



# APPLEBEE'S Mentor, Ohio

OFFERING MEMORANDUM





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Goodman Real Estate Services Group is the Northern Ohio partner of ChainLinks Retail Advisors, the nation's leading retail-focused real estate services and commercial property brokerage organization.

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# INVESTMENT SUMMARY



## PROPERTY

## APPLEBEE'S

### LEASE GUARANTOR

Apple Ohio LLC  
Owned by Flynn Restaurant Group:  
<https://flynn.com/applebees/>

### ADDRESS

9174 Mentor Avenue  
Mentor, Ohio 44060

### LOCATION TYPE

Freestanding

### LEASE TYPE

Ground Lease

### YEAR BUILT

1994

### MARKET

Cleveland-Akron MSA

### POPULATION

2,000,000+

### BUILDING SIZE

5,309 SF

### LAND SIZE

1.12 Acres

### RENT COMMENCEMENT

March 16, 1994

### LEASE EXPIRATION

December 5, 2029

### BASE RENT INCREASES

12% Next Option

### NOI YEARS 1-4

\$95,198.04

### CAP RATE

7%

Absolute NNN  
Ground Lease With  
Zero Maintenance  
Obligations

Operated by the  
Largest Restaurant  
Franchisee  
in the United States –  
Flynn Restaurant  
Group

Grocery Anchored –  
Meijer Opened Their  
191,008 SF Grocery  
Store Behind Applebee's  
in 2020

## INVESTMENT HIGHLIGHTS

Located in  
Thriving Retail and  
Industrial Commercial  
Corridor Surrounded by  
Businesses, Daytime  
Workers, and  
Households

Under Market  
Rent – Rent of \$95,198  
Annually is \$18 PSF and  
Well Below the Market for a  
Freestanding  
Restaurant

Lease Features  
a 12% Rental Increase  
During the Next  
Option Period

Ideal 1031 Investment  
with Hands-Off Lease  
With Future Upside



## MENTOR, OHIO

Mentor is a city in Lake County, Ohio, with a population of 47,159 people. CNNMoney.com has ranked Mentor 37th in a list of the "Top 100 Best Places to Live in America." It is part of the Cleveland-Elyria Metropolitan Statistical Area and is located in the eastern suburbs, approximately 20 miles east of downtown Cleveland. Mentor is ranked the 6th largest retail market in Ohio and ranks 7th in the state for restaurants. The city was formally established in 1855 and was home to James A. Garfield, the 20th President of the United States. The city is also home to Headlands Beach State Park, the longest public swimming beach in Ohio. Surrounding the city are multiple national and international corporations, business and schools employing thousands of workers daily. Some of these include Avery Dennison Corporation, Lincoln Electric Holdings, Inc., FirstEnergy Corp., STERIS Corporation, Lake Health System, Inc., The Lubrizol Corporation, and Parker-Hannifin Corporation. The city is well-known in the area for its rare combination of new homes, parks and Lake Erie coastline, retail shopping and dining establishments, industry and manufacturing, and daytime employee base.

## PROPERTY DESCRIPTION

For sale to qualified investors is a triple-net ground lease with Applebee's in Mentor, Ohio. Situated on 1.12 acres of prime retail land at the entrance to a nearly 200,000 square foot Meijer grocery store, this investment provides a tenant with 31 years of longevity at this location plus incredible future upside potential. The operator, Flynn Restaurant Group, is the largest restaurant franchisee in the US and is the largest owner of Applebee's in the entire chain with over 460 locations. Additionally, with low in place rent of \$95,198 per year (\$18 psf), this is also a value play as rents for similar freestanding buildings consistently exceed \$35 psf in this corridor. Applebee's currently has just under 5 years remaining on their current term with one remaining 5-year option at a 12% increase. The property is situated in one of the most dynamic commercial markets in all of Ohio. Nearby businesses include the LakeHealth Medical and Surgery Center, UH Medical Center, Memorial Middle School, Chipotle, Panda Express, Panera, Brueggers, Starbucks, Applebee's, Bob Evans, Taco Bell, Meijer, Walmart, Petsmart, Walgreens, Lowe's, Dick's, Kohl's, Homegoods, and many more.



**PARCEL #**  
16-A-019-0-00-015-0





## TENANT NAME



## LEASE TERM

**BEGIN** 3-16-1994  
**END** 12-5-2029

## RENTAL RATES

BEGIN	ANNUALLY
Current	\$95,198.04

**Options:**  
12-6-2029 \$106,622.00

## COMMENTS/OPTIONS

Tenant is responsible for all repairs, maintenance, and replacements associated with the property.

**Options:** One 5-year option to be exercised no less than 6 months prior to expiration of the current term

**SQUARE  
FEET**

**5,309**

**RECOVERY  
TYPE**

**NNN  
Ground  
Lease**

**PRO  
RATA**

**100%**



In 1980, years before the internet was invented, the first Applebee's opened in the city of Decatur, Georgia, offering classic bar and grill dishes made from high-quality ingredients at reasonable prices and genuine hospitality and service. Four decades later, the world's largest casual dining brand, Applebee's, continues to expand globally – including North America, Latin America, and the Middle East. Applebee's currently has 1,650 global restaurant locations after 42 years of continuous growth. These locations are located across 14 countries and territories and produce over \$4.2 billion in annual system wide sales as of 2024.



## APPLEBEE'S THEN AND NOW...

- ..... **1980** Bill and T.J. Palmer open T.J. Applebee's® Rx for Edibles & Elixirs® in Decatur, GA.
- ..... **1983** The Palmers sell the Applebee's concept to W.R. Grace and Company.
- ..... **1986** Call us Applebee's – Applebee's Neighborhood Grill + Bar. Abe Gustin and John Hamra open their first Applebee's franchise in Kansas City, MO under the restaurant's new name.
- ..... **1988** Kansas City's dynamic duo, Abe Gustin and John Hamra, buy Applebee's from W.R. Grace and Co.
- ..... **1989** Applebee's goes public and opens its 100th restaurant in Nashville, TN.
- ..... **1994** O Canada! Applebee's opens the first restaurant outside of the United States in Winnipeg, MB.
- ..... **1998** Applebee's® opens its 1,000th restaurant in Aurora, CO.
- ..... **2000** Applebee's introduces a new menu, launches its now iconic tagline Eatin' Good in the Neighborhood™, and expands its footprint to Latin America and the Middle East.
- ..... **2002** Applebee's opens its 1,500th restaurant in LaGrange, GA. In honor of a Kansas City server, The Heidi Fund is created to help Applebee's Team Members in need.
- ..... **2004** Applebee's introduces Carside To Go pickup service, which includes designated parking spots for guests to wait in while a Team Member brings their order to their car.
- ..... **2007** Applebee's opens its first location in China. Applebee's Services, Inc. is purchased in November by IHOP Corp., creating the largest full-service restaurant company in the world.
- ..... **2013** Applebee's announces the installation of 100,000 tablets at 1,800+ locations by the end of 2014.
- ..... **2015** Applebee's is now 100 percent franchise owned.
- ..... **2016** Applebee's opens its first restaurant in Hawaii – officially bringing Applebee's to all 50 states in America! This is in addition to Puerto Rico, Guam and 13 countries. Applebee's moves its corporate headquarters to Glendale, CA.
- ..... **2018** Applebee's brings back riblets and depletes the U.S. riblet supply within the first three weeks of the year! Due to a massive sales increase, Applebee's outperforms every segment of the restaurant industry.
- ..... **2019** Applebee's launches nationwide delivery and catering, further expanding its To Go business.
- ..... **2022** Applebee's debuts first To Go Pickup Window. Guests can drive up to a designated window to receive To Go order previously placed online or through the Applebee's Mobile App.
- ..... **2023** Applebee's moves corporate headquarters to Pasadena, CA.



## FLYNN RESTAURANT GROUP

Flynn Restaurant Group operates the most well recognized brands across a diverse range of consumer segments giving them unparalleled stability in the restaurant industry. Brands include Applebee's, Panera, Wendy's, Taco Bell, Arby's, Pizza Hut, and now Planet Fitness. They are the single largest operator of Applebee's chain-wide with 460 Applebee's in 24 states. They currently operate their chains in 44 states and 3 countries and are the largest restaurant franchisee in the United States. With 30% annualized growth throughout their existence, they have demonstrated an ability to find and execute new opportunities. They currently have over 2,900 restaurant units with over 75,000 total employees. System wide sales top \$5 billion annually.

[FLYNN.COM/APPLEBEES/](http://FLYNN.COM/APPLEBEES/)

## 7 ICONIC BRANDS



**FLYNN  
RESTAURANT  
GROUP**



**44  
STATES** + **3  
COUNTRIES**

**APPLEBEE'S**



**24  
STATES**

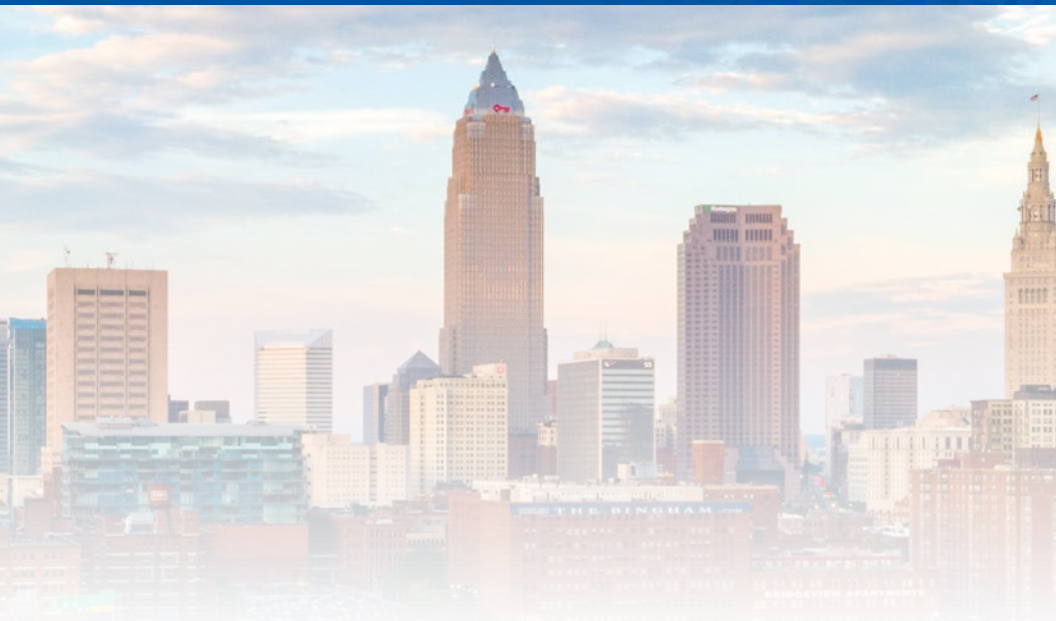


**460+  
RESTAURANTS**



**26,500+  
TEAM MEMBERS**





## CLEVELAND REGIONAL HIGHLIGHTS

- The Cleveland Clinic consistently ranks in the Top 5 for Best Hospitals in the U.S., with 5.1 million patient visits per year.
- In the 2023 Fortune 500 ranking of the largest U.S. corporations, 9 companies are based in Northeast Ohio.
- According to the 2021 Census Estimate, the Cleveland-Akron-Canton CSA has a population of 3,615,968 people. The area is also home to NBA, NFL, and MLB professional franchises.
- Cleveland hosted the Republican National Convention in 2016, the MLB All-Star Game in 2019, and the NBA All-Star Weekend in 2022.
- Case Western Reserve University & Cleveland State University reside in the heart of downtown Cleveland. Combined enrollment is over 28,000 students.
- Developers have rolled out an average of 1,000 new apartment units per year over the past 5 years in Cleveland. According to a recent National Rent Report by Zumper, Cleveland also ranked #1 of the top 100 Cities in terms of one-bedroom rent growth, showing the continuing demand.

### TOP EMPLOYERS

COMPANY	EMPLOYEES
<b>Cleveland Clinic</b>	32,251
<b>University Hospitals</b>	14,518
<b>Progressive Insurance</b>	8,379
<b>The MetroHealth System</b>	5,823
<b>Key Corp</b>	4,812
<b>Case Western Reserve University</b>	4,512
<b>Swagelok Co</b>	4,186
<b>Sherwin-Williams Co</b>	3,430
<b>Lincoln Electric Co</b>	2,800
<b>Nestle USA</b>	2,298





HEISLEY POINTE

DON TEQUILA

PENN STATION  
EAST COAST SUBS

Lean Eatz

Lake Health

HARBOR FREIGHT  
QUALITY TOOLS LOWEST PRICES

LOWE'S



Crossroads Health

meijer

Walmart

BRUEGGER'S BAGELS  
BAKED FRESH

CHIPOTLE  
MEXICAN GRILL

PANDA  
EXPRESS

FIVE GUYS  
BURGERS and FRIES

Hungry Howies  
FLAVORED CRUST PIZZA

Bright Now!  
Dental

20,552 VPD (24)

19,774 VPD (24)

MENTOR AVE

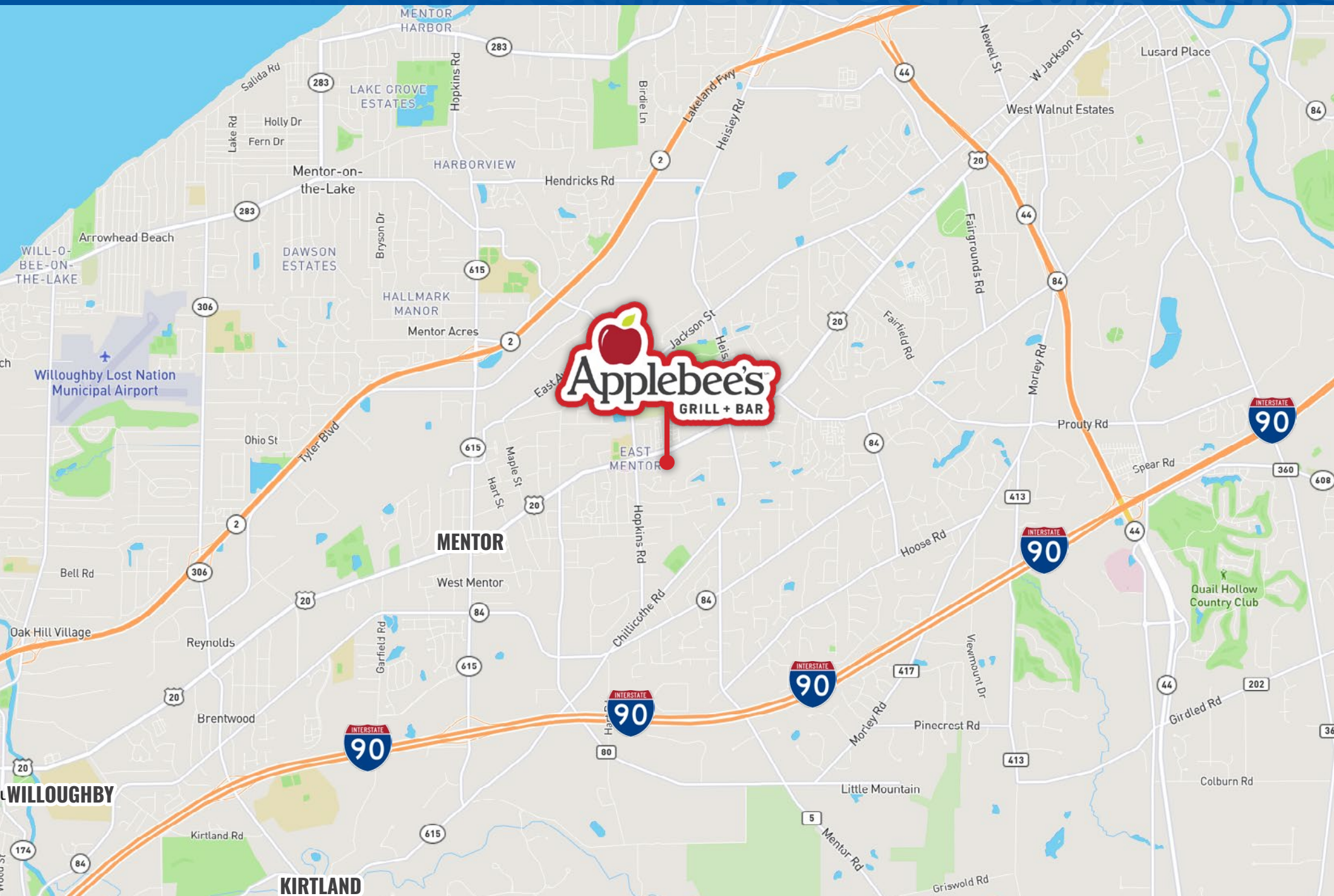
Huntington

Applebee's  
GRILL + BAR

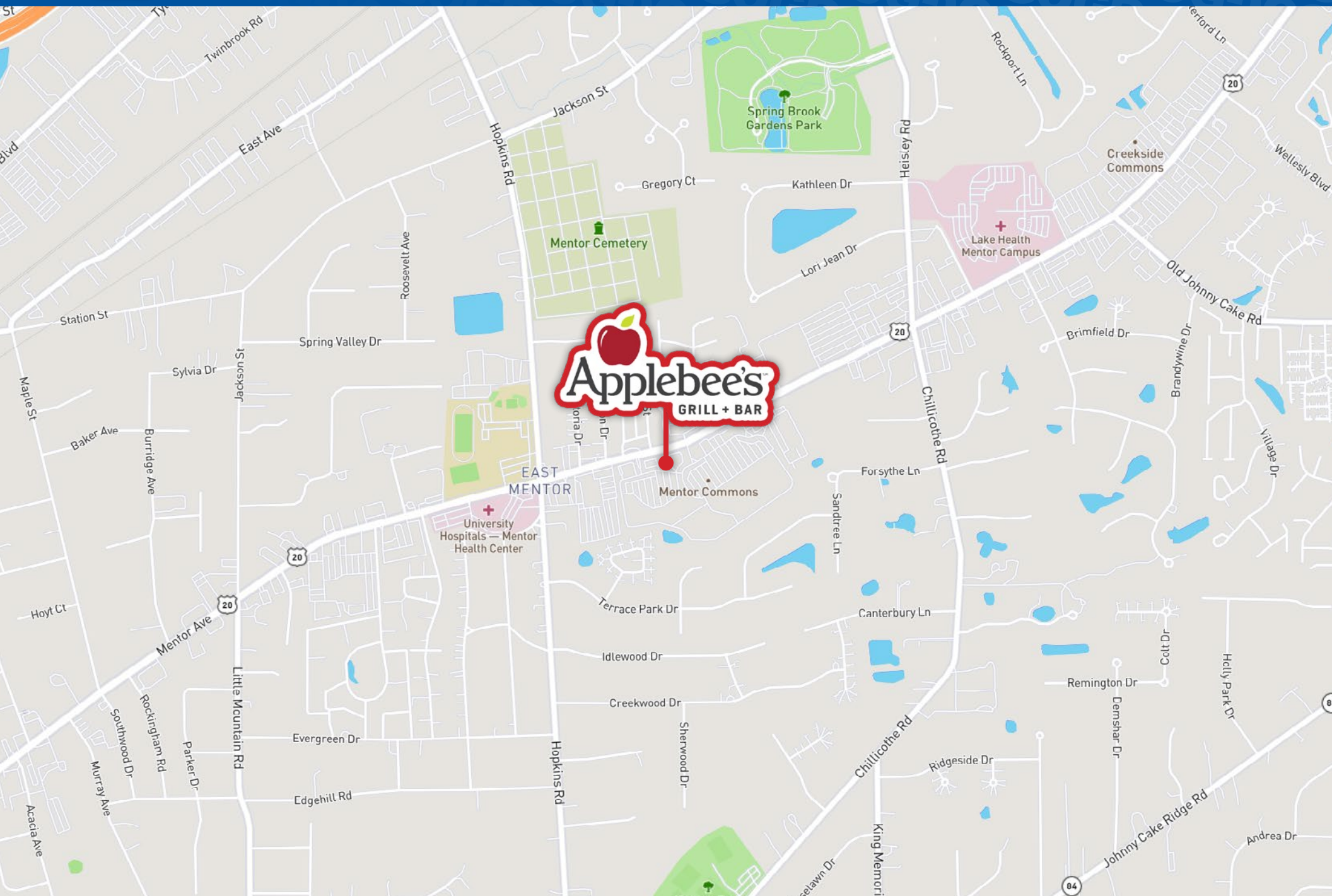














## POPULATION

	1 MILE	3 MILE	5 MILE	7 MILE
<b>Current Year Estimated Population</b>	6,066	44,152	107,920	149,189
<b>5 Year Projected Population</b>	6,001	43,981	107,768	149,162
<b>2020 Census Population</b>	6,298	44,347	107,391	148,424

## HOUSEHOLDS

	1 MILE	3 MILE	5 MILE	7 MILE
<b>Current Year Estimated Households</b>	2,641	18,438	45,488	63,158
<b>5 Year Projected Households</b>	2,614	18,355	45,398	63,095
<b>2020 Census Households</b>	2,748	18,581	45,292	62,897

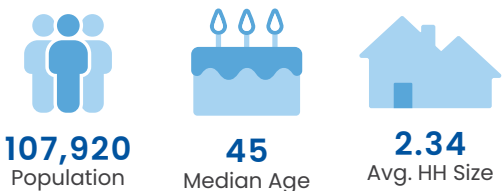
## AGE

	1 MILE	3 MILE	5 MILE	7 MILE
<b>Est. Population Under 10 Years</b>	8.8%	9.6%	9.9%	9.9%
<b>Est. Population 10-19</b>	10.6%	11.0%	11.2%	11.3%
<b>Est. Population 20-30</b>	9.9%	10.2%	11.3%	11.4%
<b>Est. Population 30-44</b>	15.7%	16.3%	17.3%	17.2%
<b>Est. Population 45-59</b>	16.8%	18.5%	18.5%	18.5%
<b>Est. Population 60-74</b>	25.7%	22.8%	21.7%	21.7%
<b>Est. Population 75 Years or Over</b>	12.4%	11.6%	10.1%	9.9%

## INCOME

	1 MILE	3 MILE	5 MILE	7 MILE
<b>Est. HH Inc \$200,000 or more</b>	8.8%	7.9%	8.2%	8.5%
<b>Est. HH Inc \$150,000 to \$199,999</b>	11.8%	13.3%	11.1%	10.5%
<b>Est. HH Inc \$100,000 to \$149,999</b>	23.7%	27.1%	22.6%	21.7%
<b>Est. HH Inc \$75,000 to \$99,999</b>	13.9%	14.7%	15.0%	14.6%
<b>Est. HH Inc \$50,000 to 74,999</b>	17.5%	14.2%	15.9%	16.1%
<b>Est. HH Inc \$35,000 to \$49,999</b>	9.0%	8.9%	10.2%	10.7%
<b>Est. HH Inc \$25,000 to \$34,999</b>	6.4%	5.1%	6.2%	6.7%
<b>Est. HH Inc \$15,000 to \$24,999</b>	5.3%	4.5%	5.6%	5.7%
<b>Est. HH Inc Under \$15,000</b>	3.6%	4.3%	5.1%	5.5%
<b>Est. Average Household Income</b>	\$105,439	\$112,051	\$106,010	\$103,895
<b>Est. Median Household Income</b>	\$88,586	\$96,633	\$85,870	\$83,570
<b>Est. Per Capita Income</b>	\$45,909	\$46,792	\$44,683	\$43,983

## 5 MILE RADIUS DEMOGRAPHICS



## AVERAGE HOUSEHOLD INCOME

