

# DOLLAR TREE®

# FAMILY DOLLAR®

31071 US-2 | Libby, MT



ACTUAL PROPERTY

OFFERING MEMORANDUM

**MATTHEWS™**  
REAL ESTATE INVESTMENT SERVICES



## LISTED BY

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## INVESTMENT HIGHLIGHTS

- Rare opportunity to acquire high-credit, net-leased property in Montana
- Corporate guaranteed lease from Family Dollar and Dollar Tree who are investment-grade tenants (BBB)
- Family Dollar and Dollar Tree just implemented a new 10-year lease at this site in November of 2020
- NN+ lease structure with Family Dollar and Dollar Tree including minimal landlord responsibilities
- Four, 5-year options with  $\pm 5\%$  rental increases in each Dollar Tree and Family Dollar lease
- Self-storage tenant just took over 21,466 SF of the total 41,466 GLA with an Absolute NNN, 10-year lease
- Attractive basis and below replacement cost at \$74 PSF
- ZT Storage pays Additional Rent equal to 10% of gross sales in excess of \$100,000
- 10% annual increases with the self-storage lease
- One, 5-year option with 3% rental increases in each year of the option
- Prototype Family Dollar/Dollar Tree Combination store
- Corporate Family Dollar has already opened 50 combination stores and has identified nearly 3,000 markets for the new concept to expand into
- The combination store concept has already seen substantial success with higher gross profit margins and improved operating income compared to the average Family Dollar and Dollar Tree store
- Well positioned on an oversized lot with over 5 acres of land
- Former high-performing Shopko with all-brick, superior construction to an average Dollar Store
- Explosive Growth – 5.72%, 5.63%, and 5.59% projected population growth through 2026 in a 1, 3, and 5-mile radius of the site





**\$3,085,422**

LIST PRICE



**\$208,265**

NOI



**6.75%**

CAP RATE

#### BUILDING INFO

Address	31071 US-2 Libby, MT 59923
GLA	±41,466 SF
Cap Rate	6.75%
Year Renovated	2020
Lot Size	±5.11 AC

Please contact a Matthews™ Capital Markets Agent for financing options:

Patrick Flanagan  
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**DOLLAR  
TREE**



## TENANT SUMMARY - DOLLAR TREE

Tenant Trade Name	Dollar Tree
Type of Ownership	Fee Simple
Lease Guarantor	Dollar Tree Stores, Inc.
Lease Type	NN+
Roof, Structure, Parking Lot	Landlord Responsible
HVAC Replacement	Landlord Responsible
HVAC Maintenance	Tenant Responsible
Insurance Expense	Tenant Responsible
Tax Expense	Tenant Responsible
Occupancy	10,000 SF
Original Lease Term	10 Years
Lease Commencement Date	11/19/20
Rent Commencement Date	11/19/20
Rent Expiration Date	2/28/31
Term Remaining on Lease	±9 Years
Sales Kickout	In year 5
Sales Threshold	\$1,300,000
Reported Sales	No
Increase	±5% In Options
Options Remaining	Four, 5-year

## TENANT SUMMARY - DOLLAR TREE

Term	Date	Monthly Rent	Annual Rent	Increases
Original Term	11/19/2020-2/28/2031	\$7,783.33	\$93,399.96	-
Option #1	2/29/2031-2/28/2036	\$8,200.00	\$98,400.00	5.35%
Option #2	2/29/2036-2/28/2041	\$8,616.67	\$103,400.04	5.08%
Option #3	2/29/2041-2/28/2046	\$9,033.33	\$108,399.96	4.84%
Option #4	2/29/2046-2/29/2051	\$9,450.00	\$113,400.00	4.61%
Option #5	7/1/2046-6/30/2051	\$10,513.83	\$126,165.96	6.08%



TENANT SUMMARY - FAMILY DOLLAR

Tenant Trade Name	Family Dollar
Type of Ownership	Fee Simple
Lease Guarantor	Dollar Tree Stores, Inc.
Lease Type	NN+
Roof, Structure, Parking Lot	Landlord Responsible
HVAC Replacement	Landlord Responsible
HVAC Maitenance	Tenant Responsible
Insurance Expense	Tenant Responsible
Tax Expense	Tenant Responsible
Occupancy	10,000 SF
Original Lease Term	10 Years
Lease Commencement Date	11/19/20
Rent Commencement Date	11/19/20
Rent Expiration Date	2/28/31
Term Remaining on Lease	± 9 Years
Sales Kickout	In year 5
Sales Threshold	\$1,300,000
Reported Sales	No
Increase	± 5% In Options
Options Remaining	Four, 5-year

TENANT SUMMARY - FAMILY DOLLAR

Term	Date	Monthly Rent	Annual Rent	Increases
Original Term	11/19/2020-2/28/2031	\$7,783.33	\$93,399.96	-
Option #1	2/29/2031-2/28/2036	\$8,200.00	\$98,400.00	5.35%
Option #2	2/29/2036-2/28/2041	\$8,616.67	\$103,400.04	5.08%
Option #3	2/29/2041-2/28/2046	\$9,033.33	\$108,399.96	4.84%
Option #4	2/29/2046-2/29/2051	\$9,450.00	\$113,400.00	4.61%



## TENANT SUMMARY - ZT STORAGE

Tenant Trade Name	ZT Storage, LLC
Type of Ownership	Fee Simple
Lease Guarantor	ZT Storage, LLC
Lease Type	Absolute NNN
Roof, Structure, Parking Lot	Tenant Responsible
HVAC Replacement	Tenant Responsible
HVAC Maintenance	Tenant Responsible
Insurance Expense	Tenant Responsible
Tax Expense	Tenant Responsible
Occupancy	21,466 SF
Original Lease Term	10
Lease Commencement Date	8/1/21
Rent Commencement Date	8/1/21
Rent Expiration Date	5/31/32
Term Remaining on Lease	±10 years
Sales Kickout	None
Increase	10% Annually; 3% In Options
Options Remaining	One, 5-year

## TENANT SUMMARY - ZT STORAGE

Term	Date	Monthly Rent	Annual Rent	Increases
Original Term	08/1/2021-10/31/2021	\$0.00	\$0.00	-
Original Term	11/1/2021-10/31/2022	\$1,788.83	\$21,465.96	-
Original Term	11/1/2022-10/31/2023	\$1,967.72	\$23,612.64	10.00%
Original Term	11/1/2023-10/31/2024	\$2,164.49	\$25,973.88	10.00%
Original Term	11/1/2024-10/31/2025	\$2,380.94	\$28,571.28	10.00%
Original Term	11/1/2025-10/31/2026	\$2,619.03	\$31,428.36	10.00%
Original Term	11/1/2026-10/31/2027	\$2,880.93	\$34,571.16	10.00%
Original Term	11/1/2027-10/31/2028	\$3,169.03	\$38,028.36	10.00%
Original Term	11/1/2028-10/31/2029	\$3,485.93	\$41,831.16	10.00%
Original Term	11/1/2029-10/31/2030	\$3,834.52	\$46,014.24	10.00%
Original Term	11/1/2030-10/31/2031	\$4,217.98	\$50,615.76	10.00%
Original Term	11/1/2031-05/31/2032	\$4,639.77	\$55,677.24	10.00%
Option #1	11/1/2032-05/31/2033	\$4,778.96	\$57,347.52	3.00%
Option #1	11/1/2033-05/31/2034	\$4,922.33	\$59,067.95	3.00%
Option #1	11/1/2034-05/31/2035	\$5,070.00	\$60,839.98	3.00%
Option #1	11/1/2035-05/31/2036	\$5,222.10	\$62,665.18	3.00%
Option #1	11/1/2036-05/31/2037	\$5,378.76	\$64,545.14	3.00%





**COHENOUR TRUCKING INC.**  
SAND & GRAVEL SUPPLIER

**HOMESTEADER'S RANCH & FEED**  
RANCH



± 3,000 VPD







**PIVAL ELECTRIC & PLUMBING CO.**  
PLUMBING SUPPLY STORE



**RICK'S RENTAL**  
HEATING CONTRACTOR



± 3,000 VPD









## TENANT PROFILE

### COMPANY NAME

Dollar Tree, Inc.

### OWNERSHIP

Public

### INDUSTRY

Dollar Stores

### HEADQUARTERS

Chesapeake, VA

### NO. OF EMPLOYEES

±60,000



### DOLLAR TREE OVERVIEW

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**

2020 REVENUE



**1959**

FOUNDED



## AREA OVERVIEW


### LIBBY, MT

Libby is a city in northwestern Montana and the county seat of Lincoln County. Local natural features such as the Kootenai Falls have attracted tourism to the area and have been featured in movies such as *The River Wild* (1994) and *The Revenant* (2015). The town is in-district for Flathead Valley Community College, which operates the Lincoln County Campus there.

### ECONOMY

Tourism is playing an increasing role in the local economy. The Libby Dam is 17 miles upstream from Libby, one of the Columbia River Treaty Dams. Libby is known as the “City of Eagles”. Several eagle sculptures can be found around town, including a 60-foot eagle at both ends of town.

Libby’s energy usage includes multiple renewable resources: biomass, hydroelectric, and solar. In 2008, a report found that wood pellet waste from nearby lumber mills could be used to produce several megawatts of electricity. The Flathead Electric Co-op began purchasing up to 2.5 megawatts of power from the F.H. Stoltze Land & Lumber Company in 2013 with a twenty year contract, leading to the construction of a biomass-fueled electric generation facility at their plant near Columbia Falls. The Co-op receives Renewable Energy Credits. The city also generates and sells hydroelectric energy.



DEMOGRAPHICS	1-MILE	3-MILE	5-MILE
2026 Projection	1,538	6,265	7,620
2021 Estimate	1,455	5,931	7,216
2010 Census	1,434	5,778	7,032
Growth: 2021-2026	5.72%	5.63%	5.59%
Growth: 2201-2021	1.46%	2.65%	2.62%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	666	2,856	3,462
2021 Estimate	653	2,795	3,389
2010 Census	626	2,645	3,209
Growth: 2021-2026	1.95%	2.16%	2.15%
Growth: 2201-2021	4.32%	5.68%	5.61%
INCOME	1-MILE	3-MILE	5-MILE
2021 Avg. Household Income	\$53,278	\$58,693	\$57,102



# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Family Dollar / Dollar Tree** located at **31071 US-2, Libby, MT** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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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