

Representative Photo

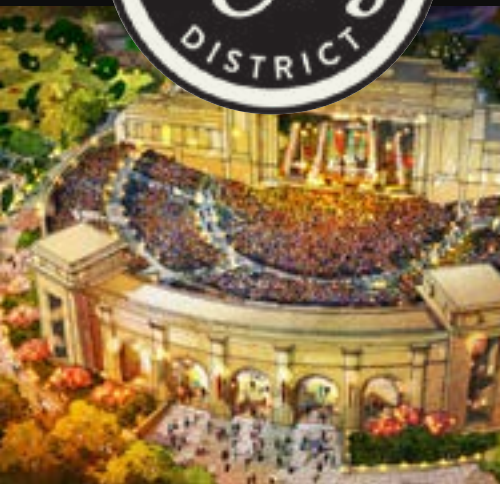
TRADER JOE'S

Brand New Construction
10 Year Corporate
Guaranteed Lease

1100 Mid City Dr. NW Huntsville, AL 35806



MidCity District is a nationally acclaimed mixed-use district located in the heart of region's high-tech employment center
750,000 SF (Retail & Office) – 1,400 Residential Units – 650 Hotel Rooms





INVESTMENT SUMMARY

We are pleased to present a rare opportunity to purchase a brand new construction single tenant net lease Trader Joe's asset with a corporate guaranty on a new 10 year lease. The subject property is located on generational real estate at the intersection of State Route 255 and University Dr and is a part of the MidCity District development in Huntsville, AL. Recently cited as one of the 12 largest commercial real estate projects in the nation, MidCity District, includes ~750,000 SF of retail and office space along with 1,400 residential units and over 650 hotel rooms and is expected to receive over \$1 billion in private investment. The development is poised to provide a mixed-use experience that serves the heart of Tennessee Valley's high-tech employment center and the surrounding 13-County regional trade area with a 1.1 million population.

The subject property sits on the premier outparcel location of MidCity; positioned at the entrance to the development allowing for easy access and excellent visibility to the 61,100 VPD that travel University Dr. This is a unique opportunity to purchase a brand new construction 10 year corporate guaranteed lease, occupied by one of the strongest grocery operators in the U.S., with rental increases every 5 years, and exceptionally well located with great real estate fundamentals.

PRICING DETAILS

LIST PRICE



Unpriced

NOI



\$340,000

CAP RATE



Call for Details

INVESTMENT HIGHLIGHTS

Trader Joe’s – Brand New Construction – 10 Year Corporate Guaranteed Lease

- Strong Credit Tenant – Corporate Guaranty – Trader Joe’s Company, Inc.
- One of the Strongest Grocery Operators in the U.S.
Over 500 Stores Nationwide
- Generational Real Estate – Part of one of the Premier Developments in the Nation (MidCity)
- Inflation Hedge – CPI Increases or 10% Increases Every 5 Years Including Option Periods (4 – 5 Year Options)

MidCity Development

- 750,000 SF (Retail & Office) – 1,400 Residential Units
650 Hotel Rooms - 8,500 Seat World-Class Amphitheater
- MidCity is Expected to Receive over \$1 Billion in Private Investments of the Next 5 Years
- Subject Property Sits on the A+ Lot at MidCity – Irreplaceable Real Estate
- Heavily Trafficked Site – Over 61,100 VPD along University Dr
- Large 1.70 Acre Lot – 12,500 SF Building – Excellent Ingress/Egress
- Located Just Off Highway 255 on University Dr (US Route 72)

Huntsville, AL

- Regional Draw with I-565, State Route 255,
US Route 72 and US Route 431 & US Route 231 All Intersecting
- Nearby Retailers Include Topgolf, REI, Dave & Buster’s, Sam’s Club,
Best Buy, HomeGoods, Burlington, Target, Ross Dress for Less
- Strong Demographics – Over 119,042 Residents within a 5 Mile Radius
- Average Household Income of Over \$70,000 within a 5 Mile Radius

LEASE ABSTRACT

Annual Base Rent	\$315,000
Additional Fixed Rent	\$56,250
Expense Reimbursements	\$51,875
Current Term Remaining	\$423,125
Total Annual Income	\$423,125
Operating Expenses	
Taxes	\$45,625
Insurance	\$6,250
CAM	\$31,250
Total Expenses	\$83,125
NET OPERATING INCOME	\$340,000

Tenant Trade Name	Trader Joe’s
Lease Start	August 8, 2021
Lease Expiration	July 31, 2031
Current Term Remaining	10 Years
Annual Rent*	\$340,000
Rental Adjustments	CPI Increases Every 5 Years (10% Max Increase)
Option Periods	4 - 5 Year Options CPI Increase Each Option (10% Max Increase)
Lease Type	NN Lease
Roof & Structure**	Landlord Responsible

*Base Rent plus \$2/SF (see Cash Flow Report)
** Includes 20 Year Transferable Roof Warranty



PARCEL DETAILS

APN	14-09-31-0-000-013.016
Building Size	12,500 SF +/-
Land Size	1.70 Acres
Parking	94+ Spaces



TENANT OVERVIEW

Trader Joe’s is a German-owned chain of grocery stores in the United States headquartered in Monrovia, California. By 2015, it was a competitor in “fresh format” grocery stores in the United States. As of November 2019, Trader Joe’s had over 503 stores nationwide in 42 states and Washington, D.C. A credit to the company’s resourceful buying practices, the Trader Joe’s stores offer an ever-changing inventory of about 2,000 unusual and appealing food items, wine, and other products.

The first Trader Joe’s store was opened in 1967 by founder Joe Coulombe in Pasadena, California. It was owned by German entrepreneur Theo Albrecht from 1979 until his death in 2010, when ownership passed to his heirs. Albrecht’s family also owns the German supermarket chain ALDI Nord, to which Trader Joe’s belongs.



Snap Shot: Trader Joe’s

Type	Private
Industry	Retail (Grocery)
Founded	1958; 63 years ago as Pronto Markets 1967 as Trader Joe’s Pasadena, California
Number of Locations	530 (January 2021)
Number of Employees	50,000+
Website	www.traderjoes.com



MID CITY DISTRICT

MidCity District is a nationally acclaimed mixed-use district located in the heart of the Tennessee Valley's high-tech employment center and at the epicenter of the 13-County regional trade area with more than a 1.1 million population. Private investment at MidCity District is estimated to exceed \$1Billion over the next 5 years.

- NICHE RETAIL
- CENTRAL COMMUNITY
- LOCAL FOOD SCENE
- BOUTIQUE HOSPITALITY
- CONTEMPORARY OFFICE
- DISTINCTIVE RESIDENTIAL



350,000 SF
CURATED RETAIL



400,000 SF
HIGH-TECH OFFICE



1,400 UNITS
MULTIFAMILY



650 ROOMS
HOSPITALITY



120,000 SF
INNOVATION SPACE



40 ACRE
PUBLIC PARK
LAKE & KAYAK CENTER
+ BIKE AND
RUNNING TRAILS



8,500 CAPACITY
WORLD-CLASS
AMPHITHEATER



\$1.15 BILLION
140 ACRE
REDEVELOPMENT



MID CITY DISTRICT

MidCity District is at the center of the University Drive Corridor, at the gateway to Redstone Arsenal and the Cummings Research Park with a combined workforce that exceeds 100,000. Cummings Research Park is the second largest research park in the United States and is the headquarters of the defense, aerospace, and tech workforce in Huntsville.

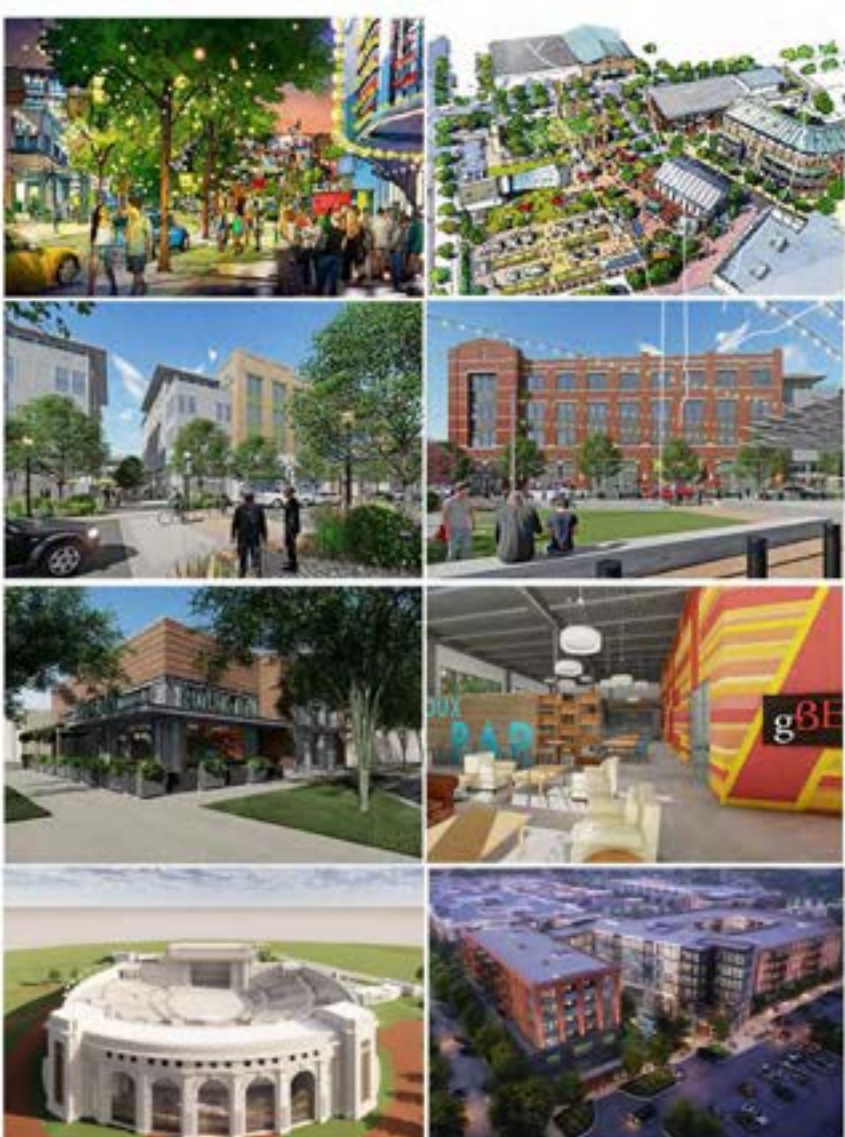
MidCity District offers a balanced mix of uses connected by urban plazas and walkable streets, adjacent to a 40-acre public park that integrates a functional lake system, an 8,000-capacity regional outdoor public amphitheater, Topgolf, multi-purpose lawns, and an outdoor climbing area. A one-mile biking and running trail will encircle the lake and recreational area. The trail will also connect to the City's Master Greenway Plan, the University of Alabama in Huntsville's campus expansion, and the trail system in Cummings Research Park.

Once complete, the development will include 350,000 square feet of retail, dining, and entertainment space; approximately 400,000 square feet of high-tech office space; 1,400 residential units; and approximately 650 hotel rooms. Building on the reputation of the City, it will create a new destination designed to be a social and economic focal point for the diverse and dynamic community, as well as a tool for recruitment and retainment of the younger workforce.

MID CITY DISTRICT | SITE PLAN



MID CITY DISTRICT | PHASE MAP





REJUVENATED RETAIL

MidCity will provide the best mix of retail, restaurants and entertainment in the region. Pulsing with energy, it's a next-generation gathering place where cultural initiatives, hospitality and programming serve as the anchors to the built environment, inspiring social engagement, diversity and creativity.

Shopping, dining, outdoor recreation, entertainment and health & wellness that run the gamut from local flavor and niche favorites to urban fashion, tech, home, music and lifestyle brands. Inspired architecture, marquee visibility, glass-to-green connections and a unique approach to the retail that immerses the patron into a makers culture and provides them with a robust experience ecosystem.

NOW OPEN



COMING SOON



WORK IN THE DISTRICT

945 Mid City Drive

Currently leasing for a wide range of space configurations, Phase I Office is a 65,000 square foot, four-story Class A office building located over retail on the main street of MidCity. With dedicated entrance and signage opportunities, you are just steps from all that the District has to offer.



950 Mid City Drive

MidCity Office is within walking distance to an assortment of shopping and dining options and outdoor green space. At just over 60,000 square feet of loft office space, the sister buildings are designed to ensure that natural light is captured from every angle.



LIVE IN THE DISTRICT

Metronome

Metronome at MidCity is first available residential building will include 296 Multi-Family units over retail & restaurants in the core of the District. Live in the MidCity District to have direct connection to the best neighborhoods, tech offices, retail, and cultural amenities in the region.



Encore MidCity

Encore includes: 232 luxury apartment homes; sustainable dining with 4 chef-driven restaurants and an integrated aquaponic farm; holistic health and wellness space and activities; an industry-leading visual arts program; and medical office space; as well as housekeeping, concierge and room service for our residents.



HUNTSVILLE AMPHITHEATER

On the 23rd of October 2020, The City of Huntsville was given the go-ahead to move forward with its journey towards opening one of the most remarkable entertainment and recreational facilities in the US.

“Huntsville, Alabama will be home to a new state-of-the-art 8,000-capacity amphitheater come April 2022. The Venue Group, founded and led by Ben Lovett of Mumford & Sons and partners, revealed the timeline, a rendering and additional plans, which include showcasing regional chefs and local vendors as part of a “food village” that will operate all year long.” -Variety.com



Employment

Through construction to operation, the Amphitheater will create hundreds of jobs and opportunities for people locally and is committed to providing equal opportunity and inclusively representing the diverse population who we hope to serve for many years to come.



THE CAMP

A mini-piece of MidCity. The living brochure of The District. The Camp is an entertainment and arts venue that is setting the tone for what’s to come. With live music, farmers markets, chef-curated seasonal food truck menus, a two-story shipping container coffee shop, & unique community events - patrons can enjoy themselves at The Camp as they watch MidCity grow vertical.

www.explorethecamp.com



STAY IN THE DISTRICT

Aloft Hotel

Operated by Yedla Management, the 130-room Aloft Hotel by Marriott at MidCity is expected to open 2023.

Hotel Indigo®

Developed by ViaNova Development

Hotel Indigo, a branded boutique from InterContinental Hotels Group, is expected to begin construction Fall 2021. It will feature 120 rooms in the five-story facility with a targeted 2023 opening.

Marriott Hotel

Announcing soon!



CITY OF HUNTSVILLE

GROWTH

- Huntsville accounts for 24% of Alabama’s 10-year population growth and 46% of the state’s total income growth.
- Over 13,000 new jobs announced in the past three years.
- Moody’s projects 9% growth with 39,000 new residents within the next five years.
- Huntsville accounts for 25% of the state’s GDP growth between 2001-2013.

WORKFORCE

- A significant portion of the workforce is located within three miles of MidCity at nearby Cummings Research Park and Redstone Arsenal, which combine for a total of 24 million square feet of office space.
- U.S. Army Redstone Arsenal employs 39,000 people who manage \$50 billion in annual contracts.
- MidCity serves as the gateway to the 3800-acre Cummings Research Park, the 2nd largest science and technology park in the U.S. and the 4th largest in the world with over 30,000 employees and 300 companies.
- Nearly 17% of workers in the MSA hold a job in a STEM field (science, technology, engineering or mathematics) making it the 3rd most technical workforce in the country.
- The student population tops 11,800 with most students living in and around the University of Alabama in Huntsville, Calhoun Community College and Oakwood University, all in close proximity to MidCity.
- Huntsville Hospital Heath System, (HHHS) the home to some of the best physicians in the country, is the 3rd largest publicly-owned hospital system in the nation with more than 1,800 beds and 12,000 employees.
- Huntsville Hospital is Alabama’s 2nd largest with 941 beds serving North Alabama and Tennessee.





CITY OF HUNTSVILLE

Why Huntsville: 10 Reasons

- 1.** It Has Exceptionally High-Quality Human Capital
Revolution believes the concentration of human capital is among the most important drivers of a market's productivity, providing a foundation for long-term rent growth and appreciation.
- 2.** It's the Most Affordable of the Tech 21, By a Lot
Revolution believes Huntsville will likely become more expensive over time but, for now, it is the most affordable city in which to work and live.
- 3.** Job and Population Growth are 2x U.S. Levels
There are very few cities that are both growing and adding high-quality jobs, and Huntsville is among them. Since 2014, office-using jobs in Huntsville have increased by 18%.

Source: Why Huntsville May 2020.pdf - Rise of the Rest - Powered by Revolution

Why Huntsville: 10 Reasons

- 4.** The Missing Piece (Arts) is Being Filled Right Now
Revolution hypothesizes that the most desirable cities of the future will be those that can combine Fun, Affordability and Innovation.
- 5.** The Space Industry is Having a Resurgence
We are in the early stage of a space industri boom driven by:
 - a) Renewed geopolitical concerns (China had 39 launches in 2018, compared to 34 in the U.S.),
 - b) Reduction in launch costs
 - c) Increased demand for broadband - half of which comes via satellites,
 - d) Legalization and expansion of private space travel.



CITY OF HUNTSVILLE

Why Huntsville: 10 Reasons

- 6.** Two Large Permanent Anchors
Cummings Research Park is the the 2nd largest research park in the country, housing roughly 300 companies with 26,000 employees. Among these are innovative companies such as Blue Origin and Lockheed Martin.
- Redstone Arsenal is home to a number of government and contract workers including the Army Materiel Command, Aviation and Missile Command, the Missile Defense Agency of the Department of Defense and NASA's Marshall Space Flight Center, responsible for the International Space Station, Solar & Climate research and Microsatellite development. The Research Park and Redstone Arsenal collectively employee 100,000 well paid workers across 24 million SF of office space.

Source: Why Huntsville May 2020.pdf - Rise of the Rest - Powered by Revolution



Teeming with engineers, Alabama's Rocket City USA is luring hot new industries to town

- The highly educated and highly skilled workforce that Huntsville, Alabama's aerospace roots have helped establish have also become a selling point to other industries.
- From 2000 to 2017, the Huntsville metro area grew employment by 32%, or twice the rate of the broader U.S., according to the Huntsville/Madison County Chamber.
- Wage growth has also kept pace, increasing at nearly twice the rate of the country over that same period, according to the Bureau of Economic Analysis.

<https://www.cnbc.com/2019/11/12/economic-case-study-huntsville-capitalizes-on-rocket-city-roots.html>



CITY OF HUNTSVILLE

Why Huntsville: 10 Reasons

7. Large Investors Haven't Found It – Yet
Despite the strength of the economy and property markets, there has been very little trading activity. Of the Tech 21, the amount of office transactions has been second-lowest (behind only Provo). Revolution sees this as a positive, as there is less competition for investments. Over time, we believe the interest and inherent strengths of Huntsville will be revealed and liquidity will increase.

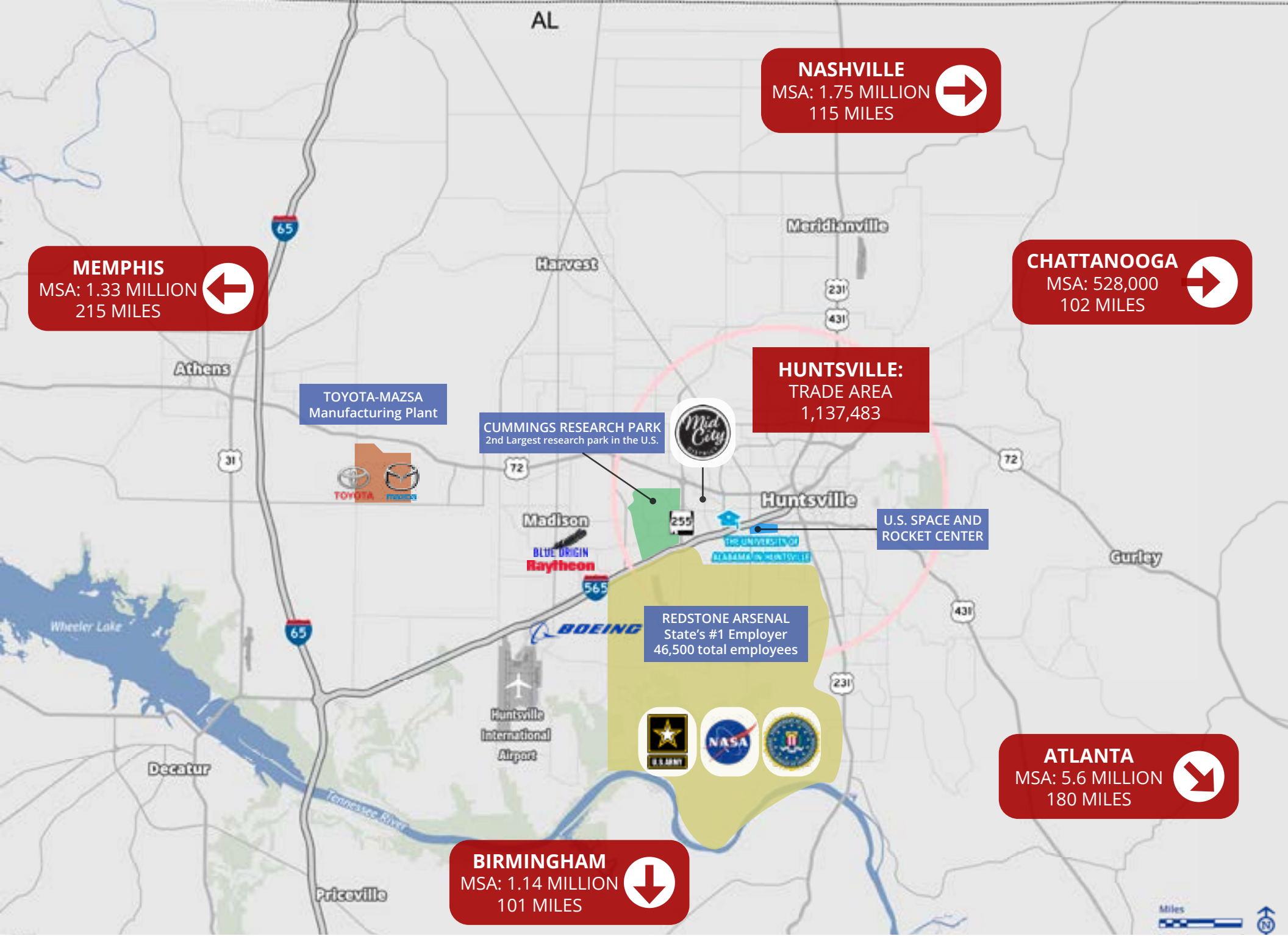
8. Huntsville Has a Competitive Advantage in Aerospace, but Is Diversifying
Huntsville has the strongest aerospace cluster in the country and is home to the most aerospace engineers in the country (L.A. is 2nd). However, aerospace accounts for only 3.5% of the local jobs.

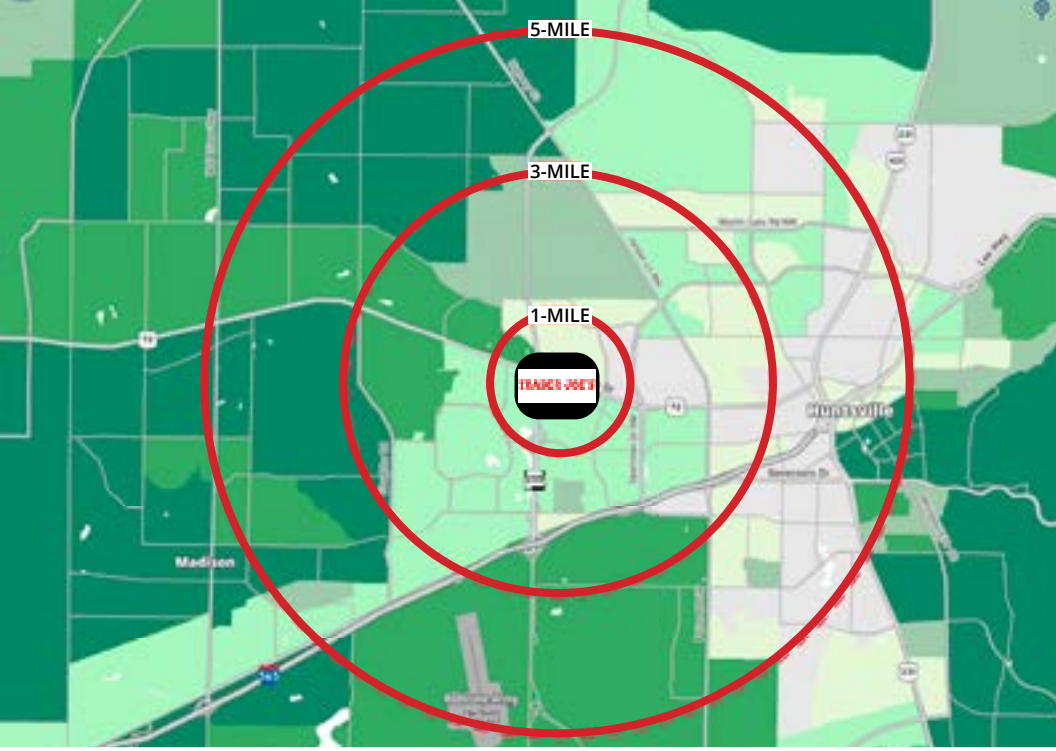
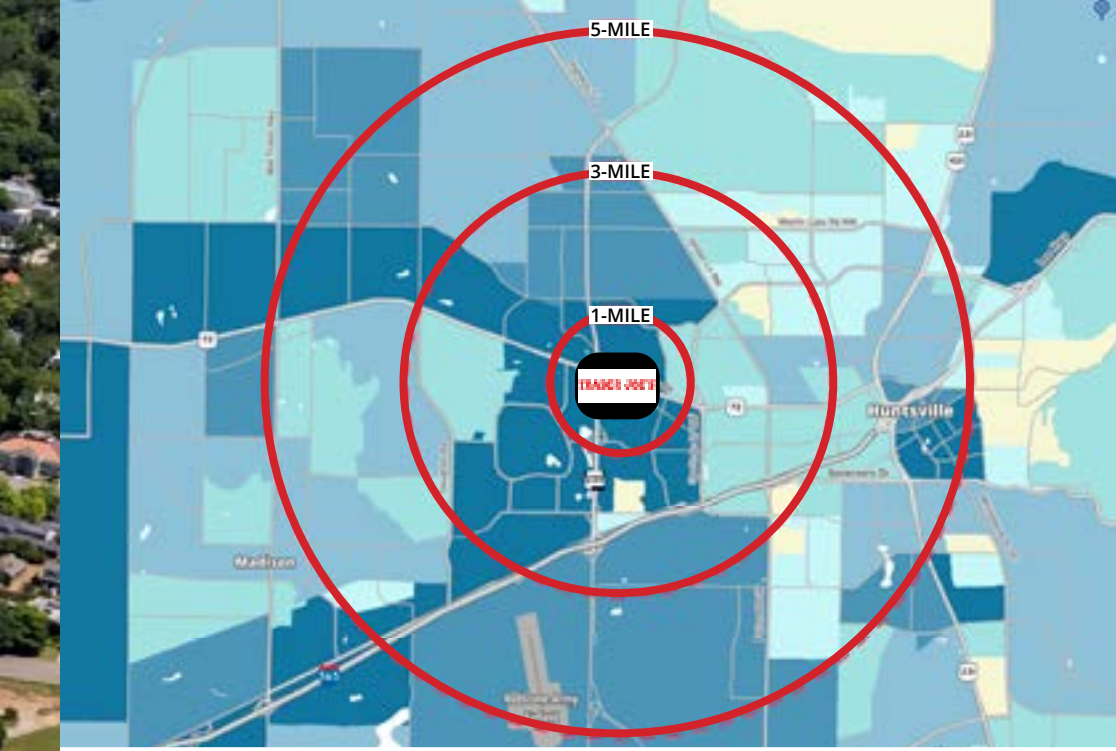
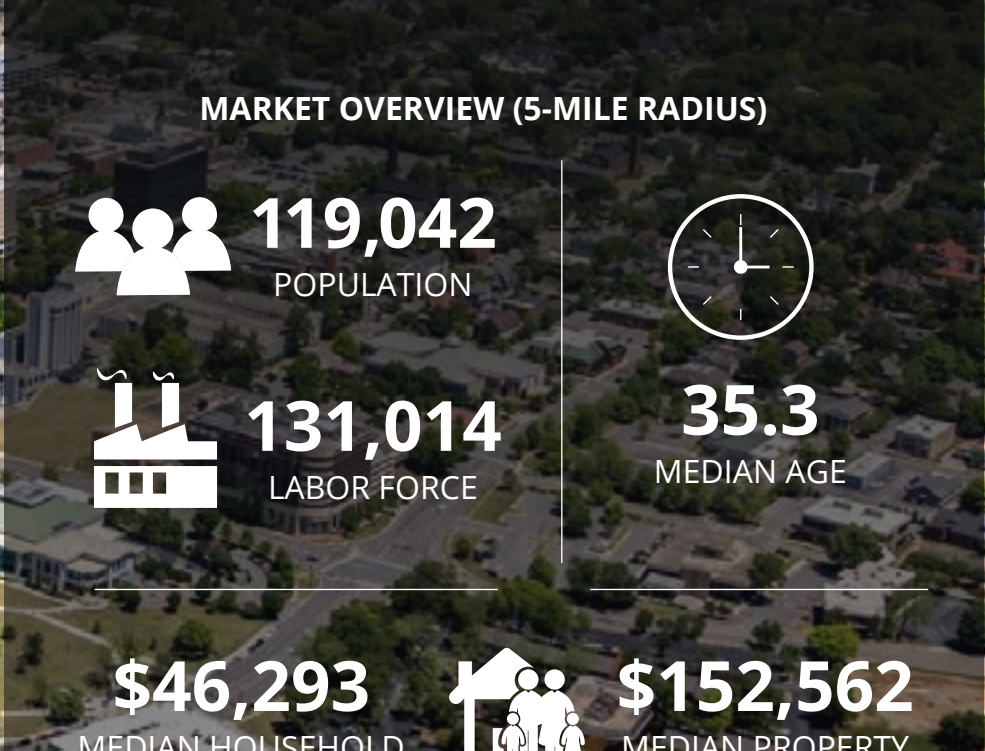
Source: Why Huntsville May 2020.pdf - Rise of the Rest - Powered by Revolution

Why Huntsville: 10 Reasons

9. Very Little New Supply
Many cities that are doing well either have lots of job and population growth (Orlando, Phoenix) or have tons of smart people (Silicon Valley, Boston). Both of those two groups are drawing lots of supply. However, Huntsville fits in both of those buckets and is drawing far less new development than the U.S. as a whole.

10. Potential Catalytic Activity / Sentiment Change
Huntsville has been well-educated and fast-growing for 20 years, so what is likely to change?
Higher Costs of Nearby Competitor Cities, Amphitheater and Music Investments, Bezos and Musk, National Recognition, MidCity Development





CITY OF HUNTSVILLE

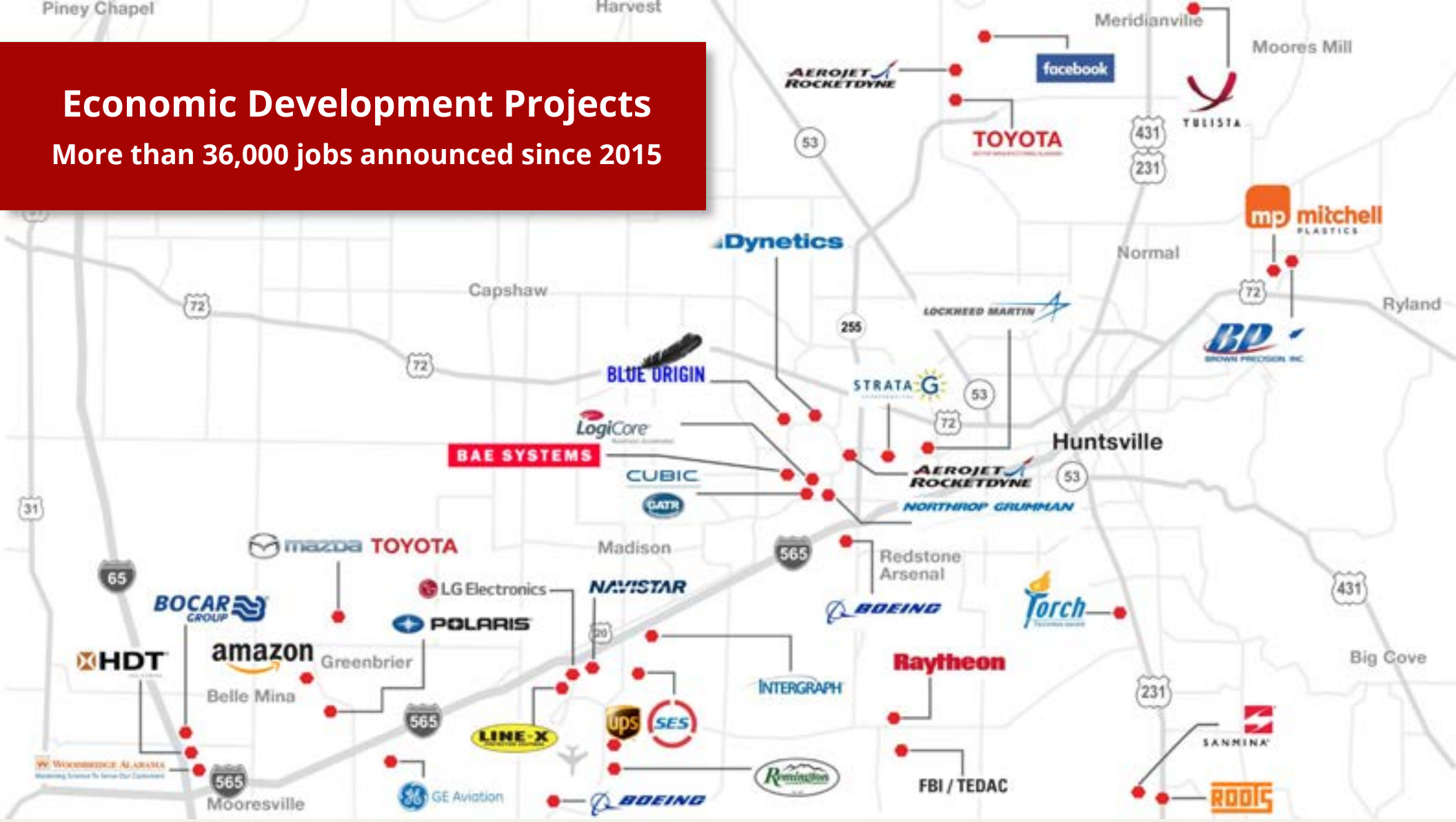
Huntsville is a city centrally located in the northernmost part of the U.S. state of Alabama. It is located in Madison County and extends west into neighboring Limestone County. Huntsville is the county seat of Madison County, and the fourth-largest city in Alabama. The 2010 census estimated Huntsville’s population at 180,105. By 2016 the estimated population grew to 194,057. The Huntsville Metropolitan Statistical Area’s population was estimated at 444,752 in 2015. There are approximately 1.2 million people within a 50-mile radius of Huntsville.



DEMOGRAPHICS

Population	1-MILE	3-MILE	5-MILE
Estimated Population (2020)	4,529	45,116	119,042
Projected Population (2025)	4,716	47,976	124,886
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2020)	2,337	20,167	50,266
Projected Households (2025)	2,453	21,689	53,175

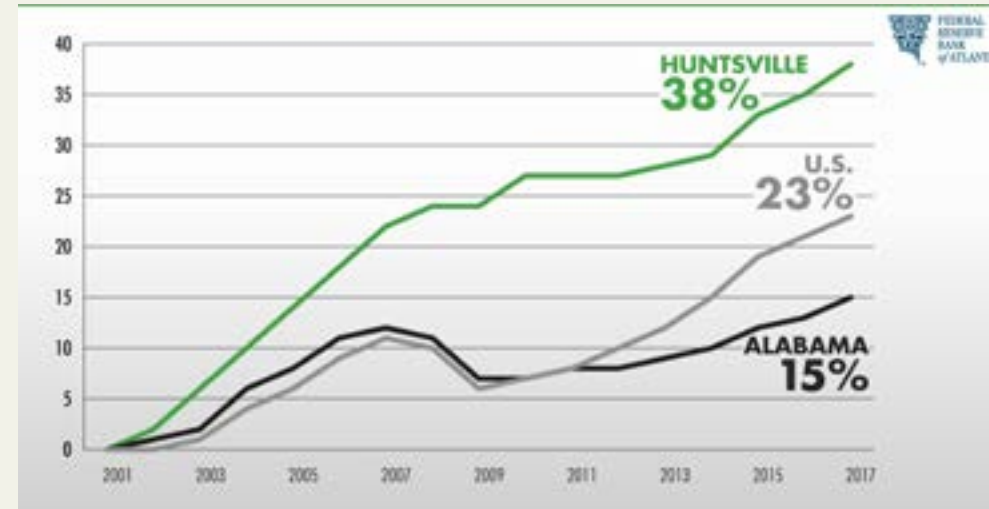
Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2020)	\$42,457	\$65,438	\$70,000
Median Household Income (2025)	\$25,391	\$46,402	\$46,293
Business Stats	1-MILE	3-MILE	5-MILE
Total # of Businesses (2020)	588	2,331	6,292
Total # of Employees (2020)	14,441	57,41	131,014



Economic Development Projects

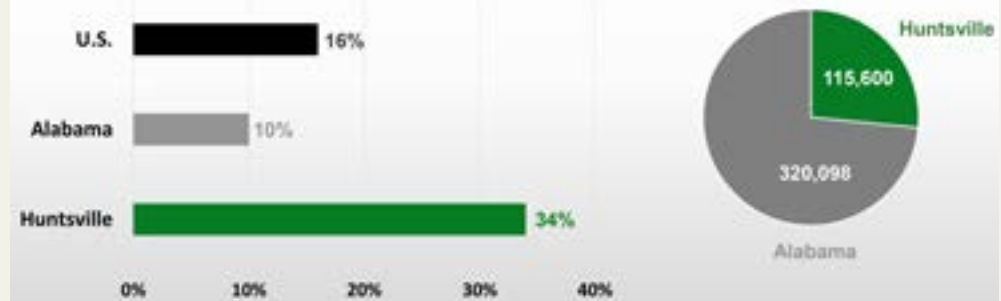
More than 36,000 jobs announced since 2015

Economic Growth Index



Population Growth

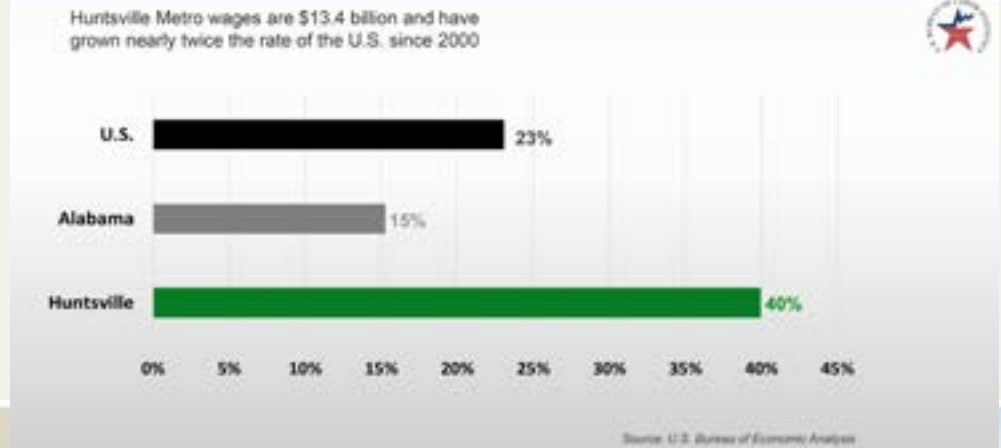
Huntsville population is 502,315 (with an MSA population of 1.1 million) and has grown at more than twice the rate of the U.S. since 2000 accounting for 27% of Alabama's total population growth



Employment Growth

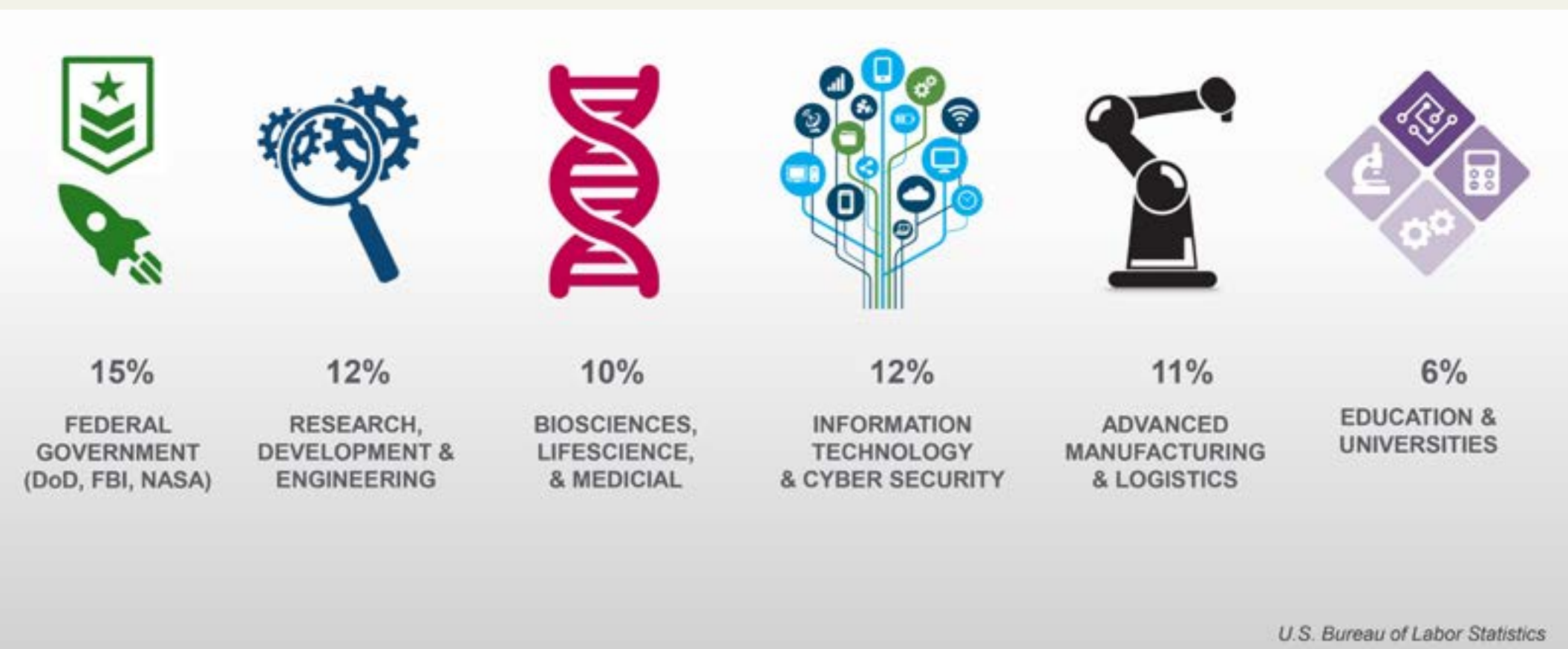


Wage Growth

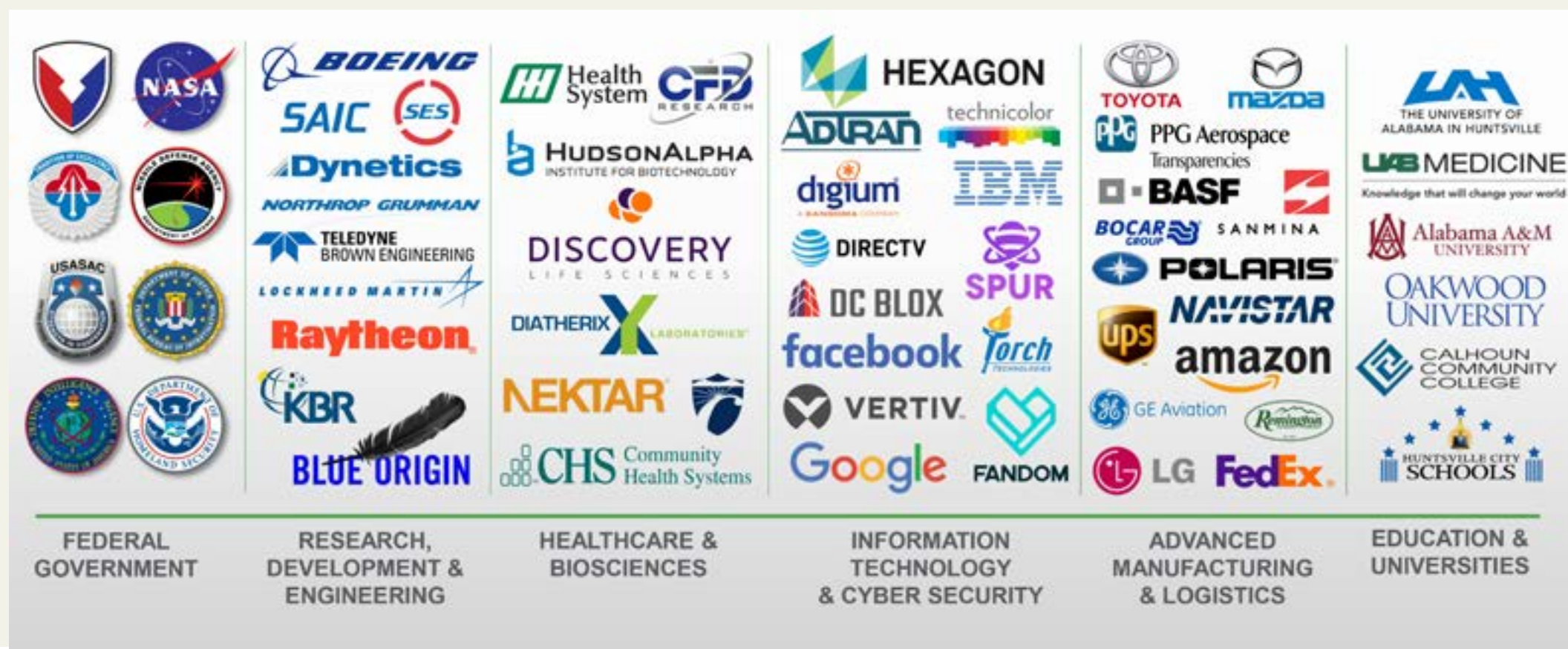




Diversity in Economic Drivers
Top Six Business Sectors Of Huntsville Economy (%)



Diversity in Economic Drivers
Leading Employment In Business Sectors



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