



Located at Signalized Intersection
to Walmart Supercenter



- Two-Tenant NNN Retail Medical Investment • Hard Corner Signalized Intersection • High Volume Relocation Store •



In Association with ParaSell, Inc | P: 949.924.6578 | A Licensed Tennessee Broker #264531

OFFERING MEMORANDUM
KNOXVILLE, TENNESSEE



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

KNOXVILLE, TENNESSEE

TABLE OF CONTENTS:

Offering Summary	3
Investment Highlights	4
Lease Summary	6
Site Plan / Parcel Map	7
Aerial Overview	8
Regional Map	12
Tenant Profiles	13
In the News	14
Area Overview	15
Demographics	18

EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President
jlefk@higrea.com
844.585.7682

Bill Asher

Executive Vice President
basher@higrea.com
844.585.7684



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

OFFERING SUMMARY

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

LOCATION

Aspen Dental | Visionworks
2960 & 2964 Miller Place Way
Knoxville, TN 37924

OFFERING SUMMARY

Price:	\$4,380,000
Current Net operating Income:	\$284,625
Current Capitalization Rate:	6.50%
Net Rentable Area:	7,500
Year Built:	2015
Lot Size (Acres):	1.15

FINANCING SUMMARY

All Cash or Cash to New Financing

(Contact Hanley Investment Group for Further Details)



AspenDental

750+

**LOCATIONS IN
42 STATES**

5M

**DENTAL APPOINTMENTS
ANNUALLY**

#1

**LARGEST BRANDED NETWORK
OF DENTAL PRACTICES SERV-
ING 1.8M PATIENTS ANNUALLY**

Visionworks

700+

LOCATIONS IN 40 STATES

#6

**OPTICAL RETAILER
IN THE U.S.**

VSP Global

**PARENT COMPANY AND
LARGEST OPTICAL INSURANCE
COMPANY IN THE U.S.**



INVESTMENT HIGHLIGHTS

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

- **Seasoned High Volume Two-Tenant Corporate Aspen Dental & Visionworks:**

- 7,500 square foot two-tenant NNN investment
- Proven track record operating at the subject property and in the trade area
- Both corporate leases feature two 5-year options to renew at 10% increases each option
- Aspen Dental has nearly 800 locations in 42 states across the U.S. (top 5 largest dental group)
- Visionworks is one of the nation's largest optical retailers and has over 700 locations across 40 states
- In October 2019 Visionworks was acquired by VSP Global, the largest vision insurance company in the U.S., with over 90 million members in 2018

- **Rare Visionworks Relocation Store:** Visionworks relocated from a high-performing in-line store demonstrating Visionworks' prior success and long-term commitment to this market

- **Located at the Signalized Intersection to Walmart Supercenter:** The subject property sits at the entrance to a high performing Walmart Supercenter (24-hour location) and also shares an intersection with McDonalds, Burger King, and Sam's Club

- **Freeway Accessible:** The property is located directly off of Interstate 640 (64,000 cars per day)

- Millertown Pike is the primary exit off of I-640 for the trade area and was recently widened to accommodate the rapidly increasing traffic



INVESTMENT HIGHLIGHTS

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

- **Adjacent to Major Future Redevelopment:** A Local investment group purchased the mall in 2016 and recently confirmed their plans to redevelop the site; proposed uses include a mixed-use town center
- **Strong Regional Retail Trade Area:** Notable national anchor tenants surrounding the property, driving additional traffic to the area include Walmart Supercenter, Sam's Club, Lowe's, Kohl's, Home Depot, Target, Bed Bath & Beyond, Marshalls, and Ross Dress for Less
- **Dense, High Growth Demographics:** Approximately 95,000 residents within a 5-mile radius of the subject property
 - 32% population growth from 2000 to 2018 within a 1-mile radius; projected to increase over 7% over the next 5 years
- **Knoxville is the Largest City in Eastern Tennessee and Named "Most Recession Proof City in the East:"**
 - The city is home to corporate headquarters of numerous companies such as, Bush Brothers & Co. (Bush Beans), Jewelry Television, Pilot Flying J, Regal Entertainment Group, and Scripps Networks Interactive (i.e., Discovery, Food Network, HGTV, Travel)
 - "Top 50 Best Places to Live in the USA" - U.S. News & World Report (2019)
 - "Top 50 Cities Americans are Flocking To" - 24/7 Wall Street (2018)
 - "Best Places to Retire" - U.S. News & World Report (2018)
 - "Top 10 Most Affordable Places to Live" - Livability (2018)





LEASE SUMMARY (1)

Guarantor:	Aspen Dental Management, Inc.	Visionworks of America, Inc.
DBA:	Aspen Dental	Visionworks
Rent Commencement:	April 20, 2015	March 1, 2015
Lease Expiration:	April 30, 2025	March 1, 2025
Lease Type:	NNN	NNN
Net Rentable Area:	3,500	4,000
Monthly Rent:	\$11,069	\$12,650
Annual Rent:	\$132,825	\$151,800
Rental Increases:	None	None
Renewal Options:	Two 5-Year @ 10% Increases	Two 5-Year @ 10% Increases

REIMBURSEMENTS

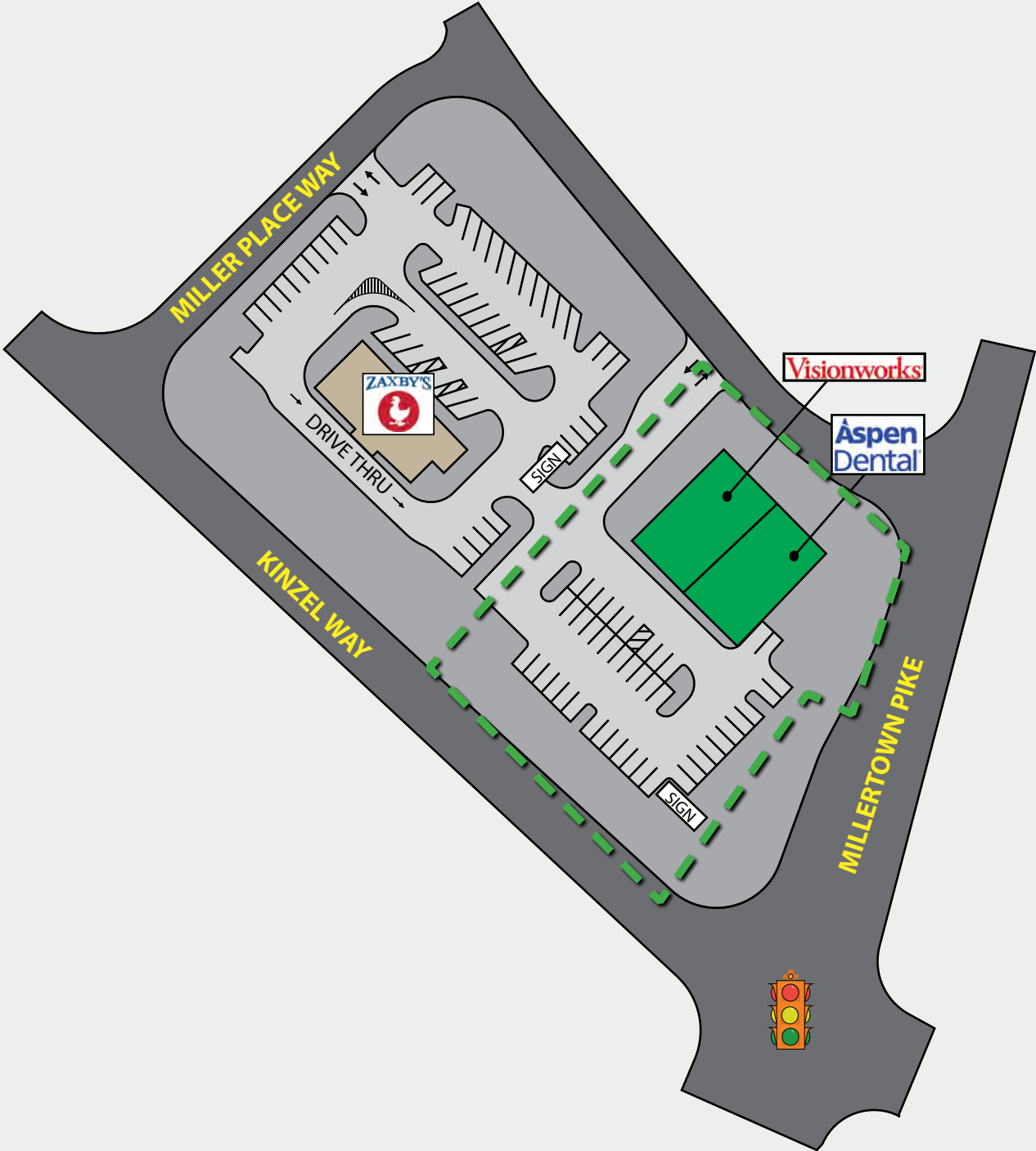
Property Taxes:	Tenant Responsibility	Tenant Responsibility
Insurance:	Tenant Responsibility	Tenant Responsibility
Common Area Maintenance:	Tenant Responsibility	Tenant Responsibility
Roof and Structure:	Landlord Responsibility	Landlord Responsibility
Management Fee:	Up to 10% of CAM Expense	Up to 15% of CAM Expense

NOTES

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period

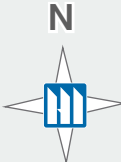
SITE PLAN / PARCEL MAP

ASPEN DENTAL / VISIONWORKS



TENANTS	SF
Aspen Dental	3,500
Visionworks	4,000
TOTAL SQUARE FOOTAGE	7,500

-  **SUBJECT PROPERTY**
-  **PROPERTY PARCEL**
- APN:** 059EA001



AERIAL OVERVIEW

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



Walmart ✨
Supercenter
RARE 24-HOUR LOCATION

MILLERTOWN PIKE 24,000 CPD

SUBJECT PROPERTY
AspenDental
Visionworks



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

AERIAL OVERVIEW

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

DEMOGRAPHICS



Population:

3-Mile Radius	31,970
5-Mile Radius	94,887
Trade Area	269,054



Household Income:

3-Mile Radius	\$64,018
5-Mile Radius	\$54,592
Trade Area	\$58,670



AERIAL OVERVIEW

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

PROVEN SUCCESS AT THE SUBJECT PROPERTY AND IN THE TRADE AREA

Both tenants have operated high volume locations at the subject property for 5 years; Visionworks has been in the market for over 10 years and in 2015 relocated from an inline site to the subject property.

PROPOSED MIXED-USE DEVELOPMENT



AERIAL OVERVIEW

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



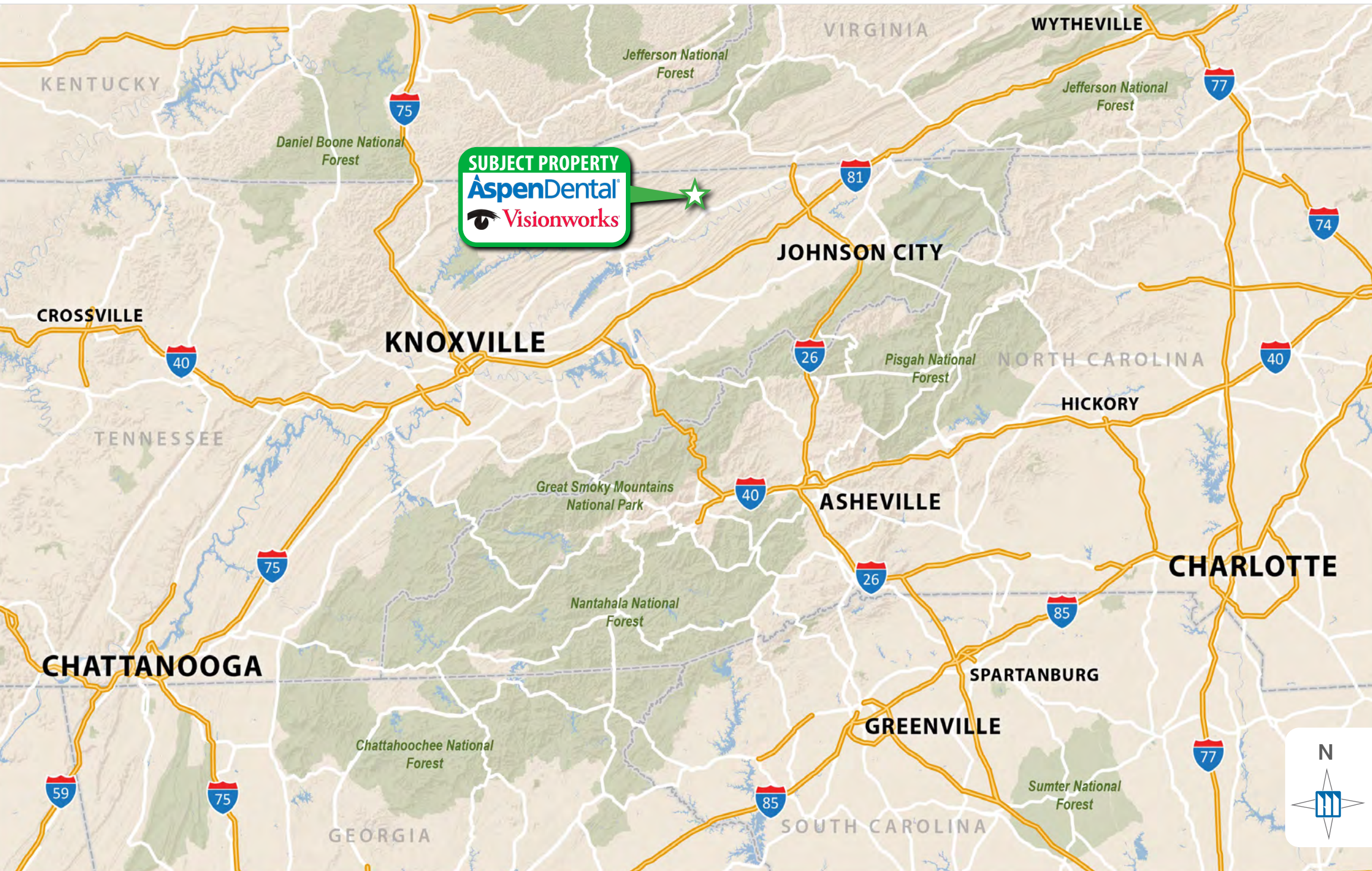
The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

REGIONAL MAP

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

TENANT PROFILES

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS



AspenDental® Aspen Dental is the largest and fastest-growing network of branded dental care providers in the U.S.

Founded in New York in 1964, the company has grown to serve 1.8+ million dental patients in 2018 at over 750 locations in 42 states. Each office has certified oral hygienists, dentists, and oral surgeons for general dental care who provide patients with a full range of denture and dental services, including hygiene, oral surgery, fillings, whitening, and crown and bridge work.

The practices follow a patient-driven retail model that feature visible locations in highly trafficked retail centers, with facilities that offer affordable and comprehensive dental care and convenient payment options. Aspen Dental Management Inc. (ADMI), Aspen Dental's integrated business support service, provides a broad range of non-clinical services, including human resources and accounting. This allows dentists to spend more time caring for their patients and less time on the administrative and financial aspects of running a successful dental practice. More than 75 Aspen Dental-branded practices are expected to open every year.

Company Type: Private
Locations: 750+
Website: www.aspendental.com



Visionworks Visionworks is a one-stop shop for all eye care needs including contact lenses, prescription eyewear, and sunglasses. They manufacture their own line of frames, lenses, and contacts, as well as offering designer brands. The 700+ stores throughout 40 states provide one-hour services, on-site processing labs, and independent optometrists located either on-site or next door. All company stores are empowered by a support center and two manufacturing labs located in Texas. The company has made significant improvements to their San Antonio area facilities to enhance their production capacity, which will allow them to meet its current and expected future production needs.

The company is the 6th largest optical retailer in the U.S., generating \$947.4 million in sales in 2018. In October 2019, VSP Global, the largest vision insurance company in the U.S., acquired Visionworks. VSP Global has nearly 90 million members and reported \$5.6 billion in gross billings in 2018. Visionworks is headquartered in San Antonio, Texas, and employs over 8,000 people nationwide.

Company Type: Private
Locations: 700+
Website: www.visionworks.com



knox news.

PART OF THE USA TODAY NETWORK



Report: Knoxville is the most recession-proof city in the East, No. 2 in the South

By Chuck Campbell | January 28, 2019

A new report from livability.com indicates Knoxville is better positioned to withstand a recession than any other city in the East.

The report lists Knoxville as the No. 5 most recession-proof city in the United States – second in the South to Victoria, Texas, which is ranked No. 4 overall.

The site points to other outlets that have praised Knoxville – including CareerBliss.com, which ranked Knoxville No. 2 on their “Happiest Cities to Work in Right Now”, and Forbes, which touted Knoxville as one of the most recession-resistant cities for real estate.

[CLICK FOR ARTICLE](#)

CHAIN STORE AGE
CSA
THE BUSINESS OF RETAIL



VSP Global makes big move into physical retail; acquires 700-store chain

By Marianne Wilson | October 2, 2019

The nation’s 6th largest optical retailer has a new owner.

Vision Benefits giant VSP Global has completed the acquisition of Visionworks, which operates more than 700 stores in nearly 40 states. Visionworks will continue to operate independently while VSP reviews “business integration opportunities” in the coming months.

The deal, the single largest VSP network investment in the company’s 65-year history, reflects the blurring lines between health care and retail. It follows the debut of VSP’s first-ever physical location, which opened under the Eyeconic banner in Chicago’s Bucktown neighborhood.

[CLICK FOR ARTICLE](#)

Knoxville, Tennessee

- Largest city in eastern Tennessee and located within Knox County
- 187,347 population in the city with a population of 868,500 in the metro area
 - 3rd largest city in Tennessee behind Nashville and Memphis
- Known as the gateway to the tourist and recreation destinations of the Great Smoky Mountain National Park
- #8 "Most Affordable Places to Live" - Liveability (2018)
- #5 "Most Recession Proof City in the East" - Liveability (2019)

ECONOMY

- The area enjoys a stable economy with no sector accounting for more than 22% of the area's total employment
- The economy is dominated by retail trade, healthcare and social assistance, accommodation/food service, and educational services
- The area has recently seen growth in the trade, transportation, utilities, and financial activity sectors, and is becoming a considerable force in the high-technology industry
- Major companies headquartered in the area include Tennessee Valley Authority (\$11.2 billion in revenue in 2018), Discovery, Inc. (\$10.6 billion in 2018), and Regal Entertainment Group (\$3.16 billion in revenue in 2017)
- Pilot Flying J is the largest privately held company based in the area with \$21.2 billion in revenue in 2018
- 437,900 people comprise the labor force with an unemployment rate of 2.9% vs the U.S. average of 3.9%
 - The largest employers in the area are the U.S. Department of Energy-Oak Ridge Operations (13,000 employees), Covenant Health (9,000 employees), The University of Tennessee, Knoxville (8,161 employees), Tennova Health Care (8,141 employees), and Knox County Public School System (8,104 employees)
- Future job growth is expected to be 37.5% over the next 10 years, outpacing the U.S. prediction of 33.5%
- The cost of living is 14% lower in the area compared to the rest of the U.S., and the household income grew by 3.5% last year



187K+

**POPULATION IN THE
CITY OF KNOXVILLE**

2.9%

**UNEMPLOYMENT RATE
(437,900 EMPLOYEES)**

3RD

**LARGEST CITY IN
TENNESSEE**

#5

**MOST RECESSION
PROOF CITY**



DEVELOPMENTS

- The city has spent \$19+ million in downtown infrastructure over the past 5 years, with two-thirds of that spent in 2018; private investors have spent an additional \$9.1 million each year
- **The T at Riverfront** - 26-story, \$70 million mixed-use development; it will be the second-tallest building in Knoxville; the 287 apartments will be marketed towards students at the University of Tennessee; planned
- **Old Supreme Court House** - A complete renovation of the 8-story old Tennessee Supreme Court House to feature 230 apartments, and commercial storefronts
 - Most expensive development in downtown Knoxville history with an estimated cost of \$73 million; 2022 completion
- **Stockyard Lofts** - 6-story apartment complex slated to be built in Old City; the finished project will feature 152 residential units, 5,700 square feet of retail space, and 2 levels of parking
- **Fresenius Medical Care Distribution Center** - World's largest provider of dialysis products and services broke ground in May on their largest distribution center on the East Coast; the new 618,000 square foot facility will support 120 jobs and allow for growth of its nearby manufacturing plant which opened in 2016
- **Regas Square** - \$40 million, 101 one-, two-, and three-bedroom units in the heart of downtown with 22,000 square feet of retail space, on-site parking, a shared second floor terrace, a club room, storage facility, and a fitness center; completed

TRANSPORTATION

- Located in the center of the eastern half of the U.S.; within one day's drive of 75% of the U.S. population
- Alcoa Highway is the city's busiest road which connects downtown with McGhee Tyson Airport
- Knoxville Area Transit (KAT) operates over 80 buses, road trolleys and paratransit vehicles, transporting more than 3.6 million passengers each year; it is funded through city, state, and federal funds as well as passenger fares
- **McGhee Tyson Airport** - Located just south of Knoxville in Alcoa; average of 120 arrivals and departures each day



\$14.2M

SPENT IN DOWNTOWN
INFRASTRUCTURE IN 2018

\$70M

THE T AT RIVERFRONT
DEVELOPMENT

75%

OF THE U.S. POPULATION IS
WITHIN A 1 DAY DRIVE

\$9.1M

SPENT BY PRIVATE INVESTORS
ANNUALLY IN DOWNTOWN
INVESTMENTS



TOURISM

- Knox County saw \$1.1 billion in visitor expenditures in 2017
- **Great Smoky Mountain National Park** - Located 30 miles southeast of the area; visited by over 11.3 million people in 2018
- **Knoxville Convention Center** - Features a 119,922 square foot exhibit hall, a 27,300 square foot divisible ballroom, 14 functional meeting rooms, a lecture hall with seating for 461, and 3 luxury conference rooms
 - Millions of attendees have attended events at the convention center over the last 10 years
- **University of Tennessee** - Sporting events, such as football games, bring 100,000 visitors to the area 6-7 times each year; the men's basketball team saw a 2018-2019 season attendance record of 342,600 attendees
- **Zoo Knoxville** - 53-acre zoo in downtown that is home to 800 animals; 400,000 people visitors annually
- **Big Ears Festival** - Annual music festival created and produced by AC Entertainment that began in 2009; it has quickly become one of the most prestigious, internationally acclaimed, and eagerly anticipated cultural events in the world

EDUCATION

- **University of Tennessee** - 910-acre campus offering bachelor's, master's, doctoral, and professional degrees in a total of 900+ fields of study ranging from engineering and business to history and music
 - Enrollment is just under 30,000 students with an additional 8,161 employees; endowments total \$728.3 million
 - \$1.7 billion economic impact
- **University of Tennessee Medical Center** - 583 beds, 27,000 admissions annually
 - Employs 3,000 doctors and nurses
 - #2 "Performance in TN - U.S. News & World (2019)"
- Other colleges and universities in the area include Johnson University (820 students), South College (717 students), Pellissippi State Technical Community College (11,168 students), and Tennessee College of Applied Technology (1,137 students)
- The Knox County School system oversees 89 schools (50 elementary, 16 middle, 16 high, and 7 special schools) serving 60,750 students; an additional 50 private and parochial schools also service the area



\$1.1B

IN VISITOR
EXPENDITURES ANNUALLY

5

COLLEGES & UNIVERSITIES
LOCATED IN THE CITY

60K+

STUDENTS IN THE
CITY'S SCHOOL SYSTEM

\$1.7B

UNIVERSITY TENNESSEE
ECONOMIC IMPACT



	<u>3 mile(s)</u>	<u>5 mile(s)</u>	<u>Trade Area</u>
Population			
2023 Projection	33,332	96,746	276,604
2018 Estimate	31,970	94,887	269,054
2010 Census	30,374	90,342	255,210
2000 Census	26,947	84,097	235,612
Growth 2000-2010	12.72%	7.43%	8.32%
Growth 2010-2018	5.25%	5.03%	5.42%
Growth 2018-2023	4.26%	1.96%	2.81%
Households			
2023 Projection	14,571	42,017	115,694
2018 Estimate	13,831	40,745	111,379
2010 Census	13,178	38,887	105,448
2000 Census	11,762	36,742	98,940
Growth 2000-2010	12.04%	5.84%	6.58%
Growth 2010-2018	4.96%	4.78%	5.62%
Growth 2018-2023	5.35%	3.12%	3.87%
2018 Est. Population by Single-Classification Race			
White Alone	23,504	70,207	219,521
Black or African American Alone	6,829	19,015	33,470
American Indian and Alaska Native Alone	67	285	834
Asian Alone	358	607	3,148
Native Hawaiian and Other Pacific Islander Alone	26	57	269
Some Other Race Alone	348	2,012	5,031
Two or More Races	796	2,575	6,431
2018 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	1,006	4,191	11,108
Not Hispanic or Latino	30,964	90,696	257,946
2018 Est. Average Household Income	\$64,018	\$54,592	\$58,670

CONFIDENTIALITY AGREEMENT

ASPEN DENTAL / VISIONWORKS



HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

Neither Owner nor Broker nor any of their respective officers, Agents or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Marketing Package or any of its contents, and no legal commitment or obligation shall arise by reason of the Marketing Package or its contents. Analysis and verification of the information contained in the Marketing Package is solely the responsibility of the prospective buyer, with the Property to be sold on an as is, where-is basis without any representations as to the physical, financial or environmental condition of the Property.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

EXCLUSIVELY LISTED BY:

Jeff Lefko

Executive Vice President
jlefkohigrea.com
844.585.7682

Bill Asher

Executive Vice President
basherhigrea.com
844.585.7684

In Association with ParaSell, Inc | P: 949.924.6578 | A Licensed Tennessee Broker #264531



\$6+ BILLION
retail sales nationwide



SHARED DATABASE
collaborative proprietary database



TOP BROKERAGE GLOBALLY
in investment sales



COSTAR POWER BROKER
top sales brokers & firm in OC



NATIONWIDE REACH
retail & investors across the U.S.