

Outback Steakhouse, Single Tenant with Long-Term NNN Lease

302 South College Road, Wilmington, NC 28403

For
SALE



- ✓ 15-Year NNN Lease
- ✓ Annual Rent Escalations
- ✓ High Traffic Counts
- ✓ Publicly Traded Parent Company
- ✓ Major Mall Outparcel

OFFERING MEMORANDUM



Lyle Alper, Director of Sales

516-231-1031

Lyle@vanderbiltre.com

Vanderbilt Realty
136 Glenwood Road
Glenwood Landing, NY 11547

PHONE: 516-231-1031
www.vanderbiltre.com



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Vanderbilt Realty is pleased to market for sale the property leased to Outback Steakhouse located at 302 South College Road in Wilmington, NC (metro population: 272,788).

Outback has 15 years left on its initial lease term with 1% annual rent increases throughout the term including option periods. The lease is absolute NNN with no landlord responsibilities.

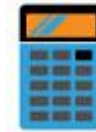
The site is situated immediately adjacent to Chevrolet and Buick-GMC dealerships and the 135-room Baymont Inn & Suites. Outback is a staple of the restaurant fare offered in the University Commons corridor of Wilmington, NC. In addition to the 30 stores in the main shopping center, the trade area also contains several car dealerships, 16+ hotels/lodges, Best Buy, Mattress Firm, Lowe's, and Sam's Club. One mile from the site, the University of North Carolina Wilmington is a public institution with nearly 18,000 students and 2,479 faculty and staff. As schools continue to reopen for on-campus instruction, business activity in this area will likely be enhanced.

Seven and ten miles away, respectively, are the two GE Wilmington plants, GE Hitachi and GE Aviation. They collectively employ 2,175 people. Many of the area's large employers (>350 employees) are in education, government, and healthcare, as shown in the graphic below.




Source: Wilmington Chamber of Commerce

Net Operating Income (NOI)	\$269,493.48
Rent/Month	\$22,457.79
Rentable SF	7,763 SF
Land Area	1.18 AC
Tenant Name	Outback Steakhouse of Florida, LLC
Website	www.outback.com
Guarantor	OSI Restaurant Partners, LLC
Ownership Type	Fee Simple
Lease Type	Absolute NNN
Landlord Responsibilities	None
Rent Commencement	At closing
Lease Expiration	15 years after closing
Increases	1% annually
Options	Four–5 year

**PRICE: \$5,133,209****CAP RATE: 5.25%****INVESTMENT HIGHLIGHTS:**

- ✓ Long-term NNN lease (15 years remaining)
- ✓ Built in 1977 and renovated in 2016
- ✓ 1% annual rent increases during the primary term and option periods
- ✓ High traffic counts on South College Road (64,000+ VPD) and nearby Market Street (40,935 VPD)
- ✓ Corporate guaranty
- ✓ Located in large metro area (pop. 272,788)
- ✓ Outparcel to major mall
- ✓ 1 mile from University of North Carolina Wilmington

LEASE YEAR	ANNUAL RENT	MONTHLY RENT	INCREASES
Year 1	\$269,493.48	\$22,457.79	N/A
Year 2	\$272,188.41	\$22,682.37	1%
Year 3	\$274,910.29	\$22,909.19	1%
Year 4	\$277,659.39	\$23,138.28	1%
Year 5	\$280,435.98	\$23,369.67	1%
Year 6	\$283,240.34	\$23,603.36	1%
Year 7	\$286,072.74	\$23,839.40	1%
Year 8	\$288,933.47	\$24,077.79	1%
Year 9	\$291,822.80	\$24,318.57	1%
Year 10	\$294,741.03	\$24,561.75	1%
Year 11	\$297,688.44	\$24,807.37	1%
Year 12	\$300,665.32	\$25,055.44	1%
Year 13	\$303,671.97	\$25,306.00	1%
Year 14	\$306,708.69	\$25,559.06	1%
Year 15	\$309,775.78	\$25,814.65	1%
Years 16–20	Option Period 1		1%
Years 21–25	Option Period 2		1%
Years 26–30	Option Period 3		1%
Years 31–35	Option Period 4		1%



Outback Steakhouse is a casual steakhouse restaurant focused on steaks, signature flavors, and Australian-inspired decor. The Outback Steakhouse menu offers seasoned and seared or wood-fire grilled steaks, chops, chicken, seafood, pasta, salads, and seasonal specials. The menu also includes several specialty appetizers, including the signature Bloomin' Onion®, and desserts, together with a full-service bar featuring Australian wine and beer. As of June 26, 2016, the company had 971 Outback Steakhouse restaurants around the world (815 company-owned and 156 franchised). Outback Steakhouse reported TTM system-wide sales in excess of \$3.13 billion.



Bloomin' Brands, Inc. (NASDAQ: BLMN) is one of the world's largest casual dining restaurant companies with approximately 1,500 restaurants throughout 48 states, Puerto Rico, Guam, and 20 countries. The company operates restaurants through a portfolio of leading, differentiated restaurant brands including Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill, and Fleming's Prime Steakhouse & Wine Bar. Price points and degree of formality range from casual (Outback Steakhouse and Carrabba's Italian Grill) to upscale casual (Bonefish Grill) and fine dining (Fleming's Prime Steakhouse & Wine Bar). Headquartered in Tampa, Florida, Bloomin' Brands has more than 100,000 employees. As of September 27, 2020, Bloomin' Brands reported TTM revenues of \$3.38 billion and EBITDA of \$62 million.

BLOOMIN' BRANDS, INC
USD in Millions

FINANCIALS	2020 TTM*	2019	2018	2017
TOTAL REVENUE	3,380	4,139	4,126	4,223
OPERATING PROFIT	-125	191	145	138
NET INCOME	-117	131	107	101
EBITDA	62	388	347	330
TOTAL ASSETS	3,368	3,593	2,465	2,562
TOTAL LIABILITIES	3,362	3,422	2,419	2,492
TOTAL EQUITY	5	170	46	70

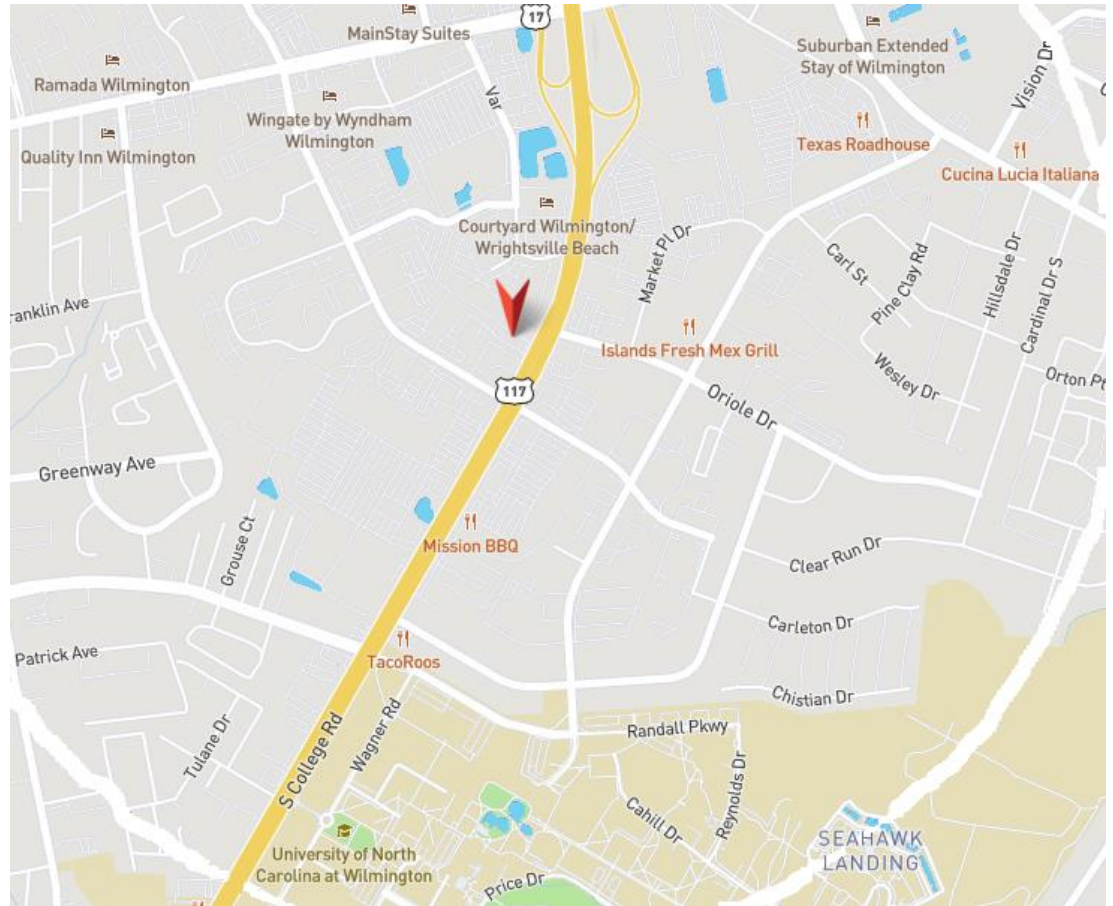
**As of September 27, 2020*

This Outback is located on an outparcel of the University Commons in the Midtown Submarket of Wilmington, NC. The property is strategically located on a busy retail corridor with excellent visibility. The 64,000+ VPD traffic count is driven in part by University Commons - Wilmington, a Brixmor-owned shopping center with strong national retailers, drawing an estimated 9,000 visits/day and 3.3M+ visits/year.

This district offers a high-traffic area along South College Road, a section of US-117. US-117 is a north-south highway running 114 miles from the Port of Wilmington at the south end to US-301 near Wilson at the north end. US-117 provides convenient access to I-40, a major east-west Interstate Highway that reaches all the way to California.

The Wilmington Metro Area comprises two counties: New Hanover (whose county seat is Wilmington) and Pender. By population it is the 11th largest metro area in North Carolina*.

There are 16+ hotels/lodges in the 1-mile radius of this Outback location, owing to coastal tourism. The University of North Carolina at Wilmington is less than 1 mile away.



LOCATION	DISTANCE	DIRECTION
Myrtle Beach, SC	72 miles	South West
Fayetteville, NC	89 miles	North West
Raleigh, NC	131 miles	North West
Charleston, SC	168 miles	South West

*Source: The Demographic Statistical Atlas of the United States





	1 MILE	3 MILE	5 MILE
2020 Total Population	13,597	68,968	151,675
2025 Population	14,318	73,519	161,711
Pop Growth 2020-2025	+ 5.30%	+ 6.60%	+ 6.62%
Average Age	30	37	39
2020 Total Households	4,950	29,367	64,423
HH Growth 2020-2025	+ 6.69%	+ 6.92%	+ 6.84%
Median Household Inc	\$22,216	\$45,840	\$50,868
Avg Household Size	1.90	2.10	2.20