

OFFERING MEMORANDUM

TEXAS ROADHOUSE

1051 Boardman Rd, Jackson, MI 49202



DANIEL H. KUKES
PRINCIPAL

dkukes@landmarkcres.com
(248) 488-2620

MAXWELL E. LIPPITT
SENIOR ASSOCIATE

maxlippitt@landmarkcres.com
(248) 488-2620

JASON M. GREENSPAN
DIRECTOR

jgreenspan@landmarkcres.com
(248) 488-2620

CONTACT US

30500 Northwestern Hwy, Suite 200
Farmington Hills, MI 48334

Phone: (248) 488-2620

landmarkinvestmentsales.com

CONFIDENTIALITY DISCLAIMER

Landmark Commercial Real Estate Services, LLC d/b/a Landmark Investment Sales ("BROKER") has been retained by the Owner to sell the 100% fee simple title of this asset. The Broker is the exclusive agent for the sale of this asset. The Broker has prepared the Property Information with information provided by the Owner, from sources deemed to be reliable. The Potential Purchaser will conduct its own due diligence of The Property, independently and without reliance upon BROKER of the Owner. Information furnished herein, the Offering Memorandum (the "OM") is intended solely for the Potential Purchaser and its affiliates ("Recipients") for its review of the acquisition of Texas Roadhouse at 1051 Boardman Rd, Jackson, MI ("Property").

All information in the OM ("Confidential Information") shall be deemed confidential. Confidential Information shall not include any information which is generally available to the public or which becomes available to the Recipients on a non-confidential basis from a source that is or was under no obligation not to disclose such information.

In consideration of Broker and disclosure of the confidential information, the recipient shall not at any time, attempt in any manner to deal directly in any manner or circumvent Broker.

Unless otherwise agreed in writing or required by law, the Recipients will not use, disclose, or reveal any Confidential Information for any purpose other than in connection with the proposed transaction to any persons or entities other than those employees, officers, directors, bankers, advisors, representatives, or agents (collectively, "Representatives") who clearly need such access to perform their employment, fiduciary or contractual duties to the Recipient and to actively and directly participate in the evaluation of the Confidential Information. Additionally, Recipients shall not directly contact anyone directly associated with the Property without the express written consent of the Owner or Broker.

Recipients agree not to contact or initiate contact with the Tenants, at any time, either directly or indirectly. Unless such approval is specifically granted in written from the Owner or Broker.

This agreement shall be governed by the laws of the Michigan, and in any action brought to enforce the terms hereof, Recipients hereby irrevocably consents to jurisdiction and venue in the Circuit Court for the County of Oakland, State of Michigan, or the United States District Court, whichever the Owner may elect. The invalidity or unenforceability of any provision of this agreement as applied to a particular occurrence or circumstance shall not affect the validity of or enforceability of any of the other provisions of this agreement or the applicability of such provisions as the case may be. This agreement shall inure to the benefit of and may be enforced by the Owner and its successors and assigns and shall be binding on the Recipients, its officers, directors, partners, agents, members, representatives and successors in interest. If any portion of this agreement becomes the subject of litigation or arbitration, the prevailing party in such suit or proceeding shall be entitled to reimbursement for its reasonable costs, expenses and attorney's fees incurred, including those incurred in connection with any appeals. A copy of this agreement delivered by facsimile transmission shall be binder on both parties.

Cooperating Broker Policy

Unless otherwise agreed in writing, neither Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with Recipient (the "Potential Purchaser"), or a related and/or affiliated party to such Recipient, attempting to act as a cooperating broker. In addition, neither the Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with, a cooperating broker representing the Recipient. The Recipient may elect to be have a cooperating broker represent them in the transaction at their own expense, unless otherwise agreed in writing by BROKER.



DANIEL H. KUKES

Principal

dkukes@landmarkcres.com
(248) 488-2620

MAXWELL E. LIPPITT

Senior Associate

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(248) 488-2620

JASON M. GREENSPAN

Director

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(248) 488-2620

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OFFERING SUMMARY

PROPERTY DETAILS

Address: 1051 Boardman Rd, Jackson, MI

Building Size: 7,163 SF

Lot Size: 0.73 acre

Year Built: 2015

LEASE DETAILS

Tenant: Texas Roadhouse Holdings LLC

Lease Type: Ground Lease

Lease Expiration: 9/30/2030

Rent Increases: 10% every 5 years

Next Rent Increase: 10/1/2025

Options: Four (4) five (5) year options with 10% increases

Landlord Responsibilities: None

PRICING

NOI: \$121,000 (10/1/20 increase)*

Cap Rate: 5.25%

Asking Price: \$2,304,762

**Seller to provide gap rent credit at closing*

**Pricing based off of 10/1/2020 rent*

INVESTMENT HIGHLIGHTS

STRONG TENANT SALES

- The Texas Roadhouse in Jackson, MI is a high-volume restaurant with very strong sales (call for details).

LONG TERM GROUND LEASE WITH RENT INCREASES

- The subject property operates under a long term ground lease with scheduled rent increases. As a ground lease, the property presents zero landlord responsibilities.

GREAT VISIBILITY & ACCESS

- The asset is highly visible from I-94 (48,000 CPD) and benefits from multiple points of ingress/egress to Jackson Crossing, a 620,000 SF regional center and the adjacent Jackson West, a 209,800 SF power center.

RENT SCHEDULE

Period	Dates	Annual	Monthly	PSF
Years 1-5	Current – 9/30/2020	\$110,000	\$9,166.67	\$15.36
Years 6-10	10/1/2020 – 9/30/2025	\$121,000	\$10,083.33	\$16.89
Years 11-15	10/1/2025 – 9/30/2030	\$133,100	\$11,091.67	\$18.58

Option Terms (Four (4) five (5) year options)

Option 1	10/1/2030 – 9/30/2035	\$146,410	\$12,200.83	\$20.44
Option 2	10/1/2035 – 9/30/2040	\$161,051	\$13,420.92	\$22.48
Option 3	10/1/2040 – 9/30/2045	\$177,156	\$14,763.01	\$24.73
Option 4	10/1/2045 – 9/30/2050	\$194,871	\$16,239.31	\$27.21

VIEW NORTHEAST



TEXAS ROADHOUSE



Texas Roadhouse opened its doors in 1993. In just 20 years, the company has grown to more than 420 locations in 48 states and four international locations in Dubai and Kuwait. Texas Roadhouse is famous for its hand-cut steaks, fall-off-the-bone ribs, made-from-scratch sides, and fresh-baked bread. The Company's wholly owned subsidiaries include Texas Roadhouse Holdings LLC (Holdings), Texas Roadhouse Development Corporation (TRDC), Texas Roadhouse Management Corp (Management Corp.) and Aspen Creek, LLC (Aspen Creek). The Company and its wholly owned subsidiaries operate restaurants under the names Texas Roadhouse and Aspen Creek. Holdings also provides supervisory and administrative services for certain other license and franchise restaurants. TRDC sells franchise rights and collects the franchise royalties and fees. Management Corp. provides management services to Holdings, TRDC and certain other license and franchise restaurants.

FOUNDED	1993
HEADQUARTERS	Louisville, KY
STOCK TICKER	TXRH (NASDAQ)
WEBSITE:	www.texasroadhouse.com

TOTAL REVENUE	LOCATIONS	TOTAL EMPLOYMENT	MARKET CAP
\$2.22B (2017)	563	56,300	\$3.82B (2019)

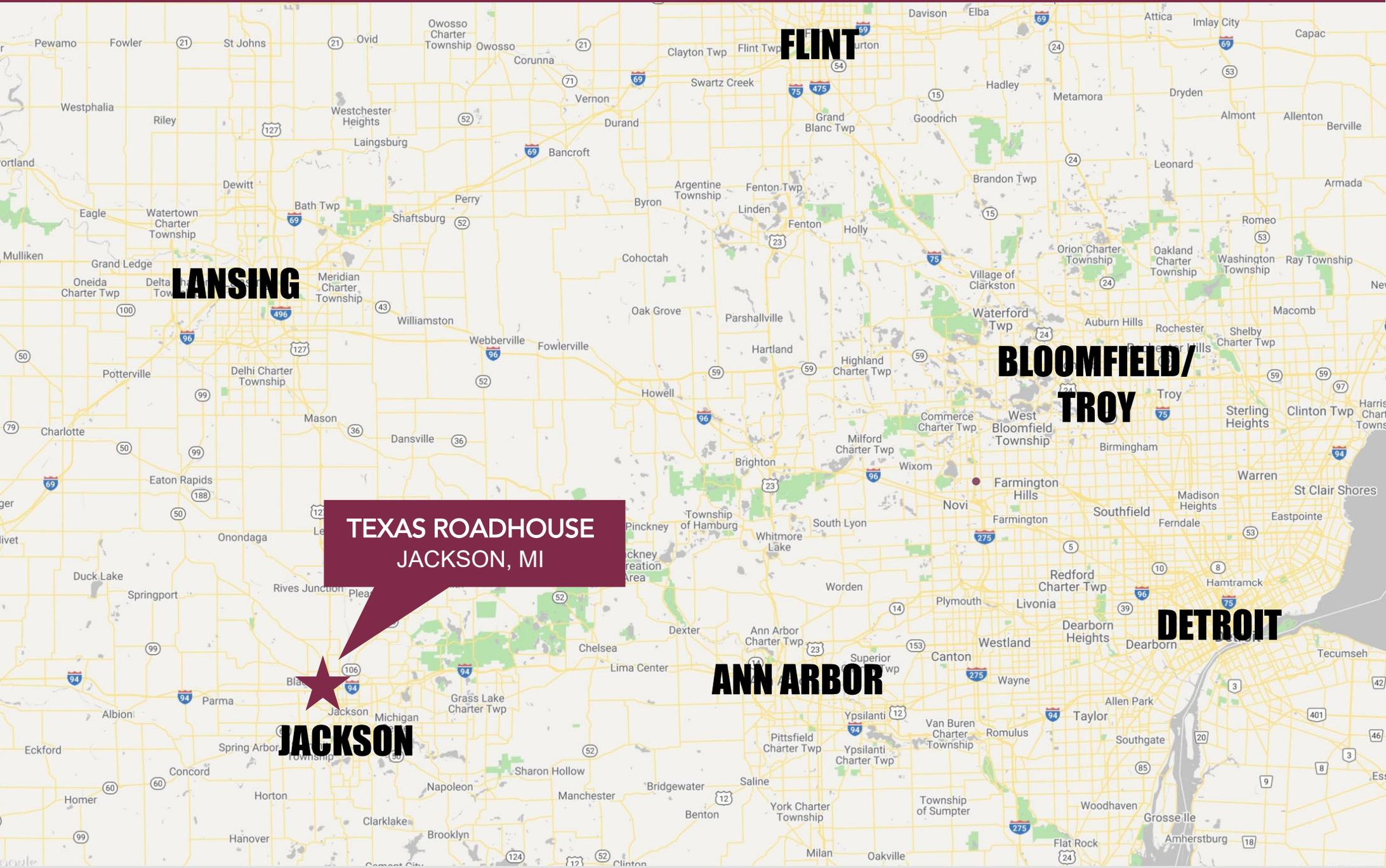
TEXAS ROADHOUSE – JACKSON CROSSING MALL



JACKSON CROSSING OUTLOT



LOCATION MAP





JACKSON, MI

EXPANSIVE TRADE AREA

- The 15 mile trade area surrounding Jackson Crossing represents an over **160,000** population, including **61,000** households with median incomes over **\$50,000**.

LOW UNEMPLOYMENT

- As of May 2019, the unemployment rate in Jackson County was **3.40%**, which is lower than the state & national rates. Overall, Jackson is home to 5,965 businesses. The largest of which are healthcare and social services totaling 1,299 businesses and **16,322 jobs**.

MAJOR EMPLOYER HEADQUARTERS

- Jackson is home to two major employers: Henry Ford Allegiance Health (4,100 employees) and Consumers/CMS Energy (2,400 employees).

SOLID RETAILER SALES

- Retailer sales volumes at the surrounding Jackson Crossing, Jackson West, and the immediate trade area are solid, attracting numerous tenants to the trade area. Inquire with Broker for details.



3.40%

UNEMPLOYMENT RATE
(as of May 2019)



71,818

PEOPLE
(5-mile radius)



\$60K

AVG. HH INCOME
(5-mile radius)



Downtown Jackson



Michigan International Speedway

MAJOR EMPLOYERS

JACKSON, MI

HENRY FORD ALLEGIANCE HEALTH

- Now a 475-bed health system, Henry Ford Allegiance Health is comprised of more than 40 different facilities that serve the entire region. Henry Ford Allegiance Health has more than 400 physicians and 3,700 staff members. The health system offers specialized services including a new cancer center and a heart center with a 20-bed cardiac universal bed unit.

CONSUMERS ENERGY

- Consumers Energy is a public utility that provides natural gas and electricity to 6.7M of Michigan's 10M residents. It serves customers in all 68 of the state's Lower Peninsula counties. Consumers Energy is working to modernize Michigan's electric grid and develop clean energy across the state. The company recently announced its goals for the *Jackson Smart Energy District*, an efficient, clean energy, 4 square block hub in Jackson, MI. The company is the primary subsidiary of CMS Energy.

GREAT LAKES CARING

- Recently, Great Lakes Caring partnered together National Home Health Care and Jordan Health Services to create Elara Caring, one of the nation's largest providers of home-based care. Elara Caring provides the highest-quality comprehensive in-home care continuum of personal care, skilled home health, hospice and behavioral health care. The network currently cares for more than 65,000 patients across 225 locations in 16 states.



Henry Ford Allegiance Health, Jackson, MI



CMS Headquarters, Jackson, MI



Great Lakes Caring Corporate Office, Jackson, MI

DESCRIPTION		1 MILE	3 MILE	5 MILE
POPULATION	2019 Estimated Population	4,969	54,795	75,763
	2024 Projected Population	5,133	56,624	77,811
	2010 Census Population	5,226	56,718	77,951
	2000 Census Population	6,087	56,954	78,914
	Projected Annual Growth 2019 to 2024	0.7%	0.7%	0.5%
	Historical Annual Growth 2000 to 2019	-1.0%	-0.2%	-0.2%
HOUSEHOLDS	2019 Estimated Households	2,388	21,681	30,637
	2024 Projected Households	2,454	22,351	31,347
	2010 Census Households	2,361	20,736	29,261
	2000 Census Households	2,659	20,640	28,863
	Projected Annual Growth 2019 to 2024	0.5%	0.6%	0.5%
	Historical Annual Growth 2000 to 2019	-0.5%	0.3%	0.3%
RACE	2019 Est. White	80.0%	73.2%	76.7%
	2019 Est. Black	12.9%	18.7%	15.9%
	2019 Est. Asian or Pacific Islander	1.5%	1.3%	1.3%
	2019 Est. American Indian or Alaska Native	0.5%	0.4%	0.4%
	2019 Est. Other Races	5.1%	6.4%	5.8%
INCOME	2019 Est. Average Household Income	\$49,464	\$50,602	\$59,020
	2019 Est. Median Household Income	\$43,207	\$41,092	\$46,491
	2019 Est. Per Capita Income	\$23,853	\$22,157	\$25,436
BUSINESS	2019 Est. Total Businesses	590	3,181	4,092
	2019 Est. Total Employees	7,022	44,932	54,781





DANIEL H. KUKES

PRINCIPAL | dkukes@landmarkcres.com

Daniel Kukes is a Principal and Co-Founder of Landmark Investment Sales. Daniel specializes in the sale of retail shopping centers, medical office, and single tenant net lease investment properties across all property types. He currently represents some of the nation's largest institutional real estate funds, private equity group, and high net worth investors in acquiring and listing investment properties all over the country. Since 2010, Daniel has closed deals totaling over 8,000,000 SF valued at over \$1,000,000,000. Daniel joined Landmark in 2009 as an Associate Broker. He began his real estate career at NAI Farbman where he focused on shopping center leasing and retail tenant representation. After five years at NAI Farbman, Daniel joined DAP Investments as a partner responsible for retail development, acquisitions and leasing. While there, he developed several single tenant and shopping center projects in Michigan and Illinois. Daniel is a graduate of Michigan State University with a Bachelor of Arts degree in Pre-Law & Society.



MAXWELL E. LIPPITT

ASSOCIATE | maxlippitt@landmarkcres.com

Maxwell Lippitt graduated from Michigan State University in 2016 with a Bachelor of Science degree in Economics. Max was an intern in Landmark's Investment Sales department during the summer of 2015. Upon graduating, Max became an associate broker at CBRE specializing in the disposition of single tenant medical, retail, and office properties. While at CBRE, Max researched, sourced, and tracked thousands of investment properties while building strong relationships with a wide variety of property owners all across the country. At Landmark, he will continue his growth as an Investment Sales Broker providing unique opportunities to buyers and sellers while offering exceptional service.



JASON GREENSPAN

ASSOCIATE | jgreenspan@landmarkcres.com

Jason Greenspan graduated from the University of Michigan in 2012 with a Bachelor of Arts degree in Political Science and Sociology. Jason also received a Juris Doctor in 2015 from Michigan State University College of Law where he concentrated in business and corporations. He passed the Michigan Bar Examination in July 2015. Starting in 2011, and while in law school, Jason interned at Landmark Investment Sales identifying, sourcing, and underwriting investment grade properties. With law school behind him and six years of experience in real estate investment sales, Jason has participated in the closing of over \$150,000,000 and continues to source investment opportunities across the country. Jason specializes in the representation of buyers and sellers of institutional grade single tenant properties, high profile unanchored retail centers, grocery anchored centers, and power centers.