



Subject Property

Wendy's

# OFFERING MEMORANDUM



393 N Broad St – Fairborn, OH 45324

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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

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Representative Photo



# Investment Highlights



## About the Investment

- ✓ Long-Term, 20-Year Triple-Net (NNN) Lease | 15 Years Remaining
- ✓ MUY! Restaurants | Operates Approximately 770 Quick Service Restaurants Nationwide
- ✓ MUY! Hamburger Partners, LLC | ~315-Unit Operator
- ✓ Wendy's Has Been Dedicated to This Location Since 1975
- ✓ 8% Rental Increases Every 5 Years
- ✓ Two (2), Ten (10)-Year Tenant Renewal Option Periods

## About the Investment

- ✓ Main Retail Area in Fairborn | Major National Tenants Include: McDonald's, Arby's, Chevrolet, CVS, Firestone, Hertz, KFC, Budget, Pizza Hut, Taco Bell, Enterprise, Subway, and BP
- ✓ Wright-Patterson Air Force Base | Located Less Than One Mile From The Subject Property | Assigned to the Air Force Life Cycle Management Center and Air Force Material Center
- ✓ Baker Middle School | Total Enrollment of Nearly 900 Students | Located Less Than One Mile From the Subject Property

## About the Brand

- ✓ The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company
- ✓ The Wendy's System Includes More Than 6,600 Franchise and Company Restaurants in the U.S. and 29 Other Countries and U.S. Territories Worldwide
- ✓ Wendy's Continues its Successful Global Expansion | 69 Year-To-Date Global Restaurant Openings
- ✓ MUY! Restaurants is One of the Largest Franchise Restaurant Companies in the U.S. with Over 25,000 Team Members



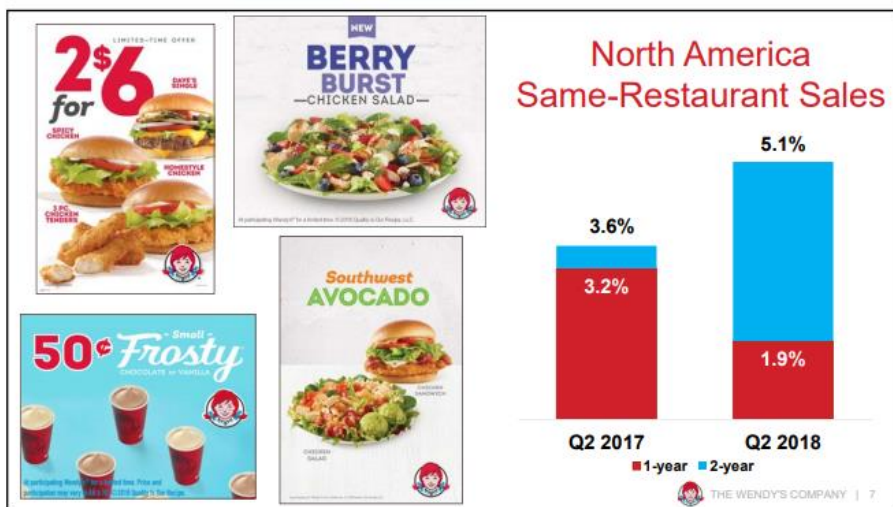




# Concept/Tenant Overview

## About Wendy's

**Wendy's** is an American international fast food chain restaurant founded by Dave Thomas on November 15, 1969, in Columbus, Ohio. The company moved its headquarters to Dublin, Ohio on January 29, 2006. The Wendy's chain offers made-to-order burgers and fries as well as alternative menu items such as baked potatoes, chili, and salads. The chain is known for its square hamburgers, sea salt fries, and the Frosty, a form of soft serve ice cream mixed with frozen starches. As of 2018, Wendy's is the world's number three hamburger chain in terms of locations (only behind McDonald's and Burger King), with approximately 6,600 franchise and Company-operated restaurants in the United States and 30 countries and U.S. territories worldwide.



## About MUY! Restaurants

**MUY! Restaurants** is one of the largest private restaurant employers in the United States with 25,000+ team members committed to great customer service. The brand is also one of the Largest Franchise Restaurant Companies in the United States, with roughly 770 units throughout the country. Through its Wendy's focused entity MUY! Hamburger Partners, LLC, MUY! Restaurants operates approximately 315 Wendy's locations across five states: New York, Ohio, Pennsylvania, Kentucky, and Texas, 150 of which are located in New York and Ohio. MUY! Hamburger Partners, LLC believes that customer satisfaction is the driving force behind their success, and as a result, hold customer experience at each of their restaurants as the top priority.



# Financial Analysis



PRICE: \$1,690,330 | CAP: 5.75% | Rent: \$97,194

## Property Description

Property	Wendy's
Property Address	393 North Broad Street
City, State, ZIP	Fairborn, OH 45324
Building Size (Square Feet)	2,716
Lot Size (Acres)	+/- 0.67
Type of Ownership	Fee Simple

## The Offering

Purchase Price	\$1,690,330
CAP Rate	5.75%
Annual Rent	\$97,194

## Lease Summary

Property Type	Net-Leased Restaurant
Tenant	MUY! Hamburger Partners, LLC
Original Lease Term	20 Years
Lease Commencement	March 26, 2014
Lease Expiration	March 31, 2034
Lease Term Remaining	15 Years
Lease Type	Triple-Net (NNN)
Rental Increases	8% Every Five (5) Years
Options to Renew	Two (2), Ten (10)-Year

## Rent Schedule

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Current Rent	\$97,194	\$8,100	-
Year 7	\$97,194	\$8,100	-
Year 8	\$97,194	\$8,100	-
Year 9	\$97,194	\$8,100	-
Year 10	\$97,194	\$8,100	-
Year 11	\$104,970	\$8,747	8.00%
Year 12	\$104,970	\$8,747	-
Year 13	\$104,970	\$8,747	-
Year 14	\$104,970	\$8,747	-
Year 15	\$104,970	\$8,747	-
Year 16	\$113,367	\$9,447	8.00%
Year 17	\$113,367	\$9,447	-
Year 18	\$113,367	\$9,447	-
Year 19	\$113,367	\$9,447	-
Year 20	\$113,367	\$9,447	-

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Wendy's located at 393 North Broad Street in Fairborn, Ohio. This property is subject to a 20-year triple-net (NNN) lease with 15 years remaining on the initial lease term. The offering consists of 2,716 rentable square feet of building space and sits on approximately 0.67 acres of land. The current annual rent is \$97,194 and is subject to 8% rental increases every five years with two (2), ten (10)-year tenant renewal option periods.





# Surrounding Area



Wright-Patterson  
AFB

Fairborn Fire  
Station

Fairborn Family  
Diner & Restaurant



McDonald's







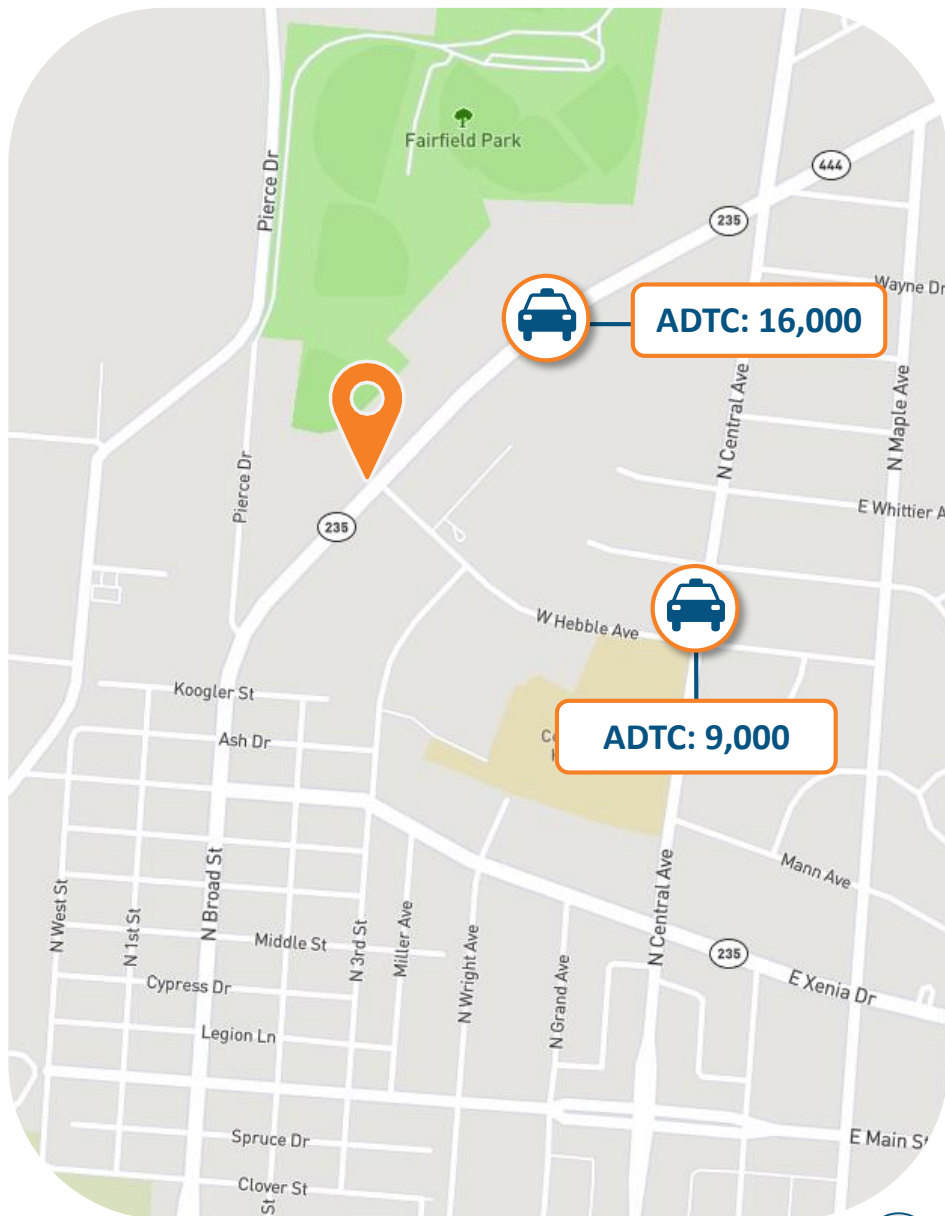
# Location Overview



This subject investment property is located at 393 North Broad Street in Fairborn, Ohio. North Broad Street has an average daily traffic count of 16,000 vehicles. The subject property also benefits from its close proximity to North Central Avenue, which brings a total of 9,000 vehicles in to the immediate area, on average, each day.

The subject property is well-positioned in a main retail corridor in Fairborn, with many other national and local retail and restaurant tenants. These tenants include: McDonald's, Arby's, Chevrolet, CVS, Firestone, Hertz, KFC, Budget, Pizza Hut, Taco Bell, Enterprise, Subway, and BP. The subject property is also located down the street from several automotive dealerships including GMC, Mitsubishi, and Chevrolet. The subject property benefits from its close proximity to Wright-Patterson Air Force Base. The host unit at Wright-Patterson AFB is the 88<sup>th</sup> Air Base Wing, assigned to the Air Force Life Cycle Management Center and Air Force Material Center. Additionally, the subject property is located less than one mile from Baker Middle School which has a total enrollment of nearly 900 students.

Fairborn, Ohio is a city in Greene County, and is located roughly 13 miles northeast of Dayton. Dayton is the sixth-largest city in state of Ohio, as well as being the county seat of Montgomery County. Dayton is home to the fourth-largest metropolitan area in Ohio and the 63<sup>rd</sup> in the United States. Dayton serves as a logistical centroid for manufacturers, suppliers, and shippers. The city also hosts significant research and development in fields such as industrial, aeronautical, and astronautical engineering that have led to many technological innovations. Much of this innovation is due in part to Wright-Patterson Air Force Base and its place in the community. With the decline of heavy manufacturing, Dayton's businesses have diversified into a service economy that includes insurance and legal sectors as well as healthcare and government sectors. Along with defense and aerospace, healthcare accounts for much of the Dayton area's economy. Hospitals in the Greater Dayton area have an estimated combined employment of nearly 32,000 people and a yearly economic impact of nearly \$6.8 billion.







# Property Photo







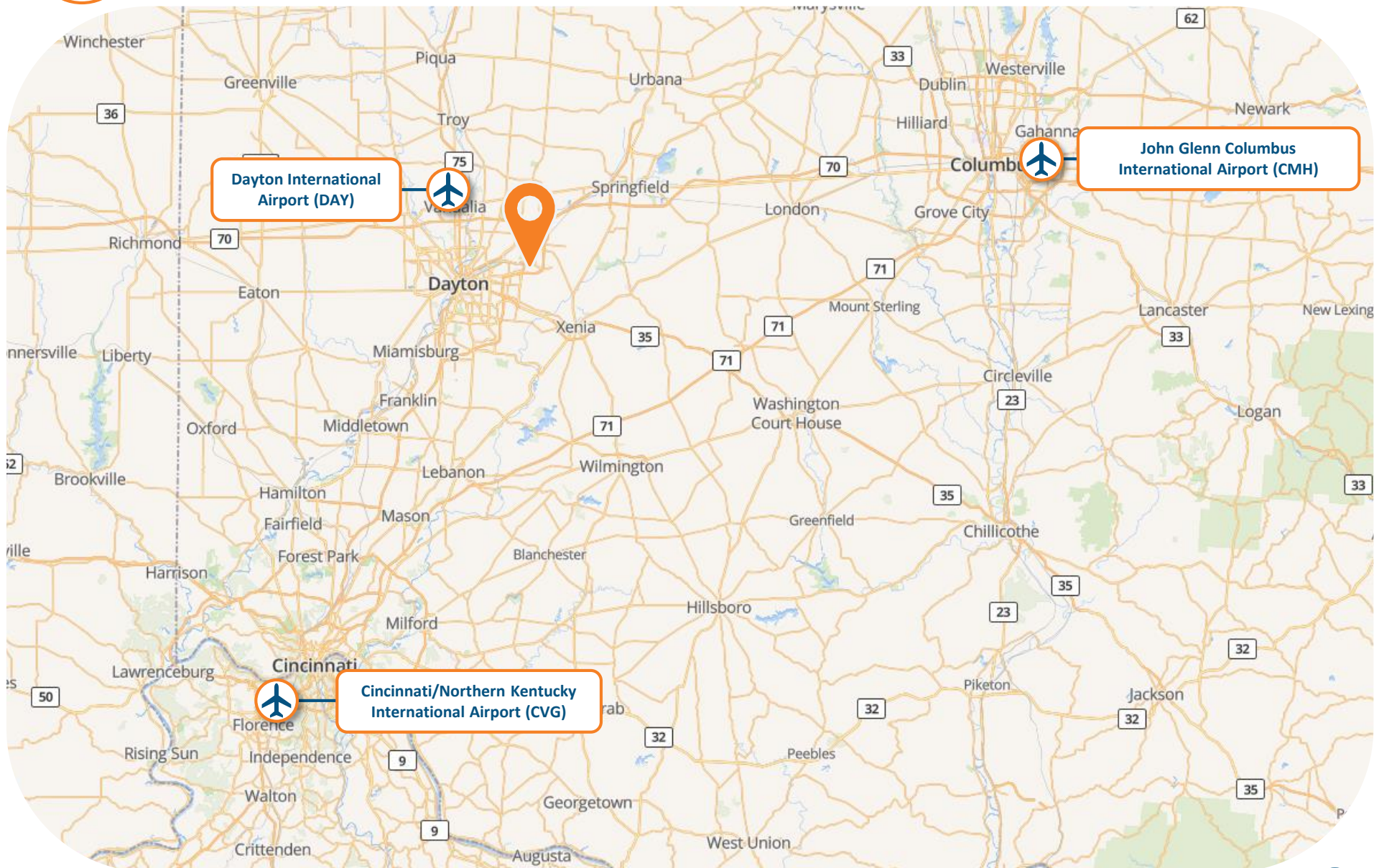
# Surrounding Area Photos







# Local Map







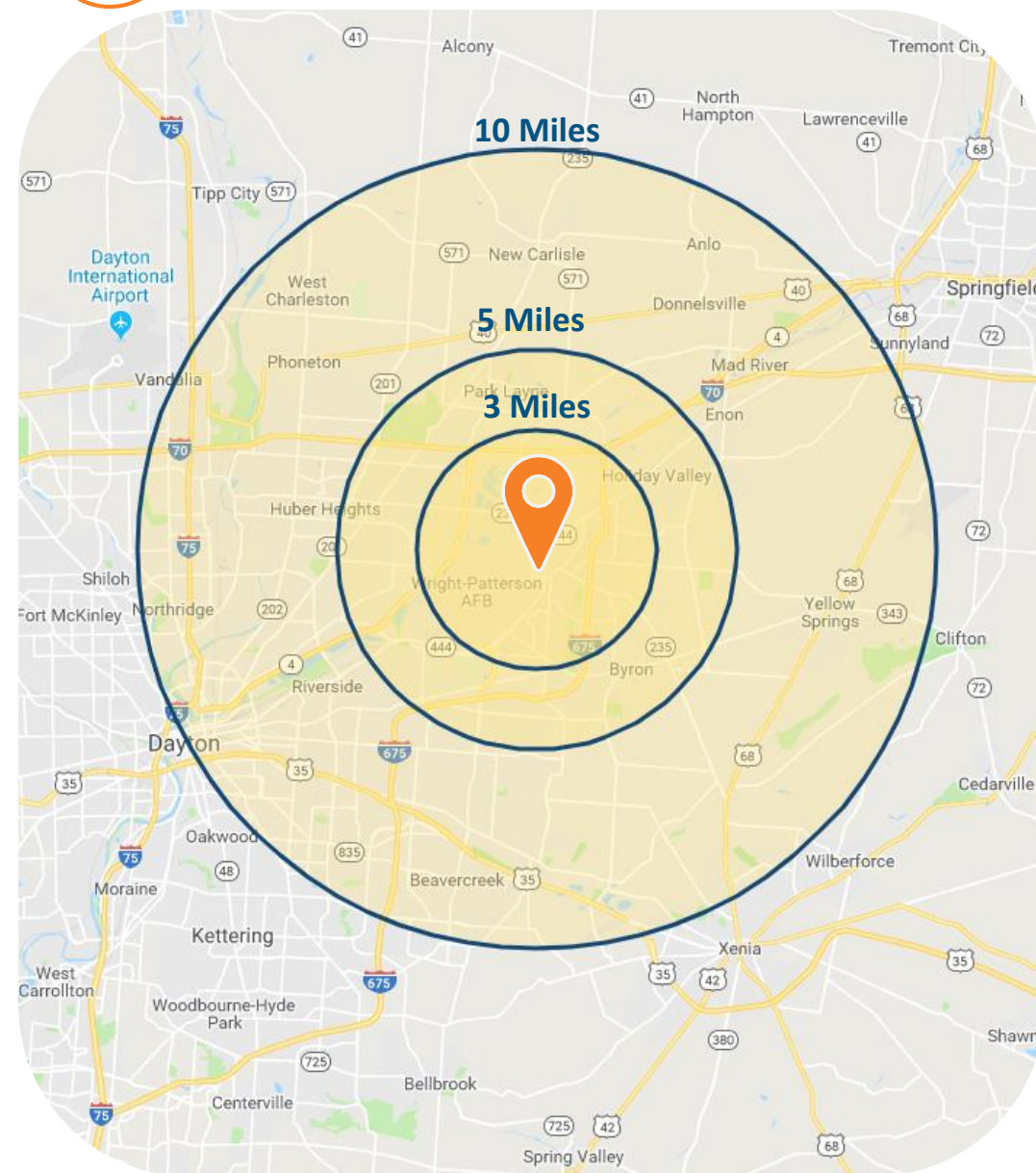
# Regional Map







# Demographics



	3 Miles	5 Miles	10 Miles
<b>POPULATION</b>			
2022 Projection	25,356	79,288	301,955
2017 Estimate	25,623	75,833	297,334
2010 Census	25,320	74,622	294,760
2000 Census	27,591	70,076	294,032
<b>INCOME</b>			
Average	\$58,350	\$68,274	\$64,968
Median	\$42,843	\$52,148	\$48,050
Per Capita	\$24,904	\$27,792	\$26,746
<b>HOUSEHOLDS</b>			
2022 Projection	10,788	32,053	124,445
2017 Estimate	10,797	30,267	121,284
2010 Census	10,656	29,651	120,432
2000 Census	11,324	27,124	117,838
<b>HOUSING</b>			
2017	\$114,205	\$135,316	\$121,594
<b>EMPLOYMENT</b>			
2017 Daytime Population	36,694	88,056	320,216
2017 Unemployment	4.50%	5.51%	5.60%
2017 Median Time Traveled	22	21	22
<b>RACE &amp; ETHNICITY</b>			
White	87.43%	82.27%	84.11%
Native American	0.18%	0.09%	0.07%
African American	5.84%	8.27%	8.07%
Asian/Pacific Islander	1.84%	4.04%	2.63%



# Market Overview



*Dayton, OH*



**Dayton** is the sixth-largest city in state of Ohio, as well as being the county seat of Montgomery County. Dayton is home to the fourth-largest metropolitan area in Ohio and the 63<sup>rd</sup> in the United States. Dayton serves as a logistical centroid for manufacturers, suppliers, and shippers. The city also hosts significant research and development in fields such as industrial, aeronautical, and astronautical engineering that have led to many technological innovations. Much of this innovation is due in part to Wright-Patterson Air Force Base and its place in the community. With the decline of heavy manufacturing, Dayton's businesses have diversified into a service economy that includes insurance and legal sectors as well as healthcare and government sectors. Along with defense and aerospace, healthcare accounts for much of the Dayton area's economy. Hospitals in the Greater Dayton area have an estimated combined employment of nearly 32,000 people and a yearly economic impact of nearly \$6.8 billion. Dayton was recently rated the #3 city in the nation by HealthGrades for excellence in healthcare, and many hospitals in the city have been consistently ranked by Forbes, U.S. News & World Report, and HealthGrades for clinical excellence. The Dayton region ranked within the top 10% in the nation in arts and culture, and #2 in the country amongst mid-size cities as an arts destination, ranking higher than larger cities such as Atlanta, St. Louis, and Cincinnati.

## Major Employers

Employer	Estimated # of Employees
Air Force Research Laboratory	9,000
Dayton Board of Education	3,500
Wright State University	2,826
Bae Systems Modern Tech	2,660
Behr Dayton Thermal Products	2,000
Wfsr Holdings LLC	2,000
Quest Diagnostics	1,742
Air Force US Dept of	1,634
Dayton Children	1,500
US Dept of the Air Force	1,407





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