

# Marcus & Millichap

THE IACONO TEAM

# WENDY'S • OFFERING MEMORANDUM

135 Palm Bay Rd NE, Melbourne, FL 32904



## EXCLUSIVELY LISTED BY

### Karly Iacono

First Vice President Investments  
Net Leased Properties Group  
National Retail Group  
Tel: (201) 742-6119  
karly.iacono@marcusmillichap.com  
Licenses: NJ 0345216, NY 10401274993  
www.iaconoretailgroup.com

### Mercedes Martin

Associate  
Tel: (973) 382-4433  
mercedes.martin@marcusmillichap.com  
License: 0452516

## NON - ENDORSEMENT AND DISCLAIMER NOTICE

### Confidentiality and Disclaimer

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 Real Estate Investment Services of Florida, Inc. ("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.

### 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 CONSULT YOUR 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.

## COVID-19 SPECIAL NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)





# 01 INVESTMENT OVERVIEW

---

# 02 FINANCIAL OVERVIEW

---

# 03 LOCATION OVERVIEW

Marcus & Millichap  
THE IACONO TEAM





# INVESTMENT OVERVIEW

Marcus & Millichap  
THE IACONO TEAM





OFFERING PRICE  
\$3,146,000

CAP RATE  
6.15%

TERM REMAINING  
5 YEARS

VITAL DATA

Price	\$3,146,000
Cap Rate	6.15%
Price / SF	\$1,023.09
Rent / SF	\$62.93
Net Operating Income	\$193,500
Gross Leasable Area	3,075 Sq. Ft.
Year Built	2002
Lot Size	1.32 acres
Lease Type	NNN



135 Palm Bay Rd NE  
Melbourne, FL 32904



142,271  
Five-Mile Population



\$70,251  
Average Household Income



26,000  
Vehicles Per Day



Located 1/2 Mile  
From Interstate-95



The Iacono Team at Marcus and Millichap is pleased to exclusively present a fee simple Wendy's in Melbourne, Florida. The property is subject to a NNN lease with approximately five years remaining on the base term. There four five-year renewal options available. The lease calls for rental increases of 7.5% every five years throughout the base term and option periods.

Wendy's is the third largest hamburger chain in the United States behind McDonald's and Burger King. Dave Thomas opened the first Wendy's restaurant in Columbus, Ohio in 1969. Today there are more than 6,700 Wendy's locations across the globe. Most restaurants are franchised but the Wendy's corporation does own and operate 355 restaurants. The tenant, Starboard Group owns and operates 101 Wendy's restaurants across Alabama, Florida, Illinois, Missouri, Virginia and Wisconsin. Starboard is ranked 32nd in the Monitor 200 list of the largest franchisees in the United States.

The subject property is ideally positioned in a dense retail corridor as an out-parcel to a Publix anchored shopping center. There are many prominent national retailers near by including Target, Walmart, Marshalls and HomeGoods, LA Fitness, ALDI, Petco, ULTA Beauty, Academy Sports, AMC theatres, and many more. The property benefits from excellent visibility with more than 26,000 vehicles per day. The average income in a one-mile radius exceeds \$70,000. The area is also densely populated with more than 142,000 people residing within five miles.

Not far from NASA's famed Kennedy Space Center, Melbourne is part of the growing high-tech corridor of East Central Florida. With on-going missions at NASA, and a burgeoning commercial space industry—represented by firms like SpaceX, Boeing and Lockheed Martin—the Palm Bay-Melbourne-Titusville MSA is well positioned to lead the nation's commercial aerospace industry. From the unspoiled beaches of Canaveral National Seashore, to boating and water sports on inland waterways, to enjoying an afternoon at The Brevard Zoo or simply watching rocket launches from the Tiki Bar of Shiloh's Restaurant on the Indian River Lagoon, Brevard offers a lifestyle for all ages. Melbourne is located approximately 60 miles southeast of Orlando on the Space Coast, along Interstate 95. It is approximately midway between Jacksonville and Miami.





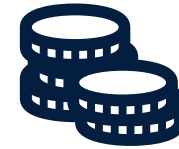
## INVESTMENT HIGHLIGHTS

- ✓ Absolute NNN Lease
- ✓ Out-Parcel to a Publix Anchored Shopping Center
- ✓ Attractive Rent Increases of 7.5% Every Five Years
- ✓ Experienced 101 Unit Wendy's Operator
- ✓ High Traffic Location | 26,000 Vehicles Per Day
- ✓ Excellent Demographics | Over 142,000 People in Five Miles
- ✓ Positioned in a Dense Retail Corridor with Many Prominent Retailers
- ✓ Located Approximately ½ Mile From I-95 | 78,000 Vehicles Per Day
- ✓ Florida is an Income Tax Free State





Representative Photo



**2019 REVENUE: \$1.71 Billion**

*\*2019 Fiscal Year Statement*



**NYSE:  
WEN**



**6,700+  
LOCATIONS**



**FOUNDED IN  
1969**



Representative Photo

Wendy's is the third largest hamburger chain in the United States behind McDonald's and Burger King. Dave Thomas opened the first Wendy's restaurant in Columbus, Ohio in 1969. He named the brand after his daughter and later appeared in numerous TV commercials for the brand himself. Today there are more than 6,700 Wendy's locations across the globe. Most restaurants are franchised but the Wendy's corporation does own and operate 355 restaurants. Much like many other restaurant chains within the quick-service burger category, Wendy's menu centers on the classic burger and fries combination. Other offerings include chicken sandwiches, salads, and a breakfast menu that was introduced in March 2020 to boost sales figures.

The Starboard Group operates 101 Wendy's restaurants across Alabama, Florida, Illinois, Missouri, Virginia and Wisconsin. The company was founded in 1998 when Andrew Levy, Starboard CEO, purchased five restaurants in Pennsylvania. Starboard is ranked 32nd in the Monitor 200 list of the largest franchisees in the United States.



# FINANCIAL OVERVIEW

Marcus & Millichap  
THE IACONO TEAM





OFFERING SUMMARY	
Property Address	135 Palm Bay Rd NE, Melbourne, FL 32904
Price	\$3,146,000
Cap Rate	\$193,500
Price / SF	6.15%
Rent / SF	\$1,023.09

PROPERTY DESCRIPTION	
Year Built	2002
Gross Leasable Area	3,075 Sq. Ft.
Lot Size	1.32 acres
Type of Ownership	Fee Simple

ANNUALIZED OPERATING DATA				
Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
2018-2023	\$193,500	\$16,125	\$62.93	6.15%
2023-2028*	\$208,013	\$17,334	\$67.65	6.61%
2028-2033	\$223,613	\$18,634	\$72.72	7.11%
2033-2038	\$240,384	\$20,032	\$78.17	7.64%
2038-2043	\$258,413	\$21,534	\$84.04	8.21%
2043-2045	\$277,794	\$23,150	\$90.34	8.83%

LEASE SUMMARY	
Property Subtype	Net Leased Restaurant
Tenant	Starboard Group of Space Coast LLC
Lease Type	NNN
Guarantor	Franchisee
Lease Commencement	November 14, 2013
Lease Expiration	November 13, 2025
Base Term Remaining	5 Years
Renewal Options	Four 5-Year
Rent Increases	7.5% Every 5 Years
Landlord Responsibility	None
Tenant Responsibility	Taxes, Maintenance, Insurance
Right of First Refusal	No

\*First option period begins 11/14/2025



# LOCATION OVERVIEW

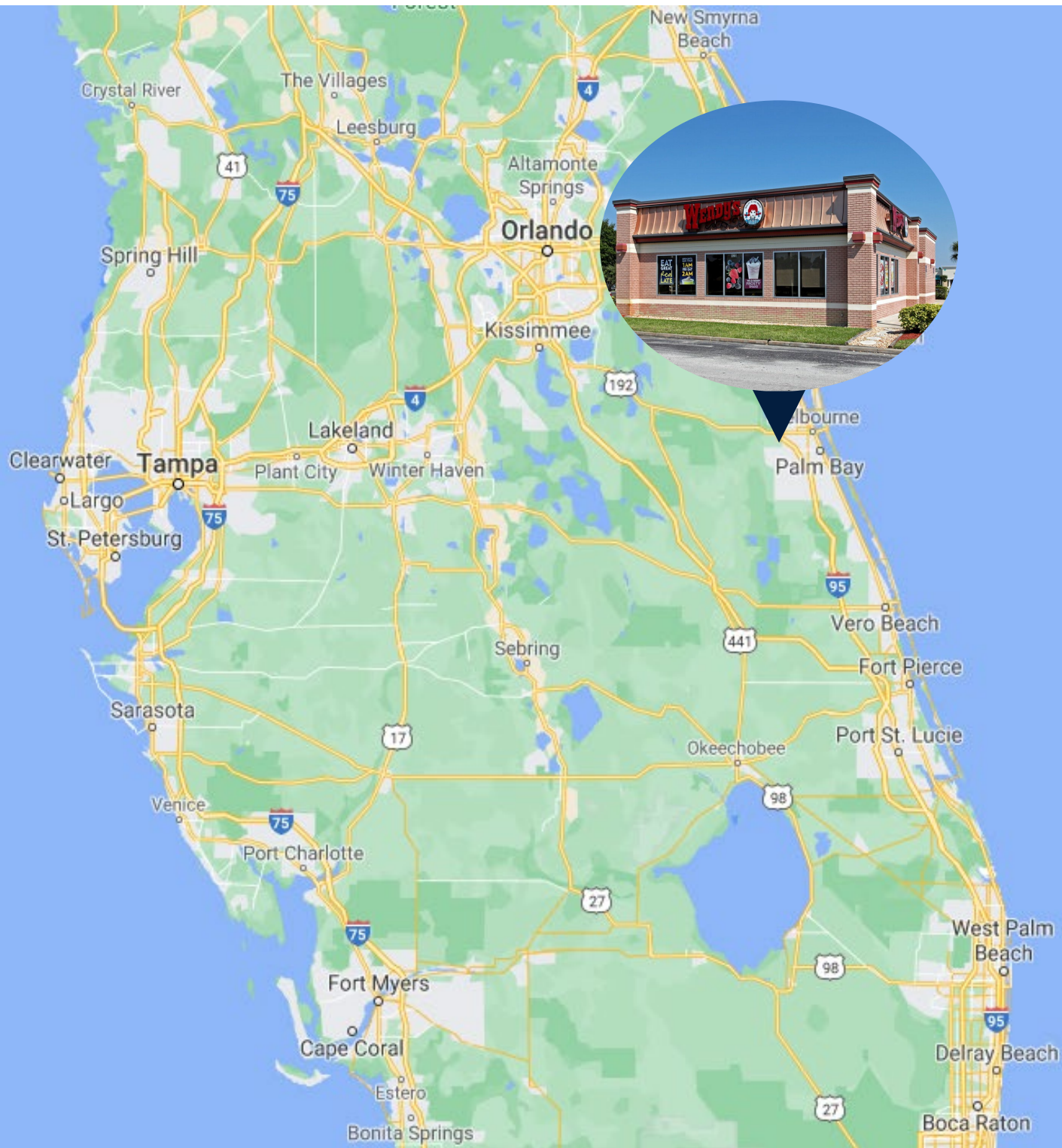
Marcus & Millichap  
THE IACONO TEAM















**KOHL'S**



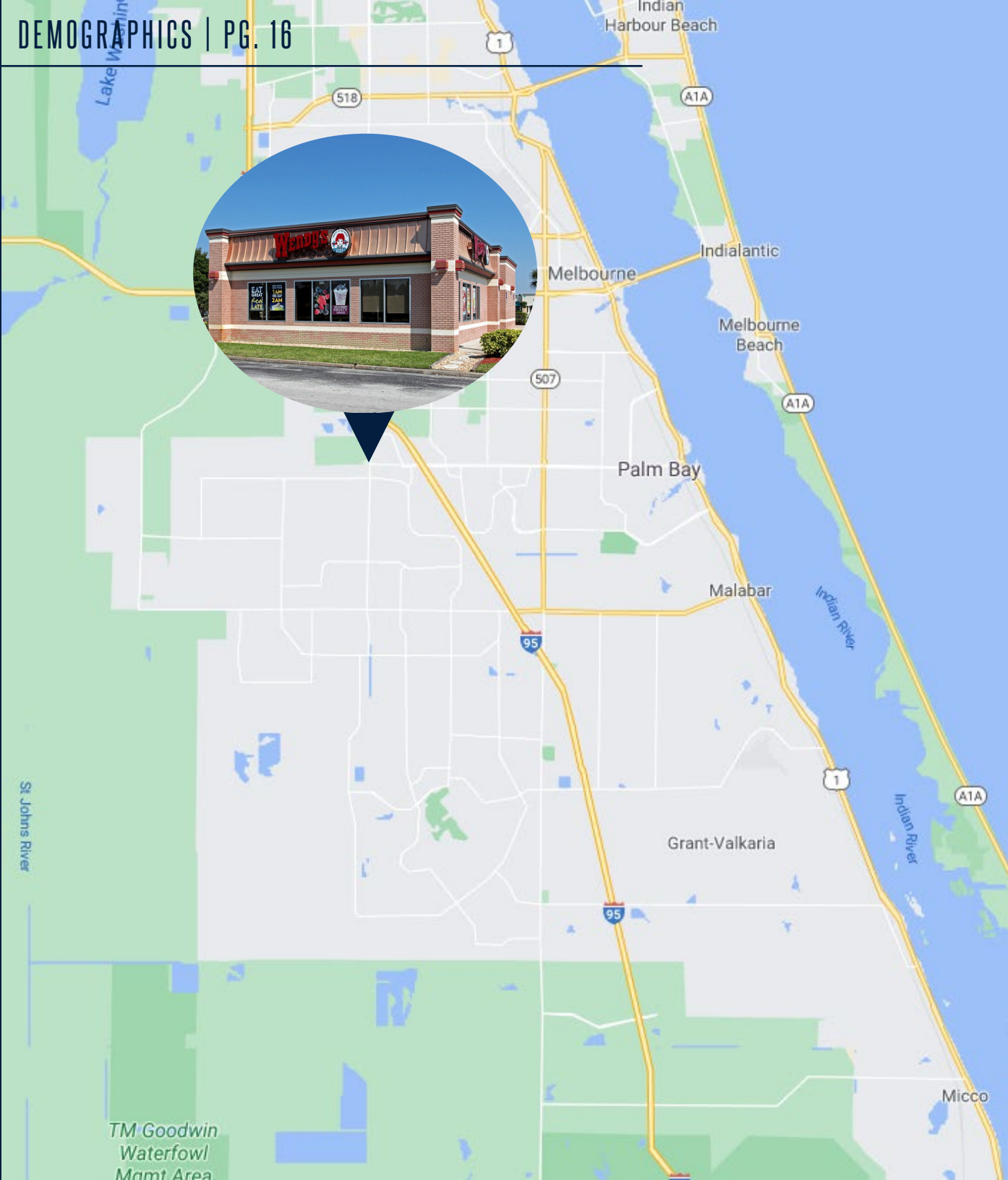
**Palm Bay Rd NE**

**26,000 VPD**









Demographics Summary

	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	5,634	73,590	147,976
2020 Estimate	5,361	70,099	142,271
2010 Census	4,652	61,599	127,237
2000 Census	4,461	51,105	155,731
INCOME			
Average	\$70,251	\$67,380	\$62,393
Median	\$56,563	\$53,148	\$48,669
Per Capita	\$28,795	\$27,637	\$25,938
HOUSEHOLDS			
2025 Projection	2,336	30,277	61,357
2020 Estimate	2,197	28,668	58,623
2010 Census	1,883	24,953	51,840
2000 Census	1,518	18,412	41,511
HOUSING UNITS			
2025 Projection	2,593	32,969	67,111
2020 Estimate	2,429	31,205	64,113
DAYTIME POPULATION			
2020 Estimate	4,461	51,105	155,731



# Marcus & Millichap

---

## THE IACONO TEAM



### EXCLUSIVELY LISTED BY

**Karly Iacono**

First Vice President Investments  
Net Leased Properties Group  
National Retail Group  
Tel: (201) 742-6119  
karly.iacono@marcusmillichap.com  
Licenses: NJ 0345216, NY 10401274993  
www.iaconoretailgroup.com

**Mercedes Martin**

Associate  
Tel: (973) 382-4433  
mercedes.martin@marcusmillichap.com  
License: 0452516

Florida Broker of Record

Ryan Nee  
License: 3154667