

NATIONAL NET LEASE | SALE-LEASEBACK GROUP

OFFERING MEMORANDUM

DOLLAR GENERAL

1275 E. HIGHWAY 25 70, DANDRIDGE, TENNESSEE



PRESENTED BY:
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Actual Location

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INVESTMENT OVERVIEW

Transwestern National Net Lease | Sale Leaseback Group is pleased to a rare, upgraded constructed, absolute triple net leased Dollar General at 1275 E. Highway 25 70, Dandridge, Tennessee. The initial term of the lease runs through July 31, 2035, with the tenant having five (5), 5-year options to renew with 10% rent increases each.

Placer.ai visitor tracking data indicates this store ranks 4th out of 26 stores in visitor traffic in a 15-mile radius outperforming 88% of those stores; ranks 197th out of 905 stores, outperforming 78% of stores in the State of Tennessee; and ranks 4,722nd out 18,711 stores, outperforming 74% of all DG stores nationwide.

The Property was completed in July 2020 with a new 15-year lease and was built with significantly upgraded all-wood construction (structure and façade), a highly unusual Dollar General upgraded store design (during construction photos are available). Structured as absolute triple net, this DG provides a truly passive investment opportunity for an investor with no landlord responsibilities.

Dandridge, Tennessee is thirty miles east of Knoxville and is considered part of the Knoxville MSA. The property boasts a five-mile population of approximately 15,000 and a county-wide population of 54,000. As of August 2023, the Knoxville MSA had a population of 932,245, up from 905,831 in just three years from 2020 and up from 852,046 in 2013. Dandridge is the only town in the United States named after Martha Dandridge Washington, wife of our first President, George Washington.

Dollar General is a publicly traded company (NYSE: DG) and an investment grade tenant (S&P: BBB). Headquartered in Goodlettsville, Tennessee, Dollar General's gross revenue for 2023 exceeded \$38.7 billion with operating profit of \$2.4 billion. Dollar General operates more than 19,000 stores with plans to open 800 more and remodel an additional 1,500 stores in 2024.

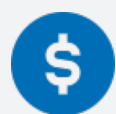


OFFERING SUMMARY

Property	1275 E. Highway 25 70 Dandridge, TN 37725
Tenant	Dolgencorp, LLC
Guarantor	Dollar General Corporation
Pricing / Cap Rate	\$1,525,000 / 6.0% Cap
NOI – Current	\$91,420.00
Lease Expiration	7/31/2035
Lease Structure	Absolute Triple Net

*Refer to Lease for details

PROPERTY & INVESTMENT HIGHLIGHTS



\$1,525,000

PURCHASE PRICE



6.00%

CAP RATE



\$91,420.00

NOI



9,026 SF (PER LEASE)

8,770 SF (PER SURVEY)

BUILDING SIZE



7/31/2035

LEASE EXPIRATION

1275 E. HIGHWAY 25 70, DANDRIDGE, TN

- Newly constructed in 2020 with an all-wood, highly upgraded construction prototype (structure and façade). This far more expensive construction design is rarely utilized by Dollar General.
- Nearly 11 years of remaining lease term on original fifteen (15) year lease.
- Absolute triple net lease structure with no landlord responsibilities (see lease for details).
- Annual NOI of \$91,420 is a low annual rental rate of approximately \$10.00 per square foot.
- Five (5), 5-year renewal options with ten percent (10%) scheduled rent increases.
- Tennessee is an income-tax free state

PROPERTY/LEASE SUMMARY

Tenant	Dolgenercorp, LLC, a Kentucky Limited Liability Company.
Guarantor	Dollar General Corporation
Property Address	1275 E. Highway 25 70, Dandridge, TN 37725
Commencement Date	7/13/20
Lease Expiration Date	7/31/35
Total Building Area Per Lease Agreement	9,026 SF (8,770 SF per survey)
Total Land Area	+ 1.27 acres
Primary Term	Fifteen (15) years
Net Operating Income – Current Term	\$91,420.00 through 7/31/2035
Renewal Options (all five-year terms with 180 days' prior written notice)	First - \$100,562.00 (10%)
	Second - \$110,618.20 (10%)
	Third - \$121,680.02 (10%)
	Fourth - \$133,848.02 (10%)
	Fifth - \$147,232.82 (10%)
Lease Structure	Absolute Triple Net
Real Estate Taxes	Reimbursed by Tenant within 45 days
Landlord Responsibilities	None (see Lease for more information)
Tenant Ownership/Guarantor	Publicly traded, corporate guaranty
Headquarters	100 Mission Ridge, Goodlettsville, TN 37072
Year Founded	1939
Website	Dollargeneral.com

Dandridge, TN - Actual Location



Dandridge, TN - Actual Location



PROPERTY PHOTOS - DANDRIDGE, TN



PROPERTY PHOTOS - DANDRIDGE, TN



PROPERTY PHOTOS - DANDRIDGE, TN



TENANT OVERVIEW

DOLLAR GENERAL

In October 1939, James Luther (J.L.) Turner and his son Cal Turner, Sr. opened Turner and Son Wholesale with an initial investment of \$5,000 each. The wholesale business subsequently transitioned into retailing and resulted in annual sales of more than \$2 million by the early 1950's.

The first Dollar General store opened in Springfield, Kentucky on June 1, 1955, with a simple concept: no item in the store would cost more than \$1.00. While only about one-quarter of Dollar General merchandise today sell for \$1.00 or less, the underlying concept remains the same: provide outstanding value and convenience to their customers.

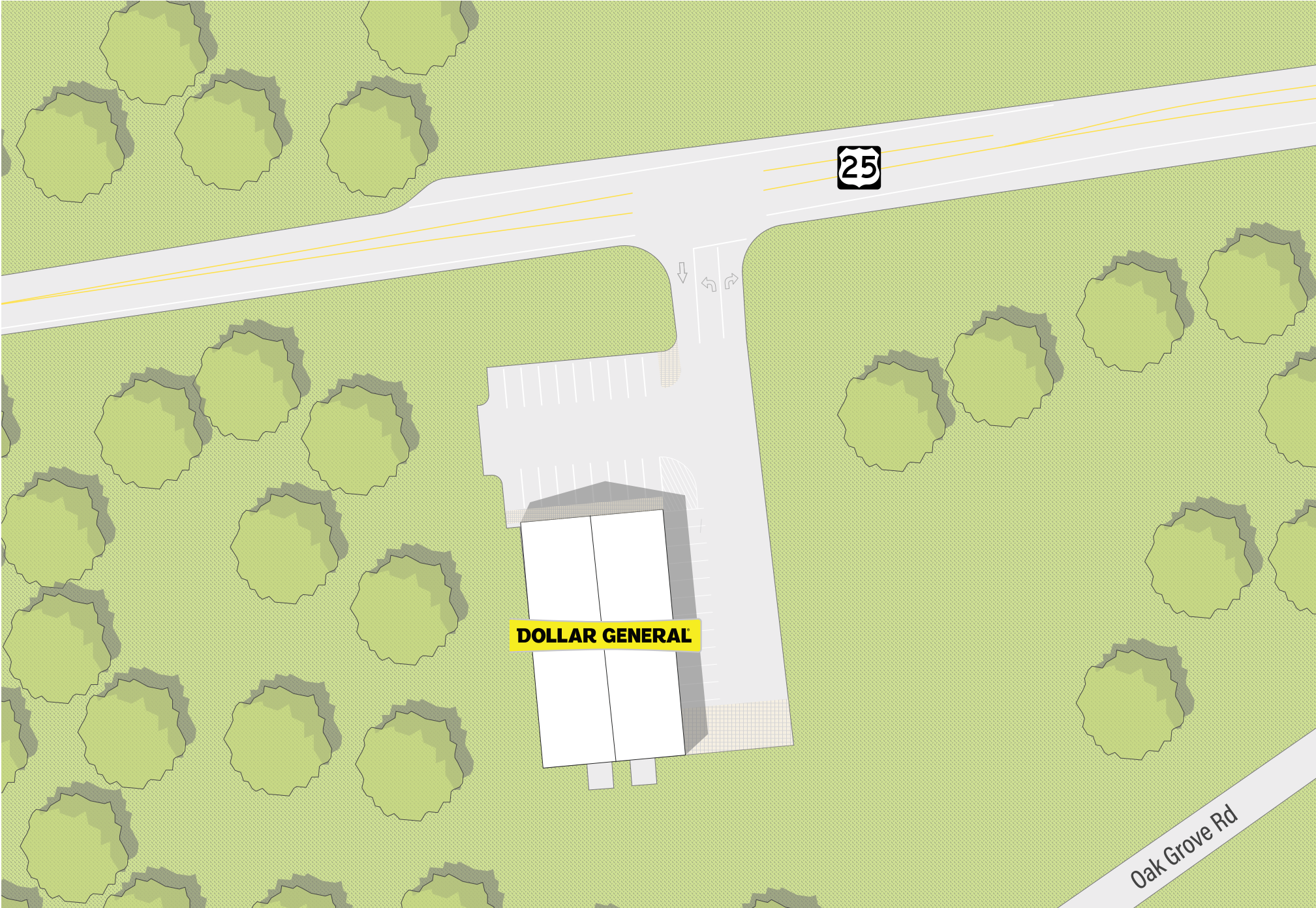
J.L. passed away in 1964 but four years later, the company went public as Dollar General Corporation, posting annual sales of more than \$40 million. Today the company boasts more than 18,000 stores and \$34 billion in annual sales. Their yellow Dollar General store sign is a popular symbol of value and convenience. Their convenient and everyday low prices have survived and the company to this day remains true to its humble ethic of hard work and friendly customer service embodied by the founding family.

While Dollar General has stores in all marketplaces in 46 states, it is also known for serving small-town America where residents would otherwise have to travel great distances for simple grocery and general store merchandise shopping. Dollar Generals continual expansion assures customers the most convenient and affordable way to shop.

**DOLLAR GENERAL OVERVIEW**

Corporate Entity	Dollar General Corporation
Number of Locations	18,130 in 46 states (as of 1/28/2022)
Corporate Year Founded	1939
Headquarters	100 Mission Ridge, Goodlettsville, TN 37072
Financial Summary	Fiscal Year 2023
Gross Revenue	\$38.7 billion
Operating Profit	\$2.4 billion
Net Income	\$1.7 billion
Cash Flows from Operations	\$2.4 billion
New Store Openings Planned	800 (2024)
Website	dollargeneral.com
Investor Relations	Investor.dollargeneral.com
Stock Ticker	DG

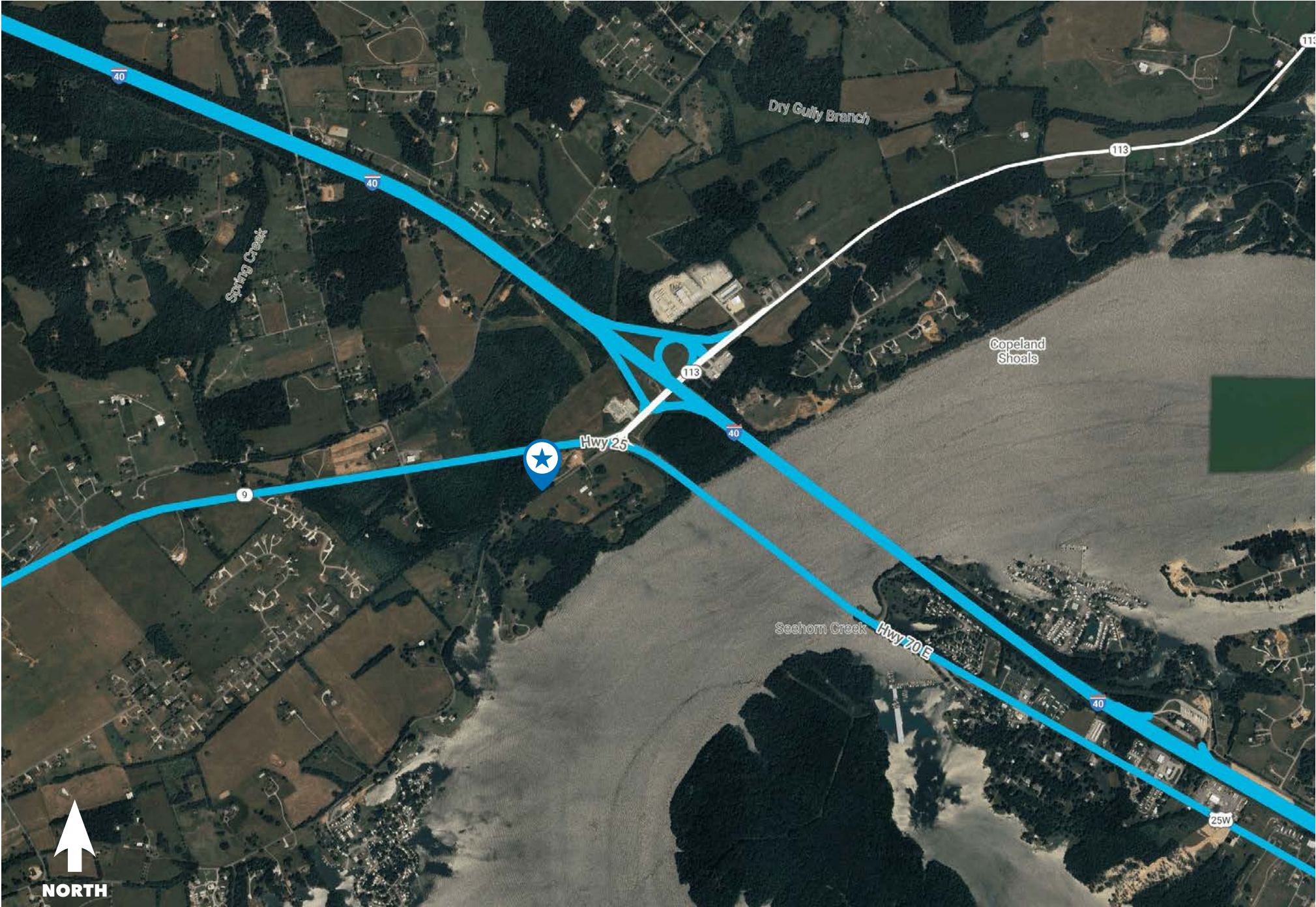
SITE PLAN - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



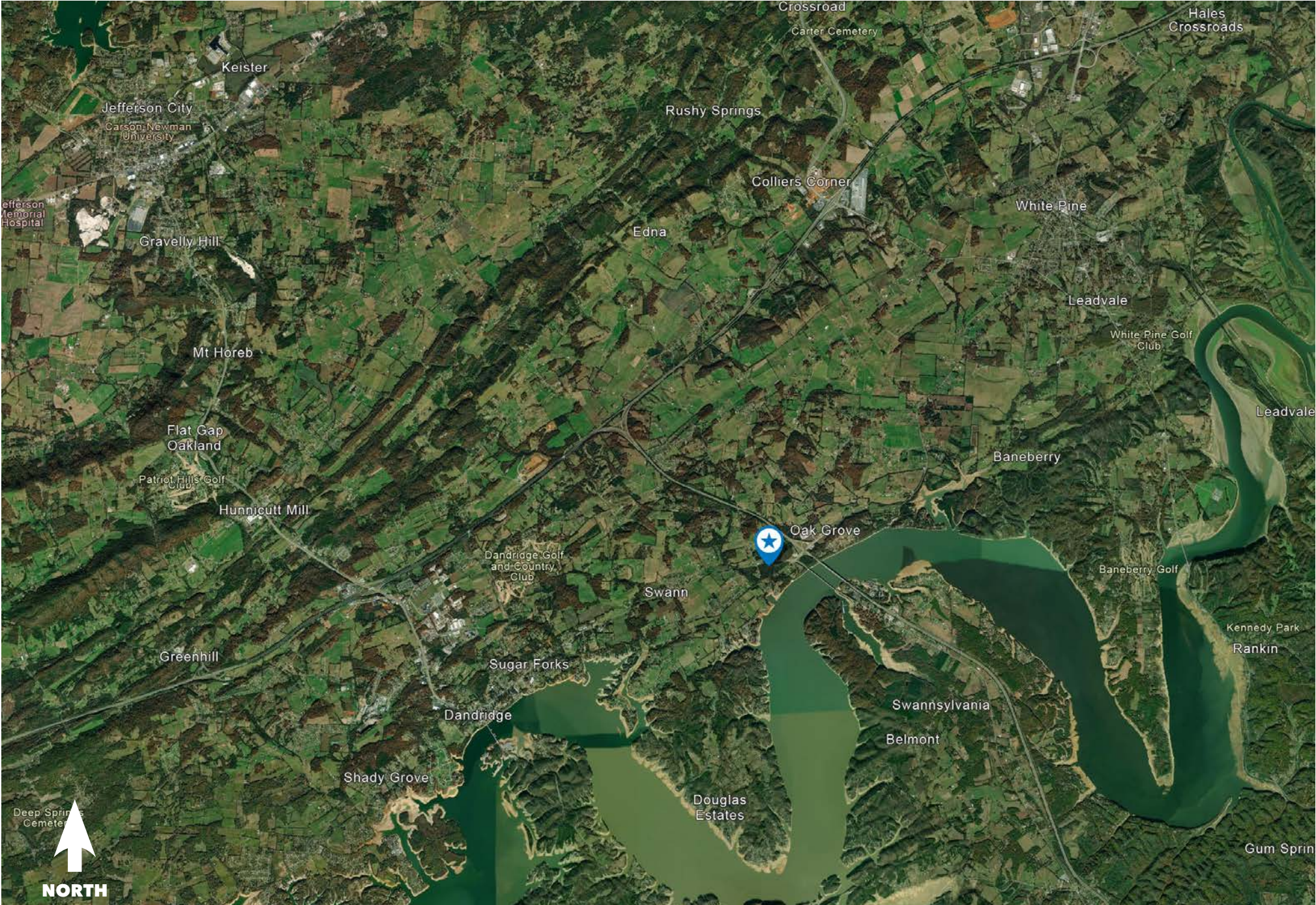
SITE PLAN AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



MARKET AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



REGIONAL AERIAL - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN 37725



AREA OVERVIEW

Dandridge, TN

As Tennessee's second oldest and the only town in the U.S. and named after Martha Dandridge Washington, the first U.S. President, George Washington's wife, Dandridge, Tennessee was founded around 1783 when settlers came across the Appalachian Mountains moving west. Dandridge was part of the Civil War in 1863 when a skirmish took place in town between the North and South, looking to control areas of Knoxville. Union troops were held back to New Market, a community near Dandridge.

Dandridge remained a quaint agriculture setting due to the fertile lands along the French Broad River. When TVA began construction of Douglas Dam to generate electrical power, many of these farms are now covered by the waters of the Douglas Lake Reservoir. The Town of Dandridge would not be in existence today were it not for a group of citizens who in 1942 went to Washington, DC and lobbied for a stone and earth dike to keep the waters of the reservoir from flooding the town.

Being a short drive from Pigeon Forge and Gatlinburg, Knoxville and the University of Tennessee, Dandridge offers lodging, restaurants and shopping to those who want to avoid the daily crowds. Situated only two miles from the intersection of I-40 and I-81, Dandridge is a prime destination for anyone visiting the Smoky Mountains and who would want to see and tour Bush Brother's, the largest producer of baked beans in the world, located approximately 10 miles south of the town. Visitors to Dandridge are always impressed with the historic preservation and the quaintness of the town as downtown Dandridge is a registered National Historic District. The downtown area includes restaurants and shops which line city streets. Adjacent to Douglas Lake makes recreation a viable option for family vacations.

As of 2020, the population of Dandridge was 3,344 and is the county seat of Jefferson County, Tennessee and is part of the Morristown, Tennessee Metropolitan Statistical Area, which consists of Jefferson, Hamblen and Grainger counties. Dandridge is considered a suburb of Knoxville, which is easily accessible via Interstate 40. Dandridge offers more affordable housing than the State of Tennessee average with the median price of a house of \$182,833 compared with the overall Tennessee median price of \$191,900. As of March 2019, the cost of living index in Dandridge at 79.4 is considerably lower than the U.S. average of 100.



DEMOGRAPHIC SNAPSHOT - 1275 E. HIGHWAY 25 70, DANDRIDGE, TN

POPULATION

	3 miles	5 miles	10 miles
2020 Census Population	4,168	12,060	56,219
2024 Population	4,425	12,984	59,340
2029 Projected Population	4,713	13,772	61,988

HOUSEHOLDS

	3 miles	5 miles	10 miles
2020 Census Households	1,777	4,894	22,402
2024 Households	1,909	5,270	23,827
2029 Projected Households	2,051	5,636	25,064
2024 Estimated Average Household Size	2.32	2.40	2.43

ESTIMATED HOUSEHOLD INCOME

	3 miles	5 miles	10 miles
2024 Average Household Income	\$85,199	\$88,549	\$82,611
2024 Median Household Income	\$64,067	\$63,480	\$59,174
2024 Per Capita Income	\$35,748	\$35,484	\$33,165
2024 Median Age	51.3	48.1	45.1

TRAFFIC COUNTS

	VPD
I-40 @ Spring Creed Rd SE	25,498
State Hwy 113 @ Buckhead Trl SW	2,659



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Year-to-date, Transwestern has overseen the leasing and management of 2,006 properties, representing more than 370 million square feet - leased and managed combined. Within that same time period, the firm completed leasing, sales and finance transactions totaling \$8.6 billion.

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