

OFFERING MEMORANDUM

407 W. HOPI DRIVE | HOLBROOK, AZ 86025



EXCLUSIVELY LISTED BY

JOSH BISHOP

VP & Director

Josh.Bishop@matthews.com
DIR (214) 692-2289
MOB (315) 730-6228
LIC # 688810 (TX)

CHAD KURZ

SVP & National Director

LIC # 01911198 (CA)

ARON CLINE

SVP & Senior Director

LIC # 01904371 (CA)

CALVIN SHORT

SVP & Senior Director

LIC # 01927216 (CA)

ALEXIS SUAREZ

Broker of Record

LIC # LC665320000 (AZ)



FAMILY DOLLAR®

LEASE & LOCATION

- Extremely healthy rent-to-sales ratio of 4.44%
- Strong reported store sales which are approaching percentage rent
- Tenant recently exercised their first option period with no landlord concessions
- Absolute NNN lease; Zero management responsibility
- Tenant pays Taxes, Insurance, and Maintenance direct (LL does NOT pay and submit for reimbursement)
- Proven location w/ long operating history: Tenant has successfully operated at this site since 2002
- Three, 5-Year options, all of which include a 5% rent increase
- The subject property sits just south of Route 66 which sees more than 15,600 vehicles daily
- Holbrook is located less than 125 miles east of Sedona, AZ

TENANT

- Investment grade credit tenant: Just upgraded to BBB- in March 2018
- Family Dollar was recently acquired by Dollar Tree, Inc. and is now considered to be the nation's largest small-box discount retailer
- Family Dollar & Dollar Tree have more than 13,000 location nationwide
- Both Family Dollar & Dollar Tree have plans to continue expanding over the next several years

FINANCIAL OVERVIEW



FINANCIAL OVERVIEW



LIST PRICE

\$886,908



CAP RATE

7.35%



TERM REMAINING

±4.00 Years

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Current - 12/31/2022	\$5,432.31	\$65,187.72	\$8.15	7.35%
Option 1 - 12/31/2027	\$5,703.93	\$68,447.16	\$8.56	7.72%
Option 2 - 12/31/2032	\$5,989.13	\$71,869.56	\$8.98	8.10%
Option 3 - 12/31/2037	\$6,288.59	\$75,463.08	\$9.43	8.51%

EXECUTIVE SUMMARY

Property Name	Family Dollar
Address	407 W. Hopi Drive Holbrook, AZ 86025
Year Built	2002
GLA	±8,000 SF
Lot Size	±35,903 SF

TENANT SUMMARY

Tenant Trade Name	Family Dollar
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NNN
Roof & Structure	Tenant Responsibility
Original Lease Term	15 Years
Lease Commencement Date	4/10/2002
Lease Expiration Date	12/31/2022
Term Remaining	4.00 Years
Increases	5% Every 5 Years
Options	Three, 5-Year Options

TENANT OVERVIEW



Parent Company Trade Name

Dollar Tree, Inc.



Headquartered

Matthews, North Carolina



No. of Locations

±8,000



Credit Rating

BBB-



Year Founded

1959

TENANT OVERVIEW

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 fashions, all for everyday low prices. While shoppers can find many items at \$1 or less, most items in the store are priced below \$10, which makes shopping fun without stretching the family budget.

GEOGRAPHIC OUTREACH

Family Dollar serves families in more than 8,000 neighborhoods in 46 states. Texas is its largest market with 1,027 stores, followed by Florida with 584 stores. The Dollar Tree merger with Family Dollar now creates a combined organization with sales exceeding \$22 billion annually with just under 15,000 stores across 48 states and five Canadian Provinces. The merger has allowed Family Dollar to grow offering broader, more compelling merchandise assortments, with greater values, to a wider array of customers.

STRATEGY

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.

SURROUNDING TENANTS



AREA OVERVIEW



HOLBROOK, AZ

Located along Historic Route 66 in northern Arizona in Navajo County, the city of Holbrook is a community rich in history with diverse landscapes and abundant outdoor recreation. The spirit of the wild west lives on in this city with its rodeos, evening hay-rides across the desert and country cookouts.

As the county seat of Navajo County, Holbrook is an excellent location for the distribution of products throughout the southwest. Principal industries in the county are tourism, coal mining, manufacturing, timber production, and ranching. Holbrook itself serves as the gateway to Petrified Forest National Park, which is named for its large deposits of petrified wood and fossils. Other nearby attractions consist of the Painted Desert, Homolovi State Park and the White Mountains.

5-MILE AREA DEMOGRAPHICS



4,882
POPULATION



1,618
HOUSEHOLDS



\$62,446
INCOME

SNOWFLAKE, AZ

Less than a half hour drive south of Holbrook, the town of Snowflake is a growing hub of activities for businesses and visitors. Stretching along the ever-flowing Silver Creek, Snowflake is central to many of the region's attractions, which range from prehistoric and native cultures to the north to the four-season forested White Mountains to the south. While its name implicates otherwise, the Snowflake community enjoys a mild year-round climate with less than ten inches of annual snowfall. At an elevation of 5,600 feet, the town looks across a sweeping plateau to distant mesas and mountain ranges.

The area houses Arizona's only pulp and paper mill, with other strong industries including agriculture, manufacturing, ranching and more. Opportunities for businesses to locate or expand in the region are unlimited. Snowflake itself has been appointed as an Enterprise Zone by the state of Arizona, allowing for businesses to gain a number of benefits for locating to the area. This has aided in the significant growth of Snowflake and its neighboring town Taylor, making them a strong influence in the economy of the northeastern section of the state.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **FAMILY DOLLAR** located at **407 W Hopi Dr Holbrook, AZ 86025 (“Property”)**. It has been prepared by Matthews Retail Advisors. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Retail Advisors expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Retail Advisors or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

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