



OFFERING MEMORANDUM

FAMILY DOLLAR TREE

HERINGTON, KS

Marcus & Millichap

OFFERING SUMMARY



9 S. BROADWAY ST. HERINGTON, KS, 67449

PRICE	\$1,178,000
CAP RATE	8.25%
NOI	\$97,170
RENTABLE SQ FT.	11,807
YEAR RENOVATED	2021
LOT SIZE	0.55 AC
TENANT TRADE NAME	Family Dollar Tree
LEASE GUARANTOR	Corporate
LEASE TYPE	NN
ROOF & STRUCTURE	Landlord
LEASE TERM	10 Years
RENT COMMENCEMENT DATE	July 2021

LEASE EXPIRATION DATE		July 2031
TERM REMAINING ON LEASE		7.5 Years
INCREASES		\$0.50 PSF Increase per Option
OPTIONS		Five 5-Year Options
BASE RENT	Years 1-10	\$ 97,170
	Years 11-15 (Option 1)	\$103,320
	Years 16-20 (Option 2)	\$109,470
	Years 21-25 (Option 3)	\$115,620
	Years 26-30 (Option 4)	\$121,770
OPTION RENT	Years 31-35 (Option 5)	\$127,920
TENANT RESPONSIBILITIES		Parking Lot Resealing & Restriping, HVAC, Utilities, Insurance, Taxes
LANDLORD RESPONSIBILITIES		Parking Lot Repaving, Roof & Structure



INVESTMENT HIGHLIGHTS

LOWER RENT & PRICE POINT WITH ATTRACTIVE 8.25% RETURN

- This property has a lower rent & price point under \$1.2M and has an attractive 8.25% return which is unique for investment grade credit in this market.

7.5-YEAR CORPORATE NN LEASE WITH DOLLAR TREE

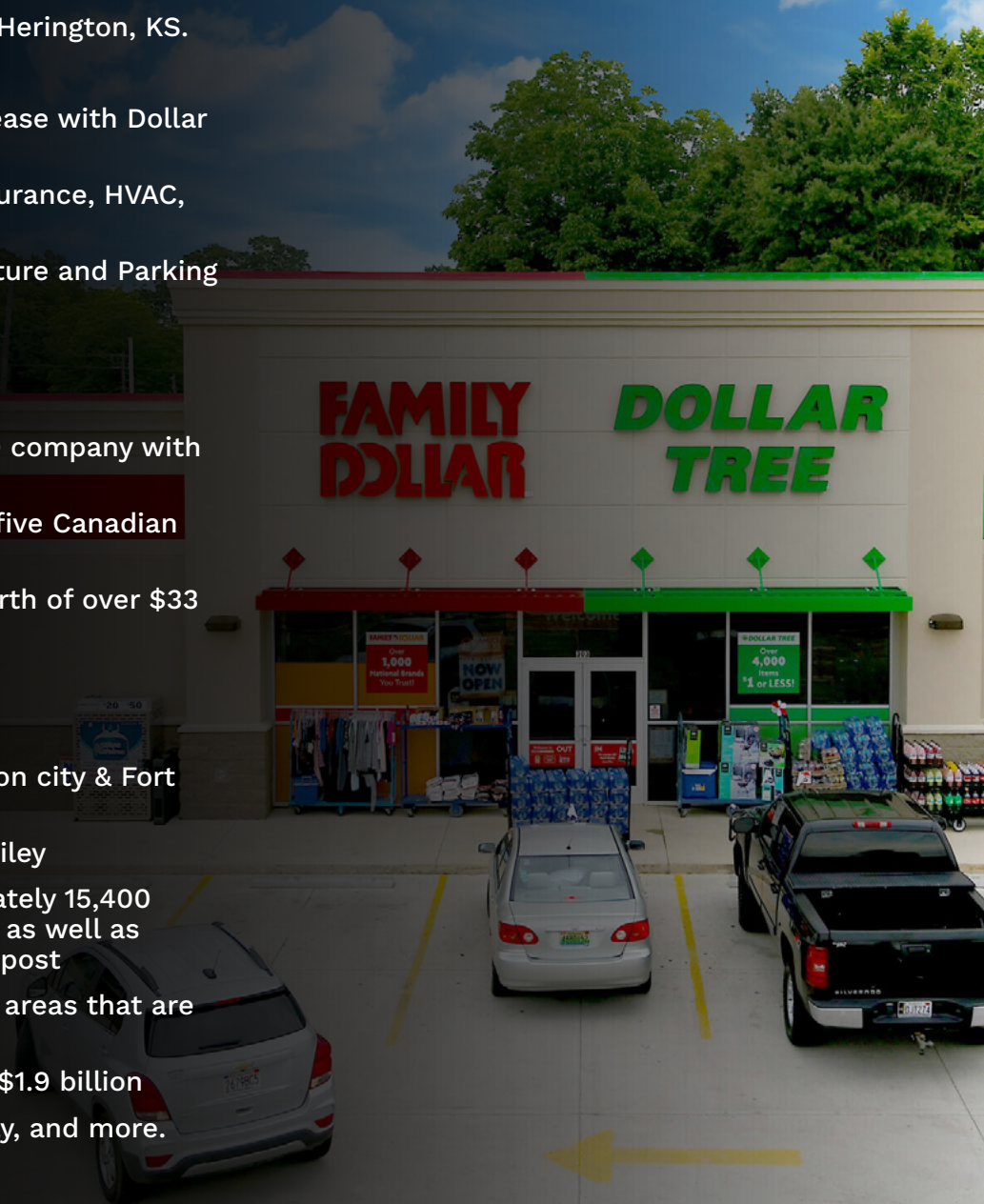
- The subject property is a 2021 renovated Family Dollar Tree located in Herington, KS.
- This store opened and rent commenced in July 2021
- There are 7.5 years remaining on a 10-year corporate guaranteed NN Lease with Dollar Tree.
- Tenant is responsible for Parking Lot Resealing & Restriping, Taxes, Insurance, HVAC, and Utilities.
- There are limited Landlord responsibilities which include Roof & Structure and Parking Lot Repaving.

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 and is expanding by 600 stores each year.
- Dollar Tree has been in business for 70 years and has a current net worth of over \$33 billion

NEAR JUNCTION CITY, KS & FORT RILEY

- The subject property is located on Hwy 77, 30 minutes south of Junction city & Fort Riley.
- Junction City is the county seat of Geary County and is home to Fort Riley
- Fort Riley serves a population of more than 67,000 including approximately 15,400 active duty members, 19,600 family members, 6,100 civilian employees as well as 26,000 retirees and veterans who live in the region and/or work at the post
- Fort Riley encompasses 101,733 acres with 91,597 dedicated to training areas that are key to Soldier readiness.
- For Fiscal Year 2023, the total impact Fort Riley was determined to be \$1.9 billion
- National retailers in Junction city include Walmart, ALDI, Tractor Supply, and more.





BBB
CREDIT
RATING

1953
YEAR
FOUNDED

\$33 B
NET
WORTH

16,340+
STORE
COUNT

PUBLIC
NASDAQ: DLTR
TRADED

CHESAPEAKE, VA HEADQUARTERS
LOCATION

**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).



HILLTOP COMMUNITY
CENTER

HERINGTON
PUBLIC LIBRARY



BROADWAY
STATION



the herington
Inn & Spa

56 US-56
2,150 VPD



Herington
Country Club

HERINGTON
LIVESTOCK
COMMISSION

77 US-77
2,280 VPD

FAMILY DOLLAR
DOLLAR TREE



Herington South
Baseball field



Herington Soccer
Fields



NAPA **AUTO PARTS**

KanEquip
Inc.

CMF

MANUFACTURER

Heartland
FOOD PRODUCTS GROUP



CENEX

Godfather's
PizzaExpress

Central
National Bank
Money for Life

discs unlimited **Do it Center**



Eastlake ES
218 students



Eastlake MS
112 students



Eastlake HS
142 students



**HERINGTON
HOSPITAL**
A Community of Care.

25 BED HOSPITAL
\$42M REVENUE



Agridime

DEMOGRAPHIC SUMMARY

	1-Mile	3-Mile	5-Mile
POPULATION	2,318	2,574	2,747
AVG. HOUSEHOLD INCOME	\$53,977	\$54,867	\$55,791



City of
Herington
Kansas

1
FORT RILEY
\$1.9 BILLION
ECONOMIC IMPACT
67,000
SUPPORTED

Walmart **TSC TRACTOR SUPPLY CO** **Academy** **MENARDS**
GOODWILL **HARBOR FREIGHT** **STAPLES** **HyVee**
HOBBY LOBBY **BEST BUY** **ROSS** **OLD NAVY** **Ashley** **AT&T**
FIVE GUYS **Chick-fil&** **LONGHORN STEAKHOUSE** **ihop** **TEXAS ROADHOUSE** **Starbucks**

Colbert Hills Golf Course

Manhattan Regional Airport

KANSAS STATE UNIVERSITY
 15,619 STUDENTS

WASHBURN UNIVERSITY
 5,663 STUDENTS

Visit Topeka Inc.

Junction City KANSAS

Marshall Army Airfield

BAKER UNIVERSITY
 3,076 STUDENTS

TOPEKA ZOO
 and Conservation Center

Herington Regional Airport-Hru

FAMILY DOLLAR
DOLLAR TREE

Walmart **TSC TRACTOR SUPPLY CO** **verizon**
ALDI **Auto Zone** **ACE Hardware** **CVS pharmacy** **Hampton Inn & Suites** **Comfort Inn**
Starbucks **Crocker Pottery** **Wendy's** **Marco's Pizzeria** **ihop** **SONIC**
SUBWAY **Casey's** **Freddy's** **Little Caesars**
HARLEY-DAVIDSON **CHEVROLET** **Ford** **COURTYARD** **QUALITY INN & SUITES**

Walmart **TARGET** **MENARDS** **sam's club**
Academy **BARNES & NOBLE** **KOHL'S** **petco** **TJ-maxx**
THE HOME DEPOT **ALDI** **Planet Fitness** **AT&T** **LOWE'S** **HOBBY LOBBY**
Starbucks **Buffalo Wild Wings** **Arby's** **Panera Bread** **golden corral** **Chick-fil&** **RED LOBSTER**

Council Grove State Wildlife Area

Herington Regional Airport-Hru

Heartland **pizza hut** **NAPA**
Central National Bank **Godfather's Pizza**
discs unlimited **Do it Center**
CENEX **Aggridime** **CMF**

COUNCIL GROVE
 THE FLINT HILLS LIFE

Lyon State Fishing Lake and Wildlife Area

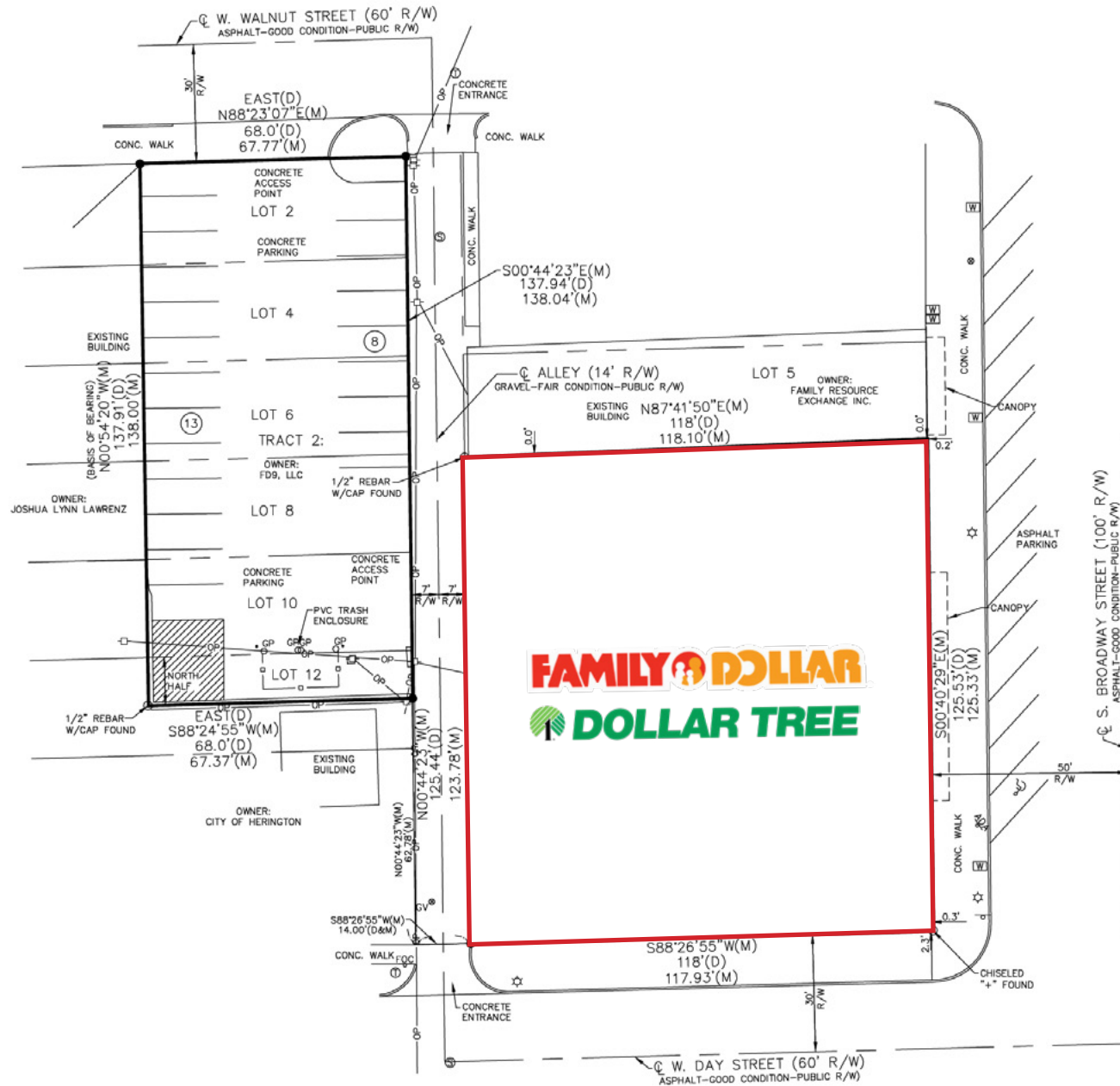
US-77
 2,280 VPD
77

DEMOGRAPHIC SUMMARY	1-MILE	3-MILE	5-MILE
POPULATION	2,318	2,574	2,747
AVG. HOUSEHOLD INCOME	\$53,977	\$54,867	\$55,791

PROPERTY PHOTOS



SITE PLAN



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Marcus & Millichap

Dated:

Re: 9 S. Broadway St. Herington, KS, 67449 (Family Dollar Tree)

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 _____