16-Unit Value-Add Investment Portfolio Located in Jefferson City, TN

Jefferson City Multifamily Portfolio

Offering Memorandum

Jefferson City Multifamily Portfolio

16-Unit Multifamily Portfolio in Jefferson City, TN

Years Built	**1996-1997**	Average Rent	**$1,005**
Number of Units	**16**	Average Rent Per SF	**$0.97**
Total Land Area	**1.80 Acres**	Average Pro-forma Rent	**$1,213**
Average Unit SF	**1,039 sqft**	Average Pro-forma Rent Per SF	**$1.17**

Property Name	# of Units	Year Built	Lot Area
1049 Martha Glass Drive Jefferson City, TN 37760	4	1997	0.39 Acres
1050 Martha Glass Drive Jefferson City, TN 37760	4	1996	0.40 Acres
1057 Martha Glass Drive Jefferson City, TN 37760	4	1997	0.38 Acres
1914 Alcorn Drive Jefferson City, TN 37760	2	1996	0.28 Acres
1837 Clover Brook Drive Jefferson City, TN 37760	2	1997	0.36 Acres

Marcus & Millichap

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Activity ID: ZAH0480100

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Operating Data

INCOME		CURRENT		PRO-FORMA
Gross Scheduled Rent		**$192,900**		**$239,784**
Less: Vacancy/Deductions	5.0%	$9,645	5.0%	$11,989
Total Effective Rental Income		$183,255		$227,795
Other Income		$2,247		$2,247
Effective Gross Income		$185,502		$230,042
Less: Expenses	32.8%	$60,909	30.4%	$70,022
Net Operating Income		**$124,593**		**$160,020**

EXPENSES	CURRENT	PRO-FORMA
Real Estate Taxes	$17,179	$21,983
Insurance	$9,500	$9,785
Utilities - Electric	$665	$685
Utilities - Water & Sewer	$1,690	$1,740
Repairs & Maintenance	$12,745	$13,127
Pest Control	$290	$299
Operating Reserves	$4,000	$4,000
Management Fee	$14,840	$18,403
TOTAL EXPENSES	**$60,909**	**$70,022**
Expenses/Unit	**$3,807**	**$4,376**
Expenses/SF	**$3.67**	**$4.21**

# OF UNITS	UNIT TYPE	SQFT PER UNIT	CURRENT RENTS	MARKET RENTS
2	2 Bed 1 Bath	810	$925	$1,000
10	2 Bed 1.5 Bath	1,066	$1,013	$1,220
4	3 Bed 1 Bath	1,085	$1,025	$1,300

List Price:

$2,043,000

Cap Rate: **6.10%**
Pro-Forma Cap Rate: **7.83%**

Marcus & Millichap has been selected to exclusively market for sale the Jefferson City Multifamily Portfolio in Jefferson City, TN. This offering will allow a potential investor to purchase a rare value-add investment opportunity within East Tennessee's growing Lakeway region.

The Jefferson City Multifamily Portfolio offers the opportunity to acquire a 16-unit multifamily asset across five buildings and five parcels in Jefferson City, Tennessee. Current rents average approximately $208 below market, providing a clear path to increased revenue through future rent growth while maintaining occupancy. Constructed between 1996 and 1997, the portfolio benefits from a newer vintage and features individually metered water and electricity, reducing operating expense burden. Located within East Tennessee's growing Lakeway region with convenient access to Highway 11E, Morristown, and Knoxville employment centers, the property is well-positioned to serve workforce renters in a market characterized by limited multifamily inventory and strong long-term housing demand.

Offers should be presented in the form of a non-binding Letter of Intent, spelling out the significant terms and conditions of the Purchaser's offer including, but not limited to: 1) asset pricing, 2) due diligence and closing time frame, 3) earnest money deposit, 4) a description of the debt/equity structure, and 5) qualification to close. The purchase terms shall require all cash to be paid at closing.

At no point should tenants or staff be contacted regarding the sale of these properties.

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02 | INVESTMENT OVERVIEW

Jefferson City Multifamily

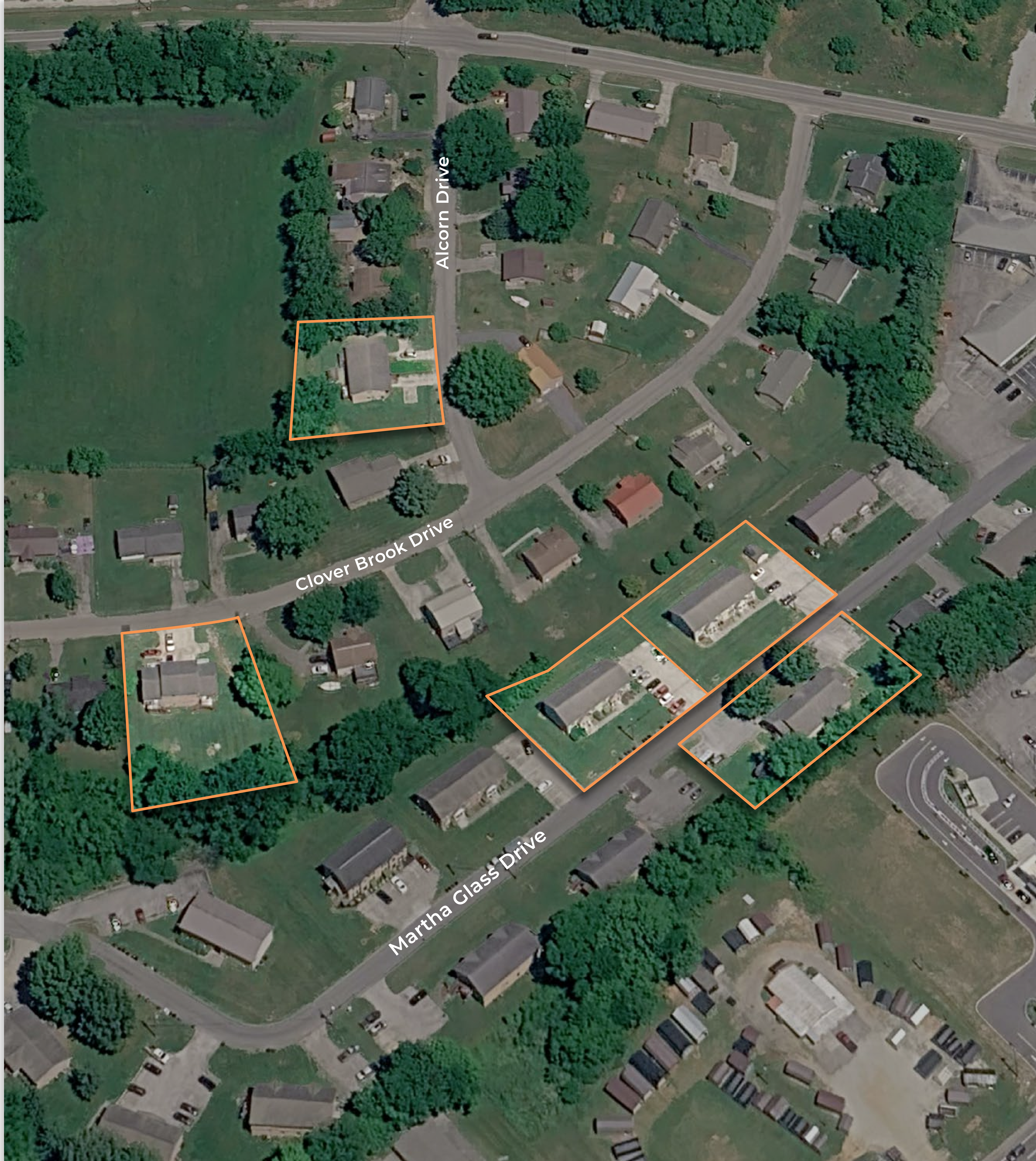
1049, 1050, & 1057 Martha Glass Drive
1914 Alcorn Drive
1837 Clover Brook Drive

Jefferson City, 37760

Year Built: **1996-1997**
Total Number of Units: **16**

Investment Highlights:

- Rare opportunity to acquire a 16-unit multifamily portfolio across five buildings in Jefferson City, Tennessee.
- Current rents are $208 below market rate.
- Opportunity to increase revenue through continued rent growth and operational efficiencies.
- Individually metered for water and electric, reducing operating expense burden.
- Properties were constructed between 1996 and 1997, limiting near-term capital expenditure requirements.
- Portfolio consists of five parcels totaling approximately 1.80 acres.
- Located within the growing Lakeway region of East Tennessee.
- Convenient access to Highway 11E, Morristown, and Knoxville employment centers.
- Well-positioned workforce housing asset in a market with limited multifamily inventory.




1050 Martha Glass Drive
1057 Martha Glass Drive
1049 Martha Glass Drive
1837 Clover Brook
1914 Alcorn Drive


Subject Properties
LOWE'S
Walmart Supercenter
ICONEX
ZAXBY'S
PAPA JOHNS
DUTCH BROS
Arby's
CARSON-NEWMAN
A CHRISTIAN UNIVERSITY
CHEVROLET
BIG LOTS!
Walgreens
FOOD CITY
DUNKIN'
TSC TRACTOR SUPPLY CO
CVS
Jefferson City
Jarnigan Spring
Mossy Creek Spring
N Chucky Pike
Clover Brook Dr
Meadow Spring Dr
Martha Dr
Hilltop Dr
E Cates St
W Rhoten St
E Rhoten St
W Main St
W Deborah St
Lakeview Ave
Manning Ave
Branner Ave
Walnut Ave
N College St
Russell Ave
Bishop Ave
W Old Andrew Johnson Hwy
Burnette Ave
Overlook Ave
Ken Sparks Wy
W King St
E King St
Texas Ln
W Mountcastle St
Brown Ave
W Ellis St
E Ellis St
E Jefferson St
W Elmwood St
Gull Ave
George Ave
Odell Ave
Hicks Rd
Fate Rankin Rd
Nancy Dr
Clinch View Cir
N Chucky
11E
92

03 | LOCATION OVERVIEW

Jefferson City, TN

Jefferson City is a growing East Tennessee community located approximately 30 miles northeast of Knoxville along the Interstate 81 corridor. The city offers residents a small-town environment with convenient access to the employment, healthcare, and retail amenities of both Knoxville and Morristown. Anchored by Carson-Newman University and supported by a diverse regional economy that includes manufacturing, healthcare, logistics, and education, Jefferson City continues to attract residents seeking affordability, accessibility, and quality of life. Its strategic location within one of Tennessee's fastest-growing regions positions the community to benefit from continued economic expansion and housing demand.

Regional Connectivity

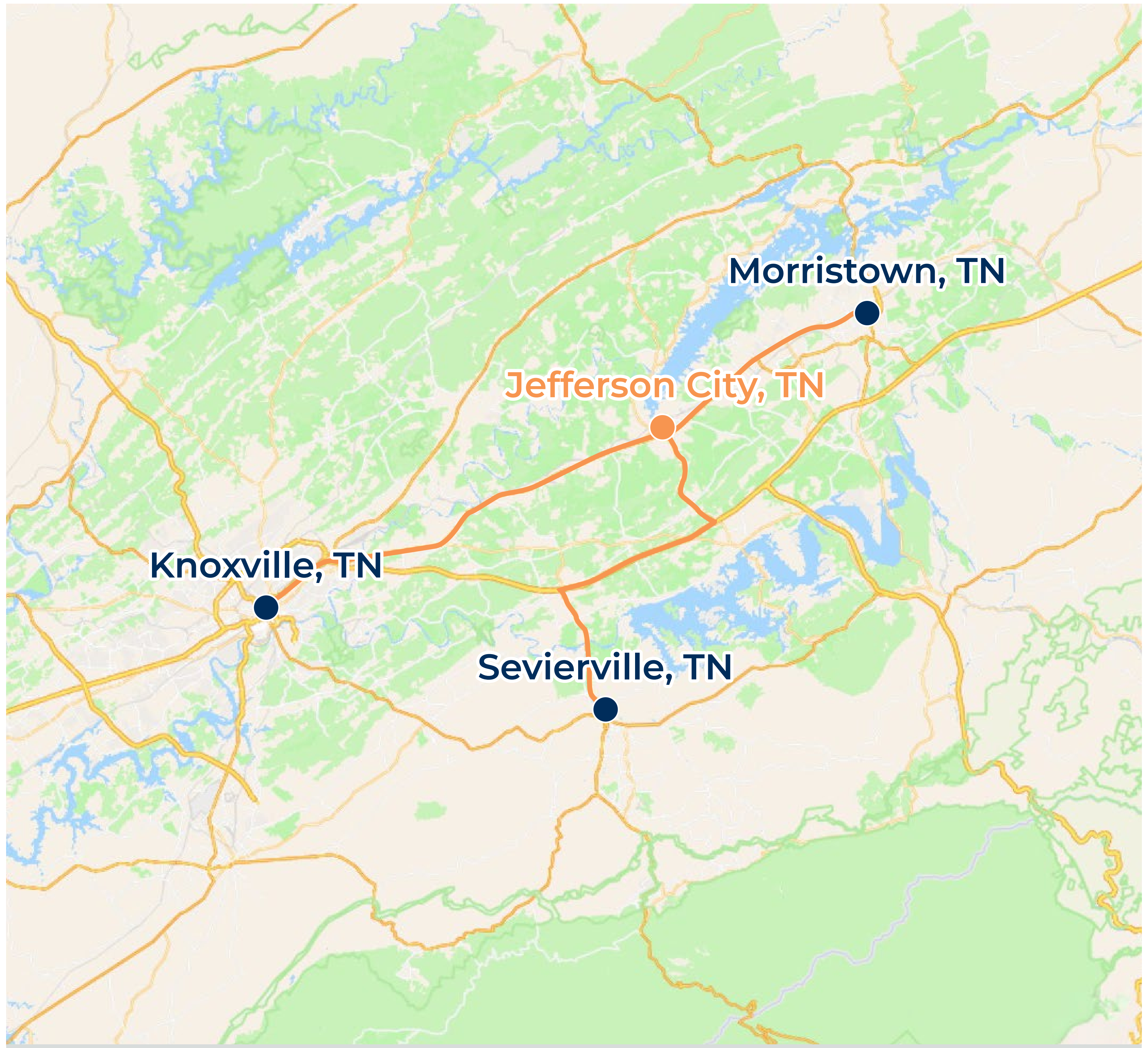
Located along Interstate 81, Jefferson City provides convenient access to Knoxville, Morristown, and major employment centers throughout East Tennessee, supporting commuter demand and long-term residential growth.

Higher Education Anchor

Carson-Newman University serves as a major economic and cultural anchor for the community, generating consistent demand from students, faculty, staff, and university-related employment.

Affordable East Tennessee Living

Jefferson City offers a lower cost of living than many larger Tennessee markets while maintaining access to regional healthcare, education, and employment opportunities that continue to attract new residents.



Jefferson City, TN	→	Morristown, TN	15.4 Miles (24 Min)
Jefferson City, TN	→	Sevierville, TN	26.9 Miles (37 Min)
Jefferson City, TN	→	Knoxville, TN	28.3 Miles (36 Min)

Jefferson City/Morristown MSA

- The Morristown area is home to a diverse concentration of automotive, aerospace, and advanced manufacturing employers that collectively support thousands of high-quality jobs throughout East Tennessee. Strategic access to Interstate 81 provides regional employers with efficient connectivity to major population centers across the Southeast, Midwest, and Northeast.
- The Morristown MSA serves as an important manufacturing and industrial hub in East Tennessee, with a diverse employment base spanning automotive suppliers, advanced manufacturing, food production, healthcare, and logistics. The region's strategic location along Interstate 81 continues to attract employers seeking efficient access to markets throughout the Southeast and Mid-Atlantic.
- Manufacturing remains the backbone of the local economy, with major employers including Howmet Aerospace, Mahle, JTEKT, Cooper Standard, and Kawasaki Tennessee. The sector provides thousands of skilled jobs and has helped establish the Morristown area as one of Tennessee's leading manufacturing centers.
- Healthcare is a major economic driver throughout the region, anchored by Morristown-Hamblen Healthcare System and a growing network of medical providers serving residents across Hamblen, Jefferson, and surrounding counties. The healthcare sector continues to support job creation and population growth throughout the market.

Population: **126,932**

Households: **50,463**

Median Age: **42.3**
U.S. Median: **39.0**

Median Household Income: **$62,456**
U.S. Median: **$68,500**

Morristown MSA Major Employers	Employees
Hamblen County Department of Education	1,786
Koch Foods	951
MAHLE Engine Components	801
Howmet Aerospace	785
Team Technologies	782
Walmart	749
Morristown-Hamblen Healthcare System	716
JTEKT Automotive Tennessee	700
Walters State Community College	650
Rich Products Corporation	600

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

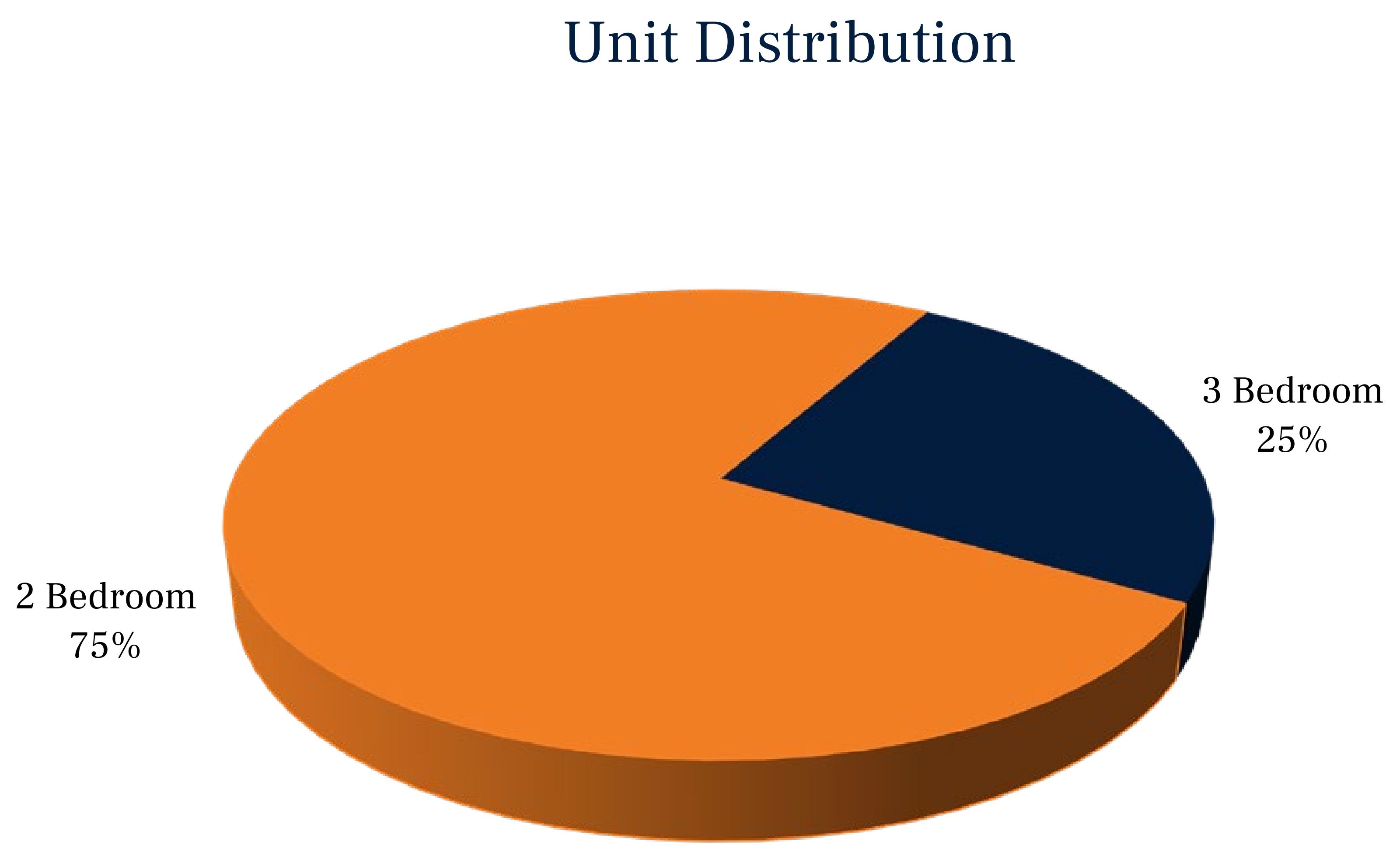
04 | FINANCIAL OVERVIEW

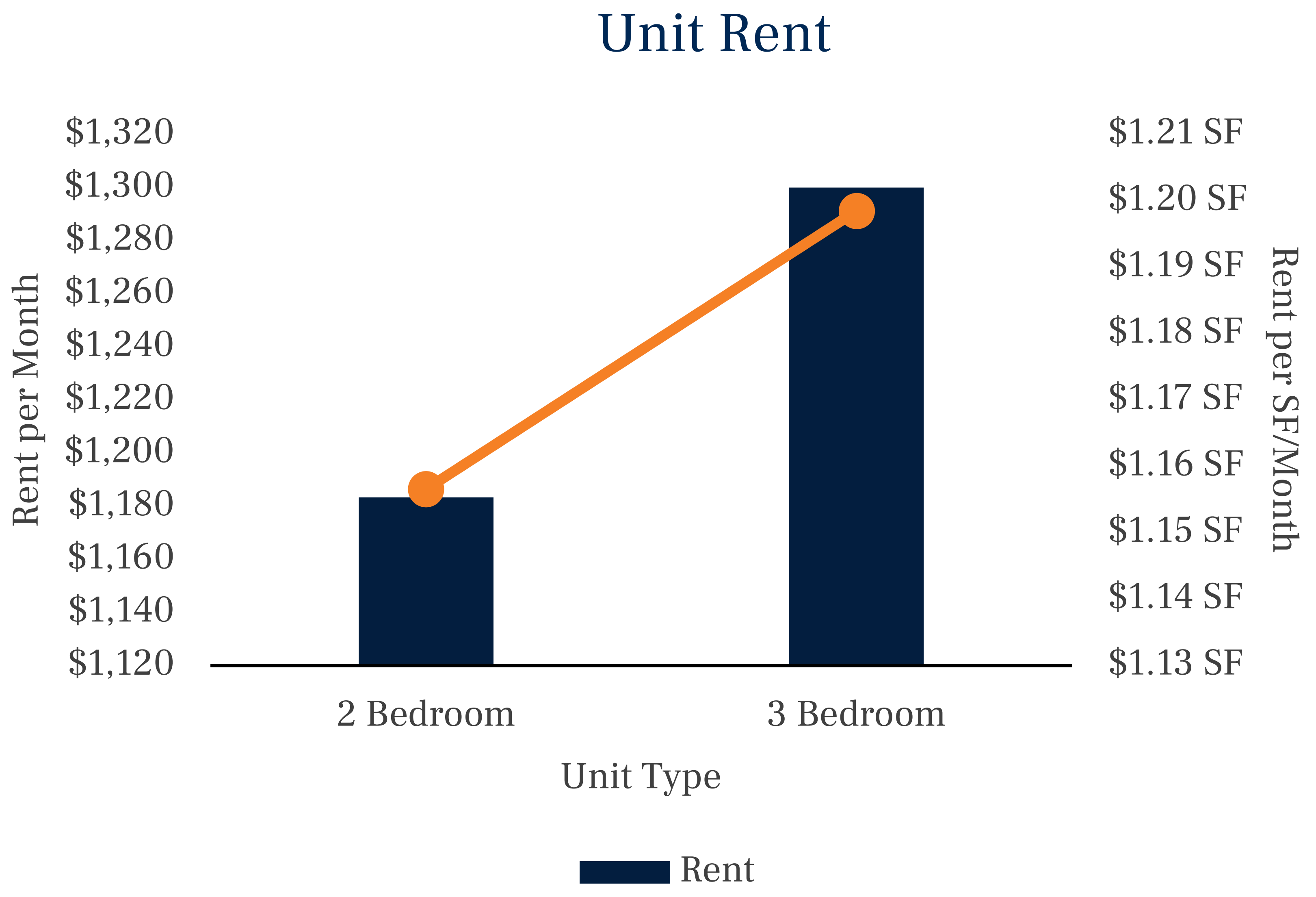
Marcus & Millichap

Cosgrove Advisory Group

Rent Roll Summary

				CURRENT			POTENTIAL		
UNIT TYPE	# OF UNITS	AVG SQ FEET	RENTAL RANGE	AVERAGE RENT	AVERAGE RENT / SF	MONTHLY INCOME	AVERAGE RENT	AVERAGE RENT / SF	MONTHLY INCOME
2 Bed 1 Bath	2	810	$925 - $925	$925	$1.14	$1,850	$1,000	$1.23	$2,000
2 Bed 1.5 Bath	10	1,066	$850 - $1,200	$1,013	$0.95	$10,125	$1,220	$1.14	$12,200
3 Bed 1 Bath	4	1,085	$900 - $1,200	$1,025	$0.94	$4,100	$1,300	$1.20	$5,200
Totals/Weighted Averages	**16**	**1,039**		**$1,005**	**$0.97**	**$16,075**	**$1,213**	**$1.17**	**$19,400**
Gross Annualized Rents				**$192,900**			**$232,800**		





Operating Statement

INCOME	CURRENT		PRO-FORMA		NOTES	PER UNIT	PER SF
Gross Potential Rent	232,800		239,784			14,987	14.43
Loss / Gain to Lease	(39,900)	17.1%	0			0	0.00
Gross Scheduled Rent	192,900		239,784			14,987	14.43
Physical Vacancy	(9,645)	5.0%	(11,989)	5.0%	[1]	(749)	(0.72)
Total Vacancy	**($9,645)**	**5.0%**	**($11,989)**	**5.0%**		**($749)**	**($1)**
Effective Rental Income	183,255		227,795			14,237	13.71
All Other Income	2,247		2,247		[2]	140	0.14
Total Other Income	**$2,247**		**$2,247**			**$140**	**$0.14**
Effective Gross Income	**$185,502**		**$230,042**			**$14,378**	**$13.84**

EXPENSES	CURRENT		PRO-FORMA		NOTES	PER UNIT	PER SF
Real Estate Taxes	17,179		21,983		[3]	1,374	1.32
Insurance	9,500		9,785		[2]	612	0.59
Utilities - Electric	665		685		[2]	43	0.04
Utilities - Water & Sewer	1,690		1,740		[2]	109	0.10
Repairs & Maintenance	12,745		13,127		[2]	820	0.79
Pest Control	290		299		[2]	19	0.02
Operating Reserves	4,000		4,000		[4]	250	0.24
Management Fee	14,840	8.0%	18,403	8.0%	[5]	1,150	1.11
Total Expenses	**$60,909**		**$70,022**			**$4,376**	**$4.21**
Expenses as % of EGI	**32.8%**		**30.4%**				
Net Operating Income	**$124,593**		**$160,020**			**$10,001**	**$9.63**

[1] Market assumption
[2] Pro-Forma increased 3% due to inflation
[3] Pro-Forma taxes based upon reassessment at 100% of List Price
[4] $250/unit Operating Reserves
[5] 8% Management fee

05 | DEMOGRAPHICS

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Population	3,029	14,089	25,331
2025 Estimate			
Total Population	2,886	13,366	24,228
2020 Census			
Total Population	2,573	11,810	21,806
2010 Census			
Total Population	2,632	11,531	21,060
Daytime Population			
2025 Estimate	3,938	12,831	23,423

HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Households	1,172	5,386	9,827
2025 Estimate			
Total Households	1,108	5,064	9,323
Average (Mean) Household Size	2.4	2.4	2.5
2020 Census			
Total Households	984	4,446	8,356
2010 Census			
Total Households	938	4,266	8,010
Growth 2025-2030	5.8%	6.4%	5.4%

HOUSING UNITS	1 Mile	3 Miles	5 Miles
Occupied Units			
20301 Projection	1,333	6,113	10,934
2025 Estimate	1,261	5,752	10,375
Owner Occupied	587	3,096	6,518
Renter Occupied	514	1,971	2,806
Vacant	153	688	1,052
Persons In Units			
2025 Estimate Total Occupied Units	1,108	5,064	9,323
1 Person Units	29.0%	27.7%	25.6%
2 Person Units	37.8%	35.8%	36.8%
3 Person Units	13.2%	15.8%	16.3%
4 Person Units	12.2%	12.6%	12.9%
5 Person Units	5.1%	4.9%	5.0%
6+ Person Units	2.7%	3.2%	3.3%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2025 Estimate			
$200,000 or More	5.7%	6.8%	6.9%
$150,000 - $199,000	5.3%	6.1%	6.8%
$100,000 - $149,000	15.2%	17.1%	19.2%
$75,000 - $99,999	11.0%	11.7%	13.8%
$50,000 - $74,999	17.5%	17.1%	17.4%
$35,000 - $49,999	14.0%	11.7%	11.1%
$25,000 - $34,999	11.4%	10.4%	9.8%
$15,000 - $24,999	9.1%	9.9%	8.1%
Under $15,000	10.8%	9.3%	7.0%
Average Household Income	$77,345	$84,442	$90,223
Median Household Income	$59,918	$63,735	$70,499
Per Capita Income	$31,131	$33,148	$35,409

POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2025 Estimate Total Population	2,886	13,366	24,228
Under 20	25.9%	24.1%	23.3%
20 to 34 Years	26.9%	23.0%	20.0%
35 to 39 Years	5.0%	5.1%	5.2%
40 to 49 Years	11.2%	11.0%	11.5%
50 to 64 Years	16.4%	18.7%	20.5%
Age 65+	14.6%	18.2%	19.4%
Median Age	37.0	40.0	41.0
Population 25+ by Education Level			
2025 Estimate Population Age 25+	1,755	8,816	16,698
Elementary (0-8)	5.2%	5.4%	4.7%
Some High School (9-11)	5.8%	6.1%	6.2%
High School Graduate (12)	34.1%	32.8%	32.7%
Some College (13-15)	17.7%	17.1%	19.6%
Associate Degree Only	6.9%	8.3%	10.1%
Bachelors Degree Only	16.6%	18.2%	15.5%
Graduate Degree	13.7%	11.9%	11.2%
Population by Gender			
2025 Estimate Total Population	2,886	13,366	24,228
Male Population	51.8%	48.0%	48.4%
Female Population	48.2%	52.0%	51.6%

DEMOGRAPHICS

Population

In 2025, the population in your selected geography is 24,228. The population has changed by 15.04 since 2010. It is estimated that the population in your area will be 25,331 five years from now, which represents a change of 4.6 percent from the current year. The current population is 48.4 percent male and 51.6 percent female. The median age of the population in your area is 41.0, compared with the U.S. average, which is 40.0. The population density in your area is 308 people per square mile.

Households

There are currently 9,323 households in your selected geography. The number of households has changed by 16.39 since 2010. It is estimated that the number of households in your area will be 9,827 five years from now, which represents a change of 5.4 percent from the current year. The average household size in your area is 2.5 people.

Income

In 2025, the median household income for your selected geography is $70,499, compared with the U.S. average, which is currently $78,171.The median household income for your area has changed by 81.35 since 2010. It is estimated that the median household income in your area will be $82,502 five years from now, which represents a change of 17.0 percent from the current year.

The current year per capita income in your area is $35,409, compared with the U.S. average, which is $41,680. The current year's average household income in your area is $90,223, compared with the U.S. average, which is $103,571.

Employment

In 2025, 11,187 people in your selected area were employed. The 2010 Census revealed that 49.9 of employees are in white-collar occupations in this geography, and 31.8 are in blue-collar occupations. In 2025, unemployment in this area was 4.0 percent. In 2010, the average time traveled to work was 26.00 minutes.

Housing

The median housing value in your area was $259,318 in 2025, compared with the U.S. median of $333,538. In 2010, there were 5,626.00 owner-occupied housing units and 2,383.00 renter-occupied housing units in your area.

Education

The selected area in 2025 had a lower level of educational attainment when compared with the U.S averages. 25.3 percent of the selected area’s residents had earned a graduate degree compared with the national average of only 13.7 percent, and 10.1 percent completed a bachelor’s degree, compared with the national average of 21.2 percent.

The number of area residents with an associate degree was higher than the nation’s at 11.6 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 0.6 percent vs. 26.1 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 40.7 percent in the selected area compared with the 19.6 percent in the U.S.

16-Unit Value-Add Investment Portfolio Located in Jefferson City, TN

Jefferson City Multifamily Portfolio

Offering Memorandum