

SINGLE TENANT NN

Investment Opportunity

**DOLLAR
GENERAL®**



1111 S Lincoln Street | Knoxville, Iowa

DES MOINES MSA

REPRESENTATIVE PHOTO

 **SRS** | NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY

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SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a NN leased, corporate signed, free-standing, investment grade (S&P: BBB), Dollar General Investment property located in Knoxville, Iowa. The tenant, Dolgencorp, LLC, exercised a 5-year extension in September 2019, providing 4 years of firm term remaining with 2 (5-year) options to extend, demonstrating their commitment to the site. The lease is signed by the corporate entity (S&P: BBB) and is NN with limited landlord responsibilities, making it an ideal, low-management investment opportunity for a passive investor. With more than 16,500 stores nationwide, Dollar General has proven to be an incredible e-commerce and pandemic resistant tenant, reporting increased same store sales of 21.7% for the fiscal year 2020 Q1 compared to Q1 2019.

Dollar General is strategically positioned along S. Lincoln Street, a primary retail thoroughfare averaging 10,200 vehicles passing by daily. The asset benefits from nearby on/off ramp access to the directional interchange of State Hwy 5 which has a combined 16,700 vehicles passing by daily. The site maintains excellent visibility via significant street frontage and a large pylon sign. Located in the heart of the primary retail corridor serving the city of Knoxville, Dollar General is surrounded by a variety of national/credit tenants including a Walmart Supercenter, McDonald's, Dairy Queen, and more. Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for the site. Knoxville is a world-renowned center of circuit racing, and the Knoxville raceway, situated just over 1 mile from Dollar General, garners an attendance of over 2,500 fans per week further increasing consumer traffic to the trade area. Dollar General is located directly in front of Wheel Estates Mobile Home Park (124 Units), directly across from Windsor Ridge Apartments (48 Units), and in close proximity to Villas at Fox Point (50 Units), providing a direct residential consumer base from which to draw. In addition, the site is located less than 1 mile from Knoxville High School (509 Students) and Knoxville middle school (387 Students) providing additional consumer base. The 5-mile trade area is supported by more than 9,900 residents and 4,700 daytime employees with an average household income of \$64,776.

OFFERING SUMMARY

DG



OFFERING

Pricing	\$699,000
Net Operating Income	\$50,661
Cap Rate	7.25%
Guaranty	Lease Signature is Corporate
Tenant	Dolgenercorp, LLC
Lease Type	NN
Landlord Responsibilities	Roof, Structure, Utility Lines, Parking Lot, & Landscaping
Sales Reporting	No

Note: Parking lot maintenance is subject to reimbursement - see page 14 for details

PROPERTY SPECIFICATIONS

Rentable Area	9,758 SF
Land Area	2.11 Acres
Property Address	1111 S. Lincoln Street Knoxville, Iowa 50138
Year Built	2007
Parcel Number	1070400000
Ownership	Fee Simple (Land & Building Ownership)

Recent Lease Extension | Corporate Signed | Investment Grade Tenant (S&P: BBB)

- The tenant, Dolgencorp, LLC, exercised a 5-year extension in September 2019, providing 4 years of firm term remaining with 2 (5-year) options to extend
- Corporate Signed by Dolgencorp, LLC
- Dollar General is an established and nationally recognized brand with over 16,500 stores nationwide
- The lease features rental increases at the beginning of both option periods

NN Leased | Fee Simple Ownership | Minimal Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- Limited landlord responsibilities
- Ideal, low-management investment for a passive investor

Strong National/Credit Tenant Presence | Knoxville Raceway

- Dollar General is surrounded by a variety of national/credit tenants including Walmart Supercenter, McDonald's, Dairy Queen, and more
- Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover store exposure for the site
- The Knoxville raceway, situated just over 1 mile from Dollar General, garners an attendance of over 2,500 fans per week further increasing consumer traffic to the trade area

Located Along S. Lincoln Street | Excellent Visibility & Access | Nearby Access to State Highway 14 & State Highway 5

- Dollar General is strategically positioned along S. Lincoln Street, a primary retail thoroughfare averaging 10,200 vehicles passing by daily
- Nearby on/off ramp access to the directional interchange of State Hwy 5 which has a combined 16,700 vehicles passing by daily
- The site maintains excellent visibility via significant street frontage and a large pylon sign
- The site benefits from multiple points of ingress/egress

Direct Consumer Base | Nearby Apartments | Nearby Schools

- Dollar General is located directly in front of Wheel Estates Mobile Home Park (124 Units), directly across from Windsor Ridge Apartments (48 Units), and in close proximity to Villas at Fox Point (50 Units)
- The site is less than 1 mile from Knoxville High School (509 Students) and Knoxville middle school (387 Students)

Local Demographics in 5-Mile Trade Area

- More than 9,900 residents and 4,700 employees support the trade area
- \$64,776 average household income

PROPERTY OVERVIEW



Location



Knoxville, Iowa
Marion County
(Des Moines MSA)

Parking



There are approximately 31 parking spaces on the owned parcel.
The parking ratio is approximately 3.24 stalls per 1,000 SF of leasable area.

Access



S. Lincoln St: 2 Access Points

Parcel



Parcel Number: 1070400000
Acres: 2.11
Square Feet: 91,912 SF

Traffic Counts



S. Lincoln St: 10,200 Vehicles Per Day
St Hwy 5: 6,500 Vehicles Per Day

Construction



Year Built: 2007

Improvements

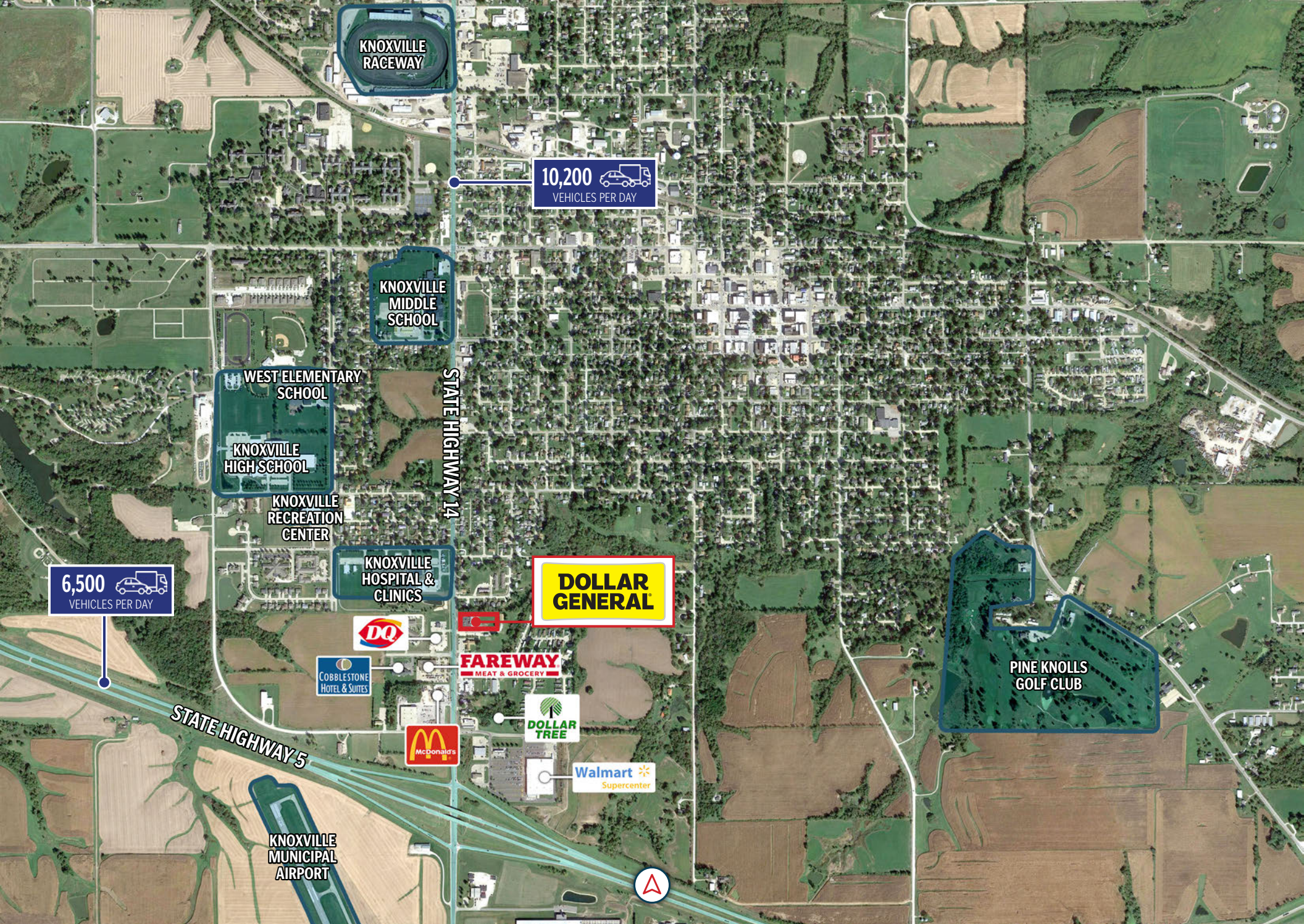


There is approximately 9,758 SF of existing building area

Zoning

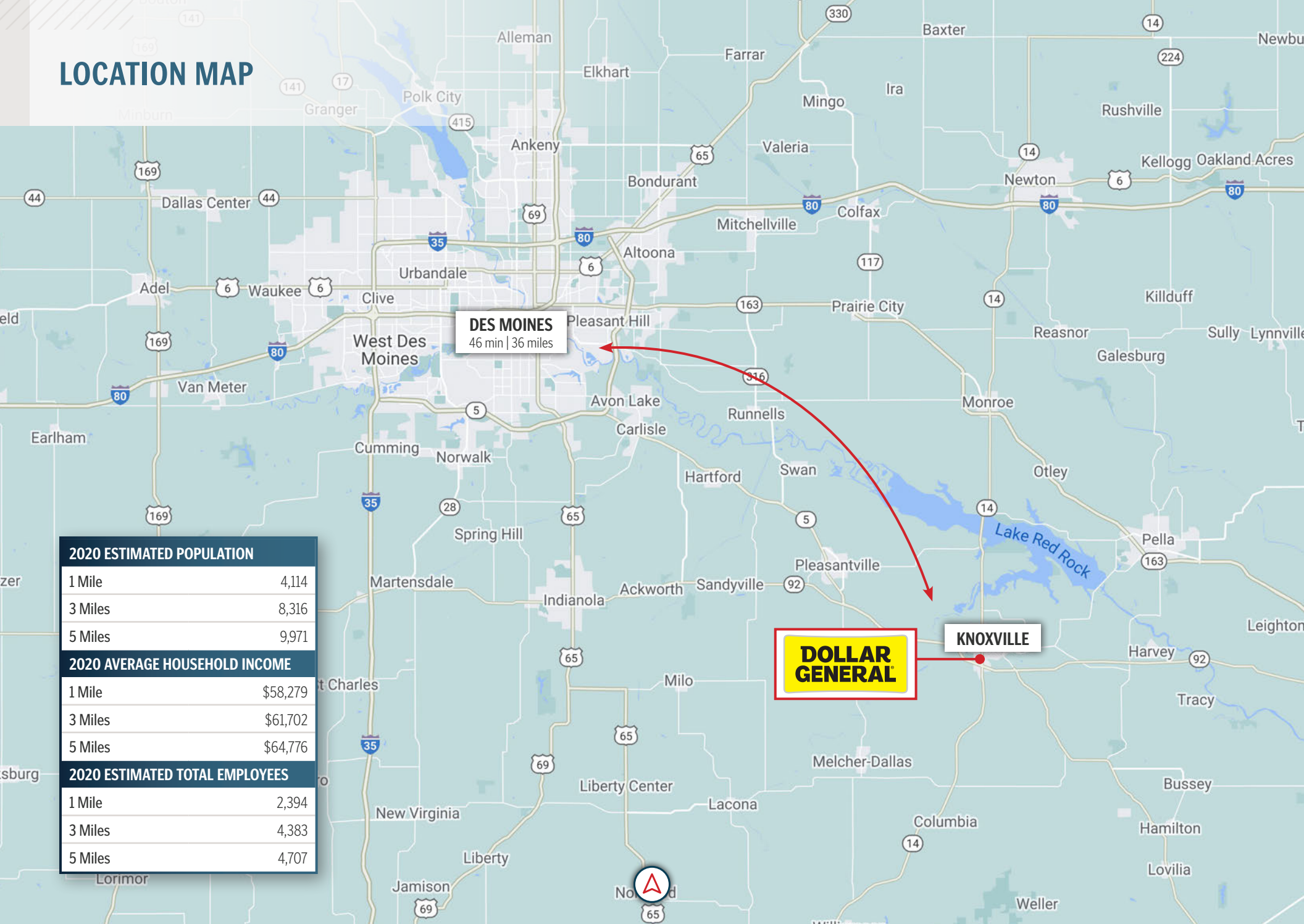


C2: General Commercial District





LOCATION MAP





KNOXVILLE, IOWA

Knoxville, Iowa, in Marion county, is located 32 miles SE of Des Moines, Iowa (center to center) and is 147 miles E of Omaha, Nebraska. Knoxville is the county seat of Marion County, which was organized in 1845. The city is home to the National Sprint Car Hall of Fame and Museum which is located adjacent to the famous dirt track known as Knoxville Raceway. The community was named after the famous Henry Knox, the Revolutionary War general and Washington's First Secretary of War. The City of Knoxville had a population of 7,331 as of July 1, 2020.

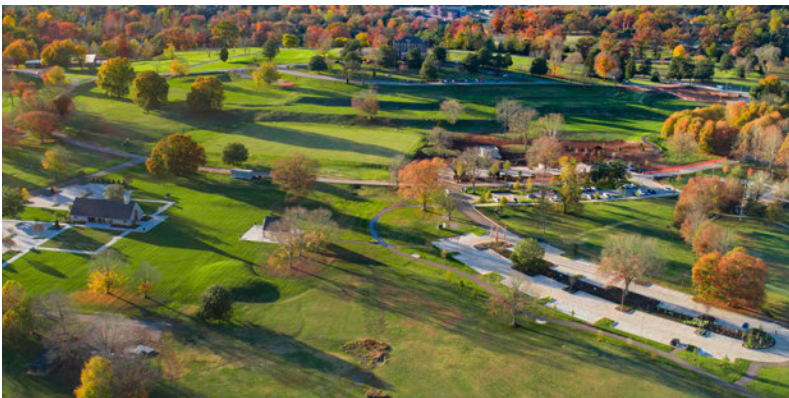


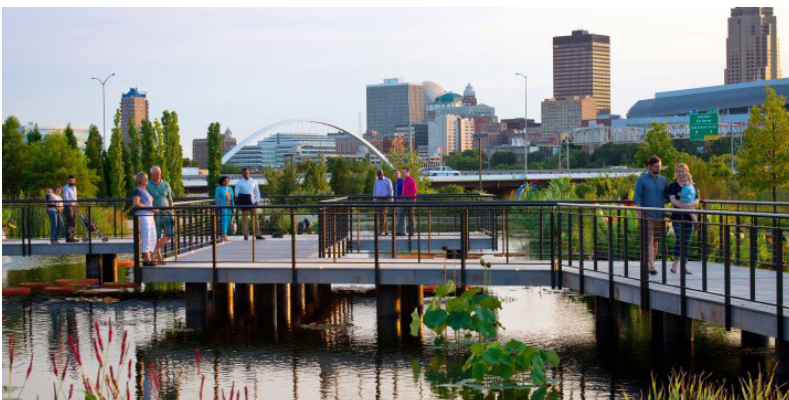
Knoxville and nearby Attractions are Elk Rock State Park, Lake Red Rock, Belinda Toy and Antique Museum, Cordova Observation Tower, Marion County Historical Village.

Tourists can visit the Cordova Park Observation Tower, which offers a beautiful view over the Des Moines River valley. Each year the residents of the city celebrate the Old Time Country Music Festival in the month of August, and the Marion County Fair in July. The Des Moines Botanical Center in Knoxville is also worth taking a look around.

Higher education can be availed through Des Moines Community College, Drake University, Indian Hills Community College, and Iowa State University.

Air transportation is available from the Des Moines International Airport.





DES MOINES, IOWA

The City of Des Moines, Iowa was incorporated as a town in 1851 and as a city in 1857. It is a river city, intersected by the Des Moines and Raccoon Rivers. Des Moines is the capital of Iowa. Des Moines, Iowa offers many benefits to its residents, such as low-cost housing, short commute times, and a diverse population. . The City of Des Moines is the largest city in Iowa with a population of 229,062 as of July 1, 2019.

Des Moines is the industrial, commercial, financial, trade, transportation, and governmental center of Iowa. Des Moines is a major center for the insurance industry and maintains a sizable financial services and publishing business base. The City's insurance industry is the third largest in the world – after London and Hartford – and growing. Insurance activities are part of a strong local economy that is also based in agriculture, manufacturing, technology, education, health care, and other services. While Iowa is an agricultural state, the City's economic diversification insulates it from the farm economy. Wells Fargo, Unity Point Health (Iowa Health System), Principal Financial Group, HyVee Food Stores, Des Moines Public Schools, Nationwide Insurance, Mercy Hospital Medical Center, John Deere Companies, Dupont Pioneer, and Wellmark Inc. are the principal employers.

Des Moines is a center of Iowa culture and boasts a wide array of museums, arts centers, and performance events. The Des Moines Arts Center has a permanent collection of major 19th, 20th, and 21st century masterpieces in a contemporary building. The Des Moines Arts Center Downtown is an extension of the center and provides exciting new exhibits in an urban-inspired setting. The Gortz Haus Gallery features more than 50 Iowa artists and is housed in a church made of stone. For military enthusiasts, there's the Iowa Gold Star Military Museum, which honors military men and women and displays artifacts from the Civil War to the present. The Des Moines Metro Opera has educational and outreach programs and is one of the largest organizations of its kind in the state.

AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION			
2020 Estimated Population	4,114	8,316	9,971
2025 Projected Population	4,104	8,352	10,038
2010 Census Population	4,139	8,240	9,829
HOUSEHOLDS & GROWTH			
2020 Estimated Households	1,772	3,543	4,129
2025 Projected Households	1,770	3,562	4,160
2010 Census Households	1,770	3,488	4,046
RACE & ETHNICITY			
2020 Estimated White	96.58%	96.08%	96.36%
2020 Estimated Black or African American	1.46%	1.42%	1.28%
2020 Estimated Asian or Pacific Islander	0.36%	0.52%	0.50%
2020 Estimated American Indian or Native Alaskan	0.29%	0.34%	0.29%
2020 Estimated Other Races	0.27%	0.30%	0.29%
2020 Estimated Hispanic	2.65%	2.50%	2.35%
INCOME			
2020 Estimated Average Household Income	\$58,279	\$61,702	\$64,776
2020 Estimated Median Household Income	\$47,720	\$50,076	\$52,204
2020 Estimated Per Capita Income	\$23,842	\$26,029	\$26,894
DAYTIME POPULATION			
2020 Estimated Total Businesses	248	383	407
2020 Estimated Total Employees	2,394	4,383	4,707



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Dolgencorp, LLC	9,758	9/1/2019	8/31/2024	Current	-	\$5,347	\$0.55	\$64,160	\$6.58	NNN	2 (5-Year)

(Corporate Signature)

1.) Tenant shall pay \$447 per month for Parking Lot Maintenance Costs.

OPERATING CASH FLOW	IN-PLACE
Effective Gross Revenue	\$64,160
Less Expenses	(\$13,499)
Net Operating Income	\$50,661

OPERATING EXPENSES	IN-PLACE	PSF/YR
Taxes	\$7,493	\$0.77
Insurance	\$2,064	\$0.21
CAM	\$3,942	\$0.40
Total	\$13,499	\$1.38

NOTES

1. Operating Expenses per the Seller.

PROPERTY SPECIFICATIONS	
Year Built	2007
Rentable Area	9,758 SF
Land Area	2.11 Acres
Address	1111 S. Lincoln Street, Knoxville, Iowa 50138

FINANCIAL INFORMATION	
Price	\$699,000
Net Operating Income	\$50,661
Cap Rate	7.25%
Lease Type	NN



DOLLAR GENERAL

dollargeneral.com

Company Type: Public (NYSE: DG)

Locations: 16,500+

2020 Employees: 143,000

2020 Revenue: \$27.75 Billion

2020 Net Income: \$1.71 Billion

2020 Assets: \$22.83 Billion

2020 Equity: \$6.70 Billion

Credit Rating: S&P: BBB

Dollar General Corporation has been delivering value to shoppers for more than 80 years. Dollar General helps shoppers Save time. Save money. Every day! by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items at everyday low prices in convenient neighborhood locations. Dollar General operated 16,500 stores in 46 states as of May 1, 2020. In addition to high-quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills, and PepsiCo. Dollar General Corporation is an American chain of variety stores headquartered in Goodlettsville, Tennessee. Dollar General Corporation was founded in 1939.



SRS

NATIONAL
NET LEASE
GROUP

DOLLAR GENERAL

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

2K+

RETAIL
TRANSACTIONS
company-wide
in 2019

485

NET LEASE
PROPERTIES SOLD
in 2019

\$1.5B

NET LEASE
TRANSACTION VALUE
in 2019

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