



RITE AID

OFFERING MEMORANDUM



4241 MARCONI AVE | SACRAMENTO, CA

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

LISTED BY



COURTNEY HAUBACH

Associate

DIRECT +1 (949) 336-3541

MOBILE +1 (760) 884-9047

courtney.haubach@matthews.com

License No. 02118811 (CA)



BILL PEDERSEN

Market Leader

DIRECT +1 (949) 432-4501

MOBILE +1 (831) 246-0646

bill.pedersen@matthews.com

License No. 01975700 (CA)



CHAD KURZ

EVP & Managing Director

DIRECT +1 (949) 662-2252

MOBILE +1 (562) 480-2937

chad.kurz@matthews.com

License No. 01911198 (CA)

KYLE MATTHEWS

Broker of Record

License No. 1972189 (CA)



TABLE OF CONTENTS

4

EXECUTIVE OVERVIEW

6

FINANCIAL OVERVIEW

9

TENANT OVERVIEW

13

AREA OVERVIEW

RITE AID

4241 MARCONI AVE | SACRAMENTO, CA

OFFERING MEMORANDUM

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS



Absolute NNN lease with zero landlord responsibilities that is fully occupied with a lease backed by the Rite Aid Corporation, with 8 years remaining on the lease, and six, (5) year options that include 10% rental bumps in the 1st and 3rd option.



Strong retail synergy with a high-performing Panda Express and Jimboys Tacos stationed in the same shopping center as Rite Aid, located on a hard signalized corner with about 39,980 vehicles per day.



Positioned along a strong retail corridor in Sacramento, with numerous national retailers along Marconi Ave. with tenants that include: McDonald's, Taco Bell, O'Reilly Auto Parts, Carl's Jr., Jack in the Box, etc.



Prototype Rite Aid double lane drive-thru pharmacy location



A 29-minute drive from the Sacramento International Airport (18.5 miles)



More than 128,698 people within a 3-mile radius of the Rite Aid, and more than 376,982 people within a 5-mile radius, with an average household income of \$88,558 within a 3-mile radius



Rite Aid is the 3rd largest drugstore retailer in the nation and has been essential throughout COVID. In addition to this, they have been one of the top drug stores to administer the COVID-19 vaccine.



FINANCIAL OVERVIEW



\$10,323,076

LIST PRICE



\$671,000

NOI



±8 YRS

TERM REMAINING



6.50%

CAP RATE

BUILDING INFO

Address	4241 Marconi Ave Sacramento, CA 95821
GLA (SF)	±17,272 SF
Lot (SF)	±78,557 SF
Year Built	2009
APN	269-0082-032-0000
Zoning	C1
Parking Spaces	65
Parking Ratio	3.70

TENANT SUMMARY

Tenant	Rite Aid
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsible
Original Lease Term	20
Lease Commencement Date	8/6/09
Rent Commencement Date	8/6/09
Lease Expiration Date	8/31/29
Term Remaining	± 8 Years
Increases	10% in 1st and 3rd options
Options	Six, (5) year options

ANNUALIZED OPERATING DATA

Term	Annual Rent	Monthly Rent	Rent PSF	Increase
Current	\$671,000.00	\$55,916.67	\$38.85	-
Option 1	\$738,100.00	\$61,508.33	\$42.73	10.00%
Option 2	\$738,100.00	\$61,508.33	\$42.73	Flat
Option 3	\$811,910.00	\$67,659.17	\$47.00	10%
Option 4	\$811,910.00	\$67,659.17	\$47.00	Flat

Please contact a Matthews™ Capital Markets Agent
for financing options:

Patrick Flanagan
patrick.flanagan@matthews.com

LEASE ABSTRACT

Tenant:	Rite Aid Corporation, a Delaware corporation
Tenant Address:	30 Hunter Lane, Camp Hill, PA 17011
Property Location:	4241 Marconi Ave., Sacramento, CA 95821
Rite Aid Store Number:	6430
Lease Effective Date:	May 23, 2008, Second amendment to amended and restated lease agreement dated June 23, 2008, the Third Amendment to amended and restated lease agreement dated July 7, 2008, Fourth Amendment to amended and restated lease agreement dated July 31, 2008, Fifth Amendment to Amended and Restated Lease Agreement dated February 20, 2009, and is in full force and effect.
Lease Commencement:	August 6, 2009
Lease Expiration:	August 31, 2029
Original Lease Term:	20 lease years from the first day of the month following the month in which the commencement date occurs
Termination Options:	Tenant shall have the right to extend the term of this Lease, under the same terms, conditions, and covenants herein contained (except for rental, as specified herein) for six (6) additional terms of five (5) years each, each extended term to begin at the expiration of the preceding term (the "Extended Terms"). Should Tenant elect to exercise any of the aforesaid options, it shall do so by giving written notice to Landlord at least one hundred eighty (180) days before the then-effective expiration of the term of this Lease; provided, however, if Tenant fails to exercise any options right, Tenant's right to exercise said option shall not expire until thirty (30) days after written notice by Landlord of Tenant's failure to exercise the same.
First Termination Date:	August 31, 2029
Fixed Rent:	\$55,916.67 per month
Percentage Rent:	None
Maintenance:	Tenant's Obligations. During the lease term and any extension thereof, the tenant shall be responsible, at its sole cost and expense, for the maintenance, repair, and replacement of the: (a) roof (including roof membranes); (b) sidewalks; (c) masonry walls; (d) foundations; (e) plumbing; (f) pipes, tubes, and other conduits and utility lines leading to or from the Leased Premises or embedded into the structure of the Leased Premises; (g) floor slabs; (h) exterior surfaces of the building; (i) structural members; (j) glass windows, doors, window frames, and door frames; (k) all mechanical and electrical equipment (including HVAC) and all plumbing including drains and drain lines within the Leased Premises, whether or not in or under the floor slab or on the roof of the Premises; and (l) the reasonable periodic maintenance of floor coverings.
Parking Lot:	Tenant shall keep the Leased Premises outside of the building area (including without limitation, sidewalks, entrances and exits, driveways, service areas, drives, curbs, drive-thru lane, lighting, lighting standards, landscaped areas, trash enclosures, and parking areas in good order and repair, reasonably free of snow, ice, and debris and reasonably lighted during the normal business hours of Tenant.
Real Estate Taxes:	Tenant shall pay all Taxes levied or assessed against the Leased Premises during the Term.
Insurance:	Tenant shall during the Term and throughout the picturization period of this Lease maintain in force and effect a comprehensive general liability insurance policy, with limits of at least Two Million Dollars (\$2,000,000) with respect to personal injury and/or death in any one occurrence and not less than Five Hundred Thousand Dollars (\$500,000) with respect to property damage, in a financially responsible insurance company or companies qualified to do business in the State of California and naming Landlord as additional insured.
Utilities:	Tenant covenants and agrees to promptly pay for any water, light, power and/or other utility service used by Tenant in or about the Leased premises during the term of this lease.
Right of First Refusal:	None
Estoppel	Each party shall, within ten (10) days after receipt of a request from the other party, execute, acknowledge and deliver to the requesting party and/or its designees a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which Rent is paid in advance, if any, (b) acknowledging that there are not, to the party's knowledge, any uncured defaults on the part of the other party under this Lease, or specifying such defaults if any are claimed, and (c) specifying any further information and agreeing to such notice provisions and other matters reasonably requested.

TENANT OVERVIEW



COMPANY NAME

Rite Aid

NO. OF LOCATIONS

±2,550

HEADQUARTERS

Camp Hill, PA

INDUSTRY

Drug Store

WEBSITE

www.riteaid.com

NO. OF EMPLOYEES

±60,800

TENANT OVERVIEW

Rite Aid is the largest drugstore chain on the East Coast and the third-largest drugstore chain in the United States. Rite Aid has a large presence on the East and West coasts. Rite Aid sells prescription drugs and a wide assortment of other merchandise, including over-the-counter medications, health and beauty aids, personal care items, cosmetics, household items, beverages, convenience foods, greeting cards, and photo processing. The company is publicly traded on the New York Stock Exchange under the ticker symbol RAD.

As a smaller pharmacy chain, Rite Aid is reducing its focus to the East and West Coasts, focusing primarily on eight states including California, Pennsylvania, Michigan, Ohio, New York, New Jersey, Washington, and, Oregon.



ARDEN SQUARE
SHOPPING CENTER

BevMo!
JOANN
OfficeMax

ARDEN FAIR
± 3.5 MILES AWAY

California **STATE FAIR**
BARNES & NOBLE
The Container Store

petco
NORDSTROM
rack
A | X
ARMANI EXCHANGE

BURLINGTON
COST PLUS WORLD MARKET
HOBBY LOBBY
HOMEGOODS
MADEWELL
ULTA BEAUTY
ETC.

AT&T

DEL PASO
EST. 1910
COUNTRY CLUB

KAISER PERMANENTE

ARDEN CREEK
SHOPPING CENTER

Smart & Final.
PET SMART

WinCo
FOODS

SAFEWAY
CVS pharmacy

CHIPOTLE
MEXICAN GRILL

See's CANDIES

COSTCO
WHOLESALE

Starbucks
Wendy's
POPEYES

ACE
Hardware
DOLLAR TREE

Raley's

McDonald's

Carl's Jr.

ARCO

RITE AID

KFC

MACARONI AVE
± 23,000 VPD



EASTERN AVE
± 14,000 VPD

PANDA EXPRESS
CHINESE KITCHEN

JIMMY JOHN'S
GOURMET SANDWICHES



SACRAMENTO KIDS DENTISTRY



EASTERN AVE
± 14,000 VPD

MACARONI AVE
± 23,000 VPD





SITE PLAN NOT TO SCALE

← Drive-Thru ←



Monument Sign



Eastern Avenue

Marconi Avenue

AREA OVERVIEW

DEMOGRAPHICS

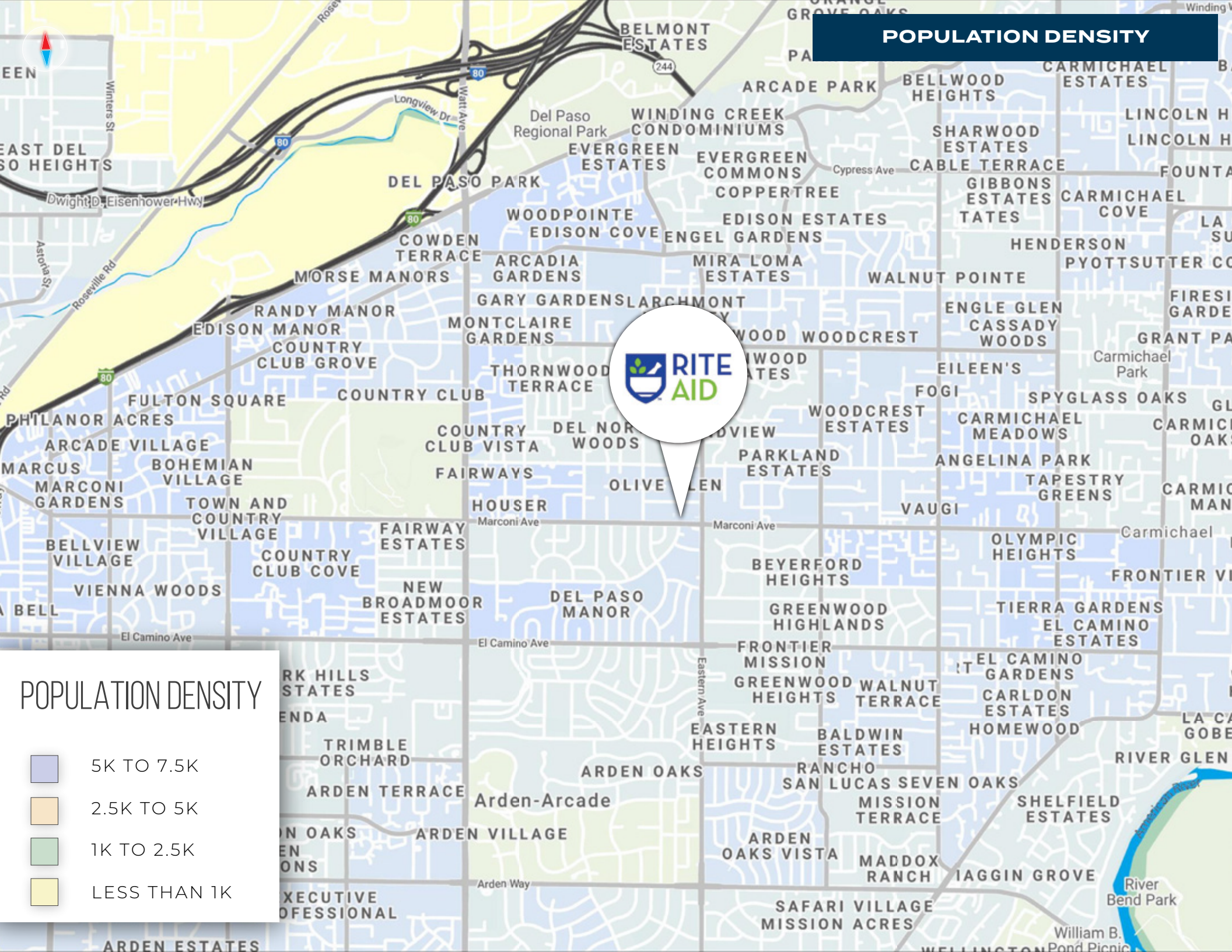
POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	18,242	132,860	389,557
2021 Estimate	17,749	128,698	376,982
2010 Census	16,958	119,591	348,153
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	7,855	56,061	154,054
2021 Estimate	7,645	54,331	149,165
2010 Census	7,301	50,564	138,052
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$85,371	\$88,558	\$83,013



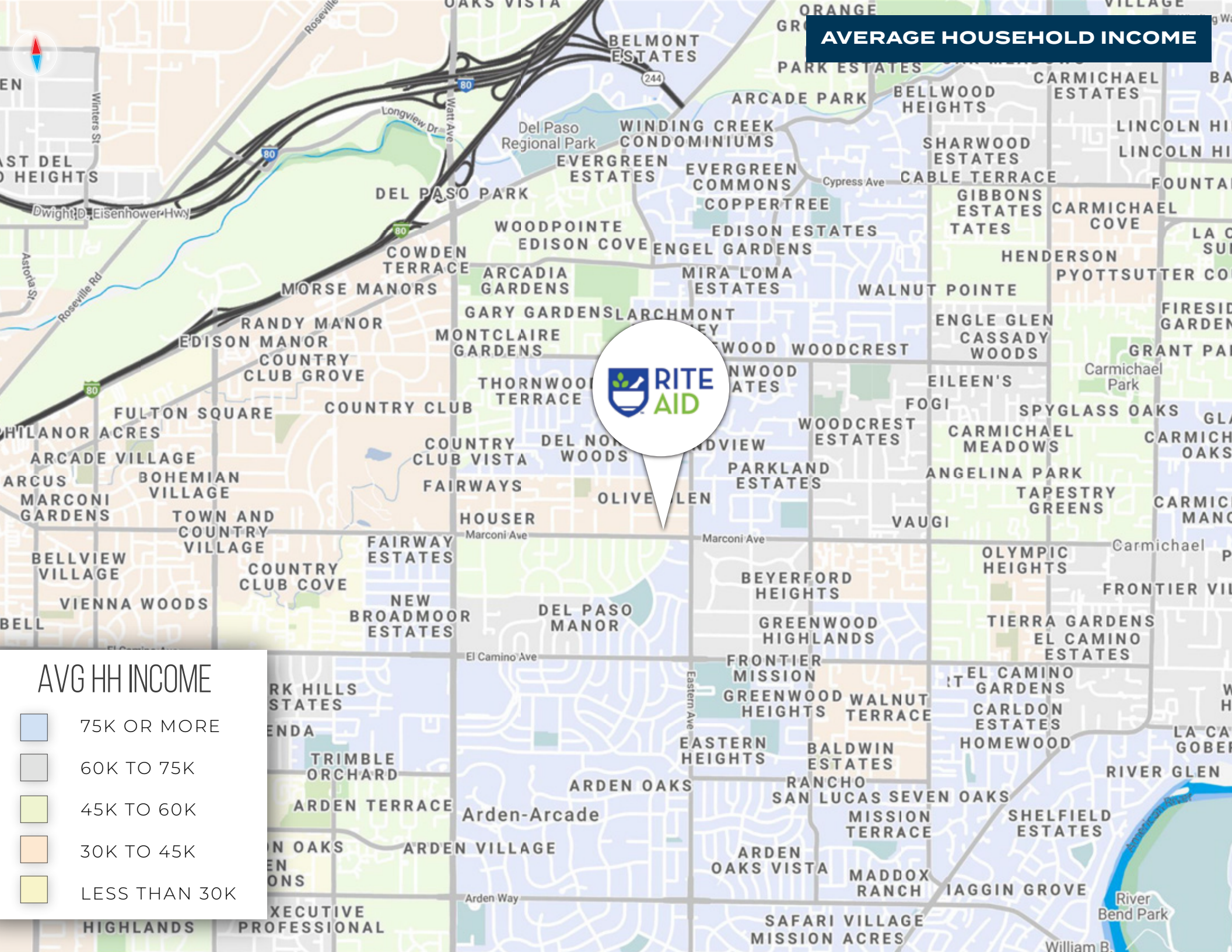
| SACRAMENTO, CA

As the capital of the world's 6th largest economy, Sacramento is undergoing a transition, with technological and cultural developments breathing new life into the city. With a city population of over 500,000 residents, Sacramento is seeing a growth in population, especially young professionals who are drawn to the reasonable cost of living, abundant sunshine, and ethnic diversity. Sacramento beckons many visitors as well, due to its strategic location at the heart of the Central Valley, the metro area is at the forefront of the farm-to-fork movement. Residents have access to an abundance of fresh, locally sourced foods from nearby farms, wineries, and breweries.

POPULATION DENSITY



AVERAGE HOUSEHOLD INCOME



| POINTS OF INTEREST



OLD SACRAMENTO WATERFRONT

The Old Sacramento Waterfront is a National Historic Landmark District and a State Historic Park that pays homage to the Gold Rush of 1849 in California. The 28-acre site not only features historical landmarks, but also unique shopping and dining experiences and world-renowned museums. Wooden sidewalks and horse-drawn carriages add to the overall 19th century atmosphere of the area.



CROCKER ART MUSEUM

The Crocker Art Museum is a major cultural hub in the city of Sacramento. The museum has two wings: the Victorian house built in 1873, and the new Teal Pavilion, which opened in 2010. Popular artworks in the museum include a collection of California Impressionist art, German drawings, and many other contemporary and antique pieces.

| CALIFORNIA STATE UNIVERSITY - SACRAMENTO

Established in 1947, California State University - Sacramento, commonly referred to as Sac State, is part of the California State University system. Currently, over 30,000 students attend the university. The university is made up of 7 colleges including Arts & Letters, Business Administration, Education, Engineering & Computer Science, Health & Human Services, Natural Sciences & Mathematics, and Social Sciences & Interdisciplinary Studies. Across the 7 colleges, nearly 60 undergraduate majors are offered, the most popular majors are business, education, and social sciences.

Sac State's 300-acre campus is surrounded by over 3,500 trees, making it a picturesque campus. Due to this, it was designated as Tree Campus USA by the Arbor Day Foundation. Sac State is a major economic driver in Sacramento's economy as it generates a total economic impact of \$816 million on the regional economy and more than \$1 billion on the statewide economy. Around 9,000 jobs are supported by Sac State in the region and statewide economy.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Rite Aid** located at **4241 Marconi Ave, Sacramento, CA 95821** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. 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. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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 Matthews Real Estate Investment Services 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.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



RITE AID



COURTNEY HAUBACH

Associate

DIRECT +1 (949) 336-3541

MOBILE +1 (760) 884-9047

courtney.haubach@matthews.com

License No. 02118811 (CA)



BILL PEDERSEN

Market Leader

DIRECT +1 (949) 432-4501

MOBILE +1 (831) 246-0646

bill.pedersen@matthews.com

License No. 01975700 (CA)



CHAD KURZ

EVP & Managing Director

DIRECT +1 (949) 662-2252

MOBILE +1 (562) 480-2937

chad.kurz@matthews.com

License No. 01911198 (CA)

KYLE MATTHEWS

Broker of Record

License No. 1972189 (CA)

