

**192,000 SF
SALE-LEASEBACK**



**320 JD YARNELL INDUSTRIAL PARKWAY
CLINTON, TN**

**ENERGY
SOLUTIONS**

CBRE



PROPERTY OVERVIEW

CBRE is pleased to offer this EnergySolutions Sale-Leaseback opportunity for sale. The Property is 100% occupied by MHF Packaging Services, LLC and guaranteed by the EnergySolutions, LLC parent company ("EnergySolutions", "Guarantor", or the "Company"), which is an international nuclear services company headquartered in Salt Lake City, Utah and Charlotte, North Carolina, with operations throughout the United States, Canada, Asia, and Europe.

They are an industry leader worldwide in the safe transportation, processing, recycling, and disposal of radiologic material. Their customers include:

- + The U.S. and Canadian governments.
- + Commercial nuclear power generators.
- + Research facilities.
- + National laboratories.
- + Medical institutions.

This facility manufactures containers for transporting nuclear material. The Guarantor's commitment to a 20-year initial lease term and absolute triple-net lease structure ensures a stable, long-term cash flow. This opportunity is designed to provide single-tenant investors with a secure and predictable income stream over the long term. EnergySolutions has a Creditsafe Risk score of 78/100, which is considered Very Low Risk.



SUMMARY OF PROPOSED LEASE TERM

Building Size	192,000 SF
Lease Structure	Absolute Triple-Net Lease
Commencement Date	Concurrent with closing
Initial Lease Term	20 years
Initial Base Rent	\$912,000 (\$4.75/sf)
Rental Escalations	2.5% annually
Renewal Options	Five (5) year renewals

Maintenance & Repairs

Company, at its sole expense, to maintain the Premises. Company's obligation will include the repair and replacement, if necessary, of all interior, exterior, structural, non-structural, and mechanical elements and systems.



SPECIFICATIONS

Property Information

Zoning	M-2 Heavy Industrial District	Power	Clinton Utility Board
Lot Size	37.64 acres (11.71% building coverage)	Gas	Clinton Utility Board
Parcel ID	075 078.00	Sewer/Water	City of Clinton
County	Anderson	Use Restriction	No Residential land use (see TDEC file)
FEMA Flood Zone	Flood Zone (partial)		

Building Information

Building Size	±192,000 SF	Construction	Floors	6" reinforced concrete
Tenancy	Single		Walls	Concrete block in original portion with pre-engineered metal in the expansion area
Year Built/Renovated	1967 / Expansion 1980		Roof	Rubber membrane with gravel top on a pre-engineered metal deck
Grade Level Doors	15 (10'x10')		Columns	Steel "H" columns
Dock High Doors	4 (10'x10'); 2 (12'x12')			
# Cranes	One (1) 15-ton bridge crane			
Sprinkler System	100% wet system in the main plant only			
Ceiling Height	18' to 20' clear	Column Spacing	25' x 50'	
Minimum Ceiling Height	18'	Roof Type	Rubber membrane with gravel top on a pre-engineered metal deck	
Parking Ratio (per 1000 SF)	1.4	Roof Age	New roof installed in 2014. 15-year warranty	
Parking Spaces	±275	HVAC (#units and age)	Carrier	May 2000, gas, 5 ton
			Trane	May 2019, gas, 3 ton



UPGRADES/IMPROVEMENTS

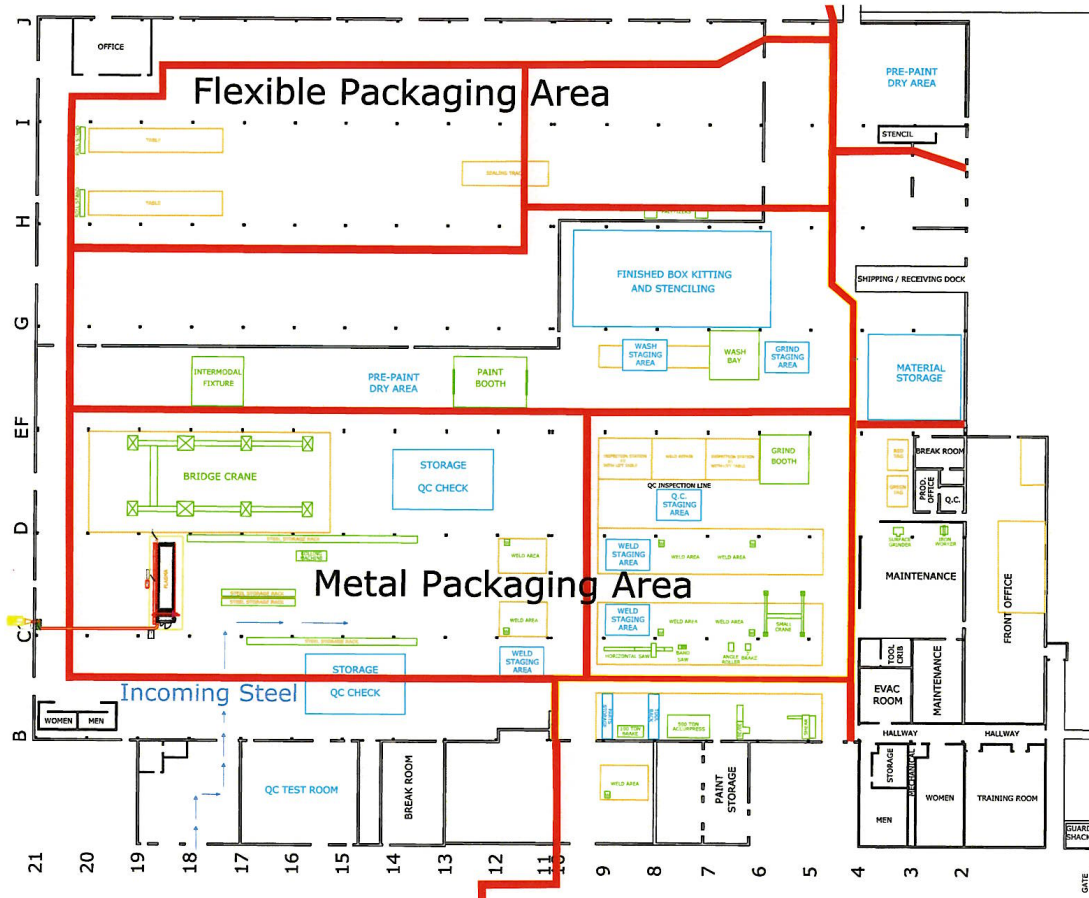
Recent Improvements

- New roof installed in 2014 (15-year warranty)
- Replaced switchgear in 2022 (approximately \$750k)
- New break room in 2019 (electrical, cabinets, paint)
- Enclosed the awning area (75'x50') and installed 23' wide roll door in 2019 (approximately \$60k)
- Painted building exterior in 2021
- Asphalt repaired/replaced in 2024 (approximately \$75k)
- Parking lot fixtures upgraded/replaced in 2024 (approximately \$45k)



FLOOR PLAN

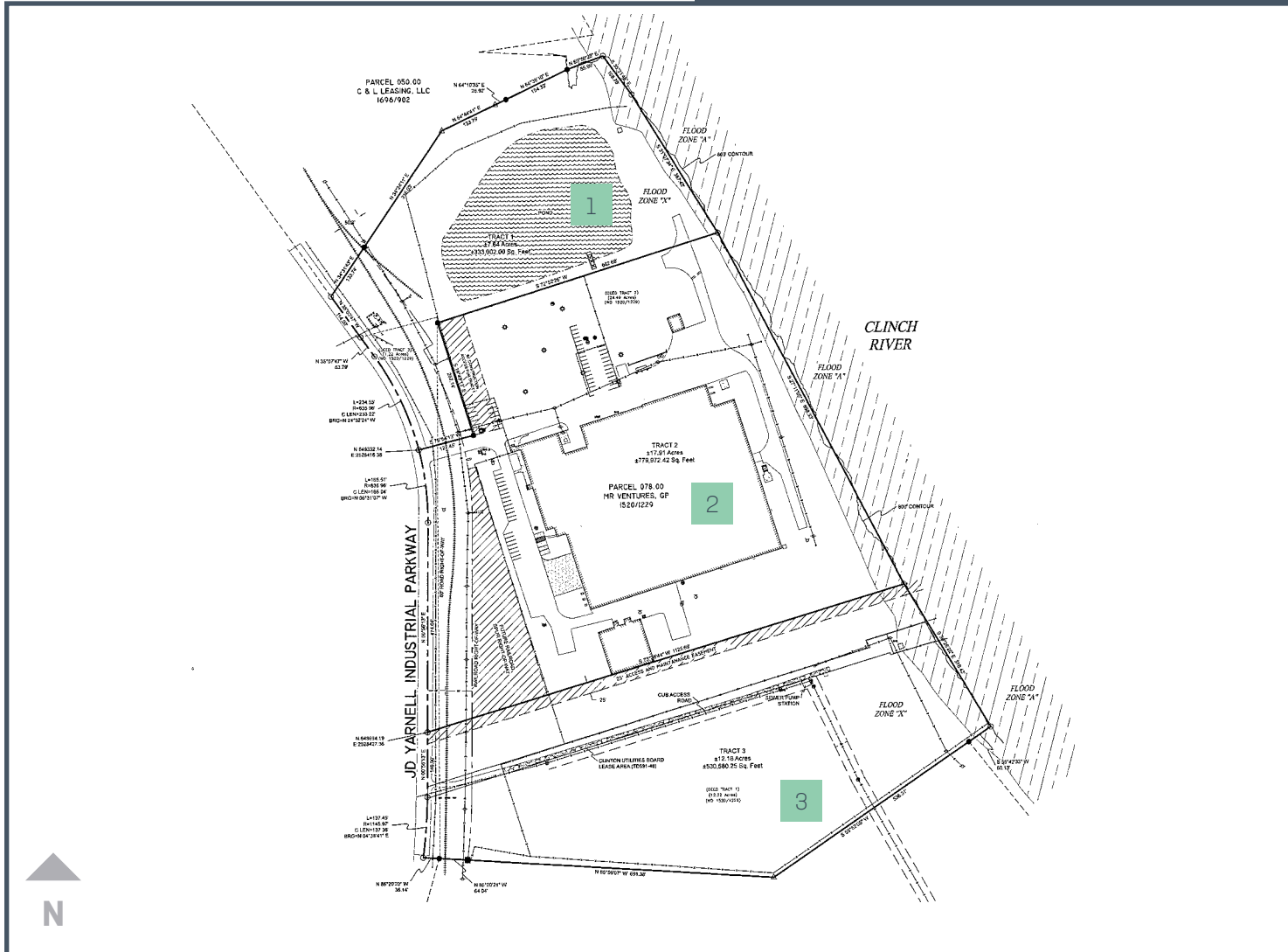
EnergySolutions Sale-Leaseback



192,000 SF

SITE PLAN

EnergySolutions Sale-Leaseback



1 ± 7.64 AC
± 333,002.00 SF

2 ± 17.91 AC
± 779,972.42 SF

3 ± 12.18 AC
± 530,580.25 SF

LOCATION

Surrounding Area



OAK RIDGE, TN

13.9 MILES

Y-12 NATIONAL SECURITY COMPLEX

15.7 MILES

OAK RIDGE NATIONAL LABORATORY

21.4 MILES

DOWNTOWN KNOXVILLE

24.0 MILES

UNIVERSITY OF TENNESSEE

24.1 MILES



KNOXVILLE



\$73B

MSA Projected GDP
(2023)



946K

MSA Population
(2023)



70,302

Average HH Income



2.5%

Unemployment Rate
(April 2024)

KNOXVILLE MARKET

EnergySolutions Sale-Leaseback

Knoxville's industrial market is still constrained, suitable for owners and landlords but challenging for occupiers. The total inventory for the Knoxville MSA is 92.3M square feet and is increasing slightly. The vacancy rate has remained at 1.1% from Q2 2024 to Q3 2024, making the area's vacancy rate one of the lowest in the Southeast. The lack of supply within the market results from growing demand from a robust owner/user market and limited developable land due to topography, lakes, creeks, and electrical transmission lines. Additional supply for the healthy demand within the market is limited as most projects in 2025 are build-to-suit. Speculative development is much needed to relieve the market's constraints.

In late 2023, TPA Group completed construction on a 260,000 square foot, high bay, rear load building in Roane County that sold to an owner-occupier and is under construction on two more 200,000 square foot buildings in the same park. The metro area doesn't function as a distribution hub; rather, manufacturers and companies serving the local population generate most of the demand. Red Stag Fulfillment recently finished their 750,000-square-foot distribution center in Sweetwater, TN. Rent growth has averaged 10% over the last 12 months. In the past three years since the pandemic, rents have increased by 28.9%. Owners are exploiting the historically low vacancies and minimal, speculative development.

STATS SNAPSHOT <small>(AS OF 10/24/24)</small>	KNOXVILLE MARKET	ANDERSON COUNTY SUBMARKET
INVENTORY	92.3 MSF	10.3 MSF
VACANCY RATE	1.1%	1.1%
MARKET RENT	\$8.66 PSF	\$7.59 PSF
12-MO. RENT GROWTH	5.1%	5.7%
UNDER CONSTRUCTION	399,000 SF	-
AVG. SALES PRICE PSF	\$76	\$73

FINANCIAL ASSUMPTION

GLOBAL				VACANT SPACE LEASING		SECOND GENERATION LEASING	
Analysis Period				Occupancy and Absorption		Retention Ratio	
Commencement Date		November 1, 2024		Projected Vacant at 11/1/24	0 SF		Flex
End Date		October 31, 2034		Currently Vacant as of 11/1/24	0 SF		75%
Term		10 Years		Percentage Vacant at 11/1/24	0.00%		
Area Measures (NRSF)				Absorption Period		Financial Terms	
Rental Square Feet		192,000 SF		Absorption Period Start Date	-	2024 Annual Market Rent	\$4.75 PSF
Growth Rates				First Absorption Occurs On		Rent Adjustment	3.00% Annually
Consumer Price Index (CPI)		3.00%		Last Absorption Occurs On	-	Lease Term	7
Other Revenue		3.00%		Financial Terms		Expense Reimbursement Type	NNN
Operating Expenses		3.00%		2024 Annual Market Rent	-	Tenanting Costs	
Real Estate Taxes		3.00%		Rent Adjustment	-	Rent Abatements	
Market Rent Growth				Lease Term		New	3 Month(s)
		Avg. Industrial Rent		Expense Recovery Type	-	Renewal	0 Month(s)
CY 2025	3.00%	\$4.89 PSF		Rent Abatements	-	Weighted Average	0.75 Month(s)
CY 2026	3.00%	\$5.04 PSF		Tenant Improvements (\$/NRSF)	-	New	\$1.50 PSF
CY 2027	3.00%	\$5.19 PSF		Commissions	-	Renewal	\$0.75 PSF
CY 2028	3.00%	\$5.35 PSF		Commissions	-	Weighted Average	\$0.94 PSF
CY 2029	3.00%	\$5.51 PSF		Commissions	-	New	6.00%
CY 2030	3.00%	\$5.67 PSF		Commissions	-	Renewal	4.00%
CY 2031	3.00%	\$5.84 PSF		Commissions	-	Weighted Average	4.50%
CY 2032	3.00%	\$6.02 PSF		Commissions	-	Downtime	
CY 2033	3.00%	\$6.20 PSF		EXPENSES		New	6 Month(s)
CY 2034+	3.00%	\$6.38 PSF		Operating Expense Source	CY 2024 Budget	Weighted Average	2 Month(s)
General Vacancy Loss		None [1]		Management Fee (% of EGR)	None		
Capital Reserves (CY 2024 Value)		None		Real Estate Taxes Reassessed	No [2]		

All market rent rates are stated on calendar-year basis.

[1] General Vacancy Loss factor includes losses attributable to projected lease-up and rollover downtime. All tenants are subject to this loss factor

[2] Real Estate Taxes in this analysis have not been reassessed and are equal to the most recent available tax bills (plus estimated inflation). It is the responsibility of the investor to reassess taxes.

CASH FLOW PROJECTION

Fiscal Year Ending - October 31	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Physical Occupancy	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Overall Economic Occupancy [1]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Weighted Average Market Rent	\$4.87	\$5.01	\$5.17	\$5.32	\$5.48	\$5.64	\$5.81	\$5.99	\$6.17	\$6.35	\$6.54
Weighted Average In Place Rent [2]	\$4.75	\$4.87	\$4.99	\$5.12	\$5.24	\$5.37	\$5.51	\$5.65	\$5.79	\$5.93	\$6.08
Total Operating Expenses PSF Per Year	\$0.73	\$0.75	\$0.77	\$0.79	\$0.82	\$0.84	\$0.87	\$0.89	\$0.92	\$0.95	\$0.98
Lease SF Expiring (Initial Term Only)	0	0	0	0	0	0	0	0	0	0	0
Lease SF Expiring (Cumulative %)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

	[3]	FY 2025	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		\$/SF/YR											
REVENUES													
Scheduled Base Rent													
Gross Potential Rent		\$4.75	\$912,000	\$934,800	\$958,170	\$982,124	\$1,006,677	\$1,031,844	\$1,057,640	\$1,084,081	\$1,111,183	\$1,138,963	\$1,167,437
Absorption & Turnover Vacancy		0.00	0	0	0	0	0	0	0	0	0	0	0
Free Rent		0.00	0	0	0	0	0	0	0	0	0	0	0
Total Scheduled Base Rent		4.75	912,000	934,800	958,170	982,124	1,006,677	1,031,844	1,057,640	1,084,081	1,111,183	1,138,963	1,167,437
Expense Recoveries		0.73	139,647	143,836	148,152	152,596	157,174	161,889	166,746	171,748	176,901	182,208	187,674
TOTAL GROSS REVENUE		5.48	1,051,647	1,078,636	1,106,322	1,134,720	1,163,851	1,193,733	1,224,386	1,255,830	1,288,084	1,321,171	1,355,111
General Vacancy Loss		0.00	0	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS REVENUE		5.48	1,051,647	1,078,636	1,106,322	1,134,720	1,163,851	1,193,733	1,224,386	1,255,830	1,288,084	1,321,171	1,355,111
OPERATING EXPENSES													
Operating Expenses		(0.51)	(98,400)	(101,352)	(104,393)	(107,524)	(110,750)	(114,073)	(117,495)	(121,020)	(124,650)	(128,390)	(132,241)
Real Estate Taxes		(0.21)	(41,247)	(42,484)	(43,759)	(45,072)	(46,424)	(47,817)	(49,251)	(50,729)	(52,250)	(53,818)	(55,433)
TOTAL OPERATING EXPENSES		(0.73)	(139,647)	(143,836)	(148,152)	(152,596)	(157,174)	(161,889)	(166,746)	(171,748)	(176,901)	(182,208)	(187,674)
NET OPERATING INCOME		\$4.75	\$912,000	\$934,800	\$958,170	\$982,124	\$1,006,677	\$1,031,844	\$1,057,640	\$1,084,081	\$1,111,183	\$1,138,963	\$1,167,437
CAPITAL COSTS													
Tenant Improvements		0.00	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions		0.00	0	0	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL COSTS		0.00	0	0	0	0	0	0	0	0	0	0	0
OPERATING CASH FLOW		\$4.75	\$912,000	\$934,800	\$958,170	\$982,124	\$1,006,677	\$1,031,844	\$1,057,640	\$1,084,081	\$1,111,183	\$1,138,963	\$1,167,437
ACQUISITION & RESIDUAL SALE													
Purchase Price		(\$12,579,310)	0	0	0	0	0	0	0	0	0	0	0
Net Residual Value [4]		0	0	0	0	0	0	0	0	0	0	15,098,853	All Cash IRR
CASH FLOW BEFORE DEBT MARKET LOAN [5]		(\$12,579,310)	\$912,000	\$934,800	\$958,170	\$982,124	\$1,006,677	\$1,031,844	\$1,057,640	\$1,084,081	\$1,111,183	\$16,237,816	9.28%
MARKET LOAN [5]													
Loan Funding / Payoff		7,547,586	0	0	0	0	0	0	0	0	0	(6,476,764)	
Loan Fees		(75,476)	0	0	0	0	0	0	0	0	0	0	Leveraged IRR
Annual Debt Service		0	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	(602,571)	
CASH FLOW AFTER DEBT		(\$5,107,200)	\$309,429	\$332,229	\$355,599	\$379,553	\$404,106	\$429,273	\$455,069	\$481,510	\$508,612	\$9,158,481	11.74%

NOI Return	7.25%	7.43%	7.62%	7.81%	8.00%	8.20%	8.41%	8.62%	8.83%	9.05%
NOI Metrics										
Annual % Change in NOI	-	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Compound Annual Growth Rate (CAGR)	-	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Return on Cost	7.25%	7.43%	7.62%	7.81%	8.00%	8.20%	8.41%	8.62%	8.83%	9.05%
Untrended Return on Cost (@ Market)	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
UNLEVERAGED Cash Return	7.25%	7.43%	7.62%	7.81%	8.00%	8.20%	8.41%	8.62%	8.83%	9.05%
LEVERAGED Cash Return	6.06%	6.51%	6.96%	7.43%	7.91%	8.41%	8.91%	9.43%	9.96%	10.50%
Debt Coverage Ratio (NOI)	1.51x	1.55x	1.59x	1.63x	1.67x	1.71x	1.76x	1.80x	1.84x	1.89x
Rolling - All Cash IRR	3.36%	6.62%	7.73%	8.28%	8.62%	8.84%	9.00%	9.11%	9.21%	9.28%
Rolling - Leveraged IRR	N/M	5.29%	8.26%	9.68%	10.48%	10.97%	11.29%	11.50%	11.64%	11.74%

[1] This figure takes into account vacancy/credit loss, absorption vacancy, turnover vacancy, and rent abatements.

[2] This figure does not include any amount related to expense reimbursements. Only Scheduled Base Rent and Fixed/CPI Increases are included in this calculation, which is based on the weighted-average physical occupancy during each fiscal year.

[3] Based on 192,000 square feet.

[4] Net Residual Value is calculated by dividing Year 11 NOI by the Residual Cap Rate of 7.50% and applying a 3.00% Cost of Sale, with a resulting Net Residual Value of \$79 PSF.

[5] Market Debt based on 60% Loan-to-Value, 7.00% Interest Rate, 30-Year Amortization, and a 1.00% Loan Fee.

RENT ROLL

SUITE	TENANT NAME	SF	% OF PROPERTY	LEASE TERM		RENTAL RATES					RECOVERY TYPE	MARKET ASSUMPTION/ MARKET RENT	
				Begin	End	Begin	Monthly	PSF	Annually	PSF			
100	EnergySolutions	192,000	100.00%	May-2025	April-2045	Current	\$76,000	\$0.40	\$912,000	\$4.75	-	NNN	Market - 75.00% \$4.75 NNN
						May-26	\$77,900	\$0.41	\$934,800	\$4.87	2.50%		
						May-27	\$79,848	\$0.42	\$958,170	\$4.99	2.50%		
						May-28	\$81,844	\$0.43	\$982,124	\$5.12	2.50%		
						May-29	\$83,890	\$0.44	\$1,006,677	\$5.24	2.50%		
						May-30	\$85,987	\$0.45	\$1,031,844	\$5.37	2.50%		
						May-31	\$88,137	\$0.46	\$1,057,640	\$5.51	2.50%		
						May-32	\$90,340	\$0.47	\$1,084,081	\$5.65	2.50%		
						May-33	\$92,599	\$0.48	\$1,111,183	\$5.79	2.50%		
						May-34	\$94,914	\$0.49	\$1,138,963	\$5.93	2.50%		
						May-35	\$97,286	\$0.51	\$1,167,437	\$6.08	2.50%		
						May-36	\$99,719	\$0.52	\$1,196,623	\$6.23	2.50%		
						May-37	\$102,212	\$0.53	\$1,226,539	\$6.39	2.50%		
						May-38	\$104,767	\$0.55	\$1,257,202	\$6.55	2.50%		
						May-39	\$107,386	\$0.56	\$1,288,632	\$6.71	2.50%		
						May-40	\$110,071	\$0.57	\$1,320,848	\$6.88	2.50%		
						May-41	\$112,822	\$0.59	\$1,353,869	\$7.05	2.50%		
						May-42	\$115,643	\$0.60	\$1,387,716	\$7.23	2.50%		
						May-43	\$118,534	\$0.62	\$1,422,409	\$7.41	2.50%		
						May-44	\$121,497	\$0.63	\$1,457,969	\$7.59	2.50%		
						Totals/Averages		192,000					
Occupied SqFt		192,000	100.00%										
Vacant SqFt		0	0.0%										
Total SqFt		192,000	100.00%										
Weighted Average Lease Term Remaining:				20.00 Years									
Weighted Average Lease Term Lapsed:				N/A									
Weighted Average Lease From Inception:				20.00 Years									

PROCESS + OFFER INSTRUCTIONS

Buyer Selection

The prospective investor will be selected by the Owner in its sole and absolute discretion based on several factors, including but not limited to:

- + Offer price
- + Capitalization rate
- + Investor's financial strength
- + Level of discretion over funds
- + Ability to close quickly
- + Time to hard earnest money
- + Experience closing similar transactions
- + Industry reputation
- + Level of due diligence completed to date

Letters of Intent

CBRE exclusively offers this opportunity to select prequalified investors. The Owner will choose the investor based on factors like offer price, financial strength, ability to close quickly, and relevant experience. Letters of Intent should include purchase price, earnest money, due diligence timing, closing details, approval process, transaction cost split, and acceptance of key lease provisions.



PROCESS + OFFER INSTRUCTIONS

Distribute Offering Memorandum:

Confidential Offering Memorandum distributed to interested parties that have executed a Confidentiality Agreement.

Marketing Period:

During the marketing period, interested parties are encourage to: (i) review materials posted to the “Virtual Deal Room” section of the offering website (ii) schedule showings / market tours with exclusive listing brokers (iii) dialogue with exclusive listing brokers to clarify any information provided in the offering memorandum.

Offering Process:

Offers are due in writing and should include the following:

- + Purchase Price
- + Earnest Money Deposit
- + Inspection Period
- + Closing Period

Investor Information:

- + Description of purchaser’s entity structure and capital source
- + Description of purchaser’s debt source and terms (if applicable)
- + Please provide details on purchaser’s experience in owning commercial real estate
- + Description of purchaser’s due diligence process
- + Description of any contingencies, caveats, and approvals of which the Ownership should be aware in evaluating your offer

Condition of Sale:

The property is being offered in its “as is” condition. Purchaser shall confirm by Purchaser’s own due diligence the condition and suitability of the Property, without any reliance upon information provided herein.

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