



OFFERING MEMORANDUM



2857 HWY 260 | HEBER-OVERGAARD, AZ

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EXECUTIVE OVERVIEW

A photograph of a Family Dollar retail store with a red tint overlay. The store is a single-story building with a red and white striped awning over the entrance. Several cars are parked in the lot in front of the store. The sky is blue with some clouds.

REPRESENTATIVE PHOTO

INVESTMENT HIGHLIGHTS

LEASE & LOCATION:

- Extremely rare Absolute NNN Family Dollar lease which was executed in 2005 (Zero management responsibility)
- Tenant recently completed a store remodel in the Fall of 2018 showing their commitment to the market and location
- Family Dollar just exercised an option period in January of 2019 with no landlord incentives (paid the 10% rent increase, which indicates a strong store)
- Three, 5-year extension options, all which include a 10% rent increase
- Ideal market for a discount retailer; this larger 9,180 SF model serves this market and surrounding area as the premier stop for convenience, affordable groceries and refrigerated goods
- Strategically located along Highway 260, a major east-west state highway in north-central Arizona
- Subject property is located 2 miles from Heber-Overgaard Unified School District and Mogollon High School

TENANT:

- Corporate guarantee from an strong investment grade credit tenant (S&P rated BBB-)
- 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 ±15,000 locations nationwide
- Family Dollar has unveiled plans to remodel well performing locations, this remodel to the subject property was completed in Fall 2018





FINANCIAL OVERVIEW

REPRESENTATIVE PHOTO



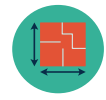
\$1,062,586

LIST PRICE



7.35%

CAP RATE



\$78,100

NOI



±9,180 SF

GLA



±1.00 AC

LOT SIZE



2005

YEAR BUILT

TENANT SUMMARY

Tenant	Family Dollar Stores, Inc
Property Address	2857 Hwy 260 Heber-Overgaard, AZ 85933
Roof	Tenant Responsibility
Options	Three, 5-Year Options
Original Lease Term	10 Years
Lease Type	NNN
Lease Guarantor	Corporate
Type of Ownership	Fee Simple
Years Remaining	± 4.80 Years
Lease Expiration	12/31/2023
Rent Commencement	1/1/2019
Lot Size	43,560 SF

ANNUALIZED OPERATING SUMMARY

	MONTHLY	ANNUAL	CAP
Current - 12/31/2022	\$6,508.34	\$78,100.08	7.35%
Option 2	\$7,159.17	\$85,910.04	8.08%
Option 3	\$7,875.09	\$94,501.08	8.89%
Option 4	\$8,662.59	\$103,951.08	9.78%



SURROUNDING TENANT MAP





TENANT OVERVIEW

REPRESENTATIVE PHOTO



COMPANY NAME

Dollar Tree, Inc.

OWNERSHIP

Public

YEAR FOUNDED

1959

INDUSTRY

Dollar Stores

HEADQUARTERS

Charlotte, NC

NO. OF LOCATIONS

±8,000

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 REACH

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 \$19 billion annually with more than 13,600 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.

AREA OVERVIEW

A wide-angle photograph of a city skyline at sunset. The sky is filled with large, billowing clouds in shades of orange, red, and pink. In the foreground, a multi-lane highway with a central median runs towards the city. The city skyline is visible in the background, featuring several tall buildings. The overall scene is bathed in the warm, golden light of the setting sun.

HEBER-OVERGAARD, AZ

Completely encircled by the Sitgreaves National Forest way up in the white mountains, charming Heber-Overgaard is home to spectacular hiking, fishing, and hunting. Cut loose or kick back – the choice is yours – in the high country of Heber-Overgaard.

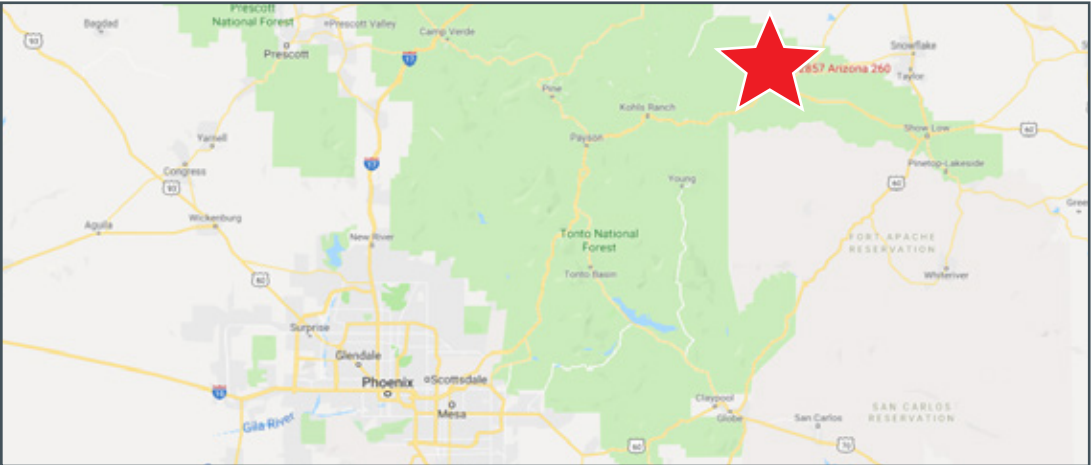
Breathe deeply: that’s the fragrance of pine in the air north of the Mogollon Rim. The neighboring towns of Heber-Overgaard boast of having more trails than roads, more trees than buildings, and more wildlife than people.

Bison Ranch Lodge, which recreates a typical town from the 1800s – updated for modern conveniences, of course – serves as a great base for your visit. A trio of lakes offers terrific boating and trout fishing.

Mild summer temperatures make Heber-Overgaard a popular getaway for Southwestern desert dwellers, but this four-season community really glows with the rich hues of fall foliage. The lively Oktoberfest is a fun introduction to the town.

It’s unlikely that you’ll tire of the scent of pine, but if you do, Windy Hills Lavender Farms is just 10 miles north. You can pick up natural soaps, bath salts, bug spray, and dog powder – sweet-smelling souvenirs of your trip.

The Heber-Overgaard Community is located just two and a half hours from the Phoenix area in the cool Ponderosa Pines of the Mogollon Rim and completely surrounded by the Sitgreaves National Forest. We are home to spectacular Hiking, Fishing, Hunting, ATV Trails, and an Abundant Wildlife. Mix in outstanding dining and shopping, RV communities and cabin rentals, with all the amenities of home the Heber-Overgaard Community is a great place to visit, shop, dine, play or even call home.



DEMOGRAPHICS

POPULATION	5-MILE	10-MILE	15-MILE
2010 Census	109	251	2,984
2019 Estimate	136	356	3,406
2024 Projection	150	392	3,624
Growth % 2019-2024	10.29%	10.11%	6.40%

HOUSEHOLDS	5-MILE	10-MILE	15-MILE
2010 Census	56	130	1,367
2019 Estimate	75	193	1,529
2024 Projection	85	216	1,615
Growth % 2019-2024	13.33%	11.92%	5.63%

INCOME	5-MILE	10-MILE	15-MILE
Average HH Income	\$73,667	\$65,477	\$51,766

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Family Dollar** located in **2857 Hwy 260 | Heber-Overgaard, AZ** ("Property"). It has been prepared by Matthews Real Estate Investment Services. 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 Real Estate Investment Services. 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 Real Estate Investment Services 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 Real Estate Investment Services 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.

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