



DOLLAR TREE
BALTIMORE, MD

EXECUTIVE SUMMARY



5013 York Rd
Baltimore, MD 21212

ADDRESS



Baltimore, MD

MARKET



9,160 SF

TOTAL GLA



10 YEARS

TERM REMAINING



CREDIT RATING



LEASE TYPE

THE OFFERING

Price	\$2,313,433
Cap Rate	6.73%
Year Built/Fully Renovated	2019
Total GLA	9,160 SF
Lot Size	0.54 Acres
Lease Term	10 Years
Rent Commencement	11/1/2019
Lease Expiration	6/30/2029
Increases	6% In Options
Options	Three; Five-Year Terms
Debt	Free & Clear

ANNUALIZED OPERATING DATA

Base Rent	\$155,786
RENTAL INCREASES	
Years 1-10	\$155,786
OPTION TERMS	
Option 1 (Years 11-15)	\$165,059
Option 2 (Years 16-20)	\$174,332
Option 3 (Years 21-25)	\$183,605

INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership, is pleased to exclusively offer the fee simple interest in this newly renovated Dollar Tree (NASDAQ: DLTR) in Baltimore, Maryland. The Tenant, Dollar Tree, is subject to a new 10-year absolute NN lease that commenced in July 2019. The lease features approximately five percent (5%) rental increases in each of the three, five-year option terms. Dollar Tree is an investment grade retailer, rated “BBB-” by Standard & Poor’s, and publicly traded. Dollar Tree operates over 14,845 stores in 48 states, and became a market leader in the dollar segment following its acquisition of Family Dollar in 2015 for \$8.5 billion. Presently, the company reports over \$22.82 billion in revenue and is a member of Fortune 500.

Dollar Tree is exceptionally located on York Road (MD 45), one of the most highly regarded and coveted retail corridors in the entire Baltimore MSA. When a new retailer enters the Baltimore market, York Road is top on their list. The tenant’s commitment to opening this store proves the strength of the location and the surrounding drivers in the submarket. The Property has easy access and excellent visibility directly off of York Road, a heavily-traveled commuter route (20,845 VPD) that parallels the busy Interstate-83 and runs into downtown Baltimore and the Commercial Business District. This is Dollar Tree’s only location inside the Beltway with parking which is hard to come by in this infill, curb parked stretch of York Road. The Property is positioned across from busy McDonald’s, Popeye’s and CVS Pharmacy locations. It is less than one-mile from both Loyola University (5,645 students) and Notre Dame of Maryland University (2,900 students) and in proximity to area elementary and middle schools.

The Property is located within densely populated urban Baltimore between the Woodbourne-McCabe and Richnor Springs neighborhoods. The neighborhood’s demographics and fundamentals are ideal for driving store sales at this location. The population within a one-mile and three-mile radius include more than 29,983 and 218,890 respectively, while the three-mile daytime population is 234,463 and the Median Household Income is \$53,212.



INVESTMENT HIGHLIGHTS

- New 10-Year NN Lease With Increases in the Option Periods
- Close proximity to Loyola and Towson Universities; 0.3 and 3 Miles Respectively
- Highly Desirable “Infill” Urban Location Along Baltimore’s Most Desired Retail Corridor
- Dense Location; 218,890 People and \$53,212 Median HHI Within 3 Miles





TENANT INFORMATION

Dollar Tree Stores, Inc., is an American chain of discount variety stores that sells items for \$1 or less. Headquartered in Chesapeake, Virginia, it is a Fortune 500 company and operates over 14,700 stores throughout the 48 contiguous U.S. state and five provinces in 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-pricepoint 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.



REVENUE
\$22.246 B



NET INCOME
\$1.999 B



HEADQUARTERS
Chesapeake, VA



NO. OF EMPLOYEES
176,100+



NO. OF LOCATIONS
14,700+



YEAR FOUNDED
1986



**STOCK SYMBOL
/CREDIT RATING**
DLTR : BBB-

REGIONAL MAP

20K^{VPD}

An average of 20,845 vehicles per day drive by York Road

\$76K

The average household income within a 5-mile radius is \$76,739

:15

Less than 15 minutes to downtown Baltimore, MD

:10

Less than 15 minutes to downtown Towson, MD

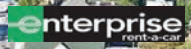




Towson University
22,284 Students



Downtown Towson, MD
3.7 Miles



LOYOLA
UNIVERSITY MARYLAND
6,050 Students
0.3 Miles Away



YORK RD - 20,845 VPD

Downtown Baltimore, MD
4 Miles



 **Public Storage**

 **LOYOLA**
UNIVERSITY MARYLAND

6,050 Students
0.3 Miles Away



 **NOTRE DAME**
OF MARYLAND
UNIVERSITY

2,982 Students
0.8 Miles Away



YORK RD - 20,845 VPD

POPEYES



DOLLAR TREE

CROWN

McDonald's

LEASE ABSTRACT

Guarantor	Dollar Tree Stores, Inc.
Lease Commencement Date	February 7, 2019
Notification Period for Tenant to Exercise Options	9 Months
Landlords Obligations	Roof, structure, fire suppression system, landscaping and parking areas. Tenant is responsible for landscaping and maintaining the parking areas. Landlord is responsible for replacement.
Tenant's Obligations	Tenant shall be obligated to keep the building any fixtures, facilities, or equipment contained therein in good condition and repair, including, but not limited to, exterior and interior doors, windows, plate glass, and showcases surrounding the Building, electrical, plumbing (excluding any repair to the fire sprinkler system, alarm system, the monitoring panels, sub-panels, and any other fire protection equipment) and sewer systems and all portions of the store front area, and shall make any replacements of broken and/or cracked plate and window glass which may become necessary during the Lease Term. Except as set in Repairs & Maintenance by Landlord (Section K.1)- noted above, Tenant shall maintain and repair the parking areas, drive aisle, parking lot and other exterior lighting on the Premises and the landscaping of the Premises. With regard to the exterior areas of Premises, Tenant shall be obligated to perform routine maintenance of the parking lot, roadways, pedestrian sidewalks, loading docks, and delivery and trash areas, including sweeping and seasonal plowing, of the parking areas; seasonal maintenance of the existing landscaping; replacement of lightbulbs for all exterior lighting located on the Premises.
Insurance	During the first 12 months of the Lease Term, Tenant shall not be obligated to pay for Landlord's Liability Insurance in excess of \$0.30/sf of Building GLA. Beginning in year 2, Tenant's obligation to pay for Landlord's Liability Insurance costs shall not increase by more than 3%.
Assignment & Subletting	Landlord's consent required; Tenant shall maintain liable; unless the Tenant assigns or sublets the Demised Premises to an Affiliate without Landlord's consent; however, Tenant shall remain liable.
Go Dark/Recapture	In the event Tenant discontinues operating in the Premises and such discontinuance continues for thirty (30) consecutive days Landlord may, at any time thereafter during the Lease Term while such discontinuance continues, elect to terminate this lease and recapture the Premises by delivering written notice to Tenant, in which event this lease shall terminate as to all obligations of the parties thirty (30) days after delivery of Landlord's notice, excepting only those obligations which expressly survive the expiration of the termination of this lease. Unless landlord elects to terminate this lease and recapture the Premises as provided above, the lease shall continue in full force and effect, Tenant shall remain obligated to pay Rent and otherwise comply with its obligations hereunder notwithstanding any discontinuance of operations, and Landlord shall similarly remain obligated under this lease.
Exclusive Use	Landlord shall not lease, rent or occupy, or permit to be leased, rented or occupied, any property owner by Landlord within 1,000 feet of the Premises ("Protected Area") for the operation of a single price point variety store or any other retail store the Principal Business of which is the operation of a single price point variety retail store.

DEMOGRAPHIC HIGHLIGHTS



5-MILE POPULATION

611,935



5-MILE AVERAGE HOUSEHOLD INCOME

\$76,739



5-MILE ESTIMATED HOUSEHOLDS

243,424



DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	29,472	215,598	602,944
2018 Estimate	29,983	218,890	611,935
2010 Census	29,942	217,356	605,853
2000 Census	32,267	225,414	628,851
Current Daytime Population	28,783	234,463	746,680

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
<u>Population By Age</u>			
2018 Estimate Total Population	29,983	218,890	611,935
Under 20	26.85%	24.42%	23.78%
20 to 34 Years	24.59%	24.98%	25.59%
35 to 39 Years	5.35%	6.38%	6.50%
40 to 49 Years	10.33%	11.28%	11.40%
50 to 64 Years	19.22%	19.58%	19.02%
Age 65+	13.67%	13.36%	13.72%
Median Age	33.7	35.43	35.44
<u>Population 25+ by Education Level</u>			
2018 Estimate Population Age 25+	18,357	146,223	417,590
Elementary (0-8)	2.59%	2.75%	3.78%
Some High School (9-11)	8.14%	8.53%	10.36%
High School Graduate (12)	27.02%	26.30%	27.89%
Some College (13-15)	23.59%	19.66%	19.26%
Associate Degree Only	5.08%	4.71%	4.77%
Bachelors Degree Only	14.57%	17.96%	17.15%
Graduate Degree	18.24%	19.10%	15.65%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection	10,402	85,898	243,119
2018 Estimate	10,462	86,327	243,424
2010 Census	10,623	86,594	242,620
2000 Census	11,362	89,445	250,121
<u>Income</u>			
2018 Housing Income			
\$150,000 or More	12.81%	10.81%	9.94%
\$100,000 - \$149,000	11.19%	11.82%	11.72%
\$75,000 - \$99,999	11.44%	11.66%	11.38%
\$50,000 - \$74,999	17.03%	18.53%	18.23%
\$35,000 - \$49,999	13.45%	12.93%	12.33%
Under \$35,000	34.06%	34.24%	36.38%
Average Household Income	\$89,315	\$81,483	\$76,739
Median Household Income	\$52,803	\$53,212	\$51,513
Per Capita Income	\$33,284	\$33,020	\$31,378

DEMOGRAPHIC SUMMARY

Geography: 5 Miles



POPULATION

In 2018, the population is 218,890. The population has changed by -2.89% since 2000. It is estimated that the population will be 215,598 five years from now, which represents a change of -1.50% from the current year. The current population is 45.92% male and 54.08% female. The median age of the population is 35.43, compared to the US average which is 37.95. The population density is 7,731.31 people per square mile.



HOUSEHOLDS

There are currently 86,327 households in your selected geography. The number of households has changed by -3.49% since 2000. It is estimated that the number of households will be 85,898 five years from now, which represents a change of -0.50% from the current year. The average household size is 2.36 persons.



INCOME

In 2018, the median household income is \$53,212, compared to the US average which is currently \$58,754. The median household income has changed by 48.33% since 2000. It is estimated that the median household income will be \$63,095 five years from now, which represents a change of 18.57% from the current year.

The current year per capita income is \$33,020, compared to the US average, which is \$32,356. The current year average household income is \$81,483, compared to the US average which is \$84,609.



RACE AND ETHNICITY

The current year racial makeup is as follows: 35.66% White, 56.36% Black, 0.04% Native American and 4.31% 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 and make up 3.01% of the current year population. Compare this to the US average of 18.01%.



HOUSING

The median housing value was \$181,895 in 2018, compared to the US average of \$201,842. In 2000, there were 48,997 owner occupied housing units and there were 40,447 renter occupied housing units. The median rent at the time was \$466.



EMPLOYMENT

In 2018, there are 78,322 employees, this is also known as the daytime population. The 2000 Census revealed that 66.62% of employees are employed in white-collar occupations, and 33.47% are employed in blue-collar occupations. In 2018, unemployment is 4.85%. In 2000, the average time traveled to work was 32 minutes.

BALTIMORE OVERVIEW

Strategically located at the center of the Eastern Seaboard in central Maryland, the Baltimore metro spans Baltimore, Anne Arundel, Carroll, Harford, Howard and Queen Anne's counties as well as the city of Baltimore. The city was split off as an independent entity in 1851 and is situated 45 miles northeast of Washington, D.C. Baltimore's port on the Chesapeake Bay is closer to major Midwestern markets than any other large seaport on the East Coast, nurturing a large shipping industry. The metro area contains roughly 2.8 million people, nearly 627,600 of whom reside in the city of Baltimore. Population growth is occurring largely in the outer portions of the metro such as Howard County.

METRO HIGHLIGHTS



STRONG BIOMEDICAL INDUSTRY

Johns Hopkins University is one of the most distinguished biomedical research facilities in the country and attracts tech firms to the area.



LOWER COST OF LIVING

A median home price that is well below many other major East Coast cities contributes to Baltimore metro residents' lower cost of living.



PORT TRAFFIC

The Port of Baltimore, which ranks in the top 15 nationwide in terms of foreign tonnage, underpins the transportation and logistics industries.



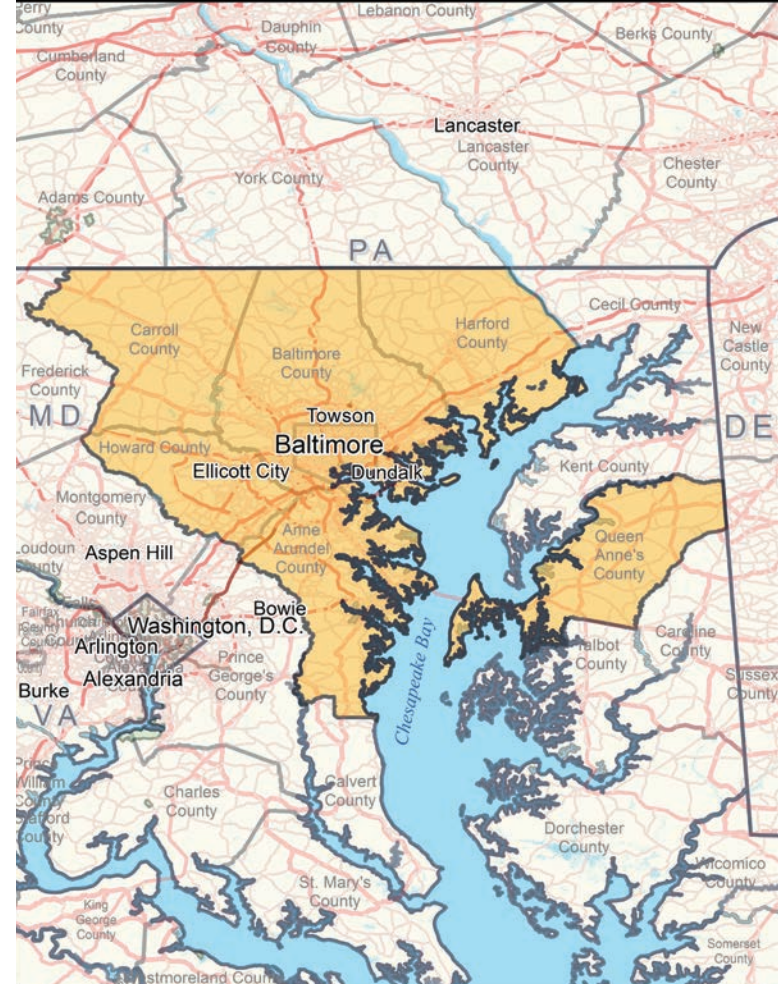
THE BALTIMORE ECONOMY

The local economy is anchored by the government, education and health services, professional and business services, and trade, transportation and utilities sectors.

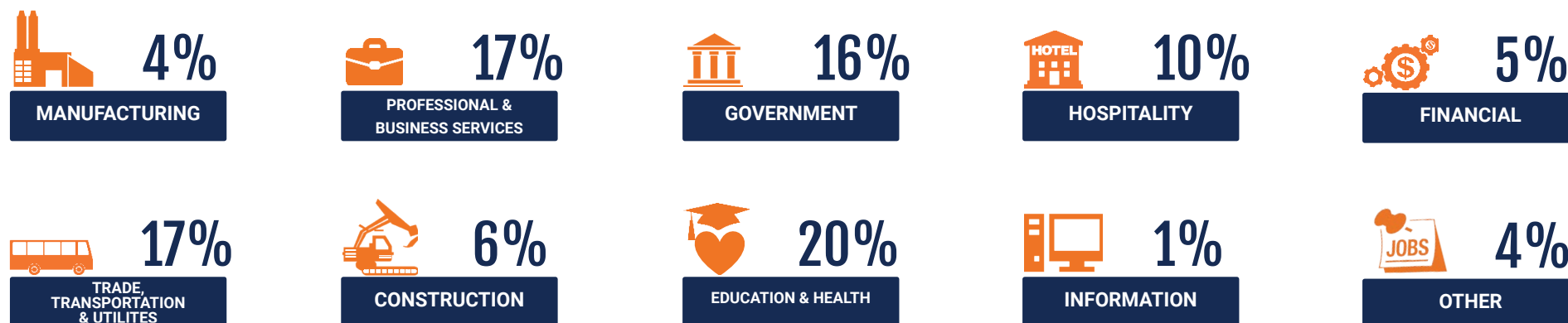
Interstate 95 is a major East Coast transportation corridor providing access to Washington, D.C., and New York City. The economy continues to diversify from manufacturing. Fortune 1000 companies include Legg Mason, T. Rowe Price, Laureate and McCormick & Co.

Government is a vital economic driver. Many state agencies are located in the metro, fostering the highest concentration of federal civilian employment in the nation.

MAJOR AREA EMPLOYERS
Fort George G. Meade
University of Maryland
John Hopkins University
University of Maryland Medical System
GBMC HealthCare
LifeBridge Health
Aberdeen Proving Ground
John Hopkins Hospital and Health System
U.S. Social Security Administration
MedStar Health



SHARE OF 2017 TOTAL EMPLOYMENT



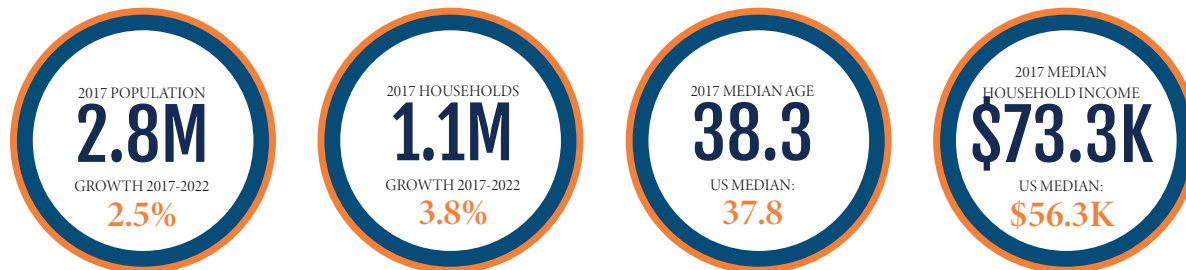
BALTIMORE DEMOGRAPHICS

The metro is projected to add nearly 70,300 people through 2022, which will result in the formation of nearly 41,700 households.

A median home price slightly above the national level has allowed 65 percent of households to own their home.

Roughly 36 percent of people age 25 and older hold a bachelor's degree; among those residents, 16 percent also have earned a graduate or professional degree.

2017 POPULATION BY AGE



QUALITY OF LIFE

Steeped in more than 275 years of history and tradition, Baltimore is a “city of neighborhoods” located within 45 miles of Washington, D.C. Visitors to the inner harbor can enjoy the National Aquarium and Maritime Museum, sailing on a clipper ship or eating at the many restaurants. Baltimore houses world-famous art collections and museums, including the Museum of Art and the Museum of Industry. The region is supported by a comprehensive public transit system including buses, a subway and light- and passenger-rail lines. Within the city and surrounding region are more than 30 institutions of higher learning, including Johns Hopkins University, the University of Maryland, Morgan State University and Towson University.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

SPORTS



EDUCATION



ARTS & ENTERTAINMENT



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