

# FRED'S PHARMACY

424 W CUNNINGHAM AVE | JACKSON, MS (TERRY)

OFFERING MEMORANDUM



Representative Photo

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

## Exclusively Listed By



**Andrew Gross**

Senior Associate

Andrew.Gross@matthews.com  
DIR (310) 955-1773  
MOB (435) 659-1404  
LIC # 01987860 (CA)



**Chad Kurz**

SVP & National Director

Chad.Kurz@matthews.com  
DIR (214) 692-2927  
MOB (562) 480-2937  
LIC # 01911198 (CA)

Beau Box  
Broker of Record  
Lic # 18361 (MS)

## Investment Highlights

- Strong 9.75% return on a stable investment
- Fred's has successfully operated at this site since opening in 2013
- High-quality construction in upgraded store format supporting a larger footprint of 16,799 SF
- $\pm 7.61$  years remaining on a NN+ lease
- Three, 5-year renewal option, which incorporates a  $\pm 5\%$  rent increases
- Average household incomes of approximately \$51,000 annually in the 3-mile radius, ideal for a discount retailer such as Fred's target market
- $\pm 8,000$  residents within a 5-mile radius
- The subject property is located directly across from Terry High School, the 16th largest school in the entire state
- Terry is located just  $\pm 16$  miles from Jackson, MS, which is the capital city and largest urban center of the U.S. state of Mississippi.

# Financial Overview



**Address**  
424 W Cunningham Ave  
Terry, MS 39170



**List Price**  
\$1,636,543



**Cap Rate**  
9.75%



**GLA**  
± 16,799 SF



**Lot Size**  
± 1.62 AC



**Year Built**  
2013

## Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Current	13,296.92	\$159,563.00	\$9.50	9.75%
Option 1 -	\$13,961.76	\$167,541.15	\$9.97	10.24%
Option 2 -	\$14,659.85	\$175,918.21	\$10.47	10.75%
Option 3 -	\$15,392.84	\$184,714.12	\$11.00	11.29%

## Tenant Summary

Tenant Trade Name	Fred's Pharmacy
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Leasehold
Roof and Structure	Landlord Responsible
Original Lease Term	12 Years
Rent Commencement Date	9/1/2013
Lease Expiration Date	8/31/2025
Term Remaining on Lease	± 7.5 Years
Increases	Increases in Options
Options	Three, 5-Year Options

# Tenant Overview



Property Name	Fred's Super Dollar
Property Type	Discount Store
Parent Company Trade Name	Fred's Super Dollar
Ownership	Public
Revenue	± 1.93B
Net Income	± 26.02M
Board	NASDAQ
No. of Locations	+ 601
Headquartered	Memphis, TN
Web Site	<a href="http://www.fredsinc.com">www.fredsinc.com</a>
Year Founded	1947

Tracing its history back to an original store in Coldwater, Mississippi, opened in 1947, today Fred's is headquartered in Memphis, Tennessee, and operates over 650 discount general merchandise stores, including 14 franchised Fred's stores, mainly across the southeastern states.

With a unique store format and strategy that combines the best elements of a discount dollar store, drug store and mass merchant, fred's stores stock more than 12,000 frequently purchased items that address the everyday needs of its customers. This merchandise includes nationally recognized brand name products, proprietary Fred's label products, and lower-priced, off-brand products.

The company has two distribution centers, one in Memphis, Tennessee, and Dublin, Georgia.

Source: [www.fredsinc.com](http://www.fredsinc.com)



# Parcel Map

## The Offering



**APN**  
4854-0134-005



**GLA**  
± 16,799 SF



**Lot Size**  
± 1.62 AC  
(70,567 SF)

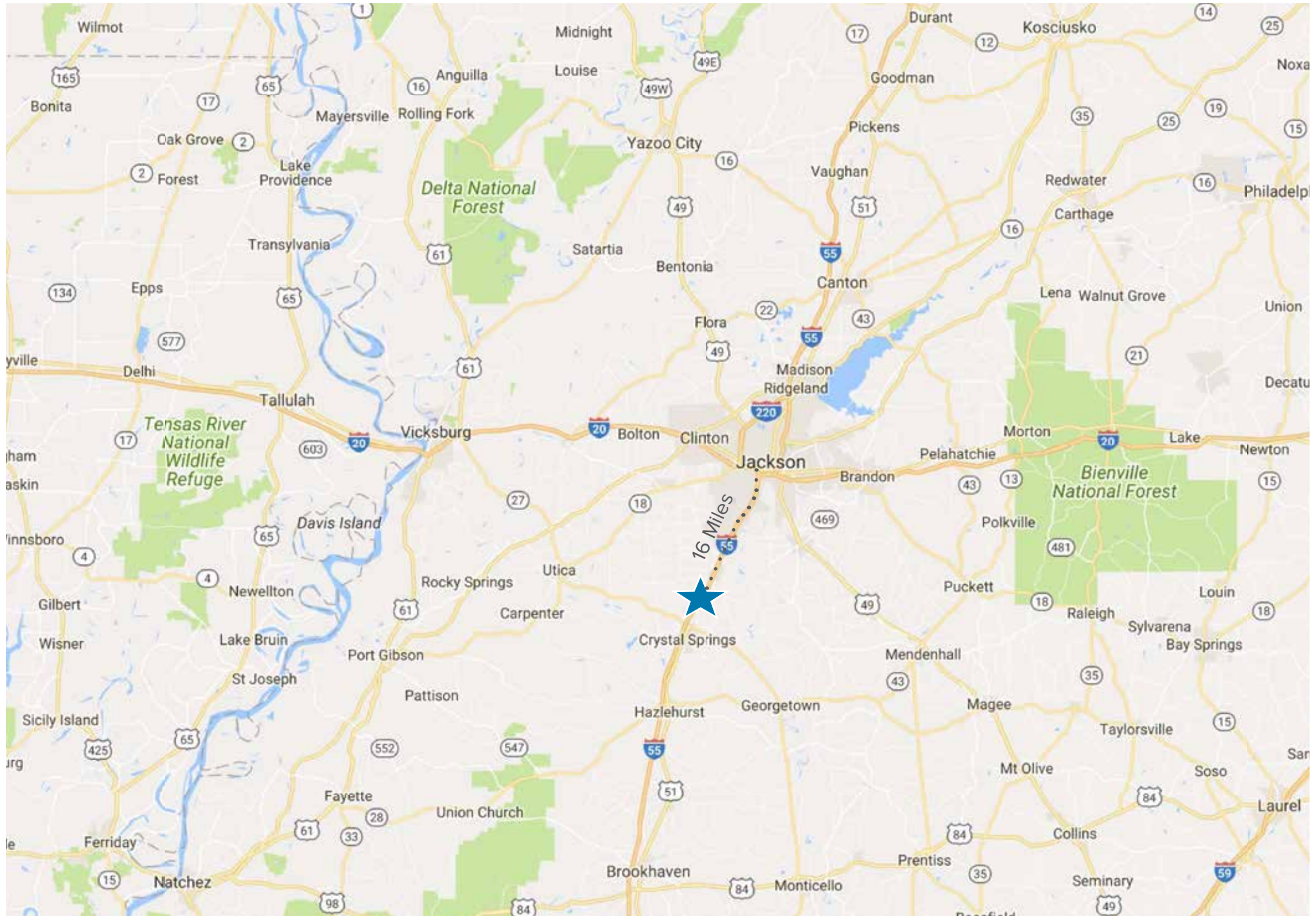


**Year Built**  
2013





# Regional Map





# Area Overview

## Terry, MS

Terry, MS is a town located in Hinds County. The area runs along Interstate 55 and is 20 minutes outside of Jackson. The town is a great place for families and is a friendly area for visitors. Many choose to live in Terry and commute to Jackson for work because of the safe and friendly environment. There are many outdoor activities throughout the area and the community actively plans events throughout the year.

POPULATION	3 Mile	5 Mile	10 Mile
2023 Projection	3,733	7,983	22,042
2018 Estimate	3,748	7,879	21,425
2010 Census	3,714	7,557	19,980
HOUSEHOLDS	3 Mile	5 Mile	10 Mile
2023 Projection	1,418	3,024	8,070
2018 Estimate	1,416	2,976	7,888
2010 Census	1,386	2,834	7,483
INCOME	3 Mile	5 Mile	10 Mile
2018 Est. Average Household Income	\$64,322.71	\$68,029.37	\$67,554.14





## Jackson, MS

Jackson, the capital of the state of Mississippi, is the anchor of the metropolitan statistical area. It is nicknamed “The City of Soul” for being the birthplace of many different musical genres. The area has a life of its own with its vibrant residents, amazing historical sites, and hometown feel. In 2013, Jackson was voted one of the top ten friendliest cities in the nation. The residents are always working on ways to make their city even better than it already is.

173,631

Population

31.6

Median Age

\$33,080

Median Household Income





# Lifestyle

## Tourism

Jackson is well-known for its amazing museums and historical sites. Throughout the city, there are many different museums that cover everything from local to international history. One of the most popular places to visit is the state capitol building. The architecture of the building is one of a kind and is a national historical landmark.



## Music

Nicknamed “The City with Soul,” music is the heartbeat of this town. You can find live music any night of the week. There is everything from music festivals that are held here annually such as Jackson Rhythm & Blues Festival, to weekly events such as Blue Monday at Hal & Mal’s. The city fully embraces music and keeps track of every performance in the city on their website.



## Food

Another passionate topic throughout the city is food. Jackson has everything from creative and upscale dishes to down-home Southern soul food. The city is a huge promoter of local businesses and fully supports their many mom and pop shops that work hard to provide their city with the best.



## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Fred's Pharmacy** located at **424 W Cunningham Ave, Terry, MS 39170 ("Property")**. It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



# EXCLUSIVELY LISTED BY



**Andrew Gross**

Senior Associate

Andrew.Gross@matthews.com

DIR (310) 955-1773

MOB (435) 659-1404

LIC # 01987860 (CA)



**Chad Kurz**

SVP & National Director

Chad.Kurz@matthews.com

DIR (214) 692-2927

MOB (562) 480-2937

LIC # 01911198 (CA)

Beau Box  
Broker of Record  
Lic # 18361 (MS)

# FRED'S PHARMACY

424 W CUNNINGHAM AVE | JACKSON, MS (TERRY)

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES