

Representative Photo

DOLLAR GENERAL

2701 E 17TH ST | SIOUX FALLS, SD 57103



EXCLUSIVELY LISTED BY:

MICHAEL HAEDER
BROKER OF RECORD
listings@matthews.com
(866) 889 - 0550
LIC# 13033 (SD)

DOLLAR GENERAL

DOLLAR GENERAL

2701 E 17TH ST | SIOUX FALLS, SD 57103

3

INVESTMENT SUMMARY

5

FINANCIAL SUMMARY

6

TENANT PROFILE

10

AREA OVERVIEW

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES



INVESTMENT SUMMARY

ADDRESS 2701 E 17th St
Sioux Falls, SD 57103

LIST PRICE \$2,042,320

GLA **DOLLAR GENERAL** ±9100 SF

CAP RATE 5.00%

YEAR BUILT 2020

LOT SIZE ±0.86 AC

INVESTMENT SUMMARY

LEASE & LOCATION HIGHLIGHTS

- Brand new 2021 build-to-suit construction for Dollar General
- 15-Year Absolute NNN lease with zero landlord responsibilities
- Extremely attractive 10% increases every 5 years in the options
- Corporately guaranteed lease from Dollar General Corporation (BBB Credit Rating)
- 3-Mile population of 89,982 residents
- 5-Mile population of 137,874 residents
- Traffic counts on I-229 exceed 33,00 vehicles daily
- Estimated population growth of 11.50% over the next 5-years
- Average household income of \$77,363 annually
- South Dakota is an income tax free state

TENANT HIGHLIGHTS

- Dollar General is an “essential retailer” and has proven to be one of the most profitable companies through the COVID pandemic
- Dollar General has approximately ±18,000 locations and plans to continue their expansion for the foreseeable future
- Dollar General has an investment-grade credit rating of BBB (S&P) and has reported 31 consecutive years of same-store sales growth



FINANCIAL SUMMARY

Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility
Original Lease Term	±15 Years
Rent Commencement Date	9/1/2021
Lease Expiration Date	9/30/2036
Term Remaining on Lease	±14.5 Years
Increase	10% in Options
Options	Five, Five Year options

ANNUALIZED OPERATING DATA

LEASE COMMENCE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current - 9/30/2036	\$8,509.67	\$102,116.04	5.00%
Option 1	\$9,360.58	\$112,326.96	5.50%
Option 2	\$10,296.67	\$123,560.04	6.05%
Option 3	\$11,326.33	\$135,915.96	6.65%
Option 4	\$12,458.92	\$149,507.04	7.32%
Option 5	\$13,704.83	\$164,457.96	8.05%

Please contact a Matthews™ Capital Markets Agent for financing options:

Kevin Kern
kevin.kern@matthews.com

TENANT PROFILE

COMPANY NAME

Dollar General

OWNERSHIP

Public

INDUSTRY

Dollar Stores

HEADQUARTERS

Goodlettsville, TN

NO. OF EMPLOYEES

±157,000

DOLLAR GENERAL

Dollar General is the fastest-growing retailer which currently boasts roughly 18,000 neighborhood general stores in 44 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 ± 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.



18,000+

LOCATIONS



\$33.7B

2019 REVENUE






1939

FOUNDED



DEMOGRAPHICS

	3-MILE	5-MILE	10-MILE
 POPULATION	86,982	137,874	233,179
 HOUSEHOLDS	34,829	56,340	92,622
 HH INCOME	\$77,363	\$77,596	\$82,011



SIOUX FALLS, SD

Downtown Sioux Falls wraps around the Big Sioux River, with the Sioux Falls Bike Trail following the path of the river. There's much to love about this dynamic neighborhood: its history, such as in the ornate Orpheum Theater Center and the Old Courthouse Museum; its fantastic nightlife, such as the Prairie Berry East Bank wine bar and Monks House of Ale Repute and Gandy Dancer Brew Works; and the spectacular parks that line the river, such as Beadle Park, Fawick Park, and Falls Park.

Along with its wide selection of shops, restaurants, and bars, Downtown Sioux Falls has some unique features you'll want to explore. These include the Sculpture Walk, the Downtown Riverfront Amphitheater, the Museum of Visual Materials, and the Washington Pavilion of Arts & Science. Residents and visitors enjoy hopping aboard the Downtown Sioux Falls Trolley, a terrific way to explore Downtown and Falls Park.

Sioux Falls "Stone Shatter City" is the most populous city in the U.S. state of South Dakota. It is the county seat of Minnehaha County and extends into Lincoln County to the south, proximate with the Minnesota state line. Sioux Falls was ranked as one of the best places to retire in 2022 according to Forbes.

As of 2022, Sioux Falls has an estimated population of 202,600 residents. The metropolitan population of 276,730 accounts for more than a quarter of South Dakota's entire population. Chartered in 1856 on the banks of the Big Sioux River, the city is situated in the rolling hills at the junction of Interstate 90 and Interstate 29.

**#1 IN BEST PLACES FOR YOUNG PROFESSIONALS IN SOUTH DAKOTA
(NICHE, 2022)**

**#4 IN TOP 10 CITIES FOR YOUNG PROFESSIONALS
(SMARTASSET, 2020)**

**#10 IN 2020 TOP 100 BEST PLACES TO LIVE
(LIVABILITY, 2020)**

AREA OVERVIEW

SIoux FALLS, SD TOURISM

Because of the relatively long distances between Sioux Falls and larger cities, Sioux Falls has emerged as an important regional center of shopping and dining. The Empire Mall, with over 180 stores, anchors one of the primary retail zones in the southwest section of the city. This area, centered mainly around the intersection of 41st Street and Louise Avenue, contains many large national chain stores and restaurants.

In Central Downtown, shops line Phillips Avenue, and in the “EastBank” shops and restaurants fill a boardwalk-style center called “8th and Railroad.” “The Bridges” is an outdoor shopping center at the intersection of 57th Street and Western Avenue on the south side of the city that contains over 30 restaurants, boutiques, and private businesses. Dawley Farm Village is another shopping center on the east side of the city at the intersection of Arrowhead Parkway (SD Highway 42) and Veterans Parkway (SD Highway 11, previously known as Powder House Road).

Sioux Falls has several tourist attractions. Falls Park, a 123-acre park located north of downtown was ranked #2 in the Coolest City Parks in the U.S. (Livability 2020). The Big Sioux River features a variety of waterfalls, an observation tower, the Falls Overlook Café, the Queen Bee Mill, and a variety of sculptures. Washington Pavilion is the cultural, education, and entertainment center of Sioux Falls. It features the Husby Performing Arts Center, the Kirby Science Discovery Center, the Washington Pavilion’s Visual Arts Center, and the Wells Fargo CineDome Theater. Hit the slopes at the Great Bear Recreation Park, the largest park in the Sioux Falls Parks & Recreation Department. The park features over 220 acres of recreational space for winter sports which include 14 downhill trails, a terrain park, the Kirby Family Tubing Park, and cross country and snowshoeing trails. The park is also open during the summer for hiking, bird watching, and picnicking along the 4-mile trail system.



ECONOMY

Originally centered on quarrying and agriculturally based industries, the economy of Sioux Falls has become diversified and more service-based over the last half-century, making the city a center of financial services, health care, and retail trade.

Partially due to the lack of a state corporate income tax, Sioux Falls is home to several financial companies. The largest employers among these are Wells Fargo and Citigroup. Other important financial service companies in Sioux Falls include Great Western Bank, Western Surety Company (CNA Surety), Total Card Inc., Capital Card Services, Midland National Life Insurance Company, MetaBank, and First Premier Bank.

Sioux Falls is a significant regional health care center. It has four major hospitals: Sanford Health (formerly Sioux Valley), Avera McKennan Hospital, the South Dakota Veterans Affairs Hospital, and the Avera Heart Hospital of South Dakota. Sanford Health and Avera Health are the largest and second-largest employers in the city, respectively. Emergency medical services (EMS) are provided by Paramedics Plus and Sioux Falls Fire Rescue.

Companies based in Sioux Falls include Raven Industries, retailers Lewis Drug and Sunshine Foods, and communications companies SONIFI Solutions and Midco.

CONFIDENTIALITY AGREEMENT & DISCLOSURE

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General** located at **2701 E 17th St, Sioux Falls, SD 57103** ("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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. 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 Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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.

DOLLAR GENERAL

2701 E 17th St | Sioux Falls, SD 57103

EXCLUSIVELY LISTED BY:

MICHAEL HAEDER
BROKER OF RECORD
listings@matthews.com
(866) 889 - 0550
LIC# 13033 (SD)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES