

# DOLLAR GENERAL

# OFFERING MEMORANDUM

10 Town House Road, Union, Maine 04862

Actual Store Photo



Marcus & Millichap  
HURD NET LEASE GROUP

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Activity ID #ZADO250251

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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.

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HURD NET LEASE GROUP

# TENANT OVERVIEW

MARKET CAP

**\$48B**



TRADED ON

NYSE

TICKER : **DG**



**DOLLAR GENERAL®**

NET SALES 2020

**\$33.7B**



S&P RATING

**BBB**

REVENUE

**\$7.8B**



**1000+ NEW  
STORES TO  
OPEN IN 2021**



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# OFFERING SUMMARY



LIST PRICE

**\$2,100,174**



CAP RATE

**5.75%**



TERM REMAINING

**10.5 Years**

## RENT SCHEDULE

Current	\$120,760	\$10,063.31	5.75%
Option 1	\$132,836	\$11,069.64	6.32%
Option 2	\$146,119	\$12,176.60	6.96%
Option 3	\$160,731	\$13,394.26	7.65%
Option 4	\$176,804	\$14,733.69	8.42%

## OPERATIONAL

Lease Type	Absolute Net
Guarantor	Dolgen. Corp
Lease Expiration	11/30/2032
Year Built	2017
Building Size	9,100 Sq Ft
Lot Size	2.72 Acres

# OVERVIEW

## PROPERTY OVERVIEW

The Hurd Net Lease Group with Marcus and Millichap is pleased to exclusively offer for sale the Dollar General located at 10 Town House Road in Union, Maine 04862.

This investment opportunity is being offered at \$2,100,174 which represents a 5.75% cap rate.

The subject property is a 9,100 square foot built-to-suit prototype that was constructed in 2017. Located on a four way corner lot, the site also benefits from an oversized 2.7 acre parcel. There are currently more than ten years remaining on the initial fifteen year lease term and there are four, five year renewal options with 10% rental increases. The absolute net lease structure supplies investors with a truly passive income and no landlord responsibilities.

With Approximately 4,800 residents living within a five mile radius and more than 7,000 vehicles passing by the site daily, the area hosts ideal dollar store demographics. The surrounding population is projected to increase by more than two percent through 2026 and there is a significant competition void, as this is the only Dollar General store within a sixteen mile radius. There is a strong agricultural presence in the area including tenants such as John Deere and Union Farm Equipment.

Union is located just miles from the Ragged Mountain Preserve which is a nature preserve near the Northeastern coast known for its trails, paths and parks. This area of the preserve is a destination spot and offers some of the steepest and most strenuous hiking in the entire midcoast region.

This is a rare opportunity to purchase a corporately guaranteed investment credit tenant in a high barrier to entry state, as there is a limited supply of Dollar Generals located in Maine.

# OVERVIEW

## INVESTMENT HIGHLIGHTS

- Absolute Net Lease With 10.5 Years Remaining
  - 2017 Built-to-Suit Construction
- Four, Five-Year Options Remaining With 10% Rental Increases
- Rare Investment Opportunity (Limited Amount of Dollar Generals in the State of Maine)
  - Sits on a Large 2.7 Acre Parcel
  - Positioned on the Corner of a Four Way Intersection
- Competition Void: Closest Dollar General is Over 16 Miles Away
  - Just Miles From the Ragged Mountain Preserve
- Located One Mile From the Union Fairgrounds Which Host the Annual "Union Fair"
  - Immediate Area has a Strong Agricultural Presence
- Nations Largest Small-Box Discount Retailer (More Than 17,000 Stores in 43 States)
  - Approximately 4,800 Residents Within A 5-Mile Radius
  - More Than 7,000 Vehicles Pass The Site Daily
- Average household income of \$73,530 Within A 5-Mile Radius
  - S&P Credit Rating: BBB

# DEMOGRAPHICS

Population	1 Mile	3 Miles	5 Miles
2026 Projection	409	2,187	4,915
2021 Population	399	2,134	4,797
2010 Census	380	2,042	4,646

Household Income			
Average	\$70,987	\$71,594	\$73,530

Households			
2026 Projection	174	1,019	2,110
2021 Estimate	167	979	2,037
2010 Census	159	936	1,965

Housing			
Median Home Value	\$195,648	\$196,535	\$189,352

# AERIAL OVERVIEW

Union Fairgrounds

UNITED Ag & Turf  
JOHN DEERE

MARITIME  
ENERGY

UNION FARM EQUIPMENT  
"The Friendly Folks"

5,800+ VPD

DOLLAR GENERAL

1,100+ VPD

Bangor  
Savings Bank



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# SITE PHOTOS



# FINANCIAL ANALYSIS

## THE OFFERING

Price	\$2,100,174
Capitalization Rate	5.75%
Price/SF	\$230.79

## PROPERTY DESCRIPTION

Year Built / Renovated	2017
Gross Leasable Area	9,100 Sq Ft
Type of Ownership	Fee Simple
Lot Size	2.72 Acres

## LEASE SUMMARY

Tenant	Dollar General
Rent Increase	In Options
Lease Guarantor	Dolgen. Corp
Lease Type	Absolute Net
Lease Commencement	12/1/2017
Lease Expiration	11/30/2032
Renewal Options	Four, Five-Year
Term Remaining on Lease	10.5 Years
Landlord Responsibility	None
Tenant Responsibility	CAM/Taxes/Insurance

## RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Cap Rate
Current	\$120,760	\$10,063.31	5.75%
Option 1	\$132,836	\$11,069.64	6.32%
Option 2	\$146,119	\$12,176.60	6.96%
Option 3	\$160,731	\$13,394.26	7.65%
Option 4	\$176,804	\$14,733.69	8.42%

## FINANCING OPTIONS (SUBJECT TO CHANGE)

Down Payment	\$735,061 (35%)
Loan Amount	\$1,365,113 (65%)
Term	5x5
Interest Rate	4.8%
Amortization	30 Years
Cash Flow After Debt	\$35,155

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