



**DOLLAR TREE**

904

# DOLLAR TREE

**RECENTLY EXERCISED OPTION – PROVEN LOCATION – CORPORATE GUARANTEE**

**ARVIN, CA**



**CAPITAL PACIFIC**





This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

## DOLLAR TREE

904 BEAR MOUNTAIN BLVD, ARVIN, CA 93203

**\$1,377,000**

**PRICE**

**6.75%**

**CAP**

LEASABLE SF

**9,000 SF**

LAND AREA

**1.34 Acres**

LEASE TYPE

**NN - See lease abstract page**

LEASE EXPIRATION

**7/31/2024**

PARKING

**Ample & Reciprocal**

NOI

**\$92,962**

**Located within the Bear Mountain Retail Center – Co-tenants include DaVita and AutoZone**

**Investment grade tenant with an S&P BBB- / \$22 B in 2017 Revenue**

**Recently exercised first option recognizing strong store sales along with limited market area competition**

**Discount model provides security in “Amazon Era” of online shopping**

**Located along the main retail corridor with a dynamic tenant mix and limited competition**

# Investment Highlights

---

**THE OFFERING** is an investment grade (S&P BBB-) rated Dollar Tree with a 10-year operating history at this location. Dollar Tree recently exercised their first 5-year option demonstrating strong store sales and profitability at this location. The lease provides for three 5-year options with rental escalations throughout.

**THE PROPERTY** is located within Bear Mountain Retail Center which boasts an exceptional, diverse tenant roster of everyday needs and services and e-commerce resistant tenants. Some of the surrounding retail includes Vallarta Supermarkets, AutoZone, CVS, McDonald's, DaVita, among others. The subject property is located 10 miles east of Freeway 99 on State Highway 223 in Kern County about 15 miles southeast of Bakersfield and 86 miles northwest of Los Angeles.

**DOLLAR TREE** is an experience driven retailer, offering every item at one dollar or less, and have thousands of stores across all 48 contiguous states. A Fortune 200 Company, Dollar Tree has served North America for more than 30 years. Dollar Tree has experienced continued success due to the financial strength and the proven profitability of the tenant, one of the nation's top dollar store with more than 14,835 stores and 176,000 associates.



**DOLLAR TREE IS THE WORLD'S LEADING  
OPERATOR OF \$1 PRICE POINT VARIETY STORES**

## Contact the team

---

**RICK SANNER**

[rsanner@capitalpacific.com](mailto:rsanner@capitalpacific.com)

PH: 415.274.2709

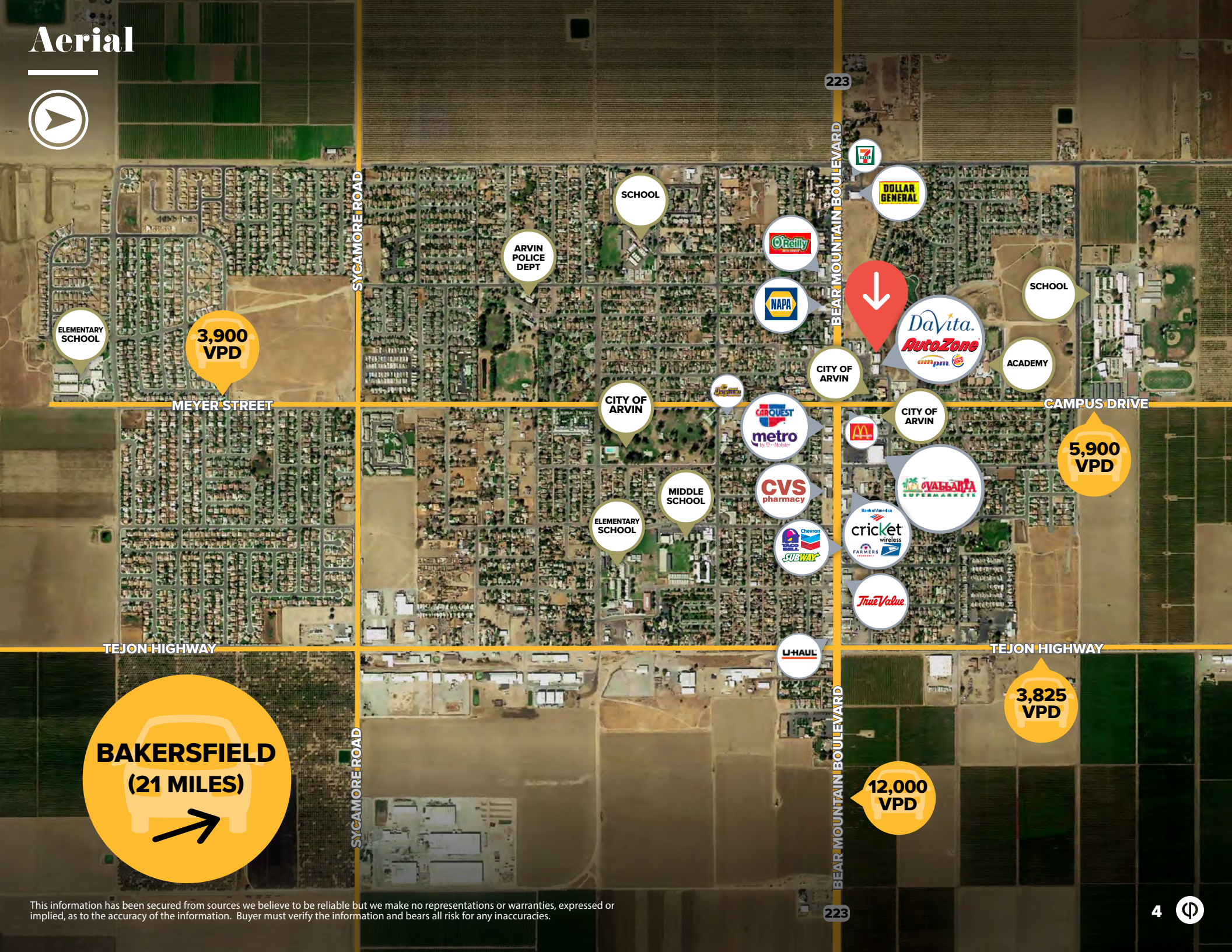
CA DRE# 01792433

---

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



# Aerial



This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

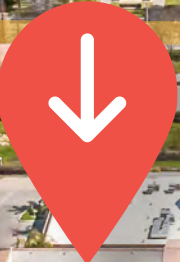


# Retail Aerial



5,900  
VPD

CHINA GRADE LOOP



12,000  
VPD

N CHESTER AVENUE



# Submarket Overview

## RETAILERS IN CLOSE PROXIMITY INCLUDE:

- Vallarta Supermarkets

AutoZone

DaVita Dialysis

O'Reilly Auto Part

T-Mobile

Bank of America
- McDonald's

USPS

CVS

Little Caesars Pizza

Subway

Burger King
- Taco Bell

Dollar General

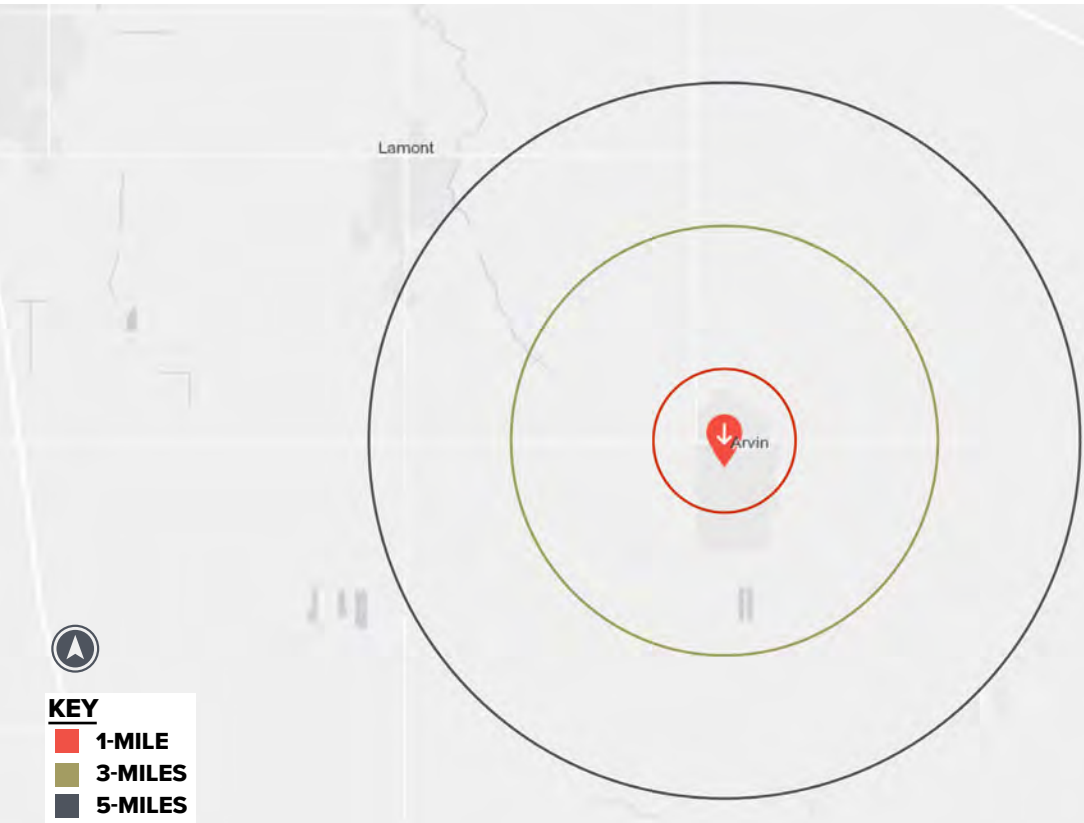
7-Eleven

ARCO

NAPA Auto Parts

Chevron

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



## BUSINESS SUMMARY

TOTAL	1-MILE	3-MILES	5-MILES
Residential Population	14,724	22,079	23,765
Businesses	171	214	271
Employees	2,714	4,359	5,923



# Income & Expense

**PRICE** **\$1,377,000**

**Capitalization Rate:** **6.75%**

Total Rentable Area (SF) 9,000

Lot Size 1.34

## STABILIZED INCOME PER SQUARE FOOT

Scheduled Rent \$10.75 \$96,750

CAM Reimbursement \$0.83 \$7,468

Insurance Reimbursement \$0.38 \$3,395

Tax Reimbursement \$1.44 \$12,954

Fire & Alarm Reimbursement \$0.22 \$1,948

**EFFECTIVE GROSS INCOME** **\$122,515**

## ACTUAL EXPENSES PER SQUARE FOOT

CAM \$1.00 (\$8,963)

Insurance \$0.43 (\$3,828)

Tax \$1.44 (\$12,954.14)

Fire & Alarm \$0.22 (\$1,948.17)

Management Fee \$0.21 (\$1,860.25)

**TOTAL OPERATING EXPENSES** **(\$29,553)**

**EQUALS NET OPERATING INCOME** **\$92,962**

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



# Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.	TERM		CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT
Dollar Tree	9,000	08/26/09	07/31/19		\$7,500	\$90,000	\$0.83	\$10.00
	Option 1	08/01/19	07/31/24	\$96,750	\$8,063	\$96,750	\$0.90	\$10.75
	Option 2	08/01/24	07/31/29		\$8,438	\$101,250	\$0.94	\$11.25
	Option 3	08/01/29	07/31/34		\$8,813	\$105,750	\$0.98	\$11.75
TOTALS:	9,000			\$96,750	\$8,063	\$96,750	\$0.90	\$10.75

1 - As of December 31st, 2018 Dollar Tree has elected to exercise their first option.



# Lease Abstract

## PREMISE & TERM

TENANT	Dollar Tree
BUILDING SF	9,000 SF
LEASE TYPE	NN
TERM	10 Years
OPTIONS	Three 5-year Options

## RENT

### BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
08/26/09 - 07/31/19	\$7,500	\$90,000

### OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 08/01/19 - 07/31/24	\$8,063	\$96,750
#2. 08/01/24 - 07/31/29	\$8,438	\$101,250
#3. 08/01/29 - 07/31/34	\$8,813	\$105,750

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

## EXPENSES

### TENANT'S OBLIGATIONS

Tenant must maintain HVAC and signange.

### TAXES

Tenant shall pay for all real property taxes assessed against parcel.

### LANDLORD'S OBLIGATIONS

Landlord shall keep the foundations, roof, floor slab, and structural portion of the outer walls of the Premises in good repair.

### INSURANCE

Landlord, at Landlord's expense, shall carry general commercial liability insurance covering the Shopping Center and Common Areas with a minimum limit of \$1,000,000 for any casualty resulting in bodily injury, death, or property damage for each occurrence and a minimum limit of \$2,000,000 general aggregate.

### CAM

Tenant pays pro rata share of 23.23%.

## LEASE PROVISIONS

### ASSIGNMENT AND SUBLEASE

Requires written consent of Landlord.

### EARLY TERMINATION

None.

### RIGHT TO FIRST OFFER/REFUSAL

None.

### ESTOPPELS

Tenant shall provide estoppel certificates upon not less than twenty (20) days written notice from landlord.

### CO-TENANCY

None.



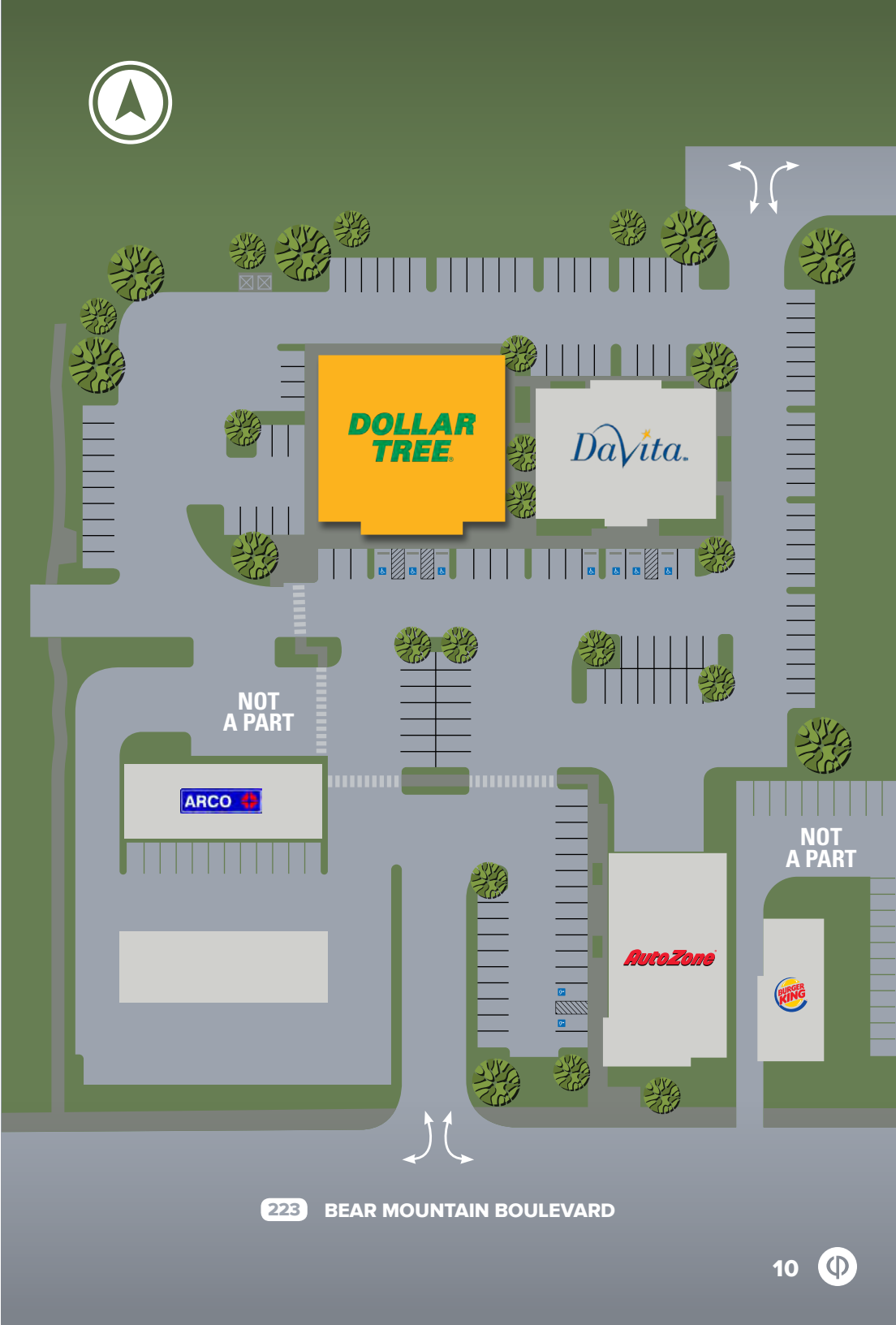
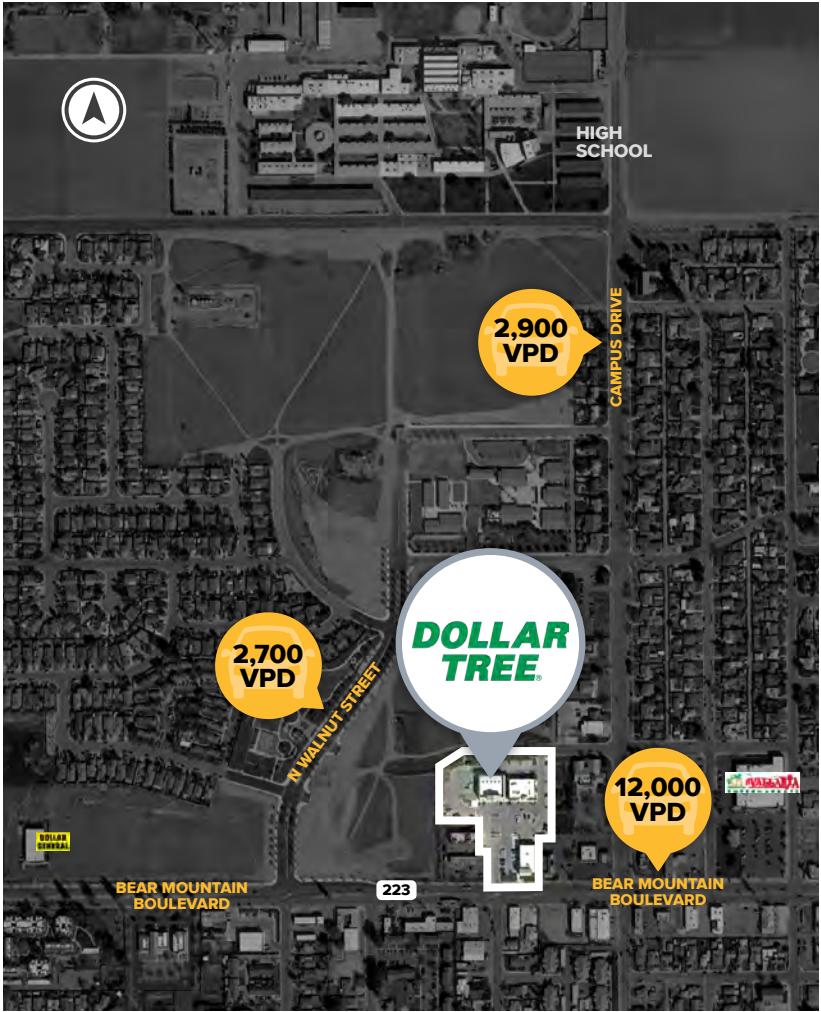
# Site Plan

sf

9,000  
RENTABLE SF

ac

1.34  
ACRES



This site plan is a rendering that has been created based on sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



# Tenant Overview



Dollar Tree, Inc. is a value-driven, variety store operating at a one dollar price-point. Headquartered in Chesapeake, Virginia, the company currently operates nearly 15,000 stores throughout 48 U.S. states and Canada. Dollar Tree competes in the dollar store and low-end retail markets and is the largest and most successful single price-point retailer in the country. They operate from nine distribution centers, stocking each store with a variety of products including national, regional, and private-label brands. Departments found in a Dollar Tree store range from health and beauty, to candy and toys, to books and teaching supplies.

A Fortune 200 Company, Dollar Tree has served North America for more than 32 years with increasing success in recent years. Net sales increased 7.4% from 2016 to 2017 resulting in annual revenue of \$22.25 Billion. The company has an work force of more than 176,000 associates.

15,000

LOCATIONS IN 48  
U.S. STATES

\$22.25  
Billion

2017  
REVENUE

BBB-

S&P  
RATING

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



## ARE DOLLAR STORES THE TRUE RETAIL DISRUPTERS?

**July 22, 2018 (Forbes)** Lost in all the news this past week about Amazon's massive Prime Day results, Walmart WMT -0.24%'s multi-pronged effort to stay competitive and assorted Chinese e-commerce shenanigans was perhaps the single most important statement about the current state of American retailing.

Dollar Tree DLTR -0.78%, parent company to both its namesake stores and Family Dollar, announced it had just opened its 15,000th store.

That would be remarkable unto itself if it weren't for the fact that in reaching that total, Dollar Tree only equals the approximate number of stores operated by its main rival in the small-box discount category, Dollar General DG -0.06%, which also has around 15,000 doors.

Think about that: 30,000 stores between just two retail chains. And that doesn't include all the dollar-wannabes like 99¢ Only Stores, Dollarama, Five Below, Jack's and on and on.

And by the time you finish reading this, one or two additional stores might have opened.

The numbers are astonishing:

- The two big dollar chains combined have more stores than the six biggest U.S. retailers – Walmart, Kroger, Costco, Home Depot, CVS and Walgreens – combined.
- Grouped together, all the major department store chains in the country – Macy's, Kohl's, Nordstrom, JCPenney, Dillard's, Saks/Lord & Taylor, Neiman Marcus and Belk – equal less than 15% of the total number of dollar stores.
- Even the high-flying off-pricers don't stack up very well: TJX, Ross, Burlington and Big Lots together have less than a third the number of stores that the two big dollar players operate.
- On the revenue side, the numbers are less dramatic but no less worth noting. The annual sales of Dollar Tree and Dollar General together are more than those of Macy's and JC Penney together, of TJX and Ross together, and of Apple Stores – including iTunes.


[READ THE FULL ARTICLE](#)





# Demographics

## POPULATION

	1-MILE	3-MILES	5-MILES
2010	14,141	20,413	22,060
2018	14,724	22,079	23,765
2023	15,226	23,156	24,882

## 2018 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$45,127	\$48,858	\$48,510

## TOP EMPLOYERS IN BAKERSFIELD MSA

### EMPLOYER

- Bakersfield Memorial Hospital
- C&J Energy Services
- Chevron Corp.
- Grimmway Farms
- Marko Zaninovich Inc.



**THE AVERAGE HOUSEHOLD  
INCOME WITHIN A 5-MILE RADIUS  
IS OVER \$48K**

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

# ARVIN, CALIFORNIA



**ARVIN** is located in Southern California at the end of the San Joaquin Valley in Kern County. The city is 100 miles north of Los Angeles and about the same distance south of Fresno. Arvin is located 20 miles from Bakersfield and is part of the Bakersfield-Delano metro area. Bakersfield's population is around 350,000, making it the 9th largest city in California. Bakersfield is the focal point of the Bakersfield-Delano MSA, which is coextensive with Kern County. In 2016, it had an estimated population of 884,788 making it the 62nd largest metropolitan area in the U.S.

**884,788**



**BAKERSFIELD MSA  
POPULATION  
(ESTIMATED)**

## ABOUT THE MSA

**BAKERSFIELD** has a diverse economy. Kern County produces the most oil and is the fourth most productive agricultural county in the country. Other industries include natural gas and other energy extraction, aerospace, mining, petroleum refining, manufacturing, distribution, food processing, and corporate/regional headquarters.

In recent years numerous companies have moved to Bakersfield due to its inexpensive land, low cost of living and its proximity to international ports in both Los Angeles and Oakland. Other companies have opened regional offices and non-oil/agricultural businesses. Products manufactured are ice cream (world's largest ice cream plant), central vacuums, highway paint, and stock racing cars.





# We'd love to hear from you.

---

**RICK SANNER**

[rsanner@capitalpacific.com](mailto:rsanner@capitalpacific.com)

PH: 415.274.2709

CA DRE# 01792433

---

**CAPITAL PACIFIC COLLABORATES.**  
CLICK [HERE](#) TO MEET OUR  
SAN FRANCISCO TEAM:

**ZEB RIPPLE**

**CHRIS KOSTANECKI**

**CHRIS PETERS**

**JOHN ANDREINI**

**JOE CACCAMO**

**DAVE LUCAS**

**ZANDY SMITH**

**RICK SANNER**

**JACK NAVARRA**

**JUSTIN SHARP**

**JUSTIN STARK**

---

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



**CAPITAL PACIFIC**  
TOGETHER | OUTPERFORMING





**SFO.**

**PDX.**

**SEA.**

**CAPITALPACIFIC.COM**

Copyright © 2019 Capital Pacific Partners



**CAPITAL PACIFIC**