

Offering Memorandum

SAWYER'S

961 Oak Stump Rd Elizabeth City, NC 27909

**DOLLAR GENERAL** 



#### Jordan Kaufman

**DOLLAR GENERAL** 

URANCE

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#### DISCLAIMER

This Confidential Memorandum has been prepared by Illuminate Real Estate, LLC ("IRE") and is being furnished to you solely for the purpose of your review of the commercial property located at 961 Oak Stump Rd Elizabeth City, NC 27909 (the "Property"). The material contained in this Offering Memorandum shall be used for the purposes of evaluating the Property for acquisition and shall not be used for any purpose or made available to any other person without the express written consent of Illuminate Real Estate, LLC ("Broker").

By accepting the Confidential Memorandum, you acknowledge and agree that: (1) all of the information contained herein and any other information you will be receiving in connection with this transaction, whether oral, written or in any other form (collectively, the "Materials"), is confidential; (2) you will not reproduce the Confidential Memorandum in whole or in part; (3) if you do not wish to pursue this matter, you will return this Confidential Memorandum to IRE as soon as practicable together with all other materials relating to the Property which you may have received from IRE; and (4) any proposed actions by you which are inconsistent in any manner with the foregoing agreements will require the prior written consent of IRE.

This Confidential Memorandum has been prepared by IRE, based upon certain information pertaining to the Property and any information obtained from IRE to assist interested parties in making their own evaluation of the Property is offered on a no representation or warranty provision other than customary warranties of title and is sold on an "as-is, where-is" basis and with all faults. The material and transaction does not purport to be all inclusive. This Confidential Memorandum contains descriptive materials, financial information and other data compiled for the convenience of parties interested in the Property. The Materials are being delivered by IRE to prospective investors with the understanding that it is not all inclusive and that it is qualified in its entirety by independent investigation by prospective investors of those matters which they deem appropriate in evaluating this offering without reliance upon IRE, the Broker or any of their respective affiliates or any of the information set out in the Materials. Neither IRE, the Broker, nor any of their respective affiliates have independently verified any of the information contained herein or in any of the Materials, and no representations or warranties as to the accuracy or completeness thereof or of any other kind whatsoever are made or intended and none should be inferred. IRE, for itself and its affiliates of the Property, expressly disclaim any and all liability for statements or representations, express or implied, contained herein or for omissions from the Materials or for any other written, oral or other format of communication transmitted to a prospective investor in the course of its evaluation of the proposed transaction. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. The terms and conditions described herein are subject to change without notice.

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Exclusively Offered By | Illuminate Real Estate Jordan Kaufman | President & Managing Broker 695 S. Colorado Blvd. Suit 480 | Denver, CO 80246 P: 720.598.4990 jkaufman@illuminaterealestate.com Exclusively Offered By | Illuminate Real Estate Daniel Simon | Associate Broker 695 S. Colorado Blvd. Suite 480 Denver, CO 80246 O: 720.598.4990 | M: 303.912.5831 dsimon@illuminaterealestate.com

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### **INVESTMENT HIGHLIGHTS**



#### Dollar General Store | 961 Oak Stump Rd | Elizabeth City, NC | 27909

Tenant:	Dollar General	
Guarantor:	Dollar General, Inc	
Original Lease	February 1, 2003	
Commencement:		
Current Lease Expiration:	January 31, 2028	
Remaining Term:	~8.3 Years	
Renewal Options:	Five (5-year)	
Rental Increases (Options):	10% increases	
Lease Structure:	NN	
Landlord Responsibility:	Roof, Structure, HVAC	
	repairs over \$500	
Tenant Responsibility:	Taxes, Insurance, CAM, HVAC repair	
	under \$500, utilities, parking lot	
Ownership:	Fee Simple (Land and Building)	
Building Size:	9,100 square feet	
Land Size:	40,616 square feet	
Parking Spaces:	22	
Year Built:	2003	

- Recently executed, early 5-year lease extension
- 8+ years of base term remaining on lease
- Long, successful operating history of 25 years at this location (including current term)
- Extremely low rent well below Dollar General store network average
- Located just 45 miles from Norfolk, VA, 60 miles from Virginia Beach, VA, & 6 miles from Elizabeth City Regional Airport
- Corner location with over 18,000 vehicles per day Five
- (5-year) renewal options with 10% rental increases in each Investment grade tenant (NASDAQ: DG | BBB-, Stable outlook)
- 31,690 people within a 5-mile radius of the property
- Surrounded by national tenants including:
- Hardee's, Food Lion, Big Lots, Planet Fitness, Lowe's Home Improvement, Panera, Chic-Fil-A, Harbor Freight Tools and countless others

## **Rent/Yield Schedule**

	CAPRATE	Year
\$50700	6.76%	Current Term
\$55200	7.36%	Option 1
\$58800	7.84%	Option 2
\$63504	8.47%	Option 3
\$68584	9.14%	Option 4
\$74,071	9.87%	Option 5



#### **PROPERTY OVERVIEW**

The subject property consists of a 9,100 square foot, freestanding Dollar General Store situated on a .93 acre parcel and located in Elizabeth City, NC. Dollar General recently executed an early 5-year extension to the lease providing for ~8.3 years of remaining base term. with this recent extension, Dollar General will have maintained an operating history of 25 years at this store. The tenant's commitment to this location is in large part due to paying a base rent that is well below Dollar General's store network average. The lease is NN lease with minimal landlord responsibilities (roof and structure, HVAC repairs over \$500). Elizabeth City is located just 40 miles southwest of Norfolk, VA, 60 miles southwest of Virginia Beach, VA and just 6 miles west of Elizabeth City Regional Airport and is the County Seat of Pasquotank. Elizabeth City sits just off U.S. Hwy 158, a heavily trafficked highway passing over the Pasquotank River heading to the coastline of NC. The property is surrounded by commerce and several other national tenants including: Food Lion, Big Lots, Subway, Hardee's, Lowe's Home Improvement, Panera Bread, Chick-fil-A, Harbor Freight Tools and Planet Fitness to name a few.

Demographics indicate a population of 31,690 within a 5-mile radius of the subject property with median HH incomes of \$47,998.



### **TRADE MAP**



#### DEMOGRAPHICS

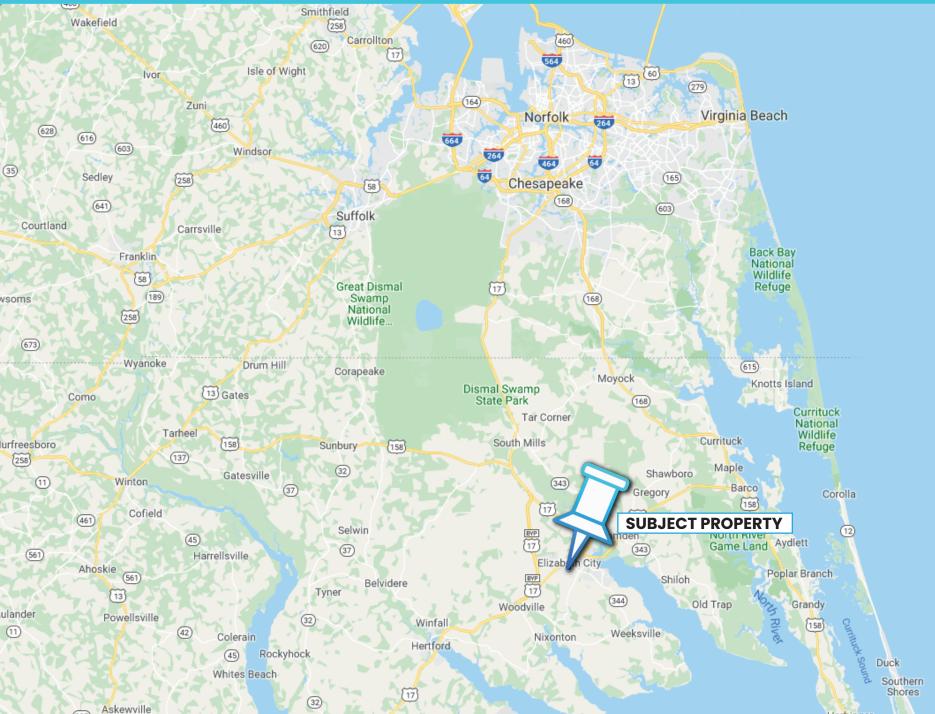




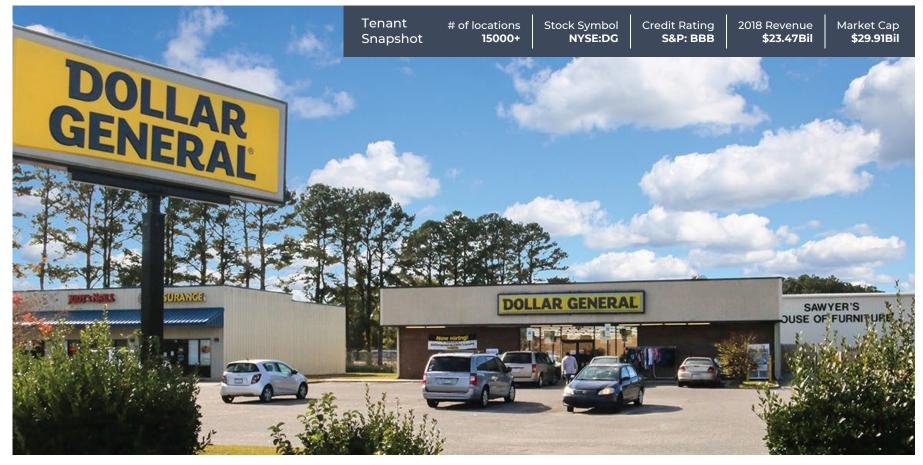
#### **REGIONAL MAP**

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#### **TENANT INFO**



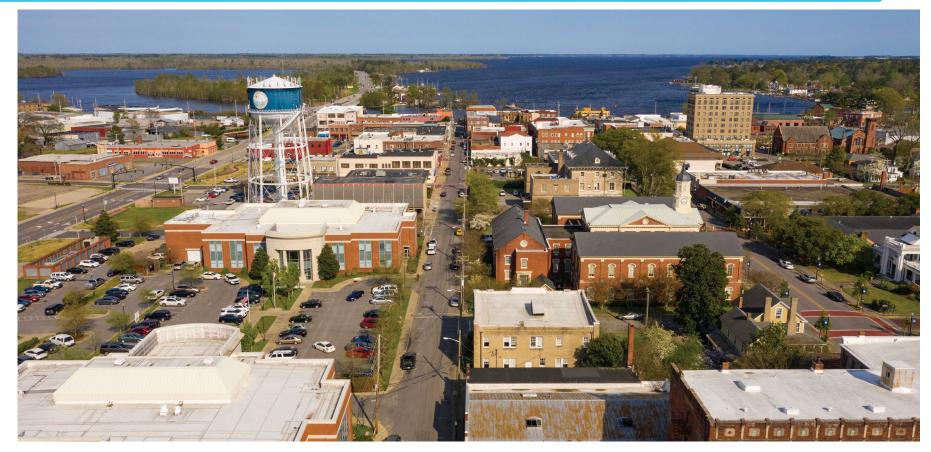
Dollar General (NYSE: DG) is an American chain of variety stores headquartered in Goodlettsville, Tennessee. As of July 2018, Dollar General operates 15,000 stores in 45 of the 48 contiguous United States offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. In addition to high quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills, and PepsiCo.

Dollar General has more stores than any other retailer and is easily the largest dollar store chain. Founded in 1939, the company first went public under the Dollar General name in 1968 and grew to more than 6,000 stores with \$6 billion in sales by the early 2000's.

To strengthen its position for the long term, Dollar General is making significant investments, primarily in compensation and training for store managers given the critical role this position plays in their customer experience, as well as strategic initiatives.

Fortune 500 recognized Dollar General in 1999 and in 2018 reached #123. Dollar General has grown to become one of the most profitable stores in the rural United States with revenue reaching \$23.47 billion in 2018.

#### **MARKET OVERVIEW**



Elizabeth City, North Carolina was incorporated in 1793 as the town of "Redding" by the North Carolina General Assembly. The City's name changed to "Elizabeth Town" in 1794, and subsequently became "Elizabeth City" in 1801, also by acts of the General Assembly. (See the General Assembly Session Laws from 1793, 1794 and 1801 on the right side of this page.) Our wonderful community has been named one of the "100 Best Small Towns in America" and is ranked by Money Magazine as "one of best places to live on the East Coast."

It is a special place, rich in history yet progressive and growing. Situated in the far northeastern corner of North Carolina on the Pasquotank River and Intracoastal Waterway, the City lies just west of the Outer Banks of North Carolina and just south of Hampton Roads, Virginia.

Elizabeth City was once a major seaport where four-masted sailing ships carried goods to and from the new world. Today, the City offers free 48-hour boat dockage to travelers from around the world. The "Rose Buddies," the world-renowned waterfront ambassadors, greet visiting boaters with a rose, wine and cheese. Downtown Elizabeth City welcomes residents and visitors alike with bookstores, coffeehouses and specialty retail shops all located in historic buildings. Restaurants offer everything from fine Southern cooking to Japanese sushi. A walk along the shaded streets of the six historic districts stirs memories of a time when Blackbeard sailed the waters and Wilbur and Orville Wright stopped for provisions on their way to the Outer Banks. Elizabeth City boasts three institutions of higher learning - two colleges and a constituent university of the University of North Carolina. The City is also home to six major commands of the U. S. Coast Guard and Sentara Albemarle Medical Center, northeastern North Carolina's regional medical center. The Museum of the Albemarle, boasts a 50,000 square foot facility on the City's waterfront and serves to promote an understanding of history and material culture primarily of our Albemarle Region. Our charming Southern town is truly "The Harbor of Hospitality!"

## Jordan Kaufman

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