



LongHorn Steakhouse

5877 State Hwy. 100 East, Palm Coast, FL 32164

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Actual Property

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Investment Summary

CBRE is pleased to present an opportunity to acquire a newly developed LongHorn Steakhouse at Cornerstone at Seminole Woods, a 31-acre retail center anchored by BJ's Wholesale Club on State Highway 100, just off Interstate 95 in the high-growth Palm Coast market of Florida. BJ's Wholesale Club just opened in September, and LongHorn Steakhouse is scheduled to open in December. Additionally, Miller's Ale House opened in August and Chick-fil-A and Chase Bank will join the center in 2025, further enhancing its appeal and expected vehicle traffic.

This development lies along Palm Coast's primary retail corridor, contributing to the rapid expansion along State Highway 100. Nearly every major national retailer either has a presence here or is planning to establish one, driven by the substantial population growth seen in this area over the past decade. The site's appeal is further enhanced by its proximity to AdventHealth's Palm Coast Hospital, Flagler Palm Coast High School, and the 2,050-acre master-planned Town Center community, which features multiple new multifamily and single-family developments.

According to the U.S. Census Bureau, Palm Coast ranks as the fifth fastest-growing city in Florida, the nation's fastest-growing state in recent years. Palm Coast, now the most populous city in the Volusia-Flagler region, is projected to continue its rapid growth over the next decade, per University of Florida researchers.



Representative Photo



\$3,900,000

Price



5.00%

Cap Rate



\$195,000

Annual Rent

INVESTMENT HIGHLIGHTS

- Investment-grade credit tenant with long-term lease (Darden, S&P: BBB)
- LongHorn is Darden's 2nd largest revenue source contributing 25% of the \$10.5 billion in total sales for 2023
- LongHorn led Darden in fiscal year 2023 with same store sales growth of 10% reaching total annual sales of \$2.6 billion
- Attractive 10% rent increases every 5 years
- Absolute NNN ground lease – No landlord management obligations
- Part of the new Cornerstone at Seminole Woods shopping center anchored by BJ's Wholesale Club and home to Chick-fil-A, Chase Bank and Miller's Ale House
- Palm Coast is the 5th fastest growing city & Flagler County is the 3rd fastest growing county in Florida which has resulted in huge population growth in this immediate area with above average household incomes
- Close proximity to Advent Health Hospital, Flagler Palm Coast High School and the 2,050 acre master planned community of Town Center
- NO STATE INCOME TAX, Florida is the Highest Net Domestic Migration/Growth State in the U.S.

Property Description

Investment Overview

Address: **5877 State Hwy. 100 East, Palm Coast, FL 32164**

Tenant: **Rare Hospitality International, Inc.**

Price: **\$3,900,000**

Annual Rent: **\$195,000**

Cap Rate: **5.00%**

Rental Increases: **10% every 5 years including options**

Initial Lease Term: **10 years**

Renewal Options: **(4) 5-year options**

Rent Commencement: **December 1, 2024**

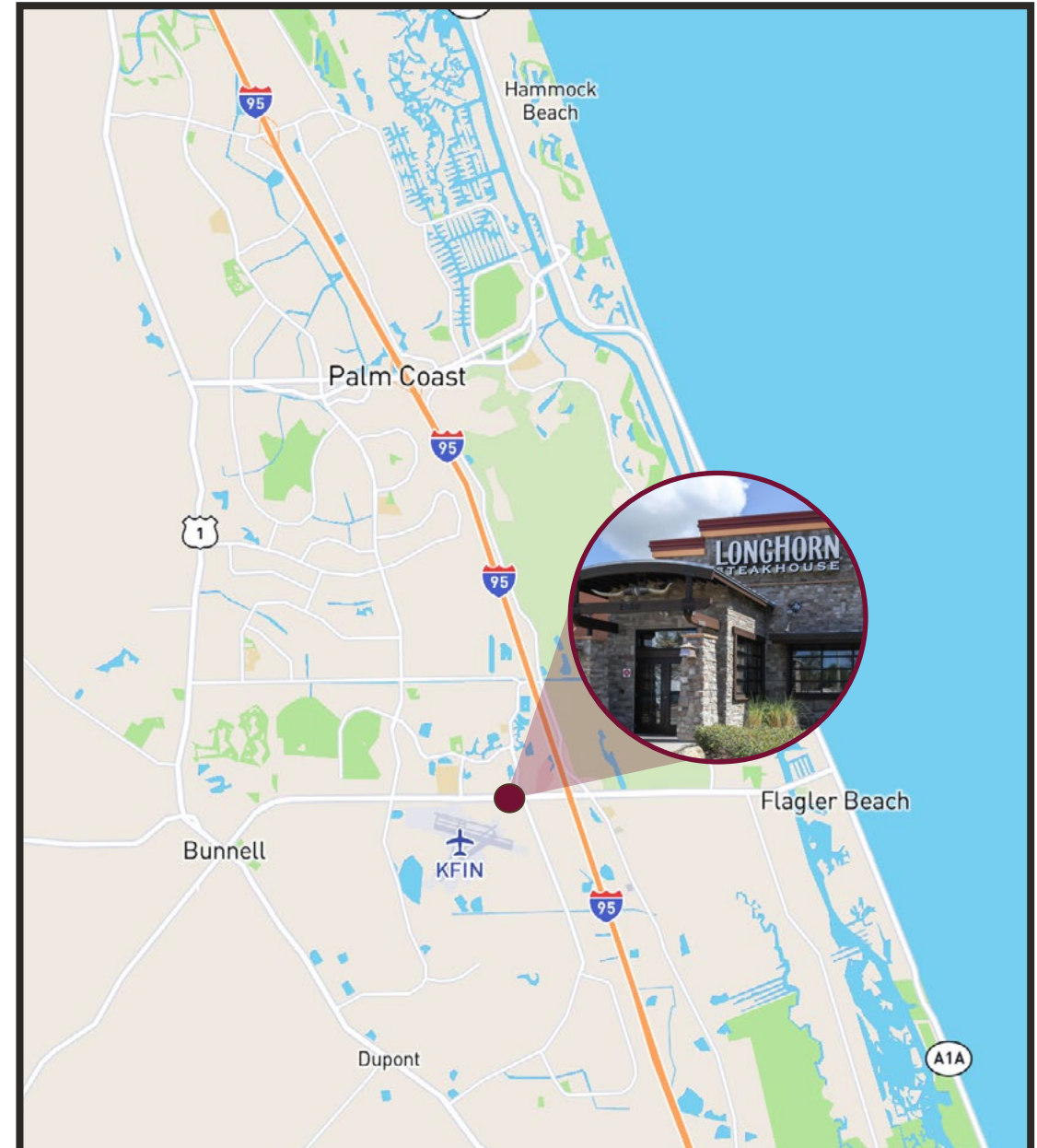
Landlord Obligations: **None, absolute NNN**

Building Size: **5,780 SF**

Parcel Size: **1.61 ± acres**

Parking: **116 (20 per 1,000 SF)**

Year Built: **2024**



Cornerstone at Seminole Woods

Total Project Size	31.75 acres
Miller's Ale House	Opened August 2024
BJ's Wholesale Club	Opened September 2024
Chick-fil-A	Opening April 2025
Chase Bank	Opening September 2025



Micro Aerial



Macro Aerial



Macro Aerial - Nearby Residential Development



Southwest - Aerial



North Aerial



Northwest Aerial



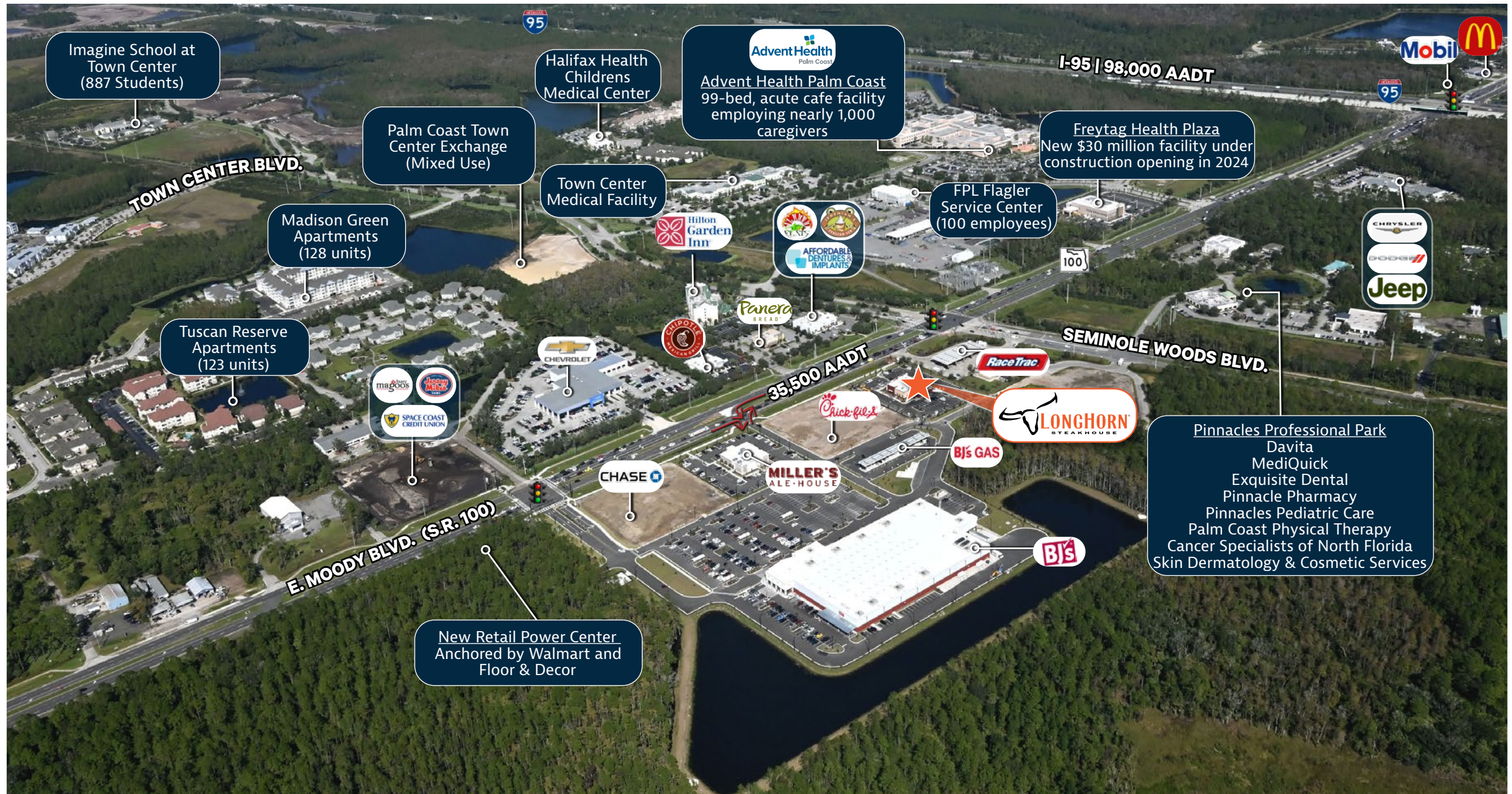
West Aerial



East Aerial



Northeast Aerial



Why Florida?

Florida is the fastest-growing state in America.

After decades of rapid population increase, Florida is now the nation's fastest-growing state for the first time since 1957, according to the U.S. Census Bureau's Vintage 2022 population estimates released today. Florida's population increased by 1.9% to 22,244,823 between 2021 and 2022, surpassing Idaho, the previous year's fastest-growing state. For the third most-populous state to also be the fastest growing is notable because it requires significant population gains.

- United States Census Bureau, December 22, 2022

Florida Continues to Lead the Nation in Net Income Migration, Welcoming \$4.48M Per Hour.

New income migration figures have been released, showing that Florida maintains its number one spot in leading the nation in net income migration, gaining \$39.2 billion over the year. This breaks down to \$4.48 million per hour in new net income to Florida.

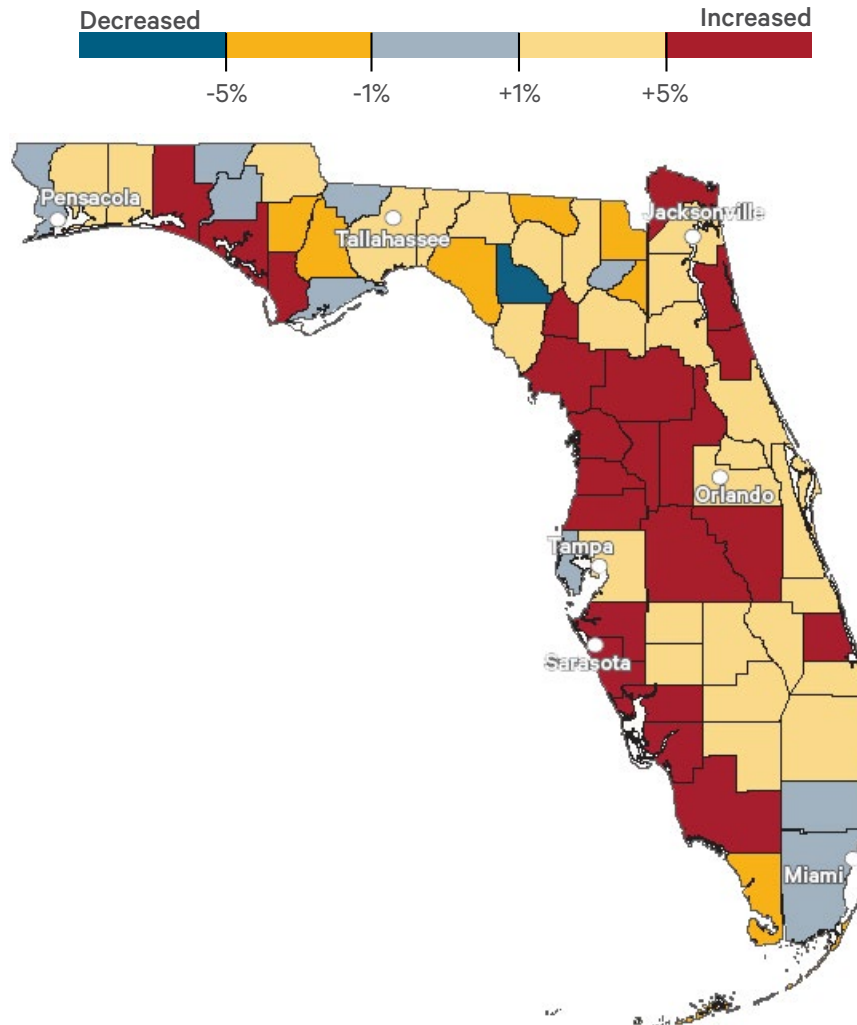
- Florida Chamber of Commerce, April 27, 2023

The latest Census Bureau's numbers show that Florida grew 1.9% between 2021 and 2022 to reach 22,244,823 residents.

By way of comparison, that's more than twice the population of Sweden and a little more than the population of Syria. State population has grown by 706,597 people since the 2020 Census. Last year saw an average increase of 8,014 more people in Florida every week, more than 1,100 people per day.

- Daytona Beach News Journal, January 1, 2023

Change in Florida population, 2020 to 2022 by county; Estimated as of July of each year



No State Income Taxes — One of Only Two States in the Sunbelt with No State Income Tax.

Florida, Nevada, South Dakota, Texas, Washington, and Wyoming. New Hampshire and Tennessee.



Lowest Average Residential Real Estate Taxes Versus US/SE (Single Family Detached per \$1,000 SF of Value)
Typical homeowner in Florida pays \$1,752 annually in property taxes
Typical US homeowner pays about \$2,279 in property taxes



Lowest US Corporate Tax Rate FLA Corporate Tax Rate Versus US and or SE

FLA – 5.5% / US – 21%
No city income taxes / Moderate cost of living / No SALT taxes

Area Overview



Palm Coast grew 10.3 percent between 2020 and 2022, to 98,411 people, according to the Census Bureau's recent estimate. The city's torrid growth pace makes it the 18th-fastest growing city in the nation in that span (out of 796 cities with populations of 50,000 or more), and the fifth-fastest growing in Florida, behind North Port (13.8%), Port St. Lucie (13.1%), Cape Coral (11.9%), and Fort Myers (11.1%).

Palm Coast is a Florida paradise - situated on 70 miles of saltwater and freshwater canals and the Intracoastal Waterway and just minutes from breathtaking views of the Atlantic Ocean beaches.

Quality of life is paramount in Palm Coast. The vibrant lifestyle and the natural environment go hand-in hand here. The city offers a dozen beautiful parks, 130+ miles of connecting trails and paths for walking/bicycling, abundant fishing and boating, and world-class tennis and golf.

Lined with historic oaks, towering pines and indigenous vegetation, Palm Coast's parks and trails showcase the splendid elegance of the native Florida landscape. Bird-watching is popular at St. Joe Walkway and Linear Park, which are designated as Great Florida Birding & Wildlife Trails, and visitors can spot dolphins and seabirds as they stroll along the Intracoastal at Waterfront Park.

5th Fastest-Growing City in the Fastest-Growing State



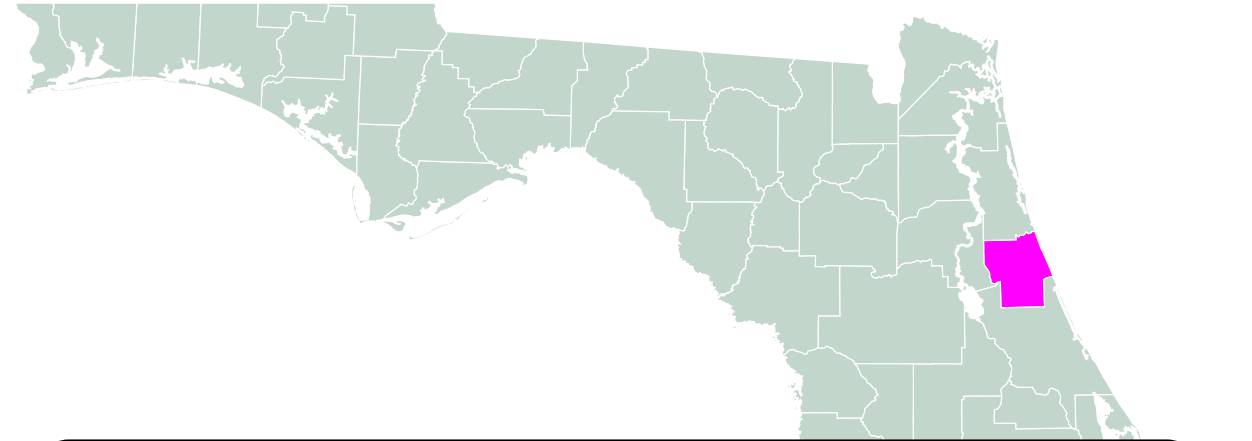
Area Overview



Flagler County

Home to Palm Coast, which - according to a University of Florida population estimate - is now the most populous city in the Volusia-Flagler area, Flagler County's population has surged in recent years to an estimated 136,120 experiencing a growth of 41.7% since 2010.

Flagler County uses its resources to provide an atmosphere that is conducive to attracting and keeping business within the county for the benefit of its residents and visitors. The Department of Economic Opportunity strives to expand sustainable employment opportunities for residents, and partners with local governments and municipalities to create a network of resources to assist businesses in all their needs. Growth Management works with commercial and residential developers to ensure projects routed, tracked and reviewed from start to finish.



3rd Fastest-Growing County in
the Fastest-Growing State

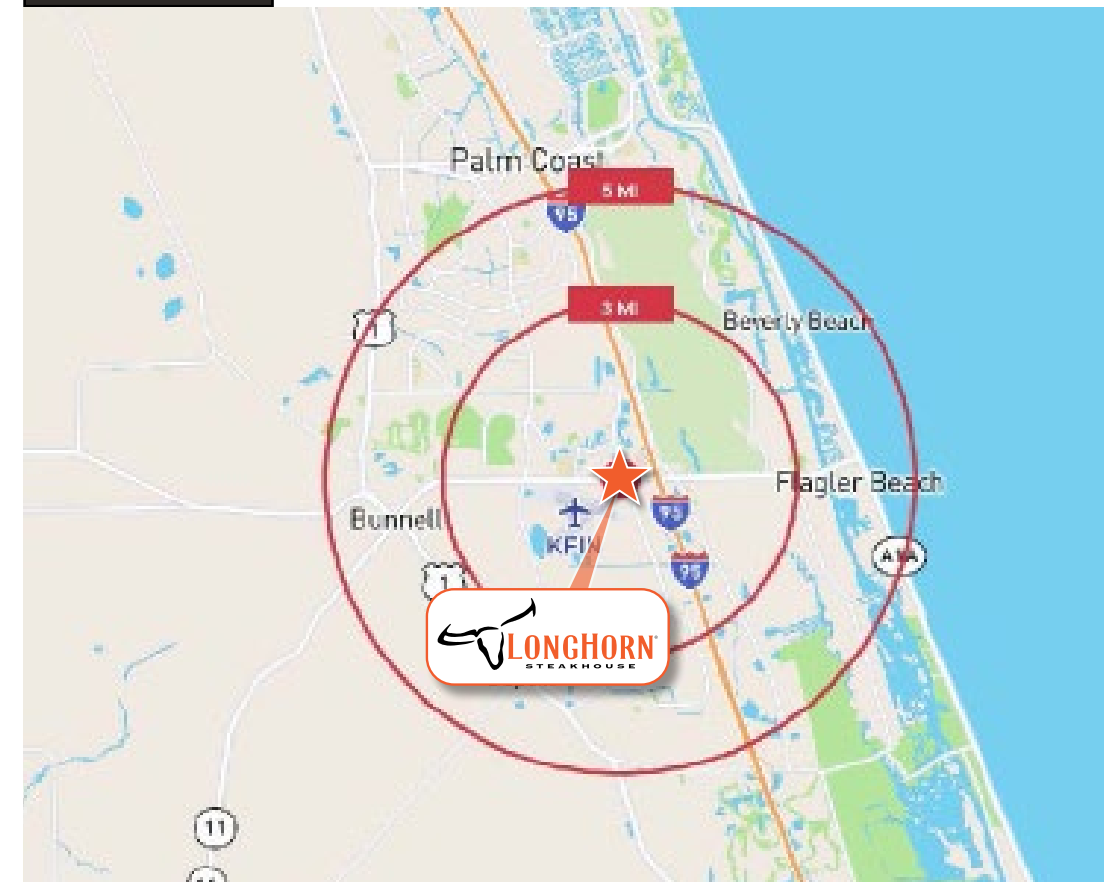


Demographics & Maps

POPULATION	3 MILE	5 MILE
Population 2024 (Estimate)	20,766	66,951
Population 2029 (Projected)	27,130	75,502
2024-2029 Projected Annual Growth	5.49%	2.43%
Daytime Population 2024	20,437	57,342
Daytime Workers	8,114	17,231
Daytime Residents	12,323	40,111
2024 POPULATION BY RACE	3 MILE	5 MILE
White	774	2,282
African American	122	300
Asian	16	62
American Indian & Alaskan Nat.	8	25
Pacific Islander	1	3
Other Race	579	1,815
Two or More Races	1,245	3,714
Hispanic	2,746	8,200
BUSINESS	3 MILE	5 MILE
Businesses 2024	722	1,740
Employees 2024	6,910	13,338
HOUSEHOLD INCOME	3 MILE	5 MILE
2024 Average	\$100,756	\$104,100
2024 AGE REPORT	3 MILE	5 MILE
Median Age	50.1	51.8

HOUSEHOLDS	3 MILE	5 MILE
Households 2024 (Estimated)	8,591	27,788
Households 2029 (Projected)	12,006	32,187
Projected Annual Growth		
2024-2029	6.92%	2.98%

1-3-5 Mile Radius



Tenant Overview



With more than 2,000 company-owned and franchised restaurants and nearly 190,000 employees, Darden Restaurants, Inc. (NYSE: DRI; Moody's: Baa2; S&P: BBB) features some of the most recognizable and successful brands in full-service dining. The company operates under the Olive Garden, LongHorn Steakhouse, Cheddar's Scratch Kitchen, Yard House, The Capital Grille, Seasons 52, Bahama Breeze, Eddie V's Prime Seafood, The Capital Burger, Ruth's Chris Steak House and Chuy's trademarks. For the fiscal 2024-year total sales grew 8.6% to \$11.4 billion driven by same-restaurant sales growth and sales from 39 net new restaurants. Darden's sales growth, combined with strong cost management by their teams and the acquisition of Ruth's Chris, drove \$1.8 billion in EBITDA from continuing operations, an increase of 50% compared to five years ago.



Part of Darden Restaurant's family of brands, LongHorn Steakhouse is a full-service steakhouse restaurant brand inspired by the American West. **LongHorn Steakhouse's 562 company-owned restaurants generated \$2.6 billion in annual sales as of May 28, 2023 which was a 10% increase over the prior year and the highest increase for all of the Darden brands.** LongHorn opened its first restaurant in 1981 and was acquired by Darden in 2007 as part of its RARE Hospitality International, Inc. acquisition. The tenant under the Lease - Rare Hospitality Management, LLC does business as LongHorn Steakhouse and is a subsidiary of Darden Restaurants, Inc.

The restaurant concept is known for its legendary steaks, which include the house favorite center-cut Flo's Filet. The menu features a plethora of options in addition to steak which suits appetites from lunch through dinner.



Longhorn Steakhouse | Palm Coast, FL



LongHorn Steakhouse | Concept Overview

Brand Name:	LongHorn Steakhouse
Parent Company:	Darden Restaurants, Inc.
Headquarters:	Orlando, FL
Year Founded:	1981
Revenue:	\$2.5 Billion
Number of Locations:	563 Company-Owned Locations

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By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

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Building Rendering

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