



Offering Memorandum

DOLLAR GENERAL

NET LEASE INVESTMENT | 7% CAP RATE

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EXECUTIVE SUMMARY

OFFER HIGHLIGHTS

This NNN DollarGeneral in Morganton, North Carolina is an excellent investment with no landlord responsibilities in a proven location.

The ± 9,100 SF building, built in 2013, is located on a ± 1.53 acre corner site in the southern portion of Morganton. The nearest dollar store is almost 6 miles away.

This location has a 15-year initial term running through October 2028 with five 5-year renewal options, each with a 10% rent increase. The Lease is corporate guaranteed by Dollar General, who is responsible for insurance, all repairs & maintenance and reimbursement of property taxes to the Landlord.

- Strong national credit tenant
- Established location with limited competition in the immediate area
- NNN with no landlord responsibilities
- Current store prototype of 9,100 SF on large corner parcel
- Good "bit size" property for first time or 1031 investor
- Outstanding corporate guarantee by Dollar General
- Available for sale at \$1,171,000 or a 7% cap rate
- Broker of Record: Michael Bull | Bull Realty | NC License# 247673



Information contained herein may have been provided by the seller, landlord or other outside sources. While deemed reliable, it may be estimated, projected, limited in scope and is subject to change or inaccuracies. Pertinent information should be independently confirmed prior to lease or purchase offer or within an applicable due diligence period.

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DEMOGRAPHICS

	3 Miles	5 Miles	10 Miles
Total Population:	5,464	15,206	54,535
Total Households:	2,141	5,485	21,320
Average HH Income:	\$51,896	\$53,468	\$57,388

* Source: ESRI and US Census Bureau

AREA OVERVIEW

The population within a five-mile radius is 15,206 with an average household income of \$53,468. The Clear Creek Access to South Mountains State Park is nearby. Morganton, the county seat of Burke County, is near Interstate 40, located in western North Carolina and about an hour from both Charlotte and Asheville.



FINANCIAL OVERVIEW

DOLLAR GENERAL NET LEASE INVESTMENT | 7% CAP RATE

PROPERTY & LEASE INFORMATION

Property Location:	4500 US Hwy 64, Morganton, NC 28655
County:	Burke
Price:	\$1,171,000
Building Size:	9,100 SF
Price/SF:	\$128.68
Cap Rate:	7%
NOI:	\$81,927
Rent/SF/YR:	\$9.00
Year Built:	2013
Site Size:	1.53 Acres
Type Of Ownership:	Fee Simple

LEASE SUMMARY

Tenant Trade Name:	Dollar General
Lease Type:	NNN
Rent Commencement:	11/1/2013
Lease Expiration:	10/31/2028
Renewal Options:	Five 5-year
Rent Increases:	10% in options
Landlord Responsibilities:	None
Tenant Responsibilities:	Insurance, all repairs and property maintenance; tenant will reimburse the Landlord for property taxes

RENT SCHEDULE

Term	Dates	Monthly Rent	Annual Rent	%
Initial Term	11/1/13 - 10/31/28	\$6,827.25	\$81,927.00	-
Option 1	11/1/28 - 10/31/33	\$7,509.98	\$90,119.76	10%
Option 2	11/1/33 - 10/31/38	\$8,260.97	\$99,131.64	10%
Option 3	11/1/38 - 10/31/43	\$9,087.07	\$109,044.84	10%
Option 4	11/1/43 - 10/31/48	\$9,995.78	\$119,949.36	10%
Option 5	11/1/48 - 10/31/53	\$10,995.35	\$10,995.35	10%

REPRESENTATIVE PHOTOS



SALE COMPS

DOLLAR GENERAL NET LEASE INVESTMENT | 7% CAP RATE

SUBJECT PROPERTY

City	State	Asking CAP	NOI	Sq Ft	Year Built	Parcel Size (Acres)	Date Sold	Asking Price	Price/SF	3 mile Population	3 Mile Median HH Income
Morganton	NC	7.0%	\$ 81,927	9100	2013	1.53	-	\$1,171,000	\$128.68	5,312	\$43,552

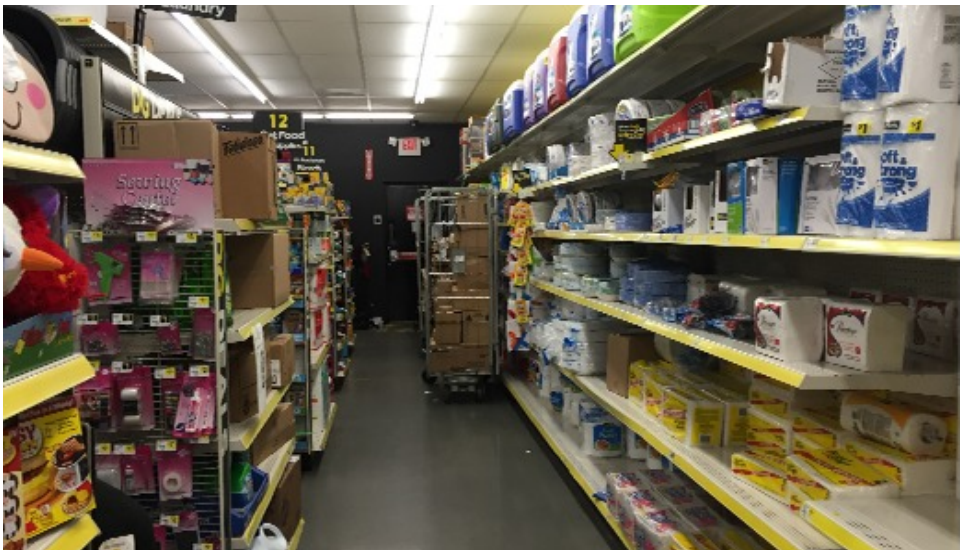
SALE COMPS

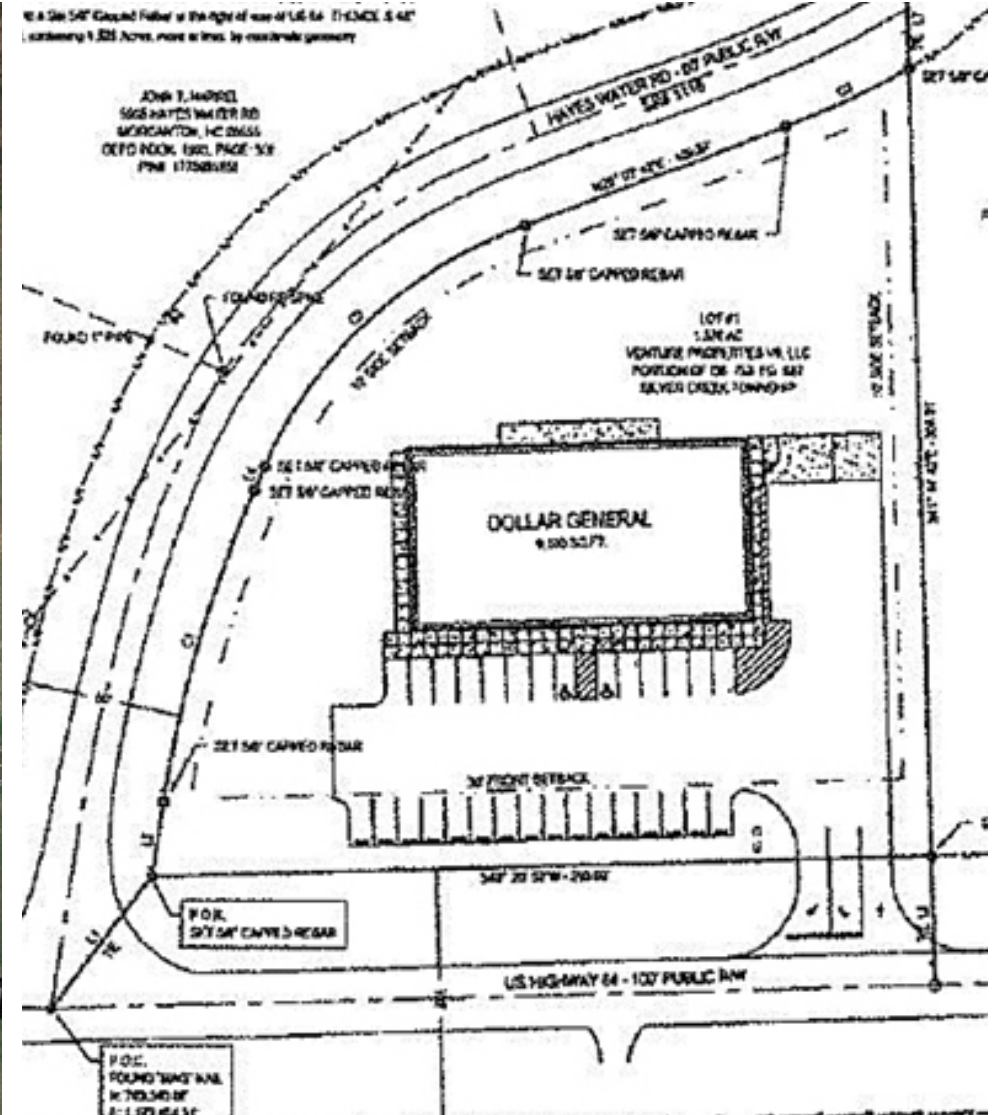
City	State	SOLD Cap Rate	NOI	Sq Ft	Year Built	Parcel Size (Acres)	Date Sold	Selling Price	Price/SF	3-Mile Population	3 Mile Median HH Income
Bonnieville	KY	7.2%	\$93,470	9,100	2013	1.09	4/11/2019	\$1,300,000	\$142.86	2,473	\$25,082
Graniteville	SC	7.3%	\$91,821	9,026	2012	2.76	3/28/2019	\$1,266,500	\$140.32	9,126	\$46,354
Pottsville	AR	7.2%	\$81,324	9,000	2012	1.19	2/20/2019	\$1,129,500	\$125.50	4,024	\$48,833
White Hall	AR	7.3%	\$70,810	9,090	2013	1.21	12/13/2018	\$970,000	\$106.71	2,137	\$80,312
Fair Play	SC	7.3%	\$69,350	9,026	2012	2.71	11/5/2018	\$950,000	\$105.25	4,697	\$56,620
Townsend	GA	7.3%	\$68,771	9,100	2014	1.52	11/5/2018	\$945,000	\$103.85	1,042	\$70,749
Saucier	MS	7.0%	\$105,000	9,002	2014	1.55	9/7/2018	\$1,500,000	\$166.63	4,307	\$51,179
Princeton	TX	6.5%	\$89,610	9,026	2014	1.78	9/6/2018	\$1,385,000	\$153.45	1,302	\$74,482
New Castle	PA	7.3%	\$89,877	9,100	2013	1.00	7/16/2018	\$1,234,573	\$135.67	3,450	\$62,482



ADDITIONAL PHOTOS

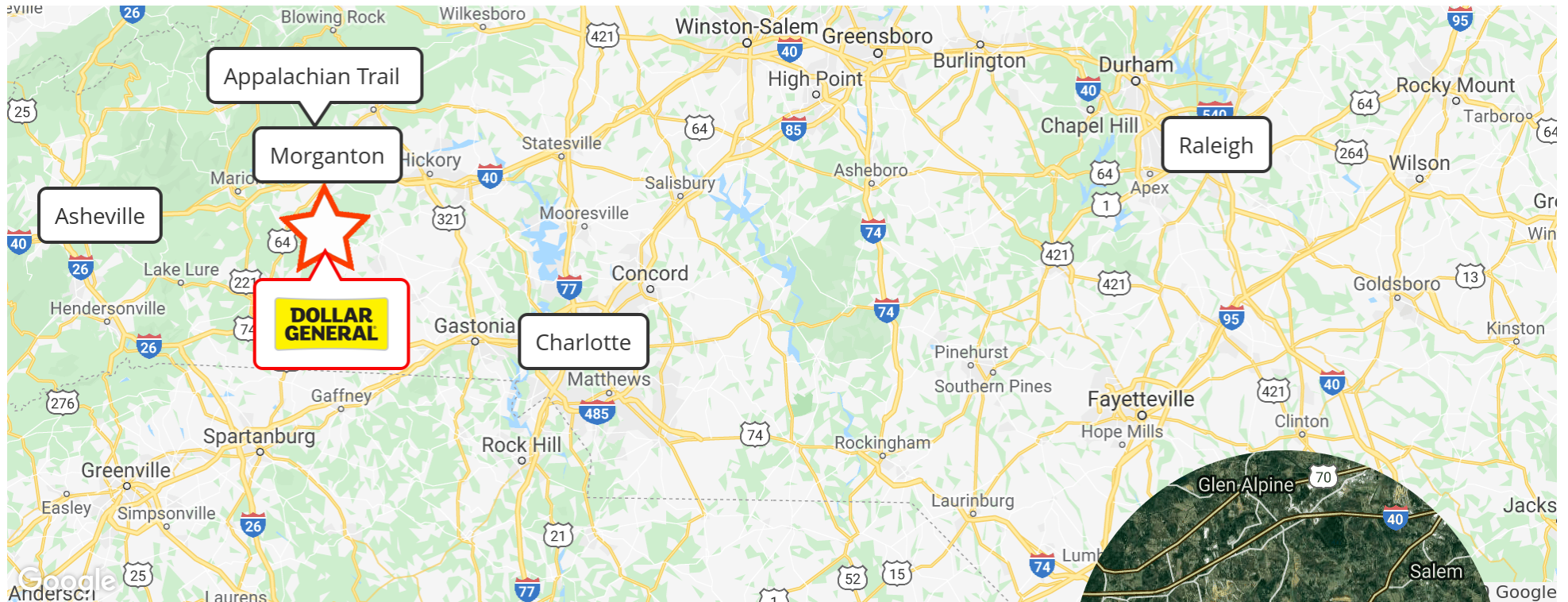
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LOCATION MAP

DOLLAR GENERAL NET LEASE INVESTMENT | 7% CAP RATE



Distance from Subject:

- Downtown Morganton - 8 Miles
- Appalachian Trail - 28 Miles
- Asheville - 53.6 Miles
- Charlotte - 81.4 Miles
- Raleigh - 199 Miles



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IN THE AREA

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ABOUT THE AREA

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MORGANTON, NC

The City of Morganton sits on the Catawba River in the foothills of the Blue Ridge Mountains. Morganton is blessed with scenic rural landscapes, abundant outdoor adventure venues, wonderful shopping and dining opportunities and a thriving downtown music scene.

Morganton is full of unique places to shop and dine as well as chain eateries and retailers. The thriving downtown is brimming with breweries, restaurants and shops. There are plenty of great places to eat such as cafés that offer breakfast and lunch, farm-to-table restaurants, southern cooking and family restaurants as well as national chain establishments.

The City is home to a number of shopping centers and visitors can check out working art and pottery studios, art galleries, gift shops, custom clothing boutiques, jewelry stores, bottle shops, kitchen and housewares, olive oil vendors and more.

The City of Morganton strives to be a connected community. From sidewalk networks and greenway trails to bike lanes and wayfinding signs, the City works to create connections and make getting around town easier for pedestrians, cyclists and drivers. Morganton is well connected via extensive sidewalk infrastructure, dedicated bike lanes, shared bike lanes, and the Morganton Greenway System. These trails not only facilitate travel between locations, but also provide connectivity between parks, shopping, dining, industry, education and more.



Source: <https://morganton.maps.arcgis.com/>



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Dollar General Net Lease Investment

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TENANT OVERVIEW

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DOLLAR GENERAL

Dollar General Corporation is the largest “small box” discount retailer in the U.S. by sales and number of locations. The Goodlettsville (Nashville), TN based chain operates 15,836 stores in 44 U.S. states as of August 2, 2019 and plan to open 1,000 new stores in 2020, expanding in Wyoming and Washington.

In 2019, Dollar General increased sales by 4.6% making it the fastest quarter of sales growth in five years. The profit increased 11% during the quarter which increased shares by 5% in early trading.

Dollar General offers over 10,000 items of name brand and generic merchandise. Their goal is to provide quality brands at low prices. The majority of products are below \$10 with approximately 25% of them below \$1. They offer a range of everyday convenience, food, gift, household, clothing and other items that offer consumers an easier and more accessible shopping solution in towns, large and small with the average customer in-store trip of less than 10 minutes.

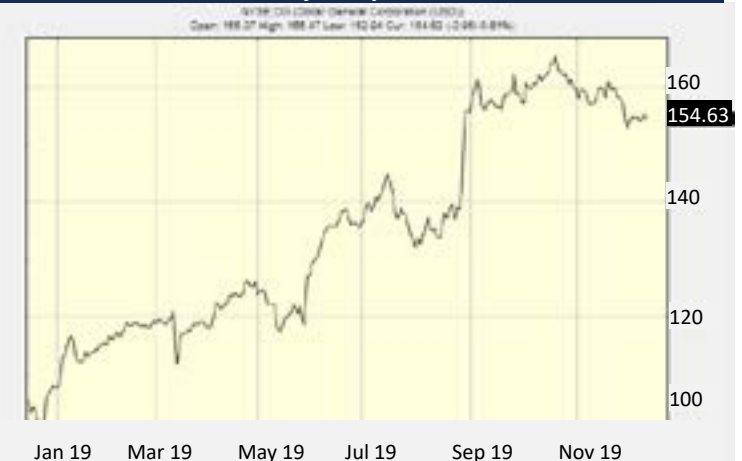
Dollar General often serves communities that are too small for larger discount retailers. Approximately 70% of their stores serve communities of 20,000 or less population. They compete in the discount dollar store arena with national chains such as Family Dollar, Dollar Tree in the southeast and numerous independent owned stores. They are generally part of the retail fabric of the communities they are in.

The company, founded in 1939, celebrated its 75th anniversary in 2014. In 1955, the first branded Dollar General opened in Springfield, KY. In 1968, Dollar General first went public. At the time, if an investor purchased 100 shares of Dollar General stock, it would be worth \$655,534 when the company went private in 2007. Through the next several years, Dollar General continued growth of more stand alone locations. In 2009, the company, again went public and is traded on the NYSE under the symbol DG. The company is proud of its BBB- Standard & Poors rating. In 2014, Dollar General attempted an unsuccessful takeover of sector rival, Family Dollar. As a result, they have re-directed efforts to continue their growth into new retail trade areas that meet their targeted profile demographics.

<http://www.dollargeneral.com/>

<https://www.cnn.com/2019/12/05/business/dollar-general-stores-stock-earnings/index.html>

Dollar General Historical Growth Chart
Stock Growth Trajectory - Jan 19 to Dec 19





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Nancy Miller joined Bull Realty in 2001. Her brokerage practice focuses on income producing net lease and multi-tenant retail properties. Nancy is a partner at the firm and leads the National Net Lease Investment Group. She works with investors and developers throughout the US. She is recognized as a savvy and knowledgeable retail expert. In the last 5+ years, she has brokered over \$350M in single and multi-tenant retail transactions. Nancy publishes a quarterly investor newsletter, participates in quarterly national retail industry surveys done by Morgan Stanley and contributes to Bull Realty's retail blogs. In addition, Nancy appears periodically on the Commercial Real Estate Show, a national weekly commercial real estate radio show hosted and produced in Atlanta by broker, Michael Bull.

Nancy has held a real estate license for over 25 years and is licensed in several states. She is a Life Member of the Atlanta Commercial Board of Realtors and a member of the International Council of Shopping Centers (ICSC). She also holds the prestigious CCIM designation. She also holds a Bachelor of Arts degree from Tulane University and an MBA from Emory University's Goizueta Business School, where she is a guest lecturer.



Rob Taylor

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Rob Taylor has become known as the go-to-broker to sell retail investment properties in the southeast U.S.

Rob's focus is on understanding his client's goals, evaluating options and implementing strategies to achieve maximum results. Whether the mission be increasing cash flow, building net worth or maximizing values, Rob's services are tailored to your success. A vital part of any investment strategy is ultimately selling for top dollar when the time is right. Rob leverages his experience with Bull Realty's state-of-the-art marketing tools and resources to maximize value.

- Custom disposition campaigns
- Sale-leaseback transactions
- 1031 exchange strategies
- Asset management consulting
- Developer portfolio sales

Rob has 30 years' experience in real estate development and construction with the financial acumen to advise clients. Prior to his real estate focus, he had a successful career in application development while consulting with corporations such as IBM, UPS and ADP. Rob grew up in Atlanta, attended Georgia Tech and enjoys mountain biking, motocross and stand-up comedy.

DISCLAIMER

Bull Realty has been retained as the exclusive listing broker to arrange the sale of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property but does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may require. All financial projections are provided for general reference purposes only and are based upon assumptions relating to the general economy, competition and other factors, which therefore, are subject to material change or variation. Prospective purchasers may not rely upon the financial projections, as they are illustrative only. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

In this Offering Memorandum, certain documents, including financial information, are described in summary form and do not purport to be complete or accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to review independently all documents.

This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement, suitability or advice as to the value of the Property by Bull Realty Inc. or the current Owner/Seller. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner/Seller expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers and/or to terminate discussions with any party at any time with or without notice. Owner/Seller shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer on the Property unless a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or waived. The Owner/Seller reserves the right to move forward with an acceptable offer prior to the call for offers deadline.

This Offering Memorandum may be used only by parties approved by the Broker. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it if requested and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Bull Realty, Inc. The terms and conditions set forth above apply to this Offering Memorandum in its entirety and all documents, disks and other information provided in connection therewith.

