

Red Lobster

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



803 S University Drive
Plantation, FL 33324

Confidentiality and Disclaimer

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

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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

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 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.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

803 S University Drive
Plantation, FL 33324



Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept Overview	6-12
Surrounding Area	13
Location Overview	14
Local Map	15
Regional Map	16
Demographics	17
Market Overview	18





Investment Highlights

PRICE: \$7,531,818 | CAP: 6.00% | RENT: \$451,909



About the Investment

- ✓ Long-Term, Absolute Triple-Net (NNN) Lease with Approximately 24 Years Remaining on the Base Term
- ✓ Corporate Tenant | Corporate Guaranty
- ✓ Attractive Rental Increases of Two Percent (2.00%) Annually
- ✓ Four (4), Five (5)-Year Tenant Renewal Options

About the Location

- ✓ Dense Retail Corridor | Target, Dick's Sporting Goods, Home Goods, Marshalls, JCPenney, Macy's, Kohl's, Dillard's, Dollar Tree, Publix, Walgreens, Barnes & Noble, Chick-fil-A, Carrabba's Italian Grill, Buffalo Wild Wings, Firehouse Subs, KFC, TGI Fridays, Pollo Tropical and Many More
- ✓ Heavily Trafficked Area | S. University Drive, W Boward Blvd, and I-595 | Average Daily Traffic Counts Exceeding 64,734, 52,479 and 163,310 Respectively
- ✓ Densely Populated Area | There are More Than 377,533 Individuals Residing Within a Five-Mile Radius
- ✓ Compelling Location Fundamentals | Located As a Suburb of Fort Lauderdale, FL | Major City in the United States

About the Tenant / Brand

- ✓ Red Lobster is the largest seafood restaurant concept in the world and is an iconic full-service brand with broad demographic appeal and a significant advertising budget (2nd-largest in casual dining)
- ✓ The Company was founded in 1968 and currently operates over 700 restaurants throughout the United States and Canada, and has more than 40 franchised restaurants in international markets
- ✓ Red Lobster is led by an experienced management team with a history of success leading the brand (average 27+ years experience across executive team)
- ✓ The company generates \$2.5B in revenue and is the 6th-largest casual dining concept in North America





Financial Analysis

PRICE: \$7,531,818 | CAP: 6.00% | RENT: \$451,909



PROPERTY DESCRIPTION

Property	Red Lobster
Property Address	803 S. University Drive
City, State ZIP	Plantation, FL 33324
Year Built / Renovated	1989 / 1993
Building Size (SF)	7,978
Lot Size (Acres)	+/- 1.91
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$7,531,818
CAP Rate	6.00%
Annual Rent	\$451,909

LEASE SUMMARY

Property Type	Net-Leased Restaurant
Tenant	Red Lobster Hospitality LLC
Guarantor	Red Lobster Intermediate Holdings, LLC
Lease Commencement	July 28, 2014
Lease Expiration	July 31, 2044
Lease Term Remaining	24 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	2.00% annually
Options to Renew	Four (4), Five (5)-Year Options

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
Current	\$451,909	\$37,659	-
Year 8	\$460,947	\$38,412	2.00%
Year 9	\$470,166	\$39,181	2.00%
Year 10	\$479,569	\$39,964	2.00%
Year 11	\$489,161	\$40,763	2.00%
Year 12	\$498,944	\$41,579	2.00%
Year 13	\$508,923	\$42,410	2.00%
Year 14	\$519,101	\$43,258	2.00%
Year 15	\$529,483	\$44,124	2.00%
Year 16	\$540,073	\$45,006	2.00%
Year 17	\$550,875	\$45,906	2.00%
Year 18	\$561,892	\$46,824	2.00%
Year 19	\$573,130	\$47,761	2.00%
Year 20	\$584,592	\$48,716	2.00%
Year 21	\$596,284	\$49,690	2.00%
Year 22	\$608,210	\$50,684	2.00%
Year 23	\$620,374	\$51,698	2.00%
Year 24	\$632,782	\$52,732	2.00%
Year 25	\$645,437	\$53,786	2.00%
Year 26	\$658,346	\$54,862	2.00%
Year 27	\$671,513	\$55,959	2.00%
Year 28	\$684,943	\$57,079	2.00%
Year 29	\$698,642	\$58,220	2.00%
Year 30	\$712,615	\$59,385	2.00%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive offering for a Red Lobster located at 803 S University Drive in Plantation, FL. The site consists of roughly 7,978 rentable square feet of building space on an estimated 1.91-acre parcel of land. This Red Lobster is subject to a long-term, absolute triple-net (NNN) lease, which commenced July 28, 2014. The current annual rent is \$451,909 and is scheduled to increase by 2.00% annually throughout the remainder of the base term and in each of the four (4), five (5)-year tenant renewal options.



Concept Overview

About Red Lobster



- Red Lobster is the largest seafood restaurant concept in the world and is an iconic full service brand with broad demographic appeal and a significant advertising budget (2nd largest in casual dining).
- The Company was founded in 1968 and currently operates 700+ restaurants throughout the United States and Canada and has 40+ franchised restaurants in international markets.
- Red Lobster is led by an experienced management team with a history of success leading the brand (average 27+ years experience across executive team).
- The company generates \$2.5B in revenue and is the 6th largest casual dining concept in North America.

The Transaction

- On July 28th, 2014, Golden Gate Capital (“GGC”) acquired Red Lobster from Darden Restaurants.
- Red Lobster is now an independently owned company, completely separate from Darden Restaurants.
- Golden Gate Capital has a long, successful track record and significant experience with multi-unit restaurant and retail businesses.



GOLDEN GATE CAPITAL



OUR HISTORY

FRESH IS IN OUR FOOD

Each day, you'll find an updated selection of fresh fish on our Today's Fresh Fish menu, not to mention live Maine lobster, freshly baked Cheddar Bay Biscuits™, crisp salads and a host of fresh seafood recipes waiting to be explored.

FRESH IS IN OUR KNOWLEDGE

No one knows seafood better than we do. As global seafood buyers, we have employees stationed throughout the world who inspect our seafood the moment it comes out of the water. They ensure it meets standards that are second to none. Then, the renowned chefs at our culinary center deliver the fresh expertise that turns it all into something truly special.

FRESH IS IN OUR DEDICATION

We hold ourselves to the highest standards for service, quality and a welcoming atmosphere. And we're focused on doing what's right – for our employees, in our communities and in the world.

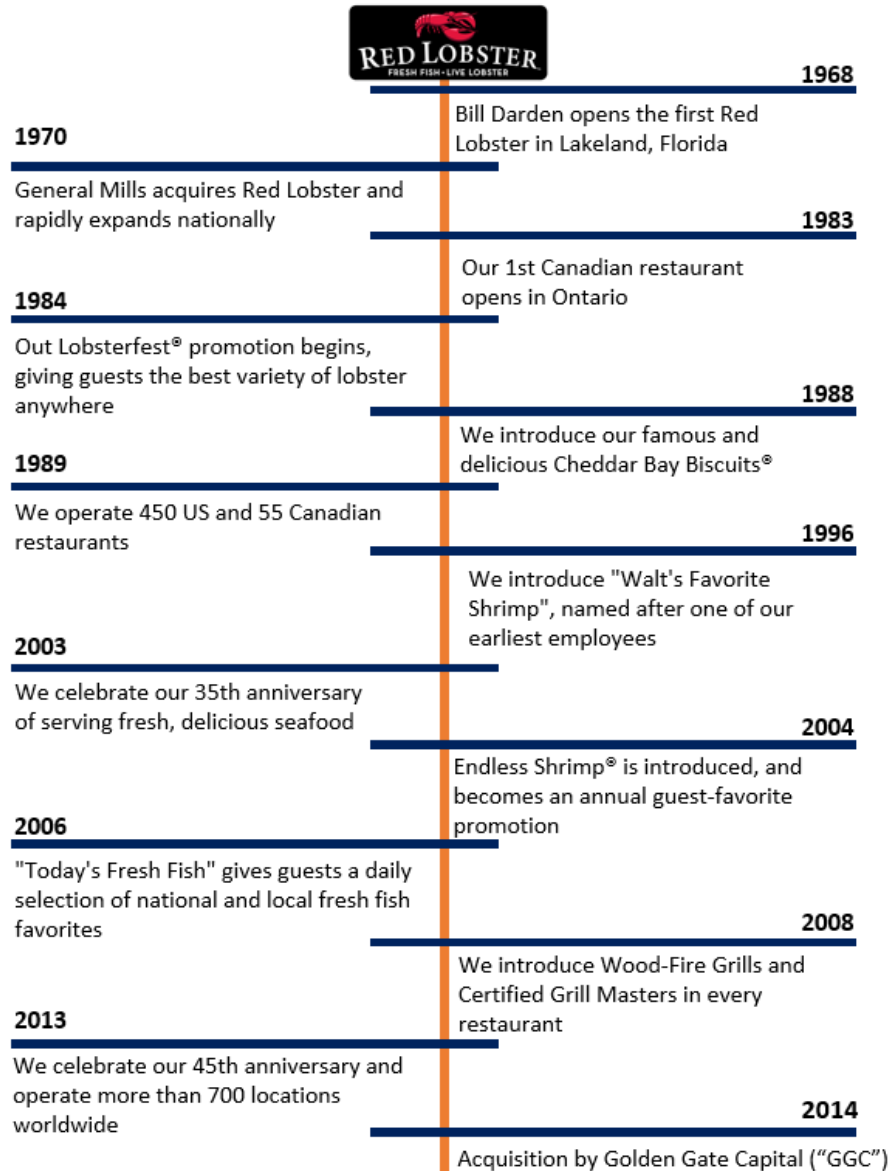
FRESH IS IN OUR COMMITMENT

You deserve the freshest food and thinking. So every time you visit one of our seafood restaurants or our online seafood store, you'll find an uncommon commitment to deliver the best of the sea with fresh energy and fresh ideas that we hope will make you want to come back again and again.

We invite you to come in and experience our commitment to quality for yourself. Whether it's choosing your favorite fresh fish from our "Today's Fresh Fish" menu, or selecting your favorite seafood to be prepared over our wood-fired grill, Red Lobster is the place you can enjoy fresh, delicious seafood now and for generations.



Concept Overview





Concept Overview



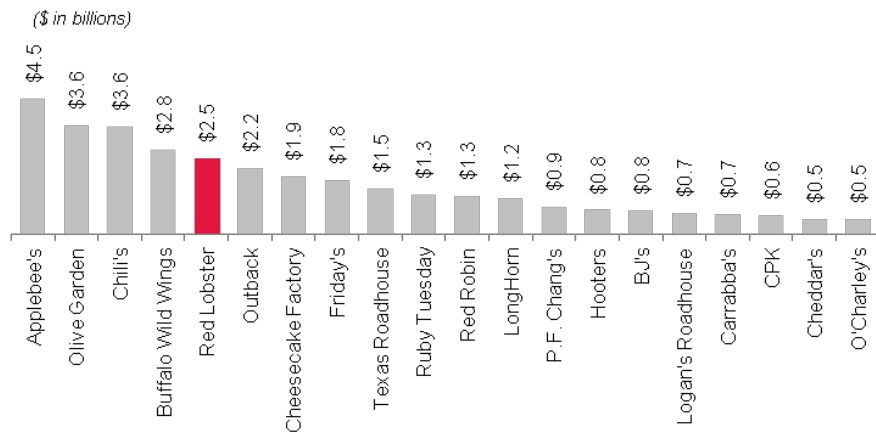
Strong Market Position

- Red Lobster is the largest seafood restaurant concept in the world and the 6th largest casual dining concept in the United States with over \$2.5 billion in annual sales and 700+ restaurants.
- The Company is the category killer in the seafood casual dining space, holding almost 50% market share.
 - Largest share of any restaurant concept in any segment.
- 6th largest overall casual dining concept in the US.

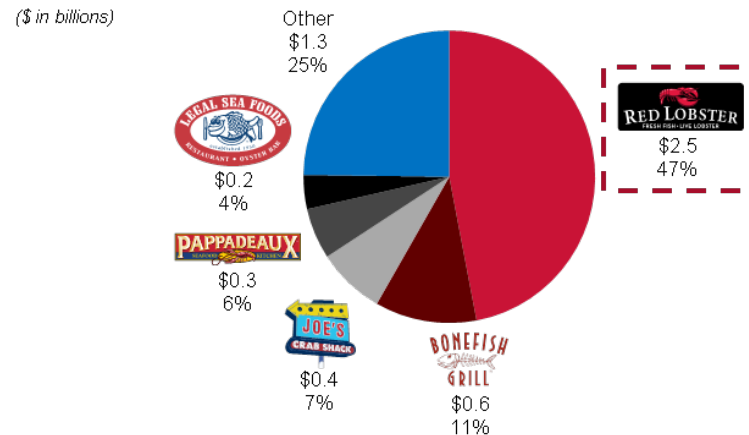
Significant Scale With Broad Geographic Reach



6th Largest Casual Dining Concept in the US



~50% Share in Seafood Casual Dining





Concept Overview



Iconic Brand With Unparalleled Customer Loyalty

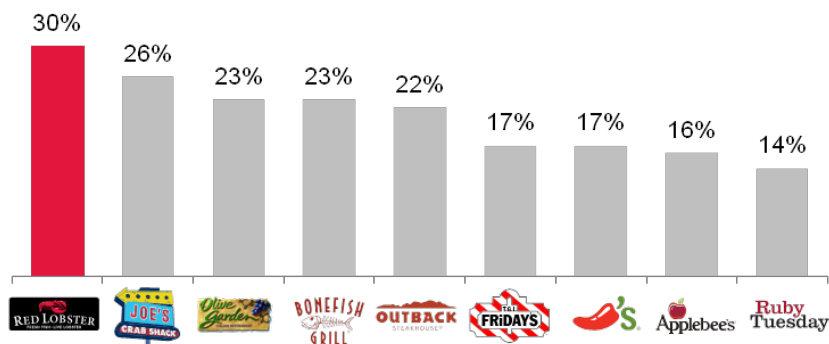
- Red Lobster has strong consumer appeal and broad usage across multiple dining out occasions, including high-crave, healthier “good for you” and special meal occasions.
- The brand has a strong foundation of loyal guests, who visit 1-2 times per month and account for more than 50% of sales.
- Red Lobster is the clear leader in casual dining seafood, and the most indispensable brand among major casual dining concepts, further indicating strong consumer loyalty.

Healthy and Recently Remodeled Restaurant Base

- Over \$320 million invested in remodels covering >90% of restaurants over the past 9 years.
- \$1.4 billion in overall capital expenditure investment over the past 11 years.
- New Bar Harbor format has strong appeal across customer base.
- 100% of restaurants are cash flow positive.

Indispensability vs. Peers

Indispensability (How difficult it would be for me to ‘give up’ ever going there again) - % very difficult (10 out of 10) shown

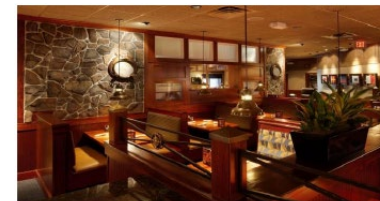


New Bar Harbor Format

Before



After





Concept Overview



Red Lobster is led by an experienced management team with prior success leading the brand.



Kim Lopdrup
CEO
(31 years in Restaurant Industry)

- Kim served as President of Red Lobster from FY2005 to FY2011, a period of consistent, above-market growth for the brand
- Prior to his return to Red Lobster, Kim served as President of Specialty Restaurant Group and New Business
- Before joining Darden, Kim served as EVP and COO of North America for Burger King, and at Dunkin' Brands as VP of Marketing and CEO of its international division
- BBA, College of William & Mary; MBA with distinction, Harvard Business School



Salli Setta
President
(28 years in Restaurant Industry)

- Salli was named President of Red Lobster in July of 2013
- Prior to her promotion to President, Salli served as Red Lobster's EVP of Marketing, before which she held numerous roles in Marketing and Culinary at Olive Garden during its turnaround, including VP Marketing and SVP Culinary and Beverage
- 24 years of experience in restaurant marketing, advertising and menu development; named "Menu Strategist of the Year" in 2003; recipient of three Menu Masters' Awards and a Silver Effie for her work on the "Hospitaliano" ad campaign
- BA, University of Central Florida; MBA, Florida Institute of Technology



Bill Lambert
CFO
(12 years in Restaurant Industry)

- Bill served as CFO of Red Lobster from FY2006 to FY2010
- Prior to his return to Red Lobster, Bill served as CFO of LongHorn Steakhouse
- Prior to joining Darden and Red Lobster, Bill spent 21 years with Federated Department Stores in various roles including CFO of Macy's Central
- BS, Duke University; MBA, University of Michigan



Chip Wade
EVP Operations
(30 years in Restaurant Industry)

- Darryl "Chip" Wade is EVP of Operations at Red Lobster
- Previously, Chip held positions in Enterprise Operations at Darden and as SVP of its Smokey Bones brand
- Outside of Darden, Chip previously served as COO of Legal Sea Foods and in various operations management roles at TGI Friday's
- BA, Widener University; MBA, University of Texas



Concept Overview



GOLDEN GATE CAPITAL

- Golden Gate Capital (GGC) is a San Francisco-based Private Equity firm with over \$15 billion of capital under management.
- GGC has been one of the most active acquirers of multi-unit restaurant and retail companies.
 - Over the past 10 years, GGC has invested in restaurant and retail companies with annual revenues in excess of \$15 billion.
- GGC's investors include leading educational endowments, non-profit foundations, and selected entrepreneurs and managers.
- Investment approach is to partner with strong management teams to acquire strong, established brands with an opportunity to grow earnings through better execution, productivity improvements and unit growth.
- Excellent track record with acquiring and growing divisions of corporations.

Select Restaurant Investments

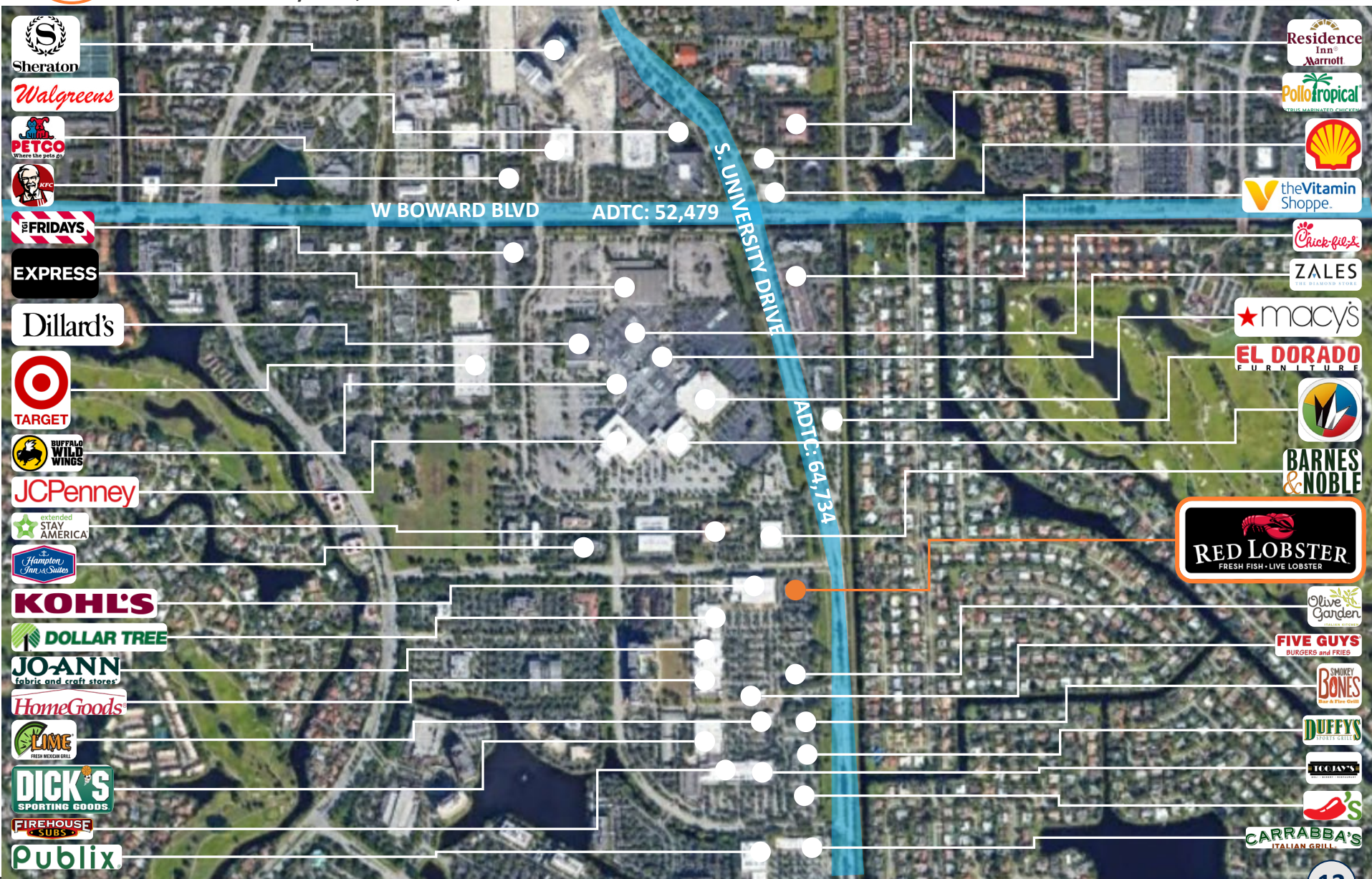
Restaurant Private Equity Investments





Surrounding Area

803 S. University Drive, Plantation, FL 33324





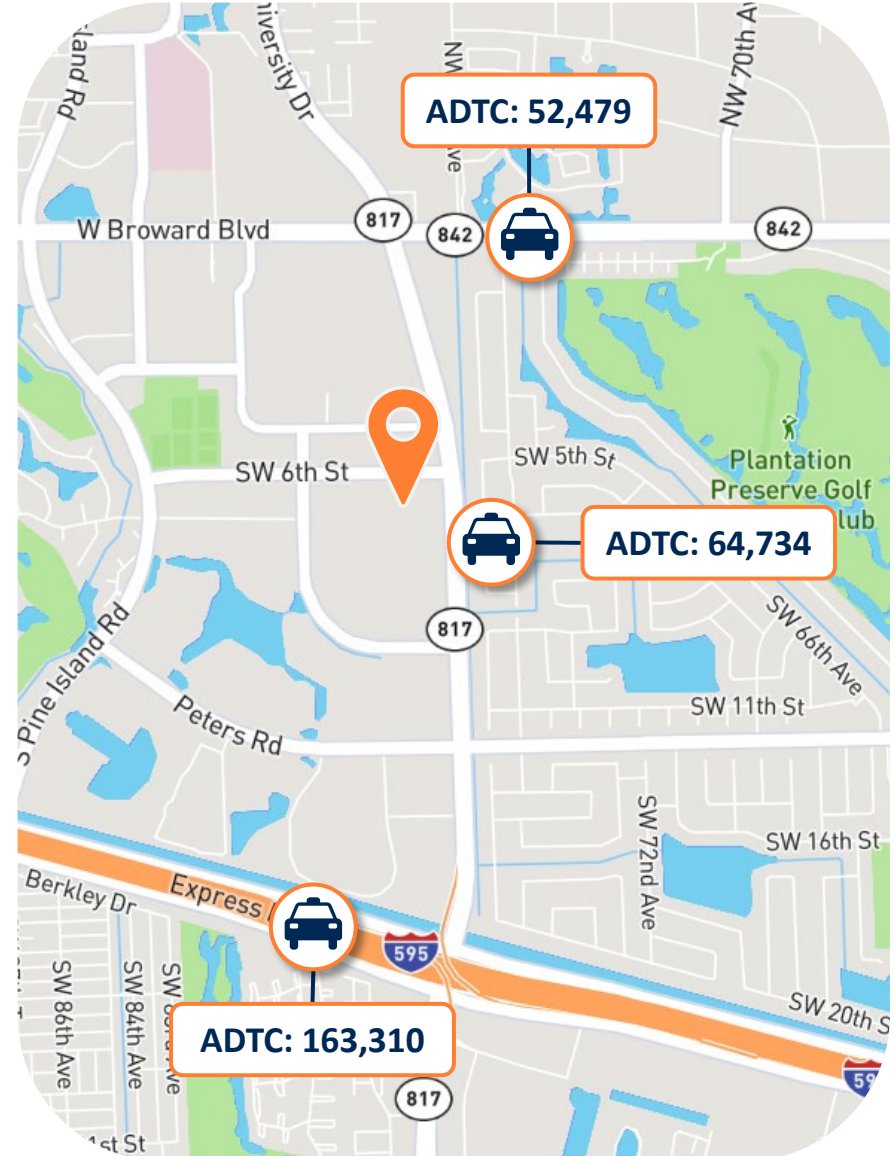
Location Overview

803 S. University Drive, Plantation, FL 33324

This Red Lobster benefits from premium frontage on S University Drive which experiences average traffic counts of 64,734 vehicles per day. S University Drive intersects with W Broward Blvd and I-595 which bring an additional 52,479 and 163,310 vehicles into the immediate area, respectively. There are more than 128,810 individuals residing within a three-mile radius of the subject property and approximately 350,305 individuals within a five-mile radius.

The subject property is well-positioned in a dense retail corridor, benefiting from its proximity to major national and local retailers, hospitality accommodations shopping centers, and medical facilities. Major national tenants include: Target, Dick's Sporting Goods, Home Goods, Marshalls, JCPenney, Macy's, Kohl's, Dillard's, Dollar Tree, Publix, Walgreens, Barnes & Noble, Chick-fil-A, Carrabba's Italian Grill, Buffalo Wild Wings, Firehouse Subs, KFC, TGI Fridays, Pollo Tropical, as well as many more. This Red Lobster property also benefits from sitting less than four miles south of The Plantation General Hospital, which has a bed count exceeding 260, offers surgical services including orthopedic, sports medicine, thoracic oncology and endovascular procedures. Plantation General Hospital Medical serves as the top resource in the surrounding area for cancer treatment, diagnostic imaging, and orthopedic treatment. Within walking distance of the subject property is the oldest club in the city, the Fort Lauderdale Country Club. FLCC is a 293-acre establishment, home to a 36-hole championship golf course, and other various amenities. Less than 20 minutes from the subject property is the Fort Lauderdale-Hollywood International Airport. In 2018, the airport processed over 35 million passengers, a 10% increase from the previous year, speaking to the growth of the surrounding area.

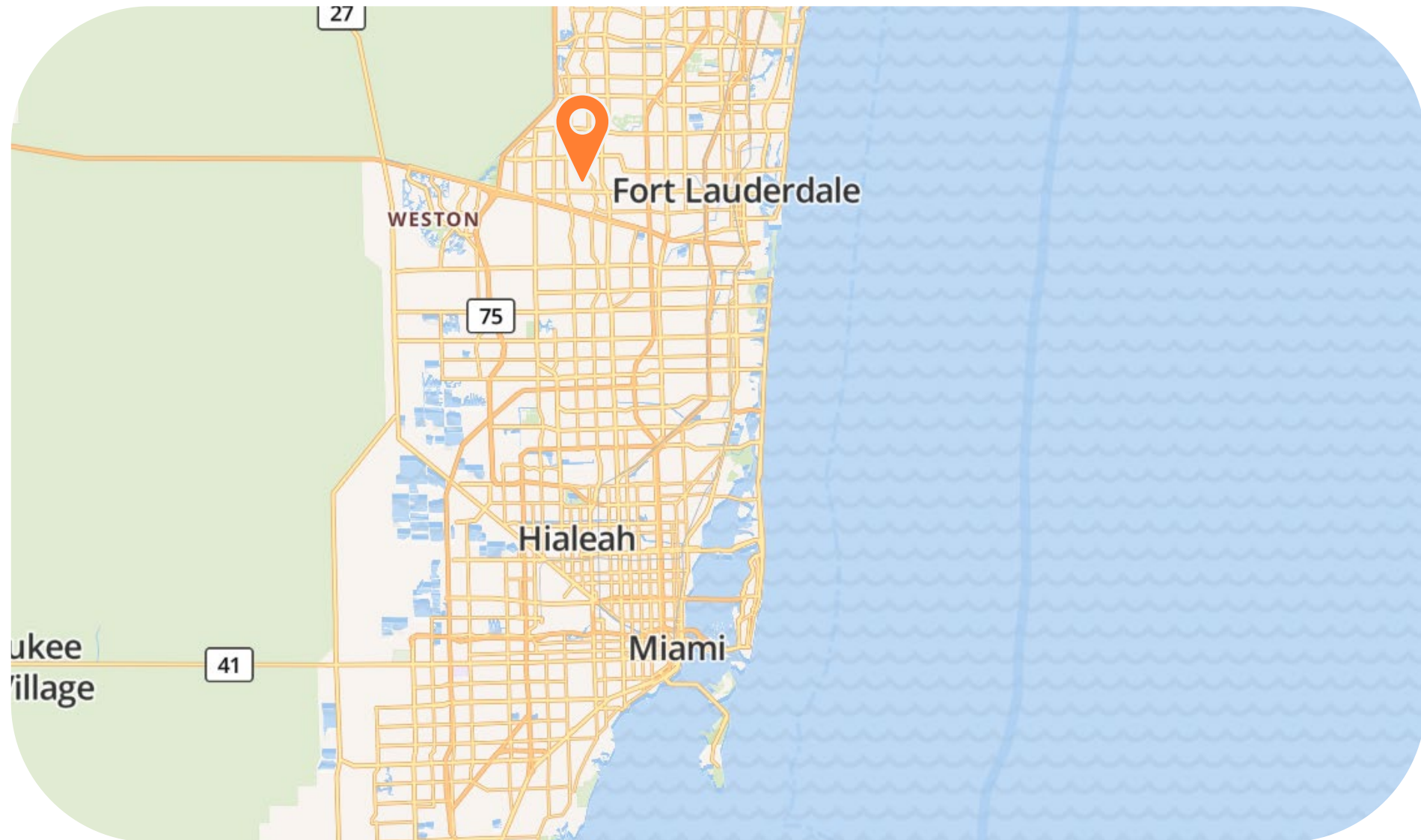
Plantation is a city in Broward County, FL, and has population of over 90,000. The city is known for its high quality of living and year-round warm weather. This makes Plantation an ideal stop for many individuals in search of a permanent or vacation south Florida home. The city also benefits from proximity to Fort Lauderdale and Hollywood Florida, which are some of the top tourists' destinations in the state. This mix of tourism residential traffic provides the subject property with a consistent customer base.





Local Map

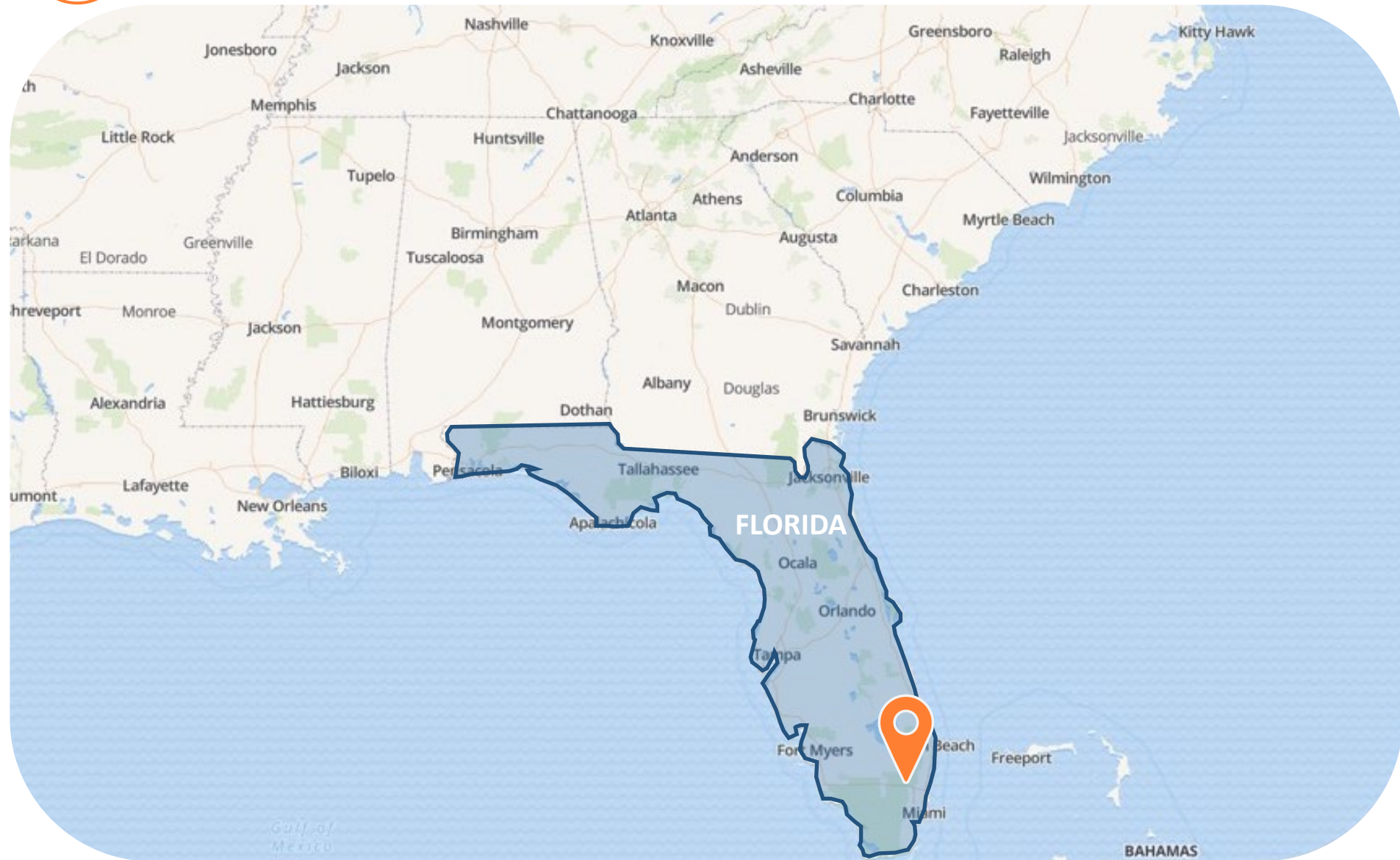
803 S. University Drive, Plantation, FL 33324





Regional Map

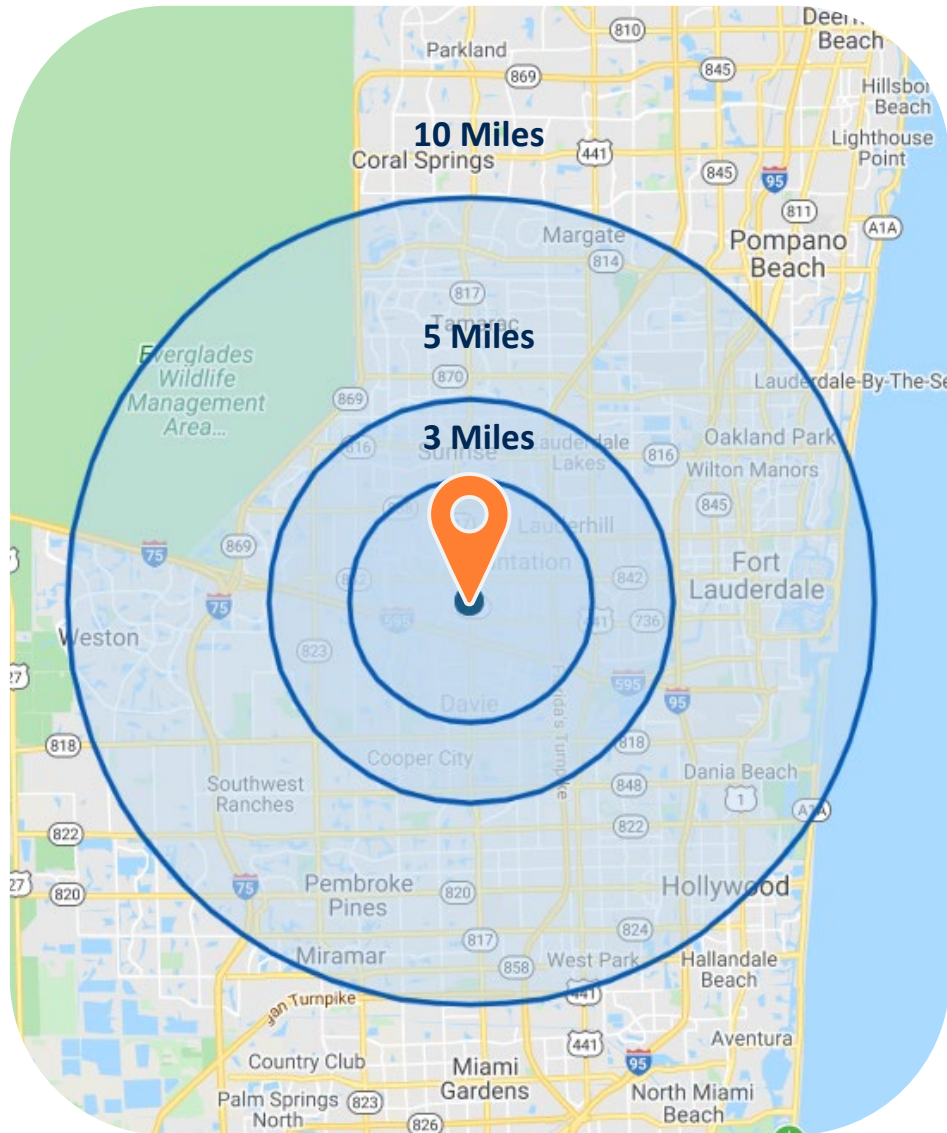
803 S. University Drive, Plantation, FL 33324





Demographics

803 S. University Drive, Plantation, FL 33324



	3 Miles	5 Miles	10 Miles
POPULATION			
2024 Projection	131,041	383,979	1,335,506
2019 Estimate	128,820	377,533	1,312,738
2010 Census	120,005	350,305	1,217,064
2000 Census	116,673	342,476	1,160,901
INCOME			
Average	\$89,031	\$74,951	\$78,533
Median	\$62,398	\$52,282	\$54,445
Per Capita	\$36,158	\$29,079	\$31,211
HOUSEHOLDS			
2024 Projection	53,194	148,786	530,270
2019 Estimate	52,117	145,983	519,942
2010 Census	47,813	133,705	475,583
2000 Census	47,498	134,054	460,470
HOUSING			
2019	\$238,002	\$194,838	\$222,752
EMPLOYMENT			
2019 Daytime Population	151,543	337,232	1,336,742
2019 Unemployment	3.01%	3.66%	3.51%
2019 Median Time Traveled	28 Mins	30 Mins	30 Mins
RACE & ETHNICITY			
White	64.23%	51.13%	55.48%
Native American	0.10%	0.06%	0.07%
African American	23.65%	38.04%	32.93%
Asian/Pacific Islander	4.38%	3.48%	3.47%



Market Overview

803 S. University Drive, Plantation, FL 33324

Fort Lauderdale, FL

Fort Lauderdale is a city in the U.S. state of Florida, 25 miles north of Miami. It is the county seat of Broward County and a principal city in the Miami Metropolitan area. The city is a popular tourist destination, with an average year-round temperature of 75.5 °F and 3,000 hours of sunshine per year. Greater Fort Lauderdale, encompassing all of Broward County, hosted 13 million overnight visitors in 2018. There were over 560 hotels, and nearly 36,000 hotel rooms. From that, the county collected nearly \$87 million from its 5% hotel development tax it charges. Additionally, 3.89 million cruise passengers passed through its Port Everglades, making it the 3rd largest cruise port in the world. Fort Lauderdale is a major manufacturing and maintenance center for yachts. The boating industry is responsible for over 109,000 jobs in the county. With its many canals, and proximity to the Bahamas and Caribbean, it is also a popular yachting vacation stop, and home port for 42,000 boats, and approximately 100 marinas and boatyards. Additionally, the annual Fort Lauderdale International Boat Show, the world's largest boat show, brings over 125,000 people to the city each year.

Companies based in the Fort Lauderdale area include AutoNation, Citrix Systems, Commcare Pharmacy, DHL Express, KEMET Corporation, SEACOR Holdings, Spirit Airlines, and National Beverage Corporation. The largest employers in the county are Tenet Healthcare, which employs 5,000 people; American Express, which employs 4,200; FirstService Residential, which employs 3,900; Motorola, which employs 3,000, and Maxim Integrated Products, which employs 2,000 people.



Glen Kunofsky
Glen.Kunofsky@marcusmillichap.com
212.430.5115 | NY: 10301203289

Matthew Anuskiewicz
Matthew.Anuskiewicz@marcusmillichap.com
212.430.5129 | NY: 10401285141

Marcus & Millichap

EXCLUSIVE NET-LEASE OFFERING



FL BOR:
Ryan Nee
Marcus & Millichap
5900 N Andrews Ave #100
Fort Lauderdale, FL
License: # BK3154667



803 S. University Drive, Plantation, FL