



**IHOP**

3227 MILLER RD, FLINT TOWNSHIP, MI 48507

**DISCLOSURE :**

All materials and information received or derived from Fortis Net Lease (hereinafter collectively referred to as “FNL”), its directors, officers, agents, advisors, affiliates and/or any third party sources are provided without representation or warranty by FNL its directors, officers, agents, advisors, or affiliates as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, suitability, financial performance of the property, projected financial performance of the property for any party’s intended use or any and all other matters.

Neither FNL its directors, officers, agents, advisors, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party’s active conduct of its own due diligence to determine these and other matters of significance to such party. FNL will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing.

**ALL PARTIES SHALL CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE:**

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party.

All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. FNL makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. FNL does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

**EXCLUSIVELY PRESENTED BY:****ABE LEON**

SENIOR ADVISOR

D: 248.419.3625

ALEON@FORTISNETLEASE.COM

## INVESTMENT SUMMARY

List Price:	\$2,076,923
Current NOI:	\$135,000.00
Initial Cap Rate:	6.5%
Average NOI:	\$150,083.52
Average Cap Rate:	7.22%
Land Acreage:	1.37
Year Built	2016
Building Size:	5,174 SF
Price PSF:	\$401.42
Lease Type:	Absolute NNN
Initial Lease Term:	18 Years Upon Close of Escrow (COE)

## INVESTMENT OFFERING

Fortis Net Lease is proud to present the Sale Leaseback of this free-standing IHOP restaurant in Flint Township, MI. The investment has an 18 year Absolute NNN lease with zero landlord responsibilities and 8% increases every 5 years with the first increase coming in November 2023. The 1.37 Acre property is located at a signalized corner on the South side of Miller Rd (40,000+ VPD) and the entrance/exit for Interstate 75. This is a 24 hour location which was rebuilt in 2016. Flint Township uses Genesee County Drain Commission which Gets its water supply from Detroit. The township water is not affected by the problems in Flint. The location is just off of Interstate 75 (90,000+ VPD) on the areas main retail corridor with tenants including Bob Evans, Starbucks, McDonald's, Applebees, Best Buy, Target, Petco, Sherwin Williams, Panera, Chipotle, Five Below, Petsmart, Bed Bath & Beyond and many many more. The award winning operators, 2 Time IHOP Franchisee of the Year winners, are seasoned restaurateurs with 14 IHOP locations in MI and a 15th location opening in 2019. This is an ideal opportunity for an investor to purchase a passive income real estate asset with absolutely zero management responsibilities. The tenant is responsible for all property taxes, insurance, and capital expenditures including the roof, structure, & HVAC



**PRICE** \$2,076,923



**CAP RATE** 6.5%



**LEASE TYPE** Absolute NNN



**TERM** 18 Years Upon COE



**RENT INCREASES** 8% / 5 Yr

## INVESTMENT HIGHLIGHTS

- 24 Hour IHOP - New 18 Year Absolute NNN Sale Leaseback
- Zero Landlord Responsibilities - Perfect Passive 1031 Exchange Investment
- 8% Rental Increases every 5 Years (First one in year November 2023)
- Two (2)- Five (5) Year Renewal Options
- Flint Township uses Genesee County Drain which gets its water supply from Detroit. The township water is not affected by the problems in Flint
- Guarantee – Trinity Restaurant Group, LLC - Franchisee of 14 IHOP locations in Michigan
- 100% Leased to IHOP Restaurant, a Subsidiary of DineEquity, Inc. which is the Largest Casual-Dining Restaurant Chain in the World

## FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$135,000	\$26.09
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$135,000	\$26.09

## PROPERTY SUMMARY

Year Built:	2016
Year Renovated:	2016
Lot Size:	1.37 Acres
Building Size:	5,174 SF
Roof Type:	Rubber Membrane
Zoning:	Commercial
Construction Style:	Prototype
Parking Lot:	70+ Spaces
HVAC	Roof Mounted

## LEASE SUMMARY

Tenant:	IHOP
Lease Type:	Absolute NNN
Primary Lease Term:	18 Years from Close of Escrow
Annual Rent:	\$135,000
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	Close of Escrow
Lease Expiration Date:	11/30/2036* Approximate
Lease Term Remaining:	18 Years
Rent Bumps:	8% Every Five Years (Next Increase in November 2023)
Renewal Options:	Two (2), Five (5) Year Options
Lease Guarantor:	Trinity Restaurant Group, LLC
Lease Guarantor Strength:	Franchisee - 14 Units
Tenant Website:	www.trinityrestaurants.com







## OVERVIEW

Company:	IHOP
Founded:	1958
DINE Brands Global Total Revenue:	\$681.1 Million
Headquarters:	Glendale, CA
Website:	www.IHOP.com

## TENANT HIGHLIGHTS

- The Franchisee, Trinity Restaurant Group, LLC, Operates 14 IHOP Locations
- IHOP was Founded in 1958 in Burbank, California
- IHOP has 1,600+ Locations Internationally
- IHOP Employs over 32,000 Employees
- IHOP is Owned by Dine Brands Global

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
1-5	\$135,000	\$11,250	-
6-10	\$145,800	\$12,150	8%
11-15	\$157,464	\$13,122	8%
16-18	\$170,061	\$14,172	8%
1st 5Yr Option	\$183,666	\$15,305	8%
2nd 5yr Option	\$198,359	\$16,530	8%

## TENANT INFO

Trinity Restaurant Group LLC was founded in early 2004 by John Baker and Dino Savant and currently operates 14 IHOP locations in MI. John and Dino worked throughout the corporate structure of many national and international brands ranging from quick serve to casual dining. Both partners specialized in a wide variety of areas within the industry, enabling them to apply a diverse skill-set that later allowed them to foster a well respected IHOP Restaurant chain in the Michigan region. John and Dino continue to be active within the restaurant industry and are actively involved in the IHOP Marketing Committee, Development Committee, and the Franchisee Co-op.

IHOP is an American multinational pancake house/diner-style table service restaurant chain that specializes in breakfast foods. It is owned by Dine Brands Global—a company formed after IHOP's purchase of Applebee's, with 99% of the restaurants run by independent franchisees.

IHOP's focus is on breakfast foods, it also offers a menu of lunch and dinner items. The company has 1,650 locations in North America, Latin America, the Middle East, Southeast Asia, and Oceania. Many of its locations are open 24 hours a day, 7 days a week. For locations that are not open 24 hours, the franchise's minimum operating hours are Sunday through Thursday from 7 a.m. to 10 p.m., and Fridays and Saturdays from 7 a.m. to 12 midnight.

# IHOP

3227 MILLER RD, FLINT TOWNSHIP, MI 48507

 FORTIS NET LEASE™





# IHOP

3227 MILLER RD, FLINT TOWNSHIP, MI 48507

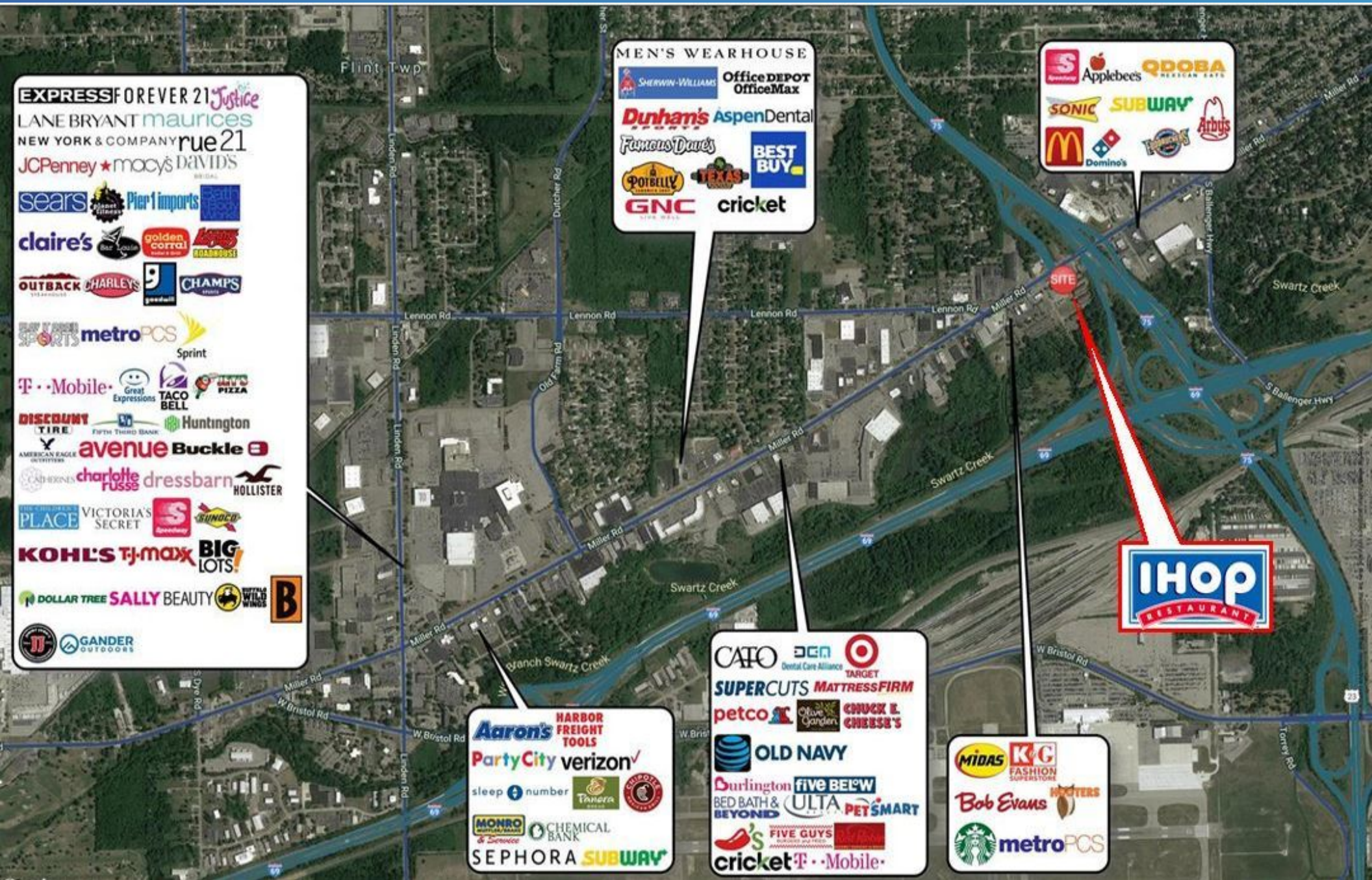
 FORTIS NET LEASE™













# IHOP

3227 MILLER RD, FLINT TOWNSHIP, MI 48507

 FORTIS NET LEASE™





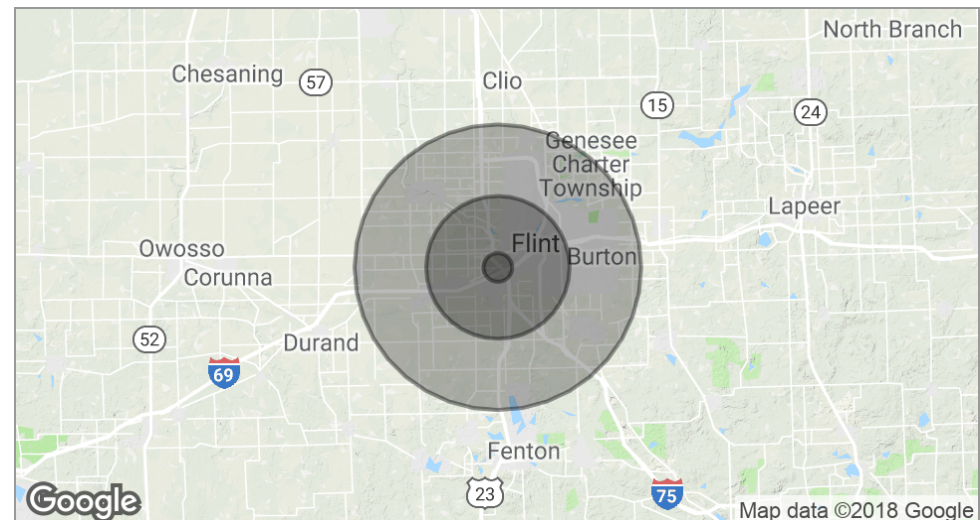




The Charter Township of Flint is a charter township of Genesee County in the state of Michigan. Flint Township uses Genesee County Drain Commission which Gets its water supply from Detroit. The township water is not affected by the problems in Flint. The City of Flint is adjacent to the township on the east, but is administratively autonomous. According to the United States Census Bureau, the township has a total area of 23.6 square miles, all land. The Township is mostly an L-shape around the southwest side of the City of Flint and split in two along I-69/I-75 interchange south along Bishop Airport to Mundy Township. Bishop International Airport is adjacent to Flint Township. The township is served by the Mass Transportation Authority bus lines. In addition, three major highways—I-75, I-69 and US 23—which run through the township intersect one mile from Bishop Airport. Also, three major rail lines—Grand Trunk Western, CSX Transportation, and Michigan Central Railway—intersect at the township's northern border.

Flint Township is Genesee County's premier shopping district, home to Genesee Valley Center offering a wonderful shopping experience, with Birch Run Outlets and Historical Frankenmuth just 25 minutes away. McLaren Hospital provides cutting edge technology in Proton Therapy Cancer Treatment offering extended care stay at McLaren's Hospitality House. Genesee Valley Bike Trail offers miles of walking, biking, or hiking for outdoor adventure linking to our Township Park. Baker College, ITT Tech, Davenport College, Spring Arbor College and Northwood University are located in Flint Township. Mott Community, University of Michigan and Kettering are minutes away.

POPULATION	1 MILE	5 MILES	10 MILES
Total Population 2018	5,272	145,241	369,139
Median Age	36.8	35.4	36.4
# Of Persons Per HH	2.2	2.5	2.5
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	2,344	58,460	146,614
Average HH Income	\$46,910	\$44,840	\$49,031
Average House Value	\$116,481	\$91,915	\$121,004
Consumer Spending (Thousands)	\$35,781	\$973,514	\$2,477,413







TOTAL SALES VOLUME

\$5.0B

PROPERTIES SOLD

2,200

BROKER & BUYER REACH

250K

STATES SOLD IN

40

*The FNL Team*

30445 Northwestern Highway, Suite 275

Farmington Hills, MI 48334

248.254.3410

fortisnetlease.com

EXCLUSIVELY PRESENTED BY:

**ABE LEON**

SENIOR ADVISOR

D: 248.419.3625

ALEON@FORTISNETLEASE.COM