

DOLLAR GENERAL - TWO-PROPERTY PORTFOLIO  
(CAN BE ACQUIRED TOGETHER OR INDIVIDUALLY)



1275 E. HIGHWAY 25 70, DANDRIDGE, TENNESSEE

Actual Location



711 MAIN STREET, SAXTON, PENNSYLVANIA

Actual Location



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# TABLE OF CONTENTS

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04

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## EXECUTIVE SUMMARY

---

Investment Overview  
Offering Summary  
Property and Investment Highlights  
Property / Lease Summary  
Property Photos

14

---

## TENANT OVERVIEW

---

Dollar General Overview

15

---

## AERIALS & MAPS

---

Site Plans  
Market Aerials  
Regional Aerials

23

---

## AREA & DEMOGRAPHIC OVERVIEWS

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Area Overviews  
Demographic Snapshots

## INVESTMENT OVERVIEW

Transwestern National Net Lease | Sale Leaseback Group is pleased to present a portfolio of two (2) outstanding absolute triple net leased Dollar General properties. The properties are at 1275 E. Highway 25 70, Dandridge, Tennessee and 711 Main Street, Saxton, Pennsylvania, and can be acquired from the same seller together or individually.

The newly constructed Dollar General in Dandridge was completed in July 2020 with significantly upgraded construction utilizing an all-wood store prototype (structure and façade), a highly unusual Dollar General upgraded store design. Dandridge, Tennessee is thirty miles east of Knoxville and is considered part of the Knoxville MSA. The property boasts a five-mile population of 15,000 and a county-wide population of 54,000. The Knoxville MSA has a population of 878,124, which has grown 4.7% since 2020. Dandridge is the only town in the United States named after Martha Dandridge Washington, wife of our first President, George Washington.

The Saxton Dollar General was constructed in 2012 as a relocation and expansion from their previous older and much smaller store located next door. This Dollar General "Plus" store consists of 12,406 square feet, nearly 40% larger than the average Dollar General size store (the old store can still be seen on the 2008 Google Street view imagery while the new store can be seen on Google Earth next door to the former store). Saxton, Pennsylvania is situated 115 miles east of Pittsburgh and 93 miles west of Harrisburg, Pennsylvania. The property's five-mile population is approximately 4,700 with a county-wide population of 48,000.

The Dandridge lease features nearly thirteen years of remaining lease term while the Saxton property has approximately ten years of remaining term. Both leases are absolute triple net with no landlord responsibilities. Dandridge has five (5), 5-year options to renew with 10% rent increases each while Saxton has only three (3), 5-year options. However, the first option period boasts a substantially higher than usual 13% rental increase with 10% for the remaining two renewal options. It is also worth noting that Dollar General extended its lease early indicating a strong commitment to the site. Also, due to the much larger store size, Saxton also offers an investor a much higher annual net operating income of \$144,283 rarely seen in Dollar General properties while still keeping the annual rent per square foot under \$12.00 per square foot. A larger NOI provides an investor an unusually large amount of annual rent compared with the average size store, ideal for a 1031 investor who is trying to replace nearly \$150,000 in annual rent.

Dollar General is a publicly traded company (NYSE: DG) and an investment grade tenant (S&P: BBB). Headquartered in Goodlettsville, Tennessee, Dollar General's gross revenue for 2021 exceeded \$34 billion with operating profit of \$3.2 billion. Dollar General operates 18,216 stores with plans to open 1,110 new stores in 2022.





## OFFERING SUMMARY

Property Address	1275 E. Highway 25 70 Dandridge, TN 37725	711 Main Street, Saxton, PA 16678
Tenant	Dolgencorp, LLC, a Kentucky limited liability company	Dolgencorp, LLC, a Kentucky limited liability company
Guarantor	Dollar General Corporation	Dollar General Corporation
Pricing / Cap Rate		\$2,106,321 / 6.85% cap
NOI – Current	<b>SOLD</b>	\$144,283
Lease Expiration		9/30/32
Lease Structure	Absolute Triple Net	Absolute Triple Net
Landlord Responsibilities*	None	None
Ownership	Fee Simple (Land and Building)	Fee Simple (Land and Building)
Right of First Refusal	No	No
*Refer to Lease for details		

Dandridge, TN - Actual Location



Saxton, PA - Actual Location



## PROPERTY & INVESTMENT HIGHLIGHTS

### 1275 E. HIGHWAY 25 70, DANDRIDGE, TN

- Newly constructed in 2020 with an all-wood, highly upgraded construction prototype (structure and façade). This far more expensive construction design is rarely utilized by Dollar General.
- Nearly 13 years of remaining lease term on original fifteen (15) year lease.
- Absolute triple net lease structure with no landlord responsibilities (see lease for details).
- Annual NOI of \$91,420 is a low annual rental rate of approximately \$10.00 per square foot.
- Five (5), 5-year renewal options with ten percent (10%) scheduled rent increases.
- Tennessee is an income-tax free state

### 711 MAIN STREET, SAXTON, PA

- “Plus” size store of 12,406 square feet, nearly 40% larger than the average Dollar General size store.
- Constructed brand new in 2012, the current store relocated and expanded from the previously older and much smaller store located next door at 701 Main Street.
- Ideally located in the small town of Saxton and is the only dollar store in town. The closest Dollar General is nearly 5 miles away and the closest Family Dollar is more than 8 miles away.
- While initially executing a 15-year lease signed in 2012, Dollar General extended its lease by five years in 2019 and now has approximately 10 years of remaining lease term.
- Absolute triple net lease structure with no landlord responsibilities (see lease for details)
- Annual NOI of \$144,283 provides an investor much higher annual rent than a typical dollar store property yet remains a low rent of less than \$12.00 per square foot providing Dollar General sustainable rent.
- Just three remaining five (5), 5-year renewal options with the first option with an above market and highly unusual scheduled rent increase of 13%, followed by two, 10% increases for remaining two options.

*Dandridge, TN - Actual Location*



*Saxton, PA - Actual Location*



## PROPERTY/LEASE SUMMARY

<b>Tenant</b>	Dolgencorp, LLC, a Kentucky Limited Liability Company.	Dolgencorp, LLC, a Kentucky Limited Liability Company.
<b>Guarantor</b>	Dollar General Corporation	Dollar General Corporation
<b>Property Address</b>	1275 E. Highway 25 70, Dandridge, TN 37725	711 Main Street, Saxton, PA 16678
<b>Commencement Date</b>	7/13/20	9/15/12
<b>Lease Expiration Date</b>	7/31/35	9/30/32
<b>Total Building Area Per Lease Agreement</b>	9,026 SF (8,770 SF per survey)	12,406 SF (12,671 SF per survey)
<b>Total Land Area</b>	+ 1.27 acres	+ 1.435 acres
<b>Primary Term</b>	Fifteen (15) years	Fifteen (15) years (extended in 2019 for 5 additional years)
<b>Net Operating Income – Current Term</b>	\$91,420.00 through 7/31/2035	\$144,283.00 through 9/30/2032
<b>Renewal Options (all five-year terms with 180 days' prior written notice)</b>	First - \$100,562.00 (10%)	First - \$163,472.16 (13.33%)
	Second - \$110,618.20 (10%)	Second - \$179,819.40 (10%)
	Third - \$121,680.02 (10%)	Third - \$197,801.40 (10%)
	Fourth - \$133,848.02 (10%)	
	Fifth - \$147,232.82 (10%)	
<b>Lease Structure</b>	Absolute Triple Net	Absolute Triple Net
<b>Real Estate Taxes</b>	Reimbursed by Tenant within 45 days	Reimbursed by Tenant within 45 days
<b>Landlord Responsibilities</b>	None (see Lease for more information)	None (see Lease for more information)
<b>Tenant Ownership/Guarantor</b>	Publicly traded, corporate guaranty	Publicly traded, corporate guaranty
<b>Headquarters</b>	100 Mission Ridge, Goodlettsville, TN 37072	100 Mission Ridge, Goodlettsville, TN 37072
<b>Year Founded</b>	1939	1939
<b>Website</b>	Dollargeneral.com	Dollargeneral.com



## PROPERTY PHOTOS - DANDRIDGE, TN





## PROPERTY PHOTOS - DANDRIDGE, TN





## PROPERTY PHOTOS - DANDRIDGE, TN





## PROPERTY PHOTOS - SAXTON, PA





## PROPERTY PHOTOS - SAXTON, PA





## PROPERTY PHOTOS - SAXTON, PA





## TENANT OVERVIEW

**DOLLAR GENERAL**

In October 1939, James Luther (J.L.) Turner and his son Cal Turner, Sr. opened Turner and Son Wholesale with an initial investment of \$5,000 each. The wholesale business subsequently transitioned into retailing and resulted in annual sales of more than \$2 million by the early 1950's.

The first Dollar General store opened in Springfield, Kentucky on June 1, 1955, with a simple concept: no item in the store would cost more than \$1.00. While only about one-quarter of Dollar General merchandise today sell for \$1.00 or less, the underlying concept remains the same: provide outstanding value and convenience to their customers.

J.L. passed away in 1964 but four years later, the company went public as Dollar General Corporation, posting annual sales of more than \$40 million. Today the company boasts more than 18,000 stores and \$34 billion in annual sales. Their yellow Dollar General store sign is a popular symbol of value and convenience. Their convenient and everyday low prices have survived and the company to this day remains true to its humble ethic of hard work and friendly customer service embodied by the founding family.

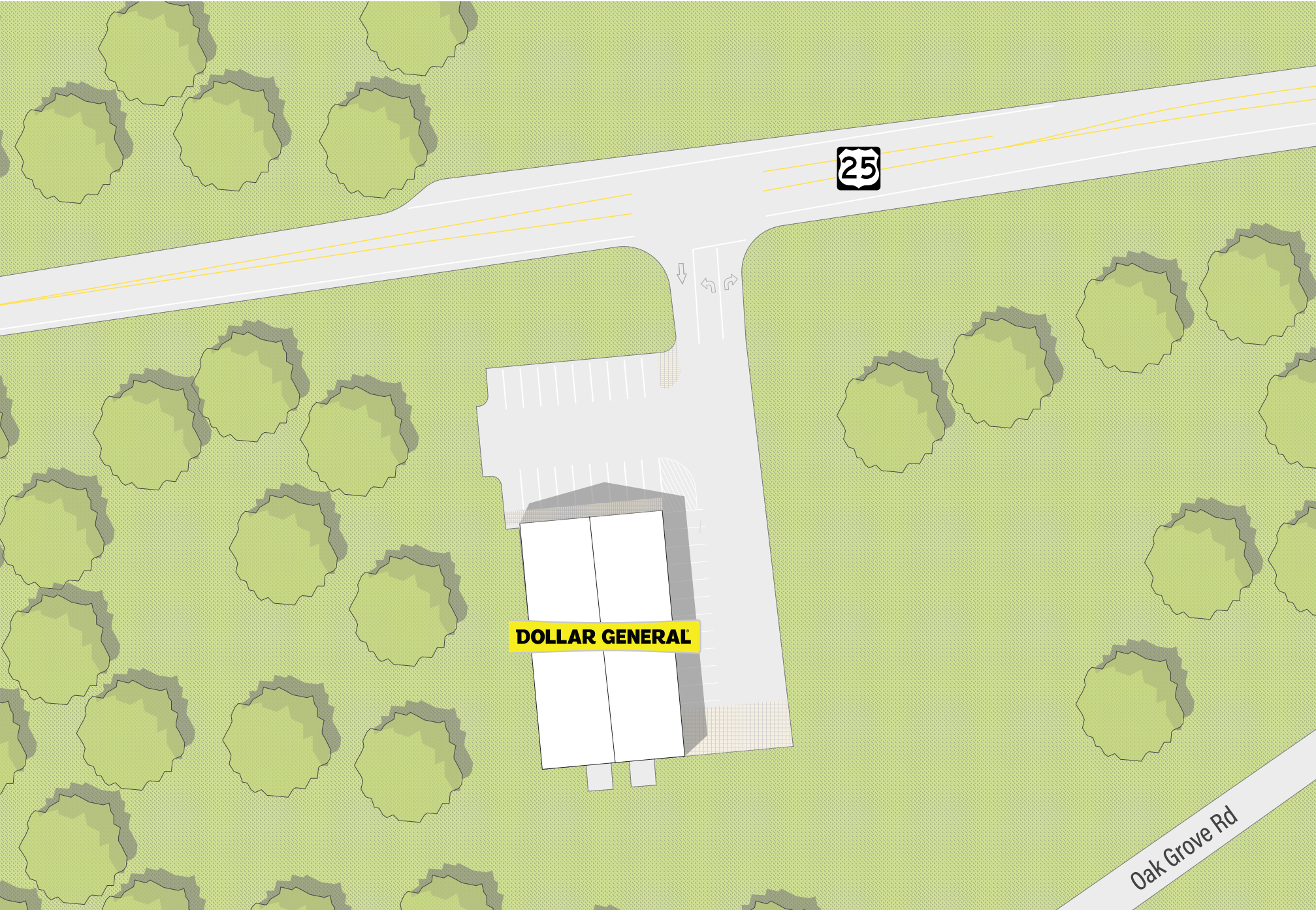
While Dollar General has stores in all marketplaces in 46 states, it is also known for serving small-town America where residents would otherwise have to travel great distances for simple grocery and general store merchandise shopping. Dollar Generals continual expansion assures customers the most convenient and affordable way to shop.

**DOLLAR GENERAL OVERVIEW**

<b>Corporate Entity</b>	Dollar General Corporation
<b>Number of Locations</b>	18,130 in 46 states (as of 1/28/2022)
<b>Corporate Year Founded</b>	1939
<b>Headquarters</b>	100 Mission Ridge, Goodlettsville, TN 37072
<b>Financial Summary</b>	Fiscal Year 2021
<b>Gross Revenue</b>	\$34.2 billion
<b>Operating Profit</b>	\$3.2 billion
<b>Net Income</b>	\$2.4 billion
<b>Cash Flows from Operations</b>	\$2.9 billion
<b>New Store Openings Planned</b>	1,110 (2022)
<b>Website</b>	dollargeneral.com
<b>Investor Relations</b>	Investor.dollargeneral.com
<b>Stock Ticker</b>	DG
<b>Stock Value Per Share</b>	\$241.47 (8/26/2022)

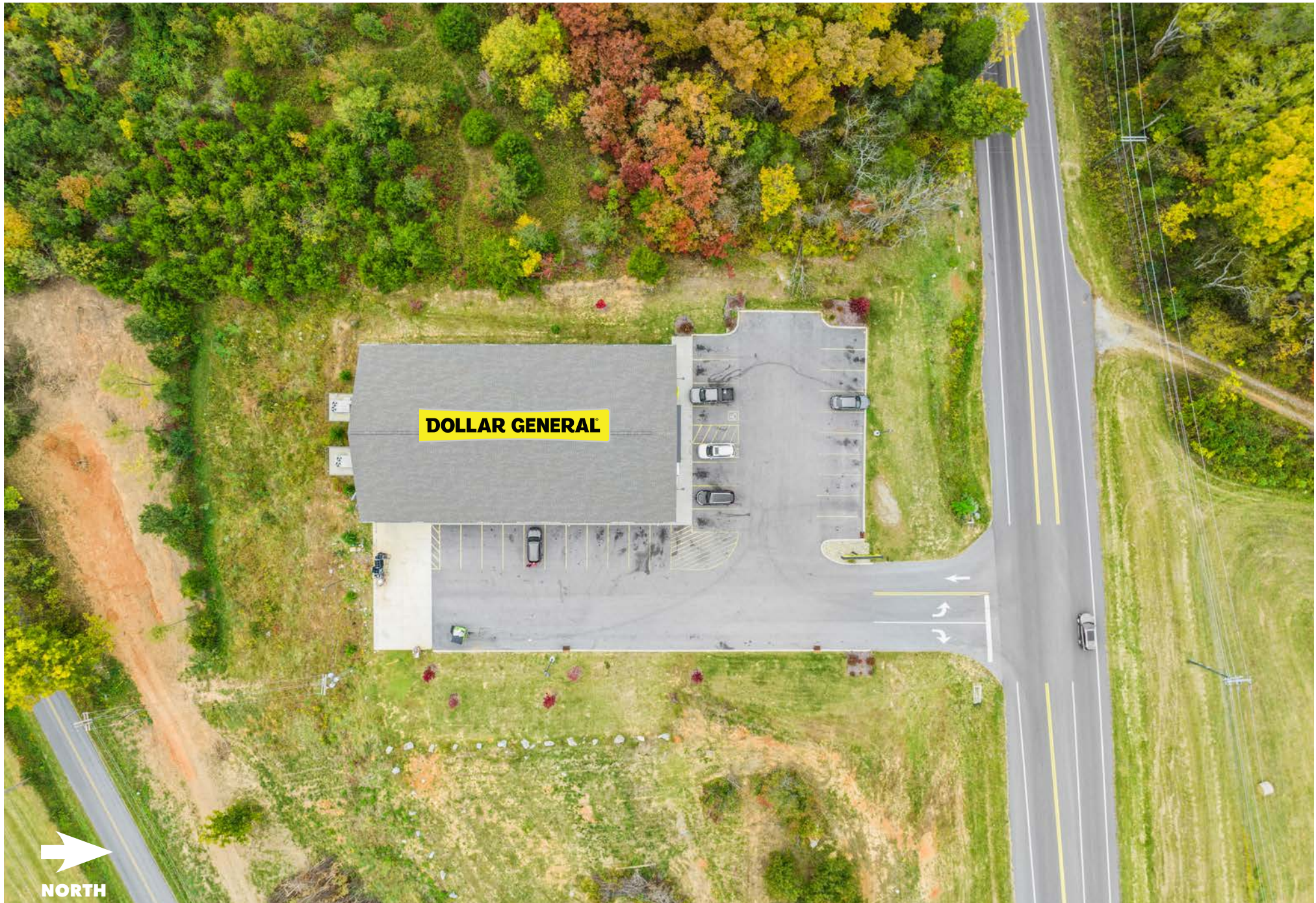


SITE PLAN - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



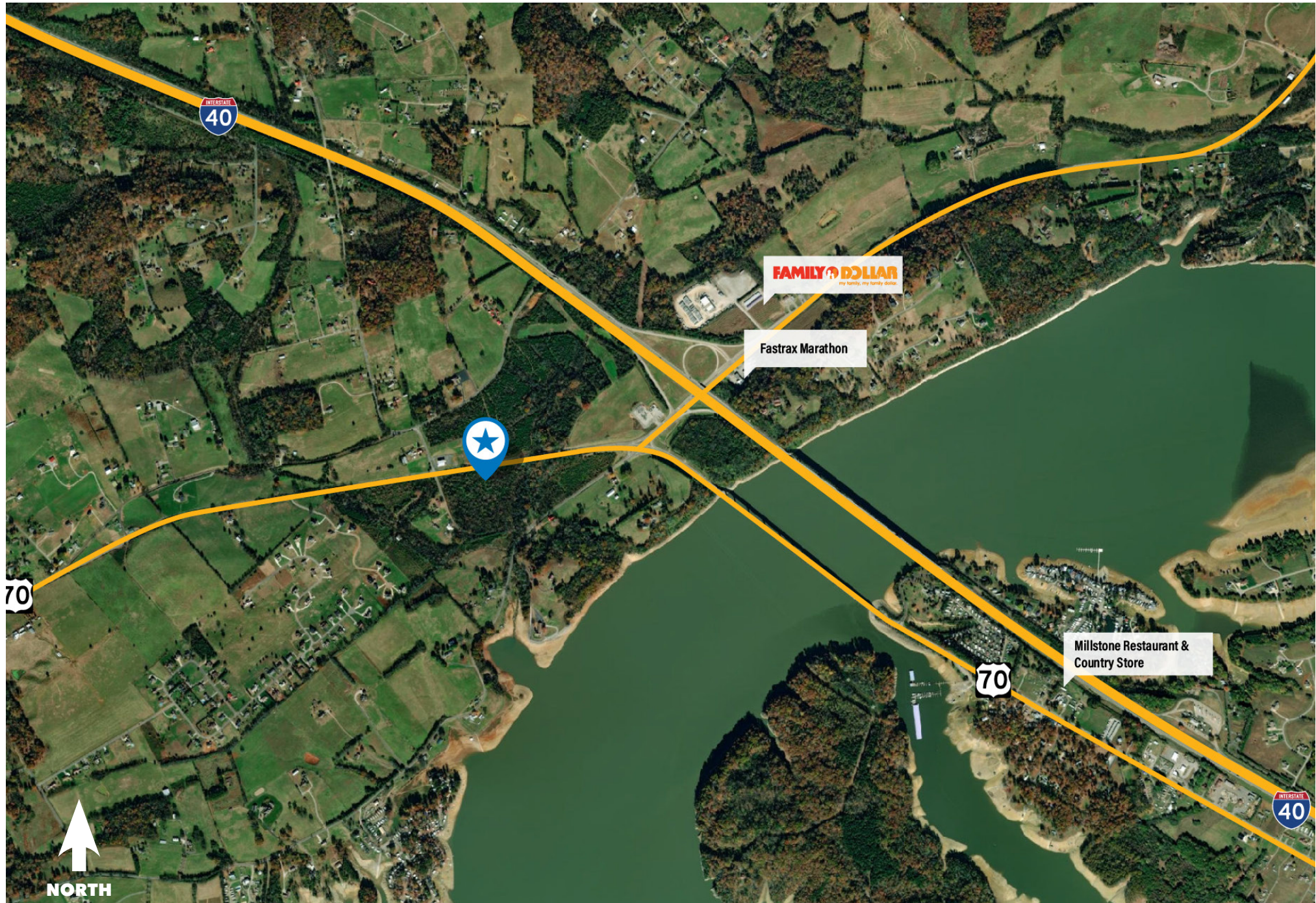


## SITE PLAN AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



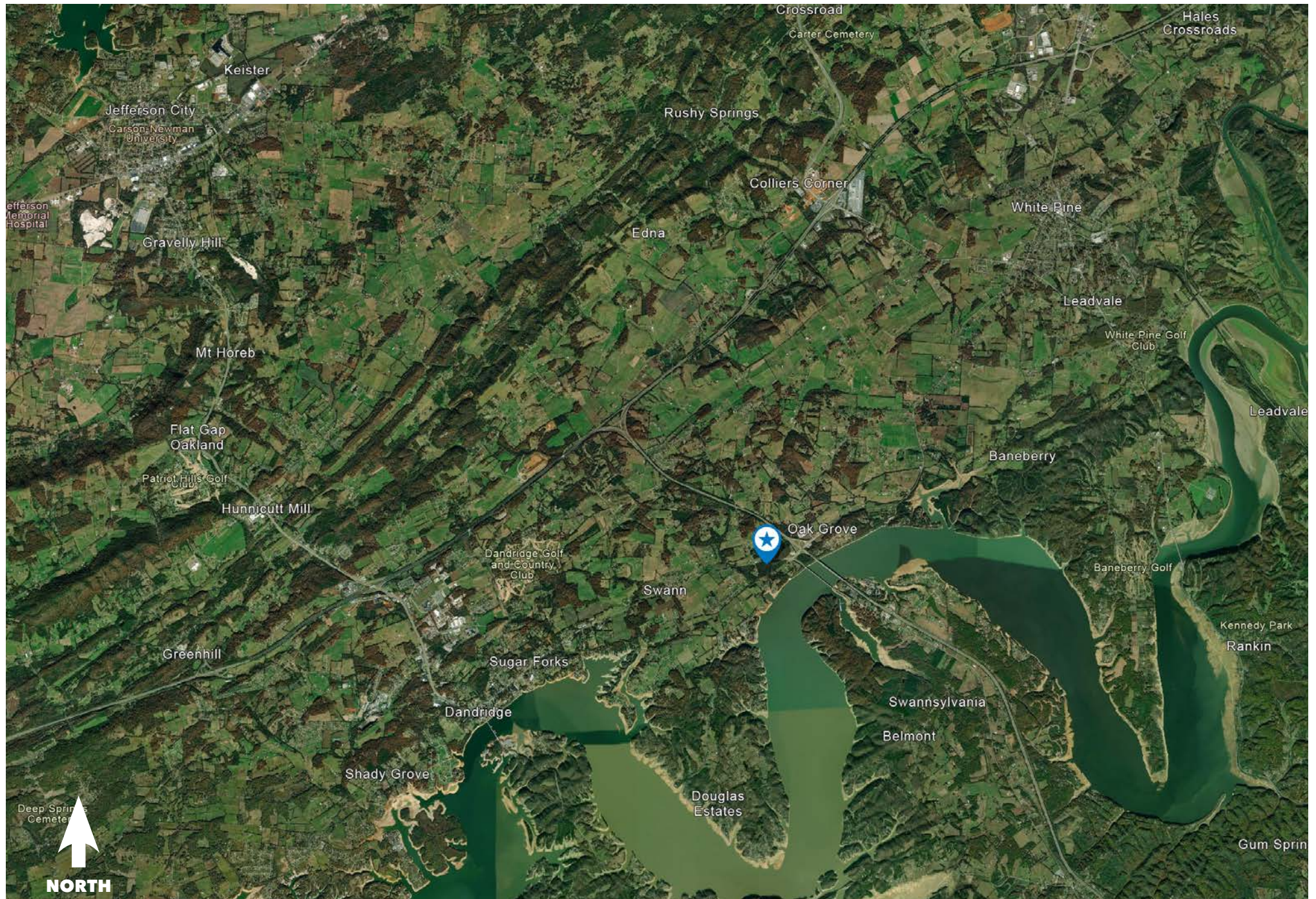


## MARKET AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



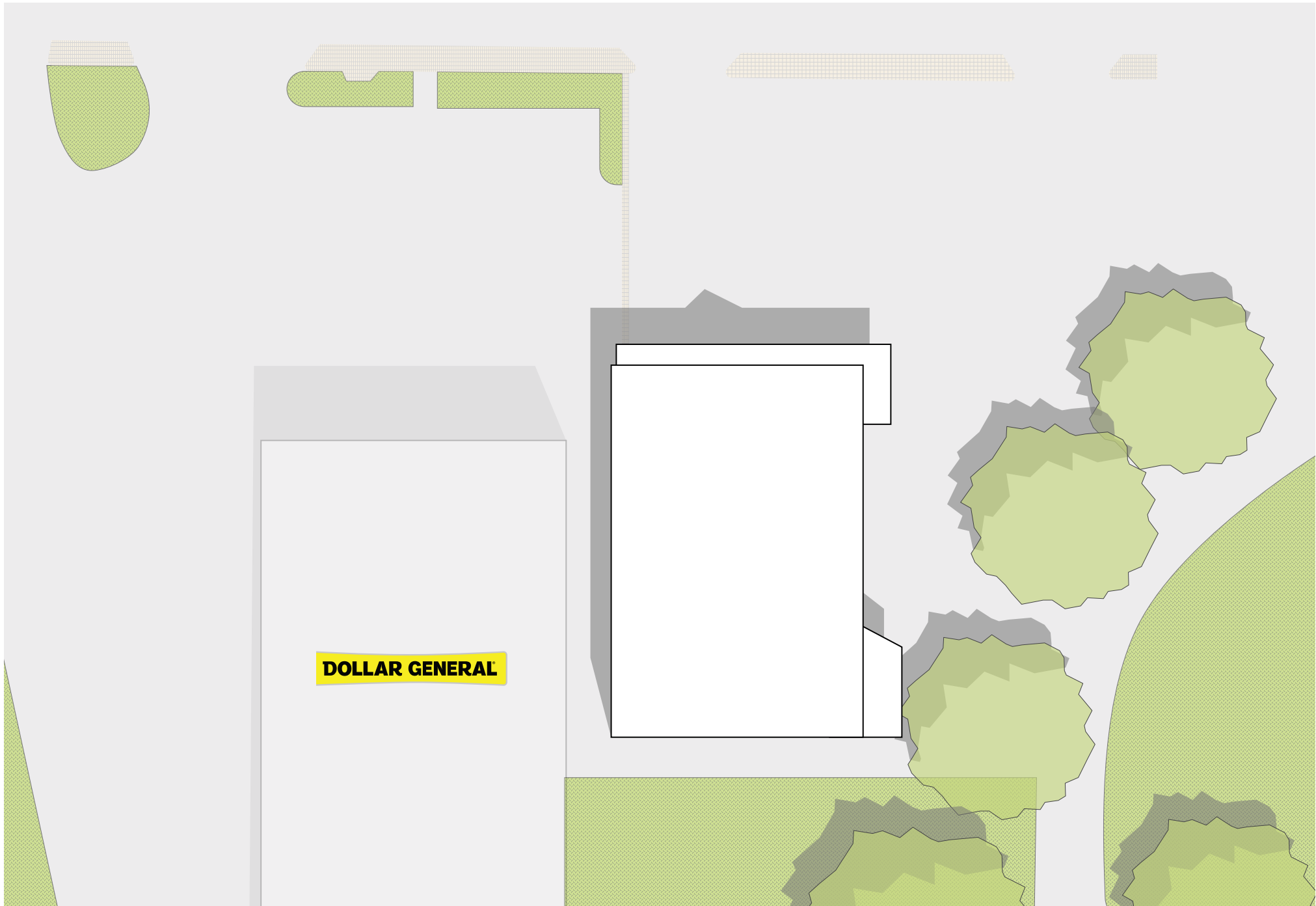


## REGIONAL AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



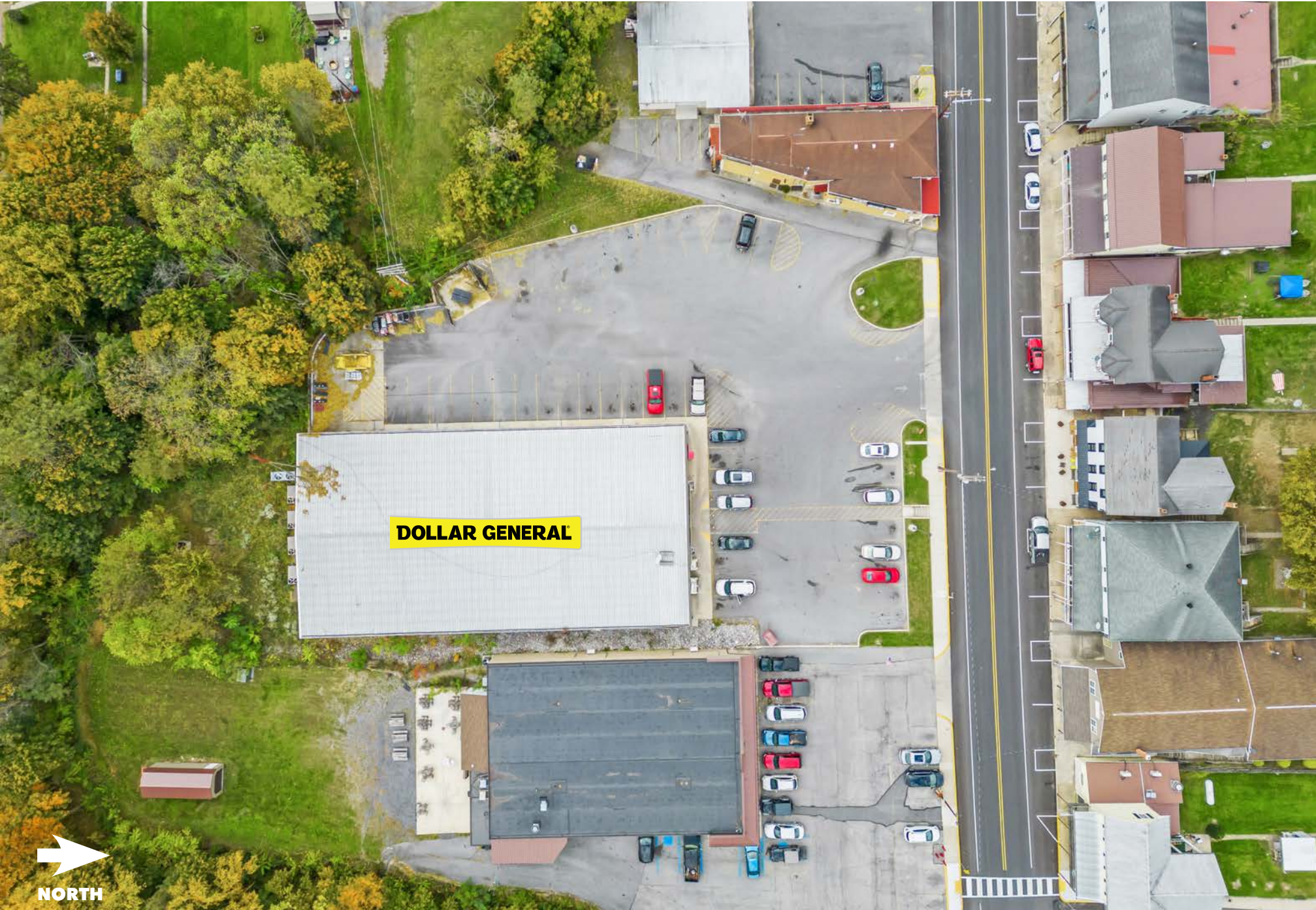


## SITE PLAN - 711 MAIN STREET, SAXTON, PA 16678



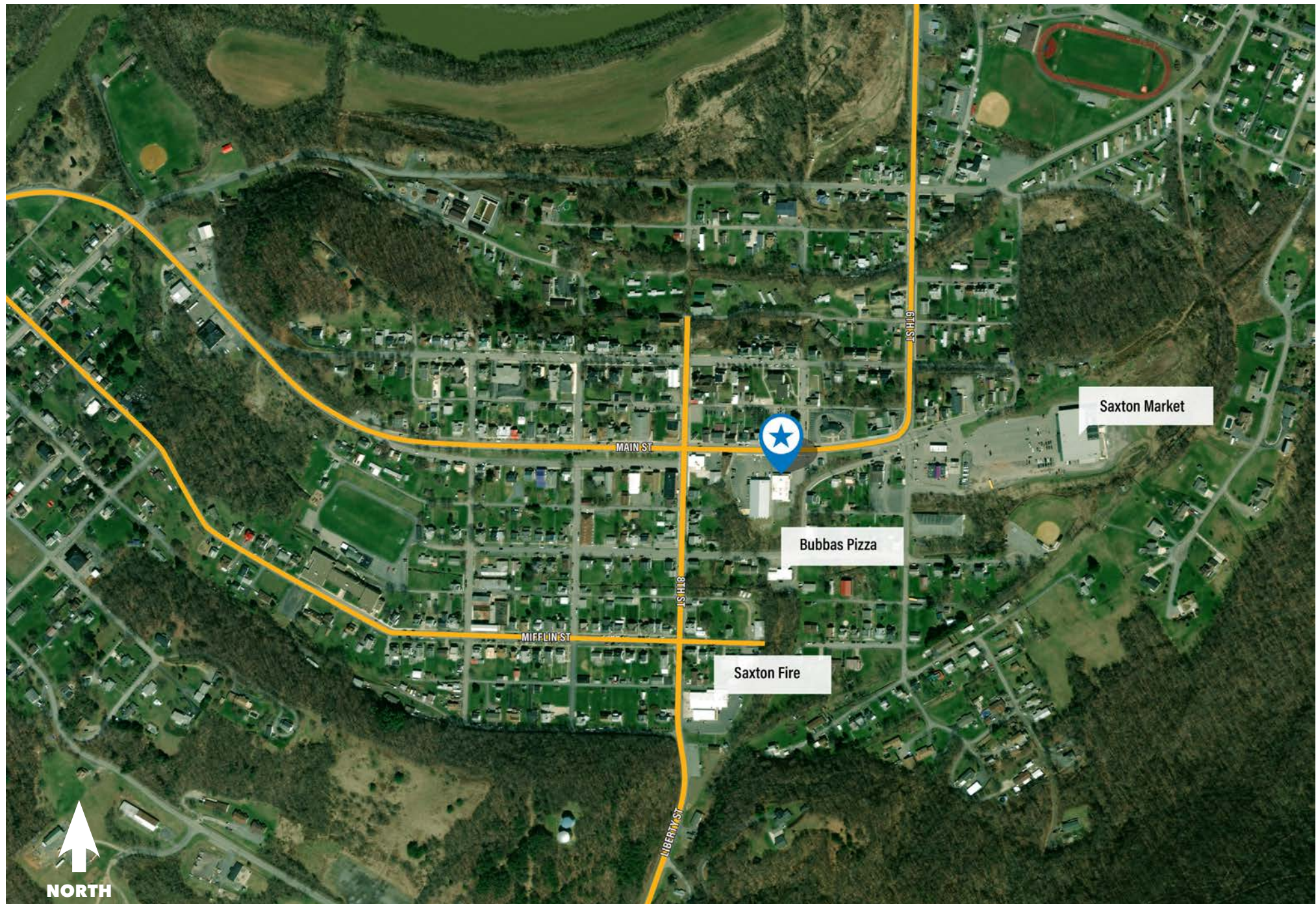


SITE PLAN AERIAL - 711 MAIN STREET, SAXTON, PA 16678





## MARKET AERIAL - 711 MAIN STREET, SAXTON, PA 16678





## An aerial satellite map of Saxton, Ohio, and its surrounding region. A blue star icon with a white outline is positioned over Saxton, marking the location of interest. The map shows a network of roads, including Woodbury Pike, Raysstown Rd, Little Valley Rd, Pinchot Rd, and Old Plank Rd. Several towns and communities are labeled, such as Woodbury, Homans Corner, Liberty Twp, Marysville, Riddlesburg, Defiance, and Broad Top City. State Gamelands are also indicated, with labels for State Gamelands No. 41, 73, and 067. The terrain is a mix of green fields and brownish, wooded areas. A north arrow is located in the bottom left corner, pointing upwards. The map is bordered by a dark grey frame.



## AREA OVERVIEW

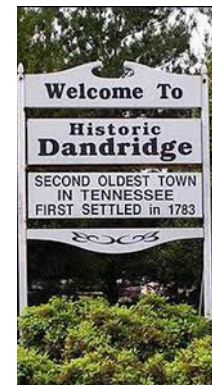
### Dandridge, TN

As Tennessee's second oldest and the only town in the U.S. and named after Martha Dandridge Washington, the first U.S. President, George Washington's wife, Dandridge, Tennessee was founded around 1783 when settlers came across the Appalachian Mountains moving west. Dandridge was part of the Civil War in 1863 when a skirmish took place in town between the North and South, looking to control areas of Knoxville. Union troops were held back to New Market, a community near Dandridge.

Dandridge remained a quaint agriculture setting due to the fertile lands along the French Broad River. When TVA began construction of Douglas Dam to generate electrical power, many of these farms are now covered by the waters of the Douglas Lake Reservoir. The Town of Dandridge would not be in existence today were it not for a group of citizens who in 1942 went to Washington, DC and lobbied for a stone and earth dike to keep the waters of the reservoir from flooding the town.

Being a short drive from Pigeon Forge and Gatlinburg, Knoxville and the University of Tennessee, Dandridge offers lodging, restaurants and shopping to those who want to avoid the daily crowds. Situated only two miles from the intersection of I-40 and I-81, Dandridge is a prime destination for anyone visiting the Smoky Mountains and who would want to see and tour Bush Brother's, the largest producer of baked beans in the world, located approximately 10 miles south of the town. Visitors to Dandridge are always impressed with the historic preservation and the quaintness of the town as downtown Dandridge is a registered National Historic District. The downtown area includes restaurants and shops which line city streets. Adjacent to Douglas Lake makes recreation a viable option for family vacations.

As of 2020, the population of Dandridge was 3,344 and is the county seat of Jefferson County, Tennessee and is part of the Morristown, Tennessee Metropolitan Statistical Area, which consists of Jefferson, Hamblen and Grainger counties. Dandridge is considered a suburb of Knoxville, which is easily accessible via Interstate 40. Dandridge offers more affordable housing than the State of Tennessee average with the median price of a house of \$182,833 compared with the overall Tennessee median price of \$191,900. As of March 2019, the cost of living index in Dandridge at 79.4 is considerably lower than the U.S. average of 100.





## AREA OVERVIEW

### Saxton, PA

Founded in 1856 by James Saxton, Saxton, Pennsylvania is a small community in Bedford County in the south-central portion of the state. Located in the northwestern portion of the County, Saxton is in Woodcock Valley along the Raystown Branch of the Juniata River in an area known as Broad Top in the Appalachian Mountains. Before the town founding and Anglos arrived, Native Americans camped along the river that flows through the area. As the United States grew and pushed the frontier west, a few settlers began building homesteads, farms, and mills throughout the valley in which Saxton is located. The region being rich in bituminous coal, a railroad was soon built to export the commodity. Saxton was the hub of the Huntingdon and Broad Top Railroad (H&BT) and for almost 100 years it shipped coal from Saxton to places like Bedford, Huntingdon and Everett. From there it went on to industrial centers, such as Pittsburgh or Baltimore.

Fifteen months ago, the Saxton Borough Council announced a local employer, gLeaf Medical Cannabis's \$40 million expansion plans for its facility in Saxton. With this expansion, the size of its workforce will jump from 125 to 525 employees. The newly created jobs will include cultivation, security, harvest, processing, packaging and shipping and engineering and maintenance. Located less than one mile from the Dollar General in Saxton, this expansion is a big boon to the economics of this small community.

Saxton is 115 miles east of Pittsburgh and 93 miles west of Harrisburg, Pennsylvania. With a small-town feel, Saxton still boasts a five-mile population is approximately 4,700 with a county-wide population of 48,000.





## DEMOGRAPHIC SNAPSHOT - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN

POPULATION			
	3 miles	5 miles	10 miles
2010 Census Population	4,327	13,634	59,946
2022 Population	4,869	15,622	66,929
2027 Projected Population	4,978	16,137	68,351

HOUSEHOLDS			
	3 miles	5 miles	10 miles
2010 Census Households	1,611	5,184	22,915
2022 Households	1,870	6,016	26,110
2027 Projected Households	1,915	6,222	26,759
2022 Estimated Average Household Size	2.59	2.56	2.50

ESTIMATED HOUSEHOLD INCOME			
	3 miles	5 miles	10 miles
2022 Average Household Income	\$81,263	\$82,600	\$79,817
2022 Median Household Income	\$60,908	\$60,172	\$58,305
2022 Per Capita Income	\$31,759	\$32,168	\$31,283
2022 Median Age	43.2	44.5	43.4

TRAFFIC COUNTS	
VPD	
I-40 @ Harbin Rd	67,989



## DEMOGRAPHIC SNAPSHOT - 711 MAIN ST, SAXTON, PA

POPULATION			
	3 miles	5 miles	10 miles
2010 Census Population	2,504	4,891	18,720
2022 Population	2,375	4,403	17,213
2027 Projected Population	2,345	4,359	17,067

HOUSEHOLDS			
	3 miles	5 miles	10 miles
2010 Census Households	1,092	2,001	7,450
2022 Households	1,035	1,865	7,028
2027 Projected Households	1,025	1,851	7,003
2022 Estimated Average Household Size	2.29	2.36	2.41

ESTIMATED HOUSEHOLD INCOME			
	3 miles	5 miles	10 miles
2022 Average Household Income	\$66,180	\$66,187	\$75,152
2022 Median Household Income	\$53,121	\$53,161	\$57,037
2022 Per Capita Income	\$28,469	\$28,102	\$30,449
2022 Median Age	45.6	44.7	45.6

TRAFFIC COUNTS	
VPD	
Main Street @ 5th Street	14,934





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Year-to-date, Transwestern has overseen the leasing and management of 2,006 properties, representing more than 370 million square feet - leased and managed combined. Within that same time period, the firm completed leasing, sales and finance transactions totaling \$8.6 billion.

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