

Credit rating report



C-Stores

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
76	ConocoPhillips	COP	A-	Stable	A2	Stable
7-Eleven	7-Eleven, Inc.	SVNDF	A	Stable	Baa2	Stable
Circle K / Kangaroo	Alimentation Couche-Tard	ANCUF	BBB+	Stable	Baa1	Stable
Shell Oil	Shell USA, Inc.	SHEL	A+	Stable	Aa3	Stable
Pilot Flying J	Pilot Travel Centers LLC	N/A	BBB+	Stable	Ba1	Stable

Automotive

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Advance Auto Parts	Advance Auto Parts, Inc.	AAP	BB+	Stable	Baa3	Negative
AutoZone	AutoZone, Inc.	AZO	BBB	Stable	Baa1	Stable
Bridgestone/Firestone	Bridgestone Corporation	BRDCY	A	Stable	A1	Stable
NAPA Auto Parts	Genuine Parts Co.	GPC	BBB	Stable	Baa1	Stable
O'Reilly Automotive	O'Reilly Automotive, Inc.	ORLY	BBB	Stable	Baa1	Stable
Pep Boys	Icahn Enterprises L.P.	IEP	BB	Stable	Ba3	Stable
Take 5 Oil	Driven Brand Holdings Inc.	DRVN	B+	Negative	NR	NR

Banks

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Bank of America	Bank of America N.A.	BAC	A+	Stable	A1	Stable
BMO Harris Bank	BMO Harris Bank, N.A.	BMO	A+	Stable	A3	Stable
Capital One Bank	Capital One N.A.	COF	BBB+	Stable	A3	Under Review
Chase Bank	JPMorgan Chase Bank N.A.	JPM	A+	Stable	Aa1	Stable
Citibank	Citigroup, Inc.	C	BBB+	Stable	A3	Stable
Citizens Bank	Citizens Financial Group	CFG	BBB+	Stable	Baa1	Negative
HSBC Bank	HSBC Bank USA N.A.	HBC	A+	Stable	Aa3	Stable
M&T Bank	M&T Bank Corporation	MTB	BBB+	Stable	Baa1	Stable
PNC Bank	PNC Bank N.A.	PNC	A	Stable	A2	Negative
TD Bank	TD Bank N.A.	TD	AA-	Stable	A1	Stable
Truist	Truist Bank	TFC	A	Stable	A3	Stable
U.S. Bank	U.S. Bancorp	USB	A	Stable	A3	Negative
Wells Fargo	Wells Fargo Bank N.A.	WFC	A+	Stable	Aa1	Negative

Casual Dining

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Bonefish Grill	OSI Restaurant Partners	N/A	BB-	Stable	NR	NR
Buffalo Wild Wings	Inspire Brands Inc. (IRB Holdings)	N/A	B+	Stable	B2	Negative
Carrabba's/Outback	Bloomin' Brands	BLMN	BB-	Positive	Ba3	Positive
Chili's/Maggianos	Brinker International	EAT	BB-	Stable	Ba3	Stable
Olive Garden/Long Horn/Yard House	Darden Restaurants, Inc.	DRI	BBB	Stable	Baa2	Stable

QSR

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Arby's / Dunkin' / Sonic	IRB Holding Corporation	N/A	B+	Stable	B2	Negative
Burger King	Restaurant Brands International, Inc.	QSR	BB	Stable	NR	NR
Dairy Queen	Berkshire Hathaway Inc.	BRK.A	AA	Stable	Aa2	Stable
McDonald's	McDonald's Corporation	MCD	BBB+	Stable	Baa1	Stable
Panera/Krispy Kreme	JAB Holding Co. S.a.r.l.	N/A	BBB+	Stable	Baa1	Stable
Starbucks	Starbucks Corporation	SBUX	BBB+	Stable	Baa1	Stable
Taco Bell/KFC/Pizza Hut	Yum! Brands, Inc.	YUM	BB+	Stable	Ba2	Stable
Wendy's	The Wendy's Company	WEN	B+	Stable	B3	Stable

Big Box

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Best Buy	Best Buy Co, Inc.	BBY	BBB+	Stable	A3	Stable
BJ's	BJ's Wholesale Club, Inc.	N/A	BB+	Stable	Ba1	Stable
Burlington	Burlington Stores Inc.	BURL	BB+	Stable	NR	NR
Costco	Costco Wholesale Corporation	COST	A+	Stable	Aa3	Stable
Floor & Decor	Floor & Decor Holdings Inc.	FND	BB	Stable	NR	NR
Harbor Freight	Harbor Freight Tools USA Inc.	HRBR	BB-	Negative	B1	Positive
Kohl's	Kohl's Corporation	KSS	BB	Negative	Ba2	Stable
Lowe's	Lowe's Companies, Inc.	LOW	BBB+	Stable	Baa1	Stable
Nordstrom Rack	Nordstrom Inc.	JWN	BB+	Negative	Ba2	Stable
Petco Animal Supplies	Petco Health and Wellness Co. Inc.	WOOF	B	Negative	B3	Stable
PetSmart	PetSmart LLC	PETM	B+	Stable	B1	Negative
Ross	Ross Stores Inc.	ROST	BBB+	Stable	A3	Stable
Target	Target Corporation	TGT	A	Stable	A2	Stable
The Home Depot	Home Depot, Inc.	HD	A	Stable	A2	Stable
TJ Maxx/Homegoods	TJX Companies	TJX	A	Stable	A2	Stable
Tractor Supply Co.	Tractor Supply Co.	TSCO	BBB	Stable	Baa1	Stable

Grocery

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Acme/Albertsons/Safeway	Albertsons Companies Inc.	N/A	BB+	Positive	Ba2	Under Review
Giant/Food Lion/Martins/Stop&Shop	Delhaize America LLC	DEG	NR	NR	Baa1	Stable
Kroger/Harris Teeter/King Soopers	Kroger Company	KR	BBB	Negative	Baa1	Negative
Wegmans	Wegmans Food Markets, Inc.	N/A	BBB+	Stable	NR	NR
Whole Foods	Amazon Inc.	AMZN	AA-	Stable	A1	Stable

Dollar Store

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Dollar General	Dollar General Corporation	DG	BBB	Negative	Baa2	Negative
Dollar Tree/ Family Dollar	Dollar Tree, Inc.	DLTR	BBB	Stable	Baa2	Stable

Pharmacy

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
CVS	CVS Health Corporation	CVS	BBB	Stable	Baa2	Negative
Walgreens	Walgreens Boots Alliance, Inc.	WBA	BB	Negative	Ba3	Stable

Medical

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
DaVita Dialysis	DaVita Inc.	DVA	BB	Stable	Ba2	Stable
Fresenius Medical	Fresenius Medical Care AG	FME	BBB-	Stable	Baa3	Stable

Fitness

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
24 Hour Fitness	24 Hour Fitness Worldwide, Inc.	N/A	CCC-	Negative	NR	NR
LA Fitness	Fitness International, LLC	N/A	B	Stable	B2	Stable

General

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
AT&T	AT&T Inc.	T	BBB	Stable	Baa2	Stable
Builders FirstSource	Builders FirstSource Inc.	BLDR	BB	Positive	Ba1	Stable
FedEx	FedEx Corporation	FDX	BBB	Stable	Baa2	Stable
Sherwin-Williams	Sherwin-Williams Company	SHW	BBB	Stable	Baa2	Positive
T-Mobile	T-Mobile USA ,Inc.	TMUS	NR	NR	Baa2	Stable
UPS	United Parcel Service Inc.	UPS	A	Stable	A2	Stable
Verizon	Verizon Communications, Inc.	VZ	BBB+	Stable	Baa1	Stable



Listed Unrated tenants

The unrated tenants on this list are private companies whose shares are listed on the stock exchange.



Listed Tenant	Stock Ticker	Store Count	Year Founded	Revenue (2023)	Market Cap	Comments
Aaron's	AAN	1,213	1955	\$2.4 billion	\$216.2 million	A leading, technology-enabled, omnichannel provider of lease-purchase solutions. They do direct-to-consumer sales and lease ownership of furniture, appliances, electronics, etc.
Applebee's/IHOP/Fuzzy's Taco Shop (owned by Dine Brands Global)	DIN	3,628	1958	\$831.1 million	\$758.1 million	Applebee's and IHOP may soon have dual-branded locations that share a back-of-house and a blended front-of-house, according to an earnings call from the company last week.
Chipotle	CMG	3,437	1993	\$9.9 billion	\$73.6 billion	Chipotle Mexican Grill reported strong Q4 results, with revenue exceeding estimates and transaction growth of 7.4%.
Casey's General Store	CASY	2,658	1959	\$15.1 billion	\$11.17 billion	Throughout 2024 Casey's General Stores Inc. will be looking to buy travel centers in their territory and reopening them under the Casey's brand.
Cracker Barrel	CBRL	662	1969	\$3.44 billion	\$1.53 billion	Cracker Barrel unveiled its brand repositioning initiative for 2024, which includes modernizing brand messaging and positioning, and refreshing stores and menu.
Denny's/Keke's (owned by Dennys, Inc.)	DENN	1,661	1953	\$463.9 million	\$484.91 million	Denny's grew its footprint by developing new breakfast chain Keke's Cafe. Keke's opened 32 restaurants in 2023, despite company wide closures, and plan on opening 40-50 more in 2024.
Dutch Bros	BROS	986	1992	\$965.8 million	\$5.33 billion	Dutch Bros 5-year growth played out by reachin its unit count goal set in 2013. An increase of 317 to over 800 locations. Focus of expansion will be in Texas.
Fresh Market	TFM	161	1982	\$1.8 billion	\$1.06 billion	The Fresh Market is set to scale up stores by 14% over next two years.
Jollibee/Smashburger (owned by Jollibee Foods Corporation)	JBFCF	1,668	1978	\$4.30 billion	\$5.04 billion	The brand is looking to aggressively expand Jollibee locations over the next three to five years. Currently, all North American stores are company owned.
Sprouts Farmers Market	SFM	386	2002	\$6.8 billion	\$6.41 billion	Leading specialty grocer with a growing loyalty program. The chain is in 23 states with 30 new stores added in 2023 with 35 in the pipeline for 2024.
Texas Roadhouse/Bubba's 33/Jaggers (owned by Texas Roadhouse, Inc.)	TXRH	741	1993	\$4.63 billion	\$10.12 billion	Foot traffic at these restaurants increased year-over-year in every quarter of 2023. 30 new restaurants are planned for 2024.
World Market	CPWM	239	1958	\$963.8 million	\$494.43 million	Continuing their growth strategy to open stores primarily in metropolitan and suburban markets that can support multiple stores.
Valvoline	VVV	1,852	1866	\$1.4 billion	\$5.6 billion	The company aims to further expand its network, with 38 new stores added in the first quarter of Valvoline's 2024 fiscal year, progressing towards its target of over 3,500 locations.

Unlisted Unrated tenants

The unrated tenants on this list are private companies whose shares are not listed on the stock exchange.

SEMI-ANNUAL CREDIT RATING REPORT
AUGUST 2024



Tenant	Locations	Founded	Comments
ACE Hardware	5,800	1924	The world's largest retailer-owned hardware cooperative intends to get even larger this year. Ace Hardware has already cut the ribbons on 100 new stores in the United States in 2023
ALDI/Trader Joe's	3,064	1948	Aldi is expected to open new stores in Arizona, Arkansas, California, Florida, Illinois, Louisiana, and Ohio. Aldi is also expected to acquire about 400 Winn-Dixie and Harvey Supermarkets from Southeastern Grocers in 2024
Ashley Homestore	1,125	1970	No. 1 furniture retailer in the U.S. Ashley Home has agreed to acquire mattress-seller Resident Home, winning approval from both boards of directors
Aspen Dental	1,083	1964	Owned by PE companies, American Securities, Leonard Green & Partners, and Ares Capital
Bass Pro Shops/Cabela's	173	1972	New retail locations expected in 2024 including: West Chester, OH, Clifton Park, NY and Midland, TX
Bojangles'	825	1977	Acquired by Durational Capital Management and the Jordan Company. Seeking to grow by 270 locations by year end
Buc-ee's	50	1982	Growing into new markets. Locations are slated to have as much as 80,000 square feet of store space and well over 100 fueling positions
Captain D's	546	1969	Captain D's has had a banner year of domestic development into the Northeast
Chick-fil-A	3,059	1967	The third-largest restaurant chain in the U.S.
Church's Chicken	1,500	1952	New compact footprint concept, Blaze has 100 locations with 400 more in the pipeline
Focus Brands	6,700	2004	Owner of Moe's, Carvel, Cinnabon, Scclotzsky's, McAlister's Deli, Jamba Juice and Auntie Annes
Giant Eagle	496	1931	One of the nation's largest food retailers and distributors with approximately \$11.5 billion in annual sales
Golden Gate Capital	620	2000	Owns California Pizza Kitchen and Bob Evans
Hardee's/Carl's Jr.	3,800	1960	Owned by CKE Restaurants Holdings
H-E-B	380	1905	America's #1 grocery chain. H-E-B reported \$43 billion in annual sales in 2023
Hobby Lobby	1,001	1972	One-stop-shop for craft supplies reporting \$7.9 billion in sales for 2023
Lidl	173	1973	Owned by The Schwarz Group. Lidl spent much of 2023 expanding in the eastern U.S.
PDQ	59	2011	Florida based fast-casual chain
Publix Super Markets	1,373	1930	The largest employee-owned grocery chain in the U.S. is expanding up the East Coast
QuikTrip	1,094	1958	Opened its first locations in Colorado and Mississippi within the last year and has plans to enter Chicago with at least three stores in the metropolitan area
RaceTrac	579	1934	RaceTrac acquired Gulf's fuel brand across the United States and U.S. territories in mid 2023
Royal Farms	283	1959	Looking to expand partnership with Tesla for more EV charging stations while expanding along East Coast.
Save Mart Companies	194	1952	Family-owned operating under: The Save Mart, S-Mart Foods, Lucky, Lucky California, FoodMaxx, and MaxxValue
Sheetz	700	1952	The tenth largest c-store chain in the U.S. is expanding in Ohio and Michigan
SQRL	210	2013	SQRL Holdings has agreed to sell its convenience stores under SQRL Service Stations LLC to Gas Hub Investments LLC
Steak 'n Shake	479	1934	Steak 'n Shake Operations, Inc. is a wholly owned subsidiary of Biglari Holdings Inc.
US Fitness Holdings	46	2005	The owners of Sport & Health clubs, Crunch Fitness and OneLife Fitness clubs
Wawa	1,081	1964	Upcoming growth plans include market entrances in Ohio, Indiana and Kentucky along with a push to expand its network in the Southeast
Zaxby's	972	1990	Fast-casual chicken chain headquartered in Athens, GA and expanding west to Arizona

Chart Rating Tiers

Moody's		S&P		FITCH		DBRS		TIER GRADE	
Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term		
Aaa	P-1	AAA	A-1+	AAA	F1+	AAA	R-1H	PRIME	
Aa1		AA+		AA+		AA(high)			
Aa2		AA		AA		AA	R-1M	HIGH GRADE	
Aa3		AA-		AA-		AA(low)			
A1	P-2	A+	A-1	A+	F1	A(high)	R-1L	UPPER MEDIUM GRADE	
A2		A		A		A			
A3		A-		A-		A(low)			
Baa1	P-3	BBB+	A-2	BBB+	F2		R-2H	LOWER MEDIUM GRADE	
Baa2		BBB		BBB		BBB	R-2M		
Baa3		BBB-		BBB-		BBB(low)	R-2L, R-3		
Ba1	Not prime	BB+	B	BB+	B	BB(high)	R-4	NON-INVESTMENT GRADE SPECULATIVE	
Ba2		BB		BB		BB			
Ba3		BB-		BB-		BB(low)			
B1		B+		B+		B(high)			
B2		B		B		B			
B3		B-		B-		B(low)			
Caa1	Not prime	CCC+	C	CCC	C		R-5	SUBSTANTIAL RISKS	
Caa2		CCC				CCC			CCC(low)
Caa3		CCC-				CCC(low)			CC(high)
Ca		CC				CC		CC	
		C				CC(low)		CC(high)	
						C		C	C
						C(low)		C	C(low)
C	D	/	DDD	/	D	D	D	IN DEFAULT	
			DD						
			D						

Global Corporate Average Cumulative Default Rates

		Years														
S&P	Moody's	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
AAA	Aaa	0.00	0.03	0.13	0.24	0.34	0.45	0.50	0.58	0.64	0.79	0.72	0.75	0.78	0.83	0.89
AA+	Aa1	0.00	0.05	0.05	0.09	0.14	0.19	0.25	0.30	0.35	0.41	0.46	0.52	0.58	0.64	0.70
AA	Aa2	0.02	0.06	0.11	0.20	0.130	0.40	0.48	0.55	0.62	0.68	0.74	0.80	0.86	0.91	0.96
AA-	Aa3	0.03	0.08	0.16	0.23	0.30	0.40	0.46	0.51	0.55	0.60	0.66	0.71	0.73	0.77	0.81
A+	A1	0.05	0.08	0.18	0.30	0.39	0.48	0.58	0.68	0.80	0.93	1.04	1.17	1.31	1.47	1.62
A	A2	0.05	0.13	0.21	0.32	0.44	0.57	0.73	0.87	1.01	1.15	1.28	1.40	1.52	1.63	1.76
A-	A3	0.05	0.15	0.24	0.34	0.48	0.63	0.83	0.98	1.10	1.20	1.30	1.42	1.54	1.65	1.74
BBB+	Baa1	0.09	0.25	0.45	0.64	0.85	1.09	1.28	1.49	1.75	1.99	2.21	2.36	2.53	2.75	2.98
BBB	Baa2	0.15	0.41	0.72	1.09	1.48	1.85	2.18	2.50	2.80	3.10	3.40	3.64	3.86	4.09	4.34
BBB-	Baa3	0.23	0.66	1.23	1.87	2.53	3.13	3.63	4.10	4.48	4.83	5.20	5.52	5.81	6.26	6.60
BB+	Ba1	0.31	0.94	1.69	2.44	3.19	3.95	4.59	5.06	5.62	6.18	6.57	7.03	7.50	7.85	8.39
BB	Ba2	0.60	1.88	3.35	4.81	6.19	7.47	8.57	9.56	10.45	11.24	11.90	12.52	13.09	13.57	14.08
BB-	Ba3	0.92	2.86	4.89	6.97	8.79	10.54	12.02	13.41	14.53	15.48	16.22	16.96	17.67	18.34	18.97
B+	B1	1.94	5.31	8.64	11.48	13.73	15.46	17.02	18.37	19.60	20.73	21.70	22.39	23.13	23.80	24.45
B	B2	3.18	7.46	11.26	14.30	16.67	18.59	20.10	21.34	22.45	23.50	24.40	25.10	25.75	26.35	26.92
B-	B3	5.89	12.59	17.88	21.56	24.26	26.23	27.69	28.84	29.65	30.34	31.41	32.10	32.71	33.34	33.77
CCC/C	Caa1/Ca	26.55	36.74	41.80	44.74	46.91	47.95	49.08	49.82	50.48	51.05	51.49	51.92	52.45	52.91	52.97
Investment Grade		0.08	0.23	0.40	0.61	0.83	1.05	1.26	1.45	1.63	1.81	1.98	2.13	2.27	2.40	2.55
Speculative Grade		3.60	6.97	9.86	12.23	14.16	15.75	17.06	18.16	19.14	20.04	20.80	21.44	22.05	22.58	23.09
All Rated		1.50	2.93	4.17	5.22	6.10	6.83	7.45	7.97	8.43	8.86	9.23	9.54	9.84	10.10	10.36

Source: S&P

Let's connect.

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