

NEW DOLLAR GENERAL

15 YEAR ABSOLUTE NNN LEASE



25460 STATE ROUTE 2, SOUTH BEND, IN 46619

NOT ACTUAL STORE

 **FORTIS NET LEASE**
INVESTMENT REAL ESTATE SERVICES

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INVESTMENT OFFERING



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PRICE	\$1,552,125
CAP RATE	6.40%
CURRENT NOI	\$99,336
LEASE TYPE:	15 YEAR ABS. NNN
RESPONSIBILITIES:	NONE
TENANT:	DOLLAR GENERAL
GUARANTEE:	CORPORATE
STRENGTH:	S&P: BBB
SQUARE FEET:	9,100



Representative Store - Not Actual Store

Fortis Net Lease is pleased to present this 9,100 SF Dollar General store located in South Bend, IN. The property is encumbered with a Fifteen (15) Year Absolute NNN Lease, leaving zero landlord responsibilities. 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. The rent is anticipated to commence on 2/1/2018.

This Dollar General will be highly visible as it is strategically positioned on State Route 2, in South Bend, IN. The five mile population from the site exceeds 47,000, while the one mile median household income exceeds \$58,011 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 brand new 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 6.40% cap rate based on NOI of \$99,336.

- ▣ Brand New Absolute NNN Lease
- ▣ Zero Landlord Responsibilities
- ▣ 15 Year Term | Five (5 Year) Options
- ▣ One Mile Household Income \$58,011
- ▣ Five Mile Population Exceeds 47,000
- ▣ Only Investment Grade Dollar Store
- ▣ 19,735 Cars Per Day on Route 2



YEAR BUILT	2018
STORE STYLE	PROTOTYPE
ACREAGE	+/- 1.17 ACRES
SQUARE FEET	9,100
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	25460 STATE ROUTE 2, SOUTH BEND, IN
LEASE TYPE	ABSOLUTE NNN
PRIMARY TERM	FIFTEEN (15) YEARS
RENT START	2/1/2018
RENT END	2/28/2033
ANNUAL RENT	\$99,336
RENT INCREASES	10% AT OPTIONS
OPTION PERIODS	FIVE (5) FIVE (5) YEAR OPTIONS
WEBSITE	WWW.DOLLARGENERAL.COM

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-15	\$99,336	\$8,278	-	6.40%
16-20 (OPTION 1)	\$109,809.60	\$9,150.80	10%	7.04%
21-25 (OPTION 2)	\$120,196.56	\$10,016.38	10%	7.74%
26-30 (OPTION 3)	\$132,218.16	\$11,018.18	10%	8.51%
31-35 (OPTION 4)	\$145,437.72	\$12,119.81	10%	9.37%
36-40 (OPTION 5)	\$159,981.36	\$13,331.78	10%	10.30%



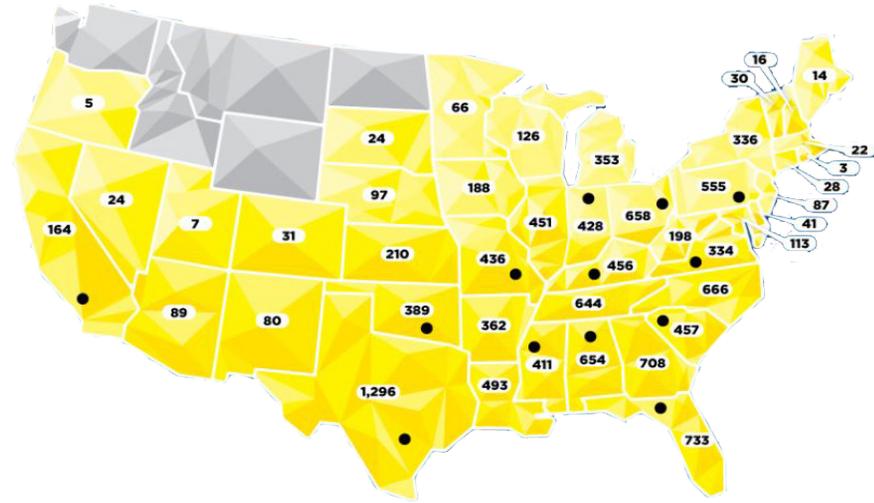
Representative Store - Not Actual Store

[25460 STATE ROUTE 2, SOUTH BEND, IN 46619](http://WWW.DOLLARGENERAL.COM)



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, with an expected 1,000 opening for 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 record sales, operating profit and net income. Most recently the first quarter 2017 sales rose by 6.50%, in comparison to Q1 2016. During the same time period, same store sales continued their growth trend, with an increase of 0.70% Dollar General's net income and diluted earnings per share (EPS) for Q1 2017 was \$279 million and \$1.02, respectively. The Company's earnings, adjusted for non-recurring costs totaled \$1.03 per share, topped Wall Street's expectations of \$0.99 per share. Dollar General is ranked #128 on the Fortune 500, an 11 spot jump from the previous year ranking.



"Investment Grade" S&P Rating of BBB



\$20.4 Billion in Sales in Fiscal 2016



1st Quarter 2017 Net Sales Increased 6.50%



Same-Store Sales Increased 0.7% Q1 16-17

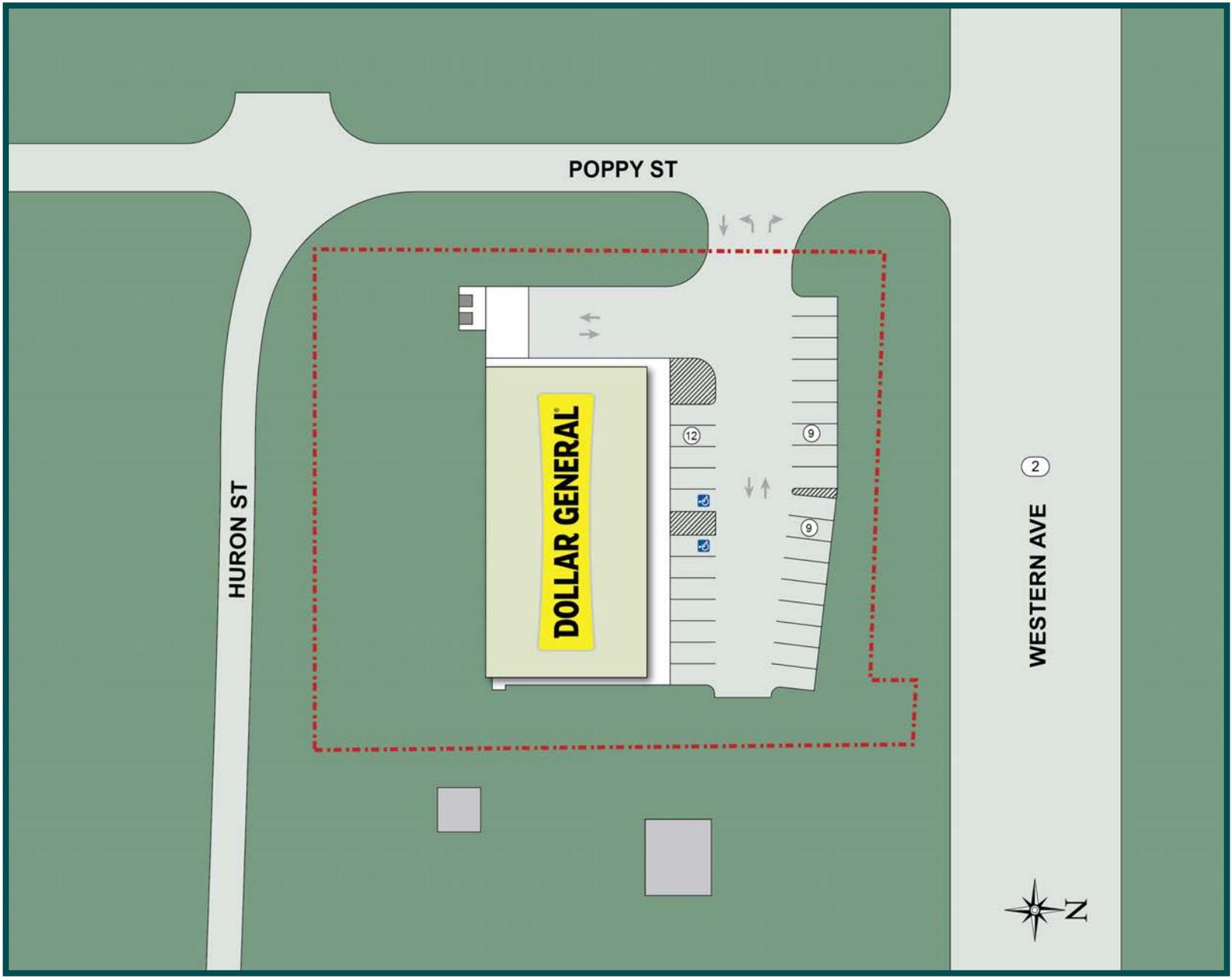


Gross Profit Rate was 30.3% in Q1 2017



Ranked #128 on Fortune 500







AmeriGas

Hostess Brands

ROYAL INN

UNITED RENTALS

INDIANA
2

SR 2 (Western Ave)

INDIANA
2

CAT

ANGLES
BAR &
GRILL

WOLFE'S AUTO AUCTION

DOLLAR GENERAL



JOHN DEERE

KELLY'S SOUTHSIDE
STORAGE





DOLLAR GENERAL

SR 2 (Western Ave)

INDIANA
2

INDIANA
2

31

31





SOUTH BEND INTERNATIONAL AIRPORT
(10 MIN)

UNIVERSITY OF NOTRE
DAME (19 MIN)



SOUTH BEND (17 MIN)



DOLLAR GENERAL



South Bend, IN

South Bend is a city in and the county seat of St. Joseph County, Indiana, on the St. Joseph River near its southernmost bend, from which it derives its name. As of the 2010 census, the city had a total of 101,168 residents; its Metropolitan Statistical Area had a population of 318,586 and Combined Statistical Area of 721,296. It is the fourth-largest city in Indiana, serving as the economic and cultural hub of Northern Indiana. The highly ranked University of Notre Dame is located just to the north in unincorporated Notre Dame, Indiana and is an integral contributor to the region's economy.

There are over 1,379 businesses within five miles of the site, with three top industries being Retail, Construction, and Healthcare. Residents living within a five mile radius are expected to spend over \$346 Million on consumer products in the calendar year of 2017. Given that this Dollar General has very little competition, the site is expected to be a very profitable location for Dollar General.

POPULATION	1 MILE	3 MILE	5 MILE
2017 TOTAL POPULATION	1,901	16,568	47,400
2022 TOTAL POPULATION	1,921	16,729	47,885
POPULATION GROWTH	1.05%	0.97%	1.02%
HOUSEHOLDS			
2017 TOTAL HOUSEHOLDS	779	6,325	16,927
HOUSHOLD INCOME	\$58,011	\$44,329	\$38,057
CONSUMER SPENDING	\$20,144M	\$140,853M	\$346,531M
AVERAGE HH SIZE	2.40	2.60	2.70
HOUSING			
MEDIAN HOME VALUE	\$131,861	\$91,066	\$80,164

