



Masengill Falls

Morristown, TN

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Marcus & Millichap

Masengill Falls

Morristown, TN

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MARKET OVERVIEW

Masengill Falls

Morristown, TN

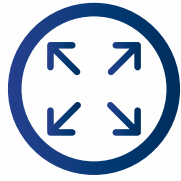
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EXECUTIVE SUMMARY

Executive Summary



\$7,960,100
LIST PRICE



47,802
TOTAL GLA (SF)



7.00%
CAP RATE



2015
YEAR BUILT



100%
OCCUPANCY



\$166.52
PRICE/SF



Offering Summary

Marcus & Millichap is pleased to present the opportunity to acquire Masengill Falls, a 47,802 SF Food City shadow-anchored community shopping center. The property is situated on a 6.69-acre site in the rapidly growing city of Morristown, TN.

The shopping center was built in 2015, and 100% occupied by a complementary mix of medical and service-oriented tenants. Over 40% of the tenant roster has been at the center since it was constructed and 77% of the GLA is occupied by medical-use tenants. All tenants are set up on a triple-net rent structure, reimbursing their pro rata share of real estate taxes, insurance, and common area maintenance expenses.

The property is well positioned and part of a high performing Food City anchored grocery center just off Morristown's main thoroughfare, W Andrew Johnson Hwy (41,192 VPD). Notable retailers in the trade area include Food City, Home Depot, Lowe's, Chick-fil-A, Walgreens, Dutch Bros Coffee, McDonald's, Dollar Tree, Harbor Freight Tools and many more.

The property will benefit from a newly planned residential development directly west of Food City named Masengill Landing. The Masengill Landing development will include 89 single family homes, 80 townhomes, and over 100 apartment units. This will help secure the vibrance of the center and continued growth in the immediate area for years to come.

Investment Highlights

- 1 Food City & Dollar Tree Shadow-Anchored Center
- 2 100% Occupied to Medical and Service Oriented Tenants
- 3 Below Market Rents (Avg \$12.60 PSF) - Future Upside Potential
- 4 Priced Below Replacement Costs- (\$166 PSF) & Built in 2015
- 5 Strong Retail Corridor- Numerous National Retailers in the Immediate Area.
- 6 Minimal Landlord Expenses- All Tenants Reimburse for NNN Expenses
- 7 Directly Next to Planned Residential Development- 89 Single Family Homes, 80 Townhomes, and Over 100 Apartment Units





Walmart

TEXAS
TRUCKS

FountainFX

BUFFALO WILD WINGS

TACO JOHN'S

LOWE'S

DOLLAR GENERAL

DUTCHBROS

SUBWAY

COOK-OUT

TACO BELL

Chick-fil-A

SONIC

Advance
Auto Parts

UPS

Applebee's

O'Reilly
AUTO PARTS

Bojangles

CIRCLE
K

FOOD CITY

DOLLAR TREE

tcbv

WORKOUT ANYTIME

MCDONALD'S

ZAXBY'S

PAPA JOHN'S



MASENGILL LANDING

CHEROKEE RESERVOIR



ingles
BIG LOTS!

COLLEGE SQUARE MALL
amc THEATRES belk
EVERY SEASON STARTS AT DICK'S SPORTING GOODS five BELOW
Olive Garden LONGHORN STEAKHOUSE
TJ-maxx ULTA BEAUTY

FOOD CITY ACE Hardware

BURGER KING

Morristown-Hamblen Healthcare System
Covenant HEALTH

Jeep



NATIONAL FITNESS

TENNESSEE COLLEGES OF APPLIED TECHNOLOGY

THE HOME DEPOT

Little Caesars

...THE... HONEY BAKED Ham

OLLIE'S



CVS pharmacy

WALGREENS

FOOD CITY toby
DOLLAR TREE WORKOUT ANYTIME



W MORRIS BLVD | 18,557 VPD

Bojangles

CIRCLE K

Chick-fil-A

Arbys

MASENGILL LANDING

ups Applebees O'Reilly AUTO PARTS

Advance Auto Parts

BUDDY'S bar-b-q

COOK-OUT

LOWE'S

SONIC

TACO BELL

DOLLAR TREE

TACO JOHN'S

AutoZone

DUTCH BROS

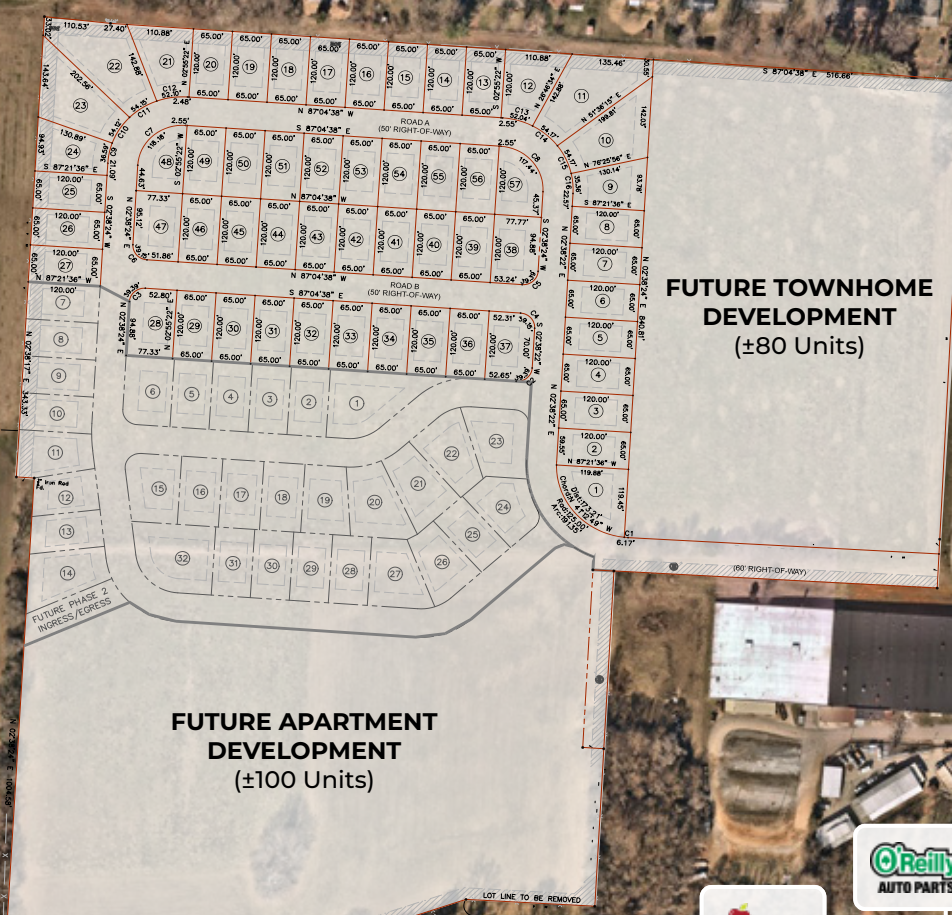


DUNKIN'

DUTCH BROS

FountainRx
BUFFALO WILD WINGS

W. ANDREW JOHNSON HWY | 41,192 VPD



MCDONALD'S



Masengill Falls

Morristown, TN

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FINANCIAL ANALYSIS

PRICING DETAILS // MASENGILL FALLS

SUMMARY	
Listing Price	\$7,960,100
Address	2245 Sandstone Dr
City, State	Morristown, TN 37814
Cap Rate	7.00%
Price/SF	\$166.52
GLA	47,802
Land Area	6.69
Year Built	2015
Number of Tenants	10
Occupancy	100%
Parcel #	041B A 002.03

PROPOSED FINANCING	
Loan Amount	\$4,850,000 (Limited to 70% LTV)
Interest Rate	6.50%
Fixed Period	5 YRS + 5 YR Option
Amortization Period	30 YRS

The property will be delivered free-and-clear of debt. Financing is subject to change. Contact Ron Balys with Marcus & Millichap Capital Corporation for details.

Ronald J. Balys

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INCOME	CURRENT	PER SF
Base Rental Income	\$602,450	\$12.60
Expense Reimbursements	\$91,629	\$1.92
Less: Vacancy Factor 5%	\$(34,704)	\$(0.73)
Effective Gross Revenue	\$659,376	\$13.79

EXPENSES	CURRENT	PER SF
Repairs & Maintenance	\$5,579	\$0.12
Landscaping	\$7,500	\$0.16
Parking Lot Maintenance	\$1,250	\$0.03
Pest Control	\$1,500	\$0.03
Snow Removal	\$1,045	\$0.02
Waste Removal	\$1,219	\$0.03
Utilities	\$1,927	\$0.04
Property Insurance	\$6,092	\$0.13
County Real Estate Taxes	\$32,295	\$0.68
City Real Estate Taxes	\$25,689	\$0.54
Property Management	\$18,074	\$0.38
Total Expenses	\$102,169	\$2.14
Net Operating Income	\$557,207	\$11.66

RENT ROLL SUMMARY // MASENGILL FALLS

Unit	Tenant	SQ FT	Pro Rata Share	Lease Starts	Lease Ends	Rent PSF	Monthly	Annual Rent	CAM Monthly	Annual CAM	Lease Type	Options	Increases
2231 2241 2253	US Diabetes Care	14,200	30%	2/1/2022	1/31/2037	\$13.40	\$15,863	\$190,350	\$2,663	\$31,950	NNN	(3) 5-Year	5% Increases each Option
2243	CMG Mortgage, Inc.	750	2%	1/1/2018	3/31/2025	\$26.23	\$1,639	\$19,669	\$125	\$1,500	NNN	None	3% annual Increases in Option
2245	LaBoe Salon	3,768	8%	3/15/2017	9/30/2025	\$7.32	\$2,300	\$27,600	\$471	\$5,652	NNN	(2) 1-Year	Negotiable
2247	Meredith, Elkins and Feldman PLLC	2,750	6%	6/1/2016	11/30/2026	\$14.35	\$3,289	\$39,462	\$401	\$4,812	NNN	(1) 5-Year	Negotiable
2249	Precision HC -IV Express	1,450	3%	5/29/2018	11/26/2028	\$18.90	\$2,284	\$27,405	\$278	\$3,340	NNN	(2) 5-Year	5% Increases each Option
2251	The Girls & Me Boutique	1,500	3%	7/3/2017	10/31/2027	\$12.68	\$1,585	\$19,020	\$250	\$3,000	NNN	(1) 5-Year	Negotiable
2255	Mildred's Florist	2,100	4%	1/1/2018	12/31/2028	\$10.86	\$1,900	\$22,800	\$200	\$2,400	NNN	None	Negotiable
2259	Rehab Group of Morristown	4,586	10%	10/12/2015	10/31/2025	\$12.30	\$4,700	\$56,400	\$573	\$6,879	NNN	(1) 5-Year	Negotiable
2261	Advance Weight Loss & Wellness	3,650	8%	12/1/2022	MTM	\$9.68	\$2,945	\$35,344	\$500	\$6,000	NNN	None	Negotiable
2263	East TN Center for Orthopaedic	13,048	27%	10/19/2015	11/30/2026	\$12.60	\$13,700	\$164,400	\$2,175	\$26,096	NNN	(1) 5-Year	Negotiable
		Total	Total			Avg	Total	Total	Total	Total			
		47,802	100%			\$12.60	\$50,204	\$602,450	\$7,636	\$91,629			

TENANT SUMMARY // MASENGILL FALLS



The providers and staff of East Tennessee Center for Orthopaedic Excellence have been recognized in East Tennessee as the region's most trusted in their field. All of their surgeons have the experience and expertise to treat the full range of musculoskeletal injuries and conditions. ETCOE's specialists have been the pioneers in regenerative medicine in East Tennessee. Regenerative Medicine is a medical specialty dedicated to restoring optimal function to people with injuries using their own cells and Platelet Rich Plasma (PRP) to heal those ailments. Dr. Christopher has staff privileges at Morristown-Hamblen Healthcare Systems (Covenant), the Volunteer Ambulatory Surgery center and Jefferson Memorial Hospital (Tennova).

- Degenerative Hip, Knee, and Shoulder Arthritis
- Back Pain
- Fractures
- Ankle Fractures
- Arthroscopy of the Shoulder and Knee
- Knee Meniscal and ACL Tears
- Rotator Cuff Tears
- Tendonitis and Bursitis
- Osteoporosis
- Stem Cell
- Platelet Rich Plasma

U.S. Diabetes Care is the only trained diabetic care center in the area providing both education and treatment of Diabetes. U.S. Diabetes Care focuses on educating patients about all aspects of diabetes self-management such as diet, exercise, and lifestyle changes. Their team of highly-qualified and knowledgeable specialists provide a unique individualized diagnosis and treatment for each patient. U.S. Diabetes Care is constantly researching the latest technology for their patients that will improve a higher quality of care and lifestyle. U.S. Diabetes Care is the only medical care center that is certified by the CDC.

- US Diabetes Care is the only medical care center that is certified by the CDC
- Team of qualified & educated diabetic specialists
- One hour initial diabetic assessment
- Follow-up visits are minimum thirty minutes or more
- Patients are educated and informed
- Patients are given a safe place to discuss their diabetes
- We work with patients' primary care as an extension of our medical care
- Most insurance accepted

Rehab Group is an outpatient rehabilitation practice offering both physical and occupational therapy. With an emphasis on individualized care with custom-tailored treatment plans, they are committed to you reaching your full potential. A commitment to clinical excellence and expertise in a relaxed, comfortable environment is the hallmark of their approach.

Rehab Group's team of providers hold advanced degrees and certifications and are the most experienced providers in the area. Trust your care to our 21-year track record of proven results. Contact us today to schedule your first visit to get on your way to recovery.

- Surgical and non-surgical orthopedic conditions
- Sports Injuries
- Workers Comp Injuries
- Auto Accidents
- Strokes
- Balance
- Chronic pain
- Vertigo/vestibular disorders
- Many others– Call for details about your particular condition.

Masengill Falls

Morristown, TN

03 MARKET OVERVIEW

MARKET OVERVIEW // MASENGILL FALLS



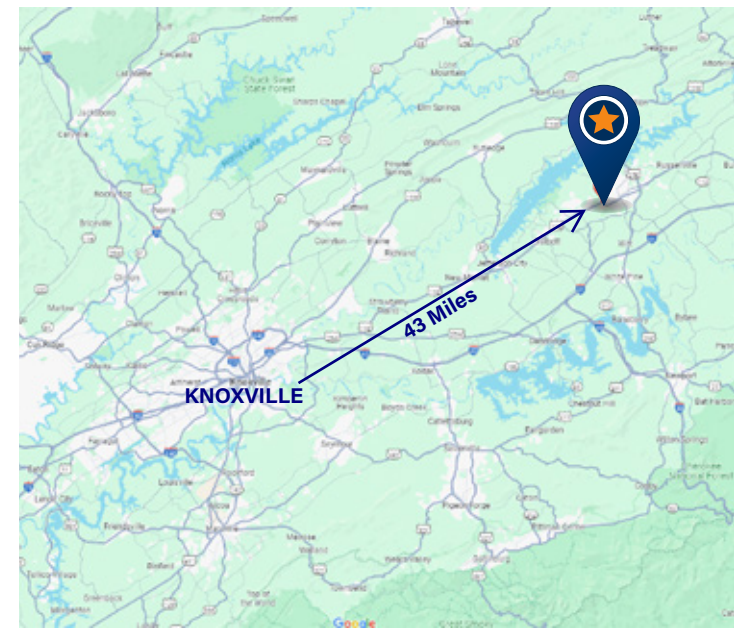
Morristown is the county seat of Hamblen County, TN with a population of 32,393 within the city limits as of January 2024. Located just 41 Miles from Knoxville, TN, It is the principal city of the Morristown, Tennessee Metropolitan Statistical Area, which encompasses all of Grainger, Hamblen, and Jefferson counties.

The Morristown metro area in Tennessee reported 22.6% population growth in the last five years, the 7th most among 381 U.S. metro areas with available data. The latest data from the U.S. Census Bureau's American Community Survey shows that Morristown's population grew to 143,855 from 117,320 in 2016.

Morristown is experiencing a boom in development. Over the last five years, the city has seen an increase of about 500 jobs each year. Over the last five years, unemployment in the metro area has fallen considerably. As of the end of 2021, 3.8% of the Morristown labor force were out of work, down from 5.0% at the end of 2016, according to the Bureau of Labor Statistics.



POPULATION	1 Mile	3 Mile	5 Mile
2028 Projection	3,043	27,115	43,973
2023 Estimate	2,995	25,646	42,972
Daytime Population	5,536	36,502	52,219
HOUSEHOLD	1 Mile	3 Mile	5 Mile
2028 Projection	1,172	11,109	18,176
2023 Estimate	1,148	10,881	17,700
2020 Census	1,136	10,746	17,423
INCOME	1 Mile	3 Mile	5 Mile
Average HH Income	\$85,437	\$57,307	\$59,966
Median HH Income	\$46,432	\$34,694	\$38,228
Per Capita Income	\$33,160	\$23,658	\$24,861



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