

# DOLLAR GENERAL

# OFFERING MEMORANDUM

8356 AL-117, Valley Head, Alabama 35989



Representative Photo

# EXCLUSIVELY LISTED BY



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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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# TENANT OVERVIEW

MARKET CAP

**\$54B**



**DOLLAR GENERAL®**

**19,104 Stores in 47 States**

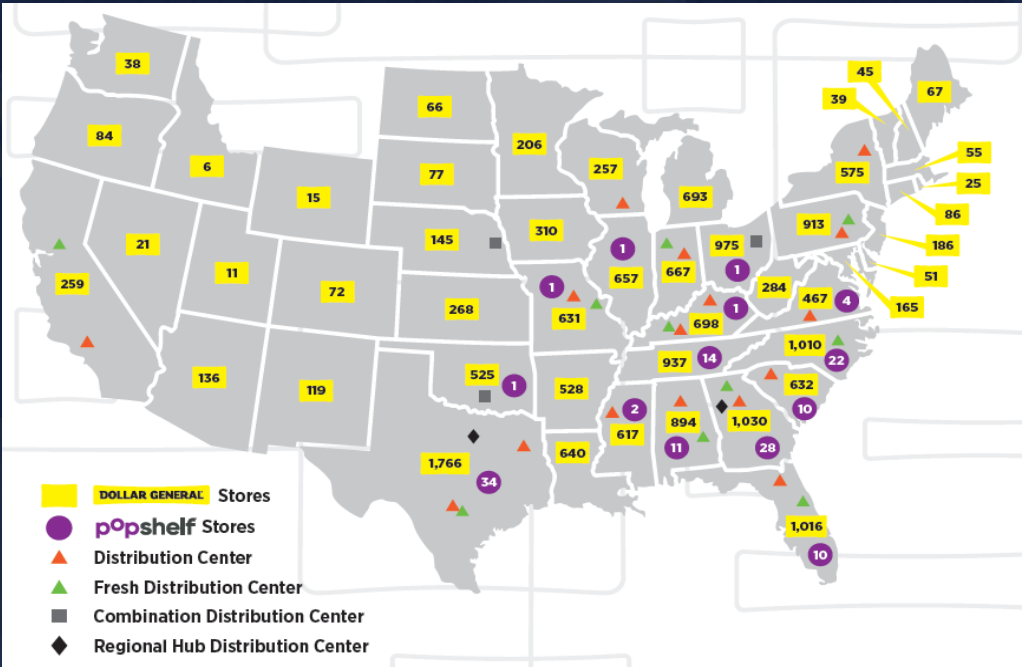
TRADED ON NYSE  
TICKER: **DG**



NET SALES 2022

**\$9.1B**

S&P Rating  
**BBB**



REVENUE

**\$54.1B**



**1000+ NEW STORES TO OPEN IN 2023**



# OFFERING SUMMARY



**LIST PRICE**  
**\$494,117**



**CAP RATE**  
**8.50%**



**TERM REMAINING**  
**4.7 YEARS**

## RENT SCHEDULE

LEASE YEARS	MONTHLY	ANNUAL	CAP RATE
Current	\$3,500.00	\$42,000.00	8.50%
Option 1	\$3,850.00	\$46,200.00	9.35%
Option 2	\$4,235.00	\$50,820.00	10.29%

## OPERATIONAL

Lease Type	Double Net
Tenant	Dollar General
Lease Expiration	1/1/2029
Year Built	2004
Building Size	8,125 Sq Ft
Lot Size	1.89 Acres

# DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Population	383	2,226	5,345
<b>2023 Estimate</b>			
Total Population	379	2,191	5,258
<b>2020 Census</b>			
Total Population	403	2,195	5,307
<b>2010 Census</b>			
Total Population	392	2,279	5,355
<b>Daytime Population</b>			
2023 Estimate	265	1,332	3,706
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2028 Projection</b>			
Total Households	135	955	2,185
<b>2023 Estimate</b>			
Total Households	133	935	2,141
Average (Mean) Household Size	2.5	2.5	2.4
<b>2010 Census</b>			
Total Households	132	929	2,127
<b>2010 Census</b>			
Total Households	132	910	2,073
<b>Occupied Units</b>			
2028 Projection	178	1,286	2,751
2023 Estimate	176	1,273	2,723
HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2023 Estimate</b>			
\$150,000 or More	7.7%	8.8%	12.2%
\$100,000-\$149,999	4.9%	9.9%	11.9%
\$75,000-\$99,999	6.0%	8.5%	10.3%
\$50,000-\$74,999	16.0%	15.9%	16.7%
\$35,000-\$49,999	19.6%	17.8%	15.8%
Under \$35,000	45.8%	39.1%	33.1%
Average Household Income	\$53,975	\$66,103	\$85,181
Median Household Income	\$37,869	\$43,036	\$51,363
Per Capita Income	\$18,952	\$28,207	\$34,691

HOUSEHOLDS BY EXPENDITURE	1 Mile	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$46,936	\$53,706	\$59,765
<b>Consumer Expenditure Top 10 Categories</b>			
Housing	\$14,874	\$16,963	\$18,851
Transportation	\$9,985	\$11,244	\$12,124
Food	\$6,247	\$6,940	\$7,662
Personal Insurance and Pensions	\$4,424	\$5,363	\$6,334
Healthcare	\$4,145	\$4,698	\$5,168
Entertainment	\$1,858	\$2,111	\$2,434
Cash Contributions	\$1,834	\$2,260	\$2,579
Gifts	\$1,468	\$1,490	\$1,636
Apparel	\$1,081	\$1,277	\$1,390
Education	\$697	\$759	\$914
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2023 Estimate Total Population	379	2,191	5,258
Under 20	24.4%	25.6%	24.5%
20 to 34 Years	17.6%	16.9%	15.7%
35 to 39 Years	5.1%	5.2%	5.0%
40 to 49 Years	11.2%	11.7%	12.4%
50 to 64 Years	23.5%	21.5%	22.7%
Age 65+	18.2%	19.2%	19.7%
Median Age	42.6	42.0	44.0
<b>Population 25+ by Education Level</b>			
2023 Estimate Population Age 25+	264	1,495	3,662
Elementary (0-8)	8.1%	6.5%	5.7%
Some High School (9-11)	10.1%	11.0%	9.1%
High School Graduate (12)	37.7%	36.7%	33.4%
Some College (13-15)	19.3%	18.9%	18.4%
Associate Degree Only	10.2%	9.0%	10.0%
Bachelor's Degree Only	8.2%	10.4%	13.3%
Graduate Degree	6.5%	7.5%	10.1%

# OVERVIEW

## PROPERTY OVERVIEW

The Hurd Net Lease Group of Marcus and Millichap is pleased to exclusively offer for sale the Dollar General located at 8356 AL-117 in Valley Head, Alabama. The investment is being offered at an 8.50% cap rate which represents a price of \$494,117.

The subject property is an 8,125 square-foot build-to-suit store, situated on a 1.89 acre parcel. The tenant operates under a double net lease structure, which was recently extended for an additional five years. There are currently 4.7 years remaining, along with two five-year options for renewal, each with 10% rental increases every five years. Landlord responsibilities are limited to roof, structure and parking lot. Dollar General contributes \$338 per month towards common area maintenance, pays insurance direct through their national insurance program and reimburses for property taxes.

The site is strategically located on AL-117, the busiest road in Valley Head, with a traffic count of over 4,000 vehicles per day. Within a 16-mile radius, notable attractions include Little River Canyon National Preserve, drawing over 650,000 visitors annually, and DeSoto State Park, attracting over 2.7 million visitors annually. Additionally, there are positive demographic trends, with population growth projected in the 1-, 3-, and 5-mile radius through 2028.

## INVESTMENT HIGHLIGHTS

- Double Net Lease with 4.7 Years Remaining
- Recent Renewal Shows Continued Commitment To This Location
  - Close To High Visiting Tourist Attractions
  - New Concrete Parking Lot
- All Three HVAC Units Have Recently Replaced
- Only Dollar General within a 10-mile Radius
- Low Price Point, High Yielding Asset



# RETAIL MAP



# FINANCIAL ANALYSIS

## THE OFFERING

Price	\$494,117
Cap Rate	8.50%
Price/SF	\$61

## PROPERTY DESCRIPTION

Year Built	2004
Sq. Ft	8,125
Type of Ownership	Fee Simple
Lot Size	1.89

## LEASE SUMMARY

Tenant	Dollar General
Rent Increases	In Options
Guarantor	Dolgen Corp.
Lease Type	NN
Lease Commencement	11/27/2023
Lease Expiration	1/1/2029
Renewal Options	Two, Five-Year Options
Term Remaining on Lease	4.7
Landlord Responsibility	Roof, Structure, Parking Lot, CAM
Tenant Responsibility	Taxes, Insurance

## RENT SCHEDULE

LEASE YEARS	MONTHLY	ANNUAL	CAP RATE
Current	\$3,500.00	\$42,000.00	8.50%
Option 1	\$3,850.00	\$46,200.00	9.35%
Option 2	\$4,235.00	\$50,820.00	10.29%

## ANNUAL OPERATING INFORMATION

BASE RENTAL INCOME	\$42,000.00
OPERATING EXPENSE REIMBURSEMENT	\$4,062.00
GROSS INCOME	\$46,062.00
OPERATING EXPENSES	\$4,062.00
NET OPERATING INCOME	\$42,000.00
<b>OPERATING EXPENSES</b>	
TAXES	Reimbursed by DG
INSURANCE	Covered by DG
CAM	DG Pays \$338 per Month

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