

# Family Dollar

Lewis Avenue & 14th Street, North Chicago, Illinois, 60064



*Representative Photo*

## OFFERING MEMORANDUM

EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap

# Table of Contents

## Financial Overview

- Investment Highlights & Overview
- Lease Summary
- Concept Overview

## Location Overview

- Location Highlights
- Location Overview
- Surrounding Aerial Map

## Demographics

- Population
- Income
- Employment





PRICE: \$1,763,371 | 6.35% CAP | RENT: \$111,974

PROPERTY DESCRIPTION

Property	Family Dollar
Property Address	1400 Lewis Avenue
City, State, ZIP	North Chicago, Illinois, 60064
Building Size (SF)	8,320
Lot Size (Acres)	+/- 0.90

THE OFFERING

Net Operating Income (NOI)	\$111,974
CAP Rate	6.35%
Purchase Price	\$1,763,371

LEASE SUMMARY

Property Name	Family Dollar
Property Type	Net Leased Discount Retailer
Ownership	Fee Simple
Tenant / Guarantor	Corporate
Lease Term	15 Years
Rent Commencement	March 31, 2018
Lease Expiration	March 31, 2033
Lease Term Remaining	15 Years
Lease Type	Triple-Net (NNN) Lease
Roof & Structure	Tena Responsible
Rental Increases	10% Every Five Years, Starting Year 11
Options to Renew	6, 5-Year Option Periods
Rental Increases in Options	10% Every Five Years, Starting Year 11

HIGHLIGHTS

- Corporate Guarantee | Proven E-Commerce Resilient Tenant
- Low Market Correlation | Recession-Proof Business Model
- Acquired by Dollar Tree for \$10 Billion in 2015
- Strong Brand Recognition | Nearly 8,000 Stores Under the Family Dollar Banner
- Recently Executed Triple-Net (NNN) Lease
- Attractive Rental Escalations | Ten Percent Every Five Years Starting In Year 11
- Six (6), Five (5)-Year Option Periods



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## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Family Dollar at the corner of Lewis Avenue and 14th Street in North Chicago, Illinois. The property consists of 8,320 square feet of building space and is situated on approximately 0.90 acres of land. This Family Dollar Property is subject to a 15-year triple-net (NNN) lease. The rent will commence on March 31<sup>st</sup>, 2018 and the current annual rent is \$111,974. The lease is subject to 10 percent rental increases every five years, starting in year 10. The increases will continue through the six, five-year tenant renewal option periods.

## TENANT SUMMARY

When it comes to getting value for everyday items for the entire family in an easy to shop, neighborhood location, Family Dollar is the best place to go. One of the nation's fastest growing retailers, Family Dollar offers a compelling assortment of merchandise for the whole family ranging from household cleaners to name brand foods, from health and beauty aids to toys, from apparel for every age to home decor, all for everyday low prices. While shoppers can find many items for \$1 or less, most items in the store are priced below \$10, which makes shopping fun without stretching the family budget.



### ANNUALIZED OPERATING DATA

Current Annual Rent \$111,974

Base Term Rental Escalations 10% Every Five Years,  
Starting Year 11

RENT SCHEDULE		
Lease Year	Annual Rent	Monthly Rent
Year 1	\$111,974	\$9,331
Year 2	\$111,974	\$9,331
Year 3	\$111,974	\$9,331
Year 4	\$111,974	\$9,331
Year 5	\$111,974	\$9,331
Year 6	\$111,974	\$9,331
Year 7	\$111,974	\$9,331
Year 8	\$111,974	\$9,331
Year 9	\$111,974	\$9,331
Year 10	\$123,171	\$10,264
Year 11	\$123,171	\$10,264
Year 12	\$123,171	\$10,264
Year 13	\$123,171	\$10,264
Year 14	\$123,171	\$10,264
Year 15	\$123,171	\$10,264
Option 1	\$135,489	\$11,291
Option 2	\$149,037	\$12,420
Option 3	\$163,941	\$13,662
Option 4	\$180,335	\$15,028
Option 5	\$198,369	\$16,531

CAP Rate 6.35%  
Purchase Price \$1,763,371

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As shoppers enter their neighborhood Family Dollar, they'll find great values on the name brands they trust in a clean, well-organized store staffed with friendly team members who are members of the local community. The average size of Family Dollar store is approximately 7,000 square feet, and more stores are operated in leased facilities. This relatively small footprint allows the Company to open new stores in rural areas and small towns, as well as in large urban neighborhoods. Within these markets, the stores are located in shopping centers or as free-standing building, and all are convenient to the Company's customer base.

Family Dollar offers a compelling mix of merchandise for the whole family. Ranging from an expanded assortment of refrigerated and frozen foods and health and beauty items to home décor and seasonal items, Family Dollar offers the lowest possible price the name brand and quality private-brand merchandise customers need and use every day.



**Get Low Prices,  
Every Day**



## Our Vision Is To Be:

The Best small-format value and convenience retailer serving the needs of customer in the neighborhoods we serve.

## For Customers:

Our customers work hard to provide for their families. Whether it's a full meal or a quick snack, household cleaners, a gift for a party or a treasure for the home, they know they can count on Family Dollar to stock their favorite brands and quality private brands they can trust.

## For Our Team Members:

Delivering a culture of customer service starts with a strong team. From stores to the distribution centers and to the Store Support Center, our Team Members are given opportunities to grow their careers with Family Dollar. After all, building strong teams is the cornerstone of being a compelling place to work.

## For Our Community:

In addition to offering quality merchandise at low prices, Family Dollar is committed to the communities we serve by supporting the non-profit organizations that seek to improve the quality of life for our customers and Team Members. Through a grassroots approach to giving, the FamilyHope Community Foundation aims to give back to organizations that help local families in need.

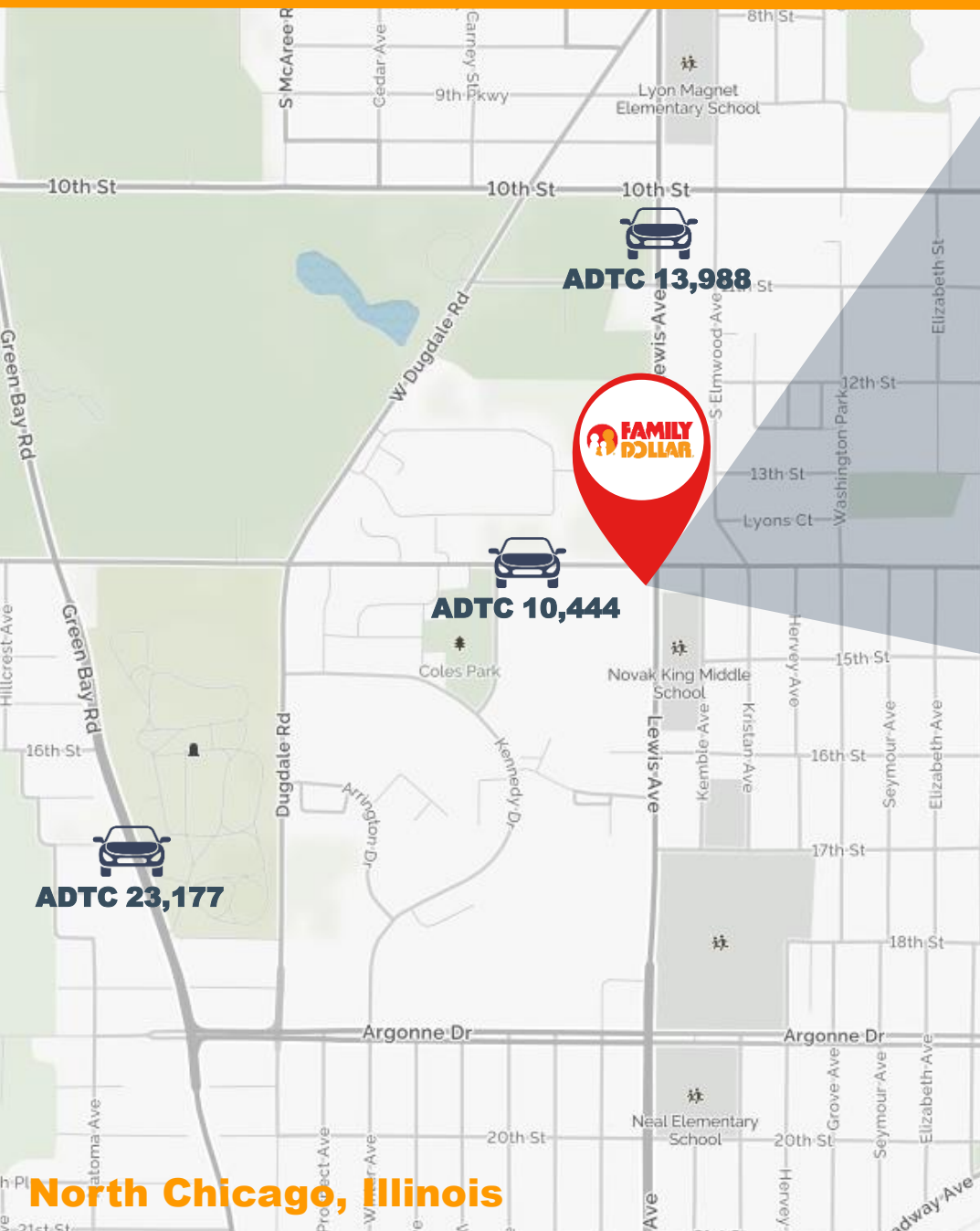
## HIGHLIGHTS

- Major National Tenants in Surrounding Area: Home Depot,
- AbbVie global operations headquarters | 1 Mile
- Amhurst Business Park | 452- Acres | 1.5 Miles
- Strong Demographics | Population Within a 5-mile Radius is More Than 149,000
- Traffic Counts | Lewis Avenue and 14<sup>th</sup> Street| 13,988 and 10,444 Vehicles per Day Respectively
- Less than 40 Miles From Downtown Chicago | 3<sup>rd</sup> Largest City in the United States

## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Naval Station Great Lakes	25,175
LSIS USA Inc	23,000
Curate Snacks	12,284
SCC Holding Company LLC	8,000
CDW Holdings LLC	6,900
Solo	6,400
Abbott Laboratories	5,215
Sun Gordmans LLC	5,007
Walgreens	4,345
Pregis LLC	4,000
Phosphate Resource Partners	2,972

\* Based on a 5-mile radius



**North Chicago, Illinois**



This Family Dollar is located at the corner of Lewis Avenue and 14th Street in North Chicago, Illinois. North Chicago is approximately 35 miles from downtown Chicago, which is the largest city in the state of Illinois and the third most populous city in the U.S., with approximately 2.7 million residents.

## Surrounding Retail and Points of Interest

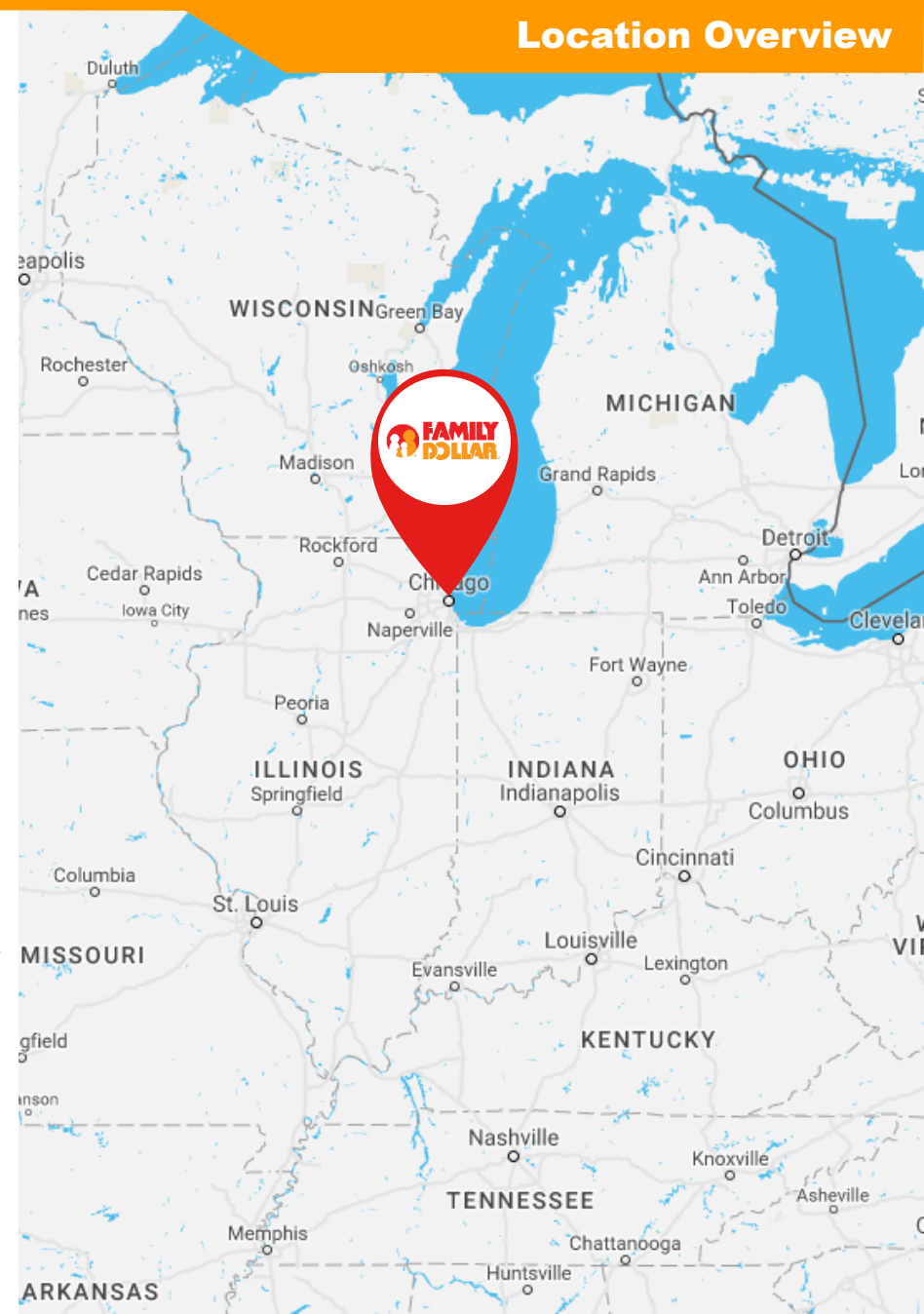
The subject property is strategically positioned within close proximity to a number of residential and business communities. The global operations headquarters of biopharmaceutical company AbbVie, Inc is just a mile down the road. This facility manufactures and packages finished drug product, outputting almost 3 billion solid dosages per year in total. A mile and half to the west lies the 452-acre Amhurst Business Park, which is home to businesses including Abbot Labs, Comcast and Cardinal Health. The five primary and secondary schools within a mile of this Family Dollar have a total combined enrollment of over 3,000 students.

## Traffic Counts and Demographics

North Chicago has approximately 149,252 individuals residing within a five-mile radius of the property and more than 371,824 within a 10-mile radius. The Family Dollar property is located on the corner of Lewis Avenue and 14<sup>th</sup> Street. Ashland Avenue has traffic counts of roughly 27,300 vehicles per day. The Family Dollar property is located approximately two miles west of Interstate-94, which has a average daily traffic count of 318,200 vehicles.

## Chicago, Illinois

Chicago is the third largest city in the United States as well as the county seat of Cook County. Located where the Chicago River meets Lake Michigan, Chicago is known as the "Windy City" due to the weather caused by the nearby bodies of water. Chicago is has the second largest business district in the nation and has the most balanced economy in the nation. Multiple Dow 30 companies are based in the Chicago Metropolitan Area, such as Boeing, Sears, Kraft, and McDonald's. Every year, over 50 million people visit the city. With two-time World Series winners the Chicago Cubs, the six-time Stanley Cup winning Chicago Blackhawks, and six-time NBA championship winning Chicago Bulls, the city has a tradition of excellence in all sports. Chicago is also home to several universities such as Northwestern University, University of Chicago, the Art Institute of Chicago, DePaul University, and several others with a combined total enrollment of over 60,000 students.



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Royal Foods



North Chicago Public Library

AJ Katzenmaier Elementary School

Neal Math & Science Academy

North Elementary School



Best Market



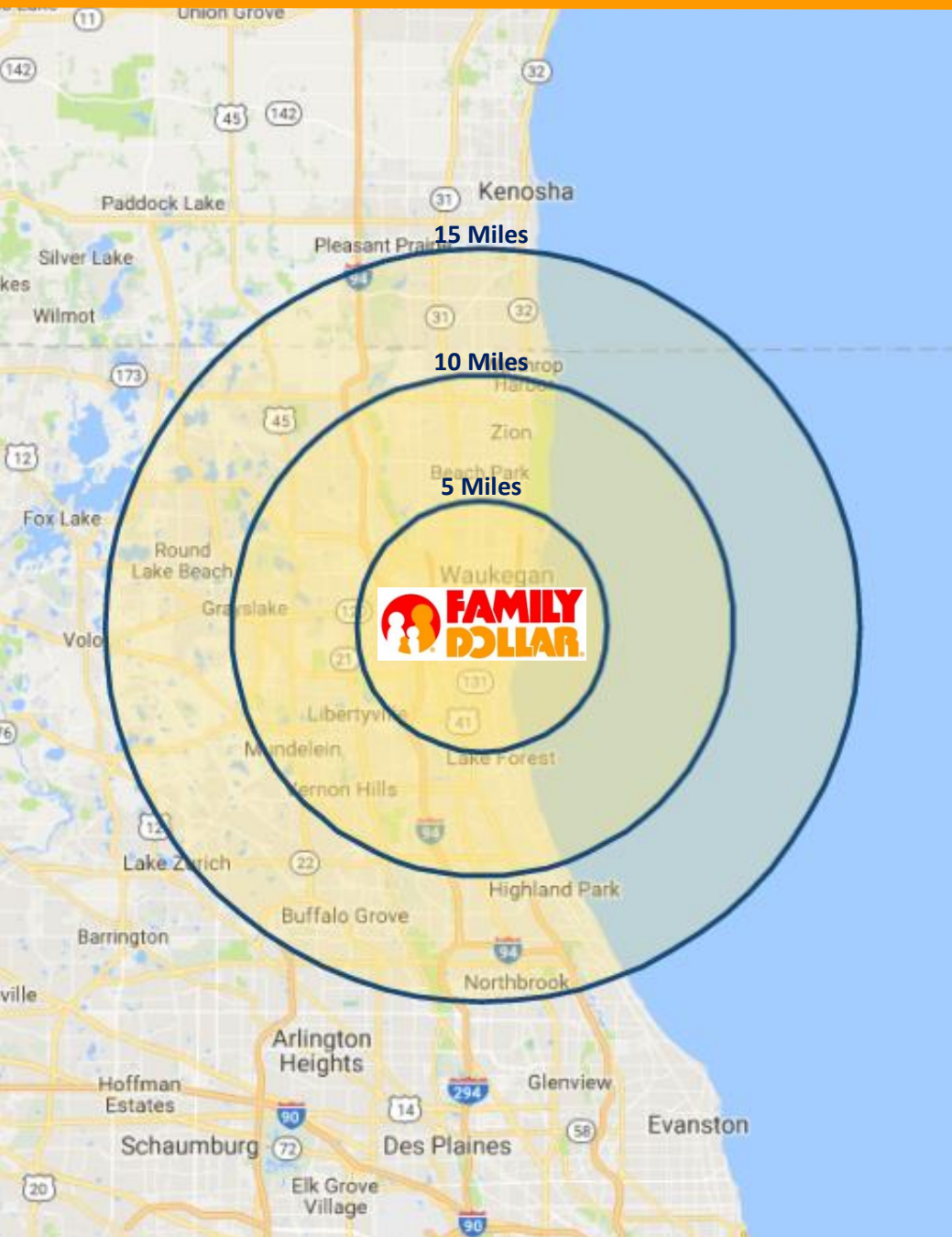
Novak-King Sixth Grade Center

North Chicago Community High School



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## Demographics



	5 Miles	10 Miles	15 Miles
<b>POPULATION</b>			
2021 Projection	148,247	380,282	745,599
2016 Estimate	149,252	371,824	717,238
2010 Census	151,491	373,305	714,067
2000 Census	157,337	359,761	664,925
<b>INCOME</b>			
Average	\$80,956	\$111,367	\$121,220
Median	\$51,173	\$71,114	\$79,590
Per Capita	\$26,097	\$37,940	\$42,413
<b>HOUSEHOLDS</b>			
2021 Projection	46,506	129,344	261,806
2016 Estimate	45,976	124,760	248,936
2010 Census	45,739	123,728	245,662
2000 Census	48,241	117,389	224,546
<b>HOUSING</b>			
2016	\$166,221	\$228,799	\$258,135
<b>EMPLOYMENT</b>			
2016 Daytime Population	159,399	413,527	757,949
2016 Unemployment	7.85%	6.23%	5.64%
2016 Median Time Traveled	28 mins	30 mins	32 mins
<b>RACE &amp; ETHNICITY</b>			
White	50.45%	64.09%	71.68%
Native American	0.09%	0.06%	0.05%
African American	18.67%	11.78%	7.20%
Asian/Pacific Islander	5.14%	7.46%	8.08%



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