

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity | Outparcel to  **TARGET**



7606 NE Zac Lentz Parkway
VICTORIA TEXAS

ACTUAL SITE



EXCLUSIVELY MARKETING BY



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PROPERTY PHOTO





SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN, corporate guaranteed, investment grade (S&P: A-), IHOP investment property located in Victoria, Texas. The tenant, IHOP Leasing LLC, recently exercised their 5-year option, and currently has 2 (5-year) options to extend remaining, demonstrating their commitment to the site. The lease features 10% rental increases at the beginning of each option period, steadily growing NOI and hedging against inflation. The lease is guaranteed by Dine Brands Global and is absolute NNN with zero landlord responsibilities making it an ideal, management free-investment opportunity for a passive investor. IHOP, A Subsidiary of Dine Brands Global, IN (NYSE: DIN) is well-known and established restaurant chain specializing in breakfast options, with over 1,770 locations worldwide.

IHOP is located at the signalized, hard corner intersection of U.S. Highway 77 and NE Zac Lentz Parkway, with a combined (58,100 VPD). NE Zac Lentz Parkway is the major retail thoroughfare serving the city of Victoria. The asset is situated as an outparcel to a Target, Ross Dress for Less, and PetSmart anchored shopping center, increasing consumer draw and promoting crossover synergy within the center. Other nearby national/credit tenants include Walmart Supercenter, Sam's Club, Lowe's, Hobby Lobby, Goodwill, and more. The property is also ideally situated in between Shorlemmer Elementary School (565 students) and Victoria East High School (1,885 Students), providing a direct consumer base from which to draw. The site benefits from significant street frontage and is equipped with a large pylon sign, creating excellent store visibility along NE Zac Lentz Parkway. The 5-mile trade area is supported by more than 63,000 residents and 34,000 daytime employees with an average household income of \$78,775.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$3,182,000
August 2022 NOI	\$175,010
Cap Rate	5.50%
Guaranty	Corporate (S&P: A-)
Tenant	IHOP Leasing LLC
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	3,889 SF
Land Area	0.67 Acres
Property Address	7606 NE. Zac Lentz Parkway Victoria, Texas 77904
Year Built	1996
Parcel Number	15720-001-00300
Ownership	Fee Simple (Land & Building Ownership)

Recently Extended 5 Years | Corporate Guaranteed Lease | Scheduled Rental Increases | Investment Grade Tenant

- IHOP corporate guaranteed lease
- New 5 year extension executed with 2 (5-year) option periods to extend
- The lease features 10% rental increases at the beginning of each option period, steadily growing NOI and hedging against inflation.

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Quick Access to U.S. Highway 77 (37,100 VPD) | Outparcel to Target | Strong National/Credit Tenants

- The site benefits from nearby access to U.S. Highway 77 (37,100 VPD), a North-South commuter serving the Victoria, TX metropolitan area
- Shadow anchored by Target, Ross Dress for Less, PetSmart, Bed Bath & Beyond, and CVS Pharmacy
- Located in a dense retail corridor, IHOP is located within close proximity to multiple national/credit tenants including Walmart Supercenter, Sam's Club, Home Depot, Lowe's Home Improvement, and more

Strong Demographics in 5-Mile Trade Area

- More than 63,668 residents and 34,101 employees support the trade area
- \$78,775 average household income



PROPERTY OVERVIEW



LOCATION



Victoria, Texas
Victoria County

ACCESS



NE. Zac Lentz Pkwy/State Hwy 463/U.S. Hwy 77:
1 Access Point(s)

TRAFFIC COUNTS



NE. Zac Lentz Pkwy/State Hwy 463/U.S. Hwy 77:
21,000 VPD
N. Navarro Street/U.S. Highway 77 Business:
37,100 VPD

IMPROVEMENTS



There is approximately 3,889 SF of
existing building area

PARKING



There are approximately 41 parking spaces
on the owned parcel.
The parking ratio is approximately 10.54 stalls
per 1,000 SF of leasable area.

PARCEL



Parcel Number: 15720-001-00300
Acres: 0.67
Square Feet: 29,185

CONSTRUCTION



Year Built: 1996

ZONING



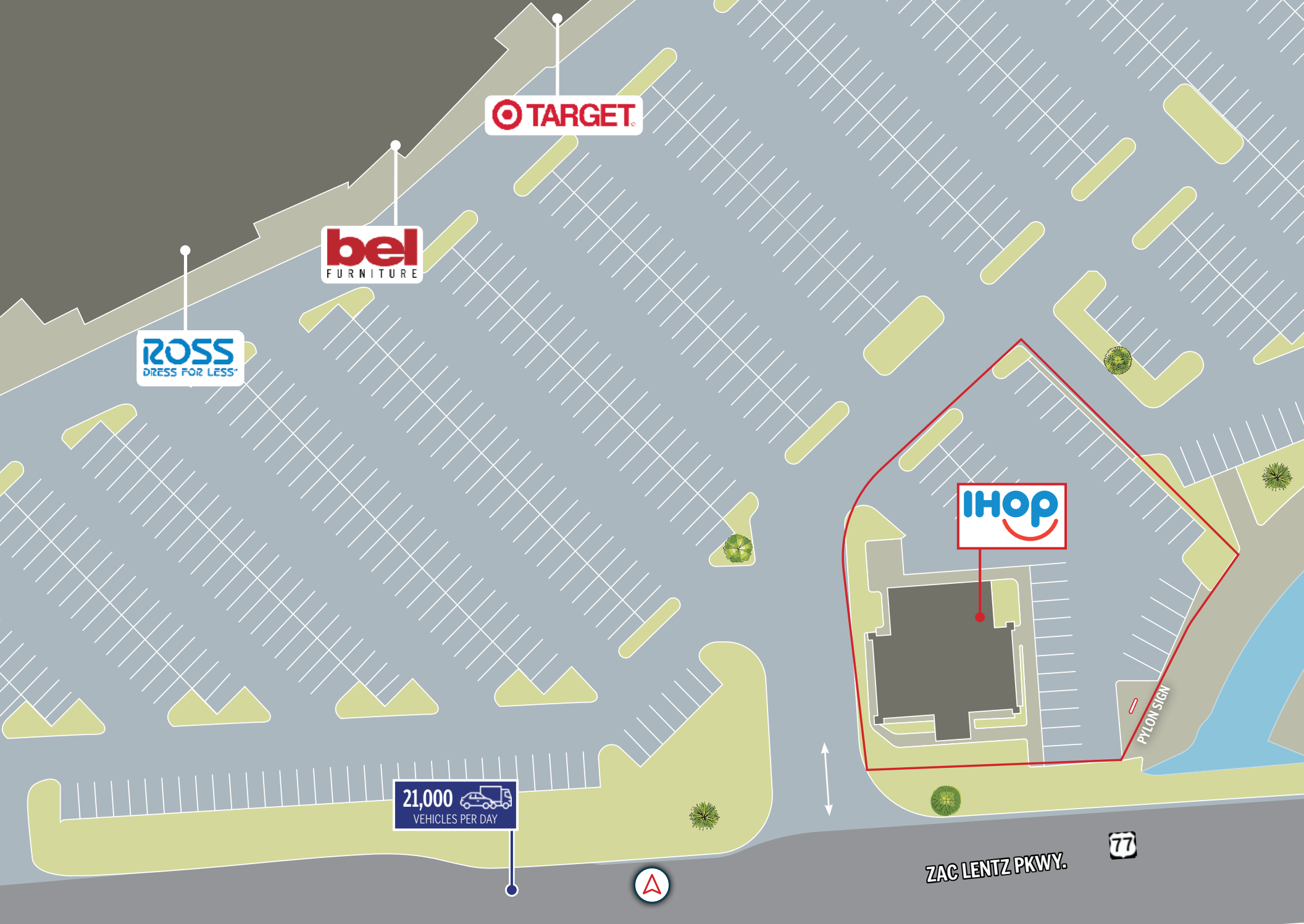
Old Town Residential







2021 Estimated Population	
1 Mile	7,337
3 Miles	36,803
5 Miles	63,668
2021 Average Household Income	
1 Mile	\$111,172
3 Miles	\$89,034
5 Miles	\$78,775
2021 Estimated Total Employees	
1 Mile	5,721
3 Miles	16,750



TARGET

bel
FURNITURE

ROSS
DRESS FOR LESS

IHop

21,000
VEHICLES PER DAY

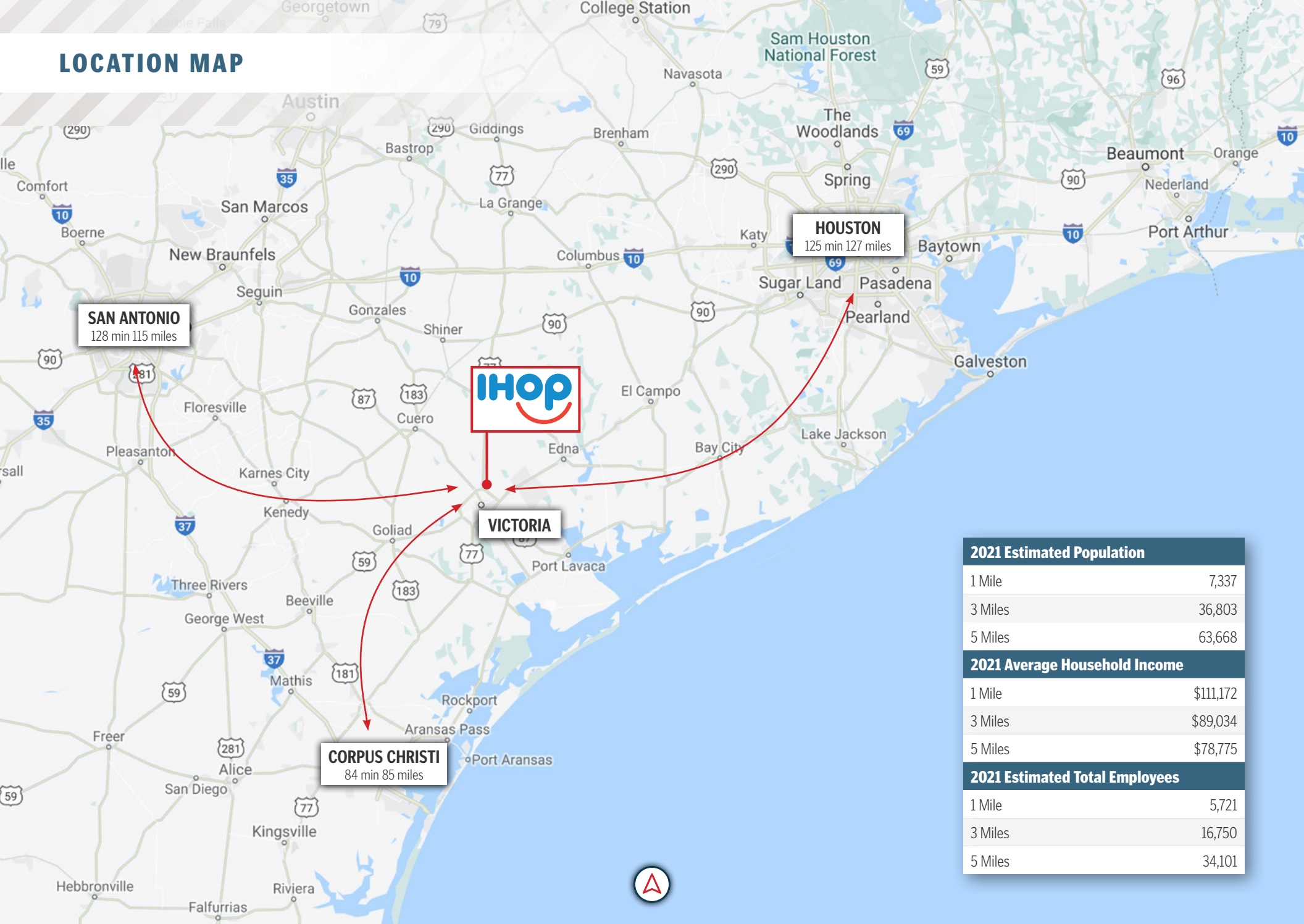
PYLON SIGN

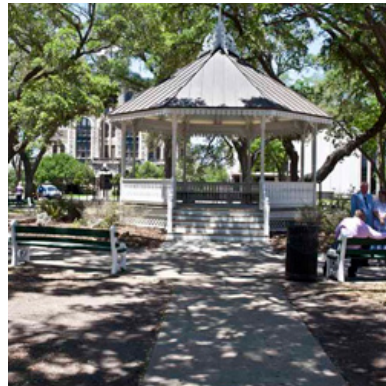
ZAC LENTZ PKWY.

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LOCATION MAP





VICTORIA, TEXAS

Victoria is the largest city and county seat of Victoria County, Texas. The City of Victoria had a population of 66,791 as of July 1, 2021. Victoria is located 30 miles inland from the Gulf of Mexico. Victoria City is a regional hub for a seven-county area known as the “Golden Crescent”, and serves a retail trade area of over 250,000 people. Victoria is known as “The Crossroads” because of its location within a two-hour drive of Corpus Christi, Houston, San Antonio, and Austin. Victoria is named for General Guadalupe Victoria, who became the first president of independent Mexico. Victoria is the cathedral city of the Roman Catholic Diocese of Victoria in Texas.

Victoria’s economy is a mix of education, health, retail, agriculture, and industry. Its access to major highways, the Victoria Regional Airport, railway terminals, the shallow draft Port of Victoria, and the deep water Port of Port Lavaca-Point Comfort help to sustain a healthy environment for business. Major industrial employers in the region include Formosa Plastics Corp, Inteplast Group, Dow, Invista, and Alcoa.

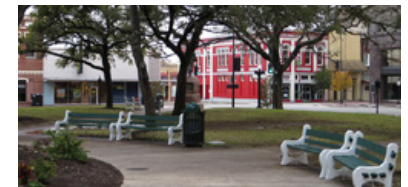
Some of Victoria’s commercial ventures are unique in both state and national business annals. A safe and vault company was the only institution of its kind south of Cincinnati, and the Texas Continental Meat Company, established in 1883, was a harbinger of new techniques. Combining prairie grass, cattle, railroads, and business acumen, Continental pioneered in the slaughtering and packing of swine, sheep, and poultry, as well as beef. With a branch in Fort Worth-which ultimately inherited

Popular museums in the area include Nave Museum, Children’s Discovery Museum, and McNamara House Museum. Parks like Riverside Park and Goliad State Park offer opportunities for camping, fishing, and hiking. Texas Zoo is a popular tourist attraction and a favorite site for young children. Local events include Czech Heritage Festival, Black History Festival and Parade, and the Jazz Festival.

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2021 Estimated Population	7,337	36,803	63,668
2026 Projected Population	7,904	38,462	65,974
2010 Census Population	5,899	33,045	58,777
Projected Annual Growth 2021 to 2026	1.50%	0.89%	0.71%
Historical Annual Growth 2010 to 2021	2.16%	0.98%	0.72%
Households & Growth			
2021 Estimated Households	3,212	14,312	24,126
2026 Projected Households	3,472	14,979	25,034
2010 Census Households	2,551	12,828	22,321
Projected Annual Growth 2021 to 2026	1.57%	0.92%	0.74%
Historical Annual Growth 2010 to 2021	2.19%	0.99%	0.70%
Race & Ethnicity			
2021 Estimated White	84.34%	83.66%	81.07%
2021 Estimated Black or African American	5.14%	5.94%	6.74%
2021 Estimated Asian or Pacific Islander	3.71%	2.42%	1.88%
2021 Estimated American Indian or Native Alaskan	0.41%	0.64%	0.67%
2021 Estimated Other Races	9.30%	9.61%	11.55%
2021 Estimated Hispanic	33.52%	41.37%	48.99%
Income			
2021 Estimated Average Household Income	\$111,172	\$89,034	\$78,775
2021 Estimated Median Household Income	\$75,192	\$67,155	\$57,407
2021 Estimated Per Capita Income	\$45,334	\$34,699	\$29,982
Businesses & Employees			
2021 Estimated Total Businesses	471	1,380	2,767
2021 Estimated Total Employees	5,721	16,750	34,101



RENT ROLL



LEASE TERM				RENTAL RATES							
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
IHOP Leasing LLC	3,889	01/01/2010	8/19/2027	Current	-	\$13,258	\$3.41	\$159,100	\$40.91	Absolute NNN	2 (5-Year)
(Corporate Guaranty)				08/20/2022	10%	\$14,584	\$3.75	\$175,010	\$45.00		10% Increase at Beg. of Each Year

FINANCIAL INFORMATION

Price	\$3,182,000
August 2022 NOI	\$175,010
Cap Rate	5.50%
Lease Type	Absolute NNN

PROPERTY SPECIFICATIONS

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FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



IHOP

ihop.com

Company Type: Subsidiary

Locations: 1,772+

Parent: Dine Brands Global

2021 Employees: 513

2021 Revenue: \$896.17 Million

2021 Net Income: \$95.57 Million

2021 Assets: \$1.99 Billion

For more than 62 years, IHOP has been a leader, innovator and expert in all things breakfast, any time of day. The chain offers 65 different signature, fresh, made-to-order breakfast options, a wide selection of popular lunch and dinner items, including Ultimate Steakhburgers. IHOP restaurants offer guests an affordable, everyday dining experience with warm and friendly service. As of December 31, 2020, there are 1,772 IHOP restaurants around the world, including restaurants in all 50 states and the District of Columbia, Puerto Rico and Guam as well as Canada, Ecuador, India, Mexico, Pakistan, Panama, Peru, the Kingdom of Saudi Arabia, and Thailand. IHOP restaurants are franchised by affiliates of Glendale, Calif.-based Dine Brands Global, Inc. (NYSE: DIN).



SRS

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NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM

of SRS Real Estate Partners

275+

RETAIL
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25+

OFFICES

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LARGEST
REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

3K+

RETAIL
TRANSACTIONS
company-wide
in 2021

840+

NET LEASE
TRANSACTIONS
SOLD
in 2021

\$3.1B+

NET LEASE
TRANSACTION
VALUE
in 2021

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