



## FAMILY DOLLAR | NEW 5-YEAR EXTENSION

PRESENTED BY:

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302 N. WHITE STREET

WHITAKERS, NC 27891

*Offering Memorandum*

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## NON-ENDORSEMENT & DISCLAIMER NOTICE

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# INVESTMENT OVERVIEW

The subject property is a 2012 construction Family Dollar store located in Whitakers, NC. The store is located in the middle of town and not far from the Cummins Rocky Mountain Engine Plant ("Cummins"). Cummins is a 1.2 million square foot plant that employs 1,800+/- people. It originally opened in 1981 and has produced over 4 million engines since.

Family Dollar is signed to an initial 10-year double-net (NN) lease that commenced in 2012. They just signed an extension of the initial lease term, indicating their level of comfort in this location. The lease is now not scheduled to expire until June, 2025. Rent is scheduled to increase by 10% at the beginning of each of the 5 remaining 5-year renewal options.

Family Dollar is a chain with more than 8,000 stores from Maine to California and over 15,000 locations with the combined total of Family Dollar and Dollar Tree stores.

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, Inc., a Fortune 200 company, is a leading operator of discount variety stores that has served North America for more than thirty years. The Company is proudly headquartered in Chesapeake, Virginia and operates 15,000+ stores across the 48 contiguous states and five Canadian provinces, supported by a coast-to-coast logistics network and more than 193,000 associates. Stores operate under the brands of Dollar Tree, Family Dollar, and Dollar Tree Canada.

## INVESTMENT HIGHLIGHTS

- ▶ EARLY EXTENDED LEASE | 5+/- YEARS REMAINING
- ▶ DOUBLE-NET (NN) LEASE | MINIMAL LANDLORD RESPONSIBILITIES
- ▶ TENANT PAYS FOR CAM, TAXES AND INSURANCE EXPENSES
- ▶ 10% RENTAL INCREASES EVERY 5 YEARS GOING FORWARD
- ▶ WHITAKERS IS HOME TO THE CUMMINS ROCKY MOUNTAIN ENGINE PLANT | EMPLOYS 1,800+/- PEOPLE
- ▶ DOLLAR TREE HAS INVESTMENT GRADE CREDIT | BBB- RATING ON S&P
- ▶ GUARANTY FROM FAMILY DOLLAR STORES, INC.



# PROPERTY SUMMARY

FAMILY DOLLAR

## FAMILY DOLLAR

Property Address	302 N. White Street Whitakers, NC 27891
Price	\$1,019,000
Cap Rate	8.00%
Price/ SF	\$127.38
Year Built	2012
Gross Leasable Area	8,000+/- SF
Lot Size	.99+/- Acres
Type of Ownership	Fee Simple
Base Rent	\$81,500



YEAR	BASE ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Years 11 - 15	\$81,500	\$6,792	\$10.19	8.00%
Years 16 - 20 (Option 1)	\$89,560	\$7,463	\$11.20	8.79%
Years 21 - 25 (Option 2)	\$98,615	\$8,218	\$12.33	9.68%
Years 26 - 30 (Option 3)	\$108,476	\$9,040	\$13.56	10.65%
Years 31 - 35 (Option 4)	\$119,324	\$9,944	\$14.92	11.71%
Years 36 - 40 (Option 5)	\$131,256	\$10,938	\$16.41	12.88%

# TENANT OVERVIEW

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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 Expiration Date	June 30th, 2025
Increases	10% with Each Renewal Option
Renewal Options	5, 5-Year Options Remaining
Headquartered	Chesapeake, VA (Dollar Tree)
Number of Locations	15,000+ (Dollar Tree and Family Dollar)
Annual Revenue	\$23.6 Billion (Dollar Tree and Family Dollar)
Credit Rating	BBB- (Dollar Tree, Inc.)
Rating Agency	Standard & Poors (Dollar Tree, Inc.)
Stock Symbol	DLTR (Dollar Tree, Inc.)
Board	NASDAQ
Web Site	<a href="http://www.familydollar.com">www.familydollar.com</a>
	<a href="http://www.dollartree.com">www.dollartree.com</a>

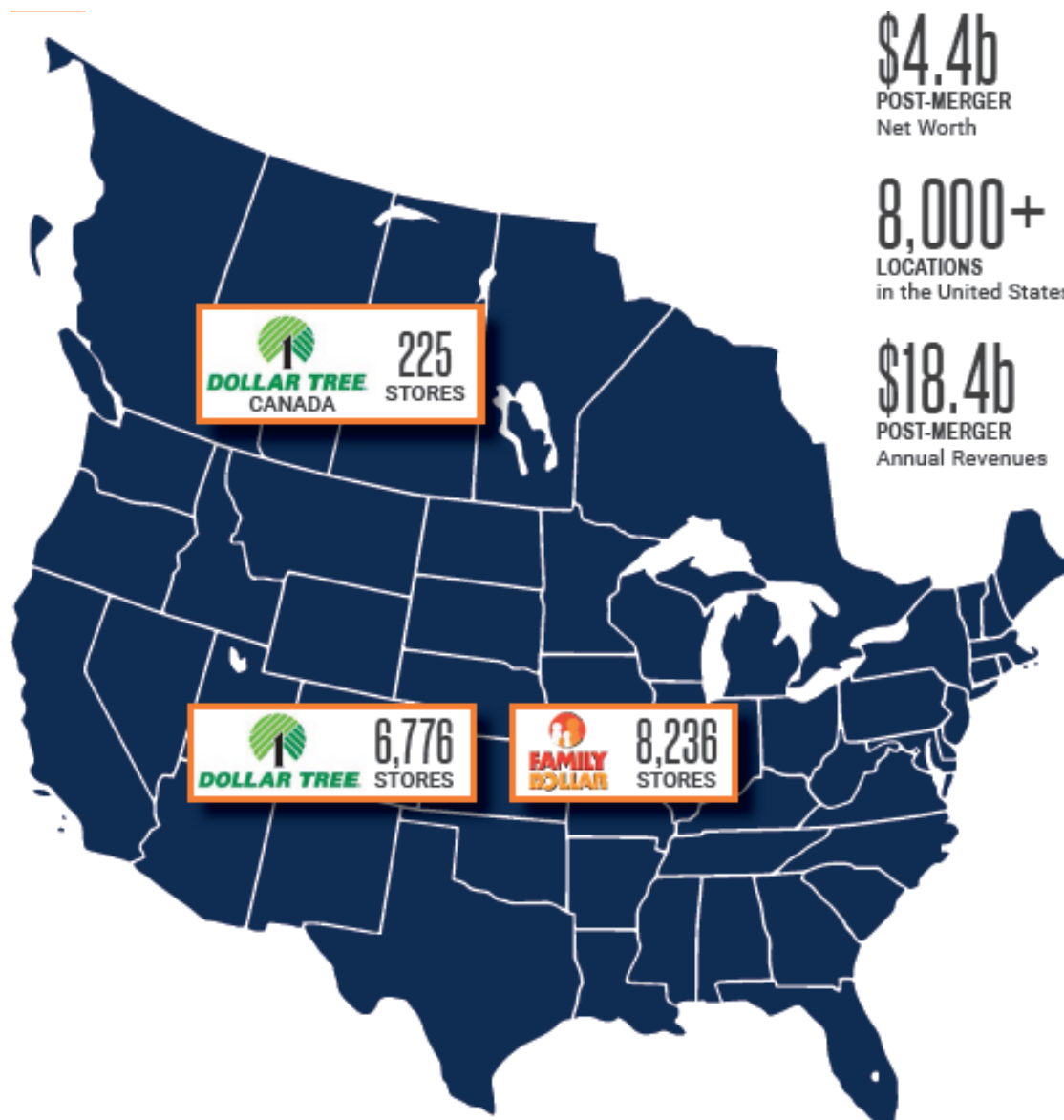


Representative Photograph

# ABOUT THE TENANT

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



# AERIAL

FAMILY DOLLAR

Cummins Rocky Mount Engine Plant  
1800+/- Employees



N. White Street - 5,900 VPD

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# DEMOGRAPHICS

DEMOGRAPHICS	3 MILE	5 MILES	10 MILES
2024 Projection	2,000	4,223	22,422
2019 Estimate	1,942	4,208	22,382
Growth 2019A - 2024	2.98%	0.35%	0.18%
2000 Census	1,896	4,791	23,394
2010 Census	1,881	4,302	22,738
2019 HOUSEHOLD BY INCOME	3 MILE	5 MILES	10 MILES
\$200,000 or More	1.32%	1.73%	1.97%
\$150,000 - \$199,999	0.12%	0.57%	2.49%
\$100,000 - \$149,999	6.79%	5.30%	7.85%
\$75,000 - \$99,999	8.02%	7.97%	10.56%
\$50,000 - \$74,999	20.04%	21.74%	20.85%
\$35,000 - \$49,999	17.05%	14.95%	15.67%
\$25,000 - \$34,999	8.38%	9.14%	10.29%
\$15,000 - \$24,999	15.77%	17.20%	13.38%
\$10,000 - \$14,999	11.26%	9.27%	6.56%
Under \$9,999	11.26%	12.13%	10.38%

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