



**RITE AID**

399 NEW LONDON RD | NEWARK, DE 19711

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VIEW PROPERTY VIDEO





# TENANT OVERVIEW

RITE AID | NEWARK, DE





Rite Aid is one of the nation's leading drugstore chains with fiscal 2018 annual revenues of \$21.5 billion. The company operates retail drugstores which sell prescription drugs, as well as front-end products including over-the-counter medications, health and beauty aids, personal care items, cosmetics, household items, convenience foods, greeting cards, and seasonal merchandise. As of Mar 3, 2018, Rite Aid operated 2,550 stores in 19 states and the District of Columbia.

## RITE AID CORPORATE OVERVIEW

TENANT TRADE NAME:	Rite Aid
TENANT OWNERSHIP STATUS:	Public
BOARD/SYMBOL:	NYSE/RAD
TENANT:	Corporate
CREDIT RATING:	B- (Standard & Poor's)
LOCATIONS:	2,550
REVENUE:	\$21.5 Billion (2018)
CORPORATE HEADQUARTERS:	Camp Hill, PA





# FINANCIAL OVERVIEW

RITE AID | NEWARK, DE

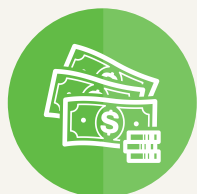




**LIST PRICE**  
**\$3,739,615**



**CAP RATE**  
**7.00%**



**TOTAL NOI**  
**\$261,773**

## PROPERTY HIGHLIGHTS

### RECENT 10 YEAR EXTENSION & REMODEL

Rite Aid has been successfully operating here since 1999, recently extended its lease for an additional 10 years as well as remodeled the store to include their Wellness Store format, illustrating their success and commitment to this location

### STRATEGIC COLLEGE TOWN LOCATION

Located adjacent to the University of Delaware's main campus, with over 24,000 students enrolled this is largest university in the state of Delaware

### STRONG REAL ESTATE FUNDAMENTALS

The subject property is occupied by national pharmacy tenant paying \$24 per s/f, is situated on more than 2 acres at a signalized intersection and has traffic counts over 15,000 V.P.D.

### HIGH-YIELD PASSIVE INVESTMENT

Little to no landlord expenses or responsibilities coupled with a higher cap rate and low fixed rate debt available for a national pharmacy tenant on a long-term lease

### EXCEPTIONAL DEMOGRAPHICS

Average household income over \$96,000, population density over 124,000 (not counting the 24K U of Del. Students) and positive population growth in the 1, 3 & 5 mile rings

### RENTAL INCREASES

Two five year options to renew the lease each with rental increases

### SURROUNDED BY COMPLIMENTARY USES

Additional surrounding uses include Food Lion, Fairfield Liquors, Courtyard by Marriott as well as numerous University of Delaware buildings (residential dining, dorms, classrooms and parking)

### NO STATE SALES TAX

The subject property is in a strategic location at the corner of Delaware, less than 2 miles from the border of Maryland and Pennsylvania, offering customers from those states an opportunity to shop with no state sales tax

FINANCIAL  
OVERVIEW**PRICE:** **\$3,739,615****CAP RATE:** **7.00%**

YEAR BUILT: 1999

BUILDING SQUARE FOOTAGE: 10,908

LOT SIZE: 2.08 Acres

TYPE OF OWNERSHIP: Fee Simple

TENANT: Rite Aid

LEASE GUARANTOR: Corporate

LEASE TYPE: NN\*

INITIAL LEASE TERM: 20 Years

ROOF AND STRUCTURE: Landlord Responsible

LEASE COMMENCEMENT: 2/22/1999

LEASE EXPIRATION: 9/22/2029

TERM REMAINING ON LEASE: 10 Years

INCREASES: 8.33% in Option 1, 2% in Option 2

OPTIONS: 2x5 Years

**PROPERTY ADDRESS:**

399 NEW LONDON RD | NEWARK, DE 19711

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
Years 1-10	\$261,773.00	\$21,814.42
Option 1	\$283,589.00	\$23,632.42
Option 2	\$289,043.00	\$24,086.92
<b>NET OPERATING INCOME:</b>		<b>\$261,773.00</b>

\*Landlord maintains/repairs/replaces: the exterior, roof and structural members of building of which the Leased Premises form a part, any water, plumbing, gas or electrical lines or conduits permanently embedded in the walls, floor or ceiling, and any repairs to the Leased Premises necessary to make the same watertight; pest control in all areas outside the Interior of the Leased Premises.



## INVESTMENT OVERVIEW

**CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE** this Rite Aid property located on New London Road in Newark, Delaware. Rite Aid has been successfully operating at this location since 1999 and recently extended its lease for an additional 10 years showing a high level of success and commitment in this location. There are also two, five year options to renew the lease each with rental increases. This double net lease offers minimal landlord responsibilities and is corporately guaranteed by Rite Aid, rated B- by Standard & Poor's.

This 10,908 square foot Rite Aid sits on a large 2.08 acre parcel, allowing for numerous redevelopment opportunities in the future if necessary. The property is situated at the busy signalized intersection of New London Road and Country Club Drive with over 15,000 vehicles traveling by daily. Rite Aid is also ideally located adjacent to University of Delaware's main campus, with over 24,000 students enrolled this is largest university in the state of Delaware. Additional surrounding uses include Food Lion, Fairfield Liquors, Courtyard by Marriott and numerous University of Delaware buildings such as residential dining, dorms, classrooms, and parking. There are 12,264 people within 1 mile, 54,146 people within 3 miles and 124,842 people within 5 miles. This is a highly affluent market with the average household income over \$96,000 within 1 mile of Rite Aid. The store is in a strategic location at the corner of Delaware, less than 2 miles from the border of Maryland and Pennsylvania, offering customers from those states an opportunity to shop with no state sales tax. This is a high-yield, passive investment with little to no landlord expenses or responsibilities coupled with a higher cap rate and low fixed rate debt available for a national pharmacy tenant on a long-term lease.





# PROPERTY SUMMARY

RITE AID | NEWARK, DE





PROPERTY  
PHOTOS





NEWARK  
COUNTRY  
CLUB



 **FAIRFIELD APARTMENTS**  
66 Units



**FAIRFIELD  
LIQUORS**

 **NEW LONDON RD - 15,862 V.P.D.**



# University of Delaware

University  
of Delaware  
Campus Resident  
Parking

NEWARK  
COUNTRY  
CLUB



NEW LONDON RD - 15,862 V.P.D.

FAIRFIELD  
LIQUORS

 FAIRFIELD APARTMENTS  
66 Units





NEWARK COUNTRY CLUB



EMILY BELL PLACE  
CAMPUSSIDE TOWNHOUSES  
Student Housing



University  
of Delaware  
Campus Resident  
Parking



ONE EASTON APARTMENTS  
220 Units

University  
of Delaware

honeygrow



University  
of Delaware



DOLLAR TREE

Goodwill  
Industries International, Inc.

newark  
NATURAL  
FOODS



NEW LONDON RD - 15,862 V.P.D.

Located less  
than 1 mile from  
University of  
Delaware's main  
campus

Enrollment:  
24,000 students



LOCAL  
MAP



REGIONAL  
MAP







## LOCATION OVERVIEW

This Rite Aid property is situated located at the corner of New London Road and Country Club Drive. This is a signalized intersection with traffic counts exceeding 15,000 vehicles per day. Rite Aid is ideally located less than a mile from the University of Delaware's main campus, with over 24,000 students. The site is also surrounded by numerous University of Delaware buildings including residential dining, dorms, classrooms and parking, adding to the built-in customer base. The area is supported by dense demographics with over 12,000 people within 1 mile, over 54,000 people within 3 miles and over 124,000 within 5 miles. This is also an affluent market with the average household income exceeding \$97,000 within 1 mile of the site.

Newark is a city in New Castle, Delaware and is located approximately 12 miles from Wilmington. Newark is home to the University of Delaware, the largest university in Delaware. The university is home to over 24,000 students and over 4,400 employees.



## SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	11,537	51,795	119,907
2018 POPULATION	12,264	54,146	124,842
PROJECTED POPULATION (2023)	12,532	55,040	126,779
HISTORICAL ANNUAL GROWTH			
2010-2018	0.74%	0.54%	0.49%
PROJECTED ANNUAL GROWTH			
2018-2023	0.43%	0.33%	0.31%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	2,589	17,375	43,928
2018 HOUSEHOLDS	2,820	18,170	45,551
PROJECTED HOUSEHOLDS (2023)	2,917	18,505	46,240
HISTORICAL ANNUAL GROWTH			
2010-2018	1.04%	0.54%	0.44%
PROJECTED ANNUAL GROWTH			
2018-2023	0.68%	0.37%	0.30%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2018 AVERAGE	\$96,637	\$83,582	\$89,756
2018 MEDIAN	\$72,953	\$59,513	\$67,313

POPULATION BY RACE	1 MILE	3 MILES	5 MILES
WHITE POPULATION	81.5%	74.4%	71.8%
AFRICAN AMERICAN POPULATION	6.8%	11.1%	13.2%
ASIAN POPULATION	7.3%	7.9%	8.3%
PACIFIC ISLANDER POPULATION	0.2%	0.2%	0.2%
AMERICAN INDIAN AND ALASKA NATIVE	0.1%	0.1%	0.0%
OTHER RACE POPULATION	1.2%	3.1%	3.1%
TWO OR MORE RACES POPULATION	2.8%	3.2%	3.4%

HISPANIC OR LATINO POPULATION BY ORIGIN	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	6.0%	8.5%	8.4%
WHITE NON-HISPANIC	77.4%	70.0%	67.5%

2018 AGE BY GENDER	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	23.2/22.6	27.8/26.6	33.7/35.0

## TRAFFIC COUNTS

NEW LONDON RD

15,862



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