



## OFFERING MEMORANDUM • NET-LEASED DOLLAR GENERAL

STNL INVESTMENT-GRADE OPPORTUNITY IN CBD & TOURISM DISTRICT ALONG LAKE MICHIGAN'S COAST

*Actual Subject Photo*

*65 Division Street, Manistee, Michigan 49660*

Marcus & Millichap



**\$63,500 AVG. HH INCOME**  
WITHIN 5 MILES (2018)

**MANISTEE INDUSTRIAL REGION**  
Several Manufacturing Facilities



HARBOR VILLAGE WATERFRONT  
RESORT COMMUNITY

DIAMOND COVE  
MAN-MADE  
SWIMMING LAKE

LAKE MICHIGAN

FIFTH AVENUE BEACH

MAPLE STREET  
LIFT BRIDGE



MANISTEE SHOPPERS SQUARE  
**Save a lot** **FAMILY DOLLAR**

MEMORIAL  
LIFT BRIDGE

VETERANS MEMORIAL PARK

START OF 1.75-MI  
MANISTEE RIVERWALK

MANISTEE RIVER



HISTORIC CENTRAL DOWNTOWN  
MANISTEE BUSINESS DISTRICT  
27 HISTORIC BUILDINGS HOST  
HOTELS, THEATRES, BOUTIQUES,  
PUBS AND EATERIES



**DOLLAR GENERAL**  
SUBJECT PROPERTY  
8,040 SQ. FT. GLA • 0.56 +/- ACRES  
16 PARKING SPACES

CHRISTIAN FAITH  
CHURCH

DIVISION STREET - 2,000 VPD



US-31/CYPRESS ST.  
16,000 VPD (2018)



\*Borders Are Approximate



**14,500 DAYTIME POPULATION**  
WITHIN 5 MILES (2018)

**Martin Marietta**  
CHEMICAL PLANT  
250 EMPLOYEES

**PCA**  
CONTAINERBOARD MILL  
300 EMPLOYEES

**FAMILY FARE** **RITE AID**  
SUPERMARKETS  
**FAMILY Farm & Home**

**MANISTEE CATHOLIC SCHOOL**  
200 K-12 STUDENTS

LAKE  
MANISTEE

**RIETH-RILEY**  
PAVING CONTRACTOR

**MORTON SALT**  
MANUFACTURING PLANT  
140 EMPLOYEES

**familyVideo**

**Shell**

**A&W**  
ALL AMERICAN FOOD

**goodwill**

**at&t**

**WESCO**

**US-31/CYPRESS ST.**  
16,000 VPD (2018)

**UNITED STATES POSTAL SERVICE**

**Little Caesars**

**Huntington**

**DOLLAR GENERAL**  
SUBJECT PROPERTY  
8,040 SQ. FT. GLA  
0.56 +/- ACRES  
16 PARKING SPACES

**DIVISION STREET - 2,000 VPD**

**MANISTEE TIRE SERVICE**  
"SINCE 1947"

**CHRISTIAN FAITH CHURCH**

LAKE STREET

FILER STREET

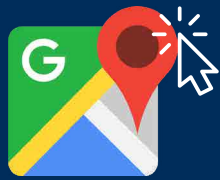
**MICHIGAN WORKS!**  
ASSOCIATION

**HISTORIC BRINY BUILDING**  
COMPLETELY REMODELED  
MIXED-USE OFFICES



\*Borders Are Approximate





**ADDRESS:**  
**65 DIVISION ST**  
**MANISTEE, MI 49660**



**PRICE**  
**\$730,000**



**CAP RATE**  
**7.75%**



**ANNUAL NOI**  
**\$56,628**

**Marcus & Millichap**

## VITAL DATA (STORE #6328)

Price	\$730,000
Cap Rate	7.75%
Gross Leasable Area	8,040 Square Feet
Lot Size	0.56 Acres +/-
Year Built/Renovated	1940/2002
Parking	Approximately 16 Spaces

## LEASE SUMMARY

Tenant	Dollar General
Lease Type	NN
Landlord Responsibility	Roof, Structure, Parking Lot Maintenance, Insurance
Tenant Responsibility	See Below
Rent Commencement	01/01/2004
Parking Lot Maintenance	Tenant Pays LL \$400 per Month During the Extended Period
Real Estate Taxes	Tenant Reimburses LL \$900/Mo in 1st Opt & \$1,000/Mo in 2nd
Insurance	Tenant Reimburses LL \$500/Mo in 1st Opt & \$600/Mo in 2nd
Base Lease Expiration	12/31/2024
Base Term Remaining	4 + Years (1st Option)
Options	Yes, One, 5-Year Option with an 8% Rental Increase

## BASE RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/Sq. Ft.	Cap Rate
1st Opt 1/1/20-12/31/24	\$56,628	\$4,719	\$7.04	7.75%
2nd Opt 1/1/25-12/31/29	\$61,200	\$5,100	\$7.61	8.38%

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# INVESTMENT HIGHLIGHTS



Single-Tenant, Net Leased Dollar General Corporate Store Located in Bustling Central Business, Marina & Riverwalk District



Subject Property Features 8,040-Square-Foot of Retail Area on a 0.56 Acre-Lot with Approximately 16 Parking Spaces and Easy Ingress/Egress



Investment-Grade Tenant Dollar General is the Country's Largest Small-Box Discount Retailer with Over 16,000 Stores, and a Credit Rating of BBB by Standard & Poor's



Top Performing Store Near Manistee Riverwalk & Marina with Sales Reportedly Well-Above Average Regional Average, Store Offers High Convenience in a Market with Little Competition | Nearby US-31 Sees Over 16,000 VPD and Traverses the Entire State



Nearby Retail Tenants Include Dairy Queen, A&W Restaurant, Little Caesars Pizza, Goodwill, Rite Aid, Dunham's, Walgreens, Advance Auto Parts, Save-A-Lot, Family Dollar, Wendy's, McDonald's and More



Nearby Lake Michigan and Lake Manistee Waterfront Brings Large Numbers of People to the Immediate Vicinity for Outdoor Recreation Including Beaches, Parks, Lighthouses, Riverwalk, Boating, and More



Subject is Proximate to Manistee Hospital, a 45-Bed Acute Care Facility, Just Three Miles Away | Manistee is Home to Major Area Employers Including Packaging Corporation of America, Morton Salt, and Martin Marietta, Among Others



There are 2,684 Households and 6,114 People Residing in Manistee, as of 2019 (*Source: Census.gov*)



Downtown Manistee Features Historic Victorian Architecture with Guided Tours that Pass by the Property | Boutiques, Restaurants, Antique Stores and Vogue Theatre Line The Business District's Riverwalk



Over 4,000 Students Across Seven Schools within a Five-Mile Radius of the Subject Property (*Source: PublicSchoolReview.com*)



Subject is Located Only 4.4 Miles from Manistee County Blacker Airport Seeing Nearly 10,000 Passengers Connecting in Chicago to O'Hare International Airport and Beyond



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# DEMOGRAPHICS



2019 15-MILE AVERAGE  
HOUSEHOLD INCOME  
**APPROX. \$65,000**



2019 15-MILE DAYTIME POPULATION  
**APPROX. 21,000**



2019 15-MILE POPULATION  
**APPROX. 21,000**



2019 15-MILE HOUSEHOLDS  
**APPROX. 8,500**

5 MILES

10 MILES

15 MILES

## Area Population

	5 Mile	10 Miles	15 Miles
2010 Population Census	11,923	15,174	20,776
2019 Population Estimate	11,968	15,226	20,820
2024 Population Projection	11,872	15,122	20,679
2019 Daytime Population	14,503	17,152	21,079

## Area Households

	5 Mile	10 Miles	15 Miles
2010 Households	4,767	6,232	8,549
2019 Households Estimate	4,750	6,227	8,541
2024 Households Projection	4,747	6,233	8,543
2019 Average HH Size	2.2	2.2	2.2

## Area Income

	5 Mile	10 Miles	15 Miles
Median HH Income	\$49,868	\$51,309	\$51,704
Per Capita Income	\$25,561	\$27,350	\$27,459
Average HH Income	\$63,560	\$65,025	\$64,862

Source: Marcus & Millichap Analytics, U.S. Census Bureau (2020)

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\*Borders and Measurements Are Approximate







AREA PHOTOS • 65 DIVISION ST., MANISTEE, MICHIGAN 49660



*Downtown Manistee's Central Business District Features Boutiques, Pubs, Hotels and Theatres Amidst Historic Victorian Architecture*



*Two Historic Lift Bridges Allow Freight Ships from Lake Michigan to Lake Manistee*



*Manistee North Pierhead Lighthouse and Nearby Beaches Draw Year-Round Visitors*



# AREA MAP • 65 DIVISION ST., MANISTEE, MI 49660

## MANISTEE INDUSTRIAL REGION

Several Manufacturing Facilities



LAKE MICHIGAN

FIFTH AVENUE BEACH

DIAMOND COVE  
MAN-MADE  
SWIMMING LAKE

HARBOR VILLAGE



US-31/CYPRESS ST.  
16,000 VPD (2018)

MANISTEE SHOPPERS SQUARE

Save *a lot* FAMILY DOLLAR

Manistee  
Riverwalk  
1.75 MI

MANISTEE RIVER

S.S. City of  
Milwaukee  
Carferry

LAKE MANISTEE

**DOLLAR GENERAL**

**SUBJECT PROPERTY**

8,040 SQ. FT. GLA • 0.56 +/- ACRES  
16 PARKING SPACES

DOWNTOWN MANISTEE  
*michigan*

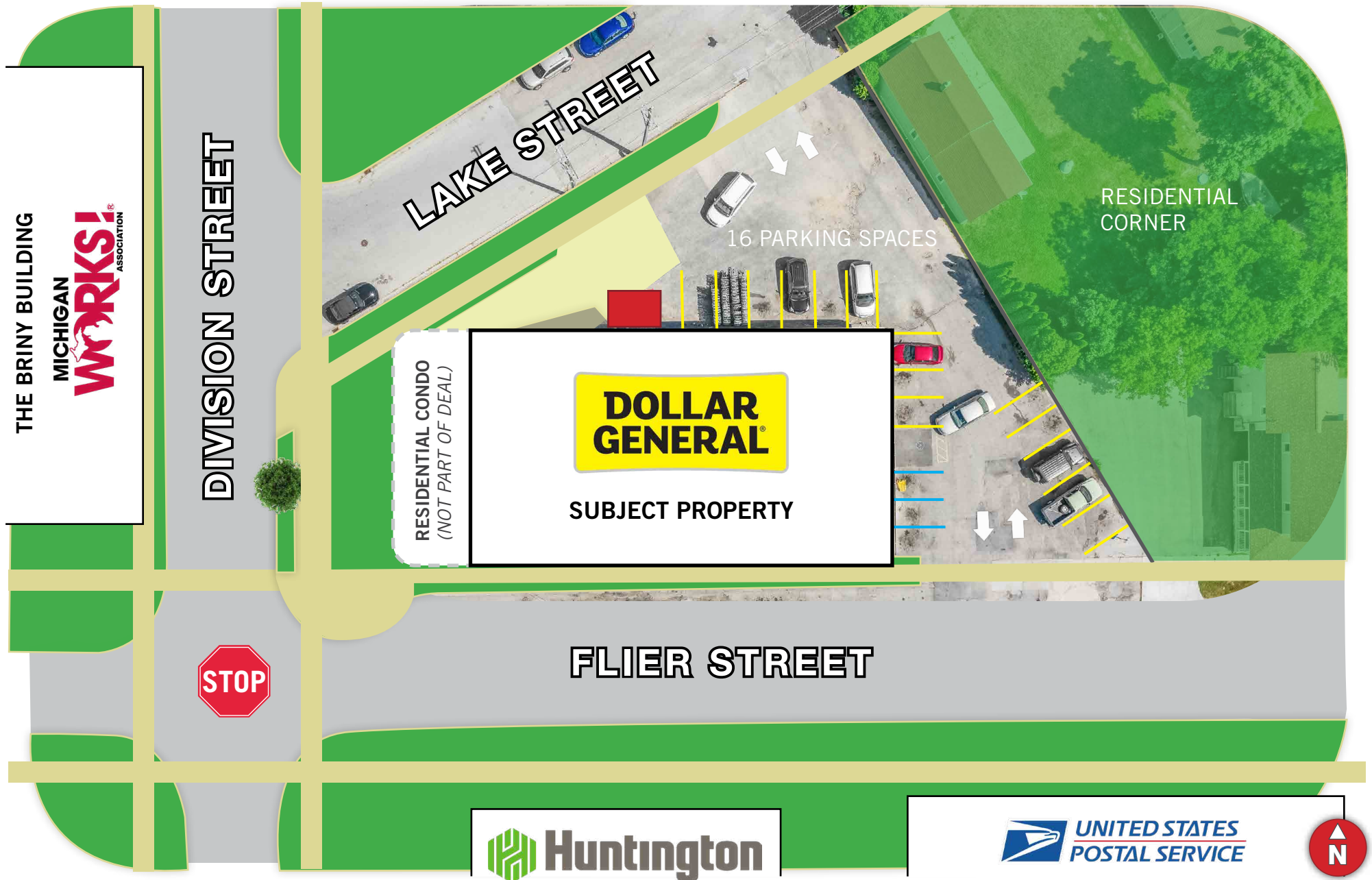
HISTORIC CENTRAL DOWNTOWN  
MANISTEE BUSINESS DISTRICT



\*Borders Are Approximate



# SITE PLAN • 65 DIVISION ST., MANISTEE, MICHIGAN 49660



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# TENANT OVERVIEW

## DOLLAR GENERAL®

### DOLLAR GENERAL CORPORATION

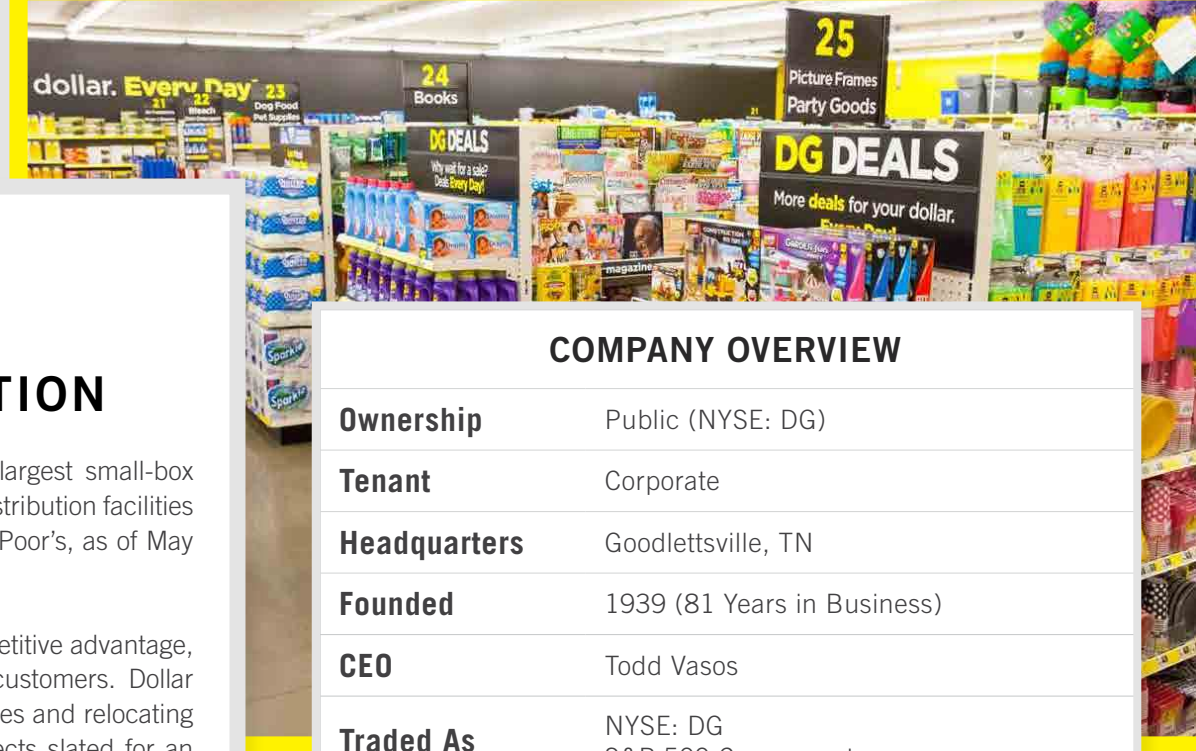
Investment-grade tenant **Dollar General** (NYSE: DG) is currently the largest small-box discount retailer in the United States, with 16,500 retail stores and five distribution facilities across 46 states, featuring a stable credit rating of BBB by Standard & Poor's, as of May 2020.

Dollar General Corporation's unique real estate footprint remains a competitive advantage, as value and location convenience resonates with new and existing customers. Dollar General has projected opening 1,000 new stores, remodeling 1,500 stores and relocating 80 stores throughout 2020, representing nearly 2,600 real estate projects slated for an average of seven projects per day – continuing to deploy capital in these high-return investments.

Dollar General saves shoppers time and money by offering top-quality everyday items with national brand names that are frequently used and replenished, such as food, cleaning supplies, beauty aids, housewares, and seasonal items, all in convenient neighborhood locations.

In an effort to be less dependent on third-party carriers, Dollar General is currently self-distributing frozen and refrigerated products to more than 6,000 stores from five new DG Fresh distribution facilities, accelerating the expansion of fresh produce offerings in over 1,000 locations by the end of the year. The company projects doubling these numbers by the end of 2020.

Dollar General reported strong results for its 2019 fourth quarter and fiscal year ended Jan. 31, 2020, with same-store sales increasing 3.2% for the quarter and 3.9% for the fiscal year — the retailer's 30th consecutive annual increase for same-store sales.



#### COMPANY OVERVIEW

Ownership	Public (NYSE: DG)
Tenant	Corporate
Headquarters	Goodlettsville, TN
Founded	1939 (81 Years in Business)
CEO	Todd Vasos
Traded As	NYSE: DG S&P 500 Component
Credit Rating	BBB (S&P)
Locations	16,500 Stores 5 DG Fresh Distribution Facilities 143,000+ Employees Across 46 States (Currently Not in Hawaii, Alaska, Idaho, and Montana) <i>*As of May 1st, 2020</i>
Numbers	\$27.8 Billion in <b>Revenue</b> \$2.3 Billion in <b>Operating Income</b> \$1.7 Billion in <b>Net Income</b> \$22.8 Billion in <b>Total Assets</b> <i>*Numbers from FY 2019</i>
Website	<a href="http://www.dollargeneral.com">www.dollargeneral.com</a>

Sources: SupermarketNews.com, Creditintell, Bloomberg, S&P Cap IQ; Forbes



# MARKET OVERVIEW

## MANISTEE, MICHIGAN

**ABOUT** Manistee is the county seat and largest town in Manistee County, Michigan. The estimated total population for the city of Manistee is 6,114 and is estimated to increase slightly to 6,228 by 2023. The population of the county is over 25,000 residents. The city is situated at the mouth of the Manistee River, between Lake Michigan and Manistee Lake, some 85 miles north of Muskegon.

The “Victorian Port City” is a charming town, surrounded by swaths of Lake Michigan shoreline, nationally protected forests, orchards of cherries and apples, and miles of twisting rivers. Downtown, over twenty-seven historic buildings and two lift bridges line the Central Business District and a 1.75-mile riverwalk. Local landmarks include the Ramsdell Theatre (1902) and the Manistee County Historical Museum (1883) are among the city’s many well-preserved Victorian buildings. The riverwalk ends at popular Fifth Avenue and First Avenue beaches, surrounded by parks and Manistee’s man-made swimming lake, Diamond Cove.

**INDUSTRY** Manistee is home to a regional medical hospital, so the bulk of county business and culture happens here. Major employers are dotted along the coast of Lake Manistee; Packaging Corporation of America, Morton Salt, and Martin Marietta. Over 40 charter fishing boats operate on Lake Michigan from Manistee County ports. Manistee County’s largest employer is the Little River Band of Ottawa Indians, which operates the Little River Casino Resort and it’s tribal governmental headquarters just North of downtown. The casino-hotel-entertainment complex includes over 1,300 slots and games, a 292-room hotel, a 95-space RV Park, as well as a 1,600-seat live entertainment venue.

**TOURISM** Manistee is graced with 25 miles of Lake Michigan shoreline and 36 inland lakes, presenting some of the Midwest’s premier outdoor possibilities, including kayaking, biking, trophy fishing, and more. Orchard Beach State Park is approximately two miles North of Manistee, while the city is surrounded by Huron-Manistee National Forests.

Manistee is home to a historic, haunted S.S. City of Milwaukee car ferry, which also serves as a venue that provides guided tours, a seasonal bed and breakfast, and a Ghost Ship haunted attraction in the Fall. Thirty miles South of Manistee, the S.S. Badger carferry docks in Ludington, with a capacity to carry over 600 passengers and 180 automobiles, RVs, motorcycles and commercial trucks across Lake Michigan to Manitowic, Wisconsin.



“Victorian Port City”  
**MANISTEE COUNTY**

**2**

**CHAMPIONSHIP LEVEL  
GOLF RESORTS**

Manistee National Golf & Resort

**25**

**MILES OF LAKE  
MICHIGAN SHORELINE**  
Year-Round Tourist Destination

**42**

**BREWERIES, WINERIES,  
GASTROPUBS & MORE**  
A Culinary Destination

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**14,000 +/-**  
**2019 DAYTIME POPULATION**  
**WITHIN A 5-MILE RADIUS**

SOURCE: MARCUS & MILLICHAP ANALYTICS,  
U.S. CENSUS BUREAU



## DISTANCE

**60 MILES FROM**  
**TRAVERSE CITY, MI**  
**120 MILES FROM**  
**GRAND RAPIDS, MI**  
**255 MILES FROM**  
**DETROIT, MI**  
**265 MILES FROM**  
**CHICAGO, IL**

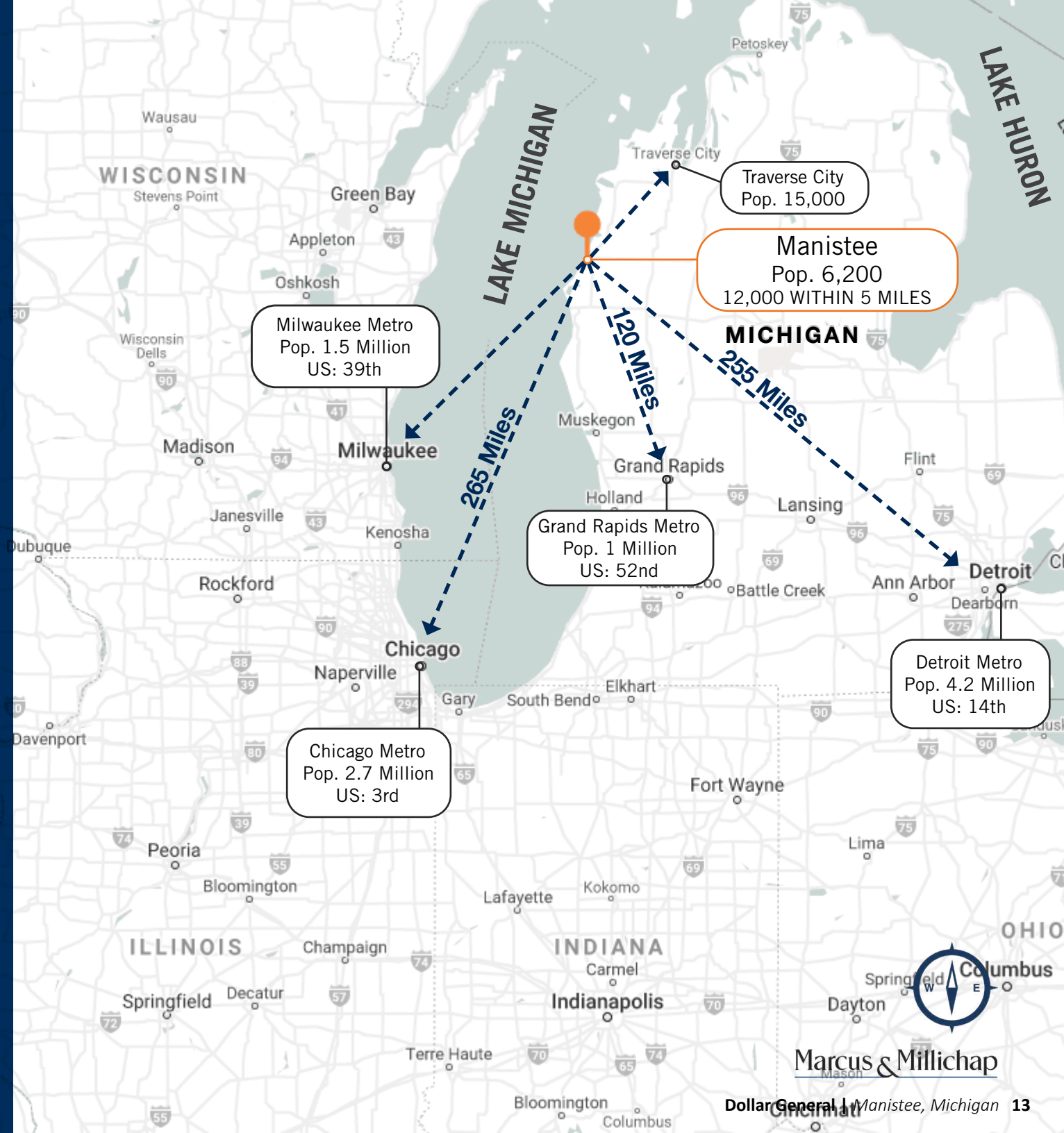


**4 HOUR DRIVE**  
**TO DETROIT METROPOLITAN**  
**INT'L AIRPORT AND CHICAGO'S**  
**MIDWAY INT'L AIRPORT**  
"DTW" SAW 36M PASSENGERS AND  
"MDW" SAW 20M PASSENGERS (2019)



## HIGHWAY ACCESS

**DIRECTLY OFF OF US-31**  
**US-31 IS A 1,200-MILE N-S**  
**HIGHWAY FROM AL TO MI**





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**MI BROKER OF RECORD  
STEVE CHABEN  
LIC. # 6502387903**

**ACTIVITY ID: ZAB0331115**

**Marcus & Millichap**





## OFFERING MEMORANDUM • DOLLAR GENERAL

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*Subject Photo*