



DOLLAR GENERAL

A CORPORATE NET LEASED DOLLAR STORE

TAHLEQUAH, OK



CAPITAL PACIFIC

REPRESENTATIVE PHOTO



DOLLAR GENERAL

964 W CHOCTAW ST, TAHLEQUAH, OK 74464 

\$1,335,000
PRICE

6.60%
CAP

LEASEABLE SF
9,100 SF

LAND AREA
1.00 Acre

LEASE TYPE
Absolute NNN

LEASE TERMS
15 Years

YEAR BUILT
2019

PARKING
46 Spaces

15-year Absolute NNN lease backed by corporate guaranty

Five 5-year options to extend lease at increased rents

Zero Landlord maintenance or expense obligations

Rare, large town location -- Tahlequah is anchored by Northeastern State University and local & county government

Dollar General (S&P: BBB) is a \$25.6B revenue company



Investment Highlights

CAPITAL PACIFIC is pleased to present the opportunity to acquire an absolute NNN Dollar General in Tahlequah, Oklahoma. The property is a new construction store and features a 15-year primary lease term (14.5 years left) with five 5-year options to extend at increased rents (10% every 5 years during option terms). The lease is backed by a corporate guaranty from Dollar General, #123 on the Fortune 500 list of companies. Additionally, the absolute NNN lease structure has zero Landlord expense obligations, providing an investor with a “hands-off” investment.

THE SUBJECT PROPERTY is located in the city of Tahlequah, the county seat of Cherokee County. The trade area and local economy are anchored by Northeastern State University and the market features denser and higher income demographics than typical Dollar General locations, making it a rare and attractive store. The property is adjacent to City Hall and local government offices, as well as Tahlequah High School and Northeastern State University.

DOLLAR GENERAL generated \$25.6 billion in 2018 fiscal year sales and net income of \$1.6 billion. Dollar General currently operates over 15,500 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.

REPRESENTATIVE PHOTO



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

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Zoomed-In Aerial



82

62

62

INDIAN CAPITAL TECHNOLOGY CENTER

MIDDLE SCHOOL

HIGH SCHOOL

NORTHEASTERN STATE UNIVERSITY

ACADEMY

ELEMENTARY SCHOOL

CITY OF TAHLEQUAH

6,400 VPD

CHEROKEE COUNTY

ARVEST BANK

CITY OF TAHLEQUAH

CHEROKEE NATION

CHEROKEE NATION

CITY OF TAHLEQUAH

Save a lot

Advance Auto Parts

Pizza Hut

W CHOCTAW STREET

ELEMENTARY SCHOOL

BancFirst

BUS 62

FAMILY DOLLAR

ELEMENTARY SCHOOL

TULSA (68 MILES)

21,600 VPD

BUS 62

CHEROKEE COUNTY

Allstate FAMILY DOLLAR STAGE SHOE DEPT. ADVANCE AMERICA GNC

18,300 VPD

BancFirst

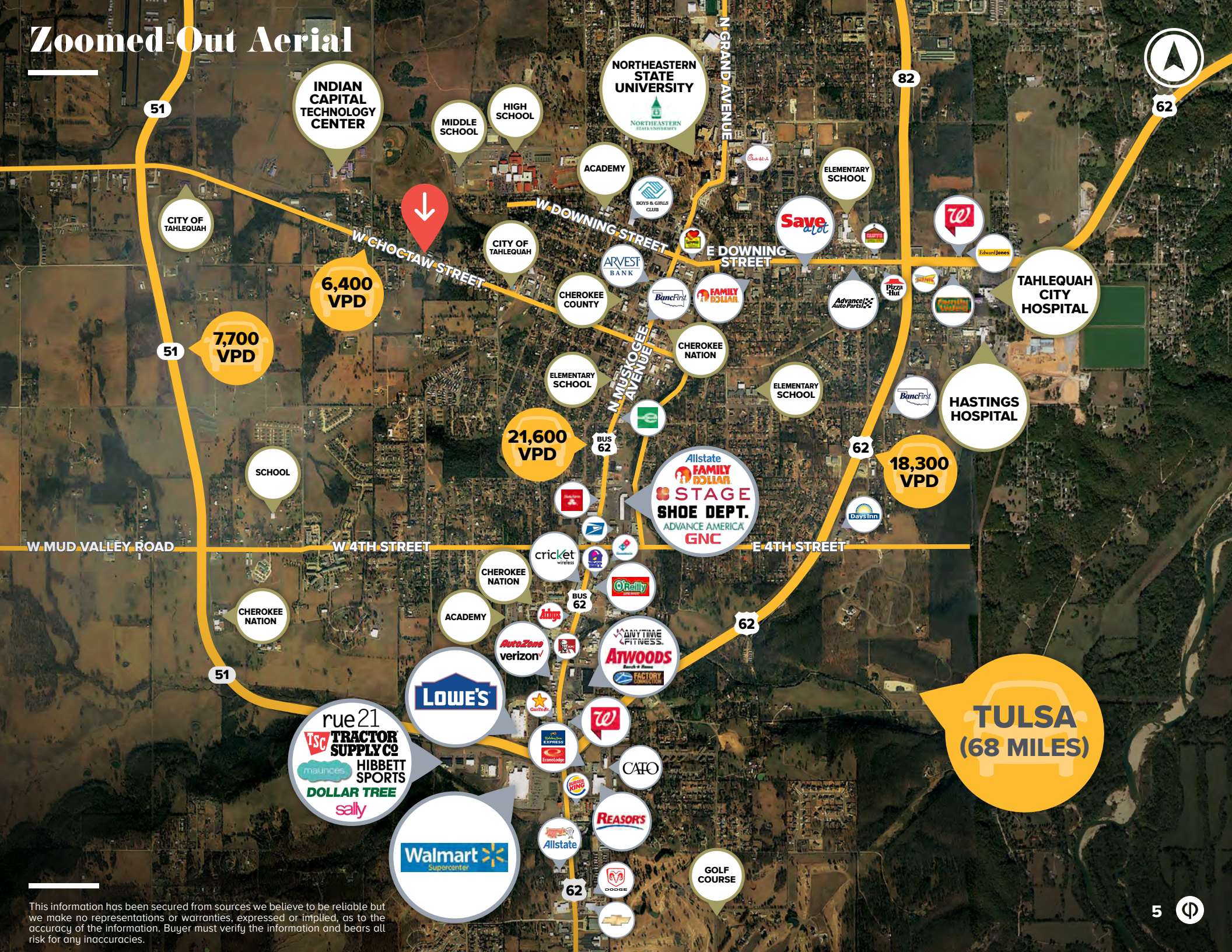
Days Inn

Days Inn

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Zoomed-Out Aerial



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Income & Expense

REPRESENTATIVE PHOTO

PRICE	\$1,335,000	
Capitalization Rate:	6.60%	
Building Size (SF):	9,100	
Lot Size (Acres):	1.00	
STABILIZED INCOME	PER SQUARE FOOT	
Scheduled Rent	\$9.69	\$88,136
Effective Gross Income	\$9.69	\$88,136
LESS	PER SQUARE FOOT	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
EQUALS NET OPERATING INCOME	\$88,136	



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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	YEAR RENT/FT
Dollar General	9,100	3/1/19	2/28/34	\$88,136	\$7,345	\$88,136	\$0.81	\$9.69
	Option 1	3/1/34	2/28/39		\$8,079	\$96,950	\$0.89	\$10.65
	Option 2	3/1/39	2/28/44		\$8,887	\$106,645	\$0.98	\$11.72
	Option 3	3/1/44	2/28/49		\$9,776	\$117,309	\$1.07	\$12.89
	Option 4	3/1/49	2/28/54		\$10,753	\$129,040	\$1.18	\$14.18
	Option 5	3/1/54	2/28/59		\$11,829	\$141,944	\$1.30	\$15.60
TOTALS:	9,100			\$88,136	\$7,345	\$88,136	\$0.81	\$9.69

Lease Abstract

TENANT	Dollar General
GUARANTOR	Dollar General Corporation
BUILDING SF	9,100 SF
LEASE TYPE	Absolute NNN
TERM	15 Years
OPTIONS	Five 5-year Options

RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
3/1/2019 - 2/28/2034	\$7,345	\$88,136

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 3/1/2034 - 2/28/2039	\$8,079	\$96,950
#2. 3/1/2039 - 2/28/2044	\$8,887	\$106,645
#3. 3/1/2044 - 2/28/2049	\$9,776	\$117,309
#4. 3/1/2049 - 2/28/2054	\$10,753	\$129,040
#5. 3/1/2054 - 2/28/2059	\$11,829	\$141,944

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 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).

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



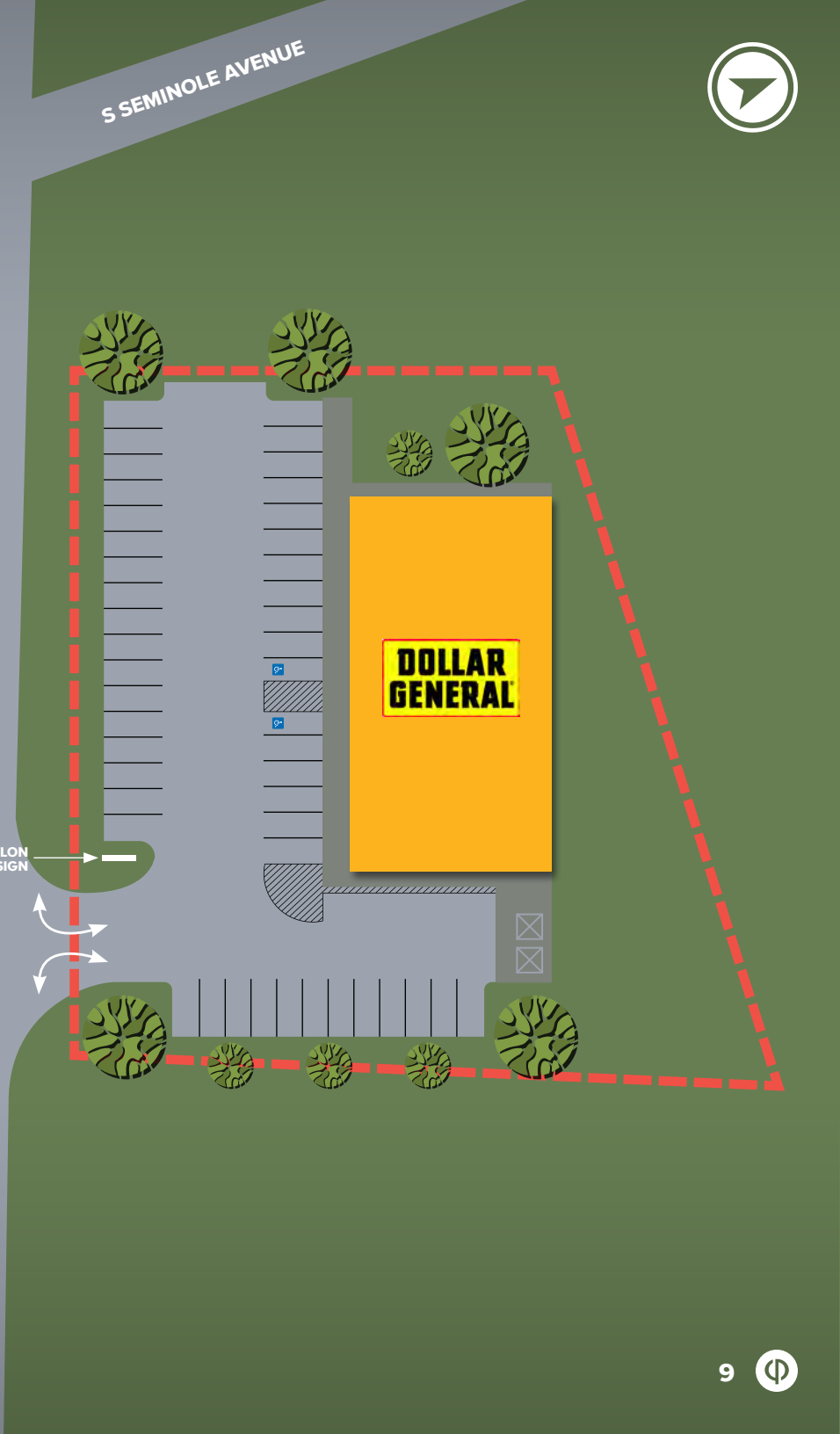
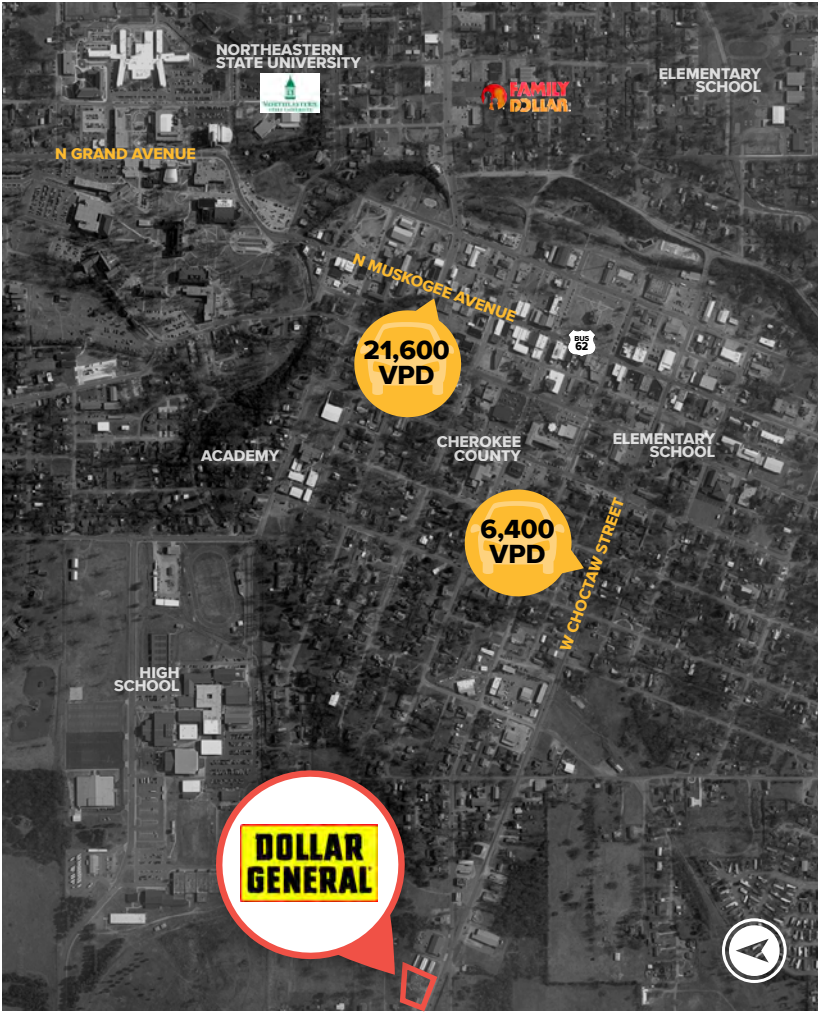
9,100
RENTABLE SF



1.00
ACRE



46
SPACES



This site plan is a rendering that has been created based on sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Tenant Overview



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ABOUT DOLLAR GENERAL

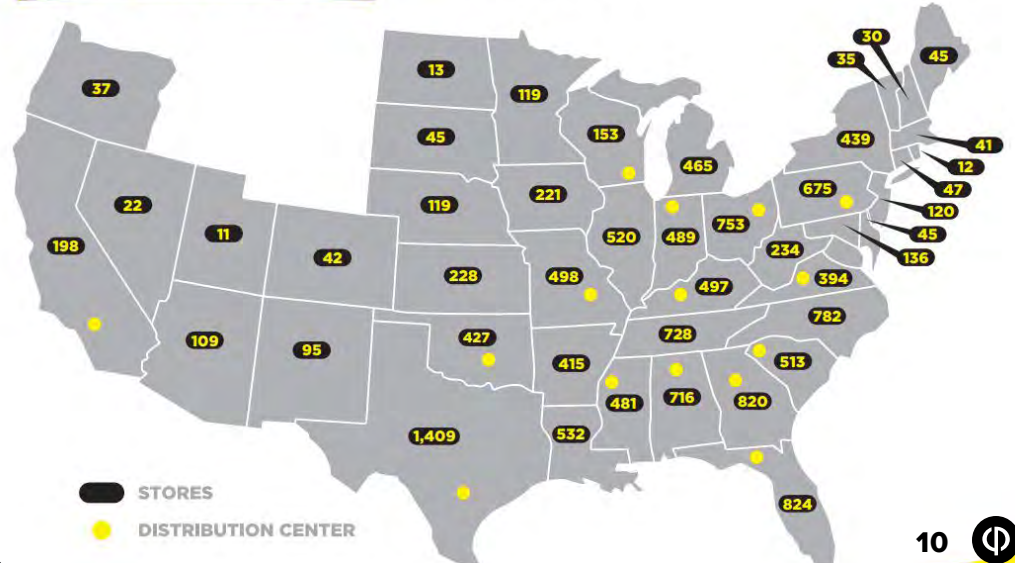
Dollar General (NYSE: DG) is a chain of more than 15,500 discount stores in 44 states, primarily in the South, East, Midwest, and Southwest. Offering basic household items, such as cleaning supplies, health and beauty aids, apparel, and food, it targets low, middle, and fixed-income shoppers.

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
15,400+ Locations in 44 States

DOLLAR GENERAL

IN 44 STATES



STORES

DISTRIBUTION CENTER



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](#)



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

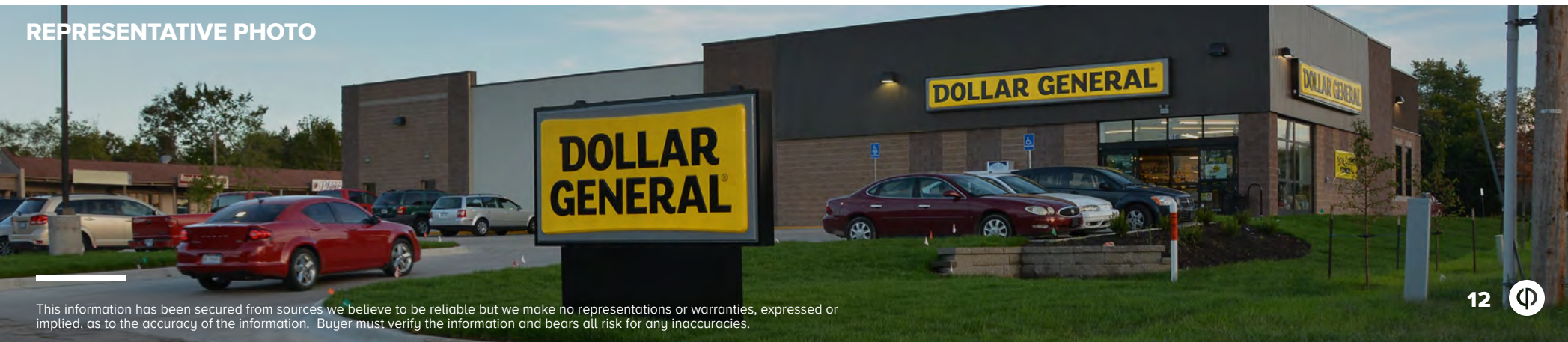
Board of Directors Declares Increased Quarterly Cash Dividend of \$0.32 Per Share; Increases Share Repurchase Program Authorization by \$1.0 Billion. This comes on top of the 830 stores it opened last year and dozens it updated with new fixtures and better products to improve customer experience.

“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**

REPRESENTATIVE PHOTO




Demographics

POPULATION

	1-MILE	3-MILES	5-MILES
2010	4,250	18,561	24,169
2019	4,377	19,938	25,870
2024	4,433	20,483	26,571

2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$41,965	\$48,250	\$48,947
Median	\$27,913	\$32,494	\$35,075

TOP EMPLOYERS

EMPLOYER	INDUSTRY
Cherokee Nation of Oklahoma	American Indian Tribal Government
Reasor's Foods	Supermarkets
Northeastern State University	Education
Eastern Tribal Health System	Medical
Tahlequah Public Schools	Education



THE AVERAGE HOUSEHOLD INCOME WITHIN A 5-MILE RADIUS IS OVER \$48K

TAHLEQUAH, OKLAHOMA



NORTHEASTERN STATE UNIVERSITY

TAHLEQUAH is located in the “Lakes Country” of northeastern Oklahoma. Named one of the Top 100 Best Small Towns in America, it is the county seat of Cherokee County with an estimated population of 16,738 residents.

Tahlequah has the distinction of being the capital of both The Cherokee Nation and The United Keetoowah Bank of Cherokee Indians, and as such, has a rich history to offer interested visitors. With festivals and cultural events going on year-round, and with the Illinois River and Lake Tenkiller nearby, the area has plenty of attractions for outdoor enthusiasts.

NORTHEASTERN STATE UNIVERSITY is located just outside downtown Tahlequah. The school boasts 54 undergraduate programs, 24 graduate programs, more than 100 student organizations, and 10 NCAA athletic teams for an approximate enrollment of 9,260 students. According to the State Chamber Research Foundation, Northeastern State University in Tahlequah had a \$197.5 million impact on its host community in 2018, second only to the University of Central Oklahoma.

48,675



**CHEROKEE COUNTY
POPULATION
(ESTIMATED)**

We'd love to hear from you.

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