

DOLLAR GENERAL®

506 W HIGHWAY 66 | MILAN, NM 87021

Actual Site



OFFERING MEMORANDUM

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES

LISTED BY

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INVESTMENT HIGHLIGHTS

- **Exceptionally Strong Tenant and Lease Guarantor** – Dollar General Corporation has a Market Cap of \$58 Billion. DG stock price has grown 1,038% since its IPO in 2009 and boasts an investment-grade credit rating of BBB (S&P), all while reporting 34 consecutive quarters of same-store sales growth.
- **High Traffic Location** – The location benefits from being situated directly on Historic Route 66, one of the most famous roads in the United States, drawing tourists from all over the world.
- **Absolute NNN Lease** – The tenant is responsible for all operating expenses of the property including repair of the roof, structure, and parking lot, providing an investor passive income and no management responsibility.
- **Favorable Demographics** – The population and average household income ideally fits Dollar General’s businessmodel.
- **Essential Retailer** – Dollar General remained open for business during the Covid-19 Pandemic, which resulted in a 24% net sales increase in the second quarter of 2020.



FINANCIAL OVERVIEW



\$1,398,000
LIST PRICE



\$88,477
NOI



6.33%
CAP RATE

BUILDING INFO

[Redacted]	
Address	506 W Highway 66 Milan, NM 87020
Year Built	2011
GLA	±9,026 SF
Lot Size (AC)	±0.96 AC

TENANT SUMMARY

Tenant	Dollar General
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Lease Gaurantor	Corporate
Lease Commencement	10/23/2011
Lease Expiration	10/31/2026
Original Lease Term	15 Years
Lease Term Remaining	±4.5 Years
Current Rent	\$88,477
Rental Increases	10% in Each Option
Options	Five, 5-Year Options
Maintenance	Tenant Responsibility
Roof/Structure Responsibility	Tenant Responsibility
Insurance	Tenant Responsibility
Real Estate Taxes	Tenant Responsibility
Utilities	Tenant Responsibility

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual NOI	Cap Rate
11/1/2021 - 10/31/2026	\$7,373.08	\$88,477	6.33%
Option 1	\$8,110.39	\$97,325	6.96%
Option 2	\$8,921.43	\$107,057	7.66%
Option 3	\$9,813.57	\$117,763	8.42%
Option 4	\$10,794.93	\$129,539	9.27%
Option 5	\$11,874.42	\$142,493	10.19%

DEBT QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 70.00%

RATE: 4.00-4.25%

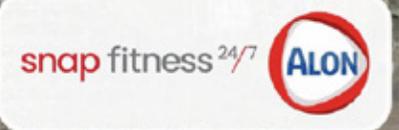
AMORTIZATION: 25 YRS

TERM: 5 YRS

PATRICK FLANAGAN
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DOLLAR GENERAL



TENANT OVERVIEW

COMPANY NAME

Dollar General Corporation

OWNERSHIP

Public

INDUSTRY

Dollar Stores

HEADQUARTERS

Goodlettsville, TX

NO. OF EMPLOYEES

±157,000

DOLLAR GENERAL®

DOLLAR GENERAL

Dollar General is the fastest-growing retailer which currently boasts roughly 17,500 neighborhood general stores in 46 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 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 boosted 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.



17,500+

LOCATIONS



\$33.7B

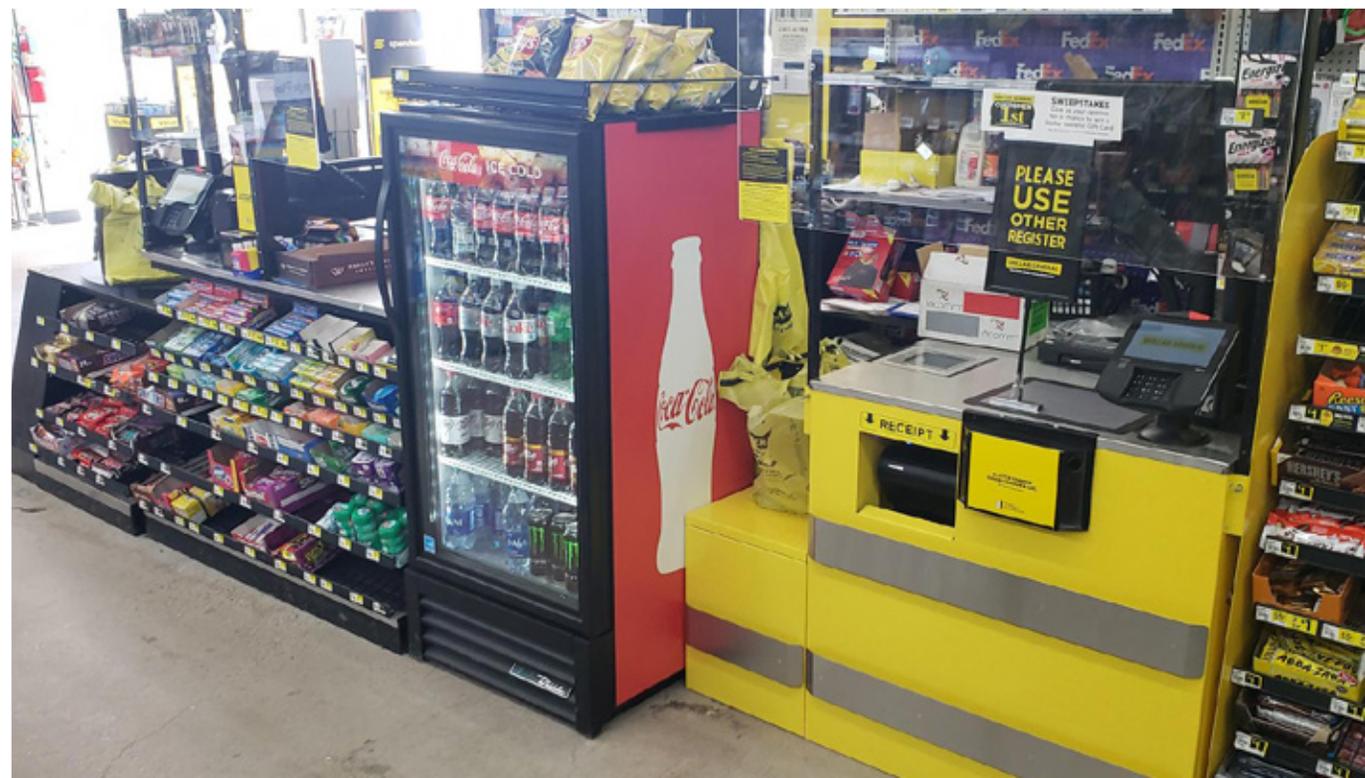
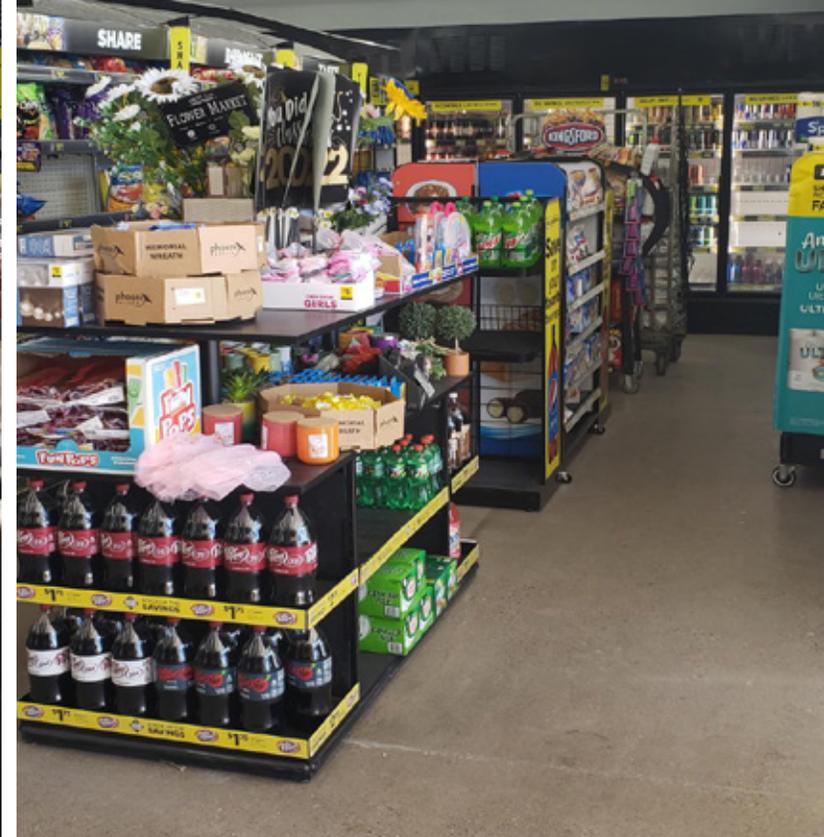
2021 REVENUE



1939

FOUNDED

INTERIOR PHOTOS



AREA OVERVIEW

MILAN, NM

Milan is a village in Cibola County, NM. A suburb of Grants, Milan has many new houses and service-oriented businesses are being built. Interstate 40 runs through the village, allowing travelers easy access when passing through. The village of Milan sits approximately 80 miles west of Albuquerque, which is frequently visited by locals. Albuquerque is the most populous city in New Mexico. Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. Larger institutions whose employees contribute to the population include Sandia National Laboratories, Kirtland Air Force Base, Intel, Rio Rancho, Northrop Grumman, and Tempur-Pedic.

PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2021 Estimate	1,408	5,513	13,587
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2021 Estimate	540	1,951	4,978
INCOME	1-MILE	3-MILE	5-MILE
2021 Avg. Household Income	\$93,115	\$68,479	\$59,346



MILAN ELEMENTARY SCHOOL

With over 400 students, Milan Elementary School is one of the newest schools in the Grants Cibola County School District. Out of the 12 schools that make up the district, Milan Elementary School ranks second based on their performance on state-required tests, graduation, and how well they prepare their students for high school. Comprised of students from preschool to 6th grade, Milan Elementary holds a numerous amount of school events such as their Spring Dance, student council, drama club, and more.



ALBUQUERQUE, NM

Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. The city is home to several attendant contracting companies, Sandia National Laboratories and Kirtland Air Force Base. It is also home to the University of New Mexico, National American University, Trinity Southwest University, and the Central New Mexico Community College. Albuquerque contains a variety of museums, galleries, shops and other points of interest. Some of these include the Albuquerque Biological Park, Museum of Natural History and Science, and Old Town Albuquerque. The Sandia and Manzano Mountains to the east offer trails, open spaces, rock climbing and several other outdoor activities along with the city's many parks.



ALBUQUERQUE ECONOMY

Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. Larger institutions whose employees contribute to the population are numerous and include Sandia National Laboratories, Kirtland Air Force Base, and the attendant contracting companies which bring highly educated workers to a somewhat isolated region. Intel operates a large semiconductor factory or “fab” in suburban Rio Rancho, in neighboring Sandoval County, with its attendant large capital investment. Northrop Grumman is located along I-25 in northeast Albuquerque, and Tempur-Pedic is located on the West Mesa next to I-40.

The solar energy and architectural-design innovator Steve Baer located his company, Zomeworks, to the region in the late 1960s; and Los Alamos National Laboratory, Sandia, and Lawrence Livermore National Laboratory cooperate here in an enterprise that began with the Manhattan Project. In January 2007, Tempur-Pedic opened an 800,000-square-foot mattress factory in northwest Albuquerque.

The city was rated seventh among America’s Engineering Capitals in 2014 by Forbes magazine. Albuquerque ranked among the Top 10 Best Cities to Live by U.S. News & World Report in 2009 and was recognized as the fourth best place to live for families by the TLC network. It was ranked among the Top Best Cities for Jobs in 2007 and among the Top 50 Best Places to Live and Play by National Geographic Adventure magazine.





UNIVERSITY OF NEW MEXICO

The University of New Mexico is a large, public research university in Albuquerque, New Mexico. It is New Mexico's flagship research institution, and one of the state's largest employers. UNM's multi-ethnic campus offers a unique blend of culture and academics. Students can choose from 215 degree and certificate programs, including 94 baccalaureate degrees. Business, psychology and education are the most popular areas. The Pueblo Revival architectural style that echoes nearby Native American villages can be seen on several campus buildings. Its scenic environment is close to magnificent mesas, the historic Rio Grande and Sandia Mountains.

UNM has a vibrant student life community, with more than 400 student organizations, and more than 25 Greek societies are available on campus. UNM is the first university in the country to launch a Signature School Program with the Central Intelligence Agency; enabling students to interact with analysts and learn how to join the CIA once they graduate. The UNM Formula SAE team is ranked as fifth best out of 125 in the United States and 18th best out of 500 in the world. The New Mexico Lobos' 22 varsity sports compete in NCAA Division I in the Mountain West Conference (MW).

+21,710

STUDENTS ENROLLED
IN 2021

3

NATIONAL
CHAMPIONSHIPS

+215

ACADEMIC
PROGRAMS

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Dollar General** located at **506 W Highway 66, Milan, NM 87021** (“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.

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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.

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