



DOLLAR GENERAL

HANKINSON, ND



CAPITAL PACIFIC



**A BRAND NEW 15-YEAR ABSOLUTE NET LEASE
OVER \$70K INCOMES IN A 3-MILES RADIUS
HIGH RETAIL SALES PER CAPITA**

REPRESENTATIVE PHOTO



DOLLAR GENERAL

601 6TH STREET SE, HANKINSON, ND 58041

\$1,180,629
PRICE

7.00%
CAP

LEASEABLE SF
9,026 SF

LAND AREA
1.03 Acres

LEASE TYPE
ABSOLUTE NNN

LEASE EXPIRATION
1/22/2032

YEAR BUILT
2017

PARKING
30 Spaces

A new 15-year NNN lease with four 5- year options

Town with average household incomes over \$70K

Increases in the base term and options

Brand new construction

Corporate guaranteed lease

Retail sales per capita are nearly 30% higher county wide than the national average



Investment Highlights

THE OFFERING - New NNN Dollar General in Hankinson, ND, where the average household incomes are over \$70,000. The subject property is located within Richland County where retail sales per capita are nearly 30% higher than the national average. This new Dollar General fills a much needed gap in town for an all-purpose discount goods store.

LEASE HIGHLIGHTS - Brand new 15-year absolute NNN lease with four 5-year options, and corporate lease increases in the base term and options.

STRONG TENANT - During fiscal 2017, Dollar General opened about 1,285 new stores and has plans to open 900 more in fiscal year 2018. Dollar General has more stores (14,300+) than any other dollar store in the country and is currently the largest dollar store chain. In the 7+ years since going public in late 2009, the Dollar General stock price has approximately quadrupled (from \$21 to \$83). In fiscal 2015, the tenant achieved its 26th consecutive year of same-store sales growth. See pages 9 and 10 for further details.

INVESTMENT GRADE CREDIT - Dollar General's credit is BBB and the company's credit rating has been raised five times since 2009, most recently in October, 2015. Dollar General has a better credit rating than both of its large competitors.

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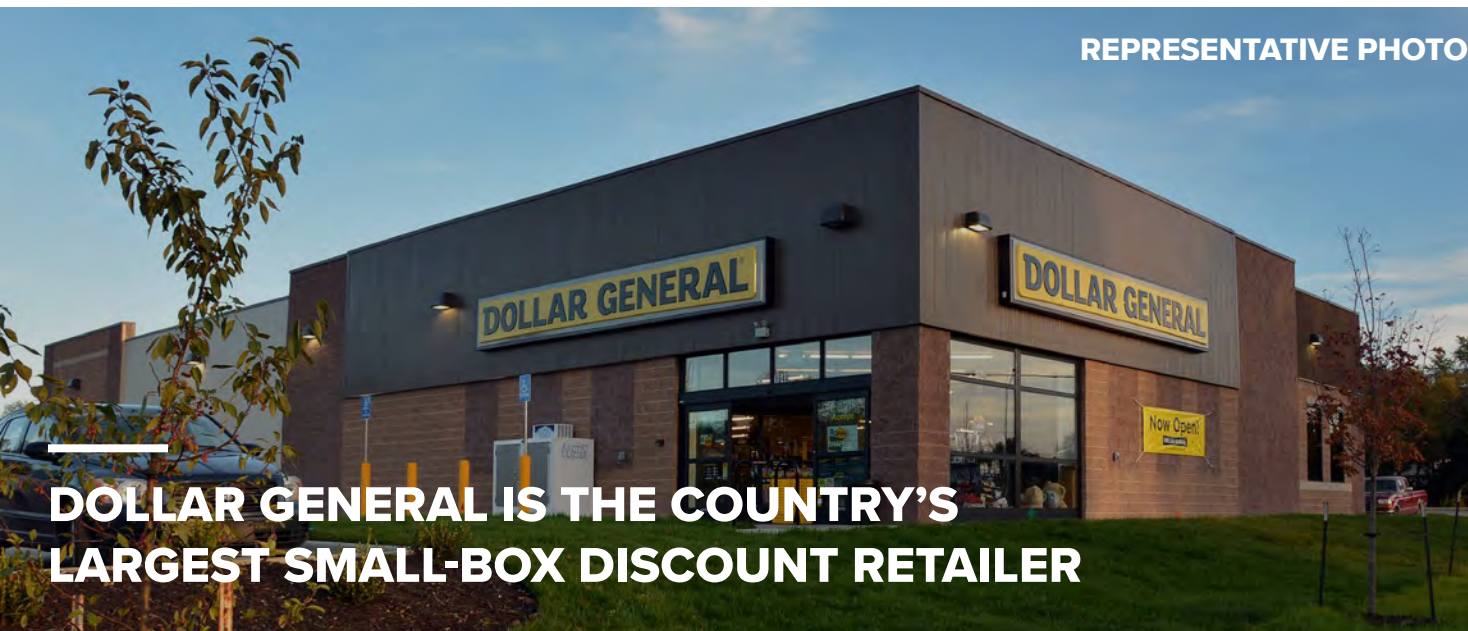
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REPRESENTATIVE PHOTO



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

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Aerial



Income & Expense

REPRESENTATIVE PHOTO

PRICE	\$1,180,629	
Price Per Square Foot:	\$130.80	
Capitalization Rate:	7.00%	
Total Rentable Area (SF):	9,026	
Lot Size (AC):	1.03	
STABILIZED INCOME	PER SQUARE FOOT	
Scheduled Rent	\$9.16	\$82,644
Effective Gross Income	\$9.16	\$82,644
LESS	PER SQUARE FOOT	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
EQUALS NET OPERATING INCOME	\$82,644	

ATTRACTIVE FINANCING AVAILABLE:

UP TO 75% LEVERAGE

5 YEAR FIXED – 4.25% - 25 YEAR AMORTIZATION

10 YEAR FIXED – 4.75% - 25 YEAR AMORTIZATION

0.25% LOAN FEE PLUS 3RD PARTY APPRAISAL & TITLE

*CONTACT AGENTS FOR DETAILS



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY					
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEAR RENT/FT	
Dollar General	9,026	1/23/2017	1/22/2027	\$82,644	\$6,887	\$82,644	\$0.76	\$9.16	
		1/23/2027	1/22/2032		\$7,074	\$84,888	\$0.78	\$9.40	
		Option 1	1/23/2032		1/22/2037	\$7,803	\$93,636	\$0.86	\$10.37
		Option 2	1/23/2037		1/22/2042	\$8,583	\$102,996	\$0.95	\$11.41
		Option 3	1/23/2042		1/22/2047	\$9,442	\$113,304	\$1.05	\$12.55
		Option 4	1/23/2047		1/22/2052	\$10,386	\$124,632	\$1.15	\$13.81
TOTALS:	9,026			\$82,644	\$6,887	\$82,644	\$0.76	\$9.16	

Site Plan



9,026
RENTABLE SF



1.03
ACRES

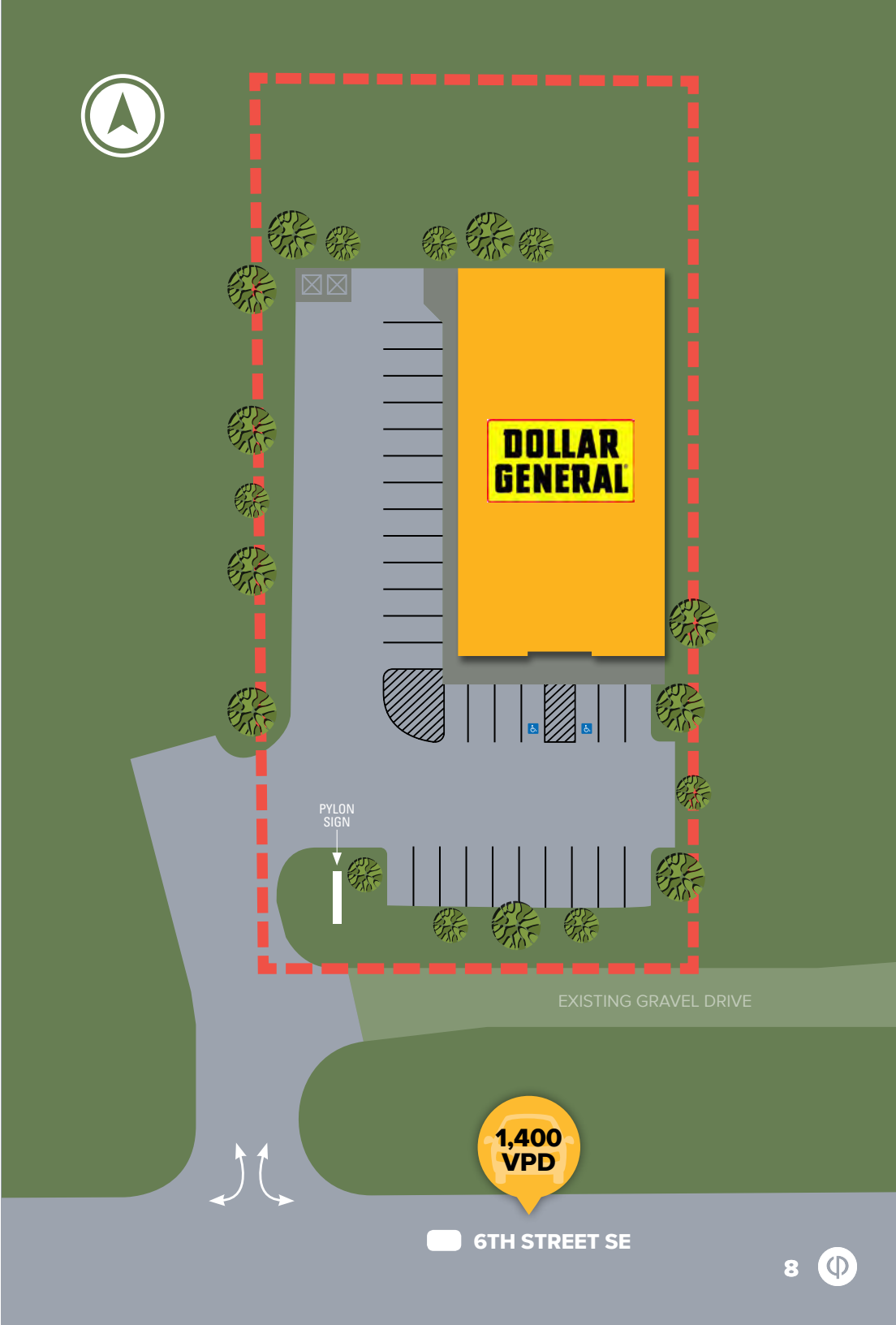


30
SPACES



REPRESENTATIVE PHOTO

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6TH STREET SE

Tenant Overview



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ABOUT DOLLAR GENERAL

Dollar General (NYSE: DG) is a chain of more than 14,300 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 into 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.

14,300+

LOCATIONS IN
44 STATES

**DOLLAR
GENERAL®**

INVESTMENT GRADE CREDIT

Dollar General's credit is BBB and the company's credit rating has been raised five times since 2009, most recently in October, 2015. Dollar General has a better credit rating than both of its large competitors.

In the News

DOLLAR GENERAL HITS A GOLD MINE IN RURAL AMERICA - IN THE POOREST TOWNS, WHERE EVEN WAL-MART FAILED, THE LITTLE-BOX PLAYER IS TURNING A PROFIT.

October 11, 2017 (Bloomberg Businessweek) On a Friday in April, Bob Tharp, the mayor of Decatur, Ark., takes me to see what used to be the commercial heart of his town. There isn't much to look at beyond the husk of a Walmart Express: 12,000 square feet of cinder block painted in different shades of brown. The glass doors are locked, as they've been for 14 months. "For so many people in this town, to have to see this empty building every day, they couldn't drive by without getting tears in their eyes," Tharp recalls. The store had opened on a frigid morning in January 2015, just days into his mayorship. "Pinch yourself and it is true," he'd posted on Facebook the night before. For the first time in a decade, the 1,788 residents could buy groceries in town. But the reprieve was short. The following January, word came from Wal-Mart Stores Inc.'s corporate headquarters, 18 miles to the east in Bentonville, that within the month the store would be closed. "You rascals!" Tharp remembers telling the executive who called to deliver the news. "You come to these small towns, and you build these stores, and you cause all the mom and pops to close down, and now you're the only ones left standing, and you want to go home? Why would you do that to our community?"

The Walmart Express had been a pilot store, the smallest ever for the world's largest retailer, designed to test whether a national brand with major supply-chain advantages could wrest a profit from towns long considered too sparsely populated. The answer, it seemed, was no: The company closed more than 100 stores across Arkansas and other southeastern states that day. Tharp did what he could to turn things around, putting out calls to urge a grocer, or any retailer, to move into the vacant building. He found no takers for a year, until at last, Dollar General Corp., which had operated a smaller store on the outskirts of Decatur's downtown since 2001, agreed to relocate to Main Street—and start offering fresh meat, fruit, and vegetables.

The Decatur store is one of 1,000 Dollar Generals opening this year as part of the \$22 billion chain's plan to expand rapidly in poor, rural communities where it has come to represent not decline but economic resurgence, or at least survival. The company's aggressively plain yellow-and-black logo is becoming the small-town corollary to Starbucks Corp.'s two-tailed green mermaid. (Although you can spot her on canned iced coffee at Dollar General, too.) Already, there are 14,000 one-story cinder block Dollar Generals in the U.S.—outnumbering by a few hundred the coffee chain's domestic footprint. Fold in the second-biggest dollar chain, Dollar Tree, and the number of stores, 27,465, exceeds the 22,375 outlets of CVS, Rite Aid, and Walgreens combined. And the little-box player is fully expecting to turn profits where even narrow-margin colossus Walmart failed.

[READ THE FULL ARTICLE](#)



WHY THIS GROWING RETAILER IS AMAZON-PROOF - ONE DOLLAR STORE CHAIN HAS BEEN A SURPRISING WINNER IN A FRAUGHT RETAIL CLIMATE.

March 20, 2016 (The Motley Fool) Times have been tough for retailers lately. Instead of getting a boost from lower gas prices and unemployment, the big-box stores have gotten hammered as Americans' shopping habits shift to the online channel. As Amazon.com (NASDAQ:AMZN) convinces more consumers to join its Prime loyalty program with free two-day shipping and builds out services like Prime Now, which offers delivery in as fast as one hour, it's become harder for brick-and-mortar retailers to compete. According to analyst estimates, Amazon captured 51% of applicable growth in retail over the holiday season as traditional powerhouses like Wal-Mart Stores and Macy's reported declining profits. Wal-Mart and Macy's were also among a slew of retailers, including Kohl's and Sears, to announce store closings shortly after the holiday season. In this environment, very few retailers have thrived -- but one surprising winner has managed to buck the trend.

This may be the opposite of Amazon. Dollar General (NYSE:DG) has quietly outperformed almost every other retailer since the recession, benefiting from the combination of a friendly macroeconomic environment and a smart strategy. In the last five years, the stock price has nearly tripled as earnings per share have more than doubled. Operating income in that period only increased 50%, but aggressive share repurchases and reduced interest expenses helped leverage those gains. During the recession, dollar stores became a fashionable play as consumers traded down to cheaper goods, but Dollar General has been able to thrive even as the economy has recovered.

A macroeconomic trifecta - The company just reported its 26th straight year of comparable sales growth, a streak virtually unmatched in retail, and a testament to the strength of the company's business model. It can prosper through a recession and a strong economy. Today, macroeconomic conditions are a significant tailwind of Dollar General, unlike in much of retail. While unemployment has fallen considerably since the recession, wage gains have been slow and income inequality has increased, meaning Dollar General's low-income demographic is only growing, and still depends on the company's blend of convenience and value. Similarly, low gas prices have given poorer Americans extra spending money, driving cigarette sales up as tobacco companies saw their first growth year since 2006 last year. Lower-income Americans are also more likely to smoke, and are using part of their savings at the gas pump on tobacco. In its recent earnings report, management said it saw significant increases in candy and snacks, perishables, tobacco, and food. Like tobacco, candy and snacks are discretionary purchases that may be also be driven by savings from lower gas prices.

[READ THE FULL ARTICLE](#)



REPRESENTATIVE PHOTO

Demographics

POPULATION



	1-MILE	3-MILES	5-MILES
2017	919	1,122	1,237

2017 HH INCOME



	1-MILE	3-MILES	5-MILES
Average	\$69,474	\$70,365	\$71,210
Median	\$53,093	\$53,368	\$53,874

TOP EMPLOYER IN RICHLAND COUNTY

EMPLOYER

Minn-Dak Farmers Cooperative

North Dakota College of Science

Dakota Magic Casino

CDI Services Inc

Wahpeton Public School District

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HANKINSON, NORTH DAKOTA



HANKINSON, founded in 1886, is located in Richland County in the southeast corner of North Dakota. Hankinson is a vital, civic-minded community located 60 miles south of Fargo near the junction of Interstate 29 and Highway 11. Hankinson is part of Wahpeton Micropolitan Statistical Area. The community boasts an attractive business climate and is home to over 90 businesses. Farming is the dominant industry in the city, with emphasis on corn, soybeans, oats, barley, potatoes, and livestock.

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RICHLAND COUNTY ECONOMY

There has been steady job growth within the agriculture, forestry, fishing, hunting and manufacturing industries. Future job growth over the next ten years is predicted to be 40.38%.

RICHLAND COUNTY HAS AN UNEMPLOYMENT RATE of 3%, well below the national average of 5.2%. There has

16,402



**RICHLAND COUNTY
POPULATION
(ESTIMATED)**



We'd love to hear from you.

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