



EXCLUSIVELY LISTED INVESTMENT OFFERING

CALIFORNIA INVESTMENT OPPORTUNITY



1605 SOUTH SAN JACINTO AVENUE | SAN JACINTO, CA 92583



Presented By

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Property Overview

**1605 SOUTH SAN JACINTO AVENUE
SAN JACINTO, CA 92583**

Year Built: 1998

Lot Size: 76,230 Square Feet

Building Size: 16,730 Square Feet



Investment Highlights

- Rent Increases in the Options
- Located Next to Walmart Supercenter
- Early Lease Extension
- Near Hemet Valley Medical Center

STABLE INCOME

Rental income guaranteed by **Rite Aid** parent corporate (S&P B Stable (RAD) Fortune 500 Company with over 2,569 locations.

RENT INCREASES IN OPTIONS

This lease allows for five percent (5%) rental increases every five (5) years in the options.

EARLY EXTENSION COMMITMENT TO LOCATION

In June of 2015, with the initial lease term expiring in April 2019, Rite Aid extended its initial lease term to April 2025 and agreed to increase its rent by 22% showing long term commitment to this location.

TO BE DELIVERED FREE & CLEAR OF DEBT OR BY ASSUMPTION OF EXISTING FINANCING

Property to be delivered free and clear of debt or may be purchased by assuming the existing financing. The current loan balance is \$2,200,000 requiring a down payment of \$2,942,102 at full asking price. The interest rate is 6.26% with a 25-year fully amortizing loan due in April 2032. A new buyer will clear \$86,670 annually after debt service.

RETAIL CORRIDOR

The subject property is located on the main retail corridor of San Jacinto with the nearest signalized intersection having over $\pm 37,319$ cars per day.

GARDEN CENTER LOCATION

The subject property has a garden center building extension.





Property Photos





Property Photos





Lease Overview

Tenant:
RITE AID (NYSE: RAD)

Landlord Income:
CORPORATE GUARANTEE

Credit Rating:
B STABLE (S&P)

Lease Type:
DOUBLE NET LEASE

Landlord is responsible for roof and structure.

Lease Term:
**7 YEARS REMAINING ON THE INITIAL TERM
WITH 6 FIVE YEAR OPTIONS TO FOLLOW**

Lease Commencement Date:
FEBRUARY 26, 1998

Next Option Begins:
APRIL 30, 2025

Location Overview

San Jacinto is a growing master-planned community adjacent to Hemet and just 36 miles east of San Bernardino, California. Located at the base of the San Jacinto mountains and adjacent to the San Jacinto River, the city of San Jacinto is the oldest incorporated city in Riverside County. The growing employment in the region is based in manufacturing and agriculture. Riverside is included in the Inland Empire region that is home to over 4.5 million residents and has the 24th largest economy in the United States.

Pricing

Price: \$5,000,000

Cap Rate: 6.17% CAP

Price/SF: \$298.86

Monthly Income: \$25,710.51

Annual Income: \$308,526.13

Building

Building Square Footage: 16,730

Land Square Footage: 76,230

Rent/Square Foot: \$18.44

Year Built: 1998

Rent Schedule

TERM	DATES	YEARS	RENT
Initial Term	2/26/1998 - 4/30/2025	1-27	\$308,526.13
1st Option	5/1/2025 - 4/30/2030	28-32	\$370,231.36
2nd Option	5/1/2030 - 4/30/2035	33-37	\$386,961.36
3rd Option	5/1/2035 - 4/30/2040	38-42	\$403,691.36
4th Option	5/1/2040 - 4/30/2045	43-47	\$420,421.36
5th Option	5/1/2045 - 4/30/2050	48-52	\$437,151.36
6th Option	5/1/2050 - 4/30/2055	53-57	\$453,881.36

SAN JACINTO, CA





Location Aerial



AREA HIGHLIGHTS

- **Hemet Valley Medical Center** (1.4 miles south) - This 327-bed hospital is the largest private employer in the San Jacinto valley with approximately 950 employees.
- **Mt. San Jacinto College** (3.1 miles north) - This Riverside County community college has approximately 16,088 students enrolled.
- **Soboba Casino** (4 miles east) - This 729,000 square foot casino is operated by the Soboba Band of Luiseno Indians and attracts people from all parts of California. Besides gaming, they offer a golf country club and condominium resort.
- **Central Southern California Location** - San Jacinto is centrally located between Temecula (32 miles west) and Palm Springs (40 miles east) just north of Hemet. Los Angeles is approximately 85 miles west and San Diego is approximately 89 miles south.
- **State Route 79 Development** - According to California Department of Transportation, State Route 79 is scheduled for realignment in the Hemet/San Jacinto area.
- **San Jacinto Downtown Specific Plan** - The City Council of San Jacinto has a plan to develop and permit development in the downtown area adding more employment and residential opportunities.
- **Major Employers in San Jacinto** - The City Council of San Jacinto has a plan to develop approximately 1,100 acres adding more employment opportunities to the city.
- **Easy Access to Transport** - San Jacinto is surrounded by major California interstate freeways as well as access to the Los Angeles International Airport, Amtrak rail system and the ports of Long Beach and Los Angeles.



Location Aerial



NEW RESIDENTIAL DEVELOPMENTS IN THE AREA

New residential developments in the San Jacinto area are estimated to top 40,000 units in the near future. This would mean nearly a 60% increase in population. Below are some of the proposed, in-progress or built residential projects:

- | | | |
|---------------------------------|---------------------------------|----------------------------------|
| 1 All Star Equities - 309 Units | 10 Myers Group - 166 Units | 19 Griffin - 175 Units |
| 2 The Villages - 2,022 Units | 11 Myers Group - 115 Units | 20 GreyStone - 203 Units |
| 3 Park Hill - 766 Units | 12 Young Homes - 152 Units | 21 Southland Dev. - 580 Units |
| 4 CNH Homes - 238 Units | 13 Riverside Valley - 214 Units | 22 Silverstone Dev. - 337 Units |
| 5 Dolphin Capital - 324 Units | 14 Young Homes - Units N/A | 23 Vantage Dev. - 148 Units |
| 6 Steve Slaughter - 263 Units | 15 Century Vintage - 69 Units | 24 Empire Homes - 77 Units |
| 7 McCleish Group - 274 Units | 16 Gateway - 102 Units | 25 JD Piers - 36 Units |
| 8 Ella May - 112 Units | 17 Sanderson - 110 Units | 26 Albert Hoffman - 85 Units |
| 9 St. Lyon - 91 Units | 18 Lennar - 135 Units | 27 Chelson Polverini - 180 Units |

SCHOOLS IN THE AREA

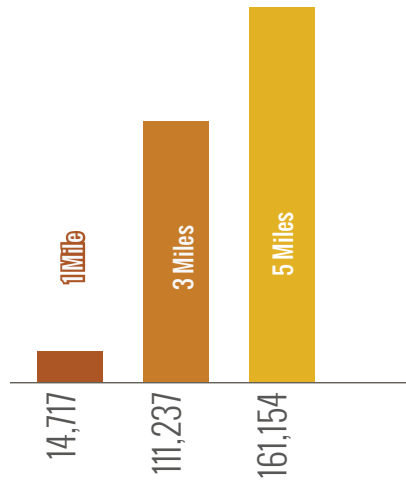
There are several educational institutions in the San Jacinto area including:

- | |
|---|
| 1 Mt. San Jacinto College - 17,500 Students & Employees |
| 2 Mountain View High School - 600 Students |
| 3 San Jacinto High School - 2,400 Students |
| 4 Monte Vista Middle School - 900 Students |
| 5 San Jacinto Elementary - 600 Students |
| 6 N Mountain Middle School - 1,100 Students |
| 7 Antonio Estudillo Elementary - 700 Students |
| 8 Hyatt Elementary School - 600 Students |
| 9 Park Hill Elementary School - 600 Students |

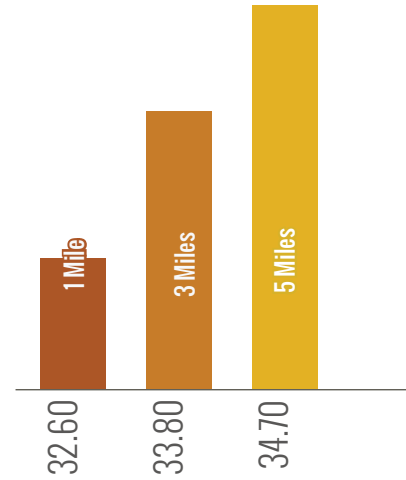


Demographic Snapshot | 2017

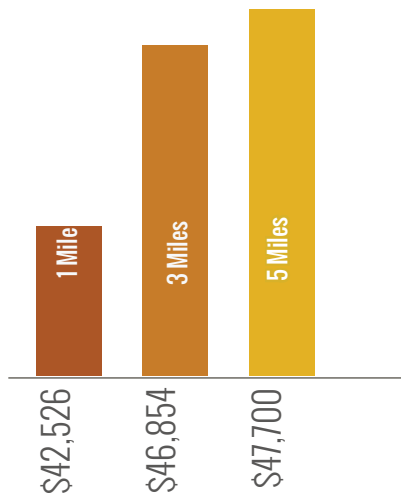
Total Population



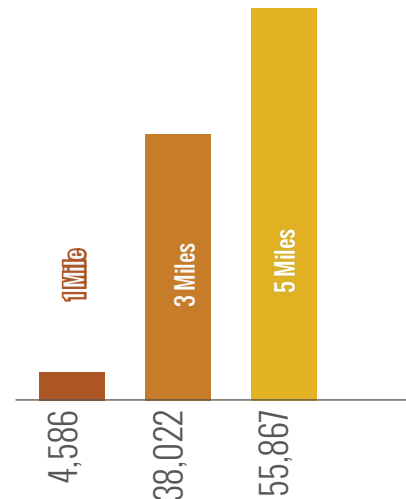
Average Age



Average Household Inc



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.



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OFFERING MEMORANDUM



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