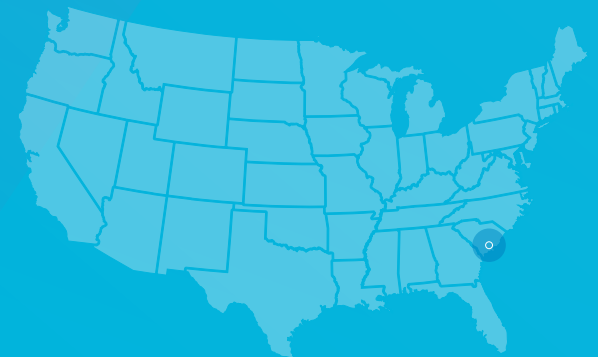


Ackerman & Co.



OFFERING MEMORANDUM

Net-Leased Rite Aid for Sale

600 St. James Avenue, Goose Creek, SC 29445
(Charleston SC MSA)

CONFIDENTIAL INFORMATION

INFORMATION NOT WARRANTED

This Offering Memorandum and any subsequent evaluation material you may be provided (collectively known as the "Offering Memorandum") is intended solely for your limited use in considering whether to pursue negotiations to acquire 600 St. James Avenue (the "Property") located in Goose Creek, South Carolina. The Property is being marketed for sale by Ackerman & Co. ("Broker").

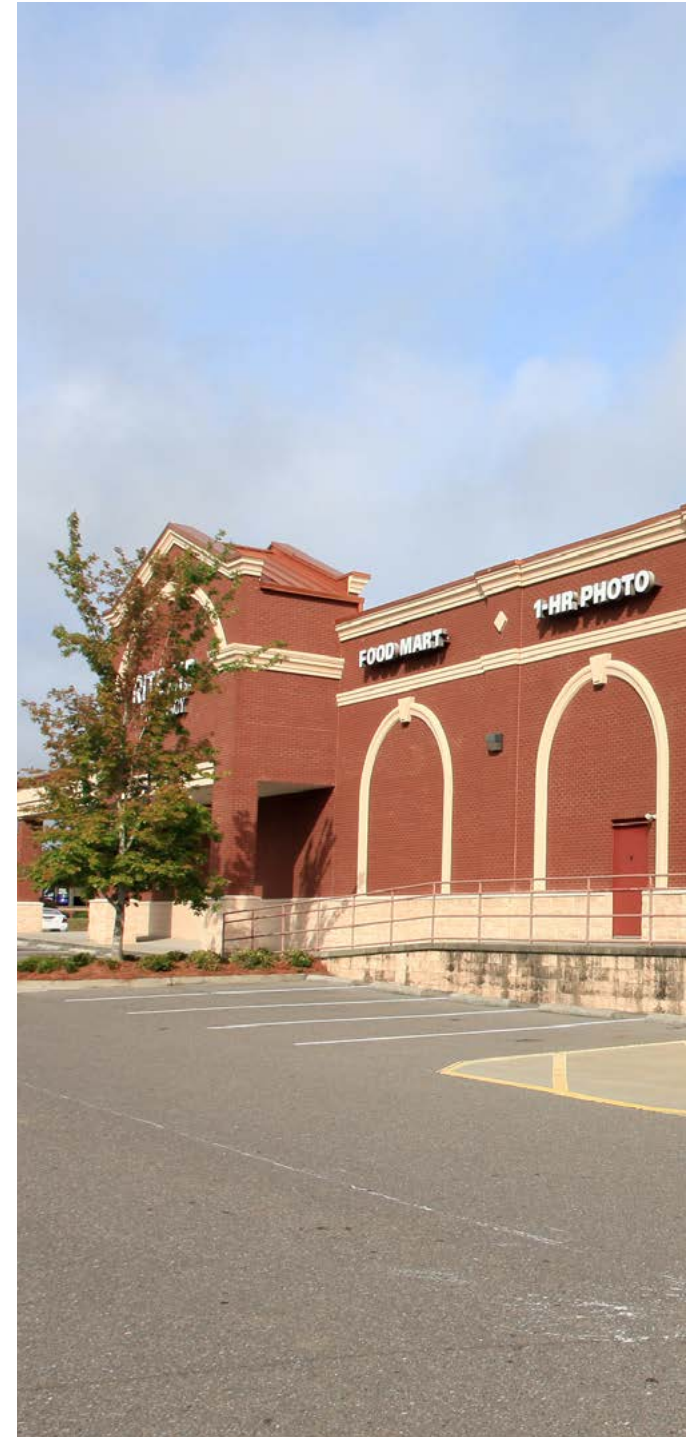
The Offering Memorandum contains brief, selected information pertaining to the business and affairs of the Property and has been prepared by Broker. It does not, however, purport to be all-inclusive or to contain all of the information that a prospective purchaser may desire. Broker makes no representation or warranty, express or implied, as to the accuracy or completeness of the Offering Memorandum or any of its contents, and no legal liability is assumed to be implied with respect thereto.

By acknowledgment of your receipt of the Offering Memorandum you agree that the Offering Memorandum and its contents are confidential, that you will hold and treat it in the strictest of confidence, that you will not directly or indirectly disclose, or permit anyone else to disclose, the Offering Memorandum or its contents to any other person, firm, or entity (including, without limitation, any principal for whom you have been engaged), without prior written authorization of Owner or Broker and that you will not use or permit to be used the Offering Memorandum or its contents to be copied or used in any fashion or manner detrimental to the interest of Owner. Photocopy or other duplication is strictly prohibited.

THE OFFERING MEMORANDUM SHALL NOT BE DEEMED TO REPRESENT THAT STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THE OFFERING MEMORANDUM.

The information provided in the Offering Memorandum has been gathered from sources that are deemed reliable, but the Broker does not warrant or represent that the information is true or correct. Prospective offerors are advised to verify information independently. The Offering Memorandum is not to be construed as an offer or as any part of a contract to sell the property.

Furthermore, the inclusion or exclusion in the Offering Memorandum of information relating to asbestos or any other hazardous, toxic or dangerous chemical item, waste or substance (hereinafter collectively referred to as "Waste") relating to the Property shall in no way be construed as creating any warranties or representations, expressed or implied by the Broker as to the existence or nonexistence or nature of Waste in, under or on the Property, it may create significant legal and/or economic obligations upon the Owner, lessee and/or other holders of interest in the Property or a part thereof and you are hereby advised to obtain professional assistance such as from a consultant, engineer and/or attorney prior to taking an interest in the Property or a part thereof.





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EXECUTIVE SUMMARY

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01 Executive Summary

INVESTMENT SUMMARY



600 St. James Avenue
Goose Creek, SC 29445

INVESTMENT OVERVIEW

Square Footage:	13,813 SF
Acreage:	1.66 acres
Offering Price:	\$3,850,000
Price Per Square Foot:	\$279
Debt Structure:	Market (offered free & clear)
Lease Structure:	Absolute NNN
Cap Rate:	7.25%
Lease Expiration:	9/22/2024
Rental Rate:	\$20.12 PSF

Ackerman & Co's Retail Investment Sales Team is pleased to exclusively present for sale an absolute net-leased Rite Aid located in Goose Creek, SC (Charleston, SC MSA). The Rite Aid property, originally constructed in 2004, includes a 13,813 SF building on approximately 1.66 acres. The offering provides stable cash flow for over 10 years from a (S&P: B) rated tenant. This asset is fee simple and is being offered free and clear of debt

The Goose Creek, SC Rite Aid store is located on a hard corner in between two major retail anchors (Lowe's Home Improvement and Wal-Mart Super Center) at a heavily traveled signalized intersection with a traffic count of more than 34,000 vehicles per day. In addition to outstanding proximity to the area hospital, the Rite Aid property is located at the core of the area's major retail corridor with major retailers such as Lowe's, Wal-Mart, SunTrust Bank, McDonald's, Arby's, Firestone and Wendy's surrounding the site. According to Costar, the outlying Berkeley County has a vacancy rate of just 1.9%. The Rite Aid store features a drive-thru pharmacy and 24-hour store.

01 Executive Summary

INVESTMENT SUMMARY, CON'T.

INVESTMENT HIGHLIGHTS

All Brick Construction with a Drive-Thru and 24-Hour Store: The subject Rite Aid property is quality, all-brick construction with a drive-thru and 24-hour store located in a strong Charleston, SC MSA retail corridor. It is the only Free Standing Drugstore on the St. James Ave Corridor within 3 miles.

Absolute Net Lease (NNN) Structure: Due to the absolute net lease structure, this property serves well as a passive investment. Under the terms of the lease, the tenant is responsible for all expenses on the leased premises. These responsibilities include, but not limited to, interior, exterior, roof, and structure.

Stable Cash Flow w/ appreciation: This asset should provide steady cash flow to ownership over the remainder of the current lease term. In addition, there are four (4), five (5) year tenant renewal options upon the term's expiration with rent increases of approximately $\pm 2.75\%$ at the beginning of each option period. The next scheduled rent increase would begin during the first option period if exercised by Rite Aid in 9/2024.

Offered Free and Clear of Debt: With limited single tenant product in the market, this is a benefit for an investor looking for an all cash deal or market debt with low current low interest rates.

Credit Rating Just Recently Upgraded: Rite Aid originated in 1963, the third largest Pharmacy presently has over 4,600 drugstores in the United States and Puerto Rico. For fiscal year ended December 31, 2012, CVS reported revenue of \$123 billion with net income of \$3.884 billion. Currently, Rite Aid has a total of more than 201,000 employees and currently holds a B Stable Investment grade rating from Standard & Poor's.



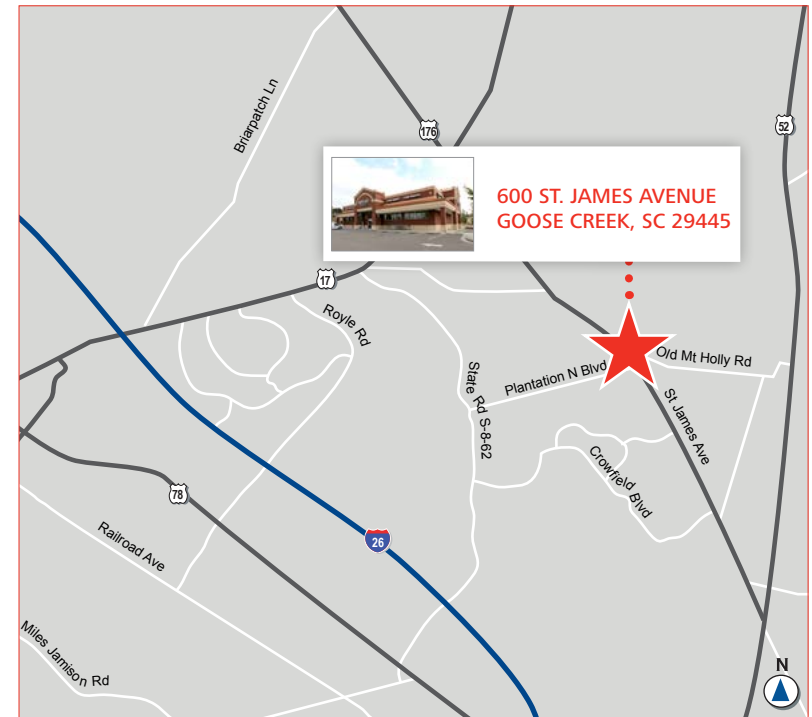
01 Executive Summary

LOCATION AND DEMOGRAPHICS

The subject 600 St. James Avenue located in Goose Creek, SC was built in 2004 and is in great physical condition. In 2013, total population within 5 miles was 93,274 and average household income within 1 mile was \$66,469.

DEMOGRAPHIC SUMMARY

	1 MILE	3 MILES	5 MILES
Population 2013	6,478	45,014	93,274
Total Households	2,400	16,298	33,935
Average Household Income	\$66,469	\$64,804	\$59,685



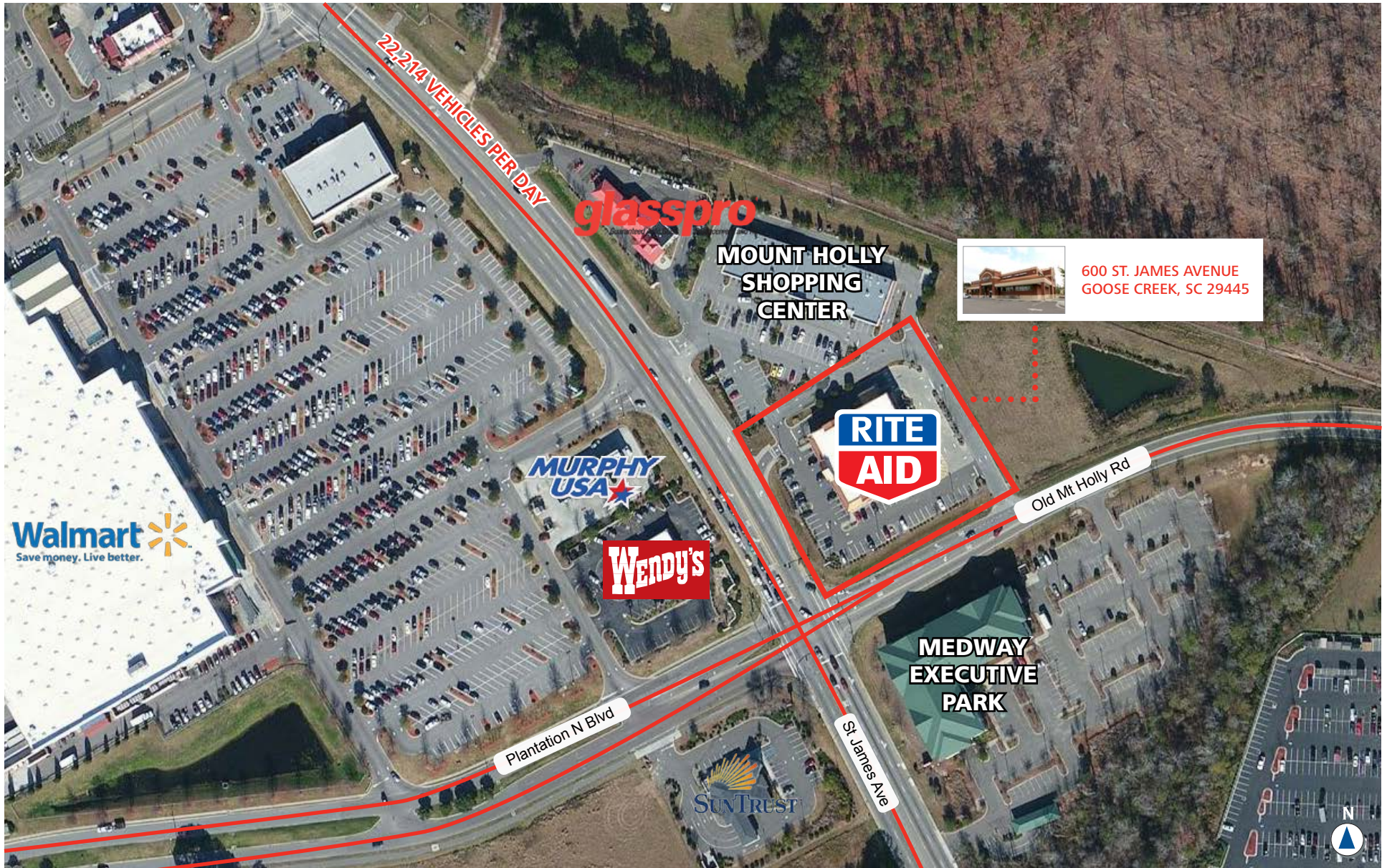
TRAFFIC COUNTS

22,214 VEHICLES PER DAY ON ST. JAMES AVENUE

Source: 2011 MPSI Systems Inc. d.b.a. DataMetrix®

01 Executive Summary

CLOSE-UP AERIAL



01 Executive Summary

RETAIL AMENITIES AERIAL



01 Executive Summary

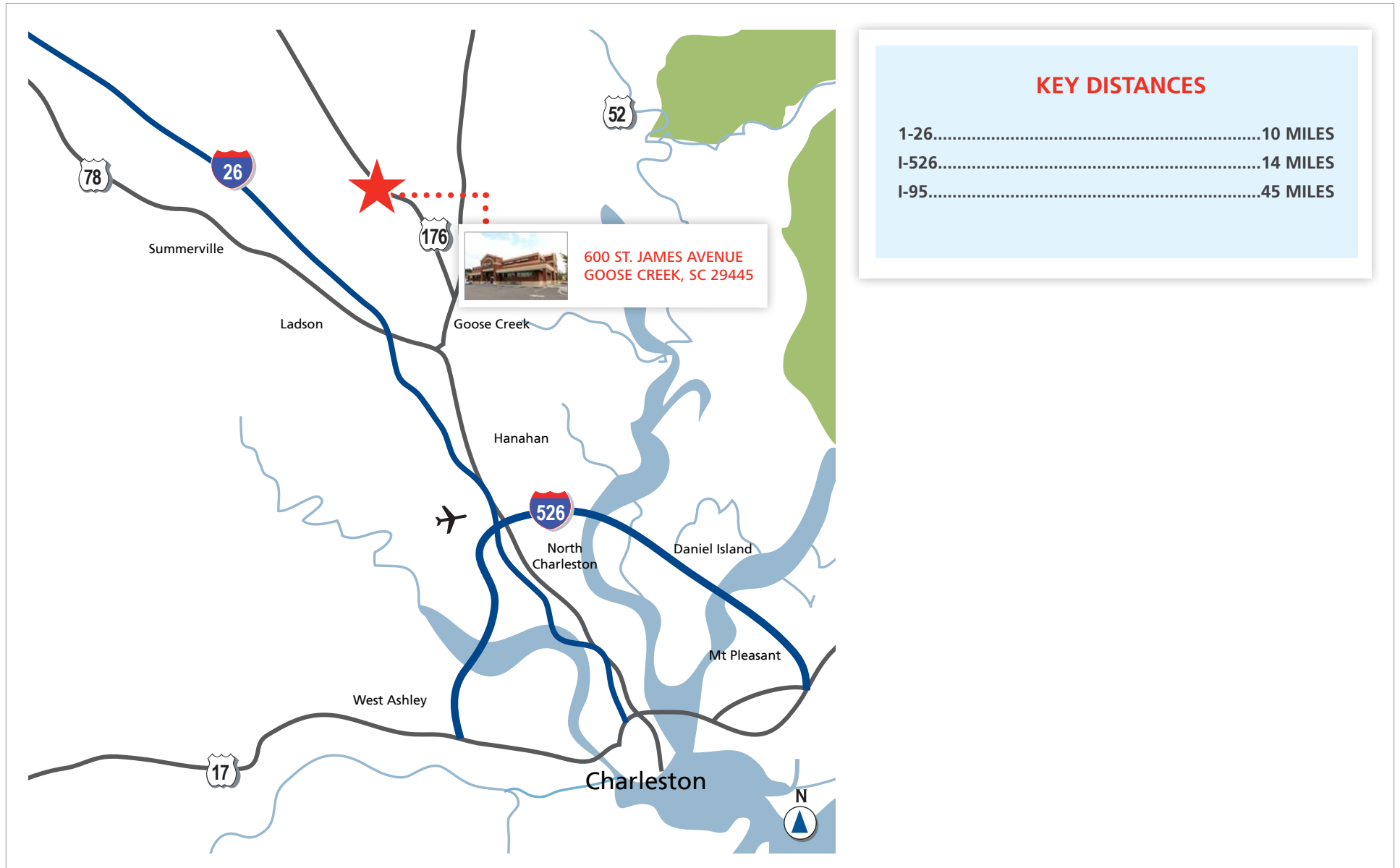
PROPERTY OVERVIEW



Address:	600 St. James Ave, Goose Creek, SC 29445
Parcel ID:	234-00-00-142
County:	Berkeley County
Metro Market:	Charleston, SC
Zoning:	GC
Building Size:	13,813 sf
Land Area:	1.66 Acres
Year Built:	2004
Construction:	Concrete Block and Brick
Parking:	Approximately 80 Parking Spaces
Signage:	Large dedicated pylon at the intersection of St. James Ave and Old Mt Holly Rd
Access:	There are three (3) points of ingress/egress via Old Mt Holly Rd, St James Ave and Cross Access through Mount Holly Shopping Center
Store Number	11617
Drive-Thru	Yes
Pharmacy	Yes
Photo	Yes
Store Hours	Open 24 Hours, Seven Days a Week
Pharmacy Hours	M-F, 7:00 AM - 12:00 AM, Sat, 8:00 AM - 10:00 PM, Sun, 8:00 AM - 8:00 PM

01 Executive Summary

AREA MAP



01 Executive Summary

PROPERTY PHOTOGRAPHS



01 Executive Summary

SURROUNDING RESIDENTIAL PROPERTY PHOTOGRAPHS



02

TENANT OVERVIEW

- Tenant Overview
- Site Plan

TENANT SUMMARY



SIZE

One-Story Building

SQUARE FOOTAGE

13,813

LEASE EXPIRATION

2024

RITE AID

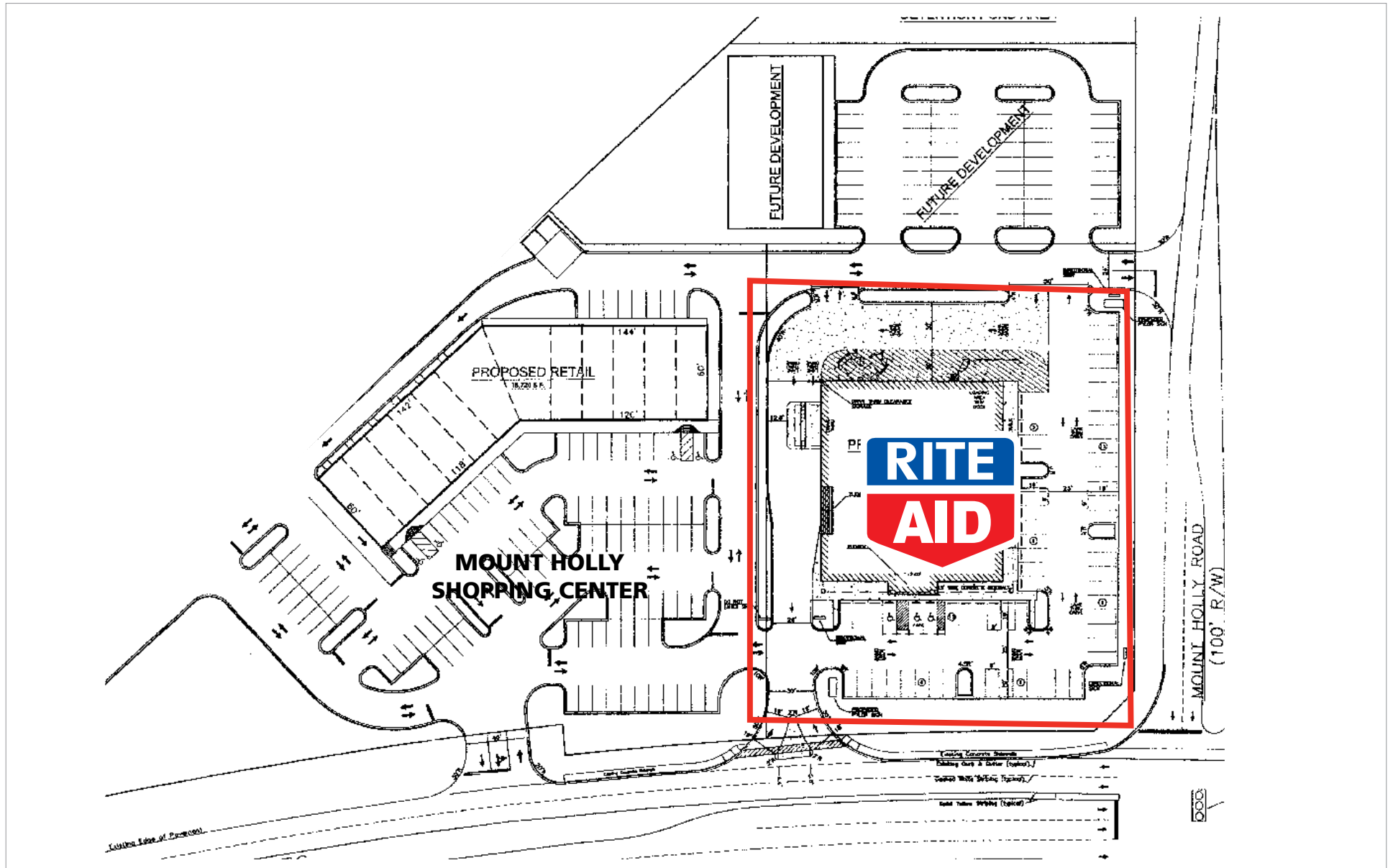
Rite Aid is a retailer and pharmacy chain, operating just over 4,600 stores in 31 states and the District of Columbia. Rite Aid is the third largest drugstore chain in the United States. The company is publicly traded on the New York Stock Exchange under the ticker RAD. Rite Aid began in 1962 as a single store opened in Scranton, Pennsylvania called Thrift D Discount Center. After several years of growth, Rite Aid adopted its current name and debuted as a public company in 1968. Rite Aid is headquartered in Camp Hill, a suburb of Harrisburg, Pennsylvania.

Rite Aid reported total revenue of \$25.4 billion for the fiscal year 2013. As of 2014, its market capitalization was \$6.98 billion. Rite Aid is a Fortune 500 company. The first store opened in September 1962. Through acquisitions and new stores, Rite Aid quickly expanded into 5 northeast states by 1965. The chain was officially named Rite Aid Corporation in 1968 and made its debut on the American Stock Exchange. It moved to the New York Stock Exchange in 1970. Just ten years after its first store opened, Rite Aid operated 267 locations in 10 states. It was named the third largest drugstore in the United States by 1981; shortly thereafter, 1983 marked a sales milestone of \$1 billion. A 420-store acquisition along the east coast expanded Rite Aid's holdings beyond 2,000 locations. Among the companies acquired was Baltimore, Maryland's Read's Drug Store. Rite Aid acquired twenty-four Hooks Drug stores from Revco in 1994, selling nine of those stores to Perry Drug Stores, a Michigan-based pharmacy chain. One year later, the 224-store Perry chain itself was acquired by Rite Aid. The 1,000-store West Coast chain Thrifty PayLess was later acquired in 1996. The acquisition of Thrifty PayLess included the Northwest-based Bi-Mart membership discount stores, which was sold off in 1998. Acquisitions of Harco, Inc. and K & B Inc. brought Rite Aid into the Gulf Coast area. In July 2005, Rite Aid completed its acquisition of Shelley's Pharmacy, a chain pharmacy in Philadelphia. On August 23, 2006, the Wall Street Journal announced that Rite Aid would be buying the Eckerd Pharmacy and Brooks Pharmacy chains (Brooks Eckerd Pharmacy) from the Quebec-based Jean Coutu Group for US\$3.4 billion, and merging the two chains into one dominant pharmacy system. The company's shareholders overwhelmingly approved the merger on January 18, 2007. After some store closures and the conversion of the two chains to Rite Aid is complete, the deal will make Rite Aid the dominating drug store retailer in the Eastern U.S., and secures its place as the third largest drug retailer nationwide.

Rite Aid: (NYSE: RAD)
Credit Rating: S&P Rated B, Stable
Number of Locations: 4,623 (2013)
Sales: \$25.4 Billion (FY 2013)
Employees: Approximately 50,730
Founded: 1962, as Thrift D Discount Center
Headquarters: Camp Hill, PA
Fortune 500 Company
www.RiteAid.com

02 Tenant Overview

SITE PLAN



03

MARKET OVERVIEW

- Charleston, SC MSA Overview
- Retail Market Statistics
- Comparable Building Sales
- Competitive Locations
- Detailed Demographics

03 Market Overview

CHARLESTON MSA MARKET OVERVIEW

Goose Creek is the 12th largest municipality in the state of South Carolina. Located approximately 20 miles north of Charleston in the southern end of Berkeley County. Goose Creek is included within the Charleston-North Charleston-Summerville metropolitan area.

Berkeley County is the fastest growing county in the state of South Carolina and 35th fastest in the nation as reported by US Census for 2010 through 2012. There are 3,346 businesses employing 19,943 employees within a 5 mile radius of the subject property. Included in this total is 299 Health Care and Social Assistance businesses.

The majority of the Naval Weapons Station Charleston is located in Goose Creek. The current workforce of the Naval Weapons Station is over 11,000 employees with an additional 3,600 people in on-base family housing. Nucor Steel – Berkeley has committed \$200 million in capital investments for equipment upgrades and expansions over the last five years. In January 2013, Google announced that they would spend another \$600 million on a new data center facility in Berkeley County. Nexans, a high voltage power cable manufacturer is currently constructing an \$85 million manufacturing plant in Goose Creek that will employ 200 employees.

Goose Creek has been awarded the past two years “Best City to Raise Kids in South Carolina” by Bloomberg Businessweek magazine. The city prides itself on providing their residents with a family oriented community while being one of the most aggressive cities in the state.



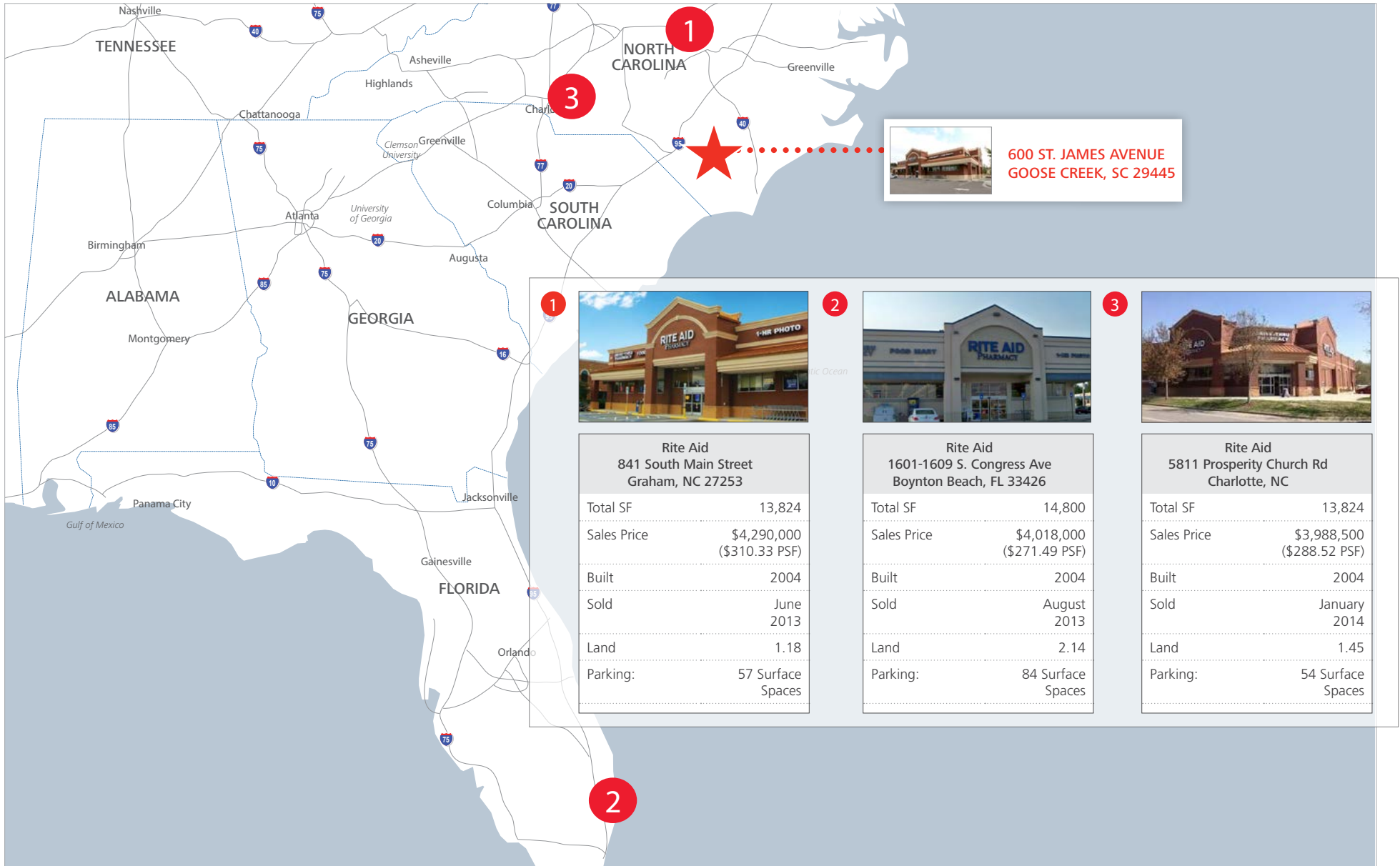
03 Market Overview

CHARLESTON, SC MSA GENERAL RETAIL MARKET STATISTICS

MARKET	EXISTING INVENTORY # BLDG	TOTAL GLA	VACANCY DIRECT SF	TOTAL SF	VAC %	YTD NET ABSORPTION	YTD DELIVERIES	UNDER CONST SF	QUOTED RATES
Dorchester County	501	2,625,744	141,212	141,212	5.4%	6,967	0	877	\$12.18
Downtown Charleston	654	3,572,139	86,433	86,433	2.4%	(4,389)	0	3,844	\$27.55
E Charleston County	12	63,697	1,638	1,638	2.6%	0	0	0	\$4.00
East Islands/Mt Pleasant	331	1,746,990	54,229	54,229	3.1%	40,731	14,644	15,000	\$16.14
Greater Charleston	505	3,491,107	150,459	160,059	4.6%	12,936	0	0	\$14.84
James Island/Folly Beach	181	911,394	22,185	22,185	2.4%	(14,344)	0	0	\$16.93
North Charleston	840	4,619,947	201,493	201,493	4.4%	26,670	25,091	0	\$12.66
Outlying Berkeley County	528	3,257,670	50,457	61,209	1.9%	38,932	7,017	13,070	\$11.61
W Charleston County	56	265,312	23,060	23,060	8.7%	7,126	6,626	0	\$5.62
West Islands	48	155,545	0	0	0.0%	0	0	0	\$0.00
Totals	3,656	20,709,545	731,166	751,518	3.6%	114,629	53,378	32,791	\$15.98

03 Market Overview

COMPARABLE BUILDING SALES MAP



03 Market Overview

COMPETITIVE LOCATIONS MAP



03 Market Overview

COMPETITIVE LOCATIONS

1



CVS - Inline 431 St James Avenue	
Total SF	67,683 (CVS – 8,450)
Built	1992
Proximity to Subject	0.66 miles

2



Rite Aid – Inline 214 St James Avenue	
Total SF	81,900 (Rite Aid – 8,640)
Built	1982 Renovated 2005
Proximity to Subject	1.89 miles

3



Walgreens – Freestanding 1 South Alliance Drive	
Total SF	13,183
Built	2005
Parking	63 Surface Spaces
Land	1.54 Acres
Proximity to Subject	1.89 miles

4



CVS – Freestanding 9 Corporate Parkway	
Total SF	13,260
Built	1999
Parking	32 Surface Spaces
Land	2.0 Acres
Proximity to Subject	3.52 miles

5



Walgreens – Freestanding 1630 Red Bank Road	
Total SF	12,146
Built	2008
Parking	36 Surface Spaces
Land	1.72 Acres
Proximity to Subject	5.88 miles

6



Walmart Pharmacy - In store St James Avenue	
Total SF	12,146
Built	2008
Parking	36 Surface Spaces
Land	1.72 Acres
Proximity to Subject	5.88 miles

7



Bi-Lo Pharmacy - In store St James Avenue	
Total SF	12,146
Built	2008
Parking	36 Surface Spaces
Land	1.72 Acres
Proximity to Subject	5.88 miles

03 Market Overview

DETAILED DEMOGRAPHICS

DEMOGRAPHICS	1-MILE	3-MILES	5-MILES
2013 Population	7,159	49,264	102,071
2018 Projected Population	6,478	45,014	93,274
2010 Census Population	6,025	42,192	87,347
2000 Census Population	4,245	31,632	67,504
Growth 2000 - 2010	10.51%	9.44%	9.43%
Growth 2010 - 2013	7.52%	6.69%	6.79%
Growth 2013 - 2018	41.92%	33.38%	29.40%
2013 Median Age	34.2	34.8	33.7
2013 Households	2,653	17,871	37,247
2018 Projected Households	2,400	16,298	33,935
2010 Census Households	2,229	15,245	31,685
2000 Census Households	1,417	11,022	23,938
Household Growth 2000 - 2010	10.55%	9.65%	9.76%
Household Growth 2010 - 2013	7.65%	6.91%	7.10%
Household Growth 2013 - 2018	57.36%	38.31%	32.36%
2013 Average Household Size	2.70	2.76	2.72
2013 Median Household Income	\$60,488	\$57,036	\$50,744
2013 Average Household Income	\$66,469	\$64,804	\$59,685
2013 Owner Occupied Units	1,773	12,058	24,239

04

FINANCIAL OVERVIEW

- Financial Overview
- Rent Roll

04 Financial Overview

FINANCIAL OVERVIEW

INVESTMENT DETAILS

Sales Price	\$3,850,000
Square Feet	13,813
Price Per SF	\$279
Cap Rate	7.25%
Financing	Property is offered free and clear of existing debt

BUILDING INFORMATION

Address	600 St James Ave Goose Creek, SC 29445
Property Type	Single-Tenant Retail
Year Built	2004
Parcel Size	1.66 Acres
Type of Ownership	Fee Simple

LEASE DETAILS

Commencement Date	9/1/2004
End Date	9/2/2024
Lease Term	20 Years
Annual Rent	\$279,013
Rent Escalations (Current Term)	None
Rent Per Month	\$23,251
Lease Type	Absolute NNN
Options	Four (4) x Five (5) Year
Option Rental Increases	Approximately 2.4% during each option period
Landlord Responsibilities	None

04 Financial Overview

RENT ROLL

SUITE	TENANT	START DATE	EXPIRATION DATE	RSF	ANNUALISED RENT	MONTHLY RENT	PSF RENT	RENEWAL TERM	RENEWAL INCREASE	COMMENTS
1	Rite Aid	9/2/2004	9/1/2024	13,813	\$279,013	\$23,251	\$20.20	5 years	Approximately two and four tenths percent (2.4%) rent increase during each option period	Tenant retains Four (4) x Five (5) year options after the initial Twenty (20) year lease term.

RENEWAL INCREASES ▲	
Option 1	\$285,920
Option 2	\$292,826
Option 3	\$299,733
Option 4	\$306,639

Ackerman & Co.



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