

FAMILY DOLLAR

NORTHEAST CORNER OF SOUTH EJIDO AVENUE
& WORMSER ROAD, LAREDO, TEXAS



CONSTRUCTION PHOTO
AS OF 1/7/2020

OFFERING MEMORANDUM

Marcus & Millichap



MALL DEL NORTE

★ macy's JCPenney
Dillard's
FOREVER 21
Disney STORE sears GAP

REGAL CINEMAS
TOWNEPLACE SUITES
Wendy's
Tilted Kilt

TEXAS A&M
INTERNATIONAL
UNIVERSITY
7,500 STUDENTS

LAREDO
INTERNATIONAL
AIRPORT

Laredo International
Fair & Exposition

Laredo
MEDICAL CENTER

Walmart Supercenter
Church's
Wendy's
Wing-Stop
Panda Express
Target
Chick-fil-A
Conn's

LAREDO
COLLEGE
EST. 1947
10,000 STUDENTS

H-E-B
POPeYes
Louisiana Kitchen
AutoZone
Domino's
MCDONALD'S
KFC

FAMILY DOLLAR

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Executive Summary

FINANCIAL SUMMARY

Price	\$1,896,000
Down Payment	100% \$1,896,000
Cap Rate	6.75%
Building SF	9,180 SF
Net Cash Flow	6.75% \$128,000.04
Year Built	2020
Land/Lot Size	1.28 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Family Dollar Stores of Texas, LLC
Lease Guarantor	Corporate
Roof & Structure	Landlord Responsible
Est. Lease Commencement Date	March 2020
Est. Lease Expiration Date	March 2030
Lease Term	10 Years
Rental Increases	5% in Each Option
Renewal Options	6, 5 Year Options

ANNUALIZED OPERATING DATA


Lease Years	Annual Rent	Cap Rate
1 - 10	\$128,000.04	6.75%
Lease Years	Annual Rent	Cap Rate
Option 1	\$134,400.04	7.09%
Option 2	\$141,120.04	7.44%
Option 3	\$148,176.05	7.82%
Option 4	\$155,584.85	8.21%
Option 5	\$163,364.09	8.62%
Option 6	\$171,532.30	9.05%

Base Rent	\$128,000.04
Net Operating Income	\$128,000.04
Total Return	6.75% \$128,000.04



 **DR LEO CIGARROA
HIGH SCHOOL**



 **HENRY B. ZACHRY
ELEMENTARY SCHOOL**

metro
by T-Mobile

S EJIDO AVE

FAMILY DOLLAR

WORMSER RD

Property Description



INVESTMENT HIGHLIGHTS

- » **New 10-Year Corporate Guaranteed Lease**
- » **Brand New 2020 Construction**
- » 5% Rental Increases Each 5 Year Option Period
- » **165,299 Residents in Growing Laredo Trade Area**
- » Households Projected to Increase 16%+ in Immediate Area Over the Next 5 Years
- » **Strong Daytime Population - 164,450+ Employees within a 5-Mile Radius**
- » Average Household Income Exceeds \$43K in Immediate Area
- » **Surrounded by Major National Retailers** - H-E-B, McDonald's, Dollar Tree, Walmart Supercenter, Burger King, Sonic Drive-In, and More
- » Close Proximity to 17,500+ College Students from Laredo College and Missouri Western State University



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2023 Projection	28,981	103,454	174,738
2018 Estimate	25,940	94,968	165,299
Growth 2018 - 2023	11.72%	8.94%	5.71%

Households

2023 Projection	7,179	25,985	47,150
2018 Estimate	6,181	23,232	43,563
Growth 2018 - 2023	16.15%	11.85%	8.23%

Income

2018 Est. Average Household Income	\$43,326	\$42,760	\$40,244
2018 Est. Median Household Income	\$32,025	\$30,537	\$27,929
2018 Est. Per Capita Income	\$10,334	\$10,473	\$10,679



Tenant Overview



Chesapeake, Virginia

Headquarters

Dollar Tree

Parent Company

8,000+

Locations

familydollar.com

Website

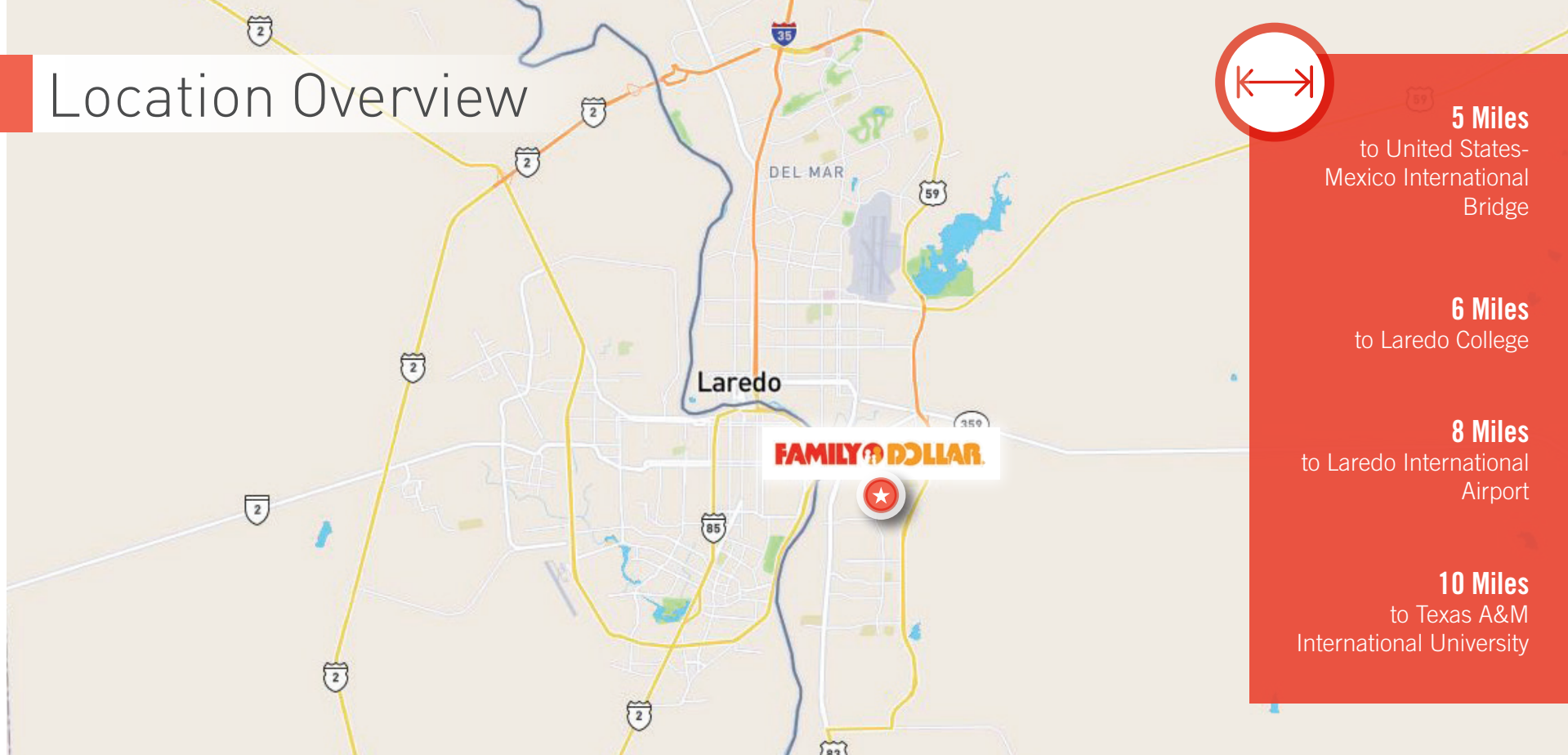
As one of the nation's fastest growing retailers, Family Dollar offers a compelling assortment of merchandise for the whole family, ranging from household cleaners to name brand foods, from health and beauty aids to toys, from apparel for every age to home fashions, all for everyday low prices. While shoppers can find many items at \$1 or less, most items in the store are priced below \$10, which makes shopping fun without stretching the family budget.

The relatively small footprint of many Family Dollar stores allows the Company to open new stores in rural areas and small towns, as well as in large urban neighborhoods. Within these markets, the stores are located in shopping centers

or as free-standing buildings, all convenient to the Company's customer base.

In 2015, Dollar Tree acquired Family Dollar. Headquartered in Chesapeake, Virginia, Dollar Tree is the largest and most successful single price-point retailer in North America, operating thousands of stores across 48 contiguous U.S. states and five Canadian provinces. Dollar Tree's strategic rationale behind the Family Dollar acquisition include creating a leading discount retailer in North America, targeting a broader range of customers and geographies, leveraging complementary merchandise expertise, generating significant synergy opportunities, and enhancing financial performance and improved growth

Location Overview



Laredo sits on the north bank of the Rio Grande in South Texas, bordering the Mexican city of Nuevo Laredo. Founded in 1755, Laredo grew from a small village to the capital of the brief Republic of the Rio Grande to the largest inland port on the Mexico-United States border. Laredo's economy is based on international trade with Mexico. The city has an approximate population of 236,100, making it the tenth-most populous city in the state and the third-most populated on the Mexico-United States border, after San Diego, California and El Paso, Texas.

At the southernmost end of I-35 and connecting with Mexico's Highway 85, Laredo is an ideal distribution and crossing point for major markets in Mexico as well as the northeast and midwestern United States. The city features four bustling

international bridges, three modern hospitals, a constantly-evolving university (Texas A&M International University), and an expanding system of infrastructure. Laredo's main street, San Bernardo Avenue, boasts a large collection of authentic merchandise along 40-plus city blocks. The streets of downtown are also home to historic architecture, museums, and the Villa de San Agustin Historic District.

Laredo's warm weather creates the perfect environment for fun and relaxing outdoor recreation activities. The Max, Laredo's municipal golf course, is nestled along the Rio Grande and features 7,297 yards of golf. Birding is a popular pastime, with many trails available ranging in difficulty from leisurely to moderate. Scenic walks provide a backdrop to viewing native plants and flowers in the area.



11-2-2015

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:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - 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.

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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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