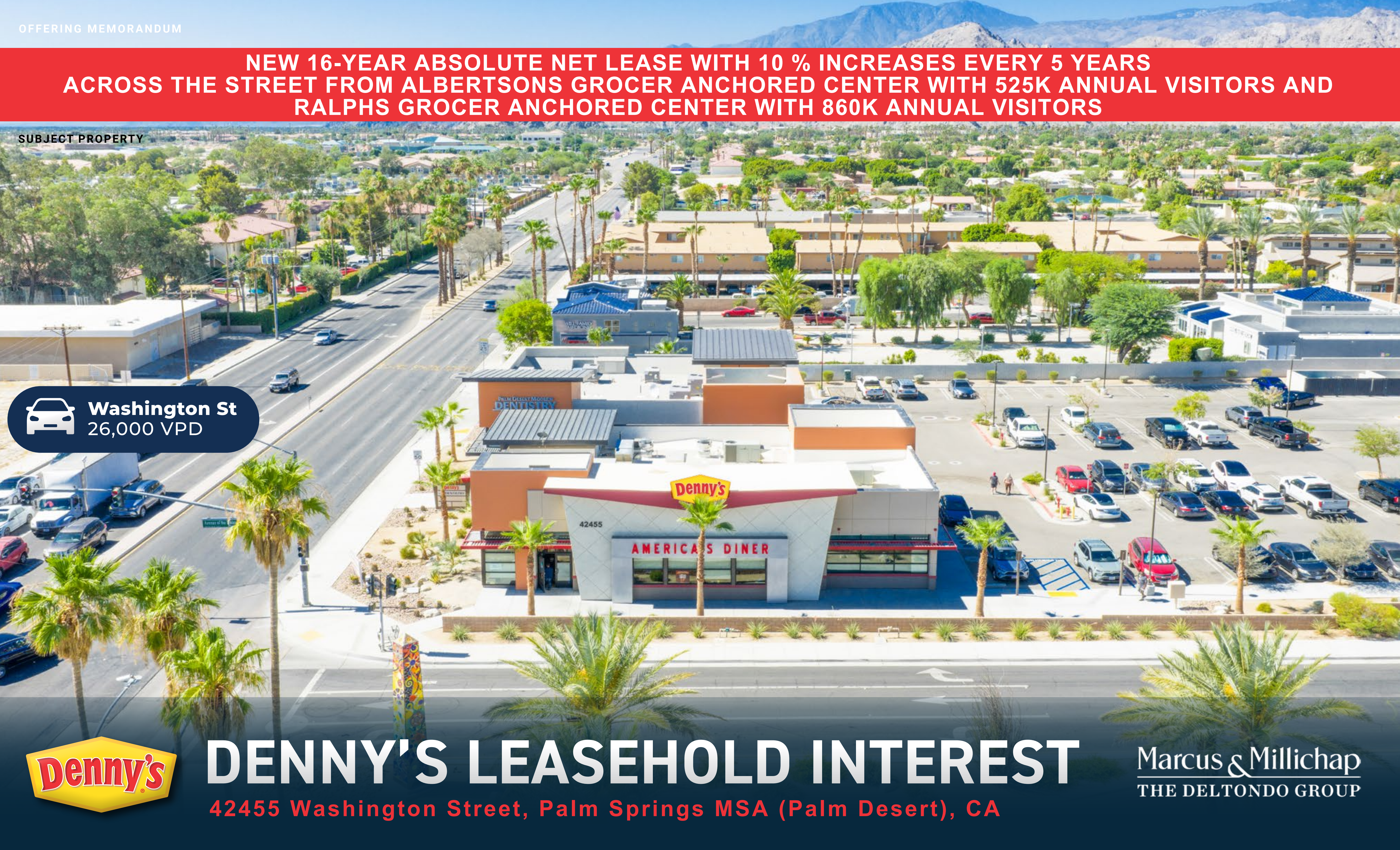
OFFERING MEMORANDUM

NEW 16-YEAR ABSOLUTE NET LEASE WITH 10 % INCREASES EVERY 5 YEARS
ACROSS THE STREET FROM ALBERTSONS GROCER ANCHORED CENTER WITH 525K ANNUAL VISITORS AND RALPHS GROCER ANCHORED CENTER WITH 860K ANNUAL VISITORS



DENNY'S LEASEHOLD INTEREST

42455 Washington Street, Palm Springs MSA (Palm Desert), CA

Marcus & Millichap
THE DELTONDO GROUP

SUBJECT PROPERTY

INVESTMENT HIGHLIGHTS

16-YEAR ABSOLUTE-NET LEASE | ZERO LANDLORD RESPONSIBILITIES
Landlord is fully pass-through—no expense obligations for roof, structure, or site; tenant pays ground lease rent of $107,800 in addition to base rent.

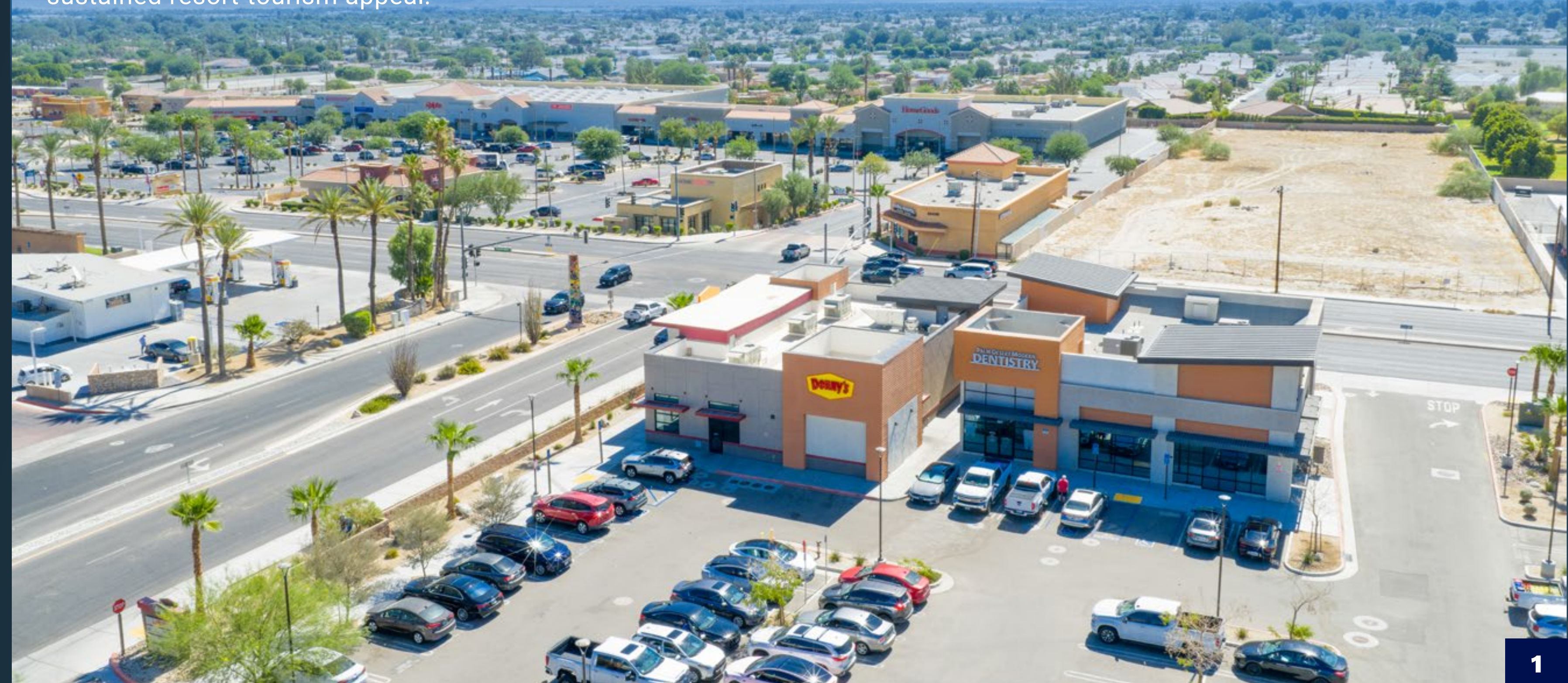
10% RENTAL INCREASES EVERY 5 YEARS
Scheduled escalations compound NOI from $180K → $198K → $217,800 → $239,580 across the term, aligning with ground lease co-termination.

2022 CONSTRUCTION | SIGNATURE DENNY'S FORMAT (4,500 SF + AMPLE PARKING)
Recent-build, free-standing facility on a 1.64-acre site with full surface parking—ideal for dine-in and drive-thru traffic.

PRIME RETAIL CORRIDOR | HIGH VISIBILITY ON WASHINGTON STREET
Located on a major east–west commercial artery in Palm Desert, within walking distance to El Paseo, anchored by thriving local and regional retailers.

HIGH-TRAFFIC CO-TENANCY | NEAR ZIELONA STREET RETAIL NODES
Surrounded by established restaurants, banks, and service businesses, benefiting from both year-round and seasonal Coachella Valley tourism.

AFFLUENT, AGING DEMOGRAPHIC WITH SEASONAL BOOST
Palm Desert (pop. ~51K, median age 56.7) draws a mature, stable population base with strong discretionary income and sustained resort-tourism appeal.



**42455 Washington St.,
Palm Desert, CA**

$2,250,000
PRICE

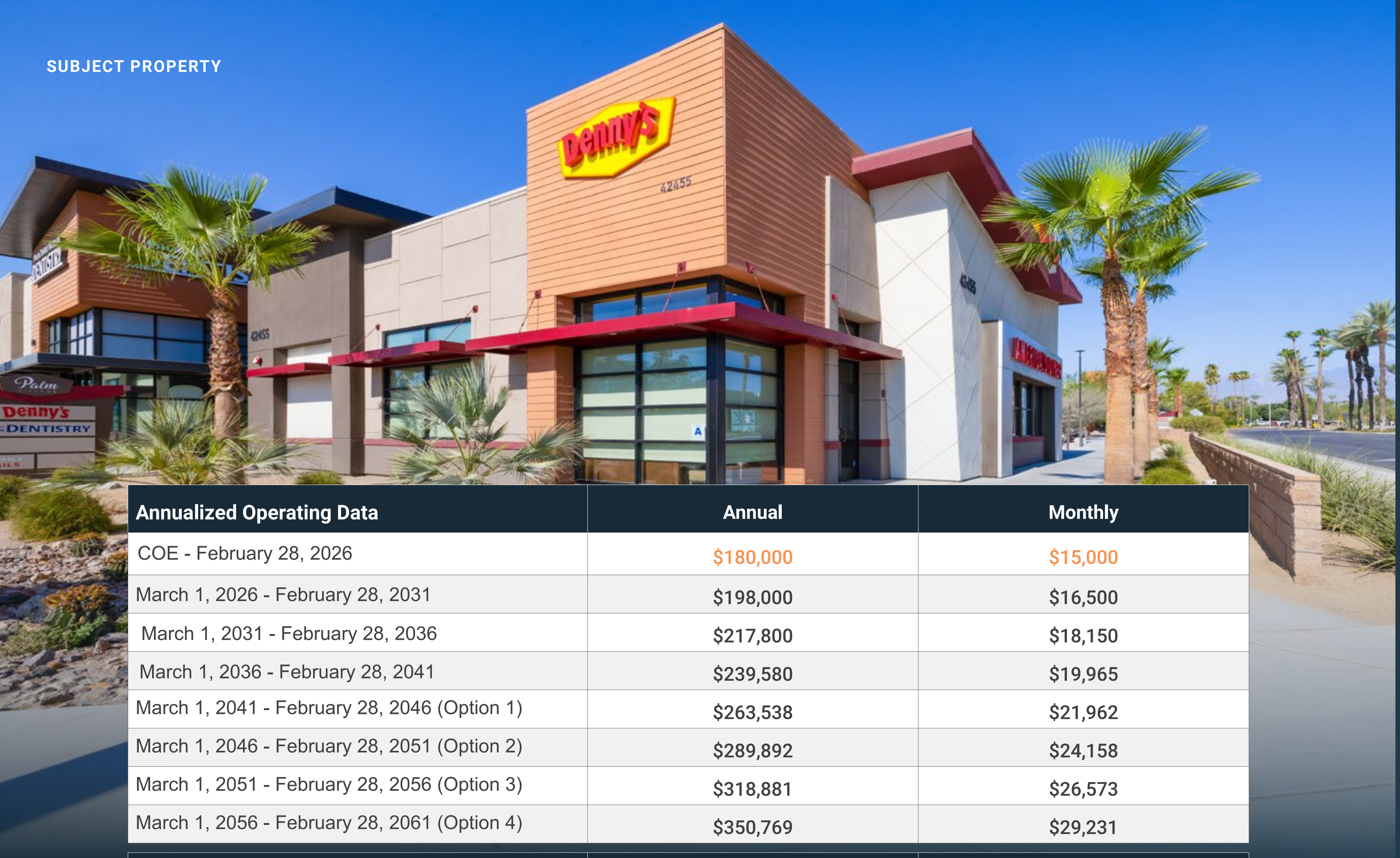
8.00%
CAP

$180,000
NOI

INVESTMENT SUMMARY

Lease Type	Absolute Net
Landlord Responsibilities	None
Year Built	2022
Building Area	4,500 SF
Land Area	1.64 AC

SUBJECT PROPERTY



Annualized Operating Data	Annual	Monthly
COE - February 28, 2026	$180,000	$15,000
March 1, 2026 - February 28, 2031	$198,000	$16,500
March 1, 2031 - February 28, 2036	$217,800	$18,150
March 1, 2036 - February 28, 2041	$239,580	$19,965
March 1, 2041 - February 28, 2046 (Option 1)	$263,538	$21,962
March 1, 2046 - February 28, 2051 (Option 2)	$289,892	$24,158
March 1, 2051 - February 28, 2056 (Option 3)	$318,881	$26,573
March 1, 2056 - February 28, 2061 (Option 4)	$350,769	$29,231

Ground Lease Rent (Tenant will be Responsible to Pay Ground Rent):	Annual	Monthly
February 1, 2021 - February 28, 2026	$107,800.00	$8,983.33
March 1, 2026 - February 28, 2031	$118,580.00	$9,881.67
March 1, 2031 - February 28, 2036	$130,438.00	$10,869.83
March 1, 2036 - February 28, 2041	$143,481.80	$11,956.82
March 1, 2041 - February 28, 2046 (Option 1)	$157,829.98	$13,152.50
March 1, 2046 - February 28, 2051 (Option 2)	$173,612.98	$14,467.75
March 1, 2051 - February 28, 2056 (Option 3)	$190,974.28	$15,914.52
March 1, 2056 - February 28, 2061 (Option 4)	$210,071.70	$17,505.98

LEASE SUMMARY

Tenant:	Denny's
Guaranty:	Awashington, LLC (16 Units)
Type of Ownership:	Leasehold Interest (Building Only)
Lease Type:	Absolute Net
Landlord Responsibilities:	None
Rent Commencement:	COE
Lease Expiration:	February 28, 2041 (Co-Terminate with Ground Lease)
Term Remaining:	16 Years (Co-Terminate with Ground Lease)
Increases:	10% Every 5 Years (Running Co-Terminate with Ground Lease rental increases)

TENANT SUMMARY

$452M
REVENUE (2024)

1,557
RESTAURANTS

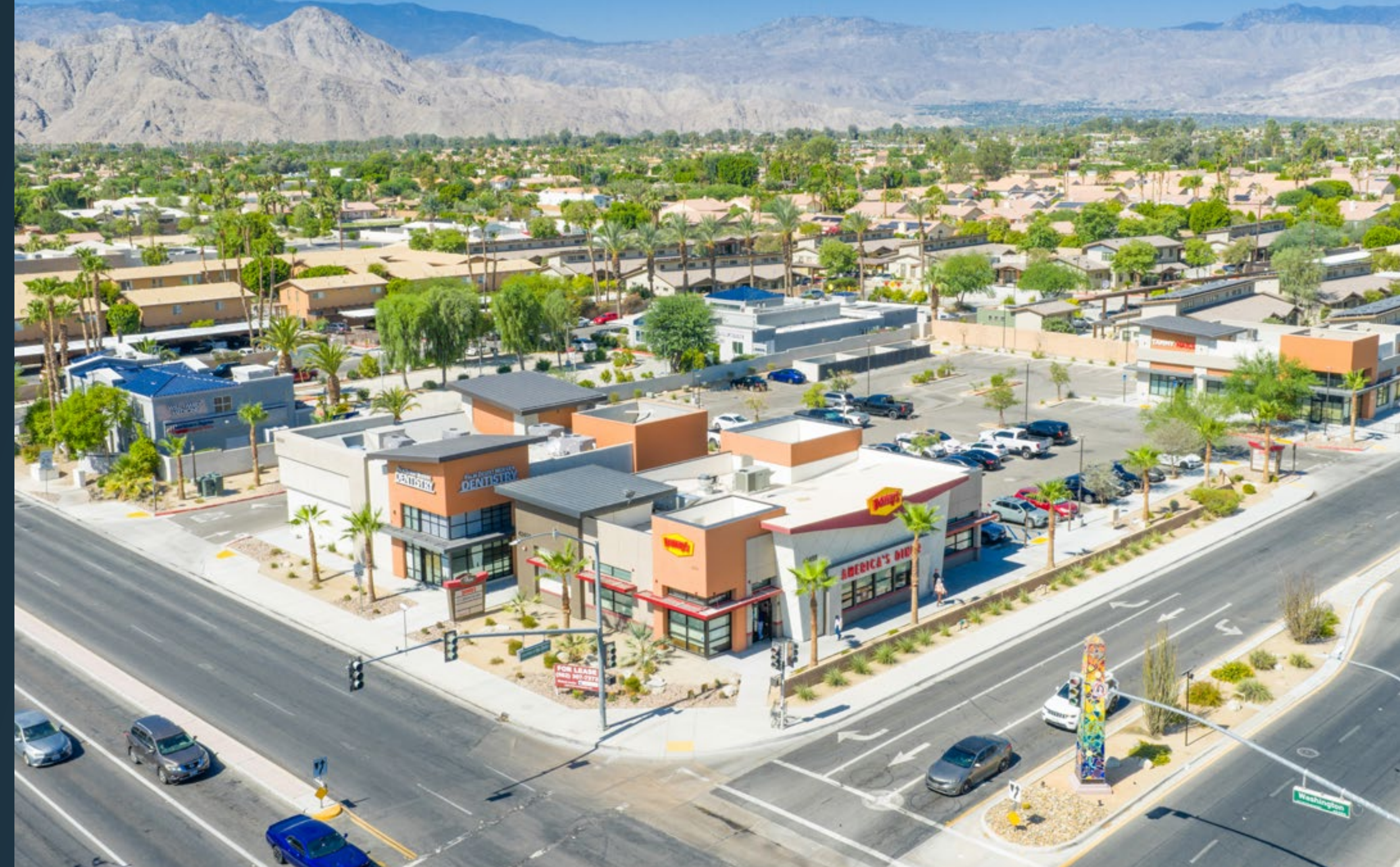
3,800
EMPLOYEES

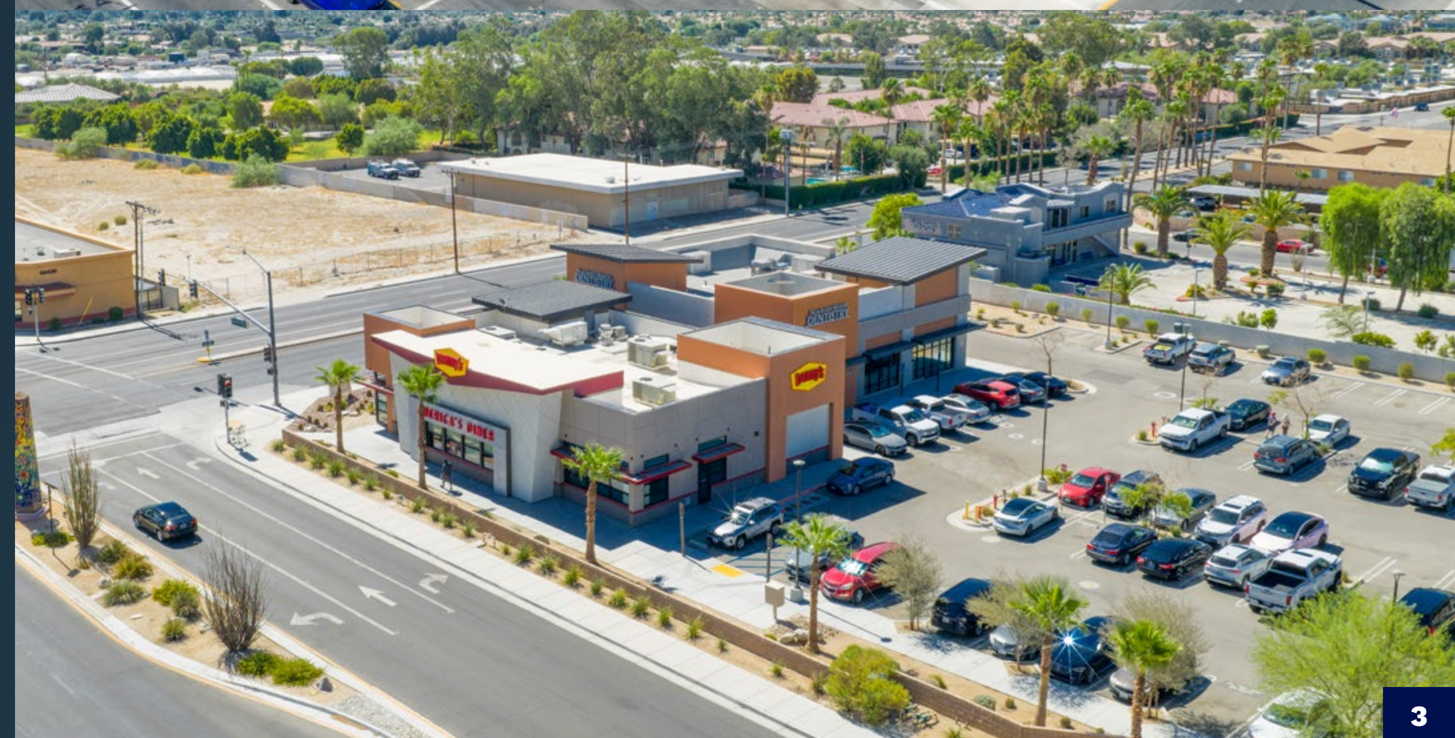
PUBLIC
NASDAQ: DENN

1953
FOUNDED

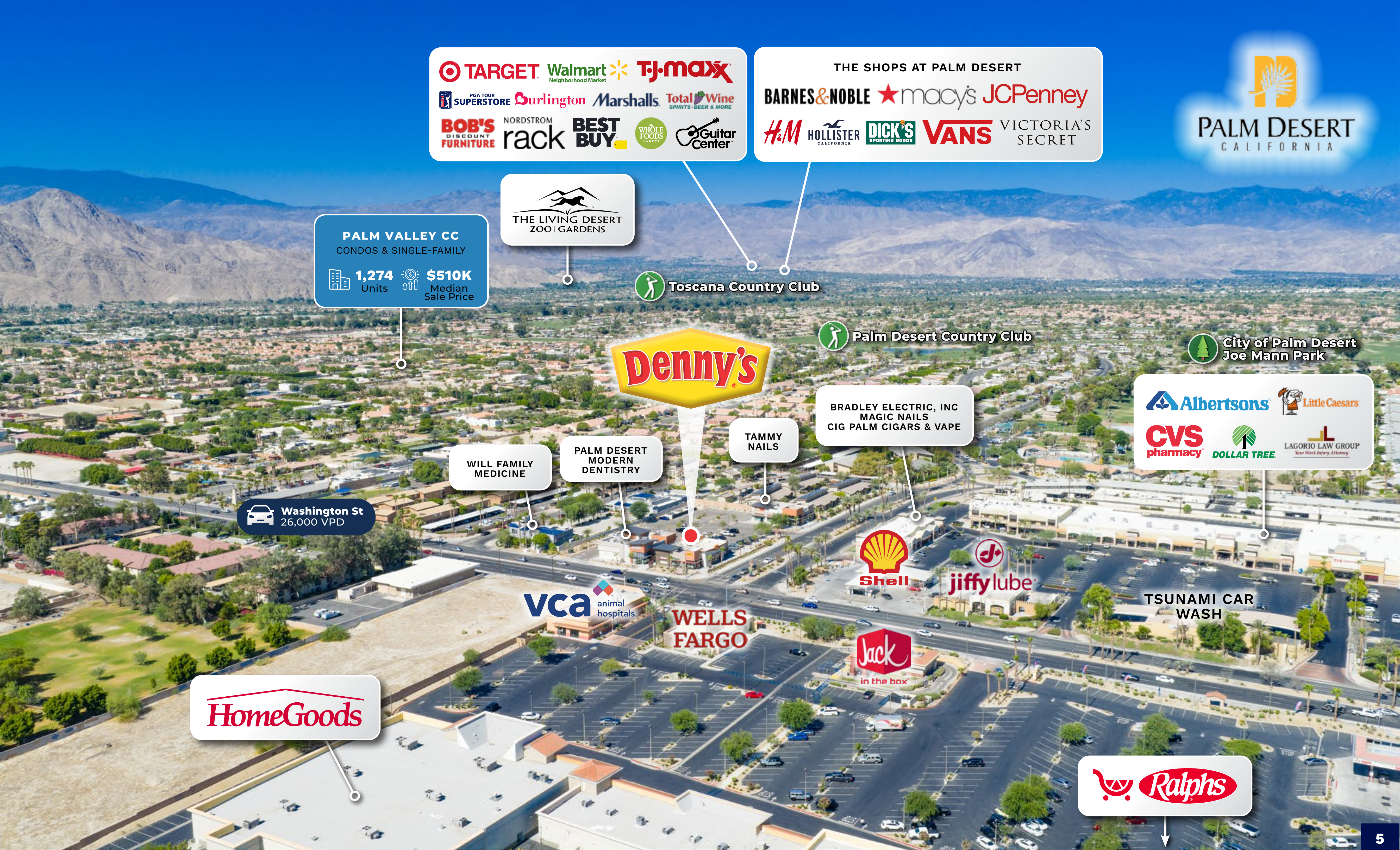
Denny's Corporation, publicly traded on NASDAQ under the ticker "DENN," traces its roots to 1953 when Harold Butler and Richard Jezak opened Danny's Donuts in Lakewood, California. Today the diner-style brand is headquartered in Spartanburg, South Carolina and, as of March 26 2025, operates 1,557 restaurants—82 company-owned and 1,475 franchised or licensed. For full-year 2024, Denny's generated $452.3 million in operating revenue, down modestly from $463.9 million in 2023, while employing about 3,800 people across its corporate and field operations.

Denny's is executing a multi-year portfolio optimization. The chain is targeting 25–40 new openings across Denny's and sister concept Keke's Breakfast Café. Management is coupling these moves with $250,000-per-unit remodel investments that have lifted sales by more than 6 percent, alongside a revamped loyalty-CRM program to deepen guest engagement. In the Coachella Valley, Palm Desert franchisee Awashington, LLC strengthens credit quality by guaranteeing its lease with a corporate portfolio of around 20 Denny's units, bringing seasoned local oversight to the broader



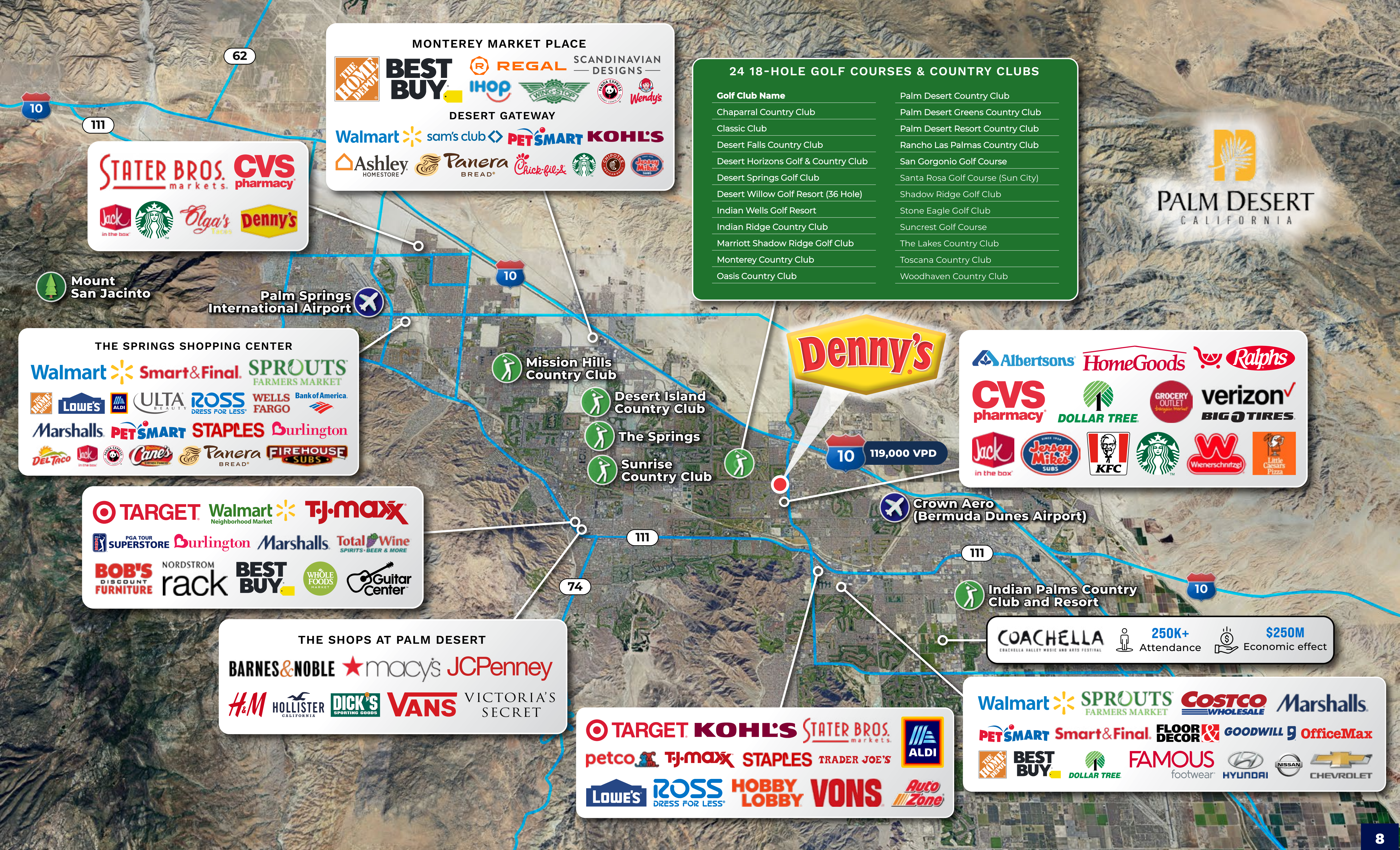


PALM DESERT
CALIFORNIA
Walmart
SPROUTS FARMERS MARKET
COSTCO WHOLESALE
Marshalls
PETSMART
Smart&Final
FLOOR & DECOR
GOODWILL
OfficeMax
THE HOME DEPOT
BEST BUY
DOLLAR TREE
FAMOUS footwear
HYUNDAI
NISSAN
CHEVROLET
TARGET
KOHL'S
STATER BROS. markets
ALDI
petco
T.J.maxx
STAPLES
TRADER JOE'S
LOWE'S
ROSS DRESS FOR LESS
HOBBY LOBBY
VONS
AutoZone
Heritage Palms Golf Club
Bermuda Dunes Country Club
WASHINGTON SQUARE
Ralphs
HomeGoods
the PET OASIS
Hallmark
Mario's
BIG O TIRES
Wienerschnitzel
WALGREENS
Denny's
Armstrong Growers
PALM DESERT MODERN DENTISTRY
Jack in the box
WELLS FARGO
vca animal hospitals
Washington St
26,000 VPD
TSUNAMI CAR WASH
jiffy lube
Shell
TAMMY NAILS
Albertsons
Little Caesars
CVS pharmacy
DOLLAR TREE
LAGORIO LAW GROUP


TARGET
Walmart Neighborhood Market
TJ·maxx
PGA TOUR SUPERSTORE
Burlington
Marshalls
Total Wine SPIRITS · BEER & MORE
BOB'S DISCOUNT FURNITURE
NORDSTROM rack
BEST BUY
WHOLE FOODS MARKET
Guitar Center
THE SHOPS AT PALM DESERT
BARNES&NOBLE
macy's
JCPenney
H&M
HOLLISTER CALIFORNIA
DICK'S SPORTING GOODS
VANS
VICTORIA'S SECRET
PALM DESERT
CALIFORNIA
THE LIVING DESERT
ZOO | GARDENS
PALM VALLEY CC
CONDOS & SINGLE-FAMILY
1,274 Units
$510K Median Sale Price
Toscana Country Club
Palm Desert Country Club
City of Palm Desert Joe Mann Park
Denny's
Albertsons
Little Caesars
CVS pharmacy
DOLLAR TREE
LAGORIO LAW GROUP
BRADLEY ELECTRIC, INC
MAGIC NAILS
CIG PALM CIGARS & VAPE
TAMMY NAILS
PALM DESERT MODERN DENTISTRY
WILL FAMILY MEDICINE
Washington St
26,000 VPD
Shell
jiffy lube
TSUNAMI CAR WASH
vca animal hospitals
WELLS FARGO
Jack in the box
HomeGoods
Ralphs


PALM DESERT
CALIFORNIA
Albertsons
Little Caesars
TSUNAMI CAR WASH
CVS pharmacy
DOLLAR TREE
LAGORIO LAW GROUP
Your Work Injury Attorney
Shell
jiffy lube
KFC
GROCERY OUTLET
bargain market
WALGREENS
Wienerschnitzel
10
119,000 VPD
BIG O TIRES
WASHINGTON SQUARE
Ralphs
HomeGoods
Hallmark
Jack in the box
WELLS FARGO
vca animal hospitals
PET OASIS
Woodhaven Country Club
Denny's
BRADLEY ELECTRIC, INC
MAGIC NAILS
CIG PALM CIGARS & VAPE
TAMMY NAILS
PALM DESERT MODERN DENTISTRY
WILL FAMILY MEDICINE
Washington St
26,000 VPD


MONTEREY MARKET PLACE
THE HOME DEPOT
BEST BUY
REGAL
SCANDINAVIAN DESIGNS
IHOP
WING STOP
PANDA EXPRESS
Wendy's
DESERT GATEWAY
Walmart
sam's club
PETSMART
KOHL'S
Ashley HOMESTORE
Panera BREAD
Chick-fil-A
CHIPOTLE
Jersey Mike's SUBS
PALM DESERT
CALIFORNIA
Palm Desert Resort Country Club
Albertsons
Little Caesars
TSUNAMI CAR WASH
CVS pharmacy
DOLLAR TREE
LAGORIO LAW GROUP
Your Work Injury Attorney
Shell
jiffy lube
10
119,000 VPD
Woodhaven Country Club
GROCERY OUTLET bargain market
City of Palm Desert Joe Mann Park
WALGREENS
Denny's
Jack in the box
WELLS FARGO
PALM DESERT MODERN DENTISTRY
vca animal hospitals
WILL FAMILY MEDICINE
Washington St
26,000 VPD
WASHINGTON SQUARE
Ralphs
HomeGoods
the PET OASIS
Hallmark
Mario's



MONTEREY MARKET PLACE
THE HOME DEPOT
BEST BUY
REGAL
SCANDINAVIAN DESIGNS
IHOP
WING STOP
PANDA EXPRESS
Wendy's
DESERT GATEWAY
Walmart
sam's club
PETSMART
KOHL'S
Ashley HOMESTORE
Panera BREAD
Chick-fil-A
CHIPOTLE
Jersey Mike's
24 18-HOLE GOLF COURSES & COUNTRY CLUBS
Golf Club Name
Chaparral Country Club
Classic Club
Desert Falls Country Club
Desert Horizons Golf & Country Club
Desert Springs Golf Club
Desert Willow Golf Resort (36 Hole)
Indian Wells Golf Resort
Indian Ridge Country Club
Marriott Shadow Ridge Golf Club
Monterey Country Club
Oasis Country Club
Palm Desert Country Club
Palm Desert Greens Country Club
Palm Desert Resort Country Club
Rancho Las Palmas Country Club
San Gorgonio Golf Course
Santa Rosa Golf Course (Sun City)
Shadow Ridge Golf Club
Stone Eagle Golf Club
Suncrest Golf Course
The Lakes Country Club
Toscana Country Club
Woodhaven Country Club
PALM DESERT
CALIFORNIA
62
10
111
STATER BROS. markets
CVS pharmacy
Jack in the box
Olga's
Denny's
Mount San Jacinto
Palm Springs International Airport
THE SPRINGS SHOPPING CENTER
Walmart
Smart & Final.
SPROUTS FARMERS MARKET
THE HOME DEPOT
LOWE'S
ALDI
ULTA BEAUTY
ROSS DRESS FOR LESS
WELLS FARGO
Bank of America
Marshalls
PETSMART
STAPLES
Burlington
DEL TACO
Jack in the box
PANDA EXPRESS
Cane's
Panera BREAD
FIREHOUSE SUBS
Mission Hills Country Club
Desert Island Country Club
The Springs
Sunrise Country Club
Denny's
10
119,000 VPD
Albertsons
HomeGoods
Ralphs
CVS pharmacy
DOLLAR TREE
GROCERY OUTLET
verizon
BIG O TIRES
Jack in the box
Jersey Mike's SUBS
KFC
Wienerschnitzel
Little Caesars Pizza
Crown Aero (Bermuda Dunes Airport)
TARGET
Walmart Neighborhood Market
TJ.maxx
PGA TOUR SUPERSTORE
Burlington
Marshalls
Total Wine SPIRITS · BEER & MORE
BOB'S DISCOUNT FURNITURE
NORDSTROM rack
BEST BUY
WHOLE FOODS MARKET
Guitar Center
111
74
111
10
Indian Palms Country Club and Resort
COACHELLA
250K+ Attendance
$250M Economic effect
THE SHOPS AT PALM DESERT
BARNES & NOBLE
macy's
JCPenney
H&M
HOLLISTER CALIFORNIA
DICK'S SPORTING GOODS
VANS
VICTORIA'S SECRET
TARGET
KOHL'S
STATER BROS. markets
ALDI
petco
TJ.maxx
STAPLES
TRADER JOE'S
LOWE'S
ROSS DRESS FOR LESS
HOBBY LOBBY
VONS
AutoZone
Walmart
SPROUTS FARMERS MARKET
COSTCO WHOLESALE
Marshalls
PETSMART
Smart & Final.
FLOOR & DECOR
GOODWILL
OfficeMax
THE HOME DEPOT
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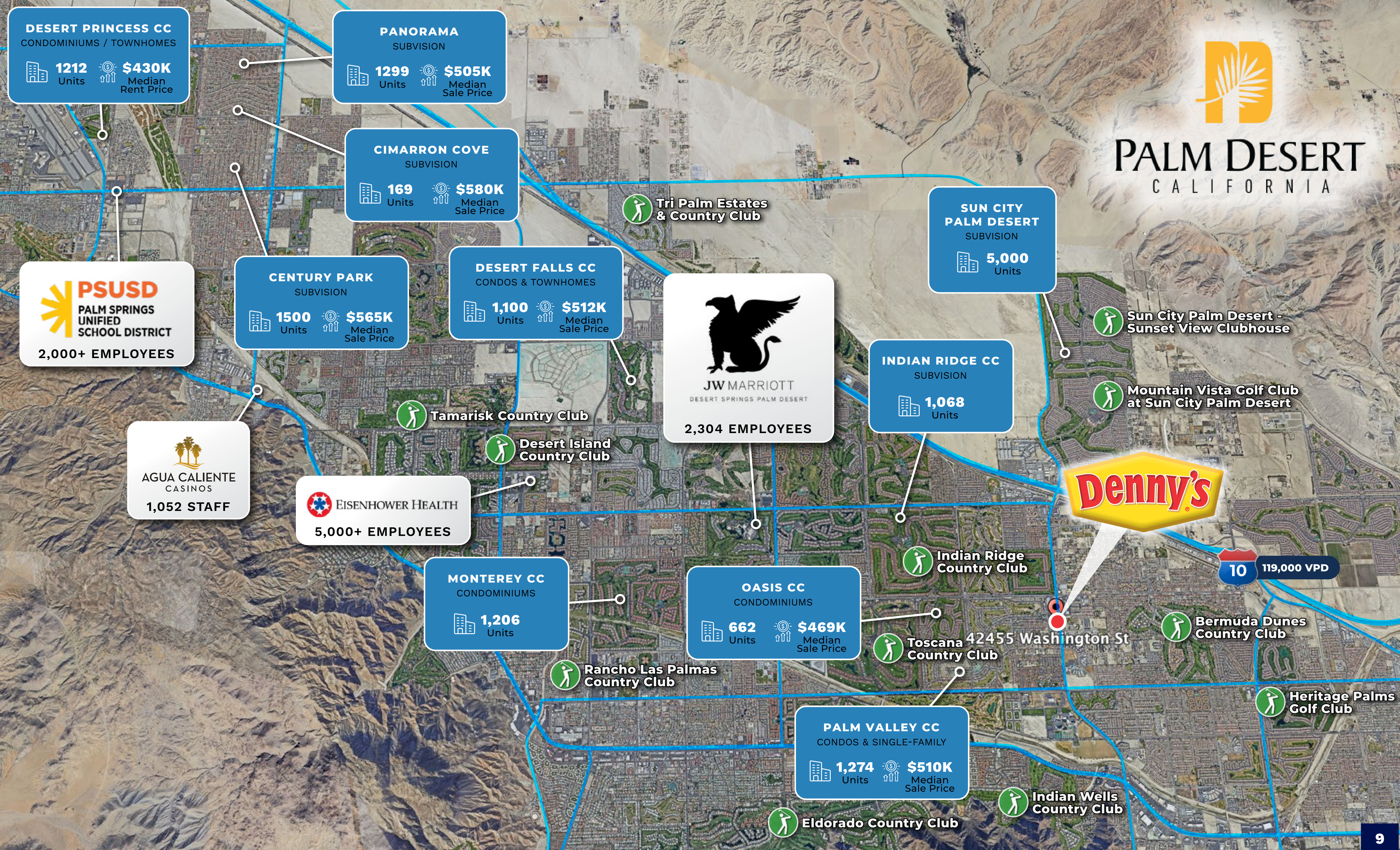
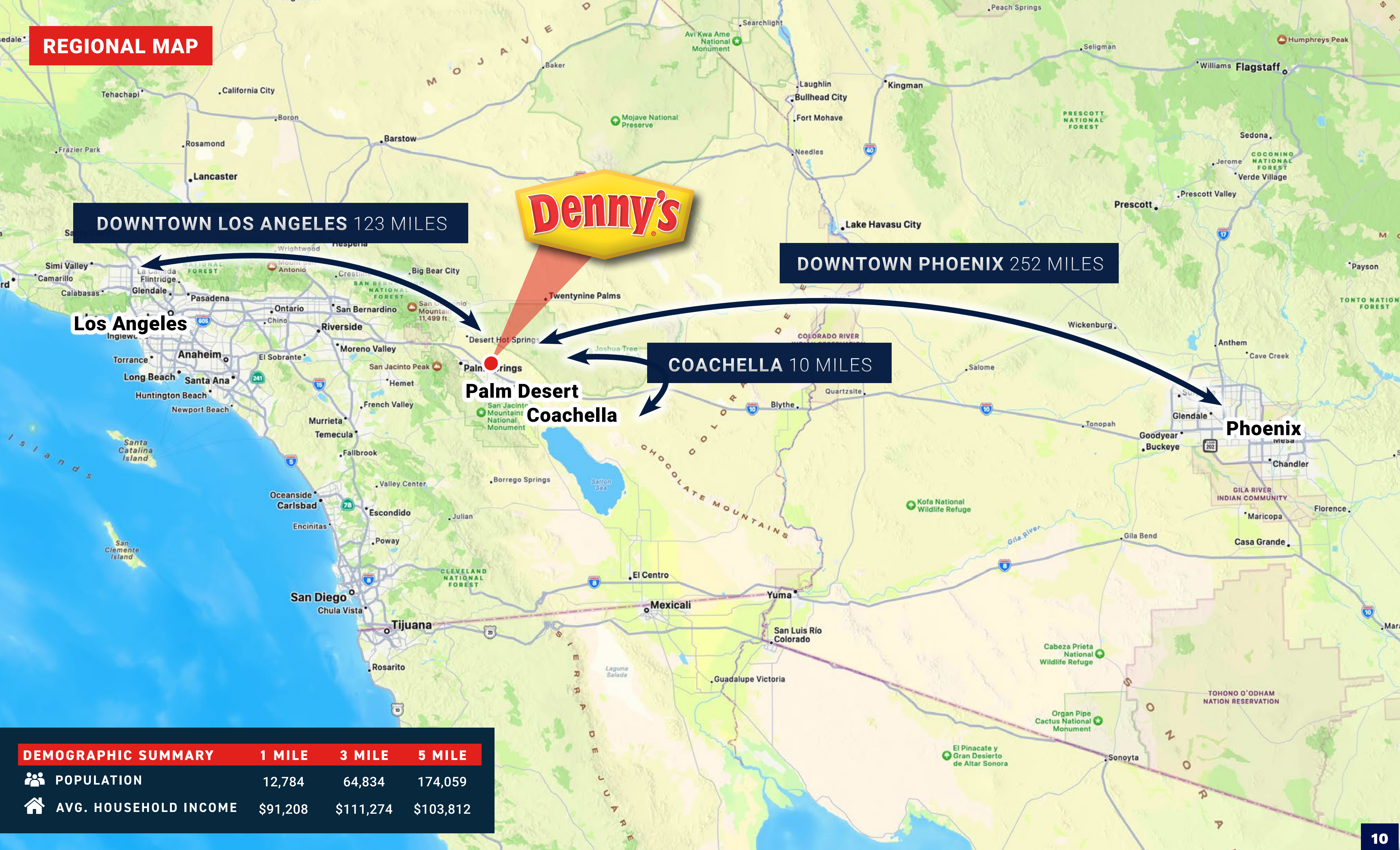
DOLLAR TREE
FAMOUS footwear
HYUNDAI
NISSAN
CHEVROLET



DESERT PRINCESS CC
CONDOMINIUMS / TOWNHOMES
1212 Units
$430K Median Rent Price
PANORAMA
SUBVISION
1299 Units
$505K Median Sale Price
CIMARRON COVE
SUBVISION
169 Units
$580K Median Sale Price
PALM DESERT
CALIFORNIA
Tri Palm Estates & Country Club
SUN CITY PALM DESERT
SUBVISION
5,000 Units
PSUSD
PALM SPRINGS UNIFIED SCHOOL DISTRICT
2,000+ EMPLOYEES
CENTURY PARK
SUBVISION
1500 Units
$565K Median Sale Price
DESERT FALLS CC
CONDOS & TOWNHOMES
1,100 Units
$512K Median Sale Price
JW MARRIOTT
DESERT SPRINGS PALM DESERT
2,304 EMPLOYEES
INDIAN RIDGE CC
SUBVISION
1,068 Units
Sun City Palm Desert - Sunset View Clubhouse
Mountain Vista Golf Club at Sun City Palm Desert
Tamarisk Country Club
Desert Island Country Club
AGUA CALIENTE
CASINOS
1,052 STAFF
EISENHOWER HEALTH
5,000+ EMPLOYEES
Denny's
10
119,000 VPD
Indian Ridge Country Club
MONTEREY CC
CONDOMINIUMS
1,206 Units
OASIS CC
CONDOMINIUMS
662 Units
$469K Median Sale Price
Toscana Country Club
42455 Washington St
Bermuda Dunes Country Club
Rancho Las Palmas Country Club
Heritage Palms Golf Club
PALM VALLEY CC
CONDOS & SINGLE-FAMILY
1,274 Units
$510K Median Sale Price
Indian Wells Country Club
Eldorado Country Club

REGIONAL MAP



DEMOGRAPHIC SUMMARY	1 MILE	3 MILE	5 MILE
POPULATION	12,784	64,834	174,059
AVG. HOUSEHOLD INCOME	$91,208	$111,274	$103,812

PALM DESERT
CALIFORNIA

PALM DESERT COACHELLA VALLEY

370,135
MSA POPULATION – COACHELLA VALLEY

250,000+
FESTIVAL ATTENDANCE (APRIL)

$700+ M
FESTIVAL ECONOMIC IMPACT

500 K+
VISITORS TO THE LIVING DESERT ZOO ANNUALLY

12,000
COLLEGE OF THE DESERT STUDENTS

6,000
CSU SAN BERNARDINO PALM DESERT STUDENTS

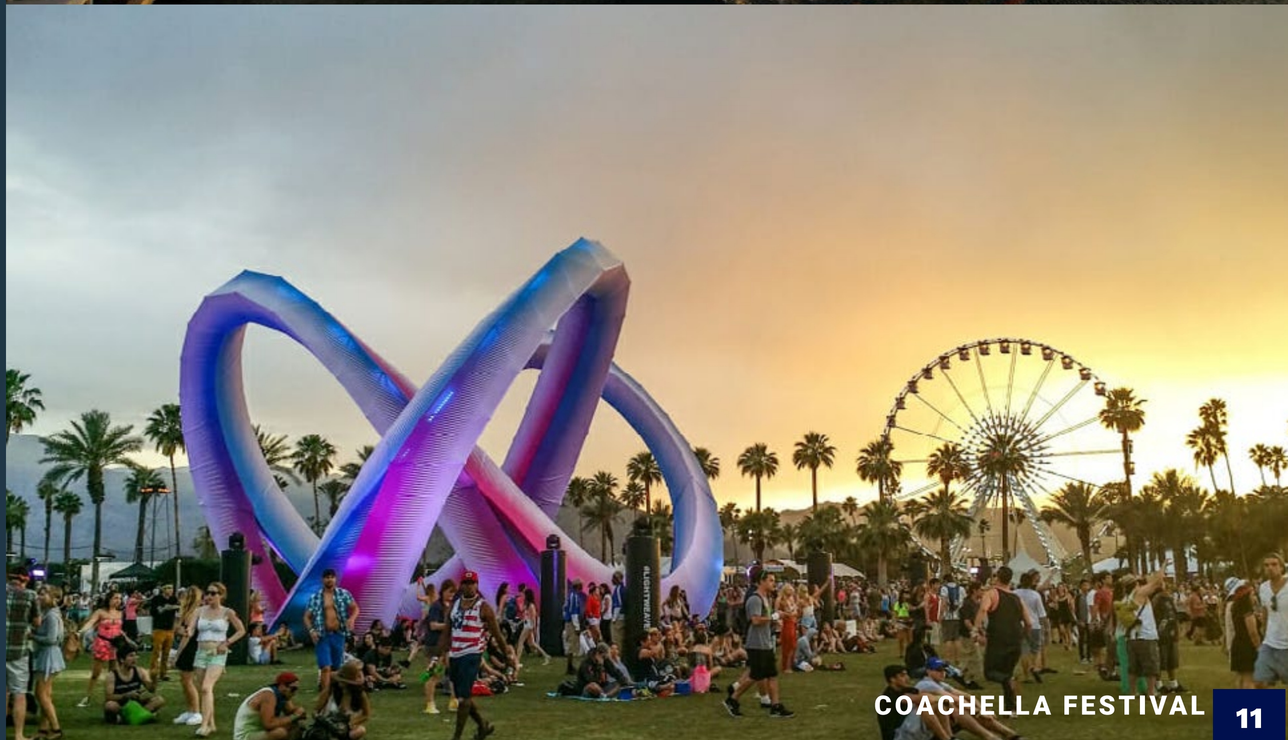
Palm Desert, located in the Coachella Valley region of Riverside County, is a well-established community of approximately 51,000 residents, with modest annual growth (0.7% since 2022) . The city's median age is 56.7, and its demographic profile skews affluent and older—ideal for dining at full-service casual restaurants.

As a key node in the regional tourism economy, Palm Desert is home to over 30 golf courses, cultural venues like El Paseo and the McCallum Theatre, and high-profile resorts, attracting substantial seasonal and second-home visitor traffic. Its proximity to Palm Springs and easy highway access position it within a larger urbanized area of nearly 372,000 people .

The local economy is anchored by leading employers such as JW Marriott Desert Springs (2,300+ jobs), Universal Protection Service (1,500), and Costco (250), representing a diverse base across hospitality, retail, and service sectors. Educational assets like College of the Desert and CSU San Bernardino's Palm Desert campus reinforce community stability and workforce development.

Growing demand from retirees, resort visitors, and residents fuels ongoing commercial development along Washington Street and freeway-access corridors. Household and tourism earnings support strong daytime and evening dining patterns. Key projects include investment in El Paseo's retail expansion, increased resort renovations, and Coachella Valley infrastructure enhancements.

JW MARRIOTT DESERT SPRINGS RESORT & SPA (PALM DESERT, CA)



COACHELLA FESTIVAL

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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. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

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