



**FAMILY DOLLAR**

333 N 4th Street • Reading, PA 19601

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FAMILY DOLLAR  
Reading, PA  
ACT ID ZAA0281005

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# INVESTMENT OVERVIEW





## EXECUTIVE SUMMARY

## OFFERING SUMMARY

Price	\$1,046,000
Net Operating Income	\$82,170
Capitalization Rate – Current	7.86%
Price / SF	\$116.22
Rent / SF	\$9.13
Lease Type	NN
Gross Leasable Area	9,000 SF
Year Built / Renovated	1960 / 2004
Lot Size	0.6 acre(s)

## FINANCING

Down Payment	All Cash
Net Cash Flow	7.86% / \$82,170
Cash on Cash Return	7.86%
Total Return	7.86% / \$82,170

## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES*
Reading Medical Center	3,600
Reading Hospital	3,548
Penske	2,130
BERKS COUNTY CLERK OF COURTS	1,000
Reading Area Community College	991
US Post Office	862
Boscovs	850
Auditor General PA Dept of	800
City of Reading	796
Sears Roebuck and Co	780
Evrax Inc NA	700
Sweet Street Desserts Inc	690

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2018 Estimate Pop	53,533	125,106	203,276
2010 Census Pop	52,298	122,980	201,002
2018 Estimate HH	17,992	45,140	77,422
2010 Census HH	17,653	44,294	76,305
Median HH Income	\$24,911	\$37,677	\$49,879
Per Capita Income	\$12,322	\$19,614	\$26,006
Average HH Income	\$36,175	\$53,442	\$67,470

\* # of Employees based on 5 mile radius

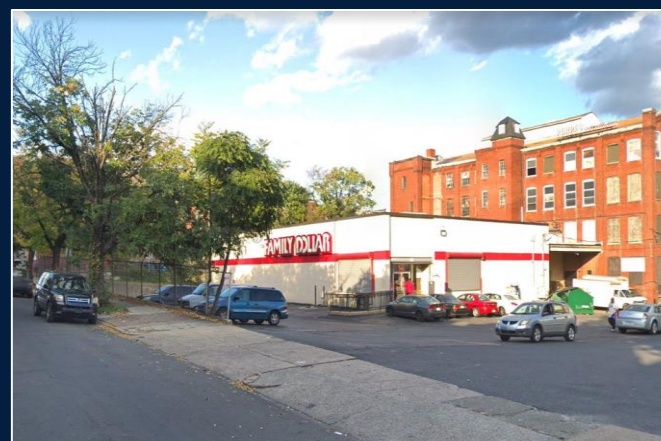


## INVESTMENT OVERVIEW

Reading is a city in and the county seat of Berks County, Pennsylvania. With a population of 87,575, it is the fifth-largest city in Pennsylvania. Located in the southeastern part of the state, it is the principal city of the Greater Reading Area, and is furthermore included in the Philadelphia-Reading-Camden PA-NJ-DE-MD Combined Statistical Area. The city, which is approximately halfway between the state's most populous city, Philadelphia, and the state capital, Harrisburg is strategically situated along a major transportation route from Central to Eastern Pennsylvania. Four institutions of higher learning are located in Reading: Penn State Berks, Albright College, Alvernia University, and Reading Area Community College.

## INVESTMENT HIGHLIGHTS

- 9,000 Square Foot Dollar Store
- Corporate Guarantee
- Roof Replaced in 2017 and Under Warranty Until 2037
- Location Reports Sales (\$1,315,608 in Sales Throughout 2018)
- 3 (5) Year Renewal Options
- Surrounded by Multiple National Retailers (Including Burger King, Rite Aid, Dollar General, etc...)



# Dollar Tree, Inc.


**CREDIT RATING: B1**
[www.fdreports.com](http://www.fdreports.com) | [www.creditintell.com](http://www.creditintell.com) | May 04, 2019

## General Information

Address	500 Volvo Pkwy , Chesapeake, Virginia, 23320, United States
Phone	757-321-5000
Website	<a href="http://www.dollartree.com">www.dollartree.com</a>

## Key Personnel

Executive Chairman	Bob Sasser
Chief Financial Officer	Kevin S. Wampler
President & CEO	Gary Philbin

## Store Base

Store Count	15,264
TTM Sales	\$23,078,300,000

## Financial Markets

Stock Ticker	DLTR
Current Price	\$96.40 as of 8/23/19
52 Week High/Low	\$113.38 / \$78.78

Dollars may not grow on trees, but Dollar Tree brings in the green. The fast-growing company operates more than 15,000 Dollar Tree and Family Dollar discount stores across the US and in five provinces in Canada. The stores carry a mix of housewares, toys, seasonal items, food, health and beauty aids, and books. At Dollar Tree shops most goods are priced at \$1 or less while Family Dollar merchandise is usually less than \$10. The stores are generally located in high-traffic strip centers and malls, often in mid-sized cities and small towns.

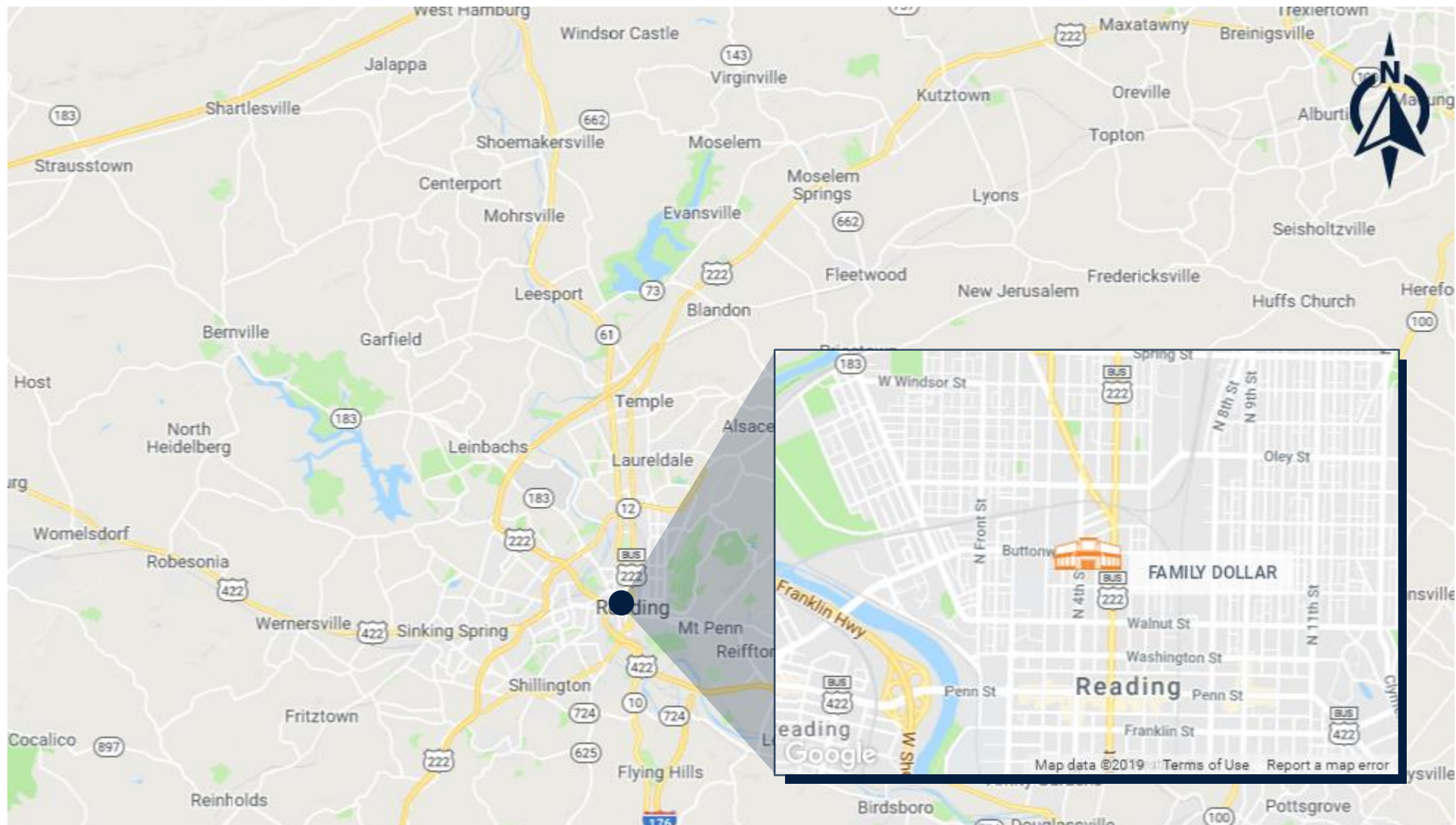
Fiscal Year Ended February 02, 2019

## Credit Rating Chart Comparison Creditintell | F&Dreports

Please note that our rating model is our own proprietary model and is not meant to align with other rating agency models. This comparison was compiled purely for informational purposes based on a representative sampling of ratings on various retailers.

RATING	CREDIT QUALITY	EST. S&P
A1	Excellent	AAA
A2	Excellent	AA (+/-)
B1	Good	A (+/-)
B2	Good	BBB (+/-)
C1	Satisfactory	BB(+/-)
C2	Satisfactory	B+
D1	Below Satisfactory	B
D2	Below Satisfactory	B-
E1	Poor	CCC+/CCC
E2	Poor	CC
F1	Critical	C
F2	Critical	D



**333 N 4th Street, Reading, PA 19601**







# FINANCIAL ANALYSIS



## PROPERTY SUMMARY

THE OFFERING	
Property	Family Dollar
Property Address	333 N 4th Street Reading, PA 19601
Price	\$1,046,000
Capitalization Rate	7.86%
Price/SF	\$116.22

PROPERTY DESCRIPTION	
Year Built / Renovated	1960 / 2004
Gross Leasable Area	9,000 SF
Zoning	N/A
Type of Ownership	Fee Simple
Lot Size	0.60 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Discount
Tenant	Family Dollar
Rent Increases	10% Increase at Options
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	11/23/2005
Lease Expiration	12/31/2024
Lease Term	19
Term Remaining on Lease (Years)	5.3
Renewal Options	3 (5) Year Options
Landlord Responsibility	Roof & Structure
Tenant Responsibility	Taxes, Insurance, CAM, Parking Lot
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

INCOME	
Net Operating Income	\$82,170

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$82,170	\$6,848	\$9.13	7.86%
Option 1	\$100,430	\$8,369	\$11.16	9.60%
Option 2	\$110,473	\$9,206	\$12.27	10.56%
Option 3	\$121,520	\$10,127	\$13.50	11.62%



## MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues to the benefit of our clients.



**Closed 1,678  
debt and equity  
financings  
in 2018**



**National platform  
operating  
within the firm's  
brokerage  
offices**



**6.24 billion  
billion total  
national  
volume in 2018**



**Access to  
more capital  
sources than  
any other firm  
in the industry**

## WHY MMCC?

**Optimum financing solutions  
to enhance value**

**Our ability to enhance  
buyer pool by expanding  
finance options**

**Our ability to enhance  
seller control**

- **Through buyer qualification support**
- **Our ability to manage buyers finance expectations**
- **Ability to monitor and manage buyer/lender progress, insuring timely, predictable closings**
- **By relying on a world class set of debt/equity sources and presenting a tightly underwritten credit file**



# MARKET OVERVIEW



Created on August 2019

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	52,175	123,996	205,395
■ 2018 Estimate			
Total Population	53,533	125,106	203,276
■ 2010 Census			
Total Population	52,298	122,980	201,002
■ 2000 Census			
Total Population	48,832	114,883	183,759
■ Current Daytime Population			
2018 Estimate	50,841	142,548	215,413
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	17,987	45,581	79,535
■ 2018 Estimate			
Total Households	17,992	45,140	77,422
Average (Mean) Household Size	2.88	2.65	2.55
■ 2010 Census			
Total Households	17,653	44,294	76,305
■ 2000 Census			
Total Households	17,687	43,963	72,598
■ Occupied Units			
2023 Projection	17,987	45,581	79,535
2018 Estimate	20,682	49,364	82,509
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	1.33%	4.05%	6.98%
\$100,000 - \$149,000	3.79%	7.66%	11.30%
\$75,000 - \$99,999	5.35%	8.88%	12.26%
\$50,000 - \$74,999	12.90%	17.46%	19.37%
\$35,000 - \$49,999	14.68%	15.10%	13.91%
Under \$35,000	61.95%	46.84%	36.18%
Average Household Income	\$36,175	\$53,442	\$67,470
Median Household Income	\$24,911	\$37,677	\$49,879
Per Capita Income	\$12,322	\$19,614	\$26,006

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$38,695	\$51,478	\$62,046
■ Consumer Expenditure Top 10 Categories			
Housing	\$11,707	\$15,088	\$17,809
Shelter	\$6,903	\$8,847	\$10,400
Transportation	\$5,435	\$7,137	\$8,573
Food	\$4,353	\$5,137	\$5,821
Utilities	\$2,792	\$3,465	\$4,017
Personal Insurance and Pensions	\$2,315	\$4,007	\$5,611
Health Care	\$2,152	\$3,489	\$4,507
Apparel	\$1,591	\$1,668	\$1,745
Entertainment	\$1,584	\$2,215	\$2,721
Education	\$1,030	\$1,372	\$1,756
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	53,533	125,106	203,276
Under 20	33.71%	30.43%	27.44%
20 to 34 Years	24.28%	22.56%	20.64%
35 to 39 Years	6.47%	6.09%	5.99%
40 to 49 Years	11.79%	11.31%	11.79%
50 to 64 Years	14.85%	16.40%	18.48%
Age 65+	8.91%	13.21%	15.64%
Median Age	29.78	32.81	36.55
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	31,257	77,557	133,886
Elementary (0-8)	15.89%	9.91%	6.65%
Some High School (9-11)	19.71%	14.35%	10.86%
High School Graduate (12)	35.12%	35.97%	35.94%
Some College (13-15)	13.57%	14.68%	15.21%
Associate Degree Only	4.79%	5.86%	7.14%
Bachelors Degree Only	5.62%	11.19%	14.82%
Graduate Degree	2.19%	5.88%	7.80%

Source: © 2018 Experian



### Population

In 2018, the population in your selected geography is 203,276. The population has changed by 10.62% since 2000. It is estimated that the population in your area will be 205,395.00 five years from now, which represents a change of 1.04% from the current year. The current population is 48.40% male and 51.60% female. The median age of the population in your area is 36.55, compare this to the US average which is 37.95. The population density in your area is 2,584.14 people per square mile.



### Households

There are currently 77,422 households in your selected geography. The number of households has changed by 6.64% since 2000. It is estimated that the number of households in your area will be 79,535 five years from now, which represents a change of 2.73% from the current year. The average household size in your area is 2.55 persons.



### Income

In 2018, the median household income for your selected geography is \$49,879, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 29.79% since 2000. It is estimated that the median household income in your area will be \$57,626 five years from now, which represents a change of 15.53% from the current year.

The current year per capita income in your area is \$26,006, compare this to the US average, which is \$32,356. The current year average household income in your area is \$67,470, compare this to the US average which is \$84,609.



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 64.97% White, 8.79% Black, 0.06% Native American and 1.94% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 37.85% of the current year population in your selected area. Compare this to the US average of 18.01%.



### Housing

The median housing value in your area was \$150,521 in 2018, compare this to the US average of \$201,842. In 2000, there were 48,347 owner occupied housing units in your area and there were 24,252 renter occupied housing units in your area. The median rent at the time was \$461.



### Employment

In 2018, there are 99,723 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 55.80% of employees are employed in white-collar occupations in this geography, and 44.16% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.89%. In 2000, the average time traveled to work was 24.00 minutes.