

3116 Stillman Blvd, Tuscaloosa, AL 35401

Dollar General



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Investment Highlights

Strong, Growing Market of Tuscaloosa, AL

- This market witnessed substantial growth of almost 22.2% over the past five years; Significant growth is projected to continue
- Dense population of nearly 9,500 residents within a 1-mile radius and over 60,740 residents within a 3-mile radius
- Tuscaloosa is one of the largest cities in Alabama and a major, regional hub for commercial, educational and medical industries
- The University of Alabama, one of the largest and most recognizable schools in the country, is located in Tuscaloosa, AL
- This location is part of the major retail thoroughfare in Tuscaloosa and is just a few miles away from the Tuscaloosa Regional Airport, the University of Alabama (37,665 Students), Stillman College (15,865 Students) and several Tuscaloosa School District Campuses

Proven Location for Dollar General

- Dollar General signed a 10-year lease extension, with just under 3 years remaining on the current term: This is one of the strongest indicators of impressive store performance and the tenant's commitment to the site
- In 2016 Dollar General paid for 4 brand new HVAC systems as part of DG's HVAC Replacement Program, adding significant value and clear tenant commitment to the location
- Downtown Tuscaloosa has benefited from major recent development of nearly \$27 million in capital projects initiated by the City of Tuscaloosa beginning at the Tuscaloosa Amphitheater down through the intersection of Martin Luther King Drive and Stillman Boulevard, exactly where this property is located
- The City's major investment will include widening the roads, which will boost traffic counts, as well as improvements toward sidewalks and lighting throughout the area to enhance walkability

Attractive Lease with Minimal Landlord Responsibility

- With its NN+ lease structure, this offering presents an investor with a very stable, passive income and absolute minimal landlord responsibility
- Dollar General provides an additional \$247.50 per month for their Parking Area Contribution
- The extension incorporates an additional Three (3), Five (5) Year Renewal Options



FINANCIAL ANALYSIS

Dollar General

3116 Stillman Blvd, Tuscaloosa, AL 35401

List Price\$711,127

CAP Rate - Current.....8.25%

Gross Leasable Area ± 9,050 SF

Lot Size ± 0.74 Acres

Year Built..... 2003



Annualized Operating Data

	Monthly Rent	Annual Rent	Monthly CAM
Current	\$4,889.00	\$58,668	\$247.50
1/1/2019 - 12/31/2019	\$4,886.00	\$58,668	\$285.42
Option 1	\$4,250.00	\$51,000	\$227.50
Option 2	\$4,660.00	\$55,920	\$265.42
Option 3	\$5,125.00	\$61,500	\$303.33

Tenant Summary

Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN+
Roof and Structure	Landlord Responsible
Original Lease Term	10 Years
Rent Commencement Date	5/21/2009
Lease Expiration Date	12/31/2019
Term Remaining on Lease	± 2.75 Years
Options	Three (3), Five (5) Year Options

* Tenant pays insurance and reimburses property taxes and any repair under \$750.



TENANT OVERVIEW

DOLLAR GENERAL®

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
Headquartered	Goodlettsville, TN
Website	www.dollargeneral.com
Year Founded	1939

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.

GEOGRAPHIC REACH

Dollar General operates nearly 13,000 stores in 43 US states in 2015. About 10% of its stores are in Texas and another 20% are spread across Florida, Georgia, Ohio, and North Carolina.

The Offering

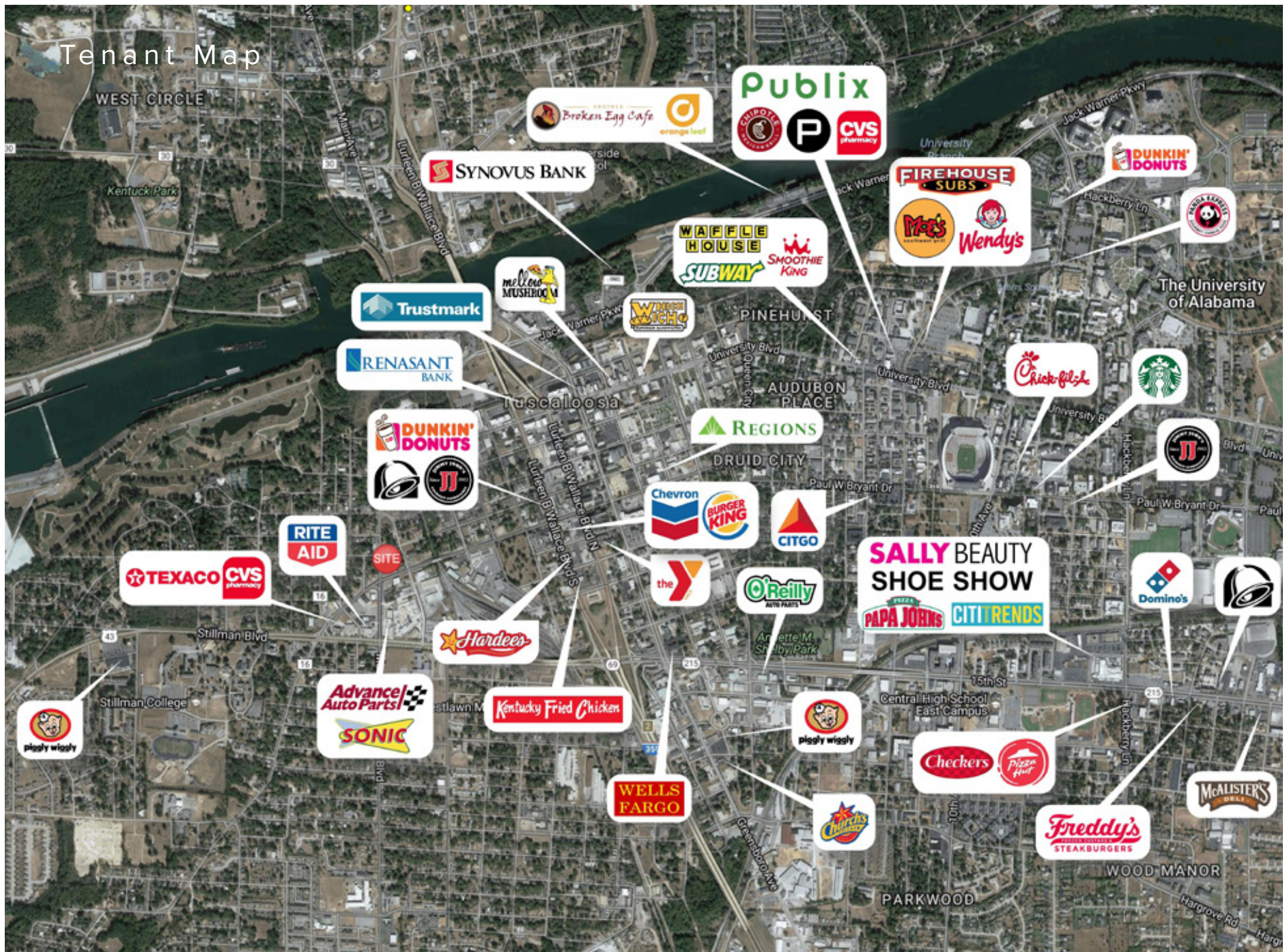
Property Name	Dollar General
Property Address	3116 Stillman Blvd Tuscaloosa, AL 35401
Assessor's Parcel Number	31-05-22-3-014-003.000
Zoning	BN

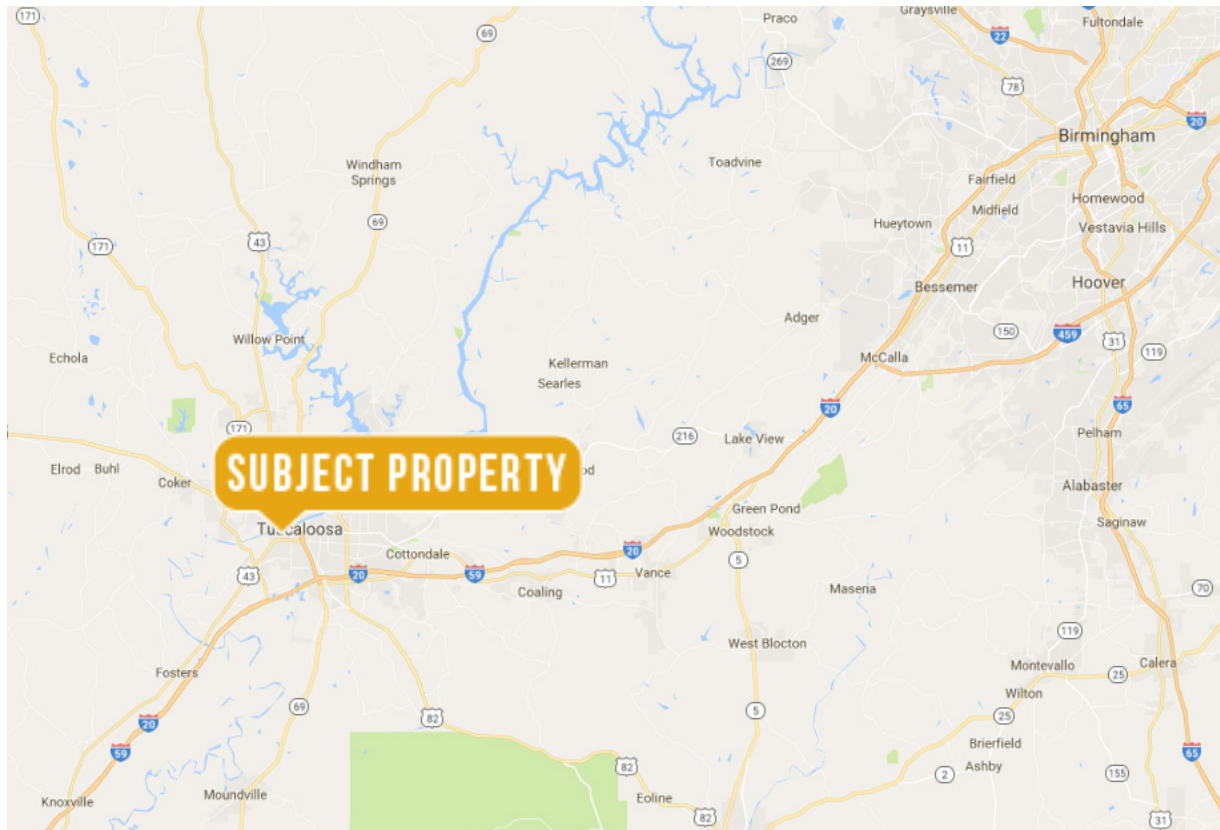
Site Description	
Number of Stories	One
Year Built	2003
Gross Leasable Area (GLA)	± 9,050 SF
Lot Size	± 0.74 Acres (32,058 SF)
Type of Ownership	Fee Simple
Parking	± 44 Surface Spaces
Parking Ratio	4.86 : 1,000 SF
Landscaping	Professional
Topography	Generally Level

Construction	
Foundation	Concrete Slab
Framing	Steel
Exterior	Brick Facade
Parking Surface	Asphalt
Roof	Flat

Parcel Map







Property Demographics

Population	1-Mile	3-Mile	5-Mile
2021 Projection	9,440	60,740	110,605
2016 Estimate	9,139	59,230	107,111
Growth 2010 - 2016	22.2%	9.74%	8.63%
Households	1-Mile	3-Mile	5-Mile
2021 Projection	3,787	25,656	48,134
2016 Estimate	3,499	23,928	44,721
Growth 2010 - 2016	31.8%	15.2%	13.1%
Income	1-Mile	3-Mile	5-Mile
2017 Est. Average Household Income	\$36,651	\$45,736	\$55,324



McFarland Blvd East
± 55,000 ADT

The University of Alabama

University Blvd
± 20,000 ADT

Bryant-Denny
Stadium

Tuscaloosa
Amphitheater

Interstate 369
± 49,000 ADT

Stillman Blvd

15th Street
± 9,000 ADT

SUBJECT PROPERTY

Stillman College

Tuscaloosa, AL

In addition to being home to the University of Alabama, Tuscaloosa is the regional center of industry, commerce, healthcare and education for the West Alabama region. It is the principal city of the Tuscaloosa Metropolitan Statistical Area, which includes Tuscaloosa, Hale and Pickens counties. Built on a history of progress and growth, Tuscaloosa sits along the Black Warrior River providing numerous restaurants, activities, museums and parks. Visitors and residents can enjoy the city's refreshing atmosphere, historic features and bustling nightlife.

Tuscaloosa's economy is bolstered by higher education along with diverse sectors of manufacturing and service. An approximate twenty-five percent of the labor force is employed by the federal, state and local government agencies. Manufacturing companies with a presence in the city are BF Goodrich Tire Manufacturing, GAF Materials Corporation, Hunt Refining Company and most importantly, the Mercedes-Benz U.S. International assembly plant.

AREA OVERVIEW



The University of Alabama

Located in Tuscaloosa, the University of Alabama is a public research university that is the flagship of the University of Alabama System. It is the oldest and largest of the public universities in Alabama.

The University's 1,200-acre campus is home to over 36,000 students, offering a total of 117 areas of study. U.S. News & World Report has consistently ranked the University of Alabama as a top 50 public university in the nation. Alabama has left a vast cultural imprint on the state, region and nation.

Known as the Crimson Tide, the University of Alabama varsity football program ranks as one of the 10 winningest programs in the country. Saturday traditions and gridiron action that football brings distinguishes this university from many others.



Birmingham, AL

Nestled at the foothills of the Appalachian Mountains at the cross-section of two major railroads, Birmingham was once the primary industrial center of the southern United States. At the height of the nation's manufacturing age, the city's population grew so fast that it was called the "Magic City" and "The Pittsburgh of the South." Born of iron and steel, Birmingham preserves remnants of its past in places such as Sloss Furnaces National Historic Landmark.

Economy

The historically dominant steel industry has transitioned into higher value-add manufacturing enterprises supporting the South's growing automotive assembly industry. Beyond the manufacturing sector, Birmingham has experienced major economic growth as it has moved decidedly towards more modern-economic enterprises in research, medicine, banking, finance and technology. In recent years, Birmingham has transformed itself into a medical research, banking and service-based economy, making it one of the nation's most livable cities with a vibrant downtown, a burgeoning loft community, a world-class culinary scene and more green space per capita than any other city in the nation. Serving as headquarters to Fortune 500 company Regions Financial and five Fortune 1000 companies, Birmingham ranks as one of the most important business hubs in the southeastern United States.

Centrally located in the southeast and easily accessible to major markets in the region, Birmingham is consistently rated as one of America's best places to work and earn a living. Many young, educated workers and their families have been relocating to Birmingham, looking for alternatives to Atlanta and other flourishing Southern centers.



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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.

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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.

OFFERING MEMORANDUM

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