



Offering Memorandum
PIGEON FORGE REDEVELOPMENT SITE |
± 9.59 ACRES



BULL REALTY
ASSET & OCCUPANCY SOLUTIONS

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DISCLAIMER

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

Bull Realty has been retained as the exclusive listing broker to arrange the sale of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property but does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may require. All financial projections are provided for general reference purposes only and are based upon assumptions relating to the general economy, competition and other factors, which therefore, are subject to material change or variation. Prospective purchasers may not rely upon the financial projections, as they are illustrative only. An opportunity to inspect the Property will be made available to qualified prospective purchasers.

In this Offering Memorandum, certain documents, including financial information, are described in summary form and do not purport to be complete or accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to review independently all documents.

This Offering Memorandum is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement, suitability or advice as to the value of the Property by Bull Realty Inc. or the current Owner/Seller. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner/Seller expressly reserve the right, at its sole discretion, to reject any or all expressions of interest or offers and/or to terminate discussions with any party at any time with or without notice. Owner/Seller shall have no legal commitment or obligation to any purchaser reviewing this Offering Memorandum or making an offer on the Property unless a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or waived. The Owner/Seller reserves the right to move forward with an acceptable offer prior to the call for offers deadline.

This Offering Memorandum may be used only by parties approved by the Broker. The Property is privately offered, and by accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it if requested and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in the strictest confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of Bull Realty, Inc. The terms and conditions set forth above apply to this Offering Memorandum in its entirety and all documents, disks and other information provided in connection therewith.

Sources for any information contained herein this Offering Memorandum include but are not limited to: CoStar, Lodging Development, Pigeon Forge, TN news outlets, Pigeon Forge, TN Chamber of Commerce, Pigeon Forge, TN Economic Development Corporation, and other proprietary studies, reports, and assessments on the subject property and market.

EXECUTIVE SUMMARY

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



SALE DESCRIPTION

Bull Realty is pleased to present this development opportunity for a multi-phase, hospitality venture to qualified investors. This is an opportunity to acquire a fee-simple interest in a ± 9.59-acre site (herein referred to as the “Site” or “Property”). The Site is located in the heart of Pigeon Forge, on U.S. Highway 441 - the major north-south route through the city. It is also elevated roughly 25 feet above the Parkway grade. As such, any multi-storied structure will be one of the most prominent buildings along the Parkway and highly visible from both directions.

Local officials are encouraging interested developers to consider a variety of uses as there is pent-up demand in the market for a development that takes into consideration the travel preferences of the Millennial generation (i.e. tech-savvy hotels, gathering spaces, brew pubs, etc.)

First-class theme park, theaters, live entertainment, hiking, biking, camping, cycling, skiing and over \$3.4 Billion in sales volumes have made Pigeon Forge a household name.

HIGHLIGHTS

- A rare “large-parcel” development site on “The Parkway”
- Prime location within Pigeon Forge/Gatlinburg, one of the strongest tourism markets in the Southeastern U.S.
- “Above grade” for excellent visibility relative to the 50,000+ cars that pass per day
- Close proximity to nearly all local demand generators within Pigeon Forge
- Possible to assemble additional property in the future
- Local planning officials indicate a strong preference for the development of a “flagship” tourism-related project on the Site
- Highest and best use of the property is no longer retail
- Covered land play

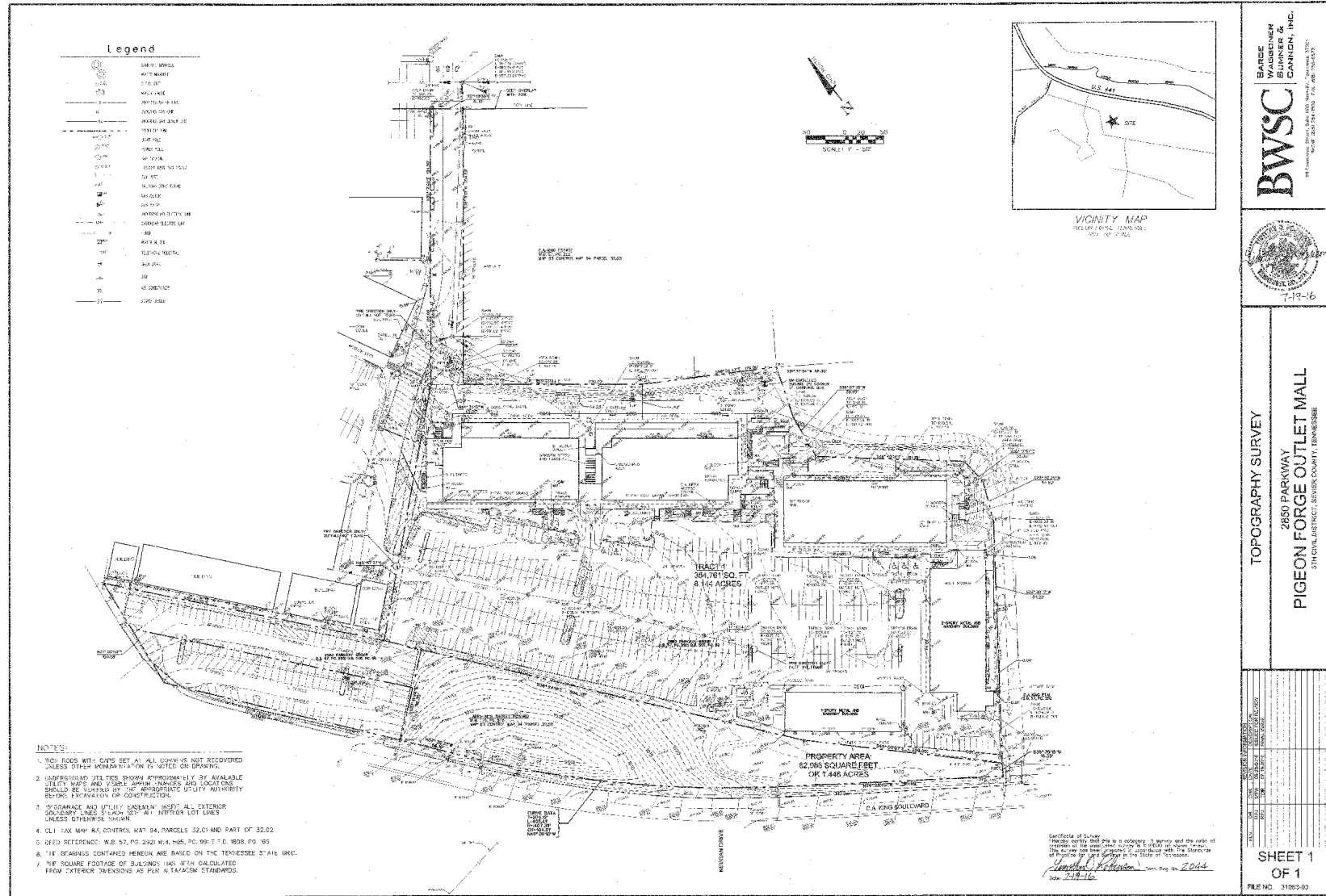
Contact Bull Realty for Pricing Information

PROPERTY INFORMATION

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

Property Address:	2860 U.S. Highway 441, Pigeon Forge, TN 37863
County:	Sevier
Site Size:	± 9.59 acres
Zoning:	C-2 Tourist Commercial District
Utilities:	All utilities
Proposed Use:	Mixed-Use Redevelopment
Traffic Counts:	50,000+ VPD on Parkway S (U.S. Hwy 441)
Parcel ID:	083094032.01 & 09409432.08
Ingress/Egress:	2 (Parkway signalized & C.A. King Boulevard)
Buildings On Site:	5 (± 121,250 SF total)
Sale Price:	Contact Bull Realty for pricing information





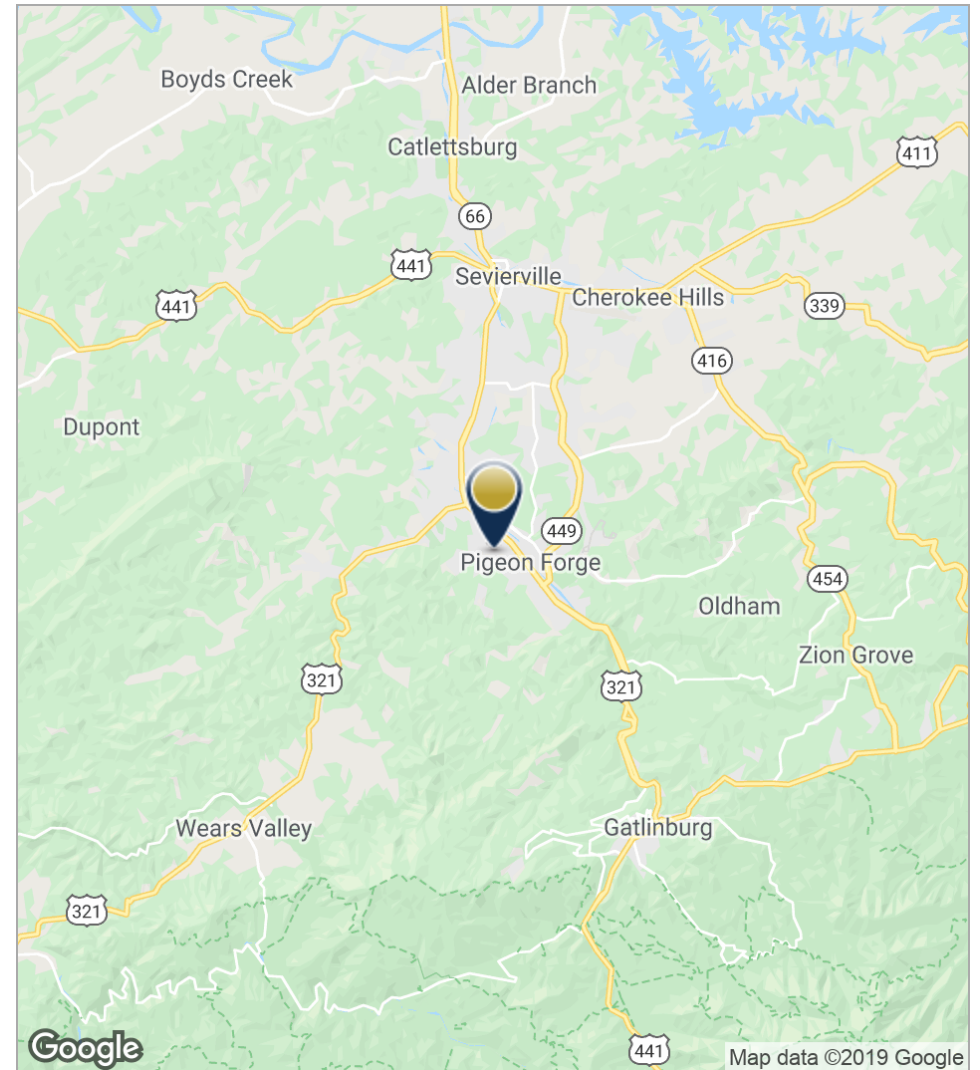
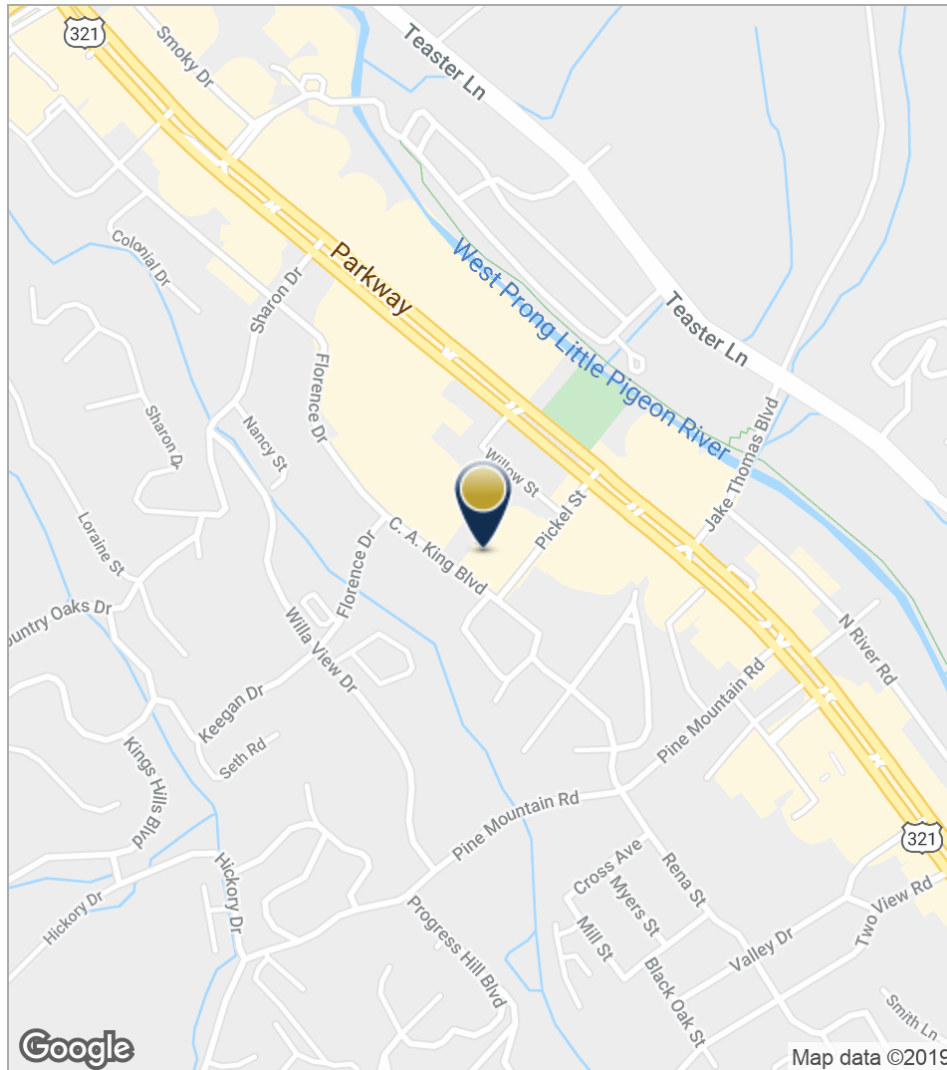
LOCAL ATTRACTIONS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



LOCATION MAPS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES







PHOTOS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



EAST / SOUTHEAST VIEW

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



EASTERN VIEW FROM SITE

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



The property is currently improved with the original outlet stores and revenues generated during the planning approval process supplementing investor returns. Any remaining leases of individual stores that occupy the space will be assigned to the buyer at closing.

The City of Pigeon Forge indicates a strong desire for the Property to be redeveloped — due to the age of the existing improvements and considering that the current land use does not fall within the city’s long-term land use plan for the highly dynamic “mid-section” of the Parkway. In dialogue with city officials, it is clear they consider the Subject Site as “ground zero” for a high-quality redevelopment project that would meet the vacation needs of both current and future visitors and that would inspire other landowners to maximize the value of their land.

City officials believe there’s a need for a project that appeals to the preferences of the Millennial generation. To meet their future goals, city officials are willing to work with potential developers of the Site to discuss virtually any type of project, whether it be lodging-only, mixed-use, themed-use, etc.

The Site is zoned C-2 Tourist Commercial District. As per the City of Pigeon Forge Zoning Ordinance: It is the purpose and intent of this district to establish areas that encourage the grouping of compatible commercial uses and tourist related uses, reduce traffic and parking congestion and improve the aesthetic characteristics of the city.

The language of the ordinance grants City Officials wide latitude in determining what are “compatible uses” under the C-2 zoning.

Site plan approval can be had in as little as two months, with the speed of approval depending most directly on how quickly the applicant can respond to comments.

There is no formal access easement between the owners of the Subject property and adjacent retail property. Such an access easement will be created and executed by the respective owners prior to closing.

The property has been approved for two 200-unit lodging towers and retail and should be built in two phases. A 200-room Wyndham Garden would be the first phase of a multi-phase development a developer would plan. The second phase would consist of another 200-unit Wyndham Hotel branded Hawthorn Suites, condominiums, or timeshares and retail. The hotel will be located on the back portion of the site with outward views of the mountains. Preliminary development plans call for the hotel with a food and beverage outlet and recreational amenities that would include an outdoor swimming pool with “lazy river”. The phases could be built in reverse order to provide additional funding to help offset the cost of the hotel tower.

WYNDHAM GARDEN BRAND

Brand affiliation has become increasingly important to the success of hotel operations and financing. Accordingly, the competitive advantages or disadvantages offered by a particular brand can have a substantial impact on performance. Wyndham Garden is Wyndham's upper midscale brand within a brand family long dominated by economy properties. The other Upper Midscale brands are the Tryp or Trademark.

Wyndham Garden hotels are perfectly situated in key business, airport and suburban locations. Each hotel provides casual dining options, inviting lobbies and cozy library lounges for reading or socializing. In addition, flexible meeting space accommodates a wide range of functions.

SUBJECT HOTEL

The Subject is to offer 200 guest units. It will also offer a bar, food and beverage outlet, approximately 3,000 SF of meeting space, a 24-hour market, an outdoor swimming pool with a lazy river, an exercise room, a business center, and complimentary high-speed internet access, with adequate surface parking. The Subject will meet or exceed the quality standards of the brand. The following images from Wyndham's development website depict a prototypical Wyndham Garden.

PRO FORMA – MORTGAGE-EQUITY VALUATION – INVESTMENT ANALYSIS

A pro forma is available, based on a custom STR Trend Report of the market and CBRE's 2019 Benchmarking for full-service properties over 200-keys. The forecast considers a 400-key hotel stabilizing at 68.2% occupancy, \$164.61 ADR, and \$112.29 RevPAR in Year 3.

A mortgage-equity valuation of the potential stabilized development is also available, based on the cashflows of the pro forma and assuming a 14% required equity yield, 70% LTV, 4.5% interest rate, 25 year amortization, 1.25 DCR, and 10% debt yield. The stabilized value of the development is forecasted to be between \$63 - \$67 million.

An investment analysis of the project is also available, based on the cash flows of the pro forma and assuming project costs of \$60 million as the basis, 14% required equity yield, and 70% LTV, 4.5% interest rate, and 25-year amortization on permanent financing. The analysis forecasts a 15.2% equity IRR for a developer.

This forecast does not consider many factors including the rental income from retail on the property, amusement income, or a two-phased development with a timeshare component. The forecast is meant to give an exploratory basis and point of reference for the project.

HAWTHORN SUITES CONCEPT

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WYNDHAM GARDEN INN RENDERING

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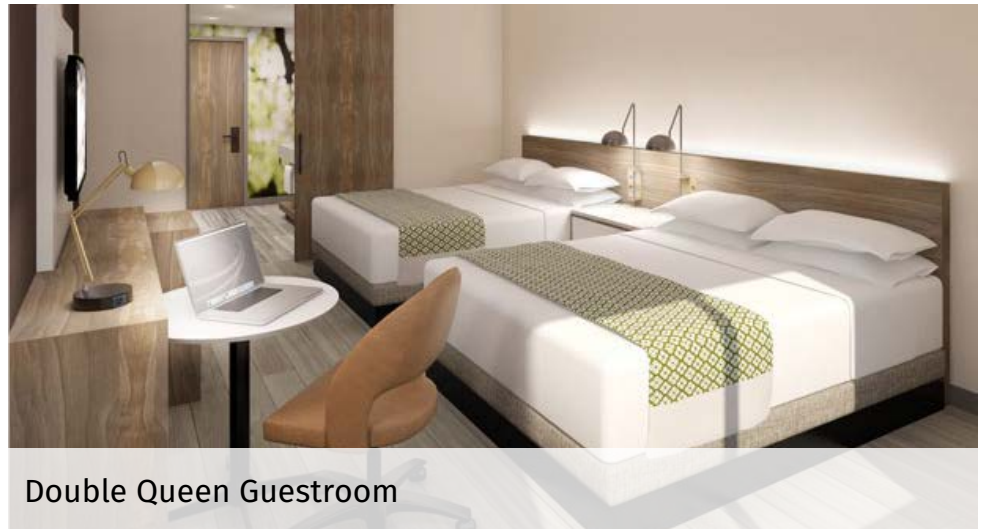
Exterior



Lobby Bar



King Guestroom



Double Queen Guestroom

ABOUT THE AREA

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PIGEON FORGE-GATLINBURG TOURIST AREA

Pigeon Forge and its neighboring communities of Gatlinburg and Sevierville represent a highly developed tourism destination, maximizing the attraction of the adjacent Great Smoky Mountains National Park and Dollywood. Tourism is by far the largest economic demand generator in the area. Together, the cities of Pigeon Forge and Gatlinburg, each with their own unique tourism draws, make up one of the strongest tourism trade areas east of the Mississippi.

Pigeon Forge is a mountain resort city located just five miles from the Great Smoky Mountains National Park. The city is a tourist destination that encompasses Southern culture and is the home to Dollywood. The town welcomes millions of visitors annually, making it one of the most popular vacation destinations in the US.

Gatlinburg situated “just down the road apiece” from Pigeon Forge, is positioned at the base of the Great Smoky Mountains. As the primary access point to the Great Smoky Mountains, the town attracts millions of visitors each year for vacations and outdoor adventures. Taking pride in the walk-ability of its downtown, Gatlinburg is filled with a rich variety of restaurants, shops and attractions nestled in the foothills and surrounded by natural beauty.

Sevierville is located approximately seven miles north of Pigeon Forge. Like Pigeon Forge and Gatlinburg, Sevierville has reaped the benefits of the burgeoning tourism industry brought on by over 25 years of tourism development. Located in the area where the Foothills of the Great Smokies give way to the Tennessee Valley, Sevierville has long acted as a nexus between Knoxville to the north and the Appalachian towns in the mountains to the south and has developed into a bedroom community for residents to live, shop, eat and enjoy life minus the hordes of tourists.



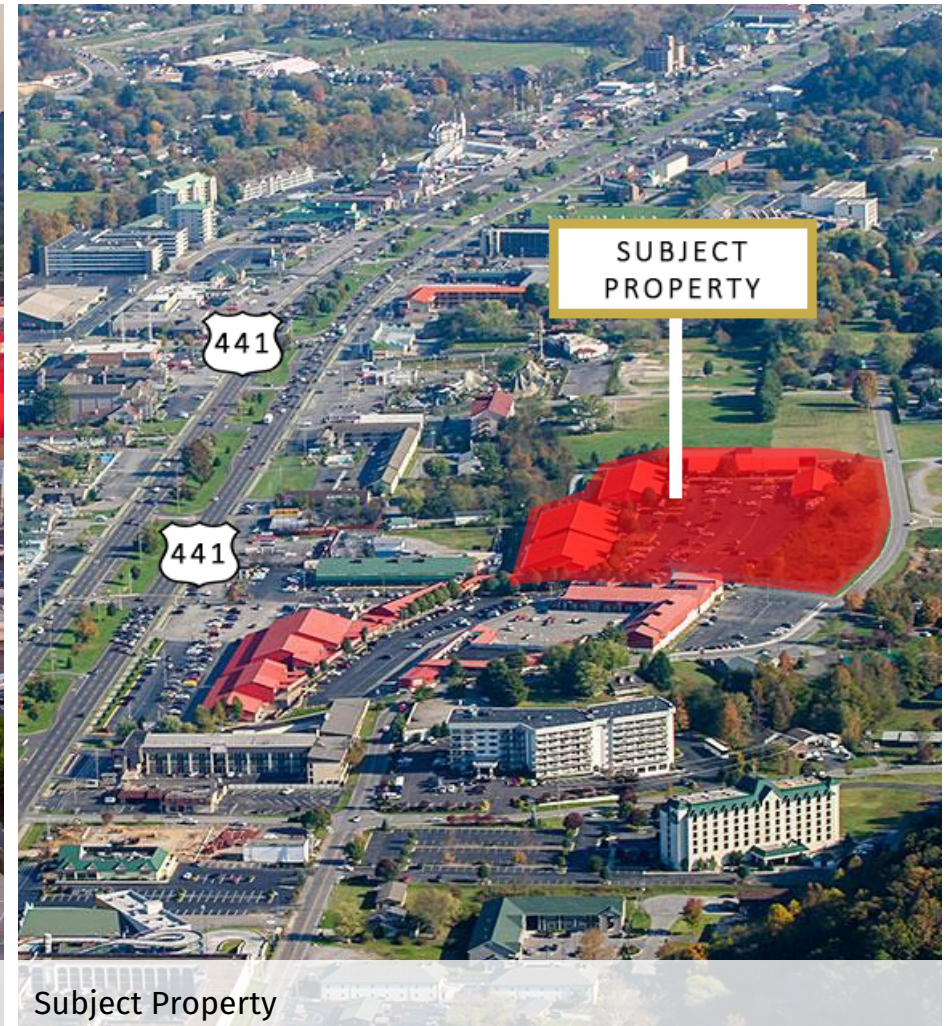
Gatlinburg



Sevierville

AREA PHOTOS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



ABOUT THE AREA

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TRANSPORTATION

The city of Pigeon Forge is located on U.S. Highway 441, which originates north of Knoxville, Tennessee and terminates in Miami, Florida. The highway connects to Interstate 40 via SR 66, north of Sevierville and bisects the Smokies, forming its primary north and south entrance gates. Coming from the west, MacAllan Ridge is best accessed via Wears Valley Road (US HWY 321), a predominately four-lane roadway that permits east bound arrivals to avoid the seasonal traffic density of U.S. Highway 441. This access allows visitors to access local services for groceries and supplies without encountering U.S. Highway 441. The Site is 16 miles from Interstate 40 near Kodak, Tennessee.

In 1986, the Fun Time Trolley system was established in Pigeon Forge and still provides a convenient type of transportation service for hundreds of thousands of people that visit the area. There is a fleet of more than 30 trolley buses that service the city of Pigeon Forge and a portion of Sevierville. The trolley's service more than a hundred stops throughout Pigeon Forge and Sevier County.

The nearest airport is McGhee Tyson Airport in Knoxville, approximately 38 miles from the site. However, Pigeon Forge being primarily a drive-in market is not heavily impacted by air travel.



Trolley System



Knoxville Airport



Historic Pigeon Forge



Pigeon Forge Present-Day

HISTORICAL ECONOMIC GROWTH

Most of the historical economic growth in Sevier County in general, and Pigeon Forge in particular, has happened within the last 30 years. Pigeon Forge was settled as a farming community in 1820 with the establishment of a forging workshop along the local beech-nut lined river. Passenger pigeons flocked to the area because of the beechnut trees using them as a primary dietary need. The first primary impact was the World's Fair held during 1982 in Knoxville, bringing millions of dollars in tourism to the metropolitan area.

In 1986, an existing theme park in Pigeon Forge known as **Silver Dollar City** was purchased by Dolly Parton and renamed **Dollywood**. Attendance at the family-oriented theme park increased more than 75% in the first year after the name change to 1,300,000 visitors. Since then, the park has more than doubled in size to more than 100 developed acres. Dollywood attracts approximately 2,500,000 visitors annually, making it the second most visited attraction in the state of Tennessee next to the **Great Smoky Mountains National Park**.

After Dollywood opened in 1986, the area grew into a popular vacation destination. As a result, a heavy concentration of commercial development, including outlet centers and a wide variety of retail shops, hotels, music, dinner and comedy theaters, and amusement parks featuring miniature golf, go-carts, racing cars, laser games, indoor skydiving simulators and museums, has been built mostly along U.S. Highway 441 over the last 30 years.



Dollywood Entrance



Dollywood Coaster

SEVIER COUNTY HOTEL DEVELOPMENT

There is a total of 217 hotels and 17,602 rooms in Sevier County, with properties ranging from budget to full-service hotels in multiple cities: Pigeon Forge has 88 hotels/9,346 rooms, Sevierville has 22 hotels/2,056 rooms, Gatlinburg has 58 hotels/5,458 rooms and Kodak has 10 hotels/745 rooms, along Interstate 40.

The Pigeon Forge Department of Tourism reports an overall occupancy rate for Pigeon Forge hotel rooms of 73% and an ADR of \$115 in 2017 (up from 55% and \$70 in 2010). However, only 36 Pigeon Forge hotels with 3,921 rooms, have franchise affiliations; the remaining 52 hotels/5,425 rooms operate as independent properties.

While there have been three new hotels containing 561 rooms added to the Pigeon Forge market over the last three years, the total number of hotel rooms in the market has declined by almost 500 rooms, as old exterior corridor motels are demolished for their land value.

THE GREAT SMOKY MOUNTAINS

The Great Smoky Mountains National Park is directly accessible from Pigeon Forge via U.S. Highway 441. A national park since 1934, the Smokies straddle the North Carolina/Tennessee state line and encompass 800 square miles. The park is 95% forested offering more than 150 trails and generates over \$800 million per year.

As one of the largest protected wilderness areas in the eastern United States, the Great Smoky Mountains National Park attracts ± 11,000,000 visitors annually, making it the most visited national park in the nation with more than twice the visitation of the Grand Canyon National Park. The Park's annual visitation has experienced steady growth over the past decade, and for the fourth consecutive year, visitation to America's national parks as a whole, exceeding 300 million visits in 2018.



Great Smoky Mountain National Park Entrance



View from Great Smoky Mountain National Park

DOLLYWOOD & SPLASH COUNTRY

The amusement sector is one of the largest industries in Pigeon Forge-Gatlinburg and is made up of a large variety of businesses and attractions. Dollywood is Tennessee's most visited ticketed tourist attraction with over 3 million guests annually. Dollywood is the largest employer in Sevier County and features traditional crafts and music of the Smoky Mountains area. Dollywood, recognized as one of the world's best theme parks, is known for its award-winning shows, rides and special events. Each season is celebrated with an outstanding festival, and in 2019, Dollywood opened Wildwood Grove, an impressive new area which features 11 thrilling attractions.

Dollywood also owns the adjacent 35-acre Dollywood's Splash Country, and the chain of Dixie Stampede dinner theaters. Dollywood is also the home of the Southern Gospel Museum and Hall of Fame, which is sponsored by the Southern Gospel Music Association. Dollywood offers numerous concerts and musical events including appearances by Dolly Parton and her family, as well as other national and local musical acts.

The largest hotel in Pigeon Forge, Dollywood DreamMore Resort, is a 307-room property located adjacent to the Dollywood theme park on a 100-acre site and is inspired by Dolly Parton's childhood memories of growing up in the Smoky Mountains and her family's front porch.



Splash Country



Dollywood DreamMore Resort



Winter Holidays in the Smokies

DOLLYWOOD & SPLASH COUNTRY

Entertainers and artists from around the world visit Dollywood each spring during Festival of Nations. Smoky Mountain Christmas during November and December is a favorite with more than five million sparkling lights and delightful holiday shows, including Christmas in the Smokies, transform the park into a winter wonderland. During the shoulder and winter seasons, the park hosts several large festivals to generate weekend demand. The theme park's operating season runs from early Spring through Christmas.

THE LECONTE EVENT CENTER

The LeConte Event Center opened in 2013 with the goal of attracting large events, trade shows, competitive events and special events. Funded by the city of Pigeon Forge, the Center features a 100,500 SF Exhibit Hall that can accommodate more than 10,000 people and also includes 1,600 surface parking spaces.

THE RIPKEN EXPERIENCE

Directly across the street from the LeConte Event Center, **The Ripken Experience**, a youth baseball complex and the fourth facility constructed by Cal Ripken Baseball. The facility features six youth turf fields with lights, batting cages and bullpens, each patterned after a well-known professional park to give every player a true “Big League” experience. It will attract elite youth baseball tournaments nine months of the year and offer year-round programming, training and events. The baseball facility is part of Mountain Mile, a mixed-use development comprised of several restaurants and at least two hotels, including a 105-room Home2Suites and 102-room Tru by Hilton.

With the additions of the LeConte Center and Cal Ripken Youth Baseball Fields the City of Pigeon Forge is hoping to generate demand during the off season.



The LeConte Event Center



The Ripken Experience



The Mountain Mile & Tower Shops



The Island

THE MOUNTAIN MILE & TOWER SHOPS

The Mountain Mile & Tower Shops, an unprecedented development project designed to completely reshape the retail, restaurant, lodging, and attraction scene of Pigeon Forge and the region, is currently under construction. Mountain Monster will feature three rides all from a 200-foot tower which will overlook the Smoky Mountains. With over 1 mile of road frontage and ± 174 acres in total, this will be a project of regional significance. Located along Teaster Lane and Jake Thomas Blvd in the heart of Pigeon Forge, surrounded by the Cal Ripken Experience baseball tournament park, LeConte Convention Center, and “The Island”, a 300,000 SF mixed-use entertainment/retail venue, and just minutes from Dollywood. A recent announcement brings a new addition to the complex for a drive-in movie theater, August Moon where visitors will enjoy movies in this dome transformed into a drive-in.

THE ISLAND

The Island is a 23-acre entertainment destination offering families affordable fun, both night and day. Showcased by The Great Smoky Mountain Wheel, a 200-foot-high observation wheel and a Las Vegas style show fountain. The Island provides the area’s newest shopping, dining and entertainment options with more than 60 retail and specialty in the East Tennessee area. The Island in Pigeon Forge is the second largest entertainment complex in Pigeon Forge with Dollywood being the largest.

ROCKY TOP SPORTS WORLD

Rocky Top Sports World, which is located a quick ten-mile drive from Pigeon Forge, is the premier sports and tournament complex in the southeast U.S. The 80-acre sports complex includes 6 state-of-the-art synthetic turf fields, a natural surface field, and a pro-style field with seating for 1,500. The 86,000 SF of indoor space includes 6 basketball courts, 12 volleyball courts, team rooms, an on-site restaurant and more. In addition to the facilities in the main building, there are an additional 4 basketball courts and 5 volleyball courts on site.

With both the Cal Ripken Experience and Rocky Top Sports World, the Smoky Mountains region now has the capability of hosting multiple tournaments simultaneously. The combination of incredible sports facilities, plentiful lodging choices, amazing attractions, a variety of restaurants, and top visited National Park in the country makes this area a prime spot for tournaments.

DINING OUT

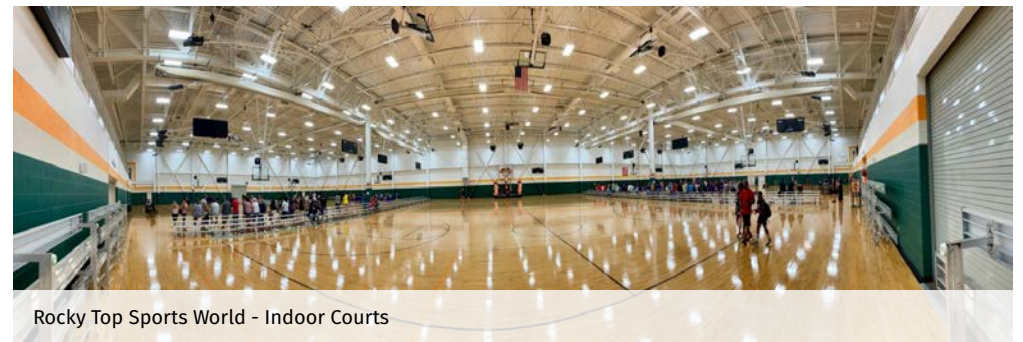
The Pigeon Forge market features numerous locally owned restaurants along with regional and national chain restaurants providing endless options for tourist who value going out to eat. The beauty of this market is that every price point is available for those who choose to dine out, and if you can't find what you want in Pigeon Forge there is always Gatlinburg with even more options.

Between the two cities there are more than 100 places to enjoy a meal. The restaurant industry continues to grow in Pigeon Forge, attributed largely to the increase in visitors to this “get-away” destination. In 2017, restaurants in Pigeon Forge generated a gross revenue of roughly \$220 million, an increase of 0.4% compared to restaurant gross revenues in 2016.

Of particular note on the food and beverage front, Pigeon Forge and Gatlinburg are known for their famous breakfast and pancake houses as they have the highest concentration of pancake houses per square mile anywhere in the country.



Rocky Top Sports World - Synthetic Turf Fields



Rocky Top Sports World - Indoor Courts



Rocky Top Sports World - Exterior

TIMESHARE OVERVIEW

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A timeshare is a vacation property arrangement that lets you share the property cost with others in order to guarantee time at the property. When you're ready for a change of pace, and want to enjoy the many attractions that can be found in Pigeon Forge and surrounding area, certain individuals may consider timeshare ownership as an option.

PIGEON FORGE VACATION OWNERSHIP QUICK FACTS

Pigeon Forge offers something for every season, making it a favorite year-round destination. The Great Smoky Mountains offer outdoor experiences in all kinds of weather.

Pigeon Forge timeshare resorts provide accommodations and amenities for the whole family, and you can find plenty of family friendly attractions such as Dollywood nearby.

Pigeon Forge timeshare resorts range from luxury villas to rustic cabins. The timeshare market is beginning to shift away from traditional rental options to newer approaches. Vacation Rentals by Owner (VRBO) and Airbnb are quickly moving into the market as a viable option for owners partially because they feel they have more control over the process and the commission splits are higher than the with timeshare operators.

Timeshare Company	Property Name	# Rooms	Address	Miles
Wyndham Vacation Resorts	Great Smokies Lodge	199	1425 Old Knoxville Hwy	7.9
Wyndham Vacation Resorts	Smoky Mountains	554	308 Collier Dr	4.1
Bluegreen Vacation	Laurel Crest – Ascend Resort Collection	290	2628 Laurel Crest Ln	2.1
Bluegreen Vacation	Mountain Loft – Ascend Resort Collection	384	110 Mountain Loft Dr	9.8
Exploria Resorts	Mountain Meadows	x	2813 Rolling Hills Dr	0.9
Exploria Resorts	Gatlinburg Town Square	221	414 Historic Nature Trl	9.2
Diamond Resorts	Bent Creek Golf Village	84	3919 E Parkway	20.1
Diamond Resorts	Sunrise Ridge	133	2301 Ridge Rd	1.9
Diamond Resorts	Gatlinburg Town Village	x	515 Historic Nature Trl	9.2
Holiday Inn Club Vacations	Smoky Mountain Resort	136	404 Historic Nature Trl	9.3
Grand Crown Resort	Lodges at the Great Smoky Mountains	24	222 Whistling Wind Way	2.4
Westgate Resorts	Smoky Mountain Resort	938	915 Westgate Resort Rd	6.6
Total		2,963		

HOTEL OVERVIEW

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The lodging market in Pigeon Forge continues to be in a state of flux and transition. Traditionally, the lodging options were dominated by timeshares and independent hotels, even with strong repeat demand from regional source markets. Given the growth of the market as a national destination, national franchise companies have recently “discovered” the Pigeon Forge market with terrific success. In judging the success of these properties, one only needs to look at the growth in RevPAR for the subject select-service comp set in the table below, which has grown from \$59.09 in 2012 to \$95.26 in 2017.

Similar to many markets nationally, brand availability is becoming an issue. Although high-quality brands are still available in Pigeon Forge, interested buyers of the Property are encouraged to research the best option for them.

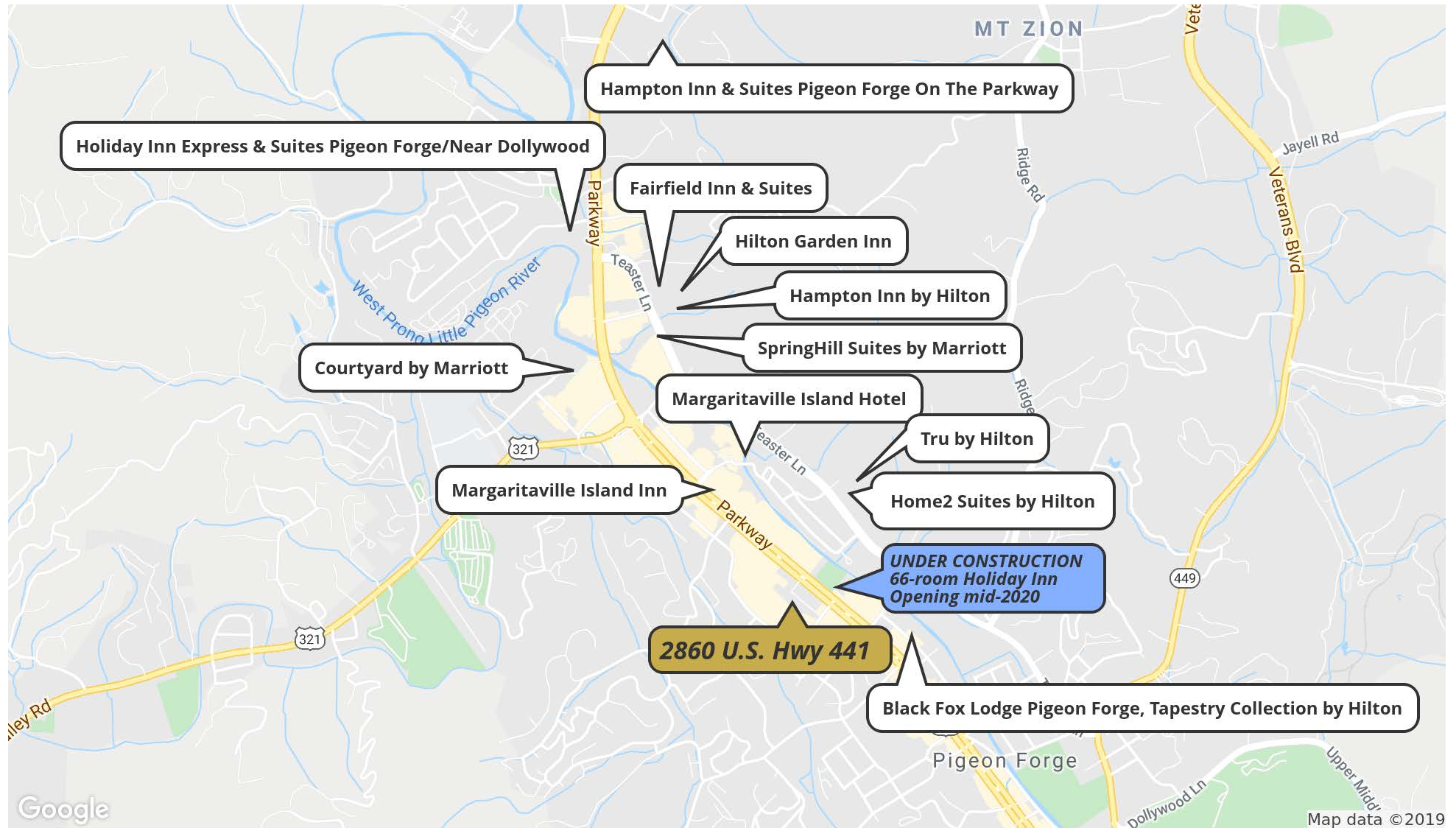
Lodging properties (including timeshares) located in Pigeon Forge collect a 2.5% bed tax which is one of the lowest rates in Tennessee, especially among other cities where tourism is the main industry. Like most cities the bed tax helps fund the Convention and Visitors Bureau and their marketing plan.

COMPETITIVE SUPPLY | PIGEON FORGE, TENNESSEE

Property	Opened	Rooms	Address	Miles from Subject
Fairfield Inn & Suites	March 2019	109	2445 Teaster Ln	1.4
Tru by Hilton	June 2018	102	2815 Teaster Ln	1.1
Home2 Suites by Hilton	May 2017	107	2817 Teaster Ln	1.0
Black Fox Lodge, Tapestry Collection by Hilton	December 2016	178	3171 Parkway	0.6
Courtyard by Marriott	October 2016	137	120 Community Center Dr	1.3
Hilton Garden Inn	June 2016	112	2481 Teaster Ln	1.5
Margaritaville Island Hotel	October 2014	126	131 Island Drive	0.8
Hampton Inn by Hilton	June 2012	122	2497 Teaster Ln	1.3
Springhill Suites by Marriott	April 2010	112	120 Christmas Tree Ln	1.4
Margaritaville Island Inn	May 2001	104	2735 Parkway	0.7
Holiday Inn Express & Suites Pigeon Forge/Near Dollywood	June 1996	105	308 Henderson Chapel Rd	1.8
Hampton Inn & Suites Pigeon Forge on The Parkway	June 1995	100	2025 Parkway	2.3
TOTAL		1,414		

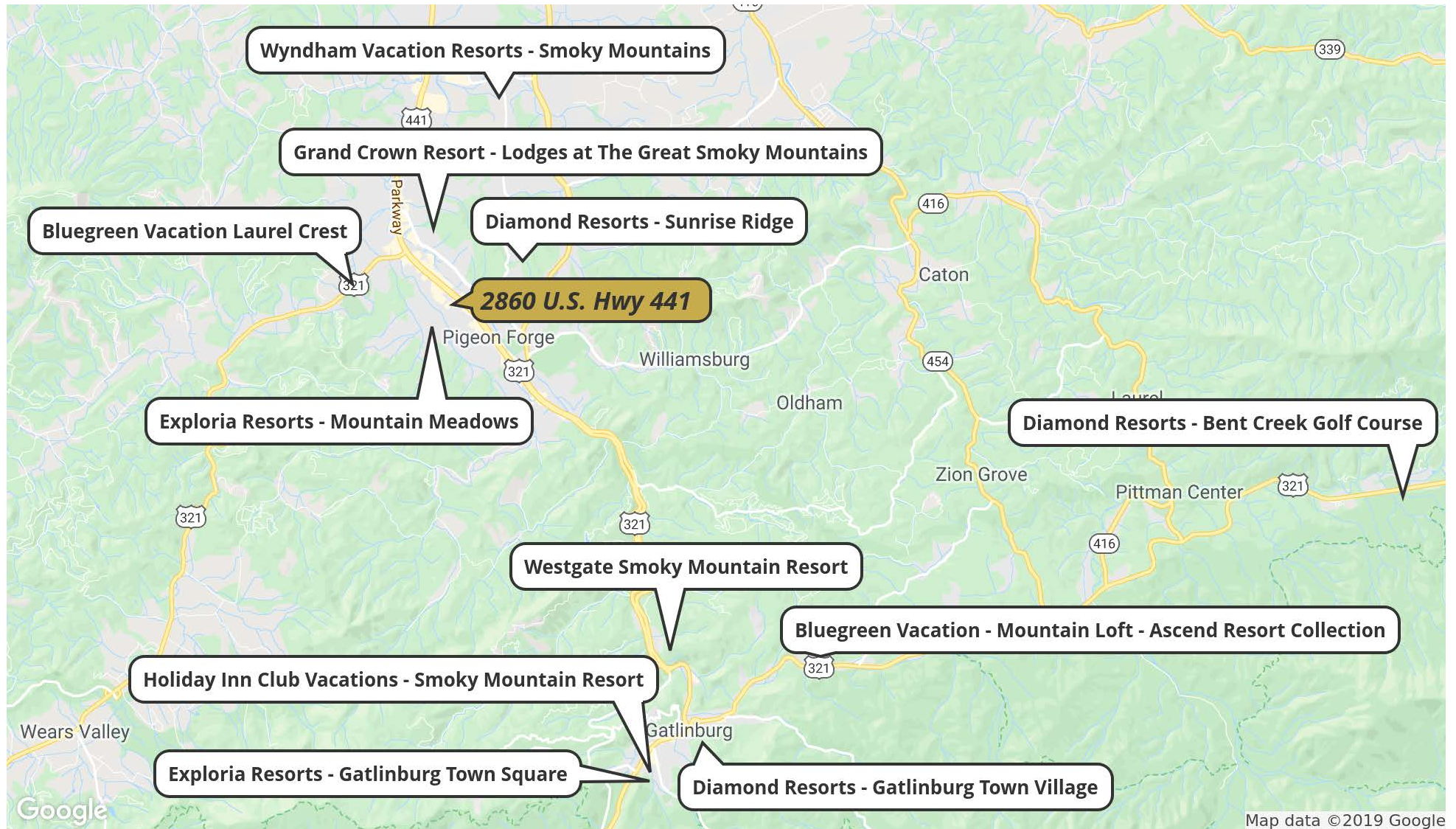
ADDITIONS TO SUPPLY

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



ADDITIONS TO SUPPLY

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POTENTIAL FRANCHISE OPTIONS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

There are still a number of potential hotel franchises available for this site. A prudent developer would check with the respective brand representatives for the most current branding opportunities available.



MARRIOTT

Marriott brand managers are holding off in the Pigeon Forge market until Q2 or Q3 to see how the new Residence Inn is absorbed by the market. There is currently no Four Points, AC by Marriott, Element Marriott Vacation Club in Pigeon Forge.



HILTON

Hilton brands not currently represented in the market include Embassy Suites, Homewood Suites, Doubletree and Hilton Grand Vacations. Hilton is also waiting until Q2 or Q3 before considering any additional brands.



INTERCONTINENTAL HOTELS GROUP (IHG)

IHG has three Holiday Inn Express properties in Pigeon Forge and recently approved a Holiday Inn franchise across the Parkway from the subject site. IHG has not yet put a flag in the ground with their Crowne Plaza, Staybridge, Candlewood or Holiday Inn Club Vacation brands.



WYNDHAM HOTELS & RESORTS

Wyndham Hotels & Resorts has both the Wyndham Garden and Hawthorn Suites by Wyndham brands available, as well as the Wyndham, Tryp and Trademark flags.



HYATT

Hyatt currently has no representation in the Pigeon Forge market. As such, all of their brands are potentially available, including Hyatt Place, Hyatt House and Hyatt Centric.



CHOICE HOTELS

Choice has limited brands available for Pigeon Forge with Cambria and Woodspring Suites being those available.



BEST WESTERN HOTELS & RESORTS

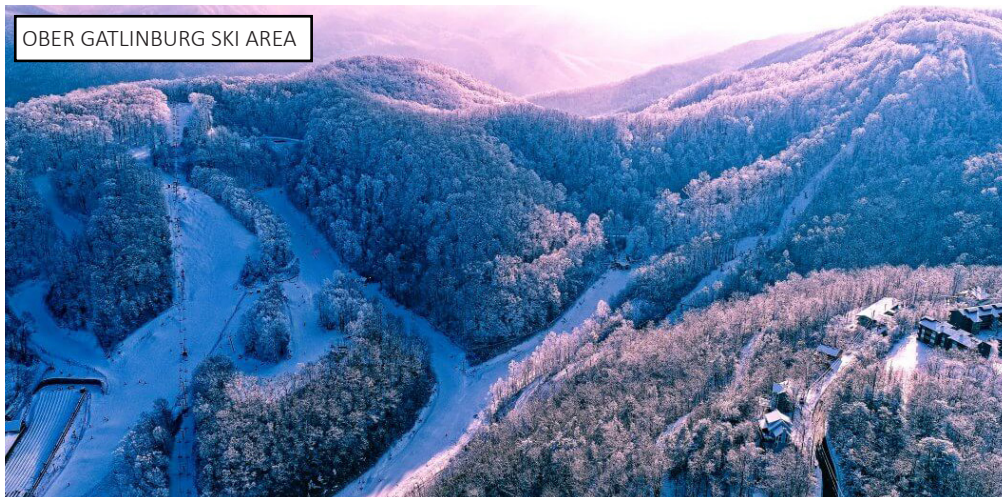
In light of the company's addition of several brands over the course of the current economic cycle, there are several Best Western options still available in the market, such as Vib and Glo.

AREA AMUSEMENTS & AMENITIES

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

INDOOR ACTIVITIES

- Wonderworks
- Moonshine Sampling
- Beer & Wine Sampling
- Titanic Museum
- Big Top Arcade
- Flyaway Indoor Skydiving
- Hollywood Wax Museum
- MagiQuest
- Ripley's Entertainment
- Ripley's Aquarium of the Smokies
- Alcatraz East Crime Museum
- TopJump Trampoline & Extreme Arena
- Pigeon Forge Snow
- The Escape Game Pigeon Forge
- Guinness World Records Adventure
- Mysterious Mansion of Gatlinburg



OUTDOOR AMUSEMENTS

- White Water Rafting
- Fly Fishing the Smokies
- Horse Stables
- Golf
- Miniature Golf
- Go Karts
- ATV Trails
- Zip Lining
- Adventure Parks
- Gatlinburg Ski Lift
- Space Needle
- Clingman's Dome
- Cades Cove
- Ober Gatlinburg Ski Area

AREA AMUSEMENTS & AMENITIES

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



SHOPPING

- Tanger Outlets
- Pigeon Forge Factory Outlet Mall
- Lumberjack Square
- The Shops of Pigeon Forge
- The Old Mill Square
- Farmers Market
- Aerial Tramway Mall
- The Village Shops & Mountain Mall
- Great Smoky Arts and Crafts Loop
- The Mountain Mile & Tower Shops

THEATER

- Sweet Fanny Adams Theater & Music Hall
- Hatfields & McCoy Dinner Show
- Comedy Barn Theater
- Smoky Mountain Opry
- Darren Romeo: Magic Beyond Belief
- Country Tonite Theater
- Smith Morning Variety Show
- Dixie Stampede
- Paula Deen's Lumberjack Feud Show
- Celebration! A Spectacular Dinner Show
- Grand Majestic Dinner Show



FUTURE OUTLOOK

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

AREA REVIEW

The Knoxville MSA is made of six counties: Anderson, Blount, Knox, Loudon, Sevier and Union Counties. Sevier County consists of Gatlinburg, Pigeon Forge and Sevierville. The Subject Site, located on U.S. Highway 441, is situated in Pigeon Forge, incorporated Sevier County.

The Pigeon Forge area has grown into a small destination for a substantial portion of the surrounding population. The Great Smoky Mountains National Park and Dollywood were the primary impetus for this development, followed by the construction of several thousand hotel rooms and a large concentration of retail development, including several outlet centers. As indicated, gross retail sales in the area have grown tremendously over the last 25 years.

Tourism creates an economic foundation for future growth and expansion. An analysis of the economic characteristics of a given market area is critical in assessing historical and future growth patterns and their impact on levels of lodging demand. Such an analysis also contributes to a proper evaluation of market risks. For instance, a market heavily oriented towards a single demand generator (e.g., a military installation) often carries a high level of inherent risks. Conversely, a market having a diverse economy typically is less vulnerable to downturns. Further, the sheer size of a market can impact risks through its ability to recover from conditions of oversupply.

The Pigeon Forge commercial corridor along U.S. Highway 441 has an economy that is centered on tourism. More than 50% of all jobs in Sevier County are service and retail related.



Margaritaville



Pirates Voyage

FUTURE OUTLOOK

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



Dollywood Stampede



Ole Smoky Moonshine

SITE AND NEIGHBORHOOD REVIEW

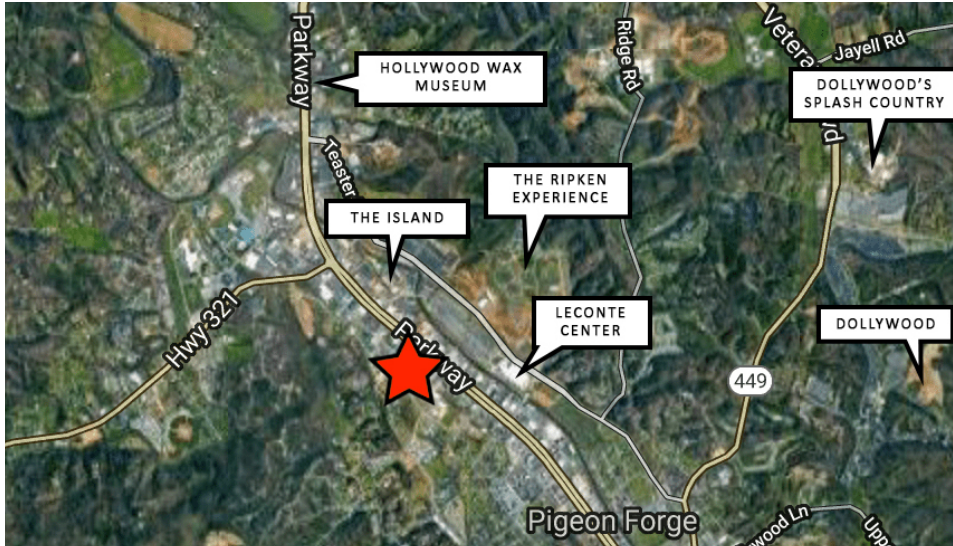
The neighborhood within which a hotel operates can have a significant impact on its operating performance. Emerging neighborhoods experiencing substantial growth can generate increasing levels of demand and provide an environment characterized by newer development and, more importantly, popular support facilities (e.g., restaurants, retail, entertainment, etc.). Conversely, a declining neighborhood or, in some cases, a mature one relative to a nearby emerging one, can be detrimental to a property's operations.

The northern portion of Pigeon Forge neighborhood in which the Subject site is located, is comprised of the cities of Pigeon Forge and Sevierville, both centralized within Sevier County. The ±9.59-acre site is situated behind a few retail and restaurant buildings, along U.S. Highway 441 with direct access off to the Highway. The neighborhood generally comprises a corridor along U.S. Highway 441, through Sevierville and Pigeon Forge, with commercial development almost all concentrated along this road.

U.S. Highway 441 is the major north-south thoroughfare through the neighborhood, while the nearest east-west street serving the neighborhood is approximately five miles north of the Subject, where U.S. Highway 441 intersects with Route 66, and in the northern portion of Sevierville.

LOCATION

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



LOCATION OVERVIEW

The site is bordered by retail outlets and quick-service restaurants to the North and East, and by vacant land to the South and East.

The map above shows the Subject's location relative to the neighborhood and the map to the right, shows the Subject's location relative to the Greater Knoxville area.



POPULATION REVIEW

Population growth is an important factor in determining the economic strength of a given area. Although the growth of a local population is not related directly to room-night demand for hotels, it does reflect employment growth and future employment concentration which, in turn, typically influence levels of commercial room-night demand. The following table depicts population characteristics for the county and state.

The city of Pigeon Forge collects a one-percent gross receipts tax from all business in Pigeon Forge. The tax is then tracked and reported by sector. Pigeon Forge's success is driven by its strong product mix.



Ober Gatlinburg



Titanic

FUTURE OUTLOOK

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

GROSS RECEIPTS BY BUSINESS SECTOR

Area	1980 POP	1990 POP	2000 POP	2010 POP	2018 EST
Pigeon Forge	1,822	3,027	5,083	5,875	6,238
Gatlinburg	3,500	3,417	3,382	3,968	4,163
Sevierville	5,444	7,178	11,757	14,807	16,716
Sevier County	41,418	51,043	71,170	89,889	97,892
Tennessee	4,591,120	4,877,185	5,689,283	6,346,105	6,770,010

Business Sector	2018	2017	% Total	% Change
Lodging	\$368,374,658	\$336,183,844	26%	10%
Restaurants	\$238,967,434	\$219,190,228	17%	9%
Outlets	\$40,008,399	\$43,575,377	3%	-8%
Amusements	\$264,669,250	\$242,751,187	19%	9%
Retail & Services	\$136,297,445	\$134,016,582	10%	2%
Gas & Grocery	\$147,565,237	\$135,427,363	11%	9%
Theaters	\$81,788,189	\$77,887,704	6%	5%
Crat, Gift & Specialty	\$76,721,398	\$68,160,871	5%	13%
Other	\$48,093,078	\$41,017,594	3%	13%
Total	\$1,402,485,088	\$1,298,208,750	100%	8%

SALE COMPS

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES



SALES COMPS							
	Address	City	Description	Sale Price	Price / AC	Site Size	Sold Date
1	2905 Parkway	Pigeon Forge	Site of new Holiday Inn Directly across from Subject Property	\$2,613,412	\$1,537,301	1.7 AC	02/01/2017
2	2656 Parkway	Pigeon Forge	Multi-property assemblage	\$12,440,000	\$1,495,192	8.32 AC	01/28/2015
3	4074 Parkway	Pigeon Forge	--	\$600,000	\$689,655	0.87 AC	05/02/2016
4	3735 Parkway	Pigeon Forge	--	\$1,742,500	\$871,250	2.0 AC	09/03/2015
5	2575 Parkway	Pigeon Forge	Under Contract Ground lease under amusement	\$10,500,000	\$1,650,943	6.36 AC	-



Cole Spain

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Cole Spain specializes in assisting clients in the disposition and acquisition of hotels and resorts in North America and the Caribbean, as well as providing debt and equity placement solutions. Leveraging off Bull Realty's technology, digital resources and marketing tools, he counsels his clients with the highest levels of professionalism and integrity. He plays a key role in all stages of the deal cycle, including: new business development, underwriting, sourcing buyers, facilitating/negotiating offers, transaction management and closing. Cole maintains close relationships with institutional investors, private equity, high net-worth individuals and regional owner/operators to present acquisition opportunities directly to the appropriate buyers.

Graduating Cum Laude from Ole Miss with a Bachelor's in Business Administration in both Real Estate and Managerial Finance, Cole is also certified through Cornell University's School of Hotel Administration Executive Education. With a focus in Advanced Hotel Real Estate Investments and Asset Management, he gained extensive knowledge in valuation, deal structure, capital markets, risk management, strategy and asset management. He is also a Certified Commercial Investment Manager (CCIM) candidate and continues his education through their many programs. His prior experience includes multi-tenant retail and single-tenant net lease investment properties, as well office tenant representation and hospitality lending, and includes positions with Randall Commercial Group, Savills Studley and Access Point Financial.

His personal interests include studying sales and hospitality, spending time with family and friends, attending Ole Miss and Atlanta Falcons football games, PGA Tour events and attempting to play golf himself.



Tom French

President, Hospitality Group

TFrench@BullRealty.com

O: 404-876-1640 x147

Tom French joined Bull Realty with more than 20 years of successful experience in the hospitality industry. As President of the Hospitality Group, Tom specializes in hotel acquisition and disposition services, including single asset and portfolio sales.

During his professional career, Tom has served a number of roles within the hotel and customer service sectors. With concentrations on finance, market analysis and investment, he has assisted in closings exceeding \$200 million in hotel transactions.

Tom earned his BA in Hotel Restaurant and Institutional Management from Michigan State University. He continues his education with CCIM and other industry affiliations.

Tom spends his time with his 6 children at their home in Dawsonville, Georgia. He is very active in their lives and interests as well as his church. Tom is also on the board of several non-profit organizations, active in Rotary and is an avid lifetime supporter of Boy Scouts. Tom enjoys reading, traveling, hiking and backpacking and whitewater rafting.

CONFIDENTIALITY AGREEMENT

PIGEON FORGE REDEVELOPMENT SITE | ± 9.59 ACRES

This Confidentiality Agreement ("Agreement") is made and agreed to for the benefit of the undersigned party ("Receiving Party"), the owner of the subject property (the "Seller") and undersigned broker Bull Realty Incorporated ("Broker"). Now therefore in consideration of the privileges granted to Receiving Party with respect to receiving certain confidential information, and other good and valuable consideration, the Receiving Party hereby agrees to the following:

I. Confidential Information:

Receiving Party will receive confidential information regarding property referred to as 2860 U.S. Highway 441. Prospect agrees to not disclose to any person that the property may be available for sale or lease, or that discussions or negotiations are taking place concerning the property, nor any terms, conditions, or other facts with respect to the property, including but not limited to tenant information, lease rates, lease expirations, income and expenses, and any such possible purchase, including the status thereof. The term "person" used in this agreement shall be interpreted broadly and shall include, without limitation, any corporation, company, partnership or individual other than parties to which Broker approves in writing. Receiving Party may share information with directors, officers, employees, agents, affiliates, counsel, lending sources, accountants or representatives of Receiving Party that Receiving Party notifies of the requirements of this Agreement. Receiving Party agrees to not contact the property owner, the management, the tenants, the lender, the vendors, the insurers, the employees or the customers of any business at the site.

II. Acting as a Principal:

Receiving Party hereby warrants that it is acting as a principal only, and not as a broker, regarding this contemplated transaction. Receiving Party acknowledges that Broker is working an agency capacity as representing the Seller only in this transaction and is the only Broker involved in this potential transaction. Receiving Party agrees to not be involved in any arrangement to lease or purchase the property, in whole or in part, as a lender, partner, buyer of the note, buy in foreclosure, buy from bankruptcy court, or in any other manner acquire an investment in, joint venture or control of the property, unless Bull Realty, Incorporated is paid a commission at closing as per separate agreement with Seller.

This agreement will expire two years from the date hereof.

III. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of Tennessee.

If you are a broker, or a principal desiring to include an outside broker, contact the listing agent directly for a Buyer and Buyer's Broker Confidentiality & Commission Agreement.

Accepted and agreed to __ / __ / __

Receiving Party

Signature

Printed Name

Title

Company Name

Address

Email

Phone

Fax

Broker of Record:
Michael Bull
Bull Realty, Inc.
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