

Marcus & Millichap
BROWN RETAIL GROUP

SEATTLE | PORTLAND | BOISE

DENNY'S

585 N 2nd E, Rexburg, ID 83440

**17+ YEAR ABSOLUTE NNN DENNY'S BUILT IN 2023
LOCATED IN A HIGH-VISIBILITY RETAIL CORRIDOR
(28,000+ VPD)**

SHADOW ANCHORED BY THE
#3 RANKED C-A-L RANCH STORE
NATIONALLY (PLACER.AI)



THE OFFERING

585 N 2nd E, Rexburg, ID 83440

Marcus & Millichap's Brown Retail Group has been selected to exclusively market for sale a **newly constructed Denny's restaurant in Rexburg, ID featuring a 17+ year absolute net lease with two 10-year options to extend**. The lease offers secure, long-term cash flow with zero landlord responsibilities, providing investors true passive income. The lease includes 10% rent increases every 10 years during the initial term and option periods, delivering inflation protection and growing returns over time. The property is operated by a seasoned Denny's franchisee with over 25 years of experience and a portfolio of 24 Denny's, 15 Papa John's, and multiple Dave's Hot Chicken locations across six states, ensuring strong operational performance. Built in 2023, the building reflects Denny's latest design standards and technology upgrades, supporting brand visibility and operational efficiency. Strategically located across from a high-traffic shopping center anchored by the #3 ranked C-A-L Ranch store nationally and a busy Albertsons with over 649,000 annual visits, per Placer.ai, the site benefits from consistent traffic and visibility. Surrounding national retailers include Walmart, Hobby Lobby, Harbor Freight, AutoZone, McDonald's, Arby's, and Dairy Queen, reinforcing the property's position in a dynamic trade area. Situated on N 2nd E with visibility to nearly 20,000 VPD, the property offers prominent signage and easy ingress/egress, including a protected center turn lane. The location is further supported by nearby employers and entertainment venues such as Basic American Foods, Rexburg Rapids, and Fat Cats Rexburg, driving steady customer flow. Serving a population of over 50,700 residents within a five-mile radius, with average household incomes exceeding \$75,000 and a student base of 20,000+ from BYU-Idaho, the property is ideally positioned for casual dining success.

**PRICE: \$1,845,000
CAP RATE: 6.50%**



ACTUAL PROPERTY PHOTO

I THE PROPERTY

Price	\$1,845,000
Cap Rate	6.50%
Price/SF	\$418
Gross Leasable Area	4,410 SF
Lot Size (Acres)	1.14 Acres
Type of Ownership	Fee Simple
Year Built	2023
LEASE SUMMARY	
Tenant	Denny's (Rexburg, LLC)
Rent Increases	10% Every 10 Years
Guarantor	Franchisee Guarantee
Lease Type	Absolute Net
Lease Commencement	05/01/2023
Lease Expiration	05/01/2043
Renewal Options	2, 10-Year Options
Term Remaining on Lease	17.7 Years
Landlord Responsibility	None
Tenant Responsibility	All

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF
Current - 5/1/2023	\$120,000	\$10,000	\$27.21
5/2/2033 - 5/1/2043	\$132,000	\$11,000	\$29.93
OPTIONS			
Option 1: 5/2/2043 - 5/1/2053	\$145,200	\$12,100	\$32.93
Option 2: 5/2/2053 - 5/1/2063	\$159,720	\$13,310	\$36.22



DENNY'S CORPORATION (NASDAQ: DENN), with over 70 years of operating history, stands out as a well-established and iconic brand in the casual dining sector, with a strong presence of nearly 1,560 restaurants globally. Its widespread footprint and name recognition make it a go-to destination for value-oriented customers seeking affordable, classic American dining at any time of day.

The brand's long-standing reputation for 24/7 availability and family-friendly atmosphere further reinforces its position as a staple in the U.S. dining landscape, providing a reliable foundation for continued growth and resilience.



ACTUAL PROPERTY PHOTO

THE KESHAP GROUP

The Rexburg Denny's restaurant is operated by The Keshap Group, a successful Denny's franchisee with 24 Denny's locations across 6 states and over 25 years of successful operating history. A growing multi-brand operator, The Keshap Group also runs 15 Papa John's throughout Washington and California, a growing number of Dave's Hot Chicken restaurants throughout the Northwest, and are set to lead the Western expansion of Gong Cha, a bubble tea shop concept, by opening its first location in the Pacific Northwest.



THE HIGHLIGHTS

17+ YEAR LEASE

The lease features over 17 years of remaining term and two, 10-year options to extend – delivering secure, long-term cash flow for investors.

ABSOLUTE NET LEASE

The property features an Absolute Net lease with zero landlord responsibilities for management, repairs, or maintenance – offering investors true, hassle-free passive income.

10% RENT INCREASES

The lease features 10% rent increases every 10 years during both the initial term and each option period – providing a hedge against inflation and growing returns over time.

EXPERIENCED FRANCHISEE AND MULTI-BRAND OPERATOR

The restaurant is operated by a successful Denny's franchisee with 24 Denny's locations across 6 states and over 25 years of proven operating history. The franchisee also operates 15 Papa John's and a growing number of Dave's Hot Chicken restaurants throughout the Northwest and California.

2023 CONSTRUCTION

The building was built brand-new in 2023 to reflect Denny's newest design standards and technology enhancements, ensuring operational efficiency, brand visibility, and showing a long-term commitment to the site.



ACTUAL PROPERTY PHOTO

SHADOW ANCHORED BY #3 RANKED C-A-L RANCH STORE NATIONALLY AND HIGH-TRAFFIC ALBERTSONS

The property is located across the street from a large shopping center featuring the #3 ranked C-A-L Ranch store nationally and a high-traffic Albertsons that receives over 64,000 visits per year, per Placer.ai, providing continuous traffic flow and visibility for Denny's.

DYNAMIC RETAIL TRADE AREA

The property is nearby numerous national and regional retailers including Hobby Lobby, Harbor Freight, Albertsons, AutoZone, Deseret Industries, Walmart, Arby's, McDonald's, Dairy Queen, Del Taco, and more.

HIGH VISIBILITY LOCATION AND WITH EASY INGRESS/EGRESS

Located directly on N 2nd E the property benefits from visibility to nearly 20,000 VPD, with prominent signage and convenient ingress/egress, including a protected center lane for turning into the property.

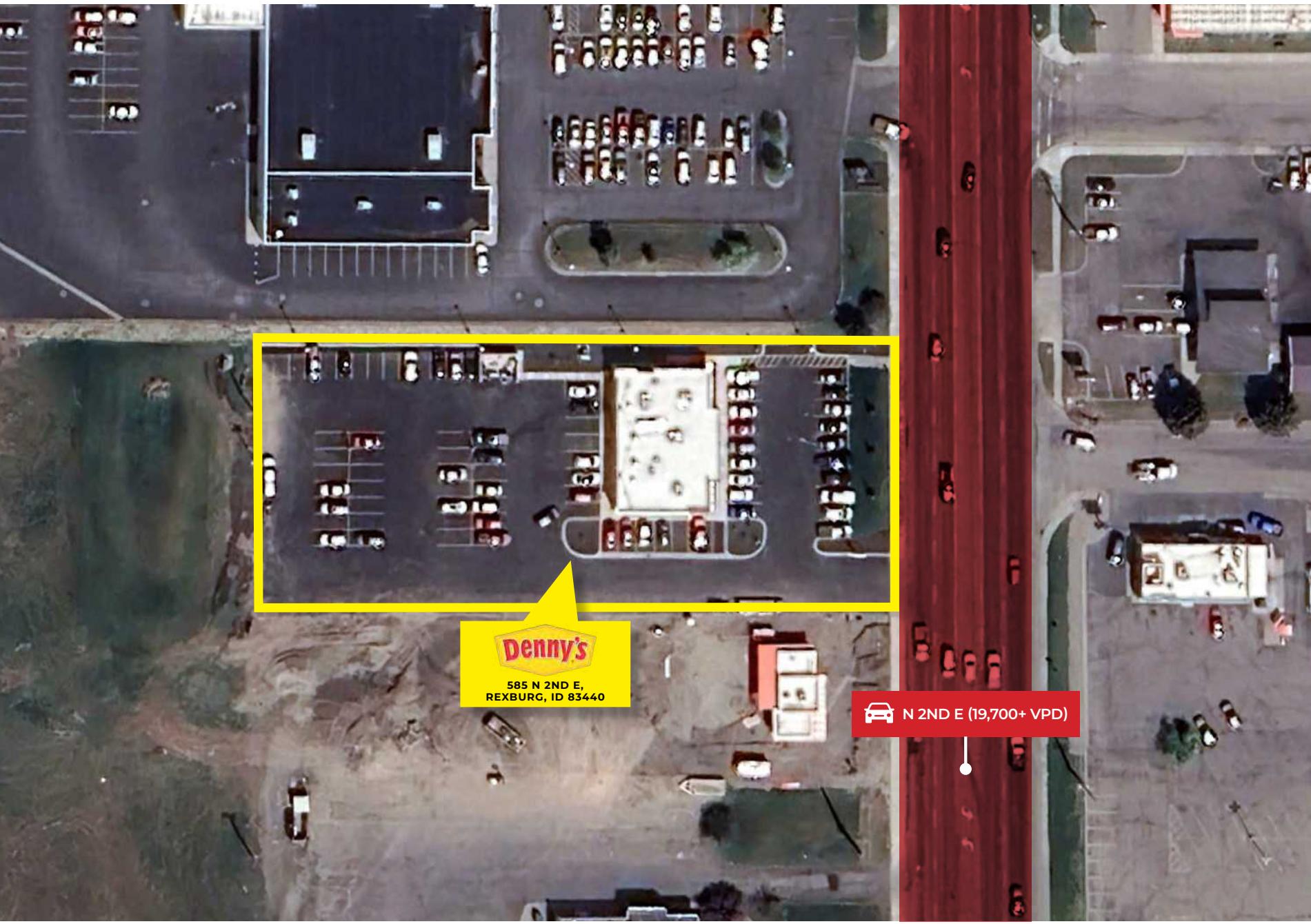
STRATEGIC LOCATION NEAR MANUFACTURING AND ENTERTAINMENT

The property benefits from its location in front of Basic American Foods processing plant and from being nearby entertainment venues such as Rexburg Rapids and Fat Cats Rexburg, providing a steady flow of customers.

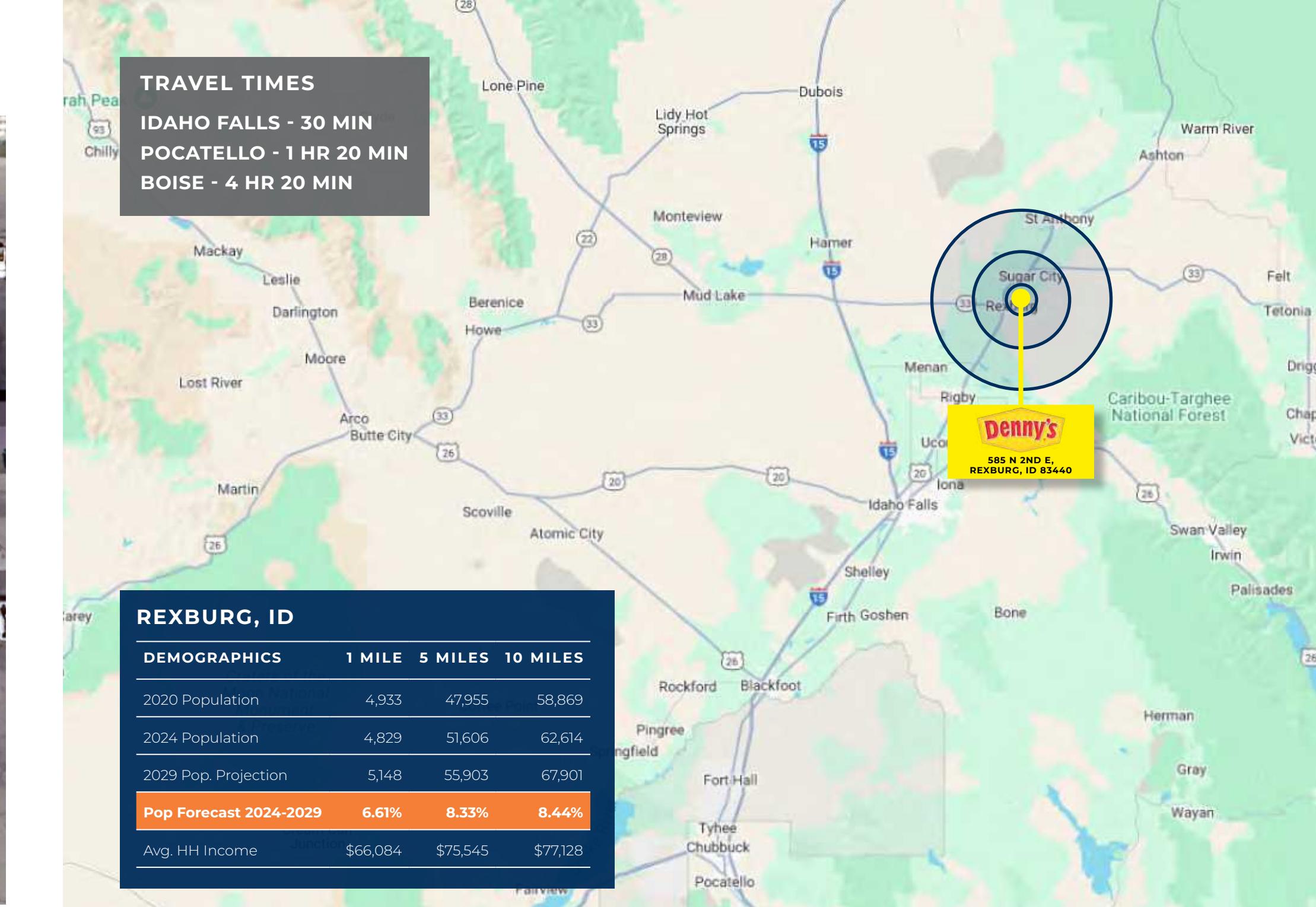
IDEAL CASUAL DINING DEMOGRAPHICS

Serving a community of over 50,700 residents within a 5-mile radius, with average household incomes exceeding \$75,000, plus a student base of 20,000+ from BYU-Idaho, the location supports consistent customer traffic and strong demand.

I SITE PLAN



TRAVEL TIMES
IDAHO FALLS - 30 MIN
POCATELLO - 1 HR 20 MIN
BOISE - 4 HR 20 MIN



REXBURG, ID

Rexburg, located in Madison County in eastern Idaho, anchors the Rexburg Micropolitan Area and is one of the fastest-growing small cities in the state. Home to Brigham Young University–Idaho, the city has one of the youngest populations in the nation, with students making up a significant portion of its roughly 40,000 residents. Rexburg lies just 30 miles northeast of Idaho Falls, providing residents with convenient access to a larger urban center for expanded retail, healthcare, and transportation options. Its location also offers proximity to major outdoor attractions such as Yellowstone and Grand Teton National Parks, enhancing its appeal for both residents and visitors.

The education sector dominates the local economy, with BYU-Idaho serving as the largest employer, followed by healthcare, retail trade, and food services. Madison Memorial Hospital and major retail chains also contribute significantly to the workforce. Public administration and manufacturing, particularly in agriculture-related products, add to the area's employment base. The micropolitan's job growth rate has consistently outpaced the national average, with projections indicating a 50% increase over the next decade.



Known for its strong community values, low cost of living, and high safety rankings, Rexburg is supported by a diversified local economy and a rapidly expanding service sector. Local initiatives and access to regional outdoor destinations have helped make the city a growing hub for students, families, and entrepreneurs alike.

METRO HIGHLIGHTS

- Economy led by Brigham Young University–Idaho, the city's largest employer.
- Other major sectors: Healthcare (Madison Memorial Hospital), Retail & food services, Public administration and agriculture-related manufacturing.
- Fast-growing workforce: Job growth projected at 50% over the next decade, Key employment sectors: Educational services, Retail trade, Accommodation & food services.
- Cost of living is ~7% below the national average.

MARCUS & MILLICHAP HEREBY ADVISES ALL PROSPECTIVE PURCHASERS OF NET LEASED PROPERTY AS FOLLOWS

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of the investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property is dependent on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risk. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or recently acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant/lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY

Please consult your Marcus & Millichap agent for more details.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

COOPERATIVE BROKERAGE COMMISSION

Marcus & Millichap is offering a cooperative brokerage commission by Seller to brokers who represent purchasers that were not directly contacted via phone or email by the listing brokers and who successfully close on the property at terms acceptable to Seller.

Marcus & Millichap

BROWN RETAIL GROUP

SEATTLE | PORTLAND | BOISE

CLAYTON J. BROWN

Senior Managing Director, Investments

206.826.5787 D

253.569.4338 C

clayton.brown@marcusmillichap.com



ACTUAL PROPERTY PHOTO