

# OFFERING MEMORANDUM

2001 Clinton Dr. | Galena Park, TX (Houston MSA)



SANDS INVESTMENT GROUP  
NET INVESTMENTS... NET RESULTS

*Representative Image*

## Table of Contents:

### INVESTMENT SUMMARY

Investment Highlights

### PROPERTY OVERVIEW

Location Map  
Property Aerial  
Retail Map

### AREA OVERVIEW

City Overview

### TENANT PROFILE

Lease Abstract

### FINANCIAL ANALYSIS

Rent Roll

### CONFIDENTIALITY AGREEMENT

### ABOUT BROKERAGE SERVICES

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## INVESTMENT SUMMARY



|                     |                         |
|---------------------|-------------------------|
| Price               | \$1,890,984             |
| Cap Rate            | 6.00%                   |
| NOI                 | \$113,459               |
| Price per SF        | \$189.10                |
| Total Building Area | 10,000 SF               |
| Total Land Area     | 39,900 SF               |
| Years Remaining     | 15 Years Remaining      |
| Lease Guaranty      | Family Dollar Corporate |

### DEMOGRAPHICS

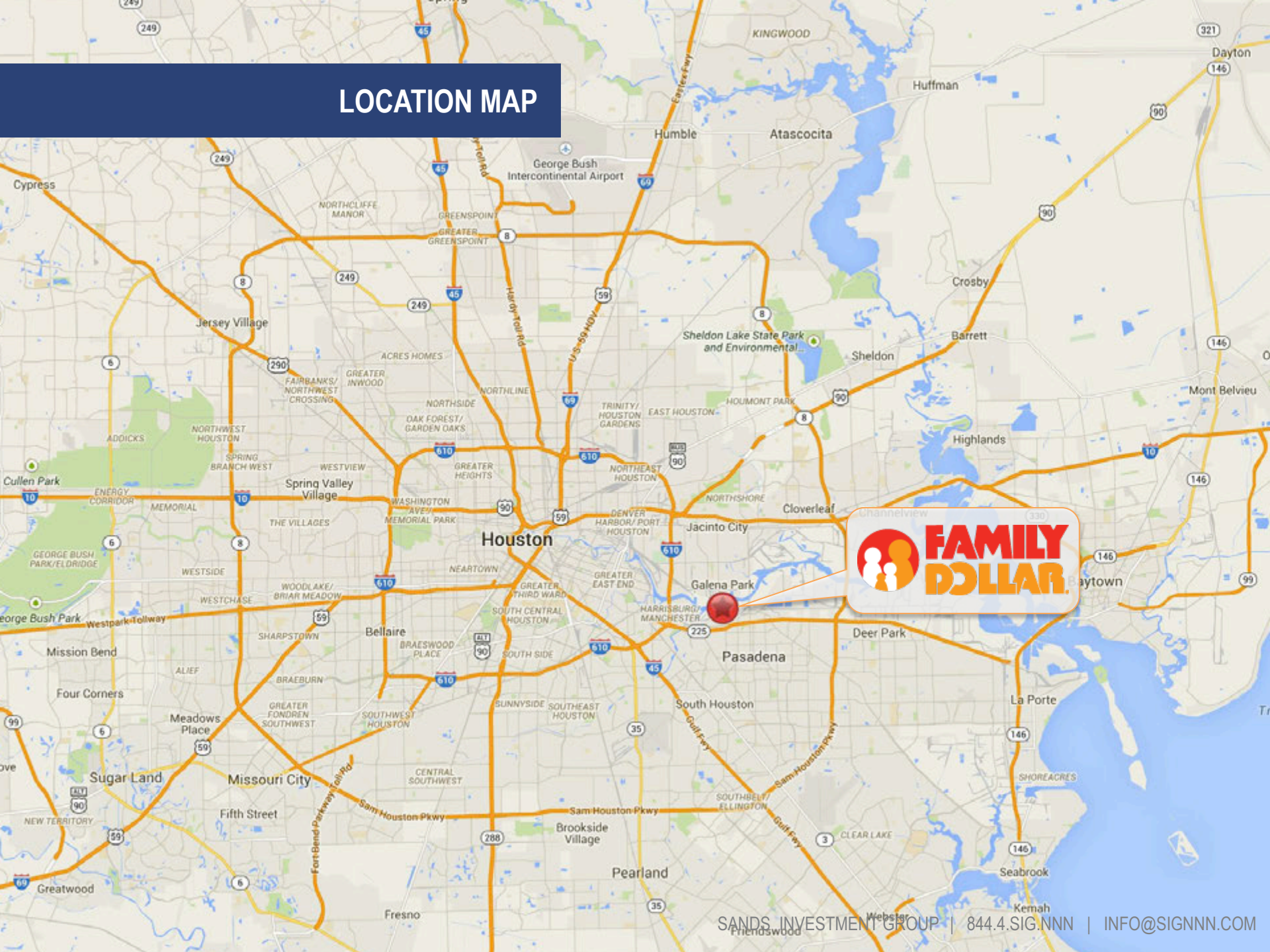
| Trade Area Profile Statistics | 1-MILE      | 3-MILE     | 5-MILE   | 10-MILE   |
|-------------------------------|-------------|------------|----------|-----------|
| POPULATION ESTIMATE           | 7,571       | 85,406     | 279,272  | 1,000,430 |
| AVERAGE H.H. INCOME           | \$47,222    | \$44,520   | \$46,285 | \$65,314  |
| Traffic Count (VPD)           | Clinton Dr. | Center Dr. |          |           |
|                               | 17,000      | 3,000      |          |           |

## INVESTMENT HIGHLIGHTS

- Single Tenant Absolute NNN Family Dollar with 15 Years Remaining on Long Term Lease
- 10% Rental Increase in Year 11
- Six (6) - Five (5) Year Options to Extend Remain Intact
- Lease Guaranteed by Family Dollar Corporate (NYSE:FDO)
- Ideal Demographics with Over 1,000,430 Residents within 10 Miles of the Location and Over 17,000 Vehicles Per Day Along Clinton Dr.
- The State of Texas has No Income Tax, Making this an Excellent Investment for both In-State and Out-of-State Investors

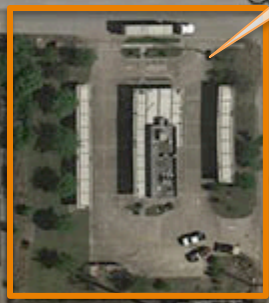


# LOCATION MAP





# AERIAL MAP





# RETAIL MAP





## GALENA PARK, TX

Galena Park is a city in Harris County, Texas. It is a suburb of Houston which is the fourth largest city in the United States. Galena Park's population was 10,887 at the 2010 census, with 6,313,158 in the Houston MSA.

Galena Park is home to the Houston Ship Channel, which is one of the largest in the United States and the the primary economic driver in Galena Park. Each year, more than 200 million tons of cargo moves through the Port of Houston, carried by more than 8,000 vessels and 200,000 barge calls.

As one of the world's busiest ports, the Port of Houston is a large and vibrant component of the regional economy. A 2012 study by Martin Associates says ship channel-related businesses contributed to 1,026,820 jobs throughout Texas, up from more than 785,000 jobs cited in a 2007 study. This activity helped generate more than \$178.5 billion in statewide economic impact, up from nearly \$118 billion. Additionally, more than \$4.5 billion in state and local tax revenues are generated by business activities related to the port, up from \$3.7 billion.

# TENANT PROFILE



## COMPANY PROFILE

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|                |                     |
|----------------|---------------------|
| PUBLIC COMPANY | <b>NYSE:FDO</b>     |
| FOUNDED        | <b>1959</b>         |
| # OF LOCATIONS | <b>8,100+</b>       |
| HEADQUARTERS   | <b>Matthews, NC</b> |

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Family Dollar is an American variety store chain in the United States. It is the second largest retailer of its type in the United States. Family Dollar is headquartered in Matthews, North Carolina, where it employs 1,400 people.

When the Company opened its first store in November 1959 in Charlotte, North Carolina, nothing sold for more than \$2. Now, more than 50 years later; Family Dollar has grown to more than 8,100 stores in 46 states with sales in excess of \$10 billion. Over time, the merchandise mix has evolved, but the principal that drives the business the same – satisfy the customer and the customer will return.

As shoppers enter their neighborhood Family Dollar, they'll find great values on the name brands they trust in a clean, well-organized store, staffed with friendly team members who are members of the local community. The average size of a Family Dollar store is approximately 7,000 square feet, and most stores are operated in leased facilities. This relatively small footprint allows the Company to open new stores in rural areas and small town, as well as in large urban neighborhoods. Within these markets, the stores are located in shopping centers or as free-standing buildings and all are convenient to the Company's customer base.

Family Dollar operates ten full-service, highly automated distribution facilities throughout the country. The company has been a publicly held corporation since 1970 and its Common Stock is listed on the New York Stock Exchange under the ticker symbol FDO.



# LEASE ABSTRACT



|                           |  |
|---------------------------|--|
| <b>TENANT</b>             | Family Dollar  |
| <b>PREMISES</b>           | A Building of Approximately 10,000 SF in Galena Park, TX. APN: 2-0686776 |
| <b>LEASE COMMENCEMENT</b> | September 1, 2015  |
| <b>LEASE EXPIRATION</b>   | August 30, 2030  |
| <b>LEASE TERM</b>         | 15 years remaining   |
| <b>RENEWAL OPTIONS</b>    | Six (6) – Five (5) Year Options  |
| <b>RENT INCREASES</b>     | 10% in year 11   |
| <b>LEASE TYPE</b>         | <b>Absolute NNN (Triple Net)</b>   |
| <b>USE</b>                | Dollar Store   |

|                                  |                         |
|----------------------------------|-------------------------|
| <b>PROPERTY TAXES</b>            | Tenant's Responsibility |
| <b>INSURANCE</b>                 | Tenant Pays Directly    |
| <b>COMMON AREA</b>               | Tenant Pays Directly    |
| <b>ROOF &amp; STRUCTURE</b>      | Tenant Pays Directly    |
| <b>REPAIRS &amp; MAINTENANCE</b> | Tenant's Responsibility |
| <b>HVAC</b>                      | Tenant Pays Directly    |
| <b>UTILITIES</b>                 | Tenant Pays Directly    |



Representative Image

# RENT ROLL



Representative Image

| TENANT NAME   | SQUARE FOOTAGE | % OF PROPERTY | LEASE TERM |         | RENTAL RATES |              |                |             |
|---------------|----------------|---------------|------------|---------|--------------|--------------|----------------|-------------|
|               |                |               | BEGIN      | END     | MONTHLY      | ANNUALLY     | INCREASES      | OPTIONS     |
| Family Dollar | 10,000 SF      | 100%          | 9.1.15     | 8.30.30 | \$9,454.92   | \$113,459.04 | 10% in Year 11 | 6 x 5 Year* |

\*10% Rent Increase at all Options





# CONFIDENTIALITY AGREEMENT



The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum 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, 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 Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group 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.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



## INFORMATION ABOUT BROKERAGE SERVICES



**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### **IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement, or by agreeing to act as a subagent by accepting an offer of sub agency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

### **IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### **IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with the Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary.

The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) Shall treat all parties honestly;
- (2) May not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) May not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under the Act and associated with the broker to communicate with and carry out instructions of the other party.

### **If you choose to have a broker represent you,**

you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.



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