



# DOLLAR GENERAL

CHANNAHON, ILLINOIS (CHICAGO MSA)

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$1,836,000 | 5.75% CAP RATE**

- » 15-Year Absolute NNN Lease to Investment Grade Tenant with Strong Financials
- » Corporate Guaranty (NYSE: "DG")
- » Dollar General Corporation is Rated "BBB" by S&P
- » High-Traffic Location in Densely Populated, Growing, and Affluent Area
- » Central Location at the Confluence of Highly Trafficked Thoroughfares, Including Interstate 80 and Interstate 55 (Combined 149,000 AADT)
- » \$112,222 Average Household Income Within a One-Mile Radius of the Site
- » New Amazon Fulfillment Center Recently Opened in Channahon (1,000+ New Jobs)
- » New 2020 Full-Brick Upgraded Construction
- » Large 1.35 Acre Parcel, Which Includes a 21-Foot Pylon Sign for Added Visibility

ACTUAL SITE RENDERING

# TABLE OF CONTENTS



## INVESTMENT SUMMARY

## AERIALS

## SITE PLAN

## TENANT SUMMARY

## PROPERTY OVERVIEW

## AREA OVERVIEW

## DEMOGRAPHIC PROFILE

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

## LEAD BROKERS

**MICHAEL T. YURAS, CCIM**  
*Executive Managing Director*  
415.481.0788  
michael.yuras@cushwake.com  
CA RE License #01823291

**SCOTT CROWLE**  
*Managing Director*  
415.604.4288  
scott.crowle@cushwake.com  
CA RE License #01318288

**VINCENT AICALE**  
*Executive Director*  
415.690.5522  
vince.aicale@cushwake.com  
CA RE License #01728696

**RYAN FORSYTH**  
*Executive Director*  
415.413.3005  
ryan.forsyth@cushwake.com  
CA RE License #01716551

**YURAS  
AICALE  
FORSYTH  
CROWLE** | Leased Investment Team  
**www.YAFteam.com**



# INVESTMENT SUMMARY

|                          |   |             |               |
|--------------------------|---|-------------|---------------|
| <b>ADDRESS</b>           | 25500 South Peninsula Drive, Channahon, Illinois  |             |               |
| <b>PRICE</b>             | <b>\$1,836,000</b>  |             |               |
| <b>CAP RATE</b>          | <b>5.75%</b>  |             |               |
| <b>NOI</b>               | \$105,552   |             |               |
| <b>TERM</b>              | 15 years  |             |               |
| <b>RENT COMMENCEMENT</b> | December 1, 2020  |             |               |
| <b>LEASE EXPIRATION</b>  | November 30, 2035   |             |               |
| <b>RENTAL INCREASES</b>  | 10% rental increases in option periods  |             |               |
|                          | <b>YEAR</b>   | <b>RENT</b> | <b>RETURN</b> |
|                          | 1-15  | \$105,552   | 5.75%         |
|                          | 16-20 (Option 1)  | \$116,107   | 6.33%         |
|                          | 21-25 (Option 2)  | \$127,718   | 6.96%         |
|                          | 26-30 (Option 3)  | \$140,490   | 7.65%         |
|                          | 31-35 (Option 4)  | \$154,539   | 8.42%         |
| <b>YEAR BUILT</b>        | 2020  |             |               |
| <b>BUILDING SF</b>       | 9,100 SF  |             |               |
| <b>PARCEL SIZE</b>       | 1.342 acres (58,458 SF)   |             |               |
| <b>LEASE TYPE</b>        | Absolute NNN, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot |             |               |



ACTUAL SITE RENDERING

## NEW 15-YEAR ABSOLUTE NNN LEASE WITH CORPORATE GUARANTY

- » Guaranteed by Dollar General Corporation (NYSE: "DG")
- » Dollar General's annual revenue exceeds \$27.8 billion
- » Dollar General Ranked #119 on Fortune 500 list (11 consecutive years of Fortune 500 ranking growth)
- » Dollar General operates more than 16,350 locations in 45 states and has plans for significant future growth
- » No landlord management, with the tenant responsible for taxes, insurance, and all maintenance, including roof, structure, and parking lot
- » Ideal investment opportunity for an out-of-area investor

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED, GROWING, AND AFFLUENT AREA

- » High-traffic location along U.S. Route 6/West Eames Street, with excellent visibility and access to 14,900 vehicles per day
- » Central location at the confluence of several highly trafficked thoroughfares, including Interstate 80 (55,600 AADT) and Interstate 55 (93,400 AADT)
- » Located in a robustly affluent area, with an average annual household income of \$112,222 within a one-mile radius of the site
- » 29,082 residents within a five-mile radius of the property, establishing a large customer base for the site
- » New Amazon fulfillment center recently opened in Channahon (1,000+ new jobs)
- » Minutes from Minooka Community High School, Minooka Intermediate School, and Minooka Junior High School (4,460 students combined)

## NEW 2020 CONSTRUCTION

- » High-quality construction to be completed in 2020
- » Features Dollar General's latest prototype
- » 21-foot pylon sign facing U.S. Route 6, increasing visibility to the location



INTERSTATE 80 / Interstate 80  
(55,600 AADT)

INDUSTRIAL REGION



INDUSTRIAL REGION

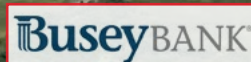
Minooka Community High School -  
Central Campus, Junior High School,  
and Intermediate School  
(4,460+ students)



Little Learner  
Children's Academy



Minooka South Community  
High School  
(2,605 students)



/ West Eames Street  
(14,900 AADT)



Garden Center





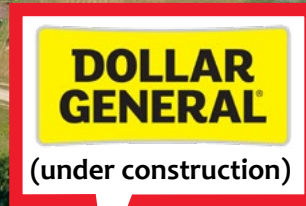
JOLIET  
(16 miles)

DES  
PLAINES  
RIVER

INDUSTRIAL REGION



Kidz Corner  
(Cay Care)



Petal Pushers  
Garden Center



West Eames Street  
(14,900 AADT)





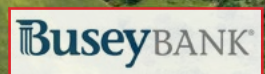
INDUSTRIAL REGION



Little Learner  
Children's Academy



Minooka South Community  
High School  
(2,605 students)



US  
6  
/ West Eames Street  
(14,900 AADT)



**DOLLAR  
GENERAL**  
(under construction)





DRESDEN  
COOLING LAKE

KANKAKEE RIVER

Dresden Generating Station



**DOLLAR  
GENERAL**

(under construction)

Garden Center



/ West Eames Street  
(14,900 AADT)

BuseyBANK





HEIDECKE LAKE

Dresden Generating Station

KANKAKEE RIVER

Minooka South Community  
High School  
(2,605 students)

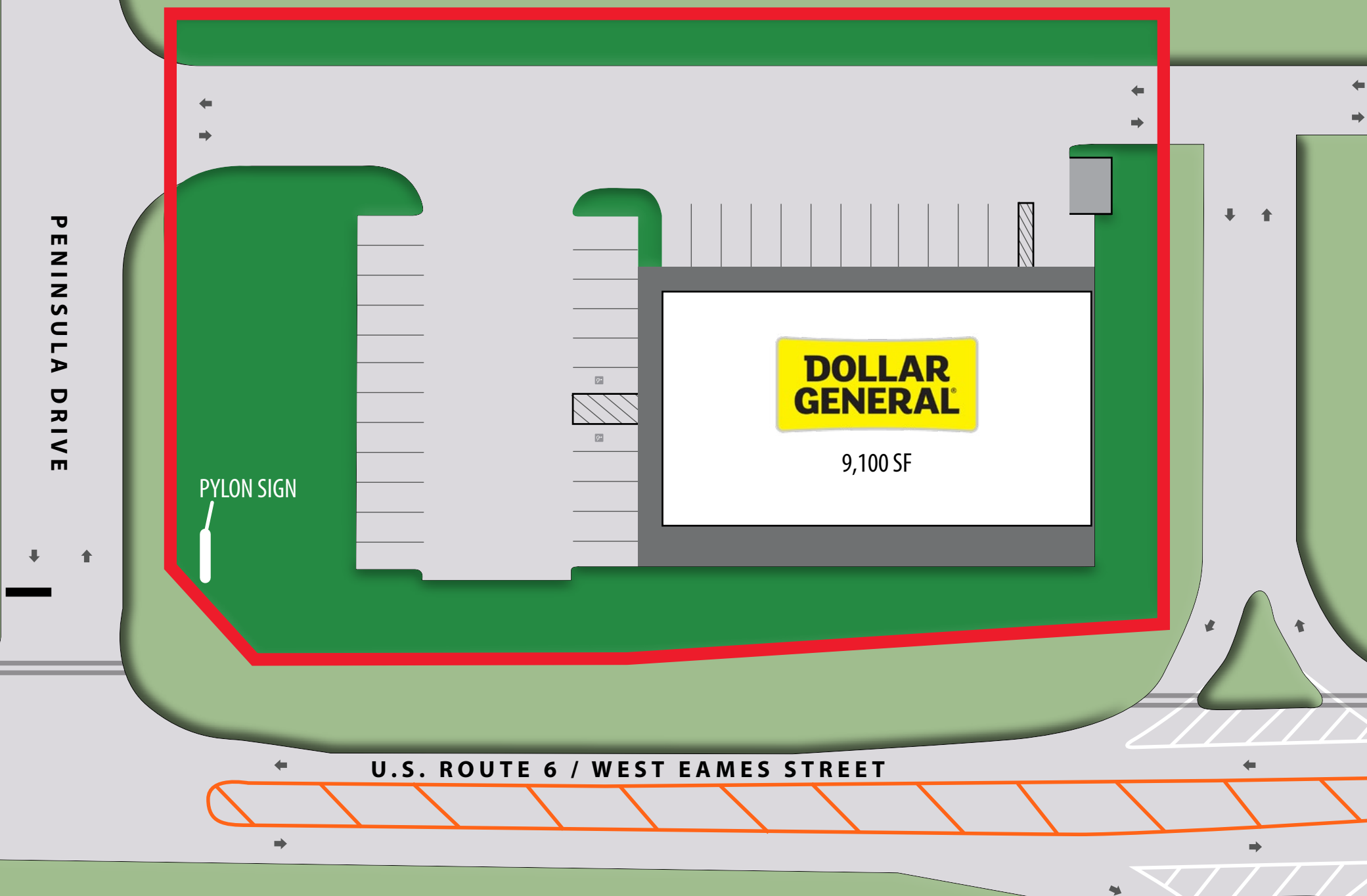
BuseyBANK

US 6 / West Eames Street  
(14,900 AADT)

**DOLLAR  
GENERAL**  
(under construction)



# SITE PLAN





# TENANT SUMMARY



Dollar General Corporation is an American chain of variety stores headquartered in Goodlettsville, Tennessee, which has been in expansion mode for several years with a focus on rural markets. Dollar General offers products that are frequently used and replenished—such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares, and seasonal items—at low everyday prices in convenient neighborhood locations. A leading discount retailer, Dollar General operates more than 16,350 stores in 45 states and has plans for significant future growth. In fiscal 2019, Dollar General's net sales increased 8.3% to \$27.8 billion and same-store sales increased 3.9%, marking the company's 30th consecutive year of same-store sales growth.

According to a recent article published by the *Wall Street Journal*, "With its convenient locations for frugal shoppers, Dollar General has become one of the most profitable retailers in the U.S. and a lifeline for lower income customers bypassed by other major chains. Dollar General Corp.'s...stores yielded more than double the profit of Macy's Inc. on less revenue during its most recent fiscal year. And its [\$27] billion market value eclipses the largest U.S. grocery chain, Kroger Co., which has five times the revenue."

On June 16, 2016, *Reuters* released a report that found:

- » Wealthy millennials are increasingly shopping at dollar stores
- » The number of heads of households shopping at dollar stores who are under 35 years old and earning more than \$100,000 a year increased 7.1% between 2012 and 2015, compared to 3.6% at all retail stores
- » 29% of millennial dollar store consumers earn over \$100,000 annually
- » Wealthy millennials accounted for about 25% of sales

For more information, please visit [www.dollargeneral.com](http://www.dollargeneral.com).

|                |                   |                       |                 |
|----------------|-------------------|-----------------------|-----------------|
| <b>TICKER</b>  | <b>NYSE: "DG"</b> | <b># OF LOCATIONS</b> | <b>16,368</b>   |
| <b>REVENUE</b> | <b>\$27.8B</b>    | <b>EMPLOYEES</b>      | <b>143,000+</b> |

# LEASE ABSTRACT

|                                 |  |             |               |
|---------------------------------|--|-------------|---------------|
| <b>TENANT</b>                   | DG Retail, LLC   |             |               |
| <b>GUARANTOR</b>                | Dollar General Corporation   |             |               |
| <b>ADDRESS</b>                  | <a href="#">25500 South Peninsula Drive, Channahon, Illinois 60410</a>                       |             |               |
| <b>RENT COMMENCEMENT</b>        | December 1, 2020   |             |               |
| <b>LEASE EXPIRATION</b>         | November 30, 2035  |             |               |
| <b>RENEWAL OPTIONS</b>          | Four (4) five (5) year options   |             |               |
| <b>RENTAL INCREASES</b>         | <b>YEAR</b>  | <b>RENT</b> | <b>RETURN</b> |
|                                 | 1-15   | \$105,552   | 5.75%         |
|                                 | 16-20 (Option 1)   | \$116,107   | 6.33%         |
|                                 | 21-25 (Option 2)   | \$127,718   | 6.96%         |
|                                 | 26-30 (Option 3)   | \$140,490   | 7.65%         |
|                                 | 31-35 (Option 4)   | \$154,539   | 8.42%         |
| <b>REAL ESTATE TAXES</b>        | Tenant shall pay for all real estate taxes.  |             |               |
| <b>INSURANCE</b>                | Tenant is responsible for all insurance costs.   |             |               |
| <b>REPAIR &amp; MAINTENANCE</b> | Tenant shall be responsible for all maintenance, including roof, structure, and parking lot. |             |               |
| <b>MAINTENANCE BY LANDLORD</b>  | None   |             |               |
| <b>RIGHT OF FIRST REFUSAL</b>   | None   |             |               |



# PROPERTY OVERVIEW

## LOCATION

The property has a high-traffic location along U.S. Route 6/West Eames Street, with excellent visibility and access to 14,900 vehicles per day. The site is also centrally located at the confluence of several highly trafficked thoroughfares, including Interstate 80 (55,600 AADT) and Interstate 55 (93,400 AADT). The property is located in an affluent area, with 29,082 residents living within a five-mile radius of the site and an average annual household income of \$112,222 within one mile of the site. Dollar General is poised to grow along with the location, with a projected 10 percent average annual household income increase within five miles of the site in the next five years. A new 1.1-million-SF Amazon fulfillment center is under construction in Channahon and scheduled to be completed in late 2020 (projected 500 new jobs). The site benefits from being centrally located within minutes of Channahon's largest schools, including Minooka Community High School, Minooka Intermediate School, and Minooka Junior High School (4,460+ students combined). The property maintains a beneficial proximity to popular area tourist attractions, including Des Plaines Dolomite Prairies Land and Water Reserve, Midewin National Tallgrass Prairie, and Dollinger Family Farm.

## ACCESS

Access from U.S. Route 6/West Eames Street

## TRAFFIC COUNTS

|                                 |             |
|---------------------------------|-------------|
| U.S. Route 6/West Eames Street: | 14,900 AADT |
| Interstate 80:                  | 55,600 AADT |
| Interstate 55:                  | 93,400 AADT |

## PARKING

35 parking stalls including two (2) handicap stalls

## YEAR BUILT

2020

## NEAREST INTERNATIONAL AIRPORT

Chicago Midway International Airport (MDW | 43 miles away)



**35**  
PARKING  
STALLS



**2020**  
YEAR BUILT



**NEAREST  
INTERNATIONAL  
AIRPORT**  
CHICAGO MIDWAY  
INTERNATIONAL  
AIRPORT



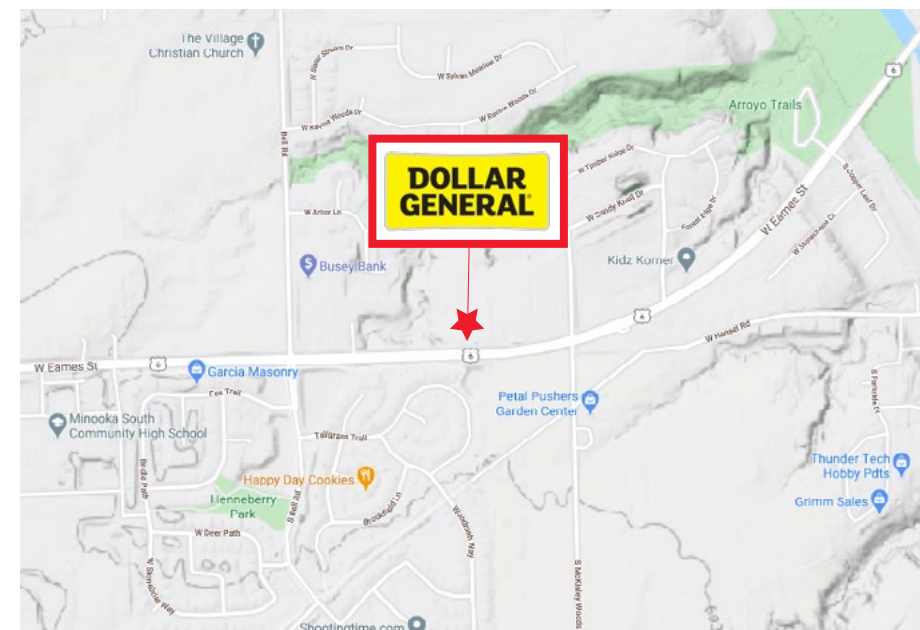
# AREA OVERVIEW

Channahon is a village in Grundy and Will counties in Illinois. Located southwest of Joliet, most of the village is within Channahon Township in Will County. Located in a growing community where the DuPage, Des Plaines, and Kankakee Rivers merge to create the Illinois River, Channahon benefits from its regional position and multimodal access. Further defined by its unique landscape and natural assets, Channahon provides residents with suburban amenities in a rural setting. Channahon is closely connected to the larger Chicago Metropolitan Region, a dense area of over nine million residents.

Will County is one of the five collar counties of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area. The U.S. Census Bureau lists Will County as one of the 100 largest counties by population in the nation, and the fourth most populous county in Illinois. With its strategic location, access to global markets, and impressive quality of life, Will County continues to have much to offer to both businesses and residents. The county is centrally located and draws from a seven-county labor force of over four million people (Cook, DuPage, Grundy, Kane, Kankakee, Kendall, and Will). Job creation in Will County is more than double the national average, and the area is also home to several institutions of higher learning, including a state university, two leading mid-size private non-profit universities, a nationally-recognized junior college, and three for-profit college campuses.

- » The Channahon Park District operates Heritage Bluffs Public Golf Club. Heritage Crossing Field House features two gymnasiums, a three-lane, eight-lap-to-the-mile indoor track, and Dimensions Fitness Center.
- » Channahon was named the second safest city in Illinois and 13th safest city in America by the National Council for Home Safety and Security.
- » Will County is a major hub in the U.S. natural gas pipeline grid where pipelines from Canada and the Gulf of Mexico meet and then fan out to serve the Midwest

| MAJOR EMPLOYERS WILL COUNTY, ILLINOIS | # OF EMPLOYEES |
|---------------------------------------|----------------|
| AMAZON                                | 7,000          |
| VALLEY VIEW SCHOOL DISTRICT #365      | 3,400          |
| PLAINFIELD SCHOOL DISTRICT #202       | 3,216          |
| SILVER CROSS HOSPITAL                 | 2,912          |
| AMITA ST. JOSEPH MEDICAL CENTER       | 2,598          |
| WILL COUNTY GOVERNMENT                | 2,308          |
| JOLIET PUBLIC SCHOOL DISTRICT #86     | 1,737          |
| JOLIET JUNIOR COLLEGE                 | 1,550          |
| WEATHERTECH                           | 1,535          |
| ULTA                                  | 1,440          |



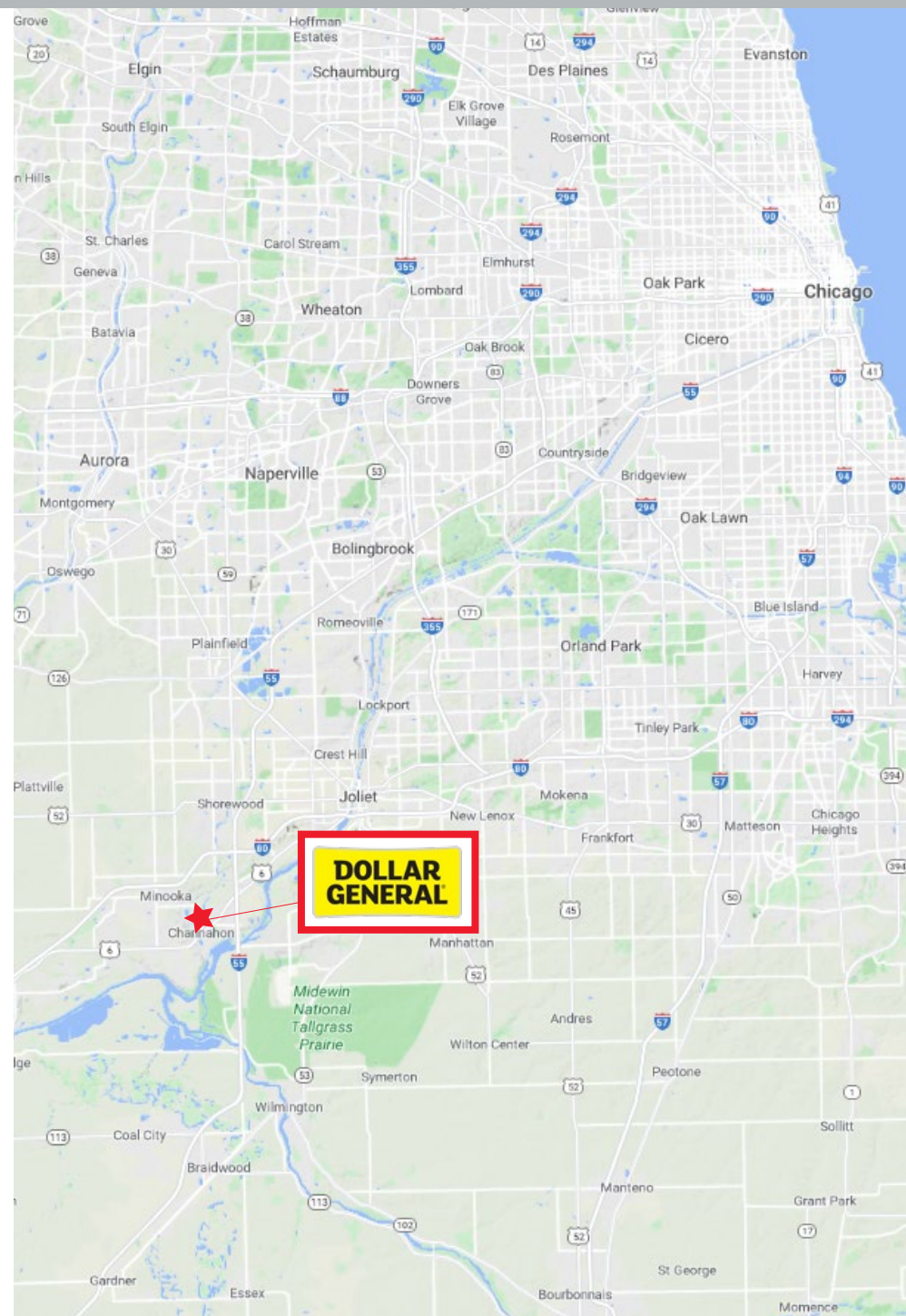


# DEMOGRAPHIC PROFILE

| 2020 SUMMARY                    | 1 Miles          | 3 Miles          | 5 Miles          |
|---------------------------------|------------------|------------------|------------------|
| <b>Population</b>               | <b>5,767</b>     | <b>23,481</b>    | <b>29,082</b>    |
| Households                      | 1,751            | 7,508            | 9,578            |
| Families                        | 1,429            | 6,126            | 7,781            |
| Average Household Size          | 3.29             | 3.13             | 3.03             |
| Owner Occupied Housing Units    | 1,577            | 6,635            | 8,536            |
| Renter Occupied Housing Units   | 174              | 873              | 1,042            |
| Median Age                      | 31.7             | 35.2             | 35.8             |
| <b>Average Household Income</b> | <b>\$112,222</b> | <b>\$112,017</b> | <b>\$110,848</b> |
| 2025 ESTIMATE                   | 1 Miles          | 3 Miles          | 5 Miles          |
| <b>Population</b>               | <b>5,922</b>     | <b>24,198</b>    | <b>30,032</b>    |
| Households                      | 1,805            | 7,757            | 9,914            |
| Families                        | 1,466            | 6,303            | 8,021            |
| Average Household Size          | 3.28             | 3.12             | 3.03             |
| Owner Occupied Housing Units    | 1,632            | 6,881            | 8,873            |
| Renter Occupied Housing Units   | 174              | 876              | 1,041            |
| Median Age                      | 31.6             | 34.2             | 34.5             |
| <b>Average Household Income</b> | <b>\$123,900</b> | <b>\$123,554</b> | <b>\$122,148</b> |



**AVERAGE HOUSEHOLD INCOME OF \$112,222  
WITHIN ONE MILE**





**YURAS  
AICALE  
FORSYTH  
CROWLE**

Leased Investment Team



**DOLLAR GENERAL®**

## LEAD BROKERS

### **MICHAEL T. YURAS, CCIM**

*Executive Managing Director*

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

### **SCOTT CROWLE**

*Managing Director*

415.604.4288

scott.crowle@cushwake.com

CA RE License #01318288

### **VINCENT AICALE**

*Executive Director*

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

### **RYAN FORSYTH**

*Executive Director*

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

**[www.YAFteam.com](http://www.YAFteam.com)**

Cushman and Wakefield Inc. LIC. # 00616335