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SINGLE TENANT ABSOLUTE NET GROUND LEASE

Greenville, South Carolina

CONFIDENTIAL OFFERING MEMORANDUM

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Investment Services Division of NAI Earle Furman

PROPERTY SUMMARY

Address	3209 N Pleasantburg Dr Greenville, SC 29609
Ownership	Fee Simple
Year Built	2006
Building Size	7,500 SF
Parcel Size	1.84 Acres
Tenancy	Single
Occupancy	100%
Road Frontage	235 Feet
Traffic Counts	38,300 VPD
Parking	111 Spaces
Financing	Free & Clear

INVESTMENT SUMMARY

NOI	\$199,650*
Cap Rate	5.75%
List Price	\$3,472,612
Lease Type	Ground Lease
Remaining Lease Term	±6.5 Years
Options Remaining	(3) 5-Year
Rent Increases	10% Every Option

**NOI is based on future rent bump scheduled on 1/1/2022. Seller will credit a buyer for the calculated rent differential from closing thru 1/1/2022.*

NOI & CAP RATE GROWTH

	Option 2	Option 3	Option 4
NOI	\$219,615	\$241,576	\$265,734
Cap Rate Growth	6.32%	6.96%	7.65%

Note: Tenant exercised Option 1 early

INVESTMENT HIGHLIGHTS

- **Zero Landlord Responsibilities:** Absolute net ground lease structure making it an ideal management-free investment and generating true “mailbox money”
- **Early Renewal:** Tenant exercised their upcoming 5 year renewal almost 2 years early showing dedication to this location
- **Investment Grade Credit:** Darden Restaurants, Inc. is investment rated Baa2 (Moody's) & BBB (S&P)
- **Very Desirable Corporate Operator:** Darden Restaurants, Inc. has 1,700 locations, \$8.15B in revenues, and 185K+ employees
- **Excellent Access to Population Density:** Strong customer base of 151K residents and daytime population of 183K within 5 miles of the subject property
- **Vibrant & Affluent Community of the Greenville:** “Cherrydale” is a highly desired submarket due to its close proximity to Greenville’s revitalized and energetic downtown, Paris Mountain State Park, Furman University, Travelers Rest, nearby major employers, and ease of accessibility to the greater market
- **Booming Greater Market:** Greenville is one of America’s hottest emerging destinations and fastest growing cities. From a revitalized downtown ranked among “America’s Ten Best” to the influx of major employers such as BMW, Michelin, GE, and Lockheed Martin Aircraft, Greenville has become one of the top places to live in the Southeast

LEASE SUMMARY

Tenant	GMRI, Inc.*
Tenant Trade Name	Olive Garden
Parent Company	Darden Restaurants, Inc.
Tenant Classification	Corporate
Lease Type	Ground Lease
Original Lease Term	15 Years
Commencement Date	January 1, 2007
Current Expiration Date	December 31, 2026
Term Remaining	±6.5 Years
Options Remaining	(3) 5-Year Options
Increases	10% Every Option
Property Taxes	Tenant is Solely Responsible
Tenant's Insurance	Tenant is Solely Responsible
Common Area Maintenance	Tenant is Solely Responsible
Roof	Tenant is Solely Responsible
Structure	Tenant is Solely Responsible
Parking Lot	Tenant is Solely Responsible
ROFR	None
Option to Terminate	None

*GMRI, Inc. is a subsidiary of Darden Restaurants, Inc. and holds the majority of the Olive Garden locations.

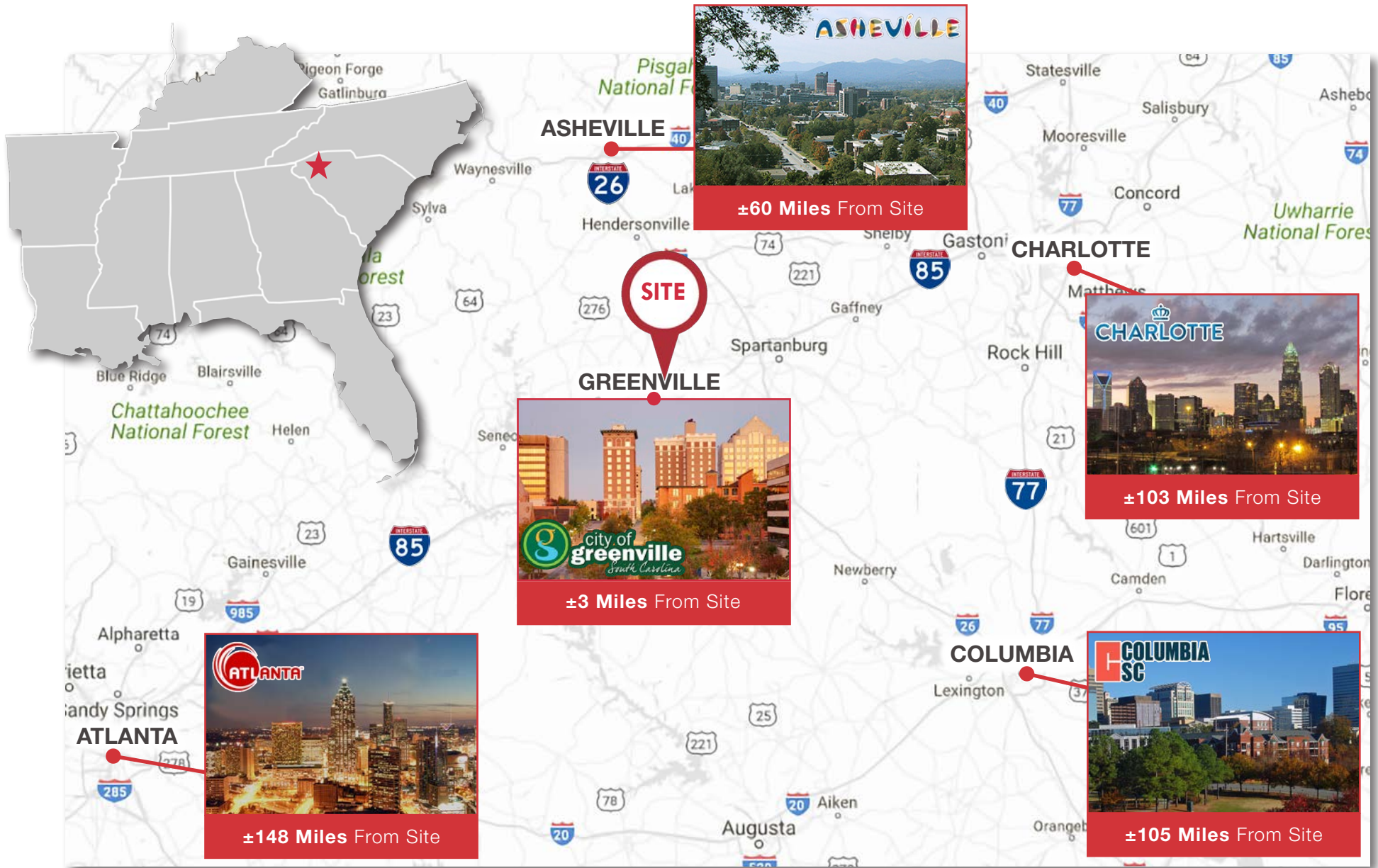
RENT SCHEDULE

	Monthly	Annually
Initial Term*		
01/01/2007 - 12/31/2021	\$15,125.00	\$181,500.00
Option 1 (Exercised)*		
01/01/2022 - 12/31/2026	\$16,637.50	\$199,650.00
Option 2		
01/01/2027 - 12/31/2031	\$18,301.25	\$219,615.00
Option 3		
01/01/2032 - 12/31/2036	\$20,131.33	\$241,576.00
Option 4		
01/01/2037 - 12/31/2041	\$22,144.50	\$265,734.00

*NOI is based on future rent bump scheduled on 1/1/2022. Seller will credit a buyer for the calculated rent differential from closing thru 1/1/2022.

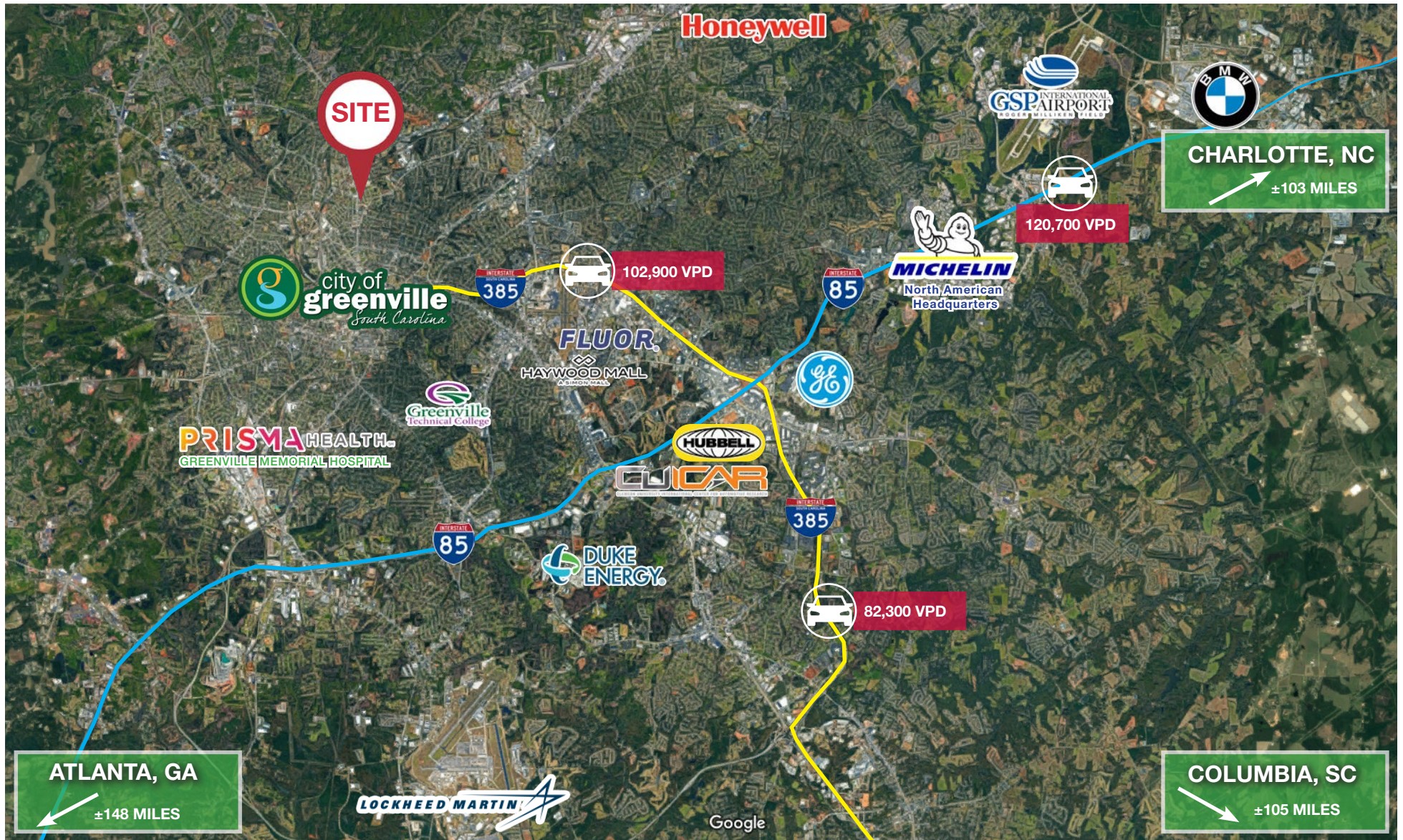
PROPERTY OVERVIEW

Regional Map



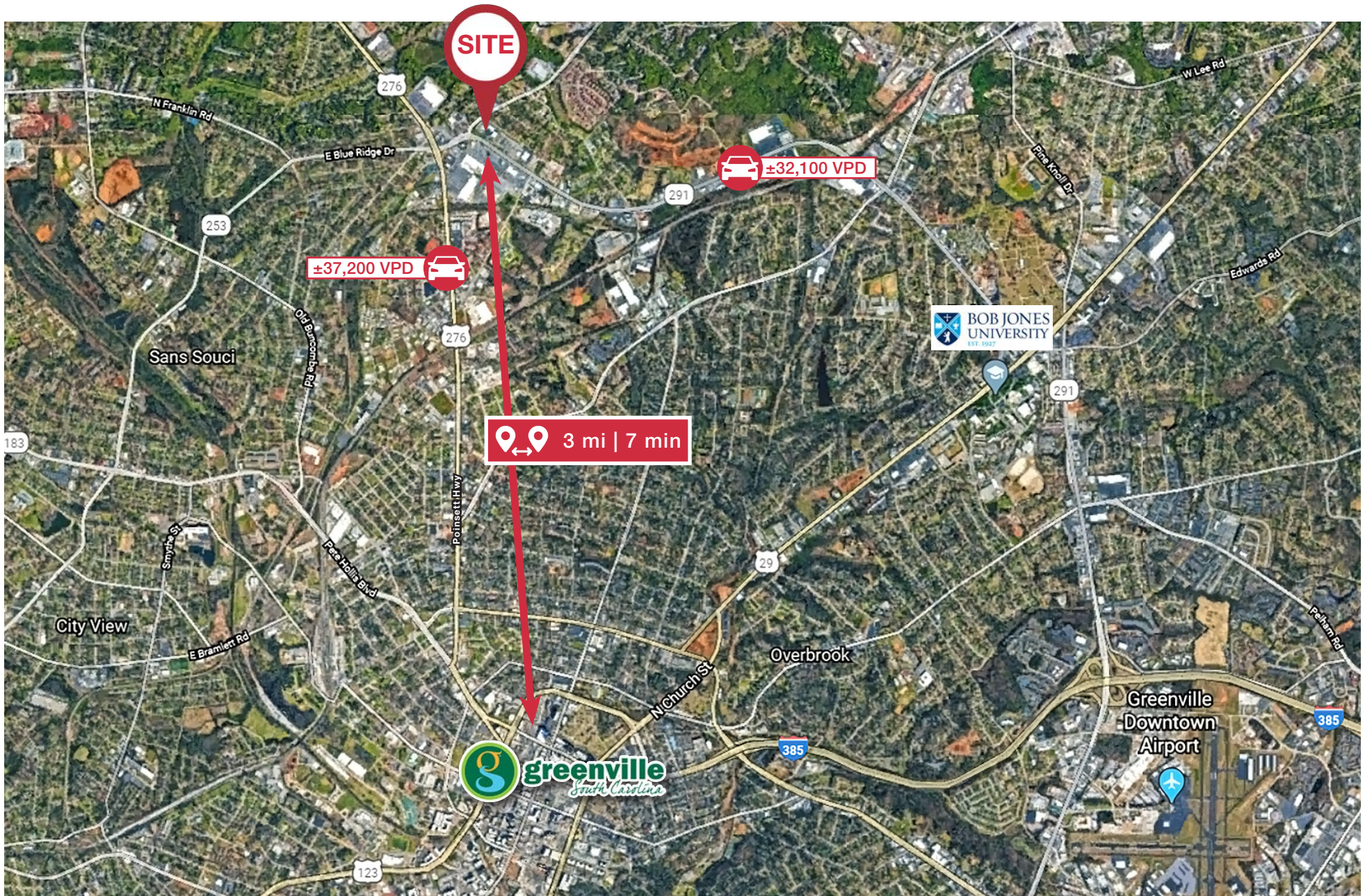
PROPERTY OVERVIEW

Market Map



PROPERTY OVERVIEW

Submarket Map



PROPERTY OVERVIEW

Site Map



PROPERTY OVERVIEW

Property Aerial



PROPERTY OVERVIEW

Property Photos



TENANT SUMMARY

Tenant	GMRI, Inc.*
Tenant Trade Name	Olive Garden
Parent Company	Darden Restaurants, Inc.
Year Founded	1938
Headquartered	Orlando, FL
No. of Restaurants	1,800+
No. of Employees	185,000+
Ownership	Public
Credit Rating	Baa2
Credit Agency	Moody's
Exchange	NYSE (DRI)
Market Cap	\$15.67B
Annual Revenue	\$8.15B

*GMRI, Inc. is a subsidiary of Darden Restaurants, Inc. and holds the majority of the Olive Garden locations.



Olive Garden, which started as a unit of General Mills, Inc., is an American casual dining restaurant chain specializing in Italian-American cuisine. It is a subsidiary of Darden Restaurants, Inc., which is headquartered in Orlando, Florida. Olive Garden serves several types of Italian-American cuisine including pasta dishes, steaks, and salads.

By the end of 2019, Olive Garden operated 866 locations globally and accounted for \$4.29 billion of the \$8.15 billion revenue of parent Darden.

Darden, founded in 1938, is one of the largest players in the \$185 billion U.S. casual dining industry. Olive Garden (868 units), LongHorn (522), and Cheddar's Scratch Kitchen (165 company-owned units) are its core brands, while the smaller, faster-growing specialty restaurant group is made up of Yard House (81), The Capital Grille (60), Seasons 52 (44), Bahama Breeze (41), and Eddie V's (23). [1] Darden Restaurants, Inc. stock is traded on the NYSE under code DRI. Investment Grade (NYSE: DRI, Moody's: Baa2, S&P: BBB).

[1] Read the full article [HERE](#)



Darden Restaurants, Inc. and COVID-19

Darden Restaurant's CEO Gene Lee said that the company has not seen any changes to consumer behavior even as Covid-19 cases begin to spike in some states and as of June 25th Darden has reopened 91% of dining rooms with limited capacity. [1]

Darden's core brands - Olive Garden and LongHorn have fared slightly better than the corporate average (comp declines of 34.5% and 36.4%, respectively) due to a meaningful uptick in to-go orders (Olive Garden's to-go sales per restaurant have doubled since the start of the quarter). [2]

We believe the long-term outlook for the company remains intact making the stock relatively attractive at current levels. Many smaller restaurants are unlikely to survive the current crisis and this could help well-capitalized players such as Darden gain market share. The company had roughly \$700 million of cash on hand as of mid-May, with access to an additional \$750 via a revolving credit facility. [3]

[1] [CNBC - Read Full Article **HERE**](#)

[2] [Morning Star Analysis - Read Full Article **HERE**](#)

[3] [Forbes - Read Full Article **HERE**](#)

MARKET OVERVIEW

Market Analysis

Greenville, South Carolina



LOCATION

- The city of Greenville is the 4th among 15 of the fastest-growing large cities in the U.S. according to population estimates by the U.S. Census Bureau.
- Centrally located along the I-85 corridor directly between two of the largest cities in the Southeast - Atlanta, Georgia and Charlotte, North Carolina.
- Located 100 miles from the capital city of Columbia and only 200 miles from the Port of Charleston SC.



INFRASTRUCTURE

- Greenville-Spartanburg International Airport is the 2nd busiest airport in the state with over 2.6 million passengers in 2019.
- 3 Interstate highways offer easy access to the North, South, Midwest, and all major markets on the Eastern Seaboard.
- Home to the Inland Port Greer connecting the Upstate to the Port of Charleston.



HIGHER EDUCATION

- Clemson University, Furman University, Bob Jones University, North Greenville University and Limestone College-Greenville among others are all located in or around Greenville.



COMMERCE

- Home to national and international corporations such as Fluor Corporation, Hubbell Lighting, BMW and Michelin North America.
- Other major businesses include Bausch and Lomb, the Perrigo Company of SC, Prisma Health System, Ernst and Young, IBM, Charter Communications, Dunlop Slazenger Group, Liberty Corporation Bank of America, GE Power & Water, Day & Zimmerman, Scan Source, Lockheed Martin Aircraft, Windstream, SYNEX Corporation and TD Bank.

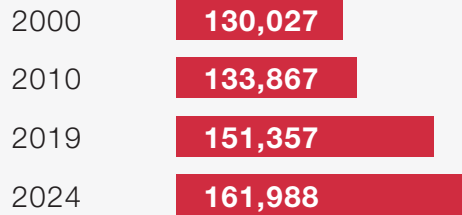


ACCOLADES

- America's Best Small Cities (*BestCities.org*) March 2020
- The 50 Best U.S. Cities for Starting a Business in 2020 (*Inc.com*) December 2019
- US Travel: 25 Best Places to Visit in 2020 (*Forbes*) December 2019
- 10 Cities to Watch in 2020 (*Worth*) November 2019
- #36 Best Places to Live (*Money Magazine*) October 2019
- #22 Best Places to Live in the USA (*U.S News & World Report*) May 2019
- #10 2019 Top 100 Best Places to Live (*Livability*) March 2019
- #7 The South's Best Cities 2019 (*Southern Living*) March 2019
- Top 19 Must-See Destinations in 2019 (*Expedia*) January 2019
- Where to Go 2019 (*The Boston Globe*) January 2019
- America's 100 Best Places to Retire (*Where to Retire*) December 2018
- #35 Top Cities in the US with the Biggest Influx of People, The Most Work Opportunities, and the Hottest Business Growth (*Business Insider*) August 2018
- #39 Top 100 Best Places to Live (*Livability*) 2018

POPULATION GROWTH

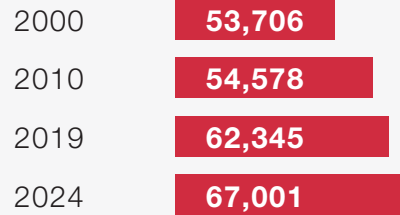
5-Mile



Historical Growth Rate

HOUSEHOLD GROWTH

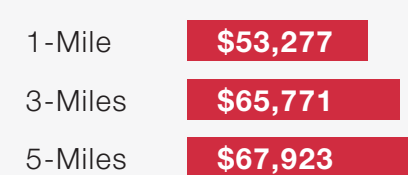
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Historical Growth Rate

AVG HOUSEHOLD INCOME

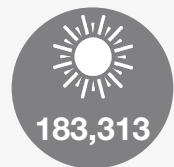
2019



2019 (5-Mile Avg)

DAYTIME POPULATION

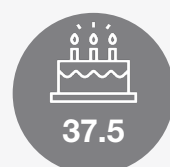
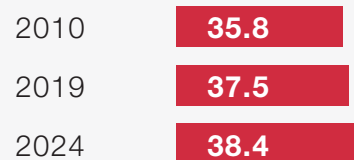
2019



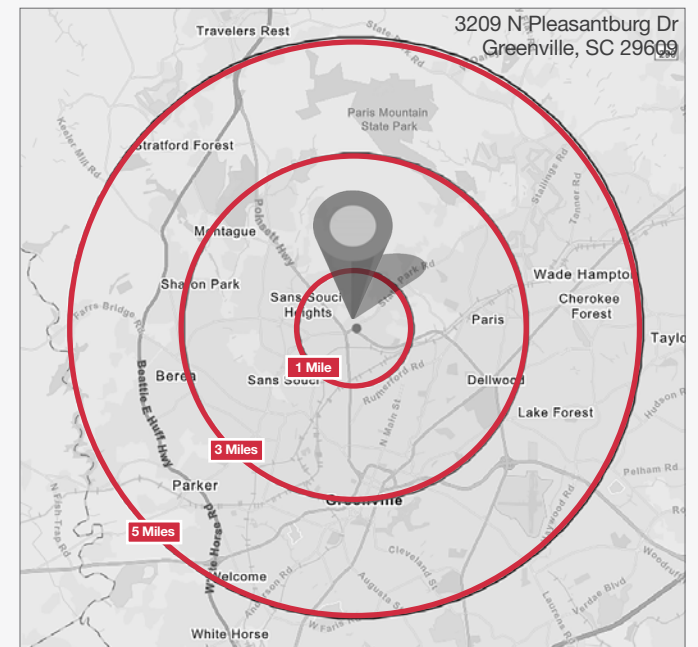
2019 (5-Miles)

MEDIAN AGE

5-Mile



2019 (5-Mile)



2020 Esri

This Offering Memorandum contains select information pertaining to the business and affairs of the property located at 3290 N Pleasantburg Drive, Greenville, SC 29609 (“Property”). It has been prepared by Furman Capital Advisors (“Agent”). This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in the Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Owner or Agent. The material is based in part upon information supplied by the Owner and in part upon financial information obtained from sources it deems reliable. The Owner, nor their officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner.

Owner and Agent expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed by all parties and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to the Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Agent or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the creation of this Offering Memorandum.



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