

**BRAND NEW CONSTRUCTION  
ATTRACTIVE LENDING OPTIONS**



Representative Photo

# OFFERING MEMORANDUM



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# PRICE: \$1,433,333 | CAP: 6.75% | NOI: \$96,750

## PROPERTY DESCRIPTION

Property	Dollar Tree
Property Address	1203 US Highway 271 N
City, State, ZIP	Gilmer, TX 75644
Total Building Size (SF)	9,000
Lot Size (Acres)	0.84
Year Built	2018

## THE OFFERING

Net Operating Income (NOI)	\$96,750
CAP Rate	6.75%
Purchase Price	\$1,433,333

## LEASE SUMMARY

Property Name	Dollar Tree
Ownership	Fee Simple
Tenant / Guarantor	Dollar Tree Corporate
Lease Term	10 Years
Lease Expiration	10 Years from Rent Commencement
Lease Term Remaining	10 Years
Lease Type	Double-Net (NN)
Roof, Structure & Parking	Landlord Responsible – 20 Year roof warranty in place
Rental Increases	\$.50/SF in each option period
Options to Renew	Three, Five-Year Options
Right Of First Refusal	Yes

## HIGHLIGHTS

- Band New 10-Year Double-Net Lease | Construction Scheduled to Complete November 2018 Featuring a .60 MIL TPO Roof (Not standing seam) with 20-year warranty and 100% concrete parking lot
- Corporate Dollar Tree Guarantee | Investment Grade (S&P: BBB-)
- Located Directly Across From Gilmer Civic Center and Walmart Center | There are several new construction sites in the immediate area
- Average Daily Traffic Counts On US Highway 271 Of 17,100
- No State Income Tax | Texas is one of Seven States offering no State Income Tax



Subject Property



## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Dollar Tree at located at 1203 U.S. Highway 271 N Gilmer, Texas. The property consists of approximately 9,000 square feet of building space and is situated on approximately .84 acres of land. The property is subject to a Brand New 10 year double-net (NN) lease. The current rent is \$96,750 with rental increases in each of the three, five year tenant renewal options.

## TENANT SUMMARY

Headquartered in Chesapeake, Virginia Dollar Tree, Inc. [NASDAQ: DLTR] is the world's leading operator of \$1 price-point variety stores. A Fortune 200 Company, Dollar Tree has served North America for more than 30 years. Overall, Dollar Tree operates more than 14,835 stores across the 48 contiguous states and five Canadian provinces, supported by a coast-to-coast logistics network and more than 176,000 associates. The Company operates nearly 8,000 stores under the Family Dollar banner, which provides customers with a broad selection of competitively priced merchandise in convenient neighborhood store locations.



### ANNUALIZED OPERATING DATA

Current Annual NOI \$96,750

Rental Escalations \$.50/SF In Each Options Period

### RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent
Year 1	\$ 96,750	\$ 8,063
Year 2	\$ 96,750	\$ 8,063
Year 3	\$ 96,750	\$ 8,063
Year 4	\$ 96,750	\$ 8,063
Year 5	\$ 96,750	\$ 8,063
Year 6	\$ 96,750	\$ 8,063
Year 7	\$ 96,750	\$ 8,063
Year 8	\$ 96,750	\$ 8,063
Year 9	\$ 96,750	\$ 8,063
Year 10	\$ 96,750	\$ 8,063
Option Period 1	\$ 101,250	\$ 8,438
Option Period 2	\$ 105,750	\$ 8,813
Option Period 3	\$ 110,250	\$ 9,188

CAP Rate 6.75%

Purchase Price \$1,433,333

Year 1 CAM reimbursement CAP at \$.75/SF and is not to increase by greater than 5% Annually. There is a first year insurance reimbursement limit of \$.25/SF.



# DOLLAR TREE®

Dollar Tree Stores, Inc., formerly known as Only \$1.00, is an American chain of discount variety stores that sells items for \$1 or less. Headquartered in Chesapeake, Virginia, it is a Fortune 150 company and operates 14,835 stores throughout the 48 contiguous U.S. states and Canada. Its stores are supported by a nationwide logistics network of eleven distribution centers. The company operates one-dollar stores under the names of Dollar Tree and Dollar Bills. The company also operates a multi-price-point variety chain under Family Dollar.

Dollar Tree competes in the dollar store and low-end retail markets. Each Dollar Tree stocks a variety of products including national, regional, and private-label brands. Departments found in a Dollar Tree store include health and beauty, food and snacks, party, seasonal décor, housewares, glassware, dinnerware, household cleaning supplies, candy, toys, gifts, gift bags and wrap, stationery, craft supplies, teaching supplies, automotive, electronics, pet supplies, and books. Most Dollar Tree stores also sell frozen foods and dairy items such as milk, eggs, pizza, ice cream, frozen dinners, and pre-made baked goods. In August 2012, the company began accepting manufacturer's coupons at all of its store locations.



## Dollar Tree In 2018:

- 176,000 Associates
- 30+ Year Track Record
- 14,835 Total Stores
- 48 Contiguous States
- 7.3% Total Revenue Growth
- \$22+ Billion In Revenues



## HIGHLIGHTS

- Average Daily Traffic Counts of 17,100
- Located Directly Across From Gilmer Civil Center | Host of many regional Events
- Surrounded in a Dense Retail Corridor | Major National Tenants Include: Walmart, McDonalds, Sonic, Brookshires Grocery, Jack in the Box, Schlotzkys, Pizza Hut, Whataburger, AutoZone and regional banks including First National Bank of Gilmer and the Gilmer National Bank
- Gilmer High School is near the site, with over 1,200 students enrolled

## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Gilmer Independent School Dst	461
Gilmer High School-Athletic	320
Walmart	250
Robroy Industries-Texas LLC	162
Bruce Junior High School	129
Electrical Productions Div	110
Tdr Contractors Inc	110
Gilmer Care Center	106
Gilmer High School	96
Upshur Manor Nursing Home	94
Urecc	90
Etex Long Distance	82



**ADTC 17,100**

**Gilmer, TX**



This Dollar Tree property is located at 1203 U.S. Highway 271 North Gilmer, Texas. Gilmer is located two hours East of Dallas and approximately 45 minutes north of Tyler, Texas.

## Surrounding Retail and Points of Interest

The subject property is well-positioned in a dense retail corridor, benefiting from its proximity to major national and local retailers. Directly across from the Gilmer Civil Center, the property neighbors a Walmart. Other retailers in the vicinity to the property include McDonalds, Sonic, Brookshires Grocery, Jack in the Box, Schlotskys, Pizza Hut, Whataburger, AutoZone and regional banks including First National Bank of Gilmer and the Gilmer National Bank. There are several sites that include new construction and recent remodeling in the immediate area.

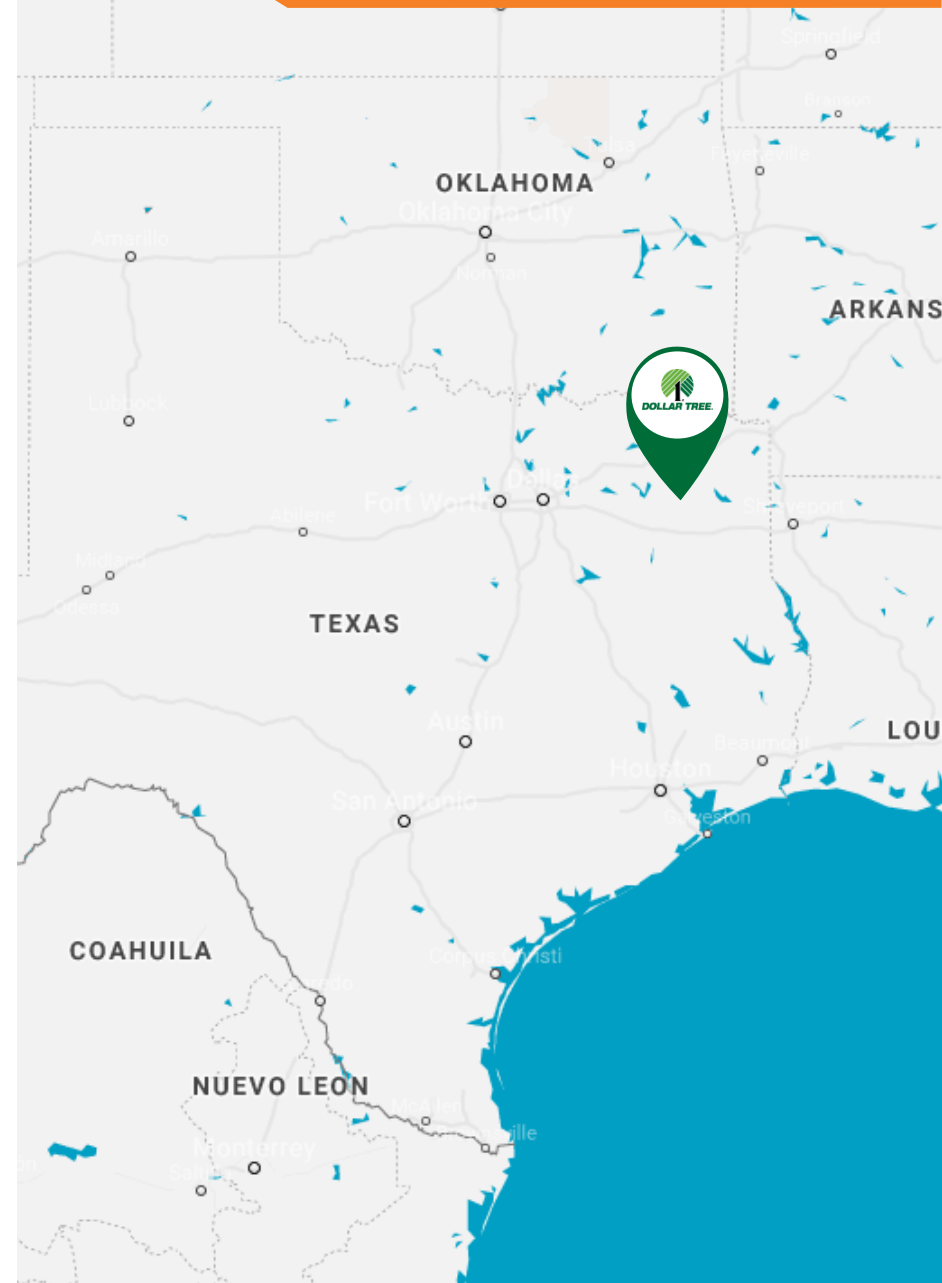
The property is across from the Yamboree Park, offering area residents multiple Basketball, tennis and baseball courts. *This park is home to the annual East Texas Yamboree, a festival with 81 year history with over 100,000 attending annually.* Gilmer High School is near the site, with over 1,200 students enrolled.

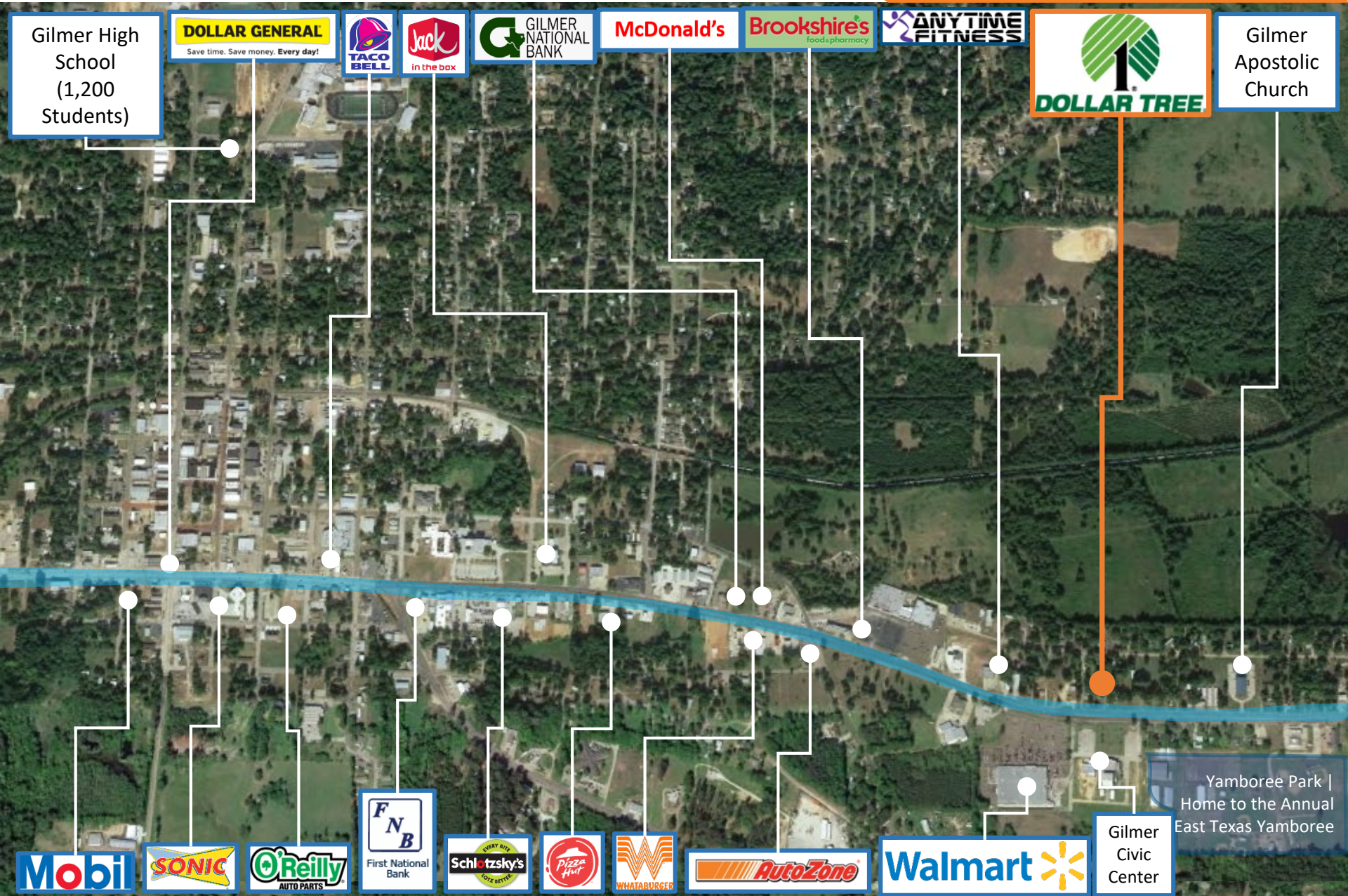
## Traffic Counts and Demographics

There are approximately 8,700 individuals residing within a five-mile radius of the property and just over 20,000 individuals within a ten-mile radius. The subject property is situated on US 271 North with average daily traffic counts of 17,100 vehicles.

## Tyler, Texas

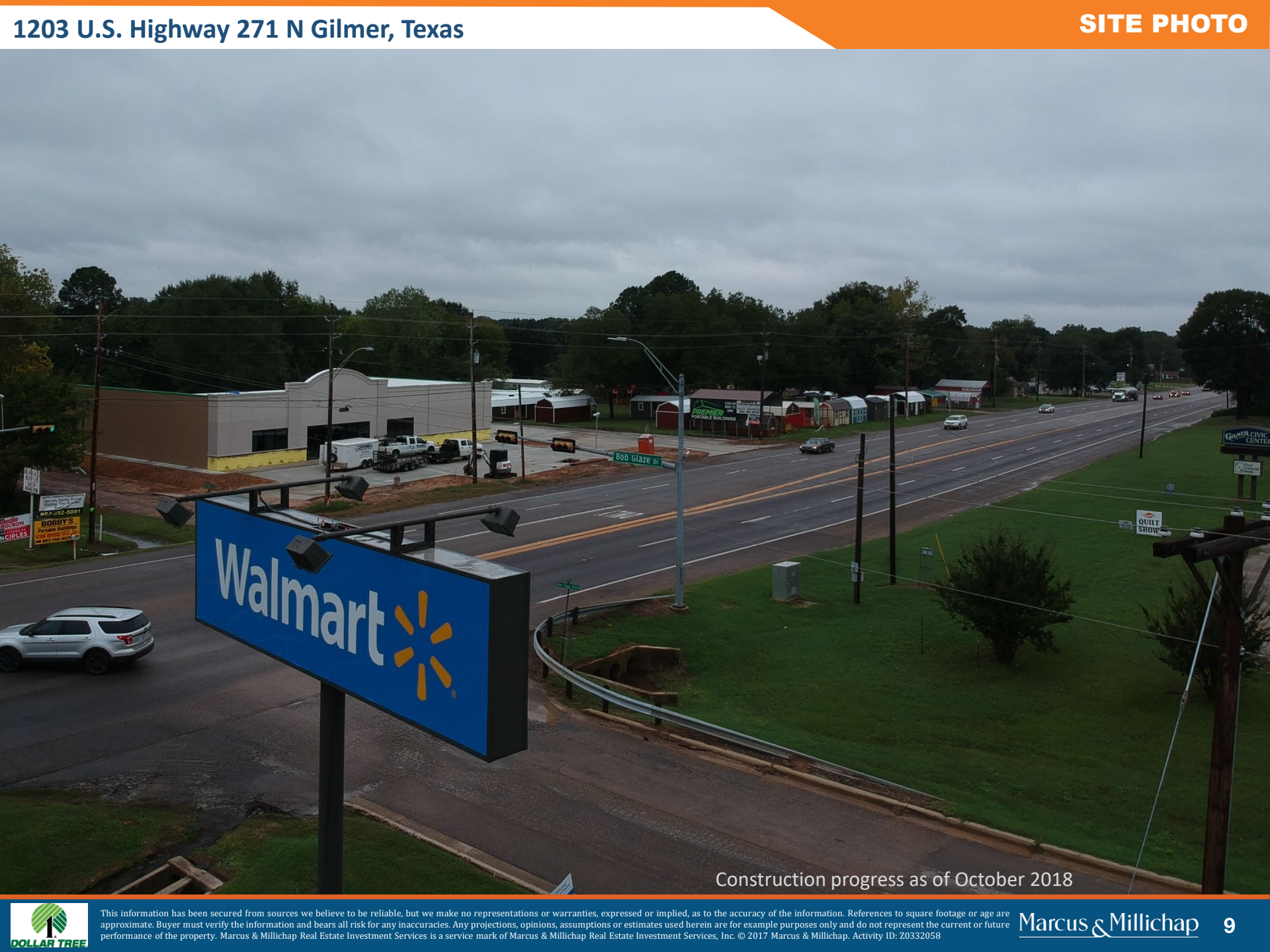
Tyler has the nickname "Rose Capital of the World". It gained this name due to the large quantity of rose bushes processed through the area, along with hosting America's largest rose garden. As a regional educational and technology center, Tyler is the host for more than 20,000 higher education students, a College of Engineering, and a University Health Science Center, two regional, billion-dollar hospital systems, and a variety of technology startups Tyler State Park is a few miles away where visitors can camp, canoe, and paddle boat on the lake. Activities include picnicking, camping, boating, fishing, birding and hiking amongst others. Tyler is a nexus of several major highways. Interstate 20 runs along the north edge of the city going east and west, U.S. Highway 69 runs north-south through the center of town and State Highway 64 runs east-west through the city. Tyler also has access to U.S. Highway 271, State Highway 31, State Highway 155, and State Highway 110.





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Construction progress as of October 2018



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Across from Subject Property



Recent Remodel

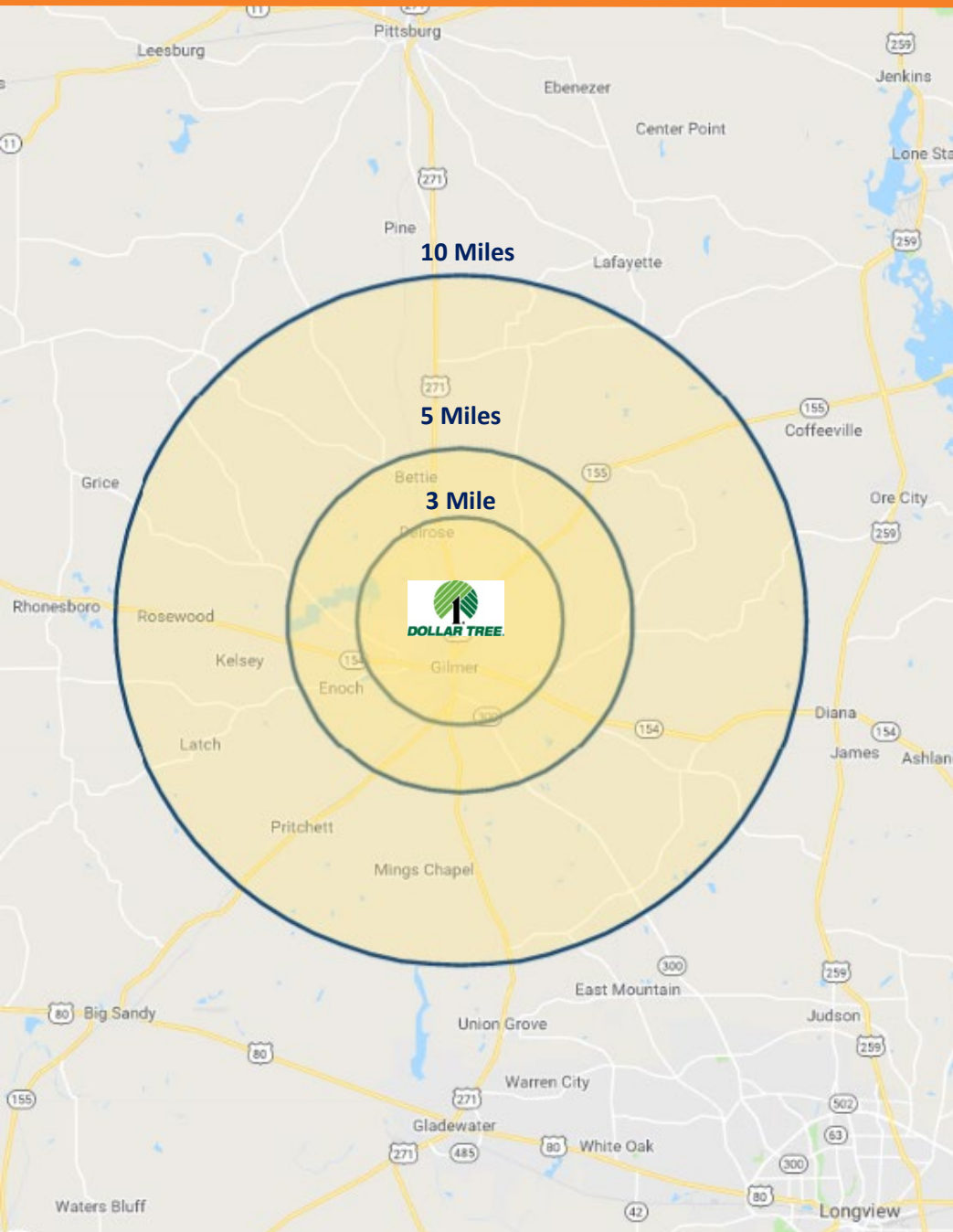


New Construction



New Construction





POPULATION	3 Miles	5 Miles	10 Miles
2022 Projection			
Total Population	6,149	8,768	20,557
2017 Estimate			
Total Population	6,221	8,740	20,057
2010 Census			
Total Population	5,968	8,391	19,235
2000 Census			
Total Population	5,674	7,772	17,298
Current Daytime Population			
2017 Estimate	7,611	9,163	14,450
HOUSEHOLDS	3 Miles	5 Miles	10 Miles
2022 Projection			
Total Households	2,455	3,482	8,013
2017 Estimate			
Total Households	2,420	3,386	7,651
Average (Mean) Household Size	2.49	2.53	2.58
2010 Census			
Total Households	2,340	3,279	7,405
2000 Census			
Total Households	2,264	3,071	6,645
Occupied Units			
2022 Projection	2,455	3,482	8,013
2017 Estimate	2,649	3,708	8,347
HOUSEHOLDS BY INCOME	3 Miles	5 Miles	10 Miles
2017 Estimate			
\$150,000 or More	4.96%	4.90%	4.96%
\$100,000 - \$149,000	6.94%	7.80%	9.56%
\$75,000 - \$99,999	13.26%	13.76%	14.28%
\$50,000 - \$74,999	21.73%	20.26%	19.64%
\$35,000 - \$49,999	15.40%	16.33%	16.24%
Under \$35,000	37.70%	36.93%	35.30%
Average Household Income	\$62,377	\$62,994	\$64,440
Median Household Income	\$47,067	\$47,000	\$48,378
Per Capita Income	\$24,653	\$24,681	\$24,718



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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may

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# 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.*

### 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.

<b>Marcus &amp; Millichap</b>	<b>9002994</b>		<b>972.755.5200</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Tim Speck</b>	<b>432723</b>	<b>Tim.Speck@marcusmillichap.com</b>	<b>972.755.5200</b>
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



# DOLLAR TREE®

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# Marcus & Millichap

## EXCLUSIVE NET LEASE OFFERING



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