

INVESTMENT OPPORTUNITY

# DOLLAR TREE STORE #8598

565 S ILLINOIS AVENUE • MASON CITY, IA 50401



## THE TENANT

**NET SALES:** \$23.6 BILLION IN 2019  
**RANK:** 21ST ON NATIONAL RETAIL FEDERATION TOP 100 RETAILERS  
**RANK:** 135TH IN 2019 - FORTUNE 500  
**STORES:** 15,288 (YEAR END 2019)

Dollar Tree, Inc. is a leading operator of discount variety stores that has served North America for more than thirty years. The Company operates more than 15,200 stores across the 48 contiguous states and five Canadian provinces, supported by a coast-to-coast logistics network and more than 193,000 associates. It operates through two segments, Dollar Tree and Family Dollar. Dollar Tree is known for its “thrill-of-the-hunt” shopping experience where customers discover new treasures every week all priced at \$1. It provides consumable merchandise, including candy and food, health and beauty care, as well as everyday consumables, such as household paper and chemicals, frozen and refrigerated food; variety merchandise comprising toys, durable housewares, gifts, stationery, party goods, greeting cards, softlines, and other items; and seasonal goods that include Valentine’s Day, Easter, Halloween, and Christmas merchandise. This segment operates 7,505 stores under the Dollar Tree and Dollar Tree Canada brands, as well as 13 distribution centers in the United States and 2 in Canada; and a store support center in Chesapeake, Virginia.

Family Dollar, known as “the neighborhood discount store,” provides customers with a quality, high-value assortment of basic necessities and seasonal merchandise all generally priced at \$10 or less. The Family Dollar segment offers consumable merchandise, which comprise food and beverages, tobacco, health and beauty aids, household chemicals, paper products, hardware and automotive supplies, diapers, batteries, pet food and supplies; and home products, including housewares, home decor, and giftware, as well as domestics, such as comforters, sheets, and towels. Its stores also provides apparel and accessories merchandise comprising of clothing, fashion accessories, and shoes; and seasonal and electronics merchandise that include Valentine’s Day, Easter, Halloween, and Christmas merchandise, as well as personal electronics, which comprise pre-paid cellular phones and services, stationery and school supplies, and toys. This segment operates 7,783 stores under the Family Dollar brand; and 11 distribution centers.

The company was founded by J. Douglas Perry and Macon F. Brock, Jr. in 1986 and is headquartered in Chesapeake, Virginia. In 2019, the Company consolidated its store support centers into a newly-completed office tower in Chesapeake. Dollar Tree continues to grow and is reaching new customers on-line at [www.DollarTree.com](http://www.DollarTree.com) and through its Family Dollar mobile app.

## THE PROPERTY

**STORE NUMBER:** 8598  
**ADDRESS:** 565 S. Illionois Avenue  
Mason City, IA  
**BUILDING SIZE:** 9,975 SF  
**LAND SIZE:** 26,136 SF  
**YEAR REMODELED:** 2020

## THE LEASE

**LESSEE:** Dollar Tree Stores, Inc.  
**LEASE TYPE:** Net  
**LEASE COMMENCEMENT:** 10 years from lease commencement (September 2020)  
**ANNUAL RENT:** \$99,750, with 5% increase in Year 6  
**RENEWAL OPTIONS:** Four, 5 year options  
**RENT INCREASES:** \$0.50 PSF rent increase effective every 5 years for initial & renewal terms

## THE OFFERING

CBRE|Hubbell Commercial is pleased to offer for sale a 9,975 square foot freestanding retail property which is net leased to Dollar Tree Stores, Inc. for ten years. The property is offered at a price of \$1,534,615. Based on this price the cap rate is 6.50%.

### INVESTMENT SUMMARY

<b>PRICE:</b>	\$1,534,615
<b>CAP RATE:</b>	6.5%
<b>BUILDING SIZE:</b>	9,975 SF
<b>LOT SIZE:</b>	26,136 SF
<b>LEASE EXPIRATION:</b>	10 year lease
<b>LEASE STRUCTURE:</b>	Net
<b>ANNUAL RENT:</b>	\$99,750.00 (Years 1-5) \$104,737.56 (Years 6-10)

## INVESTMENT HIGHLIGHTS

Essential Services Retailer

Ideal property for 1031 exchange

Adjacent to Hy-Vee Grocery Store (Iowa's dominant grocer)

Corporate Lease with Dollar Tree Stores, Inc.

New 10 Year Net Lease

5% rent increase effective in Year 6 during initial term

Four, 5-year options to renew with a \$0.50 PSF rent increase per option

Newly remodeled store

Excellent credit tenant ranked 21st on National Retail Foundation Top 100 Retailers.

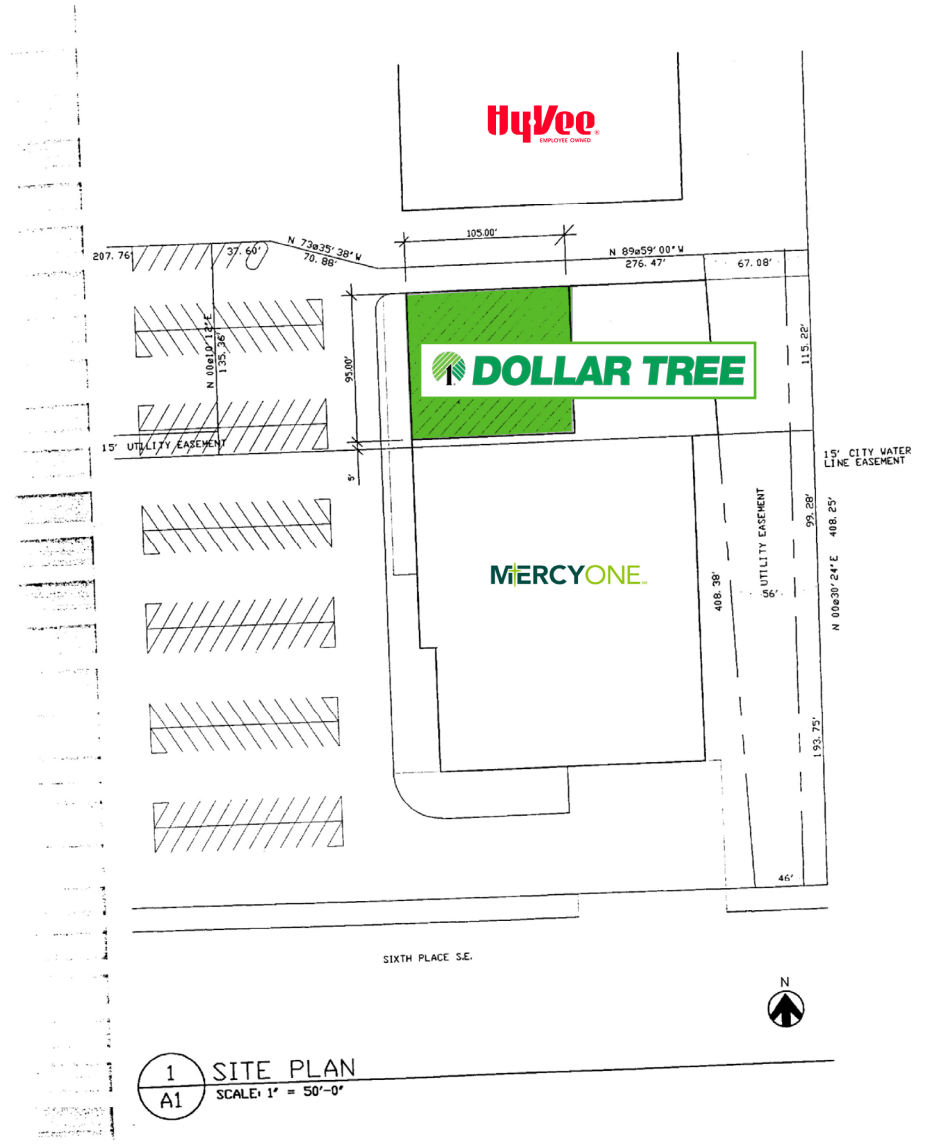
New 30' pylon sign

Recently expanded parapet

New HVAC system



# SITE PLANS

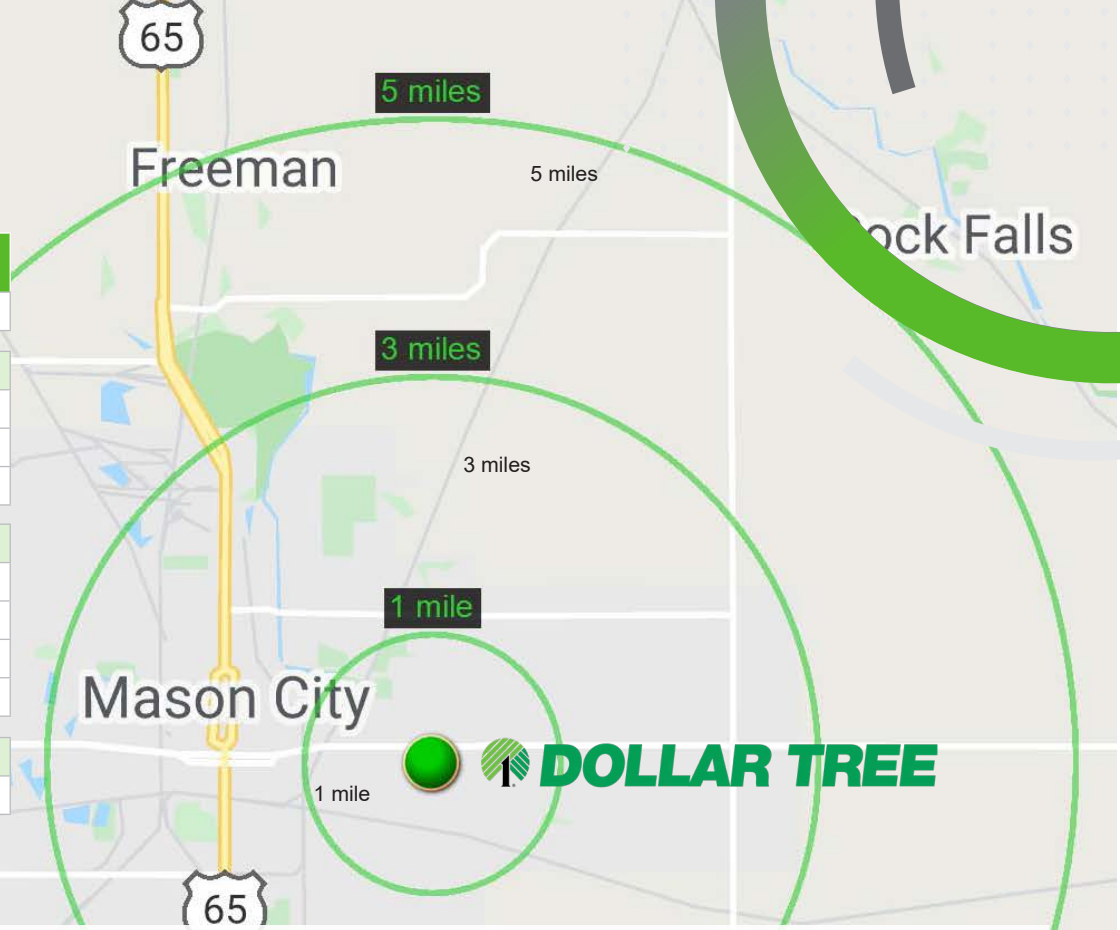




## AREA HIGHLIGHTS

### DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
<b>POPULATION</b>			
2020 Population	5,075	24,564	28,252
2025 Population	4,947	24,180	27,829
2020-2025 Annual Rate	-0.51%	-0.31%	-0.30%
<b>HOUSEHOLDS</b>			
2020 Total Households	2,284	10,778	12,450
2025 Total Households	2,225	10,622	12,278
2020-2025 Annual Rate	-0.52%	-0.29%	-0.28%
2020 Average Household Size	2.17	2.20	2.20
<b>HOUSEHOLD INCOME</b>			
2020 Average Household Income	\$72,305	\$65,226	\$66,810



## MASON CITY, IOWA

Home to Meredith Willson, author and composer of “The Music Man,” Mason City is the original ‘River City’ and has a long history with a bright future. Residents enjoy the quality of life in a small-town atmosphere while enjoying the amenities of cities much larger in size. Located in north central Iowa, it is the center of activity between Minneapolis and Des Moines.

The Mayor and City Council have set the course for a prosperous future through their strong commitment to sound infrastructure, providing a safe community for the residents and offering fun amenities to entertain citizens and visitors. Partnerships are formed to bring economic success through the creation of employment opportunities and to a revitalized downtown. Community leadership values strong neighborhoods. City officials work with neighborhood residents and community organizations to improve neighborhoods and the quality of life for citizens.

The employees of the City of Mason City are dedicated to meeting the needs of its citizens and ensuring that there is no ‘trouble in River City’. Highly trained professionals deliver police and fire services to the community. Citizens access leisure services through parks and recreation, the library, and the MacNider Art Museum. City employees maintain a quality street system, water and sewer utilities, and a full-service commercial airport.

Mason City is known for its strong musical tradition. The first annual North Iowa Band Festival marched down the street in 1936. This popular annual tradition draws bands from across the region to compete in the marching competition and the chosen designees as the school’s queen and king contestants also hope to be crowned by day’s end.

A rich architectural heritage is found in Mason City, which contains one of the largest concentrations of Prairie School architecture in one location, featuring both commercial and residential buildings. The only remaining Frank Lloyd Wright designed hotel located in downtown has been restored to a functional hotel due to a complete renovation including restoration of the distinctive brick and terra-cotta facade and art glass windows. Mason City is also the home to the Rock Glen and Rock Crest National Historic district, the largest collection of prairie style homes in a natural setting in the world.

Mason City is the largest retail shopping hub in north central Iowa providing numerous venues to satisfy all styles of fashion. After a day of shopping or recreational fun, plentiful dining options offer a wide range of food choices sure to please any palate, from home style cooking to elegant international cuisine.

## CONTACT US

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