

DOLLAR GENERAL NNN INVESTOR INFORMATION



How is Dollar General doing? The Zacks Investment Survey of December 18, 2019 highlighted Dollar General (as well as Costco, Target, and Ross) as a retailer that “Has Soared More than 40% in 2019”. Why? Steady wage gains, solid labor market and improving consumer sentiment have been working in favor of the Discount Stores industry. The strategy to sell products at discounted prices has helped industry players expand customer base, which comprises low to middle income groups. A differentiated product range in sync with customers’ spending habits enabled the companies to gain market share and increase sales per square foot. Also noted were technological updates and store remodels, brand enhancement efforts, effective inventory management, and merchandise and operational initiatives have been contributing to revenue growth.

Good news for Dollar General NNN owners! Your tenant is on a roll!

Want more proof of the success of the Dollar General concept? Dollar General announced it will open 1,000 stores in 2020 to bring their total to 17,700 +/- . Dollar General has added about 1,000 stores each of the last three years and their bottom-line profit continues to grow.

What does this mean for DG NNN owners?

Unlike their competitors (Family Dollar and Dollar Tree), Dollar General is not closing or rebranding their existing stores. That type of activity brings uncertainty to investors. In comparison, Dollar General knows their concept works. That brings confidence to you, the Landlord.

Who else is investing in Dollar General NNNs?

More large real estate funds are buying portfolios of Dollar Generals. Why? DG is the market leader, its concept is proven, the DG credit is good, and the leases are absolute NNN. Fund managers and investors believe that owning real estate leased to Dollar General is a good strategy for the future.

Another clever move to drive traffic to Dollar Generals:

FedEx Corp and Dollar General announced a strategic alliance to offer new, convenient access to FedEx drop-off and pickup services at thousands of Dollar General stores. Goal: increase access for all customers, particularly those living in rural communities (and drive traffic to the DG). FedEx and Dollar General expect to offer it in more than 8,000 stores by the end of 2020. Customers package is being held in a secure location at the DG and they can do some quick convenient shopping. Smart!

Looking to make a change to your investment portfolio?

Have a deadline, issue, or a particular need?

Ready to experience our Concierge Investment Service? Give us a call

The SVN Lord Partners Midwest NNN Investment Team

Gregory W. Sabath

M. 314.406.1352

Gregory.Sabath@svn.com



Janice Wiegand

M. 314.458.1538

Janice.Wiegand@svn.com



Kurt D. Lord

M. 314.960.5258

Kurt.Lord@svn.com



www.svnlordpartners.com

SVN | Lord Partners Commercial Real Estate 11475 Olde Cabin Road, Suite 230 Saint Louis, MO 63141