

ABSOLUTE NET OFFERING | \$2,133,000



HARBOR FREIGHT TOOLS
ELIZABETHTOWN, KENTUCKY

HOGAN
REAL ESTATE

CONFIDENTIALITY AGREEMENT

This Confidential Offering has been prepared by Hogan Real Estate (“Agent”) in cooperation with the Owner for informational purposes only and does not purport to contain all the information necessary to reach a purchase decision. The information contained herein has been carefully compiled from sources considered reliable and, while not guaranteed as to completeness or accuracy, we believe it to be correct as of this date.

This Offering is subject to prior placement, errors, omissions, changes, withdrawal or cancellation without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by Agent or the Owner. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

The projections set forth in this Offering do not constitute a representation, warranty or a guaranty by Agent or the owner of any of the numbers set forth herein or of any economic value attributable

to the Property or income that may be derived therefrom. Prospective purchasers should develop their own independent estimates of pro forma income and expenses before making any decisions on whether to acquire the Property.

Summaries or schedules of legal documents contained within this Memorandum are not intended to be comprehensive statements of the terms of such documents, but rather outlines of some of the major provisions therein.

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EXECUTIVE SUMMARY

The Offering

Qualified investors are extended the opportunity to acquire a new construction, absolute net Harbor Freight Tools in Elizabethtown, Kentucky. The original lease term is fifteen (15) years with no termination rights and five (5) five (5) year extension options. Lease commencement is projected for spring 2019.

The 2.08 acre site is strategically positioned at Elizabethtown's main signalized intersection of Dixie Highway and Ring Road. The regional trade area serves over 100,000 within the greater Hardin County area, most notably Fort Knox, home to the United States Army Human Resources Department, the United States Army Cadet Command, and the United States Army Accessions Command.

Elizabethtown is a focal transportation hub of Kentucky as I-65 intersects with the Western Kentucky Parkway (stretching 138 miles west to Eddyville, Kentucky) and the Bluegrass Parkway (105 miles east to Lexington, Kentucky), all within minutes of the regional trade area.

Sales Terms

The property is being offered on an "as-is" basis with ownership making no representations or warranties with respect to the accuracy or completeness of the offering memorandum or any and all documents delivered to any acquisition prospect for the purpose of due diligence.

Investment Highlights

15 Year Lease - No Landlord Responsibilities

- 15 year original term commencing in Spring 2019 with zero landlord responsibilities and 10.0% rental escalations in years 6 and 11

Excellent Corporate Guaranty

- Harbor Freight Tools USA, Inc. was founded in 1977 and has grown to over 1,000 stores nationwide with an annual revenue of over \$4 billion. The private company has a Moody's credit rating of Ba3

2019 Construction

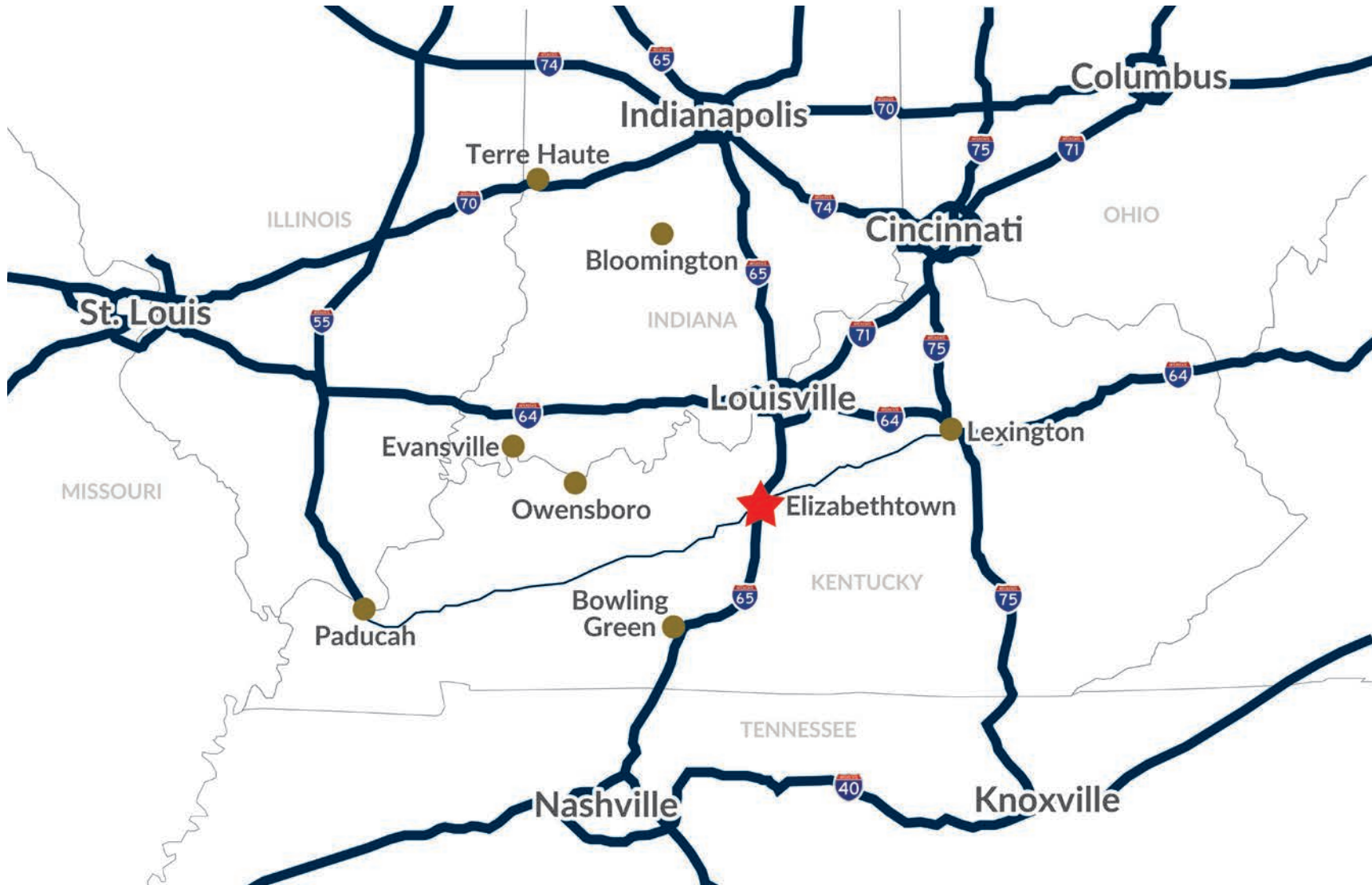
- Harbor Freight Tools' preferred standalone store format and site selection. The 16,000 SF building is new and in excellent condition with no landlord responsibilities for roof, structure, or parking lot

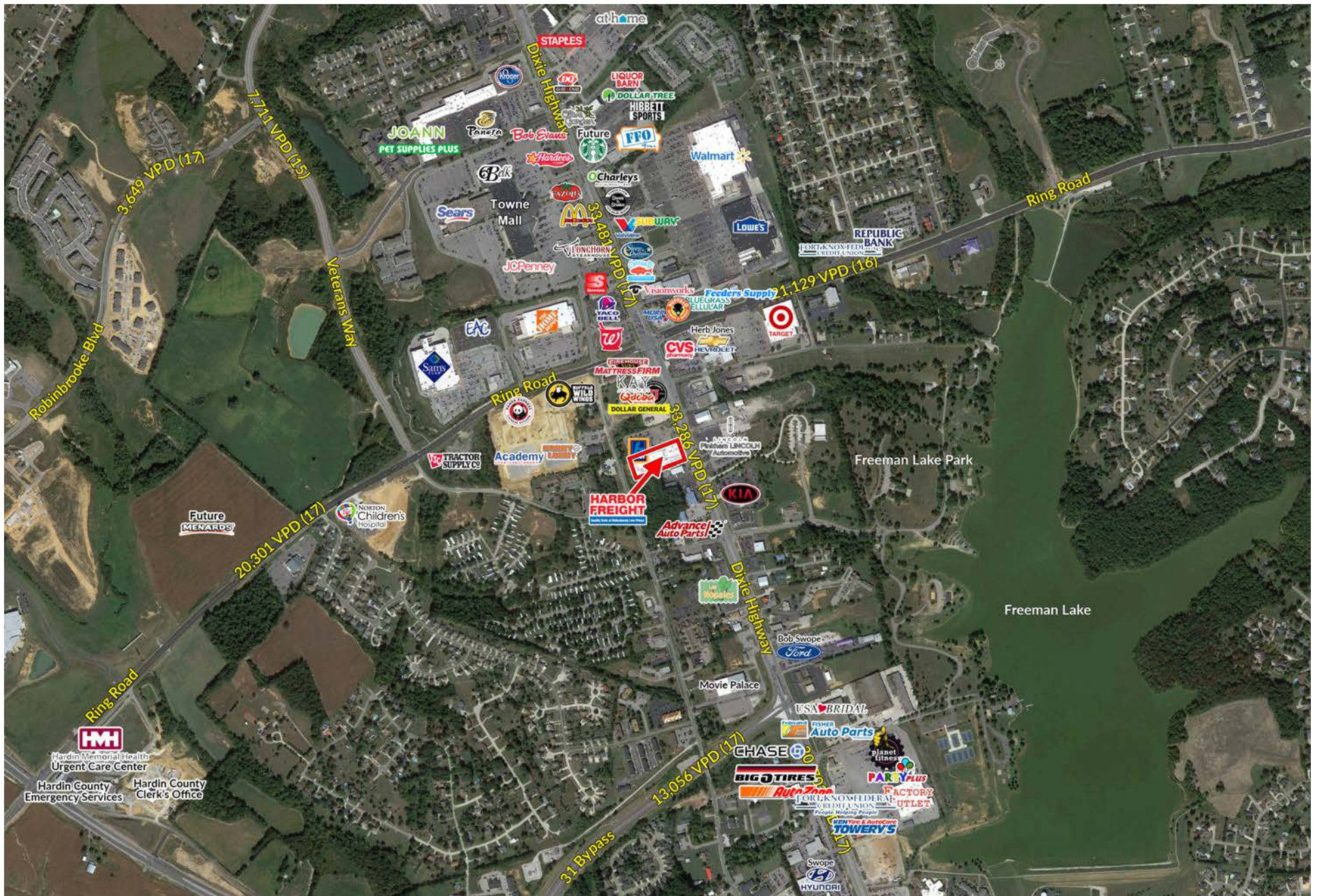
Dominant Regional Trade Area

- The Dixie Highway/Ring Road trade area is regional and draws from a population of over 100,000. Retailers include Sam's Club, Walmart Supercenter, Home Depot, Lowe's, Kroger, Aldi, Walgreen's, CVS, Ross, TJ Maxx, At Home, among others

Growing Kentucky Market

- Elizabethtown is a growing city located just south of Louisville along I-65 with an excellent workforce, large public school system, and diversified economy of healthcare, manufacturing, and service-related industries supporting the nearby Fort Knox Army Base







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