



*REPRESENTATIVE PHOTO



OFFERING
MEMORANDUM

RED LOBSTER

ABSOLUTE NNN LEASE

479 TELEGRAPH ROAD WATERFORD, MI

OFFERING MEMORANDUM
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Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.



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INVESTMENT OVERVIEW



The subject property is a 9,100 square foot Red Lobster located in Waterford, MI. The property is strategically located on Telegraph Rd which sees over 32,000 VPD. Surrounding retailers include Sam's Club, Walgreens, Popeyes, Big Lots, Taco Bell, Applebee's, O'Reilly and many more.

INVESTMENT HIGHLIGHTS

LONG TERM ABSOLUTE NNN LEASE

CORPORATE GUARANTEE OVER 700 LOCATIONS

100% FEE SIMPLE INTEREST

ZERO LANDLORD OBLIGATIONS

STRONG HEDGE AGAINST INFLATION | 2% ANNUAL INCREASES

RENTAL ESCALATION JANUARY 2019

OFFERING SPECIFICATIONS

PRICE \$3,444,065

CAP RATE 6.20%

NET OPERATING INCOME \$213,532

SQUARE FOOTAGE 9,100

PRICE/SF \$369

YEAR BUILT 1997

FINANCIAL SUMMARY

RED LOBSTER

479 TELEGRAPH ROAD WATERFORD, MI

\$3,444,065 • 6.20%

SUMMARY

TENANT NAME	Red Lobster
SQUARE FOOTAGE	9,100
LEASE BEGINS	1/1/2014
LEASE ENDS	12/31/34
ANNUAL RENT	\$213,532
OPTIONS	Four, 5-Year
INCREASES	2% Annually

OFFERING SUMMARY

	MONTHLY RENT	ANNUAL RENT
YEAR 4	\$17,794	\$213,532
YEAR 5	\$18,150	\$217,803
YEAR 6	\$18,513	\$222,159
YEAR 7	\$18,883	\$226,602
YEAR 8	\$19,261	\$231,134
YEAR 9	\$19,646	\$235,757
YEAR 10	\$20,039	\$240,472
YEAR 11	\$20,440	\$245,281
YEAR 12	\$20,849	\$250,187
YEAR 13	\$21,266	\$255,191
YEAR 14	\$21,691	\$260,294
YEAR 15	\$22,125	\$265,500
YEAR 16	\$22,568	\$270,810
YEAR 17	\$23,019	\$276,226
YEAR 18	\$23,479	\$281,751
YEAR 19	\$23,949	\$287,386
YEAR 20	\$24,428	\$293,134

TENANT OVERVIEW

RED LOBSTER

Red Lobster Hospitality LLC is an American casual dining restaurant chain headquartered in Orlando, Florida. The company has operations in Canada, Malaysia, Saudi Arabia, the United Arab Emirates, Qatar, Mexico, and Japan, in addition to the United States. As of February 24, 2013, the company had 705 locations worldwide. Golden Gate Capital has been Red Lobster's parent company since it was acquired from Darden Restaurants on July 28, 2014.

On August 6, 2014, Red Lobster announced their new headquarters location in CNL Center City Commons in Orlando. On March 6, 2015, Red Lobster officially opened the Restaurant Support Center.

The first Red Lobster restaurant was opened on January 18, 1968, in Lakeland, Florida, by entrepreneurs Bill Darden and Charley Woodsby. The oft-quoted date of March 1968 is based on the March 27, 1968 incorporation of Red Lobster Inns of America, Inc. (now GMRI, Inc.) in the Florida Secretary of State's Office. Originally billed as a "Harbor for Seafood Lovers", the first restaurant was followed by four others throughout the southeast United States. In 1970, General Mills acquired Red Lobster as a five-unit company. With new backing, the chain expanded rapidly in the 1980s.

Red Lobster entered Canada in the 1980s, in many cases by buying Ponderosa restaurant locations. The company generally maintains between 25 and 30 locations in Canada, the bulk in larger urban centres in Ontario (across southern Ontario plus one in Sudbury in northern Ontario) with a smaller number in larger urban centres in all three Prairie provinces. It exited the Quebec market in September 1997 due to financial losses, and never attempted to enter the market in British Columbia.



PRIVATELY HELD



705+ LOCATIONS

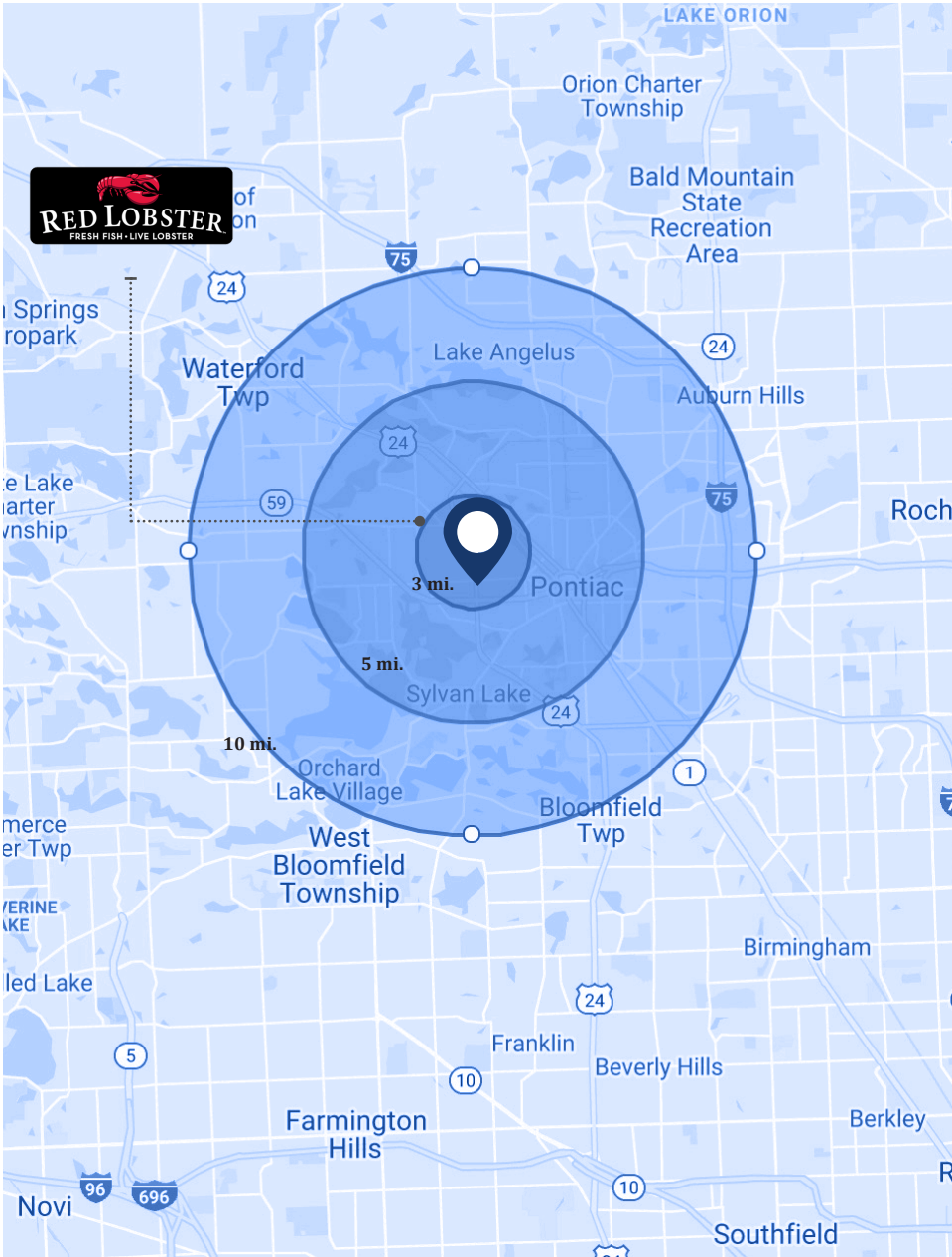
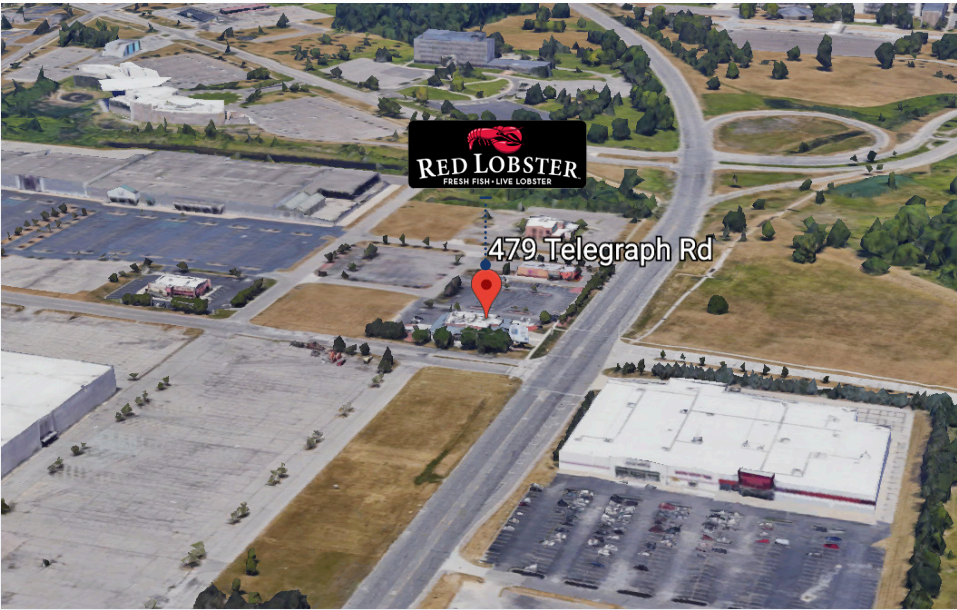


58,000 EMPLOYEES

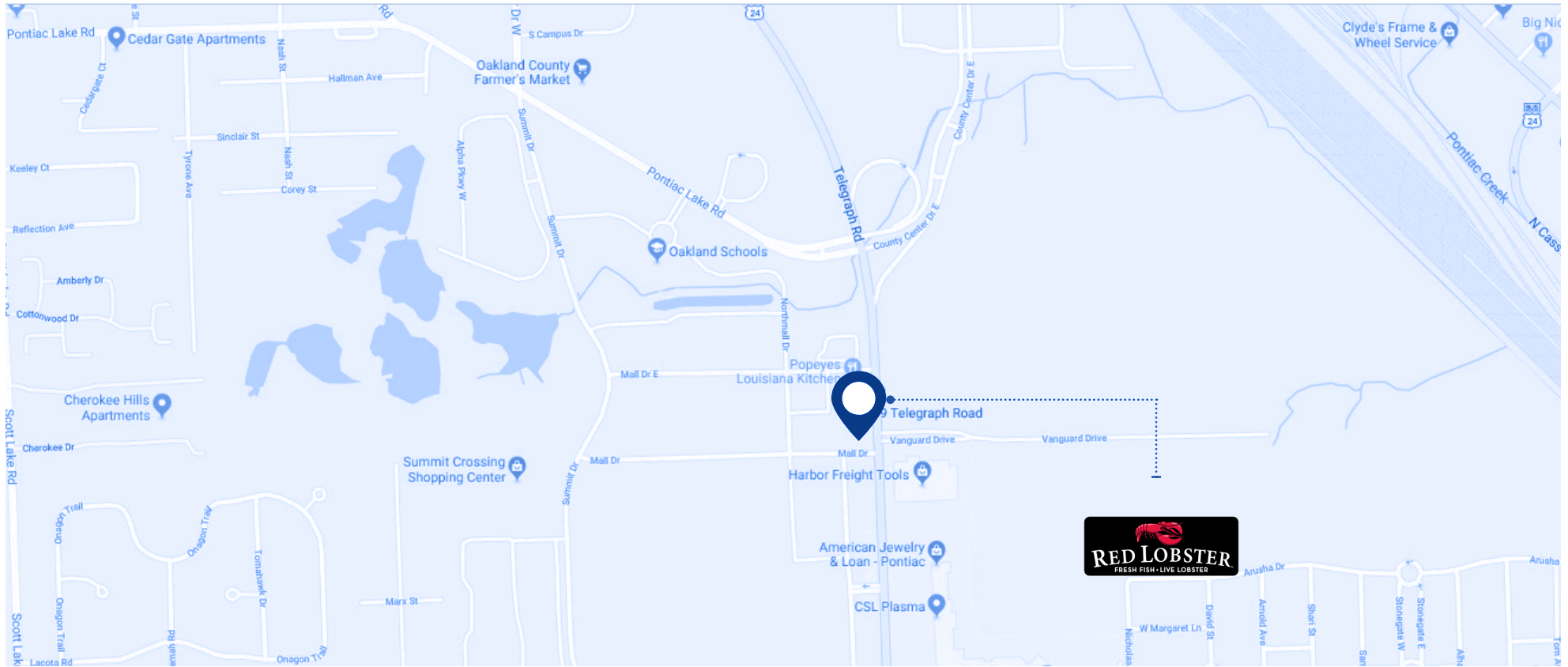
LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	79,874	161,364	534,918
TOTAL HOUSEHOLDS	31,538	64,024	208,786
AVERAGE HOUSEHOLD INCOME	\$56,496	\$71,896	\$109,153
AVERAGE AGE	38.10	38.90	40.80

AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	79,874	161,364	534,918
TOTAL HOUSEHOLDS	31,538	64,024	208,786
PERSONS PER HOUSEHOLD	2.40	2.50	2.50
AVERAGE HOUSE VALUE	\$120,308	\$154,801	\$271,604
AVERAGE HOUSEHOLD INCOME	\$56,496	\$71,896	\$109,153
AVERAGE AGE	38.10	38.90	40.80
POPULATION WHITE	50,297	108,468	418,047
POPULATION BLACK	24,024	40,450	64,756
POPULATION AM, INDIAN, & ALASKAN	543	907	1,722
POPULATION ASIAN	2,230	6,510	38,101
POPULATION HAWAIIAN & PACIFIC ISLANDER	42	58	140
POPULATION OTHER	2,738	4,971	12,151

WATERFORD, MICHIGAN

Waterford Township is a charter township in the geographic center of Oakland County, Michigan, United States. In 2012, the population of Waterford Township was 72,166. Oakland County is a county in the U.S. state of Michigan. It is northwest of Detroit and part of metropolitan Detroit. As of the 2010 census, its population was 1,202,362, making it the second-most populous county in Michigan, behind neighboring Wayne County.



WATERFORD, MICHIGAN



The Kase Group

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