

FAMILY DOLLAR

GALVESTON, TX

**HORVATH
& TREMBLAY**



SINGLE TENANT NET LEASE OPPORTUNITY

LEAD AGENTS

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DISCLAIMER

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INVESTMENT HIGHLIGHTS

Horvath & Tremblay is pleased to present the exclusive opportunity to purchase a freestanding Family Dollar investment property located at 2203 Broadway Avenue J (Texas State Highway 87) in Galveston, Texas (the "Property"). Family Dollar has been at this location since 2005 (16 Years) and recently executed their renewal option without any rent concession. Family Dollar has 4+ years of term remaining with an additional 5-year renewal option. The lease features a 10% rent increase at the start of the remaining option period.

The Property benefits from its central location along Broadway Avenue J (Texas State Highway 87), the primary highway traversing Galveston, TX. Galveston is a densely populated island city and home to Galveston Bay, which serves as the gateway to the Port of Houston, the second busiest port in the U.S. in total tonnage.

- **DOUBLE NET LEASE:** Family Dollar has a Double Net Lease with minimal Landlord responsibilities. Family Dollar is responsible for all operating expenses and maintenance of the property, the Landlord is solely responsible for the roof and structure and parking lot replacement.
- **LONG TERM TENANT:** Family Dollar has been at this location for sixteen years (since 2005) and just exercised their renewal option without any rent concession, showing their commitment to the location and the market. The lease has 4+ years remaining with one (1), 5-year Renewal Option remaining.
- **ABOVE AVERAGE STORE SALES:** Family Dollar has performed well at this location with above average store sales (contact agent for details).
- **ATTRACTIVE RENT INCREASES:** The lease includes an attractive ten (10%) percent Rent Increase at the start of each option period, providing a steady increase in income and an attractive hedge against inflation.
- **INVESTMENT GRADE CREDIT:** The lease is guaranteed by Dollar Tree Stores, Inc. with an Investment Grade credit rating of BBB- (S&P) and Baa3 (Moody's). Dollar Tree, Inc. operates over 15,370 locations throughout the country (Dollar Tree & Family Dollar).
- **STRATEGIC RETAIL LOCATION:** The Property is strategically positioned along Broadway Avenue J (Texas State Highway 87) which is the primary commercial thoroughfare in Galveston and runs through the center of the city. The Property is less than one-mile from the Port of Galveston Cruise Terminal and the Galveston Island Historic Pleasure Pier.
- **TRADE AREA:** Additional national tenants drawing traffic to the area include O'Reilly's, AutoZone, Napa Auto Parts, CarQuest, Popeyes, KFC, Domino's Pizza, McDonald's, Taco Bell, Burger King, Chili's, Subway, CVS, and Circle K.
- **RECESSION RESISTANT TENANT:** Family Dollar thrives in middle-America markets where incomes may be modest, proving the tenant to be a resilient and recessions-resistant retailer. Family Dollar reported a 15.5% increase in same store sales for the 1st quarter of 2020.
- **NO INCOME TAX STATE:** Texas is a no income tax state. Investors that live in no Income Tax states can benefit from higher post-tax dollars, increasing the desirability of the investment.





\$1,277,755
LIST PRICE



7.35%
CAP RATE



\$93,915
NET OPERATING INCOME

2207 BROADWAY STREET | GALVESTON, TX 77550

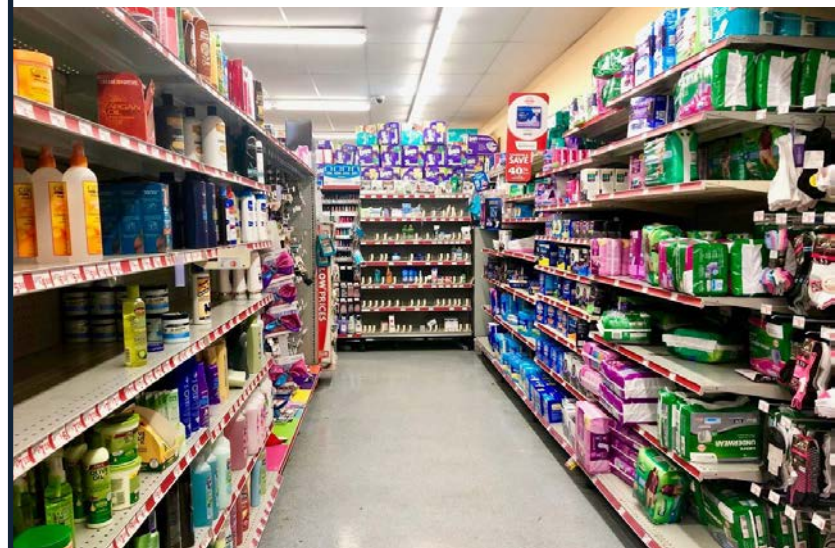
OWNERSHIP:	Fee Simple
BUILDING AREA:	8,400 SF
YEAR BUILT:	1941
LAND AREA:	0.27 Acres
GUARANTOR:	Corporate
LEASE TYPE:	Double Net
ROOF & STRUCTURE:	Landlord Responsible
RENT COMMENCEMENT DATE:	01/01/2006
LEASE EXPIRATION DATE:	12/31/2025
LEASE TERM REMAINING:	4 Years, 10 Months
RENEWAL OPTIONS:	1, 5-Year Option

FAMILY DOLLAR

ANNUALIZED OPERATING DATA

YEAR	START	END	TERM	RENT	% INC
16 - 20	01/01/2021	12/31/2025	CURRENT	\$93,915.00	10.0%
21 - 25	01/01/2026	12/31/2030	OPTION 4	\$103,307.04	10.0%

TENANT OVERVIEW



ABOUT THE TENANT

Family Dollar is a wholly-owned subsidiary of Dollar Tree. Dollar Tree is a Fortune 200 Company operating 15,370 stores across 48 states and five Canadian provinces. In 1st Quarter 2020, Family Dollar was the company's best performing brand reporting a 15.5% increase in same store sales.

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.

One Company. Two great brands delivering value and convenience through complimentary businesses. Dollar Tree, Inc. is a leading operator of discount variety stores that has served North America for more than thirty years. The company 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.

Dollar Tree is the largest and most successful single-price-point retailer in North America, operating thousands of stores across 48 contiguous states and five Canadian provinces, supported by a solid and scalable logistics network.



OVERVIEW

Galveston is a coastal resort city and port off the Southeast Texas coast on Galveston Island and Pelican Island in the U.S. state of Texas. The community of 209.3 square miles, with a population of 47,743 in 2010, is the county seat of surrounding Galveston County and second-largest municipality in the county. It is also within the Houston-The Woodlands-Sugar Land metropolitan area at its southern end on the northwestern coast of the Gulf of Mexico.

Much of Galveston's economy is centered in the tourism, health care, shipping, and financial industries. The 84-acre University of Texas Medical Branch campus with an enrollment of more than 2,500 students is a major economic force of the city.

Galveston Island is fortunate to have a diverse economic base anchored by maritime, healthcare, education, tourism, and has positioned itself as a vital component to the economic engine of the Texas Gulf Coast. Galveston recently surpassed 7 million annual visitors, 5,000 hotel rooms, and is currently home to the 4th largest cruise port in the United States.

The City of Galveston has prioritized redevelopment of historic properties, and made a tremendous investment in the community with investment in infrastructure projects, and the revitalization of the Strand District. The redevelopment of various properties has proven the success of our development incentives, and continue the redevelopment of Historic Downtown Galveston.

The Port of Galveston, also called Galveston Wharves, began as a trading post in 1825. Today, the port has grown to 850 acres of port facilities. The port is located on the Gulf Intracoastal Waterway, on the north side of Galveston Island, with some facilities on Pelican Island. The port has facilities to handle all types of cargo including containers, dry and liquid bulk, breakbulk, Roll-on/roll-off, refrigerated cargo and project cargo.

	3 MILES	5 MILES	10 MILES
POPULATION			
2020 Estimate	34,381	43,742	63,303
2025 Projection	41,976	53,134	74,168
2010 Census	34,252	42,288	60,017
BUSINESS			
2020 Est. Total Businesses	1,811	2,315	2,832
2020 Est. Total Employees	19,176	24,403	27,924
HOUSEHOLDS			
2020 Estimate	13,983	18,098	26,165
2025 Projection	17,208	22,079	30,722
2010 Census	13,825	17,292	24,420
INCOME			
Average Household Income	\$70,747	\$78,591	\$77,171
Median Household Income	\$45,341	\$49,664	\$52,637



34,000+
PEOPLE WITHIN 3 MILES



19,000+
EMPLOYEES WITHIN 3 MILES



\$70,500+
AVERAGE HOUSEHOLD INCOME





BROADWAY AVE J

FAMILY  DOLLAR

KEMPNER STREET



87
TEXAS

PELICAN ISLAND

GALVESTON CHANNEL

BALL
HIGH
SCHOOL

LA MORGAN
ELEMENTARY
SCHOOL

GALVESTON
HISTORIC
SEAPORT

KERMIT
COURVILLE
STADIUM

O'CONNELL
HIGH SCHOOL

AUSTIN
MIDDLE
SCHOOL

GALVESTON HISTORIC
PLEASURE PIER

SEAWALL BLVD

87
TEXAS



REGIONAL MAP

