

# DOLLAR GENERAL

RECENTLY EXTENDED NN LEASE



685 US HIGHWAY 61, NEW MADRID, MO 63869

ACTUAL STORE



**FORTIS NET LEASE**  
INVESTMENT REAL ESTATE SERVICES

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## INVESTMENT OFFERING



## PROPERTY & LEASE



## DOLLAR GENERAL



## LOCATION



## AREA & DEMOGRAPHICS



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|                   |                      |
|-------------------|----------------------|
| PRICE             | \$812,500            |
| CAP RATE          | 8.00%                |
| CURRENT NOI       | \$65,000.04          |
| LEASE TYPE:       | NN                   |
| RESPONSIBILITIES: | ROOF, STRUCTURE, LOT |
| TENANT:           | DOLLAR GENERAL       |
| GUARANTEE:        | CORPORATE            |
| STRENGTH:         | S&P: BBB             |
| SQUARE FEET:      | 9,014                |

Fortis Net Lease is pleased to present this 9,014 SF Dollar General store located in New Madrid, MO. The property is encumbered with a NN Lease, leaving limited landlord responsibilities. The store is classified as a relocation store, proving the success of the market. The lease term is through 11/30/2024 and contains a rent increase on 12/1/2019. There are Three (5) Yr. Options to renew, each with a 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.

This Dollar General is highly visible as it is located on US Highway 62, an arterial thoroughfare within New Madrid. The five mile population from the site exceeds 4,500, while the one mile median household income exceeds \$39K 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 8.00% cap rate based on an NOI of \$65,000.04.



Actual Store

- NN Lease | Recently Extended
- Limited Landlord Responsibilities
- Lease Through 12/24 | 3 (5 Year) Options
- Five Mile Population Exceeds 4,500
- Relocation Store | Rent Increase 12/19
- One Mile Household Income \$39,012
- Only Investment Grade Dollar Store





|                |                    |
|----------------|--------------------|
| YEAR BUILT     | 2005               |
| STORE STYLE    | PROTOTYPE          |
| ACREAGE        | +/- 1.00ACRES      |
| SQUARE FEET    | 9,014              |
| FOUNDATION     | CONCRETE BLOCK     |
| ROOF           | STANDING SEAM ROOF |
| HVAC           | GROUND MOUNTED     |
| PARKING        | CONCRETE           |
| ZONING         | COMMERCIAL         |
| STORE STATUS   | RELOCATION         |
| OWNERSHIP TYPE | FEE SIMPLE         |

|                |  |
|----------------|--|
| TENANT         | DOLGENCORP, LLC  |
| GUARANTOR      | DOLLAR GENERAL CORPORATION                                       |
| TRADE NAME     | DOLLAR GENERAL   |
| STOCK SYMBOL   | DG (NYSE)  |
| ADDRESS        | 685 US HIGHWAY 62, NEW MARDID, MO                                |
| LEASE TYPE     | NN   |
| PRIMARY TERM   | TEN (10) YEARS   |
| RENT INCREASE  | 12/1/2019  |
| RENT END       | 11/30/2024   |
| ANNUAL RENT    | \$65,000.04  |
| RENT INCREASES | AT OPTIONS   |
| OPTION PERIODS | THREE (3) FIVE (5) YEAR OPTIONS                                  |
| WEBSITE        | <a href="http://WWW.DOLLARGENERAL.COM">WWW.DOLLARGENERAL.COM</a> |



Actual Store

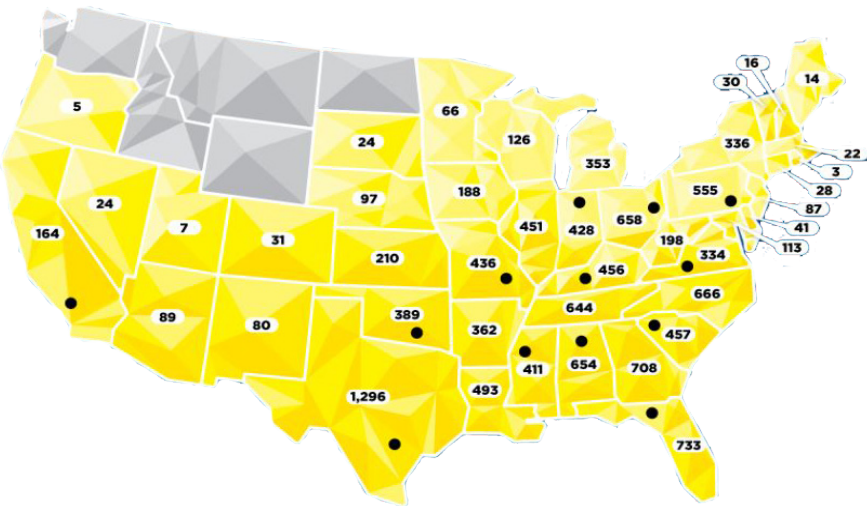
RENT SCHEDULE

| LEASE YEARS     | ANNUAL RENT | MONTHLY RENT | BUMP | YIELD  |
|-----------------|-------------|--------------|------|--------|
| CURRENT - 12/19 | \$65,000.04 | \$5,416.67   | -    | 8.00%  |
| 12/19 - 11/24   | \$67,800.00 | \$5,650.00   | 4%   | 8.34%  |
| OPTION 1        | \$71,499.96 | \$5,958.33   | 5%   | 8.80%  |
| OPTION 2        | \$78,649.68 | \$6,554.14   | 7.5% | 9.68%  |
| OPTION 3        | \$84,600.00 | \$7,050.00   | 10%  | 10.41% |



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 16th, 2017, there are more than 13,320 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. Opening over 837 stores in 2016. 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 first quarter 2015 same store sales increased 3.7%, Net Sales increased 8.8% to \$4.92 Billion. Over \$600 million of capital was returned to shareholders through shares repurchased and dividends paid in the quarter. Gross profit as a percentage of sales was 30.6% in the 2016 first quarter. This was an increase from 30.5% from 2015 first quarter. In May 2016, Dollar General reported first quarter net income was \$295 million, which is a diluted earning per share of \$1.03, a 23% 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



\$20.4 Billion in Sales in Fiscal 2016



4th Quarter 2016 Net Sales Increased 5%



Same-Store Sales Increased 2.20%

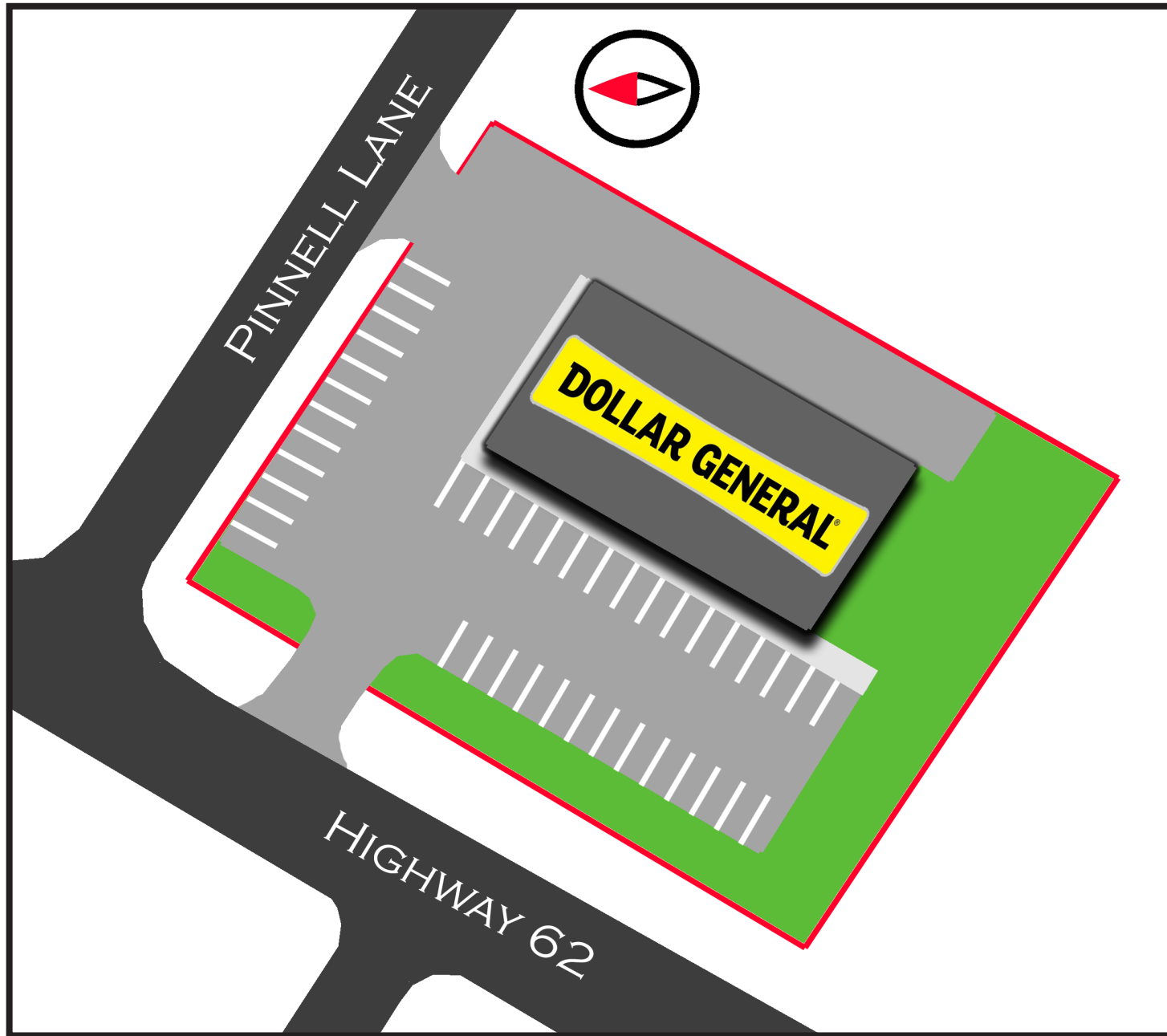


Gross Profit Rate was 30.6% in Q1 2016



Ranked #139 on Fortune 500







TOTAL POPULATION

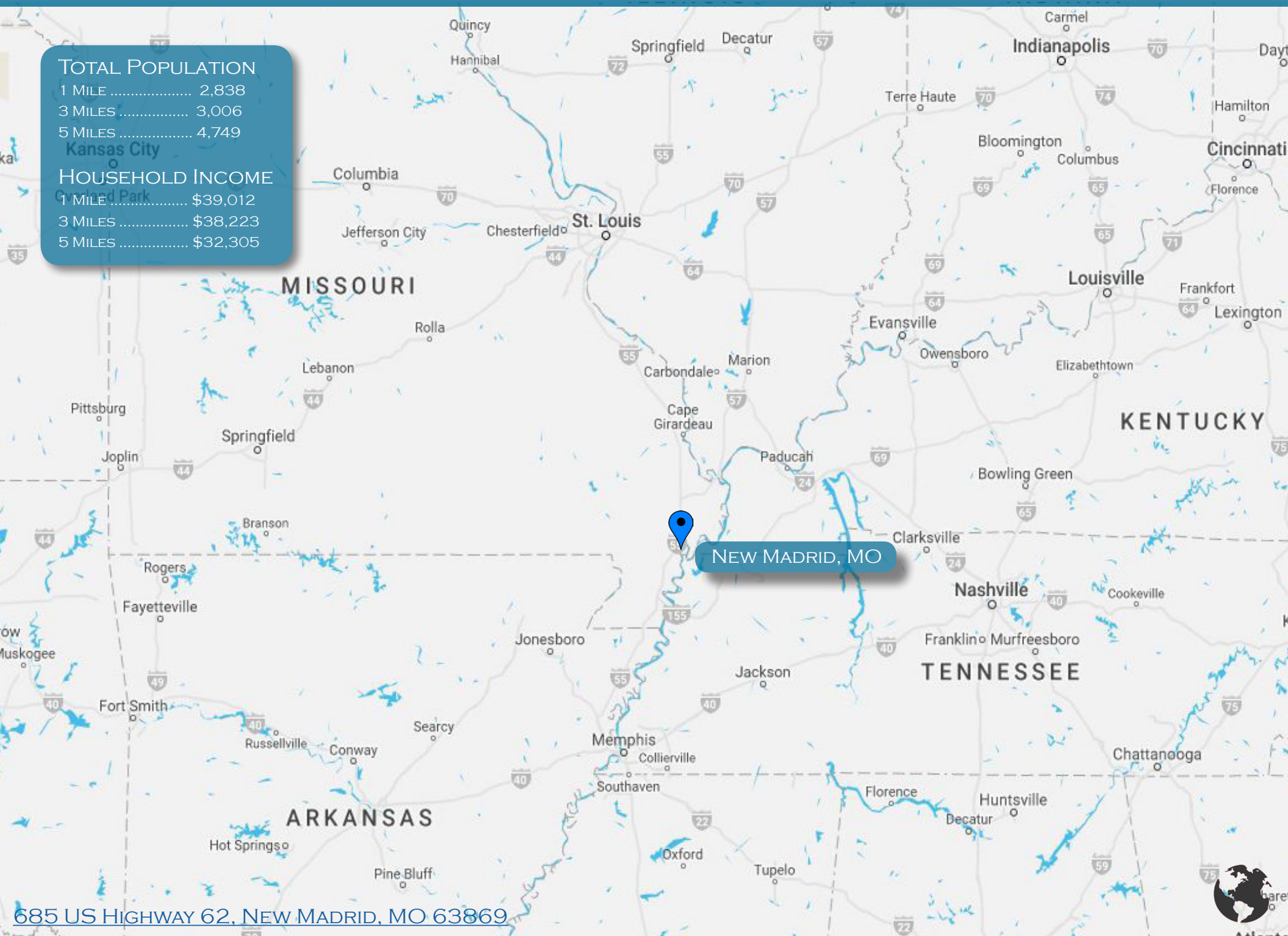
|               |       |
|---------------|-------|
| 1 MILE .....  | 2,838 |
| 3 MILES ..... | 3,006 |
| 5 MILES ..... | 4,749 |

Kansas City

HOUSEHOLD INCOME

|               |          |
|---------------|----------|
| 1 MILE .....  | \$39,012 |
| 3 MILES ..... | \$38,223 |
| 5 MILES ..... | \$32,305 |

Overland Park









# New Madrid, MO

New Madrid is a city in New Madrid County, Missouri. Located on the Kentucky Bend of the Mississippi River, it is 42 miles south by west of Cairo, Illinois, and north of an exclave of Fulton County, Kentucky, across the river.

New Madrid was founded in about 1778 by Spanish Governor Bernardo de Gálvez, who controlled Spanish Louisiana (the land west of the Mississippi River). He welcomed settlers from the United States, but required them to become citizens of Spain. In addition, they had to agree to live under the guidance of his appointed empresario, Colonel William Morgan, a Revolutionary War veteran from New Jersey. Morgan recruited a number of American families to settle at New Madrid, attracting some 2,000 people to the region. In 1800, Spain traded the territory to France in the Third Treaty of San Ildefonso. France promptly sold it to the United States in 1803 as part of the Louisiana Purchase.

The town is on the north side of the Kentucky Bend in the Mississippi River, which is also known as “New Madrid Bend” or “Madrid Bend.” The river curves in an oxbow around an exclave of Fulton County, Kentucky. Scientists expect the river eventually to cut across the neck of the peninsula and make a more direct channel.

The city is remembered as being near the Mississippi River Battle of Island Number Ten, during the Civil War.



| POPULATION            | 1 MILE    | 3 MILE    | 5 MILE   |
|-----------------------|-----------|-----------|----------|
| 2016 TOTAL POPULATION | 2,838     | 3,006     | 4,749    |
| TOTAL BUSINESSES      | 204       | 222       | 266      |
| AVERAGE AGE           | 40.10     | 40.00     | 39.80    |
| HOUSEHOLDS            |           |           |          |
| 2016 TOTAL HOUSEHOLDS | 1,182     | 1,253     | 1,947    |
| HOUSHOLD INCOME       | \$39,012  | \$38,223  | \$32,305 |
| AVERAGE HH VEHICLES   | 2.00      | 2.00      | 2.00     |
| AVERAGE HH SIZE       | 2.30      | 2.30      | 2.40     |
| HOUSING               |           |           |          |
| MEDIAN HOME VALUE     | \$108,566 | \$109,142 | \$82,019 |

