

# DOLLAR GENERAL

6869 Gate City Highway  
Bristol, Virginia 24202

*Kingsport-Bristol-Bristol, TN-VA MSA*

Marcus & Millichap  
MOLLOY KAYE RETAIL GROUP



11+ YRS REMAINING | ABS. NNN | INVESTMENT GRADE CREDIT | 1.9 MILES FROM NEW HARD ROCK HOTEL & CASINO



# NON-ENDORSEMENT & DISCLAIMER NOTICE

## CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2021 Marcus & Millichap. All rights reserved.

## NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. 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 or Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

## COVID NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

Marcus & Millichap



# TABLE OF CONTENTS

OFFERING HIGHLIGHTS	4
INVESTMENT OVERVIEW	5
SITE PLAN	6
PROPERTY PHOTOS	7
AERIALS	8-10
REGIONAL MAP	11
KINGSPORT-BRISTOL-BRISTOL, TN-VA MSA OVERVIEW	12
TRI CITIES OVERVIEW	13
DEMOGRAPHICS	14
TENANT SUMMARY	15
LEASE ABSTRACT	16

## OFFERING HIGHLIGHTS

6869 Gate City Highway  
Bristol, Virginia 24202  
*Kingsport-Bristol-Bristol, TN-VA MSA*



**\$1,645,545**

Price



**9,100 | 1.18**

SF | Acres



**5.75%**

Cap Rate



**11.2 YEARS**

Remaining  
Lease Term



**ABSOLUTE NNN**

Lease



**2018**

Year Built

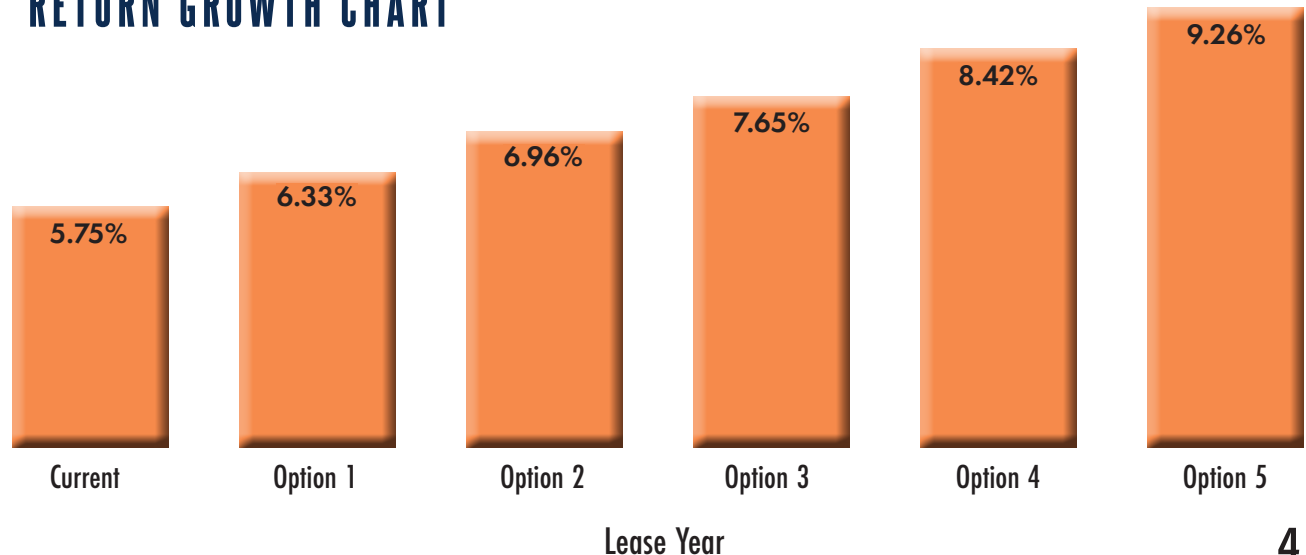
## LEASE SUMMARY

Property Subtype:	Net Leased Discount
Tenant:	Dollar General
Rent Increases:	10% Each Option
Lease Commencement:	December 19, 2018
Lease Expiration:	December 31, 2033
Initial Lease Term:	15 Years
Renewal Options:	Five (5), 5-Year
NOI:	\$94,620

## RENT ROLL

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF
Years 1 - 15 (Current)	\$94,620	\$7,885	\$10.40
Years 16 - 20 (Option 1)	\$104,082	\$8,674	\$11.44
Years 21 - 25 (Option 2)	\$114,490	\$9,541	\$12.58
Years 26 - 30 (Option 3)	\$125,939	\$10,495	\$13.84
Years 31 - 35 (Option 4)	\$138,533	\$11,544	\$15.22
Years 36 - 40 (Option 5)	\$152,386	\$12,699	\$16.75

## RETURN GROWTH CHART





# INVESTMENT OVERVIEW

## STRONG INVESTMENT FUNDAMENTALS

- Upgraded construction with 3-sides red brick
- Desirable DG building size of 9,100 SF
- Large  $\pm 1.18$ -acre parcel
- Fundamentally low base rent of \$10.40/SF

## OPTIMAL LEASE STRUCTURE

- True NNN lease
- Zero landlord responsibilities
- 10% rent escalation in each renewal option
- 11+ years remain on base term

## BEST-IN-CLASS TENANT

- Investment grade credit rating of BBB/Stable (S&P)
- 2021 financials: \$32.4 B in revenue & net worth of \$6.66 B
- Revenue growth year-over-year since 2013
- DG operates 18,200+ stores across 47 states
- Ranked #106 on the Fortune 500 list for 2022

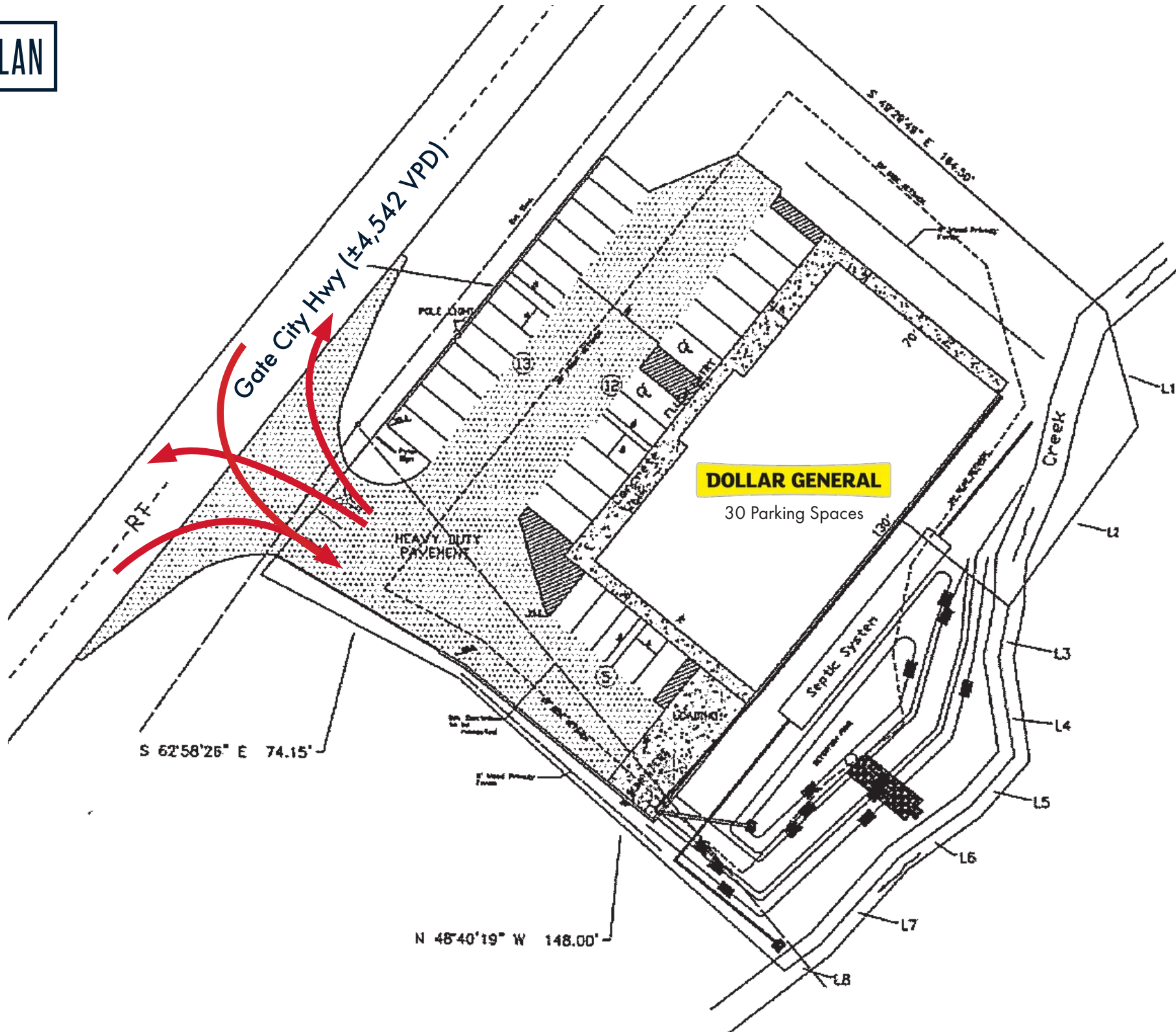
## MAJOR NEARBY ECONOMIC DRIVERS

- Bristol Casino: Future Home of Hard Rock (<https://www.hardrockhotelcasinobristol.com/about-us>)
  - 1.9 miles from the subject property
  - Home of 870 slots, 21 table games, 3 restaurants, Hard Rock Sportsbook, etc.
  - Hard Rock Hotel coming summer 2024
    - 350+ hotel rooms
  - 4 MM visitors annually
  - \$400 MM expansion of Bristol Mall
- Bristol Regional Medical Center (<https://www.balladhealth.org/locations/hospitals/bristol-regional>)
  - 3 miles from subject property
  - 275-bed hospital
  - Specialty services include:
    - Diabetes treatment center, Robot-assisted surgery, Advanced cancer technologies, Pediatric emergency department, and Neuroscience
    - Recognized as one of the top 100 Hospitals in the US by CareChex in the areas of heart attack treatment, joint replacement, and trauma care (2017)
    - Part of Ballad Health, 21-hospital system
- The Pinnacle (<https://thepinnacle.com/about/>)
  - 4.4 miles from the subject property
  - Region's premier lifestyle shopping destination
  - 1+ MM SF of retail space
  - 1 MM people living in Pinnacle Market Area
- Bristol Motor Speedway (<https://discoverbristol.org/attractions/bristol-motor-speedway/>)
  - 9.9 miles from subject property
  - $\pm 1$  MM visitors annually
  - Host of NASCAR Sprint Cup, Xfinity, Camping World Trucks and Modified events

Bristol Casino: Hard Rock Hotel & Casino Rendering



# SITE PLAN





# PROPERTY PHOTOS







bristol sign

VALERO

COUNTRY BOY SEED, INC.

Gate City Hwy [±4,542 VPD]

SUBJECT PROPERTY  
DOLLAR GENERAL







1.9 Miles from Subject Property



( $\pm 46,000$  VPD)

SUBJECT PROPERTY  
DOLLAR GENERAL

Gate City Hwy ( $\pm 4,542$  VPD)







**SHOE CARNIVAL** **five** **Marshall's** **Kirkland's**  
**BELOW** **rack room shoes** **Pinnacle 12** **OLD NAVY**  
**Chick-fil-A** **Party City** **Carmax** **Aubrey's** **FIVE GUYS**  
**Bath & Body Works** **Waffle House** **DICK'S** **Starbucks** **BED BATH & BEYOND**  
**ZAXBY'S** **McDonald's** **DUNKIN'** **OUTBACK** **belk**  
**KAY JEWELERS** **Fairfield** **Walgreens** **Hampton** **BEST BUY**

**DOLLAR GENERAL**

**Hard Rock**  
HOTEL & CASINO  
BRISTOL

**Bristol Regional Medical Center**  
A Member of Wellmont Health System

**Kroger** **Teleperformance** **TACO BELL** **planet fitness**  
**Orthopedic Urgent Care** **DOLLAR TREE** **Red Pepper taqueria** **Pet Partners**  
**Appalachian Orthopedics** **Budget Inn** **KFC** **Arby's** **CAPTAIN D'S** **CVS pharmacy**  
**WALK-INS WELCOME** **SONIC**  
**TOYOTA of BRISTOL** **goodwill** **SUBWAY** **Wendy's** **Pizza Hut** **U-HAUL**

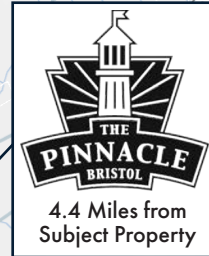


# REGIONAL MAP

## DRIVING DISTANCE FROM SUBJECT PROPERTY

Kingsport.....	21 Miles
Gate City.....	24 Miles
Greenville.....	54 Miles
Asheville.....	95 Miles
Winston-Salem.....	155 Miles

**DOLLAR GENERAL**



**VIRGINIA  
TENNESSEE**

**VIRGINIA  
TENNESSEE**

**BRISTOL**



**Bristol Caverns**  
Tourist Attraction

**Appalachian Caverns**  
Tourist Attraction





# KINGSPORT-BRISTOL-BRISTOL, TN-VA MSA

Bristol is an independent city in the Commonwealth of Virginia. It is the twin city of Bristol, Tennessee, just across the state line, which runs down the middle of its main street, State Street. It is surrounded on three sides by Washington County, Virginia, which is combined with the city for statistical purposes. Bristol is a principal city of the Kingsport–Bristol–Bristol, TN-VA Metropolitan Statistical Area, which is a component of the Johnson City–Kingsport–Bristol, TN-VA Combined Statistical Area – commonly known as the "Tri-Cities" region.

The Kingsport–Bristol–Bristol, Tennessee-Virginia Metropolitan Statistical Area is a Metropolitan Statistical Area (MSA) in Northeast Tennessee and Southwest Virginia as defined by the United States Office of Management and Budget (OMB). It was formed in December 2003 by the merger of the Bristol, VA MSA and Kingsport-Bristol, TN-VA MSA. Four counties (two in Tennessee; two in Virginia) and one independent city are included in the Kingsport–Bristol–Bristol, TN-VA Metropolitan Statistical Area. Kingsport-Bristol-Bristol, TN-VA borders Big Stone Gap, VA, Greeneville, TN, Johnson City, TN, Knoxville, TN, and Morristown, TN.

In Bristol, Virginia work is beginning on the Hard Rock Resort and Casino Bristol planned for the former Bristol Mall. Over the next three years it is expected to generate up to 2,000 well-paying jobs, millions in new tax revenues — some of which will be shared with nearby Southwest Virginia counties — and is expected to be a transformational project near the state line. Entrepreneurs have greatly revitalized downtown with shopping, dining, entertainment and lodging options while once-scarce shopping and dining options in other parts of town are now plentiful and the employment base is on much more solid footing.

## TOP KINGSPORT-BRISTOL-BRISTOL, TN-VA MSA EMPLOYERS

Eastman Chemical Company (6,800+ employees)

Ballad Health (6,200+ employees)

Holston Medical Group (5,300+ employees)

Sullivan County Department of Education (1,650+ employees)

Kingsport City School System (1,100+ employees)

Pal's Sudden Service (950+ employees)

CenturyLink Telecommunications (950+ employees)

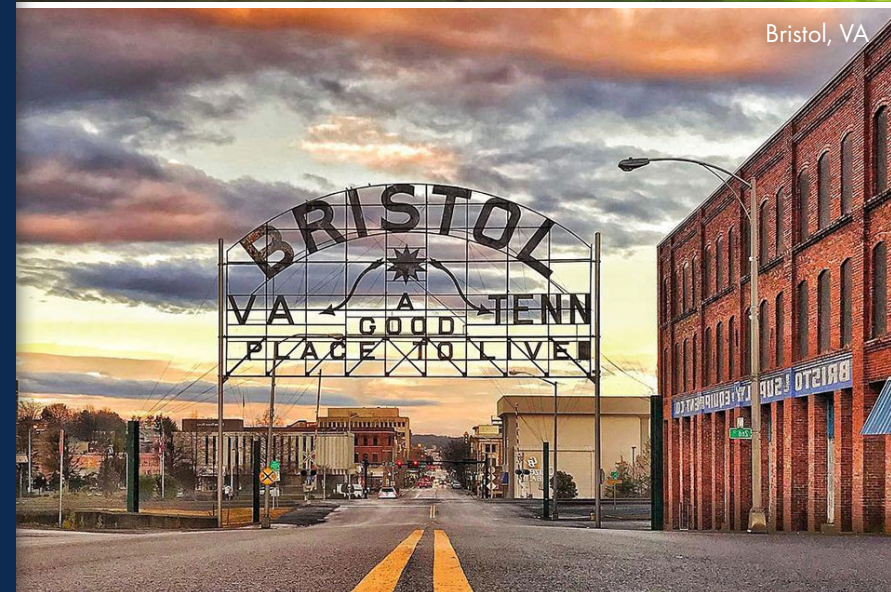
BAE Systems (850+ employees)

Robinette Company (350+ employees)

Domtar Paper (330+ employees)



Bristol, VA



Bristol, TN







## Johnson City

### Major rail hub for the southeast

Founded in 1856 by Henry Johnson as a railroad station called "Johnson's Depot," Johnson City became a major rail hub for the southeast, as three railway lines crossed in the downtown area.

### #14 Best Small Place for Business and Careers in the USA

Johnson City led the area's population growth, retail sales, and employment over the past decades. It is ranked the #14 "Best Small Place for Business and Careers" in the USA by Forbes. Kiplinger ranked Johnson City #5 in "The 10 Least-Expensive Cities For Living in the U.S.A.", stating the low cost of living is attributed to affordable homes and below-average utility, transportation and health-care costs.

## Bristol

### Birthplace of country music

Bristol is recognized by the Country Music Association as the birthplace of country music. Many organizations in the Bristol area host concerts and showcase exhibits to highlight this noteworthy aspect of the community.

### Bristol Motor Speedway

Twice a year 160,000 race fans flock to Bristol Motor Speedway to enjoy the spring and summer NASCAR races. The Bristol Dragway hosts championship drag racing and is sanctioned by the National Hot Rod Association. The racetrack also hosts a "Fantasy in Lights" during Christmas.

## Kingsport Eastman

Kingsport is home to the Fortune 500 Eastman Chemical Company. Founded in 1920 and based in Kingsport, Tennessee, the company now has more than 40 manufacturing sites worldwide and employs approximately 15,000 people.



# DEMOGRAPHICS

## POPULATION

	1-MILE	3-MILE	5-MILE
2027 Est. Population	741	14,160	42,342
2022 Population	772	14,234	42,411
Daytime Population	681	15,669	49,081

## HOUSEHOLDS

	1-MILE	3-MILE	5-MILE
2027 Est. Households	328	6,390	18,649
2022 Households	339	6,364	18,543

## HOUSEHOLDS BY INCOME

	1-MILE	3-MILE	5-MILE
\$200,000 or More	3.16%	2.41%	2.42%
\$150,000 - \$199,999	3.75%	2.64%	2.80%
\$100,000 - \$149,999	10.75%	7.11%	8.78%
\$75,000 - \$99,999	15.27%	10.73%	11.00%
\$50,000 - \$74,999	21.94%	20.06%	19.69%
\$35,000 - \$49,999	13.56%	15.56%	14.62%
\$25,000 - \$34,999	10.59%	12.80%	11.57%
\$15,000 - \$24,999	13.69%	13.35%	13.14%
\$10,000 - \$14,999	4.31%	6.88%	7.27%
Under \$9,999	2.98%	8.46%	8.73%
Average HH Income	\$72,002	\$59,533	\$61,108

## POPULATION BY RACE

	1-MILE	3-MILE	5-MILE
% White Population	97.14%	92.39%	91.37%
% Black Population	1.40%	3.36%	4.39%
% Asian	0.16%	0.77%	0.68%
% American Indian, Eskimo, Aleut Population	0.10%	0.38%	0.40%
% Hawaiian or Pacific Islander Population	0.00%	0.07%	0.04%
% Multi-Race Population	0.79%	1.88%	2.12%
% Other Population	0.40%	1.14%	1.01%

## 2022 POPULATION 25+ BY EDUCATION LEVEL

	1-MILE	3-MILE	5-MILE
Elementary (0-8)	5.19%	5.43%	5.10%
Some High School (9-11)	11.78%	10.39%	11.12%
High School Graduate (12)	38.09%	34.96%	32.95%
Some College (13-15)	18.28%	20.45%	20.45%
Associates Degree Only	8.96%	8.91%	8.40%
Bachelors Degree Only	12.45%	13.31%	14.21%
Graduate Degree	4.99%	5.69%	6.74%



## TENANT SUMMARY

Dollar General Corporation is an American chain of variety stores headquartered in Goodlettsville, Tennessee. As of April 11, 2022, Dollar General operates 18,216 stores in the continental United States.

The company began in 1939 as a family-owned business called J.L. Turner and Son in Scottsville, Kentucky, owned by James Luther Turner and Cal Turner.

In 1955, the name changed to Dollar General Corporation and in 1968 the company went public on the New York Stock Exchange. Fortune 500 recognized Dollar General in 1999 and in 2020 reached #112. Dollar General has grown to become one of the most profitable stores in the rural United States with revenue reaching around \$27 billion in 2019

## DOLLAR GENERAL

Tenant Trade Name	Dollar General
Tenant	Dolgencorp, LLC
Lease Guarantor	Corporate
S&P Credit Rating	BBB/Stable
Moody's Credit Rating	Baa2
Headquarters	Goodlettsville, TN



**18,216+**  
Locations



**163,000+**  
Employees



**\$52.39 BILLION**  
Market Capitalization  
as of 2022



**#1 DISCOUNT STORE**  
In terms of revenue (2019)



# LEASE ABSTRACT

## DOLLAR GENERAL

### TENANT:

Dolgencorp, LLC d/b/a Dollar General

### GUARANTOR:

Dollar General Corporation

### RELOCATION STORE:

Original lease was dated August 24, 1999

### LEASE STRUCTURE:

NNN

### LEASE EXPIRATION:

December 31, 2033

### INITIAL TERM:

15 Years

### RENEWAL OPTIONS:

Five (5), Five (5) Year

### RENTAL INCREASES:

10% in Each Option

### TAXES:

Tenant shall reimburse Landlord for the ad valorem taxes payable with respect to the Demised Premises within forty-five (45) days after receipt of Landlord's paid receipt or other definitive proof of payment for such taxes (excluding any late payment charges or penalties imposed on Landlord).

### MAINTENANCE:

Tenant shall, at all times during the term of this Lease, and at its own cost and expense, keep and maintain or cause to be kept or maintained in good repair and condition the Demised Premises and all buildings and improvements at any time erected thereon. Unless expressly provided herein, Landlord shall not be required to furnish any maintenance, services or facilities or to make any improvements, repairs or alterations in or to the Demised Premises during the term of this Lease.

### INSURANCE:

At all times that Tenant occupies the Demised Premises, Tenant shall, at its sole cost, carry and maintain commercial general liability insurance, including contractual liability, on the Demised Premises with a combined single limit in an amount sufficient to protect Landlord and Tenant, but in no event will such insurance be in an amount less than \$1,000,000 per occurrence for bodily injury and property damage and \$2,000,000 in the aggregate ("Liability insurance"). Tenant further agrees to maintain a "special cause of loss" policy (formerly an "all risk" policy) insuring all improvements on the Demised Premises (the "Property Insurance").

### UTILITIES:

Tenant will transfer utilities into Tenant's name and will be responsible for the payment of the same from and after the Delivery Date.

### ASSIGNMENT AND SUBLETTING:

Tenant may assign, sublet and mortgage its interest in the Demised Premises at any time without the consent of Landlord; provided, however, Tenant shall give written notice to Landlord within ten (10) business days after any assignment or subletting and in all events Tenant shall remain liable hereunder notwithstanding such assignment or subletting.



# DOLLAR GENERAL

6869 Gate City Highway  
Bristol, Virginia 24202

*Kingsport-Bristol-Bristol, TN-VA MSA*

Marcus & Millichap

MOLLOY KAYE RETAIL GROUP

DOLLAR  
GENERAL

DOLLAR GENERAL

CLEARANCE EVENT  
IN STORE NOW

## SONNY MOLLOY

SENIOR MANAGING DIRECTOR INVESTMENTS

Direct: (678) 808-2763

[Sonny.Molloy@marcusmillichap.com](mailto:Sonny.Molloy@marcusmillichap.com)

## JARED KAYE

FIRST VICE PRESIDENT INVESTMENTS

Direct: (678) 808-2821

[Jared.Kaye@marcusmillichap.com](mailto:Jared.Kaye@marcusmillichap.com)

## JEFF BURKLE

INVESTMENT ASSOCIATE

Direct: (678) 808-2784

[Jeff.Burkle@marcusmillichap.com](mailto:Jeff.Burkle@marcusmillichap.com)