

# Cheddar's Ground Lease

MORRISTOWN (KNOXVILLE MSA), TN



**BERKELEY**  
CAPITAL ADVISORS

# Contacts

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BCA FIRM TENNESSEE

REAL ESTATE LICENSE NO.: 00261887



# Location Map



30 MILES TO  
DOWNTOWN  
KNOXVILLE

*4204 Roberts Lane  
Morristown, TN 37814  
Knoxville MSA*

# Investment Overview

## PROPERTY

*Cheddar's Ground Lease*

## ADDRESS

*4204 Roberts Lane  
Morristown, TN 37814  
Knoxville MSA*

## TENANT ENTITY

Cheddar's Casual Cafe, Inc. (Corporate Lease)

## RENT COMMENCEMENT

July 3, 2023

## LEASE EXPIRATION

July 31, 2033

## ORIGINAL LEASE TERM

10 Years

## LEASE TERM REMAINING

10 Years

## OPTIONS REMAINING

Four, 5-Year

## LEASE TYPE

Absolute Net Ground Lease

## NOI

\$145,000

## RENT INCREASES

10% Every 5 Years

## RIGHT OF FIRST REFUSAL

None

## PROPERTY DETAILS

8,745  
*Square Feet*

2.25  
*Acres*

2023  
*Year Built*

±135  
*Parking Spaces*

*Note: All lease provisions to be independently verified by Buyer during the Due Diligence Period.  
The information contained herein has been obtained from sources we deem reliable.*

# \$2,779,000

*Asking Price (5.20% Cap Rate)*

## RENT SCHEDULE

LEASE YEAR	START	END	ANNUAL RENT	% INCREASE
Years 1-5	7/3/2023	7/31/2028	\$145,000	-
Years 6-10	8/1/2028	7/31/2033	\$159,500	10.00%
Option 1	8/1/2033	7/31/2038	\$175,450	10.00%
Option 2	8/1/2038	7/31/2043	\$192,995	10.00%
Option 3	8/1/2043	7/31/2048	\$212,295	10.00%
Option 4	8/1/2048	7/31/2053	\$233,524	10.00%





# Property Highlights

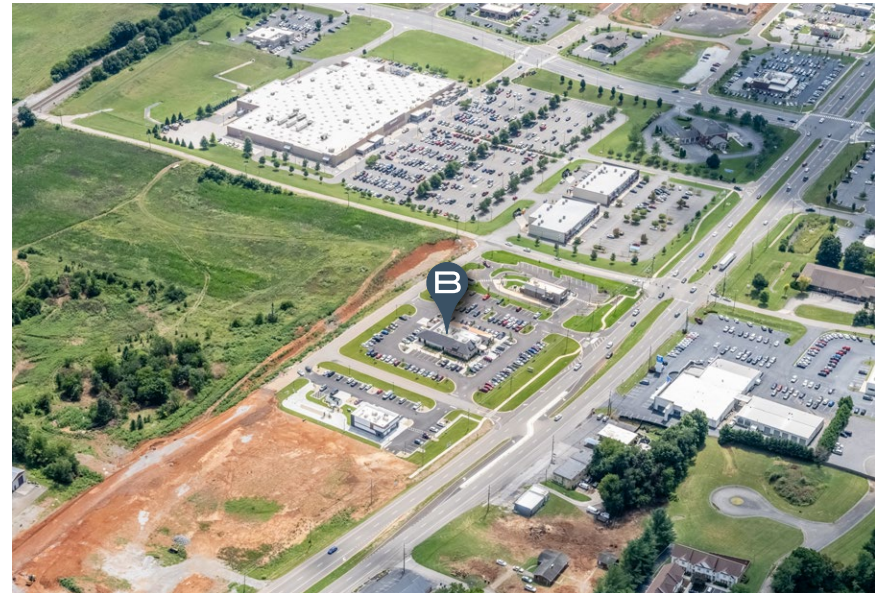
## PROPERTY HIGHLIGHTS

- Corporate lease | Cheddar's Casual Café, Inc. | 188+ locations across the US | Owned by Darden Restaurants which also operates brands such as Olive Garden, Longhorn, Ruth's Chris, The Capital Grille, and Eddie V's amongst others | 1,900 total locations operated by Darden
- Outparcel to Bellwood Farms | Future grocery-anchored shopping center development | See site plan on Page 9
- Significant tenant investment into real property | Well below replacement rent
- Large parcel | 2.25 acres
- 10-year Absolute Net Ground Lease | Zero landlord responsibilities
- Great visibility & access from W Andrew Johnson Hwy | 32,760 VPD being served by two traffic signals on Andrew Johnson Hwy
- 2023 new construction
- Morristown is an established regional economic hub | City and county seat of Hamblen County
- Located inside of dense retail corridor | 1.4M SF within a 2-mile radius | Substantial new development in surrounding area
- 3 miles from large industrial pocket | 2.5M SF of space | Iconex, MAHLE Engine Components, Orbit Industries, Lear Siegler, Clayton Homes, & others
- 10 minutes from Morristown-Hamblen Healthcare System | 167 beds
- Less than 10 minutes from Cherokee Lake | 2.5M visitors annually
- 12 minutes from both Morristown-Hamblen East & West High Schools | 3,105 students combined
- Less than 5 minutes from Morristown Regional Airport
- Nearby destination retailers | Walmart Supercenter, Lowe's, Home Depot, Tractor Supply, Harbor Freight Tools, ALDI, Ingles, Texas Roadhouse, Chili's, Buffalo Wild Wings, Freddy's, Starbucks, Wendy's, Dunkin', AutoZone and others
- 30 miles to Downtown Knoxville

## DEMOGRAPHIC SNAPSHOT

42,198 | 2023 POPULATION WITHIN FIVE MILES

\$76,562 | 2023 AVG. HOUSEHOLD INCOME WITHIN THREE MILES







**THE HOME DEPOT**  
**FOOD CITY**  
**CVS pharmacy**

**OLLIE'S BOUTIQUE**  
**Arby's**  
**SONIC**  
**Chick-fil-A**  
**Bojangles**  
**Capitan's TACO BELL**  
**Applebee's**  
**COOK OUT**  
**Fa's**  
**BUFFALO WILD WINGS**

**Lowe's**

**Rural King**  
**DUNKIN'**  
**goodwill**  
**Dutch Bros**

**HARBOR FREIGHT**

**Auto Zone**  
**golden corral**

**Krystal**  
**Charleys**  
**TRACTOR SUPPLY CO.**

**Hampton Inn**

**ingles**

KIDWELL RIDGE RD - 7,100 VPD

W ANDREW JOHNSON HWY - 32,760 VPD

**HONDA**

**PANDA EXPRESS**

Future Grocery-Anchored Master Plan Development

**Cheddar's**  
SCRATCH KITCHEN

**Starbucks**

**Bravo's**  
**SportClips**

**Walmart**  
Supercenter





CHEROKEE LAKE

Industrial Area

Colgate-Palmolive  
Manufacturing

Morristown  
Regional  
Airport

Morristown Public  
Works Department

Future Retail  
Development

MERCHANTS GREENE BLVD - 12,000 VPD

Future Grocery-Anchored  
Master Plan Development







West View  
Middle School  
564 students

HWY 160 - 20,545 VPD

Colgate-Palmolive  
Manufacturing

Morristown Landing  
Sports Complex

Morristown Public  
Works Department

Morristown  
Regional Airport

MERCHANTS GREENE BLVD - 12,000 VPD

Future Retail  
Development

Walmart  
Supercenter

Aubrey's

Arby's

Weigel's

CITIZENS  
NATIONAL BANK

huely  
magoos  
TENDERS

Wendy's

Future Grocery-Anchored  
Master Plan Development

Bravo's  
Mexican Grill  
Steak & Seafood  
SportClips  
HAIRCUTS

HomeTrust Bank  
Since 1908

TEXAS  
WINGS

ALDI

Starbucks

Pepper's

Pepper's

W ANDREW JOHNSON HWY - 32,760 VPD

Cheddar's  
SCRATCH KITCHEN

KNOXVILLE TVA EMPLOYEES  
CREDIT UNION

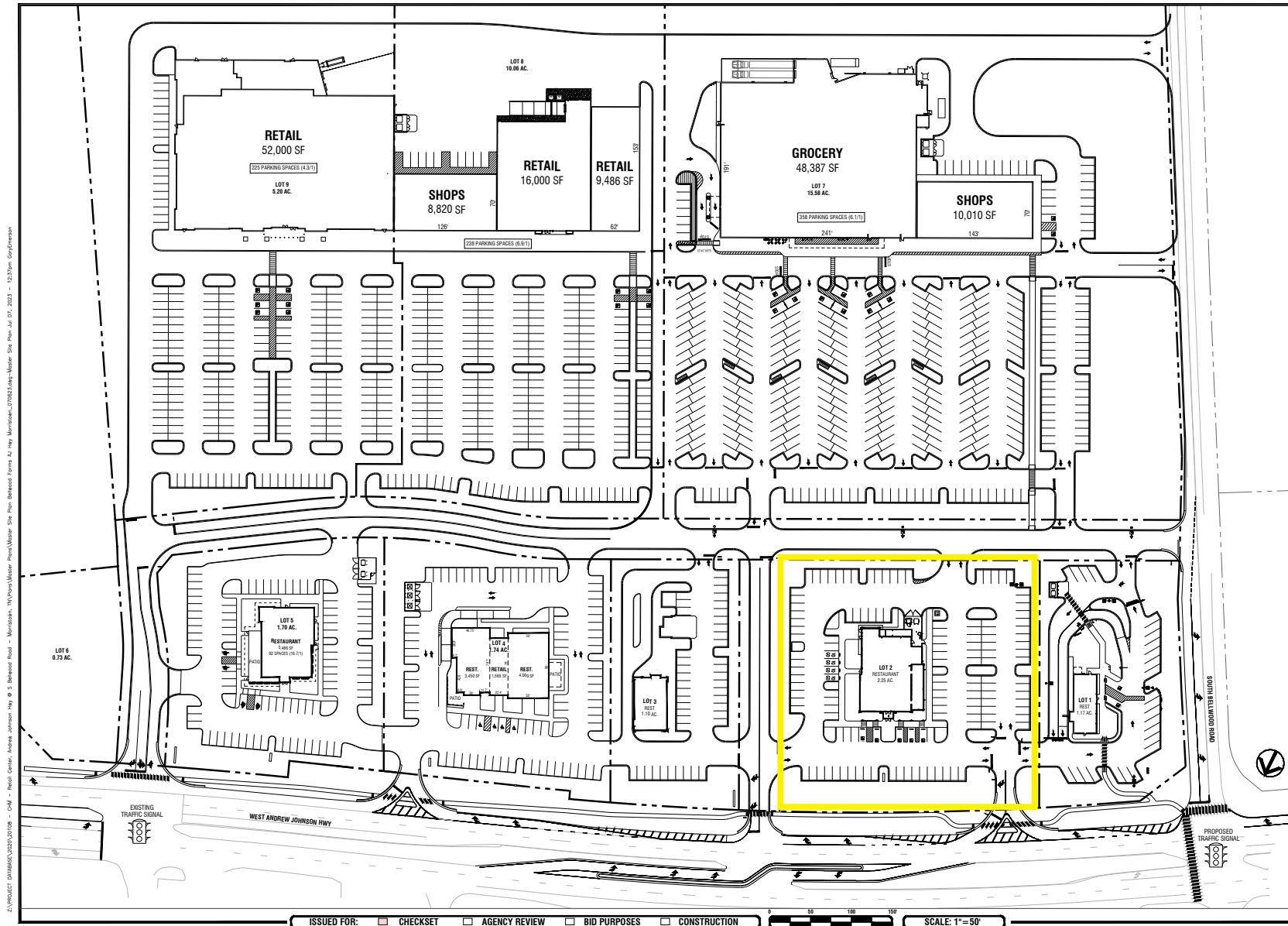
Freddy's  
STEAKBURGERS  
FIREHOUSE  
SUBS

Mario's  
Pizza

HONDA



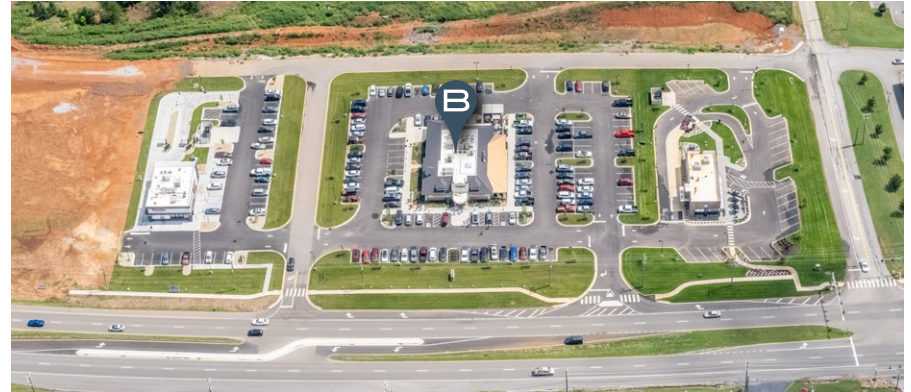
# Proposed Master Plan



Z:\PROJECT CHAIRMAN\2020\201008 - CM - Retail Center, Andrew Johnson Hwy @ S Belleville Road - Moriches, TN\Plan Master Plan\Master Site Plan BerkeleyCap-Master Site Plan Jul 07, 2023 - 13:27pm GerdEmerson



# Additional Property Photos





# Tenant Overview



## ABOUT CHEDDAR'S

Cheddar's Scratch Kitchen, formerly known as Cheddar's Casual Café, is an American restaurant chain based in Irving, Texas. Founded in 1979 by Aubrey Good and Doug Rogers, the company has more than 188 locations.

Cheddar's Scratch Kitchen serves a variety of made-from-scratch dishes. They are a dining establishment with traditional and modern American fare including hand-breaded Chicken Tenders, Homemade Chicken Pot Pie, and House Smoked Baby Back Ribs that are smoked for a minimum of four hours.

188  
*Locations*

1979  
*Year Founded*

## ABOUT DARDEN RESTAURANTS

Headquartered in Orlando, FL, Darden Restaurants owns and operates more than 1,900 restaurants through nine unique brands, consisting of Olive Garden, LongHorn Steakhouse, Cheddar's Scratch Kitchen, Yard House, The Capital Grille, Seasons 52, Bahama Breeze, Eddie V's, & Ruth's Chris.

Darden is currently listed on the NYSE (DRI) and reported total revenue of \$9.63B in 2022 across all brands. Their 190,000 employees serve more than 410M customers annually.





# Market Overview – Knoxville, TN



#5

*Most Recession-Proof  
City in the United States  
-Livability.com*

\$1B

CONTRIBUTED ANNUALLY BY TOURISM  
TO KNOXVILLE'S ECONOMY

14.1M

*Visitors to the Great  
Smoky Mountains  
National Park in 2021*

#8

*Best Places to Live  
in the United States  
-Livability.com*

31K+

31,701 STUDENTS ATTEND THE UNIVERSITY  
OF TENNESSEE

60K+

*Knox County Public  
School System Serves  
60,500 Students.*

685

BEDS AT UNIVERSITY OF TENNESSEE  
MEDICAL CENTER



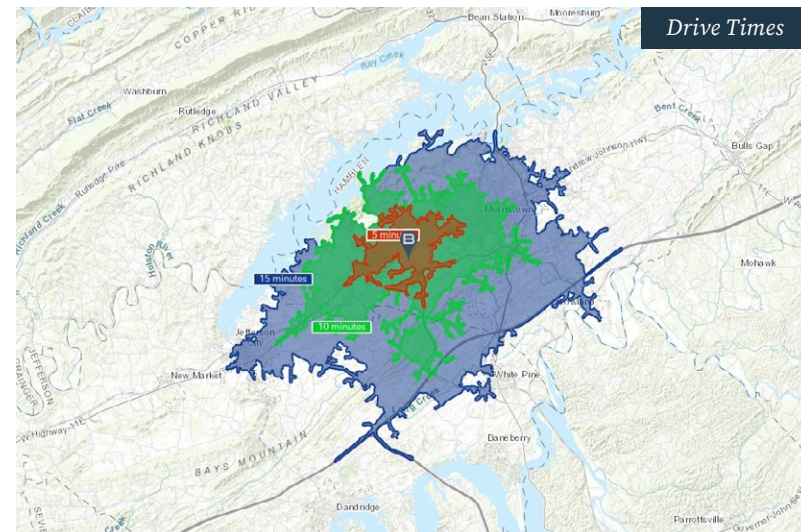
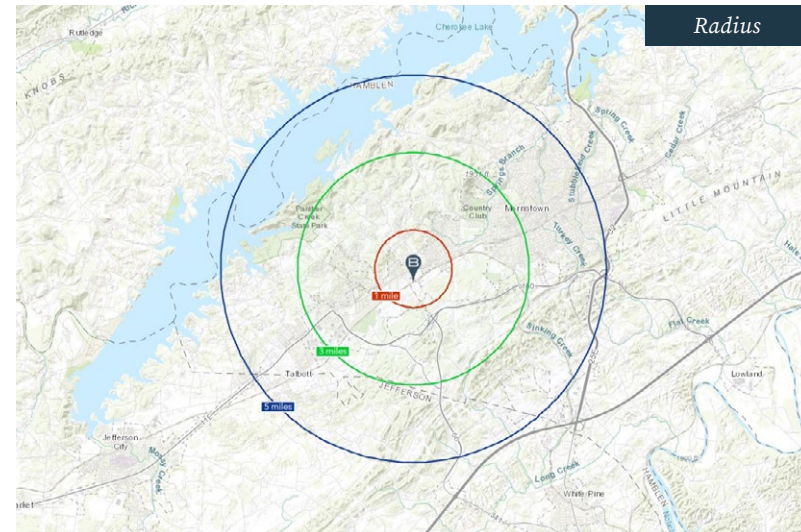
# Demographics

## Radius

POPULATION	1-MILE	3-MILE	5-MILE
2028 Population	2,907	15,369	42,228
2023 Population	2,980	15,531	42,198
2020 Population	3,016	15,595	41,636
2010 Population	2,721	14,774	40,135
2023-2028 Annual Rate	-0.49%	-0.21%	0.01%
2020-2023 Annual Rate	-0.37%	-0.13%	0.41%
2010-2020 Annual Rate	1.03%	0.54%	0.37%
HOUSEHOLDS			
2028 Households	1,136	5,935	16,415
2023 Households	1,157	5,963	16,320
2020 Households	1,174	5,941	16,065
2010 Households	1,084	5,670	15,633
2023-2028 Annual Rate	-0.37%	-0.09%	0.12%
2020-2023 Annual Rate	-0.45%	0.11%	0.49%
2010-2020 Annual Rate	0.80%	0.47%	0.27%
<b>2023 AVG. HH INCOME</b>	<b>\$72,966</b>	<b>\$76,562</b>	<b>\$64,882</b>

## Drive Times

POPULATION	5-MINUTE	10-MINUTE	15-MINUTE
2028 Population	7,462	31,499	59,983
2023 Population	7,543	31,682	59,572
2020 Population	7,599	31,549	58,564
2010 Population	7,204	30,299	56,917
2023-2028 Annual Rate	-0.22%	-0.12%	0.14%
2020-2023 Annual Rate	-0.23%	0.13%	0.53%
2010-2020 Annual Rate	0.54%	0.41%	0.29%
HOUSEHOLDS			
2028 Households	2,826	12,097	23,328
2023 Households	2,841	12,106	23,051
2020 Households	2,823	11,988	22,528
2010 Households	2,677	11,585	21,946
2023-2028 Annual Rate	-0.11%	-0.01%	0.24%
2020-2023 Annual Rate	0.20%	0.30%	0.71%
2010-2020 Annual Rate	0.53%	0.34%	0.26%
<b>2023 AVG. HH INCOME</b>	<b>\$75,027</b>	<b>\$67,007</b>	<b>\$63,363</b>





# Confidentiality Disclaimer

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Your receipt and acceptance of this package serves to acknowledge your agreement to: (1) hold the information and materials contained herein, and the offering they represent, in the strictest of confidence; (2) not disclose, directly or indirectly, the information and materials contained herein, or the offering they represent, to any other person, firm or entity without prior written authorization from BCA or the Seller; (3) not use the information and materials contained herein in any fashion or manner detrimental to the interest of BCA or the Seller; (4) not disturb any tenants in possession of the subject property nor reveal to them the offering this package represents.

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This package is based in part upon information supplied by the Seller and in part upon information obtained by BCA from sources believed to be reliable. All income, expense and/or investment projections contained herein are provided for general reference purposes only, in that they are based on assumptions relating to the general economy, competition and other factors beyond the control of BCA and the Seller, and all such projections are therefore subject to variation. This package shall not be deemed an indication of the state of affairs of the subject property, nor constitute an indication that there has been no change in the business or affairs of the subject property since the date of preparation of this package.

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If, after reviewing this package, you have no further interest in acquiring the subject property at this time, please return this package in its entirety to BCA. Likewise, if the terms contained in this Confidentiality & Disclaimer section are not acceptable to you, please immediately return this package to BCA.

## AGENT'S DUTIES

When you contract with a real estate firm to act as your agent in a real estate transaction, the agent must help you obtain the best price and terms possible, whether you are the buyer or seller. The agent also owes you the duty to:

- Safeguard and account for any money handled for you
- Act with reasonable skill, care and diligence
- Be loyal and follow reasonable and lawful instructions
- Disclose to you any information which might influence your decision to buy or sell

Even if the agent does not represent you, the agent must still be fair and honest and disclose to you all "material facts" which the agent knows or reasonably should know. A fact is "material" if it relates to defects or other conditions affecting the property, or if it may influence your decision to buy or sell.

## AGENTS WORKING WITH SELLERS

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. The listing agreement should state what the seller will pay the firm no matter who finds the buyer.

The listing firm may belong to a listing service to expose the seller's property to other agents who are members of the service. Some of those agents may be working with buyers as buyers' agents; others will be working with buyers but still representing the sellers' interests as an agent or "subagent". When the buyer's agents and seller's subagents desire to share in the commission the seller pays to the listing firm, the listing agent may share the commission with the seller's permission.

## AGENTS WORKING WITH BUYERS

A buyer may contract with an agent or firm to represent him (as a buyer's agent), or may work with an agent or firm that represents the seller (as a seller's agent or subagent). All parties in the transaction should find out at the beginning who the agent working with the buyer represents.

If a buyer wants a buyer's agent to represent him in purchasing a property, the buyer should enter into a "buyer agency agreement" with the agent. The buyer agency agreement should state how the buyer's agent will be paid. Unless some other arrangement is made which is satisfactory to the parties, the buyer's agent will be paid by the buyer. Many buyer agency agreements will also obligate the buyer to pay the buyer's agent no matter who finds the property that the buyer purchases.

A buyer may decide to work with a firm that is acting as agent for the seller (a seller's agent or subagent). If a buyer does not enter into a buyer agency agreement with the firm that shows him properties, that firm and its agents will show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the seller (not the buyer) and must disclose that fact to the buyer.

The terms and conditions stated in this Confidentiality & Disclaimer section apply and relate to all of the sections of this package as if stated independently therein. Prospective purchasers of the subject property are hereby notified that Berkeley Capital Advisors, and its agents, are acting in the capacity of a "Seller's Agent" during the course of this offering, and as such are solely representing the interests of the Seller.



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**Cheddar's**  
SCRATCH KITCHEN

# Cheddar's Ground Lease

MORRISTOWN (KNOXVILLE MSA), TN