



**DOLLAR GENERAL**

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2417 19TH STREET N, BESSEMER, AL 35020



**SONNY MOLLOY**

SENIOR VICE PRESIDENT INVESTMENTS

Direct: (678) 808-2763

Sonny.Molloy@marcusmillichap.com

**JARED KAYE**

FIRST VICE PRESIDENT INVESTMENTS

Direct: (678) 808-2821

Jared.Kaye@marcusmillichap.com

**COLE SNYDER**

ASSOCIATE | FINANCIAL ANALYST

Direct: (678) 808-2758

Cole.Snyder@marcusmillichap.com

**Marcus & Millichap**

MOLLOY KAYE RETAIL GROUP

Actual Location



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Marcus & Millichap



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## OFFERING HIGHLIGHTS

2417 19th Street N  
Bessemer, AL 35020



\$1,136,225

Price



±9,100 | 1.72

SF | Acres



8.00%

Cap Rate



5+ YEARS

Remaining on  
Current Term



NN

Lease



2011

Year Built



**BBB/STABLE BOND RATING**  
Investment Grade

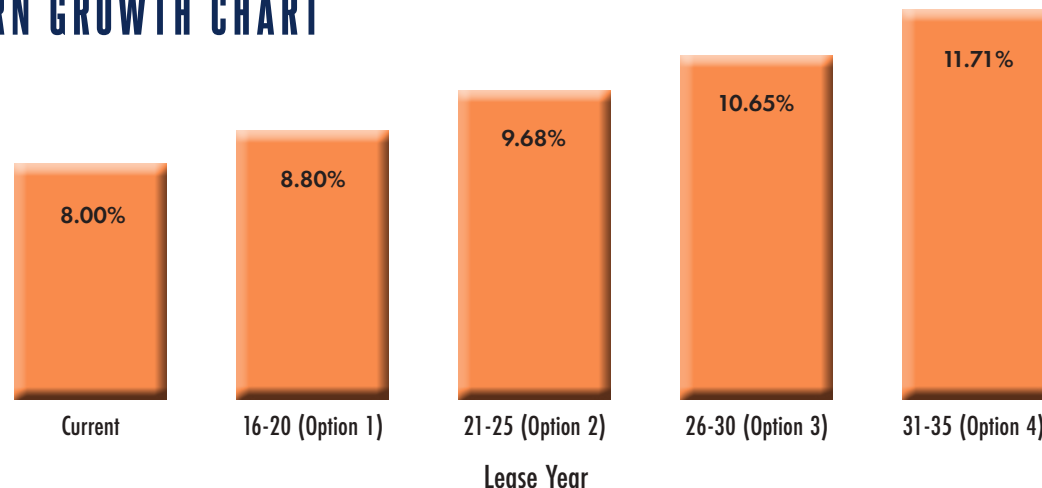
## LEASE SUMMARY

Property Subtype:	Net Leased Discount
Tenant:	Dolgencorp, Inc. d/b/a Dollar General
Rent Increases:	10% Each Option
Guarantor:	Corporate
Lease Type:	NN
Lease Commencement:	April 27, 2011
Lease Expiration:	April 30, 2026
Initial Lease Term:	15 Years
Renewal Options:	Four (4), 5-Year

## RENT ROLL

TERM	ANNUAL RENT	MONTHLY RENT	RENT/SF
Effective May 1, 2021 * (see below)	\$90,897.96	\$7,574.83	\$9.99
Years 16-20 (Option 1)	\$99,987.96	\$8,332.33	\$10.99
Years 21-25 (Option 2)	\$109,986.96	\$9,165.58	\$12.09
Years 26-30 (Option 3)	\$120,984.96	\$10,082.08	\$13.30
Years 31-35 (Option 4)	\$133,083.96	\$11,090.33	\$14.62

## RETURN GROWTH CHART



\*The current monthly rent is \$7,354.16. Effective May 1, 2021, the month rent bumps to \$7,574.83.  
At closing, Seller will credit Buyer the difference in rent.



# INVESTMENT OVERVIEW

## FUNDAMENTAL INVESTMENT & LEASE STRUCTURE

- Corporately guaranteed by Dollar General
- Built-to-suit construction completed in 2011
- Large ±1.72-acre parcel
- Low rent/SF <\$10
- 10% rental increase each option
- 5+ years remaining on base term with four, 5-year renewal options
- Highly dense market: 4,975 (1-mile), 35,074 (3-mile) & 71,323 (5-mile)

## BEST-IN-CLASS TENANT

- Investment-grade credit rating of BBB/Stable (S&P)
- 2019 financials: \$27.75 B in revenue & net worth of \$6.7 B
- Revenue and net income growth year-over-year since 2013
- DG operates 15,500+ stores across 44 states
- Ranked #119 on the Fortune 500 list for 2019
- Included on Fortune's 2020 World's Most Admired Companies List

## DOLLAR GENERAL'S COVID RESILIENCE

- Recession-resistant tenant
- Dollar General is considered one of the top "all weather" investment opportunities per Raymond James
- Q2 financial results:
  - › Continued growth on top and bottom lines
  - › Overall Q2 monthly comp sales increased 24.4% to \$8.7B
  - › Gross profit as a percentage of sales was 32.5%, an increase of 167 bps

## BIRMINGHAM, AL MSA ADVANTAGE

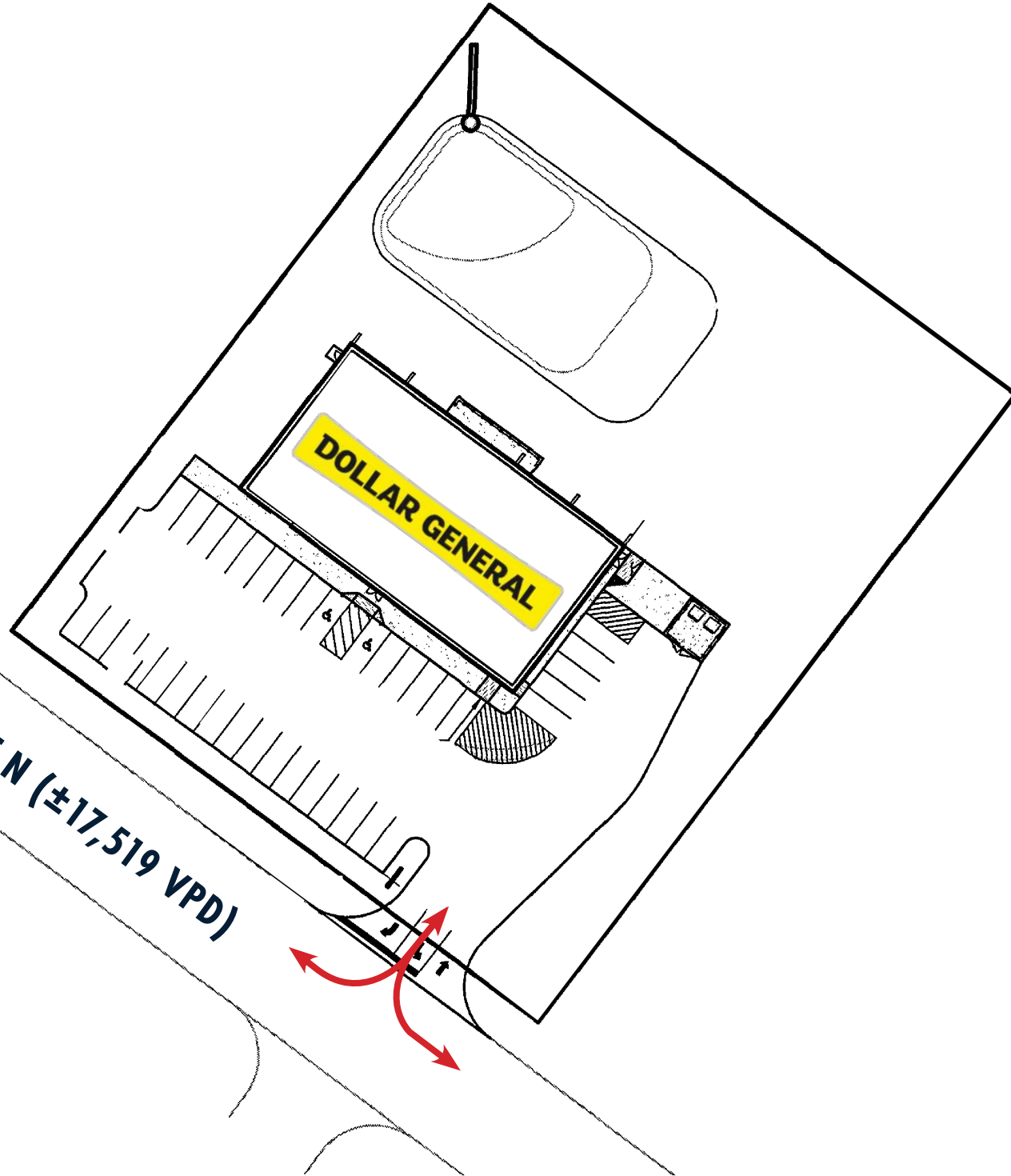
- Alabama has the #1 business climate in the nation (Business Facilities)
- Total population in the MSA exceeds 1.2 MM
- Five interstates (I-20, 22, 59, 65, and 459) provide access to over 250 million consumers, nearly 80 percent of the U.S., within a two-day drive
- Home to Fortune 500 Region's Bank and BBVA Compass Bank headquarters, employing a combined 13,000 workers in downtown Birmingham
- 26 accredited universities and colleges graduating a pipeline of over 20,000 prospective employees annually
- Major industries highlighted are steel, financial services, and telecommunication



# SITE PLAN



19TH STREET N ( $\pm 17,519$  VPD)





# PROPERTY PHOTOS





AERIAL



**FOODLAND**

·CCI·  
CABINET COMPONENTS INCORPORATED

**SUBWAY**



**SUBJECT PROPERTY**

**DOLLAR GENERAL**

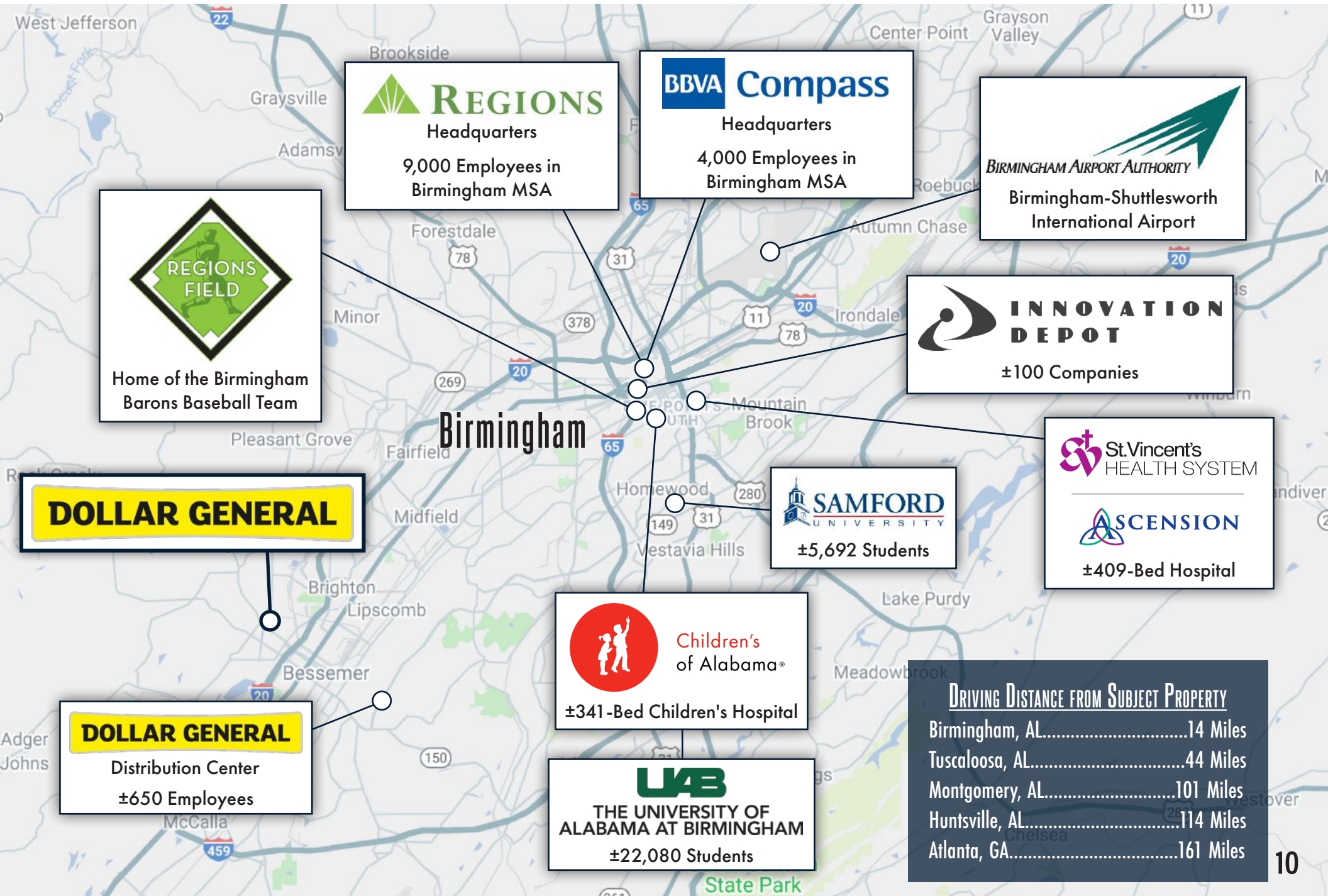
19TH STREET N (±17,519 VPD)







# REGIONAL MAP





# DEMOGRAPHICS

## POPULATION

### 2020 Population

Daytime Population

## HOUSEHOLDS

2020 Households

## HOUSEHOLDS BY INCOME

\$200,000 or More

\$150,000 - \$199,999

\$100,000 - \$149,999

\$75,000 - \$99,999

\$50,000 - \$74,999

\$35,000 - \$49,999

\$25,000 - \$34,999

\$15,000 - \$24,999

\$10,000 - \$14,999

Under \$9,999

Average HH Income

## 1-MILE

4,975

4,276

1,910

1.00%

1.67%

6.11%

9.51%

23.55%

15.79%

13.81%

11.05%

8.56%

8.96%

\$51,618

## 3-MILE

35,074

32,444

13,562

0.80%

1.59%

6.18%

7.35%

19.09%

13.58%

14.00%

14.94%

8.98%

13.48%

\$46,218

## 5-MILE

71,323

58,890

27,534

1.23%

2.47%

9.20%

9.96%

20.34%

14.08%

12.38%

12.90%

7.43%

10.02%

\$55,093

## POPULATION BY RACE

% White Population

% Black Population

% Asian

% American Indian,  
Eskimo, Aleut Population

% Hawaiian or Pacific  
Islander Population

% Multi-Race Population

% Other Population

## 2019 POPULATION 25+ BY EDUCATION LEVEL

Elementary (0-8)

Some High School (9-11)

High School Graduate (12)

Some College (13-15)

Associates Degree Only

Bachelors Degree Only

Graduate Degree

## 1-MILE

52.08%

43.54%

0.54%

0.35%

0.00%

1.35%

2.13%

3,413

3.25%

11.32%

33.94%

26.15%

11.15%

8.89%

2.96%

## 3-MILE

30.17%

64.16%

0.24%

0.28%

0.00%

1.19%

3.95%

23,548

4.13%

12.56%

35.30%

23.73%

11.18%

7.86%

3.52%

## 5-MILE

31.97%

63.85%

0.33%

0.25%

0.01%

1.05%

2.55%

49,030

3.10%

10.70%

34.06%

24.14%

10.72%

10.89%

5.22%



# BESSEMER (BIRMINGHAM), AL

Bessemer is a southwestern suburb of Birmingham in Jefferson County, Alabama and is part of the Birmingham-Hoover, AL MSA. **Amazon recently opened a new fulfillment center in April of 2020 bringing over 1,500 full-time jobs to the area. The 855,000-square-foot-facility is expected to be a catalyst for future growth in the city.** Developers purchased property near the center in preparation for the increased activity in the area.

Founded on a culture of entrepreneurship and resiliency, Birmingham is home to a diverse and dynamic range of companies and communities. From multi-national corporations manufacturing next-generation vehicles to start-ups developing ground-breaking technologies, today's Birmingham continues to boast a diverse community of innovators. **Since 2011, the Birmingham region has announced over 19,400 new jobs and \$3.9 billion in capital investment. The Birmingham metropolitan area has more than 550 technology companies employing more than 6,300 skilled workers. The city is home to Innovation Depot, in which 112 startups are located throughout a sprawling 140,000-square-foot complex — the largest in the Southeast.** Birmingham is also seventh among the 150 largest US metros for percent increase in millennial residents (ages 25-34). The city's transportation network assists in drawing businesses to the area. Five interstates (I-20, 22, 59, 65, and 459) provide access to over 250 million consumers, nearly 80 percent of the U.S., within a two-day drive. The Port of Birmingham, a 184-acre inland port with 100-ton crane rivaling that of any inland port, connects companies to the Port of Mobile via the Black Warrior River and offers unique, central access to CSX, Norfolk Southern and BNSF railroad systems.

Birmingham is home to The University of Alabama at Birmingham (UAB), an internationally renowned research university and academic medical center known for its innovative and interdisciplinary approach to education. UAB ranks 15th in federally funded research among public universities. Birmingham is also home to Birmingham Southern College and two-year colleges Jefferson State and Lawson State.

## TOP BIRMINGHAM MSA EMPLOYERS

University of Alabama at Birmingham (23,000)

Regions Financial Corporation (9,000)

St. Vincent's Health System (5,100)

Children's of Alabama (5,000)

AT&T (4,517)

Honda Manufacturing of Alabama (4,500)

Brookwood Baptist Health (4,459)

Jefferson County Board of Education (4,400)

City of Birmingham (4,200)

Mercedes-Benz U.S. International, Inc. (3,600)



Birmingham, AL



Regions Field



12  
University of Alabama at Birmingham

# LEASE ABSTRACT

## DOLLAR GENERAL

### TENANT'S PARKING AREA MAINTENANCE PAYMENT:

From the Commencement Date through the end of the calendar year of the year in which the Tenant opens for business in the Demised Premises, Tenant shall pay three hundred and 00/100 (\$300.00) dollars per month as the estimated "Parking Area Maintenance Contribution". The Parking Area Maintenance Contribution shall include only "Permitted Costs" as defined in Section 3. Commencing with the calendar year next following the calendar year in which the Commencement Date occurs, Landlord will furnish to Tenant an estimate of the amount that will be payable by Tenant for such calendar year for the Parking Area Maintenance Contribution.

### PARKING AREA MAINTENANCE:

Tenant will reimburse Landlord for the actual, reasonable costs of the maintenance and repair (but not replacement) of certain aspects of the Parking Areas; excluding, however, all replacement costs or costs that constitute a capital expenditure and expressly excluding any costs which would have been reimbursed or paid for by insurance proceeds had Landlord maintained the insurance required under this Lease or any cost or expense relating to the administration or management of Landlord's maintenance, repair and replacement obligations hereunder. Tenant will reimburse Landlord for the following maintenance and repair costs: maintenance of grassed and landscaped areas including irrigation systems, if any; maintenance of any fencing required to be erected pursuant to the Scope of Work, if any; illuminating the Parking Areas; cleaning, snow removal, repair (excluding capital expenditures), maintenance and striping of Parking Areas; and light pole repairs (collectively, the "Permitted Costs").

### LANDLORD MAINTENANCE OBLIGATIONS:

Landlord shall maintain, repair and replace, at its sole cost and expense, all structural and exterior aspects of the Demised Premises; the roof, gutters and downspouts; the building walls, storefront, facade and canopy; all exterior utility lines and facilities; and all electrical lines serving the pylon sign. Landlord shall further maintain, repair and replace all aspects of the Parking Areas including, without limitation, all paved and grassed or landscaped areas (including regular mowing and replacement of dead landscaping) and irrigation systems. Without limiting the foregoing, Landlord agrees to keep the Parking Areas in good condition, order and repair; to promptly remove snow and ice from the Parking Areas; and to keep all lighting standards in good operating order, all in order to keep the Parking Areas lighted during hours of darkness; and to keep the Parking Areas properly paved and striped to assist in the orderly parking of cars. Notwithstanding the foregoing, repairs necessitated by the negligence or willful act of Tenant, its employees, agents or contractors shall be the responsibility of the Tenant.

### TENANT MAINTENANCE OBLIGATIONS:

Tenant shall be responsible for damage to plate glass windows and doors

except when caused by latent defects or by Landlord, its agents, employees or contractors. Tenant is responsible for light bulb replacement in the Parking Areas. Tenant shall maintain and repair the non-structural aspects of the interior of the building during the term of this Lease and shall return the non-structural aspects of the interior of the building to Landlord at the end of the term in good condition, ordinary wear and tear expected. Tenant will also maintain and replace (if necessary) Tenant's sign panels and maintain the pylon sign foundation, sign base and sign pole.

### HVAC MAINTENANCE:

Landlord shall install the HVAC equipment specified in the Tenant's Criteria and deliver warranty required with respect to the HVAC. Tenant will maintain, repair and replace the HVAC equipment at its expense; provided; however, in the event of a replacement of the HVAC equipment within the last two (2) years of the term of this Lease, the replacement cost will be amortized over ten (10) years and Tenant shall be responsible for an amount equal to (i) the number of months remaining in the term divided by 120, multiplied by (ii) the cost of the replacement of the HVAC equipment. Recognizing that, at the time of such replacement of the HVAC equipment, Tenant may not have determined if it will exercise any available extension option hereunder, Landlord and Tenant agree as follows: (a) if Tenant advises Landlord at the time of such replacement that Tenant waives its extension right, Landlord will pay its share at the time of replacement; (b) if Tenant does not waive its extension right, Tenant will initially pay the costs of the replacements. If Tenant later exercises an extension option, Tenant will be responsible for all costs. If Tenant later declines to extend this Lease, Landlord will pay its share to Tenant within thirty (30) days of request from Tenant.

### INSURANCE:

Tenant has designated a national insurance provider (the "Insurance Provider") for the purpose of providing consistency in the coverage required herein. Accordingly, without exception, Landlord must obtain the insurance coverage required in this section 4(i) through the insurance provider. Tenant shall, at its sole cost and expense, pay the Insurance Provider directly for Landlord's Liability Insurance and Property Insurance.

At all times during the Lease term, Tenant shall, at its sole cost, carry and maintain commercial general liability insurance in a commercially reasonable amount insuring Tenant (and Landlord as an additional insured) against claims for injury, wrongful death or property damage occurring within Tenant's building located in the Demised Premises. Tenant may provide the insurance herein required, including any election by Tenant to carry the "special cause of loss" policy as provided in Section 4 above, in any blanket policy or policies which it carries.

### REAL ESTATE TAXES:

Tenant shall reimburse Landlord for the ad valorem taxes payable with respect to the Demised Premises within forty-five (45) days after receipt of Landlord's paid receipt for such taxes.

### UTILITIES:

Tenant shall pay for all utilities used by it in the Demised Premises during the term of this Lease and any renewal periods thereof.

### ASSIGNMENT & SUBLETTING:

Tenant may assign, sublet and mortgage its interest in the Demised Premises at any time without the consent of Landlord; provided, however, Tenant shall give written notice to Landlord within ten (10) business days after any assignment or subletting and in all events Tenant shall remain liable hereunder notwithstanding such assignment or subletting. Landlord shall have no rights to assign any or all of Landlord's obligations or interest in this Lease prior to the Commencement Date to any entity not controlled by Landlord.

### ESTOPPEL:

Upon the reasonable request of either party, Landlord and Tenant agree to execute and deliver to the other, within twenty (20) days after the receipt of the request, a written instrument in the form of Exhibit H.



## TENANT SUMMARY

Dollar General Corporation is an American chain of variety stores headquartered in Goodlettsville, Tennessee. As of May 2019, Dollar General operated over 15,590 stores in 44 of the 48 contiguous United States. The company first began in 1939 as a family-owned business called J.L. Turner and Son in Scottsville, Kentucky by James Luther Turner and Cal Turner. In 1968 the name changed to Dollar General Corporation and the company went public on the New York Stock Exchange. Fortune 500 recognized Dollar General in 1999 and in 2019, they reached #119. Dollar General has grown to become one of the most profitable stores in the rural United States with revenue reaching around \$25.62 billion in 2019. The stores offer a wide variety of items, such as foods, snacks, health and beauty products, cleaning supplies, family apparel, housewares, seasonal items, and paper products.

## DOLLAR GENERAL

<b>Tenant Trade Name</b>	Dollar General
<b>Tenant</b>	Dolgencorp, LLC
<b>Lease Guarantor</b>	Corporate
<b>S&amp;P Credit Rating</b>	BBB/Stable
<b>Moody's Credit Rating</b>	Baa2
<b>Headquarters</b>	Goodlettsville, TN



**15,590+**  
Locations



**130,000+**  
Employees



**\$40.23 BILLION**  
Market Capitalization  
as of Q1 2020



**#1 DISCOUNT STORE**  
In terms of revenue (2019)





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