

RED ROBIN

302 Indian Lake Boulevard - HENDERSONVILLE, TENNESSEE 37075

OFFERING MEMORANDUM



ACTUAL PROPERTY

Financial Overview

302 Indian Lake Boulevard - HENDERSONVILLE, TENNESSEE 37075

OFFERING SUMMARY

PRICE	\$2,606,153
CAP RATE	6.50%
NOI	\$169,400*
PRICE PER SQUARE FOOT	\$500.99
RENT PER SQUARE FOOT	\$32.56
YEAR BUILT	2007
APPROXIMATE LOT SIZE	1.86 Acres
GROSS LEASEABLE AREA	5,202**
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Red Robin International, Inc
LEASE TYPE	NNN Ground Lease
ROOF AND STRUCTURE	Tenant

LEASE SUMMARY

LEASE COMMENCEMENT DATE	1/28/2008
LEASE EXPIRATION DATE	1/31/2023
LEASE TERM	15 Years
TERM REMAINING	5+ Years
INCREASES	10% Every 5 Years
OPTIONS TO RENEW	4, 5-Year
OPTIONS TO TERMINATE	None

*Based off 2/1/2018 rent increase

**Per Tax Records. Buyer will need to verify



ACTUAL PROPERTY

Investment Overview

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Marcus & Millichap is pleased to present Red Robin Gourmet Burgers in Hendersonville, Tennessee; which is 18 miles from Nashville. There are more than five years remaining on a triple-net (NNN) ground lease with zero landlord responsibilities. The lease features 10 percent rent increases every five years. The lease is backed by a corporate guaranty from Red Robin International, Incorporated; who operates more than 465 locations across North America.

The subject property is situated on a signalized, hard corner and is also a pad site to the 250,000-square foot Indian Lake Open Air Shopping Center. The 31-acre outdoor shopping mall opened to much fanfare in March 2008 as the first component of Indian Lake Village, a 400-acre lifestyle center that includes residential, retail and commercial development. The center is anchored by a 16-screen Regal Cinemas movie theatre, and features additional tenants such as Barnes and Noble, Victoria Secret, Loft, and many more.

Red Robin also benefits from explosive population growth and affluent demographics. The population increased by 19 percent in the one-mile radius from 2010 to 2017, and 15 percent in the three-mile radius over that same period. Additionally, the average household income grew to \$88,850 in 2017.

Additional tenants in the immediate vicinity include: Sam's Club, Walmart, Home Depot, Lowes Home Improvement, Taco Bell, Hobby Lobby, AT&T, Verizon, and many more.

- **Red Robin Gourmet Burgers in Hendersonville, Tennessee | 18 Miles from Nashville**
- **More Than Five Years Remaining on Triple-Net (NNN) Ground Lease | Zero Landlord Responsibilities**
- **Inflation Hedge | 10 Percent Rent Increases Every Five Years**
- **Corporate Guaranty | Red Robin International, Incorporated (Inc) | More than 460 Corporate Locations**
- **Pad Site to The 250,000-Square Foot Streets of Indian Lake Open Air Shopping Center | Anchored by Regal Cinemas (16 Screens + IMAX)**
- **Signalized, Hard Corner Intersection | Highly Visible Along Indian Lake Boulevard | More Than 28,500 Vehicles Per Day (VPD)**
- **Explosive Population Growth | More Than 13 Percent Increases in One Through Five-Mile Population From 2010 to 2017**
- **Affluent Demographics | Average Household Income is Greater Than \$88,850 in Five-Mile Radius**
- **Additional Tenants in the Immediate Vicinity Include: Sam's Club, Walmart, Home Depot, Lowes Home Improvement, Taco Bell, Hobby Lobby, AT&T, Verizon, and Many More**



ACTUAL PROPERTY

Tenant Overview - Red Robin

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Red Robin Gourmet Burgers, Incorporated (Inc) together with its subsidiaries, primarily develops, operates, and franchises full-service restaurants in North America and focuses on serving an imaginative selection of high quality gourmet burgers in a fun environment welcoming to guests of all ages. The first Red Robin restaurant opened in Seattle, Washington in September 1969. In 1979, the first franchised Red Robin restaurant was opened in Yakima, Washington. In 2001, Red Robin Gourmet Burgers, Incorporated (Inc), a Delaware corporation, was created for the company's initial public offering (IPO). Since that time, Red Robin Gourmet Burgers, Incorporated (Inc) has owned all of the outstanding capital stock in Red Robin International, Incorporated (Inc) and other operating subsidiaries through which Company-owned locations are run. In 2016, the company generated total revenues of \$1.3 billion. As of December 25, 2016, there were 551 Red Robin restaurants, of which 465 were Company-owned and 86 were operated by franchisees. As of December 25, 2016, there were Red Robin restaurants in 44 states and two Canadian provinces.

TENANT PROFILE

TENANT TRADE NAME	Red Robin Gourmet Burgers
OWNERSHIP	Public
TENANT	Red Robin Gourmet Burgers
LEASE GUARANTOR	Red Robin International, Incorporated (Inc)
NUMBER OF LOCATIONS	465 Locations
HEADQUARTERED	Greenwood Village, Colorado
WEB SITE	www.redrobin.com
SALES VOLUME	\$1.2 Billion
NET WORTH	\$348 Million
STOCK SYMBOL	RRGB
BOARD	NASDAQ

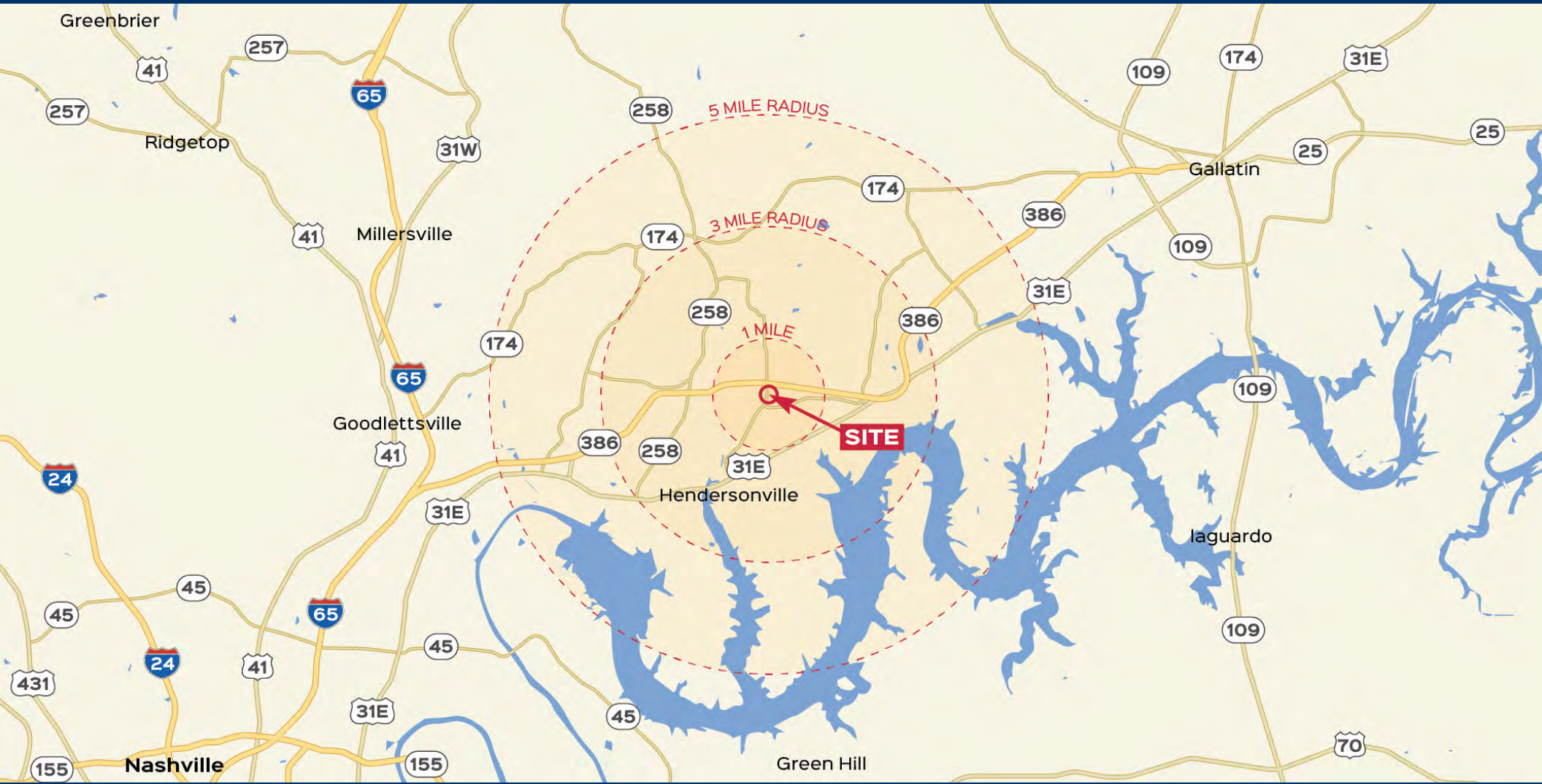
Aerial Overview

302 Indian Lake Boulevard - HENDERSONVILLE, TENNESSEE 37075



Area Overview & Demographics

302 Indian Lake Boulevard - HENDERSONVILLE, TENNESSEE 37075



	1-Mile	3-Mile	5-Mile
Population			
2000 Population	2,268	25,140	51,963
2010 Population	3,260	32,103	65,099
2017 Population	3,879	36,936	74,147
2022 Population	4,260	40,370	80,988

	1-Mile	3-Mile	5-Mile
Households			
2000 Households	870	9,679	19,810
2010 Households	1,254	12,375	25,295
2017 Households	1,503	14,175	28,730
2022 Households	1,652	15,479	31,358

	1-Mile	3-Mile	5-Mile
Household (HH) Incomes			
2017 Average HH Income	\$85,159	\$85,695	\$88,858
2017 Median HH Income	\$68,196	\$67,794	\$70,779
2017 Per Capita Income	\$32,997	\$32,887	\$34,430

Market Overview - Hendersonville, Tennessee

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Strategically located 18 miles northeast of downtown Nashville and 20 miles from Nashville's International Airport, Hendersonville attributes its rapid growth to geographic location and scenic beauty. The city has approximately 38 square miles of land and 26 miles of shoreline on Old Hickory Lake.

Hendersonville is the home of a highly educated and affluent citizenry and is known throughout the state as one of the finest places to live, work, and play. It offers a unique blend of city living and spacious country surroundings.

The economic and community development of Hendersonville is extremely active in the recruitment and retention of retail, office, and industrial clients. The City is currently experiencing unprecedented growth in retail and office development, with over \$1 billion in new development approved for construction.

Once home to legendary country music artists Johnny Cash and Conway Twitty, Hendersonville, provides residents with a retreat from "big city" life, but offers close proximity to all of Nashville's top attractions. Known for its affordable housing, great schools and a collection of parks, trails and recreational amenities, Hendersonville has become one of the fastest growing areas of Middle Tennessee.

With an affluent and well educated community that is expected to double in population in the next ten years, local, regional, and national developers are realizing success in Hendersonville.



Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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Broker of Record

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