



## **WENDY'S – 15 YEAR NNN LEASE**

**980 E SAGINAW HWY, GRAND LEDGE, MI 48837**

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

## EXCLUSIVELY LISTED BY:

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## INVESTMENT SUMMARY

List Price:	\$1,866,036
Current NOI:	\$102,632.00
Initial Cap Rate:	5.50%
Average Cap Rate (10 Year):	5.88%
Year Built	1997
Building Size:	3,595 SF
Price PSF:	\$519.06
Lease Type:	NNN
Term Remaning:	15 Years

## INVESTMENT OFFERING

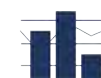
Fortis Net Lease is proud to present this New-To-Market Wendy's property located just minutes from several major freeway interchanges, in Grand Ledge Michigan. The subject property is encumbered with an absolute NNN Lease, leaving NO landlord responsibilities.

The lease is guaranteed by TSFR Burger, who owns and operates 56 locations statewide.

This Wendy's lease has 15 years remaining, with 1.5% rent bumps every year, including during the 4 (four), 5 year options. The subject offering represents an ideal opportunity for a 1031 exchange buyer, or an investor seeking passive income from a national tenant who is one of the leaders in the quick service restaurant sector. This investment will offer a new owner continued success due to the financial strength and the proven profitability of the tenant, the location of the property, as well as the proven track record and sustainability of the operator and guarantor.



**PRICE** \$1,866,036



**CAP RATE** 5.50%



**LEASE TYPE** NNN



**TERM REMAINING** 15 Years

## INVESTMENT HIGHLIGHTS

- Absolute NNN Lease | ZERO Landlord Responsibilities
- Lease Guaranteed By TSFR Burger, One Of The Largest Franchisee of Wendy's In the State of Michigan (A Schostak Family Company)
- 1.5% Annual Rent Escalations
- Major Thoroughfare With Over 25,000 Vehicles Per Day
- Strategically Located Near Major Freeway Interchanges
- Third Largest Quick Service Hamburger Company In The World
- 5.73% Average Cap Rate Over Remaining Term

## FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$102,632.00	\$28.55
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$102,632.00	\$28.55

## PROPERTY SUMMARY

Year Built:	1997
Year Renovated:	1997
Lot Size:	4.24 Acres
Building Size:	3,595 SF
Zoning:	Commercial
Construction Style:	Masonry

## LEASE SUMMARY

Tenant:	Wendy's
Lease Type:	NNN
Primary Lease Term:	20 Years
Annual Rent:	\$99,621.71
Landlord Responsibilities:	None
Taxes, Insurance & CAM:	Tenant
Roof, Structure & Parking:	Tenant
Lease Start Date:	October 2015
Lease Expiration Date:	September 2035
Lease Term Remaining:	15 years
Rent Bumps:	1.5% annually
Renewal Options:	Four (4), Five Year Options
Lease Guarantor:	TSFR BURGER LLC (A Schostak Family Co.)
Lease Guarantor Strength:	56 Locations
Tenant Website:	www.wendys.com



GROSS SALES:  
\$10.5B



STORE COUNT:  
6,711



GUARANTOR:  
TSFR BURGER



SALES GROWTH:  
2.5%



## OVERVIEW

Company:	Wendy's
Founded:	1969
Total Revenue:	\$1.6B
Number Of Locations	6,711
Headquarters:	Dublin, OH
Website:	www.wendys.com

## TENANT HIGHLIGHTS

- Third Largest Quick-Service Hamburger Company in The World
- Amazon and Recession Resistant Tenant
- 2018 Global System Sales Growth of 2.5% to \$10.5B
- Continued Global Expansion with 159 restaurants opened in 2018
- Returned \$350M Of Cash To Shareholders In 2018

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	BUMP
Current	\$102,632	-
October 2021	\$104,172	1.5%
October 2023	\$105,735	1.5%
October 2023	\$107,321	1.5%
October 2024	\$108,930	1.5%
October 2025	\$110,564	1.5%
October 2026	\$112,223	1.5%
October 2027	\$113,906	1.5%
October 2028	\$115,615	1.5%
October 2029	\$117,349	1.5%

## COMPANY PROFILE

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.

As of December 31, 2018, there were a total of 6,711 locations, including 353 that are company-owned. 6,358 restaurants are franchised. The chain is known for its square hamburgers, sea salt fries, and their signature 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 such as the Frosty. Wendy's has continued to exhibit robust growth with 159 restaurants opened in 2018 and \$350M of cash returned to shareholders.



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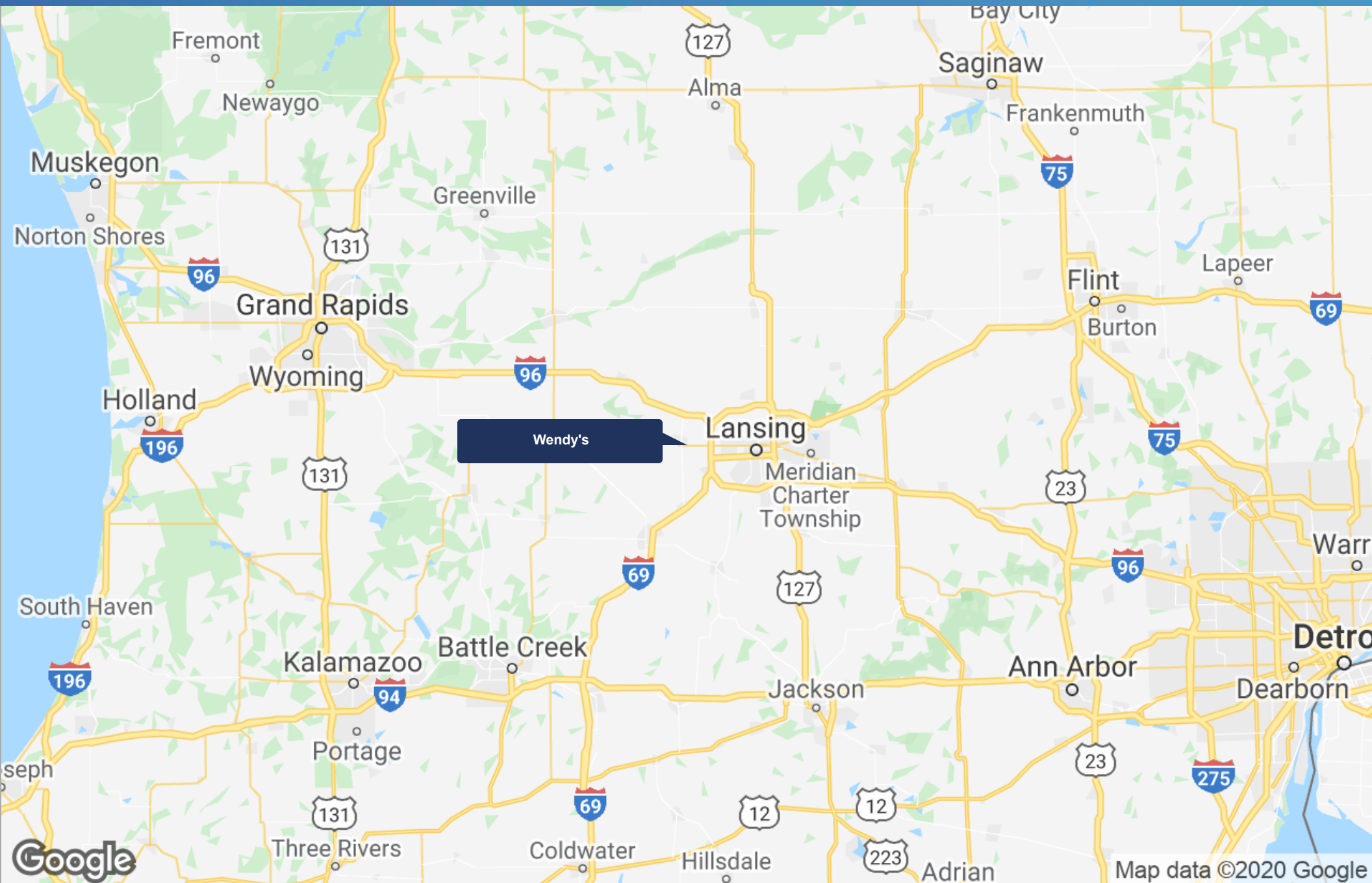
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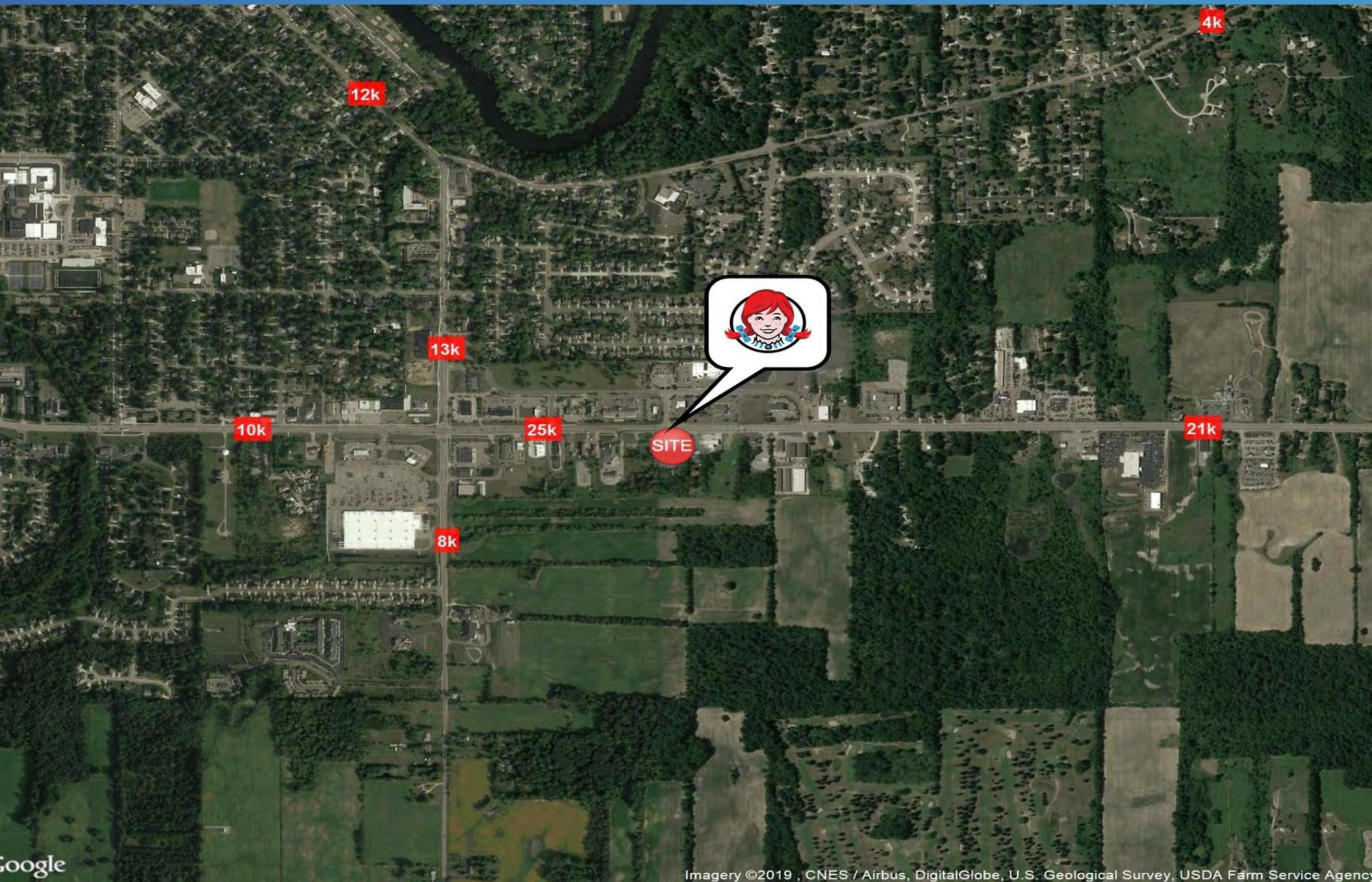




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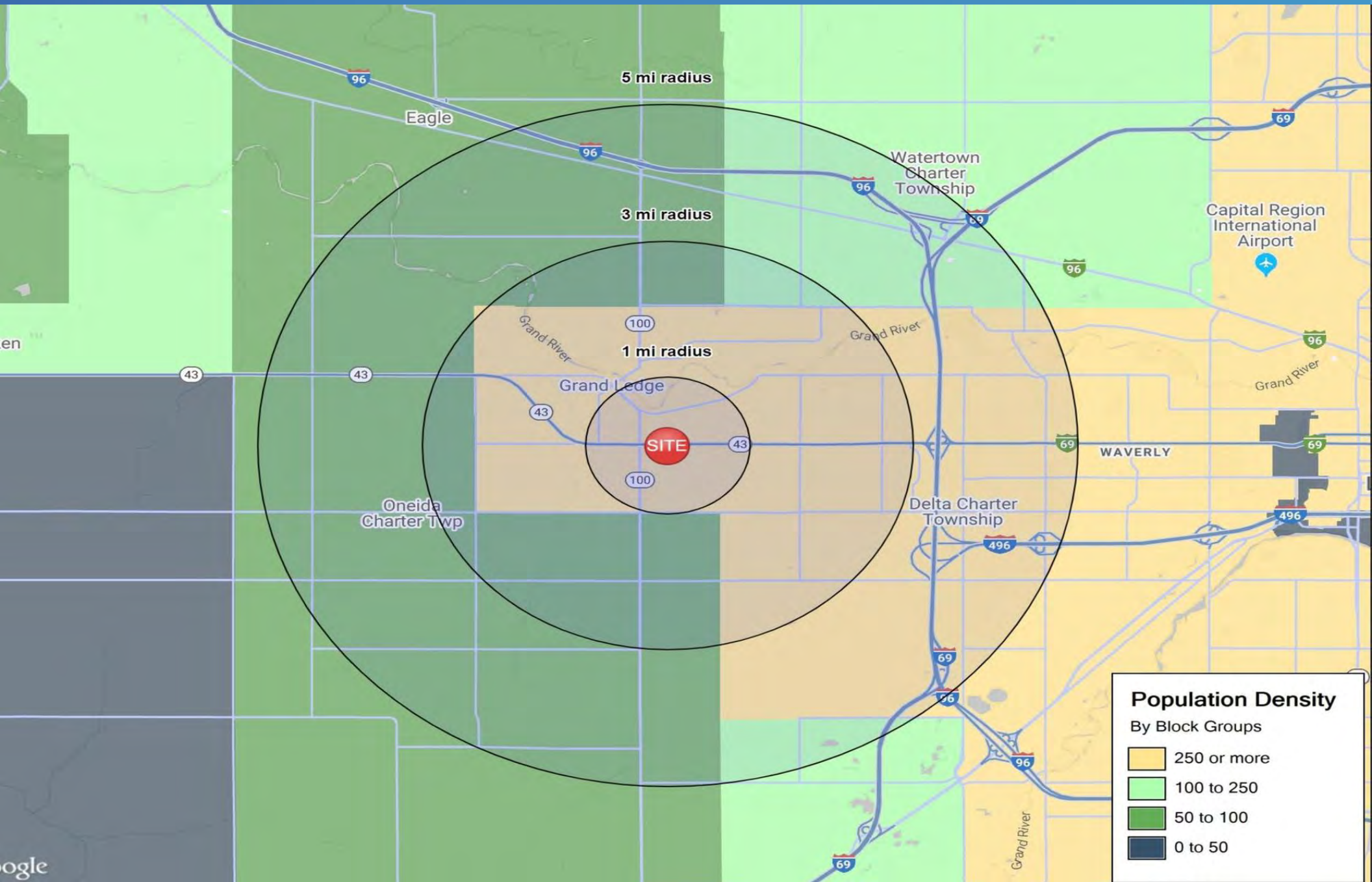
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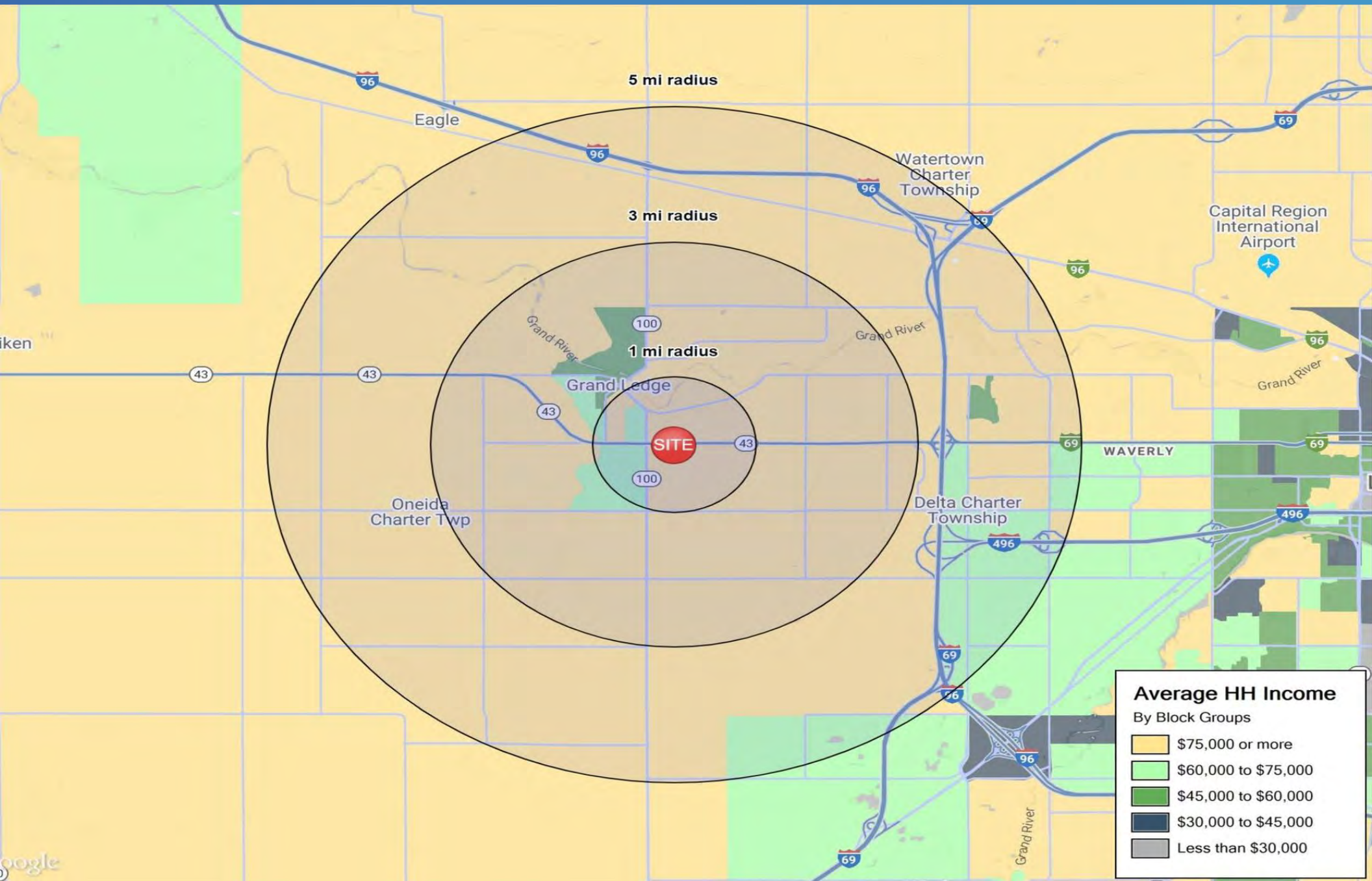
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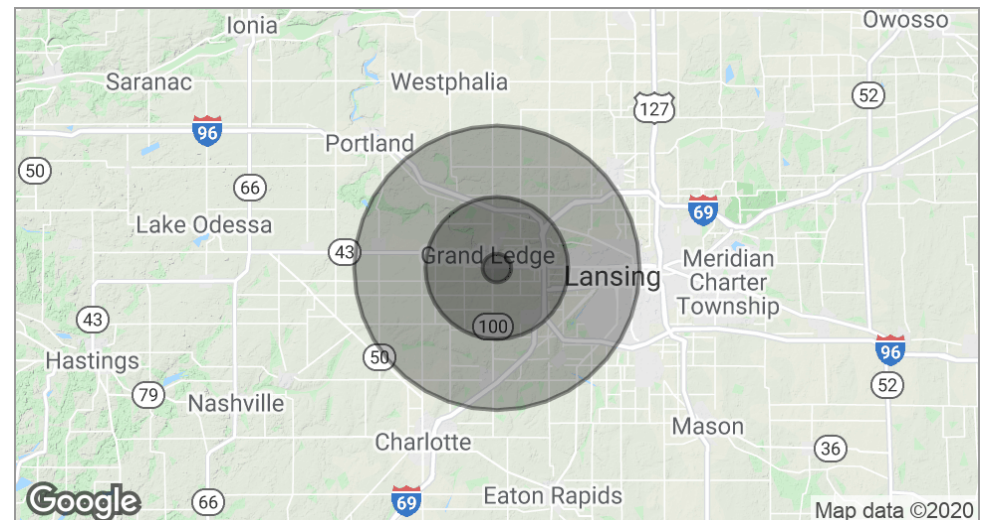






Grand Ledge is a city in the U.S. state of Michigan situated off of Interstate 96, between the major Michigan cities of Lansing and Grand Rapids. The city lies mostly within Eaton County, though a small portion extends into Clinton County to the north. The city sits above the Grand River 12.7 miles (20.4 kilometers) west of downtown Lansing. Grand ledge has a population of 7,802, has over 110 acres of parks and 5 annual parades throughout the city. The city is named for its sandstone and quartzite rock ledges that rise 60 feet (18 m) above the Grand River and are used by recreational rock climbers. Grand ledge is a suburb of the nearby Lansing Michigan, which is less than 6 miles away.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2018	4,331	16,438	30,539
Total Population 2023	4,392	16,646	30,915
Population Growth Rate	1.41%	1.27%	1.23%
Average Age	41.8	41.1	39.7
# Of Persons Per HH	2.5	2.4	2.4
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	1,819	6,566	13,159
Average HH Income	\$76,869	\$78,330	\$77,004
Median House Value	\$137,119	\$177,390	\$166,966







TOTAL SALES VOLUME

\$5.5B

PROPERTIES SOLD

2,500+

BROKER & BUYER REACH

345K

STATES SOLD IN

40

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