

DOLLAR GENERAL

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6403 HWY 5 NORTH | MIDWAY, AR

OFFERING MEMORANDUM



LISTED BY

JACK COLLINS

Associate

DIRECT +1 (512) 535-4850

MOBILE +1 (312) 350-9571

jack.collins@matthews.com

LIC # 759772 (TX)

CONRAD SARREAL

Associate Vice President

DIRECT +1 (214) 692-2847

MOBILE +1 (626) 230-1006

conrad.sarreal@matthews.com

LIC # 01982875 (CA)

JOSH BISHOP

First Vice President

DIRECT +1 (214) 692-2289

MOBILE +1 (315) 730-6228

josh.bishop@matthews.com

LIC # 688810 (TX)

KYLE MATTHEWS

BROKER OF RECORD

LIC #. PB00084217 (AR)



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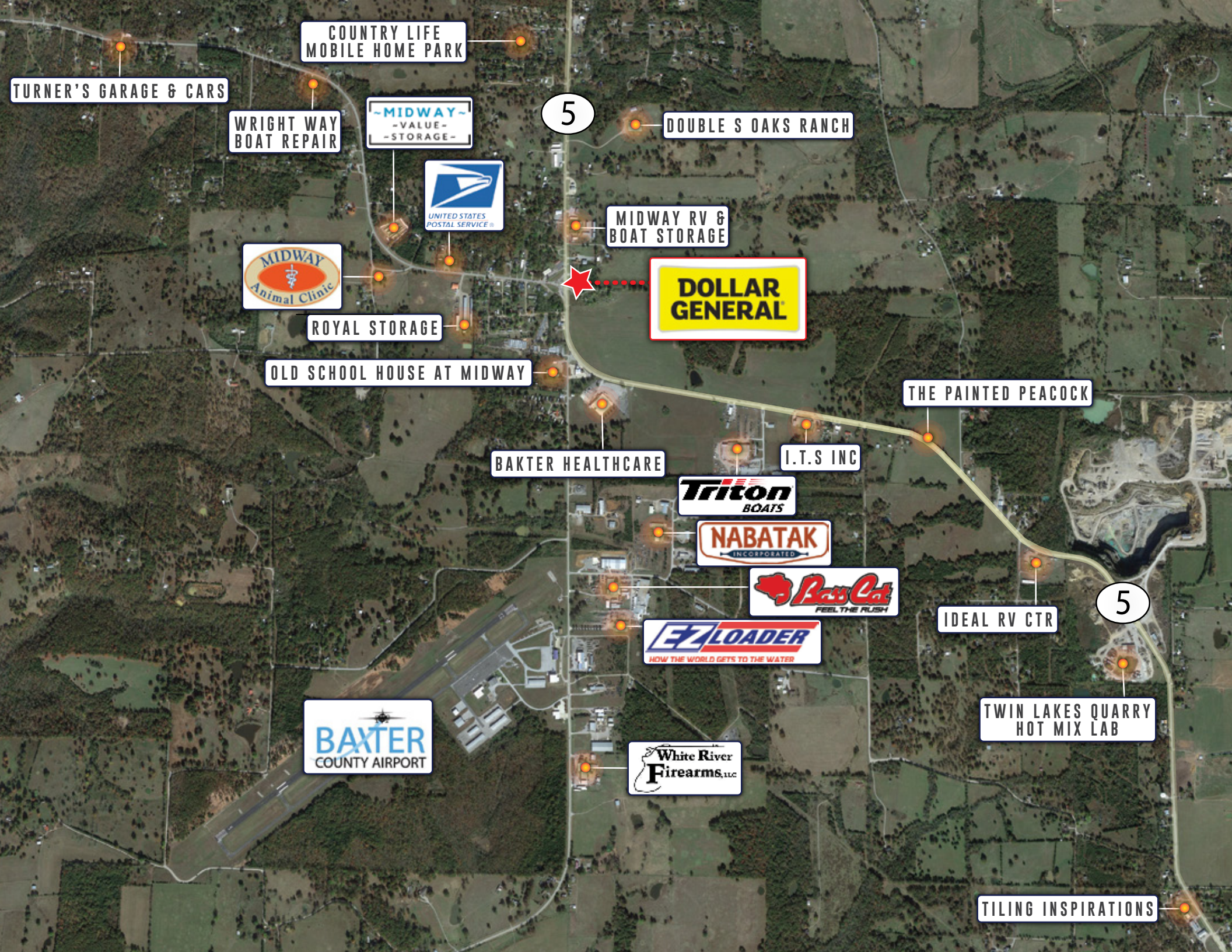
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AREA OVERVIEW

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS:

- **Zero Landlord Responsibilities** – Dollar General is on an absolute NNN lease where tenant is responsible for taxes, insurance, and all maintenance.
- **Rare Increase** – This lease offers a rare 3% rental increase in year 11 as well as the standard 10% increase in each option.
- **Corporately Guaranteed** – Dollar General Corporation (NYSE: DG) who increased their net sales by 21.5% in 2020, a pandemic-ridden year, to generate \$33.7B in revenue guarantees the lease.
- **Pandemic and E-Commerce Resistant** – Unlike many other retailers, Dollar General's business model of offering staple and convenient household products at "everyday low prices" allows them to thrive in both a booming economy and a recessionary economy as seen in 2020. Also given the price of their goods, they're able to fend off competition from e-commerce.
- **Consistent Sales Growth** - Dollar General has an investment-grade credit rating of BBB (S&P) and has reported 34 consecutive quarters of same-store sales growth.
- **Retailer with 3rd Most Stores in the US** - Dollar General has approx. 17,000 locations and another 1,000 new stores slated for 2021
- **Blue Collar Demographics** – The average household income within 5 miles is \$58,485, which is a prime target market for Dollar General's business model.
- **Low Cost of Living** - Midway's cost of living is 30.6% lower than the rest of the country.
- **Near Regional Tourist Attraction** - Bull Shoals Lake attracts 129,000 visitors annually.



COUNTRY LIFE
MOBILE HOME PARK

TURNER'S GARAGE & CARS

WRIGHT WAY
BOAT REPAIR

~MIDWAY~
-VALUE-
-STORAGE-

5

DOUBLE S OAKS RANCH



MIDWAY RV &
BOAT STORAGE



ROYAL STORAGE

**DOLLAR
GENERAL**

OLD SCHOOL HOUSE AT MIDWAY

THE PAINTED PEACOCK

BAKTER HEALTHCARE

I.T.S INC



IDEAL RV CTR

5

TWIN LAKES QUARRY
HOT MIX LAB



TILING INSPIRATIONS



\$1,381,000
LIST PRICE



6.10%
CAP RATE



\$84,321
NOI



±6.5 YRS
TERM REMAINING

BUILDING INFORMATION

[REDACTED]	
Address	6403 Hwy 5 North Midway, AR 72651
GLA (SF)	±9,156
Lot Size (AC)	±2.89
Year Built	2012

RENT ROLL

	Monthly	Annual	Annual Rent/SF	Cap Rate
Current - 12/31/2022	\$7,027	\$84,321	\$9.421	6.10%
1/1/2023 - 12/31/2027	\$7,238	\$86,851	\$9.48	6.71%
Option 1	\$7,961	\$95,536	\$10.43	7.38%
Option 2	\$8,758	\$105,090	\$11.48	8.12%
Option 3	\$9,633	\$115,599	\$12.63	8.93%
Option 4	\$10,597	\$127,159	\$13.89	9.82%
Option 5	\$11,656	\$139,875	\$15.28	10.80%

TENANT SUMMARY

Tenant Name	Dollar General Corporation
Type of Ownership	Fee Simple
Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsible
Term Remaining	±6.5 Years
Lease Commencement Date	12/18/2012
Lease Expiration Date	12/31/2027
Increases	3% in 2023 & 10% in Options
Options	Five, 5-Year

**Please contact a Capital Markets
Matthews™ agent for financing
options:**

PATRICK FLANAGAN
(214) 550-0277
patrick.flanagan@matthews.com

TENANT PROFILE

COMPANY NAME

Dollar General
Corporation

OWNERSHIP

Public

INDUSTRY

Dollar Stores

HEADQUARTERS

Goodlettsville, TN

NO. OF EMPLOYEES

±157,000

DOLLAR GENERAL

Dollar General is the fastest-growing retailer which currently boasts roughly 17,000 neighborhood general stores in 46 US states, primarily in the South, East, Midwest, and the Southwest. Roughly 75% of Dollar General's sales are derived from consumables (including refrigerated, shelf-stable, and perishable foods,) in addition to everyday household items such as paper towels, bath tissues, paper dinnerware, laundry, and home cleaning supplies. Dollar General offers some of America's most trusted name brands such as Clorox, Energizer, Proctor & Gamble, Hanes, Coca-Cola, Mars, Nestlé, Kimberly-Clark, Kellogg's, General Mills, Pepsi, and many others. Over the past few years, Dollar General has started to introduce alcohol and tobacco products such as cigarettes into their product mix, which has further driven revenue and increased profitability.

With its small-box store model typically measuring $\pm 9,100$ sq. ft, Dollar General targets cost-conscious consumers that prefer easier and quicker access to items than at super-sized competitors such as Wal-Mart and Costco (which are also often much farther away). Indeed, Dollar General's strategy of catering to the value-conscious has paid off big, both during and after the recession. The discount retailer boasted its expectation of 29 consecutive years of same-store sales growth in December 2018, attributable to its value and convenience proposition, along with strong consumables and seasonal goods sales.



BBB

S&P RATING



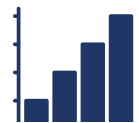
17,000+

LOCATIONS



\$33.7B

2020 REVENUE



21.5%

2020 YOY
SALES INCREASE



POPULATION



HOUSEHOLDS



INCOME



	2021 ESTIMATE	2026 PROJECTION	2021 ESTIMATE	2026 PROJECTION	2021 AVG. HOUSEHOLD INCOME
1-MILE	713	743 (4.26% ↑)	313	315 (0.56% ↑)	\$62,062
3-MILE	3,494	3,641 (4.20% ↑)	1,617	1,623 (0.35% ↑)	\$53,433
5-MILE	10,652	11,095 (4.16% ↑)	4,928	4,947 (0.38% ↑)	\$58,485

**Subject Property Demographics*

MIDWAY, AR

Situated between Bull Shoals and Mountain Home, Midway is a city in Baxter County, Arkansas. The city is served by Highway 5, Highway 126, and Highway 178. Highway 5 connects the city to Mountain Home, which is southeast of the city, and several small Missouri cities to the north. Highway 126 connects the city to Baxter County Airport and Gassville to the south. Highway 178 connects the city to Lakeview, Bull Shoals, and Bull Shoals Lake to the west. Midway has easy access to several outdoor attractions including Bull Shoals Lake and Norfork Lake in Mountain Home. Home to around 10,000 residents, the city of Midway has convenient access to the city amenities and attractions of both Bull Shoals and Mountain Home in addition to the numerous small businesses in its area.

Centrally located in the Twin Lakes area of Arkansas and just south of the Ozark Mountains, the city of Mountain Home is the county seat of Baxter County. Mountain Home has a population of over 12,300 residents within the city and over 41,300 residents with the city and the micropolitan combined, which includes most of Baxter County. The city also serves the needs of more than 256,000 people within a 55-mile radius, which encompasses 8 other counties. Mountain Home has a growing economy as it has a large base of employers from different industries, which provides lots of diverse employment opportunities for residents of the city. Mountain Home also offers lots of natural surroundings as it is near several lakes and rivers, which provide spaces for recreational activities. Residents of Mountain Home also have access to college education as Arkansas State University has a two-year campus in the city that offers associates degrees and certificates. Mountain Home is the ideal place for families, retirees, and young professionals who enjoy suburban living and being close to lots of outdoor recreational areas.

<https://enjoymountainhome.com/relocation/employment/>



±6 MILES TO
MOUNTAIN HOME

Mountain Home is supported by the tourism, healthcare, transportation, and telecommunications sectors of the local economy. Mountain Home's major employers include Baxter Healthcare, Ranger Boats, Eaton Corporation, and many more. The Baxter Regional Medical Center is an award-winning hospital that provides health care services to north-central Arkansas and south-central Missouri. Over 22 manufacturers, employing over 4,400 workers, call Mountain Home and the Twin Lakes area home. Mountain Home also has an institution of higher education, Arkansas State University-Mountain Home, which provides college education to residents seeking associates degrees and certifications. It helps provide highly-skilled and highly-educated workers into the Mountain Home workforce.



MOUNTAIN HOME, AR ATTRACTIONS

Mountain Home is in proximity to lots of rivers, lakes, and recreational sites. Situated just 14 miles east of the city, Norfork Lake offers over 550 miles of shoreline and covers over 22,000 acres. The lake is surrounded by 19 developed parks to support recreational activities such as camping, boating, and fishing. Located just 27 miles northwest of the city, Bull Shoals Lake and the White River below its dam are popular fishing destinations in Arkansas. Bull Shoals Lake is considered to be the fifth largest concrete dam in the United States as it occupies around 45,500 surface acres. With over 1,000 miles of shoreline, the lake is surrounded by over 20 parks to support recreational activities such as fishing, water skiing, and scuba diving. White River runs 720-miles through the Ozark Mountains and down into the lower delta region of Arkansas. A section of the White River near the Bull Shoals Dam is popular among fishing enthusiasts as it harbors some of the best trout fishing in the world. It also offers a variety of other fish such as catfish, bass, walleye, and sunfish. Fishing enthusiasts enjoy fly-fishing, spearfishing, and simply fishing from a boat on the White River.

ARKANSAS STATE UNIVERSITY – MOUNTAIN HOME

Arkansas State University has a Mountain Home campus located on the south side of the city. The ASUMH is a public, two-year institution that educates over 1,400 students. The university offers 60 programs in 3 areas of study for students to earn associates degrees and certificates in occupational fields. Associates degrees can be transferred to ASU's main campus in Jonesboro or to other universities for students planning to pursue a bachelor's degree or higher. The campus is known to have a state-of-the-art manufacturing technology training center. As a whole, Arkansas State University has a total economic impact of over 1.2 billion to the state.



\$1.2B

ECONOMIC IMPACT



#2

BEST COMMUNITY
COLLEGES IN THE U.S.

WALLETHUT, 2020



1,400+

STUDENTS

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General** located at **6403 Hwy 5 North, Midway, AR 52246** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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