

NEW DOLLAR GENERAL

OFFERING MEMORANDUM

SAN JOAQUIN (FRESNO COUNTY), CALIFORNIA

MAY QUALIFY FOR 1031 IMPROVEMENT EXCHANGE



REPRESENTATIVE PHOTO

EXCLUSIVELY OFFERED BY:

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 **CUSHMAN &
WAKEFIELD**

NET LEASE GROUP

Investment Offering & Highlights

The Offering

- To be newly constructed, an approximate 10,640 square foot single-story retail building leased to Dolgen California, LLC and guaranteed by Dollar General for 15 years
- Built In “Above Market Return” compared to most recent comparable sales in the high 5% range
- **Investment: \$2,837,600 – 7.00% Cap Rate**

Lease / Tenant

- 15-year primary term on the lease with five 5-year options to extend the lease
- 5% rental increases every 5 years through the primary term and options
- Lease is absolute net with no landlord obligations
- Dollar General is an investment grade tenant with an S&P rating of “BBB”
- Dollar General has over 20,000 stores nationwide

Real Estate/Area Strengths

- Located 30 miles southwest of Fresno in the California Central Valley
- San Joaquin, in Fresno County, is approximately 34 miles from Fresno Yosemite International Airport (FAT)
- Average household income of \$85,106 and a population of 32,194 within 15 miles

Demographics

2023 Summary	5 miles	10 miles	15 miles
Population	4,688	7,784	32,194
Households	1,167	1,963	8,377
Families	1,053	1,714	7,003
Average Household Size	4.01	3.95	3.68
Owner Occupied Housing Units	495	897	4,220
Renter Occupied Housing Units	672	1,066	4,157
Median Age	26.0	27.1	30.0
Median Household Income	\$51,171	\$60,339	\$59,581
Average Household Income	\$66,829	\$85,726	\$85,106

1031 Improvement Exchange

- The 1031 Improvement Exchange allows an investor to structure a 1031 Exchange transaction where they can sell their relinquished property and use the proceeds from the sale of their relinquished property to acquire a to-be-built replacement property. To qualify, certain time frames need to be met. Consult your CPA for more information.



Investment Overview

Location

8946 Colorado Rd, San Joaquin, CA 93660

Lot Size

Approximately 0.89 acres – 38,937± sq. ft.

Improvements

Buyer to fund construction of the 10,640 square foot retail building with NNN retail being the fee developer overseeing and managing every step of the project. See the approximate investment funding schedule.

Lease

Leased to **Dolgen California, LLC**, with a guaranty by **Dollar General** for 15 years starting from the completion of development (projected for July 2025) with an annual rent of \$198,629. The lease is triple net, with the tenant responsible for taxes, insurance, common area maintenance including roof, structure and parking lot. The rent increases 5% every 5 years through the primary term and five 5-year options.

Annual Rent

Lease Years	Annual Rent	Return
1-5	\$198,629	7.00%
6-10	\$208,560	7.35%
11-15	\$218,988	7.72%
16-20 (Option 1)	\$229,937	8.10%
21-25 (Option 2)	\$241,434	8.51%
26-30 (Option 3)	\$253,506	8.93%
31-35 (Option 4)	\$266,182	9.38%
36-40 (Option 5)	\$279,490	9.85%

Investment: \$2,837,600 – 7.00% Investor Return

Approximate Investment Funding Schedule

	Date	Event	Amount	Subtotal	%
1	12/1/2024	Land	\$260,000	-	-
1	12/1/2024	Closing Title Escrow	\$15,000	-	-
1	12/1/2024	Draw #1 - Closing Draw	\$500,000	\$775,000	27.3%
2	2/1/2025	Draw #2	\$300,000	\$300,000	10.57%
3	3/1/2025	Draw #3	\$400,000	\$400,000	14.10%
4	4/1/2025	Draw #4	\$400,000	\$400,000	14.10%
5	5/1/2025	Draw #5	\$400,000	\$400,000	14.10%
6	6/1/2025	Draw #6	\$425,000	\$425,000	14.98%
7	7/1/2025	Draw #7 - Final	\$137,600	\$243,000	4.85%
Total Disbursed			\$2,837,600	\$2,837,600	100.00%

San Joaquin, California

Located in Fresno County, the city of San Joaquin, California was established during the 18th century by Spanish missionaries. The city's roots delve deep into California's rich past, drawing further attention during the 19th-century California Gold Rush that lured prospectors in search of fortune. Significant change to the region came in the early 20th century when the visionary entrepreneur Dennis Avery recognized the agricultural potential of the surrounding desert lands, catalyzing a remarkable economic shift through the expansion of farming and ranching. Today, these industries stand as pillars of the city's flourishing economy, alongside a dynamic hospitality sector and thriving agricultural endeavors.

The reason San Joaquin got its name and was able to build a robust agricultural industry comes from the San Joaquin River. It also provides a picturesque backdrop for outdoor enthusiasts and a haven for various activities, including

hiking, birdwatching, and picnicking. The city's proximity to larger urban areas has also fueled cultural enrichment, with a burgeoning arts scene that includes local talents and annual events such as the San Joaquin Arts Festival, creating a vibrant and engaging community.

As San Joaquin continues to evolve, the potential for further economic development becomes evident. Local businesses are embracing sustainable growth initiatives, with a focus on eco-tourism that showcases the region's natural resources and promotes conservation efforts. The city stands at the crossroads of preserving its rich history while embracing a future that celebrates its unique identity as a haven of natural beauty and cultural significance within the enchanting landscape of Fresno County.



Fresno County, California

Located in Central California, Fresno County offers a compelling combination of natural beauty and a diverse economy. With its winding rivers, vast agricultural land, vibrant urban centers, and a range of industries, the county provides a vibrant and prosperous environment for residents and businesses alike. Fresno County is centrally located between California's largest markets in Silicon Valley, Sacramento, and Los Angeles. The county also offers numerous outdoor attractions, such as Kings Canyon National Park, Sequoia National Park, Sierra National Forest, Woodward Park, and Shinzen Friendship Garden, providing opportunities for hiking, camping, wildlife viewing, and exploring nature's wonders. Fresno County's vibrant arts and culture scene, diverse dining options, and thriving nightlife contribute to its appeal as a recreational destination.

Economy

Fresno County boasts a robust and diverse economy that fuels growth and innovation across multiple sectors including manufacturing, logistics, energy and water technology, renewable energy, biomass and tree mortality, agriculture, healthcare, and information technology. The region is a hotbed for scientific advancements in AgTech and sustainable technology, due to its location in the heart of the San Joaquin Valley and proximity to national parks. The presence of California State University, Fresno has provided a steady stream of new talent and created an environment ripe for research. Fresno State is a doctoral university.

Fresno County benefits from a robust logistics and agricultural sector. The region's strategic central location in the state of California enables commercial tenants the ability to reach 40 million customers with guaranteed next-

day ground service without the additional cost of expedited shipping. The agriculture industry in the county is large. It is one of the top agricultural producing counties in the US, and has a record-breaking output of \$8.09 billion, a 12% increase over 2021's production value. The presence of the agriculture industry has created the opportunity for a robust food processing industry, with food processors and food processing equipment manufacturers making up a large percentage of Fresno County's economy.

The healthcare industry represents a robust segment of the Fresno County Economy. The metro area alone is represented by 16 hospitals including 3,930 licensed beds. Three of the 16 hospitals rank as the top three private employers and employ more than 14,000 individuals.

Education

The county is home to numerous colleges and universities with the most prominent being CSU, Fresno (Fresno State). Fresno State is a research university offering 122 undergraduate and graduate or professional degrees to a student body population of 23,507.

Transportation & Infrastructure

Fresno County features a comprehensive transportation network, facilitating convenient travel within the region and beyond. The Fresno Yosemite International Airport (FAT) serves as the primary airport, offering domestic and international flights to major destinations. The county also benefits from an extensive network of highways, including Interstate 5, Highway 99, and State Route 180, which connect the region to neighboring counties and cities.



AERIAL



SAN JOAQUIN SENIOR APARTMENTS

SAN JOAQUIN TOWNHOMES



SAN JOAQUIN ELEMENTARY SCHOOL



W COLORADO AVE

S COLORADO AVE

LOS AMIGOS FAMILY FOOD CENTER

OPC FARMS INC.



LTS RECYCLING

SENSIENT

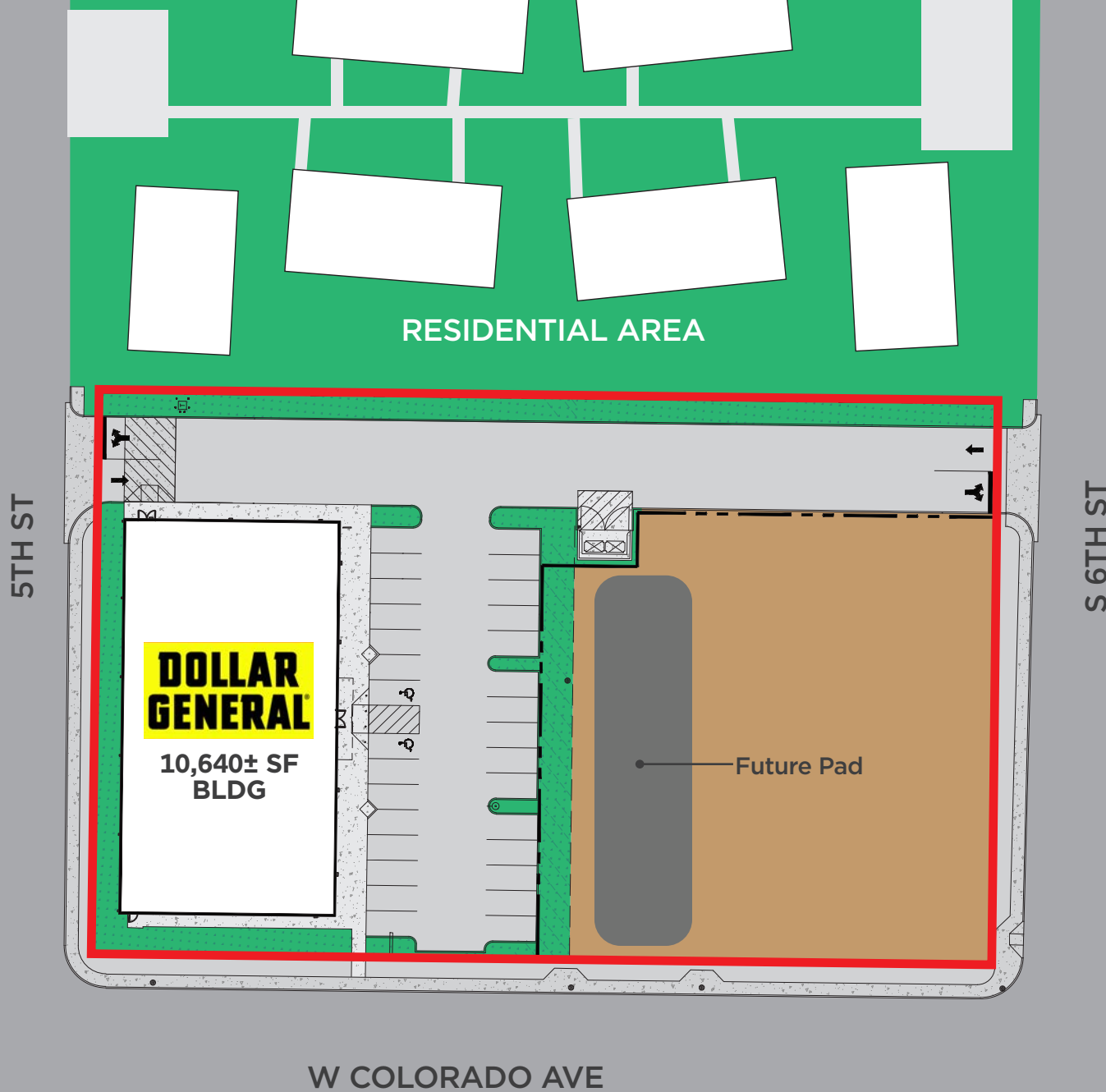
GARDEN VALLEY HOMES

GARDEN VALLEY APARTMENTS

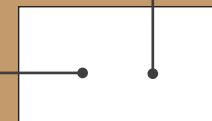
MANNING AVE



SITE PLAN



W COLORADO AVE



FREEDOM
AUTOMOTIVE



Dollar General

DOLLAR GENERAL (NYSE: DG) is an American chain of variety stores headquartered in Goodlettsville, Tennessee. As of April 2023, Dollar General operates over 19,000 stores in the United States offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, clothing for the family, housewares and seasonal items at low everyday prices in convenient neighborhood locations. In addition to high-quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills and PepsiCo.

Dollar General has more stores than any other retailer and is easily the largest dollar store chain. Founded in 1939, the company first went public under the Dollar General name in 1968 and grew to more than 6,000 stores with \$6 billion in sales by the early 2000s.

To strengthen its position for the long term, Dollar General is making significant investments, primarily in compensation and training for store managers given the critical role this position plays in their customer experience, as well as strategic initiatives.

Fortune 500 recognized Dollar General in 1999 and in 2020 reached #112 on their list. Dollar General has grown to become one of the most profitable stores in the rural United States. The company reported for the year ending January 31, 2023 total revenues of \$37.84B and net income of \$2.42B and a stockholders equity of \$5.54 billion.

Company Type: Public (NYSE: DG)

S&P Rating: BBB

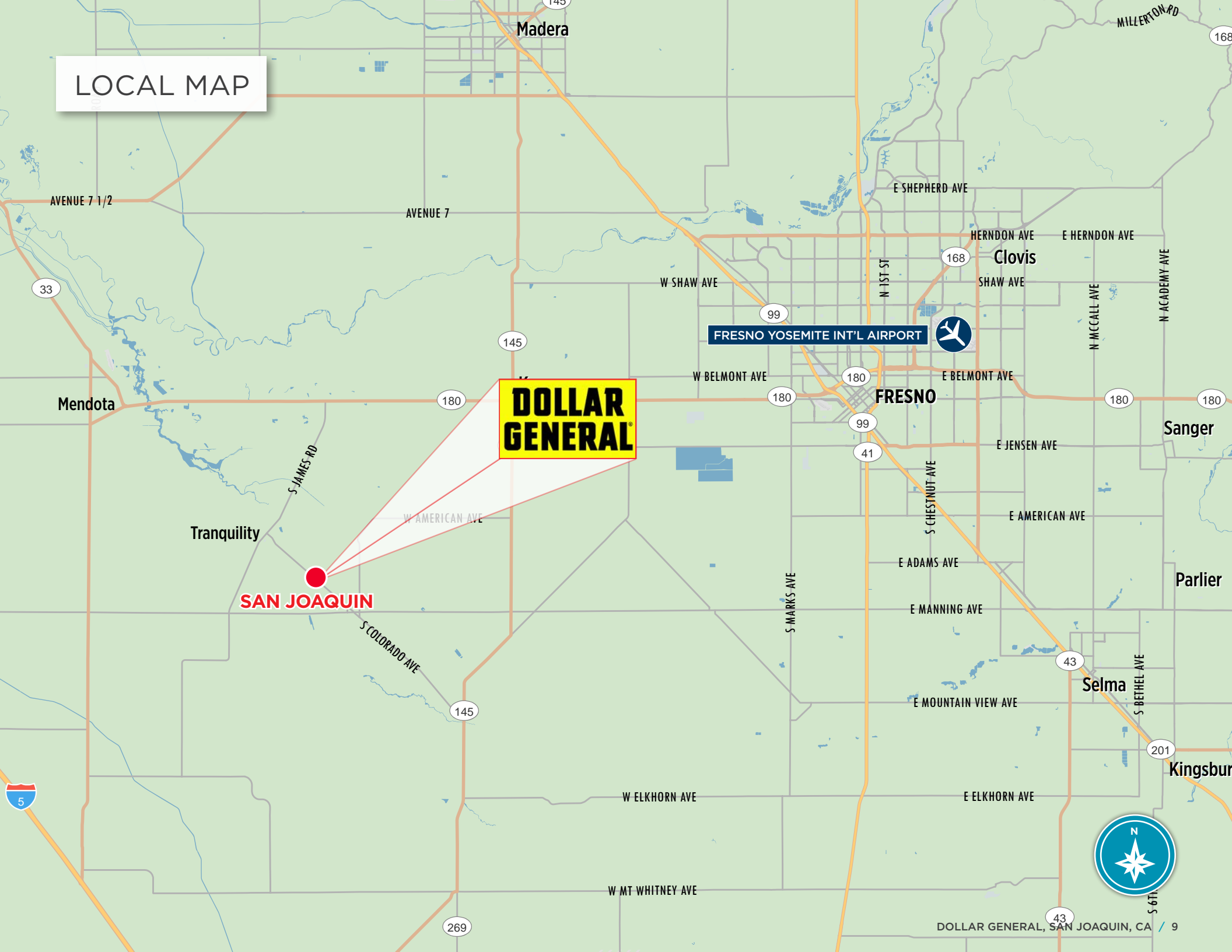
Locations: 20,000

Website: <https://www.dollargeneral.com/>

REPRESENTATIVE PHOTO



LOCAL MAP



**DOLLAR
GENERAL**

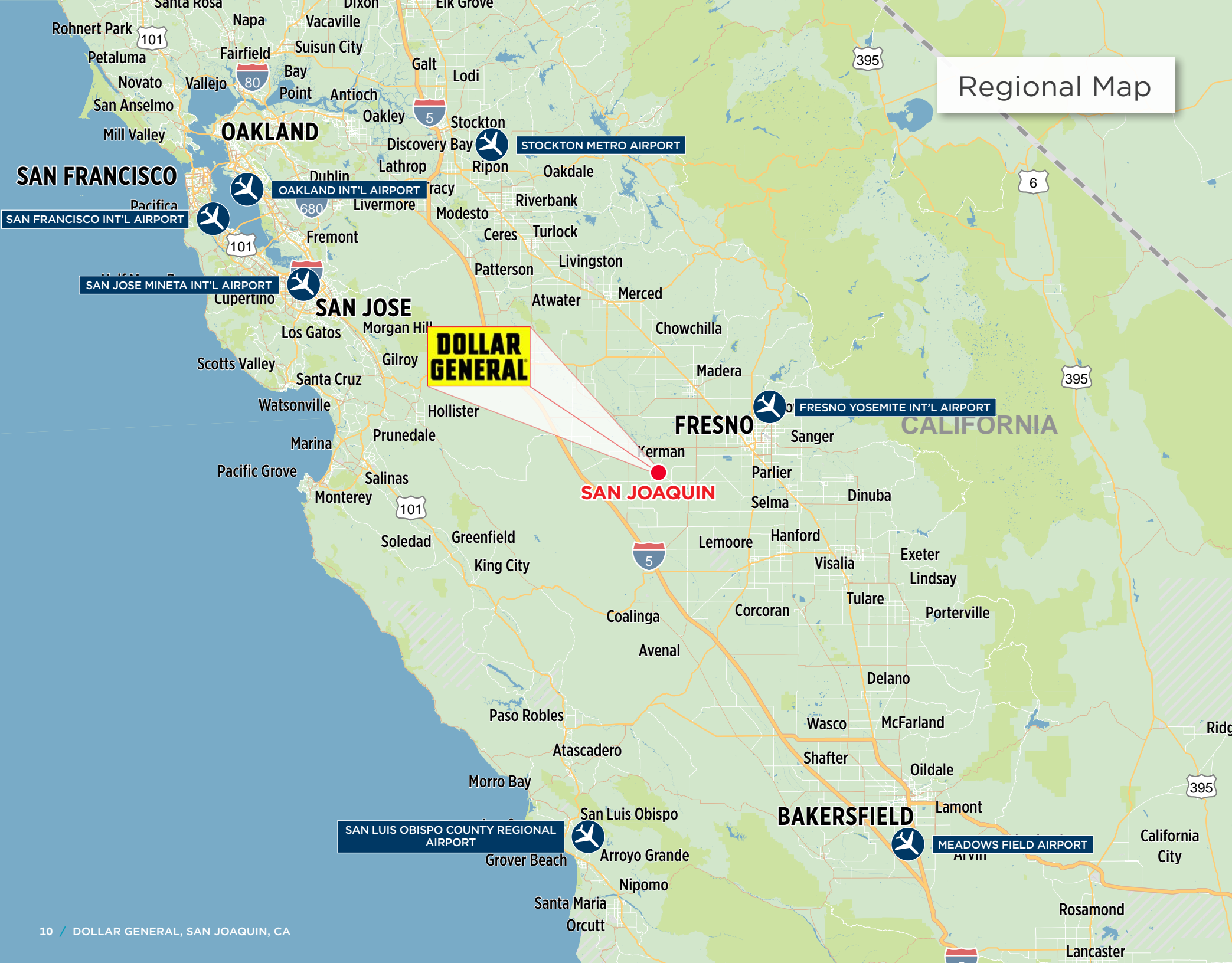
FRESNO YOSEMITE INT'L AIRPORT



FRESNO

SAN JOAQUIN

Regional Map



DOLLAR GENERAL

SAN JOAQUIN

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