

GENDRON

COMMERCIAL BOSTON

Walgreens Pharmacy

311 Main Street, Lewiston, ME 04240



John Gendron, CCIM

207-939-8500

johngendron@me.com

**John Gendron, CCIM**

Gendron Commercial Boston | New York, NY

P: 207-939-8500

John R. Gendron is a commercial real estate broker specializing in the selling, leasing and development of all types of commercial properties. He earned the designation of CCIM (Certified Commercial Investment Member) and holds several real estate broker licenses including Maine, New Hampshire, New York, Massachusetts, Florida and Connecticut. He is a past President, Vice President and Treasurer of the York County Board of Realtors, past President of Maine Homebuilders Association, past Director of the State of Maine Realtors Association, past Director of Portland Chamber of Commerce, past Director of Greater Portland Landmarks; past Member of Mercy Hospital Board of Trustees, and past Director of McAuley Residence.

John Gendron has represented CVS & Rite Aid as a preferred Broker and preferred developer during the 90s and 2000s. John represented CVS and Rite Aid (at different time periods), primarily in Maine and New Hampshire for several years. John has also represented numerous national companies over the years (I.E. Gannet Corp, Home Depot and many more)!



ANALYSIS

Analysis Date August 2019

PROPERTY

Property Type Commercial
 Property Walgreens Pharmacy
 Property Address 311 Main Street, Lewiston, ME 04240
 Year Built 1966

PURCHASE INFORMATION

Purchase Price \$2,200,000
 Fair Market Value \$2,200,000
 Tenants 1
 Total Rentable Sq. Ft. 10,692
 Resale Valuation 2.000% (annual appreciation)
 Resale Expenses 4.000%

INCOME & EXPENSE

Gross Operating Income \$163,944
 Monthly GOI \$13,662
 Total Annual Expenses (\$18,915)
 Monthly Expenses (\$1,576)

FINANCIAL INFORMATION

Down Payment \$550,000
 Closing Costs \$75,000
 LT Capital Gain 35.00%
 Federal Tax Rate 35.00%
 State Tax Rate 7.9500%
 Discount Rate 6.00%

LOANS

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Fixed	\$1,650,000	25 years	25 years	4.00000%	\$8,709	



Subject property is located at 311 Main St. in Lewiston, Maine. Now operating as a Walgreens Pharmacy, former Rite Aid has been operating at this site since 1992. Currently, Walgreens is in the 4th renewal option expiring in 2022 with 1 more 5 year renewal option left. Rent increases in each option period. The lease is a rare base combined with percentage rent (2.5% of gross annual sales minus cigarette sales) .

Land Area: 1.11 Acres

Landlord is responsible for the roof and structure.

Current rent schedule:

06/01/2017-05/31/2022-\$148,931.70

06/01/2022-05/31/2027-\$178,718.04

Surrounding neighborhood businesses include Central Maine Medical Center (located across the street) which is a 250 Bed hospital with approximately 300 providers and a II Trauma Center, Dunkin Donuts, 7-Eleven, Big Apple, Sam's Italian Foods, Androscoggin Bank, Lewiston Fire Department, and more!

Additionally, Seller owns lot next to the Walgreens that is also For Sale separately. Please contact John at 207-939-8500 for further information on this additional lot.

Seller also has made an agreement with Central Maine Medical Center for additional land use.



06/14/2018

Bob Connor
Lewiston Realty Limited Partnership
12 Brook Street

Wellesley, MA 02482-6601

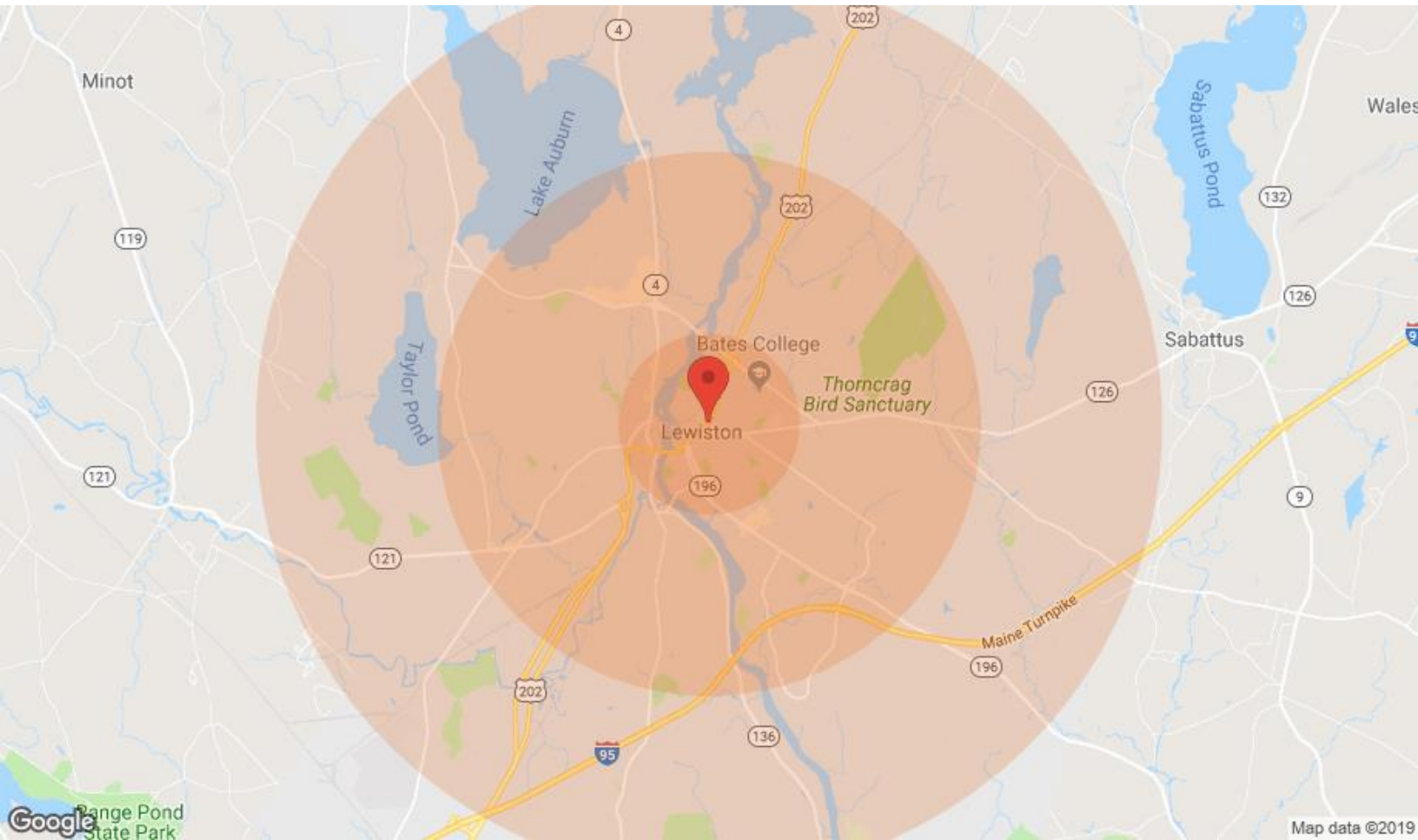
03300-01 - Lewiston, ME
315 Main Street

In accordance with the terms of your lease for the above mentioned location, payment has been calculated as follows. If you have any questions regarding these figures, please contact Jennifer Armermann at (717) 730-8316 or Jennifer.M.Armermann@riteaid.com or Malia Sonski at (717) 761-2633 x 8767 or Malia.Sonski@riteaid.com

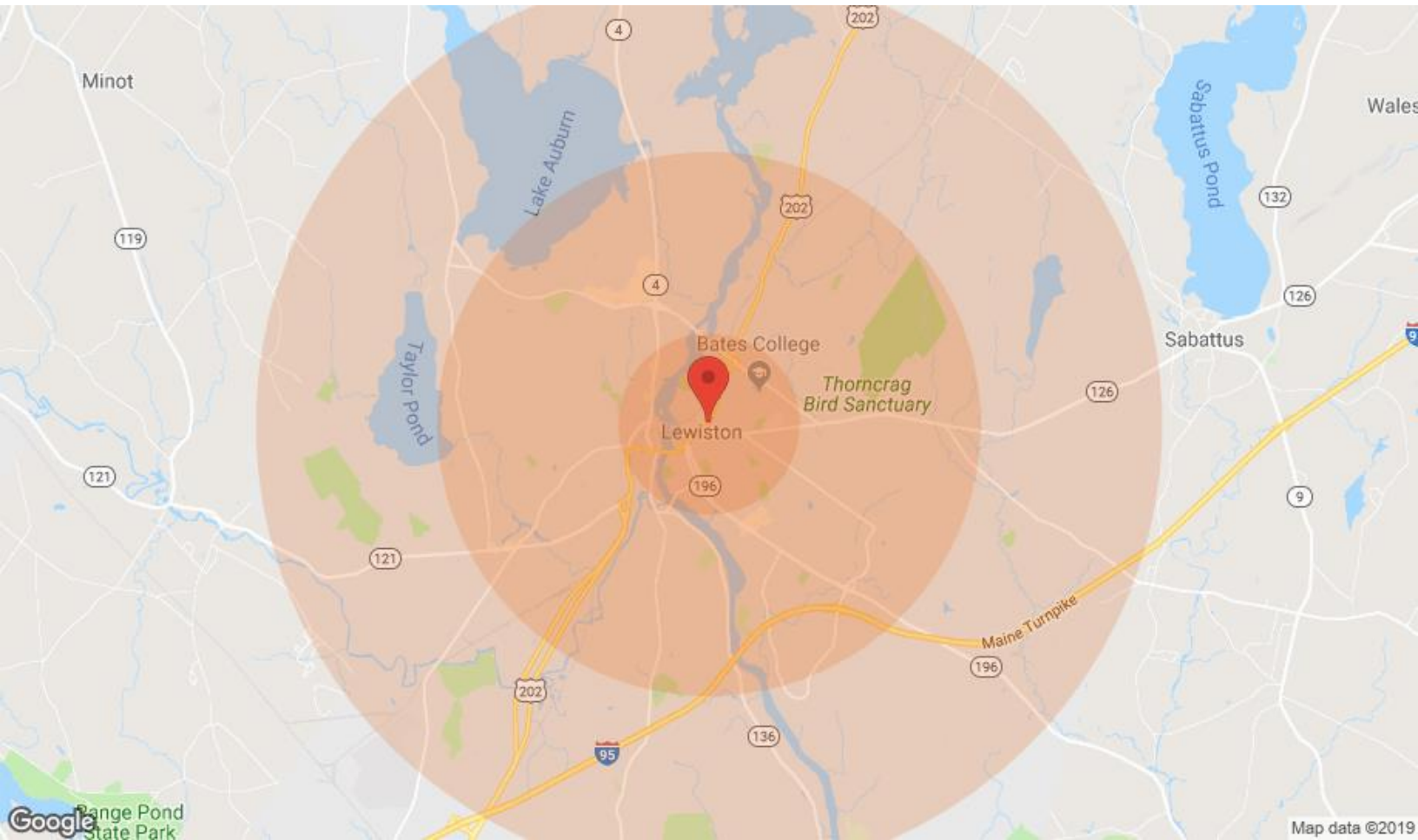
Period	Amount
06/2017	\$438,363.00
07/2017	\$416,687.00
08/2017	\$546,855.00
09/2017	\$446,330.00
10/2017	\$450,973.00
11/2017	\$563,102.00
12/2017	\$452,828.00
01/2018	\$424,989.00
02/2018	\$578,135.00
03/2018	\$455,750.00
04/2018	\$482,874.00
05/2018	\$592,699.00
Sales Total :	\$5,849,585.00
Breakpoint :	\$5,957,267.97
Difference :	\$0.00
Percent Rent Factor :	2.50 %
Percentage Rent Value :	\$0.00
Total Percentage Rent Value :	\$0.00
Less Prior Billings :	\$0.00
Less Recapture/Deductions :	\$0.00
Total Recaptures :	\$0.00
Percentage Rent Due :	\$0.00

I certify that the above information is a true and correct statement of sales made from the premises at the above location for the reported period of time.

Jonathan A Rudy
Senior Director, Real Estate Accounting



Population	1 Mile	3 Mile	5 Mile
Male	8,418 (49.40 %)	23,261 (48.63 %)	28,632 (48.43 %)
Female	8,621 (50.60 %)	24,569 (51.37 %)	30,489 (51.57 %)
Total Population	17,039	47,830	59,121
Race Demographics	1 Mile	3 Mile	5 Mile
Population Non Hispanic White	13,400	41,816	52,948
Population Black	2,920	4,664	4,708
Population Am In/Ak Nat	4	5	7
Housing	1 Mile	3 Mile	5 Mile
Housing Units	7,673	21,699	26,608
Occupied Units	6,670	19,564	24,178
Owner Occupied Units	1,091	8,705	12,418
Renter Occupied Units	5,579	10,859	11,760
Vacant Units	1,003	2,135	2,430



Household Income	1 Mile	3 Mile	5 Mile
Median Income	\$23,744	\$37,527	\$39,913
Less than \$10,000	1,933	2,613	2,703
\$10,000 - \$14,999	992	2,052	2,225
\$15,000 - \$19,999	622	1,513	1,741
\$20,000 - \$24,999	705	1,747	1,987
\$25,000 - \$29,999	330	1,186	1,571
\$30,000 - \$34,999	400	1,205	1,548
\$35,000 - \$39,999	395	1,191	1,462
\$40,000 - \$44,999	328	1,067	1,352
\$45,000 - \$49,999	188	917	1,173
\$50,000 - \$59,999	404	1,466	1,720
\$60,000 - \$74,999	274	1,889	2,570
\$75,000 - \$99,999	313	1,821	2,541
\$100,000 - \$124,999	122	792	1,162
\$125,000 - \$149,999	40	250	425
\$150,000 - \$199,999	83	421	502
Greater than \$200,000	N/A	147	280

Age Breakdown	1 Mile	3 Mile	5 Mile
Ages 0-4	1,305 (7.66 %)	3,051 (6.38 %)	3,575 (6.05 %)
Ages 5-9	1,460 (8.57 %)	3,514 (7.35 %)	4,190 (7.09 %)
Ages 10-14	1,226 (7.20 %)	3,116 (6.51 %)	3,760 (7.09 %)
Ages 15-19	1,124 (6.60 %)	2,989 (6.25 %)	3,641 (6.16 %)
Ages 20-24	1,110 (6.51 %)	3,023 (6.32 %)	3,686 (6.23 %)
Ages 25-29	1,200 (7.04 %)	3,119 (6.52 %)	3,738 (6.32 %)
Ages 30-34	1,301 (7.64 %)	3,157 (6.60 %)	3,725 (6.30 %)
Ages 35-39	1,318 (7.74 %)	3,139 (6.56 %)	3,683 (6.23 %)
Ages 40-44	1,229 (7.21 %)	3,112 (6.51 %)	3,705 (6.27 %)
Ages 45-49	1,104 (6.48 %)	3,111 (6.50 %)	3,827 (6.47 %)
Ages 50-54	982 (5.76 %)	3,039 (6.35 %)	3,862 (6.53 %)
Ages 55-59	844 (4.95 %)	2,849 (5.96 %)	3,712 (6.28 %)
Ages 60-64	698 (4.10 %)	2,515 (5.26 %)	3,327 (5.63 %)
Ages 65-69	582 (3.42 %)	2,155 (4.51 %)	2,882 (4.87 %)
Ages 70-74	463 (2.72 %)	1,775 (3.71 %)	2,385 (4.03 %)
Ages 75-79	347 (2.04 %)	1,374 (2.87 %)	1,839 (3.11 %)
Ages 80-84	255 (1.50 %)	1,014 (2.12 %)	1,345 (2.27 %)
Ages 85+	491 (2.88 %)	1,778 (3.79 %)	2,399 (3.79 %)



311 MAIN ST. LEWISTON-COMPETITION MAP

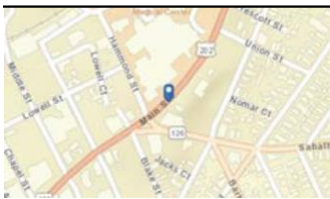
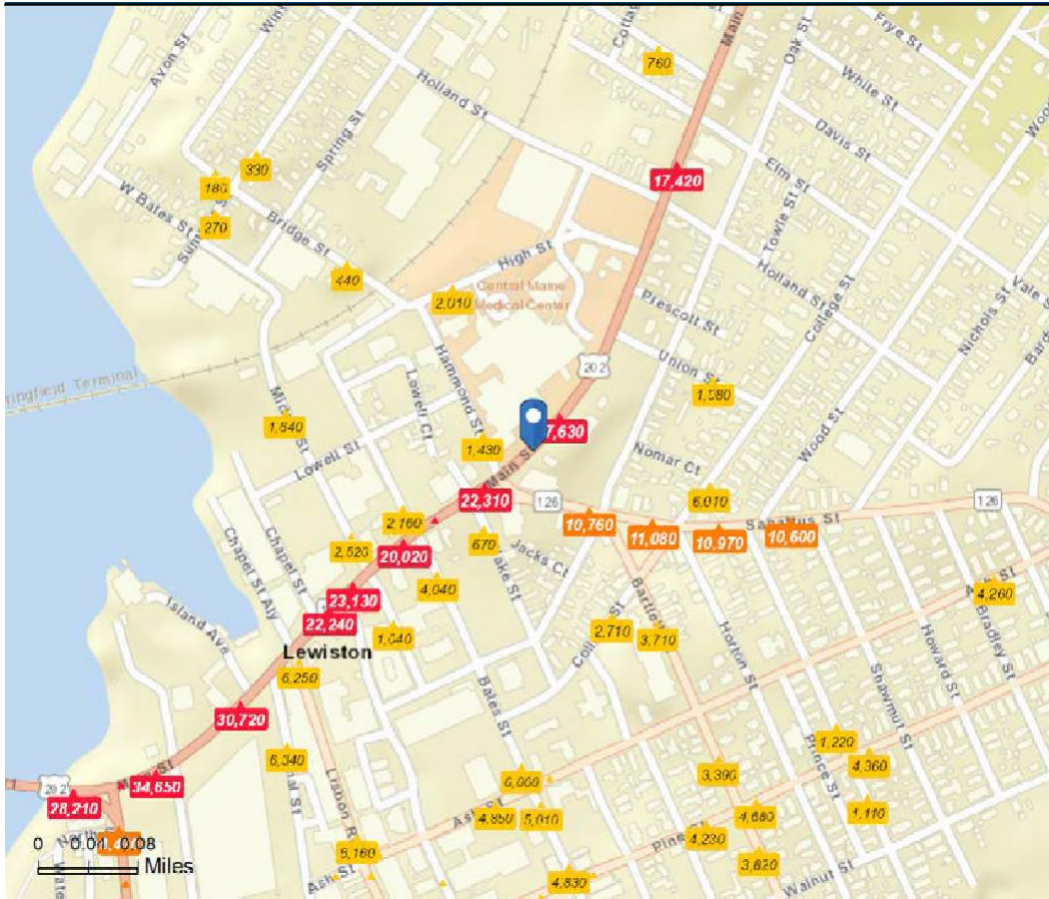




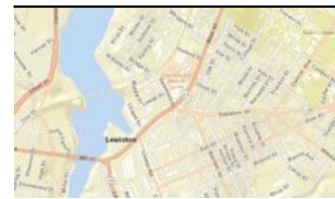
Traffic Count Map - Close Up

297 Main St, Lewiston, Maine, 04240
Rings: 1, 2, 3 mile radii

Prepared by Esri
Latitude: 44.10093
Longitude: -70.21440

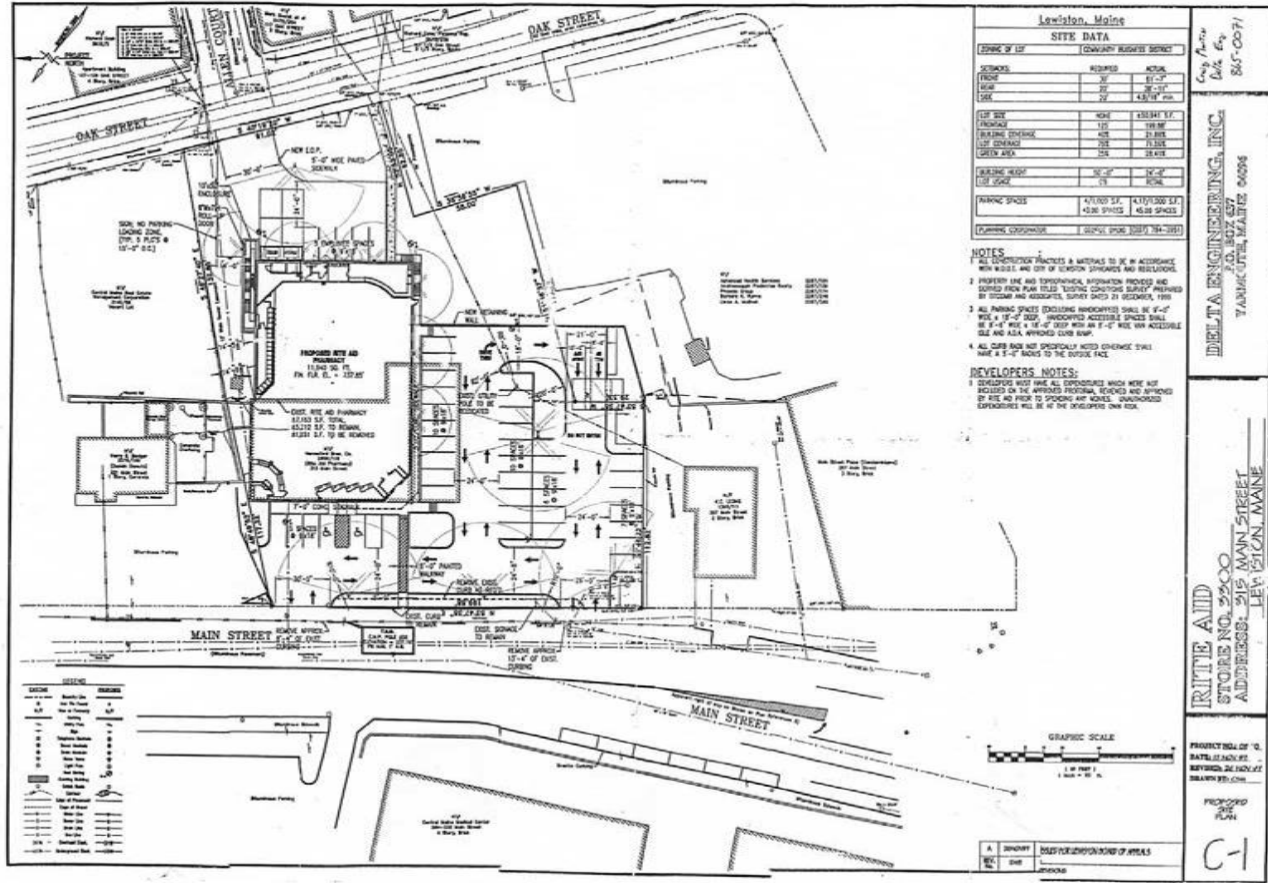


- Average Daily Traffic Volume**
- ▲ Up to 6,000 vehicles per day
 - ▲ 6,001 - 15,000
 - ▲ 15,001 - 30,000
 - ▲ 30,001 - 50,000
 - ▲ 50,001 - 100,000
 - ▲ More than 100,000 per day



Source: ©2018 Kalibrate Technologies (Q2 2018).

October 24, 2018



ACQUISITION COSTS

Purchase Price, Points and Closing Costs	\$2,275,000
Investment - Cash	\$625,000
First Loan	\$1,650,000

INVESTMENT INFORMATION

Purchase Price	\$2,200,000
Price per Tenant	\$2,200,000
Price per Sq. Ft.	\$205.76

INCOME, EXPENSES & CASH FLOW

GROSS SCHEDULED INCOME	\$163,944
Total Vacancy and Credits	\$0
Operating Expenses	(\$18,915)
NET OPERATING INCOME	\$145,029
Debt Service	(\$104,512)
CASH FLOW BEFORE TAXES	\$40,517
AFTER TAX RESULTS *	
Total Interest (Debt Service)*	(\$65,286)
Depreciation and Amortization*	(\$55,897)
Taxable Income (Loss)*	\$23,846
Tax Savings (Costs)*	(\$10,242)
CASH FLOW AFTER TAXES*	\$30,275

FINANCIAL INDICATORS

Cash on Cash Return Before Taxes	6.48%
Optimal Internal Rate of Return (yr 9)	11.06%
Debt Coverage Ratio	1.39
Capitalization Rate	6.59%
Gross Income / Square Feet	\$15.33
Gross Expenses / Square Feet	(\$1.77)
Operating Expense Ratio	11.54%

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Rental Income	\$148,932	\$148,932	\$148,932	\$156,378	\$178,719	\$178,719	\$178,719	\$178,719	\$179,612	\$183,204
Tax & Ins. Escrow	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012	\$15,012
GROSS SCHEDULED INCOME	\$163,944	\$163,944	\$163,944	\$171,390	\$193,731	\$193,731	\$193,731	\$193,731	\$194,624	\$198,216
GROSS OPERATING INCOME	\$163,944	\$163,944	\$163,944	\$171,390	\$193,731	\$193,731	\$193,731	\$193,731	\$194,624	\$198,216
Expenses										
Replacement Reserves	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)
Insurance	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)	(\$443)
RE Taxes	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)	(\$16,472)
Stormwater Charges	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)	(\$500)
TOTAL OPERATING EXPENSES	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)	(\$18,915)
NET OPERATING INCOME	\$145,029	\$145,029	\$145,029	\$152,476	\$174,816	\$174,816	\$174,816	\$174,816	\$175,710	\$179,302

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	13.69	13.96	14.24	13.89	12.54	12.79	13.04	13.31	13.51	13.53
Capitalization Rate	6.59%	6.59%	6.59%	6.93%	7.95%	7.95%	7.95%	7.95%	7.99%	8.15%
Cash On Cash Return b/t	6.48%	6.48%	6.48%	7.67%	11.25%	11.25%	11.25%	11.25%	11.39%	11.97%
Cash On Cash Return a/t	4.84%	4.90%	4.79%	5.35%	7.26%	7.13%	7.00%	6.86%	6.80%	6.81%
Debt Coverage Ratio	1.39	1.39	1.39	1.46	1.67	1.67	1.67	1.67	1.68	1.72
Gross Income per Sq. Ft.	\$15.33	\$15.33	\$15.33	\$16.03	\$18.12	\$18.12	\$18.12	\$18.12	\$18.20	\$18.54
Expenses per Sq. Ft.	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)	(\$1.77)
Net Income Multiplier	15.47	15.78	16.10	15.62	13.89	14.17	14.46	14.74	14.96	14.96
Operating Expense Ratio	11.54%	11.54%	11.54%	11.04%	9.76%	9.76%	9.76%	9.76%	9.72%	9.54%
Loan To Value Ratio	71.78%	68.59%	65.43%	62.29%	59.17%	56.08%	53.00%	49.95%	46.92%	43.90%

* b/t = before taxes; a/t = after taxes

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
LOAN 1										
Debt Service Analysis										
Principal Payments	\$39,226	\$40,824	\$42,487	\$44,218	\$46,019	\$47,894	\$49,846	\$51,876	\$53,990	\$56,190
Interest Payments	\$65,286	\$63,688	\$62,025	\$60,294	\$58,492	\$56,617	\$54,666	\$52,635	\$50,522	\$48,322
Total Debt Service	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512	\$104,512
Principal Balance Analysis										
Beginning Principal Balance	\$1,650,000	\$1,610,774	\$1,569,951	\$1,527,464	\$1,483,246	\$1,437,226	\$1,389,332	\$1,339,486	\$1,287,610	\$1,233,620
Principal Reductions	\$39,226	\$40,824	\$42,487	\$44,218	\$46,019	\$47,894	\$49,846	\$51,876	\$53,990	\$56,190
Ending Principal Balance	\$1,610,774	\$1,569,951	\$1,527,464	\$1,483,246	\$1,437,226	\$1,389,332	\$1,339,486	\$1,287,610	\$1,233,620	\$1,177,430



Richard Steiner, Director and Managing Counsel
Real Estate Law
Walgreen Co.
104 Wilmot Road, MS 144G
Deerfield, IL 60015
P 847-315-4543 F 847-315-4825
rich.steiner@walgreens.com
www.walgreens.com

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

January 22, 2018

Bob Connor
Lewiston Realty Limited Partnership
12 Brook Street
Wellesley, MA 02482-6601

Re: Rite Aid ("Rite Aid") Store No. 03300-Walgreens Store No. 17136// Lease, as may be amended from time to time (the "Lease") the current parties to which are Lewiston Realty Limited Partnership ("Landlord") and Rite Aid of Maine, Inc. ("Tenant") of the real property commonly known as 315 Main Street, Lewiston, ME (the "Premises")

Dear Landlord:

With regard to the above-referenced Lease, please be aware that the Lease was assigned from Tenant to Walgreen Co., an Illinois corporation and then was further assigned from Walgreen Co. to Walgreen Eastern Co., Inc., a New York corporation that is a wholly-owned subsidiary of Walgreen Co., effective as of the date of the relevant Bill of Sale, Assignment and Assumption Agreement (the "Assignment Agreement"). I am enclosing for your reference and convenience a copy of the relevant Assignment Agreement and the Contribution Agreement by which Walgreen Co. assigned its interest in the Lease to Walgreen Eastern Co., Inc. (which has been redacted to remove certain other locations). Additionally, further information (including explanation of certain defined terms in the Assignment Agreement) may be found in the public SEC filings of Walgreens Boots Alliance, Inc., including without limitation, the Form 8-K filed September 19, 2017 which can be viewed at the following link:
<http://investor.walgreens.com/secfiling.cfm?filingID=1193125-17-287813&CIK=1618921>.

Please note that despite the foregoing assignment, in order to effectuate a smooth and timely transition of the management of this and other leases, on a temporary basis Rite Aid will continue to process payment of all payment obligations under the Lease on behalf of Walgreens. As such, until such time as Landlord receives further direction or notice from Walgreens, Landlord is hereby directed to continue to send all rent, CAM, real estate tax and other invoices pertaining to the payment obligations under the Lease to Rite Aid in accordance with current process and practices.

Walgreens

Other than the foregoing, please reference the following Walgreens contacts for your needs:

- SNDA/Estoppel Requests: Walgreen Eastern Co.
Attn: SNDA/Estoppel request, Store #17136
104 Wilmot Road, MS 144G
Deerfield, IL 60015
- Property Management (Western): Walgreen Eastern Co./Real Estate Department
Attn: Laurie Hodge, Store #17136
106 Wilmot Road, MS 1640
Deerfield, IL 60015
Laurie.Hodge@walgreens.com
- Property Management (Eastern): Walgreen Eastern Co./Real Estate Department
Attn: Irma Drozek, Store #17136
106 Wilmot Road, MS 1640
Deerfield, IL 60015
Irma.Drozek@walgreens.com
- Legal Notices: Walgreen Eastern Co.
Attn: Real Estate Law Department, Store #17136
104 Wilmot Road, MS 144G
Deerfield, IL 60015

Additionally, evidence of the insurance coverages obtained by Tenant can be obtained at the following link: www.walgreens.com/insurance.

Sincerely,

Walgreen Eastern Co.



Richard N. Steiner,
Director and Managing Counsel





Dept. of Professional & Financial Regulation
Office of Professional & Occupational Regulation
MAINE REAL ESTATE COMMISSION

35 State House Station Augusta ME 04333-0035



REAL ESTATE BROKERAGE RELATIONSHIPS FORM

Right Now You Are A Customer

Are you interested in buying or selling residential real estate in Maine? Before you begin working with a real estate licensee it is important for you to understand that Maine Law provides for different levels of brokerage service to buyers and sellers. You should decide whether you want to be represented in a transaction (as a client) or not (as a customer). To assist you in deciding which option is in your best interest, please review the following information about real estate brokerage relationships:

Maine law requires all real estate brokerage companies and their affiliated licensees ("licensee") to perform certain basic duties when dealing with a buyer or seller. You can expect a real estate licensee you deal with to provide the following **customer-level services**:

- ✓ To disclose all material defects pertaining to the physical condition of the real estate that are known by the licensee;
- ✓ To treat both the buyer and seller honestly and not knowingly give false information;
- ✓ To account for all money and property received from or on behalf of the buyer or seller; and
- ✓ To comply with all state and federal laws related to real estate brokerage activity.

Until you enter into a written brokerage agreement with the licensee for client-level representation you are considered a "customer" and the licensee is not your agent. **As a customer, you should not expect the licensee to promote your best interest, or to keep any information you give to the licensee confidential, including your bargaining position.**

You May Become A Client

If you want a licensee to represent you, you will need to enter into a written listing agreement or a written buyer representation agreement. These agreements **create a client-agent relationship** between you and the licensee. As a client you can expect the licensee to provide the following services, **in addition to** the basic services required of all licensees listed above:

- ✓ To perform the terms of the written agreement with skill and care;
- ✓ To promote your best interests;
 - For seller clients this means the agent will put the seller's interests first and negotiate the best price and terms for the seller;
 - For buyer clients this means the agent will put the buyer's interests first and negotiate for the best prices and terms for the buyer; and
- ✓ To maintain the confidentiality of specific client information, including bargaining information.

COMPANY POLICY ON CLIENT-LEVEL SERVICES - WHAT YOU NEED TO KNOW

The real estate brokerage company's policy on client-level services determines which of the three types of agent-client relationships permitted in Maine may be offered to you. The agent-client relationships permitted in Maine are as follows:

- ✓ The company and all of its affiliated licensees represent you as a client (called "**single agency**");
- ✓ The company appoints, with your written consent, one or more of the affiliated licensees to represent you as an agent(s) (called "**appointed agency**");
- ✓ The company may offer limited agent level services as a **disclosed dual agent**.

WHAT IS A DISCLOSED DUAL AGENT?

In certain situations a licensee may act as an agent for and represent both the buyer and the seller in the same transaction. This is called **disclosed dual agency**. *Both the buyer and the seller must consent to this type of representation in writing.*

Working with a dual agent is not the same as having your own exclusive agent as a single or appointed agent. For instance, when representing both a buyer and a seller, the dual agent must not disclose to one party any confidential information obtained from the other party.

Remember!
Unless you enter into a written agreement for agency representation, you are a customer—not a client.

THIS IS NOT A CONTRACT

It is important for you to know that this form is not a contract. The licensee's completion of the statement below acknowledges that you have been given the information required by Maine law regarding brokerage relationships so that you may make an informed decision as to the relationship you wish to establish with the licensee/company.

To Be Completed By Licensee

This form was presented on (date) _____

To _____
Name of Buyer(s) or Seller(s)

by _____
Licensee's Name

on behalf of _____
Company/Agency

MREC Form#3 Revised 07/2006
Office Title Changed 09/2011

To check on the license status of the real estate brokerage company or affiliated licensee go to www.maine.gov/professionallicensing. Inactive licensees may not practice real estate brokerage.