OFFERING MEMORANDUM

DOLLAR GENERAL

311 N 1st St, Clayton, NM 88415

Marcus & Millichap


DOLLAR GENERAL

OFFERING SUMMARY

311 N 1ST ST

Listing Price	Cap Rate	Rent
$2,037,752	**7.25%**	**$147,737**

FINANCIAL

Listing Price	$2,037,752
NOI	$147,737
Cap Rate	7.25%
Price/SF	$168.80

OPERATIONAL

Lease Type	Absolute Net
Guarantor	Corporate Guarantee
Lease Expiration	05/31/2041
Rentable SF	12,072 SF
Lot Size	1.12 Acres (48,787 SF)
Year Built	2023

DOLLAR GENERAL

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INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the exclusive listing of a brand new construction, fee simple, absolute NNN Dollar General located at N 1st Street in Clayton, New Mexico. Current annual rent of $147,737

The property features a 12,687 square foot building constructed in 2023 to Dollar General's latest prototype specifications on approximately ±1.01 acres. The lease is structured as a true fee simple absolute NNN with zero landlord responsibilities — the tenant is responsible for all taxes, insurance, and maintenance — making this an ideal mailbox money investment for a 1031 exchange buyer or passive investor.

The lease carries a 15-year initial term with approximately 11.5 years of remaining primary term and five successive 5-year renewal options. Rent increases approximately 10% at each option period

Dollar General has demonstrated consistent performance through multiple economic cycles including the 2008 financial crisis and the COVID-19 pandemic. The discount retail sector continues to benefit from consumer trade-down behavior, and Dollar General's rural market penetration strategy makes this Clayton location well-positioned within its trade area. At $2,110,526 with a 7.00% going-in cap rate, strong corporate credit, zero management obligations, and meaningful built-in rent growth, this asset represents a compelling acquisition for any net lease investor seeking durable passive income.

INVESTMENT HIGHLIGHTS

Highly Attractive Cap Rate

2023 Construction Large Store Format 12,687 SQ Model

Stong Corner

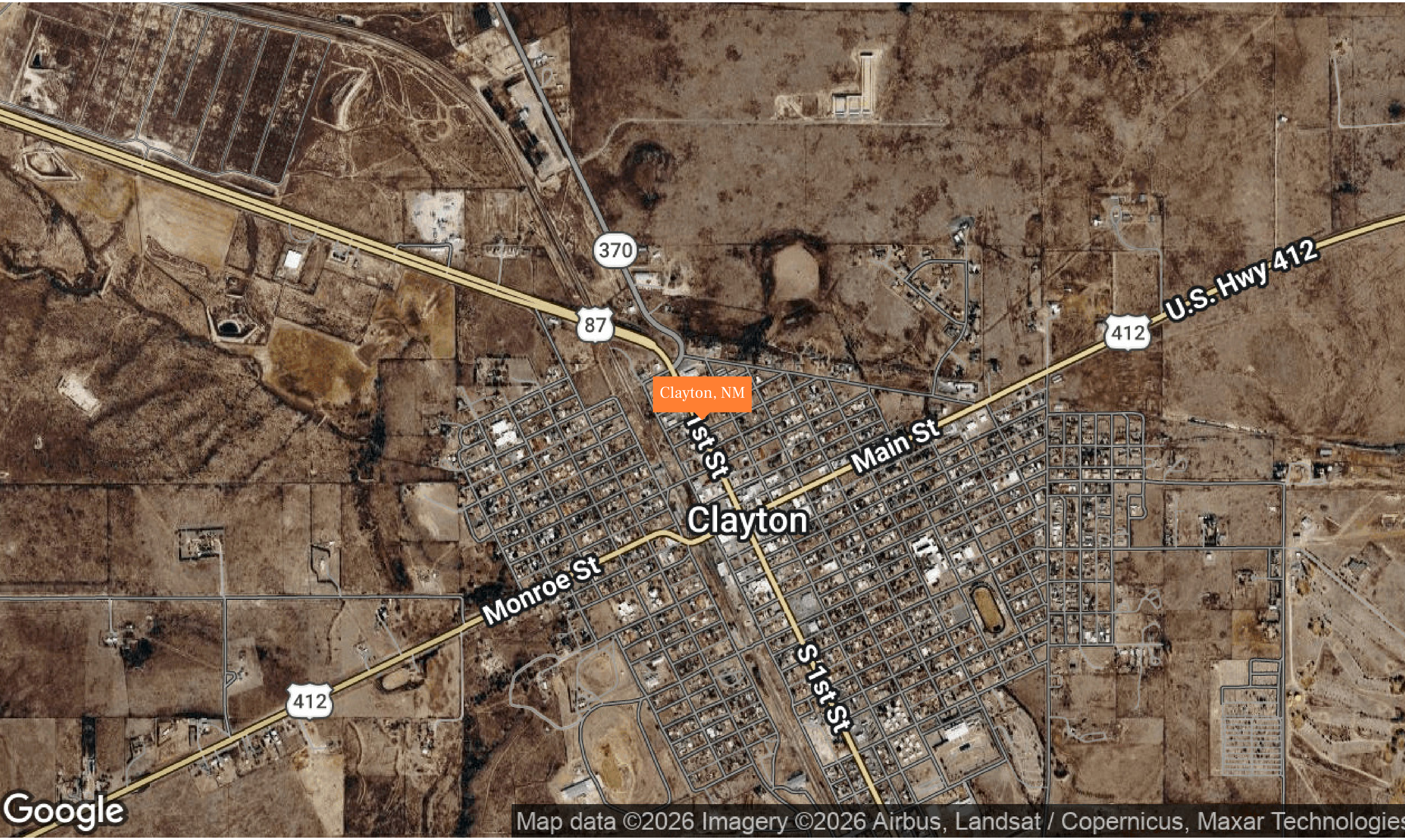
Corporate Guaranteed Lease

Absolute NNN — Zero Landlord Responsibilities

Long Runway: The property features an established prototype built in 2023, leaving roughly 11.5 years remaining on its initial 15-year lease term.

DOLLAR GENERAL

REGIONAL MAP



DOLLAR GENERAL

LOCAL MAP

DOLLAR GENERAL

RETAILER MAP

MARKET OVERVIEW

Clayton, New Mexico | Union County | Dollar General — Absolute NNN Investment

COUNTY SEAT OF UNION COUNTY

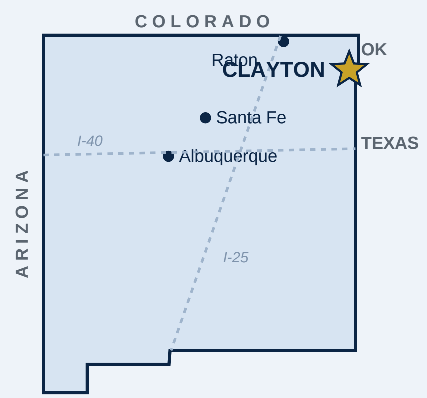
Crossroads of U.S. Highways 56 / 64 / 87 / 412

~2,500	~3,500	$60,751	962	3,830 sq mi	84 mi
TOWN POPULATION	UNION COUNTY POP.	AVG. HOUSEHOLD INCOME	HOUSEHOLDS IN TOWN	UNION COUNTY LAND AREA	TO NEAREST MARKET (RATON)

LOCATION & TRADE AREA

Clayton is the county seat and commercial hub of Union County in the far northeast corner of New Mexico, at the tri-state junction of New Mexico, Texas, and Oklahoma. Founded as a trading center on the Santa Fe Trail, it remains the primary retail, government, healthcare, and services node for a ranch-country trade area spanning three states.

The nearest competing markets are Raton, NM (84 mi), Dalhart, TX (44 mi), and Amarillo, TX (~2 hours). This isolation concentrates everyday consumer spending in Clayton and makes the town's discount retail supply effectively irreplaceable within its trade radius.



Northeast New Mexico — NM / TX / OK tri-state junction

ECONOMIC DRIVERS

Union County's economy is anchored by **agriculture and cattle ranching** — the county is one of New Mexico's leading beef-producing regions — supported by stable, non-cyclical government, healthcare, and institutional employment:

- **Union County General Hospital** — the county's largest employer (~100 workers), a 25-bed critical access hospital with a 24-hour ER serving northeast NM, the Texas Panhandle, and the Oklahoma Panhandle
- **Northeast New Mexico Detention Facility** — a 625-bed, 179,624 SF state prison owned by the Town of Clayton, operated under contract with the NM Corrections Department; the county's second-largest employer
- **County & municipal government, Clayton Municipal Schools** — county-seat employment base insulated from economic cycles
- **Agriculture, ranching & energy** — cattle operations, feed, and wind-energy development across the surrounding high plains
- **Tourism** — Clayton Lake State Park (dinosaur trackway), the historic Luna Theater (1916), and Santa Fe Trail heritage sites draw steady visitor traffic

WHY DOLLAR STORES WIN HERE

Rural, isolated markets like Clayton are the core of Dollar General's store model. With median household income of ~$34,500 and no big-box competition for over 40 miles, the local consumer is structurally value-driven and dependent on discount retail for everyday essentials.

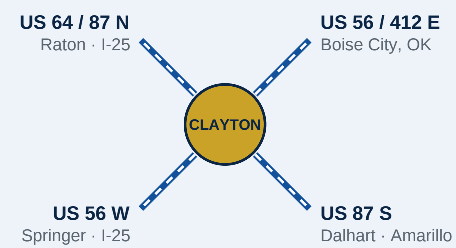
MARKET FUNDAMENTALS

- **Captive customer base** — limited retail alternatives within the trade area
- **Recession-resistant demand** — consumables-focused sales perform through cycles
- **High vehicle dependence** — 90%+ commute by personal vehicle, supporting highway-oriented retail
- **Low property taxes** (~0.6% of assessed value) and low operating costs

INVESTMENT RELEVANCE

This is precisely the profile Dollar General underwrites when committing to long-term, absolute-NNN leases: a stable county-seat trade hub, essential-services employment base, and durable value-retail demand — corporate-guaranteed rent backed by an investment-grade tenant (S&P;: BBB) in a market where the store functions as essential infrastructure.

TRANSPORTATION & ACCESS



Four U.S. highways converge in Clayton, carrying tri-state freight & traveler traffic

…eau ACS 2019-2023 5-Year Estimates; Data USA; NM Corrections Department; Union County General Hospital. Demographic figures are estimates and subject to change.
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Activity ID #ZAH0200069

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