

FRED'S PHARMACY

734 AVE G | KENTWOOD, LA | RELOCATION STORE

OFFERING MEMORANDUM



Exclusively Listed By

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Investment Highlights

- Brand new 2018 remodel w/ an addition of $\pm 4,000$ SF (completed in June)
- Relocation store from Fred's previous site which was located less than .01 miles away
- The relocation to a larger location site proves the tenant's success in the market and desire to be at the location long-term
- The relocation store includes a drive-through pharmacy which is another strong sign of the tenant's success in the market
- Extremely attractive 8.70% cap rate (estimated cash-on-cash return of $\pm 15\%$ based on current market conditions)
- 12 Year lease NN lease w/ three 5-year extension periods
- Strong $\pm 11\%$ population growth over the next 5 years
- Located just off I-55 which sees more than 16,600 vehicles daily
- Kentwood is located approximately 60-miles north of Baton Rouge and 80 miles north of New Orleans
- Corporate guarantee from Fred's which operates ± 630 locations

Financial Overview



Address

734 Ave G
Kentwood, LA 70444



List Price

\$2,094,552



Cap Rate

8.70%



GLA

± 16,799 SF



Lot Size

±3.58 AC



Year Built

2018

Annualized Operating Data

Lease Commence	Lease End	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
6/1/18	5/31/30	\$15,185.50	\$182,226.00	\$10.85	8.70%
Option 1		\$15,944.83	\$191,338.00	\$11.39	9.14%
Option 2		\$16,742.00	\$200,904.00	\$11.96	9.59%
Option 3		\$17,579.17	\$210,950.00	\$12.56	10.07%

Tenant Summary

Tenant Trade Name	Fred's Pharmacy
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Owner Responsibility
Original Lease Term	12 Years
Rent Commencement Date	6/1/2018
Lease Expiration Date	5/31/2030
Term Remaining on Lease	11.75 Years
Increases	5% In Each Option Period
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
Website	www.fredsinc.com
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

Tenant Map



The Offering



APN
64904



GLA
± 16,799 SF



Lot Size
± 3.58 AC
(155,644 SF)



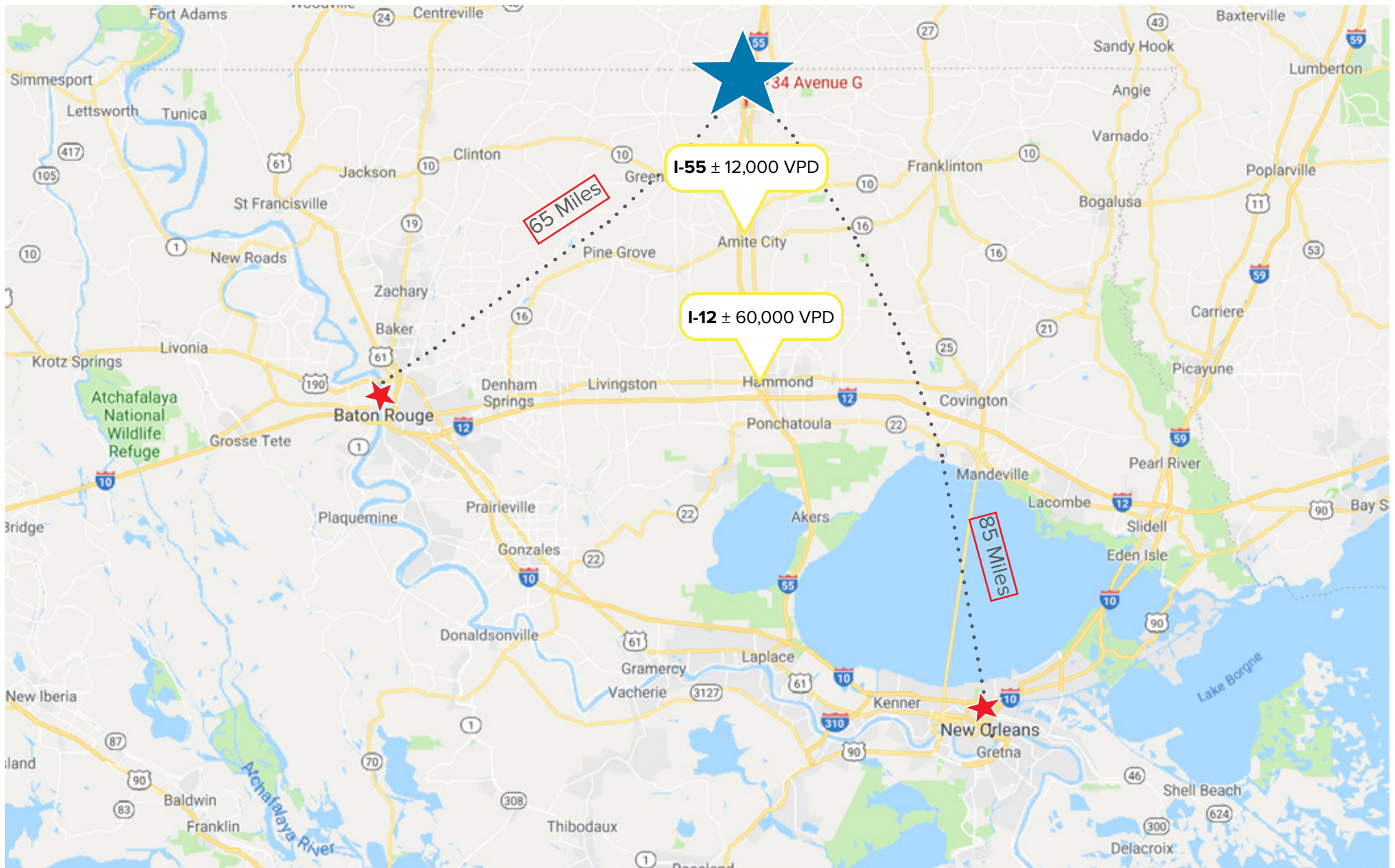
Year Built
2018

Parcel Map





Regional Map



Area Overview

Kentwood, LA

Kentwood is a rural town located near the Mississippi border. The town has a total area of 6.9 square miles and is home to the Tangipahoa River and Lake Tangipahoa. This area is highly affordable for living with a median home price of just \$68,700. For visitors, Kentwood has a variety of activities to offer such as special events, art and local history involvement, restaurant dining, and local parks and recreation.

POPULATION	3 Mile	5 Mile	10 Mile
2023 Projection	3,668	6,199	13,646
2018 Estimate	3,283	5,586	12,628
2010 Census	3,076	5,271	12,336
Growth 2018-2023	11.78 %	11.72 %	10.97 %
HOUSEHOLDS	3 Mile	5 Mile	10 Mile
2023 Projection	1,427	2,420	5,431
2018 Estimate	1,270	2,168	4,963
2010 Census	1,159	1,988	4,696
Growth 2018-2023	12.41 %	12.32 %	11.65 %
INCOME	3 Mile	5 Mile	10 Mile
2018 Est. Average Household Income	\$36,194	\$39,262	\$44,028



Kentwood's Top Employers

Company	Industry	Employees
Tangipahoa Parish School System	Education	2,760
North Oaks Medical Center	Medical	2,700
Southeastern Louisiana University	Education	1,100
Inner Parish Security Corp	Security	1,100
Wal-Mart Stores	Retail	1,000
Wal-Mart Distribution Center	Distribution	850
CARE, Inc.	Medical	800
Sanderson Farms, Inc.	Food Processing	600
Tangipahoa Parish Government	Government	360
Smitty's Supply, Inc.	Manufacturing & Distribution	300



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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.

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