

# MATTHEWS<sup>TM</sup>

REAL ESTATE INVESTMENT SERVICES



**DOLLAR GENERAL®**

REPRESENTATIVE PHOTO

**4775 FM 787 W | Cleveland, TX 77327**



INTERACTIVE OFFERING MEMORANDUM



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# INVESTMENT HIGHLIGHTS

## LEASE & LOCATION HIGHLIGHTS

- 2014 build-to-suit construction for Dollar General (13.75-Years Remaining)
- Dollar General extended their lease 6-years early to a brand new 15-YEAR Term
- Attractive 5% rent increase every 5-years which were added into the lease with the early extension
- Absolute NNN lease with zero Landlord responsibilities
- Estimated Population growth of 11.04% over the next 5- years!

- Attractive lease structure with Five, 5-Year options, all of which include a 5% rent increase
- Corporately guaranteed lease from Dollar General Corporation

## TENANT HIGHLIGHTS

- Dollar General boasts an investment grade credit rating of BBB (S&P).
- Dollar General has ±21,000 locations and plans to continue their expansion for the foreseeable future.
- Dollar General has been considered an essential retailer and has proven to be one of the most profitable companies through the COVID-19 pandemic



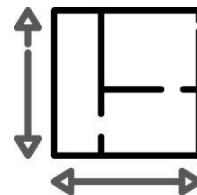
## FINANCIAL OVERVIEW



**\$1,249,476**  
PRICE



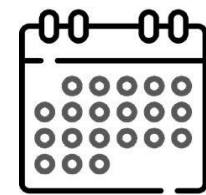
**6.50%**  
CAP RATE



**±9,100 SF**  
GLA



**±2.00 AC**  
LOT SIZE



**2014**  
YEAR BUILT

### TENANT 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	6/15/2014
Lease Expiration Date	9/30/2038
Term Remaining on Lease	±13.75 Years
Increases	5% Every 5 Years
Options	Five, 5-Year

### ANNUALIZED OPERATING DATA

LEASE YEAR	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
<b>Years 1 - 5</b>	<b>\$6,768.00</b>	<b>\$81,216.00</b>	<b>5.00%</b>	<b>6.50%</b>
Years 6-10	\$7,106.40	\$85,276.80	5.00%	6.83%
Years 11-15	\$7,461.72	\$89,540.64	5.00%	7.17%
Option 1	\$7,834.81	\$94,017.67	5.00%	7.52%
Option 2	\$8,226.55	\$98,718.56	5.00%	7.90%
Option 3	\$8,637.87	\$103,654.48	5.00%	8.30%
Option 4	\$9,069.77	\$108,837.21	5.00%	8.71%
Option 5	\$9,523.26	\$114,279.07	5.00%	9.15%







# DOLLAR GENERAL®

## TENANT OVERVIEW

Dollar General is the fastest-growing retailer which currently boasts roughly 21,000 neighborhood general stores in 48 US states, primarily in the South, East, Midwest, and the Southwest. Roughly 79.7% 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.

With its small-box store model typically measuring  $\pm 8,000$  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 OFFERING

PROPERTY NAME	DOLLAR GENERAL
Property Address	4775 Fm 787 W   Cleveland, TX 77327
SITE DESCRIPTION	
Year Built	2014
GLA	$\pm 9,100$ SF
Type of Ownership	Fee Simple

COMPANY NAME  
**DOLLAR GENERAL**

EMPLOYEES  
 **$\pm 170,000$**

YEAR FOUNDED  
**1939**

HEADQUARTERS  
**GOODLETTSVILLE, TN**

WEBSITE  
**DOLLARGENERAL.COM**

LOCATIONS  
**21,000+**



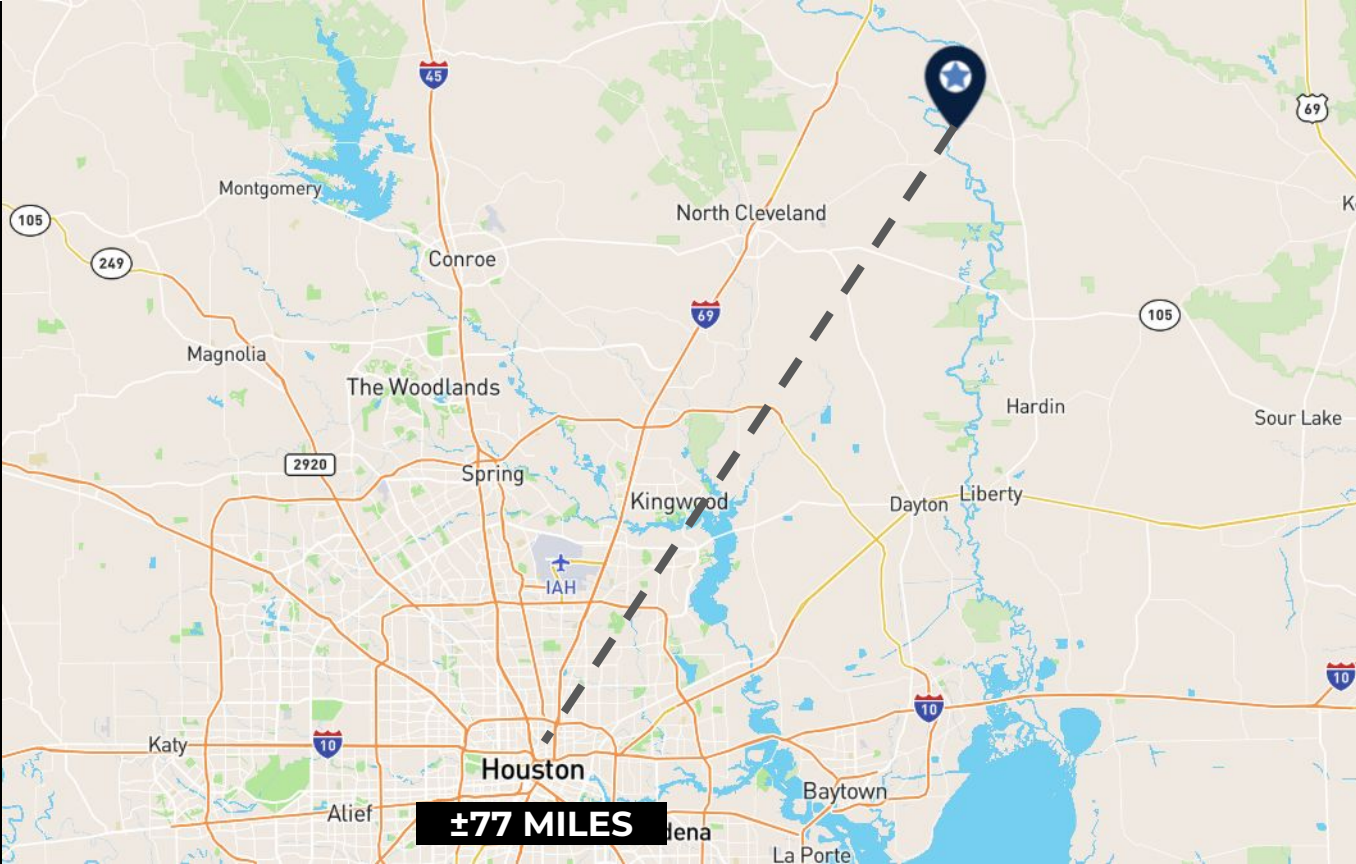
# MARKET OVERVIEW

## Cleveland, TX

Cleveland, Texas, is a city located in Liberty County in southeastern Texas. Situated approximately 45 miles northeast of Houston, Cleveland offers a blend of rural and suburban lifestyles, with a growing population fueled by its proximity to the Greater Houston metropolitan area. The city lies along major transportation corridors, including U.S. Highway 59, making it an accessible location for residents and visitors alike.

The economy of Cleveland is primarily driven by a mix of agriculture, manufacturing, retail, and logistics. Historically, the city has roots in farming and timber industries, and these sectors continue to influence its economic landscape. In recent years, Cleveland has experienced growth due to its location as a logistics hub, attracting businesses that benefit from the city's connectivity to Houston and other regional markets. The local economy also benefits from small businesses, healthcare services, and educational institutions, which provide employment opportunities to the community.

Cleveland has several attractions that showcase its natural beauty. Nature enthusiasts can explore the nearby Sam Houston National Forest, offering trails, camping, and wildlife viewing. The city also hosts various community events, such as the Cleveland Livestock Show and Dairy Day, which celebrate its agricultural heritage. Additionally, Cleveland's proximity to Lake Livingston and the Big Thicket National Preserve makes it a convenient base for outdoor recreation.



## DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
Five-Year Projection	880	2,318	13,423
Current Year Estimate	797	2,087	11,937
2020 Census	642	1,755	10,919
Growth Current Year-Five-Year	10.38%	11.04%	12.45%
Growth 2020-Current Year	24.15%	18.89%	9.32%
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
Five-Year Projection	397	939	4,947
Growth Current Year-Five-Year	18.92%	14.44%	12.13%
Growth 2020-Current Year	25.90%	18.20%	9.94%
Current Year Estimate	334	821	4,412
2020 Census	265	695	4,013
INCOME	3-MILE	5-MILE	10-MILE
Average Household Income	\$78,785	\$75,746	\$80,661





## HOUSTON, TX MSA

With a city population of over 2.31 million people, Houston is the fourth-largest city in the United States. Houston is the most diverse metropolitan area in Texas and has been described as the most racially and ethnically diverse major metropolis in the U.S. It is home to many cultural institutions and exhibits, which attract more than 8.7 million visitors a year to the Museum District. Houston has an active visual and performing arts scene in the Theater District and offers year-round resident companies in all major performing arts.

Though Houston is the largest city in the United States without formal zoning regulations, it has developed similarly to other Sun Belt cities because the city's land-use regulations and legal covenants have played a similar role. Houston has the fifth tallest skyline in North America (after New York City, Chicago, Toronto, and Miami). A seven-mile system of tunnels and skywalks links Downtown buildings containing shops and restaurants, enabling pedestrians to avoid the summer heat and rain while walking between buildings.

Centered on Post Oak Boulevard and Westheimer Road, the Uptown District boomed during the 1970s and early 1980s when a collection of mid rise office buildings, hotels, and retail developments appeared along Interstate 610 West. Uptown became one of the most prominent instances of an edge city. Located in the American South, Houston is a diverse city with a large and growing international community. Houston is highly regarded for its diverse food and restaurant culture. Several major publications have consistently named Houston as one of "America's Best Food Cities".

# ±51.4 MILLION

ANNUAL VISITORS

# ±2.7 BILLION

ANNUAL REVENUE



## ECONOMY

Houston is a city of endless possibilities: Its history has been marked with achievements from the first word heard from the moon to the first artificial heart transplant. A distinctly favorable business climate promotes trade, commerce, industry, and economic growth in the Houston region. Many businesses recognize the allure of all Houston has to offer.

Once dominated by oil-related jobs, Houston's economy has diversified as new, core industries join energy in the regional employment mix. Houston's current major industries include energy, aerospace and defense, and bio-science. Houston is home to the Texas Medical Center, the world's largest concentration of healthcare and research institutions, and NASA's Johnson Space Center, where the Mission Control Center is located. According to Forbes, Houston has a gross metro product of \$482.1 billion.

### EMPLOYERS

### EMPLOYEES

Houston Methodist	25,543
HEB	25,337
Walmart	22,854
Memorial Hermann Health System	21,925
The University of Texas MD Anderson Cancer Center	21,576
HCA Houston Healthcare	15,000
United Airlines	13,500
Kroger	13,490
ExxonMobil	13,000
Shell Oil Company	11,500
Houston Methodist	25,543
HEB	25,337





# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **4775 Fm 787 W, Cleveland, TX, 77327** ("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. Neither 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.

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 entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™, the property, or the seller by such entity.

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 Owner 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 of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.



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## Information About Brokerage Services

*Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

11-2-2015



### TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

### A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

### A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

**AS AGENT FOR OWNER (SELLER/LANDLORD):** The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

**AS AGENT FOR BUYER/TENANT:** The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

**AS AGENT FOR BOTH - INTERMEDIARY:** To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

**AS SUBAGENT:** A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

### TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

**LICENSE HOLDER CONTACT INFORMATION:** This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Matthews Real Estate Investment Services, Inc.	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Designated Broker of Firm	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date