

Family Dollar

24 South Third Street, Sand Lake, Michigan 49343



Representative Photo

OFFERING MEMORANDUM

EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap

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PRICE: \$1,281,897 | 6.75% CAP | RENT: \$86,528

PROPERTY DESCRIPTION

Property	Family Dollar
Property Address	24 South Third Street
City, State, ZIP	Sand Lake, Michigan, 49343
Building Size (SF)	8,320
Lot Size (Acres)	+/- 0.59

THE OFFERING

Net Operating Income (NOI)	\$86,528
CAP Rate	6.75%
Purchase Price	\$1,281,897

LEASE SUMMARY

Property Name	Family Dollar
Property Type	Net Leased Discount Retailer
Ownership	Fee Simple
Tenant / Guarantor	Corporate
Lease Term	15 Years
Rent Commencement	October 6, 2016
Lease Expiration	November 30, 2031
Lease Term Remaining	13 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant 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, Five-Year Option Periods



INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Family Dollar located at 24 South Third Street in Sand Lake, Michigan. The property consists of 8,320 square feet of building space and is situated on approximately 0.59 acres of land. This Family Dollar Property is subject to a 15-year triple-net (NNN) lease. The rent commenced on October 6th, 2016 and the current annual rent is \$86,528. The lease is subject to ten percent rental increases every five years, which will begin in Year 11. The rental increases will continue through the six, five-year tenant renewal options.

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 \$86,528

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

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent
Year 2	\$86,528	\$7,211
Year 3	\$86,528	\$7,211
Year 4	\$86,528	\$7,211
Year 5	\$86,528	\$7,211
Year 6	\$86,528	\$7,211
Year 7	\$86,528	\$7,211
Year 8	\$86,528	\$7,211
Year 9	\$86,528	\$7,211
Year 10	\$86,528	\$7,211
Year 11	\$95,181	\$7,932
Year 12	\$95,181	\$7,932
Year 13	\$95,181	\$7,932
Year 14	\$95,181	\$7,932
Year 15	\$95,181	\$7,932
Option 1	\$104,699	\$8,725
Option 2	\$115,169	\$9,597
Option 3	\$126,686	\$10,557
Option 4	\$139,354	\$11,613
Option 5	\$153,290	\$12,774
Option 6	\$168,619	\$14,052

CAP Rate 6.75%

Purchase Price \$1,281,897

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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 Tenants In Surrounding Area: Rosie's Ice Cream and More, Wesco, USPS, Independent Bank, Lake Street Station, and many others.
- Sand Lake Elementary School | Over 450 Students Enrolled
- Sand Lake | 30 Miles North of Grand Rapids | Second Largest City in Michigan



ADTC 5,023

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
SPECTRUM HEALTH	350
Meijer 248	327
McDonalds	265
Display Pack	250
Walmart	250
Heritage Management Group Inc	240
Wolverine World Wide Inc	233
Byrne	226
Family Fare	200
Unity Security & Safety	200
Federal-Mogul Powertrain Inc	180

** Based on a 5-mile radius*

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This Family Dollar is located at 24 South Third Street in Sand Lake, Michigan. Sand Lake is a village located in Kent County, Michigan. Kent County is located within the Grand Rapids—Wyoming, Michigan Metropolitan Statistical Area. Sand Lake is approximately 25 miles north of Grand Rapids, the second largest city in Michigan.

Surrounding Retail and Points of Interest

The subject property is strategically located on a central road within the town, and is the regions primary retailer. The Family Dollar location is conveniently located near several amenities such as the Kent District Library and Post Office. Additionally, several local businesses are in the immediate vicinity such as Wesco, Independent Bank, Lake Street Station, Rosie's Ice Cream, and several others. Sand Lake Elementary School is less than a mile away and has a total enrollment of over 450 students.

Traffic Counts and Demographics

Sand Lake has approximately 3,409 individuals residing within a three-mile radius of the property and more than 11,605 within a five-mile radius. The Family Dollar property is located on South Third Street, also known as Northland Drive. South Third Street has daily traffic counts of 5,023 vehicles. Nearby East Oak Street has traffic counts of 4,600 vehicles.

Grand Rapids, Michigan

Grand Rapids is the second largest city in Michigan, located in eastern part of the state along the Grand River. The city and surrounding communities are economically diverse, and have economies based in the health care, information technology, automotive, aviation, and consumer goods manufacturing industries, among others. In 2010, the city was named the "Most Sustainable Midsize City in the U.S." by the United States Chamber of Commerce Civic Leadership Center. Spectrum Health employs over 23,000 in the city. The city is home to a number of well-known companies that include: Bissell, Alticor/Amway, Highlight Industries, Spartan Stores, Meijer, GE Aviation, and Wolverine World Wide. The Gerald R. Ford International Airport sees 150 flights daily to 23 destinations across the United States and Canada.



Kent District Library

Lake Street Station Inc

Sand Lake Veterinary Services

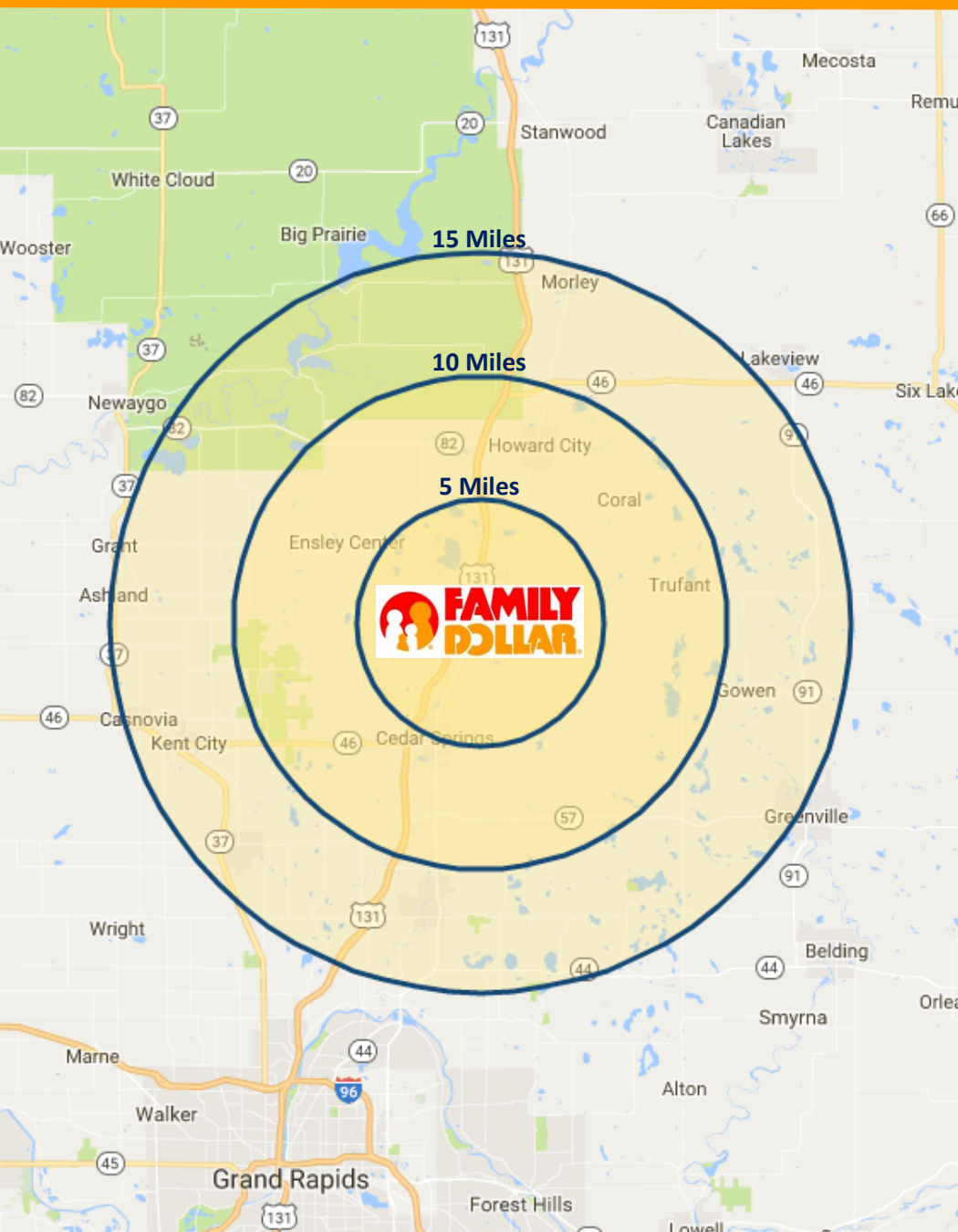


Rosie's Ice Cream and More

Sand Lake Elementary School



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POPULATION

	5 Miles	10 Miles	15 Miles
2021 Projection	12,612	47,200	129,420
2016 Estimate	12,009	44,171	122,832
2010 Census	11,531	42,398	118,194
2000 Census	10,291	36,084	105,128

INCOME

Average	\$59,708	\$67,371	\$72,492
Median	\$50,205	\$56,009	\$58,501
Per Capita	\$21,806	\$24,054	\$26,260

HOUSEHOLDS

2021 Projection	4,642	17,029	47,422
2016 Estimate	4,368	15,728	44,400
2010 Census	4,200	15,121	42,837
2000 Census	3,713	12,647	37,267

HOUSING

2016	\$136,086	\$157,496	\$163,294
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EMPLOYMENT

2016 Daytime Population	9,960	26,801	89,390
2016 Unemployment	5.71%	4.64%	4.40%
2016 Median Time Traveled	31 mins	33 mins	31 mins

RACE & ETHNICITY

White	95.63%	95.97%	95.51%
Native American	0.02%	0.02%	0.03%
African American	0.56%	0.50%	0.52%
Asian/Pacific Islander	0.35%	0.55%	0.68%

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