

# FOR SALE

NET LEASED INVESTMENT OPPORTUNITY

**3600 PALOMAR CENTRE DR.**

LEXINGTON, KY 40513



# 01: EXECUTIVE SUMMARY

3600 PALOMAR CENTRE DR.



## PROPERTY DESCRIPTION

Single Tenant Net Leased Investment Opportunity occupied by Sedona Tap House. The property is situated within the Palomar Centre shopping area, a thriving retail and residential hub on Harrodsburg Road.

A casual, family-friendly restaurant specializing in Southwest-inspired cuisine, steaks, and seafood. It is highly regarded for its extensive craft beer selection - one of the largest in the community - and features a contemporary atmosphere with a fireplace and outdoor seating.

## PROPERTY HIGHLIGHTS

- Prime location within Palomar Centre, dominant retail corridor shadow anchored by Walmart, Publix, Malones. Other trade area retailers include Chase, Bank of America, Traditional Bank, Panera, McDonalds, Qdoba, Starbucks, CHI Saint Joseph Health Care
- Nationally-recognized Sedona Taphouse tenancy with strong brand identity and customer draw
- Passive Absolute NNN lease structure with +/--\$240,000 NOI/6.5% CAP
- 10-year initial term with 1.5 years left, with four 5-year renewal options
- High-traffic location near Harrodsburg Road & Man O' War Blvd



**5,715 SF ON  
1.2 AC**



**\$3,700,000  
6.5% CAP RATE**



**ZONED  
B-1**

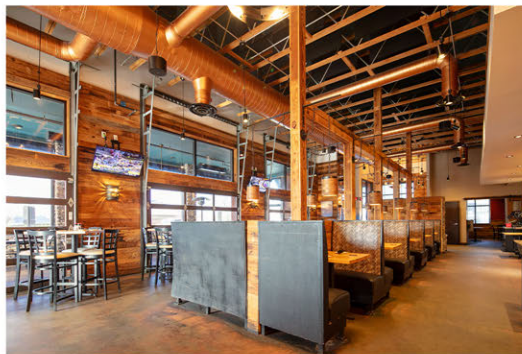
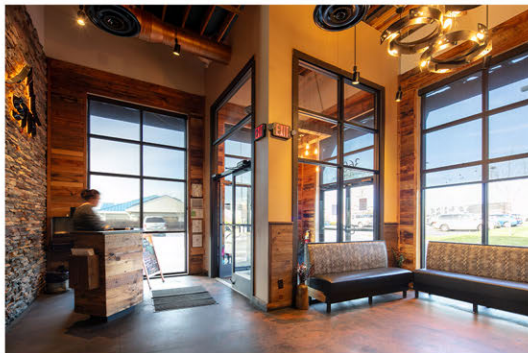
# 02: PROPERTY OVERVIEW

ADDITIONAL PHOTOS  
3600 PALOMAR CENTRE DR.



# 02: PROPERTY OVERVIEW

ADDITIONAL PHOTOS  
3600 PALOMAR CENTRE DR.



# 02: PROPERTY OVERVIEW

INVESTMENT HIGHLIGHTS  
3600 PALOMAR CENTRE DR.

## CORPORATE BACKGROUND

Sedona Taphouse is owned by DJB Hospitality LLC, founded by veteran restaurateur Dennis Barbaro. The company, which operates 16 locations, was established in 2011 to provide high-quality craft beer, wine, and food. Sedona Taphouse is known for its Southwest-inspired, scratch-made food, a large selection of craft beers, and a commitment to local community support.

-Parent Company: Owned and operated by DJB Hospitality, which also manages the NAPA Kitchen & Wine concept

-in 2020, DJB Hospitality described itself as a \$50M business

-Growth & Recognition: Sedona Taphouse has been named to the Inc. 5000 list of America's fastest-growing private companies for 5 consecutive years, as of late 2024.

## LONG-TERM NNN LEASE

-One-and-a-half years remaining on the primary lease term, plus four five-year tenant options.

-Completely passive NNN investment – ZERO landlord responsibilities.

-Attractive 8% increases every 5 years in the Primary and Option Terms.

## PALOMAR SHOPPING AREA

-Subject property is located in the same shopping area shadow anchored by Walmart and Publix

-Other trade area retailers include Chase, Bank of America, Traditional Bank, Panera, McDonalds, Qdoba, Starbucks, CHI Saint Joseph Health Care.

-High traffic:

-US 68 cross Harrodsburg Road - 31,820 CPD

-Harrodsburg Rd cross Man O' War Blvd - 31,626 CPD





# 03: LOCATION INSIGHTS

3600 PALOMAR CENTRE DR.

## AREA DEMOGRAPHICS

### TOTAL POPULATION

1 MILE: 11,348  
3 MILE: 65,371  
5 MILE: 157,191



### AVERAGE HOUSEHOLD INCOME

1 MILE: \$155,485  
3 MILE: \$125,300  
5 MILE: \$106,797



### NUMBER OF HOUSEHOLDS

1 MILE: 4,643  
3 MILE: 28,046  
5 MILE: 67,343



# 03: LOCATION INSIGHTS

AERIAL  
3600 PALOMAR CENTRE DR.



Logos in the central inset box include: FireDiscounters, Fairfield, Waffle House, Liquor Barn, Party Mart, Shell, Courtyard, Hampton, Texas, and others.

Logos in the bottom-right inset box include: QDOBA, Central Bank, McDonald's, Tanita, Walmart, Harry's, Maloney's, Chase, City National Bank, and others.

Logos in the bottom-right corner include: Publix, Starbucks, and others.

# 04: MARKET REPORT

## LEXINGTON, KENTUCKY



## 3600 PALOMAR CENTRE DR.

Situated in the heart of the Bluegrass Region, Lexington, KY combines cultural richness with historical charm. Known as the "Horse Capital of the World," it features scenic thoroughbred farms and vibrant equestrian events. The city's spirited sports culture revolves around the University of Kentucky wildcats, whose basketball legacy is celebrated by fans nationwide. Lexington is also a key player in the bourbon industry, with numerous distilleries offering tours and tastings that showcase Kentucky's renowned craftsmanship.

Lexington's cost of living index is 94.5, below the national average of 100, with housing costs 20% lower. The city offers affordable housing, low crime rates, and excellent healthcare, making it attractive for businesses and residents. Compared to cities like New York (148.2) and San Francisco (179.5), Lexington is significantly cheaper. Its economy is diverse, growing at 2.5% annually, supported by healthcare, education, manufacturing, and technology sectors. Lexington provides a favorable business climate with incentives, a vibrant startup ecosystem, excellent amenities, recreational opportunities, a vibrant cultural scene, and top-rated healthcare.

Strategically positioned at the intersection of I-64 and I-75, Lexington is within a 600-mile radius of 70% of the U.S. population, making it a prime location for logistics and distribution centers. The city boasts excellent connectivity via I-75, I-64, and Bluegrass Parkway, while Blue Grass Airport serves as a key regional hub with direct flights to major cities. Additionally, access to major freight rail lines supports industrial growth.

Lexington's population has grown by 1.2% annually over the past decade, with a workforce participation rate of 67%, higher than the national average. The city has a highly educated population, with 42% of residents holding a bachelor's degree or higher. The University of Kentucky significantly contributes to the local talent pool with over 30,000 students, and numerous vocational and technical schools support various industries.