



**DOLLAR GENERAL®**

QUAPAW, OK

OFFERING MEMORANDUM BROUGHT TO YOU BY

**DUWEST**  
INVESTMENT SERVICES



#### STATEMENT OF CONFIDENTIALITY AND DISCLAIMER

The information contained in this offering memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the retail property known as Dollar General located at 4577 U.S. Rt. 66, Quapaw, Oklahoma 74363 being approximately 10,640 square feet of improvements and 1.35 acres of land ("the "Property"). It is not to be used for any other purpose or made available to any other person without the express written consent of Seller or DuWest Realty, LLC ("DW"). The material herein is based in part upon information supplied by the Seller and in part upon information obtained by DW from sources it deems reliable. No representation or warranty, expressed or implied, is made by the Seller, DW, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should conduct their own independent investigation, conduct their own due diligence, and form their own conclusions without reliance upon the material contained herein. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase and Sale Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or DW or any of their affiliates or any of their respective officers, directors, owners, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from DW or Seller or their affiliates or any of their respective officers, directors, owners, or agents as legal, tax, or other advice. Prior to forming their acquisition value of the Property, prospective purchasers should consult with their own legal counsel and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

# EXECUTIVE SUMMARY

**DuWest Realty Partners Investment Services** has been exclusively retained to present the opportunity to acquire Dollar General ("The Property"), a 10,640 SF single tenant absolute triple-net (NNN) lease retail property located in Quapaw, Oklahoma. The lease commenced on March 17, 2023. The current annual rent is \$92,702 and is scheduled to increase upon the execution of the first of five renewal options.

The acquisition of this Dollar General offers investors a strong, passive income opportunity. Investors have zero landlord responsibilities. The Property offers steady cashflow from a highly experienced tenant and is guaranteed by a corporately backed lease.

As an investor, any Dollar General is a safe investment as Dollar General has strict store expansion criteria. Dollar General builds stores with the mindset of providing positive economic growth to the communities they serve. Meeting customer needs is Dollar General's top priority when evaluating potential new store locations. Local demographics are surveyed to ensure the Dollar General store will fit into the community relating to pricing, value, and selection of needs for the customer base in the area.

DG

DG

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**4577 U.S. RT. 66  
QUAPAW, OK 74363**

ADDRESS

**OTTOWA**

COUNTY

**2023**

CONSTRUCTION YR

**10,640**

BUILDING SIZE

**1.35**

SITE SIZE ACRES

**\$92,702**

IN-PLACE NOI

**\$1,471,000**

PRICE

**ABSOLUTE NNN LEASE**

LEASE STRUCTURE

# INVESTMENT HIGHLIGHTS

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## ABSOLUTE NNN GROUND LEASE

- 14.8 Years Remaining on a Triple-Net (NNN) Lease with Zero Landlord Responsibilities
- Tenant will repair and maintain, at its own cost, the entirety of the Premises including HVAC, roof, and parking.
- Corporately guaranteed by a nearly \$37 billion dollar company

## STRONG HISTORICAL SALES WITH CORPORATE GUARANTEE

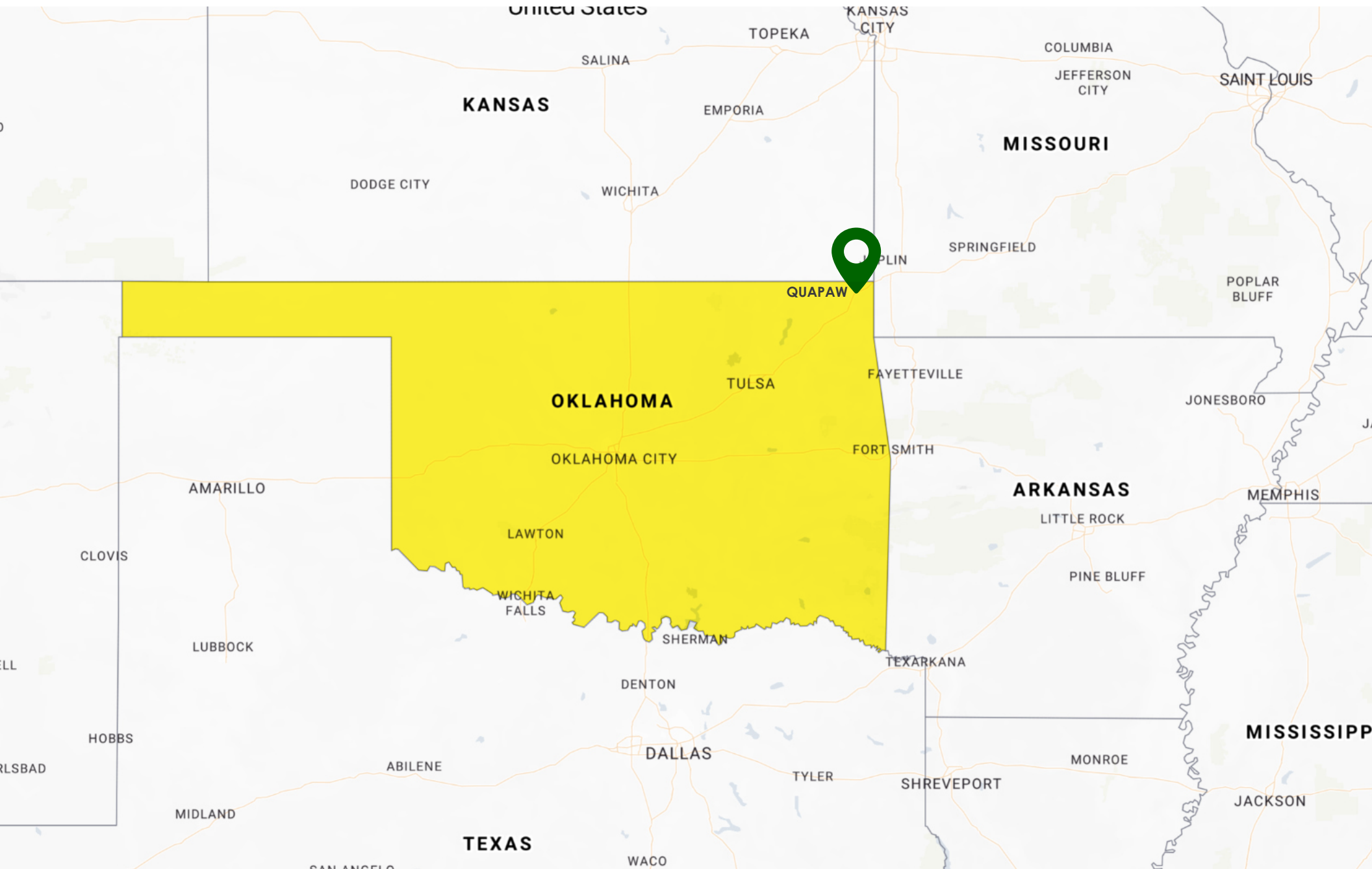
- Dollar General is publicly traded and has over 19,000 stores in operation today
- The company plans to open 1,050 stores in 2023
- Dollar General (NYSE: DG) grew revenue in the 3rd quarter of 2022 by \$9.5 Billion
- Dollar General will guarantee the payment of rent owed by Tenant during the Initial Term (15 years)

## BRAND NEW CONSTRUCTION WITH A 15 - YEAR LEASE

- Lease Commenced March 17, 2023
- Lease Includes Five, 5-Year Options with Rental Increases of 10% In Each Option Period
- Investment Grade Credit (S&P and Better Business Bureau)



# REGIONAL MAP

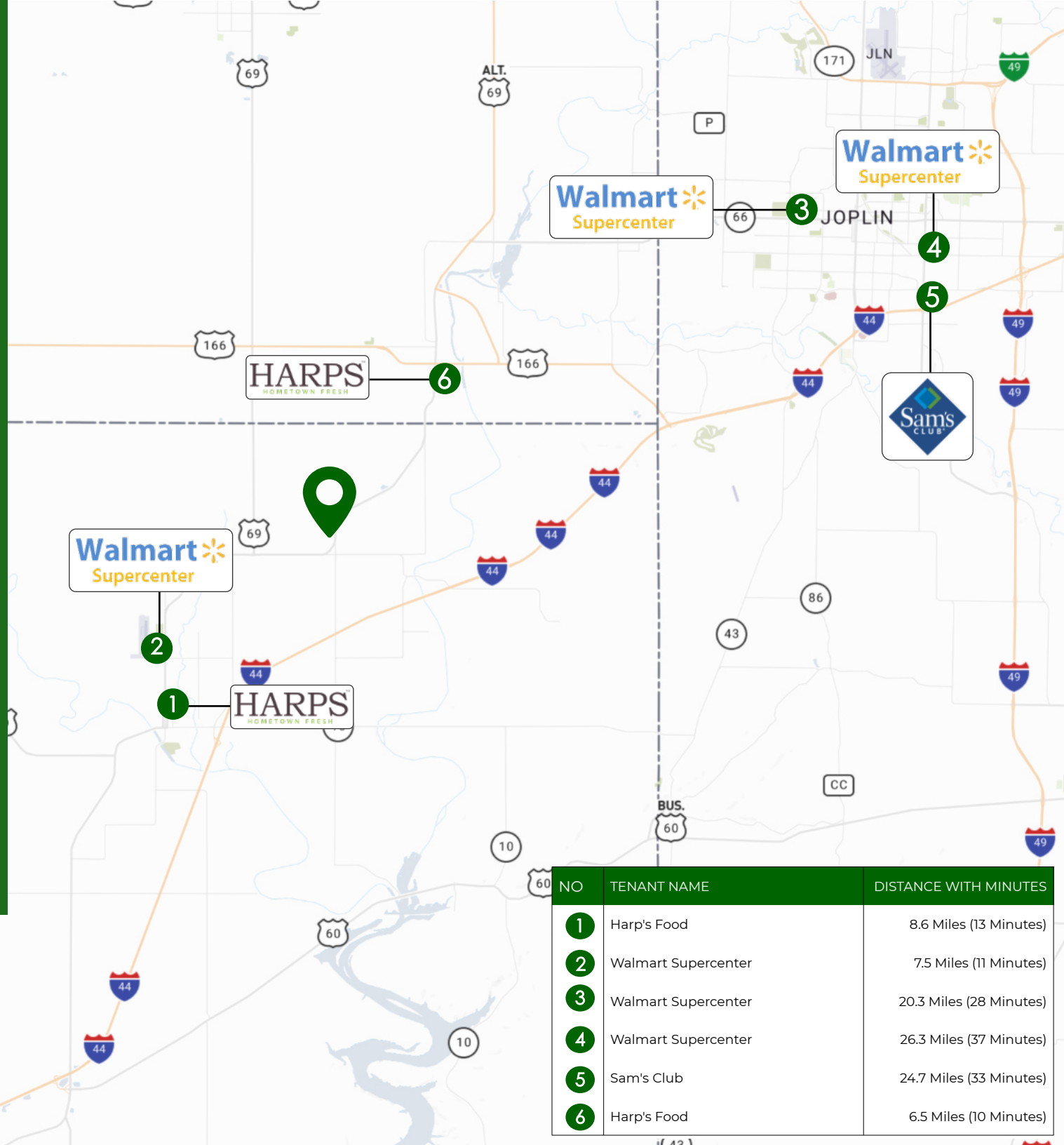


# AREA OVERVIEW

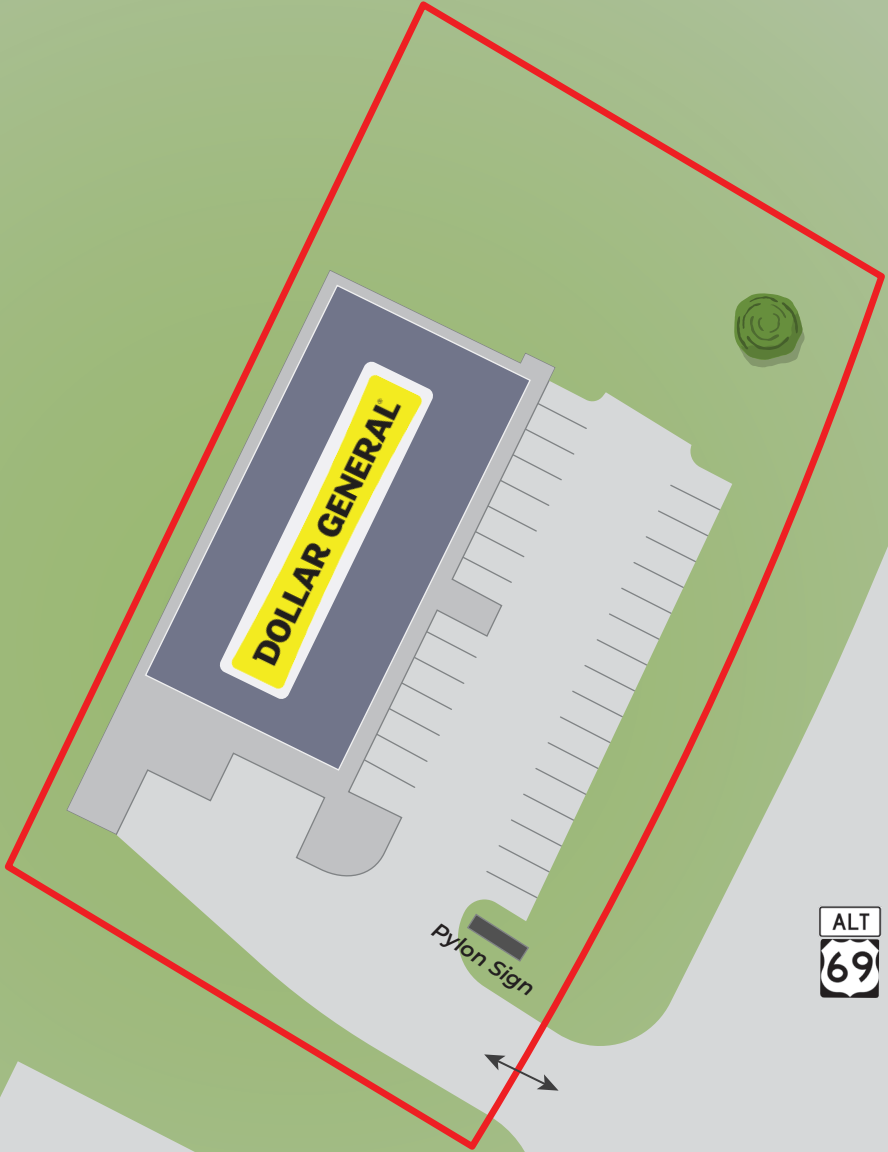
"Quapaw is a great small town, while we don't have many tourist attractions our surrounding towns do. We have one small convenient store with essentials, but we usually travel to other towns for our needs. Quapaw has an elementary, middle and high school. It really is a great peaceful little town. Most everyone knows their neighbors and has support from their fellow towns people."

"Quiet little town surrounded by history. Route 66 is our main street, we are home to the Quapaw Tribe of Oklahoma, and many local legends."

- The nearest grocery store is 6.5 miles away (10 minutes drive)
- This store location has limited competition in the immediate area



NO	TENANT NAME	DISTANCE WITH MINUTES
1	Harp's Food	8.6 Miles (13 Minutes)
2	Walmart Supercenter	7.5 Miles (11 Minutes)
3	Walmart Supercenter	20.3 Miles (28 Minutes)
4	Walmart Supercenter	26.3 Miles (37 Minutes)
5	Sam's Club	24.7 Miles (33 Minutes)
6	Harp's Food	6.5 Miles (10 Minutes)



U.S. ROUTE. 66



# LEASE ABSTRACT

## DOLLAR GENERAL, QUAPAW, OK

**Address:** 4577 U.S. Rt. 66., Quapaw, OK 74363

**Demised Premises:** +/- 58,806 square feet

**Specific Use:** The Demised Premises may be used for any lawful retail purpose (the "Permitted Use").

**Documentation:** Dollar General Commercial Lease dated May 5, 2022

**Tenant:** Dolgencorp, LLC

**Guarantor:** Dollar General Corporation

**Delivery Date:** March 31, 2023

**Rent Commencement Date:** March 17, 2023

**Lease Expiration Date:** March 31, 2038

**Security Deposit:** None

<b>Base Rent:</b>	<b>Period</b>	<b>Annually</b>	<b>Monthly</b>
	March 17, 2023 - March 31, 2038	\$92,702	\$7,725

**Renewal Option(s):** Five, 5-Year Renewal Options  
Option 1: \$101,972.16 annually  
Option 2: \$112,169.40 annually  
Option 3: \$123,386.40 annually  
Option 4: \$135,725.04 annually  
Option 5: \$149,297.52 annually

**Tenant Maintenance:** Tenant shall, at all times during the term of this Lease, and at its own cost and expense, keep and maintain or cause to be kept or maintained in good repair and condition the Demised Premises and all buildings and improvements at any time erected thereon. Unless expressly provided herein, Landlord shall not be required to furnish any maintenance, services or facilities or to make any improvements, repairs or alterations in or to the Demised Premises during the term of this Lease.

**Insurance:** Tenant shall, at its sole cost, carry and maintain commercial general liability insurance, including contractual liability, on the Demised Premises.

**Tax Payments:** Tenant shall reimburse Landlord for the ad valorem taxes payable with respect to the Demised Premises within forty-five (45) days after receipt of Landlord's paid receipt or other definitive proof of payment for such taxes (excluding any late payment charges or penalties imposed on Landlord).

**Roof Repair / Replacement:** Included as part of "Maintenance." Roof repair and maintenance fall on the Tenant. All roof panels shall be warranted for a period of one (1) year for defects in material & workmanship; and shall be warranted for a period of fifteen (15) years against blistering, peeling, and perforation.

**HVAC Repairs / Replacement:** Included as part of "Maintenance." HVAC repair and maintenance fall on the Tenant. All HVAC units are to include a one (1) year complete parts warranty; a five (5) year compressor and electrical heat elements warranty; and a ten (10) year gas-fired heat exchanger warranty.

**Estoppel:** Tenant agrees to execute and deliver to Landlord, within twenty business (20) days after receipt of request

**Assignment / Sublease:** Tenant may assign, or mortgage its interest in the Demised Premises, or sublet the Demised Premises, at any time without the consent of Landlord; provided, however, Tenant shall give written notice to Landlord within ten (10) business days after any assignment or subletting and in all events Tenant shall remain liable here under notwithstanding such assignment or subletting.

**Exclusive Use:** Landlord covenants and agrees not to develop or construct, or allow to be developed or constructed, any property now or hereafter owned by Landlord or an affiliate of Landlord, or developed or constructed by Landlord or an affiliate of Landlord for a third party, within a one (1) mile radius of the boundaries of the Demised Premises for the purpose of conducting business as, or for use as: a Family Dollar Store; Bill's Dollar Store; Dollar Tree; Ninety-Nine Cents Only; Deals; Big Lots; Walgreens; CVS; Rite Aid; or any "Wal-Mart" branded retail store concept (including but not limited to Wal-Mart, Super Wal-Mart, Wal-Mart Neighborhood Market and Wal-Mart Express (collectively, the "Exclusive Use Rights"). This covenant shall run with the land and shall be binding upon Landlord and its affiliates and their respective successors, assigns and successors in title to the Demised Premises.



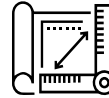
# FINANCIAL OVERVIEW



**\$1,471,000**  
PRICE



**6.30%**  
CAP RATE



**10,640 SF**  
GLA



**1.35 AC**  
LOT SIZE



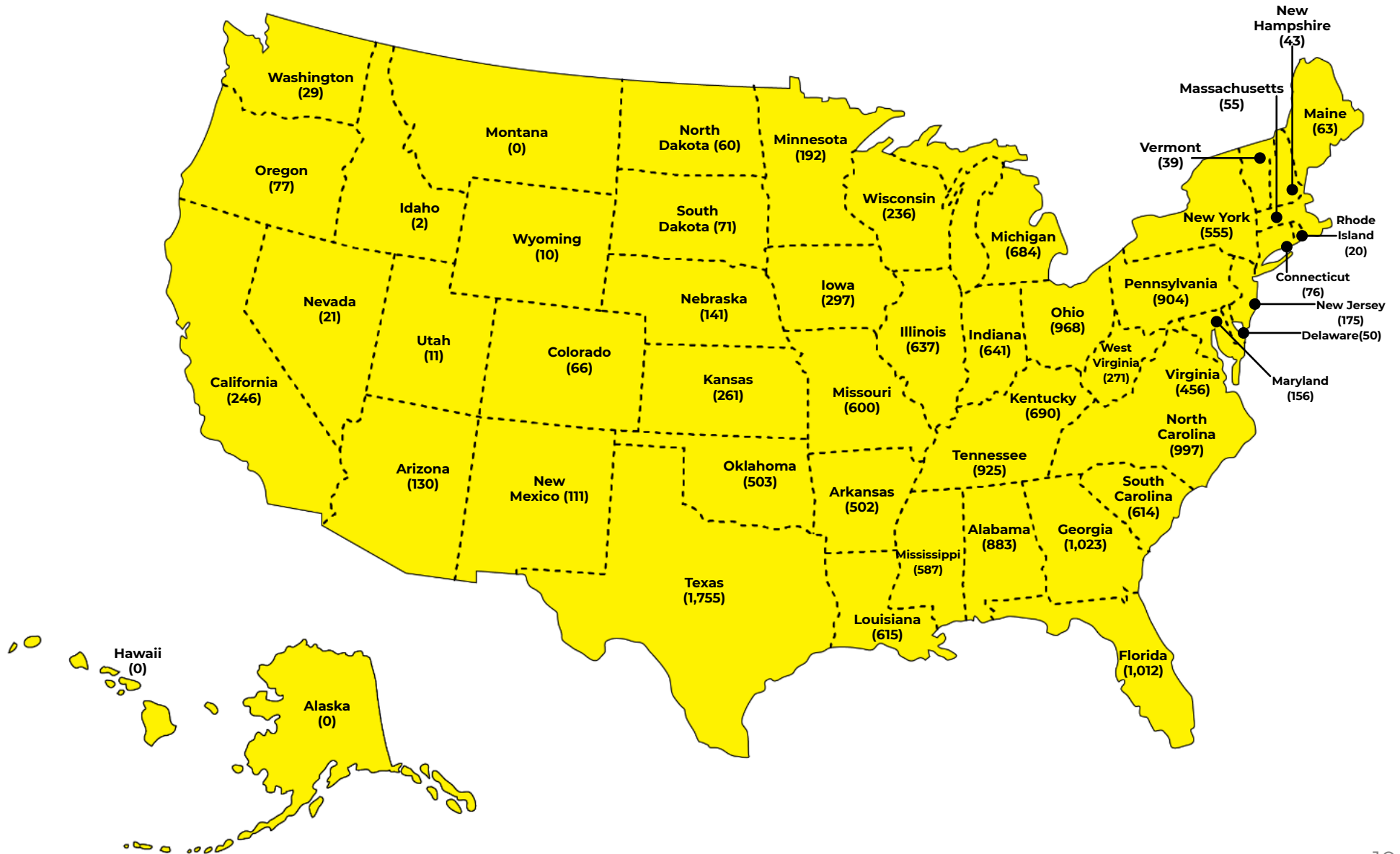
**2023**  
YEAR BUILT

TENANT SUMMARY	
Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsibility w/ 15 Year Transferable Roof Warranty
Original Lease Term	15 Years
Rent Commencement Date	3/17/2023
Lease Expiration Date	3/31/2038
Term Remaining on Lease	14.8 Years
Increase	10% in Options
Options	Five, 5-Year Options

ANNUALIZED OPERATING DATA			
LEASE COMMENCE	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current-3/31/2038	\$7,725.17	\$92,702.04	6.30%
Option 1	\$8,497.68	\$101,972.16	6.88%
Option 2	\$9,347.45	\$112,169.40	7.56%
Option 3	\$10,282.20	\$123,386.40	8.32%
Option 4	\$11,310.42	\$135,725.04	9.15%
Option 5	\$12,441.46	\$149,297.52	10.07%

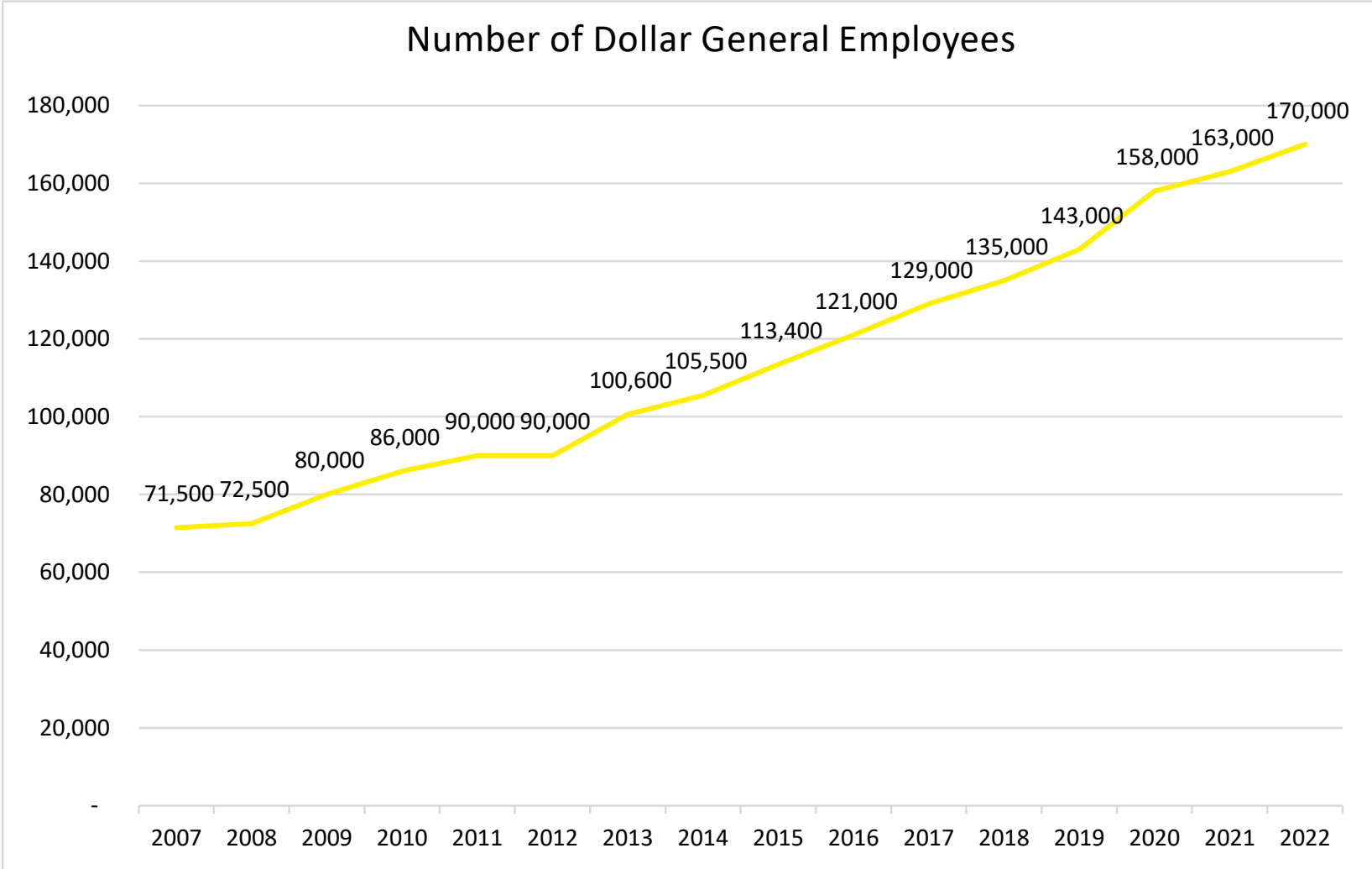
# STORES PER STATE

(AS OF JANUARY 1, 2023)



# CHART OF DG GROWTH

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# TENANT PROFILE



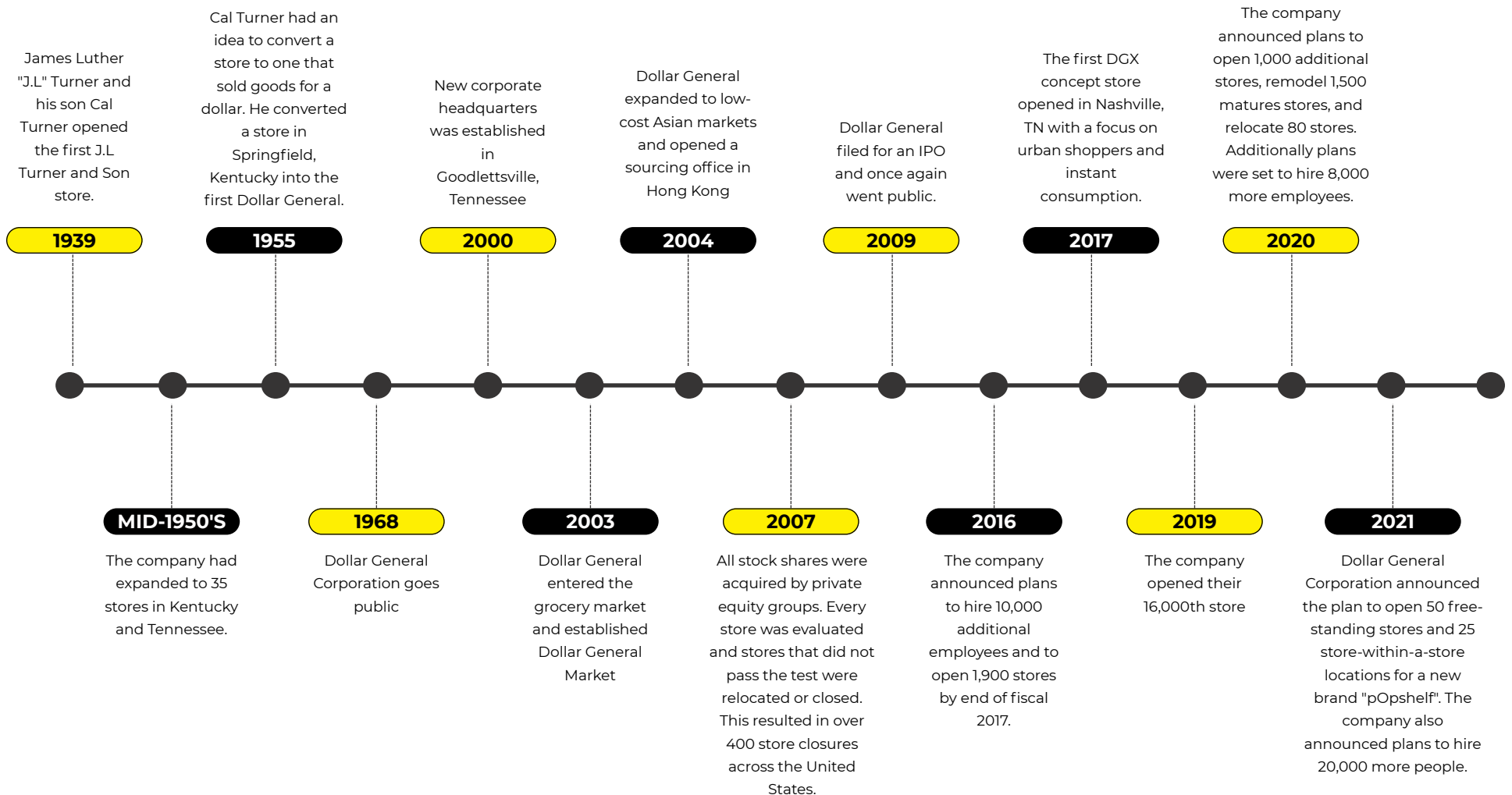
[Dollargeneral.com](http://Dollargeneral.com)

Dollar General officially began in 1939 under the name J.L Turner and Son. In 1955 the name was Changed to Dollar General. In 1968 the company went public on the New York Stock Exchange. In 2007 the company was taken private. All stores were evaluated and under performing stores were closed or relocated. Fast forward to now and Dollar General has grown to be one of the most profitable brands across the rural United States. As of 2019 annual revenue was over \$27 billion. As of January 2023 the company has 18,774 stores. The greater Dollar General brand umbrella included DGX, Popshef, and DG Market.

Headquarters:	Goodlettsville, Tennessee
Brand Footprint:	19,000+ stores in 47 states
Website:	<a href="http://www.dollargeneral.com">www.dollargeneral.com</a>



# DOLLAR GENERAL TIMELINE



# DEMOGRAPHICS

WITHIN 10-MILES



**11,209**  
HOUSEHOLDS



**111,194**  
HOUSING UNITS



**2.6%**  
UNEMPLOYMENT RATE



**28,544**  
POPULATION



**\$152,367**  
AVERAGE HOME VALUE



**\$62,998**  
AVERAGE HOUSEHOLD  
INCOME

# MEDIA

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## HOW DOLLAR GENERAL IS SPREADING LIKE HOT GOSSIP IN TINY TOWNS ACROSS THE COUNTRY

**Forget the internet. The discount chain is opening three new bricks-and-mortar stores every day, betting that customers will respond to lower prices in places overlooked by other retailers.**

When a supermarket in Olive Hill, Kentucky, population 1,500, went belly up, the owner approached Dollar General to see if the company had any interest in taking over the real estate. The answer was yes. In 2019, Dollar General relocated the store it opened 50 years previous to the supermarket's spot on the main drag, named after the town's most famous resident, late country singer Tom T. Hall. Then it proceeded to open three more Dollar Generals nearby, encircling the tiny town, in the last year.

With a speed seldom seen in the retail landscape, residents of Olive Hill went from one Dollar General to, figuratively at least, not being able to throw a rock without hitting one. Few other options exist. The closest Walmart or Kroger is 20 miles away, a costly trip when gas prices have soared past \$4.20 a gallon. Residents are already struggling to stretch paychecks that average \$28,000 a year, with a quarter of the population living below the poverty line.

"We think of it as an underserved market," said Larry West, a district manager for Dollar General who oversees the Olive Hill stores. "There are so many people that just do not want to travel 30 minutes to go to the grocery store."

Quietly, Dollar General has become the biggest U.S. retailer by number of outlets, and the company continues to spread like hot gossip across tiny-town America, opening roughly three new stores a day, many of them in places that real estate experts say couldn't support any other kind of retailer. Its 18,000-plus locations are more than McDonald's, Starbucks or CVS, putting it within five miles of 75% of the population. This year, it will open another 1,100 stores and plans to nearly double its store count.

Many customers do all of their weekly shopping there. Shoppers at the Olive Hill locations can buy bananas, onions, lettuce, deli meat, milk and other basic groceries in addition to everyday items like toilet paper, dish soap and cigarettes. If there's a defining symbol of America in 2022, it may just be a bargain-hunter scouring the aisles of a Dollar General in Olive Hill, Kentucky.

"This is the corner grocery store on steroids," said Mark A. Cohen, director of retail studies at Columbia University's business school. "This customer has no place else to go."

Forget the e-commerce era. Investors are on board with bricks-and-mortar, at least when done right. The company's stock price has nearly tripled in the last five years. New stores deliver robust, after-tax returns of as much as 22%. Sales have risen every year since its IPO in 2009, during the depths of the financial crisis, with revenue growing six-fold to \$34 billion. It's highly profitable, too, with enviable margins that top big-box chains like Walmart and Target as well as smaller rival Dollar Tree.

"I don't think there's anybody that knows how to throw up more stores, more quickly, as these guys," said Craig Johnson, founder of Customer Growth Partners, a retail consulting firm.

# MEDIA

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## HOW DOLLAR GENERAL IS TRANSFORMING RURAL AMERICA

**The Dollar General in Merville, Iowa, is a stone's throw from the only grocery store in town. Though the grocery has produce and fresh meats, it can't compete with Dollar General on other items.**

The retail economy in rural America has been rough for decades. But where thousands of stores have closed in recent years, Dollar General is thriving, sometimes at the expense of local shops. Dollar Generals are discount stores that sell goods from hand tools to hot dogs. They're reshaping the retail landscape in small towns. And making lots of friends — and enemies — in the process.

When Dollar General moves into a place like Cawker City, Kan., it brings more than cheap merchandise. Cawker City — a town of about 450 people in the remote north central part of the state — lost its last grocery store years ago. Longtime resident Linda Clover says having food for sale in town again is a lifeline for the town's substantial elderly population. She says the new store is both the retail and social hub of her declining little town.

"We call our Dollar General the Cawker City Mall," Clover says, laughing. "It's a place where you go and see your friends, and people from other towns around."

Dollar General is the biggest of the so-called dollar store chains. As is sometimes misconstrued, its merchandise is not restricted to a \$1 price tag, unlike at some of the other "dollar store" chains. Chris Merritt, with the Illinois Institute for Rural Affairs, says Dollar General has had a profound impact on rural America.

"For many communities, it's the first new commercial investment in many years," he says. "It represents progress of a sort."

Dollar General is set to open 1,000 locations this year, for a total of more than 14,000 stores. It will have more stores than McDonald's has restaurants in the entire country. That includes plenty of urban locations, but the chain's bright yellow and black signs pop up about every 10 miles along many remote state highways. Like Walmart, it has rural roots. Dollar General started in small-town Kentucky. Al Cross, who runs the Institute for Rural Journalism at the University of Kentucky, says Dollar General competes with the world's largest retailer on price and convenience.

"They serve a part of the country that Walmart doesn't serve directly," Cross says. "You have to maybe drive 20 miles to get to a Walmart. You might only have to drive 5 miles to get to a Dollar General."

Dollar General — which declined to comment for this story — doesn't sell the big-ticket items available at Walmart, like large TVs, bicycles or boats. But some rural residents have to drive past two or three Dollar Generals to get to the closest Walmart. If they just need detergent and a few groceries, Dollar General can fulfill those needs.

Retail analyst Mike Paglia says the chain succeeds by selling everyday items at recession-era prices.

"In a lot of rural areas times are still very, very difficult, and a lot of shoppers are still struggling to get by," Paglia says.



# MEDIA

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## MAKING SENSE OF DOLLAR GENERAL'S RURAL GROWTH

Brick-and-mortar retail stores were struggling, even before the pandemic. But not Dollar General.

The store now has more than 480 locations in Illinois, up from 200 in 2000 and more than Dollar Tree or Family Dollar.

About 42 percent of those Dollar General stores are in rural areas in Illinois, far more than its competitors.

The remarkable rural growth of Dollar General was the source of a recent University of Illinois Extension webinar from Adee Athiyaman and Chris Merrett, from the Illinois Institute for Rural Affairs at Western Illinois University.

"What's been curious to us is that despite these tremendous macro-scale processes, that dollar stores, including Dollar General, continue to grow," Merrett said.

Dollar General opened more stores in the U.S. in 2019 than any other retailer, he said.

"Dollar General ... is expanding into regions of economic and demographic decline," Merrett said. "And so I would suggest that this is kind of a counter intuitive business model."

He said the stores are cheaper to open than larger retailers, smaller and easier to navigate, have lower operating costs with fewer products for sale.

"The product mix is really focusing on household and food items, (which) has always been important in lower income households, but during a pandemic, it's even more so," Merrett said.

He also said Dollar Generals tend to go where larger retailers often won't.

It's "competing where and going into where other retailers are not," Merrett said. "So Dollar General is going into low-income rural and lower-income suburban communities."

\*\*\*The rapid expansion has stirred a debate in small towns, with some welcoming the new business and others accusing the company of profiting off poorer communities and driving out locally-owned grocers.

They create jobs, generate tax revenue and help address a lack of grocery options, Merrett said, but typically employ fewer people and pay them less than at a locally-owned store.

"Some communities have actively recruited Dollar General because they're in a food desert area," Merrett said. "They don't have a local grocery store."

They're also often located on the edge of town, which could hurt small-town downtown's.

# PROPERTY PHOTOS



# DOLLAR GENERAL

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