



Red Lobster

1752 N. Shadeland Avenue | Indianapolis, IN 46219

Offering Memorandum



Disclaimer

Colliers International Brokerage Company (“Broker”) has been retained as the exclusive advisor and broker for this offering.

This Offering Memorandum has been prepared by Broker for use by a limited number of parties and does not purport to provide a necessarily accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective Buyers may need or desire. All projections have been developed by Broker and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Seller and therefore are subject to variation. No representation is made by Broker or the Seller as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, the Seller and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Broker, the Seller and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in or omitted from the Offering Memorandum or any other written or oral communication transmitted or made available to the Buyer. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective Buyer. Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective Buyers.

By accepting the Offering Memorandum, you agree to indemnify, defend, protect and hold Seller and Broker and any affiliate of Seller or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney's fees, collectively “Claims”) arising, directly or indirectly from any actions or omissions of Buyer, its employees, officers, directors or agents.

Buyer shall indemnify and hold Seller and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney's fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker's fees or finder's fees in relation to or in connection with the Property to the extent claimed, through or under Seller.

The Seller and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Seller and its legal counsel, and any conditions to the Seller's obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Seller or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller or Broker.

No employee of seller or at the Subject Property is to be contacted without the written approval of the listing agents and doing so would be a violation of this confidentiality agreement.

Broker has created cash flow projections for the Property using Argus Financial Software. Neither Broker nor the Seller make any representation, warranty or guaranty of the economic value of the Property through the cash flow projections contained in this Offering or the associated Argus computer files.

Broker and their prospective buyers agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Landlord.

Red Lobster

1752 N. Shadeland Avenue | Indianapolis, IN 46219



[Exclusive Investment Advisory Team](#)

Geoff Ficke

Executive Vice President
+1 972 759 7814
geoff.ficke@colliers.com

Zack Ficke

Vice President
+1 972 759 7854
zack.ficke@colliers.com

Jack France

Senior Associate
+1 972 759 7819
jack.france@colliers.com

Swarren O'Barr

Sr. Brokerage Specialist
+1 972 759 7824
swarren.obarr@colliers.com

Sydney Gonzalez

Sr. Client Services Specialist
+1 972 759 7840
sydney.gonzalez@colliers.com

Ash Goldfarb

Sr. Financial Analyst
+1 214 217 1231
ash.goldfarb@colliers.com

[Broker of Record](#)

Saimir Qalliu, SIOR

CFO & Managing Director | Indianapolis
+1 317 713 2110
saimir.qalliu@colliers.com

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Investment Overview

The Ficke Team of Colliers is pleased to offer for sale the Red Lobster property located at 1752 Shadeland Avenue, Indianapolis, Indiana ("Subject Property"). Red Lobster occupies a $\pm 7,552$ SF single tenant retail asset that is situated on approximately 1.58-acre parcel.

The Subject Property is encumbered by a long-term lease with Red Lobster Intermediate Holdings LLC (corporate entity) that commenced in September 2017 and expires in June 2035. The absolute NNN lease features zero landlord responsibilities and 2% annual rent increases providing investors superior risk adjusted yields, and protection against inflationary forces.

Red Lobster is strategically located in a prominent retail corridor in East Indianapolis, within the 465 loop. Neighboring national retailers along Shadeland Avenue include Circle K, Starbucks, Burger King, McDonald's, Kroger, Caliber Collision, and many others all within a 1-mile radius of the Subject Property.

Indianapolis is not only the state capital, but with nearly 2M residents, Indianapolis is also the largest city in the state of Indiana, the 15th most populous city in the United States, and the 3rd most populous city in the Midwest. On a local property level, there are 95,000+ households and a population of 242,849 within a 5-mile radius of the Subject Property.

Investment Highlights



Indianapolis MSA



Corporate Entity Guaranty (700+ NA Locations)



Absolute NNN Lease Structure



12+ Years of Remaining Lease Term



Annual 2% Rent Increases



Four 5-Year Renewal Options



32,000+ VPD



Dense Trade Area (242,869 population in 5-mile Radius)

Aerial Overview

Red Lobster



Shadelane Avenue



Golden Living Center

Knights Inn



Morales Staffing



Shadeland Business Park

Shadelane Avenue

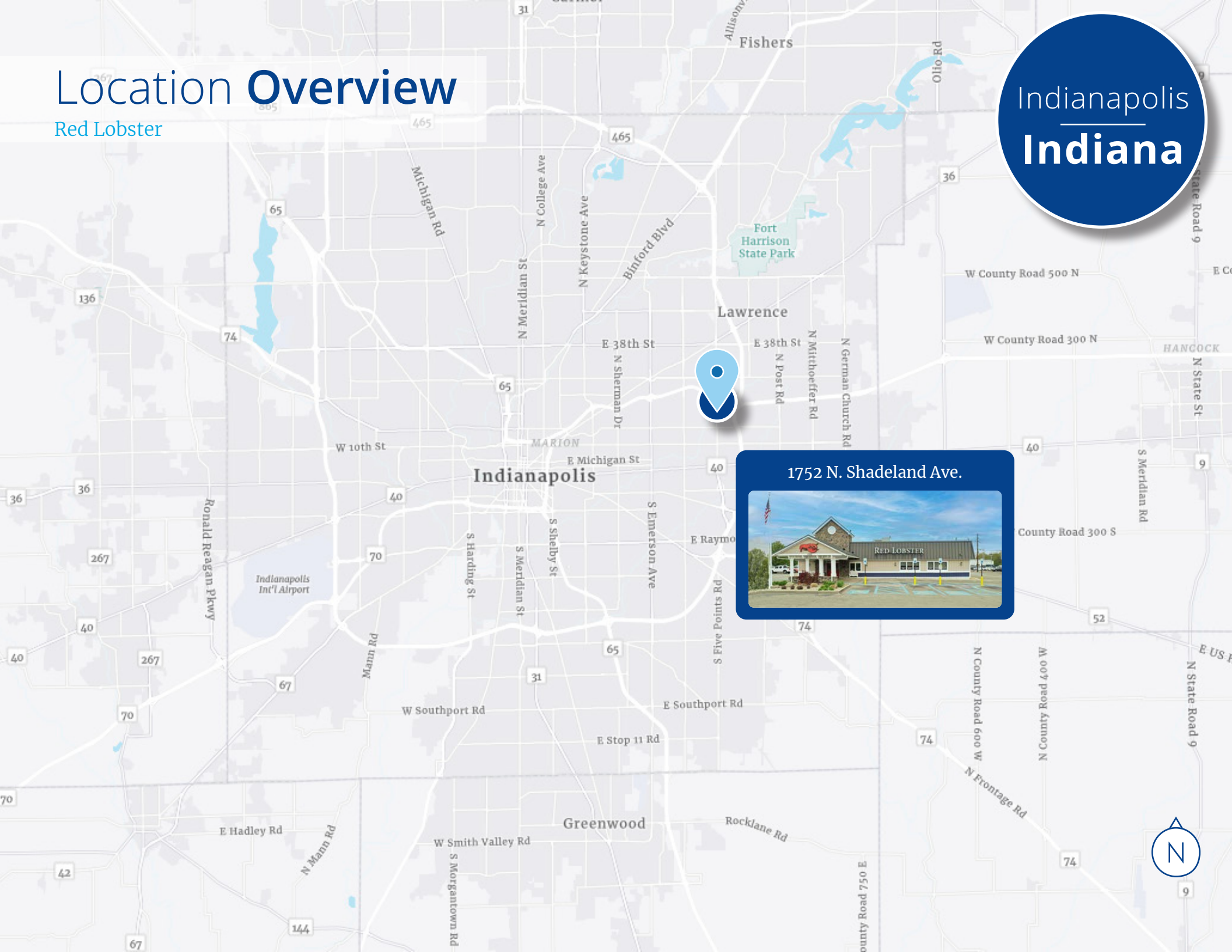
Industry Place



Location Overview

Red Lobster

Indianapolis
Indiana



1752 N. Shadeland Ave.





Indianapolis, IN Demographics



Marion **County**



Current County Population

969,542+

Indianapolis Overview | 5 Mile Radius



Population

In the identified area, the current year population is 242,849. The 2010 Census population count in the area was 217,340, and 228,683 in 2020, a 0.5% annual growth rate. The rate of growth since 2020 was 0.6% annually. The five-year projection for the population in the area is 234,174 representing a change of 0.2% annually. Currently, the population is 47.6% male and 52.4% female.



Households

The household count in this area has changed from 91,432 in 2020 to 92,563 in the current year, a change of 0.61% annually. The five-year projection of households is 93,345, a change of 0.17% annually from the current year total. Average household size is currently 2.49, compared to 2.49 in the year 2020. The number of families in the current year is 54,891 in the specified area.



Housing

Currently 49.2% of the 104,034 housing units in the area are owner occupied; 50.8% renter occupied; and 11.0% are vacant. 64.6% of the housing units in the US are owner occupied; 35.4% are renter occupied; and 10.0% are vacant. In 2010, there were 103,000 housing units in the area - 45.2% owner occupied, 38.2% renter occupied, and 16.6% vacant. The annual rate of change in housing units since 2020 is 0.3%. Median home value in the area is \$133,812, compared to a median home value of \$283,272 for the U.S. In five years, median value is projected to change to \$175,647.

Property & Lease Overview

Red Lobster



Property Summary

Property Name	Red Lobster
Property Address	1752 N. Shadelane Ave Indianapolis, IN 46219
Rentable Square Feet	7,552
Year Built	1974
Lot Size (acres)	1.58
Property Type	Retail - Restaurant

Lease Summary

Lease Commencement Date	September 29, 2017
Initial Lease Expiration Date	June 30, 2035
Term Remaining on Initial Lease	12.02 years
Renewal Options	Four (4) 5-year options
Lease Type	Abs. NNN
Escalations	2.0% Annual Escalations
Landlord Responsibilities	N/A



Tenant Summary

Red Lobster



Company Overview

- Founded in 1968
- Operates 749+ restaurants in the United States & Canada and 40+ franchised restaurants internationally
- Red Lobster is the largest seafood restaurant concept in the world
- 2nd largest advertising budget of any casual dining restaurant
- Generates over \$2.6 Billion in revenue
- 6th Largest casual dining concept in the U.S. with 50% share in seafood casual dining

Tenant Summary

No. of Locations	749
Ownership	Private Equity
Tenant	Corporate Store
Revenue	\$2.6 B (2018)
Website	https://www.redlobster.com
Headquartered	Orlando, Florida
Founded	1968; Lakeland, Florida

Tenant Overview

Red Lobster



Founded in 1977, Thai Union has a rich history of commitment to seafood expertise and innovation. From their beginnings as a canned tuna processor and exporter, they built our business on excellence in customer service and product quality. Thai Union now has an OEM international business and a global portfolio of consumer-favorite brands. The companies ambitious growth plans are rooted in a commitment to sustainability and forward-looking innovations.

Red Lobster Acquisition

- On August 31st, 2020 Thai Union Group (“TUG”) acquired Red Lobster from Golden Gate Capital.
- Thai Union Group was previously a minority owner of Red Lobster – first acquiring a 25% stake in the company in 2016.
- The new ownership group now includes Thai Union Group, current Red Lobster management, and a newly formed investment group, Seafood Alliance, which is led by two prominent global restaurant operators.

Thai Union Brands



Financials Rent Schedule

Red Lobster

Period	Year	Annual Rent	Monthly Rent	Rent/SF	Increases	Cap Rate
Current	1/1/2023 - 12/31/2023	\$220,812	\$18,401.02	\$29.24	2.0%	7.55%
	1/1/2024 - 12/31/2024	\$225,229	\$18,769.05	\$29.82	2.0%	7.70%
	1/1/2025 - 12/31/2025	\$229,733	\$19,144.43	\$30.42	2.0%	7.85%
	1/1/2026 - 12/31/2026	\$234,328	\$19,527.31	\$31.03	2.0%	8.01%
	1/1/2027 - 12/31/2027	\$239,014	\$19,917.86	\$31.65	2.0%	8.17%
	1/1/2028 - 12/31/2028	\$243,795	\$20,316.22	\$32.28	2.0%	8.33%
	1/1/2029 - 12/31/2029	\$248,671	\$20,722.54	\$32.93	2.0%	8.50%
	1/1/2030 - 12/31/2030	\$253,644	\$21,136.99	\$33.59	2.0%	8.67%
	1/1/2031 - 12/31/2031	\$258,717	\$21,559.73	\$34.26	2.0%	8.85%
	1/1/2032 - 12/31/2032	\$263,891	\$21,990.93	\$34.94	2.0%	9.02%
	1/1/2033 - 12/31/2033	\$269,169	\$22,430.75	\$35.64	2.0%	9.20%
	1/1/2034 - 12/31/2034	\$274,552	\$22,879.36	\$36.35	2.0%	9.39%
	1/1/2035 - 6/30/2035	\$280,043	\$23,336.95	\$37.08	2.0%	9.57%
First Renewal Period	7/1/2035 - 6/30/2040					
Second Renewal Period	7/1/2040 - 6/30/2045					
Third Renewal Period	7/1/2045 - 6/30/2050					
Fourth Renewal Period	7/1/2050 - 6/30/2055					

Notes to Rent Schedule

- For all of the renewal terms, the Base Annual Rental as of the commencement date of such renewal shall be equal to the greater of (a) the then-current Base Annual Rentail multiplied by 102% and (b) the annual fair market rental value of the property as of the commencement of such renewal term
- Base Annual Rent during the Renewal Periods increases annually by 2%



Pricing Details

Purchase Price:
\$2,925,000 (\$387.31/sf)

CAP Rate:
7.55%

Net Operating Income
(NOI):
\$220,812

Please contact our Investment
Sales Team for questions or more
information.



Offering Instructions

Red Lobster

Offers should be submitted via email to:

Geoff.Ficke@colliers.com , Zack.Ficke@colliers.com & Jack.France@colliers.com

Please include the following:

1. Purchase price
2. Source of debt and equity
3. Earnest money deposit
4. Due diligence and closing timelines
5. Detailed list of contingencies including investment committee, appraisal, and/or Lender approval that may be required
6. Detailed list of closing cost responsibilities

Property Tours

By Appointment Only

Form of PSA

TBD

Title & Escrow

TBD



Thank you.



Colliers | Dallas-Fort Worth
1717 McKinney Avenue, Suite 900
Dallas, Texas 75202

Exclusive Investment Advisory Team

Geoff Ficke

Executive Vice President
+1 972 759 7814
geoff.ficke@colliers.com

Zack Ficke

Vice President
+1 972 759 7854
zack.ficke@colliers.com

Jack France

Senior Associate
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Sr. Client Services Specialist
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Ash Goldfarb

Sr. Financial Analyst
+1 214 217 1231
ash.goldfarb@colliers.com

Broker of Record

Saimir Qalliu, SIOR

CFO & Managing Director | Indianapolis
+1 317 713 2110
saimir.qalliu@colliers.com

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