



Offering Memorandum

IHOP

**730 NORTH JANES AVENUE
BOLINGBROOK, IL 60440**



Marcus & Millichap



LA FITNESS

THE BROOK
ON JANES
288 LUXURY UNITS

aloft
HOTELS

Bass Pro Shops

DSW DESIGNER SHOE WAREHOUSE
H&M
THE PROMENADE BY LINGBROOK
STARBUCKS
PINK VICTORIAS SECRET
LOFT FOREVER 21
macy's
PAC SUN
iPic THEATERS
ULTA BEAUTY
BARNES & NOBLE BOOKSELLERS
FAMOUS footwear
AMERICAN EAGLE OUTFITTERS
francesca's

LONGHORN STEAKHOUSE

Famous Dave's

CHASE

ihop

N JANES AVE
9,450 CPD

meijer

CHIPOTLE MEXICAN GRILL
MOD



IHOP

730 North Janes Avenue
Bolingbrook, IL 60440

FINANCIAL SUMMARY

| | |
|---------------|------------------|
| Price | \$3,120,000 |
| Down Payment | 100% \$3,120,000 |
| Cap Rate | 5.0% |
| Building SF | 5,000 SF |
| Net Cash Flow | 5.0% \$156,000 |
| Year Built | 2015 |
| Lot Size | 1.42 Acres |

LEASE SUMMARY

| | |
|-------------------------|--|
| Lease Type | Absolute Triple-Net (NNN) Lease |
| Tenant | RMLS HOP Illinois, LLC |
| Lease Guarantor | RMLS HOP, LLC (Romulus Inc.) |
| Roof & Structure | Tenant Responsible |
| Lease Commencement Date | October 2, 2017 |
| Lease Expiration Date | October 1, 2037 |
| Lease Term Remaining | 18 Years |
| Rental Increases | 10% Every 5 Years |
| Renewal Options | 5 Option Periods (Option 1, 4, & 5: 5 Years; Option 2: 777 Days; Option 3: 1,047 Days) |
| Right of First Refusal | 12 Days |

ASSIGNMENT: Tenant may assign this Lease or sublet the Premises, upon at least ten (10) days prior written notice to Landlord, but without Landlord's consent or any assumption or transfer fee, or sharing of rents, to (i) IHOP Franchising, LLC, a Delaware limited liability company ("IHOP"), as Tenant's Franchisor, or (ii) a bona fide and credit worthy IHOP franchisee who has owned and operated IHOP restaurants for not less than two (2) years prior to any such assignment or subletting, provided, that the net value of such franchisee or its guarantor(s) is at least \$5,000,000.00 and the number of IHOP restaurants currently owned and operated by such franchisee is not less than ten (10) ("IHOP Franchisee Assignee"). Tenant will cause the IHOP Franchisee Assignee to furnish such financial and franchise information as requested by Landlord necessary to determine the IHOP Franchisee Assignee's net value and credit worthiness. In the event of an approved assignment, guarantor's obligations will be released.

ANNUALIZED OPERATING DATA

| LEASE YEARS | ANNUAL RENT | CAP RATE |
|-----------------------|-------------|----------|
| Current - 10/1/2022 | \$156,000 | 5.00% |
| 10/2/2022 - 10/1/2027 | \$171,600 | 5.50% |
| 10/2/2027 - 10/1/2032 | \$188,760 | 6.05% |
| 10/2/2032 - 10/1/2037 | \$207,636 | 6.66% |

| OPTIONS | ANNUAL RENT | CAP RATE |
|----------------------------------|-------------|----------|
| Option 1: 10/2/2037 - 10/1/2042 | \$228,400 | 7.32% |
| Option 2: 10/2/2042 - 11/17/2044 | \$251,240 | 8.05% |
| Option 3: 11/18/2044 - 10/1/2047 | \$251,240 | 8.05% |
| Option 4: 10/2/2047 - 10/1/2052 | \$276,364 | 8.86% |
| Option 5: 10/2/2052 - 10/1/2057 | \$304,000 | 9.74% |

| | |
|-----------------------------|-----------------------|
| BASE RENT | \$156,000 |
| Net Operating Income | \$156,000 |
| Total Return | 5.0% \$156,000 |





IHOP® competes in the Family Dining segment of the restaurant industry, and all IHOP restaurants are owned by independent franchise operators. For 57 years, the IHOP family restaurant chain has served its world famous pancakes and a wide variety of breakfast, lunch and dinner items that are loved by people of all ages. IHOP offers its guests an affordable, everyday dining experience with warm and friendly service.

As of 2015, there were over 1,650 IHOP restaurants in all 50 states and the District of Columbia, as well as in Bahrain, Canada, Dubai (UAE), Guatemala, Kuwait, Mexico, Puerto Rico, Saudi Arabia, The Philippines and the U.S. Virgin islands. IHOP restaurants are franchised and operated by Glendale, California-based International House of Pancakes, LLC and its affiliates. International House of Pancakes, LLC is a wholly-owned subsidiary of Dine Brands Global (NYSE: DIN).

www.ihop.com

FRANCHISEE OVERVIEW: ROMULUS, INC.

Romulus is one of the largest franchisee and developers of IHOP Restaurants in the country. With the corporate headquarters in Phoenix, AZ, Romulus currently operates 107 IHOP Restaurants in 11 States (Arizona, Idaho, Pennsylvania, Oklahoma, Kansas, Texas, New Mexico, Indiana, and Ohio).

The company has been a franchisee since 1991 and has steadily grown from one restaurant to its current size with anticipated revenues exceeding \$200M and employing approximately 6,000 employees.



INVESTMENT HIGHLIGHTS

- Absolute Triple-Net (NNN) Lease with 18 Years Remaining on Lease Term
- 24 Hours Location
- 10% Rental Increases Every 5 Years
- 213,800 Residents in Growing Bolingbrook Trade Area – Chicago MSA
- Guarantor is One of the Largest Franchisee and Developers of IHOP Restaurants in the U.S. – 107 Locations
- Outparcel to Meijer
- Across from the Promenade at Bolingbrook – a Vibrant Open-Air Retail and Entertainment Destination with Over 60 Shops and 12 Restaurants, Anchored by Macy's, DSW, H&M, Barnes & Noble, and Bass Pro Shops
- Adjacent to Interstate 355 (123,100+ CPD) – Direct Access to Chicago
- Surrounded by Major Retailers – Costco, IKEA, LA Fitness, Meijer, Ashley HomeStore, and More
- Affluent Trade Area – Average Household Income Exceeds \$112K in 5-Mile Radius
- 191,650 Daytime Employees in Surrounding Area

DEMOGRAPHICS

| Population | 1-Mile | 3-Miles | 5-Miles |
|------------------------------------|-----------|-----------|-----------|
| 2023 Projection | 10,886 | 76,391 | 219,531 |
| 2018 Estimate | 10,422 | 75,445 | 213,805 |
| Growth 2018 - 2023 | 4.45% | 1.25% | 2.68% |
| Households | 1-Mile | 3-Miles | 5-Miles |
| 2023 Projections | 3,894 | 27,631 | 81,293 |
| 2018 Estimate | 3,651 | 26,854 | 78,497 |
| Growth 2018 - 2023 | 6.66% | 2.89% | 3.56% |
| Income | 1-Mile | 3-Miles | 5-Miles |
| 2018 Est. Average Household Income | \$110,249 | \$102,721 | \$112,971 |
| 2018 Est. Median Household Income | \$87,958 | \$77,909 | \$84,122 |
| 2018 Est. Per Capita Income | \$38,626 | \$36,579 | \$41,571 |

LOCATION OVERVIEW

Bolingbrook is a southwest suburb of Chicago, located in Illinois' Will and DuPage counties. The modern Village of Bolingbrook began in the first half of the 1960s when the first builder laid out the first housing tract in the farm fields just north of old U.S. 66 and beside Illinois Route 53. The village continued to grow steadily for the remainder of the 1960s. The 1970s introduced rapid growth, with Bolingbrook's population quintupling to reach over 37,000 by 1980. Today, Bolingbrook is the state's second largest village with approximately 75,200 residents.

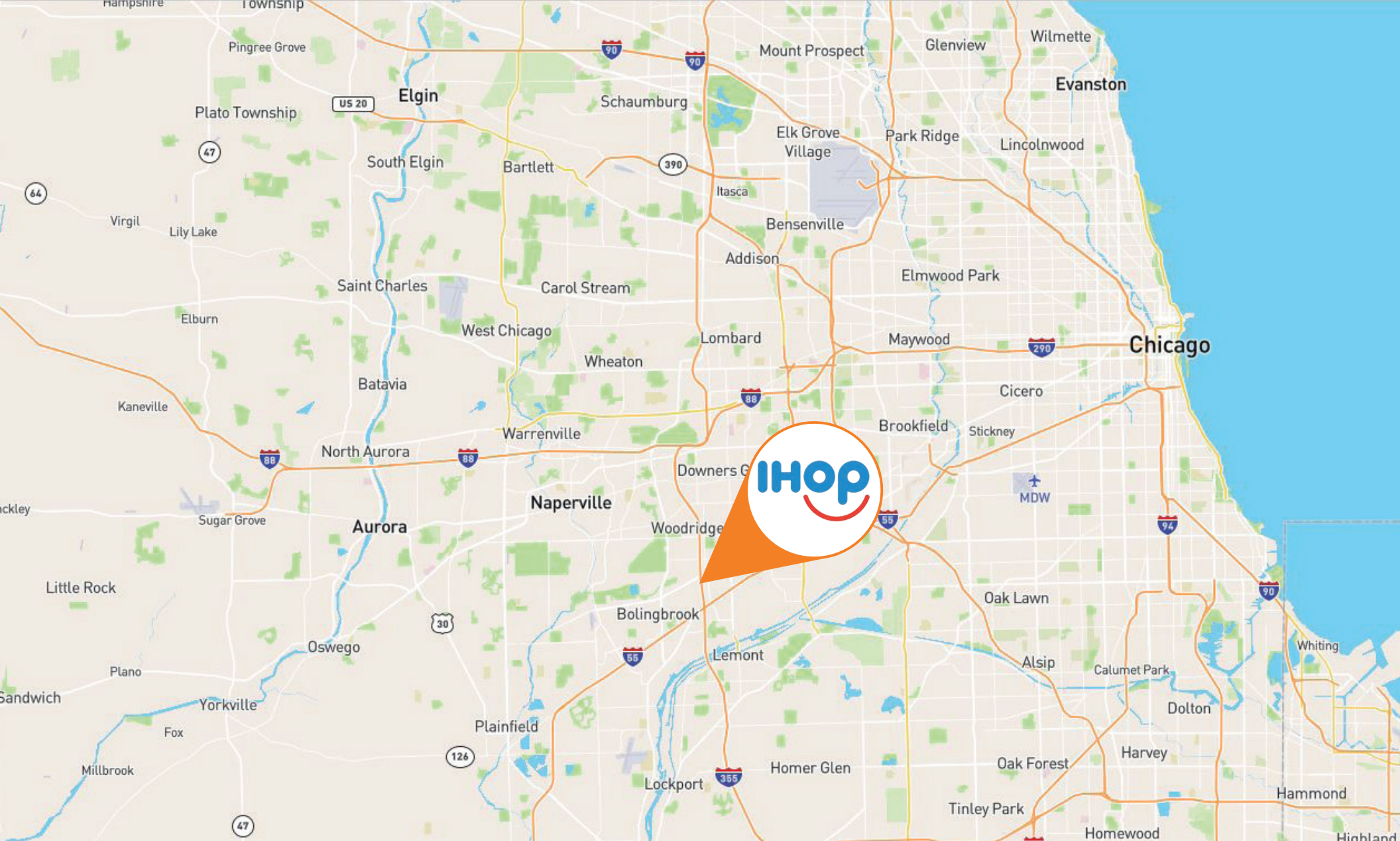
As of 2018, 19 companies had their corporate headquarters located in Bolingbrook. The largest is the nationwide cosmetic retailer Ulta Beauty, as well as vehicle floor liner manufacturer WeatherTech. Other companies with headquarters in the village include ATI Physical Therapy, Stevenson Crane, American Chrome, Diamond Technical Services, Goya Foods' Illinois division, Witronix, and Windy City Wire.

Nicknamed "The Windy City," the city of Chicago is located in the northeast portion of the state of Illinois, along the shorelines of Lake Michigan. Chicago is the nation's third largest city, trailing only New York and Los Angeles, with a population exceeding 2.7 million in 2017. The city is one of the world's great economic centers, with a diverse employment base, robust transportation network, and renowned tourist attractions that enhance Chicago's reputation on the global stage.

Chicago's shoreline along Lake Michigan is home to an abundant amount of recreational space including Millennium Park, Chicago's premier green space. In 2016, Millennium Park attracted the most visitors in the Midwest, reaching about 12.9 million visitors. Just south of Millennium Park is Grant Park, another popular green space affectionately known as "Chicago's Front Yard" and includes popular attractions such as Chicago's Museum Campus, the Field Museum of Natural History, and the annual Lollapalooza Music Festival.







7 MILES

Benedictine University

19 MILES

Chicago Premium Outlets

26 MILES

Chicago O'Hare International Airport

27 MILES

Downtown Chicago

Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

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 this 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 to you depends 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 risks. 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 newly-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.

Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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 offering memorandum 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

exclusively listed

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