

WESTERN AVENUE SQUARE

4702 WESTERN AVENUE | KNOXVILLE, TN 37921



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Marcus & Millichap

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THE PROPERTY



PROPERTY OVERVIEW

Marcus & Millichap is pleased to present the opportunity to acquire a fee simple interest in The Western Avenue Square, a well-established +/- 56,000 SF shopping center situated on a large 7.99 acre site in the rapidly growing city of Knoxville, TN.

Western Avenue Square is fully occupied by a strong internet-resistant and essential use tenant roster. The center is anchored by one of Knoxville's longest standing businesses, The Tennessee School of Beauty. Founded in 1930, The Tennessee School of Beauty operates as a postsecondary education institution with over 250 students who are on site daily. They have been at this location since 2004 and has a long-term commitment to the site ensuring stable cash flow to this investment opportunity.

The shopping center is strategically positioned along Western Avenue with excellent visibility and exposure to over 44,000 vehicles per day and close proximity to I-640 which see's over 77,000 vehicles per day. Western Avenue Square also sits just 4.5 miles from Downtown Knoxville and The University of Tennessee.

The immediate trade area is benefiting from continuous growth in residential & commercial developments along with numerous public infrastructure and road widening projects. There have been over 3,000 new homes approved to build in this area of Knoxville, most notably the 300-acre Belltown development. Oak Ridge Hwy, which turns into Western Avenue, has recently been widened to 5 lanes and Schaad Rd has recently been built out to 5 lanes to accommodate future predicted population growth.

\$8,950,000

PRICE

7.68%

CAP RATE

\$158.47

PRICE/SF

56,478 SF

TOTAL GLA

100%

OCCUPANCY

7.99 AC

TOTAL LOT
SIZE

11

TENANTS



INVESTMENT HIGHLIGHTS



ESTABLISHED NEIGHBORHOOD CENTER | LONG TERM TENANT ROSTER

- **Notable Anchor Tenant:** Anchored by the Extremely Successful and Well-Known Tennessee School of Beauty, Which Enrolls Over 250 Students Who Are at the Property Daily.
- **Long Term Stability:** Over 45% of the GLA has a Remaining Lease Term of 10 Years, Adding Stability to the Investment.
- **Tenant Reimbursements:** 7 out of the 11 Tenants are Structured on a Triple-Net (NNN) Lease Structure with Tenants Reimbursing the Landlord for Their Pro Rata Share of Operating Expenses.
- **Rental Upside:** Current Rents are Below Market, Providing Significant Opportunity for Future Income Growth.
- **Strong, Internet-Resistant Tenant Mix:** The Majority of Tenants are Essential Service & Internet Resistant Businesses with a Strong Financial Backing.

DENSE INFILL LOCATION | SIGNIFICANT GROWTH IN THE IMMEDIATE AREA

- **Fundamentally Strong Demographics:** 164,819 Population & \$78,593 Average Household Income within a 5-Mile Radius. 260K Daytime Population Within a 5-Mile Radius.
- **Exceptional Visibility & Access:** The Site Benefits from Outstanding Frontage along Western Avenue with Traffic Counts Exceeding 44,000 Vehicles Per Day and Close Proximity to I-640 with Traffic Counts Exceeding 77,000 Vehicles Per Day.
- **Continued Residential Expansion:** Over 3,000 New Homes Approved to Build in the Local Area of Knoxville. Most Notably the 300-Acre Belltown Development just Minutes from Western Avenue Square.



PROPERTY DETAILS

LOCATION

PROPERTY NAME	WESTERN AVENUE SQUARE
ADDRESS	4702 WESTERN AVENUE
CITY, STATE	KNOXVILLE, TN 37921
PARCEL NUMBERS	093GC-00201

PROPERTY

TOTAL SQUARE FEET	56,478
LAND AREA	7.99 AC
NUMBER OF SUITES	11
OCCUPANCY	100%
YEAR BUILT/RENOVATED	1974/2010

PROPOSED FINANCING

LOAN AMOUNT	\$5,817,500
INTEREST RATE	6.50%
FIXED PERIOD	5 YRS
AMORTIZATION PERIOD	30 YRS

THE PROPERTY WILL BE DELIVERED FREE-AND-CLEAR OF DEBT. FINANCING IS SUBJECT TO CHANGE. CONTACT KEVIN ELLIOT WITH MARCUS & MILLICHAP CAPITAL COPORATION FOR DETAILS.

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DOWNTOWN KNOXVILLE



THE UNIVERSITY OF
TENNESSEE
KNOXVILLE



SUBJECT PROPERTY

WESTERN AVENUE
(44:177 VPD)

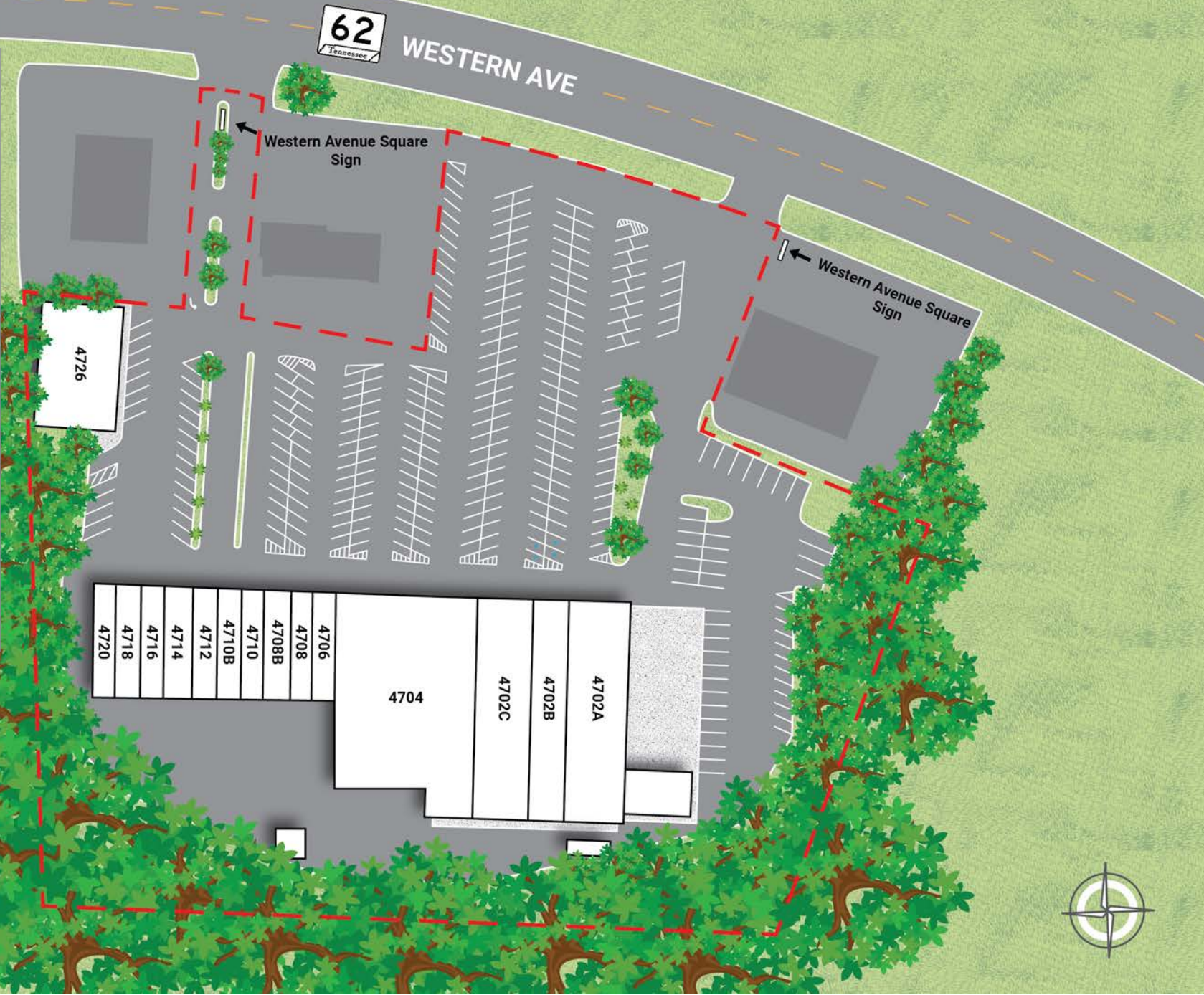
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AREA MAP



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UNIT	TENANT	SQ FT
4702A	HOFFMAN & HOFFMAN, INC.	12,993
4702B	HOFFMAN & HOFFMAN, INC.	2,575
4702 SUITE 102	SOCCER PLAYER ACADEMY	4,000
4704	THE SCHOOL OF BEAUTY	16,600
4706	MUD	1,200
4708	GSA	1,616
4708B	SALON SUPPLIERS	1,200
4710	THE SCHOOL OF BEAUTY	1,500
4710 B	FREEDOM R.C & VINYL	1,200
4712	THE SCHOOL OF BEAUTY	1,522
4714	THE SCHOOL OF BEAUTY	1,500
4716	THE SCHOOL OF BEAUTY	1,475
4718	CARTRIDGE WORLD	1,200
4720	DIAMOND CUTZ	1,425
4726	INNOVATIVE CONSULTING GROUP	6,472
TOTAL GLA		56,478



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THE FINANCIALS



PROFIT & LOSS

INCOME	CURRENT	PER SF
BASE RENTAL INCOME	\$766,627	\$6.95
EXPENSE REIMBURSEMENTS	\$116,626	\$2.06
*LESS: VACANCY	\$(28,264)	\$(0.50)
EFFECTIVE GROSS REVENUE	\$854,990	\$5.33
COMMON AREA MAINTENANCE		
GARBAGE PICK UP	\$3,721	\$0.07
PEST CONTROL	\$2,052	\$0.04
REPAIRS & MAINTENANCE	\$16,850	\$0.30
UTILITIES	\$12,000	\$0.21
TOTAL CAM	\$34,623	\$0.61
INSURANCE	\$33,618	\$0.60
PROPERTY TAXES	\$62,125	\$1.10
PROPERTY MANAGEMENT	\$25,650	\$0.45
CAPITAL RESERVES	\$8,472	\$0.15
NON CAM REPAIRS	\$3,175	\$0.06
TOTAL EXPENSES	\$167,663	\$2.97
NET OPERATING INCOME	\$687,327	\$12.17

NOTES:

(1) Capital Reserves were assumed to be \$15 PSF

(2) Management Fee calculated at 3% of EGR

RENT ROLL

SUITE	TENANT	SF	LEASE TERM			RENTAL RATES			OPTIONS	INCREASES	LEASE TYPE	
			% OF GLA	BEGINS	ENDS	PSF	MONTHLY	ANNUAL				
4702A	HOFFMAN & HOFFMAN, INC.	12,993	23.01%	5/1/2025	4/30/2030	CURRENT	\$16.00	\$17,324	\$207,888	NONE	3% ANNUAL INCREASES	NNN
HVAC: TENANT'S RESPONSIBILITY TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4702B	HOFFMAN & HOFFMAN, INC.	2,575	4.56%	5/1/2026	4/30/2030	CURRENT	\$12.00	\$2,575	\$30,900	NONE	3% ANNUAL INCREASES	NNN
HVAC: TENANT'S RESPONSIBILITY TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4702 Suite 102	SOCCER PLAYER ACADEMY	4,000	7.08%	8/5/2022	12/31/2027	CURRENT	\$12.30	\$4,100	\$49,200	NONE	NONE	NNN
HVAC: TENANT'S RESPONSIBILITY TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4704 4710-4712 4714-4716	TENNESSEE SCHOOL OF BEAUTY	22,597	40.01%	6/1/2004	12/31/2035	CURRENT OPTION 1 OPTION 2	\$12.99 14.32 15.79	\$24,456 \$26,963 \$29,727	\$293,475 \$323,555 \$356,719	2 (10) YEAR	5% INCREASES EVERY 5 YEARS	GROSS
HVAC: TENANT'S RESPONSIBILITY												

RENT ROLL

SUITE	TENANT	SF	LEASE TERM			RENTAL RATES				OPTIONS	INCREASES	LEASE TYPE
			% OF GLA	BEGINS	ENDS	PSF	MONTHLY	ANNUAL				
4706	MAKE-UP DESIGNORY	1,200	2.12%	8/1/2014	12/31/2035	CURRENT OPTION 1	\$18.00 \$23.96	\$1,800 \$2,396	\$21,600 \$28,750	1 (10) YEAR	10% EVERY 3 YEARS	NNN
HVAC: TENANT'S RESPONSIBILITY TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4708	GSA	1,616	2.86%	12/9/2020	12/8/2030	CURRENT	\$18.15	\$2,444	\$29,322	NONE	NONE	GROSS
4708B	SALON SUPPLIERS	1,200	2.12%	1/1/2017	12/31/2027	CURRENT OPTION 1 OPTION 2 OPTION 3	\$12.50 \$14.70 \$15.43 \$16.20	\$1,250 \$1,470 \$1,543 \$1,620	\$15,000 \$17,640 \$18,516 \$19,440	3 (1) YEAR	12% INCREASE JAN 2027, 5% ANNUAL INCREASES THEREAFTER	GROSS
4710B	FREEDOM R.C & VINYL	1,200	2.12%	5/1/2025	4/30/2030	CURRENT	\$13.00	\$1,300	\$15,600	NONE	50\$ PER MONTH INCREASES IN NEXT 2 YEARS	NNN
HVAC: TENANT'S RESPONSIBILITY TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												

RENT ROLL

SUITE	TENANT	SF	% OF GLA	LEASE TERM		RENTAL RATES			OPTIONS	INCREASES	LEASE TYPE	
				BEGINS	ENDS	PSF	MONTHLY	ANNUAL				
4718	CARTRIDGE WORLD	1,200	2.12%	8/1/2025	7/31/2030	CURRENT	\$14.50	\$1,450	\$17,400	NONE	5% ANNUAL INCREASES IN BASE TERM	NNN
TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4720	DIAMOND CUTZ	1,425	2.52%	6/1/2014	4/13/2027	CURRENT	\$12.63	\$1,500	\$18,000	NONE	NONE	NNN
TENANT PAYS ITS PRO RATA SHARE OF COMMON AREA MAINTENANCE, INSURANCE, AND REAL ESTATE TAXES												
4726	INNOVATIVE CONSULTING GROUP	6,472	11.46%	5/1/2015	4/30/2027	CURRENT OPTION 1	\$10.50 \$12.00	\$5,663 \$6,472	\$67,956 \$77,664	1 (3) YEAR	RENT TO GO UP TO \$12 PSF IN OPTION	GROSS
TOTAL GLA		56,478				AVERAGE	\$12.00		TOTAL ANNUAL BASE RENT	\$751,041		

TENANT OVERVIEW



HOFFMAN & HOFFMAN, INC.

Hoffman & Hoffman, Inc. is a longstanding commercial and industrial HVAC and building-systems provider founded in 1947 and headquartered in Greensboro, North Carolina. What began as an equipment representative firm has grown into the broader Hoffman Family of Companies, offering HVAC equipment, hydronics, mechanical services, and building automation. The company supplies and supports large-scale HVAC, ventilation, filtration, pumping, and controls systems for commercial, industrial, healthcare, educational, and institutional facilities. Now 100% employee-owned through an ESOP, Hoffman & Hoffman operates more than a dozen offices across the Carolinas, Virginia, and Tennessee, known for providing engineered solutions, technical expertise, and full-lifecycle service from product procurement to system maintenance and building-controls integration.

Website: www.hoffman-hoffman.com

Square Footage: 12,993 SF

Pro Rata Share: 23.01%

Commencement Date: 5/1/2025

Current Term Expiration: 4/30/2030

TENNESSEE SCHOOL OF BEAUTY



**REDKEN
PREMIER
SCHOOL**

Founded in 1930, Tennessee School of Beauty is one of the state's longest-standing cosmetology institutions, known for its comprehensive training programs in cosmetology, aesthetics, nail technology, and instructor certification. The school is recognized for its hands-on education model, modern salon-style training environment, and strong track record of preparing students for state licensure and successful careers in the beauty industry. With deep roots in East Tennessee and a reputation built over nearly a century, Tennessee School of Beauty continues to attract a steady base of students and remains a well-established community institution. TSB was founded by Mrs. Jean Brown in Knoxville, TN. Her vision planted the roots of what would become a five-generation legacy of excellence in cosmetology education. Adam Brown has owned and operated TSB since the late 1980's and now his son Stephen Brown is involved in ownership to continue the legacy long term.

Website: www.tennesseeschoolofbeauty.edu

Square Footage: 22,597 SF

Pro Rata Share: 40.01%

Commencement Date: 6/1/2004

Current Term Expiration: 12/31/2035



Innovative Consulting Group

Innovative Consulting Group, Inc. (ICG), headquartered in Knoxville, TN is the manufacturing and distribution industry's premier information technology (IT) and ERP software service provider. ICG is a full-service technology and ERP consulting firm specializing in integrated IT solutions for manufacturing, distribution, healthcare, banking, retail, and other industries. The company provides end-to-end services including ERP selection and implementation, managed IT services, custom software development, network design, and private-cloud hosting, positioning itself as a one-stop technology partner for operational and enterprise-level needs. With more than 100 ERP implementations and over 3,000 technology solutions delivered, ICG is recognized for its process-driven approach, experienced leadership team, and ability to streamline and support complex business systems.

Website: www.icgtechnology.com

Square Footage: 6,472 SF

Pro Rata Share: 11.46%

Commencement Date: 5/1/2025

Current Term Expiration: 4/30/2027

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**THE
MARKET**



KNOXVILLE METRO

KNOXVILLE IS THE THIRD-LARGEST CITY IN TENNESSEE AND SERVES AS A KEY ECONOMIC AND CULTURAL HUB FOR THE EASTERN REGION OF THE STATE.

With a population of over 195,000 and a metropolitan area exceeding 875,000 residents, Knoxville continues to experience steady growth driven by thriving businesses and leisure destinations that attract people from across the world.

Strategically located at the crossroads of Interstates 40 and 75, Knoxville offers excellent connectivity to major Southeastern markets such as Nashville, Atlanta, and Charlotte. The city benefits from a diverse economic base, anchored by the University of Tennessee's campus, which enrolls over 38,000 students and contributes significantly to the area's innovation, talent pipeline, and research partnerships.

Knoxville's cost of living remains below the national average, making it an attractive destination for both businesses and residents. Having a lively downtown, thriving food and music scenes, and year-round events and festivals, Knoxville offers the energy of a larger city with the charm and accessibility of a smaller community.

With stable fundamentals, a growing population, and a pro-growth business environment, Knoxville stands out as a compelling market for long-term real estate ownership.

POPULATION

165K

5 MI. RADIUS

AVERAGE
HOUSEHOLD
INCOME

\$78K

5 MI. RADIUS



UNIVERSITY
OF TENNESSEE

\$234M

2024 ATHLETIC
REVENUE

MCGHEE
TYSON AIRPORT

\$700M

EXPANSION
PLAN



METRO HIGHLIGHTS

UNIVERSITY OF TENNESSEE

- #1 Public University in Tennessee
- +38,000 Enrolled Students
- +10,000 Staff Employees

KNOXVILLE

- #3 Largest Metro in Tennessee
- #7 Fastest Growing Metros in the U.S.
- 18.7% Positive Net Migration since 2020

"Knoxville will have the highest in-to-out move ratio in 2026, with 1.61 more newcomers heading in for every person moving away."

www.movebuddha.com/blog/moving-forecast-predictions/



PROPERTY DEMOGRAPHICS

POPULATION	1 MILES	3 MILES	5 MILES
2029 PROJECTION			
TOTAL POPULATION	5,087	56,755	167,669
2024 ESTIMATE			
TOTAL POPULATION	5,017	55,787	164,819
2020 CENSUS			
TOTAL POPULATION	4,976	55,885	164,062
2010 CENSUS			
TOTAL POPULATION	4,946	53,838	152,398
DAYTIME POPULATION			
2024 ESTIMATE	6,906	76,426	260,701

HOUSEHOLDS	1 MILES	3 MILES	5 MILES
2029 PROJECTION			
TOTAL HOUSEHOLDS	2,311	25,027	72,653
2024 ESTIMATE			
TOTAL HOUSEHOLDS	2,266	24,489	71,045
AVERAGE HOUSEHOLD SIZE	2.2	2.2	2.2
2020 CENSUS			
TOTAL HOUSEHOLDS	2,205	23,745	68,831
2010 CENSUS			
TOTAL POPULATION	2,124	23,313	64,422
OCCUPIED UNITS			
2029 PROJECTION	2,438	27,159	79,546
2024 PROJECTION	2,391	26,570	77,768

HOUSEHOLDS BY INCOME	1 MILES	3 MILES	5 MILES
2024 ESTIMATE			
\$150,000 OR MORE	8.9%	8.1%	11.5%
\$100,000-\$149,999	16.5%	12.9%	14.9%
\$75,000-\$99,999	13.6%	13.1%	12.9%
\$50,000-\$74,999	19.3%	17.8%	16.6%
\$35,000-\$49,999	16.7%	15.6%	12.6%
UNDER \$35,000	25.1%	32.6%	31.5%
AVERAGE HOUSEHOLD INCOME	\$79,664	\$70,805	\$78,593
MEDIAN HOUSEHOLD INCOME	\$60,562	\$57,484	\$64,041
PER CAPITA INCOME	\$36,171	\$31,735	\$35,219

HOUSEHOLDS BY EXPENDITURE	1 MILES	3 MILES	5 MILES
TOTAL AVERAGE HOUSEHOLD RETAIL EXPENDITURE	\$175,589	\$159,185	\$168,204
CONSUMER EXPENDITURE TOP 10 CATEGORIES			
HOUSING	\$21,102	\$19,066	\$20,021
TRANSPORTATION	\$11,468	\$10,815	\$11,295
FOOD	\$8,307	\$7,620	\$7,968
PERSONAL INSURANCE AND PENSIONS	\$7,377	\$6,517	\$6,957
CASH CONTRIBUTIONS	\$2,652	\$2,028	\$2,367
ENTERTAINMENT	\$2,694	\$2,434	\$2,601
APPAREL	\$1,578	\$1,557	\$1,642
EDUCATION	\$718	\$696	\$758
PERSONAL CARE PRODUCTS AND SERVICES	\$743	\$676	\$710
ALCOHOLIC BEVERAGES	\$501	\$430	\$460

POPULATION PROFILE	1 MILES	3 MILES	5 MILES
POPULATION BY AGE			
2024 ESTIMATE TOTAL POPULATION	5,017	55,787	164,819
UNDER 20	20.3%	24.3%	24.0%
20 TO 34 YEARS	26.2%	27.9%	29.8%
35 TO 39 YEARS	7.2%	7.2%	6.4%
40 TO 49 YEARS	12.7%	11.5%	10.7%
50 TO 64 YEARS	17.5%	16.0%	15.3%
AGE 65+	16.2%	13.2%	13.8%
MEDIAN AGE	37.0	34.0	34.0
POPULATION 25+ BY EDUCATION LEVEL			
2024 ESTIMATE POPULATION AGE 25+	3,603	36,881	103,476
ELEMENTARY (0-8)	2.0%	4.9%	3.4%
SOME HIGH SCHOOL (9-11)	5.4%	7.4%	5.9%
HIGH SCHOOL GRADUATE (12)	28%	27.6%	25.9%
SOME COLLEGE (13-15)	25.7%	20.9%	19.8%
ASSOCIATE DEGREE ONLY	9.2%	9.4%	9.1%
BACHELOR'S DEGREE ONLY	18.8%	18.4%	21.4%
GRADUATE DEGREE	10.9%	11.4%	14.6%

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