HIGHLY SUCCESSFUL
DRIVE-THRU DRUG STORE
INVESTMENT OFFERING



990 PLEASANT GROVE BLVD. ROSEVILLE, CA 95678

WEALTHIEST SUBURB OF THE GREATER SACRAMENTO MSA

#1 INTERSECTION IN ENTIRE TRADE AREA (OVER 110,000 CARS PER DAY)

ONLY DRIVE THRU ALLOWED AT INTERSECTION W/ ENHANCED GROCERY FORMAT

LEASE GUARANTEED BY THRIFTY PAYLESS AND THE RITE AID CORPORATION









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EXCLUSIVE INVESTMENT ADVISOR:

DONALD MACLELLAN

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INVESTMENT SUMMARY

OFFERING PRICE:	RENTABLE SQ FT:		PARKING SPACES:
\$9,287,000	17,272		80 stalls (4.63 per 1,000 SF)
NOI:	TENANT NAME:	LEASE GUARANTOR:	YEAR BUILT:
\$580,436	Rite Aid	Thrifty Payless and the Rite Aid Corporation	2009
CAP RATE:	LOCATION:		LOT SIZE:
6.25%	990 Pleasant Grove Bl	vd., Roseville, CA 95678	1.8 Acres (78,408 SF)

Faris Lee Investments is pleased to present the opportunity to acquire one of the strongest performing Rite Aid's in the greater Sacramento area. The store is located in the highly desirable community of Roseville. The store is merchandised with a full array of goods and services including grocery, pharmaceuticals, home goods, cosmetics and a photo center.

Rite Aid has nearly **ten years left on their absolute NNN lease** and has been located here for an additional 10 years. There are 6 (5-Year) options with scheduled rent increases, **creating stability** and a hedge against inflation for the investor.

The site is positioned along the main retail corridor in Roseville, just minutes from dozens of the nation's leading retailers including **Costco, Whole Foods, Nordstrom, Sprouts and Target**, all of which drive significant traffic to the site.

The property boasts arguably **the best location in the area** relative to visibility, traffic, and access. Rite Aid sits at **the busy intersection of Pleasant Grove Boulevard and Roseville Parkway (111,714 combined VPD)**, with easy access to and from Highway 65 (109,996 VPD), one of the main arterials running through Roseville. It is also flanked by several highly affluent and rapidly growing neighborhoods (\$104,900+ average household income in a 1 mile radius).



INVESTMENT HIGHLIGHTS

ABOVE AVERAGE STORE SALES

 This location is considered one of Rite Aid's strongest performing stores in the greater Sacramento area

IRREPLACEABLE NORTHERN CALIFORNIA (ROSEVILLE) LOCATION

 Flanked by highly affluent neighborhoods (\$104,000 AHHI) with close proximity to the busy 65 highway

LONGEVITY OF LOCATION

 Rite Aid has seen strong performance at this location for over 10 years

RARE CORPORATE GUARANTEE

 Lease guaranteed by Rite Aid Corporation

LONG-TERM LEASE WITH STEADY GROWTH

 Just under ten (10) years remaining on term with 6 (5-Year) options to extend, with substantial rental increases built in

FLAGSHIP FULL-SERVICE DRUG STORE FORMAT

 Photo Center, Groceries, Drive-Thru Pharmacy, and more (zero restrictions to add, change or remove offerings)

ABSOLUTE NNN LEASE

• Ease of management with no landlord responsibilities

HIGH QUALITY CONSTRUCTION BY RITE AID PREFERRED DEVELOPER

 Pride of Ownership asset designed and built far above city standards with all codes for 100-year durability

STRONG INTERSECTION WITH OPTIMAL VISIBILITY

 Located at one of the busiest signalized, hard corner intersections in the trade area - 100,000+ vehicles per day

WITHIN ONE MILE OF LEADING SHOPPING CENTERS

 Westfield Galleria ("A" rated and \$735 PSF sales), Fountains at Roseville and Creekside Town Center are among the highest performing retail centers in the state; additionally, Costco's highest volume store in the Sacramento MSA and the Central Valley generates \$350M in sales (\$2,365 PSF)

OFFERING OPEN TO NEW INTEREST-ONLY DEBT AT HISTORICALLY LOW RATES

 Strong location and performance will attract significant lender interest at favorable rates and terms



PROPERTY SPECIFICATIONS



990 Pleasant Grove Blvd., Roseville, CA 95678



1.8 Acres (78,408 SF)



17,272 SF



Fee Simple (Land & Building)



PARKING

Approx. 80 dedicated stalls (4.63 per 1,000 SF)



There are two (2) access points to the center, one (1) along Pleasant Grove Blvd., and one (1) along Roseville Pkwy.



Pleasant Grove Blvd: $\pm 56,686 \text{ VPD}$ Roseville Pkwy: $\pm 55,028 \text{ VPD}$ Highway 65: $\pm 109,996 \text{ VPD}$

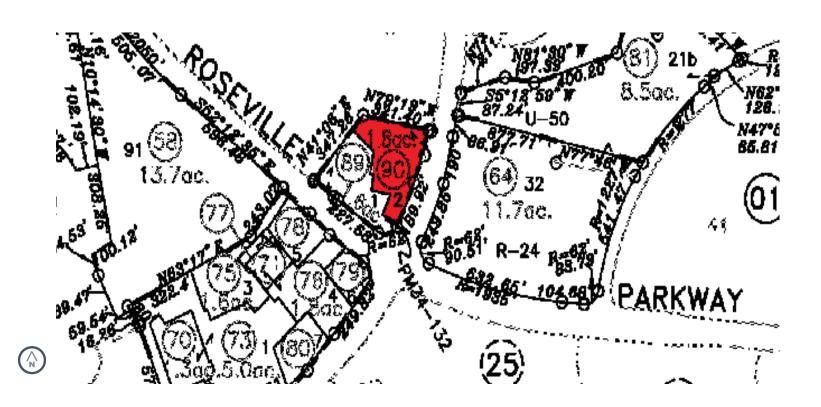


YEAR BUILT

2009

PARCEL MAP

APN: 363-030-090-000















AREA OVERVIEW

THE CITY OF ROSEVILLE

Roseville is the largest city in Placer County and is part of the Sacramento MSA. It is home to one of Sun City's largest master planned residential communities with over 3.000 homes. It was a railroad town for decades after the Central Pacific Railroad tracks were constructed in the area back in 1864.

Today, Roseville has a variety of businesses. It has encouraged the addition of large retail centers, including one of the largest auto malls in the country, which contributes significantly to sales tax receipts at the city and county level. Revenue from sales tax has been a main reason why Roseville has been able to keep up the city's infrastructure as the population has dramatically increased. This environment has produced a mix of housing, small and large employers, as well as shopping opportunities.

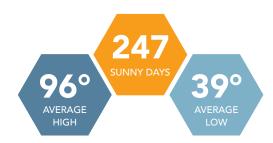
Shopping plays a vital role in the economy of Roseville, which has the thirteenth highest retail sales of all California cities. Roseville is considered a regional shopping destination, with the Westfield Galleria at Roseville being the main shopping center in the city and the second largest shopping mall in Northern California. Westfield embarked on a \$270 million project, because of the revenue they acquire from this high end 487,806 SF mall.

Across the street from the Galleria, Peter Bollinger Investment Company built a \$70 million complex named "Fountains at Roseville". Fountains at Roseville is a 330,000 SF retail center. The first phase opened to the public in 2008. Plans call for future construction of hotel, additional retail, and office buildings as well.

In addition to the Galleria and Fountains at Roseville, Roseville has many shopping plazas surrounding the Galleria and the Douglas Boulevard financial corridor.



WEATHER





TOP EMPLOYERS IN ROSEVILLE

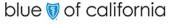


























ROSEVILLE AREA FACT FILE









Ranked #36 in "Job Growth" by Forbes



2,345,200 Estimated population



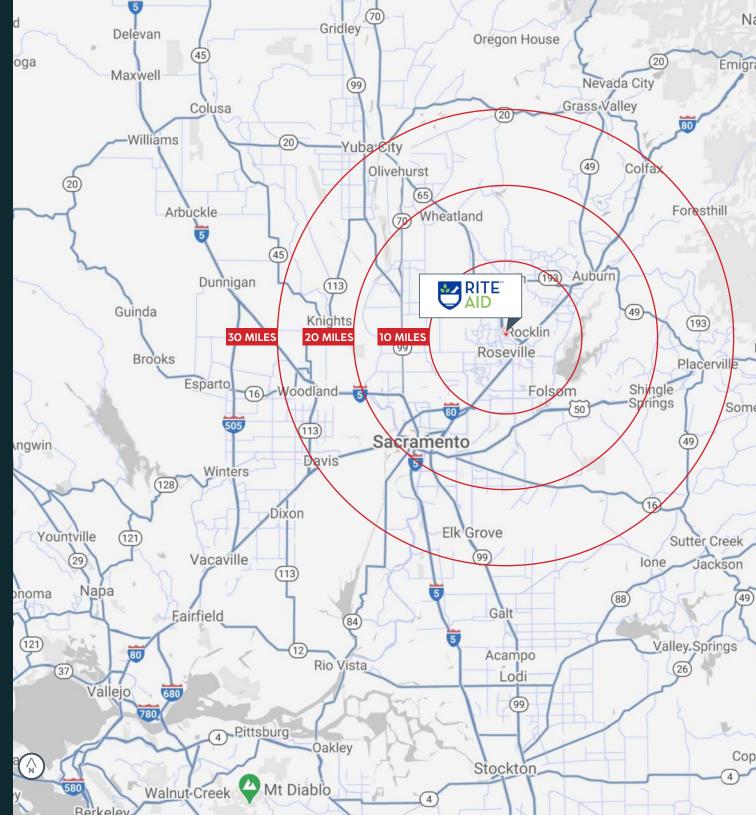
28 Minutes average commute time













DEMOGRAPHICS

ROSEVILLE, CA	1 MILE	3 MILE	5 MILE
POPULATION	_	_	_
2019 Estimated Population	13,191	110,121	242,740
2024 Projected Population	14,528	121,157	265,143
2010 Census Population	12,026	98,547	208,637
2000 Census Population	4,579	66,511	142,164
Projected Annual Growth 2019 to 2024	2.0%	2.0%	1.8%
Historical Annual Growth 2000 to 2019	9.9%	3.5%	3.7%
2019 Median Age	34.7	37.4	39.3
HOUSEHOLDS			
2019 Estimated Households	4,956	42,219	91,706
2024 Projected Households	5,289	45,021	97,285
2010 Census Households	4,394	36,760	77,224
2000 Census Households	1,533	24,804	53,407
Projected Annual Growth 2019 to 2024	1.3%	1.3%	1.2%
Historical Annual Growth 2000 to 2019	11.8%	3.7%	3.8%
INCOME			
2019 Estimated Average Household Income	\$104,901	\$102,017	\$109,365
ETHNICITY			
2019 Estimated White	70.5%	75.0%	76.3%
2019 Estimated Black or African American	3.5%	2.7%	2.8%
2019 Estimated Asian or Pacific Islander	17.0%	11.1%	10.4%
2019 Estimated American Indian or Native Alaskan	0.4%	0.8%	0.7%
2019 Estimated Other Races	8.7%	10.4%	9.8%
2019 Estimated Hispanic	14.1%	16.8%	15.2%
BUSINESS			
2019 Estimated Total Businesses	692	6,512	11,382
2019 Estimated Total Employees	8,893	64,119	104,240

TENANT PROFILE



Rite Aid

www.riteaid.com

Rite Aid Corporation, through its subsidiaries, operates retail drugstores in the US. It operates through two segments, Retail Pharmacy and Pharmacy Services. The Retail Pharmacy segment sells prescription drugs and other merchandise, including overthe-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. In addition, this segment offers healthcare coaching and disease management services. The Pharmacy Services segment provides pharmacy benefit management (PBM) services and a range of pharmacy-related services. This segment also performs prescription adjudication services for other PBMs; and offers integrated mail-order and specialty pharmacy services, as well as drug benefits under the federal government's Medicare Part D program. As of 4/1/20, it operated 2,570 stores in 18 states. Founded in 1927, its HQ is in Camp Hill, PA.

Company Type: Public: (NYSE: RAD)

Locations: $\pm 2,469$ **Employees:** 29,840

TTM Revenue: \$23.85 Billion Fiscal 2020 Assets: \$9.45 Billion

- Revenue Increased 12% from prior year- \$5.46 Billion to \$6.12 Billion
- Same Store Sales increased 4.3% over prior year period.
- Stock has nearly doubled in the last 3 months
- Online Revenues skyrocketed 225% year over year period



RENT ROLL

	C:	Current	Monthly	Current	Annual	Rental Increases		Rental Increases		Paggyany	Lanna	Lanna	
Tenant	Size (SE)	Monthly	Rent	Annual	Rent	Monthly	Monthly	Recovery	Lease	Lease Expires	Lease Options		
	(5F)	Rent	\$/SF	Rent	\$/SF	Rent	\$/SF	Туре	Start	Expires			
Rite Aid	17.272	\$48.370	\$2.80	\$580.436	\$33.61	No	ne.	NNN	8/1/2009	7/31/2029	6 (5-Year)		

Opt. 1: \$53,206.58/mo.
Opt. 2: \$53,206.58/mo.
Opt. 3: \$58,527.25/mo.
Opt. 4: \$58,527.25/mo.
Opt. 5: FMV or 110% of previous rent
Opt. 6: Same as prior option rent



LEASE ABSTRACT

TENANT:	Thrifty Payless, Inc.				
GUARANTOR:	Rite Aid Corporation				
LEASE EXECUTION DATE:	November 2nd, 2006				
LEASE START DATE:	August 1st, 2009				
LEASE EXPIRATION DATE:	July 31st, 2029				
LEASE TYPE:	Absolute NNN				
LEASE TERM:	20 years				
RENT:	Current \$48,369.67/mo				
LEASE OPTIONS:	6 (5-Year)				
OPTION RENT:	August, 2029 \$53,206.58/ August, 2034 \$53,206.58/ August, 2039 \$58,527.25/r August, 2044 \$58,527.25/r August, 2049 FMV August, 2054 FMV				
PROPERTY TAXES, INSURANCE, CAM:	Tenant Responsible				
EXPENSE CAPS:	Tax - Tenant responsible for 1 increase every 5 years due to sale; if no transfer occurs in a 5-year period, it carries over to the next 5-year period so that Tenant would be responsible for any increase due to 2 sales (but 2 is max carryover limit); Tenant not responsible for more than 3 increases due to sale during initial term				
	(NOTE: that no transfers have occurred and 2 are in the bank)				
ROOF & STRUCTURE:	Tenant Responsible				
HVAC:	Tenant Responsible				
ADMIN/MANAGEMENT FEE:	Maintenance Director can charge 15% fee of the CAM (excluding property taxes, utilities, and insurance)				

TRANSACTION SUMMARY

Financial Information

1

Lease Type: Absolute NNN

Price: \$9,287,000

Tenant is responsible for taxes, insurance, CAM, roof and structure. Landlord has zero responsibilities.

Property Specifications

Rentable Area: 17,272 SF Land Area: 1.8 Acres Year Built: 2009

Address: 990 Pleasant Grove Boulevard

Roseville, CA 95678

Parcel Number: 363-030-090-000

Ownership: Fee Simple (Land & Building)

Tenant: Rite Aid

Operating Information

	<u>In-Place</u>
Gross Potential Rent	\$580,436
Plus Recapture	NNN
Effective Gross Income	\$580,436
Less Expenses	(NNN)
Net Operating Income	\$580,436

Cap Rate: 6.25%





STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as Rite Aid, City of Roseville, County of Placer, State of California. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property, and it is not to be used for any other purpose or made available to any other person without the express written consent of Seller or FLI. The material is based in part upon information supplied by the Seller and in part

upon financial information obtained by FLI from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

No representation or warranty, expressed or implied, is made by the Seller, FLI, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building at the Property site.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in

connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or FLI or any of their affiliates or any of their respective officers, directors, 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.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

EXCLUSIVE INVESTMENT ADVISOR:

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