

IHOP

GROVE CITY | OH
(COLUMBUS MSA)

HORVATH & TREMBLAY

Listed in conjunction with Ohio real estate broker
Capitol Real Estate Advisors, Inc. license REC.2002002352.



SINGLE TENANT NET LEASE OPPORTUNITY

LEAD AGENTS



KYLE DANIELSON

Vice President
Direct: (202) 847-4200
kdanielson@htretail.com



BRAD CANOVA

Senior Associate
Direct: (781) 776-4017
bcanova@htretail.com



TODD TREMBLAY

Executive Vice President
Direct: (781) 776-4001
ttremblay@htretail.com



LOGAN FITE

Associate
Direct: (614) 310-4893
lfite@htretail.com

LISTED IN CONJUNCTION WITH
OHIO REAL ESTATE BROKER
CAPITOL REAL ESTATE ADVISORS, INC.
LICENSE REC.2002002352.

DISCLAIMER

Horvath & Tremblay and Capitol Real Estate Advisors, Inc., have been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than Horvath & Tremblay and we make no representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all references to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a buyer. Buyers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.



INVESTMENT HIGHLIGHTS

We are pleased to present the exclusive opportunity to purchase the single-tenant IHOP investment property located at 2040 Stringtown Road in Grove City, Ohio (the "Property"). IHOP signed a new, 20-year, lease at the Property in 2015. The absolute triple-net lease currently has 14+ years of term remaining plus one, 10-year and two, 5-year renewal options. Both the initial term and renewal terms include an attractive 1.50% annual rent increase.

IHOP is situated along Stringtown Road, the areas primary retail and commercial thoroughfare. IHOP enjoys outstanding visibility and multiple points of entry along the heavily trafficked Stringtown Road with additional access via Gantz Road. The property is an outparcel to an Aldi and OhioHealth Urgent Care facility. IHOP is located less than ¼-mile from the I-71 on/off ramp, and approximately 1-mile from I-270. Stringtown Road is home to numerous national retailers like Target, Walmart, Home Depot, Giant Eagle Supermarket, Kroger, Aldi, Panera Bread, Starbucks, and Chick-Fil-A, as well as numerous banks and medical offices.

- **LONG LEASE TERM:** The IHOP lease has 14+ years remaining plus one, 10-year and two, 5-year renewal options.
- **ATTRACTIVE RENT INCREASE:** The lease calls for attractive annual rent increases of 1.50% during both the original lease term and option periods providing a steady increase in income and an attractive hedge against inflation.
- **STRATEGIC RETAIL LOCATION:** The Property is located along a Stringtown Road, Grove City's primary retail and commercial corridor. Additionally, the property is less than ¼-mile from Interstate 71 and 1-mile from Interstate 270, that connects major interstates I-390 and I-490 and serves as a primary retail and commercial corridor. The highly visible Property is located at a signalized intersection with multiple points of access less than 0.25 miles from I-390.
- **ZERO MANAGEMENT RESPONSIBILITIES:** The IHOP lease is absolute triple net and requires zero management responsibilities making it an attractive investment for the passive real estate investor.
- **STRONG DEMOGRAPHICS:** Over 55,000 people live within a 3-mile radius of the Property with an average household income of \$88,272.
- **EXCELLENT TRAFFIC COUNTS:** More than 33,100 vehicles per day pass IHOP on Stringtown Road. In addition, over 93,200 vehicles per day travel on adjacent I-71.
- **RETAIL TRADE AREA:** Additional retailers in the immediate area include, Walmart Supercenter, Target, Giant Eagle Supermarket, Kroger, Aldi, Walgreens, CVS, Kohl's, Home Depot, Best Buy, Hobby Lobby, Panera Bread, Longhorn, McDonald's, Starbucks, AutoZone, and Advance Auto Parts.
- **MARKET DRIVERS:** Grove City is +/-7 miles from Columbus, the state capital and home to The Ohio State University. Additionally, IHOP is within 2-miles of two area hospitals (Mount Carmel Grove City hospital and OhioHealth Grove City Methodist Hospital) and within 12-miles of twelve Colleges/Universities.



PROPERTY OVERVIEW



\$1,948,479
LIST PRICE



5.75%
CAP RATE



\$112,038
NET OPERATING INCOME

2040 STRINGTOWN ROAD | GROVE CITY, OH 43123



OWNERSHIP:	Fee Simple
BUILDING AREA:	6,642 SF
YEAR BUILT:	1999
LAND AREA:	1.20 Acres
GUARANTOR:	RMLS HOP Midwest, LLC
LEASE TYPE:	Absolute NNN
ROOF & STRUCTURE:	Tenant Responsible
RENT COMMENCEMENT DATE:	04/09/2015
LEASE EXPIRATION DATE:	04/30/2035
LEASE TERM REMAINING:	14+ Years
RENEWAL OPTIONS:	1, 10-Year & 2, 5-Year Options

ANNUAL RENTAL INCOME				
YEARS	LEASE TERM		ANNUAL	% INC
6	05/01/2020 - 04/30/2021	CURRENT	\$112,037.54	1.5%
7	05/01/2021 - 04/30/2022		\$113,718.10	1.5%
8	05/01/2022 - 04/30/2023		\$115,423.87	1.5%
9	05/01/2023 - 04/30/2024		\$117,155.23	1.5%
10	05/01/2024 - 04/30/2025		\$118,912.56	1.5%
11	05/01/2025 - 04/30/2026		\$120,696.25	1.5%
12	05/01/2026 - 04/30/2027		\$122,506.69	1.5%
13	05/01/2027 - 04/30/2028		\$124,344.29	1.5%
14	05/01/2028 - 04/30/2029		\$126,209.45	1.5%
15	05/01/2029 - 04/30/2030		\$128,102.60	1.5%
16	05/01/2030 - 04/30/2031		\$130,024.13	1.5%
17	05/01/2031 - 04/30/2032		\$131,974.50	1.5%
18	05/01/2032 - 04/30/2033		\$133,954.11	1.5%
19	05/01/2033 - 04/30/2034		\$135,963.43	1.5%
20	05/01/2034 - 04/30/2035		\$138,002.88	1.5%

* Due to a COVID-19 rent deferral, beginning on January 1, 2021, Tenant shall reimburse Landlord an additional \$1,544.50 per month for twelve months. The Seller shall be reimbursed at closing \$18,534 for the additional rent that is due in 2021.

TENANT OVERVIEW



ABOUT THE TENANT

TENANT OVERVIEW - IHOP

For 58 years, the IHOP® family restaurant chain has served its world-famous pancakes and a wide variety of freshly made-to-order breakfast, lunch and dinner items that are loved by people of all ages. IHOP offers its guests an affordable dining experience any time of day, every day, with friendly service in a warm and welcoming environment. As of June 30, 2016, there were 1,695 IHOP restaurants in 50 states and the District of Columbia, as well as in Bahrain, Canada, Dubai (UAE), Guam, Guatemala, Kuwait, Mexico, Panama, The Philippines, Puerto Rico, Qatar and Saudi Arabia. Under the licensed name IHOP at HOME®, consumers can also enjoy a line of premium breakfast products available at leading nationwide retailers. IHOP restaurants are franchised and operated by Glendale, Calif.-based International House of Pancakes, LLC and its affiliates. International House of Pancakes, LLC is a wholly-owned subsidiary of DineEquity, Inc. (NYSE: DIN).

FRANCHISEE OVERVIEW - ROMULUS RESTAURANT GROUP

Romulus Restaurant Group is one of the largest franchisees and developers of IHOP Restaurants in the US, with over 110 IHOP restaurants across Arizona, Idaho, Pennsylvania, Oklahoma, Kansas, Texas, New Mexico, Indiana, Illinois, Tennessee and Ohio. Founded by owner Chris Milisci, Romulus has consistently ranked in the "Franchisee Top 100" by the Restaurant Finance Monitor, and in 2016 was the recipient of IHOP's Chairman's Award for "Franchisee of the Year" and is a seven time "Regional Franchisee of the Year" award winner. 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.



LOCATION OVERVIEW

As one of the fastest-growing central Ohio suburbs, Grove City boasts a robust influx of businesses and flourishing residential expansion that make Grove City an exceptional, livable community. There are now more than 42,000 people who call Grove City home – double what it was just 25 years ago – yet, throughout this growth Grove City has diligently worked to maintain the small-town character and charm that truly makes it exceptional. Grove City's population will continue to grow as people are drawn to new and exciting residential opportunities generated by continued redevelopment such as the Beulah Park community, featuring nearly 60 acres of green space including a 30-acre park, serene trails and a nature preserve; single-family estates, condos and multi-family homes; and an assisted-living facility. Selected by the Building Industry Association of Central Ohio to host the 2020 BIA Parade of Homes, Beulah Park is unique in its unparalleled accessibility and walkable proximity to Grove City's historic Town Center. Town Center continues its revitalization with new dining and shopping venues joining similar existing retail spaces as well as offices and small-businesses, all within walking distance of a leading-edge library serving as a cultural epicenter and community space.

More than \$30 million of private and public investments have transformed the area while maintaining its unmatched appeal. Commerce parks throughout the community boost the tax base by attracting more high-tech and well-paying jobs to the area. Total employment in Grove City is more than 25,000, with an unemployment rate of 3.6 percent, a rate lower than the state of Ohio, Franklin County and many comparable suburbs. Grove City continues to attract new, innovative businesses and nonprofits to the area. Its largest new employers include Mount Carmel Grove City hospital and OhioHealth Grove City Methodist Hospital, bringing all levels of healthcare to the community and nearly 2,000 jobs. With four access points to interstates 71 and 270, Grove City offers many transportation advantages to current and future business operations. This includes a new pilot partnership program with Central Ohio Transit Authority (COTA) to provide a first-of-its-kind, on-demand microtransit service using COTA//Plus. The COTA//Plus on-demand app provides point-to-point transportation for residents and business associates.

Grove City continues to lead the way in demonstrating strong environmental stewardship. Their parks and recreation department offers a wide range of programs and services fulfilling its mission to foster the health and wellness of the community by providing high-quality, innovative and sustainable programs while managing more than 320 acres of public parkland and 135 acres of public open space. The 620-acre Scioto Grove Metro Park, situated in the southeast corner of Grove City, offers additional opportunities for recreation and healthy activities while appreciating and protecting their natural spaces. Grove City has been richly blessed and has used its considerable resources well. It is not surprising that more and more residents and businesses are discovering Grove City.

	3 MILES	5 MILES	10 MILES
POPULATION			
2020 Estimate	55,015	144,582	574,392
2025 Projection	57,036	151,550	608,283
2010 Census	47,491	131,261	501,094
BUSINESS			
2020 Est. Total Business	1,815	3,816	25,176
2020 Est. Total Employees	26,491	49,044	413,615
HOUSEHOLDS			
2020 Estimate	20,681	54,361	230,587
2025 Projection	21,180	56,416	241,838
2010 Census	17,966	49,675	200,984
INCOME			
Average Household Income	\$88,272	\$72,153	\$72,616
Median Household Income	\$73,889	\$59,678	\$59,156



144,500+
PEOPLE WITHIN 5 MILES



49,000+
EMPLOYEES WITHIN 5 MILES



\$72,000+
AVERAGE HOUSEHOLD INCOME







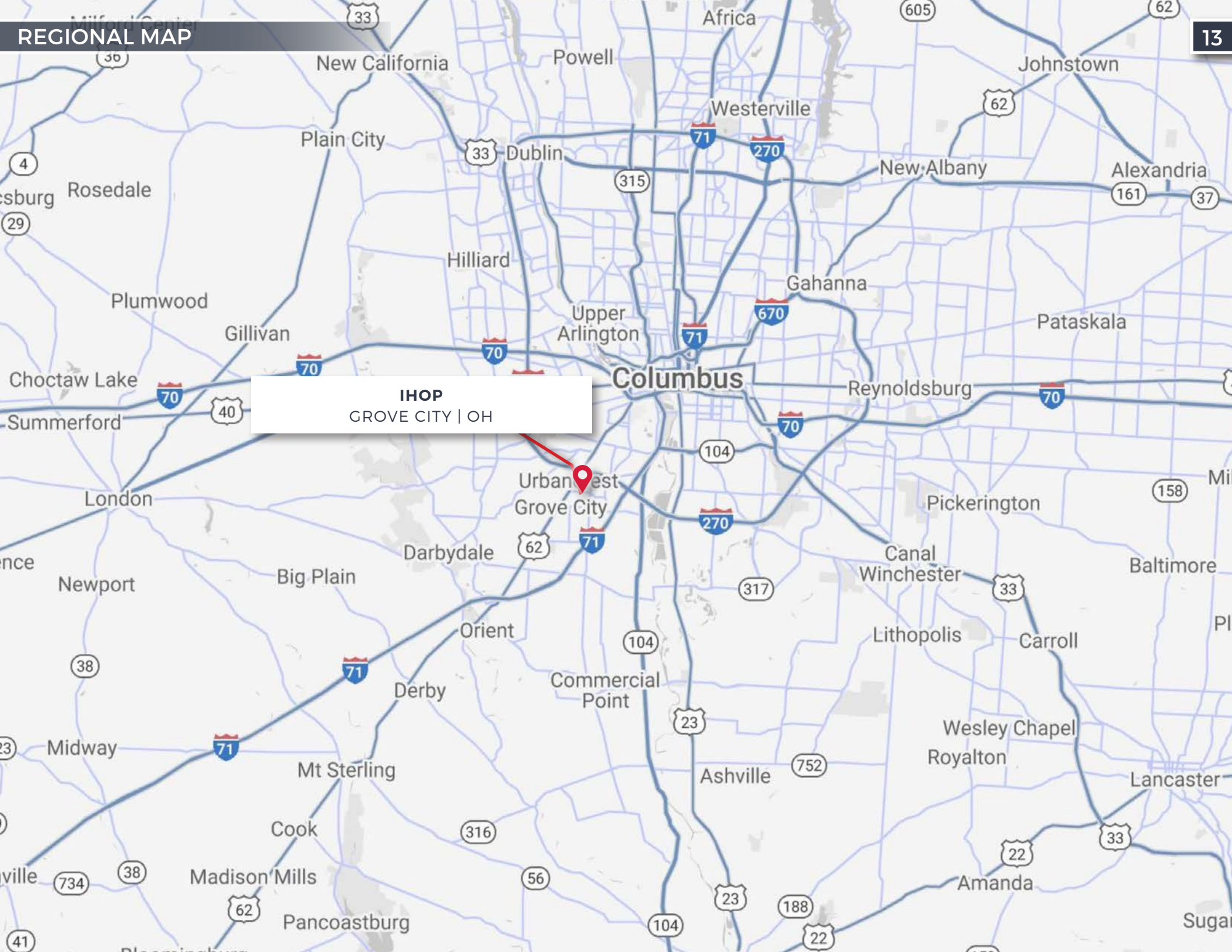




33,100 VPD

STRINGTOWN ROAD







Department
of Commerce
Division of Real Estate
& Professional Licensing



AGENCY DISCLOSURE STATEMENT

The real estate agent who is providing you with this form is required to do so by Ohio law. You will not be bound to pay the agent or the agent's brokerage by merely signing this form. Instead, the purpose of this form is to confirm that you have been advised of the role of the agent(s) in the transaction proposed below. (For purposes of this form, the term "seller" includes a landlord and the term "buyer" includes a tenant.)

Property Address: Panera Bread Plaza - 2070 Walker Lane Road, Ontario, OH 44906

Buyer(s):

Seller(s): CJD Ontario, LLC

I. TRANSACTION INVOLVING TWO AGENTS IN TWO DIFFERENT BROKERAGES

The buyer will be represented by _____, and _____
AGENT(S) BROKERAGE

The seller will be represented by Richard Herman _____, and Capitol Real Estate Advisors, Inc. _____
AGENT(S) BROKERAGE

II. TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE

If two agents in the real estate brokerage _____ represent both the buyer and the seller, check the following relationship that will apply:

- ☐ Agent(s) _____ work(s) for the buyer and Agent(s) _____ work(s) for the seller. Unless personally involved in the transaction, the principal broker and managers will be "dual agents," which is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information.
- ☐ Every agent in the brokerage represents every "client" of the brokerage. Therefore, agents _____ and _____ will be working for both the buyer and seller as "dual agents." Dual agency is explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____

III. TRANSACTION INVOLVING ONLY ONE REAL ESTATE AGENT

Agent(s) Richard Herman _____ and real estate brokerage Capitol Real Estate Advisors, Inc. _____ will

- ☐ be "dual agents" representing both parties in this transaction in a neutral capacity. Dual agency is further explained on the back of this form. As dual agents they will maintain a neutral position in the transaction and they will protect all parties' confidential information. Unless indicated below, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a personal, family or business relationship with either the buyer or seller. *If such a relationship does exist, explain:* _____
- ☒ represent only the (check one) ☒ seller or ☐ buyer in this transaction as a client. The other party is not represented and agrees to represent his/her own best interest. Any information provided the agent may be disclosed to the agent's client.

CONSENT

I (we) consent to the above relationships as we enter into this real estate transaction. If there is a dual agency in this transaction, I (we) acknowledge reading the information regarding dual agency explained on the back of this form.

BUYER/TENANT _____ DATE _____

SELLER/LANDLORD _____ DATE _____

BUYER/TENANT _____ DATE _____

SELLER/LANDLORD _____ DATE _____

DUAL AGENCY

Ohio law permits a real estate agent and brokerage to represent both the seller and buyer in a real estate transaction as long as this is disclosed to both parties and they both agree. This is known as dual agency. As a dual agent, a real estate agent and brokerage represent two clients whose interests are, or at times could be, different or adverse. For this reason, the dual agent(s) may not be able to advocate on behalf of the client to the same extent the agent may have if the agent represented only one client.

As a dual agent, the agent(s) and brokerage shall:

- Treat both clients honestly;
- Disclose latent (not readily observable) material defects to the purchaser, if known by the agent(s) or brokerage;
- Provide information regarding lenders, inspectors and other professionals, if requested;
- Provide market information available from a property listing service or public records, if requested;
- Prepare and present all offers and counteroffers at the direction of the parties;
- Assist both parties in completing the steps necessary to fulfill the terms of any contract, if requested.

As a dual agent, the agent(s) and brokerage shall not:

- Disclose information that is confidential, or that would have an adverse effect on one party's position in the transaction, unless such disclosure is authorized by the client or required by law;
- Advocate or negotiate on behalf of either the buyer or seller;
- Suggest or recommend specific terms, including price, or disclose the terms or price a buyer is willing to offer or that a seller is willing to accept;
- Engage in conduct that is contrary to the instructions of either party and may not act in a biased manner on behalf of one party.

Compensation: Unless agreed otherwise, the brokerage will be compensated per the agency agreement.

Management Level Licensees: Generally, the principal broker and managers in a brokerage also represent the interests of any buyer or seller represented by an agent affiliated with that brokerage. Therefore, if both buyer and seller are represented by agents in the same brokerage, the principal broker and manager are dual agents. There are two exceptions to this. The first is where the principal broker or manager is personally representing one of the parties. The second is where the principal broker or manager is selling or buying his own real estate. These exceptions only apply if there is another principal broker or manager to supervise the other agent involved in the transaction.

Responsibilities of the Parties: The duties of the agent and brokerage in a real estate transaction do not relieve the buyer and seller from the responsibility to protect their own interests. The buyer and seller are advised to carefully read all agreements to assure that they adequately express their understanding of the transaction. The agent and brokerage are qualified to advise on real estate matters. IF LEGAL OR TAX ADVICE IS DESIRED, YOU SHOULD CONSULT THE APPROPRIATE PROFESSIONAL.

Consent: By signing on the reverse side, you acknowledge that you have read and understand this form and are giving your voluntary, informed consent to the agency relationship disclosed. If you do not agree to the agent(s) and/or brokerage acting as a dual agent, you are not required to consent to this agreement and you may either request a separate agent in the brokerage to be appointed to represent your interests or you may terminate your agency relationship and obtain representation from another brokerage.

Any questions regarding the role or responsibilities of the brokerage or its agents should be directed to: attorney or to:



**Department
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