

# Chili's Grill & Bar

2323 US Highway 92 W, Auburndale, FL 33823

Marcus & Millichap

OFFERING MEMORANDUM



**OFFERED AT \$2,500,000 – 5% Cap Rate**



## INVESTMENT HIGHLIGHTS

- Absolute NNN Ground Lease | Zero Landlord Responsibilities
- Corporate Guaranty from Brinker International, Inc. | \$3.34 Billion in Revenue in 2021
- Tenant signed Brand New 10 Year Lease furthering its commitment to the location
- 39,000+ Vehicles Per Day on US Hwy 92
- 10%+ Population Growth expected in the next 5 Years in a 1-Mile Radius
- Signalized Corner and outparcel to Lowe's anchored Shopping Center
- Huge 1.50 ACRE Lot | 87 Parking Spaces
- Florida is an income tax free State

## INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present a Chili's Grill & Bar for sale located at 2323 US Highway W in Auburndale, Florida. The 5,442 Square Foot Building on 1.50 Acres has excellent visibility on US Hwy 92 which has average daily traffic counts of over 39,000 VPD. This property is subject to an Absolute NNN Ground Lease with a Corporate Guaranty from Brinker International, Inc. Chili's joins a diverse mix of tenants centered located off of US Highway 92 including Lowe's, ALDI, Dollar Tree, Taco Bell, McDonald's, RaceTrac, Circle K, Wendy's, and Verizon. Chili's Grill & Bar is a part of the Brinker International Family (with Maggiano's Little Italy) and has over 1,600 locations worldwide in 29 Countries. It was Recognized as one of "America's Best Employers" on the 2015 Forbes List and Fortune's "100 Best Workplaces for Millennials".

## OFFERING SUMMARY

PRICE	\$2,500,000
NOI	\$125,000
TERM REMAINING	10+ Years
CAP RATE	5%
PRICE/SF	\$459
LEASE TYPE	Absolute NNN
GROSS LEASABLE AREA	5,442 SF
YEAR BUILT	2008
LOT SIZE	1.50 Acres

## LEASE SUMMARY

PROPERTY ADDRESS	2323 US Highway 92 W, Auburndale, FL
PROPERTY SUBTYPE	Ground Lease
LEASE GUARANTOR	Corporate
TENANT	Chili's Grill & Bar
LEASE COMMENCEMENT	March 1, 2023
LEASE EXPIRATION	February 28, 2033
RENEWAL OPTIONS	Five 5-Year
RENTAL INCREASES	10% after 5 years   10% in each option
LANDLORD RESPONSIBILITY	None
TENANT RESPONSIBILITY	Property Taxes, Insurance, Maintenance & Repair
RIGHT OF FIRST REFUSAL	No

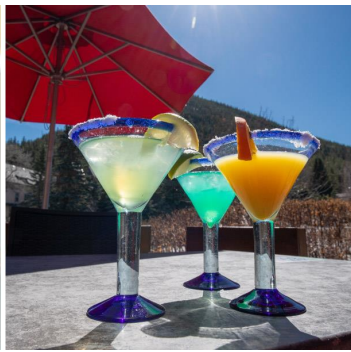




LEASE TERM	ANNUAL RENT	MONTHLY RENT	RENTAL INCREASE
Current- 2/28/2023	\$118,580	\$9,881.67	-
3/1/2023 – 2/28/2028	\$125,000	\$10,416.67	5.4%
3/1/2028 – 2/28/2033	\$137,500	\$11,458.33	10%
3/1/2033 – 2/28/2038 (OP 1)	\$151,250	\$12,604.17	10%
3/1/2038 – 2/28/2043 (OP 2)	\$166,375	\$13,864.58	10%
3/1/2043 – 2/28/2048 (OP 3)	\$183,012.5	\$15,251.04	10%
3/1/2048 – 2/28/2053 (OP 4)	\$201,313.75	\$16,776.15	10%
3/1/2053 – 2/28/2058 (OP 5)	\$221,445.13	\$18,453.76	10%

\* Priced on NOI of \$125,000

\* Seller to credit difference at Closing



## TENANT PROFILE

Tenant	Chili's Grill & Bar
Lease Guarantor	Corporate
Ownership	Public
Number of Locations	1,600 +
Year Founded	1975
Headquarters	Coppell, TX

## ABOUT THE TENANT

**CHILI'S GRILL & BAR** is an American casual dining restaurant chain. Founded by Larry Lavine in Texas over 40 years ago and currently owned and operated by Dallas-based Brinker International, Inc., Chili's Grill & Bar is Brinker's flagship brand and a recognized leader in casual dining offering fresh, bold and unexpected flavors. With 1,610 independently and corporate-owned and operated locations, Chili's enjoys a global presence with locations in 32 countries and two U.S. territories, more than 100,000 team members and entree selections ranging in menu price from \$6.00 to \$18.99. The Chili's brand has remained competitive by offering consistent, quality products at a compelling everyday value, leveraging technology initiatives to create a digital guest experience believed to engage guests more effectively, and loyalty programs and incentives to further enhance sales and drive incremental traffic. In September 2017, the casual dining chain decided to streamline their menu to focus on food quality and customer experience and reinvested in its best sellers and signature items of burgers, baby back ribs, fajitas and famous margaritas. In the second half of 2018, Chili's put focus on bolstering its to-go and delivery businesses, which account for more than ten percent of its sales. Named as one of "America's Best Employers" on the 2015 Forbes List and Fortune's "100 Best Workplaces for Millennials", Chili's continues to revolutionize the casual dining industry as a technology pioneer and is well known for fostering an energetic culture for team members.

CHILI'S GRILL & BAR – 2323 US HIGHWAY 92 W





2323 US HWY - 39,000+ VPD







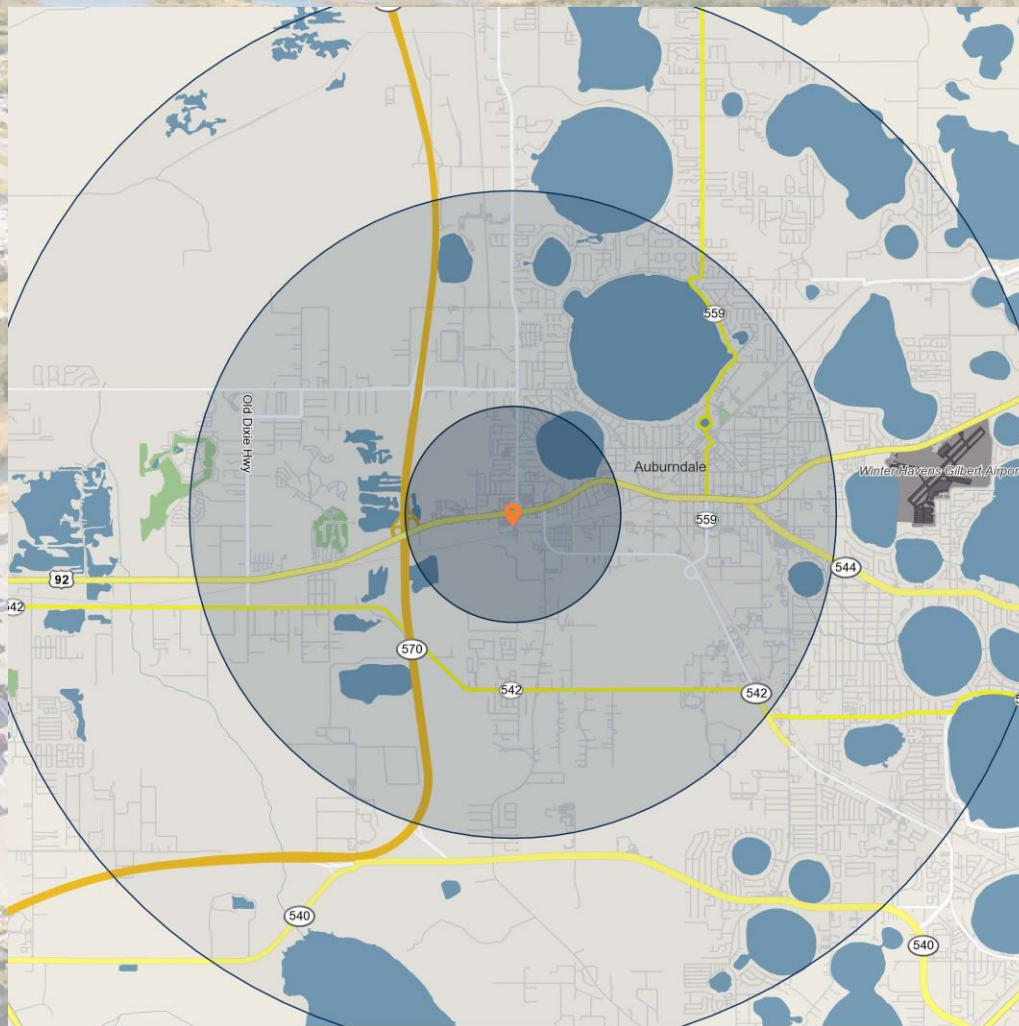






**Auburndale, FL | Auburndale** is a city located in central Florida, right in between Tampa and Orlando. It is a part of Polk County and has been experiencing a significant rise in population over the last decade, with population rising over 15% since 2010. Auburndale has a population of around 17,000. Auburndale is known for its abundance of lakes, and it's near to many of Florida's largest theme park attractions, state and national parks, and historic attractions. The growth of Auburndale is evident in the development of construction seen throughout the city. Recent development has brought the city a new Cabana Club RV Resort which covers dozens of acres and can hold 280 RVs in addition to having more than 100 vacation tiny houses to rent. This new resort borders an also recently built water ski cable park and two new subdivisions that are currently being developed. There are also about 2,800 homes that are expected to be built in Auburndale over the next few years. All of this points to the commitment to growth that Auburndale is currently experiencing. Polk County itself is home to many companies, with some of its largest employers being Publix Super Markets, Lakeland Regional Health, and Geico. Amazon has also made a commitment to both Polk County and Auburndale itself, as it recently opened its 4<sup>th</sup> facility in the area in Auburndale. Consumer spending for the specific 3 mile radius surrounding the Chili's totaled over \$266 million. Around 28% of consumer spending for this radius was on food & alcohol goods, with the next biggest area of consumer spending being transportation & maintenance.





POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection	3,582	30,352	75,176
2021 Estimate	3,505	29,102	71,452
2010 Census	3,045	24,664	59,650
2000 Census	3,027	23,391	55,260
HOUSEHOLD INCOME			
Average	\$52,041	\$64,841	\$65,165
Median	\$40,949	\$51,631	\$51,979
Per Capita	\$20,142	\$24,859	\$25,296
HOUSEHOLDS			
2026 Projection	1,405	11,688	29,254
2021 Estimate	1,356	11,126	27,706
2010 Census	1,172	9,368	23,063
2000 Census	1,224	8,845	21,778
HOUSING			
Median Home Value	\$107,376	\$140,419	\$144,010
EMPLOYMENT			
2021 Daytime Population	4,072	30,275	63,052
2021 Unemployment	10.85%	7.53%	6.77%
Average Time Traveled (Minutes)	30	31	30
EDUCATIONAL ATTAINMENT			
High School Graduate (12)	40.35%	37.82%	37.76%
Some College (13-15)	19.36%	21.04%	20.89%
Associate Degree Only	8.13%	8.67%	8.92%
Bachelor's Degree Only	6.48%	9.91%	10.33%
Graduate Degree	3.04%	4.64%	4.84%

CHILI'S GRILL & BAR – 2323 US HIGHWAY 92 W



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