

WENDY'S

410 W Stone Dr

Kingsport, TN, 37660



ON MARKET: WENDY'S IN KINGSFORT, TENNESSEE



REPRESENTATIVE PHOTO

INVESTMENT HIGHLIGHTS

- ▶ **Wendy's in Kingsport, TN**
THE LARGEST CITY IN THE KINGSFORT-BRISTOL-BRISTOL MSA | INCOME TAX FREE STATE
- ▶ **Triple Net Lease (NNN) with 30 Years Remaining**
ZERO LANDLORD RESPONSIBILITIES
- ▶ **Strong Guaranty by Tri-Cities Restaurant Group, LLC**
17 LOCATIONS THROUGHOUT NORTHEAST TENNESSEE AND SOUTHWEST VIRGINIA
- ▶ **Hedge Against Inflation**
7.5% RENT INCREASES EVERY 5 YEARS
- ▶ **Ideally Located Along West Stone Drive**
MORE THAN 32,300 VEHICLES PER DAY (VPD)
- ▶ **Significant Capital Commitment to the Area**
MORE THAN \$575 MILLION IN PLANNED COMMERCIAL DEVELOPMENT SINCE 2019
- ▶ **One Mile from the Domtar Manufacturing Facility**
\$300 MILLION UPGRADE AND DEVELOPMENT OF A WAREHOUSE AND DISTRIBUTION FACILITY
- ▶ **Long Term Lease in the Midst of a Global Pandemic (Covid-19)**
- ▶ **Additional Retail in the Area Includes:**
CVS, DUNKIN', SUBWAY, DAIRY QUEEN, DOLLAR GENERAL, WALGREENS AND MANY MORE

FINANCIAL OVERVIEW

410 W STONE DR
KINGSFORT, TN, 37660

PRICE \$3,100,000

CAP RATE 5.00%

NOI \$155,000

PRICE PER SQUARE FOOT \$898.55

RENT PER SQUARE FOOT \$44.93

YEAR RENNOVATED 2013

APPROXIMATE LOT SIZE 1.27 Acres

GROSS LEASEABLE AREA 3,450 SF

TYPE OF OWNERSHIP Fee Simple

LEASE GUARANTOR Tri-Cities Restaurant Group, LLC

LEASE TYPE Triple Net (NNN)

ROOF AND STRUCTURE Tenant Responsibility



REPRESENTATIVE PHOTO

ANNUALIZED OPERATING DATA

	BASE RENT		ANNUAL RENT	MONTHLY RENT
Option 1	1/1/2021	12/31/2025	\$155,000	\$12,917
	1/1/2026	12/31/2030	\$166,625	\$13,885
	1/1/2031	12/31/2035	\$179,122	\$14,927
	1/1/2036	12/31/2040	\$192,556	\$16,046
	1/1/2041	12/31/2045	\$206,998	\$17,250
	1/1/2046	12/31/2050	\$222,523	\$18,544
	1/1/2051	12/31/2055	\$239,212	\$19,934
Option 2	1/1/2056	12/31/2060	\$257,153	\$21,429
Option 3	1/1/2061	12/31/2065	\$276,439	\$23,037
Option 4	1/1/2066	12/31/2070	\$297,172	\$24,764

WENDY'S - Kingsport, Tennessee



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LEASE SUMMARY

LEASE COMMENCEMENT DATE	1/1/2021
LEASE EXPIRATION DATE	12/31/2050
LEASE TERM	30 Years
TERM REMAINING	30 Years
INCREASES	7.5% Every Five Years
OPTIONS TO RENEW	Four, 5-Year Options



REPRESENTATIVE PHOTO

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TENANT OVERVIEW

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 December 31, 2018, Wendy's was the world's third largest hamburger fast food chain with 6,711 locations, following Burger King and McDonald's. Of the 6,711 locations, 353 are company-owned, 6,358 restaurants are franchised, and 92% of the system-wide restaurants are located in North America.

On April 24, 2008, the company announced a merger with Triarc Companies Inc., a publicly traded company and the parent company of Arby's. When Wendy's International and Arby's parent company, Triarc Companies, merged in September 2008, they created the third-largest US corporate fast-food chain (behind only McDonald's and Yum! Brands).



OVERVIEW	
TENANT TRADE NAME	The Wendy's Company
TENANT	Wendy's
OWNERSHIP	Private
LEASE GUARANTOR	Tri-Cities Restaurant Group, LLC
NUMBER OF LOCATIONS	17
HEADQUARTERED	Kingsport, TN



REPRESENTATIVE PHOTO

ABOUT KINGSFORT

Kingsport is a city located on the Tennessee / Virginia border featuring easy access to Knoxville, TN (via I-81), and Asheville, NC (via I-26).

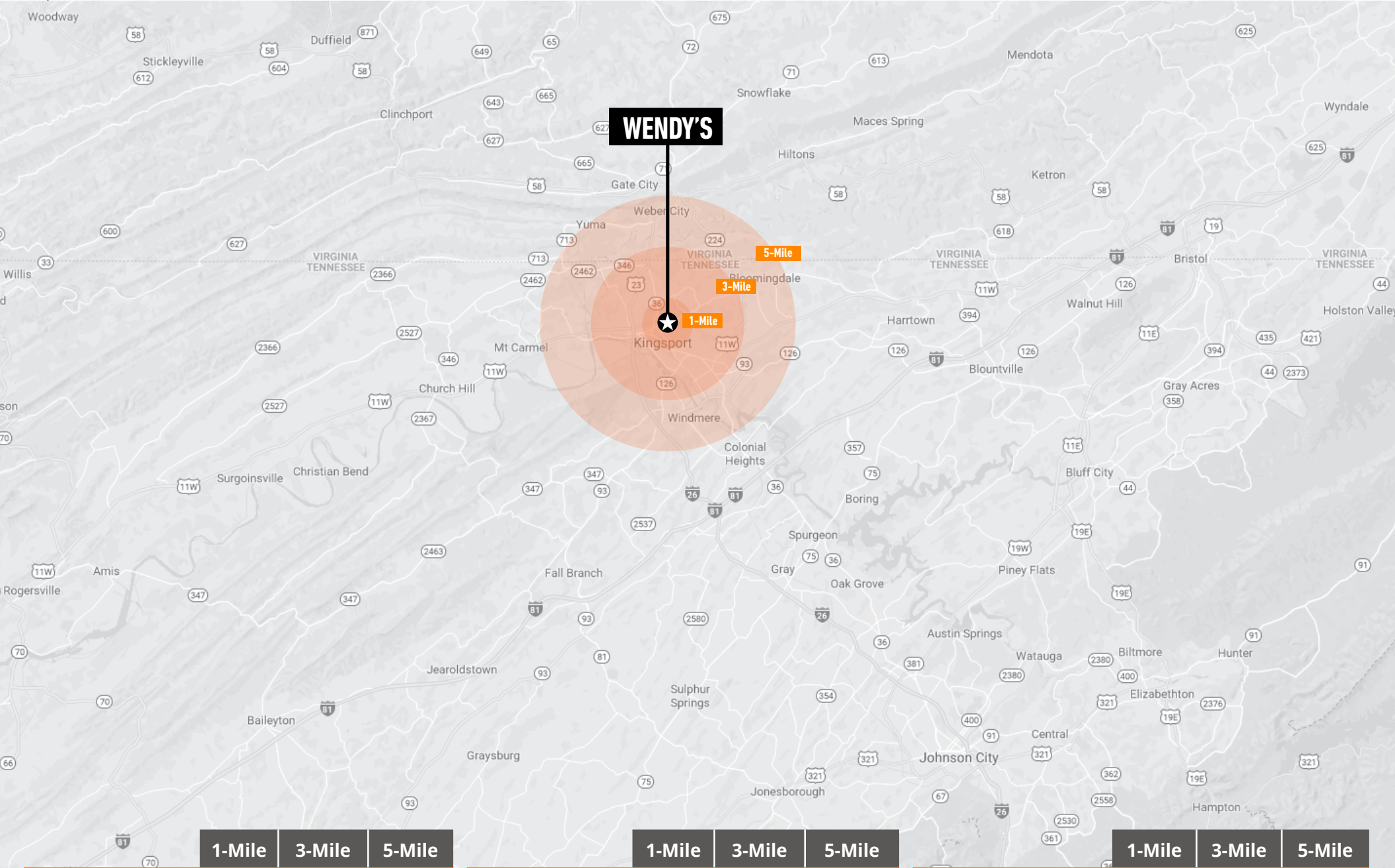
Kingsport is the largest city in the Kingsport–Bristol–Bristol, TN-VA Metropolitan Statistical Area (MSA), which has a population of 305,914. The Metropolitan Statistical Area is a component of the Johnson City Kingsport Bristol, TN-VA Combined Statistical Area commonly known as the “Tri-Cities” region. The Tri-Cities region is anchored by Johnson City, TN, which is located less than 30 minutes south of Kingsport and features a population of 505,538 people. The area can also be accessed by the Tri-City Regional Airport, which provides flights to cities throughout the Southeast, including Atlanta, Orlando, Charlotte, Dallas/Fort-Worth, and St. Petersburg-Clearwater.

The city's main employers include Eastman Chemical Company (NYSE: EMN), an S&P 500 company which is headquartered in Kingsport, and Domtar (NYSE: UFS), which operates the Kingsport Mill. Holston Army Ammunition Plant, which manufactures a wide range of secondary detonating explosives for the Department of Defense, is also located in Kingsport. The city is home to the Kingsport Mets, a rookie-level affiliate of the New York Mets since 1969. The city also features two hospitals: Holston Valley Medical Center and Indian Path Community Hospital.

Kingsport is home to several branches of nearby universities and colleges, located within the Kingsport Academic Village. The Village consists of six buildings administered by Northeast State Community College: Kingsport Center for Higher Education (KCHE), Regional Center for Applied Manufacturing (RCAM), Regional Center for Health Professions (RCHP), Regional Center for Automotive Programs (RCAP), and Blazier-Wilson Hall. The KCHE combines the resources of East Tennessee State University, Lincoln Memorial University, and Northeast State Community College all under one roof. Students are able to earn selected baccalaureate and graduate degrees from participating colleges and universities as well as associate degrees from Northeast State.



REPRESENTATIVE PHOTO



	1-Mile	3-Mile	5-Mile
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2000 Population	6,656	34,833	62,474
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2010 Population	7,140	35,371	63,134
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2020 Population	8,058	37,736	67,039
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2025 Population	8,316	38,565	68,385
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	1-Mile	3-Mile	5-Mile
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2000 Households	3,045	15,530	27,070
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2010 Households	3,226	15,909	27,765
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2020 Households	3,648	16,977	29,462
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2025 Households	3,766	17,355	30,060
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	1-Mile	3-Mile	5-Mile
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2020 Average HH Income	\$36,551	\$49,895	\$56,018
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2020 Median HH Income	\$26,974	\$34,737	\$38,176
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2020 Per Capita Income	\$16,547	\$22,447	\$24,619
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