

# Outback Steakhouse

Charlottesville, VA

Two Miles From  
UNIVERSITY  
of VIRGINIA



# OFFERING MEMORANDUM



1101 Seminole Trail – Charlottesville, VA 22901

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# Investment Highlights

PRICE: \$5,539,094 | CAP: 5.25% | RENT: \$290,802



## About the Investment

- ✓ Two (2)-Miles from The University of Virginia – Over 24,000 Students & 15,000 Staff
- ✓ 11 Years Remaining on an Original 15-Year Lease
- ✓ Four (4), Five (5)-Year Renewal Options – Extending Total Possible Term to 35 Years
- ✓ Sales Significantly Above the Outback Average
- ✓ Strong Corporate Guarantee by OSI Restaurants, LLC

## About the Location

- ✓ Dense Retail Corridor | Burger King, Burton's Grill & Bar, Trader Joe's, Whole Foods, Five Guys, McDonald's, Food Lion, Costco Wholesale, Chick-fil-A, Belk, Starbucks, Wendy's, Raising Canes, Marshalls, Best Buy, and Many More
- ✓ Proximity to Major University | 2-Miles From University of Virginia | Over 22,000 Students & 15,000 Employees
- ✓ High Visibility & Strong Traffic Counts | Over 55,500 Vehicles Per Day on Seminole Trail
- ✓ Robust Growing Population | Over 11,500 & 65,000 Individuals Within A One and Three-Mile Radius Respectively | Around 5% Growth Projected By 2024
- ✓ Significant Healthcare Presence | UVA Health System | Includes Children's Hospital, General Hospital and Several Outpatient Facilities | 645-Total Beds
- ✓ Accommodation Corridor | 16-Hotels Within a 2-Mile Radius

## About the Tenant / Brand

- ✓ Bloomin' Brands (NASDAQ: BLMN) is One of The World's Largest Restaurant Companies – Approximately 1,500 Restaurants
- ✓ TTM Revenue of \$4.13 Billion & TTM Net Income of \$108 Million as of June 30, 2019
- ✓ Diversified Restaurant Portfolio – Bonefish Grill, Carraba's Italian Grill, Flemings Prime Steakhouse & Wine Bar
- ✓ Outback Steakhouse – Australian Themed Causal Dining – 979 Locations Worldwide





# Financial Analysis

PRICE: \$5,539,094 | CAP: 5.25% | RENT: \$290,802



## PROPERTY DESCRIPTION

Property	Outback Steakhouse
Property Address	1101 Seminole Trail
City, State, ZIP	Charlottesville, VA 22901
Year Built / Renovated	1984
Building Size	6,192 SF
Lot Size	+/- 1.48 Acres
Type of Ownership	Fee Simple

## Purchase Price

Purchase Price	\$5,539,094
CAP Rate	5.25%
Annual Rent	\$290,802
Price / SF	\$894.55

## LEASE SUMMARY

Property Type	Net-Leased Restaurant
Ownership Type	Private
Tenant/Guarantor	Outback Steakhouse – OSI Restaurant Partners
Original Lease Term	15 Years
Rent Commencement	September 15 <sup>th</sup> , 2016
Lease Expiration	October 1 <sup>st</sup> , 2031
Lease Term Remaining	15 Years
Lease Type	True Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Every 5 Years
Options to Renew	Four (4), Five (5)-Year Options

## Rent Schedule

Lease Year(s)	Monthly Rent	Annual Rent	Rent Escalation
Year 1	\$23,520.83	\$282,250.00	-
Year 2	\$23,756.04	\$285,072.50	1%
Year 3	\$23,993.60	\$287,923.23	1%
Year 4 – Current Rent	\$24,233.54	\$290,802.46	1%
Year 5	\$24,475.87	\$293,710.48	1%
Year 6	\$24,720.63	\$296,647.59	1%
Year 7	\$24,967.84	\$299,614.06	1%
Year 8	\$25,217.52	\$302,610.20	1%
Year 9	\$25,469.69	\$305,636.31	1%
Year 10	\$25,724.39	\$308,692.67	1%
Year 11	\$25,981.63	\$311,779.59	1%
Year 12	\$26,241.45	\$314,897.39	1%
Year 13	\$26,503.86	\$318,046.36	1%
Year 14	\$26,768.90	\$321,226.83	1%
Year 15	\$27,036.59	\$324,439.10	1%
5 Year Options	Monthly Rent	Annual Rent	Rent Escalation
Option 1	\$27,306.95	\$327,683.50	1% Annually
Option 2	One Time Fair Market Value Reset		1% Annually
Option 3			1% Annually
Option 4			1% Annually

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for an Outback Steakhouse located at 1101 Seminole Trail in Charlottesville, Virginia. The property consists of roughly 6,192 rentable square feet of building space on an estimated 1.48-acre parcel of land.

The Outback Steakhouse is subject to a 15-year True Triple-Net (NNN) lease which began on September 15<sup>th</sup>, 2016 and has approximately 11 years remaining. The current rent is \$290,802 with rental increases of 1% annually through the options excluding the 2<sup>nd</sup> option period. The second option period rent shall be set to fair market. There are four (4), five (5)-year tenant renewal options, extending the total possible lease term to 35 years.



Outback Steakhouse is an Australian-themed restaurant chain that was founded in 1988 in Tampa, Florida. The company initially went public in 1991 with 49 restaurants and has grown into one of the most recognizable casual dining brands in the world with nearly 1,000 locations.

Outback is continually adapting to consumer preferences and now offers self-delivery in 240 of its restaurants with plans to grow the service to 80 percent of its U.S. restaurants by the end of 2020. Presently, the company has 979 Outback Steakhouse restaurants around the world (733 company owned & 246 franchised).

## Bloomin' Brands Profile

Bloomin' Brands (NASDAQ: BLMN) is one of the world's largest casual dining restaurant companies with approximately 1,500 restaurants through 48 states, Puerto Rico, Guam and 20 countries. The company operates restaurants through a portfolio of leading, differentiated restaurant brands including Outback Steakhouse, Carraba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Price points and degree of formality range from casual (Outback Steakhouse & Carraba's Italian Grill) to upscale casual (Bonefish Grill) and fine dining (Fleming's Prime Steakhouse & Wine Bar). Headquartered in Tampa, Florida, Bloomin' Brands has approximately 93,000 employees. Bloomin' Brands reported TTM total revenues of \$4.13 billion and TTM net income of \$108 million, as of June 30, 2019.



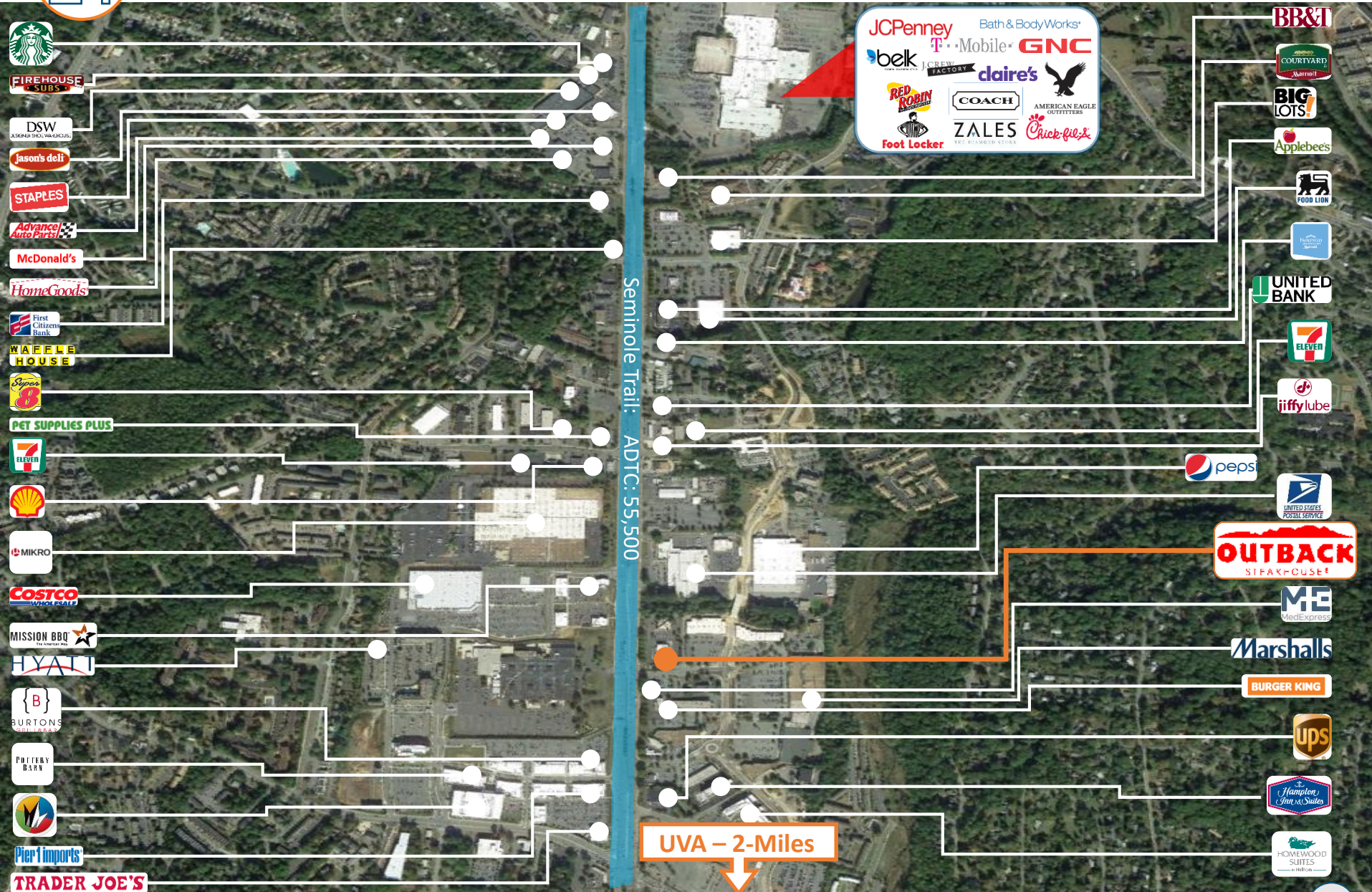
Outback Steakhouse – Charlottesville, VA





# Surrounding Area

Property Address: 1101 Seminole Trail – Charlottesville, VA 22901



FIREHOUSE SUBS

DSW

Jason's deli

STAPLES

Advance! Auto Parts

McDonald's

HomeGoods

First Citizens Bank

Waffle House

Spencer's

PET SUPPLIES PLUS

7 ELEVEN

Shell

MIKRO

COSTCO

MISSION BBQ

HYATT

BURTONS

POTTERY BARN

Pier 1 Imports

TRADER JOE'S



BB&T

COURTYARD

BIG LOTS

Applebee's

FOOD LION

UNITED BANK

7 ELEVEN

jiffylube

pepsi

UNITED STATES POSTAL SERVICE

OUTBACK STEAKHOUSE

ME MedExpress

Marshalls

BURGER KING

ups

Hampton Inn & Suites

HOMEWOOD SUITES

UVA - 2-Miles





# Location Overview

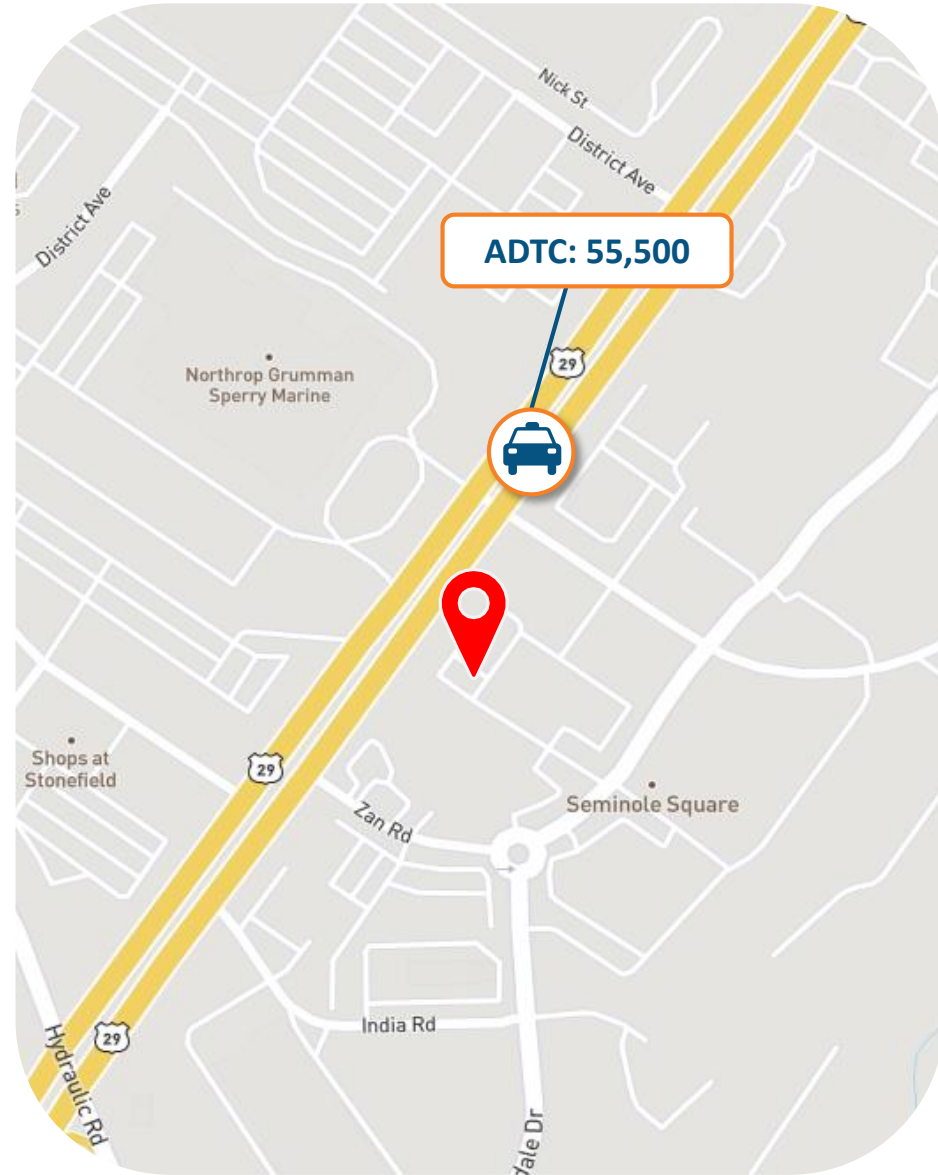
Property Address: 1101 Seminole Trail – Charlottesville, VA 22901



The subject Outback Steakhouse property is well-situated on Seminole Trail in Charlottesville, Virginia which boasts average daily traffic counts over 55,000 vehicles. Additionally, the intersection of U.S. Highway-29 and Emmitt Street N. bring another 60,000 vehicles to the immediate area daily. There are more than 11,600 individuals residing within a one-mile radius of the property and more than 65,000 individuals within a three-mile radius. By 2024, the population is expected to increase around 5% in the surrounding area.

This Outback Steakhouse benefits from its strategic position in a highly dense retail corridor consisting of national and local tenants and shopping centers all within close proximity of this property. Major national tenants in the immediate area include: Burger King, Burton's Grill & Bar, Trader Joe's, Whole Foods, Five Guys, McDonald's, Food Lion, Costco Wholesale, Chick-fil-A, Belk, Starbucks, Wendy's, Raising Canes, Marshalls, and Best Buy, among many others. This property also benefits significantly from being just 2-miles from The University of Virginia which services over 24,000 students and employs over 15,000 individuals. The University of Virginia Health System is only three-miles away and includes a children's hospital, a general hospital, several outpatient facilities as well as multiple teaching & educational facilities for students of The University of Virginia. This subject property also benefits from being within a two-mile radius of 16 hotels which accommodate visitors to the University of Virginia and the greater Charlottesville area.

Charlottesville is a city in and the county seat of Albemarle County. It is home to the University of Virginia and apart of the Charlottesville Metropolitan Statistical Area. The economy offers a mix of industries: Health Care & Social Assistance, Educational Services, Retail Trade, and Manufacturing. The high-quality workforce, of which 40% have at least a Bachelor's degree, attracts growing startups as well as major established companies to the area. Major employers include: The University of Virginia, Martha Jefferson Hospital, National Ground Intelligence Center, Northrop Grumman Corp., U.S. Department of Defense, and CFA Institute.







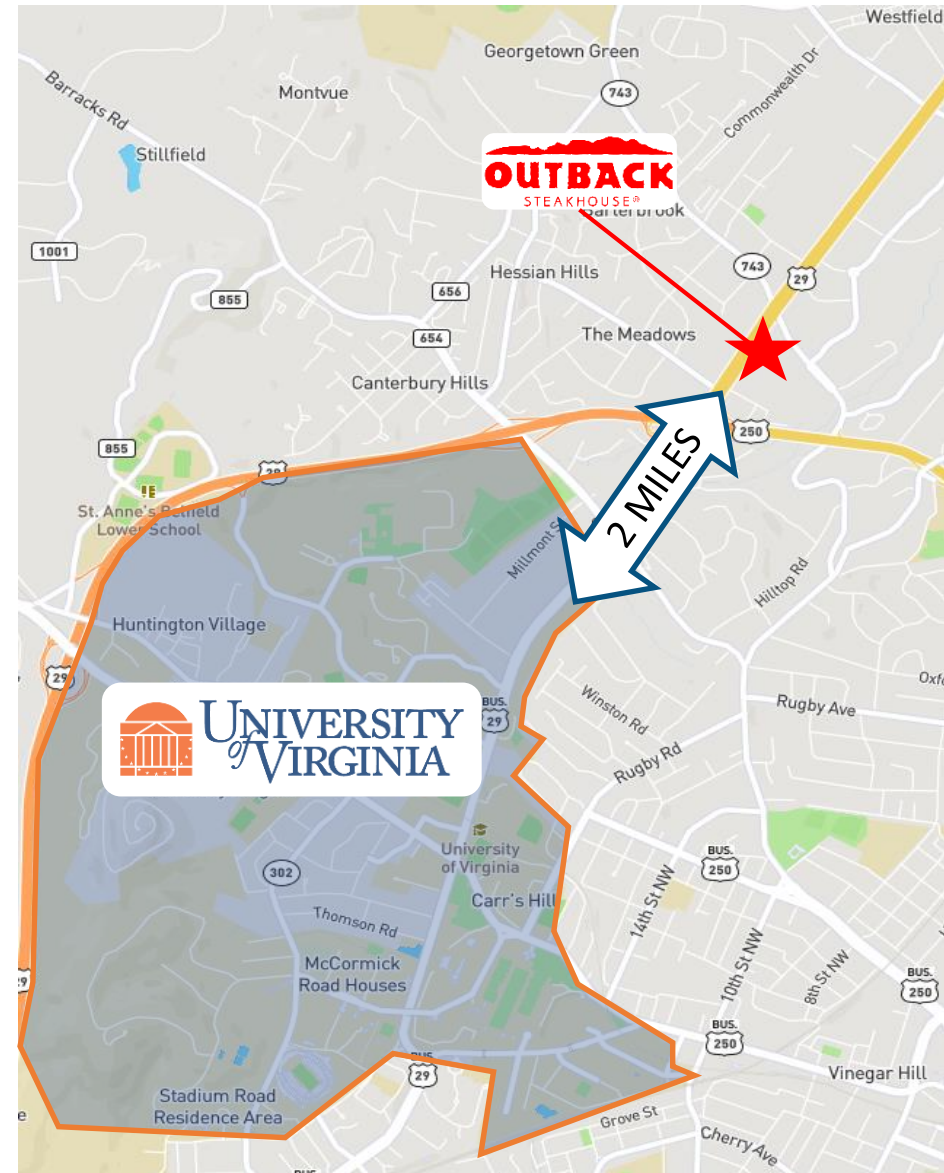
# UNIVERSITY of VIRGINIA

## General Information

Established	1819
Website	<a href="http://www.virginia.edu">www.virginia.edu</a>
Students	24,639
Total Staff	16,000+
Location	Charlottesville, VA
Sporting Affiliations	NCAA Division I, Atlantic Coast Conference
National Ranking	#28 (U.S. News and World Report)
Public University Ranking	#4 (U.S. News and World Report)

The University of Virginia (UVA) is a public research university in Charlottesville, Virginia. It was founded in 1819 by Declaration of Independence author Thomas Jefferson. It is the flagship university of Virginia and home to Jefferson's Academical Village, a UNESCO World Heritage Site. UVA is known for its historic foundations, student-run honor code and secret societies.

The University of Virginia offers 121 majors across the eight undergraduate and three professional schools. Its alumni have founded many companies, such as Reddit and CNET, which together produce more than \$1.6 trillion in annual revenue and have created 2.3 million jobs. It sits on a historic 1,135-acre (1.8 sq mi; 459.3 ha) central campus partially protected by UNESCO. The university additionally maintains 562 acres north of the campus at UVA Research Park, and 2,913 acres southeast of the city at Morven Farm.







# Site Photos

Property Address: 1101 Seminole Trail – Charlottesville, VA 22901







# Site Photos

Property Address: 1101 Seminole Trail – Charlottesville, VA 22901







# Surrounding Area Photos

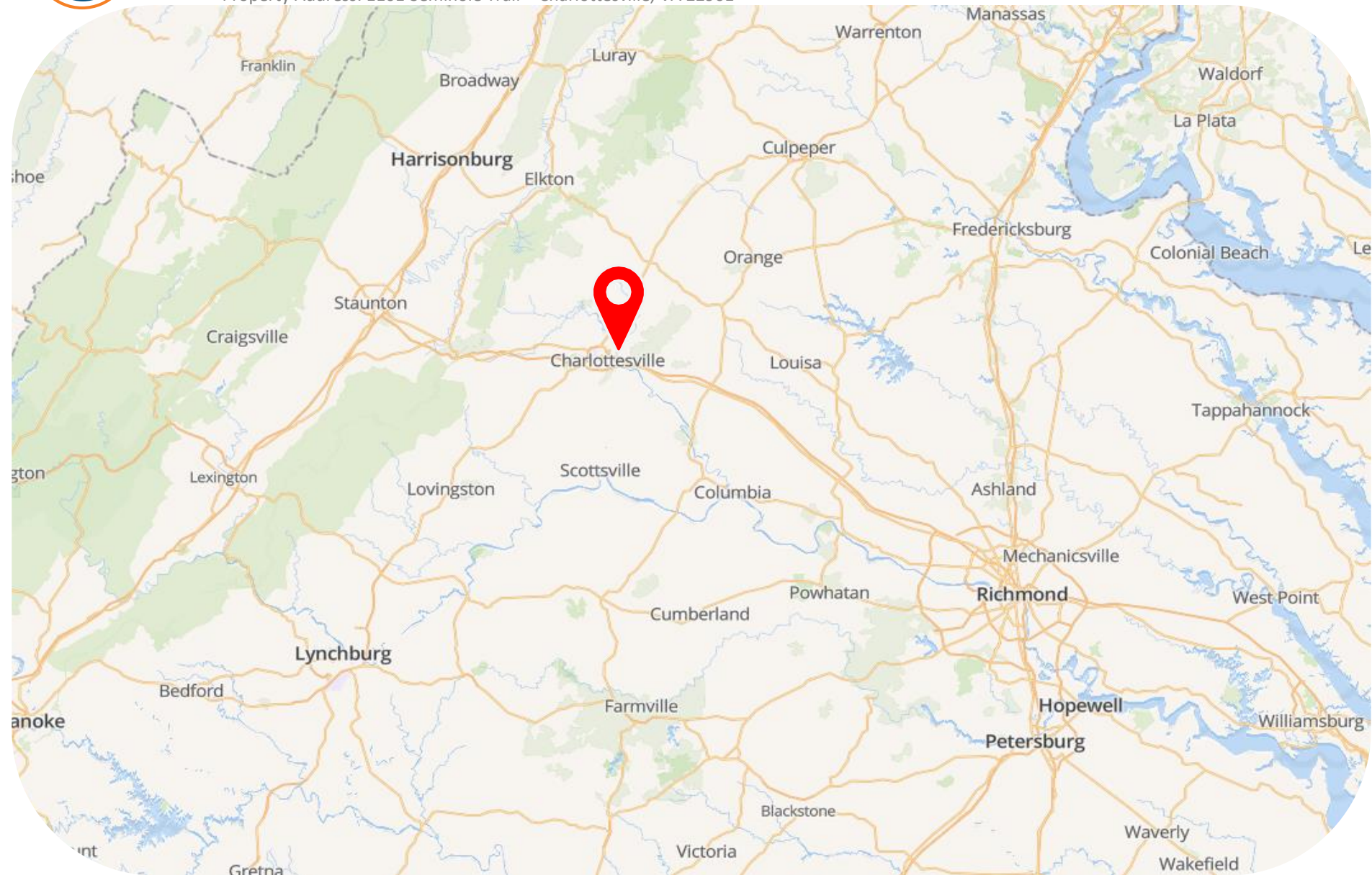






# Local Map

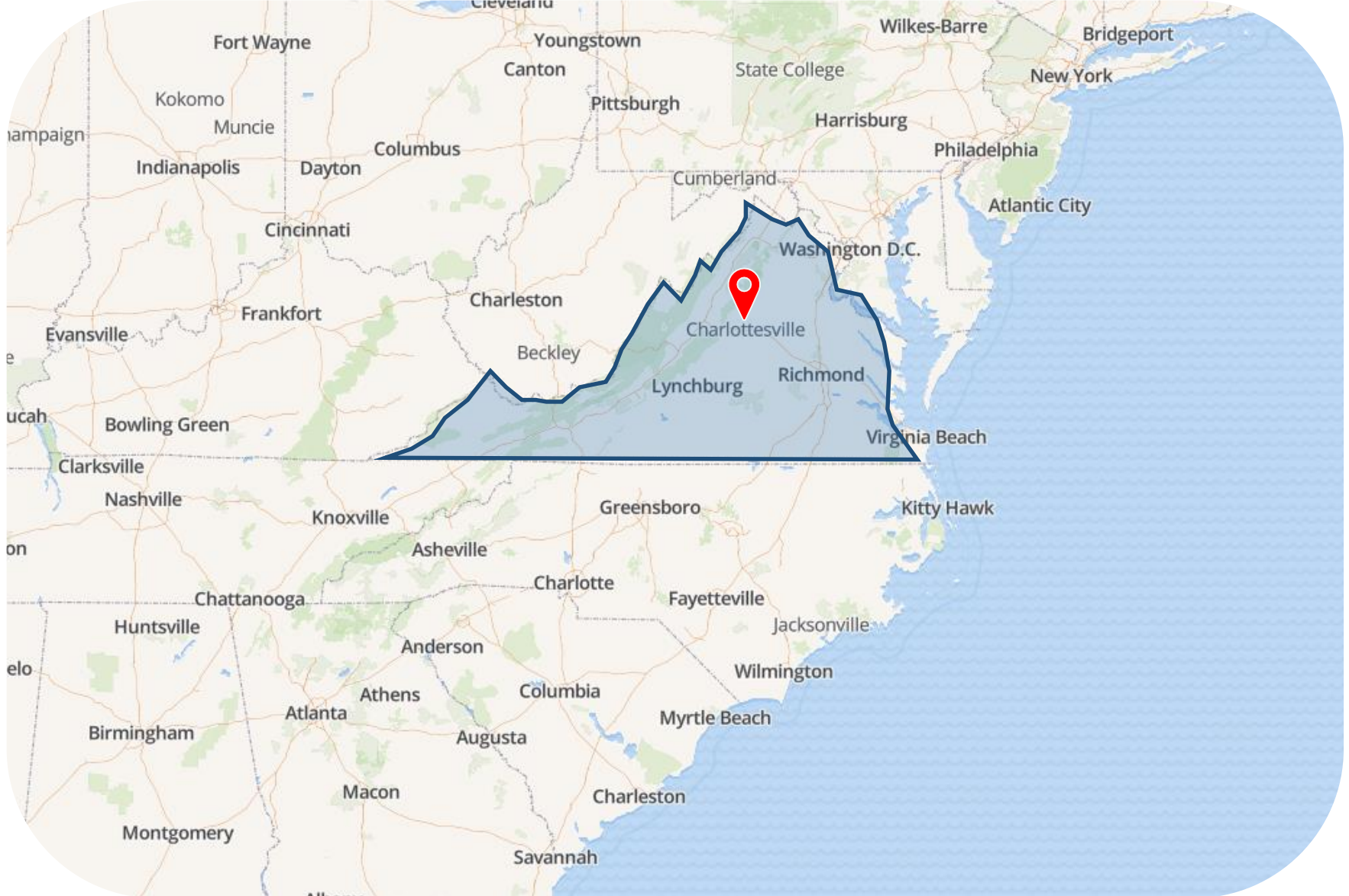
Property Address: 1101 Seminole Trail – Charlottesville, VA 22901





# Regional Map

Property Address: 1101 Seminole Trail – Charlottesville, VA 22901

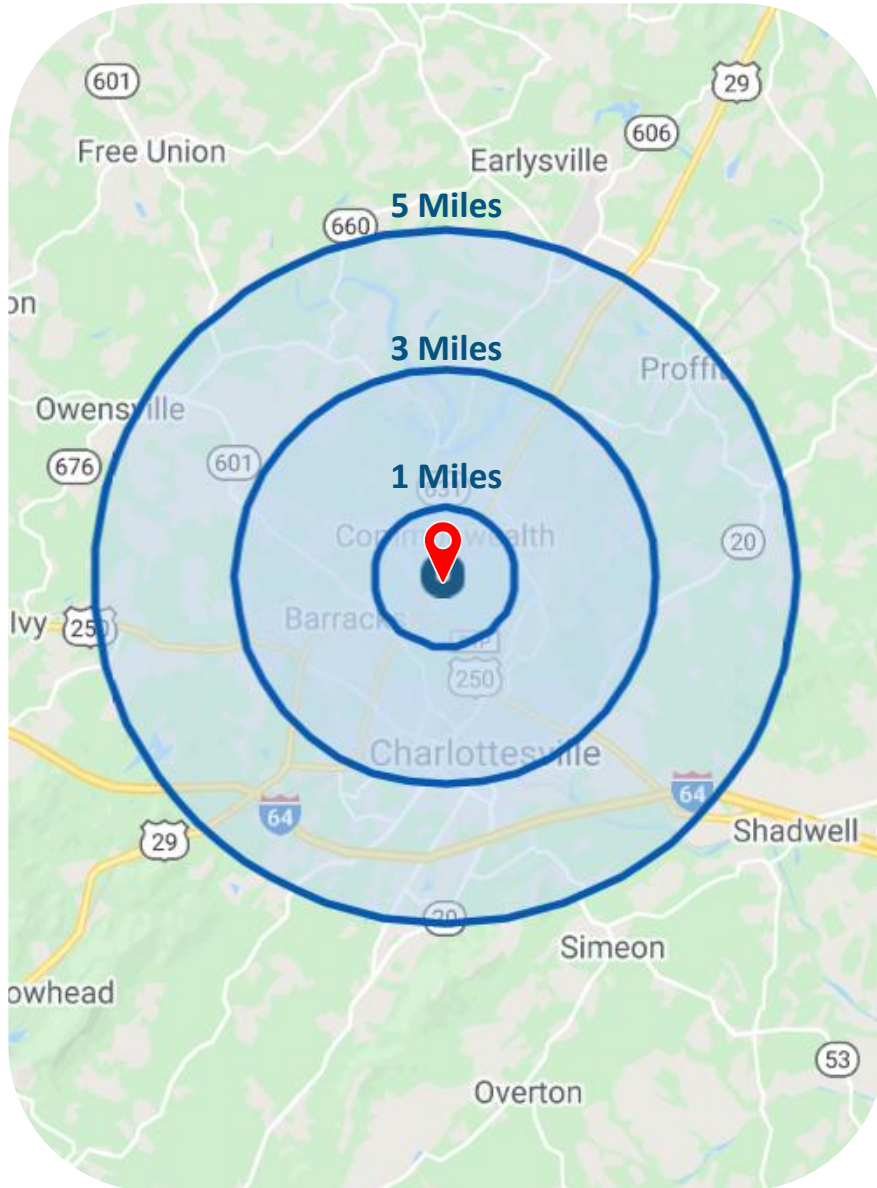






# Demographics

Property Address: 1101 Seminole Trail – Charlottesville, VA 22901



## POPULATION

	1 Mile	3 Miles	5 Miles
2024 Projection	11,897	67,977	108,235
2019 Estimate	11,643	64,984	103,090
2010 Census	11,236	60,324	94,892

## INCOME

	1 Mile	3 Miles	5 Miles
Average	\$80,887	\$92,746	\$98,338
Median	\$55,843	\$57,836	\$65,944
Per Capita	\$37,127	\$38,674	\$41,222

## HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2024 Projection	5,372	27,321	44,491
2019 Estimate	5,262	25,832	41,882
2010 Census	4,973	23,287	37,532

## HOUSING

	1 Mile	3 Miles	5 Miles
2018	\$260,432	\$322,492	\$323,656

## EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2019 Daytime Population	18,488	132,009	172,596
2019 Unemployment	2.91%	3.31%	3.02%
2019 Median Time Traveled	20 mins	18 mins	19 mins

## RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	59.19%	68.23%	70.23%
Native American	0.11%	0.08%	0.07%
African American	21.59%	15.98%	15.13%
Asian/Pacific Islander	6.75%	8.88%	8.02%



# Market Overview

City: Charlottesville | County: Albermarle | State: Virginia

## *Charlottesville, VA*

**Charlottesville,** is an economic anchor for the central Virginia Region - powered by the strength of top-ranked University of Virginia. The MSA is bordered by the Blue Ridge Mountains and comprises eight neighboring counties and the City of Charlottesville. Central Virginia offers a modern regional airport, major transportation arteries and is a short distance from the Port of Virginia, the deepest shipping channel on the East Coast. Charlottesville is home to an exceptionally skilled and educated workforce with over 40% of the MSA's population having at least a Bachelor's degree. The quality of the workforce has attracted both startups and major business to the region, creating a vibrant and diverse economy. A city deep in historic value, Charlottesville has raised three Presidents and is the home to the University of Virginia, founded by Thomas Jefferson in 1825 and consistently ranked as one of the top-five public universities in the country. Economic growth has been strong in the area over the last 20 years and with continued expansion of the University and the area's larger health-care facilities, further commercial and residential growth has continued to expand outward from the core of the city. The scarcity of available land in conjunction with strict zoning regulations provides a competitive advantage for the subject property.







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