TRANSWESTERN NATIONAL NET LEASE | SALE-LEASEBACK GROUP

OFFERING MEMORANDUM

H & H Supply, LLC / dba H & H Home & Hardware

1124 N. Main Street, Sturgis, Kentucky 42459

TRANSWESTERN®
National Net Lease | Sale Leaseback Group

PRESENTED BY:
Bill Behr | Gavin Behr

**Actual signage may differ from this rendering*

Exclusively Offered By:

BILL BEHR
PRINCIPAL /// *Fort Worth*
DIRECTOR ///
National Net Lease / Sale Leaseback Group
t 817.259.3519
bill.behr@transwestern.com

GAVIN BEHR
SENIOR ASSOCIATE/// *Fort Worth*
t 817.259.3549
gavin.behr@transwestern.com

Broker of Record:

Louisiana
Bryan D. Burns, III
Transwestern Property Company SW GP, LLC
License #: 99564286

TRANSWESTERN®
National Net Lease | Sale Leaseback Group
777 Main Street | Suite 1500
Fort Worth, TX 76102
www.transwesternnetlease.com

CONFIDENTIALITY & RESTRICTED USE AGREEMENT

This Confidential Offering Memorandum ("COM") is provided by Transwestern Commercial Services Fort Worth, LLC ("TW"), solely for your consideration of the opportunity to acquire the commercial property described herein (the "Property"). This COM may be used only as stated herein and shall not be used for any other purpose, or in any other manner, without prior written authorization and consent of TW.

This COM does not constitute or pertain to an offer of a security or an offer of any investment contract. This COM contains descriptive materials, financial information and other data compiled by TW for the convenience of parties who may be interested in the Property. Such information is not all inclusive and is not represented to include all information that may be material to an evaluation of the acquisition opportunity presented. TW has not independently verified any of the information contained herein and makes no representations or warranties of any kind concerning the accuracy or completeness thereof. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. A prospective purchaser must conduct its own independent investigation and verification of any information the party deems material to consideration of the opportunity, or otherwise appropriate, without reliance upon TW.

The Property may be financed or withdrawn from the market without notice, and its owner(s) reserve(s) the right to negotiate with any number of interested parties at any time. The Property is offered and sold by its owner(s) as is, where is, and with all faults, without representation or warranty of any kind except for any customary warranties of title.

BY ACCEPTING THIS COM, YOU AGREE THAT: (1) all information contained herein, and all other information you have received or may hereafter receive from TW relating to the Property, whether oral, written or in any other form (collectively, the "Information"), is strictly confidential; (2) you will not copy or reproduce, and claim as your own without attribution to TW, all or any part of this COM or the Information; (3) upon request by TW at any time, you will return and/or certify your complete destruction of all copies of this COM and the Information; (4) for yourself and all your affiliates, officers, employees, representatives, agents and principals, you hereby release and agree to indemnify and hold harmless TW all of its affiliates, officers, employees, representatives, agents and principals, from and with respect to any and all claims and liabilities arising from or related to the receipt or use of this COM and/or any other Information concerning the Property; (5) you will not provide this COM or any of the Information to any other party unless you first obtain such party's acceptance and approval of all terms, conditions, limitations and agreements set forth herein, as being applicable to such party as well as to you; and (6) monetary damages alone will not be an adequate remedy for a violation of these terms and that TW shall be entitled to equitable relief, including, but not limited to, injunctive relief and specific performance, in connection with such a violation and shall not be required to post a bond when obtaining such relief.

TABLE OF CONTENTS

04

EXECUTIVE SUMMARY

Investment Overview
Offering Summary
Property and Investment Highlights
Property / Lease Summary

11

AREA OVERVIEW

Sturgis Overview

07

AERIALS & MAPS

Site Plan
Aerial Site Plan
Market Aerial
Regional Aerial

13

DEMOGRAPHIC OVERVIEW

Demographic Snapshot

INVESTMENT OVERVIEW

Transwestern National Net Lease | Sale Leaseback Group is pleased to present a single tenant building leased to H & H Supply, LLC d/b/a H & H Home and Hardware (“Tenant”) on the terms of an absolute triple net lease.

This is the company’s second location, which is based in Marion, Kentucky. Constructed in 2006, the Property was previously a Family Dollar store which was vacated in 2024 as part of a corporate wide downsizing.

H & H signed a new five-year lease which runs through April 30, 2030 with one (1), five (5)-year renewal option.

*Actual Location

OFFERING SUMMARY

Property Address	1124 N. Main Street, Sturgis, KY 42459
Tenant	H & H Supply, LLC
# of Locations	2
Pricing / Cap Rate	$450,000 / 6.67% cap
NOI – Current	$30,000.00
Lease Expiration	April 30, 2030
Lease Structure	Absolute triple net with no landlord responsibilities
Renewal Options	One (1), five (5)-year option to renew with a 6% rental increase
*Refer to Lease for details	

$450,000
PURCHASE PRICE

6.67%
CAP RATE

$30,000
NOI

9,180SF (PER LEASE)
BUILDING SIZE

0.57 AC
PARCEL SIZE

INVESTMENT HIGHLIGHTS

- Former Family Dollar property recently leased to H & H Supply, LLC d/b/a H & H Home and Hardware
- Second location for a home and hardware store based in Marion, Kentucky
- Leased on an initial term of five years with one, 5-year renewal option
- Brand new roof installed in July 2025

PROPERTY/LEASE SUMMARY

Tenant	H & H Supply, LLC
Guarantor	Corporate (2 locations)
Property Address	1124 N. Main Street, Sturgis, KY 42459
Commencement Date	5/1/2025
Lease Expiration Date	4/30/2030
Total Building Area	+/- 9,180 square feet
Total Land Area	24,750 square feet (0.57 acres)
Primary Term	Five (5) years
Net Operating Income-Current	$30,000.00
Renewal Option - One, 5-year	$31,800.00
Lease Structure	Absolute triple net
Real Estate Taxes	Paid directly by Tenant
Landlord Responsibilities	None (see Lease for more information)
Tenant Ownership/Guarantor	Privately held
Web	hhomeandhardware.com

SITE PLAN - STURGIS, KY

SITE PLAN AERIAL - STURGIS, KY

MARKET AERIAL - STURGIS, KY

Cypress Creek
Cypress Creek
Cypress Creek
US Highway 60
US Highway 60 W
Cypress Creek
Cypress Creek
Cypress Creek

REGIONAL AERIAL - STURGIS, KY

AREA OVERVIEW - STURGIS, KENTUCKY

A Small Town with a Coal Mining Legacy and Steady Livability

Nestled in Union County in northwestern Kentucky, Sturgis is a home rule class city of just under 1,700 residents. Spanning roughly 1.5 square miles, its density is approximately 1,100 people per square mile.

History

Sturgis was founded in 1890 as a company town by the Cumberland Land and Iron Company around its coal mining operations. It was named for Samuel P. Sturgis (or possibly his sister Alida), both tied to the Ohio Valley Railroad and local land ownership. Incorporated on May 3, 1890, as a town and reclassified as a city in the 1920s, Sturgis grew around coal and rail, drawing settlers—many Revolutionary War land grant veterans from Virginia and the Carolinas, along with early European miners.

Population and Demographics

While population peaked near 2,030 in 2000, it has slowly declined to roughly 1,700 1,800 today.
The town is predominantly White (around 88–93%), with a meaningful Black/African American minority (~9–10%), and small percentages of Hispanic and other races. Median household incomes range from about $28,600 to $43,900, depending on sources, with poverty rates between 13% and 18%. Education attainment is modest: around 75% hold a high school diploma, while fewer than 5% have a bachelor's degree or more.

Business Climate and Major Employers

Though small, Sturgis supports a local economy with roughly 665 people employed within the city limits as of 2023; employment grew by about 5.7% since 2022. The top sectors are educational services (≈148 jobs), manufacturing (≈111), and retail trade (≈103). The highest paying industries include professional, scientific & technical services (avg $83,333), construction ($67,708), and public administration ($52,188).

Major employers include the local school district (Union County Public Schools), municipal or county offices, and small manufacturing or service firms. Many residents commute out to nearby towns—Morganfield, Evansville (IN), or Murray—for factory work or corporate jobs. The city hosts roughly 348 businesses including professional services firms (~78), restaurants (~8), government offices (~7), and more small operations like trucking repair, welding, florists, pizzerias, etc.

The small population and rural setting limit attraction of larger employers, though nearby regional hubs—Evansville and Murray—provide access to broader employment.

AREA OVERVIEW - STURGIS, KENTUCKY (CONT.)

Education

Public education in Sturgis is administered by Union County Public Schools, serving Sturgis through elementary, middle, and high schools. Sturgis Elementary School serves grades K–5 with about 360–400 students and a student teacher ratio near 13:1. State test proficiency is relatively low (≈32% in math, 42% in reading). Middle and high school students attend Union County Middle School and Union County High School in nearby Morganfield; the county high school enrolls approximately 666 students in grades 9–12.

There is also a branch of the Union County Public Library located in town, providing basic lending library services. For higher education, local students have access to institutions within a roughly 40–70 mile radius, including University of Southern Indiana (~38 mi), University of Evansville (~43 mi), Murray State University (~68 mi), Trinity Theological Seminary (~51 mi), John A. Logan College (~78 mi), Vincennes University and Austin Peay (~80 mi).

Quality of Life

On livability, Sturgis scores quite well: AreaVibes gives it a livability score of 67/100, considered "good" and ranking ahead of about 67% of U.S. areas. Key strengths include an exceptionally low cost of living (≈8% below the Kentucky average) and low crime rates—about 90% lower than Kentucky as a whole (≈181 crimes per 100,000 population). Home values are very affordable; median home value is around $74,900–$83,400, which is 40%+ below state and national averages; monthly rent is relatively low (~$700).

Unemployment is also low—approximately 2.1–2.2%—and health and safety amenities are limited, with few local hospitals, doctors or pharmacies, so residents typically commute for care. Transit is virtually non existent: virtually no residents use public transit, and most rely on personal vehicles or walking for short trips. Amenities such as shopping, fitness centers, entertainment venues, or restaurants within close walking distance are sparse, although Sturgis City Park offers some recreation.

Local reviewers emphasize that community-feel is strong: friendly neighbors, quiet area, pet friendly, and sense of safety are often cited positives, though entertainment or dining options are few and most errands require driving.

Though modest in size and resources, Sturgis, Kentucky offers a stable, close knit small town life rooted in its coal mining past. Founded as a company town in 1890, it evolved into a peaceful community with a population under 2,000 today. Its economy centers on education, manufacturing and retail, while most residents seeking diverse opportunities commute to larger nearby cities. Education through the public school system is available locally (K–12), with regional colleges within commuting range. For quality of life, Sturgis boasts very low crime, affordable housing, and a low cost of living. Its main limitations include limited amenities, few health care facilities, and a modest educational attainment profile.

In sum, Sturgis suits those seeking rural Kentucky life with affordability and safety, though the trade offs include limited services and opportunities inside town—balanced by proximity to larger hubs for work, education, and services.

DEMOGRAPHIC SNAPSHOT - 1124 N. Main Street, Sturgis, KY 42459

DEMOGRAPHICS

	1 mile	*3 miles*	*5 miles*
	Population **1,689**	Population **2,705**	Population **3,568**
	Average Income **$65,162**	Average Income **$66,231**	Average Income **$67,272**
	Median Income **$53,579**	Median Income **$54,308**	Median Income **$54,745**

TRAFFIC COUNTS

North Main Street @ West 14th Street South:
6,273 vpd

North Main Street @ Adams Street Southwest:
5,741 vpd

2-10-2025

Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent. **An owner's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Transwestern Commercial Services Fort Worth LLC	9000246		(817) 877-4433
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Paul Wittorf	479373	paul.wittorf@transwestern.com	(214) 446-4512
Designated Broker of Firm	License No.	Email	Phone
Leland Alvinus Prowse IV	450719	leland.prowse@transwestern.com	(817) 877-4433
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
William Guy Behr	351049	bill.behr@transwestern.com	(817) 877-4433
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials _____ _____ Date _____