

FREEDOM PLAZA

1843 Foreman Dr
Cookeville, Tennessee 38501



**Government Leased Office
Investment Opportunity**

Marcus & Millichap
JTU NET LEASE GROUP

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INVESTMENT SUMMARY

THE OFFERING

JTU Net Lease Group along with Marcus & Millichap are pleased to offer for sale, the fee simple interest in Freedom Plaza, an office building, in Cookeville, TN.

Freedom Plaza is located at 1843 Foreman Dr in Cookeville, Tennessee. The property consists of a two-story 25,737 government leased office building on a 2.5 acre lot. The anchor tenant occupying 73% of the building is the State of Tennessee, a sticky-tenant with AAA credit rating from all three agencies that will start a new 10 Year lease on January 1st of 2025. Built in 2008 Freedom Plaza stands on a 2.50 AC lot with 135+ surface parking spaces. Government tenants make up 90% of the rental income. The property is within 3 miles from major national tenants including Walmart, Sam's Club, Lowe's, Chick-fil-A, Publix, AMC, Cracker Barrel, Arby's, Hardee's, and more.

The property is walking distance from Holiday Inn Cookeville and off Willow Ave, Cookeville's main thoroughfare also benefiting from its location near Interstate 40, the third-longest Interstate Highway that runs from California at Barstow to North Carolina at Wilmington. Economic growth in Tennessee has been driven by a rising population and the state's success at attracting new industries, particularly in trade and manufacturing. Despite relatively low wealth levels compared to national averages, employment and income growth has slightly outpaced the U.S. over the past decade.



OVERVIEW

COOKEVILLE, TN

PRICE	\$9,400,000
IN PLACE NOI:	\$527,668
Pro Forma Blended Cap Rate (10 Years)	6.35%
LEASE TYPE:	NN/Modified Gross
LL RESPONSIBILITIES:	Insurance, Maintenance, Tax, Utilities
NUMBER OF FLOORS	2
TENANTS:	State of TN, USDA, US Army, NCLL
ADDRESS:	1843 Foreman Dr Cookeville TN 38501
RENTABLE AREA:	25,737 SF
LAND AREA:	2.1 AC
YEAR BUILT:	2008
APN:	065-057.03
TYPE OF OWNERSHIP:	Fee Simple
OCCUPANCY:	93%

INVESTMENT HIGHLIGHTS

- » Brand new 10-Year lease with State of Tennessee (AAA credit rating by all three agencies)
- » Building is 93% occupied with reliable government tenants (State of TN, USDA, US Army)
- » State of Tennessee takes up 73% of the net operating income
- » Rare opportunity to acquire a high-quality, income-producing asset with AAA rated government-backed leases
- » Right off Interstate 40 surrounded by major national retail tenants including Walmart, Sam's
- » Club, Lowe's, Chick-fil-A, Publix, AMC, Cracker Barrel, Arby's, Hardee's, and more
- » Anchor tenant occupying 73% of the building with a AAA credit rating across all 3 agencies
- » State of TN higher credit rating (AAA) than the federal government (AA+)
- » Within 500 feet of Arby's, Hardee's, Waffle House, and Bojangles
- » Rental Increases: 3.65% at Year 4; 4% at Year 7 (State of TN); 3% every 5 Years (DaVita)
- » Extremely low submarket vacancy rate of 1.1% demonstrating strong demand for office space
- » Minutes to VA Outpatient Clinic and Cookeville Regional Medical Center
- » Walking proximity to Holiday Inn Cookeville, an IHG Hotel
- » Tax Free State, No State Income Tax in Tennessee



- » Ample Parking | Over 134 Spaces
- » #1 state in the U.S. for the lowest state debt per capita
- » #1 state in the U.S. for global access and infrastructure
- » #1 state in the U.S. for advanced industry job growth
- » #3 top State for Business – CNBC, 2023
- » Gold LEEDS rating
- » Mix of professional office and government tenants
- » Close Proximity to Interstate 40, the third-longest interstate highway

AERIAL - SOUTHEAST



AERIAL - NORTHEAST



COOKEVILLE, TN
36,000+ Population | 2.6 Miles



SUBJECT
PROPERTY



South Willow
Market



INTERSTATE DR (12,000+ VPD)

WILLOW AVE (20,000+ VPD)

LOCATION OVERVIEW

COOKEVILLE, TN

The City of Cookeville, located in Putnam County, TN was incorporated in 1903, and is located 79 miles east of Nashville and 101 miles west of Knoxville. The Municipality's land area is 5.89 square miles. Cookeville is the county seat of Putnam County and is the largest of four cities located within the county.

Cookeville offers a wide variety of small shops, boutiques, restaurants, recreational opportunities, and much more. Cookeville is home to Tennessee Technological University, Cookeville Regional Medical Center and is one of the fastest growing micropolitan markets in the nation serving as a regional center for employment, education, retail, healthcare, recreation, and culture.

Cookeville contains abundant opportunities for outdoor recreation with numerous parks and lakes in town, including the 260-acre Cane Creek Park, Cummins Falls State Park, Burgess Falls State Park, and Edgar Evins State Park.

The city also provides plenty of cultural opportunities to the community with the help of Tennessee Technological University, Cookeville History Museum, Cookeville Depot Museum, and the Cookeville Performing Arts Center. A bevy of annual events foster a sense of community in Cookeville, like After Dark Movies in the Park, Art Prowl, Blues and Brews Craft Beer Festival, Fall FunFest, Taste of the Town, the Putnam County Fair, and much more.

Some of the larger employers in Cookeville include Averitt Express, Cookeville Regional Medical Center, and Tennessee Tech University. Additionally, Aphena Pharma recently completed a \$20 million dollar expansion and renovation of a new 500,000 square foot facility just 6 miles northeast of the property.

DEMOGRAPHICS	1 MILE	5 MILE	10 MILE
2024 POPULATION	2,294	49,999	82,210
2029 POPULATION PROJECTION	2,464	53,811	88,591
AVG. HH INCOME	\$78,817	\$72,556	\$75,004
MEDIAN HH INCOME	\$56,403	\$53,488	\$55,437
BACHELOR'S DEGREE +	32%	27%	25%
2024 HOUSEHOLDS	1,011	20,355	33,248
2028 HOUSEHOLD EST.	1,090	22,023	35,975





TENNESSEE TECH
UNIVERSITY

BRAVO CAFE &
GRILL

Cookeville Regional
Medical Center



CANE CREEK
PARK

PEPSICO

COOKEVILLE

BELLE ACRES
GOLF COURSE



DOLLAR GENERAL

Kroger



TRACTOR
SUPPLY CO

BIG
LOTS!

Walmart

LOWE'S

PARKVIEW
PARK

SUBJECT
PROPERTY

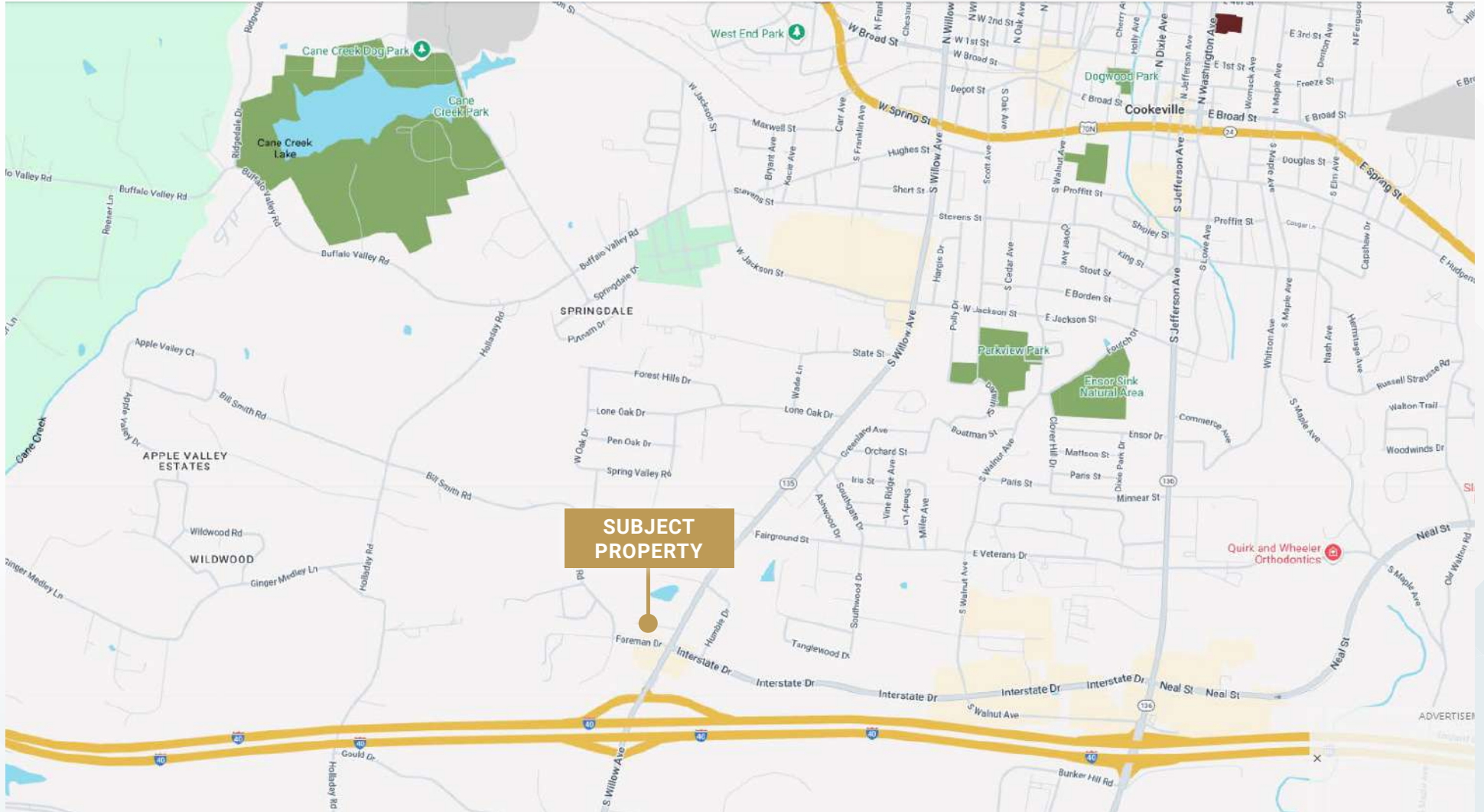
40 50,000+
VPD

111 19,000+
VPD

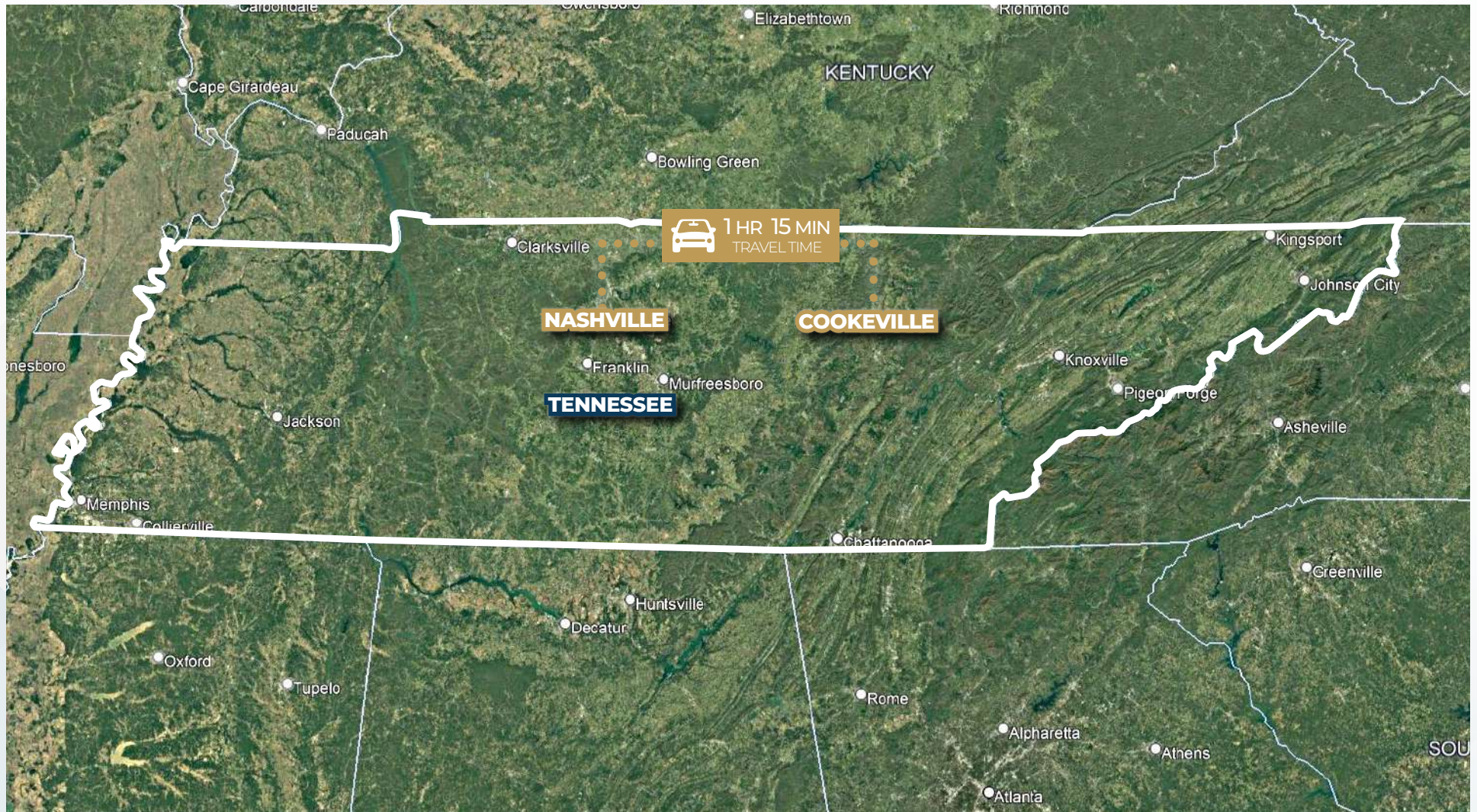
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LOCATION MAP



AREA MAP



RENT ROLL & OPERATING DATA

TENANT NAME	LEASE TERM	ANNUAL RENT	MONTHLY RENT	RENT BUMPS
State of Tennessee	01/01/25 - 12/31/35	\$452,430	\$37,702	3.65 Yr 4; 4.01% Yr. 7
US Dept. of Agriculture	04/30/19 - 05/31/29	\$58,309	\$4,859	None
DaVita Inc.	07/24/18 - 10/31/28	\$49,901	\$4,158	3% every 5
U.S. Army Corps of Engineers	04/01/22 - 03/31/25	\$46,604	\$3,800	None
National Center of Life & Liberty	09/11/23 - 08/31/25	\$15,000	\$1,250	None
VACANT				

OPERATING STATEMENT 2024

REVENUE	IN-PLACE
Rent	\$622,244
Effective Gross Revenue	\$622,244

OPERATING EXPENSES	
Insurance	\$ 32,039.32
Property Taxes	\$ 54,799.10
Maintenance	\$ 799.31
Marketing	\$ 13.85
Utilities	\$ 5,904.43
Miscellaneous	\$20.00

\$93,576

Total Operating Expenses

\$528,668

Net Operating Income

OPERATIONS

TENANT	SF	SF %	2025 YEAR 1	2026 YEAR 2	2027 YEAR 3	2028 YEAR 4	2029 YEAR 5	2030 YEAR 6	2031 YEAR 7	2032 YEAR 8	2033 YEAR 9	2034 YEAR 10	TOTAL
State of TN DHS	16,500	64.11%	\$452,430	\$452,430	\$452,430	\$470,580	\$470,580	\$470,580	\$487,740	\$487,740	\$487,740	\$487,740	\$4,719,990
USDA - 2nd Floor Suite 200	2,223	8.64%	\$58,309	\$58,309	\$58,309	\$58,309	\$58,309	\$58,892	\$59,481	\$60,076	\$60,677	\$61,284	\$591,957
DaVita - ISD Renal Care - 2nd Floor	2,712	10.54%	\$49,901	\$49,900	\$49,900	\$49,900	\$51,392	\$51,392	\$51,392	\$51,392	\$51,392	\$52,938	\$509,501
Army Corp. 2nd Floor	1,754	6.82%	\$45,604	\$45,604	\$45,604	\$46,060	\$46,521	\$46,986	\$47,456	\$47,930	\$48,410	\$48,894	\$459,068
National Center for Life and Liberty Suite 210	642	2.49%	\$15,000	\$15,150	\$15,302	\$15,455	\$15,609	\$15,765	\$15,923	\$16,082	\$16,243	\$16,405	\$156,933
Vacant	1,906	7.41%	\$43,838	\$44,276	\$44,719	\$45,166	\$45,618	\$46,074	\$46,535	\$47,000	\$47,470	\$47,945	\$458,642
Total	25,737	100.00%	\$665,082	\$665,670	\$665,264	\$685,470	\$688,029	\$689,690	\$708,527	\$710,221	\$711,932	\$715,206	\$6,906,091
EXPENSES	% OF RENT	EXP/SF	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL
Insurance Ex- pense	4.82%	\$1.24	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$32,039.32	\$320,393
Property Taxes	8.24%	\$2.13	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$54,799.10	\$547,991
Maintenance	0.12%	\$0.03	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$799.31	\$7,993
Marketing	0.00%	\$0.00	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$13.85	\$139
Utilities	0.89%	\$0.23	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$5,904.43	\$59,044
Miscellaneous	0.00%	\$0.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$200
Total	14.07%	\$3.64	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$93,576.01	\$935,760
Net Operating Income			\$571,506.07	\$572,093.69	\$572,687.95	\$591,894.20	\$594,453.41	\$596,113.98	\$614,951.16	\$616,645.10	\$618,355.99	\$621,629.83	\$5,970,331
		CAP Rate	6.08%	6.09%	6.09%	6.30%	6.32%	6.34%	6.54%	6.56%	6.58%	6.61%	6.35%
													Blended Cap Rate

Disclaimer: Pro Forma Based On Full Occupancy

TENANT OVERVIEW

STATE OF TENNESSEE

For the first time since 2000 and for only the second time in state history Tennessee has a triple triple-A rating from the credit ratings agencies. Standard & Poor's Ratings Services conducted a mid-year review and upgraded Tennessee's rating from AA+ to AAA. The other two rating agencies, Moody's Investors Services and Fitch Ratings, have provided Tennessee with their highest ratings of Aaa and AAA since 2010. These first-class ratings will translate into lower interest rates when the state borrows money, and may result in substantial savings for taxpayers. Tennessee's triple triple-A status reflects the extremely strong confidence the rating agencies have in the State's capacity to meet its financial commitments.

Economic growth in Tennessee has been driven by a rising population and the state's success at attracting new industries, particularly in trade and manufacturing. Despite relatively low wealth levels compared to national averages, employment and income growth has slightly outpaced the U.S. over the past decade.

16,500 SF Total Space Occupied	Government Total Space Occupied
01/01/2025 Lease Commencement	12/31/2035 Lease Expiration
\$27.42 Rent/SF	\$452,430 Annual Rent (2023)

US DEPARTMENT OF AGRICULTURE: RURAL DEVELOPMENT

2,223 SF Total Space Occupied	Government Total Space Occupied
04/30/2019 Lease Commencement	05/31/2029 Lease Expiration
\$26.23 Rent/SF	\$58.309 Annual Rent (2023)

On May 15, 1862, President Abraham Lincoln signed legislation to establish the United States Department of Agriculture and two and a half years later in his final message to Congress, Lincoln called USDA "The People's Department."

The agriculture and food industry contributes \$1.1 trillion to the U.S. domestic product and represents nearly 11% of total U.S. employment. Furthermore, USDA over the years has gained more authority to expand its support not only in agriculture but the support infrastructure that give all producers better access to market and its surrounding communities and natural resources to also thrive.

Today, USDA is comprised of 29 agencies organized under eight Mission Areas and 16 Staff Offices, with nearly 100,000 employees serving the American people at more than 6,000 locations across the country and abroad.

US ARMY CORPS OF ENGINEERS: NASHVILLE DISTRICT

The U.S. Army Corps of Engineers has approximately 37,000 dedicated Civilians and Soldiers delivering engineering services to customers in more than 130 countries worldwide.

With environmental sustainability as a guiding principle, their disciplined Corps team is working diligently to strengthen our Nation's security by building and maintaining America's infrastructure and providing military facilities where our servicemembers train, work and live. They are also researching and developing technology for our war fighters while protecting America's interests abroad by using our engineering expertise to promote stability and improve quality of life.

They energize the economy by dredging America's waterways to support the movement of critical commodities and providing recreation opportunities at our campgrounds, lakes and marinas.

The Corps is also cleaning sites contaminated with hazardous, toxic or radioactive waste and material in an effort to sustain the environment.

2,223 SF Total Space Occupied	Government Total Space Occupied
04/01/2022 Lease Commencement	05/31/2029 Lease Expiration
\$26.23 Rent/SF	\$58.309 Annual Rent (2023)

DAVITA INC.

2,712 SF Total Space Occupied	Healthcare Total Space Occupied
11/01/2018 Lease Commencement	10/31/2028 Lease Expiration
\$18.40 Rent/SF	\$49,901 Annual Rent (2023)

For more than 40 years, DaVita has been on the leading edge of kidney care and continues to innovate and grow in order to save the lives of its patients. DaVita is the country's largest kidney care provider, with a vast renal care network that performs over 2,500,000 dialysis treatments every month in over 3,100 dedicated clinics.

DaVita is the nation's largest provider of services for individuals with renal diseases of which around 750,000 patients nationally regularly undergo dialysis treatment.

Along with its core business of dialysis treatment and care, DaVita has ancillary services in the fields of caregiving technology investment, clinical research, physician support, and health plan partnerships for high-risk kidney care patients.

NATIONAL CENTER FOR LIFE AND LIBERTY

The National Center for Life and Liberty was established to fulfill a pressing need at this critical time in our nation's history.

Their nonprofit legal ministry serves to protect and defend the Bible-based values upon which our nation was founded: church liberties, parental liberties, individual liberties, and issues of life.

642 SF

Total Space Occupied

Nonprofit

Total Space Occupied

09/01/2023

Lease Commencement

08/31/2025

Lease Expiration

\$23.36

Rent/SF

\$15,000

Annual Rent (2023)



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INVESTMENT CONTACTS

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