

INVESTMENT OFFERING 2-TENANT NNN  
**DOLLAR TREE** APPLETON, WISCONSIN



REPRESENTATIVE PHOTO



REPRESENTATIVE PHOTO



# DOLLAR TREE

 **FARISLEE**  
Investments

**PARTNER**  
**XTEAM**  
RETAIL ADVISORS



**DOLLAR TREE** & SHOP SPACE  
127 S. MEMORIAL DRIVE, APPLETON, WI 54911



**INVESTMENT ADVISORS:**

**Jeff Conover**

Senior Managing Director  
jconover@farislee.com  
(949) 221-1810  
License No. 01008195

**Scott DeYoung**

Managing Director  
sdeyoung@farislee.com  
(949) 221-1835  
License No. 01889050

**Hunter P. Steffien**

Director  
hsteffien@farislee.com  
(949) 221-1814  
License No. 02036521

**Tyler Strauss**

Associate  
tstrauss@farislee.com  
(949) 221-1803  
License No. 02059923

**WISCONSIN BROKER OF RECORD:**

**Beau Beach**

WI License No. 936671-091

18301 Von Karman Avenue, Suite 800, Irvine, CA 92612 P (949) 221-1800 F (949) 221-1830 [farislee.com](http://farislee.com)

The information contained herein has been carefully compiled from sources we consider reliable, and while not guaranteed as to completeness or accuracy, we believe it to be correct as of this date. The proforma revenues and expenses set forth in this brochure do not constitute a representation, warranty, or guaranty of any of the numbers set forth herein or of any economic value attributable to the property or income that may be derived therefrom. Independent estimates of proforma revenues and expenses should be developed before any decision is made on whether to invest in the property.







# DOLLAR TREE

## TABLE OF CONTENTS



PROPERTY OVERVIEW

4

FINANCIAL ANALYSIS

14

### STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as Dollar Tree & Shop Space, City of Appleton, County of Outagamie, State of Wisconsin. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property, and it is not to be used for any other purpose or made available to any other person without the express written consent of Seller or FLI. The material is based in part upon information supplied by the Seller and in part upon financial information obtained

by FLI from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

No representation or warranty, expressed or implied, is made by the Seller, FLI, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Property site or used in the construction or maintenance of the building at the Property site.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein

or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or FLI or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

PROPERTY **OVERVIEW**



***DOLLAR TREE***



Faris Lee Investments is pleased to present a rare opportunity to acquire the fee simple interest (land and building) in a Corporate Guaranteed, signalized hard-corner, NNN-leased Dollar Tree property located in the historic city of Appleton (WI). This two-tenant property consists of 17,691 SF in total – Dollar Tree occupying 9,700 SF and a current vacancy of 7,991 SF, which is rent guaranteed by ownership for 2 years from the COE. Freshly rehabilitated in 2019, the property is in close proximity to both Downtown Appleton and Lawrence University. This freestanding building boasts great visibility/ access within the Central Business District, sitting on two hard-corner intersections and having three total entrance points. Dollar Tree, a publicly traded and credit-rated brand, recently executed a 10-year lease with an additional 15 years of options for renewal. This long term lease provides the investor with long term security and a hedge against inflation.

Dollar Tree, Inc. (NASDAQ: DLTR) operates across North America in both the United States and Canada, alongside its sister brand Family Dollar. With almost 15,000 locations, over 55,000 employees, and 22 U.S. distribution centers, the company completed over \$22.8B in revenue during its 2018 fiscal year. More recently, the brand has experienced strong growth through expansions and fresh remodeling/relocation strategies for its stores. Currently, Dollar Tree's S&P Rating is BBB-.

The subject property is fronting the downtown retail corridor of S. Memorial Drive (18,809 VPD) and the intersection with both W. College Avenue (17,370 VPD) and W. Lawrence Street; the latter connects nearby residences to the highways mentioned. The city of Appleton, known for its extravagant food scene and suburban appeal, has solid demographics with more than 154,000 residents and an average household income of \$79,670 (5-mile radius of subject property). Some of the economic/population drivers in the region include: Nestle Distribution, Thrivent Financial, Guardian Life Insurance, and an overall strong manufacturing presence. Just 30 minutes south from the city of Green Bay, Appleton appeals to many as a place for permanent residency.

#### PRICING

**\$1,950,000**

#### CAP RATE

**8.50%**

#### SPECIFICATIONS:

**GLA:** 17,691 SF

**Land Area:** 1.03 Acres

#### TENANT:



**DOLLAR TREE**

#### LOCATION:

**127 S. Memorial Drive  
Appleton, WI 54911**



## PROPERTY HIGHLIGHTS



### CORPORATE EXECUTED LEASE / STRONG INVESTMENT GRADE TENANT - DOLLAR TREE

- Corporate guarantee from Dollar Tree, providing the investor both long term security and stability
- S&P Credit Rating (DLTR): BBB-
- 14,845 locations and 22 distribution centers across the United States
- Brand with strong national footprint and diverse customer base



### NEW LONG TERM / 10-YEAR NNN LEASE

- Long term security and stability for the investor
- Buyer has ownership of the land and building
- Multiple options to renew lease term for another 15 years
- Minimal landlord responsibilities and ease of management



### RENTAL INCREASES DURING THE THREE OPTION PERIODS

- 5% increases every five years at the start of each option period
- Increases return on investment
- Hedges against inflation for the investor



### BUSY RETAIL CORRIDOR WITH CLOSE PROXIMITY TO DOWNTOWN AND ECONOMIC DRIVERS

- Direct access and frontage to S. Memorial Drive (with almost 19,000 VPD) and intersection with W. College Avenue (17,370 VPD)
- Access points to W. Lawrence Street, which connects nearby residential neighborhoods to historic downtown district
- Less than one mile from the Lawrence University campus and downtown Appleton
- Minutes away from the Fox River - a popular spot for outdoor recreational activities like biking and rollerblading



### NEW 2019 CONSTRUCTION / REHAB

- Minimum deferred maintenance, if any
- Intrinsic real estate value



### VALUE-ADD OPPORTUNITY / HIGH YIELD POTENTIAL

- Two tenant building with strong national tenant and additional rent-guaranteed space
- Vacant space is provided with \$8.00/SF annual rental guarantee for two years
- Allows for a new investor to handpick their desired second tenant
- Guaranteed income for both units, providing stability for the investor



## PROPERTY SPECIFICATIONS

127 S. Memorial Drive, Appleton, WI 54911



### Land Area

1.031 Acres (44,910 SF)



### Rentable Area

17,691 SF



### Ownership

Fee Simple (Land & Building)



### Access

There are three (3) access points: one (1) along S. Memorial Drive and two (2) along W. Lawrence Street.



### Parking

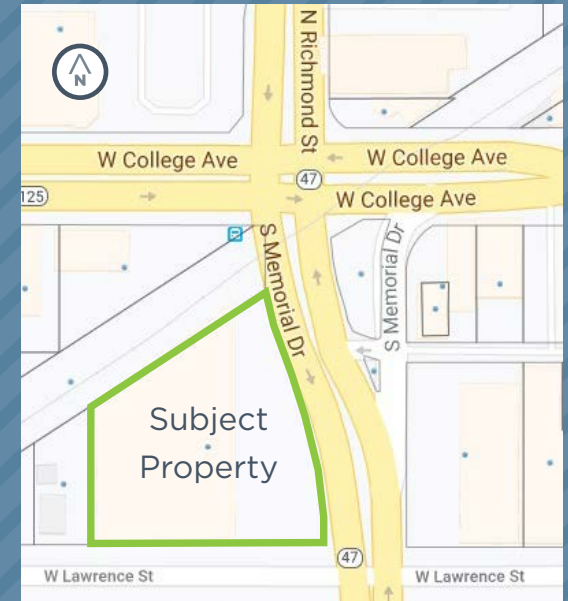
There are approximately 50 dedicated parking stalls on the owned parcel.



### Traffic Counts (REGis 2019)

S. Memorial Drive: 18,809 VPD  
W. College Avenue: 17,370 VPD

## Parcel Map



**PARCEL 31-3-0972-00**



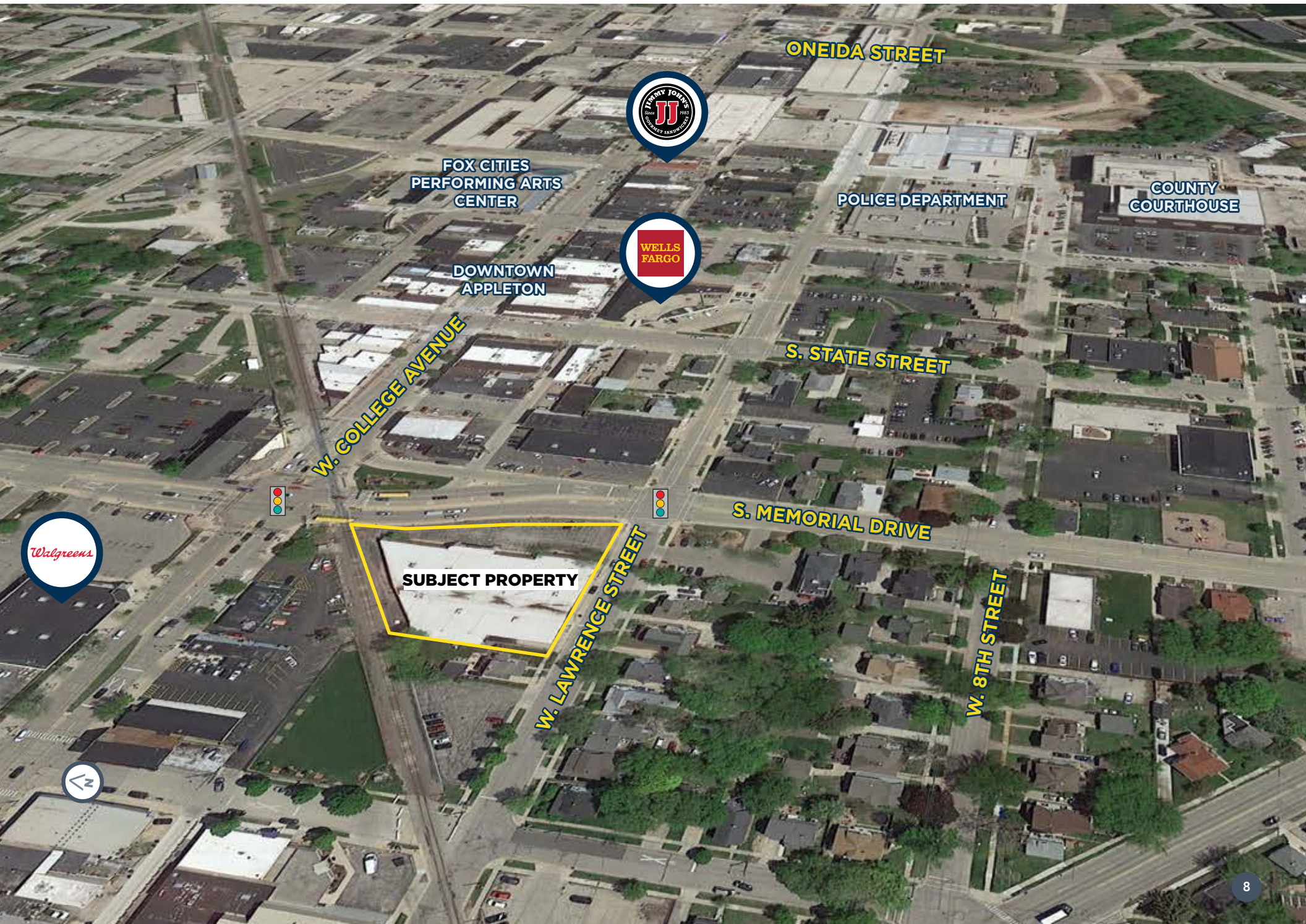
### Year Built / Rehab

2019

Zoning: CBD (Central Business District)



AT THE WEST ENTRANCE OF DOWNTOWN APPLETON



ONEIDA STREET



FOX CITIES  
PERFORMING ARTS  
CENTER

POLICE DEPARTMENT

COUNTY  
COURTHOUSE



DOWNTOWN  
APPLETON

S. STATE STREET

W. COLLEGE AVENUE

S. MEMORIAL DRIVE

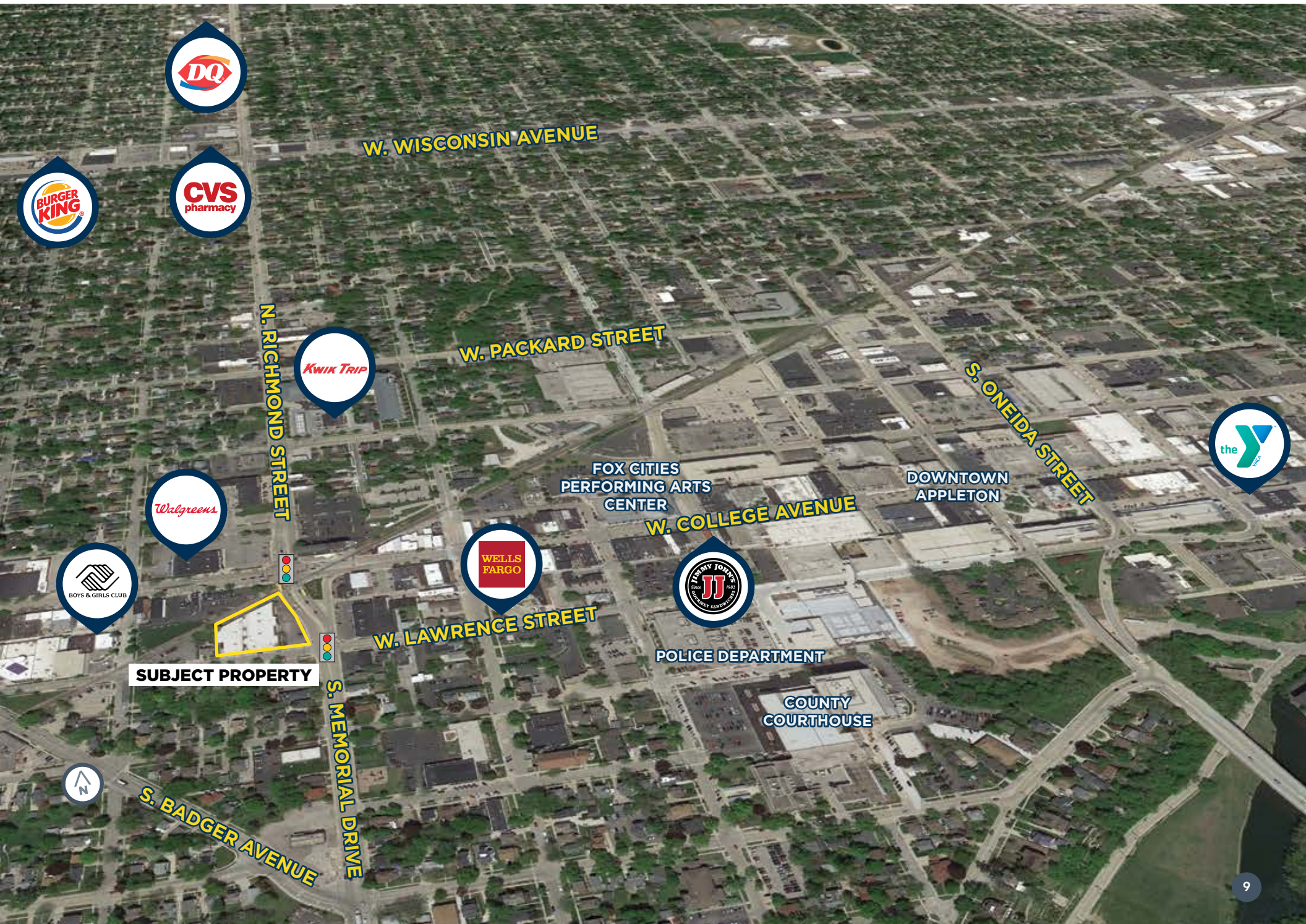
SUBJECT PROPERTY

W. LAWRENCE STREET

W. 8TH STREET







SUBJECT PROPERTY

W. WISCONSIN AVENUE

W. PACKARD STREET

FOX CITIES  
PERFORMING ARTS  
CENTER

W. COLLEGE AVENUE

DOWNTOWN  
APPLETON

S. ONEIDA STREET

W. LAWRENCE STREET

POLICE DEPARTMENT

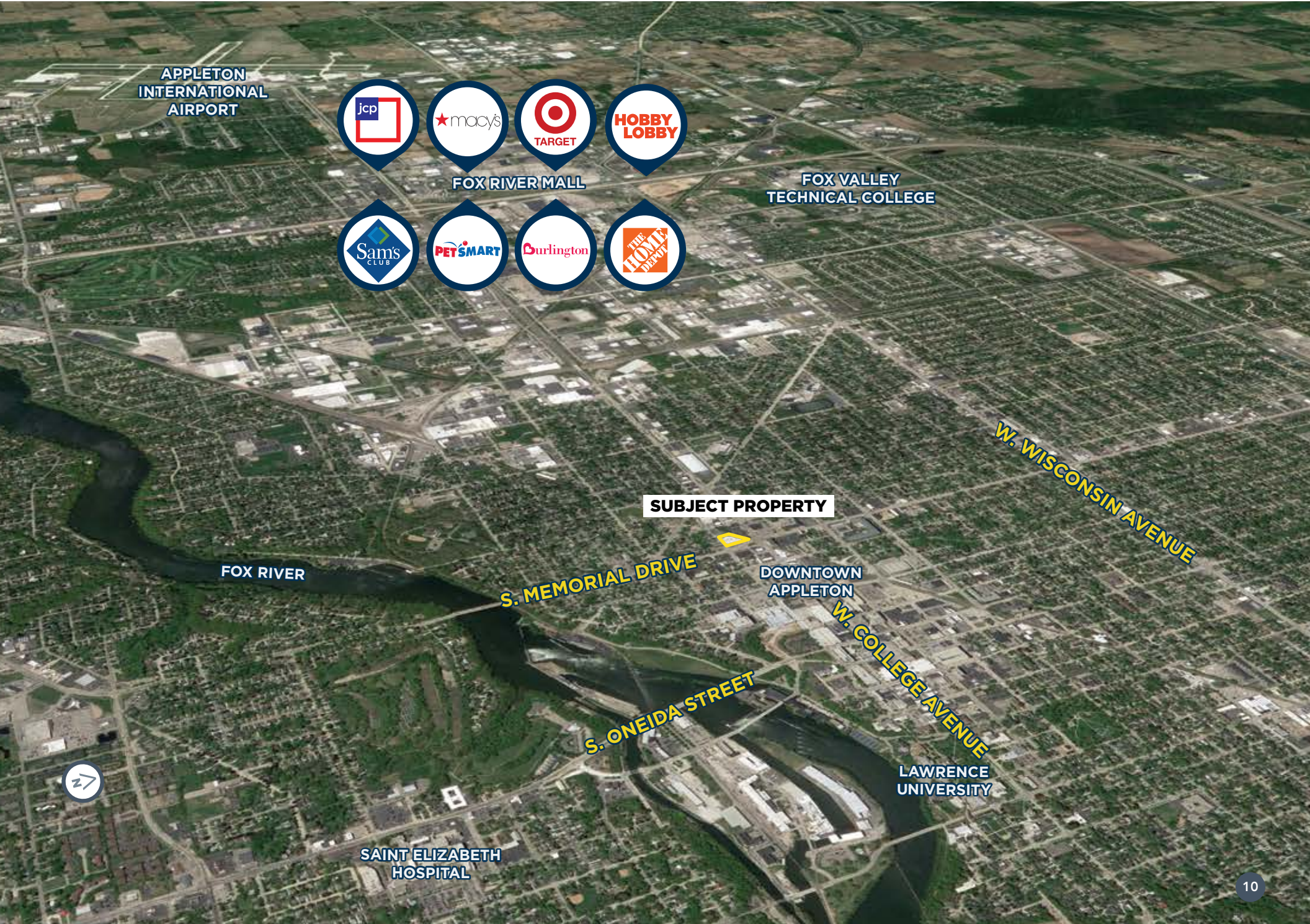
COUNTY  
COURTHOUSE

N. RICHMOND STREET

S. MEMORIAL DRIVE

S. BADGER AVENUE





APPLETON  
INTERNATIONAL  
AIRPORT



FOX RIVER MALL

FOX VALLEY  
TECHNICAL COLLEGE



SUBJECT PROPERTY

FOX RIVER

S. MEMORIAL DRIVE

DOWNTOWN  
APPLETON

W. WISCONSIN AVENUE

S. ONEIDA STREET

W. COLLEGE AVENUE

LAWRENCE  
UNIVERSITY

SAINT ELIZABETH  
HOSPITAL





DISTANCE FROM APPLETON:



20 Miles

Oshkosh



30 Miles

Green Bay



106 Miles

Madison



107 Miles

Milwaukee



65,334

Households in 5 mile radius



154,055

Population in 5 mile radius



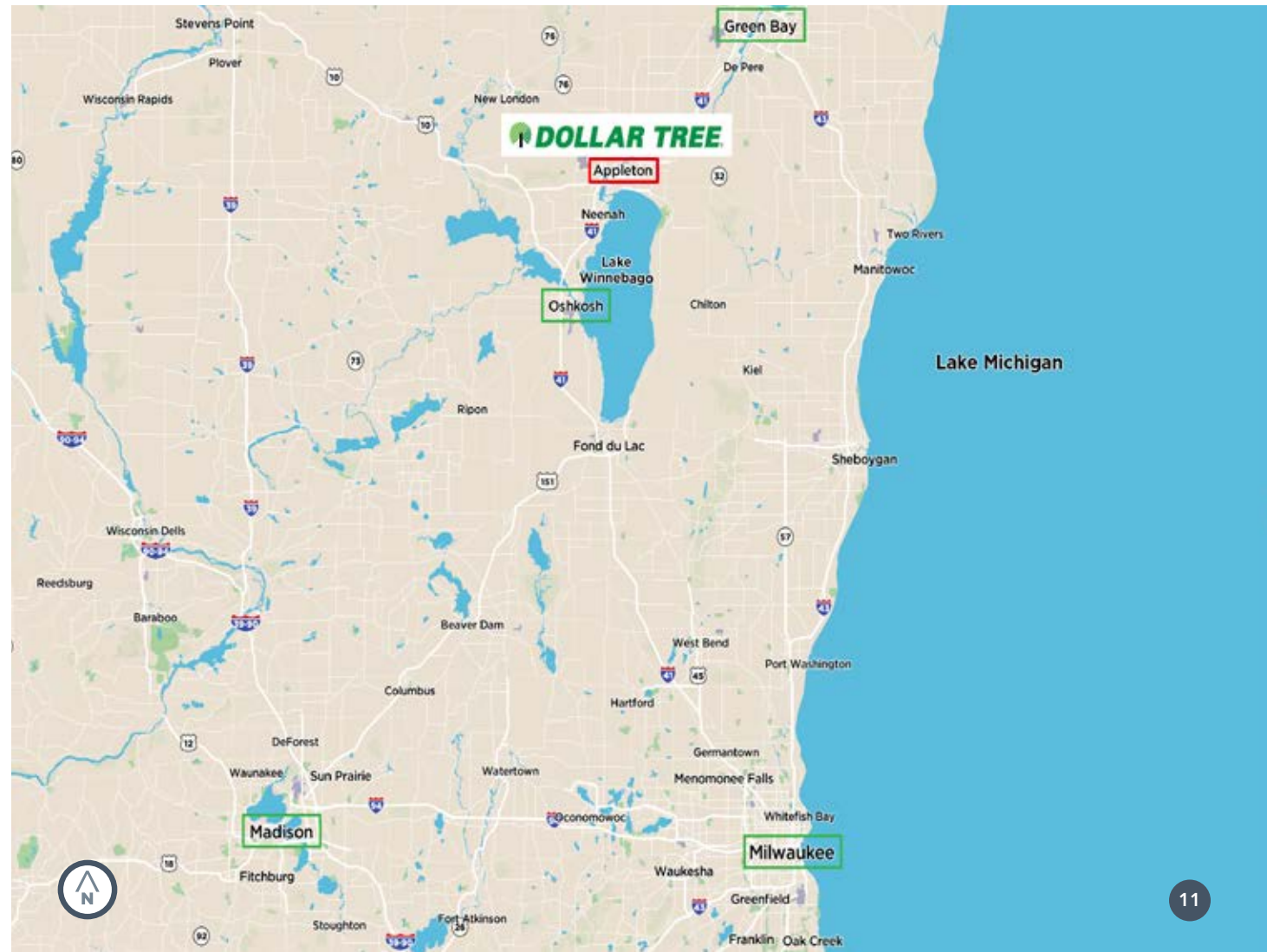
\$79,670

AHHI in 5 mile radius



112,518

Employees in 5 mile radius





## AREA OVERVIEW

### THE CITY OF APPLETON

Appleton was incorporated first as a village in 1853 and later as a city in 1857. It shares its history with Lawrence University and the two have grown simultaneously. The close relationship established in the early years continues to exist.

Lawrence University's 84 acre campus, with 32 instructional, recreational and administrative buildings, 1500 students drawn from 45 states and 40 foreign countries, and a faculty of 167 men and women, lies east of the city's attractive, lively downtown. Students and faculty members supply the community with an endless array of music, drama and sports activities.

Retail trade has also contributed to the area's progress. Because stores have always been concentrated on College Avenue, businessmen actively cooperate with city government in downtown redevelopment. A major convention center, the Paper Valley Hotel, was opened in 1982 and a shopping complex, The Avenue, commenced operations in March of 1987.

### FOX CITIES REGION

The Fox Cities Regional Partnership is comprised of some 60 towns, villages and cities located throughout the service area of Outagamie County, Calumet County, and the northern portion of Winnebago county in east-central Wisconsin.

The region offers lower-than-average wages and affordable utilities, resulting in a cost of doing business that is significantly lower than the national average. The mean hourly wage in the Fox Cities Region is lower than the US and Wisconsin averages.



# 15

New businesses opened in downtown Appleton in 2018



# \$7,000

Grants available for commercial properties in Downtown Appleton to improve the exterior of the buildings and lots



# \$3.5 Million

Economic impact from "Mile of Music" festival held annually in Downtown Appleton



# 1.2 Million

People within 50 miles of the Fox Cities Region

## MAJOR EMPLOYERS

Company	Employment
ThedaCare	6,800
Thrivent Financial	2,000
Miller Electric MFG	1,400
West Corp	1,000
Appvion	850
Guardian Life Insurance	650



# DEMOGRAPHICS



## Population

Appleton, WI (REGis 2019)	1 Mile	3 Mile	5 Mile
2019 Estimated Population	14,754	91,538	154,055
2024 Projected Population	15,540	94,884	159,606
2010 Census Population	14,153	89,653	145,908
2000 Census Population	15,253	91,163	135,813
Projected Annual Growth 2019 to 2024	1.1%	0.7%	0.7%
Historical Annual Growth 2000 to 2019	-0.2%	-	0.7%
2019 Median Age	33.5	37.7	37.6



## Income

2019 Estimated Households	6,289	39,217	65,334
2024 Projected Households	6,708	40,939	68,078
2010 Census Households	5,848	37,016	59,667
2000 Census Households	6,074	36,157	53,284
Projected Annual Growth 2019 to 2024	1.3%	0.9%	0.8%
Historical Annual Growth 2000 to 2019	0.2%	0.4%	1.2%
2019 Estimated Average Household Income	\$63,090	\$71,349	\$79,670

## Households



## Business

2019 Estimated White	81.4%	83.7%	86.2%
2019 Estimated Black or African American	4.5%	2.8%	2.3%
2019 Estimated Asian or Pacific Islander	6.8%	6.9%	5.5%
2019 Estimated American Indian or Native Alaskan	1.0%	0.7%	0.7%
2019 Estimated Other Races	6.3%	5.9%	5.3%
2019 Estimated Hispanic	7.5%	7.5%	6.8%
2019 Estimated Total Businesses	1,086	4,761	7,371
2019 Estimated Total Employees	22,057	74,268	112,518

## Ethnicity



FINANCIAL **ANALYSIS**

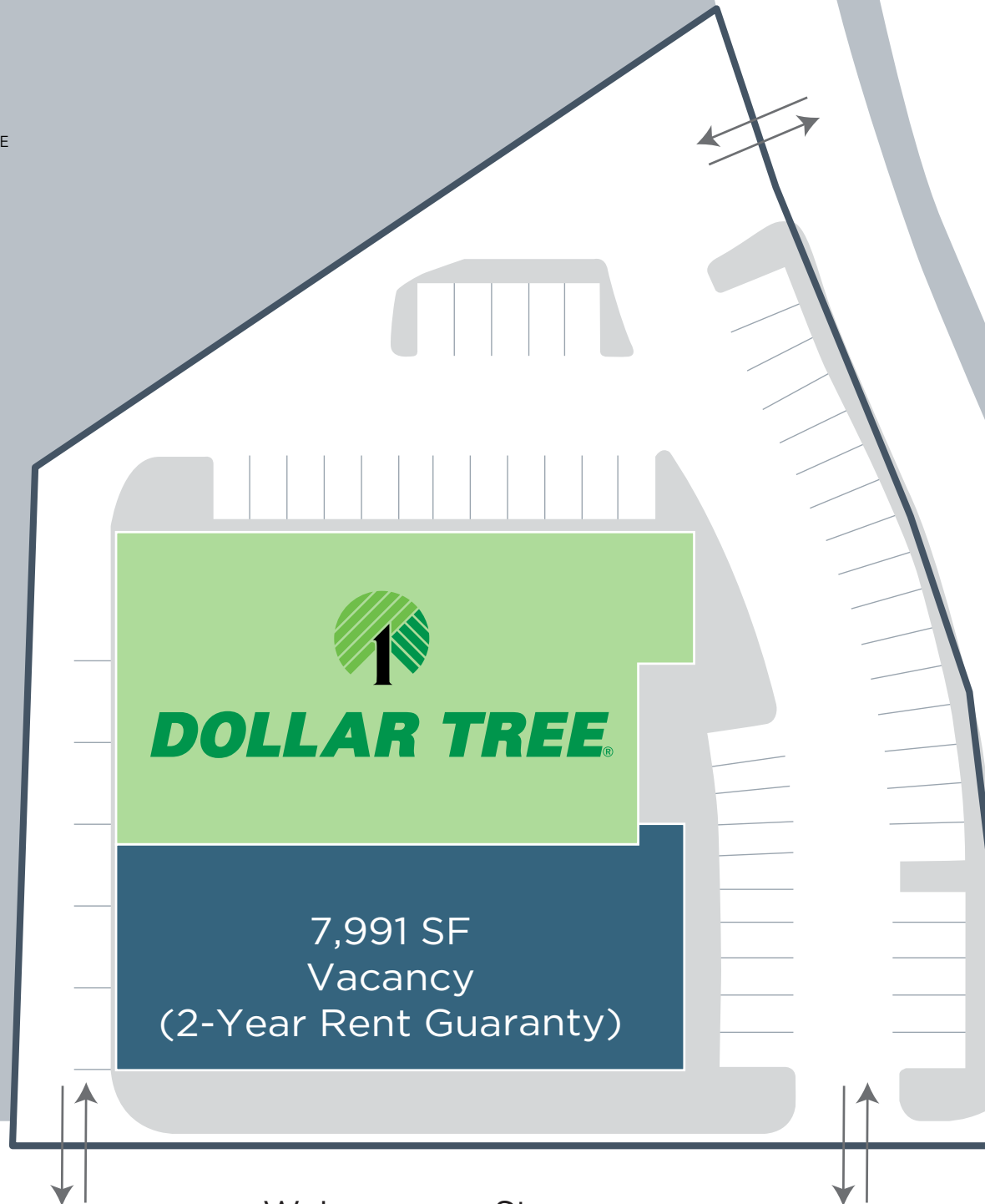


***DOLLAR TREE***





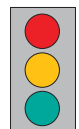
SITE PLAN NOT TO SCALE



7,991 SF  
Vacancy  
(2-Year Rent Guaranty)

W. Lawrence St.

S. Memorial Dr.



## RENT ROLL & TENANT SYNOPSIS

Suite #	Tenant	Size (SF)	% of Total (SF)	Date	Increase	Rental Rates		Annual Rent	Annual \$/SF	% of Total (Rent)	Recovery Type	Lease Start	Lease Expiration	Lease Options
						Monthly Rent	Monthly \$/SF							
127 S. Memorial Drive														
1	Dollar Tree	9,700	55%	Current		\$8,488	\$0.88	\$101,850	\$10.50	61%	NNN	12/13/2018	1/31/2029	3 (5-Year) Opt. 1: \$8,891.67 Opt. 2: \$9,295.83 Opt. 3: \$9,700.00
2	Vacant (2-Year Rent Guaranty)	7,991	45%	Current		\$5,327	\$0.67	\$63,928	\$8.00	39%	NNN			
Total Occupied		9,700	55%	Total Occupied		\$8,488	\$0.88	\$101,850	\$10.50	61%				
Total Vacant		7,991	45%	Total Vacant		\$5,327	\$0.67	\$63,928	\$8.00	39%				
Total / Wtd. Avg		17,691	100%	Total / Wtd. Avg:		\$13,815	\$0.78	\$165,778	\$9.37	100%				



### Dollar Tree

[www.dollartree.com](http://www.dollartree.com)

Dollar Tree, Inc. operates variety retail stores in the United States and Canada. It operates in two segments, Dollar Tree and Family Dollar. The Dollar Tree segment offers merchandise at the fixed price of \$1.00. This segment operates under the Dollar Tree and Dollar Tree Canada brands, as well as 11 distribution centers in the United States and 2 in Canada, and a store support center in Chesapeake, Virginia. The Family Dollar segment operates general merchandise discount retail stores. This segment operates under the Family Dollar brand, 11 distribution centers, and a store support center in Matthews, North Carolina. As of early 2019, the company operated 14,845 stores in 48 states and the District of Columbia, and 5 Canadian provinces. Dollar Tree, Inc. was founded in 1986 and is based in Chesapeake, Virginia.

<b>Company Type:</b>	Public: (NASDAQ: DLTR)
<b>Locations:</b>	14,845 in 48 States
<b>2019 Employees:</b>	55,000+
<b>Fiscal 2018 Revenue:</b>	\$22.82 Billion
<b>Fiscal 2018 Assets:</b>	\$13.50 Billion
<b>Fiscal 2018 Equity:</b>	\$5.64 Billion
<b>S&amp;P Rating:</b>	BBB-



## TRANSACTION SUMMARY

### Financial Information

Price: \$1,950,000

Price/SF: \$110

### Property Specifications

Rentable Area: 17,691 SF

Land Area: 1.03 Acres

Year Built/Renov.: 2019

Address: 127 S. Memorial Drive  
Appleton, WI 54911

APN: 31-3-0972-00

Major Tenant: Dollar Tree

### Operating Information

Stabilized / 100% Leased with 2-  
Year Rent Guaranty @ \$8.00 PSF  
for the Vacancy

Gross Potential Rent	\$165,778
Plus Recapture	NNN
Effective Gross Income	\$165,778
Less Expenses	(NNN)
Net Operating Income	\$165,778
Cap Rate	8.50%

## INVESTMENT OFFERING 2-TENANT NNN **DOLLAR TREE** APPLETON, WISCONSIN



### INVESTMENT ADVISORS:

**Jeff Conover**

Senior Managing Director  
jconover@farislee.com  
(949) 221-1810  
License No. 01008195

**Scott DeYoung**

Managing Director  
sdeyoung@farislee.com  
(949) 221-1835  
License No. 01889050

**Hunter P. Steffien**

Director  
hsteffien@farislee.com  
(949) 221-1814  
License No. 02036521

**Tyler Strauss**

Associate  
tstrauss@farislee.com  
(949) 221-1803  
License No. 02059923

### WISCONSIN BROKER OF RECORD:

**Beau Beach**

WI License No. 936671-091

18301 Von Karman Ave., Suite 800 Irvine, CA 92612 P (949) 221-1800 F (949) 221-1830 [farislee.com](http://farislee.com)

# DOLLAR TREE

 **FARISLEE**  
Investments

**PARTNER**  
**XTEAM**  
RETAIL ADVISORS