SIMPLI STORED SELF-STORAGE

71 Madden Dr, Elizabethtown, KY 42701 | **Offering Memorandum**

MATTHEWS™

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71 Madden Dr, Elizabethtown, KY 42701

NRSF - ±11,550
SF Occupancy - 54%

Retail Tenant Map
N
New Construction
Publix
New Construction
Fall Creek
±100 Homes
Heartland Elementary
±565 Students
Undeveloped Residential Pad
Future Residential Development Unannounced
The Reserve At Cool Springs
±120 Homes
Subject Property
31W
65
Walmart Supercenter
Lowe's
Kroger
± 31,537 VPD
Target
New Construction
Miles Point
±159 Homes
± 51,274 VPD
The Home Depot
ALDI
planet fitness
Buffalo Ridge
±205 Homes
Dolphin Hills
±59 Units
62
Lincoln Trail Elementary
±653 Students
9002
Talton K. Stone Middle School
±526 Students
Big Lots!
Kroger
± 12,766 VPD
Ace Hardware
Elizabethtown High School
±775 Students
Elizabethtown
Google Earth

01

PROPERTY OVERVIEW

PROPERTY OVERVIEW

Facility Name	Simpli Stored Self-Storage
Address	71 Madden Dr
City, State	Elizabethtown, KY
County	Hardin County
Parcel Number	243-00-07-021
Lot Size (Acres)	±1.05
Number of Buildings	3
Number of Stories	1
Net Rentable SF	±11,550
Total Units	85
Climate Controlled Units	0
Non-Climate Controlled Units	78
Parking Spaces	6
Unit Occupancy	54%
Square Foot Occupancy	54%
Economic Occupancy	59%
3-Mile SF/Capita	26.02
5-Mile SF/Capita	11.17
Management	Owner-Operated with Employees
Foundation	Concrete
Framing	Wood
Roof	Metal
Fencing	Chain-Link, Barbed-Wire
Parking Surface	Gravel
Entry	Keypad Access
Traffic Counts	±3,011 VPD
Flood Zone	No
On-Site Apartment	No

INVESTMENT HIGHLIGHTS

- Going-in yield with substantial upside remaining - listed at a 7.11% current cap rate despite 55% current occupancy.
- Attractive stabilized returns with the Year 2 cap rate projected at 11.50% and Year 4 at 12.29%.
- High income sub-market with average household incomes over $130k in a 1-mile radius and over $98k in a 3-mile radius.
- Below replacement cost offering at $62 per foot at list price.
- Very minimal ancillary income being produced, presenting opportunity to implement these revenue streams quickly.
- Ownership recently converted select 15x25 units into smaller 15x15 and 5x15 layouts, increasing gross potential income and creating an easier path to stabilization by adding more high-demand units.





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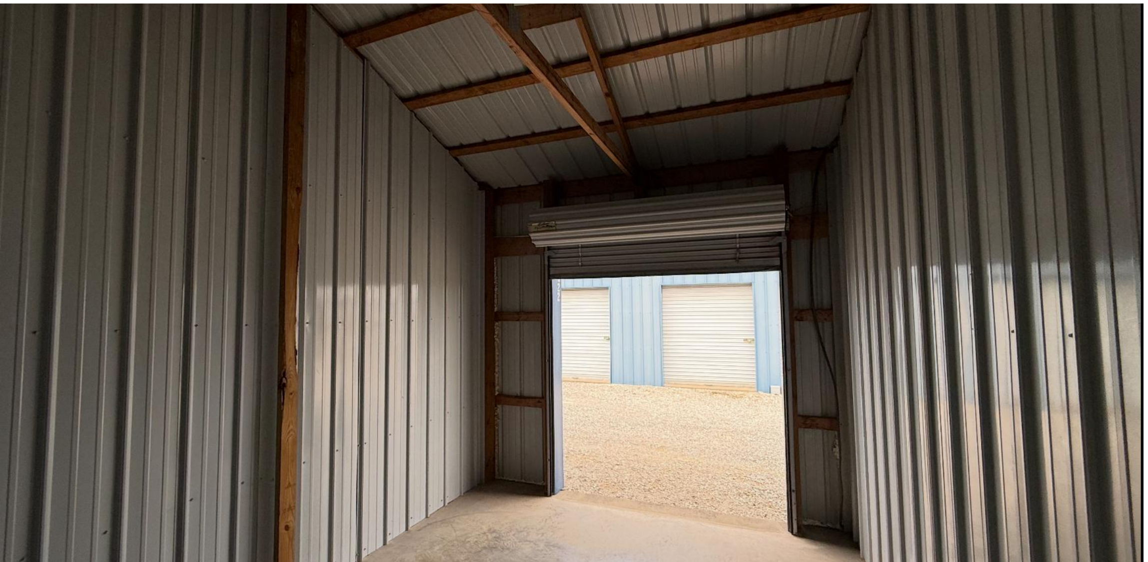

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FINANCIAL OVERVIEW

LISTING DETAILS

$720,000
List Price

$51,178 Current NOI	**$83,912** Year 2 NOI	**$90,118** Year 4 NOI
7.11% Going-In Cap Rate	**11.70%** Year 2 Cap Rate	**12.52%** Year 4 Cap Rate
54% Unit Occupancy	**85** Total Units	**±11,550** Net Rentable SF

UNIT MIX

Non-Climate Controlled

Unit Size	Unit SF	Total Units	Occupied	Vacant	Rentable SF	Current Rate	Monthly GPI	Annual Total
5 X 15	75	12	0	12	900	$75	$900	$10,800
10 X 10	100	6	5	1	600	$95	$570	$6,840
10 X 15	150	54	33	21	8,100	$125	$6,750	$81,000
15 X 15	225	6	1	5	1,350	$175	$1,050	$12,600
Totals	**-**	**78**	**39**	**39**	**10,950**	**-**	**$9,270**	**$111,240**

Open Parking

Unit Size	Unit SF	Total Units	Occupied	Vacant	Rentable SF	Current Rate	Monthly GPI	Annual Total
10 X 30	0	6	6	0	0	$65	$390	$4,680
Totals	**-**	**6**	**6**	**0**	**0**	**-**	**$390**	**$4,680**

Retail/Commercial

Unit Size	Unit SF	Total Units	Occupied	Vacant	Rentable SF	Current Rate	Monthly GPI	Annual Total
20 X 30	600	1	1	0	600	$695	$695	$8,340
Totals	**-**	**1**	**1**	**0**	**600**	**-**	**$695**	**$8,340**

Facility Totals	**-**	**85**	**46**	**39**	**11,550**	**-**	**$10,355**	**$124,260**

FINANCIAL OVERVIEW

		T-6			Year 1			Year 2			Year 3			Year 4	
		Total	$/SF		Total	$/SF		Total	$/SF		Total	$/SF		Total	$/SF
Income															
Gross Potential Rent		$115,920	$10.04		$115,920	$10.04		$115,920	$10.04		$119,398	$10.34		$122,980	$10.65
Retail Income		$8,340	$0.72		$8,590	$0.74		$8,848	$0.77		$9,113	$0.79		$9,387	$0.81
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)		$370	$0.03		$1,825	$0.16		$2,434	$0.21		$3,042	$0.26		$3,133	$0.27
Fee Income		$3,088	$0.27		$3,180	$0.28		$3,276	$0.28		$3,374	$0.29		$3,475	$0.30
Economic Vacancy	-41.2%	($47,769)	($4.14)	-20.0%	($23,184)	($2.01)	-8.0%	($9,274)	($0.80)	-8.0%	($9,552)	($0.83)	-8.0%	($9,838)	($0.85)
Effective Gross Income		**$79,948**	**$6.92**		**$106,332**	**$9.21**		**$121,203**	**$10.49**		**$125,375**	**$10.85**		**$129,136**	**$11.18**
Expenses															
Real Estate Taxes		$2,345	$0.20		$4,576	$0.40		$4,668	$0.40		$4,761	$0.41		$4,856	$0.42
Insurance		$2,310	$0.20		$2,356	$0.20		$2,403	$0.21		$2,451	$0.21		$2,500	$0.22
Utilities & Trash		$1,876	$0.16		$1,914	$0.17		$1,952	$0.17		$1,991	$0.17		$2,031	$0.18
On-Site Payroll		$6,000	$0.52		$6,120	$0.53		$6,242	$0.54		$6,367	$0.55		$6,495	$0.56
Management Fees		$3,997	$0.35		$5,317	$0.46		$6,060	$0.52		$6,269	$0.54		$6,457	$0.56
Bank and Credit Card Fees		$1,799	$0.16		$2,392	$0.21		$2,727	$0.24		$2,821	$0.24		$2,906	$0.25
Advertising & Marketing		$3,600	$0.31		$6,000	$0.52		$6,120	$0.53		$6,242	$0.54		$6,367	$0.55
Office & Administrative		$2,755	$0.24		$2,810	$0.24		$2,866	$0.25		$2,924	$0.25		$2,982	$0.26
Telephone & Internet		$1,200	$0.10		$1,224	$0.11		$1,248	$0.11		$1,273	$0.11		$1,299	$0.11
Repairs & Maintenance		$2,888	$0.25		$2,945	$0.26		$3,004	$0.26		$3,064	$0.27		$3,126	$0.27
Total Operating Expenses		**$28,770**	**$2.49**		**$35,654**	**$3.09**		**$37,292**	**$3.23**		**$38,164**	**$3.30**		**$39,018**	**$3.38**
Operating Expense Ratio		36.0%	-		33.5%	-		30.8%	-		30.4%	-		30.2%	-
Net Operating Income		**$51,178**	**$4.43**		**$70,677**	**$6.12**		**$83,912**	**$7.27**		**$87,211**	**$7.55**		**$90,118**	**$7.80**

Assumptions:

- Gross Potential Rent - Unchanged in Year 1 and Year 2, and 3% increases in Year 3 and Year 4
- Tenant Insurance (Self-Storage Units Only) - 30% penetration x $6.50 (Profit) x 12 months in Year 1, 40% penetration in Year 2, 50% penetration in Year 3, 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 1, 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	$115,920	$115,920	$119,398	$122,980	$126,669	$130,469	$134,383	$138,415	$142,567	$146,844
Retail Income	$8,590	$8,848	$9,113	$9,387	$9,574	$9,766	$9,961	$10,161	$10,364	$10,571
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)	$1,825	$2,434	$3,042	$3,133	$3,227	$3,324	$3,424	$3,527	$3,632	$3,741
Fee Income	$3,180	$3,276	$3,374	$3,475	$3,579	$3,687	$3,797	$3,911	$4,028	$4,149
Economic Vacancy	($23,184)	($9,274)	($9,552)	($9,838)	($10,134)	($10,438)	($10,751)	($11,073)	($11,405)	($11,748)
Effective Gross Income	**$106,332**	**$121,203**	**$125,375**	**$129,136**	**$132,916**	**$136,808**	**$140,815**	**$144,940**	**$149,186**	**$153,558**
EXPENSES										
Real Estate Taxes	$4,576	$4,668	$4,761	$4,856	$4,954	$5,053	$5,154	$5,257	$5,362	$5,469
Insurance	$2,356	$2,403	$2,451	$2,500	$2,550	$2,601	$2,653	$2,707	$2,761	$2,816
Utilities & Trash	$1,914	$1,952	$1,991	$2,031	$2,071	$2,113	$2,155	$2,198	$2,242	$2,287
On-Site Payroll	$6,120	$6,242	$6,367	$6,495	$6,624	$6,757	$6,892	$7,030	$7,171	$7,314
Management Fees	$5,317	$6,060	$6,269	$6,457	$6,646	$6,840	$7,041	$7,247	$7,459	$7,678
Bank and Credit Card Fees	$2,392	$2,727	$2,821	$2,906	$2,991	$3,078	$3,168	$3,261	$3,357	$3,455
Advertising & Marketing	$6,000	$6,120	$6,242	$6,367	$6,495	$6,624	$6,757	$6,892	$7,030	$7,171
Office & Administrative	$2,810	$2,866	$2,924	$2,982	$3,042	$3,103	$3,165	$3,228	$3,292	$3,358
Telephone & Internet	$1,224	$1,248	$1,273	$1,299	$1,325	$1,351	$1,378	$1,406	$1,434	$1,463
Repairs & Maintenance	$2,945	$3,004	$3,064	$3,126	$3,188	$3,252	$3,317	$3,383	$3,451	$3,520
Total Operating Expenses	**$35,654**	**$37,292**	**$38,164**	**$39,018**	**$39,885**	**$40,773**	**$41,680**	**$42,609**	**$43,558**	**$44,530**
Operating Expense Ratio	*33.5%*	*30.8%*	*30.4%*	*30.2%*	*30.0%*	*29.8%*	*29.6%*	*29.4%*	*29.2%*	*29.0%*
Net Operating Income	**$70,677**	**$83,912**	**$87,211**	**$90,118**	**$93,031**	**$96,036**	**$99,135**	**$102,331**	**$105,628**	**$109,028**

NON-CLIMATE CONTROLLED RENT COMPARABLES

	Facility Name	Address	10 x 10	10 x 15	Distance to Property
S	**Subject Property**	**71 Madden Dr, Elizabethtown, KY**	**$95.00**	**$125.00**	**-**
1	Hardin County Storage	81 W Quarry Ridge Ct, Elizabethtown, KY	$99.00	$130.00	0.10 Miles
2	Heartland Self Storage 2	3029 Bardstown Rd, Elizabethtown, KY	-	-	1.60 Miles
3	CubeSmart Self Storage	2151 Tunnel Hill Rd, Elizabethtown, KY	$112.00	$121.00	2.75 Miles
4	SecurCare Self Storage	2927 Ring Rd, Elizabethtown, KY	$107.00	-	3.00 Miles
5	Vault Storage	1210 N Dixie Hwy, Elizabethtown, KY	$88.00	-	4.90 Miles
6	CubeSmart Self Storage	2800 S Dixie Hwy, Elizabethtown, KY	$94.00	$119.00	5.90 Miles
	Averages		**$100.00**	**$123.33**	
	Average Rent Per SF		**$1.00**	**$0.82**	

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MARKET OVERVIEW

DEMOGRAPHIC ANALYSIS

POPULATION

	1-MILE	3-MILE	5-MILE
2020 Population	718	6,351	26,211
2025 Population	678	5,774	25,128
2030 Population Projection	674	5,682	25,049
Median Age	37.2	38.8	40.3

HOUSEHOLDS

	1-MILE	3-MILE	5-MILE
2020 Households	271	2,600	10,838
2025 Households	257	2,354	10,411
2030 Household Projection	255	2,315	10,388
Owner Occupied Households	227	1,636	6,291
Renter Occupied Households	29	679	4,097

INCOME

	1-MILE	3-MILE	5-MILE
Avg Household Income	$136,120	$98,124	$83,717
Median Household Income	$94,951	$70,804	$61,030
< $25,000	16	404	2,448
$25,000 - 50,000	34	425	1,965
$50,000 - 75,000	36	431	1,897
$75,000 - 100,000	52	370	1,427
$100,000 - 125,000	15	117	576
$125,000 - 150,000	24	189	702
$150,000 - 200,000	20	137	570
$200,000+	58	282	824

City of ELIZABETHTOWN

Population Statistics

2.46%
2020-2025 Annual Population Growth

1.00%
2025-2030 Annual Population Growth

35.7
Median Age

2.20%
2020-2025 Annual Households Growth

6,740
Owner Occupied Households

6,940
Renter Occupied Households

35,448
Total Population

$1.15B
Consumer Spending

1,000+
Future Residential Developments

$88,000
Average Household Income

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2. You will hold it and treat it in the strictest of confidence; and

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MATTHEWS™

OFFERING MEMORANDUM

SIMPLI STORED SELF-STORAGE

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