



Exclusive Net Lease Offering

Dollar General

124 W Pike Street, Houston, PA 15342



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The Dollar General logo is displayed within a yellow, rounded rectangular frame. The text "DOLLAR GENERAL" is in a bold, black, sans-serif font, with a registered trademark symbol (®) at the end of "GENERAL".

DOLLAR GENERAL®

Executive Summary



I. Executive Summary

The Offering

Jones Lang LaSalle (“JLL”) is pleased to offer for sale the fee simple interest in a freestanding Dollar General (the “Property” or “Asset”) located in Houston, PA. The Property is subject to double net lease with 5.1 years of contractual term remaining, with rent growth in Dollar General’s remaining 5-year option. Dollar General (the “Tenant”) is a publicly traded general goods retailer and the largest retail chain by store count in the United States, with over 14,000 locations. Dollar General boasts investment-grade credit, rated “BBB” by Standard & Poor’s. The Property’s strong tenancy, low price point, future rent growth potential, and Dollar General’s demonstrated commitment to this location make this a rare net lease investment opportunity.

Dollar General **INVESTMENT DETAILS**

Address	124 W Pike Street Houston, PA 15342
Building Type	Freestanding Retail
Offering Price	\$645,000
Cap Rate	8.25%
Ownership Interest	Fee Simple
NOI	\$53,210*
NOI/SF	\$5.85
Lease Type	NN
Landlord Responsibilities	Taxes, Insurance, Roof and Structure
Current Term Commencement	7/1/2019
Lease Expiration	6/30/2024
Initial Term Remaining	5.1 Years
Renewal Options*	One 5-Year Option Remaining
Rent Escalations	10% rent bumps at each 5-year option
Building Size	9,100 SF
Parcel Size	0.95 AC

*NOI as of 7/1/2019. \$66,600 base rent less \$12,790 in expenses

Investment Highlights

Proven Location, Commitment to Site

- Dollar General has already executed a renewal option, demonstrating a strong commitment to the location and suggesting a high-performing store.

No Local Competition

- The Asset is one of a few national retail chains in Houston and enjoys few direct competitors to its discount goods business model. The nearest Walgreens, Shop’n Save, and Rite Aid are all located in Canonsburg, to the northeast. A massive retail complex headlined by The Meadows Racetrack & Casino and Tanger Outlets Pittsburgh is located 2.7 miles south down Interstate 79.

Prime Market Position

- The Asset is located just off Interstate 79, traveled by 64,000 vehicles each day. Dollar General sits between the interstate and downtown Houston, in the midst of Houston’s main commercial corridor. Unusually well-located for a Dollar General location, surrounding properties include Domino’s Pizza, Jimmy Z’s Pizza, Shelly’s Pike Inn, KeyBank, and BP .

Favorable Demographics

- Demographics surrounding the Asset are favorable, with population growth, above-average incomes, and a strong influx of daytime population. Within 5 miles of the Asset, over 30% of households earn more than \$100,000 annually.

Investment Grade Tenancy

- Dollar General is the largest retailer in the United States by store count and boasts investment-grade credit from both major ratings agencies. Dollar General guarantees all leases at the corporate level, and boasts an investment-grade “BBB” credit rating from Standard & Poor’s. Their exceptional financial track record has made them one of the most sought-after net lease tenants in recent years, and they continue to impress the industry with phenomenal growth of both their store footprint and corporate financials.

Tenant Overview



II. Tenant Overview

Company Overview

- Dollar General Corporation (“Dollar General” or the “Company”) is a publically traded discount variety retailer that provides various low-priced merchandise products in 44 of the 50 U.S. states, with a primary presence in the Southern, Southwestern, Midwestern, and Eastern United States. Its small-format stores, convenient locations, and unbeatable prices make it extremely popular among its target customer.
- The nation’s most expansive retailer, Dollar General has continued to open an eye-popping number of new stores annually and expand into new states, most recently North Dakota. Despite already operating more domestic locations than Starbucks, the retailer shows no signs of slowing down. In 2018, Dollar General intends to open another 900 stores over the course of the year, equating to one new store opening every 10 hours. While expansion has increased sales considerably, same-store sales growth has remained positive year after year in a retail environment that is challenging many other national banners.
- The Company has four primary operating segments including Consumables, Seasonal, Home Products, and Apparel. With consumables accounting for over 75% of total revenue, Dollar General seeks to be the most convenient daily retail option for quick necessities such as paper goods, snacks, cleaning supplies, diapers, food staples, and other common items. The Company offers a wide range of products that include both name brand and private label merchandise, appealing to a variety of shoppers.
- Dollar General is often more convenient to their customers than larger retailers and shopping areas, and as a result benefits from consistent daily traffic from its core customers. Additionally, Dollar General sells items at prices lower than even Walmart, and yet boasts profit margins considerably higher than the big-box giant.
- With 14,000+ total stores and counting across 44 states as of December 2017, Dollar General (NYSE: DG) is the largest discount retail banner in the United States by store count, and continues to improve its market saturation, footprint, and sales.

Dollar General Outlook

- Dollar General has built a strong footprint and customer base across its operating regions, affording it the capability to fend off competition. The Company continues to demonstrate success in its expansion efforts, fueling bottom-line growth.
- Dollar General, with its robust operating performance, strong credit profile, recession-proof business model, investor friendly real estate fundamentals, and internet-resistant vertical, is a one of the most desirable tenants in the net lease investment community.

DOLLAR GENERAL®

DOLLAR GENERAL COMPANY OVERVIEW

Company	Dollar General Corp.
Year Founded	1939
Headquarters	Goodlettsville, TN
Ownership Type	Public (NYSE: DG)
Stock Index Membership	S&P 500 Component
Sector	Discount Retail Stores
Locations	14,000+ Stores
Number of Employees	121,000+
Credit Rating (S&P)	BBB / Stable
Annual Revenue (YE 2/23/2017)	\$21.98 Billion
Market Capitalization (Jan 2018)	\$25.50 Billion
Total Assets (YE 2/23/2017)	\$11.67 Billion
Total Debt (YE 2/23/2017)	\$2.70 Billion
Website	www.dollargeneral.com

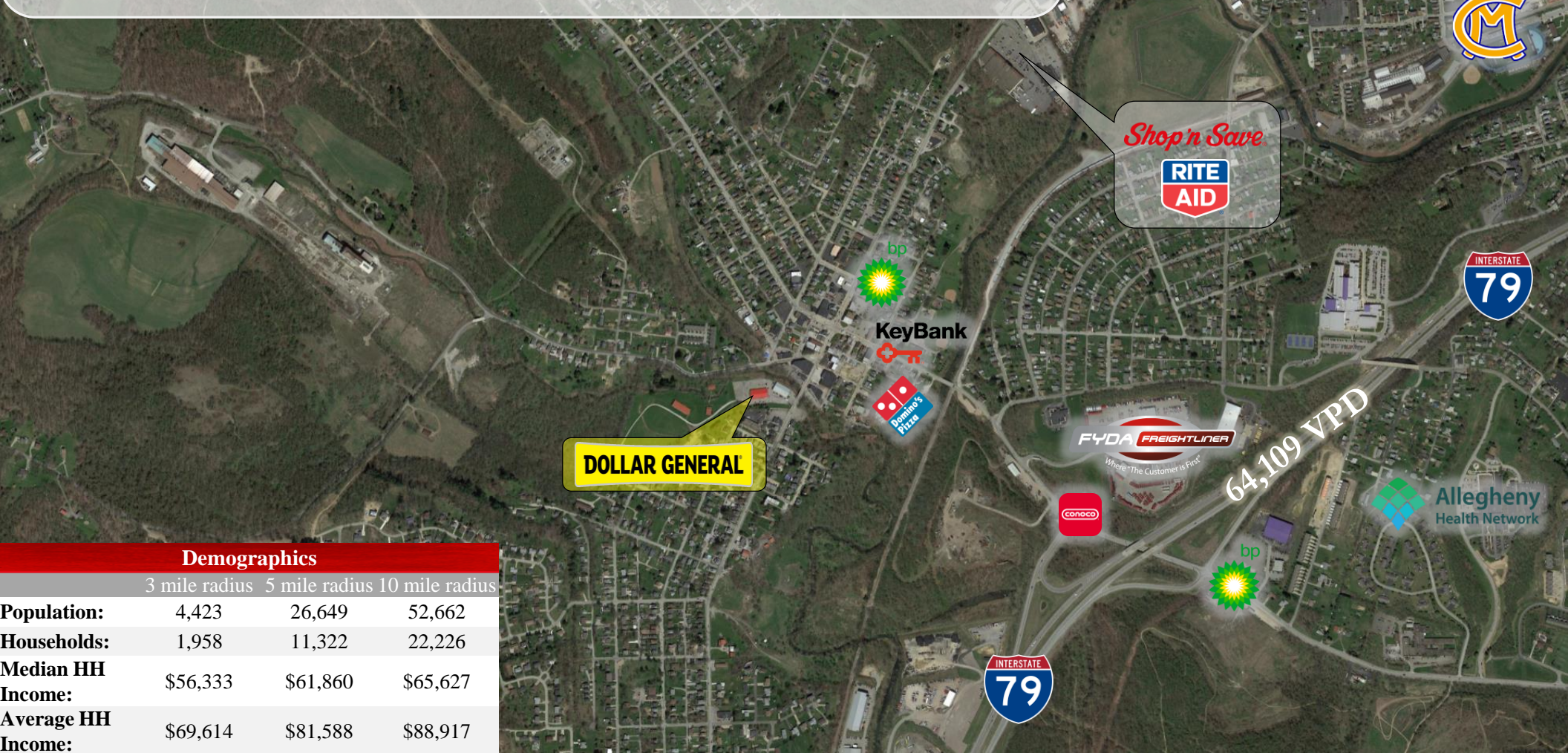
Market Overview



III. Market Overview & Aerial

Houston is a borough in Washington County, Pennsylvania, located within the Pittsburgh Metropolitan Statistical Area. Houston is 25 miles southwest from downtown Pittsburgh and heavily linked to the Pittsburgh economic environment.

Dollar General occupies a premier location off I-79. Located fronting Pike Avenue, the main street in Houston, Dollar General is adjacent to the Pike Inn and proximate to Key Bank and Domino's Pizza. The local shopping center headlined by Shop'n Save and Rite Aid is 0.8 miles northeast of the asset on Pike Avenue. Many drivers on I-79 utilize exit 43 to reach the town of Canonsburg and Canonsburg Hospital.



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