

DRUGSTORE INVESTMENT OFFERING



47 NIAGARA STREET | BUFFALO (TONAWANDA), NY 14224



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Offering Summary

LIST PRICE	\$4,076,055
CAP RATE	7.25%
PRICE PER SF	\$307.88
LEASE TERM REMAINING	6 Years, 9 Months
OPTIONS	Three (5-Year)
LEASE TYPE	Double Net
ANNUAL RENT (NOI)	\$295,514
MONTHLY RENT	\$24,626
BUILDING SIZE (SF)	13,239
LOT SIZE (SF)	59,242
YEAR BUILT	2000
PARCEL NUMBER	141600-039-450-0004-001-120

Investment Highlights

LEASE TERM REMAINING AND RENTAL INCREASES

There are 6 years and 9 months of primary lease term remaining with three (5 year) options with landlord is responsible for roof and structure. The lease allows for a \$0.05 per square foot rental increases in each of the three (5 year) options.

STRATEGIC LOCATION FOR RITE AID

Rite Aid decided to keep this location within their chain after selling nearly half of its store base to Walgreens. There is a Walgreens located just .17 miles east from the subject property making this a strategic block for both Walgreens and Rite Aid moving forward. The Rite Aid pharmacy is open one hour longer than the Walgreens and the fact that Rite Aid decided to keep this corner location near this competing Walgreens also on Niagara Street only a couple of blocks away shows commitment from Rite Aid to this particular store. With the nearest competing CVS nearly 2 miles away this location will provide an investor with the confidence that Rite Aid has a long-term commitment in defending their market share in this immediate trade area where the only other free standing national competitor is the Walgreens just .17 miles away.

DEGRAFF MEMORIAL HOSPITAL

Degraff Memorial Hospital is less than two miles away from the subject property. This 80-bed facility is part of the Kaleida Health system, the largest health care provider in West New York.

UNIVERSITY AT BUFFALO

The subject property benefits from being near The University at Buffalo, the largest public university in New York and the largest in the State University of New York (SUNY) system by enrollment with over 30,648 students.

MAIN & MAIN LOCATION

The subject property is located in the heart of the Tonawanda retail district at the main intersecting bridge where Tonawanda meets North Tonawanda. Retail tenants in the area include Tops Friendly Market grocery store, Dairy Queen, Citizen's Bank, Family Dollar, McDonald's, Subway, Dollar General, Walgreens, Burger King and 7-Eleven.

SOLID TRAFFIC COUNTS AND POPULATION

The property is located at the signalized hard corner of Niagara Street and Seymour Street with a combined traffic count of 25,464 cars per day. Highway 425 is located approximately one mile east of the subject property with approximately 23,000 cars per day and there are over 200,000 residents in a 5 mile radius.

Lease Summary

ADDRESS	47 NIAGARA STREET BUFFALO (TONAWANDA), NY 14224
TENANT	Rite Aid
LEASE COMMENCEMENT	February 2000
LEASE EXPIRATION	March 2025
TERM REMAINING	6 Years, 9 Months
LEASE TYPE	Double Net
ANNUAL RENT	\$295,514
MONTHLY RENT	\$24,626
RENT PER SQUARE FOOT	\$22.32
OPTIONS	Three 5-Year
RENT INCREASES	\$0.05 Per Square Foot Per Option
LANDLORD RESPONSIBILITIES	Roof and Structure



Building Photos



Building Photos



Building Photos



Location Aerial



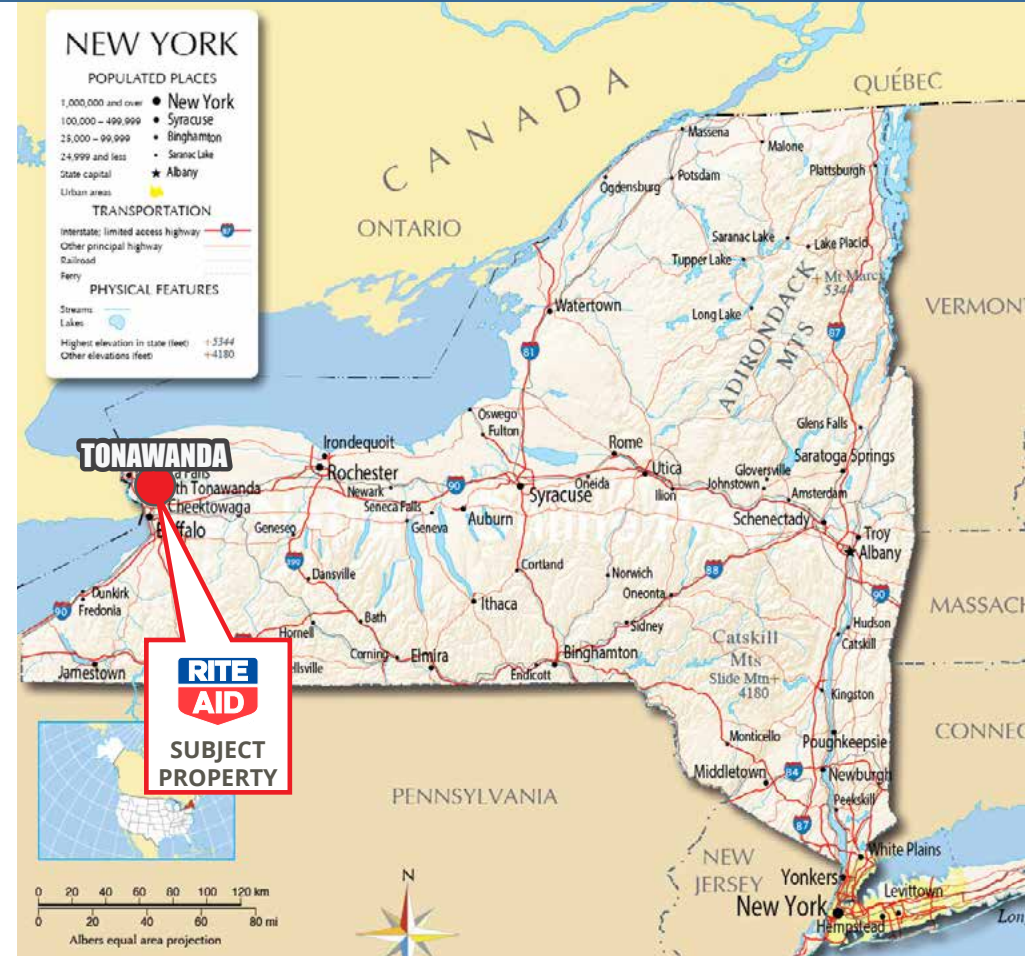
Location Aerial



Location Overview and Demographics

Tonawanda is a suburb 10 miles north of downtown Buffalo, the second largest city in the state which lies along the shores of Lake Erie in Erie County, New York. Buffalo sits along the border to Canada near Niagara Falls and the Erie Canal which connects Lake Erie and Lake Ontario through the Niagara River, making Buffalo a major gateway for commerce and tourism. Some of the area's largest employers include:

- **DEGRAFF MEMORIAL HOSPITAL** (1.9 miles east of subject property) - Degraff Memorial Hospital is an 80-bed facility and part of the Kaleida Health system, the largest health care provider in West New York.
- **BOULEVARD MALL** (3.8 miles southeast of subject property) - This 495,914 square foot regional mall is anchored by Macy's, Dick's Sporting Goods, H & M, Michaels, Express, T.G.I Friday's, Charlotte Russe, Men's Wearhouse, Justice, Payless ShoeSource and Kay Jewelers. Other national tenants nearby the Boulevard Mall are LA Fitness, DSW Designer Shoe Warehouse, Toys 'R' Us, TJ Maxx & Home Goods, Walmart Supercenter, Ashley HomeStore and Wegman's.
- **UNIVERSITY AT BUFFALO** - (4.8 miles southeast of subject property) - Largest public university in New York and the largest in the State University of New York (SUNY) system by enrollment with over 30,648 students.
- **NIAGARA FALLS INTERNATIONAL AIRPORT** - (7.2 miles north of subject property) - The Niagara Falls International Airport is just 4 miles east of Niagara Falls. In 2015, the airport transported 233,302 passengers of which an estimated 80% were from Canada.



Total Population

1 MILE	11,228
3 MILES	71,254
5 MILES	201,835



Average Household Income

1 MILE	\$51,284
3 MILES	\$65,275
5 MILES	\$66,680



Total Households

1 MILE	5,279
3 MILES	31,993
5 MILES	86,104



Average Age

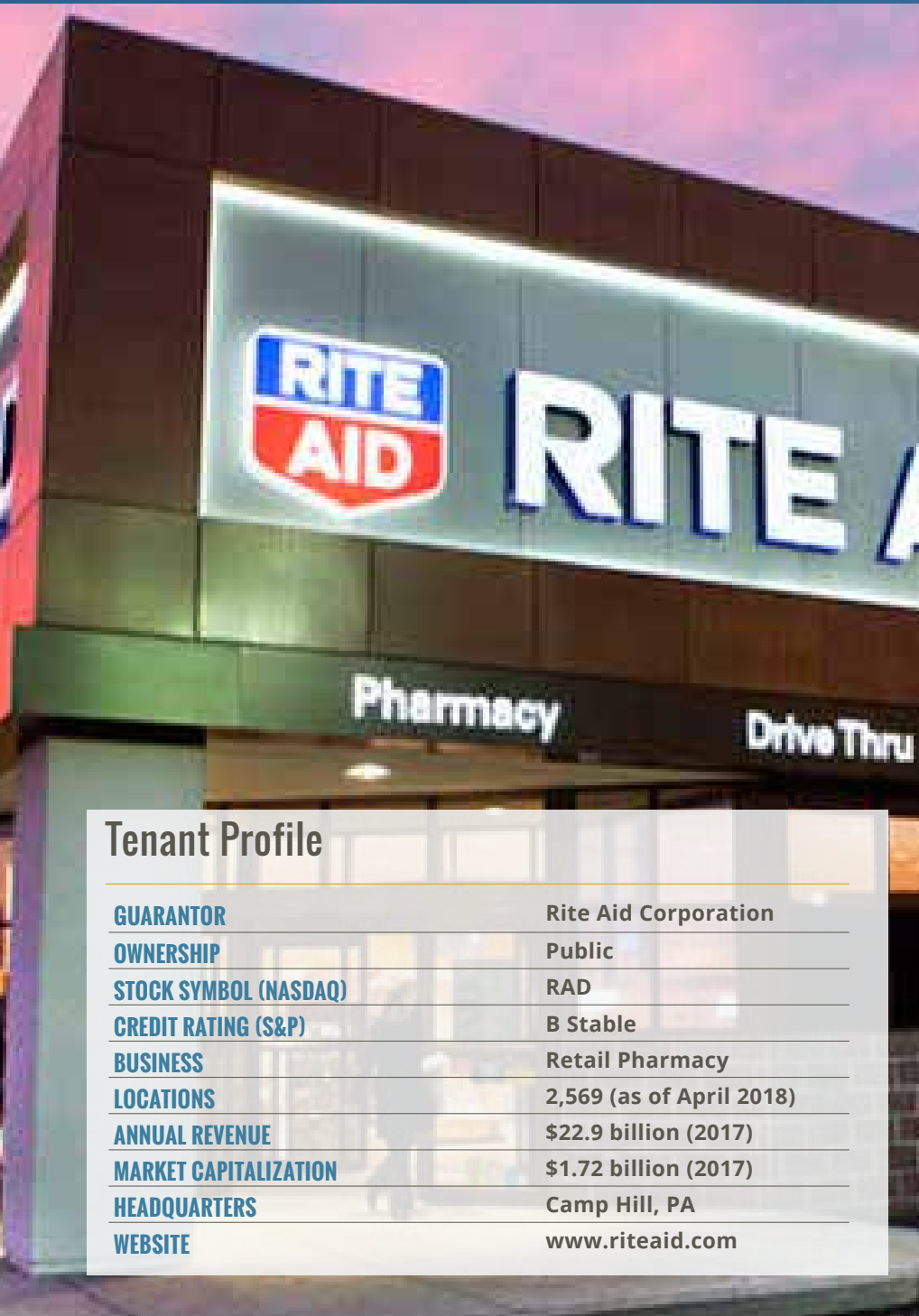
1 MILE	40.10
3 MILES	42.30
5 MILES	40.20



Traffic Counts Cars Per Day

NIAGARA ST	7,576
SEYMOUR ST	17,888
HWY 425	23,000

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 2,569 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 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.

In February of 2018 Albertsons announced plans to purchase the remaining 2,600 store which were not acquired by Walgreens, which is expected to create the top integrated food and drug retailer in the West Coast. This new company will consist of approximately 4,900 locations, including 4,350 pharmacies and 320 clinics across 38 states and Washington D.C. The merger is expected to close early in the second half of 2018, subject to approval of Rite Aid's shareholders and other closing factors.

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

Tenant Profile

GUARANTOR	Rite Aid Corporation
OWNERSHIP	Public
STOCK SYMBOL (NASDAQ)	RAD
CREDIT RATING (S&P)	B Stable
BUSINESS	Retail Pharmacy
LOCATIONS	2,569 (as of April 2018)
ANNUAL REVENUE	\$22.9 billion (2017)
MARKET CAPITALIZATION	\$1.72 billion (2017)
HEADQUARTERS	Camp Hill, PA
WEBSITE	www.riteaid.com

DRUGSTORE INVESTMENT OFFERING



NEW YORK INVESTMENT OPPORTUNITY

47 NIAGARA STREET | BUFFALO (TONAWANDA), NY 14150

FOR MORE INFORMATION PLEASE CONTACT:

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