



Offering Memorandum

**RED ROBIN GROUND LEASE**  
**3355 SW COLLEGE ROAD**  
**OCALA, FL 34474**

Marcus & Millichap









SW COLLEGE RD  
47,500 CPD







**RED ROBIN GROUND LEASE**

3355 SW College Road  
Ocala, FL 34474

**FINANCIAL SUMMARY**

Price	\$2,600,000
Down Payment	100% \$2,600,000
Cap Rate	5.0%
Building SF	5,675 SF
Net Cash Flow	5.0% \$130,000
Year Built	2017
Lot Size	1.29 Acres

**LEASE SUMMARY**

Lease Type	Triple-Net (NNN) Ground Lease
Tenant	Red Robin International, Inc.
Guarantor	Corporate
Rent Commencement Date	July 30, 2017
Lease Expiration Date	July 31, 2032
Lease Term Remaining	14 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	15 Days

**ANNUALIZED OPERATING DATA**

LEASE YEARS	ANNUAL RENT	CAP RATE
1 - 5	\$130,000.00	5.00%
6 - 10	\$143,000.00	5.50%
11 - 15	\$157,300.00	6.05%
OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$173,030.00	6.65%
Option 2	\$190,333.00	7.32%
Option 3	\$209,366.30	8.05%
Option 4	\$230,302.93	8.86%

<b>BASE RENT</b>	<b>\$130,000</b>
<b>Net Operating Income</b>	<b>\$130,000</b>
<b>Total Return</b>	<b>5.0% \$130,000</b>







Red Robin Gourmet Burgers, Inc., a casual dining restaurant chain founded in 1969 that operates through its wholly-owned subsidiary, Red Robin International, Inc., and under the trade name, Red Robin Gourmet Burgers and Brews, is the Gourmet Burger Authority™, famous for serving more than two dozen craveable, high-quality burgers with Bottomless Steak Fries® in a fun environment welcoming to guests of all ages.

In addition to its many burger offerings, Red Robin serves a wide variety of salads, soups, appetizers, entrees, desserts and signature beverages. Red Robin offers a variety of options behind the bar, including its extensive selection of local and regional beers, and innovative adult beer shakes and cocktails, earning the restaurant a VIBE Vista Award for Best Beer Program in a Multi-Unit Chain Restaurant. It's now easy to take Red Robin anywhere with online ordering for to-go and Gourmet Burger Bar catering pickups through Yummm2Go. There are more than 560 Red Robin restaurants across the United States and Canada, including Red Robin Express® locations and those operating under franchise agreements.

Company	Red Robin Gourmet Burgers and Brews
Stock Symbol	NASDAQ: RRGB
Net Sales (YE 2017)	\$1.38 billion
Locations	560+
Website	<a href="http://www.redrobin.com">www.redrobin.com</a>



## INVESTMENT HIGHLIGHTS

- New Triple-Net (NNN) Corporate Ground Lease with Red Robin – 14 Years Remaining
- 10% Rental Increases Every 5 Years
- 69,532 Residents in Trade Area – Projected to Increase 15%+ in 1-Mile Radius Over the Next Five Years
- Excellent Visibility Along SW College Road – 47,500+ CPD
- Down the Road from College of Central Florida's Ocala Campus (3,100+ Enrolled)
- Across from Paddock Mall (85+ Stores) – Anchored by Belk, JCPenney, and Macy's
- Less than 1 Mile Off the I-75 Freeway – 78,500+ CPD
- Surrounded by Major Retailers – Walmart Supercenter, The Home Depot, Lowe's, Best Buy, Burlington, Sam's Club, and More
- 124,600 Daytime Employees in Surrounding Area

## DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	5,423	31,604	69,579
2017 Estimate	4,709	28,368	64,532
Growth 2017 - 2022	15.16%	11.41%	7.82%
Households	1-Mile	3-Miles	5-Miles
2022 Projections	2,244	12,510	29,000
2017 Estimate	1,898	10,839	26,193
Growth 2017 - 2022	18.25%	15.42%	10.72%
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$67,373	\$59,204	\$62,657
2017 Est. Median Household Income	\$43,988	\$37,049	\$40,465
2017 Est. Per Capita Income	\$28,372	\$24,092	\$26,222

## LOCATION OVERVIEW

Located in north-central Florida's Marion County, Ocala offers stunning natural landscape and a rich history dating back to 6500 B.C. when the area was inhabited by various indigenous peoples. The region became known as "horse country" after the first thoroughbred horse farm in Florida was developed in Marion County. Ocala is one of only five cities in the world that is permitted to use the title "Horse Capital of the World" per guidelines set by the Chamber of Commerce due the annual revenue produced by the horse industry in the city – approximately \$2.2 billion annually.

Nearby Ocala is Silver Springs, a national landmark and natural theme park on 350 acres. The site is home to one of the largest artesian spring formations in the world, and Silver Springs Nature Theme Park is one of the earliest tourist attractions in the state. Ocala is also home to Ocala National Forest, the second largest national forest in the state and the Florida Trail which cuts through the forest.

Ocala has an extensive residential Historic District with many examples of Victorian architecture. Other structures in the city listed on the National Register of Historic Places include the Coca Cola Building, the E.C. Smith House, East Hall, the Marion Hotel, the Ritz Historic Inn and Union Train Station.

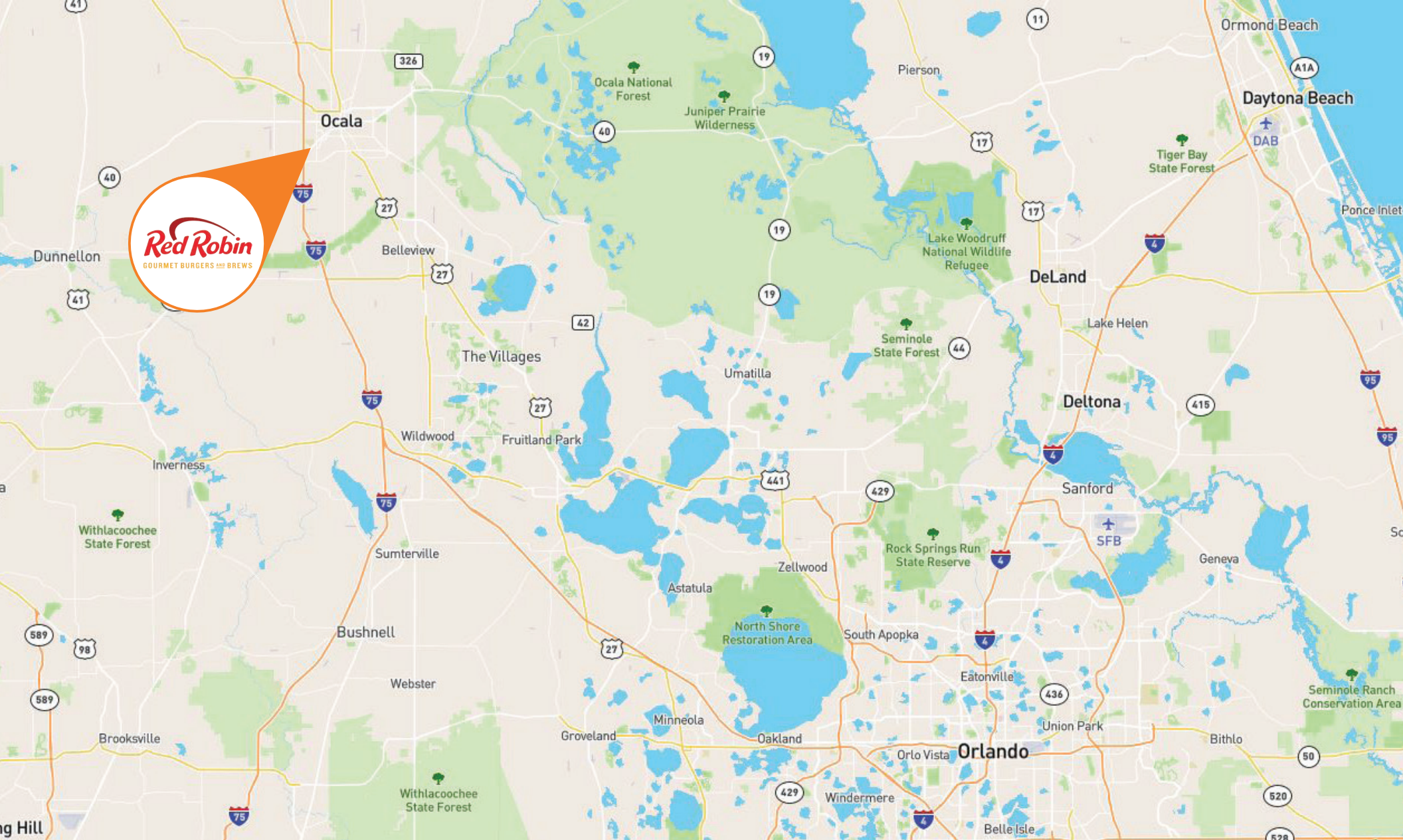
Due to the region's growth over the years, Ocala's downtown has recently undergone revitalization projects. In 2015, the city agreed to build a hotel downtown with retail and residential components with the first phase scheduled to conclude in March 2019. Parking has also improved downtown, with the construction of a parking garage in 2016 and the recent addition of valet parking.











**4 MILES**  
**Historic Downtown**  
**Ocala**

**39 MILES**  
**University of**  
**Florida**

**78 MILES**  
**Daytona Beach,**  
**Florida**

**85 MILES**  
**Orlando International**  
**Airport**



## Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

**By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.**

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

## Confidentiality Agreement

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap Real Estate Investment Services of Florida, Inc. ("Marcus & Millichap") and should not be made available to any other person or entity without the written consent of Marcus & Millichap.

This Marketing Brochure 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. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap 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.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**



exclusively listed

Exclusively listed by:

**Marcus & Millichap**

OFFICES NATIONWIDE  
[www.marcusmillichap.com](http://www.marcusmillichap.com)

**JAMIE MEDRESS**

Executive Managing Director  
PHOENIX OFFICE  
Tel: (602) 687-6778  
Fax: (602) 687-6717  
[jmedress@marcusmillichap.com](mailto:jmedress@marcusmillichap.com)

**MARK RUBLE**

Senior Managing Director  
PHOENIX OFFICE  
Tel: (602) 687-6766  
Fax: (602) 687-6710  
[mruble@marcusmillichap.com](mailto:mruble@marcusmillichap.com)

**ZACK HOUSE**

Associate Advisor  
PHOENIX OFFICE  
Tel: (602) 687-6650  
Fax: (602) 687-6710  
[zachary.house@marcusmillichap.com](mailto:zachary.house@marcusmillichap.com)

**RYAN NEE**

Broker of Record  
FLORIDA OFFICE  
Tel: (954) 245-3400  
License: BK3154667