



APPLEBEE'S

516 COMMERCE DR | BLUEFIELD | VIRGINIA



Marcus & Millichap

Representative Photo



Investment Highlights

PRICE: \$2,735,459 | CAP RATE: 5.75% | RENT: \$157,289



Optimal Lease Structure

- Absolute Triple Net (NNN) Lease with Zero Landlord Responsibilities
- Approximately 12 Years of Lease Term Remaining
- Attractive Rental Increases | 1.50% Annually Starting Year May 2026
- 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, Lowe's, Bob Evans, Wendy's, McDonald's, BB&T, Ashley Homestore, Taco Bell, Burger King, and Many More
- Strong Traffic Counts | Highway 460 | Average Daily Traffic Counts of 18,000 Vehicles
- Located Just Down the Street from Bluefield College | HBCU Founded in 1895 | Total Enrollment Exceeds 1,000 Students

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: \$2,735,459 | CAP RATE: 5.75% | RENT: \$157,289



PROPERTY DESCRIPTION

Property	Applebee's
Property Address	516 Commerce Dr
City, State ZIP	Bluefield, VA 24605
Approximate Building Size (SF)	5,391
Approximate Lot Size (Acres)	+/-1.05
Year Opened	2005
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$2,735,459
CAP Rate	5.75%
Annual Rent	\$157,289

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	12 Years
Lease Type	Absolute Triple Net
Roof & Structure	Tenant Responsible
Options to Renew	Four (4), Five (5)-Year
Rental Increases	1.50% Annually

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Current – 5/20/2026	\$157,289	\$13,107	-
5/21/2026 -5/20/2027	\$159,648	\$13,304	1.50%
5/21/2027 -5/20/2028	\$162,043	\$13,504	1.50%
5/21/2028 -5/20/2029	\$164,474	\$13,706	1.50%
5/21/2029 -5/20/2030	\$166,941	\$13,912	1.50%
5/21/2030 -5/20/2031	\$169,445	\$14,120	1.50%
5/21/2031 -5/20/2032	\$171,987	\$14,332	1.50%
5/21/2032 -5/20/2033	\$174,566	\$14,547	1.50%
5/21/2033 -5/20/2034	\$177,185	\$14,765	1.50%
5/21/2034 -5/20/2035	\$179,843	\$14,987	1.50%
5/21/2035 -5/20/2036	\$182,540	\$15,212	1.50%
5/21/2036 -5/20/2037	\$185,278	\$15,440	1.50%
5/21/2037 -5/20/2038	\$188,057	\$15,671	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive net lease offering for an Applebee's located at 516 Commerce Dr in Bluefield, Virginia. The site consists of roughly 5,391 rentable square feet of building space on estimated 1.05-acre parcel of land. This Applebee's is subject to an absolute (NNN) lease, which has approximately 12 years of term remaining. The current annual rent is \$157,289 and is scheduled to increase by one and a half percent (1.5%) annually starting in May 2026 and continuing into each of the four (4), five (5)-year renewal options.



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.



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





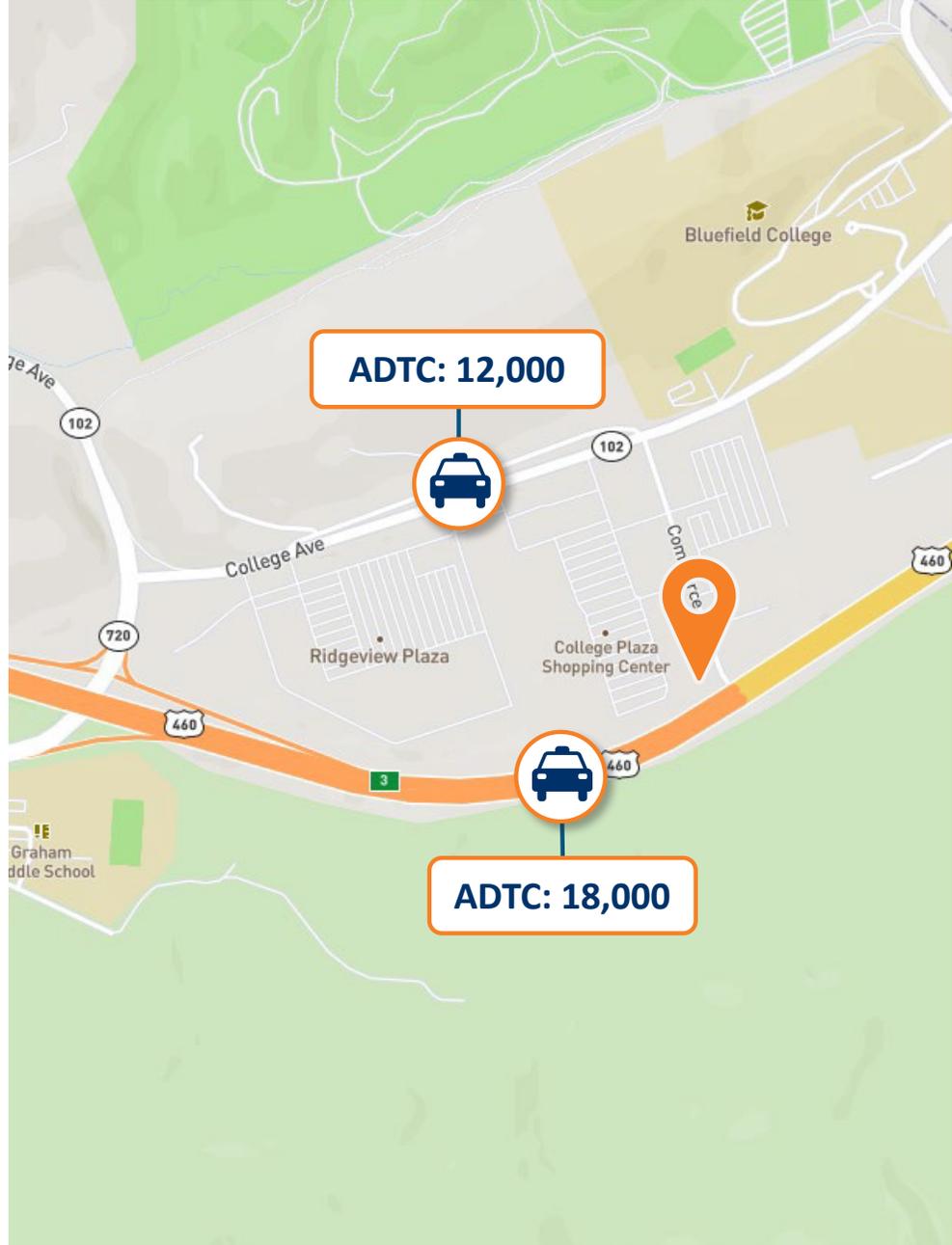
Location Overview



The subject investment property is situated along Commerce Dr, situated just off of Highway 460, which is a main thoroughfare in Bluefield, and has an average daily traffic count of 18,000 vehicles. Additionally, nearby College Ave brings a total of 12,000 vehicles to the immediate area, on average, each day. There are approximately 20,600 people living within a five-mile radius of the subject property and nearly 39,800 people withing 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 medical centers. Major national retail and restaurant concepts in the immediate area include: Burger King, Taco Bell, AT&T, McDonald's, Wendy's, Sam's Club, Bob Evans, Lowe's, Walmart, and Dollar Tree. The subject property is also located down the street from Bluefield College, which is a Baptist liberal arts college, offering 22 majors to its approximately 1,000 students. The college has been a part of the community for almost 100 years after being founded by the Baptist General Association of Virginia in 1922. Additionally, the subject property is located just west of Westwood Family Medicine, which is a general medical practice serving the residents of Bluefield and the surrounding towns.

Bluefield is a town in Tazewell, Virginia, located along the Bluestone River. The city is located along the West Virginia border and approximately 60 miles west of 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



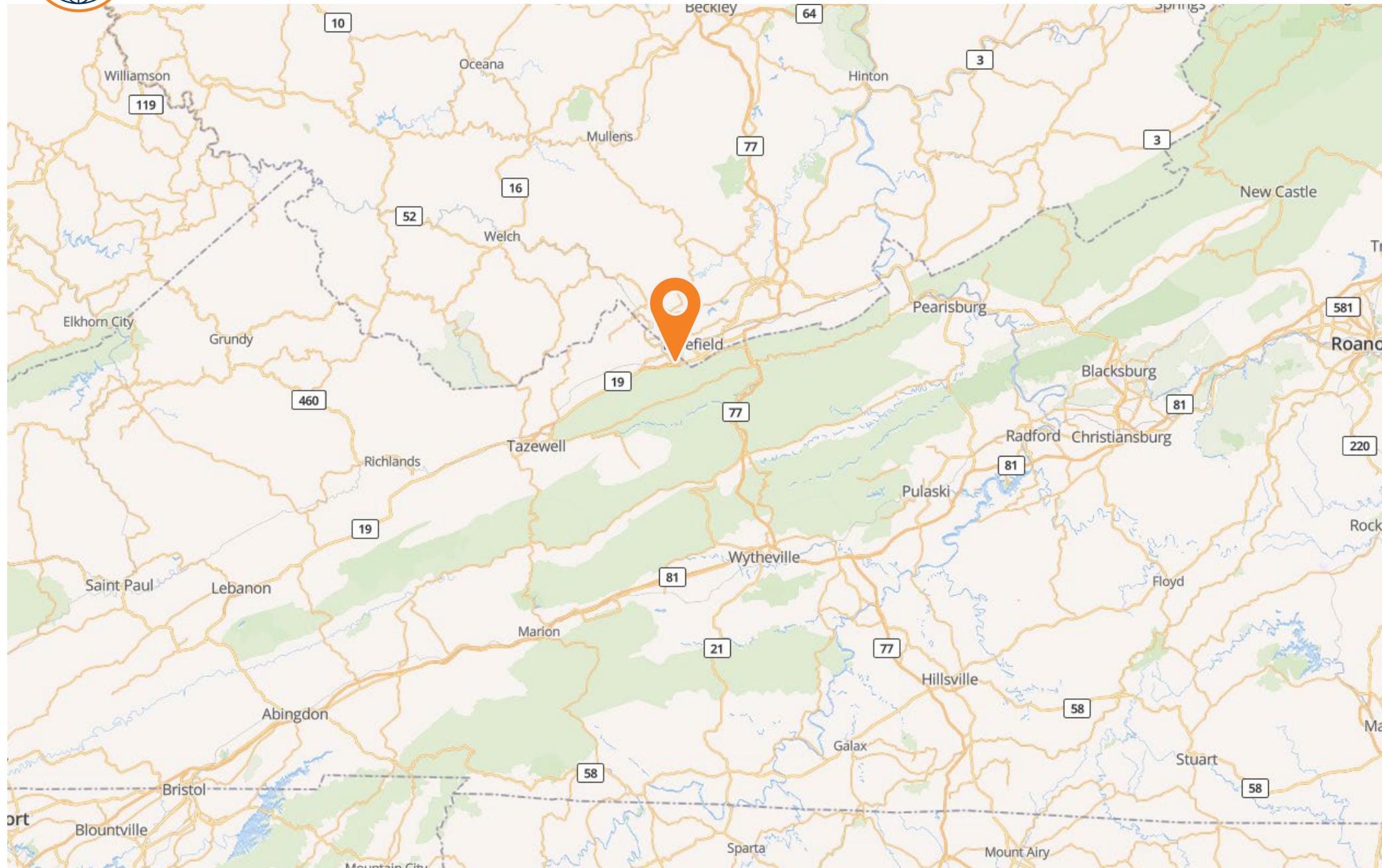


Surrounding Area Photos



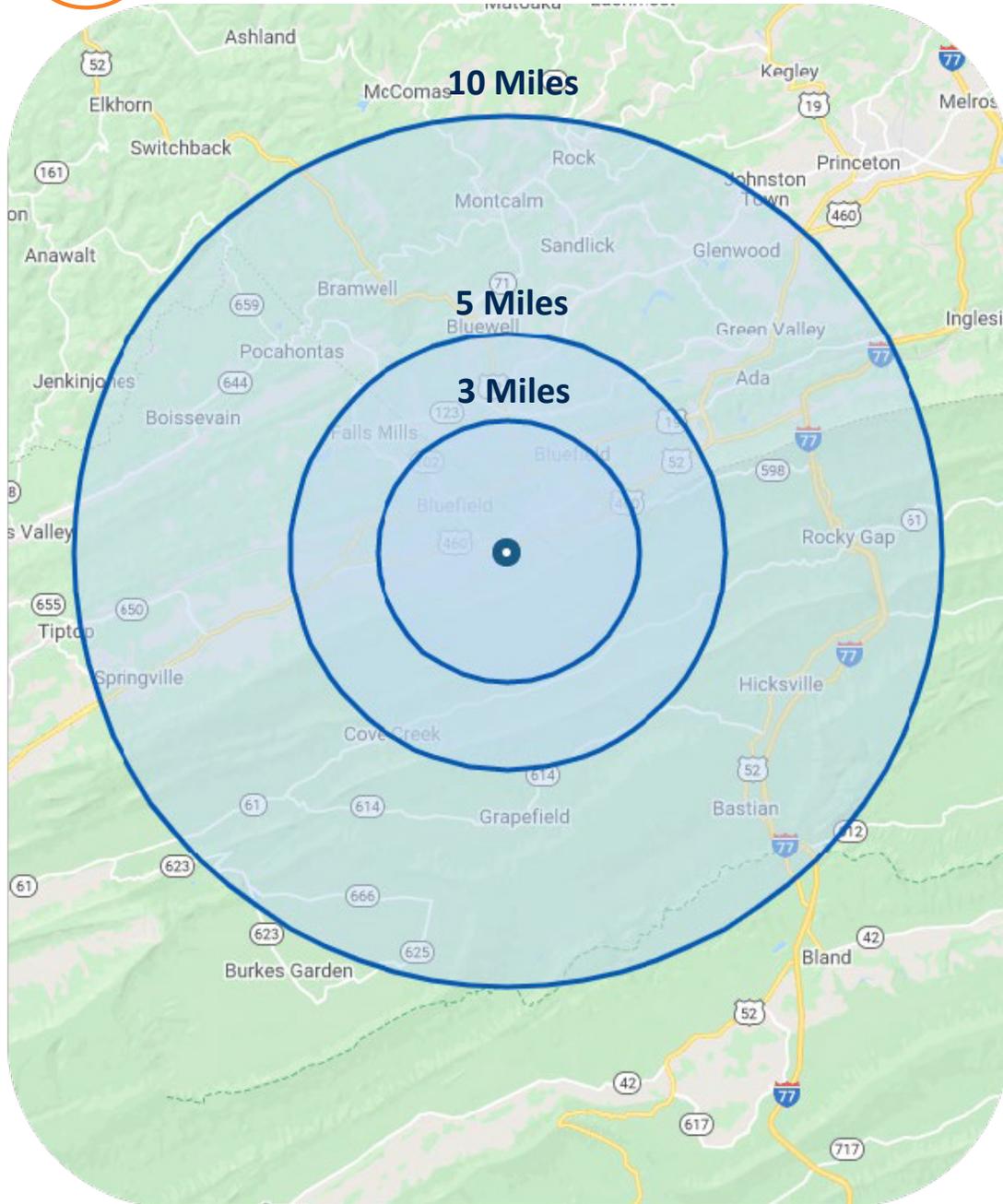


Local Map





Demographics



	3 Miles	5 Miles	10 Miles
POPULATION TRENDS			
2020 Population	13,978	21,041	39,785
2024 Population	15,528	22,796	40,629
2029 Population Projection	15,594	22,789	40,159
POPULATION BY RACE (2021)			
White	12,193	18,545	34,982
Black	2,242	2,755	3,310
American Indian/Alaskan Native	56	75	105
Asian	110	140	199
Hawaiian & Pacific Islander	8	9	12
Two or More Races	919	1,271	2,021
Hispanic Origin	274	357	547
HOUSEHOLD TRENDS			
2020 Households	5,930	8,930	16,687
2024 Households	6,593	9,681	17,038
2029 Household Projection	6,622	9,678	16,838
AVERAGE HOUSEHOLD INCOME (2024)			
	\$57,378	\$59,972	\$59,625
MEDIAN HOUSEHOLD INCOME (2024)			
	\$39,363	\$40,924	\$43,070
HOUSEHOLDS BY HOUSEHOLD INCOME (2024)			
< \$25,000	2,042	2,928	4,976
\$25,000 -50,000	1,991	2,859	4,661
\$50,000 -75,000	1,011	1,541	2,891
\$75,000 -100,000	646	1,038	2,104
\$100,000 -125,000	445	572	1,053
\$125,000 -150,000	55	103	413
\$150,000 -200,000	194	241	415



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.



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Activity ID: ZAG0210251



Neighborhood Grill & Bar



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