

at home

The Home Décor Superstore

# AT HOME

3019 PEOPLES STREET  
JOHNSON CITY, TN

MARKET  STREET  
retail advisors



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**CONTENTS:**

OFFERING SUMMARY	04
INVESTMENT HIGHLIGHTS	05
FINANCIAL ANALYSIS	07
PROPERTY PHOTOS	12
AERIALS	16
SITE PLAN	26
TENANT OVERVIEW	28
DEMOGRAPHICS	29
MARKET SUMMARY	30



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# OFFERING SUMMARY

## THE OFFERING

Tenant Name	At Home
Rentable Square Feet	87,365
Year Renovated	2019
Acreage	5.35
Address	3019 Peoples Street, Johnson City, TN

## LEASE DETAILS

Initial Lease Term	10 Years
Lease Commencement	August 1, 2019
Landlord Responsibilities	Roof / Structure
Tenant Responsibilities	NNN
Options	Three 5-Yr. Options
Option 1	\$646,800
Option 2	\$679,140
Option 3	\$713,097

## CONSTRUCTION & UTILITIES

Exterior	EIFS / Concrete Block
Roof	TPO / Rubber Membrane
Parking Surface	Asphalt - 2019
HVAC	12 New 12.5 Ton Units

# INVESTMENT HIGHLIGHTS



**CAP RATE:**  
7.12%



**GLA**  
87,365



**ASKING PRICE:**  
\$8,650,000

- Long term net lease with publicly traded corporate tenant (NYSE: HOME)
- Excellent interstate exposure (I-26 55,496 ADT)
- Located along State of Franklin Rd (15,940 ADT) which is the commercial hub for National retailers in the Johnson City market
- The site is part of Johnson City Center, a multi-tenant retail project with Hobby Lobby, Guitar Center and additional outparcels with retail, restaurants, and medical tenants
- Over \$3M in new improvements to the At Home building
- Johnson City is part of the Tri-Cities trade area that has a population base of 786,489 people
- Johnson City is home to East Tennessee State University – 14,606 students



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FINANCIAL ANALYSIS





# OFFERING PRICE

# FINANCIAL ANALYSIS

## AT HOME

3019 PEOPLES STREET | JOHNSON CITY, TN

### Pricing Summary

Offering Price	\$8,650,000
Price per Square Foot	\$99.01
Capitalization Rate	7.12%
NOI	\$616,000



Lease Term	From	To	Monthly	Yearly	PSF	
yr. 1	August 2019	July 2020	\$51,333.33	\$616,000	\$7.05	
yr. 2	August 2020	July 2021	\$51,333.33	\$616,000	\$7.05	
yr. 3	August 2021	July 2022	\$51,333.33	\$616,000	\$7.05	
yr. 4	August 2022	July 2023	\$51,333.33	\$616,000	\$7.05	
yr. 5	August 2023	July 2024	\$51,333.33	\$616,000	\$7.05	
yr. 6	August 2024	July 2025	\$51,333.33	\$616,000	\$7.05	
yr. 7	August 2025	July 2026	\$51,333.33	\$616,000	\$7.05	
*yr. 8	August 2026	July 2027	\$51,333.33	\$616,000	\$7.05	
yr. 9	August 2027	July 2028	\$51,333.33	\$616,000	\$7.05	
yr. 10	August 2028	July 2029	\$51,333.33	\$616,000	\$7.05	
Opt 1	11-15	August 2029	July 2034	\$53,900.00	\$646,800	\$7.40
Opt 2	16-20	August 2034	July 2039	\$56,595.00	\$679,140	\$7.77
Opt 3	21-25	August 2039	July 2044	\$59,424.75	\$713,097	\$8.16

**\*Sales Kickout** - At Home has a one time termination right after the end of year 7 if sales do not exceed \$7,000,000



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LOCATION OVERVIEW





PROPERTY PHOTOS

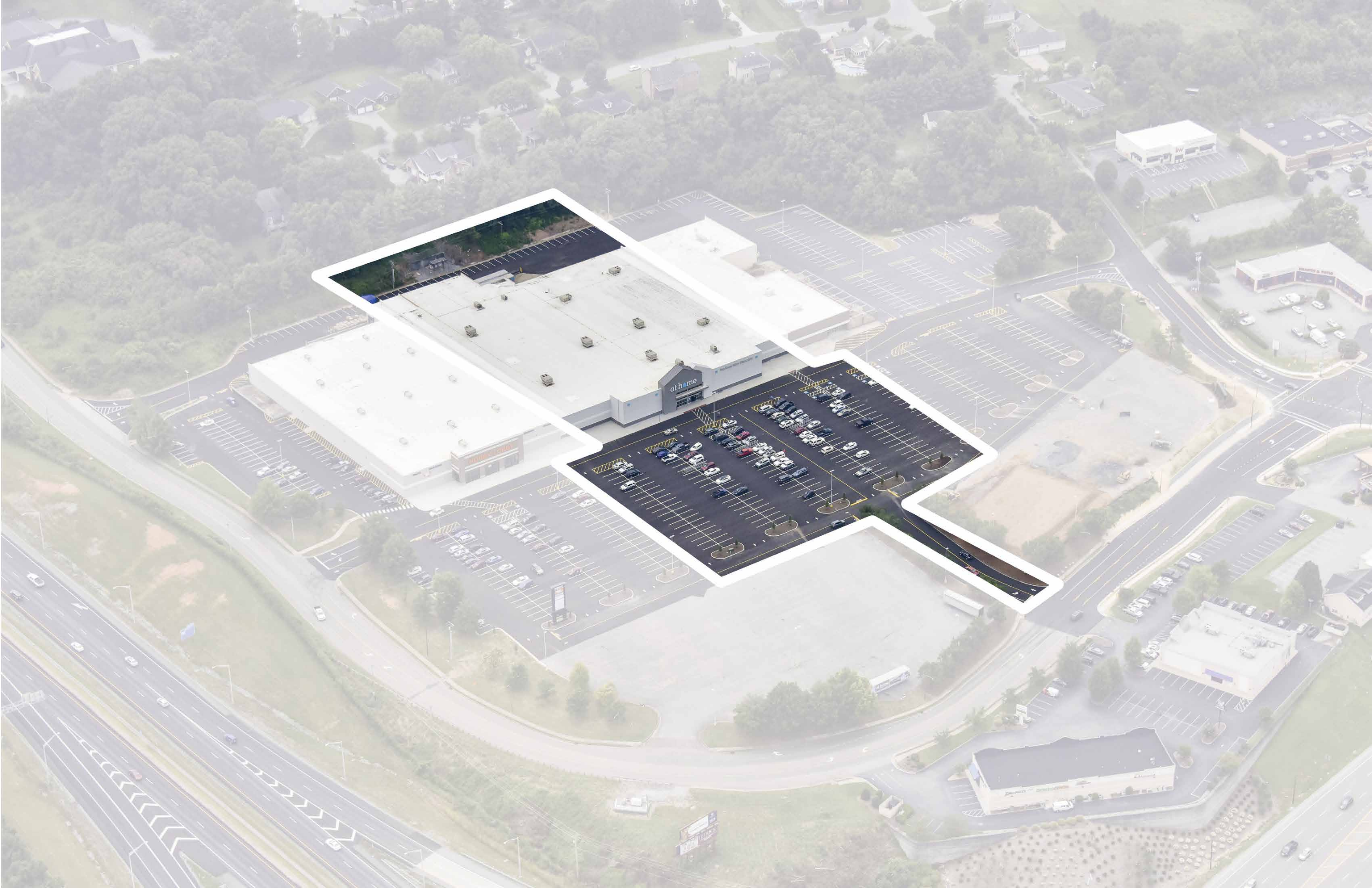




PROPERTY PHOTOS











Walmart  
HARBOR FREIGHT TOOLS

EAST TENNESSEE UNIVERSITY (4 MILES)

planet fitness  
Academy SPORTS+OUTDOORS

KOHL'S  
KIRKLAND'S

LOWE'S

ROSS PET SMART  
BED BATH & SHOE  
BEYOND CARNIVAL  
SALLY BEAUTY  
Stein Mart

BEST BUY

ASHLEY FURNITURE HomeStore

THE HOME DEPOT

Wendy's

Chick-fil-A

BB&T

Cheddar's

DAVID'S BRIDAL

Great Clips  
the Vitamin Shoppe

Panera BREAD

BARNES & NOBLE  
chico's

Sam's CLUB

Citizens Bank

CHUCK E CHEESE'S

chili's



Batteries + Bulbs

● SUBJECT PROPERTY

● FRANKLIN WOODS COMMUNITY HOSPITAL  
80-bed hospital

26 55,946 VPD

N STATE OF FRANKLIN RD: 15,940 VPD





- **SUBJECT PROPERTY**
- **THE MALL AT JOHNSON CITY**  
534,873 square foot shopping mall; 90+ stores and services
- **SCIENCE HILL HIGH SCHOOL**  
2,227 students; Rated 9/10 by [greatschools.org](http://greatschools.org)
- **EAST TENNESSEE STATE UNIVERSITY**  
More than 14,500 students enrolled; 2,370 jobs; Member of the Division I SoCon Athletic Conference

N STATE OF FRANKLIN RD: 15,940 VPD





**CVS FOOD CITY**  
Walgreens

**Walmart**

**Logan's ROADHOUSE**

**Bargain Hunt**

**golden corral**  
Buffet & Grill

**McDonald's**

**BIG LOTS!** **O'Reilly**  
AUTO PARTS  
Tuesday Morning

**FOOD LION**

**Goodwill**

**AutoZone**

**mellow MUSHROOM**

**ups**  
**OUTBACK**

**Sam's CLUB**

**chico's**  
**BARNES & NOBLE**

**chjli's**

**Batteries + Bulbs**

**26** 55,946 VPD

**N STATE OF FRANKLIN RD: 15,940 VPD**

**Cheddar's**

**CHUCKIE CHEESE'S**

**Citizens Bank**

**Great Clips**  
**the Vitamin Shoppe**

**Panera**  
BREAD

**Chick-fil-A**

**DAVID'S BRIDAL**

● **SUBJECT PROPERTY**  
● **NHC HEALTHCARE**  
160-bed post-acute 24-hour skilled nursing Health Care Center





EAST TENNESSEE UNIVERSITY (4 MILES) 



Goodwill

AutoZone

BIG LOTS! O'Reilly AUTO PARTS Tuesday Morning

mellow MUSHROOM

26 55,946 VPD

N STATE OF FRANKLIN RD: 15,940 VPD

Batteries + Bulbs

Citizens Bank

Great Clips theVitamin Shoppe

DAVID'S BRIDAL



● SUBJECT PROPERTY





# SITE PLAN





# TENANT OVERVIEW

## AT HOME (NYSE: HOME)

At Home, the home decor superstore, is one of the fastest growing retailers in the nation. At Home recently opened its 200th store; now operating in 40 states. At Home's goal is to operate more than 600 stores nationwide. Since the company's IPO several years ago, At Home has consistently grown its annual store footprint, net sales and profits by more than 20%. At Home recently surpassed the \$1 billion sales threshold in January of 2019. With stores averaging 110,000 square feet, At Home offers a wide selection of furniture, storage, rugs, wall decor, bedding, bath, patio and garden products and much more. At Home is headquartered in Plano, Texas.

<b>Headquartered (U.S)</b>	Plano, TX
<b>Number of Locations</b>	200
<b>Areas of Operation</b>	40 States
<b>Website</b>	www.athome.com



# DEMOGRAPHICS

Description	3 Miles	5 Miles	7 Miles
<b>POPULATION BY YEAR</b>			
Population (4/1/1990)	24,230	56,016	81,938
Population (4/1/2000)	28,632	61,573	91,637
Population (4/1/2010)	30,871	68,508	102,959
Population (1/1/2018)	32,284	71,749	107,297
Population (1/1/2023)	33,076	73,436	109,627
Percent Growth (2018/2010)	4.58	4.73	4.21
Percent Forecast (2023/2018)	2.45	2.35	2.17
<b>HOUSEHOLDS BY YEAR</b>			
Households (4/1/1990)	9925	22,121	32,207
Households (4/1/2000)	12420	26,051	38,361
Households (4/1/2010)	13,765	28,985	43,745
Households (1/1/2018)	14,603	30,887	46,494
Households (1/1/2023)	15,093	31,921	47,983
Percent Growth (2018/2010)	6.09	6.56	6.28
Percent Forecast (2023/2018)	3.36	3.35	3.2
<b>GENERAL POPULATION CHARACTERISTICS</b>			
Median Age	43.2	38.1	38.5
Male	14,636	33,382	49,943
Female	16,235	35,126	53,016
Density	1,017.10	999.10	706.9
Urban	30,124	65,328	91,931
Rural	747	3180	11,028
<b>GENERAL HOUSEHOLD CHARACTERISTICS</b>			
Households (4/1/2010)	13,765	28,985	43,745
Families	8162	16,578	26,094
Non-Family Households	5603	12,407	17,651
Average Size of Household	2.19	2.21	2.24
Median Age of Householder	53.5	50.6	50.6
Median Value Owner Occupied (\$)	169,430	153,708	149,950
Median Rent (\$)	581	536	527
Median Vehicles Per Household	2.2	2.2	2.2
<b>GENERAL INCOME CHARACTERISTICS</b>			
Total Personal Income (\$)	1,072,067,918	1,950,146,286	2,833,948,981
Total Household Income (\$)	1,051,929,605	1,896,998,519	2,775,266,257
Median Household Income (\$)	50,259	42,973	43,089
Average Household Income (\$)	76,421	65,448	63,442
Per Capita Income (\$)	34,727	28,466	27,525

## Trade Area

<b>Tri-Cities</b>	Johnson City, Kingsport, Bristol
<b>Population</b>	786,489
<b>Average HHI</b>	\$58,369
<b>Median Age</b>	43.1



# MARKET SUMMARY

## CONSISTENT-GROWTH MARKET WITH STUNNING MOUNTAIN VIEWS

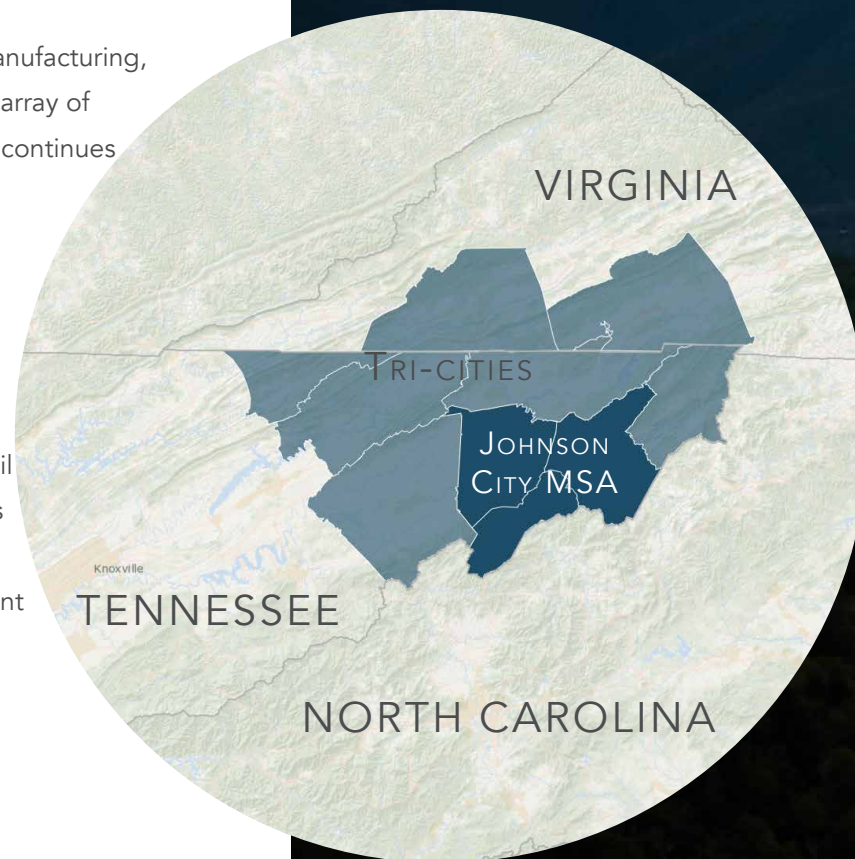
Tucked between the Blue Ridge and Appalachian Mountains, Johnson City, Tennessee is a growing community, ideal for nature lovers. Founded in the 1850s as a railroad station, the city grew quickly as a hub for the southeast.

Near the eastern tip of Tennessee, Johnson City is less than four hours from major metros like Nashville to the west, and Atlanta to the south. The Johnson City Metropolitan Statistical Area (MSA) is comprised of Carter, Washington, and Unicoi Counties.

Poised for continued job growth, the Johnson City MSA is part of a larger region known as the "Tri-Cities," which also encompasses Kingsport, Tennessee, and Bristol, Virginia and has a combined population of 786,489.

Economic opportunity abounds in industries like manufacturing, higher education, and healthcare. It is the stunning array of natural beauty that distinguishes Johnson City, and continues to make it a desirable place to live.

Johnson City's relatively low cost of living enables residents to have access to quality, affordable housing, cultural activities, and retail shopping. Johnson City also boasts attractive and one-of-a-kind outdoor destinations like the 10-mile former rail line turned greenway, Tweetsie Trail. These qualities prove attractive to families looking to relocate for economic opportunity and people nearing retirement age, seeking a scenic and comfortable place.



Top 100 Places to Live  
– *Livability.com, 2018*



# EMPLOYMENT/ECONOMY



*Downtown Johnson City*

Johnson City's continued growth has resulted in extremely low unemployment rate of only 3.7% (as of November 2018). Major economic sectors are higher education, healthcare and manufacturing, in addition to retail and service businesses, driven by tourism in the region.

Major employers include healthcare providers, such as Ballad Health (8,610 employees), James H. Quillen VA Medical Center (2,188 employees) and Frontier Health (1,016 employees). Colleges and schools in Johnson

City also account for a large segment of employment in the city. These institutions include East Tennessee State University (2,370 employees) and the Johnson City School System (832 employees). Major manufacturing and warehousing employers include A. O. Smith (1,076 employees), Mullican Flooring (445 employees) and TPI Corporation (389 employees).

The wide availability of employment results in short commute times for residents. Roughly 73% of workers in the regional community arrive to work in under 30 minutes, with the average worker's commute at 24 minutes. A cost of living comparison study revealed that Johnson City, has a lower cost of living than other comparable metros such as Asheville, NC, Augusta, GA, and Greenville, SC.

## POPULATION STATISTICS

In 2019, the Johnson City MSA has an estimated population of 202,925, having grown 2.1% since the 2010 Census. Population projections support what other economic indicators have suggested, that population in the region will continue to grow in coming years, an estimated 2.5% in the next five years. Johnson City is part of the Tri-Cities region, which has a combined population of 786,489.

Average age in the MSA is 42.2, which is slightly younger than the Tri-Cities' average of 43.1. This population has access to relatively low-cost housing. The MSA's average household income of \$62,275 is 19% lower than the statewide average of \$74,245, but considerably higher than the overall Tri-Cities region (\$58,369). Housing values in the MSA also trend lower than the state average, however, at \$156,400. Approximately 27,388 housing units in the MSA are renter-occupied, accounting for 32% of all housing units.

*Tweetsie Trail Pedestrian Bridge*



# #4 Retirement Destination in the US

– Kiplinger

## EDUCATION

Founded in 1911, East Tennessee State University (ETSU) is the region's flagship university and part of the Tennessee state university and community college system. With a total enrollment of 14,606, ETSU offers a range of undergraduate degree options, as well as graduate degree programs which attract students from across the region and beyond. Notably, the James H. Quillen College of Medicine is particularly well regarded for primary care.

In addition to ETSU, Milligan College is a Christian liberal arts college with 1,200 students. State-affiliated Northeast Community College has a Johnson City location as well. The Tennessee Center for Applied Technology in Elizabethton and the Regional Center for Advanced Manufacturing in nearby Kingsport both provide technical training for individuals and local industry.



*East Tennessee State University*





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