

# Dollar General

## Exclusive Net-Lease Offering



OFFERING  
MEMORANDUM

**DOLLAR GENERAL®**

26682 PA-267, Friendsville, PA 18818

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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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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Activity ID: Z0330625

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## Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Surrounding Area	7
Location Overview	8
Maps	9-10
Demographics / Market Overview	11-12

**DOLLAR GENERAL®**





# Investment Highlights

PRICE: \$1,552,089 | CAP: 6.70% | RENT: \$103,990

**DOLLAR GENERAL®**

## About the Investment

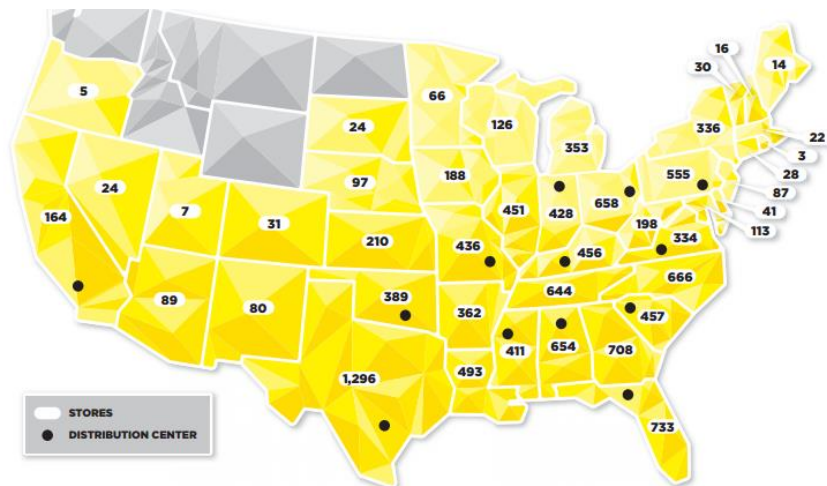
- ✓ Brand New Construction | Build-to-Suit Dollar General
- ✓ Newly Executed 15-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Rental Increases of 10% In Each Option Period
- ✓ Tenant Renewal Options: Three Periods of Five Years, Each bringing the Potential Lease Term Remaining to 30 Years
- ✓ Corporate Location | Corporate Guarantee

## About the Location

- ✓ Limited Competition | The Nearest Dollar General is Located Approximately 14 Miles Away
- ✓ Strong Demographics of Surrounding Area | Population Over 115,800 in 10-Mile Radius
- ✓ Located 12 Miles South of Binghamton, New York | Binghamton Population Exceeds 45,000 | SUNY Binghamton Enrolls Over 13,100 Students
- ✓ Affluent Population | Over \$87,000 Average Household Income Within a 5-Mile Radius
- ✓ Barnes Kason Hospital and Our Lady of Lourdes Memorial Hospital | Located Within Four Miles from Subject Property | Combined Bed Count Of 359 Beds

## 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: \$1,552,089 | CAP: 6.70% | RENT: \$103,990

**DOLLAR GENERAL®**

## PROPERTY DESCRIPTION

Property	Dollar General
Property Address	26682 PA 267
City, State, ZIP	Friendsville, PA 18118
Year Built	2018
Building Size	9,026
Lot Size	+/- 1.16 Acres
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$1,552,089
CAP Rate	6.70%
Annual Rent	\$103,990
Price / SF	\$171.96
Rent / SF	\$11.52

## LEASE SUMMARY

Property Type	Net-Lease Dollar Store
Original Lease Term	15.0 Years
Lease Commencement	October 31, 2018
Lease Expiration	October 31, 2033
Lease Term Remaining	14.6 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Each Option Period
Options to Renew	Three (3), Five (5)-Year

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Initial Term	\$103,990	\$8,666	-
Option Periods			
Option 1	\$114,389	\$9,532	10.00%
Option 2	\$125,828	\$10,486	10.00%
Option 3	\$138,411	\$11,534	10.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Dollar General located at 26682 PA 267 in Friendsville, Pennsylvania. The property consists of 9,026 square feet of building space and is situated on roughly 1.16 acres of land.

The Dollar General opened in October 2018 and is subject to a 15-year absolute triple-net (NNN) lease. This lease commenced on October 31, 2018 and expires on October 31, 2033. The initial annual rent is \$103,990 is scheduled to increase 10% in each of the three, 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.

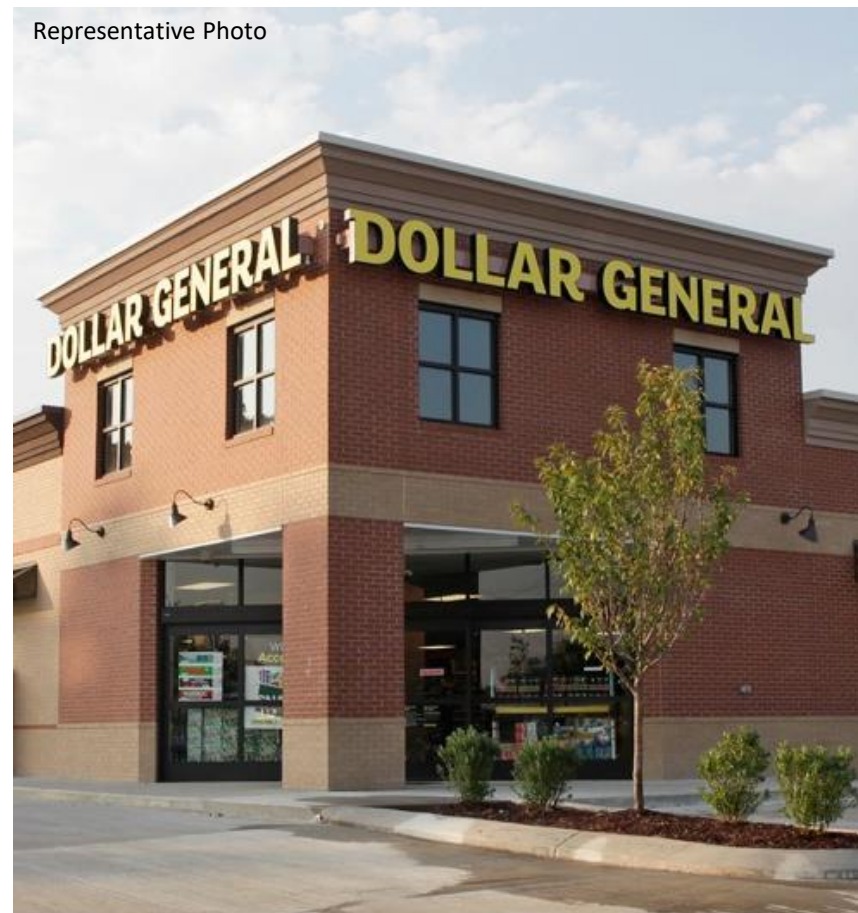
Dollar General offers both name brand and generic merchandise — including off-brand goods and closeouts of name-brand items — in the same store, often on the same shelf. Although it has the word "dollar" in the name, Dollar General is not a dollar store. Most of its products are priced at more than \$1.00. 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: 26682 PA-267, Friendsville, PA 18818

**DOLLAR GENERAL®**

Advanced Photonic Sciences

Paraco Gas

Addison House Bed & Breakfast

Choconut Creek Apartments

St. John Neumann Center



**DOLLAR GENERAL®**



Choconut Inn

Seahag Soaps – Art Mercantile

Relaxation Station-Reflexology



# Location Overview

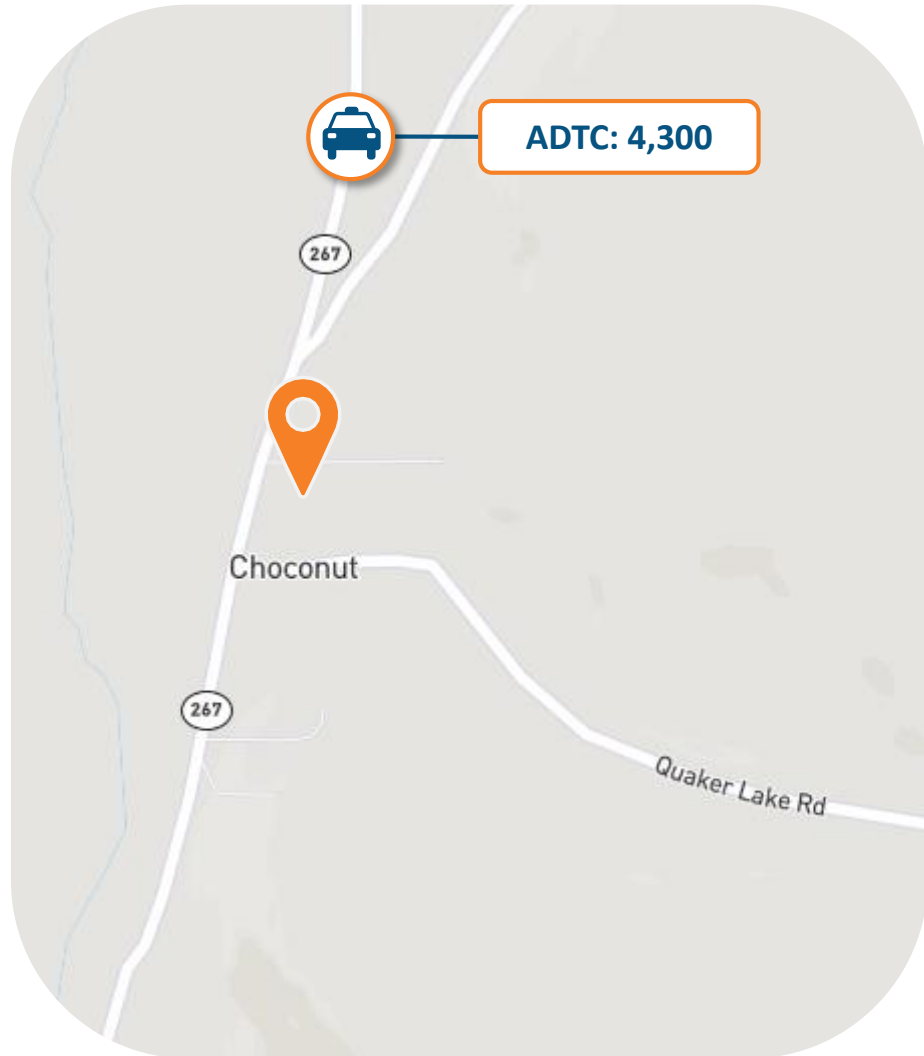
Property Address: 26682 PA-267, Friendsville, PA 18818

The subject investment property is situated on PA-267, which experiences an average daily traffic count of 4,300 vehicles. PA-267 intersects with Quaker Lake Rd, which experiences an average daily traffic count of 1,200 vehicles. There are approximately 115,800 people residing within a ten-mile radius. The area surrounding the property is very residential and affluent, with an average household income of over \$87,000.

This Dollar General is well-positioned in a suburban throughway consisting of national and local tenants, medical centers, automotive care, and local banks. National and local tenants in the area include: NBT Bank, United States Postal Service, Gulf, Bed and Breakfast Accommodations, Endless Mountain Health Systems and many more. This Dollar General benefits from nearby academic institutions. Binghamton University is located approximately eight miles from the subject property, and features a total enrollment of over 13,100 students. Also, the Montrose Area School District is less than ten miles away from the subject property and has a total enrollment exceeding 1,400 students. The subject property also benefits from nearby hospitals. Barnes Kason Hospital and Our Lady of Lourdes Memorial Hospital are both within a four-mile radius of the property and have a combined bed count of 359 beds.

Friendsville is located 14 miles south of Binghamton, New York. Binghamton is the principal city and cultural center of the Binghamton metropolitan area, home to a quarter million people. In the days of the railroad, the city was a transportation crossroads and a manufacturing center, and has been known at different times for the production of cigars, shoes, and computers. IBM was founded nearby, and the flight simulator was invented in the city, leading to a notable concentration of electronics- and defense-oriented firms. This sustained economic prosperity earned Binghamton the moniker of the Valley of Opportunity. Today, there is a continued concentration of high-tech firms, Binghamton is emerging as a healthcare and education focused city, with the presence of Binghamton University acting as much of the driving force behind this revitalization. There is also a large presence of food services and distribution companies in Binghamton. Both Maines Paper & Food Service and Willow Run Foods are headquartered in the region, and are two of the largest food distributors in the country, servicing a large region of restaurants and chains throughout the United States. Crowley Foods, a subsidiary of HP Hood, maintains their headquarters in Binghamton and Frito-Lay has a large plant in the region. The development of large student housing projects has resulted in a resurgence of restaurants and service-oriented business downtown.

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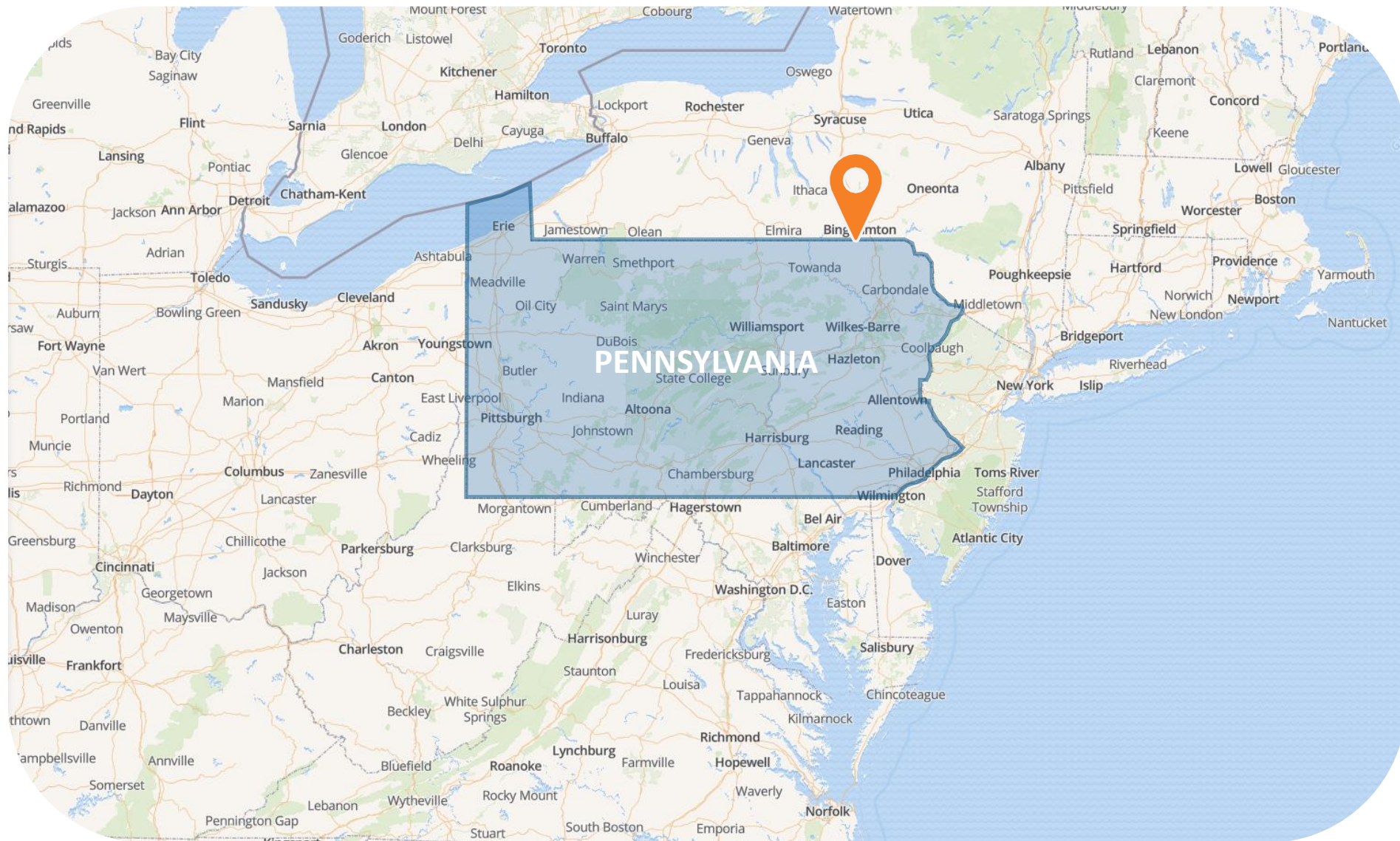
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# Regional Map

Property Address: 26682 PA-267, Friendsville, PA 18818

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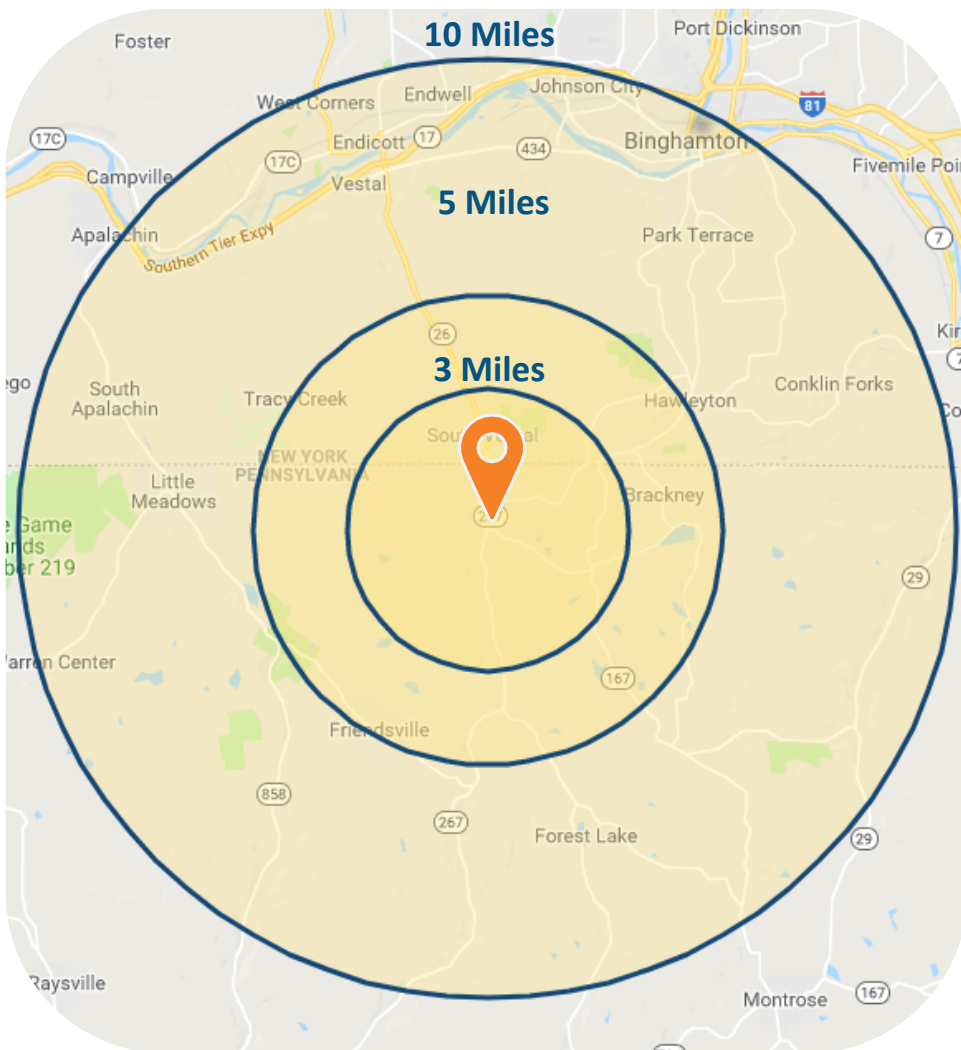


# Demographics

Property Address: 26682 PA-267, Friendsville, PA 18818

## DOLLAR GENERAL®

**3 Mile 5 Miles 10 Miles**



### Population Trends:

2023 Projection	1,923	5,295	114,012
2018 Estimate	1,947	5,380	115,793
2010 Census	1,944	5,495	119,567
2018 Population Hispanic Origin	24	72	5,609

### Population by Race (2018):

White	1,884	5,162	96,754
Black	17	49	7,825
American Indian & Alaskan	4	12	309
Asian	15	81	7,393
Hawaiian & Pacific Island	1	4	93
Other	26	72	3,419

### Household Trends:

2023 Projection	773	2,100	46,562
2018 Estimate	783	2,134	47,316
2010 Census	780	2,180	49,148
Owner Occupied	677	1,881	28,473
Renter Occupied	105	253	18,843

### Average Household Income (2018):

**\$85,304 \$87,135 \$65,914**

### Households by Household Income (2018):

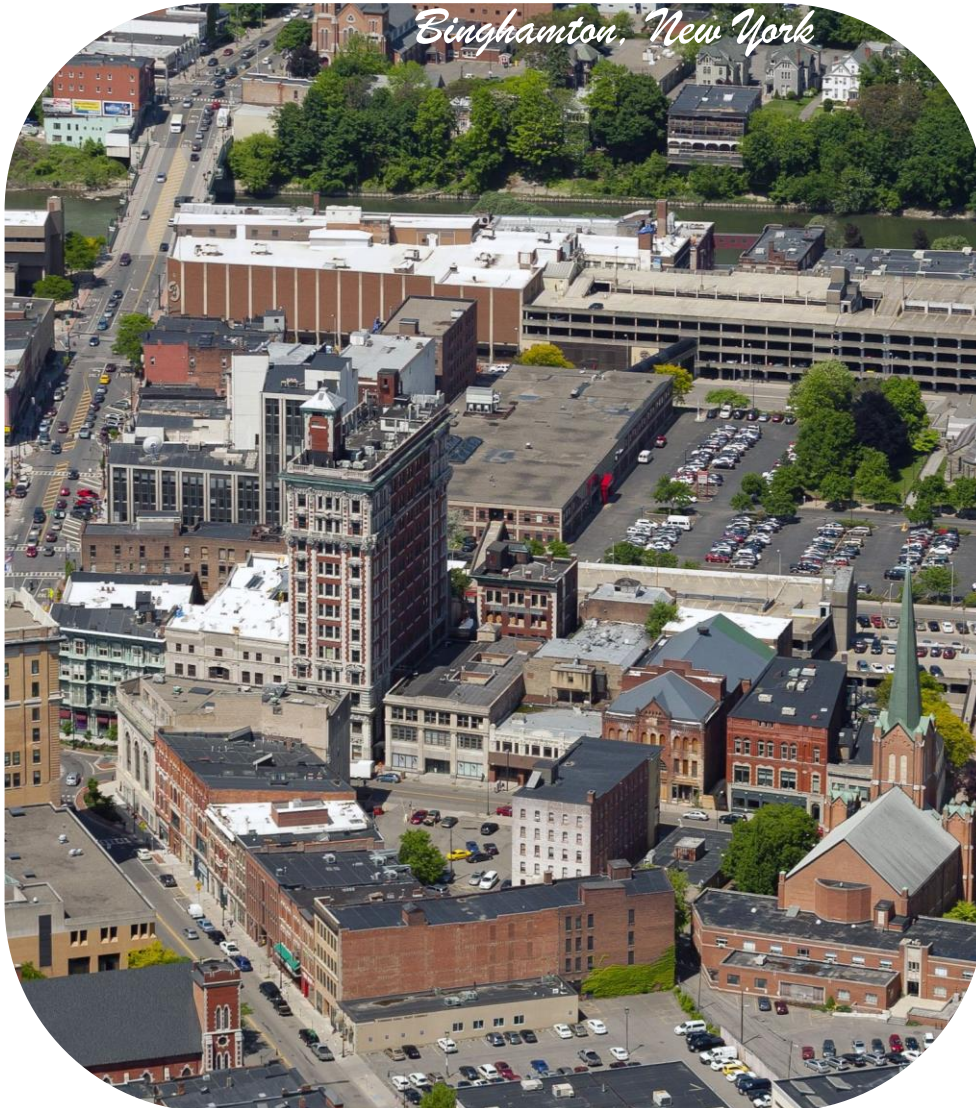
<\$25,000	100	281	13,189
\$25,000 - \$50,000	177	460	11,004
\$50,000 - \$75,000	182	453	8,417
\$75,000 - \$100,000	105	305	5,758
\$100,000 - \$125,000	61	232	3,515
\$125,000 - \$150,000	67	153	1,830
\$150,000 - \$200,000	45	120	1,943

### Median Household Income (2018):

**\$66,130 \$68,453 \$48,846**



# Market Overview



**Binghamton** is the principal city and cultural center of the Binghamton metropolitan area, home to a quarter million people. In the days of the railroad, the city was a transportation crossroads and a manufacturing center, and has been known at different times for the production of cigars, shoes, and computers. IBM was founded nearby, and the flight simulator was invented in the city, leading to a notable concentration of electronics- and defense-oriented firms. This sustained economic prosperity earned Binghamton the moniker of the Valley of Opportunity.

Today, there is a continued concentration of high-tech firms, Binghamton is emerging as a healthcare and education focused city, with the presence of Binghamton University acting as much of the driving force behind this revitalization. There is also a large presence of food services and distribution companies in Binghamton. Both Maines Paper & Food Service and Willow Run Foods are headquartered in the region, and are two of the largest food distributors in the country, servicing a large region of restaurants and chains throughout the United States. Crowley Foods, a subsidiary of HP Hood, maintains their headquarters in Binghamton and Frito-Lay has a large plant in the region. The development of large student housing projects has resulted in a resurgence of restaurants and service-oriented business downtown.

## Major Employers

Employers	Estimated # of Employees
Broome County	3,891
Lourdes Hospital	3,272
IBM	2,026
UHS	1,971
Crowley Foods	1,660
Wilson Regional Medical Center	1,600
Pella Window Door	1,580
Bae Systems Controls Inc	1,400
Synergy Solutions Inc	1,000
US Post Office	937
Waters of Endicott	805
Nationwide Credit Inc	800



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