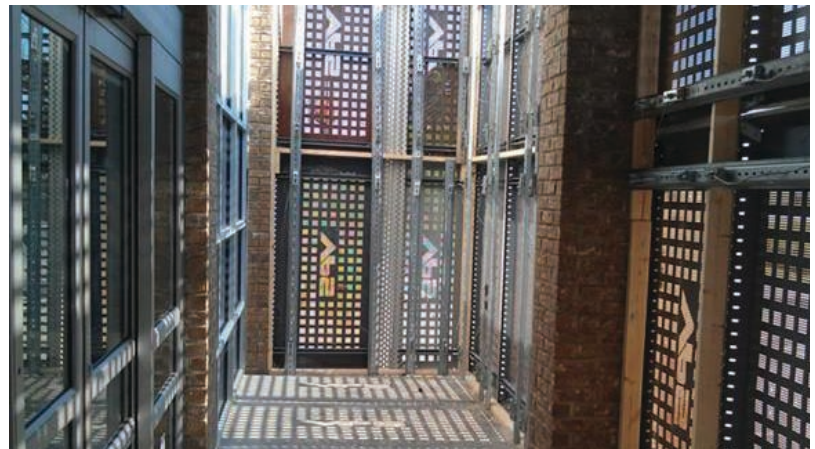




CASE STUDY

Retail Dark Stores: **Rite Aid**



Recent economic conditions have forced a number of well-known national retail brands to leave empty and shuttered buildings scattered in communities across the country. As a national chain of 4,800 retail drug stores in North America, Rite Aid has also had to deal with the consequence of the economic downturn by shuttering a select number of lower-performing locations – often before the lease agreement expires.

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While closing each location was wrought with challenges, perhaps one of the most unexpected challenges was how to “maintain” a now vacant property – including monitoring for water damage, power outages and upkeep of basic exterior maintenance like landscaping and snow removal, all of which becomes more difficult when the site is not visited daily.

More seriously, Rite Aid also found itself managing and responding to store break-ins, costing anywhere from \$140,000 - \$800,000 in repairs, on each occasion. Rite-Aid elected to hire security guards at a rate of \$3,000 - \$8,000 per month at each “dark” store location to deter recurring damage. In addition, without a consistent and adequate reporting system across the various locations, it was extremely difficult to monitor for graffiti, illegal dumping and other negative activities that were occurring and can have a detrimental effect on properties.

As a result of these challenges, Rite Aid called upon VPS, the Vacant Property Specialists to prescribe a customized solution that would mitigate a number of the issues facing its dark sites. The VPS “prescription” includes alarm installation and monitoring, steel window screens, and impenetrable steel doors that are accessible only via pass code and will also open from the inside in case of emergency.

“I finally have a system that services the very unique and challenging needs of an unoccupied or “mothballed” property, while also saving on a notable expense category. The monitoring feature is invaluable as VPS partnered with a recommended guard company for emergency response.

There is peace of mind knowing that the site is secure, but that I can get someone there immediately if necessary, all hours of the day and night.”

Karen Shriner
Director, Facilities Contract Services
Rite Aid Corporation

Starting first with 24 of Rite Aid’s dark stores primarily in California and Las Vegas, the VPS solution has enabled Rite Aid to remotely monitor vacant properties and cost effectively ensure that no further damage – is done. For example, activated online, the alarm doesn’t require any energy expense, and it provides real-time alerts on a 24-hour basis, eliminating the need for security guards. The VPS alarm also allows brokers to continue safely entering and showing properties. Contractors, too, have the ability to keep working, because the steel window screens allow ventilation, light filtration, and mold growth prevention, and the need for electricity during day time hours is eliminated. Additionally, an automatic, streamlined system has been established so that Rite Aid receives consistent, monthly on-site reports from all of its properties and can monitor for any issues requiring attention.

To date, Rite Aid has achieved: cost savings; increased safety for property caretakers and the local communities; and better protected properties to meet compliance standards and maintain value.

Call us for a vacant property solution at 800.918.9100 or visit us at www.vpspecialists.com

