

DOLLAR TREE®

406 N US Hwy 83 | Zapata, TX 78076



Representative Photo

OFFERING MEMORANDUM

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES



LISTED BY

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REAL ESTATE INVESTMENT SERVICES

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INVESTMENT HIGHLIGHTS

LOCATION AND LEASE

- Attractive 5.75% cap rate for a new construction Texas dollar store
- Brand new 2022 build-to-suit construction for Dollar Tree (rent commencement of ± August)
- 10-Year NN lease with minimal landlord responsibilities
- The subject property comes with a 20-year roof warranty
- Tenant responsible for all HVAC maintenance, repairs, and replacement
- Corporately guaranteed lease
- Four, 5-Year renewal options, all of which include an increase of \$5,250
- Texas is an income tax-free state

TENANT

- Dollar Tree acquired Family Dollar in 2015 and is now considered to be the second-largest discount retailer in the United States with more than 16,000 locations
- Dollar Tree boasts an investment-grade credit rating of BBB-
- Dollar Tree has thrived through the COVID pandemic and witnessed a sharp increase in same-store sales and profitability

FINANCIAL OVERVIEW



\$2,170,435

LIST PRICE



\$ 124,800

NOI



5.75%

CAP RATE

BUILDING INFO

Address	406 N US Hwy 83 Zapata, TX 78076
GLA	±10,000 SF
Cap Rate	5.75%
Year Built	2022
Lot Size	±1.03 AC

TENANT SUMMARY

Tenant Trade Name	Dollar Tree
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Roof and Structure	LL Responsibility (20 Yr Warranty)
Original Lease Term	10 Years
Rent Commencement Date	August 2022
Lease Expiration Date	August 2032
Term Remaining on Lease	10 Years
Increase	\$5,000 in Options
Options	Four, 5-Year

ANNUALIZED OPERATING DATA

Lease Years	Monthly Rent	Annual Rent	Rent PSF	Cap Rate
Current - 8/31/2032	\$10,400.00	\$124,800.00	-	5.75%
Option 1	\$10,816.67	\$129,800.04	\$5,000	5.98%
Option 2	\$11,233.34	\$134,800.08	\$5,000	6.21%
Option 3	\$11,650.00	\$139,800.00	\$5,000	6.44%
Option 4	\$12,066.67	\$144,800.04	\$5,000	6.67%

ACE Hardware

IBC BANK

ZAPATA ELEMENTARY SCHOOL
ZAPATA MIDDLE SCHOOL

Exxon **CIRCLE K** **Valero**
♥ **CVS pharmacy** **True Value**

Chevron
SUBWAY

DOLLAR TREE

TSC TRACTOR SUPPLY CO
1.6 MILES AWAY

H **Holiday Inn Express**

stripes **Valero** **7 ELEVEN**
Pizza Hut **DQ** **Church's** **McDonald's**

FALCON LAKE

VALERO

BW **Best Western**
Hotels & Resorts

TENANT PROFILE

COMPANY NAME

Dollar Tree, Inc.

OWNERSHIP

Public

INDUSTRY

Dollar Stores

HEADQUARTERS

Chesapeake, VA

NO. OF EMPLOYEES

±60,000

DOLLAR TREE®

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

ZAPATA, TX

A small town just 49 miles outside of Laredo, Zapata lies at the edge of the United States border. Zapata provides options for commuters who prefer a quieter, more close-knit community. This family-friendly village offers some fun activities such as visiting the local park and spending the day bass fishing with family.

PROPERTY DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
2026 Projection	5,606	13,447	13,565
2021 Estimate	5,474	12,898	13,007
2010 Census	5,590	12,273	12,453
2021-2026 Growth	2.41 %	4.26 %	4.29 %
HOUSEHOLD	3-MILE	5-MILE	10-MILE
2026 Projection	2,105	4,649	4,688
2021 Estimate	1,929	4,194	4,229
2010 Census	1,815	3,730	3,783
2021-2026 Growth	9.12 %	10.83 %	10.87 %
INCOME	3-MILE	5-MILE	10-MILE
Avg. Household Income	\$54,194	\$53,464	\$53,770

LARDEO, TX

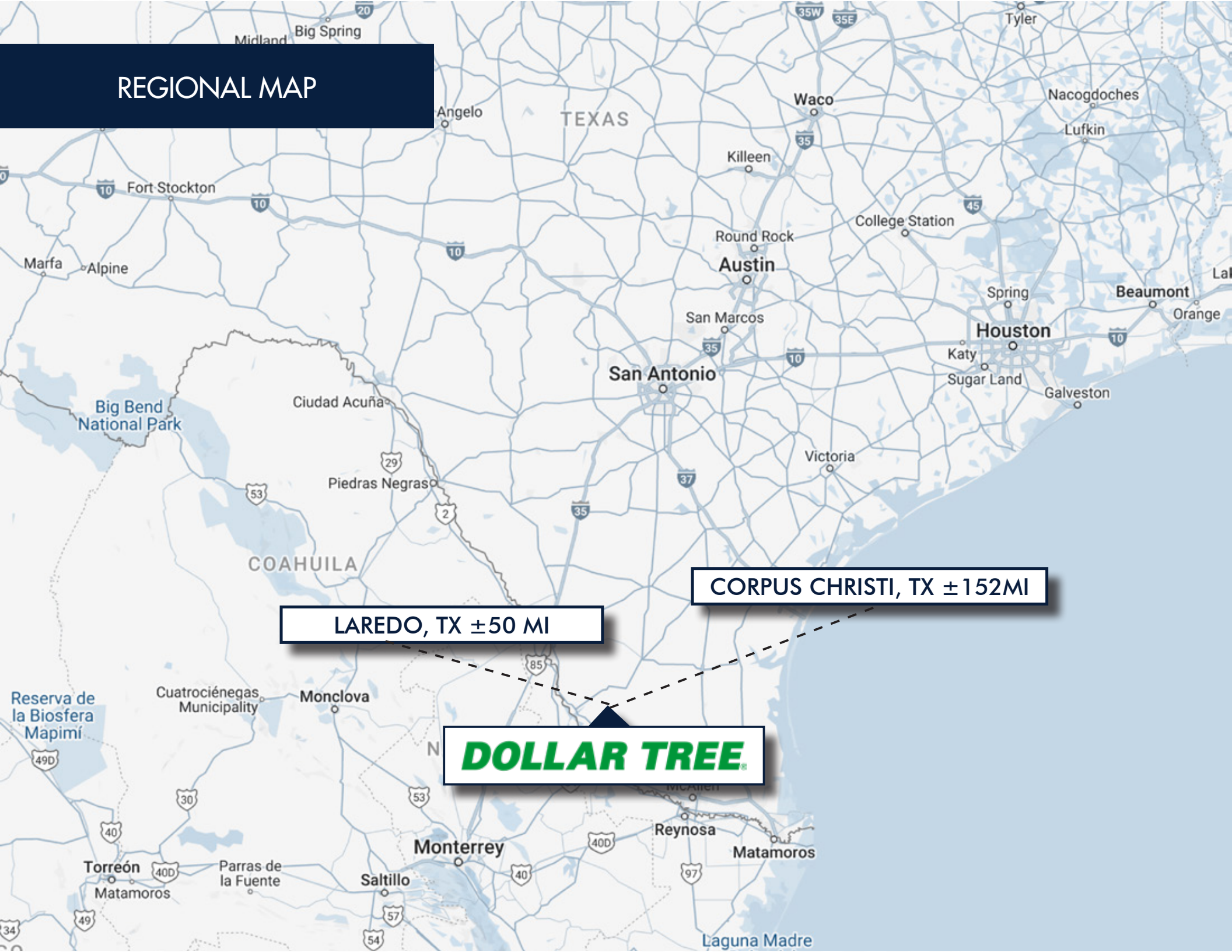
The city of Laredo is rooted deep in the Lone Star State. Founded over 250 years ago on the Rio Grande River, Laredo tourism is pretty huge and the sites consist of San Agustin Plaza and the Republic of the Rio Grande Museum. Locals enjoy the brands at Mall de Norte as well as the Outlet Shoppes at Laredo. At San Bernardo Avenue lies 40 blocks of shops selling authentic finds and baked goods. The culinary scene is excellent with a bounty of authentic Mexican and Tex-Mex restaurants. Residents here are serviced by the Laredo International Airport and three major roadways. Texas A&M International University calls this city home, just north of Lake Casa Blanca Park. This state park features waterskiing, picnic pavilions, and trails.

LARDEO ECONOMY

Laredo is the largest inland port in the United States, and Nuevo Laredo is the largest in Latin America. This is due to their respective locations, served by Interstate Highway 35 / Mexican Federal Highway 85, the effects of the North American Free Trade Agreement (NAFTA), dozens of twin assembly plants on the Mexican side, and dozens of import-export agencies to expedite trade. Laredo is a shopping destination for Mexican shoppers from Northern Mexico. Retail sales attract shoppers from Northern Mexico and South Texas. There is one indoor shopping mall in Laredo, Mall del Norte, The Outlet Shoppes at Laredo, and another that has not progressed past planning: Laredo Town Center, part of downtown redevelopment. There are dozens of shopping centers. The Streets of Laredo Urban Mall is an association created by businesses on Iturbide Street in the San Agustin historical district to beautify and renovate the area, which has a pedestrian scale.



REGIONAL MAP



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar Tree** located at **406 N US Hwy 83, Zapata, TX 78076** ("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:

1. The Offering Memorandum and its contents are confidential;
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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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_____ Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
_____ Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date