



# ABSOLUTE NNN DOLLAR GENERAL

ACTUAL STORE

301 US-14 E, DE SMET, SD 57231

**30445 Northwestern Highway, Suite 275**  
Farmington Hills, MI 48334  
248.254.3410  
fortisnetlease.com

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## EXCLUSIVELY LISTED BY:

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## STATE BROKER OF RECORD:

### ROBIN K. JOHNSON

DAKOTA PLAINS COMMERCIAL REAL ESTATE

SD #15391

12 2ND AVE SW #204 P.O. BOX 737

ABERDEEN, SD 57401

605.225.1800



## INVESTMENT SUMMARY

List Price:	\$1,396,293
Current NOI:	\$85,872.00
Initial Cap Rate:	6.15%
Land Acreage:	1.09 +/-
Year Built	2017
Building Size:	9,002 SF
Price PSF:	\$155.11
Lease Type:	Absolute NNN
Lease Term:	15 Years
Average CAP Rate:	6.21%

## INVESTMENT OFFERING

Fortis Net Lease is pleased to present this 9,002 SF. corner-entry Dollar General store located in De Smet, South Dakota. The property offers a Fifteen (15) Year Absolute NNN Lease, leaving zero landlord responsibilities. The lease contains a 3% rental rate in crease at year 11 and also offers 4 (5 Year) options to renew, each with a 10% rental rate increase. The lease is corporately guaranteed by Dollar General Corporation which holds a credit rating of "BBB", which is classified as Investment Grade. The store is currently open and has been operating successfully since July of 2017.

This Dollar General is highly visible as it is strategically positioned on Highway 14 which sees 2,430 cars per day. It is located on the main thoroughfare connecting neighboring communities. The ten mile population from the site is 2,387 while the three mile average household income \$64,929 per year, making this location ideal for a Dollar General. The Subject offering represents an ideal opportunity for a 1031 exchange buyer or a "passive" investor to attain the fee simple ownership of Dollar General. This investment will offer a new owner continued success due to the financial strength and the proven profitability of the tenant, the nation's top dollar store. List price reflects a 6.15% cap rate based on NOI of \$85,872.



**PRICE** \$1,396,293



**CAP RATE** 6.15%



**LEASE TYPE** Absolute NNN



**TERM REMAINING** 11.5 Years



**RENT INCREASES** 3% in Year 11

## INVESTMENT HIGHLIGHTS

- **15 Year Absolute NNN Lease | Zero Landlord Responsibilities**
- **3% Rental Rate Increase at Year 11 of Primary Term**
- 4 (5 Year) Options | 10% Increases At Each Option
- **Concrete Parking Lot**
- Three Mile Household Income \$64,929
- Ten Mile Population 2,387
- **2,430 Cars Per Day on Highway 14**
- Investment Grade Dollar Store With "BBB" Credit Rating
- DG Reported 30 Consecutive Years of Same Store Sales Growth
- **No Competition Within 30+ Miles**



## FINANCIAL SUMMARY

INCOME		PER SF
Rent	\$85,872.00	\$9.54
<b>Gross Income</b>	<b>\$85,872.00</b>	<b>\$9.54</b>
EXPENSE		PER SF
Expenses	\$0	\$0.00
<b>Gross Expenses</b>	<b>\$0</b>	<b>\$0.00</b>
<b>NET OPERATING INCOME</b>	<b>\$85,872.00</b>	<b>\$9.54</b>

## PROPERTY SUMMARY

Year Built:	2017
Lot Size:	1.09 +/- Acres
Building Size:	9,002 SF
Traffic Count:	2,430
Roof Type:	Standing Seam
Zoning:	Commercial
Construction Style:	Prototype
Parking Lot:	Concrete
Warranties	Construction
HVAC	Roof Mounted

## LEASE SUMMARY

Tenant:	Dollar General
Lease Type:	Absolute NNN
Primary Lease Term:	15 Years
Annual Rent:	\$85,872.00
Rent PSF:	\$9.54
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant
Roof, Structure & Parking:	Tenant
Lease Start Date:	7/20/2017
Lease Expiration Date:	7/31/2032
Lease Term Remaining:	11.5 Years
Rent Bumps:	3% in Year 11 and 10% at Each Option
Renewal Options:	Four (5 Year)
Lease Guarantor:	Dollar General Corporation
Lease Guarantor Strength:	BBB
Tenant Website:	www.DollarGeneral.com

DOLLAR  
GENERAL

High  
2,430



GROSS SALES:  
\$27.8 BILLION



STORE COUNT:  
16,500+



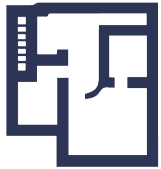
GUARANTOR:  
De SUPER DELUXE  
INN & DG CORP



S&P:  
BBB



TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	ESC DATE	RENT PER SF/YR
Dollar General	9,002	7/20/2017	7/31/2032	\$85,872	100.0		\$9.54
				\$88,440		8/1/2027	\$9.82
			Option 1	\$97,284		8/1/2032	\$10.81
			Option 2	\$107,012		8/1/2037	\$11.89
			Option 3	\$117,713		8/1/2042	\$13.07
			Option 4	\$129,485		8/1/2047	\$14.38
<b>Totals/Averages</b>	<b>9,002</b>			<b>\$85,872.00</b>			<b>\$9.68</b>



TOTAL SF  
9,002



TOTAL ANNUAL RENT  
\$85,872



OCCUPANCY RATE  
100%



AVERAGE RENT/SF  
\$9.68



NUMBER OF TENANTS  
1





# DOLLAR GENERAL

301 US-14 E, DE SMET, SD 57231 

 FORTIS NET LEASE™



**21.7% INCREASE**  
SAME STORE SALES '19 - '20



**1,000 STORES**  
OPENING IN 2020



**\$27.8 BIL**  
IN SALES

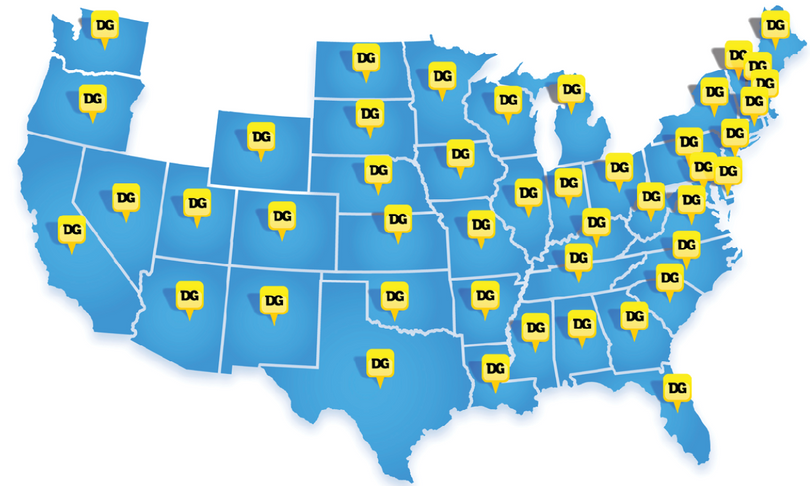


**81 YEARS**  
IN BUSINESS



**30 YEARS**  
SAME STORE GROWTH

**DOLLAR GENERAL** is the largest “small box” discount retailer in the United States. Headquartered in Goodlettsville, TN, the BBB S&P rated company was established in 1939. There are more than 16,500+ stores with more than 143,000 employees, located across 46 states. Dollar General has more retail locations than any retailer in America. The Dollar General store format has typically been in rural and suburban markets, now they are expanding into more densely populated areas. Opened over 900 stores in 2019, and planning to open an additional 1,000 more in 2020. The Dollar General strategy is to deliver a hassle-free experience to consumers, by providing a carefully edited assortment of the most popular brands in both retail and consumer products.



**16,500 STORES ACROSS 46 STATES**



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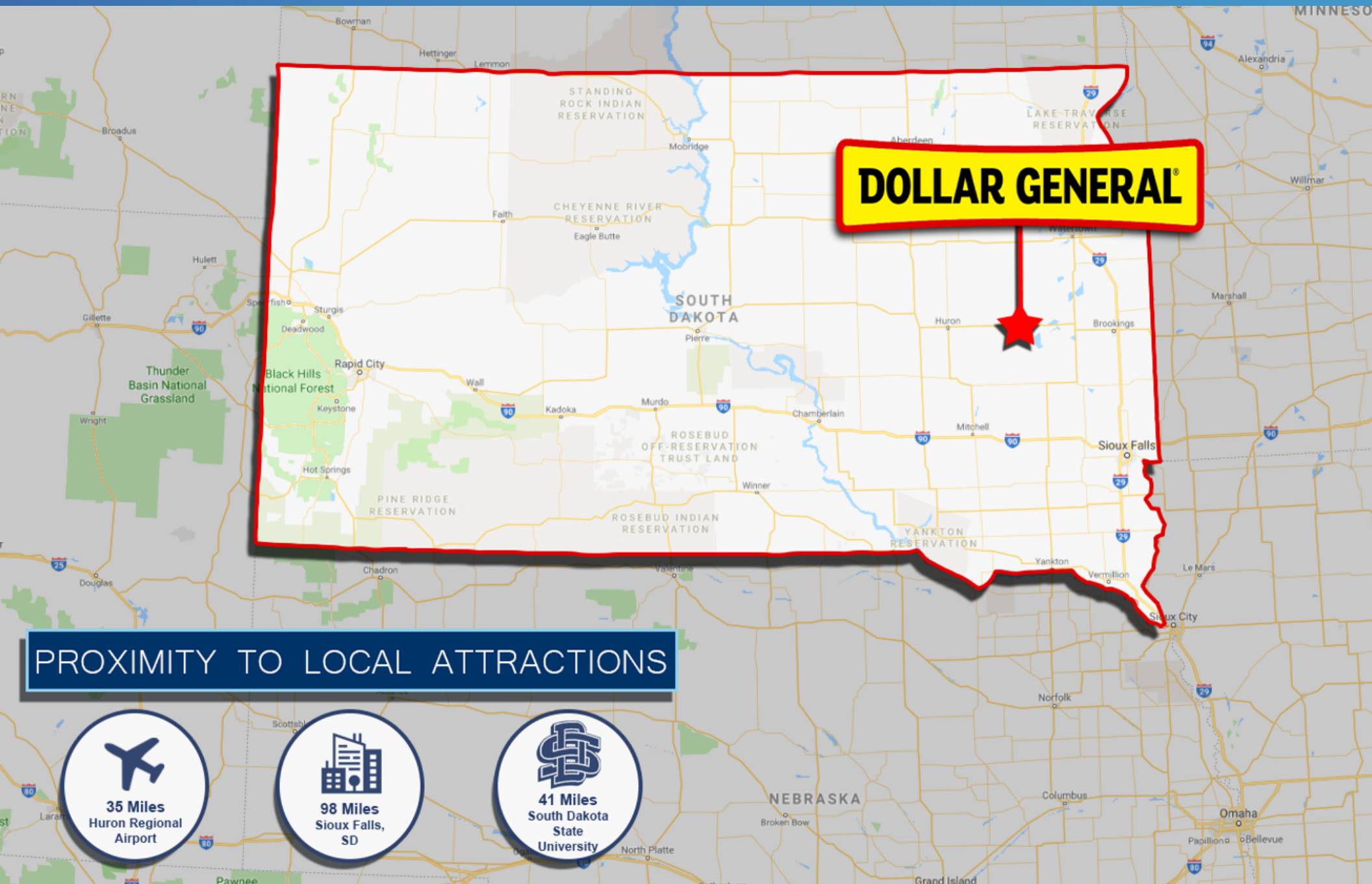
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## PROXIMITY TO LOCAL ATTRACTIONS



35 Miles  
Huron Regional  
Airport



98 Miles  
Sioux Falls,  
SD



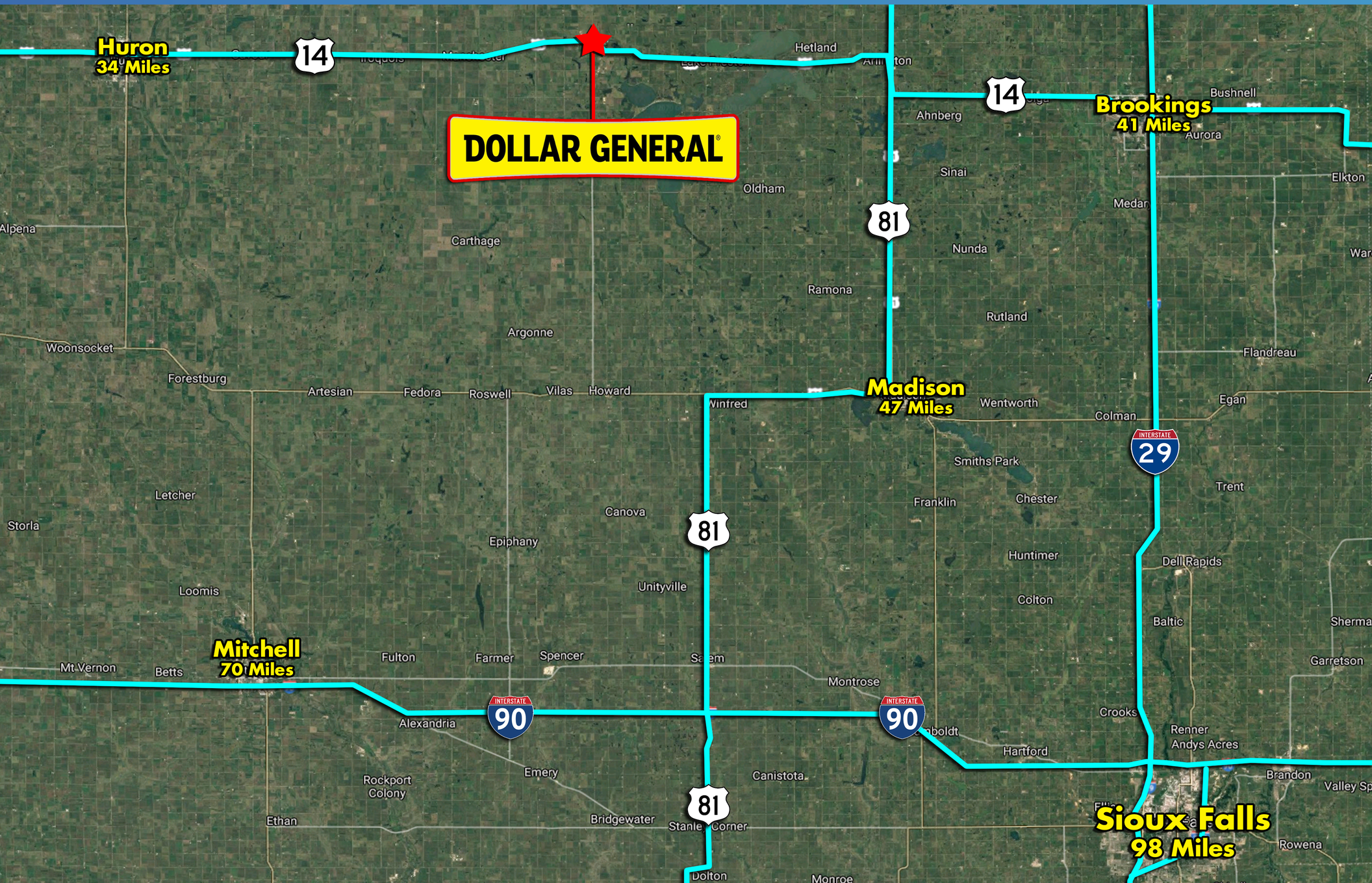
41 Miles  
South Dakota  
State  
University



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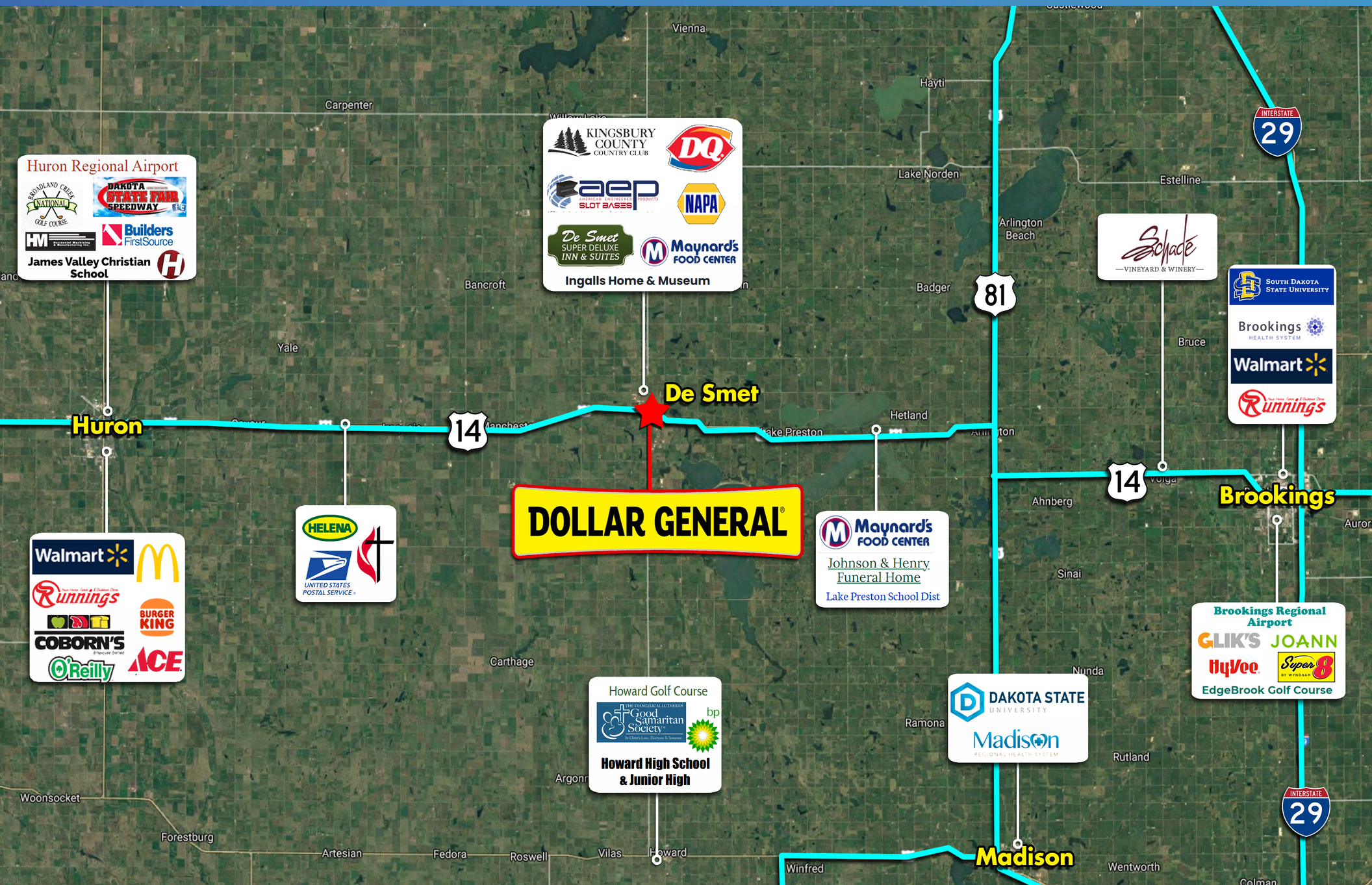




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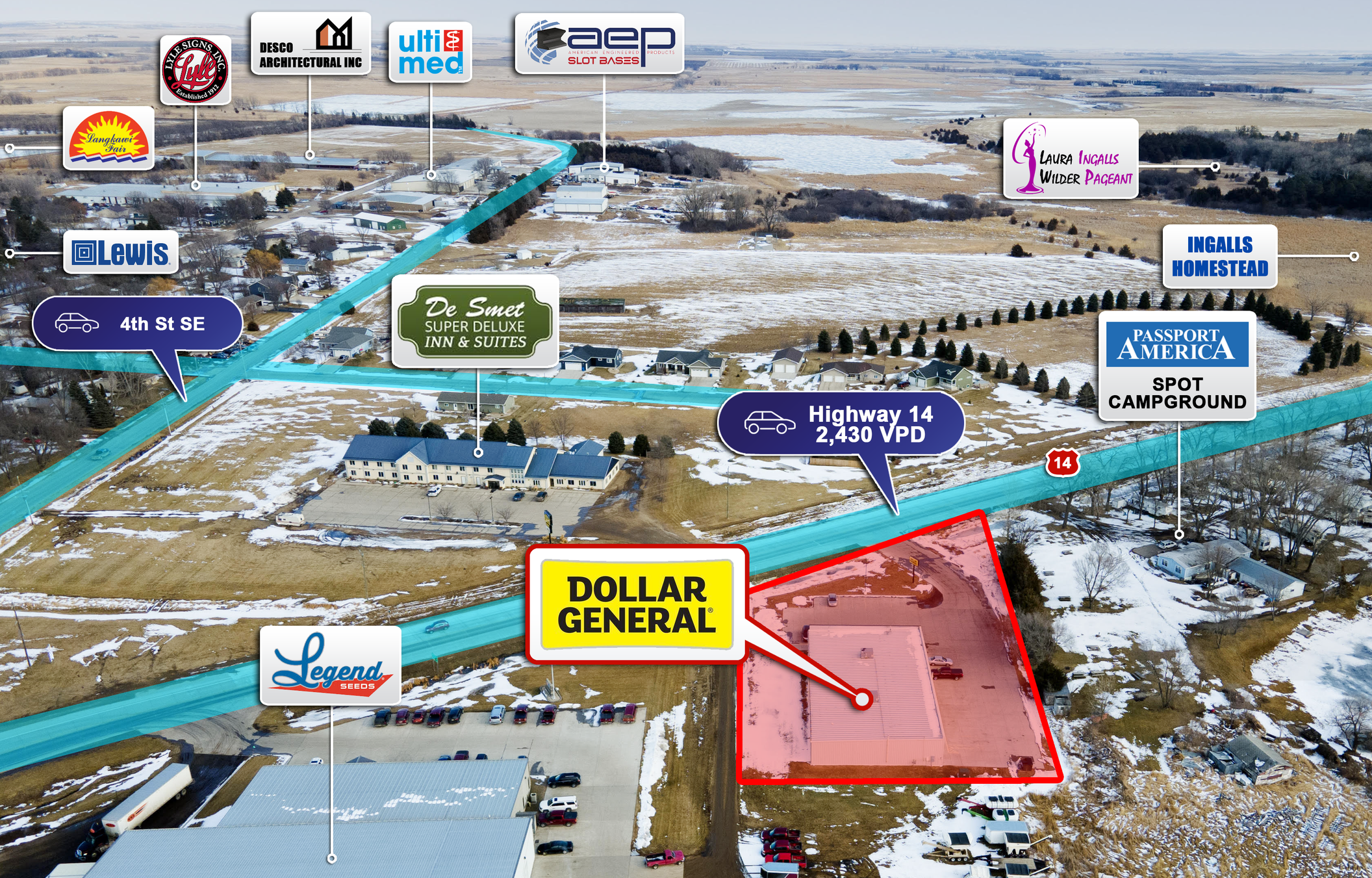




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De Smet is a city in and the county seat of Kingsbury County, South Dakota. Located in the area of South Dakota known as "East River" (east of the Missouri River, which diagonally divides the state), De Smet was platted by European Americans in 1880. It was named for Belgian Father Pierre De Smet, a 19th-century Jesuit missionary who worked with Native Americans in the United States and its territories for most of his life. In the mid 1880s, prairie fires and failures of crops after a three-year period of drought caused many settlers to relocate their farms and homesteads to easier areas. By 1917, De Smet was a cow town, with many trains passing through every day carrying cattle to market.

The Charles Ingalls family, originally of Wisconsin, arrived in De Smet in 1879. Their travels and pioneer life in Minnesota, Kansas, Dakota Territory, and Iowa would be later chronicled in the Little House series of books written by the Ingallses' second oldest daughter, Laura Elizabeth - later known as Laura Ingalls Wilder. Laura Ingalls and her husband Almanzo Wilder would first settle in De Smet along with Wilder's parents and brother. There the Wilders lived just outside of De Smet on farmland, while the Ingallses stayed in the town of De Smet. After building a home and starting a business there, Charles Ingalls helped to found the First Congregational Church of De Smet, later helping to build the church building, with the first service being held there on August 30, 1882. Ingalls and his wife, along with oldest daughter Mary, were among the church's eight original charter members.

Visitors come to experience De Smet's heritage as the Little Town on the Prairie. They will witness wide open spaces and enjoy an outdoor paradise. What they will find is a vibrant, modern LITTLE town, with friendly people and the same spirit of family, hospitality, integrity, and opportunism always found on the frontier.

POPULATION	3 MILES	5 MILES	10 MILES
Total Population 2020	1,222	1,332	2,387
Median Age	45.5	45.5	46.3
# Of Persons Per HH	2.2	2.2	2.2
HOUSEHOLDS & INCOME	3 MILES	5 MILES	10 MILES
Total Households	528	576	1,052
Average HH Income	\$64,929	\$65,825	\$69,307
Median House Value	\$123,239	\$123,856	\$129,958
Consumer Spending	\$12.1M	\$13.3M	\$25.7M







TOTAL SALES VOLUME

\$6.7B

PROPERTIES SOLD

3,300+

BROKER & BUYER REACH

345K

STATES SOLD IN

43

*Click to Meet Team Fortis*

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