

FAMILY DOLLAR.

736 Lincoln Way W | South Bend, IN



OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

LISTED BY

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INVESTMENT HIGHLIGHTS

- 2017 build-to-suit construction for Family Dollar
- Upgraded construction build (no metal sides)
- ±11.75-Years remaining on a rare 15-Year absolute NNN lease
- Absolute NNN - Zero management responsibilities
- Rare 10% rent increase in the base term
- Corporately guaranteed lease
- Six, 5-Year renewal options; all of which include a 10% rent increase
- Traffic counts above 18,000 vehicles daily
- 3-mile population of 85,409 residents
- 5-mile population of 160,725 residents
- South Bend is home to the University of Notre Dame
- Dollar Tree acquired Family Dollar in 2015 and they are considered to be the second-largest discount retailer in the United States with more than 15,000 locations
- Family Dollar is one of the few retailers that thrived through the COVID pandemic and witnessed a sharp increase in same-store sales/profitability
- Investment Grade Credit Tenant (S&P Rated BBB-)

DOWNTOWN SOUTH BEND

± 1 MILE AWAY



LINCOLN WAY W
± 18,000 VPD

CUSHING ST



South Bend Heritage



sbn
south bend
INTERNATIONAL
± 3 MILES AWAY

pure barre
CVS
pharmacy **CITGO**

MEMORIAL
HOSPITAL

URBAN
OUTFITTERS
McALISTER'S
BLAZE PIZZA
TIMMY JOHN'S
7 ELEVEN

UNIVERSITY OF
NOTRE DAME
± 8600 STUDENTS ± 3 MILES AWAY

MORRIS PARK
COUNTRY CLUB

SAINT JOSEPH
HIGH SCHOOL

FAMILY
DOLLAR

LINCOLN WAY W
± 18,000 VPD

INDUSTRIAL
SECTOR

save
alot

THE
SALVATION
ARMY

SOUTH BEND
UBS

DOWNTOWN SOUTH BEND
± 1 MILE AWAY

WOOCHI JAPANESE FUSION & BAR	Vegetable Buddies	rosellly
PEGGS	Café NAVARRE	THE EXCHANGE WHISKEY
CHICORY CAFE	GREEN GRILL	JIMMY JOHNS
LASALLE GRILL	SBM South Bend Museum of Art	SOUTH BLEND CAFE
		THE LAUBER
		TACO BELL
		STARBUCKS

JOHN ADAMS
HIGH SCHOOL

W SAMPLE STREET
± 18,000 VPD

IGNITION PARK
± 100,000 SQFT
BUSINESS CENTER

DQ **BURGER KING**
U-HAUL
Kroger **CVS**
pharmacy
goodwill
RAC
planet fitness

SAINT JOSEPH RIVER

McDonald's **Pizza Hut**
Caribou
COFFEE
KFC
DQ **PHILLIPS**
66

RILEY
HIGH SCHOOL



\$1,968,317

LIST PRICE



\$105,305

NOI



5.35%

CAP RATE

BUILDING INFO

Address	736 Lincoln Way W South Bend, IN
GLA	±8,225 SF
Cap Rate	5.35%
Year Built	2017
Lot Size	±0.87 AC

TENANT SUMMARY

Tenant Trade Name	Dollar Tree, Inc.
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	15-Years
Rent Commencement Date	2017
Lease Expiration Date	3/31/33
Term Remaining on Lease	±11.75 Years
Increase	10% in 2028 & Options
Options	Six, 5-Year

ANNUALIZED OPERATING DATA

Lease Years	Monthly Rent	Annual Rent	Increases	Cap Rate
Current - 3/31/2028	\$8,775.42	\$105,305.04	0.00%	5.35%
4/1/2028 - 3/31/2033	\$9,653.00	\$115,836.00	10.00%	5.89%
Option 1	\$10,618.25	\$127,419.00	10.00%	6.47%
Option 2	\$11,680.09	\$140,161.08	10.00%	7.12%
Option 3	\$12,848.09	\$154,177.08	10.00%	7.83%
Option 4	\$14,132.92	\$169,595.04	10.00%	8.62%
Option 5	\$15,546.17	\$186,554.04	10.00%	9.48%
Option 6	\$17,100.84	\$205,210.08	10.00%	10.43%

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 65.00%
Rate: 3.850%
Amortization: 30

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ACTUAL PROPERTY



ACTUAL PROPERTY



ACTUAL PROPERTY



ACTUAL PROPERTY



ACTUAL PROPERTY



TENANT PROFILE

COMPANY NAME

Dollar Tree, Inc.

OWNERSHIP

Public

INDUSTRY

Dollar Stores

HEADQUARTERS

Chesapeake, VA

NO. OF EMPLOYEES

±60,000



A DOLLAR TREE COMPANY

Dollar Tree, Inc. (NASDAQ: DLTR), North America's leading operator of discount variety stores, announced that it would buy Family Dollar for \$8.5 billion. On January 22, 2015, Family Dollar shareholders approved the Dollar Tree bid.

Dollar Tree, a Fortune 500 Company, now operates more than ±15,115 stores across 48 states and five Canadian provinces. Stores operate under the brands of Dollar Tree, Dollar Tree Canada, and Family Dollar.

FAMILY DOLLAR OVERVIEW

When it comes to getting value for everyday items for the entire family in an easy to shop, neighborhood location, Family Dollar is the best place to go. One of the nation's fastest-growing retailers, Family Dollar offers a compelling assortment of merchandise for the whole family ranging from household cleaners to name brand foods, from health and beauty aids to toys, from apparel for every age to home fashions, all for everyday low prices. While shoppers can find many items at \$1 or less, most items in the store are priced below \$10, which makes shopping fun without stretching the family budget.

GEOGRAPHIC REACH

Family Dollar serves families in more than 8,000 neighborhoods in 46 states. The Dollar Tree merger with Family Dollar now creates a combined organization with sales exceeding \$23 billion annually with more than 15,115 stores across 48 states and five 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.

STRATEGY

Family Dollar offers a compelling mix of merchandise for the whole family. 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.



15,115+

LOCATIONS



\$23B

2019 REVENUE



1959

FOUNDED

SOUTH BEND, IN

South Bend is the economic, educational, media, and cultural hub of a multi-county region spanning the Michigan-Indiana border. It's the fourth-largest city in Indiana with over 100,000 residents. South Bend's flourishing collegiate community and burgeoning tech industry have built upon the foundation of the city's industrial past to create a vibrant present and a promising future. The City's fourteen institutions of higher learning, including the internationally renowned University of Notre Dame, infuse South Bend with creative energy in the arts, business, and technology. Combined with recent economic growth, strong neighborhoods, an affordable cost of living, exciting recreational opportunities, and thriving arts venues make South Bend a great place to live, work, and play.

Downtown South Bend is home to a diverse array of retailers, attractions, dining opportunities, entertainment options, and more. Featuring over 50 restaurants, bars, and cafes, with a variety of cuisine from Italian to fine dining, New Orleans inspired to Japanese flavors, and more.



PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	17,086	86,950	162,393
2021 Estimate	16,603	85,409	160,725
2010 Population	14,644	80,260	157,601
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	6,034	30,129	63,112
2021 Estimate	5,859	29,535	62,435
2010 Households	5,168	27,553	61,307
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$43,559	\$53,044	\$58,676

SOUTH BEND ECONOMY

As the fourth largest city in Indiana, South Bend has become an economic and cultural hub in the region.

The city prides itself on its extensive transportation amenities, reasonable housing costs, and several institutions of higher education providing talented workers to the local workforce.

South Bend’s major industries include healthcare and education, with Beacon Health System and the University of Notre Dame being its top major employers. Other well-known companies such as Honeywell, PEI-Genesis, and many others have major operations in the city. **According to Forbes, the gross metro product of South Bend is \$15.4 billion.**

With its plethora of higher education opportunities, access to a highly educated workforce, low cost of living, and growing economy, South Bend attracts big businesses, young professionals, and families alike.



MAJOR EMPLOYERS

Employer	# of Employees
Beacon Health System	7,000
University of Notre Dame	6,371
South Bend Community School Corp	2,777
Indiana University South Bend	1,277
St. Joseph County	1,348
City of South Bend	1,290
Four Winds Casino	1,250
AM General Corporation	976
Honeywell Aerospace	850
Press Ganey	688

Source: City of South Bend

ATTRACTIONS

STUDEBAKER NATIONAL MUSEUM

The Studebaker National Museum is a 55,000-square-foot facility filled with around 120 vehicles from the last 150 years. All three floors of the facility are occupied by one of the largest collections of presidential carriages in the nation, including the carriage President Lincoln rode to Ford Theatre on the night of his assassination, and sleek vintage cars. Climate-controlled galleries and storage facilities ensure all vehicles are kept in perfect condition. The state-of-the-art museum recalls car history and culture from previous time periods.

ST. PATRICK'S COUNTY PARK

Positioned along the Indiana and Michigan border, the St. Patrick's County Park is a 398-acre riverfront park offering wooded trails, a large red barn, a boat ramp, picnic sites, hiking trails, and many other park amenities. During the wintertime, the park transforms into a winter wonderland where visitors participate in inner tubing and cross-country skiing. During the summertime, canoeing and kayaking are popular activities on the St. Joseph River. The attraction also features an orchard with apple trees and grapevines and the Goodhew Gazebo, both popular event venues.

THE HISTORY MUSEUM AND OLIVER MANSION

Located in Downtown South Bend, the History Museum is committed to collecting, preserving, and exhibiting historical artifacts that teach the heritage of the St. Joseph River Valley region. A popular attraction of the site is the Oliver Mansion, the 38-room home of J.D. Oliver and his family. Built in 1895-1896, the Oliver Mansion was designed by Charles Alonzo Rich using Romanesque Queen Anne architecture. Today, all three floors of the mansion feature the original interior, woodwork, and furnishings from when the industrialist and his family occupied the home.



UNIVERSITY OF NOTRE DAME

The University of Notre Dame is a private Catholic research university just outside the city of South Bend that is well-known for its academics and football history. The university is comprised of 8 schools and colleges and offers 75 undergraduate majors and 45 graduate majors. Popular areas of study include science, liberal arts and social science, and business.

Currently, over **8,000 undergraduate students and over 3,000 graduate students** attend the university. Known as the “Fighting Irish”, Notre Dame has around 20 varsity sports teams competing in the Atlantic Coast Conference at the NCAA Division I level. Football is the university’s most popular sport. Notre Dame’s football team has won 22 national championships and throughout the years, 7 of its players have won Heisman trophies. **Notre Dame football games generate a \$185 million economic impact on the region each year.** Overall, Notre Dame University generates an **annual economic impact of \$2.46 billion** and supports around **16,700 jobs in the three-county region.**



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By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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