TRACTOR SUPPLY CO

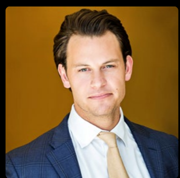
1200 E Royall Blvd | Malakoff, TX 75148

Retail
Investment Opportunity

Offering Memorandum

Firm 17.5 Year Lease Remaining | Corporate Guaranty | Cedar Creek Lake Trade Area | Rental Increases Every 5 Years

Exclusively Listed By



Chad Kurz
Executive Vice President
562-480-2937
chad.kurz@matthews.com
License No. 01911198 (CA)

Kevin Puder
Vice President
562-841-1789
kevin.puder@matthews.com
License No. 01949749 (CA)

Chad Kurz & Kevin Puder in conjunction with Matthews Real Estate Investment Services, Inc., a cooperating foreign broker for this listing pursuant to Section 535.4(b) of the Texas Administrative Code.

Patrick Graham | Broker of Record | Broker License No. 528005 (TX) | Firm License No. 9005919 (TX)

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Property Overview

$7,043,478	±17.5 Years	NN+
List Price	Term Remaining	Lease Type

±23,957	±7.88	2024
Total GLA (SF)	Lot Size (AC)	Year Built

Strategically Positioned Corner Parcel

Investment Highlights

Internet-Resistant Business Model

- Tractor Supply's focus on livestock feed, fencing, farm and ranch supplies, pet products, propane and outdoor equipment generates frequent customer visits and supports long-term occupancy.

Nation's Largest Rural Lifestyle Retailer

- Tractor Supply Company (NASDAQ: TSCO) is the largest rural lifestyle retailer in the United States, ranking #296 on the Fortune 500, operating more than 2,500 stores nationwide and generating approximately $15.52 billion in annual revenue in fiscal year 2025 — providing investors with institutional-grade net lease credit.

Proven Growth

- The company grew net sales 4.3% in fiscal year 2025 and opened 99 new Tractor Supply stores plus 5 new Petsense locations during the year, underscoring a disciplined, ongoing expansion strategy.

Investment-Grade Credit Rating

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

New Construction Tractor Supply

- Purpose-built for Tractor Supply's latest prototype, the property offers modern construction and is designed to meet the tenant's long-term operational needs.

Recession-Resilient Sector

- Farm, ranch, and rural lifestyle retail is among the most need-based and e-commerce-resistant categories in retail real estate, driven by essential demand for livestock feed, pet supplies, and hardware.

Investment Highlights

Less Common 20 Year Original Lease

- Unlike the more common 15-year lease structures, Tractor Supply committed to a more rare 20-year original lease at this location. With approximately 17.5 years remaining on the base term, the lease reflects the company's long-term confidence in the site and surrounding trade area.

Highway 31 Location

- The property fronts East Royall Boulevard (State Highway 31), Malakoff's primary east-west commercial corridor connecting the city to Athens, TX to the east and Corsicana, TX to the west, just over an hour drive outside DFW.

Cedar Creek Lake Proximity

- The site sits within close proximity to Cedar Creek Lake, the fourth-largest lake in Texas by shoreline (320+ miles), a major regional recreational and second-home destination that supplements the year-round trade area population with a substantial seasonal customer base and an average household income approaching $100,000 / year.

Established Retail Corridor

- The immediate trade area includes Brookshire's, Sonic, Whataburger, McDonald's, Dollar General, and Family Dollar, O'Reilly Auto Parts, Sonic, generating consistent daily traffic along the Highway 31 corridor.

Regional Accessibility

- Located approximately 10 miles west of Athens, TX, the Henderson County seat, positioning the property to capture both local Malakoff traffic and broader county-wide draw.

Fee Simple Ownership

- The investor acquires full ownership of the land and building, providing maximum flexibility and long-term value retention. 20-Year Initial Term with ±17.75 Years Remaining, plus Four, 5-Year Renewal Options, representing a potential total lease commitment of up to 40 years through 2064.

5% Rent Increases Every 5 Years

- Throughout the base term and all option periods — annual rent grows from $405,000 in Years 1—5 to $468,838 by Year 20, pushing the cap rate from 5.75% to 6.66%, and continues escalating through the option periods to $569,875 (~8.09% cap rate) by the final extension term.

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.

Proximity to Top National & Regional Retailers

Surrounding Area & Traffic Drivers

Financial Overview

Financial Overview

$7,043,478 List Price	**5.75%** Cap Rate	**$405,000** Rent

Executive Summary

Property Address	1200 E Royall Blvd, Malakoff, TX 75148
GLA	± 23,957 SF
Lot Size	±7.88 AC
Year Built	2024

Tenant Summary

Tenant Trade Name	Tractor Supply Company
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	Rare 20 Years
Rent Commencement Date	2/9/2024
Lease Expiration Date	2/29/2044
Term Remaining on Lease	±17.5 Years
Increase	5% Every 5 Years
Options	Four, 5-Year Options
ROFR	Yes

Financial Overview

TRACTOR SUPPLY Co

Annualized Operating Data

Period	Dates	Annual Rent	Monthly Rent	Increases	Cap Rate
Year 1-5	**02/09/2024 - 02/28/2029**	**$405,000.00**	**$33,750.00**	**-**	**5.75%**
Year 6-10	02/09/2029 - 02/28/2034	$425,250.00	$35,437.50	5.0%	6.04%
Year 11-15	02/09/2034 - 02/28/2039	$446,512.50	$37,209.38	5.0%	6.34%
Year 16-20	02/09/2039 - 02/29/2044	$468,838.13	$39,069.84	5.0%	6.65%
Option Year 21-25 (First Extension)	02/09/2044 - 02/28/2049	$492,280.04	$41,023.34	5.0%	6.99%
Option Year 26-30 (Second Extension)	02/09/2049 - 02/28/2054	$516,894.04	$43,074.50	5.0%	7.34%
Option Year 31-35 (Third Extension)	02/09/2054 - 02/28/2059	$542,738.74	$45,228.23	5.0%	7.71%
Option Year 36-40 (Fourth Extension)	02/09/2059 - 02/29/2064	$569,875.68	$47,489.64	5.0%	8.09%

Tenant Overview

Year Founded
1938

Headquarters
Brentwood, TN

Ownership Status
Public

Employees
52,000+

Locations
2,500+

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 2,364 Tractor Supply stores across 49 states and 206 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 S&P Rating 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 99 new TSC stores +5 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

Malakoff, TX

Demographics

35,977
Total City Population

$90,680
Average HH Income

42.5 Years
Median Age

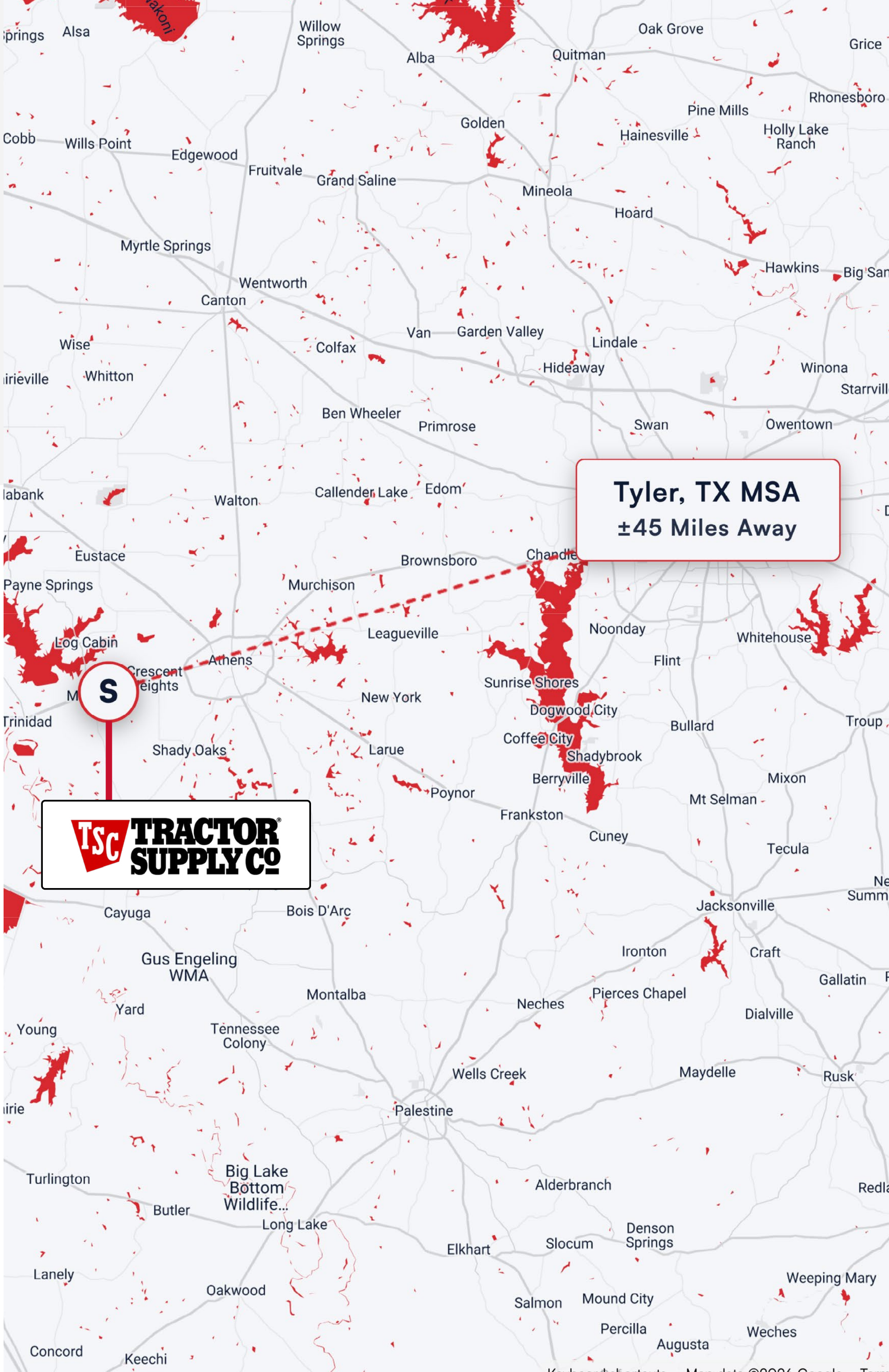
14,217
# of Households

Local Market Overview

Malakoff, Texas, is a growing East Texas community located near Cedar Creek Lake, offering a balance of small-town character and convenient access to the Dallas—Fort Worth Metroplex. The area benefits from a strong regional economy supported by healthcare, education, manufacturing, retail, and tourism, while its proximity to one of Texas' largest recreational lakes enhances quality of life and attracts both permanent residents and seasonal visitors. With affordable housing, expanding residential development, and access to major transportation corridors including U.S. Highway 175, Malakoff provides an appealing environment for families, retirees, and businesses seeking connectivity without the congestion of larger urban markets. Its location within Henderson County positions the community to benefit from continued regional growth and investment throughout East Texas.

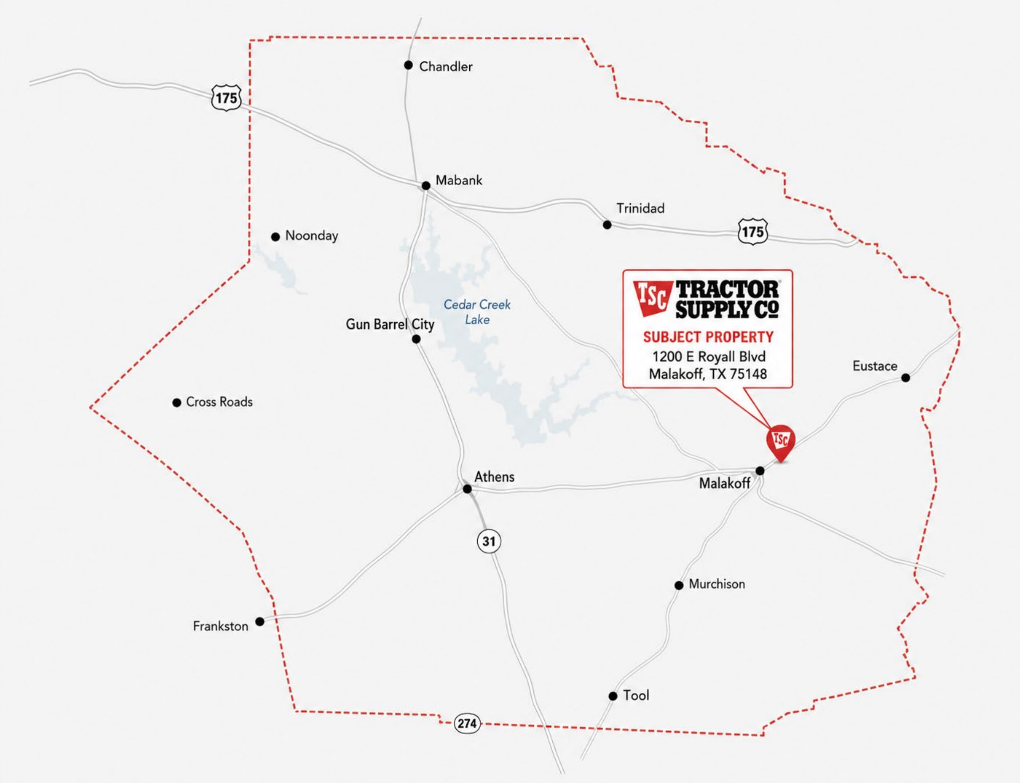
Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2025 Population	2,703	7,553	35,977
2030 Population	2,812	8,080	38,117
HOUSEHOLDS	**3-MILE**	**5-MILE**	**10-MILE**
2025 Households	1,042	3,056	14,217
2030 Households	1,085	3,275	15,094
INCOME	**3-MILE**	**5-MILE**	**10-MILE**
Avg Household Income	$76,525	$90,680	$85,932



Where Agriculture Meets Affluence

Serving the Greater Henderson County Trade Area



1,891+
Farms Operating Countywide

263,600+
Acres of Farmland

$42M+
Annual Agriculture Sales

77.8%+
Homeownership Rate

Serving East Texas' Agricultural Heritage

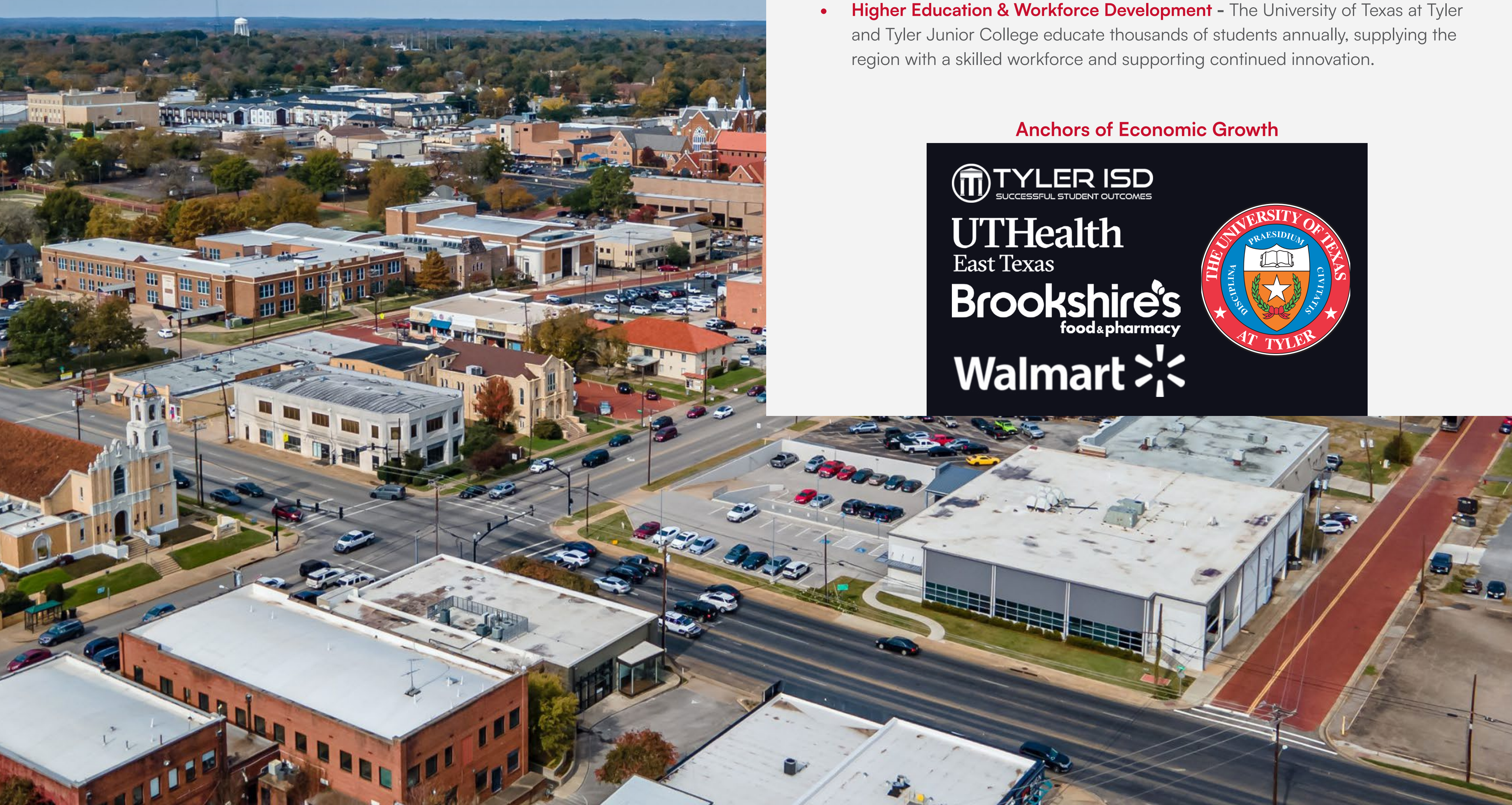
Malakoff is positioned within Henderson County, where agriculture remains an important part of the local economy and lifestyle. The surrounding area supports cattle ranching, hay production, poultry operations, equine facilities, and small-scale farming, creating consistent demand for livestock feed, fencing, animal health products, trailers, and rural equipment.

Growing Rural Residential Market

The Malakoff area continues to benefit from residential growth fueled by Cedar Creek Lake and its convenient access to the Dallas—Fort Worth Metroplex. New residents seeking larger homesites, recreational properties, and country living have increased demand for lawn and garden supplies, pet care, outdoor power equipment, and home maintenance products.

Connected to Tyler's Economic Engine

Tyler serves as the economic and healthcare hub of East Texas, providing employment, education, and commercial services to a multi-county region. The city's economy is anchored by nationally recognized healthcare systems, higher education institutions, advanced manufacturing, logistics, retail, and professional services, creating a stable and diversified employment base. Tyler's strategic location along major transportation corridors and its continued investment in commercial development have attracted both national employers and regional businesses, reinforcing its role as one of East Texas' primary economic centers.



Strengths & Opportunities

- **Regional Healthcare Hub** - Tyler is home to two of East Texas' largest healthcare systems, UT Health East Texas and CHRISTUS Trinity Mother Frances Health System, creating thousands of jobs while attracting patients, medical professionals, and investment from across the region.
- **Diversified Employment Base** - A balanced economy supported by healthcare, education, manufacturing, finance, logistics, and retail provides long-term economic stability and a resilient employment market.
- **Higher Education & Workforce Development** - The University of Texas at Tyler and Tyler Junior College educate thousands of students annually, supplying the region with a skilled workforce and supporting continued innovation.

Anchors of Economic Growth

TYLER ISD
SUCCESSFUL STUDENT OUTCOMES
UTHealth East Texas
Brookshire's food & pharmacy
Walmart
The University of Texas at Tyler

1,100+
Planned Homes

±350 Acres
Lot Size

Resort-Style
Amenities

Cedar Creek Lake Residential Growth

- **Economic Role:** Cedar Creek Lake continues to drive residential development, attracting retirees, second-home buyers, and permanent residents from the Dallas—Fort Worth Metroplex, supporting long-term housing demand throughout Henderson County.
- **Strategic Impact:** Continued residential growth increases demand for home improvement, lawn and garden supplies, outdoor power equipment, fencing, livestock products, and pet supplies—core merchandise categories for Tractor Supply.
- **Infrastructure Improvements:** Ongoing lake-area residential subdivisions, infrastructure improvements, and increased tourism continue to strengthen the local tax base and support retail expansion.

Sources: cedarcreeklake.com, hendersoncountychamber.com, tpwd.texas.gov

Athens Industrial & Business Expansion

- **Economic Role:** Athens serves as Henderson County's employment center, with continued investment in manufacturing, healthcare, logistics, and commercial development supporting regional job creation.
- **Strategic Impact:** Growth in industrial employment and business investment expands the regional consumer base and supports long-term retail demand throughout the Malakoff trade area.
- **Development Program:** The Athens Economic Development Corporation continues to market industrial sites, infrastructure investments, and business incentives designed to attract new employers and diversify the local economy.

Sources: athensedc.com, athenstx.gov, hendersoncountychamber.com

±12 Miles
From Subject Property

±135 Acres
Planned Industrial Space

Phase 1
Under Development

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Executive Vice President

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **1200 E Royall Blvd, Malakoff, TX 75148** ("Property"). The 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™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

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Owner and Matthews™ 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 Owner or Matthews™ 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 of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

11-2-2015

Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Matthews Real Estate Investment Services, Inc.	9005919	transactions@matthews.com	866-889-0050
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Designated Broker of Firm	License No.	Email	Phone
Patrick Graham	528005	licensing@matthews.com	866-889-0050
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials　　　　Date