



OFFERING MEMORANDUM

DOLLAR GENERAL

697 COLONIAL TRAIL E | SURRY, VA



EXCLUSIVELY LISTED BY

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EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- Extended the lease early showing commitment to the location
- Lease incorporates three 5-year Extension Extensions with an attractive 10% increase
- Average household income considered in Dollar General's sweet spot
- Located less than 5 miles away from the Jamestown Ferry
- Sits just 10 miles outside a Williamsburg home to 15,000 residents
- Just 30 minutes outside Newport News, VA home to about 200,000 residents
- This property serves the Surry market and surrounding area as the premier stop for convenience and affordable groceries and refrigerated goods
- Dollar General is the market leader in Dollar Stores, and currently has ±14,000 stores and is aggressively expanding building close to 1,000 stores annually
- Strong investment grade tenant; Standard & Poor's rating of BBB, which was recently upgraded from its previous rating of BBB-

FINANCIAL OVERVIEW

DOLLAR GENERAL

697 Colonial Trail E

Surry, VA 23883

List Price \$844,862

CAP Rate - Current.....8.00%

Gross Leasable Area±9,014 SF

Lot Size ±1.07 Acres

Year Built.....2007

ANNUALIZED OPERATING DATA

Term	Monthly Rent	Annual Rent	Cap Rate
6/1/2017-12/31/2022	\$5,632.42	\$67,589.04	8.00%
1/1/2023-12/31/2027 (Extension)	\$6,172.08	\$74,064.96	8.77%
1/1/2028-12/31/2032 (Extension)	\$6,530.00	\$78,360.00	9.27%
1/1/2033-12/31/2037 (Extension)	\$7,183.00	\$86,196.00	10.20%

TENANT SUMMARY

Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Dollar General
Lease Type	NN+
Roof and Structure	Landlord Responsibility
Lease Term	10 Years
Rent Commencement Date	5/18/2007
Lease Expiration Date	12/31/2022
Term Remaining on Lease	±4.5 Years
Increases	10% At Each Extension
Extensions	Three, 5-Year Extensions

DOLLAR GENERAL®

TENANT OVERVIEW

DOLLAR GENERAL®

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.



Dollar General Corporation
(NYSE: DG)



Credit Rating (S&P)
BBB



±13,000 Locations



± 113,400 Employees



Headquartered:
Goodlettsville, TN



Founded: 1939



www.dollargeneral.com

SURROUNDING TENANTS



AREA OVERVIEW

SURRY, VIRGINIA

Sitting just outside of Richmond, close to the James River which leads out to the Atlantic, Surry is a charming town with a great amount of history. The town is the county seat of Surry County and was named after the historic Surrey, England. Surry holds an enormous amount of Civil War history, and many museums and historical landmarks can be found in the area.

Surry County's Department of Economic Development works diligently to support business location, growth, and development. Their goal is to foster economic opportunity in the area and promote the dynamic blend of assets and environment that the city has to offer.

The county has a very welcoming business climate and a healthy economy, with an unemployment rate below the national average. Surry County also has a strong average household income, with families in a 10-Mile radius averaging over \$100,000 of income annually. A plurality of residents work in governmental roles.

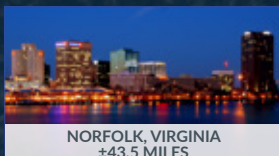
AREA DEMOGRAPHICS

POPULATION	3-Mile	5-Mile	10-Mile
2018 Estimate	1,358	2,598	33,342
HOUSEHOLDS	3-Mile	5-Mile	10-Mile
2018 Estimate	576	1,076	13,656
INCOME	3-Mile	5-Mile	10-Mile
Average Household Income 2018	\$62,946	\$64,441	\$101,506



LOCATION

DISTANCE TO:



DOLLAR GENERAL

RICHMOND, VIRGINIA

Richmond is the capital of the Commonwealth of Virginia, in the United States. It is the center of the Richmond Metropolitan Statistical Area (MSA) and the Greater Richmond Region. Since 1871, Richmond has been an independent city. The city is located at the fall line of the James River, 44 miles west of Williamsburg, 66 miles east of Charlottesville, and 98 miles south of Washington, D.C. Surrounded by Henrico and Chesterfield counties, the city is located at the intersections of Interstate 95 and Interstate 64, and encircled by Interstate 295 and Virginia State Route 288. Major suburbs include Midlothian to the southwest, Glen Allen to the north and west, Short Pump to the west and Mechanicsville to the northeast.

Richmond's economy is primarily driven by law, finance, and government, with federal, state and local governmental agencies, as well as notable legal and banking firms, located in the downtown area. The city is home to both the United States Court of Appeals for the Fourth Circuit, one of the 13 Reserve Banks, as well as offices for international companies such as Genworth Financial, Capital One, Philip Morris USA, and numerous other banks and brokerages. Richmond is also home to four of the largest law firms in the United States; Hunton & Williams, McGuireWoods, Williams Mullen, and LeClairRyan.

The city also offers many activities in the arts and culture sectors. Several of the city's large general museums are located near the Boulevard. On Boulevard proper are the Virginia Historical Society and the Virginia Museum of Fine Arts, lending their name to what is sometimes called the Museum District. As the primary former Capital of the Confederate States of America, Richmond is home to many museums and battlefields of the American Civil War. Near the riverfront is the Richmond National Battlefield Park Visitors Center and the American Civil War Center at Historic Tredegar.



University of Richmond

The University of Richmond is a private, nonsectarian, liberal arts college located in the city of Richmond, Virginia. The University of Richmond is a primarily undergraduate, residential university with approximately 4,350 undergraduate and graduate students in five schools: The School of Arts and Sciences, the E. Claiborne Robins School of Business, the Jepson School of Leadership Studies, the University of Richmond School of Law and the School of Professional & Continuing Studies.

Richmond offers more than 100 majors, minors, and concentrations. The School of Continuing Studies, primarily an evening school focused on part-time adult students, offers additional degree programs in selected areas.



4,181
STUDENTS



8:1
STUDENT-TEACHER RATIO



170+
STUDENT CLUBS & ORGANIZATIONS

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General** located at **697 Colonial Trail E Surry, VA 23883** (**"Property"**). It has been prepared by Matthews Retail Advisors. 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 Retail Advisors. 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:

1. The Offering Memorandum and its contents are confidential;
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.

Owner and Matthews Retail Advisors expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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 Retail Advisors 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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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES