



# DOLLAR GENERAL

BRAND NEW 15-YEAR ABSOLUTE NNN INVESTMENT

ATWOOD, KS



CAPITAL PACIFIC

REPRESENTATIVE PHOTO



## DOLLAR GENERAL

405 GRANT STREET, ATWOOD, KS, 67730 

**\$1,280,000**  
PRICE

**6.75%**  
CAP

LEASEABLE SF  
**7,489 SF**

LAND AREA  
**0.62 Acres**

LEASE TYPE  
**Absolute NNN**

LEASE TERMS  
**15 Years**

YEAR BUILT  
**2019**

PARKING  
**26 Spaces**

**Brand new 15-year absolute NNN corporate lease with guaranty**

**Four 5-year options to extend at increased rents**

**Zero Landlord maintenance or expense obligations**

**\$25.6B revenue company with Investment Grade Credit Rating**

**Internet resistant store concept – serves daily needs of community**

# Investment Highlights

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**CAPITAL PACIFIC** pleased to present the opportunity to acquire Dollar General in Atwood, Kansas. The subject property is a new construction store featuring a corporate guaranty from Dollar General, which ranked #123 on the 2018 Fortune 500 list of top companies by revenue. The absolute NNN lease provides investors with a truly “hands-off” asset, as there are zero Landlord expense or maintenance obligations. The primary lease term is 15 years, with 4 options to extend the term thereafter at increased rents.

**ATWOOD** is the home to the Rawlins County Fair, a major attraction for residents of northwestern Kansas. The city has a population of roughly 1,000 and average household incomes of approximately \$55,000. Dollar General benefits from being the only dollar store concept within the extended trade area. The addition of this store captures a demand for daily needs previously unmet by an established retailer.

**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 announced plans in September 2019 to expand its presence to 46 states, adding Washington and Wyoming to the list of states with Dollar General stores.

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

## Contact the team

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ATWOOD



25

7,170 VPD

COLBY

maurices

Walmart Supercenter

Red Lobster

ORSCHELN FARM & HOME

CARQUEST

O'Reilly AUTO PARTS

DOLLAR GENERAL

Bob's Best

Starbucks

SONIC

Wendy's

TACO JOHN'S

Pizza Hut

McDonald's

Casey's

H&R BLOCK

Arbys

Walmart EXPRESS

Days Inn

QUALITY

6

8

SLEEP

Comfort

Hampton Inn

COLBY MUNICIPAL AIRPORT AND EVENT CENTER  
 THOMAS COUNTY SEAT AND FAIRGROUNDS  
 COLBY COMMUNITY COLLEGE  
 HIGH SCHOOL / MIDDLE SCHOOL  
 ELEMENTARY SCHOOL  
 GOLF • SPORTS COMPLEX

9,450 VPD

25



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# Income & Expense

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|                                    |                        |          |
|------------------------------------|------------------------|----------|
| <b>PRICE</b>                       | <b>\$1,280,000</b>     |          |
| <b>Capitalization Rate:</b>        | <b>6.75%</b>           |          |
| Building Size (SF):                | 7,489                  |          |
| Lot Size (Acres):                  | 0.62                   |          |
| <b>STABILIZED INCOME</b>           | <b>PER SQUARE FOOT</b> |          |
| Scheduled Rent                     | \$11.54                | \$86,388 |
| Effective Gross Income             | \$11.54                | \$86,388 |
| <b>LESS</b>                        | <b>PER SQUARE FOOT</b> |          |
| Taxes                              | NNN                    | \$0.00   |
| Insurance                          | NNN                    | \$0.00   |
| Total Operating Expenses           | NNN                    | \$0.00   |
| <b>EQUALS NET OPERATING INCOME</b> | <b>\$86,388</b>        |          |



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# Rent Roll

| TENANT INFO    |              | LEASE TERMS |    | RENT SUMMARY    |                |                 |                 |                |
|----------------|--------------|-------------|----|-----------------|----------------|-----------------|-----------------|----------------|
| TENANT NAME    | SQ. FT.      | TERM        |    | CURRENT RENT    | MONTHLY RENT   | YEARLY RENT     | MONTHLY RENT/FT | YEARLY RENT/FT |
| Dollar General | 7,489        | 1           | 15 | \$86,388        | \$7,199        | \$86,388        | \$0.96          | \$11.54        |
|                | Option 1     | 16          | 20 |                 | \$7,919        | \$95,028        | \$1.06          | \$12.69        |
|                | Option 2     | 21          | 25 |                 | \$8,711        | \$104,532       | \$1.16          | \$13.96        |
|                | Option 3     | 26          | 30 |                 | \$9,582        | \$114,984       | \$1.28          | \$15.35        |
|                | Option 4     | 31          | 35 |                 | \$10,540       | \$126,480       | \$1.41          | \$16.89        |
| <b>TOTALS:</b> | <b>7,489</b> |             |    | <b>\$86,388</b> | <b>\$7,199</b> | <b>\$86,388</b> | <b>\$0.96</b>   | <b>\$11.54</b> |

# Lease Abstract



## RENT

### BASE RENT

| DATE RANGE | MONTHLY RENT | ANNUAL RENT |
|------------|--------------|-------------|
| Years 1-15 | \$7,199      | \$86,388    |

### OPTION RENTS

| DATE RANGE  | MONTHLY RENT | ANNUAL RENT |
|-------------|--------------|-------------|
| Years 16-20 | \$7,919      | \$95,028    |
| Years 21-25 | \$8,711      | \$104,532   |
| Years 26-30 | \$9,582      | \$114,984   |
| Years 31-35 | \$10,540     | \$126,480   |

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's 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 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).

## PREMISES & TERM

|                   |                                     |
|-------------------|-------------------------------------|
| TENANT            | Dollar General                      |
| GUARANTOR         | DG Retail, LLC (Corporate)          |
| BUILDING SF       | 7,489 SF                            |
| LEASE TYPE        | Absolute NNN                        |
| TERM              | 15 Years                            |
| RENT COMMENCEMENT | Sixty (60) days after Delivery Date |
| OPTIONS           | Four 5-year Options                 |

## EXPENSES

|                       |                         |
|-----------------------|-------------------------|
| PERMITTED USE         | Retail                  |
| PROPERTY TAXES        | Tenant's Responsibility |
| INSURANCE             | Tenant's Responsibility |
| COMMON AREA           | Tenant's Responsibility |
| ROOF & STRUCTURE      | Tenant's Responsibility |
| REPAIRS & MAINTENANCE | Tenant's Responsibility |
| HVAC                  | Tenant's Responsibility |
| UTILITIES             | Tenant's Responsibility |

# Site Plan



**7,489**  
**RENTABLE SF**



**0.62**  
**ACRES**



**26**  
**SPACES**

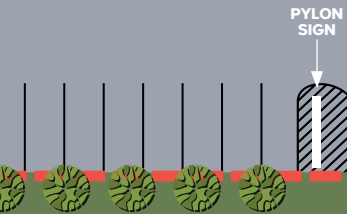


LAKE ROAD



N 4TH STREET

**36** GRANT STREET



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# Tenant Overview



## 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.

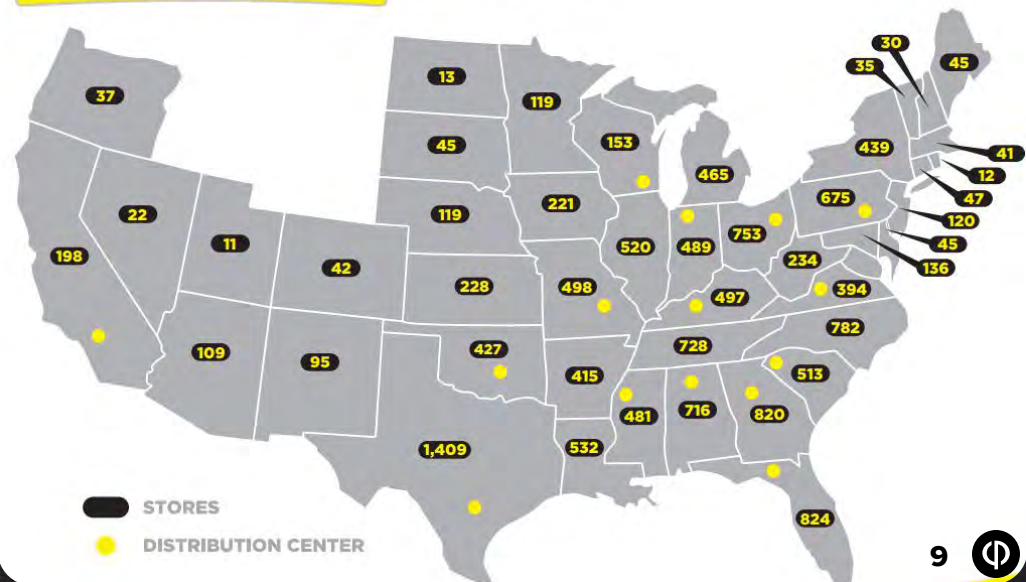
The company has grown to be the country's largest small-box discount retailer. Stores are often located in small towns off the radar of giant discounters. One of Dollar General's main advantages is that it offers prices as low or lower than Walmart but in more convenient locations. Dollar General has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

**\$25.6 Billion in 2018 Sales**  
**16,000+ Locations in 44 States**  
**141,000+ Employees**

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### DOLLAR GENERAL IN 44 STATES



# In the News

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## EXCERPTS FROM: MAKING BILLIONS AT THE DOLLAR STORE

**May 22, 2019 (Fortune)** “Just because I don’t have a lot of money, that doesn’t mean I don’t feel like having some of the finer things,” says Todd Vasos, CEO of Dollar General, paraphrasing his prototypical shopper. “We can offer her both value and an indulgence she may want.”

Vasos is on target about his customers’ income. Some 57% of Dollar General’s clientele live in households with income of less than \$49,900, according to research firm Kantar, and 30% get by on less than \$25,000. (The average U.S. household income is just under \$61,000.)

But by serving the bottom of the nation’s economic pyramid, Dollar General has generated one of the top performance records in retail. In 2018, the company reported its 29th straight year of same-store sales growth—despite minimal e-commerce. That’s a streak no other major U.S. retailer can match: Even mighty Walmart endured nearly two years of comparable-sales declines earlier this decade.

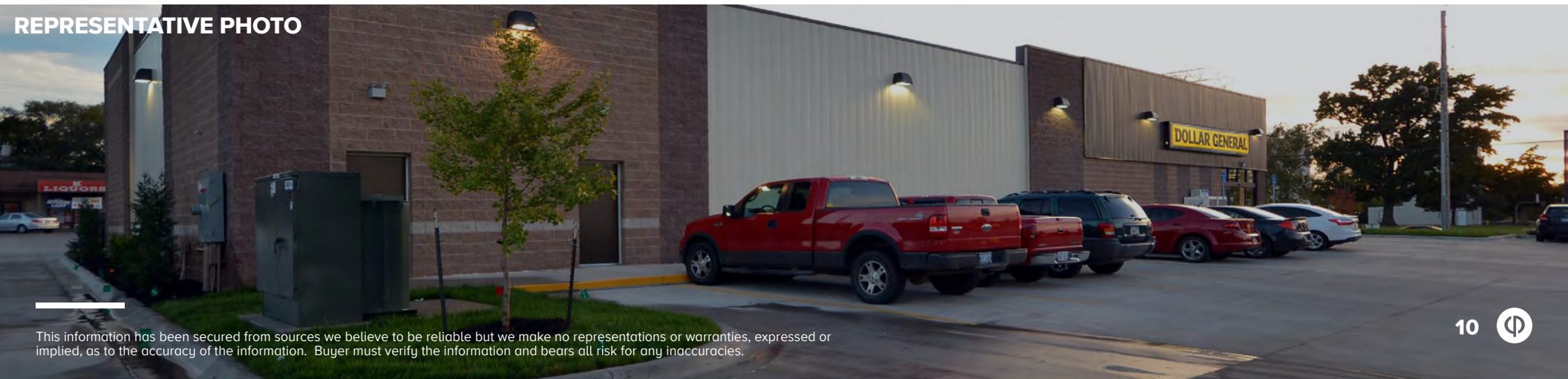
What’s more, tapping the aspirational strain that Vasos describes has helped the company sidestep the recent retail meltdown that has vaporized many other national chains’ stores in recent years. Dollar General racked up \$25.6 billion in revenue in 2018 and eclipsed Macy’s in retail sales for the first time. Its stock is near an all-time high, giving it a market cap of \$33 billion, five times higher than Macy’s.

The chain opened its first retail store in 1955 in Springfield, Ky., and for most of the ensuing six-plus decades, it has thrived with a simple playbook: Open small, no-frills stores in towns that bigger retailers shun; offer a narrow product range; and limit staffing, the better to keep prices cheap, cheap, cheap. “Dollar General was like a child whose parents were 7-Eleven and Walmart,” says David Perdue, the company’s CEO from 2003 to 2007 and now a U.S. senator from Georgia. “It offered 7-Eleven convenience at Walmart prices.”

That metaphorical union has created a fast-growing family. Dollar General is now the largest U.S. retail chain by store count, with 15,472 stores, up from 8,400 a decade ago. Remarkably, some 75% of Americans now live within five miles of a Dollar General.

[READ THE FULL ARTICLE](#)

### REPRESENTATIVE PHOTO



# Dollar General Press Release

## DOLLAR GENERAL CORPORATION REPORTS STRONG SECOND QUARTER 2019 FINANCIAL RESULTS

**Aug. 29, 2019 (BUSINESS WIRE)** Dollar General Corporation (NYSE: DG) today reported financial results for its fiscal year 2019 second quarter (13 weeks) ended August 2, 2019.

- Net Sales Increased 8.4%; Same-Store Sales Increased 4.0%
- Operating Profit Increased 5.9% to \$577.8 Million, Adjusted Operating Profit Increased 11.6% to \$608.8 Million<sup>1</sup>
- Diluted Earnings Per Share (“EPS”) Increased 8.6% to \$1.65, Adjusted Diluted EPS Increased 14.5% to \$1.741
- Cash Flows From Operations of \$1.1 Billion
- \$267 Million Returned to Shareholders through Share Repurchases and Cash Dividends
- Board of Directors Declares Third Quarter 2019 Cash Dividend of \$0.32 per share

Net sales increased 8.4% to \$7.0 billion in the second quarter of 2019 compared to \$6.4 billion in the second quarter of 2018. This net sales increase included positive sales contributions from new stores and growth in same-store sales, modestly offset by the impact of store closures. Same-store sales increased 4.0% compared to the second quarter of 2018, driven by increases in both average transaction amount and customer traffic. Same-store sales in the second quarter of 2019 included growth in the consumables, seasonal, and home categories, partially offset by a decline in the apparel category.

“We are pleased with our second-quarter results, driven by strong performance on both the top and bottom lines,” said Todd Vasos, Dollar General’s chief executive officer. “Our results this quarter were fueled by solid execution across many fronts, including category management, merchandise innovation, store operations, and continued progress with our strategic initiatives. Given our first-half performance and expectations for the remainder of the year, we are raising our full-year financial guidance.”

[READ THE PRESS RELEASE](#)

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

### REPRESENTATIVE PHOTO



# Demographics

## POPULATION

|      | 3-MILES | 5-MILES | 10-MILES |
|------|---------|---------|----------|
| 2019 | 1,098   | 1,161   | 1,232    |

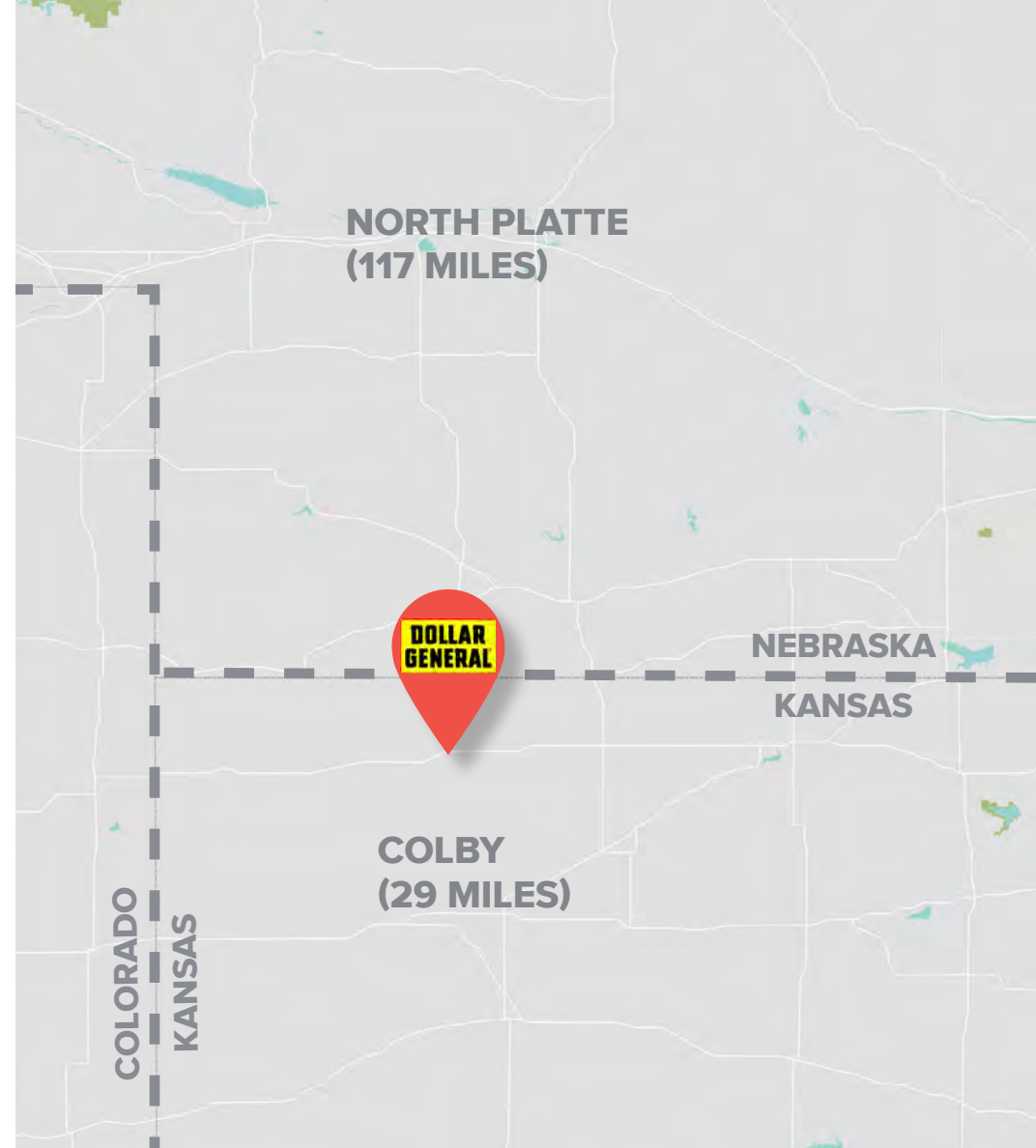
## 2019 HH INCOME

|         | 3-MILES  | 5-MILES  | 10-MILES |
|---------|----------|----------|----------|
| Average | \$55,856 | \$55,881 | \$56,412 |

**ATWOOD** is a high plains community situated along the Beaver Creek in Northwest Kansas. An established agricultural community, the city is the county seat of Rawlins County, and the largest city in the county with over 1,000 residents.

The city sits at the intersection of US Highway 36, the primary highway through Northern Kansas, and Kansas State Highway 25.

**RAWLINS COUNTY** is home to over 609,000 acres of farm land, producing primarily corn and wheat. Kansas State University Research and Extension has 105 county offices, including one in Rawlins County, which serve local communities and conducting research throughout the state.



**THE AVERAGE HOUSEHOLD INCOME WITHIN A 5-MILE RADIUS IS OVER \$55K**



# Contact us.

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