

OFFERING MEMORANDUM

Dollar General | Immaculate Building Condition | 400,000 People
in 5 Mile Radius

**DOLLAR
GENERAL®**



ACTUAL PHOTO

 3079 BAILEY AVE, BUFFALO, NY 14215

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this freestanding, single-tenant Dollar General located in Buffalo, Florida. Buffalo is the second largest city in the state of New York and serves as a major gateway for commerce and travel across the Canadian border. The fee simple lease, backed by Dollar General Corporate, has 2.5-years remaining on the lease with rent increases in the three, five-year options to extend. This is an ideal passive investment opportunity with limited landlord responsibilities being offered at a nine percent capitalization rate.

The subject property consists of a 9,200 square foot retail space with ample parking on a 0.83-acre parcel. The property is situated near a signalized intersection with a combined traffic count of 31,668 vehicles per day. This Dollar General is located less than a half mile from the Kensington Expressway with a daily traffic count of 97,845 vehicles per day. The property benefits from the 406,250 residents within a 5-mile radius with an average household income of \$63,170.

There are numerous National and Regional retailers in the immediate area including AutoZone, HSBC Bank, Aaron's, Tim Horton, 7-Eleven, DaVita, Family Dollar and KeyBank among others.

Dollar General is a growing Fortune 500 company (#119) with over \$25.63 Billion in revenue in 2019. Dollar General has an investment grade credit rating of BBB by Standard & Poor's, and it is publicly traded on the New York Stock Exchange under the ticker symbol, "DG". Dollar General operates a chain of over 15,400 discount stores in about 44 states, primarily in the Southern and Eastern US, the Midwest, and the Southwest. The company offers basic household supplies including cleaning supplies, health and beauty aids, food and apparel. Most of the merchandise which is carried in the stores is priced between \$1 and \$35.

INVESTMENT HIGHLIGHTS

- Investment Grade Credit Tenant | S&P: BBB
- Three, Five-Year Options with Increases
- Dense Population of over 406,250 Residents within Five Miles
- Trade Area Average Household Income of Over \$63,170
- NN Lease – Tenant Pays RE Taxes, Insurance and CAM
- Under Market Rent of \$7.69 PSF
- Low Retail Vacancy of 2.1% within One-Mile of Property
- Buffalo is the Second Largest City in New York
- Dollar General Generated more than \$25.63 Billion in Revenue in 2019 | Nine Percent Growth over 2018



THE OFFERING



DOLLAR GENERAL
3079 BAILEY AVENUE,
BUFFALO, NEW YORK 14215

DOLLAR GENERAL

PROPERTY DETAILS

Lot Size	36,155 SF (0.83 Acres)
Rentable Square Feet	9,200 SF
Price/SF	\$81.23
Year Built / Renovated	1956 / 2010

FINANCIAL OVERVIEW

List Price	\$747,333
Down Payment	100% / \$747,333
Cap Rate	9.00%
Type of Ownership	Fee Simple

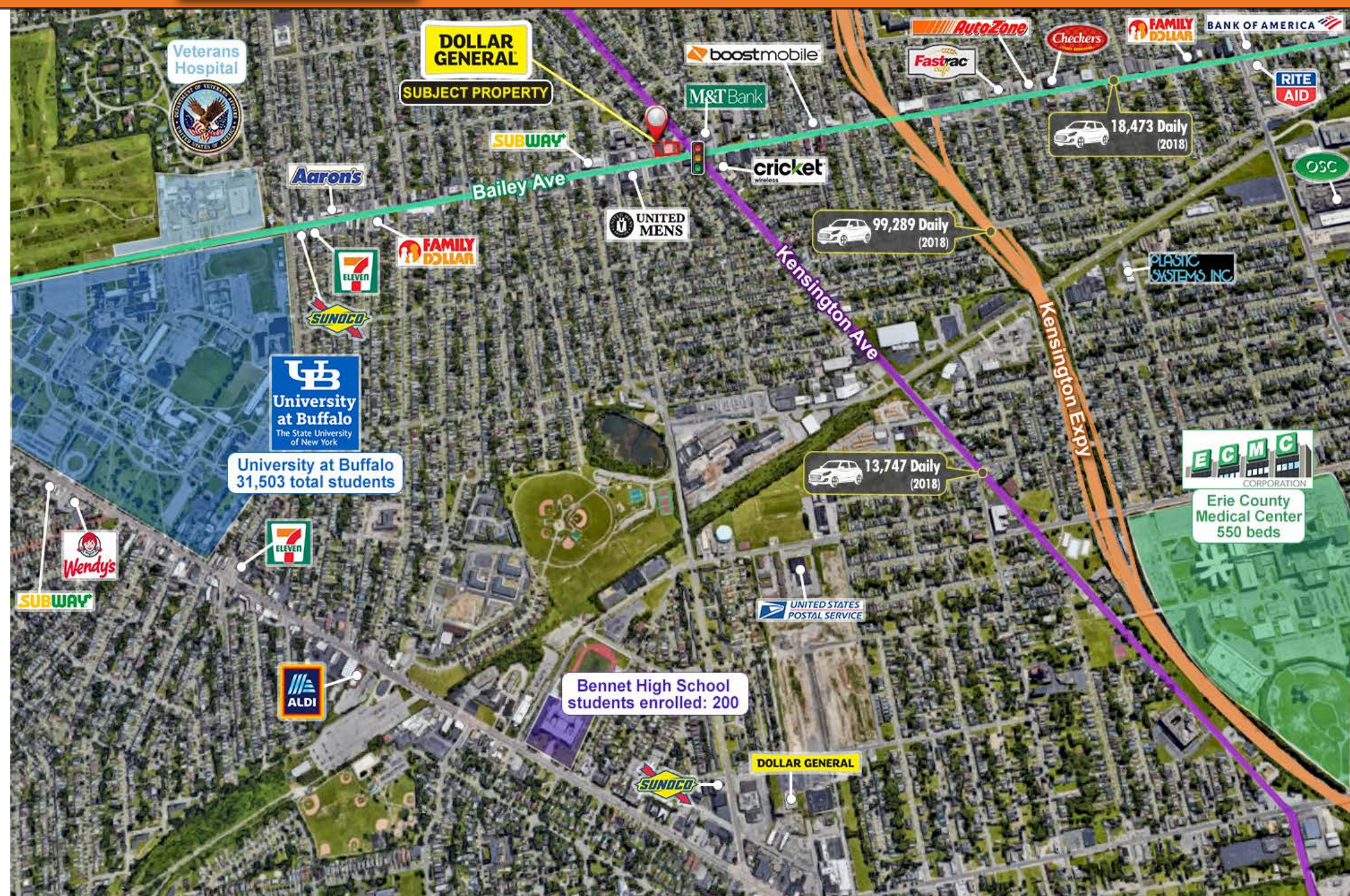
PROPERTY RENT DATA

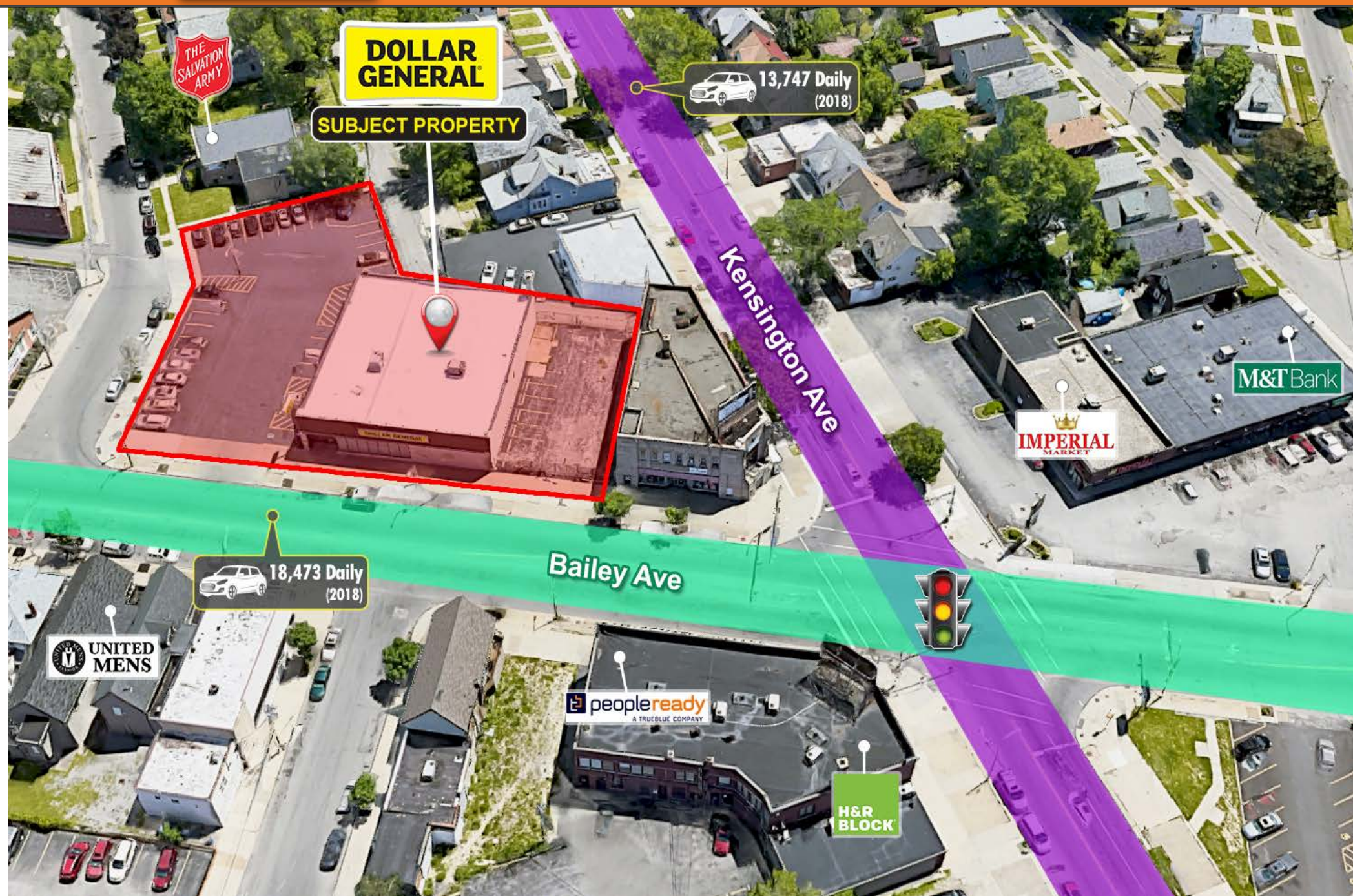
RENT INCREASES	MONTHLY RENT	ANNUAL RENT
12/30/2010 - 12/31/2022 (CURRENT)	\$5,605	\$67,260
01/01/2023 - 12/31/2027 (OPTION 1)	\$6,380	\$76,560
01/01/2028 - 12/31/2032 (OPTION 2)	\$7,018	\$84,216
01/01/2033 - 12/31/2037 (OPTION 3)	\$7,720	\$92,638
Base Rent (\$7.31 /SF)		\$67,260
Net Operating Income		\$67,260.00
TOTAL ANNUAL RETURN	CAP 9.00%	\$67,260

**5% Reserve Factored into NOI*

LEASE ABSTRACT

Tenant Trade Name	Dollar General
Tenant	Corporate Store
Ownership	Public
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	12 Years
Lease Commencement Date	12/30/2010
Rent Commencement Date	12/30/2010
Expiration Date of Base Term	12/31/2022
Term Remaining on Lease	2+ Years
Increases	10% Each Five Year Period
Options	Three Five Year Options
Landlord Responsibility	Roof & Structure
Tenant Responsibility	All other items
Property Type	Net Leased Discount
Right of First Refusal	N/A









DOLLAR GENERAL

ABOUT

**DOLLAR
GENERAL**

NAME

Dollar General

HQ

Goodlettsville, TN

NUMBER OF LOCATIONS

15,000+

WEBSITE

www.dollargeneral.com

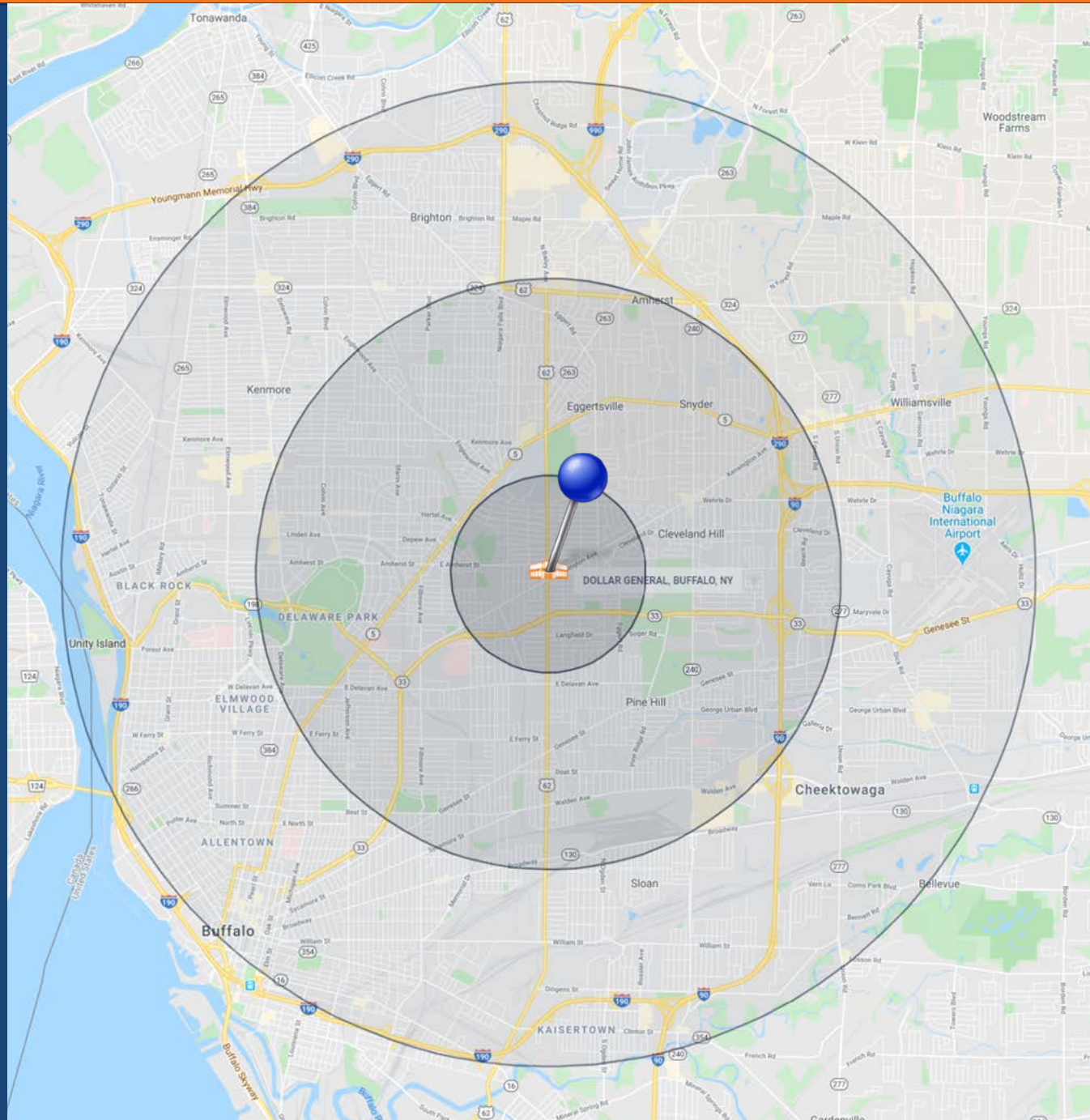
Dollar General (NYSE: DG) is the largest small-box discount retailer in the United States with over 15,000 stores in 44 states. Dollar General stores offer convenience and value to customers by offering consumable basic items that are frequently used and replenished, such as food, snacks, health and beauty aids and cleaning supplies, as well as a selection of basic apparel, housewares and seasonal items at everyday low prices. For the 2018 fiscal year, the company report total sales of \$23.5 Billion and a net worth of approximately \$6.13 Billion.

Dollar General stores are typically in small shopping plazas or strip malls in local neighborhoods. The stores tend to locate in smaller communities than those where Walmart would go. The company acquired the 280 stores of the P.N. Hirsh Division of Interco, Inc. (now Furniture Brands International, Inc.) 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. Many of its offerings are priced at more than one dollar. However, goods are usually sold at set price points of penny items and up to the range of 50 to 60 dollars, not counting phone cards and loadable store gift cards.

Dollar General often serves communities that are too small for Wal-Marts (although many locations are in relatively close driving distance to a Wal-Mart store). 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.

	1 Miles	3 Miles	5 Miles
POPULATION			
2024 Projection	29,407	179,574	405,022
2019 Estimate	29,419	180,598	406,250
2010 Census	29,265	180,023	403,504
2000 Census	31,837	199,406	436,304
INCOME			
Average	\$49,856	\$64,602	\$63,170
Median	\$35,682	\$46,573	\$44,745
Per Capita	\$20,309	\$27,524	\$27,899
HOUSEHOLDS			
2024 Projection	11,623	75,939	177,002
2019 Estimate	11,544	75,802	175,923
2010 Census	11,429	75,490	174,412
2000 Census	12,250	81,381	183,950
HOUSING			
2019	\$63,407	\$105,456	\$112,235
EMPLOYMENT			
2019 Daytime Population	19,461	153,709	468,525
2019 Unemployment	7.47%	6.25%	6.54%
2019 Median Time Traveled	23	22	22
RACE & ETHNICITY			
White	11.48%	48.72%	59.99%
Native American	0.09%	0.04%	0.05%
African American	79.85%	41.91%	27.54%
Asian/Pacific Islander	3.45%	4.39%	5.40%



GEOGRAPHY: 5 MILE



POPULATION

In 2019, the population in your selected geography is 406,250. The population has changed by -6.89% since 2000. It is estimated that the population in your area will be 405,022.00 five years from now, which represents a change of -0.30% from the current year. The current population is 47.57% male and 52.43% female. The median age of the population in your area is 35.65, compare this to the US average which is 38.08. The population density in your area is 5,161.33 people per square mile.



HOUSEHOLDS

There are currently 175,923 households in your selected geography. The number of households has changed by -4.36% since 2000. It is estimated that the number of households in your area will be 177,002 five years from now, which represents a change of 0.61% from the current year. The average household size in your area is 2.22 persons.



INCOME

In 2019, the median household income for your selected geography is \$44,745, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 46.70% since 2000. It is estimated that the median household income in your area will be \$50,240 five years from now, which represents a change of 12.28% from the current year.

The current year per capita income in your area is \$27,899, compare this to the US average, which is \$33,623. The current year average household income in your area is \$63,170, compare this to the US average which is \$87,636.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 59.99% White, 27.54% Black, 0.05% Native American and 5.40% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 8.70% of the current year population in your selected area. Compare this to the US average of 18.17%.



HOUSING

The median housing value in your area was \$112,235 in 2019, compare this to the US average of \$212,058. In 2000, there were 101,534 owner occupied housing units in your area and there were 82,416 renter occupied housing units in your area. The median rent at the time was \$393.



EMPLOYMENT

In 2019, there are 229,762 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 61.90% of employees are employed in white-collar occupations in this geography, and 37.99% are employed in blue-collar occupations. In 2019, unemployment in this area is 6.54%. In 2000, the average time traveled to work was 22.00 minutes.

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Marcus & Millichap

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The Retail Real Estate Investment Leader



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