

# NEW DOLLAR GENERAL

## 15 YEAR ABSOLUTE NNN LEASE



OLD MILL & HWY 50, PEABODY, KS 66866

REPRESENTATIVE STORE - NOT 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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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

PRICE	\$1,067,314
CAP RATE	7.00%
CURRENT NOI	\$74,712
LEASE TYPE:	15 YEAR ABS. NNN
RESPONSIBILITIES:	NONE
TENANT:	DOLLAR GENERAL
GUARANTEE:	CORPORATE
STRENGTH:	S&P: BBB
SQUARE FEET:	7,489

Fortis Net Lease is pleased to present this 7,489 SF Dollar General store located in Peabody, KS. The property is encumbered with a Fifteen (15) Year Absolute NNN Lease, leaving zero landlord responsibilities. The Lease contains a 3% bump in year of 11 of the term. 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 store is open, with rent having commenced on 6/23/2017.

This Dollar General will highly visible and is strategically positioned in Peabody, KS. The five mile population from the site exceeds 1,700 while the one mile median household income exceeds \$48,000 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 7.00% cap rate based on NOI of \$74,712.



Representative Store - Not Actual Store

- Brand New Absolute NNN Lease
- 3% Bump in Year 11
- Zero Landlord Responsibilities
- 15 Year Term | Four (5 Year) Options
- One Mile Household Income \$48,214
- Five Mile Population Exceeds 1,726
- Highly Visible From US Highway 50
- Only Investment Grade Dollar Store



YEAR BUILT	2017
STORE STYLE	METRO
ACREAGE	+/- 1.01 ACRES
SQUARE FEET	7,489
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	OLD MILL & HWY 50, PEABODY, KS
LEASE TYPE	ABSOLUTE NNN
PRIMARY TERM	FIFTEEN (15) YEARS
RENT START	06/23/2017
RENT END	06/23/2032
ANNUAL RENT	\$74,712
RENT INCREASES	3% IN YEAR 11 & 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

RENT SCHEDULE

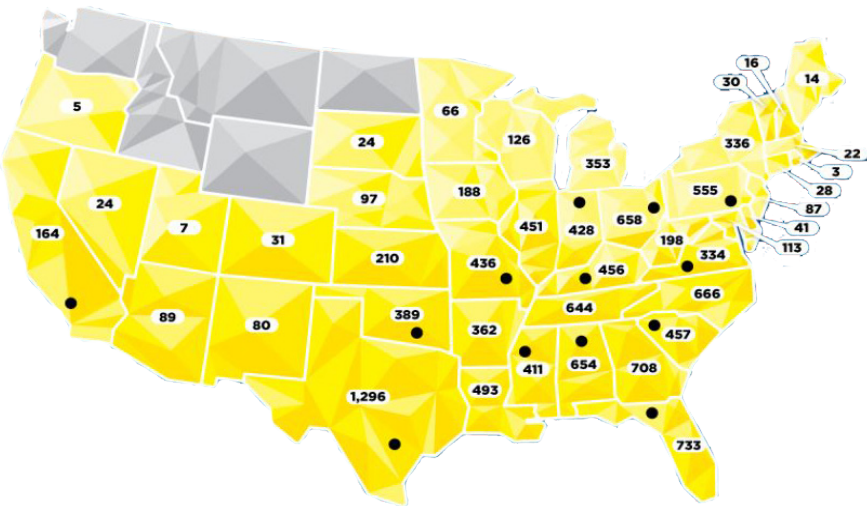
LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-10	\$74,712.00	\$6,226.00	-	7.00%
11-15	\$76,953.00	\$6,412.00	3%	7.20%
16-20 (OPTION 1)	\$84,648.00	\$7,054.00	10%	7.93%
21-25 (OPTION 2)	\$93,114.00	\$7,760.00	10%	8.72%
26-30 (OPTION 3)	\$102,420.00	\$8,535.00	10%	9.59%





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 January 29, 2016, there are more than 12,500 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 650 stores in 2013. 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%

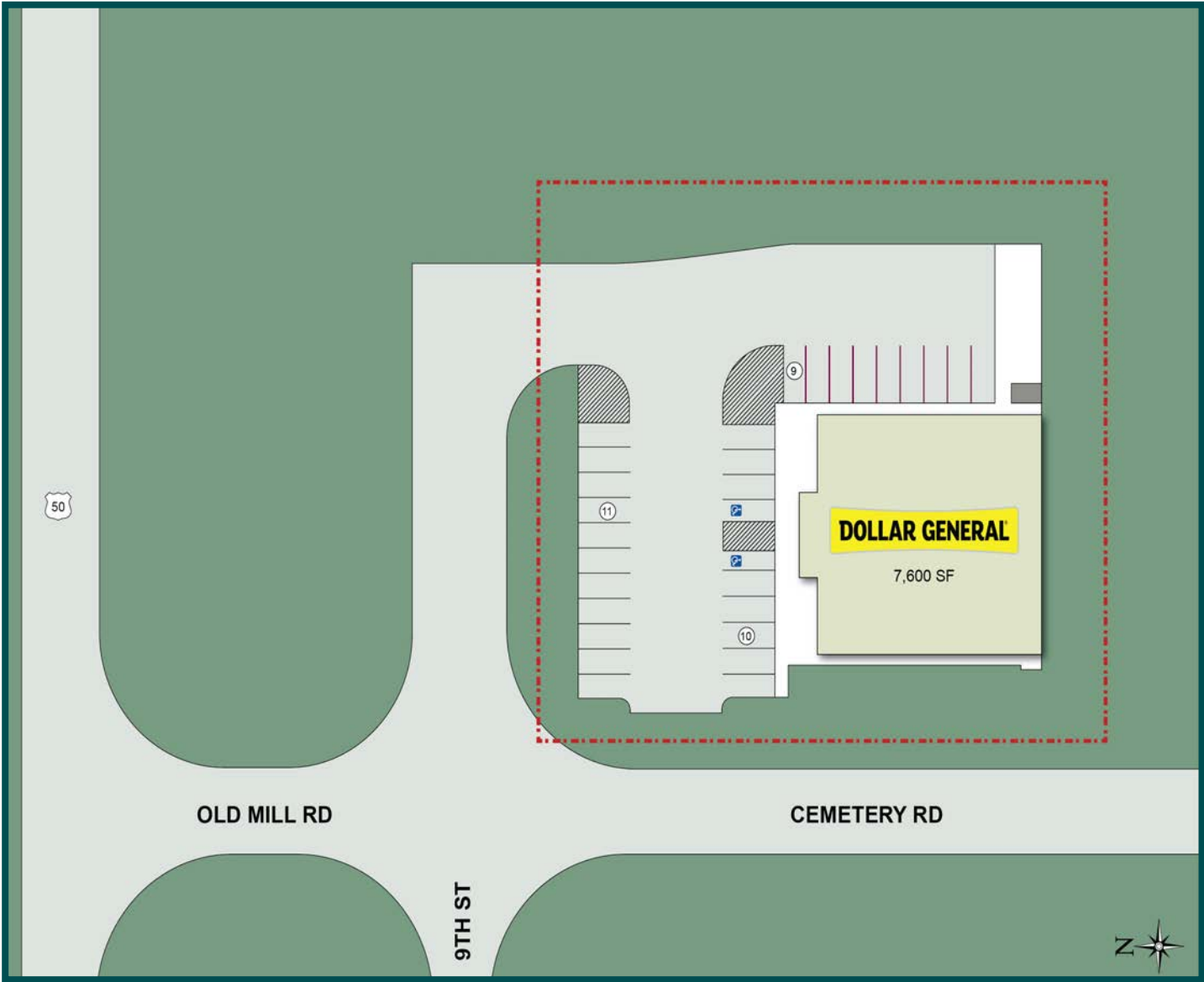


Gross Profit Rate was 30.6% in Q1 2016



Ranked #139 on Fortune 500



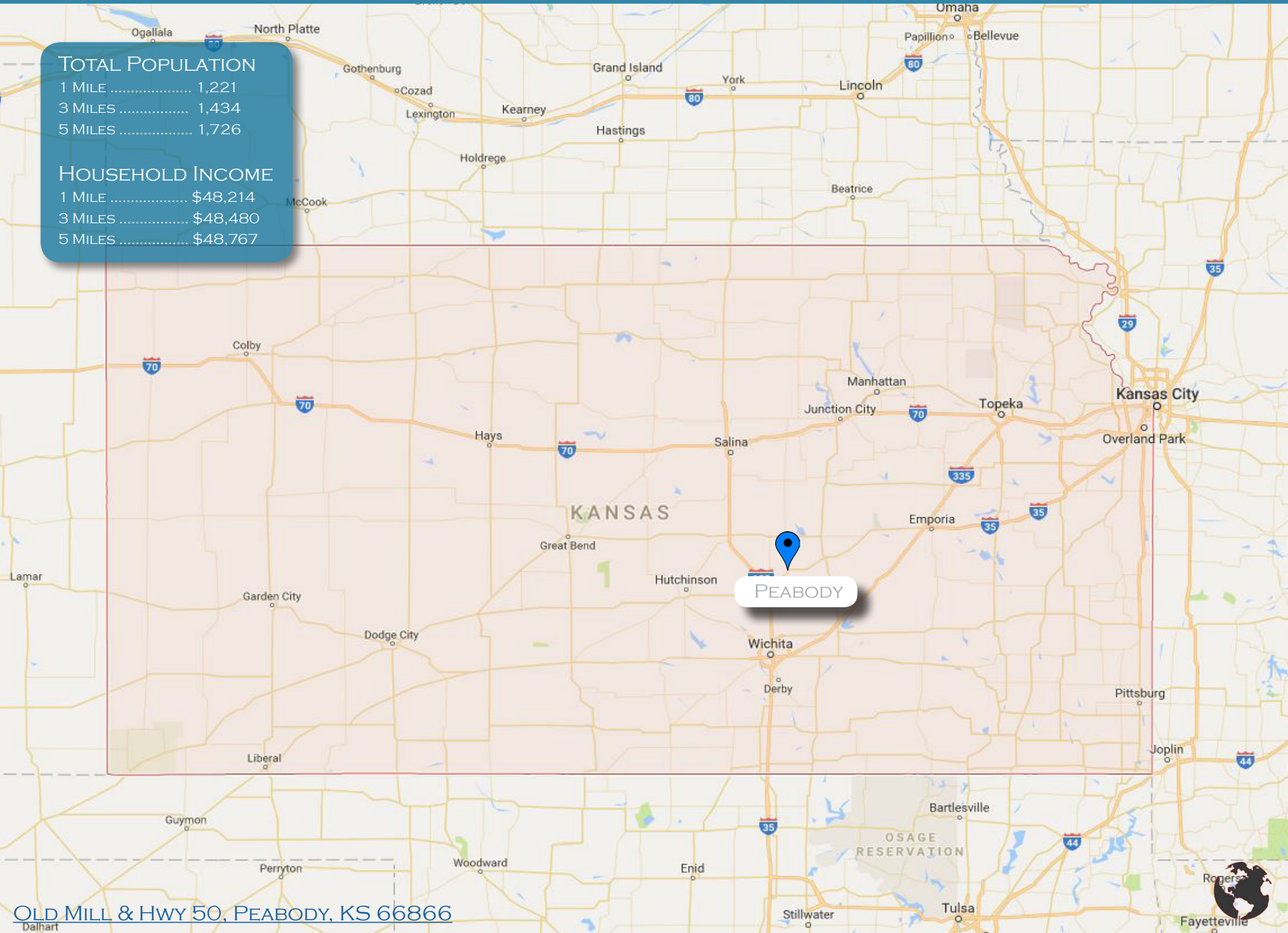


TOTAL POPULATION

1 MILE .....	1,221
3 MILES .....	1,434
5 MILES .....	1,726

HOUSEHOLD INCOME

1 MILE .....	\$48,214
3 MILES .....	\$48,480
5 MILES .....	\$48,767



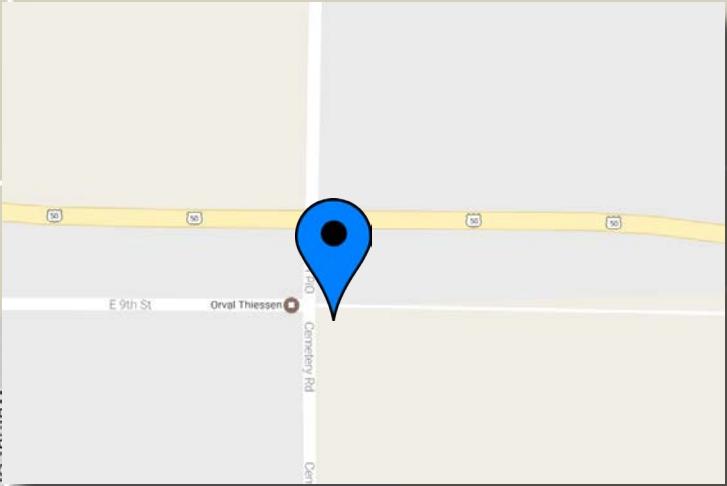


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Prairie Lawn Cemetery

**DOLLAR GENERAL®**







1,726 People Live  
Within 5 Miles

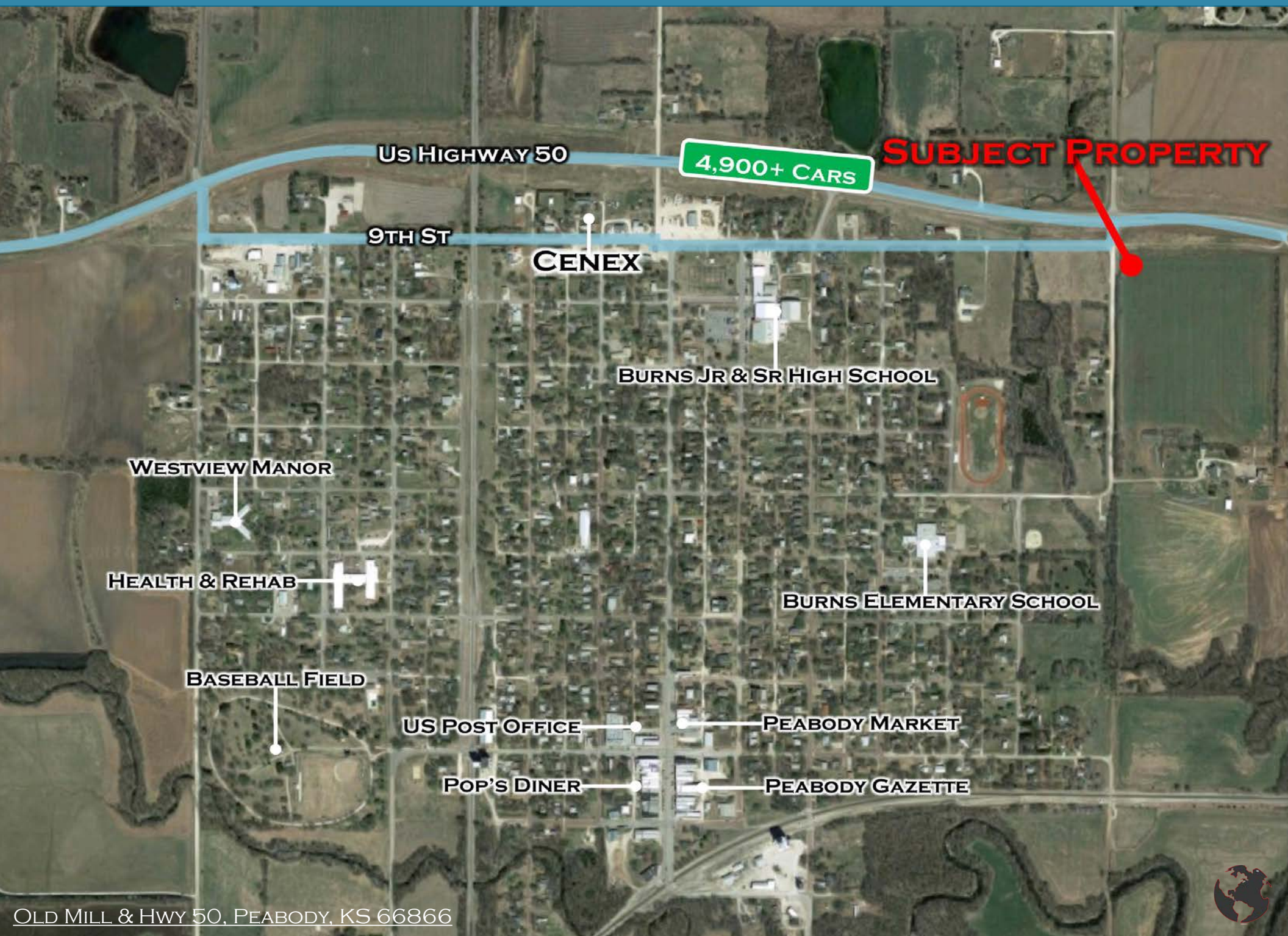


Average  
Household  
Income  
Exceeds  
\$48,767  
Within 5  
Miles

12 MILES TO NEWTON









# Peabody KS

Peabody which is located in proximity to Newton which is a city in and the county seat of Harvey County, Kansas. As of the 2010 census, the city population was 19,132. Newton is located 25 miles north of Wichita. The city of North Newton is located immediately north, existing as a separate political entity.

Newton is included in the Wichita metropolitan statistical area (MSA). It is located in Harvey County which is an agricultural and small manufacturing county with 34,361 people. Harvey County Kansas is part of a 5 county Metro Area with 650,000 people, the largest anchored in the state of Kansas.

Areas of interest include, Kansas Sports Museum, Warkentin House, and the Blue Sky Sculpture. BNSF Railway pass through Newton for transportation and shipping. Amtrak's Southwest Chief stops in Newton twice each day and provides passenger rail service towards Los Angeles and Chicago. The Amtrak station is located at 414 N Main St.

There are over 69 businesses within 5 miles of the site, with three top industries being Healthcare, Retail & Construction. Residents living within a 3 mile radius are expected to spend over \$14 Million on consumer products this year. 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	1,221	1,434	1,726
TOTAL BUSINESSES	62	67	69
AVERAGE AGE	43.80	43.90	43.60
HOUSEHOLDS			
2016 TOTAL HOUSEHOLDS	485	566	678
HOUSHOLD INCOME	\$48,214	\$48,480	\$48,767
AVERAGE HH VEHICLES	2.00	2.00	1.00
AVERAGE HH SIZE	2.40	2.40	2.40
HOUSING			
MEDIAN HOME VALUE	\$67,471	\$68,668	\$70,764

