



Advance Financial 24/7

2357 FORT HENRY DRIVE, KINGSPORT, TN 37664

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This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the Owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and Colliers International. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or Colliers International, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or

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The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or Colliers International. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Colliers International.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to Colliers International.



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Tenant Overview



Advance Financial offers FLEX Loans, wire transfers, bill payment services, and free money orders. The financial group, founded in 1996, is family-owned and operated in Nashville, Tennessee. Advance Financial operates more than 90 locations throughout Tennessee, employs more than 1,000 local representatives and offers online services in states across the country.

Advance Financial's revenue for 2017 was estimated at \$222mm, with an EBITDA of \$27mm. The company is poised for organic growth from strategic initiatives including Tennessee store growth and online lending growth.

- EBITDA increased \$35M trailing twelve months

Advance Financial was named to the Inc. 5000 list of the fastest-growing private companies in the country for the seventh year in a row. The *Nashville Business Journal* also named Advance Financial 2018's fourth-fastest growing company in the Nashville market. *Forbes* included the company on its 2018 list of Best Employers for New Graduates.

Advance Financial was founded in 1996 in Franklin, Tennessee. From its humble beginnings as a 3-store chain, the company has grown to include more than 90 locations throughout Tennessee.

Advance Financial currently employs more than 1,000 of your neighbors. Here is a brief history of their growth:

- 1998 – 3 stores (one in Franklin, two in Nashville) and 3 employees
- 2004 – 13 stores and 20 employees, added stores in Columbia, Dickson, Clarksville, and Lebanon
- 2006 – 18 stores and 40 employees, added stores in Springfield and Lafayette, added Sunday hours
- 2006 – Company's 10-year anniversary!
- 2010 – 26 stores and more than 150 employees, launched 24/7 stores in selected locations
- 2013 – 56 stores and more than 600 employees, chosen as one of The Tennessean's "Top Places to Work" in Nashville
- 2015 – 63 stores and began offering Flex Loans
- 2016 – 80 stores, over 700 employees and celebrated 20th anniversary
- 2018 – 92 stores, over 1,000 employees, online Flex Loans offered in 11 states, Inc. 5000 list 7th year in a row

To learn more, visit www.af247.com.

98% of customers
gave Advance
Financial a 4+ star
rating.

Tenant Highlights



- Stable financial profile in Tennessee and select states through online-originated loan growth
- Mid-teens EBITDA margin
- 2017 Debt-to-EBITDA ratio below 3.5x
- \$1,000 average loan size across approximately 70,000 unique customers
- 40% Revenue Growth projection year-over-year and 90% EBITDA Growth last year (2017)
- Loan portfolio growth of \$30mm in 2017 results in \$100mm loan portfolio at Q4 2017
- Each store expected to contribute \$1.5M in revenue and \$400K EBITDA upon maturity within 2 years

Investment Overview

Colliers International | Nashville is pleased to exclusively offer the opportunity to acquire the Advance Financial located at 2357 Fort Henry Drive, Kingsport, Tennessee. The building is 2,210 SF located right off North John B Dennis Highway on a corner lot. The tenant is on an 11-Year Triple Net Lease with 2% annual increases.



Investment Overview

Tenant	Advance Financial 24/7
Lease Type	NNN
Lease Term	11 Years
Annual Rent	\$92,968.00
Cap Rate	7.25%
Price	\$1,285,000.00

Property Overview

Address	2357 Fort Henry Drive Kingsport, TN 37664
Building SF	2,210
Highway / Interstate Access	N John B Dennis Highway
County	Sullivan
Parcel Size	.50 Acres
Year Built	2018
Fort Henry Drive Traffic Count (2017)	18,407 (AADT)

Lease Abstract

Tenant	Advance Financial 24/7
Guarantor	Harpeth Financial Services, LLC
Address	2357 Fort Henry Drive, Kingsport, TN 37664
Effective Date	July 5, 2017
Current Annual Rent	\$92,968.00
Primary Lease Term	11 Years
Term Commencement	Close of Escrow
Lease Type	NNN
Lease Escalations	2% Annually
Renewal Options	(2) 5-Year Options
Property Taxes	Tenant's Responsibility
Insurance	Tenant's Responsibility
Common Aea Maintenance	Tenant's Responsibility
HVAC	Tenant's Responsibility
Roof & Structure	Tenant's Responsibility
Utilities	Tenant's Responsibility
Termination Option	Only with Law Change to Payday Loan Industry, which causes 30% reduction in revenues



Property Location



Property Location



LOCATION	DISTANCE	DIRECTION
Weber City, VA	5.7 miles	North
Bristol	22.5 miles	Northeast
Johnson City	23 miles	Southeast
Knoxville	99.1 miles	Southwest

Demographics



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2018 Estimated Population	29,023	70,339	92,693
2023 Estimated Population	29,910	72,459	94,857
2010 Census Population	28,353	69,439	91,758
2000 Census Population	27,603	68,137	90,043
2018 Estimated Households	13,461	32,004	41,728
2023 Projected Households	13,755	32,671	42,384
2010 Census Households	12,532	30,069	39,301
2000 Census Households	12,119	29,040	37,866
2018 Est. Average Household Income	\$66,402	\$67,159	\$68,239
2018 Est. Median Household Income	\$46,948	\$48,725	\$49,644
2018 Est. Per Capita Income	\$31,010	\$30,652	\$30,806
2018 Households by Income			
<\$10,000	9.8%	8.4%	7.6%
\$10,000 - \$14,999	6.9%	6.2%	5.8%
\$15,000 - \$24,999	13.3%	12.2%	12.5%
\$25,000 - \$34,999	11.6%	12.3%	12.2%
\$35,000 - \$49,999	15.4%	15.1%	14.9%
\$50,000 - \$74,999	15.5%	18.2%	18.4%
\$75,000 - \$99,999	10.4%	10.5%	10.7%
\$100,000 - \$124,999	6.0%	6.2%	6.4%
\$125,000 - \$149,999	3.2%	3.3%	3.6%
\$150,000 - \$199,999	3.8%	3.7%	3.8%
\$200,000+	4.2%	3.9%	4.0%
Daytime Demographics			
Total Businesses	2,660	3,540	4,134
Total Employees	35,972	44,942	51,671

Kingsport Tennessee

With a population of approximately 52,000, Kingsport, Tennessee, is the largest city in its MSA (Kingsport-Bristol-Bristol, TN-VA) and spans Sullivan and Hawkins counties. Major area employers include Eastman Chemical Company, Domtar, Mountain States Health Alliance, and Wellmont. Kingsport is home to branches of several educational institutions, including East Tennessee State University and The University of Tennessee - Knoxville. The city has several popular state parks and an active cultural arts and entertainment scene. Livability.com praises Kingsport for its increasing popularity with millennials.





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