



Offering Memorandum

FAMILY DOLLAR

Brookhaven, Mississippi

Marcus & Millichap

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR
MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

Marcus & Millichap



Table of Contents

PROPERTY DESCRIPTION

Investment Overview 9

Regional Map. 10

Aerial Photo 11

FINANCIAL ANALYSIS

Financial Overview. 16

DEMOGRAPHIC OVERVIEW

Demographic Summary 17



description

PROPERTY DESCRIPTION

Marcus & Millichap

FAMILY DOLLAR





Investment Overview

Marcus & Millichap is pleased to present the opportunity to acquire a double net leased Family Dollar in Brookhaven, Mississippi. The property consists of a freestanding, 8,320-square foot building that sits on approximately 1.13 acres of land. There are approximately 5.8 years remaining on the current lease term, with 10 percent rental escalations every five years in the options.

The subject property has excellent access and visibility on East Monticello Street, where traffic counts exceed 8,300 vehicles per day. Surrounding retailers in the immediate area include Piggly Wiggly, Dirt Cheap, Advance Auto Parts, Regal Theatres, Napa Auto Care Center, and many more.

Kosciusko is the county seat of Lincoln County, and is located approximately 60 miles south of Jackson, Mississippi. The Jackson, MS MSA has a population of 579,229, approximately one-fifth of Mississippi's population.

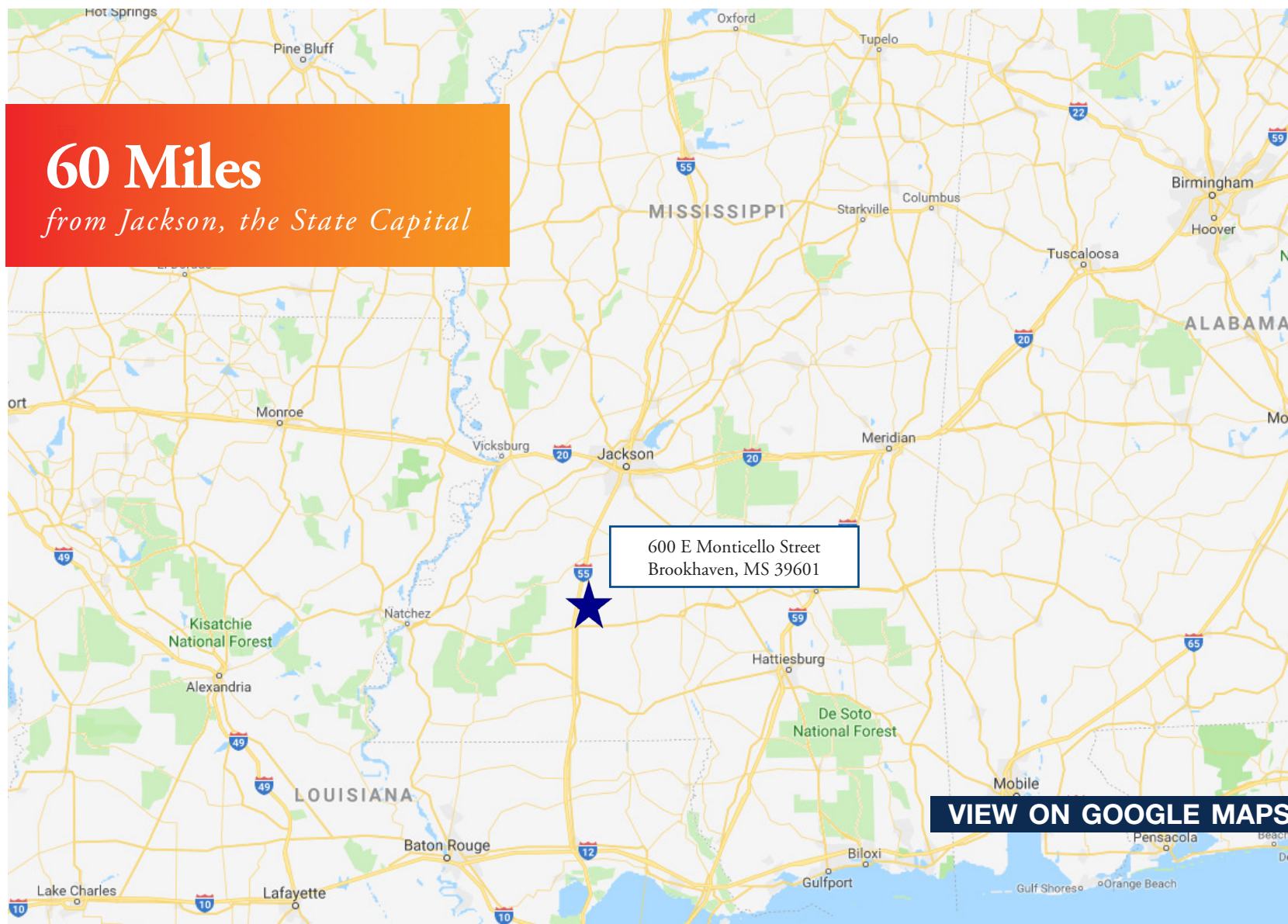
Headquartered in Chesapeake, VA, Dollar Tree, Inc. is the largest and most successful single-price-point retailer in North America, operating 13,000 stores (approximately 8,000 Family Dollars locations) across 48 contiguous U.S. states and five Canadian provinces, supported by a solid and scalable logistics network. Dollar Tree, Inc. acquired Family Dollar in 2015 for \$8.5 billion. Dollar Tree, Inc.'s credit rating was upgraded to Ba1 in March 2017, and then Baa3 in March 2018.



Investment Highlights

- Built in 2013 with Approximately 5.8 Years Remaining on Lease
- 9,026-Square Foot Building on Oversized 1.13-Acre Parcel
- Dollar Tree, Inc.'s Credit Rating was Upgraded to Ba1 in March 2017
- Surrounding Retailers in the Immediate Area Include Piggly Wiggly, Dirt Cheap, Advance Auto Parts, Regal Theatre, Napa Auto Care Center, and Many More

Regional Map



1.13 Acre
Oversized Parcel



Financial Overview

Location

600 E Monticello Street
Brookhaven, MS 39601

Price	\$924,000
Rentable Square Feet	8,320
Price/SF	\$111.06
CAP Rate	8.00%
Year Built	2013
Lot Size	1.13 Acres
Type of Ownership	Fee Simple

Tenant Summary

Tenant Name	Family Dollar
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Double Net
Roof and Structure	Tenant
Lease Term	10 Years
Lease Commencement Date	02/25/2013
Rent Commencement Date (Est.)	11/1/2013
Lease Expiration Date	06/29/2024
Term Remaining on Lease	5.8 Years
Increases	10% Every Five Years in Options
Options	Six, Five-Year

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Years 1-10	\$73,921.00	\$6,160.08
Years 11-15 (Option 1)	\$81,313.08	\$6,776.09
Years 16-20 (Option 2)	\$89,444.04	\$7,453.67
Years 21-25 (Option 3)	\$98,388.00	\$8,199.00
Years 26-30 (Option 4)	\$108,226.08	\$9,018.84
Years 31-35 (Option 5)	\$119,048.04	\$9,920.67
Years 36-40 (Option 6)	\$130,952.04	\$10,912.67
Base Rent (\$8.88/SF)		\$73,921.00
Net Operating Income		\$73,921.00
Total Return		8.00% / \$73,921.00



Tenant Overview



Tenant Trade Name	Dollar Tree Inc.
Ownership	Public
Sales Volume	\$8.6 Billion (2015)
Credit Rating	Baa3 (Increased on March 2018)
Rating Agency	Moody's
Stock Symbol	DLTR
Board	NASDAQ
Options to Terminate	None
Options to Purchase	None
First Right of Refusal	None
No. of Locations	Approximately 8,000 Family Dollars, and a Combined Total of 13,600 Stores
Headquartered	Chesapeake, VA
Web Site	www.familydollar.com
Years in the Business	59 Years

Headquartered in Chesapeake, VA, Dollar Tree, Inc. is the largest and most successful single-price-point retailer in North America, operating 13,000 stores (approximately 8,000 Family Dollars) across 48 contiguous U.S. states and five Canadian provinces, supported by a solid and scalable logistics network. Dollar Tree, Inc. acquired Family Dollar in 2015 for \$8.5 Billion. Dollar Tree, Inc.'s credit rating was increased to Ba1 in March 2017, and then Baa3 in March 2018.

FAMILY DOLLAR



Demographic Summary

Geography: 10 Miles

POPULATION	3-MILE	5-MILES	10-MILES
2000 Population	13,224	16,926	28,047
2010 Population	12,769	16,718	28,834
2016 Population	12,824	16,788	28,898
2021 Population	12,713	16,796	29,284
HOUSEHOLDS	3-MILE	5-MILES	10-MILES
2000 Households	5,099	6,481	10,444
2010 Households	4,888	6,406	10,826
2016 Households	4,838	6,345	10,733
2021 Households	4,837	6,404	10,971
2016 Average HH Size	2.51	2.55	2.60
2016 Daytime Population	18,835	21,328	30,667
INCOME	3-MILE	5-MILES	10-MILES
Median HH Income	\$33,060	\$35,353	\$38,988
Per Capita Income	\$19,975	\$20,216	\$20,282
Average HH Income	\$51,769	\$52,587	\$53,804

Population

In 2016, the population in your selected geography is 28,898. The population has changed by 3.03% since 2000. It is estimated that the population in your area will be 29,284 five years from now, which represents a change of 1.34% from the current year. The current population is 47.59% male and 52.41% female. The median age of the population in your area is 38.6 , compare this to the Entire US average which is 37.8. The population density in your area is 92.02 people per square mile.

Households

There are currently 10,733 households in your selected geography. The number of households has changed by 2.77% since 2000. It is estimated that the number of households in your area will be 10,971 five years from now, which represents a change of 2.22% from the current year. The average household size in your area is 2.60 persons.

Income

In 2016, the median household income for your selected geography is \$38,988, compare this to the \$Entire US average which is currently \$56,286. The median household income for your area has changed by 43.06% since 2000. It is estimated that the median household income in your area will be \$47,816 five years from now, which represents a change of 22.64% from the current year.

The current year per capita income in your area is \$20,282 , compare this to the \$Entire US average, which is \$30,982. The current year average household income in your area is \$53,804 , compare this to the \$Entire US average which is \$81,217.

Race and Ethnicity

The current year racial makeup of your selected area is as follows: 62.50% White, 35.67% Black, 0.03% Native American and 0.42% Asian/Pacific Islander. Compare these to Entire US% averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 1.21% of the current year population in your selected area. Compare this to the Entire US% average of 17.88%.

Housing

In 2000, there were 7,898 owner occupied housing units in your area and there were 2,545 renter occupied housing units in your area. The median rent at the time was \$283.

Employment

In 2016, there are 11,905 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 47.90% of employees are employed in white-collar occupations in this geography, and 52.03% are employed in blue-collar occupations. In 2016, unemployment in this area is 8.67% . In 2000, the average time traveled to work was 27.1 minutes.

Demographic data © 2016 by Experian.



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about Brokerage services to prospective buyers, tenants, seller and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH – INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with provide opinions and advice to, and carry out the instructions of each party to the transaction;
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o That the owner will accept a price less than the written asking price;
 - o That the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o Any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interest of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<u>Marcus & Millichap</u>
Licensed Broker/Broker Firm Name or Primary Assumed Business Name
<u>Tim Speck</u>
Designated Broker of Firm

<u>9002994</u>
License No.
<u>432723</u>
License No.

<u>tim.speck@marcusmillichap.com</u>
Email Address
<u>tim.speck@marcusmillichap.com</u>
Email Address

<u>972-755-5200</u>
Phone
<u>972-755-5200</u>
Phone

exclusively listed

Exclusively listed by:

Marcus & Millichap

OFFICES NATIONWIDE
www.marcusmillichap.com

Investment Sales:

Mickey Davis
Broker of Record
MEMPHIS OFFICE
Tel: (901) 620-3626
Fax: (901) 620-3610
MDavis@marcusmillichap.com
License: MS 15586

Ryan Wolf
Senior Associate
DALLAS OFFICE
Tel: (972) 755-5207
Fax: (817) 484-0111
RWolf@marcusmillichap.com
License: TX 622900

Vincent Knipp
Senior Vice President Investments
DALLAS OFFICE
Tel: (972) 755-5205
Fax: (817) 484-0111
VKnipp@marcusmillichap.com
License: TX 0579633