

SECURE
NET LEASE

DOLLAR GENERAL

\$1,410,410 | 6.50%

BRAND NEW 15-YEAR CORP. ABS. NNN LEASE

112 Garfield Ave, Moffat, CO 81143



FILE PHOTO

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EXCLUSIVE LISTING AGENT

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COLORADO BROKER OF RECORD

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GRI, Owner/Broker

License # FA400018515

post@firstcolorado.com

SECURE NET LEASE ("Agent") has been engaged as an agent for the sale of the property located at 112 Garfield Ave, Moffat, CO by the owner of the Property ("Seller"). The Property is being offered for sale in an "as-is, where-is" condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. The enclosed materials are being provided solely to facilitate the prospective investor's own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent nor the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein. Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller. Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller's obligations hereunder have been satisfied or waived. By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller and Agent.



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INVESTMENT OVERVIEW

PRICE CAP:	\$1,410,410 6.50%
NET OPERATING INCOME:	\$91,676
BUILDING AREA:	9,100 +/- Square Feet
LAND AREA:	1.04 +/- Acres
YEAR BUILT:	2019
LANDLORD RESPONSIBILITY:	None
OCCUPANCY:	100%

INVESTMENT HIGHLIGHTS



15-YEAR CORP. ABS.
NNN



HALF MILE FROM
MOFFAT SCHOOL



LOCATED IN TARGET
MARKET



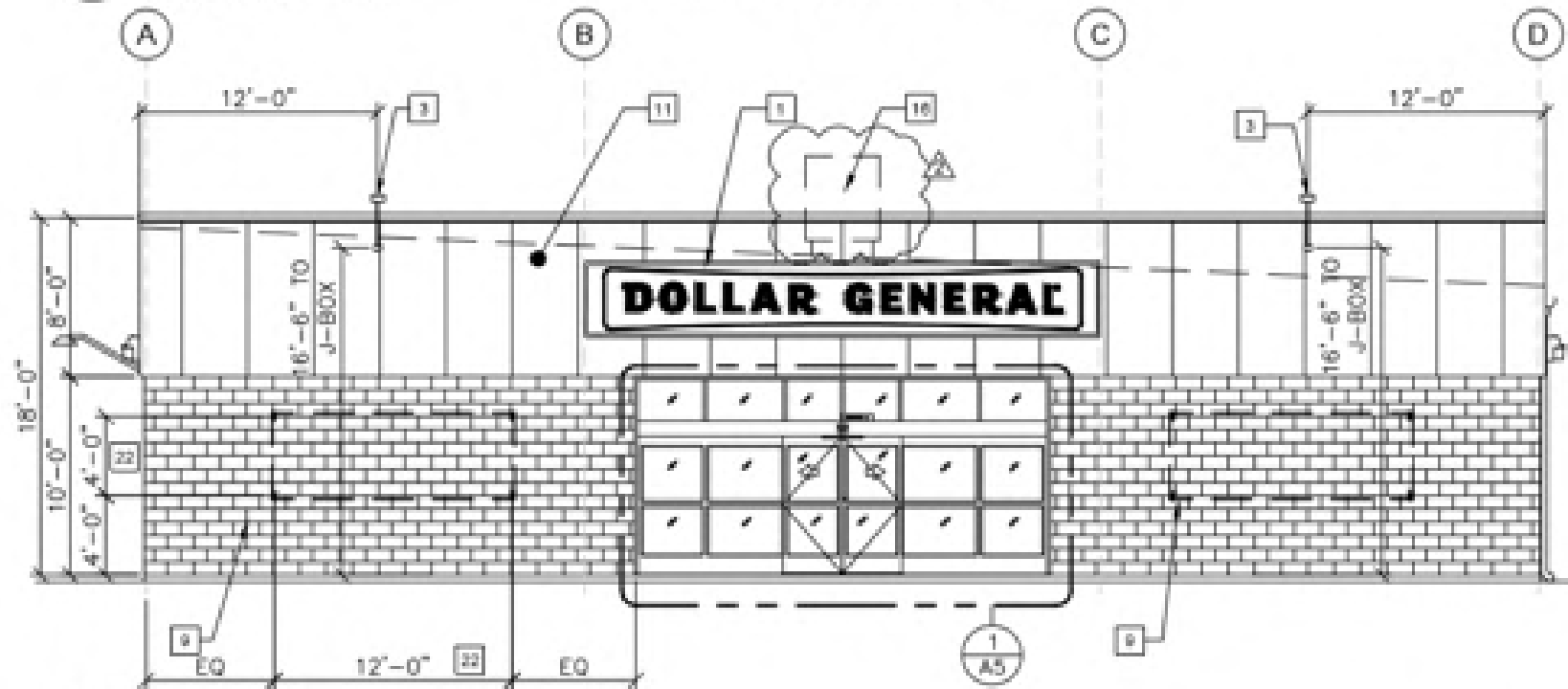
CORPORATE
GUARANTOR

- ✓ **Dollar General is number 119 on the 2019 Fortune's 500 list.** This marks the company's 12th consecutive year of being on the list and 12th consecutive year of moving up the list.
- ✓ **Over the past two decades, store count has more than quadrupled.** As of 2019, the variety store chain is now the nation's largest retailer by number of stores.
- ✓ **Sales have grown almost eight-fold in the past two decades.** As of the March 2019 earnings report, Dollar General's Fiscal 2018 revenues were \$25.6 Billion.
- ✓ **15-Year Corporate Absolute NNN Lease, opened in Mid-August 2019.** Landlord has no responsibilities. No increases in primary term, and 10% rent increases every 5-years in option periods.
- ✓ **Located 36-miles north of downtown Alamosa, CO.** The subject Dollar General is strategically located along Garfield Ave., at its intersection with Russell St., in Moffat, CO.
- ✓ **Dollar General experienced 29 straight years of same-store sales growth at end of Fiscal 2018.** Dollar General has a streak that no other major U.S. retailer can match, and with same-store sales increasing 3.8% in Q1 of Fiscal Year 2019, the streak is on pace to continue to 30.
- ✓ **The subject Dollar General stands to gain from being located in rural Moffat, CO.** Dollar General executives told analysts in 2014 that their "highest improvement opportunities are in small towns and rural markets." Looking at current reports and historical data, the executives were correct.

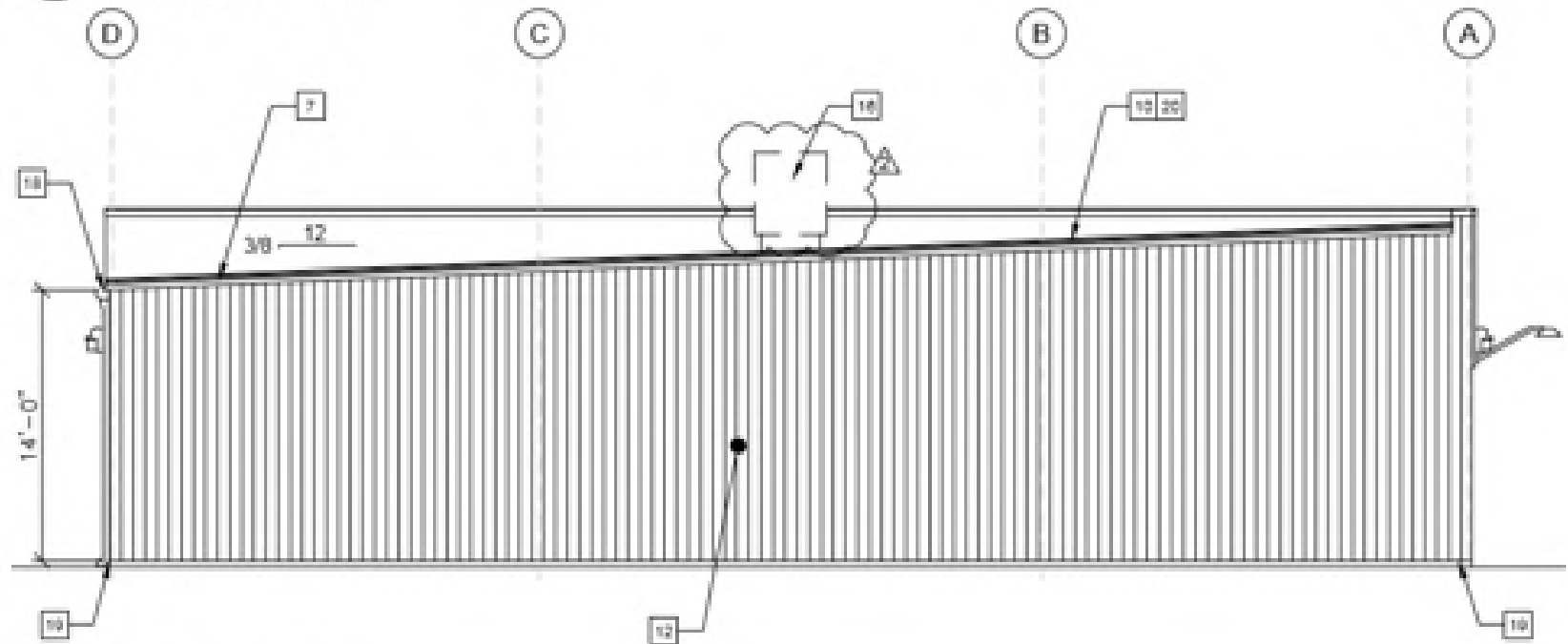
DOLLAR GENERAL®

112 GARFIELD AVE.
MOFFAT, COLORADO 81143

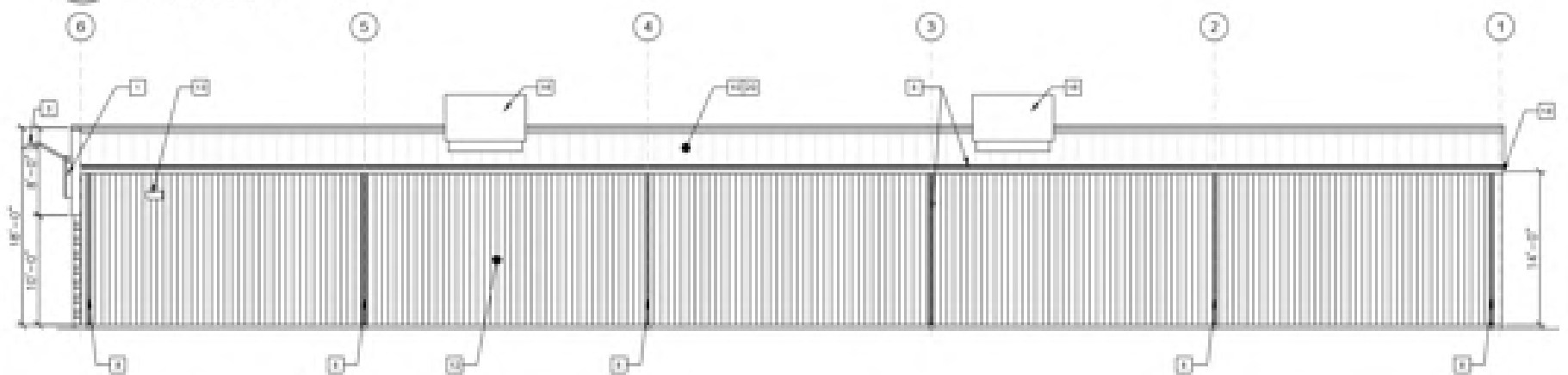
1 FRONT ELEVATION
A2 SCALE: 1/8" = 1'-0"



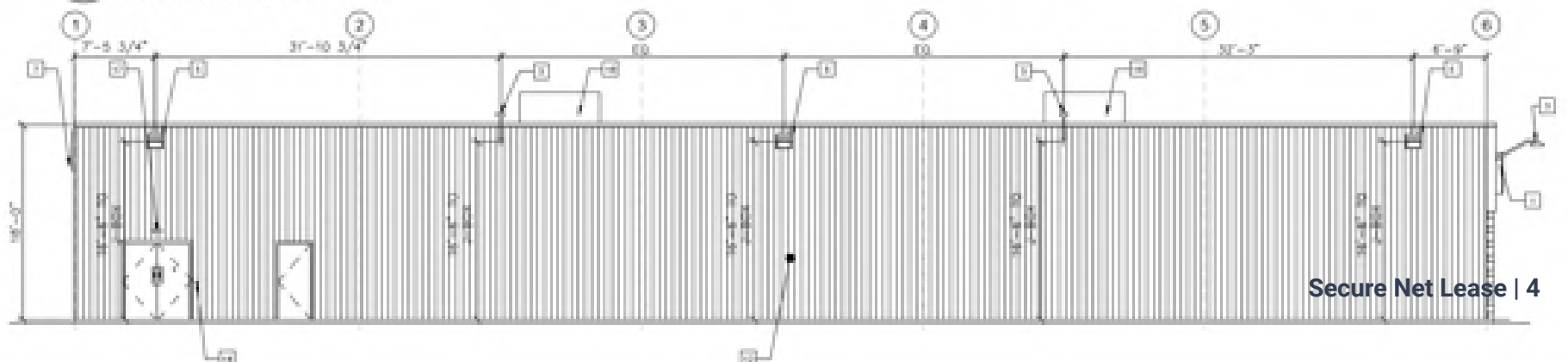
2 REAR ELEVATION
A2 SCALE: 1/8" = 1'-0"



3 RIGHT ELEVATION
A2 SCALE: 1/8" = 1'-0"



4 LEFT ELEVATION
A2 SCALE: 1/8" = 1'-0"



TENANT OVERVIEW



DOLLAR GENERAL

www.dollargeneral.com

Today, Dollar General Corporation operates as the country’s largest small-box discount retailer with stores in the southern, southwestern, mid-western, and eastern United States. The stores are typically located in local neighborhoods and small communities deemed “too small” for big-box retailers. Dollar General offers both name-brand and generic merchandise—including off-brand goods and closeouts of name-brand items. From food, gardening supplies, clothing, and even loadable phone cards and gift cards, Dollar General has it all at a reasonable price. Since the turn of the century, Dollar General has added stores that carry a greater selection of grocery items, which operate under the name “Dollar General Market”. In 2007 Kohlberg Kravis Roberts & Co. (KKR) acquired Dollar General, privatized the company for restructuring, and took the company public again in 2009.

LESSEE:	DG Retail, LLC
GUARANTOR:	Dollar General Corporation
S&P RATING:	BBB
FORTUNE 500 RANK:	119
HEADQUARTERS:	Goodlettsville, TN
STATES:	44
EMPLOYEES:	Over 135,000
LOCATIONS:	Over 15,590
REVENUE:	\$25.6 Billion (2018)



IN THE NEWS

MAKING BILLIONS AT THE DOLLAR STORE

Source: Phil Wahba - Fortune (May 22, 2019)

Dollar General has relied on a crafty mix of 7-Eleven-like convenience and Walmart-like low prices to become a retail giant. How much bigger can it get?

The boxy, brick-fronted shop in the town square of Scottsville, Ky. (population: 4,500), is one of the oldest stores in the Dollar General chain—and it looks its age. The aisles are cluttered; the ceilings are low; the lights are dim. There are rows of plastic storage containers, towers of paper towels, and fridges full of frozen pizzas—the kind of seemingly random, dirt-cheap bric-a-brac that fits the drab dollar-store stereotype.

But not far past the entrance, shoppers can spot something incongruous: a sleek cooler full of Starbucks drinks, topped by the coffee chain's smiley mermaid logo. There, a shopper can grab a Doubleshot espresso for \$2 or get two cans of frappuccino for \$5. They're the sort of modest extravagances associated more with bougie city thoroughfares than with rural town squares—and, with the nearest actual Starbucks a 30-minute drive away, in Bowling Green, they're a magnet for caffeine cravers. And frappuccinos aren't the only semi-upscale impulse purchase on the shelves. This Dollar General also offers Keurig K-Cups and Dannon yogurts; not long before Christmas, it started selling Lego kits priced from \$8 to \$20.

"Just because I don't have a lot of money, that doesn't mean I don't feel like having some of the finer things," says Todd Vasos, CEO of Dollar General, paraphrasing his prototypical shopper. "We can offer her both value and an indulgence she may want."

Vasos is on target about his customers' income. Some 57% of Dollar General's clientele live in households with income of less than \$49,900, according to research firm Kantar, and 30% get by on less than \$25,000. (The average U.S. household income is just under \$61,000.) Of the 25 stores visited in reporting this article, each had a sizable poster in its window saying the location accepts food stamps.

But by serving the bottom of the nation's economic pyramid, Dollar General has generated one of the top performance records in retail. In 2018, the company reported its 29th straight year of same-store sales growth—despite minimal e-commerce. That's a streak no other major U.S. retailer can match: Even mighty Walmart endured nearly two years of comparable-sales declines earlier this decade....

What's more, tapping the aspirational strain that Vasos (rhymes with "Bezos") describes has helped the company sidestep the recent retail meltdown that has vaporized many other national chains' stores in recent years. Dollar General racked up \$25.6 billion in revenue in 2018 and eclipsed Macy's in retail sales for the first time. Its stock is near an all-time high, giving it a market cap of \$33 billion, five times higher than Macy's.

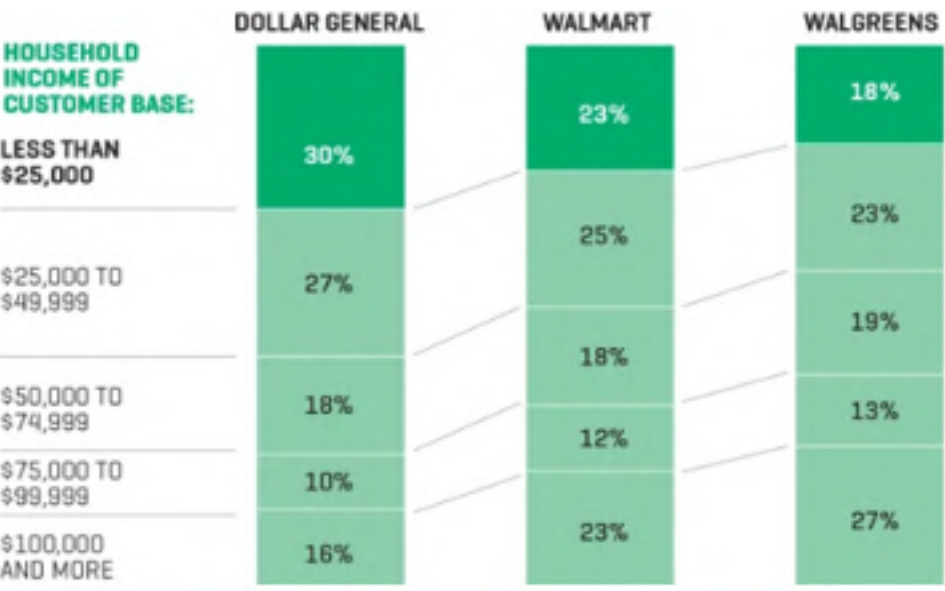
LEASE SUMMARY

Primary Lease Term:	15-Years
Options:	Three, Five Year Periods
Projected Rent Commencement:	Mid-August 2019
Projected Lease Expiration:	Mid-August 2034
Lease Type:	Corporate Absolute NNN
Ownership:	Fee Simple Interest
Construction Type:	Metal Construction, Concrete Brick Façade
Parking Lot Type:	Concrete Parking Lot
Taxes:	Tenant Responsibility
Insurance:	Tenant Responsibility
Common Area Maintenance:	Tenant Responsibility
Roof, Structure, Parking Lot:	Tenant Responsibility
Primary Term Rent Increases:	None
Option Periods Rent Increases:	10% Every 5-Years
Rent Increase Commencement:	Beginning Year 16 in Options
Annual Rent Years 1-15:	\$91,676
Option 1 Years 16-20:	\$100,844
Option 2 Years 21-25:	\$110,928
Option 3 Years 26-30:	\$122,021

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HIGH RETURNS ON LOWER INCOMES
Dollar General gets a much larger share of its business from low- and lower-middle-income households than its rivals do.

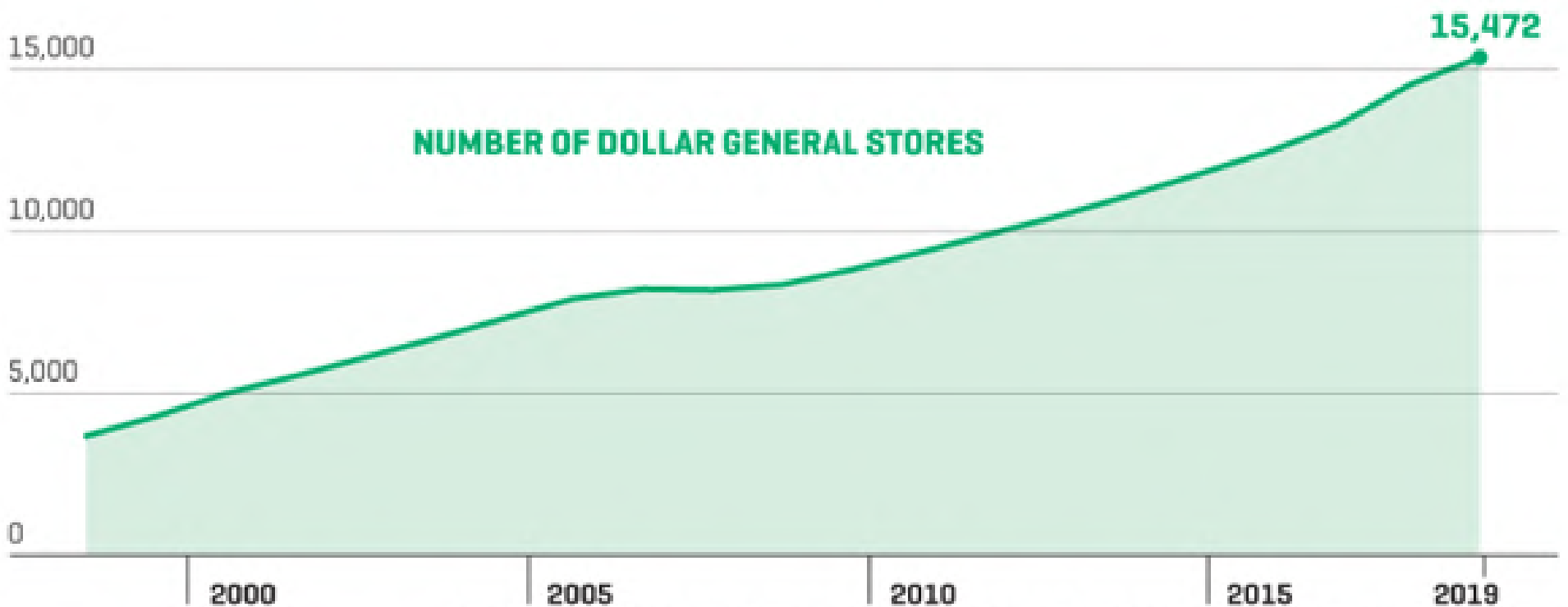
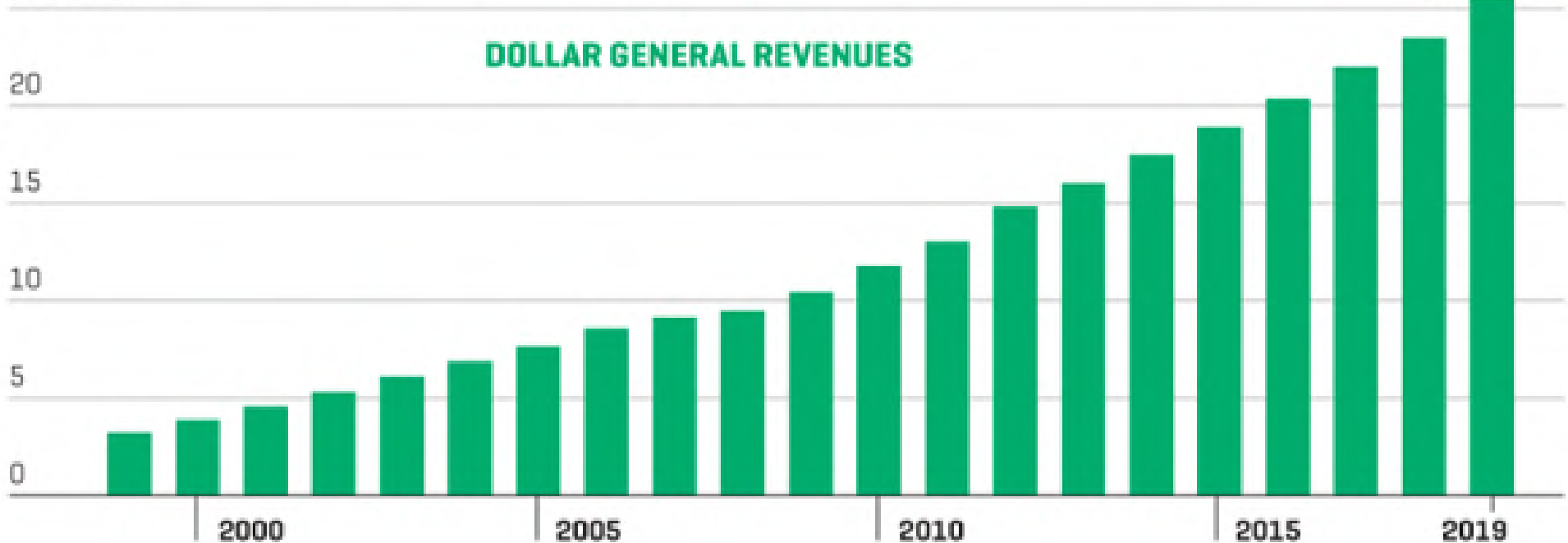
SOURCE: KANTAR



STEADY CLIMB

Over the past two decades, Dollar General's store count has more than quadrupled, while revenue grew almost eightfold. The chain is now the nation's largest retailer by number of stores.

\$25 billion



DATA SHOWN IS FOR FISCAL YEARS; 2019 STORE COUNT IS AS OF MARCH. SOURCE: S&P GLOBAL



15,000+ STORES



\$25.6

**BILLION
IN SALES**

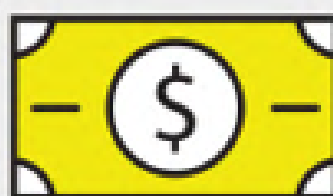
*In fiscal
year 2018*



**MULTIPLE STORE FORMATS
TO SERVE OUR CUSTOMERS**

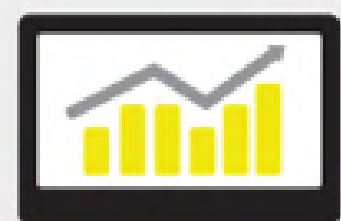


**LOW-PRICED PRODUCT MODEL
~23% OF PRODUCTS
PRICED AT \$1 OR LESS**

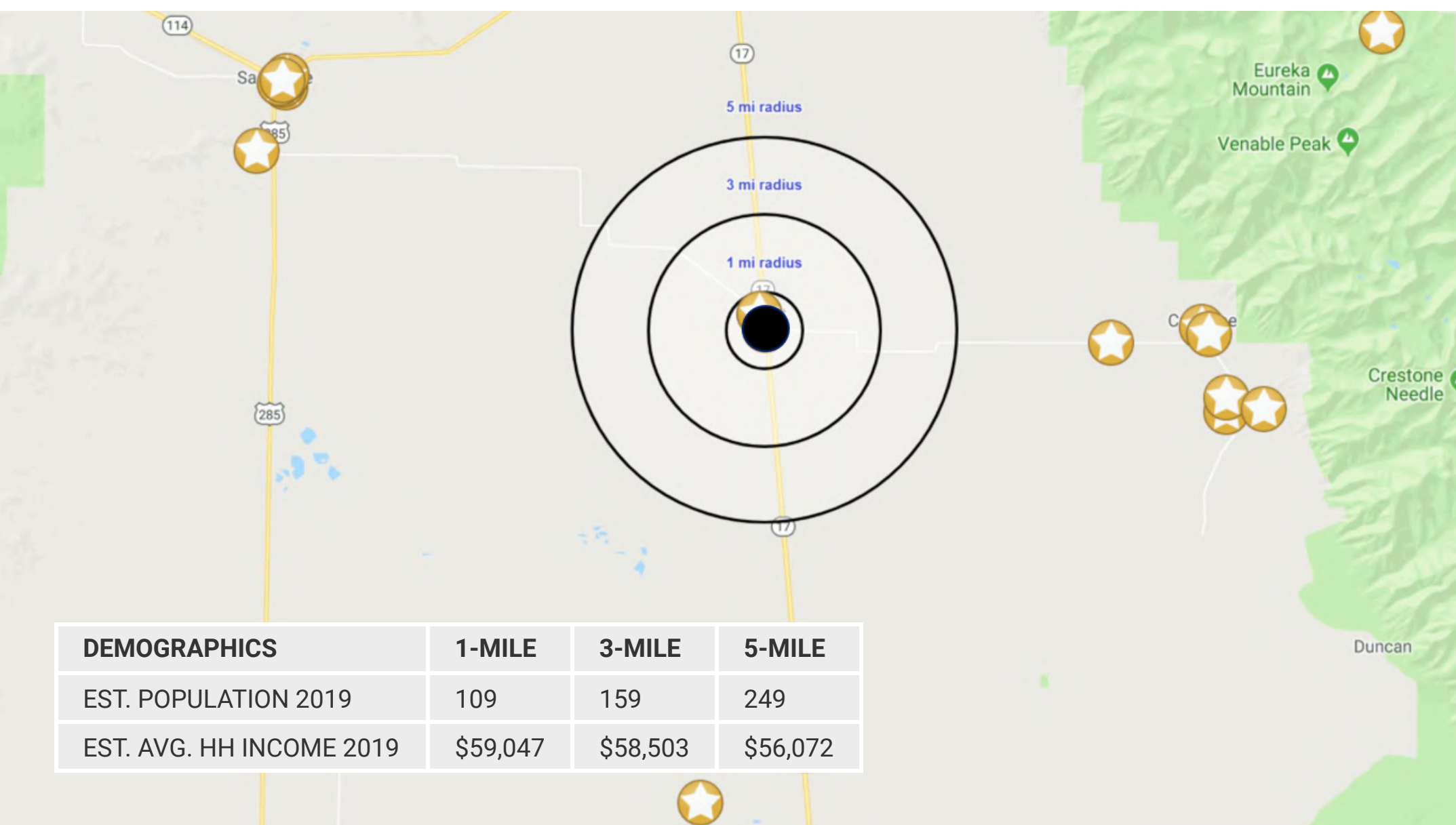


at 2018 fiscal year end

**119th RANKING ON THE
FORTUNE 500 LIST**



LOCATION OVERVIEW



ECONOMIC DRIVERS

COMPANY (EMPLOYEES)

- Youth Ever Limited (66)

Mountain Valley School District (42)

Saguache County (35)

Moffat School District C-2 (31)

Saguache County (24)

Crestone Performances Inc (22)

Weck Inc (21)

Crestone Charter School (20)

Saguache County (20)
- Orient Land Trust (17)

Northern Saguache County Ambulance District (16)

JB Farms, LLC (15)

Mountain Valley Lumber Co Inc. (15)

Northern Saguache County FPD (14)

Town of Saguache (13)

Spiritual Life Institute of America Inc (12)

Baca Grande Water & Sanitation District (12)

Baca Grande Property Owners Association Inc (12)

IMMEDIATE TRADE AREA

MOFFAT, COLORADO

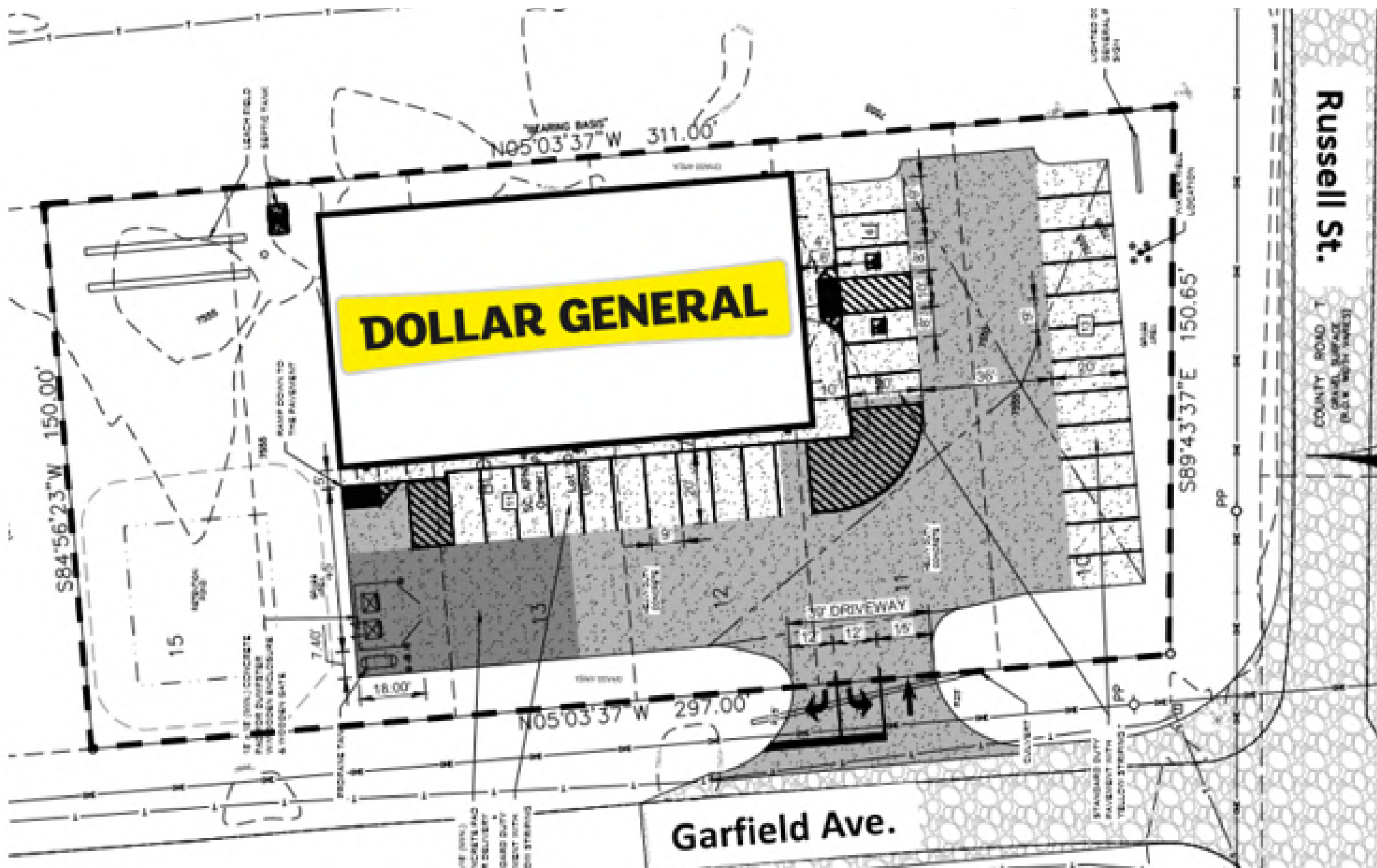
Dollar General is strategically located along Garfield Ave., at its intersection with Co. Rd. T “Russell St.”, in Moffat, CO. The subject property is located right off of CO-12, a north-south state highway that runs from New Mexico state line, north through Moffat where it then continues for another 22-miles until it intersects with and becomes US-285. Directly east, across CO-17, from the property is the town’s Greyhound bus stop. Moffat is known for its hot springs, and Joyful Journey Hot Springs Spa Resort is 12-miles north, while Valley View Hot Springs Resort is 20-miles north from the subject property. Additionally, less than half a mile north up Garfield Ave. is Moffat Consolidated School, which has 201 students. The subject Dollar General is approximately 36-miles from Alamosa, CO.

The Town of Moffat is a Statutory Town in Saguache County, Colorado, United States. Moffat is most known for its hot springs. Two hot springs resorts call the town of Moffat their home: Valley View Hot Springs and Joyful Journey Hot Springs. Both are open year round and offer overnight accommodations. As of the 2017 United States Census estimate, the San Luis Valley town had a population of 119 people



Joyful Journey Hot Springs - Moffat, CO

SITE PLAN



30+/- PARKING SPOTS



1.04 +/- ACRES



9,100 +/- SQ. FT.



Moffat
Garden
Supply



Free Spirit
Christian
Church

Moffat Fire
Department

First Baptist
Church of
Moffat

Moffat
Consolidated
School
(201 Students)

DOLLAR GENERAL

CO-17

Greyhound
Bus Stop

CO. RD. T
"RUSSELL ST."



SECURE

NET LEASE

WE LOOK FORWARD TO HEARING FROM YOU!

DALLAS OFFICE

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LOS ANGELES OFFICE

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