

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



Applebee's

5301 OLD REDWOOD HWY | PETALUMA, CA 94954



INTERACTIVE OFFERING MEMORANDUM

OFFERING MEMORANDUM

APPLEBEE'S

5301 Old Redwood Hwy | Petaluma, CA 94954

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±5,880 SF
GLA



1996
Year Built

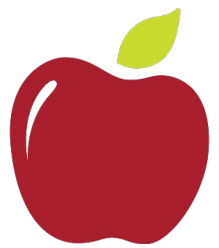


±112,000
Vehicles Per Day



ABSOLUTE NNN
Lease Type

PROPERTY AND INVESTMENT HIGHLIGHTS



- **Absolute NNN Lease** – There are zero landlord responsibilities or expenses, providing 100% passive income to the landlord.
- **Recent 5-year Extension** – The tenant recently executed a 5-year lease extension demonstrating commitment to the location.
- **Heavy Traffic Business Corridor** – The property is strategically positioned off the CA 101 Freeway which sees over ±112,000 cars per day and located within Redwood Business Park with over 50 different businesses within a 3-mile radius of the property.
- **Highly Affluent Area** – The average household income within a 3-mile radius of the property is \$167,961.
- **Hard Signalized Corner** – The property is located on the corner of a highly trafficked intersection off of Old Redwood Hwy and McDowell Blvd with access on both streets.



FINANCIAL SUMMARY



\$2,476,190
LIST PRICE



5.25%
CAP RATE



\$130,000
NOI

TENANT SUMMARY

Tenant Trade Name	Applebee's
Type of Ownership	Fee-Simple
Lease Guarantor	Franchisee
Lease Type	Absolute NNN
Landlords Responsibilities	None
Original Lease Term	20 Years
Rent Commencement Date	1/1/2005
Lease Expiration Date	12/31/2029
Term Remaining on Lease	±5 Years
Options	Two, 5-year options
Annual Base Rent	\$130,000

ANNUALIZED OPERATING DATA

YEARS	BASE MONTHLY RENT	BASE ANNUAL RENT
Current - 12/31/2029	\$10,833	\$130,000



HEADQUARTERS
GLENDALE, CA

YEAR FOUNDED
1980

OF EMPLOYEES
28,000+



TENANT PROFILE

Applebee's is a popular American casual dining restaurant chain known for its family-friendly atmosphere and a diverse menu featuring classic American dishes. Founded in 1980, Applebee's offers a wide range of options, including burgers, steaks, ribs, seafood, pasta, and a variety of appetizers and desserts. The restaurant is also known for its affordable prices, frequent promotions, and a vibrant, neighborhood-themed decor that aims to create a welcoming environment for guests. With locations across the United States and in several other countries, Applebee's has established itself as a go-to destination for casual dining and social gatherings.

FRANCHISEE OVERVIEW

Flynn Restaurant Group, established in 1999, is the largest franchise operator in the United States. With over 2,600 units spanning multiple well-known brands like Applebee's, Taco Bell, Panera, Arby's, Pizza Hut, Wendy's, and Planet Fitness, Flynn operates in 44 states and internationally. The company's strategy focuses on investing in people, systems, and assets to foster growth and diversification. Their emphasis on operational excellence and creating opportunities for employees and stakeholders has driven their substantial expansion and success in the highly competitive restaurant industry.

PROPERTY PHOTOS





101



OLD REDWOOD HWY ± 20,300 VPD



CORONA CREEK SCHOOL
439 STUDENTS



KENILWORTH JUNIOR HIGH SCHOOL
779 STUDENTS



MEADOW SCHOOL
409 STUDENTS



SRJC PETALUMA
36,600 STUDENTS



PETALUMA VILLAGE PREMIUM OUTLETS



101

YOUNGSTOWN MOBILE HOME PARK



± 112,000 VPD

LEGHORN'S PARK



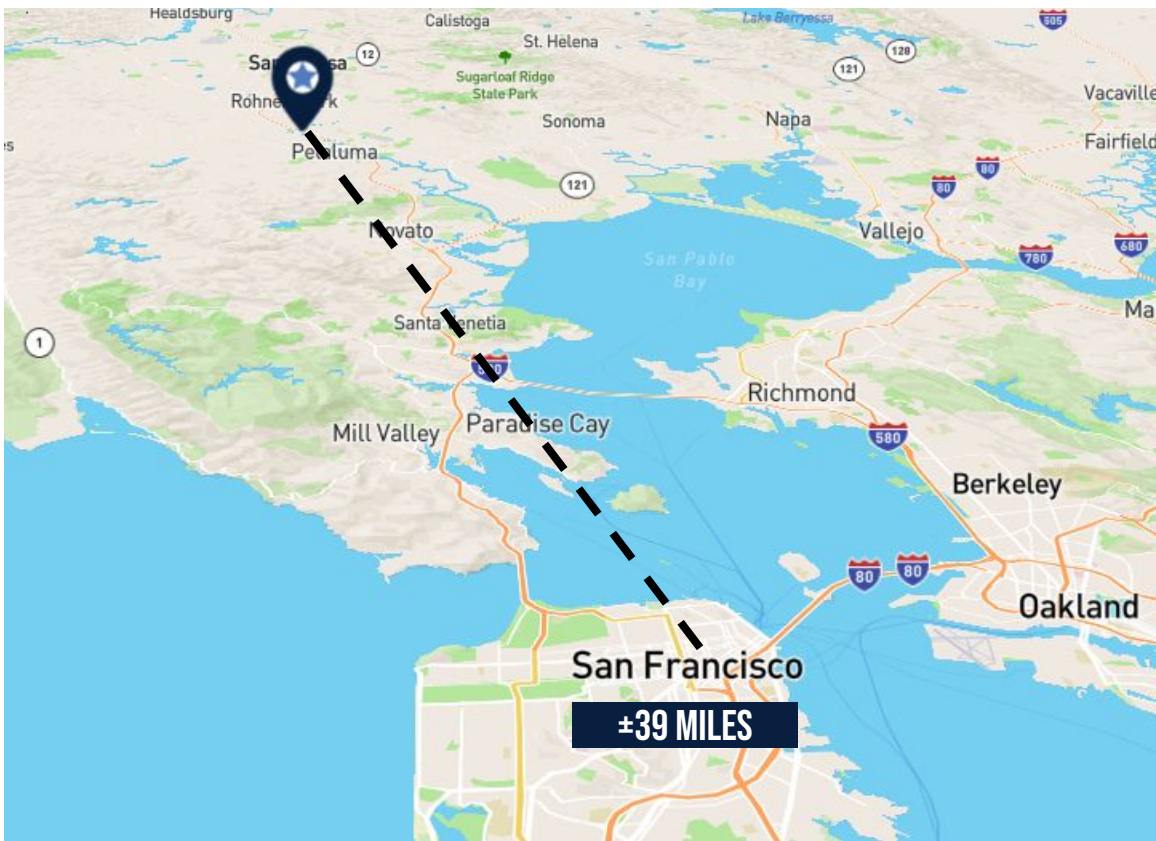
AREA OVERVIEW

PETALUMA, CA

Petaluma, California, located just an hour north of San Francisco, is a charming city nestled along the Petaluma River. Known for its well-preserved historic downtown, Petaluma offers a mix of Victorian architecture, antique shops, and vibrant local businesses. The city has a rich history dating back to the 19th century and is celebrated for its agricultural roots, particularly in dairy farming and poultry.

Visitors to Petaluma can enjoy a variety of activities, from exploring local art galleries and attending renowned festivals to indulging in the culinary delights of its numerous farm-to-table restaurants. The surrounding area offers outdoor recreation opportunities, including hiking, cycling, and visits to nearby wineries in Sonoma County. Petaluma’s scenic landscapes and small-town charm make it a popular destination for both day trips and longer stays.

Petaluma is also a community-focused city, hosting numerous events and festivals throughout the year, such as the Petaluma Music Festival and the Art & Garden Festival. The city prides itself on being pet-friendly, offering amenities and accommodations for visitors with pets. With its blend of historical significance, cultural activities, and natural beauty, Petaluma provides a welcoming and enriching experience for residents and tourists alike.



DEMOGRAPHICS

POPULATION

3-MILE

5-MILE

10-MILE

Current Year Estimate

30,136

101,929

162,678

HOUSEHOLDS

3-MILE

5-MILE

10-MILE

Current Year Estimate

12,214

39,223

62,682

INCOME

3-MILE

5-MILE

10-MILE

Average Household Income

\$167,961

\$156,600

\$154,210

SAN FRANCISCO, CA MSA

San Francisco, California, is a picturesque and iconic city that captivates visitors with its stunning landscapes, cultural diversity, and innovation-driven atmosphere. Nestled along the shores of the San Francisco Bay, the city's dramatic topography is characterized by rolling hills, charming neighborhoods, and the world-famous Golden Gate Bridge. Known for its foggy and distinct microclimates, San Francisco offers a unique blend of urban experiences and natural beauty. The city's cultural vibrancy is palpable in its diverse neighborhoods like Chinatown, the Mission District, and North Beach, each boasting their own character, cuisine, and history.

San Francisco also serves as a global tech hub, with Silicon Valley just a short drive away. The city's tech influence is evident in its forward-thinking ethos, reflected in innovative companies, startups, and research institutions. Landmarks like Alcatraz Island and the cable cars contribute to its storied history, while cultural institutions such as the San Francisco Museum of Modern Art and the Exploratorium showcase its dedication to art and science.

BUSINESS

Business in San Francisco thrives within a dynamic ecosystem characterized by innovation, entrepreneurship, and technological prowess. As a pivotal player within the broader Silicon Valley landscape, the city serves as a crucible for groundbreaking ideas and emerging industries. Boasting a robust tech sector, San Francisco is home to a multitude of startups, established tech giants, and venture capital firms, driving advancements in software development, artificial intelligence, and biotechnology. This entrepreneurial spirit extends beyond tech, encompassing finance, hospitality, creative industries, and sustainable practices. Amid the city's vibrant arts scene and diverse cultural tapestry, businesses are propelled by a commitment to innovation, green initiatives, and collaborative workspaces, solidifying San Francisco's reputation as a global business epicenter where pioneering concepts and imaginative thinking shape the business landscape of tomorrow.

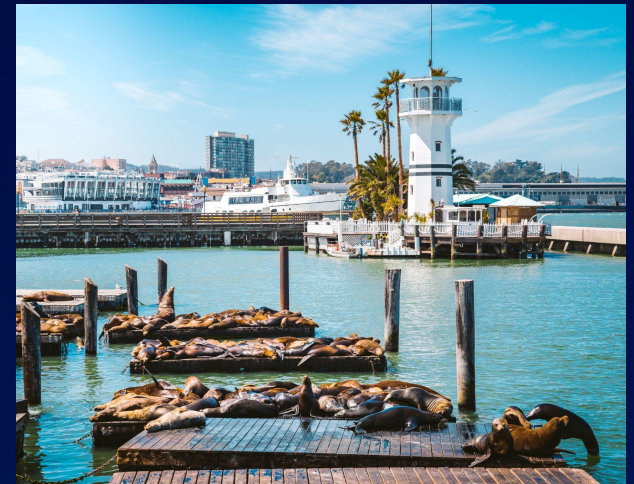
SAN FRANCISCO, CA TOP ATTRACTIONS



GOLDEN GATE BRIDGE



ALCATRAZ ISLAND



FISHERMAN'S WHARF



STANFORD UNIVERSITY

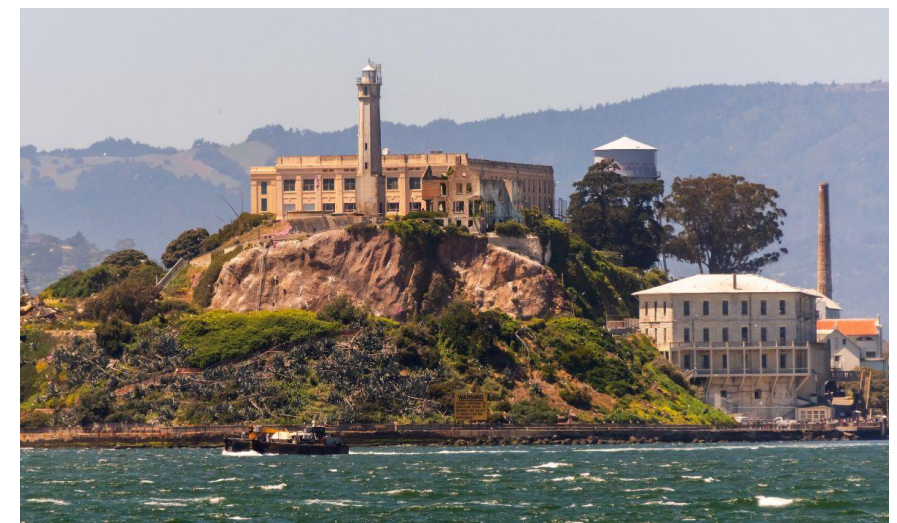
Stanford University, situated in the heart of Silicon Valley, California, stands as a prestigious and renowned institution that epitomizes academic excellence, innovation, and impact. Established in 1885, Stanford's sprawling campus encompasses a diverse range of disciplines, fostering a holistic learning environment that spans the arts, sciences, humanities, and engineering. With its world-class faculty, cutting-edge research facilities, and a commitment to interdisciplinary collaboration, Stanford has consistently ranked among the top universities globally.

At Stanford, students not only benefit from rigorous academic programs but also from a culture that encourages exploration, creativity, and entrepreneurial spirit. The university's proximity to the tech industry has led to a symbiotic relationship, where innovation and technological advancements have flourished. Stanford's contributions to research, the arts, and societal progress are evident in its alumni network, which includes Nobel laureates, entrepreneurs, and industry leaders. The campus's picturesque landscapes, coupled with its intellectual vibrancy, create an environment where students are empowered to engage with complex challenges and emerge as thought leaders, making Stanford University an emblem of academic distinction and a driving force in shaping the future.



GOLDEN GATE BRIDGE

The Golden Gate Bridge stands as an iconic marvel, its vibrant reddish-orange hue contrasting with the cerulean waters of San Francisco Bay. Spanning approximately 1.7 miles (2.7 kilometers), this suspension bridge connects the city of San Francisco to Marin County. Its sweeping Art Deco towers rise gracefully above the fog, supporting massive cables that seem to dance in the wind.



ALCATRAZ ISLAND

Alcatraz, a hauntingly captivating island situated in San Francisco Bay, carries a storied history as a former federal penitentiary. Often shrouded in mist, its rugged terrain and imposing fortress-like structures evoke an air of mystery and isolation. The prison, operational from 1934 to 1963, housed notorious criminals and became synonymous with toughness and confinement.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **5301 Old Redwood Hwy, Petaluma, CA, 94954** ("Property"). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

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 Owner 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 of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

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