

INVESTMENT OPPORTUNITY



TRACTOR SUPPLY CO

NEW 15-YEAR LEASE | NEW BTS CONSTRUCTION

SAN LUIS OBISPO, CA



OFFERED AT: \$7,200,000



-- OFFERING SUMMARY --

INVESTMENT HIGHLIGHTS	
Offering Price:	\$7,200,000
Price/SF:	\$377
Lease Type:	Double Net (NN)
LL Responsibilities:	Roof & Structure

PROPERTY OVERVIEW	
Address:	120 Tank Farm Rd San Luis Obispo, CA 93401
Property Size:	Approx 19,067 sq ft
Land Size:	1.507 Acres
Ownership:	Fee Simple
Year Built:	2016
APN:	053-251-073

Lee & Associates is pleased to exclusively offer for sale the fee simple interest (land & building) in a Tractor Supply Co. investment property located in San Luis Obispo, California (the “Property”). Built in 2016, the Property consists of a 19,067-square-foot building that sits on an approximately 1.507-acre parcel.

The subject property is leased to Tractor Supply Co. (NASDAQ: TSCO), the largest operator of rural lifestyle retail stores in the United States, operating over 1,600 retail stores in 49 states, and employing more than 24,000 team members. Tractor Supply is a leading-edge retailer, reporting annual revenues of approximately \$6.8 billion with a \$1.3 billion net worth and zero debt.

The Tractor Supply is located in a project called the San Luis Obispo Public Market at Bonetti Ranch. This project will total 82,242 SF and feature five buildings, four of which will include historic farm buildings and a public market building.

Locals and tourists will find a variety of indoor and outdoor shops, eateries and entertainment areas. A produce stand, a wine and cheese shop, and a brewery are among the spaces planned to fill this new community space.

Tractor Supply Co. is located at the signalized hard corner intersection of Tank Farm Rd & S. Higuera St, offering excellent visibility to combined traffic counts of 35,000+ cars per day. This corridor features major retailers including Food 4 Less, Trader Joe’s, US Bank, 1st Capital Bank, and Kelly-Moore Paints, as well as restaurants/fast food tenants such as Starbuck’s, Round Table Pizza, Lahaina’s, and Taco Rico.

The property is ideally situated about a half-mile from Hwy 1/101 for quick access to the Pacific Ocean, just 10 miles to the west, and nearby beach cities such as Morro Bay, Avila Beach, Pismo Beach, as well as Santa Maria only 28 miles south.

The subject property is located within the highly desirable city of San Luis Obispo. Centrally located between Los Angeles and San Francisco, San Luis Obispo serves as the commercial, governmental and cultural hub of California’s Central Coast. With a population of more than 45,000, San Luis Obispo offers 300+ days of sunshine, miles of hiking and biking trails, strong neighborhoods, excellent schools, and a safe, small-town community, and has earned many designations and awards. Tourism revenue has become the third-largest contributor to the City’s General Fund, with tax receipts accounting for \$62 million in 2016. In San Luis Obispo County, tourist dollars created over 400 new jobs and generated \$1.58 billion in direct travel spending, up more than \$10 million from 2015 (Source: Tribune News).

Additionally, San Luis Obispo is home to California Polytechnic State University (“Cal Poly”), a public institution founded in 1901, it is among a small group of public STEM universities in the United States and its curriculum has an extensive history in engineering, mathematics, agricultural and environmental science, architecture, business and entrepreneurship. With an enrollment of nearly 21,000 students, Cal Poly ranks highly in the nation’s top colleges, ranking #11 in Regional Universities West, #1 in Top Public Schools, #7 in Best Undergraduate Engineering Programs.

The City of San Luis Obispo has more than 65 projects currently under review or construction including commercial projects, a new hotel downtown, and a large number of residential projects and housing plans that will add a total of 2,200 residential units to San Luis Obispo within the next few years, resulting in an 11% increase in total housing in the city. The goal of many of these projects are neighborhood preservation, economic development, and a shift to bicycle, pedestrian and bus transportation.





-- INVESTMENT HIGHLIGHTS --

TRACTOR SUPPLY CO (NASDAQ: TSCO) • STRONG NATIONAL TENANT (\$1.3B NET WORTH) • ZERO DEBT • CORPORATE LEASE GUARANTY • RARE SAN LUIS OBISPO NET LEASE INVESTMENT

Headquartered in Brentwood, Tennessee, Tractor Supply Company (NASDAQ: TSCO) is the largest operator of rural lifestyle retail stores in the United States, operating over 1,600 retail stores in 49 states, and employing more than 24,000 team members. Tractor Supply is a leading-edge retailer, reporting annual revenues of approximately \$6.8 billion with a \$1.3 billion Net worth and zero debt.

The subject property provides an investor with the rare opportunity to acquire a single tenant net leased asset located in San Luis Obispo, a market that has a very high barrier to entry.

NEW BUILD TO SUIT CONSTRUCTION • PART OF SAN LUIS OBISPO PUBLIC MARKET AT BONETTI RANCH • OUTSTANDING SYNERGY • NEW LONG TERM LEASE

The subject property is a build-to-suit for Tractor Supply built in 2016. The tenant's 15-year lease commenced in December 2016 and has 12+ years remaining, offering a long-term investment for a buyer.

The Tractor Supply Co is located within a new development called the San Luis Obispo Public Market at Bonetti Ranch (<https://slopublicmarket.com>). This project will total 82,242 SF and feature five buildings, four of which will include historic farm buildings and a public market building. Locals and tourists will find a variety of indoor and outdoor shops, eateries and entertainment areas. A produce stand, a wine and cheese shop, and a brewery are among the spaces planned to fill this new community space.

LOCATED ON MAJOR RETAIL CORRIDOR • SOLID TRAFFIC COUNTS (35,000 CPD) • EXCELLENT VISIBILITY

The subject property is located at the signalized hard corner intersection of Tank Farm Rd & S. Higuera St, offering excellent visibility to combined traffic counts of 35,000+ cars per day. This corridor features major retailers including Food 4 Less, Trader Joe's, US Bank, 1st Capital Bank, and Kelly-Moore Paints, as well as restaurants/fast food tenants such as Starbuck's, Round Table Pizza, Lahainas, and Taco Rico.

PROXIMITY TO HIGHWAYS 1 & 101 • QUICK ACCESS TO PACIFIC OCEAN, NEARBY BEACH CITIES

The property is located about a half-mile from Hwy 1/101 for quick access to the Pacific Ocean, just 10 miles to the west, and nearby beach cities such as Morro Bay, Avila Beach, Pismo Beach, as well as Santa Maria only 28 miles south.

LOCATED IN SAN LUIS OBISPO • OUTSTANDING TOURISM DESTINATION • HOME TO CAL POLY STATE UNIVERSITY • MASSIVE GROWTH & NEW DEVELOPMENT

The subject property is located within the highly desirable city of San Luis Obispo, California. Centrally located between Los Angeles and San Francisco, San Luis Obispo serves as the commercial, governmental and cultural hub of California's Central Coast. With a population of more than 45,000, San Luis Obispo offers 300+ days of sunshine, miles of hiking and biking trails, strong neighborhoods, excellent schools, and a safe, small-town community, and has earned many designations and awards including "Happiest Place in the USA" (National Geographic), #10 "Top Work Environment in the Nation" (Gallup-Heathways Well Being Index, 2016), and "Best Place to Live" (Livability.com 2015).

Additionally, San Luis Obispo is home to California Polytechnic State University ("Cal Poly"), a public institution founded in 1901, it is among a small group of public STEM universities in the United States and its curriculum has an extensive history in engineering, mathematics, agricultural and environmental science, architecture, business and entrepreneurship. With an enrollment of nearly 21,000 students, Cal Poly ranks highly in the nation's top colleges, ranking #11 in Regional Universities West, #1 in Top Public Schools, #7 in Best Undergraduate Engineering Programs.

The City of San Luis Obispo is seeing massive new growth and has more than 65 projects currently under review or construction including commercial projects, a new hotel downtown, and a large number of residential projects and housing plans that will add a total of 2,200 residential units to San Luis Obispo within the next few years, resulting in an 11% increase in total housing in the city. The goal of many of these projects are neighborhood preservation, economic development, and a shift to bicycle, pedestrian and bus transportation.



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Lee & Associates hereby advises all prospective purchasers of Net-Leased Investment property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Lee & Associates has not and will not verify any of this information, nor has Lee & Associates conducted any investigation regarding these matters. Lee & Associates makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of an investment property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Lee & Associates expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of an investment property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any investment property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Lee & Associates and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this investment property.

No warranty or representation is made as to the accuracy of the foregoing information. Terms of sale, lease, and availability are subject to change or withdrawal without notice.



CONFIDENTIALITY AGREEMENT

For the purposes of evaluating all aspects of the Tractor Supply Co. Investment Opportunity, located in San Luis Obispo, California ("Property"), the undersigned, its officers, directors, partners, employees, representatives, agents, and affiliates ("Buyer") requests that Lee & Associates and their officers, directors, partners, employees, representatives, agents, and affiliates ("Seller") provide the Undersigned with confidential information relating to the Property.

In consideration of Seller agreeing to provide the Undersigned with such information, the Undersigned agrees as follows:

1. To treat strictly confidentially, such information and any other information that Seller furnishes to the Undersigned, whether furnished before or after the date of this Agreement, whether furnished orally or in writing or gathered by inspection, and regardless of whether specifically identified as "confidential" (collectively, the "Evaluation Material").
2. Not to use any of the Evaluation Material for any purpose other than the exclusive purpose of evaluating the possibility of a purchase and sale transaction relating to the Property. The Undersigned agrees that the Evaluation Material will not be used in any way detrimental to the Property or Seller and that such information will be kept strictly confidential by the Undersigned, and shall inform all with whom it interacts business relating to the Property of the confidential nature of such information and direct them to treat such information confidentially.
3. That by accepting this material, the Undersigned will not photocopy or duplicate it for distribution to any unrelated entity. Any disclosure, except as authorized herein, without the prior written authorization of Lee & Associates shall be deemed a breach of this Agreement. The Undersigned also agrees not to use the provided information, or any of its contents and related information, in any fashion or manner whatsoever that may be detrimental to the interests of Owner or Lee & Associates.
4. That the Undersigned will not disclose to any person either the fact that discussions or negotiations are taking place concerning a possible transaction between the owner of the Property and the Undersigned, nor disclose any of the terms, conditions, or other facts with respect to any such possible transaction, including the status thereof, unless (a) such person and the nature of such disclosures are approved in writing by Seller, and (b) such person signs a confidentiality agreement.
5. That the term "person" as used in this Agreement shall be broadly interpreted to include, without limitation, any corporation, partnership, association, or individual.
6. That at any time, at the request of Seller, the Undersigned agrees to promptly return all Evaluation Material without duplicating or retaining any copy thereof or any notes relating thereto. The Undersigned will certify as to the return of all Evaluation Material and related notes.
7. That in the event the Undersigned is required or requested by legal process to disclose any of the Evaluation Material, the Undersigned will provide Seller with prompt notice of such requirement or



request so that Seller may seek an appropriate protective order or waive compliance with the provision of this requirement or both.

8. That the Undersigned further understands and agrees that Seller and Lee & Associates and agent makes no representation or warranties as to the accuracy or completeness of the Evaluation Material. Seller and Lee & Associates the agent expressly disclaim any and all liability for presentations or warranties, expressed or implied, contained in the Evaluation Material or omissions therefrom.

9. That Seller expressly reserves the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the property and/or terminate discussions with any entity at any time with or without notice. Seller has no legal commitment or obligation to any entity reviewing the Evaluation Material or making any offer to purchase unless and until a written purchase and sales agreement has been executed and all obligations thereunder satisfied or waived.

10. Buyer agrees to conduct all negotiations and all communications concerning the property through Lee & Associates.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

AGREED AND ACCEPTED:

By: _____

Company: _____

Name: _____

Address: _____

Title: _____

Date: _____

Phone: _____