

ACTUAL STORE RENDERING
UPGRADED CONSTRUCTION!



OFFERING MEMORANDUM
Marcus & Millichap



**DOLLAR
GENERAL®**

POUGHKEEPSIE, NY
(HIGHLAND, NY)

EXECUTIVE SUMMARY



3592 Rt 9W,
Highland, NY 12528

ADDRESS



Poughkeepsie, NY (Highland)
New York, NY MSA

MARKET



TOTAL GLA



15 YEARS

TERM REMAINING



CREDIT RATING



LEASE TYPE

THE OFFERING

Price	\$2,002,767
Cap Rate	6.00%
Year Built	2019
Total GLA	9,100 SF
Lot Size	1.4 Acres
Lease Term	15 Years
Rent Commencement	May 17, 2019
Lease Expiration	April 30, 2034
Increases	Four; Five-Year Terms
Options	10% Every Five Years in Options
Debt	Free & Clear

ANNUALIZED OPERATING DATA

Base Rent	\$120,166
OPTION TERMS	
Option 1 (Years 16-20)	\$132,183
Option 2 (Years 21-25)	\$145,401
Option 3 (Years 26-30)	\$159,941
Option 4 (Years 31-35)	\$175,935

INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership, is pleased to exclusively offer this newly constructed Dollar General in Highland, Ulster County, New York. The Tenant, Dolgencorp of New York, Inc., is subject to a new 15-year lease that features 10 percent increases in each of the four, five-year option periods. The lease is corporately guaranteed by Dollar General, an investment grade retailer rated “BBB” by Standard & Poor’s. With more than 15,000 stores in 44 states, Dollar General is the largest discount store retailer in the United States in terms of total sales. The chain ranks #123 on the Fortune 500 list and reports annual revenue of \$23.5 Billion.

The Property is prominently located along Route 9 West, a north-south US highway and primary route through Highland. The road boasts a robust 27,130 vehicles per day. Dollar General occupies an “upgraded construction” 9,100-square-foot building adjacent to Burger King and a high-performing Dunkin’ Donuts within a Sunoco gas and convenience store. A 72-unit apartment complex is in development behind the property to accommodate the strong residential growth in the submarket which is projected to be 41,890 in the next five years. One-mile south is Bridgeview Plaza Shopping Center, a 144,135-square-foot center anchored by Hannaford Supermarket, which just underwent a \$9 Million renovation of its space, and Tractor Supply Company. AutoZone has approval to build a store adjacent to the center as well. In addition to proximity to notable retailers, Dollar General benefits from limited competition in the submarket. The nearest Family Dollar and Dollar General locations are across the Hudson River four miles east in Poughkeepsie, a distinctly different trade area.

Highland is a densely populated submarket of Ulster County positioned five miles from Poughkeepsie and New Paltz, 75 miles south of Albany and 80 miles north of New York City. There has been strong residential growth as of late with the addition of over 150 apartment units in the last 24 months alone and continued population growth in the next five years. Presently there are 40,942 people within three miles of the property, and a daytime population of 55,125.



INVESTMENT HIGHLIGHTS

- New 15-Year Corporate Lease
- Upgraded Prototype
- High Traffic Corridor; 27,130 VPD
- 40,942 people Within 3 Miles; Projected to Grow 3% by 2023
- Investment Grade; “BBB” Rated by S&P (NYSE:DG)



72-Unit Multi-Family
Development
COMING SOON



**DOLLAR
GENERAL**

**BURGER
KING**

27,130 VPD

TENANT INFORMATION

The first Dollar General store opened in Springfield, KY on June 1, 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 Cal Turner Sr. were quickly converted. By 1957, annual sales of Dollar General's 29 stores were \$5 million. Today, the company is the largest discount store retailer in the United States in terms of total sales, and operates more than 15,000 stores in 44 states. Offering the most popular brands at everyday low prices, Dollar General ranks among the largest retailers of top-quality brands including Procter & Gamble, Kimberly Clark, Unilever, Kellogg's, General Mills, and Nabisco, ranked #123 by Fortune 500.

With nearly 75% of the US population currently within 5 miles of a Dollar General, the company has a unique opportunity to reach a large number of consumers. Their new stores are reportedly yielding returns of approximately 20%. They have purchased 42 Walmart Express locations that they converted to the Dollar General banner that continue perform very well. The company has a goal of adding 975 new stores this year, while also working on extending their remodel and relocation program to an additional 1,100 stores.



DOLLAR GENERAL®



ANNUAL REVENUE
\$25.6 B



NET WORTH
\$6.13 B



HEADQUARTERS
Goodlettsville, TN



NO. OF EMPLOYEES
130,000+



NO. OF LOCATIONS
15,370



YEAR FOUNDED
1939



**STOCK SYMBOL
/CREDIT RATING**
DG : BBB

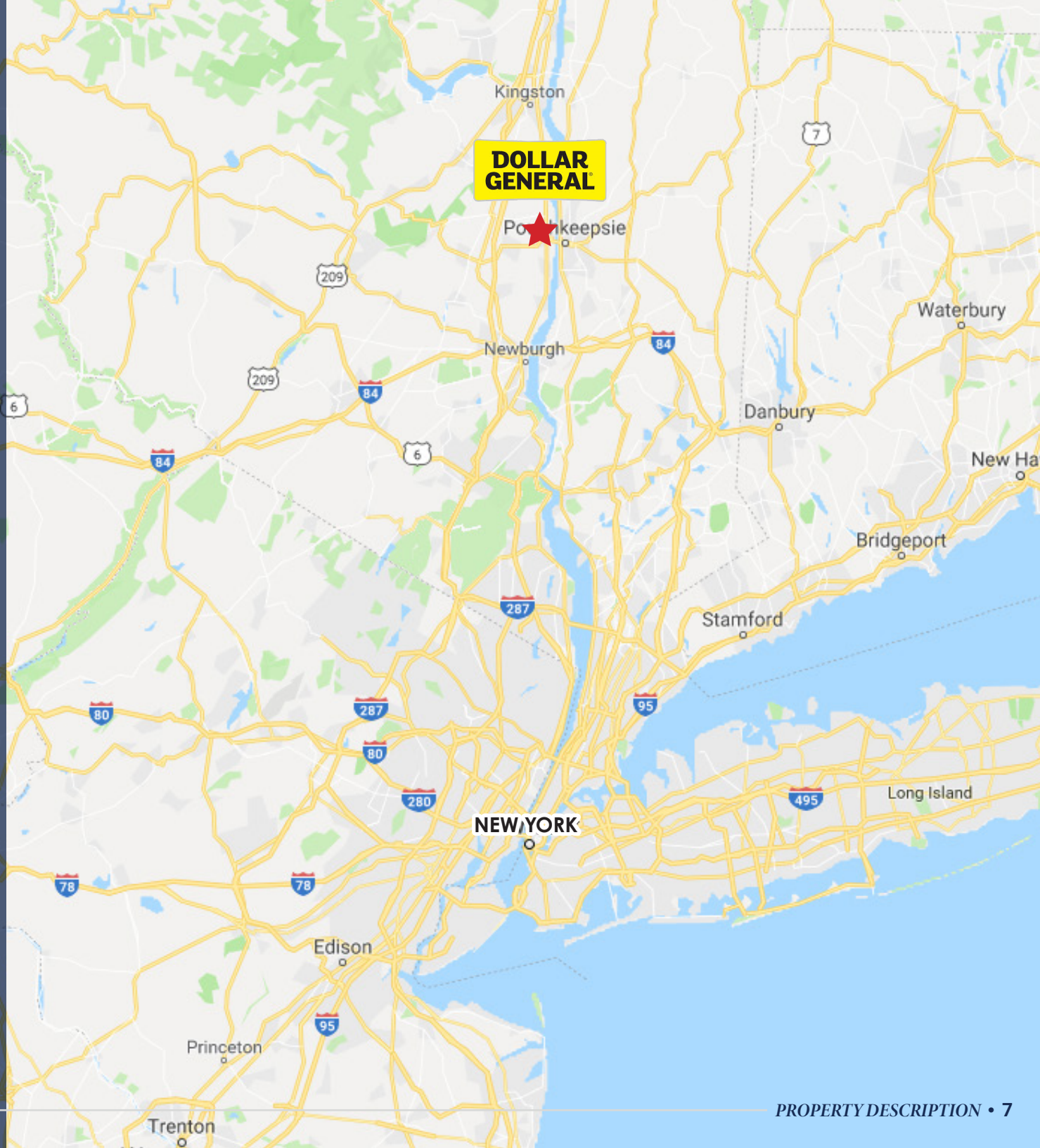
REGIONAL MAP

27K VPD

An average of 27,130 vehicles per day drive by Rt 9 W

80

Less than 83 miles to downtown Manhattan, NYC



MARIST COLLEGE
6,474 STUDENTS

MID-HUDSON
REGIONAL HOSPITAL

WALKWAY OVER THE
HUDSON STATE
HISTORIC PARK

DOWNTOWN
POUGHKEEPSIE
POP: 30,614

MID-HUDSON
BRIDGE

72-Unit Multi-Family
Development
COMING SOON

DOLLAR
GENERAL

BURGER
KING

TRUSTCO
BANK

GATEWAY
Restaurant
Liner

Coppola's
Le Fantele Ristorante

RTE 9 W

27,130 VPD



LEASE ABSTRACT

Guarantor	Dollar General Corporation
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Lease Commencement Date	June 21, 2016
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Rent Commencement Date	May 17, 2019
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Notification Period for Tenant to Exercise Options	180 Days
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Landlords Obligations	None
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Tenant's Obligations	Tenant shall, at all times during the term of this Lease, and at its own cost and expense, keep and maintain or cause to be kept or maintained in good repair and condition the Demised Premises and all buildings and improvements at any time erected thereon.
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Assignment & Subletting	Tenant may assign, sublet and mortgage its interest in the Demised Premises at any time without the consent of Landlord; provided, however, Tenant shall give written notice to Landlord within ten (10) business days after any assignment or subletting and in all events Tenant shall remain liable hereunder notwithstanding such assignment or subletting.
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DEMOGRAPHIC HIGHLIGHTS



3-MILE POPULATION

40,942



3-MILE MEDIAN HOUSEHOLD INCOME

\$41,429



POPULATION GROWTH IN 3 AND 5 MILE RADIUS

2%+



DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	4,247	41,890	81,424
2018 Estimate	4,021	40,942	79,541
2010 Census	4,095	41,284	80,162
2000 Census	3,678	38,926	74,487
Current Daytime Population	3,602	55,125	101,124

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
<u>Population By Age</u>			
2018 Estimate Total Population	4,021	40,942	79,541
Under 20	19.97%	26.00%	24.59%
20 to 34 Years	18.19%	27.68%	25.56%
35 to 39 Years	7.15%	5.97%	5.86%
40 to 49 Years	12.46%	10.29%	10.79%
50 to 64 Years	20.50%	16.45%	18.23%
Age 65+	21.73%	13.61%	14.94%
Median Age	44.25	32.35	34.86
<u>Population 25+ by Education Level</u>			
2018 Estimate Population Age 25+	3,031	25,197	50,782
Elementary (0-8)	4.50%	5.61%	4.40%
Some High School (9-11)	7.89%	12.30%	9.20%
High School Graduate (12)	26.34%	27.64%	26.18%
Some College (13-15)	15.67%	20.21%	19.73%
Associate Degree Only	8.83%	9.13%	9.91%
Bachelors Degree Only	19.78%	13.85%	16.59%
Graduate Degree	16.37%	9.34%	12.59%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection	1,658	14,949	29,627
2018 Estimate	1,552	14,451	28,638
2010 Census	1,582	14,623	28,943
2000 Census	1,361	14,193	27,300

INCOME	1 MILE	3 MILES	5 MILES
<u>2018 Housing Income</u>			
\$150,000 or More	10.41%	7.38%	10.11%
\$100,000 - \$149,000	14.22%	10.37%	13.99%
\$75,000 - \$99,999	18.71%	11.69%	14.01%
\$50,000 - \$74,999	16.52%	13.87%	15.85%
\$35,000 - \$49,999	10.79%	11.94%	11.65%
Under \$35,000	29.35%	44.75%	34.38%
Average Household Income	\$76,320	\$62,706	\$76,277
Median Household Income	\$64,944	\$41,429	\$55,501
Per Capita Income	\$30,276	\$23,639	\$28,729

DEMOGRAPHIC SUMMARY

Geography: 5 Miles



POPULATION

In 2018, the population is 79,541. The population has changed by 6.79% since 2000. It is estimated that the population will be 81,424.00 five years from now, which represents a change of 2.37% from the current year. The current population is 48.11% male and 51.89% female. The median age of the population is 34.86, compared to the US average which is 37.95. The population density is 1,010.84 people per square mile.



HOUSEHOLDS

There are currently 28,638 households in your selected geography. The number of households has changed by 4.90% since 2000. It is estimated that the number of households will be 29,627 five years from now, which represents a change of 3.45% from the current year. The average household size is 2.45 persons.



INCOME

In 2018, the median household income is \$55,501, compared to the US average which is currently \$58,754. The median household income has changed by 39.55% since 2000. It is estimated that the median household income will be \$63,574 five years from now, which represents a change of 14.55% from the current year.

The current year per capita income is \$28,729, compared to the US average, which is \$32,356. The current year average household income is \$76,277, compared to the US average which is \$84,609.



RACE AND ETHNICITY

The current year racial makeup is as follows: 63.42% White, 21.25% Black, 0.05% Native American and 4.04% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 15.61% of the current year population. Compare this to the US average of 18.01%.



HOUSING

The median housing value was \$240,021 in 2018, compared to the US average of \$201,842. In 2000, there were 13,983 owner occupied housing units and there were 13,317 renter occupied housing units. The median rent at the time was \$600.



EMPLOYMENT

In 2018, there are 49,282 employees, this is also known as the daytime population. The 2000 Census revealed that 61.13% of employees are employed in white-collar occupations, and 39.21% are employed in blue-collar occupations. In 2018, unemployment is 7.39%. In 2000, the average time traveled to work was 27.00 minutes.

NEW YORK CITY OVERVIEW

New York City is the largest city in the U.S., composed of the five boroughs of Manhattan, Brooklyn, Staten Island, Queens and the Bronx. Each borough is a separate county and they are spread out among the three islands of Long Island, Manhattan and Staten Island. Together they comprise more than 300 square miles of land and nearly 170 square miles of water. Hundreds of unique neighborhoods are contained within the boroughs. Overall, known for its finance, art, technology and education industries, the city draws many residents. Limited landmass, coupled with numerous high-wage industries and international residents, drive considerable real estate values and raise the cost of living.

METRO HIGHLIGHTS



HEAVILY POPULATED CITY CENTER

New York City is one of the most densely populated cities in the United States.



GLOBAL BUSINESS AND COMMERCE

Wall Street is the world's financial capital, home to the NYSE and NASDAQ.



HIGH MEDIAN HOUSEHOLD INCOME

The median household income in New York City is well above the U.S. median.



THE NEW YORK CITY ECONOMY

The local economy is a center for commerce, art and entertainment, and international diplomacy.

GMP for the New York City metro is higher than the GDP of many countries.

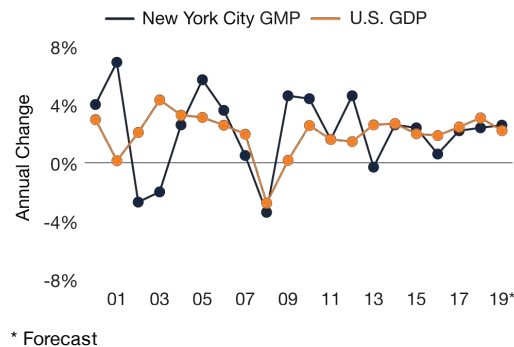
New York City is home to more Fortune 500 companies than any other U.S. metro.

Corporate headquarters for a variety of industries are located here, including TIAA, MetLife, American Express, Estee Lauder, Time Warner, Goldman Sachs Group and Pfizer.

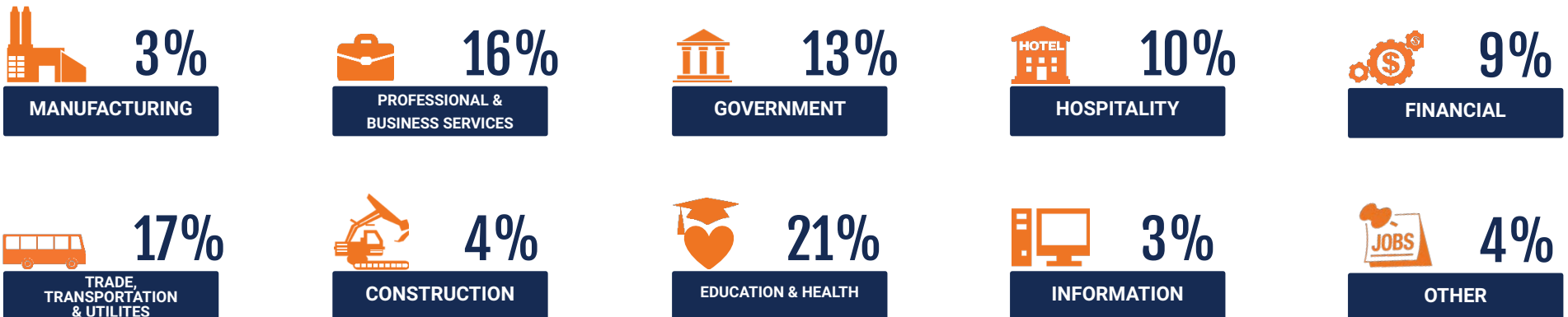
MAJOR AREA EMPLOYERS

Verizon Communications Inc.
JPMorgan Chase & Co.
Northwell Health
Citigroup Inc.
PwC
American Airlines
Columbia University
Mount Sinai Health System
Morgan Stanley
Consolidated Edison

Economic Growth



SHARE OF 2018 TOTAL EMPLOYMENT



NEW YORK CITY DEMOGRAPHICS

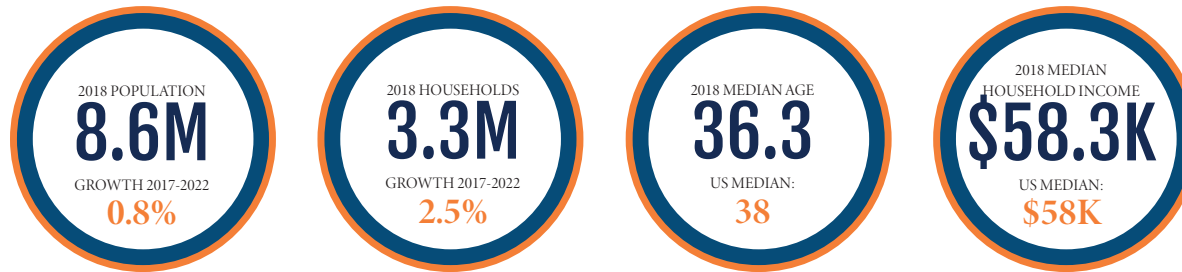
The five boroughs will add approximately 71,000 residents through 2023, fueled by domestic and international in-migration.

The daytime population reached approximately 9 million people last year, exceeding the residential population as many commuters enter the city for work each day.

High home prices keep the homeownership level at approximately 36 percent, well below that of the U.S. rate, and provide a large pool of renters.

Approximately 36 percent of residents age 25 and older have at least a bachelor's degree, with 15 percent also holding a graduate or professional degree. This is well above the U.S. level and provides employers with a skilled labor pool.

2017 POPULATION BY AGE



QUALITY OF LIFE

New York City provides an unparalleled lifestyle as an international a cultural center. The region has an abundance of entertainment venues when compared with other large metros. Four diverse seasons provide ample opportunities for outdoor enthusiasts to enjoy the local offerings. The region has public parks along with access to boating and hiking. New York City hosts various professional sports teams in baseball, football, hockey and basketball.

The city is a hub for international travelers, professionals and students with access to more than 130 public and private universities. The area's higher education institutions are also fed from a number of private and public schools systems. Many college graduates find work in a variety of industries represented in the local economy, including international relations through the U.N., financial activities on Wall Street and entertainment on Broadway.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

SPORTS



EDUCATION



ARTS & ENTERTAINMENT



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Marcus & Millichap



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