

Representative Photo

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES



OFFERING MEMORANDUM

**APPLEBEE'S**

1325 PLAZA BOULEVARD | SANFORD, NC



*Representative Photo*

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## INVESTMENT HIGHLIGHTS

**Exceptional Performing Site** – Reports Sales and full P&L's proving very strong Profitability at this location

### **Long-term absolute NNN lease**

- ± 16 years remaining on an absolute NNN lease
- Passive investment with zero landlord responsibility
- This site is very profitable, which makes it highly unlikely for the tenant to leave; see broker for additional details
- There a 7% increases every 5 years of the lease, with next increase coming in early 2019

### **National Tenant with an Experienced Operator**

- Building is fully leased to large national tenant, Applebee's, which is a subsidiary of DineEquity, Inc. (NYSE: DIN)
- The lease is guaranteed by New Apple, INC, a subsidiary of Apple Gold Group
- Apple Gold Group operates over 100 Applebee's across North Carolina, South Carolina, Georgia, Kentucky, Indiana, Oklahoma, and Arkansas

### **Ideal Location for Casual Dining Success**

- Average household incomes around \$60,000 in the 1,3, and 5-mile radius
- In same retail corridor as national tenants Belk, JCPenney, PetSmart, Rite Aid, and OfficeMax
- Located off Claude E. Pope Memorial Hwy, which sees around 30,000 VPD



# FINANCIAL OVERVIEW

## EXECUTIVE SUMMARY

Property Name	Applebee's
Property Street	1325 Plaza Boulevard
City, State, Zip	Sanford, NC
Year Built/Renovated	2005/2008
GLA	5,651 SF
Lot Size	2.12 AC (92,237 SF)

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	RPSF	Cap Rate
Current - 1/27/2019	\$20,000.00	\$240,000.00	\$42.47	6.50%
1/28/2019 - 1/27/2024	\$21,400.00	\$256,800.00	\$45.44	6.95%
1/28/2024 - 1/27/2029	\$22,898.00	\$274,776.00	\$48.62	7.44%
1/28/2029 - 1/27/2034	\$24,500.00	\$294,010.00	\$52.03	7.96%

\* Rent increases to \$256,800 in January 2019 (Owner to credit the difference in rents between closing and January 2019)

## FINANCIAL HIGHLIGHTS



LIST PRICE

\$3,694,964



CAP RATE

6.95%\*



TERM REMAINING

± 16 YEARS

## TENANT SUMMARY

Tenant Trade Name	Applebee's
Type of Ownership	Fee Simple
Lease Guarantor	Apple Gold Group
Lease Type	NNN
Roof & Structure	Tenant Responsible
Original Lease Term	20 years
Lease Commencement Date	1/28/2014
Lease Expiration Date	1/28/2034
Term Remaining	± 16.22 years
Increases	7% every 5 years
Options	Four, Five-Year



# TENANT OVERVIEW



# APPLEBEE'S

Founded nearly three decades ago on the principles of exceptional value and family fun, Applebee's Services, Inc., operates what is today the largest casual dining chain in the world. This prominent eatery draws people of all ages and lifestyles with its fun, family-friendly atmosphere and signature bar and grill menu. 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. And 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, reenergized approach and the promise of new, enticing menu items.

## APPLE GOLD GROUP

The Apple Gold Group is one of the original five Applebee's Franchisees and is the second largest franchisee of Applebee's. The group was developed to operate Applebee's restaurants in North Carolina, opening its first Neighborhood Grill and Bar in Cary, North Carolina in 1985. Three decades later, the company has expanded its territory operating over 130 restaurants across 7 states (North Carolina, South Carolina, Georgia, Kentucky, Indiana, Oklahoma and Arkansas).

Headquartered in Raleigh, NC, the support center is home to support teams: Accounting, Human Resources, Finance, Development, Marketing and Operations. These teams work in conjunction with our restaurant teams to support the success of our operations.

Trade Name	Applebee's Neighborhood Grill and Bar
Ownership	Private
Parent Company Trade Name	Apple Gold Group
Headquartered	Raleigh, North Carolina
Website	<a href="http://www.aggrestartaurants.com">www.aggrestartaurants.com</a>
Year Founded	1984





## THE OFFERING

Property Name	Applebee's
Property Address	1325 Plaza Boulevard Sanford, NC 27330
Assessor's Parcel Number	9643-02-0738-00

Site Description	
Number of Stories	One
Year Built/Renovated	2005/2008
GLA	5,651 SF
Lot Size	± 2.12 Acres (92,347 SF)
Type of Ownership	Fee Simple
Parking	± 115 Surface Spaces
Parking Ratio	20.35 : 1,000 SF
Landscaping	Professional
Topography	Generally Level

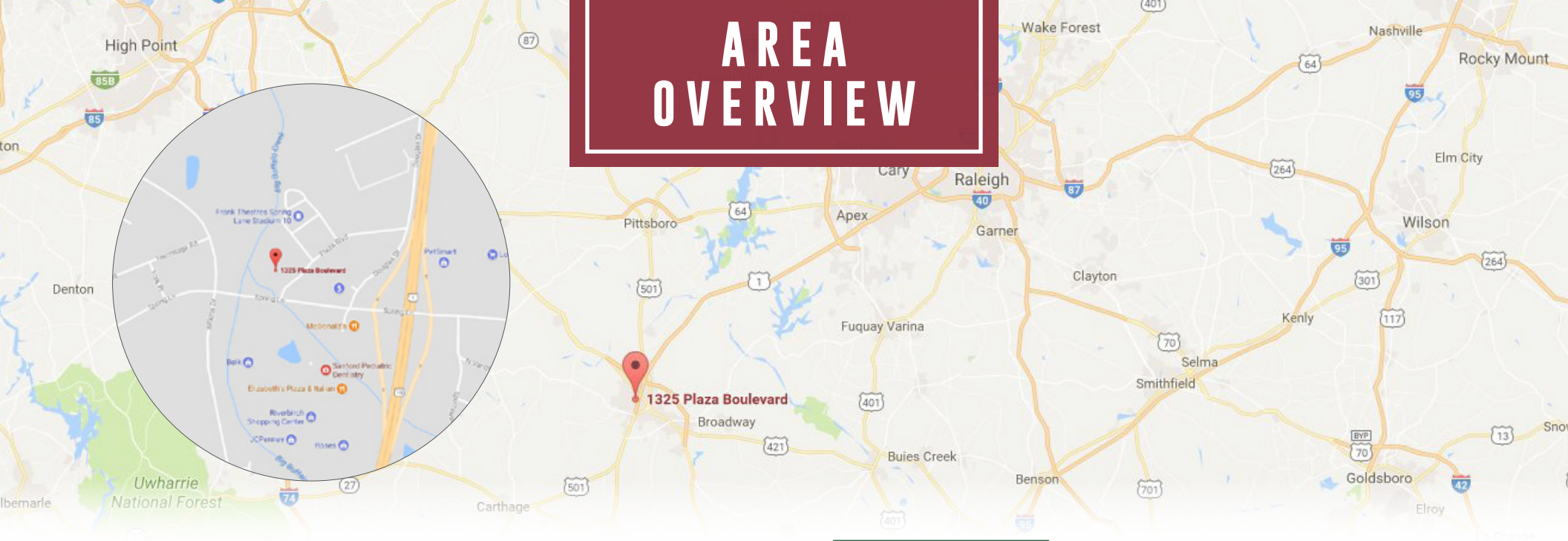
## PARCEL MAP











## SANFORD, NC

Sanford is located in Lee County, North Carolina. Lee County is made up of Sanford and Town of Broadway. Lee County is located less than 40 minutes from the Research Triangle that consists of Duke University, University of North Carolina and NC State University. The town is strategically located along US-1 Expressway, I-40, and I-95 and just 40 minutes from the Raleigh Durham International Airport.

Manufacturing and the production of Brick is a major contributor to the Sanford economy. They also produce textiles and because of its location to the Research Triangle receives a great deal of influx from the biotech industry. In 2006 Wyeth Vaccines (Pfizer) became one of the largest employers in the area. This Research Triangle is one the country's best and most successful research parks in the country and is highly regarded in the high-tech and biotech research field. The cost of living in Sanford, NC is 8% below that US National Average.

## DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2022 Projection	4,362	25,036	36,603
2017 Estimate	4,213	24,093	35,214
2010 Census	4,098	23,209	33,861
Growth 2010 - 2017	2.81%	3.81%	4.00%
Growth 2017 - 2022	3.54%	3.91%	3.94%
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2022 Projection	1,804	9,598	14,017
2017 Estimate	1,738	9,198	13,440
2010 Census	1,681	8,790	12,843
Growth 2010 - 2017	3.39%	4.64%	4.65%
Growth 2017 - 2022	3.80%	4.35%	4.29%
INCOME	1 Mile	3 Mile	5 Mile
2017 Est. Average Household Income	\$69,515	\$60,817	\$59,566



## RALEIGH

Raleigh, NC is the state capital of North Carolina and the County seat of Wake County. Walking through the city the streets are lined with oak trees, giving the city its name of “City of Oaks.” The city is a cultural, historical and educational center with Performing arts centers, symphony’s, museums of art, science, and history, and several major universities. Raleigh is in central North Carolina, about

two and half hours northeast of Charlotte, NC. Raleigh’s weather does experience seasonal changes, the hot season lasts typically 3.5 months from the end of may to the beginning of September. The average temperature during these months is in the high 80s. The winter is relatively mild with average daily temperature is in the 50s. The city gets on average 46 inches of rain per year.





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## ECONOMY

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Raleigh is part of the Raleigh-Durham-Chapel Hill Combined Statistical Area, also known as the Research Triangle Area. These areas get their name due to the universities that reside in each of the cities, Duke University, UNC-Chapel Hill, Wake Forest University and North Carolina State University. This Research Triangle is one the country's best and most successful research parks in the country and is highly regarded in the high-tech and biotech research field.

The major industries in Raleigh are Technology, Health Care, and Education. A big part of that is due to the positive impact of the Research Triangle and the universities that make it up. Raleigh is one of the fastest growing economies in the nation and is projected to lead the mid-Atlantic states in population growth in the next 25 years.



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## NORTH CAROLINA STATE UNIVERSITY

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North Carolina State University, home of the Wolfpack is located in Raleigh NC. The university has 33,755 students, 2,336 faculty, and 6,733 staff. The University has more NC residents attending than any other university in the state and was rated #1 for best value among North Carolina public universities. NC State's Industry Expansion Solutions has created \$3.4 billion in economic benefit for the state's manufacturers since 2000 and the University and its students, alumni and associated startups generate \$6.5 billion of the state's income annually.





## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Applebee's** located at **1325 Plaza Boulevard, Sanford NC 27330** ("**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.

**EXCLUSIVELY LISTED BY**

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