



**DOLLAR TREE**

# **Dollar Tree & Shops– Add Value Opportunity**

3261 Stanford Ranch Road Rocklin, CA

**\$2,200,000 / \$128/SF**  
Possible Seller Financing\*



- Add Value Dollar Tree and Shops– **Pro forma CAP of 8.82%**
- Dollar Tree relocated to this site after more than 15 years at a nearby site
- Dollar Tree (Nasdaq: DLTR) has nearly 14,000 stores nationwide. S&P rating BB+ - positive outlook
- Priced well below replacement costs of \$128/SF
- Median household income more than \$110,000 within 3 miles of subject property
- Minimal Landlord Responsibilities presents a passive investment opportunity with tremendous upside



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**DO NOT DISTURB OR CONTACT THE EXISTING TENANTS.**

**PLEASE CONSULT THE TRAFTON GROUP FOR FURTHER DETAILS AND TO SET UP A  
TIME TO TOUR THE PROPERTY.**

***Contact:***

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## Property Specifications

Property Address: 3261 Stanford Ranch Road  
Rocklin, CA 95677

County: Placer

Price: \$2,200,000

Building SF: +/-17,124 SF

Enclosed Garden Patio +/-3,500

Price/ SF \$128.47

Lot Size: +/-1.80 Acre

Year Built: 2005

Construction Type: Concrete Tilt-up

Roof Type: Modified Bitumen

Parcel Number 367-160-019

Zoning: C-1

Use Code: Commercial (Retail)

The subject property is a 17,124+/- sq. ft. freestanding retail building, a concrete tilt-up built in 2005 and within the Shops at Stanford Ranch Shopping Center, a 71,000 square foot retail center. The center's anchor is the adjacent CVS Pharmacy.

Roughly two-thirds of the subject building is home to Dollar Tree, a popular discount retailer offering a wide range of home needs, one of their nearly 14,000 locations nationwide. The other suites range in size from 1,000 to 5,000 SF excluding an outdoor enclosed patio of +/-3,500 sq. ft., and enjoy the same glass frontage and high ceilings as the Dollar Tree space.

There are four out pad strip retail buildings in the Center including users such as: Starbucks, Subway, Curves, and Highland Dental Group. The main store area is approximately 10,030 square feet with an adjacent 1,434 square foot store room/ employee area with two restrooms and grade level door, as well as in-line units used as additional storage area that comprise a total of 2,200 square feet. There are a total of 87 on-site parking spaces which provides a parking ratio of 5.0 per 1,000 sq. ft.

There is also additional parking throughout the retail center. The subject property also provides a additional area of 3,500 sq. ft. that is a fenced patio/garden area along the east side of the building. This area may be used for additional building expansion or seasonal income with the right planning.



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## Dollar Tree Lease Abstract

Tenant	Dollar Tree Stores, Inc.
Lease Guarantor	Dollar Tree Stores, Inc.
Gross Leasable Area	Approximately 17,124 SF
Original Lease Commence	Saturday, July 01, 2017
Primary Lease Expiration	Thursday, June 30, 2022
Options	Four Five-Year Options. Per the Lease, Tenant shall provide Landlord six months notice of their desire to exercise their optional renewal term
Rent	See Rent Schedule on following page
Taxes	Tenant shall reimburse landlord a percentage of the property tax commensurate with the percentage of the total square footage they occupy, in this case 59%
Insurance - Tenant Responsibility	Tenant shall carry minimum limit \$1,000,000 general liability insurance for any casualty occurring on site, and minimum limit \$2,000,000 general aggregate/ umbrella policy. Policy shall name Landlord as Additional Insured
Insurance - Landlord Responsibility	Landlord shall carry general liability insurance covering Common Areas, and the Shopping Center generally. Tenant shall reimburse landlord this amount, in an amount capped at 32 cents per SF for the first 12 months. No such cap after that.
Common Area Maintenance	Landlord shall maintain and keep in good order all Common Areas (managed by Association) association dues are passed through to tenant
Utilities	Tenant shall pay all for utilities consumed in the Premises
HVAC (Newly installed by Dollar Tree)	Tenant at their sole expense shall maintain a service contract for and perform routine maintenance of the HVAC system
Trash Removal	Tenant shall pay for the removal of all trash/ rubbish
Repairs and Maintenance - Tenant	Tenant shall keep in good order and repair the Premises and any fixtures within
Repairs and Maintenance - Landlord	In addition to maintenance of the Common Areas, Landlord shall keep the foundations, roof, floor, floor slab, walls and other structures in good order and repair
Co-Tenancy Requirement	CVS Pharmacy, or suitable replacement tenant occupying at least seventy percent of the square footage currently occupied by CVS Pharmacy is open for business to the public. For these purposes, a regional tenant is one operating at least fifteen stores under a single trade name in at least three contiguous states. If at any time is agreed by Landlord and Tenant the Co-tenancy is not satisfied, Tenant shall pay Alternative Rent instead of Base Rent for the period. Co-tenancy is not satisfied. Alternate Rent is the lesser of (a) 1% of gross sales, or (b) 50% of the Base Rent Tenant would otherwise be paying.





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## Dollar Tree and Shops Financial Specifications

	Current	Fully Leased*
<b>Price:</b>	\$ 2,200,000	\$ 2,347,542
Cap Rate	4.40%	8.82%
Price/Sq. Ft.	\$ 128.47	\$ 137.05
Total Leased Sq. Ft.	10,030	17,124
Total Vacant	7,094	0
Total Leasable Sq. Ft.	17,124	17,124
<b>INCOME</b>		
Scheduled Rent	\$ 120,360	\$ 120,360
Estimated Recovery	\$ 32,379	\$ 32,379
Vacant Space @ Market Rent (\$1.25/sq.ft)	\$ -	\$ 106,410
CAM Reimbursement/Fully Leased	\$ -	\$ 23,742
EFFECTIVE GROSS INCOME	\$ 152,739	\$ 282,891
Market Vacancy Reserve 7%	\$ -	\$ (19,802)
Adjusted Gross Income	\$ 152,613	\$ 263,089
<b>Expenses (Actual)</b>		
Real Estate Taxes* (1.1343%)	\$ (28,072)	\$ (28,072)
Placer Mosquito & Vector	\$ (107)	\$ (107)
City of Rocklin	\$ (1,630)	\$ (1,630)
City of Rocklin	\$ (275)	\$ (275)
<b>Total Tax Bill</b>	\$ (30,083)	\$ (30,084)
Association Dues (Common area)	\$ (19,356)	\$ (19,356)
Insurance	\$ (6,682)	\$ (6,682)
TOTAL OPERATING EXPENSES	\$ (56,121)	\$ (56,121)
<b>Net Operating Income</b>	\$ 96,617	\$ 206,968

### \* Estimated Lease Up Costs

Tenant Improvements (\$10/sf)	\$ 70,940
Leasing Commission (25% of Y1)	\$ 26,602
Construction Costs (\$7.05)	\$ 50,000

Total Lease up costs \$ 147,542

LEASE TERM	LEASE YEARS	PER SF	MONTHLY	ANNUALLY
Original Lease Term	1-5	\$12.00	\$10,030	\$120,360
1st Renewal Term	6-10	\$12.50	\$10,447	\$125,374
2nd Renewal Term	11-15	\$13.00	\$10,865	\$130,390
3rd Renewal Term	16-20	\$13.50	\$11,283	\$135,405
4th Renewal Term	21-25	\$14.00	\$11,701	\$140,420

Dollar Tree Corporation	
NASDAQ Stock Symbol	DLTR
S&P Credit Rating	BB+
Fortune 500 Ranking	180
Revenue	\$ 15,498
Market Cap (Millions)	\$ 19,357
Number of Employees	167,000
Number of Locations	13,851
Website	<a href="http://www.dollartree.com">www.dollartree.com</a>



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## Dollar Tree Overview

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 Fortune 500 company, operating 13,600 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. 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. 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. Most Dollar Tree stores also sell frozen foods and dairy items such as milk, eggs, pizza, ice cream, and pre-made baked goods. In August 2012, the company began accepting manufacturer's coupons at all of its store locations.



**World-Class Logistics**

Solid and scalable Distribution Network  
servicing nearly 14,000 stores in North America

**Dollar Tree Corporate,  
located in Chesapeake, VA**



**Dollar Tree CEO Bob Sasser, center, rings the NASDAQ bell at the start of the trading day in 2008**

In 2015 Dollar Tree purchased rival Family Dollar, significantly increasing market share in this retail segment. This past year the Dollar Tree and Family Dollar banners delivered positive growth in same-store sales. Gross margin and operating margin rates improved and EPS grew 40.2% from the prior year's quarter, exceeding the upper end of our guidance range. For the year, they opened 584 new stores, exceeded \$20 billion in sales, delivered record earnings, and continued to make significant progress on our integration of Family Dollar.

Dollar Tree is a public company, trading on the NASDAQ under the ticker DLTR. Stock price is up 2.1% over the past twelve months

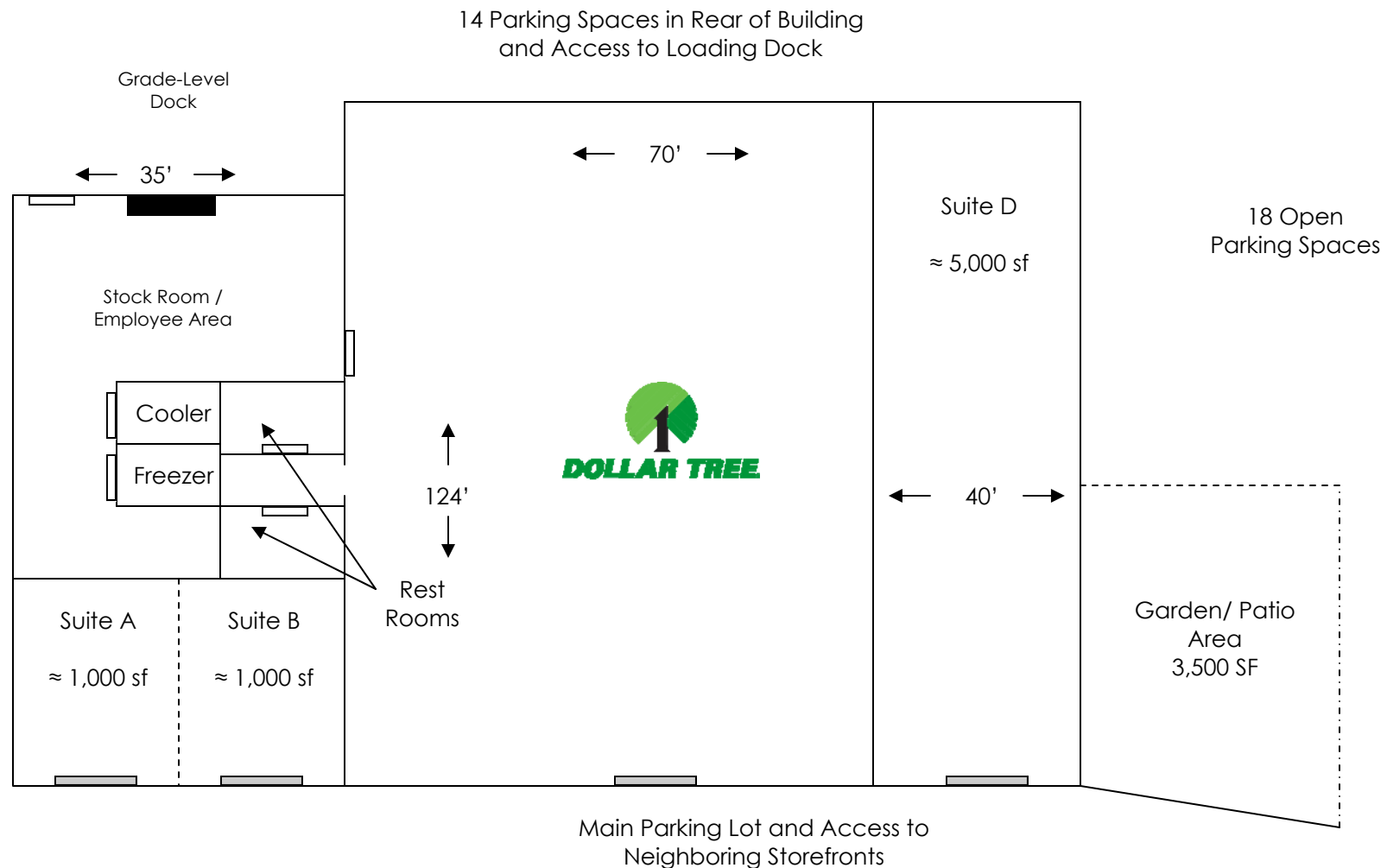


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## Floor Plan





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## Stanford Ranch CC&Rs

The property is subject to use restrictions in the City of Rocklin Zoning Code and the Stanford Ranch CC&Rs.

Buildings in the Shopping Center shall be used for commercial purposes of the type normally found in a retail shopping center including, without limitation, financial institutions, service shops, offices, and retail stores. **The following uses shall not be permitted in the Shopping Center:** any Restaurant larger than 5,000 square feet in size within two hundred feet (200') of the CVS Pharmacy Building; office building or real estate office; entertainment or recreational facility (including bowling alley, skating rink, theater, billiard room, health spa or studio, gym, discotheque, dance hall, night club, or other place of public amusement); training or educational facility (including beauty school, barber college, reading room, place of instruction, or any other operation catering primarily to students or trainees rather than to customers); medical offices and clinics; cemetery ; mortuary; establishment engaged in the business of selling, exhibiting or delivering pornographic or obscene materials (with the exception of a store selling pornographic materials as in incidental part of its business (e.g., a bookstore such as Barnes and Noble or Borders shall be permitted in the Shopping Center so long as its operations are substantially similar to the operations of substantially all of its other stores); a so-called "head shop"; off-track betting parlor; junk yard; flea market; recycling facility (except as required by law) or stockyard; boat dealership; motor vehicle dealership; body and fender shop; boat storage facility; motor vehicle storage facility; auto repair shop; house of worship; industrial or manufacturing uses; traveling carnivals or fairs; auctions; booths for the sale of fireworks; sales by transient merchants utilizing vehicles or booths; or any business that derives 50% or more of its gross sales volume serving or selling alcoholic beverages for on-site consumption. For a period of twenty (20) years after the date of recordation of this document, no Restaurant shall be permitted on any Lot other than the described as parcel 3 (the "McDonalds Parcel") on the Site Plan; for purposes of this sentence only, the term "Restaurant" shall include only those restaurants operating under the following trade names (or successor trade names thereto): Burger King, Carl's Jr., Jack-in-the-Box, In-N-Out Burgers, Wendy's, and Jollibee. Each Owner acknowledges that any use prohibited herein may inconvenience the customers of the Shopping Center and adversely affect the businesses conducted thereon. The covenant and restriction established pursuant to this section is a Restrictive Covenant pursuant to the appropriate sections of the California Civil Code.



Neighbors within the Shops  
at Stanford Ranch







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## Property Images



Patio adjacent to Suite D



Rear parking lot and loading dock







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## The Shops at Stanford Ranch







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Aerial View







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The Shops at Stanford Ranch





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## Demographic Data – Three Mile radius\* U.S. Census

Summary	<u>2010</u>	<u>2013</u>	<u>2018</u>
Population	18,160	18,647	19,538
Households	6,257	6,411	6,712
Families	4,783	4,886	5,103
Avg. Household Size	2.90	2.91	2.91
Owner Occupied Units	4,611	4,595	4,842
Renter Occupied Units	1,646	1,816	1,869
Median Age	35.2	34.9	34.9
Households By Income			
<\$15,000		215 ( 3.4% )	192 ( 2.9% )
\$15,000-\$24,999		138 ( 2.2% )	94 ( 1.4% )
\$25,000-\$34,999		254 ( 4.0% )	218 ( 3.2% )
\$35,000-\$49,999		466 ( 7.3% )	388 ( 5.8% )
\$50,000-\$74,999		1,190 ( 18.6% )	925 ( 13.8% )
\$75,000-99,999		1,238 ( 19.3% )	1,424 ( 21.2% )
\$100,000-\$149,999		1,747 ( 27.3% )	1,967 ( 29.3% )
\$150,000-\$199,999		729 ( 11.4% )	958 ( 14.3% )
\$200,000 and up		434 ( 6.8% )	547 ( 8.1% )
Median Household Income		\$92,451	\$101,655
Average Household Income		\$109,788	\$124,957
Per Capita Income		\$37,412	\$42,488
Trends: 2010-2015 Annual Rate			
Population	<b>Area</b>	<b>State</b>	<b>National</b>
Households	0.94%	0.78%	0.71%
Families	0.92%	0.77%	0.74%
Owner Households	0.87%	0.76%	0.63%
Median Household Income	1.05%	1.07%	0.94%
	1.92%	3.66%	3.03%