

EQUITY RETAIL BROKERS



**RITE AID**

510 E Baltimore Pike, Media, PA

## OFFERING MEMORANDUM

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This report and any attachments to it contain information from Equity Retail Brokers, Inc. which is confidential and privileged. Some information may have been obtained from sources considered to be reliable, but Equity Retail Brokers, Inc. makes no representations and/or warranties, expressed or implied, as to the accuracy of the information. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate, is subject to volatility. Equity Retail Brokers, Inc. is licensed in PA, NJ, & DE.



RITE AID | 510 E Baltimore Pike, Media, PA 19063

## EXECUTIVE SUMMARY

Offered for sale to qualified investors is the rare opportunity to acquire a premium property with an investment grade tenant, situated just off the signalized intersection of E. Baltimore Pike and Beatty Road. Located in Delaware County, within the Philadelphia MSA, Rite Aid recently extended their lease and is currently occupying a 10-year NN, corporate-backed lease with additional options to extend and minimal landlord responsibilities.

The offering features a free-standing, 12,739 SF building on 1.93 AC with 3 drive-thru lanes. Directly across from the Property on E. Baltimore Pike, is Acme-anchored Media Shopping Center. The property is located at the beginning of a retail corridor along US-1 (Baltimore Pike) and directly adjacent to PNC Bank and Manhattan Bagel. Surrounding retail includes a mix of local and national tenants such as Starbucks, Dunkin' Donuts, Wawa, Republic Bank, Wendy's, McDonald's, and Nemours Children's Health System.



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## INVESTMENT HIGHLIGHTS

### STRONG CORPORATE TENANT

- > Tenant: Rite Aid Corporation
  - 3,000+ Retail Locations in 30 US States
  - Largest Drug Store Chain on the East Coast
- > S&P: B-
- > NYSE: RAD

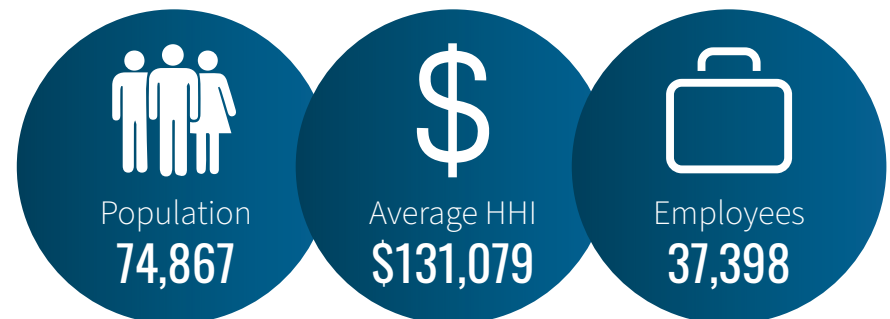
### STABLE INCOME

- > Long Operating History
- > Corporately-Backed Lease
  - \* Recently extended lease, with additional options
- > NN Lease — Minimal Landlord Responsibilities

### STRONG RETAIL LOCATION

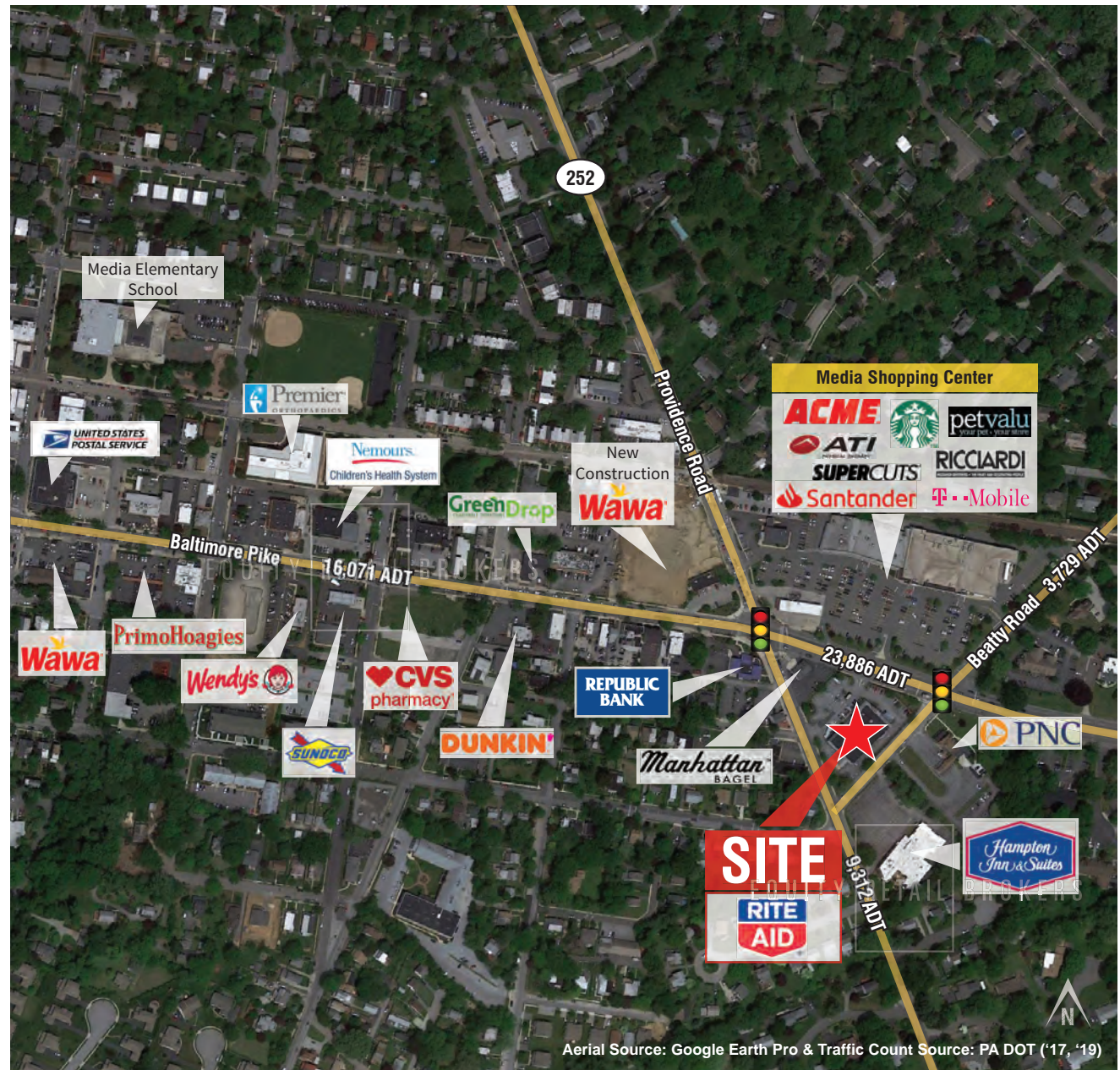
- > Traffic Count:
  - E. Baltimore Pike: 23,886 ADT (PA DOT 2017)
- > Located within a Dense Retail Corridor

### DEMOGRAPHIC OVERVIEW (3-MILE RADIUS)



RITE AID | 510 E Baltimore Pike, Media, PA 19063

PROPERTY OVERVIEW	
SALE PRICE	\$6,876,923
CAP RATE	6.50%
ADDRESS	510 E. Baltimore Pike, Media, PA 19063
BUILDING	Freestanding; 12,739 SF
YEAR BUILT	1999
LOT SIZE	1.93 AC
PARKING	±65 Spaces
LEASE	NN
TYPE OF OWNERSHIP	Fee Simple





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## RITE AID SUMMARY

TYPE OF LEASE	NN
INITIAL LEASE COMMENCEMENT	03/21/2000
LEASE EXPIRATION DATE	03/21/2030
REMAINING TERM	10 Years
OPTIONS	Four, 5-Year Options
RIGHT OF FIRST REFUSAL	No
RIGHT TO TERMINATE	No
PROPERTY TAXES	Tenant
ROOF, STRUCTURE & PARKING LOT	Landlord
COMMON AREA MAINTENANCE	Tenant
INSURANCE	Tenant
UTILITIES	Tenant
REPAIRS & MAINTENANCE	Tenant







# Rent Schedule

Rite Aid



## YEARS

3/22/2020 – 3/21/2030

## ANNUAL RENT

\$447,138

## MONTHLY RENT

\$37,261

## RENEWAL TERMS

3/22/2030 – 3/21/2035

\$492,866

\$41,072

3/22/2035 – 3/21/2040

\$499,469

\$41,622

3/22/2040 – 3/21/2045

\$506,072

\$42,172

3/22/2045 – 3/21/2050

\$512,675

\$42,722







RITE AID | 510 E Baltimore Pike, Media, PA 19063



Largest drugstore chain on the East Coast and 3rd Largest drugstore chain in the US



**3,000+**  
RETAIL LOCATIONS  
IN 30 US STATES



**Camp Hill, PA**  
RITE AID  
HEADQUARTERS



**51,000**  
NUMBER OF  
EMPLOYEES

Rite Aid opened its doors in 1962 in Scranton, Pennsylvania. Previously known as Thrift D Discount Center, Rite Aid rapidly grew in just three years by expanding across five northeastern states. By 1968, the health and wellness convenience store officially changed their name to the “Rite Aid Corporation.” In that same year, Rite Aid made its first public offering and started trading on the American Stock Exchange, eventually moving to the New York Stock Exchange (NYSE: RAD) two years later.

Today, Rite Aid is considered one of the largest drugstore chains on the East Coast, and third largest in the United States. Rite Aid Corporation was ranked No. 94 on the 2018 Fortune 500 list of the largest U.S. corporations by total revenue. There are currently 3,072 stores across 30 U.S. states, with headquarters just outside of Harrisburg, PA. Rite Aid continues to succeed by promoting health and wellness in communities across the nation by providing quality service, the best products, and professional advice to meet individualized needs of customers everywhere.



**RAD**  
NYSE TRADING  
SYMBOL



**94<sup>th</sup>**  
RANKING BY TOTAL  
REVENUE



## Charity Program

RITE AID AND THE RITE AID FOUNDATION developed KidsCents, a program that allows customers to help children by simply rounding up their change and donating through Rite Aid's long-standing support of the Children's Miracle Network Hospitals

The Rite Aid Foundation donated over \$165M to children in need through charity efforts



RITE AID | 510 E Baltimore Pike, Media, PA 19063

## LOCATION OVERVIEW

The subject property is situated on E. Baltimore Pike, across from the Acme-anchored Media Shopping Center. The property is located at the beginning of the retail corridor along Baltimore Pike and directly adjacent to PNC Bank and Manhattan Bagel. Surrounding retail include a mix of local and national tenants such as, Starbucks, Dunkin' Donuts, Wawa, Republic Bank, Wendy's, McDonald's, and Nemours Children's Health System. This site is visible to over 23,000 VPD, with demographics that make this an ideal location for a drug store.

Media, a borough within the central section of Delaware County in the Philadelphia MSA. Covering  $\frac{3}{4}$  square mile, Media is situated approximately 12 miles west of downtown Philadelphia and is bounded by the Township of Upper Providence on the west, and the Township of Nether Providence on the east. One of the oldest settled towns of Pennsylvania, Delaware County or "Delco," is the fourth most populous county in the state with over 563,000 people. "Delco" houses some of the best educational institutions and medical facilities in the county along with cutting edge technology such as the Boeing Vertol V-22 manufactured in Delaware County.

## DEMOGRAPHICS

2020	1-MILE	3-MILE	5-MILE
Estimated Population (Projected 2025)	11,836 (11,938)	74,867 (75,106)	272,741 (274,663)
Estimated Average HH Income (Projected 2025)	\$130,547 (\$161,475)	\$131,079 (\$164,596)	\$101,754 (\$133,405)
Total Employees	8,654	37,395	98,954

Demographic Source: Applied Geographic Solutions 2020

## Highlights of Delaware County, PA

- > Philadelphia MSA
  - 20 miles from Center City
  - 19 miles South of King of Prussia
  - 20 miles North of Wilmington, DE
- > Largest employers include:

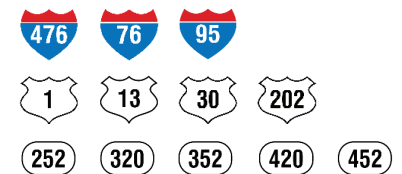


## > Transportation

- Philadelphia International Airport → South 10 miles
- Atlantic City International Airport → Southeast 64 miles
- Newark Liberty International Airport → Northeast 102 miles
- SEPTA

## > Major roadways:

Delaware County is bisected north to south by Blue Route Interstate 476, connecting I-76 to I-95 at the northernmost corner of the county, running parallel to the Delaware River along the southeastern edge of Delaware







Delaware County Court  
of Common Pleas

E Baltimore Ave 16,071 ADT

DUNKIN'

Wawa

Santander

Starbucks

REPUBLIC  
BANK

Media Shopping Center

Manhattan  
BAGEL

Providence Rd 9,312 ADT

E Baltimore Pike 23,284 ADT

SITE  
RITE  
AID



EQUITY RETAIL BROKERS

Santander



RICCIARDI  
SUPER CUTS  
T-Mobile  
ATI  
petvalu

ACME

Media Shopping Center

E Baltimore Pike 23,284 ADT

SITE

Beatty Road 3,729 ADT











## DEMOGRAPHIC SUMMARY

2000-2010 Census, 2020 Estimates with 2025 Projections  
Calculated using Weighted Block Centroid from Block Groups

510 E. Baltimore Pike, Media, PA 19063		1 Mile Radius	3 Mile Radius	5 Mile Radius
POPULATION	2020 Estimated Population	11,836	74,867	272,741
	2025 Projected Population	11,938	75,106	274,663
	2010 Census Population	11,210	73,250	270,202
	2000 Census Population	11,187	73,478	275,032
	Projected Annual Growth 2020 to 2025	0.2%	-	0.1%
	Historical Annual Growth 2000 to 2020	0.3%	-	-
	2020 Median Age	41.3	42.8	40.5
HOUSEHOLDS	2020 Estimated Households	5,476	30,563	108,814
	2025 Projected Households	5,526	30,637	109,430
	2010 Census Households	4,945	28,724	103,776
	2000 Census Households	4,815	28,420	105,027
	Projected Annual Growth 2020 to 2025	0.2%	-	0.1%
	Historical Annual Growth 2000 to 2020	0.7%	0.4%	0.2%
RACE & ETHNICITY	2020 Estimated White	73.7%	81.7%	76.1%
	2020 Estimated Black or African American	13.7%	9.2%	15.8%
	2020 Estimated Asian or Pacific Islander	8.9%	6.3%	4.9%
	2020 Estimated American Indian or Native Alaskan	-	0.1%	0.1%
	2020 Estimated Other Races	3.7%	2.6%	3.0%
	2020 Estimated Hispanic	4.3%	3.0%	3.6%
INCOME	2020 Estimated Average Household Income	\$130,547	\$131,079	\$106,912
	2020 Estimated Median Household Income	\$104,160	\$103,413	\$84,458
	2020 Estimated Per Capita Income	\$60,526	\$53,790	\$42,932
EDUCATION (AGE 25+)	2020 Estimated Elementary (Grade Level 0 to 8)	1.4%	1.3%	2.0%
	2020 Estimated Some High School (Grade Level 9 to 11)	1.7%	2.1%	4.1%
	2020 Estimated High School Graduate	11.7%	21.2%	31.2%
	2020 Estimated Some College	15.0%	14.7%	16.7%
	2020 Estimated Associates Degree Only	6.5%	7.7%	8.0%
	2020 Estimated Bachelors Degree Only	31.0%	27.0%	21.8%
	2020 Estimated Graduate Degree	32.7%	26.0%	16.2%
BUSINESSES	2020 Estimated Total Businesses	1,221	3,813	10,215
	2020 Estimated Total Employees	8,654	37,398	98,954
	2020 Estimated Employee Population per Business	7.1	9.8	9.7
	2020 Estimated Residential Population per Business	9.7	19.6	26.7

This report was produced using data from private and government sources deemed to be reliable. The information herein is provided without representation or warranty.



## CONFIDENTIALITY STATEMENT | DISCLAIMER

RITE AID | 510 E. BALTIMORE PIKE, MEDIA, PA

The information contained in this Offering Memorandum is proprietary and strictly confidential. It is furnished solely for the purpose of review by a prospective purchaser of the subject property and is not to be used for any other purposes or made available to any person without the expressed written consent of the Seller or Equity Retail Brokers.

The information in this prospectus has been compiled from sources deemed to be reliable. However, neither the information nor the reliability of their sources are guaranteed by Equity Retail brokers or the Seller. Neither Equity Retail Brokers nor the Seller have verified, and will not verify, any of the information contained herein, nor has Equity Retail Brokers or the Seller conducted any investigation regarding the information contained herein. Neither Equity Retail Brokers nor the Seller makes any representation or warranty whatsoever regarding the accuracy or completeness of the information provided herein.

A prospective purchaser must make its own independent investigations, projections, and conclusions regarding the acquisition of the property without reliance on this or any other confidential information, written or verbal, from Equity Retail Brokers or the Seller. This Confidential Offering Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. This Confidential Offering Memorandum does not constitute an offer of security.

Prospective purchasers are recommended to seek professional advice. This includes legal, tax, environmental, engineering and other as deemed necessary relative to a purchase of this property. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility.

The Owner expressly reserves the right, at its sole discretion, to reject any offer to purchase the property or to terminate any negotiations with any party, at any time, with or without written notice. The Seller and Equity Retail Brokers reserve the right to negotiate with one or more prospective purchasers at any time.

Only a fully-executed Real Estate Purchase Agreement, approved by Seller, shall bind the property. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or the information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in a fully executed Real Estate Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or Equity Retail Brokers or any of their affiliates, officers, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Each prospective purchaser and/or broker proceeds at its own risk.

Equity Retail Brokers, Inc is licensed in PA, NJ, & DE.

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