



NET LEASE INVESTMENT OFFERING



**LONGHORN STEAKHOUSE**  
(CORPORATE SALE LEASEBACK)  
*4095 EASTERN BLVD, MONTGOMERY, AL*



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## EXECUTIVE SUMMARY

The Boulder Group and Lee & Associates are pleased to exclusively market for sale a single tenant net leased LongHorn Steakhouse sale leaseback opportunity. The LongHorn Steakhouse lease will have an initial primary term of five years upon close of escrow. This absolute net lease will feature 1.5% annual rental escalations. LongHorn Steakhouse is known for a “Passion for Grilling” fresh, tender, juicy steaks and offers guests the widest variety of cuts and numerous preparations, including its signature bone-in Outlaw Ribeye, all served in a relaxed, warm atmosphere inspired by a rancher’s home. LongHorn has more than 500 restaurants across 40 states. The tenant will be RARE Hospitality International, Inc., a wholly owned subsidiary of Darden Restaurants, Inc., doing business as LongHorn Steakhouse. Darden Restaurants, Inc. is publicly traded (NYSE: DRI) with a market capitalization in excess of \$14 billion and is an investment grade rated company (Standard & Poor’s: BBB)\*.

The LongHorn Steakhouse property is strategically located off of Eastern Blvd (47,690 VPD) and Troy Hwy (40,350 VPD.) Retailers within the immediate area include Walmart Supercenter, Family Dollar, McDonald’s, Dollar General, Hibbett Sports and many other national brand tenants. Longhorn Steakhouse is easily accessible from Interstate 85 (92,780 VPD) and adjacent to Trenholm State Community College – Patterson campus (1,500 students.) Additionally, the restaurant is situated in close proximity to Sam’s Club, Winn Dixie, Lowe’s, Petco, Home Depot, Olive Garden, Chick-Fil-A, Office Depot, Zaxby’s, Dollar Tree and Car-Max.

This is a strong performing location with a rent coverage in excess of 3x and under 6% rent to sales.

There will be five years remaining on the corporately guaranteed LongHorn Steakhouse lease upon close of escrow. The lease will feature 1.5% annual rental escalations and require no landlord responsibilities. Additionally, there will be three 5-year renewal option periods. The tenant will be RARE Hospitality International, Inc., a wholly owned subsidiary of Darden Restaurants, Inc., doing business as LongHorn Steakhouse. Darden Restaurants, Inc. (NYSE: DRI) is a multi-brand restaurant operator.

*\*As of January 2020*



## INVESTMENT HIGHLIGHTS

- Located within the Montgomery MSA
- This is a strong performing location with low rent to sales ratio and rent coverage in excess of 3x
- Corporate lease
- 1.5% annual rental escalations
- Absolute triple net - No landlord responsibilities
- Long operating history since 1996
- Strategically located in a regionally dominant retail corridor within the Montgomery MSA
- Located off of Eastern Blvd (47,690 VPD) and Troy Hwy (40,350 VPD)
- Adjacent to Walmart Supercenter
- Easily accessible from Interstate 85 (92,780 VPD)
- 138,480 people living within 5 miles of property



**PROPERTY OVERVIEW**

Price:	\$2,256,000
Current Cap Rate:	6.25%
Net Operating Income:	\$141,000
Rental Escalations:	1.5% Annual
Renewal Options:	Three 5-Year + One 3-Year
Lease Commencement Date:	Close of Escrow
Lease Term:	5 Years
Tenant:	Rare Hospitality International d/b/a Longhorn Steakhouse
Year Built:	1996
Lease Type:	NNN
Building Size:	5,320 SF
Land Size:	1.44 Acres

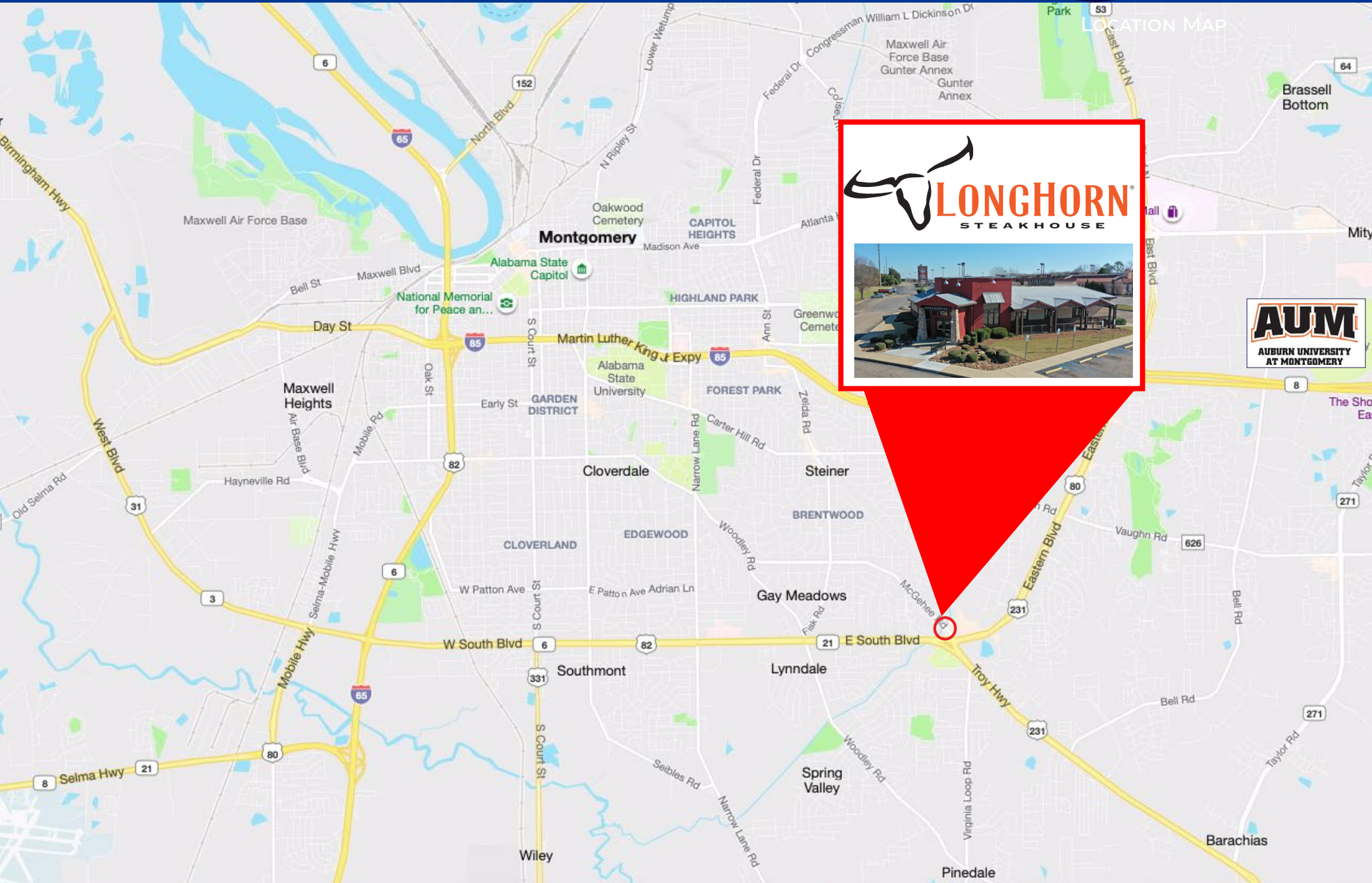












LOCATION MAP



**LONGHORN**  
STEAKHOUSE



**DEMOGRAPHICS**

**POPULATION**

	1-Mile	3-Mile	5-Mile
Total Population:	12,969	66,756	138,480
Total Households:	5,178	27,125	56,476

**INCOME**

	1-Mile	3-Mile	5-Mile
Average Household Income:	\$43,530	\$62,522	\$64,418



## CAPITAL CITY OF MONTGOMERY, ALABAMA

Montgomery is the capital city of the U.S. state of Alabama and the county seat of Montgomery County. Named for Richard Montgomery, it stands beside the Alabama River, on the coastal Plain of the Gulf of Mexico. In the 2010 Census, Montgomery's population was 205,764. It is the second most populous city in Alabama, after Birmingham, and is the 118th most populous in the United States. The Montgomery Metropolitan Statistical Area's population in 2010 was estimated at 374,536; it is the fourth largest in the state and 136th among United States metropolitan areas.

As of January 2011, Montgomery's largest employers were Maxwell-Gunter Air Force Base (12,280 employees), the state of Alabama (9,500), Montgomery Public Schools (4,524), Baptist Health (4,300), Hyundai Motor Manufacturing Alabama (3,000), Alfa Insurance (2,568), the City of Montgomery (2,500), Jackson Hospital & Clinic (1,300), Rheem Water Heaters (1,147), and Regions (977).





## LONGHORN STEAKHOUSE

LongHorn Steakhouse is known for fresh, boldly seasoned and expertly grilled steaks – like the signature bone-in Outlaw Ribeye® – all served in a relaxed, warm atmosphere inspired by a rancher’s home. Founded in 1981 in Atlanta, Georgia, the restaurant began with one man’s passion for perfect steak but had very few guests to convince. Then a freak snowstorm hit Atlanta in 1982, stranding motorists and drawing them to one of the only hospitable places available - a restaurant then called LongHorn Steaks Restaurant & Saloon. Tales of expertly grilled steaks soon spread like wildfire, and the legend of LongHorn was born.

By 1990, the restaurant had spread throughout the East, Midwest and Southwest United States and Puerto Rico. In 2007, the restaurant, now called LongHorn Steakhouse, was purchased by Darden Restaurants, Inc. (NYSE: DRI). Today, LongHorn Steakhouse is headquartered in Orlando, Florida and has more than 500 restaurants across 40 states.

Website:	<a href="http://www.LongHornsteakhouse.com">www.LongHornsteakhouse.com</a>
Locations:	500+
Year Founded:	1981
Parent Company:	Darden Restaurants Inc.



## DARDEN RESTAURANTS, INC.

Darden Restaurants, Inc. is the premier full-service restaurant company featuring a portfolio of category-leading brands that include Olive Garden, LongHorn Steakhouse, Bahama Breeze, Seasons 52, Cheddar’s Scratch Kitchen, The Capital Grille, Eddie V’s and Yard House. Each of its brands enjoys industry-leading average unit volumes that together generate approximately \$8 billion in annual sales across more than 1,700 locations. Headquartered in Orlando, Florida, Darden employs more than 184,000 team members who serve more than 390 million meals annually. Darden has been named to the FORTUNE “100 Best Companies to Work For” list on an annual basis.

Darden Restaurants, Inc. is a publicly traded company on the New York Stock Exchange using the symbol “DRI”. The company is investment grade rated by all major rating agencies including Standard & Poor’s (BBB) and Moody’s (Baa2).

Website:	<a href="http://www.darden.com">www.darden.com</a>
Locations:	1,700+
Stock Ticker:	NYSE: DRI
Credit Rating:	S&P: BBB Moody’s: Baa2
Headquarters:	Orlando, FL

## CONFIDENTIALITY & DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and/or Lee & Associates and should not be made available to any other person or entity without the written consent of The Boulder Group and/or Lee & Associates.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group and Lee & Associates has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group and Lee & Associates have not verified, and will not verify, any of the information contained herein, nor has The Boulder Group or Lee & Associates conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

## EXCLUSIVELY LISTED BY:



The Boulder Group  
3520 Lake Avenue, Suite 203  
Wilmette, Illinois 60091  
[www.bouldergroup.com](http://www.bouldergroup.com)

### RANDY BLANKSTEIN

President  
847-562-0003  
[randy@bouldergroup.com](mailto:randy@bouldergroup.com)

### JOHN FEENEY

Senior Vice President  
847-562-9280  
[john@bouldergroup.com](mailto:john@bouldergroup.com)



Lee & Associates  
1 McBride & Son Center Drive, Suite 140  
St. Louis, MO 63005  
[www.lee-associates.com](http://www.lee-associates.com)

### DANIEL BARNES

Principal  
314-400-4004  
[dbarnes@lee-associates.com](mailto:dbarnes@lee-associates.com)