

# OFFERING MEMORANDUM



Actual Photo

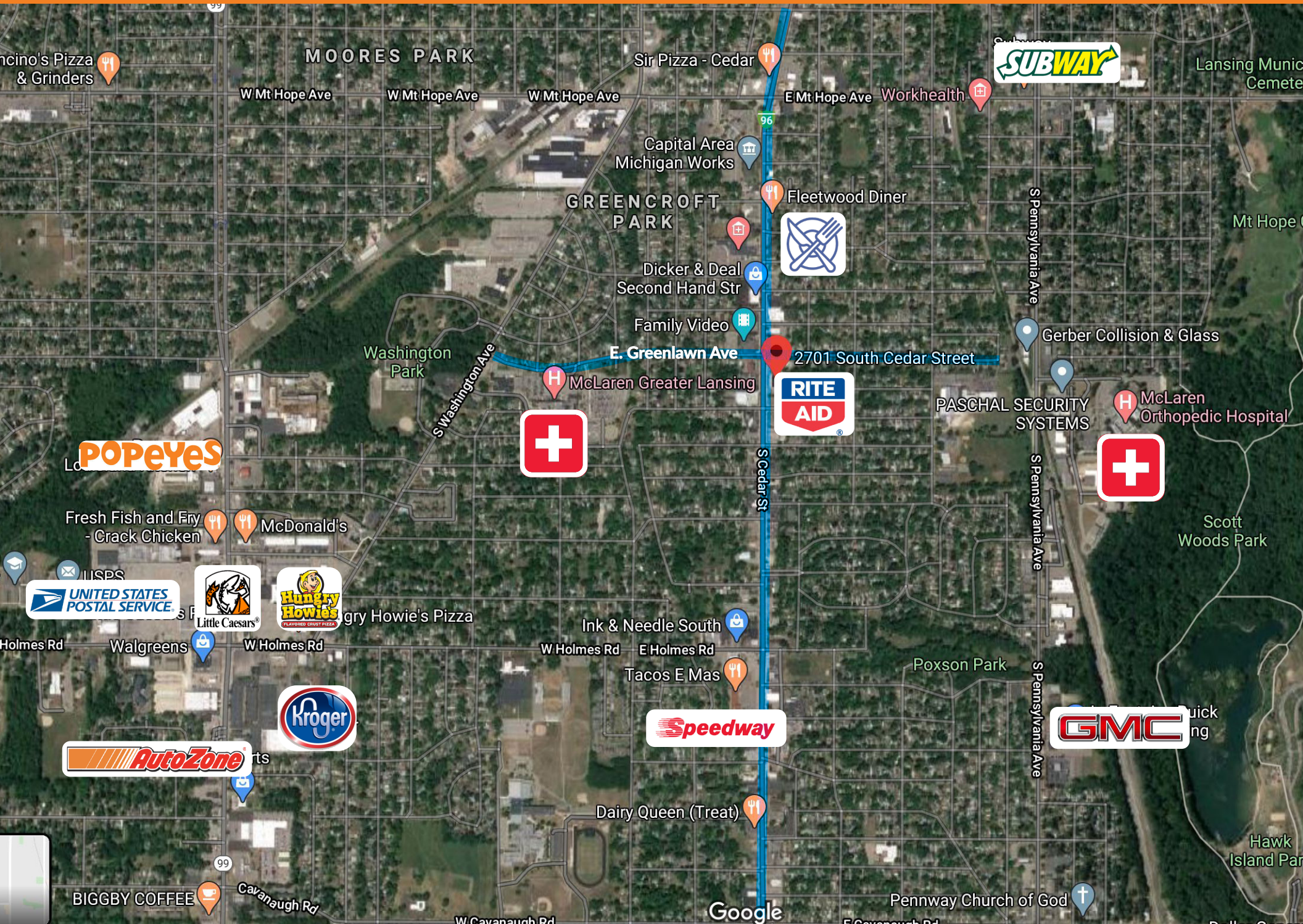
**RITE AID**

2701 S. Cedar St., | Lansing, MI

Marcus & Millichap



AERIAL PHOTO

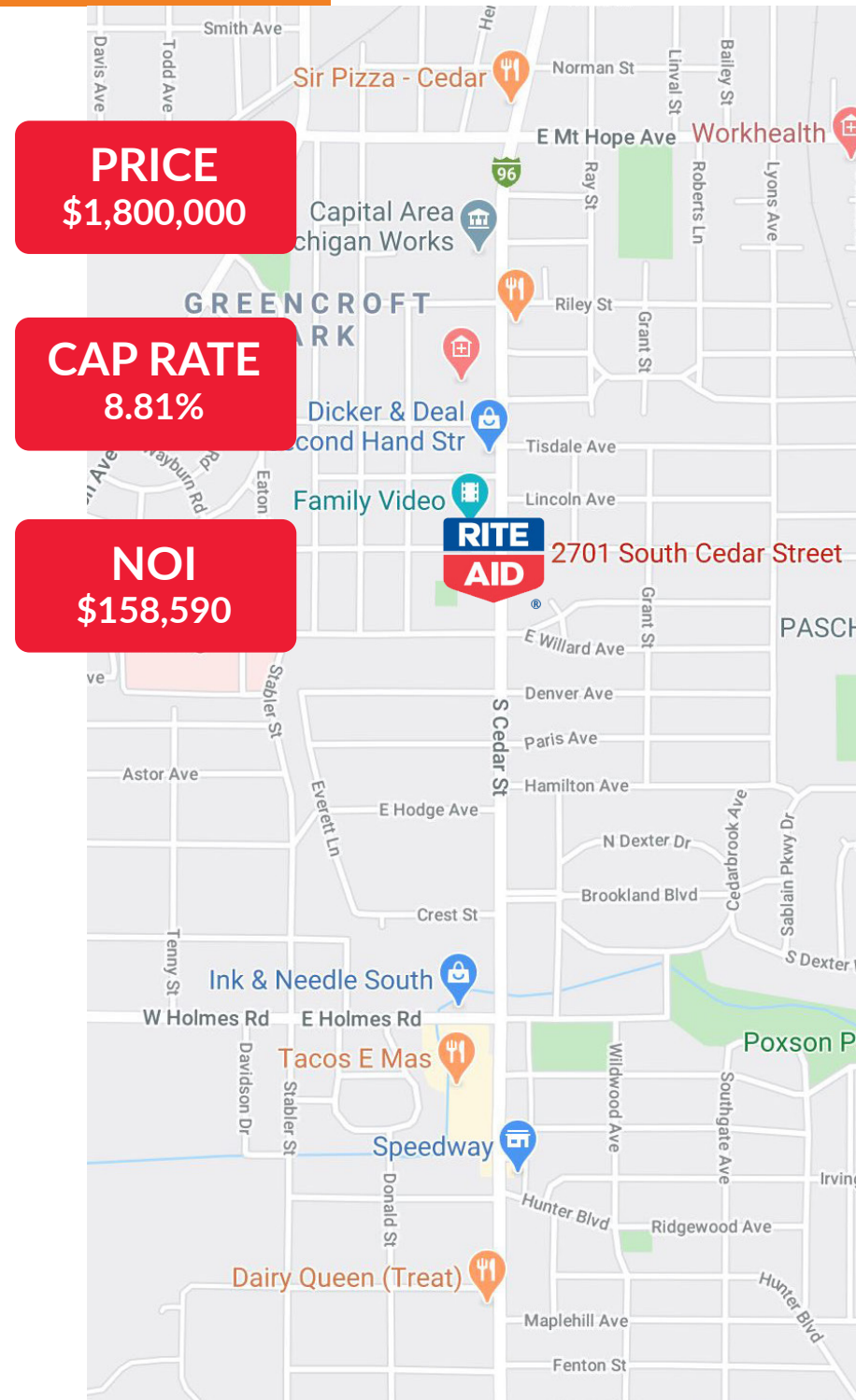




# FINANCIAL OVERVIEW



ADDRESS:	Rite Aid Store #4770   2701 S. Cedar St., Lansing, MI		
PRICE:	\$1,800,000		
CAP RATE:	8.81%		
NOI:	\$158,590		
RENTABLE SQUARE FEET:	11,180 SF		
PRICE/SF:	\$161/SF		
YEAR BUILT:	1996		
LOT SIZE:	1.77 ACRES		
TENANT:	RITE AID		
LEASE GUARANTOR:	CORPORATE		
LEASE TYPE:	NN		
TYPE OF OWNERSHIP:	FEE SIMPLE		
LEASE TERM:	5 YEARS		
ROOF & STRUCTURE:	LANDLORD		
RENT COMMENCEMENT DATE:	JULY 1, 2017		
LEASE EXPIRATION DATE:	JUNE 30, 2022		
TERM REMAINING ON LEASE:	1+ YEARS		
INCREASES:	10% INCREASE EACH OPTION		
OPTIONS:	THREE 5-YEAR OPTIONS		
BASE RENT:	YEARS 2017-2022		\$158,590
OPTION RENT:	YEARS 22-27	OPTION 2	\$164,180
	YEARS 27-32	OPTION 3	\$169,770
	YEARS 32-37	OPTION 4	\$175,360
TENANT RESPONSIBILITIES:	Taxes, CAM, Insurance		
LANDLORD RESPONSIBILITIES:	Roof & Structure		



# INVESTMENT HIGHLIGHTS

- NN Corporate Backed Lease with Rite Aid
- Signalized Hard Corner Location
- 92,538 People in 3-mile radius;  
Many Residential Rooftops
- Easily Accessible; Four (4) Means of Ingress/Egress
- Proven Location – Over 20 Years of Operating History
- \$1,800,000 Low Price-point Drug Store;  
Attractive 8.81% CAP Rate
- Lansing, MI is Michigan's State Capital
- Located just East of McLaren Greater Lansing Hospital
- S Cedar St is a Main North-South Retail Corridor
- Michigan State University is Located Approximately  
3-miles East
- I-496 Freeway Access to the North





# DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2020	13,905	90,837	203,896

INCOME			
Average Household Income	\$51,790	\$50,265	\$60,464

## Population

In 2020, the population is 203,896. It is estimated that the population in this area will be 205,332 five years from now, which represents a change of 0.70% from the current year. The current population is 48.67% male and 51.33% female. The median age of the population is 29.5. Compare this to the entire US average which is 38.2. The population density is 2,590.60 people per square mile.

## Households

There are currently 81,967 households in this selected geography. The number of households has changed by 4.67% since 2000. It is estimated that the number of households in this area will be 83,286 five years from now, which represents a change of 1.61% from the current year. The average household size in this area is 2.30 persons.

## Income

In 2020, the median household income for this selected geography is \$44,270. Compare this to the entire US average which is currently \$62,990. The median household income for this area has changed by 21.47% since 2000. It is estimated that the median household income in this area will be \$50,231 five years from now, which represents a change of 13.47% from the current year. The current year per capita income is \$25,327. Compare this to the entire US average, which is \$34,935. The current year average household income in this area is \$60,464. Compare this to the entire US average which is \$90,941.

## Education

The highest level of 2020 educational attainment in this selected area is as follows: 13.31% percent graduate degree, 18.70% percent bachelor's degree, 9.26% percent associate degree, 26.24% percent some college, 22.82% percent high-school graduate, 6.18% percent some high school and 3.49% percent elementary. The U.S. averages are 11.79% percent graduate degree, 19.22% percent bachelor's degree, 8.26% percent associate degree, 20.70% percent some college, 27.38% percent high-school graduate, 7.28% percent some high school and 5.38% percent elementary.

## Housing

In 2000, there were 43,244 owner occupied housing units in this area and there were 35,064 renter occupied housing units. The median rent at the time was \$478.

## Employment

In 2020, there were 116,506 employees in this selected area. This is also known as the daytime population. The 2000 Census revealed that 61.69% of employees are employed in white-collar occupations in this geography, and 38.23% are employed in blue collar occupations. In 2020, unemployment in this area is 4.57%. In 2000, the average time traveled to work was 20.2 minutes.

# SITE PLAN



# TENANT OVERVIEW

Ownership:	Public
Revenue:	\$21.93 Billion (2019)
Headquartered:	Camp Hill, PA

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. The Pharmacy Services segment provides pharmacy benefit management (PBM) services and a range of pharmacy-related services. As of April 21, 2020, the company operated approximately 2,400 retail pharmacy locations in 18 states. Rite Aid Corporation was founded in 1927 and is headquartered in Camp Hill, Pennsylvania.



**Caa1**

CREDIT RATING  
(MOODY'S)



**RAD**

PUBLICLY  
TRADED COMPANY



**\$21.93 B**

REVENUE  
(2019)



**2,466**

LOCATIONS  
(AS OF 2019)



**60,800**

NUMBER OF  
EMPLOYEES

**FORTUNE  
500**

**150**

FORTUNE  
500 RANK

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### Broker of Record

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