

Marcus & Millichap

TAYLOR MCMINN
RETAIL GROUP



SUBJECT PROPERTY

BB&T
NOW KNOWN AS
TRUIST 

OFFERING MEMORANDUM

TRUIST

Athens (Chattanooga MSA), TN

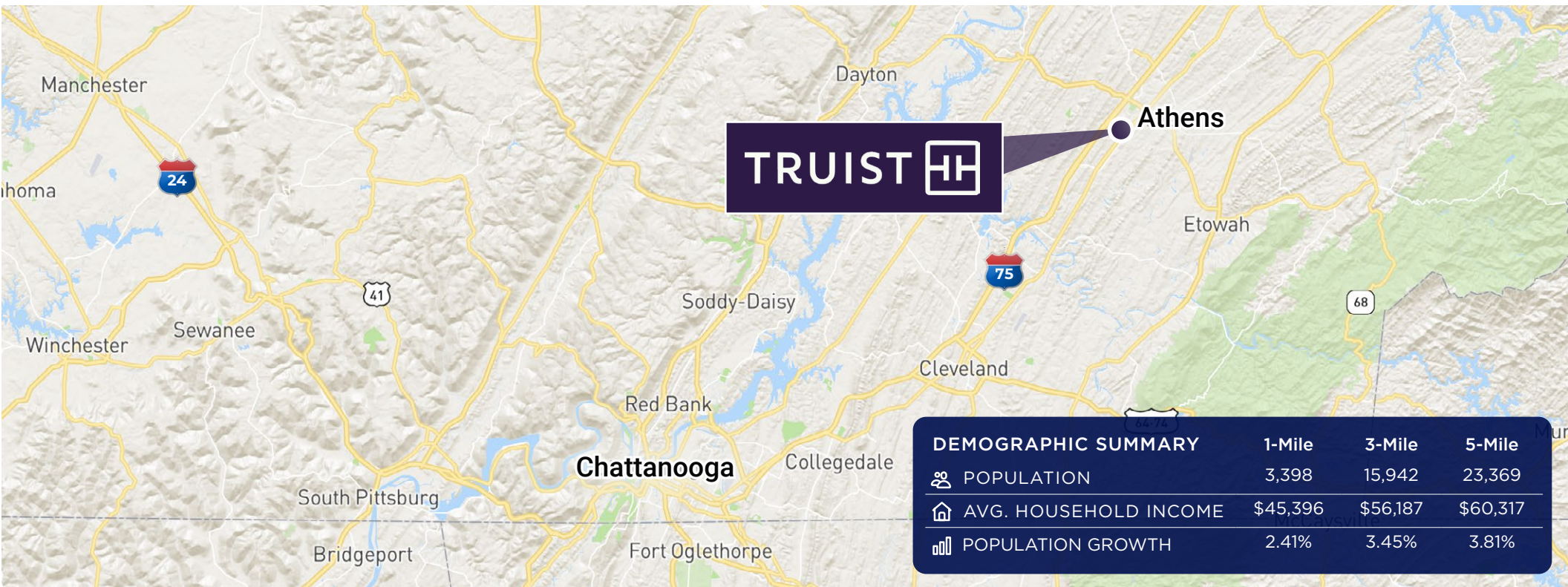
OFFERING SUMMARY



1604 Decatur Pike Athens, TN 37303

PRICE	\$1,049,000
CAP RATE	5.00%
NOI	\$52,407
RENTABLE SQUARE FEET	3,045
YEAR BUILT	1973
LOT SIZE	1.04 AC
TENANT TRADE NAME	Truist Bank
LEASE GUARANTOR	Corporate
LEASE TYPE	Ground Lease
ROOF & STRUCTURE	Tenant

RENT COMMENCEMENT DATE		March 2021
LEASE EXPIRATION DATE		February 2026
TERM REMAINING ON LEASE		3.5 years
INCREASES IN INITIAL TERM		3% Increase in March 2024
INCREASES IN OPTIONS		8% Increases every 5 years
OPTIONS		Two, 5-Year Option Periods
BASE RENT	Years 1-3	\$52,407
	Years 4-5	\$53,979
OPTION RENT	Years 6-10 (Option 1)	\$58,297
	Years 11-15 (Option 2)	\$62,961
TENANT RESPONSIBILITIES	Taxes, Insurance, CAM, Roof & Structure	
LANDLORD RESPONSIBILITIES	100% No Landlord Responsibilities	



INVESTMENT HIGHLIGHTS

ATTRACTIVE LOW RENT WITH STRONG DEPOSITS

- This location has an attractive low rent and above average deposits of over \$95 Million.
- This location has been bank operated since 1973. BB&T has been operating here since 2012 and was converted to a Truist in 2019 after the merger of SunTrust Bank and BB&T.

RECENTLY EXTENDED CORPORATE NNN GROUND LEASE

- Truist recently extended the lease for an additional 5 years in March 2021.
- There are 3.5 years remaining on the initial 5-year corporate NNN ground lease.
- There is a 3% rent increase in March 2024 of the initial lease and 8% rent increases every 5 years in the two, 5-year option periods.
- The tenant is 100% responsible for Taxes, Insurance, CAM, Roof & Structure.

OUTPARCEL TO GROCERY ANCHORED SHOPPING CENTER

- The subject property is an outparcel to an Aldi anchored shopping center that sits at the intersection of Highway 30 (20,909 VPD) & Highway 11 (16,938 VPD).
- This Truist is strategically positioned in the main retail corridor of Athens off Interstate 75 (42,449 VPD).
- Surrounding national retailers include Walmart, Lowe's Home Improvement, Hobby Lobby, Big Lots and more.
- Tennessee Wesleyan University (1,568 Students) is located only 1 mile from the subject property.

S&P A- CREDIT RATED TENANT

- Truist was formed in December 2019 as a result of the merger of BB&T and SunTrust Banks and now has a net worth of over \$509 Billion.
- Truist Bank is a publicly traded (NYSE: TFC) Fortune 500 Company and currently holds an investment grade rating of A- with S&P.
- Truist is the nation's seventh largest U.S bank holding company with \$470 billion in loans and \$440 billion in Deposits.
- The bank has over 2,781+ branches in 15 states with over 275 years of combined history.

CHATTANOOGA MSA

- Athens, TN is located 50 miles NE of Chattanooga off interstate 75 (42,449 VPD) and is part of the Chattanooga MSA (547,776+).
- Chattanooga is the fourth largest city in Tennessee with a population of over 170,000 people.
- Chattanooga is one of the South's top travel destinations, with the New York Times naming Chattanooga one of the "Top 45 Places to Go."
- 3 million tourists visit Chattanooga annually and contribute \$1.16 Billion to the economy.
- Major industries that drive the economy include automotive, advanced manufacturing, food and beverage production, healthcare, insurance, tourism, and corporate headquarters.
- Chattanooga's affordable cost of living with one of the area's lowest tax rates as well as the

TENANT SUMMARY

TRUIST



A-

CREDIT
RATING



TFC

STOCK
SYMBOL



\$509+ B

NET
WORTH



275

YEARS OF
COMBINED HISTORY



RANKED #7

LARGEST U.S.
COMMERCIAL BANK



2,781+

BRANCHES
IN U.S.

Truist, the company created by the historic merger of SunTrust and BB&T, is the sixth largest U S bank holding company with 275 years of combined history serving clients and communities in high growth markets, the new company delivers the best of both companies' talent, technology and processes.

Truist Financial Corporation is an American bank holding company headquartered in Charlotte, North Carolina. The company was formed in December 2019 as the result of the merger of BB&T (Branch Banking and Trust Company) and SunTrust Banks. Its bank operates 2,781 branches in 15 states and Washington, D.C., and offers consumer and commercial

banking, securities brokerage, asset management, mortgage, and insurance products and services. It is on the list of largest banks in the United States by assets. Its subsidiary, McGriff Insurance Services (formerly known as BB&T Insurance Services), was one of the largest insurance brokers in the world. In its history, it has made 106 mergers and acquisitions. Since it took over Southern National Bank in 1995, it has made 43 deals.

BB&T and SunTrust formed Truist with a shared purpose to inspire and build better lives and communities with combined resources, collective passion, and commitment to innovation.



Comfort Inn Hampton Inn Days Inn
Fairfield BY MARRIOTT DUNKIN'
Applebee's GRILL + BAR TACO BELL Krystal

HOBBY LOBBY CATO
Bargain Hunt GameStop
Bath & Body Works SALLY BEAUTY
Dunham's SPORTS



Walmart

I-75
42,449 VPD

TRUIST

ALDI belk
GOODWILL
OneMain Financial H&R BLOCK
Little Caesars Advance America

Interstate 11
16,938 VPD

DOLLAR TREE Aaron's
Kroger's Furniture

Captain D's SEAFOOD

ZAXBY'S

AT&T

Walgreens

COOK-OUT

River Valley AG CREDIT

McDonald's

Athens Eye Associates

KFC

PIZZA PAPA JOHN'S

ATHENS
Movie Palace

Direct
AUTO INSURANCE

SUBWAY

Arby's

AMERICAN
RENTAL

Advance
Auto Parts

Highway 30
20,909 VPD

State Farm

CONOCO



Dairy Barn



Interstate 11
16,938 VPD



Highway 30
20,909 VPD

McDonald's



Gold N Gifts
Jewelry



TRUIST



Athens
Eye Associates





McMinn County HS
1,500 students



Interstate 11
16,938 VPD



Highway 30
20,909 VPD



DENSO

I-75
 42,449 VPD

Athens
 Regional Disc Golf

Highway 30
 20,909 VPD

Highway 11
 16,938 VPD

582 students

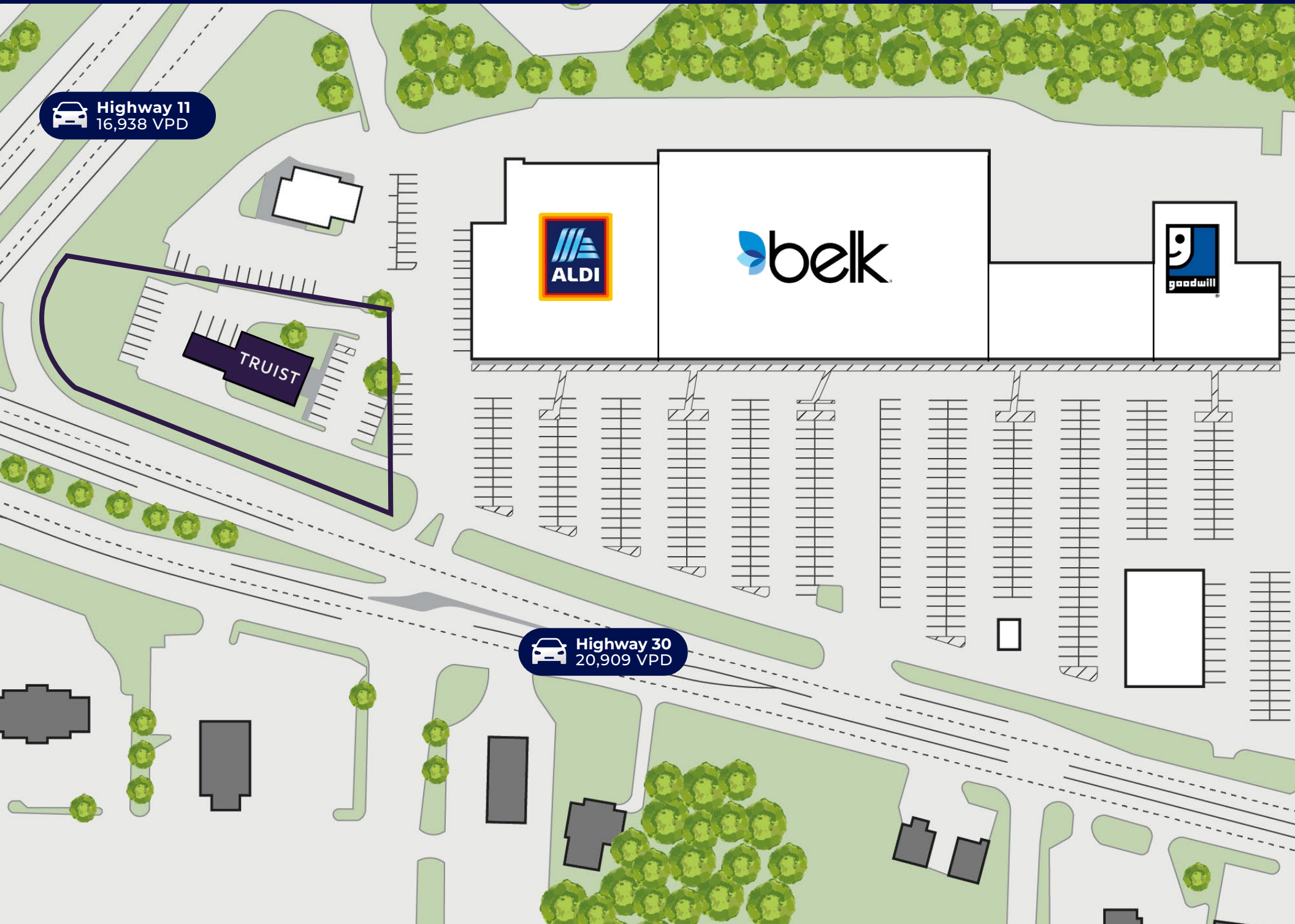
Mouse Creek Golf Course

1,056 students



DEMOGRAPHIC SUMMARY	1-Mile	3-Mile	5-Mile
POPULATION	3,398	15,942	23,369
AVG. HOUSEHOLD INCOME	\$45,396	\$56,187	\$60,317
POPULATION GROWTH	2.41%	3.45%	3.81%

SITE PLAN





528,000+

MSA POPULATION

10% Population growth expected by 2030.

\$800M

EXPANSION

Volkswagen plant in Chattanooga recently added 1,000 jobs as VW begins to produce an electric-powered SUV.

\$37 BILLION

FOREIGN INVESTMENT

Tennessee is an attractive place to do business & has been one of the top states in the country for foreign direct investment.

3 MILLION

VISITORS PER YEAR

Ever-popular, the key to Chattanooga's success is the 14 million people living within 150 miles including residents of Atlanta, Birmingham, Huntsville, Knoxville, and Nashville.

CHATTANOOGA

The Chattanooga metropolitan area is the fourth largest in Tennessee. The city anchors a three-state area that includes Southeast Tennessee, Northwest Georgia, and Northeast Alabama. Major industry driving the economy includes automotive, advanced manufacturing, food and beverage production, healthcare, insurance, tourism, and back office and corporate headquarters. The city, with a downtown elevation of about 680 feet (210 m), is at the transition between the ridge-and-valley portion of the Appalachian Mountains and the Cumberland Plateau. Its official nickname is "Scenic City", alluding to the surrounding by mountains and ridges.

Notable Chattanooga businesses include Volkswagen, Access America Transport, BlueCross BlueShield of Tennessee, CBL & Associates, The Chattanooga Bakery, Chattem, the world's first Coca-Cola bottling plant, Coker Tire, U.S. Xpress Inc., Covenant Transport, Double Cola, CraftWorks Restaurants & Breweries, Luken Communications, Miller & Martin, the National Model Railroad Association, Reliance Partners, Republic Parking System, Rock/Creek, Tricycle Inc., and Unum. The city also hosts large branch offices of Cigna, AT&T, T-Mobile USA, and UBS. McKee Foods Corporation (Little Debbie) is located in nearby Collegedale, Tennessee.







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All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

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Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

Dated:

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don.mcminn@marcusmillichap.com

Re: 1604 Decatur Pike – Athens, TN 37303 (Truist)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$50,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$50,000 deposited at the expiration of the Inspection Period (\$100,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date

Within 10 Calendar Days after the expiration of the inspection period (or financing period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within
10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation

Purchaser's Initials _____ Seller's Initials _____

(written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____

Purchaser's Initials _____ Seller's Initials _____