

# WENDY'S

EXCLUSIVE NET LEASED OFFERING



# OFFERING MEMORANDUM



927 Nashville Pike  
Gallatin, TN 37066

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# Investment Highlights



## Optimal Lease Structure

- ✓ 20-Year Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Attractive Rental Increases | 10.00% Every Five (5) Years
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each

## Compelling Location Fundamentals

- ✓ Dense Retail Corridor | Walmart, Belk, Pizza Hut, Panera Bread, Cracker Barrel, Chili's, Burger King, Buffalo Wild Wings, Arby's, and Many More
- ✓ Features High Visibility & Ease of Access along Nashville Pike
- ✓ Strong Traffic Counts | Nashville Pike & Tennessee Highway 109 Average 34,600 and 29,600 Vehicles Per Day, Respectively
- ✓ Compelling Location Fundamentals | Located Less Than 30 Miles Outside of Downtown Nashville

## Strong Brand, Exceptional Operator

- ✓ Wendy's is the World's Number Three Hamburger Chain in Terms of Locations
- ✓ There are Approximately 6,600 Franchise and Company-Operated Wendy's Restaurants in the United States and 30 Countries and U.S. Territories Worldwide
- ✓ Wendy's of Bowling Green ("WBG") is a Premier Franchisee of the Wendy's Family with 101 Locations Spread Across Kentucky, Indiana, Tennessee and Alabama
- ✓ WBG is Currently Among the Top 15 Franchisees within the Wendy's System in Terms of Locations







# Financial Analysis & Investment Summary *Wendy's*

PRICE: \$2,657,758 | CAP RATE: 5.40% | RENT: \$143,519

## PROPERTY DESCRIPTION

Property	Wendy's
Property Address	927 Nashville Pike
City, State ZIP	Gallatin, TN 37066
Year Built	2002
Building Size (SF)	2,920
Lot Size (Acres)	1.40
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$2,657,758
CAP Rate	5.40%
Annual Rent	\$143,519

## LEASE SUMMARY

Tenant / Guarantor	Wendy's of Bowling Green, Inc.
Original Lease Term	20 Years
Lease Commencement	June 17, 2019
Lease Expiration	June 16, 2039
Lease Term Remaining	19.8 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Four, Five-Year Option Periods
Rental Increases	10% Every Five Years

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$143,519	\$11,960	-
Year 2	\$143,519	\$11,960	-
Year 3	\$143,519	\$11,960	-
Year 4	\$143,519	\$11,960	-
Year 5	\$143,519	\$11,960	-
Year 6	\$157,871	\$13,156	10.00%
Year 7	\$157,871	\$13,156	-
Year 8	\$157,871	\$13,156	-
Year 9	\$157,871	\$13,156	-
Year 10	\$157,871	\$13,156	-
Year 11	\$173,658	\$14,471	10.00%
Year 12	\$173,658	\$14,471	-
Year 13	\$173,658	\$14,471	-
Year 14	\$173,658	\$14,471	-
Year 15	\$173,658	\$14,471	-
Year 16	\$191,024	\$15,919	10.00%
Year 17	\$191,024	\$15,919	-
Year 18	\$191,024	\$15,919	-
Year 19	\$191,024	\$15,919	-
Year 20	\$191,024	\$15,919	-



# Concept & Tenant Overview

Wendy's

## 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 such alternative menu items 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 Wendy's of Bowling Green

**Wendy's of Bowling Green ("WBG")** is a premier franchisee of the Wendy's family. WBG currently operates 101 restaurants in four different states: Kentucky, Indiana, Tennessee and Alabama. In June of 2019, WBG almost doubled the number of stores under its umbrella with the acquisition of 44 Wendy's restaurants in the Nashville market from Manna Inc. These stores are well positioned within WBG's footprint as they are located comfortably between the Bowling Green market, where the franchise is based, and its interests in the Huntsville, Alabama, market. With the acquisition, WBG has solidified itself as a top 15 franchisee within the Wendy's system. The Company started in 1975 and is owned by Mike O'Malley of Clarksville, Tennessee and John Hughes of Bowling Green, Kentucky. WBG has been and continues to be a leader in the Hospitality Industry within the Wendy's International Organization.





# Surrounding Area

Wendy's



Marcus & Millichap

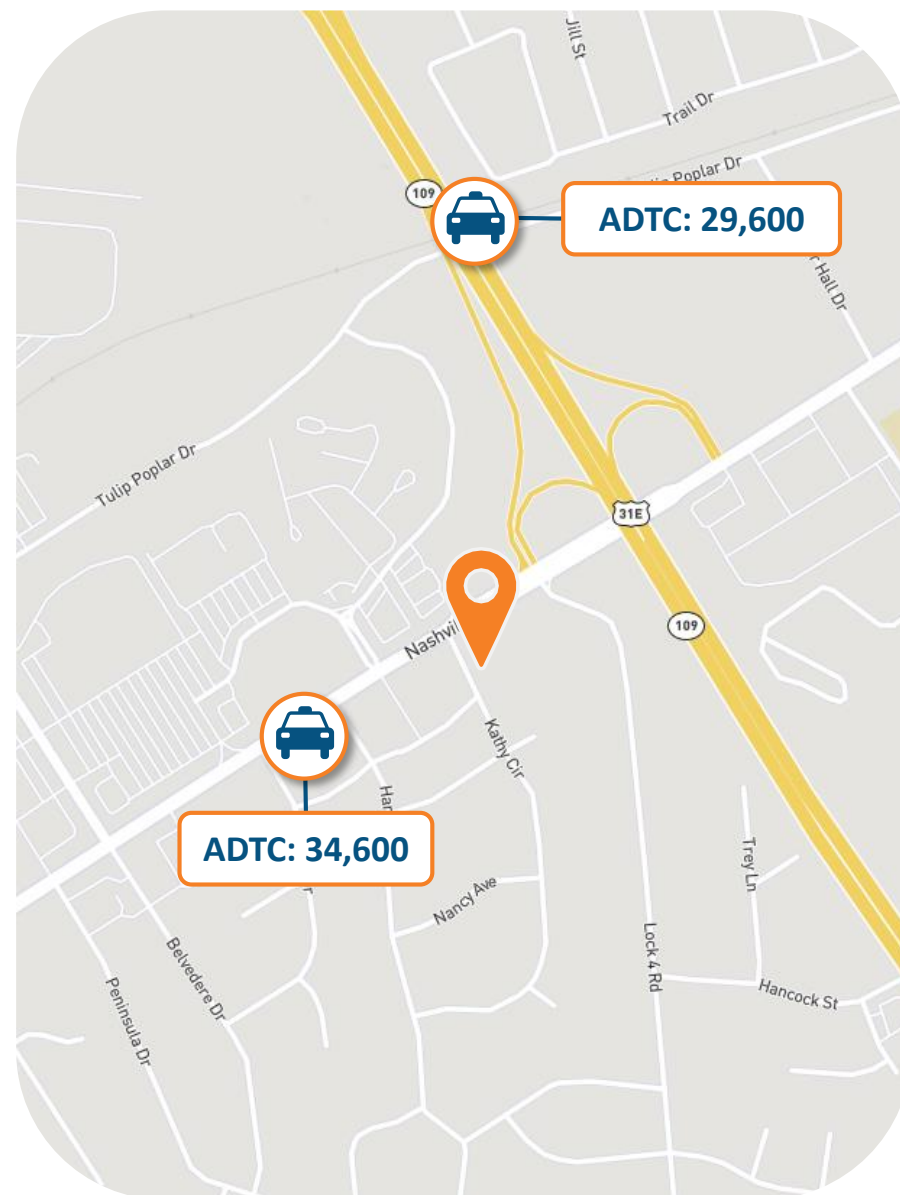


# Location Overview

The subject property is situated along Nashville Pike, which has an average daily traffic count of 34,600 vehicles. Nashville Pike also serves as an access road to Tennessee Highway 109, which brings an additional 29,600 vehicles into the immediate area on average daily. There are 48,614 individuals residing within a five-mile radius of the property and 123,853 individuals within a ten-mile radius. The subject property is also located in a very affluent area with the average household income exceeding \$88,000 within a ten-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, national sports complexes, and hospitality accommodations. Major national tenants include Walmart, Cracker Barrel, Arby's, Burger King, Chili's, Panera Bread, and several other quick service restaurants. Additionally, several hospitality accommodations are within immediate proximity to the property including a Hampton Inn and a Quality Inn. This property also benefits from being situated less than three miles from Volunteer Community College, which has a total enrollment of more than 9,000 students. The subject property is also within two miles of the Long Hollow Golf Course of Gallatin. Additionally, the subject property sits across the street from the Littlestone at Village Green, a large up-scale apartment complex in Gallatin. The Wendy's is also situated within two miles of Sumner Regional Medical Center which is a state-of-the-art medical facility that features 155 staffed beds.

Gallatin is the county seat of Sumner County, Tennessee. With a population of more than 32,000 residents, the town is located approximately 30 miles away from Nashville, the state capital of Tennessee. Several national companies have facilities or headquarters in Gallatin, including GAP Inc., RR Donnelley, Beretta, and Servpro Industries, Inc. Gallatin is also home to Volunteer State Community College, which is a two-year college boasting more than 70-degree programs. In total, there are six parks that allow for various sports and activities including, but not limited to, baseball, softball, volleyball, basketball, swimming, boating, and fishing. There are also several beautification awards and other incentivized prizes that the Gallatin Community presents to those most involved and engaged in the pledge to promote reducing, reusing, and recycling. Gallatin's education system is held in high regard, as there are six total elementary schools, three middle schools, two high schools, and one college.







# Property Photos

Wendy's







# Surrounding Area Photos

Wendy's

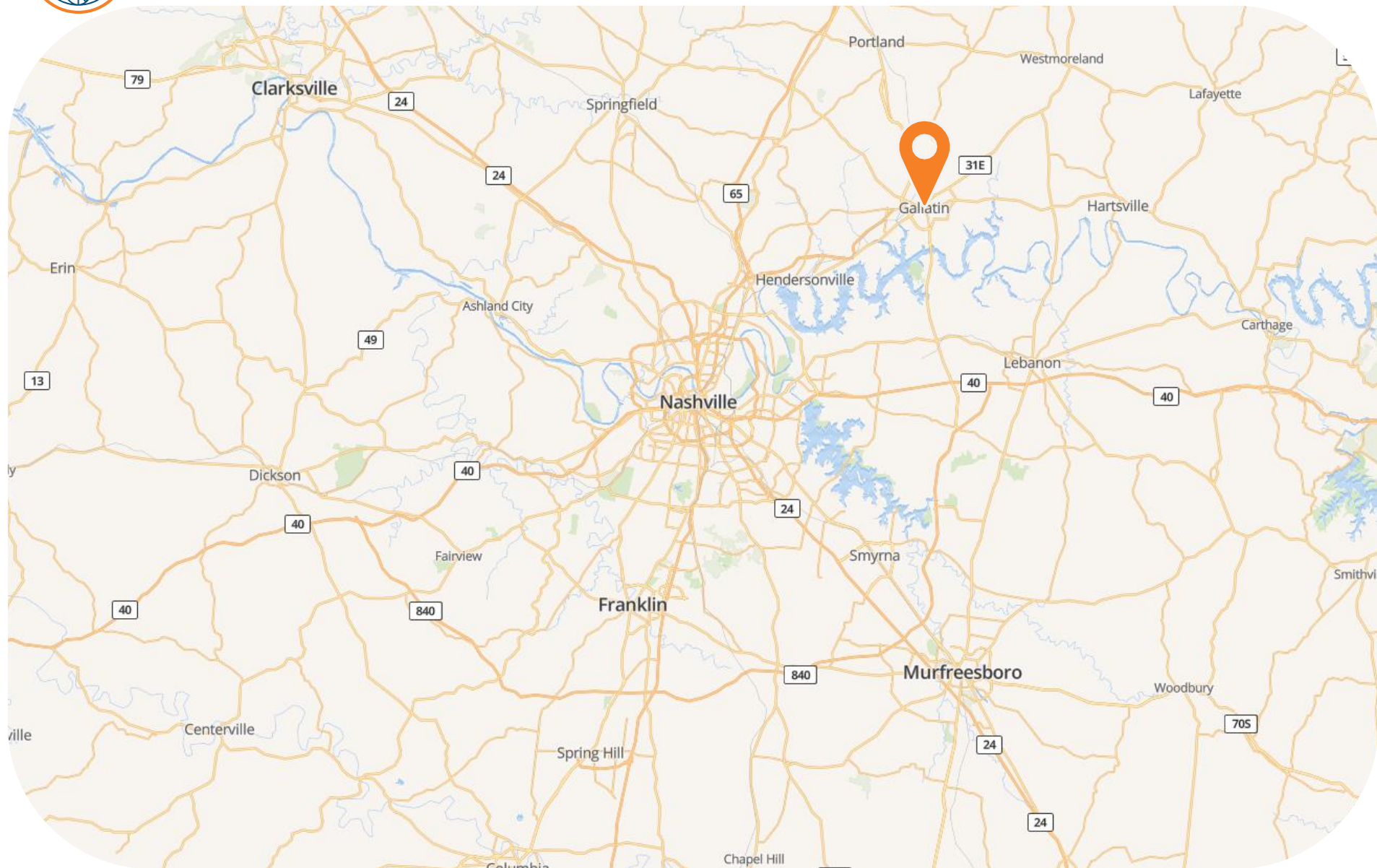






# Local Map

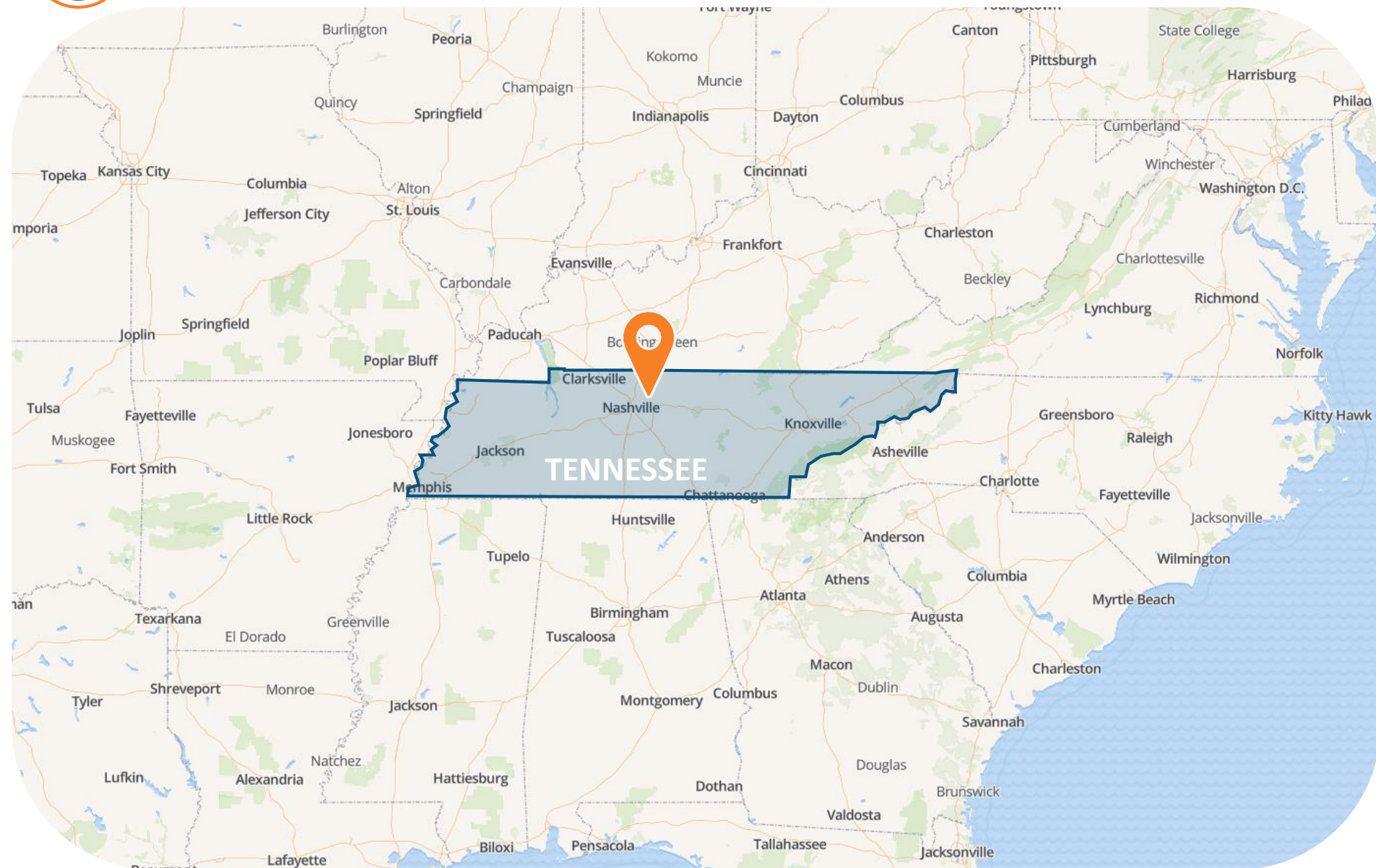
Wendy's





# Regional Map

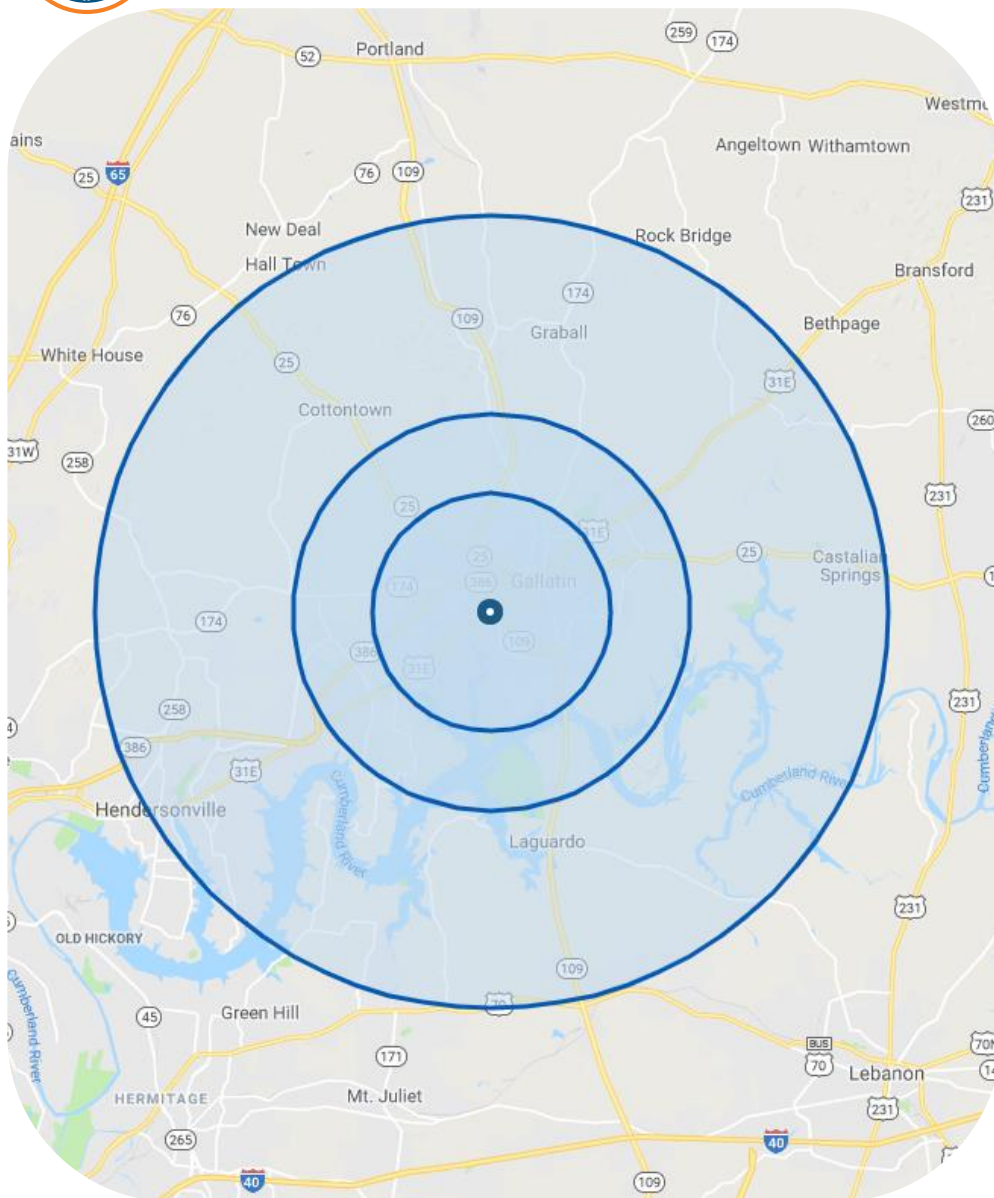
Wendy's







# Demographics



## POPULATION

	3 Miles	5 Miles	10 Miles
2023 Projection	34,764	52,464	135,796
2018 Estimate	32,425	48,614	123,853
2010 Census	27,656	40,151	103,573
2000 Census	22,273	31,995	79,373

## INCOME

Average	\$72,152	\$80,361	\$88,833
Median	\$50,025	\$57,039	\$66,553
Per Capita	\$28,651	\$31,516	\$33,954

## HOUSEHOLDS

2023 Projection	13,900	20,779	52,343
2018 Estimate	12,742	18,938	47,193
2010 Census	10,732	15,510	39,354
2000 Census	8,570	12,167	29,929

## HOUSING

2018	\$182,339	\$214,888	\$241,415
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## EMPLOYMENT

2018 Daytime Population	38,020	52,681	106,399
2018 Unemployment	4.45%	3.98%	3.42%
2018 Median Time Traveled	27 Mins	28 Mins	30 Mins

## RACE & ETHNICITY

White	74.12%	79.31%	85.93%
Native American	0.19%	0.14%	0.08%
African American	16.88%	13.29%	8.20%
Asian/Pacific Islander	0.87%	0.87%	1.18%



# Market Overview

*Nashville, Tennessee*

## Nashville

Nashville is the capital of the state of Tennessee and the county seat of Davidson County. Located in northern middle Tennessee, Nashville is the core of the largest metropolitan area in Tennessee and ranks as the 24th largest city by population in the United States. The city is a center for music, healthcare, publishing, banking, and transportation industries. As the "home of country music", Nashville has become a major music recording and production center. Since the 1960s, Nashville has been the second-largest music production center (after New York) in the US. Nashville's music industry is estimated to have a total economic impact of \$6.4 billion per year and to contribute 19,000 jobs to the Nashville area. Although Nashville is renowned as a music recording center and tourist destination, its largest industry is health care. Nashville is home to more than 300 health care companies. As of 2012, it is estimated the health care industry contributes U.S. \$30 billion per year and 200,000 jobs to the Nashville-area economy.

In recent times Nashville has been described as a "southern boomtown" as evidenced by the city having the third fastest growing economy in the United States. It has been stated by the US Census bureau that Nashville "adds an average of 100 people a day to its net population increase". The Nashville region was also stated to be the "Number One" Metro Area for Professional and Business Service Jobs in America, as well as having the "Hottest Housing Market in America", as stated by Zillow.

## Major Employers

Employer	Estimated # of Employees
Black-Eyed Peas Restaurants	2,500
County of Sumner	2,384
Direct Auction Services LLC	1,700
Sumner Regional Medical Center	967
Xtend Healthcare LLC	800
Walmart	750
Kroger	503
Maple Leaf Foods USA Inc	450
Imaging For Women At Sumner Station	448
Bosch Gallatin Plant	400
Road Runner Services	400
Goodwill Industries of Middle Tennessee	365

# of Employees based on 10-mile radius



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**NNN**  
PRO GROUP

## EXCLUSIVE NET LEASE OFFERING



**TN BROKER OF RECORD:**

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