



OFFERING MEMORANDUM



Olive Garden Ground Lease

Wilmington, NC

This property is listed in conjunction with North Carolina-licensed real estate broker David Edmonds.

www.preservewestcapital.com



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Disclaimer

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The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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- Ground Lease to Olive Garden with 2nd Option Recently Exercised
- Lease Entity is Subsidiary of Darden Restaurants, Inc. (NYSE: DRI)
 - Olive Garden Accounts for \$3.6 Billion in Sales for 2020-2021 Fiscal Year
 - Revenue of \$7.2 Billion in 2020-2021
- Excellent Access and Visibility within Dense Retail Hub
 - 26,500 AADT on Market Street (US-17)
 - 53,563 AADT on College Road (Highway 132)
- Outparcel to Costco & Academy Sports-Anchored Shopping Center
 - Nearby Tenants Include Sam's Club, Walmart Supercenter, Target, Home Depot, PetSmart, CVS, Walgreens & More
- Growing Regional Economy with MSA GDP of ~\$16 Billion
- Award-Winning Tourist Destination featuring Historic Wilmington Riverfront and Nearby Island Beaches
- Just Two Miles from University of North Carolina – Wilmington
 - Fastest-Growing University in UNC School System with over \$400 Million in Construction Projects Currently
 - 18,030 Students Enrolled
 - City's 3rd Largest Employer with Staff of 2,479
- Approximately Four Miles from Cape Fear Community College
 - 6th-Largest Community College in State with Student Body of 23,000
- Robust Demographics within Five Mile Radius
 - Total Daytime Population of 166,512
 - Annual Growth Rate of 1.40%
 - Average Household Income of \$78,975
- Wilmington is North Carolina's Fastest Growing City over the Last Decade



PRICE

\$3,132,000
4.25% CAP Rate

Location

The property is located at 5307 Market Street in Wilmington, North Carolina.

Lot Size

Approximately 1.75 acres or 76,230 square feet.

Improvements

A 7,500 square foot building for **Olive Garden**.

The improvements have been built and are owned by Tenant; only the land is for sale.

Ground Lease

GMRI, Inc. recently exercised their second renewal option for a period of five (5) years at an annual rent of \$133,100, which is set to expire on March 31, 2027. There are two (2) five-year options to renew the lease remaining. The rent is to increase by 10% at the start of each option period. The lease is net with tenant responsible for taxes, insurance, and maintenance.

Tenant is also responsible in paying \$2,662 annually for common area expenses. Said CAM contribution will increase by 10% at the start of every option period.

Both Landlord and Tenant will each carry commercial general liability insurance of at least \$3,000,000 per occurrence for injury or death to persons, and at least \$500,000 per occurrence for damages to property.

Parking

There is ample parking available on site.

Annual Rent

Years	Annual Rent	Return
16-20 (Current - Option 2 - Exercised)	\$133,100	4.25%
21-25 (Option 3)	\$146,410	4.67%
26-30 (Option 4)	\$161,051	5.14%

Financing

This property will be delivered free and clear of permanent financing.



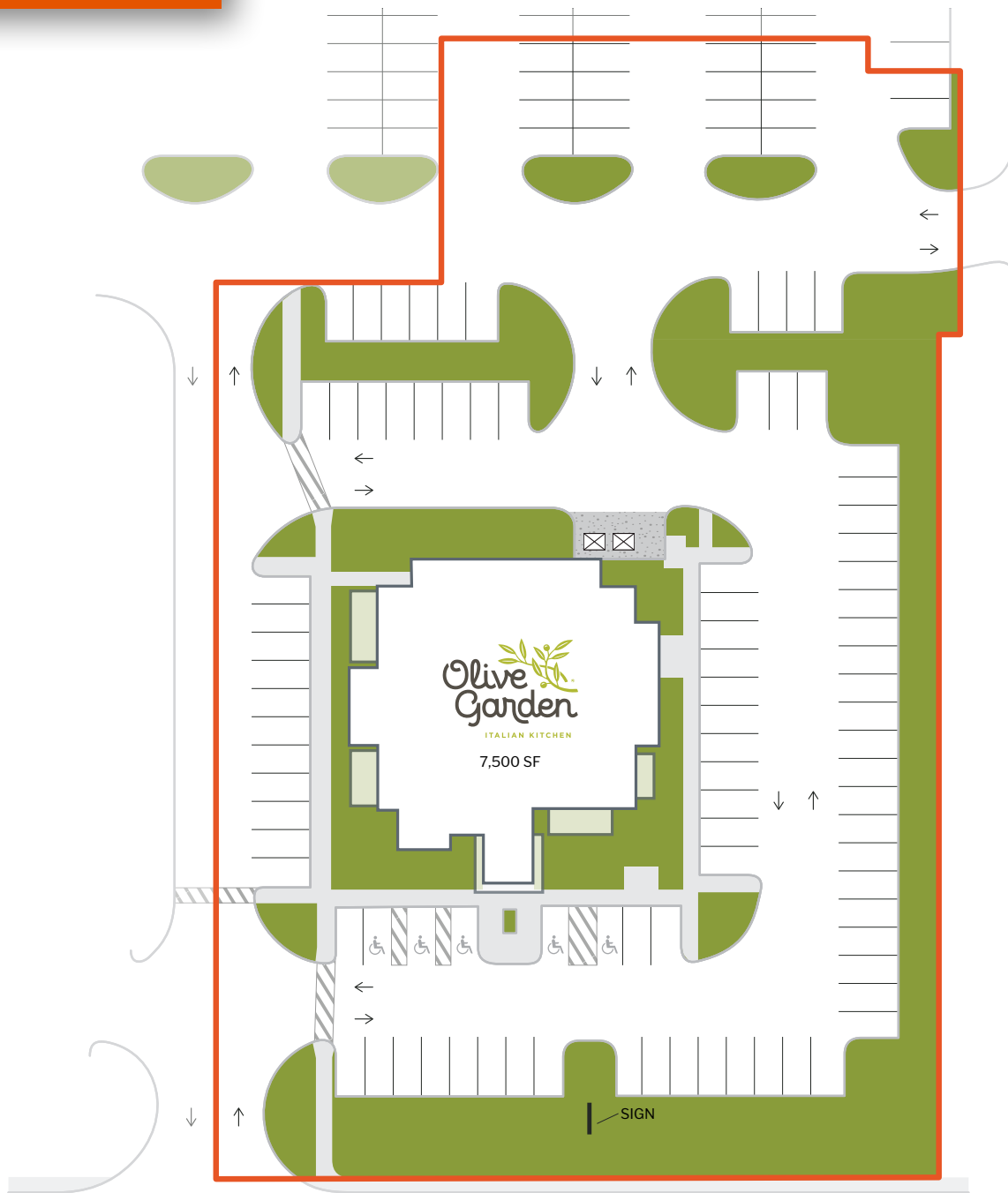
Olive Garden is the largest Italian dining concept in the United States. Olive Garden serves several types of Italian-American cuisine including pasta dishes, steaks, and salads. With more than 875 locations nationwide, Olive Garden accounted for \$3.6 billion in sales in the year ended May 31, 2021, representing nearly 50% of Darden Restaurants' sales.

GMRI, Inc. is a subsidiary of **Darden Restaurants, Inc. (NYSE: DRI)**. They are headquartered in Orlando, Florida and have a total of 178,000 employees across all of its locations. They feature a portfolio of category-leading brands that include Red Lobster, Olive Garden, Longhorn Steakhouse, Cheddar's, Bahama Breeze, The Capital Grille, Seasons 52 and Eddie V's. Each of its brands enjoys industry-leading average unit volumes that together generate over \$7 Billion in annual sales across more than 1,800 company-owned and operated locations.

For the fiscal year ending May 31, 2021, Darden Restaurants, Inc. reported revenue of \$7.2 billion, net income of \$629 million, and total stockholder equity of \$2.8 billion.

For more information about the tenant, please visit www.olivegarden.com and www.darden.com.

SITE PLAN



17 MARKET STREET

AERIAL

SOUTH VIEW

UNIVERSITY CENTRE



COURTYARD
BY MARRIOTT

Comfort INN
CHRYSLER
Jeep
RAM

Holiday Inn Express & Suites
Mercedes-Benz
CHEVROLET
OUTBACK

UNIVERSITY COMMONS

Lowes foods
good for you

T.J. maxx
HomeGoods

BEST BUY
Judy Mike Subs
CATO
Look Smart. Buy Smart.

T-Mobile
crumbl cookies
Panda Express



UNIVERSITY CENTRE

Lowes Home Improvement Warehouse
AT&T
GNC
Sams CLUB

ROSS DRESS FOR LESS
Applebee's
Wendy's

petco
BED BATH & BEYOND
OLD NAVY
golden corral
JO-ANN stores inc.

New Hanover County

117 College Rd (53,563 AADT)



17 Market St (26,500 AADT)



Downtown



Gingerwood Dr

Future Development



AERIAL

NORTHWEST VIEW

NEW CENTRE MARKET



Wilmington International Airport



New Centre Dr



Future Development

Gingerwood Dr

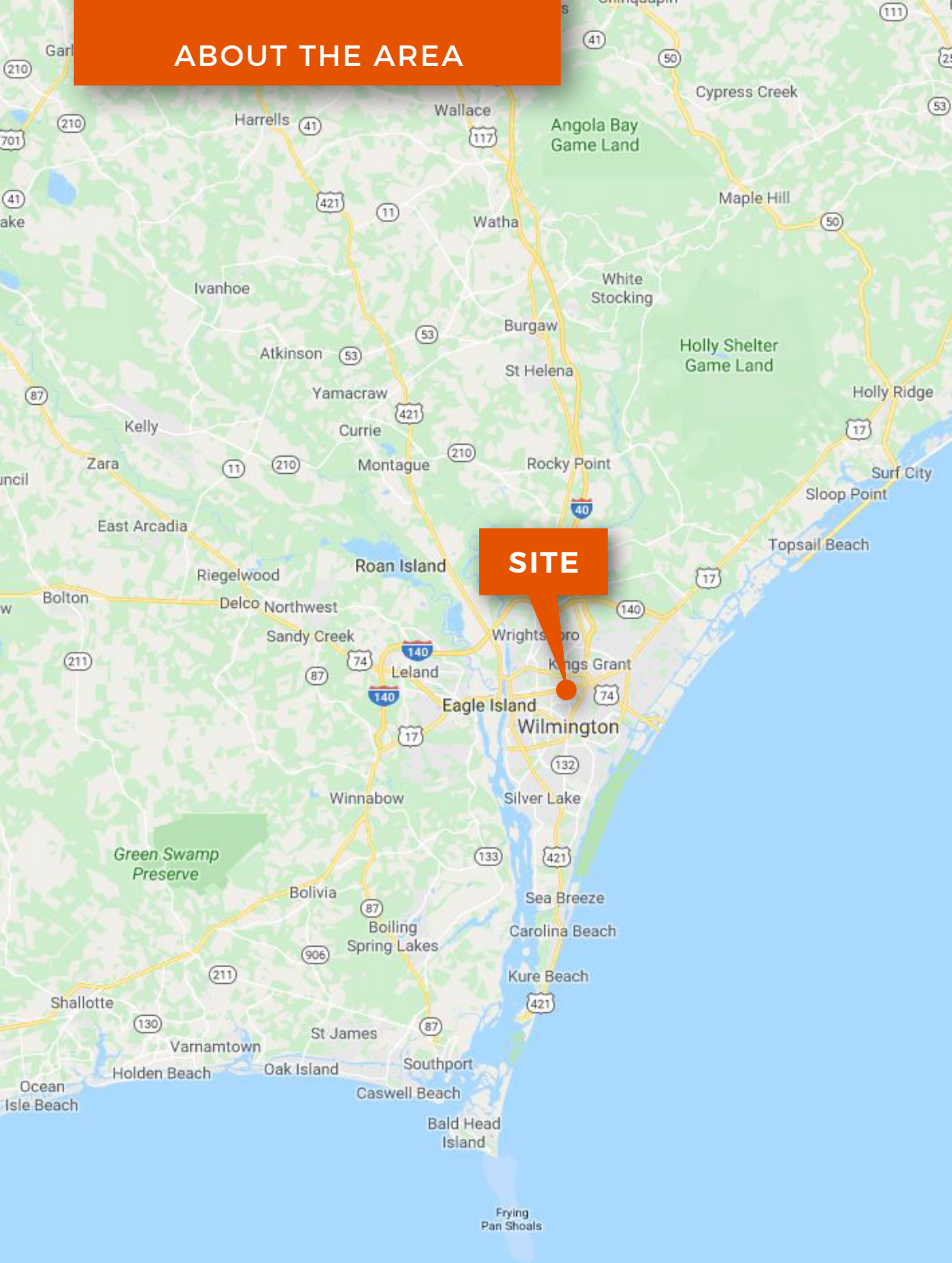


Van Campen Blvd



Market St (26,500 AADT)

ABOUT THE AREA



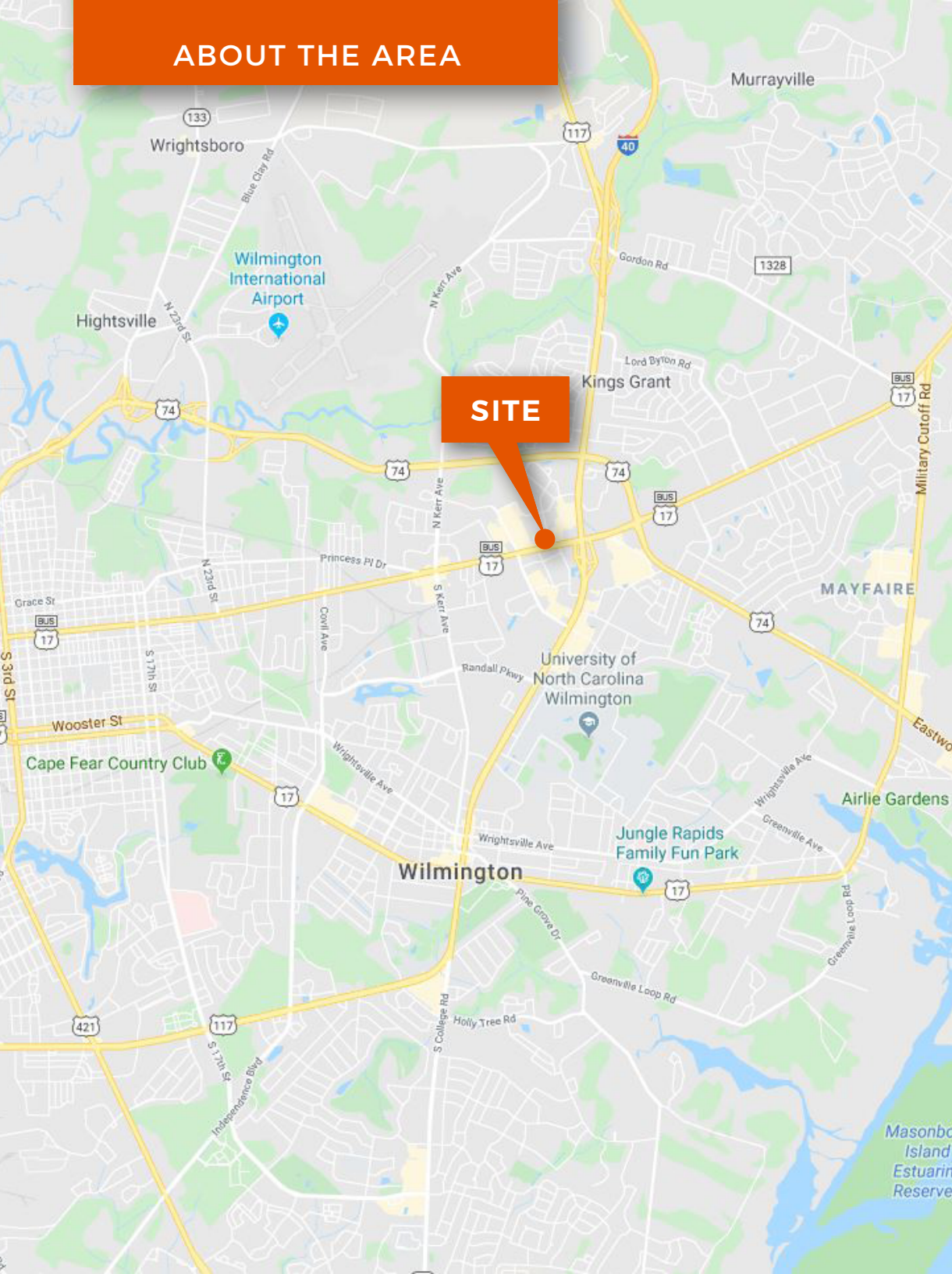
General Overview

Wilmington (population 127,000) is the seat of New Hanover County and the principal city of the Wilmington Metropolitan Statistical Area, with a total population of 292,000. The city is a popular tourist destination due to the historic downtown riverfront and nearby beaches. Located along the Cape Fear River, the award-winning Wilmington Riverfront recently topped a USA Today 10Best ranking of the Best American Riverfronts for its vibrant array of shops, restaurants, attractions, and tours and cruises, all within a walkable district. Meanwhile, Wrightsville Beach has also been recognized nationally – and even internationally – as a top beach town destination for its wide beaches, sizeable vacation homes, family-friendly atmosphere, and energetic nightlife scene.

Wilmington is also the home of EUE Screen Gems Studio, a 43-acre full-service production facility, the largest outside of California nationwide. Since 1985, more than 400 film, TV, and commercial projects have been shot there.

The Wilmington area benefits from a broad economic base in research, manufacturing, tourism, finance, distribution and logistics, food processing, aviation, and more. Major companies operating in Wilmington include GE Aviation, GE-Hitachi Nuclear, Corning, Live Oak Bank, nCino, Apiture, Pharmaceutical Product Development, Alcami, Castle Branch, Fortron, Verizon Wireless, National Gypsum, and more. The region is part of North Carolina's "Research Coast," with the presence of the University of North Carolina Wilmington contributing to a robust contract-research sector. Overall GDP for the Wilmington MSA is approximately \$16 Billion.

ABOUT THE AREA



Site Overview

The subject property is prominently situated with excellent access and visibility within a dense retail hub. It sits adjacent to the intersection where I-40 becomes North College Road/US-117 (53,563 AADT), the gateway to Wilmington from the north, and Highway 17 becomes Market Street (26,500 AADT), both primary arterials within the state and city, respectively.

The site benefits from robust demographics with a total daytime population of 166,512, average household income of \$78,975, and annual growth rate of 1.40% within a five mile radius. Educational attainment in the area is strong, with 41% of the population holding a bachelor's degree or higher.

The site is ideally situated with excellent access and visibility in a Costco and Academy Sports-anchored shopping center neighboring numerous major shopping centers, retail tenants, schools, and employers. Major shopping centers in the surrounding area include New Centre Market, anchored by Target; University Centre, featuring Sam's Club, Lowe's, & Ross; University Commons, with tenants including HomeGoods, TJ Maxx, Best Buy, and Dollar Tree; Smith Creek Station, anchored by Home Depot & Kohl's; Mayfaire Town Center, with tenants including The Fresh Market, Pottery Barn, and Cost Plus World Market; and Hanover Center, anchored by Harris Teeter, Hobby Lobby, & Stein Mart. Other major retail tenants in the surrounding area include Walmart Supercenter, Food Lion, Trader Joe's, Walgreens, CVS, and more.

In addition, the property is located just two miles from the University of North Carolina - Wilmington, the city's third-largest employer with a staff of approximately 2,479 and 18,030 students enrolled. It is the fastest-growing university in the UNC school system with over \$400 million currently under construction to accommodate for growth in student enrollment as well as being elevated to a Doctoral Institution in 2019. The university ranks 92nd among Top Public National Universities according to U.S. News. The property is also approximately four miles from Cape Fear Community College, North Carolina's 6th-largest community college with more than 23,000 students. The site is also located in close proximity to College Park Elementary School and Wilmington Preparatory Academy, drawing additional traffic from students, parents, and teachers to the site.



5307 Market St | Wilmington, NC 28405



2021 DAYTIME POPULATION

166,512



AVG. HOME VALUE

\$351,594



AVG. HOUSEHOLD INCOME

\$78,975

Population Summary

	1 Mile	3 Miles	5 Miles
2010 Total Population	7,077	56,707	126,556
2021 Total Population	7,926	65,646	147,110
2026 Total Population	8,275	70,726	157,728
2021-2026 Annual Rate	0.87%	1.50%	1.40%
2021 Total Daytime Population	13,367	74,628	166,512

Average Household Income

	1 Mile	3 Miles	5 Miles
2021	\$40,164	\$66,224	\$78,975
2026	\$44,553	\$75,044	\$89,331

Average Home Value

	1 Mile	3 Miles	5 Miles
2021	\$223,494	\$302,091	\$351,594
2026	\$258,915	\$336,902	\$386,775

Major Employers in Wilmington

of Employees

New Hanover Health Network	7,477
New Hanover County Schools	3,663
University of North Carolina Wilmington	2,479
New Hanover County	1,843
Pharmaceutical Product Development	1,800
General Electric Nuclear Fuel/Aircraft	1,626
Cape Fear Community College	1,096
City of Wilmington	1,090
Corning, Inc.	1,000
Wal-Mart	973



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