



1230 W Kettleman Lane | Lodi, CA
OFFERING MEMORANDUM

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



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EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **Corporate Guarantee** – Lease is guaranteed by IHOP Properties, Inc, wholly owned subsidiary of Dine Brands Global, Inc., the largest casual dining chain operator in the world.
 - **High-Performance Growth** - Dine Brands Global, Inc., increased its revenue from \$781 million in 2018 to \$910 million USD in 2019
- **Absolute NNN Lease** – ZERO Landlord responsibilities – Ideal for 1031 Exchange
- **Signalized corner with great visibility** – IHOP is strategically located on the hard corner of W Kettleman Ln and S Ham Ln, with an approximate combined traffic count of ±28,000 VPD
- Excellent Access with points of ingress and egress on both W Kettleman Ln and S Ham Ln
- Long Operating History with over two decades of successful operations
- **Off-Premise Sales Growth** – In 2018, IHOP initiated programs to boost off-premise sales, successfully increasing profits year-over-year in the category by 22.3%. This transition has been pivotal to IHOP's success amidst the COVID-19 pandemic.
- **Strong Retail Synergy** – Subject property is located in a main retail artery with national name brand tenants including Walmart Supercenter, Lowe's Home Improvement, Kohl's, Ross Dress for Less, Bank of America, AutoZone, Goodwill, El Pollo Loco, Carl's Jr, and many more
- **Time Tested Brand** – IHOP has been in business since 1969 and has successfully navigated numerous market cycles



W. KETTLEMAN LANE
±24,000 VPD

S. HAM LN
±5,621 VPD

KETTLEMAN

FINANCIAL OVERVIEW



\$2,994,875
LIST PRICE



\$239,590
NOI



8.00%
CAP RATE

BUILDING INFO

Address	1230 W Kettleman Lane Lodi, CA 95240
Year Built	2000
GLA of Building	±4,022 SF
Lot Size	±0.53 Acres (±23,365 SF)

TENANT SUMMARY

Trade Name	IHOP
Ownership Type	Fee Simple
Lease Guarantor	Corporate
Lease Type	NNN
Original Lease Term (Years)	25 YRS
Lease Commencement Date	7/24/2000
Lease Expiration Date	11/30/2025
Term Remaining	±5 Years
Increases	10% Every 5 Years & In Options
Options	Three (3) Five (5) Year

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Rent/SF
Current - 11/30/2020	\$18,150.00	\$217,800.00	7.27%
12/1/2020 - 11/30/2025	\$19,965.83	\$239,590.00	8.00%
Option 1	\$21,961.50	\$263,538.00	8.80%
Option 2	\$24,157.66	\$289,891.90	9.68%
Option 3	\$26,573.42	\$318,880.98	10.65%

*Pricing is in accordance with rent increase on 12/1/2020, difference to be credited upon close of escrow

BARRINGTON QUOTE



LTV: 65%

RATE: 4.00%

AMORTIZATION: 25 Years

Loan quote provided by Barrington Capital based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing. Please contact:

Jesse Lillard
(214) 530-9025
jesse.lillard@barringtoncapcorp.com

TENANT OVERVIEW



The Offering

PROPERTY NAME	
IHOP	
Property Address	1230 W Kettleman Lane Lodi, CA
SITE DESCRIPTION	
Number of Stories	One
Year Built	2000
GLA	±4,022 SF
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

Tenant Overview

» Company Name	» Year Founded	» Headquarters
IHOP	1958	Glendale, CA
» Ownership	» Industry	» Website
Public	Restaurant	www.ihop.com

Since 1958, IHOP® has been the place where people connect over breakfast, enjoy study breaks, grab a bite before or after sporting events and so much more. The IHOP family restaurant chain continues to serve their world-famous pancakes and a wide variety of breakfast, lunch and dinner items that are loved by people of all ages. The casual dining restaurant offers pancakes, omelets, French toasts and waffles, crepes, burgers, sandwiches, soups, salads, hash brown stacks, desserts and beverages. International House of Pancakes, LLC also provides a line of syrups through retail stores, mass merchandisers and grocery outlets in the United States. Offering an affordable, everyday dining experience with warm and friendly service, IHOP restaurants are franchised and operated by Glendale, California-based International House of Pancakes, LLC, a wholly-owned subsidiary of DineEquity, Inc., and its affiliates. DineEquity, Inc. is one of the largest full-service restaurant companies in the world with more than 400 franchisee partners.

32,300+
Employees

1,822 +
Locations Worldwide

Walmart Supercenter

LOWE'S

ULTA BEAUTY

Food 4 Less

Party City

Davita

Little Caesars

VELVET & GRILL CREAMERY

AutoZone

Chevron

Safeway

Marshalls

TARGET

Staples

CosmoProf

IMPACT SPORTS

RIO VALLEY CHARTER SCHOOL

IHOP

S. HAM LN
±5,621VPD

W. KETTLEMAN LANE
±24,000 VPD

SURROUNDING TENANTS



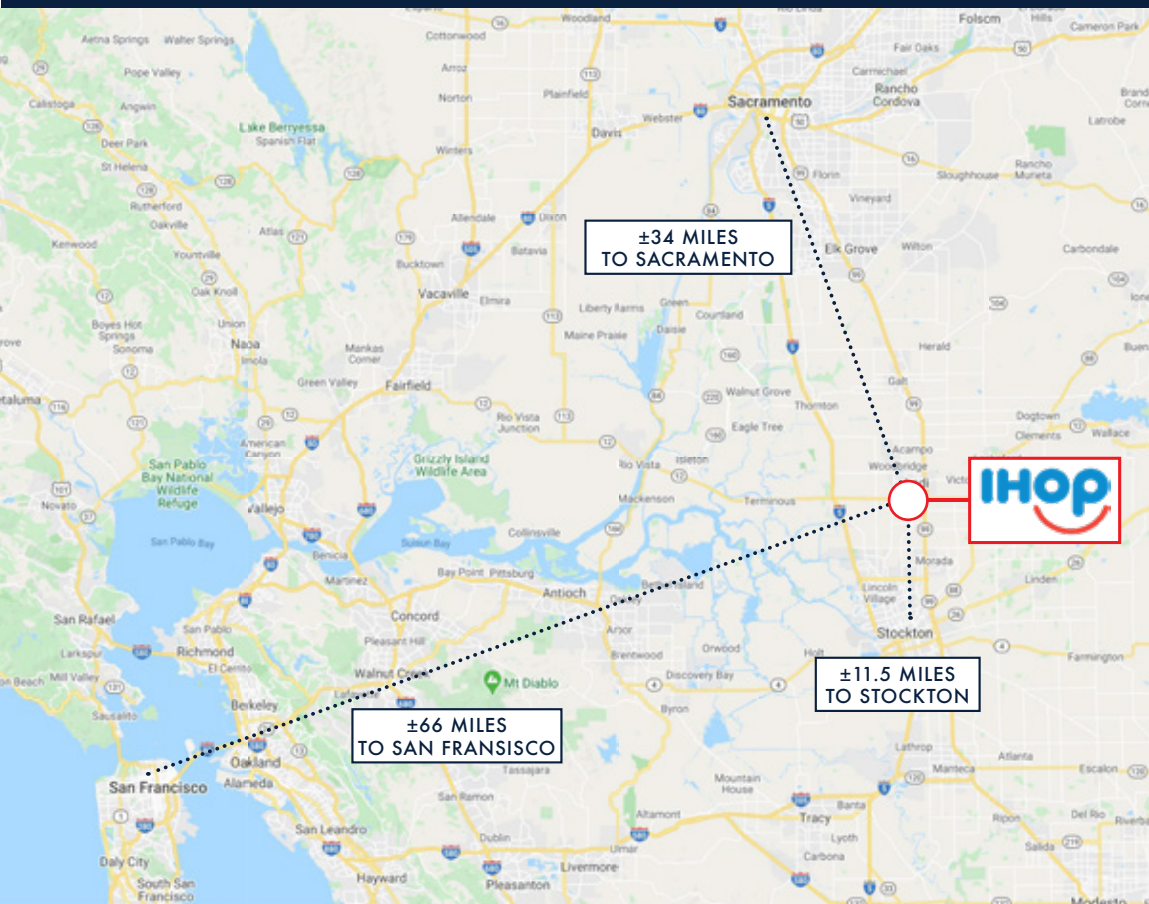
AREA OVERVIEW

LODI, CA

Lodi is a city located in San Joaquin County, California, in the center portion of California's Central Valley. Lodi is best known for winegrape production. In recent years, the Lodi Appellation has become increasingly respected for its Zinfandel and other eclectic wine varietals, along with its focus on sustainability under the Lodi Rules program. Lodi, California is scenically nestled between the San Francisco Bay and the Sierra Nevada Mountains with 85+ boutique wineries where 5th generation artisan winemakers are carefully crafting the next award-winning wine. Widely known as the Zinfandel Capital of the World, Lodi is making headlines with a diverse portfolio of unique Spanish, Italian, Portuguese, German and Rhone-Style varietals that reminds you of the quality wines of Europe with a little more distinction.

Today the Lodi area is home to several large manufacturing, general services, and agricultural companies, including Archer Daniels Midland, Blue Shield of California, Dart Container, Holz Rubber Company, Kubota Tractors, Lodi Iron Works, Miller Packing Company, Pacific Coast Producers, Tiger Lines, Valley Industries, Ag Industrial Manufacturing, Inc. (AIM), and Woodbridge-Robert Mondavi.

Lodi is the birthplace of A&W Root Beer and A&W Restaurants established in 1919, which subsequently became one of the first franchised fast food restaurants.



PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	22,378	73,334	87,922
2020 Estimate	21,727	70,895	84,772
2010 Census	20,604	66,597	78,860
Growth 2020-2025	3.00%	3.44%	3.72%
Growth 2010-2020	5.45%	6.45%	7.50%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	8,257	25,736	30,260
2020 Estimate	8,041	24,939	29,275
2010 Census	7,710	23,617	27,561
Growth 2020-2025	2.69%	3.20%	3.37%
Growth 2010-2020	4.29%	5.60%	6.22%

INCOME	1-MILE	3-MILE	5-MILE
2020 Avg. Household Income	\$91,657	\$89,058	\$94,433



THE ZINFANDEL CAPITAL OF THE WORLD

Lodi Wine Country is quickly emerging as one of California's most exciting wine destinations. Over the past decade 4th- and 5th-generation winegrowers dedicated to the soils and vines have brought creative winemaking and cutting-edge technology to the region, catapulting Lodi into the spotlight. Lodi is predominately a red winegrowing region, with approximately two-thirds of the acreage dedicated to red varieties. Lodi is home to all of California's leading varieties, and has long been the leading producer and California's best kept secret for Cabernet Sauvignon, Chardonnay, Merlot, Sauvignon Blanc and Zinfandel. However, with over 100 varieties now in production, Lodi offers a vast portfolio of diverse and interesting wines.

Lodi is the self-proclaimed Zinfandel Capital of the World producing over 40 percent of California's premium Zinfandel. Journalists and wine enthusiasts alike have long recognized Lodi as the home of highly acclaimed Old Vine Zinfandels, with some plantings dating back to 1888. These vines, many of which are still planted on their own roots, are naturally low-yielding due to their age and consistently produce high quality fruit.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of IHOP located at **1230 W Kettleman Lane | Lodi, CA 95240** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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