

# Family Dollar Anchored Plaza - RARE 45% UPSIDE Montgomery, Alabama

**NOW OPEN**  
**FAMILY DOLLAR**

**DOLLAR  
GENERAL**

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DIXIE  
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**DOLLAR GENERAL**

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*Exclusive Offering By:*

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Offering Memorandum

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# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

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# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

### The Property - Investment Summary

Property	Heritage Place Shopping Center
Type	Multi-Tenant Strip Center
Property Address	4949 Mobile Highway Montgomery, AL 36108
Major Market	Montgomery Metropolitan Statistical Area Population 374,536
Tenants	Family Dollar (NASDAQ: DLTR) Wow Wings
Deal Type	Extreme Value Add (45% Vacancy)
Lease Type	Shopping Center Leases with Operating Reimbursements
Gross Leasable Area	19,800 Square Feet
Percent Leased	55%
Lot Size	1.32 Acres
Year Built	2004
Anchor	Family Dollar - New 7 Year Lease
Net Operating Income	\$72,921
Projected NOI at 100%	\$142,000
CAP Rate	8%
Price	\$911,515
Price Per Square Foot	\$46



# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

The Property - Property Description

### Investment Highlights

- RARE 45% UPSIDE EXISTS – MAKE OFFER - LENDER SHORT SALE
- New National Tenant Anchor Family Dollar (NASDAQ: DLTR)
- Strategically Located off U.S. Highway 80 (34,310 VPD) - Excellent Retail Visibility with Ample Customer Parking
- Part of the Montgomery Metropolitan Statistical Area with a population of 374,536
- Low \$46 Price Per Square Foot, Far Under Current Replacement Cost

### Property Description

For sale is the 100% fee-simple interest in the Family Dollar (Nasdaq: DLTR) anchored Heritage Place Shopping Center in Montgomery, Alabama. Family Dollar has recently committed to a new 7-year lease in the property. Dollar General anchored the property for 13 years and relocated within the market, giving Family Dollar the opportunity to immediately secure the space. The current co-tenant with Family Dollar is Wow Wings restaurant. **The property is currently 55% leased and is offered for sale based on existing rent only, providing the new owner with incredible upside.** This Family Dollar anchored property contains 19,800 square feet of well-positioned retail space prominently located on U.S. 31 (19,280 VPD), just south of U.S. 80 and west of Interstate 65. The property is situated to serve not only the surrounding neighborhoods, but also regionally because of its proximity to three major highways and the Montgomery Regional Airport. U.S 31 is a main business corridor in Montgomery, with Hyundai Motor Manufacturing Alabama located within 2 miles of the property. It is surrounded by other national and regional retailers including CVS, Dollar Tree, Church's Chicken, Regions Bank, Stop N Go, Advance Auto Parts, Big Lots Distribution Center, and many more.

### Montgomery, Alabama

Montgomery is the state capital of Alabama and has a population of over 205,000 people which makes it the second largest city in the state next to Birmingham. Montgomery is the county seat of Montgomery County and home to many Alabama government agencies as well as three public universities, two private universities, Maxwell Air Force Base, and large companies such as Hyundai Motor Manufacturing Alabama, Baptist Health, Alfa Insurance, Jackson Hospital & Clinic, Rheem Water Heaters, and Regions Financial Corporation. The abundant tourism in the city is continuous with attractions such as the Alabama State Capitol, the Civil Rights Memorial, multiple museums, the Montgomery Zoo, a planetarium, Old Alabama Town, and many more Montgomery attractions.



# Family Dollar Anchored Plaza - RARE 45% UPSIDE

Montgomery, Alabama

The Property - Property Photos



# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

Performance & Tenancy - 2019 NOI Budget

### INCOME

Occupancy: 67%

#### Base Rental Income

Tenant	Size (SF)	Annual Rent	PSF
Family Dollar	8,500	\$68,000.16	\$8.00
Vacant	2,400	\$0.00	\$0.00
Highlex Distribution LLC	2,400	\$19,728.00	\$8.22
Vacant	2,000	\$0.00	\$0.00
Vacant	4,500	\$0.00	\$0.00
<b>Total</b>	<b>19,800</b>	<b>\$87,728.16</b>	

#### Reimbursed Expenses

CAM	\$5,268.07
Taxes	\$4,141.92
Insurance	\$3,487.92
<b>Total</b>	<b>\$12,897.91</b>

<b>Gross Annual Rent</b>	<b>\$87,728.16</b>
<b>Gross Annual Income</b>	<b>\$100,626.07</b>

### OPERATING EXPENSES

Utilities - Electricity	\$3,478.00
Maintenance & Repair	\$500.00
Landscaping	\$1,265.00
Parking Lot Sweeping	\$3,000.00
Insurance (\$0.30 psf)	\$5,940.00
Management Fees (4%)	\$4,025.04
Real Estate Taxes	\$7,516.80
Reserves (\$0.10 psf)	\$1,980.00
<b>Total</b>	<b>\$28,673.96</b>

<b>Total Operating Expenses</b>	<b>\$27,704.84</b>
<b>Net Operating Income</b>	<b>\$72,921.23</b>
<b>Value at 8% Cap Rate</b>	<b>\$911,515.34</b>

# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

### Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery		Comments/Options		
	Feet	Pro-rata	Begin	End	Begin	Annually	PSF	Type				
Family Dollar	8,500	42.93%	2018	7-31-2025	2018	\$81,770.04	\$9.62	NNN	Tenant reimburses landlord for its pro-rata share of common area maintenance, property taxes, and insurance. Tenant shall maintain, repair, and replace HVAC subject to the lease.			
					8-1-2019	\$68,000.16	\$8.00					
					<b>Options</b>					<b>Options:</b> Six 5-year options with tenant giving notice to renew within 90 days.		
					8-1-2025	\$71,400.00	\$8.40					
					8-1-2030	\$74,970.00	\$8.82					
					8-1-2035	\$78,719.04	\$9.26					
					8-1-2040	\$82,654.08	\$9.72					
				8-1-2045	\$86,787.00	\$10.21		Tenant has a one time right to terminate after year 3 if gross sales do not meet or exceed \$1,300,000.				
				8-1-2050	\$91,127.04	\$10.72						
Vacant	2,400	12.12%										
Highlex Distribution LLC dba Wow Wings	2,400	12.12%	3-1-2016	2-28-2021	Current	\$19,728	\$8.22	NNN	Tenant reimburses its pro-rata share of common area maintenance, taxes and insurance, payable monthly.			
					<b>Options:</b>					<b>Options:</b> Two 5 year options; Option 1: \$21,600, Option 2: \$24,000		
					3-1-2021	\$21,600						
					3-1-2026	\$24,000						
Vacant	2,000	10.10%										
Vacant	4,500	22.73%										





Family Dollar Stores, Inc. (Nasdaq: DLTR) is one of the leading small format, value oriented retailers serving the needs of their customers. Family Dollar was founded in 1959 in Charlotte, North Carolina, and currently has over 8,100 stores in 46 states with 45,000 employees, giving them an enormous presence in the large majority of the United States. They offer their customers a mix of everyday, name brand products, including household paper products and food, apparel selections for the entire family, and seasonal merchandise, to name a few. In 2015 Family Dollar's shareholders approved an \$8.5 billion (\$74.50 per share) cash-and-stock offer from Dollar Tree, Inc. The deal has allowed Dollar Tree (combined with Family Dollar) to leapfrog Dollar General and become the largest U.S discount retailer, with more than 13,000 stores across the United States and Canada, and over \$18 billion in annual sales.

# Dollar General Anchored Plaza

## Montgomery, Alabama

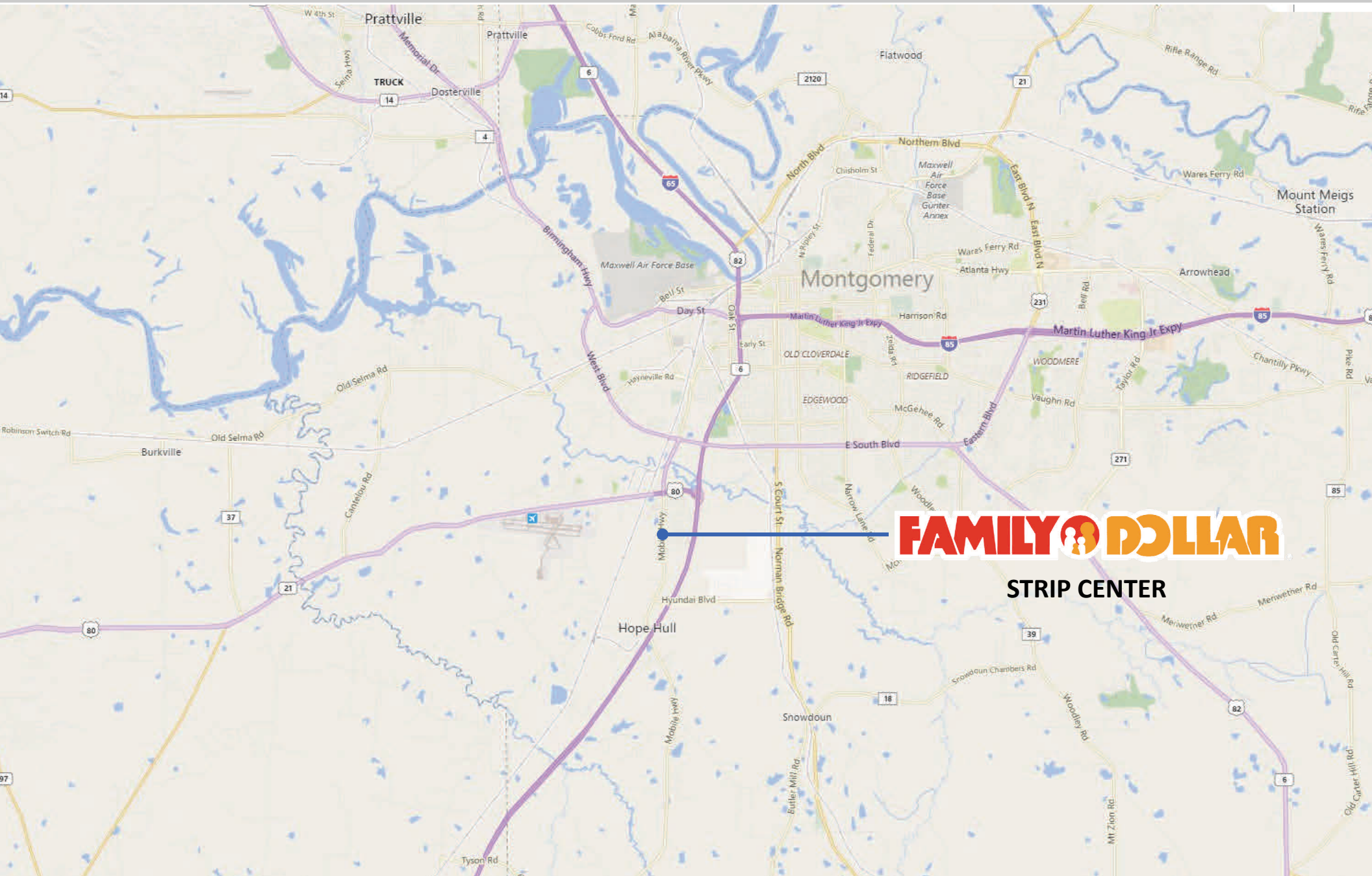
Market Overview - Market Aerial



# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

Market Overview - Regional Map



**FAMILY DOLLAR**

**STRIP CENTER**

# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

Market Overview - Local Map



# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

### Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
<b>Population</b>				
2016 Estimated Population	3,439	14,511	48,506	96,383
2021 Projected Population	3,342	14,014	47,599	95,503
2010 Census Population	3,536	15,353	51,486	101,217
2000 Census Population	3,699	17,561	61,597	116,457
Projected Annual Growth 2016-2021	-2.82%	-3.43%	-1.87%	-0.91%
Historical Annual Growth 2000-2016	-7.01%	-17.37%	-21.25%	-17.24%
<b>Households</b>				
2016 Estimated Households	1,265	5,395	18,457	36,228
2021 Projected Households	1,230	5,209	18,064	35,803
2010 Census Households	1,300	5,714	19,609	38,064
2000 Census Households	1,220	6,009	22,874	43,116
Projected Annual Growth 2016-2021	-2.79%	-3.45%	-2.13%	-1.17%
Historical Annual Growth 2000-2016	3.68%	-10.22%	-19.31%	-15.98%
<b>Age (2016)</b>				
Est. Population Under 10 Years	12.1%	12.3%	12.8%	13.1%
Est. Population 10-19	15.2%	14.0%	13.8%	14.1%
Est. Population 20-30	14.7%	15.1%	16.1%	16.0%
Est. Population 30-44	16.9%	16.6%	18.0%	19.3%
Est. Population 45-59	17.1%	18.2%	18.4%	18.2%
Est. Population 60-74	19.2%	17.0%	15.1%	13.8%
Est. Population 75 Years or Over	4.9%	6.8%	5.9%	5.5%
<b>Income (2016)</b>				
Est. HH Inc \$200,000 or more	0.1%	0.2%	1.0%	1.4%
Est. HH Inc \$150,000 to \$199,999	1.1%	0.9%	2.0%	2.4%
Est. HH Inc \$100,000 to \$149,999	4.2%	3.5%	6.5%	7.4%
Est. HH Inc \$75,000 to \$99,999	2.9%	4.5%	7.0%	8.3%
Est. HH Inc \$50,000 to \$74,999	11.0%	13.1%	14.2%	14.9%
Est. HH Inc \$35,000 to \$49,999	18.3%	17.2%	15.5%	15.2%
Est. HH Inc \$25,000 to \$34,999	11.6%	13.7%	11.1%	11.5%
Est. HH Inc \$15,000 to \$24,999	18.6%	18.3%	16.2%	15.4%
Est. HH Inc Under \$15,000	32.1%	28.6%	26.5%	23.4%
Est. Average Household Income	\$ 33,560	\$ 36,204	\$ 45,803	\$ 50,376
Est. Median Household Income	\$ 24,645	\$ 26,966	\$ 31,477	\$ 34,760
Est. Per Capita Income	\$ 12,347	\$ 13,460	\$ 17,428	\$ 18,935

# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

### Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
<b>Education (2016)</b>				
Est Pop Age 25+ by Educ Attain.	2,227	9,549	31,389	61,986
Less than 9th grade	7.4%	9.8%	7.8%	7.1%
Some High School, no diploma	16.4%	19.9%	15.7%	13.8%
High School Graduate (or GED)	35.7%	34.7%	30.8%	29.7%
Some College, no degree	22.2%	18.4%	19.9%	21.2%
Associate Degree	3.8%	5.4%	5.4%	5.3%
Bachelor's Degree	9.2%	7.1%	11.7%	13.6%
Graduate Degree	5.2%	4.7%	8.7%	9.1%
<b>Housing (2016)</b>				
Est. Total Housing Units	1,383	6,097	21,856	42,373
Est. Owner-Occupied	59.3%	55.4%	48.4%	48.1%
Est. Renter-Occupied	32.2%	33.1%	36.0%	37.4%
Est. Vacant Housing Units	8.5%	11.5%	15.6%	14.5%
<b>Homes Built by Year (ACS)</b>				
Homes Built 2005 Or Later	0.0%	0.0%	0.4%	0.4%
Homes Built 2000 To 2004	2.4%	2.7%	3.0%	4.1%
Homes Built 1990 To 1999	8.7%	3.7%	4.8%	7.8%
Homes Built 1980 To 1989	6.5%	6.8%	7.3%	10.3%
Homes Built 1970 To 1979	46.2%	24.7%	16.8%	21.1%
Homes Built 1960 To 1969	30.8%	21.7%	20.5%	18.4%
Homes Built 1950 To 1959	1.2%	26.3%	20.8%	15.6%
Homes Built 1940 To 1949	0.5%	8.0%	10.9%	8.8%
Homes Built 1939 Or Earlier	3.7%	6.1%	15.5%	13.5%
<b>Housing (2016)</b>				
Home Value \$1,000,000 or more	3%	1%	1%	0%
Home Value \$500,000 to \$999,999	0%	0%	2%	2%
Home Value \$400,000 to \$499,999	0%	0%	1%	1%
Home Value \$300,000 to \$399,999	1%	2%	3%	3%
Home Value \$200,000 to \$299,999	2%	4%	6%	8%
Home Value \$150,000 to \$199,999	3%	4%	8%	11%
Home Value \$100,000 to \$149,999	10%	10%	14%	20%
Home Value \$70,000 to \$99,999	38%	28%	26%	24%
Home Value \$50,000 to \$69,999	24%	20%	17%	13%
Home Value \$25,000 to \$49,999	16%	22%	15%	11%
Home Value Under \$25,000	3%	9%	8%	6%
<b>Median Housing Unit Value</b>	\$ 77,184	\$ 68,985	\$ 82,053	\$ 94,773

# Family Dollar Anchored Plaza - RARE 45% UPSIDE

## Montgomery, Alabama

### Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
<b>Labor Force (2016)</b>				
Est Pop Age 16+ by Employ. Status	2,739	11,601	38,615	76,111
Labor Force	56.4%	54.3%	57.5%	58.5%
In Armed Forces	0.0%	0.1%	1.2%	1.6%
Civilian, Employed	43.7%	44.5%	49.2%	51.5%
Civilian, Unemployed	12.7%	9.7%	7.1%	5.5%
Not in Labor Force	43.6%	45.7%	42.5%	41.5%
<b>Occupation (2016)</b>				
Agr, forest, fish & hunt., min and const.	4.2%	4.0%	3.8%	5.9%
Manufacturing	10.3%	13.4%	12.8%	11.3%
Wholesale & retail trade	7.7%	11.4%	11.9%	13.2%
Transp. and warehousing, and utilities	7.9%	6.2%	4.8%	3.8%
Information	0.0%	0.5%	0.9%	1.1%
Fin, ins., real estate, rental & leasing	0.1%	1.4%	2.8%	4.2%
Prof, sci, manag, admin, & waste ms	15.1%	9.7%	10.1%	9.6%
Educational, health and social services	33.3%	24.1%	24.7%	21.9%
Arts, enter., rec., accom. & food services	10.8%	14.6%	13.1%	12.9%
Other services (except pub admin.)	6.1%	7.5%	6.1%	6.0%
Public Administration	4.7%	7.1%	9.1%	10.1%
<b>Travel Time (ACS)</b>				
14 Minutes or Less	14.6%	25.0%	32.9%	33.2%
15 to 29 Minutes	64.7%	51.1%	51.1%	51.3%
30 to 59 Minutes	18.8%	21.1%	13.4%	12.9%
60 Or More Minutes	2.0%	2.8%	2.5%	2.6%
<b>Weekly Per Capita Consumer Expenditures</b>				
Market Basket	\$ 47.84	\$ 47.94	\$ 48.58	\$ 47.64
Apparel and services	\$ 11.17	\$ 11.12	\$ 11.66	\$ 11.64
Transportation	\$ 60.76	\$ 61.06	\$ 63.98	\$ 63.91
Health Care	\$ 25.93	\$ 26.30	\$ 26.90	\$ 26.65
Entertainment	\$ 16.03	\$ 16.11	\$ 16.82	\$ 16.76