

**Ruby  
Tuesday**

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**RUBY  
TUESDAY**

SIMPLE FRESH AMERICAN DINING

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**OFFERING  
MEMORANDUM**

131 Crossroads Boulevard, Cary, NC 27518

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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.

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**Ruby  
Tuesday**

131 Crossroads Boulevard, Cary, NC 27518

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# Investment Highlights

PRICE: \$2,177,231 | CAP: 6.50% | RENT: \$141,520

**Ruby Tuesday**

## About the Investment

- ✓ 15-Year Absolute Triple-Net (NNN) Lease | Zero Landlord Responsibilities
- ✓ Strong Inflation Hedge | 2% Annual Increases Continuing Through Options
- ✓ Corporate Guarantee | Ruby Tuesday, Inc.
- ✓ Four (4), Five (5)-Year Tenant Renewal Option Periods

## About the Location

- ✓ Irreplaceable Location at Entrance of Crossroads Plaza | Over 60 Stores, Services, and Restaurants | Powerful Lineup of Anchor Tenants | Institutionally Owned
- ✓ Major National Tenants In The Surrounding Area Include: Target, Home Depot, Best Buy, Pier One, Old Navy, Petco, Dick's Sporting Goods, Duluth Trading, Party City, Bed Bath & Beyond, Total Wine & More, Marshalls, Chick-fil-a, McDonald's, Red Lobster, Starbucks, Chipotle, Noodles & Co., and numerous others
- ✓ Exceptional Traffic Counts | Interstate-40 and Interstate-440 | Average Daily Traffic Counts of 137,000 and 120,000 Vehicles Respectively
- ✓ Dense & Affluent Demographics | 79,000 People Residing Within a 3-Mile Radius of the Subject Property | Average Household Income of Nearly \$100,000
- ✓ Close Proximity to Major Economic Drivers & Cities | Minutes from Raleigh-Durham International Airport, Research Triangle Park, Durham, Apex, Raleigh, Chapel Hill, Wake Forest, Etc
- ✓ Strong Educational Presence | Duke University, University of North Carolina at Chapel Hill, Wake Forest University, & North Carolina State University

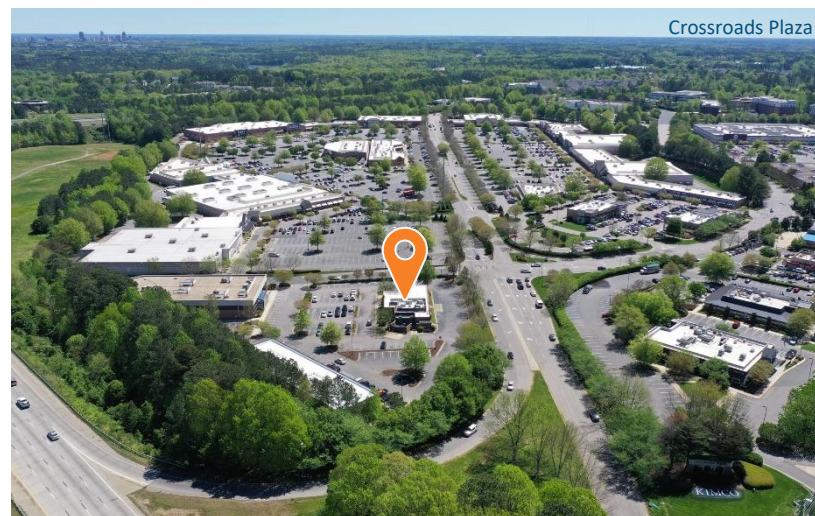
## About the Tenant / Brand

- ✓ Ruby Tuesday | 700 Locations Across 40 States
- ✓ Operations Throughout the United States and Around the World | 28,000 Corporate and Franchisee Team Members
- ✓ Ruby Tuesday has been in Operation For More than 40 Years

Subject Property



Crossroads Plaza





# Financial Overview

PRICE: \$2,177,231 | CAP: 6.50% | RENT: \$141,520

**Ruby  
Tuesday**

## PROPERTY DESCRIPTION

|                        |                     |
|------------------------|---------------------|
| Property               | Ruby Tuesday        |
| Property Address       | 131 Crossroads Blvd |
| City, State, ZIP       | Cary, NC 27511      |
| Year Built / Renovated | 2000                |
| Building Size          | 5,104 SF            |
| Lot Size               | +/- 1.04 Acres      |
| Type of Ownership      | Fee Simple          |

## THE OFFERING

|                |             |
|----------------|-------------|
| Annual Rent    | \$141,520   |
| CAP Rate       | 6.50%       |
| Purchase Price | \$2,177,231 |
| Price / SF     | \$426.57    |
| Rent / SF      | \$27.73     |

## LEASE SUMMARY

|                      |                       |
|----------------------|-----------------------|
| Property Type        | Fee Simple Restaurant |
| Ownership Type       | Private               |
| Tenant / Guarantor   | Ruby Tuesday, Inc     |
| Original Lease Term  | 15.0 Years            |
| Lease Commencement   | February 22, 2013     |
| Lease Expiration     | February 29, 2028     |
| Lease Term Remaining | 9.0 Years             |
| Lease Type           | NNN                   |
| Roof & Structure     | Tenant Responsible    |
| Rental Increases     | 2% Annual             |
| Options to Renew     | Four(4), Five(5)-Year |

## RENT SCHEDULE

| Lease Year(s) | Annual Rent | Monthly Rent | Rent Escalation (%) |
|---------------|-------------|--------------|---------------------|
| Year 1        | \$125,666   | \$10,472     | -                   |
| Year2         | \$128,179   | \$10,682     | 2.00%               |
| Year 3        | \$130,743   | \$10,895     | 2.00%               |
| Year 4        | \$133,358   | \$11,113     | 2.00%               |
| Year 5        | \$136,025   | \$11,335     | 2.00%               |
| Year 6        | \$138,745   | \$11,562     | 2.00%               |
| Year 7        | \$141,520   | \$11,793     | 2.00%               |
| Year 8        | \$144,351   | \$12,029     | 2.00%               |
| Year 9        | \$147,238   | \$12,270     | 2.00%               |
| Year 10       | \$150,183   | \$12,515     | 2.00%               |
| Year 11       | \$153,186   | \$12,766     | 2.00%               |
| Year 12       | \$156,250   | \$13,021     | 2.00%               |
| Year 13       | \$159,375   | \$13,281     | 2.00%               |
| Year 14       | \$162,562   | \$13,547     | 2.00%               |
| Year 15       | \$165,814   | \$13,818     | 2.00%               |

## Investment Summary

Marcus and Millichap is pleased to present the listing for a Ruby Tuesday located at 131 Crossroads Boulevard in Cary, North Carolina. The property is made up of 5,104 square feet of building space and sits on approximately 1.04 acres of land. The property is subject to a 15-year triple-net (NNN) lease with 9 years remaining and zero landlord responsibilities. The current annual rent is \$141,520 and is scheduled to increase by two percent every year. The increases will continue through the four, five-year tenant renewal options.



# Tenant Overview: Ruby Tuesday



## Ruby Tuesday

For more than 40 years, Ruby Tuesday has been one of America's favorite brands. Driven by uncompromising freshness and quality, gracious hospitality and a growing number of restaurants, the concept is unbeatable in the casual dining industry. The brand was created with the vision that food and drinks would be fresh and handcrafted. Everything would be made only with high-quality ingredients. Every dish would be served by friendly, passionate people. And the restaurant would be casual, comfortable and the go-to spot for adults, children and families alike.

Entrees, ranging in price from \$6.49 to \$16.99, include ribs, chicken, steak, seafood, pasta, burgers, and sandwiches, and the menu also features soups, a salad bar, and desserts. Ruby Tuesday also offers food for carry-out via the company's "curb-side to-go" initiative. Ruby Tuesday is backed by the industry's top accolades. They were voted "Top Healthy Choice" in casual dining, beating brands like Chili's, Applebee's and more.

Ruby Tuesday, Inc. is a leading company in the bar-and-grill category of the U.S. casual dining restaurant industry. From its original location in Knoxville, Tennessee, the Ruby Tuesday chain has grown to more than 700 units in about 40 states primarily in the Southeast, Northeast, Mid-Atlantic, and Midwest. Nearly 500 of the outlets are company owned with the remainder being franchised.

| General Information |   |
|---------------------|---|
| Headquarters        | Maryville, TN   |
| Website             | <a href="https://www.rubytuesday.com/">https://www.rubytuesday.com/</a> |
| Founder             | Samuel E. Beall III   |
| Locations           | 736   |
| Genre               | Casual Dining   |





# Location Overview

Property Address: 131 Crossroads Boulevard, Cary, NC 27518

**Ruby  
Tuesday**

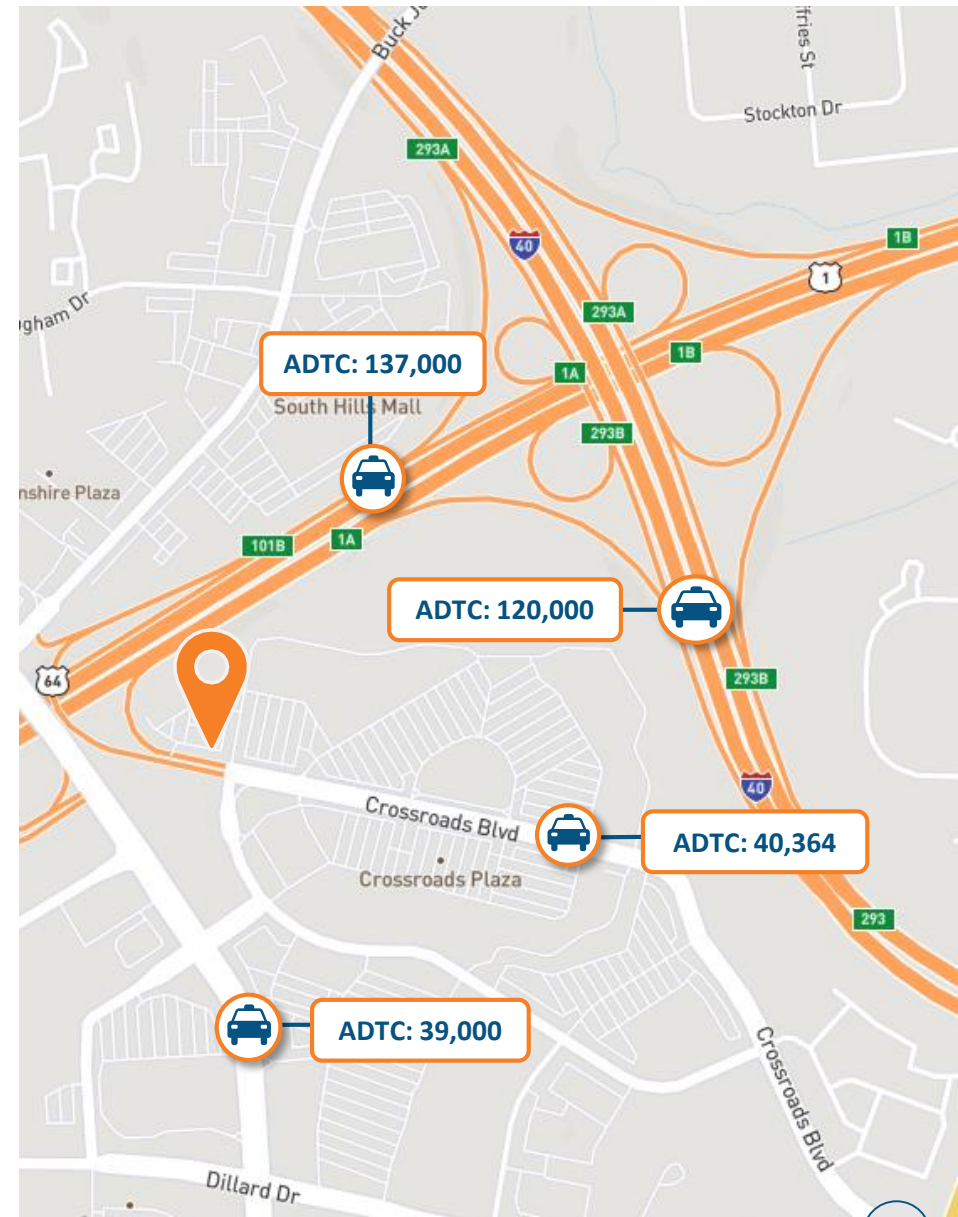
## Cary, North Carolina

One of the fastest-growing cities in the South, Cary is home to renowned restaurants, world-class shopping, booming business, top-tier entertainment, culture and arts and wide range of leisure and outdoor experiences. Home of the USA Baseball National Training Complex, a hot spot for soccer with North Carolina Football Club and North Carolina Courage pro soccer teams at WakeMed Soccer Park and summer home of the North Carolina Symphony, Cary is located just 17 minutes from downtown Raleigh. Cary is a thriving community in the heart of the Triangle of North Carolina. The Triangle is repeatedly ranked among the top regions in the country to live or work, to find a home or start a business, to raise a family or retire. Money Magazine named Cary, North Carolina, the hottest town in the East and one of six Hottest Towns in America. Cary was also recognized by Money Magazine as one of the Best Small Cities in America, ranking an impressive fifth on one of the magazine's annual lists of Best Places to Live. As noted in several major publications, Cary's accolades are numerous.

Raleigh, Durham, and Chapel Hill make up the three primary cities of the Research Triangle metropolitan region even though today Cary is the third largest city in the metropolitan area. The regional nickname of "The Triangle" originated after the 1959 creation of the Research Triangle Park, primarily located in Durham County, four miles from downtown Durham. RTP is bordered on three sides by the city of Durham and is roughly midway between the cities of Raleigh and Chapel Hill, and three major research universities of NC State University, Duke University, and UNC-Chapel Hill. Effective June 6, 2003, the U.S. Office of Management and Budget redefined the Federal Statistical Areas and dismantled what had been for decades the Raleigh-Durham-Chapel Hill, MSA and split them into two separate MSAs. This resulted in the formation of the Raleigh-Cary, NC MSA and the Durham-Chapel Hill, NC MSA.

On the whole, Caryites are a hard-working group with one of the highest median household incomes in the state. Cary is no further than 20 minutes from major universities such as Duke, North Carolina State, and the University of North Carolina and more than two-thirds of adults hold a college degree. Cary continually ranks as one of the top 20 safest large cities nationally and the safest in the Southeast.

- Cary is the seventh largest municipality in North Carolina with a population over 150,000
- Located in the center of the Research Triangle Park (RTP) – home to numerous high tech companies and enterprises like IBM, Cisco Systems, Pfizer, etc)
- RTP has the 2<sup>nd</sup> largest metropolitan area in North Carolina with over 2 million residents
- Home to the annual North Carolina State Fair with an annual attendance of over 1 Million visitors
- Close Proximity to major universities such as Duke, North Carolina State & University of North Carolina – Chapel Hill





# Location Overview

Property Address: 131 Crossroads Boulevard, Cary, NC 27518

**Ruby  
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Crossroads Plaza, located 9 miles from Downtown Raleigh, is strategically positioned at the confluence on I-440 & I-40. The property has direct access to I-440 via exit 101B for westbound traffic and Crossroads Boulevard for eastbound traffic. This property directly benefits from exceptional traffic counts in the immediate area:

- Interstate - 440 | 137,000 ADTC
- Interstate - 40 | 120,000 ADTC
- Crossroads Boulevard | 40,364 ADTC
- Walnut Street | 39,000 ADTC

With over 60 stores, services, and restaurants, there is something for everyone at Crossroads Plaza. The center features a powerful lineup of anchors including Marshalls, Ross, HomeGoods, Michaels, Old Navy, Dick's Sporting Goods, Bed Bath & Beyond, Home Depot, Target, Petco, Bath & Body Works, SteinMart, Best Buy, and DSW.



Kimco Realty Corp. (NYSE: KIM) is a real estate investment trust (REIT) headquartered in New Hyde Park, N.Y., that is one of North America's largest publicly traded owners and operators of open-air shopping centers. As of December 31, 2018, the company owned interests in 437 U.S. shopping centers comprising 76 million square feet of leasable space primarily concentrated in the top major metropolitan markets. Publicly traded on the NYSE since 1991, and included in the S&P 500 Index, the company has specialized in shopping center acquisitions, development and management for more than 60 years.





# Surrounding Area

# Facing Southwest





# Surrounding Area

# Facing North





# Surrounding Area

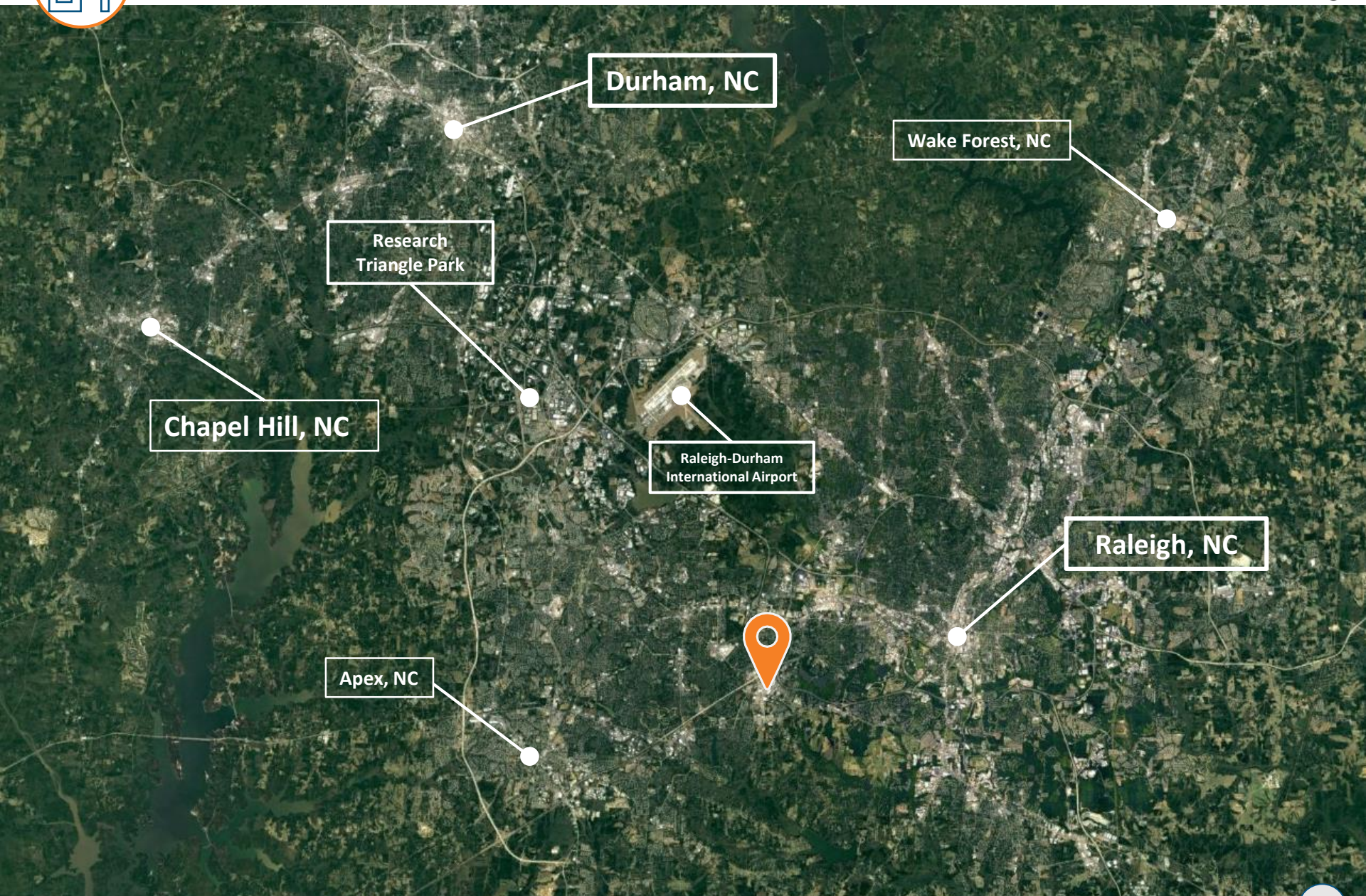
**Ruby  
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# Regional Map

**Ruby  
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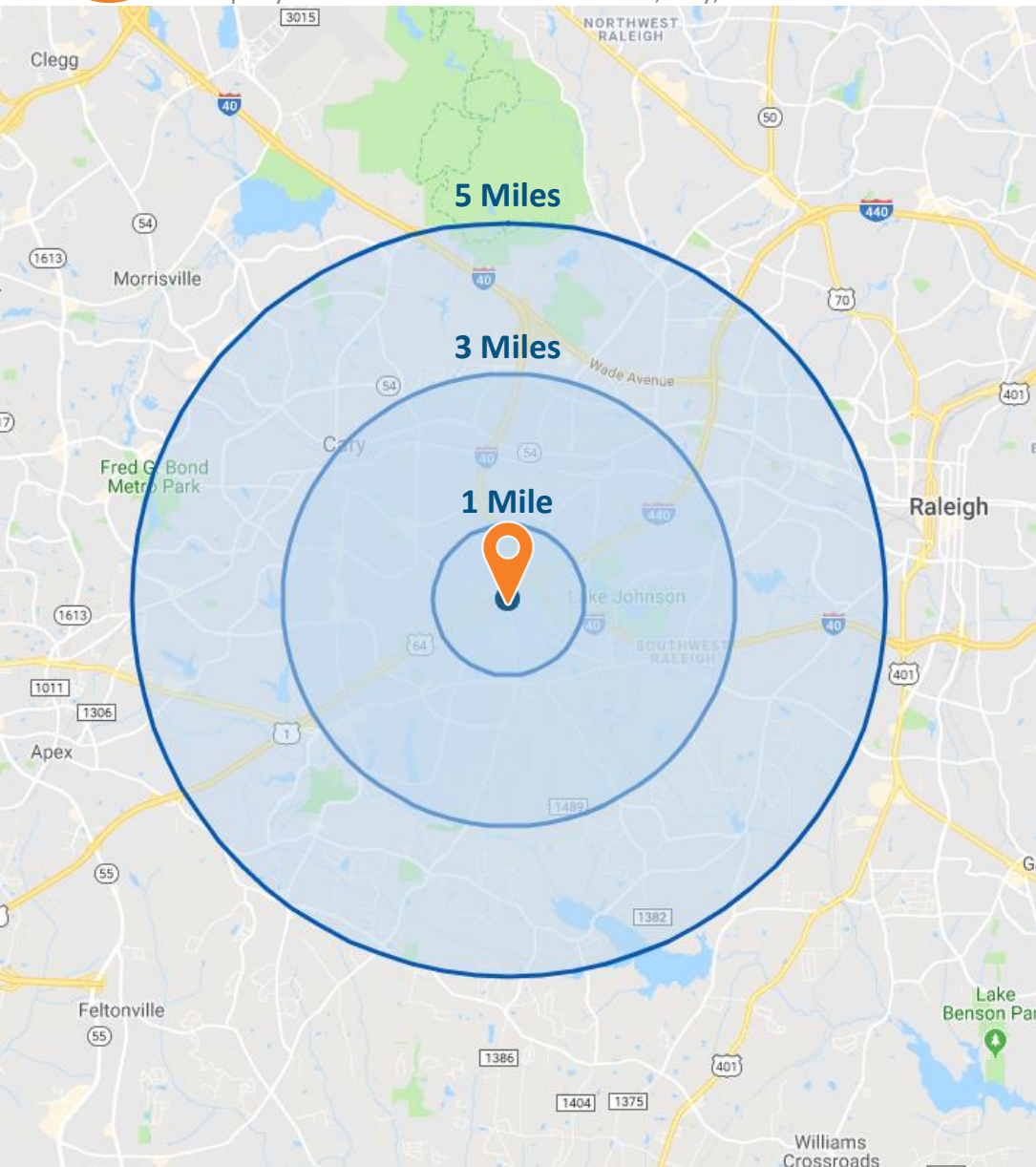




# Demographics

Property Address: 131 Crossroads Boulevard, Cary, NC 27518

**Ruby  
Tuesday**



## POPULATION

|                 | 1 Mile | 3 Miles | 5 Miles |
|-----------------|--------|---------|---------|
| 2023 Projection | 10,931 | 79,315  | 193,605 |
| 2018 Estimate   | 9,909  | 74,360  | 183,625 |
| 2010 Census     | 8,941  | 65,517  | 161,203 |
| 2000 Census     | 8,191  | 60,131  | 140,860 |

## INCOME

|            | 1 Mile    | 3 Miles  | 5 Miles   |
|------------|-----------|----------|-----------|
| Average    | \$106,364 | \$97,003 | \$101,624 |
| Median     | \$82,641  | \$70,701 | \$73,981  |
| Per Capita | \$50,839  | \$42,234 | \$41,220  |

## HOUSEHOLDS

|                 | 1 Mile | 3 Miles | 5 Miles |
|-----------------|--------|---------|---------|
| 2023 Projection | 5,494  | 35,205  | 78,141  |
| 2018 Estimate   | 4,736  | 32,326  | 73,058  |
| 2010 Census     | 4,240  | 28,188  | 62,936  |
| 2000 Census     | 3,283  | 23,866  | 53,557  |

## HOUSING

|      | 1 Mile    | 3 Miles   | 5 Miles   |
|------|-----------|-----------|-----------|
| 2018 | \$238,382 | \$254,863 | \$279,397 |

## EMPLOYMENT

|                           | 1 Mile | 3 Miles | 5 Miles |
|---------------------------|--------|---------|---------|
| 2018 Daytime Population   | 12,696 | 95,785  | 267,030 |
| 2018 Unemployment         | 2.44%  | 2.94%   | 3.76%   |
| 2018 Median Time Traveled | 24     | 23      | 23      |

## RACE & ETHNICITY

|                        | 1 Mile | 3 Miles | 5 Miles |
|------------------------|--------|---------|---------|
| White                  | 65.09% | 67.30%  | 69.76%  |
| Native American        | 0.01%  | 0.06%   | 0.05%   |
| African American       | 15.36% | 14.13%  | 13.08%  |
| Asian/Pacific Islander | 10.36% | 8.76%   | 9.44%   |



# Market Overview

City: Cary | County: Wake | State: North Carolina

**Ruby  
Tuesday**

*Raleigh, NC*



## The Research Triangle

- Region compared to the Silicon Valley; desired for its highly skilled workforce and lower cost of living
  - #1 "The Best Places to Rent" *Forbes* (2018)
  - #2 "Tech Hub That Millennials Prefer to Silicon Valley" *Forbes* (2017)
  - #4 "Next Top Tech Town" *Realtor.com* (2017)
  - 49.5% of residents hold a bachelor's degree or higher (vs. 30% nationwide)
    - 192,000 students enrolled in higher education; 44,000 graduates entering the workforce each year with a bachelor's degree or higher
- 3 Tier-One research universities | University of North Carolina at Chapel Hill, North Carolina State University, and Duke University
- Research Triangle Park – The largest research park in the nation; 7,000 acres located in the center of the region with 50,000+ skilled workers and 250+ companies
  - Twice as concentrated in high-tech industries as the national average
  - \$1+ billion invested in the park in the past 5 years
  - Top employers are IBM Corporation (10k employees), Cisco Systems (5k employees), Fidelity Investments (3k employees), GlaxoSmithKline (2,600), and RTI International (2k employees)
  - 42.6 million square feet of office space currently under development; 1.7 million square feet of office space developed in 2017
- One of the fastest growing regions in the country with 60+ people per day moving to the area
  - 11.3% population growth over the last 5 years; 19.2% projected population growth from 2015-2027
  - 34% of North Carolina's growth over the next 25 years expected to occur in the region
  - #4 "Top Emerging Real Estate Market" *PWC* (2017)

## Major Employers

| EMPLOYER                       | # OF EMPLOYEES * |
|--------------------------------|------------------|
| Sas Institute Inc              | 7,626            |
| North Carolina State Univ      | 6,066            |
| Wknc FM Request Line           | 5,170            |
| Rex Healthcare Inc             | 3,049            |
| Carter & Burgess Inc           | 3,000            |
| Rex Hospital Inc               | 3,000            |
| Powerteam Services Subco LLC   | 1,993            |
| NC State University            | 1,391            |
| Fred Smith Company             | 1,334            |
| ABB Power T & D Company Inc    | 1,300            |
| Kroger                         | 1,013            |
| Wake County Transportation Sys | 1,000            |

**Ruby**  
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Marcus & Millichap

**Exclusive Net Lease Offering**

**Ben Yelm**

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