



TRACTOR SUPPLY & ALDI ANCHORED CENTER

4173 - 4179 PLANK ROAD, FREDERICKSBURG, VA 22407

Offering Memorandum

Marcus & Millichap

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TRACTOR SUPPLY & ALDI ANCHORED CENTER

4173-4179 PLANK ROAD, FREDERICKSBURG, VA 22407

BROKER OF RECORD

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The background of the slide is a dark blue-tinted photograph of a commercial building. A large sign for 'ALDI' is visible on the upper part of the building's facade. The building appears to be a multi-story structure with large windows and a flat roof. The overall scene is dimly lit, suggesting an evening or dusk setting.

EXECUTIVE SUMMARY

TRACTOR SUPPLY & ALDI ANCHORED CENTER

OFFERING HIGHLIGHTS

OFFERING PRICE	CAP RATE	PRICE/SF
\$12,075,000	7.00%	\$117.98

VITAL DATA

Price	\$12,075,000
Cap Rate	7.00%
Price/SF	\$117.98
Net Operating Income	\$845,206
Gross Leasable Area	102,348 SF
Year Built	2006
Lot Size	10 Acres

LOCATION HIGHLIGHTS



4173 - 4179 Plank Road,
Fredericksburg, VA 22407



115,097
5-Mile Population



\$103,237
Average Household
Income



59,000
Vehicles Per Day



INVESTMENT HIGHLIGHTS

TRACTOR SUPPLY & ALDI ANCHORED CENTER

INVESTMENT HIGHLIGHTS

CAP RATE	OFFERING PRICE	NOI
7.00%	\$12,075,000	\$845,206

ABOUT THE INVESTMENT

- 102,000 SF Shopping Center
- NNN Leases – 5+ Years Remaining
- 100% Occupied
- Tractor Supply: Investment Grade Credit (S&P Rating: BBB)
- Aldi: Recent 5-Year Extension
- Part of Chancellor Shopping Center (260,000 SF) including CVS, AutoZone, Food Lion, HobbyTown USA, and others
- Minimal Landlord Responsibilities (Roof & Structure, Parking Lot Replacement)

ABOUT THE LOCATION

- Central Location on Plank Road (Route 3) – ADT: 59,000
- 2 Miles from I-95 - ADT: 117,000
- Less than 55 Miles from Washington DC
- Less than 60 Miles from Richmond, VA
- Over 115,000 People in 5 Mile Radius
- AHHI: \$103,000+
- Nearby Retailers include Anytime Fitness, BJ's Wholesale, Bed Bath & Beyond, Home Goods, Michael's, Lowe's, PetSmart, Target, and others



The background of the slide is a dark blue-tinted photograph of a commercial building. On the left side of the building, a sign for 'FARM MARKET' is visible. On the right side, a sign for 'ALDI' is visible. The building has a modern, industrial look with large windows and a flat roof. The overall scene is dimly lit, suggesting an evening or dusk setting.

PROPERTY DESCRIPTION

TRACTOR SUPPLY & ALDI ANCHORED CENTER

PROPERTY DETAILS

The subject property is a 102,000 square foot retail center anchored by Tractor Supply Company and an Aldi grocery store. The property has two points of ingress/egress along Plank Road, both of which are signalized intersections. The center provides two very strong anchor tenants. Tractor Supply Company operates over 1,900 locations nationwide and has nine years remaining on their lease with one five-year option remaining. Tractor Supply reported a 31% increase in year-over-year sales for Q3 2020 and was just upgraded to investment grade credit. Aldi operates over 1,400 locations and recently executed an option extending their lease five years with three five-year options remaining. The third tenant, Paragon Gymnastics, has seven years remaining on their lease with two five-year options remaining. All leases are NNN with minimal landlord responsibilities.

The property benefits from a very strong retail corridor along Plank Road, which provides exposure to over 59,000 vehicles daily. The property is part of the Chancellor Shopping Center, which also houses CVS, AutoZone, Food Lion, PNC Bank, HobbyTown USA, and a variety of smaller tenants. Other Immediate retailers include Anytime Fitness, 7-Eleven, Wells Fargo, Advance Auto Parts, Rite Aid, BJ's Wholesale, Bed Bath & Beyond, Kmart, Taco Bell, Dunkin Donuts, Starbucks, Red Lobster, Michaels, Home Goods, Lowe's, Pet Smart, Best Buy, Office Depot, Target, and many others. The surrounding area shows strong demographics with a population over 115,000 and an average household income of over \$103,000 in a five mile radius.

TRACTOR SUPPLY & ALDI ANCHORED CENTER

Property Address	4173 - 4179 Plank Road, Fredericksburg, VA
Number of Units	3
Number of Buildings	1
Number of Stories	1
Year Built	2006
Lot Size	10 Acres
Type of Ownership	Fee Simple



LEASE ABSTRACTS

TRACTOR SUPPLY

Year Built	2006
Acres	10.00 Acres
Type of Ownership	Fee Simple
Guarantor	Tractor Supply Co.
Gross Leasable Area	47,548 SF
NOI	\$436,996
Lease Type	NNN
Expiration Date	3/31/2029
Term Remaining	9 Years
Options	1 (5-Year)
Rent Increases	Every 5 Years

OPERATING EXPENSES

Taxes	Tenant Reimburses Pro Rata Share
Insurance	Tenant Reimburses Pro Rata Share
Utilities	Tenant Reimburses Pro Rata Share
CAM	Tenant Reimburses Pro Rata Share
Roof & Structure	Landlord
Parking Lot	Tenant Reimburses Pro Rata Share for Repairs; Landlord Responsible for Replacement

ALDI

Year Built	2006
Acres	10.00 Acres
Type of Ownership	Fee Simple
Guarantor	Aldi, Inc.
Gross Leasable Area	24,000 SF
NOI	\$146,410
Lease Type	NNN
Expiration Date	11/30/2025
Term Remaining	5 Years
Options	3 5-Year Options
Rent Increases	10% Every 5 Years

OPERATING EXPENSES

Taxes	Tenant Reimburses Pro Rata Share
Insurance	Tenant Reimburses Pro Rata Share
Utilities	Tenant Reimburses Pro Rata Share
CAM	Tenant Reimburses Pro Rata Share
Roof & Structure	Landlord
Parking Lot	Tenant Reimburses Pro Rata Share for Repairs; Landlord Responsible for Replacement

LEASE ABSTRACTS

PARAGON GYMNASTICS, INC.

Year Built	2006
Acres	1.87 Acres
Type of Ownership	Fee Simple
Guarantor	Paragon Gymnastics, Inc.
Gross Leasable Area	30,800 SF
NOI	\$261,800
Lease Type	NNN
Expiration Date	6/30/2027
Term Remaining	7 Years
Options	2 (5-Year)
Rent Increases	3% Every Year

OPERATING EXPENSES

Taxes	Tenant Reimburses Pro Rata Share
Insurance	Tenant Reimburses Pro Rata Share
Utilities	Tenant Reimburses Pro Rata Share
CAM	Tenant Reimburses Pro Rata Share
Roof & Structure	Landlord
Parking Lot	Tenant Reimburses Pro Rata Share for Repairs; Landlord Responsible for Replacement

TENANT SUMMARIES



Tractor Supply Company (TSC) does a whole lot more than its name might suggest. Besides providing agricultural and machine parts, TSC offers animal feed, fencing, power tools, riding mowers, work clothing, and pet supplies, as well as tools for gardening, irrigation, and towing. Stores are concentrated in rural areas near large cities to cater to full and part-time farmers, ranchers, and contractors. The company has continued to have success during COVID-19 and reported a 31% growth in sales at the end of Q3.

OWNERSHIP	HEADQUARTERS
PUBLIC	200 Powell Place, Brentwood, TN
STOCK	LOCATIONS
TSCO	1,929
S&P RATING	ANNUAL SALES
BBB	\$7.73B



For over 40 years, ALDI has stuck to the same guiding principle: Great quality shouldn't come at a high price; rather, great quality should come with everyday low prices. The no-frills grocery shopping experience focuses on customers first – delivering high quality food they're proud to serve their family, responsive customer service, everyday low prices and a quick-and-easy shopping experience with one four to five aisles and all the essentials.

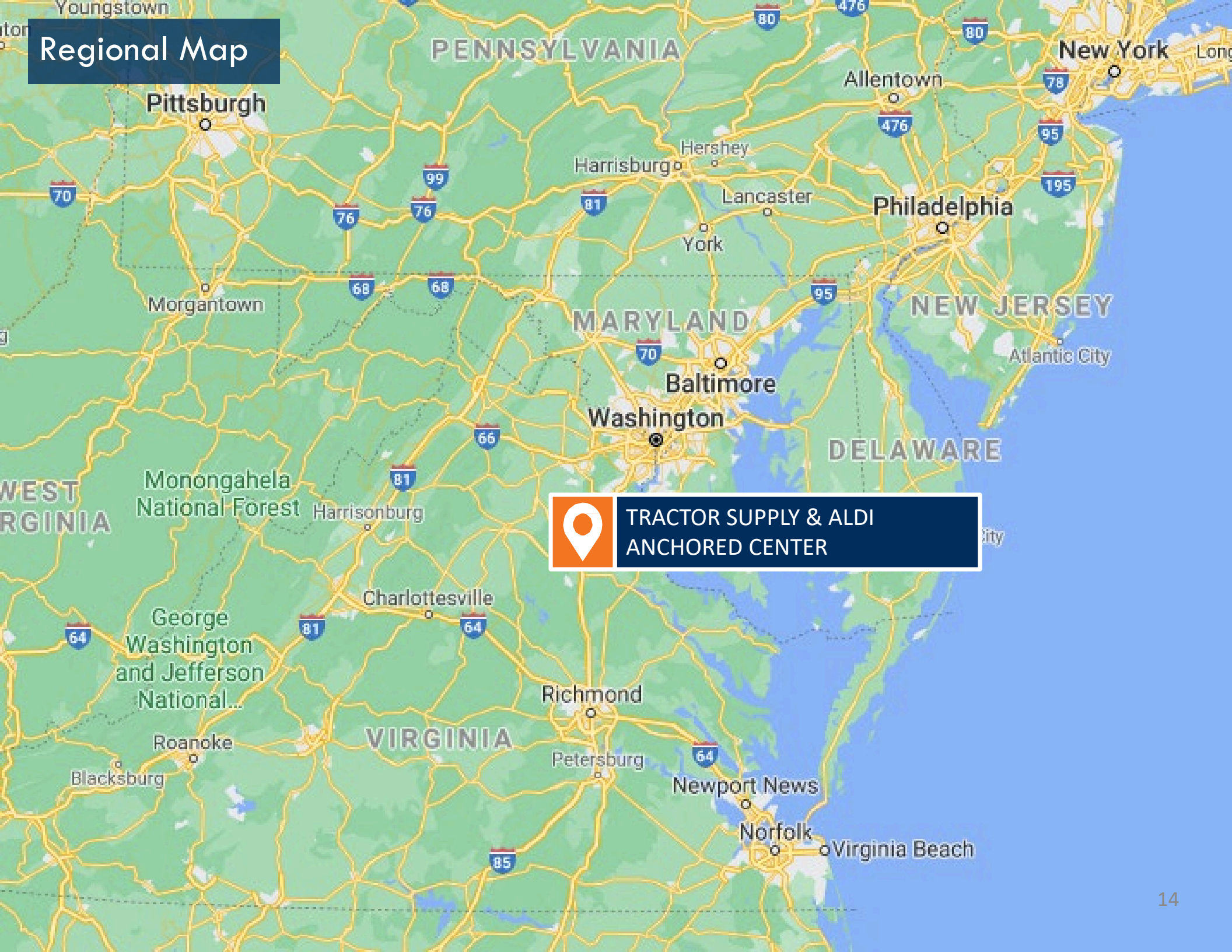
OWNERSHIP	HEADQUARTERS
PRIVATE	1200 N Kirk Road, Batavia, IL
STOCK	LOCATIONS
N/A	1,752
S&P RATING	ANNUAL SALES
N/A	\$13.6B



At Paragon, we strive to create a place where physical and mental fitness is job one, where building self-confidence and self-esteem happens naturally, and where children can develop an active lifestyle to accomplish these goals. Paragon Gym for Kids offers gymnastics classes to children of all ages along with special events like birthday parties and field trips.

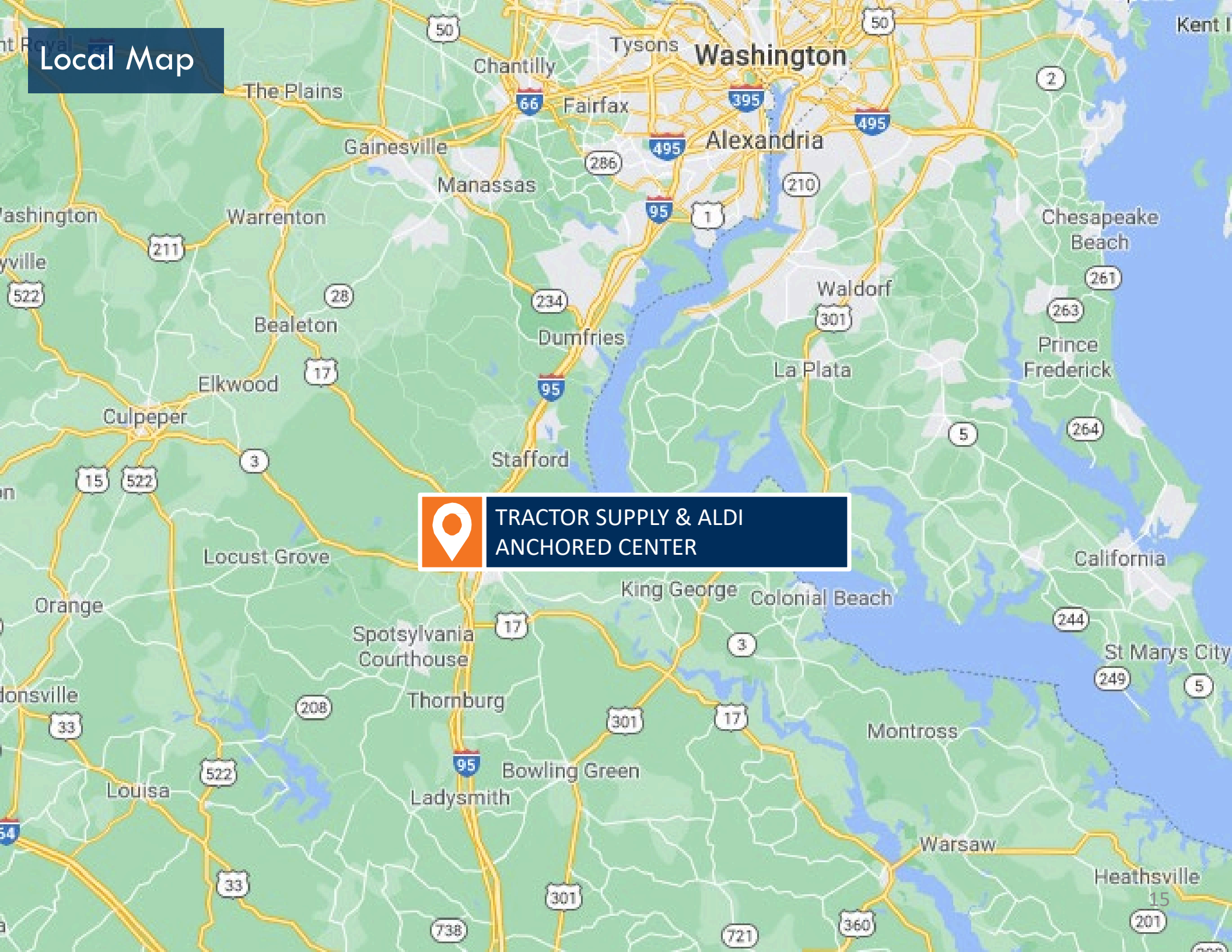
OWNERSHIP	HEADQUARTERS
PRIVATE	4175 Plank Road, Fredericksburg, VA
STOCK	LOCATIONS
N/A	1
S&P RATING	ANNUAL SALES
N/A	\$1.7M

Regional Map



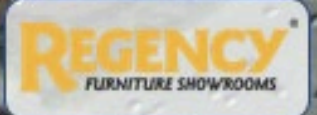
TRACTOR SUPPLY & ALDI
ANCHORED CENTER

Local Map



TRACTOR SUPPLY & ALDI
ANCHORED CENTER





Plank Road (78,000 Vehicles)



FINANCIAL ANALYSIS

TRACTOR SUPPLY & ALDI ANCHORED CENTER

PRICING SUMMARY

SUMMARY	CURRENT
PRICE	\$12,075,000
Number of Suites	3
Price Per SF	\$117.98
NOI	\$845,206
Gross Leasable Area	102,348 SF
Ownership Type	Fee Simple
Lease Type	NNN
Lot Size	10 Acres
Year Built	2006
Occupancy	100%
RETURNS	
CAP RATE	7.00%
Cash-on-Cash	7.00%



TENANT RENT ROLL

Tenant Name	Square Feet	Lease Start	Lease End	Increase	Rent/SF	Annual Rent	Lease Type	Options
Tractor Supply	47,548	3/28/2007	3/31/2029		\$9.19	\$436,996	NNN	1 (5-Year)
	Inc.	4/1/2022	3/31/2029	5%	\$9.67	\$459,996		
Aldi	24,000	11/4/2010	11/30/2025		\$6.10	\$146,410	NNN	3 (5-Year)
Paragon Gymnastics, Inc.	30,800	7/1/2017	6/30/2027		\$8.50	\$261,800	NNN	2 (5-Year)
	Inc.	7/1/2022	6/30/2023	3%	\$8.76	\$269,654		
	Inc.	7/1/2023	6/30/2024	3%	\$9.02	\$277,744		
	Inc.	7/1/2024	6/30/2025	3%	\$9.29	\$286,076		
	Inc.	7/1/2025	6/30/2026	3%	\$9.57	\$294,658		
	Inc.	7/1/2026	6/30/2027	3%	\$9.85	\$303,498		

The background of the slide is a dark blue-tinted photograph of a commercial building. On the left side of the building, a large sign for 'TRACTOR SUPPLY' is visible. To the right of that, a sign for 'ALDI' is mounted on the building's facade. The building has a modern, industrial look with large windows and a flat roof. The overall scene is dimly lit, suggesting an evening or dusk setting.

MARKET OVERVIEW

TRACTOR SUPPLY & ALDI ANCHORED CENTER

SUBURBAN VIRGINIA OVERVIEW

The Suburban Virginia region surrounds the western and southern portions of Washington, D.C. The region extends from the southeastern boundary of the District west to Clarke County and south to Spotsylvania. Northern Virginia has a significantly larger job base than either Washington or the Maryland portion of its suburbs, and it is the highest-income region of Virginia, having five of the 20 highest-income counties in the nation. Amazon's planned HQ2 in Arlington will bring more than 25,000 jobs to the region.

METRO HIGHLIGHTS



FEDERAL GOVERNMENT PRESENCE

Many major U.S. government offices, scientific research and learning facilities, and business campuses are based locally.



HOMEOWNERSHIP

Higher-income households compared with the U.S. allow more people to own a house, resulting in a 65% rate of ownership.



EDUCATIONAL ATTAINMENT

Approximately 53% of residents age 25 and older hold a bachelor's degree, while 25% also have a graduate or professional degree.



MAJOR EMPLOYERS

EMPLOYER	EST. # OF EMPLOYEES
Hilton Global Holdings LLC	7,489
Guidehouse LLP	7,000
Bae Systems	6,500
Sra Companies Inc	5,600
Booz Allen Hamilton Holding Corp	5,171
DOD Patient Safety Program	5,012
Bechtel National Inc	4,569
Boeing Company	4,518

-
- This map illustrates the Washington, D.C. Metropolitan Area, highlighting the Potomac River and the surrounding counties in Maryland (MD) and Virginia (VA). The river flows from the north (top) towards the south (bottom right), separating the two states. To the north of the river, in Maryland, are counties such as Frederick, Montgomery, and Prince George's. To the south, in Virginia, are counties including Loudoun, Fauquier, Stafford, and Spotsylvania. The map also shows major cities like Washington, D.C., Arlington, Alexandria, and Fairfax. The Potomac River is depicted in blue, with its course clearly marked as it winds through the landscape. The surrounding land areas are colored in shades of green and yellow, representing different land uses or topography. The map is bounded by a black line, and the states of Maryland and Virginia are labeled with their respective abbreviations (MD and VA) in large, bold letters.

SHARE OF 2020 TOTAL EMPLOYMENT

Sector	Share of 2020 Total Employment
EDUCATION & HEALTH SERVICES	11%
PROFESSIONAL & BUSINESS SERVICES	28%
TRADE, TRANSPORTATION & UTILITIES	14%
GOVERNMENT	16%
LEISURE & HOSPITALITY	10%

EDUCATION & HEALTH SERVICES

PROFESSIONAL & BUSINESS SERVICES

TRADE,
TRANSPORTATION &
UTILITIES

GOVERNMENT

LEISURE & HOSPITALITY

DEMOGRAPHICS HIGHLIGHTS



115,097

POPULATION STATISTIC



42,517

HOUSEHOLDS WITHIN 5-MILE RADIUS



\$103,237

AVERAGE HOUSEHOLD INCOME



DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
2019 Estimated Population	9,024	50,238	115,097
2024 Projected Population	9,325	53,463	123,138
Population Growth 2019 - 2024	3.34%	6.42%	6.99%
Average Age	41	35	35
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2019 Estimated Households	3,266	18,734	42,517
Projected Household Growth 2019 - 2024	5.08%	7.04%	7.79%
Average Household Income	\$101,054	\$95,701	\$103,237
Average Household Size	2.6	2.7	2.7
2019 Average Vehicles Per Household	2	2	2
HOUSING	1 MILE	3 MILE	5 MILE
Median Home Value	\$249,807	\$267,392	\$294,146
Median Year Built	1991	1992	1992