

SHERWIN-WILLIAMS RETAIL CENTER

Madisonville, Kentucky



Marcus & Millichap

SHERWIN WILLIAMS RETAIL CENTER

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SHERWIN WILLIAMS RETAIL CENTER | MADISONVILLE, KY
1470 CHELSA DRIVE



FINANCIAL
OVERVIEW

 ADDRESS:
1470 Chelsa Drive, Madisonville, Kentucky 42431

Pricing	
Price:	\$872,900
Cap Rate:	7.50%
Gross Leasable Area:	8,000
Price Per Square Foot:	\$109.11
Year Built:	1987
Lot Size:	0.83 +/- Acres

Investment Highlights

- Sherwin-Williams Anchored Center – Corporate Lease – Original Tenant – S&P: BBB Rating (SHW)
- 100% NNN Leases – Edward Jones (Corporate) – Tenant for Over 10 Years – Renewed Lease Early to November 2024
- Located in Dense Retail Corridor – Adjacent to Lowe's, Kroger, Burger King, Advance Auto Parts, CVS Pharmacy
- Only Sherwin-Williams Store in Madisonville – Remodeled in 2018 | Parlor 23 Salon Early 5 Year Lease Extension
- Located Between U.S. 41 Interchange and I-69 Interchange | High Traffic Counts | Baptist Health Hospital – 410 Bed Facility



PRICE
\$872,900



CAP RATE
7.50%



NOI
\$65,469



SQ FOOTAGE
8,000



LEASE TYPES
NNN



ACREAGE
0.83 Acres

Demographics

	1-Mile	3-Mile	5-Mile
Population	2,439	19,589	26,161
Average HH Income	\$66,698	\$59,723	\$62,304

SUMMARY	
Price:	\$872,900
Down Payment (30%):	\$261,870
Current CAP:	7.50%
Cash on Cash:	9.22%
Square Feet	8,000
Cost per Square Feet:	\$109.11
Lot Size:	0.83 Acres

CURRENT OPERATING DATA		
Scheduled Gross Income:	\$68,064	
Tax Reimbursement:	\$12,000	
Insurance Reimbursement:	\$1,600	
CAM Reimbursement:	\$12,000	
Management Reimbursement:	\$1,200	
Total Income:	\$94,864	
Less Expenses:	\$29,395	
Net Operating Income:	\$65,469	7.50%
Capital Reserves (\$.20):	\$1,600	(\$.20)
Loan Payments:	\$39,722	
Pre Tax Cash Flow:	\$24,147	9.22%
Plus Principal Reduction:	\$14,025	
Total Return Before Taxes:	\$38,172	14.58%

PROPOSED NEW FINANCING		
First Loan Amount:	\$611,030	
Terms:	4.25%	Interest
	25 Year	Amortization
	5 Year	Term
Monthly Payment:	\$3,310.18	
Annual Payment:	\$39,722.19	

EXPENSES		
Taxes (Estimate):	\$1.50	\$12,000
Insurance (Estimate):	\$0.20	\$1,600
CAM (Estimate):	\$1.50	\$12,000
Management Fee:	4.00%	\$3,795
TOTAL EXPENSES:		\$29,395
Per Rentable Square Foot		\$3.67

Suite	Tenant	Sq. Ft.	% of GLA	Lease Start	Lease End	Monthly Rent	Annual Rent	Rent PSF	New Rent Date	New Rent PSF	Annual Reimb.	Lease Type	Options
1	Sherwin Williams	5,000	62.50%	10/1/1987	9/30/2022	\$3,207.00	\$38,484.00	\$7.70			\$16,750.00	NNN	(1) 5-yr
								Option I	10/1/2022	\$8.46			
2	Edward Jones (Corporate)	893	11.16%	10/16/2009	11/30/2024	\$965.00	\$11,580.00	\$12.97			\$2,991.55	NNN	
3	Parlor 23	2,107	26.34%	1/1/2019	1/1/2028	\$1,500.00	\$18,000.00	\$8.54			\$7,058.45	NNN	
Current Totals		8,000	100%			\$5,672	\$68,064	\$8.51			\$26,800		
Occupied		8,000	100%			\$5,672	\$68,064	\$8.51			\$26,800		
Vacant													



Sherwin-Williams Company is an American Fortune 500 company in the general building materials industry. The company is headquartered in Cleveland, Ohio and is publicly traded on the New York Stock Exchange under the ticker symbol “SHW”. There are now more than 4,620 stores across the world. The company reports annual revenues in excess of \$14.984 billion.

Headquarters:	Cleveland, Ohio
No. of Locations:	4,620
Symbol:	NYSE: “SHW”
Website:	www.sherwinwilliams.com
Square Footage:	5,000
Lease Start:	October 1, 1997
Lease Expiration:	September 30, 2022



Edward Jones is a financial services firm headquartered in Des Peres, Missouri and serves investment clients in the U.S. and Canada, through its branch network of more than 14,000 locations and currently have relationships with nearly 7 million clients and \$1 trillion assets under management worldwide. The firm focuses solely on individual investors and small-business owners. Edwards Jones is a subsidiary of The Jones Financial Companies, L.L.P., owned only by its employees and retired employees and therefore is not publicly traded.

Headquarters:	Des Peres, Missouri
No. of Locations:	14,000+
Symbol:	Private
Website:	www.edwardjones.com
Square Footage:	893
Lease Start:	October 16, 2009
Lease Expiration:	October 15, 2024

SHERWIN WILLIAMS RETAIL CENTER | MADISONVILLE, KY
1470 CHELSA DRIVE



INVESTMENT
OVERVIEW

INVESTMENT HIGHLIGHTS

- Sherwin-Williams is Comprised of 63% of the Center | Corporate Lease, Publicly Traded Company | S&P: BBB Rating (SHW)
- Located in Dense Retail Corridor – Adjacent to Lowe's, Kroger, Burger King, Advance Auto Parts, CVS Pharmacy, YMCA
- 100% Triple Net Leases | Edward Jones (Corporate) – Tenant for Over 10 Years – Early Lease Renewal to November 2024
- Located Less than 1 Mile from both U.S. 41 and Main St. Interchange and I-69 Interchange – High Traffic Counts
- Only Sherwin-Williams Store in Madisonville | Original Tenant – Remodeled in 2018 | Parlor 23 Early 5 Year Lease Extension
- Located 1.3 Miles from Baptist Health Madisonville (410 Bed Hospital) and 2 Miles from Madisonville Community College

Marcus & Millichap is proud to present the opportunity to acquire the fee simple interest in the Sherwin-Williams anchored retail center located at 1470 Chelsa Drive in Madisonville, KY.

The subject retail center is comprised of 8,000 square feet and is anchored by Sherwin-Williams corporate, which has been a tenant since the property was originally built in 1987.

The retail center sits on a .83 acre parcel near the corner of Chelsa Drive and Island Ford Rd, in the main retail corridor of Madisonville. The surrounding national credit tenants drive foot traffic to the property, such as Kroger Grocery, Lowe's, Sureway Foods, Burger King, Advance Auto Parts, CVS, Walgreens, Applebee's and more.

The property is 100% occupied by three tenants, which all hold triple net leases in which they reimburse for their portion of taxes, insurance and common area maintenance. Sherwin-Williams extended its lease to November of 2022 before one, five year option with a 10% rental increase. Sherwin-Williams invested in a remodel to the latest color scheme in 2018, showing commitment to the site. Edward Jones (Corporate) has been a tenant since 2009 and recently renewed early to November of 2024. Parlor 23 is a family owned hair salon which is operated by a successful long term operator. The center pays a low rent of \$8.51 per square foot on average.

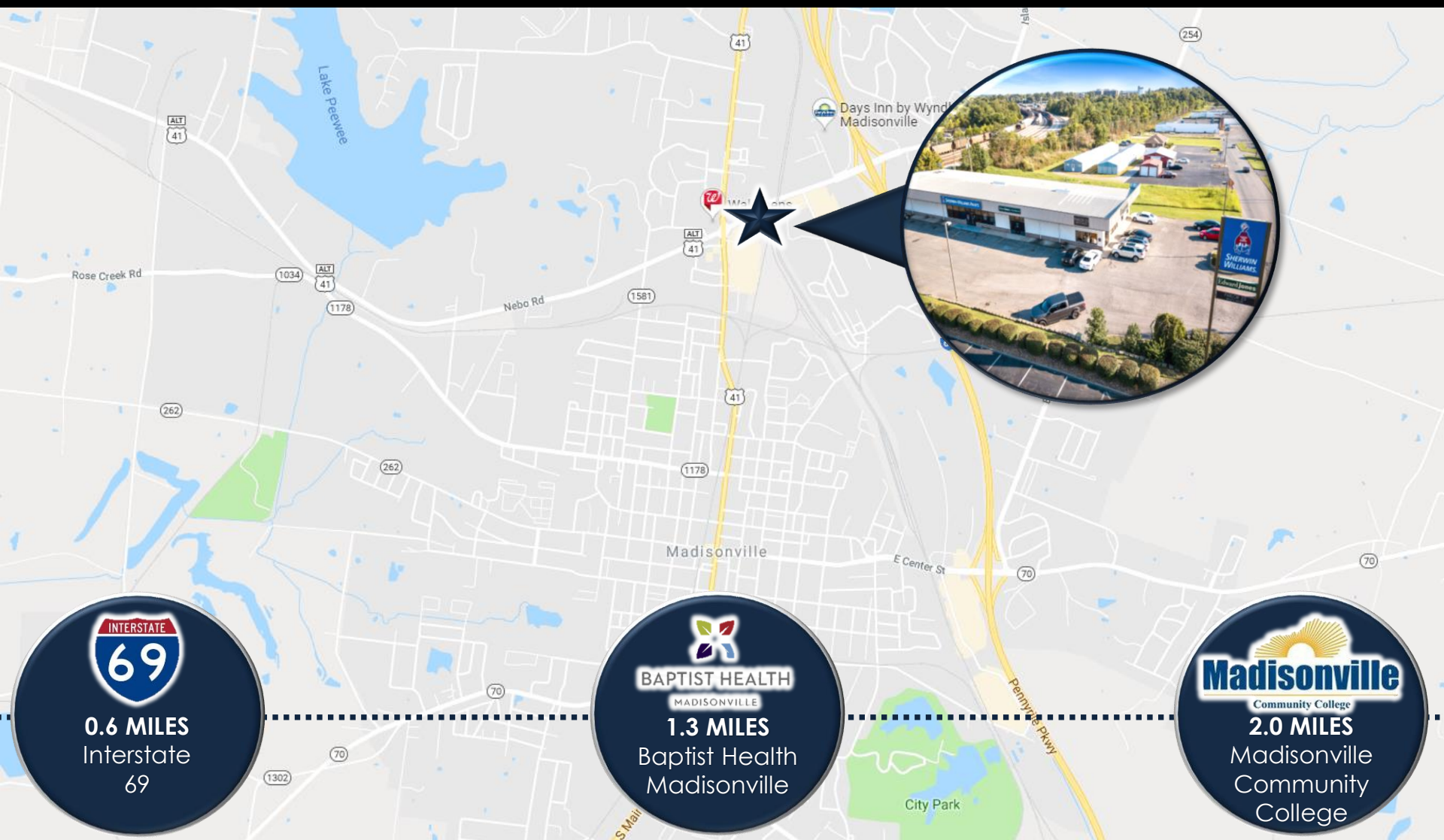
Sherwin-Williams Retail Center is strategically located 0.6 miles from the I-69 which is a major north-south thoroughfare that runs from the Mexican border in Texas to the Canadian border in Port Huron, Michigan.





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SHERWIN WILLIAMS RETAIL CENTER | MADISONVILLE, KY
1470 CHELSA DRIVE



MARKET OVERVIEW



Population

In 2018, the population in your selected geography is 26,161. The population has changed by 0.23% since 2000. It is estimated that the population in your area will be 26,233.00 five years from now, which represents a change of 0.28% from the current year. The current population is 48.33% male and 51.67% female. The median age of the population in your area is 40.80, compare this to the US average which is 37.95. The population density in your area is 332.80 people per square mile.



Households

There are currently 10,710 households in your selected geography. The number of households has changed by -0.58% since 2000. It is estimated that the number of households in your area will be 10,823 five years from now, which represents a change of 1.06% from the current year. The average household size in your area is 2.36 persons.



Income

In 2018, the median household income for your selected geography is \$48,384, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 47.40% since 2000. It is estimated that the median household income in your area will be \$58,793 five years from now, which represents a change of 21.51% from the current year.

The current year per capita income in your area is \$25,864, compare this to the US average, which is \$32,356. The current year average household income in your area is \$62,304, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 85.04% White, 9.81% Black, 0.10% Native American and 0.94% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 2.63% of the current year population in your selected area. Compare this to the US average of 18.01%.



Employment

In 2018, there are 14,086 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 51.14% of employees are employed in white-collar occupations in this geography, and 48.78% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.43%. In 2000, the average time traveled to work was 20.00 minutes.

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	2,479	19,627	26,233
■ 2018 Estimate			
Total Population	2,439	19,589	26,161
■ 2010 Census			
Total Population	2,487	19,924	26,463
■ 2000 Census			
Total Population	2,480	19,589	26,101
■ Current Daytime Population			
2018 Estimate	9,852	29,707	34,684
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	1,005	8,140	10,823
■ 2018 Estimate			
Total Households	973	8,053	10,710
Average (Mean) Household Size	2.23	2.34	2.36
■ 2010 Census			
Total Households	1,008	8,260	10,924
■ 2000 Census			
Total Households	952	8,116	10,772
■ Occupied Units			
2023 Projection	1,005	8,140	10,823
2018 Estimate	1,126	9,150	12,102
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	4.80%	3.74%	3.96%
\$100,000 - \$149,000	15.88%	10.89%	11.41%
\$75,000 - \$99,999	7.85%	12.36%	12.72%
\$50,000 - \$74,999	15.48%	19.41%	20.33%
\$35,000 - \$49,999	20.19%	14.41%	14.06%
Under \$35,000	35.80%	39.22%	37.53%
Average Household Income	\$66,698	\$59,723	\$62,304
Median Household Income	\$46,479	\$46,474	\$48,384

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$54,134	\$53,007	\$54,278
■ Consumer Expenditure Top 10 Categories			
Housing	\$12,452	\$12,358	\$12,639
Transportation	\$12,067	\$11,478	\$11,746
Shelter	\$6,299	\$6,337	\$6,470
Food	\$6,085	\$5,858	\$5,974
Health Care	\$4,030	\$3,837	\$3,963
Personal Insurance and Pensions	\$3,726	\$3,683	\$3,811
Utilities	\$3,480	\$3,444	\$3,518
Entertainment	\$2,104	\$2,106	\$2,172
Cash Contributions	\$1,746	\$1,680	\$1,749
Household Furnishings and Equipment	\$1,272	\$1,236	\$1,279
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	2,439	19,589	26,161
Under 20	20.87%	24.71%	24.42%
20 to 34 Years	16.53%	19.09%	18.46%
35 to 39 Years	6.27%	6.12%	6.18%
40 to 49 Years	12.10%	11.95%	12.03%
50 to 64 Years	20.64%	20.39%	20.93%
Age 65+	23.59%	17.70%	17.98%
Median Age	45.61	40.06	40.80
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,806	13,567	18,248
Elementary (0-8)	7.27%	4.73%	4.64%
Some High School (9-11)	10.34%	8.55%	8.98%
High School Graduate (12)	38.75%	38.83%	39.26%
Some College (13-15)	18.66%	20.18%	19.95%
Associate Degree Only	9.40%	9.23%	9.51%
Bachelors Degree Only	9.06%	10.52%	10.05%
Graduate Degree	6.06%	7.20%	6.92%

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Colby Haugness

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