



Strong Unit Level Sales | High Traffic, Signalized Intersection (60,825 CPD) | Corporate Lease



In Association with Scott Reid & ParaSell, Inc. | P: 949.924.6578 | A Licensed Tennessee Broker #264531

OFFERING MEMORANDUM
MEMPHIS, TENNESSEE



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



TABLE OF CONTENTS

Offering Summary	3
Investment Highlights	4
Site Plan / Parcel Map	6
Surrounding Tenants	7
Aerial Overview	8
Regional Map	14
Tenant Profile	15
Area Overview	17
Demographics	19

EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President
jlefk@hanleyinvestment.com
844.585.7682

Bill Asher

Executive Vice President
basher@hanleyinvestment.com
844.585.7684

Scott Reid

ParaSell, Inc.
parasellre@gmail.com
949.942.6585 | TN Lic #264531

In Association with Scott Reid & ParaSell, Inc.
P: 949.924.6578 | A Licensed Tennessee Broker #264531

OFFERING SUMMARY

LOCATION

Family Dollar
6550 Mt. Moriah Road
Memphis, TN 38115



OFFERING SUMMARY

Price:	\$2,290,000
Current Net Operating Income (NOI):	\$137,500
Current Capitalization Rate:	6.00%
Net Rentable Area:	8,320
Year Built:	2012
Lot Size (Acres):	2.12

LEASE TERMS (1)

Guarantor:	Family Dollar Stores, Inc.
Lease Commencement:	4/12/2012
Lease Expiration:	3/31/2027
Lease Type: (2)	NN
Roof & Structure:	Landlord Responsibility
Monthly Rent:	\$11,458 (\$1.38/sf)
Annual Rent:	\$137,500 (\$16.53/sf)
Rental Increases:	10% Each Option
Renewal Options:	Five 5-Year

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.
(2) Tenant self maintains the subject property except for roof, structure, and parking lot repairs above \$2,000 per year. Tenant reimburses Landlord for insurance and taxes which are subject to caps that increase 5% annually.



FAMILY DOLLAR  **DOLLAR TREE** | Quick Facts

8,074

LOCATIONS IN
THE U.S.

#1

SMALL-BOX
DISCOUNT RETAILER

#137

FORTUNE 500
(2022)

INVESTMENT HIGHLIGHTS

- **Single-Tenant Corporate Family Dollar:**

- The subject property is within the top third most visited stores out of all Family Dollar locations in the U.S. and top quarter in Tennessee (Placer.ai)
- Tenant recently exercised its first option to extend for 5 years at a 10% increase, showing commitment to the location
- Five 5-year options remaining with 10% increases
- 10-year operating history at the subject property

- **Corporate Lease (NASDAQ: DTLR) Investment Grade (S&P: BBB):**

- Family Dollar, Inc. is a subsidiary of Dollar Tree, Inc.
- Largest dollar store chain in the U.S. with 16,162 locations
- Record setting 2021 net sales of \$26.3 billion
- Ranked #137 in the Fortune 500 (2022)



INVESTMENT HIGHLIGHTS

- **Recession-Internet Resistant Tenant / “Essential” Business:**

- Dollar stores are recession proof; value retail can be part of the solution to help families stretch their dollars amid ongoing economic challenges
- Dollar Tree/Family Dollar never closed during COVID-19 pandemic as they were deemed an “essential” business

- **Thriving Dollar Store Industry Investment:** Dollar stores represent the biggest shift in brick-and-mortar retail in the past decade with the largest number of new store openings by category

- **Target Household Income:** Ideal household income of \$72,278 within 3 miles perfectly positions the long-term success of Family Dollar

- **High Traffic, Hard Corner Signalized Intersection Off Highway 385 at Mt. Moriah Road and Kirby Parkway; 60,825 Cars Per Day**

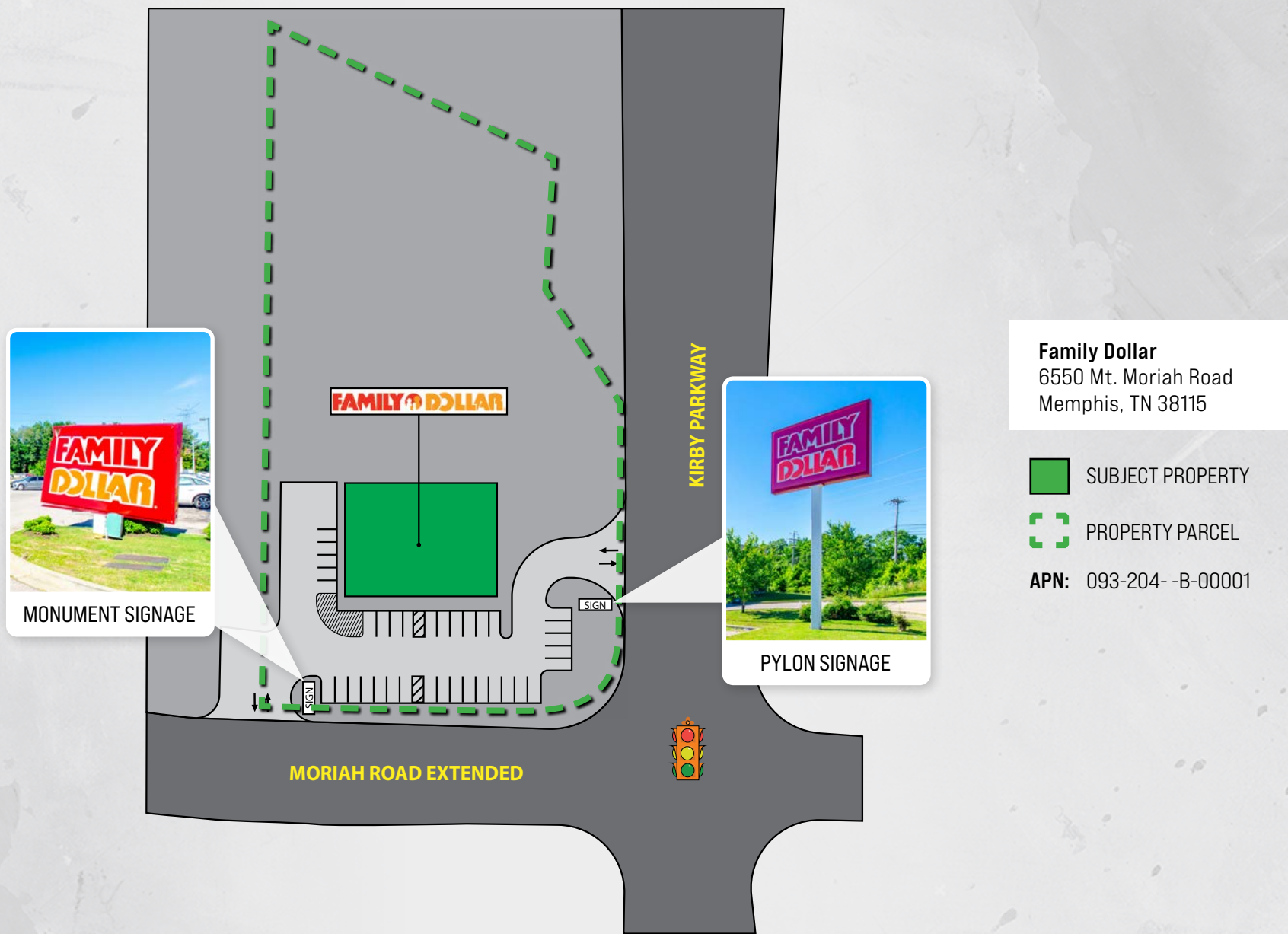
- **Significant Daytime Population; 127,616 Employees within a 5-Mile Radius**

- **Memphis is a Top Tourist Destination and High Population Growth City:**

- Family Dollar is 20 minutes from Memphis International Airport and 30 minutes from Downtown Memphis
- One of the world’s leading tourist destinations, 10+ million annual visitors



SITE PLAN / PARCEL MAP



SURROUNDING TENANTS



AERIAL OVERVIEW

DEMOGRAPHICS

Population:

1-Mile Radius	16,769
3-Mile Radius	98,069
5-Mile Radius	210,158

Household Income:

1-Mile Radius	\$51,148
3-Mile Radius	\$72,278
5-Mile Radius	\$85,825



AERIAL OVERVIEW



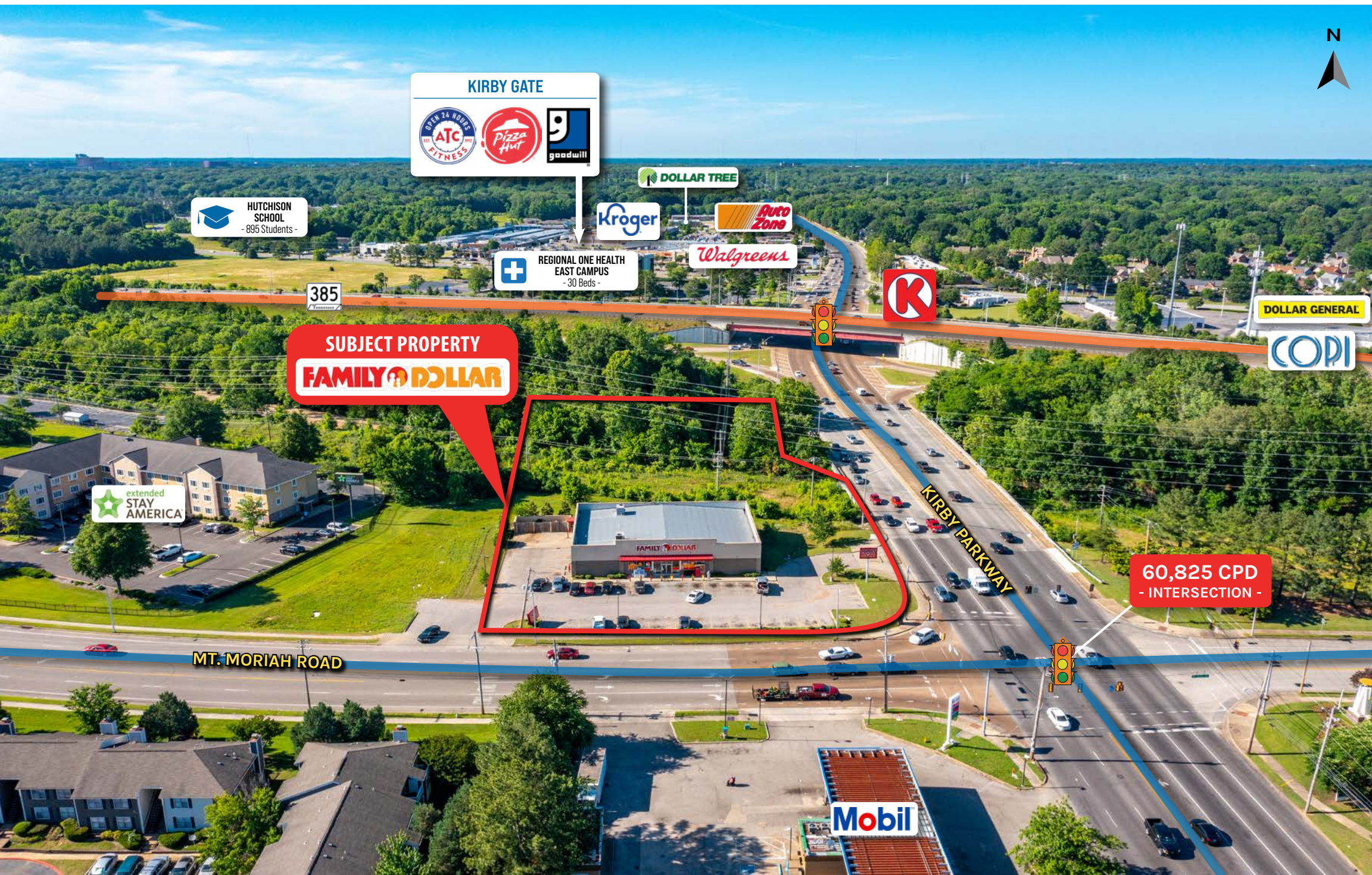
AERIAL OVERVIEW



AERIAL OVERVIEW



AERIAL OVERVIEW



AERIAL OVERVIEW



MEMPHIS INTERNATIONAL AIRPORT
- 20-MIN DRIVE TIME -

BELLE FOREST COMMUNITY SCHOOL
- 1,219 Students -

GLEN HAVEN SHOPPING CENTER

SUPERLO FOODS **DOLLAR GENERAL**

Auto Zone **Advance Auto Parts**

VILLAGE PLAZA

Save a lot **planet fitness**

Walgreens

Rainbow

city G.E.A.R. **ALDI**

IHG HOTELS & RESORTS **RADISSON HOTELS**

FAIRFIELD INN & SUITES **Quality SUITES**

extended STAY AMERICA **Walmart Neighborhood Market**

DOWNTOWN MEMPHIS
- 30-MIN DRIVE TIME -

ASIANAMARKET

CAR WASH

FRESENIUS MEDICAL CARE

UNIVERSITY Vascular Access Care

extended STAY AMERICA



MT. MORIAH ROAD



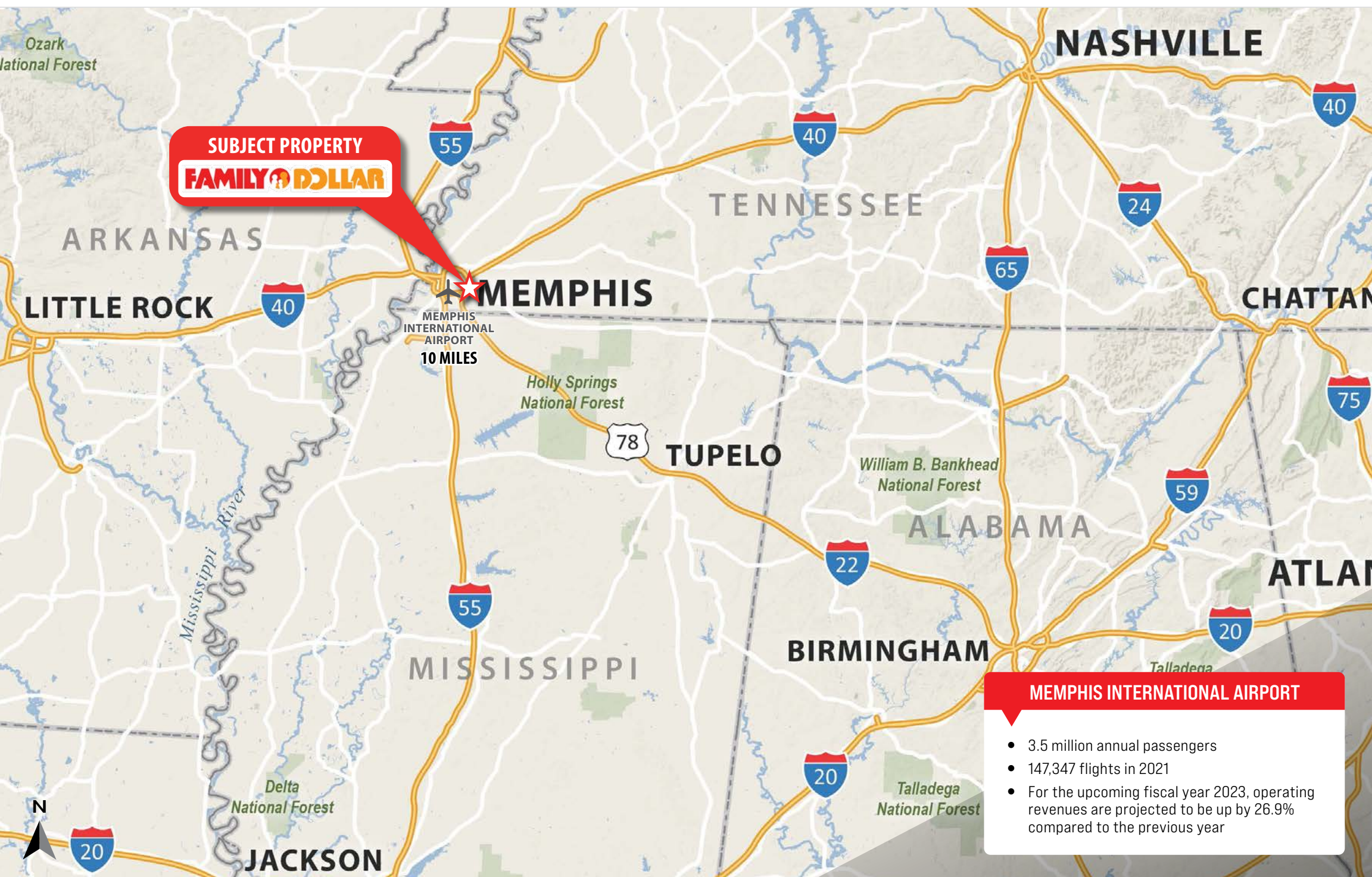
60,825 CPD
- INTERSECTION -

KIRBY PARKWAY

SUBJECT PROPERTY

FAMILY DOLLAR

REGIONAL MAP



TENANT PROFILE



Founded in 1959, Family Dollar operates 8,074 general merchandise retail discount locations with a “neighborhood variety store” format.

The retailer offers seasonal merchandise and necessities from both competitively-priced national name brands and equivalent-value, lower-priced private labels. Products include food, health, and beauty products, household goods, home decor, paper products, toys, apparel, and holiday items.

In 2015, Dollar Tree, Inc. (NYSE: DLTR; S&P: BBB) acquired Family Dollar for \$8.5 billion. Together, they are the nation's largest small-box discount retailer and world's leading operator of \$1 priced-point variety stores. The combination of Dollar Tree and Family Dollar provides the Company more opportunities to better serve more customers in more ways, and in more locations across the country. Ranked #137 in the 2022 Fortune 500, the Company operates 16,162 stores across 48 states and 5 Canadian provinces. In Fiscal Year 2021, the Company posted record net sales of \$26.3 billion.

Dollar Tree reported consolidated net sales in Q1 2022 increased 6.5% year-over-year to \$6.9 billion with systemwide same-store sales increasing 4.4%. In Q1 2022, the Company opened 112 new stores and expanded or relocated 33 stores. Additionally, the Company expanded its multi-price Plus offering into an additional 790 Dollar Tree stores and completed 118 Family Dollar store renovations. The extreme-value discounter plans to open 590 new stores (190 Dollar Tree and 400 Family Dollar) and to renovate 800 Family Dollar stores in fiscal 2022. Approximately 350 of the new Family Dollar stores will be in the company's combo store format, which leverages the strengths of both banners under one roof.

In 2018, the Company launched a new model for both new and renovated stores known as H2. The H2 model significantly increases merchandise offerings continues to be a key component of the momentum in the turnaround. Stores with the H2 format have increased traffic and provided an average comparable store net sales lift in excess of 10% over control stores.

In mid-2019, Dollar Tree has tested a multi-price initiative referred to as Dollar Tree Plus!, the Company began testing multi-price assortments in more than 100 stores in southwestern markets. Major modifications include transitioning the offering from consumable products to primarily discretionary items, reengineering the display elements and signage, and focusing on the \$1, \$3 and \$5 price points.

Company Type:

Public (NYSE: DLTR; S&P: BBB)

Locations:

16,162 Locations (8,074 Family Dollar; 8,088 Dollar Tree)

Website:

www.familydollar.com | www.dollartree.com

#137

Fortune 500
Company (2022)

#1

Small-Box
Discount Retailer

\$26.3B

Record Setting
Net Sales (2021)



U.S. Dollar Stores Expect Higher Sales as Inflation Turns Shoppers Frugal

By Praveen Paramasivam | May 26, 2022

[Reuters] -Top U.S. dollar store chains on Thursday raised their sales expectations for the year as bargain-hunting Americans increasingly shop at discounters with inflation at a four-decade high, sending shares of the retailers at least 15% higher.

Shares of Dollar Tree Inc and Dollar General Corp rebounded from a slide last week that wiped off nearly a fifth of their value after huge profit declines at industry bellwethers Walmart Inc and Target Corp.

The dollar stores also reported better-than-expected results for the first quarter, which analysts believe should bring respite to the battered retail sector.

Dollar General Chief Executive Officer Todd Vasos said the next tier of customers was starting to buy more at its store, and he expects more frequent visits from such higher-income consumers as inflation squeezes spending.

[CLICK FOR ARTICLE](#)



Dollar Tree Profit Jumps 43.2%; Details New Investments

By Marianne Wilson | May 26, 2022

Dollar Tree got off to a strong start in its first quarter, with record quarterly earnings and solid sales.

The discounter, which is on track to open 590 stores this year, opened 112 new stores, expanded or relocated 33 stores, and closed 30 stores during the quarter. It also expanded its multi-price Plus offering into an additional 790 Dollar Tree locations and completed 118 Family Dollar store renovations.

During the quarter, Dollar Tree also completed its conversion to the \$1.25 price point, contributing to both sales and margin improvements, the company said.

"Shoppers are responding favorably as the new, greater value products hit our shelves," stated Michael Witynski, president and CEO. "Importantly, other key strategic initiatives, including the expansion of the \$3 and \$5 Plus assortment in Dollar Tree stores, as well as our Combo Stores.."

[CLICK FOR ARTICLE](#)



Memphis Announces Renovation Plan for Simmons Bank Liberty Stadium

By Frank Bonner II | May 13, 2022

Memphis has plans for a \$150 million to \$200 million renovation to Simmons Bank Liberty Stadium, the school announced on Thursday.

The main elements of the renovation will be to transform the west side of the stadium, which will include what the Tigers called “innovative premium seating options.” The project will also create a hospitality experience in the hollow space around the stadium, create family boxes on the north end and party deck patios for students on the south end. The east side suite tower might be repurposed.

The renovations are scheduled to be completed ahead of the 2025 football season.

“We started this process with a specific set of transformational goals in mind, and this renovation hits all of them,” Memphis athletic director Laird Veatch said in a statement.

[CLICK FOR ARTICLE](#)



Memphis Region Experiencing New Jobs Boom with Supply Chain, Logistics Positions

By Brad Broders | February 23, 2022

New data shows good news in addressing supply chain issues in the Mid-South, with new jobs moving goods and keeping track of those products.

Wednesday afternoon, those with the Greater Memphis Chamber said the area experienced a sharp uptick in those positions in recent years. That includes everything from warehouse workers to computer specialists.

The Memphis region added nearly 14,000 supply chain and logistics jobs between 2015 and 2020, more than twice the national industry average.

The area is now the fourth largest in the Southeast for those types of jobs and first in the Southeast for new distribution consulting jobs in that time frame, with a 123% jump.

“This sector is changing, and as we continue to create the talent pipelines, that can help provide access to these high tech jobs in supply chain and logistics.”

[CLICK FOR ARTICLE](#)

AREA OVERVIEW

Memphis, TN

- Located along the Mississippi River in southwestern Shelby County
- 650,980 residents in the city; 1.33 million total residents in the Greater Memphis area
 - Greater Memphis spans three states: Tennessee, Mississippi, and Arkansas
- #1 largest city situated along the Mississippi River; #2 most populous city in the state; #28 in the U.S.

ECONOMY

- Underwent an economic renaissance during the past two decades; diversifying the manufacturing-based economy into a variety of other employment sectors
- An established global transportation hub that continues to grow; added 14,000 supply chain and logistics jobs over the past 5 years which is more than twice the national industry average
- **St. Jude Children's Hospital** – One of the world's premier pediatric cancer research centers and a multi-billion dollar charitable healthcare provider that is instrumental to the growth of the downtown area
- Home of 3 Fortune 500 companies: FedEx (no. 45), International Paper (no. 141), and AutoZone (no. 238)
- Major employers include FedEx (30,000), Tennessee State Government (14,200), United States Government (13,200), Methodist Le Bonheur Health Care (13,000), and Shelby County Schools (11,500)

DEVELOPMENTS

- **St. Jude Children's Hospital** – \$11.5 billion, 6-year strategic expansion launched in 2021 to accelerate research and treatment; expected to add 1,400+ new jobs
- **Pinch District Development** – A \$1.1 billion project to construct 2 boutique hotels, 170,000 square feet of retail space, 222,000 square feet of office space, and 1,000 residential units

TOURISM

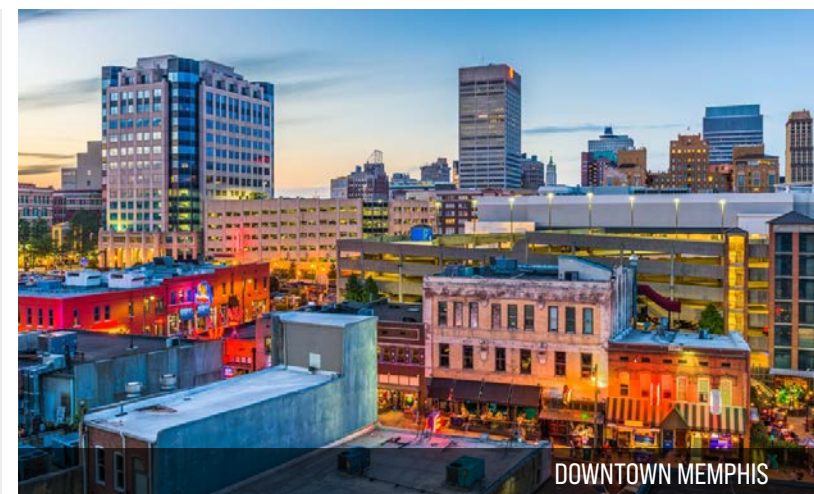
- 10 million tourists visit Memphis each year, the “birthplace of Rock & Roll”
- **Graceland** – A National Historic Landmark; a 14-acre estate that was once owned by Elvis Presley

EDUCATION

- **University of Memphis** – Public research university with 22,000+ students and 2,500 faculty and staff



10+ Million Annual Visitors



DOWNTOWN MEMPHIS



UNIVERSITY OF MEMPHIS



BEALE STREET

DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2026 Projection	16,838	98,386	210,957
2021 Census	16,769	98,069	210,158
2010 Census	16,918	98,049	208,652
2000 Census	16,845	97,890	199,451
Growth 2000-2010	0.43%	0.16%	4.61%
Growth 2021-2026	0.41%	0.32%	0.38%
HOUSEHOLDS			
2026 Projection	7,369	39,119	81,990
2021 Census	7,374	38,822	81,103
2010 Census	7,429	38,588	80,242
2000 Census	8,063	39,959	78,155
2021 POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	3,309	27,047	75,068
Black or African American Alone	11,717	61,117	113,317
American Indian and Alaska Native Alone	23	235	483
Asian Alone	223	2,275	6,116
Native Hawaiian and Other Pacific Islander Alone	3	20	84
Some Other Race Alone	1,243	5,923	11,979
Two or More Races	254	1,441	3,109
2021 POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	2,042	9,396	19,217
Not Hispanic or Latino	14,727	88,673	190,941
2021 AVERAGE HOUSEHOLD INCOME			
	\$51,148	\$72,278	\$85,825

MEMPHIS SNAPSHOT



210,158
POPULATION (5-Mile)



127,616
DAYTIME POPULATION (5-Mile)



4.61%
POPULATION GROWTH (5-Mile, 2000-2010)



\$85,825
AVERAGE HOUSEHOLD INCOME (5-Mile)



\$172,168
AVERAGE HOME VALUE (5-Mile)



HANLEY INVESTMENT GROUP

REAL ESTATE ADVISORS

EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President

jlefk@hanleyinvestment.com

844.585.7682

Bill Asher

Executive Vice President

basher@hanleyinvestment.com

844.585.7684

Scott Reid

ParaSell, Inc.

parasellre@gmail.com

949.942.6585 | TN Lic #264531

In Association with Scott Reid & ParaSell, Inc.

P: 949.924.6578 | A Licensed Tennessee Broker #264531

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

Neither Owner nor Broker nor any of their respective officers, Agents or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Marketing Package or any of its contents, and no legal commitment or obligation shall arise by reason of the Marketing Package or its contents. Analysis and verification of the information contained in the Marketing Package is solely the responsibility of the prospective buyer, with the Property to be sold on an as is, where-is basis without any representations as to the physical, financial or environmental condition of the Property.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

Copyright © 2022 Hanley Investment. Information herein has been obtained from sources deemed reliable, however its accuracy cannot be guaranteed. The user is required to conduct their own due diligence and verification.



\$9 BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database

GlobeSt.com™

GLOBEST. INFLUENCERS
in retail & net lease sales



NATIONWIDE REACH
retail & investors across the U.S.



\$2.6 BILLION IN RETAIL SOLD
over 500 transactions in last 36 mos.