

**DOLLAR  
GENERAL®**

**802 NORTH 2ND AVENUE, AJO, ARIZONA**

**SINGLE TENANT INVESTMENT OPPORTUNITY**



  
**\$6.95**  
Natural Light  
15-Pack  
12oz Cans

## EXCLUSIVELY MARKETING BY

### JOE SCHUCHERT

FIRST VICE PRESIDENT

610 Newport Center Drive, Suite 1500  
Newport Beach, CA 92660

M: 310.971.3116

Joe.Schuchert@srsre.com | CA License No. 01973172

### JIM SCHUCHERT

FIRST VICE PRESIDENT

610 Newport Center Drive, Suite 1500  
Newport Beach, CA 92660

M: 310.971.3892

Jim.Schuchert@srsre.com | CA License No. 01969414

### ED BEEH - BROKER OF RECORD

EVP & CO-MARKET LEADER

3131 E. Camelback Road, Suite 110  
Phoenix, AZ 85016

DL: 602.682.6040 | M: 602.980.3553

Ed.Beeh@srsre.com | AZ License No. BR032807000



# CONTENTS



5

INVESTMENT SUMMARY  
OFFERING SUMMARY | INVESTMENT HIGHLIGHTS

9

PROPERTY OVERVIEW  
AERIALS | SITE PLAN | LOCATION MAP

18

AREA OVERVIEW  
DEMOGRAPHICS

20

FINANCIALS  
RENT ROLL | BRAND PROFILE



# INVESTMENT SUMMARY



SRS is pleased to present the opportunity to acquire the fee simple interest (land and building ownership) in a Dollar General property located in Ajo, Arizona. Built in 2005, the lease has approximately 7.5 years remaining in the current term with three (3) – five (5) year options at a 12% rental increase. In 2017, 4 years before the lease term was scheduled to expire, Dollar General extended the lease for an additional 5 years. The lease is guaranteed by Dollar General Corp (NYSE: DG) with an investment grade credit rating of BBB from Standard & Poor's.

The subject property is strategically located along Arizona State Route 85, which connects all the way to Gila Bend, Buckeye & Phoenix. Ajo is located 112 South of Phoenix, AZ & 132 Miles West of Tucson, AZ.

## PROPERTY PHOTOS



# OFFERING SUMMARY



**DOLLAR  
GENERAL®**

## OFFERING

Pricing:	\$880,816
Net Operating Income:	\$64,740
Cap Rate:	7.35%
Guaranty:	Corporate
Tenant:	Dollar General
Lease Type:	NN
Landlord Responsibilities:	Roof, Parking Lot, Structure

## PROPERTY SPECIFICATIONS

Rentable Area:	9,014 SF
Land Area	1.85 Acres
Property Address:	802 N. 2nd Avenue Ajo, AZ 85321
Year Built:	2005
Parcel Number:	401-13-134A
Ownership:	Fee Simple (Land & Building Ownership)

# INVESTMENT HIGHLIGHTS

## Dollar General Corporate Guaranteed Lease

- 7.50 Years Remaining in the Current Lease Term (9/30/2026)
- 2005 Construction – Current Dollar General Prototype – 9,014 SF
- Early Lease Extension – Dollar General Extended Their Lease 4 Years Before the Last Term was Set to Expire
- Three (3) – Five (5) Year Option Periods at a 12% Rental Increase

## NN Lease | Minimal Landlord Responsibilities

- Landlord Responsibilities Limited to Roof, Parking Lot and HVAC
- Tenant Contributes \$338 per Month (\$4,056/Yr) Toward Landlord's Cost of Care & Maintenance of the Parking Lot
- Tenant Required to Carry a Maintenance Contract Covering the HVAC System which Includes Quarterly Servicing

## Proximity to Major Cities

- Phoenix, AZ = 112 Miles North
- Tucson, AZ = 132 Miles East
- Yuma, AZ = 157 East

## Subject Property Consistent with Current DG Prototype - 9,100 SF | Low Rent

- Square Footage of Subject Property is Consistent with Dollar General's Current Prototype of 9,100 SF
- Low Rent – Tenant Paying Just \$7.18 PSF

## Organ Pipe Cactus National Monument - 250,000 Visitors Annually

- 15 Miles South of Ajo
- In 2018, Approximately 260,375 People Visited the Monument
- Encompasses Over 330,000 Acres
- In 1976, the UN Designated Organ Pipe Cactus National Monument as an International Biosphere Reserve
- In 1977, Congress Declared 95% of Organ Pipe Cactus National Monument as a Wilderness Area

## New Cornelia Mine (1912-1983)

- Inactive Open-Pit Copper Mine
- Approximately 1.5 Miles Across at its Widest Point & 1,100 Feet Deep at the Center
- In 1959 It was the 3rd Largest Open-Pit Mine in the United States & the 2nd Largest Copper Producer in Arizona

## Cabeza Prieta National Wildlife Refuge

- Encompasses 860,000 Acres
- 3rd Largest National Wildlife Refuge in the Lower 48 States
- Home to More Than 275 Different Species of Animals & Nearly 400 Species of Plants

## Tenant

- Dollar General (NYSE: DG) Features Investment Grade Credit "BBB" by S&P
- 15,0227 Stores Located in 44 States as of November 2, 2018
- Dollar General Plans to Undertake Some 2,075 Real Estate Projects in 2019, Including 975 New Store Openings (Up from 900 in 2018), 1,000 Mature Store Remodels, and 100 Store Relocations
- Ranked #123 on the Fortune 500 List – Up 5 Points From 128 Last Year (Dollar General Has Moved up the Fortune 500 Ranking for the 10th Consecutive Year)
- Long Term History of Same-Store Sales Growth – 2018 Marked the Company's 27th Consecutive Year

# PROPERTY OVERVIEW



PARCEL MAP



## Parcel

Parcel Number: 401-13-134A  
Acres: 1.85  
Square Feet: 80,586 SF

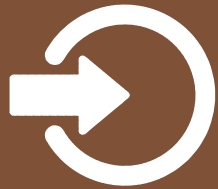


## Improvements

9,014 SF

## Year Built

2005



## Access

N. 2nd Avenue/ State Highway 85  
1 Access Point



## Parking

There are approximately  
46 parking spaces  
on the owned parcel.

The parking ratio is approximately  
5.1 stalls per 1,000 SF  
of leasable area.



## Traffic Counts

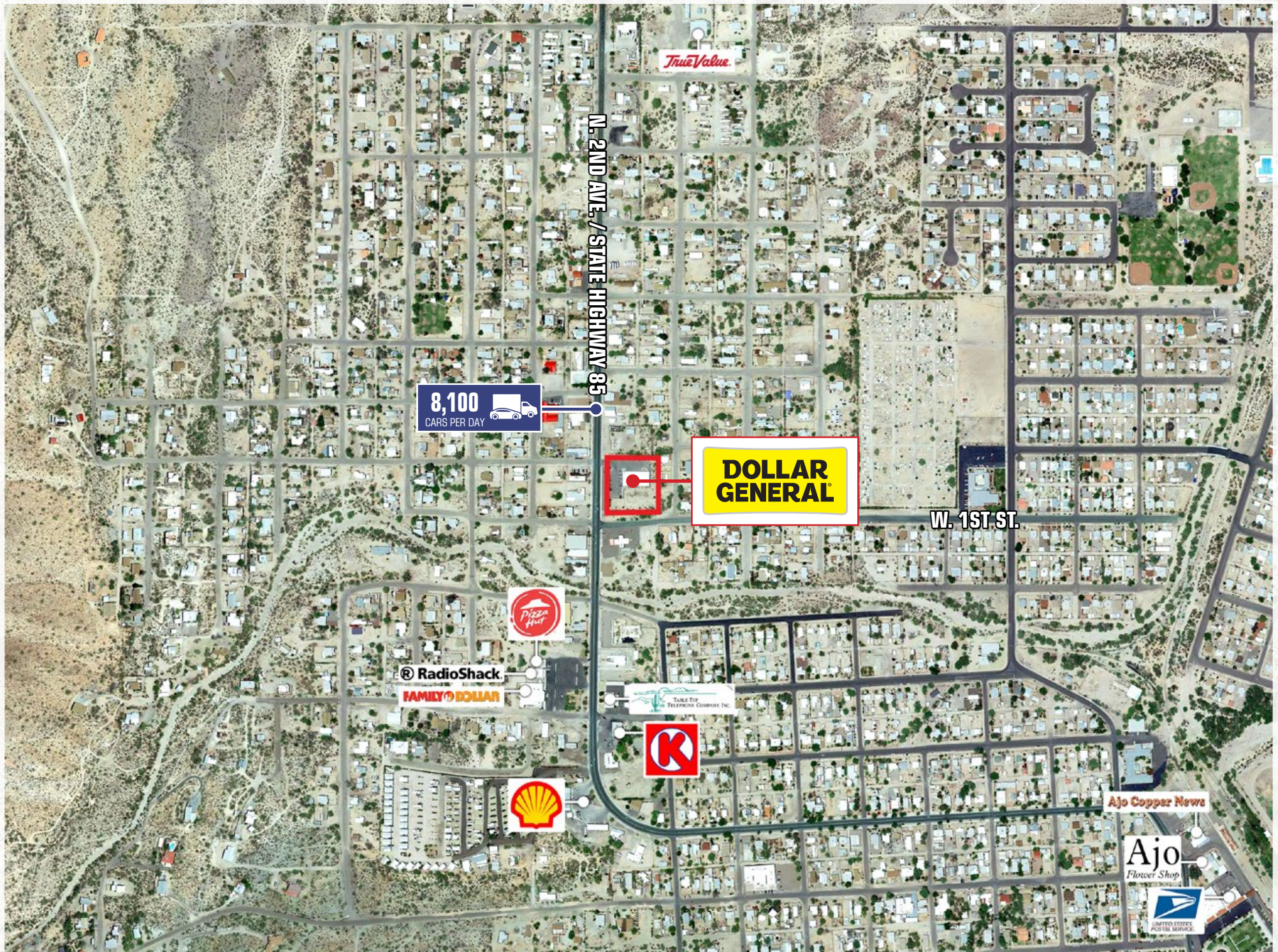
N. 2nd Avenue/ State Highway 85  
8,100 Cars Per Day



## Zoning

Commercial







8,100

CARS PER DAY



N. 2ND AVE. / STATE HIGHWAY 85

W. 3RD ST.

**DOLLAR  
GENERAL**







W. DORSEY ST.

MARCELA'S CAFE & BAKERY

ARIZONA  
85

N. 2ND AVE.

8,100

CARS PER DAY



MONUMENT SIGN

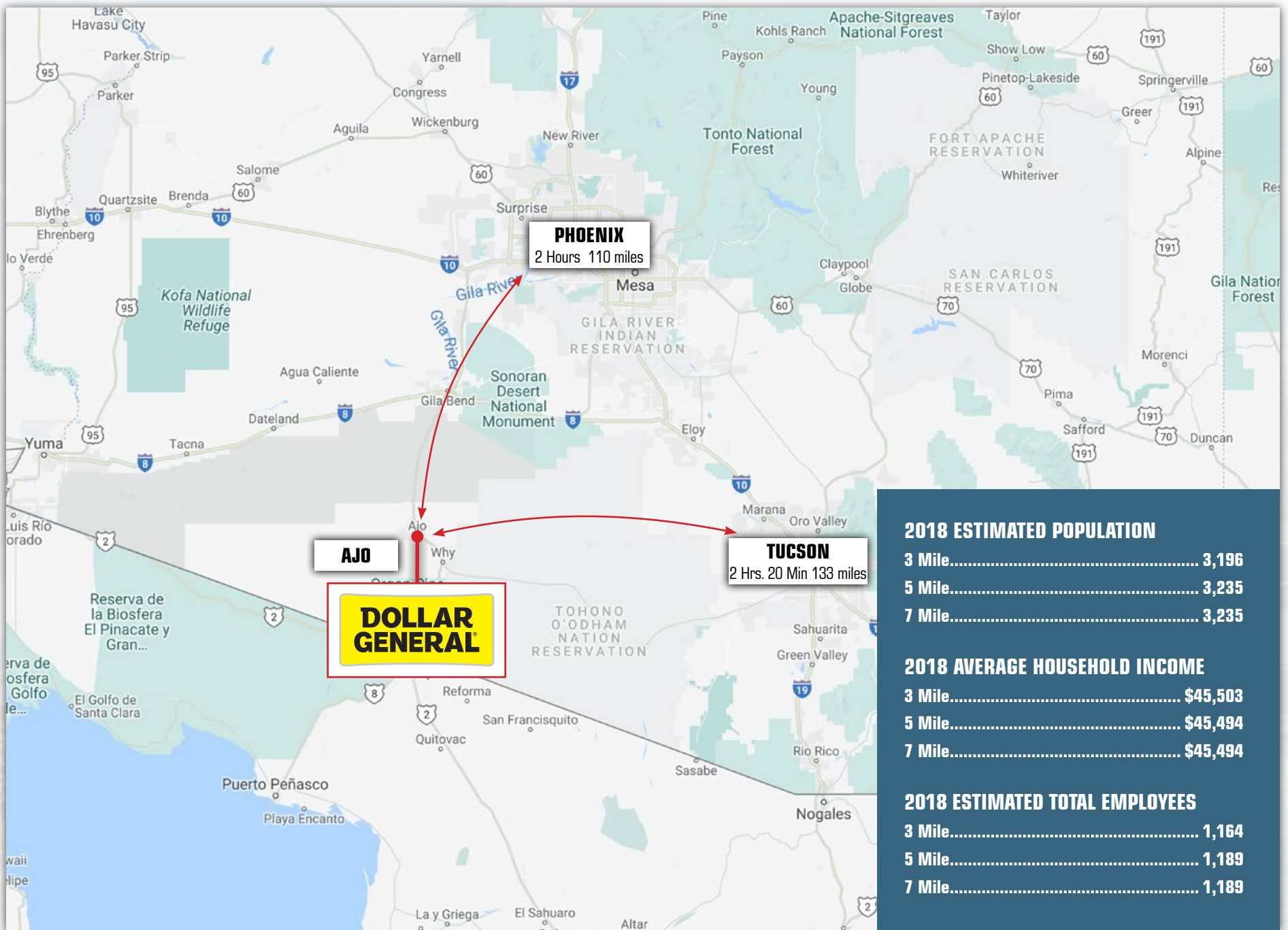
DOLLAR  
GENERAL

N. WASHINGTON AVE.





## LOCATION MAP



# AREA OVERVIEW

## AJO, ARIZONA

Ajo is a census-designated place (CDP) in Pima County, Arizona, United States. The Ajo Census Designated Place had a population of 3,235 as of July 1, 2018. Ajo ranks in the upper quartile for Diversity Index when compared to the other cities, towns and Census Designated Places (CDPs) in Arizona. It is the closest community to Organ Pipe Cactus National Monument.

Ajo Unified School District is the only regular school district in Ajo, Arizona. However, the CDP is in Pima County Joint Technical Education District's 3rd Governing Board District. There is currently a First Things First prekindergarten program, an elementary school, a middle school, a high school, and a Head Start Program, all of which are located on the same campus. The high school currently has a gridiron football team, a volleyball team, a basketball team (both boys and girls), a baseball team (boys), a softball team (girls), a golf team, and track & field. They are known as the Ajo Red Raiders.

Pima County is a county in the south central region of the U.S. state of Arizona. As of the 2017 census, the population was 1,022,769, making it Arizona's second-most populous county. The county seat is Tucson, where nearly all of the population is centered. The county is named after the Pima Native Americans who are indigenous to this area. Pima County includes the Tucson, Arizona Metropolitan Statistical Area. Pima County contains parts of the Tohono O'odham Nation, as well as all of the San Xavier Indian Reservation, the Pascua Yaqui Indian Reservation, Organ Pipe Cactus National Monument, Ironwood Forest National Monument and Saguaro National Park.

The United States Office of Management and Budget has designated Pima County as the Tucson, AZ Metropolitan Statistical Area.[16] The United States Census Bureau ranked the Tucson, AZ Metropolitan Statistical Area as the 53rd most populous metropolitan statistical area of the United States as of July 1, 2012.



# AREA DEMOGRAPHICS

DEMOGRAPHICS	3 MILE	5 MILES	7 MILES
2018 Estimated Population	3,196	3,235	3,235
2023 Projected Population	3,207	3,248	3,248
2010 Census Population	3,266	3,304	3,304
Projected Annual Growth 2018 to 2023	0.07%	0.08%	0.08%
2018 Estimated Households	1,468	1,484	1,484
2023 Projected Households	1,475	1,491	1,491
2010 Census Households	1,497	1,512	1,512
Projected Annual Growth 2018 to 2023	0.10%	0.09%	0.09%
Historical Annual Growth 2010 to 2018	0.38%	0.54%	0.45%
2018 Estimated White	82.23%	82.36%	82.36%
2018 Estimated Black or African American	0.91%	0.93%	0.93%
2018 Estimated Asian or Pacific Islander	1.16%	1.14%	1.14%
2018 Estimated American Indian or Native Alaskan	10.45%	10.45%	10.45%
2018 Estimated Other Races	10.26%	10.26%	10.26%
2018 Estimated Hispanic	42.77%	42.69%	42.69%
2018 Estimated Average Household Income	\$45,503	\$45,494	\$45,494
2018 Estimated Median Household Income	\$36,941	\$36,999	\$36,999
2018 Estimated Per Capita Income	\$21,100	\$21,125	\$21,125
2018 Estimated Total Businesses	145	148	148
2018 Estimated Total Employees	1,164	1,189	1,189



# RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM		BEGIN	INCREASE	RENTAL RATES		ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
		LEASE START	LEASE END			MONTHLY	PSF				
Dollar General (Corporate Guaranty)	9,014	10/1/2006	9/30/2026	Current	-	\$5,395	\$0.59	\$64,740	\$7.18	NN+	3 (5-Year) 12% Incr. at beg. of each option



## FINANCIAL INFORMATION

Price:	\$880,816
Net Operating Income:	\$64,740
Cap Rate:	7.35%
Guaranty:	Corporate

## PROPERTY SPECIFICATIONS

Year Built:	2005
Rentable Area:	9,014 SF
Land Area:	1.85 Acres
Address:	802 N. 2nd Avenue, Ajo, AZ 85321

For financing options and loan quotes, please contact our SRS Debt & Equity team at [debtequity-npb@srsre.com](mailto:debtequity-npb@srsre.com).

# BRAND PROFILE

## DOLLAR GENERAL®

### 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, basic apparel, housewares and seasonal items at everyday low prices in convenient neighborhood locations. Dollar General operated 15,227 stores in 44 states as of November 2, 2018. In addition to high-quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills, and PepsiCo.

Company Type: Public (NYSE: DG)

2019 Employees: 135,000

2018 Revenue: \$23.47 Billion

2018 Net Income: \$1.54 Billion

2018 Assets: \$12.52 Billion

2018 Equity: \$6.13 Billion

Credit Rating: S&P: BBB





**1000+**

PROPERTIES CURRENTLY REPRESENTED



**600+**

CLIENTS REPRESENTED IN 2016



**\$2.6B\***

TRANSACTION VALUE



**20+**

OFFICES



**250+**

BROKERS, PROFESSIONALS, AND STAFF



**#1**

LARGEST REAL ESTATE FIRM  
EXCLUSIVELY DEDICATED TO RETAIL SERVICES IN NORTH AMERICA

This Offering Memorandum has been prepared by SRS and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive sub-market conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.