



635 US-45 N | Henderson, TN 38340

OFFERING MEMORANDUM

LISTED BY

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES





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EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **New Construction & Long-Term Lease** – The high-quality construction asset was completed in 2019; Tractor Supply signed a new, 15-year lease with four, 5-year options.
- **Strong Fortune 500 Tenant** – Tractor Supply is a Fortune 500 Company with a market cap of ±\$10.8B and has experienced a solid increase in revenue over the past decade. In 2018, total revenue was ±\$8B, an increase of 9% from 2017.
- **Debt Free Company** – Tractor Supply is an incredibly healthy company with zero debt. Their Net Income for 2018 was ±\$532MM, a 26% increase from 2017.
- **E-Commerce Proof** – Tractor Supply is thriving alongside e-commerce as 70% of online orders are fulfilled in-store. An encouraging sign as the company continues to invest in its brick-and-mortar properties and digital presence to increase market share in rural communities.
- **Corporate Guaranty with Rent Increases** - The 15-year lease is corporately guaranteed by Tractor Supply Company and encompasses 5% rent increases every 5 years throughout the initial term of the lease and throughout the option periods.
- **Primary Rural Lifestyle Retailer** – Tractor Supply is the only rural lifestyle and outfitter serving the market.
- **Tax-Free State** – Tennessee does not have state income taxes.
- **Inexpensive Price Point** – Tractor Supply Company is paying low rent at this site, resulting in a purchase price of only \$150 PSF; most new construction Tractor Supply properties are priced significantly higher.



FINANCIAL OVERVIEW



\$2,880,000
LIST PRICE



\$180,000
NOI



6.25%
CAP RATE

BUILDING INFO

Address	635 US-45 N Henderson, TN 38340
Year Built	2019
GLA	±19,097 SF
Lot Size	±3.03 Acres (±131,987 SF)

TENANT SUMMARY

Trade Name	Tractor Supply Co.
Ownership Type	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	15 Years
Rent Commencement Date	9/28/19
Lease Expiration Date	9/30/34
Increases	5% Every 5 Years
Options	Four, 5-Year Options
Roof & Structure	Landlord Responsible

ANNUALIZED OPERATING DATA

Date	Annual Rent
Years 1-5	\$180,000
Years 6-10	\$189,000
Years 11-15	\$198,450
Option 1	\$208,373
Option 2	\$218,791
Option 3	\$229,731
Option 4	\$241,217

TENANT OVERVIEW



“FOR LIFE OUT HERE”

1,800+
LOCATIONS (2019)

30,000
EMPLOYEES (2019)

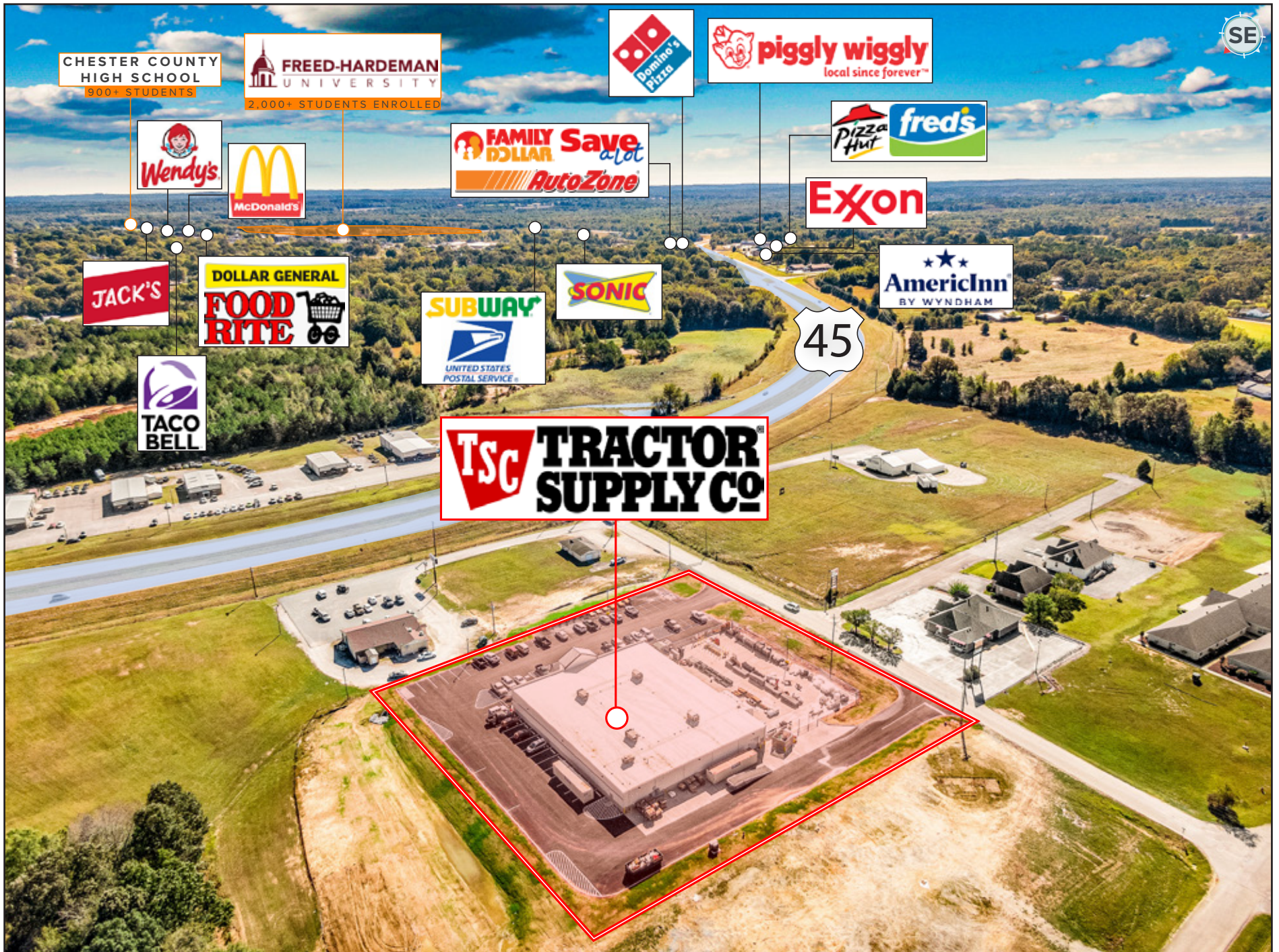
±7.91 B
REVENUE (2019)

Tractor Supply Company (also referred to as TSC) was founded in 1938 as a mail order tractor parts business based in Brentwood, Tennessee. Currently, they own and manage over 1,800 stores in 49 states. They are the largest operator of rural lifestyle retail stores in America and were recognized on the Forbes Top Regarded Companies List in 2018.

TSC is continuing to grow with new locations and improved products for home, land, pet, and animal owners. With these offerings, TSC targets a wide market including America's farmers, horse owners, ranchers, part-time and hobby farmers, suburban and rural homeowners, contractors, and tradesmen.

Since 1938, Tractor Supply Company's legendary service and dependable products have enabled both their employees and customers to be as self-sufficient as possible. With affordable pricing, customers can find anything they need at TSC to maintain their farms, ranches, homes, and animals.





AREA OVERVIEW

HENDERSON, TN OVERVIEW

Rich in history and steeped in tradition, Henderson embraces the small-town values and volunteer spirit that make Tennessee great. Henderson is located at the intersection of US Hwy 45 and State Route 100. It is 16 miles south of Jackson and approximately 80 miles east of Memphis; Henderson began as a railroad community on the Mobile & Ohio Railroad. Once home to a bustling depot, Historic Front Street now gets more traffic from its businesses than its railways.

Henderson is famous for many things, including its old-fashioned barbecue. The area has a deep tradition in slow-cooked whole-hog barbecue, and it is celebrated annually during the Barbecue Festival on Court Square.

With a balanced blend of retail and industry, Henderson shops line Main Street and beyond while many industries are located in or near the Industrial Park on the US Hwy. 45. Freed-Hardeman University, a four-year, liberal arts university, is located downtown. With approximately 2,050 students each year, FHU greatly contributes to Henderson's economy.

Chickasaw State Park is located approximately 8 miles west of Henderson. The rustic state park features walking trails, horseback riding, campgrounds, and summer swimming.

DEMOGRAPHICS

POPULATION	5-MILE	10-MILE	15-MILE
2020 Estimate	10,249	19,954	37,070
2025 Projection	10,397	20,330	37,426
HOUSEHOLDS	5-MILE	10-MILE	15-MILE
2020 Estimate	3,610	7,372	14,201
2025 Projection	3,685	7,541	14,381
INCOME	5-MILE	10-MILE	15-MILE
2020 Avg Household Income	\$63,510	\$64,751	\$61,796

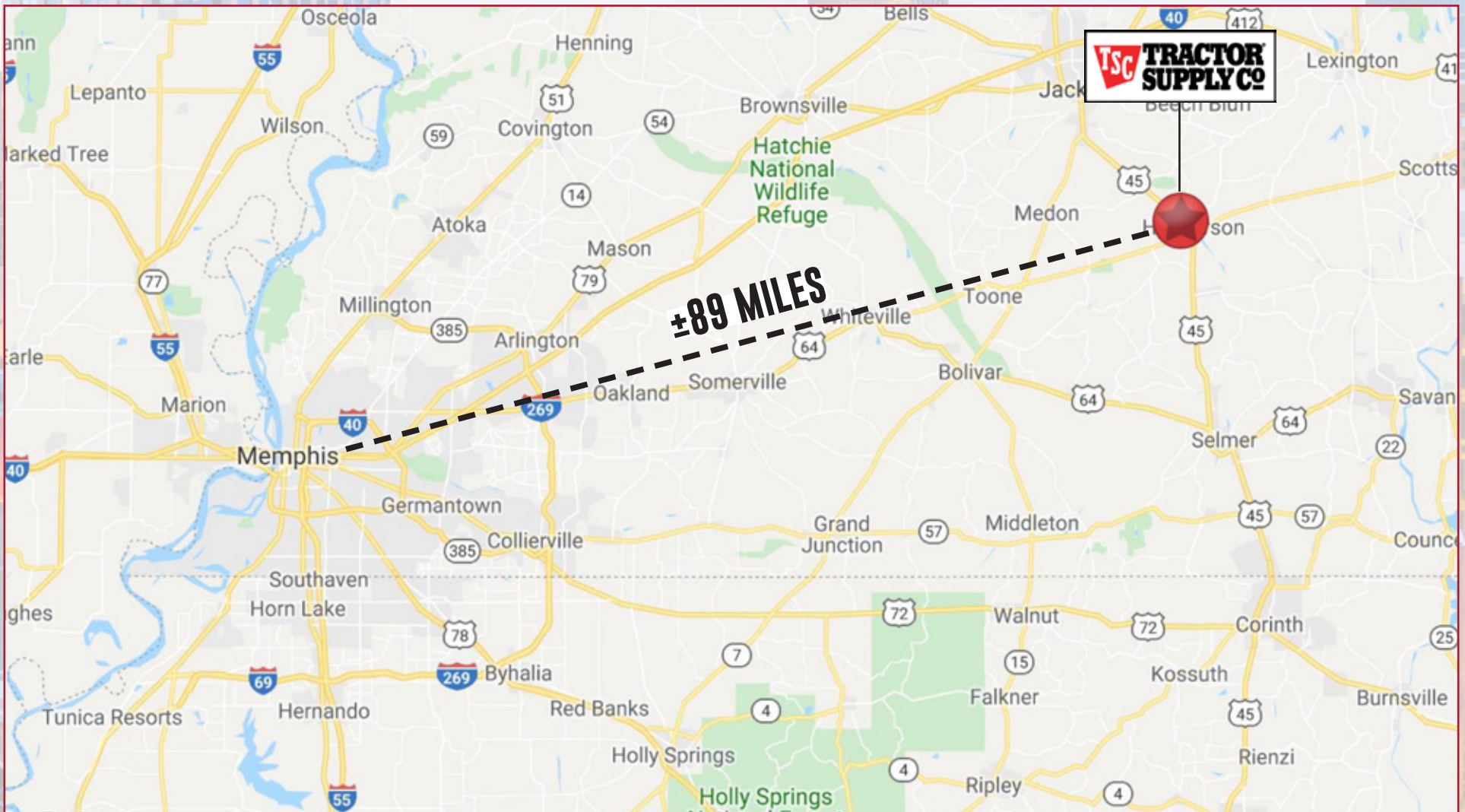
MEMPHIS, TN

Located 85 miles from Henderson, Memphis, Tennessee is the largest city on the Mississippi River. Located within Shelby County, Memphis is a vibrant and historic city. It is the second largest city within Tennessee, and brings in a large amount of tourists because of its famous, historical landmarks. Being only 3 miles from Memphis, Arkansas,

it is only a hop, skip, and a jump from the Arkansas/Tennessee border.

Known as the “Birthplace of Rock and Roll,” the city holds a significant amount of history within its borders. The residents of Memphis take pride of their city, and are usually known as “Memphians.”

Although this town has a variety of entertainment to offer. The sports fans of the area love to cheer on the University of Memphis Tigers. As for professional teams, many cheer on the Memphis Grizzlies. The animal lovers enjoy the Memphis Zoo. Memphis has been the zoo’s home for over 100 years and has over 3,500 animals.



MEMPHIS ECONOMIC DEVELOPMENT

Many of Memphis' residents are blue-collared, hard workers. The most common industries within this area are Transportation and Warehousing, Construction, and Manufacturing. Within those, the most common occupations are Material Moving, Construction and Extraction. The unemployment rate has started to decrease with the overall household income increasing since the early 2000s.



MEMPHIS POINTS OF INTEREST



GRACELAND



MEMPHIS ZOO



BEALE STREET



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Tractor Supply Co.** located at **635 US-45 N, Henderson, TN 38340** (“Property”). It has been prepared by Matthews Real Estate Investment Services. This 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 Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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 detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services 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 Seller or Matthews Real Estate Investment Services 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 this Offering Memorandum.



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