



HOOK & REEL CAJUN SEAFOOD

TRIPLE NET LEASED RETAIL BUILDING IN A MAJOR REGIONAL CENTER

NORFOLK, VA

IN ASSOCIATION WITH PARASELL, INC. | P: 949.924.6578 | A LICENSED VIRGINIA BROKER #0226032019



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HOOK & REEL CAJUN SEAFOOD

7740 TIDEWATER DR, NORFOLK, VA 23505

\$2,486,000
PRICE

5.75%
CAP

NOI:	\$142,922
LEASABLE AREA:	6,214 SF
LAND AREA:	.61 AC
YEAR BUILT:	2015
PARKING:	AMPLE & RECIPROCAL

THE RESTAURANT OPENED IN SEPTEMBER OF 2020 TO VERY STRONG SALES AND IS TRENDING TO HAVE AN ANNUAL RENT TO SALES RATIO OF LESS THAN 5%

Investment Highlights



THE OFFERING

CPSF is pleased to present the opportunity to acquire Hook & Reel in Norfolk, VA. The original 10-year lease (9 years remaining) includes two 5-year options, with rental increases in 2025 and at the start of each option period. This single tenant asset has minimal landlord maintenance obligations. Hook & Reel, a national Cajun seafood restaurant, has very strong sales at this location and opened during the pandemic.

An outparcel to the Walmart Supercenter, the subject property is located on Tidewater Drive, just off interstate 64 (Hampton Roads Beltway). The property benefits from the ~236k residents within a 5-mile radius, in addition to the nearby major employers: United States Federal Government, Sentara Healthcare, Norfolk Naval Shipyard and local Division 1 colleges Old Dominion University and Norfolk State University.

HIGHLIGHTS

- **9+ years remaining on lease, with two 5-year options**
- **National Cajun seafood restaurant concept with strong store sales at this location**
- **Tenant is trending to do under 5% rent to sales ratio**
- **Minimal Landlord maintenance obligations, roof and structure only**
- **Restaurant opened during Covid pandemic to very strong sales**

Income & Expense

CURRENT		
Price:		\$2,486,000
Capitalization Rate:		5.75%
Price Per Square Foot:		\$400.06
Down Payment	40%	\$870,100
Loan Amount	60%	\$1,615,900
Total Leased (SF):	100.00%	6,214
Total Vacant (SF):	0.00%	0
Total Rentable Area (SF):	100.00%	6,214
INCOME	P/SF	
Scheduled Rent	\$23.00	\$142,922
Reimbursements	\$4.67	\$29,037
EFFECTIVE GROSS INCOME		\$171,959
ADJUSTED GROSS INCOME		\$171,959
EXPENSE (Estimated)	P/SF	
Property Tax	(\$1.51)	(\$9,406)
Insurance	(\$0.33)	(\$2,053)
Operating Expenses	(\$2.83)	(\$17,577)
TOTAL OPERATING EXPENSES		(\$4.67) (\$29,037)
NET OPERATING INCOME		\$142,922

PROPOSED FINANCING/CASH FLOW

PROPOSED	
Proposed Loan Amount	\$1,615,900
Loan To Value	65%
Interest Rate	3.75%
Amortization	25 Year
Term	10 Year
Net Operating	\$142,922
Debt Service	(\$99,694)
Pre-Tax Cash Flow	\$43,228
Debt Coverage	1.43
Cash-on-cash	4.97%
Principal Pay down	\$39,777
Total Return	\$83,005
Total Rate of Return	9.54%

Rent Roll

TENANT INFORMATION				LEASE TERMS		RENT SUMMARY		
UNIT	TENANT	SQFT	% OF GLA	TERM		MONTHLY RENT	ANNUAL RENT	RENT/FT
401-05	Hook and Reel Seafood	6,214	100.00%	03/14/20	06/30/30	\$11,910.17	\$142,922	\$23.00
			Increase	04/01/25	06/30/30	\$13,101.18	\$157,214	\$25.30
			Option 1	07/01/30	06/30/35	\$14,411.30	\$172,936	\$27.83
			Option 2	07/01/35	06/30/40	\$15,852.43	\$190,229	\$30.61
OCCUPIED		6,214	100.00%	TOTAL CURRENT		\$11,910.17	\$142,922.04	\$23.00
VACANT		0	0.00%					
CURRENT TOTALS		6,214	100.00%					



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Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
3/14/20-6/30/30	\$11,910.17	\$142,922

RENT INCREASE

DATE RANGE	MONTHLY RENT	ANNUAL RENT
4/1/25-6/30/30	\$13,101.18	\$157,214

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 7/1/30-6/30/35	\$14,411.30	\$172,936
#2. 7/1/35-6/30/40	\$15,852.43	\$190,229

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISES & TERM

TENANT

Hook&Reel Seafood Restaurant -
Cajun Seafood Norfolk, LLC, a Virginia
limited liability company

LEASE GUARANTOR

Jin Ming Zhou and Li Ying Yang

LEASE TERM

9 Years Remaining

BUILDING SF

6,214

OPTIONS

Two 5-year options

EXPENSES

TAXES

Tenant shall pay as additional rent as part of Shopping Center operating expenses all RE taxes and assessments.

INSURANCE

Landlord shall keep building insured against fire & extended coverage/ perils - 80% of replacement cost and carry general liability coverage for common area, as appropriate. Prorata share of such cost will be borne by Tenant as part of OPEX.

CAM

Tenant shall pay in addition to rent, shopping center operating expenses.

MAINTENANCE

Tenant to maintain HVAC, grease trap, plumbing, electrical, gas.

LANDLORD OBLIGATIONS

LL make repairs to roof, outside walls (except windows/storefront), gutters & downspouts. LL to maintain in good repair, stripe and light the parking areas of Shopping Center. Subject to reimbursement by Tenant.

ADDITIONAL LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

Sec. 16 - Tenant shall not assign w/o LL consent. Tenant will remain liable for performance.

GROSS SALES

Within 15 days after the end of each month, Tenant to provide LL statement showing Gross Sales.

ESTOPPELS/SDNA

SNDA w/in 5 days.

Tenant Overview



ABOUT HOOK & REEL

Hook & Reel is a franchised family friendly restaurant that was born in the south and has been bringing people together through their seafood dishes since 2013. Hook & Reel now has 57 franchised locations across 24 states and has 35 more locations opening in the near future.

57+

**LOCATIONS IN
THE UNITED STATES**

Hook & Reel specializes in Cajun/Creole seafood, featuring many spicy and tangy flavors. Cajun cooking originated in the swamps and bayous of southern Louisiana by French settlers who migrated there from Canada. The restaurant has helped Cajun/Creole seafood grow to become a mainstream trend, one of the first restaurant franchises to do so.

Their most popular item on the menu is their seafood boil, where customers get to pick their catch, sauce, spice, and even add in some extras. Hook & Reel strives to make every customer's experience at their restaurants as fun and flavorful as possible.

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Site Plan

sf
6,214
RENTABLE SF

ac
.61
ACRES

SHARED
PARKING



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Surrounding Businesses



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GOLF COURSE

**JOINT
EXPEDITIONARY
BASE**

GOLF COURSE

**NORFOLK
INT'L
AIRPORT**

ELEMENTARY

A circular collage of retail logos. The logos include Carter's (blue text), H&M (red script), Back Room Shoes (black box with white text), Nike Factory Store (orange swoosh and black text), LOFT (black text), Banana Republic (black text), and Torrid (black text).



**VIRGINIA
WESLEYAN
UNIVERSITY**

GOLF COURSE

**MIDDLE
SCHOOL**

**ELEMENTARY
SCHOOL**

SPORTS
COMPLEX

**ELEMENTAR
SCHOOL**

**207,000
VPD**



PAGE 12

**95,000
VPD**

**CHAMBERS
FIELD**

**NORFOLK
NAVAL
STATION
VA**

**VIRGINIA
INT'L
TERMINALS**

**34,000
VPD**

**137,000
VPD**

**18,000
VPD**



**VIRGINIA
PORT
AUTHORITY**

**MANO
HOSPITAL**



**OLD
DOMINION
UNIVERSITY**

**DEPAUL
MEDICAL
CENTER**

NORFOLK CITY CENTER

EASTERN VIRGINIA MEDICAL CENTER

**MEDICAL
CENTER
PORTSMOUTH**

**USS
WISCONSIN**



**CITY OF
NORFOLK**

**39,000
VPD**

**NORFOLK
STATE
UNIVERSITY**

**108,000
VPD**

Dillard's
rue21

PORTSMOUTH

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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	15,850	116,215	230,549
2020	15,382	115,913	236,827
2025	15,201	115,911	239,105



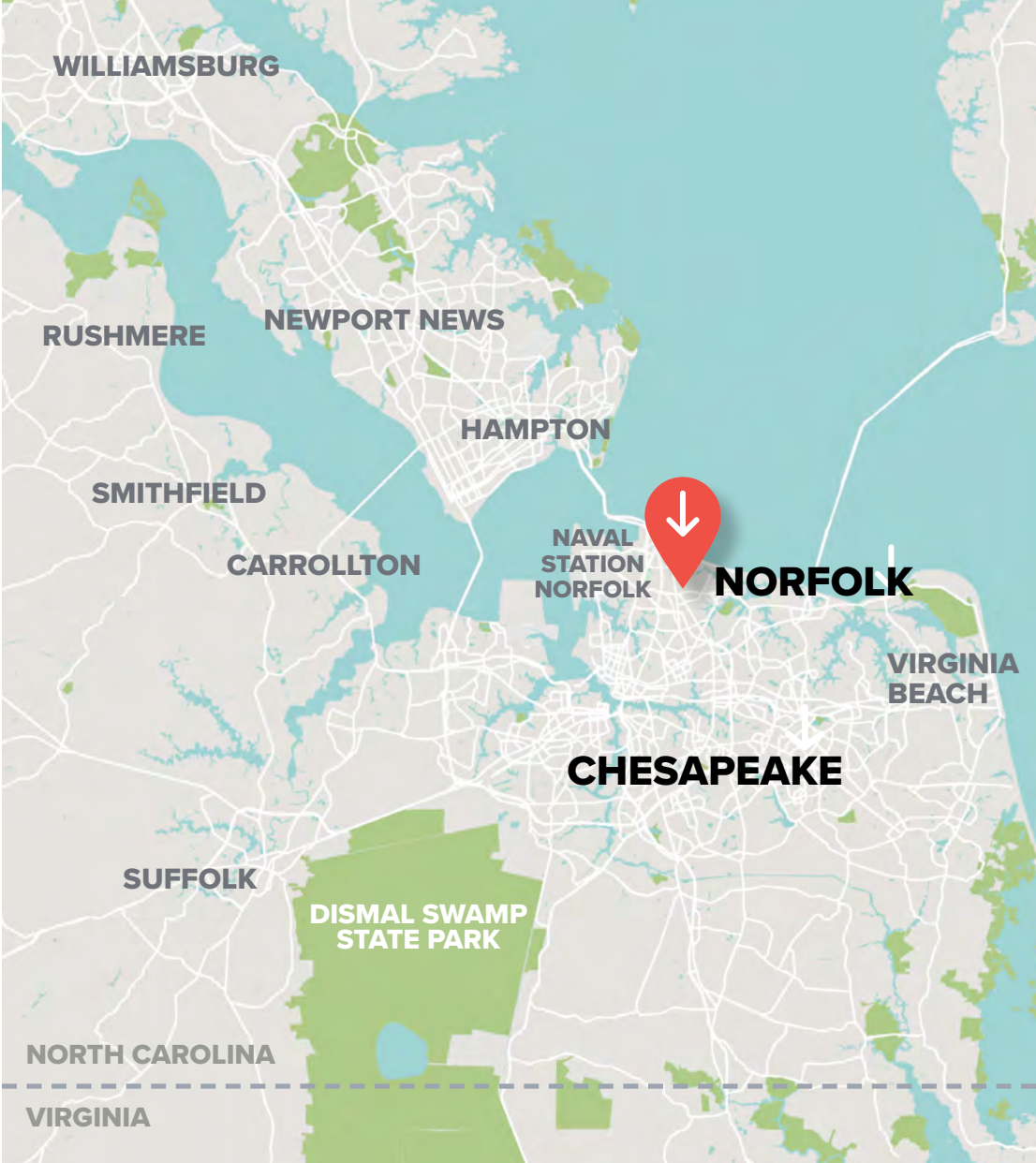
2020 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$57,019	\$70,296	\$50,930

TOP EMPLOYERS IN SOUTH HAMPTON ROADS

EMPLOYER	# OF EMPLOYEES
United States Federal Government	50,000
Sentara Healthcare	15,000
Virginia Beach City Public Schools	10,000
Norfolk Naval Shipyard	7,000
Nofolk City Public Schools	6,527

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**NAVAL STATION NORFOLK IS
THE WORLD’S LARGEST NAVAL
COMPLEX**

NORFOLK, VIRGINIA



THE CITY OF NORFOLK is strategically located in the southeastern Hampton Roads region at the mouth of one of the nation's fastest-growing ports. It is located within the Virginia Beach-Norfolk-Newport News Metropolitan Statistical Area. Norfolk has many attractions including the Chrysler Museum of Art, the Virginia Zoo, the Norfolk Botanical Garden, and a thriving waterfront full of restaurants and shops. The region is an excellent combination of historical significance and coastal playground.

NAVAL STATION NORFOLK is the world's largest naval complex, employing 46,000 active-duty military and 21,000 civilian personnel. The base is home to approximately 64 ships, 187 aircraft carriers, and the now-retired USS Wisconsin. The direct economic impact of the Navy on the region exceeds \$15.4 billion annually.

CHESAPEAKE was formed in 1963 by a political consolidation of the City of South Norfolk with the former Norfolk County, which dated to 1691. Chesapeake is the second-largest city by land area in the Commonwealth of Virginia. Chesapeake is a diverse city with urban areas as well as many square miles of protected farmland, forests, and wetlands, including a substantial portion of the Great Dismal Swamp. It is currently the third largest city in Virginia in terms of population.

249,787+



**CHESAPEAKE 2020
POPULATION**
(ESTIMATED)



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