



RANDALL COMMERCIAL GROUP, LLC

INVESTMENT REAL ESTATE OPTIMIZED



5% Initial Term Rent Increases Every 5 Years

Representative Photo



DG MARKET | CLEVELAND, TN (DALTON PIKE)

FOR SALE // \$2,502,384 // 6.5% CAP RATE //

RETAIL PROPERTY

PRESENTED BY //

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DISCLAIMER



CONFIDENTIALITY & DISCLAIMER

The information provided within this Offering Memorandum has been obtained from sources that are believed to be reliable, but Randall Commercial Group, LLC has not verified the information and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. The information may be estimated or generalized and is prepared to provide a summary of highlights and only a preliminary level of information regarding the project. Any interested party must independently investigate the subject property, particularly from a physical, financial, tenant, and overall development standpoint. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. This information is not intended to provide full due diligence on the subject property, as it is the responsibility of the interested buyer to conduct full due diligence with their advisors. The data contained within this offering memorandum is for information purposes only and is not sufficient for evaluation of Property for potential purchase.

Randall Commercial Group, LLC has not performed due diligence pertaining to the physical state of the property nor the property's current or future financial performance. Furthermore, no due diligence has been performed regarding the financial condition or future plans for this location. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. This information may have changed and there may be omissions of material data as this is not intended to provide complete due diligence.

Past, expected or projected performance does not guarantee future performance. Property owners and/or buyers bear the full risk and exposure of all business, events, tenant, credit, and liability associated with such properties. The acreage, size, and square footage of the property and improvements are estimated and should be independently verified. Inherent risk and concentrated exposure are associated with single tenant occupied properties and prospective buyer should fully investigate tenant, lease, market, and all relevant aspects of this property, tenant, and transaction. Unless a fully executed purchase and sale agreement has been executed, seller and Randall Commercial Group, LLC expressly reserves the right, at their sole discretion, to reject any and all expressions and/or interests or offers to purchase the property and to terminate negotiations and discussions with any person or entity reviewing this offering memorandum or making an offer on property unless a purchase and sale agreement of property has been executed and delivered.

In no event shall prospective purchaser or its agent have any claims against Seller or Randall Commercial Group, LLC or any of its affiliates, directors, offices, owners, agents, or licensees for any damages, liability, or any cause of action relating to this solicitation process, the marketing material, marketing process, or sale of property. By reviewing the material contained herein, you are agreeing to the terms and limitations of its use provided herein.

IMPORTANT DISCLOSURE: An owner/agency relationship exists with an Associate Broker of Randall Commercial Group, LLC and the owner of the Subject Property located at 7896 Dalton Pike, Cleveland, TN 37323. The Associate Broker has an ownership interest in the Subject Property located at 7896 Dalton Pike, Cleveland, TN 37323, and other business with the Manager of the ownership entity.

INVESTMENT SUMMARY



INVESTMENT SUMMARY

OFFERING PRICE:	\$2,502,384
NET OPERATING INCOME:	\$162,654
YR1 CAP RATE:	6.5%
BLENDED CAP RATE:	6.83%
YEAR BUILT:	2024
BUILDING SIZE:	10,640 SF
LOT SIZE:	1.65 Acres
PROPERTY ADDRESS	7896 Dalton Pike
CITY, STATE, ZIP:	Cleveland, TN 37323
3 MILE POPULATION:	2,656

LOCATION DESCRIPTION

The property is located on Dalton Pike, just south of the city limits of Cleveland, TN. Cleveland is part of the Chattanooga–Cleveland–Dalton, TN combined statistical area and is one of the largest industrial and manufacturing hubs in the state of Tennessee. Cleveland/Bradley County is home to 13 Fortune 500 companies, including Duracell, Mars Chocolate North America, Whirlpool Corporation, Bayer (formerly Merck), and more recently Amazon. The number of manufacturers in Cleveland ranks 5th in the state with ±150 manufacturing firms. Cleveland is also home to Life Care Centers of America, the largest privately held nursing facility company in the United States.

PROPERTY DESCRIPTION

Randall Commercial Group, LLC is pleased to exclusively offer for sale this brand new, free-standing Dollar General store located in Cleveland, TN. **The subject property has a 15-year, NNN lease with 5% increases every 5 years during the preliminary term and each option, and an estimated delivery date in October 2024.** The property is located on Dalton Pike just south of the city of Cleveland and approximately 40 miles from downtown Chattanooga, TN. Dollar General is an investment-grade tenant with a Standard & Poor's "BBB" credit rating.

LEASE SUMMARY

TENANT:	Dolgencorp, LLC d/b/a DG Market
LEASE TYPE:	NNN
PRIMARY LEASE TERM:	15-years
ANNUAL RENT:	\$162,654.96
RENT PSF:	\$15.29
BLDG. DELIVERY DATE:	Est. October 2024
RENT COMM. DATE:	TBD
RENEWAL OPTIONS:	Five (5), Five (5) Year Options
RENT BUMPS:	5% every 5-years
LEASE GUARANTOR:	Dollar General Corporation



COMPLETE HIGHLIGHTS



Front Elevation



LOCATION INFORMATION

BUILDING NAME	DG Market Cleveland, TN (Dalton Pike)
STREET ADDRESS	7896 Dalton Pike
CITY, STATE, ZIP	Cleveland, TN 37323
COUNTY	Bradley

BUILDING INFORMATION

NOI	\$162,654.96
CAP RATE	6.5%
OCCUPANCY %	100.0%
TENANCY	Single
NUMBER OF FLOORS	1
YEAR BUILT	2024
CONSTRUCTION STATUS	Under construction
FRAMING	Metal
CONDITION	Excellent
ROOF	Standing-Seam Metal Roof
FREE STANDING	Yes
NUMBER OF BUILDINGS	1

TENANT PROFILE



DOLLAR GENERAL®

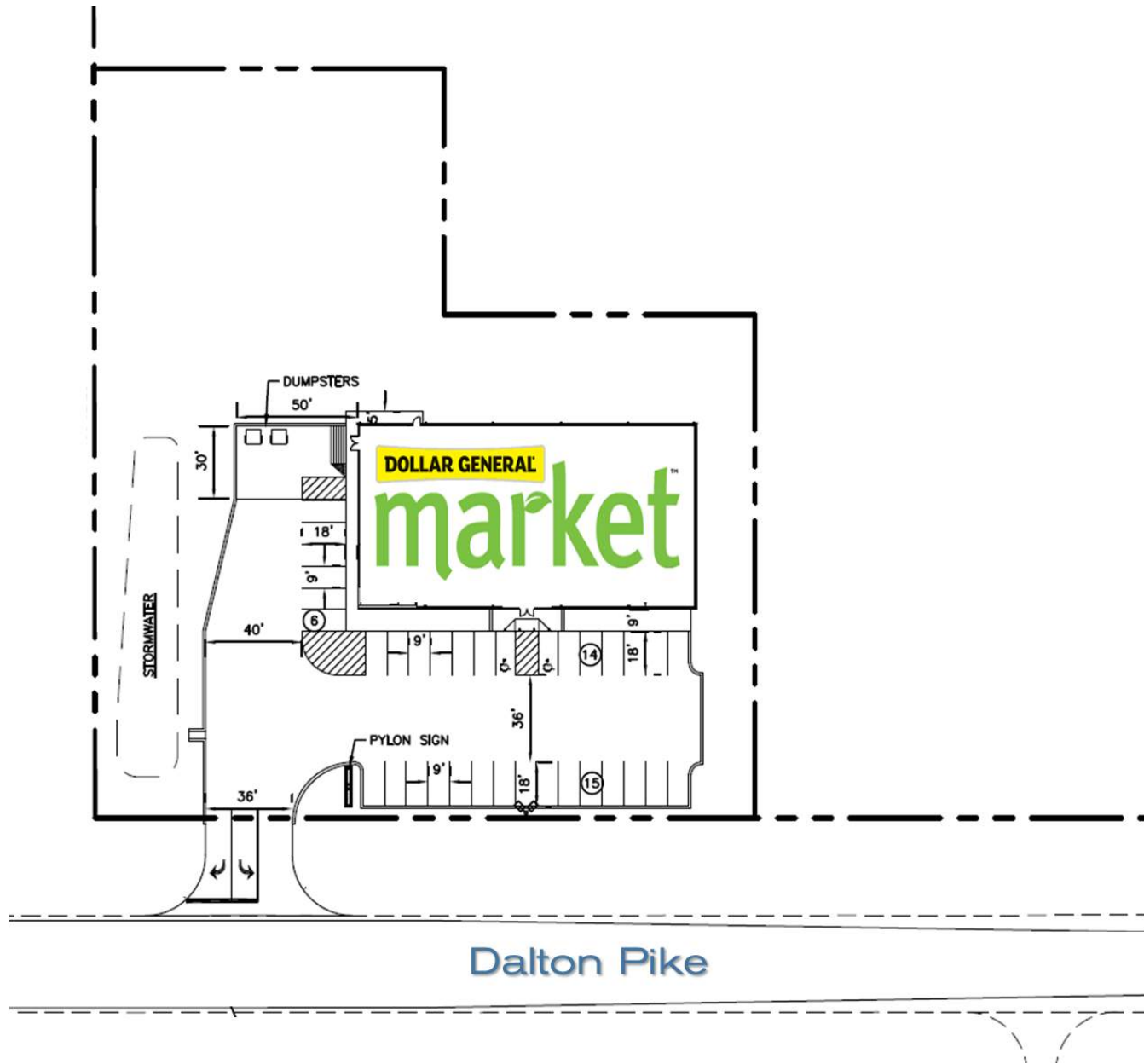


COMPANY HIGHLIGHTS

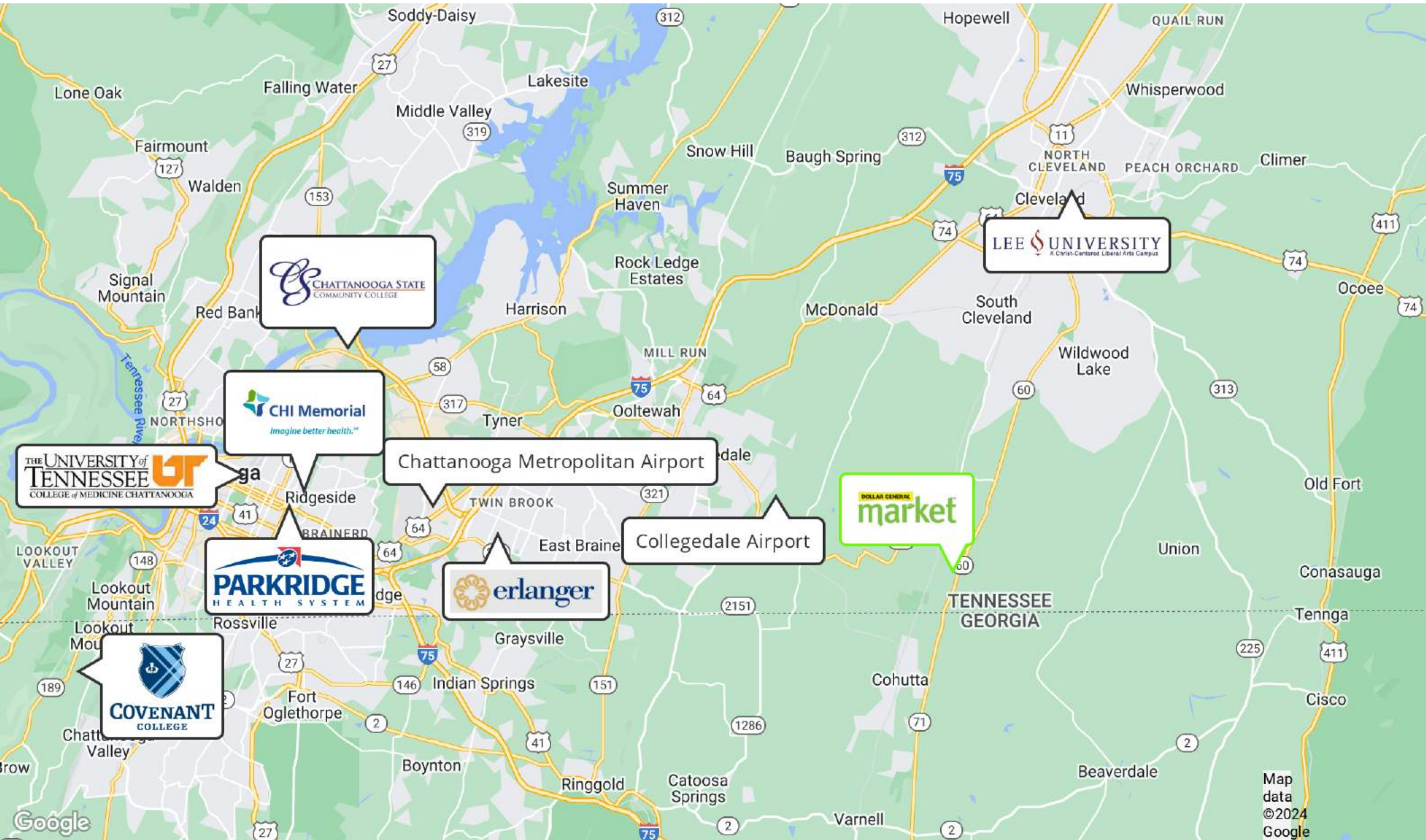
- Net sales **increased 10.6% to \$37.8 billion**, and same-store sales **increased 4.3% YoY**
- Operating profit **increased 3.3% to \$3.3 billion YoY**
- Net Income **grew to \$2.4 billion**, and diluted earnings per share **increased 5.0% to \$10.68**
- Cash Flows from Operations were **\$2.0 billion**
- **1,050** New Stores Planned to Open in 2023
- **3,170** Total Expected Real Estate Projects in 2023
- Dollar General has been **in business for 83 years** and opened its **19,000th store** in early 2023

LEASE YEAR	ANNUAL RENT	INCREASE
1	\$162,654.96	
2	\$162,654.96	
3	\$162,654.96	
4	\$162,654.96	
5	\$162,654.96	
6	\$170,787.72	5%
7	\$170,787.72	
8	\$170,787.72	
9	\$170,787.72	
10	\$170,787.72	
11	\$179,327.16	5%
12	\$179,327.16	
13	\$179,327.16	
14	\$179,327.16	
15	\$179,327.16	
OPTION 1	\$188,293.44	5%
OPTION 2	\$197,708.16	5%
OPTION 3	\$207,593.52	5%
OPTION 4	\$217,973.28	5%
OPTION 5	\$228,871.92	5%

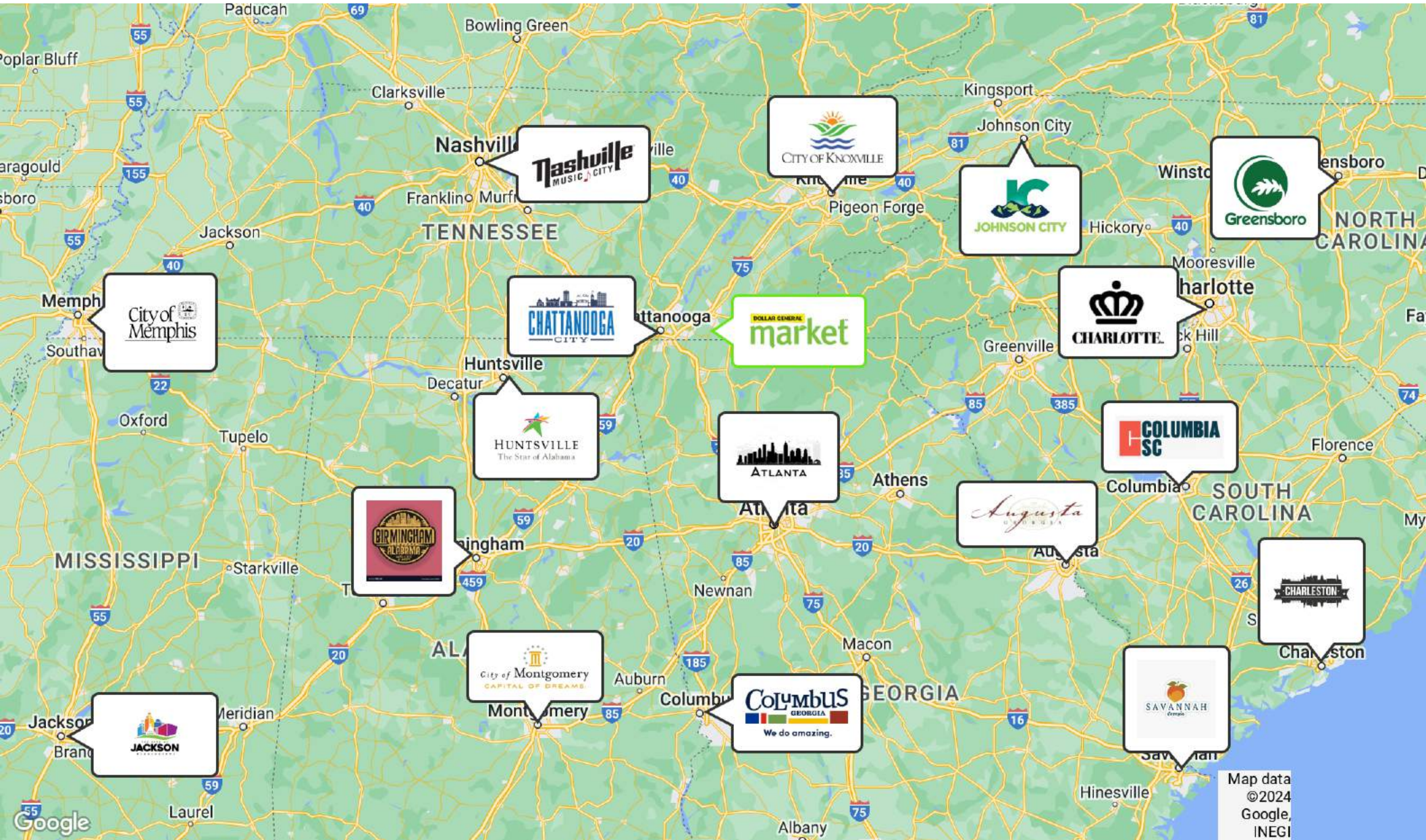
SITE PLAN



LOCATION MAP



REGIONAL MAP



CHATTANOOGA MSA ECONOMY



CHATTANOOGA BUSINESS ENVIRONMENT

- Access to a **highly developed logistics infrastructure**, including the world's fastest internet speeds, a deep pool of talent, abundant fresh water, and low-cost, reliable utilities are a few of the many assets that make our 16-county, three-state region the best place to build a business
- Chattanooga is the **top Tennessee city for attracting new residents**, retaining population
- The Greater Chattanooga Region's central location lies within an easy day's drive of **more than 131 million people**
- The Greater Chattanooga Region offers an incredibly **business-friendly atmosphere at remarkably low costs**, and the region has one of the nation's lowest per capita tax burdens, low sales and income tax rates, and no state property tax
- **\$7 billion** in new industrial development over the past decade as companies across the globe are setting their sights on the Chattanooga Region
- *Source: www.greaterchatt.com*

CHATTANOOGA FOR A RESIDENT

- Chattanooga, a city in southeastern Tennessee, is **set along the Tennessee River in the foothills of the Appalachian Mountains**, and its trolleylike Incline Railway scales steep Lookout Mountain before reaching Ruby Falls waterfall and Rock City, featuring sweeping views, sandstone formations, and gardens
- **528,000** metropolitan statistical area population and **181,000** within the city of Chattanooga
- Chattanooga is mainly attracting new residents with its **low cost of living, diverse economy, and job market**, and its population growth has outpaced the national average for more than 20 years, which is expected to continue
- Known as "Gig City" for having **fastest internet connection in the Western Hemisphere** with several other cities adopting Chattanooga's model
- Named "**Best in the U.S.**" in 2018 by *Lonely Planet* for outdoor activities
- *Sources: worldpopulationreview.com, google.com, macrotrends.net, visitchattanooga.com*



CHATTANOOGA MSA EDUCATION



UNIVERSITY OF TENNESSEE AT CHATTANOOGA

- Located +/-23 miles from Whitwell, TN with a **\$2.69 billion** impact
- Ranked **#1** in Top 10 Nursing Schools in Tennessee and **#5** Top10 Best Physical Therapy Schools in the United States by Tuition Cost
- **\$2.4 million** project announced for UTC College of Engineering and Computer Science, and a **\$40 million** donation for research, scholarships, renovations, etc.
- In 2019, the state moved forward with a **\$22 million** rebuild of UTC football and athletic complex
- Sources: *apnews.com, nurse.org, ptprogress.com, noogatoday.com, timesfreepress.com*



CHATTANOOGA STATE COMMUNITY COLLEGE

- Chattanooga State - Kimball Campus plays a significant role in local workforce industry development, offering the **Industrial Maintenance Technician program** in Marion County
- Chattanooga State has a **97%** job placement, is **No.1** in TN for 1-2 year certificates for adult learners, and **No. 2** for associates degrees for adult learners
- **\$840 million** in economic impact to the Chattanooga MSA community from Chattanooga State
- Chattanooga State was ranked **#5** Best Nursing School in Tennessee
- Sources: *chattanoogastate.edu, marioncountytn.net, registerednursing.org*



SEWANEE - THE UNIVERSITY OF THE SOUTH

- Sewanee is located +/-38.5 miles from Whitwell, TN with net asset at the end of June 30, 2021 being **\$763,032,686**
- Today, Sewanee is **#9** on top 25 most beautiful college campuses in the US, **#2** out of 30 most beautiful college campuses in the south, **#4** on top 13 largest university campuses in the US, and **#50** on national liberal arts college
- The University has committed to invest **\$10 million** in a new residential and commercial initiative that will be a two phase process
- Received one of 31 grants for public interest technology, totaling **\$3.61 million**
- Sources: *haslam.utk.edu, wkrr.com, utsi.edu*

CHATTANOOGA MSA HEALTHCARE



PARKRIDGE WEST HOSPITAL

- Parkridge West Hospital serves Jasper with 24/7 emergency care, outpatient care in multiple disciplines, and a brand new **28-bed Behavioral Health Unit**
- The entire Parkridge Health System located in the Chattanooga MSA offers **539-beds, 490+ physicians, 1,600+ staff, 5 hospitals, 17,000+ patient admissions, and 103,000+ annual ER visits**
- Parkridge West Hospital is estimated to bring in a total patient revenue of **\$117.8 million**
- In 2015, Parkridge Health System invested **over \$14 million** to renovations
- Sources: *parkridgehealth.com, ahd.com, parkridgehealth.com*



ERLANGER MEDICAL CENTER

- Erlanger Health System is a **nationally-acclaimed, multi-hospital** health system anchored by a leading academic medical center
- **More than 600,000** patients are treated each year
- The tri-state region's only **Level I Trauma Center** and it's part of the Vanderbilt Health Affiliated Network that includes 56 hospitals
- **\$6.4 million** net income by the end of their third quarter fiscal year in 2021
- In 2020, Erlanger foundation and donors raised **more than \$712,000** for kids through CMNH
- Sources: *erlanger.org, beckershospitalreivw.com, Erlanger Foundation 2020 Report*

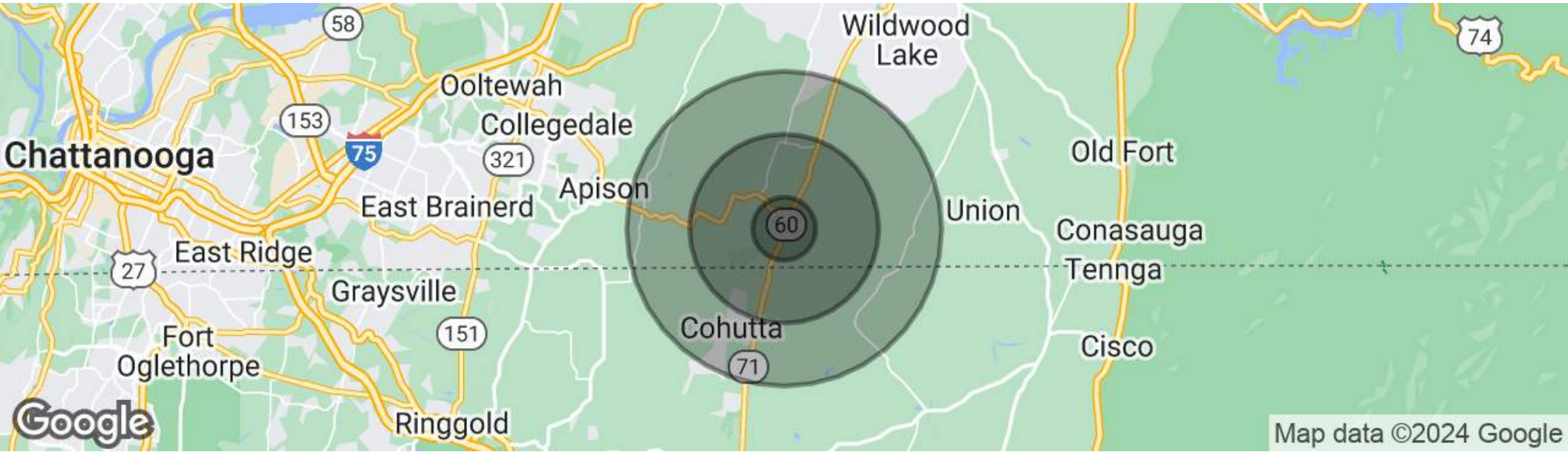


CHI MEMORIAL HOSPITAL - CHATTANOOGA

- CHI Memorial Hospital - Chattanooga is a Short Term Acute Care facility with **423** total staffed beds
- Average revenue is **\$3.3 billion** with **\$36 million** in community benefit
- CHI Memorial got a **\$67 million** upgrade for patient records and software system
- **More than 4,400** associates, **400** volunteers, and **600** affiliated physicians
- Rated *Best Regional Hospital* for 7 years straight, letter "**A**" grade in the fall and spring of 2021, *Best of the Best* for 13th consecutive year, and **5-star** rating
- Sources: *ahd.com, memorial.org, timesfreepress.com*



DEMOGRAPHICS MAP & REPORT



POPULATION	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	183	2,656	8,624
AVERAGE AGE	41	43	42
AVERAGE AGE (MALE)	41	42	42
AVERAGE AGE (FEMALE)	41	43	43
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
TOTAL HOUSEHOLDS	71	999	3,160
# OF PERSONS PER HH	2.58	2.66	2.73
AVERAGE HH INCOME	\$101,768	\$102,016	\$94,132

Demographics data derived from AlphaMap & STDB



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ABOUT RANDALL COMMERCIAL GROUP, LLC

Randall Commercial Group, LLC is a boutique commercial real estate investment brokerage and consulting firm focused on properties and development opportunities in the southeastern United States for clients located throughout the country. Through a myriad of brokerage services, we serve institutional and individual investors as well as end users, tenant, and developers on deals ranging up to \$50 million in estimated market value.

Our proprietary research, continual education, creativity, and perseverance allow us to focus on creating client wealth by optimizing real estate strategies for businesses and investors while building meaningful, long-term relationships. The majority of our business results from expanding our client relationships and referrals from clients and peers. We believe the reward for hard work well done is the opportunity to do more of it; for this, we thank you for your trust and belief in our methodology.

Our corporate strategy is simple: client first. We do not desire to be all things to all clients, but we are singularly focused on being all things investment real estate.

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