



# KRISPY KREME

Offering Memorandum  
Hagerstown, MD



**CALKAIN**  
AMERICA'S NET LEASE COMPANY®

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## **KRISPY KREME | HAGERSTOWN, MD**

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# KRISPY KREME

## Financial Summary

531 Dual Hwy | Hagerstown, MD 21740

**\$ Asking Price**  
**\$2,500,000**

**% Cap Rate**  
**5.70%**

### Asset Summary

Net Operating Income (NOI)	\$142,500
Rent/Month	\$11,875
Rentable Square Feet	2,671+/- SF
Land Area	0.60+/- Acres
Tenant	Krispy Kreme Doughnut Corporation
Guarantor	Corporate
Lease Type	NNN
Lease Term	15 Years
Store Opened	June 25, 2019
Rent Commencement Date	September 10, 2019
Lease Expiration	September 30, 2034
Increases	10% Every 5 Years in Primary Term, 5% Every 5 Years in Options
Options	Four (4), Five (5) Year

### Investment Highlights

- New construction with 15-year NNN lease
- Corporate guaranty
- October 2018, Krispy Kreme Doughnut Corporation acquired 10 stores in Maryland and Virginia, including this Hagerstown location



### Rent Schedule

Term	Increases	Annual Rent	Monthly Rent
9/10/2019 - 9/30/2024	-	\$142,500.00	\$11,875.00
10/1/2024 - 9/30/2029	10%	\$156,750.00	\$13,062.50
10/1/2029 - 9/30/2034	10%	\$172,425.00	\$14,368.75
10/1/2034 - 9/30/2039*	5%	\$181,046.25	\$15,087.19
10/1/2039 - 9/30/2044*	5%	\$190,098.56	\$15,841.55
10/1/2044 - 9/30/2049*	5%	\$199,603.50	\$16,633.63
10/1/2049 - 9/30/2054*	5%	\$209,583.66	\$17,465.31

\* Options

- 10% rent increases every 5 years in the primary lease term
- Next to newly remodeled Burger King & part of the 117,718 SF ALDI anchored Hagerstown Shopping Center
- Dense commercial location with traffic counts of nearly 40,000 VPD and a 5 mile population of 90,000
- 1.5 hours from Washington, DC



### About Krispy Kreme

Krispy Kreme began making the world famous original glazed doughnut over 75 years ago. It was December 11th, 2001 that the experience came to Canada with their first store in Mississauga, Ontario. Soon after, their first store opened in Quebec in Montreal. From then on, Krispy Kreme became a destination for those looking to experience the magic of their hot and fresh doughnuts and coffee.



In April 2000, Krispy Kreme held an initial public offering of common stock. It opened the first international store in Canada just outside of Toronto in December 2001. The first stores outside North America opened in Sydney Australia and in London, England in 2003. Since then, Krispy Kreme has opened over 700 stores in Asia, Mexico, the Middle East, Puerto Rico, and Turkey. Their international expansion is continuing and in addition, they are working on new tasty products and we are very excited about the future. Stay tuned for more innovative things to come.





# KRISPY KREME

Surrounding Retail



**Krispy Kreme**  
Hagerstown, MD  
Noteworthy Neighbors

**Burger King**

**AutoZone**

**Taco Bell**

**Aldi**

**Family Dollar**

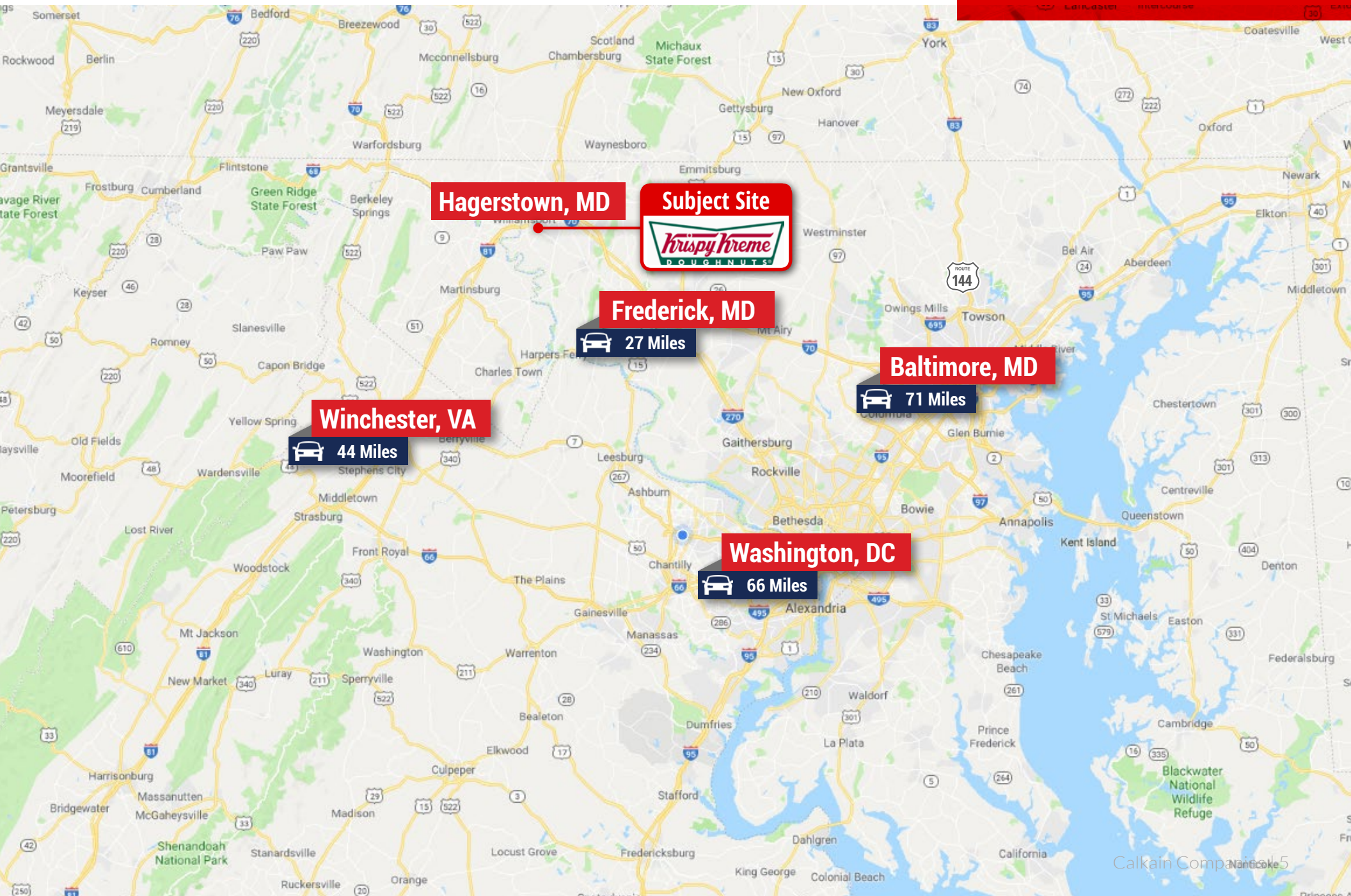
**Hagerstown Suns**



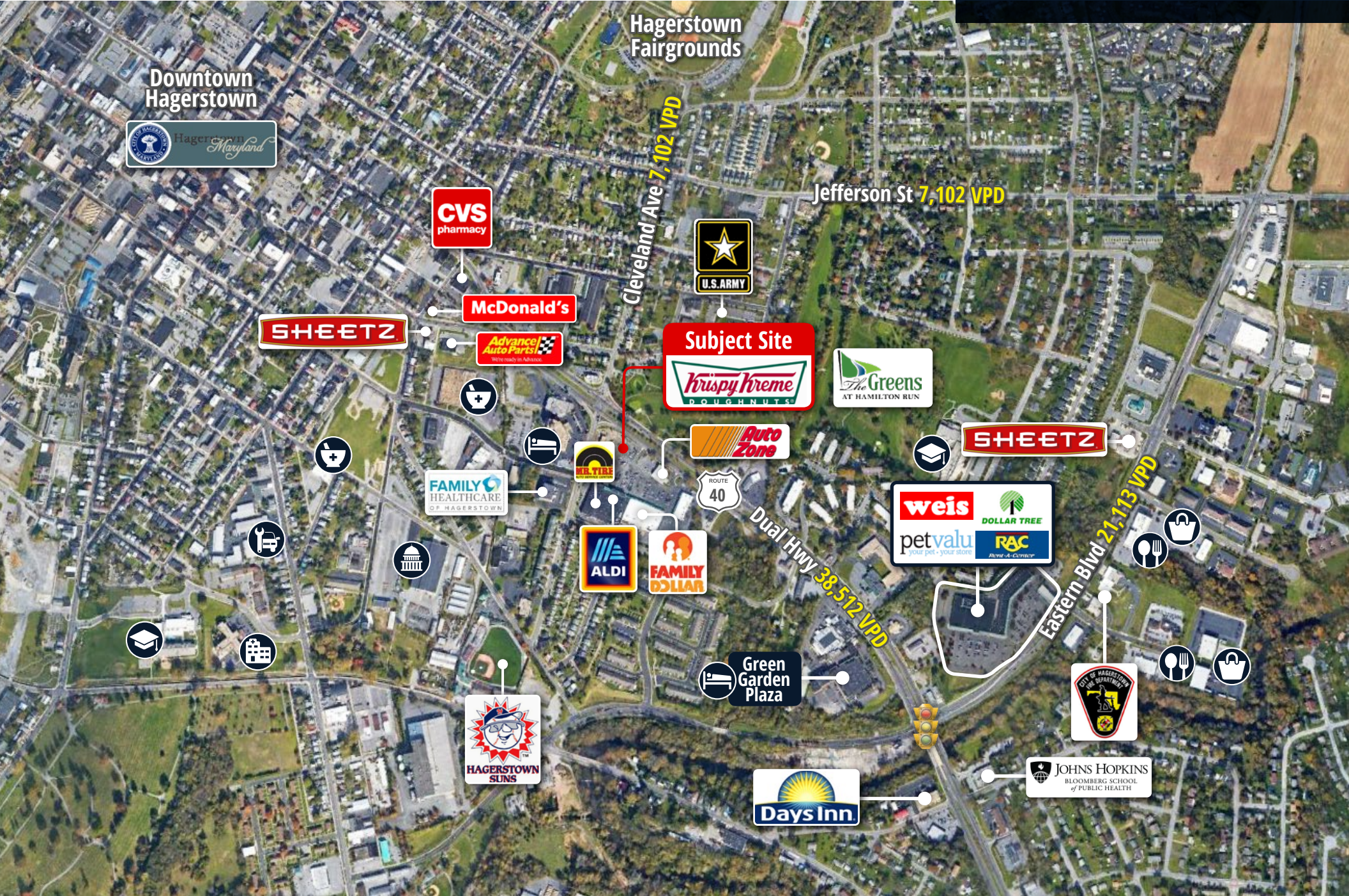
# KRISPY KREME

## Location Overview

**595 Dual Hwy**  
Hagerstown, MD 21740









KRISPY KREME

Local Retail Map

595 Dual Hwy  
Hagerstown, MD 21740



60 Miles to DC Beltway  
25 Miles to Frederick, MD



# AUTOZONE (Ground Lease)

Area Retail Map

595 Dual Hwy  
Hagerstown, MD 21740



Location  
Highlights



Major Highway  
Location



38,512 VPD  
Pass the Site



Aldi  
Outparcel





# KRISPY KREME

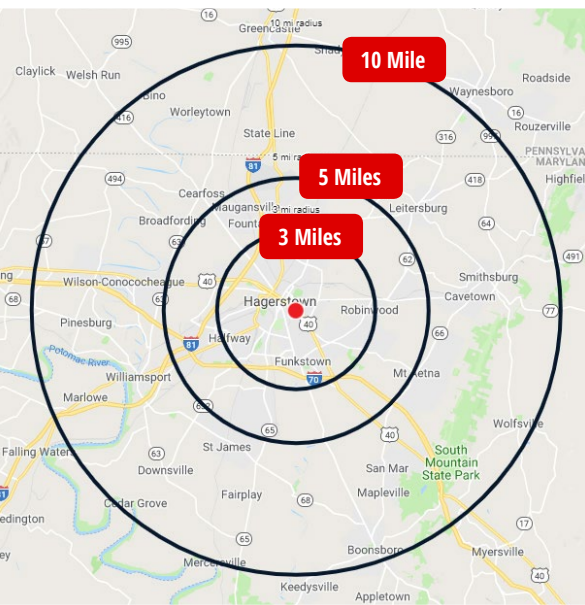
## Site Photos





# KRISPY KREME

## Demographics & Location Summary



**3 Mile      5 Miles      10 Miles**

### Population

2019 Population	61,614	87,941	147,897
2024 Population	63,759	90,625	152,076
2019 Median Age	36.9	38.6	39.4

### Households

2019 Total Households	26,674	36,890	58,097
2024 Total Households	27,358	37,680	59,365

### Median Household Income

2019 Median HH Income	\$51,688	\$58,756	\$64,028
2024 Median HH Income	\$59,958	\$67,931	\$74,143

### Average Household Income

2019 Average HH Income	\$67,407	\$75,480	\$79,648
2024 Average HH Income	\$77,748	\$88,690	\$92,269

## Hagerstown, MD

Today, in keeping with its rich history the “Hub City” sits at the crossroads of two major interstates I-70 and I-81. It serves as gateway to the Baltimore and the Washington, D.C. area as well as the “hub” of government, commerce and recreation for the tri-state area.

Hagerstown is a pleasant mix of old and new with a notable downtown historic area and an unusually large concentration of pre-Civil War row homes not unlike nearby Baltimore’s famous row houses. There are some attractive new suburbs mostly northeast and some gritty working class areas close to the main city.

Entertainment includes minor-league baseball, the Hagerstown Speedway, and the nation’s oldest farmers market.



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At Calkain, our foresight and innovation are leading the net lease investment industry.

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**\$12 Billion**  
in Closed Transactions

**\$400 Million**  
in Active Listings

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