



Wendy's

COLUMBIA, SC



EXECUTIVE SUMMARY



2120 Clemson Rd,
Columbia, SC 29229

ADDRESS



Columbia, SC

MARKET



LOT SIZE



15.6 YEARS

TERM REMAINING



NUMBER OF UNITS



LEASE TYPE

THE OFFERING

Price	\$2,130,095
Cap Rate	5.25%
Year Built	1997
Total GLA	2,935 SF
Lot Size	1.36 Acres
Lease Term	20 Years
Rent Commencement	3/23/ 2015
Lease Expiration	3/31/2035
Increases	1.25% Annually
Options	Four; Five-Year Terms
Debt	Free & Clear

ANNUALIZED OPERATING DATA

Base Rent	\$111,830 *
RENTAL INCREASES	
4/1/19- 3/31/20	\$110,449
4/1/20- 3/31/21	\$111,830
4/1/21- 3/31/22	\$113,228
4/1/22- 3/31/23	\$114,643
4/1/23- 3/31/24	\$116,076
4/1/24- 3/31/25	\$117,527
4/1/25- 3/31/26	\$118,996
4/1/26- 3/31/27	\$120,483
4/1/27- 3/31/28	\$121,990
4/1/28- 3/31/29	\$123,514
4/1/29- 3/31/30	\$125,058
4/1/30- 3/31/31	\$126,622
4/1/31- 3/31/32	\$128,204
4/1/32- 3/31/33	\$129,807
4/1/33- 3/31/34	\$131,429
4/1/34- 3/31/35	\$133,072
OPTION TERMS	
Options 1-4	1.25% Annually

*Rent Credit- Seller will credit Buyer the per diem difference between the current rental rate of \$110,449 and the rental rate of \$111,830 at the time of closing.

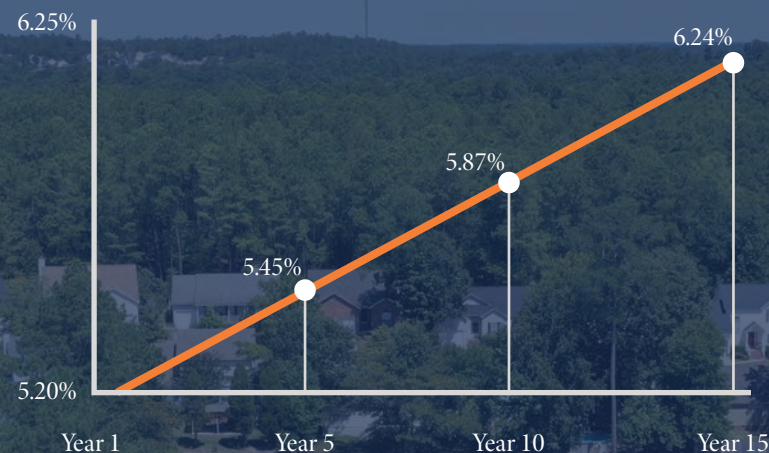
INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership, is pleased to exclusively offer the fee simple interest in this Wendy's in Columbia, South Carolina. The Tenant, Carolina Restaurant Group, Inc., ("CRG"), a larger operator of Wendy's locations with 108 units, ranks #70 on Franchise Time's Restaurant 200 list. There are 15 years remaining on an absolute NNN lease that features one-and-one-quarter percent (1.25%) increases annually through the base term and four, five-year option periods. This is an established Wendy's restaurant, and in 2015 CRG executed a sale leaseback of this location. The Tenant reports stable sales of \$542-per-square-foot which represents a healthy seven percent (7%) rent-to-sales ratio. The lease is guaranteed by Carolina Restaurant Group, Inc with locations across the Carolinas and Georgia.

The Property is prominently located along Clemson Road (29,421 VPD) adjacent to a shopping center in which Planet Fitness recently opened replacing Food Lion in 23,000 square-feet. The Property shares a cross easement which allows for the free flow of traffic and the benefits of being by a busy shopping center. The large 1.36-acre parcel also benefits from synergy with neighboring McDonald's, CVS Pharmacy and Magnolia Pointe, a 64,307-square-foot neighborhood center with notable tenants Allstate and Little Caesar's. It is surrounded by a growing residential home cluster, in proximity to area Elementary school with 767 students, and just one-and-one-half-miles from retail density surrounding Lowe's Home Improvement Center. These various drivers create the ideal mix of traffic for a successful fast food location.

Located 13 miles northeast of downtown Columbia, the Tenant's location is a dense and rapidly growing suburb that has seen a 16 percent increase in the three-mile population since 2010. Continued rapid growth (16 percent) is anticipated over the next five years. Columbia is the capital, the largest city, and the commercial, industrial and educational hub for the state. Major employers include the State of South Carolina (25,570), Palmetto Health (15,000), Blue Cross BlueShield of SC (6,585), University of South Carolina (5,678) and U.S. Department of the Army (5,286) among others. Presently there are more than 61,628 people and an average household income of \$97,665 within three miles of the Property.

CAP RATE GROWTH OVER BASE TERM



INVESTMENT HIGHLIGHTS

- 15+ Years Remain on NNN Lease
- Guaranteed by Leading 108-Unit Franchisee
- Annual 1.25% Rent Increases
- Stable Sales of \$542 PSF Above AVU
- Upper Income Area (\$97,665 AHHI) in State Capital Region
- Growing Submarket with 16% Population Growth in Next Five Years



TENANT INFORMATION

Carolina Restaurant Group, a leading franchisee of Wendy's International, owns and operates more than 108 Wendy's Old-Fashioned Hamburger locations in three states, mostly in the Charlotte, North Carolina, area. Carolina Restaurant Group, Inc. was founded on April 1, 1993 by former Wendy's president Joe Drury. What began as a 26-store franchise has become a corporation currently totaling 108 restaurants and growing. Another Wendy's veteran, Quint Graham, now leads the company's ownership group. Quint started with Wendy's 34 years ago as a crew member and worked his way up to General Manager and then District Manager with Wendy's International. Mr. Graham had the honor of working closely with Dave Thomas and brought with him to Carolina Restaurant Group the concepts and leadership Mr. Thomas instilled in him.



Wendy's



HEADQUARTERS
Charlotte, NC



NO. OF EMPLOYEES
2,500



NO. OF LOCATIONS
108



YEAR FOUNDED
1993



RANK: #70
on Franchise Times Top 200
Operators List in 2019

CIT SERVES AS LEAD ARRANGER ON \$60MM FINANCING FOR CAROLINA RESTAURANT GROUP

AUGUST 07, 2019

CIT Group Inc. announced that it served as sole lead arranger of a \$60 million financing for Carolina Restaurant Group (CRG), operators of 108 Wendy's restaurant franchises across North Carolina and South Carolina.

Based in Charlotte, North Carolina, CRG has been in business since 1993 and has grown to become one of the nation's largest operators of Wendy's franchises. It intends to use the financing to recapitalize the company, **remodel existing franchise units and develop new restaurants.**

"CRG is **one of the premier Wendy's franchise operators in the U.S. and we are pleased to assist them in continuing their evolution and growth trajectory,**" said Hillary Savoie, managing director and group head for CIT's Corporate Banking unit.

"CIT's expertise was extremely helpful in arranging the financing we were seeking to recapitalize our company and take CRG to the next level," said CRG Chief Executive Officer Quint Graham.



REGIONAL MAP

29K^{MPD}

Traffic Counts:

An average of 29,421 vehicles per day drive by Clemson Road



X16.7%

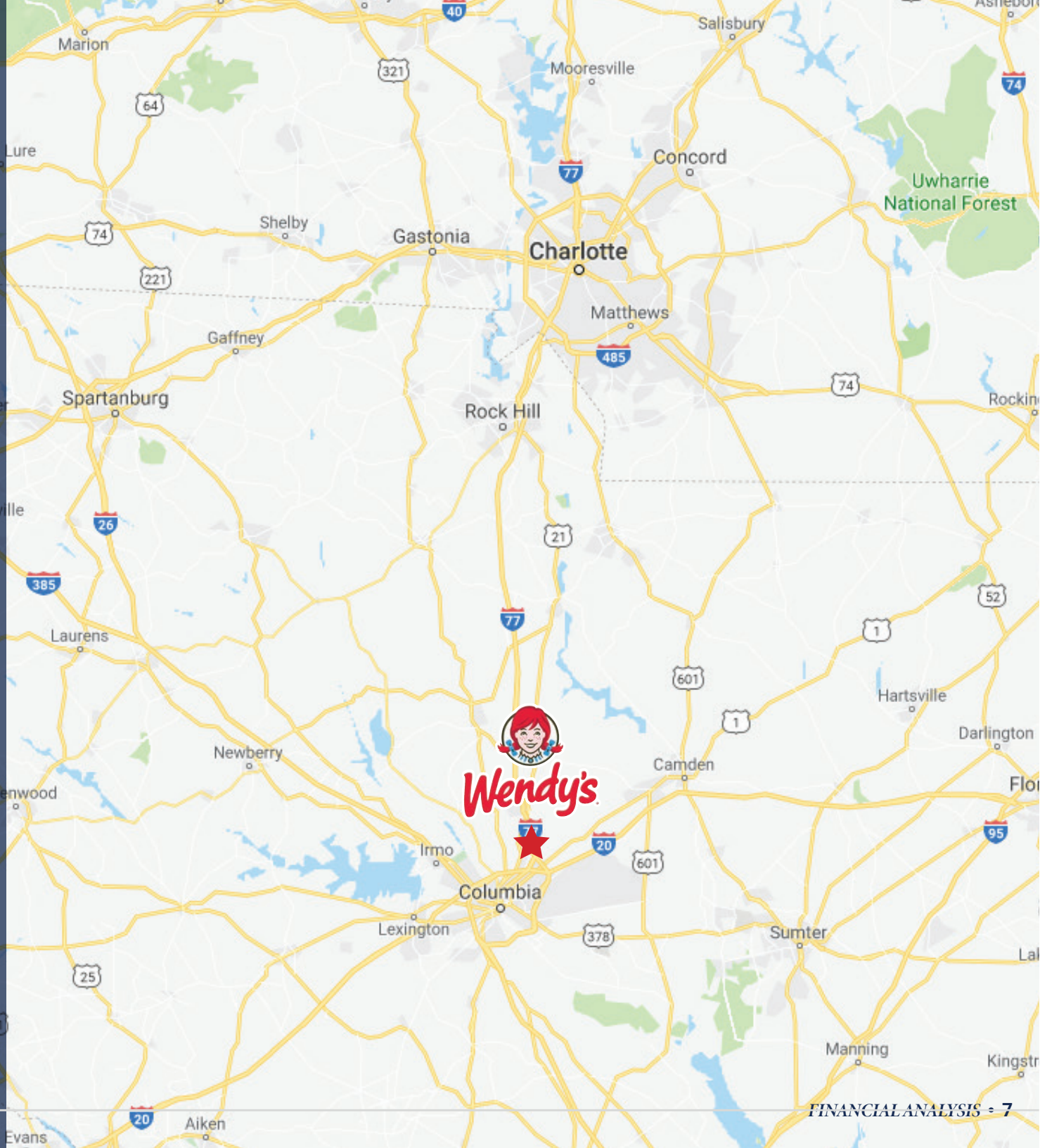
Population Growth:

Within a 5-mile radius, the population is expected to grow by 16.7% over the next 5 years to 134,882

30

Drive Time:

Less than 30 minutes to downtown Columbia, NC



WITHIN A 3-MILE RADIUS, THERE ARE
22,582 HOMES WITH AN AVERAGE
HOUSEHOLD INCOME OF \$87,665



HARDSCRABBLE RD - 27,840 VPD



CLEMSON RD - 29,421 VPD



Publix.



HARDSCRABBLE RD - 27,840 VPD

CLEMSON RD - 29,421 VPD



LEASE ABSTRACT

Guarantor	Carolina Restaurant Group, Inc.
-----------	---------------------------------

Rent Commencement Date	March 23, 2015
------------------------	----------------

Notification Period for Tenant to Exercise Options	180 Days
--	----------

Landlords Obligations	None
-----------------------	------

Assignment & Subletting	Lessee shall have the right to assign any interest in Lessee or the leasehold interest in the Premises, without any transfer or assumption fee to any other Lessee Lender under any Credit Agreement provided that such other Lessee Lender has a minimum capital or surplus of at least \$100,000,000.00 if such Lessee Lender is a federal or state depository institution or otherwise has a minimum net worth determined in accordance with GAAP of at least \$25,000,000 (the "Financial Requirement"). Lessee Lender shall not have the right to assign its rights under the documents evidencing a pledge of any interest in any Lessee Party except to an entity satisfying the Financial Requirement; provided, however, Lessee Lender shall have the right to assign such interest to any other entity which (x) has a minimum net worth determined in accordance with GAAP of at least \$10,000,000, and (y) operates at least 10 restaurants, other than the Premises, as Permitted Concepts.
-------------------------	---

First Rights of Refusal	15 calendar days
-------------------------	------------------

Financial Statements	Within 120 days after the end of each fiscal year, Lessee shall deliver to Lessor and Lender (a) complete financial statements of Lessee including a balance sheet, profit and loss statement, statement of cash flow, retained earnings and all other related schedules for the fiscal period then ended; (b) income statements for the business at the Premises; and (c) individual unit level profit and loss statements. Within 45 days after the end of each fiscal quarter, Lessee shall deliver to Lessor internally prepared sales numbers.
----------------------	---

DEMOGRAPHIC HIGHLIGHTS



3-MILE POPULATION

61,928



3-MILE AVERAGE HOUSEHOLD INCOME

\$87,665



3-MILE ESTIMATED HOUSEHOLDS

22,582

DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	8,500	71,987	134,882
2018 Estimate	8,066	61,928	115,576
2010 Census	7,050	53,437	100,613
2000 Census	3,316	25,638	59,362
Current Daytime Population	4,506	40,328	93,032

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
<u>Population By Age</u>			
2018 Estimate Total Population	8,066	61,928	115,576
Under 20	28.15%	30.63%	29.04%
20 to 34 Years	20.91%	19.42%	20.82%
35 to 39 Years	8.16%	7.99%	7.61%
40 to 49 Years	14.60%	14.64%	13.94%
50 to 64 Years	19.17%	17.52%	17.77%
Age 65+	9.01%	9.81%	10.82%
Median Age	35.58	34.98	35.1
<u>Population 25+ by Education Level</u>			
2018 Estimate Population Age 25+	5,213	38,891	74,025
Elementary (0-8)	0.72%	0.84%	1.29%
Some High School (9-11)	2.92%	3.44%	3.84%
High School Graduate (12)	18.44%	17.82%	18.82%
Some College (13-15)	26.59%	24.36%	23.68%
Associate Degree Only	10.19%	10.49%	10.58%
Bachelors Degree Only	25.09%	25.85%	25.00%
Graduate Degree	15.34%	16.56%	16.21%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection	3,254	26,547	51,477
2018 Estimate	3,047	22,582	43,590
2010 Census	2,656	19,391	37,959
2000 Census	1,117	8,745	21,129

INCOME	1 MILE	3 MILES	5 MILES
<u>2018 Housing Income</u>			
\$150,000 or More	8.92%	10.88%	11.11%
\$100,000 - \$149,000	19.12%	18.48%	16.74%
\$75,000 - \$99,999	18.24%	17.01%	16.47%
\$50,000 - \$74,999	21.86%	21.77%	21.08%
\$35,000 - \$49,999	14.17%	13.17%	12.50%
Under \$35,000	17.68%	18.69%	22.09%
Average Household Income	\$83,534	\$87,665	\$86,990
Median Household Income	\$69,959	\$70,037	\$67,040
Per Capita Income	\$31,551	\$31,976	\$32,842

DEMOGRAPHIC SUMMARY

Geography: 5 Miles



POPULATION

In 2018, the population is 115,576. The population has changed by 94.70% since 2000. It is estimated that the population will be 134,882 five years from now, which represents a change of 16.70% from the current year. The current population is 46.92% male and 53.08% female. The median age of the population is 35.10, compared to the US average which is 37.95. The population density is 1,471.32 people per square mile.



HOUSEHOLDS

There are currently 43,590 households in your selected geography. The number of households has changed by 106.30% since 2000. It is estimated that the number of households will be 51,477 five years from now, which represents a change of 18.09% from the current year. The average household size is 2.65 persons.



INCOME

In 2018, the median household income is \$67,040, compared to the US average which is currently \$58,754. The median household income for your area has changed by 17.55% since 2000. It is estimated that the median household income will be \$76,724 five years from now, which represents a change of 14.45% from the current year.

The current year per capita income is \$32,842, compared to the US average, which is \$32,356. The current year average household income is \$86,990, compared to the US average which is \$84,609.



RACE AND ETHNICITY

The current year racial makeup is as follows: 39.01% White, 49.90% Black, 0.16% Native American and 4.47% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race and make up 6.81% of the current year population. Compared to the US average of 18.01%.



HOUSING

The median housing value was \$164,741 in 2018, compared to the US average of \$201,842. In 2000, there were 16,335 owner occupied housing units and there were 4,794 renter occupied housing units. The median rent at the time was \$564.



EMPLOYMENT

In 2018, there are 33,786 employees, this is also known as the daytime population. The 2000 Census revealed that 72.93% of employees are employed in white-collar occupations, and 27.06% are employed in blue-collar occupations. In 2018, unemployment is 3.29%. In 2000, the average time traveled to work was 27 minutes.

COLUMBIA, NC OVERVIEW

Columbia is the capital of and largest city in the U.S. state of South Carolina, with a population of 129,272 as of the 2010 United States Census. The City, incorporated in 1786, is located thirteen miles northwest of South Carolina's geographic center. The City currently occupies a land area of 134.94 square miles. The City of Columbia is the 2nd largest city in South Carolina with a population of 136,866 as of July 1, 2017. Columbia is considered the primary city of the Midlands region of South Carolina.

The Columbia economy is the 69th largest metropolitan economy in the United States. Substantial concentrations of employers in government, manufacturing, education, finance, and health care provide high paying jobs and a relatively reliable tax revenue base. The vitality of these industries, combined with the increased interest in living in urban centers, will continue to support the City's revenue base. Columbia is also home to the main campus of the University of South Carolina as well as ten other colleges and universities.

The flagship campus of the University of South Carolina's eight campuses is in downtown Columbia and offers 324 undergraduate, graduate and doctoral degree programs through its 14 degree-granting colleges and schools. Its well-rounded offerings include the highly regarded colleges of Law; the Moore School of Business; Hospitality; Sport Management; Education; Medicine; Mass Communication and Information; Music; Nursing; and Pharmacy among others.

The Columbia community offers visitors and residents 16 major parks featuring everything from arboretums to zoos with a lot in between. The jewel of inland water recreational areas is the man-made Lake Murray, a former hydro-electric generating facility. Only a few minutes outside Columbia, Lake Murray offers 650 miles of shoreline and covers an area of 78 square miles. Parks, dozens of docks and other offerings attract tens of thousands of people every year to enjoy the water. Another gem is Riverbanks Zoo located along the Saluda River. It was named one of America's best zoos and a sanctuary for its more than 2,000 animals housed in natural habitat exhibits. Its 70-acre Botanical Garden is just across the river, and devoted to gardens, woodlands, plant collections, and features some historic ruins on-site. The zoo and gardens host a variety of entertainment and educational programs for children and adults every week throughout the year. Finlay Park, in the re-energized Congaree Vista district, was an important step in the downtown revitalization efforts. It is the city's most popular park and hosts many free concerts and events. The city and its surroundings are served by Columbia Metropolitan Airport.



CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2016 Marcus & Millichap. All rights reserved.

Non-Endorsement Notice

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

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

NET LEASED DISCLAIMER

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

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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.



Marcus & Millichap



EXCLUSIVELY LISTED BY:

DEAN ZANG

SENIOR MANAGING DIRECTOR
NATIONAL RETAIL GROUP

WASHINGTON, D.C.

Tel: (202) 536-3754

Fax: (202) 536-3710

dean.zang@marcusmillichap.com

Licenses: MD 665335

VA 0225239201

SC BOR: Ben Yelm - 86628

Activity ID: