



Subject Property

CONFIDENTIAL OFFERING MEMORANDUM
TRACTOR SUPPLY CO.

PHOENIX MSA
17130 East Shea Boulevard | Fountain Hills, AZ 85268



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Confidentiality & Disclaimer

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Fountain Hills
Scottsdale
Phoenix

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Offering Overview

THE OFFERING

- A 21,702± square foot single story retail building located in Fountain Hills, Arizona leased to **TRACTOR SUPPLY COMPANY** until and through May 2030
- **Price: \$7,179,000 – 4.75% Cap Rate**

LEASE / TENANT

- 15-year lease (8 years remaining) with 10% rental increase in June 2025
- Four (4) 5-year options to extend. Each extension provides a 10% base rent increase.
- Publicly traded company (NASDAQ: TSCO) with a net worth of over \$2 billion
- S&P rated BBB with a “stable” outlook
- Limited landlord responsibilities

REAL ESTATE / AREA STRENGTHS

- Large 4.2± -acre flat lot
- Concrete block with architectural metal highlights built to Tractor Supply’s specs
- Large secured fenced outdoor sales area
- Desirable retail location on busy Shea Blvd. and Hwy. 87
- Average household income of \$123,592 within 3 miles
- Only Tractor Supply store within 27-mile radius
- Tenants in the area include: Target, Bealls, Petco, Dollar Tree, Denny’s, Circle K, Comfort Inn, Bank of America, Verizon, McDonald’s, O’Reilly’s
- 18 miles east of Shea Blvd./101 Freeway and 24 miles northeast of Phoenix Sky Harbor International Airport



Subject Property

Investment Offering

LOCATION

17130 East Shea Boulevard, Fountain Hills, AZ 85268

LOT SIZE

Approximately 4.2 acres – 182,950 square feet

IMPROVEMENTS

Opened in May 2015, a 21,702± square foot single story retail building constructed for **TRACTOR SUPPLY COMPANY** with a 15,000± square foot fenced outdoor display area and ample on-site parking. The construction is pre-engineered architectural designed concrete block.

LEASE

Leased to **TRACTOR SUPPLY COMPANY** for 15 years (8 years remaining) from May 2015. The annual rent of \$341,000 increases by 10% in June 2025 and every five years thereafter including the options. The Lease is net with the Tenant responsible for taxes, insurance and maintenance. The Landlord is responsible for the roof (15-year initial warranty), foundation and structure and parking lot surface. Landlord must carry commercial general liability insurance. There are four 5-year options to renew with 10% rental increases each option. Tractor Supply has the right of first refusal (See “Right of First Refusal”).

RIGHT OF FIRST REFUSAL

All offers are subject to a right of first refusal that Tractor Supply must exercise within 30 days of receipt.

ANNUAL RENT

Lease Years	Annual Rent	Return
Current-10	\$341,000	4.75%
11-15	\$375,100	5.23%
16-20 (Option 1)	\$412,610	5.75%
21-25 (Option 2)	\$453,871	6.32%
26-30 (Option 3)	\$499,258	6.96%
31-35 (Option 4)	\$549,184	7.65%

PRICE: \$7,179,000 – 4.75% CAP RATE

RENT PER SQUARE FOOT

\$15.71 net per year – \$1.31 net per month

FINANCING

The property will be delivered free and clear of debt.

Site Demographics



POPULATION

	1 MILE	3 MILES	5 MILES
Area Total	6,463	24,605	31,347
Median Age	62.6	58.8	57.8



HOUSEHOLD INCOME

	1 MILE	3 MILES	5 MILES
Average	\$96,536	\$123,592	\$140,443



DAYTIME WORKFORCE

	1 MILE	3 MILES	5 MILES
Employees	3,700	7,255	9,647



EDUCATION

	1 MILE	3 MILES	5 MILES
Percentage with Degrees	57.0%	58.0%	61.0%



EMPLOYMENT

	1 MILE	3 MILES	5 MILES
Area Total	2,842	11,613	14,899



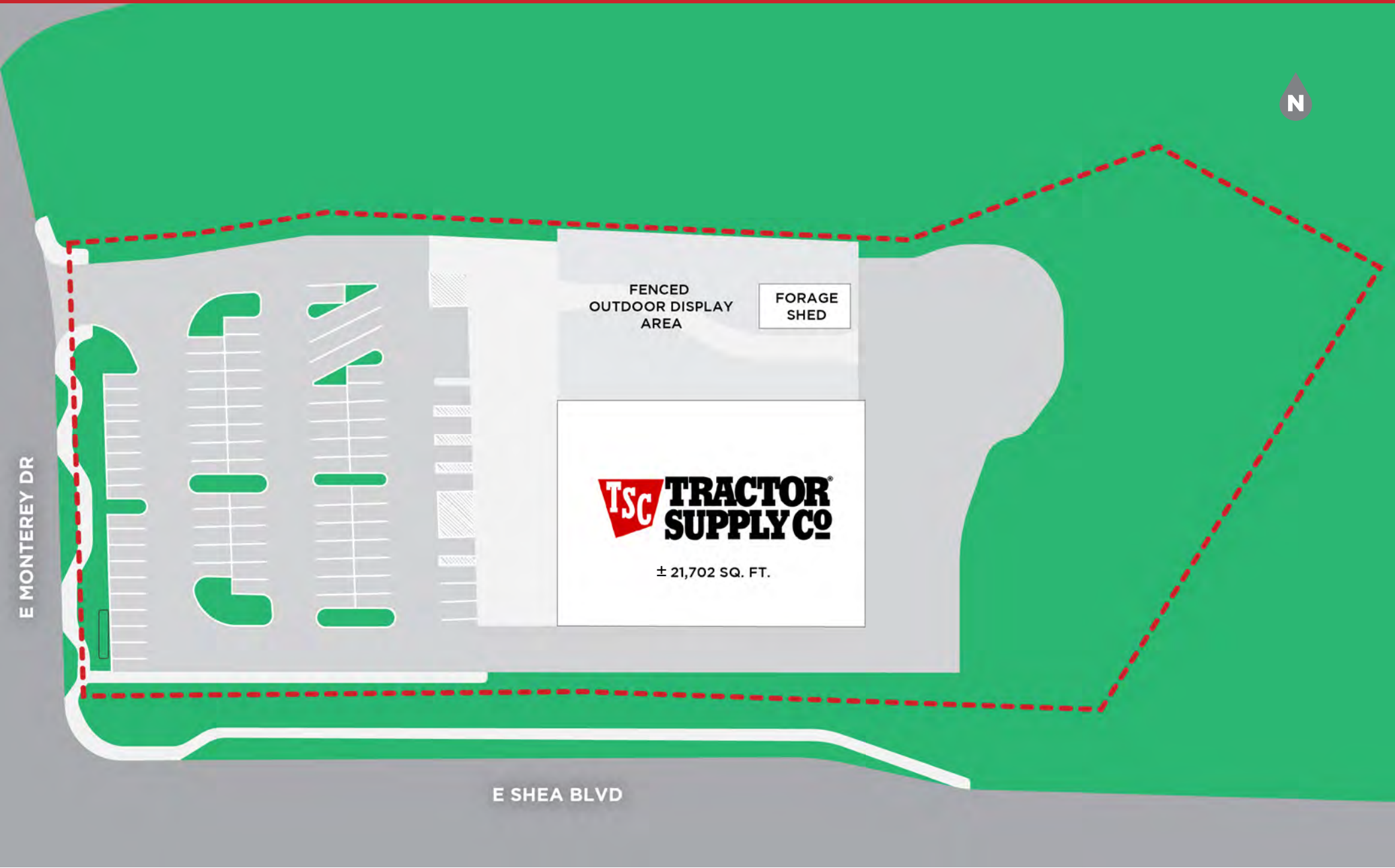
HOUSEHOLD STATISTICS

	1 MILE	3 MILES	5 MILES
Households	3,335	11,305	14,087
Median Home Value	\$417,485	\$453,652	\$487,756

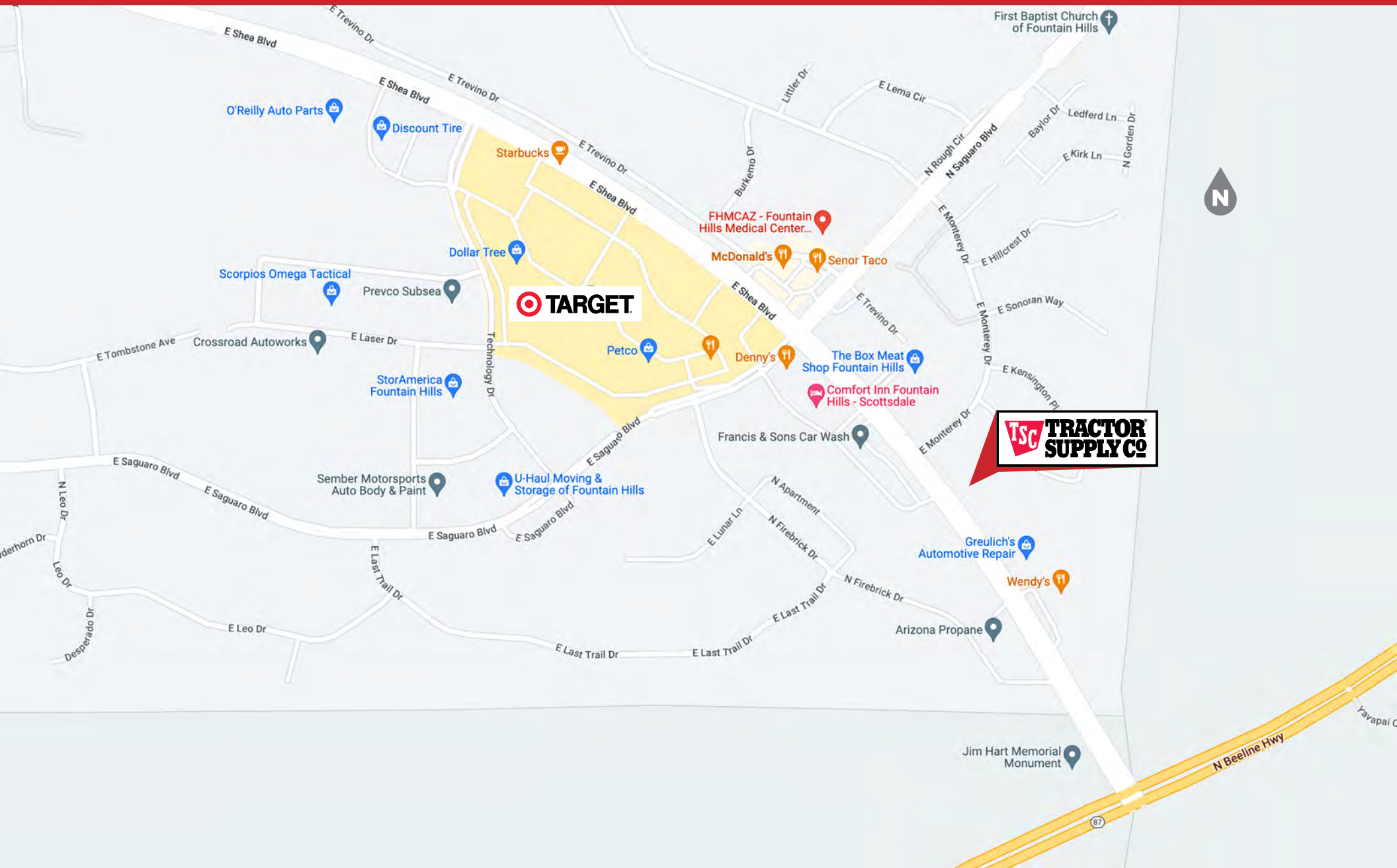
2021 Demographics data derived from ESRI



SITE PLAN



LOCAL AREA MAP



TENANT



Tenant Overview



Based in Nashville, Tennessee, TRACTOR SUPPLY COMPANY (NASDAQ: TSCO) is the largest retail farm and ranch store chains in the U.S. Tractor Supply Company operates over 2,000 stores in 49 states, focused on supplying the lifestyle needs of recreational farmers and ranchers. It also serves the maintenance needs of those who enjoy the rural lifestyle as well as tradesmen and small businesses. Located in towns outlying major metropolitan markets and rural communities, Tractor Supply stores offer a comprehensive selection of merchandise:

- Equine, pet and small animal products including everything necessary for their health, care, growth, and containment
- Maintenance products for agricultural and rural use
- Hardware and seasonal products including lawn and garden power equipment
- Truck, towing and tool products
- Work/recreational clothing and footwear for the entire family
- Maintenance products for agricultural and rural use
- Home décor, candy, snack food and toys



Over the past ten years Tractor Supply has experienced considerable growth in stores, growing from 930 stores at the end of 2009 to 2,000 stores at the end of 2021.

For the fiscal year ended on December 31, 2021, reported sales were \$12.73 billion with a net income of \$997 million a net worth of \$2 billion.

For additional information, visit tractorsupply.com

PROPERTY



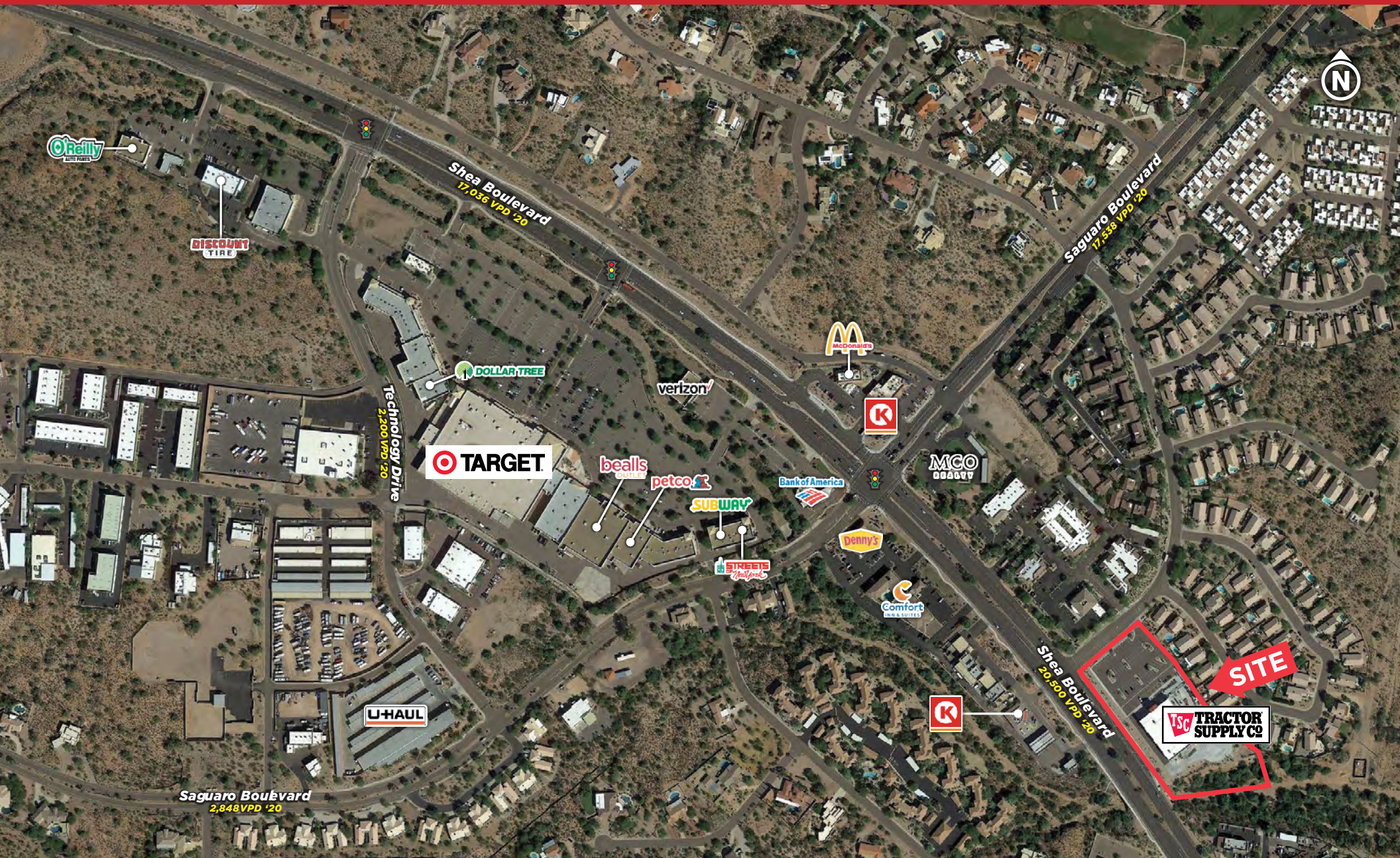
VIEW FROM EAST TO WEST



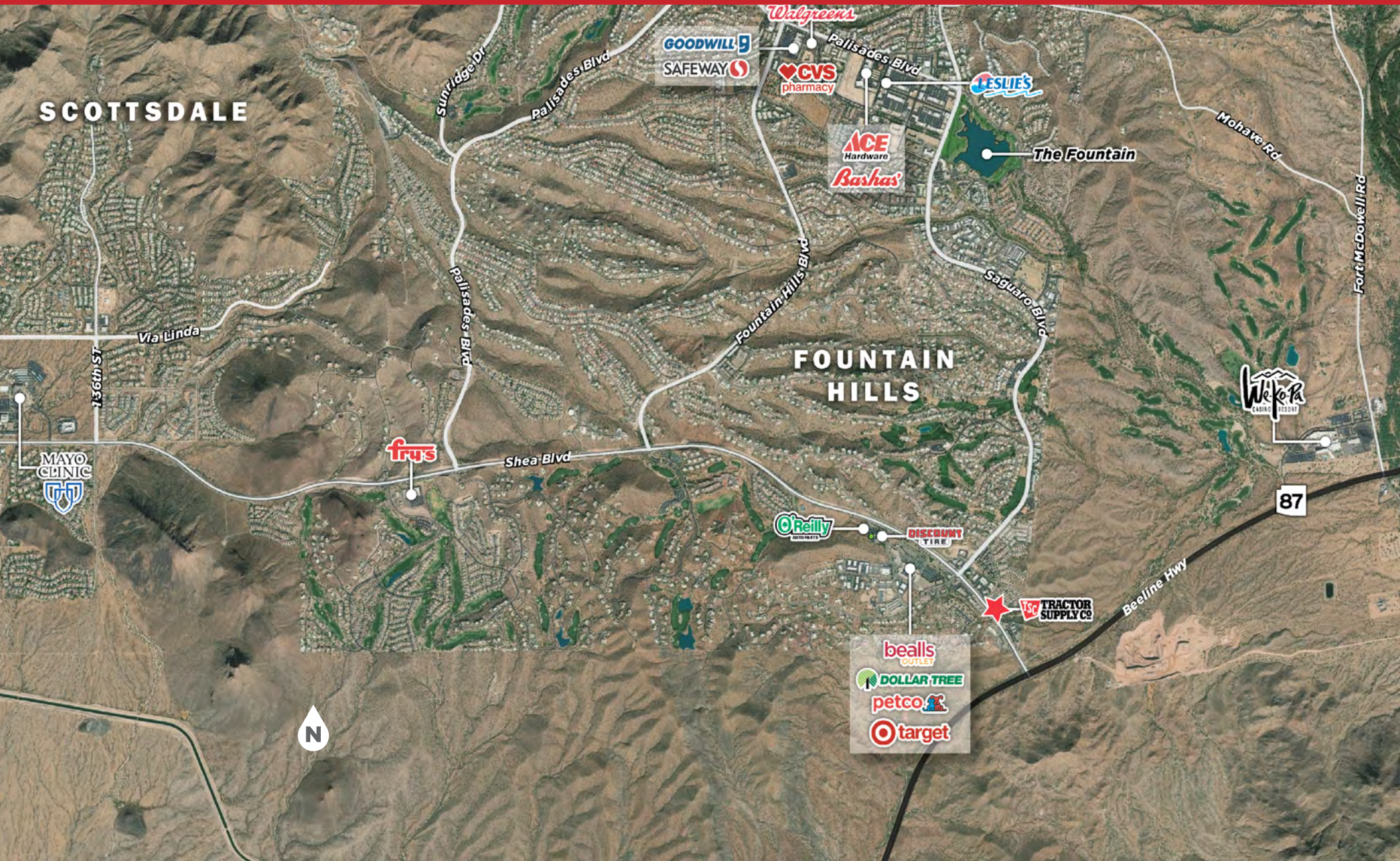
VIEW FROM WEST TO EAST



LOCAL AERIAL VIEW



REGIONAL AERIAL VIEW





Subject Property



Subject Property - Rear View

A detailed regional map of the Phoenix, Arizona area. The map shows major highways (Interstates 10, 17, 19, 202, 60, 51, 303, 74, 87, 88, 89, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876,

AREA

Fountain Hills, Arizona

Scottsdale, Arizona

Phoenix, Arizona



Location Summary

FOUNTAIN HILLS, ARIZONA

Nestled within the beautiful McDowell Mountains in Greater Phoenix's East Valley, Fountain Hills consists of nearly 20 square miles of panoramic vistas and lush desert landscapes. Only 30 minutes from Phoenix Sky Harbor International Airport, 40 minutes from Phoenix Mesa Gateway Airport, and near major highways, including Loop 101, Loop 202, and State Highway 87, Fountain Hills is easily accessible from Phoenix, Scottsdale, Tempe, Mesa, Chandler, and Gilbert. The town offers a rich blend of residential options as well as cultural and recreational activities that provide plenty of entertainment for the community's more than 25,000 residents. Home to outstanding golf courses, more than 50 miles of trails, top-ranked schools, serene residential neighborhoods, and a critically acclaimed community theater— not to mention the world-famous fountain, Fountain Hills has activities for everyone.



Fountain Hills By the Numbers



25,200

Total Population



1.3%

Annual Average
Population Growth Rate
(Since 2010)



11,579

Households

7,655

Families



\$125,438

Average Household Income
(3-Mile Radius)



\$461,407

Median Home Value

SCOTTSDALE, ARIZONA

The City of Scottsdale is one of Arizona's 10 largest cities with a population of more than 240,000. Scottsdale continues to be recognized nationwide as one of the top markets for business performance, job growth, livability and friendly culture. Scottsdale is dedicated to the success of its residents and business community. The city's progressive leadership has kept taxes low for both families and corporations.

With a rich history in tourism, Scottsdale is visited by more than 11 million people annually, generating an economic impact of \$3.3 billion. Home to Arizona's finest shopping and dining, Scottsdale offers ranches, hiking trails, award-winning resorts and acclaimed art galleries. While millions of visitors come to experience the best in art, sports, special events and the natural beauty of the Sonoran Desert, residents stay for so much more. Before becoming a global destination for business, Scottsdale was—and remains—renowned for its exceptional recreational amenities.

Professionals from all walks of life have made Scottsdale their home because of the city's commitment to long-range planning and providing a higher quality of life for its citizens. The city offers a mix of lifestyle options for all income levels and living preferences, such as modern urban living, high-end estates and family neighborhoods.



Both large and small businesses enjoy support through networking opportunities, talent attraction initiatives and numerous other programs. Scottsdale is home to more than 15,000 businesses with nearly 25% percent of Arizona corporate headquarters calling the city home.



NEARLY 1/2 OPEN DESERT

43% of Scottsdale's land area is dedicated as Open Spaces. The McDowell Sonoran Preserve comprises roughly 1/3, encompassing 35,500 acres of untamed desert.



ART & DESIGN MECCA

Find 100+ art galleries, nearly 100 public artworks and two art museums in Scottsdale, plus Taliesin West, a UNESCO World Heritage Site.



70+ HOTELS & 50+ SPAS

Scottsdale is home to more than 70 hotels and resorts, and more than 50 resort and day spas. From budget-friendly to ultra-luxe, "R&R" abounds.



ENDLESS FOOD & WINE

Scottsdale loves to wine and dine visitors, with over 800 restaurants and seven wine tasting rooms serving Arizona wine, all packed into 185 square miles.

PHOENIX, ARIZONA

Known as “The Valley of the Sun,” Greater Phoenix sees more sunshine than any other metro area in the country. Phoenix is the sixth largest city in the United States and consistently outpaces the U.S. population growth rate. Phoenix is well known for its warm climate, beautiful setting, great cultural and recreational amenities and low cost of living.

Phoenix is the best place to get a sampling of all the state has to offer. Its downtown area may be characterized by sleek, ultramodern office buildings, but the city center is not all about work. Phoenix also contains ample opportunities to play. Recently built sports stadiums, along with updated arts and shopping districts fringe downtown, as do some of the area’s finest eateries.

Over the last 35 years, the population of Metro Phoenix has nearly tripled, growing from 1.6 million people in 1980, to approximately 4.7 million residents today. The population is projected to grow more than 42% over the next 13 years, surpassing 6.5 million residents by 2030.



Phoenix Population Growth:

Phoenix is projected to grow more than 42% over the next 15 years.

Job Growth:

#2 State with the fastest job growth
—Kiplinger

Top 10 Busiest Airport:

43 million+ Passengers passed through Phoenix Sky Harbor International Airport in 2019

Economy:

- 4.9% corporate income tax rate
- 2.2% projected job growth in 2020 (compared to U.S. annual project growth of 0.8%) – Moody’s

Center for Higher Education:

- +30% of population holds a bachelor degree or higher
- 300K+ students in Metro Phoenix, led by Arizona State University



4.7 MILLION

Residents

call metro Phoenix home. Population has tripled in size over the last 35 years.



300+

Days of Sunshine

Phoenix enjoys more than 300 per year.



5 TEAMS

Five Professional Sports Teams

Cardinals (NFL), Diamondbacks (MLB), Suns (NBA), Coyotes (NHL) Mercury (WNBA)



75°

Average

year-round temperature in Phoenix



#1

ASU

Arizona State University-Tempe is ranked the “Most Innovative School in America” –US News



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