

Offering Memorandum: Dollar General – 1502 S Main St, Lindale, TX 75771**Dollar General #4211**

1502 S Main St, Lindale, TX 75771-6432

Legend

1502 S Main St



ACTUAL STORE PHOTO

Property Specifications

Property Type	Retail – NN Minimal Landlord Responsibility
Structure	Free standing
Building size	7,500 Sq. Ft +/-
Land	0.715 AC +/-
Year built	1997

Price & Lease Overview

Sale Price	\$435,300.00
Price per Sq. Ft.	\$58.04 +/-
Annual Rent	\$39,000.00 (NOI \$37,000 +/-)
Cap Rate	8.50 %
Lease start	5/1/1997
Lease end	4/30/2022
Options	1 at 5 years
Escalations	7.69% base rent increase at the beginning of the 5 year option

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Investment Highlights

- ✓ Continuously successful operating Dollar General Store;
- ✓ Priced below replacement cost;
- ✓ Dollar General is responsible for all minor maintenance up to \$500 per occurrence; Landlord responsible for roof and structure (minor maintenance excluded); DG reimburses LL for a portion of the annual Property Taxes; Location is on Dollar General National Insurance Program at no cost to the LL;
- ✓ Investment Grade Credit Tenant S&P rated BBB;
- ✓ Corporate guaranty lease by Dollar General Corporation (DOLGENCORP);
- ✓ DOLGENCORP (NYSE: DG) FY 2017 sales increased 3.2% to \$25.6B;
- ✓ As of February 1, 2019 Dollar General operated 15,247 +/- stores in 44 states;

Location Highlights

- ✓ Excellent 'Low Price Point' 1031 Exchange opportunity for a property with a Quality Credit Tenant;
- ✓ Dollar General pays \$200 per month CAM for parking lot maintenance, landscaping, etc.;
- ✓ 5 Mile Population/Average Household income: 19,385/\$74,282 +/-;
- ✓ 1 mile population has increased 19.78% since 2010; 5 mile population +17.00% over the same period;
- ✓ 21,386 +/- VPD in front of site;

Rent Roll

Rent periods	Annual rent	Monthly rent
5/1/2017 through 4/30/2022	\$39,000.00	\$3,250.00
Option 1 (5/1/2022 – 4/30/2027)	\$42,000.00	\$3,500.00



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Executive Summary

Dollar General Store #4211
1502 S Main St, Lindale, Texas, 75771
Rings: 1, 3, 5 mile radii

Prepared by Bob Manor, CCIM
Latitude: 32.49998
Longitude: -95.40529

	1 mile	3 miles	5 miles
Population			
2000 Population	1,909	7,774	12,394
2010 Population	2,806	10,647	16,568
2018 Population	3,361	12,598	19,385
2023 Population	3,600	13,615	20,879
2000-2010 Annual Rate	3.93%	3.19%	2.95%
2010-2018 Annual Rate	2.21%	2.06%	1.92%
2018-2023 Annual Rate	1.38%	1.56%	1.50%
2018 Male Population	48.2%	48.8%	49.0%
2018 Female Population	51.8%	51.2%	51.0%
2018 Median Age	35.7	39.1	41.5

In the identified area, the current year population is 19,385. In 2010, the Census count in the area was 16,568. The rate of change since 2010 was 1.92% annually. The five-year projection for the population in the area is 20,879 representing a change of 1.50% annually from 2018 to 2023. Currently, the population is 49.0% male and 51.0% female.

Median Age

The median age in this area is 35.7, compared to U.S. median age of 38.3.

Race and Ethnicity

2018 White Alone	83.4%	85.3%	83.9%
2018 Black Alone	8.4%	7.7%	8.2%
2018 American Indian/Alaska Native Alone	0.9%	0.6%	0.6%
2018 Asian Alone	1.5%	1.0%	0.8%
2018 Pacific Islander Alone	0.1%	0.1%	0.1%
2018 Other Race	3.1%	3.0%	4.2%
2018 Two or More Races	2.6%	2.4%	2.2%
2018 Hispanic Origin (Any Race)	11.2%	10.2%	11.4%

Persons of Hispanic origin represent 11.4% of the population in the identified area compared to 18.3% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 43.3 in the identified area, compared to 64.3 for the U.S. as a whole.

Households

2000 Households	712	2,828	4,767
2010 Households	979	3,761	6,178
2018 Total Households	1,161	4,376	7,084
2023 Total Households	1,240	4,715	7,601
2000-2010 Annual Rate	3.24%	2.89%	2.63%
2010-2018 Annual Rate	2.09%	1.85%	1.67%
2018-2023 Annual Rate	1.33%	1.50%	1.42%
2018 Average Household Size	2.83	2.83	2.68

The household count in this area has changed from 6,178 in 2010 to 7,084 in the current year, a change of 1.67% annually. The five-year projection of households is 7,601, a change of 1.42% annually from the current year total. Average household size is currently 2.68, compared to 2.64 in the year 2010. The number of families in the current year is 5,358 in the specified area.

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Median Household Income			
2018 Median Household Income	\$51,583	\$54,576	\$56,430
2023 Median Household Income	\$55,196	\$59,743	\$62,221
2018-2023 Annual Rate	1.36%	1.83%	1.97%
Average Household Income			
2018 Average Household Income	\$62,257	\$70,047	\$74,282
2023 Average Household Income	\$71,329	\$80,425	\$85,305
2018-2023 Annual Rate	2.76%	2.80%	2.81%
Per Capita Income			
2018 Per Capita Income	\$22,493	\$25,636	\$27,806
2023 Per Capita Income	\$25,492	\$29,181	\$31,631
2018-2023 Annual Rate	2.53%	2.62%	2.61%

Households by Income

Current median household income is \$56,430 in the area, compared to \$58,100 for all U.S. households. Median household income is projected to be \$62,221 in five years, compared to \$65,727 for all U.S. households

Current average household income is \$74,282 in this area, compared to \$83,694 for all U.S. households. Average household income is projected to be \$85,305 in five years, compared to \$96,109 for all U.S. households

Current per capita income is \$27,806 in the area, compared to the U.S. per capita income of \$31,950. The per capita income is projected to be \$31,631 in five years, compared to \$36,530 for all U.S. households

Housing

2000 Total Housing Units	755	3,042	5,256
2000 Owner Occupied Housing Units	514	2,267	3,998
2000 Renter Occupied Housing Units	198	561	769
2000 Vacant Housing Units	43	214	489
2010 Total Housing Units	1,038	4,067	6,815
2010 Owner Occupied Housing Units	671	2,822	4,860
2010 Renter Occupied Housing Units	308	939	1,318
2010 Vacant Housing Units	59	306	637
2018 Total Housing Units	1,180	4,622	7,641
2018 Owner Occupied Housing Units	786	3,233	5,475
2018 Renter Occupied Housing Units	374	1,143	1,609
2018 Vacant Housing Units	19	246	557
2023 Total Housing Units	1,260	4,983	8,197
2023 Owner Occupied Housing Units	864	3,557	5,975
2023 Renter Occupied Housing Units	375	1,158	1,626
2023 Vacant Housing Units	20	268	596

Currently, 71.7% of the 7,641 housing units in the area are owner occupied; 21.1%, renter occupied; and 7.3% are vacant. Currently, in the U.S., 56.0% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.2% are vacant. In 2010, there were 6,815 housing units in the area - 71.3% owner occupied, 19.3% renter occupied, and 9.3% vacant. The annual rate of change in housing units since 2010 is 5.22%. Median home value in the area is \$176,511, compared to a median home value of \$218,492 for the U.S. In five years, median value is projected to change by 2.60% annually to \$200,655.

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Dollar General (DG) has grown from a single store to the country's largest small-box retailer. A passionate commitment to serving its customers, employees, and communities is the foundation of Dollar General's growth.

James Luther (J.L.) Turner's father died in an accident in 1902 when J.L. was only 11. J.L. quit school so he could work on the family farm and help provide for his mother and siblings and never completed his education. J.L. knew his limited education demanded that he become a quick study of the world around him. After two unsuccessful attempts at retailing, J.L. became a travelling dry goods salesperson for a Nashville wholesale grocer. J.L. left the sales job after 10 years and settled his family in Scottsdale, KY. During the Depression he began buying and liquidating bankrupt general stores. J.L.'s only child, Carl Turner Sr., accompanied his father to these closeouts at a young age, gaining valuable business knowledge and skills. In October 1939 J.L. and Carl opened J.L. Turner and Son Wholesale with an initial investment of \$5,000 each. Wholesaling quickly gave way to retailing- J.L.'s third and final attempt at retailing. The switch to retailing resulted in annual sales above \$2 million by the early 1950s, and the rest is history.

The first DG store opened in Springfield, KY on June 1st, 1955, and the concept was simple – no item in the store would cost more than one dollar. The idea became a huge success and other stores owned by J.L. Turner and his son Carl Turner Sr. were quickly converted. By 1957, annual sales of DG's 29 stores were \$5 million. J.L. passed away in 1964. Four years later the company he co-founded went public as Dollar General Corporation, posting annual sales of more than \$40 million and net income in excess of \$1.5 billion. In 1977, Carl Turner Jr., who joined the company in 1965 as the third generation Turner, succeeded his father as president of DG. Carl Turner Jr. led the company until his retirement in 2002. Under his leadership, the company grew to more than 6,000 stores and \$6 billion in sales.

Today, the company is a leading discount retailer with over 13,000 stores in 43 states. The yellow DG sign is a popular symbol of value. Convenient everyday low prices model has survived and thrived through the decades. The company remains true to the humble ethic of hard work and friendly customer service, embodied by the founding family. About a quarter of DG's merchandise still sells for a dollar or less. The simplicity that defined DG's past is the engine that drives its success today.

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About the Broker

‘Dollar Bob’ has more than 20 years multi-unit operational retail management experience, six years of which were as District Manager with Dollar General Corporation. He knows the Dollar Store model very well and he brought that experience with him into the commercial real estate industry. ‘Dollar Bob’ left Dollar General in 2003 due to family illness, and started his commercial real estate career at Coldwell Banker Commercial AI Group in Orange City, Florida. He maintained a good working relationship with Dollar General Corporation and with several Dollar General Store and Family Dollar Store developers that he met while working as a district manager with DG. He was actively involved in site selection and worked closely with the developers and various Dollar Store corporate office construction teams.

‘Dollar Bob’ immediately started studying for the CCIM designation, because he recognized the value it would have for investors and developers. Having completed all of his course work, his CCIM portfolio, and after closing more than \$20 million in Dollar Store sales within his first 18 months in the commercial real estate industry, he received his CCIM designation in April 2005. Since beginning his commercial real estate career in 2003, Bob sold hundreds of Dollar Stores and other retail properties across the USA. It was also during this time that an executive in Coldwell banker Commercial in Parsippany, NJ gave him nickname ‘Dollar Bob’. For several years he also served as a member of the National Retail Advisory Group for Coldwell Banker Commercial.

‘Dollar Bob’ received several awards from the Central Florida Commercial Association of Realtors (CFCAR). For the year 2011 he was the ‘Overall Top Producer’ in commercial retail sales (retail category) for 10 county areas in Central Florida, for which he received the prestigious Hallmark Award. He received second Hallmark Award for being the Top Producer in the retail category for Volusia County, and he also received a Hallmark Award for being among the Overall Top 10 producers by volume in commercial real estate sales for the same 10 county area. Bob also received special recognition from Florida Governor Rick Scott for his accomplishments in commercial real estate.

Dollar Store Brokerage, LLC deals strictly with Dollar Store Properties. ‘Dollar Bob’ brings a wealth of experience to the table and he is looking forward to working with Sellers to assist them in the sale of their Dollar Store Properties, and also looks forward to working with Buyers to assist in helping them make informed buying decisions for their investment portfolios. ‘Dollar Bob’ welcomes all types of Dollar Store Properties (absolute NNN, modified NNN, and NN), multi-property portfolios, and 1031 Exchanges. Contact ‘Dollar Bob’ at Dollar Store Brokerage, LLC- the ‘Go-To’ company for Dollar Store Investments Buying and Selling.

Doesn’t it make sense to trust a real estate professional who is also a Dollar Store professional to handle your Dollar Store properties and your investments needs?

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Disclaimer

This offering has been prepared solely for informational purposes. It is designed to assist a potential investor in determining whether it wishes to proceed with an in-depth investigation of the subject property. While the information contained herein is from sources deemed reliable, it has not been independently verified by Dollar Store Brokerage, LLC, any of its agents or affiliates, or by the Seller.

The projections and pro-forma budget contained herein represent best estimates on assumptions considered reasonable under the circumstances. No representation or warranties, expressed or implied, are made that actual results will conform to such projections. The document is provided subject to errors, omissions and changes in the information and is subject to modification or withdrawal. The contents herein are confidential and are not to be reproduced without the express written consent.

Interested buyers should be aware the Seller is selling the property "AS IS" CONDITION WITH ALL FAULTS, WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE. Prior to an/or after contracting to purchase, as appropriate, Buyer will be given a reasonable opportunity to inspect and investigate the Property and all improvements herein, either independently or through agents of the Buyer's choice.

The Seller reserves the right to withdraw the Property being marketed at any time without notice, to reject all offers, and to accept any offer without regard to the relative price and terms of any other offer. Any offer to buy must be: (i) presented in the form of a non-binding letter of intent; (ii) incorporated in a formal written contract of purchase and sale to be prepared by the Seller and executed by both parties; (iii) approved by the Seller and such other parties who may have an interest in the Property. Neither the prospective Buyer nor Seller shall be bound until execution of the contract of purchase or sale, which contract shall supersede prior discussion and writings and shall constitute the sole agreement of the parties. Prospective buyers shall be responsible for their costs of investigating the Property and all other expenses, professional or otherwise.

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