

Cheddar's

SCRATCH KITCHEN

3074 NORTH EASTMAN ROAD
LONGVIEW, TEXAS 75605

Corporate Guaranty

Cheddar's Holding Corp. ✓

170+ Locations Across 28 States

Early Lease Extension by Tenant

Showing Commitment to Location ✓

Fantastic Retail Corridor that Includes:

Sams Club, Walmart, Lowe's, ✓

Home Depot & Target

Phenomenal Visibility / Access

Located at Intersection of: ✓

US-259 & N. Eastman Rd.

Marcus & Millichap
THE DELTONDO GROUP

Cheddar's
SCRATCH KITCHEN





Exclusively Listed by:

Marcus & Millichap

THE DELTONDO GROUP

Lead Brokers:

PETER DELTONDO

Managing Member
pdeltondo@mmreis.com
(949) 419-3267
License: CA 01797033

MICHAEL WESTER

Associate Director
mwester@mmreis.com
(949) 419-3213
License: CA 02006462

ANDRE THOMPSON

Associate
athompson2@mmreis.com
(949) 419-3217
License: CA 02086459

BROOKS BENNETT

Associate
bbennett@mmreis.com
(949) 419-3243
License: CA 02079079

BRYCE DUNKS

Director of Operations
bdunks@mmreis.com
(949) 419-3225

ANNE WILLIAMS

Broker of Record
License: PB00066390

19800 MacArthur Boulevard, Suite 150
Irvine, California 92612

www.deltondoadvisorygroup.com



INVESTMENT HIGHLIGHTS

- ✓ **Absolute-Net Lease:** No Landlord Responsibilities; New 10 Year Lease with Two, 5 Year Options to Extend; Tenant Extended Lease Early Showing Commitment to Location
- ✓ **Strong Corporate Guaranty:** Cheddar's Holding Corp. / 170+ Locations across 28 States | Average Store Sales Per Unit of 4.4 Million
- ✓ **Near Longview Regional Medical Center:** Longview Regional Medical Center Hospital has 320 Beds & Employs over 1,150 Employees

- ✓ **Excellent Access / Visibility:** Located at the Intersection of North Eastman Road and US Highway 259 with a Combined 36,500+ Vehicles Per Day
- ✓ **Dominant Retail Corridor:** Out-Pad to Regal Longview & Next door to Buffalo Wild Wings; Cheddar's is Surrounded by Major Retail Giants: Target, Walmart, Sam's Club, Lowes, Home Depot, Petsmart, and Tractor Supply to Name a Few
- ✓ **Substantial Demographics:** In a 10 Mile Radius the Population Exceeds 120,000+; Households 45,000+ and an Average Household Income of \$73,000+



INVESTMENT SUMMARY

ADDRESS:	3074 North Eastman Road Longview, Texas 75605
PRICE:	\$4,571,429
CAP:	5.25%
NOI:	\$240,000

DEMOGRAPHICS

	3-MILE	5-MILE	10-MILE
POPULATION:	30,411	70,395	120,280
HOUSEHOLDS:	13,372	28,258	45,772
HH INCOME:	\$79,934	\$75,069	\$73,376



BIRDS EYE VIEW



PROPERTY DESCRIPTION

PROPERTY ADDRESS:

3074 North Eastman Road
Longview, Texas 75605

LEASE TYPE:

Absolute-Net

BUILDING SIZE:

8,060 SF

YEAR BUILT:

2005

LOT SIZE:

1.97 Acres

FRONTAGE & ACCESS:

N. Eastman Rd. & US 259

TENANT PROFILE



Founded in 1979, Cheddar's Scratch Kitchen is an American restaurant brand based in Irving, Texas. Now wholly owned by Darden Restaurants, Inc., Cheddar's operates 171 company-owned and franchise locations in 28 U.S. states. Cheddar's serves a variety of made-from-scratch dishes, from homemade onion rings and chicken pot pies to house-smoked baby back ribs. In 2016, Restaurant Business ranked Cheddar's No. 3 on its list of the "20 Top Full-Service Chains in Sales and Satisfaction." That same year, Cheddar's was named a "Favorite Casual Dining Restaurant" in a Market Force Study.

CHEDDAR'S HOLDING CORP.

Ownership:	Public (Subsidiary of Darden Restaurants, Inc)
Average Sales Per Unit:	\$4.4 Million
Number of Locations:	170+
Headquarters:	Irving, Texas
Website:	www.cheddars.com



TENANT SUMMARY

TENANT TRADE NAME:	Cheddar's Scratch Kitchen
OPERATOR:	Cheddar's Casual Cafe, Inc.
GUARANTY:	Cheddar's Holding Corp.
TYPE OF OWNERSHIP:	Fee Simple
LEASE TYPE:	Absolute-Net
ROOF & STRUCTURE:	Tenant Responsible
LEASE COMMENCEMENT:	September 9, 2005
LEASE EXPIRATION:	December 9, 2030
TERM REMAINING:	10 Years
INCREASES:	10% Every 5 Years
OPTIONS:	Two, 5 Year Options

ANNUALIZED OPERATING DATA

	CURRENT RENT	MONTHLY RENT
Sep 9, 2005 - Dec 9, 2010	\$195,000	\$16,250.00
Dec 10, 2010 - Dec 9, 2015	\$214,500	\$17,875.00
Dec 10, 2015 - Dec 9, 2020	\$235,950	\$19,662.50
Dec 10, 2020 - Dec 9, 2025	\$240,000	\$20,000.00
Dec 10, 2025 - Dec 9, 2030	\$264,000	\$22,000.00
Dec 10, 2030 - Dec 9, 2035 (Option 1)	\$290,400	\$24,200.00
Dec 10, 2035 - Dec 9, 2040 (Option 2)	\$319,440	\$26,620.00



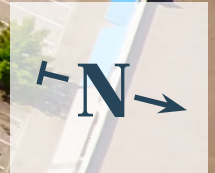
Longview Regional
Medical Center
230 Bed Hospital



US Highway 259 (23,000+ VPD)

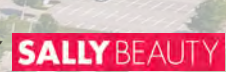
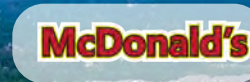
Cheddar's
SCRATCH KITCHEN

North Eastman Road (13,500+ VPD)





Hinsley Park
Sports, Picnic & Play Areas



US Highway 259 (23,000+ VPD)

North Eastman Road (13,500+ VPD)

Cheddar's
SCRATCH  KITCHEN



KOHL'S

Famous Footwear

ULTA BEAUTY

PET SMART

Marriott

Arabella of Longview
Senior Living Community

Paladin Apartments
220 Units

TARGET

DOLLAR TREE

maurices

REGAL CINEMAS

PANDA EXPRESS
GOURMET CHINESE FOOD

COWBOY CHICKEN
WOOD-FIRE HOTPOT

SALLY BEAUTY

Firenza
PIZZA LIKE NEVER BEFORE!

North Eastman Road (13,500+ VPD)

Cheddar's
SCRATCH KITCHEN

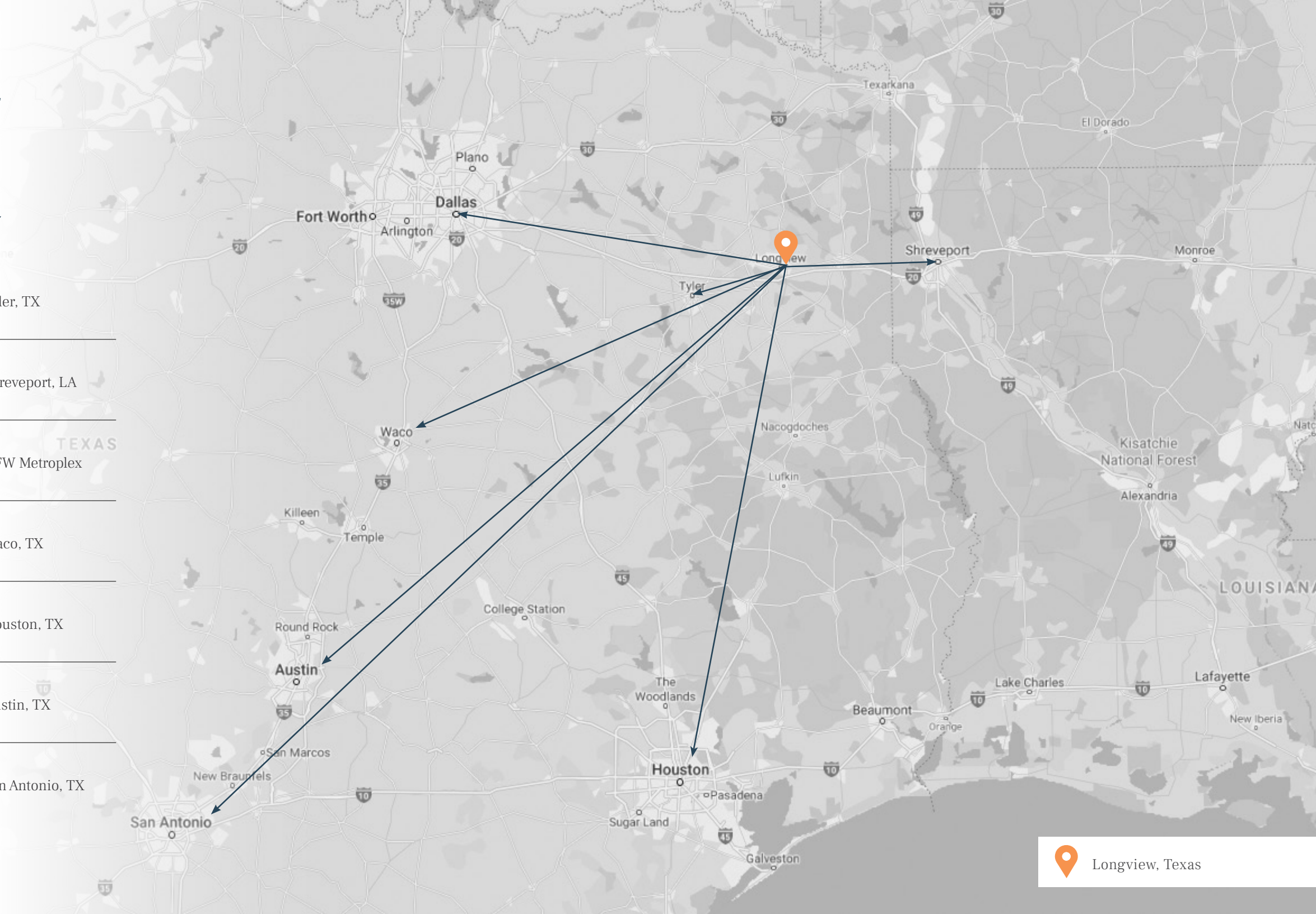
BUFFALO WILD WINGS
GRILL & BAR

US Highway 259 (23,000+ VPD)

N

DISTANCE
FROM
SUBJECT
PROPERTY

40 - MILES	Tyler, TX
65 - MILES	Shreveport, LA
132 - MILES	DFW Metroplex
179 - MILES	Waco, TX
212 - MILES	Houston, TX
265 - MILES	Austin, TX
343 - MILES	San Antonio, TX



LONGVIEW, TEXAS

The Longview metro is located in east Texas, 65 miles west of Shreveport and approximately 130 miles east of Dallas, and is composed of Gregg, Rusk and Upshur counties. Longview is the most populous city with 82,700 residents and is the seat of Rusk County. The metro’s economy is bolstered by strong manufacturing and transportation sectors as easy access to Dallas and Shreveport, paired with the relatively low cost of living, attracts businesses.

MAJOR AREA EMPLOYERS

Christus Good Shepherd Health System
Eastman Chemical
Longview Independent School District
Longview Regional Medical Center
Trinity Rail, LLC
Wal-Mart
City of Longview
Dollar General
Pine Tree Independent School District
Komatsu



STRATEGIC LOCATION

Interstate 20 traverses the metro, East Texas Regional Airport, and the Union Pacific rail road, making it attractive to distributors in the region.



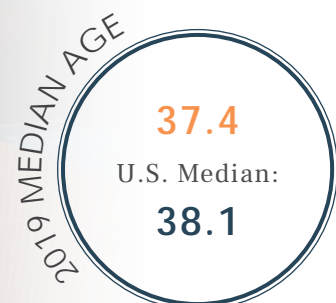
INDUSTRIAL PRESENCE

The metro is home to Eastman Chemicals, which produces a variety of products for automotive, cosmetic, and food applications.



HIGHER EDUCATION

There are two colleges located in the metro, Kilgore College and Le Tourneau University. Combined they have more than 9,000 students enrolled and contribute to a skilled labor pool.



QUALITY OF LIFE

Longview, Texas prides itself as being a great place to live, work, and raise a family. A typical commute across town takes less than 30 minutes and traffic is essentially non-existent. Positioned on Interstate 20 between Shreveport, LA and Dallas, the amenities of a large metropolitan area are within an hour or two drive.

Longview has no match for its beautiful, pine-covered hills, public and private golf courses, trophy-yielding bass lakes, and antique shops. The region has an abundance of community and regional festivals.

From music to theatre to outdoor activities, Longview has it all. Among the area’s many cultural landmarks are The Longview Museum of Fine Arts, The Longview Ballet and The Longview Symphony Orchestra.

ECONOMY

- ✓ The metro is a one-hour drive west of Shreveport and a two-hour drive east of Dallas. The infrastructure in place allows for transportation via rail, road, and air, with access to ports just an hour away.
- ✓ Transportation is another important segment for the metro’s economy. Two freight rail lines serve Longview. Combined, nearly 30 trains pass through Longview’s stations daily.
- ✓ In addition to Eastman Chemical, the manufacturing sector also includes Komatsu, Trinity Rail, Mr. Cooper, AAON Coil Products, and Westlake Chemical.
- ✓ Other major employers in the area are healthcare providers. Christus Good Shepherd Medical Center, Longview Regional Hospital, and Diagnostic Clinic of Longview are leading the way.

CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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 offering memorandum 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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

Marcus & Millichap THE DELTONDO GROUP

19800 MacArthur Boulevard, Suite 150
Irvine, California 92612

www.deltondoadvisorygroup.com

NET LEASED 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.

Lead Brokers:

PETER DELTONDO

Managing Member
pdeltondo@mmreis.com
(949) 419-3267
License: CA 01797033

MICHAEL WESTER

Associate Director
mwester@mmreis.com
(949) 419-3213
License: CA 02006462

ANDRE THOMPSON

Associate
athompson2@mmreis.com
(949) 419-3217
License: CA 02086459

BROOKS BENNETT

Associate
bbennett@mmreis.com
(949) 419-3243
License: CA 02079079

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.)

BRYCE DUNKS

Director of Operations
bdunks@mmreis.com
(949) 419-3225

ANNE WILLIAMS

Broker of Record
License: PB00066390