

Dollar General



OFFERING MEMORANDUM

DOLLAR GENERAL®

217 West Bennett Ave, Martin, SD 57551

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DOLLAR GENERAL®

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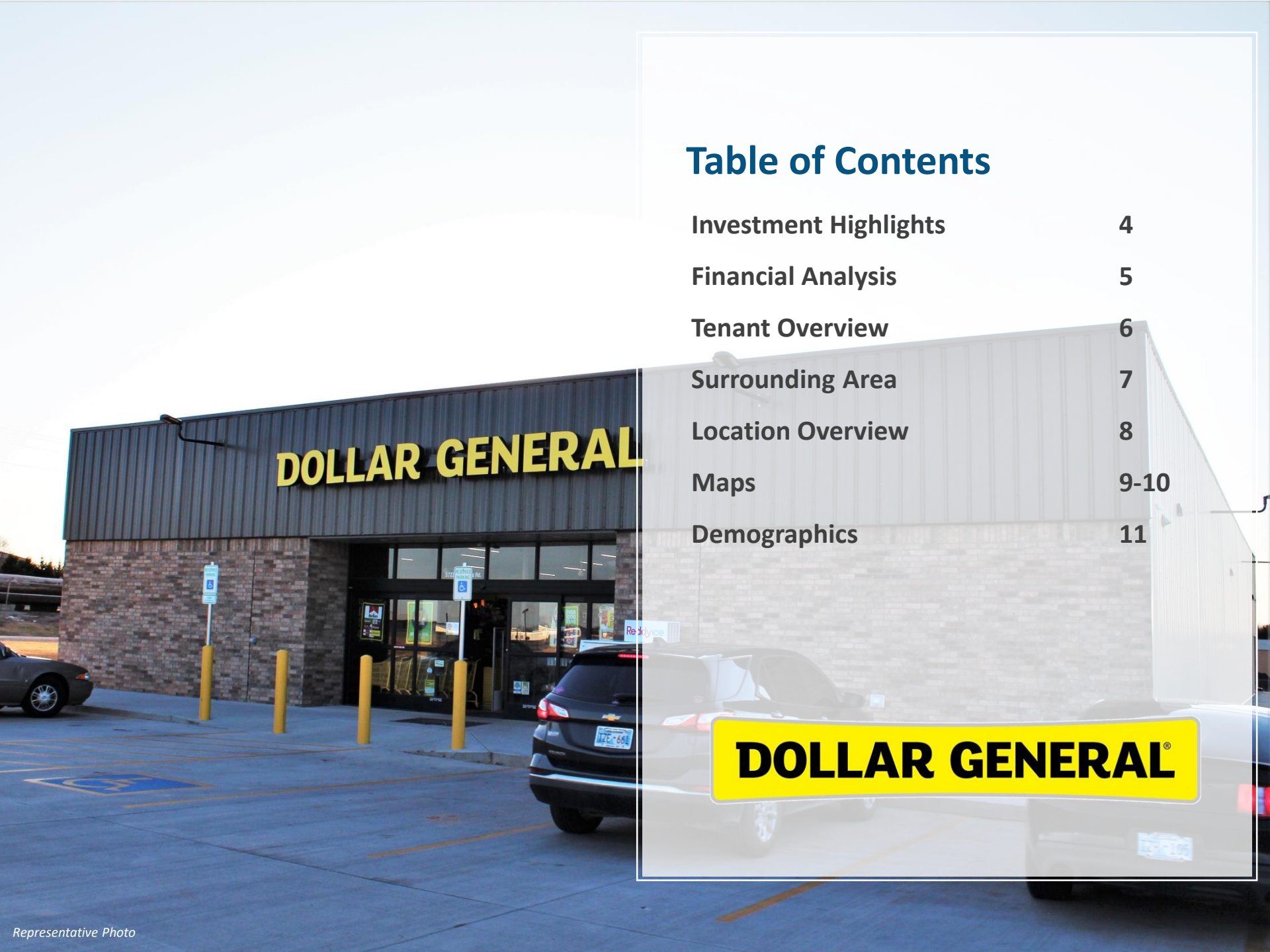


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Investment Highlights

PRICE: \$1,455,190 | CAP: 6.30% | RENT: \$91,677

DOLLAR GENERAL®

About the Investment

- ✓ Brand New Construction | Build-to-Suit Dollar General
- ✓ Newly Executed 15-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Rental Increases of 10% In Each Option Period
- ✓ Tenant Renewal Options: Four Periods of Five Years, Each bringing the Potential Lease Term Remaining to 35 Years
- ✓ Corporate Location | Corporate Guarantee

About the Location

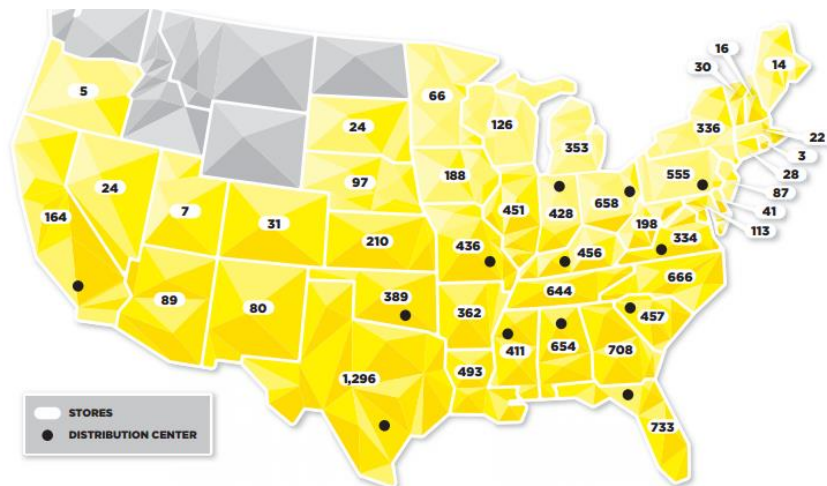
- ✓ Located in Town's Main Retail Corridor | National Tenants Include: Dairy Queen, United States Postal Service, Family Dollar, Lynn's Dakotamart, ACE Hardware and More
- ✓ High Visibility and Ease of Access Along Bennett Street
- ✓ Proximity Surrounding Academic Facilities | Two Academic Institutions Within a One-Mile Radius | Total Combined Enrollment Exceeds 750 Students
- ✓ Prominent Medical Presence | Bennett County Hospital is Located Within a One-Mile Radius | A 15-Bed State-Of-The-Art Medical Facility that Serves the Surrounding Area
- ✓ Lodging and Hospitality Accommodations | There are Numerous Hospitality accommodations Within a One-Mile Radius | These Include the Crossroads Inn and Candlelight Inn

About the Tenant/Brand

- ✓ Investment Grade Credit (S&P:BBB)
- ✓ Lease Guaranteed by Dollar General Corporate (NYSE: DG)
- ✓ Prime Positioning to Serve its Target Market | Limited to No Competition in the Area
- ✓ Dollar General | Only Dollar Store With Investment Grade Credit
- ✓ As of July 2018, Dollar General Operates Over 15,000 Stores in 45 States



Representative Photo





Financial Analysis

DOLLAR GENERAL

PRICE: \$1,455,190 | CAP: 6.30% | RENT: \$91,677

PROPERTY DESCRIPTION

Property	Dollar General
Property Address	217 Bennett Ave
City, State, ZIP	Martin, SD 57551
Year Built	2020
Building Size	9,100 SF
Lot Size	+/- 1.01 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,455,190
CAP Rate	6.30%
Annual Rent	\$91,677
Price / SF	\$159
Rent / SF	\$10.07

LEASE SUMMARY

Property Type	Net-Lease Dollar Store
Original Lease Term	15 Years
Lease Commencement	January 27, 2020
Lease Expiration	January 31, 2035
Lease Term Remaining	14+ Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Each Option Period
Options to Renew	Five (5), Five (5)-Year

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent
Current Year	\$91,677	\$7,640
Year 2	\$91,677	\$7,640
Year 3	\$91,677	\$7,640
Year 4	\$91,677	\$7,640
Year 5	\$91,677	\$7,640
Year 6	\$91,677	\$7,640
Year 7	\$91,677	\$7,640
Year 8	\$91,677	\$7,640
Year 9	\$91,677	\$7,640
Year 10	\$91,677	\$7,640
Year 11	\$91,677	\$7,640
Year 12	\$91,677	\$7,640
Year 13	\$91,677	\$7,640
Year 14	\$91,677	\$7,640
Year 15	\$91,677	\$7,640
Option 1	\$100,845	\$8,404
Option 2	\$110,929	\$9,244
Option 3	\$122,022	\$10,169

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Dollar General located at 217 Bennett Avenue in Martin, South Dakota. The property consists of approximately 9,100 square feet of building space and is situated on roughly 1.01 acres of land.

The Dollar General opened in January 2020 and is subject to a 15-year absolute triple-net (NNN) lease. This lease commenced on January 27, 2020 and expires on January 31, 2035. The current annual rent is \$91,677 and is scheduled to increase 10% in each of the five, five-year tenant renewal option periods. Founded in Goodlettsville, Tennessee, Dollar General Corporation has been delivering value to shoppers for over 75 years. With over 15,000 stores in 45 states Dollar General is among the largest discount retailer.

About Dollar General

Dollar General Corporation has been delivering value to shoppers for over 75 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, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. With over 15,000 stores in 45 states Dollar General is among the largest discount retailers.

The company acquired the 280 stores of the P.N. Hirsh Division of Interco, Inc. (now Heritage Home Group) 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. Most of its products are priced at more than \$1.00. However, goods are usually sold at set price points the range of .50 to 60 dollars, not counting phone cards and loadable store gift cards. In the United States. In addition to high quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg's, General Mills, Nabisco, Hanes, PepsiCo and Coca-Cola.

Dollar General often serves communities that are too small for Walmart stores (although many locations are in relatively close driving distance to a Walmart store or in the same communities that Walmart is located). 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.

General Information

Address	Goodlettsville, TN
Website	https://www.dollargeneral.com
Concentration	45 States





Surrounding Area

Property Address: 217 W Bennett Ave, Martin, SD 57551

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Location Overview

Property Address: 217 W Bennett Ave, Martin, SD 57551

The subject investment property is situated on West Bennett Avenue in Martin, South Dakota. West Bennett Avenue experiences an average daily traffic count of approximately 1,000 vehicles. West Bennett Avenue also intersects with South Dakota Route 73, which brings an additional 500 vehicles into the immediate area daily.

This Dollar General is well-positioned opposite a school in the main retail hub of Martin, consisting of national and local tenants, academic institutions and hospitality accommodations. National and local tenants in the area include Dairy Queen, Family Dollar, Lynn's Dakotamart, ACE Hardware, True Value, Yes Way and many more. Additionally, this investment property benefits from its proximity to surrounding academic institutions. There are two academic institutions within a one-mile radius of this Dollar General, Martin Grade School is located across the road, with a combined total enrollment exceeding 750 students. There is also a prominent medical presence. Bennett County Hospital, a state-of-the-art medical facility that serves the county, is located within a one-mile radius. Furthermore, this subject property is near numerous hospitality accommodations, these include the Crossroads Inn and Candlelight Inn, both also located within a one-mile radius.

Martin rests on U.S. Highway 18, 130 miles southeast of Rapid City. Surrounded by the tall prairie grasses of south-central South Dakota, the heartland town of Martin has a population of approximately 1,100 and serves a market area of approximately 8,000. The largest community in Bennett County and the county seat, Martin is the center for business, education and medical care. The nearest large city is Rapid City, South Dakota. Rapid City is home to such popular attractions as Art Alley, Dinosaur Park, the City of Presidents walking tour, Chapel in the Hills, Storybook Island, Main Street Square, and more. In the neighboring Black Hills are the tourist attractions of Mount Rushmore, the Crazy Horse Memorial, Custer State Park, Wind Cave National Park, Jewel Cave National Monument, the museum at the Black Hills Institute of Geological Research, and to the east of the city is Badlands National Park.

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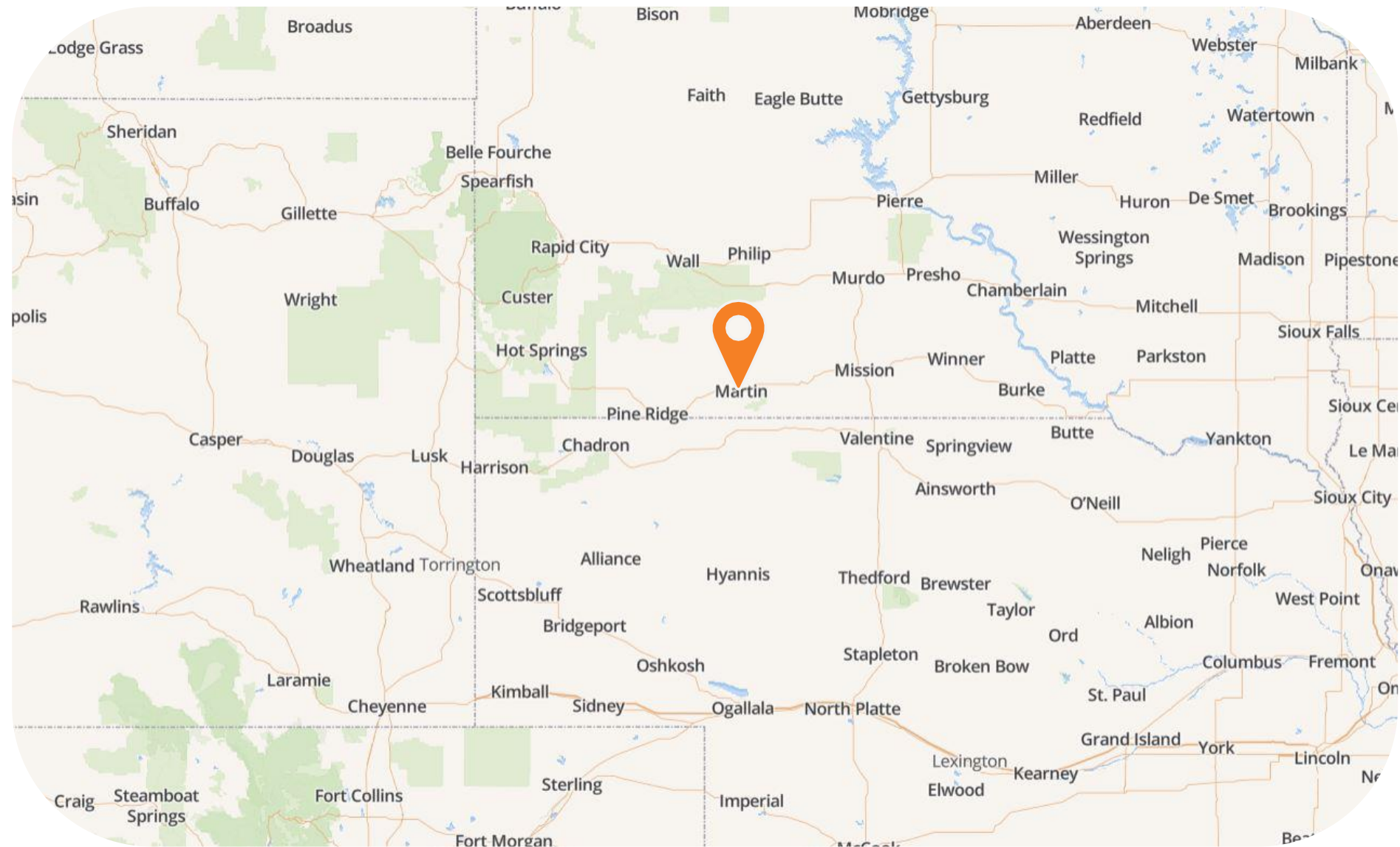




Local Map

Property Address: 217 W Bennett Ave, Martin, SD 57551

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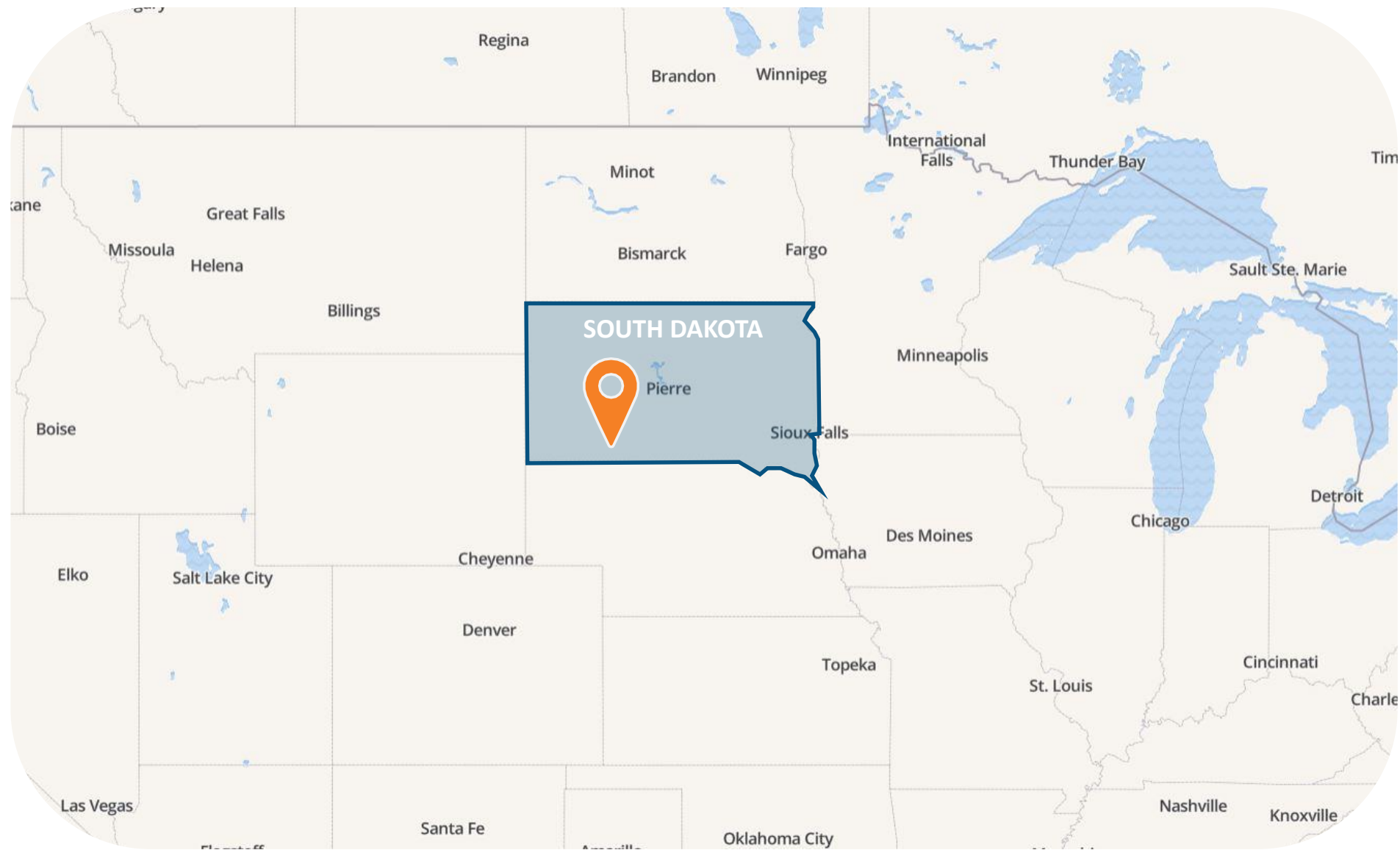




Regional Map

Property Address: 217 W Bennett Ave, Martin, SD 57551

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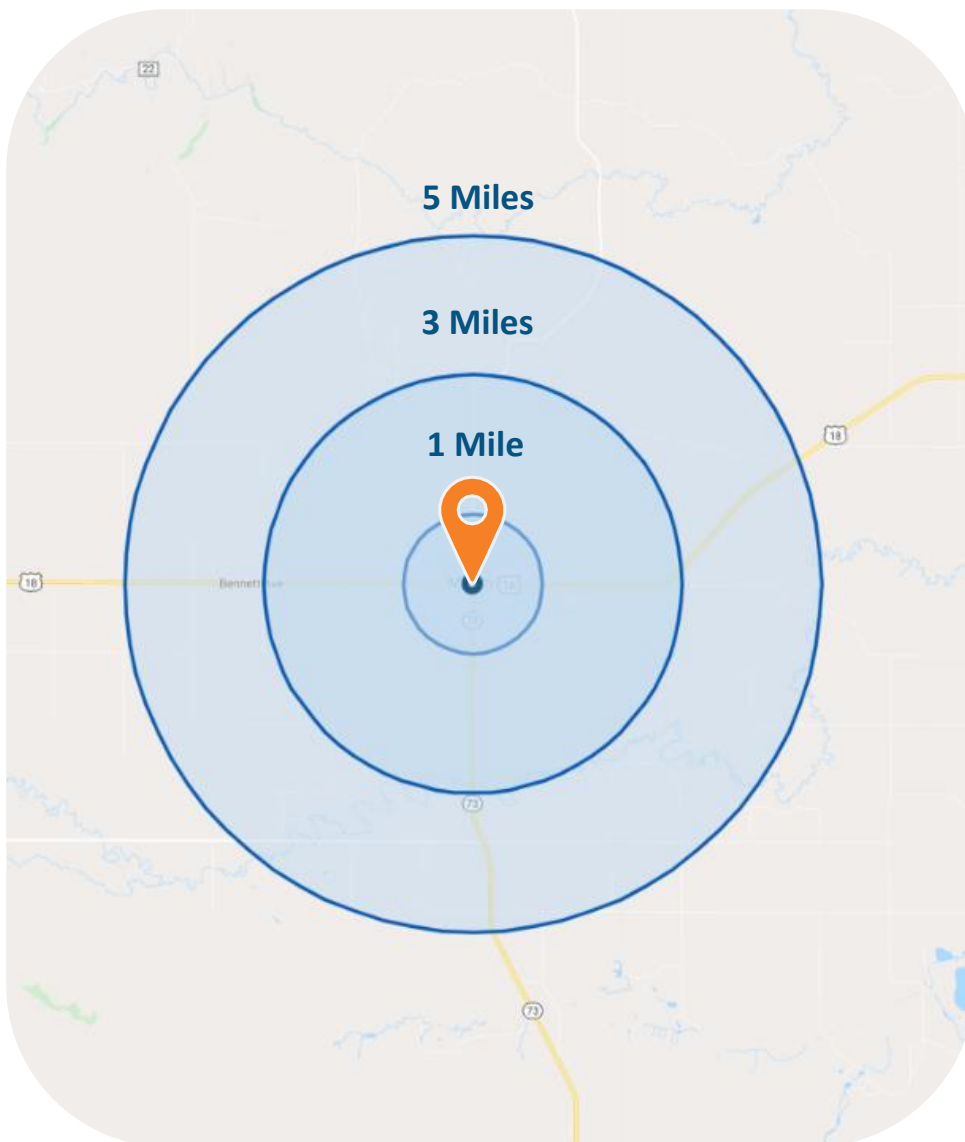




Demographics

Property Address: 217 W Bennett Ave, Martin, SD 57551

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POPULATION

	1 Mile	3 Miles	5 Miles
2024 Projection	1,097	1,669	1,778
2019 Estimate	1,082	1,639	1,749
2010 Census	1,106	1,664	1,775
2000 Census	1,205	1,698	1,816

INCOME

Average	\$38,167	\$38,896	\$40,621
Median	\$31,211	\$31,012	\$31,682
Per Capita	\$16,598	\$14,904	\$15,653

HOUSEHOLDS

2024 Projection	474	630	676
2019 Estimate	466	619	665
2010 Census	417	558	602
2000 Census	418	558	604

HOUSING

2019	\$62,757	\$63,430	\$64,224
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EMPLOYMENT

2019 Daytime Population	938	1,707	1,775
2019 Unemployment	4.36%	4.42%	4.40%
2019 Median Time Traveled	14 Mins	15 Mins	15 Mins

RACE & ETHNICITY

White	37.56%	35.56%	35.43%
Native American	0.03%	0.06%	0.06%
African American	0.17%	0.31%	0.34%
Asian/Pacific Islander	0.90%	0.80%	0.75%



Market Overview

Rapid City, SD



Rapid City is the second most populous city in South Dakota and the county seat of Pennington County. Named after Rapid Creek, where the settlement developed, it is in the western part of the state, located on the eastern slope of the Black Hills mountain range.

Rapid City is a major healthcare center for a five-state region, centered around Monument Health Rapid City Hospital, which operates under the not-for-profit parent company Monument Health, a member of The Mayo Clinic Care Network. Monument Health continues to operate independently and is governed by a volunteer board of directors. Monument Health Rapid City Hospital has the busiest Emergency Department in South Dakota with 57,000 visits annually, they are a certified level 2 Trauma Center. Monument Health offers care in 33 medical specialties and serves 20 communities across western South Dakota and in eastern Wyoming.

Rapid City institutions of higher education include the South Dakota School of Mines and Technology, Oglala Lakota College's He Sapa College Center, Black Hills State University - Rapid City University Center (includes classes and degrees through five other South Dakota post-secondary Institutions), National American University, Western Dakota Technical Institute, Black Hills Beauty College, John Witherspoon College, and several small sectarian preacher training schools.

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EXCLUSIVE NET LEASE OFFERING

DOLLAR GENERAL®

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