

9-Year Dollar General - Clear Lake, SD

Clear Lake, SD



Absolute Net | 2015 Build | Minimal Competition

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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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SECTION 1

Executive Summary

OFFERING SUMMARY

INVESTMENT HIGHLIGHTS

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OFFERING SUMMARY



Listing Price
\$1,392,409



Cap Rate
5.85%



Price/SF
\$153.01

FINANCIAL

Listing Price	\$1,392,409
Down Payment	100% / \$1,392,409
NOI	\$81,456
Cap Rate	5.85%
Price/SF	\$153.01
Rent/SF	\$0.75

OPERATIONAL

Lease Type	Absolute Net
Guarantor	Corporate Lease
Lease Expiration	9 Years Remaining
Gross SF	9,190 SF*
Rentable SF	9,100 SF*
Lot Size	1.34 Acres (58,370 SF)
Year Built	2015

*Note: Square Footage is an approximation from county records.



9-YEAR DOLLAR GENERAL - CLEAR LAKE, SD

1207 3rd Ave S, Clear Lake, SD 57226

INVESTMENT OVERVIEW

Marcus & Millichap presents for sale the Dollar General in Clear Lake, South Dakota. This 9,100 square-foot* property sits on 1.34 acres of land in Deuel County. The Dollar General was built in 2015, making this a newer property. A new buyer would inherit a corporate absolute net lease with nine years remaining on the initial lease term and four, five-year options. Tenant is responsible for taxes, maintenance, and holding insurance. The new landlord will pay taxes up front, but they submit for reimbursement to Dollar General within 12 months. Dollar General itself has an S&P credit rating of BBB.

Clear Lake, SD is a rural area in South Dakota with minimal access to other stores. The city has about 1,300 residents as of 2019. However, the city serves as the county seat for Deuel County, so traffic comes through the city from other parts of the county.

*Note: Square footage is approximated from County Records.

INVESTMENT HIGHLIGHTS

About Nine Years Remaining on Lease Term with Four, Five-Year Options

Dollar General S&P Credit Rating of BBB

South Dakota is an Income Tax-Free State

Limited Competition - No Family Dollar, Dollar Tree, or Dollar General within 25+ Miles

Absolute Net Property - No Landlord Responsibilities

SECTION 2

Financial Analysis

FINANCIAL DETAILS

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FINANCIAL DETAILS // 9-Year Dollar General - Clear Lake, SD

THE OFFERING	
Price	\$1,392,410
Capitalization Rate	5.85%
Price/SF	\$149.56

PROPERTY DESCRIPTION	
Year Built / Renovated	2015
Gross Leasable Area	9,310 SF
Type of Ownership	Fee Simple
Lot Size	1.34 Acres

LEASE SUMMARY	
Tenant	Dollar General
Rent Increases	Years 11-15: \$83,892
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	10/11/2015
Lease Expiration	10/30/2030
Renewal Options	Four, 5-Year Options
Term Remaining on Lease (Yrs)	9 Years
Landlord Responsibility	Taxes, Reimbursed by Tenant
Tenant Responsibility	Taxes, Maintenance, Insurance

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$81,456	\$6,788	\$8.75	5.85%
Years 11-15	\$83,892	\$6,991	\$9.01	6.02%
Option 1	\$92,280	\$7,690	\$9.91	6.63%
Option 2	\$101,508	\$8,459	\$10.90	7.29%
Option 3	\$111,660	\$9,305	\$11.99	8.02%
Option 4	\$122,832	\$10,236	\$13.19	8.82%

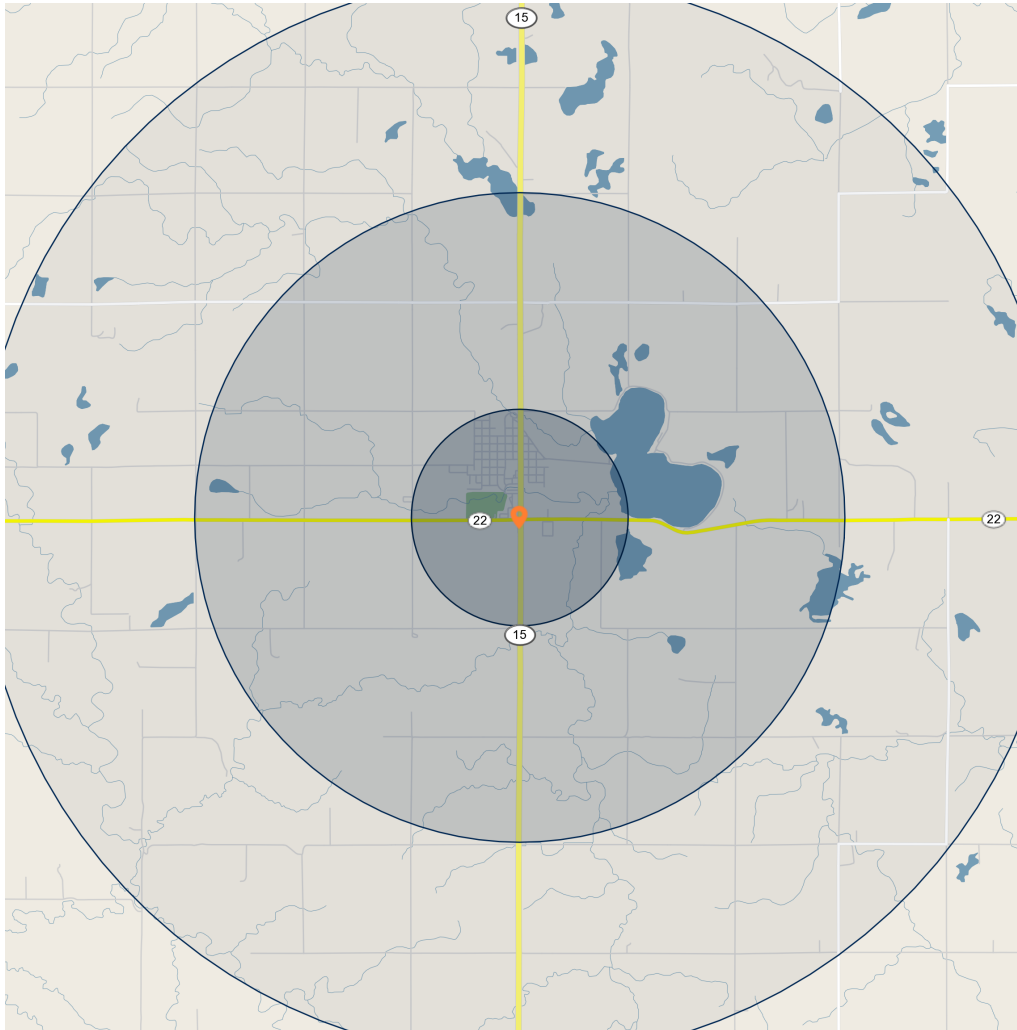
SECTION 3

Market Overview

DEMOGRAPHICS

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DEMOGRAPHICS // 9-Year Dollar General - Clear Lake, SD



POPULATION

	1 Mile	3 Miles	5 Miles
2026 Projection	1,236	1,455	1,608
2021 Estimate	1,255	1,476	1,627
2010 Census	1,272	1,496	1,645
2000 Census	1,293	1,521	1,677

HOUSEHOLD INCOME

	1 Mile	3 Miles	5 Miles
Average	\$62,449	\$63,080	\$64,708
Median	\$56,008	\$56,074	\$56,274
Per Capita	\$27,424	\$26,790	\$27,106

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2026 Projection	537	611	667
2021 Estimate	544	619	674
2010 Census	552	628	682
2000 Census	559	636	692

HOUSING

	1 Mile	3 Miles	5 Miles
Median Home Value	\$95,263	\$96,037	\$98,170

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2021 Daytime Population	1,470	1,700	1,797
2021 Unemployment	5.18%	5.20%	5.23%
Average Time Traveled (Minutes)	14	15	16

EDUCATIONAL ATTAINMENT

	1 Mile	3 Miles	5 Miles
High School Graduate (12)	38.93%	38.86%	38.65%
Some College (13-15)	17.79%	17.84%	17.95%
Associate Degree Only	10.18%	10.32%	10.66%
Bachelor's Degree Only	15.81%	15.81%	15.83%
Graduate Degree	6.42%	6.38%	6.28%



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