

# FOR SALE | NET LEASE RITE AID WITH RENT INCREASES IN DETROIT MSA

32905 FORT ROAD | ROCKWOOD, MI 48173



JASON STUART PONGSRIKUL | Managing Principal | Direct: 619.297.0055 x302 | [jp@pharmapropertygroup.com](mailto:jp@pharmapropertygroup.com) | CA DRE Lic. 01918332

CHRIS BARRY | Senior Vice President | Direct: 619.297.0055 x305 | [cb@pharmapropertygroup.com](mailto:cb@pharmapropertygroup.com) | CA DRE Lic. 02018350

BRIAN BROCKMAN, CCIM | Broker of Record | Direct: 513-300-0763 | [wg@bangrealty.com](mailto:wg@bangrealty.com) | MI DRE Broker Lic. 6502428679



**PHARMA PROPERTY GROUP**  
DRUGSTORE REAL ESTATE INVESTMENT SPECIALISTS®

1979 Chicago Street | San Diego, CA 92110 | 619.297.0055 | [www.pharmapropertygroup.com](http://www.pharmapropertygroup.com)





## OFFERING SUMMARY

Pharma Property Group is pleased to exclusively market for sale a single tenant Rite Aid property located in Rockwood, Michigan. Rite Aid has been operating at this location for 15+ years and just agreed to add an additional 5 years of term through July of 2033, which further demonstrates their commitment to the site. There are rental increases in both the primary lease term and extension options.

The store benefits from limited competition as it is the only Rite Aid, Walgreens or CVS in a 3-mile radius. Within the immediate 1.5-miles this it is the only freestanding national brand drugstore servicing over 2,000 households.

The 11,180 square foot building is located one block from Interstate 75 (61,000 VPD) which is the main thoroughfare to Detroit. It is also positioned just three miles south of 2,900,000 square foot Ford Flat Rock Assembly Plant with over 3,500 employees. Other nearby national retailers include Subway, Save-a-lot, Dollar General, and Exxon.







## INVESTMENT HIGHLIGHTS

### NEW RITE AID NET LEASE WITH RENT INCREASES

- Income guaranteed by Rite Aid Corporation with over 2,400 locations.
- Rite Aid recently executed a 5-year lease extension which takes the lease out to 10 years of term remaining and speaks to the strength of this store.
- Rental increases in the primary term and extension options.
- Minimal landlord responsibilities.

### LONG HISTORY OF OPERATIONS & LIMITED COMPETITION

- 15 years of operations with strong customer base.
- Only freestanding national brand drugstore within 3-mile radius.
- Placer ranks the foot traffic at this location #1 out of 6 Rite Aid stores within a 15-miles radius.

### PART OF DETROIT MSA WITH STRONG EMPLOYMENT BASE

- Located 25 miles southwest of Detroit with nearly 200,000 residents in a 10-mile radius.
- One block from I-75, the main thoroughfare to Detroit with  $\pm 61,206$  VPD.
- Just three miles south of 2,900,000 square foot Ford Flat Rock Assembly Plant with over 3,500 employees.



## PROPERTY & LEASE OVERVIEW

### OFFERING SUMMARY

<b>PRICE   CAP RATE</b>	\$4,967,012   8.00%
<b>ANNUAL RENT (NOI)</b>	\$397,361
<b>MONTHLY RENT</b>	\$33,113
<b>RENT PER SF</b>	\$35.54

### LEASE SUMMARY

<b>TENANT</b>	Rite Aid (NYSE: RAD)
<b>LEASE TERM EXPIRATION</b>	July 31, 2033
<b>LANDLORD INCOME</b>	Corporate Guarantee
<b>LEASE TERM REMAINING</b>	±10 Years
<b>OPTIONS</b>	4 (5-Year) Options
<b>RENTAL INCREASES</b>	Yes, See Rent Schedule
<b>LEASE TYPE</b>	Double Net Lease
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure

### BUILDING INFORMATION

<b>ADDRESS</b>	32905 Fort Road Rockwood, MI 48173
<b>BUILDING SIZE (SF)*</b>	±11,180
<b>LOT SIZE (SF)*</b>	±76,359
<b>YEAR BUILT</b>	2008

*\*Buyer to confirm building and parcel sizes during due diligence period.*

### RENT SCHEDULE

TERM	DATES	MONTHLY RENT	ANNUAL RENT
Initial Term	Current - 7/31/2030	\$33,113	\$397,361
Initial Term	8/1/2030 - 7/31/2033	\$33,775	\$405,308
Option 1	8/1/2033 - 7/31/2038	\$35,787	\$429,455
Option 2	8/1/2038 - 7/31/2043	\$36,719	\$440,635
Option 3	8/1/2043 - 7/31/2048	\$37,651	\$451,815
Option 4	8/1/2048 - 7/31/2053	\$38,582	\$462,995









## MARKET OVERVIEW

Rockwood is located in Wayne County, the largest county in the state of Michigan. It is part of the Detroit-Warren Dearborn Metropolitan Statistical Area, the 12th most-populous MSA in the U.S. with over 4.3 million residents. Detroit is home to Ford, General Motors and Chrysler, the three major automotive manufacturers in the country.

## AREA DEMOGRAPHICS

 Total Population		 Median HH Income		 Total Households		 Traffic Count Vehicles/Day	
1 MILE	3,993	1 MILE	\$76,204	1 MILE	1,591	FORT RD	±4,009
5 MILES	59,970	5 MILES	\$76,684	5 MILES	22,752	HURON RI	±7,470
10 MILES	190,891	10 MILES	\$68,243	10 MILES	74,754	I-75	±61,206

Disclaimer: This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage, age, distances, lot size, store opening dates, demographic information, aerial information, tenant information & store operating information are approximate. By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies.





## Company Summary\*

### Tenant History

Rite Aid Corporation, through its subsidiaries, operates a chain of retail drugstores in the United States. The company operates in two segments, Retail Pharmacy and Pharmacy Services.

The Retail Pharmacy segment sells prescription drugs and an assortment of front-end products, 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. In addition, this segment offers healthcare coaching and disease management services to health plans and employers.

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 February 2022, the company operated approximately 2,450 retail pharmacies in 17 states.

Rite Aid Corporation was founded in 1962 and is headquartered in Camp Hill, Pennsylvania.

\*Source: Yahoo Finance

## TENANT PROFILE (AS OF FEBRUARY 2022)

WEBSITE	<a href="https://www.riteaid.com">https://www.riteaid.com</a>
LOCATIONS	2,450
STOCK SYMBOL (NASDAQ)	RAD
MARKET CAPITALIZATION	\$233.2 Million
REVENUE	\$24.5 Billion
ASSETS	\$8.5 Billion
EMPLOYEES	±53,000



FOR SALE | NET LEASE RITE AID WITH RENTAL INCREASES IN DETROIT MSA



32905 FORT ROAD | ROCKWOOD, MI 48173

## CONFIDENTIALITY AGREEMENT

This marketing material is meant only for your use in deciding if the Property fits your preliminary purchase requirements. The limited information within this marketing material regarding this Property may not be as complete as necessary for a prospective Purchaser's evaluation and neither the Owner nor Pharma Property Group, Inc. and its affiliates make any representation or warranty as to its accuracy. All financial and lease information, along with property measurements and specifications are summaries or estimations. Qualified Buyers are encouraged to schedule inspections of the property by third parties. You are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase.

By receiving this marketing material you agree that it is of a confidential nature and will not be disclosed to any party without written permission of the Owner, Pharma Property Group, Inc. and its affiliates or be used in any way to negatively affect the Owner's or Pharma Property Group and its affiliates interests. The marketing material and/or offers to purchase this Property are non-binding. Purchase contracts must be done in writing, approved by the Seller and fully executed by all parties to be binding. Photos herein are the property of their respective owners and use of these images without the express written consent of the owner is prohibited. Please return this marketing material should there be no further interest in purchasing the Property.

**JASON STUART PONGSRIKUL | Managing Principal | Direct: 619.297.0055 x302 | [jp@pharmapropertygroup.com](mailto:jp@pharmapropertygroup.com) | CA DRE Lic. 01918332**

**CHRIS BARRY | Senior Vice President | Direct: 619.297.0055 x305 | [cb@pharmapropertygroup.com](mailto:cb@pharmapropertygroup.com) | CA DRE Lic. 02018350**

**BRIAN BROCKMAN, CCIM | Broker of Record | Direct: 513-300-0763 | [wg@bangrealty.com](mailto:wg@bangrealty.com) | MI DRE Broker Lic. 6502428679**



**PHARMA PROPERTY GROUP**  
DRUGSTORE REAL ESTATE INVESTMENT SPECIALISTS®

1979 Chicago Street | San Diego, CA 92110 | 619.297.0055 | [www.pharmapropertygroup.com](http://www.pharmapropertygroup.com)