



5220 Frederica St, Owensboro, KY 42301

\$3,450,000

Southgate Center

PRIME NNN RETAIL | 11,830 SF | 100% LEASED SINCE DAY ONE | NATIONAL TENANTS | ZERO LANDLORD HASSLE |



Sien Gollen
KY 296892
270.313.3843

Listing Added: 01/15/2025

Listing Updated: Today



Details

Asking Price	\$3,450,000	Property Type	Retail
Subtype	Restaurant, Shopping Center, Storefront	Investment Type	Net Lease
Investment Sub Type	NNN	Class	B
Lease Type	NNN	Tenant Credit	Franchisee, Corporate Guarantee
Tenancy	Multi	Brand/Tenant	Firehouse Subs, Mattress Firm, Visionworks
Number of Tenants	3	Lease Term	29.7 years
Lease Commencement	04/20/2011	Lease Expiration	12/31/2040
Remaining Term	15.8 years	Square Footage	11,830
Net Rentable (sq ft)	11,737	Price/Sq Ft	\$291.63
Cap Rate	6.99%	Pro-Forma Cap Rate	7.79%
Occupancy	100%	Occupancy Date	04/20/2011
NOI	\$241,255	Pro-Forma NOI	\$268,788
Units	3	Year Built	2011
Stories	1	Permitted Zoning	B3
Lot Size (acres)	1.33	Parking (spaces)	60
Rent Bumps	After every extension/ Every 5 Years	Broker Co-Op	Yes
Lease Options	5 Year Extensions (2) Remaining after current	Ownership	Fee Simple
Sale Condition	For sale by owner		

Marketing Description

Prime Commercial Investment Opportunity in Owensboro, KY

Located at 5220 Frederica Street in the heart of Owensboro's bustling retail corridor, this 11,830-square-foot retail center is a standout investment opportunity. Built in 2011, the property has maintained 100% occupancy since its inception, with all tenants on triple net (NNN) leases, ensuring minimal landlord responsibilities. Situated on a 1.331-acre lot, this center enjoys exceptional visibility and high traffic counts, with Frederica Street seeing over 22,000 vehicles per day. Surrounded by major national retailers like Target, Walmart, Sam's Club, and Best Buy, as well as popular dining establishments such as Chick-fil-A, Olive Garden, and Texas Roadhouse, the location is a magnet for shoppers and diners alike. With strong tenant performance, stable income, and a location in a thriving commercial hub, this property is a secure and lucrative addition to any investment portfolio. CAM FEES are not included in rent; current tenants pay EXTRA \$30,000 annually for CAM FEES. Don't miss out on this rare opportunity—contact me today to learn more at

270-313-3843

Seller is firm on price with little to no room for negotiation—serious inquires only!

INSTITUTIONAL-GRADE NNN RETAIL INVESTMENT – FULLY STABILIZED WITH NATIONAL TENANTS

Premier Location – Dominant Retail Corridor in Owensboro, KY

Strategically positioned at 5220 Frederica Street, this institutional-quality retail asset benefits from unparalleled visibility and consumer traffic, with over 28,000 vehicles per day passing through Owensboro's most sought-after commercial corridor. The property is surrounded by category-leading national retailers, including Target, Walmart, Best Buy, and Sam's Club, as well as high-performing restaurant brands such as Chick-fil-A, Olive Garden, and Texas Roadhouse. This concentration of national tenants ensures sustained foot traffic and continued tenant success, reinforcing the long-term viability and appreciation potential of the asset.

Fully Stabilized with Long-Term National Leases – Zero Vacancy Since 2011

This 11,830-square-foot retail center has been 100 percent occupied since its inception, demonstrating its resilience and market desirability. All three national tenants—Firehouse Subs, Mattress Firm, and Visionworks—have recently executed lease renewals, securing long-term cash flow stability with contractual rent escalations.

- **Triple Net (NNN) Lease Structure** – Tenants are responsible for all operating expenses, providing the owner with predictable, hands-off income.
- **Zero Historical Tenant Turnover** – A rare achievement in today's retail investment landscape, underscoring the property's sustained market demand.
- **National Credit Tenancy** – Diversified income streams from industry-leading tenants with strong financial backing and operational stability.

STRONG FINANCIAL PERFORMANCE AND NOI GROWTH TRAJECTORY

- **Current Cap Rate:** 7.0 Percent, delivering immediate, attractive returns.
- **Pro Forma Cap Rate:** 7.76 Percent – Achieved through contractual rent escalations, ensuring net operating income (NOI) appreciation and asset value growth.
- **Enhanced Cash Flow Stability** – In addition to base rent, the property benefits from an additional \$30,000 in CAM recoveries, further reinforcing NOI stability. Tenants contribute to operating costs beyond standard NNN obligations, creating an additional revenue stream with no landlord out-of-pocket expenses.
- **Stabilized, Passive Cash Flow** – A low-risk, high-yield investment in a proven commercial hub.

INSTITUTIONAL-QUALITY ASSET WITH MINIMAL LANDLORD RESPONSIBILITIES

This investment offers true passive ownership, requiring minimal oversight and no operational involvement.

- **NNN Lease Structure** – Tenants cover property taxes, insurance, and maintenance, mitigating expense volatility and enhancing net cash flow predictability.
- **No Capital Expenditures Required** – The roof, HVAC, and building systems are in excellent condition, eliminating near-term capital expenditure risk.
- **Only Landlord Obligation** – Annual roof inspections, with no reported issues to date.

STRENGTHENED TENANT SECURITY – MATTRESS FIRM’S CORPORATE EVOLUTION

- **February 2025: Tempur Sealy’s Strategic Acquisition of Mattress Firm** – The recent merger fortifies Mattress Firm’s corporate backing, significantly enhancing the tenant’s financial stability and lease security.
- **No Operational Disruptions** – All locations remain intact under the existing brand, eliminating concerns of vacancy risk.

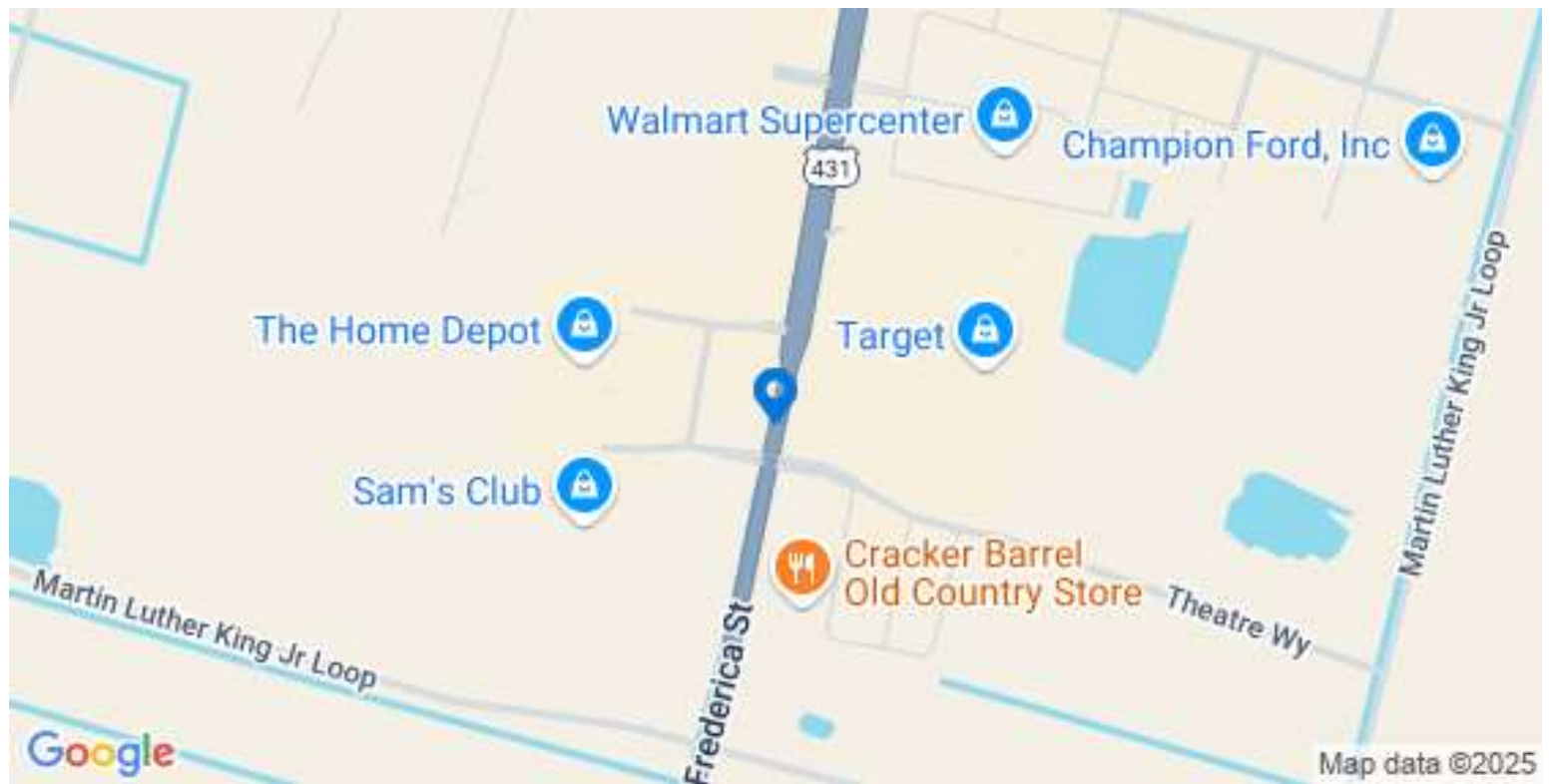
INVESTMENT HIGHLIGHTS

- Fully stabilized NNN investment with national tenants and long-term leases.
- Current 7.0 percent cap rate, increasing to 7.76 percent through built-in escalations.
- Additional \$30,000 in CAM recoveries, boosting cash flow stability and NOI.
- Located in Owensboro’s dominant retail corridor, surrounded by top-tier national retailers.
- Exceptionally rare 100 percent occupancy since 2011, demonstrating proven market demand.
- Institutional-grade asset with passive, long-term income stability.
- Recent Mattress Firm acquisition strengthens lease security and enhances asset durability.

This best-in-class retail asset presents an opportunity to acquire a fully stabilized, cash-flowing investment with national tenancy and minimal ownership oversight. With secure, long-term leases and built-in NOI growth, this is a low-risk, high-yield asset positioned for strong appreciation in one of Kentucky’s most resilient retail markets.

Contact us today to discuss this premier investment opportunity.

Location (1 Location)



Property Photos (16 photos)

