



SINGLE TENANT
NET LEASE
OPPORTUNITY

VICKSBURG | MS

HORVATH & TREMBLAY

LISTED IN CONJUNCTION WITH MISSISSIPPI REAL ESTATE BROKER DAVID B ZACHARIA



LEAD AGENTS



CHRIS KING
Associate
Direct: (404) 260-0486
cking@htretail.com



BOB HORVATH
Executive Vice President
Direct: (781) 776-4003
rhorvath@htretail.com

LISTED IN CONJUNCTION WITH
MISSISSIPPI REAL ESTATE
BROKER DAVID B ZACHARIA
LICENSE 20458
PHONE (702) 304-9900

DISCLAIMER

Horvath & Tremblay and David B. Zacharia have been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than Horvath & Tremblay and David B. Zacharia and we make no representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all references to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a buyer. Buyers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.



We are pleased to present the exclusive opportunity to purchase a single-tenant, net-leased Dollar General investment property located at 2203 Clay Street in Vicksburg, MS (the "Property"). This "in-town" location for Dollar General has been open and operating since 2004. Their current lease term, which was extended for 10 years in 2015, has 4+ years remaining and is followed by three, 5-year renewal options with a 10% rent increase at the start of each option period.

The Property is located across from a Walgreens and O'Reilly Auto Parts on the primary commercial corridor in Vicksburg that connects the central business district with Interstate 20. Vicksburg is a town of 26,500 residents located along the Mississippi River, which forms the state border with Louisiana, in west-central Mississippi.

- **CORPORATE INVESTMENT GRADE CREDIT:** Dollar General has the highest credit rating among its peers and is the only "dollar store" with investment grade credit – rated BBB (S&P) and Baa2 (Moody's). Dollar General operates over 15,000 locations throughout the country.
- **STRONG OPERATING HISTORY:** Dollar General has been successfully operating at the Property for over 15 years and preemptively extended their lease term of an additional 10 years in 2015.
- **LEASE TERM REMAINING:** The current lease term has 4+ years remaining plus three (3), 5-year renewal options with a 10% rent increase at the start of each option period, offering an attractive hedge against inflation.
- **STRATEGIC "IN TOWN" LOCATION:** The Property is located on the primary retail corridor in downtown Vicksburg. Additional retailers and attractions driving consumers to the immediate area include Walgreens, Sullivan's Supermarket, O'Reilly Auto Parts, McDonald's, Church's Chicken, Family Dollar, Aaron's, AutoZone, Subway, KFC, Saint Aloysius High School, Warren Central Junior High School, Vicksburg Junior High School and St Francis Xavier Elementary School. The Property is also located within one mile of the Merit Health River Region Hospital, a 361-bed facility with trauma center and emergency room.
- **DEMOGRAPHICS:** Over 27,800 people live within a 5-mile radius of the Property with an average household income of \$53,493.
- **TRAFFIC COUNTS:** Approximately 22,747 vehicles per day pass the Property at the adjacent intersection of Clay Street and Mission 66.
- **TENANT RESPONSIBILITIES:** The Tenant is responsible for reimbursing 100% of all Real Estate Taxes and Insurance. The Tenant also contributes a fixed charge of \$257 per month (\$3,087 annually) for Parking Lot expenses and is responsible for maintaining a quarterly HVAC service contract and for HVAC repairs up to \$750.
- **LANDLORD RESPONSIBILITIES:** The Landlord's is responsible for the Roof & Structural elements of the building as well as performing any Parking Lot maintenance including the lighting, cleaning, striping and repairs.



2203 CLAY STREET | VICKSBURG, MS 39183

PROPERTY TYPE:	Single Tenant
TYPE OF OWNERSHIP:	Fee Simple
BUILDING AREA:	8,125 SF ⁽¹⁾
PARCEL SIZE:	0.70 Acres ⁽²⁾
LESSEE:	Dolgencorp, LLC
TRADE NAME/DBA:	Dollar General
GUARANTOR:	Corporate
LEASE TYPE:	Double Net (NN)
ROOF & STRUCTURE:	Landlord Responsibility
RENT COMMENCEMENT DATE:	05/01/2004
LEASE TERMINATION DATE	01/31/2024
LEASE TERM REMAINING:	4 Years, 5 Months
RENEWAL OPTIONS:	3, 5-Year Options

(1) Per the Lease.
(2) Per Warren County Assessors Office

LEASE TERM		ANNUAL RENT	% INCREASE
CURRENT - 01/31/2024		\$57,960	
02/01/2024 - 01/31/2029	OPTION 1	\$63,756	10.0%
02/01/2029 - 01/31/2034	OPTION 2	\$70,132	10.0%
02/01/2034 - 01/31/2039	OPTION 3	\$77,145	10.0%

 **LIST PRICE:**

\$772,800

 **CAP RATE:**

7.50%

 **NOI:**

\$57,960

EXPENSES	RESPONSIBILITY
RE TAXES:	Tenant Pays LL a fixed monthly amount (\$257.28)
INSURANCE:	Tenant Reimburses Landlord
PARKING LOT/CAM:	Tenant Reimburses Landlord
SNOW REMOVAL:	Tenant Pays Directly
UTILITIES:	Tenant pays directly
HVAC:	Tenant Responsible for repairs < \$750 and must maintain a quarterly service contract.
ROOF & STRUCTURE:	Landlord Responsibility

Parking Lot care and maintenance includes lighting, cleaning, striping and repairs.



LOCATIONS:	15,370 in 45 states
HEADQUARTERS:	Goodlettsville, TN
INDUSTRY:	Retail - Discount & Variety
ANNUAL REVENUE (2018):	\$25.6 Billion
ANNUAL OPERATING PROFIT (2018):	\$1.59 Billion
MARKET CAP (JULY 2019):	\$36.1 Billion
CREDIT RATING:	BBB (S&P) / Baa2 (Moody's)

ABOUT THE TENANT

Dollar General is the largest chain of discount stores in the country and is among the largest retailers of products made by leading companies such as Procter & Gamble, Kellogg's, General Mills, Nabisco, Fruit of the Loom and Coca-Cola. The company began in 1939 as a family-owned business called J.L. Turner and Son in Scottsville, Kentucky. In 1968 the name changed to Dollar General and the company went public on the NYSE. Dollar General has since become one of the most profitable stores in the U.S. with FY 2019 revenue reaching \$25.6 billion.

Dollar General predominantly serves rural and suburban low-income customers. The retailer's target shopper is often living in areas called "food deserts," meaning they are miles away from the nearest Walmart or grocery store. This has meant that the majority of its stores are located in rural and suburban areas, where the stores cost less to operate.

Dollar General has had explosive growth, nearly doubling their store count from 8,194 in 2007 to 15,370 in 2018. Over the same time period, the company's sales jumped from \$9.5 billion to over \$25 billion. As of 2017, Dollar General has the most store locations of any retailer in America. They currently operate over 15,300 stores in 45 states with 14 distribution centers in 14 states.

From a net lease point of view, Dollar General is appealing given its lower price point and impressive sales record in a growing market segment. While competitors have been squeezed by growing competition from Amazon, Dollar General has flourished, swooping in and offering prices that are 20% - 40% lower than grocery and drug stores. As of their most recent quarterly results, Dollar General had continued its 29-year long sales growth streak, reporting a 4% increase in same-store sales.



VICKSBURG | MS



42,500+
PEOPLE WITHIN 10 MILES



\$53,000+
AVERAGE HOUSEHOLD INCOME



22,747 VPD
CLAY STREET

OVERVIEW

Vicksburg, Mississippi, is a historic American city, located on a high bluff on the east bank of the Mississippi River across from Louisiana. Vicksburg is the county seat of Warren County, Mississippi, with a population of 26,407 at the 2000 census. Vicksburg has the charm and history of a smaller community, with the nearby amenities of a city. The town is located along the eastern shore of the Mississippi River at which forms the natural state border with Louisiana. Downtown Vicksburg benefits from its close proximity to the county's top employers including the US Army Corp of Engineers Research & Development Center, River-Region Health System and Hospital and the Vicksburg-Warren School District.

Vicksburg is a city with a strong history. As a strategic site in the civil war, the area is wrought with tourists, thanks to the Vicksburg National Military Park and the Old Court House. Over time, Vicksburg has developed into the county seat of Warren County. The city, on the border of Louisiana, is traversed by Interstate 20 and US Route 61, and the primary area is home to numerous retailers including Walgreens, O'Reilly's Auto Parts, McDonald's, Church's Chicken, Aaron's, AutoZone, Subway, Firestone and KFC. Additionally, Vicksburg is home to the Merit Health River Region Hospital, a 361-bed hospital with trauma center and emergency room. Vicksburg is located 40 miles from Jackson, the state capital of Mississippi and approximately 2 hours from Baton Rouge, Louisiana.

	3 MILES	5 MILES	10 MILES
POPULATION			
2019 Estimate	19,208	27,805	42,987
2024 Projection	19,119	27,277	41,694
2010 Census	20,210	29,398	45,444
BUSINESS			
2019 Est. Total Business	1,317	1,704	1,881
2019 Est. Total Employees	11,317	19,916	22,213
HOUSEHOLDS			
2019 Estimate	8,251	11,907	18,101
2024 Projection	8,436	12,009	18,054
2010 Census	8,024	11,629	17,669
INCOME			
Average Household Income	\$49,412	\$53,493	\$57,803
Median Household Income	\$33,836	\$38,453	\$46,086



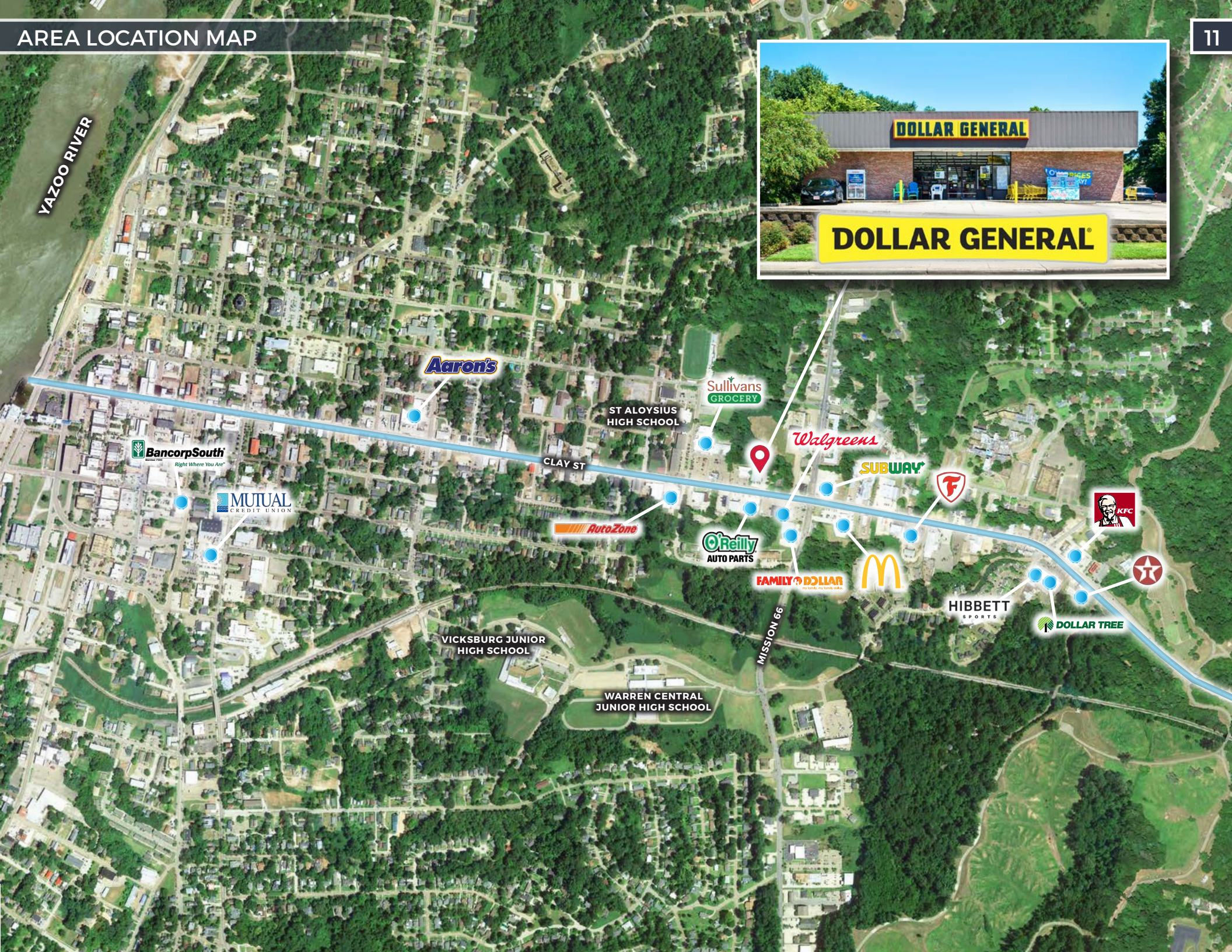






DOLLAR GENERAL®

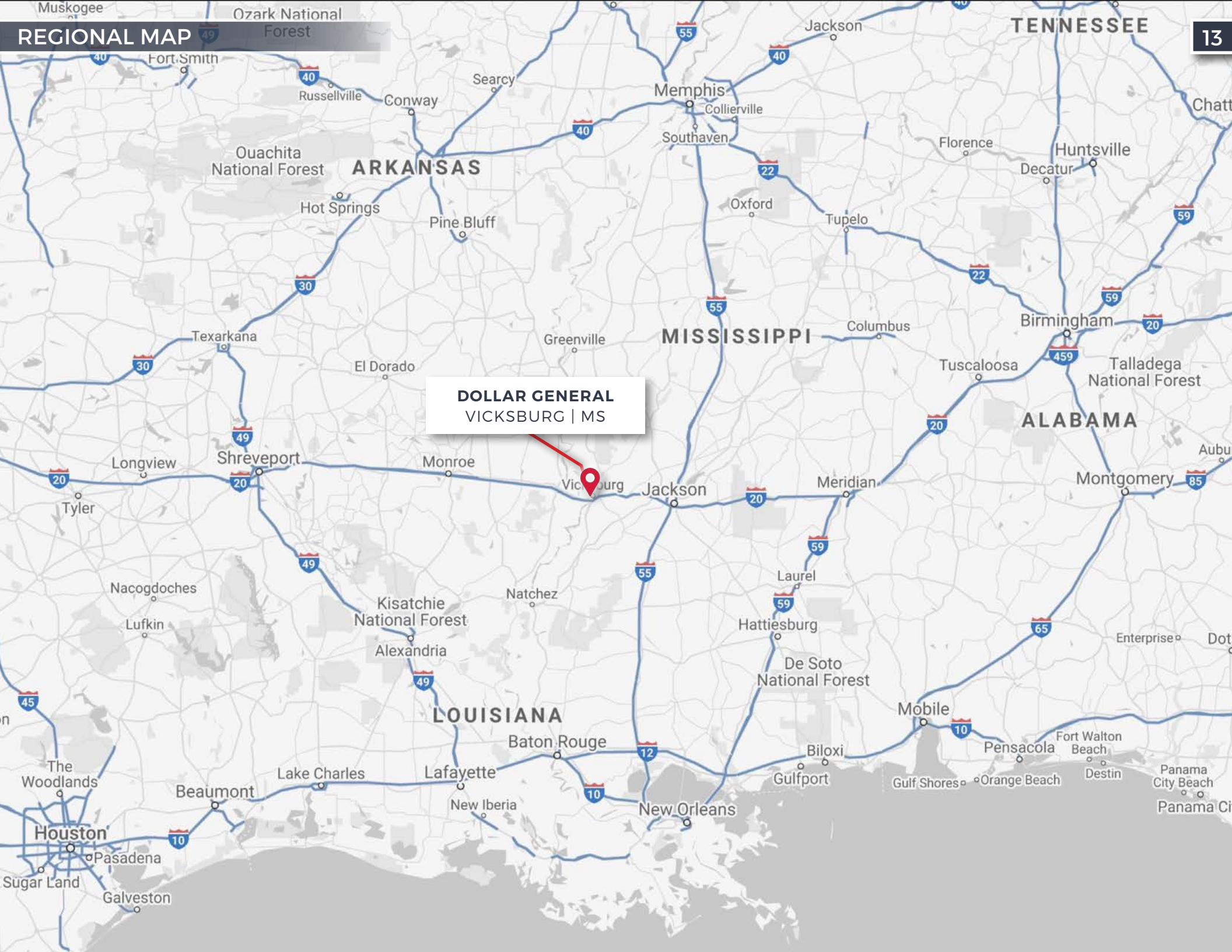
CLAY STREET



AREA LOCATION MAP



REGIONAL MAP





WORKING WITH A REAL ESTATE BROKER

****THIS IS NOT A LEGALLY BINDING CONTRACT****

GENERAL

Before you begin working with any real estate agent, you should know whom the agent represents in the transaction. Mississippi real estate licensees are required to disclose which party they represent in a transaction and to allow a party the right to choose or refuse among the various agency relationships.

There are several types of relationships that are possible and you should understand these at the time a broker or salesperson provides specific assistance to you in a real estate transaction.

The purpose of the Agency Disclosure is to document an acknowledgement that the consumer has been informed of various agency relationships, which are available in a real estate transaction.

For the purpose of this disclosure, the term seller and/or buyer will also include those other acts specified in Section 73-35-3 (1), of the Miss. Code, "...list, sell, purchase, exchange, rent, lease, manage, or auction any real estate, or the improvements thereon including options."

SELLER'S AGENT

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. A licensee who is engaged by and acts as the agent of the Seller only is known as a Seller's Agent. A Seller's agent has the following duties and obligations:

To the Seller:

*The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Buyer and Seller:

*A duty of honesty and fair dealing.

*A duty to disclose all facts known to the Seller's agent materially affecting the value of the property, which are not known to, or readily observable by, the parties in a transaction.

BUYER'S AGENT

A buyer may contract with an agent or firm to represent him/her. A licensee who is engaged by and acts as the agent of the Buyer only is known as the Buyer's Agent.

If a Buyer wants an agent to represent him in purchasing a property, the buyer can enter into a Buyer's Agency Agreement with the agent. A Buyer's Agent has the following duties and obligations:

To the Buyer:

*The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Seller and Buyer:

*A duty of honesty and fair dealing.

DISCLOSED DUAL AGENT

A real estate agent or firm may represent more than one party in the same transaction. A Disclosed Dual Agent is a licensee who, with the informed written consent of the Seller and Buyer, is engaged as an agent for both Seller and Buyer.

As a disclosed dual agent, the licensee shall not represent the interests of one party to the exclusion or detriment of the interests of the other party. A disclosed dual agent has all the fiduciary duties to the Seller and Buyer that a Seller's or Buyer's agent has except the duties of full disclosure and undivided loyalty.

A Disclosed Dual Agent may not disclose:

- To the Buyer that the Seller will accept less than the asking or listed price, unless otherwise instructed in writing by the Seller.
- To the Seller that the Buyer will pay a price greater than the price submitted in a written offer to the Seller, unless otherwise instructed in writing by the Buyer.
- The motivation of any party for selling, buying, or leasing a property, unless otherwise instructed in writing by the respective party, or
- That a Seller or Buyer will agree to financing terms other than those offered, unless otherwise instructed in writing by the respective party.

IMPORTANT NOTICE!

"Customer" shall mean that person not represented in a real estate transaction. It may be the buyer, seller, landlord or tenant.

A Buyer may decide to work with a firm that is acting as agent for the Seller (a Seller's Agent or subagent). If a Buyer does not enter into a Buyer Agency Agreement with the firm that shows him properties, that firm and its agents may show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the Seller (not the Buyer) and must disclose that fact to the Buyer.

When it comes to the price and terms of an offer, the Seller's Agent will ask you to decide how much to offer for any property and upon what terms and conditions. They can explain your options to you, but the final decision is yours, as they cannot give you legal or financial advice. They will attempt to show you property in the price range and category you desire so that you will have information on which to base your decision.

The Seller's Agent will present to the Seller any written offer that you ask them to present. You should keep to yourself any information that you do not want the Seller to know (i.e. the price you are willing to pay, other terms you are willing to accept, and your motivation for buying). The Seller's agent is required to tell all such information to the Seller. You should not furnish the Seller's agent anything you do not want the Seller to know. If you desire, you may obtain the representation of an attorney or another real estate agent, or both.

THIS IS NOT A CONTRACT. THIS IS AN ACKNOWLEDGEMENT OF DISCLOSURE

The below named Licensee has informed me that brokerage services are being provided me as a:

- ☐ Client (Seller's or Landlord's Agent)
☐ Client (Buyer's or Tenant's Agent)
☐ Client (Disclosed Dual Agent)

☐ Customer (Not as my Agent)

By signing below, I acknowledge that I received this informative document and explanation prior to the exchange of confidential information which might affect the bargaining position in a real estate transaction involving me.

_____	David B Zacharia	_____
(Client)	(Licensee)	(Customer)
_____	David B Zacharia	_____
(Client)	(Company)	(Customer)

LICENSEE -Provide a copy of disclosure acknowledgement to all parties and retain signed original for your files.

