

# HERMITAGE COMMONS

5205 OLD HICKORY BLVD  
HERMITAGE, TENNESSEE 37076





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# INVESTMENT OVERVIEW

DUNKIN' DONUTS  
baskin BR robbins

Nail Lounge

GP TAZ KIS  
M TERRA AN CAP

Sport Clips  
HAIRCUTS

THE JOINT  
chiropractic  
NOW OPEN

JET'S PIZZA



# INVESTMENT HIGHLIGHTS

Market Street Retail Advisors is pleased to exclusively offer Hermitage Commons in Hermitage, Tennessee (Nashville MSA). Hermitage Commons is an 11,707 square foot retail center located 14 miles east of downtown Nashville. It's 100% leased to nationally recognizable restaurant brands and service-oriented retail businesses. The property has excellent visibility, ample parking and two points of access including one controlled by a traffic light. On average, Old Hickory Boulevard carries over 50,000 vehicles per day in front of the center. This offering marks an opportunity for an investor to acquire a net lease shopping center in a sought-after Nashville retail submarket, and to participate in middle Tennessee's exponential growth.

- **New Roof** – In 2021, ownership installed a new PVC roof system with a 20-year warranty.
- **Nashville, Tennessee** – Nashville's 14-county MSA has a population of almost 2,000,000 residents and is growing at a rate that is top 10 in the country for metropolitan areas. Recently, Amazon, Oracle, and Alliance Bernstein each announced major plans to move critical operations to Nashville. The city has an unemployment rate of 4.4% and is home to major corporations such as Bridgestone, Nissan NA, Hospital Corporation of America, and Dollar General Corporation. Nashville's international airport, BNA, is in the middle of a \$1.2 billion expansion plan.
- **Site Demographics** – 3 mile radius of the site has a population of 48,494 and average household income of \$63,864. A 5-mile radius of the site has a population of 111,720 and average household income of \$69,661.
- **Proven Brands / Experienced Operators** – Hermitage Commons is leased by the upper echelon of QSR, fast casual and delivery restaurant formats, and service-oriented retailers least impacted by the pandemic or e-commerce.
- **Attractive Retail Submarket** – The Hermitage Donelson submarket had a retail strip center vacancy rate of 1.1% at the end of Q4 2021 and as a result rents have increased 8.5% over the past 12 months (Source: Costar).

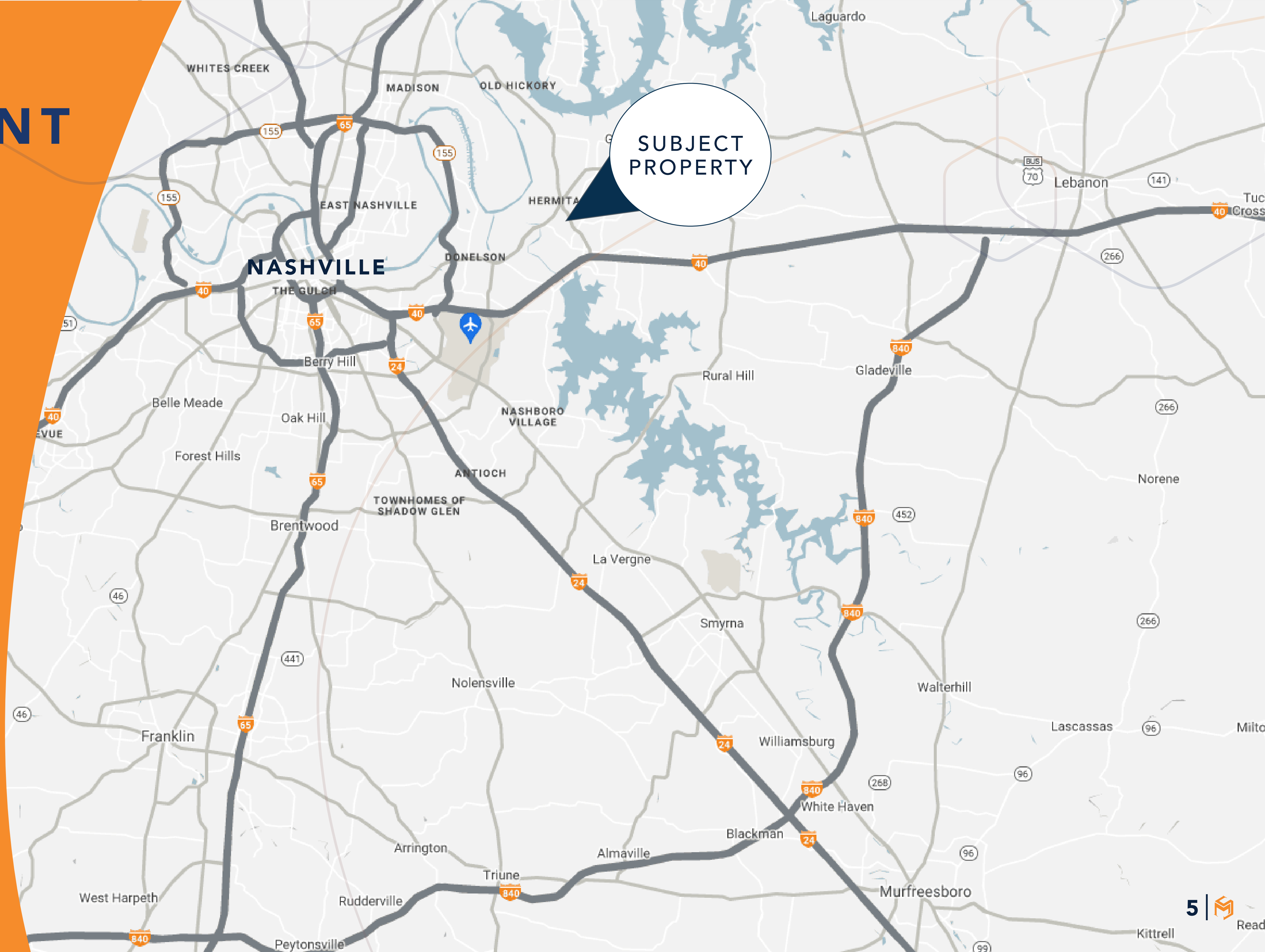


# INVESTMENT

## LOCATION

NASHVILLE, TN - 14 MILES

AIRPORT - 7 MILES





# OFFERING SUMMARY

## THE OFFERING

PROPERTY NAME	HERMITAGE COMMONS
ADDRESS	5205 OLD HICKORY BLVD
CITY, STATE	HERMITAGE, TN
RENTABLE SQUARE FEET	11,707
YEAR BUILT	2008
OCCUPANCY	100%
ACREAGE	1.83

## OPERATIONS SUMMARY

EFFECTIVE GROSS INCOME	\$393,574
(OPERATING EXPENSES)	(\$104,841)
NOI	\$288,733

## PRICING SUMMARY

OFFERING PRICE	\$5,100,000
PRICE PER SF	\$435.64
CAPITALIZATION RATE	5.66%



# PROPERTY PHOTOS











DOWNTOWN NASHVILLE

**OPRY MILLS MALL**  
1,000,000+ SF Retail

LOFT  
ANN TAYLOR  
BANANA REPUBLIC

POLO  
NIKE  
JUST DO IT.

FOSSIL  
UNDER ARMOUR

NASHVILLE INTERNATIONAL AIRPORT

LEBANON PIKE 30,516 VPD

CATO  
SALLY BEAUTY  
target  
burkes OUTLET  
DOLLAR TREE  
Marshalls

KOHL'S

Sakura Hibachi Steak House & Sushi Bar  
SUBWAY  
RIDE SIS

Arby's  
Wendy's  
planet fitness  
McDonald's

DOLLAR GENERAL  
O'Reilly AUTO PARTS  
cricket

at&t  
FIRST WATCH  
Papa Murphy's TAKE 'N BAKE PIZZA

marco's PIZZA  
EL TORO LOCO

T-Mobile  
tropical CAFE  
FIVE GUYS BURGERS and FRIES

**SUBJECT PROPERTY**

TD  
LOWE'S  
WHATABURGER

Starbucks  
IHOP  
jiffy lube  
chili's

CareNow  
Qdoba MEXICAN GRILL  
BUFFALO WILD WINGS  
BURGER KING

Chick-fil-A

Famous Dave's  
Real Italian. Real Fast.

OLD HICKORY BLVD 50,345 VPD

DUBE Orthopedics Physical Therapy

golden corral

T-Mobile

THE HOME DEPOT  
Pizza Hut  
Electronics Express  
Bargain Hunt  
verizon





NASHVILLE INTERNATIONAL AIRPORT

PERCY PRIEST LAKE

DOLLAR GENERAL

40 131,283 VPD

TRISTAR SUMMIT MEDICAL  
1,648 jobs; 218 beds

Deloitte

McDonald's

xfinity  
Domino's Pizza  
Kroger  
OUTBACK STEAKHOUSES  
Garley's

BURGER KING

CareNow

Qdoba MEXICAN GRILL



SUBJECT PROPERTY

BUFFALO WILD WINGS

OLD HICKORY BLVD

DUBE Orthopedics Physical Therapy

50,345 VPD

TD

golden corral

Chick-fil-A





30,516 VPD

LEBANON PIKE



SUBJECT PROPERTY



OLD HICKORY BLVD

50,345 VPD





# RENT ROLL

Tenant	Suite	SF	Lease Data			Monthly Rent		Annual Rent		Gross Rent	Total Rent		Start Date	Monthly Rent	Notes
			ProRata	Start Date	End Date	Base Rent	Recoveries	Base Rent	Reimb.		Base (PSF)	Reimb. (PSF)			
Dunkin Donuts	110	2,100	17.94%	7/1/2007	12/31/2024	\$4,235	\$1,567	\$50,820	\$18,804	\$69,624	\$24.20	\$8.95	1/1/2025	\$4,659	4 Yr. Option
Jets Pizza	101	1,760	15.03%	3/5/2008	11/30/2023	\$4,272	\$1,313	\$51,269	\$15,756	\$67,025	\$29.13	\$8.95			
The Joint	102	1,200	10.25%	10/6/2020	5/31/2026	\$1,925	\$896	\$23,100	\$10,752	\$33,852	\$19.25	\$8.96			
Sports Clips	103	1,275	10.89%	4/1/2015	3/31/2025	\$2,440	\$952	\$29,282	\$11,424	\$40,706	\$22.97	\$8.96	4/1/2025 4/1/2030	\$2,684 \$2,953	5 Yr. Option 5 Yr. Option
Penn Station East Coast Subs	104	1,710	14.61%	3/1/2020	2/28/2025	\$3,449	\$1,276	\$41,382	\$15,312	\$56,694	\$24.20	\$8.95	3/1/2025 3/1/2030 3/1/2035	\$3,793 \$4,173 \$4,590	5 Yr. Option 5 Yr. Option 5 Yr. Option
Nail Lounge	102	1,200	10.25%	2/1/2019	1/31/2023	\$2,700	\$896	\$32,400	\$10,752	\$43,152	\$27.00	\$8.96	2/1/2023	\$3,000	5 Yr. Option
Taziki's	107	2,462	21.03%	7/1/2014	6/30/2024	\$4,965	\$1,837	\$59,580	\$22,044	\$81,624	\$24.20	\$8.95	7/1/2024 7/1/2029	\$5,462 \$6,008	5 Yr. Option 5 Yr. Option
<b>SubTotals</b>	<b>7</b>	<b>11,707</b>	<b>100.00%</b>			<b>\$23,986</b>	<b>\$8,737</b>	<b>\$287,833</b>	<b>\$104,844</b>	<b>\$392,677</b>	<b>\$24.42</b>	<b>\$8.96</b>			



# CASH FLOW

Forecast For the Years Ending	Year 1 Apr-2023	Year 2 Apr-2024	Year 3 Apr-2025	Year 4 Apr-2026	Year 5 Apr-2027	Year 6 Apr-2028	Year 7 Apr-2029	Year 8 Apr-2030	Year 9 Apr-2031	Year 10 Apr-2032	Year 11 Apr-2033	Total
<b>Rental Revenue</b>												
Potential Base Rent	288,733	289,317	294,629	306,549	318,449	321,663	326,753	343,092	356,727	362,623	368,674	3,577,208
Absorption & Turnover Vacancy	0	-3,777	0	0	-2,814	-2,898	-9,602	0	0	-3,262	-3,360	-25,713
Total Rental Revenue	288,733	285,540	294,629	306,549	315,635	318,764	317,150	343,092	356,727	359,361	365,314	3,551,495
<b>Other Tenant Revenue</b>												
Total Expense Recoveries	104,841	106,633	111,226	114,563	116,992	120,501	121,746	128,941	132,809	135,625	139,694	1,333,571
Total Other Tenant Revenue	104,841	106,633	111,226	114,563	116,992	120,501	121,746	128,941	132,809	135,625	139,694	1,333,571
<b>Effective Gross Revenue</b>	<b>393,574</b>	<b>392,174</b>	<b>405,855</b>	<b>421,111</b>	<b>432,627</b>	<b>439,266</b>	<b>438,896</b>	<b>472,033</b>	<b>489,536</b>	<b>494,986</b>	<b>505,008</b>	<b>4,885,066</b>
<b>Operating Expenses</b>												
Real Estate Taxes	33,579	34,587	35,624	36,693	37,794	38,927	40,095	41,298	42,537	43,813	45,128	430,075
Insurance	5,599	5,767	5,940	6,118	6,301	6,490	6,685	6,886	7,092	7,305	7,524	71,706
Management Fee	9,000	9,270	9,548	9,835	10,130	10,433	10,746	11,069	11,401	11,743	12,095	115,270
Common Area Maintenance	56,663	58,363	60,114	61,917	63,775	65,688	67,659	69,689	71,779	73,933	76,151	725,731
Total Operating Expenses	104,841	107,986	111,226	114,563	117,999	121,539	125,186	128,941	132,809	136,794	140,898	1,342,782
<b>Net Operating Income</b>	<b>288,733</b>	<b>284,188</b>	<b>294,629</b>	<b>306,549</b>	<b>314,627</b>	<b>317,726</b>	<b>313,711</b>	<b>343,092</b>	<b>356,727</b>	<b>358,192</b>	<b>364,110</b>	<b>3,542,284</b>
<b>Leasing Costs</b>												
Tenant Improvements	0	3,626	0	0	2,701	2,782	9,218	0	0	3,131	3,225	24,684
Leasing Commissions	0	5,913	0	0	4,406	4,538	15,034	0	0	5,107	5,261	40,259
Total Leasing Costs	0	9,539	0	0	7,107	7,320	24,252	0	0	8,239	8,486	64,943
<b>Capital Expenditures</b>												
Capital Reserves	1,756	1,809	1,863	1,919	1,976	2,036	2,097	2,160	2,225	2,291	2,360	22,491
Total Capital Expenditures	1,756	1,809	1,863	1,919	1,976	2,036	2,097	2,160	2,225	2,291	2,360	22,491
<b>Total Leasing &amp; Capital Costs</b>	<b>1,756</b>	<b>11,348</b>	<b>1,863</b>	<b>1,919</b>	<b>9,083</b>	<b>9,356</b>	<b>26,349</b>	<b>2,160</b>	<b>2,225</b>	<b>10,530</b>	<b>10,846</b>	<b>87,434</b>
<b>Cash Flow Before Debt Service</b>	<b>286,977</b>	<b>272,840</b>	<b>292,766</b>	<b>304,630</b>	<b>305,544</b>	<b>308,370</b>	<b>287,361</b>	<b>340,932</b>	<b>354,502</b>	<b>347,662</b>	<b>353,264</b>	<b>3,454,851</b>



# ASSUMPTIONS

## GENERAL

Begin Date	May/2022
End Date	Apr/2032
Term	10 Years
Building Square Footage	11,707 SF

## GROWTH RATES

Market Rent	3%
Operating Expenses	3%
Property Taxes	3%
Capital Reserves	\$0.15 / 0%

## VACANT LEASING SPACE

Total Vacant Space	0 SF
Start Date	N/A
Lease Term	5 Years
Abatement	None
Initial Annual Market Rent	N/A
Expense Recovery Type	NNN
Rent Adjustment	0% Annual Increase
Tenant Improvements	\$10.00 PSF
Commission	4%

## SECOND GENERATION LEASING

Retention Ratio	Shops 80%
Size	< 18,000 SF
Lease Term	5 Years
Initial Annual Market Rent	\$25.00
Rent Adjustment	3% Annual Increase
Expense Recovery Type	NNN
Initial Tenant Improvements	
New	\$10.00 PSF
Renewal	\$0.00 PSF
Commissions	
New	4%
Renewal	2%
Downtime	6 Months

## ADDITIONAL NOTES

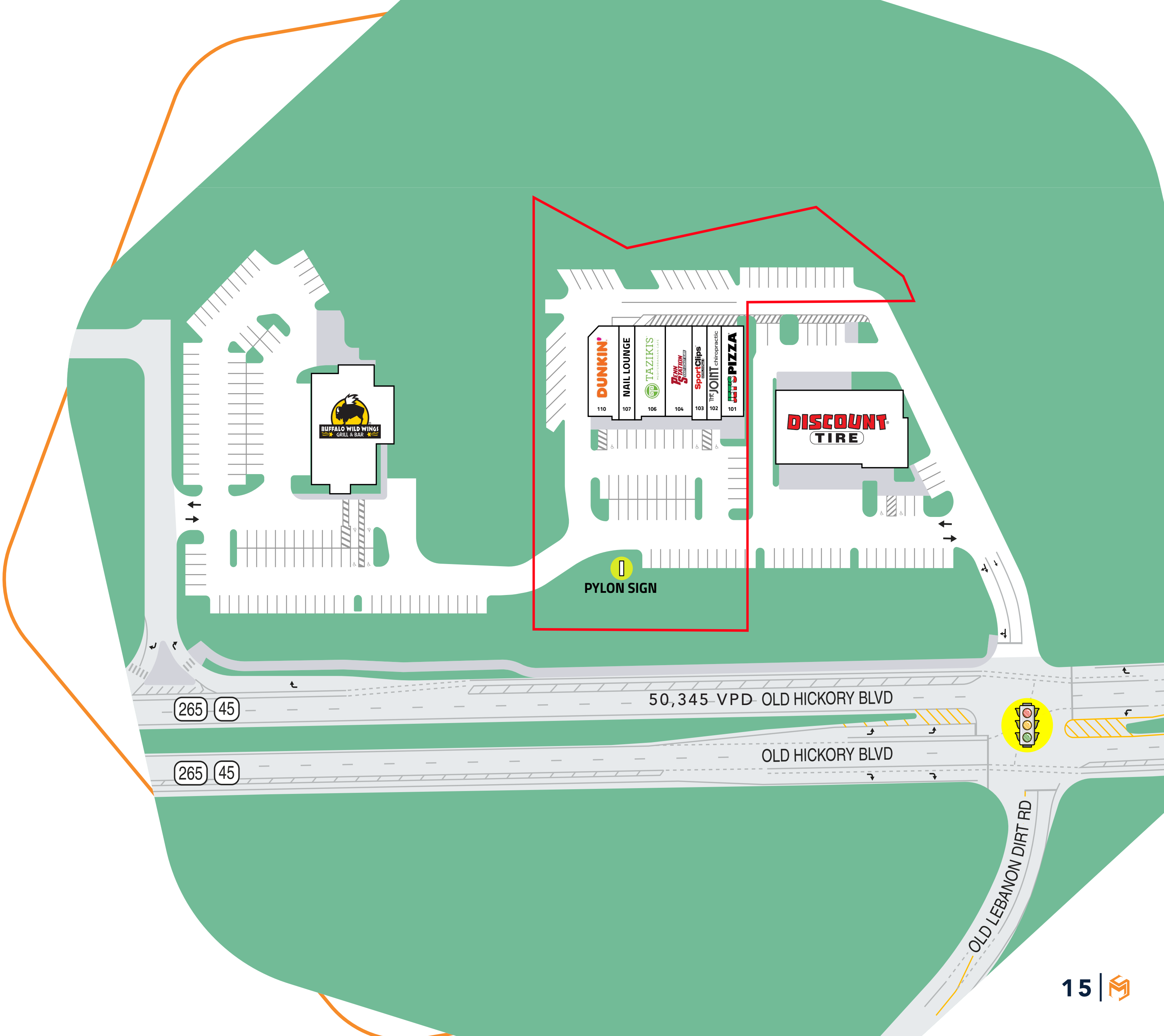
1. The expenses are from the Sep-21 YTD financials.
2. Store Administration and Personnel expenses have been removed.
3. Capital Reserves of \$0.15 PSF have been added to this analysis.

## REAL ESTATE TAXES (2021)

Appraised Value	\$2,842,800
Assessed Value	\$1,137,120
Millage Rate	\$3.788 per \$100
Real Estate Taxes	\$43,074
Last Appraisal	2021
Next Appraisal	2025
Assessment Ratio	40%
Assessment on Sale?	Not Automatically



# SITE PLAN





# DEMOGRAPHICS

## POPULATION BY YEAR

3 MILES 5 MILES 7 MILES

	3 MILES	5 MILES	7 MILES
POPULATION » 4/1/1990	30,254	68,492	148,380
POPULATION » 4/1/2000	37,723	84,644	170,590
POPULATION » 4/1/2010	43,031	97,207	182,234
POPULATION » 1/1/2021	48,498	111,720	209,575
POPULATION » 1/1/2026	49,243	113,777	213,468
PERCENT GROWTH » (2026/2021)	12.7	14.93	15

## HOUSEHOLDS BY YEAR

3 MILES 5 MILES 7 MILES

	3 MILES	5 MILES	7 MILES
HOUSEHOLDS » 4/1/1990	11,930	27,024	59,391
HOUSEHOLDS » 4/1/2000	15,967	35,007	70,317
HOUSEHOLDS » 4/1/2010	18,679	41,026	76,468
HOUSEHOLDS » 1/1/2021	21,148	47,318	88,320
HOUSEHOLDS » 1/1/2026	21,439	48,128	89,865
PERCENT GROWTH » (2026/2021)	13.22	15.34	15.5

## INCOME CHARACTERISTICS

3 MILES 5 MILES 7 MILES

	3 MILES	5 MILES	7 MILES
TOTAL PERSONAL INCOME	1,204,091,794	2,888,186,828	5,095,455,814
TOTAL HOUSEHOLD INCOME	1,192,917,797	2,857,907,030	5,050,881,739
MEDIAN HOUSEHOLD INCOME	53,819	58,088	52,143
AVG. HOUSEHOLD INCOME	63,864	69,661	66,052
PER CAPITA INCOME	27,982	29,712	27,961

## HOUSEHOLD CHARACTERISTICS

3 MILES 5 MILES 7 MILES

	3 MILES	5 MILES	7 MILES
HOUSEHOLDS » 4/1/2010	18,679	41,026	76,468
FAMILY HOUSEHOLDS	10,727	25,335	46,569
NON-FAMILY HOUSEHOLDS	7,952	15,691	29,899
AVG. SIZE OF HOUSEHOLD	2.29	2.35	2.37
MEDIAN SIZE OF HOUSEHOLD	44.7	47.8	47.8
MEDIAN VALUE OWNER-OCCUPIED	152,190	160,675	158,171
MEDIAN RENT PER MONTH	722	719	677
MEDIAN VEHICLES PER HOUSEHOLD	2.2	2.2	2.2



# TENANT OVERVIEWS



Dunkin' Donuts, an American multinational coffee and doughnut company, was started by William Rosenberg in Quincy, Massachusetts in 1950. Dunkin' operates more than 11,300 locations. In the US, they cover 41 states. Dunkin' has earned the No. 1 ranking for customer loyalty in the coffee category by Brand Keys for thirteen years running. Dunkin' is the world's leading baked goods and coffee chain, serving more than 3 million customers per day. Dunkin' is still using the original proprietary coffee blend recipe established by its founder.



Jet's Pizza started in 1978 by brothers Eugene and John Jetts in Sterling Heights Michigan. As of October 2020, Jet's Pizza had 390 franchises in 20 states. Jet's is known for its square deep-dish Detroit-style pizza, including the 8-corner pizza which the company has trademarked. In 2020, Jet's Pizza had \$343,000,000 in sales and 383 locations in the United States.



In 1993, Gordon Logan worked in Austin, Texas to develop the unique Sport Clips Haircuts concept that would provide a "championship haircut experience in an exciting sports-themed environment." Sport Clips is proud to be the only national hair care franchise with locations in all 50 states in the U.S., with more than 1,850 open in the U.S. and Canada. According to Growjo, Sports Clips estimated annual revenue is \$1.2 Billion per year with over 4,900 Employees.



The first Penn Station restaurant opened in 1985 by Jeff Osterfeld in Cincinnati, Ohio. Currently, Penn Station has over 300 locations in 15 states. Penn Station is known for sandwiches that are prepared fresh in full view of the customer and is committed to "sustainable business practices." In 2019, Penn Station had over \$200 million in Sales.



In Birmingham, Alabama, Taziki's was started by Keith Richards in 1998 as a restaurants serving Greek/Mediterranean food that is meant to help support a healthy diet. By 2017, there were over 80 locations in 16 States throughout the country. Taziki's now has over \$33 million in annual revenue and over 500 employees.



# MARKET SUMMARY

Strategically located in the heart of the Tennessee Valley, the Nashville region is where businesses thrive, and the creative spirit resonates across industries and communities. The Nashville MSA has 14 counties and a population of 1,993,500 people, making it the largest metro area in the state. Many corporate headquarter giants call Nashville home, including Nissan North America, Bridgestone Americas, Dollar General, Hospital Corporation of America, IHeartMedia, Smile Direct Club and Gibson Guitar.

A national hub for the creative class, Nashville has the strongest concentration of the music industry in America. The Nashville region's educated workforce not only provides an abundant talent pool for companies, but also bolsters the region's vibrancy, artistic and musical essence, and competitive edge in technology and innovation. The Nashville region is defined by a diverse economy, low costs of living and doing business, a creative culture, and a well-educated population. Cultural diversity, unique neighborhoods, a variety of industries, and a thriving creative community make Middle Tennessee among the nation's best locations for relocating, expanding, and startup companies.

Nashville is one of only six U.S. cities at the convergence of three major interstate highways, I-40, I-65, and I-24, offering interstate access to Louisville, Memphis, St. Louis, and Atlanta. 12 million people live within a 2.5 hour drive, making the city one of the most accessible in the country. The Nashville International Airport (BNA) supports several large airlines including Delta and Southwest Airlines and serves more than 15 million people annually including non-stop flights to London. As the fastest growing airport of its size, BNA just opened a new \$292 million concourse as part of an ongoing \$1.2 billion expansion plan.

**#1**  
MOST PROMISING  
MARKET FOR REAL ESTATE

**#1**  
MOST ECONOMIC  
GROWTH 2021





# EMPLOYMENT & ECONOMY

An indicator of the city's economic strength, Nashville's unemployment rate is among the lowest in the country with a rate of 4.4%. Recently, the Nashville MSA was ranked 2nd for "Hottest Job Market" by WSJ. Nashville was also ranked the #2 Best Place to Start a Business by SmartAdvisor. Nashville's music industry accounts for more than \$6.4 billion and 19,000 jobs. However, Health Care is the largest industry with more than 250 healthcare companies providing 94,000 jobs and generating more than \$18.3 billion per year in economic impact. Smile Direct Club, who has called Nashville home since 2016 and brought more than 2,000 jobs to Middle Tennessee, announced in September 2020 a \$34 million expansion bringing 600 new jobs to the market. It was announced in April 2021 that a \$1.2 billion dollar investment will bring the technology company Oracle and a record-number 8,500 jobs to Nashville. In addition, Amazon recently announced a new 855,000 square-foot site in the greater Nashville area which will create 1,000 jobs.

Nashville's top employers include Vanderbilt University and Medical Center, HCA Holdings, Nissan North America, Saint Thomas Health, and CHS. Amazon has opened a new operational hub in Nashville that has already generated 1,000 new jobs and is expected to reach 5,000 in the next several years. AllianceBernstein, a global investment management firm, has moved their headquarters to Nashville, bringing over 1,050 jobs. The company plans to invest more than \$70 million into the city as part of the headquarters relocation plan. In addition to AllianceBernstein, Nashville has become the relocation destination for the headquarters of several major technology companies, such as Emdeon, HealthStream, and Emma, and this trend is expected to continue.

## POPULATION STATISTICS

As economic opportunities continue to rise, people from throughout the region and across the country are flocking to Nashville. The largest city in Tennessee, Nashville is home to 678,448 people, growing 12.84 percent between 2010 and 2020. Nashville's MSA population grew by over 80 people per day in 2019 and 2020, contributing to the thriving housing market. Nashville has ranked within the top 10 large metros for job growth and population growth for the past eight years. Nashville's metropolitan area is the largest in Tennessee, consisting of more than 1.9 million people, and three of Tennessee's six largest cities are located in the Nashville MSA (Nashville, Clarksville, Murfreesboro).

Nashville is characterized by a relatively young but economically mobile population. Nearly 23% of the population is between the ages of 20 and 34 years old, well above the national average. Average household income in the Nashville MSA is \$76,225, near the national average of \$77,135.





# EDUCATION

A regional hub for education, Nashville is home to Vanderbilt University, Belmont University, Tennessee State University, Fisk University, Lipscomb University, and several other educational institutions. Vanderbilt University is a top 15 undergraduate institution and boasts highly ranked graduate programs in medicine, law, business, engineering, and education.

Additionally, Vanderbilt University and Medical Center is the largest employer in Nashville with over 37,122 employees in addition to its 13,537 student enrollment. Belmont University's music program is ranked in the top 10 nationally and is #1 in the state of Tennessee. Fisk University and Lipscomb University both rank in the top 11 colleges or universities in the state. Austin Peay State University (Clarksville) and Middle Tennessee State University (Murfreesboro), the largest undergraduate university in the state, are just a short drive away. In total, there are over 100,000 college students in the Nashville area, and over 110,000 adults in the area have a graduate or professional degree.





# HERMITAGE COMMONS

NASHVILLE MSA



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