



DOLLAR GENERAL

1033 E Riley St • Freer, TX 78357

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DOLLAR GENERAL
Freer, TX
ACT ID ZAB0250145

Marcus & Millichap

NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

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.

Marcus & Millichap



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.

11-2-2015

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.

Tim Speck

9002994

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

License No.

Email

Phone

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

EXECUTIVE SUMMARY

OFFERING SUMMARY

Price	\$761,255
Net Operating Income	\$58,236
Capitalization Rate – Current	7.65%
Price / SF	\$93.69
Rent / SF	\$7.17
Lease Type	NN
Gross Leasable Area	8,125 SF
Year Built / Renovated	2005
Lot Size	0.98 acre(s)

FINANCING

Loan Amount	\$570,941
Loan Type	Financed - New Loan
Loan to Value	75.00%
Down Payment	25% / \$190,314
Interest Rate / Amortization	4% / 25 Years
Annual Loan Payment	\$36,164
Net Cash Flow After Debt Service	11.60% / \$22,072
Cash on Cash Return	11.60%
Total Return	18.73% / \$35,645



MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Newman Operating Co	75
Border Patrol	70
Pegasus Cnstr & Svcs LLC	65
Fino Oilfield Services Corp	50
Freer Junior High School	50
Norman M Thmas Elementary Schl	45
Straight Line Construction Inc	45
Duval Well Service Inc	35
Stx Process Equipment LLC	35
Dairy Queen	34
Freer City Fire and Ems	30
Freer Isd	30

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2019 Estimate Pop	2,408	2,970	3,048
2010 Census Pop	2,449	3,021	3,100
2019 Estimate HH	844	1,037	1,074
2010 Census HH	854	1,049	1,086
Median HH Income	\$39,743	\$39,284	\$39,223
Per Capita Income	\$20,867	\$20,312	\$20,426
Average HH Income	\$59,524	\$58,144	\$57,977

* # of Employees based on 5 mile radius

INVESTMENT OVERVIEW

The Hurd Net Lease Group of Marcus and Millichap is pleased to exclusively offer for sale the Dollar General in Freer, Texas. This investment is being offered at \$761,255, which represents a 7.65% capitalization rate.

Dollar General has recently extended their lease through October of 2027, demonstrating continued commitment to this site. The tenant reimburses for real estate taxes, pays insurance directly, repairs up to \$1,000 per occurrence and pays \$305 per month as a sole contribution towards common area maintenance. The tenant responsibilities are limited to roof, structure, parking lot and HVAC. In addition to the base rent paid by Dollar General, the site has a billboard sign that generates a small amount of additional income and is not included into the net operating income.

This site was built to suit for Dollar General in 2005. It is positioned on a .98 acres parcel along East Riley Street and benefits from 7,000 vehicles per day passing the site daily. Freer is located in southern Texas, just 60 miles from Laredo and 82 miles from Corpus Christi.

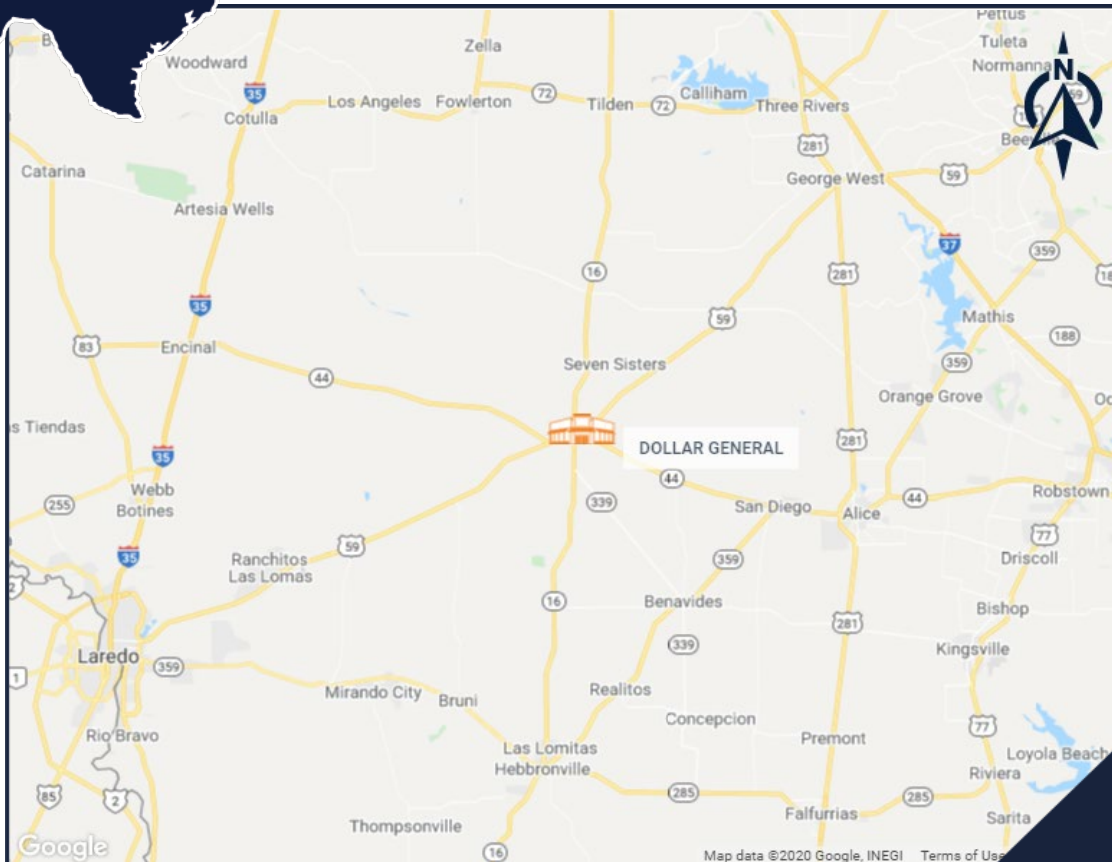
INVESTMENT HIGHLIGHTS

- Recently extended lease through October of 2027
- Landlord responsibilities are limited to roof, structure and parking lot
- Located 82 miles from Corpus Christ, 60 miles from Laredo and 125 from San Antonio
- 2005 built-to-suit prototype store
- Additional annual billboard sign income not factored into the NOI





1033 E Riley St, Freer, TX 78357



- Recent lease extension through October 2027 showing continued commitment to this site
- NN lease with minimal landlord responsibilities (roof, structure & parking lot)
- 7,000 VPD passing the site along East Riley Street
- 2005 built to suit prototype store
- Texas is an income tax free state

Marcus & Millichap is pleased to exclusively offer for sale the Dollar General located at 1003 East Riley Street in Freer, Texas.

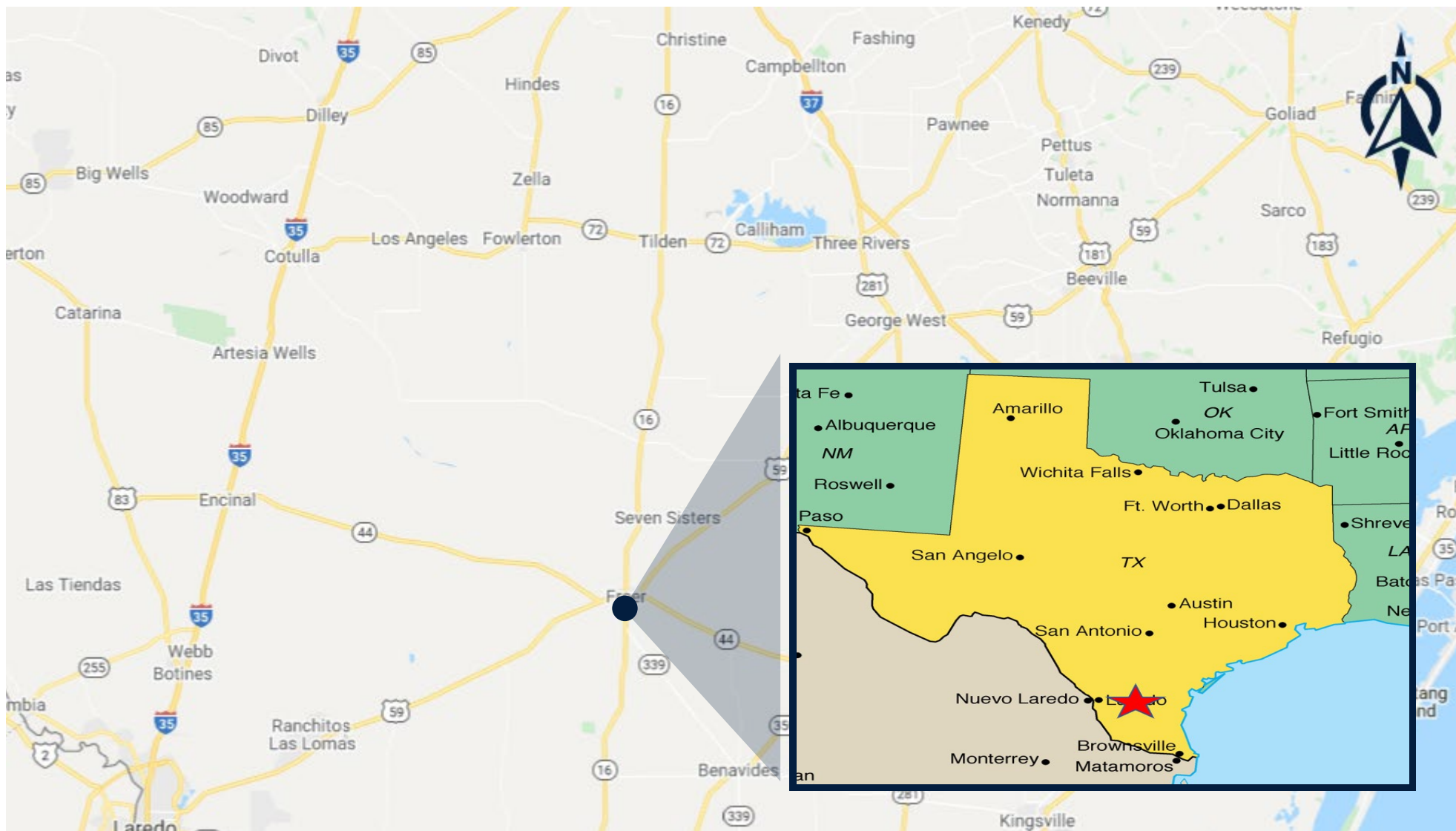
Created on July 2020

POPULATION	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Population	2,419	2,986	3,065
■ 2019 Estimate			
Total Population	2,408	2,970	3,048
■ 2010 Census			
Total Population	2,449	3,021	3,100
■ 2000 Census			
Total Population	2,401	3,128	3,228
■ Current Daytime Population			
2019 Estimate	1,410	2,168	2,265
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Households	852	1,048	1,085
■ 2019 Estimate			
Total Households	844	1,037	1,074
Average (Mean) Household Size	2.79	2.80	2.80
■ 2010 Census			
Total Households	854	1,049	1,086
■ Occupied Units			
2024 Projection	852	1,048	1,085
2019 Estimate	1,094	1,366	1,417
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2019 Estimate			
\$150,000 or More	5.42%	4.98%	4.93%
\$100,000 - \$149,000	9.34%	8.76%	8.70%
\$75,000 - \$99,999	8.63%	9.06%	9.11%
\$50,000 - \$74,999	16.94%	16.52%	16.47%
\$35,000 - \$49,999	17.51%	17.17%	17.13%
Under \$35,000	42.15%	43.49%	43.68%
Average Household Income	\$59,524	\$58,144	\$57,977
Median Household Income	\$39,743	\$39,284	\$39,223
Per Capita Income	\$20,867	\$20,312	\$20,426

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$60,753	\$59,876	\$59,770
■ Consumer Expenditure Top 10 Categories			
Housing	\$16,265	\$16,035	\$16,007
Transportation	\$12,398	\$12,250	\$12,232
Shelter	\$9,292	\$9,176	\$9,162
Food	\$5,827	\$5,747	\$5,738
Personal Insurance and Pensions	\$4,470	\$4,351	\$4,336
Health Care	\$3,880	\$3,828	\$3,822
Utilities	\$3,720	\$3,677	\$3,671
Entertainment	\$2,468	\$2,417	\$2,411
Household Furnishings and Equipment	\$1,636	\$1,595	\$1,590
Apparel	\$1,542	\$1,528	\$1,527
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2019 Estimate Total Population	2,408	2,970	3,048
Under 20	30.62%	30.68%	30.69%
20 to 34 Years	20.62%	20.09%	20.05%
35 to 39 Years	5.53%	5.64%	5.66%
40 to 49 Years	11.57%	11.65%	11.66%
50 to 64 Years	16.31%	16.47%	16.49%
Age 65+	15.36%	15.48%	15.48%
Median Age	33.89	34.33	34.36
■ Population 25+ by Education Level			
2019 Estimate Population Age 25+	1,485	1,838	1,887
Elementary (0-8)	10.35%	10.55%	10.57%
Some High School (9-11)	21.03%	20.30%	20.23%
High School Graduate (12)	35.33%	34.47%	34.39%
Some College (13-15)	19.55%	20.46%	20.54%
Associate Degree Only	5.57%	5.33%	5.31%
Bachelors Degree Only	5.11%	5.42%	5.45%
Graduate Degree	1.02%	0.93%	0.93%

Source: © 2019 Experian

1033 E Riley St, Freer, TX 78357





PROPERTY SUMMARY

THE OFFERING	
Property	Dollar General
Property Address	1033 E Riley Street Freer, Texas 78357
Price	\$761,255
Capitalization Rate	7.65%
Price/SF	\$93.69

PROPERTY DESCRIPTION	
Year Built / Renovated	2005
Gross Leasable Area	8,125 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	0.98 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Discount
Tenant	Dollar General
Rent Increases	In Options
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	November 1, 2005
Lease Expiration	October 31, 2027
Lease Term	22
Term Remaining on Lease (Years)	7.3
Renewal Options	Two, Five Year Options
Landlord Responsibility	Roof/Structure/Major repairs
Tenant Responsibility	Taxes/Insurance/CAM***
Right of First Refusal/Offer	No

ANNUALIZED OPERATING INFORMATION

INCOME	
Net Operating Income	\$58,236

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$58,236	\$4,853	\$7.17	7.65%
Option 1	\$64,060	\$5,338	\$7.88	8.41%
Option 2	\$70,466	\$5,872	\$8.67	9.26%



NOTES

- Rent increase from \$4622/month to \$4853/month as of November 2020. Buyer will credit difference in rent at closing.
- Dollar General pays \$305/month as their sole contribution towards common area maintenance
- Insurance is covered through tenant national insurance program.
- Tenant reimburses for minor repairs less than \$1000 per occurrence
- Ask agent for additional information regarding billboard income.