

OFFERING MEMORANDUM

APPLEBEE'S

528 N. 47TH STREET | ROGERS, AR



Representative Photo





Representative Photo

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EXCLUSIVELY LISTED BY



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EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- Long Term Lease – 10 years remaining on an original 20-year lease
- Dense Retail Corridor – out-parceled to Lowe's, Kohl's, and Ross Dress for Less
- Growing Demographics – Rogers, AR is just outside Bentonville (location of Wal-Mart's World Headquarters) and is expected to see a population growth of around 10% from 2017-2022
- Due the rental increase in August 2018, this is one of the highest cap rates nationwide for an Applebee's property with \pm 10 years remaining



FINANCIAL OVERVIEW

APPLEBEE'S

528 N. 47th Street
Rogers, AR 72756

List Price\$2,510,200
CAP Rate - Current..... 7.50%
Gross Leasable Area ± 5,615 SF
Lot Size ± 1.83 Acres
Year Built..... 1996
Year Remodeled 2006



Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Rent Period 2018 - 2022*	\$15,688.75	\$188,265.00	\$33.53	7.50%
Rent Period 2023 - 2028	\$17,257.63	\$207,091.50	\$36.88	8.51%
Option 1	\$18,983.39	\$227,800.65	\$40.57	9.36%
Option 2	\$20,881.73	\$250,580.72	\$44.63	10.29%
Option 3	\$22,969.90	\$275,638.78	\$49.09	11.32%
Option 4	\$25,266.89	\$303,202.66	\$54.00	12.46%

*Rent to increase to \$188,265 on 8/1/2018 (Owner to credit the difference in rents between closing and 8/1/2018)

Applebee's Summary

Applebee's Trade Name	Applebee's
Type of Ownership	Fee Simple
Lease Guarantor	Apple Central LLC
Lease Type	NNN
Landlord Responsibilities	Tenant Responsible
Original Lease Term	20 Years
Lease Expiration Date	7/31/2028
Term Remaining on Lease	± 10 Years
Increases	10% increases every 5 years
Options	Four, 5-Year Options

TENANT OVERVIEW



Representative Photo



Tenant	Applebee's Neighborhood Grill and Bar
Company Name	Applebee's International, Inc.
Parent Company Trade Name	DineEquity, Inc.
Ownership	Public
Revenue	\$681.10 M
Net Income	\$104.92 M
Stock Symbol	DIN
Board	NYSE
No. of Locations	± 2,000
No. of Employees	± 33,543
Headquartered	Kansas City, Missouri
Website	www.applebees.com
Year Founded	1987

TENANT OVERVIEW

Founded nearly three decades ago on the principles of exceptional value and family fun, the Applebee's concept focuses on casual dining, with mainstream American dishes such as salads, shrimp, chicken, pasta, and "riblets" (which is considered Applebee's signature dish). All Applebee's restaurants feature a bar area and serve alcoholic beverages (except where prohibited by law). This prominent eatery draws people of all ages and lifestyles with its fun, family-friendly atmosphere and signature bar and grill menu. Applebee's Services, Inc., operates what is today the largest casual-dining chain in the world.

STRATEGY

Applebee's continues to grow and prosper, and further differentiates itself with innovative attractions, like the popular Carside to Go service available at many of its restaurants. The company continually works to add greater value and broaden its appeal, as evidenced by the "It's a Whole New Neighborhood" campaign, which launched in the spring of 2008, indicative of a fresh, re-energized approach and the promise of new, enticing menu items.

PROPERTY OVERVIEW

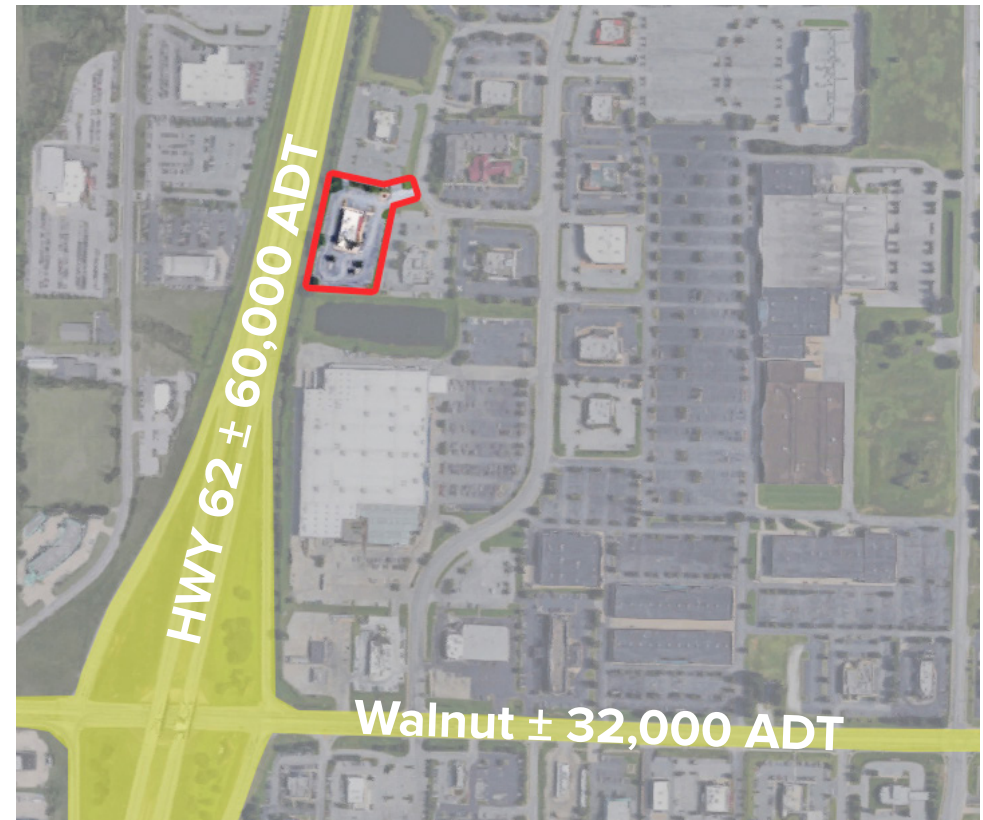


Representative Photo

THE OFFERING

Property Name	Applebee's
Property Address	528 N. 47 th Street Rogers, AR 72756
Assessor's Parcel Number	02-13558-000
Site Description	
Number of Stories	One
Year Built	1996
Year Remodeled	2006
Gross Leasable Area (GLA)	± 5,615 SF
Lot Size	± 1.83 Acres (79,715 SF)
Type of Ownership	Fee Simple
Parking	± 80 Surface Spaces
Parking Ratio	14.24 : 1,000 SF
Landscaping	Professional
Topography	Generally Level

PARCEL MAP



AREA OVERVIEW



ROGERS, AR

Rogers is a city in Benton County, Arkansas, United States. Rogers is located in the northwest portion of the state in the Fayetteville-Springdale-Rogers Metropolitan Area. This is one of the fastest growing areas in the nation and is ranked 109th in terms of population in the United States. In June 2007, BusinessWeek magazine ranked Rogers as 18th in its list of the 25 best affordable suburbs in the American South. And in 2010, CNN Money ranked Rogers number 10 on their list of 100 Best Places to Live.

Rogers has five large sports parks, 14 neighborhood parks along with a swimming pool, a skateboard and splash park, 26 athletic fields, an activity center, a YMCA, and two lakes, along with five golf courses and a trail system totaling over 23 miles. Other recreational attractions in the surrounding area includes Beaver Lake, Atlanta Lake, Hobbs State Park – Conservation Area and War Eagle Mill & Cavern to the east of Rogers, as well as historical Civil War battlefield, Pea Ridge National Military Park, about 10 miles outside of Rogers.

SCOTTSDALE RETAIL CENTER

This Applebee’s is an out lot to the Scottsdale Retail Center - the largest shopping center in northwest Arkansas. The 100-acre Scottsdale Center, with over 1-million square feet of retail, dining, lodging, and entertainment is located at the intersection of I-540 and US 12/71, and serves as the premier retail destination for the area. Applebee’s enjoys visibility along I-540 and is roughly 0.25 miles from the offramp. The site neighbors Lowe’s, Chili’s, and Residence Inn by Marriott.

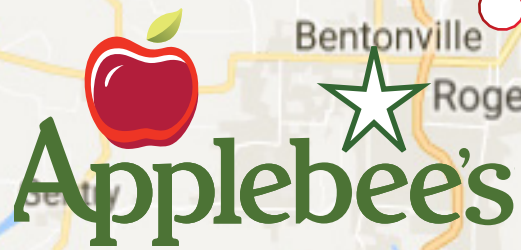
PROPERTY DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2022 Projection	6,541	51,440	119,069
2017 Estimate	6,177	48,243	110,106
2010 Census	5,599	42,635	91,790
2000 Census	4,365	33,922	62,135
Percent Change: 2017 to 2022	5.89%	6.63%	8.14%
Percent Change: 2010 to 2017	10.32%	13.15%	19.95%

HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2022 Projection	2,662	19,869	42,984
2017 Estimate	2,515	18,605	39,785
2010 Census	2,281	16,457	33,391
2000 Census	1,640	12,844	22,955
Percent Change: 2017 to 2022	5.84%	6.79%	8.04%
Percent Change: 2010 to 2017	10.26%	13.05%	19.15%

INCOME	1 Mile	3 Mile	5 Mile
2017 Est. Average Household Income	\$71,919	\$77,598	\$90,666





BENTONVILLE, AR

Bentonville is the tenth-largest city in Arkansas and the county seat of Benton County. The city is centrally located in the county with Rogers adjacent to the east. The city is the headquarters of Walmart, which is the world's largest retailer. The Walmart Visitor Center is located on the Bentonville town square in Sam Walton's original Walton's Five and Dime, and the company headquarters includes 15 buildings along Walton Boulevard (US 71B) in the western part of the city. Just north of downtown Bentonville is the Crystal Bridges Museum of American Art. Founded by Alice Walton in 2011, this museum contains many masterpieces from all eras of American art, including many works from Walton's private collection.

HOBBS STATE PARK - CONSERVATION AREA

Hobbs State Park – Conservation Area is a 12,056-acre Arkansas state park in Benton, Carroll, and Madison Counties, Arkansas in the United States. The park was bought in 1979 through a huge financial effort from Northwest Arkansas banks. Hobbs State Park – Conservation Area is located almost entirely in the Springfield Plateau subdivision of the Ozark Plateau. The park, located just south of Beaver Lake, is open for year-round recreation, including 32.9 miles of hiking, mountain bike and equestrian trails. Hobbs State Park – Conservation Area also has several picnic areas, a shooting range, and primitive camping sites.

FAYETTEVILLE, AR

Fayetteville is the third-largest city in Arkansas and county seat of Washington County and located 30 minutes from Rogers, AR. The city is centrally located within the county and has been home of the University of Arkansas since the institution's founding in 1871. When classes are in session, thousands of students on campus dramatically change the city's demographics. Thousands of Arkansas Razorbacks alumni and fans travel to Fayetteville to attend football, basketball, and baseball games. Forbes also ranked Fayetteville as the 24th-best city for business and careers in 2016. Lonely Planet named Fayetteville among its top 20 places to visit in the South in 2016.

OZARK NATIONAL FOREST

The Ozark National Forest covers 1.2 million acres, mostly in the Ozark mountains of northern Arkansas. The Ozark National Forest contains five wilderness areas as well as several special interest areas. There are twenty-five developed recreation areas on the Forests with over 320 campsites and nine developed swim sites. Each campground has its own special attraction, whether it is located by one of the scenic lakes or streams, or high atop Mt. Magazine, the highest point in the state at 2,753 feet. This mountain top is the site of a new State Park in Arkansas, Mt. Magazine State Park.



OZARK NATIONAL FOREST



BENTONVILLE, AR



HOBBS STATE PARK - CONSERVATION AREA



FAYETTEVILLE, AR

SURROUNDING TENANTS



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Applebee's** located at **528 N. 47th Street, Rogers, AR 72756** ("**Property**"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this 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 Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes 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 Seller.

Owner and Matthews Real Estate Investment Services 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 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 this 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 Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes 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 date this Offering Memorandum.

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MATTHEWSTM
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