



Offering Memorandum

IHOP
125 N STEWART ROAD
LIBERTY (KANSAS CITY), MO 64068

Marcus & Millichap







IHOP

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FINANCIAL SUMMARY

Price	\$3,273,000
Down Payment	100% \$3,273,000
Cap Rate	5.50%
Building SF	4,972
Net Cash Flow	5.50% \$180,000
Year Built	2010
Lot Size	1.24 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Cake Sarsura LLC
Guarantor	Abdul Hamideh, Manager of Cake Sasura LLC, a Texas LLC
Roof & Structure	Tenant Responsible
Rent Commencement Date	December 10, 2018
Lease Expiration Date	December 9, 2038
Lease Term Remaining	20 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	10 Days

ANNUALIZED OPERATING DATA

LEASE YEARS	ANNUAL RENT	CAP RATE
1 - 5	\$180,000	5.50%
6 - 10	\$198,000	6.05%
11 - 15	\$217,800	6.65%
16 - 20	\$239,580	7.32%

OPTION YEARS	ANNUAL RENT	CAP RATE
Option 1	\$263,538	8.05%
Option 2	\$289,891	8.86%
Option 3	\$318,880	9.74%
Option 4	\$350,768	10.72%

BASE RENT	\$180,000
Net Operating Income	\$180,000
Total Return	5.50% \$180,000





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, every-day 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

The Franchisee has been in business since 1979. Currently, they have three stores in the Houston market, six in the Louisiana Market, and now six the Kansas City market. As operators, IHOP considers this Franchisee to be “A Platinum” which is the highest rank in IHOP.

KANSAS CITY, MISSOURI

INVESTMENT HIGHLIGHTS

- New 20-Year Absolute Triple-Net (NNN) Lease
- 10% Rental Increases Every 5 Years
- 49,150 Residents in 5-Mile Radius – Growing Liberty Trade Area, Situated in the Kansas City MSA
- Outparcel to Lowe's Home Improvement
- Located in The Liberty Triangle Retail Corridor – Lowe's, Hy-Vee, Chick-Fil-A, Olive Garden, Dick's Sporting Goods, Ross, etc.
- Excellent Visibility - Directly Off the I-35 Freeway (52,000+ CPD) with Direct Access to Kansas City
- Walking Distance from Liberty High School (1,700+ Students)
- Adjacent to The Home Depot, Target, Michael's, T.J. Maxx, and More

DEMOGRAPHICS

Population	3-Miles	5-Miles	10-Miles
2022 Projection	4,474	54,623	90,684
2017 Estimate	4,086	49,150	80,710
Growth 2017 - 2022	9.49%	11.13%	12.36%
Households	3-Miles	5-Miles	10-Miles
2022 Projections	1,959	19,918	33,431
2017 Estimate	1,788	17,678	29,318
Growth 2017 - 2022	9.57%	12.67%	14.03%
Income	3-Miles	5-Miles	10-Miles
2017 Est. Average Household Income	\$107,780	\$98,758	\$95,183
2017 Est. Median Household Income	\$75,431	\$78,882	\$76,684
2017 Est. Per Capita Income	\$47,384	\$35,880	\$34,798

LOCATION OVERVIEW

Liberty is a suburb of Kansas City, located in the Kansas City metro area. It is also the county seat of Clay County and is home to William Jewell College, a private four-year liberal arts school with just under 1,000 students. Liberty has received many accolades over the years, including Top 3 Places for Families by Family Circle Magazine and the 7th Best Place to Live by CNN/Money Magazine.

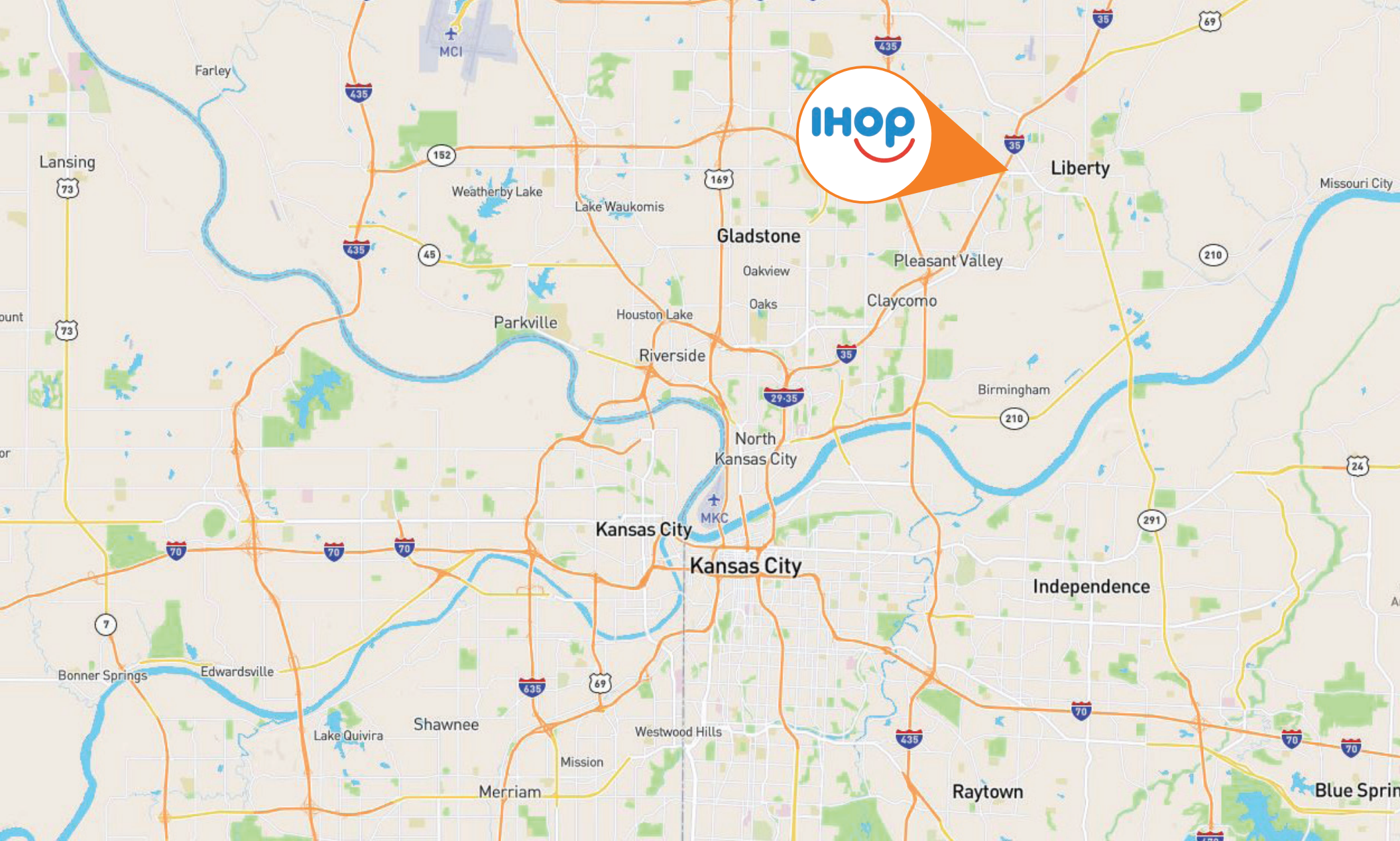
Today, Liberty enjoys both residential and commercial development while also maintaining its strong sense of history. The city is home to 5 local historic districts, 7 districts and 7 individual properties on the National Register of Historic Places, a thriving historic downtown, 3 museums and many notables sites of interest.

Kansas City is both the largest city and capital city of Missouri. It had an estimated population of 488,943 in 2017, making it the 37th most-populous city in the United States. Sitting on Missouri's western boundary, with Downtown near the confluence of the Kansas and Missouri Rivers, the modern city encompasses some 319.03 square miles.

The city is well known for its contributions to the musical styles of jazz and blues as well as to cuisine, specifically, Kansas City-style barbecue. With over 200 fountains, Kansas City has earned the nickname, "City of Fountains," and claims to have the second most in the world, just behind Rome. The city also has more boulevards than any city except Paris and has been called the Paris of the Plains. Many universities, colleges and seminaries are located in the Kansas City metropolitan area, including the University of Missouri–Kansas City, Rockhurst University and Kansas City Art Institute among others.

Kansas City has a steady local economy that historically weathers economic fluctuations because of its diverse industry segments. Headquarters, technology-based companies, entrepreneurs, freight-based companies and shared-service centers choose Kansas City for its central location, educated workforce and access to a strong support network of public and private programs, civic-minded entrepreneurs and competitive incentives. Companies with headquarters in the city include Applebee's, Hallmark Cards, H&R Block, Hostess Brands, and Russell Stover Candles.





6 MILES
Worlds of Fun
Amusement Park

14 MILES
Downtown
Kansas City

19 MILES
Kansas City
International Airport

20 MILES
University of Missouri
Kansas City

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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.

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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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services as well as the Property Owner and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase

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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.

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