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Red Lobster

17021 Palm Pointe Drive Tampa, FL, 33647

Offering Memorandum

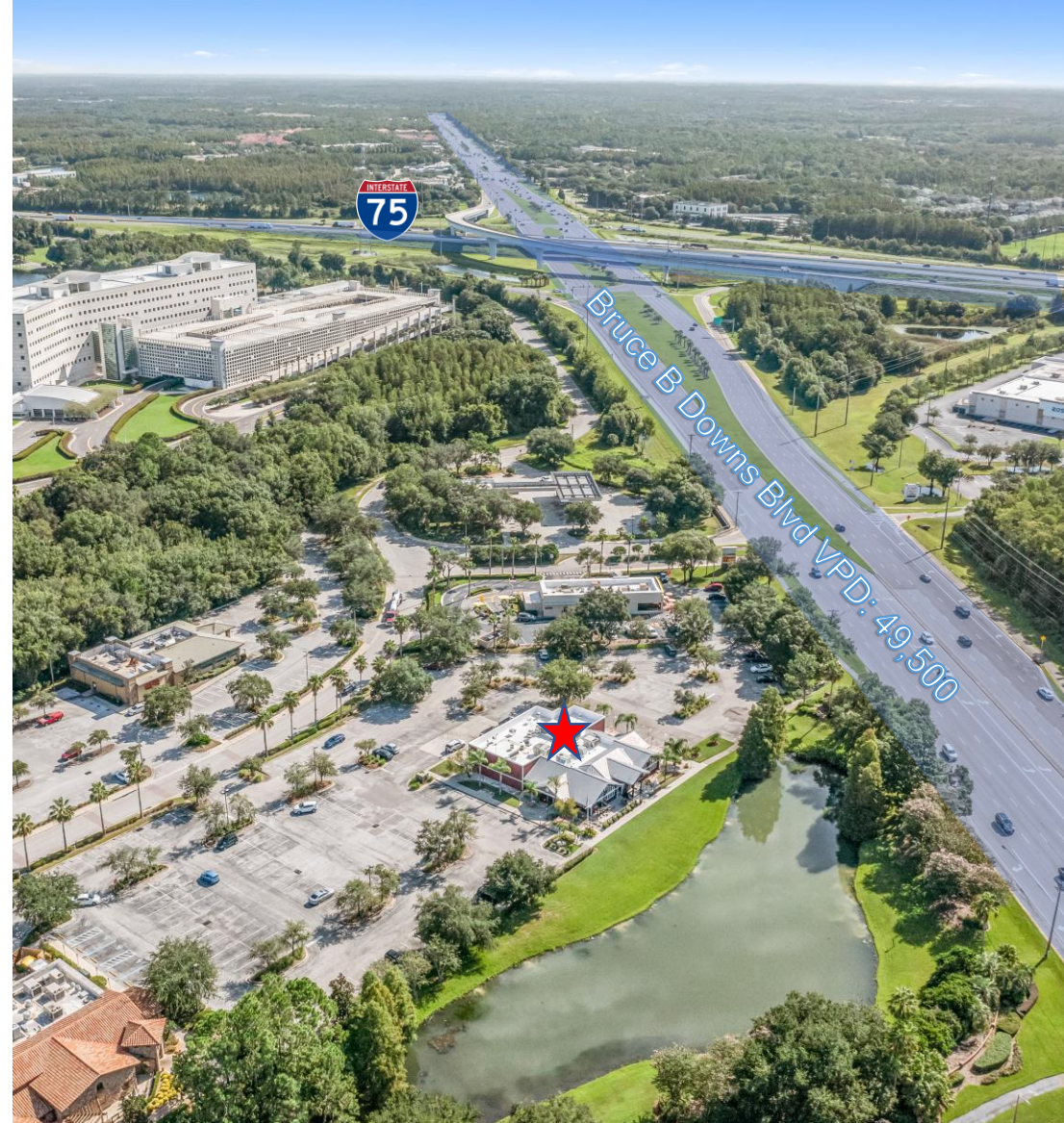
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Marcus & Millichap
THE SANDELIN GROUP

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the opportunity to purchase a triple-net leased Red Lobster located at 17021 Palm Pointe Drive, Tampa, FL. The property contains 7,000 square feet of net leasable area and is situated on 1.87 acres of land. Red Lobster is subject to a triple-net lease expiring on 07/31/2039. There are three, five-year extension options remaining on the lease.

The City of Tampa is the largest city in Hillsborough County, is the county seat, and is the third most populous city in Florida. It is located on the west coast of Florida, approximately 200 miles northwest of Miami, 180 miles southwest of Jacksonville, and 20 miles northeast of St. Petersburg.

Red Lobster is the largest seafood restaurant concept in the world and is an iconic full-service brand with broad demographic appeal and significant advertising budget. 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 \$2.6 billion in revenue and is the 5th largest casual dining concept in North America.



INVESTMENT HIGHLIGHTS

- Corporate Guarantee Absolute Triple-Net Lease – Zero Landlord Responsibilities
- Long Term Lease - 18 Years of Primary Lease Term Remaining
- Attractive 2% Annual Increases
- 5 miles Away From the University of South Florida – 50,000 on Campus Student Population
- Next to Interstate 75 - With More Than 75,000 Vehicles Per Day
- Primary Retail Corridor – Surrounded by National Tenants Including: Lowes, BJ's, Ross , and More
- Average Household Income of \$112K+ Within One-Mile Radius
- Located in the center of USAA and The Grand Palme Reserve –3,500 Employees and 390 Apartments, Respectively

RETAIL AERIAL MAP



RETAIL AERIAL MAP

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Pointe at Tampa
Palms Shopping Center

Olive
Garden
ITALIAN KITCHEN

STONEWOOD
GRILL & TAVERN

RED LOBSTER
FRESH FISH • LIVE LOBSTER

McDonald's

7
ELEVEN

USAA®

Bruce B Downs Blvd VPD: 49,500

RETAIL AERIAL MAP



Bruce B Downs Blvd VPD: 49,500





FINANCIAL SUMMARY

PRICING SUMMARY

List Price	\$4,202,822
Net Operating Income	\$224,851
Cap Rate	5.35%

PROPERTY SUMMARY

Building Size	7,000 SF
Land Size	1.87 Acres
Year Built	2002

LEASE SUMMARY

Operator	Red Lobster Hospitality, LLC
Lessee / Guarantor	Red Lobster Intermediate Holdings, LLC
Rent Commencement	10/28/2015
Lease Expiration	07/31/2039
Rent Increases	2% Annually
Remaining Term	18 Years
Extension Options	Three, Five-Year Options
Lease Type	Triple-Net (NNN)
Landlord Responsibility	None
Tenant Responsibility	Taxes, Insurance, Maintenance, Roof & Structure

RENT SCHEDULE

TERM	ANNUAL RENT	MONTHLY RENT
Year 7	\$224,851	\$18,738.40
Year 8	\$229,358	\$19,113.17
Year 9	\$233,945	\$19,495.44
Year 10	\$238,624	\$19,885.34
Year 11	\$243,397	\$20,283.05
Year 12	\$248,265	\$20,688.71
Year 13	\$253,230	\$21,102.49
Year 14	\$258,294	\$21,524.54
Year 15	\$263,460	\$21,955.03
Year 16	\$268,730	\$22,394.13
Year 17	\$274,104	\$22,842.01
Year 18	\$279,586	\$23,298.85
Year 19	\$285,178	\$23,764.83
Year 20	\$290,881	\$24,240.12
Year 21	\$296,699	\$24,724.93
Year 22	\$302,633	\$25,219.42
Year 23	\$308,686	\$25,723.81
Year 24	\$314,859	\$26,238.29

Remaining Primary Term Cash Flow: \$4,814,791

TENANT SUMMARY

Red Lobster

Red Lobster, a casual-dining seafood restaurant was founded in 1968 by Bill Darden. The first store was in landlocked Lakeland, Florida. Red Lobster then was backed by General Mills, which helped the restaurant's rapidly multiply from coast to coast. In 2014, Darden Restaurants, Inc. sold Red Lobster to Golden Gate Capital. In early days, Red Lobster only served lobster, snow crab, and jumbo shrimp. Today, they serve Cheddar Bay Biscuits, wild-caught seafood, fresh fish, and fresh Maine lobster prepared by certified grill masters on their signature wood-fire grills. Red Lobster Hospitality LLC is headquartered in Orlando, FL. The chain operates over 650 locations throughout the United States. Red Lobster is the largest seafood restaurant concept in the world and the 5th largest casual dining concept in the United States with over \$2.6 billion in annual sales and 673 restaurants. The market size for Seafood Casual Dining in the US is approximately 5.3 billion USD ; Red lobster holds almost 50% share in the Seafood Casual Dining market. 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.

In 2020 Private equity – Thai Union Group, acquired Red Lobster. Thai Union Group is based out of Thailand with offices in North America, Europe, the Middle-East and Asia. TUG serves as a main supplier of seafood for Red Lobster's across the world. Through acquisitions and organic growth, TUG's expansion strategy has established a diverse global brand portfolio that covers three continents with a wide ranges of products. Thai Union Group is listed on the stock exchange of Thailand (SET) since November 1994.



Ownership
Private



Tenant
Franchise



Website
Redlobster.com



No. of Employees
45,000+ Employees



No. of Restaurants
673 Locations



Revenue
\$2.6 billion

LOCATION OVERVIEW

The City of Tampa is the largest city in Hillsborough County, is the county seat, and is the third most populous city in Florida. It is located on the west coast of Florida, approximately 200 miles northwest of Miami, 180 southwest of Jacksonville, and 20 miles northeast of St. Petersburg. The property is located off Interstate-75, which connects Tampa to Fort Lauderdale, Gainesville and Sarasota. Interstate-75 experiences high traffic counts of over 71,000 vehicles per day while Palm Pointe Drive has a daily traffic count of over 49,000 vehicles. Tampa's economy is founded on a diverse base that includes tourism, agriculture, construction, finance, health care, government, technology, and the port of Tampa. Some of the area's largest employers include: BayCare Health Systems, Publix Super Market, HCA West Florida, Verizon, and Walmart. Within a five-mile radius this property has access to a population of over 135,000 people, including the University of South Florida, with a over 50,000 enrolled students.



SURROUNDING DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2010 Population	6,523	27,840	122,495
2021 Population	7,694	34,389	145,899
2026 Population	8,218	36,940	156,645
Growth 2010 – 2021	1.6%	2.1%	1.7%
Growth 2021 – 2026	1.4%	1.5%	1.5%

POPULATION BY RACE	1 MILE	3 MILES	5 MILES
White	4,977	23,656	98,888
Black	1,200	5,098	26,622
American Indian & Alaskan	23	126	26,622
Asian	1,234	4,303	14,635
Hawaiian & Pacific Island	6	24	183
Other	254	1,181	4,828
Hispanic	1,508	6,580	34,587

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 Households	2,664	11,325	49,377
2021 Households	3,047	13,701	58,247
2026 Households Projection	3,241	14,678	62,414
Growth 2010 – 2021	0.7%	1.4%	0.9%
Growth 2020 – 2026	1.3%	1.4%	1.4%
Owner Occupied	1,436	7,299	30,169
Renter Occupied	1,805	7,379	32,245
Avg. Household Income	\$112,185	\$115,699	\$90,262



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