

# Dollar General

## Exclusive Net-Lease Offering



OFFERING  
MEMORANDUM

**DOLLAR GENERAL®**

1356 Main Street, New Milford, PA 18834

# Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

## CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

## NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Activity ID: Z0330625

**DOLLAR GENERAL®**

1356 Main Street, New Milford, PA 18834



## Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Surrounding Area	7
Location Overview	8
Property Photos	9-10
Maps	11-12
Demographics / Market Overview	13-14

**DOLLAR GENERAL®**







# Investment Highlights

PRICE: \$1,879,353 | CAP: 6.80% | RENT: \$127,796

**DOLLAR GENERAL®**

## About the Investment

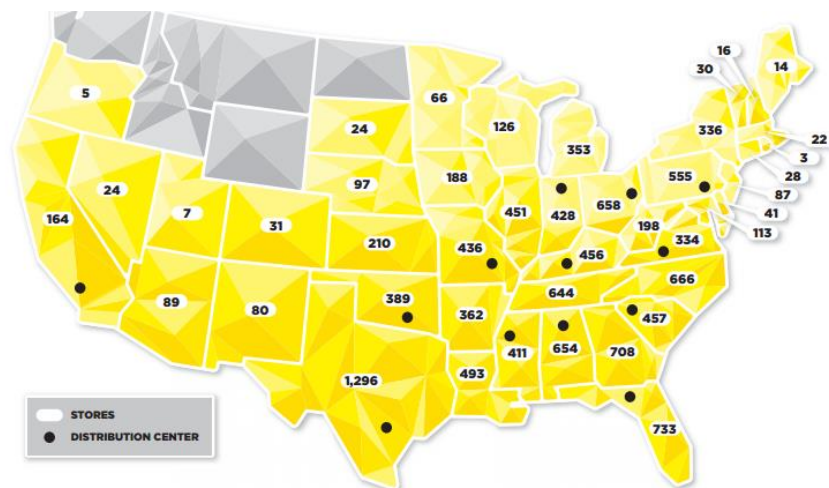
- ✓ Brand New Construction | Build-to-Suit Dollar General
- ✓ Roughly 14 Years Remaining on an Original 15-Year Absolute Triple Net (NNN); Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Attractive Rental Increases of 10% In Each Option Period
- ✓ Tenant Renewal Options: Three Periods of Five Years, Each bringing the Potential Lease Term Remaining to 30 Years
- ✓ Corporate Location | Corporate Guarantee

## About the Location

- ✓ Limited Competition: The Nearest Dollar General is Located Approximately Four Miles Away
- ✓ Within a Five-Mile Radius of Local Airports: Tyler Airport, Tri-Cities Airport, and Boden Airport
- ✓ Heavily Trafficked Corridor - 25,000 Vehicles Per Day on Interstate 81 & 6,100 Vehicles Per Day on Main Street
- ✓ Subject Property is Located 27 Miles South of Binghamton, New York

## About the Tenant/Brand

- ✓ Investment Grade Credit (S&P:BBB)
- ✓ Lease Guaranteed by Dollar General Corporate (NYSE: DG)
- ✓ Prime Positioning to Serve its Target Market | Limited to No Competition in the Area
- ✓ Dollar General | Only Dollar Store With Investment Grade Credit
- ✓ As of November 2017, Dollar General Operated Over 14,321 Stores in 44 States





# Financial Analysis

PRICE: \$1,879,353 | CAP: 6.80% | RENT: \$127,796

**DOLLAR GENERAL®**

## PROPERTY DESCRIPTION

Property	Dollar General
Property Address	1356 Main Street
City, State, ZIP	New Milford, PA 18834
Year Built	2017
Building Size	10,566
Lot Size	+/- 1.93 Acres
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$1,879,353
CAP Rate	6.80%
Annual Rent	\$127,796
Price / SF	\$177.87
Rent / SF	\$12.10

## LEASE SUMMARY

Property Type	Net-Lease Dollar Store
Original Lease Term	15.0 Years
Lease Commencement	January 17, 2018
Lease Expiration	January 31, 2033
Lease Term Remaining	13.8 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Each Option Period
Options to Renew	Three (3), Five (5)-Year

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Initial Term	\$127,796	\$10,650	-
Option Periods			
Option 1	\$140,576	\$11,715	10.00%
Option 2	\$154,633	\$12,886	10.00%
Option 3	\$170,096	\$14,175	10.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Dollar General located at 1356 Main Street in New Milford, Pennsylvania. The property consists of 10,566 square feet of building space and is situated on roughly 1.93 acres of land.

The Dollar General opened in January 2018 and is subject to a 15-year absolute triple-net (NNN) lease. This lease commenced on January 17, 2018 and expires on January 31, 2033. The initial annual rent is \$127,796 is scheduled to increase 10% in each of the three, five-year renewal options.

Founded in Goodlettsville, Tennessee, Dollar General Corporation has been delivering value to shoppers for over 75 years. Dollar General helps shoppers Save time. Save money. Every day!® by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. With over 14,321 stores in 44 states Dollar General is among the largest discount retailer.

# Tenant Overview

## About Dollar General

Dollar General Corporation has been delivering value to shoppers for over 75 years. Dollar General helps shoppers Save time. Save money. Every day!® by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. With over 14,000 stores in 44 states Dollar General is among the largest discount retailers.

The company acquired the 280 stores of the P.N. Hirsh Division of Interco, Inc. (now Heritage Home Group) in 1983, and in 1985 added 206 stores and a warehouse from Eagle Family Discount Stores, also from Interco, Inc. In recent years, the chain has started constructing more stand-alone stores, typically in areas not served by another general-merchandise retailer. In some cases, stores are within a few city blocks of each other.

Dollar General offers both name brand and generic merchandise — including off-brand goods and closeouts of name-brand items — in the same store, often on the same shelf. Although it has the word "dollar" in the name, Dollar General is not a dollar store. Most of its products are priced at more than \$1.00. However, goods are usually sold at set price points the range of .50 to 60 dollars, not counting phone cards and loadable store gift cards. In the United States. In addition to high quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo and Coca-Cola.

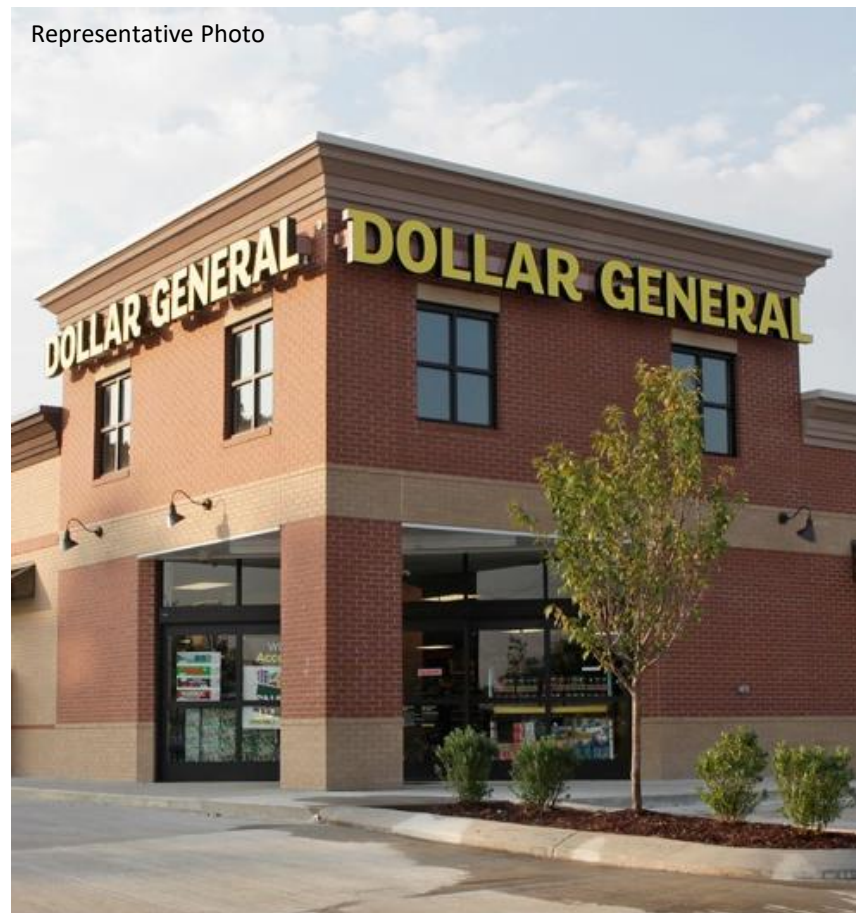
Dollar General often serves communities that are too small for Walmart stores (although many locations are in relatively close driving distance to a Walmart store or in the same communities that Walmart is located). It competes in the dollar store format with national chains Family Dollar and Dollar Tree, regional chains such as Fred's in the southeast, and numerous independently owned stores.

# DOLLAR GENERAL®

## General Information

Address	Goodlettsville, TN
Website	<a href="https://www.dollargeneral.com">https://www.dollargeneral.com</a>
Concentration	44 States

Representative Photo







# Surrounding Area

Property Address: 1356 Main Street, New Milford, PA 18834

**DOLLAR GENERAL®**

**DOLLAR GENERAL®**

Save time. Save money. **Every day!**



Queen of Hearts Bar and Grill



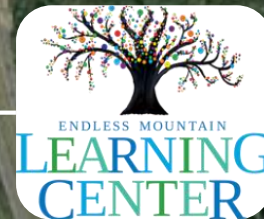
Lynn-Lee House Bed& Breakfast

New Milford Borough Business

Uncle Charlie's Bella Pizza

New Milford Bike Shop

Barnes-Kasson Health Center



MAIN STREET



# Location Overview

Property Address: 1356 Main Street, New Milford, PA 18834

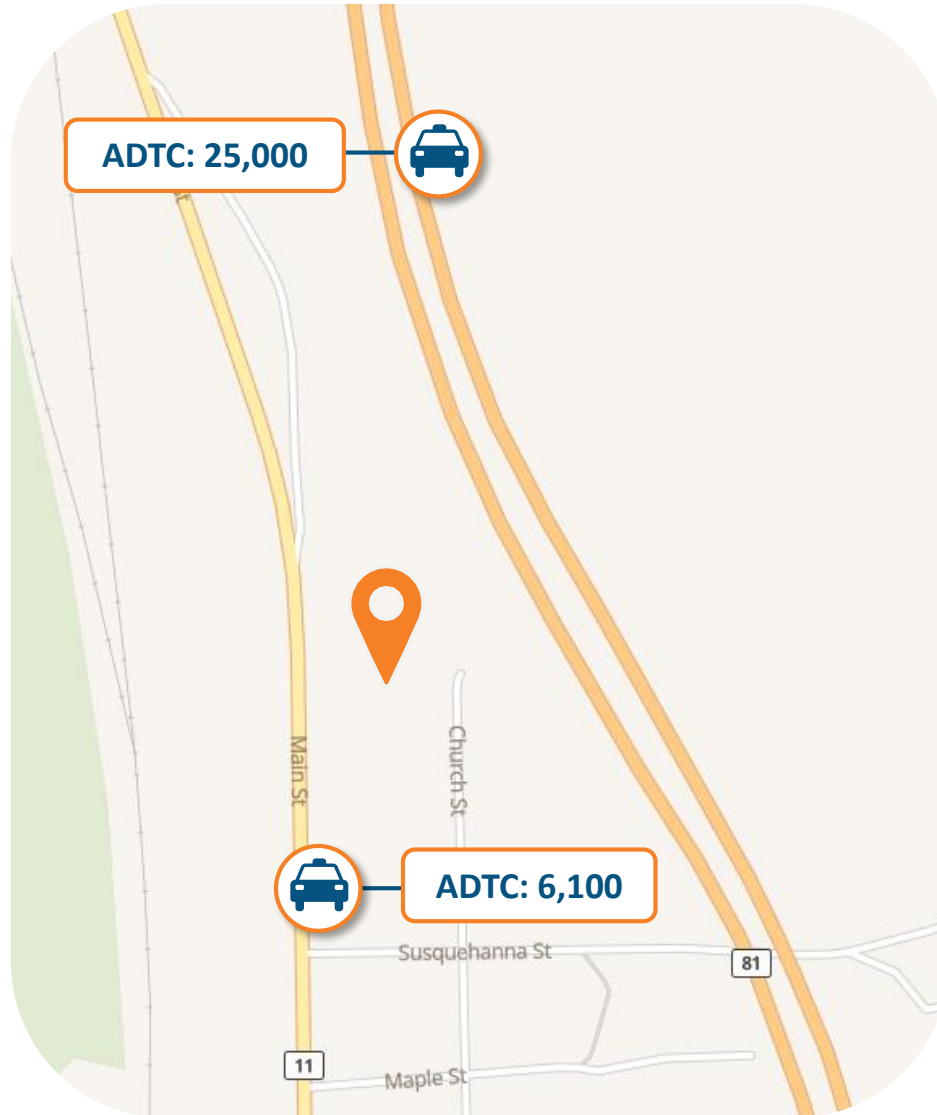
The subject investment property is situated on Main Street, which experiences an average daily traffic count of 6,100 vehicles. Immediately adjacent to Main Street is Interstate 81, which experiences an average daily traffic count of 25,000 vehicles. There are approximately 3,850 people within a five-mile radius and 20,018 people within a ten-mile radius.

This Dollar General is well-positioned in a suburban thoroughway consisting of national and local tenants, medical centers, automotive care, and local banks. National and local tenants in the area include: NBT Bank, United States Postal Service, Nationwide Insurance, Gordon's Engine Services, Barnes-Kason Health Center and many more.

This Dollar General benefits from nearby academic institutions. The Blue Ridge School District is four miles away from the subject property and has a total enrollment exceeding 1,000 students. The subject property also benefits from nearby hospitals. Barnes Kason Hospital and Our Lady of Lourdes Memorial Hospital are both within a four-mile radius of the property and have a combined bed count of 359 beds.

New Milford is located 26 miles south of Binghamton, New York. Binghamton is the principal city and cultural center of the Binghamton metropolitan area, home to a quarter million people. In the days of the railroad, the city was a transportation crossroads and a manufacturing center, and has been known at different times for the production of cigars, shoes, and computers. IBM was founded nearby, and the flight simulator was invented in the city, leading to a notable concentration of electronics- and defense-oriented firms. This sustained economic prosperity earned Binghamton the moniker of the Valley of Opportunity. Today, there is a continued concentration of high-tech firms, Binghamton is emerging as a healthcare and education focused city, with the presence of Binghamton University acting as much of the driving force behind this revitalization. There is also a large presence of food services and distribution companies in Binghamton. Both Maines Paper & Food Service and Willow Run Foods are headquartered in the region, and are two of the largest food distributors in the country, servicing a large region of restaurants and chains throughout the United States. Crowley Foods, a subsidiary of HP Hood, maintains their headquarters in Binghamton and Frito-Lay has a large plant in the region. The development of large student housing projects has resulted in a resurgence of restaurants and service-oriented business downtown.

**DOLLAR GENERAL®**







# Property Photo

**DOLLAR GENERAL®**







# Property Photo

**DOLLAR GENERAL®**



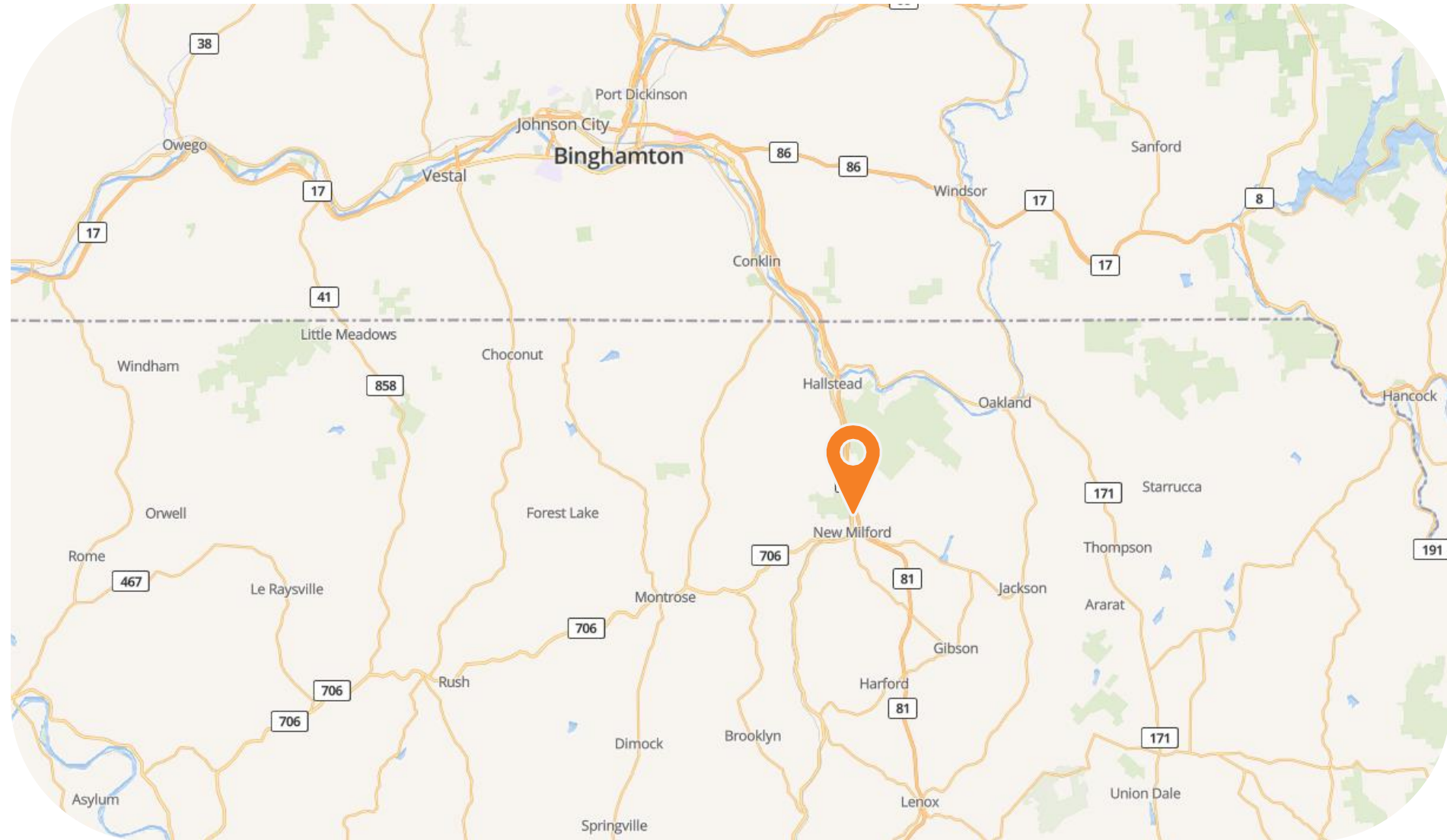




# Local Map

Property Address: 1356 Main Street, New Milford, PA 18834

**DOLLAR GENERAL®**

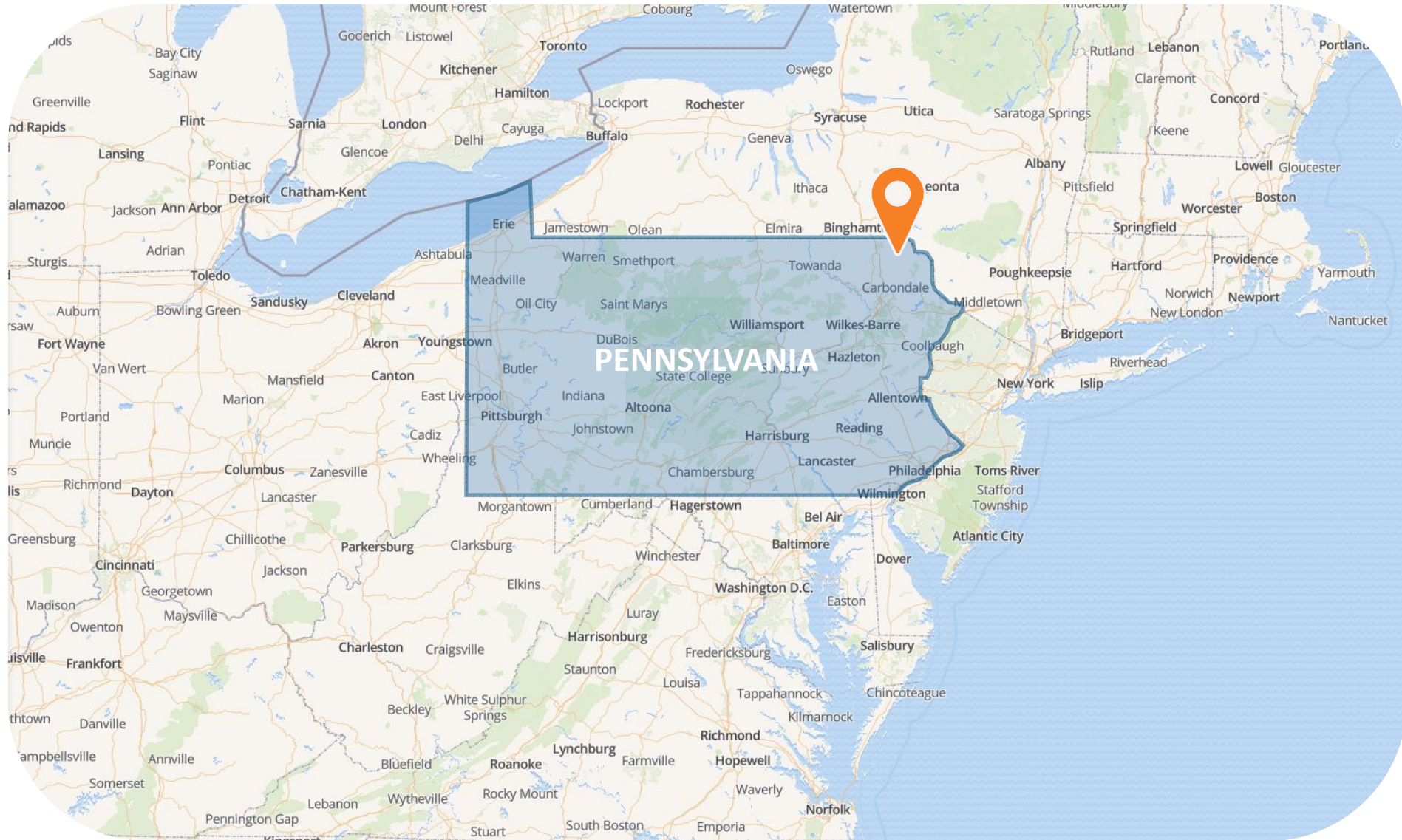




# Regional Map

Property Address: 1356 Main Street, New Milford, PA 18834

**DOLLAR GENERAL®**



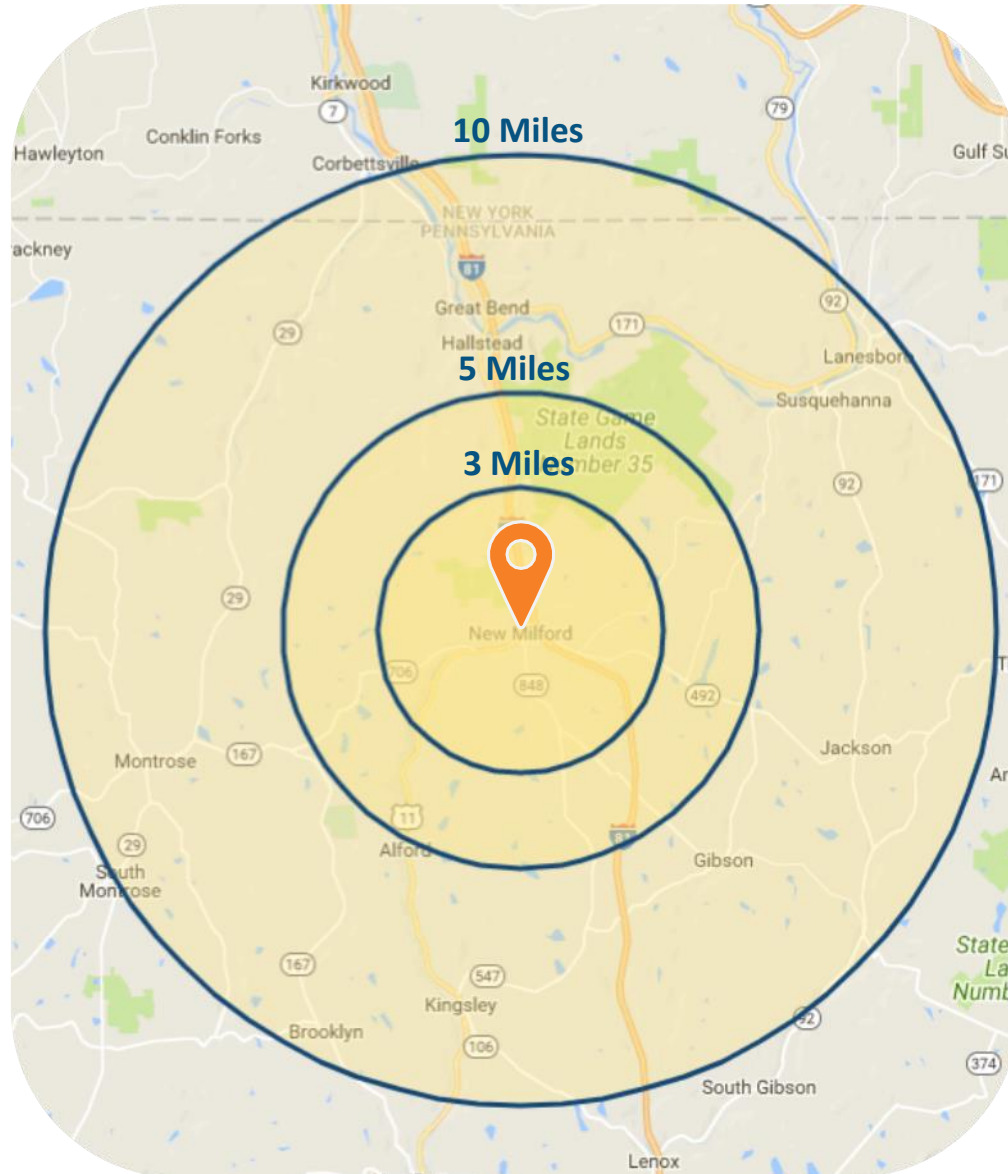




# Demographics

Property Address: 1356 Main Street, New Milford, PA 18834

## DOLLAR GENERAL®



**3 Miles 5 Miles 10 Miles**

### Population Trends:

2022 Projection	1,595	3,996	18,840
2017 Estimate	1,633	4,163	19,448
2010 Census	1,710	4,693	21,131
Growth 2017 - 2022	-2.33%	-4.01%	-3.13%
Growth 2010 - 2017	-4.50%	-11.29%	-7.96%
2017 Population Hispanic Origin	29	80	343

### Population by Race (2017):

White	1,595	4,076	18,983
Black	18	37	124
American Indian & Alaskan	2	8	46
Asian	5	10	77
Hawaiian & Pacific Island	0	0	6
Other	14	33	211

### Household Trends:

2022 Projection	672	1,638	7,781
2017 Estimate	689	1,706	8,030
2010 Census	721	1,921	8,718
Growth 2017 - 2022	-2.47%	-3.99%	-3.10%
Growth 2010 - 2017	-4.44%	-11.19%	-7.89%
Owner Occupied	524	1352	6066
Renter Occupied	164	354	1964

### Average Household Income (2017):

**\$60,647 \$63,011 \$61,365**

### Households by Household Income (2017):

<\$25,000	133	311	2017
\$25,000 - \$50,000	207	497	2033
\$50,000 - \$75,000	190	425	1677
\$75,000 - \$100,000	56	190	996
\$100,000 - \$125,000	33	128	637
\$125,000 - \$150,000	28	65	283
\$150,000 - \$200,000	39	75	252

### Median Household Income (2017):

**\$50,533 \$52,557 \$49,546**



# Market Overview



**Binghamton** is the principal city and cultural center of the Binghamton metropolitan area, home to a quarter million people. In the days of the railroad, the city was a transportation crossroads and a manufacturing center, and has been known at different times for the production of cigars, shoes, and computers. IBM was founded nearby, and the flight simulator was invented in the city, leading to a notable concentration of electronics- and defense-oriented firms. This sustained economic prosperity earned Binghamton the moniker of the Valley of Opportunity.

Today, there is a continued concentration of high-tech firms, Binghamton is emerging as a healthcare and education focused city, with the presence of Binghamton University acting as much of the driving force behind this revitalization. There is also a large presence of food services and distribution companies in Binghamton. Both Maines Paper & Food Service and Willow Run Foods are headquartered in the region, and are two of the largest food distributors in the country, servicing a large region of restaurants and chains throughout the United States. Crowley Foods, a subsidiary of HP Hood, maintains their headquarters in Binghamton and Frito-Lay has a large plant in the region. The development of large student housing projects has resulted in a resurgence of restaurants and service-oriented business downtown.

## Major Employers

Employers	Estimated # of Employees
US Air Force Recruiting	254
Barnes Kasson Home Health	250
Barnes-Kasson County Hospital	242
County of Susquehanna	209
Ray Petty	153
Wayne Memorial Community Hlth Ctr	120
MONTROSE AREA JUNIOR-SENIOR HI	117
McDonalds	110
Price Chopper 185	100
County Commissioners	99
Blue Ridge Elementary School	97
Endless Mountains Health Systems	93



Marcus & Millichap  
**EXCLUSIVE NET LEASE OFFERING**

**DOLLAR GENERAL®**

Marcus & Millichap Real  
Estate Investment  
Services of Seattle, Inc.  
Tel: (215) 531-7000  
License  
Number: RB062197C