

OFFERING MEMORANDUM

DOLLAR GENERAL

104 NORTH STREET | LATHROP, MO 64465





Representative Photo

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EXECUTIVE OVERVIEW



LIST PRICE

\$600,000



CAP RATE

7.36%



GLA

± 8,125 SF



YEAR BUILT

2003

PROPERTY DETAILS

- Over 7 years remaining on a NN Lease
- New HVAC system: Replaced in 2016
- 10% increase in the base rent in 2020
- Strong Performing Store: 1.8 Million in sales

LOCATION

- Strategically located 2 miles off of I-35
- Just 0.1 mile away from Lathrop High School
- Less than an hour away from Kansas City International Airport
- Average Household Income in Dollar General's "Sweet-Spot"

TENANT

- Investment grade tenant: S&P credit rating: BBB
- Dollar General currently operates over 13,000 stores across the U.S.
- Dollar General is among the largest discount retailers in the country

FINANCIAL OVERVIEW

TENANT SUMMARY

Tenant Trade Name	Dollar General
Property Address	104 North Street Lathrop, MO 64465
Assessor's Parcel Number	10 06.1 24 004 001 006.002
Type of Ownership	Fee Simple
Lease Guarantor	Dollar General
Lease Type	NN
Roof and Structure	Landlord
Original Lease Term	10 Years
Rent Commencement Date	3/1/2013
Lease Expiration Date	8/31/2025
Term Remaining on Lease	7 Years
Increase	10% to Base Rent in 2020
Options	None

PARCEL MAP



ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Increases	Cap Rate
Current-8/31/2020	\$2,300 + (2.5% of Sales over \$1,104,000)	\$27,600 + (2.5% of sales over \$1,104,000)		7.36%
9/1/2020-8/31/2025	\$2,500 + (2.5% of sales over \$1,200,000)	\$30,000 + (2.5% of sales over \$1,200,000)	10.00%	

TENANT OVERVIEW

DOLLAR GENERAL®

TENANT OVERVIEW

Dollar General is the fast-growing retailer that boasts roughly 13,000 discount stores in over 40 US states, mostly in the South, East, the Midwest, and the Southwest. It generates about 75% of its sales from consumables (including refrigerated, shelf-stable, and perishable foods) and another 10% from seasonal items. The stores also offer household products and apparel. Pricing its items at \$10 or less, Dollar General targets low-, middle-, and fixed-income shoppers while selling brand-name products from manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo, and Coca-Cola.

The retailer devotes its dollars to promotional circulars, targeted circulars that support new stores, television and radio advertising, in-store signage, and costs associated with the sponsorship of certain auto racing activities. Because Dollar General's customers typically live in small towns, the company doesn't allocate ample amounts of money to advertising. It has spent increasingly more on advertising in recent years, however, as the company expands its stores' footprint.

STRATEGY

With its small-box stores typically measuring some 9,100 sq. ft, Dollar General targets cost-conscious consumers that prefer easier and quicker access to items than at super-sized competitors such as Wal-Mart and Costco (which are also often much farther away). Indeed, Dollar General's strategy of catering to the value conscious has paid off big, both during and after the recession. The discount retailer boasted its 26th consecutive year of same-store sales growth in 2016 (ended January), attributable to its value and convenience proposition.

OPERATIONS

Dollar General's massive stores network is supported by 13 distribution centers that are strategically located throughout its geographic footprint. Dollar General owns several trademarks, including Dollar General, Dollar General Market, Clover Valley, DG, DG Deals, Smart & Simple, trueliving, Forever Pals, I*Magine, OT Sport, and Sweet Smiles. It also boasts a few licenses, such as Bobbie Brooks and Fisher Price for clothing and Rexall for health and beauty aids.

COMPANY NAME:

Dollar General

PARENT COMPANY TRADE NAME:

Dollar General Corporation (NYSE: DG)

OWNERSHIP:

Public

CREDIT RATING (S&P):

BBB

NO. OF LOCATIONS:

± 13,000

NO. OF EMPLOYEES:

± 113,400

HEADQUARTERS:

Goodlettsville, TN

WEBSITE:

www.dollargeneral.com

YEAR FOUNDED:

1939

AREA OVERVIEW

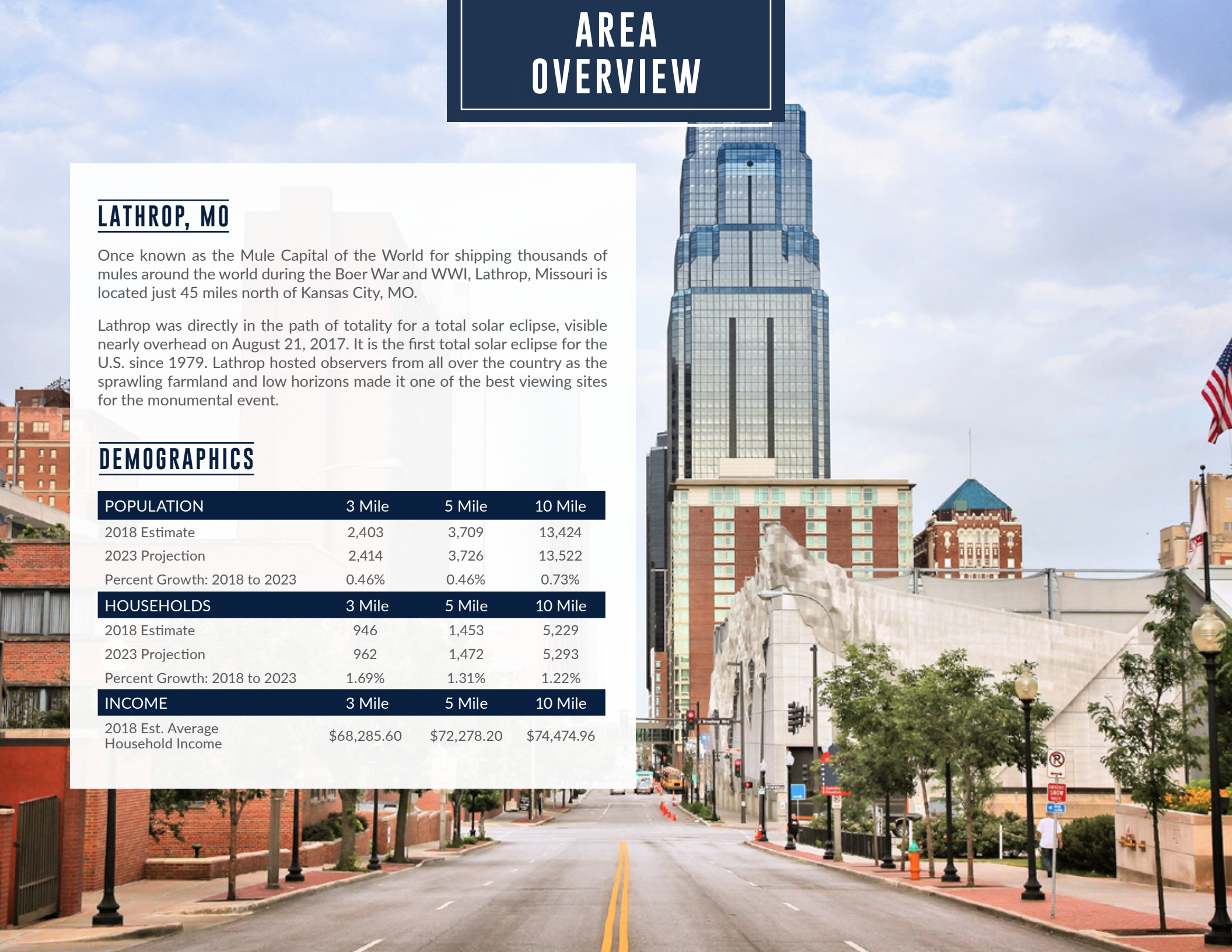
LATHROP, MO

Once known as the Mule Capital of the World for shipping thousands of mules around the world during the Boer War and WWI, Lathrop, Missouri is located just 45 miles north of Kansas City, MO.

Lathrop was directly in the path of totality for a total solar eclipse, visible nearly overhead on August 21, 2017. It is the first total solar eclipse for the U.S. since 1979. Lathrop hosted observers from all over the country as the sprawling farmland and low horizons made it one of the best viewing sites for the monumental event.

DEMOGRAPHICS

POPULATION	3 Mile	5 Mile	10 Mile
2018 Estimate	2,403	3,709	13,424
2023 Projection	2,414	3,726	13,522
Percent Growth: 2018 to 2023	0.46%	0.46%	0.73%
HOUSEHOLDS	3 Mile	5 Mile	10 Mile
2018 Estimate	946	1,453	5,229
2023 Projection	962	1,472	5,293
Percent Growth: 2018 to 2023	1.69%	1.31%	1.22%
INCOME	3 Mile	5 Mile	10 Mile
2018 Est. Average Household Income	\$68,285.60	\$72,278.20	\$74,474.96





KANSAS CITY , MO

Kansas City, Missouri, lies on the western edge of Missouri. Among the 100 largest cities in the United States, it is the most centrally located in the lower 48 states. This central location makes it very competitive for employment involving transportation, communication, and distribution.

Kansas City covers 319 square miles and is home to approximately 464,000 residents, making it the largest city in Missouri, both in area and in population. Its area is the 11th largest among United States cities that are not consolidated with counties. Its population is the 37th largest in the United States.

Kansas City is a regional headquarters of the Federal Reserve Bank and contains the headquarters for Hallmark Cards, DST, Russell Stover Candies, Kansas City Southern Railway, H&R Block, Boulevard Brewing, and American Century Investments.

Kansas City has the most freeway lanes per capita of any United States city. It is one of only six cities in the nation with four primary interstate highways within its City limits (I-70, I-35, I-29, and I-49).

Kansas City is a large, prosperous, self-sufficient and culturally rich city located astride the Missouri River. For the past 20 years, the big growth has been on the Kansas side to the southwest in suburbs like Overland Park, Lenexa, and Shawnee.

The attractive downtown boasts museums and architectural attractions, including modern buildings and restorations of older sites such as the 1914 Union Station. More recently, a major urban redevelopment and renewal effort has taken hold, anchored by a new Federal Reserve and IRS complex expected to employ 7,000 and a new headquarters for financial services giant H&R Block, plus a new entertainment district. These developments and more renovations of attractive older buildings are adding life to the area, and there is also a significant push towards residential units in the city.



KANSAS CITY CHIEFS

The Kansas City Chiefs are a professional American football team who compete in the National Football League (NFL). The team originally called Dallas Texas home, but relocated to Kansas City in 1963. The Chiefs have won three AFL championships and became only the second AFL team to defeat an NFL team in the AFL-NFL World Championship game. The Chiefs play at Arrowhead Stadium which recently underwent a \$375 million renovation.

A study commissioned by the NFL and conducted by Washington-based Edgeworth Economics placed the average economic effect of NFL teams on local communities at \$160 million, or \$20 million per game for an eight home-game season. This takes into account the money spent at near-by restaurants, hotels, retail, entertainment and transportation during the season. Those numbers go up if the Chiefs lock in a home playoff game.

KANSAS CITY ROYALS

The Kansas City Royals are a professional baseball team that competes in Major League Baseball (MLB). The Royals play at Kauffman Stadium, formerly known as Royals Stadium. The MLB team has been to the world series four times, winning twice, once in 1985 and again recently in 2015.

The Royals have an economic impact on the region in the same way the Chiefs contribute to the economy through near-by restaurants, hotels, retail, entertainment and transportation. The Chiefs and Royals combined bring anywhere from \$250 million to \$300 million annually to the area.

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General** located at **104 North Street, Lathrop, MO 64465** (**"Property"**). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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