

Credit Rating Report



C-Stores

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
7-Eleven	7-Eleven, Inc.	SVNDF	AA-	Stable	Baa1	Stable
Circle K / Kangaroo	Alimentation Couche-Tard	ANCUF	BBB	Stable	Baa2	Stable
Shell Oil	Shell Oil Company	RDS-A	AA-	Stable	Aa3	Stable
Pilot Flying J	Pilot Travel Centers LLC	N/A	BB+	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	BBB-	Stable	Baa2	Stable
AutoZone	AutoZone, Inc.	AZO	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

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	A2	Stable
BankUnited	BankUnited N.A.	BKU	NR	NR	Baa3	Stable
BB&T Bank / Suntrust	Truist Financial Corp.	BBT	A-	Stable	A3	Stable
BMO Harris Bank	BMO Harris Bank, N.A.	BMO	A+	Stable	A3	Stable
Chase Bank	JPMorgan Chase Bank U.S. N.A.	JPM	A+	Stable	A2	Stable
PNC Bank	PNC Bank N.A.	PNC	A	Stable	A1	Stable
TD Bank	TD Bank N.A.	TD	AA-	Stable	A2	Stable
Capital One Bank	Capital One Bank, N.A.	COF	BBB+	Stable	A3	Stable
M&T Bank	M&T Bank Corp.	MTB	A-	Stable	A3	Stable

¹ N/A = Private company

² According to S&P credit conditions: policy uncertainty and rising rates pose risks in North America, but faster growth may help
 *NR = Not rated by the rating agency COLOR KEY: Rating decrease since last report | Rating increase since last report

Casual Dining

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Carrabba's	Bloomin' Brands	BLMN	BB	Stable	Ba2	Stable
Chili's	Brinker International	EAT	BB+	Stable	Ba1	Negative
Darden Restaurants	Darden Restaurants, Inc.	DRI	BBB	Stable	Baa2	Stable
Red Lobster	Golden Gate Capital	N/A	NR	NR	B3	Negative
Bonefish Grill	OSI Restaurant Partners	N/A	BB	Stable	NR	NR

QSR

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Burger King	Restaurant Brands International, Inc.	QSR	BB	Stable	NR	NR
Dairy Queen	Berkshire Hathaway	BRK.A	AA	Stable	Aa2	Stable
McDonald's	McDonald's Corp.	MCD	BBB+	Stable	Baa1	Stable
Starbucks	Starbucks Corp.	SBUX	BBB+	Stable	Baa1	Stable
Taco Bell / KFC / Pizza Hut	Yum! Brands, Inc.	YUM	BB	Stable	Ba2	Stable
Wendy's	Wendy's Company	WEN	B	Stable	B2	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	Baa1	Positive
Costco	Costco Wholesale Corp	COST	A+	Stable	Aa3	Stable
Kohl's	Kohl's Corporation	KSS	BBB	Stable	Baa2	Stable
Lowe's	Lowe's Companies, Inc.	LOW	BBB+	Stable	Baa1	Stable
Walmart	Walmart Inc.	WMT	AA	Stable	Aa2	Stable
Big Lots	Big Lots Inc.	BIG	BBB-	Negative	NR	NR
Petco Animal Supplies	Petco Holdings, Inc.	N/A	CCC+	Negative	B3	Negative
TJ Maxx	TJX Companies	TJX	A+	Stable	A2	Stable
Nordstrom Rack	Nordstrom Inc.	JWN	BBB	Stable	Baa2	Stable
Ross	Ross Stores Inc.	ROST	A-	Stable	A2	Stable
Burlington	Burlington Stores Inc.	BURL	BB+	Stable	NR	NR
Target	Target Corp	TGT	A	Stable	A2	Stable
PetSmart	PetSmart Inc.	PETM	B-	Stable	B3	Stable

Grocery

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Delhaize	Delhaize America LLC	DEG	NR	NR	Baa1	Stable
Kroger	The Kroger Co.	KR	BBB	Stable	Baa1	Stable
Wegmans	Wegmans Food Markets, Inc.	N/A	BBB+	Stable	NR	NR
Whole Foods	Whole Foods Market, Inc.	AMZN	A+	Stable	A2	Positive

Dollar Store

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Dollar General	Dollar General Corp.	DG	BBB	Stable	Baa2	Stable
Dollar Tree / Family Dollar	Dollar Tree, Inc.	DLTR	BBB-	Stable	Baa3	Positive

Pharmacy

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
CVS	CVS Health Corp.	CVS	BBB	Stable	Baa2	Negative
Rite Aid	Rite Aid Corp.	RAD	CCC+	Stable	Caa1	Negative
Walgreens	Walgreens Boots Alliance, Inc.	WBA	BBB	Stable	Baa2	Stable

Medical

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Affordable Care	Affordable Care Holding Corp.	N/A	B-	Stable	Caa1	Stable
DaVita Dialysis	DaVita Inc.	DVA	BB	Negative	Ba2	Stable
Fresenius Medical Care	Fresenius Medical Care AG & Co. KGaA	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	B-	Negative	Caa1	Stable
LA Fitness	Fitness International, LLC	N/A	B+	Stable	B2	Stable
Planet Fitness	Planet Fitness Holdings, LLC	PLNT	BBB	Positive	NR	NR
Equinox	Equinox Holdings, Inc.	N/A	B-	Stable	B2	Stable

General

Tenant	Parent Company	Ticker1	S&P2	S&P Outlook	Moody's	Moody's Outlook
Builders FirstSource	Builders FirstSource Inc. & Formerly ProBuild	BLDR	BB-	Stable	B1	Positive
FedEx	FedEx Corporation	FDX	BBB	Stable	Baa2	Negative
Sherwin-Williams	The Sherwin-Williams Company	SHW	BBB	Stable	Baa3	Positive
Verizon	Verizon Communications, Inc.	VZ	BBB+	Positive	Baa1	Positive



LISTED

Unrated Tenants

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



Tenant	Ticker	Store Count	Founded	Net Income (M)	Market Cap (B)	Comments
Aaron's	AAN	1,864	1955	\$31.47	\$2.16	Aaron's finished the year on a positive note with record annual revenues. Consolidated revenues were \$1.0 billion for Q4 2019.
Applebee's / IHOP (owned by Dine Brands Global)	DIN	3,652	2008	\$100.81	\$1.22	Over the last four quarters, the company has surpassed consensus EPS estimates three times.
BankUnited	BKU	95	1984	\$299.73	\$2.59	Ranked on Forbes Magazine's list as one of the "Best Banks in America 2019."
Chipotle	CMG	2,500	1993	\$350.16	\$20.08	Chipotle saw same-store sales climb 13.4% for Q4 2019, with total revenue increasing 17.6%.
Cracker Barrel	CBRL	660	1969	\$223.40	\$3.17	Cracker Barrel acquired Maple Street Biscuit Company in an all-cash transaction for \$36 million.
Dunkin'	DNKN	12,871	1950	\$242.02	\$5.57	Sales at US Dunkin' stores, open at least a year, ticked up 2.8% in the fourth quarter, the best improvement in six years.
Napa Auto Parts (owned by Genuine Parts)	GPC	6,000	1925	\$621.09	\$12.04	For full-year 2020, the company expects total sales growth of 3-4%.
Pier 1 Imports	PIRRQ	1,000	1962	-\$198.83	\$1.02	Pier 1 Imports has filed for bankruptcy and is putting itself up for sale. They will continue to shut down 450 of its stores.
Tractor Supply Co.	TSCO	1,800	1938	\$562.35	\$9.48	The ONETractor initiative, store growth efforts, inventory management and improved loyalty program have been favoring the farm and ranch store retailer.

UNLISTED

Unrated Tenants

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



Tenant	Locations	Founded	Comments
ALDI	1,900	1948	Owned by a German company who also owns Trader Joe's. By 2022, ALDI will bring its total number of US stores to ~2,500.
Arby's	3,500	1964	Owned by Inspire Brands.
Ashley Furniture	1,000	1970	No. 1 furniture retailer in the US.
Aspen Dental	800	1964	Owned by PE companies, American Securities, Leonard Green & Partners, and Ares Capital.
Bass Pro Shops	177	1972	Merged with Cabela's in 2017.
Bojangles'	757	1977	Acquired by Durational Capital Management and the Jordan Company.
Captain D's	539	1969	Privately owned fast casual seafood chain.
Chick-fil-A	2,400	1946	Has the highest sales per location of any QSR restaurant.
Church's Chicken	1,500	1952	Private fast food chain with locations in 25 global markets.
Giant Eagle	474	1931	One of the nation's largest food retailers and distributors with approximately \$8.9 B in annual sales.
Hardee's	1,944	1960	Owned by CKE Restaurants Holdings.
Hobby Lobby	900	1972	One-stop-shop for craft supplies.
PDQ	75	2011	Florida based fast-casual chain.
Publix Super Markets	1,239	1930	The largest employee-owned grocery chain in the US.
RaceTrac	670	1934	Gas station and convenience store. 39th largest privately owned US company.
Royal Farms	205	1959	Privately owned gas station and convenience stores. Actively expanding in Maryland, Delaware, Virginia, and Pennsylvania.
Save Mart Companies	207	1952	Family-owned grocer which operates under the brands The Save Mart, S-Mart Foods, Lucky, Lucky California, FoodMaxx,
Sheetz	600	1952	Family-owned and operated convenience stores open 24/7. 59th largest privately owned US company.
Steak 'n Shake	628	1934	Steak 'n Shake Operations, Inc. is a wholly owned subsidiary of Biglari Holdings Inc.
Tilted Kilt	47	2003	Privately owned Celtic-themed sports bar and franchise restaurant chain.
Wawa	850	1964	Privately owned gas station and convenience stores. 25th largest privately owned US company.
Wegmans	101	1916	Privately owned supermarket chain.
Zaxby's	900	1990	Fast-casual chicken chain headquartered in Athens, GA.

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			
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)	R-2H			
Baa1		BBB+		BBB+		BBB(high)				
Baa2	P-3	BBB	A-3	BBB	F3	BBB	R-2M	LOWER MEDIUM GRADE		
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	B	R-5	SUBSTANTIAL RISKS				
B3	B-	B-	B(low)							
Caa1	CCC+	C	CCC	C			CCC(high)			
Caa2	CCC						CCC			
Caa3	CCC-				CCC(low)					
Ca	CC				CC(high)					
	C	CC	CC							
		CC(low)	C(high)							
		C	C							
C(low)		C(low)								
C	D	/	DDD	/	D	D	D	IN DEFAULT		
			DD							
			D							

Global Corporate Average Cumulative Default Rates

S&P	Moody's	Years														
		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	0.35	0.45	0.51	0.59	0.65	0.70	0.73	0.76	0.79	0.85	0.92
AA+	Aa1	0.00	0.05	0.05	0.10	0.15	0.21	0.26	0.32	0.38	0.44	0.50	0.56	0.62	0.69	0.76
AA	Aa2	0.02	0.03	0.08	0.22	0.36	0.48	0.60	0.71	0.80	0.89	0.97	1.03	1.14	1.20	1.27
AA-	Aa3	0.03	0.08	0.17	0.25	0.32	0.44	0.50	0.55	0.61	0.66	0.72	0.79	0.81	0.85	0.90
A+	A1	0.05	0.09	0.20	0.33	0.43	0.53	0.64	0.76	0.89	1.03	1.17	1.31	1.47	1.66	1.83
A	A2	0.06	0.14	0.23	0.35	0.48	0.65	0.83	1.00	1.19	1.41	1.59	1.73	1.86	1.95	2.12
A-	A3	0.06	0.16	0.26	0.38	0.54	0.70	0.93	1.10	1.23	1.34	1.45	1.58	1.71	1.83	1.92
BBB+	Baa1	0.10	0.29	0.50	0.73	0.97	1.25	1.46	1.68	1.93	2.17	2.41	2.58	2.80	3.07	3.37
BBB	Baa2	0.16	0.41	0.64	1.01	1.36	1.72	2.04	2.36	2.72	3.08	3.46	3.77	4.01	4.12	4.33
BBB-	Baa3	0.24	0.73	1.35	0.50	2.77	3.42	4.00	4.55	5.00	5.39	5.83	6.19	6.51	7.00	7.37
BB+	Ba1	0.32	1.04	1.91	2.79	3.69	4.56	5.29	5.81	6.42	7.04	7.45	7.95	8.43	8.77	9.27
BB	Ba2	0.53	1.61	3.19	4.68	6.17	7.35	8.43	9.35	10.22	10.98	11.76	12.39	12.81	13.12	13.53
BB-	Ba3	0.95	2.98	5.11	7.33	9.27	11.15	12.71	14.21	15.42	16.46	17.28	17.99	18.74	19.48	20.15
B+	B1	2.01	5.52	8.95	11.88	14.15	15.89	17.54	18.97	20.30	21.49	22.48	23.14	23.80	24.45	25.09
B	B2	3.41	7.84	11.69	14.73	17.09	19.27	20.74	21.77	22.74	23.74	24.48	25.18	25.77	26.30	26.85
B-	B3	6.75	13.73	19.04	22.70	25.43	27.42	29.01	30.11	30.82	31.37	32.13	32.67	32.91	33.18	33.50
CCC/C	Caa1/Ca	26.89	36.27	41.13	43.94	46.06	46.99	48.20	49.04	49.80	50.44	50.96	51.51	52.16	52.72	52.80

Investment Grade	0.09	0.25	0.43	0.66	0.90	1.14	1.36	1.56	1.77	1.96	2.16	2.32	2.48	2.63	2.80
Speculative Grade	3.66	7.13	10.12	12.56	14.55	16.18	17.55	18.69	19.70	20.62	21.39	22.02	22.60	23.13	23.65
All Rated	1.48	2.91	4.16	5.21	6.08	6.82	7.44	7.97	8.44	8.88	9.26	9.58	9.87	10.13	10.41

Source: S&P


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