

# Dollar General

## Exclusive Net-Lease Offering



# OFFERING MEMORANDUM

**DOLLAR GENERAL®**

418 East Main Street – Spencer, OH 44275

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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**DOLLAR GENERAL®**

418 East Main Street – Spencer, OH 44275



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**DOLLAR GENERAL®**







# Investment Highlights

PRICE: \$1,415,821 | CAP: 6.70% | RENT: \$94,860

**DOLLAR GENERAL®**

## About the Investment

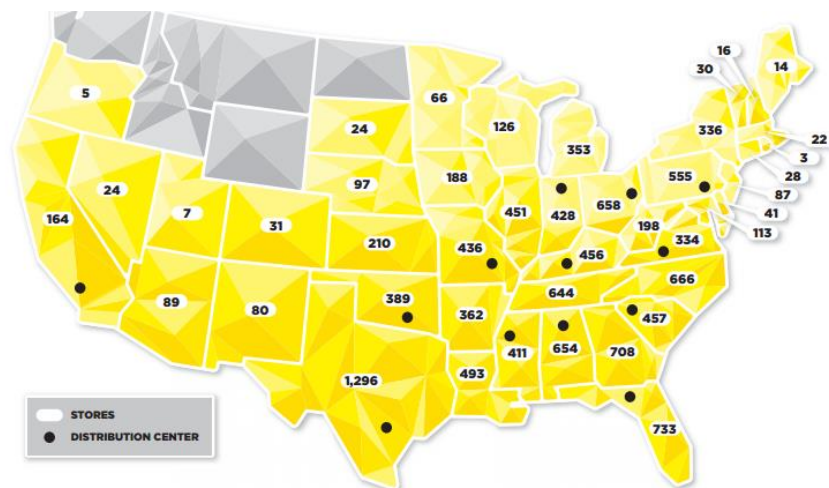
- ✓ Brand New Construction | Build-to-Suit Dollar General
- ✓ Newly Executed 15-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Rental Increases of 10% In Each Option Period
- ✓ Tenant Renewal Options: Four Periods of Five Years, Each bringing the Potential Lease Term Remaining to 35 Years
- ✓ Corporate Location | Corporate Guarantee

## About the Location

- ✓ Limited Competition: The Nearest Dollar General is Located More Than 9 Miles Away
- ✓ Strong Demographics of Surrounding Area | Population Over 43,000 in 10-Mile Radius
- ✓ Subject Property is Located Less Than an Hour Drive from Akron | Akron Population Over 197,000 | University of Akron Enrolls Over 25,000 Students

## About the Tenant/Brand

- ✓ Investment Grade Credit (S&P:BBB)
- ✓ Lease Guaranteed by Dollar General Corporate (NYSE: DG)
- ✓ Prime Positioning to Serve its Target Market | Limited to No Competition in the Area
- ✓ Dollar General | Only Dollar Store With Investment Grade Credit
- ✓ As of July 2018, Dollar General Operates Over 15,000 Stores in 45 States





# Financial Analysis

PRICE: \$1,415,821 | CAP: 6.70% | RENT: \$94,860

**DOLLAR GENERAL®**

## PROPERTY DESCRIPTION

Property	Dollar General
Property Address	418 East Main Street
City, State, ZIP	Spencer, OH 44275
Year Built	2019
Building Size	9,026
Lot Size	+/- 1.77 Acres
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$1,415,821
CAP Rate	6.70%
Annual Rent	\$94,860
Price / SF	\$156.86
Rent / SF	\$10.51

## LEASE SUMMARY

Property Type	Net-Lease Dollar Store
Original Lease Term	15.1 Years
Lease Commencement	May 12, 2019
Lease Expiration	May 31, 2034
Lease Term Remaining	15.0 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Each Option Period
Options to Renew	Four (4), Five (5)-Year

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Initial Term	\$94,860	\$7,905	-
Option Periods			
Option 1	\$104,346	\$8,696	10.00%
Option 2	\$114,781	\$9,565	10.00%
Option 3	\$126,259	\$10,522	10.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Dollar General located at 418 East Main Street in Spencer, Ohio. The property consists of approximately 9,026 square feet of building space and is situated on roughly 1.77 acres of land.

The Dollar General opened in May 2019 and is subject to a 15-year absolute triple-net (NNN) lease. This lease commenced on May 12, 2019 and expires on May 31, 2034. The initial annual rent is \$94,860 is scheduled to increase 10% in each of the four, five-year renewal options.

Founded in Goodlettsville, Tennessee, 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, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. With over 15,000 stores in 45 states Dollar General is among the largest discount retailer.

## About 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, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. With over 15,000 stores in 45 states Dollar General is among the largest discount retailers.

The company acquired the 280 stores of the P.N. Hirsh Division of Interco, Inc. (now Heritage Home Group) in 1983, and in 1985 added 206 stores and a warehouse from Eagle Family Discount Stores, also from Interco, Inc. In recent years, the chain has started constructing more stand-alone stores, typically in areas not served by another general-merchandise retailer. In some cases, stores are within a few city blocks of each other.

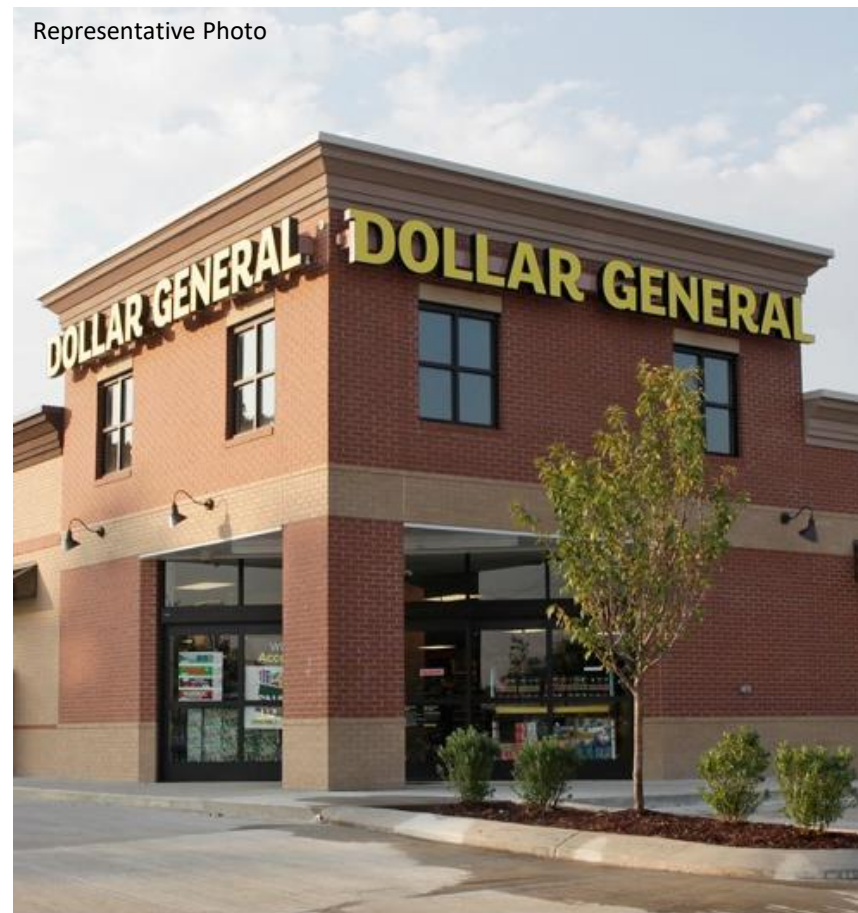
Dollar General offers both name brand and generic merchandise — including off-brand goods and closeouts of name-brand items — in the same store, often on the same shelf. Although it has the word "dollar" in the name, Dollar General is not a dollar store. Most of its products are priced at more than \$1.00. However, goods are usually sold at set price points the range of .50 to 60 dollars, not counting phone cards and loadable store gift cards. In the United States. In addition to high quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo and Coca-Cola.

Dollar General often serves communities that are too small for Walmart stores (although many locations are in relatively close driving distance to a Walmart store or in the same communities that Walmart is located). It competes in the dollar store format with national chains Family Dollar and Dollar Tree, regional chains such as Fred's in the southeast, and numerous independently owned stores.

## General Information

Address	Goodlettsville, TN
Website	<a href="https://www.dollargeneral.com">https://www.dollargeneral.com</a>
Concentration	45 States

Representative Photo







# Surrounding Area

Property Address: 418 East Main Street – Spencer, OH 44275

**DOLLAR GENERAL®**



**White Elephant  
Saloon**

**Spencer Restaurant**



**DOLLAR GENERAL®**



# Location Overview

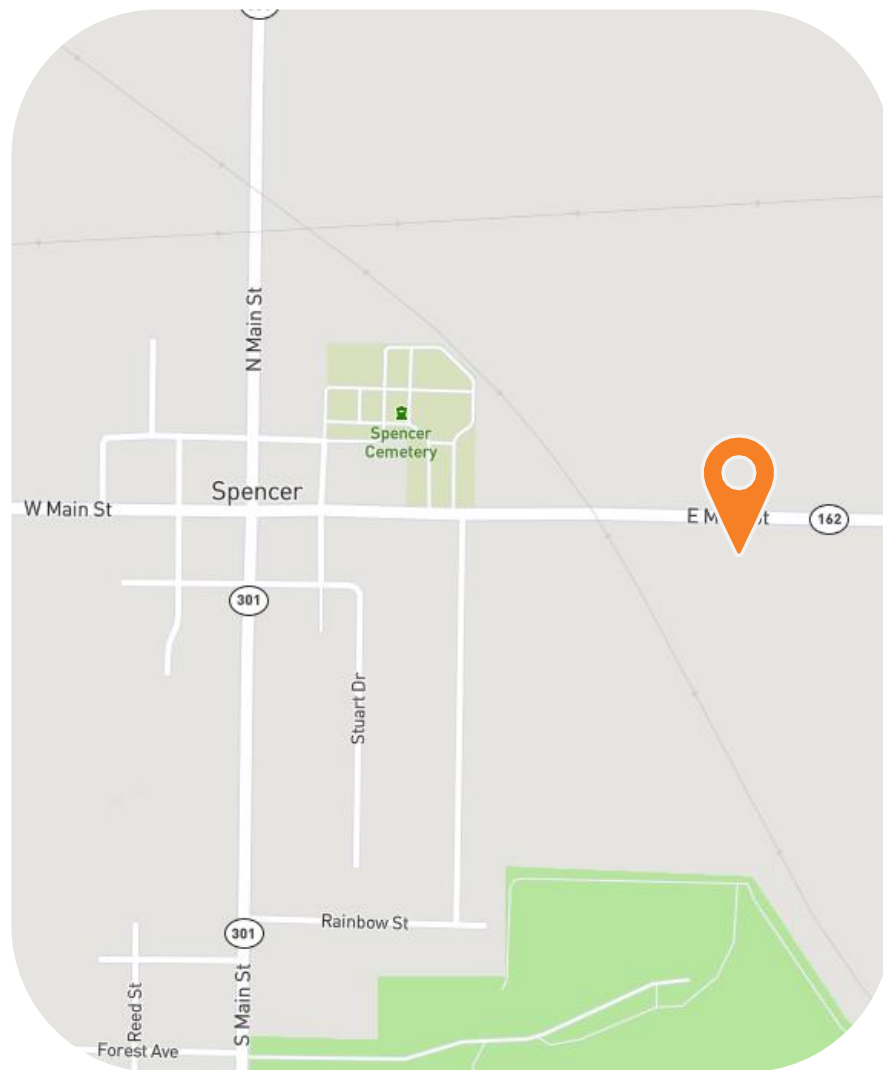
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**DOLLAR GENERAL®**

The subject investment property is situated on East Main Street in Spencer, Ohio. US Main Street is the main thoroughfare through Spencer which connects the city to Route 42 and other larger thoroughfares. There are approximately 43,000 people residing within a ten-mile radius of this property.

This Dollar General is well-positioned in a suburban thoroughway consisting of national and local industrial tenants, medical centers, automotive care, and local banks. National and local tenants in the area include Farmers Savings Bank, USPS, Ohio E Check, Main Street Market, Holmes Tire, and many more. This Dollar General benefits from its lack of competition in the area. The nearest dollar store is over 9-miles away.

Settled in the mid-west corner of Medina County, the Village of Spencer has been home for several generations of families, and continues to keep the family legacies and traditions growing today. The village is only a forty-five minute drive to Akron, OH. Akron is a city in and is the county seat of Summit County, Ohio. It is the fifth-largest city in the state of Ohio. Co-founded along the Little Cuyahoga River in 1825 by Simon Perkins and Paul Williams, it was chosen as a strategic point at the summit of the developing Ohio and Erie Canal. The city has a long history of rubber manufacturing, which today still includes Goodyear Tire. Recently, the company, which is the largest tire manufacturer in the city, built its new world headquarters in Akron. Other corporations, including Gojo Industries, FirstEnergy, Huntington Bank, and Charter Spectrum all have diversified the economy to include manufacturing, education, healthcare, and biomedical research. Bridgestone has also built a new technical center with state-of-the-art research and development labs, and moved its product development operations to the new facility in 2012. The Eastern Ohio Division of KeyBank, which has six branches in the city, recently built regional headquarters downtown. Akron has continued to expand into the medical sector, and has a designated area call the Biomedical Corridor, with the goal of luring health-related ventures to the region. Akron's adult hospitals are owned by two health systems, Summa Health Systems and Akron General Health System. Summa Health Systems operates Akron City Hospital and the former St. Thomas Hospital, which have been recognized as some of "America's Best Hospitals" by U.S. News & World Report. The city also has two Level I Trauma Centers: Akron City and Akron General hospitals.



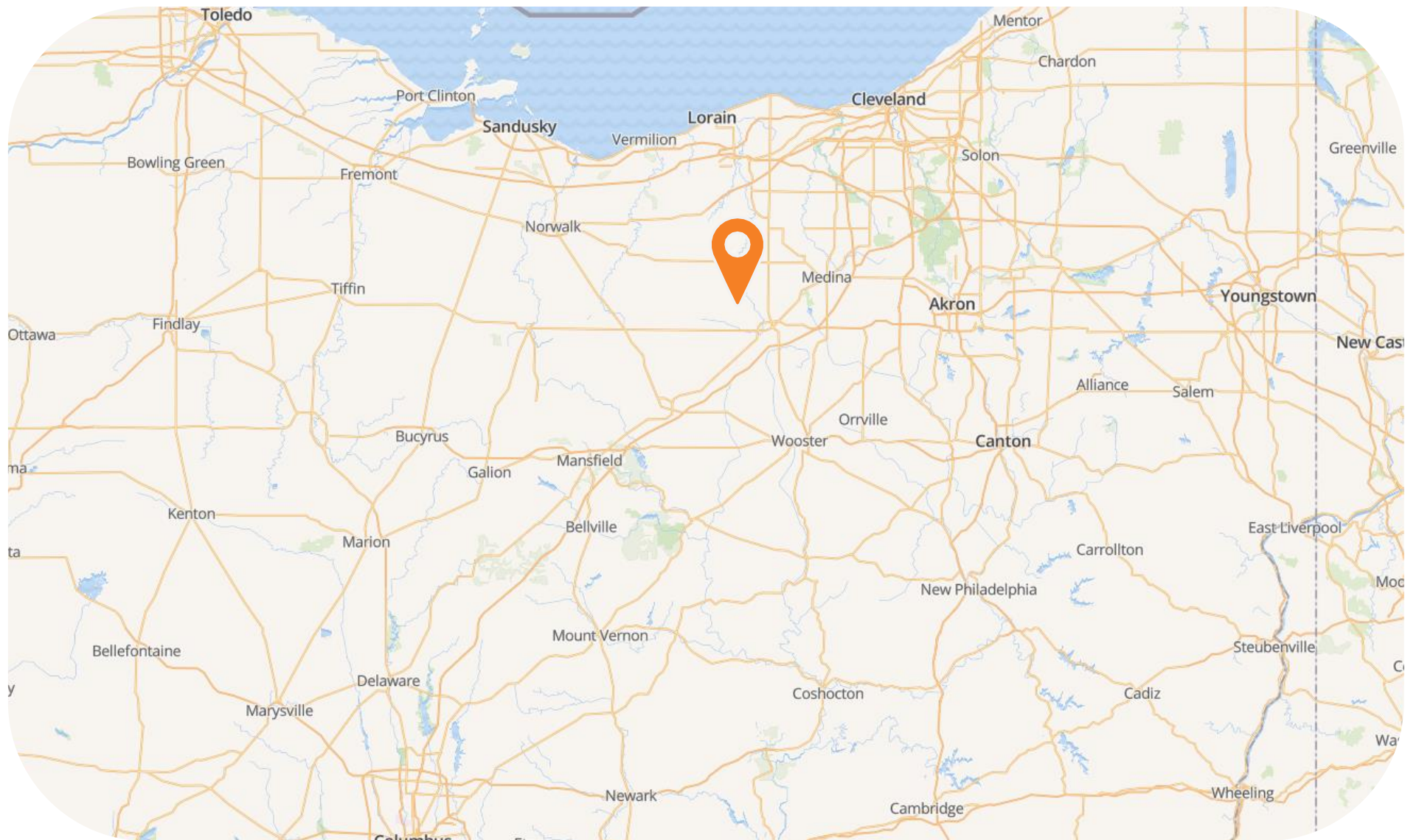




# Local Map

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**DOLLAR GENERAL®**





# Regional Map

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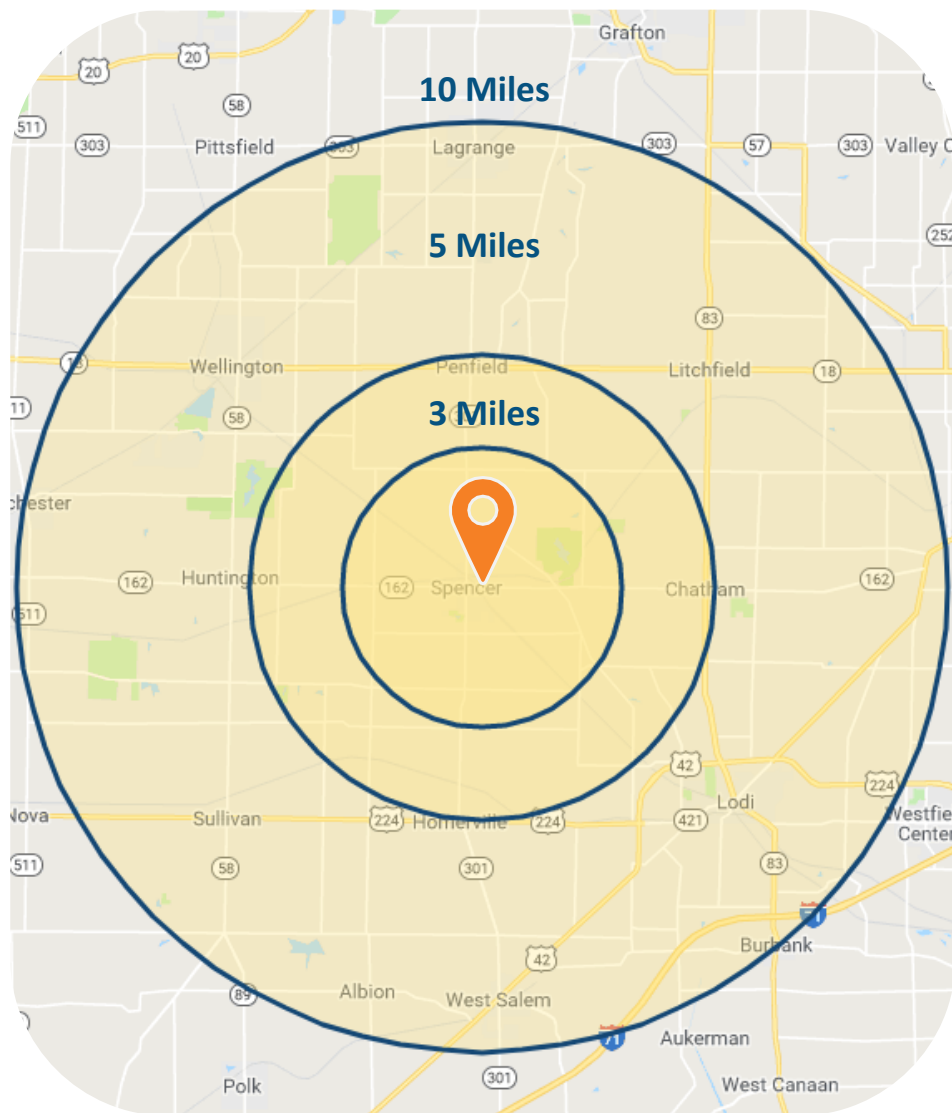




# Demographics

Property Address: 418 East Main Street – Spencer, OH 44275

**DOLLAR GENERAL®**



**3 Mile 5 Miles 10 Miles**

## Population Trends:

2024 Projection	2,934	5,592	43,025
2019 Estimate	2,893	5,528	42,532
2010 Census	2,880	5,571	42,462
2019 Population Hispanic Origin	51	86	818

## Population by Race (2019):

White	2,841	5,432	41,457
Black	5	19	247
American Indian & Alaskan	13	18	100
Asian	4	9	153
Hawaiian & Pacific Island	2	2	17
Other	29	48	558

## Household Trends:

2023 Projection	1,016	1,956	15,966
2018 Estimate	1,001	1,933	15,773
2010 Census	994	1,947	15,715
Owner Occupied	851	1,694	13,177
Renter Occupied	150	240	2,596

**Average Household Income (2019):** **\$73,530** **\$80,535** **\$75,875**

## Households by Household Income (2019):

<\$25,000	155	225	2,486
\$25,000 - \$50,000	228	402	3,421
\$50,000 - \$75,000	217	408	3,397
\$75,000 - \$100,000	127	297	2,546
\$100,000 - \$125,000	168	351	1,866
\$125,000 - \$150,000	51	105	981
\$150,000 - \$200,000	43	108	625

**Median Household Income (2019):** **\$63,634** **\$70,930** **\$64,613**



# Market Overview

*Akron, Ohio*



**Akron** is a city in and is the county seat of Summit County, Ohio. It is the fifth-largest city in the state of Ohio. Co-founded along the Little Cuyahoga River in 1825 by Simon Perkins and Paul Williams, it was chosen as a strategic point at the summit of the developing Ohio and Erie Canal. The city has a long history of rubber manufacturing, which today still includes Goodyear Tire. Recently, the company, which is the largest tire manufacturer in the city, built its new world headquarters in Akron. Other corporations, including Gojo Industries, FirstEnergy, Huntington Bank, and Charter Spectrum all have diversified the economy to include manufacturing, education, healthcare, and biomedical research. Bridgestone has also built a new technical center with state-of-the-art research and development labs, and moved its product development operations to the new facility in 2012. The Eastern Ohio Division of KeyBank, which has six branches in the city, recently built regional headquarters downtown. Akron has continued to expand into the medical sector, and has a designated area call the Biomedical Corridor, with the goal of luring health-related ventures to the region. Akron's adult hospitals are owned by two health systems, Summa Health Systems and Akron General Health System. Summa Health Systems operates Akron City Hospital and the former St. Thomas Hospital, which have been recognized as some of "America's Best Hospitals" by U.S. News & World Report. The city also has two Level I Trauma Centers: Akron City and Akron General hospitals.

## Major Employers

Employers	Estimated # of Employees
Shiloh Industries Inc	799
Forest City Technologies	500
Forest City Technologies Inc	430
NN Inc	401
Whirlaway Corporation	325
Wellington Stamping	280
Wellington Exempted Village SC	241
Spencer Forge & Manufacturing	156
Forest City Tech Plant 4	150
Keystone Local School District	150
Weber Health Care Center Inc	140
Lodi Community Hospital	130



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