



ACTUAL SITE



Confidential Offering Memorandum

Absolute NNN Lease

787 E. Chicago Street | Coldwater, MI 49036

EXCLUSIVELY OFFERED BY:

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Investment Highlights

Baum Realty Group has been retained by the owner to sell the 100% fee simple interest Applebee's property located in Coldwater, MI. This Absolute NNN freestanding Applebee's is located on E. Chicago Street just steps from I-69 and is an outlot to The Home Depot. The property is being offered free-and-clear of any existing debt.

PRICE:	CAP RATE:	Years Remaining:
\$3,268,000	6.25%	14 Years



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Current Annual Rent:	\$204,255
Lease Type:	Absolute NNN (No Landlord Responsibilities)
Guarantor:	TSFR Apple Investment LLC (TSFR) – over 140 units across multiple brands

Recent Store Renovation

Tenant spent significant capital to upgrade both interior and exterior of building around April 2014.

Solid Store Performance

Applebee's began operating at location in 1999 and is open until 1am on Saturdays and Sundays and 12am all other days.

Long Term Lease and Strong Rent Escalations

Approximately 14 years remaining on the primary term with four, 5-year options. Rent escalations are 10% every 5 years.

Minimal Competition

The closest Applebee's is 28 miles away. Buffalo Wild Wings is to the west and majority of other restaurants are quick service restaurants west of I-69.

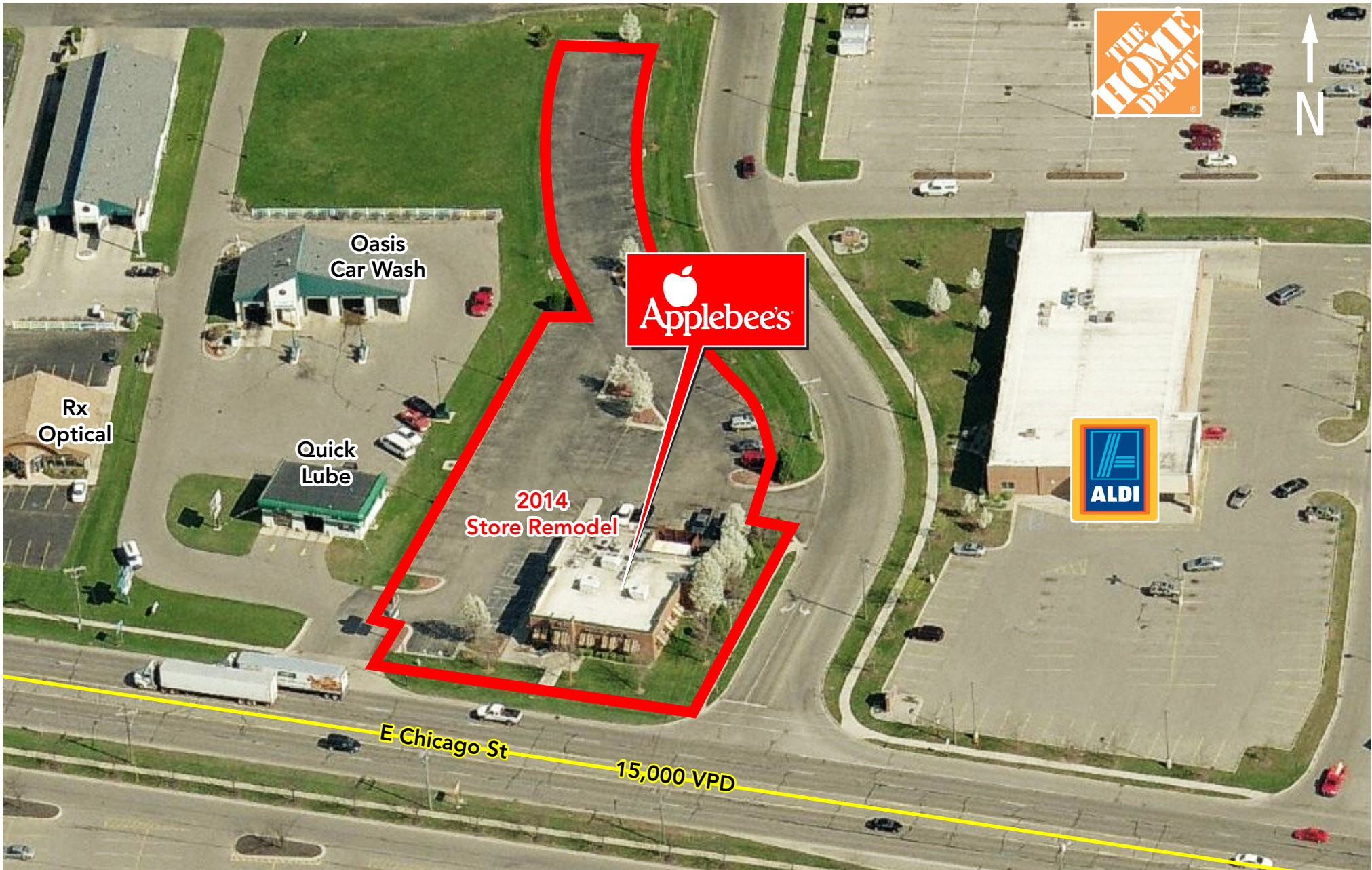
Experienced Operator

TEAM Schostak Family Restaurants has grown substantially since starting in the restaurant business in 1981 by adding 65 Applebee's locations in Michigan to its holdings, which also includes other brands such as Burger King, Del Taco and Olga's Kitchen. The Schostak family has been in the real estate business in Michigan for almost a century and has approximately 5,800 employees.



- 7 hotels within walking distance
- I-69 full interchange
- Full store remodel in 2014
- Monument signage visibility from I-69





Lease Abstract

LEASE INFORMATION

Tenant:	TSFR Apple Investment LLC
Lot Size:	1.37 Acres
Year Built:	1999, Renovated 2014
Rent Commencement:	June 1, 2009
Lease Expiration:	June 12, 2028
Current Annual Rent:	\$204,255
Annual Rent PSF:	\$49.87
Rent Increases:	10% every 5 years during initial term. In options the monthly base rent will equal 95% of market rent; provided, however that it is not less than 110% of base rent from the prior period.
Renewal Options:	There are four, 5-year renewal options
Lease Type:	NNN
Landlord Responsibilities:	None



Rent Schedule

Lease Term Dates	Annual Rent	Rent PSF
7/1/2013 - 6/30/2018	\$ 204,255	\$ 49.87
7/1/2018 - 6/30/2023	\$ 224,682	\$ 54.85
7/1/2023 - 6/12/2028	\$ 247,150	\$ 60.34
Options		
7/1/2028 - 6/30/2033 — 1 st Option *	\$ 271,865	\$ 66.37
7/1/2033 - 6/30/2038 — 2 nd Option *	\$ 299,052	\$ 73.01
7/1/2038 - 6/30/2043 — 3 rd Option *	\$ 328,957	\$ 80.31
7/1/2043 - 6/30/2048 — 4 th Option *	\$ 361,852	\$ 88.34

* Tenant to provide 12-18 months notice



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Tenant Overview



Current Annual Rent: \$204,255

Lease Type: Absolute NNN

Applebee's was founded in 1980 by Bill and TJ Palmer in Decatur, GA. Today, there are approximately 2,000 Applebee's locations that employ over 28,000 people and operate worldwide. Most Applebee's restaurants have franchise owners, a concept made popular by the company's founders. In 2007, IHOP bought Applebee's International, both of which now operate under the entity of DineEquity and combined to become the largest full service restaurant company in the world.

Team Schostak Family Restaurants began franchising restaurants over 30 years ago. Their portfolio started with Burger King Restaurants throughout Michigan; they currently own/operate over 60 of the fast serve locations. After successfully introducing Del Taco and Olga's Kitchen to the state of Michigan in the early 2000's, Team Schostak Family Restaurants acquired 65 Applebee's statewide in 2012. Team Schostak Family Restaurants pride themselves on developing and retaining employees to ultimately give the customer the best experience possible.



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Coldwater Area Overview

Easy Interstate Access

The Applebee's sits at the intersection of US-12 (E. Chicago Street) and I-69, providing excellent visibility and accessibility for customers travelling on either road. Additionally, both national highways lead directly destinations of interest, including Fort Wayne to the south, South Bend to the west, Lansing to the north, and Detroit to the east.

Strong Retail Corridor

Coldwater's intersection of two US highways provides an excellent stretch of national retail and restaurant choices for travelers. Along with Applebee's, the area is also anchored by Walmart, The Home Depot, Gander Mountain, Big Lots, Sears, Meijer, Verizon Wireless, Buffalo Wild Wings, and Aldi. Applebee's location sits as an outlet to The Home Depot and directly across the street from Walmart, providing an excellent amount of cross traffic and consumers.

Local Expansion

The City of Coldwater recently received an \$11 million donation to build a state-of-the-art aquatic center at Legg Middle School (2.7 miles away), complete with an eight lane competitive pool, therapy pool, spectator seating, and locker rooms. Dr. Robert Browne, whose gift will fund the construction, also pledged money to expand the gymnasium at Heritage Independence Recreation Gym, which will more than double in size. The Community Health Center of Branch County, a county owned hospital, sits just 1 mile from the Applebee's location. The hospital is accredited by the Joint Commission and boasts a staff of over 100 physicians who are experts in both inpatient and outpatient care.

787 E. CHICAGO STREET DEMOGRAPHIC SUMMARY

	Radius		
	3 Miles	5 Miles	7 Miles
Estimated Population	13,139	19,758	24,524
Avg. Household Income	\$48,614	\$52,515	\$54,070



Confidentiality Disclosure

Baum Realty Group, LLC (“BRG”) has been retained as the exclusive broker by the Owner of Record (“the Owner”) of 787 E. Chicago Street, Coldwater, MI 49036 in connection with the sale of certain properties (“the Property”) as described in this Offering Memorandum.

This Offering Memorandum has been prepared by BRG for use by a limited number of parties, and does not purport to provide a necessarily accurate summary of the physical or economic aspects of the Property or any of the documents related thereto, nor does it purport to be all inclusive or to contain all of the information which prospective investors may need or desire further, the Offering Memorandum is limited to the matters set forth therein. All budgets or projections have been developed by BRG and Owner, and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and BRG and therefore are subject to variation. Each of BRG and Owner makes no representation as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, BRG and its employees, and Owner, and its trustees, officers, and employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or omissions from the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property Owner as of the date of preparation of the Offering Memorandum.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the property, and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner and the Board of Trustees of Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner’s obligations hereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information that is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you acknowledge that you have executed, and have agreed to be bound by, the Confidentiality Agreement with BRG and Owner.



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