



Brand New 2024 Construction | Corporate Guarantee (NASDAQ: DLTR) | Madison MSA



OFFERING MEMORANDUM
COLUMBUS, WISCONSIN (MADISON MSA)

Marcus & Millichap
THE SULO GROUP

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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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this single tenant property.

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WISCONSIN REALTORS® ASSOCIATION
4801 Forest Run Road, Madison, WI 53704

Marcus & Millichap Real Estate
Effective July 1, 2016

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Drafted by Attorney Debra Peterson Conrad

Marcus & Millichap Real Estate Services
13890 Bishop's Drive Suite 300
Brookfield, WI 53005

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 608-240-583

OFFERING SUMMARY

PROPERTY ADDRESS

Dollar Tree

122 Meister Drive
Columbus, WI 53925

OFFERING SUMMARY

Price:	\$2,191,000
Cap Rate:	7.50%
Net Operating Income:	\$164,325
Building Square Footage:	10,500 Sq Ft
Year Built:	2024
Lot Size:	+/- 1.48 Acres

LEASE SUMMARY

Tenant:	Dollar Tree
Guaranty:	Corporate
Rent Commencement:	Est. 4/1/2025
Lease Expiration:	Est. 3/31/2035
Lease Term:	10 Years
Lease Type:	Double Net
Roof and Structure:	Landlord Responsible
Rental Increases:	\$0.50/SF Every 5 Years in Options
Renewal Options:	Five, Five-Year
Right of First Refusal:	None

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
1-10	4/1/2025	3/31/2035	\$164,325	7.50%
11-15 (Option 1)	4/1/2035	3/31/2040	\$169,575	7.74%
16-20 (Option 2)	4/1/2040	3/31/2045	\$174,825	7.98%
21-25 (Option 3)	4/1/2045	3/31/2050	\$180,075	8.22%
26-30 (Option 4)	4/1/2050	3/31/2055	\$185,325	8.46%
31-35 (Option 5)	4/1/2055	3/31/2060	\$190,575	8.70%

INVESTMENT HIGHLIGHTS

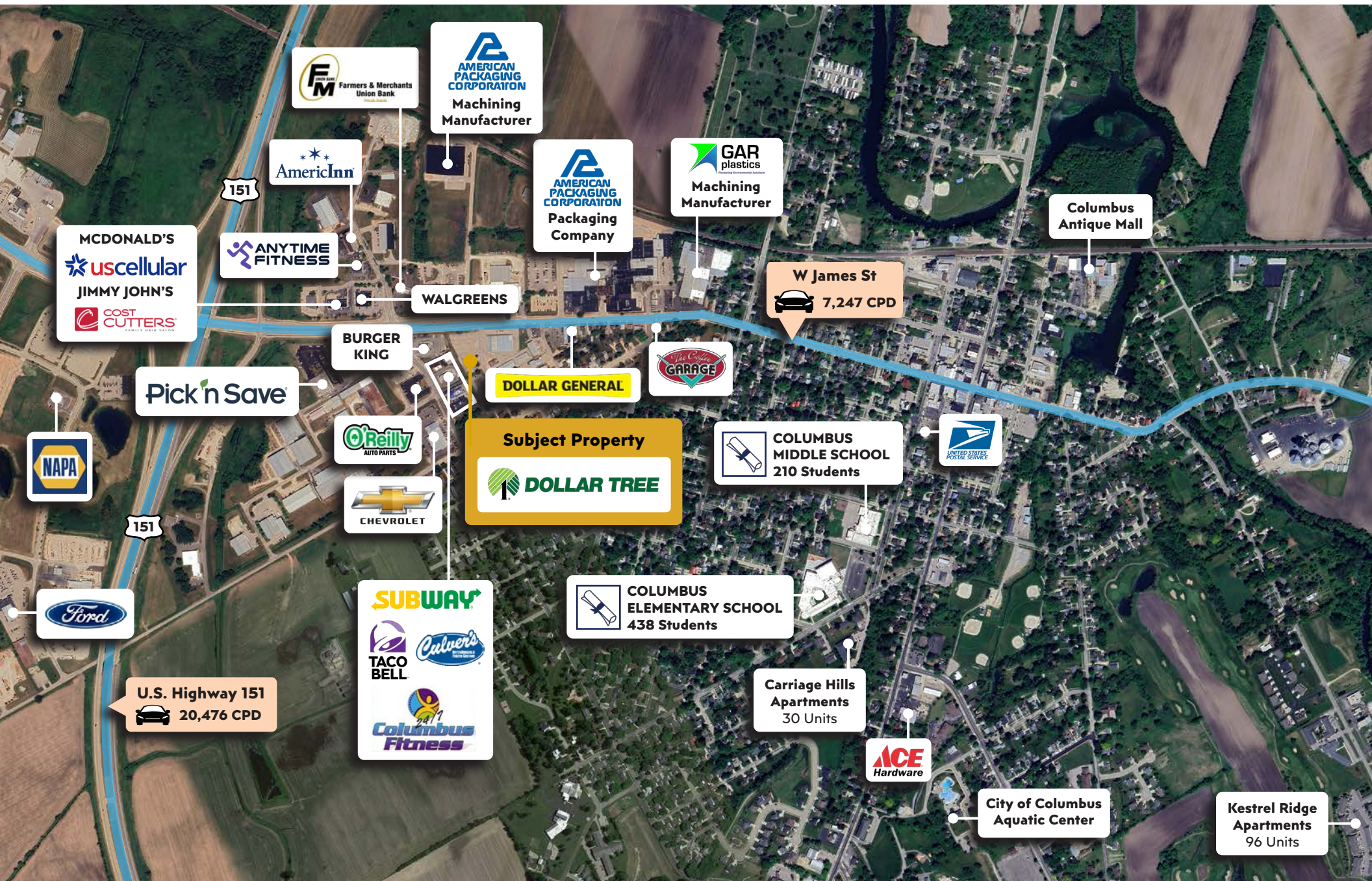
- **2024 Built-to-Suit Construction with Roof Warranty**
 - The subject property is brand-new, 2024 construction featuring the latest built-to-suit design for Dollar Tree.
 - The newly built asset comes with a 20-year roof warranty, which is transferrable to a new owner.
- **Brand-New, 10-Year Lease**
 - Dollar Tree has entered into a brand-new, 10-year lease at the subject property.
 - The lease is Double Net in nature, with the landlord being responsible for the roof, structure, and parking lot (excluding re-striping).
 - Providing a hedge against inflation, the lease also calls for rental increases of \$.50/sf in each of the five, five-year options.
- **Corporate Guarantee from Dollar Tree (NASDAQ: DLTR)**
 - With an S&P “BBB” credit rating, Dollar Tree is recognized as the second largest discount retailer in the United States with more than 16,000 locations.
 - In 2015, Dollar Tree acquired Family Dollar in a deal valued at roughly \$9.2 Billion, further expanding their North American footprint and capturing more market share within the growing discount retail sector.
 - Dollar Tree generated \$30.6 Billion in revenue in 2023, which was an 8% increase over 2022 revenue (\$28.33 billion).
- **Internet-Resistant and Essential Business Model**
 - Dollar Tree is one of the few retailers that thrived through the COVID pandemic and witnessed a sharp increase in same-store sales and profitability.
 - Dollar Tree’s same-store net sales increased by 5.8% in 2023 and gross profit’s increased by 4.3% to \$9.31 Billion.
 - Dollar Tree continues to expand their footprint nationwide, opening 641 new stores in 2023. In addition, the brand also continues to evolve their business model through new offerings such as frozen and refrigerated items in 6,500+ stores and with initiatives like the “More Choices” Program in 3,000+ locations.
- **Madison, WI MSA**
 - The subject property is just 20-miles from Madison, WI, which is the second largest city in the state of Wisconsin with 280k+ residents.
 - The property is situated directly off of US Hwy 151, which connects Madison to the entire Northeastern portion of Wisconsin. The property is also surrounded by a number of national retailers including: Walgreens, McDonald’s, O’Reilly Auto Parts, Taco Bell, Burger King, Kwik Trip, Jimmy John’s, Subway, Arby’s, Culver’s, Pick ‘n Save and more.



SITE PLAN



AERIAL OVERVIEW



AERIAL OVERVIEW



TENANT PROFILE

Dollar Tree, Inc., a Fortune 200 company, is a leading operator of discount variety stores that has served North America for more than thirty years. The Company is proudly headquartered in Chesapeake, Virginia and operates 16,000+ stores across the 48 contiguous states and five Canadian provinces, supported by a coast-to-coast logistics network and more than 193,000 associates. Stores operate under the brands of Dollar Tree, Family Dollar, and Dollar Tree Canada.

Our roots go back nearly 70 years. Together we've grown into two iconic brands under one value-focused company. However, to appreciate how it all came to pass, you have to rewind to the 1950s to see where both Dollar Tree Family Dollar came from. In 2010, Dollar Tree opened its 4,000th store and expanded into Canada with the purchase of 86 Dollar Giant Stores. This growth helped us reach \$9.13 billion in sales at the end of 2012. In 2014 we opened our 5,000th store.

At Dollar Tree and Family Dollar we put value front and center for our customers. We do this by providing our customers with quality merchandise, amazing values, convenience, and a fun shopping experience. In the midst of unprecedented inflation, Dollar Tree recently changed its primary price point to \$1.25 in order to continue to offer our customers all the products they've come to know and love, plus hundreds of new ones, and to bring back customer favorites at an incredible value. Many of the items we carry sell for more elsewhere, which means that our customers can stretch their dollars to get the products they need at an extreme value. We remain fiercely committed to our mission of bringing our customers extreme value every day, along with more thrills, more fun & new items every week.

Company Type: Public (NASDAQ: DLTR)
Location: Chesapeake, Virginia (16,000+ Locations)
Website: <https://www.dollartree.com/>

16,000+

Locations

\$30.6 Billion

2023 Revenue

NASDAQ: DLTR

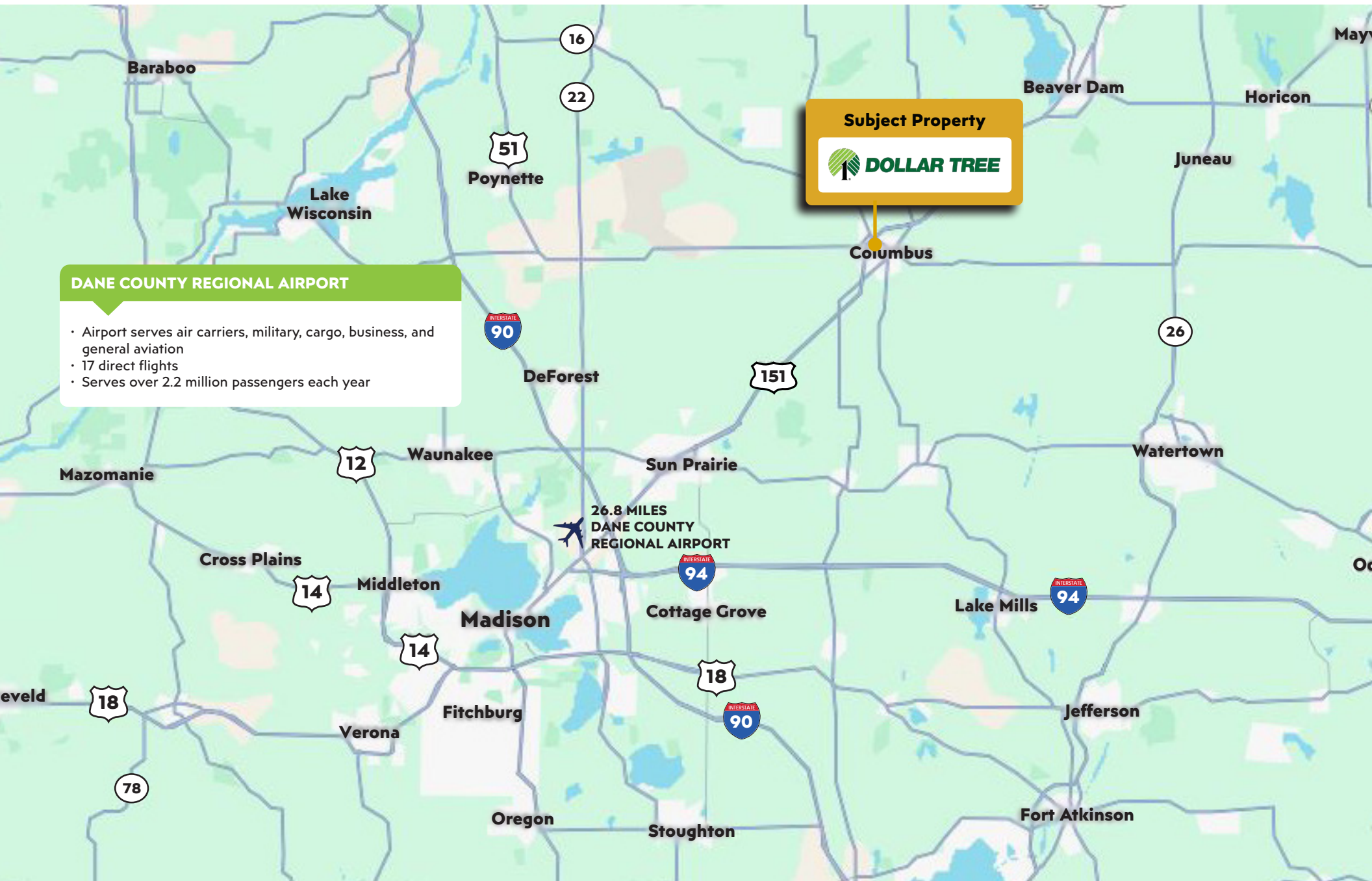
Public Company



PROPERTY PHOTOS



REGIONAL MAP



DANE COUNTY REGIONAL AIRPORT

- Airport serves air carriers, military, cargo, business, and general aviation
- 17 direct flights
- Serves over 2.2 million passengers each year

AREA OVERVIEW

COLUMBUS

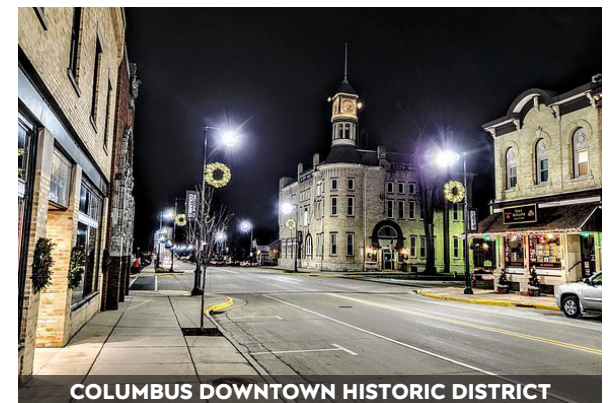
- The city of Columbus is located in southcentral Wisconsin about 30 miles north east of Madison.
- The city of Columbus is small enough to give you a sense of community and belonging while at the same time offering all the amenities of a larger city.
- There are many nearby natural attractions such as lakes and rivers that offer great opportunities for fishing, swimming, boating and more.
- Kayak the Crawfish River through stunning mature oak woods.
- Primary industries include education and healthcare.
- The Columbus Downtown Historic District was placed on the National Register in 1992. The four block area contains a marvelous collection of turn-of-the-century buildings that exhibit the craftsmanship and attention to detail that was the standard of the time.

MADISON

- The Madison metro is situated in south-central Wisconsin, roughly 80 miles west of Milwaukee, 150 miles northwest of Chicago and 270 miles southeast of Minneapolis.
- Madison is the state's capital city and comprises nearly 40% of the metro's population, with 281,000 citizens.
- The largest public university in the state is also located in the city of Madison, providing local employers with a stream of young and educated personnel.
- 2nd largest city in Wisconsin and the 81st largest city in the U.S. Madison is one of only two major U.S. cities built on an isthmus. It's nestled between lakes Mendota and Monona.
- Madison is home to the world's largest Brat Fest, held annually on Memorial Day weekend. More than 4 million brats have been sold at the festival since 1983.
- The city is home to over 260 parks, 6,000 acres of parkland and more than 200 miles of off-road and multi-use paths and trails.

ECONOMY


- The University of Wisconsin-Madison is a boon for startups and collaborative research endeavors.
- Madison's deep pool of educated workers supports major software and insurance operations, such as Epic Systems, WPS Health Insurance and American Family Insurance.
- The headquarters and research and development center for Sub-Zero is in Madison, while the Lands' End headquarters is located just south of Madison in Dodgeville.
- Many tourists pass through the Madison metro to vacation in the Wisconsin Dells to the northwest of the market.



DEMOGRAPHICS


POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	3,246	6,426	8,782
2020 Population	3,517	7,085	9,580
2023 Population	3,516	7,127	9,705
2028 Population	3,565	7,241	9,883
HOUSEHOLDS			
2010 Households	1,394	2,637	3,554
2020 Households	1,511	2,872	3,873
2023 Households	1,528	2,903	3,919
2028 Households	1,555	2,958	4,001
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	62.5%	63.0%	64.8%
2020 Owner Occupied Housing Units	63.5%	64.2%	66.1%
2023 Owner Occupied Housing Units	65.5%	65.5%	67.2%
2028 Owner Occupied Housing Units	65.6%	65.7%	67.4%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	29.6%	29.7%	27.8%
2020 Renter Occupied Housing Units	30.4%	30.4%	28.5%
2023 Renter Occupied Housing Units	28.5%	29.2%	27.5%
2028 Renter Occupied Housing Units	28.5%	29.2%	27.5%
AVERAGE HOUSEHOLD INCOME	\$90,133	\$88,392	\$88,170

AREA SNAPSHOT




9,705

POPULATION (5-MILE)




8,812

DAYTIME POPULATION (5-MILE)



5.2%

POPULATION GROWTH (2023-2028)



\$90,133

AVERAGE HOUSEHOLD INCOME (1-MILE)