



116 Commerce Dr Radcliff, KY 40160

OFFERING MEMORANDUM

FERGUSON



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EXECUTIVE SUMMARY

INVESTMENT SUMMARY

- Investment Grade Credit- Ferguson has established a long term investment grade credit rating from both Moody's and S&P Global
- Healthy Rental Increases- Lease has CPI increase ranging from 9%-15% per exercised option (see lease)
- Passive Lease- Landlord responsibilities are only exterior, roof, structure, and HVAC replacement
- Long Operating History- Ferguson has been at this location for over 10 years
- Room For Expansion- Site is located on 2.65 Acres offering an investor upside in building/yard expansion to increase operations and revenue
- Attractive Return- Deal is offered at a 7.58% Cap rate
- Great Freeway Access- Located directly off Interstate- 313 making it ideal for industrial suppliers
- Industrial Components- Building features 18 ft clear height, 2-grade level docks, 1-flush loading dock, ± 18,000 SF fenced yard
- Largest U.S. distributor of plumbing supplies, PVF, waterworks and fire and fabrication products - Ferguson has a revenue of \$16.7B annually



FINANCIAL OVERVIEW

» LIST PRICE	\$775,000
» NOI (YEAR 1)	\$58,800
» CAP RATE (YEAR 1)	7.58%
» TOTAL BUILDING AREA	± 12,000 SF
» TOTAL LAND AREA	± 2.65 Acres



ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Cap Rate
Current-10/31/2020	\$4,900.00	\$58,800.00	7.58%
Option 2: 11/1/2020 - 10/31/2023	\$5,341.00	\$64,092.01	8.23%
Option 3: 11/1/2023 - 10/31/2026	\$5,821.69	\$69,860.28	8.93%

TENANT SUMMARY

Tenant Trade Name	Ferguson
Type of Ownership	Fee Simple
Lease Guarantor	Corporate Guarantee
Lease Type	NN
Roof and Structure	Owner Responsible
Original Lease Term	5 Years
Rent Commencement Date	11/1/2015
Lease Expiration Date	10/31/2020
Term Remaining on Lease	±2 Years
Increase	CPI (9%-15% Every 3-Year Option)
Options	Two, 3-Year

AREA OVERVIEW

RADCLIFF, KY

Radcliff, Kentucky is a thriving community where people from all walks of life live, work and play. Ranked as the most diverse city in the Commonwealth, Radcliff offers a variety of opportunities and attractions for families, individuals, businesses and visitors.

A home rule class city located in Hardin County, Radcliff is adjacent to Fort Knox, the U.S. Army post from which much of the community's diversity derives. This fusion of cultures creates a unique level of understanding among citizens, facilitating collaboration and cooperation.

Regardless of life stage, plenty of attractive and affordable housing options are available in Radcliff. A variety of new rental properties, large family homes and senior living communities make Radcliff an ideal place to live.

Educational opportunities abound for residents of all ages. Award-winning public and faith-based private schools are located in Radcliff, and a higher education has never been more accessible here. Associate degrees are available at McKendree University, located in Radcliff, and Elizabethtown Community and Technical College just a few miles down the road. Bachelor's and master's degrees are available at both McKendree and Western Kentucky University Elizabethtown/Fort Knox.



DEMOGRAPHICS

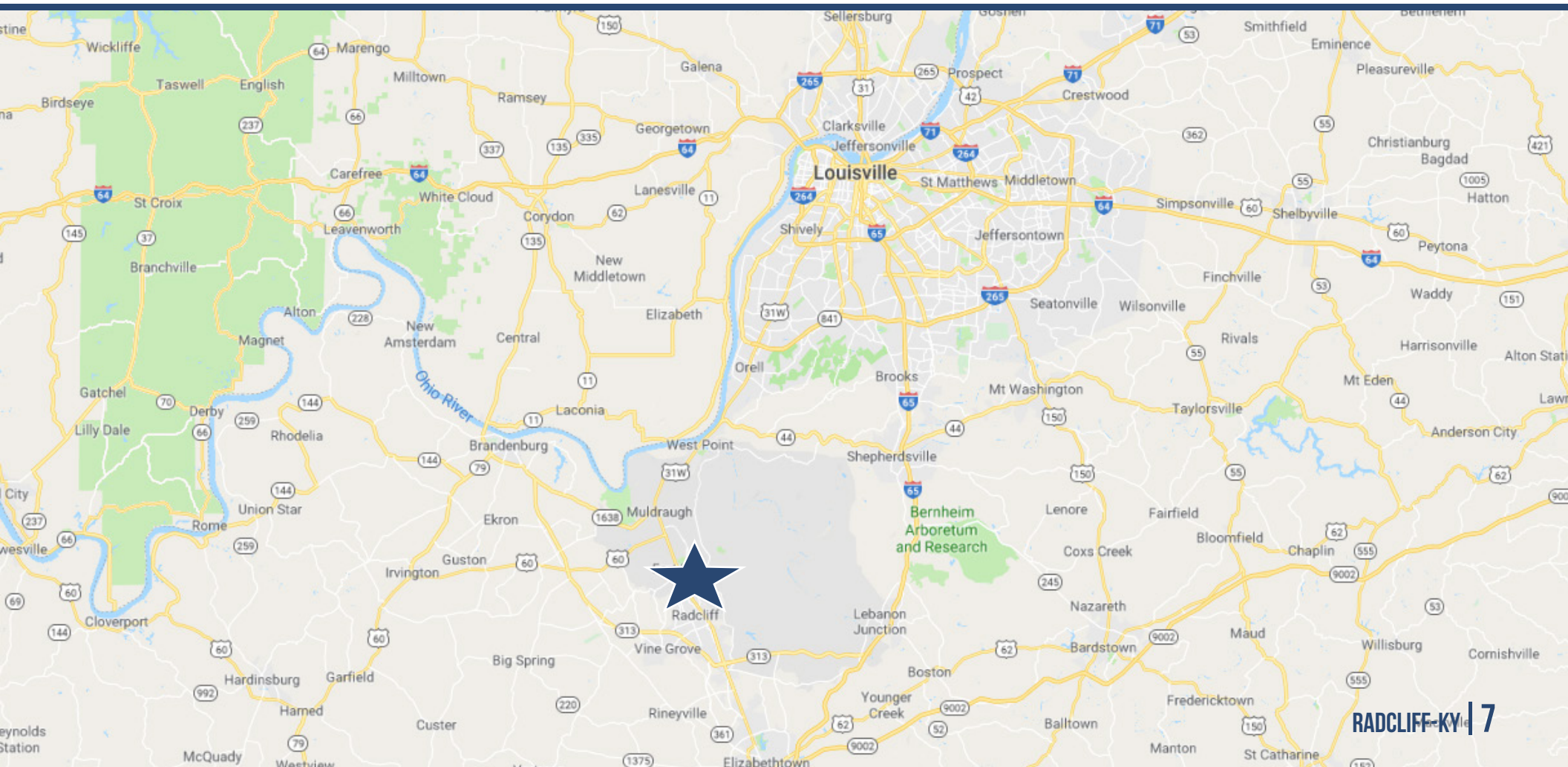
POPULATION	3-Mile	5-Mile	10-Mile
2023 Projection	3,846	28,654	39,987
2018 Estimate	3,787	28,670	39,680
HOUSEHOLD	3-Mile	5-Mile	10-Mile
2023 Projection	1,627	11,565	15,353
2018 Estimate	1,592	11,484	15,175
INCOME	3-Mile	5-Mile	10-Mile
2018 Est. Average Household Income	\$64,063	\$60,387	\$63,341

LOUISVILLE, KY

As the largest city in the Commonwealth of Kentucky and the 30th-most populous city in the United States, Louisville is sited beside the Falls of the Ohio, the only major obstruction to river traffic between the upper Ohio River and the Gulf of Mexico. Designated as a first-class city, Louisville has a prosperous river-town character with a distinct Southern accent.

The city is known as the home of the Kentucky Derby, Kentucky Fried Chicken, the University of Louisville and its Louisville Cardinals athletic teams, Louisville Slugger baseball bats, and three of Kentucky's six Fortune 500 companies. Its main airport is also the site of United Parcel Service's worldwide air hub.

Louisville's importance to the shipping industry continues today with the presence of the Worldport global air-freight hub for UPS at Louisville International Airport. Louisville's location at the crossroads of three major interstate highways also contributes to its modern-day strategic importance to the shipping and cargo industry. As of 2003, Louisville ranks as the seventh-largest inland port in the United States.





ECONOMY

Louisville is home to dozens of companies and organizations across several industrial classifications. Its strategic location at the Falls of the Ohio, and its unique position in the central United States make it a practical location for the transfer of cargo along its route to other destinations. Louisville offers a high value proposition and allows businesses to succeed in a vibrant city. Louisville is a competitive, authentic, global city, home to UPS Worldport and a center for advanced manufacturing and logistics. Since 2014, Louisville has seen more than \$8 billion in investments.

TOP COUNTY EMPLOYERS

Employer
United Parcel Service
Ford Motor Co.
Norton Healthcare
Humana Inc.
Jewish Hospital Healthcare
GE Consumer & Industrial
Kroger Co.

TOURISM

Louisville is many things - original, eclectic, dynamic, and energetic. Within its boundaries you'll find sports, history, nature, art, music, amazing food and lodging that take overnight stays and vacations to the next level.

Tourism is on the rise in Louisville, up from 12.7 million visitors in 2011 to more than 20 million in 2015. Tourism is the state's second largest private employer with 36,000 jobs supported by the tourism industry in Jefferson County. Tourism generates \$12.5 billion in state and local taxes annually. The economic impact of direct visitor spending in Jefferson County is \$3.16 billion.

UNIVERSITY OF LOUISVILLE

The University of Louisville is a public university located just 5 miles from the subject property. University of Louisville has a total enrollment of 22,640 students and a total staff of 7,000. UofL is known for its Louisville Cardinals athletics, several of which are among the most successful in the country. Since 2005 the Cardinals have made appearances in the NCAA Division 1 men's basketball Final Four in 2005, 2012, and 2013. The university has three campuses in the Louisville area, the Belknap, the Health Science, and the Shelby.



KENTUCKY DERBY

The Kentucky Derby, presented by YUM! Brands is a top rank, Grade I stakes race for 3-year-old Thoroughbred races. The Kentucky Derby takes place on the first Saturday in May every year, and typically draws a crowd of 155,000 people. It is the longest continually held sporting event in America, and it is one of the most prestigious horse races in the world.

The Derby is preceded by a two-week long Kentucky Derby Festival comprised of over 70 events, starting with the annual Thunder Over Louisville, the largest annual fireworks display in the nation.

TENANT OVERVIEW



Sales
\$15 B



Employees
± 24,000



Locations
± 1,400



Distribution Centers
10

TENANT OVERVIEW

Ferguson raises the bar for industry standards as the top-rated wholesale supplier of commercial and residential plumbing supplies. However, our expertise goes beyond plumbing. We are a diverse distributor that spans multiple businesses including HVAC/R, waterworks and industrial. In the past 64 years, we've grown from a local distributor to a \$15 billion dollar company with more than 1,400 locations and over 24,000 associates nationwide. We pride ourselves on delivering world-class service and our customers know that “Nobody expects more from us than we do” is more than just a tagline to Ferguson associates. It's a cultural belief that is demonstrated every day through exceptional customer service, product selection and industry knowledge.

Market Position

- Largest U.S. distributor of plumbing supplies, PVF, waterworks and fire and fabrication products
- Third largest distributor of industrial and HVAC/R products

SURROUNDING TENANTS



SURROUNDING TENANTS



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Ferguson** located at **116 Commerce Dr, Radcliff, KY 40160**. It has been prepared by Matthews Retail Advisors. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Retail Advisors expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Retail Advisors or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



EXCLUSIVELY LISTED BY

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