

# Business Profile on Agree Realty Corporation (ADC)

## Origin of Agree Realty Corporation (ADC)

Agree Realty Corporation (ADC) was founded in (year) by (founders' names) with the vision of (vision or mission of the company). The founders had a background in (industry or expertise), which provided them with the necessary knowledge and experience to start the company.

The catalyst for starting Agree Realty Corporation was (reason or motivation for starting the company). The founders saw an opportunity in the market for (specific niche or need that the company aimed to fulfill).

Despite their determination, the founders faced obstacles such as (challenges or difficulties encountered in the early stages of the company). However, they persevered and continued to work towards their goal.

The level of funding the founders received initially was (amount in dollars), which was used to (purpose of funding, e.g., develop the company's infrastructure, hire employees, etc.). Over time, the company was able to secure additional funding through (investors or financing sources).

Agree Realty Corporation is located in (headquarters location), and has since grown to become (size or scale of the company, e.g., a national real estate investment trust with a diverse portfolio of properties).

## Agree Realty Corporation (ADC) Stats:

Below is a detailed table of key statistics about Agree Realty Corporation (ADC):

Aspect	Statistic
Founded	1971
Headquarters	Bloomfield Hills, Michigan, USA
CEO	Joey Agree
Market Cap	\$5.8 billion
Revenue	\$309.6 million (2020)

Net Income	\$71.3 million (2020)
Number of Properties Owned over 1000	
Property Types	Retail, Distribution Centers, Office Buildings
Revenue Streams	Triple-net leases, Percentage rent agreements
Geographic Focus	Primarily USA, with a focus on top MSAs
Dividend Yield	3.67%
Employees	Approximately 50

Agree Realty Corporation (ADC) is a well-established real estate investment trust (REIT) with a strong presence in the retail sector. The company's financials showcase steady revenue growth and a solid net income, highlighting its stable business operations. With a diverse portfolio of properties across different types and revenue streams, ADC maintains a robust market cap, positioning itself as a key player in the real estate industry. Led by CEO Joey Agree, the company's strategic focus on top metropolitan areas in the USA fuels its growth and success.

Business Plan Artwork

## Leadership of Agree Realty Corporation (ADC)

Agree Realty Corporation (ADC) is led by a team of experienced professionals who are driving the company towards continued growth and success in the real estate industry.

Position	Name	Background	Objectives
Chairman & CEO	Joel Agree	Joel Agree has been with Agree Realty Corporation since 1994 and has a strong background in real estate and finance.	Joel's primary objective is to lead the company in strategic decision-making, focusing on long-term growth and maximizing shareholder value.
President & COO	Richard Agree	Richard Agree joined the company in 2006 and has extensive experience in real estate development and acquisitions.	Richard's main goal is to oversee the operations of the company, drive expansion through new acquisitions, and enhance the company's property portfolio.

Position	Name	Background	Objectives
CFO	Clay Thelen	Clay Thelen has a background in finance and accounting, bringing over 15 years of experience to his role at ADC.	Clay is focused on maintaining financial stability, optimizing capital structure, and supporting the company's growth strategies through sound financial management.

Under the leadership of Joel Agree, Richard Agree, and Clay Thelen, Agree Realty Corporation aims to continue its trajectory of success by expanding its real estate portfolio, delivering value to its shareholders, and strategically positioning itself in the market for long-term sustainability.

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## Key Moments in the History of Agree Realty Corporation (ADC)

- 1971: Agree Realty Corporation is founded
- 1994: The company goes public with an IPO
- 2000: ADC acquires its first portfolio of properties
- 2010: ADC completes its conversion to a REIT (Real Estate Investment Trust)
- 2012: The company reaches \$1 billion in total assets under management
- 2017: Agree Realty expands its portfolio with the acquisition of new properties
- 2020: ADC navigates the challenges of the COVID-19 pandemic and continues its growth strategy

## Historical Analysis of Agree Realty Corporation (ADC) Stock Performance

Agree Realty Corporation (ADC) is a real estate investment trust (REIT) that specializes in acquiring and developing properties for retail tenants. Over the years, the company's stock performance has been influenced by various market events and internal changes.

### Key Years Analysis:

- **2004-2008:** During this period, Agree Realty Corporation (ADC) experienced steady growth in its stock price, driven by a strong portfolio of retail properties and successful lease agreements with tenants. The company also implemented a dividend program, which attracted investors seeking stable income.
- **2009-2012:** The global financial crisis in 2008 had a significant impact on the real estate market, including REITs like Agree Realty Corporation. The stock price experienced a dip during this period as consumer spending declined, leading to challenges in the retail sector.
- **2013-2015:** Agree Realty Corporation underwent a strategic shift in its portfolio by focusing on acquiring properties in high-demand locations with strong retail tenants. This restructuring effort led to an increase in the company's stock price as investors were optimistic about the new direction.
- **2016-2019:** The company saw continued growth in its stock price as it expanded its portfolio and maintained a consistent dividend program. Agree Realty Corporation also announced several acquisitions and lease agreements with major retail brands, further boosting investor confidence.
- **2020-Present:** The outbreak of the COVID-19 pandemic in 2020 had a mixed impact on Agree Realty Corporation's stock performance. While the company's focus on essential

retail tenants helped mitigate some of the challenges, the overall uncertainty in the market led to volatility in the stock price.

## Major Events Impacting Stock Performance:

- **Acquisitions:** Agree Realty Corporation's strategic acquisitions of properties in high-demand locations have been positively received by investors, leading to an increase in the stock price.
- **Dividend Program:** The implementation of a stable dividend program by the company has attracted income-oriented investors and provided support to the stock price.
- **Market Conditions:** External factors such as economic downturns, industry trends, and global events have influenced Agree Realty Corporation's stock performance over the years.

## Conclusion:

Agree Realty Corporation's stock performance has been influenced by a combination of internal strategies, market conditions, and major events. The company's focus on acquiring properties in high-demand locations, maintaining a dividend program, and adapting to changing market dynamics have played a crucial role in shaping its stock value over the years.

Business Plan Artwork

## Agree Realty Corporation (ADC) Product and Service Offerings

Agree Realty Corporation primarily engages in the acquisition and development of properties net leased to industry-leading retail tenants. Essentially, ADC is a US-based Real Estate Investment Trust (REIT) that deals in commercial real estate.

Their main offerings include:

- **Retail Real Estate Acquisition:** ADC acquires retail properties that are net leased to significant retailing companies across the United States, providing a consistent stream of rental income.
- **Real Estate Development:** ADC is actively involved in the development of retail and commercial properties that it then leases at lucrative terms to retailers, adding to its

property portfolio and rental income.

- **Retail Portfolio Management:** ADC manages a portfolio of retail properties across states, ensuring their maintenance, overseeing lease agreements, negotiating rent escalation clauses, and ensuring continual income for its investors.

The company's flagship offering essentially revolves around its management and investment in properties net leased to industry-leading retail tenants, thus offering predictable and stable cash inflows, making it appealing for investors seeking regular income through dividends.

## Breakdown by Revenue Streams

ADC's revenue streams largely fall into three categories:

- **Rental Income:** The main source of income for ADC is rental receipts from its vast array of retail properties that are net leased to corporate giants.
- **Property Sales:** ADC occasionally sells off properties and realizes gains on these sales, contributing to its revenues. However, it's secondary to their rental income stream.
- **Fees and Other Income:** This stream involves fee income from managing retail properties along with other miscellaneous income sources such as interest income, late fees, etc.

## Financial Prospects

The company's properties are primarily leased to industry leaders in the retail sector, which allows the company to maintain a high occupancy rate and steady rental income. ADC's growth strategy emphasizes on acquiring retail store properties subject to long-term net leases with leading retailers.

ADC's financial prospectus highlights its strong balance sheet, underlined by minimal debt levels, significant liquidity, and strong cash flows when compared to its industry counterparts. This positions the company well to meet any financial obligations and take on growth-enhancing initiatives.

## Estimated Annual and Lifetime Earnings, Expenses, and Profit

Specific financial numbers may vary each fiscal year owing to the property market dynamics, ADC's strategic decisions, economic conditions, and other factors. As of 2020, ADC's annual revenue was approximately \$214 million.

Based on available financial information and considering its revenues, operational expenses, interest costs, etc., ADC's net earnings for Fiscal Year 2020 were approximately \$55 million. Historically, it has been a positive net income company.

Since ADC is publicly traded, returns to investors are in the form of dividends and capital appreciation. In 2020, dividends were \$2.36 per share (distributed monthly), contributing to a yield of around 4.5%.

Lifetime profit is hard to calculate without more specifics regarding the company's yearly operational, management, and development costs since its inception. However, with a strong portfolio of properties, stable revenue generation, and consistent performance, ADC's lifetime profits are likely robust. Further analysis would require a thorough inspection of the company's complete financial history.

## Expert Analysis of Agree Realty Corporation's Main Product

Agree Realty Corporation (ADC) primarily specializes in the development, acquisition, and management of retail properties across the United States. Their main product is the portfolio of retail properties they own and manage, which generates consistent rental income for the company.

Through in-depth analysis of Agree Realty Corporation's main product, several key points emerge:

- **Diversified Portfolio:** ADC's portfolio consists of a wide range of retail properties, including single tenant net lease properties, grocery-anchored centers, and power centers. This diversification helps mitigate risk and provides stability in their income streams.
- **Long-Term Leases:** The company typically enters into long-term leases with their tenants, which ensures a steady and predictable cash flow over an extended period. This long-term lease structure reduces the risk of vacancies and revenue fluctuations.
- **Location Strategy:** ADC strategically acquires properties in high-traffic areas with strong demographics, ensuring high occupancy rates and maximizing rental income. Their focus on location plays a vital role in the success of their retail properties.

- **Growth through Acquisitions:** Agree Realty Corporation has a history of growth through acquisitions, continuously expanding their portfolio to increase shareholder value. By acquiring new properties, they can diversify their holdings and tap into different markets and industries.

### Key Strengths

Stable and predictable cash flow from long-term leases

Diversified portfolio reducing risk exposure

Strategic location of retail properties

### Key Challenges

Vulnerability to economic downturns affecting retail sector

Competition from other real estate investment trusts (REITs)

Risks associated with tenant bankruptcies or lease defaults

Overall, Agree Realty Corporation's main product, its portfolio of retail properties, offers a stable investment opportunity with potential for growth through strategic acquisitions and meticulous property management.

## Agree Realty Corporation (ADC) Future Expectations

Agree Realty Corporation is positioned for continued growth and success in the future. Here are the company's expectations over the next 5, 10, and 20 years:

- **Next 5 Years:** In the next 5 years, Agree Realty Corporation expects to expand its real estate portfolio significantly by acquiring more properties in high-demand markets. They plan to focus on diversifying their tenant base and increasing rental income.
- **Next 10 Years:** Over the next decade, Agree Realty Corporation aims to solidify its position as a market leader in the retail real estate sector. They plan to explore new markets and opportunities for growth, while continuing to deliver value to their shareholders.
- **Next 20 Years:** Looking ahead 20 years, Agree Realty Corporation envisions a robust and sustainable real estate portfolio that generates steady income and long-term value. They anticipate being a trusted partner for tenants and investors, with a strong presence in key markets across the country.

## Public Sentiment about Agree Realty Corporation (ADC)

Based on a compilation of public sentiment from various sources, the general consensus about Agree Realty Corporation (ADC) is overwhelmingly positive.



- Investors view ADC as a reliable and stable real estate investment trust (REIT) with a solid track record of consistent performance.
- Analysts and experts commend ADC for its strategic focus on net lease retail properties and its strong tenant relationships.
- The company's financial stability, dividend growth, and consistent revenue growth are highlighted as key strengths by market observers.
- Many retail tenants express satisfaction with their leasing experiences with ADC, citing professional management and efficient communication.

Overall, the sentiment towards Agree Realty Corporation (ADC) is positive, reflecting confidence in its long-term prospects and operational excellence.