

NEW DOLLAR GENERAL

15 YEAR ABSOLUTE NNN LEASE

RARE 3% RENT INCREASE IN YEAR 11



25364 485th Ave, Garretson, SD 57030

SIMILAR STORE DESIGN SHOWN - NOT ACTUAL STORE



FORTIS NET LEASE
INVESTMENT REAL ESTATE SERVICES

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INVESTMENT OFFERING



PROPERTY & LEASE



DOLLAR GENERAL



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PRICE	\$1,144,355
CAP RATE	6.75%
CURRENT NOI	\$77,244
LEASE TYPE:	15 YEAR ABS. NNN
RESPONSIBILITIES:	NONE
TENANT:	DOLLAR GENERAL
GUARANTEE:	CORPORATE
STRENGTH:	S&P: BBB
SQUARE FEET:	9,002

Fortis Net Lease is pleased to present this 9,002 SF Dollar General store located in Garretson, SD. The property is encumbered with a Fifteen (15) Year Absolute NNN Lease, leaving zero landlord responsibilities. The lease contains a rare 3% rent increase in year 11 of the primary term. The lease contains Five (5) Yr. Options to renew, each with a 10% rental rate increase. The lease is corporately guaranteed by Dollar General Corporation which holds a credit rating of "BBB", which is classified as Investment Grade. Construction is under way, with the rent commencing on 7/10/2017.

This Dollar General is highly visible as it is strategically positioned in Garretson, SD. The ten mile population from the site exceeds 16,500 while the one mile median household income exceeds \$75,500 per year, making this location ideal for a Dollar General. The Subject offering represents an ideal opportunity for a 1031 exchange buyer or a "passive" investor to attain the fee simple ownership of a Dollar General. This investment will offer a new owner continued success due to the financial strength and the proven profitability of the tenant, the nation's top dollar store. List price reflects a 6.75% cap rate based on NOI of \$77,244.



Similar Store Design Shown - Not Actual Store

- Brand New Absolute NNN Lease
- 15 Year Term | Five (5 Year) Options
- One Mile Household Income \$75,841
- Ten Mile Population Exceeds 16,500
- Rare 3% Rent Increase in Year 11
- 12% Growth Expected Over Five Years
- Only Investment Grade Dollar Store



YEAR BUILT	2017
STORE STYLE	PROTOTYPE CONSTRUCTION
ACREAGE	+/- 1.00 ACRES
SQUARE FEET	9,002
FOUNDATION	CONCRETE BLOCK
ROOF	STANDING SEAM ROOF
HVAC	GROUND MOUNTED
PARKING	ASPHALT
ZONING	COMMERCIAL
STORE STATUS	NEW LOCATION
OWNERSHIP TYPE	FEE SIMPLE

TENANT	DOLGENCORP, LLC
GUARANTOR	DOLLAR GENERAL CORPORATION
TRADE NAME	DOLLAR GENERAL
STOCK SYMBOL	DG (NYSE)
ADDRESS	25364 485TH AVE, GARRETSON, SD 57030
LEASE TYPE	ABSOLUTE NNN
PRIMARY TERM	FIFTEEN (15) YEARS
RENT START	7/10/2017
RENT END	7/31/2032
ANNUAL RENT	\$77,244
RENT INCREASES	3% IN YEAR 11
OPTION PERIODS	FIVE (5) FIVE (5) YEAR OPTIONS
WEBSITE	WWW.DOLLARGENERAL.COM

RENT SCHEDULE

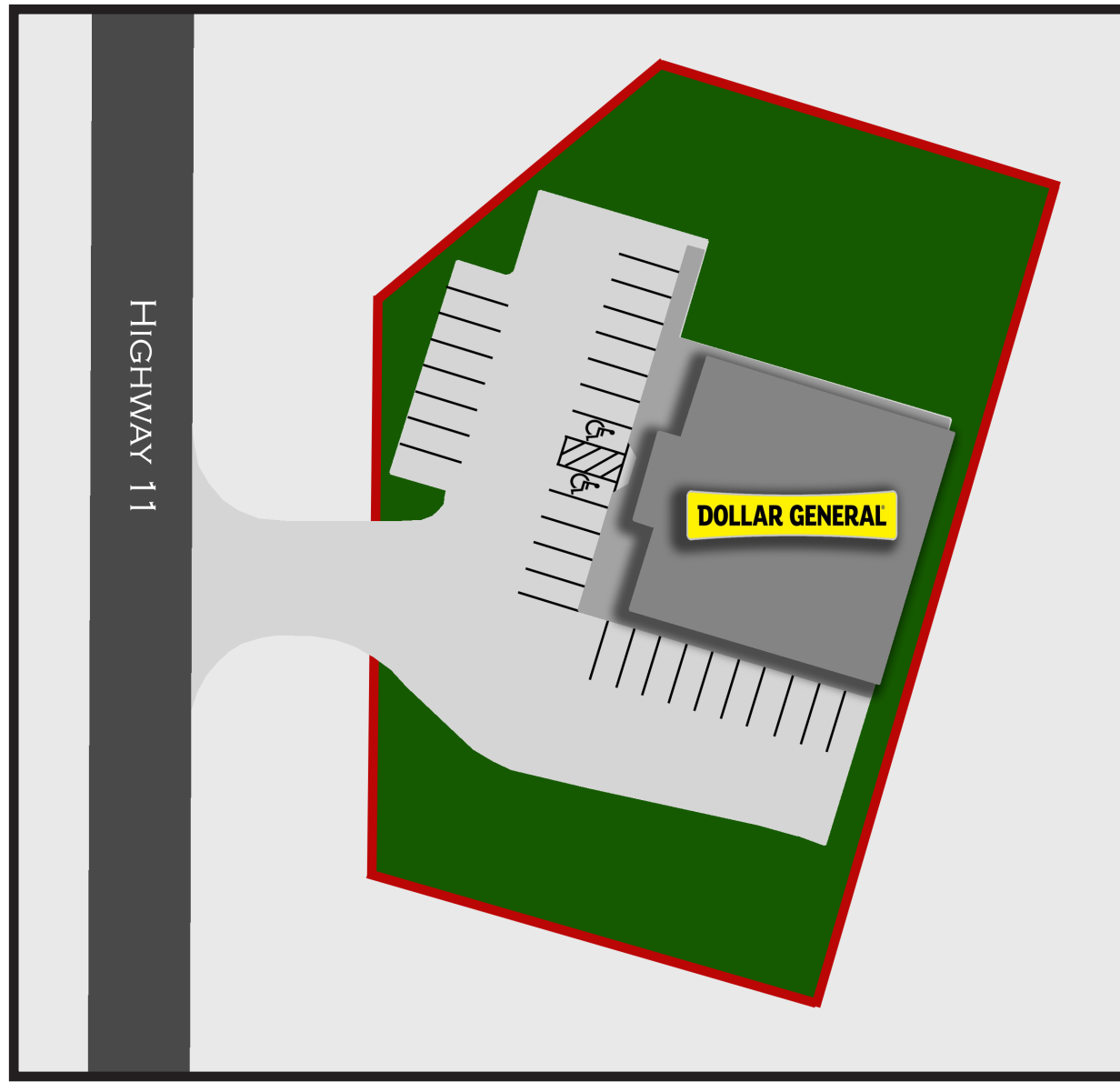
LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-10	\$77,244.00	\$6,437.00	-	6.75%
11-15	\$79,572.00	\$6,631.00	3%	6.95%
16-20 (OPTION 1)	\$87,528.00	\$7,294.00	10%	7.64%
21-25 (OPTION 2)	\$96,276.00	\$8,023.00	10%	8.41%
26-30 (OPTION 3)	\$105,900.00	\$8,825.00	10%	9.25%



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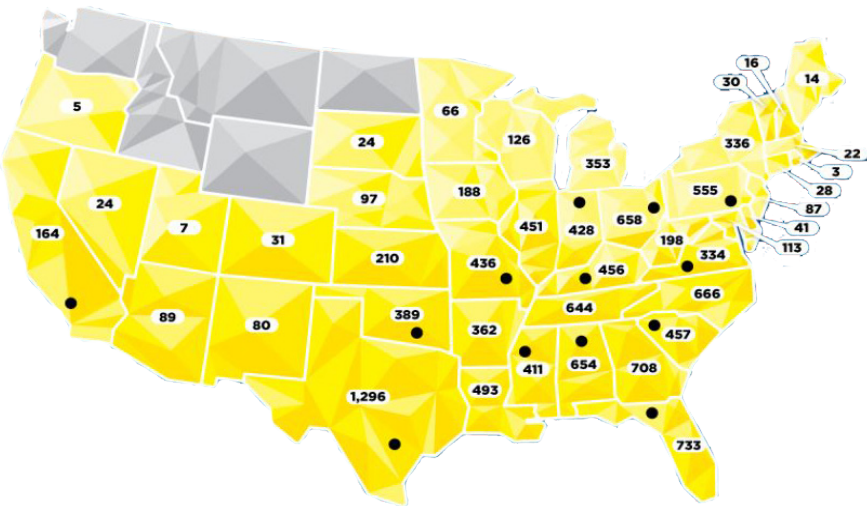
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Dollar General is the largest “small box” discount retailer in the United States. Headquartered in Goodlettsville, TN, the company was established in 1939. As of March 2017, there are more than 13,230 stores with more than 114,000 employees, located across 43 states. Dollar General has more retail locations than any retailer in America. The Dollar General store format has typically been in rural and suburban markets, now they are expanding into more densely populated areas. Planning to open 1,000 stores in 2017. The Dollar General strategy is to deliver a hassle-free experience to consumers, by providing a carefully edited assortment of the most popular brands in both retail and consumer products.

The company launched a successful IPO in 2009 (NYSE: DG). In March, 2014 Dollar General reported records sales, operating profit and net income. For the forth quarter 2016 same store sales increased 1.0%, Net Sales increased 13.4% to \$6.0 Billion. Cash from operations for 2016 increased by 15% to \$1.6 Billion. Dollar General reported 2016 forth quarter net income was \$414.1 million, which is a diluted earning per share of \$1.49, a 15% increase. Dollar General is ranked #139 on the Fortune 500, a 20 spot jump from the previous year ranking.



“Investment Grade” S&P Rating of BBB



\$20.3 Billion in Sales in Fiscal 2016



4th Quarter 2016 Net Sales Increased 13%



Same-Store Sales Increased 1.0%



Gross Profit Rate was 31.6% in Q4 2016

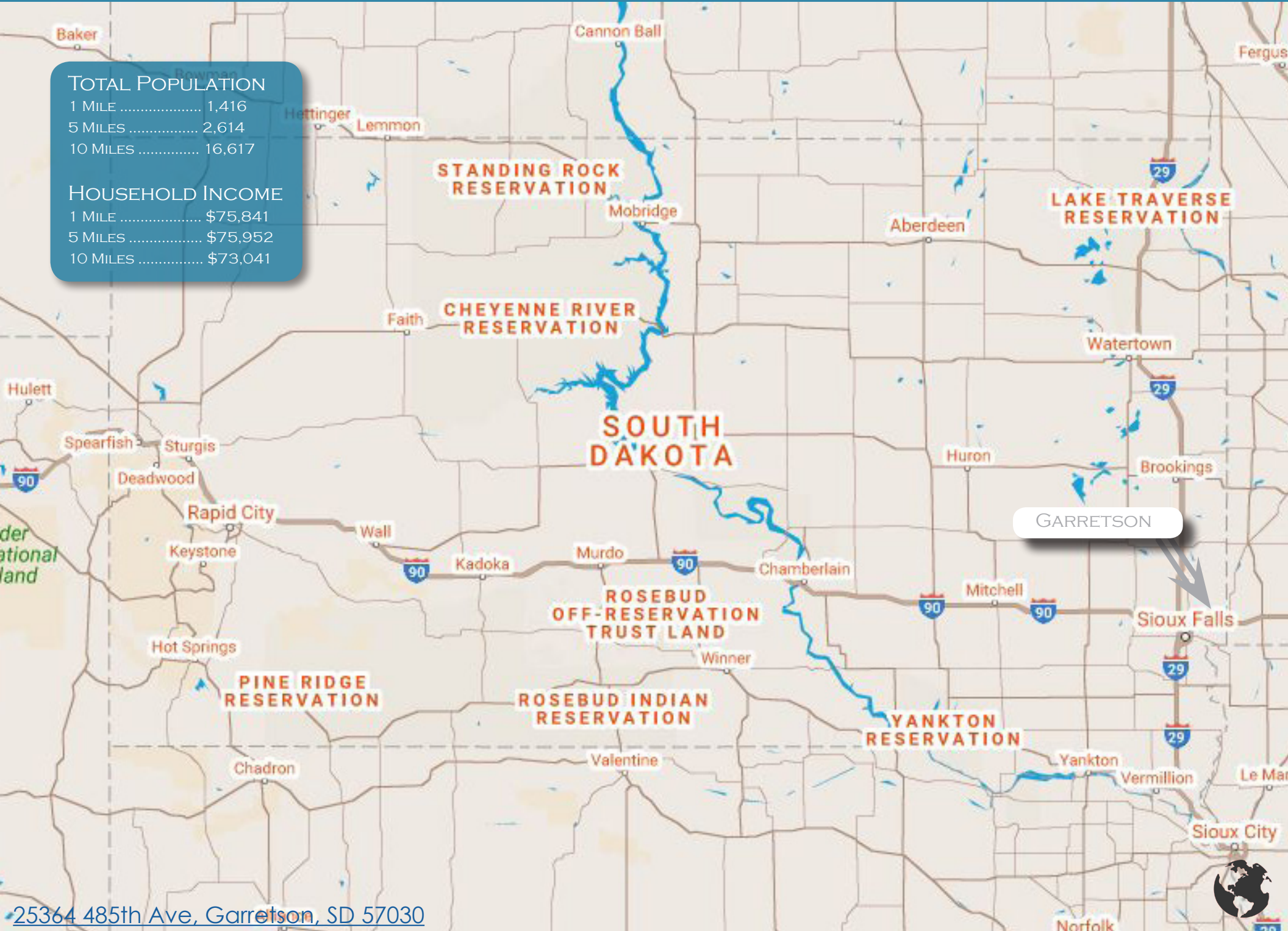


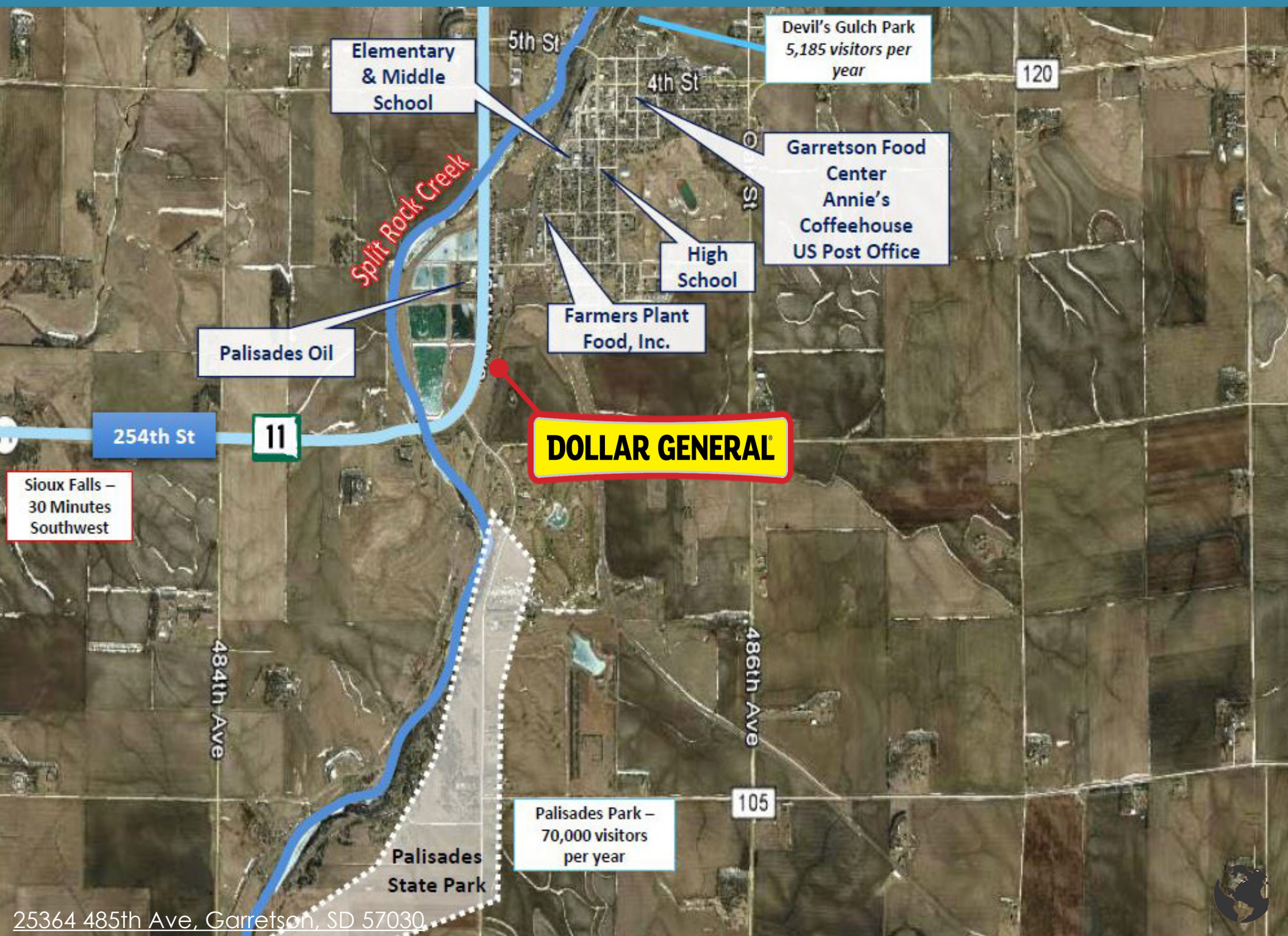
Ranked #139 on Fortune 500



TOTAL POPULATION
1 MILE 1,416
5 MILES 2,614
10 MILES 16,617

HOUSEHOLD INCOME
1 MILE \$75,841
5 MILES \$75,952
10 MILES \$73,041

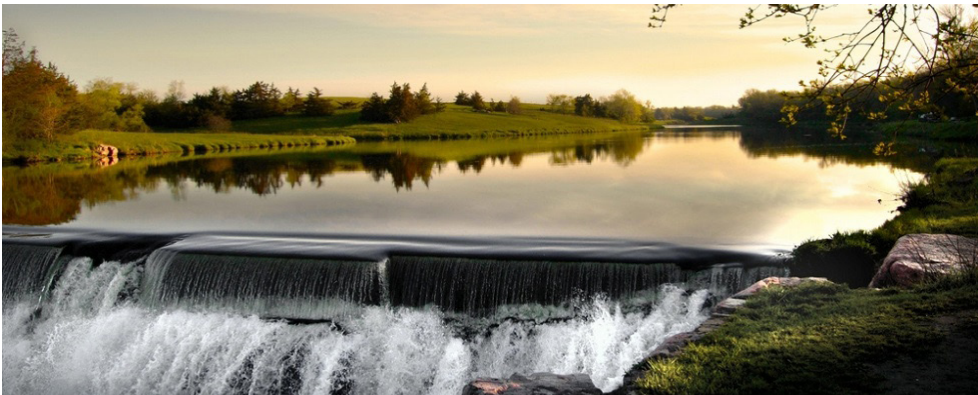




Garretson, SD

Garretson is a city in Minnehaha County, South Dakota. The city started as a village in Palisade State Park in 1872. The railroad company decided to build a diversion point, (joining of two railroad tracks) and switching yards where Garretson is now located. Railroad officials offered the business people of Palisades free lots if they would move their business to the new town site. The new city was named after A.S. Garretson, a millionaire railroad investor from Sioux City, Iowa. The City of Garretson began in 1889, the same year South Dakota became a state. Some buildings and homes were moved from Palisades and many new ones built. Several businesses were built of hand quarried quartzite blocks. Many of these unique quartzite buildings were on the east side of Main Street and were destroyed in a fire in 1971. They were replaced by brick buildings. Today Garretson has a population of 1065 citizens.

There are over 611 businesses within ten miles of the site, with three top industries being Finance, Health Care and Construction . Residents living within a 5 mile radius are expected to spend over \$32.3 Million on consumer products in the calender year of 2016. Given that this Dollar General will have very little competition, this site is expected to be a very profitable location for Dollar General.



POPULATION	1 MILE	5 MILE	10 MILE
2016 TOTAL POPULATION	1,413	2,614	16,617
2021 POPULATION	1,577	2,920	18,340
AVERAGE AGE	38.30	38.50	36.80
HOUSEHOLDS			
2016 TOTAL HOUSEHOLDS	526	979	6,188
HH GROWTH 2016-2021	12.17%	12.16%	10.91%
MEDIAN HOUSEHOLD INCOME	\$75,841	\$75,952	\$73,041
AVERAGE HH SIZE	2.60	2.60	2.70
HOUSING			
MEDIAN HOME VALUE	\$168,785	\$171,135	\$183,972

