

DOLLAR TREE

3555 S HOWELL AVENUE, MILWAUKEE, WISCONSIN



OFFERING MEMORANDUM

Marcus & Millichap



MEDICAL
COLLEGE
OF WISCONSIN
1,400 STUDENTS

UNIVERSITY of WISCONSIN
UW MILWAUKEE
26,000 STUDENTS

Milwaukee
County
Zoo

WISCONSIN
STATE FAIR

Miller Park

DOWNTOWN
MILWAUKEE

BEST BUY **ULTA** **ROSS**
BEAUTY STORES, INC.
PET SUPPLIES PLUS
Minus the hassle.
Tuesday Morning **JOANN**
KIRKLAND'S **Marshall's**
YOUR HOME DECOY STORE
Party City **BARNES & NOBLE**
NOBODY HAS MORE PARTY FOR LESS. BOOKSELLERS
Total Wine & More **PET SMART**
Sendik's **DXL** **HALF PRICE BOOKS**
MEN'S APPAREL
M petco **Steinhafels**
five BELOW **DOLLAR TREE**

Walmart
Supercenter
goodwill **Cermak**
FRESH MARKET
Gordon **ALDI**
FOOD SERVICE
Advance Auto Parts
MENARDS
TARGET
Pick n Save

TARGET **piggly wiggly** **THE HOME DEPOT** **goodwill**
local since forever™
Applebee's **Arby's** **Pick n Save**
GRILL • BAR

DOLLAR TREE

THE HOME DEPOT **goodwill** **KOHL'S**
OfficeMax **Dunham's**
SPORTS
HomeGoods **Marshall's**
TARGET **Pick n Save**
DOLLAR TREE **MENARDS** **ACE**
Hardware

SOUTHRIDGE MALL
★ macy's **JCPenney** **H&M**
OLD NAVY **tj-max**
DICK'S **francesca's** **Disney**
SPORTING GOODS. STORE
AMERICAN **EAGLE** **Bath & Body Works**

**GENERAL MITCHELL
INTERNATIONAL
AIRPORT**

The information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2013 Marcus Millichap. ACT ID ZAA0070307



Aurora
Health Care®

Ascension

TARGET
SUBWAY
Little Caesars
Wendy's

THE HOME DEPOT
piggly wiggly
local since forever™
Arby's
AutoZone
Starbucks
TACO BELL
Pick n Save
JIMMY JOHN'S
Applebee's
goodwill

DOLLAR TREE

Walmart
Office DEPOT
Supercenter
planet fitness
Marshall's
Pick n Save
five BELOW
CVS pharmacy
ROSS STORES, INC.
KOHLS
Michaels
Where Creativity Happens™

DOLLAR TREE
HARBOR FREIGHT TOOLS
petco
Advance Auto Parts
Pick n Save

at home
The Home Décor Superstore

Ashley
HOMESTORE
Arby's
SONIC

GENERAL MITCHELL
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Executive Summary

FINANCIAL SUMMARY

| | |
|------------------------|--------------------|
| Price | \$1,792,500 |
| Down Payment | 100% \$1,792,500 |
| Cap Rate | 8.0% |
| Building Size | 13,897 SF |
| Net Cash Flow | 8.0% \$143,400 |
| Year Built / Renovated | 1956 / 2012 |
| Lot Size | 1.06 Acres |

LEASE SUMMARY

| | |
|-------------------------|----------------------------------|
| Lease Type | Double-Net (NN) Lease |
| Tenant | Dollar Tree |
| Lease Guarantor | Corporate |
| Roof & Structure | Landlord Responsible |
| Lease Commencement Date | June 1, 2012 |
| Lease Expiration Date | May 31, 2022 |
| Lease Term Remaining | 2.5 Years |
| Rental Increases | \$0.50/SF Increase Every 5 Years |
| Renewal Options | 3, 5 Year Options |

ANNUALIZED OPERATING DATA

| Lease Years | Annual Rent | Cap Rate |
|---------------------|--------------|----------|
| Current - 5/31/2022 | \$143,400.00 | 8.00% |
| Lease Years | Annual Rent | Cap Rate |
| Option 1 | \$150,348.50 | 8.39% |
| Option 2 | \$157,297.00 | 8.78% |
| Option 3 | \$164,245.50 | 9.16% |

| | |
|-----------------------------|-----------------------|
| Base Rent | \$143,400 |
| Net Operating Income | \$143,400 |
| Total Return | 8.0% \$143,400 |

Property Description



INVESTMENT HIGHLIGHTS

- » 2.5 Years Remaining on Corporate Lease with Dollar Tree
- » \$0.50/SF Rental Increases Every 5 Years
- » 323,616 Residents within a 5-Mile Radius - Infill Milwaukee
- » Visible to 18,200+ Cars/Day Along Chase Avenue and Howell Avenue
- » Close Proximity to Major Retailers - The Home Depot, Piggly Wiggly, Target, Pick 'n Save, Goodwill, and More
- » Average Household Income Exceeds \$66K in Immediate Area
- » Less Than 1 Mile Off the I-43 Freeway, Direct Access to Downtown Milwaukee to the North and Chicago to the South
- » Minutes from General Mitchell International Airport
- » Strong Daytime Population - 369,981 Employees in Surrounding Area



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

| | | | |
|-----------------|--------|---------|---------|
| 2023 Projection | 17,041 | 150,809 | 325,873 |
| 2018 Estimate | 17,065 | 150,636 | 323,616 |

Households

| | | | |
|-----------------|-------|--------|---------|
| 2023 Projection | 7,383 | 57,005 | 133,409 |
| 2018 Estimate | 7,347 | 56,346 | 130,709 |

Income

| | | | |
|------------------------------------|----------|----------|----------|
| 2018 Est. Average Household Income | \$66,098 | \$54,641 | \$57,682 |
| 2018 Est. Median Household Income | \$57,507 | \$42,927 | \$44,420 |
| 2018 Est. Per Capita Income | \$28,489 | \$20,530 | \$23,739 |



Tenant Overview



Chesapeake, Virginia

Headquarters

NASDAQ: DLTR

Stock Symbol

14,800+

Locations

www.dollartree.com

Website

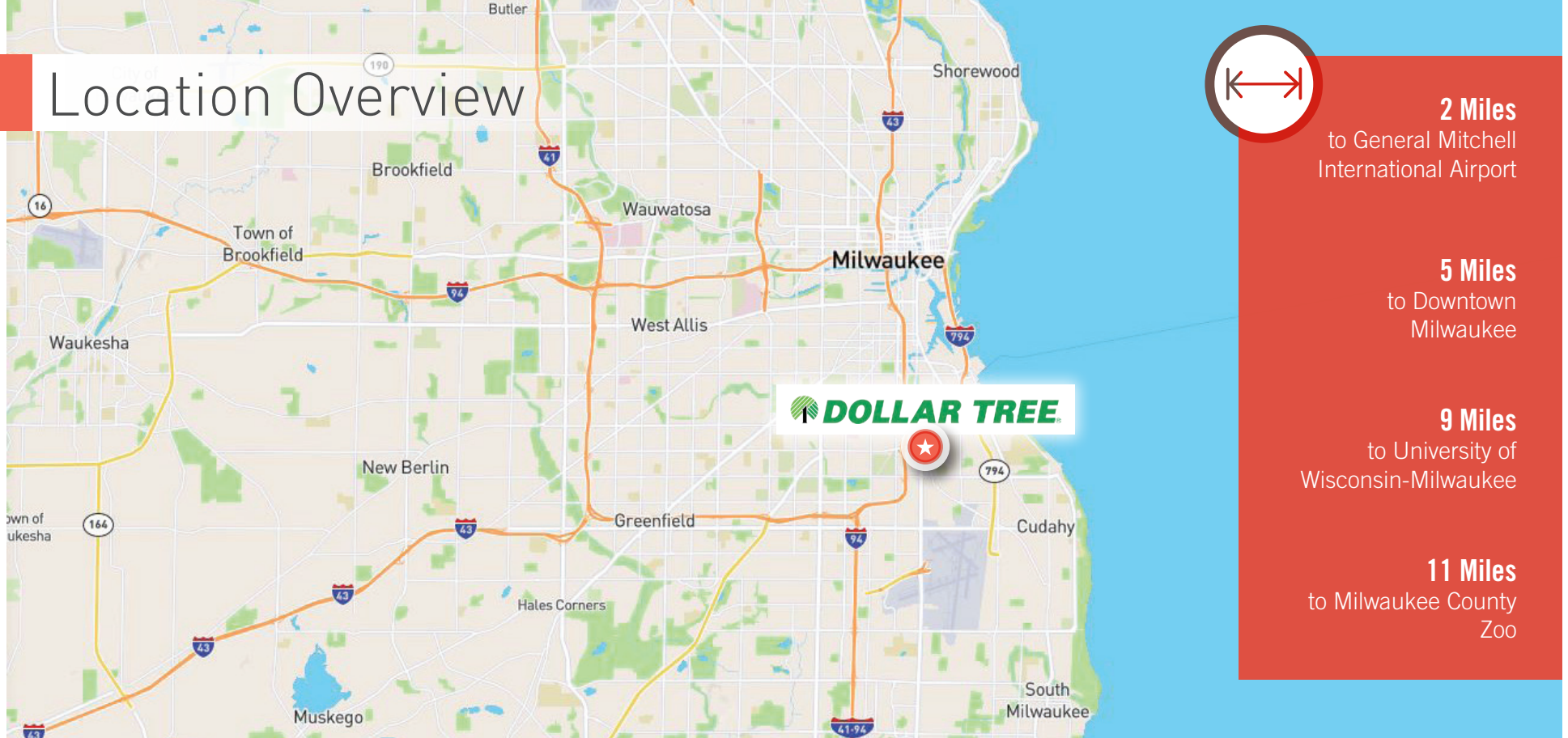
Headquartered in Chesapeake, VA, Dollar Tree, Inc. is the largest and most successful single-price-point retailer in North America, operating thousands of stores across 48 contiguous U.S. states and five Canadian provinces, supported by a solid and scalable logistics network. The company has steadily increased its revenue over the years. Between 2016 and 2017, revenue increased by 33.67%, and between 2017 and 2018, revenue increased by 7.38%. In 2014, Dollar Tree acquired the Family Dollar brand for \$8.5 billion.

The company's segments include Dollar Tree and Family Dollar. The Dollar Tree segment operates discount variety stores offering merchandise at a fixed

price. The Family Dollar segment operates a chain of general merchandise retail discount stores providing customers with a selection of merchandise in neighborhood stores.

Dollar Tree carries a broad, exciting mix of merchandise that includes many trusted national and regional brands. Some of the product departments at Dollar Tree include housewares, glassware, dinnerware, cleaning supplies, candy, snacks, food, health and beauty, toys, gifts, gift bags and wrap, party supplies, stationery, craft supplies, teaching supplies, books, seasonal decor, and more. As of January 2017, the company offered 7,100 items in its stores.

Location Overview



Milwaukee is the largest city in the state of Wisconsin and the fifth-largest city in the Midwestern United States. The seat of Milwaukee County, it is on Lake Michigan's western shore. The city's estimated 2018 population was 594,511, while the estimated population of the Greater Milwaukee Area was 2,043,904. It is the third-most densely populated metropolitan area in The Midwest, surpassed only by Chicago and Detroit, respectively. Milwaukee is considered a Gamma global city as categorized by the Globalization and World Cities Research Network with a regional GDP of over \$105 billion.

With more than two million people and 50,000 businesses, the seven-county Milwaukee Region is an important economic engine. Milwaukee is home to the international headquarters of six Fortune 500 companies: Johnson Controls,

Northwestern Mutual, Manpower, Rockwell Automation, Harley-Davidson, and Joy Global. The city's manufacturing, technology, healthcare, and brewing industries are thriving, as are its startups, culinary, arts, and hospitality businesses.

From a trading and manufacturing center in the 1800s, Milwaukee has become a top tourist destination, welcoming nearly 23 million visitors to the Greater Milwaukee Area each year. Milwaukee's tourism represents 26% of the state's total tourism market, with an economic impact of over \$5.7 billion each year. Visitors come to the area for vacations, conventions, sporting events, and more.

Over the years, Milwaukee has undergone a new NBA arena, new hotels, a new gateway to the lakefront, transit upgrades, and more, with more growth and development planned for the coming years.

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

8 (a) The duty to provide brokerage services to you fairly and honestly.

9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.

10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.

12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).

14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).

16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.

17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).

30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____

39 _____

40 _____

41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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[exclusively listed by]

Jamie A. Medress

Senior Managing Director

602 687 6778

jmedress@marcusmillichap.com

Mark J. Ruble

Senior Managing Director

602 687 6766

mruble@marcusmillichap.com

Chris N. Lind

First Vice President

602 687 6780

chris.lind@marcusmillichap.com

Todd Lindblom

Broker of Record

License #: 56163-90

Offices Nationwide

www.marcusmillichap.com**NET LEASED DISCLAIMER**

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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Marcus & Millichap