

Highland Commons | Food Lion Anchored Shopping Center Glasgow, Kentucky



Exclusive Offering By:

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Offering Memorandum

Goodman Real Estate Services Group LLC
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Glasgow, Kentucky

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The Property - Investment Summary

Property	Highland Commons
Type	Grocery Anchored Shopping Center
Property Address	214 S L Rogers Wells Blvd Glasgow, Kentucky 42141
Major Market	Glasgow Micropolitan Area Population 51,810
Primary Traffic Count	U.S. Route 31 East: 21,505 VPD
Major Tenants	Food Lion (+26 Years) Rent-A-Center (+21 Years) Check Into Cash (+14 Years)
Gross Leasable Area	39,200 SF
Year Built	1992
Roof Age	New 2019 (20 Year Warranty)
Parking Lot Condition	Newly Redone 2019
Percent Leased	96%
Average Rent	\$7.94 PSF
Lot Size	7.93 Acres
Investment Type	Stabilized
Net Operating Income	\$271,061
CAP Rate	8%
Price	\$3,388,000



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The Property - Property Description

Investment Highlights

- Food Lion 10 Year Lease Extension - High Performing Store
- Brand New Roof with 20 Year Warranty and Redone Parking Lot
- 96% Leased - Grocery Anchored (Food Lion) Shopping Center Featuring Low Rent To Sales and Over 26 Years of Operating at this Location
- In-Place Rents Averaging Only \$7.94 Per Square Foot
- Rural King Opening as Shadow Anchor 2019 - Flanked by Lowe's
- Glasgow Micropolitan Area Features a Population over 51,810
- Food Lion - Reported Sales Increasing Year-Over-Year for the Past 5 Consecutive Years - CALL BROKER TO INQUIRE

Property Description

* FOOD LION FEATURES A NEW 10 YEAR LEASE EXTENSION *

For sale is the 100% fee-simple interest in Highland Commons, a 39,200 square foot grocery anchored shopping center located in Glasgow, Kentucky. The property features an ideal mix of both tenured and new tenants including Food Lion, Rent-A-Center, Check Into Cash, Hayes Shoes and Remedy Vapor. The property features quality construction along with pylon signage and has multiple access points from S L Rogers Well Blvd (U.S. Route 31 East) and Lowe's Home Improvement. Currently 96% leased, Highland Commons features average in-place rent of \$7.94 per square foot, and provides the investor with a stable investment with strong grocery anchor. The shopping center faces U.S. Route 31 East and shares access with the adjacent Lowe's Home Improvement shopping center. The property is surrounded by national retailers including Lowe's Home Improvement, Walgreens, Rural King (opening Summer 2019), Hardee's, Goodwill, KFC, Rally's, White Castle, Burger King, Dollar General, Freddy's Steakburgers, Taco Bell, McDonald's, Wendy's, Pizza Hut, Little Caesars Pizza, Papa John's Pizza, Walmart Supercenter, Applebee's, and many others.

Glasgow, Kentucky

Glasgow is a city and county seat of Barren County, Kentucky. The city of Glasgow was established by the state assembly in 1799 and was selected as the county seat based on its central location. Glasgow is ideally located on U.S. Route 31 East which runs from Louisville, Kentucky to Nashville, Tennessee. Western Kentucky University was originally in Glasgow when it was established in 1875, but 10 years later it moved west to its present-day location in Bowling Green and serves Western Kentucky University's main campus, which has a current enrollment of 20,277 students. Since February 1998, WKU has operated a regional campus in Glasgow that offers college coursework to the citizens of Barren and surrounding counties. The regional campus offers a variety of courses and degree programs through a combination of in-person, online and hybrid delivery formats to meet the needs of the community. WKU Glasgow continues to play a major role in the economic and cultural well-being of the community.



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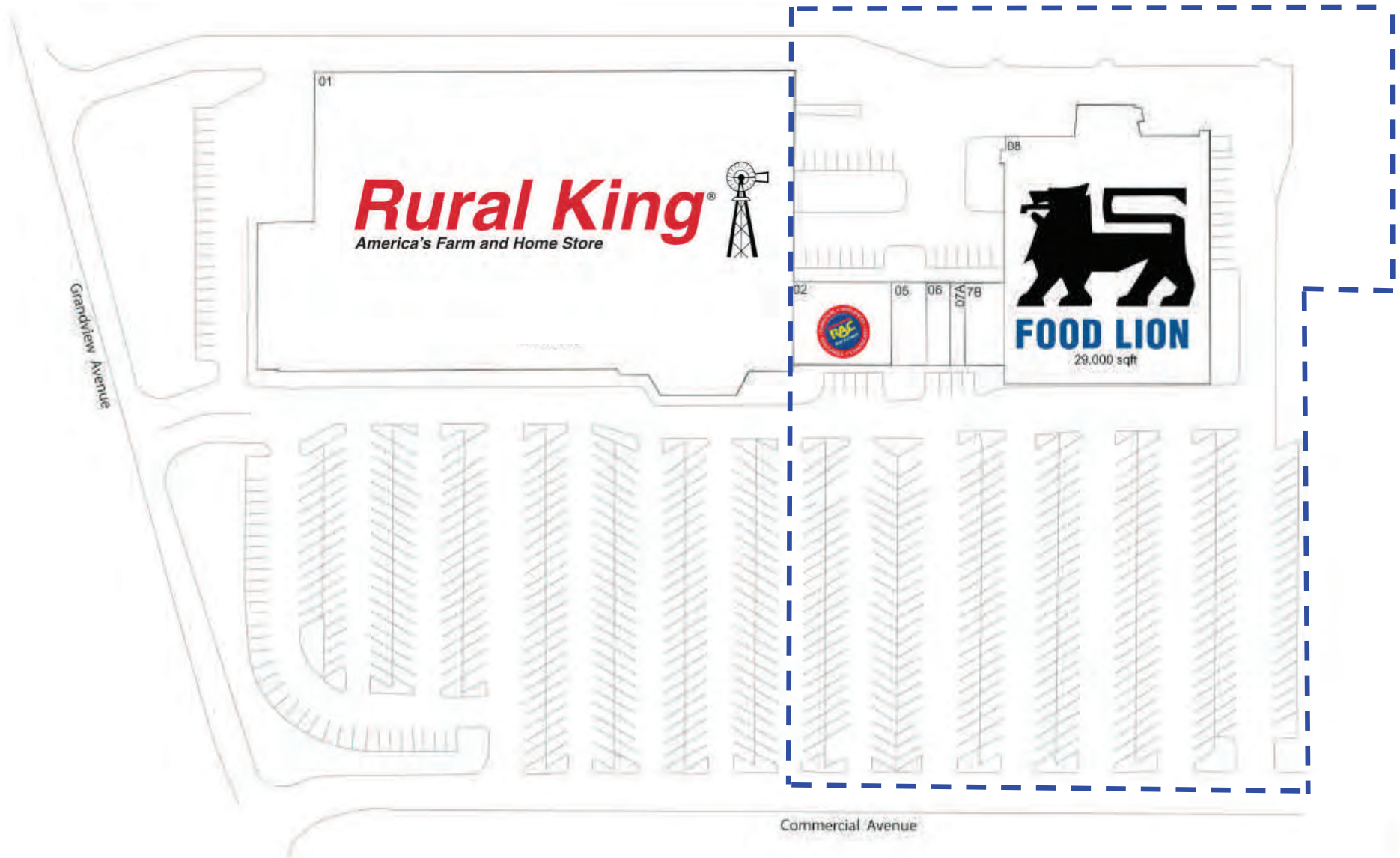
The Property - Property Photos



Highland Commons | Food Lion Anchored Shopping Center

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The Property - Site Plan



Highland Commons | Food Lion Anchored Shopping Center

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Performance & Tenancy - 2019 NOI Budget

INCOME				OPERATING EXPENSES	
Base Rental Income					
Tenant	Size (SF)	Annual Rent	PSF		
Rent A Center	5,160	\$62,436.00	\$12.10	CAM	
Hayes Shoes	1,440	\$14,400.00	\$10.00	Landscape Maintenance	\$5,274.73
Check Into Cash	1,200	\$23,400.00	\$19.50	Snow Removal	\$3,956.50
Remedy Vapor	900	\$12,960.00	\$14.40	Parking Lot Sweeping	\$4,119.52
Food Lion	29,000	\$188,500.00	\$6.50	Parking Lot Light Repairs	\$6,641.59
Available	1,500	\$0.00	\$0.00	Fire Alarm Testing	\$254.20
Total	39,200	\$301,696.00		Utilities	\$1,750.14
Reimbursed Expenses				Insurance (\$0.25 psf)	\$9,800.00
Property Taxes		\$31,834.36		Property Tax	\$33,100.98
Insurance		\$3,497.22		Management (3% EGI)	\$10,470.65
Common Area Maintenance		\$11,994.11		Capital Reserves (\$0.10 psf)	\$3,920.00
Management		\$945.56		Total	\$79,288.31
Administrative		\$382.05			
		Total	\$48,653.31		
		Effective Gross Income	\$350,349.31		
				Total Operating Expenses	\$79,288.31
				Net Operating Income (NOI)	\$271,061.00
				Price at 8% Cap Rate	\$3,388,000

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Glasgow, Kentucky

Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery	
	Feet	Pro-rata	Begin	End	Begin	Annually	PSF	Type	Comments/Options
Rent-A-Center	5,160	13.16%	6-1-1997	1-31-2023	Current	\$62,436	\$12.10	NNN	Tenant reimburses its pro-rata share of common area maintenance, taxes and insurance. Options: None
Hayes Shoes	1,440	3.67%	7-3-2009	3-31-2022	Current	\$14,400	\$10.00	NNN	Tenant reimburses its pro-rata share of common area maintenance, taxes and insurance. Options: None
Check Into Cash	1,200	3.06%	5-24-2004	5-31-2021	Current 6-1-2019	\$23,400 \$24,600	\$19.50 \$20.50	NNN	Tenant reimburses its pro-rata share of common area maintenance, taxes and insurance. Options: None
Remedy Vapor	900	2.3%	4-10-2014	4-30-2022	Current	\$12,960	\$14.40	NNN	Tenant reimburses its pro-rata share of common area maintenance, taxes and insurance. Options: None
Food Lion	29,000	73.98%	8-6-1992	8-4-2029	Current Options: 8-5-2029 8-5-2034	\$188,500 \$188,500 \$203,000	\$6.50 \$6.50 \$7.00	NN	Tenant reimburses annual CAM fees of \$5,800 and pays pro-rata share of taxes and insurance. Percentage Rent: 1% for sales over \$18,850,000 Options: Two 5 year options , giving Landlord written notice at least 180 days prior to the expiration of the lease term or extensions.
Available	1,500	3.83%							

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Performance & Tenancy - Tenant Information



Food Lion is a grocery store company headquartered in Salisbury, North Carolina, that operates more than 1,100 supermarkets in 10 states. Primarily located in the Southeastern portion of the United States, Food Lion was founded in 1957 and currently employs over 63,000 people. The Food Lion chain was acquired by the Belgium based Delhaize Group grocery company in 1974 and in June 2015, it was announced that Food Lion's parent company, The Delhaize Group, and Ahold would merge into the Ahold Delhaize - the merger was completed in July 2016. Food Lion philosophy has always been about leveraging their longstanding heritage of low prices and convenient locations, while providing the easiest full shop grocery experience in the Southeast for their customers, anchored by a strong commitment to affordability and freshness in the communities they serve. In return, Food Lion serves approximately 10 million loyal customers a week.



Rent-A-Center offers name-brand furniture, electronics, appliances, and computers through flexible rental purchase agreements that allow the customer to obtain ownership of the merchandise at the conclusion of an agreed upon rental period. The rent-to-own company was founded in 1986, operating more than 4,285 locations in all 50 states, Canada, Mexico, and Puerto Rico, employing over 20,100 people. Rent-A-Center's operations include Get It Now, Rent-A-Centre and Better Living (Canada), and Acceptance Now kiosks. Its subsidiary, Rent-A-Center Franchising International Inc., is America's first franchisor of independently owned-and-operated rent-to-own stores. Its franchisees operate 162 rent-to-own stores in 31 states.



Check Into Cash is a financial services retailer and the first national payday lending chain with more than 1,200 stores in 30 states. The company was founded in 1993 by W. Allan Jones in Cleveland, Tennessee, where the headquarters are located today. Check Into Cash offers payday loans, online payday advances, title loans, bill payment systems, check cashing, reloadable prepaid debit cards and Western Union money transfers. Check Into Cash provides customers with short-term, small dollar credit solutions, making it your one-stop money shop.

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Market Overview - Market Aerial



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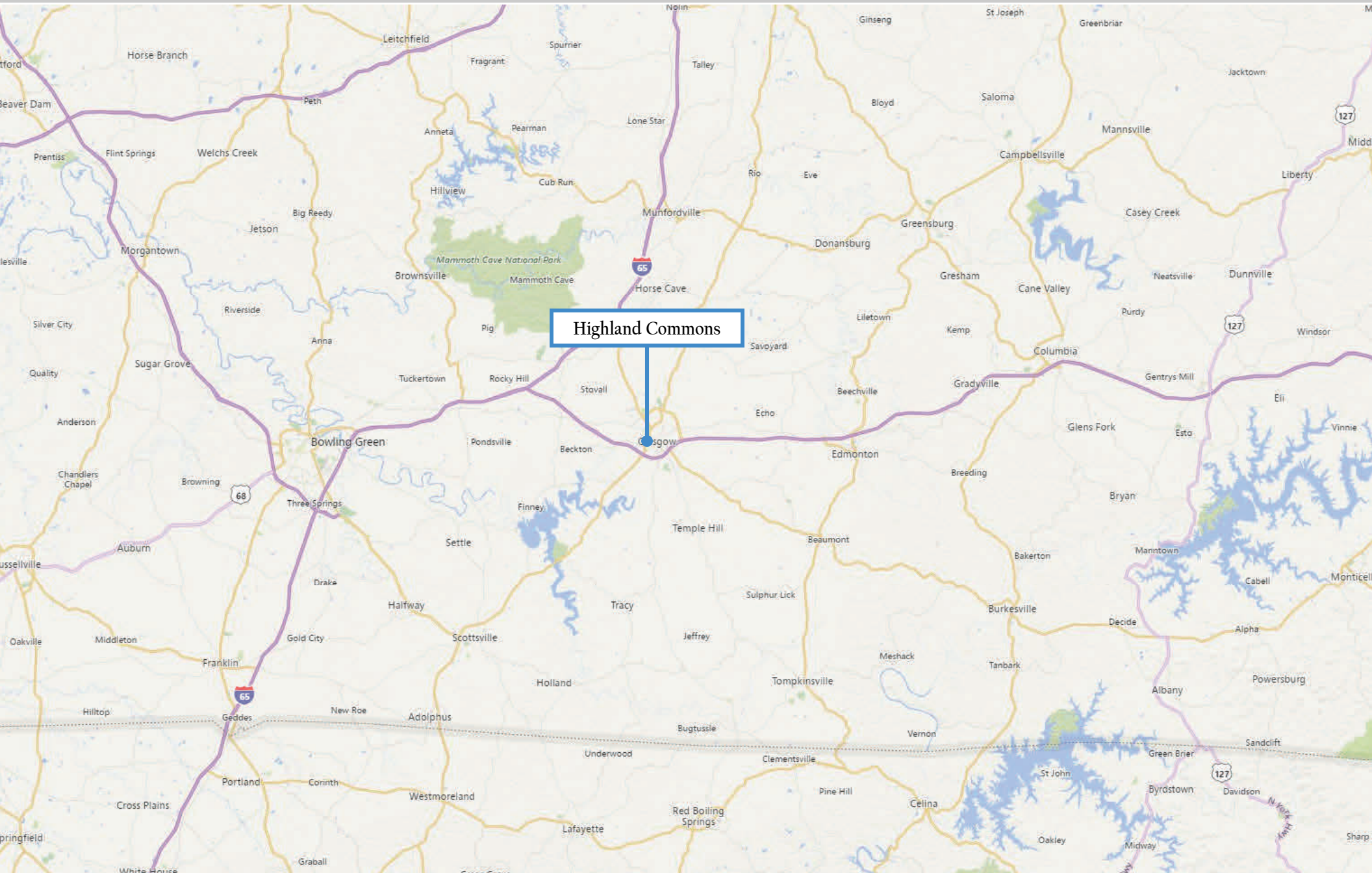
Market Overview - Market Aerial



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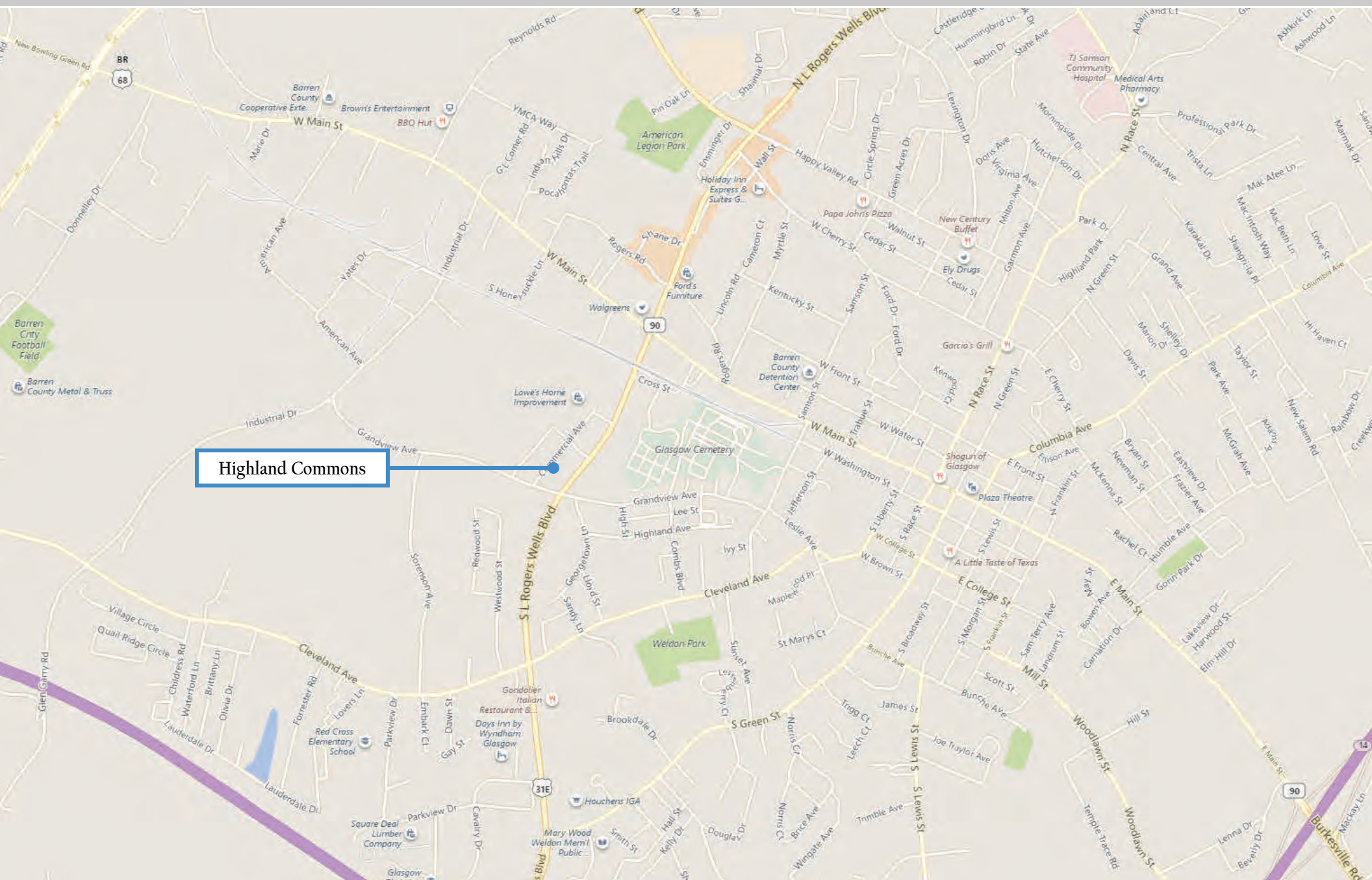
Market Overview - Regional Map



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Market Overview - Local Map



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Market Overview - Demographics

	3 mi	5 mi	10 mi	15 mi
Population				
2017 Estimated Population	16,055	22,297	37,403	54,473
2022 Projected Population	16,786	23,340	39,113	56,658
2010 Census Population	15,119	21,253	36,021	52,513
2000 Census Population	14,160	19,180	31,984	48,030
Projected Annual Growth 2016-2021	4.55%	4.68%	4.57%	4.01%
Households				
2017 Estimated Households	6,795	9,247	15,153	21,936
2022 Projected Households	7,111	9,687	15,853	22,823
2010 Census Households	6,393	8,826	14,587	21,143
2000 Census Households	6,035	7,998	12,998	19,335
Projected Annual Growth 2016-2021	4.65%	4.76%	4.63%	4.05%
Historical Annual Growth 2000-2016	12.60%	15.62%	16.58%	13.45%
Age (2017)				
Est. Population Under 10 Years	12.3%	11.8%	11.9%	12.0%
Est. Population 10-19	12.6%	13.0%	13.5%	13.5%
Est. Population 20-30	12.4%	12.2%	12.2%	12.2%
Est. Population 30-44	18.4%	17.9%	17.7%	17.5%
Est. Population 45-59	19.3%	20.1%	20.6%	20.7%
Est. Population 60-74	16.6%	17.0%	16.8%	17.0%
Est. Population 75 Years or Over	8.5%	8.1%	7.3%	7.2%
Income (2017)				
Est. HH Inc \$200,000 or more	0.3%	0.7%	0.8%	1.0%
Est. HH Inc \$150,000 to \$199,999	1.5%	1.5%	1.7%	1.6%
Est. HH Inc \$100,000 to \$149,999	6.0%	7.5%	8.2%	8.5%
Est. HH Inc \$75,000 to \$99,999	6.6%	8.9%	10.4%	10.6%
Est. HH Inc \$50,000 to \$74,999	13.7%	15.2%	16.5%	17.1%
Est. HH Inc \$35,000 to \$49,999	15.4%	16.8%	16.8%	16.7%
Est. HH Inc \$25,000 to \$34,999	12.1%	10.9%	11.2%	10.9%
Est. HH Inc \$15,000 to \$24,999	18.4%	16.0%	14.9%	14.9%
Est. HH Inc Under \$15,000	26.0%	22.5%	19.5%	18.7%
Est. Average Household Income	\$ 41,406	\$ 46,643	\$ 50,153	\$ 51,538
Est. Median Household Income	\$ 28,919	\$ 35,420	\$ 38,548	\$ 39,733
Est. Per Capita Income	\$ 17,525	\$ 19,344	\$ 20,318	\$ 20,754

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	3 mi	5 mi	10 mi	15 mi
Education (2017)				
Est Pop Age 25+ by Educ Attain.	11,077	15,365	25,522	37,192
Less than 9th grade	11.2%	9.9%	8.4%	8.7%
Some High School, no diploma	9.8%	10.0%	10.3%	10.8%
High School Graduate (or GED)	38.1%	37.7%	40.7%	40.2%
Some College, no degree	18.4%	18.2%	17.5%	17.9%
Associate Degree	6.1%	6.3%	6.6%	6.9%
Bachelor's Degree	10.1%	10.9%	9.8%	9.2%
Graduate Degree	6.3%	7.0%	6.7%	6.4%
Housing (2017)				
Est. Total Housing Units	7,586	10,268	16,856	24,728
Est. Owner-Occupied	48.8%	55.5%	59.7%	61.4%
Est. Renter-Occupied	40.8%	34.6%	30.2%	27.3%
Est. Vacant Housing Units	10.4%	9.9%	10.1%	11.3%
Homes Built by Year (ACS)				
Homes Built 2005 Or Later	0.0%	0.0%	0.0%	0.0%
Homes Built 2000 To 2004	0.2%	0.7%	1.0%	1.0%
Homes Built 1990 To 1999	15.2%	17.0%	17.4%	17.7%
Homes Built 1980 To 1989	12.8%	15.9%	18.9%	18.3%
Homes Built 1970 To 1979	9.6%	11.0%	10.7%	11.0%
Homes Built 1960 To 1969	16.3%	16.7%	16.8%	16.8%
Homes Built 1950 To 1959	17.9%	15.4%	12.8%	11.9%
Homes Built 1940 To 1949	10.3%	8.4%	8.1%	8.2%
Homes Built 1939 Or Earlier	7.3%	6.4%	5.4%	5.1%
Housing (2017)				
Home Value \$1,000,000 or more	0%	0%	0%	0%
Home Value \$500,000 to \$999,999	0%	1%	1%	1%
Home Value \$400,000 to \$499,999	1%	1%	1%	1%
Home Value \$300,000 to \$399,999	3%	4%	4%	4%
Home Value \$200,000 to \$299,999	10%	12%	12%	10%
Home Value \$150,000 to \$199,999	16%	18%	17%	15%
Home Value \$100,000 to \$149,999	23%	23%	23%	22%
Home Value \$70,000 to \$99,999	21%	18%	18%	19%
Home Value \$50,000 to \$69,999	11%	11%	11%	11%
Home Value \$25,000 to \$49,999	7%	7%	7%	9%
Home Value Under \$25,000	7%	6%	5%	6%
Median Housing Unit Value	\$ 107,997	\$ 118,645	\$ 116,868	\$ 109,355

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Market Overview - Demographics

	3 mi	5 mi	10 mi	15 mi
Labor Force (2017)				
Est Pop Age 16+ by Employ. Status	12,880	17,985	30,072	43,807
Labor Force	53.9%	57.0%	59.3%	59.6%
In Armed Forces	0.0%	0.1%	0.1%	0.1%
Civilian, Employed	50.8%	53.7%	56.0%	56.4%
Civilian, Unemployed	3.0%	3.3%	3.1%	3.2%
Not in Labor Force	46.1%	43.0%	40.7%	40.4%
Occupation (2017)				
Agr, forest, fish & hunt., min and const.	7.6%	8.2%	9.0%	10.0%
Manufacturing	24.4%	24.6%	24.8%	23.6%
Wholesale & retail trade	13.4%	12.1%	12.8%	13.1%
Transp. and warehousing, and utilities	3.1%	3.5%	4.9%	5.6%
Information	1.4%	1.4%	1.2%	1.2%
Fin, ins., real estate, rental & leasing	3.8%	3.9%	3.6%	3.4%
Prof, sci, manag, admin, & waste ms	4.2%	4.6%	4.6%	5.2%
Educational, health and social services	22.4%	23.6%	22.5%	21.1%
Arts, enter., rec., accom. & food services	10.6%	9.1%	8.4%	8.9%
Other services (except pub admin.)	5.7%	5.6%	5.0%	4.6%
Public Administration	3.5%	3.4%	3.2%	3.3%
Travel Time (ACS)				
14 Minutes or Less	61.7%	54.8%	42.7%	37.3%
15 to 29 Minutes	18.2%	24.5%	34.5%	36.3%
30 to 59 Minutes	16.1%	16.4%	18.5%	21.6%
60 Or More Minutes	4.0%	4.3%	4.3%	4.8%
Weekly Per Capita Consumer Expenditures				
Market Basket	\$ 50.73	\$ 51.30	\$ 51.97	\$ 51.96
Apparel and services	\$ 10.43	\$ 10.81	\$ 11.15	\$ 11.21
Transportation	\$ 54.68	\$ 56.99	\$ 59.02	\$ 59.69
Health Care	\$ 24.17	\$ 24.99	\$ 25.71	\$ 25.89
Entertainment	\$ 15.22	\$ 15.73	\$ 16.16	\$ 16.25