

# IHOP

970 Thornton Road , Lithia Springs, GA 30122



Marcus & Millichap



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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease 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.

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# OFFERING SUMMARY

<div>\$</div> <div>Listing Price</div> <div>\$2,700,000</div>	<div></div> <div>Cap Rate</div> <div>5.93%</div>	<div></div> <div>Price/SF</div> <div>\$571.79</div>
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FINANCIAL	
Listing Price	\$2,700,000
Down Payment	100% / \$2,700,000
NOI	\$160,000
Cap Rate	5.93%
Price/SF	\$571.79
Rent/SF	\$2.82

OPERATIONAL	
Lease Type	Absolute Net
Guarantor	Corporate Guarantee
Lease Expiration	09/26/2030
Gross SF	4,722 SF
Lot Size	0.86 Acres (37,461 SF)
Year Built	1995









# IHOP

970 Thornton Road , Lithia Springs, GA 30122

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## INVESTMENT OVERVIEW

Marcus & Millichap has been selected to exclusively market for sale IHOP located at 970 Thornton Road in Lithia Springs (Atlanta MSA), Georgia. The subject property is a single-tenant restaurant building located at the interchange of Interstate 20 and Thornton Road. The property was constructed as a build-to-suit for IHOP in 1995 and they have occupied the building since that time. IHOP recently exercised two renewal options to extend their lease for a term of 10 years. The lease has an absolute net expense basis with 10% rent increases every five years.

The building is located along a major commercial thoroughfare that is developed with multiple hotels and auto dealerships. There are 15 hotels within a one-mile radius of the property and 11 auto dealerships in the same radius. Thornton Road is a major retail corridor and national retailers in the area include Walmart, Kroger, and The Home Depot. Finally, The area near the property is developed with multiple distribution facilities for companies like Amazon, Abbott Laboratories, Google, Quaker Oats, and FedEx.

## INVESTMENT HIGHLIGHTS

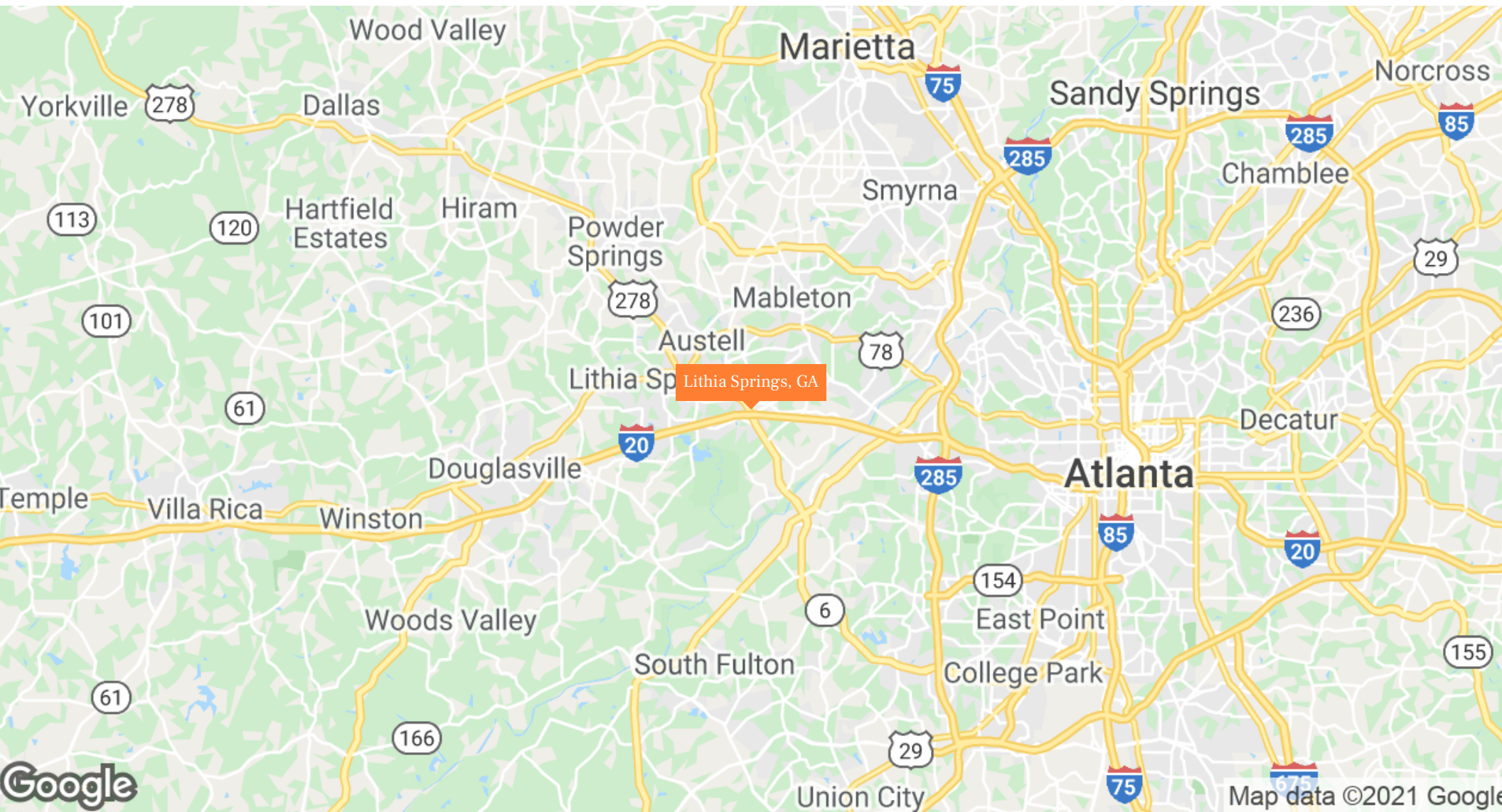
- Absolute Net Corporate Lease with IHOP
- IHOP Recently Exercised Two Renewal Options to Extend Lease by 10 Years
- 10% Rent Increases Every Five Years
- Tenant Has Been at This Location for 25 Years
- Rent-to-Sales Ratio Near 8.0%
- Property is Situated at the Interchange of Interstate 20 and Thornton Road
- Traffic Counts on Thornton Road Exceed 65,000 Vehicles Per Day
- Demand Drivers for This Trade Area 15 Hotels and 11 Auto Dealerships Within One Mile of the Site







## REGIONAL MAP // IHOP









## RETAIL AERIAL // IHOP









## RETAIL AERIAL // IHOP



THE OFFERING	
Price	\$2,700,000
Capitalization Rate	5.93%
Price/SF	\$571.79

PROPERTY DESCRIPTION	
Year Built / Renovated	1995
Gross Leasable Area	4,722 SF
Type of Ownership	Fee Simple
Lot Size	0.86 Acres

LEASE SUMMARY	
Tenant	IHOP
Rent Increases	Ten Percent
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	09/27/2020
Lease Expiration	09/26/2030
Renewal Options	None
Term Remaining on Lease (Yrs)	9 Years
Landlord Responsibility	None
Tenant Responsibility	Absolute Net

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$160,000	\$13,333	\$33.88	5.93%
Years 1 - 5	\$160,000	\$13,333	\$33.88	5.93%
Years 6 - 10	\$176,000	\$14,667	\$37.27	6.52%





POPULATION	1 Mile	3 Miles	5 Miles
<b>2025 Projection</b>			
Total Population	8,658	46,502	106,787
<b>2020 Estimate</b>			
Total Population	8,264	45,211	103,825
<b>2010 Census</b>			
Total Population	7,230	40,709	93,486
<b>2000 Census</b>			
Total Population	4,349	34,028	74,588
<b>Daytime Population</b>			
2020 Estimate	4,703	47,466	106,023
<b>HOUSEHOLDS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>2025 Projection</b>			
Total Households	3,538	17,469	39,931
<b>2020 Estimate</b>			
Total Households	3,349	16,936	38,538
Average (Mean) Household Size	2.5	2.7	2.7
<b>2010 Census</b>			
Total Households	2,930	15,303	34,670
<b>2000 Census</b>			
Total Households	1,679	13,113	27,739
<b>Occupied Units</b>			
2025 Projection	3,832	19,837	44,188
2020 Estimate	3,630	19,142	42,516
<b>HOUSEHOLDS BY INCOME</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>2020 Estimate</b>			
\$150,000 or More	5.7%	5.3%	8.3%
\$100,000-\$149,999	10.9%	10.6%	14.2%
\$75,000-\$99,999	15.3%	13.0%	13.6%
\$50,000-\$74,999	20.1%	20.8%	19.6%
\$35,000-\$49,999	14.2%	14.3%	13.9%
Under \$35,000	33.8%	36.1%	30.4%
Average Household Income	\$63,903	\$63,994	\$74,313
Median Household Income	\$52,114	\$49,555	\$57,046
Per Capita Income	\$25,908	\$23,984	\$27,614

HOUSEHOLDS BY EXPENDITURE	1 Mile	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$56,661	\$55,097	\$60,211
<b>Consumer Expenditure Top 10 Categories</b>			
Housing	\$17,996	\$17,563	\$19,036
Transportation	\$10,790	\$10,596	\$11,510
Food	\$7,584	\$7,441	\$8,015
Personal Insurance and Pensions	\$6,611	\$6,252	\$6,944
Healthcare	\$4,223	\$4,168	\$4,619
Entertainment	\$2,440	\$2,350	\$2,649
Apparel	\$2,137	\$2,000	\$2,170
Education	\$1,225	\$1,126	\$1,299
Cash Contributions	\$1,098	\$1,127	\$1,280
Gifts	\$941	\$874	\$990
<b>POPULATION PROFILE</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>Population By Age</b>			
2020 Estimate Total Population	8,264	45,211	103,825
Under 20	31.9%	30.6%	29.4%
20 to 34 Years	21.2%	22.7%	20.9%
35 to 39 Years	8.3%	8.1%	7.9%
40 to 49 Years	15.3%	14.7%	15.0%
50 to 64 Years	16.1%	15.9%	17.2%
Age 65+	7.2%	8.1%	9.6%
Median Age	33.0	33.0	34.8
<b>Population 25+ by Education Level</b>			
2020 Estimate Population Age 25+	5,093	28,425	66,912
Elementary (0-8)	4.7%	8.1%	6.3%
Some High School (9-11)	5.9%	8.1%	7.7%
High School Graduate (12)	26.5%	29.3%	27.4%
Some College (13-15)	26.7%	23.0%	21.6%
Associate Degree Only	5.6%	6.3%	6.3%
Bachelor's Degree Only	19.3%	16.7%	19.6%
Graduate Degree	11.3%	8.4%	11.1%





### POPULATION

In 2020, the population in your selected geography is 103,825. The population has changed by 39.2 percent since 2000. It is estimated that the population in your area will be 106,787 five years from now, which represents a change of 2.9 percent from the current year. The current population is 47.0 percent male and 53.0 percent female. The median age of the population in your area is 34.8, compared with the U.S. average, which is 38.2. The population density in your area is 1,322 people per square mile.



### HOUSEHOLDS

There are currently 38,538 households in your selected geography. The number of households has changed by 38.9 percent since 2000. It is estimated that the number of households in your area will be 39,931 five years from now, which represents a change of 3.6 percent from the current year. The average household size in your area is 2.7 people.



### INCOME

In 2020, the median household income for your selected geography is \$57,046, compared with the U.S. average, which is currently \$62,990. The median household income for your area has changed by 29.0 percent since 2000. It is estimated that the median household income in your area will be \$63,581 five years from now, which represents a change of 11.5 percent from the current year.

The current year per capita income in your area is \$27,614, compared with the U.S. average, which is \$34,935. The current year's average household income in your area is \$74,313, compared with the U.S. average, which is \$90,941.



### EMPLOYMENT

In 2020, 58,609 people in your selected area were employed. The 2000 Census revealed that 60.5 percent of employees are in white-collar occupations in this geography, and 39.5 percent are in blue-collar occupations. In 2020, unemployment in this area was 4.0 percent. In 2000, the average time traveled to work was 30.1 minutes.



### HOUSING

The median housing value in your area was \$165,278 in 2020, compared with the U.S. median of \$221,068. In 2000, there were 18,364 owner-occupied housing units and 9,375 renter-occupied housing units in your area. The median rent at the time was \$604.



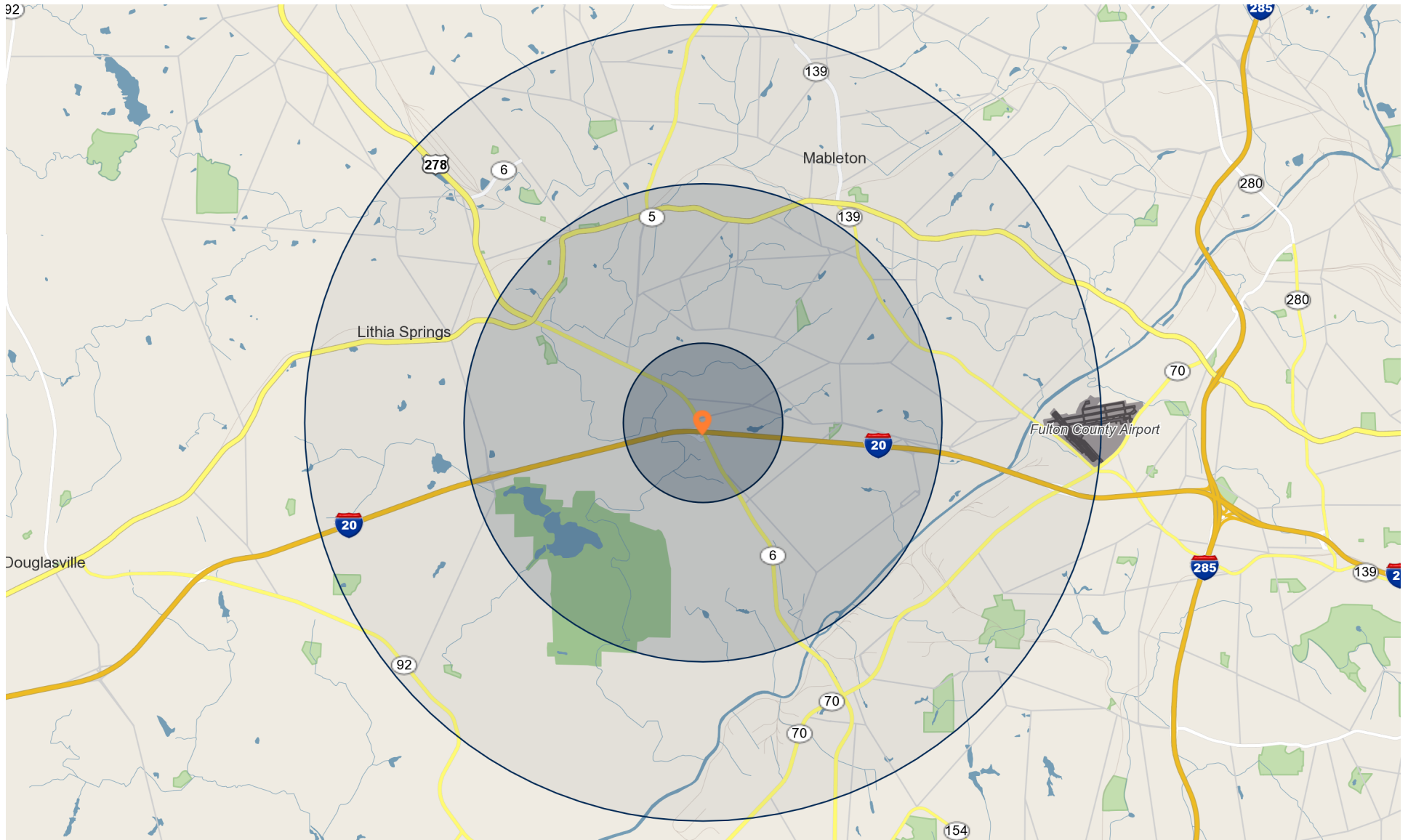
### EDUCATION

The selected area in 2020 had a lower level of educational attainment when compared with the U.S. averages. Only 11.1 percent of the selected area's residents had earned a graduate degree compared with the national average of 11.8 percent, and 19.6 percent completed a bachelor's degree, compared with the national average of 19.2 percent.

The number of area residents with an associate degree was lower than the nation's at 6.3 percent vs. 8.3 percent, respectively.

The area had an equal percentage of high-school graduates as the nation at 27.4 percent, but the percentage of residents who completed some college is higher than the average for the nation, at 21.6 percent in the selected area compared with the 20.7 percent in the U.S.







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