

# For Sale



## Mixed-Use Investment Opportunity

110 Somerville Avenue • Chattanooga, TN 37405



SVN | Second Story is pleased to present the opportunity to acquire 110 Somerville Avenue, a premier mixed-use asset in Chattanooga's vibrant Northshore neighborhood. This newly built property offers high-quality office, and multifamily space supported by a diverse tenant mix and long-term lease structures, delivering exceptional investment stability in one of the Southeast's fastest-growing markets.

Somer Station's office component is 84% occupied by two long-term NNN tenants, with a 5,000 SF suite available. The Lofts at Somer Station include 22 fully furnished apartments and are 100% occupied, providing steady multifamily income within a highly walkable submarket.

The asset benefits from riverfront adjacency, on-site parking, and walkable access to the national retailers, local boutiques, restaurants, and galleries that define the Northshore lifestyle. Nearby amenities include Publix, Whole Foods, Chipotle, Orangetheory Fitness, Starbucks, Coolidge Park, and the Walnut Street Bridge.

**110 Somerville Avenue  
Chattanooga, TN 37405**



## The Offering

**Sale Price** \$12,250,000

## Property Summary

<b>Market Area</b>	Northshore Chattanooga
<b>Property Type</b>	Mixed-Use Office & Multifamily
<b>Year Built</b>	2023
<b>Building Size</b>	±53,087
<b>Occupancy</b>	Office 84%   Multifamily 100%
<b>Lease Types</b>	NNN
<b>Lot Size</b>	±1.6 AC
<b>Parking</b>	88 Shared Spaces (per reciprocal easement)



## Multifamily | Lofts at Somer Station

- 22 fully-furnished apartments
- 100% occupancy

## Office | Somer Station

- Two long-term NNN-leased office tenants
- 5,000 SF Vacant Suite
- 84% Occupancy



**110 Somerville Avenue** | Society of Work | 24,304 SF (entire 2<sup>nd</sup> floor + partial 1<sup>st</sup> floor)



## Tenant Overview

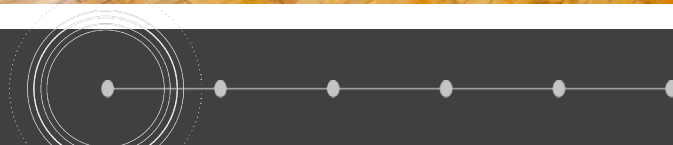
Society of Work is one of Chattanooga’s leading flexible workspace providers, providing premium office solutions and a dedicated team that blend professional amenities with a vibrant community atmosphere. The company has delivered consistent 30% annual growth over the past four years, demonstrating strong market demand for innovative workspace solutions.

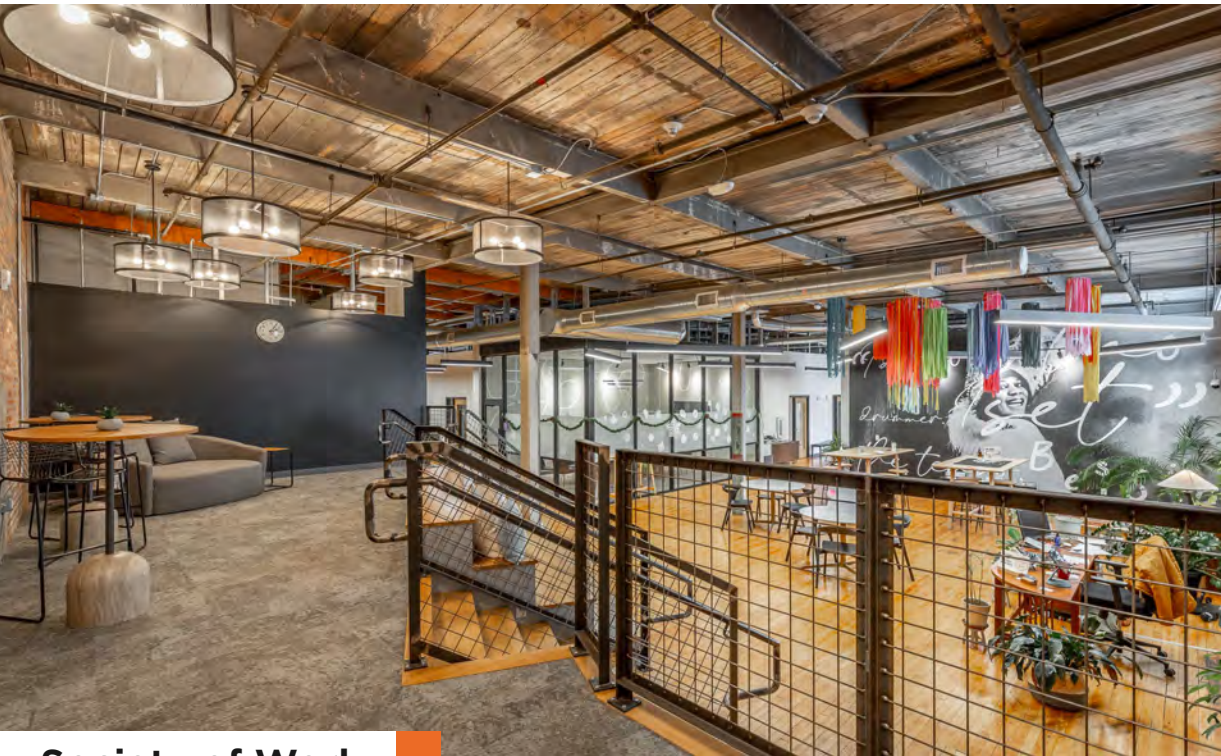
## Lease Terms

<b>Square Feet</b>	24,304 SF
<b>Lease Term*</b>	10 Years
<b>Lease Commencement</b>	Reset at COE
<b>Lease Expiration</b>	10 Years from COE
<b>Lease Type</b>	NNN
<b>Rental Escalation</b>	8% Increase at Year 5
<b>Renewal Options</b>	Four, 5-Year Options

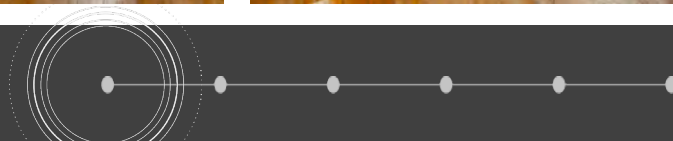
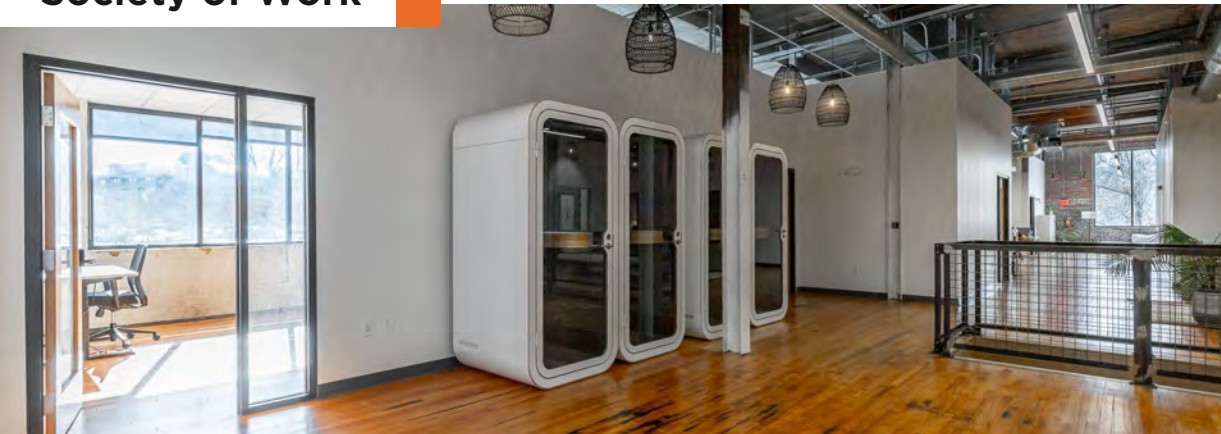
\*Tenant is currently in year 3 of an existing 10-year lease. Upon closing, the lease will reset, providing buyer with a new 10-year term from COE.

Lease Year	Annual Rent	Monthly Rent
<b>1-4 (Initial Term)</b>	\$461,776.00	\$38,481.33
<b>5-10 (Initial Term)</b>	\$498,718.08	\$41,559.84
<b>11-15 (1st Renewal)</b>	\$523,653.98	\$43,637.83
<b>16-20 (2nd Renewal)</b>	\$549,836.68	\$45,819.72
<b>21-25 (3rd Renewal)</b>	\$577,328.52	\$48,110.71
<b>26-30 (4th Renewal)</b>	\$606,194.94	\$50,516.25





Society of Work



110 Somerville Avenue | Empire Communities | 2,210 SF (1<sup>st</sup> floor)



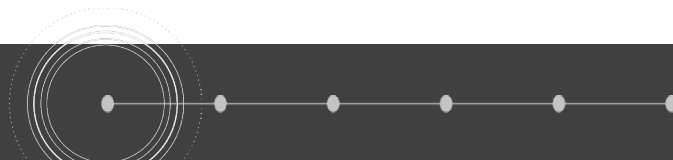
**Tenant Overview**

Empire Communities is one of North America’s largest privately held homebuilders with an established tradition of creating prestigious, award-winning new homes and communities. Since 1993 the company has built more than 35,000 new homes in Toronto and Southwestern Ontario, Canada, Texas, Colorado, Georgia, Tennessee and the Carolinas.

**Lease Terms**

<b>Square Feet</b>	2,210 SF
<b>Base Rental Rate</b>	\$25 PSF
<b>Lease Term</b>	5 Years
<b>Lease Commencement</b>	10/1/2023
<b>Lease Expiration</b>	9/30/2028
<b>Lease Type</b>	NNN
<b>Renewal Options</b>	Two, 5-Year Options
<b>Rental Escalations</b>	3% Annually
<b>*TI Amortization (10 Years)</b>	\$5,317.08 Per Month

\*Tenant is responsible for TI amortization payments only during the initial 10-year amortization period. If the Tenant does not exercise its first 5-year renewal option (Years 6-10), no additional TI payments are due. There are no escalations on the TI amortization amount. By the commencement of the second 5-year renewal term (Years 11-15), all TI amortization obligations will have been satisfied.



Empire Communities



110 Somerville Avenue | Multifamily | Lofts at Somer Station

All Inclusive Living

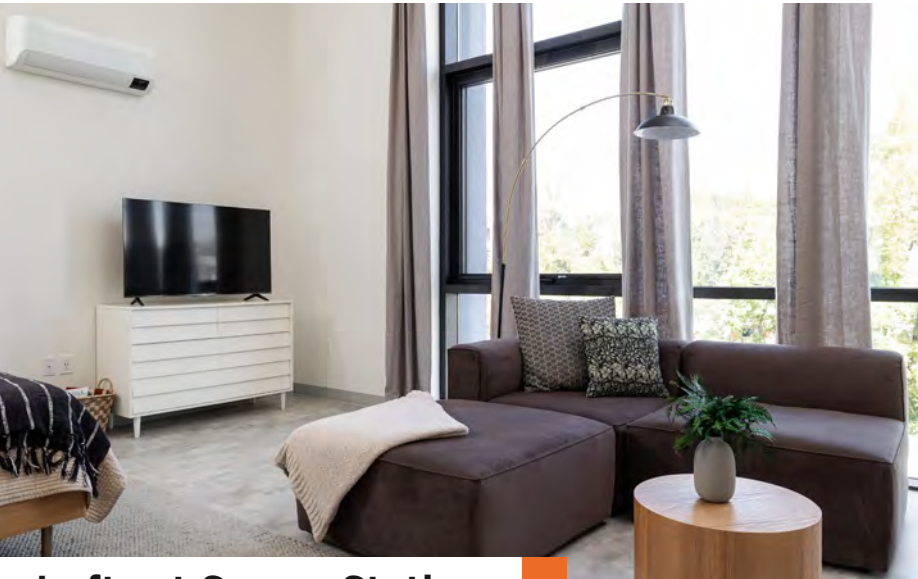
The Lofts at Somer Station was created for the co-living community, designed to accommodate remote workers, contract workers, entrepreneurs, short-term residents, and individuals seeking convenient, hassle-free living. The property is fully furnished and includes amenities that allow for quick and easy move-in. The location and programming are curated to encourage involvement with the local community, offering a distinctive living environment for residents and visitors alike.

Unit	Status	Monthly Rent	Lease Start	Lease End	Monthly Utilities
102	Rented	\$1,450	8/1/24	7/31/26	\$150
108	Rented	\$1,100	8/15/25	8/14/26	\$150
114	Rented	\$1,450	7/10/24	7/9/26	\$150
120	Rented	\$1,200	12/12/25	3/11/27	\$150
126	Rented	\$1,450	7/10/24	7/9/26	\$150
132	Rented	\$1,450	6/27/24	6/26/26	\$150
138	Rented	\$1,100	8/4/25	8/3/26	\$150
202	Rented	\$1,100	8/15/25	8/14/26	\$150
208	Rented	\$1,100	8/5/25	2/4/26	\$150
214	Rented	\$1,150	11/21/25	5/20/26	\$150
220	Rented	\$1,450	7/10/24	7/9/26	\$150
226	Rented	\$1,350	9/27/24	9/26/26	\$150
232	Rented	\$1,100	9/6/25	9/5/26	\$150
238	Rented	\$1,450	7/10/24	7/9/26	\$150
302	Rented	\$1,100	10/15/25	10/14/26	\$150
308	Rented	\$1,100	7/19/25	1/18/26	\$150
314	Rented	\$1,450	7/10/24	7/9/26	\$150
320	Rented	\$1,450	7/5/24	7/4/26	\$150
326	Rented	\$1,150	11/3/25	5/3/26	\$150
332	Rented	\$1,100	8/28/25	8/27/26	\$150
338	Rented	\$1,110	9/29/24	9/28/26	\$150
350	Rented	\$1,200	11/28/25	11/27/26	\$150

**22 Units**   **100% Occupied**   **\$28,050\***   **\$3,300**

\* Monthly rent includes \$500 in short-term fees.





Lofts at Somer Station



## Lofts at Somer Station



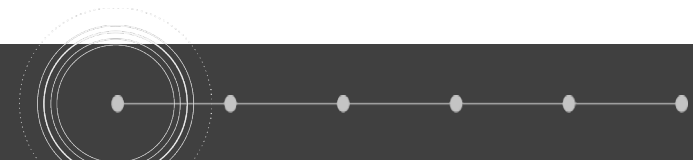
### Community Features:

- Full-sized Kitchen
- Community Room,
- Laundry Facilities,
- Bike Storage
- On-Site Parking



## Lofts at Somer Station | Projected Rental Upside & Value Creation

VALUE IMPACT OF RENT INCREASES AT 5.5% CAP								
	Current	+ \$50	+ \$100	+\$150	+\$200	+\$250	+\$500	+\$750
<b>Average Monthly Rent</b>	\$1,275	\$1,325	\$1,375	\$1,425	\$1,475	\$1,525	\$1,775	\$2,025
<b>Incremental Value Add @ 5.5% Cap</b>	\$0	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000	\$1,200,000	\$1,200,000
<b>Aggregated Value Added</b>	<b>\$0</b>	<b>\$240,000</b>	<b>\$480,000</b>	<b>\$720,000</b>	<b>\$960,000</b>	<b>\$1,200,000</b>	<b>\$2,400,000</b>	<b>\$3,600,000</b>

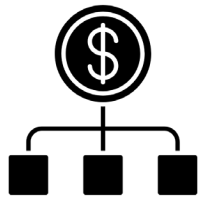




**\$1,111,000**

Income

Current Annual



**\$306,000**

Expenses

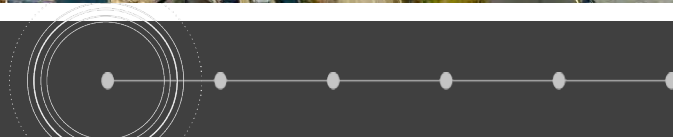
Current Annual



**\$100,000+**

NOI  
Opportunity





Vibrant Northshore Neighborhood | Downtown Chattanooga's Busiest Retail Hub



Chattanooga, TN | Fast-Growing, Tech-Enabled, Investor-Friendly

## Population Growth

**+5.5%**

over the  
past 5 years

## Internet Speeds

**1<sup>st</sup>**

first U.S. city with  
1 gigabit-per-second  
fiber network

## Tourism Impact

**\$1.5B+**

in local tourism  
spending from  
**15M+ visitors**  
annually

## Cost of Living

**~10%**

below the  
national average

## Vibrant, Expanding Economy

- Over \$4B in recent corporate investment from Volkswagen, Amazon, Alstom, Wacker Polysilicon, and others
- Strong base of manufacturing, industrial, and distribution employment
- “Gig City:” Growing technology hub offering the fastest municipal internet grid in the Western Hemisphere
- Expanding population and workforce driving housing, retail, and commercial demand

## New major developments supporting tourism and lifestyle growth:

- **The Bend:** 120-acre mixed-use riverfront project with +450 residential units, +300K SF retail/entertainment, +700K SF office, +250 hotel rooms, and 300 marina slips
- **ONE Riverfront:** Comprehensive revitalization of the riverfront district with new housing, business space, and pedestrian-focused public realm improvements

# Demographics

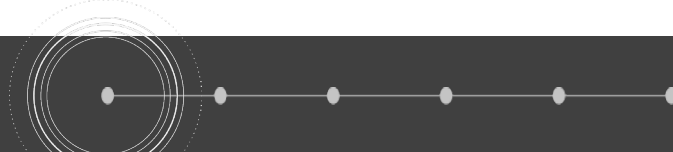
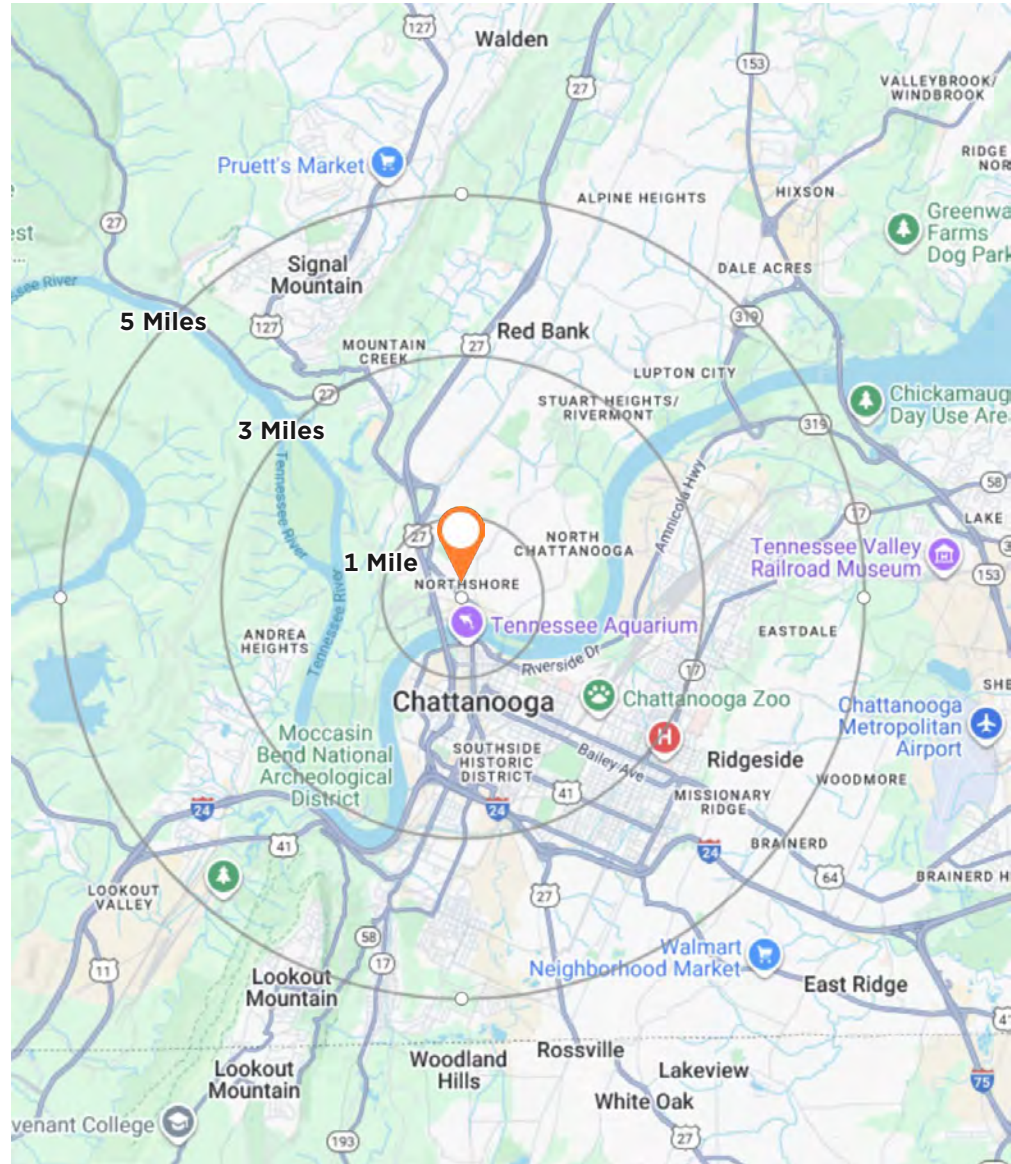


POPULATION	1 MILE	3 MILES	5 MILES
<b>Total Population</b>	7,735	48,307	115,340
<b>2029 Projection</b>	8,393	52,464	124,328
<b>Median Age</b>	36.9	34.9	36.3

HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
<b>Total Households</b>	3,362	19,473	45,283
<b>Persons Per HH</b>	1.9	2	2.2
<b>Average HH Income</b>	\$102,986	\$83,390	\$75,767
<b>Median Home Value</b>	\$385,713	\$328,882	\$256,401

Demographics data derived from AlphaMap & Costar





Cherokee Blvd (16,000 VPD)

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