



Cypress Cove Farm

OFFERING MEMORANDUM

DOLLAR TREE NET LEASE INVESTMENT OPPORTUNITY
7.2% CAP RATE | RED BAY, AL



Million
Dollar
Brands!



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EXECUTIVE SUMMARY

DOLLAR TREE

523 4TH AVENUE, RED BAY, AL 35582

\$755,000  7.2% CAP RATE  NN

INVESTMENT SUMMARY

Looking for a great tenant, higher cap rate and a “bite size” deal? This is it! Bull Realty is offering a Dollar Tree in Red Bay, AL that was fully renovated in 2019 from a former CVS. It is value priced at a 7.2% cap rate. This cap rate, as compared to other similar properties noted on Page 9, is outstanding. Dollar Tree invested \$300,000 to renovate the ± 9,402 SF structure which included a new roof, all new framing & walls, fresh paint, new flooring, new plumbing & bathrooms, new ceiling & duct work and two additional new roof-mounted HVAC units.







The Dollar Tree is located on a large ± 1.18 parcel on Red Bay’s main retail corridor with traffic counts exceeding 7,200 VPD on 4th Avenue. The retail trade area is robust with other nearby retailers including Piggly Wiggly, Dollar General Market + pOpshelf, McDonald’s, Valley National Bank, O’Reilly Auto Parts, Jack’s and Farmers Home Furniture.

Red Bay is located in the northwest corner of Alabama near the Mississippi and Tennessee borders. Most notably, it has national recognition for its booming RV industry. Red Bay is home to Tiffin Motorhomes, a leading manufacturer of Class A and Super C motorhomes where factory tours are offered daily. RV owners travel to Red Bay throughout the year as temporary residents, often staying 2-3 weeks at a time while having maintenance done on their RV’s. Visitors spend leisure time with the many parks, fishing areas and going to nearby Russellville, the county seat of Franklin County. In December 2021, Tiffin was acquired by Elkhart, Indiana-based Thor Industries Inc. The Tiffin Group operates as a standalone division.

There are 3 ½ years remaining on this Dollar Tree guaranteed NN lease from the original 7-year lease with five 5-year renewals each with a \$0.50/SF rent increase and with minimal Landlord responsibilities. The low rent/SF of \$5.75 and high cap rate makes this a very attractive entry level dollar store investment under \$1,000,000.

Offered at \$755,000 or a 7.2% cap rate.

INVESTMENT HIGHLIGHTS

-  Dollar Tree spent \$300,000 and renovated former ± 9,402 SF CVS with a 7-year initial NN lease term
-  “Bite size” investment under \$1,000,000 offering at a 7.2% cap rate
-  Red Bay attracts RV owners from all over the U.S. to visit the Tiffin Motorhomes manufacturing facility which employs over 1,500 people
-  Visitors use Red Bay year-round as “home base” while their RV is being refurbished or repaired
-  Corporate guaranteed by Dollar Tree
-  Value priced well below other active comps on the market

Representative Photo

PROPERTY INFORMATION

PROPERTY OVERVIEW

ADDRESS:	523 4th Avenue Red Bay, Alabama 35582
COUNTY:	Franklin
BUILDING SIZE:	± 9,402 SF
SITE SIZE:	± 1.18 Acres
YEAR BUILT:	2019
TYPE OF OWNERSHIP:	Fee Simple
TENANT NAME:	Dollar Tree
LEASE TYPE:	NN
ORIGINAL LEASE TERM:	7 years
LEASE COMMENCEMENT:	7/4/2019
LEASE EXPIRATION:	7/31/2026
REMAINING LEASE TERM	3.5 years
RENEWAL OPTIONS:	Five 5-year renewals
GUARANTOR:	Dollar Tree
LANDLORD RESPONSIBILITIES:	Roof, structure, parking lot & liability insurance
TENANT RESPONSIBILITIES:	All other repairs & maintenance and fully reimburses the Landlord for property insurance & taxes
RIGHT OF FIRST REFUSAL:	Yes - 10 business days



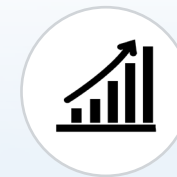
ASKING PRICE
\$755,000



CAP RATE
7.2%



NOI
\$54,061.50



RENT INCREASES
\$0.50/SF



PRICE/SF
\$80.30/SF



RENT/SF
\$5.75/SF

Representative Photo

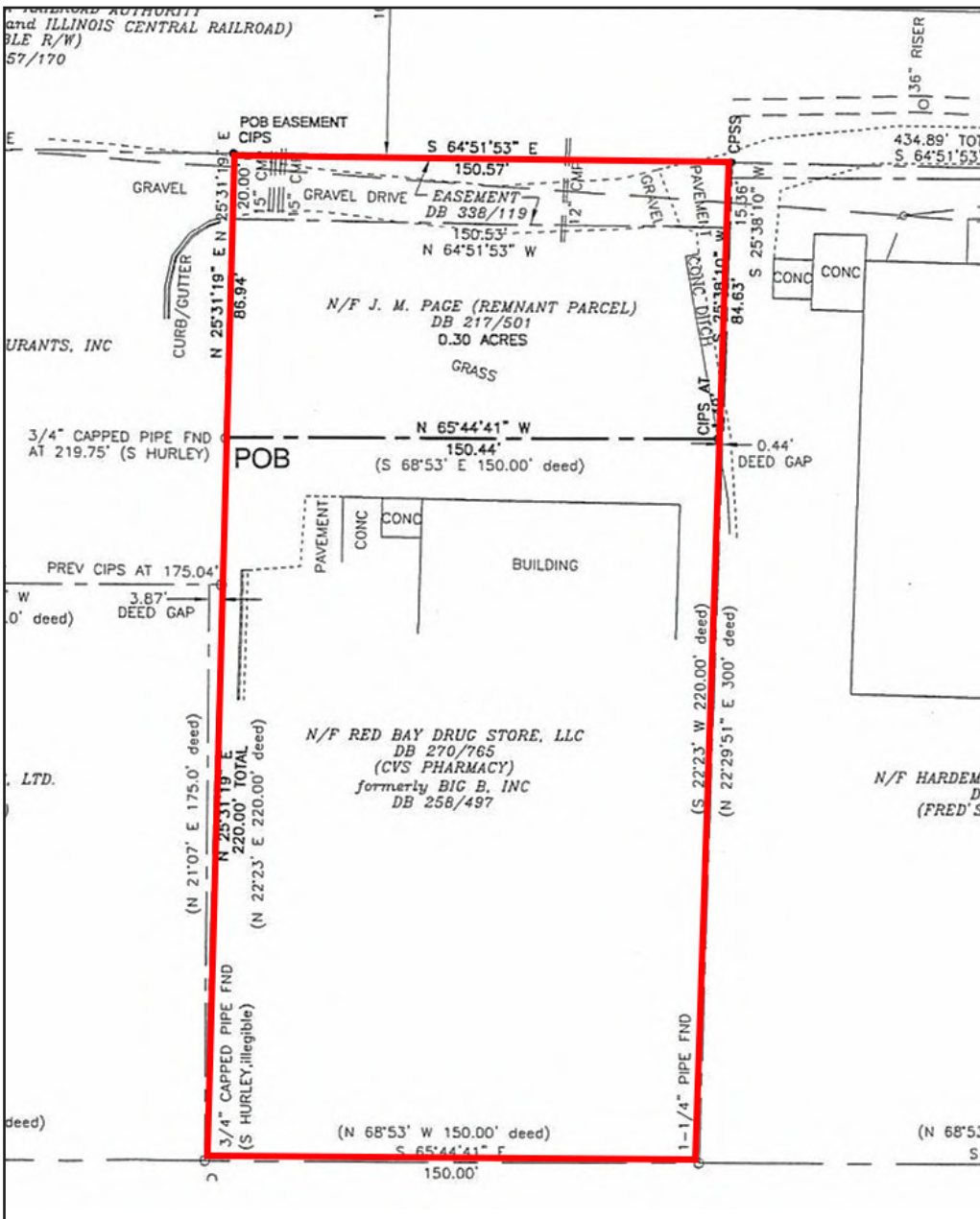
RENT SCHEDULE

RENT SCHEDULE

TERM	STARTING DATE	ENDING DATE	MONTHLY RENT	ANNUAL RENT	INCREASE	CAP RATE
Original	8/1/2019	7/31/2026	\$4,505.13	\$54,061.50	-	7.2%
Option 1	8/1/2026	7/31/2031	\$4,896.88	\$58,762.50	\$0.50/SF	7.8%
Option 2	8/1/2031	7/31/2036	\$5,288.63	\$63,463.50	\$0.50/SF	8.4%
Option 3	8/1/3036	7/31/2041	\$5,680.38	\$68,164.50	\$0.50/SF	9.0%
Option 4	8/1/2041	7/31/2046	\$6,072.13	\$72,865.50	\$0.50/SF	9.6%
Option 5	8/1/2046	7/31/2051	\$6,463.88	\$77,566.50	\$0.50/SF	10.3%



SURVEY & AERIAL



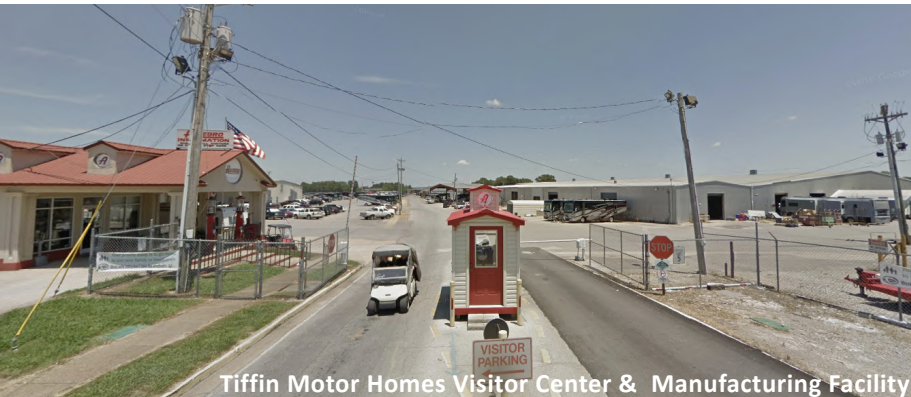
RETAIL MAP



ABOUT THE AREA

RED BAY, ALABAMA

Red Bay is located in the western part of Franklin County which anchors the southern edge of the Appalachian Mountain foothills. The county seat is Russellville, 20 minutes to the east of Red Bay. The steel industry, RV manufacturing industry and area recreational sites, trails and waterways are traffic generators for retirement and workforce opportunities. Franklin County has a recruiting area population of over 306K. Red Bay is most notably recognized by Tiffin Motor Homes, the area's largest employer and tourist attraction, offering factory tours daily. The area is also known for its Red Bay Museum which features a large section dedicated to its local celebrity, Tammy Wynette. They also have a council for the performing arts and are well represented with over 23 churches in the area.



Tiffin Motor Homes Visitor Center & Manufacturing Facility



Downtown Red Bay

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	1,975	3,683	5,489
TOTAL HOUSEHOLDS	835	1,540	2,268
AVERAGE HOUSEHOLD SIZE	2.28	2.30	2.36
AVERAGE HOUSEHOLD INCOME	\$59,933	\$59,023	\$59,698



DISTANCE FROM SUBJECT PROPERTY:

TUPELO, MISSISSIPPI - 50 MILES

HUNTSVILLE, ALABAMA - 97 MILES

BIRMINGHAM, ALABAMA - 118 MILES

MEMPHIS, TENNESSEE - 159 MILES

SALE COMPS & SIMILAR PROPERTIES FOR SALE

SUBJECT PROPERTY									
Tenant	Location	Yr Built/Renovated	Remaining Term (Yrs)	Asking Price	CAP	NOI	Price/SF	SF	Rent/SF
Dollar Tree	Red Bay, AL	1996 / 2019	3.5	\$755,000	7.2%	\$ 54,061	\$80.36	9,395	\$ 5.75

SIMILAR PROPERTIES FOR SALE									
Tenant	Location	Yr Built/Renovated		Asking Price	CAP	NOI	Price/SF	SF	Rent/SF
Dollar Tree	NC	2013	2.1	\$ 839,000	7.8%	\$ 65,000	\$ 104.88	8,000	\$ 8.13
Family Dollar	GA	2003	3.5	\$ 720,000	7.2%	\$ 52,000	\$ 84.71	8,500	\$ 6.12
Dollar Tree	MS	2000	3.5	\$ 1,987,000	6.0%	\$ 119,208	\$ 191.06	10,400	\$ 11.46
Family Dollar	OH	1961 / 2019	3.9	\$ 654,000	6.5%	\$ 42,500	\$ 68.58	9,536	\$ 4.46
Dollar Tree	MI	1999	4	\$ 1,509,300	7.0%	\$ 105,651	\$ 135.00	11,180	\$ 9.45
FD/DT	MS	2011 / 2022	4.4	\$ 907,000	7.0%	\$ 63,520	\$ 53.65	16,905	\$ 3.76
Family Dollar	AR	2012	4.4	\$ 1,320,000	6.0%	\$ 79,200	\$ 165.00	8,000	\$ 9.90
			3.7		6.8%				

SOLD COMPS									
Tenant	Location	Yr Built/Renovated	Date SOLD	Sales Price	CAP	NOI	Price/SF	SF	Rent/SF
Family Dollar	Louisville, KY	2012	7/1/22	\$ 1,325,000	6.8%	\$ 90,000	\$ 145.60	9,100	\$ 9.89
Family Dollar	Dalzell, SC	2005	6/6/22	\$ 856,000	6.8%	\$ 81,584	\$ 92.98	9,206	\$ 8.86
Family Dollar	Fort Sumner, MN	2009	5/27/22	\$ 1,107,000	7.1%	\$ 78,314	\$ 138.24	8,008	\$ 9.78
Family Dollar	Columbus, MS	2006	3/16/22	\$ 985,000	6.7%	\$ 66,528	\$ 107.30	9,180	\$ 7.25
Dollar Tree	Milwaukee, WI	2011	3/7/22	\$ 1,215,000	7.2%	\$ 86,414	\$ 149.74	8,114	\$ 10.65
Dollar Tree	Perry, FL	2006	3/3/22	\$ 1,450,000	6.8%	\$ 98,854	\$ 168.68	8,596	\$ 11.50
					6.9%				

Current available properties average a 6.8% cap rate while the Dollar Tree in Red Bay is a higher cap rate at 7.2%.

TENANT OVERVIEW



1959

FOUNDED



200,000+

EMPLOYEES



DOLLAR TREE

FORTUNE
500



16,000

LOCATIONS
(2022)



Chesapeake, VA

HEADQUARTERS

SUMMARY OF LEASE TERMS

At Dollar Tree, customers can expect to find an environment where shopping is fun. They are known for their “thrill-of-the-hunt” shopping experience where customers can discover new, exciting items every week, from everyday essentials to fun craft, seasonal and party merchandise.

In the midst of unprecedented inflation, Dollar Tree recently changed its primary price point to \$1.25 in order to continue to offer our customers all the products they’ve come to know and love, plus hundreds of new ones, and to bring back customer favorites at an incredible value. Many of the items they carry sell for more elsewhere, which means that customers can stretch their dollars to get the products they need at an extreme value.

Dollar Tree, a Fortune 500 Company, operates almost 16,000 stores across 48 states and five Canadian provinces as of January 2023. Stores operate under the brands of Dollar Tree, Family Dollar, the new Family Dollar/Dollar Tree joint branded offering in less populated areas, and Dollar Tree Canada. The combination of Family Dollar and Dollar Tree creates the largest dollar store chain in North America and generates significant efficiencies in sourcing and procurement, SG&A leverage, distribution and logistics efficiency and through format optimization.

For more information, visit <https://www.dollartree.com/> and <https://corporate.dollartree.com/about>

Read more about [Dollar Tree ramps up store growth](#)

DOLLAR TREE HISTORICAL GROWTH CHART (DLTR)
Stock Growth Trajectory - May 22 to Mar 23



BROKER PROFILE

NANCY MILLER, CCIM, MBA

President, Net Lease Investment Group



PROFESSIONAL BACKGROUND

Nancy Miller joined Bull Realty in 2001. Her brokerage practice focuses on single tenant net lease and multi-tenant retail investment properties. Nancy is a partner with the firm and heads the National Net Lease Investment Group. Her focus includes working with investors, 1031 exchange transactions and developers throughout the US. She is an industry recognized savvy and knowledgeable investment expert. In the last 5+ years, she has brokered over 125 single tenant transactions. Nancy also publishes an electronic investor newsletter, and participates in a quarterly national retail industry survey done by Morgan Stanley. Periodically, Nancy appears on America's Commercial Real Estate Show, the nation's leading show on commercial real estate which has been on air every week since 2010.

Nancy has held a real estate license for over 25 years and is licensed in several states. She is a Life Member of the Atlanta Commercial Board of Realtors and a member of the International Council of Shopping Centers (ICSC). She also holds the prestigious CCIM designation and has a Bachelor of Arts degree from Tulane University and an MBA from Emory University's Goizueta Business School, where she is a guest lecturer.

ABOUT BULL REALTY

MISSION:

To provide a company of advisors known for integrity and to provide the best disposition marketing in the nation

SERVICES:

Disposition, acquisition, project leasing, tenant representation and consulting services

SECTORS OF FOCUS:

Office, retail, industrial, multifamily, land, healthcare, senior housing, self-storage, hospitality and single tenant net lease sectors

AMERICA'S COMMERCIAL REAL ESTATE SHOW:

The firm produces the nation's leading show on commercial real estate topics, America's Commercial Real Estate Show. Industry economists, analysts and leading market participants including Bull Realty's founder Michael Bull share market intelligence, forecasts and strategies. The weekly show has grown to 60 stations around the country and is available to stream wherever you get your podcasts or on the show website: www.CREshow.com.

BULL REALTY, INC

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Atlanta, GA 30328
BullRealty.com

DISCLAIMER & LIMITING CONDITIONS

Bull Realty has been retained as the exclusive listing broker to arrange the sale of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property but does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may require. All financial projections are provided for general reference purposes only and are based upon assumptions relating to the general economy, competition and other factors, which therefore, are subject to material change or variation. Prospective purchasers may not rely upon the financial projections, as they are illustrative only. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

In this Offering Memorandum, certain documents, including financial information, are described in summary form and do not purport to be complete or accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to review independently all documents.

This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by Bull Realty Inc. or the current Owner/Seller. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner/Seller expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any party at any time with or without notice. Owner/Seller shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or waived. The Seller reserves the right to move forward with an acceptable offer prior to the call for offers deadline.

This Offering Memorandum may be used only by parties approved by the Owner. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it if requested and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Bull Realty, Inc. or Owner/Seller. The terms and conditions set forth above apply to this Offering Memorandum in its entirety and all documents, disks and other information provided in connection therewith.

*Listing broker is one of the owners of the Subject Property.

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") is made and agreed to for the benefit of the undersigned party ("Receiving Party"), the owner of the subject property (the "Seller") and undersigned broker Bull Realty Incorporated ("Broker").

Now therefore in consideration of the privileges granted to Receiving Party with respect to receiving certain confidential information, and other good and valuable consideration, the Receiving Party hereby agrees to the following:

I. Confidential Information:

Receiving Party will receive confidential information regarding property referred to as 523 4th Avenue, Red Bay, AL 35582. Prospect agrees to not disclose to any person that the property may be available for sale or lease, or that discussions or negotiations are taking place concerning the property, nor any terms, conditions, or OTHER facts with respect to the property, including but not limited to tenant information, lease rates, lease expirations, income and expenses, and any such possible purchase, including the status thereof. The term "person" used in this agreement shall be interpreted broadly and shall include, without limitation, any corporation, company, partnership or individual other than parties to which Broker approves in writing. Receiving Party may share information with directors, officers, employees, agents, affiliates, counsel, lending sources, accountants or representatives of Receiving Party that Receiving Party notifies of the requirements of this Agreement. Receiving Party agrees to not contact the property owner, the management, the tenants, the lender, the vendors, the insurers, the employees or the customers of any business at the site.

II. Acting as a Principal:

Receiving Party hereby warrants that it is acting as a principal only, and not as a broker, regarding this contemplated transaction. Receiving Party acknowledges that Broker is working an agency capacity as representing the Seller only in this transaction and is the only Broker involved in this potential transaction. Receiving Party agrees to not be involved in any arrangement to lease or purchase the property, in whole or in part, as a lender, partner, buyer of the note, buy in foreclosure, buy from bankruptcy court, or in any other manner acquire an investment in, joint venture or control of the property, unless Broker is paid a commission at closing as per separate agreement with Seller.

This agreement will expire two years from the date hereof.

III. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of Alabama.

If you are a broker, or a principal desiring to include an outside broker, contact the listing agent directly for a Buyer and Buyer's Broker Confidentiality & Commission Agreement.

Accepted and agreed to this _____ day _____ of , 20__.

Receiving Party _____

Signature _____

Printed Name _____

Title _____

Company Name _____

Address _____

Email _____

Phone _____

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SIGN CONFIDENTIALITY
AGREEMENT ONLINE