

CBRE

OFFERING MEMORANDUM



RITE AID

24 EAST AVE | WELLSBORO, PA 16901

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TENANT OVERVIEW

RITE AID | WELLSBORO, PA





Rite Aid is one of the nation's leading drugstore chains with fiscal 2019 annual revenues of \$21.6 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 third quarter 2020, Rite Aid operated approximately 2,550 stores in 19 states.

RITE AID CORPORATE OVERVIEW

TENANT TRADE NAME:	Rite Aid
TENANT OWNERSHIP STATUS:	Public
BOARD/SYMBOL:	NYSE/RAD
TENANT:	Corporate
CREDIT RATING:	CCC+ (Standard & Poor's)
LOCATIONS:	-/+2,550
REVENUE:	\$21.6 Billion (2019)
CORPORATE HEADQUARTERS:	Camp Hill, PA

FINANCIAL OVERVIEW

RITE AID | WELLSBORO, PA





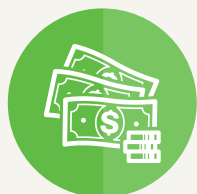
LIST PRICE

\$4,505,202



CAP RATE

7.25%



TOTAL NOI

\$326,627

PROPERTY HIGHLIGHTS

ESTABLISHED & SUCCESSFUL STORE

Rite Aid has been operating here since 2003 and proved their commitment to the site through an early extension of their lease in 2019

COMPLETELY PASSIVE INVESTMENT

This is a fee simple NNN lease with zero landlord responsibilities or expenses

LONG-TERM LEASE

Over 9 years remaining in the initial lease term with two, five year options to renew

TWO POINTS OF ACCESS

Excellent visibility and two points of access, one East Ave with traffic counts exceeding 11,000 vehicles per day

NEWLY RENOVATED

Rite Aid has further shown their commitment to this location by re-branding the store with their newest logo and signage

DOMINANT DRUG STORE TENANT

Located in Pennsylvania where Rite Aid is the dominant drug store tenant

ESSENTIAL BUSINESS

Rite Aid has remained open throughout the current COVID-19 pandemic

SURROUNDED BY NATIONAL TENANTS

Main retail corridor location with surrounding tenants including TOPS Friendly Markets, NAPA Auto Parts, McDonald's, Dunkin' and Pizza Hut to name a few

RENTAL INCREASES

There is a 13% rental increase in option 1, and a 1.8% increase in option 2

ONLY FREESTANDING DRUGSTORE IN TOWN AND NO RITE AID OR WALGREENS COMPETITION

This is the only Rite Aid or Walgreens for over 30 miles in any direction and the only freestanding drugstore in Wellsboro

DOUBLE DRIVE-THRU

This location features a double drive-thru

CLOSEST PHARMACY TO UPMC WELLSBORO HOSPITAL

The property is located 0.4 miles from UPMC Wellsboro, a 67 bed hospital

FINANCIAL OVERVIEW

FINANCIAL OVERVIEW



PRICE: **\$4,505,202**

CAP RATE: **7.25%**

YEAR BUILT: 2003

BUILDING SQUARE FOOTAGE: 13,813

LOT SIZE: 1.368 Acres

TYPE OF OWNERSHIP: Fee Simple

TENANT: Corporate Store

LEASE GUARANTOR: Corporate Guarantee

LEASE TYPE: NNN

INITIAL LEASE TERM: 20 Years

ROOF AND STRUCTURE: Tenant Responsible

RENT COMMENCEMENT: 12/3/2003

LEASE EXPIRATION: 5/31/2030

TERM REMAINING ON LEASE: 9+ Years

INCREASES: 1x5 years and 1x4 years 11 months

OPTIONS: 13% increase in Option 1,
1.8% increase in Option 2

PROPERTY ADDRESS:
24 EAST AVE | WELLSBORO, PA 16901

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
Current – 5/31/2030	\$326,627.10	\$27,218.93
Option 1	\$369,826.00	\$30,818.83
Option 2	\$376,732.00	\$31,394.33
NET OPERATING INCOME: \$326,627.10		

INVESTMENT OVERVIEW

CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE this Rite Aid property located on East Ave in Wellsboro, Pennsylvania. Rite Aid has been operating at this location since 2003 and has over 9 years remaining in its initial lease term with two options to renew with increases. This a fee simple triple net lease with zero landlord responsibilities or expenses and is corporately guaranteed by Rite Aid.

This 13,813 square foot Rite Aid sits on a large 1.368 acre parcel with two points of access, which allows for numerous redevelopment opportunities in the future if necessary. The property is ideally situated on East Ave, a main thoroughway and retail corridor in Wellsboro with 11,000 vehicles traveling by the site daily. Surrounding national tenants include TOPS Friendly Markets, NAPA Auto Parts, McDonald's, Dunkin' and Pizza Hut to name a few. The site is also surrounded by numerous local businesses and restaurants. There are 2,738 people within 1 mile of the site, 5,306 people within 3 miles and 7,609 people within 5 miles. Adjacent to Rite Aid is the Canyon Motel, providing a built in customer base in addition to the surrounding neighborhoods. This NNN lease coupled with a successful, established tenant and strong location makes this the ideal investment for the astute investor.



PROPERTY SUMMARY

RITE AID | WELLSBORO, PA



PROPERTY PHOTOS



ROCK L BUTLER
MIDDLE SCHOOL
450+ STUDENTS



EAST AVE - 11,216 V.P.D.



UPMC
WELLSBORO
67 beds

LOCAL
MAP



REGIONAL
MAP



LOCATION OVERVIEW

This freestanding Rite Aid Pharmacy is situated on East Ave/Roosevelt Highway in Wellsboro, Pennsylvania. The property boasts a double drive-thru facility, two means of ingress/egress and ample parking. Surrounding national tenants include TOPS Friendly Markets, NAPA Auto Parts, McDonald's, Dunkin' and Pizza Hut to name a few. The site is also surrounded by numerous local businesses and restaurants. There are 2,738 people within 1 mile of the site, 5,306 people within 3 miles and 7,609 people within 5 miles. Adjacent to Rite Aid is the Canyon Motel, providing a built in customer base in addition to the surrounding neighborhoods. Rite Aid is also located less than 0.5 miles from Rock L Butler Middle School with School with over 450 students enrolled. In this area, East Ave/Roosevelt Highway is a major route for commuters and local traffic alike with traffic counts exceeding 11,000 vehicles per day passing by this Rite Aid site.

Wellsboro is a borough in Tioga County, Pennsylvania. It is located 52 miles northwest of Williamsport. It is the county seat of Tioga County, and also home to Pine Creek Gorge, also known as "The Grand Canyon of Pennsylvania." Pine Creek Gorge, is a 47 mile gorge carved into the Allegheny Plateau. It sits in about 160,000 acres and begins south of Ansonia, near Wellsboro, along U.S. Route 6 and continues south. It draws in approximately 200,000 visitors each year.

NEIGHBORING NATIONAL TENANTS



SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	2,911	5,519	7,795
2020 POPULATION	2,738	5,306	7,609
PROJECTED POPULATION (2025)	2,659	5,199	7,476
HISTORICAL ANNUAL GROWTH			
2010-2020	-0.60%	-0.38%	-0.24%
PROJECTED ANNUAL GROWTH			
2020-2025	-0.58%	-0.41%	-0.35%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	1,364	2,379	3,321
2020 HOUSEHOLDS	1,320	2,361	3,330
PROJECTED HOUSEHOLDS (2025)	1,288	2,323	3,285
HISTORICAL ANNUAL GROWTH			
2010-2020	-0.32%	-0.07%	0.03%
PROJECTED ANNUAL GROWTH			
2020-2025	-0.49%	-0.31%	-0.27%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2020 AVERAGE	\$68,448	\$70,416	\$70,824
2020 MEDIAN	\$51,032	\$52,596	\$53,227

POPULATION BY RACE

	1 MILE	3 MILES	5 MILES
WHITE POPULATION	94.9%	96.0%	96.5%
AFRICAN AMERICAN POPULATION	0.7%	0.6%	0.6%
ASIAN POPULATION	1.6%	1.1%	0.9%
PACIFIC ISLANDER POPULATION	0.4%	0.4%	0.4%
AMERICAN INDIAN AND ALASKA NATIVE	0.0%	0.0%	0.0%
OTHER RACE POPULATION	0.3%	0.3%	0.2%
TWO OR MORE RACES POPULATION	2.0%	1.6%	1.4%

HISPANIC OR LATINO POPULATION BY ORIGIN

	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	1.5%	1.5%	1.5%
WHITE NON-HISPANIC	94.1%	95.1%	95.5%

2020 AGE BY GENDER

	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	46.1/50.6	47.1/50.0	47.4/49.2

TRAFFIC COUNTS

EAST AVE			
11,216			

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