



## MICHIGAN INVESTMENT OFFERING

100 EAST VIENNA STREET | CLIO, MI 48420



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**PHARMA PROPERTY GROUP**  
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## Offering Summary

<b>LIST PRICE</b>	<b>\$3,136,761</b>
<b>CAP RATE</b>	<b>7.75%</b>
<b>PRICE PER SF</b>	<b>\$283.40</b>
<b>LEASE TERM REMAINING</b>	<b>11 Years</b>
<b>OPTIONS</b>	<b>Two (5-year) Options with 15% Increases</b>
<b>LEASE TYPE</b>	<b>Absolute Net Lease</b>
<b>ANNUAL RENT (NOI)</b>	<b>\$243,099</b>
<b>MONTHLY RENT</b>	<b>\$20,258</b>
<b>BUILDING SIZE (SF)</b>	<b>±11,068</b>
<b>LOT SIZE (SF)</b>	<b>±63,380</b>
<b>YEAR BUILT</b>	<b>1999</b>
<b>PARCEL NUMBER</b>	<b>51-23-501-028</b>

## Investment Highlights

### 10 YEAR EXTENSION ON ABSOLUTE NET LEASE WITH RARE 15% INCREASES

Rite Aid recently agreed to extend the lease 10 years which will give the lease approximately eleven (11) years remaining on the primary term with two 5-year options to extend including rare 15% rental increases in the options. This is a true absolute net lease with no landlord responsibilities whatsoever.

### PREFERRED RITE AID LOCATION WITH 20+ YEARS OF OPERATING HISTORY

Rite Aid retained this location in its sale of 1,900 locations to Walgreens in 2018 showing commitment to the site. The store has a successful operating history of 20+ years at this location.

### ONLY NATIONAL DRUGSTORE IN CLIO

This Rite Aid is the only national drugstore chain in Clio with the next nearest competition over 4.4 miles to the south.

### STABLE INCOME CORPORATE GUARANTEE

Rental income guaranteed by Rite Aid corporate (S&P B Stable) Fortune 500 Company with over 2,500 locations.

### 14 MILES NORTH OF FLINT

Clio is located just 14 miles north of Flint, Michigan along interstate 75. Flint is the largest city in Genesee county with a population of more than 102,434 residents.



ANNOUNCES PARTNERSHIP WITH



### AMAZON PICK-UP LOCATION

Rite Aid announced the addition of "Counter" by Amazon in June of 2019, which will enable quick and easy pickup of packages in-store at over 1,500 Rite Aid locations across the country.

### MAIN & MAIN LOCATION WITH 29,235 VEHICLES PER DAY

The Subject Property is located on a signalized corner in the heart of Clio at the cross section of West Vienna Street (18,712 VPD) and South Mills Street (10,523 VPD). Interstate 75, which is one of the major north-south highways in the country is located 1.5 miles west from Rite Aid with traffic counts of over 62,100 vehicles per day.

### STRONG NATIONAL RETAIL PRESENCE

The subject property benefits from a strong concentration of national retail tenants and is located on the main corridor in the city of Clio. Located one mile to the west along Vienna Street is a Tractor Supply and Goodwill anchored center. Other national tenants in the surrounding area include Tim Horton's, Chase Bank, Walmart Super Center, McDonald's, Arby's, Taco Bell, Applebee's and Menards.



## Lease Summary

ADDRESS	100 East Vienna Street Clio, MI 48420
TENANT	Rite Aid
LEASE COMMENCEMENT	March 1, 1999
LEASE EXPIRATION	February 28, 2031
TERM REMAINING	11 Years
LEASE TYPE	Absolute Net Lease
ANNUAL RENT	\$243,099
MONTHLY RENT	\$20,258
RENT PER SQUARE FOOT	\$21.96
OPTIONS	Two (5-year) Options
INCREASES	15% at Each Option
LANDLORD RESPONSIBILITIES	None

## Rent Schedule

TERM	DATES	MONTHLY RENT	ANNUAL RENT
Current	Present - 2/28/2031	\$20,258	\$243,099
Option 1	3/1/2031 - 2/28/2036	\$23,296	\$279,563
Options 2	3/1/2036 - 2/28/2041	\$26,791	\$321,498





## Building Photos





## Location Aerial





## Location Overview and Demographics

Clio is a city in Genesee County located in Vienna Township. Along with the rest of Genesee County, Clio is part of the Flint Metropolitan Statistical Area which has a population of 425,790 residents. Located along the Flint River, the city of Flint is 66 miles northwest of Detroit and is a principal city within the region known as "Mid Michigan". With over 11,000 acres of woods, water and trails Genesee County offers Michigan's largest county park system. Four major highways intersect Genesee county providing direct access to all of Michigan's major cities in addition to providing a strong freight transit environment.

- **CLIO COUNTRY CLUB (3.3 MILES NE)** - Clio Country Club features a large clubhouse and banquet space in addition to an 18-hole golf course.
- **SAGINAW 20 MILES NORTH** - The city of Saginaw is located 20 miles north of Clio in the heart of the Great Lakes Bay Region. The beautiful riverfront scenery provides almost constant nature-watching and relaxation opportunities year-round.
- **FLINT 14 MILES SOUTH** - Flint is one of the largest cities in Michigan and is located just 14 miles south of Clio. While known for it's success in the lumbering industry, Flint was also the leading manufacturer of carriages and other vehicles earning it the nickname of "Vehicle City" prior to becoming an automobile manufacturing powerhouse for Buick and Chevrolet.



### Total Population

3 MILES	13,198
5 MILES	30,396
10 MILES	140,027



### Average Household Income

3 MILES	\$59,813
5 MILES	\$59,082
10 MILES	\$50,881



### Total Households

3 MILES	5,294
5 MILES	12,090
10 MILES	54,102



### Average Age

3 MILES	41.50
5 MILES	41.50
10 MILES	39.80



### Traffic Counts Vehicles/Day

VIENNA ST	18,712
S MILL ST	10,523
I-75	62,100

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\*

Rite Aid is the third largest national pharmacy chain behind Walgreens and CVS, operating 2,464 stores in 19 states across the United States. The company's growth is due to development of new stores, aggressive acquisitions and strategic mergers. The chain sells both brand name and generic prescription drugs in addition to a variety of front-end products including health and beauty merchandise, personal care products, cosmetics and numerous other convenience items.

In 1995, Rite Aid completed its largest acquisition to date by purchasing Perry Drugstores which ran 224 stores primarily throughout Michigan. One year later, Rite Aid purchased the 1,000 unit west coast chain of Thrifty PayLess followed by another large acquisition 10 years later in 2006 as Rite Aid announced they would purchase both the Eckerd and Brooks Pharmacy chains for \$3.4 billion. This move would make Rite Aid the dominant retail chain on the east coast.

Rite Aid and GNC have had an exclusive partnership in the chain drug channel since December 1998 and recently extended this partnership through 2021. There are approximately 2,200 GNC store-within-a-store locations operating in Rite Aid bannered stores nationwide, including a majority of Rite Aid's wellness stores. Rite Aid acquired RediClinic in April of 2014 to provide a broad range of preventive services, including screenings, medical tests, immunizations and physical exams and is a key component of Rite Aid's plans to offer an all-encompassing retail healthcare offering. As of 2018 Rite Aid operates 75 RediClinics across Philadelphia, Washington, New Jersey and Texas.

In February of 2015 Rite Aid purchased Envision Pharmaceutical Services (EnvisionRX), a multifaceted healthcare and pharmacy benefit management company for approximately \$2 billion. The acquisition bolstered the retail healthcare platform allowing the delivery of cost-effective solutions to both health plans and employers.

On September 19, 2017 the Federal Trade Commission approved an agreement between Rite Aid and Walgreens for the purchase of 1,932 Rite Aid stores, three distribution centers and related inventory for \$4.38 Billion. The properties were primarily located in the Northeast and Southern regions of the United States and the transfer of all stores was completed in the spring of 2018.

Rite Aid announced the addition of "Counter" by Amazon in June of 2019, which will enable quick and easy pickup of packages in-store at over 1,500 Rite Aid locations across the country.

*\*Rite Aid company information received from Rite Aid investor relations.*

## Tenant Profile

<b>GUARANTOR</b>	Rite Aid Corporation
<b>OWNERSHIP</b>	Public
<b>STOCK SYMBOL (NASDAQ)</b>	RAD
<b>CREDIT RATING (S&amp;P)</b>	B Rated
<b>BUSINESS</b>	Retail Pharmacy
<b>LOCATIONS</b>	2,464 (as of March 2019)
<b>ANNUAL REVENUE</b>	\$21.6 billion (2019)
<b>MARKET CAPITALIZATION</b>	\$0.48 billion (2019)
<b>HEADQUARTERS</b>	Camp Hill, PA
<b>WEBSITE</b>	<a href="http://www.riteaid.com">www.riteaid.com</a>



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FOR MORE INFORMATION PLEASE CONTACT:

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