

Dollar General - New 15-Year NNN

LOUISVILLE, TN

OFFERING MEMORANDUM



Marcus & Millichap

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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 net leased property.

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FINANCIAL OVERVIEW

Location

2906 Mentor Road
Louisville, TN 37777

Price	\$1,542,000
Down Payment	100% / \$1,542,000
Rentable Square Feet	9,026
Price/SF	\$170.84
CAP Rate	6.25%
Year Built	2014
Lot Size	1.72+/- 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	April 2014
Rent Commencement Date	April 2014
Lease Expiration Date	April 2029
Term Remaining on Lease	15 Years
Increases	In Options
Options	Yes

Annualized Operating Data

Rent Increases	Annual Rent	Monthly Rent
Years 1-15	\$96,393.96	\$8,032.83
Years 16-20 (Option 1)	\$106,033.32	\$8,836.11
Years 21-25 (Option 2)	\$116,636.64	\$9,719.72
Years 26-30 (Option 3)	\$128,300.28	\$10,691.69
Years 31-35 (Option 4)	\$141,130.32	\$11,760.86
Years 36-40 (Option 5)	\$155,243.40	\$12,936.95
Base Rent (\$10.68/SF)		\$96,394
Net Operating Income		\$96,394
Total Return		6.25% / \$96,394

TENANT OVERVIEW

Property Name	Dollar General - New 15-Year NNN
Property Address	2906 Mentor Road Louisville, TN 37777
Property Type	Net Leased Discount
Rentable Square Feet	9,026
Tenant Trade Name	Dollar General
Ownership	Public
Tenant	Corporate Store
Sales Volume	\$16 Billion
Net Worth	
Lease Guarantor	Corporate Guarantee
Credit Rating	BBB-
Valueline Financial Strength	
Rating Agency	Standard & Poors
Stock Symbol	DG
Board	NYSE
Rank	#175 Fortune 500
Lease Commencement Date	April 2014
Rent Commencement Date	April 2014
Lease Expiration Date	April 2029
Term Remaining on Lease	15 Years
Lease Type	Triple Net (NNN)
Roof and Structure	Tenant Responsible
Lease Term	15 Years
Year 1 Net Operating Income	
Increases	In Options
Options to Renew	Yes
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
Franchisee Profile	
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.

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