



OFFERING MEMORANDUM

FAMILY DOLLAR

INTERNATIONAL FALLS, MN

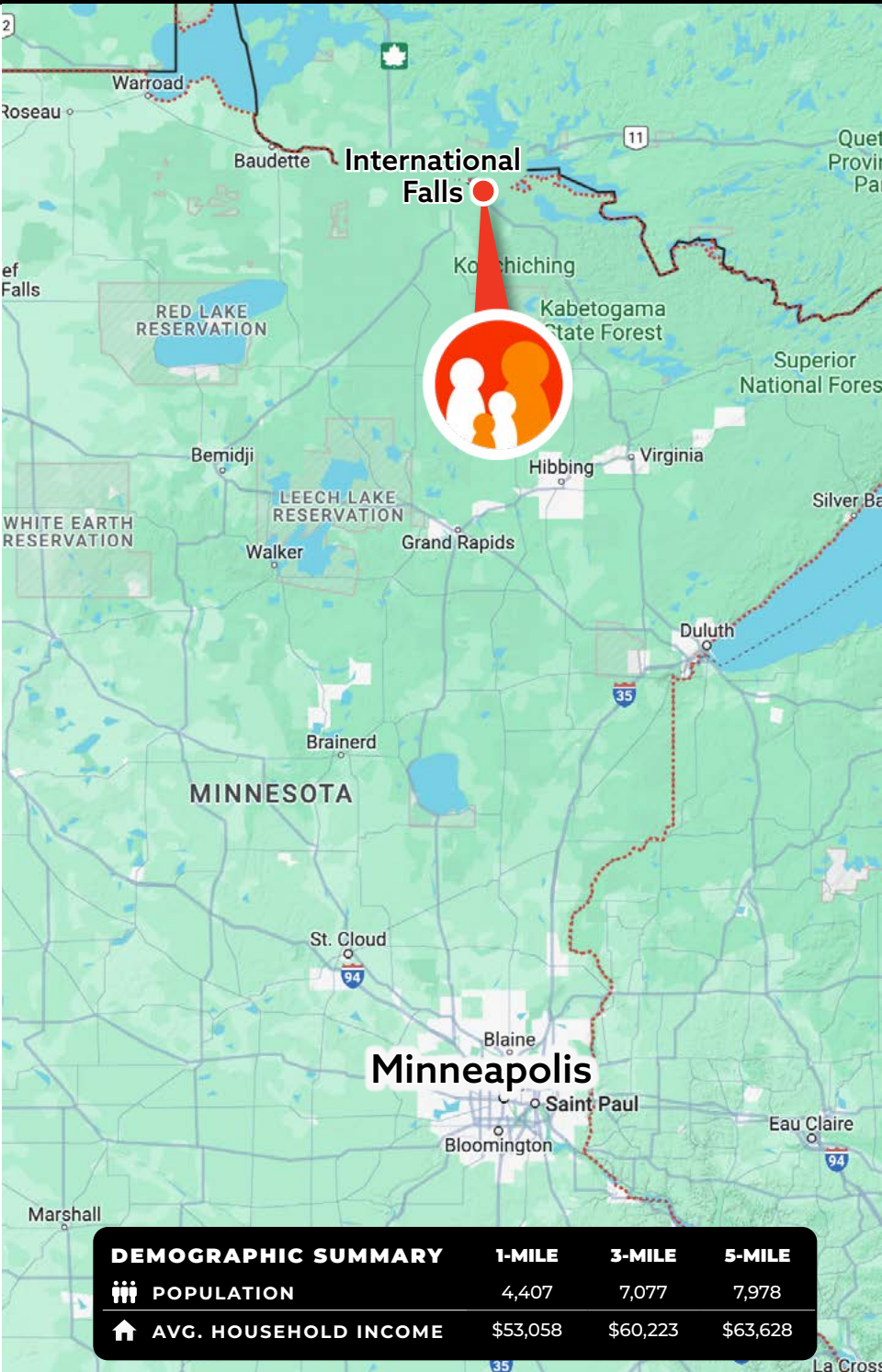
Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

OFFERING SUMMARY



1105 3RD AVENUE, INTERNATIONAL FALLS, MN 56649

PRICE	\$795,000		
CAP RATE	9.00%		
NOI	\$71,525		
RENTABLE SQ FT.	11,400		
YEAR BUILT	1966/2013		
LOT SIZE	0.56 AC		
TENANT TRADE NAME	Family Dollar		
LEASE GUARANTOR	Corporate		
LEASE TYPE	NN		
ROOF & STRUCTURE	Landlord		
RENT COMMENCEMENT DATE	July 2013		
LEASE EXPIRATION DATE	June 2028		
TERM REMAINING ON LEASE	4+ Years		
INCREASES	10% Increase per Option		
OPTIONS	Four, 5-Year Options		
BASE RENT	July 2023 - June 2028	(Option 1)	\$ 71,525
OPTION RENT	Years 16-20	(Option 2)	\$ 78,678
	Years 21-25	(Option 3)	\$ 86,545
	Years 26-30	(Option 4)	\$ 95,200
	Years 31-35	(Option 5)	\$ 104,720
TENANT RESPONSIBILITIES	Parking Lot, HVAC, Insurance & Taxes		
LANDLORD RESPONSIBILITIES	Roof & Structure		



INVESTMENT HIGHLIGHTS

LOW RENT & PRICE POINT

- The subject property has a low rent which equates to a low price point of \$795,000.

RECENTLY EXTENDED CORPORATE NN LEASE WITH DOLLAR TREE

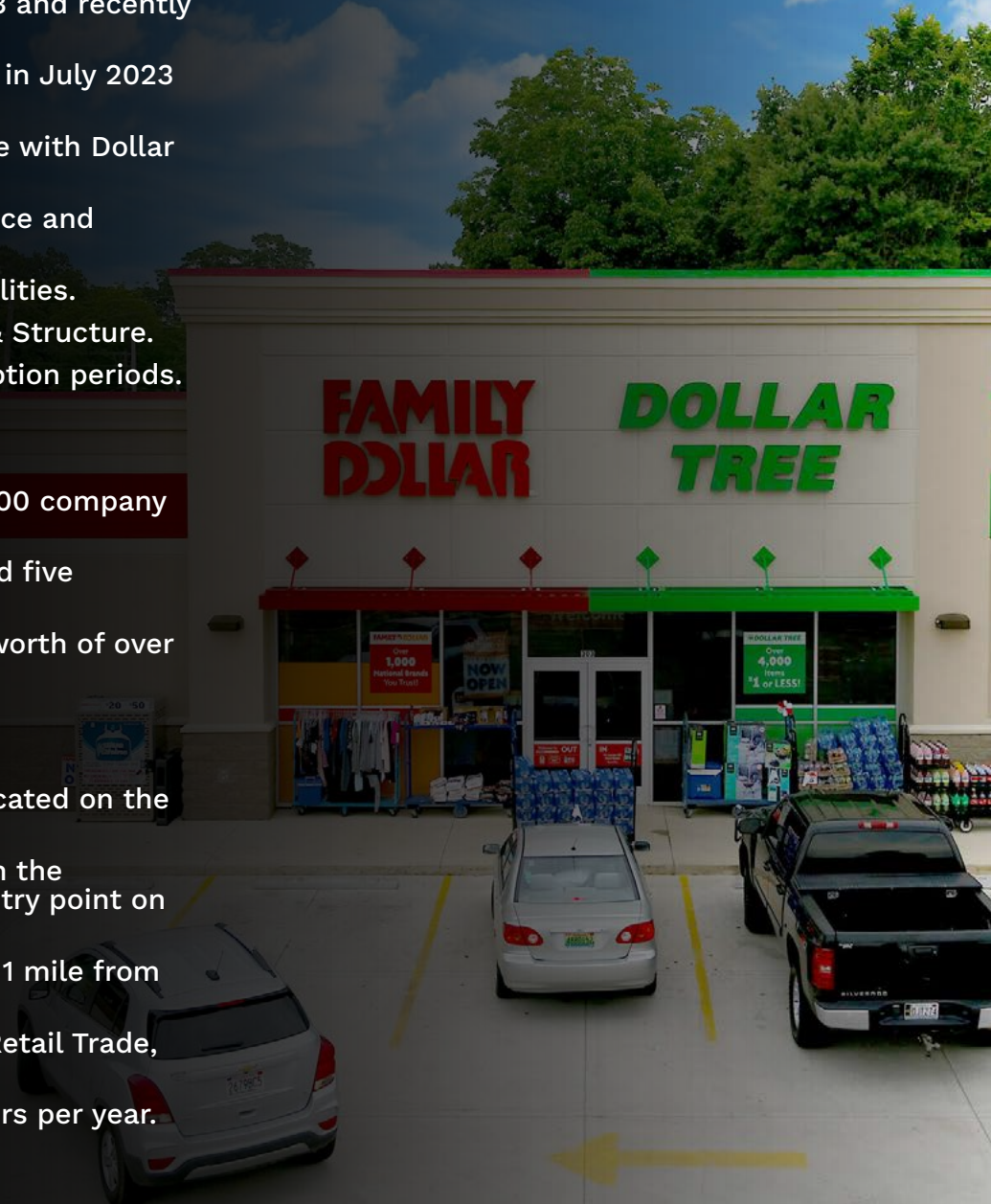
- This Family Dollar Tree has been operating at this location since 2013 and recently extended the lease for an additional 5 years.
- Dollar Tree exercised their first option period and increased the rent in July 2023 which extended the lease through June 2028.
- There are over 4 years remaining on a corporate guaranteed NN lease with Dollar Tree.
- This lease extension & rent increase speaks to Dollar Tree's confidence and dedication to this market & location.
- Tenant is responsible for parking lot, taxes, Insurance, HVAC, and Utilities.
- There are limited Landlord responsibilities which include only Roof & Structure.
- There are 10% rent increases in each of the remaining four, 5-year option periods.

INVESTMENT GRADE TENANT

- Dollar Tree/Family Dollar is a publicly traded (NYSE: DLTR) Fortune 500 company with an S&P investment grade credit rating of BBB.
- Dollar Tree/Family Dollar operate 16,340+ stores across 48 states and five Canadian provinces.
- Dollar Tree has been in business for 70 years and has a current net worth of over \$33 billion.

INTERNATIONAL FALLS

- International falls is the county seat of Koochiching county and is located on the Rainy River directly across from Fort Frances in Ontario, Canada.
- There is a major U.S. Customs and Border Protection Port of Entry on the International Falls side of the toll bridge and a Canadian Customs entry point on the north side of the bridge.
- Nearly 900,000 vehicles cross the toll bridge each year and it is only 1 mile from this Family Dollar.
- The largest industries in International Falls, MN are Manufacturing, Retail Trade, and Health Care & Social Assistance.
- Home to Voyageurs National Park which supports over 250,000 visitors per year.



**FORTUNE
500**

DOLLAR TREE
#144 ON LIST



BBB
CREDIT
RATING

1953
YEAR
FOUNDED

\$33 B
NET
WORTH

16,340+
STORE
COUNT

PUBLIC
NASDAQ: DLTR
TRADED

CHESAPEAKE, VA
HEADQUARTERS
LOCATION

FORTUNE 500
RANKED #144 ON
FORTUNE 500

Dollar Tree, a discount variety-store chain founded in 1959, has over 16,340+ locations within the United States. Family Dollar was acquired by Dollar Tree in 2015 for \$8.5 Billion. Together, they operate thousands of stores across 48 contiguous U.S. states and five Canadian provinces, supported by a solid and scalable logistics network. The combined market capitalization of Family Dollar and Dollar Tree is over \$33 billion, with a credit rating of BBB (S&P).





FORTFRANCES

BOUNDLESS

CANADA
USA

Rainy Lake

RANIER

11



BREMER BANK



MENARDS
1 Super One FOODS
DOLLAR TREE
TSC TRACTOR SUPPLY CO
Hardee's
BORDER BANK

Falls Memorial Hospital



NAPA AUTO PARTS

US-53
6,674 VPD

James Oberstar Riverfront Complex

Falls HS
511 students

Falls ES
388 students




O'Reilly AUTO PARTS
SUBWAY
DUNKIN'
MCDONALD'S
DAIRY QUEEN



slumberland FURNITURE

322

Minnesota North College
Rainy River
179 students



CHEVROLET

US-53
4,480 VPD



AMERICAS BEST VALUE HOTEL & SUITES
Days Inn
COBBLESTONE HOTEL & SUITES
CENEX





24

US-71
4,650 VPD

Falls International Airport

53

West Rat Root River Peatland Scientific and Natural Area (SNA)

DEMOGRAPHIC SUMMARY		1-MILE	3-MILE	5-MILE
	POPULATION	4,407	7,077	7,978
	AVG. HOUSEHOLD INCOME	\$53,058	\$60,223	\$63,628

SITE PLAN



US-53
6,674 VPD

FAMILY DOLLAR

CONFIDENTIALITY & DISCLAIMER NOTICE

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. 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 or Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

**THIS IS A OFFERING MEMORANDUM OR COMPARATIVE MARKET ANALYSIS AND SHOULD NOT BE CONSIDERED AN APPRAISAL.
ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

This information in this package has been secured from sources we believe to be reliable, but we make no representations or warranties, express 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. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2023 Marcus & Millichap. All rights reserved.
MARCUS & MILLICHAP REAL ESTATE INVESTMENT SERVICES, INC.
BROKER OF RECORD | JON RUZICKA | REGIONAL MANAGER, IOWA
1601 UTICA AVENUE SOUTH, SUITE 301
MINNEAPOLIS, MN 55416
P: (952) 852-9700 | LIC #: B63379000

Marcus & Millichap

TAYLOR MCMINN RETAIL GROUP

Dated:

Don McMinn
Marcus & Millichap
1100 Abernathy Road, NE, Suite 600
Atlanta, GA 30328

Phone: (678) 808-2762
Fax: (815) 550-1286
don.mcminn@marcusmillichap.com

Re: 1105 3rd Avenue, International Falls, MN 56649 (Family Dollar)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$25,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$25,000 deposited at the expiration of the Inspection Period (\$50,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date

Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within
10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation

Purchaser's Initials _____ Seller's Initials _____

(written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____

Purchaser's Initials _____ Seller's Initials _____