

# FAMILY DOLLAR TREE (COMBO STORE)

1182 EAST MAIN STREET, ITASCA, TEXAS



PHOTO AS OF 4/5/2023

OFFERING MEMORANDUM

Marcus & Millichap





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# Executive Summary

1182 East Main Street, Itasca, TX 76055

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$1,680,000</b>
Cap Rate	6.55%
Building Size	10,500 SF
Net Cash Flow	6.55% \$110,040
Year Built	2023
Lot Size	+/- 0.92 Acres

## LEASE SUMMARY

Lease Type	Double Net (NN) Lease
Tenant	Family Dollar Stores of Texas, LLC
Guarantor	Corporate (Family Dollar Stores, Inc.)
Roof & Structure	Landlord Responsible
Lease Commencement Date	Est. May 2023
Lease Expiration Date	May 31, 2033
Lease Term	10 Years
Rental Increases	\$5,250 in Each Option Period
Renewal Options	4, 5 Year Options

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 – 10	\$110,040.00	6.55%
Options	Annual Rent	Cap Rate
Option 1	\$115,290.00	6.86%
Option 2	\$120,540.00	7.18%
Option 3	\$125,790.00	7.49%
Option 4	\$131,040.00	7.80%

<b>Base Rent</b>	<b>\$110,040</b>
<b>Net Operating Income</b>	<b>\$110,040</b>
<b>Total Return</b>	<b>6.55% \$110,040</b>

**FAMILY DOLLAR**

**DOLLAR TREE**



**37,300 CPD**  
INTERSTATE 35W



**ITASCA SELF STORAGE**



**2,200 CPD**  
E MAIN STREET

**DOLLAR GENERAL**







**ITASCA INDEPENDENT  
SCHOOL DISTRICT**

**2,200 CPD  
E MAIN STREET**

**FAMILY DOLLAR.  
DOLLAR TREE**

**DOLLAR GENERAL**





# Property Description



## INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Corporate Lease - Family Dollar and Dollar Tree Combo Store**
- » Rental Increases Occurring in Each Renewal Option Period
- » **New High Quality 2023 Construction with a Concrete Parking Lot**
- » Family Dollar / Dollar Tree Combo Stores Average 20 Percent More in Sales than Traditional Family Dollar Locations
- » **Situated Along Itasca's Primary Thoroughfare with Immediate Access to I-35W (37,300+ Cars per Day), Providing a Direct Route North to Dallas/Fort Worth and South to Waco**
- » 15 Minutes North of Hillsboro - Home to Hill College, Hill Regional Hospital, and a Dense Retail Corridor (Walmart, Tractor Supply Co, McDonald's, Whataburger, and More)
- » **Adjacent to Dollar General and Sonic Drive-In**
- » Average Household Income Exceeds \$78,000 within a Ten-Mile Radius



## DEMOGRAPHICS

3-miles

5-miles

10-miles

### Population

2027 Projection	2,087	3,028	11,080
2022 Estimate	2,015	2,943	10,541
Growth 2022 - 2027	3.57%	2.89%	5.11%

### Households

2027 Projection	718	1,038	4,052
2022 Estimate	698	1,013	3,836
Growth 2022 - 2027	2.83%	2.49%	5.62%

### Income

2022 Est. Average Household Income	\$67,427	\$71,552	\$78,695
2022 Est. Median Household Income	\$54,254	\$56,400	\$60,863

# Tenant Overview



**Chesapeake, Virginia**

Headquarters

**Dollar Tree, Inc.**

Parent Company

**16,000+**

Locations

**NASDAQ: DLTR**

Stock Symbol

Ranked 137 on the Fortune 500 list, Dollar Tree, Inc. is comprised of two iconic brands – Dollar Tree and Family Dollar – delivering value and convenience through complementary businesses. Serving North America for more than 63 years, Dollar Tree, Inc. provides customers with quality merchandise, amazing values, convenience, and a fun shopping experience. The Company operates over 16,000 stores in 48 U.S. states and five Canadian provinces, supported by more than 200,000 associates. In 2021, the Company delivered record results, including a consolidated net sales increase of 3.1% from the prior year to a record \$26.3 billion. In 2022, the Company plans to open 590 new stores.

## **FAMILY DOLLAR / DOLLAR TREE COMBO STORES**

Combo Stores bring the best of Dollar Tree (seasonal, party, crafting) and Family Dollar (savings on family essentials) together under one convenient roof to help customers find everything they want and need. The new store concept was initially rolled out in small, rural towns across the country that had limited retail operations. Due to its success, the concept is expanding past just small towns. The Company ended 2021 with more than 240 Combo Stores opened and plans to add 400 more in 2022. Combo Stores deliver a powerful same-store sales lift of greater than 20% on average.



# Construction Photos

as of 4/5/2023





# Location Overview



Itasca is a city in Hill County in Northern Central Texas, home to an estimated 1,800 residents. The city is centrally located in between Fort Worth and Waco, and lies an hour's drive from Dallas/Fort Worth International Airport. Hill County is well connected to the rest of the state via several state highways and the I-35 freeway. Hillsboro, the county seat, is home to over 8,000 residents.

Hill County is included in the 20 counties that make up the Central Texas region, covering roughly 17,400 square miles in the heart of Texas. This region is home to some of the fastest-growing communities in Texas. Known for its diverse business sectors, the region has fueled growth for major companies like 3M, Apple, Dell,

Facebook, Samsung, and more. Several top-tier colleges and universities in Central Texas offer a robust talent pipeline.

According to the 2020 U.S. Census, the Central Texas region had a total population of approximately 1.3 million residents, or 4.3 percent of the state's total population. The region's population has grown by about 12.2 percent (about 136,000 people) since the 2010 Census. Hill County in particular saw a 2.2 percent population increase from 2010 to 2020. In 2020, the Central Texas region had a gross domestic product (GDP) of \$57 billion, about 3.2 percent of Texas' statewide GDP of \$1.8 trillion.





## Information About Brokerage Services

11-2-2015

*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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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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