

FAMILY DOLLAR

8791 KY-1, GRAYSON, KENTUCKY



OFFERING MEMORANDUM

Marcus & Millichap

**DOWNTOWN
CINCINNATI**



**DOWNTOWN
CHARLESTON**

**DOWNTOWN
LEXINGTON**

FAMILY DOLLAR



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DOWNTOWN
GRAYSON



1

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Executive Summary

FINANCIAL SUMMARY

Price	\$1,321,900
Down Payment	100% \$1,321,900
Cap Rate	7.50%
Building Size	9,180 SF
Net Cash Flow	7.50% \$99,144
Year Built	2019
Lot Size	.93 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Family Dollar Stores of Kentucky, L.P.
Guarantor	Corporate
Roof & Structure	Landlord Responsible
Lease Commencement Date	February 21, 2019
Lease Expiration Date	September 30, 2029
Lease Term Remaining	9 Years
Rental Increases	5% Increases in Options Only
Renewal Options	6, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 10	\$99,144.00	7.50%
Options	Annual Rent	Cap Rate
Option 1	\$104,101.20	7.88%
Option 2	\$109,306.26	8.27%
Option 3	\$114,771.57	8.68%
Option 4	\$120,510.15	9.12%
Option 5	\$126,535.66	9.57%
Option 6	\$132,862.44	10.05%

Base Rent	\$99,144
Net Operating Income	\$99,144
Total Return	7.50% \$99,144

KY STATE HWY 1

**Andy's
Market**



FAMILY DOLLAR

Mountain Chapel
United Baptist Church



**Judy's
Kwik Stop**

Property Description



INVESTMENT HIGHLIGHTS

- » **9 Years Remaining on Lease Term with Corporate Guaranty**
- » 5% Rental Increases in Option Periods
- » **New 2019 Construction**
- » 33,630 Residents within a 15-Mile Radius
- » **9 Miles Off the Interstate 64 Freeway - Direct Access to Lexington, Kentucky and Charleston, West Virginia**
- » Average Household Income Exceeds \$51K within a 15-Mile Radius
- » **Minutes from Kentucky Christian University (500 Students)**
- » Less Than 8 Miles to Downtown Grayson - Home to Major Retailers Including McDonald's, Save-A-Lot, Rite Aid, Taco Bell, Tractor Supply Co, and More



DEMOGRAPHICS

5-miles

10-miles

15-miles

Population

2023 Projection	2,880	16,937	34,076
2018 Estimate	2,884	16,608	33,630

Households

2023 Projection	1,147	6,509	12,838
2018 Estimate	1,130	6,308	12,535

Income

2018 Est. Average Household Income	\$49,897	\$50,336	\$51,538
2018 Est. Median Household Income	\$39,199	\$39,519	\$40,003
2018 Est. Per Capita Income	\$19,556	\$19,533	\$19,679





Tenant Overview



Chesapeake, Virginia

Headquarters

Dollar Tree

Parent Company

8,000+

Locations

familydollar.com

Website

As one of the nation's fastest growing retailers, Family Dollar offers a compelling assortment of merchandise for the whole family, ranging from household cleaners to name brand foods, from health and beauty aids to toys, from apparel for every age to home fashions, all for everyday low prices. While shoppers can find many items at \$1 or less, most items in the store are priced below \$10, which makes shopping fun without stretching the family budget.

The relatively small footprint of many Family Dollar stores allows the Company to open new stores in rural areas and small towns, as well as in large urban neighborhoods. Within these markets, the stores are located in shopping centers

or as free-standing buildings, all convenient to the Company's customer base.

In 2015, Dollar Tree acquired Family Dollar. Headquartered in Chesapeake, Virginia, Dollar Tree is the largest and most successful single price-point retailer in North America, operating thousands of stores across 48 U.S. states and five Canadian provinces. Dollar Tree's strategic rationale behind the Family Dollar acquisition include creating a leading discount retailer in North America, targeting a broader range of customers and geographies, leveraging complementary merchandise expertise, generating significant synergy opportunities, and enhancing financial performance and improved growth prospects.

Location Overview



Grayson, the county seat of Carter County, is located on the northeastern part of Kentucky on Interstate 64, about 25 miles south and west of the Ohio and West Virginia borders, respectively. Five major highways converge at Grayson, including I-64, U.S. 60, and the John Y. Brown, Jr. "AA" Highway connecting Grayson to Cincinnati, providing transportation access that benefits both commerce and tourism. The city limits in Grayson contain approximately 2.5 square miles of area that ranges from rural to suburban in nature.

Dubbed "The Heart of the Parks," Grayson is geographically located near the center of a quadrangle formed by four of the Commonwealth's most beautiful state parks. Grayson offers numerous recreation opportunities, such as fishing, hiking, boating, and cave exploration.

Carter County, part of the larger Huntington-Ashland, WV-KY-OH Metropolitan Statistical Area, has an estimated population of 27,720 as of the most recent U.S. census. The county was formed on February 9, 1838 from portions of nearby Greenup County and Lawrence County. It was named after Colonel William Grayson Carter, a Kentucky State Senator, and the county seat was named for his uncle, Robert Grayson. The nearby Carter Caves were a major source of salt peter during the War of 1812, and has been a popular tourist attraction since 1924.

The county is home to the Carter County School District and Kentucky Christian University, a Christian university which includes programs such as a high school, a junior college, and a training program for public school teachers.

[exclusively listed by]

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