



EXCLUSIVELY LISTED INVESTMENT OFFERING

BAY AREA DRUGSTORE INVESTMENT OPPORTUNITY



1165 ARNOLD DRIVE | MARTINEZ, CA 94553



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Property Overview



**1165 ARNOLD DRIVE
MARTINEZ, CA 94553**

Year Built: 1984

Lot Size: 48,003 Square Feet

Building Size: 30,944 Square Feet

Investment Highlights

CORPORATE GUARANTEE

The lease income is guaranteed by the Rite Aid Corporation (NYSE: RAD) with a credit rating (S&P) of B (Stable).

SOLID REAL ESTATE FUNDAMENTALS

This location has a modest rent per square foot of \$14.13 which is inline with the local market allowing an investor to receive equal or possibly greater rent income levels should Rite Aid ever vacate the location.

RENT INCREASES IN THE OPTIONS

The lease allows for rental increases of approximately 5% during the second and fourth options. Current annual rent is \$437,245, increasing to \$459,107 in 2030. Please see the rent schedule (Page 4) for further information on the increases.

ABSOLUTE NET LEASE

There is currently two (2) years and three (3) months remaining on an absolute net lease with four (10 year) options. There are no landlord responsibilities whatsoever.

RECENT TENANT REMODEL

Rite Aid remodeled both the interior and exterior of the building two years ago including new signage, painting, new floors and a overall upgrade to the interior of the store showing commitment to this location.

BUSY BAY AREA LOCATION

The subject property is located one block from the Highway 4 on ramp with a traffic count of approximately 79,000 cars per day and approximately 2 miles from Interstate 680 with a traffic count of approximately 120,000 cars per day.

NEAR KAISER PERMANENTE MEDICAL CENTER

The subject property is located approximately one mile from a 197,660 square foot Kaiser Permanente medical offices center with out-patient services and over 750 doctors and staff.



Location Aerial



AREA HIGHLIGHTS

- **BUCHANAN FIELD AIRPORT** - (3 Miles East) The Buchanan Field airport is a county-owned, public-use airport with 93,874 aircraft operations annually and housing approximately 387 aircraft.
- **DIABLO VALLEY COLLEGE** - (4 Miles Southeast) Diablo Valley College is a two-year community college with current enrollment of approximately 22,000 students and approximately 670 staff.
- **SUN VALLEY SHOPPING CENTER** - (4 Miles Southeast) More popularly known as Sunvalley Mall, this regional shopping center is just off Interstate 680 and consists of approximately 1,333,000 square feet of retail space and is anchored by Macy's, JC Penney and Sears.
- **JOHN MUIR MEDICAL CENTER - CONCORD** - (5 Miles Southeast) This hospital is a 245-bed regional medical hospital serving the counties of Contra Costa and Solano.

Lease Overview

Tenant:

RITE AID (NYSE: RAD)

Landlord Income:

CORPORATE GUARANTEE

Credit Rating:

B STABLE (S&P)

Lease Type:

ABSOLUTE NET LEASE

There are no landlord responsibilities whatsoever.

Lease Term:

**2 YEARS AND 3 MONTHS REMAINING WITH
FOUR 10 YEAR OPTIONS TO FOLLOW**

Next Option Begins:

JUNE 1, 2020

Location Overview

Martinez is located in and is the county seat of Contra Costa County in the East Bay of the San Francisco Bay Area in California. The city lies approximately 2 miles from Interstate 680, which runs north over the Carquinez Straight and south to San Jose, California.

Pricing

Price: \$6,995,920

CAP Rate: 6.25%

Price / SF: \$226.08

Monthly Income: \$36,437

Annual Income: \$437,245

Building

Building Square Footage: 30,944

Land Square Footage: 48,003

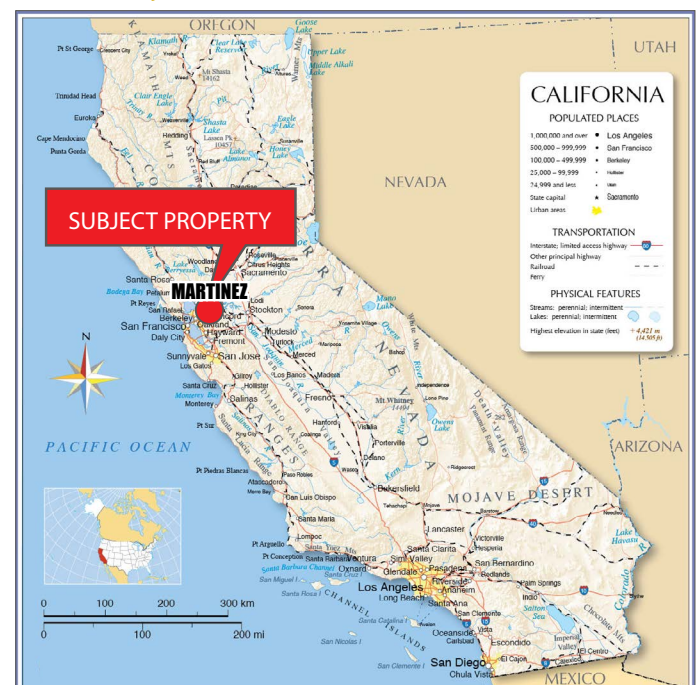
Rent/Square Foot: \$14.13

Year Built: 1984

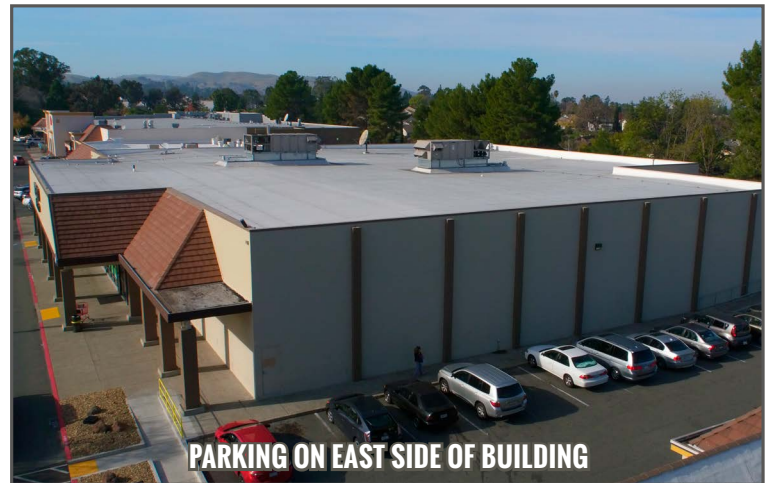
Rent Schedule

TERM	DATES	RENT
Initial Term	5/18/1998 - 5/31/2020	\$437,245.68
First Option	6/1/2020 - 5/31/2030	\$437,245.68
Second Option	6/1/2030 - 5/31/2040	\$459,107.88
Third Option	6/1/2040 - 5/31/2050	\$459,107.88
Fourth Option	6/1/2050 - 5/31/2060	\$480,970.20

MARTINEZ, CA

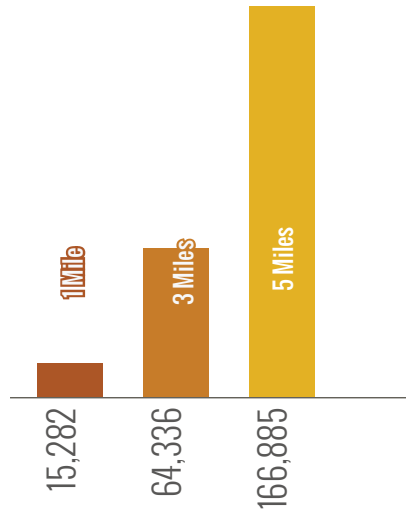


Property Photos

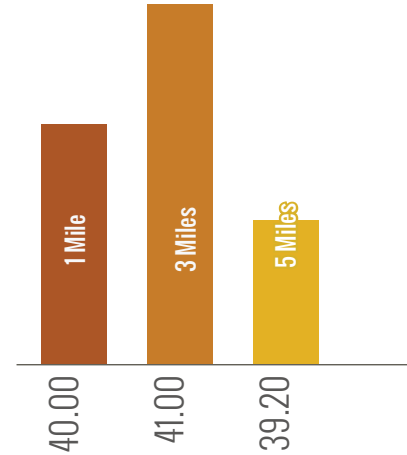


Demographic Snapshot | 2017 Estimate

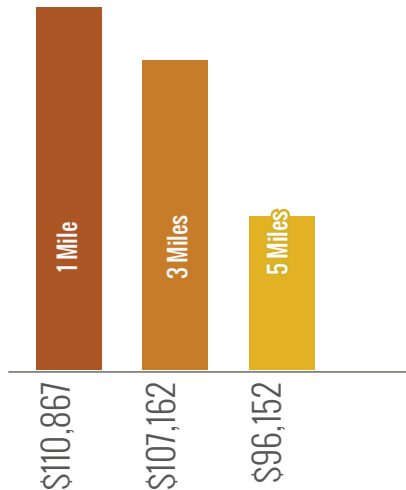
Total Population



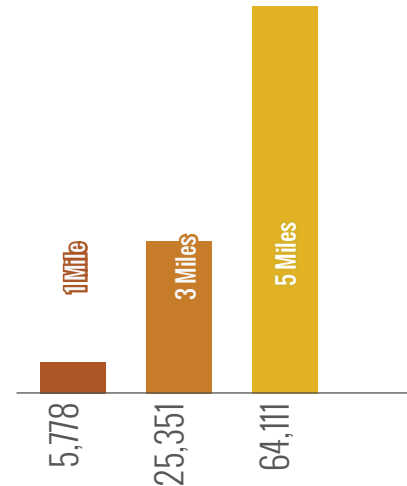
Average Age



Average Household Income



Total Households



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.

Buyer and their representatives understands that Rite Aid tenant information was gathered by sources deemed to be reliable including Rite Aid public quarterly and annual reports. Demographic information was provided by Nielsen Information Systems.

By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies.



Investment Property Recap



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MARTINEZ, CA 94553**

Year Built: 1984
Total Lot Size: 48,003 Square Feet
Total Building Size: 30,944 Square Feet

Lease Overview

Tenant:
Rite Aid (NYSE: RAD)

Landlord Income:
Corporate Guarantee

Credit Rating:
B Stable (S&P)

Lease Type:
Absolute NET Lease
No Landlord responsibilities whatsoever.

Lease Term:
*2 years and 3 months remaining with
Four (10 year) options to follow with increases.*

Next Option Begins:
June 1, 2020

Pricing

Price: \$6,995,920	Cap Rate: 6.25%	Total Monthly Income: \$36,437	Total Annual Income: \$437,245
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