



LONG TERM
20-YR LEASE



ABSOLUTE
NNN LEASE

Applebee's



ANNUAL
INCREASES



SUCCESSFUL
FRANCHISEE

6950 75th St | Kenosha, WI | 53142



* Actual Site

OFFERING MEMORANDUM

Marcus & Millichap
THE NARAN GROUP

PROPERTY OVERVIEW

Marcus & Millichap is pleased to offer for sale a profitable and well operated Applebee's Franchisee sale leaseback opportunity located in Kenosha, WI. This restaurant is located within the epicenter of several major shopping centers with nationally recognized tenants which include: Costco, Meijer, Marshalls, Kohls, Lowes, PetsSmart, and many more. The unit performs above the average average Applebee's making this franchisee a successful operator in the system. Ownership includes building and land; thus, ownership has ability for taxable depreciation on the asset and management free income. This location is signalized hard corner which sees more than 36,000 cars per day with a Dense Demographic of more than 100,000 people within 5 Miles.

DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
Population (Current)	5,718	62,854	117,864
Total Households	2,188	23,464	44,262
Average HH Income	\$88,878	\$81,560	\$77,854

INVESTMENT HIGHLIGHTS

- **Long Term NNN Lease** | 20 Year Triple Net (NNN) Lease with Zero Landlord Responsibilities
- **Attractive Rental Increases** | 1.50% Annually and Four (4) Tenant Renewals Periods of Five (5) Years each
- **Successful Applebee's Operator** | 40+ Units with Low Rent to Sales Ratio
- **Low Rent to Sales Ratio** | Experienced Operator ensures safety and security of the operations and the brand and demonstrates Tenant's Ability to Pay Rent
- **Surrounding Successful Tenants** | Traffic Exceeding: 36,000 Cars Per Day
- **Neighboring Tenants:** Costco, Marshall, Meijer, Kohls, PetSmart, Lowes, and several more.

SURROUNDING NATIONALLY RECOGNIZED TENANTS

meijer

Marshalls®

KOHL'S

COSTCO
WHOLESALE®

PETSMART

LOWE'S®

PRICING

Property Name:	Applebee's
Property Address:	6950 75th St Kenosha, WI 53142
Price:	\$2,256,000
CAP Rate:	6.75%
Approx. Building Size:	5,276 SF
Year Built:	1995
Approx. Lot Size:	0.98 AC

The asset will be delivered free and clear of debt and is offered as an all cash transaction. Multiple financing options are available. Contact the Listing Team to Discuss.

LEASE SUMMARY

Tenant Trade Name:	Applebee's
Tenant:	Wisconsin Apple, LLC (25+ Units)
Lease Commencement:	Upon Close of Escrow
Lease Expiration:	20 Years from COE
Original Term:	20 Years
Option Term:	Four, 5 Years
Increases:	1.5% Annually
Guarantee:	Franchisee (**Ask Broker for Details)
Lease Type:	Absolute Triple Net (NNN)
Landlord Responsibilities:	None
Lease Term Remaining:	20 Years from COE

SUBJECT PROPERTY



RENT SCHEDULE—INITIAL TERM

Lease Term		Annual Rent	Monthly Rent	Increases
Initial Term	Year 1	\$152,250	\$12,688	
Initial Term	Year 2	\$154,534	\$12,878	1.50%
Initial Term	Year 3	\$156,852	\$13,071	1.50%
Initial Term	Year 4	\$159,205	\$13,267	1.50%
Initial Term	Year 5	\$161,593	\$13,466	1.50%
Initial Term	Year 6	\$164,016	\$13,668	1.50%
Initial Term	Year 7	\$166,477	\$13,873	1.50%
Initial Term	Year 8	\$168,974	\$14,081	1.50%
Initial Term	Year 9	\$171,508	\$14,292	1.50%
Initial Term	Year 10	\$174,081	\$14,507	1.50%
Initial Term	Year 11	\$176,692	\$14,724	1.50%
Initial Term	Year 12	\$179,343	\$14,945	1.50%
Initial Term	Year 13	\$182,033	\$15,169	1.50%
Initial Term	Year 14	\$184,763	\$15,397	1.50%
Initial Term	Year 15	\$187,535	\$15,628	1.50%
Initial Term	Year 16	\$190,348	\$15,862	1.50%
Initial Term	Year 17	\$193,203	\$16,100	1.50%
Initial Term	Year 18	\$196,101	\$16,342	1.50%
Initial Term	Year 19	\$199,043	\$16,587	1.50%
Initial Term	Year 20	\$202,028	\$16,836	1.50%

RENT SCHEDULE—OPTIONS

Lease Term		Annual Rent	Monthly Rent	Increases
Option 1	Year 21	\$205,059	\$17,088	1.50%
Option 1	Year 22	\$208,135	\$17,345	1.50%
Option 1	Year 23	\$211,257	\$17,605	1.50%
Option 1	Year 24	\$214,425	\$17,869	1.50%
Option 1	Year 25	\$217,642	\$18,137	1.50%
Option 2	Year 26	\$220,906	\$18,409	1.50%
Option 2	Year 27	\$224,220	\$18,685	1.50%
Option 2	Year 28	\$227,583	\$18,965	1.50%
Option 2	Year 29	\$230,997	\$19,250	1.50%
Option 2	Year 30	\$234,462	\$19,539	1.50%
Option 3	Year 31	\$237,979	\$19,832	1.50%
Option 3	Year 32	\$241,549	\$20,129	1.50%
Option 3	Year 33	\$245,172	\$20,431	1.50%
Option 3	Year 34	\$248,849	\$20,737	1.50%
Option 3	Year 35	\$252,582	\$21,049	1.50%
Option 4	Year 36	\$256,371	\$21,364	1.50%
Option 4	Year 37	\$260,216	\$21,685	1.50%
Option 4	Year 38	\$264,120	\$22,010	1.50%
Option 4	Year 39	\$268,082	\$22,340	1.50%
Option 4	Year 40	\$272,103	\$22,675	1.50%



Applebee's competes in the grill + bar segment of the restaurant industry's Casual Dining category. The brand offers a lively casual dining experience combining simple, craveable American fare, classic drinks and local drafts. In 2015, Applebee's completed its refranchising program, successfully transitioning to a 100% franchised restaurant system. Currently, all Applebee's restaurants are owned and operated by entrepreneurs dedicated to serving their local communities, and offering quality food and drinks with genuine, neighborly service. Applebee's is one of the world's largest casual dining brands; as of March 31, 2018, there were 1,923 Applebee's franchise restaurants in all 50 states, Puerto Rico, Guam and 13 other countries. The unit is operated by an experienced franchisee with 46 units in KY and WI.



**Exclusive
KY & WI**



**25+ Store
Guarantee**



**Wisconsin
Apple, LLC**



**Operates
46+ Units**



AERIAL VIEW

Marcus & Millichap
THE NARAN GROUP



64,000 VPD



35,000 VPD

**SUBJECT
PROPERTY**

This information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, options, assumptions or estimates used herein are for examples purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service make of Marcus & Millichap Real Estate Investment Services, Inc. © 2017 Marcus & Millichap

AERIAL VIEW

Marcus & Millichap
THE NARAN GROUP



 29,000 VPD

**SUBJECT
PROPERTY**

 35,000 VPD

AERIAL VIEW

Marcus & Millichap
THE NARAN GROUP



This information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, options, assumptions or estimates used herein are for examples purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service make of Marcus & Millichap Real Estate Investment Services, Inc. © 2017 Marcus & Millichap



**SUBJECT
PROPERTY**

DEMOGRAPHICS	10 Mile
Population (Current)	205,401
Total Households	76,302
Average HH Income	\$79,667

PROPERTY PICTURES

Marcus & Millichap
THE NARAN GROUP



This information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, options, assumptions or estimates used herein are for examples purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service make of Marcus & Millichap Real Estate Investment Services, Inc. © 2017 Marcus & Millichap

CONFIDENTIALITY AGREEMENT & NET LEASE DISCLAIMER

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap. This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows: The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

EXCLUSIVELY LISTED BY:

NEIL NARAN

Direct: (909) 456-3476

Mobile: (949) 842-9202

Email: Neil.Naran@marcusmillichap.com

Website: www.theNaranGroup.com

Lic #: 02025512

BROKER OF RECORD BY:



NATIONWIDE COLLABORATION

*Culture of Collaboration to
Achieve Investment Goals*



COSTAR POWER BROKERAGE

*Top Investment Sales
Brokerage Firm Nationwide*



#1 NET LEASE BROKERAGE

*Top Net Lease Brokerage
Firm Nationwide*



80+ OFFICE NATIONWIDE

*Sources Buyer & Sellers
Across the US*



SHARED DATABASE

*Cross Collaboration of
Off & On Market Properties*



SPECIALIZE FAST FOOD

*Un-Paralleled
Specialty Expertise*