

Dollar General | New 15-Year NNN

BELEN (ALBUQUERQUE), NM

OFFERING MEMORANDUM



Marcus & Millichap

Dollar General | New 15-Year NNN

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FINANCIAL OVERVIEW

Location

19720 Highway 314
Belen (Albuquerque), NM
87002

Price	\$1,577,000
Down Payment	100% / \$1,577,000
Rentable Square Feet	9,100
Price/SF	\$173.30
CAP Rate	6.25%
Year Built	2014
Lot Size	2.09+/- Acres
Type of Ownership	Fee Simple

Tenant Summary

Tenant Trade Name	Dollar General
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate Guarantee
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
Lease Term	15 Years
Lease Commencement Date	3/30/14
Rent Commencement Date	3/30/14
Lease Expiration Date	3/31/29
Term Remaining on Lease	14.5+/- Years
Increases	10% in Options
Options	5, 5-Year Options

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Years 1-15	\$98,593.68	\$8,216.14
Years 16-20 (Option 1)	\$108,453.00	\$9,037.75
Years 21-25 (Option 2)	\$119,298.36	\$9,941.53
Years 26-30 (Option 3)	\$131,228.16	\$10,935.68
Years 31-35 (Option 4)	\$144,353.88	\$12,029.49
Years 36-40 (Option 5)	\$158,786.04	\$13,232.17
Base Rent (\$10.83/SF)		\$98,593
Net Operating Income		\$98,593
Total Return		6.25% / \$98,593

TENANT OVERVIEW

Property Name	Dollar General New 15-Year NNN
Property Address	19720 Highway 314 Belen (Albuquerque), NM 87002
Property Type	Net Leased Discount
Rentable Square Feet	9,100
Tenant Trade Name	Dollar General
Ownership	Public
Tenant	Corporate Store
Sales Volume	\$17.5 Billion
Lease Guarantor	Corporate Guarantee
Credit Rating	BBB-
Rating Agency	Standard & Poors
Stock Symbol	DG
Board	NYSE
Rank	#164 on Fortune 500
Lease Commencement Date	3/30/14
Rent Commencement Date	3/30/14
Lease Expiration Date	3/31/29
Term Remaining on Lease	14.5+/- Years
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
Lease Term	15 Years
Increases	10% in Options
Options to Renew	5, 5-Year Options
Options to Terminate	No
Options to Purchase	No
First Right of Refusal	No
No. of Locations	11,000+
Headquartered	Goodlettsville, TN
Web Site	www.dollargeneral.com
Years in the Business	74 Years
Other Concepts Owned	Dollar General Market

Dollar General's at ease with living off the crumbs of Wal-Mart. The fast-growing retailer commands a chain of some 11,000 discount stores in about 40 states, primarily in the southern and eastern US, the Midwest, and the Southwest. Offering mostly basic household products, such as cleaning supplies and health and beauty aids, the company also peddles seasonal items, apparel, and an expanding menu of shelf-stable and perishable foods. Dollar General typically targets low-, middle-, and fixed-income shoppers. The no-frills stores typically measure about 7,200 square feet and are located in small towns that are off the radar of giant discounters. Some 25% of its merchandise is priced at \$1 or less.

PROPERTY DESCRIPTION

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INVESTMENT OVERVIEW

Investment Highlights

- Brand New Construction | Opened in March 2014
- New 15-year NNN Lease | 10% Increases in the Options
- 2.09+/- Acres | Concrete Parking Lot
- Located on Highway 314 | ADT of 11,700+/-
- Suburb of Albuquerque | 7-Mile Population of 55,000+
- Companywide Sales of \$17.5 Billion
- Investment Grade Rating of BBB- on Standard & Poors
- Fortune 500 Company | Ranked #164



The subject property is a new construction Dollar General ("DG") located in Belen, NM, just outside Albuquerque. The 9,100+/- SF building with concrete parking lot sits on 2.09+/- acres on Highway 314, a main thoroughfare in the area with an average daily traffic count of 11,700. DG benefits from the population of 25,000+ in 5 miles and the limited competition in the area.

DG is signed to a 15-year absolute NNN lease that commenced in March 2014. There are 10% rental increases at the beginning of each of the 5, 5-year renewal options. DG is responsible for all expenses related to the property including CAM, taxes, insurance, and HVAC.

Dollar General Corporation is the nation's largest small-box discount retailer. The company seeks to make shopping for everyday needs simpler and hassle-free by offering a carefully edited assortment of the most popular brands at low everyday prices in small, convenient locations. Dollar General ranks among the largest retailers of top-quality brands made by America's most-trusted manufacturers, such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo and Coca-Cola.

In fiscal 2013, the company had \$17.50 billion in sales and 11,000+ stores in 40 states.



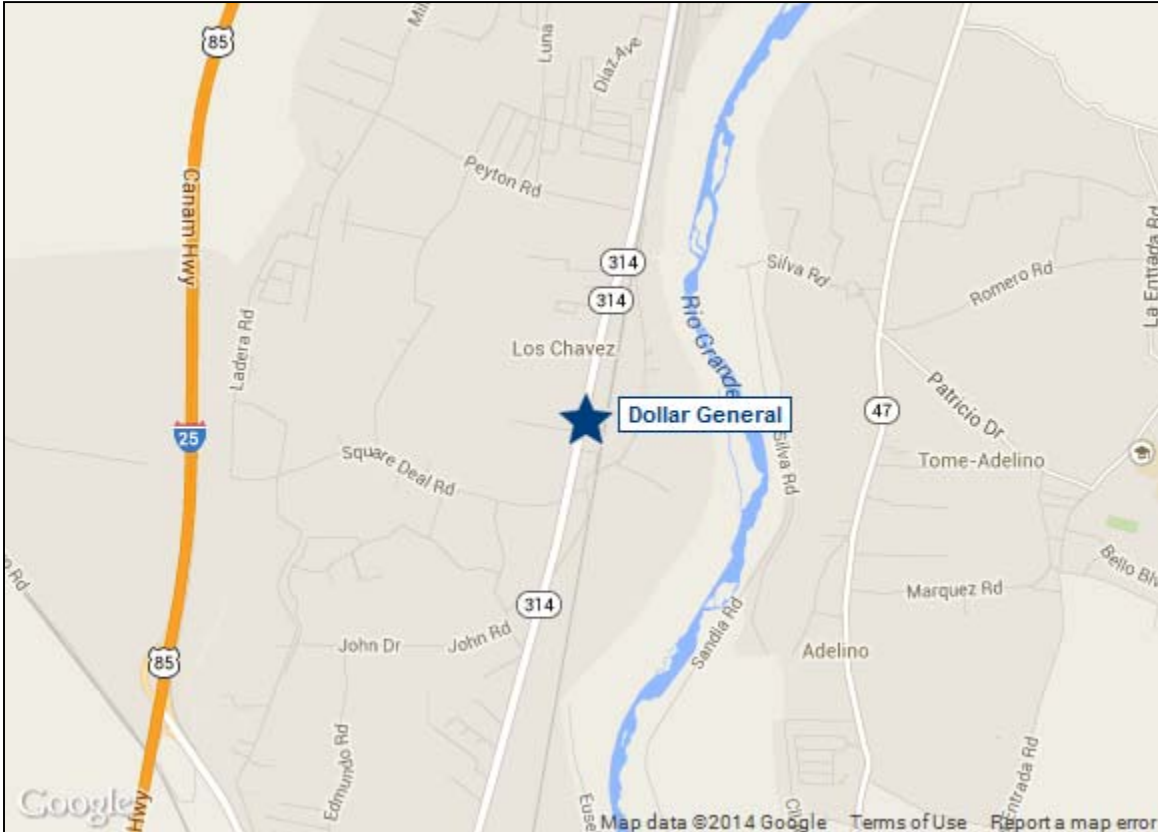
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PROPERTY PHOTOS



Property Photos Taken Prior to Signage Being Installed

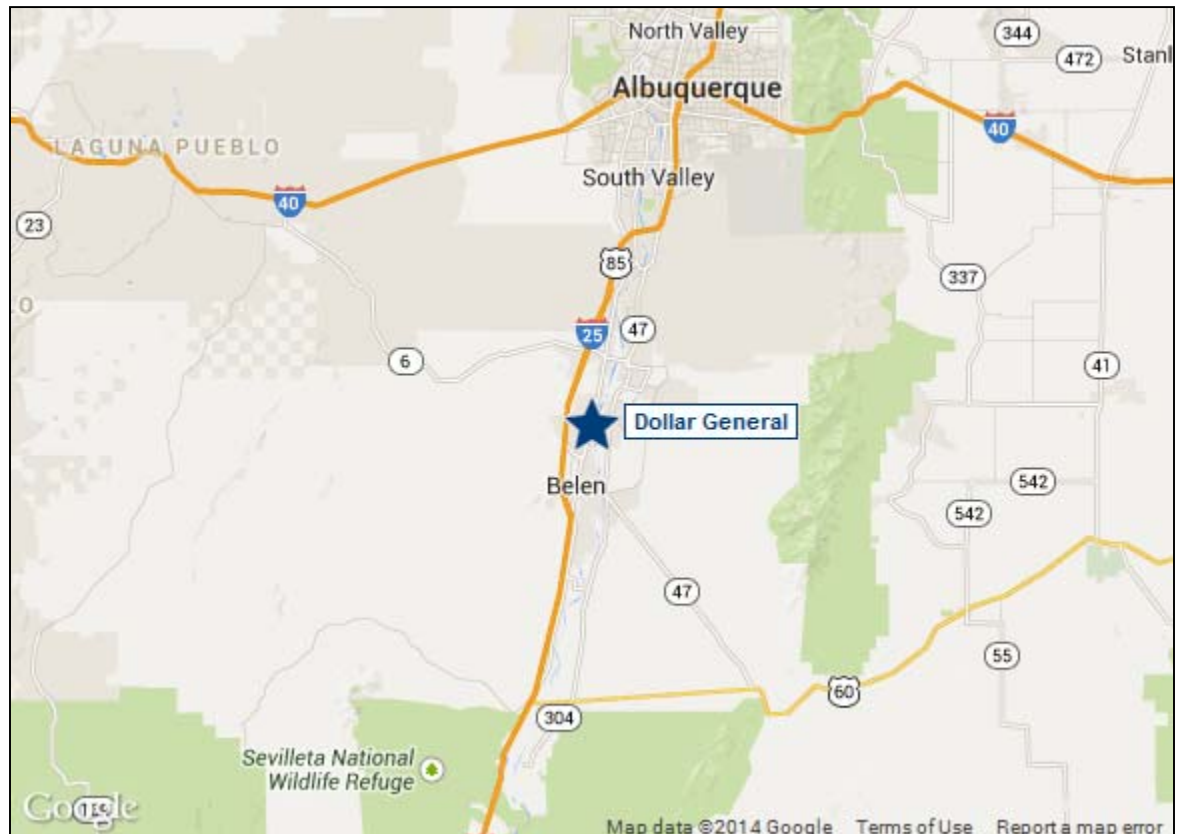




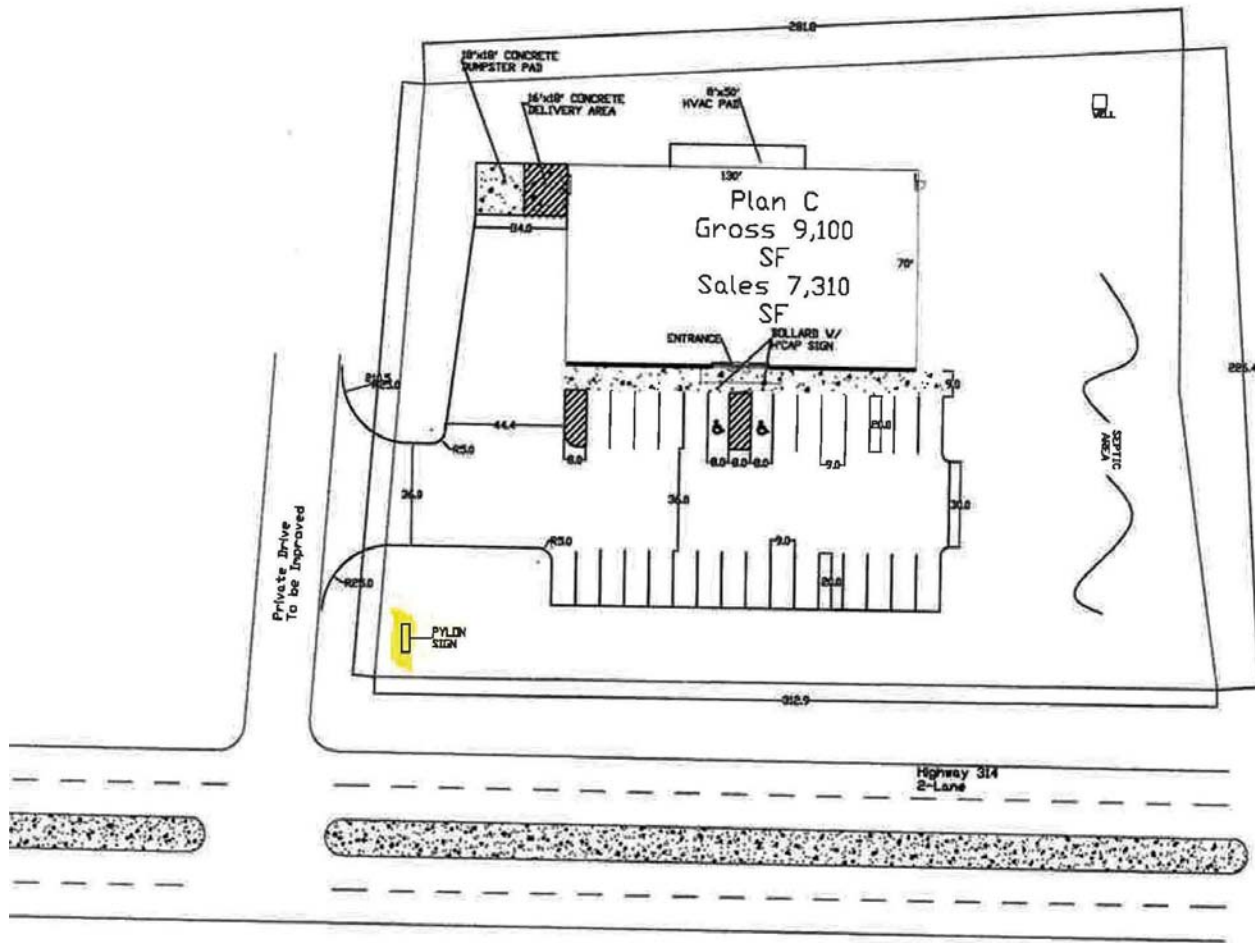
Local Map

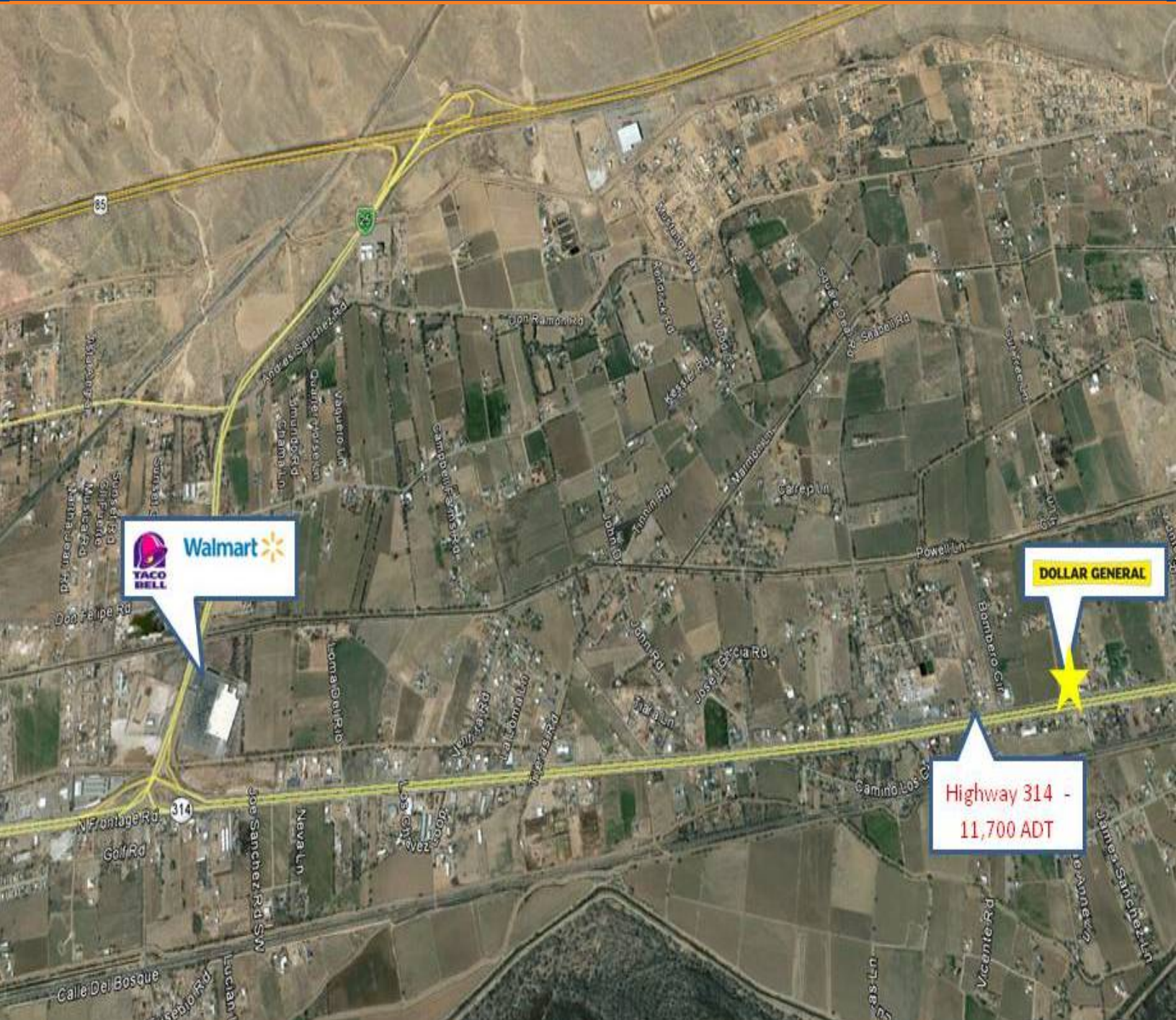


Regional Map



SITE PLAN





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DEMOGRAPHIC REPORT

	3 Miles	5 Miles	7 Miles
2000 Population	8,196	22,388	46,009
2010 Population	9,092	25,000	54,683
2013 Population	9,435	25,401	55,375
2018 Population	9,697	26,464	58,780
2000 Households	2,735	7,630	15,975
2010 Households	3,143	8,815	19,775
2013 Households	3,262	8,943	19,991
2018 Households	3,429	9,473	21,513
2013 Average Household Size	2.71	2.70	2.70
2013 Daytime Population	962	3,663	10,813
2000 Median Housing Value	\$115,788	\$100,571	\$102,831
2000 Owner Occupied Housing Units	81.24%	77.45%	75.75%
2000 Renter Occupied Housing Units	12.89%	16.01%	16.60%
2000 Vacant	6.24%	6.80%	7.74%
2013 Owner Occupied Housing Units	81.19%	77.59%	76.49%
2013 Renter Occupied Housing Units	18.81%	22.41%	23.51%
2013 Vacant	7.54%	8.30%	8.22%
2018 Owner Occupied Housing Units	80.81%	77.31%	76.42%
2018 Renter Occupied Housing Units	19.19%	22.69%	23.58%
2018 Vacant	7.68%	8.41%	8.24%
\$ 0 - \$14,999	13.5%	13.3%	13.6%
\$ 15,000 - \$24,999	10.9%	10.6%	12.8%
\$ 25,000 - \$34,999	11.5%	13.0%	13.1%
\$ 35,000 - \$49,999	16.4%	16.0%	15.4%
\$ 50,000 - \$74,999	17.8%	20.9%	18.8%
\$ 75,000 - \$99,999	16.9%	14.3%	13.3%
\$100,000 - \$124,999	4.4%	5.4%	6.7%
\$125,000 - \$149,999	3.4%	2.7%	2.6%
\$150,000 - \$199,999	2.7%	2.2%	2.3%
\$200,000 - \$249,999	1.1%	0.8%	0.6%
\$250,000 +	1.5%	0.9%	0.7%
2013 Median Household Income	\$48,105	\$47,163	\$44,987
2013 Per Capita Income	\$22,281	\$21,284	\$20,993
2013 Average Household Income	\$63,199	\$58,444	\$57,164

Demographic data © 2012 by Experian.

SUMMARY REPORT

Geography: 7 miles

Population

In 2013, the population in your selected geography was 55,375. The population has changed by 20.35% since 2000. It is estimated that the population in your area will be 58,780 five years from now, which represents a change of 6.14% from the current year. The current population is 50.4% male and 49.5% female. The median age of the population in your area is 37.7, compare this to the U.S. average which is 37. The population density in your area is 160.28 people per square mile.

Households

There are currently 19,991 households in your selected geography. The number of households has changed by 25.14% since 2000. It is estimated that the number of households in your area will be 21,513 five years from now, which represents a change of 7.61% from the current year. The average household size in your area is 2.70 persons.

Income

In 2013, the median household income for your selected geography is \$44,987, compare this to the U.S. average which is currently \$53,535. The median household income for your area has changed by 27.81% since 2000. It is estimated that the median household income in your area will be \$50,407 five years from now, which represents a change of 12.04% from the current year.

The current year per capita income in your area is \$20,993, compare this to the U.S. average, which is \$28,888. The current year average household income in your area is \$57,164, compare this to the U.S. average which is \$75,373.

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 73.31% White, 1.68% African American, 3.25% Native American and 0.78% Asian/Pacific Islander. Compare these to U.S. averages which are: 72.20% White, 12.65% African American, 0.96% Native American and 5.01% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 59.71% of the current year population in your selected area. Compare this to the U.S. average of 16.55%.

Housing

The median housing value in your area was \$102,831 in 2000, compare this to the U.S. average of \$110,781 for the same year. In 2000, there were 13,114 owner occupied housing units in your area and there were 2,874 renter occupied housing units in your area. The median rent at the time was \$416.

Employment

In 2013, there are 10,813 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 54.1% of employees are employed in white-collar occupations in this geography, and 45.8% are employed in blue-collar occupations. In 2013, unemployment in this area is 3.24%. In 2000, the median time traveled to work was 28.9 minutes.

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OFFERING MEMORANDUM

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