

# DOLLAR GENERAL

825 E DIVISION ST | MUENSTER, TX 76252

OFFERING MEMORANDUM



**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



# EXCLUSIVELY LISTED BY



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## EXECUTIVE SUMMARY

### INVESTMENT HIGHLIGHTS

- Perfect Dollar General Market w/ incredible upside just North of Dallas/ Fort Worth and **only 55 minutes from DFW International Airport**
- Dollar General just extended the lease for 9 years and included a **rare 5% rent increase** coming up in November 2021!
- **UNBELIEVABLE population growth** – This location is expected to grow another **2.09% over the next five years** in the 1-mile radius and an even greater increase in population in the 3 & 5-mile radius (**3.65% population increase over the last 5 years**)
- **Huge Traffic Counts** – Directly off E Division St which sees  $\pm 8,410$  VPD!
- Dollar General performed an **EARLY lease extension and approved the rent increase** – one of the strongest attributes to recognize a high performing store
- This site benefits from a **NN+ lease, with minimal landlord responsibilities**
- The extension includes **two 5-year extensions**, all of which include a **very attractive rental increase!**
- **Upgraded Construction** – This property benefits from an upgraded brick facade construction
- **Premier Grocer** – This larger, 9,100 square foot model serves the Italy market and surrounding area as the premier stop for convenience and affordable groceries and refrigerated goods
- **Ideal Demographics** – Muenster fits Dollar General's ideal expansion criteria with their "Sweet Spot" of demographics for their highest performing stores

### TENANT HIGHLIGHTS

- Attractive investment-grade credit tenant; **Standard & Poor's rating of BBB**, which was recently upgraded
- Dollar General is the **only dollar store which holds an investment-grade credit rating**
- Dollar General is the market leader in Dollar Stores, and currently has  $\pm$  **15,000 locations nationwide with plans to open another 1,000 stores next year, remodel 1,500 locations, and relocate 80 stores in 2020**

## FINANCIAL OVERVIEW

### DOLLAR GENERAL

825 E Division St  
Muenster, TX 76252

**List Price**.....\$827,427

**CAP Rate** ..... 7.25%

**Gross Leasable Area** ..... ±9,100 SF

**Lot Size** ..... ±0.92 Acres

**Year Built**.....2005

### Annualized Operating Data



#### MONTHLY RENT

\$4,999



#### ANNUAL RENT

\$59,988



#### CAP RATE

7.25%

**DOLLAR GENERAL®**

## Tenant Summary

Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	10 Years
Lease Commencement	5/9/2006
Rent Commencement	5/6/2006
Lease Expiration Date	10/31/2028
Term Remaining	±8.75 Years
Increases	Increases in Options
Options	Two (2) Five (5) Year Options



## Annualized Operating Data

Lease Commence	Monthly Rent	Annual Rent	Rent PSF	CAP
Current - 10/31/2021	\$4,999.04	\$59,988.48	\$6.59	7.25%
11/1/2021 - 10/31/2028	\$5,248.99	\$62,987.90	\$6.92	7.61%
Option 1 -	\$5,773.90	\$69,286.80	\$7.61	8.37%
Option 2 -	\$6,351.29	\$76,215.48	\$8.38	9.21%

## Tenant Summary

Parking Spaces	±40
Roof and Structure Responsible	Landlord Responsible
Foundation	Concrete Slab
Framing	Steel
Exterior	Brick
Parking Surface	Asphalt
Roof	Flat



## TENANT OVERVIEW



**Dollar General Corporation**  
(NYSE: DG)



**Credit Rating (S&P)**  
BBB



**No. of Locations**  
±15,000 Locations



**No. of Employees**  
±129,000 Employees



**Headquartered**  
Goodlettsville, TN



**Year Founded**  
1939



**Website**  
[www.dollargeneral.com](http://www.dollargeneral.com)

## DOLLAR GENERAL®

Dollar General is the fast-growing retailer that boasts roughly 13,000 discount stores in over 40 US states, mostly in the South, East, the Midwest, and the Southwest. It generates about 75% of its sales from consumables (including refrigerated, shelf-stable, and perishable foods) and another 10% from seasonal items. The stores also offer household products and apparel. Pricing its items at \$10 or less, Dollar General targets low-, middle-, and fixed-income shoppers while selling brand-name products from manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo, and Coca-Cola.

The retailer devotes its dollars to promotional circulars, targeted circulars that support new stores, television and radio advertising, in-store signage, and costs associated with the sponsorship of certain auto racing activities. Because Dollar General's customers typically live in small towns, the company doesn't allocate ample amounts of money to advertising. It has spent increasingly more on advertising in recent years, however, as the company expands its stores' footprint.

### STRATEGY

With its small-box stores typically measuring some 9,100 sq. ft, Dollar General targets cost-conscious consumers that prefer easier and quicker access to items than at super-sized competitors such as Wal-Mart and Costco (which are also often much farther away). Indeed, Dollar General's strategy of catering to the value-conscious has paid off big, both during and after the recession. The discount retailer boasted its 26th consecutive year of same-store sales growth in 2016 (ended January), attributable to its value and convenience proposition.

### OPERATIONS

Dollar General's massive stores network is supported by 13 distribution centers that are strategically located throughout its geographic footprint. Dollar General owns several trademarks, including Dollar General, Dollar General Market, Clover Valley, DG, DG Deals, Smart & Simple, trueliving, Forever Pals, I\*Magine, OT Sport, and Sweet Smiles. It also boasts a few licenses, such as Bobbie Brooks and Fisher Price for clothing and Rexall for health and beauty aids.



## SURROUNDING TENANTS





**DOLLAR GENERAL**

± 15 MILES

± 31 MILES

**DFW**





# AREA OVERVIEW

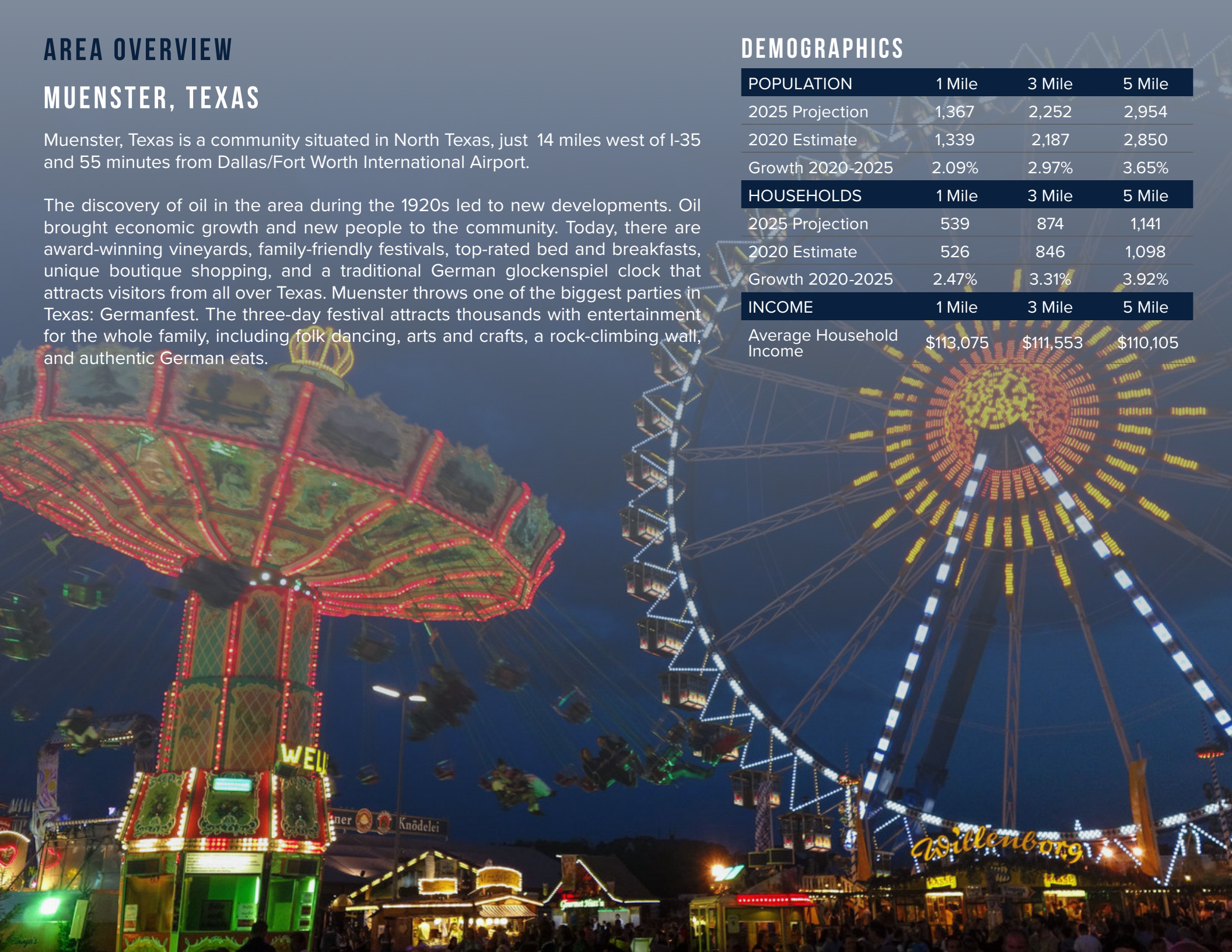
## MUENSTER, TEXAS

Muenster, Texas is a community situated in North Texas, just 14 miles west of I-35 and 55 minutes from Dallas/Fort Worth International Airport.

The discovery of oil in the area during the 1920s led to new developments. Oil brought economic growth and new people to the community. Today, there are award-winning vineyards, family-friendly festivals, top-rated bed and breakfasts, unique boutique shopping, and a traditional German glockenspiel clock that attracts visitors from all over Texas. Muenster throws one of the biggest parties in Texas: Germanfest. The three-day festival attracts thousands with entertainment for the whole family, including folk dancing, arts and crafts, a rock-climbing wall, and authentic German eats.

# DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2025 Projection	1,367	2,252	2,954
2020 Estimate	1,339	2,187	2,850
Growth 2020-2025	2.09%	2.97%	3.65%
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2025 Projection	539	874	1,141
2020 Estimate	526	846	1,098
Growth 2020-2025	2.47%	3.31%	3.92%
INCOME	1 Mile	3 Mile	5 Mile
Average Household Income	\$113,075	\$111,553	\$110,105







## DALLAS-FORT WORTH METROPLEX

The Dallas-Fort Worth Metroplex is the largest metropolitan area in the South, and fourth largest in the United States. It is a center for sporting events, tourism, and manufacturing. Dallas and its suburbs have one of the highest concentrations of corporate headquarters in the United States. Dallas is a center for corporate America. Because of its central location relative to the rest of the United States, Dallas is a popular convention site and site for many corporate headquarters and home to 21 Fortune 500 companies. Business management and operations is a major part of the economy. The Metroplex also contains the largest Information Technology industry base in the state. On the other end of the business spectrum, and on the other side of the Metroplex, the Texas farming and ranching industry is based in Fort Worth.





# WINSTAR WORLD CASINO AND RESORT

22 MI FROM SUBJECT PROPERTY

WinStar World Casino is the **world's biggest casino** with nearly **400,000 square feet** of gaming floor full with nine, city-themed gaming plazas, **over 8,500 electronic games, 100 table games, a 55-table poker room**, Racers Off-Track betting parlor, Bingo, high-stakes rooms and more. Visitors will also find a **diverse culinary scene** throughout the resort, with everything from upscale restaurants like Kirby's Steakhouse and the 500-seat Gran Via Buffet to casual favorites like Toby Keith's I Love This Bar and Grill, El Fenix and Panda Express.

The WinStar Global Event Center's has a **star-studded history of big-name entertainers** like John Legend, Maroon 5, John Mellencamp, Dolly Parton, Sting and Jerry Seinfeld. During the summer visitors can also catch a concert under the stars in the Colosseum at WinStar, which has hosted the big acts such as Steven Tyler and Florida Georgia Line.

Other premier facilities at WinStar World Casino and Resort include a **3-tower hotel with nearly 1,400 luxurious rooms**, the 65,000-square-foot **Convention Center**, a **Golf Academy and Club** with two championship 18-hole courses, the **organic Spa at WinStar**, unique **shopping opportunities and more**.

WinStar World Casino and Resort is owned and operated by the Chickasaw Nation. The **net income from WinStar** and all other Chickasaw Nation businesses **helps provide essential services** such as health care, education, transportation and aging, youth and family support **to the people of the Chickasaw Nation**.



**65,000 SF**

Convention Center



**400,000 SF**

Of Gaming, Restaurants, Entertainment, and More



**8,500+**

Electronic Gaming Systems



## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General | 825 E Division St Muenster, TX 76252 (“Property”)**. It has been prepared by Matthews Retail Advisors. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Retail Advisors expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

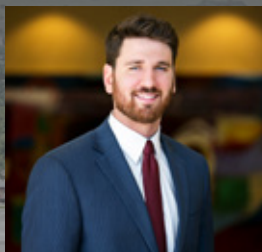
If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Retail Advisors or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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## Information About Brokerage Services

*Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

### TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

### A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

### A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

**AS AGENT FOR OWNER (SELLER/LANDLORD):** The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

**AS AGENT FOR BUYER/TENANT:** The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

**AS AGENT FOR BOTH - INTERMEDIARY:** To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

**AS SUBAGENT:** A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

### TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

**LICENSE HOLDER CONTACT INFORMATION:** This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Kyle Matthews</b>	<b>678067</b>	<b>kyle.matthews@matthews.com</b>	<b>(310) 919-5757</b>
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date