



# Family Dollar

EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap



# OFFERING

# MEMORANDUM



5400 West 159<sup>th</sup> Street, Oak Forest, Illinois

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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

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# Investment Highlights



PRICE: \$1,884,367 | CAP: 6.00% | RENT: \$113,062

## About the Investment

- ✓ Built to Suit Construction in 2017
- ✓ Just Under 13-Years Remaining on the Triple-Net
  - ✓ Pre-Dollar Tree Lease | Unique Triple-Net Long-Term Lease
- ✓ 10% Rent Increases Every Five Years
- ✓ Strong Corporate Guarantee | Credit Rated S&P: BBB-
- ✓ Recession-Resistant Business Model

## About the Location

- ✓ Major National Tenants In Surrounding Area: Jewel-Osco, Pancake House, United States Postal Service, Shell, Jiffy Lube, BP, KFC, Dunkin Donuts, Walgreens, McDonald's, and Several Others
- ✓ Traffic Counts | West 159th Street and Central Avenue | 11,600 and 37,400 Vehicles per Day
- ✓ Oak Forest | 25 Miles South of Chicago | Third Largest City in the United States

## About the Tenant / Brand

- ✓ Founded in 1959, Family Dollar Operates Over 8,000 Stores Across the Country
- ✓ In July 2015, Family Dollar Completed a \$9.2 billion Merger With Dollar Tree - Fortune 150 Company Operating 15,273 Stores Nationwide
- ✓ Dollar Tree (NASDAQ: DLTR) – Headquartered in Chesapeake, Virginia - Reported TTM Revenues of \$10.5 Billion and Had a Net Worth of Approximately \$1.85 Billion Prior to the Merger



Representative Photo



# Financial Analysis



PRICE: \$1,884,367 | CAP: 6.00% | RENT: \$113,062

## PROPERTY DESCRIPTION

Property	Family Dollar
Property Address	5400 W 159 <sup>th</sup> Street
City, State, ZIP	Oak Forest, IL
Building Size (SF)	8,353
Land Area	0.97 Acres
Year Built	2017
Type of Ownership	Fee Simple

## LEASE SUMMARY

Property Type	Net Leased Dollar Store
Guarantor	Family Dollar Stores, Inc
Original Lease Term	15 Years
Lease Commencement	July 16, 2014
Lease Expiration	March 31, 2032
Lease Term Remaining	12.5 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Option to Renew	Six (6), Five (5)-Year Options
Rental Increase	10% in 2027 and at the Start of Each Option Period

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Current – March 31, 2027	\$113,062	\$9,422	-
April 1, 2027 – March 31, 2032	\$124,368	\$10,364	10.00%
Option 1	\$136,805	\$11,400	10.00%
Option 2	\$150,486	\$12,540	10.00%
Option 3	\$165,534	\$13,795	10.00%
Option 4	\$182,087	\$15,174	10.00%
Option 5	\$200,296	\$16,691	10.00%
Option 6	\$220,326	\$18,360	10.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Family Dollar located 5400 W 159<sup>th</sup> Street in Oak Forest, IL. The property consists of approximately 8,353 rentable square feet and sits on 0.97 acres of land.

The subject property was a brand new built to suit development for Family Dollar in 2017 and there are approximately 12.5 years remaining on the 15-Year triple-net lease. This property is unique as there are absolutely zero landlord responsibilities. The tenant is currently paying a rent of \$113,062 that is subject to 10% rental escalations every five years starting in 2027 and through each of the six, five-year tenant renewal options.



# Tenant Overview



Founded in 1959, Family Dollar operates over 8,000 general merchandise, discount retail locations with a “neighborhood variety store” format. Its merchandise assortment includes consumables, such as batteries, diapers, food products, hardware and automotive supplies, health and beauty aids, household chemicals, paper products, pet food and supplies, home products, and more. In July 2015, Family Dollar completed a \$9.2 billion merger with Dollar Tree. Prior to the merger, Family Dollar Stores, Inc. was the second largest dollar store chain in the United States, operating over 8,000 stores across 46 states. The retailer also reported TTM revenues of \$10.5 billion and had a net worth of approximately \$1.85 billion prior to the merger. Post-merger, the combined company has a net worth of \$4.40 billion, produces annual revenues in excess of \$18.4 billion, and operate more than 13,800 stores across the United States and Canada, making it the largest discount retailer in North America.



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 15,273 stores throughout the 48 contiguous U.S. states and Canada. Dollar Tree competes in the dollar store and low-end retail markets. 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.

On July 6, 2015, Dollar Tree, Inc. (NASDAQ: DLTR), North America's leading operator of discount variety stores selling everything for \$1 or less, announced that it has completed the acquisition of Family Dollar Stores, Inc., a leading national discount retailer offering name brands and quality, private brand merchandise. Dollar Tree, a Fortune 500 Company, now operates more than 15,273 stores across 48 states and five Canadian provinces. Stores operate under the brands of Dollar Tree, Family Dollar and Dollar Tree Canada.

Family Dollar offers a compelling mix of merchandise for the whole family. Ranging from an expanded assortment of refrigerated and frozen foods and health and beauty items to home décor and seasonal items, Family Dollar offers the lowest possible price, the name brand and quality private-brand merchandise customers need and use every day. The average size of a Family Dollar store is approximately 7,000 square feet, and most stores are operated in leased facilities. This relatively small footprint allows the Company to open new stores in rural areas and small town, as well as in large urban neighborhoods. Within these markets, the stores are located in shopping centers or as free-standing building and all are convenient to the Company's customer base.







# Location Overview



This Family Dollar is located at 5400 West 159th Street in Oak Forest, Illinois. Oak Forest is a suburban city located in Cook County Illinois. Cook County is the second most populous county in the United States. Oak Forest is approximately 25 miles south of Chicago, the third largest city in the nation.

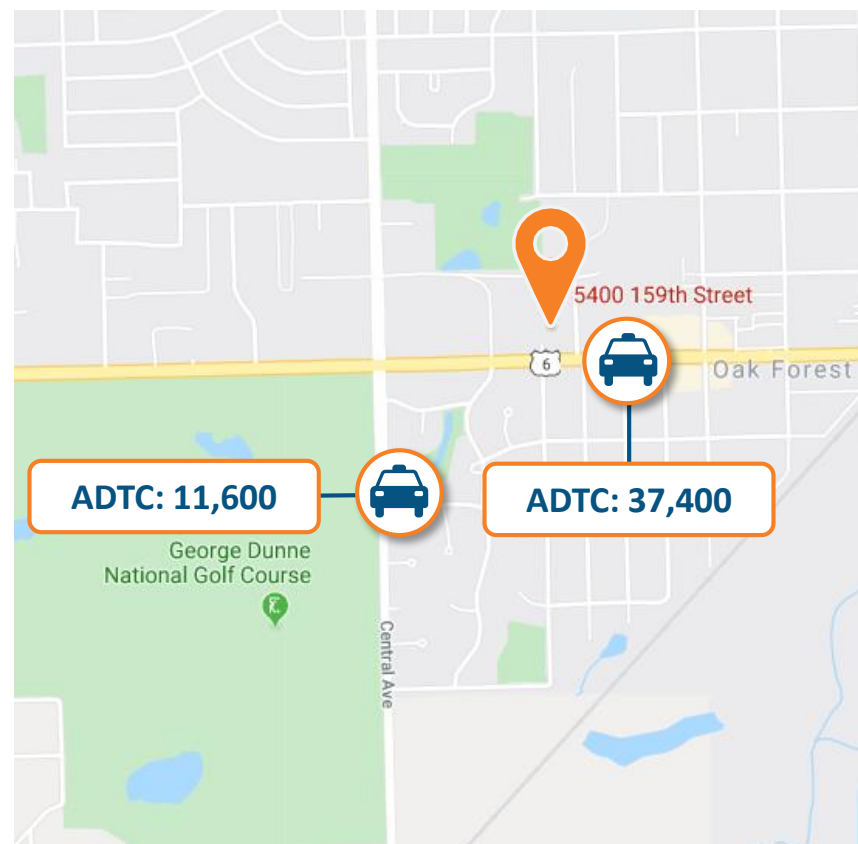
The subject property is located within a dense retail corridor, benefiting from the several major national and regional tenants in the nearby area. Dunkin Donuts, KFC, Jiffy Lube, USPS, Shell, Food 4 Less, Pancake House, Walgreens, McDonald's and several others are in the nearby area. Additionally, this Family Dollar property will benefit from the nearby residential area. Several schools such as Oak Forest High School and Kerkstra Elementary School are found within two miles of the subject property and have a total combined enrollment of over 1,800 students.

Oak Forest has approximately 82,608 individuals residing within a three-mile radius of the property and more than 233,071 within a five-mile radius. The Family Dollar property is located on West 159th Street which intersects with Central Avenue and a hard-signalized intersection. West 159th Street has a traffic counts of roughly 37,400 vehicles per day. Central Avenue has a daily traffic count of over 11,600 vehicles.

Chicago is the third largest city in the United States as well as the county seat of Cook County. Located where the Chicago River meets Lake Michigan, Chicago is known as the "Windy City" due to the weather caused by the nearby bodies of water. Chicago is the second largest business district in the nation and has the most balanced economy in the nation. Multiple Dow 30 companies are based in the Chicago Metropolitan Area, such as Boeing, Sears, Kraft, and McDonald's. Every year, over 50 million people visit the city. With two-time World Series winners the Chicago Cubs, the six-time Stanley Cup winning Chicago Blackhawks, and six-time NBA championship winning Chicago Bulls, the city has a tradition of excellence in all sports. Chicago is also home to several universities such as Northwestern University, University of Chicago, the Art Institute of Chicago, DePaul University, and several others with a combined total enrollment of over 60,000 students.

## HIGHLIGHTS

- Major National Tenants In Surrounding Area: Jewel-Osco, Pancake House, United States Postal Service, Shell, Jiffy Lube, BP, KFC, Dunkin Donuts, Walgreens, McDonald's, and Several Others
- Traffic Counts | West 159th Street and Central Avenue | 13,026 and 139,500 Vehicles per Day
- Oak Forest | 25 Miles South of Chicago | Third Largest City in the United States







# Surrounding Area







# Property Photos





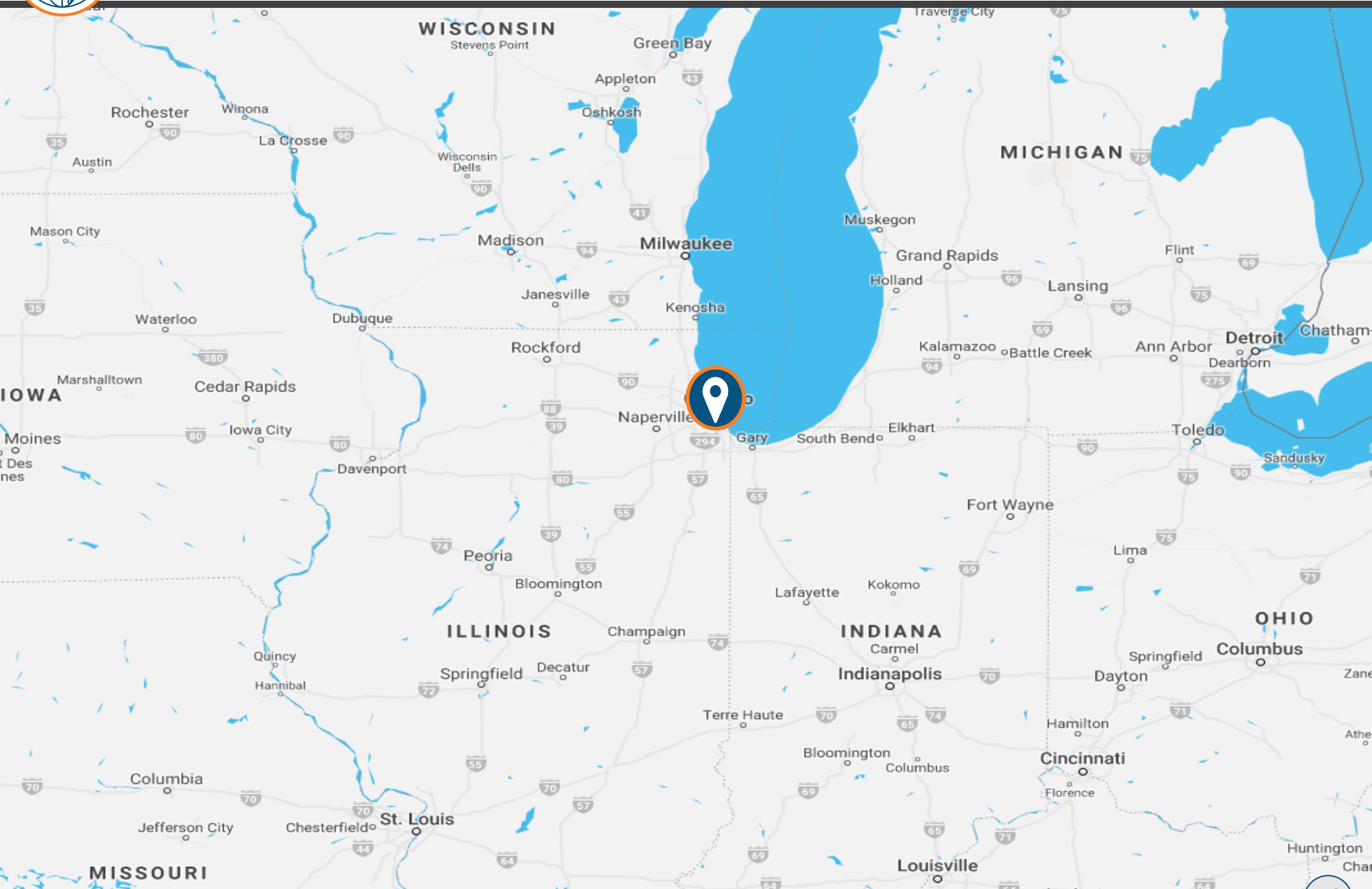


# Surrounding Property Photos





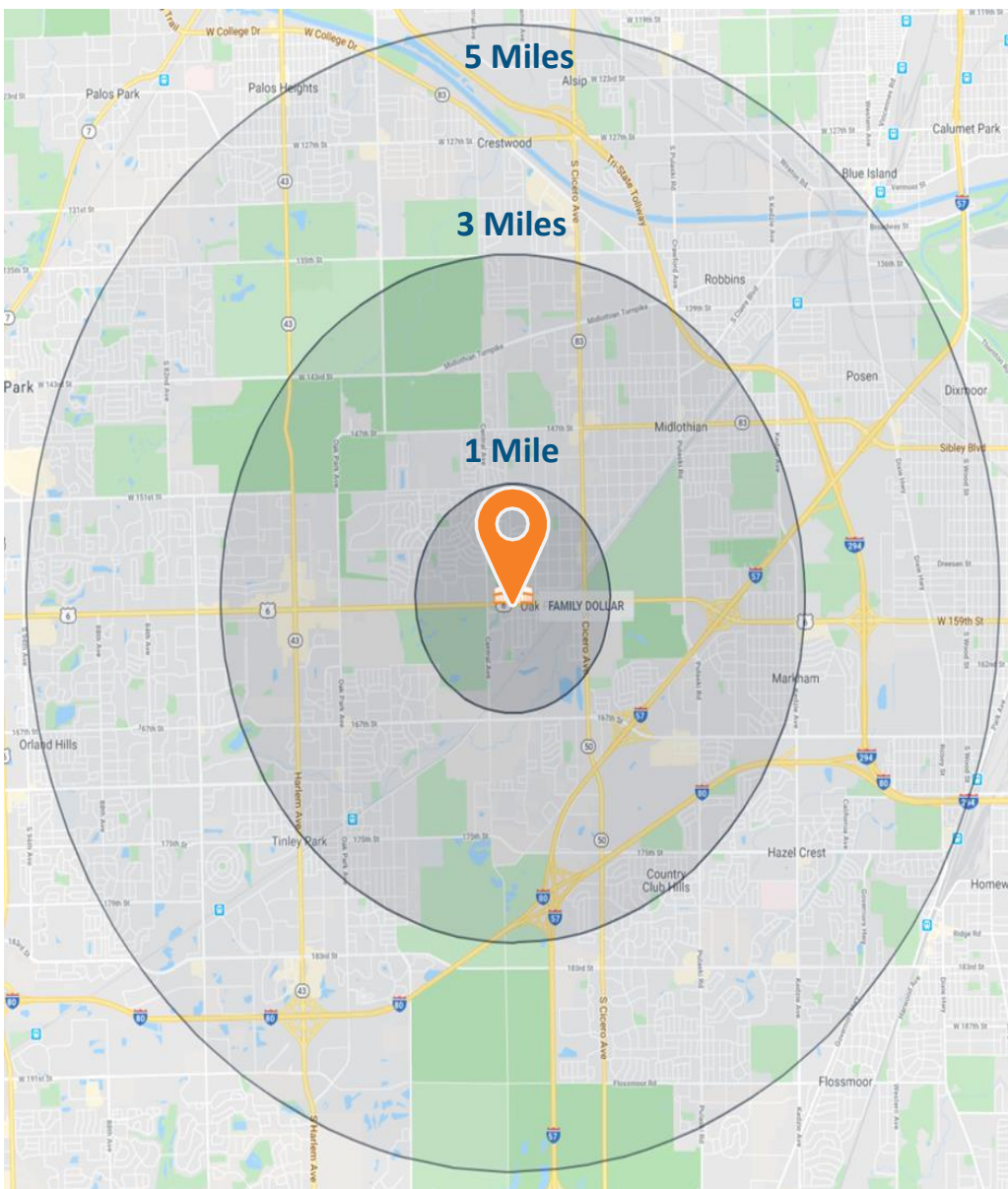
# Regional Map







# Demographics



## POPULATION

	1 Mile	3 Miles	5 Miles
2023 Projection	11,679	83,354	236,333
2018 Estimate	11,710	82,608	233,071
2010 Census	11,754	82,241	232,396
2000 Census	12,300	82,405	231,859

## INCOME

Average	\$72,516	\$77,945	\$81,082
Median	\$61,350	\$64,881	\$63,914
Per Capita	\$27,655	\$29,656	\$30,099

## HOUSEHOLDS

2023 Projection	4,485	32,152	88,751
2018 Estimate	4,460	31,348	86,129
2010 Census	4,454	31,007	85,413
2000 Census	4,492	29,981	81,961

## HOUSING

2018	\$185,940	\$186,285	\$188,640
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## EMPLOYMENT

2018 Daytime Population	9,350	67,476	202,177
2018 Unemployment	6.07%	6.53%	7.04%
2018 Median Time Traveled	33	34	36

## RACE & ETHNICITY

White	77.89%	73.44%	62.51%
Native American	0.01%	0.02%	0.03%
African American	5.63%	15.02%	26.99%
Asian/Pacific Islander	6.06%	3.02%	2.77%



5400 159th Street, Oak Forest, IL



Marcus & Millichap  
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**Broker of Record:**

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