# **Sprouts Farmers Market**

**NEW CONSTRUCTION TROPHY ASSET | 15-YEAR NET LEASE** 

NASHVILLE, TN

I BULL I BULL

AUFUIR E

In Association with Scott Reid & ParaSell, Inc. | PH: 949.924.6578 | A Licensed Tennessee Broker #264531

SPROUTS





HANLEY INVESTMENT GROUP REAL ESTATE ADVISORS



## Disclaimer

This document and the information herein (the "Offering Memorandum") have been prepared by CP Partners and CP Partners Commercial Real Estate, Inc. (collectively "CPP") to provide summary, unverified information to prospective purchasers and their representatives (the "Recipients") strictly for purposes of evaluating the subject property's initial suitability for purchase. This information has been obtained from sources believed to be reliable, however, CPP makes no warranty, representation, or guarantee whatsoever regarding the accuracy or completeness of the information provided. As examples, but not limited to the following, references to square footage or age may be approximate, references to terms and conditions of any lease agreement(s) may be paraphrased or inaccurate, and photographs and renderings may be enhanced and not fully representative of the Property in its actual current condition. Any financial projections or analyses are provided strictly for evaluation purposes, could be in error, and are based on assumptions, factors, and conditions that may or may not exist now or in the future. All Recipients must take appropriate measures to understand the subject property independently from this Offering Memorandum and simultaneously recognize that there is an inherent level of risk and unpredictability that comes with owning assets such as the subject property. CPP does not intend for Recipients to make any decision to purchase based on the information contained herein and along with its employees, agents, officers, and owners explicitly disclaim any responsibility for inaccuracies or differences of opinion. CPP strongly encourages all Recipients to seek advice from real estate, tax, financial, and legal advisors before making any offers, entering a binding contract, or consummating a transaction of any kind. By accepting this Offering Memorandum you agree to release CPP and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation, purchase, and ownership o





## Lead Agents

JOE CACCAMO jcaccamo@cppcre.com PH: 415.274.7394 CA DRE# 01191110 JEFF LEFKO jlefko@hanleyinvestment.com PH: 949.585.7682 CA DRE# 01942025

## Additional Listing Team

**LEA KUEHNHACKL** lea@cppcre.com PH: 707.484.2284 CA DRE #01435080 SCOTT REID PARASELL, INC. scott@parasellinc.com PH: 949.942.6585 TN LIC# 264531

In Association with ParaSell, Inc. PH: 949.942.6585 A Licensed Tennessee Broker #264531

```
Copyright ©2024 CP Partners Commercial Real Estate, Inc.
California DRE LIC# 01499268
```

# **Sprouts Farmers** Market

5821 NOLENSVILLE PK, NASHVILLE, TN 37211

\$11,450,000 5.20% PRICE

CAP RATE

NOI	\$595,389
LEASE TYPE	Net Lease
LEASE TERM	15 Years
RENT INCREASES	Every 5 years, and with each option
OPTIONS	Five (5), 5-Year
BUILDING SIZE	22,988 SF
LOT SIZE	2.85 AC
YEAR BUILT	2023



Trophy single-tenant asset in taxfree Tennessee located on Nolensville Pike, one of the dominant commercial thoroughfares in Nashville

## **The Offering – A Trophy Asset**

- New construction, single-tenant Sprouts Farmers Market, 15-year net lease located on the rapidly growing Nolensville Pike retail corridor (Nashville MSA population 2.01 million)
- Elevated, 2.85-acre site positioned at a signalized intersection
- Sprouts is one of the largest and fastest growing specialty natural goods grocery chains in the U.S. with over 391 stores in 23 states
- Sprouts Farmers Market (NYSM: SFM) generated \$6.8 billion total net sales in 2023
- Landlord responsible for roof and structure

## **Desirable Nashville Location**

- 178,853 residents with an average household income of \$99,683 within a 5-mile radius, Sprouts is 13.3 miles to Downtown Nashville
- Sprouts is located directly across from a Walmart Supercenter
- Surrounding tenants; Lowe's, Chick-fil-A, Chase Bank, Fifth Third Bank, Discount Tire, Pep Boys, Starbucks, Big Lots, Walgreen's, Extended Stay Suites, McDonald's, Burger King, Kroger and Dollar Tree
- 9 miles from Nashville International Airport

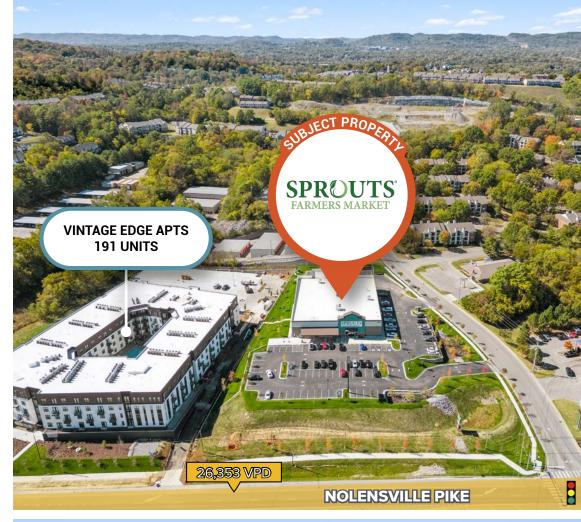
## **Major Economic Strength Factors**

- Nashville ranks #4 in best performing cities economically, buoyed by the growing job market
- Nashville "The Music City" has an economic impact of ~\$10 billion per year and provides 56,000 jobs in the music industry
- Oracle is moving its worldwide headquarters to Nashville by 2030, this will bring approximately 8,500 jobs to the city
- Some major employers include Nissan North America (11,000 employees), HCA Healthcare, Inc. (10,600 employees), Amazon.com (4,000 employees) and Bridgestone Americas, Inc. (3,430 employees)
- Davidson County School District, grades K-12 (80,381 students and 4,856 teachers)



4

		CURRENT
Price		\$11,450,000
Capitalization Rate		5.20%
Building Size (SF)		22,988
Lot Size (SF)		124,146
Stabilized Income	\$/SF	
Scheduled Rent	\$25.90	\$595,389
Less	\$/SF	
CAM	NNN	
Taxes	NNN	
Insurance	NNN	
Total Operating Expenses	NNN	
Net Operating Income		\$595,389





Rol	
Rent	
R	

Tenant Info		Lease Terms Rent Summary		ry				
TENANT NAME	SQ. FT.	TERM YEARS		CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT
Sprouts Farmers Market	22,988	1/20/2023	01/31/2028	\$595,389	\$49,616	\$595,389	\$2.16	\$25.90
		2/1/2028	01/31/2033		\$50,574	\$606,883	\$2.20	\$26.40
		2/1/2033	01/31/2038		\$51,531	\$618,377	\$2.24	\$26.90
	Option 1	2/1/2038	01/31/2043		\$52,489	\$629,871	\$2.28	\$27.40
	Option 2	2/1/2043	01/31/2048		\$53,447	\$641,365	\$2.33	\$27.90
	Option 3	2/1/2048	01/31/2053		\$54,405	\$652,859	\$2.37	\$28.40
	Option 4	2/1/2053	01/31/2058		\$55,363	\$664,353	\$2.41	\$28.90
	Option 5	2/1/2058	01/31/2063		\$56,321	\$675,847	\$2.45	\$29.40
TOTALS:	22,988			\$595,389	\$49,616	\$595,389	\$2.16	\$25.90

## Premises & Term

TENANT	SFM, LLC, a Delaware limited liability company
LEASE TYPE	Net Lease
LEASE TERM	15 years
RENT COMMENCEMENT	1/20/2023
OPTIONS	Five (5), 5-year
YEAR BUILT	2023

#### **Expenses**

#### CAM

Tenant shall pay the Landlord CAM and Admin Fee not to exceed 3% of CAM costs - subject to CAM Cap

#### **PROPERTY TAXES**

Tenant shall pay the Landlord

#### INSURANCE

Tenant shall maintain (a) Commercial general liability and property damage insurance; (b) Special Form (all risk) property insurance; (c) Worker's compensation insurance; and reimburse for Landlord insurance costs

#### UTILITIES

Tenant pays all utilities directly

#### HVAC

Tenant's Responsibility

#### **REPAIRS & MAINTENANCE**

Landlord shall maintain, operate, repair and replace the Common Area and all exterior portions - subject to CAM reimbursement

**ROOF & STRUCTURE\*** Landlord's Responsibility

\*20-year manufacture roof warranty and Contractor warranty for 1-year

#### **Additional Lease Provisions**

**ESTOPPELS** Within 30 days after request

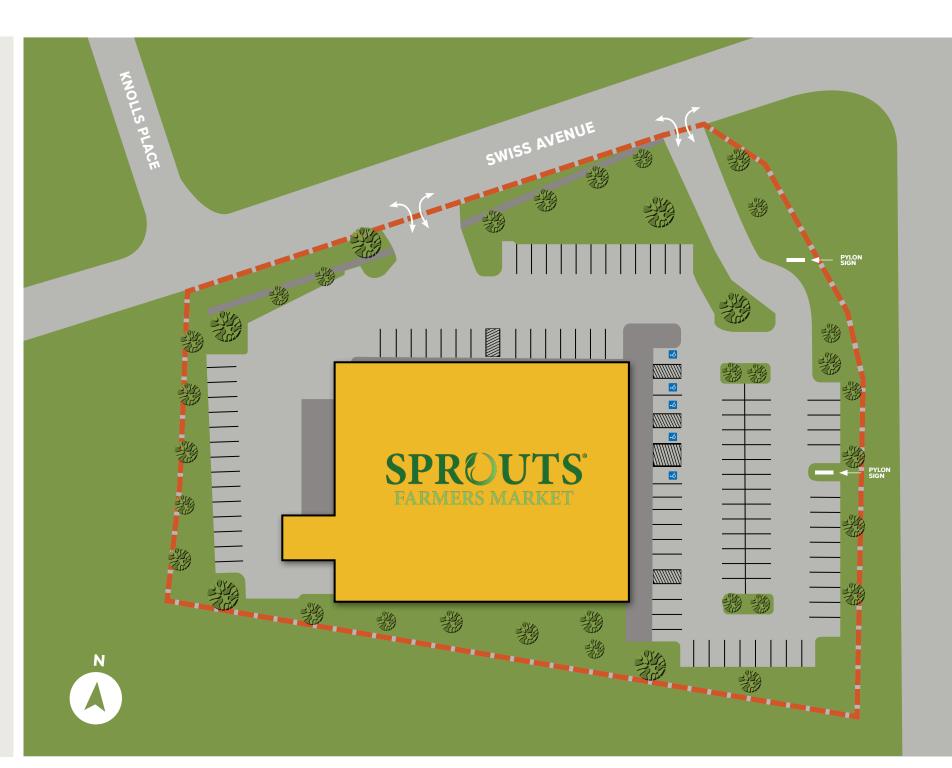


## Disclaimer

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. CP Partners and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

NOLENSVILLE PIKE

11



**108** Parking Spaces

LEGEND

Property Boundary

22,988

Rentable SF

2.85

Lot Size AC

Egress

## One of the largest and fastest growing specialty natural goods grocery store chains



400+\$6.8 Billion31,000+STORESTOTAL NET SALESTOTALIN 23 STATESIN 2023EMPLOYEES



### **About Sprouts Farmers Market**

- Established in 2002 in Phoenix, Arizona, Sprouts Farmers Market (NYSM: SFM) has emerged as one of the leading and most rapidly growing specialty natural goods grocery store chains in the United States
- Renowned for providing a distinctive farmers market-style shopping experience, Sprouts promotes natural wellness through a thoughtfully curated selection of health-conscious products, complemented by a team dedicated to a meaningful mission
- Sprouts consistently introduces the latest in nourishing and innovative offerings, crafted with ingredients that align with various lifestyles, including organic, plant-based, and glutenfree options

## **Company Growth**

- In 2022, Sprouts generated \$6.4 billion in total net sales, with the Sprouts Brand products contributing over \$1 billion
- Sprouts employs approximately 31,000 team members and operates more than 400 stores in 23 states nationwide
- As a part of Sprouts' five-year plan, the company remains committed to a robust growth strategy, aiming to expand 10 percent year over year





Located in a thriving Nashville submarket

**191** ADJACENT RESIDENTIAL UNITS

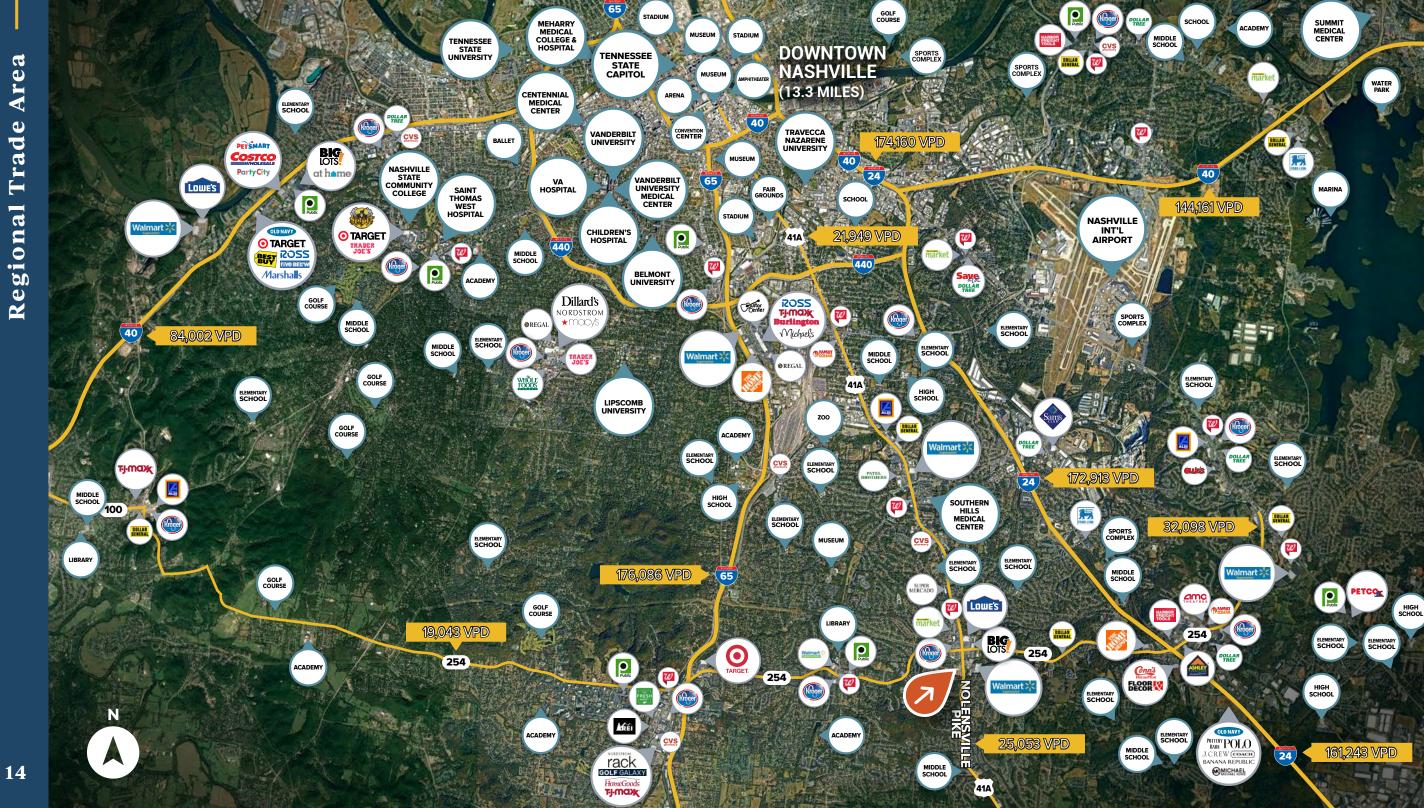
**26,353** VEHICLES PER DAY ALONG NOLENSVILLE PK

13.3 miles

TO DOWNTOWN NASHVILLE







#### **Ring Radius Population Data**

	1-MILE	3-MILES	5-MILES
2022	11,552	98,487	178,853

#### **Ring Radius Income Data**

	1-MILE	3-MILES	5-MILES
Average	\$80,736	\$86,439	\$99,683
Median	\$61,266	\$67,201	\$70,067

**143.6K visitors (79.2%)** have visited the Sprouts Farmers Market at least 2 times in the past 12 months

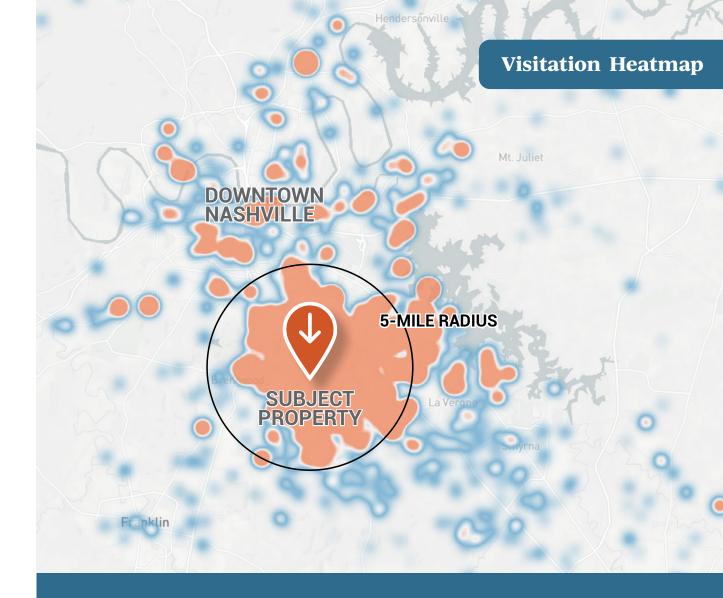
181.3K Visits

OVER PAST 12 MONTHS AT

THE SPROUTS

## **36 Minutes**

AVERAGE DWELL TIME AT THE SPROUTS



The shading on the map above shows the **home location of people who visited the Sprouts Farmers Market over the past 12 months.** Orange shading represents the highest concentration of visits.

\*Map and data on this page provided by Placer.ai. Placer.ai uses location data collected from mobile devices of consumers nationwide to model visitation and demographic trends at any physical location.

# Nashville, Tennessee

#### THE MUSIC CITY

## **Tennessee's Capital City**

- Nashville is the capital city of Tennessee and county seat of Davidson County, with an estimated population of 707,091 residents
- It is the most populous city in the state of Tennessee and the fourth most populous city in the southeastern U.S.
- Spanning over 526 square miles along the Cumberland River, it is the principal city of the Nashville MSA

#### **Lively Music Scene**

- Nashville is a major center for the music industry, commonly known as "The Music City," which contributes a total economic impact of nearly \$10 billion per year and 56,000 jobs to the Nashville area
- Home to many music venues like the Ryman Auditorium and Station Inn, and performing arts organizations including the Nashville Ballet, Nashville Opera and the Nashville Repertory Theatre

#### **Business & Economy**

- The city is a major center for industries including music and entertainment, tourism, printing and publishing, technology, higher education, automobile production and health care management
- Alliance Bernstein, Bridgestone, and Hospital Corporation of America headquartered in the Nashville region

#### **Educational Institutions**

 There are many colleges and universities in Nashville, including Vanderbilt University (13,537 students), Tennessee State University (6,000 students), and Belmont University (7,076 students)

2.01 Million

NASHVILLE MSA ESTIMATED POPULATION

**\$163 B** NASHVILLE MSA GDP





## Oracle's move to Nashville for its world HQ signals broader ambitions for healthcare

#### FIERCE HEALTHCARE | APRIL 29, 2024

Oracle Chairman Larry Ellison said last week that the software giant planned to move its world headquarters to Nashville, Tennessee, a move that surprised many, including, apparently, Austin city officials and Texas state leaders.

"It's the center of the industry we're most concerned about, which is the healthcare industry," Ellison said during a fireside chat with Bill Frist, former U.S. Senate majority leader and founder of Frist Cressey Ventures, during the Oracle Health Summit.

Ellison said Oracle is moving a "huge campus" to Nashville, "which will ultimately be our world headquarters."

Oracle moved its headquarters from Silicon Valley to Austin, Texas, in 2020.

The company's move to the Music City has been years in the making as it plans to build a 1.2 million-square-foot campus in East Nashville. In 2021, a Tennessee panel approved \$65 million in state incentives for Oracle, with the company planning to bring 8,500 jobs and an investment topping \$1 billion to Nashville over a decade, the Associated Press reported.

"It's not going to look anything like a corporate campus. What we're building is a park. It's a park first that has buildings in it. And, those buildings include not only office buildings, but a community clinic. The clinic is a great place for us to deploy the latest versions of our software," Ellison told Frist last week.













# VANDERBILT VUNIVERSITY

## MEDICAL CENTER

#### An acclaimed private university in Nashville

- Vanderbilt University encompasses ten schools and colleges on a picturesque campus located in the heart of Downtown Nashville
- Founded in 1873, Vanderbilt University has earned worldwide recognition for its outstanding education and research
- With a total **enrollment of 13,710 students**, the institution provides over 70 undergraduate majors, as well as a diverse range of graduate and professional degree programs

#### A growing health system & Nashville's largest employer

- Vanderbilt University Medical Center, operating under the growing health system of "Vanderbilt Health," is the largest comprehensive research, teaching and patient care health system in the Mid-South region
- Based in Nashville, Vanderbilt University Medical Center is the region's top employer, boasting a **workforce of 24,039**
- With an expanding footprint in towns and communities across the region, Vanderbilt's health system sees **more 3 million patient visits a year**







## Lead Agents

**JOE CACCAMO** jcaccamo@cppcre.com PH: 415.274.7394 CA DRE# 01191110

JEFF LEFKO jlefko@hanleyinvestment.com PH: 949.585.7682 CA DRE# 01942025

## Additional Listing Team

**LEA KUEHNHACKL** lea@cppcre.com PH: 707.484.2284 CA DRE #01435080 SCOTT REID PARASELL, INC. scott@parasellinc.com PH: 949.942.6585 TN LIC# 264531

In Association with ParaSell, Inc. PH: 949.942.6585 A Licensed Tennessee Broker #264531

Copyright ©2024 CP Partners Commercial Real Estate, Inc. California DRE LIC# 01499268