

**TENANT PAYING
FULL RENT!**

**OFFERING
MEMORANDUM**

CLICK HERE FOR VIDEO



RED LOBSTER

570 Marks Street, Henderson, NV 89014

Marcus & Millichap

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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.

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Marcus & Millichap



OFFERING SUMMARY

570 Marks St, Henderson, NV

RED LOBSTER

 <i>Total Price</i>	\$6,090,000	6.15%	<i>CAP RATE</i>
Base Rent	\$374,601		
Square Feet	7,220 SF*		
Lot Size	1.247 Acres*		
Ownership	Fee Simple		
Year Built	2013		

*Building and lot size information per Survey. Buyer will need to verify the accuracy of this during the due diligence period.



LEASE SUMMARY

Lease Type	Absolute NNN
Ownership	Private
	Private Equity Sponsor
Roof & Structure	Tenant Responsible
Tenant	Red Lobster Hospitality, LLC
Guarantor	Red Lobster Intermediate Holdings, LLC
Original Lease Term	25 years
Rent Commencement Date	July 28, 2014
Lease Expiration Date	February 29, 2040
Term Remaining	19+ years
Increases	2% Annually
Options	Four, 5-year

► Lease Term Extension

Current Lease Term is extended for a period of 7 months. Fixed/ base/minimum rent payments for those 7 months to be subject to the same escalations year over year as set forth in the lease.

RENT INCREASES

1/1/2021 - 7/31/2021	\$374,601
8/1/2021 - 7/31/2022	\$382,093
8/1/2022 - 7/31/2023	\$389,735
8/1/2023 - 7/31/2024	\$397,530
8/1/2024 - 7/31/2025	\$405,481
8/1/2025 - 7/31/2026	\$413,590
8/1/2026 - 7/31/2027	\$421,862
8/1/2027 - 7/31/2028	\$430,299
8/1/2028 - 7/31/2029	\$438,905
8/1/2029 - 7/31/2030	\$447,683
8/1/2030 - 7/31/2031	\$456,637
8/1/2031 - 7/31/2032	\$465,770
8/1/2032 - 7/31/2033	\$475,085
8/1/2033 - 7/31/2034	\$484,587
8/1/2034 - 7/31/2035	\$494,279
8/1/2035 - 7/31/2036	\$504,164
8/1/2036 - 7/31/2037	\$514,247
8/1/2037 - 7/31/2038	\$524,532
8/1/2038 - 2/29/2040	\$535,023
Base Rent (\$52.00/SF)	
NET OPERATING INCOME	6.15% \$374,601
TOTAL RETURN	\$374,601

GALLERIA AT SUNSET



W SUNSET RD

GALLERIA COMMONS & STEPHANIE STREET SHOPPING CENTER



MARKS ST

26,300+ VPD





INVESTMENT HIGHLIGHTS

- ▶ Tenant paying full rent
- ▶ 19+ years remaining on Absolute NNN Lease
- ▶ 2% annual rent increases
- ▶ Nevada is a tax-free income state

PROPERTY HIGHLIGHTS

- ▶ Located in a main retail corridor along Marks Street
- ▶ One block from Interstate 515 - Over 109,000 VPD
- ▶ Anchor Site to Eastgate Plaza (Walmart Supercenter, Party City, 99 Cents Only Stores, GameStop, Del Taco, Terrible Herbst)
- ▶ Infill location - Population within 3 miles exceeds 127,000
- ▶ Across the street from Sunset Station Hotel & Casino and the Galleria at Sunset (Macy's, Dillards, Kohl's, JCPenney)
- ▶ 13 miles from Las Vegas
- ▶ Henderson is the second largest city in Nevada



LAS VEGAS



**WHITNEY RANCH
RECREATION CENTER**

**GREEN VALLEY
HIGH SCHOOL**

**GALLERIA
COMMONS**

**GALLERIA AT
SUNSET**



HENDERSON



TENANT OVERVIEW // 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 705 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 experience across executive team).
- ▶ The company generated \$2.6B in revenue in 2018 and is the 5th largest casual dining concept in North America.



 **700+**
LOCATIONS

 HEADQUARTERED IN
Orlando, FL

\$2.6
Billion
ANNUAL SALES

FOUNDED IN
1968

WEBSITE
www.redlobster.com



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.
- ▶ GGC's investors include leading educational endowments, non-profit foundations, & 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 AND RETAIL INVESTMENTS





HENDERSON, NV

POPULATION
310,390

LAS VEGAS

OVERVIEW

Las Vegas is considered one of the premier entertainment cities of the world, with more than 42.1 million visitors recorded in 2018. It has evolved into a world-class destination for resorts, restaurants, shopping and diversified entertainment options.

The Las Vegas-Henderson-Paradise MSA is also one of the fastest-growing metros in the nation. The population of nearly 2.2 million people ranks it among the top 50 most populous metros in the U.S. The metro is evolving into a fully diversified economy, with logistics groups, tech firms, and manufacturing all taking advantage of Las Vegas' low cost of business, talented labor pool, and proximity to major West Coast metro markets.

METRO HIGHLIGHTS



ROBUST EMPLOYMENT GROWTH

A diversifying employment base will support job growth, which is expected to outpace the U.S. growth rate over the next five years.



STRONG POPULATION GAINS

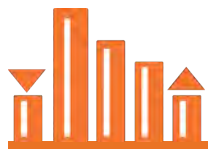
Additional jobs will draw residents to the region. Over the next five years, the metro's population is forecast to increase, exceeding national gains.



VAST TOURISM INDUSTRY

Visitor volume reached 42 million in 2018, ranking Las Vegas among the top tourist destinations in the country.

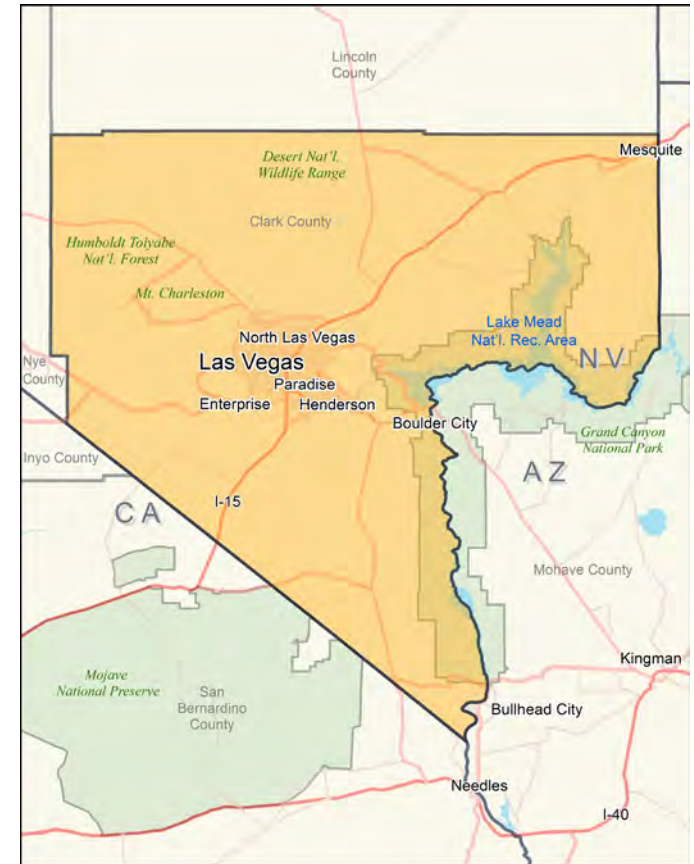
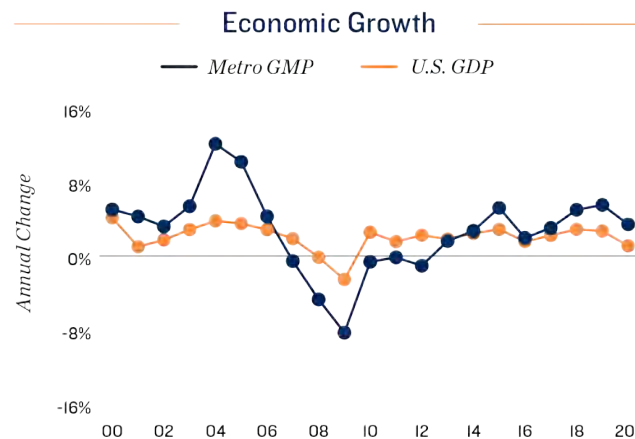




ECONOMY

- ▶ With all 10 of the nation's largest hotels located in Las Vegas, tourism and entertainment are the most significant drivers of the Las Vegas economy; however, the economy is diversifying into distribution, back-office operations and manufacturing.
- ▶ The metro's business-friendly environment, access to Western markets, large labor force, and availability of high-speed data attract companies such as Switch, Amazon, K2 Energy, Scientific Games, Tectonics, Virtual Guard, VadaTech and Zappos.
- ▶ The 2.3 million-square-foot Las Vegas Convention Center is one of the largest in the world and draws more than 6 million attendees annually

MAJOR AREA EMPLOYERS	
Wynn Resorts	
Station Casinos	
MGM Resorts	
Las Vegas Sands	
Caesars Entertainment	
Boyd Gaming	
The Valley Health System	
Cosmopolitan of Las Vegas	
Dignity Health	
United Healthcare of Nevada	



SHARE OF 2019 TOTAL EMPLOYMENT

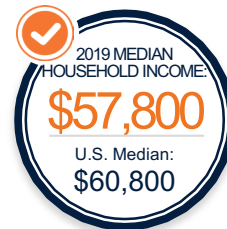
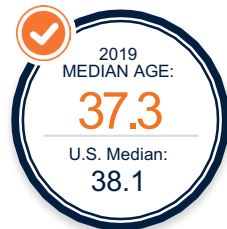




DEMOGRAPHICS

- ▶ The population will expand by more than 128,800 residents over the next five years, resulting in the formation of nearly 53,800 households.
- ▶ The homeownership rate of 52 percent is well below the national rate of 64 percent, creating a strong rental market.
- ▶ Roughly 22 percent of the population age 25 and older have attained a bachelor's degree, and 7 percent also hold a graduate or professional degree.

2019 Population by Age



QUALITY OF LIFE

With approximately 300 days of sunshine annually and an average temperature near 80 degrees, residents and visitors alike have plenty to do besides enjoy the resorts and casinos in Clark County. Water-sports enthusiasts can take advantage of various activities at Lake Mead and the Colorado River, including boating, fishing, water skiing and sailing. Red Rock Canyon Conservation Area, located off the Strip, offers outstanding hiking and mountain-climbing opportunities. Las Vegas is home to the University of Nevada-Las Vegas (UNLV), which has received national recognition for its hotel management, criminal justice and social-work programs. Other institutions of higher learning in Las Vegas include the College of Southern Nevada.



SPORTS



EDUCATION



ARTS & ENTERTAINMENT



POPULATION	1 MILE	3 MILES	5 MILES
2024 Projection	9,644	138,024	318,435
2019 Estimate	9,052	127,435	300,420
2010 Census	7,691	108,191	263,718
2000 Census	4,768	80,861	213,069

INCOME	1 MILE	3 MILES	5 MILES
Average	\$83,084	\$75,924	\$80,014
Median	\$64,830	\$57,102	\$59,177
Per Capita	\$32,720	\$29,822	\$31,232

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2024 Projection	3,867	54,736	125,164
2019 Estimate	3,554	50,003	116,938
2010 Census	3,011	42,189	101,967
2000 Census	1,726	31,043	81,655

EMPLOYMENT	1 MILE	3 MILES	5 MILES
2019 Daytime Population	13,474	103,794	266,958
2019 Unemployment	3.97%	4.50%	4.60%
2019 Median Time Traveled	23	25	25

HOUSING			
2019	\$252,200	\$230,442	\$237,162



RED LOBSTER

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