



**PALOMAR**  
*Real Estate Group*

**Family Dollar**

421 E. Laburnum Ave  
Richmond, VA 23222



# Legal Conditions

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for the limited use in considering whether to pursue negotiations to acquire Family Dollar (the “Property”) located in Richmond, VA and is not intended to be an offer for the sale of the Property.

This confidential memorandum, which contains brief, selected information pertaining to the business and affairs of the Property, has been prepared by The Palomar Group. This confidential memorandum does not purport to be all-inclusive or to contain all the information which a prospective purchaser may desire. Neither Seller nor The Palomar Group nor any of their officers, employees or agents make any representation of warranty, expressed or implied, as to the accuracy or completeness of this confidential memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto.

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If the Recipient does not wish to pursue negotiations leading to this acquisition, or if in the future the Recipient discontinues such negotiations, Recipient agrees to return this confidential memorandum to The Palomar Group.

THIS CONFIDENTIAL MEMORANDUM SHALL NOT BE DEEMED A REPRESENTATION OF THE STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THIS MEMORANDUM.

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THIS PROPERTY IS BEING SOLD AS AN “AS IS, WHERE IS” SALE.

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In conjunction with  
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The Palomar Group is a full-service commercial Investment Sales firm. The Investment Sales Team specializes in well positioned anchored or unanchored retail properties throughout the country. Their proven track record on both the acquisition and disposition sides are a direct result of their understanding of the marketplace, appropriate asset valuation based off current market conditions, and the alignment of assets to the most suitable and qualified Buyer/ Seller.

The Team has worked on over 10 million square feet of retail, office and multifamily, having a hand in over \$1 billion in transactions across 13 states.



# *Executive Summary*







Asking Cap Rate

6.00%



Asking Price

\$1,885,583



NOI

\$113,135



Lease Expiration

12/31/2025



Square Footage

8,000 SF



Lease Structure

NN



Rental Increases

10% Every 5 Years



Year Built

2005



# THE OPPORTUNITY



## Address

421 E. Laburnum Ave  
Richmond, VA 23222



## Parcel Number

794-738-0040  
.71 acres



## Building Size

8,000 square feet



## Lease Type

NN



## Year Built

2005



## NOI

\$113,135



## Asking Price

\$1,885,583  
6.00% cap rate



## Rental Increase

10% every 5 years



## Lease Summary – Escalations & Options

<u>Date</u>	<u>Annual</u>	<u>Monthly</u>
1/1/2021 - 12/31/2025	\$113,135	\$9,427
<b>Options</b>		
1/1/2026 - 12/31/2030	\$124,449	\$10,370
1/1/2031 - 12/31/2035	\$136,894	\$11,407

## THE ASSET

- **NN Lease**
- Family Dollar **Corporate Lease – NASDAQ: DLTR**
- **Credit Rating:** S&P: BBB-, Moody's: Baa2
- Current **term expiration of 12/31/25**
- Categorized as **Essential Retailer**
- **Pandemic and Recession Proof**
- **Rare opportunity** to invest in a Family Dollar in Richmond, VA
- Family Dollar operates **8,200+ locations** and **14,800+ combined locations under DLTR in 48 states**
- **No rent relief requested** throughout 2020
- **10% Rent escalations in the Lease Options**
- **Two 5-year options**
- **LL Responsibilities**
  - Roof, Structure, parking lot replacement
- **Low Price Point under \$2mm**

## PROPERTY FUNDAMENTALS

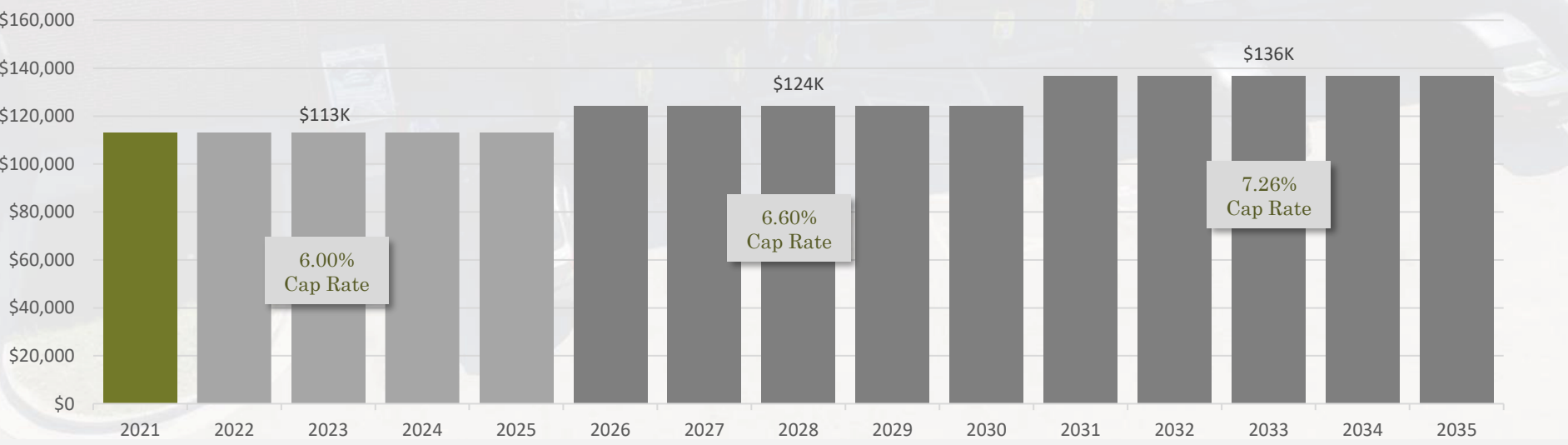
- Property is **located on the primary commercial corridor** in the Richmond, VA market
- Strong traffic counts with over **22,907 cars daily**
- **Centrally located** within the Richmond MSA
- **Close proximity to Interstate 64 and Interstate 95, 2.2 miles**
- Strong demographics
  - 1 Mile Population: 13,043
  - 3 Mile Population: 98,486
- **Constructed** in 2005
- **Population** within 5 miles is 234,078
- Great **visibility and access** from Laburnum Ave
- Access of **E Laburnum Ave and Waddey St**
- An **abundance of parking** with 32 total parks

PREMISES & TERM

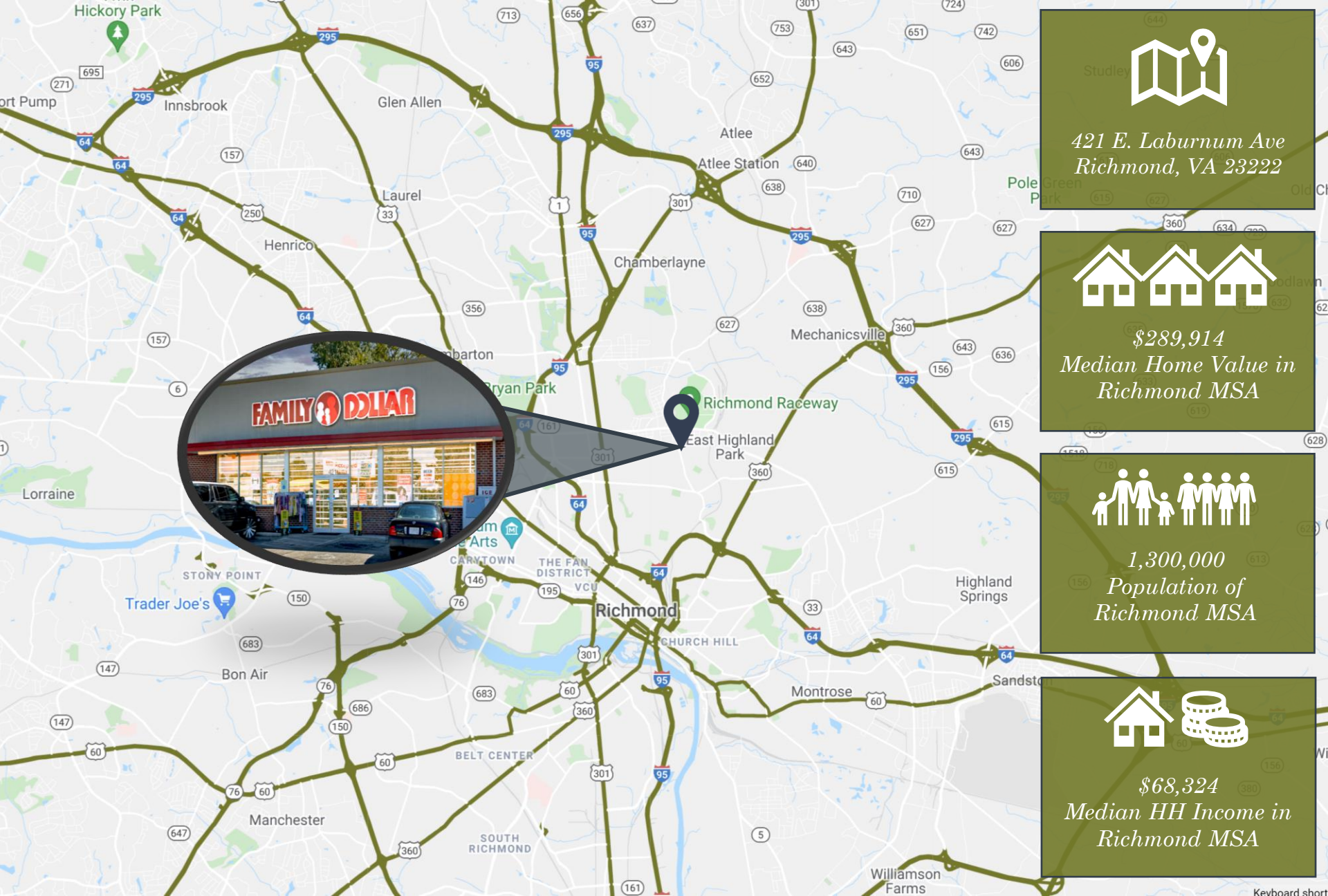
TENANT	Family Dollar Stores of Virginia, Inc.
LEASE TYPE	NN
LEASE TERM	5 Years
OPTION PERIOD	Two, 5-Year Options

RENT ROLL

BASE RENT				OPTION RENTS			
DATE RANGE	MONTHLY RENT	ANNUAL RENT	% INCREASE	DATE RANGE	MONTHLY RENT	ANNUAL RENT	% INCREASE
Years 1-5	\$9,427.92	\$113,135.04	10%	Years 6-10	\$10,370.75	\$124,449.00	10%
				Years 11-15	\$11,407.84	\$136,894.08	10%







421 E. Laburnum Ave  
Richmond, VA 23222



\$289,914  
Median Home Value in  
Richmond MSA



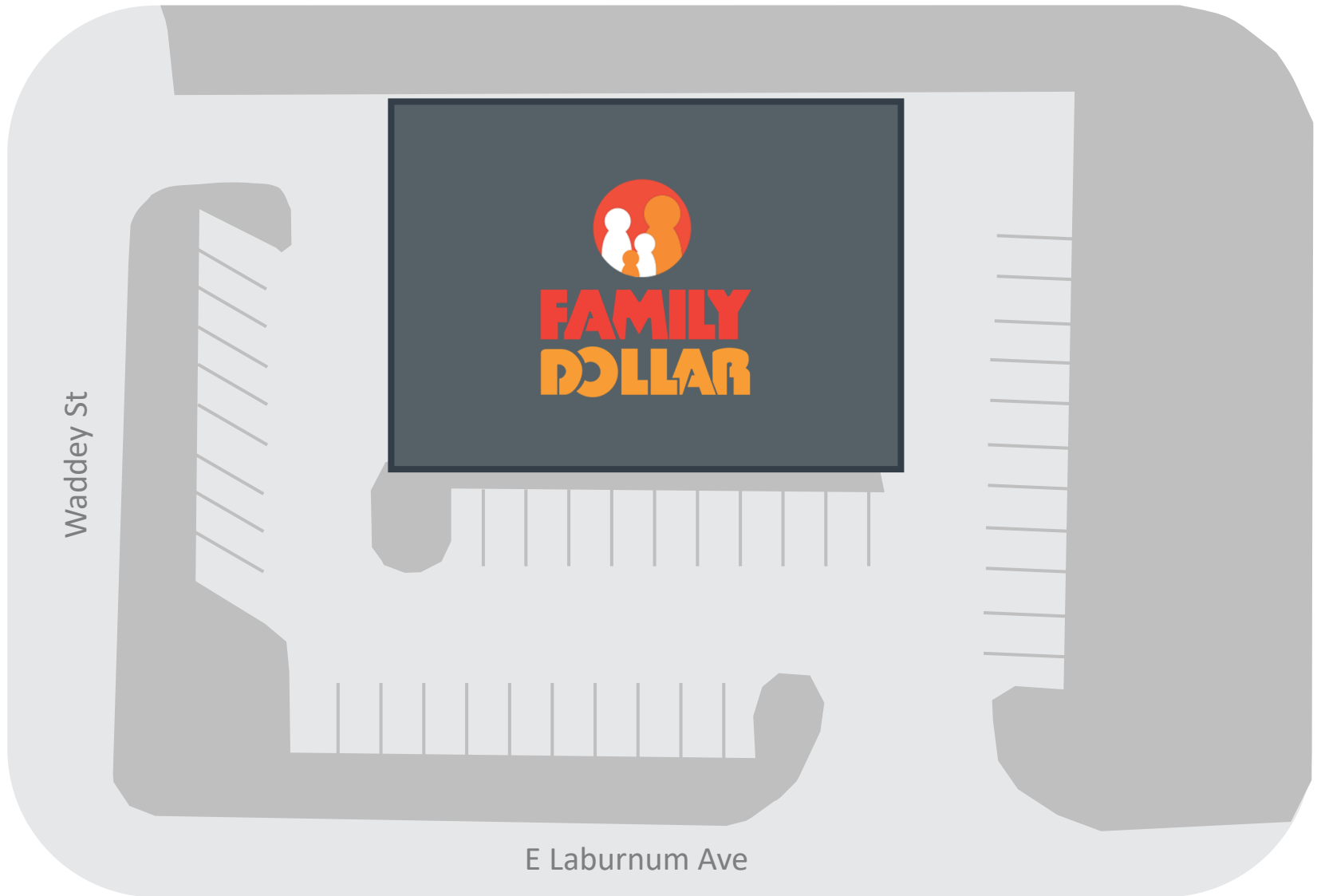
1,300,000  
Population of  
Richmond MSA



\$68,324  
Median HH Income in  
Richmond MSA























**A DOLLAR TREE COMPANY**  
**(NASDAQ: DLTR)**

**LOCATIONS**  
**15,115+ Locations**

**ESSENTIAL RETAILER**  
*Family Dollar remained open during  
the pandemic*

**GROSS PROFITS GROWTH Q3**  
**12.9%**

**2020 NEW STORES**  
**+/- 350**

**REVENUE**  
**\$23.6 Billion**

**NO. OF EMPLOYEES**  
**+/-60,000**

**2021 LEASE COMMENCEMENT**  
*New 5-year term lease*

## Lease Abstract

Tenant	Family Dollar Store of Virginia, Inc
Size	8,000 SF
Lease Term	5 Years
Original Lease Start	9/1/2004
Expiration Date	12/31/2025
Base Rent	\$113,135 annually (\$14.14 psf)
Options	Two, 5-year Options
CAM	Tenant Responsibility
INS	Tenant Reimburses Landlord
TAX	Tenant Responsibility

## GlobeSt.com™

### Here Are the Retailers That Are Expanding in 2021

While there have been many high-profile bankruptcies, some companies are adding new locations.

By Les Shaver December 10, 2020

Recently the apparel chain Francesca's filed for bankruptcy and has plans to shutter some 150 stores. Last month it was Guitar Center and Furniture Factory Outlet that sought Chapter 11 protection.

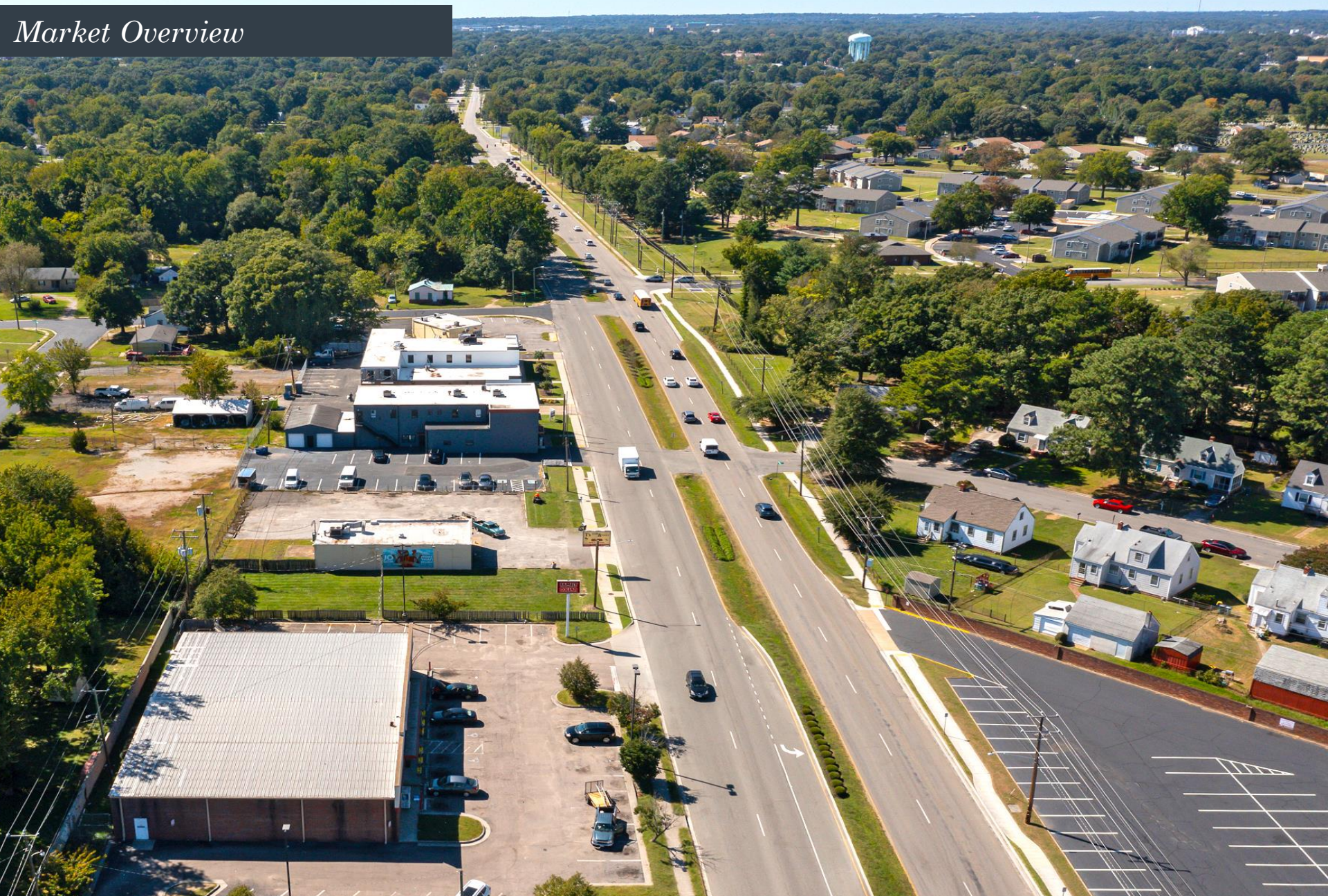
It is little secret that the pandemic has been hard on the retail sector—but the news is not uniformly bad. For instance, Crexi has named 17 cities [in which the retail market was strong](#), or even surging, in the third quarter, and where it recommends that investors buy properties.

Another sign of the sector's relative health is the number of retailers that have expansion plans. This week, as one example, Starbucks announced that it plans to add 22,000 stores to its portfolio by 2030, for a total of 55,000. This will include a mix of new store formats, including Drive-Thru, Starbucks Pickup and curbside pickup, the company said. Fifty-nine tenants have meaningful expansion plans (10 or more locations planned), while 46 tenants with unknown or no expansion plans. Here are some of those retailers.

Dollar General (tied for second) also plans 1,000 openings. In the first half of 2020, it opened 500 new stores, and its plans call for 1,000 locations in FY 2020. Dollar Tree (fifth in openings) plans 500 openings in the second half of 2020. That includes 325 Dollar Tree and 175 Family Dollar locations.

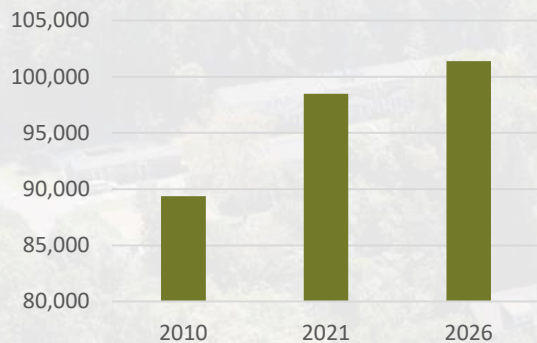
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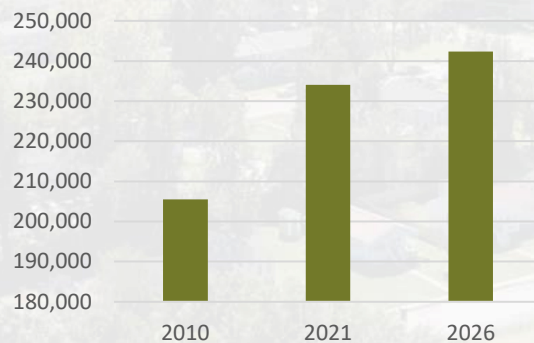




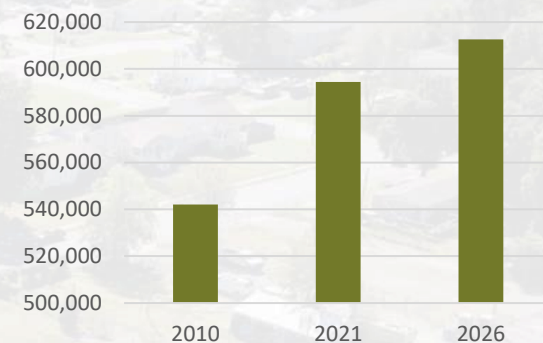
### 3 Mile Population



### 5 Mile Population



### 10 Mile Population



Population:	3 Mile	5 Mile	10 Mile
2010 Census	89,363	205,520	542,034
2021 Estimate	98,486	234,078	594,417
2026 Projection	101,402	242,367	612,568
Growth 2021-2026	0.6%	0.7%	0.6%

2021 Household Income	3 Mile	5 Mile	10 Mile
2021 Avg Household Income	\$64,704	\$77,462	\$84,443
2021 Med Household Income	\$43,251	\$54,266	\$60,359



Households:	3 Mile	5 Mile	10 Mile
2010 Census	36,564	88,879	223,169
2021 Estimate	40,573	101,941	245,221
2026 Projection	41,814	105,647	252,724
Owner Occupied	0.3%	0.6%	0.4%
Renter Occupied	0.6%	0.7%	0.6%



2021 Households by Household Income:	3 Mile	5 Mile	10 Mile
<\$25,000	13,267	25,426	49,600
\$25,000 - \$50,000	9,010	22,032	53,409
\$50,000 - \$75,000	7,078	18,958	45,157
\$75,000 - \$100,000	3,612	10,366	27,043
\$100,000 - \$125,000	2,471	6,986	20,596
\$125,000 - \$150,000	1,311	5,540	14,572
\$150,000 - \$200,000	2,004	5,951	16,897
\$200,000+	1,819	6,682	17,945

## 2020 census data shows steady growth in Williamsburg, faster population rise in James City County

September 2, 2021

The 2020 census underpins recent growth trends in the Historic Triangle: steady growth in the city of Williamsburg that is outpaced by faster population expansion in more rural James City County. It also highlights wealth disparities between Williamsburg and the more affluent counties surrounding it.

Williamsburg’s population grew from 14,067 people in 2010 to 15,425 by 2020, an increase of 1,358 or 9.7%. The population of James City County grew from 67,379 to 76,523, an increase of 13.6% in a decade. York County’s population grew from 65,464 from the 2010 census to 70,048, a 7% increase.

Some rural counties in eastern Virginia and the Washington, D.C., suburbs saw the largest spikes in growth in the last decade. New Kent County’s population rose by over a quarter, 25.3% — the second-highest growth in the state after Loudoun County at 32%. Rural and urban areas alike lost population over the last 10 years. The census indicated dwindling numbers of people in Sussex and Surry counties along with the cities of Portsmouth and Newport News, while Chesapeake, Suffolk and Richmond are among the fastest-growing cities.

[Read More](#)



## New Amtrak train from Richmond to D.C. marks first step in statewide rail expansion

September 27, 2021

Gov. Ralph Northam announced the expansion of rail service from Richmond to the Northeast Corridor early Monday morning.

Alongside Virginia Transportation Secretary Shannon Valentine, Gov. Northam boarded an inaugural train to Washington D.C., which departed from Main Street Station located in Richmond’s Shockoe Bottom district at 5:35 a.m.

This marks the first milestone in a \$3.7 billion expansion of service under Northam’s “Transforming Rail in Virginia Program.” The project will connect the Northeast and Southeast corridors in America’s national rail network.

The Amtrak Northeast Regional Route 51 offers early morning service from Main Street Station, allowing travelers to get to Washington D.C. before the workday begins or to New York for a lunchtime meeting.

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## Fast-growing startup SVT Robotics prepares for more expansion

September 23, 2021

Before launching SVT Robotics, CEO A.K. Schultz and his co-founder and CTO Michael Howes were both working as executives for another company when they noticed a vital, unmet need in the robotics industry while observing an assembly line.

“The machines were actually installed fairly quickly, but it took much more time to integrate the software because they all had to be integrated using bespoke interfaces. That experience stuck with me,” Schultz recalled. Schultz and Howes later created SVT Robotics in 2018 to provide a solution: rapid deployment of enterprise robot technology. “When Mike and I founded SVT, we realized that everyone in the industry needed a thing no one was building: a way to quickly get all these technologies to talk to each other — across platforms and manufacturers. And with the SOFTBOT Platform, we have accomplished just that,” Schultz said.

Now, the Norfolk-based startup is garnering such widespread attention as a nationally renowned robotics software developer, SVT Robotics recently said it is expanding operations and hiring more people.

[Read More](#)



## New program aims to help businesses streamline supply chains

September 6, 2021

A new program aims to help Virginia businesses streamline their supply chain management and boost their global competitiveness.

Governor Ralph Northam recently announced the launch of the Supply Chain Optimization Program, which is the first official state-led program of its kind. According to a release, the Virginia Economic Development Partnership has created this program based on the International Trade Strategic Plan for Virginia.

“Virginia has worked hard to make businesses in the Commonwealth stronger, more resilient, and more competitive in the global marketplace,” said Northam. “We’re excited to implement the country’s first official Supply Chain Optimization Program, which will support thousands of businesses and boost international trade. I look forward to seeing this program’s success.”

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