

APPLEBEE'S

EXCLUSIVE NET LEASE OFFERING



OFFERING MEMORANDUM



123 Meadowfield Ln
Princeton, WV 24739

Confidentiality and Disclaimer

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.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

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

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.



Table of Contents

Investment Highlights	4
Financial Analysis	5
Concept & Tenant Overview	6
Thrive Restaurant Group Overview	7-9
Surrounding Area	10
Location Overview	11
Property Photos	12
Surrounding Area Photos	13
Local Map	14
Regional Map	15
Demographics	16
Market Overview	17





Investment Highlights

PRICE: \$2,444,501 | CAP RATE: 5.75% | RENT: \$140,559



Optimal Lease Structure

- ✓ Absolute Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Approximately 16.5 Years of Lease Term Remaining
- ✓ Attractive Rental Increases | 1.50% Annually Starting Year 7
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each
- ✓ Tenant / Guarantor: Legacy Apple III / Legacy Apple II (40+ Restaurants)

Compelling Location Fundamentals

- ✓ Dense Retail Corridor | Walmart, Hardee's, Bob Evans, Wendy's, Subway, Outback, Burkes, Starbucks, Lowe's, Chick-fil-A, McDonald's, and Many More
- ✓ Features High Visibility & Ease of Access Just off of Hwy 468
- ✓ Strong Traffic Counts | Hwy 468 and Interstate-77 | Average Daily Traffic Counts of 23,000 and 25,500 Vehicles Respectively
- ✓ Close Proximity to Mercer Christian Academy | Known Throughout the Region for Academic Prowess

Strong Brand, Exceptional Operator

- ✓ Part of the Thrive Restaurant Group Family
- ✓ One of the Nation's Largest Applebee's Franchisees
- ✓ Comprised of Over 5,000 Employees with Over 50 Years of Operating Experience
- ✓ Operate Four Brands Consisting of Over 100 Restaurants Throughout 12 States



Representative Photo



Representative Photo



Financial Analysis

PRICE: \$2,444,501 | CAP RATE: 5.75% | RENT: \$140,559



PROPERTY DESCRIPTION

Property	Applebee's
Property Address	123 Meadowfield Ln
City, State ZIP	Princeton, WV 24739
Approximate Building Size (SF)	4,623
Approximate Lot Size (Acres)	+/- 1.17
Year Opened	1997
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$2,444,501
CAP Rate	5.75%
Annual Rent	\$140,559

LEASE SUMMARY

Tenant / Guarantor	Legacy Apple III / Legacy Apple II (40+ Restaurants)
Lease Commencement	May 24, 2021
Lease Expiration	May 20, 2038
Lease Term Remaining	16.5 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Four (4), Five (5)-Year
Rental Increases	1.50% Annually Starting Year 7

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Current – 5/20/2027	\$140,559	\$11,713	-
5/21/2027 - 5/20/2028	\$142,667	\$11,889	1.50%
5/21/2028 - 5/20/2029	\$144,807	\$12,067	1.50%
5/21/2029 - 5/20/2030	\$146,980	\$12,248	1.50%
5/21/2030 - 5/20/2031	\$149,184	\$12,432	1.50%
5/21/2031 - 5/20/2032	\$151,422	\$12,618	1.50%
5/21/2032 - 5/20/2033	\$153,693	\$12,808	1.50%
5/21/2033 - 5/20/2034	\$155,999	\$13,000	1.50%
5/21/2034 - 5/20/2035	\$158,339	\$13,195	1.50%
5/21/2035 - 5/20/2036	\$160,714	\$13,393	1.50%
5/21/2036 - 5/20/2037	\$163,124	\$13,594	1.50%
5/21/2037 - 5/20/2038	\$165,571	\$13,798	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive net lease offering for an Applebee's located at 123 Meadowfield Ln in Princeton, West Virginia. The site consists of roughly 4,623 rentable square feet of building space on estimated 1.17-acre parcel of land. This Applebee's is subject to an absolute (NNN) lease, which has approximately 16.5 years of term remaining. The current annual rent is \$140,559 and is scheduled to increase by one and a half percent (1.5%) annually starting in year 7 and continuing into each of the four (4), five (5)-year renewal options.

*Glen Kunofsky and other members of the selling entity, Exclusive Listing Agents, are part fee owners of this property. They are licensed real estate salespeople for Marcus and Millichap in the State of New York.



Concept & Tenant Overview



ABOUT APPLEBEE'S

Founded nearly four 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.

Headquartered in Glendale, CA, Applebee's has been providing customers with great service and even better food since 1980. With over 2,000 locations worldwide, Applebee's is an iconic chain that has strong brand recognition in not only America, but Europe, South America, and the Middle East as well. Applebee's prides itself in the commitment it makes to provide not only the best American food possible, but it's commitment to providing customers with a great dining experience for over 40 years now.

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 evidence by the "It's a Whole New Neighborhood" campaign, indicative of a fresh re-energizing approach and promise of new, enticing menu items.

ABOUT THRIVE RESTAURANT GROUP

Legacy Apple III, LLC is a part of the Thrive Restaurant Group, which is a seasoned restaurant operator with more than 50 years of experience in the industry. Thrive Restaurant Group has been operating in the restaurant space since 1966 when Darrel Rolph became a Pizza Hut franchisee and opened his first store. From there the brand took off, expanding rapidly.

In 1998, Thrive Restaurant Group built 9 Applebee's in Iowa and well as acquiring 16 Applebee's in Iowa and Illinois. This started a long and successful partnership with Applebee's, as they have grown their operational footprint of the brand to 80 restaurants, including their most recent acquisition of 42 units. Thrive Restaurant Group continues its successful operational career and is expected to further grow their operations footprint in the years to come.





Thrive Restaurant Group History



Darrel Rolph becomes a Pizza Hut franchisee in IA.

Darrel & David Rolph form Sasnak Management Corporation and build Pizza Huts in VA, WV and FL.

Darrel & David sell their 26 Pizza Huts to PepsiCo.

Form Apple Corps, LP; Build nine Applebee's in IA; Acquire 16 Applebee's in IA and IL.

Jon takes over operations of Sasnak.

Jon & Lauren Rolph found HomeGrown, a daytime eatery restaurant in Wichita, Kansas. Nigel POS is launched at opening.

Open two more HomeGrown locations in Wichita; Jon & Lauren found Peace, Love & Pie in Wichita, which offers unique twists on the classic dessert.

1966 1968 1973 1981 1994 1997 1998 2002 2011 2014 2017 2018 2019 2020

Pizza Hut goes public; Darrel merges his 5 stores into the new public company and stays on as National Director of Operations.

Darrel & David found Carlos O'Kelly's Mexican Cafes in Cedar Rapids, IA; Grows to 49 restaurants in ten states.



Darrel & David found US Restaurant Properties, a publicly traded REIT.

David's son, Jon, returns to the company.

Close several Carlos O'Kelly's locations & the restaurant is rebranded.



Sasnak becomes Thrive Restaurant Group; Jon forms Legacy Apple, LLC.; Acquires 8 Applebee's locations in SD, IA, and NE; Acquires 8 more units in TN & KY from a second acquisition.



Acquisition of 20 Applebee's units in WV, OH, KY, VA.



Thrive Restaurant Group Operations Team



David Rolph – Chairman

David began his restaurant career in 1970 as an Assistant Manager at Pizza Hut – just to help pay for college. This job turned into ownership of 26 Pizza Huts across Virginia, West Virginia, and Florida, and a 40 year partnership with his brother, Darrel. David and Darrel started Sasnak Management in 1973 and their own restaurant concept in 1981, which was a casual dining Mexican restaurant called Carlos O’Kelly’s. By the time they sold their Pizza Huts in 1994, they were operating 24 Carlos restaurants in 10 states between Kansas and Washington, DC. Carlos continued to grow by 3 to 4 stores per year for the next decade. In 1998, they bought 16 Applebee’s in Iowa and Illinois and have since built 9 more. These 25 units make up Apple Corps, LP. Darrel passed away in 2011. A new partnership with David’s son, Jon, led to the acquisition of 16 stores across South Dakota, Iowa, and Tennessee in April and July of 2018. These stores operate under the banner of Legacy Apple, LLC. David plays guitar in a local band, and he’s an avid pilot, fly fisherman, and grandfather.



Jon Rolph – President & CEO

After graduating from Baylor University, Jon joined the family business in 2002. He held a number of key positions in the company, including restaurant-level operations, V.P. of Administration & Marketing, and as COO of Carlos O’Kelly’s, eventually succeeding his father as President of Sasnak Management, which was rebranded to Thrive Restaurant Group in 2019. Jon has served on the boards of several local and national organizations. Currently, Jon is on the Board of Directors of Intrust Bank, Greater Wichita Partnership Co-Chair, Applebee’s Franchise Tech Council Chairman, and Applebee’s Franchise Business Council Vice President, he is also the Secretary and Board Member for Centralized Supply Chain Services. Most recently, he was appointed to the Kansas Board of Regents. In 2015 he partnered with High Touch Technologies to engineer a modern Point of Sale system for restaurants, which was named Nigel. In 2017 Jon and his wife, Lauren, founded HomeGrown, a breakfast/lunch eatery, and launched Nigel at the opening. Two years later, two more HomeGrown locations opened along with an emerging pie concept, Peace, Love & Pie.



Greg Stroud – CFO

Greg joined Thrive in 2017 as Chief Financial Officer. He’s originally from New Mexico, a graduate of New Mexico State University, and a graduate of the GE Financial Services Training Program. He began his career managing tax and financial processes and developing Six Sigma expertise at General Electric. He joined Koch Industries in 1997, where he led multiple organizations including Risk Management, Procurement, Information Technology, Indirect Tax, and Accounting. His leadership spanned employees in 6 countries and across corporate-wide capabilities that touched every Koch company. In the community, he coached youth sports for 10 years, served in youth ministry for 15 years, and serves on the Elder Board at Pathway Church for the past 8 years. He also serves on the Advisory Board for a regional design-build construction firm.



Thrive Restaurant Group Operations Team



Mike Coffey - COO

Mike started his restaurant career as a manager for Bennigan's restaurant in 1992 after completing his Officer Basic Course with the US Army Reserve. He was promoted to GM in 1994. In 1996, Mike joined Chili's as a manager. During his 21 year tenure with Chili's he was promoted to GM in 1997, Area Director in 2001, and to Regional Director in 2011, where he supervised 64 restaurants located in North Carolina, South Carolina, West Virginia and Virginia. Mike spent a year as an Area Operating Partner with Panera Bread in 2017 before joining Thrive Restaurant Group as the COO of their Applebee's division in 2018. Mike is an Applebee's Culinary Test Partner and was elected to the Applebee's Franchise Operations Council in 2019.



Ryan Bond - CPO

Ryan joined Thrive in April 2011. He brought with him a wide variety of work experiences -- he has worked in start-ups, pharmaceuticals, manufacturing and higher education -- in sales, business development and teaching faculty roles. Additionally, he's helped and equipped more than two-dozen organizations to achieve better futures for themselves through his organization development consulting. Ryan has led and contributed to a variety of projects with the common theme of creating experiences that bring out the best in our brands, each other and our guests. Some of that work is tangible -- restaurant design, training programs, process improvement; and some conceptual -- asking questions, shaping mindsets, leadership development, and brand design. In 2019 Ryan became Thrive's Chief People Officer and was elected to the Applebee's Franchise People Council.

Brand Involvement and Individual Awards

Jon Rolph

- Chairman - Franchise Technology Council
- Vice President - Franchise Business Council
- Secretary & Board of Directors - Centralized Supply Chain Service

Mike Coffey

- Member - Franchise Operations Council
- Culinary Test Partner

Ryan Bond

- Member - Franchise People Council

Recent Company-Wide Recognition

- **2017** - Highest Guest Retention
- **2018** - Deal Maker of the Year
- **2018** - Culinary Innovator of the Year
- **2019** - Culinary Partner of the Year
- **2019** - Top 10 in Ticket Times



Surrounding Area



Dairy Queen



McDonald's



460

ADTC: 23,000

ADTC: 25,500

INTERSTATE 77





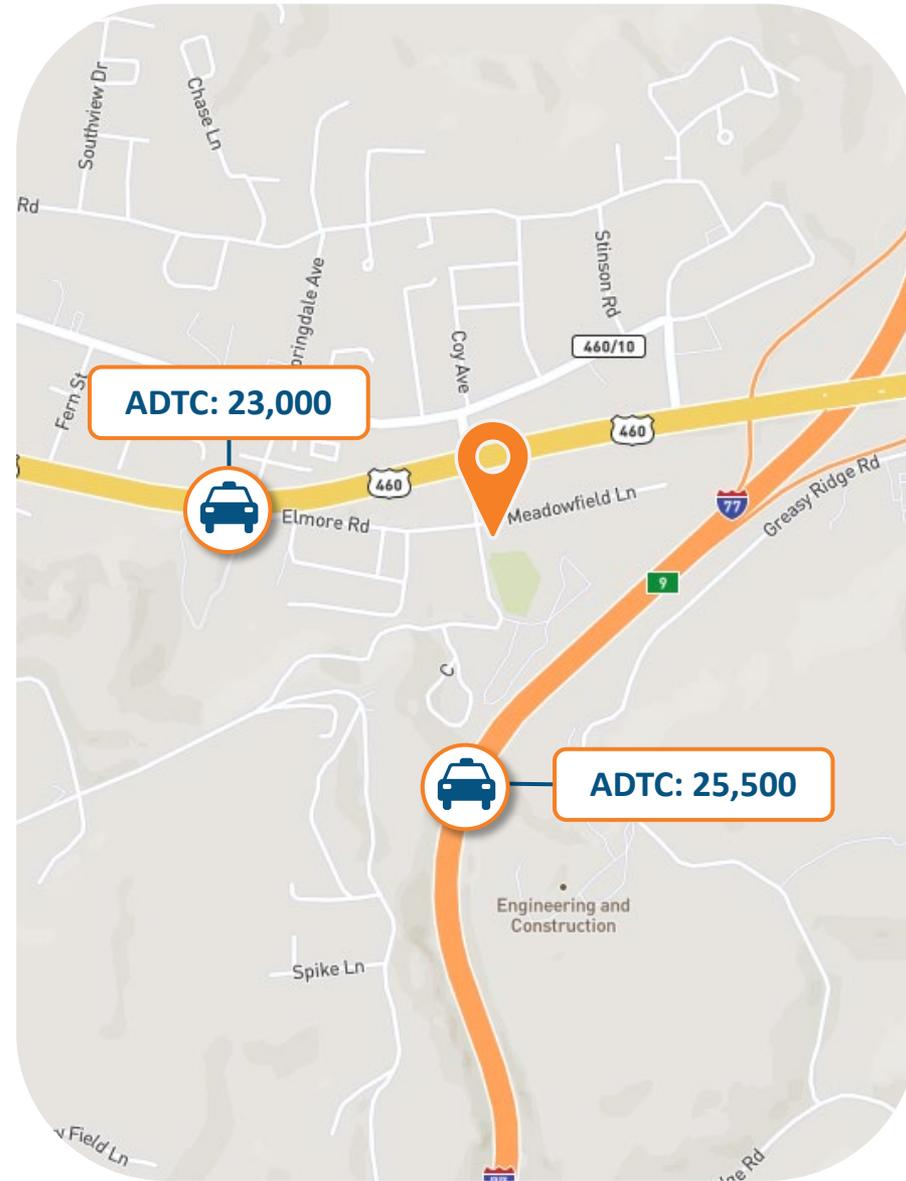
Location Overview



The subject investment property is situated along Meadowfield Ln, just off of Highway 460, which has an average daily traffic count of 23,000 vehicles. The subject property also benefits from being located just off of an exit for Interstate-77, which brings a total of 25,500 vehicles into the immediate area, on average, each day. There are 23,500 people living within a five-mile radius of the subject property and 41,100 people living within a ten-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers and schools all within close proximity of this property. Major national tenants include: Walmart, Hardee's, Bob Evans, Wendy's, Subway, Outback, Burkes, Starbucks, Chili's, BP, Lowe's, Arby's, Chick-fil-A, Sheetz, McDonald's, Dairy Queen and Taco Bell, as well as many more. The subject property also benefits from its close proximity to Mercer Christian Academy, which is a premier private school in Princeton. The school's academic prowess is known throughout the region and attracts students from across the city and the surrounding towns. Another benefit of the subject property's location is its positioning in the middle of a corridor with numerous hospitality accommodations. Some of these venues include: Sleep Inn & Suites, Microtel Inn & Suites, Days Inn, Quality Inn, Holiday Inn Express, and Hampton Inn.

Princeton is a city in, as well as the county seat of, Mercer County, West Virginia. Princeton is located just across the West Virginia-Virginia border from Blacksburg, Virginia, which is an incorporated town in Montgomery County, Virginia. The city, as well as the surrounding county, is dominated economically and demographically by the presence of Virginia Tech (Virginia Polytechnic Institute and State University). Blacksburg, Christiansburg, and Radford are the three principal jurisdictions of the Blacksburg-Christiansburg-Radford Metropolitan Statistical Area, which encompasses all of Montgomery, Pulaski, and Giles counties for statistical purposes. The city has earned national recognition on numerous occasions including being named as the "Best Place in the U.S. to Raise Kids" by BusinessWeek as well as being named the "Best College Town in the South" by Southern Living. The city is home to the Virginia Tech Corporate Research Center, which is comprised of several companies of varying sizes including Honeywell and the National Weather Service, with maintains its Southwestern Virginia headquarters there. The town is also home to MOOG, a major supplier for the defense department and the health care industry, as well as Rackspace, who acquired locally based Mailtrust/Webmail.us in 2007.





Property Photos



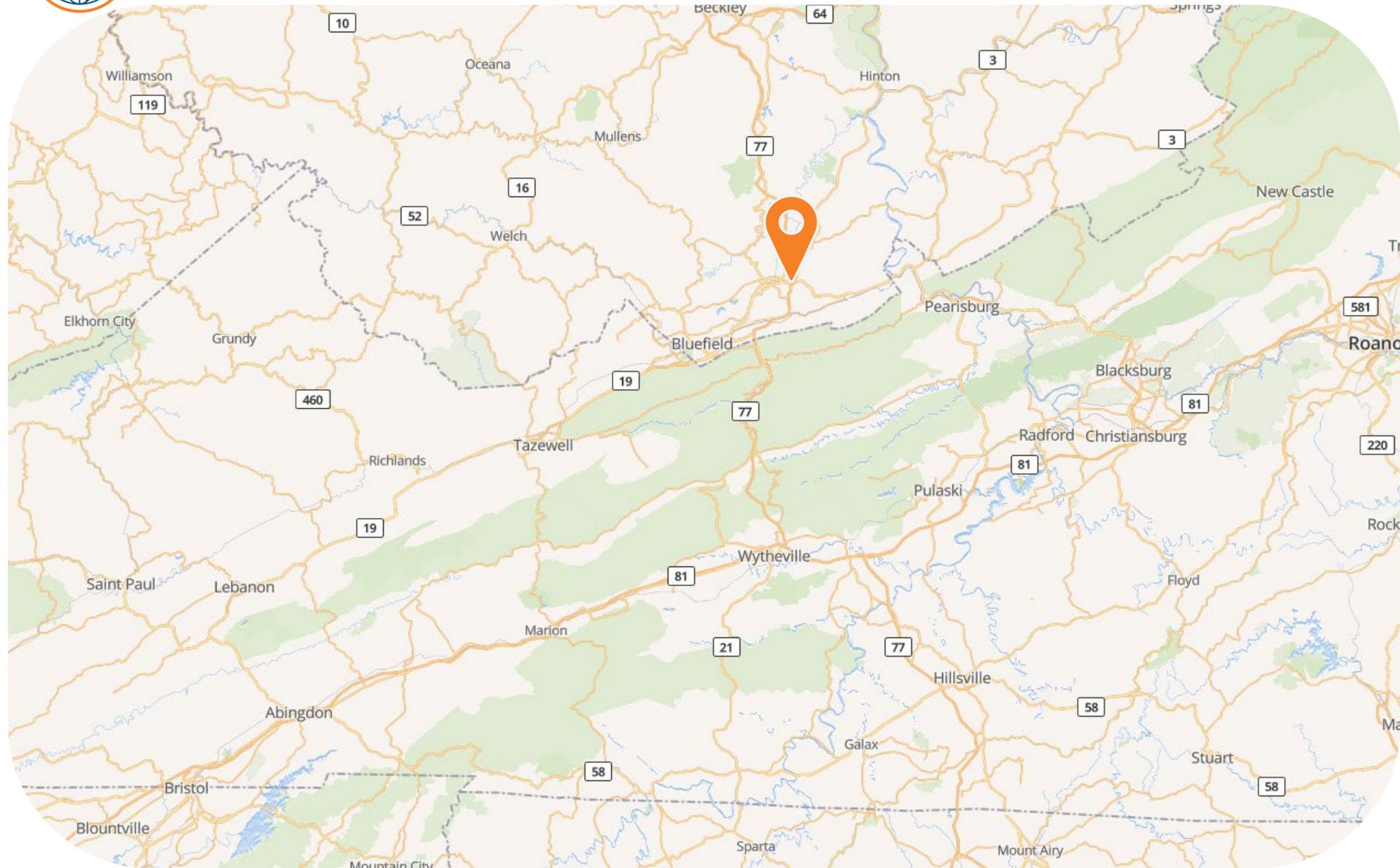


Surrounding Area Photos



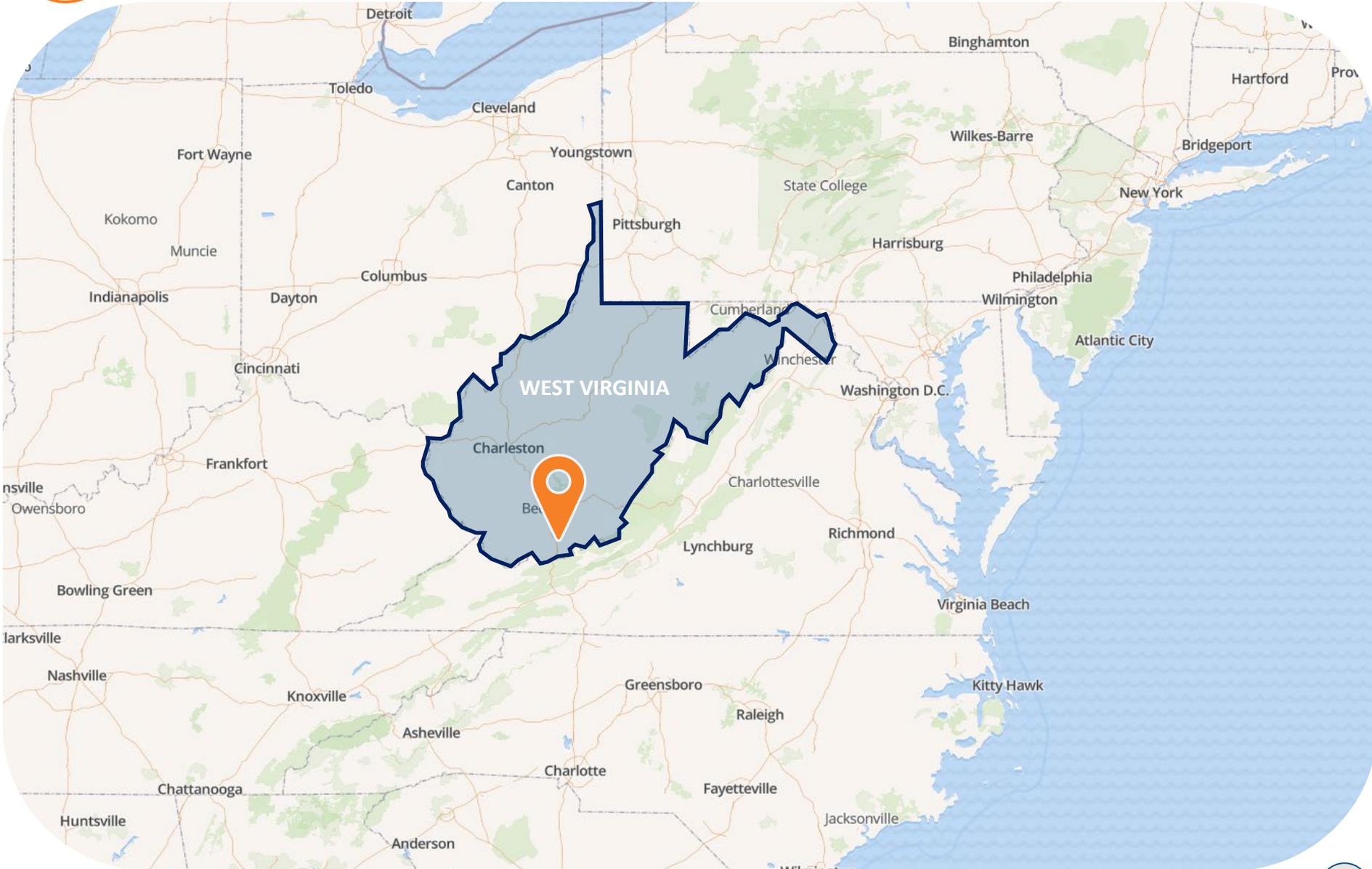


Local Map



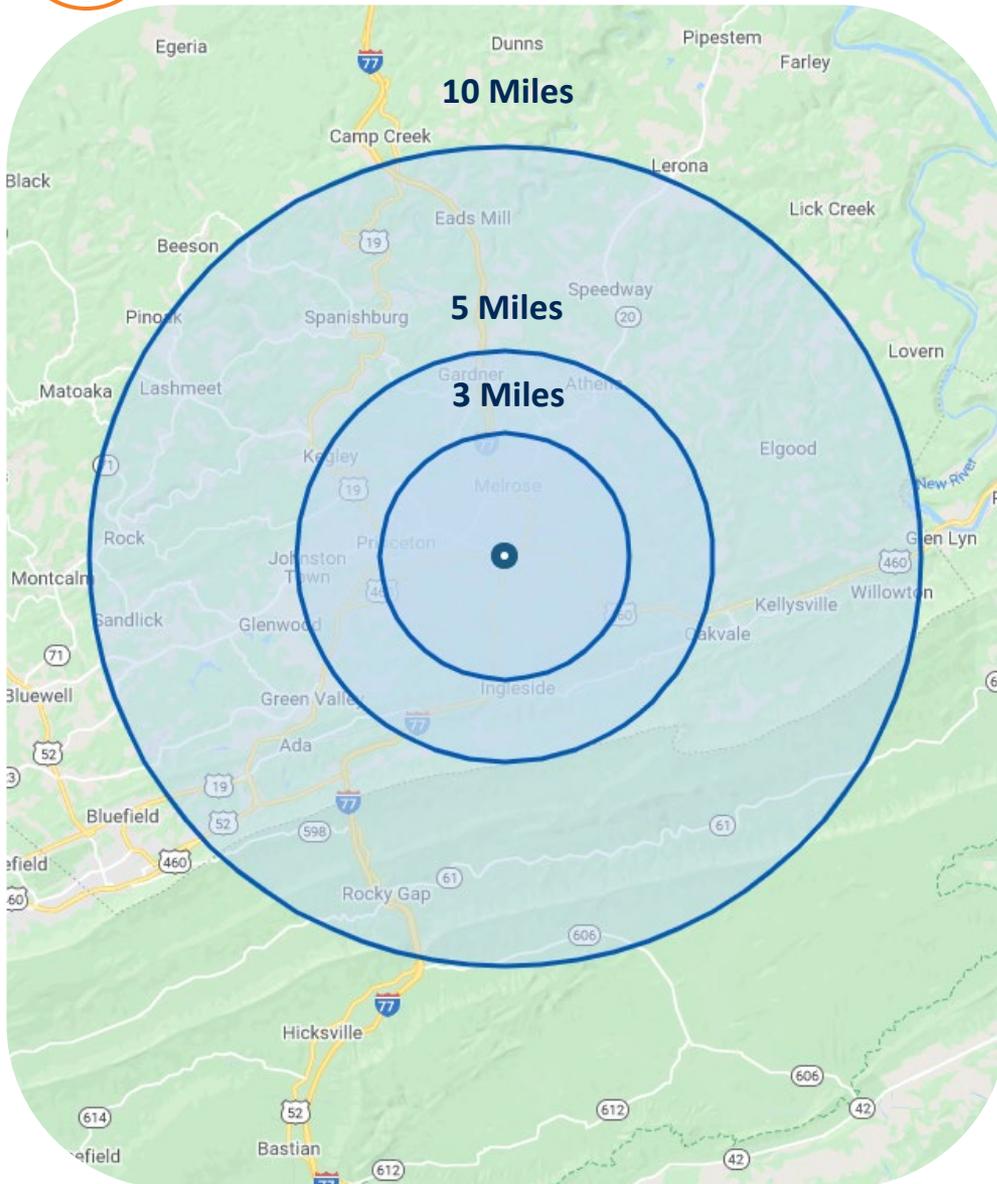


Regional Map





Demographics



3 Miles 5 Miles 10 Miles

POPULATION TRENDS

2010 Population	14,981	23,999	43,085
2021 Population	14,793	23,531	41,159
2026 Population Projection	14,542	23,097	40,189

POPULATION BY RACE (2021)

White	13,959	22,041	38,758
Black	423	766	1,333
American Indian/Alaskan Native	47	67	103
Asian	78	215	270
Hawaiian & Pacific Islander	0	1	5
Two or More Races	286	441	692
Hispanic Origin	218	346	527

HOUSEHOLD TRENDS

2010 Households	6,670	10,543	18,237
2021 Households	6,595	10,347	17,451
2026 Household Projection	6,483	10,156	17,043

AVERAGE HOUSEHOLD INCOME (2021)

\$59,536	\$62,224	\$59,966
----------	----------	----------

MEDIAN HOUSEHOLD INCOME (2021)

\$46,614	\$47,000	\$45,194
----------	----------	----------

HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

< \$25,000	1,875	2,895	5,153
\$25,000 - 50,000	1,648	2,591	4,267
\$50,000 - 75,000	1,265	1,977	3,391
\$75,000 - 100,000	834	1,200	1,999
\$100,000 - 125,000	395	588	1,038
\$125,000 - 150,000	275	529	739
\$150,000 - 200,000	187	299	450



Market Overview



Blacksburg, Virginia



Blacksburg

Blacksburg is an incorporated town in Montgomery County, Virginia. The city, as well as the surrounding county, is dominated economically and demographically by the presence of Virginia Tech (Virginia Polytechnic Institute and State University). Blacksburg, Christiansburg, and Radford are the three principal jurisdictions of the Blacksburg-Christiansburg-Radford Metropolitan Statistical Area, which encompasses all of Montgomery, Pulaski, and Giles counties for statistical purposes. The city has earned national recognition on numerous occasions including being named as the “Best Place in the U.S. to Raise Kids” by *BusinessWeek* as well as being named the “Best College Town in the South” by *Southern Living*. The city is home to the Virginia Tech Corporate Research Center, which is comprised of several companies of varying sizes including Honeywell and the National Weather Service, with maintains its Southwestern Virginia headquarters there. The town is also home to MOOG, a major supplier for the defense department and the health care industry, as well as Rackspace, who acquired locally based Mailtrust/Webmail.us in 2007. The town and county continue to recruit major industry to the area. Due to close proximity to Virginia Tech and Radford University, Blacksburg is an ideal location for developing high tech industry.

The city is best known for being the home to Virginia Tech’s main campus, which is a research university with a total enrollment of approximately 35,000 students. The university offers 280 undergraduate programs and manages a research portfolio of \$522 million, placing it 46th among universities in the U.S. for research expenditures, as well as the only university in the state among the top 50. The university also has a strong relationship with the military, and through its ROTC program, is designated as one of six senior military colleges in the United States.



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

