

MATTHEWS™



STORAGE PARK

85 WALNUT ST, MONTICELLO, KY | OFFERING MEMORANDUM

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EXCLUSIVELY LISTED BY:

CAMPBELL WATKINS

Senior Associate

Self-Storage

Direct +1 (404) 446-3534

Mobile +1 (678) 735-1386

campbell.watkins@matthews.com

License No. 430010 (GA)

HUNTER REYNOLDS

Associate Vice President

Self-Storage

Direct +1 (404) 380-1196

Mobile +1 (865) 216-7034

hunter.reynolds@matthews.com

License No. 414787 (GA)

AUSTIN MCLEOD

Senior Vice President

Director | Self-Storage

Direct +1 (404) 445-1093

Mobile +1 (678) 576-1780

austin.mcleod@matthews.com

License No. 394903 (GA)

BROKER OF RECORD

Kyle Matthews

License No. 221925 (KY)

Firm No. 239410 (KY)



85 Walnut St, Monticello, KY



NRSF - ±26,642 SF
SF Occupancy - 81%



N Main St



± 15,056 VPD





01

PROPERTY
DETAILS



ASSET OVERVIEW

Facility Name	Storage Park - Monticello
Address	85 Walnut St
City, State	Monticello, KY
County	Wayne County
Parcel Number	M3-18-001.00
Lot Size (Acres)	±1.15
Year Built	1955
Year Converted	2023
Number of Buildings	1
Number of Stories	1
Net Rentable SF	±26,642
Total Units	228
Climate Controlled Units	228
Non-Climate Controlled Units	0
Parking Spaces	0
Unit Occupancy	81%
Square Foot Occupancy	81%
Economic Occupancy	64%
3-Mile SF/Capita	10.97
5-Mile SF/Capita	7.74
Management	Owner-Operated with Employees
Foundation	Concrete
Framing	Steel
Roof	Metal
Fencing	None
Parking Surface	Paved
Entry	Keypad Access
Flood Zone	No
On-Site Apartment	No
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INVESTMENT HIGHLIGHTS

- Low supply within 5 miles of the facility - only 7.74 square feet per capita and 1 climate-controlled competitor within 20 miles of the facility
- 6.31% going-in cap rate with stabilized returns projected in the 11% - 14%+ range
- Upside in economic occupancy at 64% currently
- Very high returns upon economic stabilization
- Recently converted facility now 81% occupied
- Very attractive basis for an all climate-controlled facility



LISTING DETAILS

\$1,250,000

List Price

\$78,842

In-Place NOI

\$138,573

Year 2 NOI

\$181,611

Year 4 NOI

6.31%

In-Place Cap Rate

11.09%

Year 2 Cap Rate

14.53%

Year 4 Cap Rate

228

Total Units

\$46.92

Price Per SF

2023

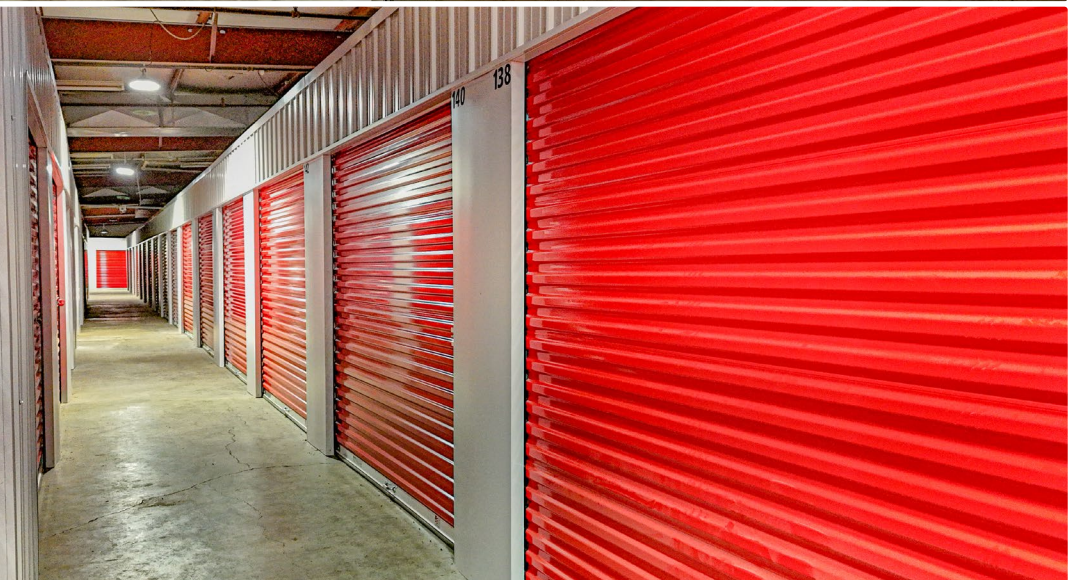
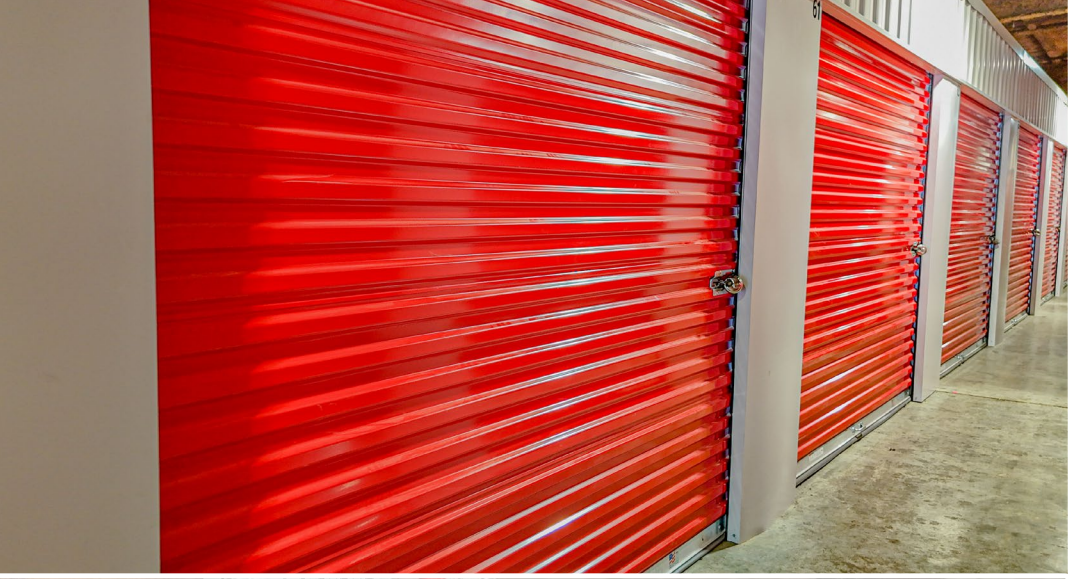
Year Converted





Drone Photos





UNIT MIX

Climate Controlled - Ground Level

Unit Size	Unit SF	Total Units	Occupied	Vacant	NRSF	Current Rates	Monthly GPI	Annual Total
5 X 5	25	1	1	0	25	\$49	\$49	\$588
5 X 8	40	3	3	0	120	\$59	\$177	\$2,124
5 X 10	50	31	26	5	1,550	\$49	\$1,519	\$18,228
13 X 5	65	1	1	0	65	\$69	\$69	\$828
15 X 5	75	6	5	1	450	\$69	\$414	\$4,968
8 X 10	80	7	6	1	560	\$79	\$553	\$6,636
10 X 10	100	102	81	21	10,200	\$79	\$8,058	\$96,696
10 X 10	100	3	3	0	300	\$99	\$297	\$3,564
8 X 14	112	1	1	0	112	\$69	\$69	\$828
15 X 8	120	1	0	1	120	\$99	\$99	\$1,188
10 X 14	140	7	4	3	980	\$109	\$763	\$9,156
10 X 15	150	16	14	2	2,400	\$119	\$1,904	\$22,848
20 X 8	160	1	0	1	160	\$109	\$109	\$1,308
10 X 20	200	48	40	8	9,600	\$129	\$6,192	\$74,304
Facility Totals	-	228	185	43	26,642	-	\$20,272	\$243,264

FINANCIAL OVERVIEW

	T-3		Year 1		Year 2		Year 3		Year 4						
	Total	\$ PSF	Total	\$ PSF	Total	\$ PSF	Total	\$ PSF	Total	\$ PSF					
Income															
Gross Potential Rent	\$243,264	\$9.13	\$243,264	\$9.13	\$243,264	\$9.13	\$255,427	\$9.59	\$268,199	\$10.07					
Merchandise Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00					
Tenant Insurance (Net)	\$2,061	\$0.08	\$10,670	\$0.40	\$13,338	\$0.50	\$15,116	\$0.57	\$15,570	\$0.58					
Admin Fees	\$2,040	\$0.08	\$4,320	\$0.16	\$4,450	\$0.17	\$4,583	\$0.17	\$4,721	\$0.18					
Late Fees	\$10,380	\$0.39	\$10,691	\$0.40	\$18,710	\$0.70	\$30,871	\$1.16	\$31,798	\$1.19					
Economic Vacancy	-35.9%	(\$87,264)	(\$3.28)	-30.0%	(\$72,979)	(\$2.74)	-15.0%	(\$36,490)	(\$1.37)	-10.0%	(\$25,543)	(\$0.96)	-10.0%	(\$26,820)	(\$1.01)
Effective Gross Income	\$170,481	\$6.40	\$195,967	\$7.36	\$243,272	\$9.13	\$280,455	\$10.53	\$293,467	\$11.02					
Expenses															
Real Estate Taxes	\$9,105	\$0.34	\$12,403	\$0.47	\$12,651	\$0.47	\$12,904	\$0.48	\$13,162	\$0.49					
Insurance	\$12,890	\$0.48	\$13,147	\$0.49	\$13,410	\$0.50	\$13,678	\$0.51	\$13,952	\$0.52					
Utilities & Trash	\$19,935	\$0.75	\$20,334	\$0.76	\$20,740	\$0.78	\$21,155	\$0.79	\$21,578	\$0.81					
On-Site Payroll	\$20,000	\$0.75	\$20,400	\$0.77	\$20,808	\$0.78	\$21,224	\$0.80	\$21,649	\$0.81					
Management Fees	\$8,524	\$0.32	\$9,798	\$0.37	\$12,164	\$0.46	\$14,023	\$0.53	\$14,673	\$0.55					
Bank and Credit Card Fees	\$3,836	\$0.14	\$4,409	\$0.17	\$5,474	\$0.21	\$6,310	\$0.24	\$6,603	\$0.25					
Advertising & Marketing	\$10,352	\$0.39	\$10,559	\$0.40	\$10,770	\$0.40	\$10,986	\$0.41	\$11,205	\$0.42					
Office & Administrative	\$4,621	\$0.17	\$4,714	\$0.18	\$4,808	\$0.18	\$4,904	\$0.18	\$5,002	\$0.19					
Telephone & Internet	\$1,104	\$0.04	\$1,126	\$0.04	\$1,149	\$0.04	\$1,172	\$0.04	\$1,195	\$0.04					
Repairs & Maintenance	\$1,272	\$0.05	\$2,672	\$0.10	\$2,726	\$0.10	\$2,780	\$0.10	\$2,836	\$0.11					
Total Operating Expenses	\$91,639	\$3.44	\$99,562	\$3.74	\$104,699	\$3.93	\$109,136	\$4.10	\$111,856	\$4.20					
Operating Expense Ratio	53.8%	-	50.8%	-	43.0%	-	38.9%	-	38.1%	-					
Net Operating Income	\$78,842	\$2.96	\$96,404	\$3.62	\$138,573	\$5.20	\$171,319	\$6.43	\$181,611	\$6.82					

ASSUMPTIONS:

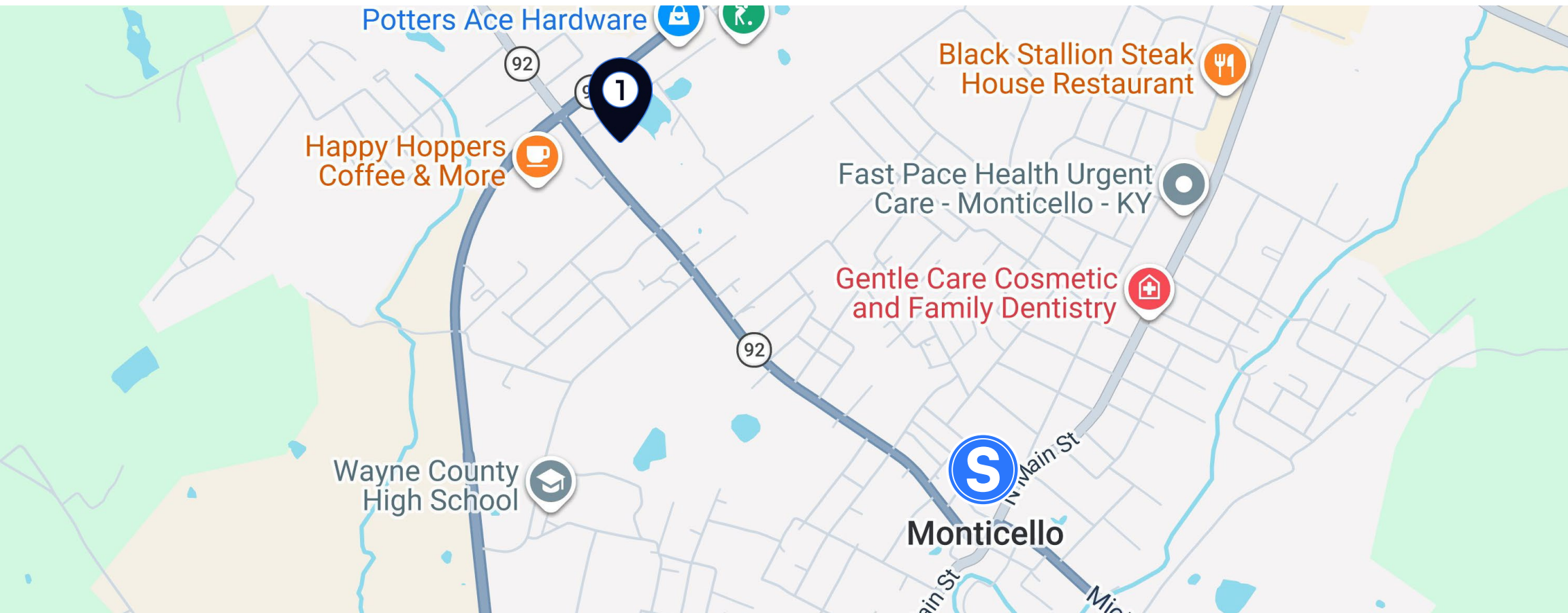
- Gross Potential Rent - Unchanged in Year 1 and Year 2, and 5% increases in Year 3 and Year 4
- Tenant Insurance (Self-Storage Units Only) - 60% penetration x \$6.50 (Profit) x 12 months in Year 1, 75% penetration in Year 2, 85% penetration in Year 3, 3% annual growth moving forward
- Admin Fees - \$24 per move-in x 15 move-ins per month x 12 months in Year 1, 3% annual growth moving forward
- Real Estate Taxes - Estimated in Year 1 based on the sale price (with 30% goodwill allocation) and current millage rate, followed by 2% annual growth moving forward
- Insurance Expense - 2% annual growth starting in Year 1
- Utilities Expense - 2% annual growth starting in Year 1
- Management Fee - 5% of Effective Gross Income
- Bank and Credit Card Fees - 2.25% of Effective Gross Income
- Advertising & Marketing - \$500 per month budget starting in Year 3, 2% annual growth moving forward
- Office & Administrative - 2% annual growth starting in Year 1
- Telephone & Internet - 2% annual growth starting in Year 1
- Repairs & Maintenance - 2% annual growth starting in Year 1

10 YEAR CASH FLOW ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Gross Potential Rent	\$243,264	\$243,264	\$255,427	\$268,199	\$276,245	\$284,532	\$293,068	\$301,860	\$310,916	\$320,243
Merchandise Sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tenant Insurance (Net)	\$10,670	\$13,338	\$15,116	\$15,570	\$16,037	\$16,518	\$17,014	\$17,524	\$18,050	\$18,591
Admin Fees	\$4,320	\$4,450	\$4,583	\$4,721	\$4,862	\$5,008	\$5,158	\$5,313	\$5,472	\$5,637
Late Fees	\$10,691	\$18,710	\$30,871	\$31,798	\$32,751	\$33,734	\$34,746	\$35,788	\$36,862	\$37,968
Economic Vacancy	(\$72,979)	(\$36,490)	(\$25,543)	(\$26,820)	(\$27,624)	(\$28,453)	(\$29,307)	(\$30,186)	(\$31,092)	(\$32,024)
Effective Gross Income	\$195,967	\$243,272	\$280,455	\$293,467	\$302,271	\$311,339	\$320,679	\$330,299	\$340,208	\$350,415
Expenses										
Real Estate Taxes	\$12,403	\$12,651	\$12,904	\$13,162	\$13,425	\$13,694	\$13,968	\$14,247	\$14,532	\$14,823
Insurance	\$13,147	\$13,410	\$13,678	\$13,952	\$14,231	\$14,516	\$14,806	\$15,102	\$15,404	\$15,712
Utilities & Trash	\$20,334	\$20,740	\$21,155	\$21,578	\$22,010	\$22,450	\$22,899	\$23,357	\$23,824	\$24,300
On-Site Payroll	\$20,400	\$20,808	\$21,224	\$21,649	\$22,082	\$22,523	\$22,974	\$23,433	\$23,902	\$24,380
Management Fees	\$9,798	\$12,164	\$14,023	\$14,673	\$15,114	\$15,567	\$16,034	\$16,515	\$17,010	\$17,521
Bank and Credit Card Fees	\$4,409	\$5,474	\$6,310	\$6,603	\$6,801	\$7,005	\$7,215	\$7,432	\$7,655	\$7,884
Advertising & Marketing	\$10,559	\$10,770	\$10,986	\$11,205	\$11,429	\$11,658	\$11,891	\$12,129	\$12,372	\$12,619
Office & Administrative	\$4,714	\$4,808	\$4,904	\$5,002	\$5,102	\$5,204	\$5,308	\$5,415	\$5,523	\$5,633
Telephone & Internet	\$1,126	\$1,149	\$1,172	\$1,195	\$1,219	\$1,243	\$1,268	\$1,294	\$1,319	\$1,346
Repairs & Maintenance	\$2,672	\$2,726	\$2,780	\$2,836	\$2,892	\$2,950	\$3,009	\$3,069	\$3,131	\$3,193
Total Operating Expenses	\$99,562	\$104,699	\$109,136	\$111,856	\$114,305	\$116,811	\$119,373	\$121,993	\$124,672	\$127,412
<i>Operating Expense Ratio</i>	50.8%	43.0%	38.9%	38.1%	37.8%	37.5%	37.2%	36.9%	36.6%	36.4%
Net Operating Income	\$96,404	\$138,573	\$171,319	\$181,611	\$187,965	\$194,528	\$201,306	\$208,307	\$215,536	\$223,003

CLIMATE CONTROLLED - GROUND LEVEL RENT COMPARABLES

Facility Name	Address	5x10 CC	10x10 CC	Distance to Property
 Subject Property	85 Walnut St, Monticello, KY	\$49.00	\$79.00	-
 Sidwell Storage	148 KY-90, Monticello, KY	\$50.00	\$100.00	1.20 Miles
Averages		\$50.00	\$100.00	
Average Rent Per SF		\$1.00	\$1.00	





02

MARKET
OVERVIEW

WAYNE COUNTY, KY DEMOGRAPHIC ANALYSIS



5,550
OWNER OCCUPIED
HOUSEHOLDS

2,480
RENTER OCCUPIED
HOUSEHOLDS

19,627
TOTAL
POPULATION

\$235M
CONSUMER
SPENDING

300+
FUTURE RESIDENTIAL
DEVELOPMENTS

\$58,655
AVERAGE
HOUSEHOLD INCOME

\$41,933
MEDIAN HOUSEHOLD
INCOME

\$200K
MEDIAN HOME
VALUE





HOUSEBOAT CAPITAL OF THE WORLD

Monticello is the county seat of Wayne County, Kentucky, located in south-central Kentucky along the Tennessee border. The community functions as the primary commercial, service, and governmental center for the county and nearby rural communities. Wayne County has a population of roughly 19,000 residents and is supported by local retail, healthcare, education, and public services. Monticello is served by U.S. Highway 90 and Kentucky Routes 92 and 167, providing regional connections to Somerset, Albany, and other surrounding communities. The city also serves as the location for Wayne County Hospital, the Wayne County School District, and various local government offices that support the broader region.

The area's economy is closely tied to outdoor recreation and tourism due to its proximity to Lake Cumberland, one of the largest man-made lakes in the eastern United States. Monticello is often referred to as the "Houseboat Capital of the World," reflecting the concentration of houseboat manufacturing and marina operations associated with the lake. Seasonal visitors and second-home owners contribute to local retail activity, dining, and lodging demand throughout the year. In addition to tourism, the county supports a mix of small businesses, agriculture, and light manufacturing, with many residents commuting to nearby employment centers such as Somerset while choosing to live in Wayne County for its lower cost of living and access to outdoor recreation.

DEMOGRAPHIC ANALYSIS

POPULATION			
	3-MILE	5-MILE	10-MILE
2020 Population	8,056	11,248	17,364
2025 Population	7,699	10,946	17,554
2030 Population Projection	7,674	10,950	17,691
Annual Growth 2025-2030	-0.1%	0%	0.2%
Median Age	40	41.2	43

HOUSEHOLDS			
	3-MILE	5-MILE	10-MILE
2020 Households	3,341	4,631	7,169
2025 Households	3,184	4,496	7,251
2030 Household Projection	3,171	4,495	7,306
Annual Growth 2020-2025	0.2%	0.3%	0.3%
Annual Growth 2025-2030	-0.1%	0%	0.2%
Owner Occupied Households	1,798	2,784	5,091
Renter Occupied Households	1,374	1,710	2,215

INCOME			
	3-MILE	5-MILE	10-MILE
Avg Household Income	\$47,720	\$52,381	\$56,953
Median Household Income	\$39,270	\$41,931	\$43,254
< \$25,000	1,247	1,587	2,343
\$25,000 - 50,000	655	995	1,677
\$50,000 - 75,000	750	1,032	1,592
\$75,000 - 100,000	215	320	585
\$100,000 - 125,000	105	180	367
\$125,000 - 150,000	94	171	254
\$150,000 - 200,000	108	178	296
\$200,000+	9	36	136

Confidentiality Agreement and Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **85 Walnut St, Monticello, KY 42633** ("Property"). The 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™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

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Owner and Matthews™ 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 Owner or Matthews™ 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 of this Offering Memorandum.

MATTHEWS™

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EXCLUSIVELY LISTED BY:

CAMPBELL WATKINS

Senior Associate

Self-Storage

Direct +1 (404) 446-3534

Mobile +1 (678) 735-1386

campbell.watkins@matthews.com

License No. 430010 (GA)

HUNTER REYNOLDS

Associate Vice President

Self-Storage

Direct +1 (404) 380-1196

Mobile +1 (865) 216-7034

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License No. 414787 (GA)

AUSTIN MCLEOD

Senior Vice President

Director | Self-Storage

Direct +1 (404) 445-1093

Mobile +1 (678) 576-1780

austin.mcleod@matthews.com

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Kyle Matthews

License No. 221925 (KY)

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