



SINGLE-TENANT NET LEASED TRACTOR SUPPLY COMPANY

8.3 Years of Firm Term Remaining | Dominant Retail Trade Area | TX Location



NEWMARK

Offering Memorandum

2105 W. US HIGHWAY 377, GRANBURY, TX 76048



Single-Tenant Net Leased Tractor Supply Co.

The Offering

Newmark, as an exclusive advisor, is pleased to present the opportunity to acquire a single-tenant NN leased Tractor Supply Company in Granbury, TX.

\$4,347,965
ASKING PRICE

5.75%
CAP RATE

NN
LEASE STRUCTURE

8.3 Years
LEASE TERM REMAINING

Fee Simple
OWNERSHIP INTEREST



Net Lease Capital Markets

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Broker of Record: Lispah Hogan, CCIM, MCR | Executive Managing Director | TX RE Lic. #342405

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Investment Highlights

Standalone Single-Tenant Tractor Supply Co. (NASDAQ: TSCO - \$14.2 Billion in Annual Revenue FY 2022) | 2,164 Stores in 49 States | S&P: BBB / Outlook: Stable

Headquartered in Brentwood, TN Tractor Supply Co. (NASDAQ: TSCO) operates a chain of 2,164 retail stores offering a broad assortment of quality farming, ranching equipment, and animal / pet products and feed. Tractor Supply Co. operates under the Tractor Supply Co., Orscheln Farm and Home (which will be re-branded by the end of 2023), and Petsense by Tractor Supply in 49 states across the US. For the fiscal year ending Jan-2023, Tractor Supply Co. generated revenues of \$14.2 billion and its market cap increased substantially to \$23.68 billion (Sep-2023). The company also reported EBIT (Earnings Before Interest and Tax) of \$1.4 billion and received a rating increase to BBB from S&P and currently has a stable outlook.

Long-Term Commitment | 8.3 Years of Primary Term Remaining | Scheduled Rental Increases Every 5 Years | 4 (5-Year) Options Remaining | Passive NN Lease

The property was built-to-suit for Tractor Supply Co. in 2006 with the tenant originally signing a 15-year lease. Tractor Supply Co. extended for an additional ten (10) years in 2021 and approximately 8.3 years of firm term remain, plus four (4) five-year options to extend. The lease calls for a 5.75% increase January 1, 2027 during the primary term and variable increases during the option term(s) (refer to the lease abstract on pg. 7), providing a secure long-term income stream and a hedge against inflation. The lease is NN with landlord responsibilities limited to roof, paved areas, foundation, floors, walls, all exterior utility lines and pipes, and all other structural portions of the premises.

High Traffic Location along W US Hwy 377 (14,058 VPD) | Adjacent to the Brazos River | Nearby National and Local Retailers

The subject property is highly visible from W US Hwy 377 (14,058 VPD) and easily accessible for surrounding customers by way of a curb cut entrance/exit directly along W US Hwy 377. The subject property is in the retail epicenter of Granbury, TX with national retailers such as Brookshire's, Planet Fitness, The Home Depot, Walmart Supercenter, PetSmart, Staples, Lowe's, CVS, Walgreens, ALDI, Ulta Beauty, HomeGoods, Five Below, and Goodwill all present in the immediate trade area. The subject property sits one mile due east of the Brazos River.

Granbury, TX / Dallas/Fort Worth MSA Location | Stable Demographics | Close Proximity to Major Employers, Housing & Entertainment Complexes

Located minutes from downtown Fort Worth, Tractor Supply Co. is convenient and accessible for residents that commute into downtown via Highway 377. The Dallas/Fort Worth MSA is the 4th largest market in the US and home to approximately 8.5 million residents. There are 33,768 people, 13,754 households with an average household income of \$83,336 within 5 miles of the subject property. The subject property is located near major employers: Lake Granbury Medical Center, Granbury High School, Granbury Regional Airport, Walmart, The Home Depot, and Lowe's. Large scale housing developments including Harbor Lakes, Dolce Vita Lakeside Granbury (145 Units), Harbor Lakes Golf Club.



Investment Overview

Price/Cap Rate

Price (PSF)	\$4,347,965 (\$176)
Cap Rate	5.75%
Annual Base Rent	\$250,008 (\$10.11 PSF)

Executive Summary

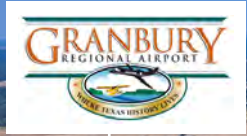
Address	2105 W. US Highway 377 Granbury, TX 76048
Tenant / Lease Entity	Tractor Supply Co. / Tractor Supply Co.
Use	Retail
Rentable Building Area (SF)	24,727
Acreage	3.92 Acres
Expense Structure	NN
Rent Increases	See Lease Abstract (pg. 7)
Lease Commencement	September 2, 2006
Primary Term Expiration	December 31, 2031
Lease Term Remaining	8.3 years remaining
Ownership Interest	Fee Simple (Land & Building)



The Investment



Site Aerial North



W US Hwy 377 (14,053 VPD)



Site Aerial East



Lease Abstract & Property Details

Property Overview

Rentable Building Area (SF)	24,727
Acreage	3.92
Year Built/Renovated	2006
Parcel(s)	R000099567

Lease Abstract

Address	2105 W. US Highway 377 Granbury, TX 76048
Tenant Trade Name	Tractor Supply Co.
Lease Entity	Tractor Supply Co.
Credit Rating	S&P: BBB
Lease Commencement	September 2, 2006
Lease Expiration	December 31, 2031
Lease Term Remaining	8.3 Years
Renewal Options	4 (5-Year)
Annual Rent (PSF)	\$250,008 (\$10.11 PSF)
Rent Increases	See Rent Schedule
Lease Structure	NN
Landlord Responsibilities	Roof, paved areas with the exception of the "Outdoor Display Area", foundation, floors, walls, all exterior utility lines and pipes, and all other structural portions of the premises
Utilities	Tenant Responsibility
Taxes	Tenant Responsibility
CAM	Tenant Responsibility
HVAC	Tenant Responsibility
Insurance	Tenant Responsibility
ROFR	Yes, Thirty (30) Days

Rent Schedule

Rent Period	Annual Rent	PSF	Monthly Rent	PSF	% Increase
1/1/2022 - 12/31/2026	\$250,008.00	\$10.11	\$20,834.00	\$0.84	-
1/1/2027 - 12/31/2031	\$264,384.00	\$10.69	\$22,032.00	\$0.89	5.75%
Option 1: 1/1/2032 - 12/31/2036	\$266,864.04	\$10.79	\$22,238.67	\$0.90	0.94%
Option 2: 1/1/2037 - 12/31/2041	\$283,575.00	\$11.47	\$23,631.25	\$0.96	6.26%
Option 3: 1/1/2042 - 12/31/2046	\$301,298.04	\$12.18	\$25,108.17	\$1.02	6.25%
Option 4: 1/1/2047 - 12/31/2051	\$320,129.04	\$12.95	\$26,677.42	\$1.08	6.25%



Property Photos



Market Overview - Granbury, TX

Granbury, TX

Granbury, TX is a southwestern suburb of Fort Worth, TX and is located 36 miles southwest of downtown Fort Worth via State Hwy 377. Granbury is experiencing tremendous growth with population within 5-miles of the subject property expected to grow 6.61 % percent over the next 5 years adding an additional 2,233 residents.

Dallas/Fort Worth MSA

- 1,350,000+ Employees in 30M+ SF
- \$4+ Billion in Active Development
- Robust in-migration: 86,000 new residents have moved to D/FW every year since 2014. This trend will continue with a projected 400,000 people moving in by 2024, or the equivalent of 273 people per day.
- #1 in the country for population growth since 2010
- Attractive costs of living & doing business: Zero Corporate or personal income tax, Dallas offers compelling cost advantages for companies and workers relocating from other states
- #3 in the country for job growth since 2010
- 4th Largest market in the US: over the next 5 years, the population of the D/FW metro is forecast to grow at twice the national average to reach 8.5 million



Fortune 500 Companies in Texas (Top 14)

Company	Rank
McKesson	7
Exxon Mobil	10
AT&T	11
Dell Technologies	28
Phillips 66	48
Valero Energy	53
Sysco	60
Oracle	80
Energy Transfer	81
USAA	87
Enterprise Products Partners	105
Hewlett Packard Enterprise	106
CBRE Group	122
Plains GP Holdings	127

Demographics	1 Mile	3 Mile	5 Mile
2023 Population	3,058	14,530	33,768
2028 Population	3,175	15,452	36,001
2023 Households	1,220	6,250	13,754
2028 Households	1,265	6,641	14,652
2023 Avg. Household Income	\$65,255	\$80,304	\$83,336



49 Fortune 500 Companies in TX



8.5 million people in the MSA

Largest Universities in Dallas/Forth Worth MSA

University	Number of Students
University of North Dallas	42,375
University of Texas at Arlington	39,714
University of Texas at Dallas	26,793
Texas Women's University	15,472
Texas A&M University- Commerce	12,385
Southern Methodist University	11,643
Texas Christian University	10,394
Dallas Baptist University	5,445
Texas Wesleyan University	3,378
University of North Texas at Dallas	3,030

Tenant Synopsis - Tractor Supply Co.

Tractor Supply Company (NASDAQ: TSCO) is the largest brick and mortar retailer serving recreational farmers, ranchers, homeowners, gardeners, and pet enthusiasts nationwide. With 2,164 stores and counting, Tractor Supply Co. offer a broad assortment of quality farming, ranching equipment, and animal / pet products and feed. Tractor Supply Co. was founded in 1938 and has grow is currently headquartered in Brentwood, TN.

As of 2023, the company operates 2,164 Tractor Supply stores in 49 states, including 81 stores acquired from Orscheln Farm and Home in 2022 that will be re-branded Tractor Supply Co. by the end of 2023. Tractor Supply Co. also operates Petsense by Tractor Supply, a small-box pet specialty retailer providing products and services for pet owners. As of 2023, TSCO operates 189 Petsense by Tractor Supply stores in 23 states.



YEAR FOUNDED
1938



COMPANY TYPE
Public (NASDAQ: TSCO)



HEADQUARTERS
Brentwood, TN



WEBSITE
tractorsupply.com



LOCATIONS
2,164



S&P CREDIT RATING
S&P: BBB

TENANT SYNOPSIS - TRACTOR SUPPLY Co.

Trade Name	Tractor Supply Co.
Company Type / Ticker Symbol	Public / NASDAQ: TSCO
Credit Rating / Outlook	S&P: BBB / Outlook: Stable
Number of Locations	2,164
Market Cap (September-2023)	\$23.68 Billion
Annual Revenue (Fiscal Year 2022)	\$14.2 Billion
EBIT (Fiscal Year 2022)	\$1.4 Billion
Total Assets (Fiscal Year 2022)	\$8.49 Billion
Free Cash Flow (Fical Year 2022)	\$583.6 Million



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