

# For sale

Single tenant IHOP at intersection of  
Hwy 285 and Hwy 82 | New Mexico



105 South 1st Street  
Artesia, New Mexico

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Confidential offering memorandum

**AVISON  
YOUNG**





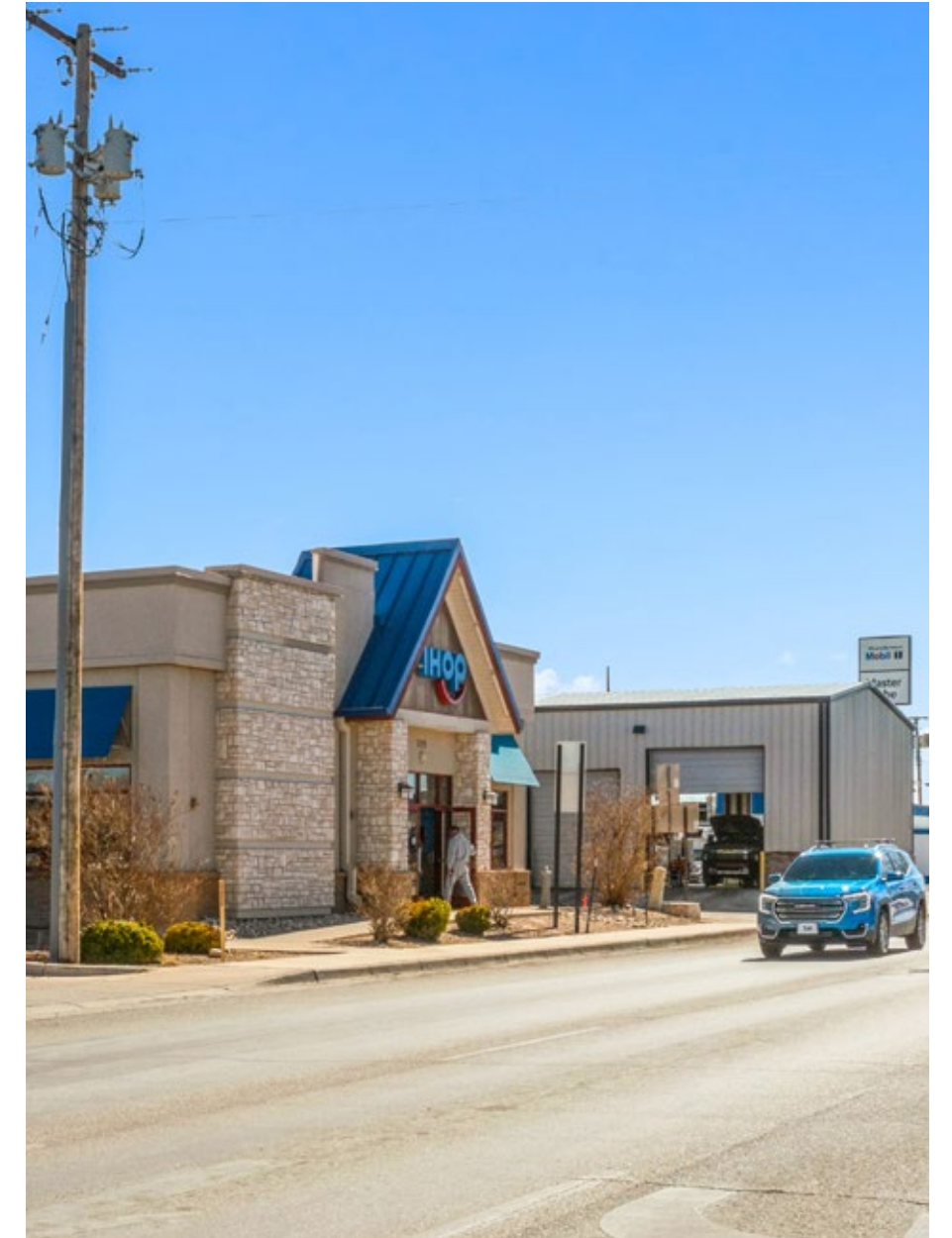
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# ±4,010 SF single tenant IHOP for sale in Artesia, New Mexico.

## Investment summary

### Overview

Avison Young is pleased to present the opportunity to acquire the single-tenant IHOP on fee simple land located at 105 South First Street in Artesia, New Mexico. The subject property is located at the intersection of Highway 82 and Highway 285, two main thoroughfares in New Mexico. IHOP currently has 14 years remaining on the lease with two, five-year options to exercise. This is an excellent opportunity to acquire a stable investment operated by a multi-unit franchisee.

This location is currently part of a five-property portfolio. All five IHOP locations are for sale and can be purchased as a portfolio if desired. Contact brokers for more information.

### Highlights

- ±4,010 SF building on ±27,500 SF of fee simple land
- Operated as an IHOP by a multi-unit franchisee
- 14 years remaining on lease, and two five-year options
- Ample parking
- Located at intersection of two major thoroughfares in New Mexico
- Excellent location with synergistic national retailers in the immediate trade area, such as: McDonald's, Wells Fargo Bank, Sherman Williams Paint, Wendy's, Sonic, O'Reilly Auto Parts, Ashley Furniture, Taco Bell, Burger King, and Subway







## Offering summary

**\$1,040,000**

Offering price

**\$93,500**

NOI

**9.0%**

Cap rate

**8/31/2038**

Lease expiration

**14 years**

Lease term remaining

**±4,010**

Building area (SF)

**±27,500**

Land area (SF)

**2013**

Year built

**008684**

APN

In addition, there are two, 5 year options to renew.





## Location overview

### Demographics (2 mile radius)

**11,979**

Population

**4,474**

Households

**5,148**

Daytime employment

**\$75,442**

Average household income

**68%**

Owner occupied

**630**

Businesses

### About Artesia, New Mexico

Artesia is a city in Eddy County, New Mexico, United States, centered at the intersection of U.S. Route 82 and U.S. Route 285. As of the 2010 census, the city population was 11,301.

The principal economic activities which support Artesia are the oil and gas industry, agriculture, and dairy. Prominent local oil and gas businesses include Wilbanks Trucking Services, EOG Resources, Mack Energy Corporation, and Marbob Energy Corp. HollyFrontier Corporation also operates the Navajo Refinery, the largest refinery in New Mexico. The city has one of the few residential training sites of the Federal Law Enforcement Training Centers, mostly for the United States Border Patrol, BIA Police, and the US Air Marshals.

(Source: wikipedia.com)



## Tenant profile

IHOP Restaurants LLC is an American multinational pancake house restaurant chain that specializes in American breakfast foods. It is owned by Dine Brands Global—a company formed after IHOP's purchase of Applebee's. 99% of IHOP restaurants are run by independent franchisees; **this Artesia location is operated by a multi-unit franchisee.**

Founded in 1958 in Los Angeles, California the family restaurant chain has been offering an affordable, everyday dining experience to customers for 65 years. As of June 30, 2023, there are 1,790 IHOP restaurants around the world, including restaurants in all 50 states, two U.S. territories and 13 countries outside the U.S.

Dine Brands Global is publicly traded (NYSE: DIN) with a market capitalization of \$699,000,000. They are one of the world's largest full-service dining companies. With over 3,570 locations in 17 countries, DINE empowers, supports and grows the world's most-loved restaurant brands.



## Lease abstract

<b>Address</b>	105 South 1st Street Artesia, New Mexico
<b>Parcel Size</b>	±27,500 SF
<b>Lease Commencement</b>	August 1, 2018
<b>Lease Expiration</b>	August 31, 2038
<b>Net Operating Income</b>	\$93,500
<b>Next Increase</b>	3/1/2028 \$102,850 3/1/2033 \$113,135
<b>Options to Extend</b>	Two 5 year options
<b>Option Rental Increase</b>	Fixed 1st Option \$129,449/year 2nd Option \$136,893/year
<b>Tenant Pays</b>	Taxes, Insurance, Maintenance, & Utilities Roof, Wall, & Structure
<b>Lease Type</b>	NNN
<b>Guarantor</b>	Franchisee
<b>First Right of Refusal</b>	None
<b>Landlord Expense</b>	None
<b>Percentage Rent</b>	None







# Confidential information and disclaimer

## Contacts and confidentiality

Avison Young (“Agent”) has been engaged by Ownership (“Seller”) as the exclusive agent for the sale of (the Property”).

The Property is being offered for sale in an “as-is, where-is” condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed, should be registered with Avison Young as a “Registered Potential Investor” or as “Buyer’s Agent” for an identified “Registered Potential Investor”. The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by Agent prior to delivery of this Offering Memorandum.

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