

GROUND LEASE

TEXAS ROADHOUSE

3984 SW 43RD STREET | GAINESVILLE, FL 32608



EXCLUSIVE LEASING

KATZ & ASSOCIATES

Retail Real Estate Advisors



OFFERED EXCLUSIVELY BY:

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KATZ & ASSOCIATES

RETAIL REAL ESTATE ADVISORS

INVESTMENT SUMMARY

Katz & Associates, on behalf of Ownership as its exclusive advisor, is pleased to offer for sale the ground lease interest in the property located at 3984 SW 43rd Street in Gainesville, Florida ("the Property"). Encompassing \pm 8,392 square feet on a large \pm 2.09-acre lot, the Property represents recent 2019 construction and is fully leased to Texas Roadhouse. The Tenant is operating under a 15-year Absolute NNN Lease with more than 10 years remaining. The Lease offers zero landlord responsibilities and 10% rental increases every 5 years.

The ground lease is guaranteed by Texas Roadhouse, Inc. (NYSE: TXRH), which is one of the fastest growing casual dining operators in the US. The company currently has 760 locations and plans to open another \pm 44 stores in 2024 across all their brands. Texas Roadhouse has experienced significant revenue growth

over a 5-year period with \$2.7+ billion in 2019 to \$4.6+ billion in 2023. That growth represents a CAGR of nearly 11% over that period. The company opened 30 new locations in 2023.

The Property is located in Gainesville, FL, a short distance from The University of Florida campus. The University of Florida is home to a 60,000+ student body and was ranked the top public university by the Wall Street Journal in 2023. In addition to the large student body, the university also features over 480,000 alumni. Gainesville hosts well over 90,000 visitors every home-game weekend in Ben Hill Griffin Stadium during football season. The Property will soon benefit from its position directly across from the new \$231 million HCA Florida Gainesville Hospital, which is set to open in the next 18 months.

PRICE	\$4,070,000
ANNUAL RENT	\$203,500
CAP RATE	5.0%
TENANT	Texas Roadhouse
GUARANTOR	Corporate
RENTAL INCREASES	10% Every 5 Years
INITIAL LEASE TERM	15 Years
RENT COMMENCEMENT	December 1, 2019
LANDLORD OBLIGATIONS	None
BUILDING SIZE	\pm 8,392 SF
LAND SIZE	\pm 2.09 AC (\pm 91,040 SF)
PARKING SPACES	\pm 163 (6 ADA) Ratio \pm 19.4/1,000 SF
YEAR BUILT	2019



INVESTMENT HIGHLIGHTS

ABSOLUTE NNN GROUND LEASE STRUCTURE

The Property operates under an Absolute NNN Ground Lease with zero landlord responsibilities. This structure offers investors higher returns and more passive management for their investment.

NATIONAL CREDIT TENANT

The Property is occupied by the premier casual dining restaurant, Texas Roadhouse (Ticker: TXRH). The company reported \$4.6+ billion in revenue and \$304+ million in net income in FYE 2023, up from \$2.7+ billion in revenue in 2019, representing a nearly 11% CAGR over that period.

LONG LEASE TERM REMAINING

The Property offers a long 10+ year lease term, providing investors cash flow for many years to come.

STRONG UNIT-LEVEL SALES

Texas Roadhouse continues to perform well at this property. Placer.ai reports that annual revenue was ±\$9.1 million, which is \$1.5 million above Texas Roadhouse's 2023 AUV (Nation's Restaurant News). This implies a healthy 2.2% projected rent-to-sales ratio.

LOCATED NEAR THE UNIVERSITY OF FLORIDA

The Property sits a short distance from the University of Florida campus, which is home to 60,000+ students. The university also hosts a multitude of sporting events every year, including 6 regular season football games. These games draw in an estimated 90,000+ visitors and have an economic impact of over \$14 million each weekend.

ACROSS FROM HCA FLORIDA HEALTHCARE

The state's leading hospital network, HCA Florida Healthcare, recently announced the expansion of the new emergency center directly across from the Property. The \$231 million development will add a new 90-bed hospital to the recent 13,000 SF emergency room, which opened in February 2024.

STRONG RETAIL SYNERGY

The site is located near Celebration Pointe, which includes several multifamily developments, hotels, office and national retailers. Celebration Pointe sees over 1.9 million visits annually, per Placer.ai. Other national retailers nearby include Target, Walmart, Sam's Club, Bass Pro Shops, Wawa, Starbucks, Cracker Barrel, Chipotle, Chick-fil-A and many more.

STRONG DEMOGRAPHICS

The Property is surrounded by 153K+ residents with \$86K+ average household income within 5 miles. The population within Florida continues to increase with high-earning residents from other parts of the nation choosing to relocate to the state.

HIGH-TRAFFIC LOCATION WITH GREAT VISIBILITY

The Property is located along SW 43rd St near the intersection of Archer Rd (29,200+ VPD) and Interstate 75 (80,200+ VPD). I-75 is the primary interstate carrying traffic through Gainesville and along Florida's west coast.

NEAR MAJOR MEDICAL FACILITIES

The Property is located within 3½ miles of both Malcolm Randall VA Medical Center and UF Health Shands Hospital. Both medical centers are extremely high-volume facilities with the VA Medical Center receiving 40,000+ outpatient visits per month and Shands Hospital receiving 110,000+ ER and Trauma Center visits per year.

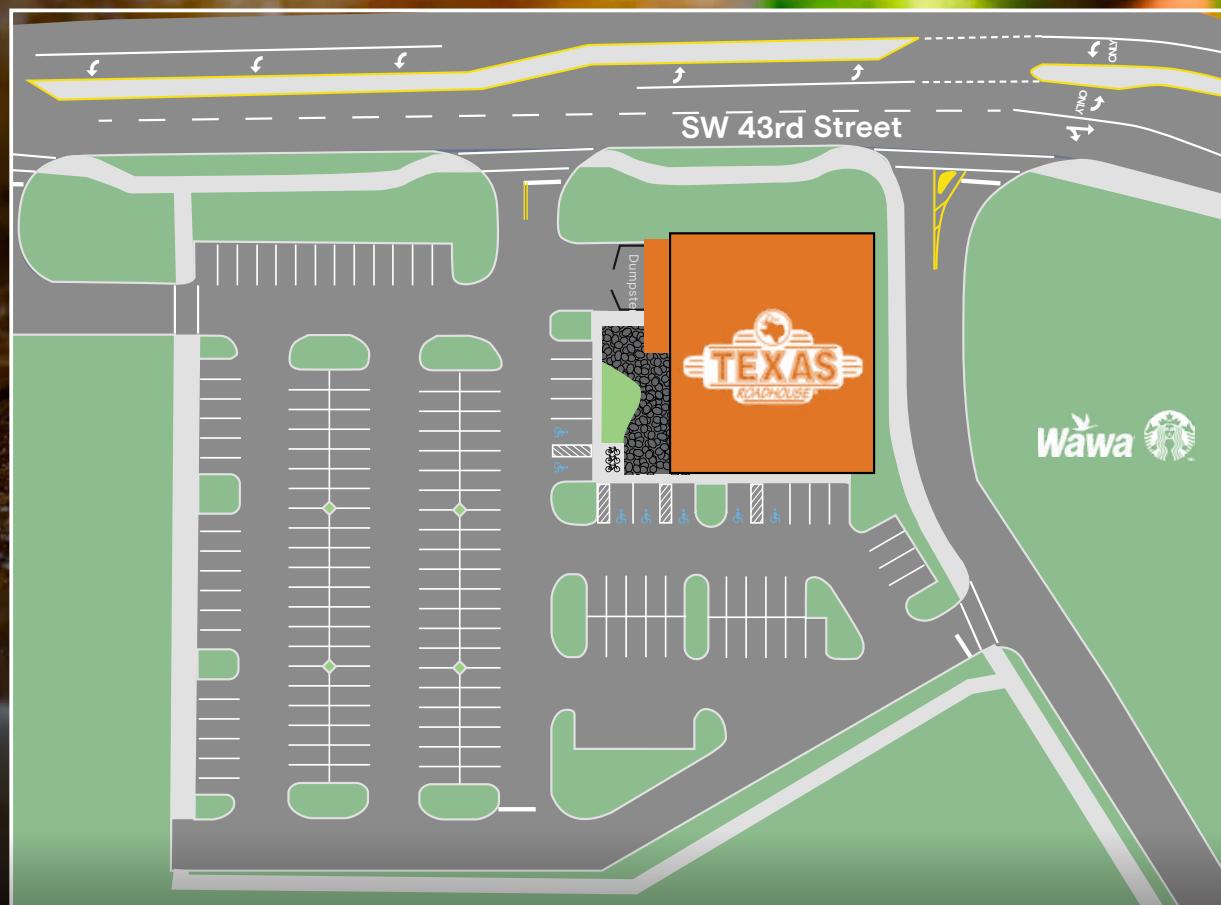
SURROUNDED BY 19 HOTELS WITHIN ONE MILE

Because of the major educational, medical, and sporting facilities located nearby, the Property is surrounded by 19 hotels with 2,150 hotel rooms within 1 mile. These hotels average 70.5% occupancy throughout the year.

RENT OPTIONS & EXPENDITURES

TERM	START	END	ANNUAL	MONTHLY	PSF	INCREASE
	12/1/2019	11/30/2024	\$185,000	\$15,417	\$22.04	-
Base	12/1/2024	11/30/2029	\$203,500	\$16,958	\$24.25	10%
	12/1/2029	11/30/2034	\$223,850	\$18,654	\$26.67	10%
Option 1	12/1/2034	11/30/2039	\$246,235	\$20,520	\$29.34	10%
Option 2	12/1/2039	11/30/2044	\$270,859	\$22,572	\$32.28	10%
Option 3	12/1/2044	11/30/2049	\$297,944	\$24,829	\$35.50	10%

SITE PLAN





IMMEDIATE AREA



SURROUNDING AREA



TENANT OVERVIEW

TEXAS ROADHOUSE

Texas Roadhouse is an American restaurant chain that specializes in steaks in its Western-themed locations. It was founded in 1993 at the Green Tree Mall in Clarksville, Indiana. It is a subsidiary of Texas Roadhouse, Inc., which has two other concepts (Bubba's 33 and Jaggers), and is headquartered in Louisville, Kentucky. As of June 2024, the chain operates about 760 locations in 49 U.S. states and 29 international locations in 10 countries, across three different brands: Jaggers, Bubba's 33, and Texas Roadhouse.

Patrons of Texas Roadhouse are greeted with free buckets of peanuts at every table as well as free dinner bread rolls, and may choose from a menu that includes steak, ribs, chicken and seafood with made-from-scratch sides. Each location employs its own baker and butcher and their steaks are hand-cut and never frozen.

Texas Roadhouse's revenue for FY2023 was \$4.632B, a 15.4% increase year-over-year, and the company opened 30 Texas Roadhouses in 2023.

Tenant Name	Texas Roadhouse, Inc.
Ownership	Public (NASDAQ: TXRH)
Headquarters	Louisville, KY
Founded	1993
Market Cap	\$11.5 Billion
Revenue	\$5.37 Billion (FY 2024)
Coverage	49 States, 10 Countries
Brands	Texas Roadhouse, Bubba's 33, Jaggers
# of Locations	786
Website	texasroadhouse.com



\$5.37B
2024 REVENUE



\$433.6M
2024 NET INCOME



95K
TOTAL EMPLOYEES



786
TOTAL LOCATIONS



LOCATION OVERVIEW

GAINESVILLE, FL

Gainesville is the largest city and county seat of Alachua County. It serves as the cultural, educational and commercial center for the north central Florida region. In 2022, the city had a population of 145,000. Located on the I-75 corridor, Gainesville is halfway between Atlanta, GA and Miami, FL and within a 2-hour drive of Jacksonville, Tallahassee, Tampa and Orlando, along with Disney World, Universal Studios and Busch Gardens theme parks.

Gainesville is home to one of Florida's largest and oldest universities, the University of Florida ("UF"). The University of Florida and UF Health Shands Hospital are the leading employers in Gainesville and provide jobs for many residents of surrounding counties. The school has about 15,000 academic and administrative staff, and UF Health Shands Hospital employs about 10,000 staff and physicians. UF is also affiliated with the Malcolm Randall Veteran Affairs Medical Center, which employs an additional 6,000 people. The university is also a medical research hub, with research dollars generating about 300 patents a year, many of which are in life sciences. Government is the largest industry in the market, employing roughly 30% of the workforce.

Known for its preservation of historic buildings and the beauty of its natural surroundings, Gainesville also has numerous parks, museums and lakes that provide entertainment to thousands of visitors, including the Butterfly Rainforest, a 6,400-square-foot exhibit, part of the Florida Museum, giving Gainesville the title of the Nation's First Butterfly City.

KATZ & ASSOCIATES



HOME TO

**UNIVERSITY
OF FLORIDA**
61.9K STUDENTS

MARKET SUMMARY

County	Alachua County
State	Florida
Land Area	62.4 sq mi
Population	135,000
Population Density	2,300/sq mi
Website	www.gainesvillefl.gov



11.9%

POPULATION INCREASE
SINCE 2010

5 MILES

SOUTHWEST OF
GAINESVILLE REGIONAL
AIRPORT

TEXAS ROADHOUSE (GROUND LEASE) GAINESVILLE, FL

DEMOGRAPHICS

151.3K

2024 TOTAL POPULATION
5 MILE RADIUS

\$66.9K

2024 AVG HH INCOME
1 MILE RADIUS

POPULATION

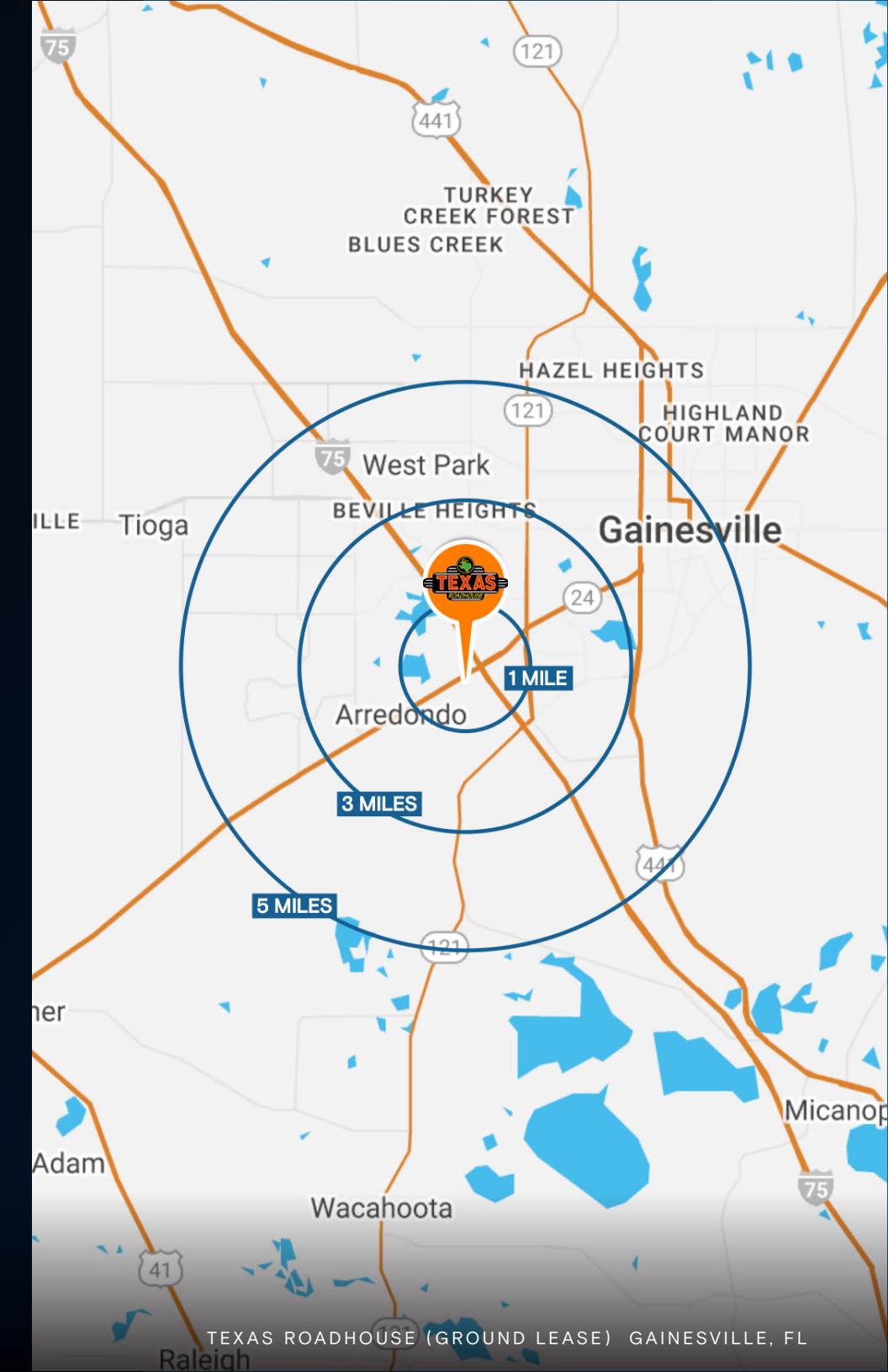
	1 MILE	3 MILES	5 MILES
2024 POPULATION	6,975	75,371	151,320
2029 POPULATION	7,650	76,415	155,506
2024-2029 ANNUAL RATE	1.55%	0.48%	0.22%

HOUSEHOLDS

	1 MILE	3 MILES	5 MILES
2024 HOUSEHOLDS	2,764	31,624	61,103
2029 HOUSEHOLDS	3,138	32,386	63,462
2024-2029 ANNUAL RATE	1.90%	0.70%	0.39%

INCOME

	1 MILE	3 MILES	5 MILES
2024 AVERAGE HOUSEHOLD INCOME	\$66,918	\$75,137	\$90,850
2029 AVERAGE HOUSEHOLD INCOME	\$78,834	\$83,200	\$101,212
2024-2029 ANNUAL RATE	3.35%	3.28%	3.18%



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