

Dollar General | Upgraded Construction| Riverside-San Bernardino MSA

1058 Old Woman Springs Rd, Yucca Valley, CA 92284



Marcus & Millichap

NON-ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

THIS IS A BROKER PRICE OPINION OR COMPARATIVE MARKET ANALYSIS OF VALUE AND SHOULD NOT BE CONSIDERED AN APPRAISAL. This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. 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 Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

Activity ID #ZAC0250210

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
marcusmillichap.com

EXCLUSIVELY LISTED BY

Jaime Salazar

Associate

Office: Tampa

Direct: 813.387.4769

Jaime.Salazar@marcusmillichap.com

Daniel Hurd

First Vice President Investments

Office: Tampa

Direct: 813.387.4746

Daniel.Hurd@marcusmillichap.com

Marcus & Millichap

BROKER OF RECORD

Christofferson, Adam
LIC # 00530854
California

Marcus & Millichap

NET LEASE DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Lease property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a Net Lease property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a Net Lease property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA
marcusmillichap.com



TABLE OF CONTENTS

SECTION 1 Executive Summary	7
--	---

SECTION 2 Property Information	11
---	----

SECTION 3 Financial Analysis	16
---	----

SECTION 4 Market Overview	18
--	----

SECTION 1

Executive Summary

OFFERING SUMMARY

INVESTMENT HIGHLIGHTS

Marcus & Millichap

OFFERING SUMMARY

\$

Listing Price

\$3,195,000

Cap Rate

5.40%

Price/SF

\$351.10

FINANCIAL	
Listing Price	\$3,195,000
Down Payment	36% / \$1,150,000
NOI	\$172,500
Cap Rate	5.40%
Price/SF	\$351.10
Rent/SF	\$18.96

OPERATIONAL	
Lease Type	Absolute Net
Guarantor	Corporate Guarantee
Lease Expiration	04/30/2030
Gross SF	9,100 SF
Rentable SF	9,100 SF
Lot Size	1.92 Acres (83,635 SF)
Occupancy	100%
Year Built	2015





DOLLAR GENERAL | UPGRADED CONSTRUCTION| RIVERSIDE-SAN BERNARDINO MSA

1058 Old Woman Springs Rd, Yucca Valley, CA 92284

INVESTMENT OVERVIEW

Marcus & Millichap is proud to exclusively offer for sale the Dollar General in 1058 Old Woman Springs Rd, Yucca Valley, California. The investment is being offered at \$3,195,000 which represents a 5.40% cap rate.

The beautifully designed 9,100 square foot building was built in 2015 and is strategically located in Yucca Valley, California. The Absolute Net lease has 8.6 years remaining on its original 15-year term. There are four 5-year lease renewal options with 10% rental increases within each one.

This Dollar General is in the Inland Empire, part of a 28,000-square-mile region in Southern California composed of San Bernardino and Riverside counties. The metro is expected to add nearly 180,000 people through 2025, and during this time, more than 60,700 households will be formed. The Inland Empire is also adjacent to Los Angeles MSA which projects an additional 3.5 million residents by 2050. Los Angeles, California is the largest county and city in the state, the second-largest city in the United States, the third-largest city in all North America. The city of Los Angeles will also host the Olympic Games in 2028. The subject property is located less than 2 hours from downtown Los Angeles, California, and within the nation's top industrial market. Locally, this Dollar General was built to enhance the community which is driven by millions of tourists that visit Joshua Tree National Park, the Giant Rock and the Integratron.

INVESTMENT HIGHLIGHTS

Absolute Net lease - 8.8 years remaining

Successful track record: 359 google reviews since 2015, averaging 4.3 out of 5 stars

This property is located within an opportunity zone which accelerates the ongoing gentrification of the area

The Dollar General's upgraded construction enhances the community

Traffic count of over 11,000 vehicles per day passing the site

Inland Empire MSA - Riverside/San Bernardino County

Approximately 2 hours from downtown Los Angeles

Four 5-year lease renewal options with 10% increases in rent

High-barrier to entry, supply-constricted market

No immediate competition, the closest dollar store is 10 miles away

There are over 32,000 residents within 10 miles of the subject property

Joshua Tree National Park, the Giant Rock, and the Integratron attract nearly 3 million tourists and campers to the area every year

Near the Marine Corps Air Ground Combat Center, also known as 29 palms, the largest United States Corps base

Soft Financing Quote: 65%LTV | 30 years amortization| 10 year term| 3.5%-3.75% interest rate (Marcus & Millichap Capital Corporation)

Contact Garrett Fierstein for more information on financing terms: (813) 391-0200 / Garrett.Fierstein@marcusmillichap.com

SECTION 2

Property Information

TENANT PROFILE

LOCAL MAP

RETAILER MAP

REGIONAL MAP

Marcus & Millichap

DOLLAR GENERAL®

TENANT HIGHLIGHTS

- Fourth Quarter Net Sales Increased 17.6%; Fiscal Year Net Sales Increased 21.6%
- Fourth Quarter Same-Store Sales Increased 12.7%; Fiscal Year Same-Store Sales Increased 16.3%
- Fourth Quarter Operating Profit Increased 21.0% to \$872.2 Million; Fiscal Year Operating Profit Increased 54.4% to \$3.6 Billion
- Fourth Quarter Diluted Earnings Per Share (“EPS”) increased 24.8% to \$2.62; Fiscal Year Diluted EPS Increased 59.9% to \$10.62
- Annual Cash Flows From Operations Increased 73.2% to \$3.9 Billion

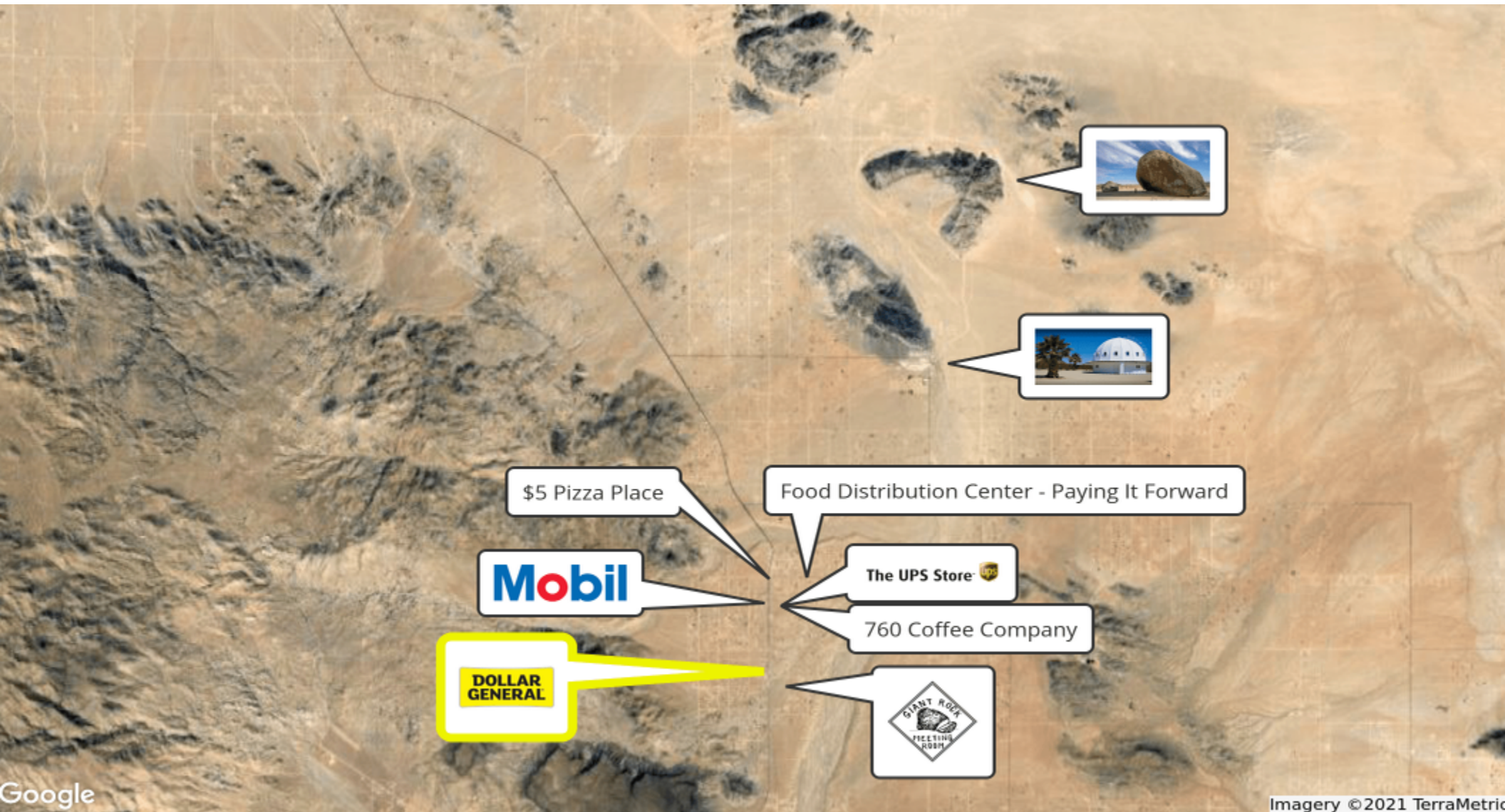
TENANT OVERVIEW

Company:	Dollar General Corporation
Founded:	1955
Locations:	17,000 +
Total Revenue:	26.47 Billion
S & P Credit Rating:	BBB
Headquarters:	Goodlettsville. TN
Website:	https://www.dollargeneral.com/

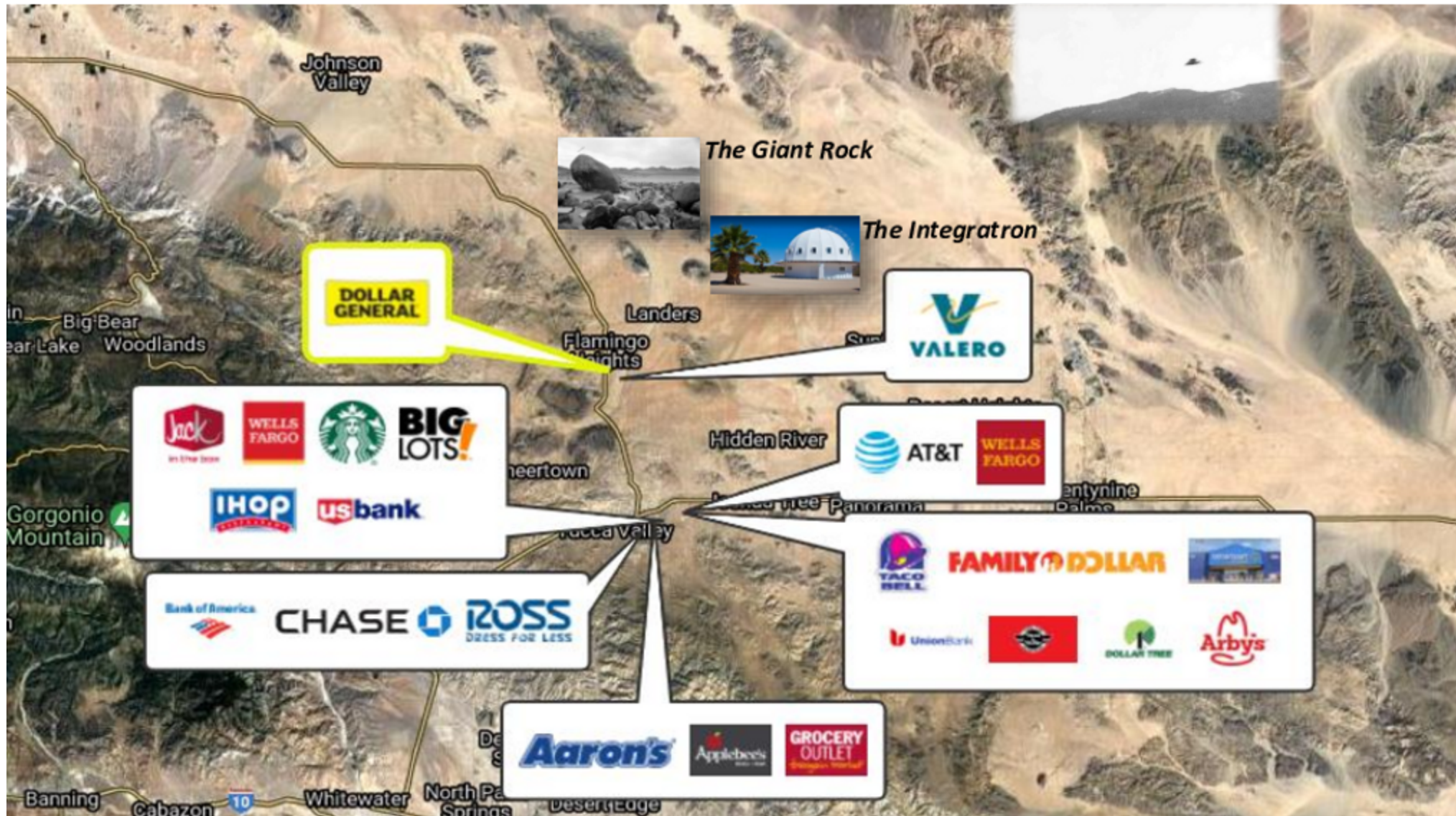
TENANT SUMMARY

Dollar General Corporation has been delivering value to shoppers for over 75 years. Dollar General helps shoppers Save time. Save money. Every day!® by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, clothing for the family, housewares, and seasonal items at low everyday prices in convenient neighborhood locations. Dollar General operated 17,000+ stores in 44 states as of March 2021. In addition to high-quality private brands, Dollar General sells products from America’s most-trusted brands such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg’s, General Mills, Nabisco, Hanes, PepsiCo, and Coca-Cola.

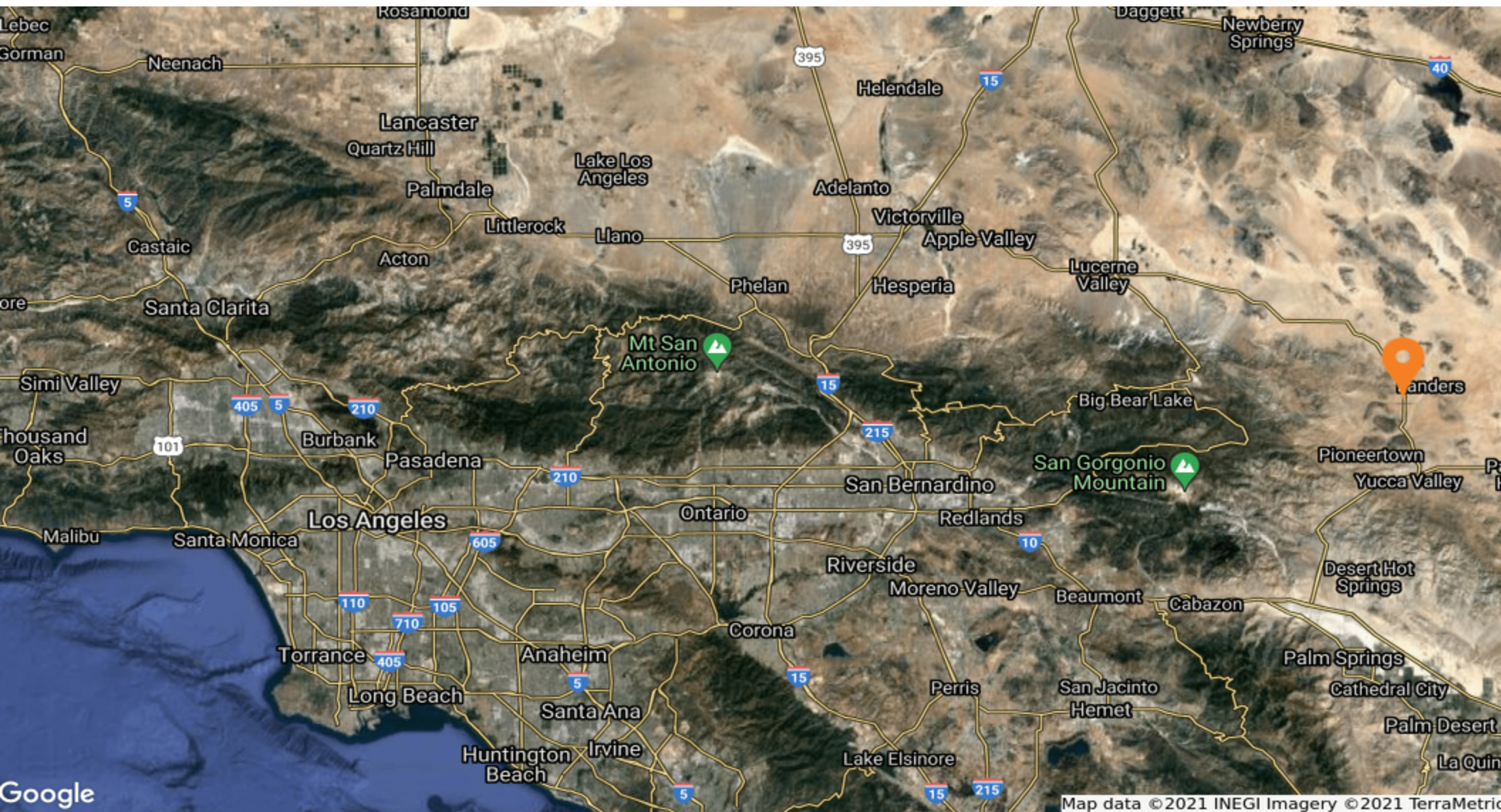
Dollar General | Upgraded Construction| Riverside-San Bernardino MSA // LOCAL MAP



RETAILER MAP // Dollar General | Upgraded Construction| Riverside-San Bernardino MSA



Dollar General | Upgraded Construction| Riverside-San Bernardino MSA // REGIONAL MAP



SECTION 3

Financial Analysis

FINANCIAL DETAILS

Marcus & Millichap

Dollar General | Upgraded Construction| Riverside-San Bernardino MSA // FINANCIAL DETAILS

THE OFFERING	
Price	\$3,195,000
Capitalization Rate	5.40%
Price/SF	\$351.10

PROPERTY DESCRIPTION	
Year Built / Renovated	2016
Gross Leasable Area	9,100 SF
Type of Ownership	Fee Simple
Lot Size	1.96 Acres

LEASE SUMMARY	
Tenant	Dollar General
Rent Increases	10% increases each 5 year option
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	04/15/2015
Lease Expiration	04/30/2030
Renewal Options	Four 5-year options to renew
Term Remaining on Lease (Yrs)	8.6 Years
Landlord Responsibility	N/A
Tenant Responsibility	Absolute Net

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$172,500	\$14,375	\$18.96	5.40%
Option 1	\$189,750	\$15,813	\$20.85	5.94%
Option 2	\$208,725	\$17,394	\$22.94	6.53%
Option 3	\$229,597	\$19,133	\$25.23	7.19%
Option 4	\$252,557	\$21,046	\$27.75	7.90%

SECTION 4

Market Overview

MARKET OVERVIEW

DEMOGRAPHICS

Marcus & Millichap

RIVERSIDE-SAN BERNARDINO

Known as the Inland Empire, the Riverside-San Bernardino metro is a 28,000-square-mile region in Southern California composed of San Bernardino and Riverside counties. The metro contains a population of 4.6 million. The largest city is Riverside with more than 324,100 residents, followed by San Bernardino with 218,800 people. Valleys in the southwestern portion of the region that are adjacent to Los Angeles, Orange County and San Diego County are the most populous in the metro. These areas abut the San Bernardino and San Jacinto mountains, behind which lies the high desert area of Victorville/Barstow to the north and the low-desert Coachella Valley, home of Palm Springs, to the east.

METRO HIGHLIGHTS



STRATEGIC LOCATION

Interstate access and proximity to LAX and Ontario International airports as well as ports in Long Beach and Los Angeles contribute to the metro's vast air, rail and interstate transit network.



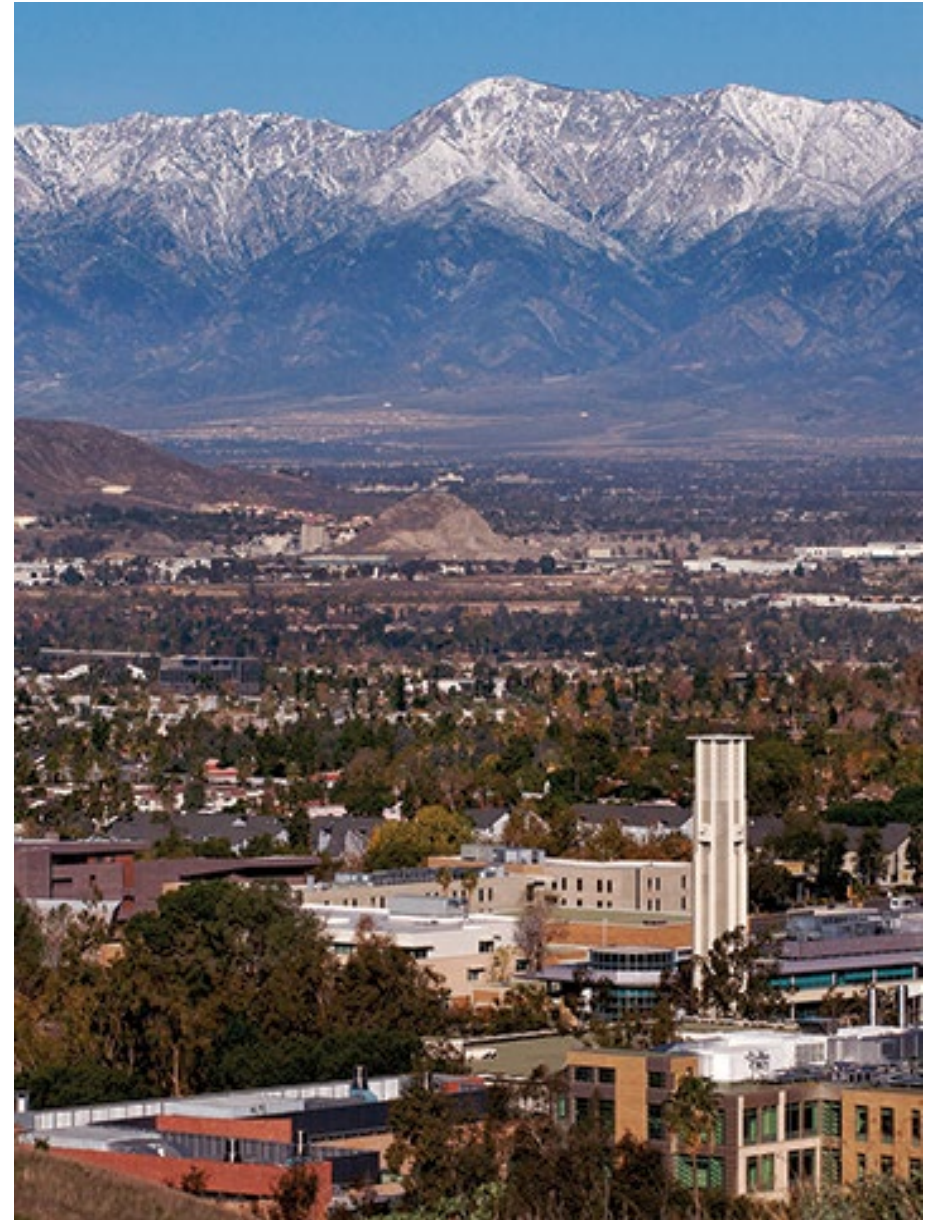
DOMINANT INDUSTRIAL MARKET

Riverside-San Bernardino is one of the nation's leading industrial markets in terms of sales, construction and absorption.



STRONG DEMOGRAPHIC TRENDS

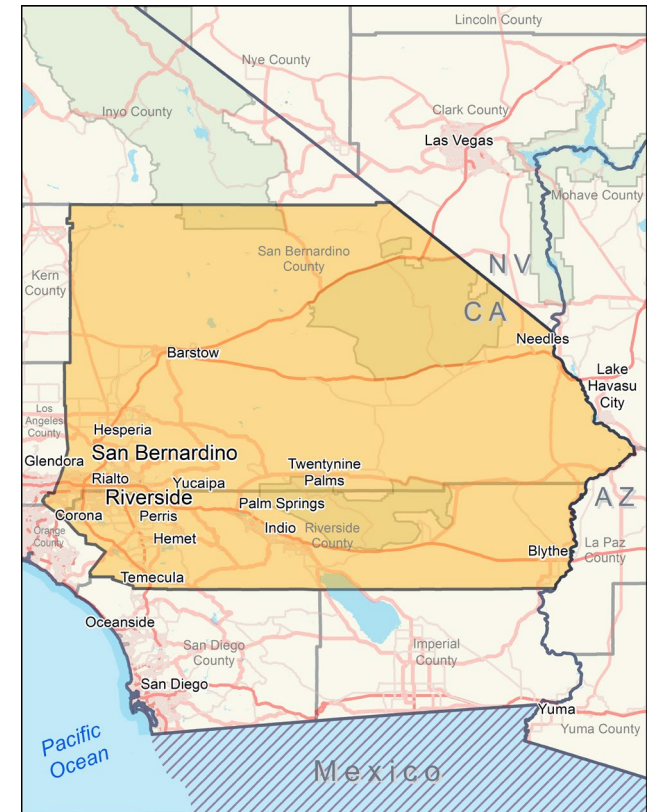
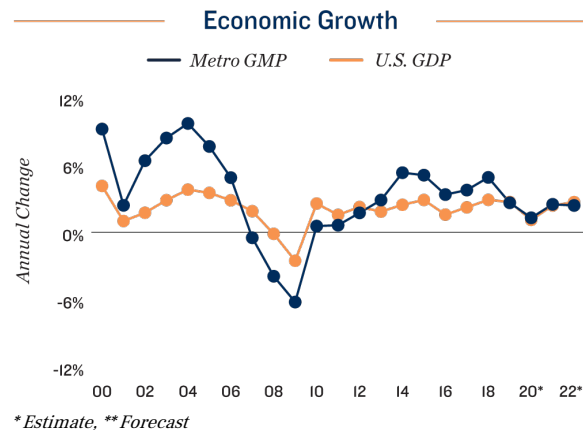
Jobs, colleges, new-home construction and more affordable housing options draw thousands of new residents to the Inland Empire each year.



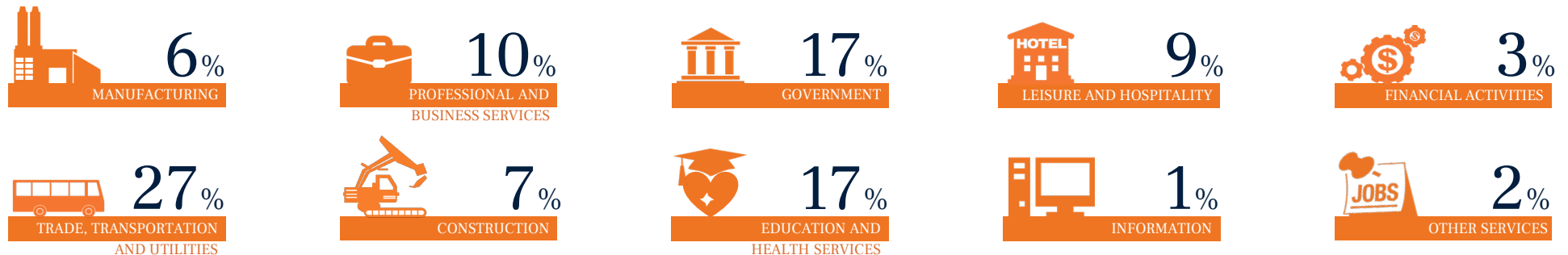
ECONOMY

- Intermodal infrastructure supports the warehousing and distribution industry. Ontario International and the Southern California Logistics Airport in Victorville are cargo airports that supplement the distribution system.
- Growth in the distribution industry impacts all others. Many Fortune 500 companies have massive distribution centers in the area, such as Amazon and Deckers. Available land allows further development.
- Relatively affordable housing compared with nearby counties supports local population growth. These gains heighten the need for housing, retail goods, and personal and government services.

MAJOR AREA EMPLOYERS
Kaiser Permanente
Riverside Community Hospital
AT&T
Loma Linda University Medical Center
Flexsteel Industries
Walmart
University of California, Riverside
Amazon
Inland Cold Storage
Toro



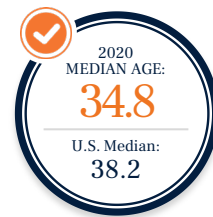
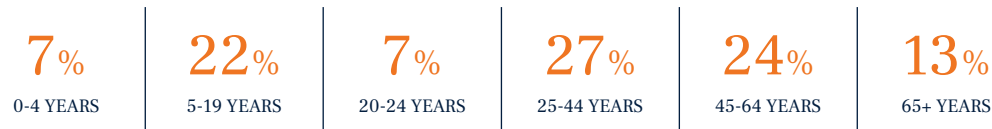
SHARE OF 2020 TOTAL EMPLOYMENT



DEMOGRAPHICS

- The metro is expected to add nearly 180,000 people through 2025, and during this time, more than 60,700 households will be formed, generating demand for housing.
- The homeownership rate of 63 percent is higher than other large metros in the state.
- The median home price of \$464,000 is more affordable than larger Southern California metros.

2020 Population by Age



QUALITY OF LIFE

Relatively affordable housing is a large draw of the metro. The median home price in Riverside-San Bernardino is lower than in Los Angeles and Orange counties. The Inland Empire provides cultural opportunities, including the Riverside Metropolitan Museum and the Museum of History and Art in Ontario. The Riverside County Philharmonic performs classical music concerts throughout the area. The region features an impressive offering of college campuses, including nine community colleges, California State University, San Bernardino and the University of California, Riverside.

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

SPORTS



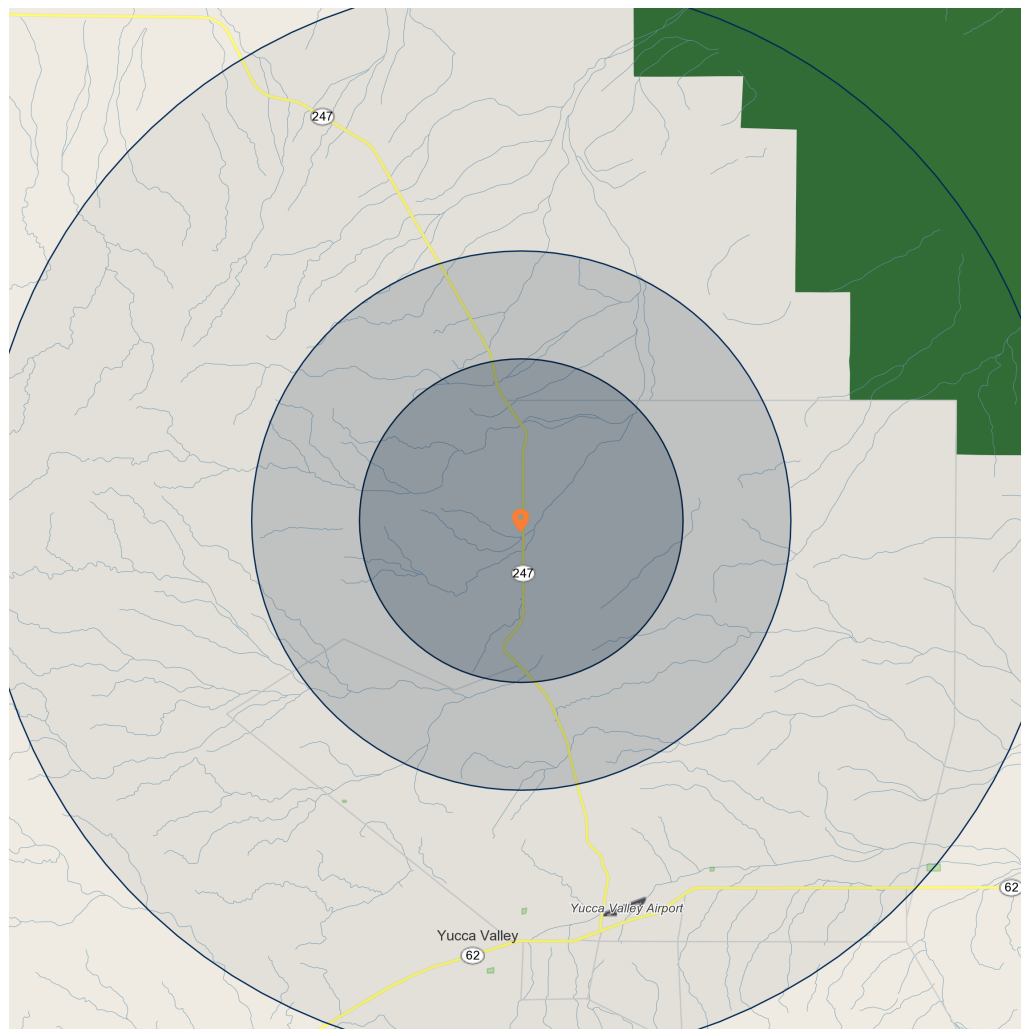
EDUCATION



ARTS & ENTERTAINMENT



DEMOGRAPHICS // Dollar General | Upgraded Construction| Riverside-San Bernardino MSA



POPULATION	3 Miles	5 Miles	10 Miles
2025 Projection	1,994	5,341	34,153
2020 Estimate	1,956	5,244	34,020
2010 Census	1,865	4,957	32,601
2000 Census	1,477	3,857	26,627
HOUSEHOLD INCOME			
Average	\$53,173	\$55,410	\$57,798
Median	\$36,557	\$37,553	\$41,561
Per Capita	\$23,997	\$23,355	\$24,025
HOUSEHOLDS			
2025 Projection	910	2,269	14,205
2020 Estimate	883	2,210	14,068
2010 Census	813	2,037	13,251
2000 Census	666	1,616	11,045
HOUSING			
Median Home Value	\$150,873	\$154,168	\$164,508
EMPLOYMENT			
2020 Daytime Population	1,045	3,025	24,878
2020 Unemployment	4.12%	4.43%	4.26%
Average Time Traveled (Minutes)	38	38	29
EDUCATIONAL ATTAINMENT			
High School Graduate (12)	35.77%	34.21%	30.12%
Some College (13-15)	29.85%	30.01%	31.55%
Associate Degree Only	8.39%	8.70%	8.39%
Bachelor's Degree Only	7.85%	7.91%	10.52%
Graduate Degree	4.12%	4.38%	5.90%

The background image is a composite of two photographs. The left side shows a desert landscape with dry grass, a utility pole, and a clear blue sky. The right side shows a Dollar General store with its name in yellow letters on the building facade. Several cars are parked in the lot in front of the store. A dark blue semi-transparent rectangle is overlaid on the center of the image, containing white and orange text.

EXCLUSIVELY LISTED BY

Jaime Salazar

Associate
Office: Tampa
Direct: 813.387.4769
Jaime.Salazar@marcusmillichap.com

Daniel Hurd

First Vice President Investments
Office: Tampa
Direct: 813.387.4746
Daniel.Hurd@marcusmillichap.com

Marcus & Millichap