

Family Dollar

OFFERING MEMORANDUM

Fairfield, California (Greater San Francisco Bay Area)
\$2,431,870 - 6.00% Cap Rate



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 **CUSHMAN &
WAKEFIELD**
Net Lease Group

Family Dollar

Fairfield, CA



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THE OFFERING

- An approximately 8,400 square foot single story Family Dollar retail building on 1.275 acres located in Fairfield, California
- Price: \$2,431,870 - 6.00% Cap Rate

LEASE / TENANT

- Family Dollar operates over 8,200 stores and for 2018 reported net sales of over \$11.11 billion
- Family Dollar Stores, Inc., the lease guarantor, maintains an investment grade rating of 'Baa3' from Moody's
- New 10 year net lease with limited landlord responsibilities
- Dollar Tree, Inc., consisting of Family Dollar and Dollar Tree segments, is one of the nation's largest discount retailers with over 15,000 stores spanning 48 states

REAL ESTATE / AREA STRENGTHS

- Rare bite size Greater San Francisco Bay Area net lease investment opportunity with investment grade tenant
- Strong demographics with over 116,000 residents with an average household income of \$95,795 within five miles
- Strategically situated fronting the high traffic retail corridor of North Texas Street (18,770 VPD) just 1.5 miles east of I-80 (211,100 VPD) providing direct access to San Francisco, Oakland and Sacramento
- Other tenants along North Texas Street include FoodMaxx, Chase Bank, O'Reilly Auto Parts, CVS, AutoZone, Bank of America, Grocery Outlet, Starbucks, IHOP, Chevron, Smart & Final Extra!, Walmart and Goodyear Tire, to name a few
- The property is located just 15 miles west of Travis Air Force Base, the largest air mobility organization in the Air Force employing over 14,000 military and civilian personnel
- Oversized lot with additional land for future development potential



INVESTMENT OVERVIEW

LOCATION

1902 North Texas Street, Fairfield, CA

LOT SIZE

Approximately 1.275 Acres - ±55,540 sq. ft.

DEMISED PREMISES

Approximately 0.83 Acres - ±36,300 sq. ft.

IMPROVEMENTS

An ±8,400 sq. ft. single story retail building with ample parking onsite.

LEASE

Leased to Family Dollar, Inc., and guaranteed by Family Dollar Stores, Inc., through September 30, 2029 at an annual rent of \$150,000. The tenant has four 5-year options to extend the lease with the rent increasing by 7% at the start of each of each option.

The lease is net with the Tenant responsible for maintenance and repair of all interior, non-structural portions of the building including HVAC, landscaping, sweeping, striping and minor repair of the parking lot, and reimbursement of taxes and insurance on the Demised Premises. Landlord is responsible for maintenance, repair and replacement of all structural portions of the building, including the roof, exterior walls, canopy, gutters and downspouts, sprinkler system, and any costs to repair the parking lot that exceed \$1,500 per annum.

RENT SCHEDULE

Investment Period	Annual Rent	Rent/Sq.Ft.
Years 1-10	\$150,000	\$17.86
Years 11-15 (Option 1)	\$160,500	\$19.11
Years 16-20 (Option 2)	\$171,735	\$20.44
Years 21-25 (Option 3)	\$183,756	\$21.88
Years 26-30 (Option 4)	\$196,619	\$23.41

NET INCOME ANALYSIS

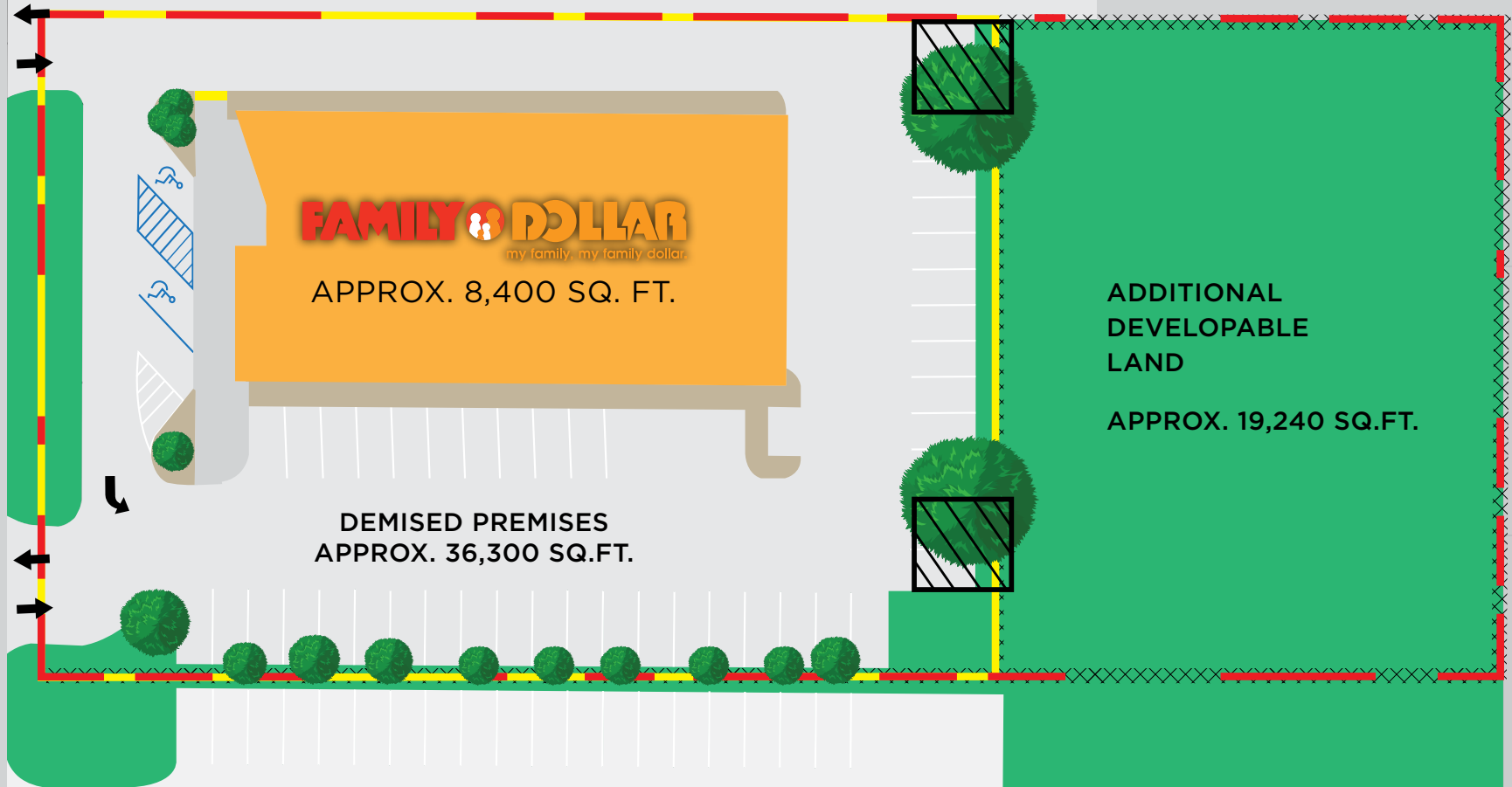
	As of 10/2019	As of 10/2029
Annual Rent:	\$150,000	\$160,500
Additional Land RE Taxes:	\$3,588	\$4,373
Additional Land Maintenance:	\$500	\$672

Projected Net Income:	\$145,912	\$155,455
Cap Rate:	6.00%	6.39%

PRICE: \$2,431,870 - 6.00% CAP RATE

N TEXAS ST. 18,770 VPD)

PROPERTY BOUNDARY	[- - -]
DEMISED PREMISES	[]
FUTURE CROSS ACCESS	[/ / /]



ABOUT THE TENANT

Family Dollar 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 refrigerate products, home cleaning supplies, housewares, stationery, seasonal goods, apparel, and home décor. Known as “the neighborhood discount store,” Family Dollar prices all its merchandise at \$10 or less.

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. In July 2015, Dollar Tree purchased Family Dollar Stores, Inc. and it’s more than 8,200 stores for \$8.5 billion. Dollar Tree

operates more than 15,000 stores across the U.S. and Canada, under the Dollar Tree and Family Dollar segments, and has annual sales of over \$22.8 billion. Dollar Tree maintains an Investment Grade rating of ‘Baa3’ from Moody’s.

For fiscal year ending February 2, 2019, Family Dollar reported net sales of \$11.11 billion and gross profit of \$2.81 billion. Family Dollar Stores, Inc., the lease guarantor, maintains an Investment Grade rating of ‘Baa3’ from Moody’s.

For more information, please visit: <https://www.familydollar.com>





FOOD MAX

Rainbow



O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

PENSKE

Hertz

CHASE

 **18,770**
CARS PER DAY



N TEXAS ST

OAK ST

Davita



FOOD MAX



Rainbow



 **18,770**
CARS PER DAY

N TEXAS ST

FAMILY DOLLAR
my family. my family dollar.



211,100
CARS PER DAY



INTERSTATE
80

Westfield SALANO TOWN CENTER

JCPenney

BEST BUY

★ macy's

TRADER JOE'S

DICK'S
SPORTING GOODS

O'Reilly AUTO PARTS
PROFESSIONAL PAINTS PEOPLE

MOUNTAIN Mike's

Rainbow



FOOD MAXX

CHASE

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CARS PER DAY



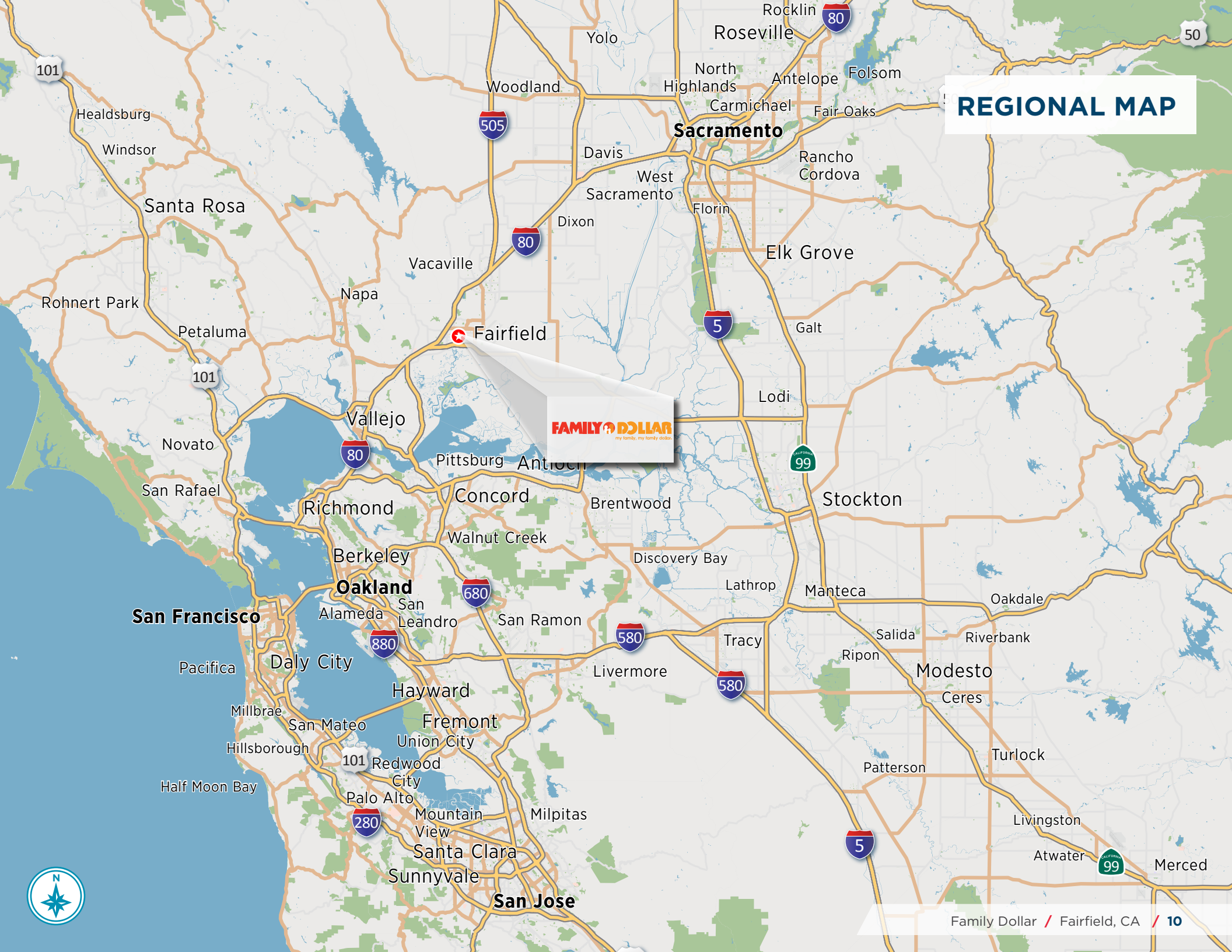
Davita

FAMILY DOLLAR
my family. my family dollar.

SITE LOCATION

The Family Dollar property strategically fronts the high traffic retail corridor of North Texas Street (18,770 ADT) just 1.5 miles east of both Interstate 80 (211,100 ADT) and the popular Westfield Solano Town Center. Solano Town Center features over 130 stores with over 1 million square feet of retail space including a variety of popular restaurants and clothing boutiques. The major tenants of the Solano Town Center include Macy's, Best Buy, JCPenny, H&M, Old Navy, Aldo, as well as the Edwards Fairfield Stadium 16 IMAX movie theater.

REGIONAL MAP



LOCAL MAP



FAIRFIELD

SUISUN CITY

FAIRFIELD, CALIFORNIA

Fairfield is a city in, and the county seat of, Solano County, California, in the North Bay sub-region of the San Francisco Bay Area. It is generally considered the midpoint between the cities of San Francisco and Sacramento, approximately 40 miles from the city center of both cities, approximately 40 miles from the city center of Oakland, less than 19 miles from Napa Valley, 16 miles from the Carquinez Bridge and 14 miles from the Benicia Bridge.

Fairfield combines a prime commercial real estate location, room for growing businesses, and a large and talented work force. Affordable housing, good schools and close proximity to many of the San Francisco Bay Area's world-famous destinations make Fairfield attractive for employers and workers.

TRAVIS AIRFORCE BASE

Travis Air Force Base is located three miles east of the central business district of Fairfield and handles more cargo and passenger traffic through its airport than any other military air terminal in the United States. The base has a long and proud history of supporting humanitarian airlift operations at home and around the world. Today, Travis AFB includes approximately 7,260 active USAF military personnel, 4,250 Air Force Reserve personnel and 3,770 civilians.

Travis AFB has a major impact on the community as a number of military families and retirees have chosen to make Fairfield their permanent home. Travis AFB is the largest employer in the city and Solano County as well, and the massive Travis workforce has a local economic impact of more than \$1 billion annually. The base also contributes many highly skilled people to the local labor pool.

The base's host unit, the 60th Air Mobility Wing, is the largest wing in the Air Force's Air Mobility Command, with a versatile fleet of 26 C-5 Galaxies, 27 KC-10 Extenders, and 13 C-17 Globemaster III aircraft.

ANHEUSER-BUSCH

Anheuser-Busch has a 700,000 sq. ft. brewery located on 170 acres in Fairfield. The brewery opened in 1976. 200,000 to 300,000 cases of beer are shipped out of this brewery daily. The shipments go to Alaska, Northern Nevada, Northern California, Oregon, Washington, Hawaii and

South America. The brands produced at the brewery include Budweiser, Bud Ice, Bud Light, Busch, Busch Ice, Busch Light, Natural Light, Hurricane, King Cobra, Natural Ice, Rolling Rock and Shock Top. The plant employs approximately 315 people.

JELLY BELLY CANDY CORPORATION (FAIRFIELD)

Headquartered in Fairfield, Jelly Belly Candy Corporation is the 8th largest employer in Fairfield, and the 66th largest candy company in the U.S. according to Candy Industry Magazine. Today the company produces more than 100 different gourmet confections. The company has approximately 800 employees and an estimated \$190 million in revenues.



San Francisco Bay Area is one of the most desirable regions in the world for institutional, private and off-shore investors. The combination of banks, financial services, high technology, leading biotechnology and life science companies, as well as nearly 50% of the country's annual investment capital is being allocated to Bay Area companies. The Bay Area economy continues to be diverse and will continue to experience strong growth. The area is home to more than 7 million people and consists of nine counties, 101 cities, and comprises 7,000 square miles. All of the region's nine counties touch the San Francisco Bay. The region is one of the most appealing places to live in the United States. It has a mild climate, a splendid natural setting, and an informed, sophisticated culture. Its geographic hub, San Francisco, is considered one of the most beautiful and cosmopolitan cities in the world and a famed destination for travelers.

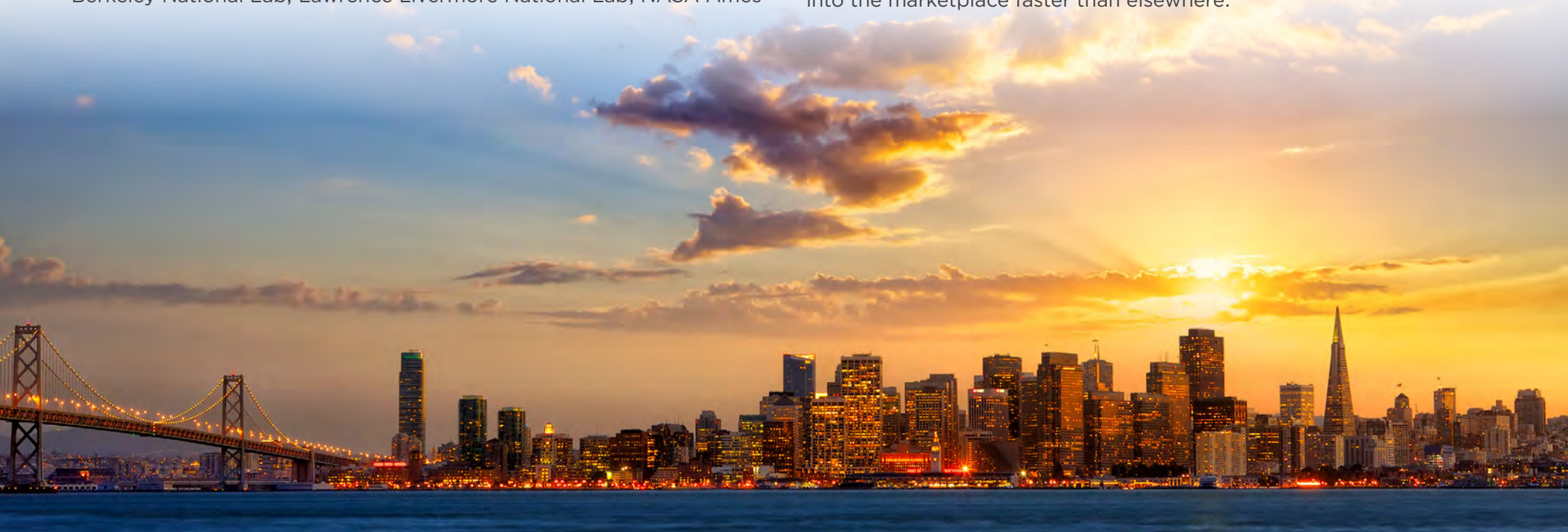
INNOVATION HOTBED

The Bay Area has world-class research facilities and the venture capital to fund risky but potentially breakthrough ideas. Among the research centers that dot the region are federal institutions (like Lawrence Berkeley National Lab, Lawrence Livermore National Lab, NASA Ames

Research Center, and Sandia National Labs), new state facilities (the California Institute of Regenerative Medicine for stem cell research, QB3, and CITRIS), renowned universities like Stanford, UC Berkeley, UC San Francisco, UC Davis, and UC Santa Cruz, and many private laboratories operating in advanced science fields.

The Bay Area is a rich pool for venture capitalists because of this fertility in ideas, its expertise at developing them, and its web of entrepreneurial and management talent. The region consumes a disproportionate share of the country's venture capital – both in absolute terms and as a percentage of local GDP. In fact, in 2017 the Bay Area received over 40% of all U.S. venture capital spending.

Bay Area companies also tend to gain venture capital earlier than firms elsewhere. The first round of financing usually comes 11.6 months after launch, compared to 16.6 months in Boston and the U.S. as a whole. In Silicon Valley, this swift access to venture capital is evident in every high-tech sector, from consumer and business services and electronics (each gaining funds 50% faster than the U.S. average) to software. As a result, local companies can obtain capital and move ideas and products into the marketplace faster than elsewhere.



AREA DEMOGRAPHICS

2019 Summary	1 mile	3 miles	5 miles	Projected 2024 Summary	1 mile	3 miles	5 miles
Population	28,513	112,257	124,520	Population	29,225	115,586	128,848
Households	8,941	37,300	41,033	Households	9,154	38,406	42,440
Families	6,486	27,340	30,484	Families	6,632	28,128	31,525
Average Household Size	3.14	2.97	3.00	Average Household Size	3.15	2.97	3.00
Owner Occupied Housing Units	3,402	20,991	23,533	Owner Occupied Housing Units	3,531	21,860	24,615
Renter Occupied Housing Units	5,539	16,309	17,500	Renter Occupied Housing Units	5,623	16,546	17,825
Median Age	31.5	35.6	35.2	Median Age	32.3	36.7	36.2
Median Household Income	\$49,264	\$72,449	\$75,905	Median Household Income	\$57,388	\$83,464	\$87,037
Average Household Income	\$63,292	\$92,080	\$95,795	Average Household Income	\$74,978	\$106,725	\$111,237





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N TEXAS ST

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SALANO TOWN CENTER

O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

MOUNTAIN MIKES
PARTS & SERVICE

Rainbow

RAC
REPAIRS • APPLIANCES • ELECTRONICS
PARTS & SERVICE

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FAMILY DOLLAR
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