

# Marcus & Millichap

THE IACONO TEAM

## Rite Aid • Offering Memorandum

101 5<sup>th</sup> Street, Charleroi, PA 15022



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RITE AID – CHARLEROI, PA  
ACT ID Z0281076



An aerial photograph of a city street scene. On the left, a dark blue semi-transparent overlay contains white text. The right side of the image shows a street with a large parking lot filled with cars. A Rite Aid store is visible on the right side of the street, with a sign that reads "RITE AID PHARMACY". The street is lined with buildings and trees. The overall scene is a high-angle view of an urban environment.

INVESTMENT OVERVIEW

SECTION

01

FINANCIAL OVERVIEW

02

LOCATION OVERVIEW

03

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# INVESTMENT OVERVIEW

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OFFERING PRICE	CAP RATE	TERM REMAINING
<b>\$1,250,000</b>	<b>6.78%</b>	<b>2.7 Years</b>

#### Vital Data

Price	\$1,250,000
Cap Rate	6.78%
Price / SF	\$96.15
Rent / SF	\$6.52
Net Operating Income	\$84,700
Gross Leasable Area	13,000 Sq. Ft.
Year Built / Renovated	1999
Lot Size	1.20 acres
Lease Type	NNN



#### LOCATION HIGHLIGHTS



101 5<sup>th</sup> Street  
Charleroi, PA



48,315  
5-Mile Population



\$60,403  
5-Mile Average Income



21,444  
5-Mile Estimated Households



6,643  
Vehicles Per Day



Marcus and Millichap is pleased to present a Rite Aid in Charleroi, PA. The property is subject to a NNN corporately guaranteed lease. There are 2.7 years remaining on the base term and four 5 year option periods available. Rite Aid has already exercised two of their six available option periods demonstrating a strong commitment to the location. The lease calls for rental increases of 10% in each option period.

Rite Aid operates a chain of 2,500 retail drugstores across 19 US states. The company operates through two segments, Retail Pharmacy and Pharmacy Services. Retail Pharmacy and Pharmacy Services. The Retail Pharmacy segment sells prescription drugs and an assortment of other merchandise, including over-the-counter medications, 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. Rite Aid is currently ranked number 107 on the Fortune 500 list.

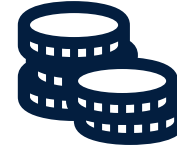
The subject property is located in the Downtown area of Charleroi. National tenants nearby include McDonald's, Subway, Citizens Bank, Dollar General and more. In addition, there are many local retailers. Rite Aid is ideally positioned near three bus stops. There are over 48,000 people residing within 5 miles.

### Investment Highlights

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- NNN Lease
- Corporate Guarantee
- Below Market Rent
- Rite Aid has already Exercised 2 of 6 Available Options
- Located on a Hard Corner and Signalized Intersection
- 10% Rent Increases in each Option





2019 REVENUE: \$21.6B

\*2019 Fiscal Year Statement



NYSE:  
RAD



2,500+  
LOCATIONS



FOUNDED IN  
1962



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, 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.

Rite Aid is currently ranked 107 on the Fortune 500 list. The company operates roughly 2,500 stores in 19 states. Rite Aid Corporation was founded in 1962 and is headquartered in Camp Hill, Pennsylvania.





# FINANCIAL OVERVIEW

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Offering Summary	
Property Address	101 5 <sup>th</sup> Street Charleroi, PA
Price	\$1,250,000
Current NOI	\$84,700
Cap Rate	6.78%
Price / SF	\$96.15
Rent / SF	\$6.52

Property Description	
Year Built / Renovated	1999
Gross Leasable Area	13,000 Sq. Ft.
Lot Size	1.20 acres
Type of Ownership	Fee Simple

Annualized Operating Data				
Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current	\$84,700	\$7,058	\$6.52	6.78%
5/1/2017-4/30/2022	\$84,700	\$7,058	\$6.52	6.78%
Option 3	\$93,170	\$7,764	\$7.17	7.45%
Option 4	\$102,487	\$8,541	\$7.88	8.20%
Option 5	\$112,736	\$9,395	\$8.67	9.02%
Option 6	\$124,007	\$10,334	\$9.54	9.92%

Lease Summary	
Property Subtype	Net Leased Drug Store
Tenant	Rite Aid
Lease Type	NNN
Guarantor	Corporate
Lease Commencement	April 27, 2007
Lease Expiration	April 30, 2022
Base Term Remaining	2.7 Years
Renewal Options	Four 5-Year
Rent Increases	10% in each Option
Landlord Responsibility	Roof & Structure
Tenant Responsibility	Taxes, Maintenance, Insurance
Right of First Refusal	No





# LOCATION OVERVIEW

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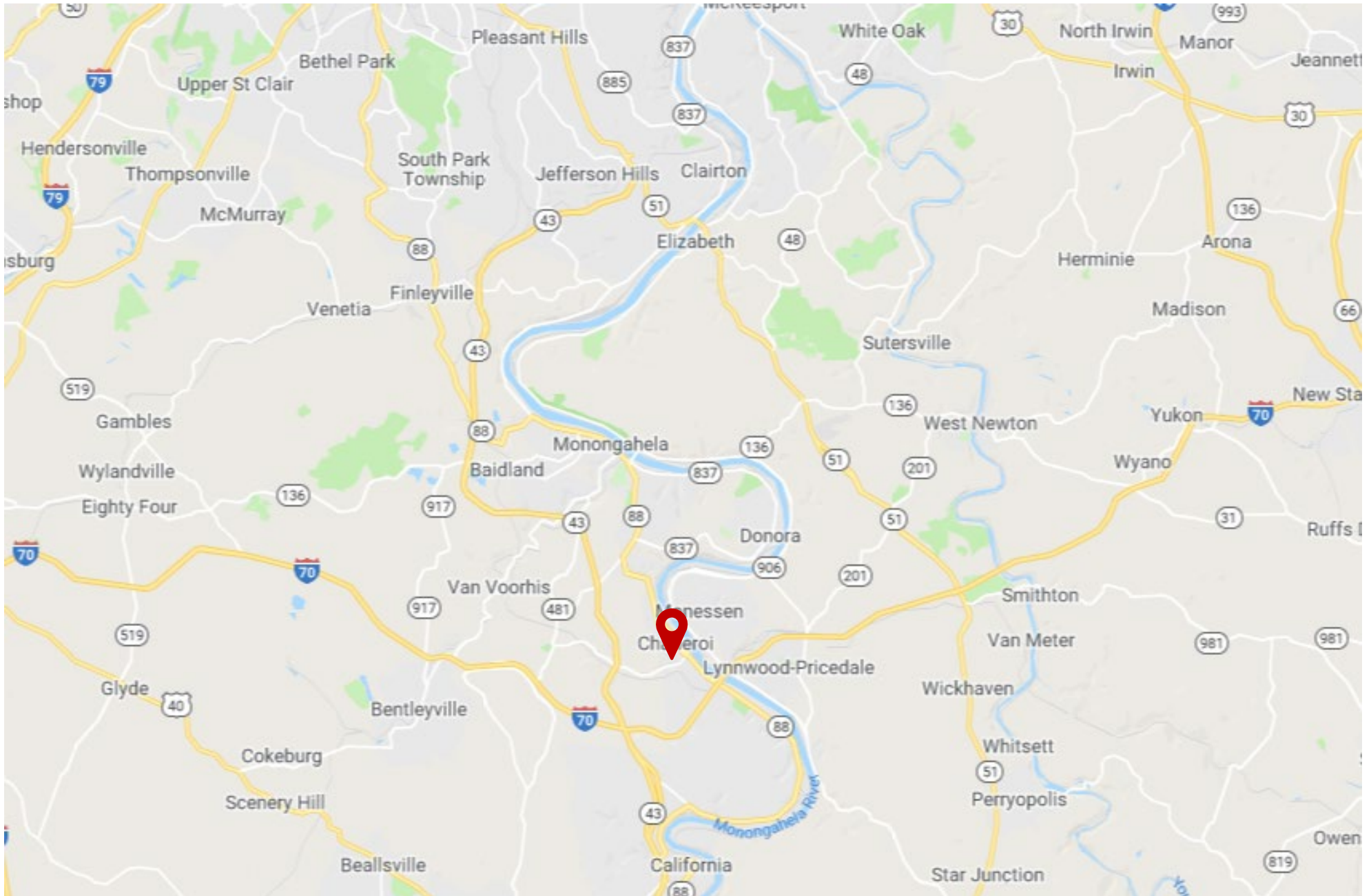








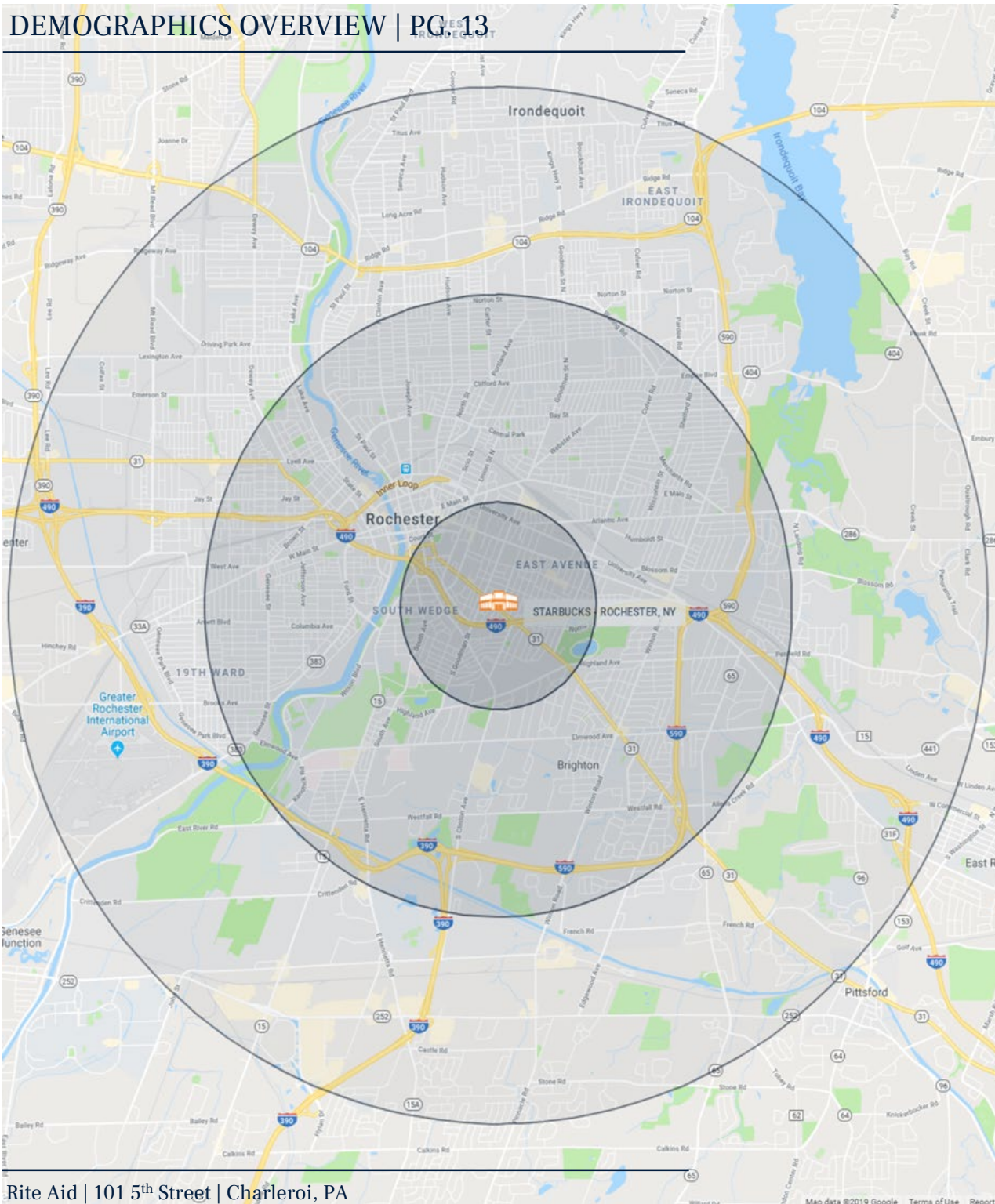
## 101 5<sup>th</sup> Street, Charleroi, PA 15022











Rite Aid | 101 5th Street | Charleroi, PA



## Demographics Summary

	1 Miles	3 Miles	5 Miles
<b>POPULATION</b>			
2023 Projection	6,373	26,179	46,989
2018 Estimate	6,667	26,707	48,315
2010 Census	6,848	27,445	49,416
2000 Census	7,835	29,906	53,838
<b>INCOME</b>			
Average	\$48,680	\$57,160	\$60,403
Median	\$35,597	\$42,040	\$44,258
Per Capita	\$23,059	\$25,947	\$27,088
<b>HOUSEHOLDS</b>			
2023 Projection	3,044	11,986	21,078
2018 Estimate	3,147	12,084	21,444
2010 Census	3,240	12,468	22,008
2000 Census	3,607	13,172	23,443
<b>HOUSING</b>			
2018	\$67,850	\$92,169	\$97,967
<b>EMPLOYMENT</b>			
2018 Daytime Population	6,535	22,861	41,930
2018 Unemployment	6.55%	7.14%	7.05%
2018 Median Time Traveled	25	27	28
<b>RACE &amp; ETHNICITY</b>			
White	89.75%	89.02%	90.43%
Native American	0.01%	0.13%	0.24%
African American	5.41%	6.89%	5.64%
Asian/Pacific Islander	1.17%	0.60%	0.57%





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