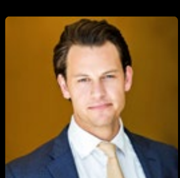
948 South State Street | Yadkinville, NC 27055

Retail
Investment Opportunity

Offering Memorandum

13.25 Yrs Remaining on Base Term | Direct Corporate Lease | Built-In Rent Growth | Winston-Salem MSA | Second Gen, Larger Format Store

Exclusively Listed By



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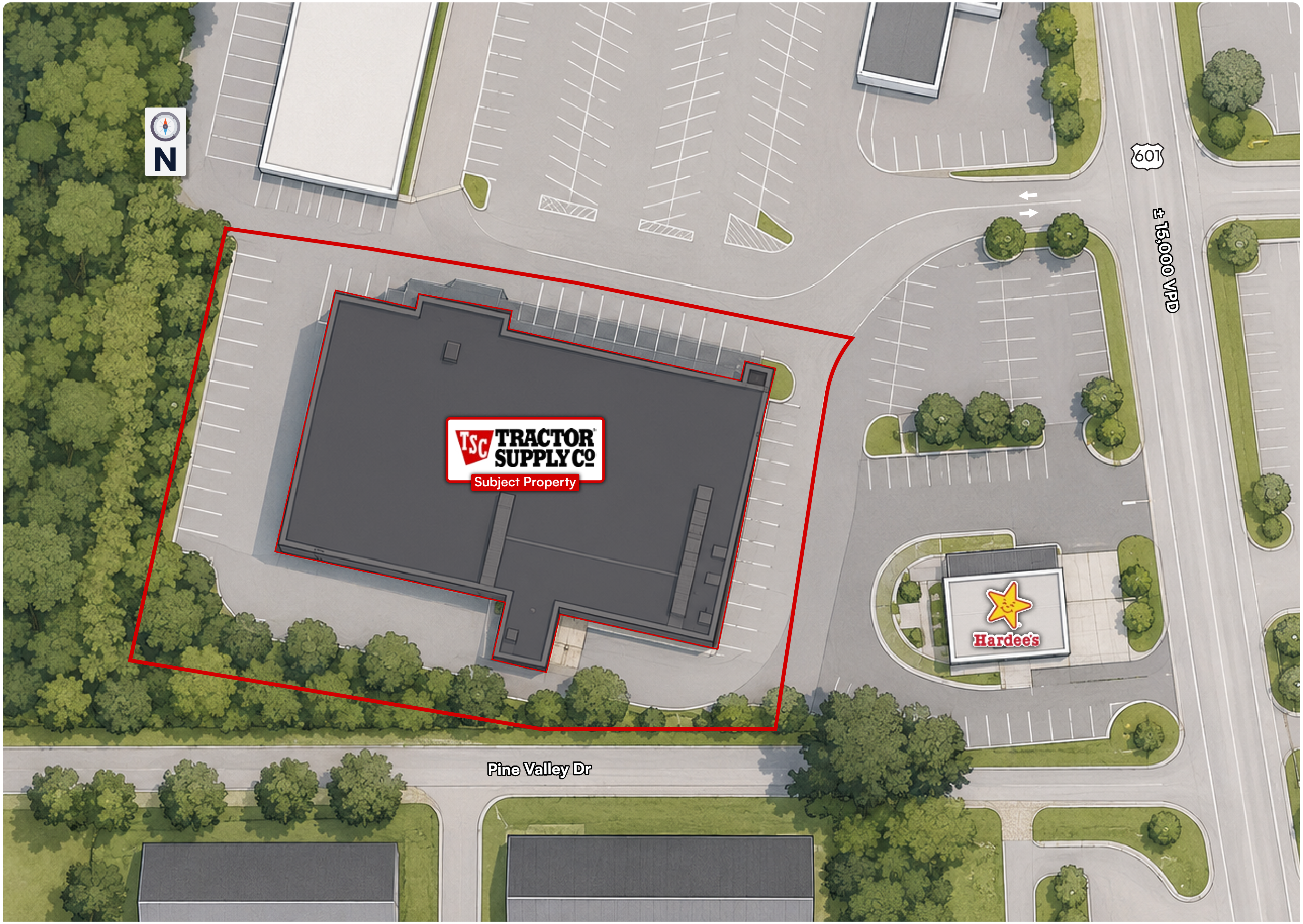
Property Overview

$4,697,398 List Price	**NN** Lease Type	**±13.25 Years** Term Remaining

±39,821 Total GLA (SF)	**±4.50** Lot Size (AC)	**5% Every 5 Years** Rental Increases

Located Within Dense Retail Corridor



Investment Highlights

America's Largest Rural Lifestyle Retailer

- Tractor Supply Company operates 2,602 stores nationwide (2,395 Tractor Supply and 207 Petsense by Tractor Supply locations) across 49 states, generating $15.52 billion in net sales for fiscal year 2025, up 4.3% year-over-year — providing investors with institutional-grade, publicly traded (NASDAQ: TSCO) net lease credit.

Recession-Resilient, Essential-Use Sector

- Rural lifestyle retail — feed, livestock supplies, hardware, and home/farm maintenance products — is among the most need-based and e-commerce-resistant categories in retail real estate, supporting durable, non-discretionary customer demand.

Investment-Grade Credit Rating

- Tractor Supply holds a Baa1 rating from Moody's and a BBB rating from S&P Global, both affirmed with a stable outlook in March 2026, reflecting consistent cash flow and conservative financial policies.

Investment Highlights

Fee Simple Ownership

- The investor acquires full ownership of the land and building, providing maximum flexibility and long-term value retention.
- New 15 year initial term with 13.25 years remaining, and 4, 5 year options, providing a more passive and reliable stream of income.

Built-In Rent Growth

- Rent increases 5.0% every 5 years throughout the lease term and all option periods. Annual rent grows from $288,890.76 (Years 1—5) to $303,335.28 (Years 6—10), $318,502.08 (Years 11—15), $334,427.16 at the First Extension Term (Years 16—20), $351,148.52 at the Second Extension Term (Years 21—25), $368,705.95 at the Third Extension Term (Years 26—30), and $387,141.25 by the Fourth Extension Term (Years 31—35), pushing the cap rate from 6.15% at closing to approximately 8.24% by the final option period.

Second Generation Location

- Tractor Supply has committed to the market through the adaptive reuse of an existing retail building, reinforcing the strength of the corridor and validating the site's long-term retail fundamentals. Rather than incurring the higher costs associated with new construction, Tractor Supply selected an established site with existing infrastructure, allowing for lower occupancy costs, faster delivery, and improved store-level economics. This decision reinforces the strength of the corridor while positioning the location for sustainable long-term operations.

Passive Investment Opportunity

- The NN lease structure minimizes landlord responsibilities by shifting the majority of operating expenses to Tractor Supply, allowing investors to benefit from a reliable, low-management investment.

Established Shopping Center Location

- Located within the Colonial Shoppes retail center, the Property is situated on South State Street (US Highway 601), a primary commercial corridor running through Yadkinville, the Yadkin County seat. The immediate trade area along the corridor includes other retailers such Food Lion, O'Reilly Auto Parts, CVS, Goodwill, Hardee's, Advance Auto Parts, McDonald's, Sheetz, a new Starbucks, and many more, creating more retail synergy.

Retail Co-Tenant Synergy

- The immediate shopping center includes Dollar Tree, H&R Block, Fancy Nails, and A Taste of Italy Restaurant, with a freestanding Hardee's restaurant immediately adjacent — supplemented by a Food Lion-anchored grocery center located approximately a third of a mile north on the same corridor, reinforcing consistent daily consumer traffic.

Regional Highway Connectivity

- US Highway 601 and NC Highway 67 provide direct access through Yadkin County toward Winston-Salem, roughly 25 miles to the east, linking the trade area to the broader Piedmont Triad region.

Only Tractor Supply in Yadkin County

- At almost 40,000 SF, this makes for a larger than normal format, serving not only residents for goods and services in the immediate trade area, but also the surrounding 754+ farms and 98,000+ acres of agricultural land.

Proximity to Top National & Regional Retailers

Surrounding Area & Traffic Drivers

TRACTOR SUPPLY CO

Financial Overview

TRACTOR SUPPLY CO
948 S State St | Yadkinville, NC 27055

Financial Overview

$4,697,398	6.15%	$288,890
List Price	Cap Rate	Rent

Executive Summary

Property Address	948 S State St, Yadkinville, NC 27055
GLA	±39,821 SF
Lot Size	±4.50 AC

Tenant Summary

Tenant Trade Name	Tractor Supply
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	15 Years
Rent Commencement Date	9/7/2024
Lease Expiration Date	9/30/2039
Term Remaining on Lease	±13.25 Years
Increase	5% Every 5 Years
Options	Four, 5-Year Options

Financial Overview

TRACTOR SUPPLY CO

Annualized Operating Data

Period	Dates	Annual Rent	Monthly Rent	Rent PSF	Increases
Years 1-5 (Initial Term)	**09/07/2024 - 09/30/2039**	**$288,890.76**	**$24,074.23**	**$7.25**	—
Years 6-10	10/01/2039 - 09/30/2044	$303,355.28	$25,277.94	$7.62	5.0%
Years 11-15	10/01/2044 - 09/30/2049	$318,502.08	$26,541.84	$8.00	5.0%
Years 16-20 (First Extension)	10/01/2049 - 09/30/2054	$334,427.16	$27,868.93	$8.40	5.0%
Years 21-25 (Second Extension)	10/01/2044 - 09/30/2049	$351,148.56	$29,262.38	$8.82	5.0%
Years 26-30 (Third Extension)	10/01/2049 - 09/30/2054	$368,706.00	$30,725.50	$9.26	5.0%
Years 31-35 (Fourth Extension)	10/01/2044 - 09/30/2049	$378,141.24	$32,261.77	$9.50	5.0%

Tenant Overview

TRACTOR SUPPLY CO

Year Founded
1938

Headquarters
Brentwood, TN

Ownership Status
Public

Employees
52,000+

Locations
2,600+

Credit Rating
Moody's Baa1
BBB S&P

Annual Revenue
$15.52B+

Tenant Overview

Tractor Supply Company is the largest rural lifestyle retailer in the United States, serving the needs of farmers, ranchers, homeowners, and hobbyists with a broad assortment of products for home improvement, agriculture, livestock, and pets. Founded in 1938 and headquartered in Brentwood, Tennessee, the company has built a highly loyal customer base across small towns and rural communities nationwide. As of September 27, 2025, the Company operated 2,395 Tractor Supply stores across 49 states and 207 Petsense by Tractor Supply locations in 23 states. Tractor Supply is publicly traded on Nasdaq under the ticker TSCO. Supported by strong store-level economics and resilient demand in its core categories, the company continues to execute a disciplined expansion strategy, opening new stores annually and investing heavily in supply chain efficiency, omnichannel capabilities, and its "Life Out Here" customer experience initiatives, including its Neighbor's Club loyalty program. Tractor Supply maintains an investment-grade credit profile, holding a Baa1 rating from Moody's and BBB Rating by S&P Global with a stable outlook, reflecting its consistent cash flow, conservative financial policies, and robust profitability, driving total revenues of approximately $15.52 Billion in 2025. The retailer's dominant market position, essential product mix, stable customer demand, and proven growth strategy make Tractor Supply an exceptional and highly attractive tenant within the net lease retail sector.

Why Invest in Tractor Supply?

- **Dominant Niche in Rural Lifestyle Retail:** TSC is the largest U.S. rural-lifestyle retailer, focused on customers who live "out here" — farmers, ranchers, hobby-farmers, pet owners, landowners.
- **Strong Growth Footprint & Disciplined Store Expansion:** In 2025, the Company opened 90 new TSC stores + 10 new Petsense stores.
- **Strong Financial Performance & Cash Flow Generation:** Generated approximately $15.52 Billion in annual revenue in 2025, supported by a resilient business model, consistent same-store sales, and disciplined financial management.
- **Investment-Grade Credit Profile and Stable Outlook:** Maintains Baa1 rating with stable outlook, indicative of solid balance sheet and cash flows.
- **Tailwinds in Underserved Markets:** Focus on rural, small-town locations where competition is less intense and customer loyalty may be higher.

Market Overview

Yadkinville, NC

Demographics

32,511
Total City Population

$82,466
Average HH Income

45.3 Years
Median Age

13,180
# of Households

Local Market Overview

Yadkinville, North Carolina, serves as the county seat of Yadkin County and offers a blend of small-town character, agricultural heritage, and convenient regional accessibility. Located in the heart of the Yadkin Valley, the community benefits from its proximity to larger employment centers such as Winston-Salem while maintaining a business-friendly environment supported by local manufacturing, agriculture, healthcare, and retail sectors. The surrounding region is nationally recognized for its growing wine industry, scenic landscapes, and outdoor recreation opportunities, contributing to a strong quality of life for residents and visitors alike. With access to major transportation corridors, a stable workforce, and continued investment in local infrastructure and community development, Yadkinville provides a solid foundation for long-term residential and commercial growth while preserving the welcoming atmosphere that defines the Yadkin Valley region.

Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2025 Population	6,052	11,330	32,511
2030 Population	6,189	11,609	33,485
HOUSEHOLDS	**3-MILE**	**5-MILE**	**10-MILE**
2025 Households	2,436	4,534	13,180
2030 Households	2,491	4,647	13,570
INCOME	**3-MILE**	**5-MILE**	**10-MILE**
Avg Household Income	$71,024	$77,413	$82,466

Where Agriculture Meets Affluence

Serving the Greater Yadkin County Trade Area

1,094+
Farms Operating Countywide

151,300+
Acres of Farmland

$92M+
Annual Agriculture Sales

79.3%+
Homeownership Rate

Serving North Carolina's Agricultural Heritage

Yadkinville is located in the heart of Yadkin County, where agriculture continues to serve as a major economic driver. The county is nationally recognized for its poultry production and is also home to a strong mix of cattle operations, tobacco, corn, soybeans, hay, vineyards, and family-owned farms. This diverse agricultural base creates consistent demand for livestock feed, fencing, animal health products, trailers, workwear, and rural equipment.

Growing Rural Residential Market

Yadkin County continues to experience steady residential demand as homebuyers seek affordable housing and larger properties within commuting distance of the Winston-Salem metropolitan area. The area's combination of rural character, outdoor recreation, and proximity to major employment centers has supported demand for home improvement, lawn and garden supplies, pet care products, and outdoor power equipment.

Benefiting from the Winston-Salem MSA

Winston-Salem serves as one of the Piedmont Triad's primary economic centers, offering a diversified economy anchored by healthcare, higher education, advanced manufacturing, financial services, and logistics. Home to major employers such as Atrium Health Wake Forest Baptist, Novant Health, Reynolds American, and Hanesbrands, the city provides thousands of high-quality jobs while attracting continued private investment and commercial development. Winston-Salem's strategic location along the Interstate 40 and U.S. Highway 421 corridors enhances regional connectivity, allowing surrounding communities like Yadkinville to benefit from access to employment opportunities, specialized healthcare, higher education, and a broad consumer market. This close proximity strengthens the area's long-term economic outlook while supporting sustained residential growth and retail demand throughout Yadkin County.

Strengths & Opportunities

- **Regional Healthcare Hub** - Winston-Salem serves as a leading healthcare center in the Piedmont Triad, anchored by Atrium Health Wake Forest Baptist and Novant Health. These nationally recognized healthcare systems employ thousands of professionals while attracting patients, medical research, and continued investment from across the Southeast.

- **Diversified Employment Base** - A balanced economy supported by healthcare, higher education, advanced manufacturing, financial services, logistics, professional services, and consumer goods provides long-term economic stability and a resilient labor market. Major corporate headquarters and global manufacturers continue to strengthen the region's employment base.

- **Higher Education & Workforce Development** - Wake Forest University, Winston-Salem State University, the University of North Carolina School of the Arts, and Forsyth Technical Community College educate tens of thousands of students annually.

Anchors of Economic Growth

NOVANT HEALTH
WAKE FOREST UNIVERSITY
Atrium Health Wake Forest Baptist
HANES Brands Inc

Wake Forest University

Wake Forest University is one of the nation's premier private research universities and a cornerstone of Winston-Salem's economy and innovation ecosystem. Founded in 1834, the university enrolls more than 9,000 undergraduate and graduate students across its schools of business, law, medicine, and the arts and sciences. Renowned for its rigorous academics, nationally recognized research programs, and emphasis on leadership development, Wake Forest attracts top students and faculty from around the world. The university's presence generates significant economic activity through research funding, campus investment, employment, and visitor spending, reinforcing Winston-Salem's position as a center for higher education and knowledge-based industries.

Beyond academics, Wake Forest plays a vital role in workforce development and regional economic growth through its close partnerships with Atrium Health Wake Forest Baptist, local businesses, and industry leaders. These collaborations support advancements in biomedical research, healthcare innovation, entrepreneurship, and technology commercialization while preparing graduates for careers in high-demand fields. As one of the region's largest employers and a catalyst for talent attraction, Wake Forest University continues to strengthen the Piedmont Triad's long-term economic competitiveness and quality of life.

9,100 Students
Total Enrollment

5,700 Faculty
Total Staff

#23
Best Value School (U.S. News)

$450M
Capital Investments

885 Beds
Medical Center Size

19,000+
Total Employees

Atrium Health Wake Forest Baptist Expansion

- **Economic Role:** Atrium Health Wake Forest Baptist continues to invest in new medical facilities, research initiatives, and specialty care services, reinforcing Winston-Salem's position as one of the Southeast's premier healthcare markets.
- **Strategic Impact:** The continued expansion of healthcare employment attracts highly skilled workers, supports population growth, and increases demand for housing, retail, and essential services throughout the Winston-Salem metropolitan area, benefiting surrounding communities like Yadkinville.
- **Healthcare Program:** Ongoing investments include outpatient facilities, specialty hospitals, medical research, and expanded patient care services that strengthen one of North Carolina's largest employment sectors.

Sources: wakehealth.edu, atriumhealth.org, school.wakehealth.edu

I-74 / NC Highway 421 Transportation Improvements

- **Economic Role:** North Carolina continues investing in improvements along the US 421 and future I-74 corridors, enhancing freight mobility, commuter access, and regional connectivity between Yadkin County, Winston-Salem, and the Piedmont Triad.
- **Strategic Impact:** Improved transportation infrastructure supports commercial growth, industrial recruitment, and residential development while increasing accessibility to the subject property's trade area.
- **Development Program:** Highway modernization, interchange improvements, and corridor enhancements are expected to improve travel efficiency and strengthen long-term economic competitiveness throughout northwestern North Carolina.

Sources: ncdot.gov, piedmontauthority.com

$300M+
Regional Investments

US 421
Regional Connector

±40 Miles
From Winston-Salem

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