



3110 Kendall Drive,
Florence, AL 35630

**Industrial
Investment Opportunity**

Offering Memorandum



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listings@matthews.com
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Table of Contents

04 | Property Overview

06 | Financial Overview

15 | Tenant Overview

16 | Market Overview

Property Overview

US LBM

3110 Kendall Dr, Florence, AL 35630



Investment Highlights

Strong Corporate Tenant — Nationally Recognized Industry Leader

The Lease Guarantor, US LBM Holdings, LLC is one of the nation's largest building materials distributors, serving professional builders, remodelers, and contractors. This facility is US LBM's only location in Alabama and operates as the company's primary door manufacturing hub for the Southeast, with distribution spanning nationwide. US LBM generated \$8.2 billion in revenue in 2024, underscoring the financial strength and long-term stability of the tenancy.

Long-Term Industrial NNN Lease / Predictable Income

The tenant recently exercised its renewal option, leaving five years remaining on the base term with two additional five-year options. The Industrial NNN lease includes 10% rent escalations every five years, providing built-in inflation protection. Current rent of \$3.87/SF represents an attractive, market-aligned basis, offering investors a passive, reliable income stream.

Highly Functional Manufacturing Facility with Outdoor Storage

The ±161,500 SF facility sits on ±15.95 acres with 23.24% building coverage, allowing ample outdoor storage and operational flexibility. The property features seven dock-high doors and newly constructed office space being built out by the tenant. This mission-critical site supports high-throughput manufacturing and distribution operations across the Southeast.

Attractive Basis in Established Industrial Corridor

Offered at \$51/SF on the building, the property presents a compelling entry point below replacement cost. Located in Florence, AL near Huntsville, the site is in a dense industrial corridor with major regional operators like Ryder, Coca-Cola, Dal-Tile, and Scholastic. Limited modern supply and strong tenant demand position the property as a stable, long-term investment with upside potential.



Financial Overview

US LBM

3110 Kendall Dr, Florence, AL 35630



Financial Overview

Property Summary	
Tenant	Darby Doors, LLC
Guarantor	US LBM Holdings, LLC
Address	3110 Kendall Dr, Florence, AL 35630
MSA	Florence-Muscle Shoals, AL

Deal Summary	
Total Building SF	±161,500 SF
Lot Size (AC)	±15.95 AC
Lot SF	±694,782 SF
Building/Lot Coverage	23.24%
Clear Height	±30'
Grade Level Doors	Four (4)
Dock High Doors	Seven (7)
Construction	Steel & Metal
Years Built / Renovated	1985 & 2007 / 2021
Zoning	Light Manufacturing/Industrial (I-1)

Financial Summary	
Price	\$8,250,000
Cap Rate	7.57%
Price/SF	\$51.07
Price/SF Land	\$11.87

Lease Summary	
Lease Commencement	1/4/2016
Lease Expiration	1/3/2031
Lease Term Remaining	±4.75-Years
Options	Two, 5-Year Options @ 10% Increases
Monthly Rent	\$52,030
Annual Rent	\$624,360
Rent/SF	\$3.87
Rent/SF Land	\$0.90
Rental Increases	Flat Base Term 10% Increases Every 5-Years
Lease Type	Industrial NNN
Tenant Responsibilities	Taxes, Insurance, Utilities, CAM, Roof Maintenance (up to \$6k)
Landlord Responsibilities	Roof, Structure, Paving, HVAC, Mechanical, Plumbing, Electrical

Annualized Operating Data

TERM	ANNUAL RENT	MONTHLY RENT	RENT / SF	RENT / SF LAND	% INCREASE	CAP RATE
1/4/2026-1/3/2027	\$624,360	\$52,030	\$3.87	\$0.90	10.00%	7.57%
1/4/2027-1/3/2028	\$624,360	\$52,030	\$3.87	\$0.90		7.57%
1/4/2028-1/3/2029	\$624,360	\$52,030	\$3.87	\$0.90		7.57%
1/4/2029-1/3/2030	\$624,360	\$52,030	\$3.87	\$0.90		7.57%
1/4/2030-1/3/2031	\$624,360	\$52,030	\$3.87	\$0.90		7.57%
One, 5-Year Option @ 10% Increase						
1/4/2031-1/3/2032	\$686,796	\$57,233	\$4.25	\$0.99	10.00%	8.32%
1/4/2032-1/3/2033	\$686,796	\$57,233	\$4.25	\$0.99		8.32%
1/4/2033-1/3/2034	\$686,796	\$57,233	\$4.25	\$0.99		8.32%
1/4/2034-1/3/2035	\$686,796	\$57,233	\$4.25	\$0.99		8.32%
1/4/2035-1/3/2036	\$686,796	\$57,233	\$4.25	\$0.99		8.32%
One, 5-Year Option @ 10% Increase						
1/4/2036-1/3/2037	\$755,476	\$62,956	\$4.68	\$1.09	10.00%	9.16%
1/4/2037-1/3/2038	\$755,476	\$62,956	\$4.68	\$1.09		9.16%
1/4/2038-1/3/2039	\$755,476	\$62,956	\$4.68	\$1.09		9.16%
1/4/2039-1/3/2040	\$755,476	\$62,956	\$4.68	\$1.09		9.16%
1/4/2040-1/3/2041	\$755,476	\$62,956	\$4.68	\$1.09		9.16%



Exterior Photos



Exterior Photos



Interior Photos





Starkey Dr



Subject Property



Kendall Dr



Subject Property

Kendall Dr

Starkey Dr



Tenant Overview

Year Founded
2009

Headquarters
Atlanta, GA

Ownership Status
Private

Employees
15,000+

Locations
460+

Parent Companies
**Platinum Equity/
Bain Capital**

Annual Revenue
\$8.2 Billion



Tenant Overview

US LBM is a leading distributor of specialty building materials in the United States. Headquartered in Atlanta, Georgia, the company operates over 460 locations nationwide, supplying builders, remodelers, and contractors with everything from framing and roofing to windows, doors, and cabinetry. Combining local expertise with national scale, US LBM delivers innovative solutions to support residential and commercial construction projects.

Why Invest in US LBM?

- **Financial Strength:** Consistent revenue growth with annual sales exceeding \$8 billion, supported by a solid financial foundation and diverse customer base.
- **Extensive Scale and Reach:** Operates more than 460 locations nationwide, giving US LBM a strong presence in a fragmented building materials market and delivering cost and service advantages.
- **Credit Profile with Growth Potential:** Holds speculative-grade credit ratings with a stable outlook, supported by steady cash flows and market demand for building products.
- **Growth Through Acquisitions and Organic Expansion:** Demonstrates a proven strategy of acquiring local market leaders and expanding product offerings, while also driving organic growth through innovation and service.
- **Strong Brand and Market Leadership:** Recognized as a top U.S. distributor of specialty building materials, US LBM combines national resources with local expertise, serving as a trusted partner for builders, remodelers, and contractors.

Market Overview

US LBM

3110 Kendall Dr, Florence, AL 35630



Florence-Muscle Shoals, AL

Market Demographics



Local Market Overview

The Florence / Shoals region has exhibited steady moderate growth in population and household income, supporting continued demand for logistics and light industrial uses. The area serves as a regional distribution node in northwest Alabama, with proximity to major arterial highways and access to the Tennessee River system creating favorable transportation linkages.

Within the immediate submarket around Kendall Drive, nearby highway volumes and traffic counts along arterial routes connect to US-72 and regional corridors, enhancing visibility and accessibility for industrial users. The gradual densification of employment and manufacturing around Florence has pushed new industrial projects toward infill and redevelopment sites. As large distribution users increasingly seek supply chain efficiency, this submarket benefits from its cost advantages vs major metros while still maintaining solid infrastructure and labor pool support.

Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2020 Population	20,337	46,612	96,537
2025 Population	19,377	47,816	99,052
2030 Population Projection	20,170	50,350	103,826
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
2020 Households	9,279	20,230	41,507
2025 Households	8,754	20,305	42,075
2030 Household Projection	9,105	21,362	44,070
INCOME	3-MILE	5-MILE	10-MILE
Avg Household Income	\$72,676	\$62,441	\$66,086

Economic Drivers

Florence / The Shoals region is a key manufacturing, distribution, and logistics hub in northwest Alabama.

Strategically located at the intersection of U.S. highway corridors and the Tennessee River system, with rail and river access supporting multimodal logistics.

Economic Drivers

Florence is anchored by manufacturing, healthcare, education, and river port operations. The University of North Alabama provides a talent pipeline and R&D collaboration for the region. The Tennessee Southern Railroad and the Port of Florence on Pickwick Lake support industrial and bulk movement. The region also benefits from its position between Huntsville and Memphis corridors, making it a lower-cost alternative for distribution users.

±70 Miles
Distance to Huntsville

Primary Industries

- Manufacturing & metal fabrication
- Distribution / logistics
- Healthcare & life sciences
- Education & institutional services
- River / marine trade

Top Employers

- University of North Alabama
- Regional hospitals / health systems
- Major local manufacturers
- Lauderdale County / municipal government
- Transportation / utilities

Recent Developments

- Road widening and improvements of US-72 and corridor connectors
- Upgrades to the Patton Island Bridge connecting Muscle Shoals—Florence
- Port / river terminal enhancements at Pickwick Lake
- Expansion of industrial parks and speculative shell development



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