

Single-Tenant Net Leased Trends Report

January - December 2017



Marcus & Millichap

Standard & Poor's Credit Rating Definitions

CREDIT QUALITY	CREDIT RATINGS	RATINGS DEFINED
Excellent	AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
Excellent	AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
Good	A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
Good	BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
Satisfactory	BB	An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
Below Satisfactory	B	An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.
Poor	CCC	An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.
Poor	CC	An obligation rated 'CC' is currently highly vulnerable to nonpayment.
Critical	C	A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default. Among others, the 'C' rating may be assigned to subordinated debt, preferred stock or other obligations on which cash payments have been suspended in accordance with the instrument's terms or when preferred stock is the subject of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.
Critical	D	An obligation rated 'D' is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action if payments on an obligation are jeopardized. An obligation's rating is lowered to 'D' upon completion of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.
Plus (+) or minus (-)		The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

The information contained in this report was obtained from sources deemed reliable. Every effort was made to obtain complete and accurate information; however, no representation, warranty or guarantee to the accuracy, express or implied, is made

Cap Rates Based Upon Lease Expiration Range



S&P Rating: BBB
Est. Sales PSF: \$756

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	6.82%	3	8.61%	4
6-10 Years	6.14%	4	6.10%	3
11-15 Years	6.10%	15	6.12%	13
16-20 Years	5.50%	4	5.62%	5



S&P Rating: BBB+
Est. Sales PSF: \$791

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.33%	3	8.61%	6
6-10 Years	8.55%	1	6.43%	2
11-15 Years	6.15%	5	6.46%	7
16-20 Years	4.95%	1	5.50%	1
21-25 Years	4.95%	3	5.00%	1



S&P Rating: B
Est. Sales PSF: \$452

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	8.22%	2	8.63%	3
6-10 Years	6.87%	3	7.03%	1
11-15 Years	-	-	5.40%	1



S&P Rating: BB+
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	8.51%	3	9.30%	12
6-10 Years	8.21%	3	7.97%	3
11-15 Years	6.69%	15	6.75%	17



S&P Rating: BBB
Est. Sales PSF: \$187

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	8.86%	13	9.02%	18
6-10 Years	7.52%	11	7.57%	23
11-15 Years	6.66%	42	6.55%	41



S&P Rating: BB+
Est. Sales PSF: \$161

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	9.35%	1
6-10 Years	5.84%	1	7.12%	1

Cap Rates Based Upon Lease Expiration Range



S&P Rating: AA
Est. Sales PSF: \$402

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	-	-	-	-
16-20 Years	5.55%	2	4.72%	1



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	8.47%	2
6-10 Years	8.01%	1	7.60%	2
11-15 Years	7.62%	2	-	-



S&P Rating: B+
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.80%	1	-	-
6-10 Years	7.35%	2	7.37%	2



S&P Rating: A
Est. Sales PSF: \$630

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	6.42%	1	6.15%	3



S&P Rating: BBB-
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	9.00%	3	8.87%	2
6-10 Years	7.21%	1	-	-
11-15 Years	5.78%	3	5.55%	1



S&P Rating: BB
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	7.93%	2
6-10 Years	-	-	6.99%	3
11-15 Years	6.00%	4	5.40%	3

Cap Rates Based Upon Lease Expiration Range



S&P Rating: N/A
Est. Sales PSF: \$211

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.66%	1	7.31%	1
6-10 Years	7.35%	1	-	-
11-15 Years	6.18%	1	6.40%	2



S&P Rating: BBB
Est. Sales PSF: \$272

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	5.16%	1	-	-
6-10 Years	5.08%	2	6.25%	1
11-15 Years	4.80%	3	5.12%	2



S&P Rating: BBB-
Est. Sales PSF: \$224

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	8.66%	2	7.24%	4
6-10 Years	7.20%	2	6.88%	8
11-15 Years	6.00%	4	6.15%	2



S&P Rating: BBB+
Est. Sales PSF: \$256

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	10.80%	1	6.15%	2
6-10 Years	5.54%	1	-	-
11-15 Years	6.75%	3	5.81%	1
16-20 Years	5.72%	7	5.88%	5



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	6.40%	1	7.38%	3
6-10 Years	6.61%	2	6.88%	1
11-15 Years	6.23%	3	5.75%	1
16-20 Years	5.86%	2	-	-



S&P Rating: BB+
Est. Sales PSF: \$215

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	7.34%	3	6.76%	1
11-15 Years	-	-	6.48%	1

Cap Rates Based Upon Lease Expiration Range



S&P Rating: A
Est. Sales PSF: \$765

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	5.17%	4
6-10 Years	5.07%	11	5.20%	16
11-15 Years	-	-	-	-
16-20 Years	4.41%	2	3.58%	1



S&P Rating: N/A
Est. Sales PSF: \$472

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	5.61%	1	6.89%	1
6-10 Years	5.82%	4	5.84%	5
11-15 Years	5.46%	1	5.67%	1
16-20 Years	-	-	5.37%	2



S&P Rating: N/A
Est. Sales PSF: \$424

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	5.80%	1	6.02%	3
11-15 Years	5.95%	1	-	-
16-20 Years	6.15%	1	5.75%	2



S&P Rating: N/A
Est. Sales PSF: \$572

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	5.86%	1
6-10 Years	4.93%	5	5.27%	2
11-15 Years	4.76%	3	5.68%	3
16-20 Years	5.00%	1	4.75%	1



S&P Rating: N/A
Est. Sales PSF: \$597

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	6.75%	2	6.37%	2
6-10 Years	-	-	5.19%	2
11-15 Years	-	-	5.08%	1
15-20 Years	-	-	5.44%	1



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	7.31%	2
11-15 Years	6.50%	1	6.96%	1

Cap Rates Based Upon Lease Expiration Range



S&P Rating: BBB+
Est. Sales PSF: \$614

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	4.81%	2
11-15 Years	4.50%	1	4.47%	2
16-20 Years	4.08%	2	3.73%	2



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.14%	2	7.30%	3
6-10 Years	6.18%	2	5.93%	1
11-15 Years	-	-	5.89%	3
16-20 Years	5.88%	3	6.10%	4



S&P Rating: N/A
Est. Sales PSF: \$769

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	5.21%	1	4.90%	1
11-15 Years	5.17%	1	4.19%	1



S&P Rating: B+
Est. Sales PSF: \$395

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	10.22%	3
6-10 Years	5.97%	4	5.93%	5
11-15 Years	5.71%	2	6.07%	3
16-20 Years	5.87%	12	6.12%	26
21-25 Years	-	-	5.43%	1



S&P Rating: B
Est. Sales PSF: \$519

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	6.25%	1	6.80%	11
6-10 Years	5.80%	1	6.46%	3
11-15 Years	4.75%	2	-	-
16-20 Years	5.59%	12	5.65%	15



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	7.22%	4	7.61%	1
11-15 Years	-	-	6.13%	5
16-20 Years	6.30%	1	6.25%	1

Cap Rates Based Upon Lease Expiration Range



S&P Rating: BB
Est. Sales PSF: \$397

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.80%	2	6.93%	3
6-10 Years	-	-	6.79%	2
11-15 Years	6.26%	2	6.16%	7
16-20 Years	-	-	5.15%	1



S&P Rating: BB
Est. Sales PSF: \$682

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	7.81%	6	6.30%	4
6-10 Years	-	-	5.82%	4
11-15 Years	4.84%	2	5.26%	3
16-20 Years	5.12%	11	5.19%	3
21-25 Years	4.94%	5	5.16%	2



S&P Rating: AA
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	8.63%	1
6-10 Years	-	-	9.89%	1
11-15 Years	6.50%	1	-	-
16-20 Years	6.04%	2	-	-



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	6.25%	1
6-10 Years	-	-	5.73%	1
11-15 Years	-	-	4.83%	1
16-20 Years	5.50%	6	5.40%	1



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	-	-	-	-
16-20 Years	5.91%	3	5.86%	4
21-25 Years	5.95%	25	5.87%	12



S&P Rating: N/A
Est. Sales PSF: \$436

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	7.90%	1
6-10 Years	6.41%	1	6.24%	2
11-15 Years	5.75%	1	6.28%	1
16-20 Years	6.40%	1	7.19%	6

Cap Rates Based Upon Lease Expiration Range



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	7.00%	1
11-15 Years	6.75%	1	-	-
16-20 Years	6.31%	3	-	-



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	5.87%	1
6-10 Years	6.25%	2	5.75%	2
11-15 Years	5.80%	1	5.91%	2



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	-	-	-	-
16-20 Years	5.06%	4	5.94%	2



S&P Rating: BB
Est. Sales PSF: \$523

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	6.38%	1	6.20%	4
16-20 Years	6.10%	7	5.87%	1



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	4.13%	3	-	-
16-20 Years	-	-	4.06%	3



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	-	-	6.19%	3
16-20 Years	6.10%	2	5.75%	1

Cap Rates Based Upon Lease Expiration Range



S&P Rating: N/A
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	-	-	-	-
11-15 Years	-	-	-	-
16-20 Years	4.62%	3	4.66%	5



S&P Rating: AA-
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	5.68%	2	6.26%	2
6-10 Years	5.77%	2	5.41%	4
11-15 Years	5.70%	2	-	-



S&P Rating: BBB
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	6.61%	2	6.38%	7
6-10 Years	6.62%	4	6.45%	2



S&P Rating: BBB+
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	6.50%	6	6.50%	8



S&P Rating: BBB+
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	-	-	-	-
6-10 Years	6.46%	3	-	-



S&P Rating: A-
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	5.16%	2	-	-
6-10 Years	-	-	5.50%	1
11-15 Years	5.44%	1	-	-
16-20 Years	-	-	4.16%	1



S&P Rating: A-
Est. Sales PSF: N/A

Yrs Remaining	Jan - June 2017		July - Dec 2017	
	Avg Cap Rate	# of Properties	Avg Cap Rate	# of Properties
1-5 Years	4.36%	2	3.83%	1
6-10 Years	5.15%	1	5.50%	1
11-15 Years	4.57%	2	4.62%	1

WOLFE RETAIL GROUP

The Wolfe Pack *of* Marcus & Millichap

SAMPLING OF RECENTLY SOLD TRANSACTIONS JULY-DEC 2017



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DOLLAR GENERAL



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With our experience and background in various fields such as law and finance, we have proved to be invaluable to our clients, earning their trust and exceeding their expectations while best assisting them in their real estate transactions.



About Marcus & Millichap

Marcus & Millichap (NYSE: MMI) has established itself as a leading and expanding investment real estate company with nearly 1,500 brokers in 78 markets throughout the United States and Canada. The foundation of our investment sales is the depth of our local market knowledge. Our 44-year history of maintaining investor relationships in local markets enables us to be the best information source and transaction service provider in North America.

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