



FAMILY DOLLAR

RELOCATION STORE | 2017 UPDATED PROTOTYPE (H2) | NEW ROOF INSTALLED IN 2020 WITH
20-YEAR WARRANTY | FRONT PARKING LOT RENOVATED IN 2024

1548 US-421, Harlan, KY 40831

OFFERING MEMORANDUM

Marcus & Millichap
PATEL YOZWIAK GROUP

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TENANT OVERVIEW



Family Dollar is an American variety store chain. With over 8,000 locations in 48 states. It was acquired by Dollar Tree in 2015 and its headquarters operations were moved from Matthews, a suburb of Charlotte, North Carolina, to Chesapeake, Virginia. In 2001, Family Dollar joined the S&P 500 stock market index. In 2002, the company joined the Fortune 500 list of largest publicly held companies. When it comes to delivering value on family essentials in a convenient neighborhood location, Family Dollar is THE one-stop shop! As one of the nation's fastest-growing retailers, they offer a compelling assortment of merchandise for the whole family. Families will find household cleaners, food, health and beauty aids, toys, apparel, home fashions, and more—all for everyday low prices. Many of their items are \$1 or less, and most items in the store are priced below \$10.

When it comes to delivering quality and value on family essentials in a convenient location, Family Dollar is THE place to shop. Their stores are conveniently located in neighborhoods, and often in “food deserts” where other stores choose not to locate, providing a convenient, close-to-home option where customers can shop for essentials. By locating stores in places where others won't, Family Dollar is improving the affordability and availability of essential goods. They're saving our customers time and money and helping them do more, even on a tight budget.

8,200+
LOCATIONS



48
STATES



59,300+
EMPLOYEES

New Chapter for Family Dollar: Acquisition Sets Stage for Future Expansion

Dollar Tree, Inc. has announced the sale of its Family Dollar business segment to investment firms Brigade Capital Management and Macellum Capital Management for approximately \$1.007 billion, marking the completion of a previously announced strategic review. Family Dollar will remain headquartered in Chesapeake, Virginia, and continue operations as a private company under its existing leadership. The sale is intended to unlock greater value for Dollar Tree shareholders while positioning Family Dollar for renewed growth and long-term success. Backed by experienced investors and a revitalized leadership team, Family Dollar is poised to strengthen its mission of delivering affordable and essential products to communities across the U.S. The transaction is expected to close in the second quarter of 2025, pending customary approvals.



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AERIAL



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AERIAL: EAST VIEW



INVESTMENT HIGHLIGHTS

INVESTMENT HIGHLIGHTS:

- Relocation from In-Line Store within the Market | 2017 Complete Renovation to H2 Model
- New Roof Installed in 2020 With 20 Year Warranty
- Front Parking Lot Renovated in 2024
- 2+ Years Remaining on Original 10 Year Double Net Lease | Minimal Landlord Responsibilities
- Four, Five-Year Options with Rental Increases in Each | Potential for Long Term Passive Income
- Lease is Corporately Guaranteed

TENANT HIGHLIGHTS:

- Family Dollar is Ranked #137 on the Fortune 500 list
- Family Dollar has 8,200+ Stores as of 2024
- Dollar Tree Announced in March 2025 That it Had Entered Into a definitive agreement to sell the Family Dollar business to Brigade Capital Management and Macellum Capital Management

LOCATION HIGHLIGHTS:

- County Seat Location | 26,300+ Residents in Harlan County | Demographics are a Strong Match for Family Dollar's Core Customer Base
- Located on Main Corridor of US 421 with Over 17,500 Vehicles Per Day | 85% of the Population Within 10-Miles Drives by the Subject Property Along US 421
- Major Tenants Nearby: Walmart, Food City, Goody's, Save A Lot, CVS, Hibbett Sports, Big Lots, McDonalds and More
- Located Near Harlan ARH Hospital With 145 Beds

LEASE AND OFFERING SUMMARY

LIST PRICE
\$995,000

CAP RATE
7.95%

PRICE/SF
\$78

PROPERTY DESCRIPTION

YEAR BUILT/RENOVATED:	1984/2017
GLA:	12,650-SF
LOT SIZE:	+/-1.80-AC
TYPE OF OWNERSHIP:	Fee Simple

LEASE ABSTRACT

TENANT:	Family Dollar
LEASE TYPE:	Double Net (NN)
GUARANTOR:	Corporate
LEASE START:	9/1/2017
LEASE EXPIRATION:	9/30/2027
YEARS REMAINING:	2+ Years
RENTAL INCREASES:	7% In Each Option
RENEWAL OPTIONS:	Four, 5-Year Options
LL RESPONSIBILITY:	Roof, Structure, Parking Lot Repair & Restriping
TENANT RESPONSIBILITY:	All Else

RENT SCHEDULE

START	END	ANNUALLY	MONTHLY	PSF	INCR.
9/1/2017	9/30/2027	\$79,062	\$6,588.50	\$6.25	-
OPTION 1	9/30/2032	\$85,387	\$7,115.63	\$6.75	7%
OPTION 2	9/30/2037	\$91,712	\$7,642.71	\$7.25	7%
OPTION 3	9/30/2042	\$98,037	\$8,169.80	\$7.75	7%
OPTION 4	9/30/2047	\$104,362	\$8,696.88	\$8.25	7%



MARKET SUMMARY

HARLAN, KY OVERVIEW



Harlan is a city in and the county seat of Harlan County, Kentucky. Harlan County is well known in folk and country music, having produced many prominent musicians. Although coal mining began much earlier, the first shipment of coal by railroad from Harlan County occurred in 1911 and coal production boomed thereafter. Settled at the foot of Kentucky's tallest peak and steeped in coal history, the Tri-City area of Harlan County has mastered a blend of historical reflection and modern entrepreneurship.

Mining employment in Harlan County rose to 13,619 in 1950. The number of employed miners had declined to 764 by June 2016. As of 2018 new jobs are being located in the county as Teleworks USA has opened a hub in the city of Harlan. This has provided over 200 new jobs as of April 2018 SEKRI, located in the Blair community near the city of Cumberland, also announced expansions and added an additional 100 jobs in March 2018.

Downtown Harlan has undergone a revitalization effort for several years and currently offers unique boutiques as well as local restaurants, each exhibiting eclectic flavors and Appalachian spirit. Downtown is a grid pattern and making it an easy walk throughout the city where you can immerse yourself in culture, murals, shops, and cafes.

Steeped in Appalachian culture and surrounded by the influence of coal, Harlan County has amassed an interesting reputation and national attention with rest of the world. Visit and take a step back in time to learn more about how Harlan County helped build a nation.



Harlan County State Park



Downtown Harlan

DEMOGRAPHIC REPORT

POPULATION	3 Miles	7 Miles	10 Miles
2028 Projection	6,548	14,722	20,152
2024 Estimate	6,644	14,896	20,377
2020 Census	6,606	14,830	20,309
2010 Census	6,990	16,105	22,189
Daytime Population	7,481	13,383	16,569
HOUSEHOLD INCOME	3 Miles	7 Miles	10 Miles
Average	\$53,372	\$49,346	\$47,819
Median	\$39,434	\$36,626	\$36,316
Per Capita	\$23,470	\$21,271	\$20,472
HOUSEHOLDS	3 Miles	7 Miles	10 Miles
2028 Projection	2,879	6,292	8,568
2024 Estimate	2,880	6,280	8,538
2020 Census	2,884	6,268	8,501
2010 Census	2,862	6,513	8,864
HOUSING	3 Miles	7 Miles	10 Miles
Median Home Value	\$151,330	\$111,424	\$99,707
EMPLOYMENT	3 Miles	7 Miles	10 Miles
2024 Unemployment	2.25%	2.04%	2.10%
Avg. Time Traveled	19	22	25
POPULATION PROFILE	3 Miles	7 Miles	10 Miles
High School Graduate (12)	30.33%	33.63%	36.01%
Some College (13-15)	19.03%	19.89%	19.62%
Associate Degree Only	11.78%	10.82%	10.02%
Bachelor's Degree Only	8.12%	5.70%	5.10%
Graduate Degree	9.38%	6.05%	5.17%

MAJOR EMPLOYERS	EMPLOYEES
1 Appalchian Rgnal Halthcare Inc-Harlan Arh Hospital	210
2 K-Va-T Food Stores Inc	70
3 K-Va-T Food Stores Inc-Food City 437	70
4 Walmart Inc-Walmart	63
5 Dairy Queen of Baxter Inc-Dairy Queen	50

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