Representative Photo

OFFERING MEMORANDUM

FAMILY DOLLAR

2909 HENDERSON BLVD | KILGORE TX, 75662

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REAL ESTATE INVESTMENT SERVICES

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CONTENTS

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EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- Ideal 1031 exchange property
- Brand new 2017 construction (building will be delivered to tenant in early October)
- New 10.5 Year lease with rent commencing in October of 2017
- Strong 7.00% return for a new construction deal in the DFW Metro
- Tenant responsible for Taxes, Insurance, HVAC, and CAM
- Attractive NN+ lease structure allows for a stable source of passive income with very minimal landlord responsibilities
- Projected population growth of nearly 3% over the next 5 years
- 5-mile population in excess of 20,300 residents
- Traffic counts exceed 11,000 vehicles daily
- Strategically located across the street from Kilgore Primary School and Kilgore Middle School
- Local retail tenants include Walgreens, Regions Bank, Subway, Verizon, O'Reilly Auto, CVS, Pizza Hut, AutoZone, Sonic, Brookshire's, KFC, McDonald's, Whataburger, and many more
- Kilgore is home to Kilgore College - Longview
- Family Dollar was recently purchased by Dollar Tree, Inc. and is now considered to be the nation's largest "small-box discount retailer"
- Both Family Dollar & Dollar Tree has plans to continue expansion over the next several years
- Standard & Poor's credit rating of BB+

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FINANCIAL OVERVIEW

FAMILY DOLLAR

2909 Henderson Blvd
Kilgore, TX 75662

List Price	$1,341,800
CAP Rate - Current	7.00%
Gross Leasable Area	± 8,320 SF
Lot Size	± 0.77 Acres (33,581 SF)
Year Built	2017

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF	Increases
10/25/2017 - 3/31/2028	$7,827.17	$93,926.04	$11.29	7.00%
Extension 1	$8,218.59	$98,623.08	$11.85	7.35%
Extension 2	$8,629.50	$103,554.00	$12.45	7.72%
Extension 3	$9,061.00	$108,732.00	$13.07	8.10%
Extension 4	$9,514.09	$114,169.08	$13.72	8.51%
Extension 5	$9,989.75	$119,877.00	$14.41	8.93%
Extension 6	$10,489.25	$125,871.00	$15.13	9.38%

Tenant Summary

Tenant Trade Name	Family Dollar
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Roof and Structure	Owner Responsibility
Original Lease Term	10.50 Years
Rent Commencement Date	10/25/2017
Lease Expiration Date	3/31/2028
Term Remaining on Lease	10.50 Years
Options	Six, 5-Year Options

TENANT OVERVIEW

Property Name	Family Dollar
Property Type	Net Leased Discount Store
Parent Company Trade Name	Dollar Tree, Inc. (NASDAQ: DLTR)
Ownership	Public
Credit Rating (S&P)	BB+
Revenue	$10.49 B
Net Income	$285 M
No. of Locations	± 8,000
No. of Employees	± 60,000
Headquartered	Matthews, North Carolina
Website	www.familydollar.com
Year Founded	1986

TENANT 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 OUTREACH

Family Dollar serves families in more than 8,000 neighborhoods in 46 states. Texas is its largest market with 1,027 stores, followed by Florida with 584 stores. The Dollar Tree merger with Family Dollar now creates a combined organization with sales exceeding $19 billion annually with more than 13,600 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

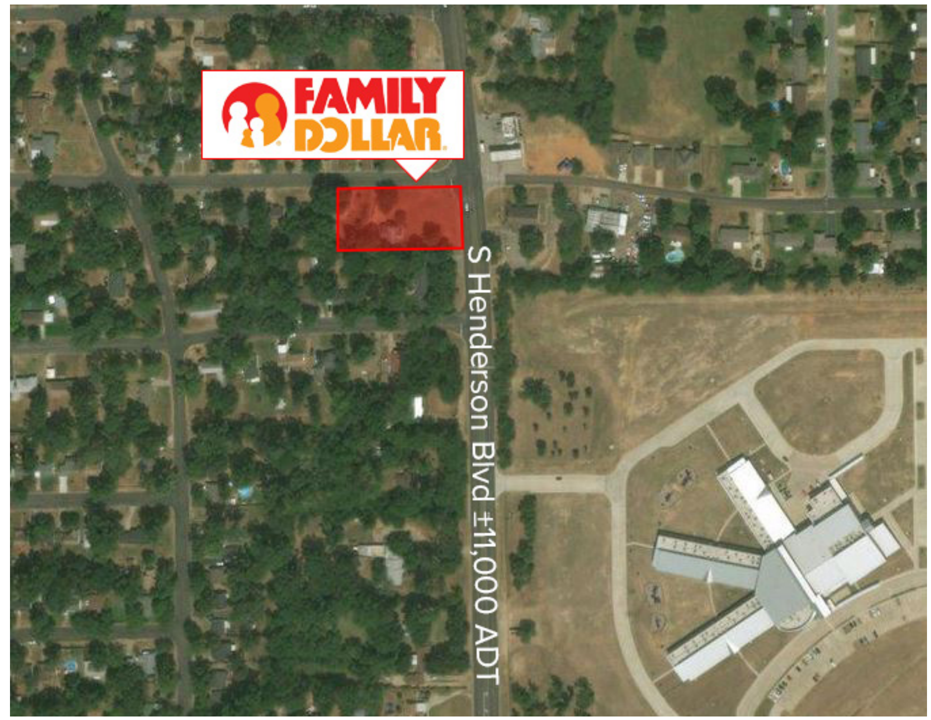
Family Dollar offers a compelling mix of merchandise for the whole family. Ranging from an expanded assortment of refrigerated and frozen foods and health and beauty items to home décor and seasonal items. Family Dollar offers the lowest possible price, the name and quality private-brand merchandise customers need and use every day.

FAMILY DOLLAR

THE OFFERING

Property Name	Tenant Name
Property Address	2909 Henderson Blvd Kilgore, TX 75662
Site Description	
Number of Stories	One
Year Built	2017
Gross Leasable Area (GLA)	± 8,320 SF
Lot Size	± 0.77 Acres (33,581 SF)
Type of Ownership	NN+
Parking	36 Surface Spaces
Parking Ratio	4.33: 1,000 SF
Landscaping	Professional
Construction	
Foundation	Concrete Slab
Framing	Steel
Exterior	Nichiha & Metal
Parking Surface	Concrete
Roof	Slightly Pitched

PARCEL MAP



SURROUNDING TENANTS

AREA OVERVIEW

CITY DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2022 Projection	3,221	13,663	20,317
2017 Estimate	3,129	13,352	19,639
2010 Census	3,107	13,323	19,241
2000 Census	2,704	12,196	17,178
Growth 2017 - 2022	2.94%	2.33%	3.45%

HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2022 Projection	1,160	4,866	7,299
2017 Estimate	1,131	4,776	7,078
Growth 2017 - 2022	2.56%	1.88%	3.12%

INCOME	1 Mile	3 Mile	5 Mile
2017 Est. Average Household Income	$74,235	$71,177	$69,349

KILGORE, TX

Kilgore, TX is in Eastern Texas, it is located in both Gregg and Rusk County. Historically, Kilgore was put on the map in 1930 when the discovery of the surrounding East Texas oilfield. One downtown block had at one point the highest concentration of oil derricks in the world, giving it the nickname of the "World's Richest Acre." Today Kilgore is home to the East Texas Oil Museum.

In addition, the cost of living in Kilgore is 11% below the national average. Kilgore is 120 miles east of Dallas and 70 miles west of Shreveport, Louisiana along Interstate 20. The city is home to Kilgore College, a community college that offers the lowest costs per credit hour of any college or university in Texas. The school takes pride in its academics, as well as its athletics including their football team that has more wins than any other NJCAA team in Texas.

SHREVEPORT, LA

As the third-largest city in the state of Louisiana and the seat of Caddo Parish, Shreveport extends along the Red River. Shreveport was once a major player in United States oil business, and at one time could boast Standard Oil of Louisiana as a locally based company. Recently, Shreveport has largely transitioned into a service economy specifically within the gaming industry and tourism.

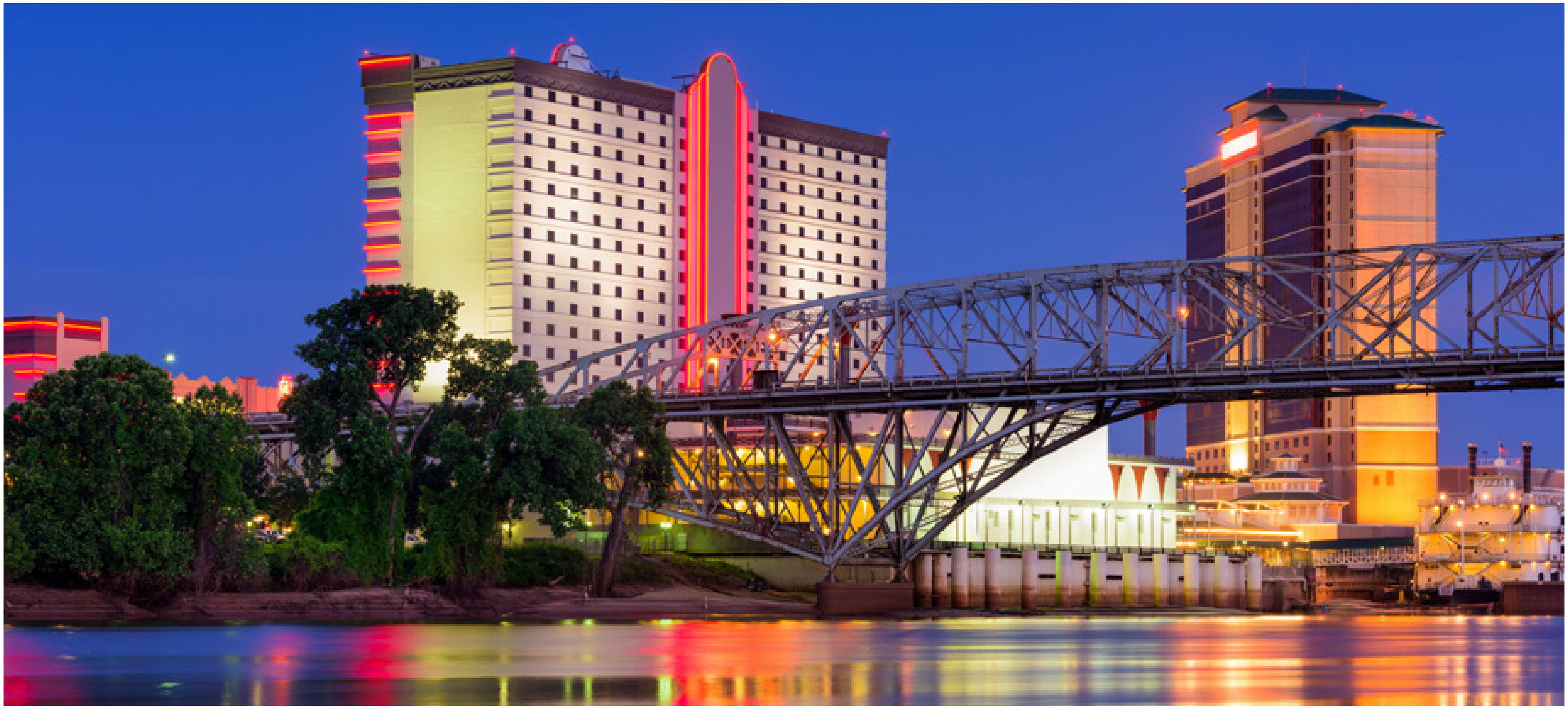
BUSINESS CLIMATE

The Shreveport-Bossier City was recently named as a growing area for the technology industry by technology magazine “Innovation and Tech Today”. The recent increase in tech industry jobs through employers such as CSRA and Eatel has put the area on a shortlist of places to watch. The growing number of technology and IT companies located in the region has created nearly 3,000 new tech jobs in the last few years.

In addition to the tech growth, the region has seen an increase of Fortune 500 companies like CenturyLink and IBM to technology start-ups such as CyberReef Solutions. Shreveport allows those who live there to work virtually anywhere.

3-MILE DEMOGRAPHICS

POPULATION	AVERAGE HOUSEHOLD INCOME	NUMBER OF HOUSEHOLDS
57,159	$80,513	25,875



Dallas is a city where big ideas meet big opportunity. The city revolves around a bustling downtown area that expands through an assortment of neighborhoods and commercial centers, supported by a network of freeways that exceeds almost any other city. It boasts the largest urban arts district in the nation; where you'd be more likely to come across a world class exhibit than a broken pair of chaps. Its past and present is rich in culture, an All-American city that was built on legends.

The central core of Dallas has experienced a steady and significant growth that speaks to its highly diversified economy. It has become a hub for real estate and business, establishing itself as one of the largest concentrations of corporate headquarters for publicly traded companies such as American Airlines, Neiman Marcus, Kimberly-Clark, JCPenney, ExxonMobil and many others. In 2015, Forbes reported that Dallas is "the best place for business and careers" in Texas. It's the perfect blend of big city living and rustic southern charm.

The Dallas economy is expected to grow over the next couple of decades making it the perfect time to not only invest in Dallas real estate, but also relocate. As the 9th largest city in the country, Dallas has something for everyone. It combines clashing images of the city skyline and cowboy vibes. Yet, the city of Dallas describes itself best with the motto: "Big Things Happen Here."

DALLAS-FORT WORTH MSA

The Dallas-Fort Worth Metroplex is the largest metropolitan area in the South, and fourth largest in the United States. It is a center for sporting events, tourism and manufacturing. Dallas and its suburbs have one of the highest concentrations of corporate headquarters in the United States. Dallas is a center for corporate America. Because of its central location relative to the rest of the United States, Dallas is a popular convention site and site for many corporate headquarters and home to 21 Fortune 500 companies. Business management and operations is a major part of the economy. The Metroplex also contains the largest Information Technology industry base in the state. On the other end of the business spectrum, and on the other side of the Metroplex, the Texas farming and ranching industry is based in Fort Worth.

4th
Largest City

7.1
Million People

21
Fortune 500 Companies

4
Major Sports Teams

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.

	License No.	Email	Phone
Kyle Matthews/Matthews Retail Group Inc.	678067	kyle.matthews@matthews.com	(310) 919-5757
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
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Designated Broker of Firm	License No.	Email	Phone
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 ________

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Family Dollar** located at **2909 Henderson Blvd, Kilgore TX 75662 ("Property")**. It has been prepared by Matthews Retail Advisors. This 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 Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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.

Owner and Matthews Retail Advisors 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 Retail Advisors 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.

EXCLUSIVELY LISTED BY

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