



4450 N Ocoee Street, Cleveland, TN 37312



Site photo



**\$3,795,000 | Investment Details**

- ❖ 20 year NNN lease commenced October 2017
- ❖ New 2017 construction
- ❖ Rent escalations every five years hedges against inflation
- ❖ Strategically located near the MARS Corporate Head Quarters and Whirlpool's manufacturing plant
- ❖ A Rubbermaid manufacturing facility is also in the immediate area



# THE OFFERING



## Overview

Price	\$3,795,000
Gross Leasable Area (Estimate)	7,900
Lot Size (Acres)	1.149
Year Built	2017
Net Operating Income	\$222,000
CAP Rate	5.85%
Price Per Square Foot	\$480.38

## Lease Abstract

Lease Type	Absolute NNN
Original Lease Term	20 Years
Lease Start (estimate)	10/01/2017
Lease Expiration (estimate)	09/30/2037
Renewal Options Remaining	4x5
Increases	Every 5-Years (see sidebar)
Roof and Structure	Tenant Responsibility



## Return On Investment

Years	NOI	Cap Rate
1-5	\$222,000	5.85%
6-10	\$239,760	6.32%
11-15	\$258,940	6.82%
16-20	\$279,656	7.37%
Option 1	\$302,028	7.96%
Option 2	\$326,190	8.60%
Option 3	\$352,286	9.28%
Option 4	\$380,469	10.03%



# TENANT OVERVIEW



Tire Discounters is a privately held tires store based out of Cincinnati, Ohio. It was founded in 1976 by Chip Wood. They are still family owned and operated today.

Tire Discounters sells replacement tires and are one of the few stores that used nitrogen inflation and also broke the Guinness Book of World Records for having the tallest tire stack.

They also offer auto service, oil changes, brakes, shocks and struts, wheel alignment and fluid exchanges. They have 1,100 +/- employees and approximately 100 +/- stores in Ohio, Kentucky, Indiana and Tennessee.

Tire Discounters is the ninth largest independent replacement tire company in the Country.

## TIRE DISCOUNTERS ACCELERATES GROWTH STRATEGY

“We believe moving our headquarters to downtown Cincinnati makes great sense for our company’s growth plan, but it’s also important for me because this means Tire Discounters Headquarters will remain in the same region it first started 39 years ago,” said Cincinnati native, Chip Wood, Founder and Chairman of Tire Discounters. Tire Discounters new headquarters will be located in the core of downtown Cincinnati. The company now employs more than 1,100 people in almost 100 stores and six major cities across Ohio, Kentucky, Indiana and Tennessee.” VP Communications, Tire Discounters

## Company Profile

Tenant Trade Name	Tire Discounters
Ownership	Privately Held (Family Owned & Operated)
Revenue (Gross 2016 sales)	\$192,826,000
Lease Guarantor	Tire
No. of Locations	100 +/-
Headquarters	Cincinnati, Ohio
Website	<a href="http://www.tirediscounters.com">www.tirediscounters.com</a>



CLICK HERE FOR MORE INFO ABOUT TIRE DISCOUNTERS





# TENANT OVERVIEW

## TIRE DISCOUNTERS NEWS SEPTEMBER 2017

### Tire Discounters Continues Expansion in Chattanooga

*This entry was posted on Sep 5, 2017 by Tire Discounters.*

**Family-owned tire retailer opens its newest Greater Chattanooga store.**

**CLEVELAND, TN (September 5, 2017)** – Family-owned and operated [Tire Discounters](#), the nation's eighth-largest independent tire retailer, continues to grow in the Greater Chattanooga region with the opening of its newest location in Cleveland, Tennessee.

Tire Discounters was recently named Best Tire Store in the 2017 Best of the Best Tennessee Valley People's Choice Awards by The Chattanooga Times Free Press. The 5<sup>th</sup> store in the region is located at 4480 Keith St. NW and will feature the same award winning automotive service.







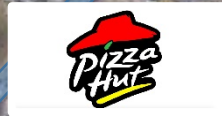
BRADLEY SQUARE MALL



DURACELL



TINSLEY KENNETH RECREATION CENTER



MARS CORP HQ



KEITH STREET NW







# DEMOGRAPHICS



## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Tennova Healthcare-Cleveland	2,500
Catnapper	1,850
Maytag Appliances	1,500
Bradley Memorial Hospital	850
Mars Chocolate North Amer LLC	678
Lee University	642
County of Bradley	596
Life Care Centers America Inc	401
Bayer Healthcare LLC	400
Renfro Corporation	384
Cleveland Chair	350
Murray Biscuit Company LLC	350

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	3,373	37,717	65,625
2017 Census Pop	3,275	34,757	61,006
2017 Estimate HH	1,381	14,404	25,116
2017 Census HH	1,351	13,326	23,437
Median HH Income	\$49,793	\$48,754	\$43,602
Per Capita Income	\$29,155	\$26,812	\$24,724
Average HH Income	\$70,974	\$68,559	\$63,338



## Cleveland, Tennessee

Cleveland, TN: The largest city in Bradley County, Tennessee. It is the 14<sup>th</sup> largest city in the state, and is the **5<sup>th</sup> largest industrially with 13 Fortune 500 manufacturers located within her borders**, including MARS, Coca-Cola, Procter & Gamble, Rubbermaid, Duracell, and Whirlpool among them.

Below is a list of the top 7 industrial employers in the immediate area:

- Whirlpool Corporation, Cleveland Division.
- Peyton's Southeastern Inc.
- Cleveland Chair Company.
- Jackson Manufacturing Company.
- Schering Plough.
- Mars Snackfood U.S.
- Procter & Gamble Co., Duracell.



Shopping Center



Major Highway

## NON-ENDORSEMENT AND DISCLAIMER NOTICE

### **Confidentiality and Disclaimer**

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2018 Marcus & Millichap. All rights reserved.

### **Non-Endorsement Notice**

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

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

TIRE DISCOUNTERS - CLEVELAND TN  
Cleveland, TN  
ACT ID Z0120234

## NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

Marcus & Millichap





4450 N Ocoee Street, Cleveland, TN 37312



Presented By

**Lior Regenstreif**  
**Senior Managing Director Investments**  
**Senior Director, Net Leased Properties Group**  
**Tel: (818) 212-2730**  
**Fax: (818) 212-2710**  
**Lior.regenstreif@marcusmillichap.com**  
**License: CA #01267761**

Marcus & Millichap