

DOLLAR GENERAL

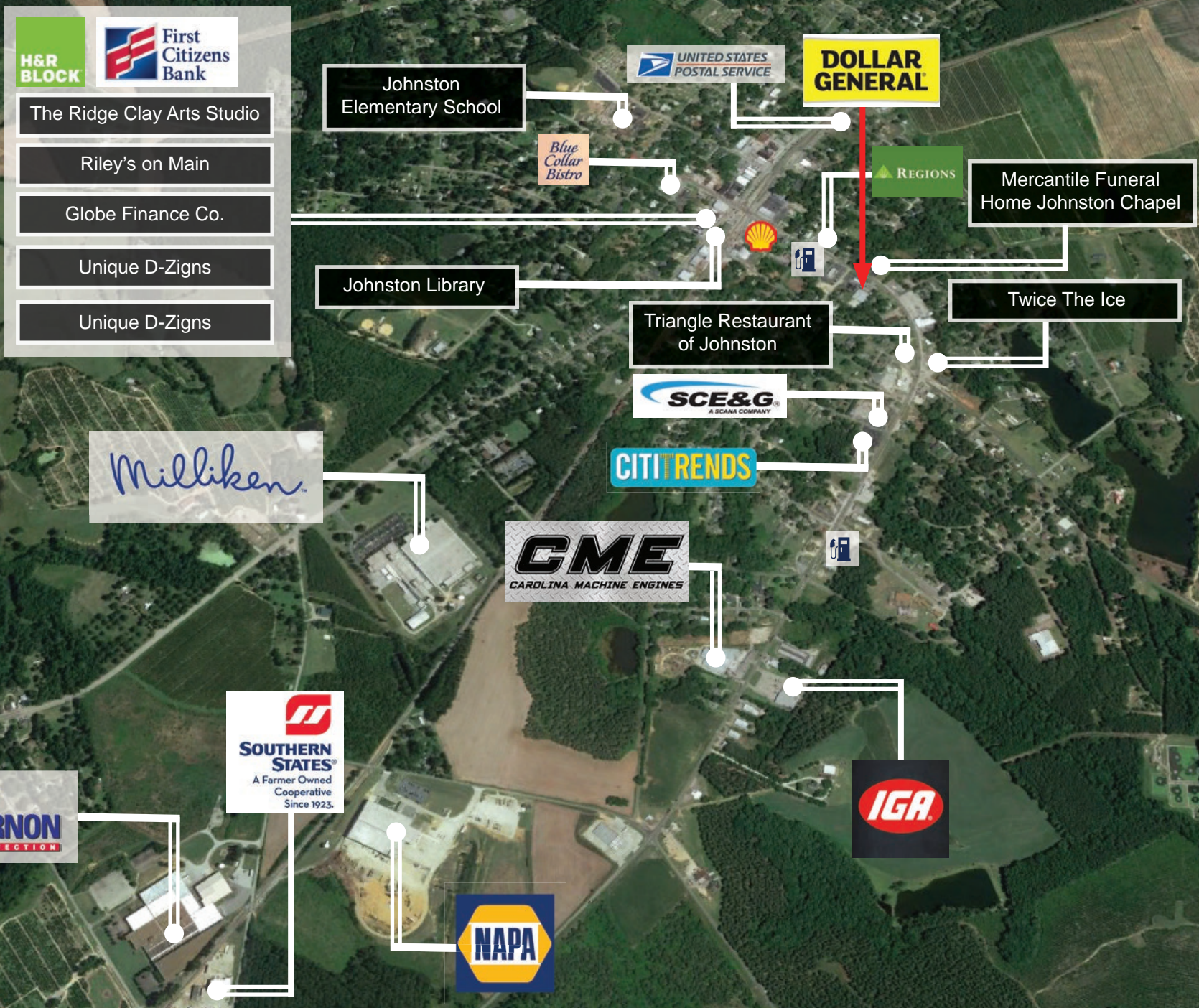
Single Tenant Net Lease

OFFERING MEMORANDUM

383 LEE STREET, JOHNSTON, SOUTH CAROLINA 29832



Marcus & Millichap



DOLLAR GENERAL

Single Tenant Net Lease

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Marcus & Millichap is pleased to present for your investment opportunity this freestanding Dollar General in Johnston, South Carolina. Built in 2009, the subject property sits on a 1.06 acre lot with a CAP Rate of 7.67 percent and a \$46,044 total return.

This is a 10,045 square feet facility located only two miles from various global manufacturers such as Mount Vernon Mills, Milliken, and Southern States. The nearest commercial airports are Augusta Regional Airport and Columbia Metropolitan Airport. The Town of Johnston has a population of 2,268 as of July 2019 and ranks in the upper quartile for Diversity Index when compared to other cities and towns in South Carolina.

INVESTMENT HIGHLIGHTS

- Long Term Operating History
- Early Renewal
- Recession Resistant Tenant
- Investment Grade Credit
- Largest Small Box Discount Retailer

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LEASE SUMMARY

| TENANT | DOLLAR GENERAL |
|------------------------------|---|
| PRICE | \$900,000 |
| Property Subtype | Net Leased |
| Rent Increases | N/A |
| Guarantor | Corporate Guarantee |
| Lease Type | NN |
| Lease Commencement | Jan 12, 2009 |
| Lease Expiration | Jan 31, 2025 |
| Lease Term | 16 |
| Term Remaining on Lease | 5.0 Years |
| Renewal Options | Five 5-Year Option |
| Landlord Responsibility | Roof and Structure, Major Parking Lot Repairs, HVAC in Last 2 Years of Current Lease Term |
| Tenant Responsibility | Taxes, Insurance, Utilities, Landscaping, Parking Lot and Trash |
| Right of First Refusal/Offer | No |

| RENT SCHEDULE | | | | |
|---------------|-------------|--------------|---------|----------|
| YEAR | ANNUAL RENT | MONTHLY RENT | RENT/SF | CAP RATE |
| Current | \$69,000 | \$5,750 | \$6.87 | 7.67% |
| Option 1 | \$75,900 | \$6,325 | \$7.56 | 8.43% |
| Option 2 | \$83,490 | \$6,958 | \$8.31 | 9.28% |
| Option 3 | \$91,839 | \$7,653 | \$9.14 | 10.20% |
| Option 4 | \$101,023 | \$8,419 | \$10.06 | 11.22% |
| Option 5 | \$111,125 | \$9,260 | \$11.06 | 12.35% |

NET OPERATING INCOME

\$69,000

CURRENT

LEASE EXPIRATION

Jan 2025

5 YEARS REMAINING

RENT PER SF

\$6.87

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DEBT SERVICE ANALYSIS

| SUMMARY | | |
|----------------------------|----------------|-----------------|
| OFFERING PRICE | | \$900,000 |
| CAP Rate | | 7.67% |
| Property | Dollar General | |
| Price Per SqFt | \$89.60 | |
| Rent Per SqFt | \$6.87 | |
| Gross Leasable Area | 10,045 SF | |
| Lot Size | 1.06 Acres | |
| Year Built | 2009 | |
| Occupancy | 100% | |
| INCOME | | YEAR 1 |
| Net Operating Income | | \$69,000 |
| Net Cash Flow | 10.18% | \$32,073 |
| Cash-on-Cash Return | 10.14% | |
| Total Return | 14.62% | \$46,044 |

| Financing Terms Quote | | 1st Loan |
|-------------------------------------|---------------------|----------|
| Loan Amount | \$585,000 | |
| Loan Type | Financed - New Loan | |
| Loan to Value | 65.00% | |
| Down Payment | 35% / \$315,000 | |
| Interest Rate / Amortization Period | 4% / 25 Years | |
| Annual Loan Payment | \$36,927 | |

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

CASH-ON-CASH

10.14%

FINANCING TERMS

New Loan

\$69,000

NET OPERATING INCOME

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FINANCIAL OVERVIEW

OFFERING PRICE
\$900,000

| OVERVIEW | | |
|-----------------------|---------------------|------------|
| CAP Rate | | 7.67% |
| Guarantor | Corporate Guarantee | |
| Lease Type | | NN |
| Total Lease Term | | 16 Years |
| Lease Term Remaining | | 5 Years |
| Price Per Square Feet | | \$89.60 |
| Rent Per Square Feet | | \$6.87 |
| Gross Leasable Area | | 10,045 SF |
| Lot Size | | 1.06 Acres |
| Year Built | | 2009 |

CAP RATE
7.67%
CURRENT

GLA
10,045
SQUARE FEET

1.06
ACRES

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ABOUT DOLLAR GENERAL

Dollar General Corporation has been delivering value to shoppers for over 80 years since 1939. Headquartered in Goodlettsville, Tennessee, Dollar General operates 16,000 stores in 44 states as of September 2019. Its goal is to help shoppers "Save Time. Save Money. Every Day!" by offering low price items such as food, snacks, health and beauty aids, cleaning supplies, family apparel, housewares and seasonal items at low 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, Hanes, Coca-Cola, Mars, Nestle, Kellogg's, General Mills and PepsiCo.



MORE THAN
80
YEARS IN BUSINESS



IN NORTH AMERICA
16,000+
STORES



2019 REVENUE
\$25.63B



TOTAL
135,000
EMPLOYEES

PROPERTY DEMOGRAPHICS



MEDIAN HOUSING VALUE

\$99,351

5 MILE RADIUS



POPULATION

5,420

5 MILE RADIUS

DEMOGRAPHICS

| | 1 MILE | 3 MILE | 5 MILE |
|----------------------------|----------|----------|----------|
| 2019 EST. POPULATION | 1,947 | 3,652 | 5,420 |
| 2024 PROJECT POPULATION | 1,991 | 3,730 | 5,528 |
| 2019 EST. MEDIAN HH INCOME | \$34,460 | \$32,989 | \$39,166 |
| MEDIAN HOUSING VALUE | \$93,248 | \$92,543 | \$99,351 |
| TOTAL HOUSEHOLDS | 733 | 1,391 | 2,069 |

TRAFFIC COUNTS

| | |
|----------------|-----------|
| LEE STREET | 6,397 VPD |
| CALHOUN STREET | 4,468 VPD |

BUSINESSES

| | 1 MILE | 3 MILE | 5 MILE |
|---------------------------------|--------|--------|--------|
| RETAIL | 22 | 27 | 31 |
| HOSPITALITY & FOOD SERVICE | 11 | 11 | 12 |
| HEALTH CARE & SOCIAL ASSISTANCE | 8 | 8 | 9 |
| FINANCE & INSURANCE | 14 | 15 | 16 |
| TOTAL BUSINESSES | 114 | 134 | 161 |

2,069 TOTAL HOUSEHOLDS WITHIN THREE MILE OF THE SUBJECT PROPERTY



MARKET OVERVIEW | SURROUNDING AREA

Augusta // *South Carolina*

Augusta, Georgia, is the home of Augusta National Golf Club, where the Masters Tournament is played each year. The Augusta-Richmond County metro consists of seven counties: Burke, Columbia, Lincoln, McDuffie and Richmond counties in Georgia and Aiken and Edgefield counties in South Carolina. There are roughly 613,000 residents in the market and the region is projected to add 34,300 people and 15,000 households over the next five years. The consolidated city-county of Augusta-Richmond contains almost 203,000 citizens



METRO HIGHLIGHTS



MEDICAL DISTRICT

University Hospital along with employers in the Medical District provide tens of thousands of jobs in the market.



QUALITY OF LIFE

A low cost of living and various employment opportunities allow a high homeownership rate of more than 66 percent, well above the U.S. rate.



REGIONAL ECONOMIC HUB

The metro is an economic hub and houses operations for multiple large corporations such as Procter & Gamble, Kellogg's and International Paper.



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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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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