



Not Actual Location

Texas Roadhouse

3065 West Ridge Road
Rochester, NY 14626

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Not Actual Location



Actual Construction Photo

Investment Summary

PRICE:	\$2,500,000
CAP:	5.0%
NOI:	\$125,000
BUILDING SIZE:	7,163 SF
PARCEL SIZE:	2.17 Acres
YEAR BUILT:	2018
TERM REMAINING:	±9.5 Years
LEASE TYPE:	Absolute NNN Ground Lease
ADDRESS:	3065 West Ridge Road Rochester, NY 14626

See Lease Abstract (page 5) for details.

Investment Overview

The CBRE Net Lease Property Group is pleased to exclusively offer a brand new 7,163 square-foot freestanding Texas Roadhouse situated on 2.17 acres in Rochester, New York (MSA Population: 1,078,879). Rochester is the region's major metropolitan center located adjacent to Lake Ontario. Texas Roadhouse's attractive absolute NNN ground lease features ±9.5 years of primary term remaining, no landlord responsibilities, and three 5-year renewal options. The site is strategically located with excellent signalized access and visibility on West Ridge Road (Traffic Count: 34,576 VPD), and is situated as an outparcel to Ridgemont Plaza. Ridgemont Plaza is tenanted by Wegman's, a brand new At Home, Best Buy, Five Below, the United States Postal Service, and Citizens Bank, among many others. Other retailers with a presence in the immediate vicinity include Walmart, Lowe's, PetSmart, Ruby Tuesday, Chili's, McDonald's, Wendy's, KFC, Denny's, Taco Bell, AutoZone, and Enterprise Rent-A-Car. Texas Roadhouse is proximate to The Mall at Greece Ridge (Anchors: Macy's, JCPenney, Target, Michael's, Marshall's, Burlington, Bed Bath & Beyond, and Barnes & Noble), which brings significant traffic to the surrounding area. In total, the property benefits from its location within the area's primary retail and corridor with 6.1 MSF of retail, 1.5 MSF of office, 8.4 MSF of industrial, and 6,908 multifamily units within a 3-mile radius. The property boasts dynamic demographics with a 3-mile population of 60,984 and an average household income of \$76,338.

DEMOGRAPHICS

1 Mile Pop	1 Mile AHI	3 Mile Pop	3 Mile AHI	5 Mile Pop	5 Mile AHI	Traffic Count
10,356	\$72,940	60,984	\$76,338	171,177	\$66,551	West Ridge Road: 34,576 VPD

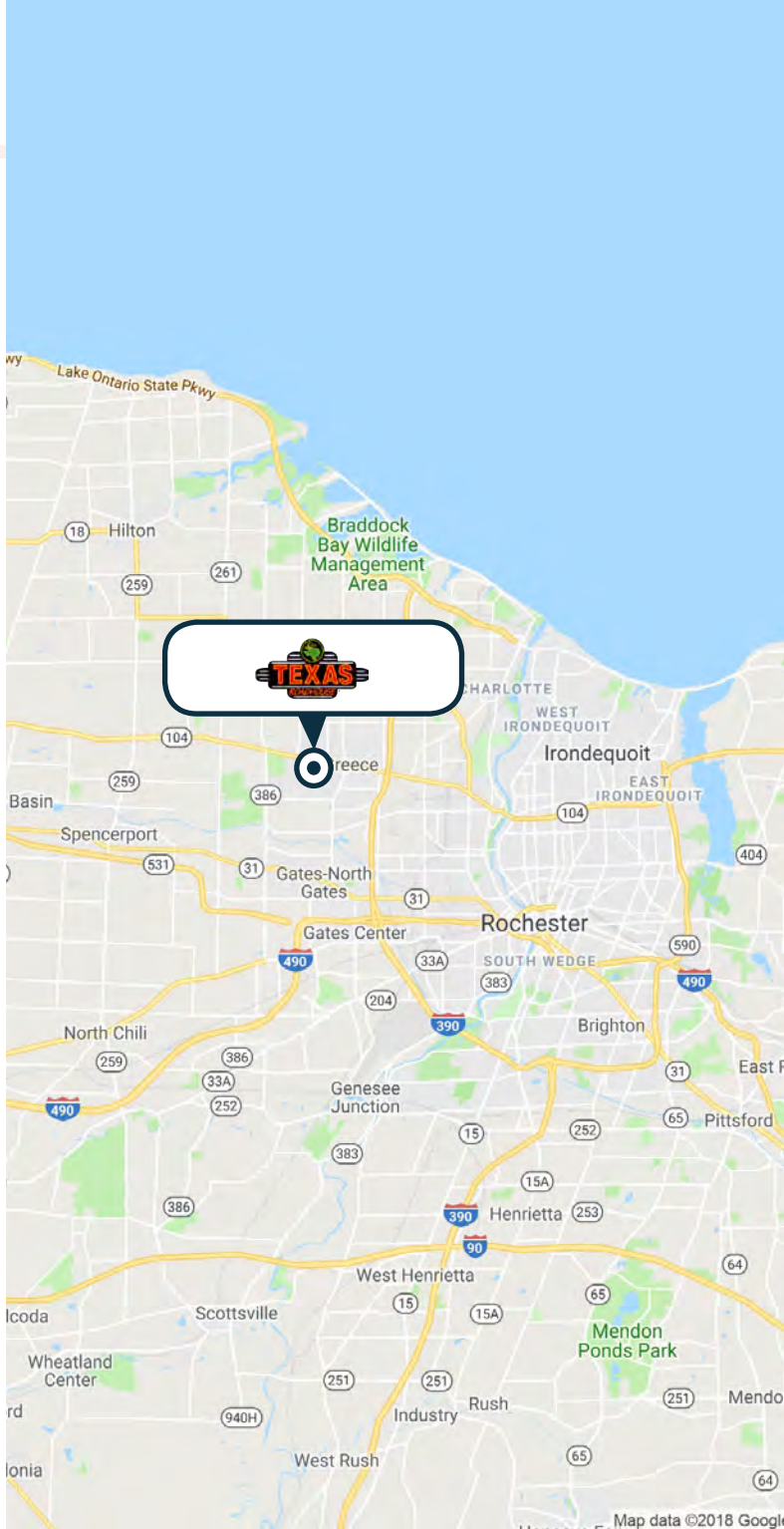


Investment Highlights

- **Premier Casual Dining Brand:** Founded in 1993, Texas Roadhouse (NASDAQ: TXRH) is a Western-themed full-service casual dining steakhouse restaurant concept offering an assortment of specially seasoned and aged steaks hand-cut daily on the premises and cooked to order over open grills. In addition to the Texas Roadhouse brand, the company operates a family-friendly sports restaurant concept called Bubba's 33, which comprises about 4% of the company's stores. As of December 31, 2018, Texas Roadhouse had grown to more than 491 restaurants owned and operated by the company and an additional 69 franchised locations. During 2018, the company reported annual revenues of \$2.46 billion and annual net income of \$158.2 million.
- **Hub for Reinvigorated Retail:** The immediate corridor is full of examples of re-developed retail. The Texas Roadhouse site (itself newly-constructed) is an out parcel to a former Kmart that was redeveloped into an At Home. Additionally, the nearby Mall at Greece Ridge has been successfully transitioned into a modern shopping destination.
- **New Construction Absolute NNN Ground Lease:** Texas Roadhouse's 10-year absolute NNN ground lease commenced in October 2018 and includes 10% rent increases every 5 years throughout the initial term and in each of the three 5-year renewal options.
- **Excellent Access & Visibility:** The property is ideally situated at the signalized entrance to Ridgmont Plaza, which has excellent access and visibility on West Ridge Road (Traffic Count: 34,576 VPD).
- **Major Retail Corridor:** In total, there are more than 6.1 MSF of retail, 1.5 MSF of office, 8.4 MSF of industrial and 6,908 multifamily housing units within a 3-mile radius of the site. The Mall at Greece Ridge brings significant traffic to the area, and is anchored by Macy's, JCPenney, Barnes & Noble, Dick's Sporting Goods, and Burlington. Other major national retailers in the vicinity include Wegman's, Walmart, Target, Home Depot, Bed Bath & Beyond, and Kohl's.
- **Dynamic Demographics:** The site features dynamic demographics with an average household income of \$76,338 and a population of 60,984 within 3 miles.
- **Premier Market:** Located on the southern shore of Lake Ontario in the western region of Upstate New York, the Greater Rochester Area is the State's third largest metropolitan area, and is home to a population of 1.1 million people. Rochester is centrally located in the Northeastern United States, and conveniently situated within 500 miles of one-third of the U.S. and Canadian populations. Rochester enjoys close proximity to the global business centers of Toronto and New York City, while offering a lower cost of doing business and quality of life not found in its larger neighbors.

Lease Abstract

Tenant:	Texas Roadhouse Holdings, LLC
Rent Commencement:	10/8/2018
Lease Expiration:	10/31/2028
Lease Term Remaining:	±9.5 Years
Lease Type:	Absolute NNN Ground Lease
Initial Term Rent:	Years 1-5: \$125,000 Years 6-10: \$137,500
Rent Increases:	10% every 5 years
Renewal Options:	Three 5-year options
Option Rent:	Option 1: \$151,250 Option 2: \$166,375 Option 3: \$183,013
Renewal Option Increases:	10% in each 5-year option
Taxes:	Tenant shall pay to Landlord, as Additional Rent, a sum equal to one-twelfth (1/12) of all real estate taxes and assessments applicable to the Premises and all improvements located thereon for any tax period which includes any part of the Term.
Insurance:	Tenant agrees to carry or cause to be carried insurance on the Premises during the Term of this Lease, covering Tenant and naming Landlord as additional insureds, providing the following minimum coverages and limits: (1) Commercial General Liability on an occurrence basis with a minimum single limit of Two Million Dollars (\$2,000,000) for bodily injury, including death resulting therefrom, personal injury, property damage and advertising injury. Such coverage shall include contractual liability coverage recognizing the Lease, products and/or completed operations liability and premises liability; and (ii) Umbrella or Excess Liability coverage with a limit of One Million Dollars (\$1,000,000) and with coverage extending over primary Commercial General Liability, Commercial Automobile Liability, Employer's Liability and Liquor Liability, providing Liquor Liability insurance is required; and (iii) Broad form "special cause of loss form" (formerly known as "All-Risk") property insurance with coverage including but not limited to, the perils covered by standard Fire and Extended Coverage Insurance, for one hundred percent (100%) of the actual replacement cost, covering all of Tenant's Work, Tenant's Improvements on the Premises and all items of personal property of Tenant located on or within the Premises, exclusive of foundations, footings, conduits, pipes, pilings and other underground items, naming Landlord as additional insured as its interests may appear. Tenant shall use best efforts to maintain such coverage on an agreed amount or no-coinsurance basis.
Repairs and Maintenance:	Tenant shall maintain, at its sole cost and expense, the building and all Common Areas within the Premises in a first-class condition for shopping centers located within the Town of Greece, New York.
CAM:	Shopping center owner shall maintain, repair, replace and operate all Common Areas of the Development outside of the Premises in a first-class condition for shopping centers located within the Town of Greece, New York. Accordingly, and in consideration thereof, Tenant shall not be required to further contribute to any portion of the Common Area maintenance expenses for areas outside of the Premises (it being the parties' intention that all other areas of the Development outside of the Premises shall be maintained at the cost of shopping center owner and/or the respective tenants thereof, as applicable).







Surrounding Uses



Tenant Overview



TEXAS ROADHOUSE

Founded in 1993, Texas Roadhouse (NASDAQ: TXRH) is a Western-themed full-service casual dining steakhouse restaurant concept offering an assortment of specially seasoned and aged steaks hand-cut daily on the premises and cooked to order over open grills. In addition to the Texas Roadhouse brand, the company operates a family-friendly sports restaurant concept called Bubba's 33, which comprises approximately 4% of the company's stores. As of December 31, 2018, Texas Roadhouse had grown to more than 491 restaurants owned and operated by the company and an additional 69 franchised locations. During 2018, the company reported annual revenues of \$2.46 billion and annual net income of \$158.2 million.



NUMBER OF LOCATIONS:	550+
NUMBER OF EMPLOYEES:	64,900
FORTUNE RANKING:	#904
HEADQUARTERS:	Louisville, KY
TICKER:	Nasdaq: TXRH
FOUNDED:	1993



Rochester, NY Market Overview

- > Located on the southern shore of Lake Ontario in the western region of Upstate New York, the Greater Rochester Area is the State's third largest metropolitan area, and is home to a population of 1.1 million people.
- > Rochester enjoys close proximity to the global business centers of Toronto and New York City while offering a lower cost of doing business and quality of life not found in its larger neighbors.
- > Rochester is centrally located in the Northeastern United States, and is conveniently situated within 500 miles of one-third of the U.S. and Canadian populations.
- > The presence of the Eastman Kodak Company, Bausch & Lomb and Xerox Corporation have traditionally led to Rochester being viewed as a big corporate city. Today, these companies employ approximately 3% of the area's total workforce, as Rochester has become the home to a much more diversified and balanced economy.
- > Rochester's best known industries include photonics, optics, digital & health imaging, precision manufacturing, telecommunications, information technology, and the biosciences. The established strength of the area's high-tech industries, and the continued investments that are being made in them, suggest a bright outlook for Rochester's economy going forward.
- > Rochester enjoys a distinct four-season climate that is moderated by the City's proximity to Lake Ontario. Due to the unique geography of the region, there are a wide variety of activities for residents and visitors to enjoy. Warmer months find people flocking to some of the area's 140 annual festivals as well as the numerous local waterways including Lake Ontario, the Genesee River, the Erie Canal, Irondequoit Bay, and the Finger Lakes (also home to the country's second largest wine region).



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By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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