



Exclusively Listed

The Vitamin Shoppe

2225 Gallatin Pike N | Madison, TN 37115

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ACTIVITY ID: ZAA0300361

The Vitamin Shoppe

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INVESTMENT SUMMARY



2225 Gallatin Pike N
Madison, TN 37115



\$1,896,296 Asking Price



\$128,000 NOI | 6.75% CAP Rate



6,400 SF TOTAL GLA | 0.26-Acre Parcel

THE OFFERING

Year Built	1998
Type of Ownership	Fee Simple
Tenant	Vitamin Shoppe Industries, Inc.
Lease Type	Double-Net
Lease Term	10 Years
Term Remaining	8+ Years
Lease Commencement	2/28/2003
Lease Expiration	9/30/2027
Increases	10% Every 5 Years
Options	1x 5 Year
Option Notice	180 Days

As of April 18th, 2017, tenant has extended lease term for approximately 9 years and 26 days beginning on September 5, 2018

RENT SCHEDULE

BASE RENT

10/1/2017 - 9/30/2022	\$128,000
10/1/2022 - 9/30/2027	\$147,200

OPTIONS

10/1/2027 - 9/30/2032	\$140,800
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DEBT QUOTE

LTV	70%
Rate	4.45% +/-
Term	8 Years – Concurrent with Lease
Amortization	20 Year
Other Terms	Partial Recourse Step-Down Prepay

Provided by Marcus & Millichap Capital Corporation

INVESTMENT HIGHLIGHTS

- **Recently Executed New 10 Year Lease** Demonstrates Tenant's Commitment to Site and Positive Performance
- **Corporate Guarantee** – Vitamin Shoppe Inc. is a Publicly Traded Company with 785 Locations
- **Prime Location in Major Retail Corridor** – Less than 0.5 Miles from RiverGate Mall and in Immediate Proximity of Target, Wal Mart, Pet Smart, Bed Bath & Beyond and Other National Retailers
- **Located in Nashville MSA** – Only 9.5 Miles Away from Downtown Nashville
- **Positioned at Signalized Intersection** of Northside Drive and Gallatin Pike N
- **Strong Traffic Counts** – 35,900+ VPD Pass Site Per Day and Over 66,000 VPD on Nearby Vietnam Veterans Blvd (0.5 Miles Away)
- **Low Replaceable Rent** of \$20.00 PSF
- Property is Located within a **Qualified Opportunity Zone**



Marcus & Millichap is pleased to present the exclusive listing for The Vitamin Shoppe located in Madison, Tennessee. Built in 1998, this site consists of approximately 6,400 square feet of building space and is situated on 0.26 acres of land. This Vitamin Shoppe has approximately 8.27 years remaining on its recent and early extended 10-year lease term with one (1) 5-year renewal option. The base rent is \$128,000 with a 15% rental escalation in 2022 and in the option term to hedge against inflation.

Less than 10 miles away from Nashville, TN, this Vitamin Shoppe is located along Gallatin Pike N, a heavily traveled thoroughfare that sees over 35,900 vehicles per day (VPD) and boasts high visibility with multiple ingress-egress points. Positioned in the primary and premiere retail corridor, this Vitamin Shoppe is in proximity of the RiverGate Mall (anchored by Macy's and JCPenney), Target, Walmart Supercenter, Best Buy, Dicks' Sporting Goods, and much more. The immediate PetSmart and IHOP contribute consumer foot-traffic towards this Vitamin Shoppe.

Vitamin Shoppe is highly visible and offers multiple points of ingress and egress to both traffic patterns along Gallatin Pike. Local demographics support over 104,068 residents within a five-mile radius and with an average household income in excess of \$65,349.

Vitamin Shoppe's early execution of a new 10-year corporately guaranteed lease demonstrates a strong commitment to and proven success at this location.





TENANT INFORMATION

TENANT INFORMATION

Tenant	The Vitamin Shoppe, Inc.
Tenant Trade Name	The Vitamin Shoppe
Lease Guarantor	Corporate
No. of Locations	785
Sales Volume	\$1.11 Billion (2018)
Headquartered	Secaucus, NJ
Stock Symbol	VSI
Credit Rating	B+

Vitamin Shoppe, Inc. engages in the provision of nutritional products. It sells both national brands and its own brands of vitamins, minerals, herbs, specialty supplements, sports nutrition, and other health and wellness products. The company was founded in 1977 and is headquartered in Secaucus, NJ.

Vitamin Shoppe is an omni-channel specialty retailer of vitamins, minerals, herbs, specialty supplements, sports nutrition and other health and wellness products. Vitamin Shoppe markets approximately 700 nationally recognized brands as well as its own brands, which include The Vitamin Shoppe®, Body Tech®, True Athlete®, Mytrition®, plnt®, ProBioCare® and Next Step®. Vitamin Shoppe believes it offers one of the largest varieties of products among vitamin, mineral and supplement (“VMS”) retailers and continue to refine its assortment with approximately 6,800 stock keeping units (“SKUs”) offered in its typical store and approximately 7,200 additional SKUs available through e-commerce. Its broad product offering enables us to provide its customers with a depth of selection of products that may not be readily available at other specialty retailers or mass merchants, such as discount stores, supermarkets, drug stores and wholesale clubs. Vitamin Shoppe believes its product offering and emphasis on product knowledge and customer service helps us meet the needs of its target customer and serves as a foundation for enhancing strong customer loyalty.

Vitamin Shoppe continues to focus on improving the customer experience through the roll-out of initiatives including increasing customer engagement and personalization, redesigning the omni-channel experience (including in stores as well as through the internet and mobile devices), growing its private brands and improving the effectiveness of pricing and promotions. As part of this strategy, Vitamin Shoppe has developed several initiatives, including an emphasis on the development and deployment of its customer facing digital platforms to enhance the customer’s omni-channel experience.



LOCATION HIGHLIGHTS

- Madison, TN is 8.2 Miles North From Downtown Nashville, TN
- Nashville was Named Major Market of the Year in 2017 for Outstanding Business Development
- 13.5% Population Growth from 2010 to 2017
- Rated #7 on Forbes' List of Top 25 Fastest Growing Cities of 2018
- Davidson County is Second Most Populous County in Tennessee.



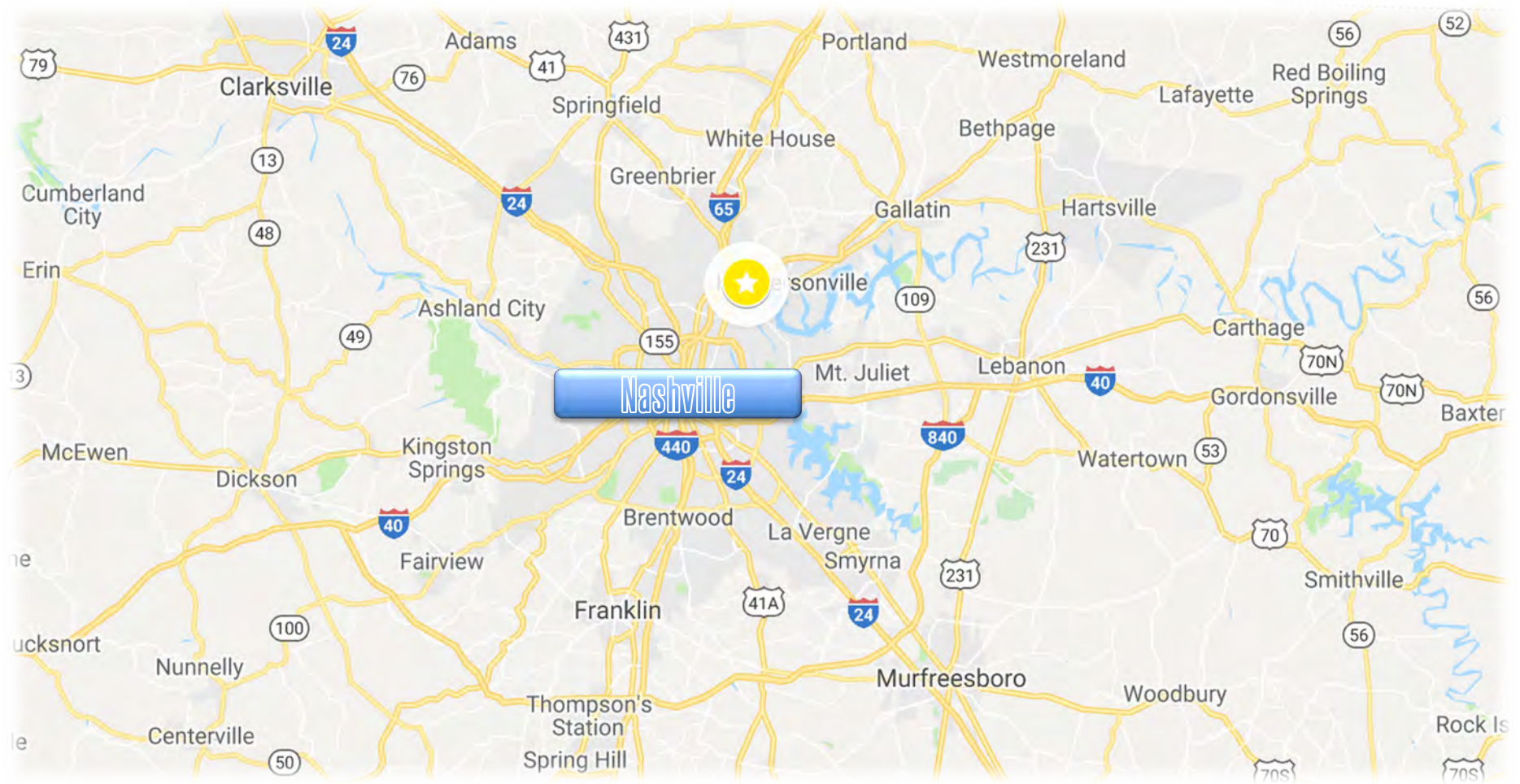
Madison, Tennessee

Madison (originally Madison Station) is a former settlement, now a suburban neighborhood of northeast Nashville, in the U.S. state of Tennessee. It is incorporated as part of the Metropolitan Government of Nashville and Davidson County.

Madison is only 8.2 miles north at its closest point to downtown Nashville. Ellington Parkway serves as a direct connection from downtown Madison to downtown Nashville with exits to Inglewood and East Nashville. Madison is located close to major highways and parkways: 65, 40, 24, Briley and local access roads St. Route 45 (Old Hickory) and Dickerson Road. It begins at Briley Parkway and extends to the Hendersonville line in Rivergate, from Dickerson Road to the Cumberland River.

Madison is one of 14 Community Plan areas in the Metro Nashville-Davidson County area for which zoning and land use planning is done. The Subject Property is also located in a Qualified Opportunity Zone presenting significant tax benefits for investors.

Davidson County is the second-most populous county in Tennessee. Its county seat is Nashville, the state capital.






THE VITAMIN SHOPPE













MARKETPLACE AT
RIVERGATE

GALLATIN PIKE 36,000 VPD



DOLLAR GENERAL
DSW DESIGNER SHOE WAREHOUSE
Batteries + Bulbs
ASHLEY FURNITURE HomeStore
BED BATH & BEYOND Beyond any store of its kind!



ZAXBY'S
Walmart

THE VITAMIN SHOPPE



NORTHSIDE MARKETPLACE
DAVID'S BRIDAL
DICK'S SPORTING GOODS
BEST BUY
Payless



MARKETPLACE AT RIVERGATE

goodwill
Sprint
HARBOR FREIGHT TOOLS Quality Tools at Remarkably Low Prices
PANDA EXPRESS CHINESE KITCHEN



FRIDAYS
Concentra
supercuts.
TJ-maxx
Olive Garden ITALIAN KITCHEN

RIVERGATE MALL

REGIONS
MCDONALD'S
Wendy's

O'Charley's RESTAURANT • BAR
MIDAS

SUBWAY
chili's



CVS pharmacy
Panera
Arby's
Jersey Mike's SUBS
HOBBY LOBBY

THE HOME DEPOT
Office DEPOT
OUTBACK STEAKHOUSE
DOLLAR GENERAL



SONIC
Pepp Boys





MARKET ANALYSIS

NASHVILLE

OVERVIEW

Known as the epicenter of country music, the Nashville metro contains a population of nearly 2 million within 14 counties: Davidson, Smith, Macon, Williamson, Cheatham, Sumner, Dickson, Robertson, Cannon, Rutherford, Hickman, Trousdale, Maury and Wilson. Davidson is the most populous county with 707,000 people and is home to Nashville, the capital city, which has 680,000 residents. The metro is located in the north-central portion of the state of Tennessee in what is known as the Central Basin. The Cumberland River, which snakes through the region, adds to the local economic base and enhances Nashville's quality of life. The metro has a strong multimodal infrastructure network linking the metro to markets around the world.

METRO HIGHLIGHTS



MUSIC INDUSTRY CAPITAL

The metro is well known as a central location for the country music industry, which provides many local jobs and supports a large hospitality sector.



DIVERSIFYING ECONOMY

Other major industries in the metro include healthcare, government, automotive manufacturing, publishing, insurance and finance.



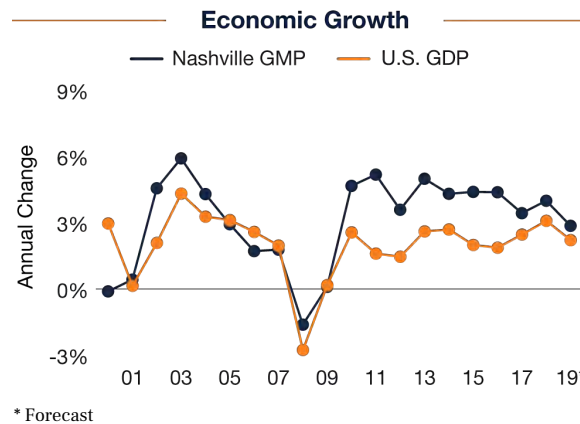
ROBUST POPULATION GROWTH

The population will increase at a faster pace than the nation over the next five years.

ECONOMY

- The entertainment and country music capital houses a number of venues such as Ryman Auditorium, Grand Ole Opry, Country Music Television and Music Row.
- Low tax burdens and incentives for businesses attract companies to the region and are assisting in diversifying the economy.
- Fortune 500 companies headquartered in the region include: HCA Holdings, Dollar General, Community Health Systems, Envision Healthcare, LifePoint Health, Delek US Holdings and Tractor Supply Co.

MAJOR AREA EMPLOYERS
Vanderbilt University and Medical Center
The Kroger Co.
Community Health Systems
Saint Thomas Health
Nissan North America
HCA Healthcare
Asurion
Electrolux Home Products
Cracker Barrel Old Country Store, Inc.
Randstad



SHARE OF 2018 TOTAL EMPLOYMENT

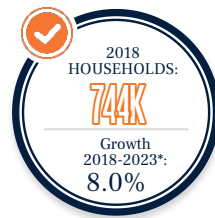




DEMOGRAPHICS

- The metro is expected to add nearly 132,000 people over the next five years, resulting in the formation of approximately 59,000 households.
- A median home price slightly below that of the nation has allowed 65 percent of households to own their home, compared with 64 percent for the U.S.
- Roughly 32 percent of residents age 25 and older hold bachelor's degrees; of those residents, 11 percent also have obtained a graduate or professional degree.

2018 Population by Age



QUALITY OF LIFE

While music may be in Nashville's blood, Music City has a lot more to offer, including performing arts, history, cuisine, professional sports, education institutions, natural beauty and Southern charm. Music is alive not only at the Grand Ole Opry, but also at the Ryman Auditorium, Fontanel Mansion, Schermerhorn Symphony Center and the Tennessee Performing Arts Center. For country music fans, there is the Country Music Hall of Fame and Museum. Performing arts include the Nashville Ballet, Nashville Symphony, Nashville Opera Association, Tennessee Repertory Theatre, Nashville Children's Theatre and the ACT 1 (Artists' Cooperative Theatre). Museums in the metro include the Tennessee State Museum, the Vanderbilt University Fine Arts Gallery and Frist Center for the Visual Arts.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



SPORTS



EDUCATION



ARTS & ENTERTAINMENT





DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	5,938	41,861	108,822
■ 2018 Estimate			
Total Population	5,325	40,716	104,068
■ 2010 Census			
Total Population	4,549	35,958	94,021
■ 2000 Census			
Total Population	2,224	31,802	85,194
■ Current Daytime Population			
2018 Estimate	10,190	46,630	108,005
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	2,984	17,825	46,073
■ 2018 Estimate			
Total Households	2,628	17,198	43,736
Average (Mean) Household Size	1.99	2.36	2.37
■ 2010 Census			
Total Households	2,235	15,143	39,331
■ 2000 Census			
Total Households	997	13,317	35,875
■ Occupied Units			
2023 Projection	2,984	17,825	46,073
2018 Estimate	2,789	18,087	46,097
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	2.35%	5.09%	5.68%
\$100,000 - \$149,000	9.25%	10.49%	11.03%
\$75,000 - \$99,999	13.28%	12.16%	13.21%
\$50,000 - \$74,999	22.63%	20.57%	19.89%
\$35,000 - \$49,999	19.11%	16.54%	15.76%
Under \$35,000	33.36%	35.15%	34.43%
Average Household Income	\$58,268	\$63,075	\$65,349
Median Household Income	\$47,854	\$48,417	\$49,793
Per Capita Income	\$28,771	\$26,669	\$27,520

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$56,424	\$55,840	\$56,755
■ Consumer Expenditure Top 10 Categories			
Housing	\$14,208	\$14,090	\$14,322
Transportation	\$10,359	\$10,074	\$10,255
Shelter	\$7,382	\$7,256	\$7,298
Food	\$6,237	\$6,191	\$6,302
Personal Insurance and Pensions	\$5,176	\$5,327	\$5,460
Health Care	\$4,096	\$4,013	\$4,253
Utilities	\$3,683	\$3,686	\$3,755
Entertainment	\$2,412	\$2,373	\$2,442
Cash Contributions	\$1,764	\$1,770	\$1,864
Household Furnishings and Equipment	\$1,522	\$1,520	\$1,575
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	5,325	40,716	104,068
Under 20	18.87%	25.37%	24.38%
20 to 34 Years	30.07%	23.97%	21.20%
35 to 39 Years	7.20%	7.23%	6.83%
40 to 49 Years	10.73%	12.68%	12.97%
50 to 64 Years	17.36%	18.02%	19.38%
Age 65+	15.78%	12.72%	15.27%
Median Age	35.63	35.43	38.20
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	3,949	27,739	72,549
Elementary (0-8)	1.88%	3.18%	3.07%
Some High School (9-11)	8.34%	10.52%	9.46%
High School Graduate (12)	29.11%	32.84%	32.14%
Some College (13-15)	25.09%	22.83%	24.20%
Associate Degree Only	5.21%	6.18%	6.50%
Bachelors Degree Only	18.17%	15.43%	15.60%
Graduate Degree	12.13%	7.90%	7.87%



Population

In 2018, the population in your selected geography is 40,716. The population has changed by 28.03% since 2000. It is estimated that the population in your area will be 41,861.00 five years from now, which represents a change of 2.81% from the current year. The current population is 47.47% male and 52.53% female. The median age of the population in your area is 35.43, compare this to the US average which is 37.95. The population density in your area is 1,439.09 people per square mile.



Households

There are currently 17,198 households in your selected geography. The number of households has changed by 29.14% since 2000. It is estimated that the number of households in your area will be 17,825 five years from now, which represents a change of 3.65% from the current year. The average household size in your area is 2.36 persons.



Income

In 2018, the median household income for your selected geography is \$48,417, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 25.76% since 2000. It is estimated that the median household income in your area will be \$54,500 five years from now, which represents a change of 12.56% from the current year.

The current year per capita income in your area is \$26,669, compare this to the US average, which is \$32,356. The current year average household income in your area is \$63,075, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 64.81% White, 24.08% Black, 0.20% Native American and 2.41% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 9.76% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

The median housing value in your area was \$183,972 in 2018, compare this to the US average of \$201,842. In 2000, there were 7,168 owner occupied housing units in your area and there were 6,149 renter occupied housing units in your area. The median rent at the time was \$554.



Employment

In 2018, there are 24,899 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 61.43% of employees are employed in white-collar occupations in this geography, and 38.31% are employed in blue-collar occupations. In 2018, unemployment in this area is 3.57%. In 2000, the average time traveled to work was 26.00 minutes.



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