

WENDY'S

3747 E BROAD STREET, COLUMBUS, OHIO 43213



OFFERING MEMORANDUM

Marcus & Millichap



O
THE OHIO STATE
UNIVERSITY
68,100 STUDENTS

DOWNTOWN
COLUMBUS

16

Kroger
POPEYES
LOWE'S
MCDONALD'S
Walgreens

Wendy's

TARGET
Firestone
STAPLES
Rainbow
CITITRENDS
DOLLAR GENERAL
Bob Evans
DOLLAR TREE
goodwill
HIBBETT SPORTS
TACO BELL
rue21

Walmart
Supercenter
AutoZone
DOLLAR TREE
ALDI

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Executive Summary

FINANCIAL SUMMARY

Price	\$1,593,400
Down Payment	\$1,593,400
Cap Rate	6.0%
Building SF	2,612 SF
Net Cash Flow ⁽¹⁾	6.0% \$95,600
Year Built	1971
Land/Lot Size	1.01 Acres

LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Wendy's
Guarantor	Wendy's Properties, LLC / Corporate
Roof & Structure	Tenant Responsible
Lease Commencement Date	June 27, 2005
Lease Expiration Date	December 31, 2025
Lease Term Remaining	6 Years
Rental Increases	15% in Each Option Period
Renewal Options	2, 5 Year Options

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent
Current - 12/31/2025	\$80,000
2019 Percentage Rent ⁽¹⁾	\$15,600

Base Rent ⁽¹⁾	\$95,600
Net Operating Income	\$95,600
Total Return	6.0% \$95,600

(1) Percentage rent – in addition to fixed annual rent of \$80,000 tenant shall pay 7.5% of gross sales in excess of \$1,066,667 (break point) or, \$15,600 based on 2019 gross sales of \$1,274,240. The breakpoint increases by 15% every 5 years in options only, beginning 1/1/2026.





Property Description



INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Lease with 6 Years Remaining**
- » **21% Growth in Store Sales Since 2013; Healthy 7.5% Rent to Sales Ratio**
- » 15% Rental Increases in Each Option Period
- » **270,251 Residents within a 5-Mile Radius - Infill Columbus**
- » Located in Major Retail Corridor - Kroger, Target, Lowe's, Dollar Tree, Goodwill, Walgreens, Staples, and More
- » **Excellent Visibility Along Broad Street (SR-16) - 23,800+ Cars/Day, with Direct Access to Downtown Columbus (5 Miles)**
- » 1.5 Miles from Norton Crossing, a New 21-acre Mixed-Use Development Featuring 2 Office/Medical Buildings, Retail, and 360 Apartment Units with a Restaurant and Community Center
- » **Columbus has Benefited from \$40B in New Development Over the Past Decade**
- » Close Proximity to John Glenn Columbus International Airport - Traffic Reached 8.6 Million Passengers in 2019
- » **Minutes to The Ohio State University (68,100+ Students)**
- » Strong Daytime Population - 319,426 Employees in Surrounding Area



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2023 Projection	10,720	89,049	271,671
2018 Estimate	11,028	90,381	270,251

Households

2023 Projection	4,571	37,618	115,064
2018 Estimate	4,650	37,691	112,549

Income

2018 Est. Average Household Income	\$46,097	\$64,413	\$59,913
2018 Est. Median Household Income	\$34,717	\$43,116	\$41,873
2018 Est. Per Capita Income	\$19,454	\$27,132	\$25,221



Tenant Overview



Dublin, Ohio

Headquarters

The Wendy's Company

Parent Company

6,700+

Locations

www.wendys.com

Website

The Wendy's Company (NASDAQ: WEN) is the world's third largest quick-service hamburger company. As of June 30, 2019, The Wendy's system includes over 6,700 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 2018, the Company revenue totaled \$1.59 billion. As of June 30, 2019, there were 6,719 Wendy's restaurants in operation worldwide. Of these restaurants, 358 were owned and operated by the Company and 6,361 were owned and operated by franchisees.

Wendy's is best known for its made-to-order square hamburgers, using fresh, never frozen beef, freshly-prepared salads with hand-chopped lettuce, and other signature items like chili, baked potatoes and the Frosty® dessert.

Location Overview



Columbus is the fastest growing city in the Midwest, with a vibrant blend of arts and culture; inspired culinary, fashion, music and entertainment scenes; exciting collegiate and professional sports; and an open, entrepreneurial spirit. Thanks to the sprawling Ohio State University and a wide array of businesses, it's also home to a bustling and energetic workforce. A prosperous economy draws millennials, creating a young and energetic atmosphere throughout the city.

The main campus of Ohio State University, which has one of the largest enrollments of any American university, occupies a large site north of downtown. As Ohio's best and one of the nation's top 20 public universities, Ohio State is further recognized by a top-rated academic medical center and a premier cancer hospital and research center. As a land-grant university, Ohio State has campuses and research centers located around Ohio.

The city is comprised of distinct neighborhoods, including: Downtown/Franklinton, Short North, German Village/Brewery District, Arena District, Campus/Clinntonville, Easton, and Near East Side. Few cities have such a mix of diverse neighborhoods, all within a short walk of downtown.

Columbus' economy is balanced with a combination of education, technology, government, research, insurance and health care entities as major employers within the city. The local economy is not dominated by any single industry; and as a result is more stable than other locations. As the Columbus region's biggest job center, downtown's resurgence over the last decade means that for many businesses, it is the best and only location to be. Over the past decade, Columbus has benefited from \$40 billion in new development, \$5 billion of which occurred in 2019 and another \$5-\$10 billion planned or awaiting approval for 2020.

[exclusively listed by]

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