



REPRESENTATIVE PHOTO

# FAMILY DOLLAR // BEAUMONT, TX

## *OFFERING MEMORANDUM*

16315 HIGHWAY 124 | BEAUMONT, TEXAS 77705

Marcus & Millichap

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## PRESENTED BY

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# INVESTMENT OVERVIEW

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The subject property is a brand new Family Dollar store located in Beaumont, TX. Ideally located on Highway 124, this store will benefit from the excellent visibility to the daily traffic of 7,009, and is easily accessible via Interstate-10 which boasts over 45,986 vehicles per day.

Family Dollar is signed to a brand new 10-year NN lease that is estimated to commence in December, 2020. Rent is scheduled to increase every 5 years, beginning in year 11.

On July 28, 2014, Dollar Tree announced that it would purchase Family Dollar for \$8.5 billion. On January 22, 2015, Family Dollar shareholders approved the Dollar Tree bid.

Dollar Tree, a Fortune 200 Company, operated 15,370 stores across 48 states and five Canadian provinces as of May 2, 2020. Stores operate under the brands of Dollar Tree, Family Dollar, and Dollar Tree Canada.

## INVESTMENT HIGHLIGHTS

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- BRAND NEW CONSTRUCTION | PROJECTED DECEMBER, 2020 COMPLETION
- BRAND NEW 10-YEAR NN LEASE | MINIMAL LANDLORD EXPENSES
- FRONTAGE AND VISIBILITY ON HIGHWAY 124 | 7,009 VPD
- APPROXIMATELY 1.5 MILES FRO INTERSTATE-10 | 45,986 VPD
- TAX BENEFITS IN TEXAS | NO INCOME TAXES | CONSULT YOUR CPA
- DOLLAR TREE IS INVESTMENT GRADE STATUS | BBB-RATING ON S&P
- LEASE GUARANTY FROM FAMILY DOLLAR STORES, INC.



# PROPERTY SUMMARY & TENANT OVERVIEW

## FAMILY DOLLAR

PROPERTY ADDRESS	16315 Highway 124, Beaumont, TX 77705
PRICE	\$1,328,000
CAP RATE	7.00%
PRICE / SF	\$144.66
YEAR BUILT	2020
GROSS LEASEABLE AREA	9,180+/- SF
LOT SIZE	1.56+/- Acres
TYPE OF OWNERSHIP	Fee Simple
BASE RENT	\$93,000

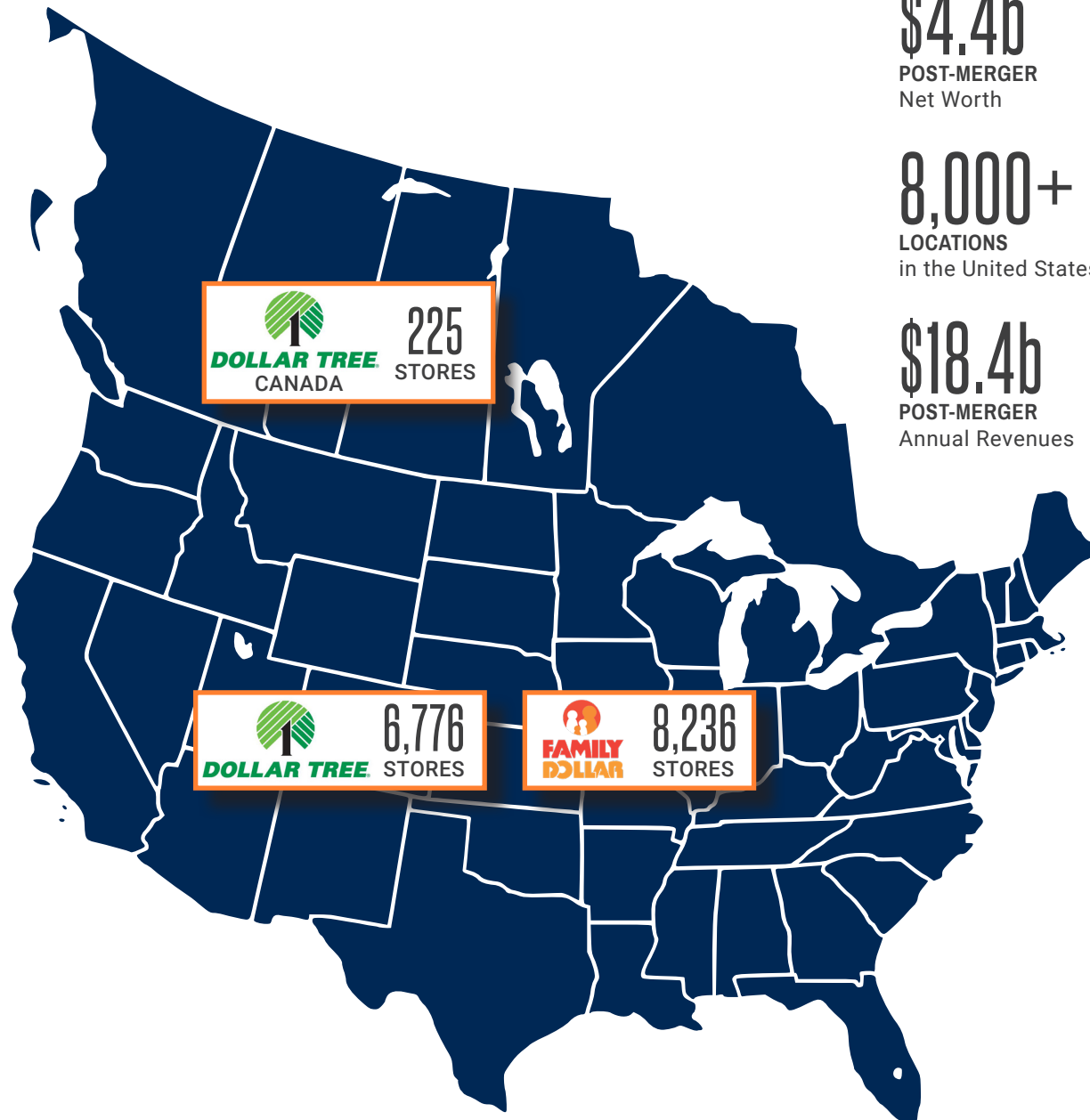
## INCOME SUMMARY

	ANNUAL BASE RENT	MONTHLY RENT	RENT / SF	CAP RATE
YEARS 1-10	\$93,000	\$7,750	\$10.13	7.00%
YEARS 11-15 (OPTION 1)	\$97,590	\$8,133	\$10.63	7.35%
YEARS 16-20 (OPTION 2)	\$102,180	\$8,515	\$11.13	7.69%
YEARS 21-25 (OPTION 3)	\$106,770	\$8,898	\$11.63	8.04%
YEARS 26-30 (OPTION 4)	\$111,360	\$9,280	\$12.13	8.39%
YEARS 31-35 (OPTION 5)	\$115,950	\$9,663	\$12.63	8.73%
YEARS 36-40 (OPTION 6)	\$120,540	\$10,045	\$13.13	9.08%

## TENANT OVERVIEW

TENANT TRADE NAME	Family Dollar
TENANT	Corporate
OWNERSHIP	Fee Simple
LEASE TYPE	Double Net (NN)
ROOF AND STRUCTURE MAINTENANCE	Landlord
LEASE TERM	10 Years
LEASE COMMENCEMENT DATE	* December 1st, 2020
LEASE EXPIRATION DATE	March 31st, 2031
INCREASES	\$.50 Per SF in Each Option
RENEWAL OPTIONS	6, 5-Year Options
HEADQUARTERED	Chesapeake, VA (Dollar Tree)
NUMBER OF LOCATIONS	15,000+ (Dollar Tree and Family Dollar)
ANNUAL REVENUE	\$23.2 Billion (Dollar Tree and Family)
CREDIT RATING	BBB- (Dollar Tree, Inc.)
RATING AGENCY	Standard & Poors (Dollar Tree, Inc.)
STOCK SYMBOL	DLTR (Dollar Tree, Inc.)
BOARD	NASDAQ
WEB SITE	WWW.FAMILYDOLLAR.COM WWW.DOLLARTREE.COM

## ABOUT THE TENANT



**\$4.4b**  
POST-MERGER  
Net Worth

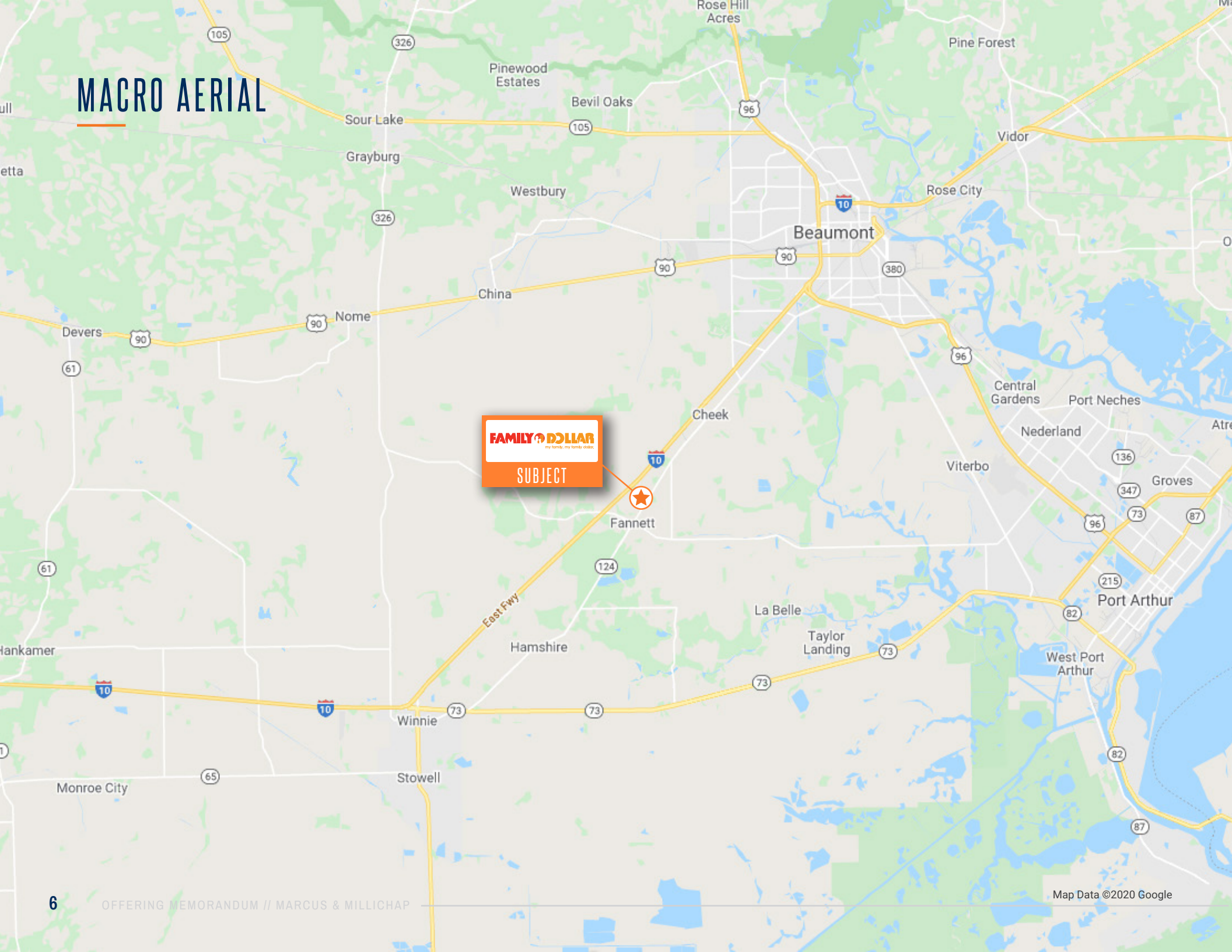
**8,000+**  
LOCATIONS  
in the United States

**\$18.4b**  
POST-MERGER  
Annual Revenues

Founded in 1959, Family Dollar operates over 8,000 “neighborhood variety store” general merchandise, discount retail locations. Its merchandise assortment includes a variety of consumables. In July 2015, Family Dollar completed a \$9.2 billion merger with Dollar Tree. Prior to the merger, Family Dollar Stores, Inc. was the second largest dollar store chain in the United States, operating over 8,000 stores across 46 states. The retailer also reported TTM revenues of \$10.5 billion and had a net worth of approximately \$1.85 billion prior to the merger. Post-merger, the combined company has a net worth of \$4.4 billion, produces annual revenues in excess of \$18.4 billion, and operate 13,800+ stores across the United States and Canada, making it the largest discount retailer in North America.

Family Dollar offers a compelling mix of merchandise for the whole family. Ranging from refrigerated/frozen foods to health and beauty items to home decor and seasonal items, Family Dollar offers the lowest possible price, the name brand and quality private-brand merchandise customers need and use everyday. The average size of a Family Dollar store 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.

# MACRO AERIAL



**FAMILY DOLLAR**  
my family, my family dollar  
**SUBJECT**



# NEARBY BUSINESSES



Interstate-10  
VPD: 45,000+

LifeStorage

PC Market Grocery

Highway 124  
VPD: 7,009

FARMERS  
FARMERS GROUP  
FARMERS

Green Acres  
Grocery

MCT Sheet  
Metal, Inc.



FAMILY DOLLAR  
my family, my family dollar.  
SUBJECT

SUBWAY

TEXAS FIRST BANK

DOLLAR GENERAL

Residential  
Subdivision



# DEMOGRAPHICS

FAMILY DOLLAR	3 MILES	5 MILES	10 MILES
2019 ESTIMATE	3,123	5,743	21,577
2019 DAYTIME POPULATION	3,529	5,801	18,986
2019 EST. AVERAGE HOUSEHOLD INCOME	\$96,606	\$94,121	\$88,559
2019 EST. MEDIAN HOUSEHOLD INCOME	\$72,561	\$70,078	\$66,651
2019 EST. PER CAPITA INCOME	\$32,911	\$32,988	\$33,955
2019 HOUSEHOLDS BY INCOME	3 MILES	5 MILES	10 MILES
\$200,000 or More	7.42%	6.85%	5.33%
\$150,000 - \$199,999	4.54%	5.21%	6.51%
\$100,000 - \$149,999	20.51%	19.69%	18.59%
\$75,000 - \$99,999	16.40%	15.86%	14.17%
\$50,000 - \$74,999	13.37%	14.35%	18.35%
\$35,000 - \$49,999	13.86%	13.01%	12.35%
\$25,000 - \$34,999	8.24%	9.06%	8.47%
\$15,000 - \$24,999	6.99%	7.03%	7.37%
\$10,000 - \$14,999	4.14%	4.14%	3.61%
UNDER \$9,999	4.54%	4.80%	5.26%





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