

Subject Property



Lawton, Oklahoma



Marcus & Millichap

Offering Memorandum



25-Year, NNN Lease with 19  
Years Remaining on Base  
Term



2% Annual Rent Increases  
in Base Term and Option  
Periods



Major Retail Corridor on  
Cache Road With a Traffic  
Count of Nearly 30,000 VPD



Close Proximity to Fort Sill  
Military Base



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# Marcus & Millichap

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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.





## Overview

3112 Northwest Cache Road, Lawton, Oklahoma 73505

**Price:** \$3,375,000**Cap Rate:** 7.00%

Rentable Square Feet: 6,350

Annual Rent: \$236,198

Price PSF: \$531.50

Land Area: 1.47 Acres

Remodel: 2012

## Lease Summary

Tenant: Red Lobster

Website: [www.RedLobster.com](http://www.RedLobster.com)

Lease Guarantor: Corporate

Lease Type: NNN

Lease Term: 25 Years

Option Periods: 5, 5-Year Options

Rent Increases: 2% Annually

Roof &amp; Structure: Tenant Responsible

Commencement: 7/28/2014

Lease Expiration: 7/31/2039

## Base Term

## Annual

## Rent PSF

## Cap Rate

8/1/2020–7/31/2021: \$236,198 \$37.20 7.00%

8/1/2021–7/31/2022: \$240,922 \$37.94 7.14%

8/1/2022–7/31/2023: \$245,740 \$38.70 7.28%

8/1/2023–7/31/2024: \$250,655 \$39.47 7.43%

8/1/2024–7/31/2025: \$255,668 \$40.26 7.58%

8/1/2025–7/31/2026: \$260,781 \$41.07 7.73%

8/1/2026–7/31/2027: \$265,997 \$41.89 7.88%

8/1/2027–7/31/2028: \$271,317 \$42.73 8.04%

8/1/2028–7/31/2029: \$276,743 \$43.58 8.20%

8/1/2029–7/31/2030: \$282,278 \$44.45 8.36%

8/1/2030–7/31/2031: \$287,924 \$45.34 8.53%

8/1/2031–7/31/2032: \$293,682 \$46.25 8.70%

8/1/2032–7/31/2033: \$299,556 \$47.17 8.88%

8/1/2033–7/31/2034: \$305,547 \$48.12 9.05%

8/1/2034–7/31/2035: \$311,658 \$49.08 9.23%

8/1/2035–7/31/2036: \$317,891 \$50.06 9.42%

8/1/2036–7/31/2037: \$324,249 \$51.06 9.61%

8/1/2037–7/31/2038: \$330,734 \$52.08 9.80%

8/1/2038–7/31/2039: \$337,349 \$53.13 10.00%

### NNN Lease & Investment Highlights

- 25-Year, Triple Net (NNN) Lease with 19 Years Remaining on Base Term
- Five, Five-Year Renewal Options with Two Percent Annual Rent Increases
- Offered at a Seven Percent Cap Rate at \$531. Per Square-Foot

### Located in a Busy Retail and Populous Area

- Fort Sill Military Base, Cameron University, and Residential Neighborhoods Located within a Five-Mile Radius from Subject Property, Providing Outstanding Base of Customers for the Only Upscale Seafood Restaurant in Lawton, Oklahoma
- Total Population in Fort Sill is About 53,000 Including 20,000 Military and Civilian Personnel, and 33,000 Military Family Members
- Major Retail Corridor on Cache Road With a Daily Traffic Count of Nearly 30,000 Vehicles
- Around the Corner from a Walmart Supercenter and Sam's Club Anchored Shopping Center
- Surrounding National Retailers Including Walmart, Sam's Club, KFC, Lowe's, Home Depot, McDonald's, Burger King, Dunkin Donuts, Wendy's, Big Lots, Party City and Many More
- Exceptionally Located West of I-44 and South of Highway 62



**3112 Northwest Cache Road**  
**Lawton, Oklahoma 73505**

### *Subject Property*





## GOLDEN GATE CAPITAL

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. Red Lobster is well capitalized with >\$200M of liquidity. Golden Gate Capital has a long, successful track record and significant experience with multi-unit restaurant and retail businesses.

Golden Gate Capital 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.

**EXPRESS**

**J. R.**



california  
PIZZA KITCHEN

*Eddie Bauer*

**PAC SUN**

**ROMANO'S**  
*Macaroni*  
**GRILL**

**Talbots**

**Bob Evans®**



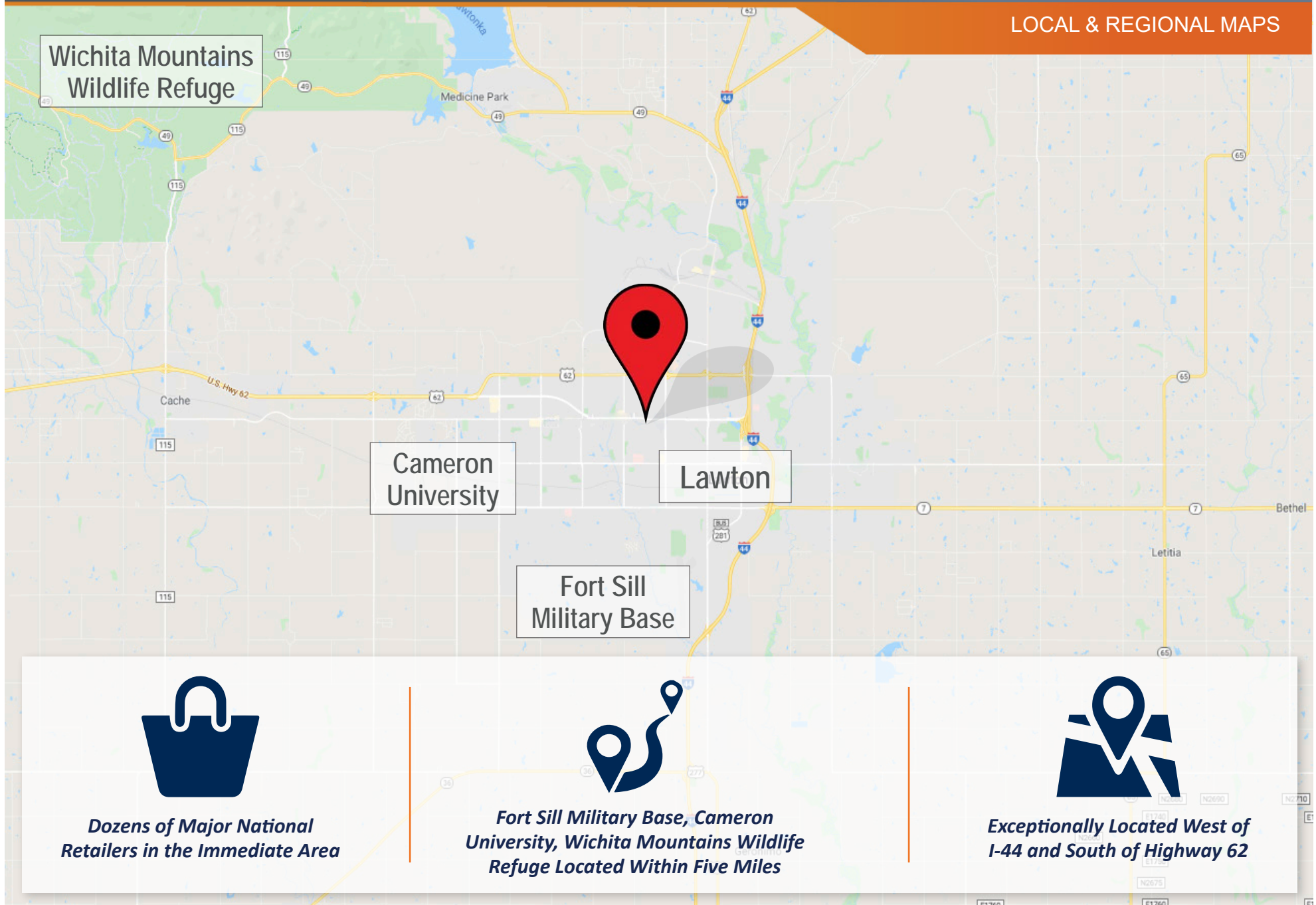
  
**RED LOBSTER**  
FRESH FISH • LIVE LOBSTER

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 704 restaurants throughout the United States and Canada and has 43 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 of experience across executive team). The company generates \$2.5B in revenue and is the 6th largest casual dining concept in North America.



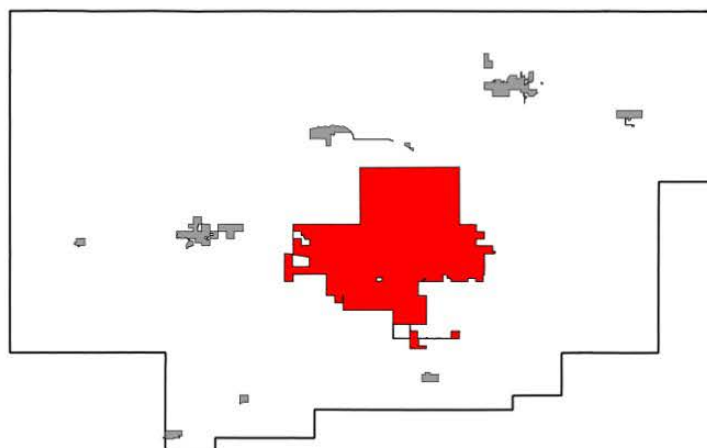






## LAWTON, OKLAHOMA OVERVIEW

Lawton is a city in, and the county seat of, Comanche County, in the State of Oklahoma. Located in southwestern Oklahoma, about 87 mi (140 km) southwest of Oklahoma City, it is the principal city of the Lawton, Oklahoma Metropolitan Statistical Area. According to the 2010 census, Lawton's population was 96,867, making it the fifth-largest city in the state, and the largest in Western Oklahoma.



### METRO HIGHLIGHTS



#### COMMUNITY AND BUSINESS DEVELOPMENT

At present, the city of Lawton is undertaking the Downtown Revitalization Project.



#### DIVERSE EMPLOYMENT OPPORTUNITIES

Lawton is primarily centered on government, manufacturing, and retail trade industries to be more visually appealing and pedestrian friendly to encourage business growth in the area.



#### POPULATION DISTRIBUTION

In the city, the population was distributed as 24.9 percent under the age of 18, 15.3 percent from 18 to 24, 30.2 percent from 25 to 44, 20.3 percent from 45 to 64, and 9.4 percent who were 65 years of age or older.



### ECONOMY

- Lawton MSA ranks fourth in Oklahoma with a gross domestic product of \$4.2 billion produced in 2008, with a majority (\$2.1 billion) in the government sector.
- Fort Sill is the largest employer in Lawton, with over 5,000 full-time employees. In the private sector, the largest employer is Goodyear Tire and Rubber Company with 2,400 full-time employees.
- Major employers in the Lawton area also include: Lawton Public Schools, Comanche County Memorial Hospital, City of Lawton, and Cameron University. Lawton includes two major industrial parks. One is located in the southwest region of town, while the second is located near the Lawton-Fort Sill Regional Airport.

### DEMOGRAPHICS





## DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	12,353	63,589	87,095
2019 Population	12,044	62,120	85,947
2024 Population	11,867	60,970	85,063
2019 Male Population	5,774	30,897	44,135
2019 Female Population	6,270	31,222	41,813
2019 Median Age	32.3	31.4	30.5

RACE & ETHNICITY	1 MILE	3 MILES	5 MILES
American Indian, Eskimo	5.2%	5.6%	4.9%
Asian	2.7%	2.9%	3.2%
Black	19.7%	21.2%	21.4%
Hawaiian/Pacific Islander	0.7%	0.6%	0.7%
White	57.8%	56.5%	57.4%
Other	4.9%	4.4%	4.1%
Multi-Race	9.1%	8.7%	8.3%
Hispanic Ethnicity	15.2%	15.7%	15.2%
Not of Hispanic Ethnicity	84.8%	84.3%	84.8%

HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2010 Avg Household Income	\$50,967	\$49,880	\$53,918
2019 Avg Household Income	\$55,919	\$55,215	\$59,785
2024 Avg Household Income	\$62,611	\$62,109	\$66,957
2010 Med. Household Income	\$40,486	\$39,757	\$43,447
2019 Med. Household Income	\$42,909	\$42,239	\$46,075
2024 Med. Household Income	\$48,435	\$47,774	\$52,646
2010 Per Capita Income	\$20,782	\$20,192	\$20,982
2019 Per Capita Income	\$22,327	\$21,873	\$22,707
2024 Per Capita Income	\$25,162	\$24,798	\$25,543

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	5,009	24,946	32,036
2019 Households	4,784	23,916	31,030
2024 Households	4,747	23,731	31,019



Click to View in  
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Or in Google  
Street View





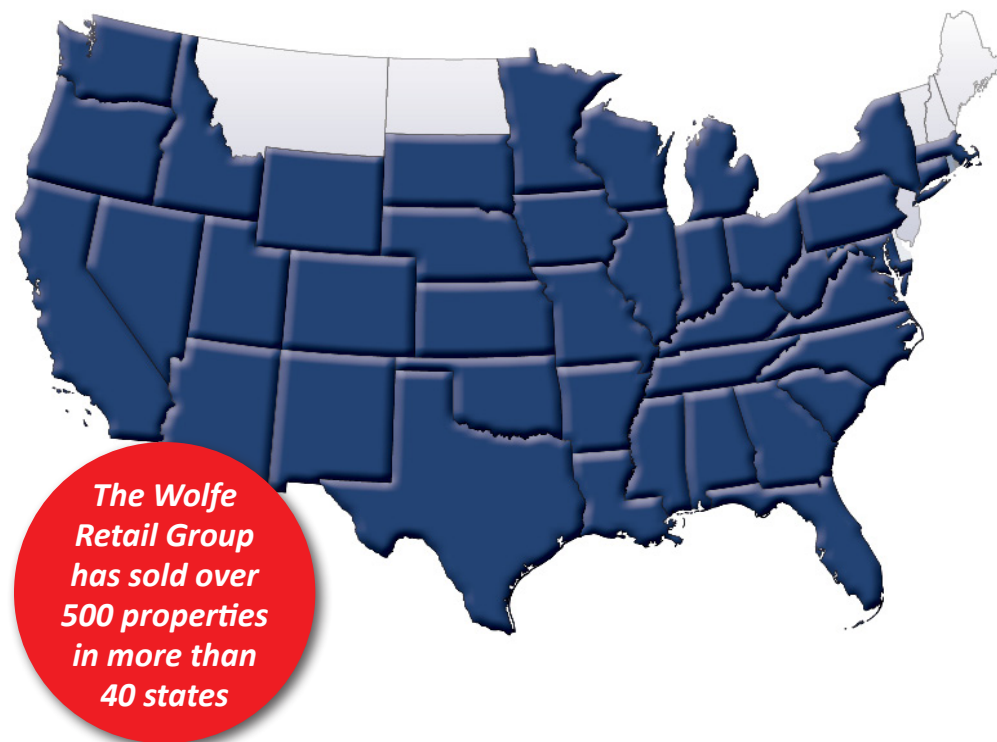
# Marcus & Millichap

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