

MIDDLE CREEK MEDICAL ARTS BUILDING

675 MIDDLE CREEK RD, SEVIERVILLE, TN



BILT
COMMERCIAL
REAL ESTATE

A 14,000 SQUARE FOOT OFFICE BUILDING
NATIONAL AND REGIONAL MEDICAL TENANTS

OFFERING MEMORANDUM

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OFFERING SUMMARY

**675 MIDDLE CREEK RD
SEVIERVILLE, TN 37862**

PRICE

\$2,960,000

CAP RATE

7.0%

GLA

14,135 SF

LOT SIZE

1.04 AC

OCCUPANCY

100%

YEAR BUILT/RENOVATED

1985/2023



INVESTMENT OVERVIEW

BILT COMMERCIAL REAL ESTATE is pleased to offer the opportunity to acquire the fee simple interest in MIDDLE CREEK MEDICAL ARTS BUILDING (the “Property”), a 14,135 square foot multi-tenant medical office building located in Sevierville, TN.

There are two medical tenants that occupy 100% of the building. Summit Medical Group, a regional medical tenant and English Mountain Recovery (Summit BHC), a national medical tenant.

Summit Medical Group, which occupies 57% of the Property, recently completed a \$600K renovation to their space and simultaneously signed a 15-year NNN lease with 3.0% annual rent increases.

The Property sits across from LeConte Medical Center, a magnificent \$120 million regional hospital with medical services and advanced technology rarely seen in cities of similar size as well as the University of Tennessee Medical Center that opened a 54K SF Outpatient center on 7 acres on Middle Creek Rd. There are several other medical facilities within the area as well such as the VA Medical Center.

Sevierville is a major tourist destination serving as the gateway to the Great Smoky Mountain National Park. The National Park, which hosts over 14.1 million annual visitors who contribute an estimated \$2.5 Billion annually into the economy, is the most visited national park in the United States.

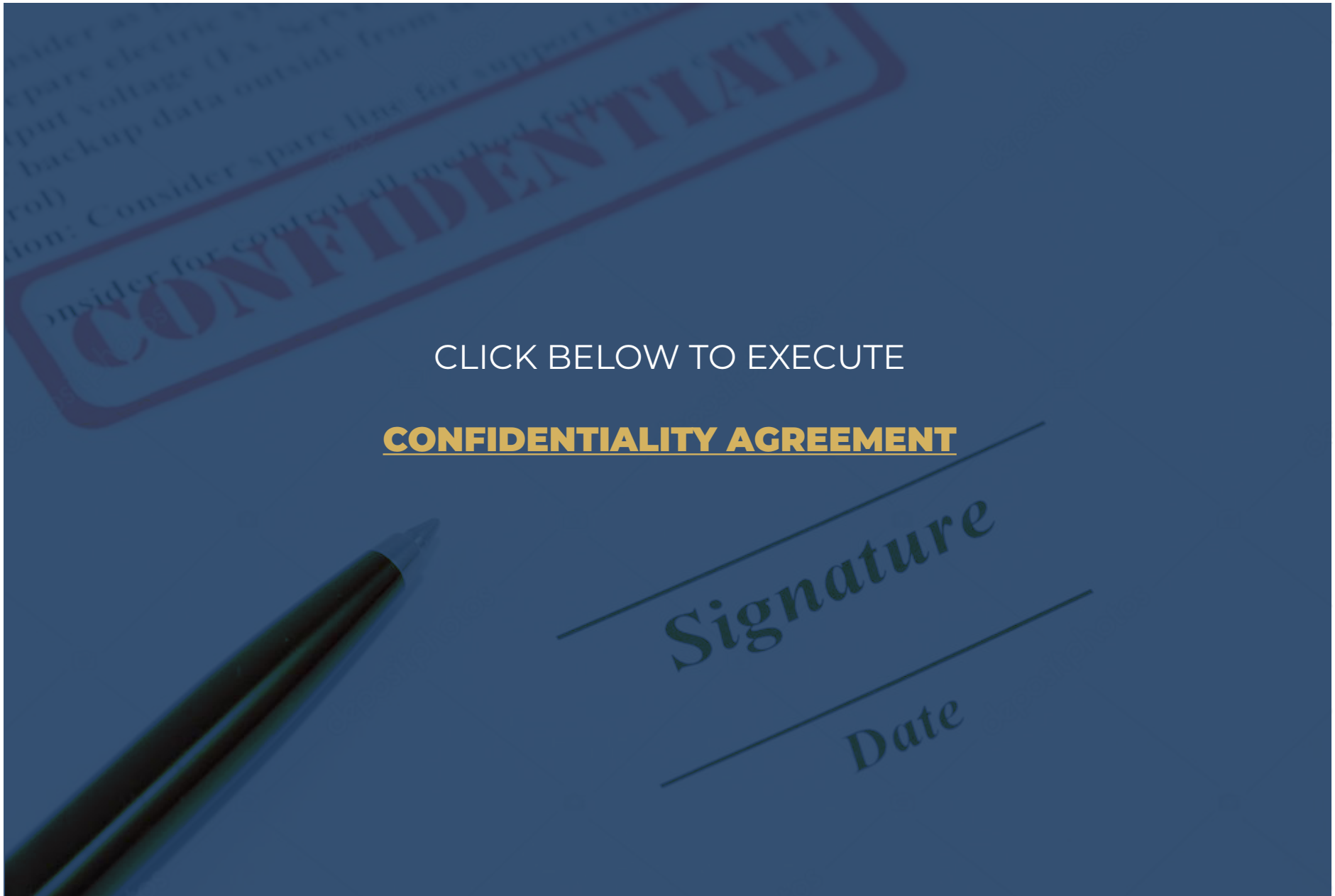


INVESTMENT HIGHLIGHTS

- **NATIONAL & REGIONAL TENANTS** – 100% occupied by two medical tenants, Summit Medical Group (regional medical tenant) and English Mountain Recovery (Summit BHC - national medical tenant).
- **LONG TERM LEASE** - Summit Medical Group signed a new 15 year NNN lease with 3% annual rent increases.
- **NNN LEASES** - Both tenants have the responsibility of paying for all the costs associated with the property, such as property taxes, building insurance, repair and maintenance.
- **CAPITAL IMPROVEMENTS** - Summit Medical Group's space underwent a \$600K renovation in 2023 while Summit BHC also made some recent renovations to their space at their own expense.
- **LOCATED IN MEDICAL CORRIDOR** - Located across the street from LeConte Medical Center (recognized as a Top 100 Community Hospital) and next to a VA Medical Center, the Sevier County Health Department and the Burchfiel Medical Professional Building.
- **MAJOR TOURIST DESTINATION** - Sevierville attracts tourists due to its proximity to popular attractions such as the Great Smoky Mountains National Park, Dollywood theme park, and various outdoor recreational activities like hiking, fishing, and camping.



FINANCIALS



AERIAL VIEW



AERIAL VIEW



MIDDLE CREEK
MEDICAL ARTS BUILDING

AERIAL VIEW



TENANT PROFILES



Summit Medical Group was formed in 1995 by 37 Knoxville physicians who had been in the practice of internal medicine and family practice for up to 40 years. These physicians had similar ideals, practice standards, and a desire to improve their ability to better serve their patients and to be successful in the practice of medicine.

With the framework of this common vision and the strength of pooled resources, Summit Medical Group has become the largest and most widespread organization in the provision of primary care in the East Tennessee region.

As the number of physicians and the size of the company have grown over the past several years, Summit has become recognized as a regional leader in medical management and innovation. It has installed advanced and comprehensive information processing systems for its business functions.

Summit has also been a leader in the provision of laboratory services and ancillary care. Its centralized laboratory performs more than five million tests per year while receiving national awards in excellence for its proficiency. Summit ancillary services are located at three convenient sites in Knoxville, with mobile ancillary services available outside Knoxville, and offer improved patient access to diagnostic testing. Such ancillary facilities allow for streamlined registration and personalized service in mammography, ultrasound imaging, diagnostic cardiology testing, nuclear imaging, CT scanning and MRI.

The presence of three after-hours care centers located in the Knoxville area improves access to care for patients with acute outpatient problems requiring early diagnosis and treatment. No other medical group in Knoxville has provided access with such convenience of location and availability.

In 2004, Summit opened a 4-bed, comprehensive sleep disorder clinic that has now grown to a 10-bed, fully accredited facility with board certified and board eligible sleep specialists who are dedicated to sleep disorders, with a central focus on the individual needs of the patient and serves the needs of Summit and the greater Knoxville area.

In keeping with its commitment to healthcare, Summit opened a physical therapy clinic in August 2004. This commitment has now expanded to seven clinics dedicated to evaluating, educating, promoting good health and individualizing treatment programs to provide total, quality healthcare.

Currently, Summit Medical Group has over 485 practitioners in 87 office locations in 20 counties with over 370K patients in the East Tennessee region. To learn more about Summit Medical Group, visit their website at www.summitmedical.com

TENANT PROFILES



English Mountain Recovery is located on a serene 27-acre campus setting in the Smoky Mountains of Tennessee. English Mountain Recovery is an established, experienced addiction treatment & drug rehab center that provides life-changing care to people with addictive disorders, as well as support for their families.

Program Highlights:

- Inpatient Substance Use Disorder Treatment
- Medical Detox
- Gender Specific Programming
- Creative Arts Therapy

BHC (Summit), a leading provider of addiction treatment and behavioral health services, in May of 2017 acquired English Mountain Recovery. BHC (Summit) is headquartered in Franklin, Tennessee and was founded in June of 2013. Summit was established to develop and operate a network of leading addiction treatment and behavioral health centers throughout the country. The company's sole focus is on the provision and management of specialty chemical dependency and addiction disorder services within a flexible and dynamic continuum of care. The leadership team at Summit is comprised of senior executives with decades of combined experience in the behavioral healthcare industry at the national level. The company currently owns and operates 37 addiction treatment centers in 19 states across the country.

To learn more about Summit BHC and English Mountain Recovery, visit their websites at:

www.englishmountain.com

www.summitbhc.com



LOCATION OVERVIEW



SEVIERVILLE

LOCATION: Sevierville was founded in 1795 and is located in the beautiful valley of the Forks of the Little Pigeon River, the eighth oldest town in Tennessee. Sevierville is located between Asheville, North Carolina, and Knoxville, TN, on Interstate 40 at exit 407. Sitting on the edge of the Great Smoky Mountains next to Gatlinburg and Pigeon Forge, Sevierville is easily accessible by car or plane. It is less than one hour from Knoxville's McGhee Tyson Airport, with more than 100 commercial flights per day. The Pigeon Forge / Gatlinburg Airport is only minutes away with a 5,500-foot runway which services small aircrafts including corporate jets.

HISTORY: Sevierville was founded in 1795 and is named for John Sevier, the first governor of Tennessee, and Dolly Parton is Sevierville's most famous hometown girl.

POPULATION: There are over 13,000 residents in Sevierville and over 71,000 in Sevier County. Sevier County includes Sevierville, Gatlinburg, Pigeon Forge, Pittman Center and surrounding communities.

LODGING: Sevierville has over 3,000 lodging facilities including campsites. Types of accommodations include secluded mountain cabins, modern condos, luxury hotels, water park hotels moderate family motels and RV parks. Sevier County provides lodging for approximately 40,000.

ATTRACTIONS: Sevierville's attractions range from museums featuring muscle cars and warbird aircraft to NASCAR themed go-kart tracks, underground cave tours, petting zoos and even interactive mini-golf courses. Six shows fill Sevierville's two music theaters offering fun, family-friendly shows throughout the day and into the evening.

SHOPPING: Located in the heart of the best outlet, antique and craft shopping in the country, Sevierville is a shopper's paradise. From designer clothes and outlet stores to mountain crafts and flea markets, shoppers find a variety of treasures in Sevierville.

GOLF: Sevierville is home to a selection of excellent golf courses and is conveniently located near other top-rated courses in the Great Smoky Mountains. The Sevierville Golf Club has now opened two new championship courses and features the River, a par 72, 7,120-yard course.

VISITING THE GREAT SMOKY MOUNTAINS: The Great Smoky Mountains National Park is the most visited national park in the country. There are 12 major hiking trails and nine self-guided trails.

HOME OF DOLLY PARTON: A statue of Dolly sculpted by local artist Jim Gray decorates the lawn of Sevierville's courthouse, and Dolly herself unveiled the statue on May 2, 1987, while her proud parents looked on. In 1986, she opened her Dollywood entertainment park in neighboring Pigeon Forge. She comes home each April for the park's seasonal Grand Opening and makes several other appearances in the area during the year.



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