

Downtown Kingsport Opportunity Zone Investment Portfolio

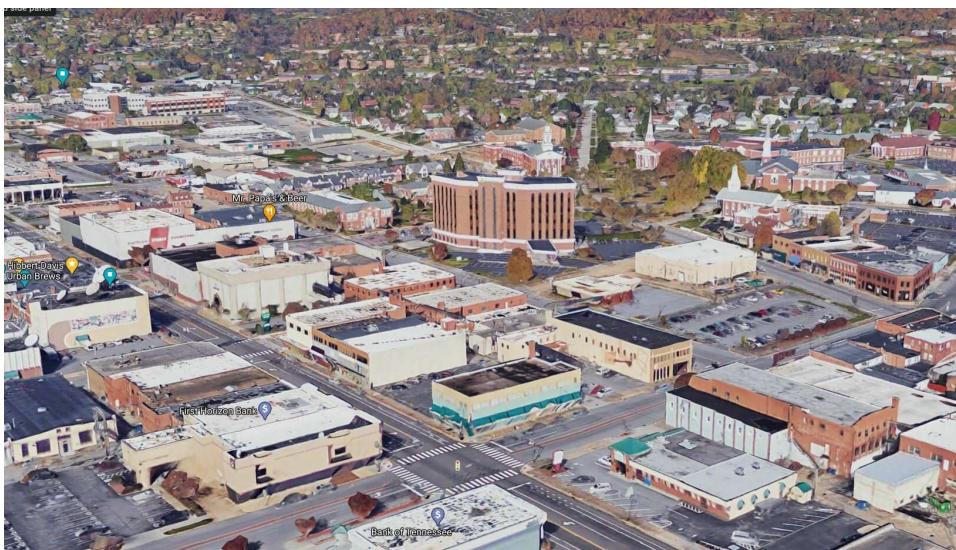
DOWNTOWN
KINGSPORT

SETTLED 1761, INC 1917

For Sale

166,135 SF | \$13,517,488

All Properties Can Be Sold Individually



Featured Properties

- 233 E. Sullivan Street
- 217 Broad Street
- 1833-1837 Netherland Inn Road
- 130-134 Broad Street
- 211 Broad Street
- 215 Commerce Street
- 223 Commerce Street
- 237-245 Broad Street
- 247 Broad Street
- 244-252 Broad Street
- 255 Broad Street
- 212 E. Sullivan Street



Portfolio Description

Discover Unparalleled Investment Opportunity in the Heart of Downtown Kingsport!

With a market poised for expansion, investors can capitalize on Kingsport growth, amenities, and invest in revitalization. Investors have the opportunity to renovate and rent out the property at a very attractive cap rate or convert the building into condos and sell them individually as there is a limited supply of renovated condos in the area.

The existing buildings possess an iconic architectural aesthetic & integrity, exemplifying a Bygone Era. Features include eye-popping historical exterior details such as original pressed tin ceilings, exposed brick walls, and high ceilings, providing a strong foundation for unique developments.



Opportunity Zone Summary

Located within a designated Opportunity Zone, this investment offers potential significant tax benefits for long-term investors.

Opportunity Zone investments are open to a wide range of investors, but the most active participants are those with significant capital gains and the ability to hold investments long-term to maximize tax benefits, as an attractive alternative to a 1031 Exchange.

Secure a rare value with this portfolio, featuring 12 properties available to buy for less than you can build it new. Benefit from a value-add investment within an Opportunity Zone (OZ), offering an excellent alternative to a 1031 exchange.





Offering Summary

Full Portfolio Sale Price:	\$13,517,488
Total Square Footage:	166,135 SF
Number of Properties:	12
Price / SF:	\$81.36
Zoning:	CBD - B2
Market:	Northeast Tennessee

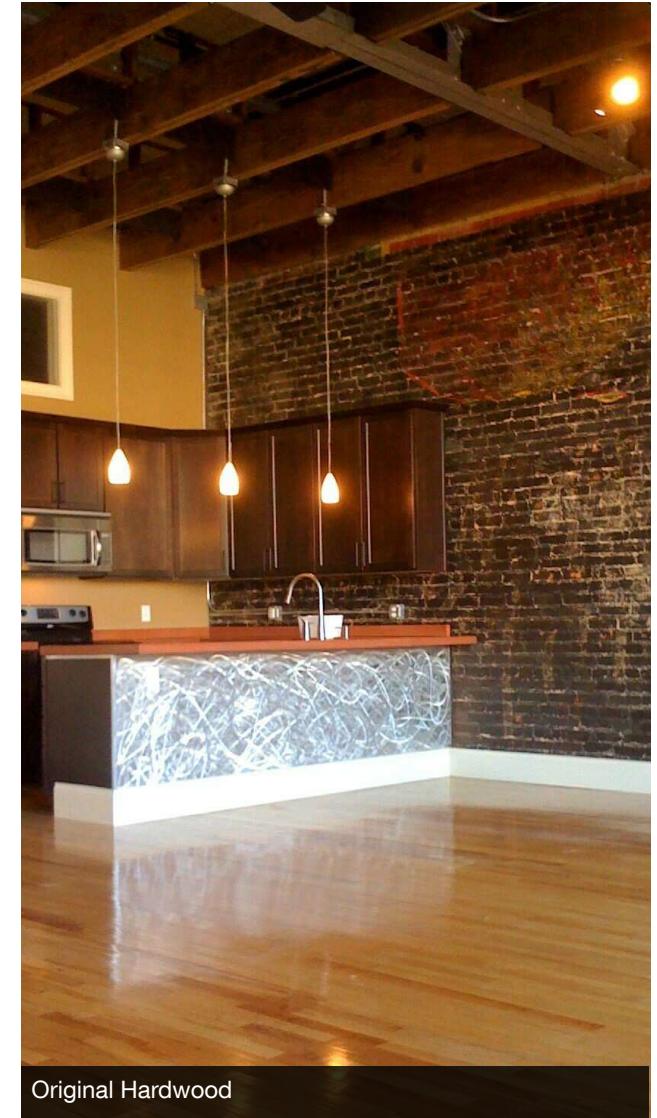
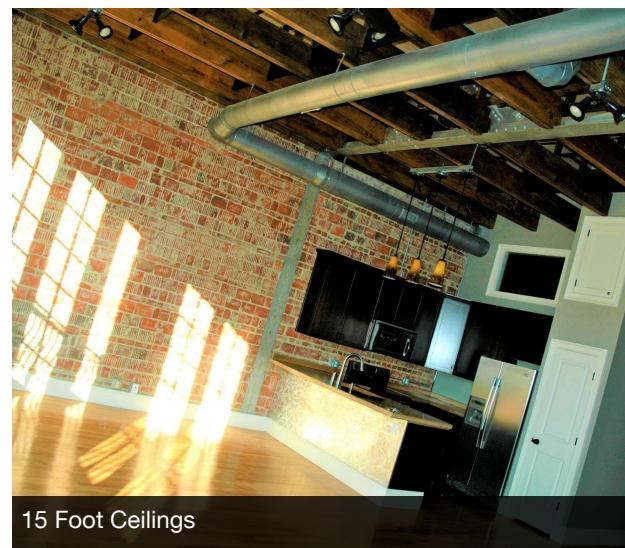
Portfolio Overview

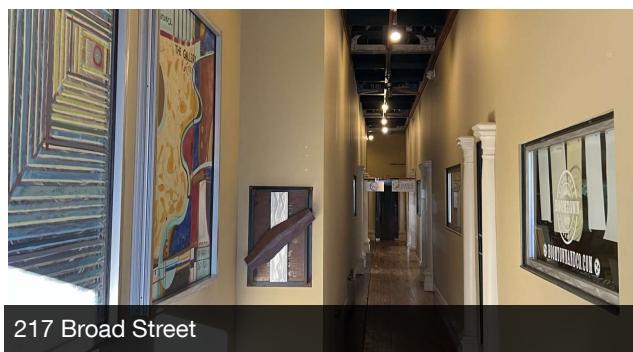
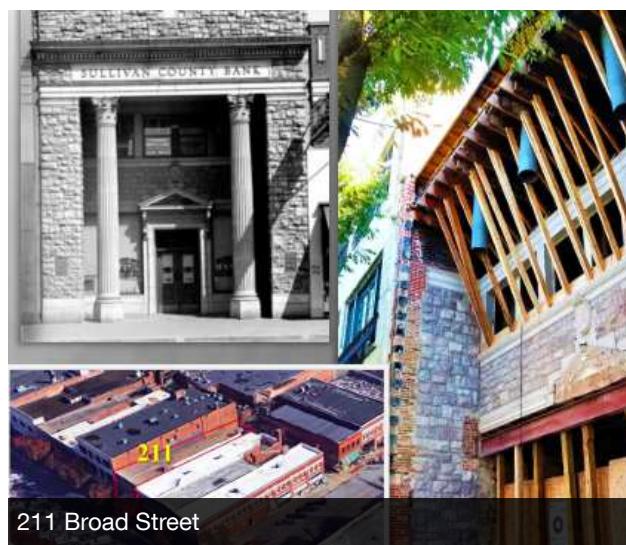
This exceptional portfolio offers twelve historic buildings, each with stunning original architecture and rich character. Situated within a designated Opportunity Zone, these properties present a unique chance for substantial tax benefits and long-term growth. Capitalize on the area's momentum and breathe new life into these architectural treasures. Acquiring this entire portfolio is offered at a price significantly less than the cost of new construction, presenting an immediate and compelling value proposition.

Portfolio Highlights

- Tenant types include residential, retail shops, restaurants, entertainment venues, distilleries, salons, and more.
- Downtown Kingsport thrives with a diverse mix of restaurants (from casual to sushi), antique shops, boutiques, art galleries, live music venues, theaters, cigar lounge, and breweries.
- Positioned for redevelopment and economic growth being in an Opportunity Zone.

Renovated Luxury Residential Lofts





For Sale

26,100 SF | \$2,607,000

255 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$2,607,000
Building Size:	26,100 SF
Lot Size:	6800 SF
Stories:	3+Basement+Roof Top Deck
Price / SF:	\$99.89/SF
Market:	Northeast Tennessee

255 Broad Street

Property Highlights

- Built in 1927 as the First National Bank of Kingsport, with the original marble and limestone facade still intact.
- Tenants include Summit Properties Real Estate, Trumark Construction, and The Naked Bee
- Potential for 17 Residential Urban Lofts
- Large RoofTop Deck Overlooking Kingsport
- Second floor is a turnkey event center, with a full kitchen, beautiful arched windows, and abundant natural light with scenic views of downtown Kingsport
- The Cellar offers potential for a unique speakeasy-style bar and lounge, featuring elevator access and the original bank vault

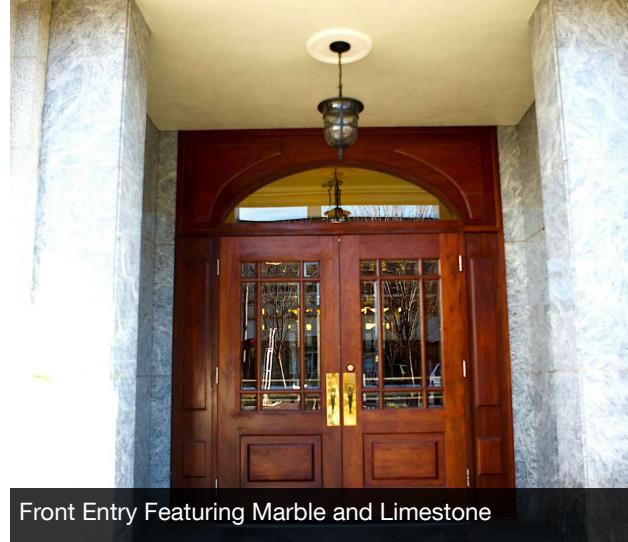
For Sale

26,100 SF | \$2,607,000

255 Broad Street, Kingsport, TN



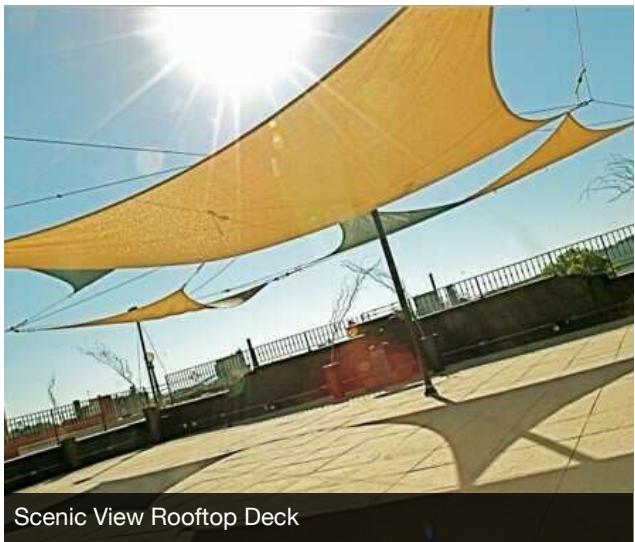
Intact Bank Vault



Front Entry Featuring Marble and Limestone



Renovated Interior



Scenic View Rooftop Deck



Turnkey Event Center



Bank Vault

For Sale

8425 SF | \$384,000

233 E Sullivan Street, Kingsport, TN



Offering Summary

Sale Price:	\$384,000
Building Size:	8425 SF
Lot Size:	4225 SF
Stories:	2
Price / SF:	\$45.58
Market:	Northeast Tennessee

233 E Sullivan Street

Property Highlights

- A testament to 1917 craftsmanship, this building showcases significant architectural attributes, such as the original pressed tin ceilings
- Proximity to City Hall makes this raw space ideal for redevelopment into modern urban offices or residential lofts.
- Potential for 4 Residential Urban Lofts.

For Sale

8425 SF | \$384,000

233 E Sullivan Street, Kingsport, TN



Original Pressed Tin Ceilings



233 E Sullivan Historic Archives



Exposed Brick

For Sale

4621 SF | \$591,488

217 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$591,488
Building Size:	4621 SF
Lot Size:	6949 SF
Stories:	1
Price / SF:	\$128
Market:	Northeast Tennessee

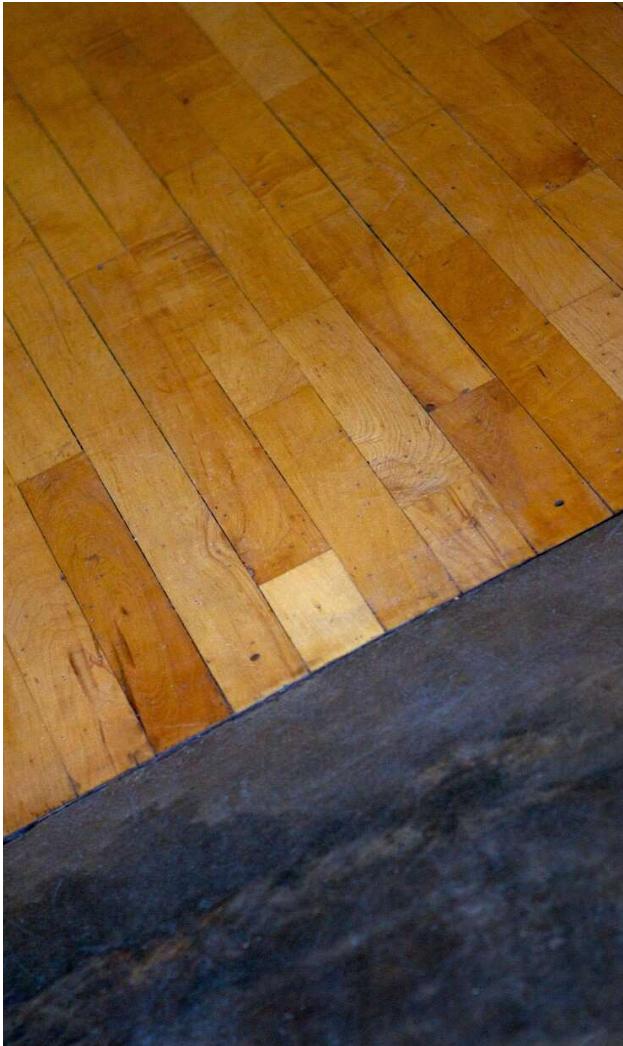
217 Broad Street

Property Highlights

- 1st Floor Retail Tenants Include HBZ Sports Cards, Boomtown and Co., Sneaks & Geeks, and Mane on Broad
- The 2nd-floor residential loft is currently occupied
- In the heart of active Downtown Kingsport
- Fully redeveloped and fully occupied

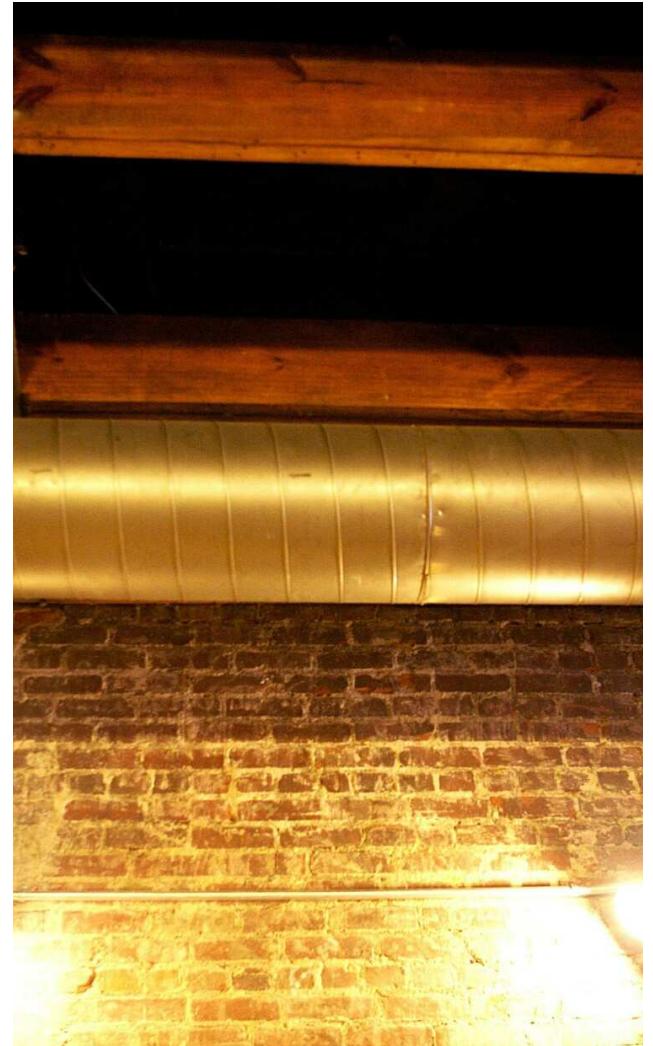


Renovated Common Space



Original Hardwood Floors

For Sale
4621 SF | \$591,488
217 Broad Street, Kingsport, TN



Exposed Brick and Beams

For Sale

11,250 SF | \$1,388,000

223 Commerce Street, Kingsport, TN



Offering Summary

Sale Price:	\$1,388,000
Building Size:	11,250 SF
Lot Size:	10,350 SF
Stories:	1 + Mezzanine
Price / SF:	\$128.38
Market:	NorthEast Tennessee

223 Commerce Street

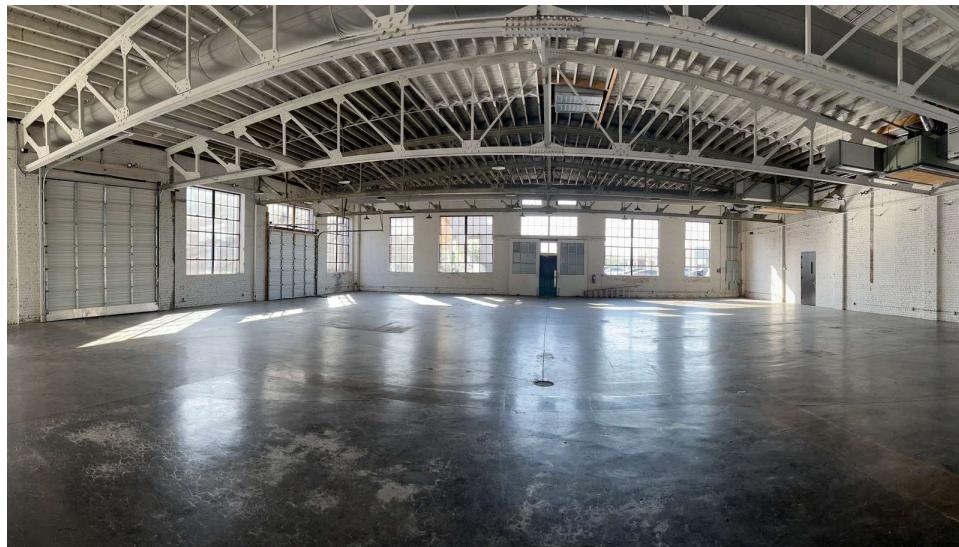
Property Highlights

- Built in 1926 as a Car Dealership, the building is configured with customer-facing retail space at the front, leading to a dedicated warehouse area in the rear
- Completely renovated, this property offers excellent natural light through large windows and benefits from two rear commercial garage doors

For Sale

11,250 SF | \$1,388,000

223 Commerce Street, Kingsport, TN



For Sale

6500 SF | \$815,000

215 Commerce Street, Kingsport, TN



Offering Summary

Sale Price:	\$815,000
Building Size:	6500 SF
Lot Size:	6900 SF
Stories:	1
Price / SF:	\$125.38
Market:	Northeast Tennessee

215 Commerce Street

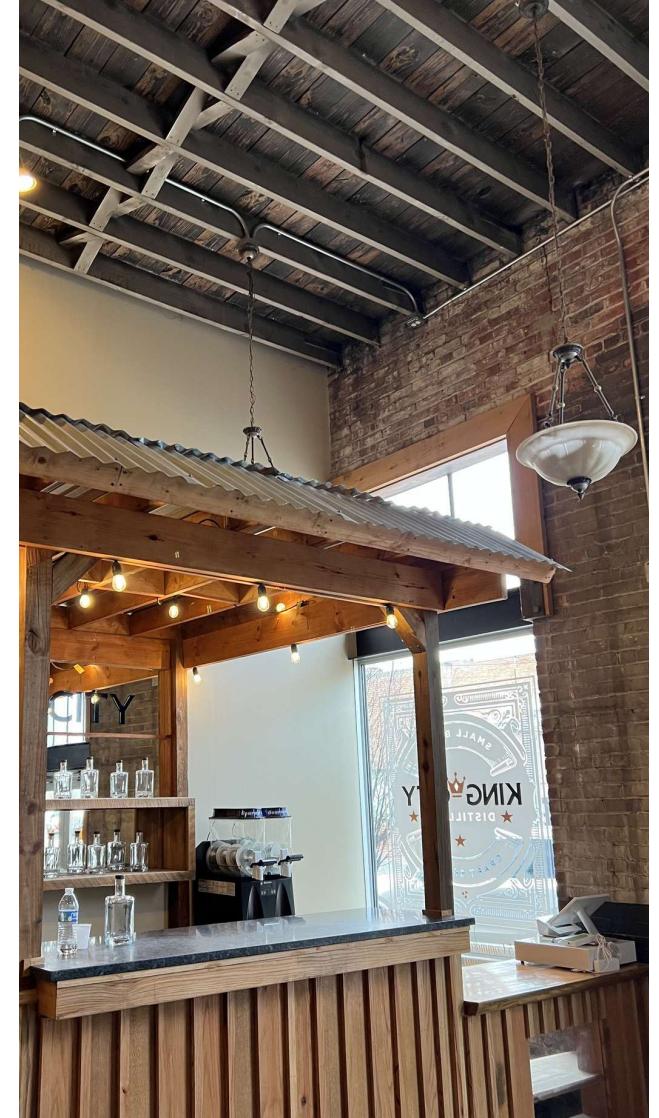
Property Highlights

- Tenants include Ole Crowe Tavern and King City Distillery
- Beautiful original features, including exposed brick
- Located in the heart of thriving downtown Kingsport

For Sale

6500 SF | \$815,000

215 Commerce Street, Kingsport, TN



For Sale

8129 SF | \$650,000

1833-1837 Netherland Inn Road, Kingsport, TN



Offering Summary

Sale Price:	\$650,000
Building Size:	5537 & 2592 SF
Lot Size:	41,602 SF
Stories:	1
Price / SF:	\$79.96
Market:	Northeast Tennessee

1833-1837 Netherland Inn Road

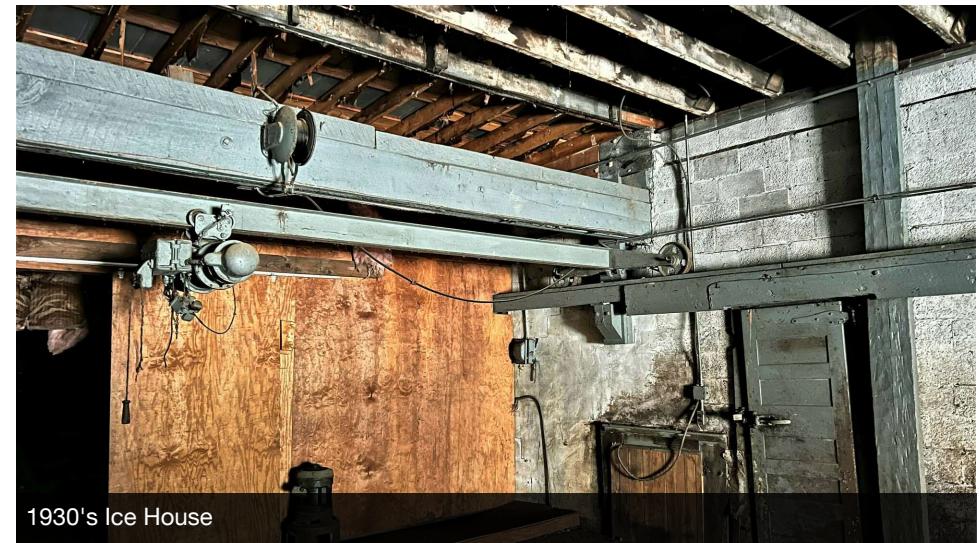
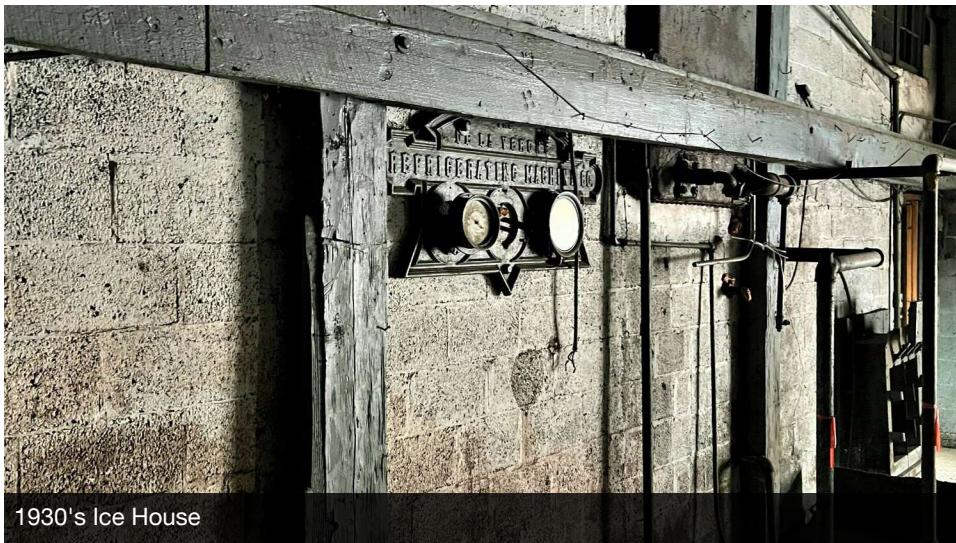
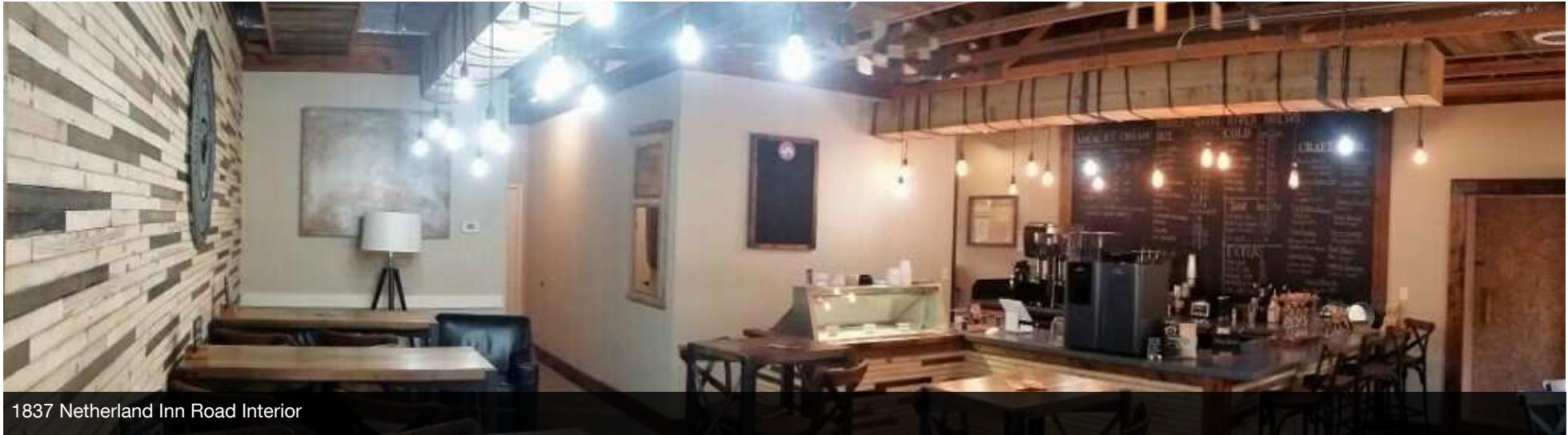
Property Highlights

- Built in 1930 & 1983
- Nestled along the beautiful South Fork Holston River, known for its fly-fishing, canoeing, and kayaking, this property offers an unparalleled setting for outdoor retail ventures
- 1837 Current Tenant: Thai Riverside Restaurant
- 1833 Netherland Inn, built in 1937, features a historic ice house, with a natural freshwater spring!

For Sale

8129 SF | \$13,770,488

1833-1837 Netherland Inn Road, Kingsport, TN



For Sale

22,300 SF | \$1,559,000

237-245 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$1,559,000
Building Size:	22,300 SF
Lot Size:	6813 SF
Stories:	2+Full Basement
Price / SF:	\$69.91
Market:	Northeast Tennessee

237-245 Broad Street

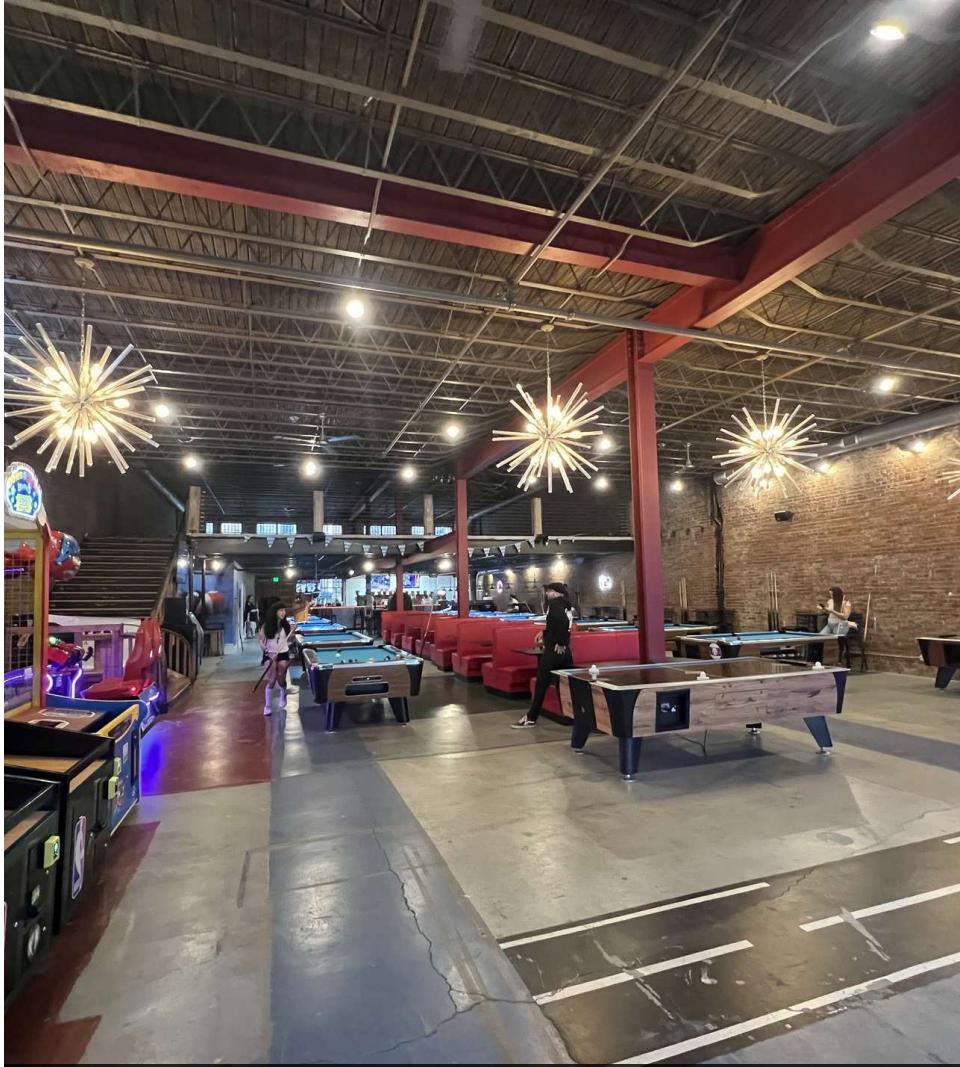
Property Highlights

- The expansive, undeveloped basement presents an ideal opportunity for a boutique bowling alley or similar entertainment venue
- The vacant top floor, stripped down and ready for renovation, features beautiful exposed brick and large street-facing windows
- 1st Floor Occupied by Shooter's Billiards

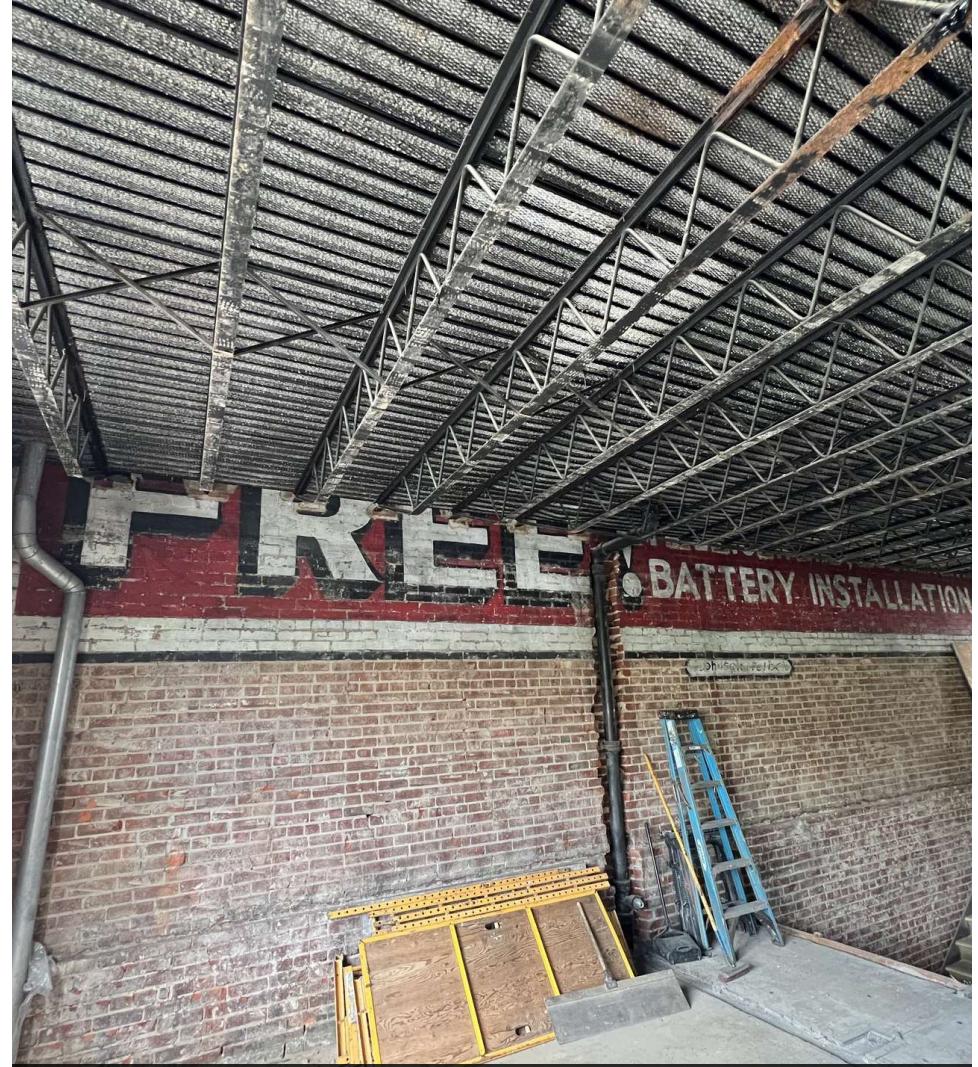
For Sale

22,300 SF | \$1,559,000

237-245 Broad Street, Kingsport, TN



Tenant, Shooter's Billiard, on 1st Floor



2nd floor raw space with exposed brick

For Sale

26,000 SF | \$2,466,000

247 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$2,466,000
Building Size:	26,000 SF
Lot Size:	6813 SF
Stories:	3+Full Basement
Price / SF:	\$94.08
Market:	Northeast Tennessee

247 Broad Street

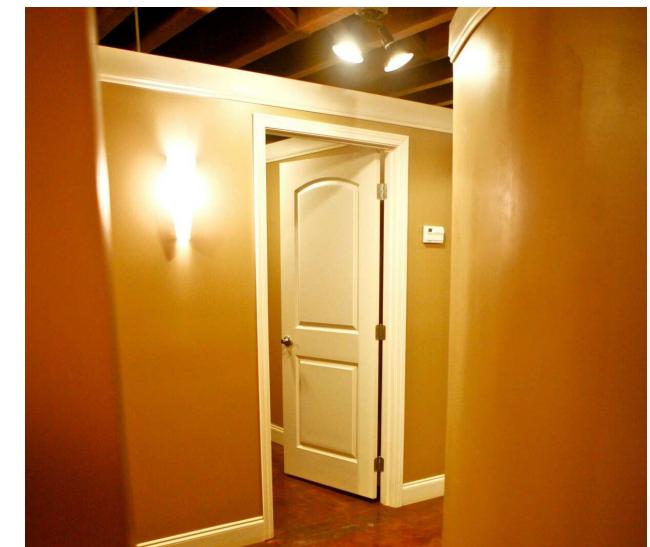
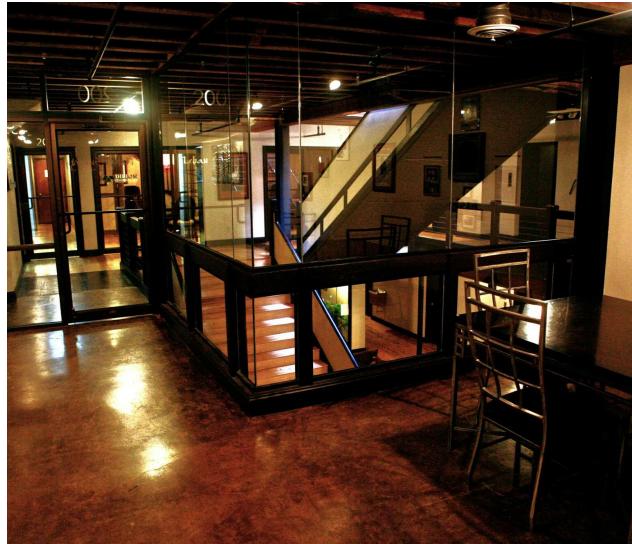
Property Highlights

- The property features over 15,000 SF of occupied space, including Urban Brews and Creamery on the 1st floor and various office tenants throughout. See the rent roll below for a complete tenant list and details.
- This property showcases 23,000 SF of stunningly redeveloped space, seamlessly blending modern updates with preserved original architectural details

For Sale

26,000 SF | \$2,466,000

247 Broad Street, Kingsport, TN



For Sale

10,000 SF | \$550,000

130-134 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$550,000
Building Size:	10,000 SF
Lot Size:	6950 SF
Stories:	2
Price / SF:	\$55
Market:	Northeast Tennessee

130-134 Broad Street

Property Highlights

- Potential for 4 Residential Units with 5000 SF on the 2nd floor, featuring a rooftop garden.
- 5000 SF occupied by 1st Floor Retail Tenants including Cherie's Boutique and PD Records

For Sale

25,043 SF | \$1,570,000

244-252 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$1,570,000
Building Size:	25,043 SF
Lot Size:	10,350 SF
Stories:	2
Price / SF:	\$62.69
Market:	Northeast Tennessee

244-252 Broad Street

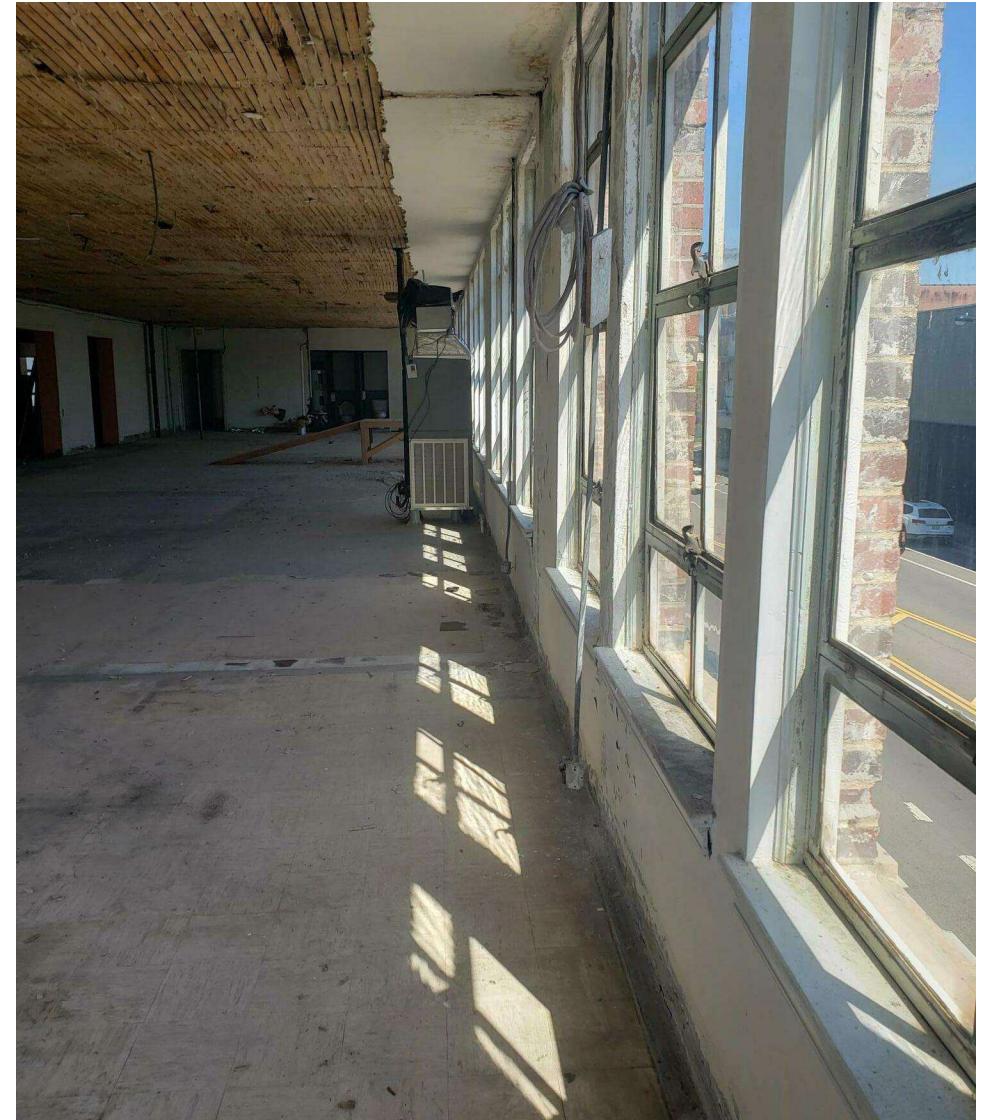
Property Highlights

- 6600 SF renovated and leased to tenants including: Kingsport GellyBall, The Bagel Exchange, and Impressions Fine Art Gallery
- Second floor stripped down and ready to be redeveloped into luxury residential lofts.
- Passenger Elevator

For Sale

25,043 SF | \$1,570,000

244-252 Broad Street, Kingsport, TN



For Sale

11,609 SF | \$680,000

212 E. Sullivan Street, Kingsport, TN



Offering Summary

Sale Price:	\$680,000
Building Size:	11,609 SF
Lot Size:	20,623 SF
Stories:	1
Price / SF:	\$58.58
Market:	Northeast Tennessee

212 E. Sullivan Street

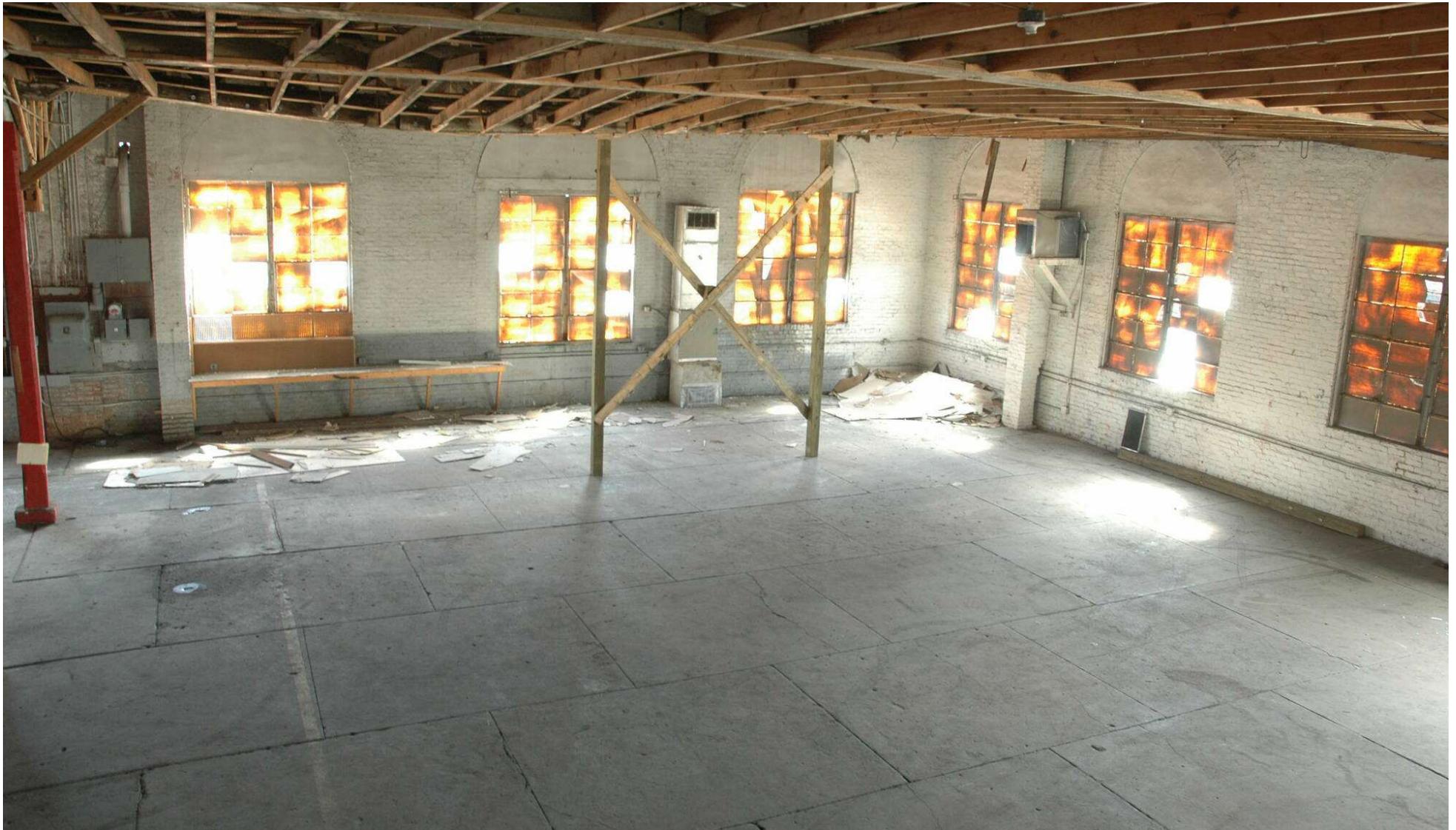
Property Highlights

- Built in 1930 as a Ford Dealership, the original craftsmanship including large arched windows gives this property historic charm, with great potential
- Fully stripped down, and ready for renovations.

For Sale

11,609 SF | \$680,000

212 E Sullivan Street, Kingsport, TN



For Sale
6158 SF | \$277,000
211 Broad Street, Kingsport, TN



Offering Summary

Sale Price:	\$277,000
Building Size:	6158 SF
Lot Size:	3406 SF
Stories:	2
Price / SF:	\$44.98
Market:	Northeast Tennessee

211 Broad Street

Property Highlights

- Stripped down and poised for transformation into a restaurant, retail space, or office on the 1st floor, and two luxury residential lofts on the 2nd floor
- The original 1927 façade remains largely preserved, showcasing its beautiful rose quartz and limestone details
- In the heart of Kingsport's Downtown District
- Original bank vault still intact on 1st Floor



Portfolio For Sale Summary

Rent roll available upon execution of confidentiality agreement

Portfolio Sale Price

\$13,517,488

Location Information

Street Address	Downtown Kingsport Opportunity Zone Portfolio
City, State, Zip	Kingsport, TN 37660
County	Sullivan
Market	Northeast Tennessee

Building Information

Building Size	166,135 SF
Building Class	A-C
Number of Properties	12

Property Information

Property Type	Retail/Office/Restaurant/Residential
Property Subtype	Medical Office
Parking	Substantial Free Public Parking

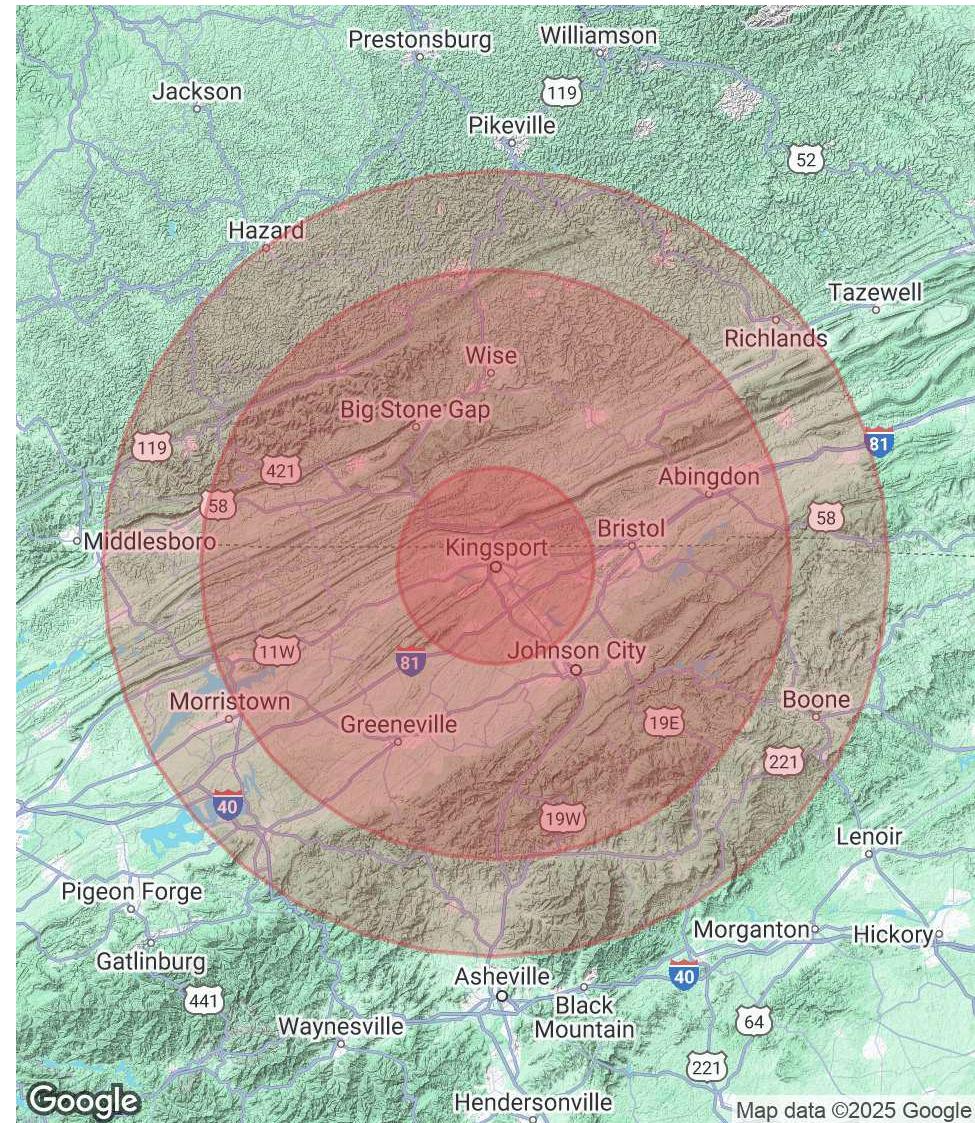
Demographics

Population of 1.17 Million
Within a 60 Mile Radius!

Population	15 Miles	45 Miles	60 Miles
Total Population	172,911	754,255	1,170,543
Average Age	45	44	44
Average Age (Male)	43	43	43
Average Age (Female)	46	45	45

Households & Income	15 Miles	45 Miles	60 Miles
Total Households	73,811	318,632	491,086
# of Persons per HH	2.3	2.4	2.4
Average HH Income	\$84,194	\$77,418	\$74,346
Average House Value	\$266,202	\$239,761	\$232,217

Demographics data derived from AlphaMap





Boutique Hotel Concept Summary

Located in Downtown Kingsport, sits an opportunity to capitalize on the significant demand for a boutique hotel. The market is ripe, evidenced by the strong occupancy rates and premium nightly rates already transpiring with local establishments, such as the Meadowview Marriott Resort. This demand is further bolstered by the significant presence of major corporations, such as Eastman Chemical Company, Holston Valley Medical Center, and BAE Systems. Consequently, the need for quality lodging is driven by a steady stream of business travelers, medical professionals, and visitors to local industries, positioning this location as a promising site for a new hospitality venture.

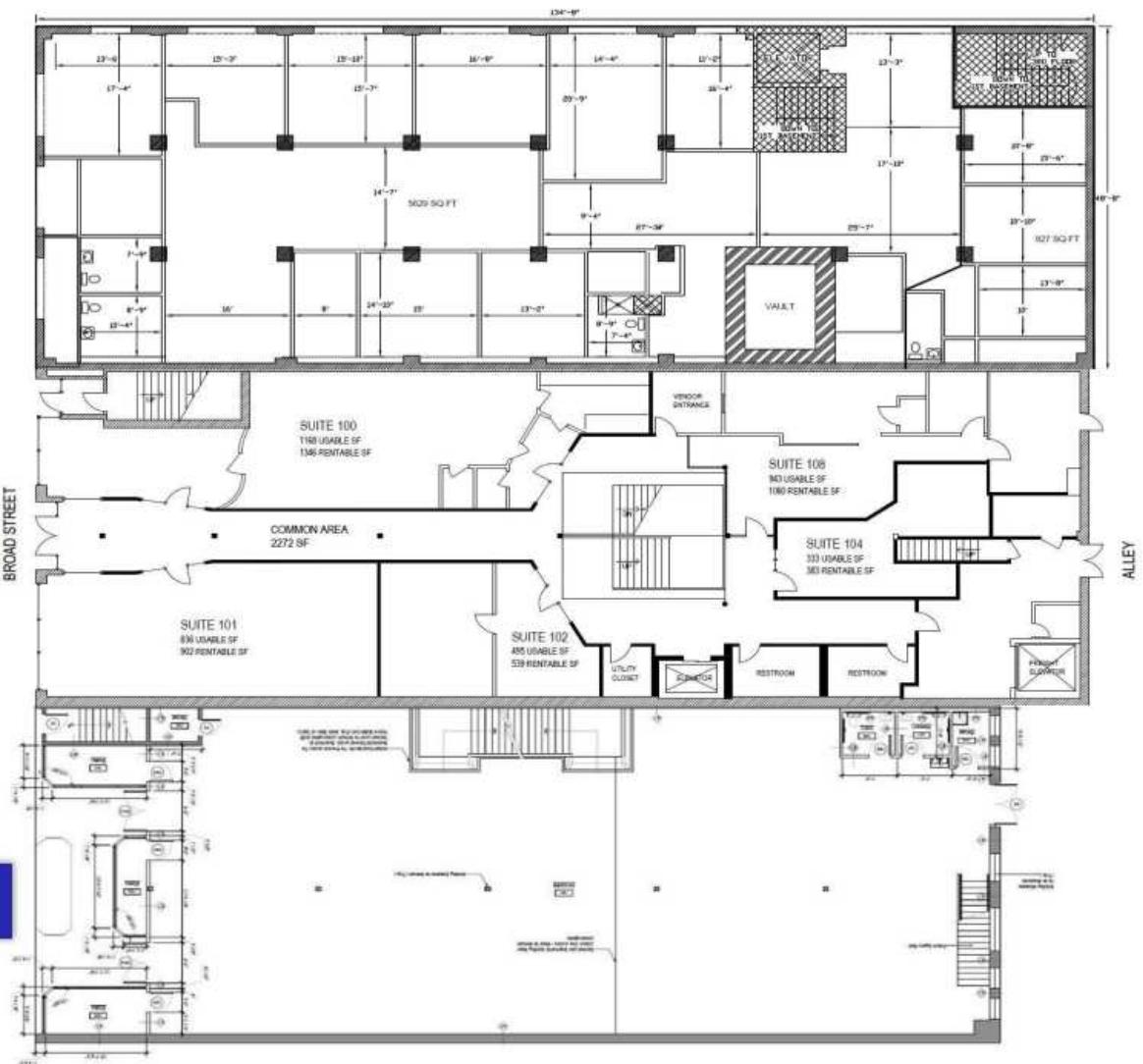
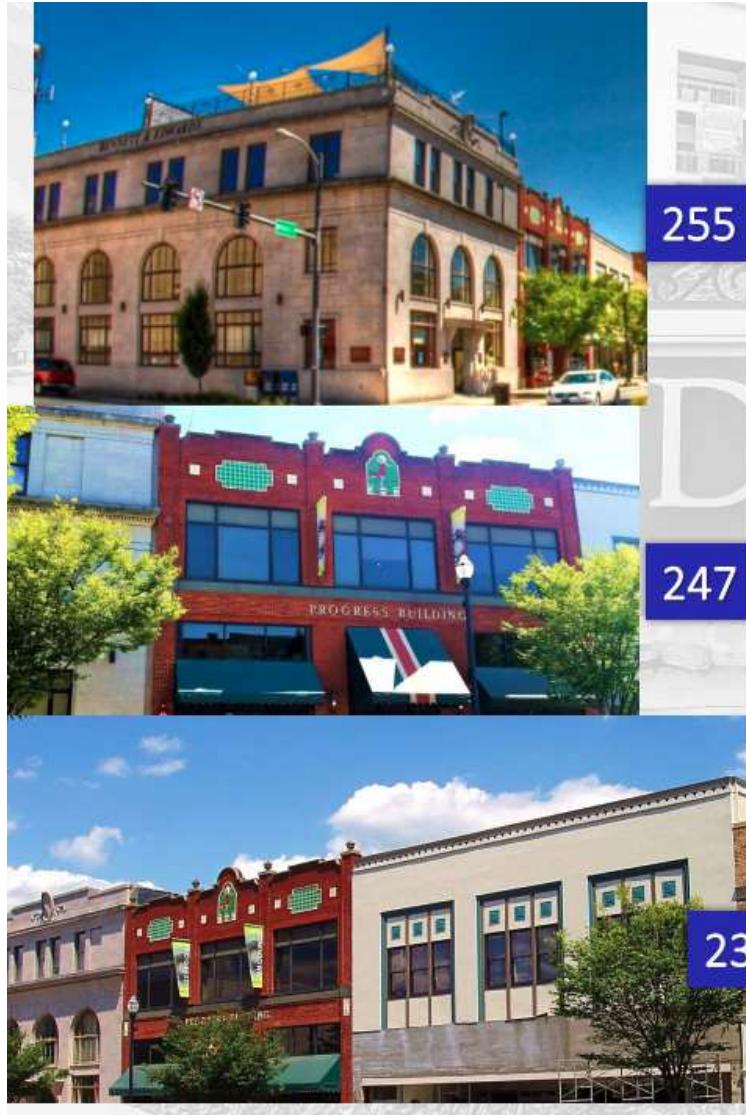
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Boutique Hotel Concept

Total Square Footage:	99,243 SF
	56,700 SF
Total SF	39-56 Lofts
Potential Hotel Rooms:	161-200+
Total Price:	\$7,102,000
	\$71.42/SF
Potential Grants Available:	\$130,000+

Broad St. & Center St.





Benefits of Tertiary Markets

Let our Team Answer Your Tertiary Market Questions



Q: What are the primary advantages of investing in tertiary market downtowns in terms of affordability and yield?

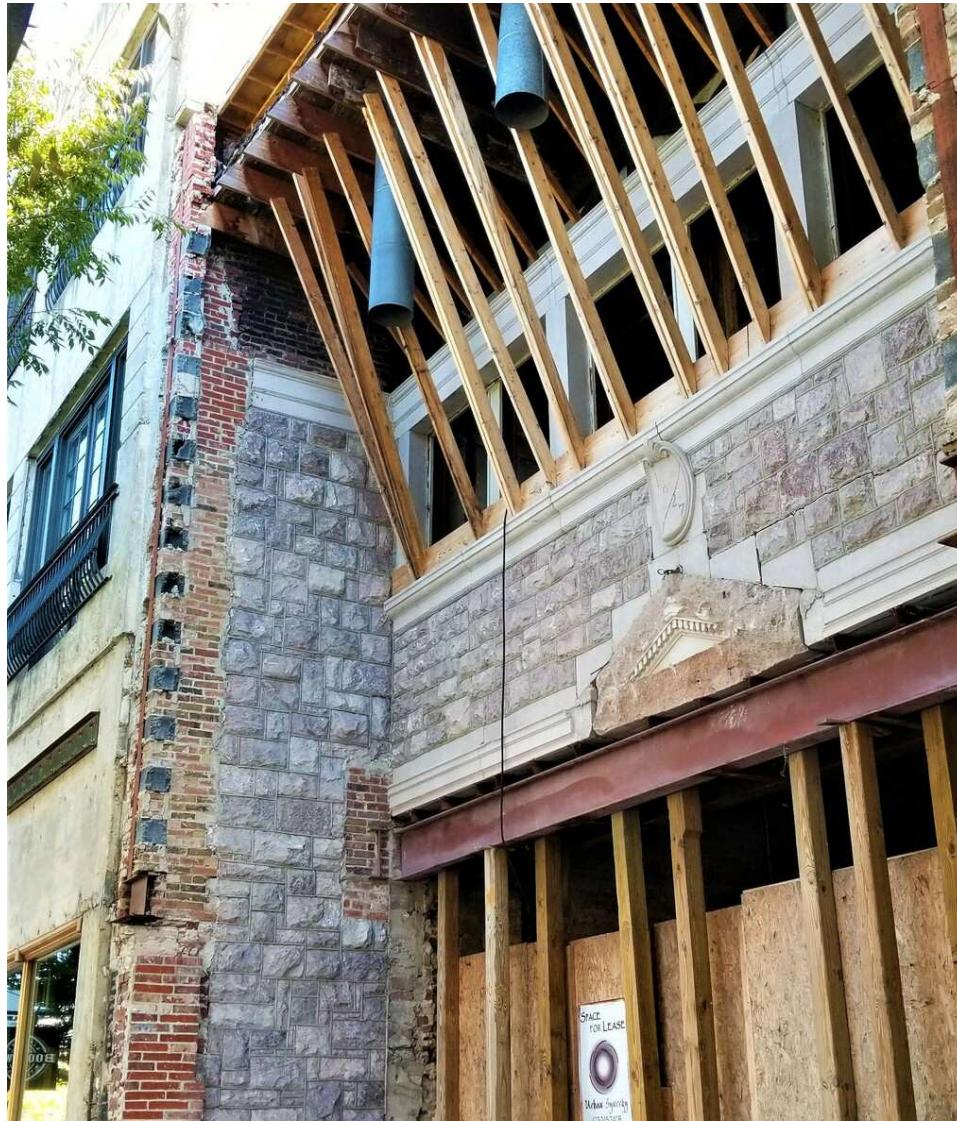
A: One of the main advantages is affordability. Property prices are significantly lower compared to primary and secondary markets. This translates to a higher entry yield for investors and allows investors to acquire more properties or larger properties for the same amount of capital. This affordability also leads to lower rental rates, which attracts both businesses and residents, helping to boost occupancy rates and stability. Tertiary markets can provide higher capitalization rates and cap rates that are often 50 to 150 basis points higher than those in primary markets. CoStar data shows rental growth rates in tertiary markets averaging 5% per year, outpacing secondary (3%) and primary (2%) markets over the same period. Average commercial property vacancy rates are also lower in tertiary markets (7.2% in 2023) compared to secondary (9.5%) and primary (10.2%) markets.

Q: How do tertiary markets compare to primary and secondary markets in terms of growth potential and stability?

A: Tertiary markets are increasingly recognized for their potential for exponential growth compared to primary and secondary markets. While offering the potential for high yield, they are also noted as often being less volatile and able to provide more stable returns. Investment in tertiary markets showed less volatility in rental income during economic downturns, maintaining a steady 4-5% annual increase over five years. The cost of entry is significantly lower, allowing for better capitalization rates and yield potential. The Tri-Cities region provides a more manageable entry point and higher potential yields compared to larger metropolitan areas. The diverse economic base and steady growth in the Tri-Cities contribute to them being a relatively safe investment during economic volatility.

Q: Can you provide examples of successful tertiary market transformations?

A: Several tertiary markets have demonstrated significant success. Cities like Chattanooga, TN, and Greenville, SC, are highlighted as examples of tertiary markets that have transformed their downtown areas, attracting major businesses and fostering economic growth. Greenville's historic downtown has seen significant investment, with a 30% increase in commercial property values from 2020 to 2023. Asheville, NC, is also mentioned as a hotspot for investors, seeing a 20% increase in commercial real estate transactions in 2022. While in earlier stages than these examples, the Tri-Cities downtowns are drawing increased attention and investment due to their track record for residential demand and attractive amenities.



Unique Incentives with Local Grants

Facade Grant Program

The purpose of the Facade Grant Program is to encourage the revitalization of building facades and to improve the aesthetics of the City's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee

Redevelopment Grant Program

The purpose of the Facade Grant Program is to encourage the revitalization of building facades and to improve the aesthetics of the City's Central Business District with grant assistance through the Kingsport Economic Development Board (KEDB), for the City of Kingsport, Tennessee



Meet The Team



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