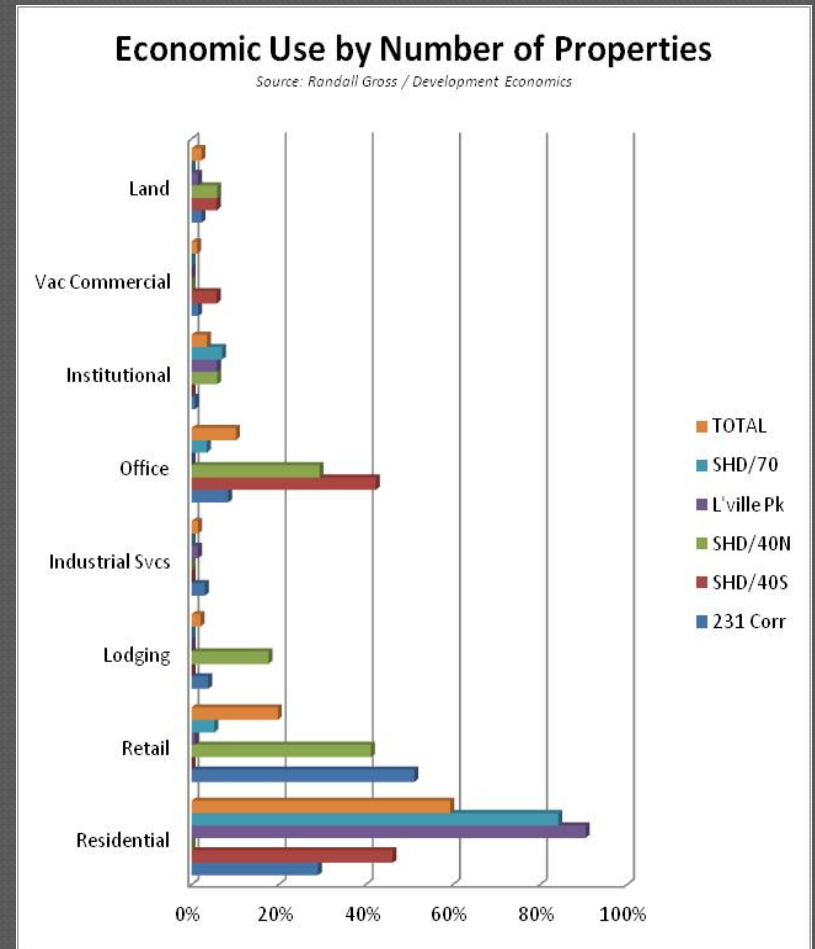


South Hartmann Drive Corridor *Existing Economic Conditions*

Randall Gross / Development
Economics

Economic Uses

- 1, 258 Residential Units
 - 232 Single-family
 - 1,026 Multi-family
- 83 Retail Stores
 - 8 Convenience
 - 63 Shoppers Goods
 - 7 Eating & Drinking
 - 5 Vacant spaces
- 40 Offices
- 14 Institutions
- 9 Large properties for sale
- 8 Lodging facilities
- 6 Industrial services



Key Anchors & Uses

- **Lebanon Outlet Marketplace**
 - 227,523 square feet
 - 60 outlet stores
 - 7% vacant (est)
 - Tourism draw
- **Physicians Plaza**
 - 73,638 square feet
 - 15 medical tenants
 - 17% vacant
- **Lebanon Market Place**
 - 450,000 square feet
 - 92,000 ADT
 - Home Depot
 - 105,000 square feet
 - Trade area extends east to Cookeville
 - Wilson County Motors
- **Revere at Barton Run**
 - 666 Apartments
- **Hartmann Plantation**
 - 360 Apartments
- **Westview Acres**
 - 123 Single-family homes
- **Lodging**
 - Hampton Inn (80 rooms)
 - Comfort Suites, Travel Inn, La Quinta, Knights Inn, Timberline Resort (RV)
- **Lebanon Airport**
- **6 Churches**
- **Schools**
 - Lebanon High School
 - Southside Elementary
 - Byars Dowdy Elementary
 - Winfree Bryant Middle
 - Bakers School of Aeronautics

General Conditions

○ Character

- Diverse but “uncertain” mix and character
- Highway-orientation (character of road)

○ Access

- Excellent accessibility to Nashville, BNA, local jobs
- Good access to 840/Murfreesboro, Cool Springs, 109/Gallatin-Hendersonville
- Challenges for cross-traffic, retailers

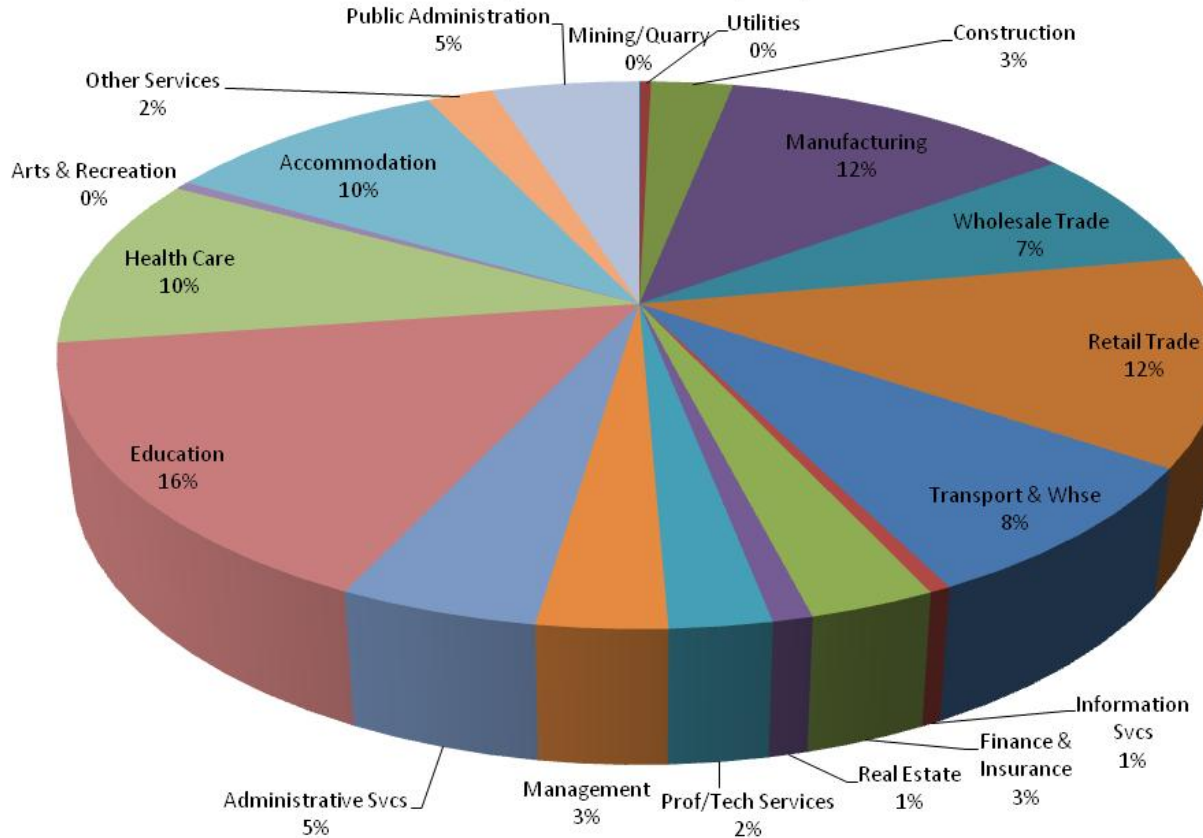
○ Lebanon as Eastern Metro Node

- Largest node on east side of Nashville
- Captures I-40 traffic from Cookeville; & Smith, Trousdale, Macon, Jackson, Dekalb, Putnam counties

Lebanon Economic Base

Lebanon Economic Base (2014)

Sources: U.S. Bureau of the Census and Randall Gross / Development Economics



Major Employers

● Cracker Barrel HQ	820	
● Performance Food (Dist)	646	
● CEVA Logistics (Dist)	625	
● TRW Auto Steering (Gears)	500	
● Genco ATC (Electr. Refurbish)		500
● Mannheim (Auction)	425	
● Lochinvar (Water Heaters)	425	
● Jones Bros (Road Building)	400	
● Ozburn Hesse (Dist)	380	
● L&W Engineering (Metal Stamp)	367	
● Amersports (Dist)	300	

Employment Trends

Table. AT-PLACE EMPLOYMENT TRENDS, LEBANON, 2002-2014						
Industry Sector	2002	2010	2014	2004-2014 Change		
				Number	Percent	
Mining/Quarry	27	25	10	(17)	-63.0%	
Utilities	75	N/A	78	3	4.0%	
Construction	771	703	616	(155)	-20.1%	
Manufacturing	3,794	3,412	2,672	(1,122)	-29.6%	
Wholesale Trade	1,357	1,286	1,630	273	20.1%	
Retail Trade	2,458	3,720	2,778	320	13.0%	
Transport & Whse	475	784	1,836	1,361	286.5%	
Information Svcs	174	238	114	(60)	-34.5%	
Finance & Insurance	457	696	669	212	46.4%	
Real Estate	139	175	212	73	52.5%	
Prof/Tech Services	412	424	540	128	31.1%	
Management	1,177	1,189	685	(492)	-41.8%	
Administrative Svcs	1,021	782	1,053	32	3.1%	
Education	2,472	3,448	3,548	1,076	43.5%	
Health Care	2,381	2,648	2,298	(83)	-3.5%	
Arts & Recreation	177	132	111	(66)	-37.3%	
Accommodation	1,555	1,626	2,151	596	38.3%	
Other Services	315	420	494	179	56.8%	
Public Administration	888	1,025	1,114	226	25.5%	
TOTAL	20,125	22,733	22,609	2,484	12.3%	
2010-2014				(124)	-0.5%	
Sources:	U.S. Bureau of the Census and Randall Gross / Development Economics.					

- Employment increased 12.5% since 2002
 - But fell 0.5% since 2010
 - Lebanon share of Wilson fell from 69% to 62% since 2010
- Growth Industries:
 - Transport & Warehousing
 - Education
 - Accommodation & FS
- Declining Industries:
 - Manufacturing
 - Management Svcs (Corp)
 - Construction

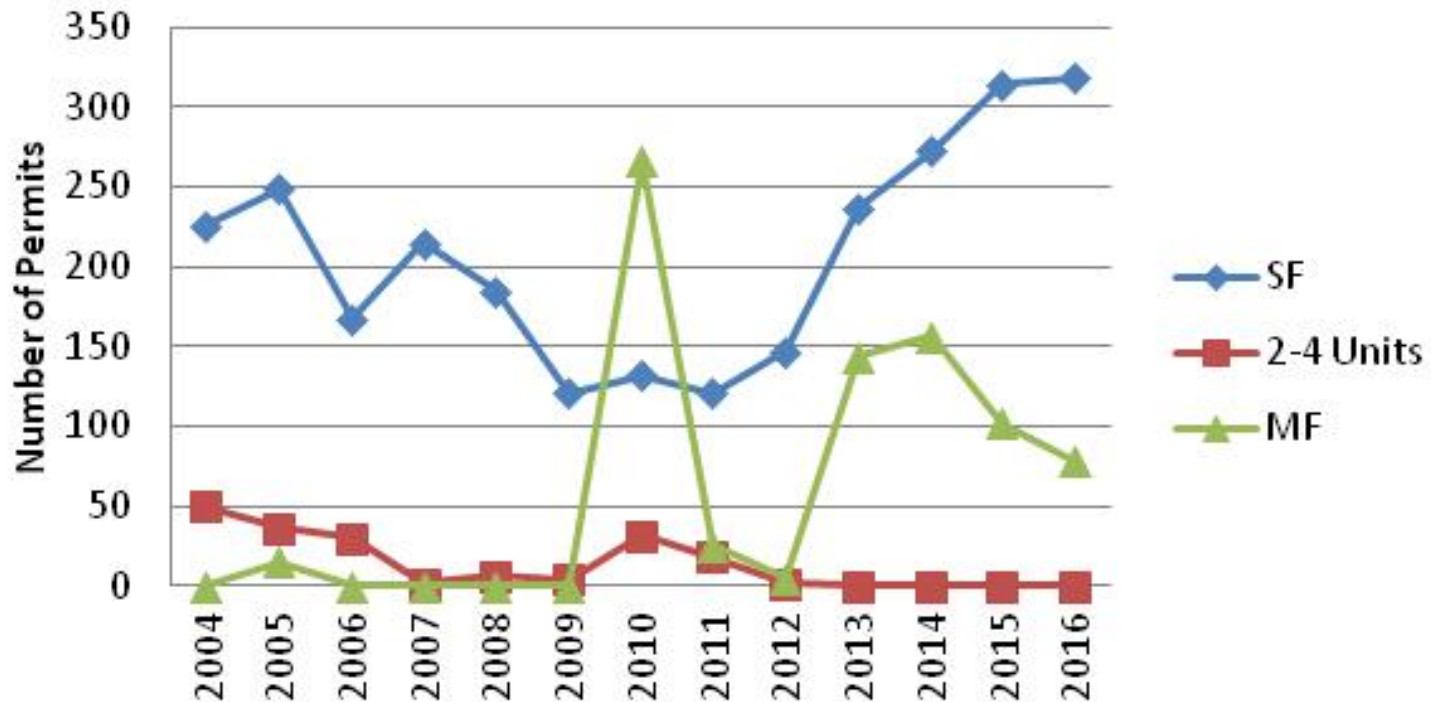
Demographics

Table.		DEMOGRAPHIC TRENDS, LEBANON, 2000-2016			
Factor	2010	2016	Number	Percent	
Population					
Lebanon	26,190	31,317	5,127	19.6%	
Wilson County	114,057	132,781	18,724	16.4%	
Households					
Lebanon	10,130	10,571	441	4.4%	
Wilson County	42,563	44,528	1,965	4.6%	
Median HH Income					
Lebanon	\$ 48,294	\$ 41,515	\$ (6,779)	-14.0%	
Wilson County	\$ 66,786	\$ 61,070	\$ (5,716)	-8.6%	
Note:	Income expressed in constant 2016 dollars.				
Sources:	U.S. Bureau of the Census and Randall Gross / Development Economics.				

Residential Construction

Lebanon Housing Permitting Trends, 2004-2016

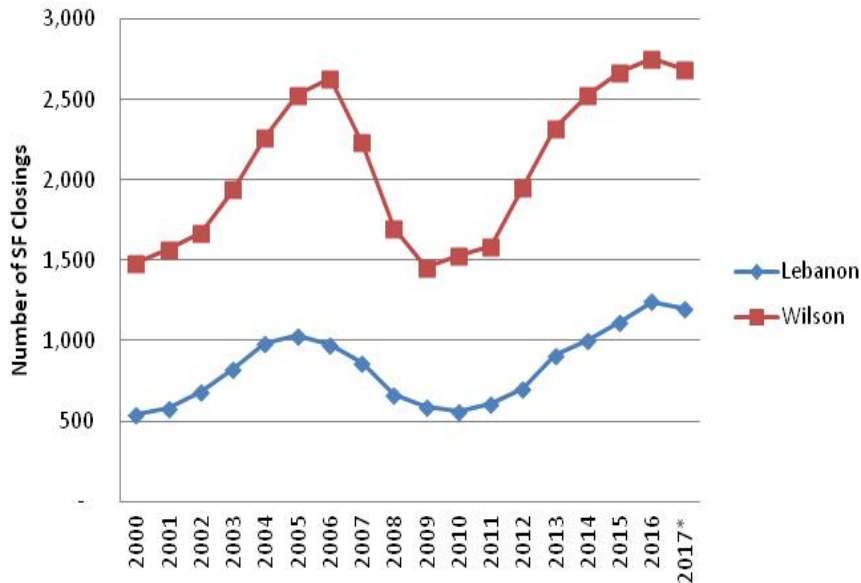
Sources: U.S. Bureau of the Census and Randall Gross / Development Economics



For-Sale Residential Market Trends

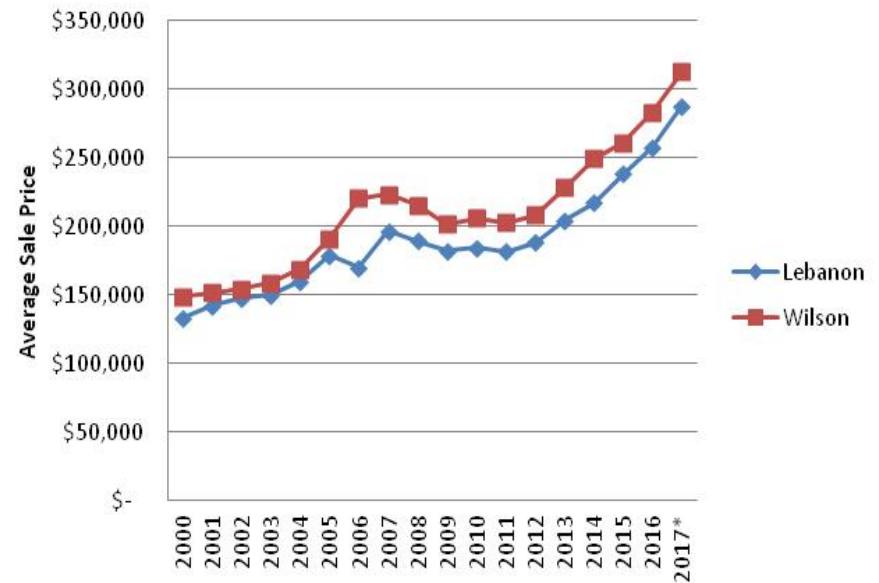
Housing Sales Trends, Lebanon & Wilson County, 2000-2017

Sources: Crye-Leike Realtors and Randall Gross / Development Economics



Average Price Trends, Lebanon and Wilson County, 2000-2017

Sources: Crye-Leike Realtors and Randall Gross / Development Economics



About 2,120+ new homes planned & proposed in Lebanon area.

Job relocations generate 50%+ sales; Empty nesters 30-40%+,
Move-up/downs 10%

Rental Residential Market Indicators

- ◉ Extremely low vacancy (1-3%)
- ◉ Escalating rents (5-10%/annum)
- ◉ Market Area Niches
 - Nashville-Area Job Relocations (50%-60%)
 - Other Relocations (10%)
 - Returning home/grew up here, retiring, family here
 - Eastern Inflow (10%)
 - Macon, Smith, Trousdale counties (no apartments)
 - Home Sellers (10%)
 - Empty Nesters, Short-Timers, Baby Boomers
 - 1st-Time Renters (<10%)
 - Divorces, Widows (5%)
 - Students (<5%)

Retail Market Conditions

- ◉ Good occupancy (93-94%)
- ◉ Increasing rents
- ◉ External factor impacts
 - Online / digital sales
 - Changing behavior and formats
- ◉ Positioning
 - Good for capturing eastern market
 - Competition to west (Providence, Opry Mills, etc)

Next Steps

- ◉ **Community Input**
 - Informs focus of market analysis
- ◉ **Residential Market Analysis**
 - Forecast potential for rental and for-sale housing
 - By product, price point, and location
- ◉ **Retail Market Analysis**
 - Forecast potential for retail/commercial uses
 - By type of business/establishment
- ◉ **Strategic Recommendations**
 - Marketing, development/land use, leveraging