



TRACTOR SUPPLY CO.

1169 UPPER FRONT ST.
BINGHAMTON, NY 13905

CBRE | **OFFERING**
MEMORANDUM

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INVESTMENT HIGHLIGHTS

- The lease structure is **double net (NN), with minimal landlord responsibilities**. Tenant is responsible for HVAC, maintaining CAM, and payment of all taxes, utilities, and insurances.
- There are **fourteen (14) years remaining on the lease term, plus four (4), five (5) year options**.
- The lease provides for **5% rental increases every five (5) years**.
- The lease is **corporately guaranteed by Tractor Supply Company**, the largest operator of rural lifestyle stores in America. Tractor Supply is a highly regarded company with zero debt (NASDAQ: TSCO).
- There are **84,364 residents** located in the five (5) mile demographic ring, and **317,335 residents** located in the thirty (30) mile demographic ring.
- There are **8,390 households in the three (3) mile demographic ring**.
- Tractor Supply has strong frontage on Upper Front St. **which reports traffic counts of 28,710 cars per day**. The property is also located right off Interstate 81 and Interstate 88, **which report combined traffic counts of 81,720 cars per day**.
- The subject property sits adjacent to two major freeways in the area: **Interstate 81 and Interstate 88, and is highly visible from the 81 freeway**.
- Tractor Supply is surrounded by significant big box retail, which helps drives traffic to the store. Neighboring retailers include the newly remodeled **ALDI (June 2017), Friendly's, CVS, Price Chopper, Sonic, Lowe's, and Weis Markets, among others**.
- Binghamton today has a continued concentration of high-tech firms, but **is emerging as a healthcare and education-focused city**, with the presence of Binghamton University acting as much of the driving force behind this revitalization. **The University enrolls 18,000 students and is located just 10 minutes from the subject property**.
- Suny Broome Community College is also very close to the subject property **(5 minutes), and enrolls nearly 6,000 students annually**.

INVESTMENT SUMMARY

Offering Price	\$5,749,000
Cap Rate.....	6.25%
Price/SF	\$301.04
Lease Structure	NN
Current Annual Rent.....	\$359,300
Building GLA	19,097 SF
Lot Size.....	4.809 AC
Ownership	Fee Simple



TENANT OVERVIEW

About Tractor Supply

Tractor Supply Company is the largest operator of rural lifestyle retail stores in the United States. The company operates over 1,765 retail stores in 49 states, employs more than 29,000 team members and is headquartered in Brentwood, Tenn. Its stock is traded on the NASDAQ exchange under the symbol "TSCO". As they have no debt, they have no official credit rating but are regarded as a strong company and a great tenant.

The company was founded in 1938 as a mail order catalog business offering tractor parts to America's family farmers. Today, Tractor Supply is a leading-edge retailer with a revenue of approximately \$7.91 billion in 2018. For the last five years Tractor Supply had an average revenue growth rate of 8.8% annually.

Tractor Supply stores are located primarily in towns outlying major metropolitan markets and in rural communities. These stores are focused on supplying the lifestyle needs of recreational farmers and ranchers and others who enjoy the rural lifestyle, as well as tradesmen and small businesses. You can find equine and pet supplies, animal feed, power tools, riding mowers, work/recreational clothing, lawn/garden products and more. Each store team includes welders, farmers and horse owners who collectively provide an exceptional depth of knowledge and resources to their customers.

Tractor Supply plans to open hundreds of new stores over the next few years and improve product offerings. In September 2016, Tractor Supply acquired Petsense, a small-box pet specialty retailer. There are 175 Petsense locations in 26 U.S. states, with more planned. The Tractor Supply mission and values motivate and inspire team members and give the organization a unified focus for the future.

Over the last five years Tractor Supply Co. has had an average annual revenue growth rate of 8.8%.

Over the past ten years Tractor Supply Co. has had average annual EBITDA growth of 18.3%

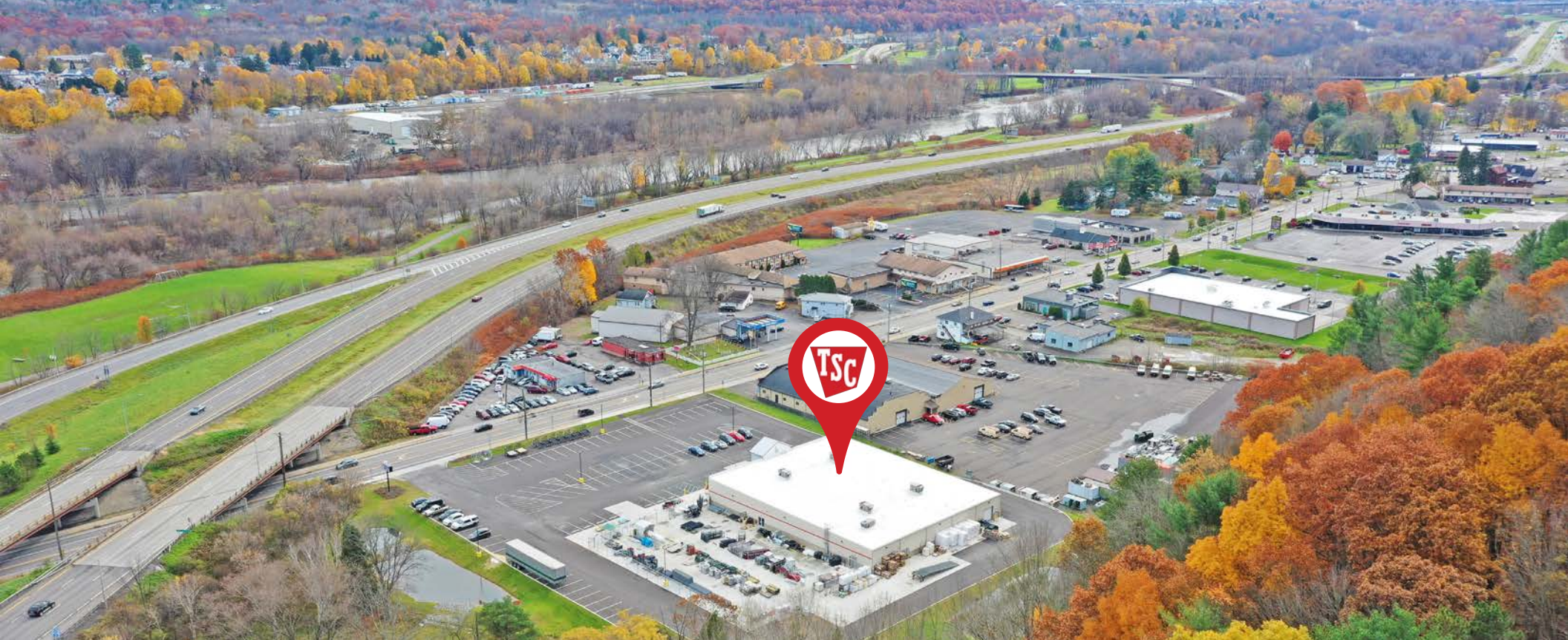


TRACTOR SUPPLY CORPORATE OVERVIEW

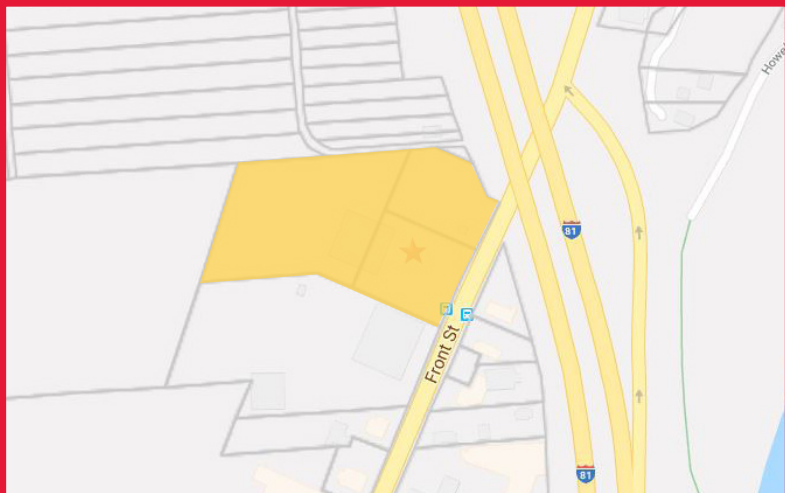
Type:	Public (NASDAQ: TSCO)
Industry:	Specialty Retail
Locations:	1,765+
Employees:	29,000+
Corporate Headquarters:	Brentwood, TN
Revenue:	\$7.91 Billion (2018)
D&B Credit Rating:	5A2 (2018)

PROPERTY OVERVIEW





PROPERTY OVERVIEW



PROPERTY SUMMARY

Price:	\$5,749,000
Cap Rate:	6.25%
Address:	1169 Upper Front St. Binghamton, NY 13905
Ownership:	Fee Simple
Building GLA:	19,097 SF
Lot Size:	4.809 AC
Parking:	~98
Year Built:	2018
Parcel Number:	111.20-1-13 (formerly 3 parcels combined into 1 parcel)

LEASE SUMMARY

Tenant:	Tractor Supply Company
Guarantor:	Tractor Supply Company
Date of Lease:	July 26, 2017
Rent Commencement:	February 24, 2018
Lease Expiration:	February 28, 2033
Lease Term:	15.0 years
Term Remaining:	14.0 years (as of 3/2019)
Renewal Options:	4 - 5 year options
Current Annual Rent:	\$359,300
Rental Increases:	5% every 5 years
Percentage Rent:	None
Sales Reporting:	None

LEASE SUMMARY CONTINUED

Lease Structure:	NN - Some Landlord Responsibility
Roof & Structure:	LANDLORD - Landlord responsible for all necessary maintenance, repair, and replacement to the structure and exterior of the building, including the roof, drains, gutters, downspouts, foundation, sub-floors, and walls. There is a 20 year roof warranty.
HVAC:	TENANT - Tenant responsible for maintaining, repairing, and replacing the HVAC, electrical, and plumbing systems.
Common Area:	TENANT - Tenant responsible for replacing lamps and repainting light poles in the parking lot, clearing snow and ice from the parking lot, mowing grass, landscape maintenance and repair, maintaining and repairing the permanent, portable loading ramp, and maintaining the cleanliness of the outdoor area.
Parking:	LANDLORD - Landlord responsible for all necessary maintenance, repair, and replacement to the integrity of the surface and structure of all paved areas, including sealing and striping; the electrical lines servicing Tenant's pylon and/or monument signs; replacement of the permanent, portable loading ramp; and all exterior utility lines and pipes to the point of entry to the building.
Property Taxes:	TENANT - Tenant pays direct.
Utilities:	TENANT - Tenant pays direct.
Insurance:	TENANT & LANDLORD - Landlord must carry commercial general liability insurance. Tenant must carry commercial general liability insurance and property insurance.
Assignment & Subletting:	No permitted assignment or sublet shall relieve Tenant of any obligation under the Lease.

RENT SCHEDULE

Lease Term	Lease Years	Monthly Rent	Annual Rent	Rent/SF	Increase (%)
Primary:	1 - 5:	\$29,941.67	\$359,300.00	\$18.81	
	6 - 10:	\$31,438.75	\$377,265.00	\$19.76	5.00%
	11 - 15:	\$33,010.67	\$396,128.00	\$20.74	5.00%
Option 1:	16 - 20:	\$34,661.25	\$415,935.00	\$21.78	5.00%
Option 2:	21 - 25:	\$36,394.25	\$436,731.00	\$22.87	5.00%
Option 3:	26 - 30:	\$38,214.00	\$458,568.00	\$24.01	5.00%
Option 4:	31 - 35:	\$40,124.67	\$481,496.00	\$25.21	5.00%




AREA OVERVIEW






BINGHAMTON UNIVERSITY
(11 MINUTES FROM SUBJECT PROPERTY)


GREATER BINGHAMTON AIRPORT
(15 MINUTES FROM SUBJECT PROPERTY)

BINGHAMTON PLAZA

- CVS pharmacy
- Rent-A-Center
- H&R BLOCK
- FAMILY DOLLAR
- K
- NAPA





SUNY BROOME COMMUNITY COLLEGE


















 **81,720 CPD**

UPPER FRONT STREET - 28,710 CPD






 **28,900 CPD**



NORTHGATE PLAZA

- CVS pharmacy
- M&T Bank
- RITE AID
- BURGER KING
- Denny's
- SUNOCO









DOWNTOWN BINGHAMTON


BINGHAMTON ALUMNI STADIUM





CHENANGO VALLEY HIGH SCHOOL



AREA OVERVIEW

BINGHAMTON, NEW YORK

HISTORY

- Binghamton is a city in, and the county seat of, Broome County, New York. It lies in the state's Southern Tier region near the Pennsylvania border, in a bowl-shaped valley at the confluence of the Susquehanna and Chenango Rivers. Binghamton is the principal city and cultural center of the Binghamton metropolitan area (also known as Greater Binghamton, or historically the Triple Cities). From the days of the railroad, Binghamton was a transportation crossroads and a manufacturing center, and has been known at different times for the production of cigars, shoes, and computers. IBM was founded nearby, and the flight simulator was invented in the city, leading to a notable concentration of electronics- and defense-oriented firms. This sustained economic prosperity earned Binghamton the moniker of the Valley of Opportunity. Today, while there is a continued concentration of high-tech firms, Binghamton is emerging as a healthcare- and education-focused city, with the presence of Binghamton University acting as much of the driving force behind this revitalization.



ECONOMY

- According to the NY State Department of Labor, the Southern Tier's economy continues to bounce back. Over the 6-year period ending 2016, the region's private sector job count climbed by 5,200, or 2.2% to 237,200. Higher education has been a key factor to the region's economic success. The region is home to several Ivy League and internationally-recognized universities, community colleges and training providers who offer instruction in a broad range of technical fields. Binghamton University has an annual impact of over \$1 billion on the region; produces 264,000 visitors a year and directly or indirectly results in almost 12,000 jobs for a total impact of 12% of the region's GDP.
- According to Newsweek magazine, New York State would rank as the 4th largest state economy in the world with a GDP in 2015 of \$1.45 trillion, a year in which it produced nearly the same amount of economic output last year as Canada (\$1.55 trillion) and would have ranked as the world's 11th largest economy last year as a separate country, ahead of both South Korea (\$1.38 trillion) and Russia (\$1.32 trillion). New York is also home to Global Foundries, former division of Advanced Micro Devices (AMD) in Malta, NY. The \$4.2 billion plant is one of the world's most technologically advanced.

RETAIL ACTIVITY

- Binghamton, NY supports a thriving retail economy and is currently home to 4.2 million square feet of retail space and 15 major retail centers. The largest centers in the city include the 289,988-square foot Binghamton Plaza, the 117,594-square foot Metrocenter, and the 61,255-square foot Price Chopper Plaza.

AREA OVERVIEW

EDUCATION

- Recognized as one of the elite public universities in the nation, Binghamton University brings world-class musicians, art and events to the region. Binghamton University is one of America's premier public universities, and is spread across 930 acres on a wooded hillside above the Susquehanna River in the Binghamton suburb of Vestal. U.S. News and World Report (2017) says Binghamton University is "one of the nation's top 40 public universities." Binghamton was ranked #8 public university and #15 overall in Forbes' Best Value ranking (2016). The University enrolls nearly 18,000 students annually, and is located just 8 miles (11 minutes) from the subject property.

AIRPORTS

- The Greater Binghamton Airport (BGM) is centrally located in Broome County about, 8-miles north of the city of Binghamton. BGM offers daily, commercial, non-stop flights on Delta Airlines, and is the ideal choice for travelers coming to and from Binghamton, Johnson City, Vestal, Endicott, Owego, Oneonta, Cooperstown, Norwich, Greene and many of the other exciting towns in Upstate NY. The Airport is located just 9 miles (15 minutes) from the subject property.



SURROUNDING ACTIVITY

- Binghamton is the home for the Broome County Arena, a 6,925 SF multi-purpose arena, and is a primary entertainment venue for the residents of the Greater Binghamton area. NYSEG Stadium (former Binghamton Mets Stadium), a stadium located in the northern section of downtown, is home to the Binghamton Mets of the Double-A Eastern League. The Broome County Forum Theatre (the Forum) is a 1,500-seat performing art theatre located in the City's downtown and home to Broadway in Binghamton, the world-class Tri-Cities Opera, and the Binghamton Philharmonic. The Forum also hosts a wide variety of other events, including concerts, conventions, talent competition, and recitals. It also houses a Robert Morgan Theatre Organ.
- Visitors and residents may find any sport in every season in Binghamton, where they have nearly a century of experience hosting pro, amateur, national and local teams and tournaments. The rich sports tradition stretches back to the Triplets ball club of the 1920s, when many in the bustling city took time out for an afternoon at the diamond. Today the Binghamton Rumble Ponies play 71 home games each year at NYSEG Stadium downtown.

DEMOGRAPHICS

POPULATION	3 Mile	5 Mile	10 Mile	30 Mile
Estimated Population (2018)	20,406	84,364	169,169	317,335
Census Population (2010)	20,932	85,995	171,521	321,248
Projected Population (2023)	20,082	83,571	167,345	312,790
HOUSEHOLDS	3 Mile	5 Mile	10 Mile	30 Mile
Estimated Households (2018)	8,390	36,397	68,791	128,496
Census Households (2010)	8,666	37,428	70,483	130,794
Projected Households (2023)	8,233	35,975	67,862	126,455
VALUE OF HOUSING UNITS	3 Mile	5 Mile	10 Mile	30 Mile
2018 Average	\$163,659	\$143,921	\$163,428	\$162,381
2018 Median	\$124,611	\$106,817	\$125,885	\$127,061

2018 POPULATION BY RACE	3 Mile	5 Mile	10 Mile	30 Mile
White	85.1%	79.1%	82.9%	89.0%
Black or African American	8.0%	9.7%	6.7%	4.0%
Hispanic	4.0%	6.0%	4.8%	3.5%
Asian	2.0%	4.7%	5.4%	3.2%
2018 AGE BY GENDER	3 Mile	5 Mile	10 Mile	30 Mile
MEDIAN AGE				
Male	39.80	37.60	38.30	41.10
Female	45.80	42.80	43.00	44.70
HOUSEHOLD INCOME	3 Mile	5 Mile	10 Mile	30 Mile
2018 Average	\$67,121	\$59,050	\$69,294	\$70,073
2018 Median	\$46,672	\$39,415	\$47,487	\$50,858

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ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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