

DOLLAR GENERAL®

3228 Highway 64 | Waterflow, NM 87421

Retail
Investment Opportunity
Offering Memorandum



MATTHEWS™

EXCLUSIVELY LISTED BY



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PROPERTY OVERVIEW

Dollar General

3228 Highway 64, Waterflow, NM 87421



INVESTMENT HIGHLIGHTS

Property Highlights

- **Investment-Grade Credit Tenant** – Corporate-guaranteed lease from Dollar General Corp. (S&P: BBB), a publicly traded Fortune 500 company (NYSE: DG).
- **Absolute NNN Lease Structure** – Zero landlord responsibilities, providing truly passive ownership.
- **Strong Market Position with Limited Competition** – Strategically located in a supply-constrained trade area with limited direct competition.
- **Attractive Yield** – Offers an above-market return relative to comparable net lease investments.
- **Recession-Resilient & E-Commerce Resistant Retailer** – Dollar General's essential, value-oriented business model has demonstrated durability across economic cycles.
- **Long-Term Lease Security** – Approximately ± 10.5 years of remaining primary term, plus 3, five-year renewal options with 10% rental increases at each option.
- **Recent Build-to-Suit Construction (2021)** – Modern prototype design with minimal near-term capital expenditure risk.
- **Strategic Location** – Situated near the Navajo Nation, one of the largest Native American reservations in the United States, serving a broad and stable consumer base.



491



Hospital
±70 Beds

Domino's

Shiprock

DOLLAR GENERAL
Subject Property

Riverview
Golf Course

Four Corners Regional Airport
±19 Miles Away

SONIC
McDonald's
SUBWAY
KFC

64 ± 20,087 VPD

Walmart **STARBUCKS**
Wendy's **WING-STOP**
Pizza Hut **Domino's**

HOME 2
SUITES BY HILTON

Farmington

Wesland Park
±17 Miles Away

BAYMONT **WINGATE**
INN & SUITES BY WYNDHAM
LAQUINTA **Comfort**
INNS & SUITES INN & SUITES

371

170

516

64

64

170

3228 Highway 64
Waterflow, NM 87421

±9,100 SF
GLA

2021
Year Built

±20,087
Vehicles Per Day (US-64)

Absolute NNN
Lease Type

\$158.60
Price Per SF



FINANCIAL OVERVIEW

Dollar General

3228 Highway 64, Waterflow, NM 87421



FINANCIAL SUMMARY

\$1,443,300

List Price

±7.00%

Cap Rate

\$100,776

NOI

±10.5 Years

Term Remaining

Property Details

Rent Commencement:	8/1/2021
Lease Expiration:	8/31/2036
Tenant Trade Name	Dollar General
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Original Lease Term	15 Years
Term Remaining on Lease:	±10.5 Years
Options	Three, 5-Year Options with 10% Increases
Year Built	2021

Annualized Operating Data

	Annual	Monthly	Increases
Current - 8/31/2036	\$100,776.00	\$8,398.00	None
Option 1	\$110,856.00	\$9,238.00	10%
Option 2	\$121,944.00	\$10,162.00	10%
Option 3	\$134,136.00	\$11,178.00	10%

TENANT OVERVIEW

Year Founded
1939

Headquarters
Goodlettsville, TN

Type of Ownership
Fee Simple

Employees
194,200+

Locations
21,000+

Credit Rating
BBB (S&P)

Annual Revenue
\$40.61 Billion

DOLLAR GENERAL®

Tenant Overview

Dollar General Corporation is the largest small-box discount retailer in the United States, operating more than 21,000+ locations across 48+ states. Founded in 1939 and headquartered in Goodlettsville, Tennessee, the company provides convenient access to low-priced everyday essentials including consumables, household goods, health and beauty products, apparel, and seasonal items. Dollar General's strategic focus on rural, suburban, and underserved markets allows it to maintain a loyal customer base while facing limited direct competition.

Why Invest in Dollar General?

- Extensive geographic footprint in 48 states with over 21,000 stores provides diversification and resilience across markets.
- Because a large portion of its merchandise is consumables (grocery, household, personal care), Dollar General benefits from recurring demand even in softer retail cycles.
- Approximately 80% of revenue is derived from consumables such as household goods, groceries, and personal care items, providing consistent foot traffic and recurring sales.
- Targets rural and low-competition trade areas, creating a strong moat against larger retailers and e-commerce disruption.
- Management is actively prioritizing debt reduction and capital discipline to stabilize leverage and preserve long-term financial flexibility.
- In periods of economic uncertainty or consumer trade-down behavior, Dollar General benefits from increased value-conscious shopping, supporting demand stability.

MARKET OVERVIEW

Dollar General

3228 Highway 64, Waterflow, NM 87421



WATERFLOW, NM

Local Market Overview

Located within a rural region of northeastern New Mexico, Waterloo benefits from its placement within the broader economic landscape of Colfax County. The surrounding area is characterized by small communities, open landscapes, and a stable population base that supports a quiet, community-oriented living environment. Residential patterns in the region typically consist of established households and long-term residents who value the affordability and lifestyle offered by rural New Mexico communities.

The local demographic profile reflects a mature and stable population base, with many residents maintaining long-term ties to the area. Housing in the region is predominantly owner-occupied, reflecting the traditional homeownership patterns common throughout rural New Mexico. This stability contributes to a community environment where residents tend to remain in place for extended periods, supporting consistent housing demand and neighborhood continuity.

The retail environment surrounding Waterloo reflects the small-town nature of the region. Retail activity is primarily concentrated in nearby communities, where residents access grocery stores, local restaurants, service businesses, and everyday conveniences. These commercial centers function as neighborhood-serving hubs for the surrounding rural population. While large regional shopping centers are limited in the immediate area, residents benefit from a mix of locally owned establishments and essential retail services that support daily needs.



Population	5-Mile	10-Mile	15-Mile
Current Year Estimate	2,992	13,221	26,350
Households	5-Mile	10-Mile	15-Mile
Current Year Estimate	949	4,234	8,395
Income	5-Mile	10-Mile	15-Mile
Average Household Income	\$69,214	\$73,359	\$75,399

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **3228 Highway 64, Waterflow, NM, 87421** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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 Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

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