



3016-3020 Brookside Dr,
Kingsport, TN 37660

Offering Memorandum



MATTHEWS™



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Executive Summary

- **STRONG NATIONAL CREDIT TENANT** — Founded in 1969 with over **300 locations nationwide**, TruGreen is America's #1 largest lawn care company (**30% market share**), serving more than 2.3 million residential and commercial customers across the United States with lawn, tree, and shrub care services. The company employs approximately 15,000 associates and generates an estimated \$2 Billion in annual revenue.
- **BELOW-MARKET RENT & DISCOUNT TO REPLACEMENT COST** — TruGreen is currently paying \$4.93/SF, significantly below market rents that reach \$8.45/SF according to CoStar. Supported by a tight $\pm 4\%$ vacancy rate, the property offers compelling long-term mark-to-market potential. At approximately \$73 Price/SF, the acquisition basis is **substantially below replacement cost**, providing investors with both downside protection and future rent growth upside.
- **INDUSTRIAL NNN LEASE / 2.50% ANNUAL RENT INCREASES** — The property is secured by a passive 10-year industrial NNN lease that commenced in 2022 and features 2.50% annual rent increases, providing investors with predictable cash flow growth and a built-in hedge against inflation. The Industrial NNN structure minimizes landlord responsibilities while offering stable, long-term income backed by an established national tenant.
- **PRIME TRI-CITIES, TENNESSEE LOCATION** — Kingsport serves as a key economic anchor of Tennessee's Tri-Cities region, one of the Southeast's most established and economically resilient metropolitan areas and home to Fortune 500 company Eastman Chemical. The property benefits from great connectivity via **Interstates 26 and 81**, providing direct access to major freight and logistics corridors throughout the Southeast and Mid-Atlantic. This strategic location offers efficient access to key markets including Knoxville, Nashville, Charlotte, and the broader Appalachian region, supporting long-term industrial and service-oriented operations.
- **INCOME TAX FREE STATE** — Tennessee benefits from no state income tax offering significant financial advantages for businesses and investors, enhancing profitability and making it an attractive location for long-term growth and investment.



Property Overview

PROPERTY SUMMARY

Tenant	TruGreen Lawn Care
Address	3016-3020 Brookside Dr, Kingsport, TN 37660
Submarket	Sullivan County
Year Built/Renovated	1997/2004/2022
Construction	Metal/Steel
Total Building Square Feet	±24,354 SF
Building 1 Square Feet	±16,115 SF
Building 2 Square Feet	±8,239 SF
Acres	±2.40 AC
Lot Square Feet	±104,544 SF
Building/Lot Coverage	23%
Grade Level Doors	Three (3)
Dock High Doors	Four (4)



Financial Overview



Price
\$1,791,000



Cap Rate
6.70%



Price/SF
\$73.54



Lease Term Remaining
±5 Years

LEASE SUMMARY

Lease Commencement 1/19/2022

Lease Expiration 1/31/2032

Lease Term Remaining 5+ Years

Options Two (2), 5-Year Options @ The Greater of 98% FMV

Monthly Rent \$10,000.88

Annual Rent \$120,010.52

Average Annual Rent \$127,765.93

Rent/SF \$4.93

Rent/Acre/Month \$4,167.03

Rental Increases 2.50% Annually

Lease Type Industrial NNN

Tenant Responsibilities OPEX - Taxes, Insurance, Utilities, Maintenance: Interior Walls, Flooring, Ceilings, Windows, Doors, Plate Glass, Entrances and Vestibules, Plumbing, HVAC Systems, Parking Lot & Landscaping

Landlord Responsibilities Roof, Skylights, Structure, Subsurface & Underground Utilities, Foundation



Price \$1,791,000

Cap Rate 6.70%

Average Cap Rate 7.13%

Price/SF \$73.54

Price/SF Land \$17.13

Price/Acre \$746,250

FINANCING

FOR FINANCING OPTIONS REACH OUT TO:

Corey Russell
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Financial Overview



ANNUALIZED OPERATING DATA

Year	Annual Rent	Monthly Rent	Rent/SF	Rent / AC / MO	Cap Rate	% Increase
2/1/2026-1/31/2027	\$120,010.52	\$10,000.88	\$4.93	\$4,167.03	6.70%	2.50%
2/1/2027-1/31/2028	\$123,010.78	\$10,250.90	\$5.05	\$4,271.21	6.87%	2.50%
2/1/2028-1/31/2029	\$126,086.05	\$10,507.17	\$5.18	\$4,377.99	7.04%	2.50%
2/1/2029-1/31/2030	\$129,238.20	\$10,769.85	\$5.31	\$4,487.44	7.22%	2.50%
2/1/2030-1/31/2031	\$132,469.16	\$11,039.10	\$5.44	\$4,599.62	7.40%	2.50%
2/1/2031-1/31/2032	\$135,780.89	\$11,315.07	\$5.58	\$4,714.61	7.58%	2.50%

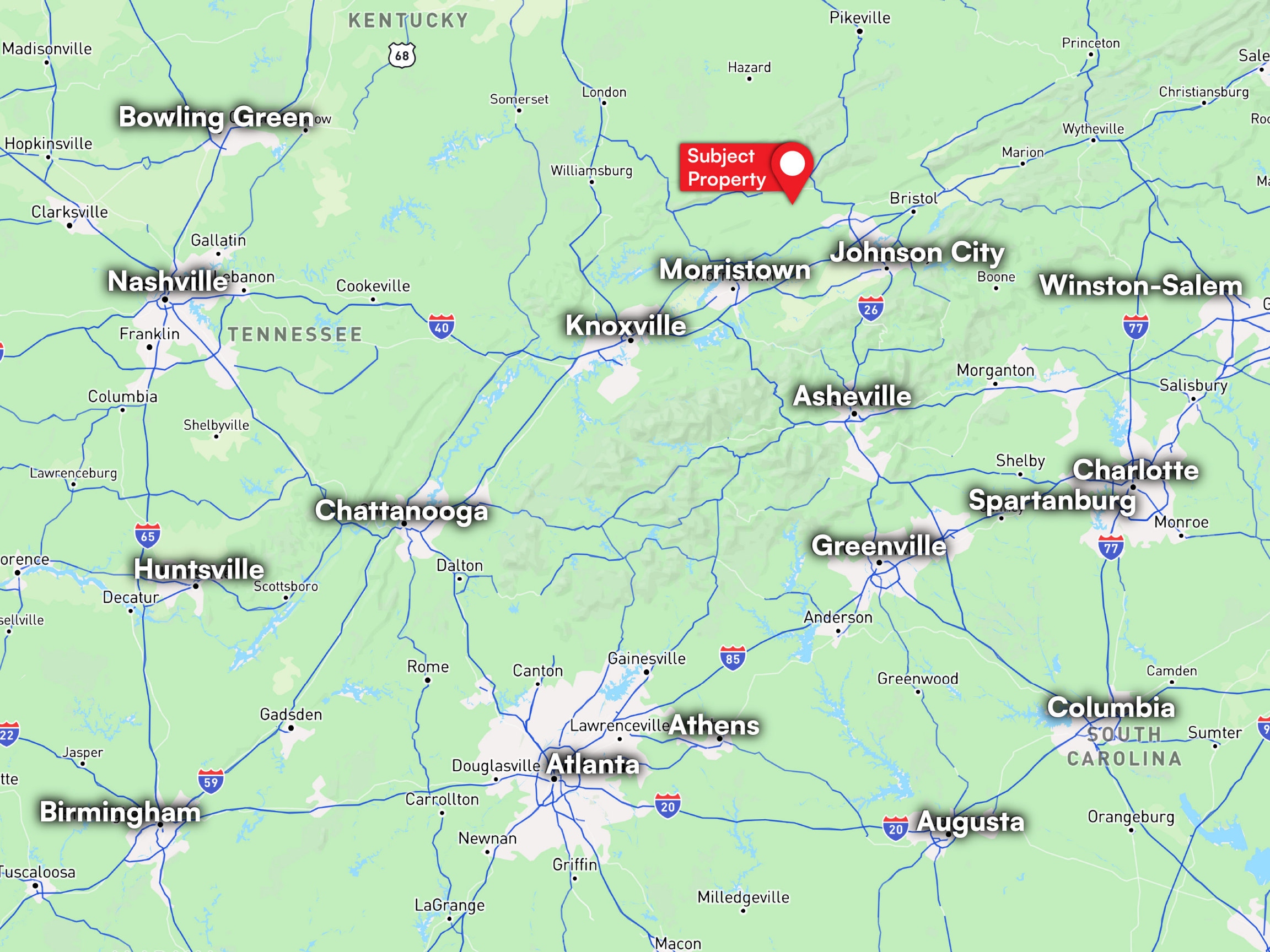
Two (2), 5-Year Options @ The Greater of 98% Fair Market Value





- Building 1** ±16,115 SF
- Building 2** ±8,239 SF
- 4 Dock Doors** 
- 3 Grade Level Door** 





Subject Property

Bowling Green

Nashville

Knoxville

Morristown

Johnson City

Winston-Salem

Asheville

Chattanooga

Spartanburg

Charlotte

Huntsville

Greenville

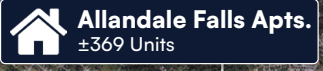
Birmingham

Atlanta

Athens

Columbia

Augusta



± 34,460 VPD

± 26,560 VPD



Google Earth



TENANT OVERVIEW

TruGreen is the largest residential and commercial lawn care provider in North America, delivering essential outdoor services across the U.S. with a strong brand identity and nationwide reach. The company operates under a recurring revenue model built on high-retention subscription services, including fertilization, weed control, pest management, and tree/shrub care. With deep operational infrastructure and private equity backing, TruGreen represents a mature, service-based tenant with strong demand fundamentals and defensible market positioning in the home services sector.

YEAR FOUNDED
1969

OWNERSHIP
PRIVATE

LOCATIONS
300+

HEADQUARTERS
MEMPHIS, TN

EMPLOYEES
15,000+

ANNUAL REVENUE
\$2B (ESTIMATED)



Resilient Service-Based Business Model

TruGreen operates in a non-discretionary, recurring service category tied to property maintenance and seasonal outdoor care, providing steady revenue visibility and high customer retention through subscription-based plans. Its core business demonstrates resilience through economic cycles, supported by durable demand across residential and commercial segments.

Nationwide Scale and Localized Delivery

As the largest lawn care provider in North America, TruGreen's network of over 300 branch locations allows for efficient, route-based service delivery in virtually every major metro market. This hybrid model of national scale and localized service provides strong operational leverage and market penetration advantages.

Private Equity Backing and Strategic Support

With majority ownership by Clayton, Dubilier & Rice (CD&R), TruGreen benefits from access to institutional capital, experienced governance, and strategic expansion capabilities. This enhances the tenant's long-term viability and investment-grade potential, despite the lack of public credit ratings.

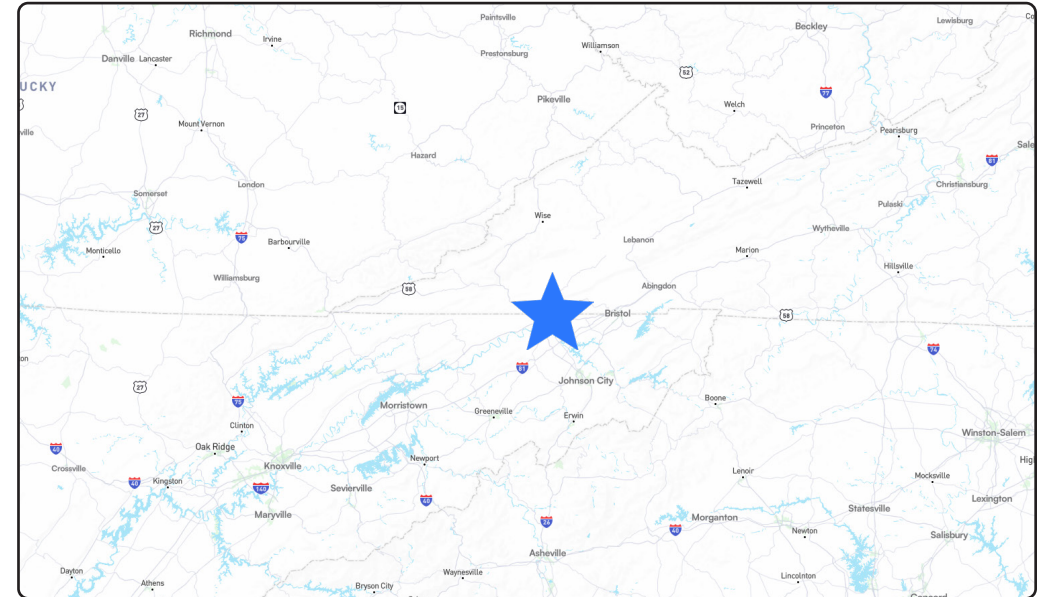
Growth via Acquisition and Technology Investment

TruGreen has demonstrated consistent growth through targeted acquisitions and operational enhancements, including its integration of Scotts LawnService.

Kingsport, TN — Market Overview

Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2020 Population	26,006	59,839	114,778
2025 Population	27,217	61,686	117,625
2030 Population Projection	27,949	63,106	120,303
HOUSEHOLDS	3-MILE	5-MILE	10-MILE
2020 Households	11,380	26,185	49,335
2025 Households	11,916	27,040	50,570
2030 Household Projection	12,241	27,679	51,726
INCOME	3-MILE	5-MILE	10-MILE
Avg Household Income	\$72,387	\$71,623	\$79,361



Kingsport serves as one of the primary economic centers within the Tri-Cities region of Northeast Tennessee, benefiting from a diverse employment base, strategic transportation access, and a growing industrial presence. The area has experienced steady population growth in recent years, supported by its affordability, strong quality of life, and proximity to major regional employment hubs. Residents benefit from a cost of living below national averages while maintaining access to healthcare, education, retail, and recreational amenities. The region's labor force is supported by a blend of manufacturing, healthcare, logistics, and professional services, creating a stable economic foundation.

For industrial users, Kingsport offers significant advantages due to its central location within the Appalachian Highlands and access to major transportation corridors serving Tennessee, Virginia, Kentucky, and North Carolina. The city's industrial heritage, anchored by advanced manufacturing and chemical production, has fostered a skilled workforce and robust supplier network. Continued investment in industrial parks, transportation infrastructure, and economic development initiatives positions the market as an attractive location for warehousing, distribution, and manufacturing operations seeking efficient regional access and favorable operating costs.

| Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **3016-3020 Brookside Dr, Kingsport, TN 37660** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™, the property, or the seller by such entity.

Owner and Matthews™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™ or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



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