

OFFERING
MEMORANDUM



DOLLAR TREE

*744 TAYLOR STREET
MEDFORD, WI*

Marcus & Millichap

TABLE OF
CONTENTS

DOLLAR TREE

01

FINANCIAL
OVERVIEW

PAGES 03-07

02

INVESTMENT
OVERVIEW

PAGES 08-12

03

MARKET
OVERVIEW

PAGES 13-15

Marcus & Millichap

FINANCIAL OVERVIEW



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SECTION 1

01

FINANCIAL OVERVIEW

EXECUTIVE
SUMMARY



DOLLAR TREE

744 Taylor Street, Medford, Wisconsin 54451

PRICING

Price:	\$1,303,000
Cap Rate:	7.25%
Gross Leasable Area:	9,000
Price Per Square Foot:	\$144.78
Year Built:	2018
Lot Size:	0.84 Acres



PRICE:
\$1,303,000



CAP RATE:
7.25%



NOI:
\$94,500

LEASE SUMMARY

Lease Type:	Modified NNN
Roof & Structure:	Landlord Responsible
Lease Term:	8 Years
Rent Commencement:	October 4, 2018
Lease Expiration:	January 31, 2026
Term Remaining:	6 Years
Increases:	In Options
Options:	Four, Five-Year
Termination Clause:	None
Right of First Refusal:	None



SQUARE FEET:
9,000



LEASE TYPES:
Modified NNN



ACREAGE:
0.84 Acres

DEMOGRAPHICS

	1-Mile	3-Mile	5-Mile
Population	1,821	6,225	8,090
Average HH Income	\$64,223	\$62,163	\$63,251

RENT
ROLL

Tenant	Sq. Ft.	Lease Start	Lease End	Monthly Rent	Annual Rent	Annual PSF	Lease Type	Option Terms
Dollar Tree	9,000	10/4/2018	1/31/2026	\$7,875	\$94,500	\$10.50	Modified NNN	(4), Five-Yr
Option I		2/1/2026	1/31/2031	\$8,250	\$99,000	\$11.00		
Option II		2/1/2031	1/31/2036	\$8,625	\$103,500	\$11.50		
Option III		2/1/2036	1/31/2041	\$9,000	\$108,000	\$12.00		
Option IV		2/1/2041	1/31/2046	\$9,375	\$112,500	\$12.50		
Current Totals	9,000			\$7,875	\$94,500	\$10.50		
Occupied	9,000			\$7,875	\$94,500	\$10.50		
Vacant								

TENANT
PROFILE



Dollar Tree, Inc. is an American chain of discount variety stores that sells items for \$1 or less. Headquartered in Chesapeake, Virginia, it is a member company of Fortune 500 and operates 15,115 stores throughout the 48 contiguous U.S. states and 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 multi-price-point variety chains under the names Deals and 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.



STOCK SYMBOL
NASDAQ: "DLTR"

TENANT
CORPORATE



WEBSITE
DOLLARTREE.COM



HEADQUARTERS
Chesapeake, VA



OF LOCATIONS
15,115+



ANNUAL REVENUE
\$8.6 Billion



YEAR FOUNDED
1986

LEASE
ABSTRACT

COMMON AREA MAINTENANCE

Landlord shall operate, maintain, repair, and replace the Common Areas so as to maintain clean, safe and secure conditions. Landlord shall be responsible for the maintenance, repair and replacement of the sidewalks, landscaping, parking areas, lighting. **Tenant shall reimburse Landlord** for these costs subject to a CAM cap of 3% over prior year which will not include uncontrollable expenses such as snow removal and utility rate increases. Landlord may charge an administrative fee.

REAL ESTATE TAXES

Tenant Responsible; Landlord pays and Tenant fully reimburses in monthly installments

INSURANCE

Tenant and Landlord shall both carry commercial general liability insurance at their own expense. Landlord shall also maintain property insurance against fire and such other perils in which **Tenant will reimburse for Property Insurance Premium.**

ROOF & STRUCTURE

Landlord shall keep the foundations, roof, floor slab, and structural portions of the outer walls of the building in good repair and condition. Landlord shall repair and replace the parking areas and parking lot.

HVAC

Tenant, at its sole cost and expense, shall maintain a service contract and perform routine, standard HVAC System maintenance. Landlord shall replace the HVAC System as and when needed at its expense.

RIGHT OF FIRST REFUSAL

If Landlord receives a bona fide offer to purchase the Premises that the Landlord intends to accept, then **Tenant will exercise its right to purchase within 10 business days** after Tenant's receipt of Landlord's notice.

INVESTMENT OVERVIEW

SECTION 2



INVESTMENT OVERVIEW

INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Build to Suit Dollar Tree in 2018 | **Zero Deferred Maintenance**
- Original 7 Year Lease | **Over 5.75+ Year Remaining**
- Perfectly Positioned **in the heart of Medford**
- Dollar Tree (NASDAQ: "DTR") | **S&P Rated BBB-**
- Modified NNN Lease | **Tenant Reimburses for All Expenses** Including CAM, Taxes, Insurance & Admin Fee
- **Several Retail Traffic Drivers** | Walmart, County Market, Family Dollar, Taco Bell, McDonald's, Arby's, Hardee's, among Others
- Four, Five-Year Options with **\$0.50/PSF Rent Increases in Each Option**
- Medford is Located in Close **Proximity to Several Major Markets** Including Eau Claire, Green Bay, and Minneapolis

INVESTMENT WRITE-UP

Marcus and Millichap is pleased to present for your acquisition review the Dollar Tree in Medford, Wisconsin.

The 9,000 square foot Dollar Tree is positioned on .84 acres and sits in close proximity to Walmart and County Market, the only two grocers within 17 miles. Other national retail traffic drivers include McDonald's, Arby's, Hardee's, Taco Bell, Family Dollar, O'Reilly Auto Parts, and Maurice's among many others.

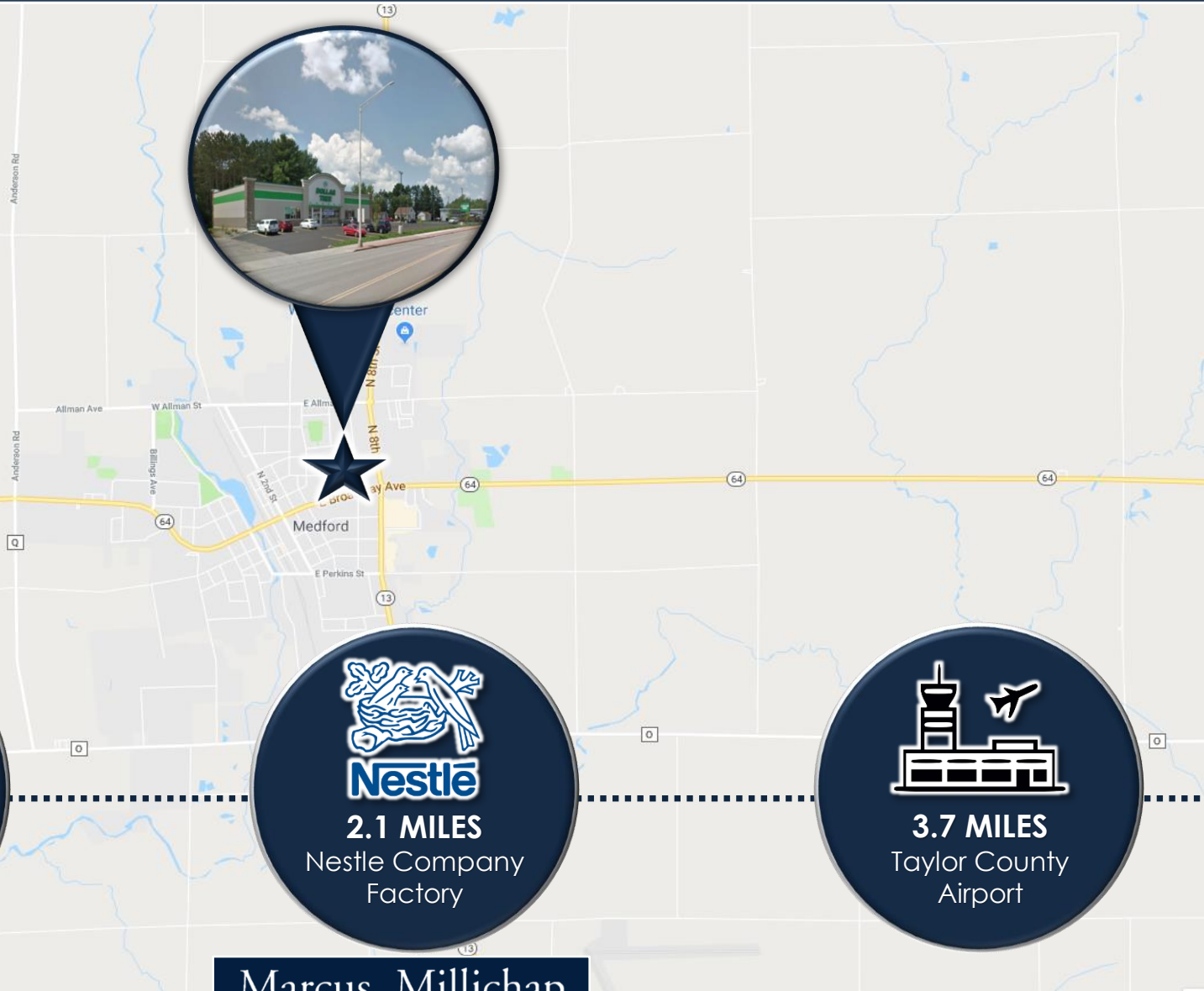
The Dollar Tree was built in 2018, providing assurance of no deferred maintenance for a future landlord. The lease is considered triple net, with the tenant reimbursing for all common area maintenance, insurance, real estate taxes and administration expenses. There are scheduled rent increases in each of the four renewal options. Dollar Tree signed an original seven year lease. Currently there are over 5.75+ years of term remaining giving an incoming investor ease of mind and higher yield with a tenant credit rated by S&P 500 as BBB-.

Dollar Tree benefits from a lack of competition in the market, as well as Medford is the local draw for the surrounding towns and communities. The next closest Dollar Tree and Walmart are over 36 miles away.

Dollar Tree was founded in 1986 and in 34 years has grown to more than 15,115 locations across 48 states. The company is publicly traded on the NASDAQ under the ticker "DLTR".

LOCAL MAP

SECTION 2



1.4 MILES
Aspirus Medford
Hospital



2.1 MILES
Nestle Company
Factory



3.7 MILES
Taylor County
Airport

REGIONAL MAP

SECTION 2



MARKET
OVERVIEW

SECTION 3



MARKET
OVERVIEW

MARKET OVERVIEW



Population

In 2018, the population in your selected geography is 8,090. The population has changed by 2.94% since 2000. It is estimated that the population in your area will be 8,356.00 five years from now, which represents a change of 3.29% from the current year. The current population is 49.62% male and 50.38% female. The median age of the population in your area is 43.58, compare this to the US average which is 37.95. The population density in your area is 102.73 people per square mile.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 96.19% White, 0.52% Black, 0.03% Native American and 0.70% 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.

People of Hispanic origin make up 1.76% of the current year population in your selected area. Compare this to the US average of 18.01%.



Employment

In 2018, there are 5,506 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 47.20% of employees are employed in white-collar occupations in this geography, and 52.73% are employed in blue-collar occupations. In 2018, unemployment in this area is 3.53%. In 2000, the average time traveled to work was 18.00 minutes.



Households

There are currently 3,388 households in your selected geography. The number of households has changed by 6.11% since 2000. It is estimated that the number of households in your area will be 3,526 five years from now, which represents a change of 4.07% from the current year. The average household size in your area is 2.32 persons.



Income

In 2018, the median household income for your selected geography is \$51,601, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 32.41% since 2000. It is estimated that the median household income in your area will be \$59,380 five years from now, which represents a change of 15.08% from the current year.

The current year per capita income in your area is \$26,702, compare this to the US average, which is \$32,356. The current year average household income in your area is \$63,251, compare this to the US average which is \$84,609.

MARKET OVERVIEW

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	1,852	6,387	8,356
■ 2018 Estimate			
Total Population	1,821	6,225	8,090
■ 2010 Census			
Total Population	1,835	6,275	8,167
■ 2000 Census			
Total Population	1,807	6,050	7,859
■ Current Daytime Population			
2018 Estimate	2,079	9,894	10,847
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	856	2,762	3,526
■ 2018 Estimate			
Total Households	837	2,676	3,388
Average (Mean) Household Size	2.27	2.26	2.32
■ 2010 Census			
Total Households	842	2,698	3,420
■ 2000 Census			
Total Households	818	2,560	3,193
■ Occupied Units			
2023 Projection	856	2,762	3,526
2018 Estimate	912	2,911	3,762
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	5.05%	4.62%	4.72%
\$100,000 - \$149,000	9.22%	9.56%	9.87%
\$75,000 - \$99,999	10.88%	11.31%	11.93%
\$50,000 - \$74,999	28.67%	24.72%	25.11%
\$35,000 - \$49,999	13.40%	14.49%	14.37%
Average Household Income	\$64,223	\$62,163	\$63,251
Median Household Income	\$52,852	\$50,229	\$51,601
Per Capita Income	\$29,757	\$27,000	\$26,702

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$61,129	\$60,328	\$61,594
■ Consumer Expenditure Top 10 Categories			
Housing	\$15,162	\$15,020	\$15,248
Transportation	\$10,318	\$10,026	\$10,257
Shelter	\$8,803	\$8,749	\$8,873
Food	\$6,386	\$6,259	\$6,433
Personal Insurance and Pensions	\$5,245	\$5,079	\$5,300
Health Care	\$4,768	\$4,650	\$4,726
Utilities	\$3,486	\$3,441	\$3,502
Entertainment	\$2,571	\$2,558	\$2,626
Cash Contributions	\$2,177	\$2,133	\$2,189
Apparel	\$1,678	\$1,660	\$1,701
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	1,821	6,225	8,090
Under 20	25.04%	24.81%	25.05%
20 to 34 Years	14.60%	15.38%	15.04%
35 to 39 Years	6.05%	5.93%	5.96%
40 to 49 Years	11.08%	11.50%	11.86%
50 to 64 Years	22.22%	21.95%	22.48%
Age 65+	21.02%	20.43%	19.62%
Median Age	44.09	43.60	43.58
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,280	4,359	5,654
Elementary (0-8)	2.43%	2.67%	2.76%
Some High School (9-11)	6.50%	6.51%	6.88%
High School Graduate (12)	43.73%	42.66%	43.71%
Some College (13-15)	19.69%	19.93%	19.37%
Associate Degree Only	7.43%	9.57%	9.73%
Bachelors Degree Only	13.14%	11.59%	10.94%
Graduate Degree	6.76%	6.76%	6.23%

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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 properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

- 8 (a) The duty to provide brokerage services to you fairly and honestly.
- 9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.
- 12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).
- 14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).
- 16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
- 17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

- 29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
- 30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____

39 _____

40 _____

41 _____ *(Insert information you authorize to be disclosed, such as financial qualification information.)*

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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DOLLAR TREE | MEDFORD, WI

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EXCLUSIVE OFFERING

PRESENTED BY:

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