

Offering Memorandum for 5425 New Cut Rd, Louisville, KY 40214, USA

Executive Summary

Positioned on busy New Cut Road in Louisville's South End, 5425 New Cut Rd is a 2,230-square-foot restaurant opportunity offering immediate operational utility rather than a raw conversion play. The property is marketed as a turnkey, fully equipped operating Mexican restaurant on a 0.551-acre site, with approximately 100 seats, surface parking, and existing drive-thru capability that can be reinstated. At a quoted lease rate of \$5,000 per month on an NNN basis, the offering presents a direct path for an operator seeking to accelerate opening timelines and reduce upfront build-out costs.

The current setup supports restaurant continuity with equipment in place, an existing operating business environment, and a building originally constructed in 1989 within C1 commercial zoning. Operational transition requirements are defined upfront, including use of a new business name and a transitional ABC license process for alcohol service, which helps clarify the near-term execution path for an incoming tenant. For investors or owner-operators evaluating restaurant real estate with functional infrastructure already in place, the thesis is straightforward: acquire or control a proven restaurant location with existing improvements, parking, and drive-thru potential in a built-out retail corridor where replacement cost and time-to-open would likely exceed the cost of taking over an operating facility.

Investment Summary

Metric	Value
APN	062N02430000
Asking Price	N/A
Cap Rate	N/A
Lot Size	23,980 SF / 0.551 Acres
Net Operating Income (NOI)	N/A
Number of Buildings	2
Occupancy	Operating
Parking Details	Surface Parking
Price Per Square Foot	N/A
Pro Forma Cap Rate	N/A
Square Footage	2,230 SF
Year Built	1989
Zoning	C1

Investment Highlights

- **Turnkey restaurant infrastructure reduces startup time and capital needs.** The 2,230-square-foot facility is offered fully equipped as an operating restaurant, allowing an incoming user to assume an existing food-service layout rather than fund a full ground-up fit-out. That reduces pre-opening friction and can materially compress the timeline to revenue generation.
- **Existing operations support functional proof of concept.** The property is described as a working restaurant with approximately 100 seats already in place, indicating the site, layout, and building systems are currently supporting active restaurant use. For buyers or operators, that operating status provides stronger practical validation than a dark-box retail shell.
- **Drive-thru capability creates additional sales-channel upside.** The site includes drive-thru capability, and the listing notes the drive-thru can be reinstated easily. In a restaurant environment where convenience-oriented ordering remains an important revenue driver, that feature can expand throughput and improve site competitiveness relative to dine-in-only alternatives.
- **Manageable site size with dedicated parking supports efficient operations.** The property sits on approximately 0.551 acres with surface parking, providing the restaurant with a functional land-to-building ratio for customer access, circulation, and daily operations. For a 2,230-square-foot building, that site configuration supports usability without the excess land burden often associated with larger redevelopment parcels.
- **Clear lease economics simplify underwriting.** The offering is quoted at \$5,000 per month on an NNN basis, providing prospects with a straightforward starting point for occupancy-cost analysis. That clarity helps operators quickly evaluate unit-level economics against expected sales volume, labor structure, and margin targets.
- **Commercial zoning supports continued restaurant use.** The property is zoned C1, identified as a commercial district, which aligns with the site's established restaurant operation. Zoning alignment reduces entitlement uncertainty and strengthens the property's appeal for food-and-beverage users seeking a faster path to opening.
- **Built-out infill location offers reuse value beyond the current concept.** The current restaurant name is not transferable, but the physical improvements, seating capacity, parking, and established commercial use remain in place. That creates an opportunity for a new operator to launch under an independent brand while leveraging the existing real estate and infrastructure.
- **Transition requirements are defined upfront, improving execution visibility.** The listing

identifies key operational conditions, including the need for a transitional ABC license and controlled showing times before 10:00 AM. While procedural, this transparency helps a buyer or tenant assess transition steps early and plan a more orderly takeover process.

Property Details

Property Name	5425 New Cut Rd Restaurant
Address	5425 New Cut Rd, Louisville, KY 40214
APN	062N02430000
Building Size	2,230 SF
Land Size	0.551 acres (23,980 SF)
Year Built	1989
Stories	1
Parking	Surface parking; count not stated; ratio not stated
Construction Type	Existing retail restaurant building
Exterior Finishes	N/A
Elevator Type	N/A
Roofing System	N/A
Building Lighting	N/A
Property Type	Retail – Restaurant
Date Available	N/A
Units	N/A
Available Space	2,230 SF
Rent	\$5,000/month NNN
NNN Expense	N/A
Traffic Count	N/A

Property Description

Property Overview

5425 New Cut Rd is a 2,230 SF retail restaurant property in Louisville, Kentucky, offered as a turnkey operating Mexican restaurant with furniture, fixtures, and equipment in place. The asset is situated on a 0.551-acre commercial parcel along busy New Cut Road, providing established restaurant infrastructure, surface parking, and drive-thru capability that can be reinstated. For investors or owner-users, the property's appeal is grounded in its operational readiness, established food-service layout, and infill corridor location within Jefferson County.

Design & Character

The property is an existing one-story restaurant building constructed in 1989 and configured for immediate restaurant use. Its physical character is defined by a compact freestanding format, approximately 100-seat dining capacity, and a layout already supporting back-of-house and customer-facing restaurant operations. The building presents as a functional neighborhood restaurant asset designed for efficient service flow rather than high-finish institutional retail, supporting practical occupancy for local and regional food operators.

Value-Enhancing Features

Key value drivers include the fully equipped turnkey condition, existing restaurant improvements, and the ability to reactivate the drive-thru component without a ground-up redevelopment program. The 23,980 SF site provides a favorable land-to-building ratio of approximately 10.75:1, supporting parking, circulation, and operational flexibility relative to the 2,230 SF building footprint. C1 commercial zoning broadens retail usability, while the existing package-unit air conditioning and natural gas heat support continued restaurant operations. The combination of in-place equipment, seating capacity, and established use reduces startup time and initial tenant improvement costs for a replacement operator.

Market Positioning & SWOT Analysis

- **Strengths:** Turnkey restaurant buildout, drive-thru capability, busy corridor location, 100-seat capacity, favorable site coverage, established commercial zoning.
- **Weaknesses:** Older 1989 construction, limited published building-system detail, parking count not disclosed, alcohol transfer requires transitional licensing.
- **Opportunities:** Rebrand and reopen quickly, restore drive-thru operations, leverage existing equipment, capture corridor traffic with minimal buildout.
- **Threats:** Restaurant operating risk, local competition, permitting and licensing timing, and capital needs typical of older food-service assets.

Property Photos



[download image](#)

A compelling lead image presenting the property's street-facing identity and immediate curb appeal. The single-story restaurant building is shown with prominent façade signage, colorful architectural presentation, landscaped front planting, and visible customer parking, reinforcing the asset's established restaurant use and accessible neighborhood presence.

Location Overview

The property occupies a highly visible infill retail position on New Cut Road in southern Louisville, with immediate frontage in an established neighborhood-serving commercial corridor. The site's 2,230-square-foot restaurant building on 0.551 acres benefits from existing drive-thru capability, surface parking, C1 commercial zoning, and approximately 100-seat capacity, positioning it for food-and-beverage, quick-service, or service-retail users seeking immediate operating functionality rather than a ground-up buildout.

Location Advantages

- **Immediate corridor presence:** The building is directly situated on **New Cut Road**, placing it within **0.1 miles of Taco Bell at 5414 New Cut Road (about a 1-minute drive)** and **0.1 miles of El Nopal at 5444 New Cut Road (about a 1-minute drive)**, reinforcing the corridor's established restaurant demand and enhancing customer recognition for another food operator.
- **Dense quick-service cluster:** Within roughly **0.2 miles**, the property is proximate to **KFC at 5462 New Cut Road (0.15 miles, 1-minute drive)**, **Subway at 5469 New Cut Road (0.16 miles, 1-minute drive)**, **Pizza Hut at 5366 New Cut Road (0.18 miles, 1-minute drive)**, and **Long John Silver's at 5447 New Cut Road (0.14 miles, 1-minute drive)**. This concentration supports the location's value as a proven food destination where consumers already make routine dining trips.
- **Cross-shopping support:** **Auburndale Village Shopping Center at 5520 New Cut Road is 0.33 miles away (about a 2-minute drive)** and **Kroger at 5533 New Cut Road is 0.28 miles away (about a 2-minute drive)**, creating recurring neighborhood traffic that can support lunch, dinner, and convenience-driven restaurant visits.
- **Daily-needs adjacency:** **Walgreens at 5400 New Cut Road is 0.15 miles away (about a 1-minute drive)** and **Fifth Third Bank & ATM at 5393 New Cut Road is 0.16 miles away (about a 1-minute drive)**, while **Chase Bank at 7403 Old 3rd Street Road is 0.25 miles away (about a 2-minute drive)**. These nearby service anchors strengthen the site's appeal as a daily-stop retail location rather than a purely destination-only restaurant.
- **Neighborhood customer base:** Nearby institutions including **St Nicholas Academy at 5501 New Cut Road (0.21 miles, 2-minute drive)** and **Kenwood Elementary School at 7420 Justan Avenue (0.66 miles, 3-minute drive)** support regular family-oriented traffic patterns and increase the appeal of carryout, after-school, and early-evening dining concepts.

- **Competitive restaurant context with differentiation potential:** The immediate trade area includes **Rally's at 5506 New Cut Road (0.28 miles, 2-minute drive)**, **McDonald's at 7426 3rd Street Road (0.28 miles, 2-minute drive)**, **Burger King at 5611 New Cut Road (0.47 miles, 2-minute drive)**, and **White Castle at 5520 National Turnpike (0.64 miles, 3-minute drive)**. For a replacement tenant, this confirms strong food demand while the subject's existing full-service layout and drive-thru capability provide flexibility beyond a standard inline retail box.

Market Positioning

This location is best positioned as a **turnkey neighborhood-serving restaurant asset** rather than a speculative second-generation shell. In contrast to many small-format retail opportunities that require substantial kitchen installation, the subject is already configured as an operating restaurant with equipment in place, which can materially reduce time-to-open and upfront tenant improvement costs. That operational advantage is especially meaningful in a corridor where nearby competitors such as **KFC (0.15 miles, 1-minute drive)**, **Taco Bell (0.10 miles, 1-minute drive)**, and **Subway (0.16 miles, 1-minute drive)** demonstrate consistent consumer demand for convenient food service.

The property also benefits from a hybrid positioning between neighborhood retail and commuter-serving traffic. The concentration of national brands around **New Cut Road** and **3rd Street Road** indicates that the corridor captures both local residents and pass-through drivers. Because the building includes parking, seating, and the ability to reinstate drive-thru service, it can appeal to a wider tenant pool than a traditional dine-in-only space. That flexibility supports stronger marketability to quick-service, fast-casual, casual dining, specialty beverage, or ethnic food operators.

Relative to more central Louisville submarkets, this corridor offers a practical, community-embedded setting where tenants can compete on convenience, repeat visits, and neighborhood loyalty rather than relying solely on destination traffic. The immediate presence of **Kroger (0.28 miles, 2-minute drive)**, **Walgreens (0.15 miles, 1-minute drive)**, and **Auburndale Village Shopping Center (0.33 miles, 2-minute drive)** enhances the property's share potential by placing it in the path of frequent necessity-based trips.

Economic Indicators

The surrounding trade area reflects a sizable consumer base for neighborhood retail and restaurant uses. Within a **1-mile radius**, the area supports **24,859 residents** and **9,025 occupied housing units**, while the **3-mile radius** expands to **97,450 residents** and **35,535 occupied housing units**. This scale is meaningful for food-service demand because the property is not dependent on a single center or isolated node; it draws from a broad residential base embedded throughout southern Louisville.

Income levels indicate practical support for value-oriented and middle-market restaurant concepts. **Median household income is \$61,415 within 1 mile**, compared with **\$54,696 within 3 miles** and **\$53,671 within 5 miles**. The 1-mile area includes **2,833 households earning \$50,000 to \$100,000**, **2,067 households earning \$100,000 to \$150,000**, and **862 households earning above \$150,000**, supporting a mix of everyday dining demand and moderate discretionary spending.

Employment composition further supports the corridor's restaurant viability. Within **1 mile**, there are **19,571 employees**, including **1,723 in retail trade**, **2,953 in transportation/warehousing**, **2,341 in manufacturing**, and **3,400 in educational/health care**. These sectors typically generate breakfast, lunch, carryout, and shift-based dining demand, which aligns well with a restaurant property that already has operational infrastructure and parking.

Housing stability also supports repeat local patronage. The **1-mile area shows 9,025 occupied units versus 555 vacant units**, and the renter-to-homeowner mix of **3,644 renters to 5,936 homeowners** indicates a balanced neighborhood base with both stable household formation and flexible consumer turnover. For a restaurant operator, that combination can support recurring local traffic while still allowing for customer base refresh over time.

Overall, the property's strongest locational advantage is its placement within an established, necessity-driven commercial corridor where nearby national brands, grocery traffic, schools, and dense residential population all reinforce the site's suitability for a replacement restaurant or food-oriented retail user.

Demographics

Demographic Metric	1 Mile	3 Miles	5 Miles
2024 Population	24,859	97,450	263,028
2020 Population	24,012	97,639	261,185
2020–2024 Population Change	+847	-189	+1,843
2024 Median Age	35.8	36.9	36.5
Under 20	6,689	26,524	67,083
20–25	1,940	5,760	20,047
25–45	6,673	27,453	72,871
45–65	5,771	23,952	63,705
Over 65	2,935	11,477	33,013
2024 Median Household Income	\$61,415	\$54,696	\$53,671
Households Under \$25K	1,753	8,689	24,912
Households \$25K–\$50K	2,065	9,347	26,656
Households \$50K–\$100K	2,833	11,695	33,480
Households \$100K–\$150K	2,067	6,161	15,317
Households Above \$150K	862	3,298	9,141
Total Employed (2024)	19,571	76,590	210,279
Retail Trade Employment	1,723	6,168	15,431
Transportation/Warehousing Employment	2,953	8,061	18,039
Manufacturing Employment	2,341	8,321	20,126
Educational/Health Care Employment	3,400	10,826	30,372
Occupied Housing Units	9,025	35,535	97,784
Vacant Housing Units	555	3,655	11,722
Occupancy Ratio	16:1	10:1	10:1
Renter Households	3,644	16,984	48,116
Homeowner Households	5,936	22,206	61,390
Renter:Homeowner Ratio	3:5	3:4	4:5

The trade area presents a broad neighborhood consumer base anchored by stable residential density and a working-age population profile that aligns well with food-service and daily-needs retail demand. The **1-mile radius population of 24,859** expands to **97,450 within 3 miles** and **263,028 within 5 miles**, providing the property with access to both immediate neighborhood households and a much larger surrounding customer base.

Population trends are generally stable to modestly positive. From **2020 to 2024**, the **1-mile radius increased by 847 residents** and the **5-mile radius increased by 1,843 residents**, while the **3-mile radius remained essentially flat**, declining by only **189 residents** over the same period. This pattern indicates a mature infill market with sustained household presence rather than a rapidly fluctuating trade area.

Age distribution supports broad restaurant demand throughout the day. The **25–45 cohort totals 6,673 residents within 1 mile**, while the **45–65 cohort adds 5,771 residents**, creating a substantial core of working-age consumers. The **Under 20 population of 6,689 within 1 mile** also supports family-oriented dining, carryout, and after-school traffic.

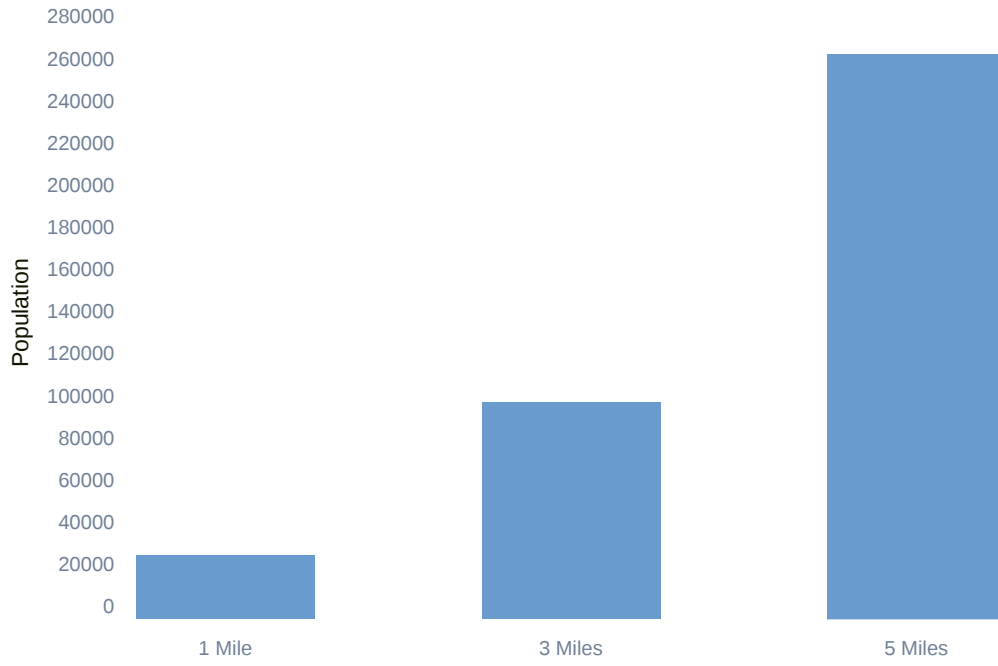
Income levels suggest the strongest fit for value-oriented, middle-market, and convenience-driven concepts. The **1-mile median household income of \$61,415** is slightly stronger than the wider **3-mile and 5-mile medians**, and the local income mix includes meaningful concentrations in the **\$50,000 to \$100,000** and **\$100,000 to \$150,000** brackets. That profile supports everyday spending patterns rather than luxury positioning, which is well aligned with neighborhood restaurant, quick-service, and fast-casual tenancy.

Employment density is another positive demand driver. Within **1 mile**, the area includes **19,571 employees**, with notable concentrations in **educational/health care (3,400)**, **transportation/warehousing (2,953)**, **manufacturing (2,341)**, and **retail trade (1,723)**. These sectors typically support breakfast, lunch, shift-change, and take-home meal demand, increasing the relevance of a restaurant format with existing kitchen infrastructure and parking.

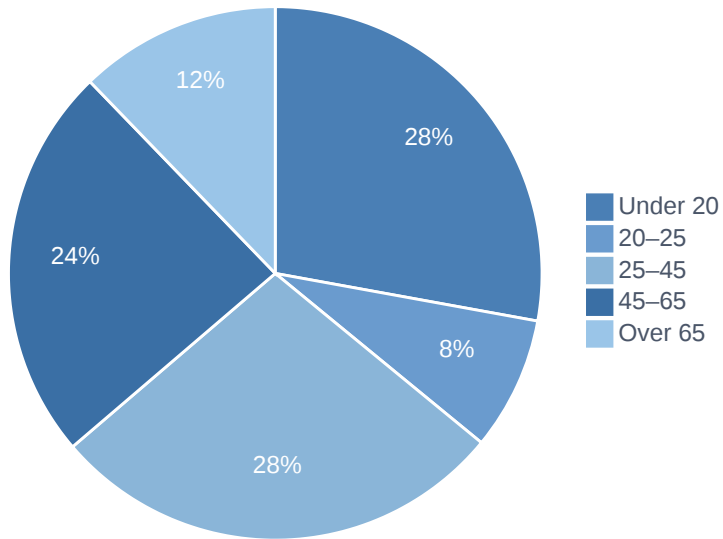
Housing data indicates a stable residential base with healthy occupancy. The **1-mile radius contains 9,025 occupied units and only 555 vacant units**, equal to a strong **16:1 occupancy ratio**. The area also shows a balanced tenure mix, with **5,936 homeowners and 3,644 renters** within 1 mile. For a retail food operator, that blend supports both repeat neighborhood loyalty from homeowners and ongoing customer refresh from renter turnover.

Overall, the demographics point to a practical, service-oriented trade area with enough population density, employment activity, and middle-income households to support a well-positioned restaurant concept at this location.

2024 Population by Radius



1-Mile Age Distribution (2024)



Comps Analysis

Property Address	Property Type	Size	Sale Price	Price per SF	Cap Rate	Sale Date	Distance
3459 TAYLOR BLVD LOUISVILLE KY 40215-2644, LOUISVILLE, KY	Retail	3,250 SF	N/A	N/A	N/A	N/A	3.34 miles
9800 3RD STREET RD LOUISVILLE KY 40272-2802, LOUISVILLE, KY	Mixed Use, Office, Retail, Self Storage	1,504 SF	N/A	N/A	N/A	N/A	4.04 miles
7729 SAINT ANDREWS CHURCH RD LOUISVILLE KY 40214-3969, LOUISVILLE, KY	Land, Retail, Special Purpose	1,184 SF	N/A	N/A	N/A	N/A	2.30 miles
5004 POPLAR LEVEL RD LOUISVILLE KY 40219-1125, LOUISVILLE, KY	Office, Retail	2,140 SF	N/A	N/A	N/A	N/A	5.26 miles
7770 DIXIE HWY LOUISVILLE KY 40258-1473, LOUISVILLE, KY	Retail	1,609 SF	N/A	N/A	N/A	N/A	3.74 miles
7425 SAINT ANDREWS CHURCH RD LOUISVILLE KY 40214-4013, LOUISVILLE, KY	Retail	1,305 SF	N/A	N/A	N/A	N/A	1.72 miles
10101 DIXIE HWY LOUISVILLE KY 40272, LOUISVILLE, KY	Retail	2,668 SF	N/A	N/A	N/A	N/A	5.62 miles
2201 CRUMS LN SHIVELY KY 40216-4241, SHIVELY, KY	Retail	1,969 SF	N/A	N/A	N/A	N/A	3.82 miles
1801 S BROOK ST LOUISVILLE KY 40208-1906, LOUISVILLE, KY	Retail	2,348 SF	N/A	N/A	N/A	N/A	5.13 miles
4127 DIXIE HWY SHIVELY KY 40216-3811, SHIVELY, KY	Retail	2,469 SF	N/A	N/A	N/A	N/A	3.31 miles

The comparable set reflects a nearby field of predominantly small-format retail assets, with several restaurant or QSR-oriented properties that align well with the subject's 2,230 SF operating restaurant format. Comparable building sizes range from **1,184 SF to 3,250 SF**, placing the subject near the midpoint of the observed size band. The closest directly retail-oriented comparables cluster within roughly **1.72 to 5.62 miles** of the property, reinforcing the subject's position within an active local small-box retail trade area. Based on the available comparable dataset, the subject's most supportable market framing is as a **small-format retail/restaurant asset in the 2,000 SF to 2,500 SF range**, with concluded value range **N/A**.

Physical Specifications

- **Building specifications:** 2,230 SF retail restaurant building area; one story; built in 1989. Market class designation is not stated in the available sources.
- **Site details:** 0.551-acre site totaling 23,980 SF with C1 commercial zoning. Land-to-building ratio is approximately 10.75:1. Surface parking is provided, although the parking field count and parking ratio per 1,000 SF are not stated.
- **Building count:** Source records are inconsistent, with one source indicating 1 building and another indicating 2 buildings.
- **Use configuration:** Existing operating restaurant with approximately 100 seats and drive-thru capability that can be reinstated.
- **Architectural characteristics:** Freestanding, low-rise restaurant format designed for customer dining and food-service operations. Exterior material specifications, façade composition, ceiling heights, and structural bay dimensions are not stated.
- **HVAC:** Air conditioning via package unit.
- **Heating:** Natural gas heat; heat source identified as other.
- **Electrical and plumbing:** Existing restaurant infrastructure is implied by the turnkey operating condition and in-place equipment, but service capacity and plumbing specifications are not stated.
- **Security systems:** Not stated.
- **Vertical circulation:** No elevator is indicated; the building is single story.
- **Roofing system:** Not stated.
- **Foundation / structural system:** Not stated.
- **Windows / storefront systems:** Not stated.
- **Resiliency features:** No seismic, hurricane-resistance, or special code-hardening features are stated.
- **Recent improvements / capital expenditures:** No specific recent capital improvement program is stated; however, the property is marketed as fully equipped and operational with restaurant equipment in place.

Key Financial Metrics

Annual base rent is \$60,000, equating to \$26.91/SF on the 2,230 SF building. Based on the quoted lease structure, the property is being offered at **\$5,000 per month on an NNN basis**, positioning the income stream favorably to the landlord at the base-rent level because recoverable operating expenses are generally borne by the tenant under a triple-net structure.

Metric	Value
Lease Rate	\$5,000/month
Annualized Base Rent	\$60,000
Building Size	2,230 SF
Base Rent per SF	\$26.91/SF
Lease Type	NNN
Lot Size	0.551 acres
Seating Capacity	Approx. 100
Drive-Thru Capability	Yes

Income and expense summary

Line Item	Annual Amount
Potential Gross Income	\$60,000
Vacancy / Credit Loss	\$0
Effective Gross Income	\$60,000
Operating Expenses	N/A
Net Operating Income	N/A

With only an asking lease rate provided and no trailing operating statement, reimbursement schedule, tax/insurance/CAM detail, or expense history disclosed, **NOI, cap rate, cash-on-cash return, and leveraged yield metrics are not determinable from the available information.** The current marketing package supports underwriting of **top-line rent only**, rather than a fully developed stabilized cash flow.

Investment return analysis and valuation context

The offering is most appropriately evaluated as a **turnkey restaurant lease opportunity** rather than a fee-simple stabilized investment sale. At the quoted rent, the subject supports a **base-rent threshold of \$26.91/SF**, which is the clearest underwritable metric available from the current materials. Because no asking sale price, historical operating expenses, tenant credit profile, lease term, or reimbursement detail is provided, **cap rate, price/SF, and return-on-equity metrics remain N/A**.

The financial appeal is tied primarily to the property's **immediate operational utility**: a fully equipped restaurant, approximately 100 seats, existing parking, and drive-thru capability that can be reinstated. For an operator, this may reduce startup capital and time-to-opening relative to a second-generation restaurant shell.

