



NET LEASE INVESTMENT OFFERING



WEST TENNESSEE HEALTH CARE
1804 US-45 BYPASS
JACKSON, TN 38305



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant property leased to West Tennessee Health Care in Jackson, Tennessee. West Tennessee Health Care recently signed a new 10-year lease with 2% annual rent escalations. Tennessee is an income tax free state.

The 54,835 square foot office property is positioned along US 45 Bypass (47,008 VPD) approximately ½ mile south of interstate 40. The property is next to a Double Tree by Hilton and adjacent to North Highland Avenue which has a daily traffic count of over 21,925. Area retailers included Walmart Supercenter, Sam's Club, The Home Depot, Best Buy, Ultra, Dick's Sporting Goods, Hobby Lobby, McDonald's, Tacos for Life, Zaxby's, and many more. The West Tennessee Health Care property is less than a mile from Old Hickory Mall with tenants such as JC Penny, Belk, Finish Line, Express, American Eagle, Chuck E. Cheese, and several others. There are 67,009 people living within five miles of the property earning an average annual household income of \$67,219. Ford Motor Company has chosen a site 39 miles (33-minute drivetime) west of Jackson, Tennessee to build its Ford Electric Vehicle Plant. At 5.6 billion dollars, it is the single largest investment ever made by Ford in its 110-year history. There will be between over 30,000 construction workers building the facility over the next couple of years. Once built, the plant will employ 5,800 employees.

The property houses the IT and Legal Departments of West Tennessee Healthcare. This office and its employees support the hospice services of the West Tennessee Healthcare system as well as many other essential functions of the entire hospital system.

West Tennessee Health Care is a public, not-for-profit, multi-specialty health care provider with 90 different hospitals and medical centers serving more than half a million patients a year across 9,000 square miles of Tennessee. WTHC has provided top quality care for over 70 years. Each year they treat more heart attacks than any other hospital in the state and boast the regions only certified comprehensive cancer center, as well as the only Joint Commission certified stroke center, providing lifesaving interventions when every second counts. Jackson-Madison County Grand Hospital (does business as West Tennessee Healthcare) is rated investment grade (Moody's A2)

Office rents in the Jackson Market rose at a 2.4% annual rate into the third quarter of 2022 and posted an average annual gain of 3.0% over the past three years. We have seen a cumulative inventory expansion of 2.5% in terms of additional space in the sector over the past three years. Vacancies were in line with the 10-year average as of 2022 Q3 and were little changed over the past four quarters. Employment in the metro increased 2.2% year-over-year, or a gain of about 1,500 jobs.

INVESTMENT HIGHLIGHTS

- Tennessee is an income tax free state
- New 10-year lease term
- WTHC was listed as one of the top ten largest public, non-for-profit healthcare systems in the US
- E-commerce resistant tenant
- WTHC has 90 hospital and medical centers across West Tennessee
- WTHC serves more than half a million people across 9,000 sq. mi.
- Investment grade rated tenant (Moody's A2)
- Tenant has annual revenues exceeding \$900,000,000
- Tenant listed as one of the top ten largest non-profit healthcare systems in the US
- Located along Hwy 45 Bypass (47,620 VPD) just ½ mile from interstate 40
- 67,009 people live within a five-mile radius of the property earning an average annual household income of \$67,219
- Tenants in the area include Walmart Supercenter, Sam's Club, The Home Depot, Best Buy, Ultra, Dick's Sporting Goods, Hobby Lobby, McDonald's, Tacos for Life, Zaxby's, and many more
- Ford to open an EV plant 35 minutes away that will bring in 30,000 construction workers and 6,000 fulltime employees



PROPERTY OVERVIEW

Price:	\$14,341,462
Cap Rate:	6.50%
Net Operating Income:	\$932,195
Commencement Date:	9/1/2022
Primary Term Expiration:	8/31/2032
Renewal Options:	Two 5-year
Rental Escalations:	2% annually
Tenant:	West Tennessee Health Care, INC*
Year Built/Renovated:	1989/2000
Lease Type:	NN (Roof and Structure)
Building Size:	54,835 SF
Lot Size:	3.70 AC

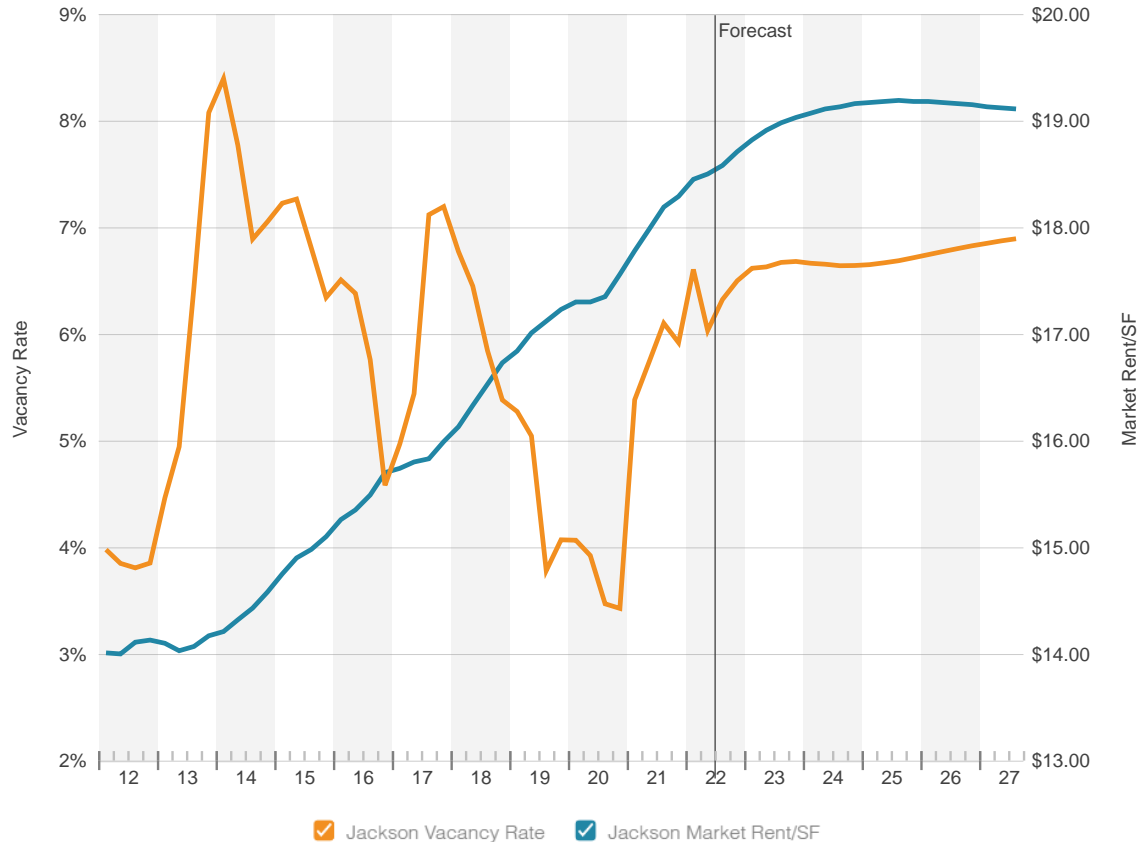
* Jackson-Madison County Grand Hospital (does business as West Tennessee Healthcare) is rated investment grade (Moody's A2).



SUBMARKET OVERVIEW

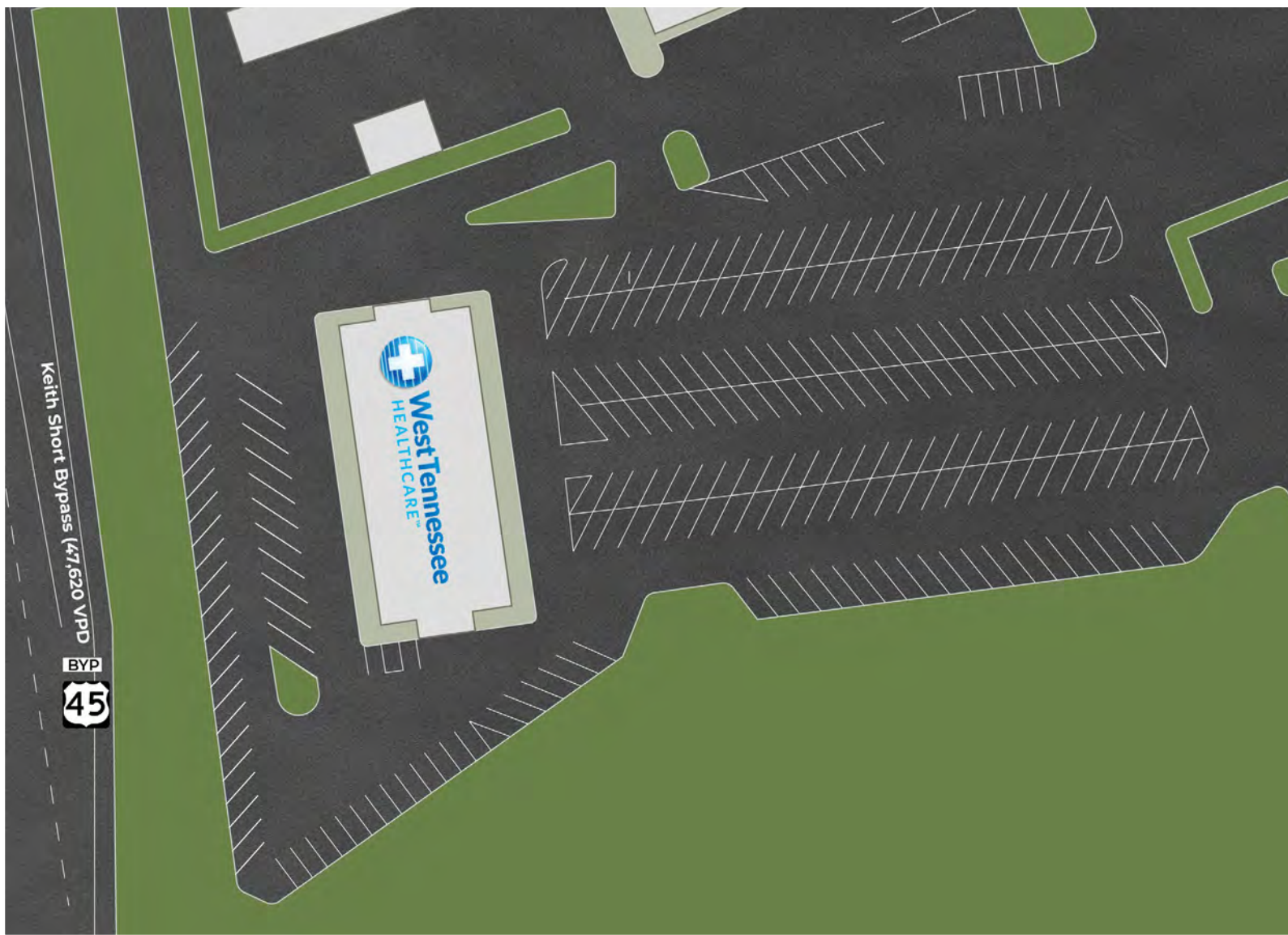
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VACANCY & MARKET RENT PER SF

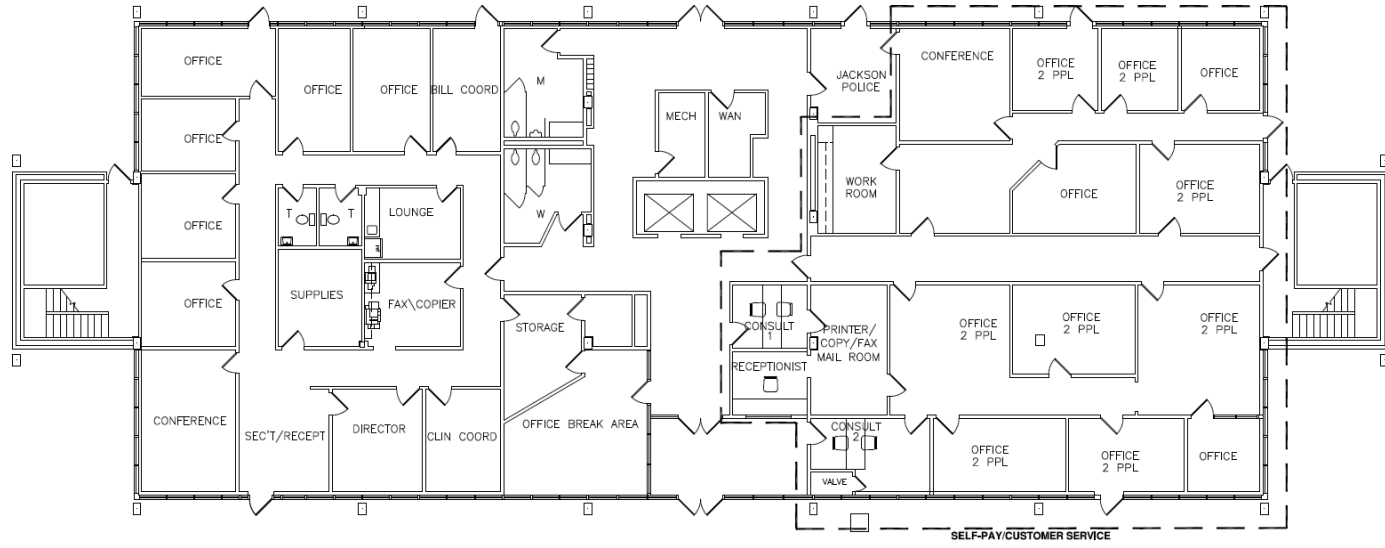




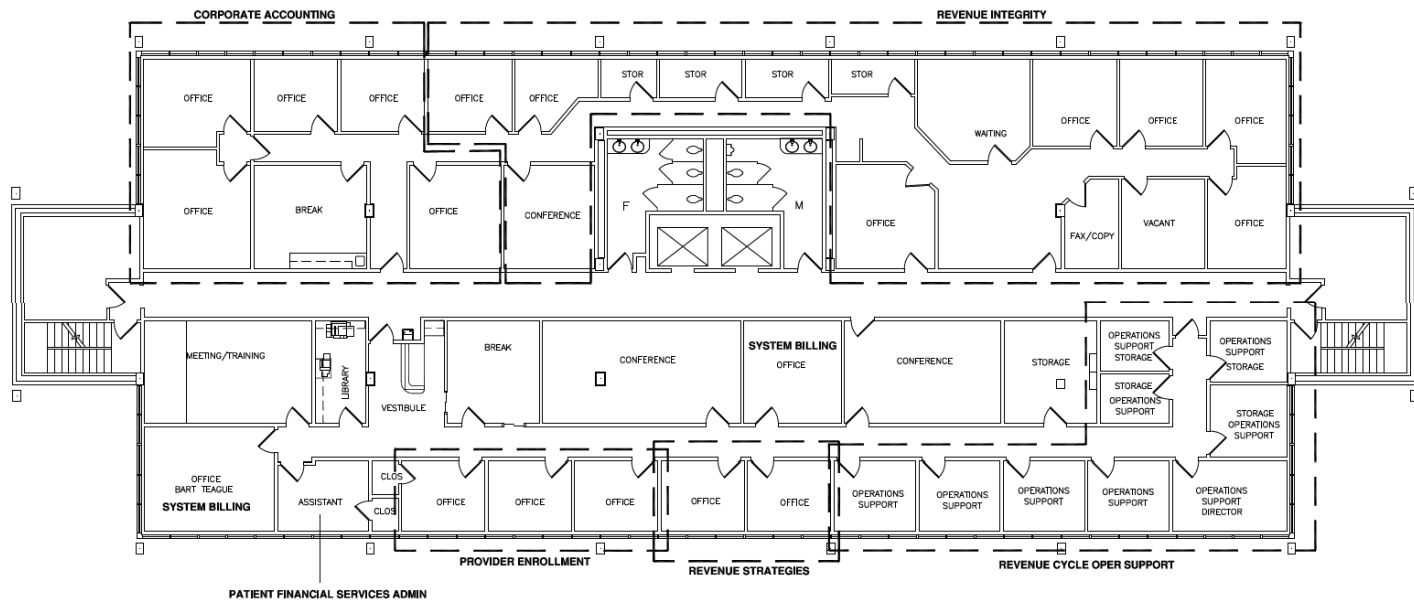




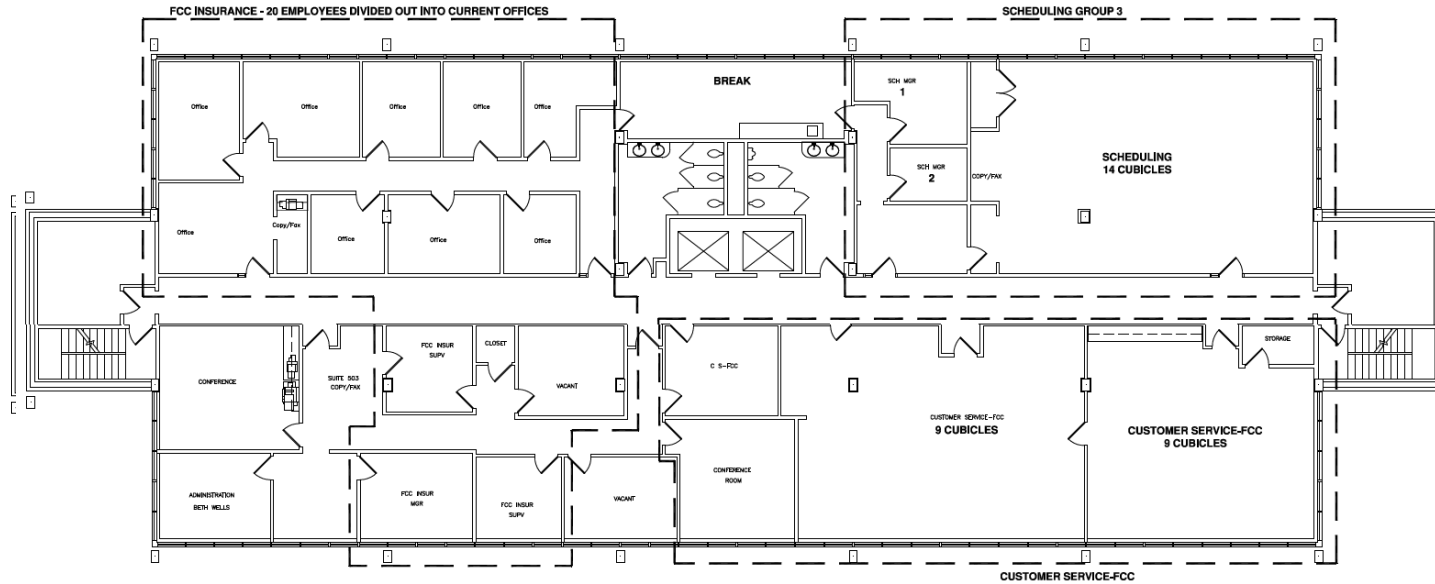
FIRST FLOOR



SECOND FLOOR

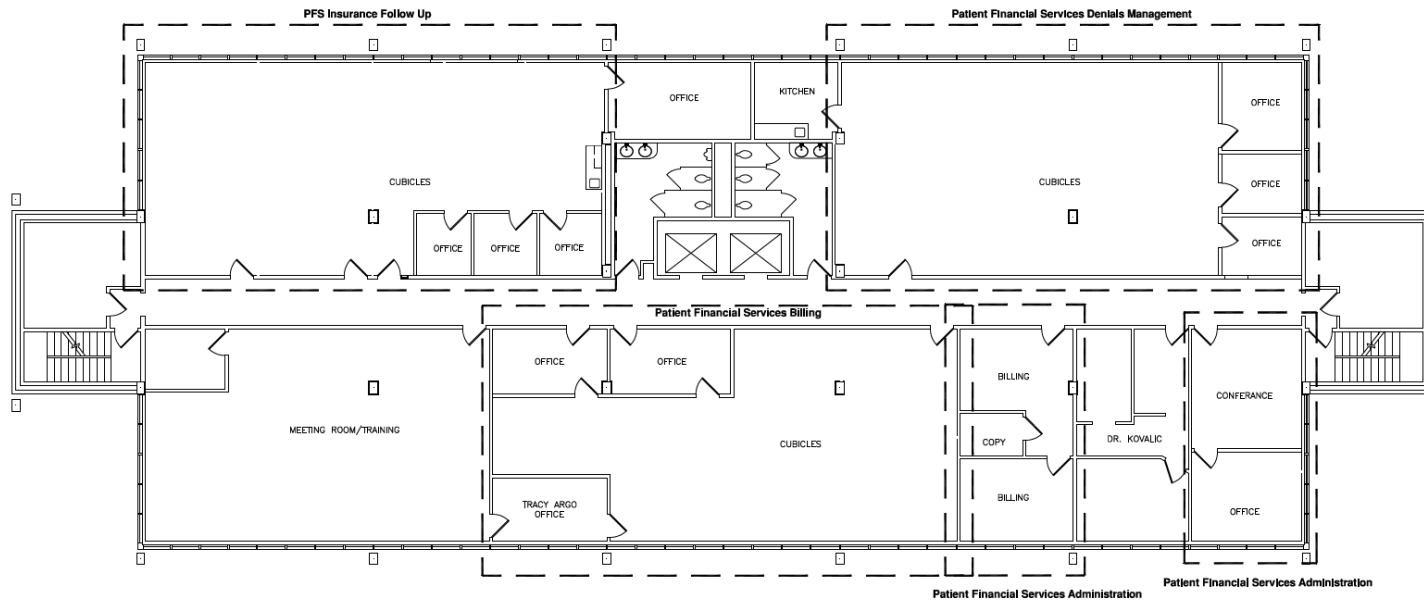


THIRD FLOOR

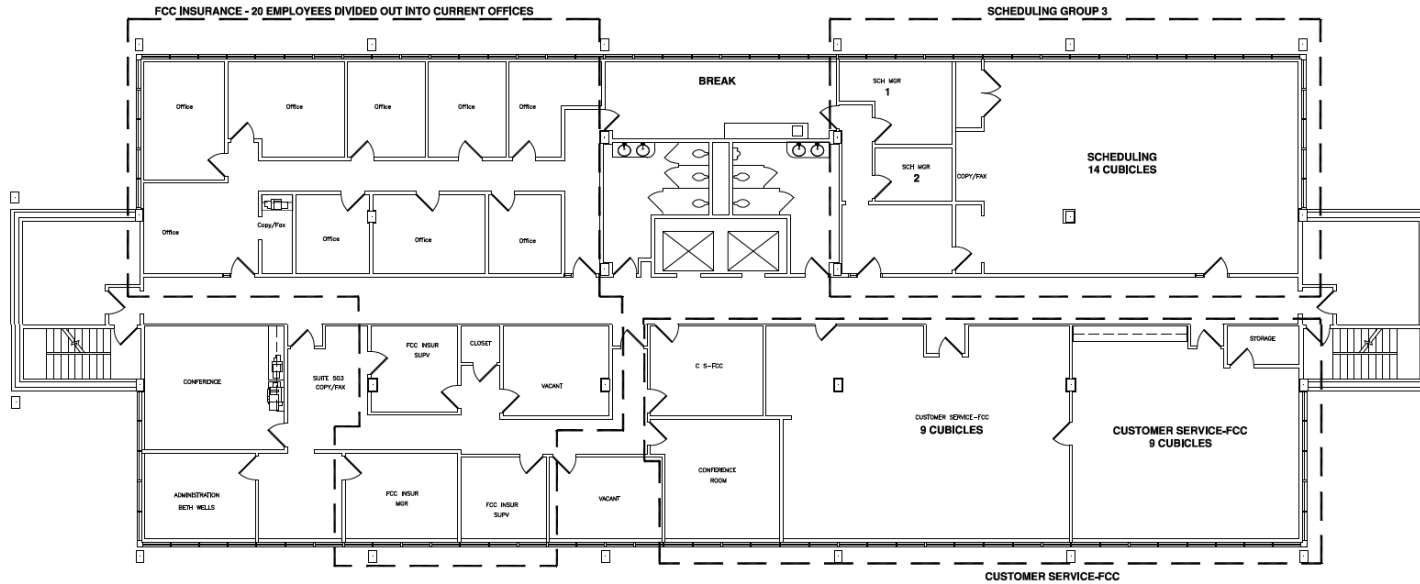


FIFTH FLOOR PLAN

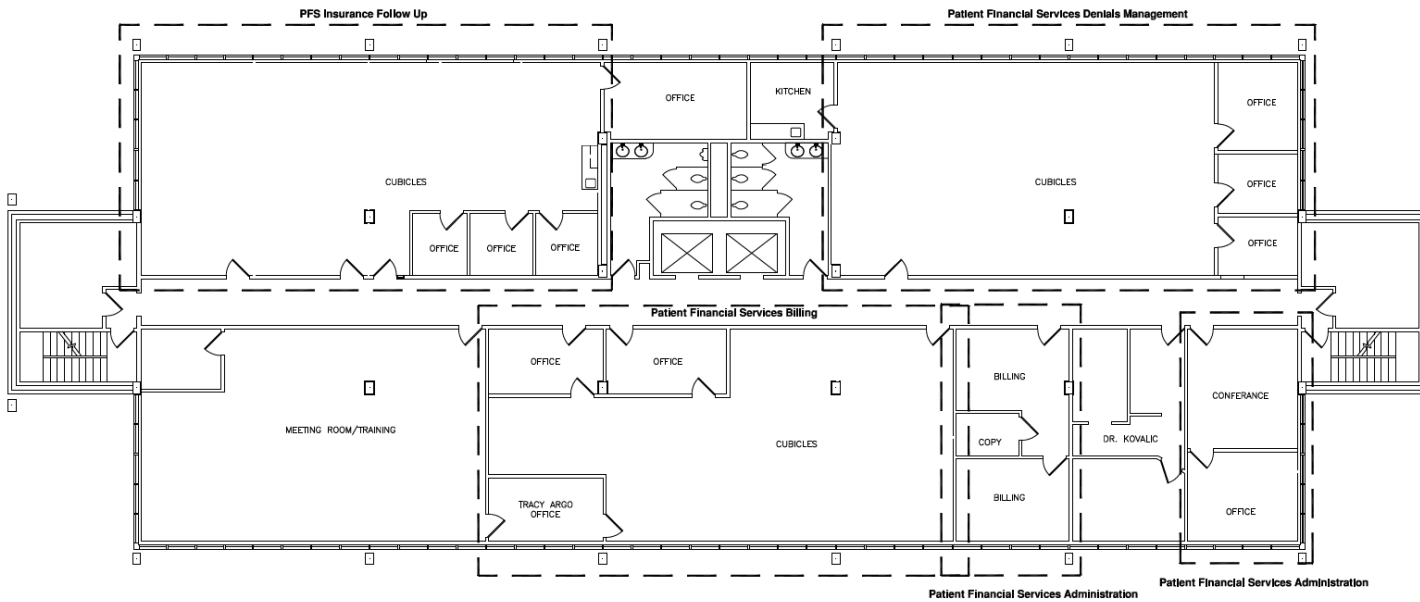
FOURTH FLOOR

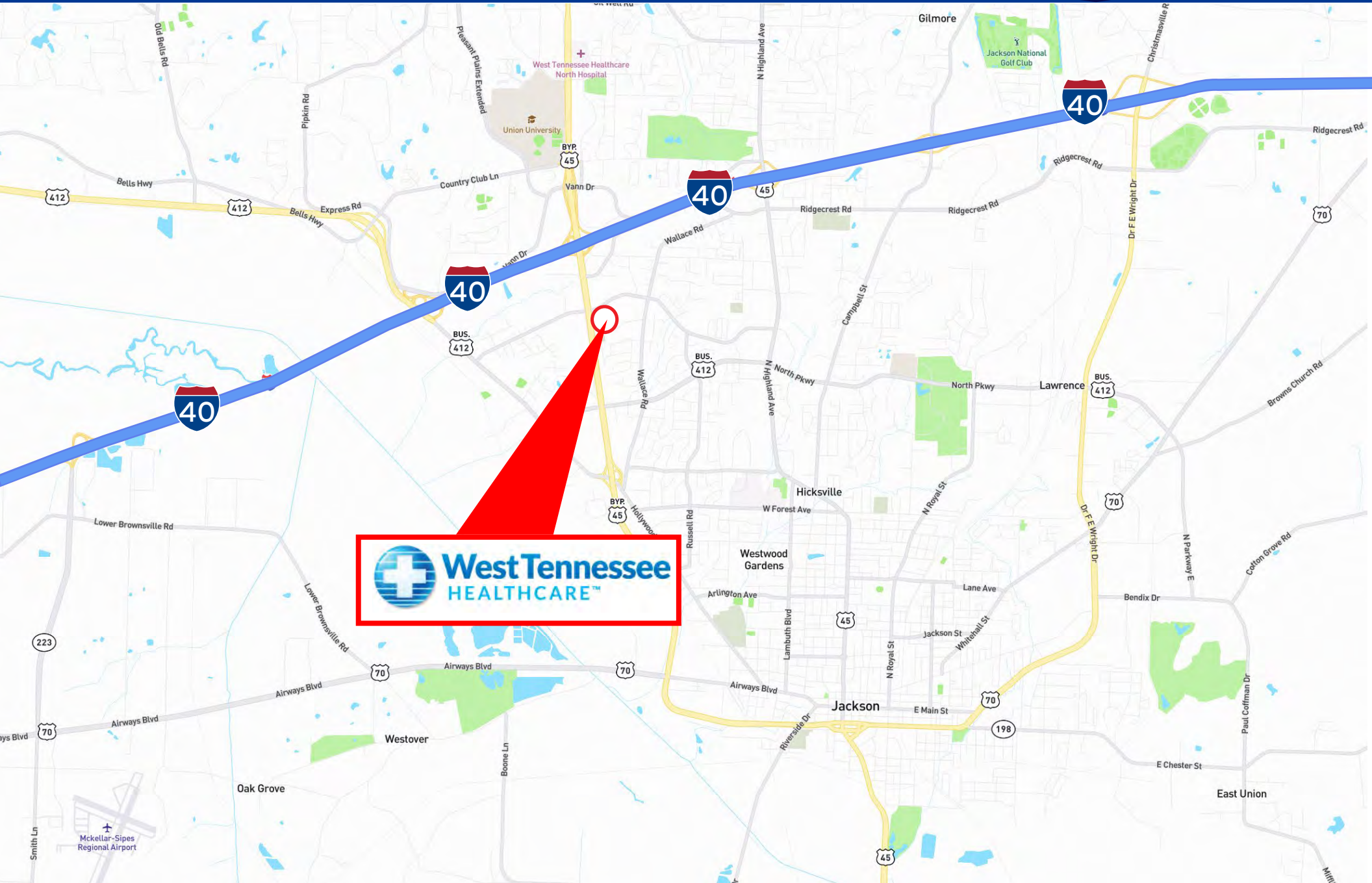


FIFTH FLOOR



SIXTH FLOOR





DEMOGRAPHICS

POPULATION

	1-Mile	3-Mile	5-Mile
Total Population:	6,550	40,439	65,682
Total Households:	2,682	15,976	26,388

INCOME

	1-Mile	3-Mile	5-Mile
Median Household Income:	\$46,305	\$41,922	\$49,727
Average Household Income:	\$62,679	\$59,508	\$65,289



CITY OF JACKSON, TENNESSEE

Jackson is the county seat of Madison County, Tennessee. Located 70 miles (110 km) east of Memphis, it is a regional center of trade for West Tennessee. With a total population of 68,205. Jackson is the primary city of the Jackson, Tennessee metropolitan area. Jackson is Madison County's largest city, and the second-largest city in West Tennessee next to Memphis. It has been the home to the Tennessee Supreme Court's courthouse for West Tennessee since 1834.

Jackson has a rich history in agriculture with cotton being the major commodity crop. Beginning in 1851, the city became a hub of railroad systems ultimately connecting to major markets in the north and south, as well as east and west, which fueled new industry manufacturers such as Proctor and Gamble, Black and Decker and Delta Faucet just to name a few.

As a regional hub of over 300,000 people, Jackson is well connected. The nine-county regional workforce is fueled by six colleges and universities and a state technology center in Jackson, plus more in the region. With a median age of 37.7, the region's population that has a high school diploma or higher is 88.5 percent. Employers give the workforce high ratings for work ethic and productivity.



TENANT WEST TENNESSEE HEALTH CARE

West Tennessee Health Care is a public, not-for-profit, multi-specialty health care provider with 90 different hospitals and medical centers serving more than half a million patients a year across 9,000 square miles of Tennessee. WTHC has provided top quality care for over 70 years. Each year they treat more heart attacks than any other hospital in the state and boast the region's only certified comprehensive cancer center, as well as the only Joint Commission certified stroke center, providing lifesaving interventions when every second counts. Jackson-Madison County General Hospital (doing business as West Tennessee Healthcare) is rated investment grade (Moody's A2).

WTHC operates without tax support. It was listed as one of the top ten largest public, non-for-profit healthcare systems in the U.S. With locations throughout 17 counties in West Tennessee, the system provides a full compendium of care from four hospitals, medical laboratory services, medical products and infusion services, outpatient physical rehab facilities, behavioral health, early child development intervention services, community support and education, and more. West Tennessee Healthcare employs more than 7,000 people and is one of the region's top employers.

Tenant Website:	www.wth.org
Company Type:	Public hospital system
Number of Locations:	90
Employees:	7,000
Headquarters:	Jackson, TN
Established:	1950



CONFIDENTIALITY & DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.

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