



Offering Memorandum

WENDY'S
3115 W CLEARWATER AVENUE
KENNEWICK, WA 99336

Marcus & Millichap





Fred Meyer



MCDONALD'S



JIMMY JOHN'S

N ELY ST
36,000 CPD

SHANG HAI
RESTAURANT

G/H
GATHER 4 HIM
CHRISTIAN COLLEGE



DOUBLE DRAGON
RESTAURANT



WASH WORKS
CAR WASH

W CLEARWATER AVE
22,300 CPD



WENDY'S

3115 W Clearwater Avenue
Kennewick, WA 99336

FINANCIAL SUMMARY

Price	\$1,215,000
Down Payment	100% \$1,215,000
Cap Rate	5.55%
Building SF	2,419 SF
Net Cash Flow	5.55% \$67,416
Year Built / Renovated	1978 / 2011
Lot Size	.66 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Wenspok Resources LLC dba Wendy's
Roof & Structure	Tenant Responsible
Lease Commencement Date	May 25, 2011
Lease Expiration Date	May 30, 2026
Lease Term Remaining	7 Years
Rental Increases	6% Every 5 Years
Renewal Options	2, 5 Year Options

ANNUALIZED OPERATING DATA

LEASE YEARS	ANNUAL RENT	CAP RATE
Current - 5/30/2021	\$67,416.00	5.55%
5/31/2021 - 5/30/2026	\$71,460.96	5.88%

OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$75,748.62	6.23%
Option 2	\$80,293.53	6.61%

BASE RENT

	\$67,416
Net Operating Income	\$67,416
Total Return	5.55% \$67,416





The Wendy's Company (NASDAQ: WEN) is the world's third largest quick-service hamburger company. The Wendy's system includes more than 6,500 franchise and Company restaurants in the U.S. and 29 other countries and U.S. territories worldwide. The Wendy's Company is the parent company of subsidiary holding company Wendy's Restaurants, LLC (Wendy's Restaurants). Wendy's Restaurants is the parent company of Wendy's International, LLC (Wendy's), which is the owner and franchisor of the Wendy's restaurant system in the United States.

In 2017, the company revenue totaled \$1.2 billion. As of December 31, 2017, there were 6,130 Wendy's restaurants in operation in North America. Of these restaurants, 337 were operated by the Company and 5,793 by a total of 349 franchisees.

www.wendys.com

FRANCHISEE OVERVIEW: Wenspok Resources LLC

The Wenspok Resources Franchise is comprised of 33 locations all under the Wenspok Companies umbrella. The franchise is also affiliated with the Alberta, Canada group of restaurants and the Montana, South Dakota, and North Dakota group of restaurants. Wenspok currently has operations in four states: 14 in Washington, five in Idaho, 13 in Oregon, and one in California.

www.wenspokcompanies.com



INVESTMENT HIGHLIGHTS

- Absolute Triple-Net (NNN) Lease with 7 Years Remaining – 6% Rental Increases Every 5 Years
- 159,463 Residents in Kennewick Trade Area – the Principal City of the Tri-Cities MSA
- Visible to 22,300+ Cars per Day Along W Clearwater Avenue
- Adjacent to Major National Retailers – Big Lots, Goodwill, Dollar Tree, Safeway, Rite Aid, McDonald's, Taco Bell, and More
- Minutes to Columbia Center – an All-in-One Destination of Over 125 Shopping, Dining, and Entertainment Options
- Close Proximity to the I-182 and I-82 Freeways – Major Connectors for the Tri-Cities Area
- Average Household Income Exceeds \$75K in 5-Mile Radius
- Strong Daytime Population – 147,200+ Employees in Surrounding Area

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2023 Projection	13,021	87,866	172,108
2018 Estimate	13,058	85,134	159,463
Households	1-Mile	3-Miles	5-Miles
2023 Projections	5,369	32,407	61,416
2018 Estimate	5,297	30,688	55,582
Income	1-Mile	3-Miles	5-Miles
2018 Est. Average Household Income	\$52,949	\$69,667	\$75,684
2018 Est. Median Household Income	\$41,950	\$51,105	\$57,113
2018 Est. Per Capita Income	\$21,596	\$25,330	\$26,553

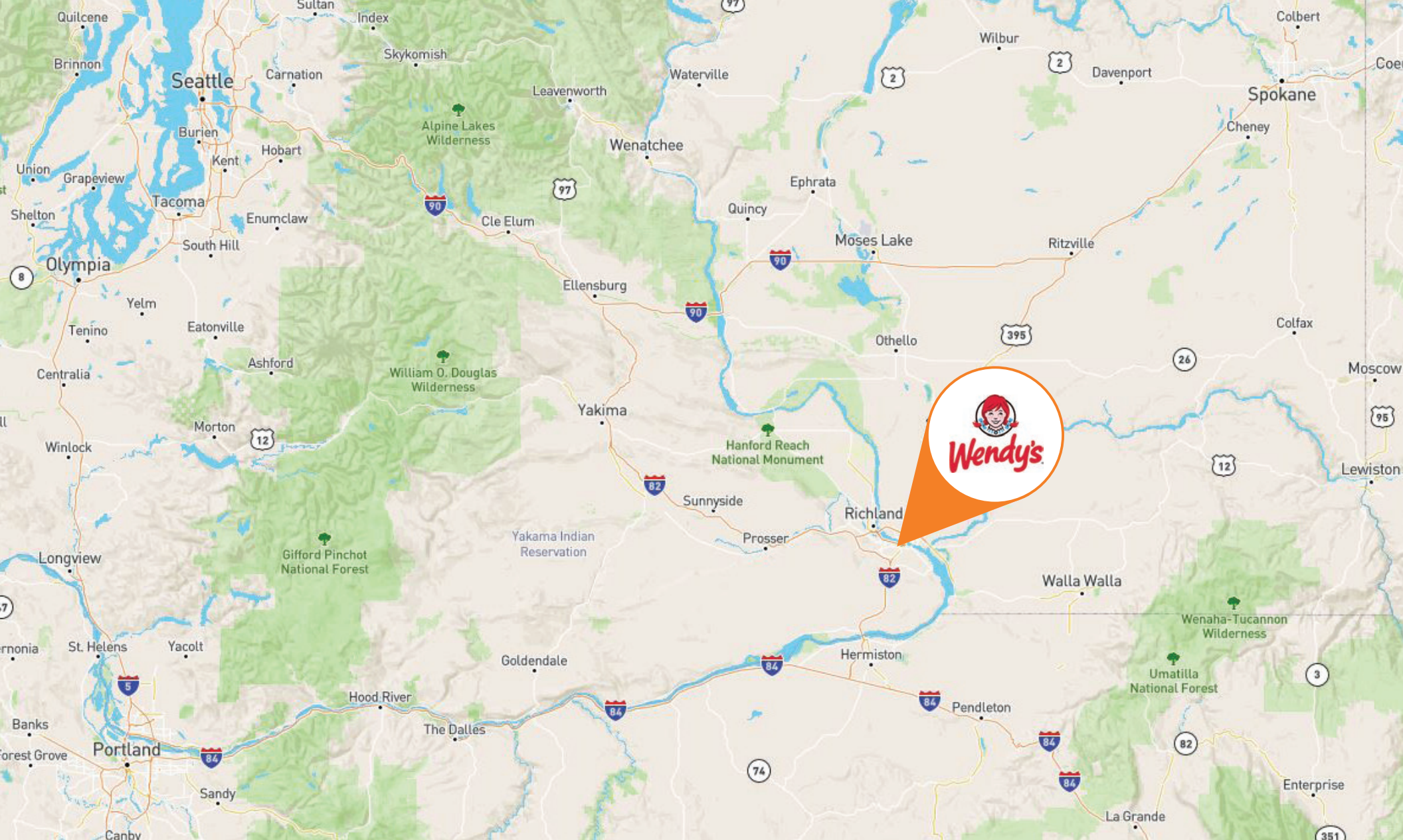
LOCATION OVERVIEW

The largest of the “Tri-Cities,” Kennewick has a strong manufacturing, food processing, retail trade and services economy. Benefitting from a talented labor force, steady job market and low cost of living, Kennewick is a thriving city with an attractive demographic of residents, tourism and a reputation for fun. Businesses locating in Kennewick find considerable value in its pacific northwest central location, affordable land, world-class infrastructure and transportation connectivity. Considered the shopping hub for southeastern Washington and northeastern Oregon, retail opportunities are plentiful throughout the city.

Kennewick is the most populous of the three cities collectively referred to as the Tri-Cities. The Tri-Cities is the name given to the metropolitan statistical area made up of the principal cities of Kennewick, Richland, and Pasco. With the fastest growing population in Washington State, attractions for residents and visitors, and a friendly business climate, the Tri-Cities is a Northwest hot spot to live, work and play. With more than 300 days of sunshine and an ideal location along the Columbia River, there is a wide variety of recreational activities available in Kennewick and the surrounding Tri-Cities area, including world-class fishing, birding, bike trails and parks. The region is also home to the Toyota Center, which hosts the Tri-City Americans WHL hockey team, the Tri-Cities Fire AFL2 football franchise, and numerous concerts and theater events each year.







6 MILES
Tri-Cities
Airport

140 MILES
Spokane,
Washington

212 MILES
Portland,
Oregon

213 MILES
Seattle,
Washington

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This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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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 as well as the Property Owner 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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