



*ACTUAL SITE PHOTOS



OFFERING
MEMORANDUM

WENDY'S ABSOLUTE NNN LEASED OFFERING

2702 SAM RAYBURN HWY MELISSA, TX

OFFERING MEMORANDUM
PRESENTED BY:

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DISCLAIMER & CONFIDENTIALITY

The material contained in this Investment Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of The Kase Group or Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Property Owner ("Owner") in connection with the sale of the Property is The Kase Group Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Investment Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to The Kase Group.

Neither The Kase Group Advisor nor the Owner or its affiliates make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future performance of the Property. This Offering Brochure may include certain statements and estimates by The Kase Group with respect to the projected future performance of the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, The Kase Group Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Investment Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement between it and Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or The Kase Group Advisor, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Investment Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.



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INVESTMENT OVERVIEW



The Kase Group is pleased to present the rare opportunity to acquire an absolute NNN Wendy's in Melissa, Texas. The long-term lease features 10% increases every 5 years in the initial term and during the option terms and is absolute NNN with zero landlord responsibilities. This is a brand new location subject to a 20 year lease. The site benefits from the incredible growth of the area with multiple new construction retailers including: Burger King, Starbucks, McDonald's, Taco Bell, Jersey Mike's, CVS and many more. This is a full movement site that benefits from curb cuts on Highway 121 & FM 545.

INVESTMENT HIGHLIGHTS

NEW 20 YEAR ABSOLUTE NNN LEASE

LOCATED IN RAPIDLY GROWING DFW MARKET

10% INCREASES IN RENT EVERY 5 YEARS

ZERO LANDLORD OBLIGATIONS

BRAND NEW 2020 CONSTRUCTION

ESSENTIAL SERVICE BUSINESS

STRONG AND EXPERIENCED OPERATOR OF WENDY'S

OFFERING SPECIFICATIONS

PRICE \$2,640,000

CAP RATE 5.00%

NET OPERATING INCOME \$132,000

SQUARE FOOTAGE 2,456

YEAR BUILT 2020

FINANCIAL SUMMARY

WENDY'S • ABSOLUTE NNN LEASE

2702 SAM RAYBURN HWY MELISSA, TX

\$2,640,000 • 5.00% CAP

SUMMARY

| | |
|-------------|-------------------|
| TENANT NAME | Wendy's |
| LEASE START | 8/26/2020 |
| LEASE END | 8/31/2040 |
| ANNUAL RENT | \$132,000 |
| OPTIONS | Four, 5-Year |
| INCREASES | 10% Every 5 Years |

OFFERING SUMMARY

| RENT SCHEDULE | MONTHLY RENT | ANNUAL RENT |
|---------------|--------------|-------------|
| YEARS 1-5 | \$11,000 | \$132,000 |
| YEARS 6-10 | \$12,100 | \$145,200 |
| YEARS 11-15 | \$13,310 | \$159,720 |
| YEARS 16-20 | \$14,641 | \$175,692 |
| OPTION 1 | \$16,105 | \$193,261 |
| OPTION 2 | \$17,716 | \$212,587 |
| OPTION 3 | \$19,487 | \$233,846 |
| OPTION 4 | \$21,436 | \$257,231 |

CONCEPT OVERVIEW



WENDY'S

Wendy's is an American international fast food restaurant chain founded by Dave Thomas on November 15, 1969, in Columbus, Ohio. The company moved its headquarters to Dublin, Ohio, on January 29, 2006. As of 2016, Wendy's was the world's third largest hamburger fast food chain with 6,500+ locations, following Burger King and McDonald's. On April 24, 2008, the company announced a merger with Triarc Companies Inc., a publicly traded company and the parent company of Arby's. Despite the new ownership, Wendy's headquarters remained in Dublin.

As of January 2, 2017, there were a total of 6,537 locations, including 330 that are company-owned. 6,207 restaurants are franchised, and 77% of them are located in North America. While Wendy's sets standards for exterior store appearance, food quality, and menu, individual owners have control over hours of operations, interior decor, pricing, staff uniforms, and wages.

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. Wendy's menu consists primarily of hamburgers, chicken sandwiches, French fries, and beverages, including the signature Frosty, which is a soft-serve frozen dairy dessert. Since phasing out their famous "Big Classic", the company does not have a signature sandwich, such as the Burger King Whopper or the McDonald's Big Mac - although, by default, the "signature sandwich" spot seems to have been filled by Dave's 1/4 lb Single (introduced in 2011 as Dave's Hot 'N Juicy as a reworking of the longstanding Wendy's Single, shortened to simply Dave's in 2016), a square-pattied burger made with fresh ground beef rather than round frozen patties. Wendy's uses square hamburger patties - which hang over the edge of a circular bun - as its signature item.



\$1.2B REVENUE



6,656+ LOCATIONS



12,100+ EMPLOYEES

TENANT OVERVIEW



STONEWALL ROAD RESTAURANT GROUP

Stonewall Road Restaurant Group ("SRRG") is a singularly focused restaurant operations firm, and one of Wendy's fastest-growing and most-respected franchisee groups. Founded in 2017 by two friends and partners with deep personal roots in franchising and experience building and growing businesses, SRRG represents 'the next generation' of Wendy's franchisees. SRRG is led by Glen Brandeburg, a former Wendy's operations executive (SVP & DVP) with ~25 years of experience in the quick-service-restaurant space. Operational expertise is further buoyed by >200 years of collective experience in the Wendy's system via SRRG's experienced multi-unit operations managers. The Company currently operates 52 Wendy's restaurants with significant plans for expansion through a robust M&A and development.

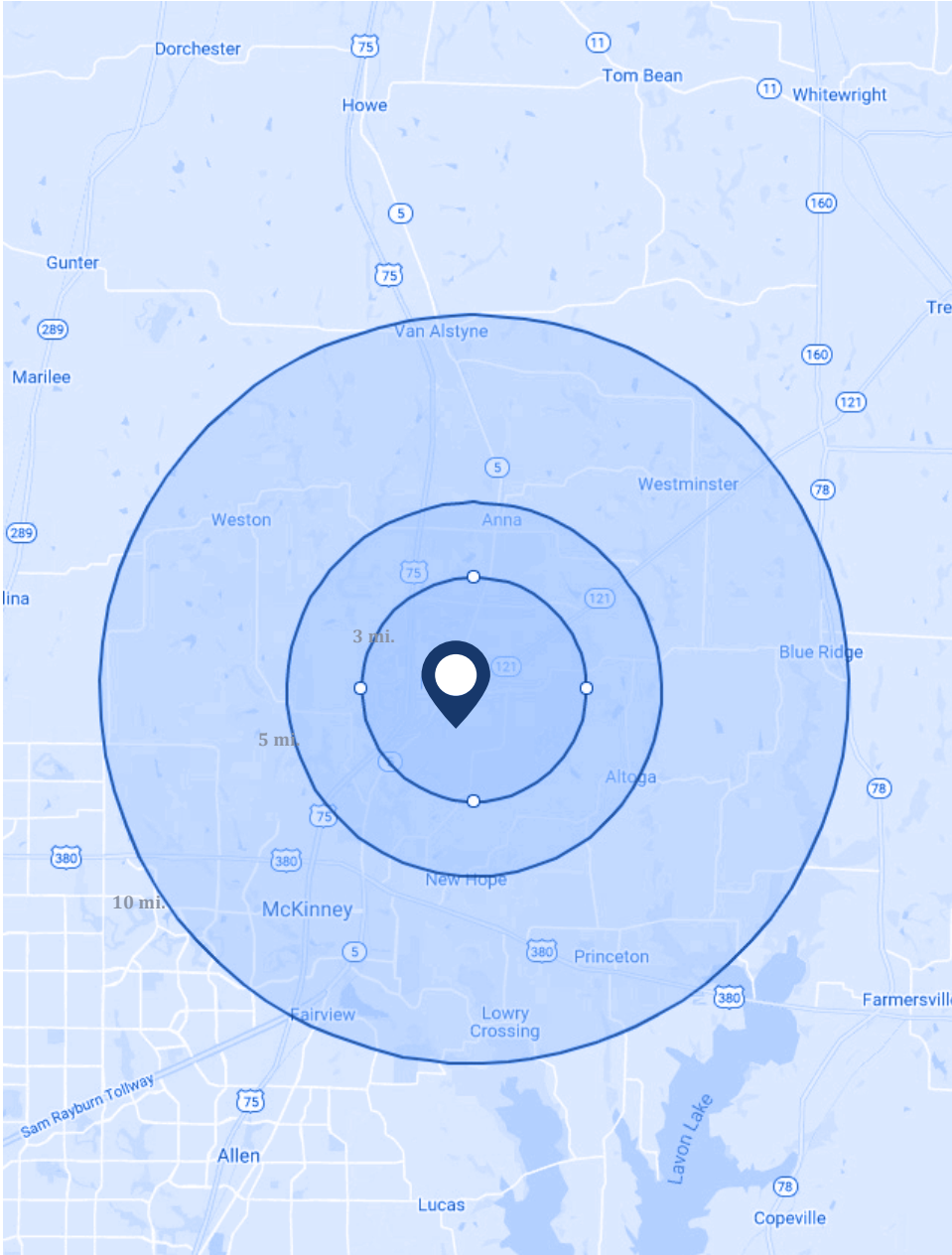
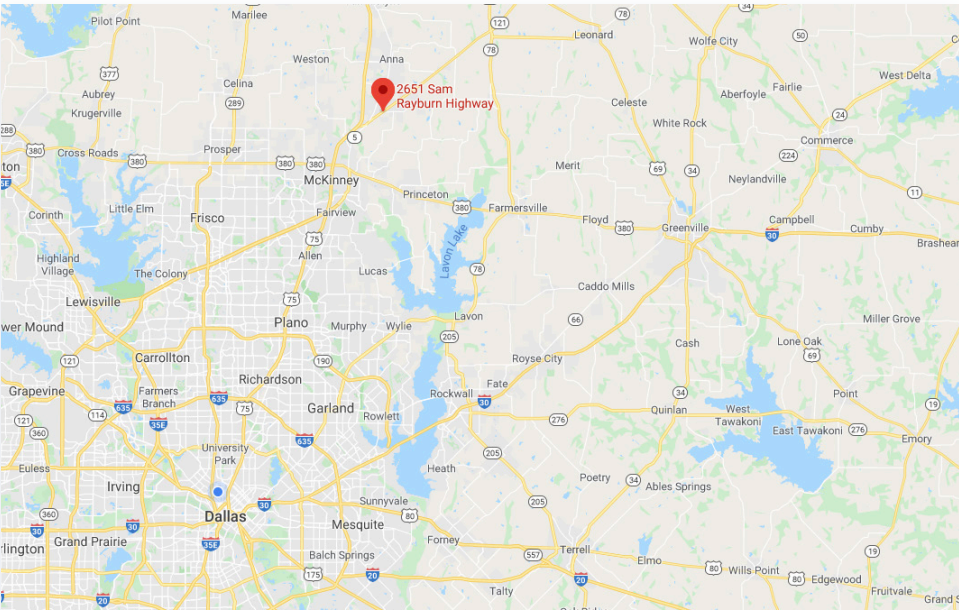
PROPERTY PHOTOS



LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



| | 3 MILES | 5 MILES | 10 MILES |
|---------------------------------|------------------|------------------|------------------|
| TOTAL POPULATION | 10,602 | 24,832 | 152,146 |
| TOTAL HOUSEHOLDS | 3,556 | 7,975 | 51,867 |
| AVERAGE HOUSEHOLD INCOME | \$128,812 | \$106,602 | \$107,365 |
| AVERAGE AGE | 35.20 | 34.20 | 35.70 |

AREA OVERVIEW

| DEMOGRAPHICS | 3 MILES | 5 MILES | 10 MILES |
|---------------------------|-----------|-----------|-----------|
| TOTAL HOUSEHOLDS | 3,556 | 7,975 | 51,867 |
| TOTAL POPULATION | 10,602 | 24,832 | 152,146 |
| PERSONS PER HOUSEHOLD | 3.00 | 3.00 | 2.90 |
| AVERAGE HOUSEHOLD INCOME | \$128,812 | \$106,602 | \$107,365 |
| AVERAGE HOUSE VALUE | \$340,129 | \$292,601 | \$313,913 |
| AVERAGE AGE | 35.20 | 34.20 | 35.70 |
| WHITE | 9,470 | 20,976 | 124,557 |
| BLACK | 618 | 2,492 | 16,200 |
| AM. INDIAN & ALASKAN | 137 | 317 | 1,819 |
| ASIAN | 125 | 356 | 5,339 |
| HAWAIIAN & PACIFIC ISLAND | 13 | 42 | 170 |
| OTHER | 416 | 684 | 2,961 |

MELISSA, TX

Melissa is located in north-central Collin County. State Highway 5 passes through the center of the city, State Highway 121 passes through the eastern part, and the U.S. Route 75 freeway passes through the western side. US 75 and Highway 121 converge in the southwest part of Melissa, then head 6 miles (10 km) southwest to McKinney, the Collin County seat. The center of Dallas is 40 miles (64 km) southwest of Melissa, and Denison is 37 miles (60 km) to the north via US 75.

MARKET OVERVIEW

DALLAS/FORT WORTH



JOB GROWTH LARGEST
AMOUNT OF JOB GROWTH
OF ALL U.S. METRO AREAS

21 FORTUNE 500
COMPANIES



360+ PEOPLE
MOVE TO DFW DAILY

3,500,000
NEW PEOPLE ESTIMATED
BY 2040



#2 /FRISCO
#3 /MCKINNEY

**FASTEST-GROWING
CITIES IN THE U.S.**



4TH LARGEST
METRO AREA IN THE U.S.



LARGEST
METROPOLITAN IN TX



ECONOMIC & CULTURAL
HUB OF NORTH TX

| LARGEST EMPLOYERS | |
|------------------------------------|------------------|
| WALMART STORES, INC. | 52,700 EMPLOYEES |
| AMERICAN AIRLINES | 23,700 EMPLOYEES |
| BAYLOR HEALTH CARE SYSTEM | 22,000 EMPLOYEES |
| DALLAS INDEPENDENT SCHOOL DISTRICT | 20,793 EMPLOYEES |
| TEXAS HEALTH RESOURCES | 16,205 EMPLOYEES |
| BANK OF AMERICA | 15,400 EMPLOYEES |
| JPMORGAN CHASE BANK | 13,000 EMPLOYEES |
| CITY OF DALLAS | 13,000 EMPLOYEES |
| TEXAS INSTRUMENTS, INC. | 13,000 EMPLOYEES |
| DEMOGRAPHICS | |
| POPULATION | 7,462,428 |
| TOTAL HOUSEHOLDS | 2,683,294 |
| AVERAGE HOUSEHOLD INCOME | \$94,166 |
| MEDIAN AGE | 34 |



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.



TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

| | | | |
|---|-------------|------------------------|--------------|
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| Kevin Cordova | 485683 | kevin@thekasegroup.com | 512.636.9613 |
| Sales Agent/Associate's Name | License No. | Email | Phone |

Buyer/Tenant/Seller/Landlord Initials

Date



MELISSA, TEXAS



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WENDY'S

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