

For Sale – In-line Office or Retail Space



Offering Memorandum

Contact Information

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State of Tennessee Real Estate Asset Management
Department of General Services
WRS Tennessee Tower, 24th Floor
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Properties will be offered by Sealed Bid at a date and time to be determined. No offers will be accepted until such time as the State of Tennessee has advertised when Sealed Bids are due.

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CONFIDENTIALITY AND DISCLAIMER AGREEMENT

CONFIDENTIALITY - The enclosed information ("Presentation") is provided to you, strictly for **your own personal use** in determining whether to pursue negotiations to acquire certain properties (defined as the "**Property**") in which The State of Tennessee, on behalf of its Agencies (both defined as "**Seller**") own. **Further distribution** of the information contained herein without **prior written permission** from Seller **is strictly prohibited**. If you decide not to pursue an acquisition of the Property, please return this Presentation immediately to Seller.

INFORMATION DEEMED CORRECT, THOUGH NOT WARRANTED - This Presentation contains select information that Seller believes to describe the Property adequately. We do not present this information as being all-inclusive or as containing all pertinent information necessary to a prudent acquisition decision. Interested parties are advised to confirm all facts, figures, and representations contained herein for themselves. **Any prudent buyer should include an independent investigation of this Presentation and the Property.**

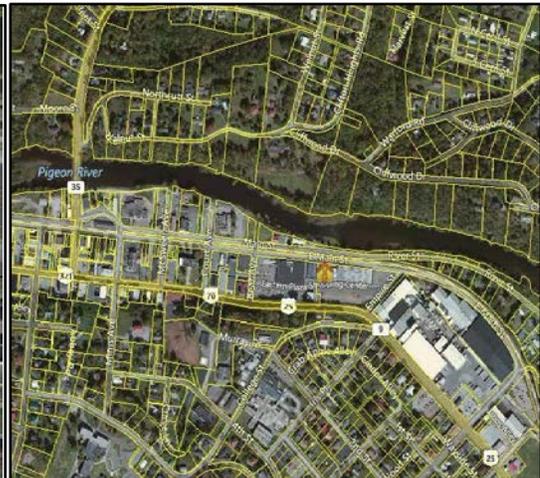
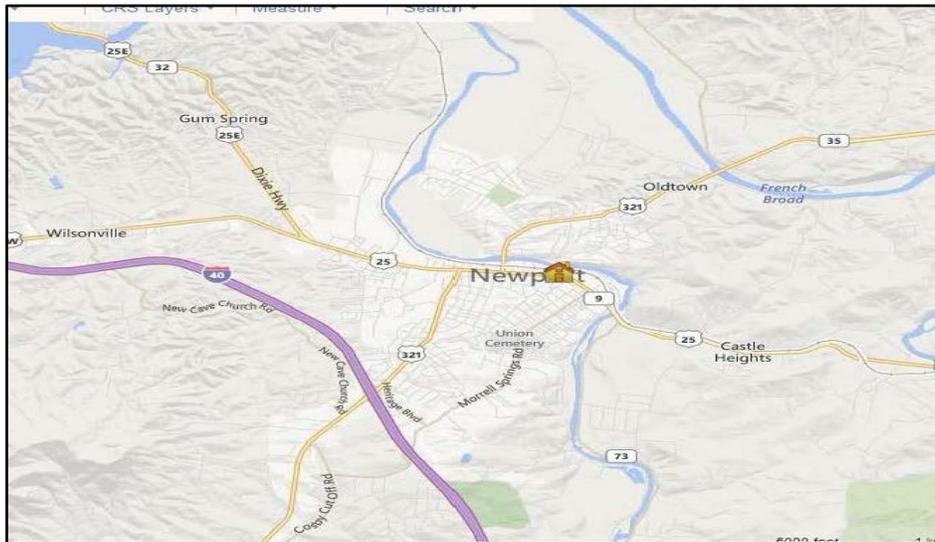
INDEPENDENT INVESTIGATION REQUIRED - This Presentation should not be considered an all-inclusive representation of the state of affairs of the Property. The fact that errors, omissions, and changes are possible require that a prudent buyer **MUST** independently confirm all information pertinent to the condition and affairs of the Property.

PACKAGE DELIVERED SUBJECT TO PRECEDING CONDITIONS - In accepting this package, you agree to be bound by the conditions and requirements detailed in this Confidentiality And Disclaimer Agreement.

SUMMARY

The State of Tennessee is offering 432 Main Street, Newport, Tennessee 37821 for sale pursuant to the Terms of Offering contained herein. The property consists of a single story in-line office/retail totaling 3,200± square feet situated on 0.1107± acres. The improvements are mostly office space constructed in 1964. The site is on the south side of Main Street and has level topography.

The subject is situated with effectively shared walls among an established and operating retail center (Eastern Plaza). Adjacent enterprises include: Rocky Top Liquidators and Ruble's Barber Shop. Other businesses in the center include Food City (renovated store/anchor), Credit Central, and The Smoke Shop, Covington Credit Loan & Tax, Goodwill, Dollar General, LHC/U.T. Medical Home Health, a vacant space (former Hometown Pharmacy) and the Beauty Box beauty shop.



Building

Front Entrance



Rear of building showing party walls



Workrooms



Surrounding Shopping Center

Anchor



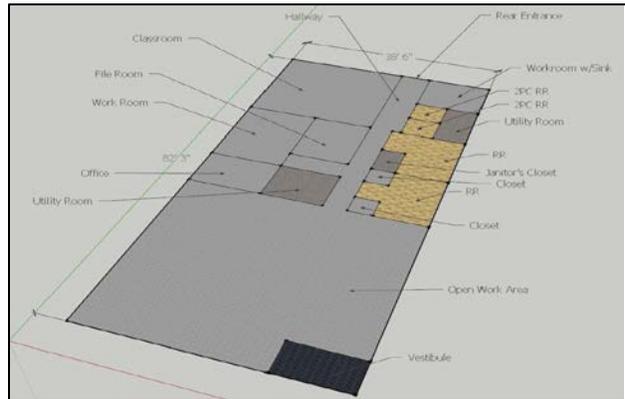
In-Line Shops



PROPERTY INFORMATION

The property consists of a single story in-line office totaling 3,200± square feet situated on 0.1107± acres. The anchor for the Center is Food City and has convenient covered walkways with ample parking. Public services are available; including electricity, water, natural gas, storm water and sanitary sewer. The city of Newport provides fire and police protection. According to FEMA the center is within a designated 100 year flood zone. Zoning on the property is C-1 Commercial and below is a general description of the property.

General Description	
Building Type	Office/Retail (in-line)
Year Built	Circa 1964
Total Area (SF)	+/-3,200
Foundation	Continuous perimeter footing with slab on grade



Exterior Description		Interior Description	
Roof Covering	EPDM Membrane w/ Rock Ballast	Ceiling Finish	Mostly 2'x4' Acoustic Tile in Lay-in-Grid; Some Glued Acoustic Tile
Roof Structure	Metal Deck on Rigid Frame	Wall Finish	Smooth Finished Sheetrock; Some Tile Surrounds in Restrooms
Exterior Siding	Brick	Floor Coverings	Commercial Carpet w/Tile in Restrooms
Exterior Wall	Brick & Masonry CMU	Millwork/Trim	Basic; Rubber Base
Windows	Aluminum Storefront/Fixed Pane	Doors	Solid Core Wood
Man Doors	Commercial Storefront & Full Metal at Rear	HVAC	Central; 2 Trane Brand Units; (1) 4-Ton + (1) 10-Ton
Vehicle Doors	None	Sprinklers	None

MARKET AREA OVERVIEW

LOCAL MARKET DEMOGRAPHICS			
Line Item	One Mile	Three Miles	Five Miles
Population	5,281	12,006	18,704
Population by Race:			
• White	4,672	10,868	17,164
• Black	281	503	588
• Hispanic	133	302	424
• Asian	26	52	76
• Other	169	281	452
Income:			
• Average HH	\$38,418	\$38,857	\$40,035
• Median HH	\$24,974	\$26,243	\$27,886
Family Households	2,219	4,996	7,630
Owner Occupied	1,189	2,919	5,003
Median Home Value	\$91,900	\$104,385	\$104,452
Traffic Count (2012 Est.)	8,686		

Regional Overview:

Cocke County is located in upper east Tennessee and borders the tourist destination, Sevier County, to the southeast and Jefferson, Hamblen and Green counties to the north. The county encompasses over 400 square miles and is situated approximately 45 miles from the Knoxville metropolitan statistical area. Geographically, Cooke County lies against the mountain range that forms the western boundary of North Carolina and hosts the Cherokee National Forrest, the Martha Sundquist State Forrest and the eastern entrance of The Great Smoky Mountains National Park. Six miles of the Appalachian Trail traverse Cocke County.

Manufacturing and Services sectors provide the largest share of the region's employment. The next largest sector is Government, followed by Trade; Natural Resources, Mining and Construction; Finance; and Transportation and Utilities. Approximately 3% of the regions employment is in high-tech industries. The largest shares within the high-tech sector are Medical Equipment and Supplies Manufacturing; Computer and Electronic Product Manufacturing; and Telecommunications. The average wage across all industries in the region has been lower than the state's average historically; however, this region's growth in employment of 21% from 1993-2003 was second highest among all regions and was well above the state average of 15% at the same time period.

TERMS OF OFFERING

ALL CASH - "AS IS"

The State of Tennessee requests sealed bids for the purchase of the Real Estate located at 432 North Main Street, Newport, TN 37821.

NO MINIMUM BID

The State will accept sealed bids until 1:30 p.m. Central Time on *To Be Determined*, 20___. The State reserves the right to reject any and all bids. Please contact us (or visit our website) for bid package and additional information.

BID PROCEDURE

METHOD: Sale is to be by the sealed bid method. The State reserves the right to refuse or reject any or all bids.

OPENING: Sealed bids will be opened *To Be Determined*, 20__ at 1:30 p.m. (Central Time) at the State of Tennessee Real Estate Asset Management office in Nashville, Tennessee. Bids must be received by Real Estate Asset Management no later than the opening time and date. Late bids will be returned unopened.

FORMAT: The bid must state the amount of the bid and identify the party or entity to whom the property will be conveyed. Bids must be sealed and contain the following information on the bottom left hand corner of the envelope:

BID ENCLOSED: TR 13-11-001
BID OPENING TIME: 1:30 PM CT
BID OPENING DATE: *To Be Determined*, 20___

SECURITY DEPOSIT: The bid must include a security deposit by cashier's check, in the amount of five (5%) of the total bid, payable to the State of Tennessee. Security deposits will be deposited the next business day. The security deposit will be applied to the purchase price for the successful bidder. The security deposit will be forfeited if the successful bidder fails to perform. Security deposits will be returned to unsuccessful bidders by separate State warrants within three weeks.

AWARD OF BID: Bids will be either accepted or rejected within forty-five (45) days from the bid opening date.

TERMS OF SALE: The property will be sold "as is" for cash due upon closing. The balance of the purchase price shall be paid by cashier's check payable to the State of Tennessee. All of the State's right, title and interest will be conveyed to buyer by quitclaim deed without any warranties or covenants.

FORWARD BIDS TO:

State of Tennessee Real Estate Asset Management
312 Rosa L Parks Ave, 24th Floor
Nashville, TN 37243-0299
Attn: Mr. Frank Baugh

PROPERTY CONDITION DISCLOSURE

All information is provided so that interested parties may make informed decisions regarding this property. Accuracy is not guaranteed and it is not intended to be all inclusive. This is not a warranty or a substitute for any professional inspections or warranties that purchasers may wish to obtain. Purchasers agree to accept the property "as is."

STATE OF TENNESSEE TR. 13-11-001

*3,200 +/- Square Foot Inline Commercial Building
432 Nain Street, Newport, TN 37821
Newport, Cocke County, TN*

BID FORM

I, _____, submit a bid of \$ _____, for 432 North Main Street, Newport, TN 37821, Being the same property identified by the proposal information for STREAM Transaction Number TR. 13-11-001.

Enclosed is a cashier's check payable to the **State of Tennessee** in the amount of \$ _____ which constitutes the required bid deposit of five (5) percent of my total bid. The balance to be paid upon notification by the State of Tennessee that the deed has been fully executed and is ready for delivery.

Please **Print** Name(s) Below:

Please **Sign** Name(s) Below:

Please provide below the exact name of the Grantee(s) and the address for notification of property taxes to be used if you are the successful bidder.
