



230 ELLERY COURT

NASHVILLE, TN 37229

OFFERING MEMORANDUM



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Contacts

DAVID MCGAHREN, SIOR

Executive Managing Director

+1 615 301 2810

david.mcgahren@cushwake.com

LONNIE RUSSELL

Senior Director

+1 615 301 2913

lonnie.russell@cushwake.com



EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

THE OFFERING

Cushman & Wakefield is pleased to offer for sale **230 Ellery Court** (“the Property”), an 82,800 SF single-tenant industrial building situated on 5.0 acres and located in Nashville’s East industrial submarket, one of the most sought after submarkets in Nashville. The East submarket is currently 6% vacant and has experienced some of the highest rental rate growth in the city. Located just 2 miles from the Nashville International Airport, the Property is ideally positioned to allow tenants servicing all parts of Nashville.

With limited investment opportunities in the Nashville market, this offering provides investors with an opportunity to reach a broad tenant mix and potential for an accelerated lease-up due to the Property’s location, access, and a limited set of truly competitive product.

82,800
TOTAL SF

5.0
TOTAL AC

IWD
ZONING

“The East submarket is currently 6% vacant and has experienced some of the highest rental rate growth in the city.”

EXECUTIVE SUMMARY

PROPERTY AT A GLANCE



230 ELLERY COURT
NASHVILLE, TN 37229
ADDRESS



1
BUILDING



82,800 SF
TOTAL SF



5.0
ACRES



1995
YEAR BUILT



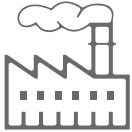
18'
CLEAR HEIGHT



BLOCK & METAL
BUILDING CONSTRUCTION

INVESTMENT HIGHLIGHTS

NASHVILLE



A TOP-PERFORMING INDUSTRIAL MARKET

- Nashville's 251 million SF industrial market posted a 3.9 % vacancy rate as of Q1 2024, among the lowest vacancy rates of any city in the U.S.
- Strong leasing and absorption trends with over 34.7 MSF of positive absorption over the past 5 years
- One of the strongest growth markets in the Southeast boasting significant economic diversity, a low cost of living, and historically resilient industrial market
- Large-scale corporate leaders provide a stable base to the industrial market
- Highly-diverse industrial market historically less prone to broad economic swings
- General warehouse vacancy stands at a record low 2.4%



PREMIER LOCATION

- Nashville boasts one of the nation's most accessible transportation networks - one of only four cities in the U.S. where 6 interstate legs converge in the city's boundaries
- This Nashville location provides for superior access to both I-40 and I-24; further supported by the Property's proximity to BNA
- The building is positioned geographically to serve a large market area extending from Nashville's Metro area to surrounding suburbs of Rutherford County to the southeast, Wilson County to the east and Sumner county to the north.
- The construction of spec warehouse in the Davidson County market area is challenged by availability of sites, increased land cost and rising new construction costs



DYNAMIC LEASING MARKET - OUTSTANDING FUNDAMENTALS

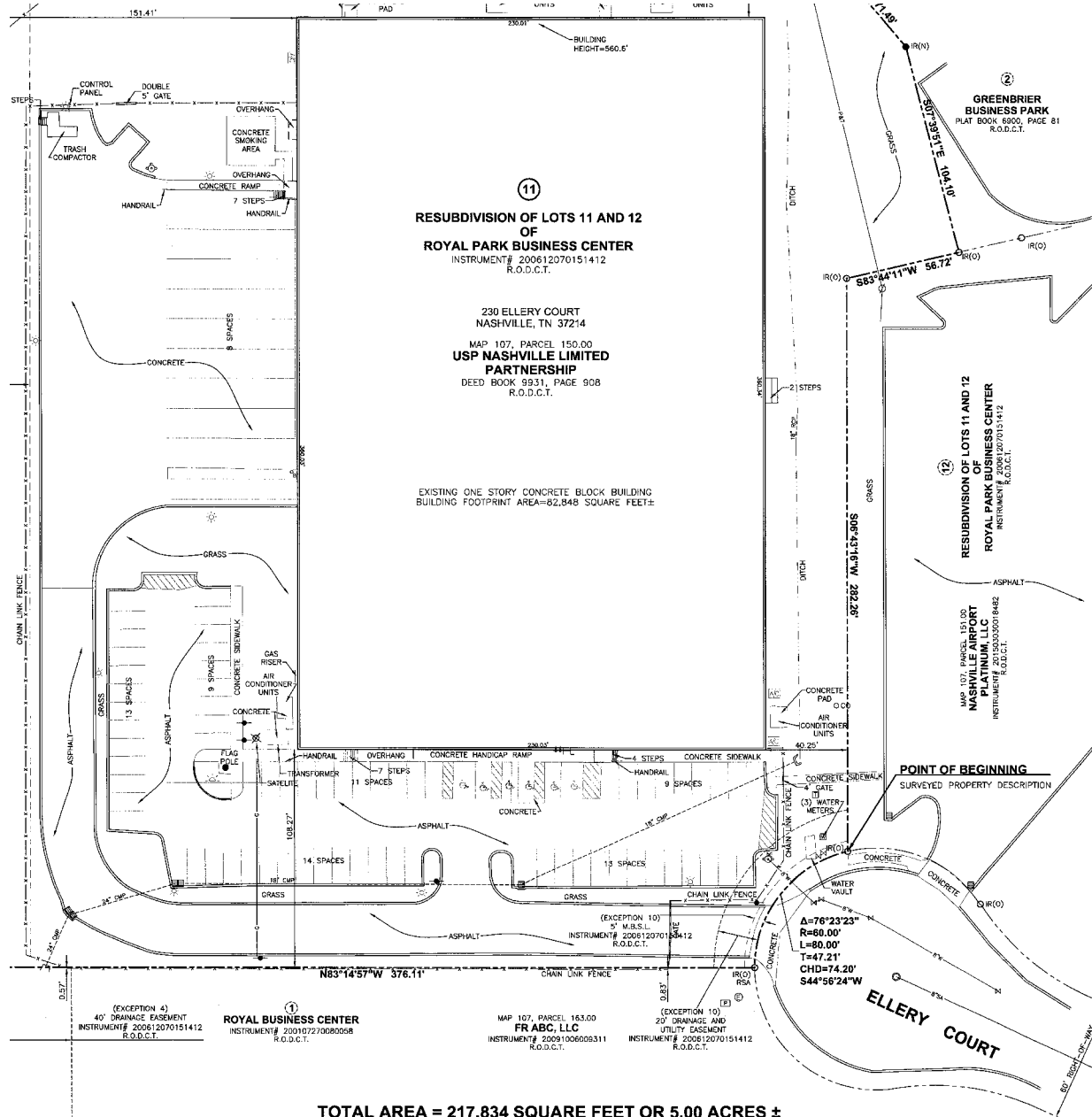
- 230 Ellery Court is located in the East industrial submarket which contains 49.9 MSF
- Current vacancy rate in the East industrial submarket is 6%; YTD 2024 absorption of 776,374 SF square feet; average asking rents of \$7.44 per square foot net
- East submarket has an high occupancy rate at 94%



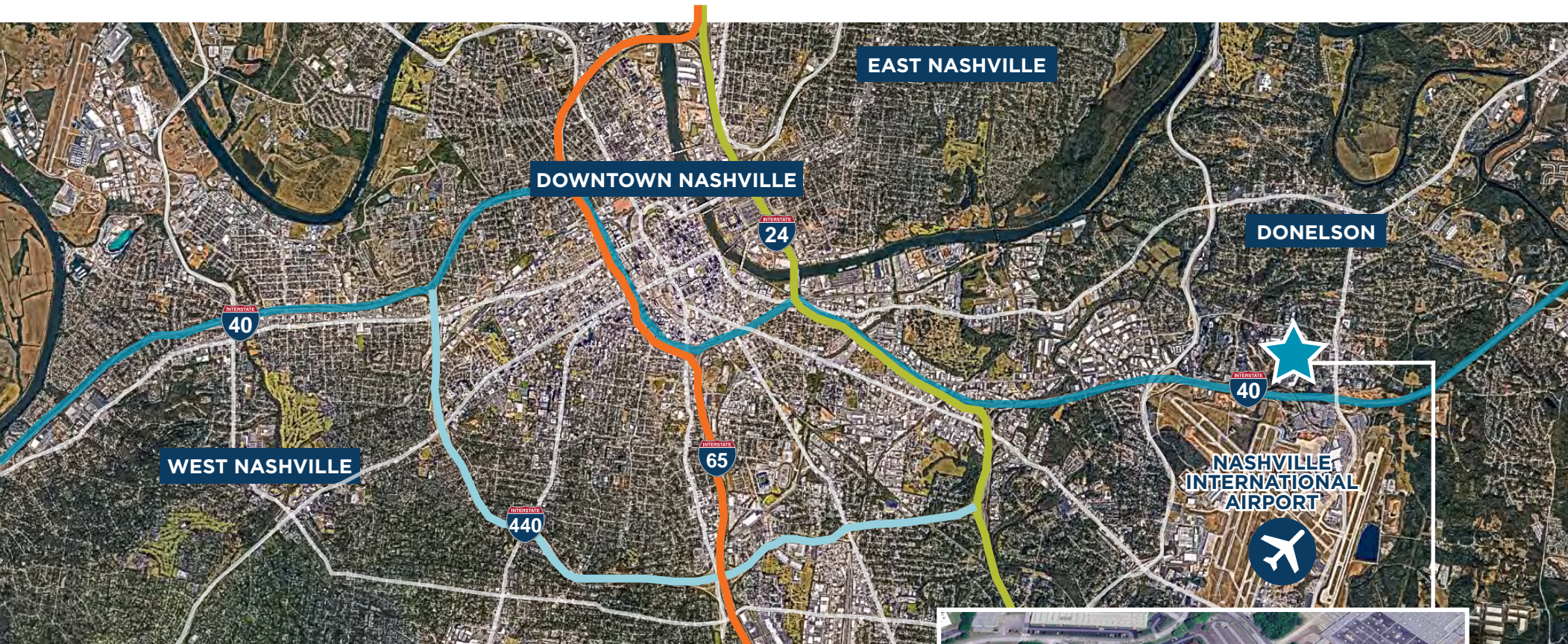
HIGHLY FUNCTIONAL INDUSTRIAL PRODUCT

- Rare opportunity to acquire a stand-alone, single tenant warehouse
- Increasing construction costs and land values have significantly raised the cost basis for new development
- Limited alternative locations; very expensive to relocate and replicate
- Building specifications include ample power based upon the current use; 2,000 amps; 480/277 3-phase, a wet sprinkler system, and 10 dock doors with levelers

SITE SURVEY



AERIAL



LOCATED IN ROYAL PARK BUSINESS CENTER



EASY ACCESS TO I-40



ADJACENT TO NASHVILLE INTERNATIONAL AIRPORT



LOCATION & MARKET OVERVIEW



MARKET OVERVIEW

NASHVILLE

A WORLD CLASS CITY

- #1 U.S. Markets to Watch - *pwc*
- Best Places for Business and Careers - *Forbes*
- #3 Best City for Young Professionals - *smartasset*
- #1 Metro for Advanced Industry Job Growth - *Brookings*
- #1 in Metropolitan Economic Strength - *Policom*
- Ranked Among Best Cities to Start a Business in 2023 - *Wallet Hub*
- #5 America's Biggest Boomtown - *magnifymoney*
- Top Cities Americans are Moving To - *realtor.com*
- Top 10 City to Live After The Pandemic - *Today Show*

U.S. MARKETS TO WATCH

Nashville ranks as #1 U.S. Cities with the Most Economic Growth in 2021

1. **NASHVILLE**
2. RALEIGH, NC
3. AUSTIN, TX
4. JACKSONVILLE, FL
5. ORLANDO, FL
6. OKLAHOMA CITY, OK
7. MINNEAPOLIS, MN
8. TAMPA, FL
9. SALT LAKE CITY, UT
10. ATLANTA, GA



MARKET OVERVIEW



2,012,476

NASHVILLE MSA POPULATION 2024



708,144

DAVIDSON COUNTY POPULATION 2022



2.7%

NASHVILLE MSA UNEMPLOYMENT RATE



3.3%

TENNESSEE UNEMPLOYMENT RATE FEB 2024



60%

OF COLLEGE GRADUATES REMAIN
& WORK IN THE REGION



98

NEW PEOPLE PER DAY ON AVERAGE IN 2022

LOCATION OVERVIEW

NASHVILLE

A DIVERSE & GROWING ECONOMY

Nashville's economy continued to surge as the unemployment rate fell 30 basis points (bps) quarter-over-quarter and remained 90 bps below the U.S. average. In Q4, Hankook Tire announced plans to expand its existing facility. Once completed, the project will double production and bring 2,200 more jobs to the area, making Hankook the largest private employer in Clarksville. A continuous stream of announcements by industrial tenants bringing jobs to the market keep Nashville in an advantageous position moving into 2024.

Nashville is consistently recognized for its highly educated work force, compelling demographics, and vibrant, growing economy. These characteristics set the city apart from many other metropolitan areas and have resulted in a trend of significant economic gain, making it the envy of other cities and continuing to attract new national and international investment.

A MAJOR CORPORATE HUB

- Fortune 500 companies such as Philips, Regions Bank, Dell, Bridgestone, Nissan North America, Tractor Supply, UBS, and Dollar General have a major presence in Nashville
- Amazon's "Operations Center of Excellence" will bring 5,000 direct jobs to the downtown area
- With no major economic sector accounting for more than 20% of the employment base, Nashville is not reliant on any one area of business activity
- The metropolitan area boasts a current unemployment rate of 2.7%, less than the national average of 3.8%
- The city's pro-business environment has resulted in significant corporate expansion and relocations

NASHVILLE'S TOP EMPLOYERS



24,039



11,000



10,500



8,335



4,440



7,813



3,028



3,000



3,400



3,430



2,715



3,389



4,000



2,500



3,800



2,671



4,550

LOCATION OVERVIEW

HEALTHCARE — A MAJOR ECONOMIC DRIVER

Nashville is home to more than 400 healthcare companies, including Hospital Corporation of America (HCA), the largest private operator of hospitals in the world. The high-growth and highly stable healthcare industry has emerged as a key economic driver to the region, due in large part to the research efforts of Vanderbilt University and the myriad of other healthcare related companies that call the region home.

- Estimated that the Healthcare industry contributes \$40 billion and 250,000 jobs annually to the region
- Home to Healthways, Caremark, LifePoint, Philips Healthcare, MEDHOST, MedSolutions, AIM, and the East Region Headquarters for CIGNA
- Vanderbilt University Medical Center, a world-class institution, provides premier healthcare services and produces a large portion of the nation's most advanced medical research

EMERGING TECH & FINANCIAL HUB

- Nashville named as one of the top five “market-leading tech innovation hubs” by BIP Capital
- Booming healthcare industry in the city has spun off numerous healthcare IT startups such as Change Healthcare, HealthStream, and Tivity Health
- Google selected Nashville as the only North American city to host the Google For Entrepreneurs Exchange, a health tech immersion program, in May 2018.

AN ELITE EDUCATION SYSTEM

Nashville is home to numerous colleges and universities that serve to continually attract new residents as well as provide a highly educated labor pool for the city's growing employment base.



Healthcare industry contributes
**\$40 BILLION &
250,000 JOBS**
annually to the region

MARKET OVERVIEW

TRANSPORTATION ADVANTAGES

ROAD: Convergence of three major interstate highways - I-40, I-24, I-65

- The 440 Parkway, Downtown Loop and Briley Parkway link the urbanized areas; Route 840 connects 4 counties in an outer loop.
- 140 freight carriers and 150 truck terminals

AIR: Nashville International Airport - located 8 miles southeast of downtown

- Nearly 10 million passengers annually
- Nearly 350 average daily flights

RAIL: CSX Transportation links 20 states and operates a major intermodal yard for the Southeast with an average of 90 trains daily; Nashville is a division headquarters.

WATER: Port of Nashville on the Cumberland River; 9 foot navigation channel accessible to Ohio River, Mississippi River, and Gulf of Mexico

MASS TRANSIT: Intercity bus system; Music City Star suburban rail service

IMPRESSIVE TRANSPORTATION NETWORK

- Residents and companies are drawn to Nashville given the area's strong transportation network that significantly enhances economic opportunities and quality of life within the region.
- Centrally located at the crossroads of three interstate highways (I-65, I-40 & I-24)
- Nashville International Airport handles over 440 daily flights to more than 80 different US markets.
- Planned \$1.2B airport expansion at the 4th fastest growing U.S. airport will provide an additional international concourse and a new hotel.
- CSX Transportation maintains its third largest rail yard in the Southeast in Nashville, with an average of 90 trains and 7,200 cars rolling through the city daily.
- The Port of Nashville has direct access to the Gulf of Mexico via the Cumberland River.

NASHVILLE TRUCKING DISTANCES



MARKET OVERVIEW

NASHVILLE

A TOP INDUSTRIAL PERFORMER

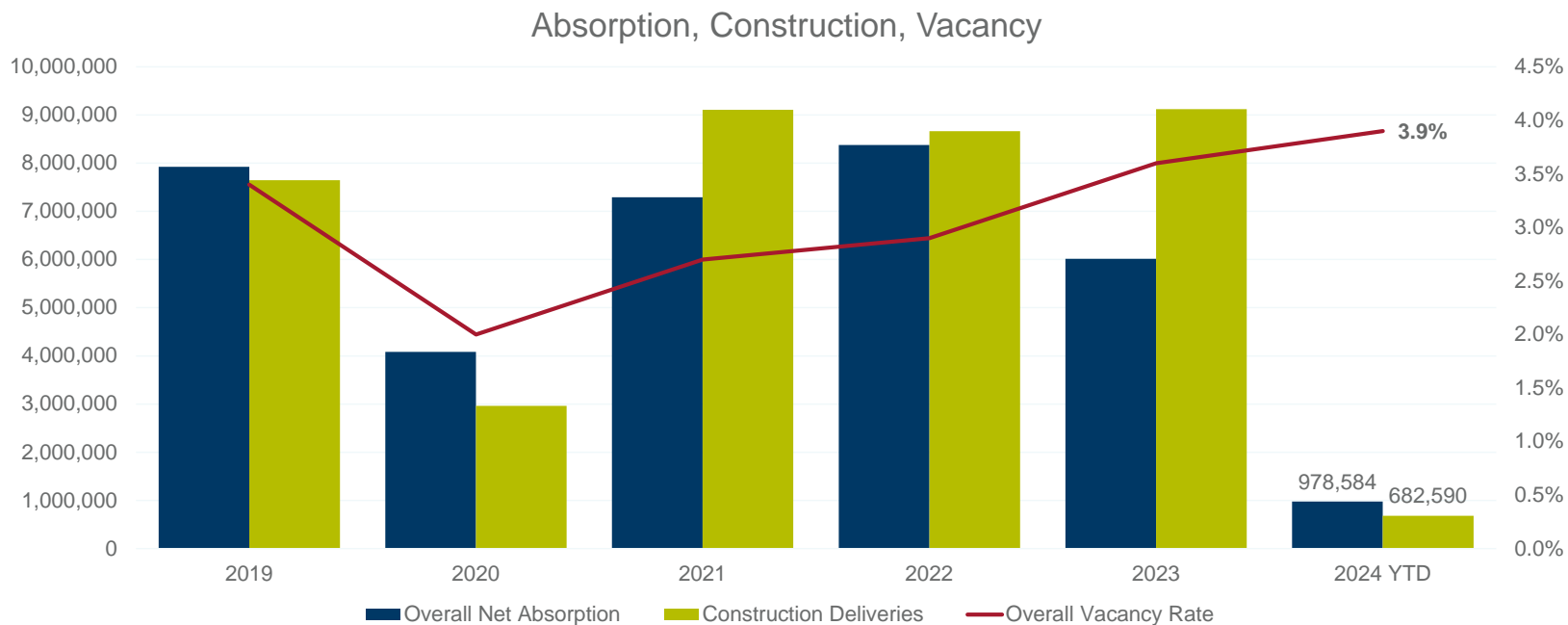
Nashville's 251 MSF Industrial market is one of the strongest markets in the U.S. and home to a highly diverse national, regional and local tenant base that provides relative stability throughout economic cycles. Nashville continues to build on its positive momentum having posted five years of positive absorption totaling nearly 34.7 MSF. With continued interest in the Nashville market mixed with steady forecasted job growth in the region, the Nashville industrial market is poised to sustain its gathered momentum and to continue to recruit a broad range of industrial requirements.

NASHVILLE OVERALL INDUSTRIAL MARKET Q1 2024

Inventory	251 MSF
Overall Vacancy	3.9%
YTD Absorption	978,584 SF
2024 Absorption	978,584 SF
Under Construction	9.9 MSF
Avg. Quoted Rent (NNN)	\$7.58

Source: C&W Research

ABSORPTION & VACANCY



MARKET OVERVIEW

STRONG POSITIVE ABSORPTION

1 MSF

OF POSITIVE NET ABSORPTION
IN Q1 2024; 6 MSF IN 2023

**3.9% OVERALL NASHVILLE
VACANCY RATE**

190 BPS LOWER THAN U.S. RATE

34.7 MSF

OF POSITIVE ABSORPTION
SINCE 2019

**CONSISTENT PIPELINE
OF INDUSTRIAL
REQUIREMENTS**

IN A VARIETY OF SIZE RANGES

MARKET STATISTICS BY USE - YEAR-OVER-YEAR COMPARISON

Type	# of Bldgs	Inventory	YTD Net Absorption	YTD Net Absorption	Vacancy Rate	Vacancy Rate	Vacancy Rate Change <i>(in basis points)</i>
		Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	
Bulk A	197	82,934,134	1,075,099	839,946	5.8%	5.9%	10
Bulk B	102	27,055,706	(88,800)	0	1.8%	0.4%	(140)
Warehouse	1,859	75,733,180	297,868	132,102	2.0%	2.4%	40
Manufacturing	345	54,899,328	0	11,750	1.0%	1.2%	20
Flex/R&D	224	10,231,847	26,142	(5,214)	3.4%	2.8%	60
Nashville Total	2,727	250,854,195	1,277,309	978,584	3.5%	3.9%	(40)

MARKET OVERVIEW

EAST SUBMARKET

STRONG MARKET FUNDAMENTALS WITH SINGLE-DIGIT VACANCY



- 94% current occupancy rate
- Diverse product mix attracting many different types of users
- Institutional ownership throughout the market
- 20.8 MSF of new construction completing since 2019, the East occupancy has averaged 95% in that time.

NASHVILLE'S ABSORPTION LEADER

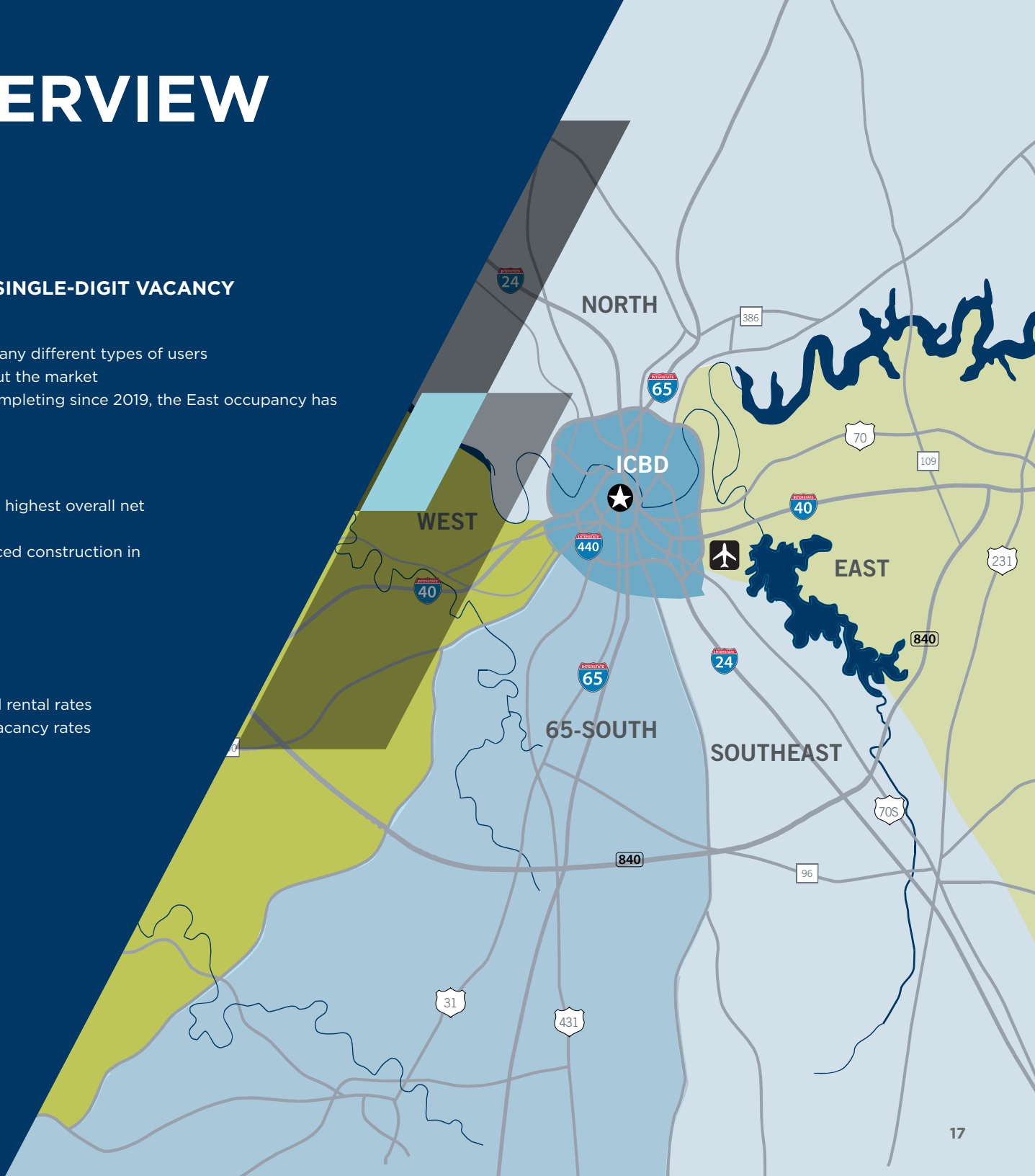


- The East submarket recorded the highest overall net absorption at 776,374 SF
- Since 2011, absorption has outpaced construction in the East

RISING RENTAL RATES



- \$7.44 PSF overall average quoted rental rates
- East rates continue to rise with vacancy rates remaining at historic lows



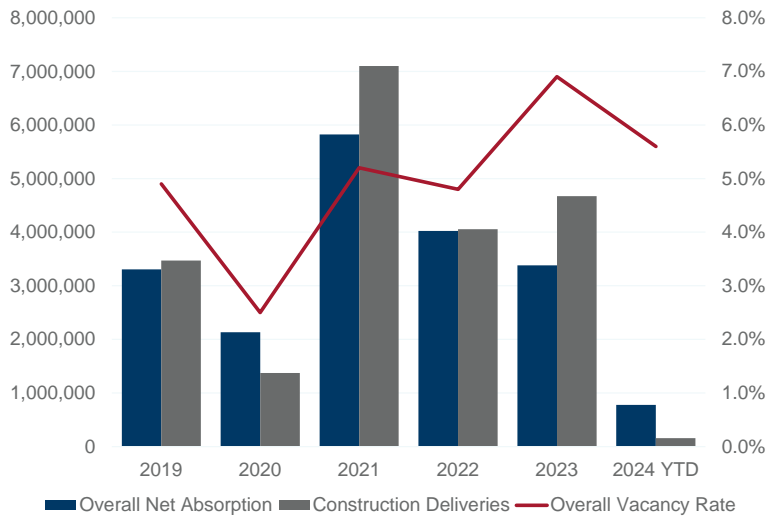
MARKET OVERVIEW

EAST SUBMARKET

NASHVILLE'S LEADING INDUSTRIAL SUBMARKET

- The East submarket is Nashville's second largest industrial submarket consisting of 49.9 MSF totaling 20% of Nashville's total industrial inventory
- The East submarket recorded the highest overall net absorption and leasing activity in 2023 of all the Nashville submarkets at 3.2 MSF
- The East submarket has recorded an average of 19.4 MSF in annual absorption over the last five years

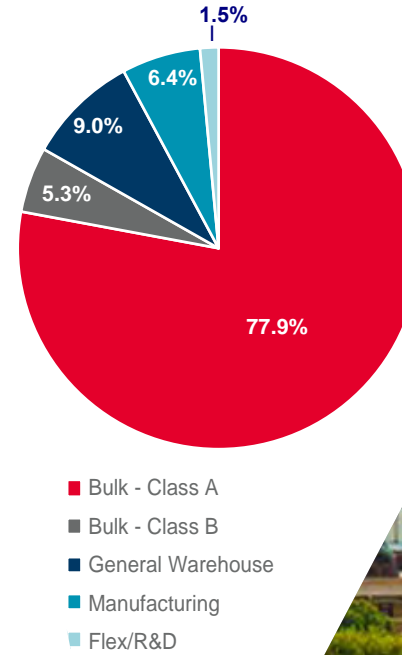
EAST OVERALL SUBMARKET ABS-CON-VAC.



EAST SUBMARKET AT A GLANCE

Inventory	49.9 MSF
Overall Vacancy	6%
Q1 2024 Net Absorption	776,374 SF
Under Construction	3.3 MSF
Avg. Quoted Rent (NNN)	\$7.44

EAST INVENTORY





CONTACTS

DAVID MCGAHREN, SIOR
Executive Managing Director
+1 615 301 2810
david.mcgahren@cushwake.com

LONNIE RUSSELL
Senior Director
+1 615 301 2913
lonnie.russell@cushwake.com

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