

Dollar General

Exclusive Net Lease Offering

Marcus & Millichap

Actual Location as of 1/2/2020



OFFERING MEMORANDUM

DOLLAR GENERAL®



176 West State Street, Granby, MA 01033

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DOLLAR GENERAL®

180 West State Street, Granby, MA 01033



Investment Highlights

PRICE: \$2,027,684 | CAP: 6.30% | RENT: \$127,744

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

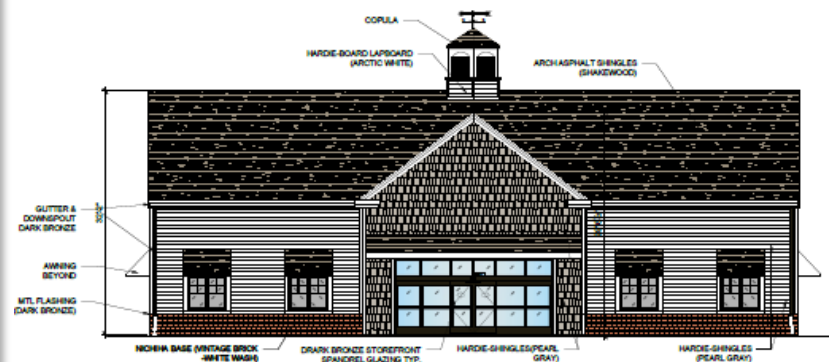
About the Location

- ✓ Surrounding Tenants Include: Dunkin' Donuts, CVS Pharmacy, Subway, Cumberland Farms, U.S. Postal Service, Florence Bank, and More
- ✓ The Property is Located Less Than Seven Miles From The Westover Air Reserve Base | Largest Air Force Reserve Base in the Country
- ✓ Located Within the Five Colleges Consortium | University of Massachusetts Amherst, Amherst College, Hampshire College, Smith College, and Mount Holyoke College
- ✓ The Property has a Large Population of More Than 330,000 People Within a 10-Mile Radius

About the Tenant/Brand

- ✓ Dollar General has an Investment Grade Credit (S&P:BBB)
- ✓ Lease Guaranteed by Dollar General Corporation (NYSE: DG)
- ✓ Prime Positioning to Serve its Target Market | Limited to No Competition in the Area
- ✓ As of November 2019, Dollar General Operates Over 16,000 Stores in 44 States with More Than \$27 Billion in Sales
- ✓ Dollar General is Listed as the 123rd Ranked Company on the Fortune 500 List

Actual Location as of 1/2/2020





Financial Analysis

PRICE: \$2,027,684 | CAP: 6.30% | RENT: \$127,744

DOLLAR GENERAL®

PROPERTY DESCRIPTION

Property	Dollar General
Property Address	176 West State Street
City, State, ZIP	Granby, MA 01033
Year Built	2020
Building Size	Approximately 7,418
Lot Size	+/- 3.62 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$2,027,684
CAP Rate	6.30%
Annual Rent	\$127,744.08
Price / SF	\$273.35
Rent / SF	\$17.22

LEASE SUMMARY

Property Type	Net-Lease Dollar Store
Guarantor	Dollar General Corporation
Original Lease Term	15 Years
Rent Commencement	March 20, 2020 (Estimated)
Lease Expiration	March 19, 2035 (Estimated)
Lease Term Remaining	15 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	\$127,744.08	\$10,645.34	-
Option Periods			
Option 1	\$140,518.56	\$11,709.88	10.00%
Option 2	\$154,570.44	\$12,880.87	10.00%
Option 3	\$170,027.40	\$14,168.95	10.00%
Option 4	\$187,030.20	\$15,585.85	10.00%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the Dollar General located at 176 West State Street, Granby, MA. The property consists of 7,418 square feet of building space and is situated on roughly 3.62 approximately acres of land.

The Dollar General is set to open by the end of Q1 2020 with a rent commencement no later than March 20th, 2020. The property will be subject to a brand new 15-year absolute triple-net (NNN) lease with an initial annual rent of \$127,744 that is scheduled to increase by 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 16,000 stores in 44 states and over \$27 billion in annual revenue, Dollar General is among the largest discount retailer.



Tenant Overview

DOLLAR GENERAL®

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 16,000 stores in 44 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.

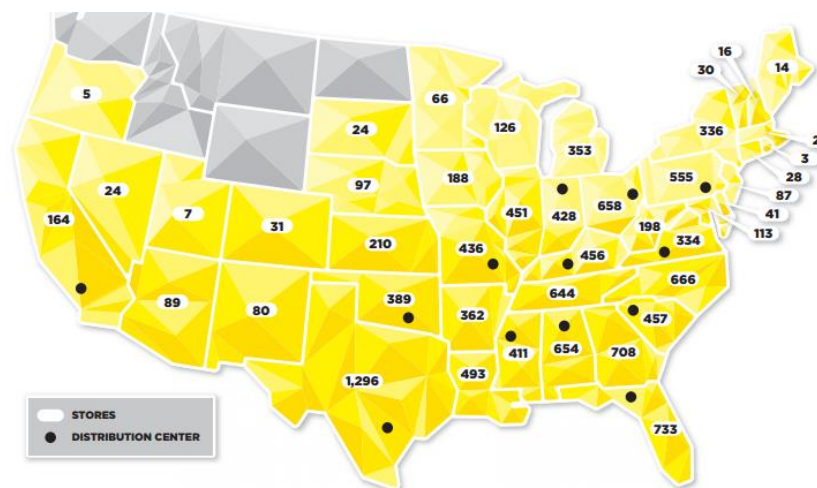
Dollar General offers both name brand and generic merchandise — including off-brand goods and closeouts of name-brand items — in the same store, often on the same shelf. Although it has the word "dollar" in the name, Dollar General is not a dollar store. Most of its products are priced at more than \$1.00. 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	https://www.dollargeneral.com
Concentration	44 States

Dollar General Stock as of 1/7/20





Location Overview

Property Address: 176 West State Street, Granby, MA 01033

The subject Dollar General is located at 176 West State Street in Granby, MA. This Dollar General is well-positioned in a suburban thoroughway consisting of many national and local tenants, schools, government offices, and local attractions. National and local tenants in the area include Dunkin' Donuts, CVS Pharmacy, Subway, Cumberland Farms, U.S. Postal Service, Florence Bank, and more. Hospitality accommodations within immediate proximity to this property include The Stony Brook Lodge, Granby Motel, and Green Meadow Bed and Breakfast. The subject investment property is located within a one-mile radius of many of Granby's government and recreational buildings, including: Granby Public Library, Granby Police Station, Granby Building Inspector Department, the Granby Tax Collectors Office, and more.

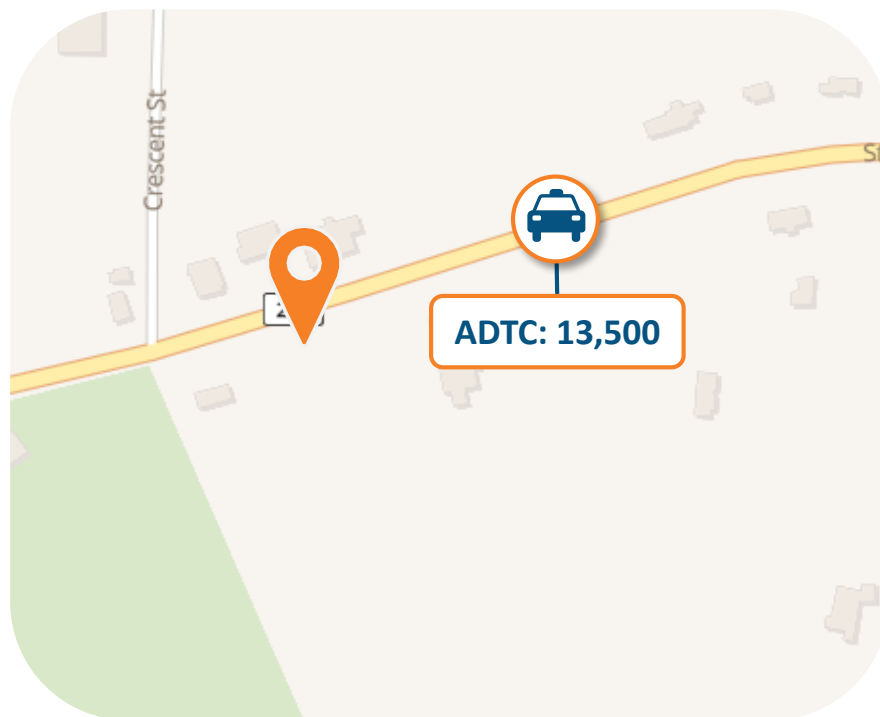
The subject investment property is located less than seven miles from The Westover Air Reserve Base. Westover Air Reserve Base has been in operation since 1940 and served as a bomber training base and port of embarkation/debarkation during World War II. Westover is the nation's largest Air Force Reserve base and is home to more than 5,500 military and civilian workers. Furthermore, this area is known as the Five College Consortium, which consists of University of Massachusetts Amherst, Amherst College, Hampshire College, Smith College, and Mount Holyoke College. Combined, these five college have a student body of more than 38,000 students.

Granby is also part of the Springfield Metropolitan Area. Located along the Connecticut River, Springfield is the economic center of Western Massachusetts. It features the Pioneer Valley's largest concentration of retail, manufacturing, entertainment, banking, legal, and medical groups. With 25 universities and colleges within a fifteen-mile radius from Springfield, including several of America's most prestigious universities and liberal arts colleges, and more than six institutions within the city itself, the Hartford-Springfield metropolitan area has been dubbed the Knowledge Corridor by regional educators, civic authorities, and businessmen. Springfield is also a city of innovation and vibrancy. MGM Grand built a \$950 million casino and entertainment destination, CRRC Rail Corporation built a \$566 million North American hub, and there is a \$94 million Union Station multi-modal transportation center, which are some of the many reasons why MSNBC counts Springfield among the top ten U.S. cities where business opportunities are rising.

DOLLAR GENERAL®

HIGHLIGHTS

- Surrounding Tenants Include: Dunkin' Donuts, CVS Pharmacy, Subway, Cumberland Farms, U.S. Postal Service, Florence Bank, and More
- The Property is Located Less Than Seven Miles From The Westover Air Reserve Base | Largest Air Force Reserve Base in the Country
- Located Within the Five Colleges Consortium | University of Massachusetts Amherst, Amherst College, Hampshire College, Smith College, and Mount Holyoke College
- The Property has a Large Population of More Than 330,000 People Within a 10-Mile Radius

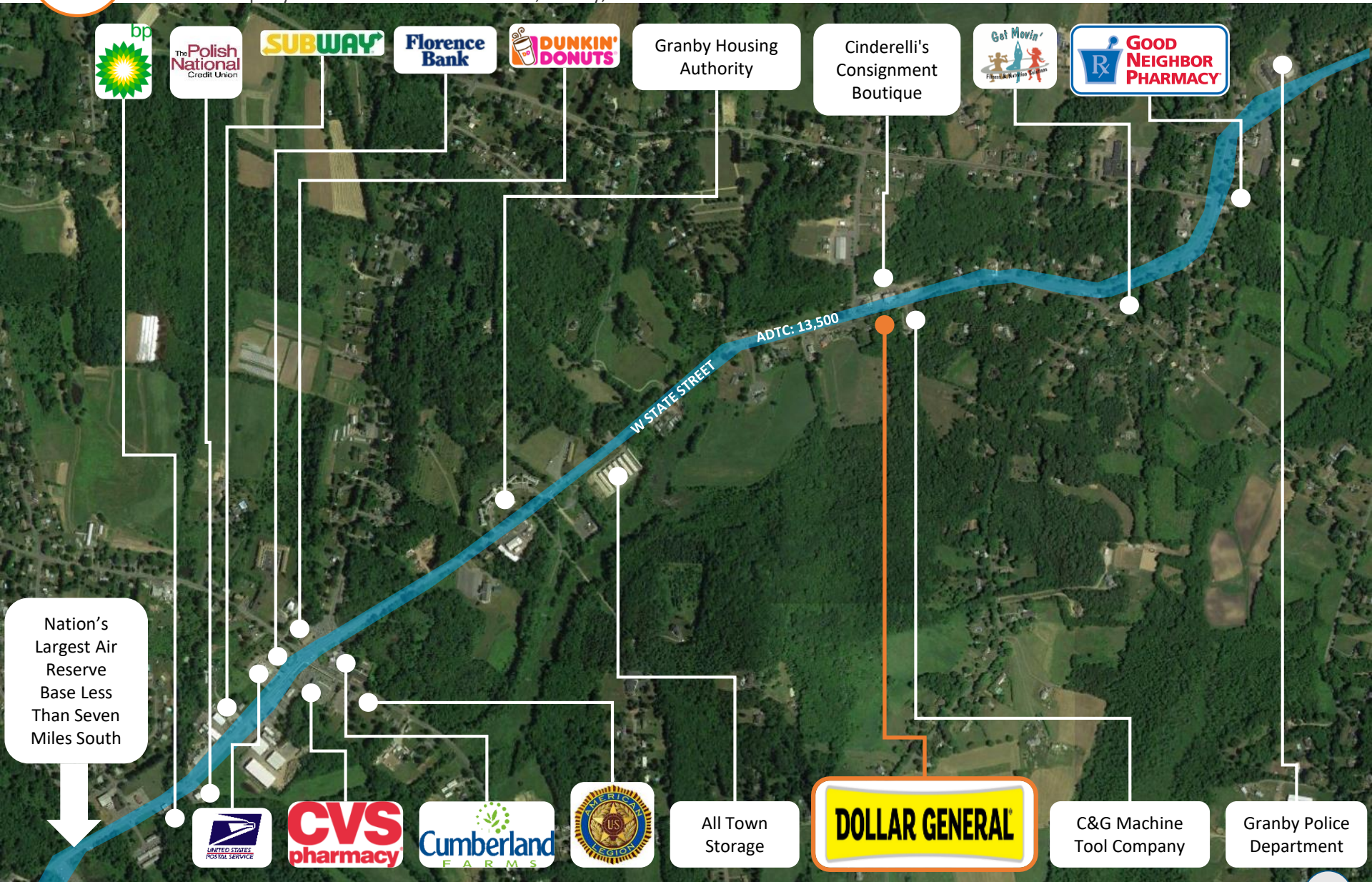




Surrounding Area

Property Address: 176 West State Street, Granby, MA 01033

DOLLAR GENERAL®



Dollar General – Granby, MA

Marcus & Millichap



Property Photos

DOLLAR GENERAL®

Actual Location as of 1/2/2020





Surrounding Property Photos

DOLLAR GENERAL®

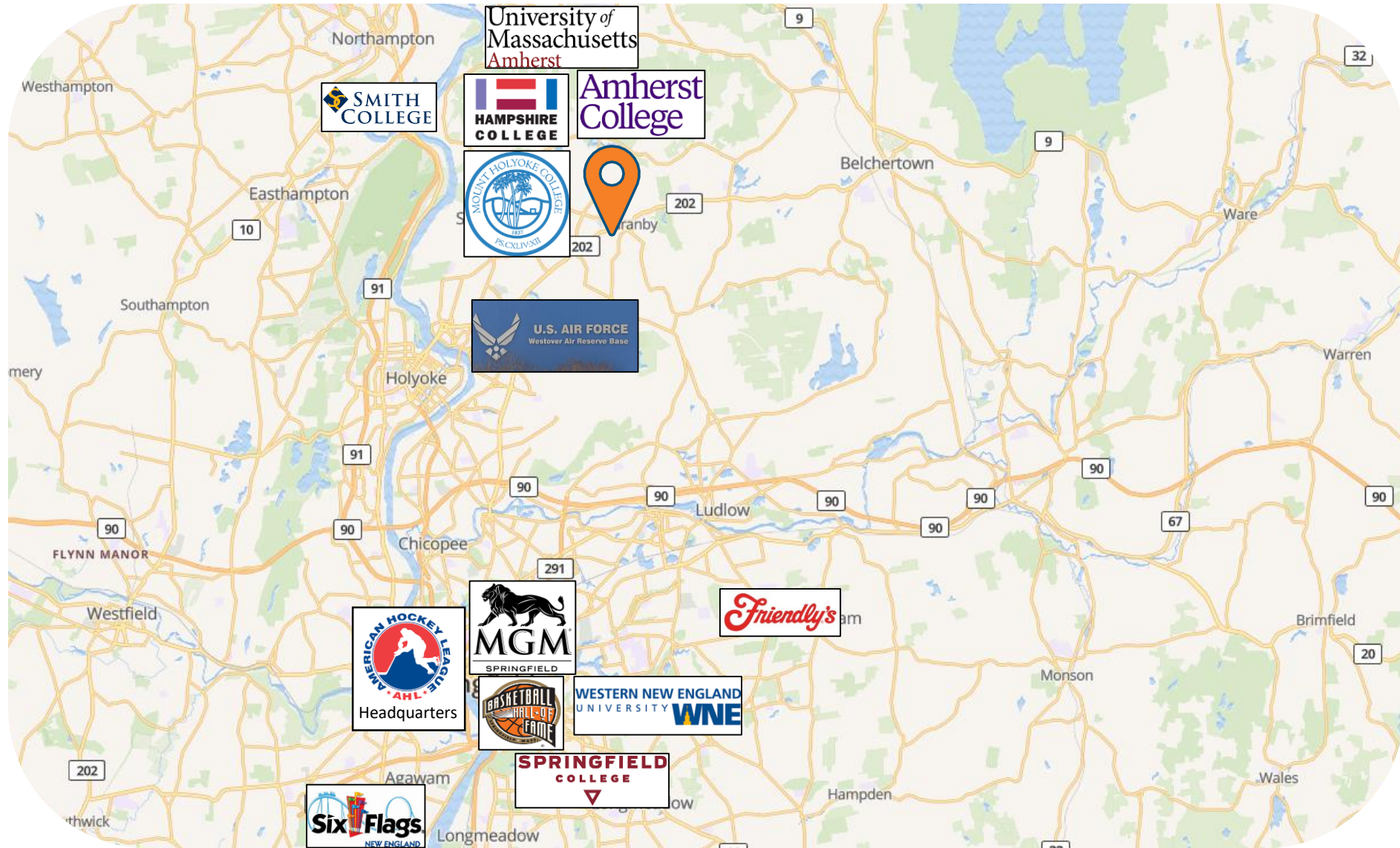




Local Map

Property Address: 176 West State Street, Granby, MA 01033

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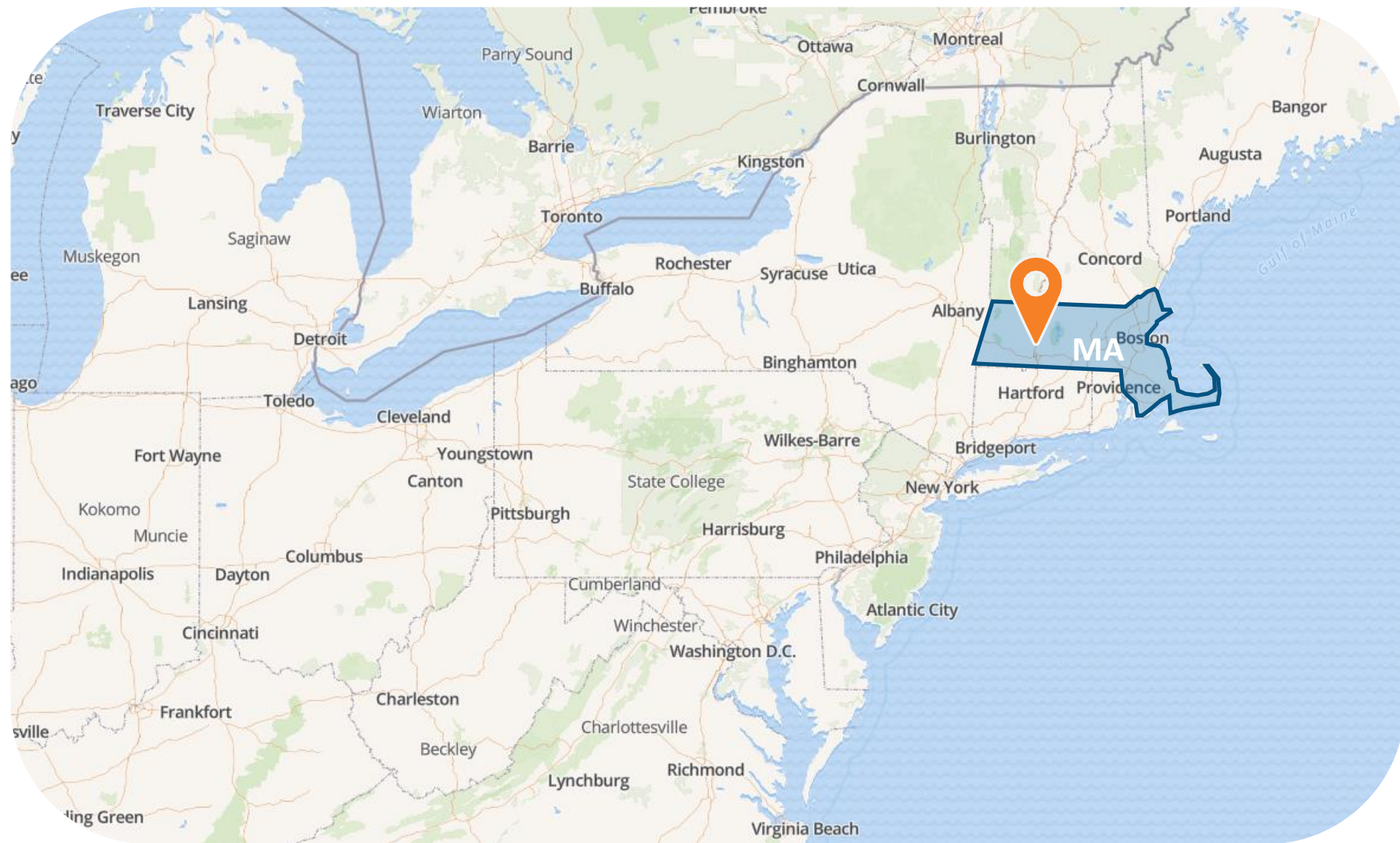




Regional Map

Property Address: 176 West State Street, Granby, MA 01033

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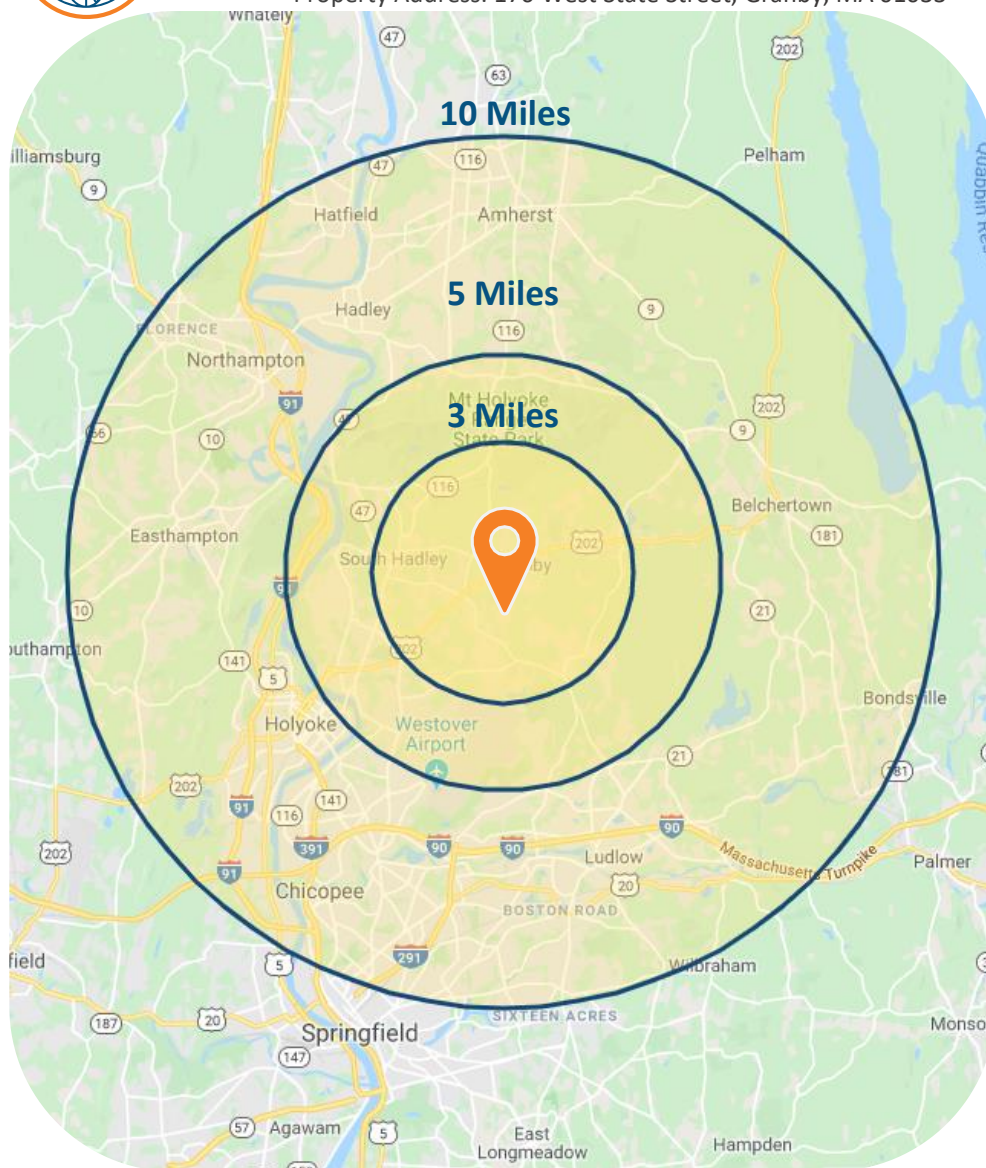




Demographics

Property Address: 176 West State Street, Granby, MA 01033

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3 Mile 5 Miles 10 Miles

Population Trends:

2024 Projection	18,874	45,839	332,778
2019 Estimate	18,355	45,137	330,780
2010 Census	15,832	41,968	322,193
2019 Population Hispanic Origin	1,387	4,961	72,629

Population by Race (2019):

White	16,483	40,559	275,187
Black	760	2,097	31,443
American Indian & Alaskan	48	201	2,386
Asian	779	1,419	11,962
Hawaiian & Pacific Island	6	38	539
Other	280	824	9,262

Household Trends:

2023 Projection	6,328	17,451	125,824
2018 Estimate	6,109	17,179	125,035
2010 Census	5,130	16,097	122,551
Owner Occupied	5,086	12,571	73,916
Renter Occupied	1,023	4,607	51,119

Average Household Income (2019): **\$99,855** **\$85,116** **\$72,823**

Households by Household Income (2019):

<\$25,000	762	2,746	28,070
\$25,000 - \$50,000	1,049	3,781	30,363
\$50,000 - \$75,000	805	2,523	18,950
\$75,000 - \$100,000	911	2,574	17,659
\$100,000 - \$125,000	755	1,896	11,697
\$125,000 - \$150,000	546	1,363	6,909
\$150,000 - \$200,000	923	1,540	6,711

Median Household Income (2019): **\$87,033** **\$70,232** **\$55,046**



Market Overview

Springfield, MA



Springfield

is a city in Western New England, and the seat of Hampden County, Massachusetts. Springfield sits on the eastern bank of the Connecticut River near its confluence with three rivers; the western Westfield River, the eastern Chicopee River, and the eastern Mill River. As of 2017, the city's population was 154,758. Metropolitan Springfield, as one of two metropolitan areas in Massachusetts (the other being Greater Boston), had an estimated population of 685,000 as of 2017. It is the largest city in Western New England, and the urban, economic, and cultural capital of Massachusetts' Connecticut River Valley (colloquially known as the Pioneer Valley). With 25 universities and colleges within 15 miles of Springfield, including several of America's most prestigious universities and liberal arts colleges, and more than six institutions within the city itself, the Hartford-Springfield metropolitan area has been dubbed the Knowledge Corridor by regional educators, civic authorities, and businessmen - touting its 32 universities and liberal arts colleges, numerous highly regarded hospitals, and nearly 120,000 students. The Knowledge Corridor universities and colleges provide the region with an educated workforce, which yields a yearly GDP of over \$100 billion - more than at least 16 U.S. States. Recently, Hartford-Springfield has become home to a number of biotech firms and high-speed computing centers. As of 2009 Springfield ranks as the 24th most important high-tech center in the United States with approximately 14,000 high-tech jobs.

Major Employers

Employers	Estimated # of Employees
US Department of Air Force	3,000
Hampden County Sheriffs Department	850
US Department of Air Force	769
Town of South Hadley	510
Hampshire College	350
Security Law Enforcement	254
Tactical Training Department	254
Westover Air Force Reserve	254
Westover Club	254
Ethos Energy Inc	234
Sweeney Transportation Inc	227
Westover Job Center	200



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Marcus & Millichap
Real Estate Investment Services

Exclusive Net Lease Offering

DOLLAR GENERAL®

Broker of Record:

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Title: Broker of Record

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