

# OFFERING MEMORANDUM

# AT&T

2030 NORTH HIGHLAND AVENUE | JACKSON, TN 38305



NNN LEASE

2017 CONSTRUCTION

STRATEGIC LOCATION WITH EXCELLENT VISIBILITY

SUBJECT PROPERTY PHOTO

## CBRE

CAPITAL MARKETS | INVESTMENT PROPERTIES



# OFFERING MEMORANDUM

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REPRESENTATIVE IMAGE



**\$ \$1,425,995 Offering Price**

**% 7.15% Cap Rate**

**CBRE** is offering to qualified investors the opportunity to acquire fee simple interest in the free-standing AT&T Retail Store located at 2030 North Highland Avenue, Jackson, TN (the "Property"). The Property is approximately three miles north of downtown Jackson and is strategically located along retail-dense Highland Avenue across from Old Hickory Mall and nearby Jackson Plaza Shopping Center.

The Property is being offered free and clear of any debt. Ownership anticipates investors consider the strong real estate fundamentals, brand name recognition, and the Tenants' creditworthiness when evaluating the Property.

#### PRICING SUMMARY

ASKING PRICE	\$1,425,995
ASKING CAP RATE	7.15%
NOI	\$102,000
ASKING PRICE \$/SF	\$543/Square Feet
RENT \$/SF	\$27/Square Foot

#### PROPERTY SUMMARY

2030 North Highland Avenue | Jackson, TN 38305

TENANT	AT&T
BUILDING SIZE (SF)	±2,250 Square Feet
LAND ACREAGE	±0.30 Acres
YEAR BUILT/RENOVATED	2017
LEASE TYPE	NNN (Roof & Structure)
OWNERSHIP INTEREST	Fee Simple
ENCUMBRANCES	None, Delivered Free & Clear

REPRESENTATIVE IMAGE





# Investment Highlights

## NNN LEASE OPPORTUNITY - LIMITED LANDLORD RESPONSIBILITY

**DOMINANT BRAND W/ STRONG GUARANTY • AT&T IS THE SECOND LARGEST TELECOMMUNICATIONS COMPANY IN THE WORLD BY REVENUE. MARKET VALUE FOR AT&T WAS \$198 BILLION IN 2018. WITH OVER 143 MILLION MOBILE CUSTOMERS, AT&T WAS RANKED #6 ON THE 2018 RANKINGS OF THE WORLD'S MOST VALUABLE BRANDS, PUBLISHED BY BRAND FINANCE. THIS SITE IS OPERATED AND GUARANTEED BY LIVE MOBILE, A PRIVATELY-OWNED AT&T FRANCHISOR. LIVE MOBILE AS BEEN IN OPERATION SINCE THE EARLY 90'S WITH OVER 120 LOCATIONS IN 12 STATES.**

**COMMITMENT TO LOCATION • THE TENANT HAS SIGNED A 10-YEAR LEASE WITH TWO FIVE-YEAR OPTIONS TO EXTEND.**

**HIGHLY DESIRABLE SITE WITH MINIMAL COMPETITION • AT&T IS LOCATED ALONG NORTH HIGHLAND AVENUE, A HIGHLY TRAVELED ARTERIAL ROAD WITH DIRECT ACCESS TO I-40. THE SITE IS DIRECTLY ACROSS THE STREET FROM OLD HICKORY MALL, WHICH HAS BEEN IN OPERATION SINCE 1967. RETAILERS IN THE IMMEDIATE AREA INCLUDE MACY'S, JCPENNEY, BELK, TALBOT'S AND KROGER. THE SHOPPING OPTIONS ALONG WITH A LARGE MIX OF QUICK SERVICE AND FAST CASUAL RESTAURANTS, ALL PROVIDE A VERY STRONG DRAW THROUGHOUT THE REGION.**

## 2017 CONSTRUCTION

**EXCELLENT ACCESS & VISIBILITY • LOCATED ALONG NORTH HIGHLAND AVENUE (±33,110 VPD) AND SOUTH OF STATE HIGHWAY 412 (±52,966 VPD)**

**PRIDE OF OWNERSHIP PROPERTY - IDEAL FOR 1031 EXCHANGE**

REPRESENTATIVE IMAGE

# Lease Abstract

<b>Tenant</b>	AT&T
<b>Lessee</b>	Live Mobile, LLC
<b>Lease Date</b>	September 7, 2016
<b>Lease Type</b>	NNN (Landlord responsible for roof & structure)
<b>Property Address</b>	2030 N. Highland Avenue   Jackson, TN 38305
<b>Building SF</b>	±2,250 Square Feet
<b>Year Constructed</b>	2017
<b>Acreage</b>	±0.30 Acres
<b>Rent Commencement</b>	May 1, 2017
<b>Term Expiration</b>	April 30, 2027
<b>Primary Term</b>	Ten (10) Years
<b>Options</b>	Two (2) 5-Year Options
<b>Rent Increases</b>	10% every 5 Years, including options.
<b>Other Provisions</b>	Tenant may cancel lease at end of Lease Year 7 if AT&T does not renew operating agreement

## Rent Schedule

Term	Years	Annual Rent	Monthly Rent	Rent/SF
1-5	5/1/2017 - 4/30/2022	\$102,000	\$8,500	\$3.78
6-10	5/1/2022 - 4/30/2027	\$109,650	\$9,138	\$4.06
OPTION PERIODS				
Option 1	5/1/2027 - 4/30/2032	\$117,874	\$9,823	\$4.37
Option 2	5/1/2032 - 4/30/2037	\$126,714	\$10,560	\$4.69

REPRESENTATIVE IMAGE





SUBJECT PROPERTY PHOTOS





# Company Overview



Through its subsidiaries, affiliates and holding companies, AT&T (NYSE: T) offers services via wireless, wireline, satellite, WiFi, IP network, and fiber optic cable. The company is the biggest wireline voice provider and its AT&T Mobility unit is the second biggest wireless provider (behind Verizon Communications) in the US with more than 143 million subscribers. It offers digital TV (as well as voice and internet service) through its U-verse brand and satellite Pay TV through DirecTV. In October 2016 AT&T bought Time Warner Inc. for \$85 billion. The deal combined AT&T's vast distribution capabilities with Time Warner's rich content, which includes HBO.

## MERGER SYNERGIES

AT&T projects total WarnerMedia synergies to reach a run rate of \$2.5 billion by the end of 2021. Furthermore, AT&T expects to reach a run rate of about \$700 million by the end of 2019, increasing to \$2 billion by the end of 2020 and ramping to \$2.5 billion by the end of 2021.

## MOBILITY

- The Mobility business unit represents nearly half of AT&T's adjusted EBITDA and about 40% of its revenues.
- AT&T expects Mobility to continue to deliver top- and bottom-line growth. Mobility is growing both service revenues and EBITDA and will continue to do so in 2019.

## WARNERMEDIA

- WarnerMedia represents about 17% of the company's revenue and adjusted EBITDA and has been accretive to AT&T's adjusted EPS since the acquisition closed in June 2018
- WarnerMedia's Home Box Office, Turner and Warner Bros. units grew revenues in the third quarter of 2018.

### COMPANY PROFILE

Company	AT&T, Inc.
Industry	Telecommunications/Technology Entertainment/Mass Media
Type	Public
Exchange;Stock Symbol	NYSE: T
Credit Rating	BBB/Stable (S&P)
Revenue (FY2018)	\$177.54 billion
Operating Income (FY2018)	\$26.096 billion
Net Income (FY2018)	\$19.953 billion
Founded	1983
Headquarters	Dallas, TX
Website	<a href="http://www.att.com">www.att.com</a>



## Tenant Overview

Live Mobile is a National AT&T Authorized Retailer with its corporate offices based in Tupelo, Mississippi. Started in the early 90's, Live Mobile serves consumers and businesses throughout the southeastern United States. Currently Live Mobile employs more than 500 people in over 120 stores in Louisiana, Mississippi, Alabama, Florida, Kentucky, Tennessee, Ohio, Illinois, Indiana, Georgia, South Carolina, and West Virginia. Services offered include AT&T branded products and services including DirecTV, uVerse, FirstNet, and Digital Life Home Security & Automation.

### TENANT PROFILE

Tenant	Live Mobile, LLC
Ownership Type	Private
# of Locations	±120
Founded	1990
Headquarters	Tupelo, MS
Website	<a href="http://www.liveatt.com">www.liveatt.com</a>



# Location Overview

**JACKSON** is the county seat of Madison County, Tennessee. Located 70 miles east of Memphis, it has long been associated with the large city in trade. Jackson is the primary city of the Jackson, Tennessee metropolitan area, which is included in the Jackson-Humboldt, Tennessee Combined Statistical Area. Jackson is Madison County's largest city, and the second-largest city in West Tennessee next to Memphis. It is home to the Tennessee Supreme Court's courthouse for West Tennessee, as Jackson was the major city in the west when the court was established in 1834.

Jackson is a transportation center serving the agriculture industry, with cotton being a significant crop. The city is also a diverse manufacturing center for companies such as toolmaker Porter-Cable and Procter & Gamble. The town has a typical Southern-town feel with historic buildings and a vintage 1950's bus station often used as a movie set.

**MEMPHIS** is located along the Mississippi River at the Arkansas border and is the largest city in Tennessee. The city is on an upswing, thanks to recognition of its unique cultural assets and urban renewal.

As the hometown of the blues and Elvis Presley (who was actually born in Tupelo, Mississippi), the city left its mark on the history of music. A general resurgence in the popularity of blues has brought new life to Memphis as a tourist attraction. The historic Beale Street neighborhood provides music and entertainment opportunities for residents and tourists. The city is a patchwork of redevelopment and preservation with the downtown area seeing a resurgence in home-development. The area spreads in all directions including across the Mississippi into West Memphis, Arkansas and south into Mississippi. Bartlett to the north along with Germantown and Collierville to the southeast are undergoing the strongest growth and are considered the more affluent suburbs of Memphis.

The economic base is diverse and its status as a good business base is on the rise—the city is headquarters for retailer AutoZone and FedEx Corporation, and International Paper is relocating its headquarters from Connecticut. It is also known as a good base for smaller and especially minority owned businesses. FedEx operates mainly at the Memphis Airport, which is the largest air cargo hub in the world, and the company also has a large research facility in Collierville.





The Galleria Shopping Center

Jackson Plaza Shopping Center

BIG LOTS!

jcp

belk

macy's

OLD HICKORY MALL

VICTORIA'S SECRET

Rainbow

claire's

JOYWEYS

Old Hickory Boulevard (VPD ±8,463)

North Highland Avenue (VPD ±33,110)



Krystal

GOODYEAR



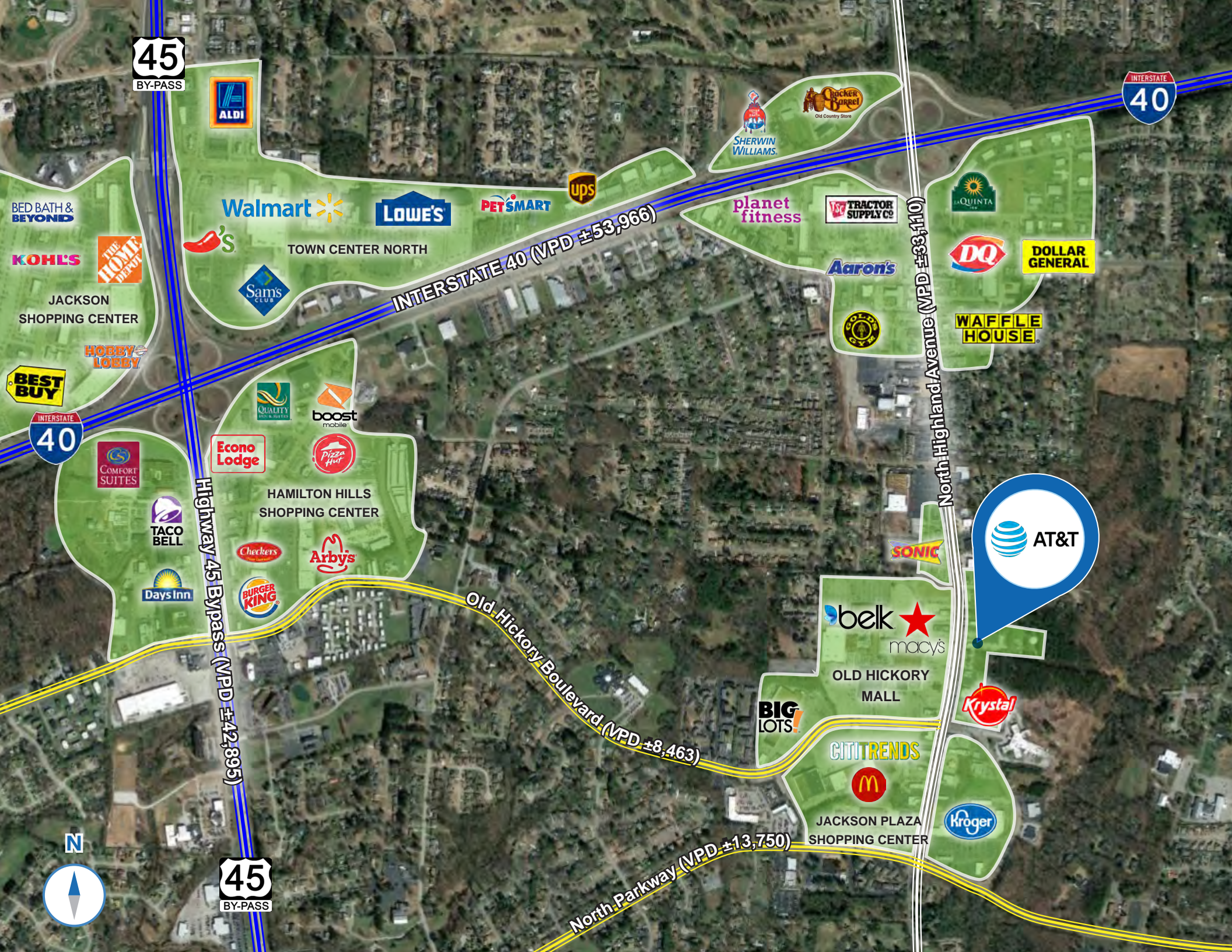
Former Sears Automotive Store











45  
BY-PASS



INTERSTATE  
40

BED BATH &  
BEYOND

Walmart

LOWE'S

PETSMART



planet  
fitness

TRACTOR  
SUPPLY CO.



DOLLAR  
GENERAL



WAFFLE  
HOUSE

Aaron's



KOHL'S



JACKSON  
SHOPPING CENTER

BEST  
BUY

INTERSTATE  
40



TACO  
BELL



Econo  
Lodge



HAMILTON HILLS  
SHOPPING CENTER



Old Hickory Boulevard (VPD ±8,463)



belk  
macy's

OLD HICKORY  
MALL

BIG  
LOTS!

CITITRENDS



JACKSON PLAZA  
SHOPPING CENTER



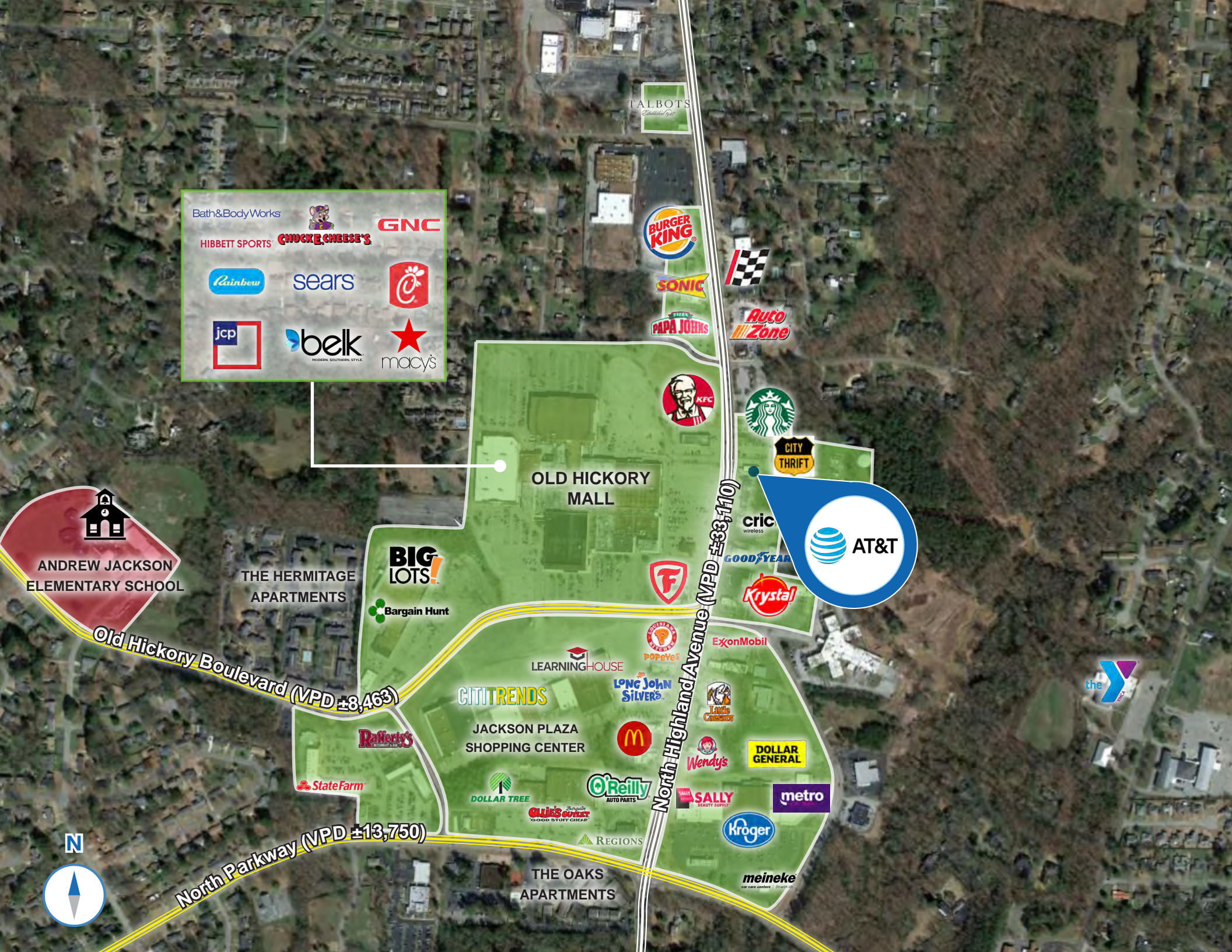
AT&T

North Parkway (VPD ±13,750)

45  
BY-PASS







Bath & Body Works



GNC

HIBBETT SPORTS

CHUCK E. CHEESE'S

Rainbow

sears



belk

MODERN SOUTHERN STYLE



OLD HICKORY MALL

BIG LOTS!

Bargain Hunt

THE HERMITAGE APARTMENTS

ANDREW JACKSON  
ELEMENTARY SCHOOL

Old Hickory Boulevard (VPD ±8,463)

North Highland Avenue (VPD ±33,110)

North Parkway (VPD ±13,750)

LEARNING HOUSE

CITITRENDS

JACKSON PLAZA  
SHOPPING CENTER

State Farm

Ralston's

DOLLAR TREE

CLUE'S COUNTRY

GOOD STUFF CHEAP

O'Reilly  
AUTO PARTS

REGIONS

THE OAKS  
APARTMENTS

POPEYES

LONG JOHN  
SILVER



O'Reilly  
AUTO PARTS

CLUE'S COUNTRY

GOOD STUFF CHEAP

REGIONS

POPEYES

LONG JOHN  
SILVER



O'Reilly  
AUTO PARTS

CLUE'S COUNTRY

GOOD STUFF CHEAP

REGIONS

ExonMobil

Luck  
Catering

Wendy's

SALLY  
BEAUTY SUPPLY

DOLLAR  
GENERAL

metro



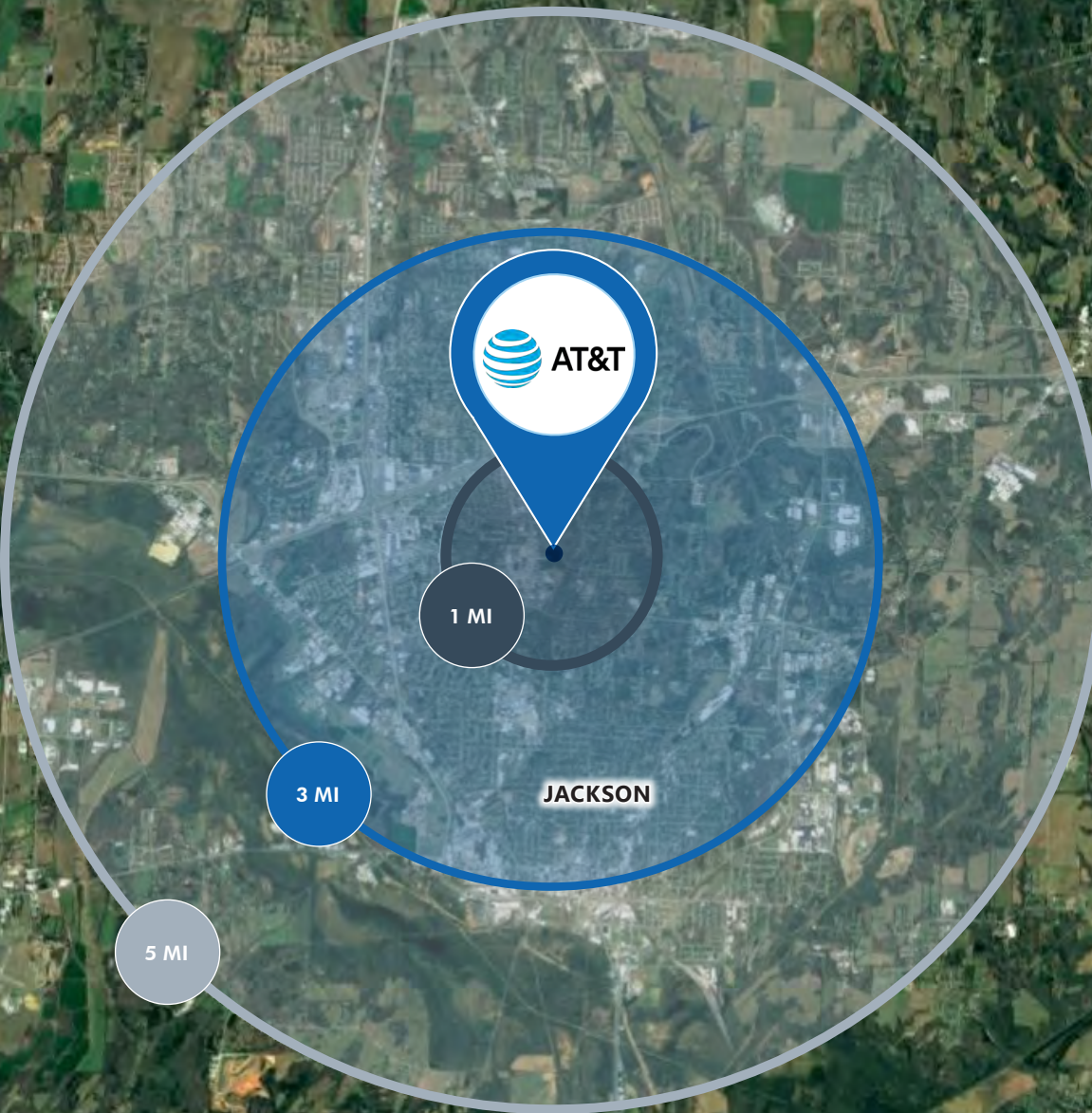
meineke

AT&T

the Y



# Area Demographics



	0-1 MI	0-3 MI	0-5 MI
POPULATION			
2018 Population - Current Year Estimate	6,351	45,448	68,453
2023 Population - Five Year Projection	6,498	46,031	69,366
2010 Population - Census	6,033	44,355	66,746
2010-2018 Annual Population Growth Rate	0.62%	0.30%	0.31%
2018-2023 Annual Population Growth Rate	0.46%	0.26%	0.27%

HOUSEHOLDS			
2018 Households - Current Year Estimate	2,752	17,623	26,321
2023 Households - Five Year Projection	2,814	17,862	26,697
2010 Households - Census	2,621	17,193	25,630
2010-2018 Annual Household Growth Rate	0.59%	0.30%	0.32%
2018-2023 Annual Household Growth Rate	0.45%	0.27%	0.28%

HOUSEHOLD INCOME			
2018 Average Household Income	\$60,543	\$59,456	\$65,094
2023 Average Household Income	\$69,595	\$67,472	\$73,819

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