



OFFERING MEMORANDUM



DOLLAR GENERAL[®]

1400 MORNING SIDE DRIVE | MILBANK, SD 57252

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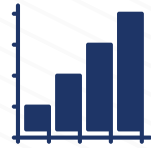
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\$2,266,965
LIST PRICE



5.50%
CAP RATE



±22,191 SF
GLA



1988/2020R
YEAR BUILT



±1.72 AC
LOT SIZE

INVESTMENT HIGHLIGHTS

- » Two tenant strip center anchored by Dollar General and O'Reilly Auto Parts
- » Dollar General has ± 8.75-Years remaining on an initial 10-Year lease
- » O'Reilly Auto Parts has ± 10-Years remaining on an initial 10-Year lease
- » The former ShopKo property was renovated for DG in 2020 and O'Reilly in 2021
- » Dollar General occupies 12,261 SF | O'Reilly occupies 9,930 SF
- » Attractive NN lease structure with minimal landlord responsibilities
- » Both leases are accompanied by a corporate guarantee
- » Both tenant have an investment grade credit rating of BBB
- » South Dakota in an income tax free state





DOLLAR GENERAL

SECTION 2

FINANCIAL OVERVIEW

RENT ROLL												
SUITE	TENANT	LEASE START	LEASE END	SQUARE FEET	CONTRACT RENTAL RATE		RENT \$ PSF		RENT INCREASES			OPTIONS
					YEAR	MONTH	\$ PSF/YR.	\$ PSF/MO.	DATE	\$ PSF/YR.	\$ PSF/MO.	
A	O'Reilly Auto Parts	Jan-22	Jan-32	9,930	\$34,755	\$2,896	\$3.50	\$0.29	Oct-26	\$3.71	\$0.31	4x5yr @ 6% Increases
B	Dollar General	May-20	May-30	12,261	\$89,928	\$7,494	\$7.33	\$0.61	Jun-25	\$8.08	\$0.67	4x5yr @ 10% Increases
Totals				22,191	\$124,683	\$10,390	\$5.62	\$0.47				

DOLLAR GENERAL TENANT SUMMARY

Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	10 Years
Lease Commencement Date	5/23/2020
Lease Expiration Date	5/31/2030
Term Remaining on Lease	±8.75 Years
Increase	10% Every 5 Years
Options	Four, 5-Year Options



DOLLAR GENERAL ANNUALIZED OPERATING DATA			
DATE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current - 5/31/2025	\$7,494.00	\$89,928.00	5.50%
6/1/2025 - 5/31/2030	\$8,243.00	\$98,916.00	6.05%
Option 1	\$9,068.00	\$108,816.00	6.66%
Option 2	\$9,975.00	\$119,700.00	7.32%
Option 3	\$10,972.00	\$131,664.00	8.05%
Option 4	\$12,069.00	\$144,828.00	8.86%

O'REILLY TENANT SUMMARY

Tenant Trade Name	O'Reilly Auto Parts
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	10 Years
Lease Commencement Date	1/15/2022
Lease Expiration Date	1/30/2032
Term Remaining on Lease	±10 Years
Termination Option	One Time Option in Year 7
Increase	6% Every 5 Years
Options	Four, 5-Year Options



O'REILLY ANNUALIZED OPERATING DATA			
DATE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current - 1/31/2027	\$2,896.25	\$34,755.00	5.50%
2/1/2027 - 1/31/2032	\$3,070.03	\$36,840.36	5.83%
Option 1	\$3,254.23	\$39,050.76	6.18%
Option 2	\$3,434.13	\$41,209.56	6.52%
Option 3	\$3,516.88	\$42,202.56	6.68%
Option 4	\$3,723.75	\$44,685.00	7.07%





DOLLAR GENERAL

O'Reilly AUTO PARTS

DOLLAR GENERAL

**AVERA MEDICAL GROUP MILBANK
BIEN PHARMACY**



**MILBANK AREA
HOSPITAL AVERA**

BREWSTER BUILDING CENTER



JOHNSON AUTOMOTIVE

VALLEY LIQUOR



**CHINA PANDA
MEXICAN STORE LA RANITA
PREMIER KITCHEN & BATH
QUICK PRO LUBE
WIRELESS WORLD**

**E. 4TH AVE
± 5,000 VPD**



JOHNSON AUTOMOTIVE
VALLEY LIQUOR



CHINA PANDA
MEXICAN STORE LA RANITA
PREMIER KITCHEN & BATH
QUICK PRO LUBE
WIRELESS WORLD



E. 4TH AVE
± 5,000 VPD



SECTION 4

TENANT OVERVIEWS

DOLLAR GENERAL®



Dollar General is the fastest-growing retailer which currently boasts roughly 17,500 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.



17,500+
LOCATIONS



\$33.7B
2020 REVENUE



1939
FOUNDED



The fast-growing company sells automotive aftermarket parts (both new and remanufactured), maintenance supplies, professional service equipment, tools, and accessories through some 5,616 stores across 47 US states and online. Many O'Reilly stores also offer customers a range of services, including oil and battery recycling, battery testing, paint mixing, and tool rental. The family founded and operated company wheels and deals with automotive professionals, as well as do-it-yourself customers.



5,616+
LOCATIONS



\$11.6B
2020 REVENUE



1957
FOUNDED



SECTION 4

AREA OVERVIEW

MILBANK, SD

Home to more than 3,000 residents, Milbank is a city in and the county seat of Grant County, South Dakota. Known as the birthplace of American Legion Basketball, the city of Milbank is positioned along the South Fork of the Whetstone River in northeastern South Dakota. Surrounded by lots of farmland, Milbank is a quiet community on the Yellowstone Trail, the first transcontinental highway, known today as US Highway 12. Some points of interest in the city include Lake Farley Park, which has playgrounds, a swimming beach with two docks, picnic shelters, and a walking path for residents who enjoy walking, jogging, and biking outdoors, and Milbank Grist Mill, which was built in 1884 that still stands forty-four feet high today and offers tours and live demonstrations several times a year. Just a couple of minutes outside of the city is Big Stone Lake and Big Stone National Wildlife Refuge, where lots of recreational activities can be enjoyed.



POPULATION



HOUSEHOLD



AVG INCOME

	2021 ESTIMATE	2026 PROJECTION	2021 ESTIMATE	2026 PROJECTION	2021 ESTIMATE
1-MILE	1,456	1,412	641	622	\$68,920
3-MILE	3,725	3,566	1,608	1,547	\$82,282
5-MILE	4,156	3,981	1,771	1,705	\$83,007

*SUBJECT PROPERTY DEMOGRAPHICS

SUBJECT PROPERTY

The map displays the state of Minnesota with various cities and towns labeled. Major cities include Minneapolis, St. Paul, Bloomington, Mankato, Rochester, and Sioux Falls. The 'SUBJECT PROPERTY' is indicated by a red banner in the northwest, near the Lake Traverse Reservation. The map also shows a network of highways, including Interstates 94, 35, 29, and 169, as well as various state routes like 71, 75, 59, 14, 81, 18, 63, 65, 69, 212, 218, and 35W.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General & O'Reilly** located at **1400 Morning Side Drive, Milbank, SD 57252** ("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.

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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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MATTHEWS™
REAL ESTATE INVESTMENT SERVICES