

**18 YEAR ABSOLUTE NET
CORPORATE GUARANTEED INVESTMENT OFFERING**



**RESTAURANT
BREWHOUSE**



BJ'S RESTAURANT & BREWHOUSE (GL)
3297 Nicholasville Road
Lexington, Kentucky 40503



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**PROPERTY
OVERVIEW:**

Price:	\$3,930,435
Cap Rate:	5.75%
Net Operating Income:	\$226,000*
2021 Net Operating Income:	\$242,875
2021 Cap Rate:	6.18%
Rental Escalations:	7.5% every 5 years (Next Escalation: 7/1/2021)
Renewal Options:	Three 5-Year
Lease Expiration:	8/31/2036
Tenant:	BJ's Restaurant & Brewhouse
Year Built:	2015
Lease Type:	Ground Lease
Building Size:	7,500 SF
Land Size:	1.42 Acres (Estimate)

**NOI Includes a \$1,000 shopping center "maintenance contribution" paid by tenant. Landlord is entitled to collect the "maintenance charge" without offset.*



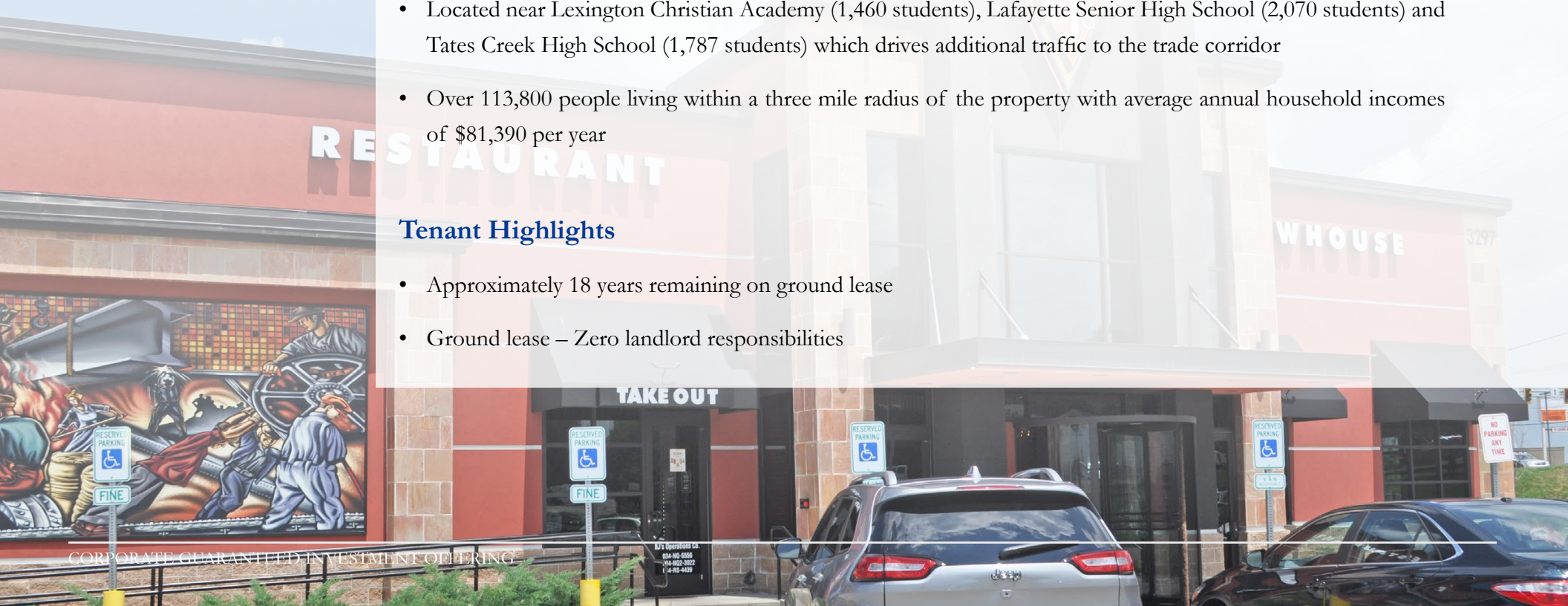
INVESTMENT HIGHLIGHTS:

Location Highlights

- Approximately 2 miles from The University of Kentucky which has 22,247 students
- Excellent visibility along US-27 which experiences traffic counts of 71,452 vehicles per day and leads into Downtown Lexington and the University of Kentucky
- Strategically located as an outparcel to Fayette Mall at the corner of a signalized intersection
- Fayette Mall (1,190,985 square feet) is among the largest shopping malls in the southeast and is anchored by Macy’s, Apple, Dick’s Sporting Goods, Dillard’s, H&M and JCPenney
- Additional retailers in the area include Walmart Supercenter, Lowe’s, Cinemark, Target, Meijer and Kroger
- Located near Lexington Christian Academy (1,460 students), Lafayette Senior High School (2,070 students) and Tates Creek High School (1,787 students) which drives additional traffic to the trade corridor
- Over 113,800 people living within a three mile radius of the property with average annual household incomes of \$81,390 per year

Tenant Highlights

- Approximately 18 years remaining on ground lease
- Ground lease – Zero landlord responsibilities



EXECUTIVE SUMMARY:

The Boulder Group and Lee & Associates are pleased to exclusively market for sale a single tenant BJ’s Restaurant & Brewhouse ground lease located in Lexington, Kentucky. The restaurant is approximately two miles from The University of Kentucky, which has 22,247 students. The BJ’s Restaurant ground lease has approximately 18 years remaining in the primary term and features 7.5% rental escalations every five years. BJ’s Restaurant is an American restaurant chain that owns and operates 197 restaurants. It is a publicly traded company on the Nasdaq Stock Market using the symbol “BJRI”.

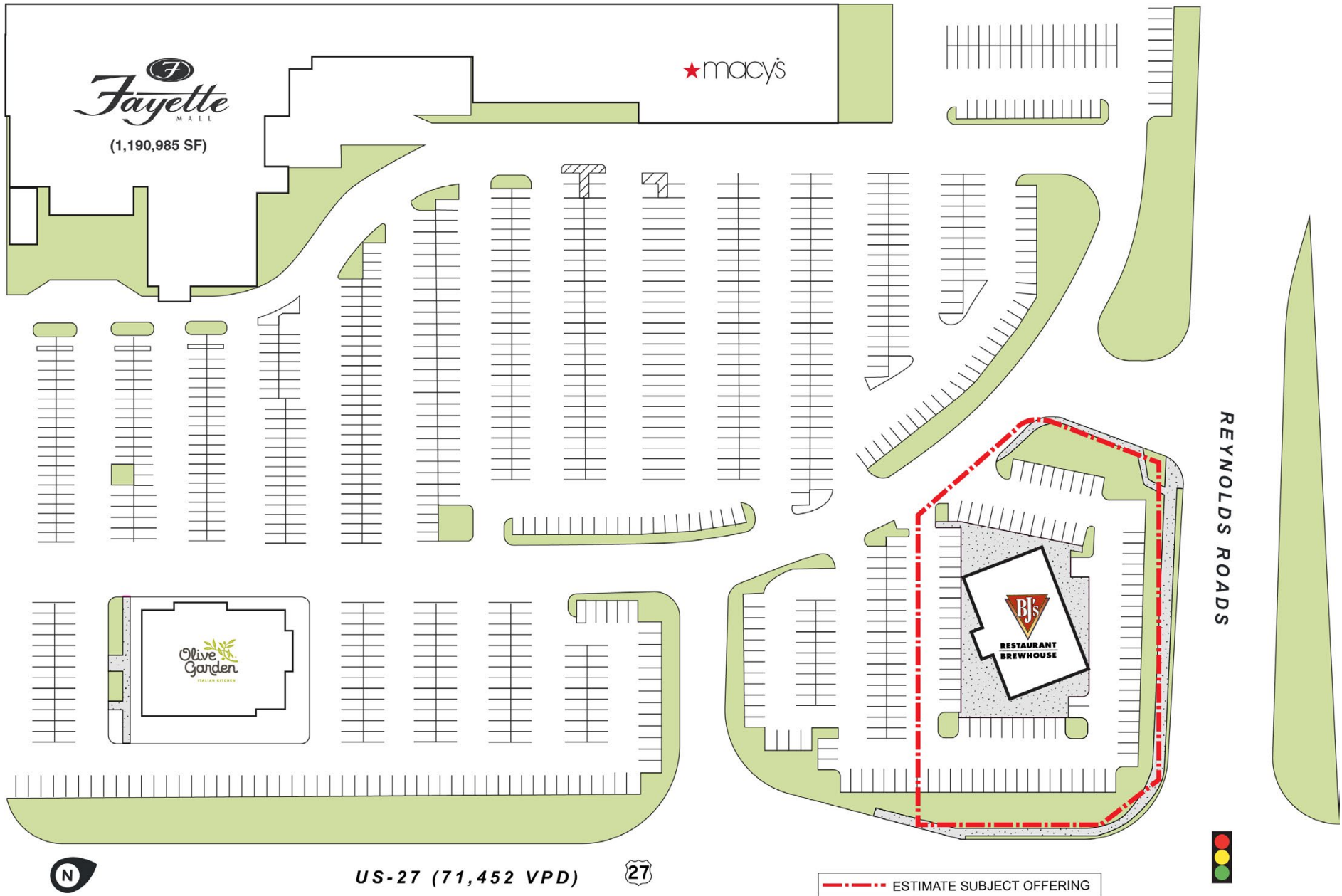
The BJ’s Restaurant & Brewhouse is strategically located as an outparcel to Fayette Mall at the corner of a signalized intersection. The property has excellent visibility along US-27 which experiences traffic counts of 71,452 vehicles per day and leads into Downtown Lexington and the University of Kentucky. Fayette Mall (1,190,985 square feet) is among the largest shopping malls in the southeast and is anchored by Macy’s, Apple, Dick’s Sporting Goods, Dillard’s, H&M and JCPenney. Additional retailers in the area include Walmart Supercenter, Lowe’s, Cinemark, Target, Meijer and Kroger. Additionally, the BJ’s Restaurant & Brewhouse is near Lexington Christian Academy (1,460 students), Lafayette Senior High School (2,070 students) and Tates Creek High School (1,787 students), which drives additional traffic to the trade corridor. There are over 113,800 people living within a three-mile radius of the property with average annual household incomes of \$81,390 per year.

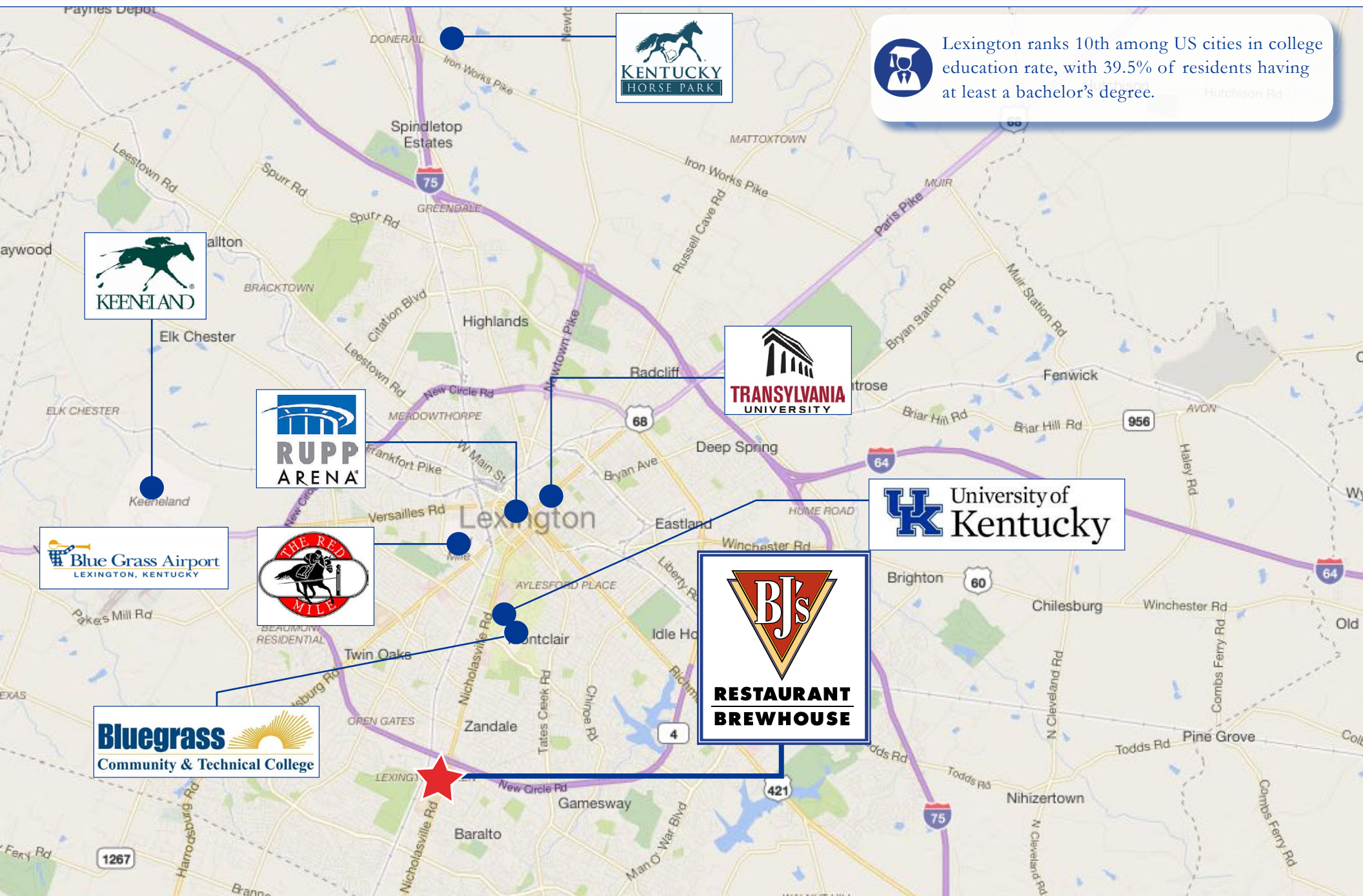
BJ’s Restaurant opened their first location in Orange County, California in 1978 centered on bringing the unique flavor of deep-dish pizza to California. BJ’s Restaurant menus feature BJ’s award-winning, signature deep-dish pizza, handcrafted beers as well as a wide selection of appetizers, entrees, pastas, sandwiches, specialty salads and desserts.












 Lexington ranks 10th among US cities in college education rate, with 39.5% of residents having at least a bachelor's degree.

**DEMOGRAPHIC
REPORT:**

2010 Population	1-Mile	3-Mile	5-Mile
Total Population	9,114	105,569	212,046
Total Households	4,248	45,435	90,220
Families	2,158	25,604	48,877
2018 Population	1-Mile	3-Mile	5-Mile
Total Population	9,940	113,855	228,705
Total Households	4,594	48,724	96,425
Families	2,220	26,767	50,889
Income			
Median Household Income	\$49,077	\$57,931	\$53,060
Average Household Income	\$62,322	\$81,390	\$77,628
Annual Population Growth	1.07%	0.95%	0.97%
2023 Population (Estimate)	1-Mile	3-Mile	5-Mile
Total Population	10,484	119,372	239,967
Total Households	4,824	51,033	100,994
Families	2,290	27,766	52,771
Median Household Income	\$56,269	\$65,734	\$59,378
Average Household Income	\$72,174	\$90,656	\$85,918

**MARKET
OVERVIEW:**

Lexington, Kentucky

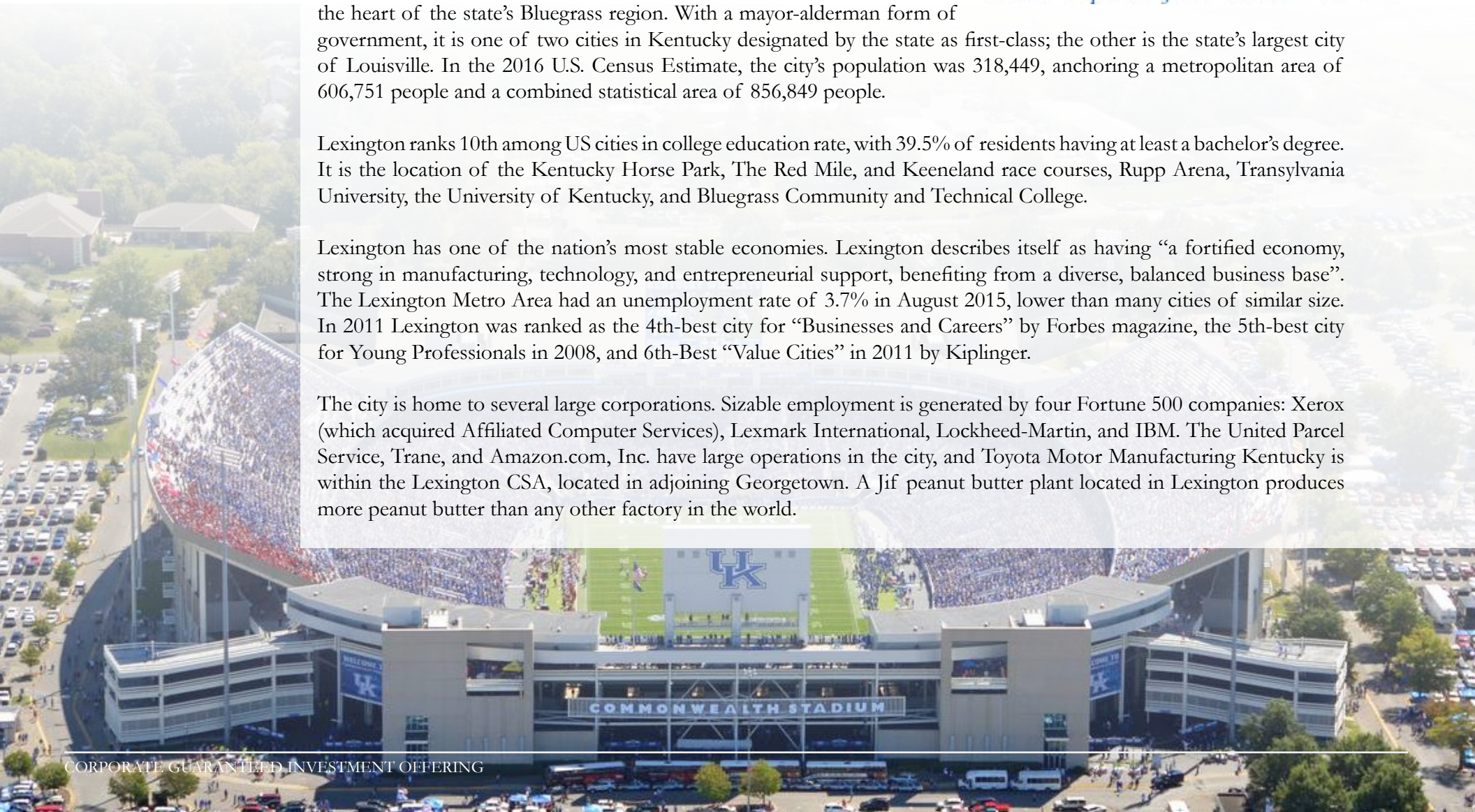
Lexington, consolidated with Fayette County and often denoted as Lexington-Fayette, is the second-largest city in Kentucky and the 60th-largest city in the United States. By land area, Lexington is the 28th largest city in the United States. Known as the “Horse Capital of the World,” it is the heart of the state’s Bluegrass region. With a mayor-alderman form of government, it is one of two cities in Kentucky designated by the state as first-class; the other is the state’s largest city of Louisville. In the 2016 U.S. Census Estimate, the city’s population was 318,449, anchoring a metropolitan area of 606,751 people and a combined statistical area of 856,849 people.



Lexington ranks 10th among US cities in college education rate, with 39.5% of residents having at least a bachelor’s degree. It is the location of the Kentucky Horse Park, The Red Mile, and Keeneland race courses, Rupp Arena, Transylvania University, the University of Kentucky, and Bluegrass Community and Technical College.

Lexington has one of the nation’s most stable economies. Lexington describes itself as having “a fortified economy, strong in manufacturing, technology, and entrepreneurial support, benefiting from a diverse, balanced business base”. The Lexington Metro Area had an unemployment rate of 3.7% in August 2015, lower than many cities of similar size. In 2011 Lexington was ranked as the 4th-best city for “Businesses and Careers” by Forbes magazine, the 5th-best city for Young Professionals in 2008, and 6th-Best “Value Cities” in 2011 by Kiplinger.

The city is home to several large corporations. Sizable employment is generated by four Fortune 500 companies: Xerox (which acquired Affiliated Computer Services), Lexmark International, Lockheed-Martin, and IBM. The United Parcel Service, Trane, and Amazon.com, Inc. have large operations in the city, and Toyota Motor Manufacturing Kentucky is within the Lexington CSA, located in adjoining Georgetown. A Jif peanut butter plant located in Lexington produces more peanut butter than any other factory in the world.



**TENANT
OVERVIEW:**

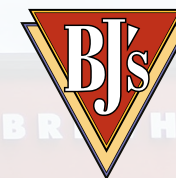
BJ's Restaurant & Brewhouse

BJ's Restaurants, Inc. is an American restaurant chain that owns and operates 197 restaurants. Each restaurant is operated either as a BJ's Restaurant & Brewery which includes a brewery within the restaurant, a BJ's Restaurant & Brewhouse which receives the beer it sells from one of their breweries or independent third party brewers of their proprietary beer recipes, or a BJ's Pizza & Grill which is a smaller format, full service restaurant with a more limited menu. BJ's Restaurant menus feature BJ's award-winning, signature deep-dish pizza, handcrafted beers as well as a wide selection of appetizers, entrees, pastas, sandwiches, specialty salads and desserts including their unique Pizookie dessert. Several of the BJ's Restaurant & Brewery restaurants feature in-house brewing facilities where BJ's proprietary handcrafted beers are produced for many of their restaurants.

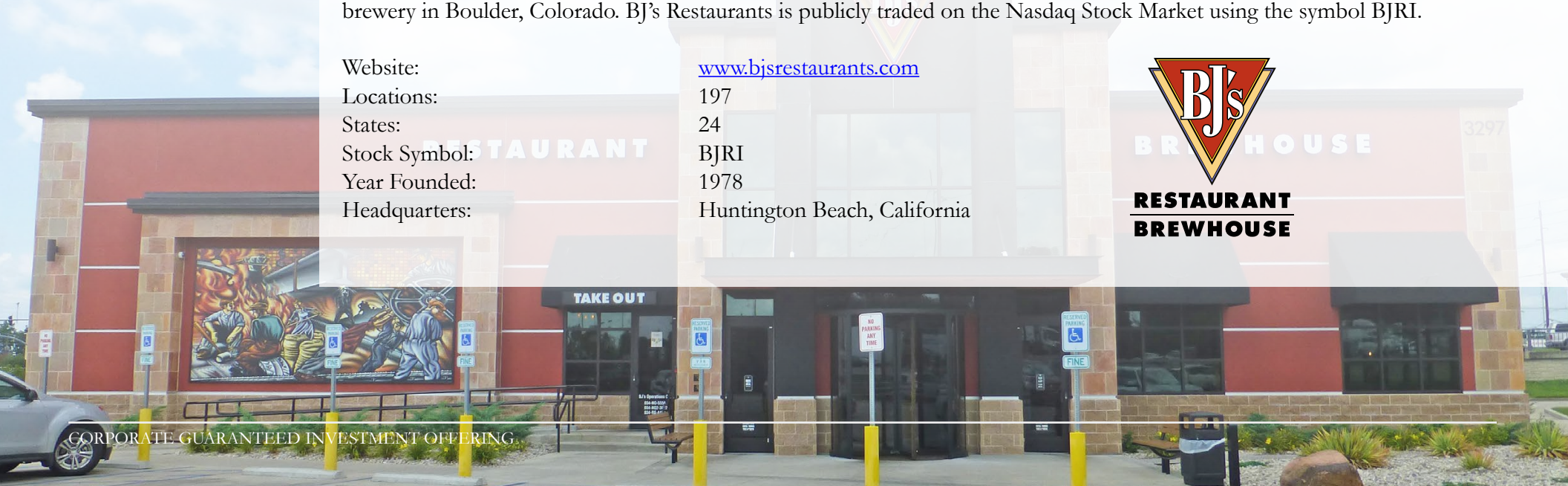
The first BJ's Restaurant was opened in 1978 in Orange County, California and centered on bringing the unique flavor of deep-dish pizza to California. The Company acquired the original BJ's Restaurants in 1995 from the original owners. Their initial public offering of common stock occurred in 1996. Over the years they expanded the BJ's Restaurant concept from its beginnings as a small pizzeria to a full service, high-energy casual dining restaurant with over 100 menu items.

BJ's Restaurants have won over 150 awards for their beer, including several gold medals from the Great American Beer Festival (GABF). BJ's operates 6 breweries that supply our restaurants with our beers, our main breweries being in Reno, NV and Temple, TX. Other breweries are found in Brea and West Covina in California, Chandler in Arizona, and a test brewery in Boulder, Colorado. BJ's Restaurants is publicly traded on the Nasdaq Stock Market using the symbol BJRI.

Website: www.bjsrestaurants.com
 Locations: 197
 States: 24
 Stock Symbol: BJRI
 Year Founded: 1978
 Headquarters: Huntington Beach, California



**RESTAURANT
BREWHOUSE**



**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and/or Lee & Associates and should not be made available to any other person or entity without the written consent of The Boulder Group and/or Lee & Associates.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group and Lee & Associates has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group and Lee & Associates have not verified, and will not verify, any of the information contained herein, nor has The Boulder Group or Lee & Associates conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.





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