



Largest Applebee's Franchisee in the U.S. | 25-Year Operating History



In Association with ParaSell, Inc. | A Licensed Ohio Broker #REC.2020005946

OFFERING MEMORANDUM  
NEW PHILADELPHIA, OHIO



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS





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## EXCLUSIVELY LISTED BY:

### **Matt Burnett**

Executive Vice President  
mburnett@hanleyinvestment.com  
844.585.7610

### **Nicole Bose**

Transaction Manager  
nbose@hanleyinvestment.com  
844.585.7609

### **Scott Reid**

ParaSell, Inc.  
parasellre@gmail.com  
949.942.6585 | OH Lic #REC.2020005946

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# OFFERING SUMMARY

## LOCATION

Applebee's  
233 Graff Road SE  
New Philadelphia, OH 44663



## OFFERING SUMMARY

Price:	\$1,197,000
Net Operating Income (1)	\$47,860
Capitalization Rate	4.00%
Net Rentable Area:	5,500
Year Built:	1997
Lot Size (Acres):	3.75
Ownership:	Fee Simple Land (Tenant on Ground Lease)

## LEASE TERMS (2)

Tenant (3):	Apple Ohio, LLC
Lease Commencement:	2/28/1996
Lease Expiration:	8/31/2031
Remaining Lease Term:	9 Years
Lease Type:	NNN GL
Maintenance Responsibility:	Tenant Responsible
Monthly Rent (1):	\$3,988
Annual Rent:	\$47,860
Rental Increases:	5% in 2023, 2026 and 15% @ Options
Renewal Options:	Four 5-Year @ 15%

(1) Based on 9/1/2023 rent increase.

(2) All lease provisions to be independently verified by Buyer during the Due Diligence Period.

(3) Additional Guaranty from Apple American Limited Partnership of Ohio (original entity); Apple American Group is the largest Applebee's franchisee operating 442 restaurants.









# INVESTMENT HIGHLIGHTS

- **Operated by Apple American Group:** The largest Applebee's franchisee in the nation, operating approximately 442 locations
- **Apple American Group is Part of the Flynn Restaurant Group:** The largest franchisee in the nation, operating over 2,300 locations in aggregate under the Applebee's, Taco Bell, Panera, Arby's, Pizza Hut, and Wendy's brands
- **Proven Operating History:** Tenant has successfully operated at this location for over 25 years and has recently extended the lease for a second time demonstrating their commitment to the site
- **Tenant Reports Extremely Strong Store Sales (contact broker for details)**
- **Huge Upside Potential:** Tenant is currently paying just \$0.73 per square foot, dramatically below market rent
- **9 Years Remaining on Original Lease Term with Four 5-Year Options at 15% Increases**
- **Outparcel to New Towne Mall:** Tenants include Marshall's, Dick's Sporting Goods, JoAnn Fabrics, Dunham Sports, Kohl's, Red Lobster, Ulta Beauty, Aspen Dental and many other surrounding national tenants
- **New Philadelphia has One of the Lowest Crime Rates in the State and was Voted the 15th Safest City in Ohio**
- **Voted One of the "Top 11 Small Towns to Visit in 2021" by My Town Today**






# SITE PLAN / PARCEL MAP



**Applebee's**  
233 Graff Road SE  
New Philadelphia, OH 44663


 SUBJECT PROPERTY

 PROPERTY PARCEL

APN: 43-01799.000

 **NET RENTABLE AREA**  
5,500 SF

 **PARKING**  
±98 SPACES

 **ACCESS**  
2 POINTS OF ACCESS

 **YEAR BUILT**  
1997





# SURROUNDING TENANTS





# AERIAL OVERVIEW



17,116 CPD

Great Clips  
ups  
SUMO  
verizon

LOWE'S

STAPLES

AspenDental

NEW TOWNE MALL

DICK'S SPORTING GOODS  
KOHLS  
Dunham's  
Marshall's  
GNC  
FINISH LINE  
maurices  
JOANN  
ULTA  
rue21  
SHOE DEPT.  
Bath & Body Works  
claire's

We Love Pets!

Bob Evans

250

800

GRAFF ROAD

RED LOBSTER  
FRESH FISH-LIVE LOBSTER

SUBJECT PROPERTY

Applebee's  
GRILL + BAR

## DEMOGRAPHICS

<b>Population:</b>	
3-Mile Radius	22,422
5-Mile Radius	37,414
10-Mile Radius	67,995
<b>Household Income:</b>	
3-Mile Radius	\$67,957
5-Mile Radius	\$68,785
10-Mile Radius	\$68,390

N



# REGIONAL MAP





# TENANT PROFILE



Applebee's Neighborhood Grill + Bar is one of the world's largest casual dining brands and offers guests a selection of grill and bar fare, such as appetizers, bar snacks, burgers, pasta entrees, and lighter fare, as well as cocktails, beers and desserts, all for a moderate price. Applebee's also offers online ordering via the web and a mobile app for Carside

To Go pick-up options or Applebee's Delivery. As of December 31, 2020, 48 franchise groups (30 domestic and 18 international) operated 1,642 Applebee's franchise restaurants and the parent company, Dine Brands Global, Inc., operated 69 Applebee's restaurants. Applebee's restaurants are located in 49 states within the United States and 11 countries outside of the United States. Nation's Restaurant News reported in June of 2020 that Applebee's was the largest restaurant system in the casual dining category and the 15th largest across all categories in terms of United States system-wide sales during 2019.

Dine Brands Global, Inc. is based in Glendale, California and through its subsidiaries franchises restaurants under the Applebee's Neighborhood Grill & Bar and IHOP brands. With over 3,400 restaurants combined in 16 countries and approximately 340 franchisees, Dine Brands Global is one of the largest full-service restaurant companies in the world. The Company has successfully transformed both Applebee's and IHOP into an almost 100% franchised restaurant system. Dine Brands generated revenues amounting to approximately \$900 million from its global operations during the 2021 financial year.

**#24**

**Top 500  
Restaurant Chains**

Restaurant Business (2022)

**#1**

**Best Employers  
By State (Dine Brands)**

Forbes (2021)

**#1**

**Largest Casual Dining  
Restaurant System**

Nation's Restaurant News (2020)

**Company Type:**

Public (NYSE: DIN)

**Locations:**

1,600 | 3,400

**Website:**

[www.applebees.com](http://www.applebees.com) | [www.dineequity.com](http://www.dineequity.com)



**FLYNN**  
RESTAURANT GROUP

**Apple American Group** is the largest Applebee's franchisee, operating 442 restaurants across 23 states. It is part of Flynn Restaurant Group which also operates 442 Applebee's, 286 Taco Bells, 133 Paneras, 370 Arby's, 941 Pizza Huts, and 192 Wendy's, making it the largest restaurant franchisee in the U.S.

**Website:**

[www.appleamerican.com](http://www.appleamerican.com)  
[www.flynnrestaurantgroup.com](http://www.flynnrestaurantgroup.com)

**Flynn Restaurant Group** owns 2,363 restaurants and generates \$4 billion annually, while employing approximately 73,000 employees.





### RESTAURANT BUSINESS

## Applebee's is Returning to Growth 'With a Vengeance'

By Joe Guskowski | March 3, 2022

Applebee's finished 2021 with its fewest U.S. restaurants in more than a decade. It was the end of a planned five-year pruning process that closed hundreds of locations, leaving the franchisor with 1,578 domestic stores.

It was also one of Applebee's best years ever. Same-store sales rose 6.2% compared to 2019, which President John Cywinski said is the highest mark he could find in the brand's 40-year history. Customers returned to its restaurants in earnest while also continuing to order a lot of delivery and pickup.

Downsizing seems to have helped. But Applebee's doesn't plan to stay smaller. It opened five new restaurants last year and will open more this year. In 2023, it will open more restaurants than it closes. Development will escalate annually from there, putting Applebee's firmly back in growth mode.

[CLICK FOR ARTICLE](#)



## Eat This, Not That!

## 5 Restaurant Chains Making the Biggest Comebacks Right Now

By Owen Duff | March 13, 2022

Applebee's has been around since 1980, and in its more than forty years of operation has seen more than its fair share of highs and lows. As broken down by The Company Man, Applebee's was in a slump for much of the 2010s, with little to no footprint growth, an acquisition by IHOP, and a failed re-branding effort in 2016 (remember those Wood-Fired Grills and Hand-Cut Steaks?). But "Eatin' Good in the Neighborhood" has made a solid comeback in the past few years, following the success of beverage deals like the Dollarita and the Dollar L.I.T, consolidation of the chain's U.S. footprint, and expansion into off-premise sales.

"The brand is exceedingly well-positioned right now to thrive, to flourish—use whatever term you want," president John Cywinski told FSR Magazine. "Our franchisees are more enthusiastic than they've ever been. I've got a great set of 30 franchise partners, so we are poised for sustained growth and better-positioned than at any point in my most recent five-year tenure here."

[CLICK FOR ARTICLE](#)



# AREA OVERVIEW

## New Philadelphia

- Located in Ohio on the Tuscarawas River, 85 miles south of Cleveland, 119 miles northeast of Columbus, and 90 miles west of Pittsburgh
- Largest city in Tuscarawas County with over 25,000 residents
- Principal city in the New Philadelphia–Dover, OH Micropolitan Statistical Area, which includes all of Tuscarawas County, as well as the southern regions of Northeast Ohio
- #3 in Best Places to Live in Tuscarawas County” - Niche (2022); cost of living is 11.5% lower than the national average

## ECONOMY

- The largest industries are manufacturing, health care, and retail trade
- Major employers include Cooper Standard, Crane Carrier Corporation, Freeport Press, Gradall Industries, Lauren International, Marsh Industries, Miller Studio, Inc., and The Timken Company
- **Tuscarawas County Fairgrounds** - Home of the Tuscarawas County Fair and numerous other county-wide events that bring anywhere from 1,000 to 5,000 visitors to the city per event weekend
- **Kent State University at Tuscarawas** - 180-acre regional campus of Kent State University; serves over 2,000 students
- **New Philadelphia City School District** - Serves 3,100+ students
- **Akron–Canton Airport (CAK)**- Located just 30 miles from the city
- One of the lowest crime rates in the state, and recently was voted one of “50 Safest Cities in Ohio” by Safewise.com (2022)
- “Top 11 Small Towns to Visit in 2021” by My Town Today (2022)

## DEVELOPMENTS

- **Woody Hayes Quaker Stadium Track** - Building a 400-meter synthetic track around the stadium; construction to begin June 2022



**#3 Best Places to Live in Tuscarawas County**



TUSCARAWAS COUNTY COURTHOUSE



PERFORMING ARTS CENTER AT KENT STATE UNIVERSITY



TUSCARAWAS COUNTY FAIR



# AREA OVERVIEW

## New Philadelphia-Dover MSA

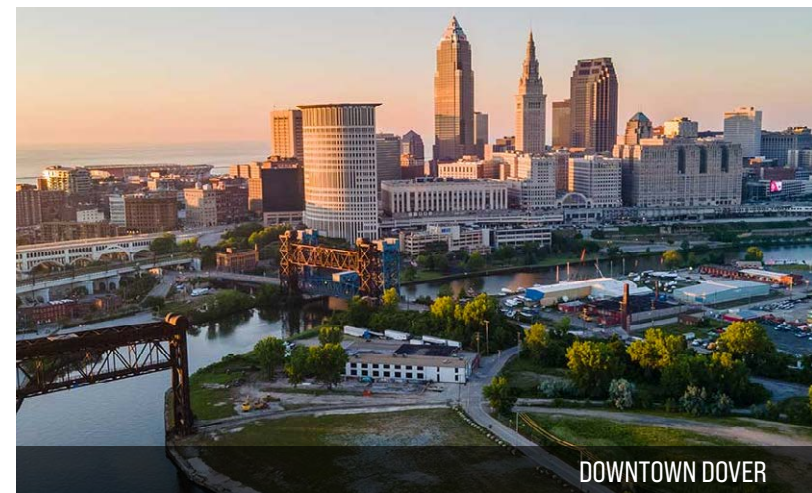
- Located in the northeastern part of Ohio; includes all of Tuscarawas County which was ranked 2 Micropolitan Region in the Nation
- 92,867 total residents in the region; 74,341 labor population
- Bordering Cities are Cambridge, OH, Canton-Massillon, OH, and Coshocton, OH
- \$71,155 average household income
- Ranked #20 in Economic Strength by Policom Micropolitan Economic Rankings (2019)

## ECONOMY

- The largest industries are manufacturing (employing 10,461 people); health care and social assistance (6,607); and retail trade (4,923)
- Top employers include Union Hospital, Government (City & County), Belden Brick, Gradall, Allied Machine & Engineering, Smurfit Stone Container, Marlite, and Zimmer Orthopedic
- 34,000+ employees; 2,700+ businesses
- 22.3 minute average commute time versus the national average of 26.4 minutes
- \$147,289 median value in 2021; home appreciation is up 16.5% in the last 12 months according to BestPlaces.com
- The cost of living is 21.6% lower than the national average
- The largest universities located in the area are Kent State University at Tuscarawas (353 degrees awarded annually) and Buckeye Joint Vocational School (81 degrees)
- **Akron-Canton Regional Airport (CAK / KCAK)** - Located in Akron and is 30 miles from New Philadelphia
- **ODOT District 11** - Serves 7 counties in eastern Ohio, including the greater New Philadelphia region; headquartered in New Philadelphia, the district maintains over 3,800 lane miles of interstate, federal, and state highways and 950 bridges throughout its seven-county region
- **Tuscora Park** - Features a 1928 vintage carousel, amusement rides, playgrounds, mini-golf, walking trails, and a pond



**92,000+ Residents in the Micropolitan Statistical Area**



DOWNTOWN DOVER



UNION HOSPITAL



TUSCORA PARK



# DEMOGRAPHICS

POPULATION	3-Mile	5-Mile	10-Mile
2025 Projection	22,229	37,068	67,431
2020 Census	22,422	37,414	67,995
2010 Census	22,664	37,788	68,667
2000 Census	22,457	37,125	67,709
Growth 2000-2010	0.92%	1.79%	1.41%
HOUSEHOLDS			
2025 Projection	9,521	15,429	27,852
2020 Census	9,558	15,481	27,912
2010 Census	9,557	15,472	27,865
2000 Census	9,497	15,192	26,972
Growth 2000-2010	0.63%	1.84%	3.31%
Growth 2010-2020	0.01%	0.06%	0.17%
2020 POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	20,608	34,728	64,378
Black or African American Alone	336	486	687
American Indian and Alaska Native Alone	121	195	238
Asian Alone	164	217	320
Native Hawaiian and Other Pacific Islander Alone	83	153	170
Some Other Race Alone	531	819	925
Two or More Races	587	824	1,284
2020 POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	1,498	2,208	2,649
Not Hispanic or Latino	20,924	35,206	65,346
2020 AVERAGE HOUSEHOLD INCOME			
	\$67,957	\$68,785	\$68,390

## NEW PHILADELPHIA SNAPSHOT



**67,995**  
POPULATION (10-Mile)



**24,585**  
DAYTIME POPULATION (10-Mile)



**1.79%**  
POPULATION GROWTH (3-Mile, 2000-2010)



**\$68,785**  
AVERAGE HOUSEHOLD INCOME (5-Mile)



**\$139,271**  
AVERAGE HOME VALUE (5-Mile)





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parasellre@gmail.com

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**\$9 BILLION**  
retail sales nationwide



**SHARED DATABASE**  
collaborative proprietary database



**GLOBEST. INFLUENCERS**  
in retail & net lease sales



**NATIONWIDE REACH**  
retail & investors across the U.S.



**\$2.6 BILLION IN RETAIL SOLD**  
over 500 transactions in last 36 mos.