



Brand New Construction | 15-Year Ground Lease | Investment Grade Tenant – S&P: A



OFFERING MEMORANDUM

FIRESTONE COMPLETE AUTO CARE GROUND LEASE

GEORGETOWN, KY (LEXINGTON MSA)

Marcus & Millichap
THE SULO GROUP

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FIRESTONE COMPLETE AUTO CARE GROUND LEASE

111 Marketplace Circle
Georgetown, KY 40324

FINANCIAL SUMMARY

Price	\$1,950,000
Cap Rate	4.00%
Net Operating Income	\$78,000
Building Sq Ft	6,262 Sq Ft
Year Built	2020
Lot Size	+/- 0.89 Acres

LEASE SUMMARY

Lease Type	Ground Lease
Tenant	Bridgestone Retail Operations, LLC
Guarantor	Corporate
Roof and Structure	Tenant Responsible
Primary Term	15 Year
Lease Commencement Date	1/21/2020
Rent Commencement Date	4/1/2021
Lease Expiration Date	3/31/2036
Term Remaining	14+ Years
Rental Increases	Yes
Renewal Options	Seven, Five-Year

OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1-5	\$78,000	4.00%
6-10	\$83,850	4.30%
11-15	\$90,139	4.62%
Options	Annual Rent	Cap Rate
16-20 (Option 1)	\$99,153	5.08%
21-25 (Option 2)	\$109,068	5.59%
26-30 (Option 3)	\$119,975	6.15%
31-35 (Option 4)	\$131,972	6.77%
36-40 (Option 5)	\$145,169	7.44%
41-45 (Option 6)	\$159,686	8.19%
46-50 (Option 7)	\$175,655	9.01%

Base Rent	\$78,000
Net Operating Income	\$78,000
Total Return	4.00% \$78,000

HIGHLIGHTS



Best-in-Class Credit

Bridgestone/Firestone has an investment grade credit rating of "A" by Standard & Poor's, giving it the highest credit rating in the auto-service sector. Founded in 1900, Firestone is a wholly-owned subsidiary of the Bridgestone Retail Operations, LLC, which has four retail brands and over 1,700 locations nationwide.



Brand-New 15-Year Ground Lease

Firestone signed a new 15-year lease beginning in April 2021. The lease calls for zero landlord responsibilities and bodes 7.5% increases in rent every five years. In addition to the 15-year base term, the tenant has seven, five-year option periods with 10% rental increases every five years.



Booming Scott County Kentucky

Scott County has seen a growth of 24.97% plus since 2010. Scott County is part of the Lexington-Fayette, Kentucky metropolitan statistical area. The county had a population of 54.7k people with a median age of 36.2 and a median household income of \$70,817 as of 2019.



World Famous Toyota Manufacturing Facility

Toyota Kentucky, located in Georgetown Kentucky is America's first and the world's largest Toyota manufacturing facility. At 8.1 million square feet, it is the largest vehicle assembly plant in Toyota's global production network. Not only can it produce 550,000 vehicles per year, it can make more than 600,000 engines annually. Toyota Motor Manufacturing Kentucky employs more than 10,000 individuals.



SITE PLAN



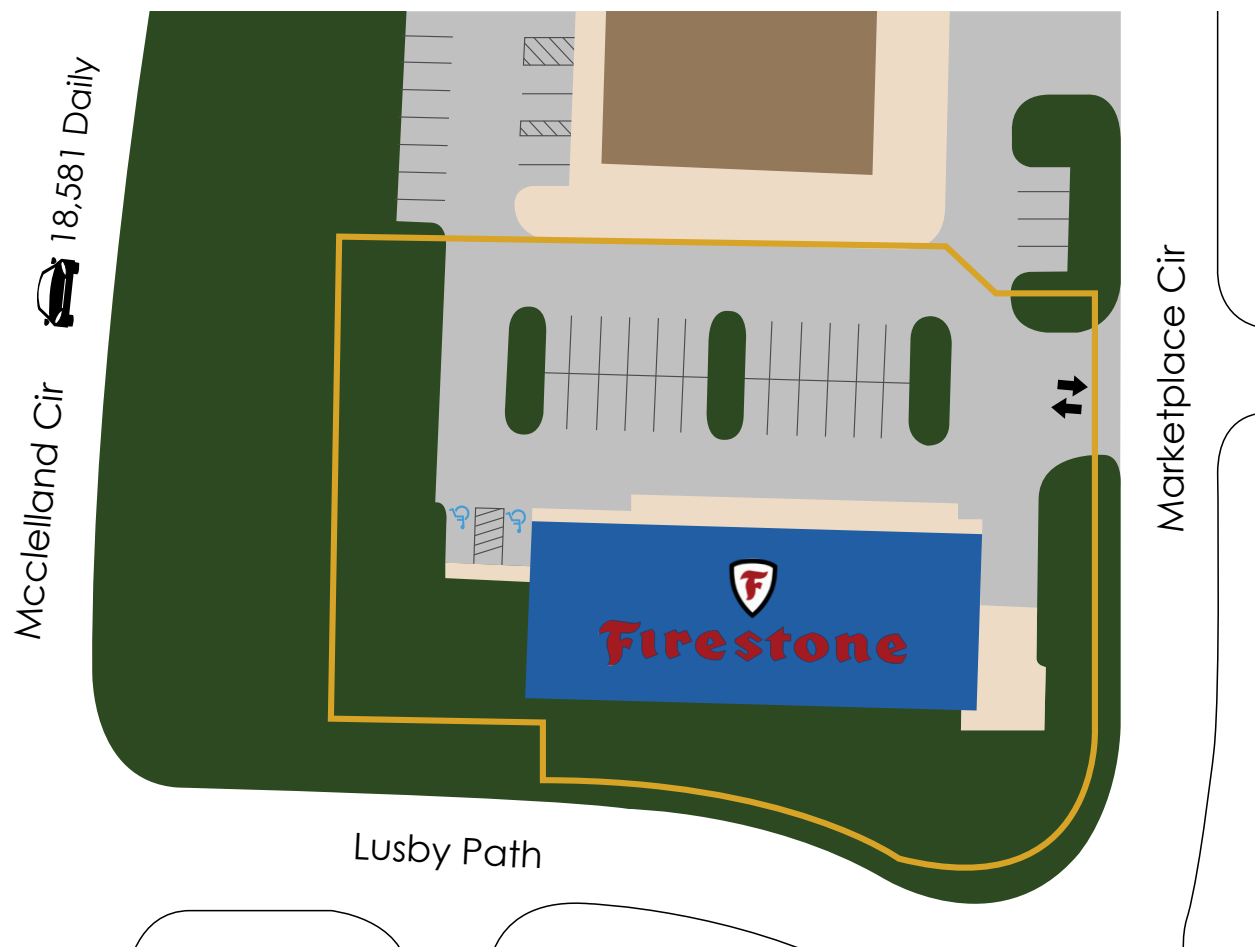
SITE PLAN KEY

Parcel Outline

Lot Size +/- 0.89 Acres

Building Sq Ft	6,262 Sq Ft
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Ingress/Egress



TENANT OVERVIEW



No. of Locations:

1,700+

No. of Employees:

33,000

Year Founded:

1900

Headquarters:

Nashville, TN

Website:

<https://www.firestonecompleteautocare.com/>

At Firestone Complete Auto Care, we offer you the complete experience. From the moment you walk in, you're met with some of the best customer service that can provide up-to-date knowledge on our quality products, the right solutions for your auto care needs, and initiatives that help improve your community and environment. For nearly 40 years, Firestone Complete Auto Care has offered insight into car care basics through our free, award-winning Car Care Academies. Each hands-on workshop delivers important information on basic vehicle maintenance, safety and how to keep your car running newer, longer.

Nobody looks forward to the moments when your car needs a little extra attention. At Firestone Complete Auto Care, we get that. That's why since 1926, we've been treating every vehicle with complete care as if it were our own. And it's because our team of professionals understands cars and the people who drive them. We use advanced technology and offer quality products from brands you trust, all of which add up to a complete, car caring experience.

Since 1926, drivers have trusted Firestone Complete Auto Care to keep their vehicles running newer longer. And as America's auto care needs have grown and changed, so have we. We're a leading provider of maintenance, repairs and tires for a reason: because we believe in offering a complete auto care experience that perfectly meets your needs.

Our auto care advisors and service technicians take pride in understanding your vehicle from bumper to bumper. We back our services and repairs with a nationwide warranty that's good at each of our more than 1,700 convenient store locations. Plus, we'll always answer your questions and explain our work to you so you feel comfortable from the moment you walk in until you're back on the road. We promise to provide the best customer service and offer the right solutions, so you can feel confident in knowing we're your complete auto care solution.

PROPERTY PHOTOS



AERIAL - NORTHWEST





TOYOTA MOTOR MANUFACTURING, KENTUCKY, INC. (TMMK)



Toyota Motor Manufacturing, Kentucky, Incorporated (TMMK) is Toyota's largest vehicle manufacturing plant in the world, annually capable of producing 550,000 vehicles and more than 600,000 engines. TMMK broke ground in 1985 and began producing vehicles in 1988. The plant is the largest automobile plant in North America and rests on a 1,300-acre campus. Around 10,000 skilled Kentuckians are hard at work engineering, stamping, painting, assembling and inspecting brand new Toyotas every day. Team members from all backgrounds are at the heart of everything we do. Since its groundbreaking, Toyota has invested about eight billion dollars in the plant. In addition to the Camry and Camry Hybrid TMMK assembles the RAV4 Hybrid, Avalon, Avalon Hybrid and Lexus ES 350.

Toyota has a goal to have 40 percent of its vehicles sold to be electrified by 2025 and 70 percent by 2030, officials said. These commitments will reduce greenhouse gas by 139 million tons.

Toyota has been part of the cultural fabric of America for six decades. Today, we operate 10 plants and directly employ more than 36,000 people in the U.S.

Toyota Kentucky also has more than 400 parts and commodities supplier locations in the U.S. and over 120 here in Kentucky. Suppliers range from raw materials to sunroofs and seats, which are made in Georgetown, just a few miles from our plant.

34

YEARS IN
KENTUCKY

12.5 MILLION+

VEHICLES MADE
SINCE 1988

UP TO 550,000

VEHICLES MADE
EACH YEAR

9 MILLION

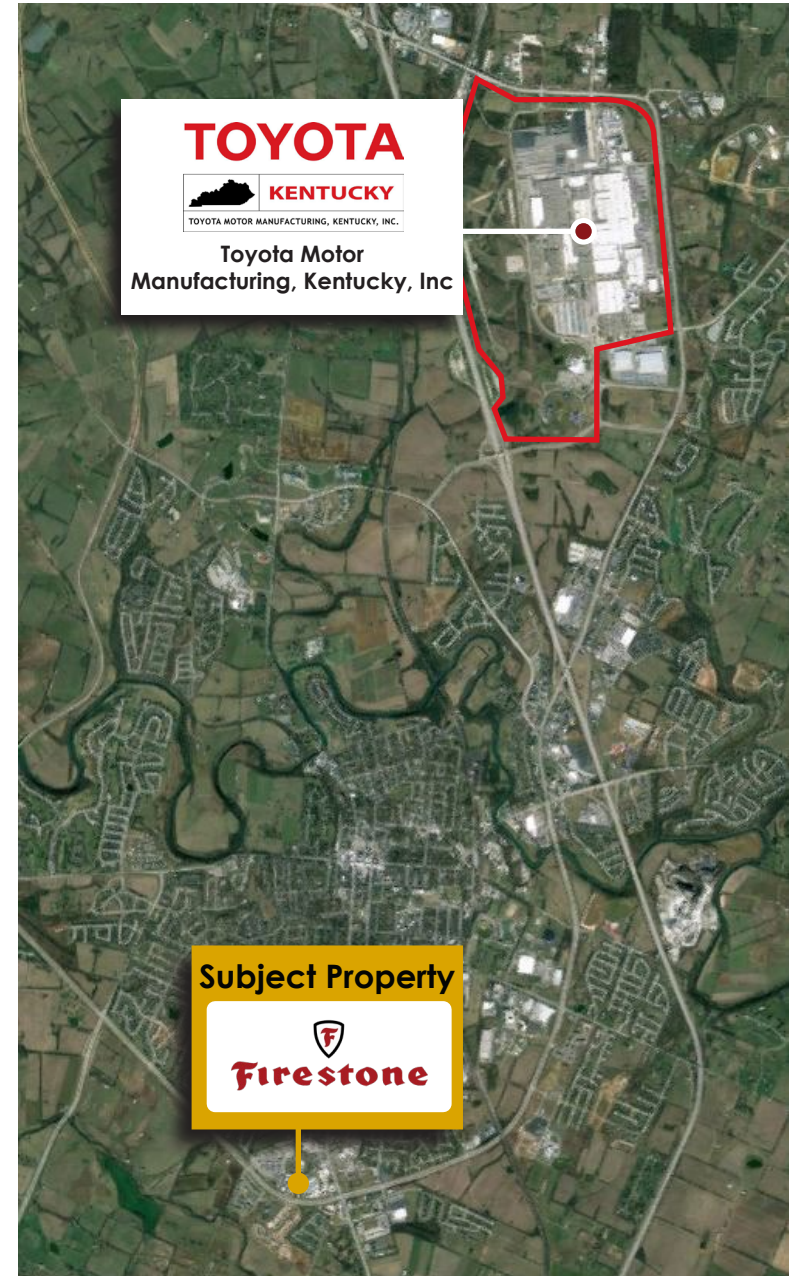
SQUARE FEET IN
THE PLANT

1,300

ACRES OF LAND
IN SCOTT COUNTY

120+

SUPPLIERS LOCATED
IN KENTUCKY



LOCATION OVERVIEW



GEORGETOWN

Kentucky's fastest-growing city has historically been an overachiever. From its earliest days, stretching back 450 million years to the Ordovician Period when the area lay beneath a shallow sea, the land that would become Georgetown/Scott County distinguished itself with rich and varied forests and salt licks and springs that enticed an abundance of bison, elk and black bear.

From horse power to horse play, Georgetown offers a diverse list of things to do in Kentucky, indoors and out. Pet a thoroughbred champion, feel the thunder of a new engine roar to life, meet one of the sassiest belles in Kentucky, catch a live show and stroll along a bustling Victorian-era downtown with architectural charm and locally-owned shops, restaurants, craft breweries and a bourbon distillery.

A Victorian streetscape. Browse block after block of shops filled with antiques and heirlooms, gifts and collectibles, apparel and jewelry and more. Gallery-hop the art exhibits at Georgetown College, Fine Art Editions Gallery and Press and the new Robert Clark Gallery.

LEXINGTON

Lexington is strategically located at the intersection of Interstates 64 and 75 in Fayette County, Kentucky. Surrounded on all sides by rolling hills of Bluegrass, miles of fence-lined horse farms, and rivers that carve through the land, it doesn't get much more heavenly than Lexington. Within a short drive, you can see where the Bluegrass kisses the Appalachian Mountains. You can chase waterfalls. You can hike into absolute seclusion and you can explore the Red River Gorge, one of the best-kept geological wonders in America.

Lexington has grown from a handful of quaint boutiques to become a serious shopping destination. We've added large-scale shopping centers such as Hamburg Pavilion and the Summit at Fritz Farm, not to mention Fayette Mall, the largest mall in the state of Kentucky. There are 14 unique bourbon distilleries within 45 miles of downtown. This is by far the best place to explore America's Native Spirit, visit the distilleries and explore the Kentucky Bourbon Trail, where the vast majority of the world's bourbon is aged.

Source: <https://www.georgetownky.com/>, <https://www.visitlex.com/>



11.5 MILES
NORTH OF
LEXINGTON, KY



69.2 MILES
LOUISVILLE
INTERNATIONAL AIRPORT



46.9 MILES
THE OUTLETS SHOPPES
OF THE BLUEGRASS



12.0 MILES
UNIVERSITY
OF KENTUCKY



University of Kentucky



Downtown Georgetown



Evans Orchard & Cider Mill

LOCATION OVERVIEW



LEXINGTON

The Lexington area is known as the horse capital of the world and is home to two racetracks and the Kentucky Horse Park. The market is located about 70 miles east of the state capital in Frankfort and about an hour south of Cincinnati. Louisville and the Kentucky Derby are approximately 80 miles to the west. The metro is composed of Bourbon, Clark, Fayette, Jessamine, Scott and Woodford counties and over the next five years is expected to grow at a faster pace than that of the U.S.



Manufacturing Industry

Manufacturing serves an important role in the local economy with products ranging from composite material to aromatherapy merchandise.



Higher Education

Major post-secondary institutions in the area include the University of Kentucky, Transylvania University and Bluegrass Community and Technical College.



Corporate Presence

Several headquarters are located in Lexington, including Lexmark International, A&W Restaurants and Temper Sealy International.



ECONOMY

The metro has a highly educated workforce with more than a third of the population having a bachelor's degree or higher.

Manufacturing has a strong presence in Lexington. The largest is Toyota Motor, which employs over 8,000 workers in its plant. Other notable manufacturers include Lockheed Martin, Hitachi Automotive Services, Webasto Roof Systems and Trane Lexington.

Lexington is also home to the JIF manufacturing plant, reportedly the largest peanut butter manufacturing facility in the world. The fast-food chain Fazoli's is also headquartered in the metro.



DEMOGRAPHICS



POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	5,475	24,005	35,173
2020 Population	6,595	27,663	42,070
2025 Population	7,289	29,797	46,059

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Households	2,186	9,030	12,771
2020 Households	2,636	10,600	15,504
2025 Households	2,906	11,487	17,102

INCOME	1-MILE	3-MILE	5-MILE
Median Household Income	\$54,444	\$56,491	\$66,268
Per Capita Income	\$25,980	\$27,889	\$31,276
Average Household Income	\$64,873	\$71,725	\$82,837

POPULATION

In 2020, the population in your selected geography is 42,070. The population has changed by 79.13% since 2000. It is estimated that the population in your area will be 46,059 five years from now, which represents a change of 9.48% from the current year. The current population is 49.81% male and 50.19% female. The median age of the population in your area is 33.8, compare this to the Entire US average which is 38.2. The population density in your area is 535.08 people per square mile.

HOUSEHOLDS

There are currently 15,504 households in your selected geography. The number of households has changed by 82.69% since 2000. It is estimated that the number of households in your area will be 17,102 five years from now, which represents a change of 10.31% from the current year. The average household size in your area is 2.60 persons.

INCOME

In 2020, the median household income for your selected geography is \$66,268, compare this to the Entire US average which is currently \$62,990. The median household income for your area has changed by 48.67% since 2000. It is estimated that the median household income in your area will be \$77,772 five years from now, which represents a change of 17.36% from the current year.

The current year per capita income in your area is \$31,276, compare this to the Entire US average, which is \$34,935. The current year average household income in your area is \$82,837, compare this to the Entire US average which is \$90,941.

EDUCATION

The highest level of 2020 educational attainment in your selected area is as follows: 11.26% percent graduate degree, 16.65% percent bachelor's degree, 7.62% percent associate degree, 23.57% percent some college, 30.03% percent high-school graduate, 6.87% percent some high school and 4.00% percent elementary.

The U.S. averages are 11.79% percent graduate degree, 19.22% percent bachelor's degree, 8.26% percent associate degree, 20.70% percent some college, 27.38% percent high-school graduate, 7.28% percent some high school and 5.38% percent elementary.

HOUSING

In 2000, there were 5,338 owner occupied housing units in your area and there were 3,148 renter occupied housing units in your area. The median rent at the time was \$447.

EMPLOYMENT

In 2020, there are 14,904 employees in your selected area, this is also known as the day-time population. The 2000 Census revealed that 51.09% of employees are employed in white-collar occupations in this geography, and 49.16% are employed in blue-collar occupations. In 2020, unemployment in this area is 3.91%. In 2000, the average time traveled to work was 21.9 minutes.

