

OFFERING MEMORANDUM

# MILAN, IL DOLLAR GENERAL

905 W 4TH STREET

Milan, IL 61264

PRESENTED BY:

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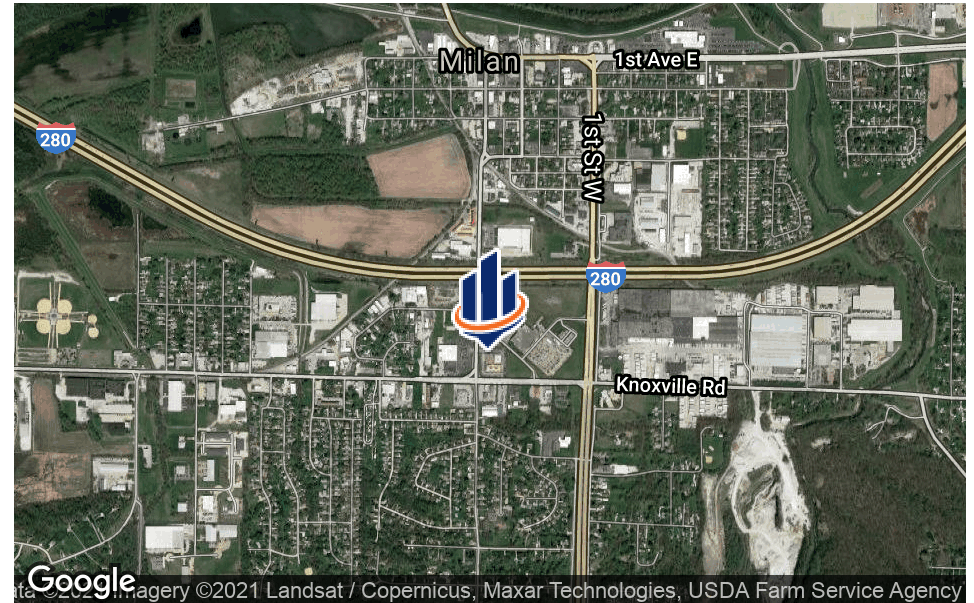
ILLINOIS BROKER OF RECORD:

SHARI NEVELS

IL #471017462



## PROPERTY SUMMARY



### SALE PRICE

**\$599,000**

### PROPERTY HIGHLIGHTS

- Possible Cash-on-Cash Return of 20.19%
- 20 + Years of proven success at this location
- 2.5 + Years Remaining
- [2] Three Year Options
- 6% Rent Increase at Each Option
- NN ½ Lease – Limited Landlord Responsibility
- CAM Reimbursement of \$4,690 annually
- Recent early lease extension even with new DGs opening in surrounding areas

### OFFERING SUMMARY

BUILDING SIZE:	7,000 SF
PRICE / SF:	\$85.57
CAP RATE:	9.41%
NOI:	\$56,358
YEAR BUILT:	1973
RENOVATED:	1998
MARKET:	Davenport/Moline/Rock Island

### DEMOGRAPHICS

	1 MILE	3 MILES	10 MILES
TOTAL POPULATION	2,101	20,841	296,549
AVERAGE HH INCOME	\$50,350	\$64,262	\$58,503

## PROPERTY DESCRIPTION



## PROPERTY DESCRIPTION

SVN | Holman Norden is pleased to present a 100% fee simple interest in a Dollar General property located at 905 W 4th St. Milan, Illinois. The subject property is a 7,000 square foot building built in 1973 and renovated in 1998 for Dollar General. Dollar General recently extended the initial lease term to April 2023 giving 2.5 + years of current term remaining along with 2 (3) year options to renew with rent increases at each option. This is a proven location for Dollar General with 20+ years of tenancy, continuing to renew the lease even after building newer stores in the surrounding areas. In addition to building rent, Dollar General pays an additional \$3000 annually for a POD Storage Unit in the parking lot. Dollar General is the largest discount retailer in the United States by the number of stores with over 15,500 neighborhood stores in 44 states. Not to mention they are among the largest retailer of top-quality products made by America's most trusted manufacturers such as Procter & Gamble, Kimberly-Clark, Unilever, Kellogg, General Mills, Nabisco, PepsiCo, and Coca-Cola.

## LOCATION DESCRIPTION

Milan is a town in Rock Island County, Illinois, United States. Milan is part of the Quad Cities of Illinois and Iowa metropolitan area. Milan is home to the John Deere North American Parts Distribution Center, one of the largest warehouses in the world. The Quad Cities Metropolitan has previously been ranked as one of the fastest-growing areas in the nation for high-tech jobs. The subject property is located just 3 miles from the Quad City International Airport, Illinois' third-busiest airport. The store is located just off of Interstate 280, a main thoroughfare for the Quad Cities with a traffic count above 16,400 daily cars. Additionally, the store is located in a commercial corridor on Knoxville Rd. with 11,930 daily cars passing by. The subject property's 1-mile radius services a population of 2,100, very strong demographics for Dollar General. All of this combines to make an extremely strong location for Dollar General.

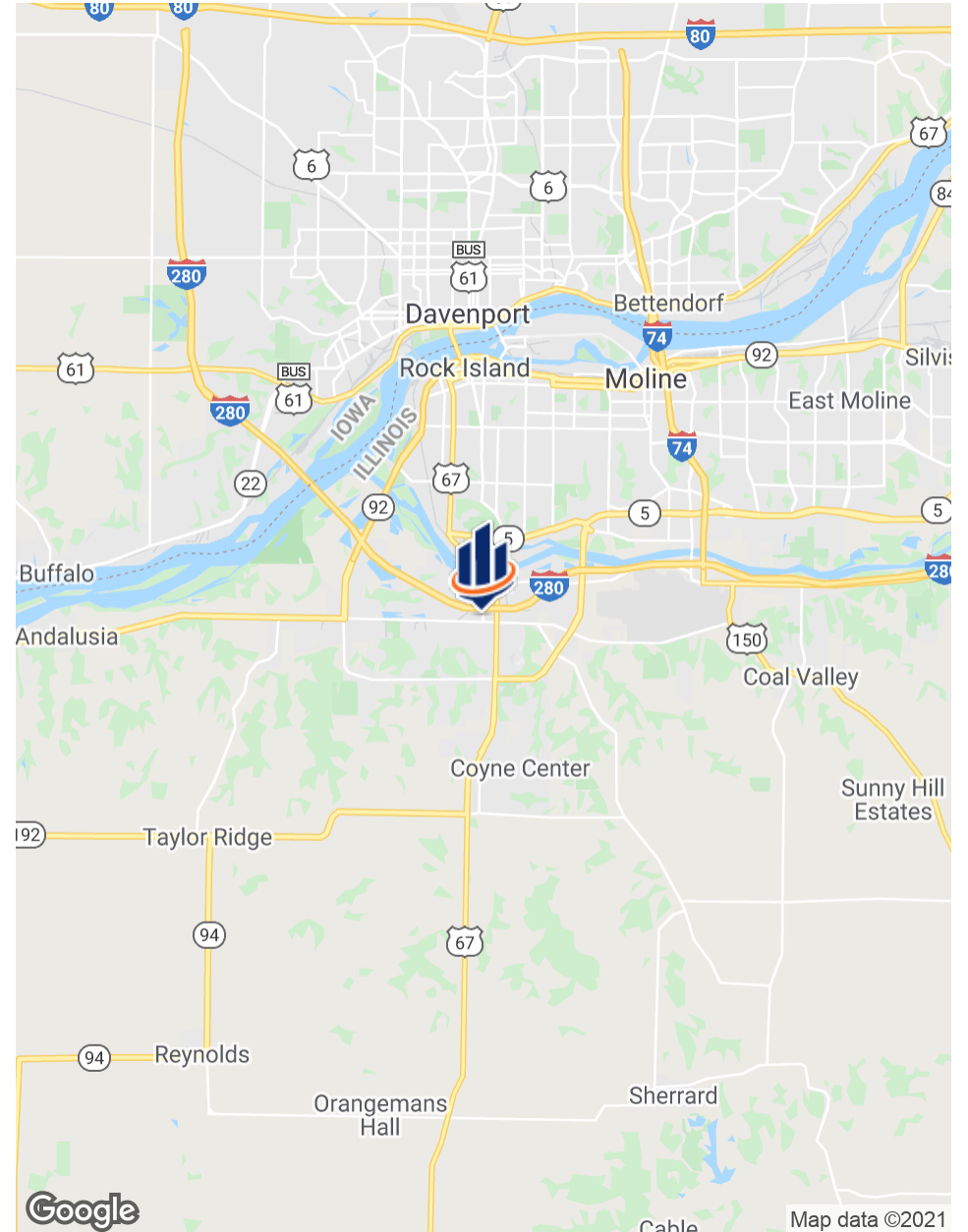
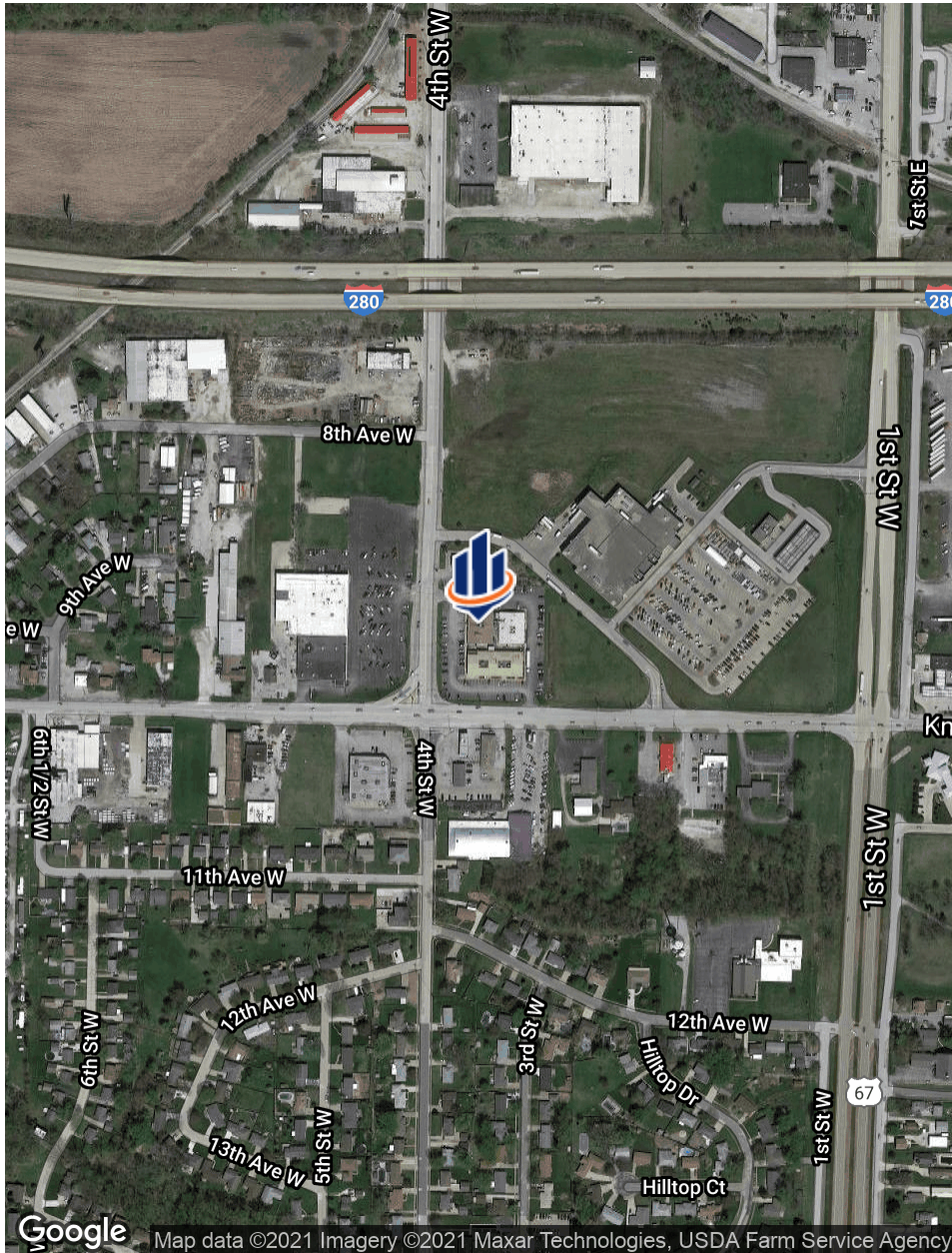
## LANDLORD RESPONSIBILITIES

Landlord is responsible for paying taxes, insurance, and CAM expense to take care of exterior structure, roof, and parking lot

## TENANT RESPONSIBILITIES

Dollar General reimburses \$1.30/sqft of taxes, \$0.27/sqft of insurance, and \$0.67/sqft for CAM. Dollar General is responsible for all interiors and HVAC repairs less than \$1000 per occurrence.

## LOCATION MAPS



RETAILER MAP



## FINANCIAL SUMMARY

### INVESTMENT OVERVIEW

25% DOWN AT 4.25% INTEREST RATE, 25 YR AMORTIZATION

PRICE	\$599,000
PRICE PER SF	\$85.57
CAP RATE	9.4%
CASH-ON-CASH RETURN (YR 1)	20.19 %
TOTAL RETURN (YR 1)	\$36,518
DEBT COVERAGE RATIO	1.84

### OPERATING DATA

25% DOWN AT 4.25% INTEREST RATE, 25 YR AMORTIZATION

GROSS SCHEDULED INCOME	\$54,549
OTHER INCOME	\$16,790
GROSS INCOME	\$74,012
OPERATING EXPENSES	\$17,653
NET OPERATING INCOME	\$56,358
PRE-TAX CASH FLOW	\$25,690

### FINANCING DATA

25% DOWN AT 4.25% INTEREST RATE, 25 YR AMORTIZATION

DOWN PAYMENT	\$127,250
LOAN AMOUNT	\$471,750
DEBT SERVICE	\$30,668
DEBT SERVICE MONTHLY	\$2,555
PRINCIPAL REDUCTION (YR 1)	\$10,827

## INCOME & EXPENSES

### INCOME SUMMARY

25% DOWN AT 4.25% INTEREST RATE, 25 YR AMORTIZATION

RENT BASE	\$55,332
POD RENT	\$3,000
CAM REIMBURSEMENT	\$4,690
TAX REIMBURSEMENT	\$9,100
INSURANCE REIMBURSEMENT	\$1,890
<b>GROSS INCOME</b>	<b>\$74,012</b>

### EXPENSE SUMMARY

25% DOWN AT 4.25% INTEREST RATE, 25 YR AMORTIZATION

CAM EXPENSE	\$5,880
TAX EXPENSE	\$9,572
EST. INSURANCE EXPENSE	\$2,200
<b>GROSS EXPENSES</b>	<b>\$17,653</b>

### NET OPERATING INCOME

**\$56,358**

## LEASE OPTIONS AND TERMS

LEASE TERM		LEASE START	LEASE END	ANNUAL RENT
Current Term	7,000	4/1/2020	3/31/2023	\$55,332
Option 1	7,000	4/1/2023	3/31/2026	\$58,652
Option 2	7,000	4/1/2026	3/31/2029	\$62,171
POD Rent		3/1/2015	3/31/2029	\$3,000

## DEMOGRAPHICS MAP & REPORT

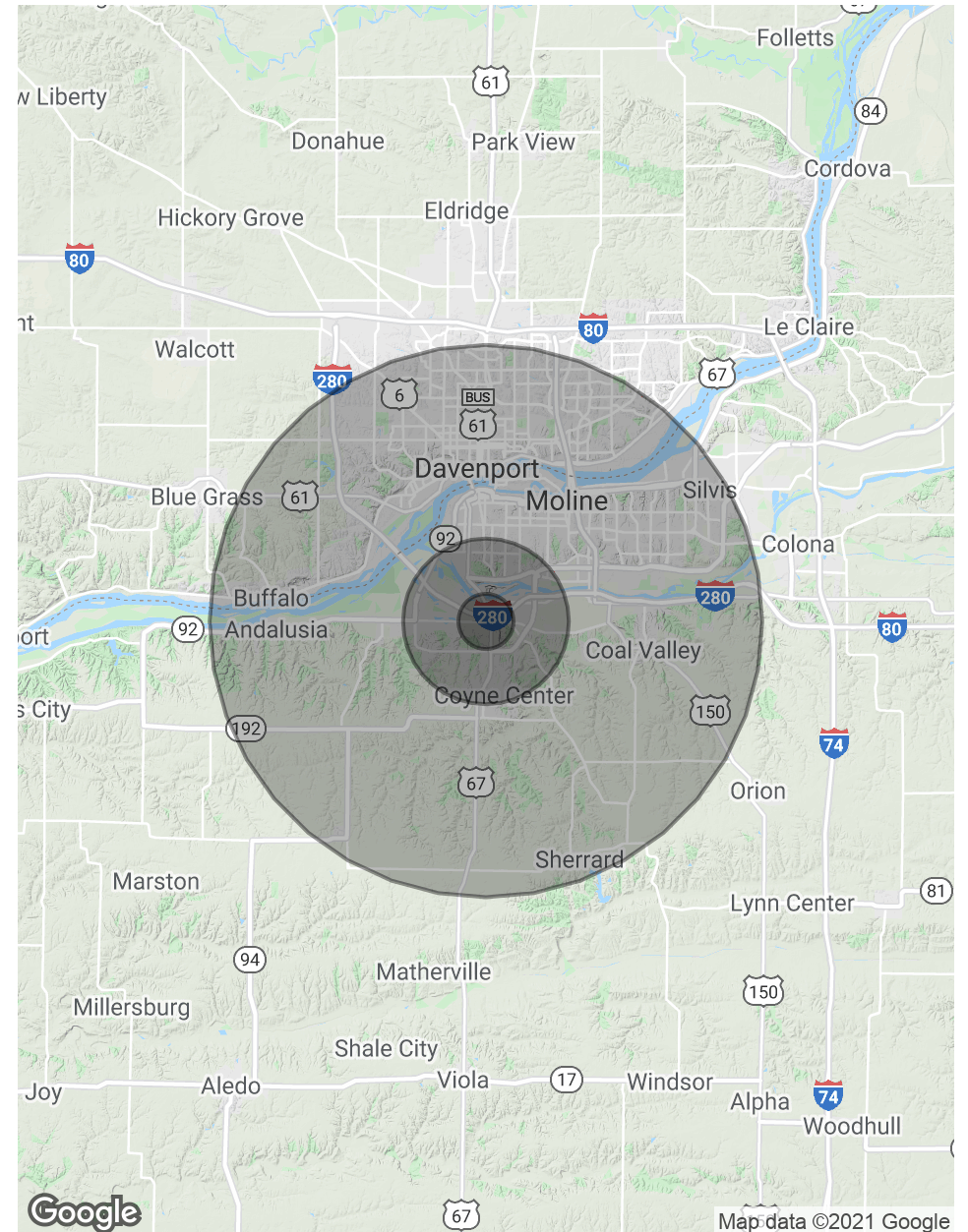
### POPULATION

	1 MILE	3 MILES	10 MILES
TOTAL POPULATION	2,101	20,841	296,549
AVERAGE AGE	39.8	43.5	38.0
AVERAGE AGE (MALE)	39.7	42.4	36.7
AVERAGE AGE (FEMALE)	39.7	44.1	39.1

### HOUSEHOLDS & INCOME

	1 MILE	3 MILES	10 MILES
TOTAL HOUSEHOLDS	868	8,946	123,680
# OF PERSONS PER HH	2.4	2.3	2.4
AVERAGE HH INCOME	\$50,350	\$64,262	\$58,503
AVERAGE HOUSE VALUE		\$154,920	\$153,819

\* Demographic data derived from 2010 US Census



## ABOUT THE TENANT: DOLLAR GENERAL



### TENANT HIGHLIGHTS

- Over 16,500 locations in 46 States as of May 2020
- S&P Credit Rating of BBB
- 30 Consecutive Years of Same-Store Sales Growth
- \$27.8B in Sales in 2019
- Opening 1,000 New Stores in 2020

### DOLLAR GENERAL SUMMARY

DG strives to make shopping convenient and affordable with more than 16,000 locations across 46 states. Their stores deliver everyday low prices on items including food, snacks, health and beauty aids, cleaning supplies, family apparel, housewares, seasonal items, paper products, and much more. Dollar General's successful prototype makes shopping a truly hassle-free experience. They design small neighborhood stores with carefully edited merchandise assortments to make shopping simpler. The average Dollar General customer completes his or her shopping trip in less than 10 minutes, and with 75% of Americans living within 5 minutes of a Dollar General store, convenience has never been this close to home.



### TENANT OVERVIEW

<b>COMPANY:</b>	-Dollar General Corp [NYSE: DG]
<b>FOUNDED:</b>	-1939
<b>LOCATIONS:</b>	-16,000+
<b>TOTAL REVENUE:</b>	-\$27.8B [2019]
<b>NET INCOME:</b>	-\$1.712B [2019]
<b>NET WORTH:</b>	-\$41.33B [2019]
<b>HEADQUARTERS:</b>	-Goodlettsville, TN
<b>WEBSITE:</b>	-www.dollargeneral.com



Will Holman  
Managing Director

Prior to forming SVN® | Holman Norden (SVN | HN), Will has had a successful and diverse career since starting in the Real Estate sales industry in 1984. Growing up in a real estate development and construction family, it only made sense that he chose that as his career. Starting with sales and development of residential product types, Will quickly moved into the commercial arena. Over the decades, his clients were primarily investors and owner/users, but he also assisted landlords and tenants. During this time Will worked with multiple product types including Industrial, Retail, Multi-Family, and Office providing unprecedented experience in which to benefit his clients. Will has participated in over One Billion Six Hundred Million Dollars [\$1,600,000,000] in transactions not only as the Broker as well as a Principal, Developer, and Builder. This gives Will a uniquely beneficial viewpoint and skillset that greatly benefits his Net Leased Investment clients.

During his career, Will has been associated with some of the industry's leading firms. Prior to SVN | HN, Will served as Mid States Sales Manager and Associate Director of the National Retail Group - Marcus & Millichap where he sharpened his National Market Real Estate Investment skills. Just prior to that Will was a Principal, Managing Partner and Broker with Commercial Brokerage Group, Inc., a 22-person full-service Commercial Real Estate, Construction /Development firm, serving the entire St. Louis Regional Market for 8+ years.

Will has since continued to refine and expand his investment brokerage strategies and mentoring skills. His experience and expertise aid owners in developing successful strategies for their Single Tenant Net Leased, Retail, Industrial, and land properties. Since forming SVN | HN and after utilizing the expansive network he has developed Will has been able to expand his client base throughout the 48 states. Focusing his transaction activity on properties in the Midwest, South, and Southeastern area of the country. This expanded territory combined with the ability to mentor and co-broker with agents across the country has brought substantial benefits to his clients.

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636.628.2111



Addison Lijewski  
Associate Advisor

At SVN Holman Norden, Addison specializes in Triple Net Investment properties. Addison currently serves in the Greater Midwest market while based in the St. Louis MSA. This central location allows Addison to connect with clients across the country. Addison combines dedication, hard work, and knowledge to best serve her clients.

Prior to joining SVN Holman Norden, Addison grew up in LaSalle-Peru, Illinois where her parents had a portfolio of rental properties which first got her interested in Real Estate. Addison graduated Cum Laude from the University Of Missouri Trulaske College Of Business in May 2019 with a BSBA in Finance & Banking with an emphasis in Real Estate and minor in Economics. While in college, Addison worked within the banking industry for two and half years including a 6-month internship in Commercial Lending. Addison was also fortunate to complete a 6-month internship with a commercial broker in the Columbia, Missouri area which exposed her to the Commercial Real Estate industry. Addison is excited to apply this previous experience to her career with SVN Holman Norden and enjoys working with a great team to help her excel in this industry.

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## MEET THE TEAM

Biography

## CORE COVENANTS



## CORE COVENANTS

A company's core values provide clarity on what is truly important for organizational success, personal and professional conduct and what to expect from each other. At SVN® our Core Covenants personify our values and culture and differentiate us from the competition.

**As members of the SVN Shared Value Network®, we each commit to do the following:**

- 1 Create amazing value with my clients, colleagues and communities.
- 2 Cooperate proactively and place my clients' best interests above my own.
- 3 Include, respect and support all members of commercial real estate industry.
- 4 Honor my commitments.
- 5 Personify and uphold the SVN® brand.
- 6 Resolve conflicts quickly, positively and effectively.
- 7 Take personal responsibility for achieving my own potential.
- 8 Excel in my market area and specialty.
- 9 Focus on the positive and the possible.
- 10 Nurture my career while valuing the importance of family health and community.

## DISCLAIMER

The material contained in this Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of the SVN® Advisor or Property Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

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This Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at any time with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and the SVN Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.