



DOLLAR GENERAL

NEW 15-YEAR NNN LEASE

ST. PAUL, AR



CAPITAL PACIFIC

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DOLLAR GENERAL®

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DOLLAR GENERAL

5096 HWY 23, ST. PAUL, AR 72600 

\$1,279,398

PRICE

6.65%

CAP

NOI: **\$85,080**

PRICE/SF: **\$140.59**

OCCUPANCY: **100%**

LEASE TYPE: **ABSOLUTE NNN**

LEASE TERM: **15 YEARS**

LEASABLE AREA: **9,100 SF**

LAND AREA: **.99 AC**

YEAR BUILT: **2019**

**DOLLAR GENERAL IS THE COUNTRY'S LARGEST
SMALL-BOX DISCOUNT RETAILER**



THE OFFERING

The offering provides an opportunity to acquire an Absolute NNN Dollar General in St Paul, AR. The 15-year lease term features a Corporate Guaranty, and includes five 5-year options, with rental increases at the start of each option period. This investment grade asset features no landlord maintenance or expense obligations. The property benefits from being the only dollar store in town.

Dollar General generated \$25.6 billion in 2018 fiscal year sales and net income of \$1.6 billion. Dollar General currently operates over 16,000 stores in 44 states, making it the country's largest small-box discount retailer. The company has an S&P rating of BBB, which has been raised five times since 2009, and is a better credit rating than its main competitors. Dollar General's stock is up 45% over the past 24 months.

HIGHLIGHTS

- **New 15-year NNN lease with five 5-year options**
- **Zero Landlord maintenance or expense obligations**
- **Corporate Guaranty from investment grade company**
- **Internet resistant store concept**

COMPANY HIGHLIGHTS

- **Dollar General generated \$25.6 billion in 2018 fiscal year sales and net income of \$1.6 billion**
- **Operates over 16,000 stores in 44 states**
- **S&P rating of BBB**

Income & Expense

REPRESENTATIVE PHOTO

PRICE **\$1,279,398**

Capitalization Rate: **6.65%**

Building Size (SF): 9,100

Lot Size (Acres): 0.99

STABILIZED INCOME PER SQUARE FOOT

Scheduled Rent \$9.35 \$85,080

Effective Gross Income \$9.35 \$85,080

LESS PER SQUARE FOOT

Taxes NNN \$0.00

Insurance NNN \$0.00

Total Operating Expenses NNN \$0.00

EQUALS NET OPERATING \$85,080



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.	TERM		CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEAR RENT/FT
Dollar General	9,100	01/13/20	01/12/35	\$85,080	\$7,090	\$85,080	\$0.78	\$9.35
	Option 1	01/13/35	01/12/40		\$7,799	\$93,588	\$0.86	\$10.28
	Option 2	01/13/40	01/12/45		\$8,579	\$102,947	\$0.94	\$11.31
	Option 3	01/13/45	02/19/50		\$9,437	\$113,241	\$1.04	\$12.44
	Option 4	01/13/50	01/12/55		\$10,380	\$124,566	\$1.14	\$13.69
	Option 5	01/13/55	01/12/60		\$11,419	\$137,022	\$1.25	\$15.06
TOTALS:	9,100			\$85,080	\$7,090	\$85,080	\$0.78	\$9.35

Lease Abstract



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RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
*12/16/2019 - 12/15/2034	\$7,090	\$85,080

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 01/01/2035 - 12/31/2034	\$7,799	\$95,588
#2. 01/01/2040 - 12/31/2044	\$8,579	\$102,947
#3. 01/01/2045 - 12/31/2049	\$9,437	\$113,241
#4. 01/01/2050 - 12/31/2054	\$10,380	\$124,566
#5. 01/01/2055 - 12/31/2059	\$11,419	\$137,022

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISE & TERM

TENANT	Dollar General
LEASE TYPE	Absolute NNN
TERM	15 Years
OPTIONS	Five 5-year options

EXPENSES

TAXES

Tenant shall reimburse Landlord for the ad valorem taxes payable with respect to the property.

INSURANCE

Tenant shall maintain: (1) Commercial General Liability Insurance with limits no less than \$1 million per occurrence and \$2 million in aggregate; (2) Special Cause of Loss Insurance that insures all improvements on the Property. Landlord shall be named additional insured on both policies.

UTILITIES

Tenant is responsible for direct payment of all utilities to the appropriate billing authority.

TENANT'S OBLIGATIONS

Tenant is responsible for all maintenance and repair to the entirety of the Premises, including all interior and exterior, structural and nonstructural repairs and replacement.

LANDLORD'S OBLIGATIONS

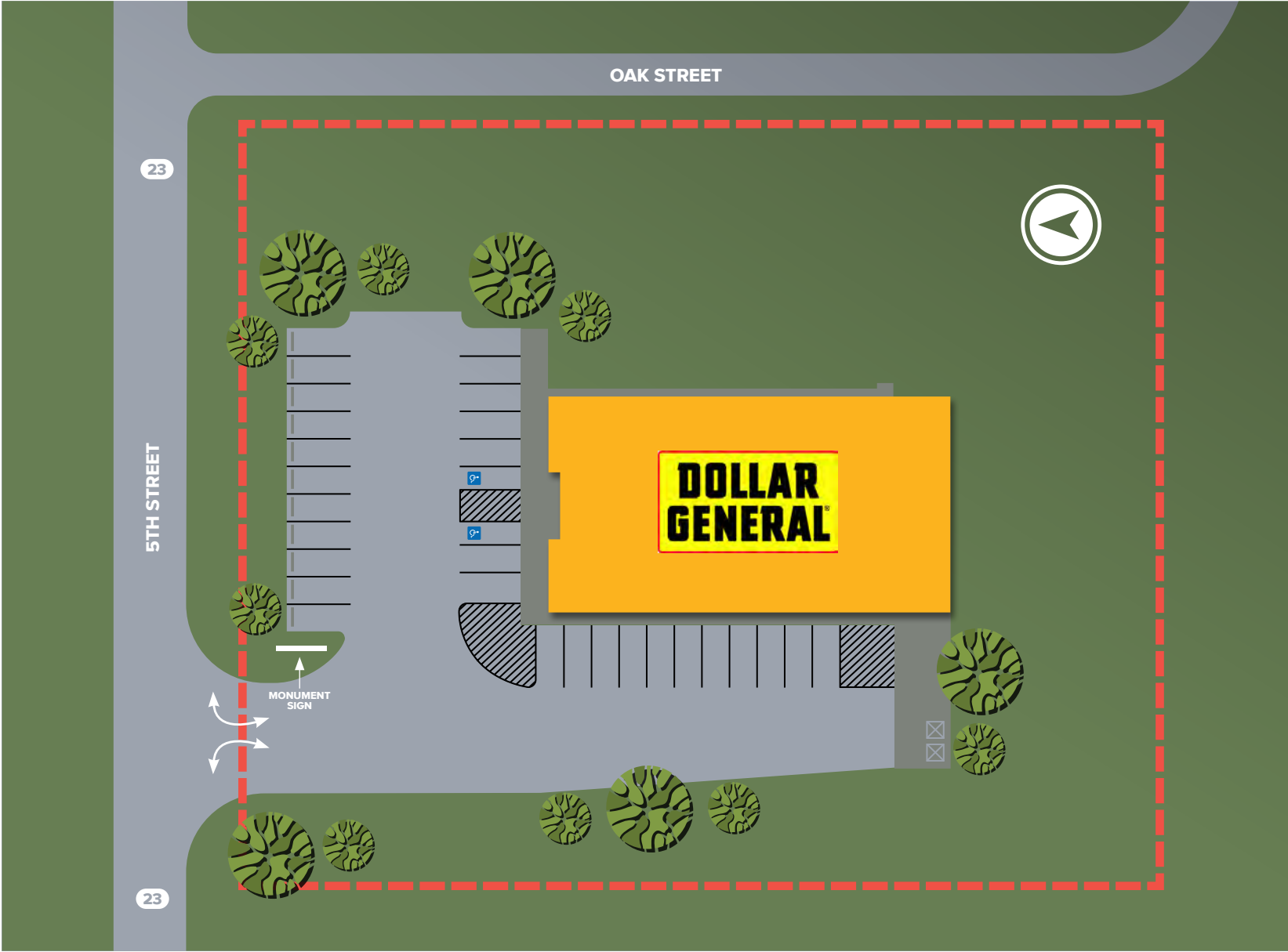
Zero expense obligations.

Site Plan

sf
9,100
RENTABLE SF

ac
0.99
ACRES

31
SPACES



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Tenant Overview



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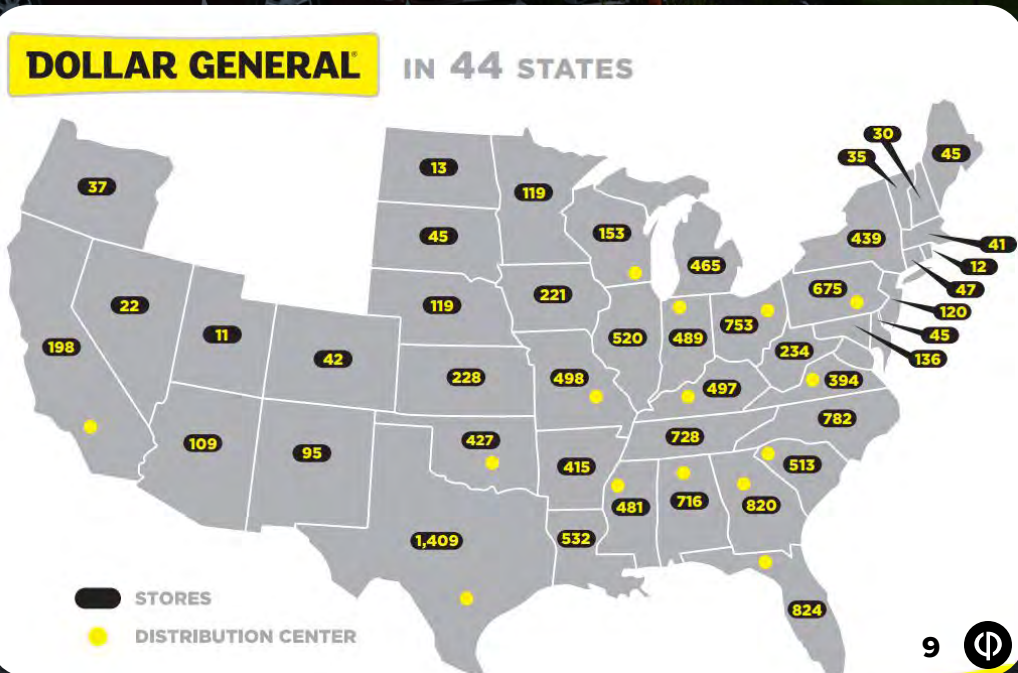
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ABOUT DOLLAR GENERAL

Dollar General (NYSE: DG) is a chain of more than 16,000 discount stores in 44 states, primarily in the South, East, Midwest, and Southwest. Offering basic household items, such as cleaning supplies, health and beauty aids, apparel, and food, it targets low, middle, and fixed-income shoppers.

The company has grown to be the country's largest small-box discount retailer. Stores are often located in small towns off the radar of giant discounters. One of Dollar General's main advantages is that it offers prices as low or lower than Walmart but in more convenient locations. Dollar General has more stores than any other retailer and is easily the largest dollar store chain.

\$25.6 Billion in 2018 Sales
16,094+ Locations in 44 States



DOLLAR GENERAL IS DOMINATING IN AMERICA. HERE'S HOW IT KEEPS ITS PRICES SO LOW

August 30, 2018 (Business Insider) Dollar General is taking over the United States.

This no-frills, bargain-hunters' paradise is growing at a level that is largely "unthinkable" in retail, Credit Suisse analysts wrote in June.

In 2017, Dollar General opened new locations at a rate of around four stores a day. In 2018, 900 more stores are slated to open at a rate of about three stores a day.

While competitors have been squeezed by growing competition online and from Amazon, Dollar General and the dollar-store sector, in general, have flourished, swooping in and offering customers prices that are 20% to 40% lower than grocery and drug stores. On Thursday, it continued its 28-year long sales growth streak, reporting a 3.7% increase in same-store sales during the second-quarter of 2018.

Sales at US dollar stores grew to \$45.3 billion from \$30.4 billion between 2010 and 2015. Moody's said it expects this market to grow 8% in 2018, which is about double the growth of what is expected for US retail in general during the same period.

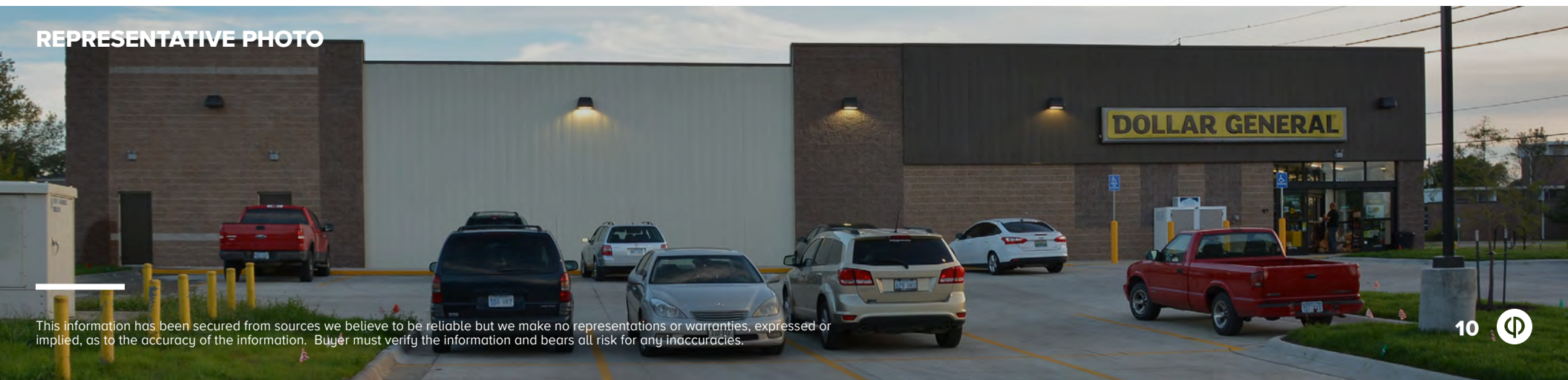
Since it opened its first store in a small town in Kentucky in 1955, Dollar General has stayed true to its roots, predominantly serving rural and suburban low-income customers. The retailer's target shopper comes from a household making \$40,000 or less a year and is often living in areas called "food deserts," meaning they are miles away from access to grocery stores.

In a call with investors on Thursday, Todd Vasos, CEO of the company, said that the chain is also attracting higher-income shoppers and foot traffic to its stores is improving, despite the strength of the economy and customers having more money in their pockets.

"Even in a good economy, she [the customer] is still looking for value and convenience," he said.

[READ THE FULL ARTICLE](#)

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Dollar General Press Release

DOLLAR GENERAL CORPORATION REPORTS 4.0% SAME-STORE SALES GROWTH FOR FOURTH QUARTER 2018

Mar. 14, 2019 (BUSINESS WIRE) Dollar General Corporation (NYSE: DG) today reported financial results for its fiscal year 2018 fourth quarter (13 weeks) and fiscal year (52 weeks) ended February 1, 2019.

Fourth Quarter Net Sales Increased 8.5%; Fiscal Year Net Sales Increased 9.2%
Fourth Quarter Same-Store Sales Increased 4.0%; Fiscal Year Same-Store Sales Increased 3.2%
Fourth Quarter Diluted Earnings Per Share (“EPS”) of \$1.84; Fiscal Year Diluted EPS of \$5.97
Annual Cash Flows From Operations Increased 18.9% to \$2.1 Billion

\$1.3 Billion Returned to Shareholders in the Fiscal Year through Share Repurchases and Cash Dividends

Board of Directors Declares Increased Quarterly Cash Dividend of \$0.32 Per Share; Increases Share Repurchase Program Authorization by \$1.0 Billion. This comes on top of the 830 stores it opened last year and dozens it updated with new fixtures and better products to improve customer experience.

“DG is aggressively moving into rural, low-income, food deserts that are either underserved or not served at all by mom-&-pop shops or grocers,” Perkins said. “They sell low-cost goods typically in smaller sizes and packages to keep costs lower than bulk products sold in grocers, discounters, and warehouse clubs. As they are generally closer to low-income consumers, they better serve consumer fill-in trips during the week and saving a trip out to a grocery store, a Walmart or a Target.”

[READ THE PRESS RELEASE](#)

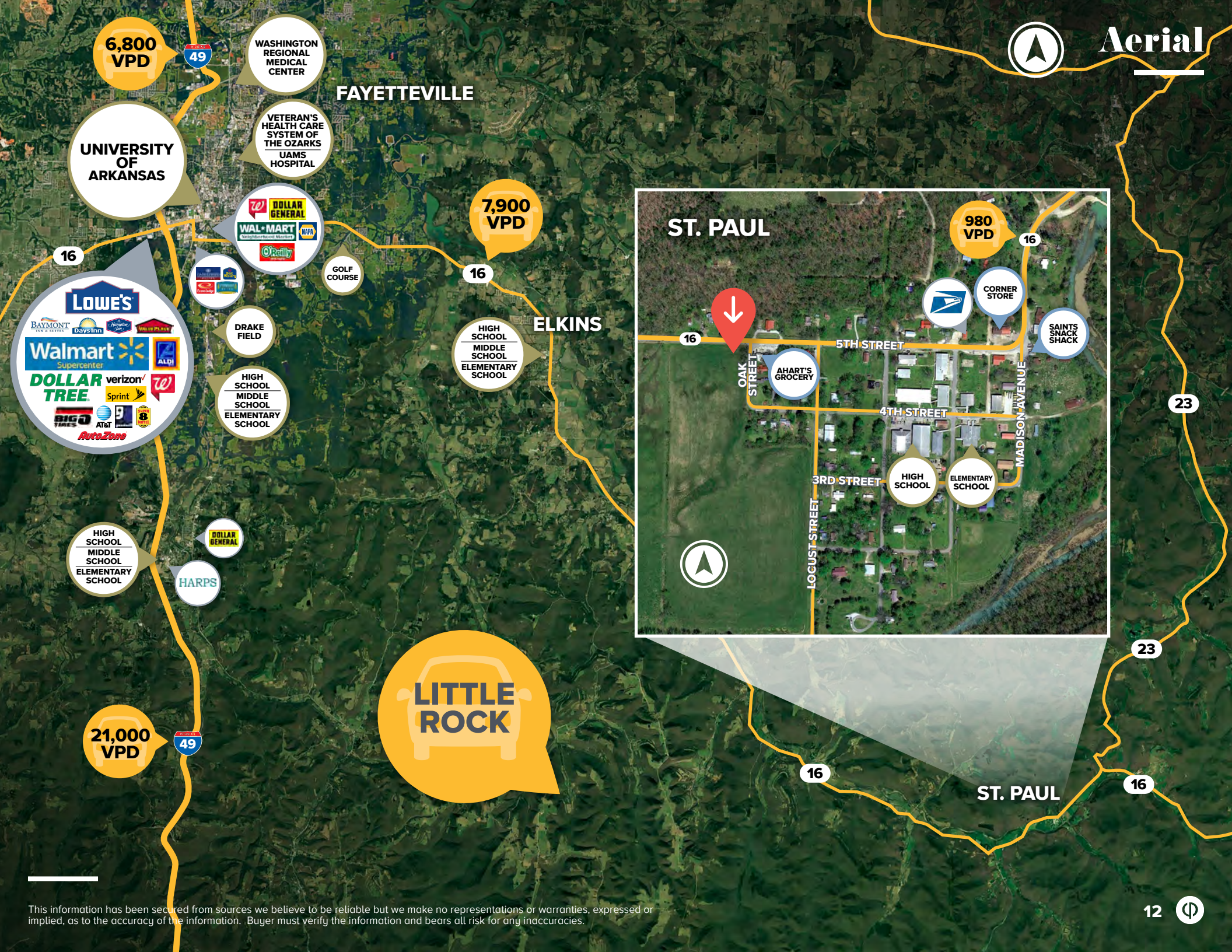
**FISCAL YEAR 2018
WAS THE 29TH
CONSECUTIVE YEAR
OF SAME-STORE
SALES GROWTH**

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6,800 VPD



WASHINGTON REGIONAL MEDICAL CENTER

FAYETTEVILLE

VETERAN'S HEALTH CARE SYSTEM OF THE OZARKS
UAMS HOSPITAL

UNIVERSITY OF ARKANSAS

DOLLAR GENERAL
WAL-MART
O'Reilly

7,900 VPD

16

GOLF COURSE

ELKINS

HIGH SCHOOL
MIDDLE SCHOOL
ELEMENTARY SCHOOL

LOWE'S
Walmart Supercenter
DOLLAR TREE
verizon
Sprint
BIG O TIRES
AT&T
AutoZone

DRAKE FIELD

HIGH SCHOOL
MIDDLE SCHOOL
ELEMENTARY SCHOOL

HIGH SCHOOL
MIDDLE SCHOOL
ELEMENTARY SCHOOL

HARPS

DOLLAR GENERAL

21,000 VPD



LITTLE ROCK

ST. PAUL

980 VPD

16



CORNER STORE

SAINTS SNACK SHACK

16

5TH STREET

OAK STREET

AHART'S GROCERY

4TH STREET

MADISON AVENUE

3RD STREET

HIGH SCHOOL

ELEMENTARY SCHOOL

23



23

16

ST. PAUL

16



Demographics



POPULATION

	3-MILES	5-MILES	10-MILES
2010	357	724	2,637
2019	385	7814	2,576
2024	398	807	2,671

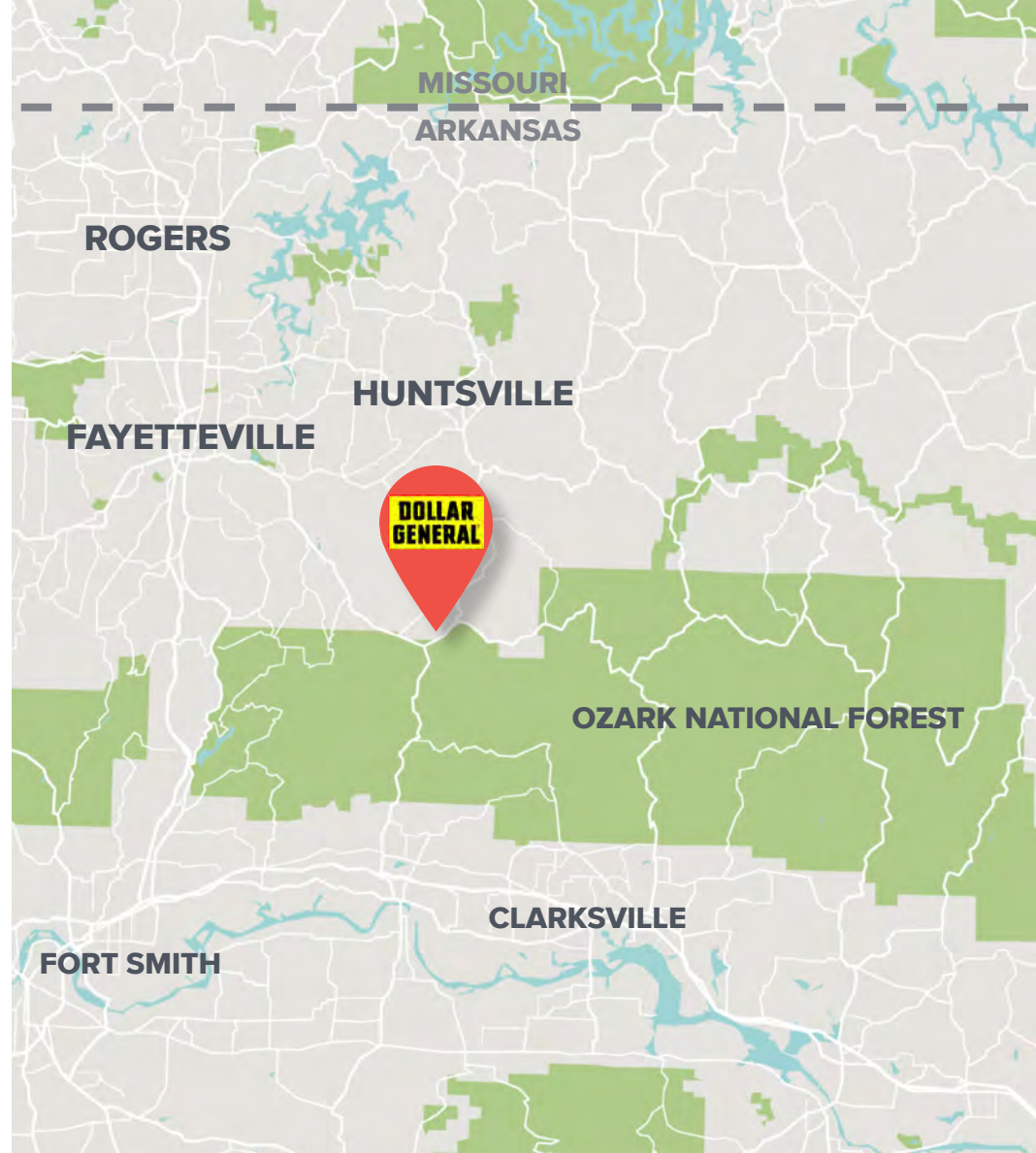


2019 HH INCOME

	3-MILES	5-MILES	10-MILES
Average	\$41,454	\$43,491	\$50,613

ST. PAUL, is a small town located in Madison County in northwestern Arkansas. The community lies in the heart of the American Ozarks region, only 2 miles from the Ozark National Forest, and approximately 24 miles away from Huntsville and 35 miles from Fayetteville.

MADISON COUNTY has an area of 836 square miles, and an estimated population of about 16,339. Forests, consisting of mostly hardwood trees, cover about two-thirds of the county. Madison County continues to be largely agricultural in character, with family farms and poultry processing providing the majority of employment for residents of the county.



THE AVERAGE HOUSEHOLD INCOME WITHIN A 10-MILE RADIUS IS OVER \$50K

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