



# LONGHORN NNN GROUND LEASE

6418 MILLER LANE, DAYTON, OH







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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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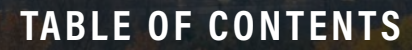
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## NNN GROUND LEASE OPPORTUNITY IN DAYTON, OH

The CBRE Net Lease Property Group is pleased to exclusively offer for sale a 1.59-acre parcel in Dayton, OH (MSA Population: 803,400) that is subject to a NNN ground lease with LongHorn Steakhouse. The recently-extended lease features  $\pm 9.6$  years of primary term remaining with 10% rent increases in each of the six 5-year renewal options.

The 4,915-square-foot freestanding LongHorn is positioned with excellent access and visibility along Benchwood Road (Traffic Count: 10,541 VPD), just off the exit ramp of I-75 (Traffic Count: 111,857 VPD) which provides direct access to Downtown Dayton (5 miles to the south). The site is located immediately adjacent to a Red Robin and directly across Benchwood Road from Speedway, Red Lobster, Panera, and the 180-room Drury Inn & Suites Hotel.

The site benefits from its position within Dayton's primary retail and commercial corridor with 3.0 MSF of retail, 1.6 MSF of office, 9.8 MSF of industrial and 3,602 multifamily units within a 3-mile radius. Other retailers with a presence in the immediate vicinity include Walmart Supercenter, Sam's Club, Office Depot, Goodwill, FedEx Office, Petland, Discount Tire, Verizon, Sprint, Fifth Third Bank, Olive Garden, Bob Evans, Cracker Barrel, O 'Charley's, IHOP, Golden Corral, Skyline Chili, Hooters, Smokey Bones, Chipotle, McAlister's Deli, Smashburger, McDonald's, Taco Bell, Chick-fil-A, Burger King, and Sunoco, among many others.

LongHorn is provided with a substantial built-in customer base as it is within walking distance of 15 hotels and 1,400 hotel rooms.

In total, LongHorn benefits from dynamic demographics with a population of 37,992 and an average household income of \$66,981 within a 3-mile radius.

**LongHorn Steakhouse** Dayton, OH





## PROPERTY DESCRIPTION



PRICE  
**\$2,640,000**



CAP RATE  
**5.00%**



NOI  
**\$132,000**

### PROPERTY SUMMARY

<b>ADDRESS:</b>	6418 Miller Lane, Dayton, OH 45414
<b>TENANT:</b>	Rare Hospitality International, Inc.
<b>BUILDING SIZE:</b>	4,915 square feet
<b>PARCEL SIZE:</b>	1.59 acres
<b>PARKING:</b>	109 spaces
<b>YEAR BUILT:</b>	2014

### DEMOGRAPHICS

	1 mile radius	3 mile radius	5 mile radius
<b>POPULATION:</b>	2,804	37,992	140,520
<b>AVERAGE HOUSEHOLD INCOME:</b>	\$59,679	\$66,981	\$64,407





# INVESTMENT HIGHLIGHTS



## PREMIER TENANT

LongHorn Steakhouse is a fast-casual restaurant chain (522 locations) that is known for their legendary steaks which are grilled to perfection and include the house favorite center-cut Flo's Filet. LongHorn is a subsidiary of Darden Restaurants, Inc. (NYSE: DRI; Moody's: Baa3, S&P: BBB-), which is headquartered in Orange County, Florida. Incorporated in 1995, Darden operates several full-service dining brands, including Longhorn Steakhouse, Olive Garden, Cheddar's Scratch Kitchen, Yard House, The Capital Grille, Seasons 52, Bahama Breeze, and Eddie V's. For the fiscal year ending May 31, 2020, Darden reported \$7.8 billion in sales, \$9.9 billion in total assets and \$2.3 billion in net worth. Darden owns and operates 1,804 restaurants and franchises 62.



## RECENTLY-EXTENDED LONG-TERM NNN GROUND LEASE

LongHorn Steakhouse's recently-extended NNN ground lease features  $\pm 9.6$  years of primary term remaining with 10% rent increases in each of the six 5-year renewal options.



## EXCELLENT ACCESS & VISIBILITY

The 4,915-square-foot freestanding LongHorn is positioned with excellent access and visibility along Benchwood Road (Traffic Count: 10,541 VPD), just off the exit ramp of I-75 (Traffic Count: 111,857 VPD) which provides direct access to Downtown Dayton (5 miles to the south).



## STRATEGIC LOCATION

The site is located immediately adjacent to a Red Robin and directly across Benchwood Road from Speedway, Red Lobster, Panera, and the 180-room Drury Inn & Suites Hotel.



## PRIMARY RETAIL & COMMERCIAL CORRIDOR

The site benefits from its position within Dayton's primary retail and commercial corridor with 3.0 MSF of retail, 1.6 MSF of office, 9.8 MSF of industrial and 3,602 multifamily units within a 3-mile radius. Other retailers with a presence in the immediate vicinity include Walmart Supercenter, Sam's Club, Office Depot, Goodwill, FedEx Office, Petland, Discount Tire, Verizon, Sprint, Fifth Third Bank, Olive Garden, Bob Evans, Cracker Barrel, O 'Charley's, IHOP, Golden Corral, Skyline Chili, Hooters, Smokey Bones, Chipotle, McAlister's Deli, Smashburger, McDonald's, Taco Bell, Chick-fil-A, Burger King, and Sunoco, among many others.



## SUBSTANTIAL BUILT-IN CUSTOMER BASE

LongHorn is provided with a substantial built-in customer base as it is within walking distance of 15 hotels and 1,400 hotel rooms.



## DYNAMIC DEMOGRAPHICS

LongHorn benefits from dynamic demographics with a population of 37,992 and an average household income of \$66,981 within a 3-mile radius.



## DAYTON MSA ADVANTAGE

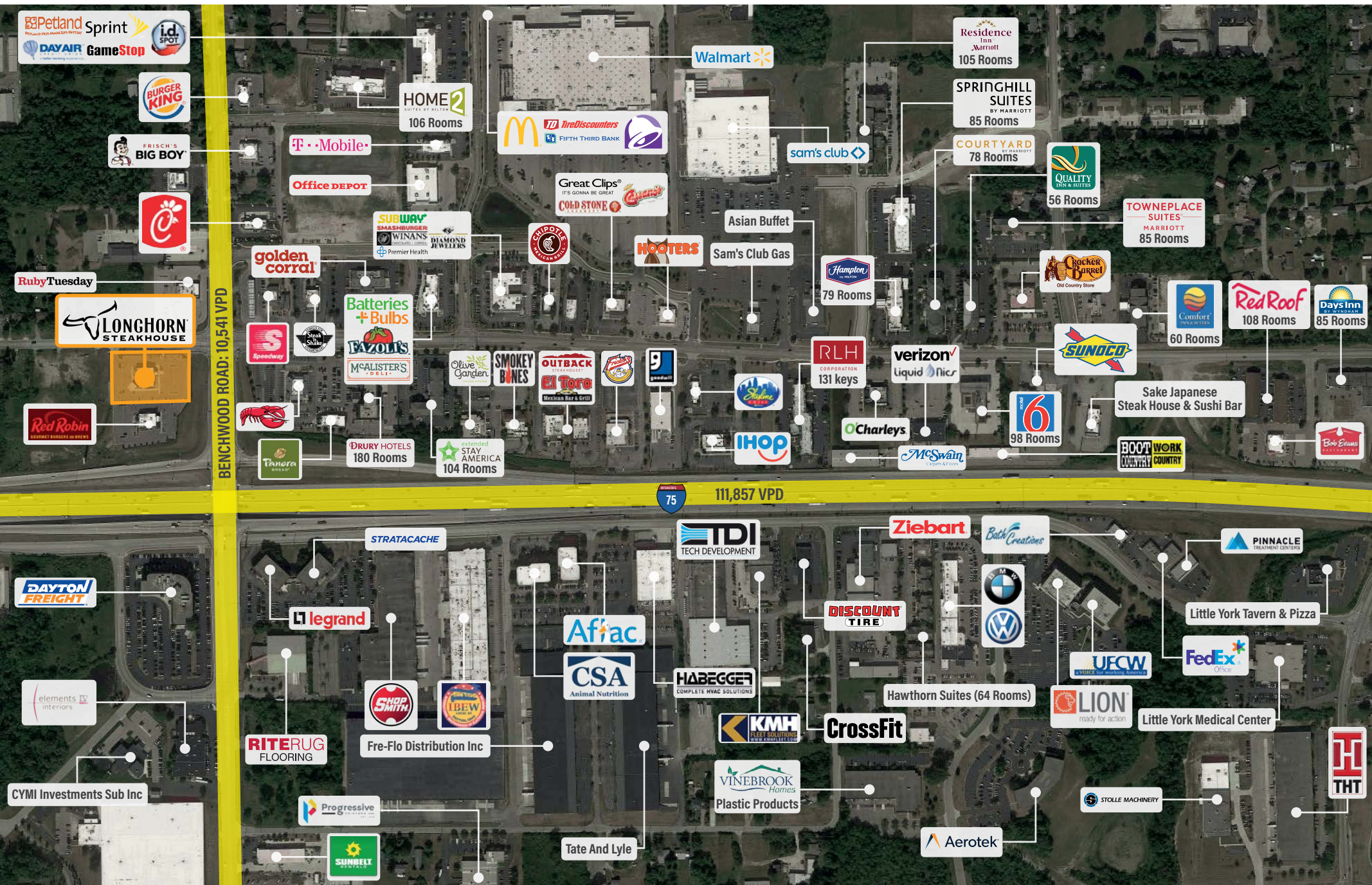
Nicknamed the "Gem City," Dayton is a hidden gem of the Midwest with a rich history that is interwoven in its thriving culture. Known for being the birthplace of aviation, as it is where the Wright Brothers pioneered flight, Dayton continues to build on its heritage of innovation. The city has strong industrial roots, but its high-tech sector has recently begun to flourish. As the sixth largest city in Ohio (MSA Population: 803,400), Dayton has a variety of employment opportunities and amenities for residents.

**LongHorn Steakhouse** Dayton, OH

Actual Location











Walmart  
Supercenter  
Sam's Club

Residence Inn  
Marriott  
105 Rooms

SPRINGHILL  
SUITES  
Marriott  
91 Rooms

Hampton  
Inn & Suites  
79 Rooms

COURTYARD  
Marriott  
78 Rooms

TownePlace  
SUITES  
Marriott  
85 Rooms

Speedway

City Barbeque

golden  
corral  
Breakfast & Grill

McALISTER'S  
DELI



DRURY HOTELS  
180 Rooms

Tanara  
Bakery

Aflac

CSA  
Animal Nutrition

Red Robin  
GOURMET BURGERS & BEERS



# LEASE SUMMARY

<b>TENANT:</b>	Rare Hospitality International, Inc.
<b>ORIGINAL LEASE TERM:</b>	10 years
<b>RENT COMMENCEMENT:</b>	June 30, 2014
<b>LEASE EXPIRATION:</b>	June 30, 2030
<b>LEASE TERM REMAINING:</b>	±9.6 years
<b>LEASE TYPE:</b>	NNN Ground Lease
<b>CURRENT RENT:</b>	\$132,000
<b>REMAINING OPTIONS:</b>	Six 5-year options
<b>OPTION RENT:</b>	Option 1: \$145,200 Option 2: \$159,720 Option 3: \$175,692 Option 4: \$193,261 Option 5: \$212,587 Option 6: \$233,846
<b>OPTION RENT INCREASES:</b>	10% in each option
<b>TAXES:</b>	Tenant shall pay directly to the taxing authority the full amount of any and all taxes, assessments, fees and other governmental charges, general and special, ordinary and extraordinary, of every kind and nature whatsoever, levied, assessed, imposed or otherwise payable with respect to the ownership or use of the Leased Property.
<b>INSURANCE:</b>	<p>Tenant shall maintain, at all times during the Term of the Lease, comprehensive general liability insurance, insuring Tenant and Landlord, as their interests may appear, for injury to or death of any person or persons arising out of the negligence or willful misconduct of Tenant, its servants, agents, employees or contractors, in an amount of not less than \$3,000,000 and for damage to property in an amount of not less than \$500,000.</p> <p>Tenant shall maintain, during the Term of the Lease, policies of fire and extended coverage, with "all risk" endorsements, insuring against any and all loss or damage to the real property and the building to be constructed by Tenant on the Leased Property.</p> <p>*Provided Tenant maintains a tangible net worth of no less than \$50,000,000, Tenant may provide the insurance required through a program of self-insurance.</p>

<b>REPAIRS &amp; MAINTENANCE:</b>	Tenant, at its sole cost and expense, shall at all times keep, maintain, repair, replace, renew and restore the Leased Property and the Restaurant and every part thereof to assure a first-class appearance, in a condition and appearance consistent with the operation of a first class full-service casual dining restaurant in the continental United States. Tenant shall keep the Leased Property orderly, neat, clean and free from rubbish and trash at all times, and to permit no refuse to accumulate around the exterior portion of the Leased Property.																
<b>COMMON AREA MAINTENANCE:</b>	<p>Declarant shall perform or cause to be performed the maintenance, repair, cleaning, insuring, and lighting ("Common Area Services"). The Common Area Services will be performed so as to keep the Common Area Facilities in a clean, neat and first class condition.</p> <p>The owner shall pay Declarant the parcel's pro-rata share of the applicable costs, with the Tenant reimbursing the owner based on the following schedule:</p> <table> <tr> <td>6/30/2019-6/30/2024:</td><td>\$2,200</td></tr> <tr> <td>7/1/2024- 6/30/2029:</td><td>\$2,420</td></tr> <tr> <td>7/1/2029-6/30/2034:</td><td>\$2,622</td></tr> <tr> <td>7/1/2034-6/30/2039:</td><td>\$2,928</td></tr> <tr> <td>7/1/2039-6/30/2044:</td><td>\$3,221</td></tr> <tr> <td>7/1/2044-6/30/2049:</td><td>\$3,543</td></tr> <tr> <td>7/1/2049-6/30/2054:</td><td>\$3,897</td></tr> <tr> <td>7/1/2054-6/30/2059:</td><td>\$4,287</td></tr> </table> <p>In addition to the above, Tenant shall pay its pro-rata share of the on-going costs to maintain and illuminate the Highway Sign.</p>	6/30/2019-6/30/2024:	\$2,200	7/1/2024- 6/30/2029:	\$2,420	7/1/2029-6/30/2034:	\$2,622	7/1/2034-6/30/2039:	\$2,928	7/1/2039-6/30/2044:	\$3,221	7/1/2044-6/30/2049:	\$3,543	7/1/2049-6/30/2054:	\$3,897	7/1/2054-6/30/2059:	\$4,287
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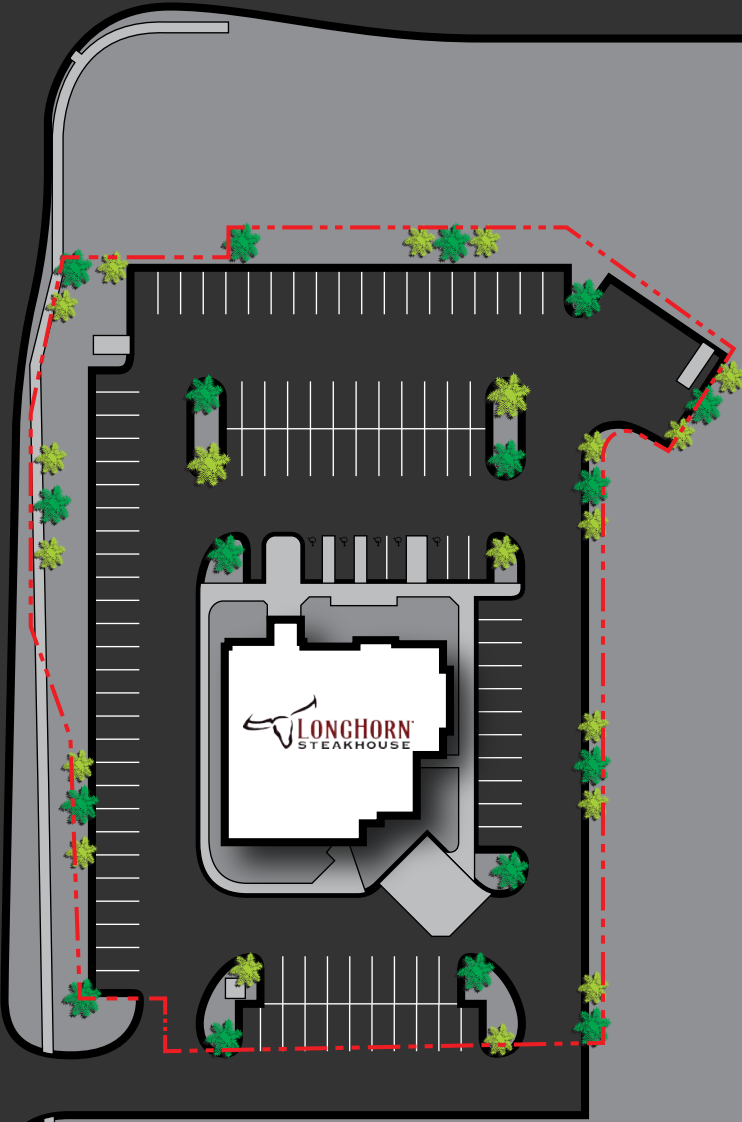
SITE PLAN



BENCHWOOD ROAD: 10,541 VPD



MILLER LANE



Adjacent Property





## SURROUNDING USES







## TENANT OVERVIEW

LongHorn Steakhouse is a fast-casual restaurant chain owned and operated by Darden Restaurants Inc. (NYSE: DRI; Moody's: Baa3; S&P: BBB-). The restaurant concept is known for their legendary steaks which are grilled to perfection and include the house favorite center-cut Flo's Filet. The menu features a plethora of options in addition to steak which suits appetites from lunch through dinner.

The first LongHorn Steakhouse opened in 1981 in Atlanta, Georgia and by 1990 the concept had expanded throughout the East, Midwest, and Southwestern United States. In 2007, LongHorn Steakhouse was acquired by Darden Restaurants, Inc. who continues to operate the concept within their portfolio of restaurants. For the fiscal year ending May 31, 2020, Darden reported \$7.8 billion in sales, \$9.9 billion in total assets and \$2.3 billion in net worth. Darden owns and operates 1,804 restaurants and franchises 62.

## COMPANY OVERVIEW

NUMBER OF LOCATIONS:	522 locations
TICKER:	NYSE: DRI
YEAR FOUNDED:	1981
HEADQUARTERS:	Orlando, FL
WEBSITE:	<a href="http://www.longhornsteakhouse.com">www.longhornsteakhouse.com</a>





# AREA OVERVIEW

## DAYTON, OHIO

Nicknamed the “Gem City,” Dayton is a hidden gem of the Midwest with a rich history that is interwoven in its thriving culture. Known for being the birthplace of aviation, as it is where the Wright Brothers pioneered flight, Dayton continues to build on its heritage of innovation. The city has strong industrial roots, but its high-tech sector has recently begun to flourish. As the sixth largest city in Ohio, and boasting a population of over 800,000, Dayton has a variety of employment opportunities and amenities for residents.

### Economy

Dayton's economy is outperforming the rest of the state and nation as a whole. Since the launch of the Greater Downtown Dayton Plan in 2010, the city has seen over \$1 billion in investments and 30 new businesses. Dayton is a hub of innovation, driven by the research and development at Wright-Patterson Air Force Base. Outside of defense and manufacturing, the leading industries in Dayton include healthcare, education, and technology.

### Wright Patterson Air Force Base

Dayton has a large military presence, and Wright-Patterson functions as the region's major employer and economic engine, with over \$4.3 billion in economic impact. The Base is a hub of technology research and development; researchers here invented high-efficiency solar cells for spacecraft. As a result of the recent increase in federal defense spending, the Base is slated to receive \$1.2 billion in federal funding. A federal budget proposal also included \$212 million to build an intelligence production complex at The National Air and Space Intelligence Center at Wright-Patterson.

### Healthcare & Education

Dayton's healthcare sector is the top employer in the region and is projected to add more jobs than any other sector. Premier Health Partners, which employs over 13,000 people, is a network of seven hospitals and medical centers that contribute approximately \$2 billion in economic impact. Kettering Health Network, which employs over 10,000 people, comprises seven hospitals in Southwest Ohio. Rated one of the top 10 hospital networks in the country, Kettering recently expanded its oncology center and invested \$60 million in building a new hospital in neighboring Troy. Dayton Children's Hospital treats over 280,000 patients a year. This pediatric hospital recently completed a new patient tower, which has increased capacity and created over 320 new positions.

The 35 higher education institutions in the region make up a large portion of the economy. Sinclair Community College, the largest university in the area, has over 28,000 students enrolled and is one of the largest community colleges in the country. The University of Dayton (Enrollment: 11,474), a private research university affiliated with the Roman Catholic Church, employs nearly 3,000 people at its 388-acre campus.

2019 TOP EMPLOYERS	EMPLOYEE COUNT
Wright-Patterson AirForce Base	30,000
Premier Health	12,245
Kettering Health Network	9,319
Montgomery County	4,284
Kroger Co.	4,030
Miami University	3,817
Dayton Childrens Hospital	3,341
Honda of America Manufacturing Inc.	3,200
Sinclair Community College	3,163
CareSource	3,021
University of Dayton	3,000
LexisNexis	3,000





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