



Dollar General | 4 Year Net Lease | Healthy Sales



1332 U.S.-34, Earlville, IL

Confidential Offering Memorandum

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INVESTMENT HIGHLIGHTS

- 4 YEARS OF LEASE TERM REMAINING WITH TWO, FIVE-YEAR OPTIONS
- 15 YEAR+ OPERATING HISTORY BY THE TENANT AT THE STORE, WITH MULTIPLE LEASE EXTENSIONS, SHOWING COMMITMENT TO THE LOCATION
- INVESTMENT-GRADE CREDIT FROM THE LEADING DISCOUNT RETAILER
- NET LEASED PROPERTY WITH MINIMAL LANDLORD OBLIGATIONS
- HEALTHY RENT-TO-SALES RATIO AT THE LOCATION AND CONSISTENT SALES GROWTH
- LOW OPERATIONAL COST RELATIVE TO THE TENANT'S NATIONAL FOOTPRINT CREATE A STICKINESS TO THE LOCATION
- THE ONLY DOLLAR GENERAL WITHIN A 12-MILE RADIUS AND THE PRIMARY GENERAL STORE WITHIN THE REGION
- STRONG POSITION ON ROUTE 34 IN NORTH-CENTRAL ILLINOIS NEAR THE CHICAGO MSA

Price: \$870,000

Cap Rate: 7.00%



THE OFFERING

DOLLAR GENERAL

Jones Lang LaSalle Americas, Inc. (“JLL”) is pleased to offer the fee-simple interest in a single-tenant Dollar General in Earlville, IL (the “Property”). Dollar General (the “Tenant”) has executed multiple lease renewals at the location, and currently has four years of lease term remaining in the primary term, with two, five-year renewal options remaining with 5% increases in each option. The Property’s net lease structure allows for minimum landlord responsibilities and a passive income stream for future Ownership. Dollar General (the “Tenant”) is an investment-grade tenant and the largest discount retailer in the country with over 17,000 locations, and has operated at the store since 2007, with a strong track record of sales growth and a healthy rent-to-sales ratio (contact JLL for details). Dollar General has seen tremendous sales growth since the onset of the COVID-19 pandemic, proving out as one of the most resilient businesses models in the U.S. economy. The Property is located along Route 34 in north-central Illinois, with minimal surrounding competition as the only Dollar General location within a 12-mile radius.

This Offering represents an opportunity to own a single-tenant Dollar General with strong sales and a history of commitment to the location, providing secure income backed by an investment-grade tenant. The Tenant has 4 years remaining on the lease and has executed multiple lease extensions, with two, five-year options remaining.



LEASE ABSTRACT & PROPERTY OVERVIEW

Address	1332 US-34
City, State	Earlville, IL
Tenant	Dollar General (Corporate)
Lease Type	NN (roof & structure, parking on the Landlord)
Building Size	9,100 SF
Year Built / Renovated	2005
Site Size	1.21 acres
Total Rent	\$60,840 \$6.69 PSF
Occupancy Since	2005
Lease Expiration	10/31/2025
Remaining Term	4 years
Options	2 x 5 years
Rent Increases	5% at every option period
Sales Reporting	Yes – Sign NDA & Contact JLL for details





TENANT OVERVIEW

Dollar General Corporation

For more than 80 years, Dollar General Corporation (“Dollar General” or “DG”) has been delivering value to shoppers, helping them save money and time every day. Dollar General’s more than 17,000 store across 46 states offer essentials like food, snacks, health and beauty aids, cleaning supplies, apparel, housewares, and seasonal items from both trusted national brands and Dollar General’s private brands. Substantially lower prices when compared against its competitors and efficient store formats in convenient locations allow have allowed Dollar General to achieve growth and financial success through a variety of economic cycles.



Largest

Discount Retailer in the U.S.



17,000+
Store
Locations



46
States



+158,000
Employees



~75%
Of Population
lives within 5-7
miles of a Dollar
General



31
Consecutive Years
of Same-Store
Sales Growth



<\$10.00
Avg. Item
Cost

DOLLAR GENERAL

\$50.2 B

Market Capitalization (as of
October 2021)

NYSE: DG

Ticker

S&P Global

BBB

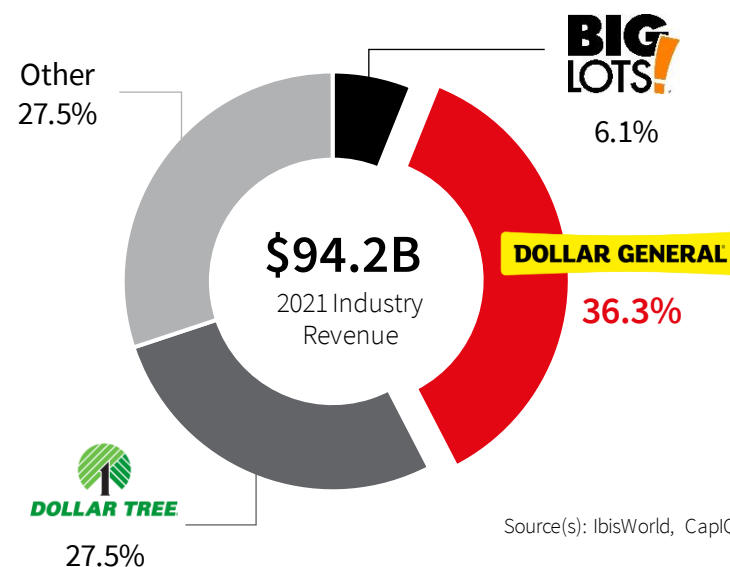
Stable

MOODY'S

Baa2

Stable

U.S. Dollar & Variety Stores Market Share



TENANT OVERVIEW

Tenant Highlights

Market-Leading, Investment Grade

- DG is currently the largest discount retailer in the country and holds over 36% of the total U.S. Dollar & Variety Stores market share.
- DG has sustained its investment grade rating at S&P and Moody's since 2015 and 2013, respectively.

Strong, Consistent Sales Growth

- DG's sales perform well across economic cycles as evident by 31 years of consecutive same-store sales growth.
- Deemed an essential retailer, DG locations were operational throughout 2020. Growth in unemployment, economic weakness, and increased at-home consumption drove higher same-store sales growth in 2020.

Stable Margins with Initiatives to Expand Underway

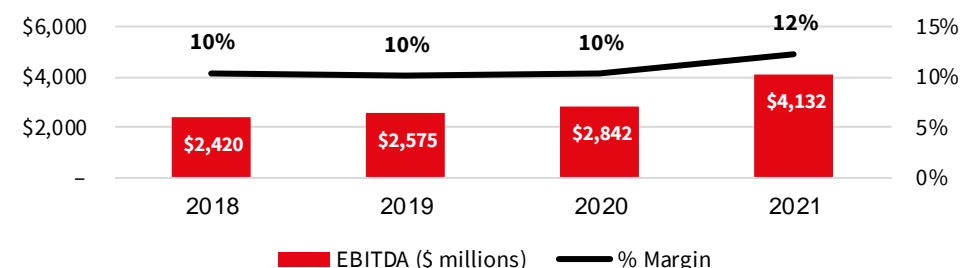
- DG's low operating cost model built upon small store format with efficient net sales/SF and high purchasing power created by targeted product selection have allowed it to achieve stable margins over the past few years.
- Initiatives like DG Fresh (DG's self-distribution model for frozen and refrigerated goods) and the recent sales mix shift from lower margin products (consumables) to higher margin items (housewares and seasonal) will help drive future margin expansion.

Future Growth Opportunities

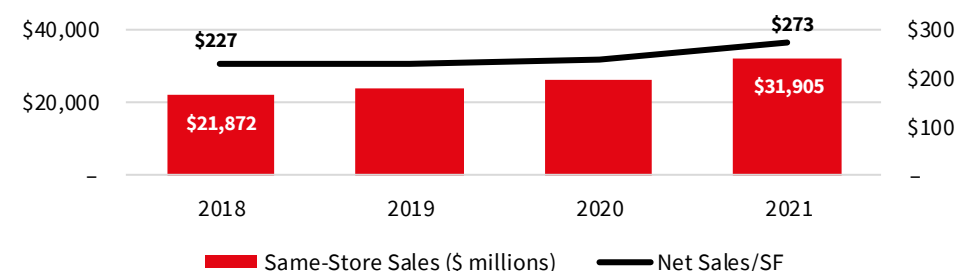
- A new buy online, pickup in-store initiative, DG Pickup, is currently available in 17,000 stores and creates another convenient access point for customers that will drive additional sales.
- DG opened 1,000 stores in 2020 and plans to open another 1,050 in 2021. The company's low leverage (1.0x in FY2020) and healthy cash generation allow it to continue to capture growth opportunities.

DOLLAR GENERAL®

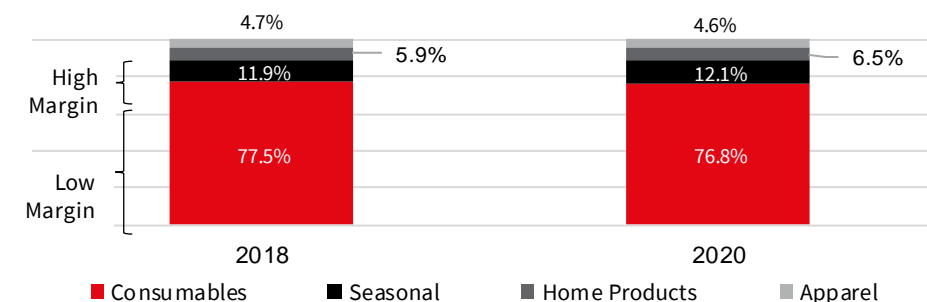
EBITDA and Profitability



Sales Performance



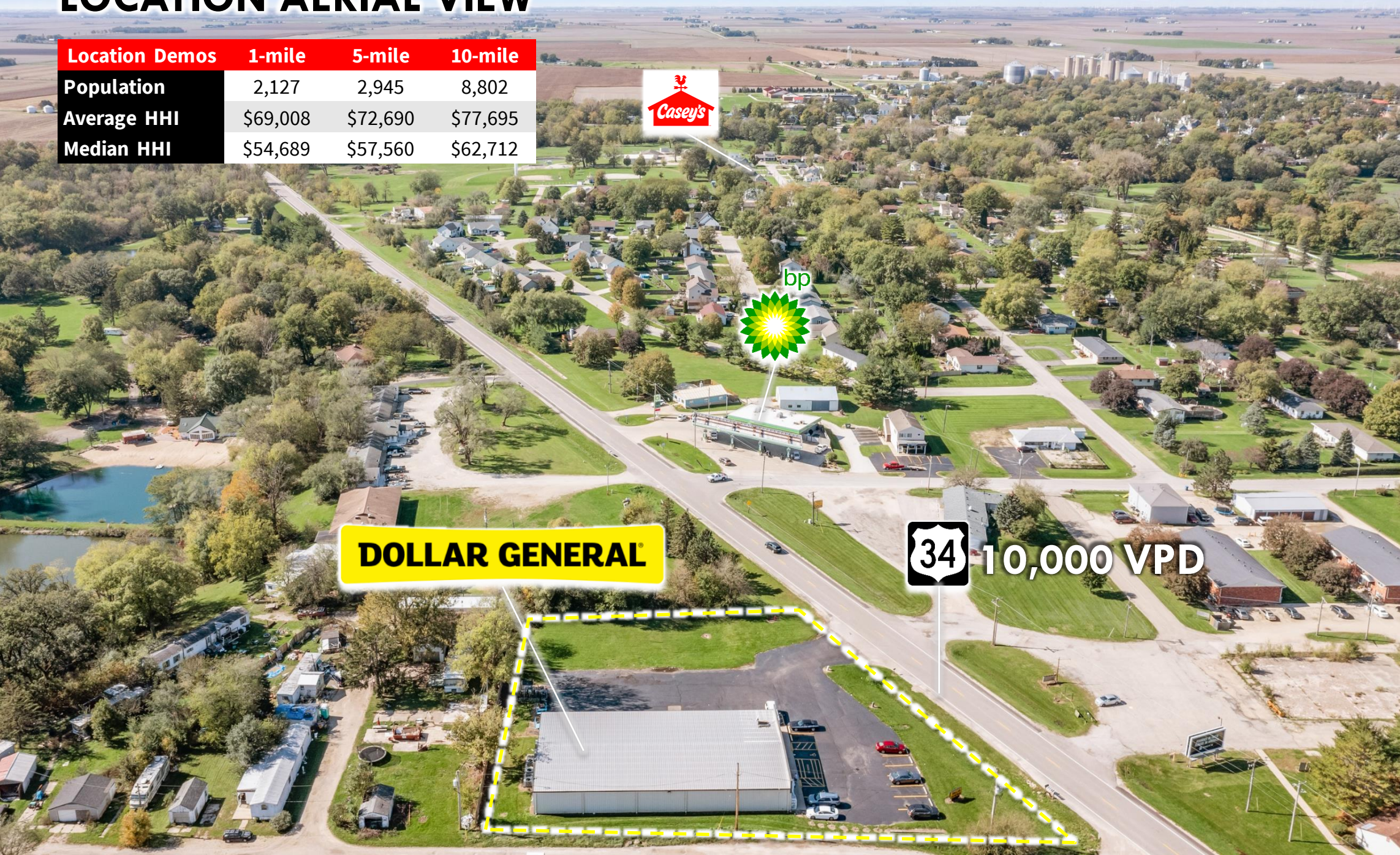
Sales Mix



* Total Debt, excl. lease obligations / EBITDA
Source(s): CapIQ and company 10K report

LOCATION AERIAL VIEW

Location Demos	1-mile	5-mile	10-mile
Population	2,127	2,945	8,802
Average HHI	\$69,008	\$72,690	\$77,695
Median HHI	\$54,689	\$57,560	\$62,712



PROPERTY PHOTOGRAPHY



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