



AUTOZONE GROUND LEASE

MADISONVILLE, TENNESSEE

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM



\$1,680,000 | 3.75% CAP RATE

- » New 20-Year Absolute NNN Ground Lease to Corporate Tenant (NYSE: "AZO")
- » No Landlord Management
- » Eight Percent Rental Increases in Initial Term and Option Periods
- » Central Location Near Large Retailers and Community Hubs
 - » Shadow-Anchored by Walmart Supercenter
 - » Located Along U.S. Highway 411 (20,608 AADT)
 - » 4.6 miles from Monroe County Airport
 - » Surrounded by a Strong Mix of Well-Established National Retailers, Including Walgreens, CVS, Dollar Tree, Burger King, Sonic Drive-In, Taco Bell, Domino's Pizza, and Many More
- » New 2022 Construction Built to AutoZone's Latest Prototype

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	4519 Highway 411, Madisonville, Tennessee 37354		
PRICE	\$1,680,000		
CAP RATE	3.75%		
NOI	\$63,000		
TERM	20 years		
RENT COMMENCEMENT	April 12, 2022		
LEASE EXPIRATION	April 30, 2042		
RENTAL INCREASES	8% rental increases every five (5) years after year 10		
	YEAR	RENT	RETURN
	1-10	\$63,000	3.75%
	11-15	\$68,040	4.05%
	16-20	\$73,488	4.37%
	21-25 (option 1)	\$79,356	4.72%
	26-30 (option 2)	\$85,716	5.10%
	31-35 (option 3)	\$92,568	5.51%
	36-40 (option 4)	\$99,972	5.95%
	41-45 (option 5)	\$107,976	6.43%
	46-51 (option 6)	\$116,604	6.94%
YEAR BUILT	2022		
BUILDING SF	6,816 SF		
PARCEL SIZE	1.03 acres (44,867 SF)		
LEASE TYPE	Absolute NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

NEW 20-YEAR ABSOLUTE NNN GUARANTEED GROUND LEASE TO NATIONAL TENANT

- » 20-year absolute NNN ground lease to AutoZone (NYSE: "AZO")
- » New 2022 construction featuring latest AutoZone store prototype
- » Eight percent rental increases in initial term and option periods, providing an excellent hedge against inflation
- » Absolute NNN ground lease requires no landlord management, ideal for an out of area investor

HIGH-TRAFFIC LOCATION IN DENSELY POPULATED AND GROWING AREA

- » Located along U.S. Highway 411 (20,608 AADT), a thoroughfare connecting northeastern Alabama, northwestern Georgia, and southeastern Tennessee
- » Excellent location in a major commuter corridor, with proximity to several high-density single and multi-family developments
- » 14,215 residents live within five miles of the location, establishing regular local traffic to the property
- » Projected 11 percent average household income increase within five miles of the site by 2026, poising Madisonville and AutoZone for significant growth

CENTRAL LOCATION NEAR LARGE RETAILERS AND COMMUNITY HUBS

- » Shadow-anchored by Walmart Supercenter
- » Surrounded by a strong mix of well-established national retailers, including Walgreens, CVS, Dollar Tree, Burger King, Sonic Drive-In, Taco Bell, Domino's Pizza, and many more
- » Beneficial proximity to highly attended area schools, including Madisonville Intermediate School and Madisonville Middle School (combined 983 students)
- » Gateway to Knoxville, Tennessee's third-largest city and one of the two principal cities of East Tennessee, along with Chattanooga
- » 4.6 miles from Monroe County Airport
- » 26 miles from Tennessee/North Carolina borderline, attracting significant commuter traffic to the location



FILE PHOTO



Madisonville
Intermediate School
(467 students)

Madisonville
Middle School
(521 students)

Sequoyah
High School
(954 students)

Madisonville
Golf Course



U.S. Highway 411
(20,608 AADT)





Madisonville
Golf Course



411 / U.S. Highway 411
(20,608 AADT)



MONROE COUNTY
AIRPORT
(5 miles)

Kefaur Park

DOLLAR
GENERAL

Hardee's

Wendy's

Mobil

68 New Highway 68
(13,100 AADT)

ingles



WAFLE
HOUSE

Peoples
Bank
OF EAST TENNESSEE



DOLLAR TREE

MURPHY
USA

SHOE
SHOW



ESTABLISHED 1901
SLOAN'S
HOMETOWN HARDWARE



Advance
Auto Parts

Walmart
Supercenter

AutoZone
(coming soon)

CVS
pharmacy

SONIC
America's
Drive-In.

Krystal

411 U.S. Highway 411
(20,608 AADT)



68 / New Highway 68
(13,100 AADT)

**DOLLAR
GENERAL**

FAMILY DOLLAR
my family, my family dollar.

Hardee's
HARDEE'S RESTAURANTS

ingles

**SHOE
SHOW**

CAPTAIN D's
SEAFOOD KITCHEN

**WAFLE
HOUSE**

DOLLAR TREE

**MURPHY
USA**

**Peoples
Bank**
OF EAST TENNESSEE

McDonald's

Walmart
Supercenter

**BURGER
KING**

**Domino's
Pizza**

AutoZone
(coming soon)



**CVS
pharmacy**

ESTABLISHED 1901
SLOAN'S
HOMETOWN HARDWARE

Shell

SONIC
America's
Drive-In.

U.S. Highway 411
(20,608 AADT)

411

**Advance
Auto Parts**

TENANT SUMMARY



Founded in 1979, AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories in the Americas. Each AutoZone store carries an extensive product line for cars, sport utility vehicles, vans and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products. Many stores also have a commercial sales program that provides commercial credit and prompt delivery of parts and other products to local, regional and national repair garages, dealers, service stations, and public sector accounts. AutoZone also has commercial programs in all stores in Mexico and Brazil. AutoZone does not derive revenue from automotive repair or installation.

During the quarter ended February 13, 2021, AutoZone opened 27 new stores in the U.S., seven in Mexico and one in Brazil. As of February 13, 2021, the Company had 5,951 stores in the U.S., 628 stores in Mexico, and 46 stores in Brazil for a total store count of 6,625. AutoZone is traded on the New York Stock Exchange (NYSE: "AZO") and has been a Fortune 500 company for the past 20 years.

For more information, please visit www.autozone.com.

TICKER	NYSE: "AZO"	# OF LOCATIONS	6,625
REVENUE	\$12.6B	HEADQUARTERS	Memphis, TN

LEASE ABSTRACT

TENANT	AutoZone Development LLC, a Nevada limited liability company		
GUARANTOR	AutoZone, Inc., a Nevada corporation		
ADDRESS	4519 Highway 411, Madisonville, Tennessee 37354		
RENT COMMENCEMENT	April 12, 2022		
LEASE EXPIRATION	April 30, 2042		
RENEWAL OPTIONS	Six (6) options of five (5) years		
RENTAL INCREASES	YEAR 1-10 11-15 16-20 21-25 (option 1) 26-30 (option 2) 31-35 (option 3) 36-40 (option 4) 41-45 (option 5) 46-51 (option 6)	RENT \$63,000 \$68,040 \$73,488 \$79,356 \$85,716 \$92,568 \$99,972 \$107,976 \$116,604	RETURN 3.75% 4.05% 4.37% 4.72% 5.10% 5.51% 5.95% 6.43% 6.94%
REAL ESTATE TAXES	Tenant shall pay all real estate taxes.		
INSURANCE	Tenant shall pay all insurance costs.		
UTILITIES	Tenant shall pay for all such utilities furnished to the Demised Premises which are consumed by Tenant, during the Term.		
REPAIR & MAINTENANCE	Tenant shall maintain the Demised Premises and all improvements thereon at Tenant's sole expense.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is located along U.S. Highway 411 (20,608 AADT), a thoroughfare connecting northeastern Alabama, northwestern Georgia, and southeastern Tennessee. The site is shadow-anchored by Walmart Supercenter and maintains an excellent location in a major commuter corridor, with proximity to several high-density single family developments. 14,215 residents live within five miles of the location, establishing regular local traffic to the property. AutoZone is primed to grow along with the surrounding area, with a projected 11 percent average annual household income increase within a one-mile radius of the site in the next five years.

The property features a strategic location near large retailers and community hubs in a major Tennessee retail corridor. The site is surrounded by a strong mix of national and local retailers, including Walgreens, CVS, Dollar Tree, Burger King, Sonic Drive-In, Taco Bell, Domino's Pizza, and many more. The location benefits from its proximity 4.6 miles from Monroe County Airport. Visibility is also increased by the site's location near highly attended area schools, including Madisonville Intermediate School and Madisonville Middle School (combined 983 students). The location is perfectly situated to service out-of-area shoppers, as the site serves as a common gateway to Knoxville, Tennessee's third-largest city and one of the two principal cities of East Tennessee, along with Chattanooga. The property also resides 26 miles from Tennessee/North Carolina borderline, attracting significant commuter traffic to the location.

ACCESS

Access from U.S. Highway 411

TRAFFIC COUNTS

U.S. Highway 411:	20,608 AADT
New Highway 68:	13,100 AADT

PARKING

43 parking stalls including two (2) handicap stalls

YEAR BUILT

2022

NEAREST AIRPORT

Monroe County Airport (MNV | 4.6 miles)



FILE PHOTO



43
PARKING
STALLS



2022
YEAR
BUILT



20K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
MONROE COUNTY
AIRPORT

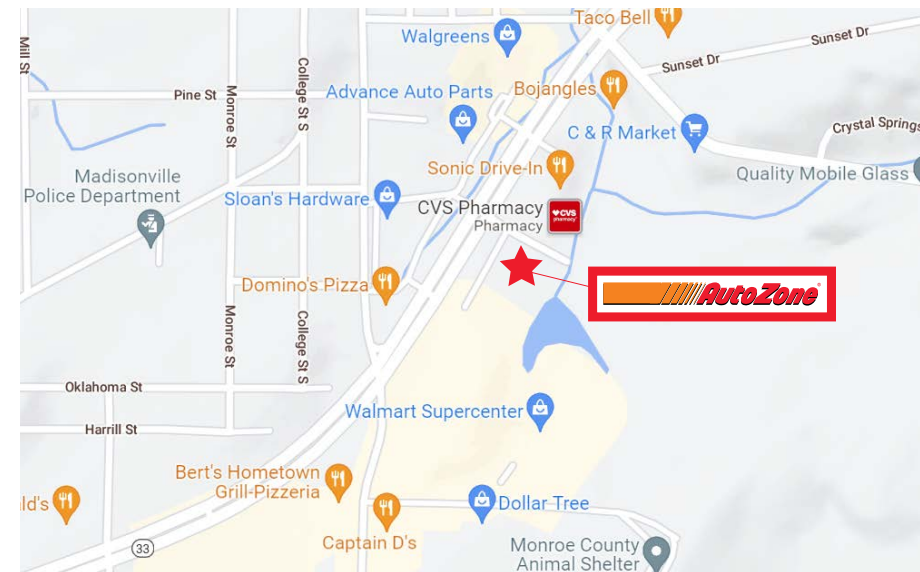
AREA OVERVIEW

Madisonville is a city in and the county seat of Monroe County, Tennessee, United States. The population was 5,140 according to the 2020 census. The Monroe County Airport is a county-owned, public-use airport located two nautical miles northwest of the central business district of Madisonville. Hiwassee College, now closed, is located just north of the Madisonville city limits. Madisonville is also home to a satellite campus of Cleveland State Community College. Beautiful rivers and lakes for water sports, the Cherokee National Forest for hiking, biking, and horseback riding, golf at Rarity Bay's Championship golf course, The Lost Sea - America's largest underground lake – for adventure and antique shops in historic downtown's for browsing and shopping combine to create a superb quality of life.

Situated in southeast Tennessee, Monroe County is the type of place that makes visitors feel at home. From relaxing on the Tellico Lake or enjoying a round of golf in Vonore to hiking in the Cherokee National Forest in Tellico Plains, sightseeing on the Cherohala Skyway National Scenic Byway, discovering history in Madisonville and shopping in Sweetwater's nationally recognized Main Street, there is something for everyone to experience. Monroe County is located on the southeastern border of Tennessee. As of the 2020 census, the population was 46,250. U.S. Route 411 runs through the center of the county and the cities of Madisonville and Vonore. U.S. Route 11 runs through the northwestern part of the county and the center of Sweetwater. State Route 68 runs in a northwest-southeast direction through the lower half of the county, passing through Sweetwater, Madisonville, and Tellico Plains. Interstate 75 is located in the extreme northeastern tip of the county west of Sweetwater and contains two exits in Monroe County. Companies using advanced technology in a county that retains its small-town charm create both an excellent location for a business and a great quality of life. Its location is off Interstate 75 and provides easy access to Interstate 40. Monroe County offers eight industrial parks, a skilled workforce with many trade specialties, a low cost of living, competitive workers' compensation rates, and low unionization. Monroe County is also home to Hiwassee College, a four-year liberal arts college with four-degree programs and eight associate degree programs.

- » Companies such as Commercial Vehicle Group, Brunswick Boat Group, SeaRay, MasterCraft, Carlex Glass Company, and JTEKT Automotive Tennessee are succeeding in this positive business environment.
- » Red Stag Fulfillment is on track to build a 420-acre site in Sweetwater, bringing 3,500 jobs to Monroe County. The Sweetwater site is being designed to become the largest of Red Stag's campuses with up to 4.5 million square feet of space.
- » Governor Bill Lee and the Department of Economic and Community Development Commissioner Bob Rolfe announced that 54 of Tennessee's counties will be awarded ThreeStar grants. Monroe county is set to receive \$50,000 to fund a variety of local community development initiatives including education, workforce development, health, tourism, small business, entrepreneurship, and economic development programs, among others that were prioritized through a strategic planning process.

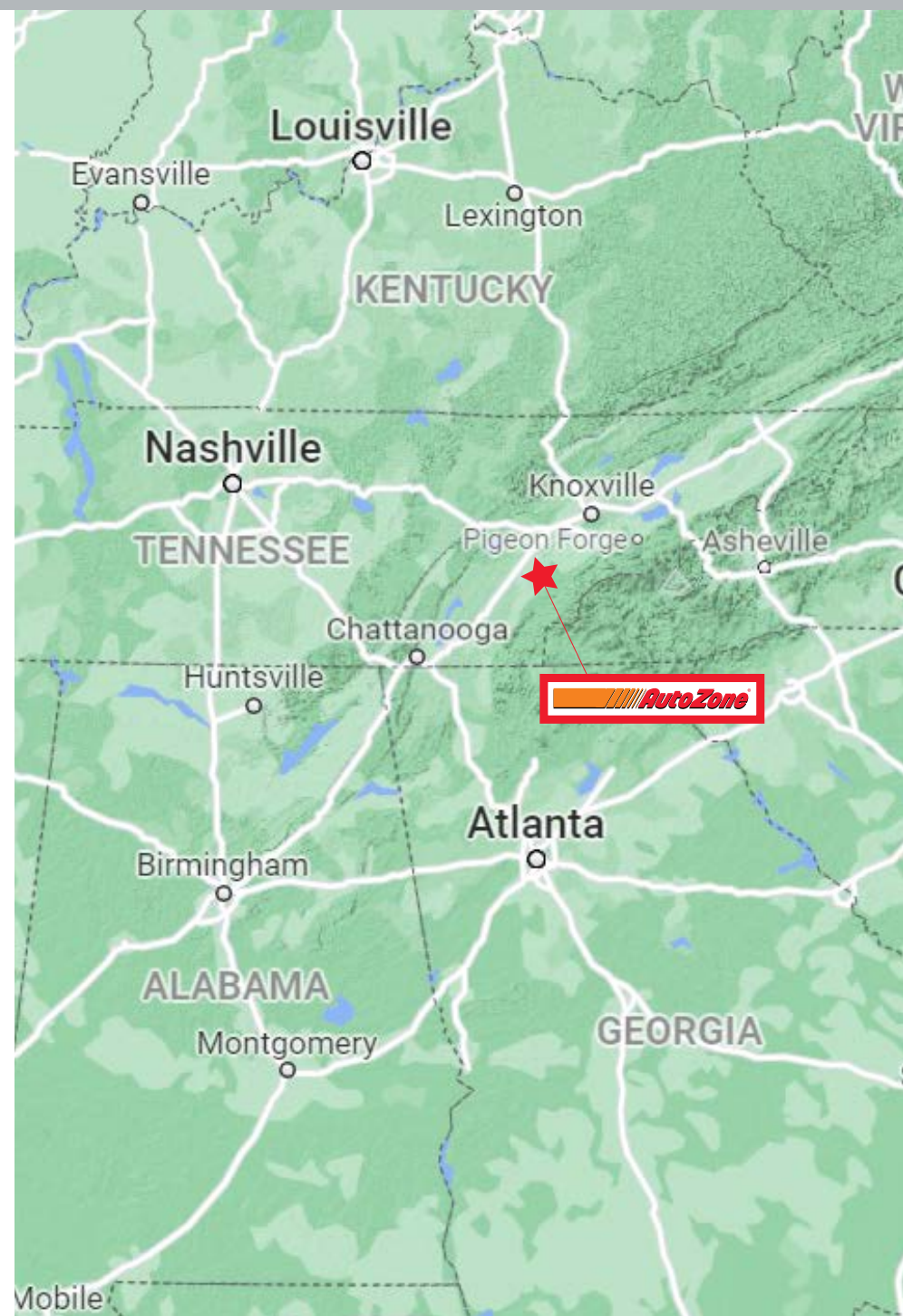
LARGEST EMPLOYERS IN EAST TENNESSEE	# OF EMPLOYEES
Y-12 NATIONAL SECURITY COMPLEX	11,627
COVENANT HEALTH	11,060
KNOX COUNTY SCHOOLS	9,515
THE UNIVERSITY OF TENNESSEE - KNOXVILLE	8,959
WAL-MART STORES, INC.	6,863
OAK RIDGE NATIONAL LABORATORY	5,452
UNIVERSITY OF TENNESSEE MEDICAL CENTER (UHS)	5,137
DOLLYWOOD CO./DOLLYWOOD SPLASH COUNTRY	4,500
CLAYTON HOMES, INC.	4,262
DENSO MANUFACTURING TENNESSEE, INC.	4,200



DEMOGRAPHIC PROFILE

2021 SUMMARY	5 Mile	10 Miles	15 Miles
Population	14,215	44,028	90,105
Households	5,586	17,396	36,019
Families	3,770	12,100	25,257
Average Household Size	2.49	2.50	2.46
Owner Occupied Housing Units	4,339	13,878	28,433
Renter Occupied Housing Units	1,246	3,518	7,586
Median Age	42.1	43.6	46.4
Average Household Income	\$56,396	\$58,428	\$62,684

2026 ESTIMATE	5 Mile	10 Miles	15 Miles
Population	14,618	45,295	92,780
Households	5,737	17,880	37,102
Families	3,849	12,367	25,885
Average Household Size	2.49	2.51	2.46
Owner Occupied Housing Units	4,492	14,419	29,642
Renter Occupied Housing Units	1,245	3,461	7,459
Median Age	43.6	45.1	47.9
Average Household Income	\$62,723	\$64,875	\$70,149



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