

# SINGLE-TENANT IHOP (CORPORATE)

**NEW 10-YEAR LEASE EXTENSION (17-YEAR OCCUPANCY)**

*2015 S Pueblo Blvd, Pueblo, CO 81005*



ACTUAL PROPERTY SHOWN



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**– Lead Advisors –**

**Michael N. Spector**

Associate

P (310) 691-1350 x109

[mspector@pegasusinvestments.com](mailto:mspector@pegasusinvestments.com)

BRE# 01969966

**Brian J. Wolfman**

Senior Associate

P (310) 691-1350 x107

[bwolfman@pegasusinvestments.com](mailto:bwolfman@pegasusinvestments.com)

BRE# 01961545



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ACTUAL PROPERTY SHOWN



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BIRD'S EYE AERIAL

Subject Property

S Pueblo Blvd (~15,400 cars/day)

TACO STAR  
MEXICAN FAST FOOD

IHOP

PYLON

Access

Access

Access

Access

Walmart



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## PRICING SUMMARY

### Pricing Summary

<b>Purchase Price:</b>	\$3,100,000
<b>Cap Rate:</b>	5.08%
<b>Net Operating Income:</b>	\$157,500/ year (NNN)
<b>Gross Leasable Area:</b>	4,105 SF
<b>Building Type:</b>	Freestanding Restaurant
<b>Lot Size:</b>	~1.02 acre
<b>Year Built:</b>	1999
<b>Address:</b>	<a href="#">2015 S Pueblo Blvd</a> <a href="#">Pueblo, CO 81005</a>

[[Google Maps](#)]

### Lease Summary

<b>Lessee:</b>	IHOP PROPERTIES, INC.
<b>Guarantor:</b>	IHOP CORP., a Delaware corp.
<b>Rent Commencement:</b>	October 12, 2000
<b>Initial Lease Expiration:</b>	October 31, 2027
<b>Term Remaining:</b>	10+ years
<b>Renewal Options:</b>	(2) 5-year options remaining
<b>Lease Structure:</b>	Absolute NNN
<b>Annual Base Rent:</b>	\$157,500
<b>Rental Increases</b>	10% every 5 years
<b>Next Rental Increase:</b>	November 1, 2022
<b>Landlord Responsibility:</b>	None



## Investment Highlights

- **17 Year Occupancy.** The tenant has occupied the subject property since 2000 and recently extended the lease term for an additional 10-years. The location has proven itself to be successful and IHOP has evidenced its desire to continue its tenancy here for the long term.
- **Corporate Lease.** The property is subject to a rare IHOP Corporate guaranteed lease. DineEquity, IHOP's parent company, has ~3,700 locations nationally and internationally between IHOP & Applebee's.
- **Absolute NNN Lease.** Tenant pays for all expenses relating to the ownership of the property, including all roof, structure & parking lot expenses.
- **Favorable Rent Growth.** The subject lease features 10% rent increases every five years throughout the base term and options, which will help hedge against inflation increase the property's value over the investment period.
- **24-Hour Location.** The subject property is open 24-hours a day and benefits from the additional hours of operation.
- **Recent Renewal.** As mentioned above, the tenant recently renewed its lease term, resulting in 10 years of firm term remaining. Additionally, the tenant recently renovated the property at its own expense to conform with its modern prototype.

## INVESTMENT HIGHLIGHTS

- Occupancy since 2000
- New 10-year lease extension
- Corporate Guaranteed Lease
- Walmart Outparcel
- Absolute NNN Lease
- Zero landlord obligations
- Large one acre outparcel
- Best in class breakfast concept
- Strong rent growth
- Dedicated Pylon Sign
- 24-hour location



ACTUAL PROPERTY SHOWN



## Location Highlights

- **Walmart Supercenter Outparcel.** The property sits as a prominent outparcel to a 24-hour Walmart Supercenter. The combination of the daily needs visits generated by the Walmart combined with the convenient access for commuter traffic make this location highly valuable for IHOP.
- **Multiple Points of Access.** The subject benefits from five (5) distinct points of access, between the Walmart Supercenter and adjacent national retail outparcels.
- **Located off High Traffic Intersection.** The property sits off the intersection of S. Pueblo Blvd. (I-45) & W. Northern Ave. (I-78) which experiences strong daily traffic counts in excess of 31,000 cars/day.
- **Strategic Site Layout.** Rectangular site comprising of 1+ acre with the majority of its frontage along the S Pueblo Blvd.
- **Regional Shopping Hub.** Walmart is a super regional draw and given Walmart's dominance within the trade area, it is unlikely that a competitor will enter the market and threaten the stability of Walmart and its surrounding retail.
- **Low Cost of Living.** Pueblo is ranked one of the least expensive places to live in the country. This low cost of living index creates discretionary spending capacity which benefits the casual dining sector.

## LOCATION HIGHLIGHTS

- Strong retail corridor
- 31k+ car per day traffic counts
- Outparcel to 24-hr Walmart
- Reciprocal access with Walmart
- Surrounded by new restaurants
- Dedicated Pylon Signage
- Great Visibility & Frontage
- Multiple points of access

## ACTUAL PROPERTY SHOWN





## AERIAL MAP







**~9 MILES TO THE NEAREST IHOP**

**Pueblo**

**Subject Property**



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# AERIAL MAP

Roncalli STEM Academy



W Northern Ave

Walmart

Subject Property

TACO STAR  
MEXICAN FAST FOOD

Payless  
SHOESOURCE



S Pueblo Blvd (~15,400 cars/day)

H&R BLOCK



FARMERS



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Outparcel to Walmart Supercenter



Jimmy John's, GNC & AT&T



McDonald's

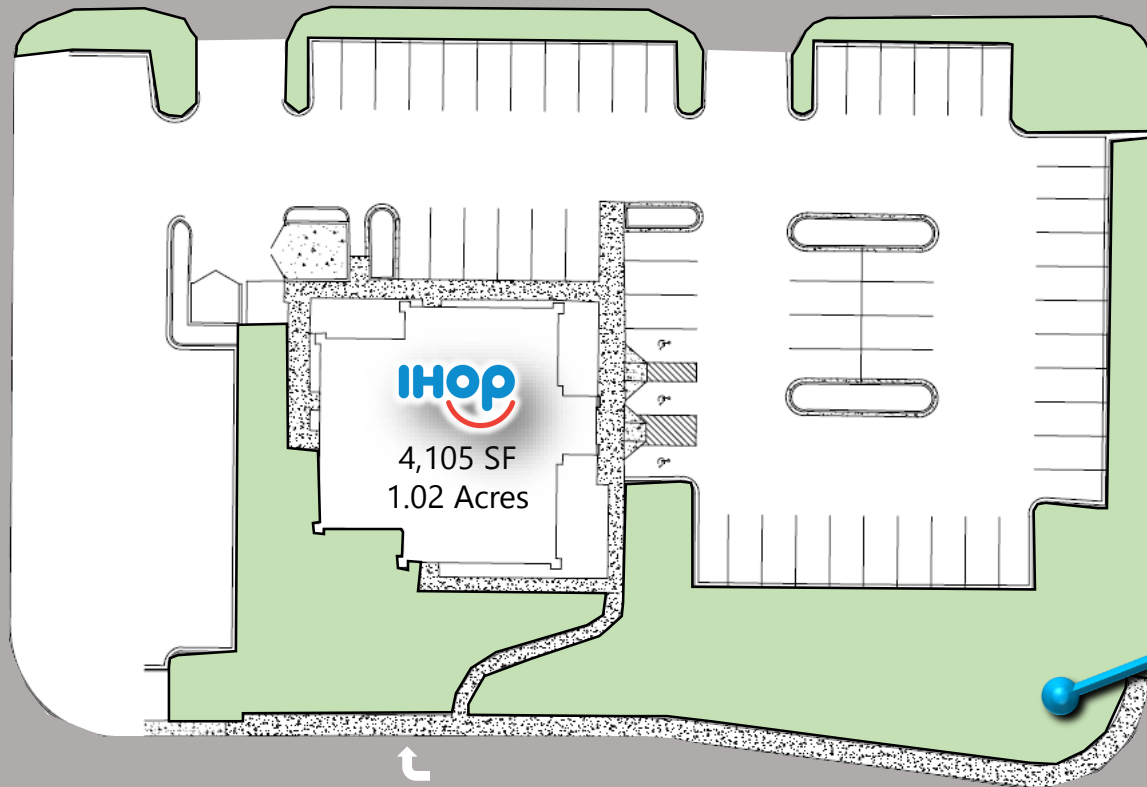


Panda Express

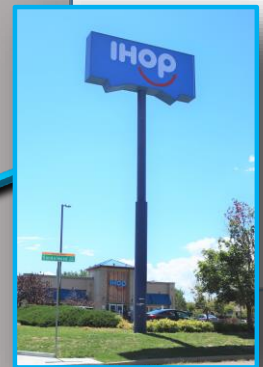


# SITE PLAN

Common access  
w/ Walmart



Payless  
SHOESOURCE



S Pueblo Blvd (~15,400 cars/day)





International House of Pancakes, known colloquially as IHOP, is a United States-based multinational pancake house/fast casual family restaurant chain that specializes in breakfast foods. It began making people smile in 1958 when it opened its doors in the suburbs of Los Angeles. Fifteen years later, a new marketing campaign introduced the acronym "IHOP", and since then it's been the name people know as the place they can enjoy their favorite breakfast experience—any time of day. Today there are more than 1,650 locations across the country and around the world. The restaurants are almost exclusively franchisee operated. IHOP is a wholly-owned subsidiary of DineEquity, Inc.

**Corporate Structure:** Public

**Ticker:** (NYSE: DIN)

**Market Cap:** \$725+ million

**Store Count:** ~1,709 IHOP's

Store Count: ~2,000 Applebee's

**Geographic Footprint:** National

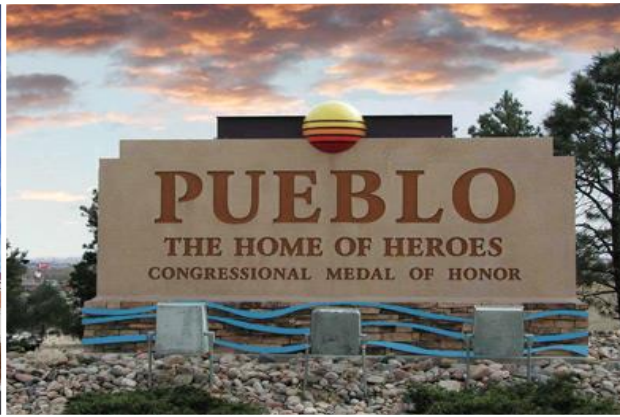
[www.dineequity.com](http://www.dineequity.com)







## ABOUT PUEBLO



Pueblo, "The Home of Heroes," is located 112 miles south of Denver and just 43 miles south of Colorado Springs. According to Kiplinger Magazine, [Pueblo is the second cheapest city in America to live](#). Located on the eastern side of the Rocky Mountains, Pueblo is located along what is known as a Banana Belt microclimate. Due to its geographical location relative to the mountains, the city experiences warmer temperatures than the surrounding area. Pueblo is the most populous city in Pueblo County and home to Colorado State University - Pueblo, which has an enrollment of 5,200 students. The City is ideally located just 45 minutes south of Colorado Springs and two hours south of Denver. The Colorado State Fair, which is the state's largest single event, and the Chili & Frijoles Festival are hosted annually here. Pueblo is also home to the Colorado State Hospital, a major employer in the area. The hospital's Colorado Mental Health Institute at Pueblo is regarded as the best mental health facility in the Rocky Mountain region. Deemed the "Home of Heroes," Pueblo has bred four Medal of Honor recipients, more than any other municipality in the U.S.



## REGIONAL MAP/DEMOS

Utah

Colorado

Population Demographics	1-Mile	3-Mile	5-Mile
Population Density	15,001	52,073	75,753
Income Demographics	1-Mile	3-Mile	5-Mile
Average Household Income	\$62,055	\$53,281	\$49,109

**SUBJECT**



**PEGASUS**  
INVESTMENTS



## About Pegasus Investments

Pegasus Investments is a boutique commercial real estate investment and advisory firm based in Los Angeles, CA. Specializing in retail shopping centers, single tenant net leased and multifamily properties throughout the United States, Pegasus has consistently delivered on its 28 year reputation of providing high quality, white glove service throughout all stages of the investment sales process. Pegasus provides its clients, which include high net worth private investors, family trusts, private & public REIT's, local and regional developers and syndicators with advisory services encompassing underwriting, market research, investment sales and asset management. Pegasus continues to set the bar for high quality, boutique investment sales brokerage and advisory by relying on its industry-leading talent which include experienced institutional and private sector investors.

### Michael Spector

Associate  
P (310) 691-1350 x109  
[mspector@pegasusinvestments.com](mailto:mspector@pegasusinvestments.com)

### David Chasin

Managing Director  
P (310) 691-1350 x101  
[david@pegasusinvestments.com](mailto:david@pegasusinvestments.com)

### Trevor Nelson

Managing Director  
P (310) 691-1350 x104  
[tnelson@pegasusinvestments.com](mailto:tnelson@pegasusinvestments.com)

### Kevin Shelburn

Vice President  
P (310) 691-1350 x105  
[kselburn@pegasusinvestments.com](mailto:kselburn@pegasusinvestments.com)

### Daylin Ackerman

Associate  
P (310) 691-1350 x114  
[dackerman@pegasusinvestments.com](mailto:dackerman@pegasusinvestments.com)

### Tony Veiller

Senior Analyst  
P (310) 691-1350 x113  
[tveiller@pegasusinvestments.com](mailto:tveiller@pegasusinvestments.com)

### Brian Wolfman

Senior Associate  
P (310) 691-1350 x107  
[bwolfman@pegasusinvestments.com](mailto:bwolfman@pegasusinvestments.com)

### Brad Kritzer

Executive Vice President  
P (310) 691-1350 x106  
[bkritzer@pegasusinvestments.com](mailto:bkritzer@pegasusinvestments.com)

### Ken Chasin

Founder  
P (310) 691-1350 x100  
[ken@pegasusinvestments.com](mailto:ken@pegasusinvestments.com)

### Aaron Aszkenazy

Associate Vice President  
P (310) 691-1350 x103  
[aaron@pegasusinvestments.com](mailto:aaron@pegasusinvestments.com)

### Katherine Weaver

Associate  
P (310) 691-1350 x115  
[kweaver@pegasusinvestments.com](mailto:kweaver@pegasusinvestments.com)

### Talia Tonti

Office Manager  
P (310) 691-1350 x108  
[ttonti@pegasusinvestments.com](mailto:ttonti@pegasusinvestments.com)



### Pegasus Investments

1901 Avenue of the Stars, Suite 630  
Los Angeles, CA 90067

[www.pegasusinvestments.com](http://www.pegasusinvestments.com)

(310) 691-1350  
DRE# 01961545

### Pegasus Capital Markets:

#### Chad Buelow

Managing Director  
DRE Lic# 01854509  
P (310) 691-1350 x111  
[cbuelow@pegasuscre.com](mailto:cbuelow@pegasuscre.com)

#### Tyler Johnson

Analyst  
DRE Lic# 01947197  
P (310) 691-1350 x112  
[tjohnson@pegasuscre.com](mailto:tjohnson@pegasuscre.com)