

SECURE
NET LEASE

SUBJECT PROPERTY



TRACTOR SUPPLY CO

\$7,000,000 | 6.57% CAP

1700 Bell Lane, Atwater, CA 95301

- ✓ 10% Increases Every 5 Years During Renewal Options
- ✓ Centrally Located Along US 99 with Excellent Visibility
- ✓ Fortune 500 Company with over 1,800 Stores in 49 States
- ✓ Recession Resistant Retailer Experiencing Major Growth

SECURE

NET LEASE

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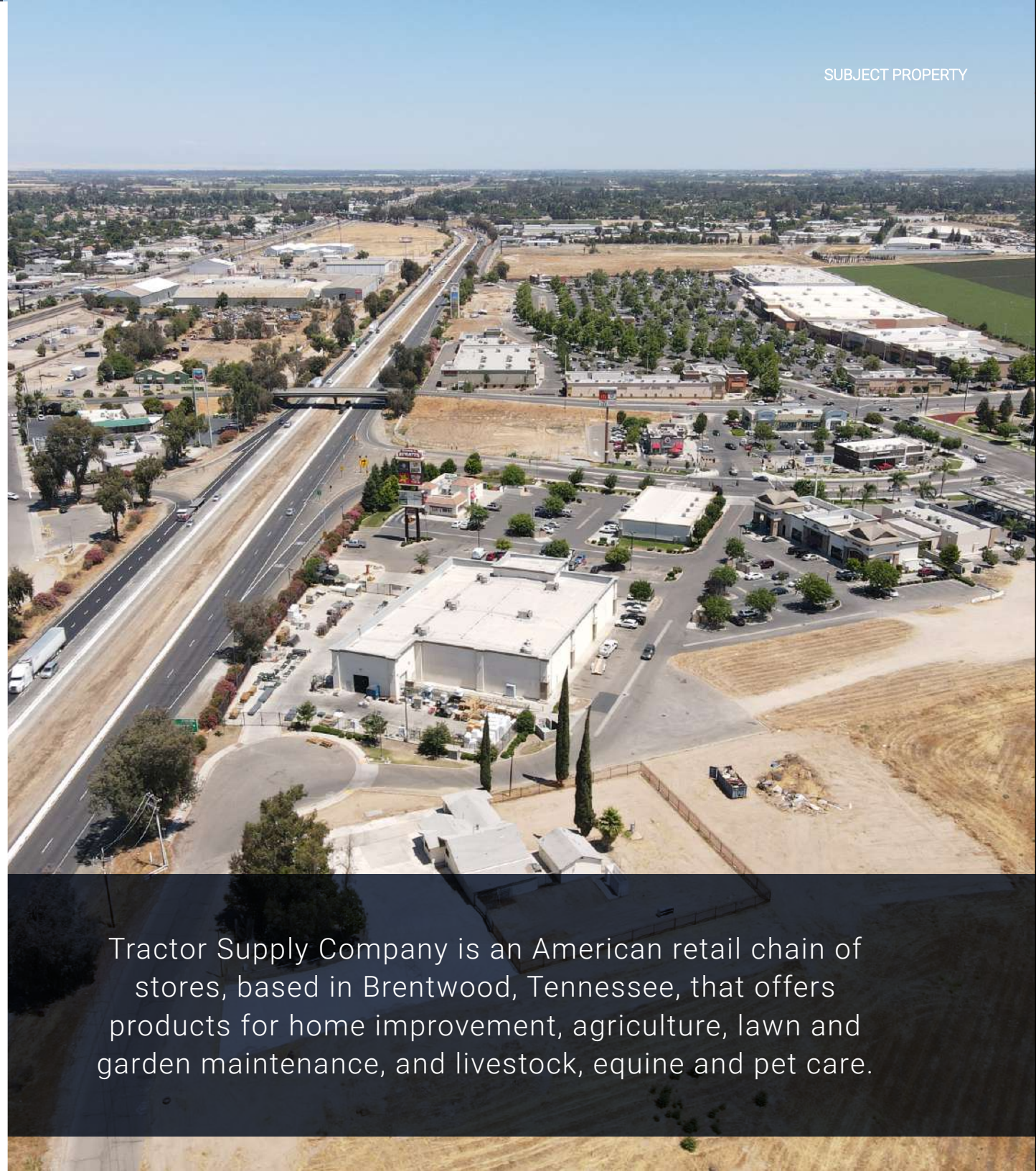
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SUBJECT PROPERTY



Tractor Supply Company is an American retail chain of stores, based in Brentwood, Tennessee, that offers products for home improvement, agriculture, lawn and garden maintenance, and livestock, equine and pet care.

INVESTMENT OVERVIEW

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA

\$7,000,000 | 6.57% CAP



\$459,800

NOI



±20,288 SF

BUILDING AREA



±2.41 ACRES

LAND AREA



2008

YR BUILT / RENOVATED



100%

OCCUPANCY



NN

LEASE TYPE

* Roof, Structure and Utility Lines Landlord Responsibility (Roof Warranty until 09/15/2023)

- ✓ Built in 2008 Tractor Supply, **company grew revenue over 7% in past year** and ranked #391 on the Fortune 500 List.
- ✓ **3.5 Years Remain on Fifteen (15) year NN lease** - buyer to assume existing debt obligations and all associated loan assumption costs, with 10% rent increases every 5 years in options periods.
- ✓ **Located along State Highway 99 (52,000 VPD)**, with close proximity to national credit retailers including Starbucks, Super Target, McDonald's, Walmart, Applebee's, KFC and the Applegate Ranch Shopping Center.
- ✓ Situated in the heart of Atwater, in the mid-Central Valley of California. **The 5-mile trade area is supported by a population of over 59,000 residents** with an average household income of \$70,000.
- ✓ Tractor Supply is the largest national farm and ranch retail store in the nation. **Tractor Supply is a COVID-resistant retailer and considered an essential business** as it sells livestock feed, equine food, pet food, water and propane. Posted 7.5% revenue increase from Q4 2019 to Q1 2020.

LOAN TERMS

EXISTING LOAN MUST BE ASSUMED

ORIGINAL LOAN AMT.	\$4,000,000
EXISTING LOAN AMT.	\$3,409,152 (as of 7/1/2020)
INITIAL TERM	10 Years (Exp 3/1/2024)
INTEREST RATE	5.25%
AMORTIZATION	25 Years
DEBT SERVICE	\$287,639
NON RECOURSE	Yes
ASSUMPTION FEE	1%
LOAN TYPE	CMBS



SECURE NET LEASE 13

TENANT OVERVIEW

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA



TRACTOR SUPPLY COMPANY (www.tractorsupply.com)

LESSEE: TRACTOR SUPPLY CO

GUARANTOR: TRACTOR SUPPLY CO

Tractor Supply Company is a retail chain serving farmers and ranchers with more than 1,863 stores in 49 states. It is the largest rural lifestyle retailer in the United States and serves a unique niche, as a one-stop shop for recreational farmers, ranchers and all those who enjoy living the rural lifestyle, for more than 80 years. Tractor Supply offers an extensive mix of products necessary to care for home, land, pets and animals with a focus on product localization, exclusive brands and legendary customer service that addresses the needs of the Out Here lifestyle. With more than 33,000 team members, the Company leverages its physical store assets with digital capabilities to offer customers the convenience of purchasing products they need anytime, anywhere and any way they choose at the everyday low prices they deserve. At March 28, 2020, the Company operated 1,863 Tractor Supply stores in 49 states and an e-commerce website at www.TractorSupply.com. Tractor Supply Company also owns and operates Petsense, a small-box pet specialty supply retailer focused on meeting the needs of pet owners, primarily in small and mid-size communities, and offering a variety of pet products and services. As of March 28, 2020, the Company operated 180 Petsense stores in 26 states.

\$8.35B

REVENUE

TSCO

STOCK TICKER



1,863

TOTAL LOCATIONS



WHY TRACTOR SUPPLY SURGED 20% IN MAY

Royston Yang, June 05, 2020 (*The Motley Fool*)

Tractor Supply reported a strong set of earnings for its first-quarter 2020 report, and the company does not seem to be badly affected by the COVID-19 pandemic. Net sales rose 7.5% year over year to \$1.95 billion, while comparable store sales increased 4.3% year over year. Although the company withdrew its guidance for the fiscal year 2020, it still managed to open 20 new Tractor Supply stores during the quarter, underscoring its steady growth.

Late last month, Tractor Supply provided updated guidance for its second

Tractor Supply is shaping up to be one of the more resilient consumer companies, with consistent demand for its goods even during a crisis.

quarter. The company registered record sales across its channels, product categories, and geographic regions. Its e-commerce business also experienced good growth, with many customers choosing the new contactless curbside delivery option to minimize person-to-person contact during this pandemic.

Net sales are forecast to grow 24% to 29% year over year, with comparable store sales growth of 20% to 25%. The company is also relaunching its website, which should enable the business to enjoy rapid digital growth by using modern web architecture



CLICK HERE TO READ MORE

UNLIKE RETAILERS SEEKING GROWTH IN CITIES, TRACTOR SUPPLY TARGETS CONSUMERS LIVING THE COUNTRY LIFE

Tonya Garcia,, February 26, 2019 (*Market Watch*)

If you've got space in the yard and a taste for fresh eggs, you're in luck. Chick Days, an event that brings live chickens of various breeds to Tractor Supply Co. TSCO, +0.77% stores, starts Monday and lasts through April 28. Shoppers can also buy a coop, feed, incubators, and anything else they need to get their chicken farm up and running.

"We sell everything else but the tractor," said Mary Winn Pilkington, vice president of investor relations and PR at Tractor Supply. "Anything for an authentic rural lifestyle." While many retailers are flocking to the city, targeting high-spending urban dwellers and young, millennial professionals, 80-year-old Tractor Supply is happy to live the pastoral life, and help others who want to do the same..

Tractor Supply, on the other hand, positions its stores in towns just outside of major metropolitan areas with populations of about 20,000 to 40,000 people, or in rural locations.

"The main thing is we have an authentic customer who has a love of the land, community, family and animals," Pilkington said..



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LEASE OVERVIEW

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA

INITIAL LEASE TERM	15 Years, Plus (4), 5-Year Options
RENT COMMENCEMENT	1/1/2009
LEASE EXPIRATION	12/31/2023
LEASE TYPE	NN
LANDLORD RESPONSIBILITY	Roof, Structure, Utility Lines (Roof Warranty until 09/15/2023)
RENT INCREASES	10% Every 5 Years, In Primary Term & Options
ANNUAL RENT YRS 11-15	\$459,800
OPTION 1	\$505,780
OPTION 2	\$556,358
OPTION 3	\$611,993
OPTION 4	\$673,193

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SUBJECT PROPERTY



SUBJECT PROPERTY

PEGGY HELLER SCHOOL
(573 STUDENTS)

ATWATER
HIGH SCHOOL
(1,860 STUDENTS)

ELMER WOOD
ELEMENTARY SCHOOL
(543 V STUDENTS)

BELLEVUE SCHOOL
(656 V STUDENTS)



AILEEN COLBURN
ELEMENTARY SCHOOL
(425 STUDENTS)

MITCHELL SENIOR
ELEMENTARY
(577 STUDENTS)

SHAFFER
ELEMENTARY SCHOOL
(564 STUDENTS)

BUHACH COLONY
HIGH SCHOOL
(1,917 STUDENTS)

**TSC TRACTOR
SUPPLY CO.**
SUBJECT PROPERTY
1700 BELL LANE

BELL LN
± 4,939 VPD



ATWATER VALLEY
COMMUNITY SCHOOL
(1,324 STUDENTS)

GOLDEN STATE HWY
± 54,323 VPD



SITE OVERVIEW

TRACTOR SUPPLY CO | ATWATER,
CALIFORNIA



2008
YR BUILT



±20,288 SF
BUILDING AREA



±2.41 ACRES
LAND AREA

NEIGHBORING RETAILERS

O'Reilly Auto Parts

Famous Footwear

Carl's Jr.

Applebee's Grill + Bar

ARCO

Big 5 Sporting Goods

7-Eleven

Dollar Tree

Panda Express

Boot Barn

AT&T Store

Walgreens

Target

Food 4 Less

GNC

Jiffy Lube

Marshalls

Taco Bell

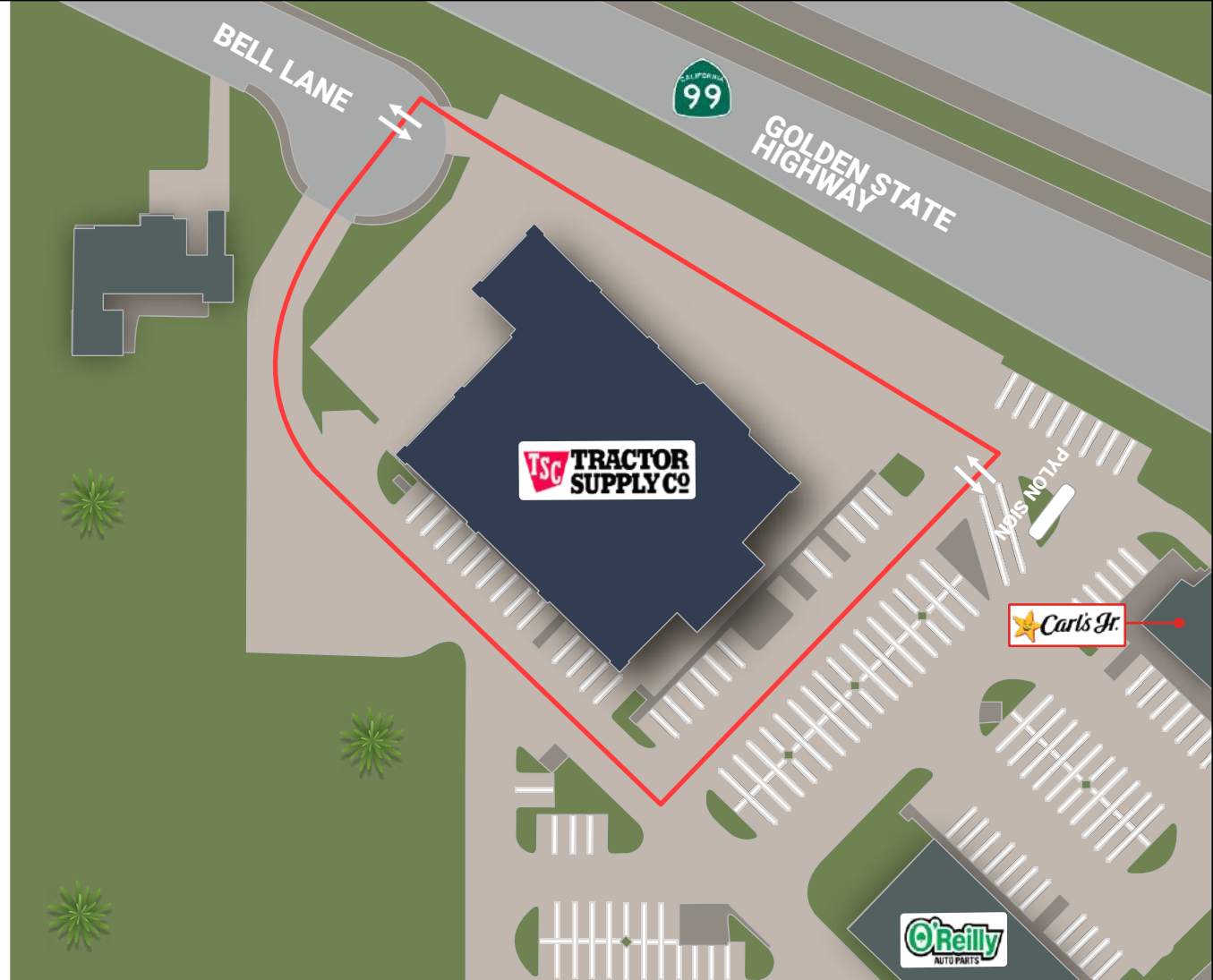
Petco

Wendy's

rue21

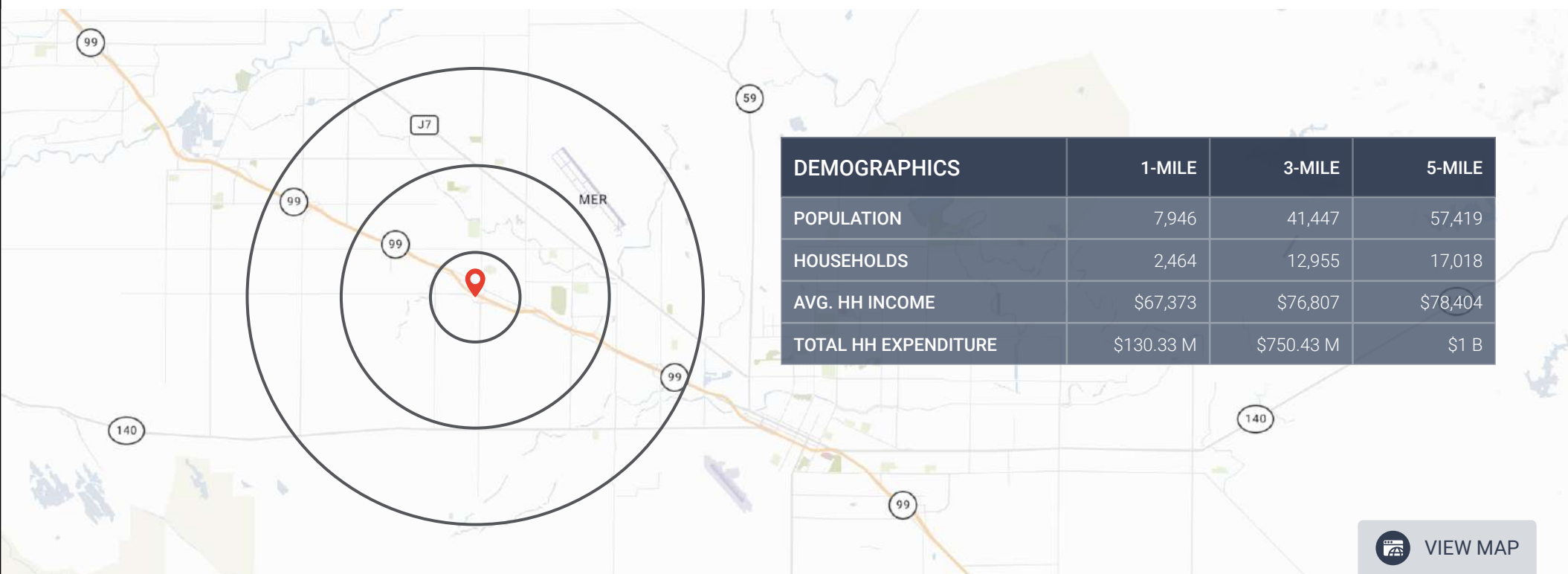
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LOCATION OVERVIEW

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA



 [VIEW MAP](#)

ECONOMIC DRIVER'S (# of Employees)

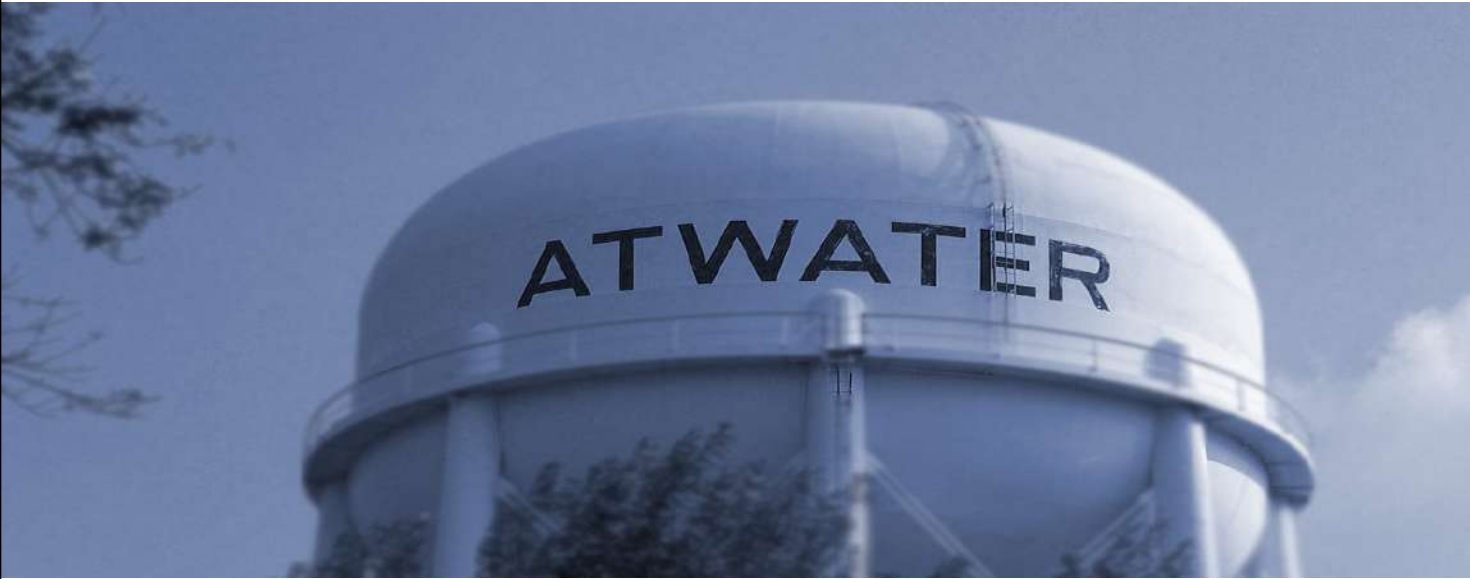
Merced Community College District (730)
Qg, LLC (611)
Gallo Cattle Company, a Limited Partnership (500)
Travis Credit Union (500)
County of Merced (500)

County of Merced (500)
Quad/Graphics Inc. (463)
Scholle Ipn Corporation (400)
Ward Enterprises (358)
Scholle Ipn Packaging, Inc. (280)

Merced Community College District (267)
Gino/Giuseppe, Inc. (250)
Walmart Inc. (200)
Tim Razzari Motors, Inc. (200)
Home Depot U.S.A., Inc. (200)

LOCATION OVERVIEW

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA



ATWATER CALIFORNIA



28,168
POPULATION



\$52,542
MEDIAN HOUSEHOLD INCOME

Atwater is a city located along State Route 99 in Merced County. Atwater is a suburb of Modesto, located in central California, and is steeped in tradition reflected in its memorial buildings, city halls and libraries. North of the town is

Modesto is surrounded by rich farmland and Stanislaus County ranks sixth among California counties in farm production.

Castle Air Force Base, the former United States Air Force Strategic Air Command. Visitors can learn about the history of Atwater at the Castle Air Museum and the Bloss House Museum. Modesto is located 68 miles South of Sacramento and 89 miles East of San Francisco. It is located West of Yosemite National Park with 4 million visitors annually. Modesto is the county seat and the largest city in Stanislaus County. With a population of approximately 223,000 it is the 18th largest city in the state of California. Modesto is surrounded by rich farmland and Stanislaus County ranks sixth among California counties in farm production, led by

milk, almonds, chickens, walnuts and corn silage. The farm-to-table movement plays a central role in Modesto living as in the Central Valley. The world's largest winery, E&J Gallo, is based in Modesto and is a major employer. Other major employers include Memorial Medical Center, Del Monte Foods and Kaiser Permanente. The City of Modesto is incentivizing new businesses to set up shop like Entekra, an innovative home family business that built a new \$35 million manufacturing plant, injecting high skilled jobs to the community. The city is known for its Mediterranean like climate, which is ideal for fertile productive farmland. Modesto has the reputation of being called "Tree City", due to its mature tree-lined streets and over 55 parks.

\$3 B

BETWEEN NUTS AND LIVESTOCK, MODESTO'S AGRICULTURAL ECONOMY BRINGS IN AROUND 3 BILLION DOLLARS ANNUALLY.

#10

MODESTO RANKS #10 BEST PLACE TO LIVE IN CALIFORNIA BY US NEWS & WORLD REPORT

WHAT'S THIS? MODESTO IS 33RD BEST PERFORMING CITY IN AMERICA!

February 09, 2018 (*The Modesto Bee*)

When you see Modesto on a list of "Best Performing Cities," most people would immediately think of George Lucas or Jeremy Renner or the latest lineup at the Gallo Center. But we're not talking about acting; we're talking about economic performance.

Modesto? On the good side of a money list?

The Milken Foundation ranked Modesto No. 33 among the top 200 metropolitan areas in the nation. That's not Top 10,

The top performing metros have cohesive strategies that allow them to leverage their assets more effectively.

but it's not Bottom 10 – which is where our city often (unfairly) lands in more arbitrary reckonings.

"That's amazing," said Opportunity Stanislaus CEO David White. "We're ahead of Phoenix. We're ahead of Boulder, Colo. That's amazing."

"Modesto" includes surrounding communities, from Turlock to Oakdale to Patterson. We're happy to be moving forward together. On the 2016 list, Modesto was No. 73 – so we moved up 40 places, putting us among the top 15 most improved cities in the nation.

Part of the reason, say the folks at Opportunity Stanislaus, is the county added nearly 18,000 jobs from 2012 to 2016. White hasn't crunched all the numbers from 2017, but through last August, we added 5,700 jobs in a single year. Wages are rising, too. From 2015 to 2016, total pay rose more than \$500 million countywide – the seventh best increase in the nation. That number especially impressed the Milken analysts.



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THE BEST PLACES TO LIVE ON THE WEST COAST IN 2019

David Scheuber, (*U.S.News*)

Modesto, California, attracts those looking for the balance created by a culturally rich city center that's surrounded by quiet residential neighborhoods. Downtown offers lots of entertainment, from concerts to comedy showcases, in both large and intimate venues. Meanwhile, the peaceful residential areas were the childhood homes of several big-name entertainers like filmmaker George Lucas and actors Jeremy Renner and Timothy Olyphant.

Neighborhoods are lined with towering old trees and numerous parks provide

The region's thriving agriculture industry and pleasant weather have influenced the landscaping everywhere.

peaceful settings for walks and jogs. Modesto is also encircled by farmland that's focused on feeding the nation and the world with lettuce, grapes, almonds and dairy products.

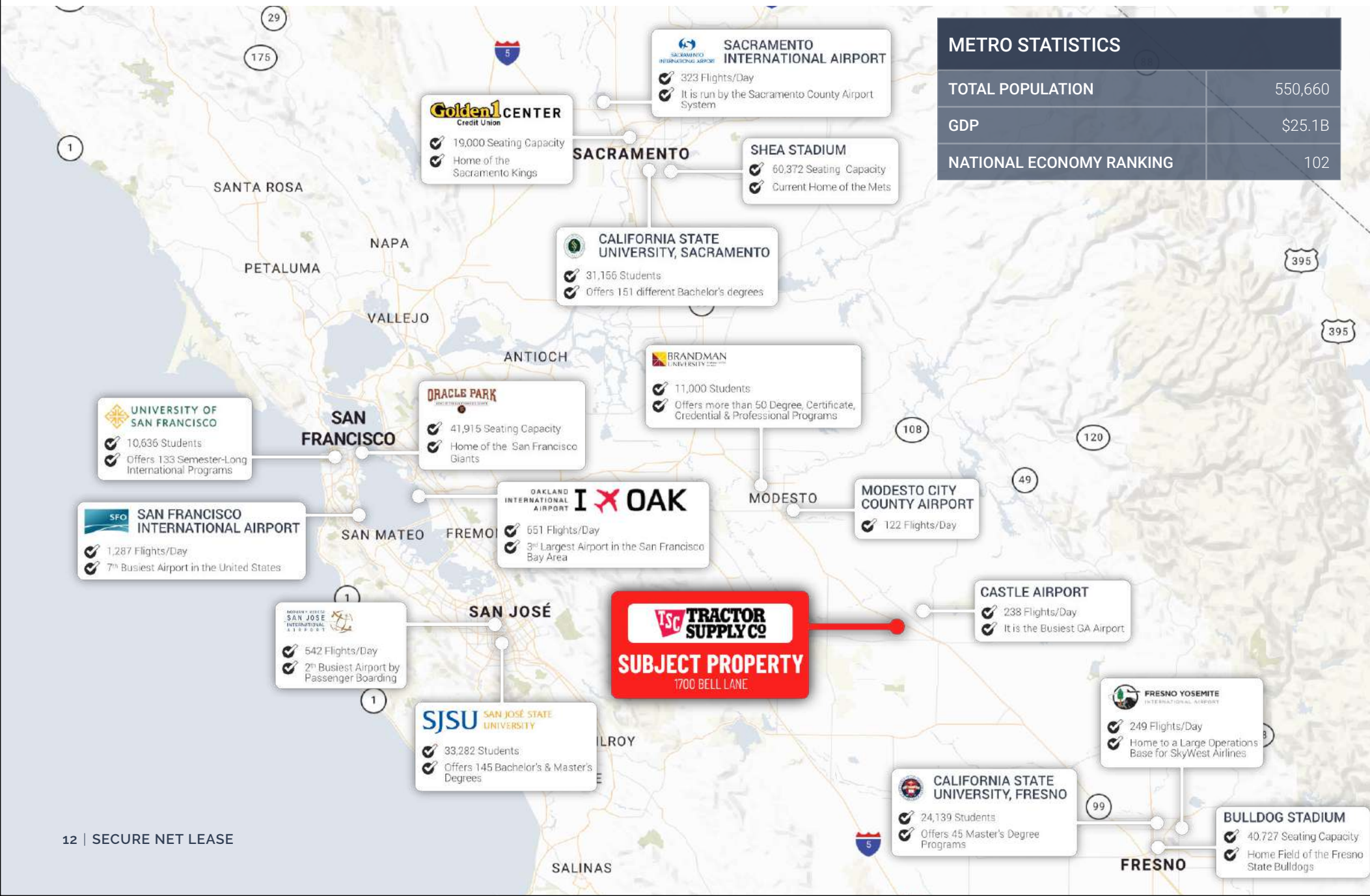
What's more, Modesto's central valley location puts residents in close proximity to the grandeur of Yosemite National Park, the snow sports of Lake Tahoe and the cultural attractions of San Francisco.



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MODESTO MSA

TRACTOR SUPPLY CO | ATWATER, CALIFORNIA



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