



FAMILY DOLLAR

HOUSTON, TEXAS

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$1,872,000 | 6.75% CAP RATE

- » New 10-Year Net Lease with Scheduled Rental Increases
- » National Tenant with Strong Financials
- » High-Traffic Location Near Notable Retailers
 - » Convenient Access to U.S. Route 90 Alternate (92,032 AADT)
- » Rapidly Growing Area with Robust Demographics
 - » 312,892 Residents and Nearly 100,000 Daytime Employees Within Five Miles
- » Core Houston Location Within Second Loop
- » Close Proximity to Major Employment Centers and Cultural Amenities
- » New 2019 Construction



FILE PHOTO



Cushman and Wakefield Inc. LIC. # 00616335

This property is listed in conjunction with Texas-licensed real estate broker Delta Commercial.

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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**YURAS
AICALE
FORSYTH
CROWLE**

Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	13123 Hiram Clarke Road, Houston, Texas		
PRICE	\$1,872,000		
CAP RATE	6.75% return		
NOI	\$126,302		
TERM	10 years		
RENT COMMENCEMENT	March 1, 2019		
LEASE EXPIRATION	March 31, 2029		
RENTAL INCREASES	5% rental increases after Year 10 and every five (5) years thereafter		
	YEAR	RENT	RETURN
	1-10	\$126,302	6.75%
	11-15 (Option 1)	\$132,617	7.09%
	16-20 (Option 2)	\$139,248	7.44%
	21-25 (Option 3)	\$146,210	7.81%
	26-30 (Option 4)	\$153,521	8.20%
	31-35 (Option 5)	\$161,197	8.61%
	35-40 (Option 6)	\$169,257	9.05%
YEAR BUILT	2019		
BUILDING SF	8,320 SF		
PARCEL SIZE	0.91 acres (39,555 SF)		
LEASE TYPE	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding all exterior and structural portions of the building		

CORPORATE GUARANTEED NET LEASE

- » New 10-year lease with six five-year options
- » Guaranteed by Family Dollar Stores, Inc., owned by Dollar Tree, Inc. (NASDAQ: "DLTR")
- » Scheduled rental increases, providing a hedge against inflation

HIGH-TRAFFIC LOCATION NEAR NOTABLE RETAILERS

- » Excellent visibility and access to 19,495 vehicles per day directly in front of the property on Hiram Clarke Road
- » Convenient access to U.S. Route 90 Alternate (92,032 AADT)
- » Nearby retailers include CVS, Palais Royal, Fiesta Market, Popeyes, AutoZone, Advance Auto Parts, Home Depot, Rainbow, and Cricket Wireless, among others

RAPIDLY GROWING AREA WITH ROBUST DEMOGRAPHICS

- » Ideally located within the Southwest Houston/Missouri City submarket, one of the fastest growing areas of Houston, with some of the top selling master planned communities in the country
- » Core Houston location within Houston's second loop
- » 312,892 residents and nearly 100,000 daytime employees within a five-mile radius
- » The population within five miles of the property—which grew by 16.7% between 2010 and 2018—is expected to increase an additional 8.3% by 2023

NEAR MAJOR EMPLOYERS AND CULTURAL AMENITIES

- » Close to several of Houston's primary business districts, including downtown Houston, the Texas Medical Center, Uptown Houston, and Greenway/Upper Kirby
- » Near NRG Park, a 350-acre sports, convention, and entertainment complex that hosts over 500 events annually



FILE PHOTO

Harmony School
of Ingenuity
(587 students)

U.S. Route 90 Alternate
(92,032 AADT)

Lakeview RV Resort
(28 acres with 251 sites)

INDUSTRIAL AREA

INDUSTRIAL AREA

INDUSTRIAL AREA

Texas Medical Center
(106,000+ employees)

nrg park
(500+ events per year)



SPACE CITY
SELF STORAGE

Hiram Clarke Road (19,495 AADT)

FAMILY DOLLAR
my family, my family dollar.

VALERO



INDUSTRIAL AREA

Wildcat Golf Club

Brentwood Park

Hobby Elementary School
(875 students)

James Madison
High School
(1,850 students)



Hiram Clarke Road (19,495 AADT)

INDUSTRIAL AREA



Montgomery
Elementary School
(695 students)

James Madison
High School
(1,850 students)

Hobby Elementary School
(875 students)



Hiram Clarke Road (19,495 AADT)

INDUSTRIAL AREA



Billy Reagan K-8 Educational Center
(1,060 students)

Grissom
Elementary School
(529 students)

Lawson
Middle School
(1,036 students)

**DOLLAR
GENERAL**

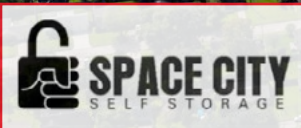
POPEYES

LOUISIANA KITCHEN

INDUSTRIAL AREA



FAMILY DOLLAR
my family, my family dollar.



Hiram Clarke Road (19,495 AADT)

INDUSTRIAL AREA



Lovett Elementary School and
Bellaire High School
(4,268 students)

UPTOWN HOUSTON
(9 miles)



INDUSTRIAL AREA

90 / U.S. Route 90 Alternate
(92,032 AADT)



Lakeview RV Resort
(28 acres with 251 sites)

INDUSTRIAL AREA



INDUSTRIAL AREA



Hiram Clarke Road
(19,495 AADT)



SITE PLAN



TENANT SUMMARY



Family Dollar Stores, Inc. operates a chain of variety stores in 48 states, providing consumers with a wide selection of merchandise in neighborhood stores. Family Dollar offers a focused assortment of merchandise in a number of core categories, such as health and beauty aids, packaged food and refrigerated products, home cleaning supplies, housewares, stationery, seasonal goods, apparel, and home decor.

Family Dollar is owned by Dollar Tree (NASDAQ: "DLTR"), a Fortune 200 company and the world's leading operator of \$1 price point variety stores. Dollar Tree operates more than 14,800 stores across the U.S. and Canada, has annual sales of over \$22 billion, and is rated "BBB-" by Standard and Poor's.

For more information, please visit www.familydollar.com.

TICKER	NASDAQ: "DLTR"	# OF LOCATIONS	14,800+
ANNUAL SALES	\$22.2B	S&P	"BBB-"

LEASE ABSTRACT

TENANT	Family Dollar Stores of Texas, LLC		
GUARANTOR	Family Dollar Stores, Inc.		
ADDRESS	13123 Hiram Clarke Road, Houston, Texas		
RENT COMMENCEMENT	March 1, 2019		
LEASE EXPIRATION	March 31, 2029		
RENEWAL OPTIONS	Six (6) five (5) year options		
RENTAL INCREASES	YEAR 1-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3) 26-30 (Option 4) 31-35 (Option 5) 35-40 (Option 6)	RENT \$126,302 \$132,617 \$139,248 \$146,210 \$153,521 \$161,197 \$169,257	RETURN 6.75% 7.09% 7.44% 7.81% 8.20% 8.61% 9.05%
REAL ESTATE TAXES	Tenant is responsible for real estate taxes.		
INSURANCE	Tenant is responsible for insurance.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance, excluding all exterior and structural portions of the building.		
MAINTENANCE BY LANDLORD	Landlord is responsible for maintaining all exterior and structural portions of the building.		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is strategically located on Hiram Clarke Road, with excellent visibility and access to 19,495 vehicles per day directly in front of the property. Hiram Clarke Road provides convenient access to U.S. Route 90 Alternate (92,032 AADT). Several notable retailers are located near the property, including CVS, Palais Royal, Fiesta Market, Popeyes, AutoZone, Advance Auto Parts, Home Depot, Rainbow, and Cricket Wireless, among others.

Ideally located within the rapidly developing Southwest Houston/Missouri City submarket, the property benefits from a large, steadily increasing customer base. The submarket is one of the fastest growing areas of Houston, with some of the top selling master planned communities in the country. Currently, 312,892 residents live within a five-mile radius of the property. The population within five miles of the property—which grew by 16.7% between 2010 and 2018—is expected to increase an additional 8.3% by 2023. The property is also close to major employment centers, including large industrial developments in the Southwest Houston/Missouri City submarket as well as several of Houston's primary business districts. As a result, nearly 100,000 daytime employees work within five miles of the property, further expanding Family Dollar's customer base.

ACCESS

Access from Hiram Clarke Road and interparcel access from Wuthering Heights Drive and Brookston Street

TRAFFIC COUNTS

Hiram Clarke Road:	19,495 AADT
U.S. Highway 90 Alternate:	92,032 AADT

PARKING

38 parking stalls, including one (1) handicap stall, and ample cross-access parking

YEAR BUILT

2019

NEAREST INTERNATIONAL AIRPORT

William P. Hobby Airport (HOU)



FILE PHOTO



38
PARKING
STALLS



2019
YEAR
BUILT



19K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
WILLIAM P. HOBBY
AIRPORT

AREA OVERVIEW

Houston is the fourth largest city in the United States and the largest city in Texas, with a population of 2.3 million people. Houston has a diverse and broad economic base in the health care, energy, aeronautics, and technology industries, and is home to the second most Fortune 500 companies in the U.S. Houston also has a strong international presence; the Port of Houston ranks first in the United States in international commerce and is the 13th busiest port in the world. More than 90 foreign governments have consular representation in Houston, and there are 35 active foreign chambers of commerce and trade associations in the city. Additionally, 19 foreign banks representing nine nations operate in Houston, providing financial assistance to the international community.

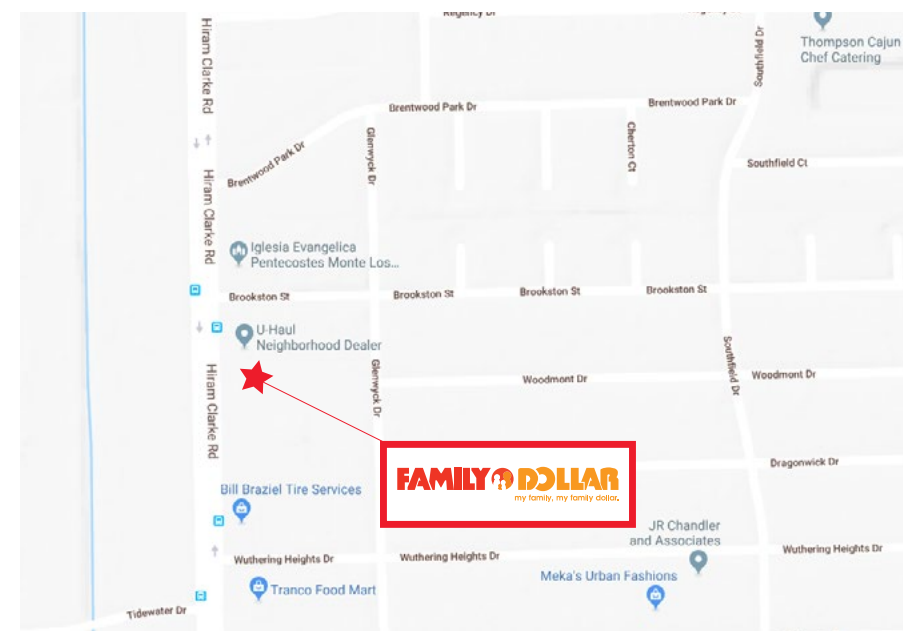
Houston is the seat of Harris County and the economic center of the Houston–Sugar Land–Baytown Metropolitan Statistical Area (MSA), the fifth largest metropolitan area in the U.S., with 6.8 million residents. The Houston MSA is growing rapidly; from 2000 to 2030, the metropolitan area is projected to rank fifth in the nation in population growth—adding 2.66 million people. The metro area is the largest economic and cultural center of the American South and is included in the Texas Triangle megapolitan area, anchored by the metro areas of Houston, Dallas–Fort Worth, and San Antonio. The Texas Triangle is home to more than 70% of all Texans. In the next 40 years, the population of the Texas Triangle has been projected to grow more than 65%, or an additional ten million people, leading to 78% of Texans living and working within the Texas Triangle.

- » If Houston were an independent nation, the region would have the 23rd largest economy in the world, behind Taiwan and ahead of Sweden.
- » Houston is home to the Texas Medical Center, the largest medical center in the world, with more than 106,000 employees, 58 institutions, thousands of volunteers, and 10 million patient visits per year.
- » Houston has two commercial airports: George Bush Intercontinental Airport (IAH) and William P. Hobby Airport (HOU). In 2017, Houston airports served more than 54 million passengers.
- » With more than 8.7 million annual visitors and 20 museums and institutions within walking distance, Houston has one of the largest museum districts in the country.

MAJOR EMPLOYERS IN HOUSTON MSA

OF EMPLOYEES

MEMORIAL HERMANN HEALTH SYSTEM	24,000
THE UNIVERSITY OF TEXAS MD ANDERSON	21,086
UNITED AIRLINES	15,000
HOUSTON METHODIST	14,985
EXXON MOBIL	13,000
UTMB HEALTH	12,448
KROGER	12,000
SHELL OIL COMPANY	11,892
NATIONAL OILWELL VARCO	11,563
SCHLUMBERGER LIMITED	10,000



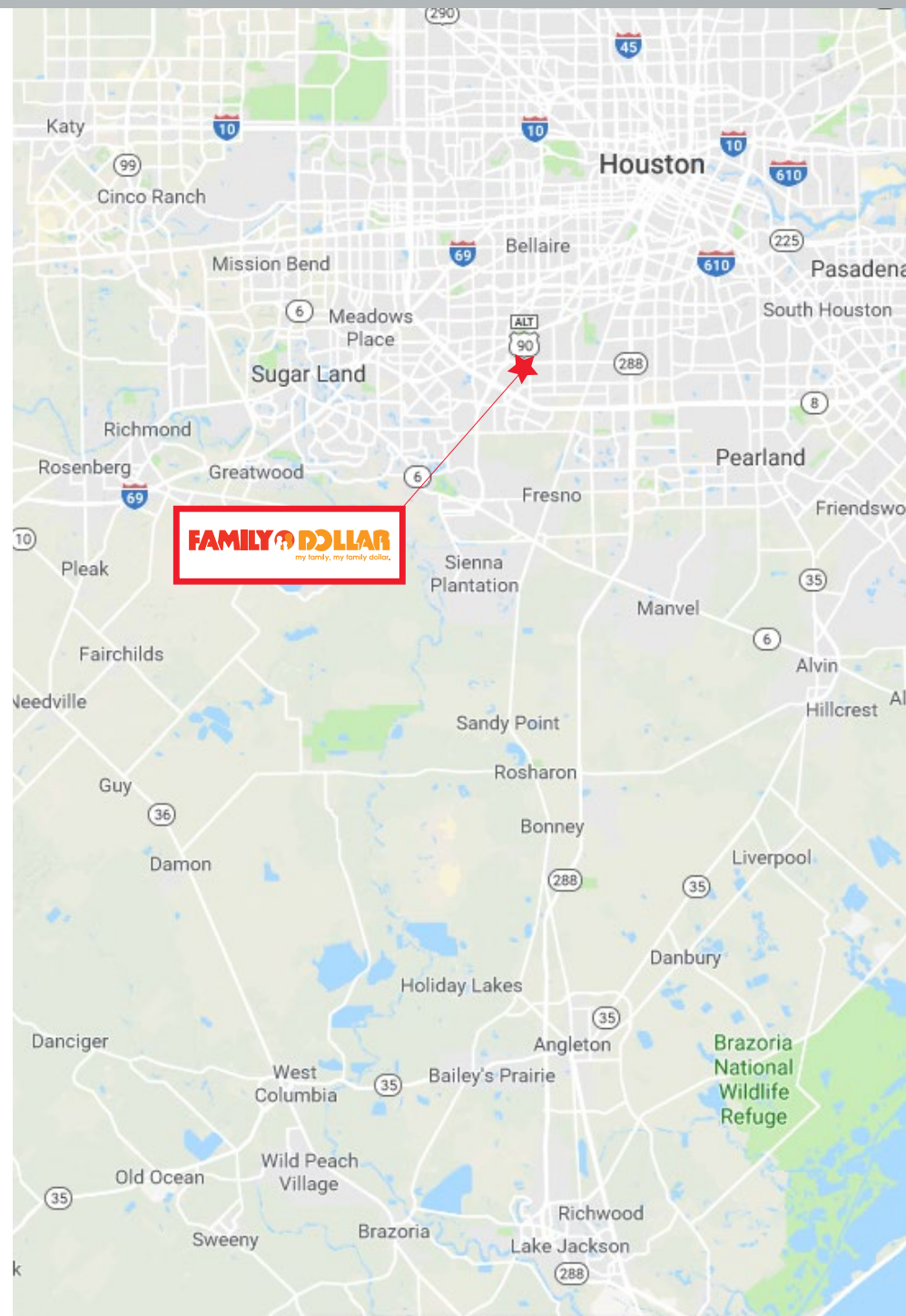
DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	12,133	106,185	312,892
Households	3,540	34,193	115,294
Families	2,638	24,533	74,604
Average Household Size	3.41	3.10	2.70
Owner Occupied Housing Units	2,265	20,931	59,394
Renter Occupied Housing Units	1,274	13,261	55,899
Median Age	32.6	32.2	33.6
Average Household Income	\$59,753	\$73,805	\$86,951

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	13,051	113,620	338,804
Households	3,782	36,511	124,608
Families	2,802	26,114	80,600
Average Household Size	3.43	3.10	2.70
Owner Occupied Housing Units	2,444	22,758	65,965
Renter Occupied Housing Units	1,337	13,754	58,643
Median Age	33.1	32.6	34.0
Average Household Income	\$68,767	\$83,272	\$97,006



**POPULATION OF 312,892
WITHIN FIVE MILES**



INFORMATION ABOUT BROKERAGE SERVICES



Information About Brokerage Services

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

11-2-2015



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 interests 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.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone
Buyer/Tenant/Seller/Landlord Initials		Date	

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