1.67	1.67	1.67	1.68	1.72
Gross Income per Sq. Ft.	\$15.33	\$15.33	\$15.33	\$16.03	\$18.12	\$18.12	\$18.12	\$18.12	\$18.20	\$18.54
Expenses per Sq. Ft.	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)
Net Income Multiplier	15.47	15.78	16.10	15.62	13.89	14.17	14.46	14.74	14.96	14.96
Operating Expense Ratio	11.54%	11.54%	11.54%	11.04%	9.76%	9.76%	9.76%	9.76%	9.72%	9.54%
Loan To Value Ratio	71.78%	68.59%	65.43%	62.29%	59.17%	56.08%	53.00%	49.95%	46.92%	43.90%

* b/t = before taxes; a/t = after taxes

LOAN ANALYSIS

Walgreens Pharmacy
311 Main Street | Lewiston, ME 04240

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
LOAN 1										
Debt Service Analysis										
Principal Payments	\$39,226	\$40,824	\$42,487	\$44,218	\$46,019	\$47,894	\$49,846	\$51,876	\$53,990	\$56,190
Interest Payments	\$65,286	\$63,688	\$62,025	\$60,294	\$58,492	\$56,617	\$54,666	\$52,635	\$50,522	\$48,322
Total Debt Service	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512
Principal Balance Analysis										
Beginning Principal Balance	\$1,650,000	\$1,610,774	\$1,569,951	\$1,527,464	\$1,483,246	\$1,437,226	\$1,389,332	\$1,339,486	\$1,287,610	\$1,233,620
Principal Reductions	\$39,226	\$40,824	\$42,487	\$44,218	\$46,019	\$47,894	\$49,846	\$51,876	\$53,990	\$56,190
Ending Principal Balance	\$1,610,774	\$1,569,951	\$1,527,464	\$1,483,246	\$1,437,226	\$1,389,332	\$1,339,486	\$1,287,610	\$1,233,620	\$1,177,430



Richard Steiner, Director and Managing Counsel
Real Estate Law
Walgreen Co.
104 Wilmot Road, MS 144G
Deerfield, IL 60015
P 847-315-4543 F 847-315-4825
rich.steiner@walgreens.com
www.walgreens.com

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

January 22, 2018

Bob Connor
Lewiston Realty Limited Partnership
12 Brook Street
Wellesley, MA 02482-6601

Re: Rite Aid ("Rite Aid") Store No. 03300-Walgreens Store No. 17136// Lease, as may be amended from time to time (the "Lease") the current parties to which are Lewiston Realty Limited Partnership ("Landlord") and Rite Aid of Maine, Inc. ("Tenant") of the real property commonly known as 315 Main Street, Lewiston, ME (the "Premises")

Dear Landlord:

With regard to the above-referenced Lease, please be aware that the Lease was assigned from Tenant to Walgreen Co., an Illinois corporation and then was further assigned from Walgreen Co. to Walgreen Eastern Co., Inc., a New York corporation that is a wholly-owned subsidiary of Walgreen Co., effective as of the date of the relevant Bill of Sale, Assignment and Assumption Agreement (the "Assignment Agreement"). I am enclosing for your reference and convenience a copy of the relevant Assignment Agreement and the Contribution Agreement by which Walgreen Co. assigned its interest in the Lease to Walgreen Eastern Co., Inc. (which has been redacted to remove certain other locations). Additionally, further information (including explanation of certain defined terms in the Assignment Agreement) may be found in the public SEC filings of Walgreens Boots Alliance, Inc., including without limitation, the Form 8-K filed September 19, 2017 which can be viewed at the following link:

<http://investor.walgreens.com/secfiling.cfm?filingID=1193125-17-287813&CIK=1618921>.

Please note that despite the foregoing assignment, in order to effectuate a smooth and timely transition of the management of this and other leases, on a temporary basis Rite Aid will continue to process payment of all payment obligations under the Lease on behalf of Walgreens. As such, until such time as Landlord receives further direction or notice from Walgreens, Landlord is hereby directed to continue to send all rent, CAM, real estate tax and other invoices pertaining to the payment obligations under the Lease to Rite Aid in accordance with current process and practices.



Other than the foregoing, please reference the following Walgreens contacts for your needs:

SNDA/Estoppel Requests: Walgreen Eastern Co.
Attn: SNDA/Estoppel request, Store #17136
104 Wilmot Road, MS 144G
Deerfield, IL 60015

Property Management (Western): Walgreen Eastern Co./Real Estate Department
Attn: Laurie Hodge, Store #17136
106 Wilmot Road, MS 1640
Deerfield, IL 60015
Laurie.Hodge@walgreens.com

Property Management (Eastern): Walgreen Eastern Co./Real Estate Department
Attn: Irma Drozek, Store #17136
106 Wilmot Road, MS 1640
Deerfield, IL 60015
Irma.Drozek@walgreens.com

Legal Notices: Walgreen Eastern Co.
Attn: Real Estate Law Department, Store #17136
104 Wilmot Road, MS 144G
Deerfield, IL 60015

Additionally, evidence of the insurance coverages obtained by Tenant can be obtained at the following link: www.walgreens.com/insurance.

Sincerely,

Walgreen Eastern Co.

A handwritten signature in blue ink, appearing to read "Richard N. Steiner".

Richard N. Steiner,
Director and Managing Counsel