

SINGLE TENANT ABSOLUTE NNN LEASE INVESTMENT

Long Term True NNN Corporate Lease | Essential Store Location for Rite Aid

38169 Dupont Blvd | Selbyville, DE | 19975



Colliers
INTERNATIONAL

PROPERTY OVERVIEW

We are pleased to offer to qualified investors an opportunity to purchase a corporate guaranteed single tenant NNN leased investment that is fully occupied by Rite Aid with 9.7 lease years remaining on the base term located in Selbyville, DE. Positioned on a hard corner signalized intersection with over 20,000 VPD, the subject property comprises a 14,673 SF building with a double drive-thru lane and is positioned on a large 1.92 acre lot. The property sits in close proximity to a grocery anchored shopping center anchored by Food Lion with a McDonald's outparcel providing retail synergies to the subject property. Additionally, the property is located directly across from a brand new Royal Farms development proving the strong retail demand at this intersection. This is an excellent opportunity to purchase a proven drug store asset that is well positioned along the major north/south corridor of Selbyville, DE with 9.7 lease years remaining on the base term with a corporate guaranty and zero landlord obligations.



PRICING DETAILS

List Price	\$9,175,000
CAP Rate	7.35%
Annual Rent	\$674,291
Taxes	NNN
Insurance	NNN
CAM	NNN

LOAN DETAILS

Principal Balance as of 9/1/2020	\$4,373,500
Interest Rate	4.97%
Loan Payment	\$314,574
Cash Flow	\$359,717
Year 1 Cash-on-Cash	7.49%
DSCR	2.14%

LEASE ABSTRACT

Tenant Trade Name	Rite Aid
Lease Start	June 11, 2008
Lease Expiration	May 31, 2030
Term Remaining On Lease	9.7 Years
Base Rent	\$674,291
Rental Adjustments	None
Option Periods	6 - 5 Year Option Periods 10% Increases Every 10 Years 6/1/2030: \$741,720.32 6/1/2035: \$741,720.32 6/1/2040: \$815,892.35 6/1/2045: \$815,892.35 6/1/2050: FMV 6/1/2055: FMV
Lease Type	NNN Lease
Roof & Structure	Tenant Responsible

INVESTMENT HIGHLIGHTS

- **Rite Aid (NYSE: RAD)** – Apprx. 9.7 Lease Years Remaining – Essential Retailer
- **Corporate Guaranteed** – Single Tenant Absolute NNN Leased Asset
Double Drive-Thru Location
- **Essential Store Location for Rite Aid** – Next Closest Drug Store Over 7 Miles Away
- Positioned on Dupont Blvd – Main North/South Corridor Through Selbyville, DE
- **Hard Corner Signalized Intersection** – Over 20,000 VPD – Dupont Blvd & Cemetery Rd
- **Passive Long Term Investment** – Zero Landlord Responsibilities
Ease of Management
- **Large 1.92 Acre Lot** – Excellent Visibility & Access – Multiple Points of Ingress/Egress
- **Surrounding Retailers:** Food Lion, McDonald's, Dollar Tree, Arby's, Selbyville KIA
- **Rite Aid** – Over 2,500 Stores – Ranked #473 on Forbes List of Most Sales in 2019
- Over \$21.6 Billion in Total Revenue
- Over \$71,800 in Average Household Income within 3 Mile Radius



AERIAL OVERVIEW

PARCEL DETAILS	
APN	533-16.11-1.00
Building Size	14,673 SF
Land Size	1.92 Acres



AERIAL OVERVIEW



Southern De School
of Arts

Indian River
School District



CEMETERY RD.

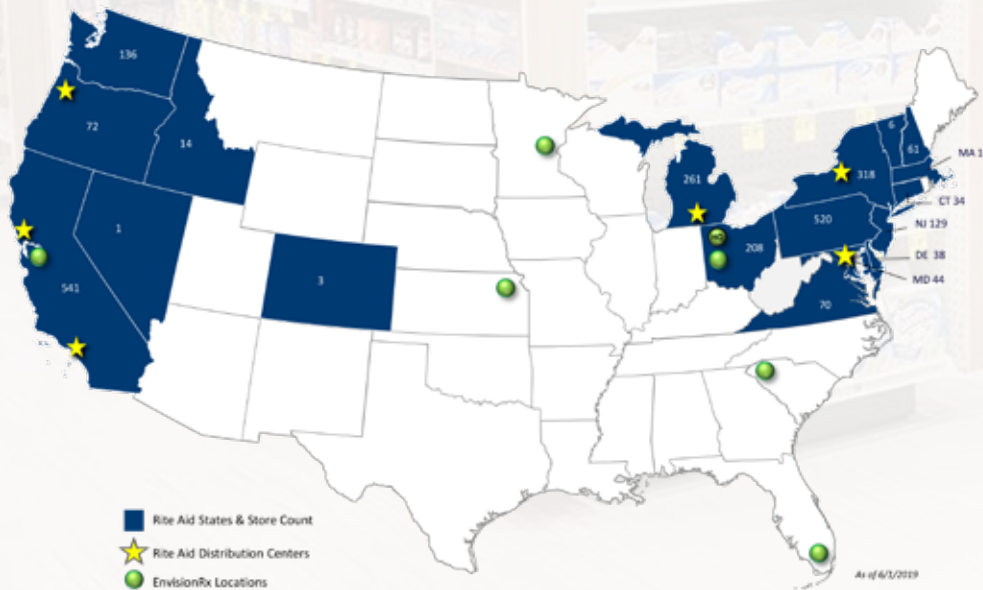
DUPONT BLVD. 20,000 VPD



PHARMACY

TENANT OVERVIEW

Rite Aid Corporation is one of the nation's leading drugstore chains with approximately 2,400+ stores in 18 states. Rite Aid is publicly traded on the New York Stock Exchange under the ticker symbol RAD. The company ranked No. 150 in the 2020 Fortune 500 list of the largest United States corporations by total revenue. It is headquartered in Camp Hill, East Pennsboro Township, Cumberland County, Pennsylvania, near Harrisburg.



KEY METRICS



2,466 Stores in 18 States
as of June 1, 2019



8 Million Customers
Per Week



Fill approx. 215 Million Scripts
Per Year in Retail Pharmacy

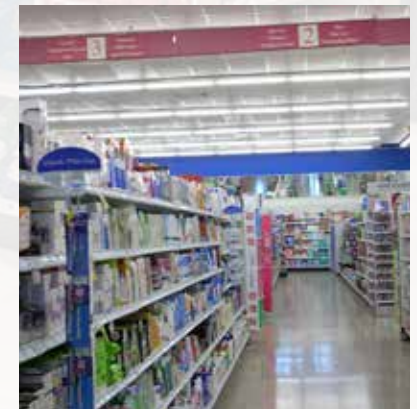


13 Million Wellness+
Loyalty Members

Rite Aid (NYSE: RAD)

BUSINESS OVERVIEW

- \$22 Billion in Revenue
- 6,400 Pharmacist
- 2,400+ Stores
- 50,000 Associates
- 500K Scripts filled per Day
- 18 States with Retail Pharmacies





TENANT OVERVIEW

Strong counter share in key states

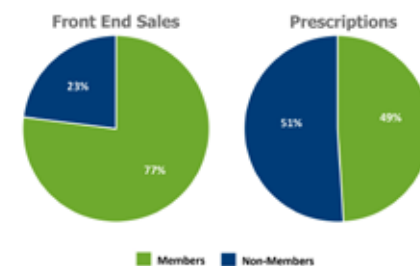
	Stores	1 st	2 nd	3 rd
California	541	35%	32%	18%
Pennsylvania	519	66%	21%	7%
Michigan	260	72%	3%	10%
Ohio	208	62%	15%	3%
New York	318	30%	10%	25%
Washington	136	42%	42%	11%
Oregon	72	55%	10%	25%

BUILDING STRONG RELATIONSHIPS WITH OUR CUSTOMERS THROUGH ENGAGING INTERACTIONS & OMNICHANNEL OFFERINGS

Omnichannel Interactions

- Pharmacy Drive Through
- Pharmacy Delivery
- Flu Clinics
- Front End Delivery
- EnvisionRx
- Mobile App
- E-Commerce

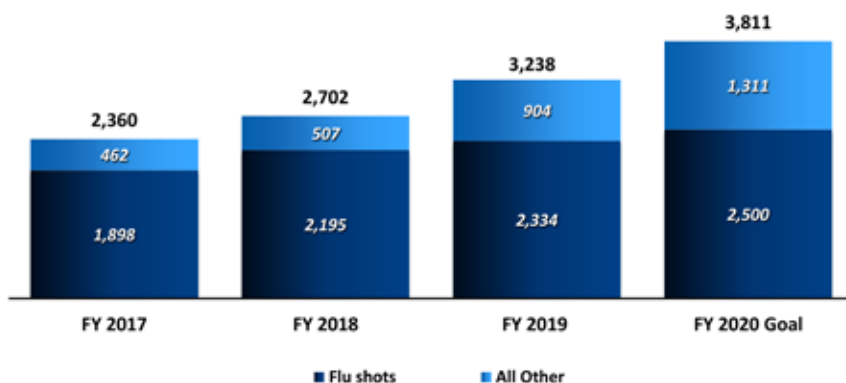
wellness+ Penetration⁽¹⁾



13 million Active wellness+ Members

Immunization Trends

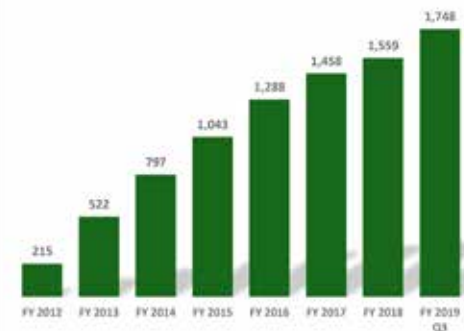
(in thousands)



MERCHANDISING INITIATIVES

- Prioritize health, beauty, vitamins and consumables
- Key Beauty Initiatives
 - Kokie Cosmetics
 - e.l.f.
 - Cake Beauty
- Consumables
 - Introduced 150 better-for-you snack and grocery items
 - Testing new innovative grocery concepts
- Continue to convert stores to wellness format

Wellness Remodels



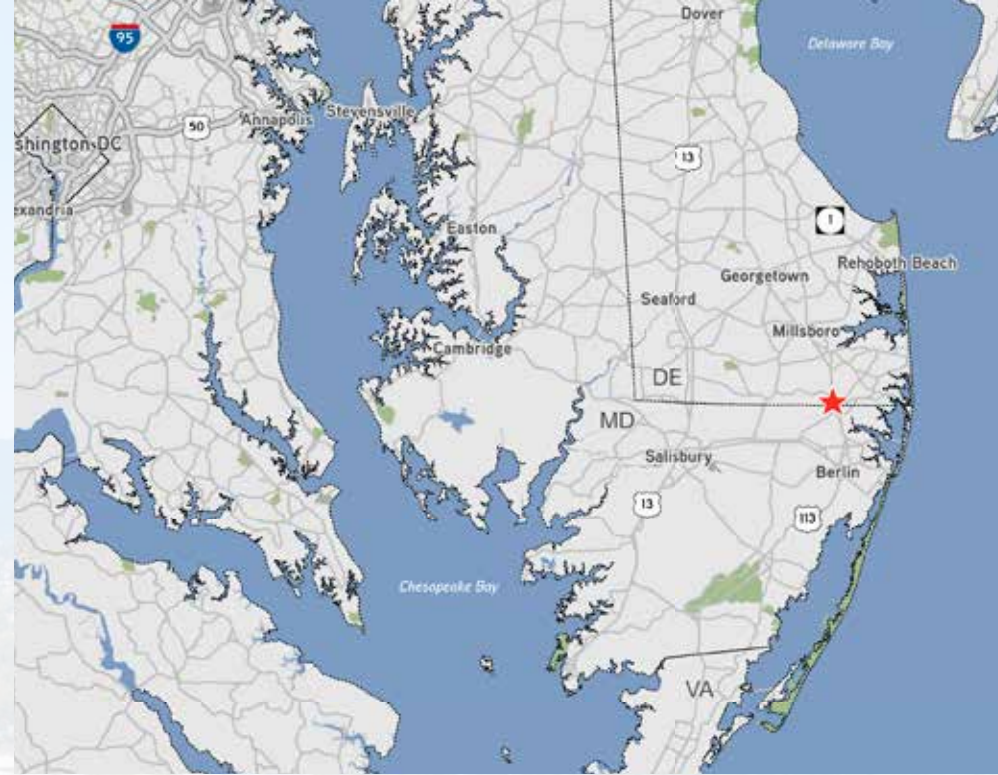
TOWN OF SELBYVILLE, DE

The Town of Selbyville has long been one of the main service areas for local residents and tourists who live and recreate on the Eastern Shore of Delaware. Food stores, lumber mills, railroad shipping area for strawberries, and a source of employment in the poultry industry were available in Selbyville many years ago.

Today Selbyville has a different look, but still offers some of the same pluses and many more services to the local and beach areas. Being just a short eight mile ride from the beach of Fenwick Island on the north side of Route 54 and Ocean City Md. on the south side of Rt. 54, Selbyville is now a place where many newcomers choose to live and work as well as recreate.

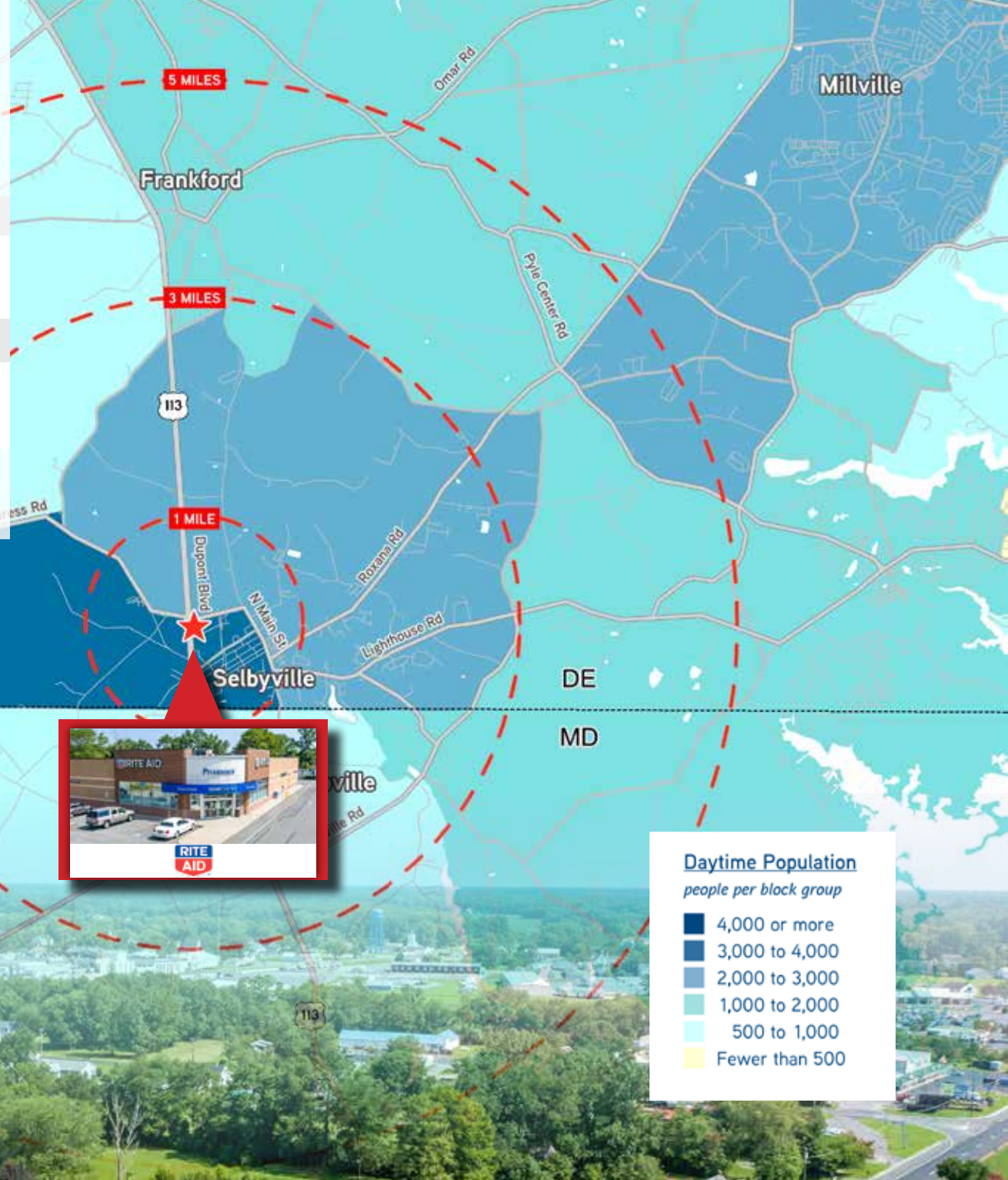
Selbyville also has Title I award winning schools boasting an elementary, middle and School of the Arts for the most talented of local area children.

A quiet, warm place to live with an exceptional town philosophy for future growth allowing the relaxed style of country living to continue in a market place where many towns are looking for massive growth in lieu of smart growth.





Population	1-MILE	3-MILE	5-MILE
Estimated Population (2020)	1,493	3,788	8,193
Projected Population (2025)	1,532	3,921	8,536
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2020)	548	1,372	3,038
Projected Households (2025)	562	1,417	3,158



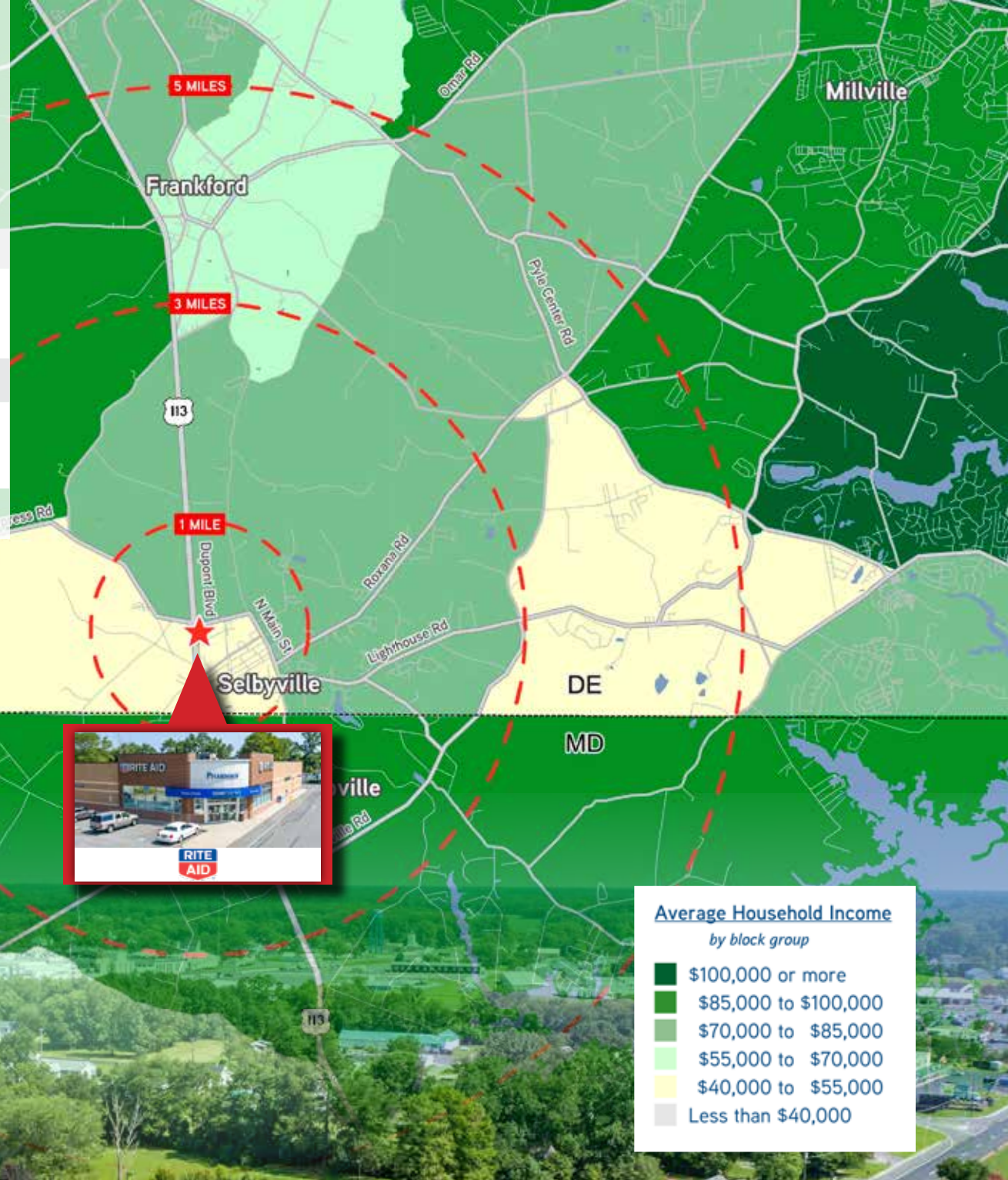
Daytime Population

people per block group

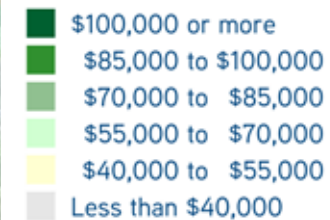
- 4,000 or more
- 3,000 to 4,000
- 2,000 to 3,000
- 1,000 to 2,000
- 500 to 1,000
- Fewer than 500



Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2020)	\$58,790	\$71,814	\$70,511
Median Household Income (2020)	\$36,293	\$53,636	\$54,211
Business Facts	1-MILE	3-MILE	5-MILE
Total # of Businesses (2020)	206	311	554
Total # of Employees (2020)	3,059	3,760	5,069



Average Household Income
by block group





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