

# NEW DOLLAR GENERAL

15 YEAR ABSOLUTE NNN LEASE

*RARE 3% RENT INCREASE*



6,300+ CARS PER DAY

115 5TH AVE, VALLEY CITY, ND 58072

REPRESENTATIVE STORE- NOT ACTUAL STORE



**FORTIS NET LEASE**  
INVESTMENT REAL ESTATE SERVICES

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# | TABLE OF CONTENTS |



## INVESTMENT OFFERING



## PROPERTY & LEASE



## DOLLAR GENERAL



## LOCATION



## AREA & DEMOGRAPHICS



### DISCLOSURE

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PRICE	\$1,314,406
CAP RATE	6.65%
CURRENT NOI	\$87,408
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 Valley City, ND. The property is encumbered with a Fifteen (15) Year Absolute NNN Lease, leaving zero landlord responsibilities. The lease contains Four (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. The rent is set to commence on 7/23/17.

This Dollar General is highly visible as it is located downtown Valley City, along Main St. The five mile population from the site exceeds 7,500 while the three mile average household income exceeds \$73K 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 6.65% cap rate based on an NOI of \$87,408.

## DOLLAR GENERAL®



Representative Store - Not Actual Store

- Brand New Absolute NNN Lease
- Rare 3% Bump in Year 11
- Zero Landlord Responsibilities
- 15 Year Term | Four (5 Year) Options
- Three Mile Household Income \$73,781
- Five Mile Population Exceeds 7,500
- 6,300+ Cars Per Day



YEAR BUILT	2017
STORE STYLE	PROTOTYPE
ACREAGE	+/- 1.20 ACRES
SQUARE FEET	9,002
FOUNDATION	CONCRETE BLOCK
ROOF	STANDING SEAM ROOF
HVAC	ROOF 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	115 5TH, VALLEY CITY, ND 58072
LEASE TYPE	ABSOLUTE NNN
PRIMARY TERM	FIFTEEN (15) YEARS
RENT START	7/23/2017
RENT END	7/23/2032
ANNUAL RENT	\$87,408
RENT INCREASES	10% AT OPTIONS
OPTION PERIODS	FOUR (4) FIVE (5) YEAR OPTIONS
WEBSITE	<a href="http://WWW.DOLLARGENERAL.COM">WWW.DOLLARGENERAL.COM</a>



Representative Store - Not Actual Store

[115 5TH AVE, VALLEY CITY, ND 58072](#)

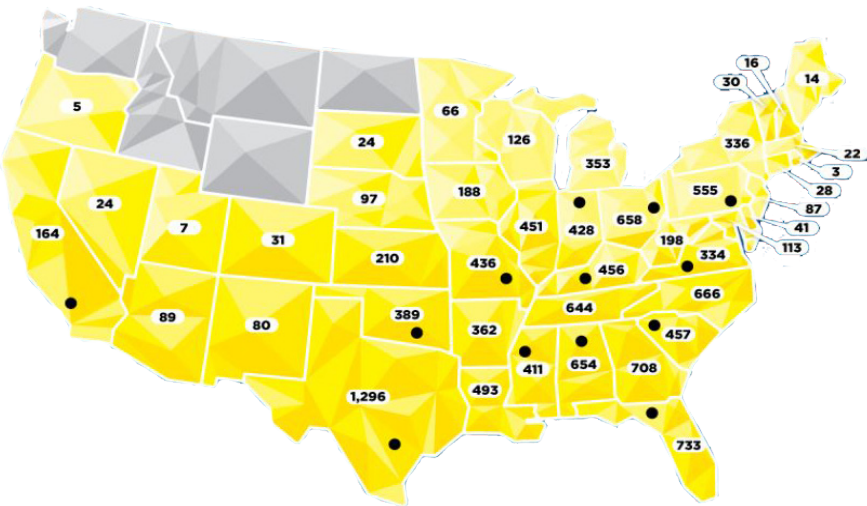
RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-10	\$87,408	\$7,284	-	6.65%
11-15	\$90,090	\$7,502	3%	6.85%
16-20 (OPTION 1)	\$99,036	\$8,253	10%	7.53%
21-25 (OPTION 2)	\$108,936	\$9,078	10%	8.29%
26-30 (OPTION 3)	\$119,830	\$9,986	10%	9.12%



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%



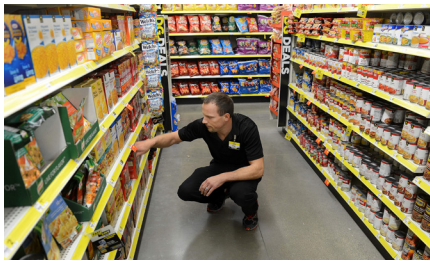
Same-Store Sales Increased 2.20%



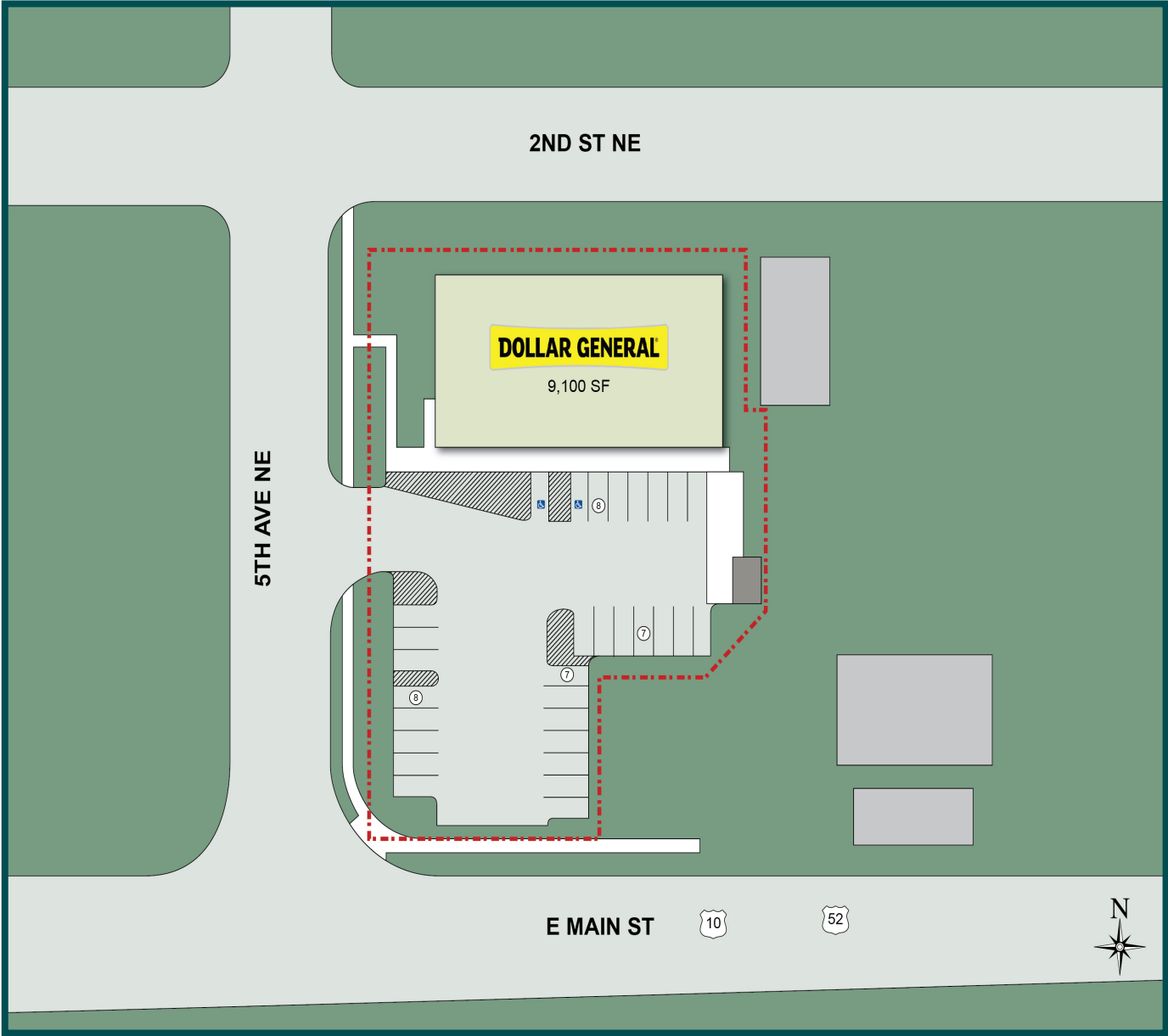
Gross Profit Rate was 30.6% in Q1 2016



Ranked #139 on Fortune 500





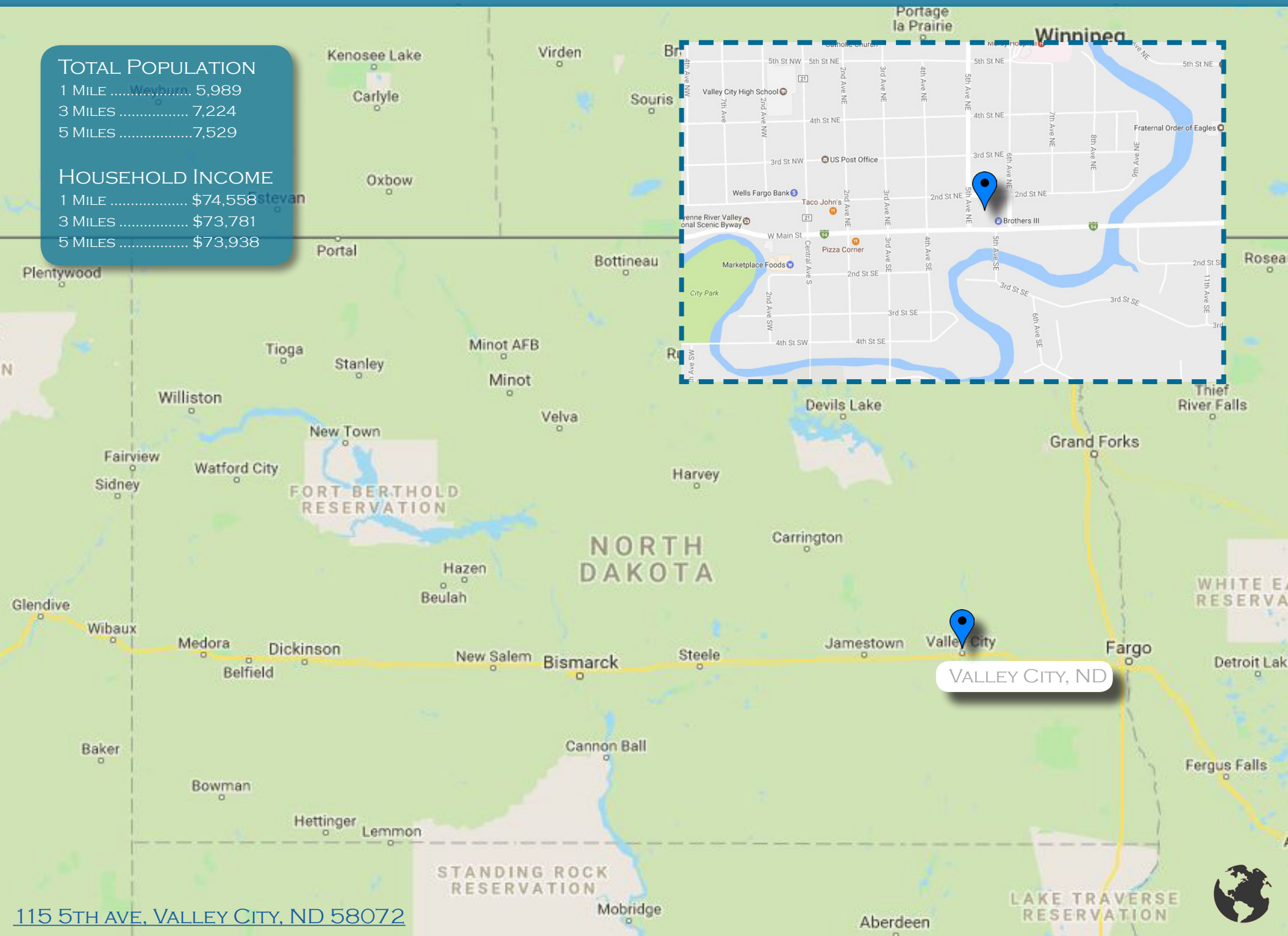


TOTAL POPULATION

1 MILE ..... 5,989  
3 MILES ..... 7,224  
5 MILES ..... 7,529

HOUSEHOLD INCOME

1 MILE ..... \$74,558  
3 MILES ..... \$73,781  
5 MILES ..... \$73,938







**DOLLAR GENERAL®**

**MAIN ST**



# Valley City ND

Valley City is a city in Barnes County, North Dakota. It is the county seat of Barnes County. The population was 6,585 during the 2010 census, making it the thirteenth largest city in North Dakota. Valley City was founded in 1874.

The city is known for its many bridges over the Sheyenne River including the Hi-Line Railroad Bridge. These bridges have earned it the distinction of being called the “City of Bridges”. The city is also the home of Valley City State University and the home for the North Dakota High School Activities Association.

There are over 572 businesses within 3 miles of the site, with three top industries being Retail, Healthcare & Sales. Residents living within a 3 mile radius are expected to spend over \$82 Million on consumer products in the calender year of 2017. Given that this Dollar General has very little competition, the site is expected to continue to be a very profitable location for Dollar General.



POPULATION	1 MILE	3 MILE	5 MILE
2016 TOTAL POPULATION	5,989	7,224	7,529
TOTAL BUSINESSES	470	572	582
AVERAGE AGE	38.90	38.70	38.60
HOUSEHOLDS			
2016 TOTAL HOUSEHOLDS	2,690	3,229	3,354
HOUSHOLD INCOME	\$74,558	\$73,781	\$73,938
AVERAGE HH VEHICLES	2.00	2.00	2.00
AVERAGE HH SIZE	2.00	2.10	2.10
HOUSING			
MEDIAN HOME VALUE	\$97,243	\$99,485	\$101,585

