

DOLLAR GENERAL

4801 4TH AVENUE, BEAVER FALLS, PENNSYLVANIA

OFFERING MEMORANDUM



REPRESENTATIVE PHOTO

Marcus & Millichap
HURD NET LEASE GROUP

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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PROPERTY OVERVIEW

Marcus and Millichap is pleased to exclusively offer for sale the Dollar General located at **4801 4th Avenue in Beaver Falls, Pennsylvania**. This investment is being offered at \$1,013,431 which represents a 6.85 percent cap rate.

The subject property is a 9,014 square foot building that was built to suit for Dollar General in 2007. There are currently more than 9 years remaining on the lease due to a recent early extension. The NN lease structure limits landlord to roof and structure responsibilities. The tenant has a sole contribution of \$676 per month towards CAM. Tenant fully reimburses for the cost of snow and ice removal. Tenant is responsible for the entire cost of minor repairs that cost up to \$1000 per occurrence. Tenant fully reimburses for real estate taxes and the store is part of Dollar General's National Insurance Program.

The store is positioned on the corner of a signalized intersection on the main thoroughfare in and out of town and the site sees strong traffic counts of more than 12,500 vehicles per day. The surrounding area has more than 7,700 residents within two miles and more than 20,000 within three miles. The average household income is approximately \$74,000 respectively. Beaver Falls is part of the greater Pittsburgh region and is on the Beaver River, just six miles north of its junction with the Ohio River.

INVESTMENT HIGHLIGHTS

NN Lease with 9+ Years Remaining

2007 Built to Suit Prototype

Tenant Contributes \$676 per Month Towards CAM

Tenant Fully Reimburses for Snow and Ice Removal

Tenant Fully Reimburses for Real Estate Taxes

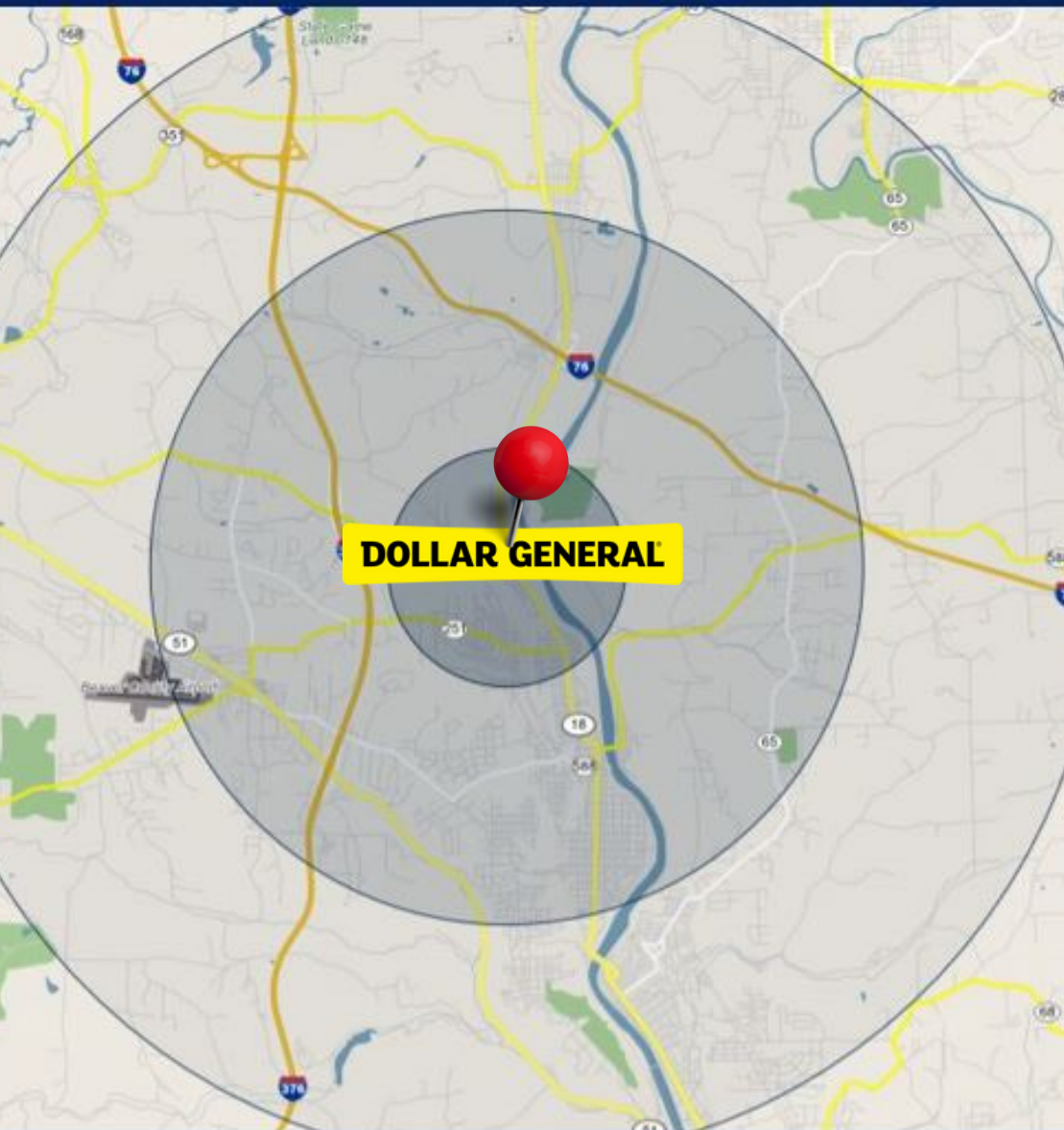
Store is Part of Dollar General's National Insurance Program

Store is Positioned on the Corner of a Signalized Intersection (12,500+ VPD)

More Than 110,000 People Within Ten Miles

DEMOGRAPHICS

(1-3-5 MILE RADIUS)



POPULATION

	1 Mile	3 Miles	5 Miles
2025 Projection	2,951	21,929	43,115
2020 Estimate	2,956	22,005	43,252
2010 Census	3,023	22,604	44,358
2000 Census	3,146	23,884	46,823

HOUSEHOLD INCOME

	1 Mile	3 Miles	5 Miles
Average	\$56,813	\$65,578	\$68,344
Median	\$47,328	\$51,696	\$54,221
Per Capita	\$25,194	\$26,960	\$28,470

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2025 Projection	1,231	8,869	17,849
2020 Estimate	1,224	8,832	17,768
2010 Census	1,258	9,108	18,304
2000 Census	1,277	9,202	18,447

HOUSING

	1 Mile	3 Miles	5 Miles
Median Home Value	\$95,809	\$124,382	\$130,829

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2020 Daytime Population	2,084	20,349	37,943
2020 Unemployment	7.42%	5.54%	5.33%
Average Time Traveled (Minutes)	25	26	26

EDUCATIONAL ATTAINMENT

	1 Mile	3 Miles	5 Miles
High School Graduate (12)	38.36%	40.95%	41.10%
Some College (13-15)	20.49%	18.35%	18.60%
Associate Degree Only	12.99%	11.53%	11.46%
Bachelor's Degree Only	14.97%	14.38%	14.34%
Graduate Degree	4.81%	6.81%	6.65%

LOCATION OVERVIEW

LOCAL AERIAL MAP



REGIONAL MAP



RETAILER MAP

Population Counts

1 Mile – 3,000+

3 Mile – 22,000+

5 Mile – 43,000+

10 Mile – 110,000+

DOLLAR GENERAL

PTC Alliance

12,500+ VPD

MILLER'S
MOTORSPORTS

SHEETZ
GOOD FOOD
READY TO EAT

PNC

Huntington

PAPA JOHN'S
PIZZA

SHERWIN
WILLIAMS

Wendy's

Big Beaver Falls
Senior High

O'Reilly
AUTO PARTS

McDonald's

RITE
AID

Genova College

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MARKET OVERVIEW

PITTSBURGH

The Pittsburgh metro rests at the foothills of the Allegheny Mountains in the southeastern corner of Pennsylvania, outside the congested East Coast corridor. Consisting of Armstrong, Butler, Fayette, Westmoreland, Washington, Allegheny and Beaver counties, the metro contains 2.4 million residents, with more than half concentrated in Allegheny County. The region's economy, which was once dominated by the steel industry, has diversified with the help of the area's many colleges and universities, which provide a steady flow of educated personnel. The city limits of Pittsburgh are located where the Allegheny and Monongahela rivers join to form the Ohio River. Pittsburgh is the most populous city in the metro and the second-largest in Pennsylvania, with approximately 310,900 residents.

METRO HIGHLIGHTS

EMPLOYMENT TRENDS

Although job growth has slowed amid national economic distress, more than 31,000 jobs were added from 2017 through 2019. During that time, the education and healthcare sectors had sizable gains.

QUALITY HIGHER EDUCATION

The local economy benefits from university-related startup companies. Carnegie Mellon, Duquesne and the University of Pittsburgh are among the local higher-educational institutions.

POPULATION GROWTH

After years of decline, job seekers moving to the metro contribute to a rising population.



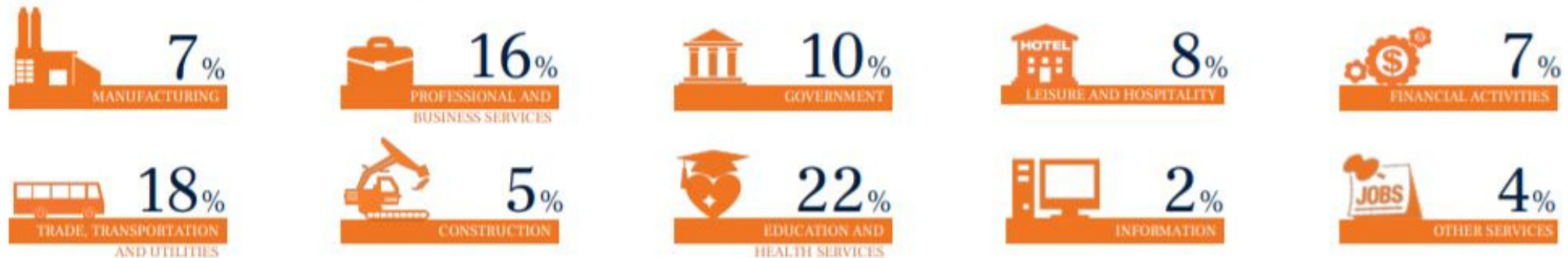
ECONOMY

- Once centered on the steel industry, Pittsburgh's economy has become much more diversified over the past 20 years and continues to evolve.
- A multitude of international firms have headquarters or regional offices in the metro. Additionally, nine Fortune 500 companies call Pittsburgh home including Kraft Heinz Co., PNC Financial, Howmet Aerospace, U.S. Steel, Alcoa, PPG Industries and Dick's Sporting Goods.
- High-tech is expanding, particularly in automation and manufacturing equipment, software, biotechnology, environmental services and pharmaceuticals.

MAJOR AREA EMPLOYERS
UPMC
Allegheny Health Network
University of Pittsburgh
BNY Mellon Corp.
PNC Financial Services
Giant Eagle
Carnegie Mellon University
Walmart Inc.
U.S. Steel
Children's Hospital of Pittsburgh



SHARE OF 2020 TOTAL EMPLOYMENT



MARKET OVERVIEW

DEMOGRAPHICS

- The metro is expected to add nearly 22,500 people through 2025, which will result in the formation of almost 18,200 households.
- A median home price below the national level allows 70 percent of households to own their home, which is above the national rate of 64 percent.
- Roughly 33 percent of people age 25 and older hold bachelor's degrees; among those residents, 13 percent also have earned a graduate or professional degree.

2020 Population by Age



QUALITY OF LIFE

Pittsburgh is a relatively affordable place to live compared with many other major East Coast metros. In addition, the market has one of the lowest crime rates in the country. There are more than 500 organizations serving southwestern Pennsylvania, such as the Pittsburgh Cultural Trust, which has revitalized downtown. Regional amenities also include three professional sports teams: the Steelers (NFL), Pirates (MLB) and Penguins (NHL). The Pittsburgh Penguins and the University of Pittsburgh Medical Center (UPMC) built a \$72 million sports medical center and practice rinks. UPMC is one of the busiest transplant centers in the world. In addition, Children's Hospital of Pittsburgh is one of the highest-ranked children's hospitals in the nation.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

SPORTS



EDUCATION



ARTS & ENTERTAINMENT



TENANT OVERVIEW

MARKET CAP

\$48B



TRADED ON

NYSE

TICKER: **DG**



DOLLAR GENERAL®

NET SALES FOR 2020

\$33.7B



S&P RATING

BBB

REVENUE

\$7.8B



**1000+ NEW
STORES TO
OPEN IN 2021**



Marcus & Millichap
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FINANCIAL DETAILS

THE OFFERING

Price	\$1,013,431
Capitalization Rate	6.85%
Price/SF	\$112.43

PROPERTY DESCRIPTION

Year Built / Renovated	2007
Gross Leasable Area	9,014 SF
Type of Ownership	Fee Simple
Lot Size	1.06 Acres

LEASE SUMMARY

Tenant	Dollar General
Rent Increases	10% Each Five Year Option
Guarantor	Corporate Guarantee
Lease Type	NN
Term Remaining	9 Years
Lease Commencement	7/31/2008
Lease Expiration	7/31/2030
Renewal Options	Three, Five Year Options
Landord Responsobility	Roof & Structure
Tenant Responsibility	CAM, Taxes, & Insurance

RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current	\$69,420	\$5,785	\$7.70	6.85%
Option 1	\$76,356	\$6,363	\$8.47	7.53%
Option 2	\$84,000	\$7,000	\$9.32	8.29%
Option 3	\$92,400	\$7,700	\$10.25	9.12%

FINANCING

New Acquisition Financing	\$760,073
Loan to Value	75%
Interest Rate	4%
Amortization Period	25 Years
Loan Term	7 Years
Annual Debt Service Payment	\$21,436
Cash on Cash Return	8.5%

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EXCLUSIVELY LISTED BY



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