

Subject Property

FAMILY DOLLAR | FRESENIUS MEMPHIS, TN

Offering Memorandum



Marcus & Millichap

WOLFE RETAIL GROUP
The Wolfe Pack of Marcus & Millichap

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Family Dollar & Fresenius Medical Care

4571 Summer Avenue, Memphis, TN 38122

Price:	\$2,921,225
Cap Rate:	8.00%
Rentable Square Feet:	16,269
Net Operating Income:	\$233,698
Land Area:	1.51 Acres
Year Built:	1952
Building Renovations:	2013
Lease Type:	NN

Expenses	Responsibility
Taxes:	Tenants Reimburse Landlord
Insurance:	Tenants Reimburse Landlord
Common Area Maint:	Tenants Reimburse Landlord
Roof and Structure:	Landlord

Tenant	Square Feet	Lease Commce	Lease Expiration	Base Rent	Rent PSF	Option Periods	Increases
Family Dollar	9,270	4/1/2013	3/31/2023	\$124,097	\$13.39	4, 5-Year Options	10% Every 5 Years
Fresenius Medical Care	6,999	4/21/2013	4/30/2023	\$109,601	\$14.63	3, 5-Year Options	Lesser of CPI and fair market value
Totals	16,269			\$233,698			



Option Periods	Monthly	Annual	Rent PSF
4/1/2023-3/31/2028:	\$11,376	\$136,507	\$14.73
4/1/2028-3/31/2033:	\$12,513	\$150,157	\$16.20
4/1/2033-3/31/2038:	\$13,764	\$165,173	\$17.82
4/1/2038-3/31/2043:	\$15,141	\$181,690	\$19.60

Family Dollar Vacated in Mid-May but is Obligated to Continue Paying Rent Thru End of Lease Term



**FRESENIUS
MEDICAL CARE**

Option Periods
5/1/2023-4/30/2028:
5/1/2028-4/30/2033:
5/1/2033-4/30/2038:

Rent to increase by the lesser of CPI and fair market value in all option periods

**FAMILY DOLLAR** **FRESENIUS
MEDICAL CARE**

Investment Highlights

- Both Tenants have 10-Year, Double Net (NN) Leases with Four Years Remaining on Base Term
- Family Dollar Vacated in Mid-May but is Obligated to Continue Paying Rent Thru End of Lease Term
- Fresenius has Three, Five-Year Option Periods
- Memphis has a Population of Over 650,000, Making it the Largest City in Tennessee, the Largest City on the Mississippi River, the Third Largest in the Greater Southeastern U.S.
- Located on Summer Avenue/Highway 70, With a Daily Traffic Count of Over 29,000 Vehicles
- Located Near the Entrance and Exit Ramps to Interstate 40 and Interstate 240, Two of Memphis' Major Roadways with a Daily Traffic Count of More Than 150,000 Vehicles
- Busy Retail Area with Surrounding National Retailers Including Kroger, Big Lots, T.J. Maxx, Walgreens, Lowe's, Advance Auto Parts, AutoZone, Ross, Taco Bell, Burger King, McDonald's, Bank of America and Many More
- Four Miles from Southwest Tennessee Community College
- Nine Miles from Downtown Memphis



About Fresenius Medical Care

Fresenius Medical Care is the world's leading provider of products and services for people with chronic kidney failure. Around 3 million patients with this disease worldwide regularly undergo dialysis treatment. Fresenius cares for more than 310,000 patients in their global network of more than 3,700 dialysis clinics. At the same time, they operate 37 production sites on all continents, to provide dialysis products such as dialysis machines, dialyzers and related disposables.

Their strategy is geared toward sustainable growth. They aim to continuously improve the quality of life of patients with kidney disease by offering innovative products and treatment concepts of the highest quality. Fresenius Medical Care's North American headquarters is located in Waltham, Massachusetts.

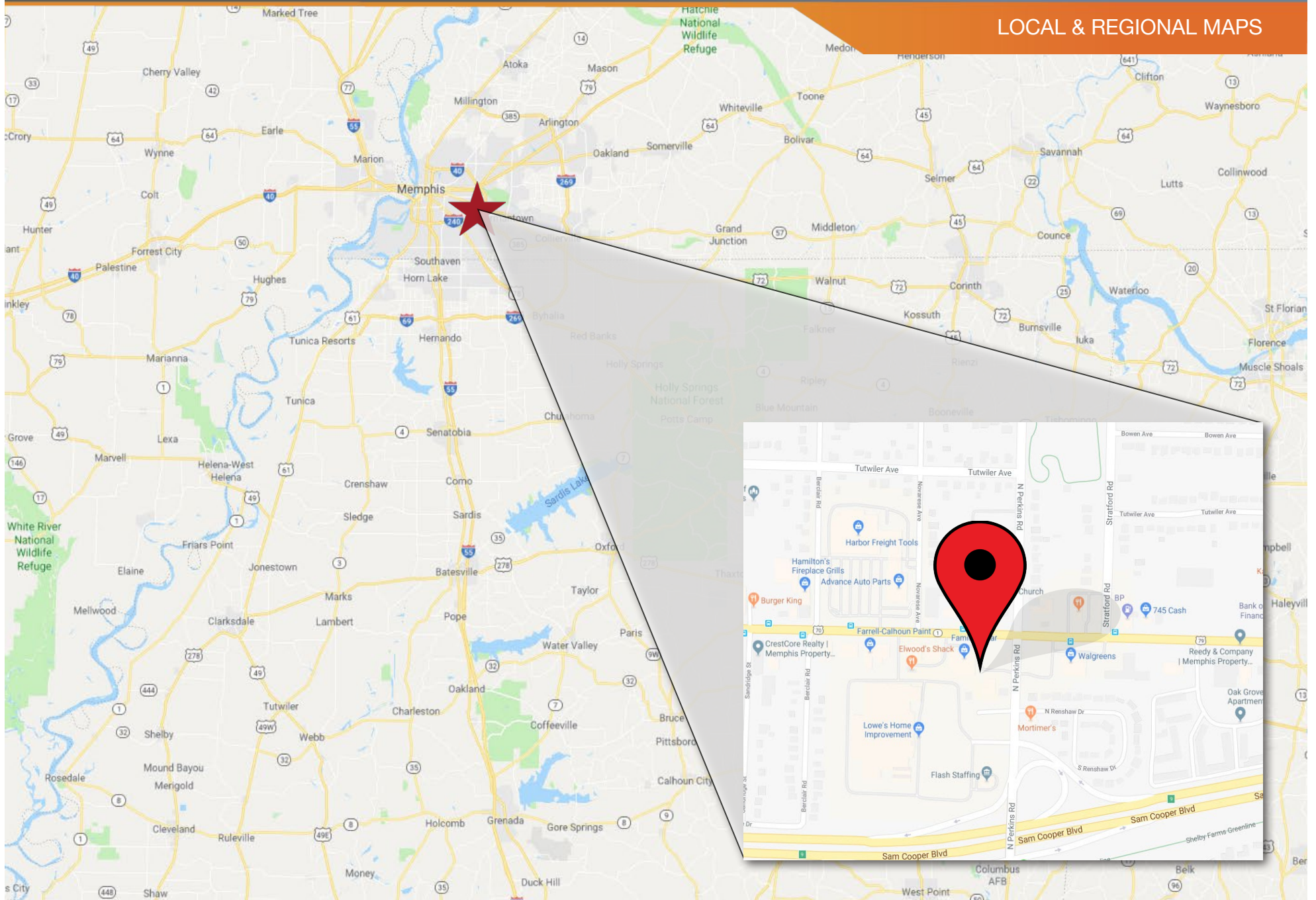
About Family Dollar

For more than 54 years, Family Dollar has been providing value and convenience to customers in easy-to-shop neighborhood locations. Family Dollar's mix of name brands, quality and private brand merchandise appeals to shoppers in more than 8,000 stores in rural and urban settings across 46 states. Helping families save on the items they need with everyday low prices creates a strong bond with customers.

Family Dollar was purchased by Dollar Tree, making Dollar Tree the leading operator of discount variety stores in North America. With the acquisition of Family Dollar, Dollar Tree now operates more than 13,600 stores across 48 states and five Canadian provinces. Stores operate under the brands of Dollar Tree, Dollar Tree Canada, Deals and Family Dollar. The acquisition creates combined organization with sales exceeding \$19 billion annually.



LOCAL & REGIONAL MAPS



MEMPHIS

OVERVIEW

Often considered the home of the blues as well as the birthplace of rock 'n' roll, Memphis has music in its soul. The metro spans 3,000 square miles over nine counties in the states of Tennessee, Mississippi and Arkansas. The Tennessee counties include Shelby, Fayette and Tipton. Crittenden County is in Arkansas, and Tate, DeSoto, Tunica, Benton and Marshall counties are in Mississippi. The Mississippi River runs through the metro, forming the border between Tennessee and Arkansas. Other rivers flowing through the region define areas available for development. The market contains nearly 1.4 million residents and more than 953,600 reside in Shelby County. Memphis is the area's most populous city with nearly 661,000 citizens.

METRO HIGHLIGHTS



GROWING ECONOMY

A large distribution presence, favorable business climate and diversification into other industries are helping to grow the metro's economy.



SKILLED WORKERS

Memphis has a large, highly skilled logistics labor pool that helps draw companies.



AFFORDABLE COST OF LIVING

The median home price in Memphis is well below the national median.

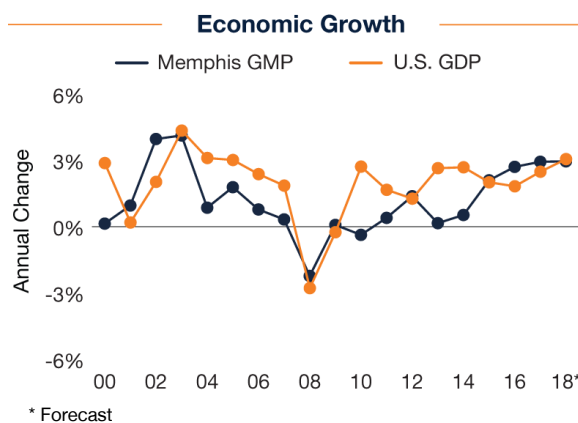


ECONOMY

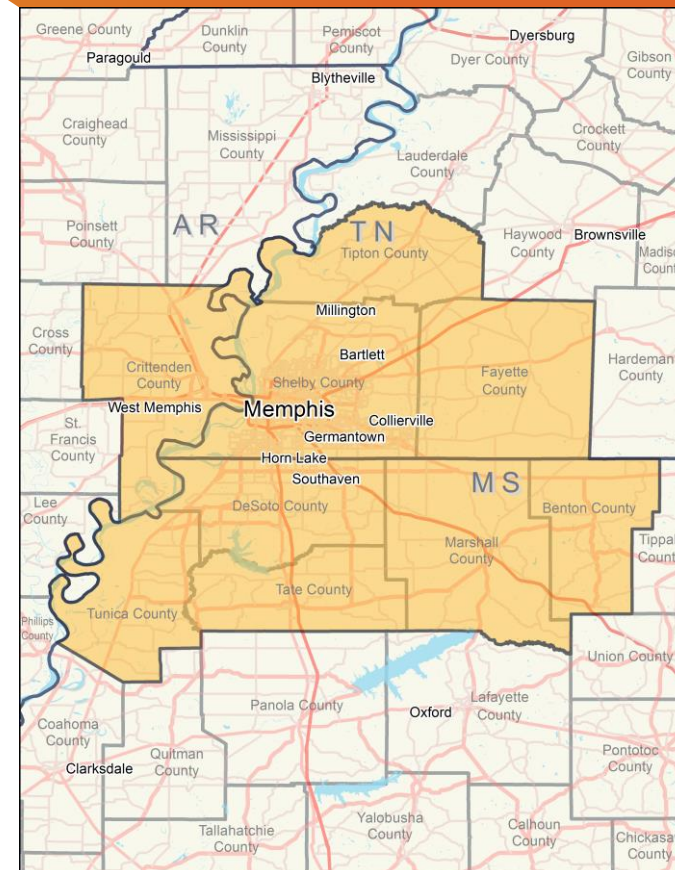
- The metro's centralized location and favorable business climate, including a low tax structure and right to work status, lure companies to the region. Three Fortune 500 companies are located in Memphis: FedEx, AutoZone and International Paper.
- Distribution and logistics comprise a significant portion economic activity due to the metro's location and intermodal capabilities. The metro houses headquarters and a hub for FedEx. UPS and USPS also have major operations here and 400 trucking firms operate locally.
- Other industries include manufacturing, music, film and tourism.

MAJOR AREA EMPLOYERS

FedEx Corp.
St. Jude Children's Research Hospital
Methodist Le Bonheur Healthcare
Baptist Memorial Health Care Corp.
Walmart
Park Place Entertainment
Naval Support Activity Mid-South
First Horizon National Corp.
The Kroger Co.
International Paper



MARKET OVERVIEW



SHARE OF 2017 TOTAL EMPLOYMENT





DEMOGRAPHICS

- The metro is expected to add nearly 66,000 people over the next five years, resulting in the formation of approximately 30,700 households.
- A median home price of nearly \$170,000 is well below the U.S. median and has afforded 61 percent of households to own their home.
- Roughly 26 percent of people age 25 and older hold bachelor's degrees; among those residents, 9 percent also have earned a graduate or professional degree.

2017 Population by Age



QUALITY OF LIFE

The “Blues City” region offers an attractive quality of life for residents and visitors. Parks abound in the area. Local sports are represented by the NBA’s Memphis Grizzlies, and the Memphis Redbirds and the Mississippi RiverKings are the metro’s minor league baseball and hockey teams. The Liberty Bowl Memorial Stadium hosts the Liberty Bowl and University of Memphis football. Additionally, numerous casinos in Tunica County, Mississippi, offer gaming. Music plays an important role in the history of Memphis. Today, one can relive history by touring Graceland, the former home of Elvis Presley, or by visiting Sun Records or the former Stax Records, which is now the Stax Museum.



SPORTS



EDUCATION



ARTS & ENTERTAINMENT



DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	11,853	80,065	220,589
2018 Population	12,023	81,080	223,879
2023 Population	11,960	80,587	222,444
2018 Male Population	6,021	41,182	107,902
2018 Female Population	6,002	39,898	115,978
2018 Median Age	35.3	34.7	34.4

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	0.3%	0.3%	0.3%
Asian	2.9%	2.4%	2.0%
Black	13.0%	27.3%	44.9%
Hawaiian/Pacific Islander	0.0%	0.0%	0.1%
White	70.9%	58.1%	44.6%
Other	10.5%	9.5%	6.2%
Multi-Race	2.4%	2.4%	2.0%
Hispanic Ethnicity	18.6%	15.5%	10.0%
Not of Hispanic Ethnicity	81.4%	84.5%	90.0%

HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2010 Avg Household Income	\$62,794	\$71,407	\$61,268
2018 Avg Household Income	\$70,207	\$79,124	\$67,055
2023 Avg Household Income	\$28,144	\$30,329	\$26,805
2010 Med. Household Income	\$37,130	\$39,817	\$37,038
2018 Med. Household Income	\$42,612	\$45,490	\$41,502
2023 Med. Household Income	\$52,276	\$55,300	\$49,312
2010 Per Capita Income	\$25,504	\$27,696	\$24,784
2018 Per Capita Income	\$28,144	\$30,329	\$26,805
2023 Per Capita Income	\$33,116	\$35,754	\$31,871

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	4,814	30,267	87,492
2018 Households	4,820	30,372	87,913
2023 Households	4,805	30,457	88,266



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Or in Google
Street View



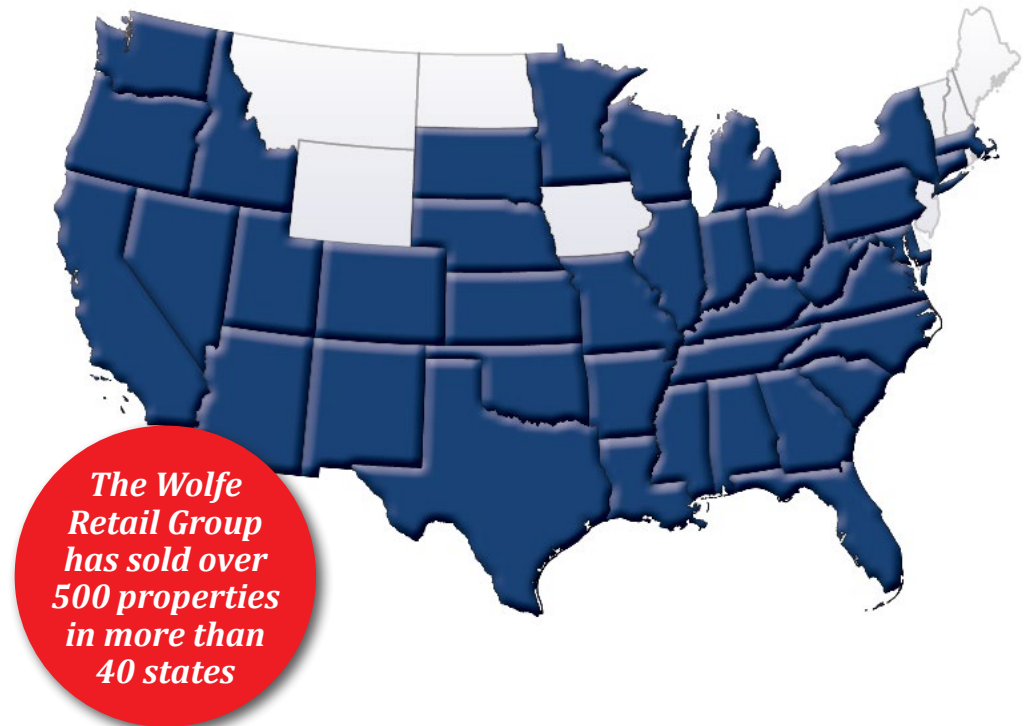
Marcus & Millichap WOLFE RETAIL GROUP

The Wolfe Pack *of* Marcus & Millichap

The Wolfe Retail Group of Marcus & Millichap specializes in the sale of single-tenant properties and shopping centers and has successfully assisted clients in selling over 500 separate commercial properties with a market value exceeding \$1.45 billion. Having closed sales in more than 40 states, our track record is evidence that we are one of the premier brokerage teams in the United States.

With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.

For more about the Wolfe Retail Group or to view all of our available listings, visit www.WolfeRetailGroup.com



About Marcus & Millichap

With nearly 2,000 investment professionals located throughout the U.S. and Canada, Marcus & Millichap (NYSE: MMI) is a leading specialist in commercial real estate investment sales, financing, research and advisory services. The firm closed more than 9,400 transactions in 2018 with a value of approximately \$46.3 billion.

Marcus & Millichap has been a pioneer in the real estate investment industry and has established a reputation for maximizing value for its clients while fostering long-term relationships built on integrity, trust and service. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. Marcus & Millichap also offers clients access to the most competitive real estate financing through Marcus & Millichap Capital Corporation (MMCC), which maintains relationships with the industry's leading national, regional and local lenders.

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