

SINGLE TENANT
NET LEASE
OPPORTUNITY



TONAWANDA | NY
BUFFALO-NIAGARA FALLS MSA

HORVATH & TREMBLAY

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DISCLAIMER

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INVESTMENT HIGHLIGHTS



Horvath & Tremblay is pleased to present the exclusive opportunity to purchase the net-leased Family Dollar investment property located at 2375 Sheridan Drive in Tonawanda, New York (the "Property"). Family Dollar recently exercised a five-year renewal option, extending the lease term through January 2025. The lease term now has 5+ years remaining plus three remaining, 5-year renewal options that contain a 10% rent increase at the start of each option period.

The Property is located on a busy commercial corridor in Buffalo's most densely populated area, approximately 6 miles northeast of Downtown Buffalo. Tonawanda is located north of Buffalo, south across the Erie Canal from North Tonawanda, west of Amherst and east of Grand Island. It is part of Buffalo's inner-ring suburbs and included in the Buffalo-Niagara Falls metropolitan area (population 1.3 million).

- **RECENT LEASE EXTENSION:** Family Dollar has been operating at the Property for over 10 years and recently extended their lease through January 2025, while maintaining three, 5-year renewal options, demonstrating their commitment to the Sheridan Drive location.
- **CORPORATE LEASE:** The corporate lease is guaranteed by Family Dollar Stores. Family Dollar was acquired by Dollar Tree in 2015 for \$8.5 billion. Together, the merged companies make up the nation's largest small-box discount retailer, operating over 15,000 stores with consolidated FY 2018 revenue of \$22.82 billion.
- **ATTRACTIVE RENT INCREASES:** The lease calls for a 10% rent increase at the start of each option period, providing a steady increase in income and an attractive hedge against inflation.
- **STRATEGIC RETAIL LOCATION:** The Property is located on a primary retail and commuter thoroughfare in the center of Buffalo's strongest demographic corridor, approximately 6 miles northeast of Downtown Buffalo.
- **IMPROVING ECONOMIC DRIVERS:** Two new developments are coming to the immediate area which are anticipated to be strong economic drivers for the area and drive additional traffic to the Family Dollar -
 - ◆ **ROYAL CAR WASH:** Rochester-based Royal Car Wash is building a 4,000 square foot premium car wash immediately adjacent to the Property, between the subject Family Dollar store and Caputi's Sheridan Pub.
 - ◆ **STATION TWELVE LIFE-STYLE CENTER:** The new, 350,000 square foot, open-air life-style center, known as Station Twelve, is located 1 mile east of the Property on Sheridan Drive at Niagara Falls Boulevard. Whole Foods opened at the location in 2017. Additional notable retailers at the development include LL Bean, Williams Sonoma, Pottery Bar, Athleta, West Elm and restaurants B. Good, City Works and Public Espresso Café.
- **VISIBILITY & TRAFFIC COUNTS:** The Property is located on the 6-lane Sheridan Drive with excellent frontage and visibility to attract passing motorists. Approximately 28,771 vehicles pass in front of the Property daily.
- **EXCEPTIONAL DEMOGRAPHICS:** An impressive 147,000+ people live within a 3-mile radius of the Property while over 332,000 people living within a 5-mile radius, with an average household income of \$67,160 and \$71,373.



2375 SHERIDAN DRIVE | TONAWANDA, NY 14150

TYPE OF OWNERSHIP:	Fee Simple
BUILDING AREA:	8,310 SF
PARCEL SIZE:	0.82 Acres
LESSEE:	Family Dollar Stores of New York, Inc.
GUARANTOR:	Corporate
LEASE TYPE:	Double Net (NN)
RENT COMMENCEMENT DATE:	07/08/2009
LEASE EXPIRATION DATE:	01/31/2025
LEASE TERM REMAINING:	5 Years, 4 Months
RENEWAL OPTIONS :	3, 5-Year Options

ANNUALIZED OPERATING DATA				
START	END	TERM	RENT	% INC
07/08/2009 - 01/31/2020			\$80,000	
02/01/2020 - 01/31/2025			\$90,000	12.5%
02/01/2025 - 01/31/2030		OPTION 2	\$99,000	10.0%
02/01/2030 - 01/31/2035		OPTION 3	\$108,900	10.0%
02/01/2035 - 01/31/2040		OPTION 4	\$119,790	10.0%

LIST PRICE:

\$1,139,241

CAP RATE:

7.90%

NOI:

\$90,000

EXPENSES	RESPONSIBILITY
CAM:	Tenant Reimburses Landlord.
RE TAXES:	Tenant Reimburses Landlord.
INSURANCE:	Tenant Reimburses Landlord. ⁽¹⁾
UTILITIES:	Tenant Pays Directly.
HVAC:	Tenant Responsibility ⁽²⁾
PARKING LOT:	Repairs included in CAM. Repaving is Landlord Responsibility.
ROOF & STRUCTURE:	Landlord Responsibility

(1) The amount of Tenant's payment for Insurance not to exceed 105% of Tenant's payment for the prior 12 month period.

(2) Tenant is not required to replace any major component of the HVAC during the last 2 years of the lease.



TENANT TRADE NAME:	Family Dollar
OWNERSHIP:	Public (NASDAQ: DLTR)
HEADQUARTERS (FAMILY DOLLAR)	Matthews, NC
LOCATIONS:	15,000+ (Combined)
EMPLOYEES:	182,000+ (Combined)
AVERAGE # OF TRANSACTIONS DAILY:	6.2 Million
ANNUAL REVENUE (2018):	\$22.8 Billion
MARKET CAP (DLTR):	\$24.5 Billion (09/04/2019)
INVESTMENT GRADE CREDIT RATING:	BB+ (S&P)

ABOUT THE TENANT

Founded in 1959, Family Dollar is now headquartered in Chesapeake, Virginia and is a wholly-owned subsidiary of Dollar Tree, which purchased Family Dollar in 2015 for \$8.5 billion. The combined organization is considered the nation's largest small-box discount retailer. The combined organization reported FY 2018 sales of \$22.8 billion. The two brands operate more than 15,000 stores across 48 states and 5 Canadian Provinces. The merger has allowed Family Dollar to grow offering broader, more compelling merchandise assortments, with greater values, to a wider array of customers.

The average Family Dollar store size 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 towns, as well as in large urban-neighborhoods. Within these markets, the stores are located in shopping centers or as free-standing buildings and all are convenient to the company's customer base.

Family Dollar offers a mix of merchandise for families 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. While shoppers can find many items at \$1 or less, most items in the store are priced below \$10.



TONAWANDA | NY



332,500+
PEOPLE WITHIN 5 MILES



\$67,000+
AVERAGE HOUSEHOLD INCOME



28,771 VPD
SHERIDAN DRIVE

OVERVIEW

Tonawanda is the northern inner-ring suburb of Buffalo and is sometimes referred to as “Ken-Ton,” a reference to its constituent village of Kenmore. Tonawanda is located in Erie County, New York and had a population of 72,571 as of 2017.

Tonawanda, which means “swift waters,” was the name given to the area by Neuter and Erie Indians, the area’s original inhabitants, and it probably refers to the Niagara River current. Construction of the Erie Canal in the 1820’s brought a large wave of workers and settlers. With the opening of the canal linking Lake Erie and the Hudson River, and the resulting increase in trade and traffic, the area developed swiftly.

The town of Tonawanda was established in 1836, by separation from the town of Buffalo (now the city of Buffalo). In 1899, Kenmore incorporated as a village of the town, and remained the town’s primary residential and commercial district until the rest of the town was heavily developed into suburban housing in the 1940’s and 1950’s. Today, as an industrial, commercial and residential location with a wide variety of housing options and good school system, the Town of Tonawanda offers an attractive mix of amenities, activities and neighborhoods for modern individuals and families.

	3 MILES	5 MILES	10 MILES
POPULATION			
2019 Estimate	147,147	332,799	679,176
2024 Projection	146,120	336,819	690,238
2010 Census	149,942	337,295	682,305
BUSINESS			
2019 Est. Total Business	5,311	11,650	27,040
2019 Est. Total Employees	64,861	155,288	397,023
HOUSEHOLDS			
2019 Estimate	68,104	148,031	304,715
2024 Projection	68,194	151,055	312,624
2010 Census	66,003	142,666	290,800
INCOME			
Average Household Income	\$71,770	\$67,160	\$71,373
Median Household Income	\$60,194	\$55,425	\$59,044





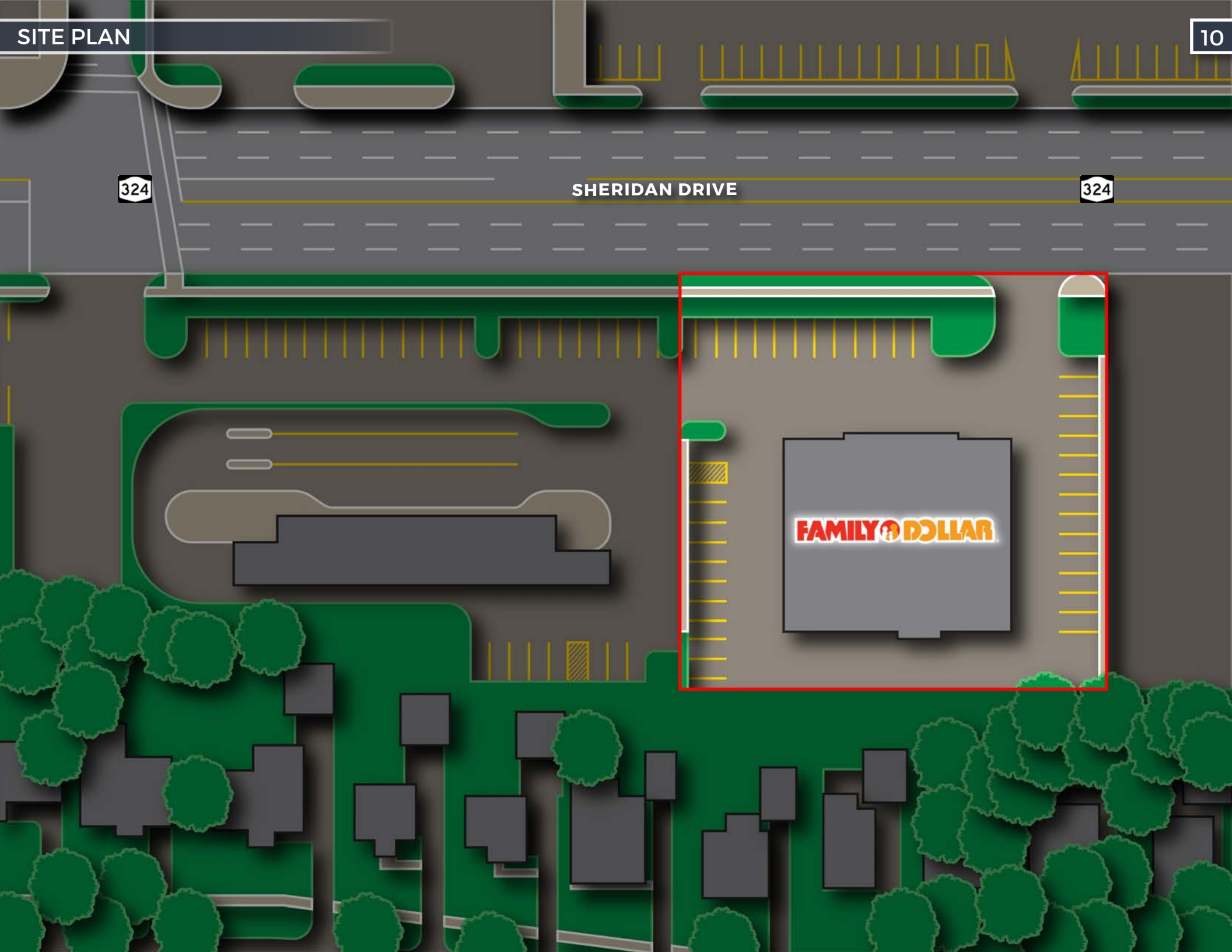


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SHERIDAN DRIVE

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FAMILY DOLLAR



AREA LOCATION MAP



BOULEVARD MALL

★ macy's JCPenney **DICK'S** SPORTING GOODS Michaels **chil's**

H&M **M&W** VICTORIA'S SECRET **FRIDAYS** M&T Bank



AREA LOCATION MAP

THE BOULEVARD CONSUMER SQUARE









BOULEVARD MALL







THOMAS A EDISON
ELEMENTARY SCHOOL



