



REPRESENTATIVE PHOTO

**DOLLAR  
GENERAL®**

OFFERING MEMORANDUM  
**DOLLAR GENERAL**  
OLIVER SPRINGS, TN (KNOXVILLE MSA)

Marcus & Millichap



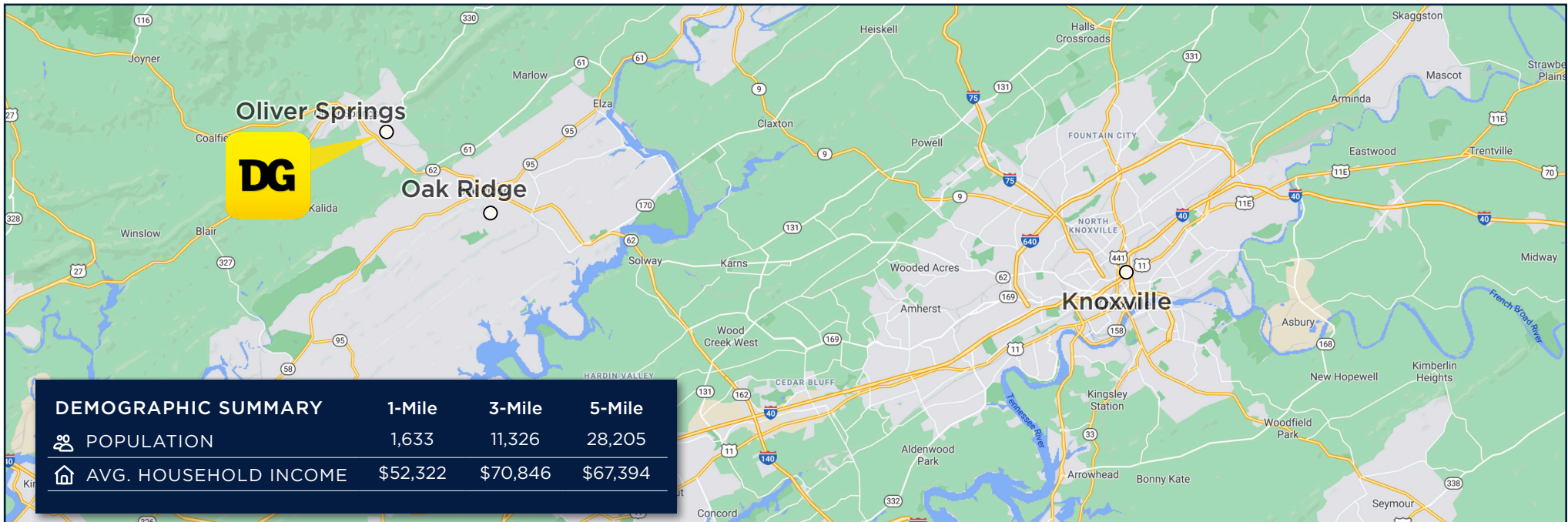
# OFFERING SUMMARY

## DOLLAR GENERAL®

316 Hannah Drive, Oliver Springs, TN 37840

PRICE	\$2,200,000
CAP RATE	6.00%
NOI	\$131,987
RENTABLE SQUARE FEET	12,480
PRICE/SF	\$176
YEAR BUILT	2014
LOT SIZE	1.54 AC
TENANT TRADE NAME	Dollar General
LEASE GUARANTOR	Corporate
LEASE TYPE	Absolute Net
ROOF & STRUCTURE	Tenant

LEASE TERM		15 Years
RENT COMMENCEMENT DATE		June 2014
LEASE EXPIRATION DATE		June 2029
TERM REMAINING ON LEASE		8.5 Years
INCREASES		10% Increases During Options
OPTIONS		Five, 5-Year Options
BASE RENT	Years 1-15	\$131,987
	Years 16-20 (Option 1)	\$145,185
	Years 21-25 (Option 2)	\$159,696
	Years 26-30 (Option 3)	\$175,674
	Years 31-35 (Option 4)	\$193,242
OPTION RENT	Years 36-40 (Option 5)	\$212,566
TENANT RESPONSIBILITIES		Taxes, Insurance, CAM, Roof & Structure





# INVESTMENT HIGHLIGHTS

## ATTRACTIVE DOLLAR GENERAL PLUS STORE

- This property is a 12,480 SF Build-to-Suit Dollar General plus store in Oliver Springs, TN.
- Dollar General Plus locations are larger than traditional Dollar General stores and have more coolers/freezers to keep more perishable items in stock.

## KNOXVILLE MSA

- Oliver Springs is 30 miles West of Knoxville, TN off of Hwy 61 (19,200 VPD) and is part of the Knoxville MSA.
- Knoxville is the largest city in East Tennessee and is the 3rd largest city in the state with a population of 187,603.
- The University of Tennessee (28,321 Students) is in Knoxville and has one of the largest stadiums in the world, Neyland Stadium.
- Knoxville is one of the gateways to the Great Smoky Mountains, the nation's most popular national park that sees 9 million visitors annually.
- Several National and Regional companies are headquartered in Knoxville including Tennessee Valley Authority, Pilot Flying J., and the H.T. Hackney Company. Tennessee Valley Authority is the nation's largest public power provider.
- The State of Tennessee has no income tax.

## SUPERIOR RETAIL LOCATION

- This Dollar General is well located on Hwy 61 (19,200 VPD) that connects Oliver Springs to Knoxville, TN.
- Surrounding national retailers include Food City, Hardees, Shell, Subway, Raceway, Ace Hardware, UPS and more.
- The 5-mile Population is 28,205 and the Average Household Income is \$67,394 which is superior for Dollar General locations.

## 8.5 YEAR CORPORATE NNN LEASE

- There are approximately 8.5 years remaining on a 15-year Corporate Guaranteed NNN lease with Dollar General.
- Tenant is 100% responsible for all expenses including taxes, insurance, CAM, roof and structure.
- There are 10% rent increases in each of the five, 5-year option periods.

## INVESTMENT GRADE TENANT

- Dollar General is a publicly traded (NYSE: DG) Fortune 500 company with an S&P investment grade credit rating of BBB.
- Currently over 17,000 locations and expanding by 1,000 stores each year.
- Dollar General has been in business for 80 years and has a current net worth of over \$6.2 billion.



REPRESENTATIVE PHOTO



# TENANT SUMMARY



## DOLLAR GENERAL®



**BBB**

S&P CREDIT RANKING  
INVESTMENT GRADE



**DG**

PUBLICLY  
TRADED COMPANY



**\$6+ B**

NET  
WORTH



**80**

YEARS  
IN BUSINESS



**17,000+**

STORES IN  
46 STATES



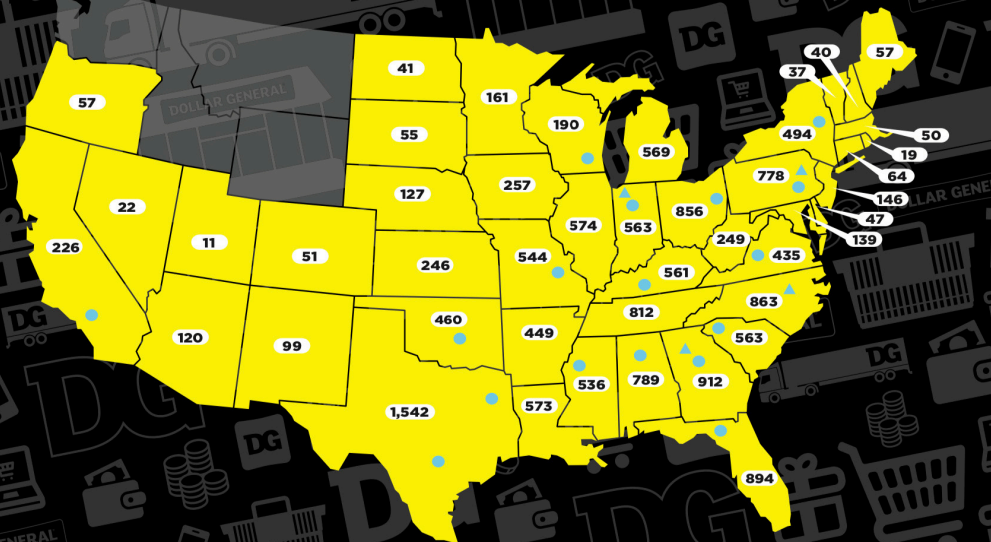
**119**

FORTUNE 500  
RANKING

**17,000+** STORES IN 46 STATES

AS OF 1/31/2020

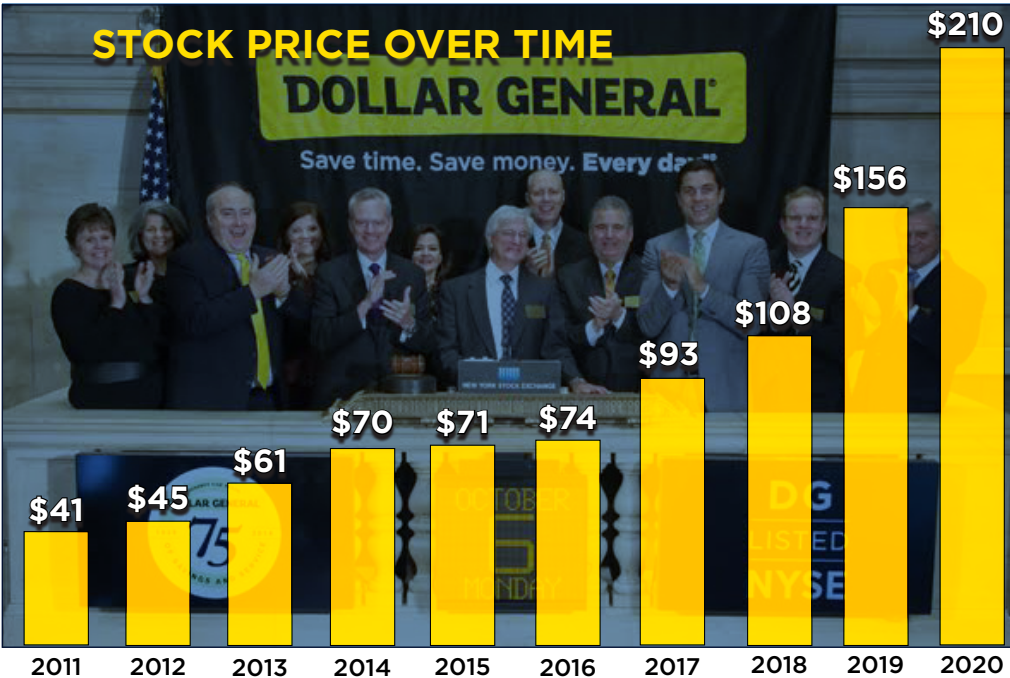
● STORES  
● DISTRIBUTION CENTER  
▲ FRESH DISTRIBUTION FACILITY



## STOCK PRICE OVER TIME

**DOLLAR GENERAL®**

Save time. Save money. Every day.





**THE UNIVERSITY OF  
TENNESSEE  
KNOXVILLE**  
28,321 Students



**KNOXVILLE**



**OAK RIDGE**



61

19,200 VPD



Oak Ridge Country Club

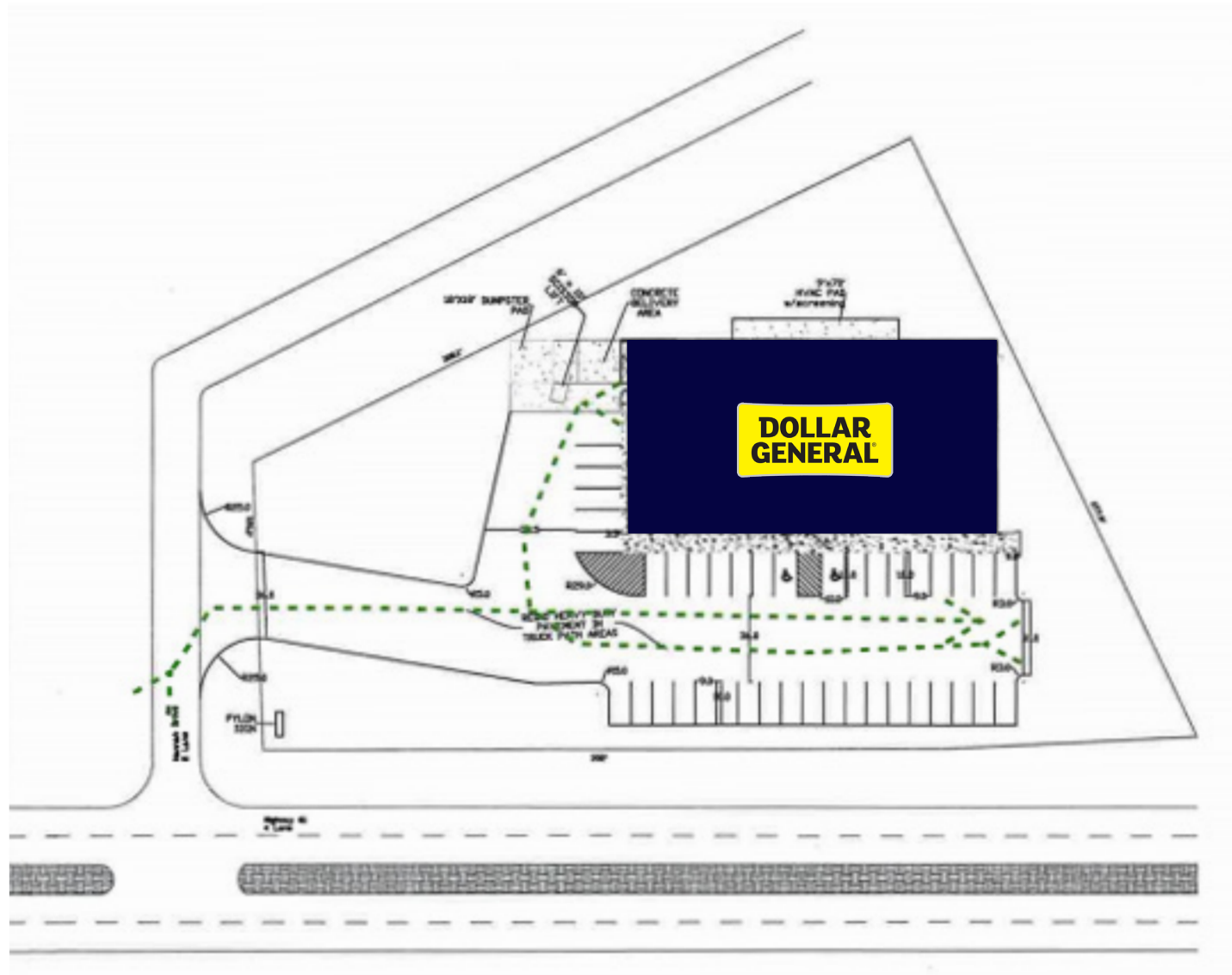


**OLIVER SPRINGS**

DEMOGRAPHIC SUMMARY	1-Mile	3-Mile	5-Mile
POPULATION	1,633	11,326	28,205
AVG. HOUSEHOLD INCOME	\$52,322	\$70,846	\$67,394



# SITE PLAN





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REPRESENTATIVE



**Marcus & Millichap**  
**TAYLOR MCMINN**  
**RETAIL GROUP**

Dated:

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1100 Abernathy Road, NE, Suite 600  
Atlanta, GA 30328

Phone: (678) 808-2762  
Fax: (815) 550-1286  
don.mcminn@marcusmillichap.com

**Re: 316 Hannah Drive – Oliver Springs, TN 37840 (Dollar General)**

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

**Purchaser** \_\_\_\_\_

**Purchaser's  
Address** \_\_\_\_\_

**Purchaser's  
Phone/Fax** \_\_\_\_\_

**Purchaser's  
Email Address** \_\_\_\_\_

**Offer Price** \_\_\_\_\_

**Earnest Money** \$50,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$50,000 deposited at the expiration of the Inspection Period (\$100,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

**Inspection Period** 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_



**Financing Period**  
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$\_\_\_\_\_ on terms which are acceptable to Purchaser.

**Closing Date**  
(Please Check One)

☐ **New Property:** Within 10 Calendar Days after rent commencement and receipt of tenant estoppel.

☐ **Existing Property** Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

**Closing Costs**

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

**Property Condition**

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within  
10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

**Broker Commission**

Purchaser acknowledges that Purchaser has employed \_\_\_\_\_, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

**1031 Exchange**

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$\_\_\_\_\_ in an exchange account from a transaction which closed escrow on \_\_\_\_\_. Purchaser will provide Seller, upon request, proof of such funds.

**Confidentiality**

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_



accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation (written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

**Agreed and Accepted | Purchaser**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Dated: \_\_\_\_\_

**Agreed and Accepted | Seller**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Dated: \_\_\_\_\_

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_