

# WENDY'S

20-Year Sale-Leaseback



# OFFERING MEMORANDUM



138-41 Jamaica Avenue, Queens, NY 11435

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# Wendy's



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Subject Property



Marcus & Millichap is pleased to present the exclusive listing for a Wendy's located at 138-41 Jamaica Avenue in Queens, NY. The property consists of 2,678 square feet of building space and is situated on roughly 0.28 acres of land. The Wendy's is subject to a 20-year absolute triple net (NNN) lease, which will commence upon the close of escrow. The lease features attractive rental increases of 10% every five-years throughout the base term and in the six, five-year renewal options.

This Wendy's benefits from being located on a Jamaica Avenue, a major avenue in the New York City boroughs of Brooklyn and Queens, New York. Situated on the corner of Jamaica Ave and Queens Boulevard, this Wendy's experiences excellent frontage in an extremely populated area. There are over 721,469 individuals within a three-mile radius and 1,811,390 individuals within a five-mile radius of the subject property. Jamaica Ave experiences average daily traffic counts exceeding 20,031 vehicles. Jamaica Ave intersects with I-678 and runs parallel to Hillside Ave which bring an additional 141,811 and 30,073 vehicles into the immediate area daily. The Wendy's is located within a half-mile from the Subway and the Long Island Railroad station. This Wendy's benefits from being situated in the main retail corridor of a mainly residential area. National tenants in the surrounding area include Walgreens, Planet Fitness, PepBoys, Chase Bank, Enterprise Rental Car, McDonald's, KFC, Starbucks, Dunkin' Donuts, as well as several others. The subject property is located under a mile from Jamaica Hospital Medical Center, a 404-bed hospital that has served Jamaica, Queens community since 1891. This Wendy's benefits from being located four miles from JFK International Airport.

The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company. The Wendy's chain offers made-to-order burgers and fries as well as such alternative menu items as baked potatoes, chili, and salads. 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. As of July 2, 2017, the Wendy's restaurant system was comprised of 6,564 restaurants, of which 331 were owned and operated by the Company. Wendy's operates in 30 countries and U.S. territories. The Briad Group®, headquartered in Livingston, NJ, is one of the fastest growing hospitality companies in the United States. Currently, Briad owns and operates 114 Wendy's Old Fashioned Hamburger restaurants and is in the process of developing hotels in New York, New Jersey and Connecticut that will deliver over 1,200 rooms under the Marriott and Hilton Brands.







# Investment Highlights

PRICE: \$7,777,778 | CAP: 4.50% | RENT: \$350,000



## Optimal Lease Structure

- ✓ 20-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Attractive Rental Increases of 10% Every 5 Years
- ✓ Tenant Renewal Options: Six (5) Periods of Five (5) Years, Each Bringing the Potential Lease Term to 50 Years
- ✓ Strong Franchise Guarantee; 100+ Unit Operator

## Compelling Location Fundamentals

- ✓ Premium Frontage on Jamaica Avenue | Jamaica Avenue is a Major Avenue Running Through Brooklyn and Queens
- ✓ Convenient Location on a Hard Corner of an Intersection
- ✓ Strong Demographics | Over 721,000 Individuals within a Three-Mile Radius
- ✓ Located 0.2 Miles From the Subway Station and 0.5 Miles from the Long Island Railroad | Major Forms of Transportation Throughout the Five Boroughs
- ✓ Compelling Location Fundamentals | Located 4 Miles From John F. Kennedy International Airport | The Busiest International Air Passageway Into North America

## Strong Brand, Exceptional Operator

- ✓ The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company
- ✓ The Wendy's System Includes More Than 6,500 Franchise and Company Restaurants in the U.S. and 29 Other Countries and U.S. Territories World Wide.
- ✓ The Briad Group® is One of the Premier Hospitality Companies in the United States
- ✓ Briad Currently Owns and Operates 114 Wendy's Old Fashioned Hamburger Restaurants, an East Coast Concentration of Marriott and Hilton hotels, and an Outdoor Lifestyle Shopping Center





# Financial Analysis

PRICE: \$7,777,778 | CAP: 4.50% | RENT: \$350,000

PROPERTY DESCRIPTION	
Property	Wendy's
Property Address	138-41 Jamaica Avenue
City, State, ZIP	Queens, NY 11435
Building Size	2,678
Lot Size	+/- 0.28 Acres
Type of Ownership	Fee Simple
Year Opened	1985

THE OFFERING	
Purchase Price	\$7,777,778
CAP Rate	4.50%
Annual Rent	\$350,000

LEASE SUMMARY	
Property Type	Net-Leased Quick Service Restaurant
Tenant / Guarantor	Briad Wenco, LLC (100+ Units)
Original Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years From Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Every 5 Years
Options to Renew	Six, Five-Year Options

RENT SCHEDULE			
Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$350,000	\$29,167	-
Year 2	\$350,000	\$29,167	-
Year 3	\$350,000	\$29,167	-
Year 4	\$350,000	\$29,167	-
Year 5	\$350,000	\$29,167	-
Year 6	\$385,000	\$32,083	10.00%
Year 7	\$385,000	\$32,083	-
Year 8	\$385,000	\$32,083	-
Year 9	\$385,000	\$32,083	-
Year 10	\$385,000	\$32,083	-
Year 11	\$423,500	\$35,292	10.00%
Year 12	\$423,500	\$35,292	-
Year 13	\$423,500	\$35,292	-
Year 14	\$423,500	\$35,292	-
Year 15	\$423,500	\$35,292	-
Year 16	\$465,850	\$38,821	10.00%
Year 17	\$465,850	\$38,821	-
Year 18	\$465,850	\$38,821	-
Year 19	\$465,850	\$38,821	-
Year 20	\$465,850	\$38,821	-
<b>Option 1</b>			
Year 21-25	\$512,435	\$42,703	10.00%
<b>Option 2</b>			
Year 26-30	\$563,679	\$46,973	10.00%
<b>Option 3</b>			
Year 31-35	\$620,046	\$51,671	10.00%
<b>Option 4</b>			
Year 36-40	\$682,051	\$56,838	10.00%
<b>Option 5</b>			
Year 41-45	\$750,256	\$62,521	10.00%
<b>Option 6</b>			
Year 46-50	\$825,282	\$68,773	10.00%



# Tenant Overview

Wendy's

## About Wendy's

Wendy's is an American international fast food chain restaurant 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 is the world's number three hamburger chain in terms of locations (behind McDonald's and Burger King), with more than 6,500 of its Wendy's Old Fashioned Hamburger eateries in the US and about 29 other countries.

The Wendy's chain offers made-to-order burgers and fries as well as such alternative menu items as baked potatoes, chili, and salads. 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. As of July 2, 2019, the Wendy's restaurant system was comprised of 6,564 restaurants, of which 331 were owned and operated by the Company. Wendy's operates in 30 countries and U.S. territories. In fiscal year 2016, the firm had \$1.4 billion (USD) in company revenue.

## About the Tenant: Briad Wenco, LLC

Briad Wenco, LLC is a wholly owned subsidiary of The Briad Group®. The Briad Group® is a multi-unit, multi-state, owner, developer and operator of fast-food restaurants, casual dining restaurants, limited service hotels and a lifestyle shopping center. When The Briad Group's quick-service division decided to become a franchisee of Wendy's® International Inc. in 1994, it immediately netted extremely successful results. They now own and operate 114 Wendy's® restaurants. All of Briad's Wendy's® are equipped with state-of-the-art technology to better serve customers, and Briad is actively committed to staff development and employee growth.







# Tenant Overview



## THE BRIAD GROUP

From Hamburger to hotels, the Briad Group is rapidly expanding to serve many hospitality needs. The Briad Group started in 1994, as a single ice cream parlor in New Jersey, but they now own and operate 114 Wendy's, and are currently developing hotels in New York, New Jersey, and Connecticut that will deliver 1,200 rooms under the Marriott and Hilton Brands.

### The Promenade Shops

The Briad Group opened The Promenade Shops at Clifton in 2008. It consists of multiple buildings located on 12 acres of land on Route 3 in Clifton, New Jersey. It is now 100% leased and has become an icon in the community, with 160,000 square feet of commercial space for specialty retail and restaurants.



### Hotel Division

The Briad Group is proud to be a licensed franchisee for Marriott and Hilton branded hotels. Since obtaining franchise rights, Briad has developed more than one billion in real estate, focusing on limited-service hotels, including the Courtyard, Residence Inn, Springhill Suites, Hilton Garden Inn and Homewood Suites brands. During the past decade, Briad has developed, operated and managed more than a dozen properties, and is currently undergoing explosive growth with more than 4,000 rooms expected in New York, New Jersey and Connecticut.

### Marriott

Marriott is a leading worldwide hospitality company that operates and franchises the broadest portfolio of lodging brands in the world, operating in 78 countries with more than 3,800 lodging properties. Marriott is deeply committed to service consistency, and strives to maintain the unqualified integrity of their many brands.

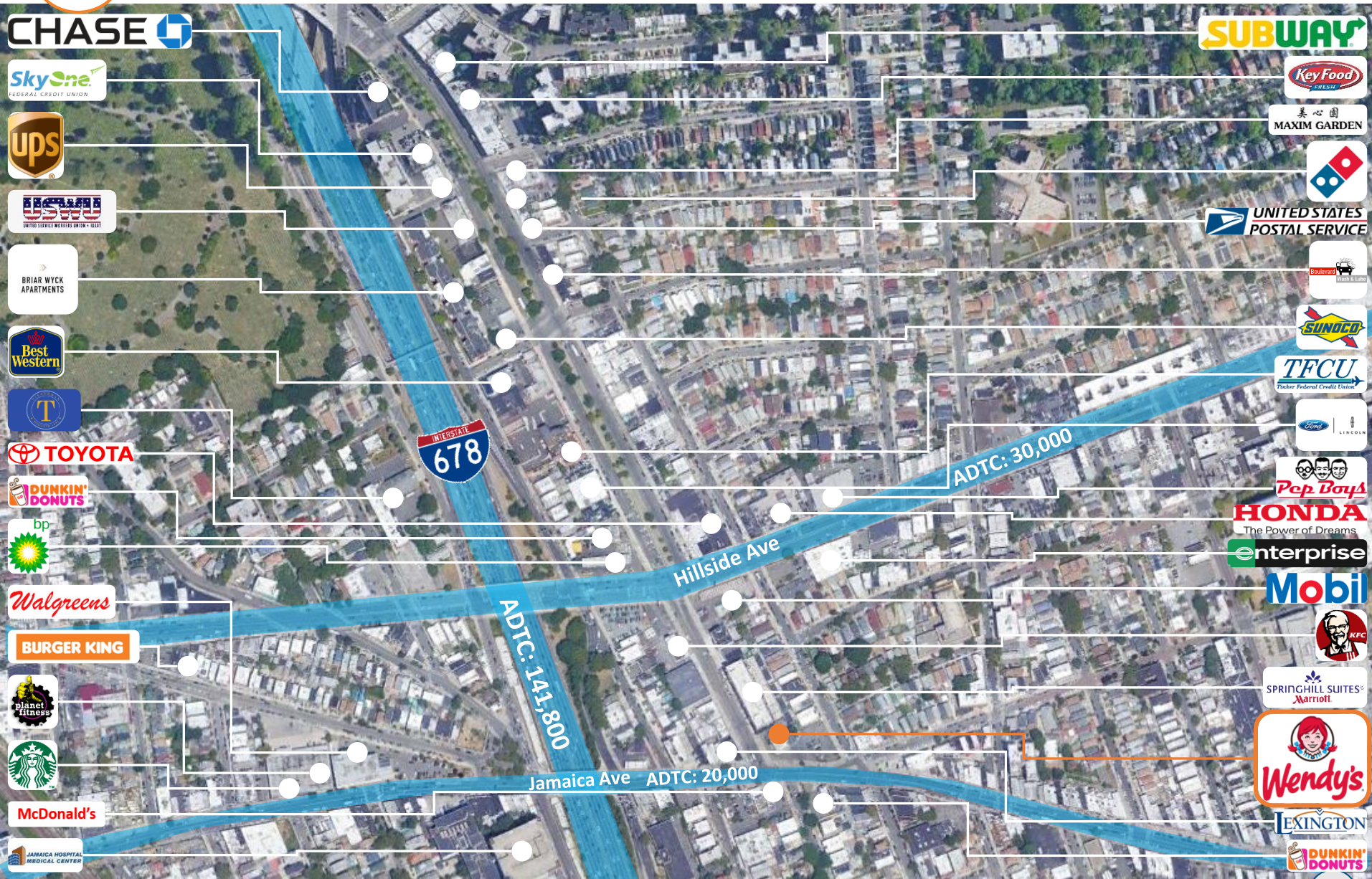
### Hilton Worldwide

Hilton Worldwide has over 4,000 hotels internationally. Each franchise is back by the power of Hilton's award-winning Hilton HHonors guest reward program, its worldwide reservations network, and an unwavering commitment to technology, innovation and quality.





**Wendy's**







# Location Overview

Property Address: 138-41 Jamaica Ave, Jamaica, NY 11435

# Wendy's

This Wendy's benefits from being situated in the main retail corridor of a mainly residential area. Located in close proximity are national and local tenants, hospitals, and academic institutions. National tenants in the surrounding area include Walgreens, Planet Fitness, PepBoys, Chase Bank, Enterprise Rental Car, McDonald's, KFC, Starbucks, Dunkin' Donuts, as well as several others. The subject property is located under a mile from Jamaica Hospital Medical Center, a 404-bed hospital that has served Jamaica, Queens community since 1891. This Wendy's benefits from being located four miles from JFK International Airport. JFK is the primary international airport serving New York City and is the busiest international air passenger gateway into North America.

This Wendy's benefits from being located on Jamaica Avenue, a major avenue in the New York City boroughs of Brooklyn and Queens, New York. Situated on the corner of Jamaica Ave and Queens Boulevard, this Wendy's experiences excellent frontage in an extremely populated area. There are over 721,469 individuals within a three-mile radius and 1,811,390 individuals within a five-mile radius of the subject property. Jamaica Ave experiences average daily traffic counts exceeding 20,031 vehicles. Jamaica Ave intersects with I-678 and runs parallel to Hillside Ave which bring an additional 141,811 and 30,073 vehicles into the immediate area daily.

Jamaica is a middle-class neighborhood in the New York City borough of Queens. It is mainly composed of a large commercial and retail area, though part of the neighborhood is also residential. Jamaica is the location of several governmental buildings including Queens Civil Court, the civil branch of Queens County Supreme Court, the Queens County Family Court and the Joseph P. Addabbo Federal Building, home to the Social Security Administration's Northeastern Program Service Center. The U.S. Food and Drug Administration's Northeast Regional Laboratory as well as the New York District Office are also located in Jamaica. Jamaica Center, the area around Jamaica Avenue, is a major commercial center. The New York Racing Association, based at Aqueduct Racetrack in South Ozone Park, lists its official address as Jamaica. Queens is a borough of New York City, coterminous with Queens County, in New York. It is the largest borough geographically and is adjacent to the borough of Brooklyn at the southwestern end of the Long Island. Queens is the second largest borough in population after Brooklyn and the second most populous county in New York. Queens is the most ethnically diverse urban in the world and has the most diversified economy of the five boroughs of New York City. It is home to the John F. Kennedy International Airport and LaGuardia Airport, both among the world's busiest, which in turn makes the airspace above Queens among the busiest in the United States.





# Property Photo

Wendy's



Subject Property





# Surrounding Area Photos

Wendy's



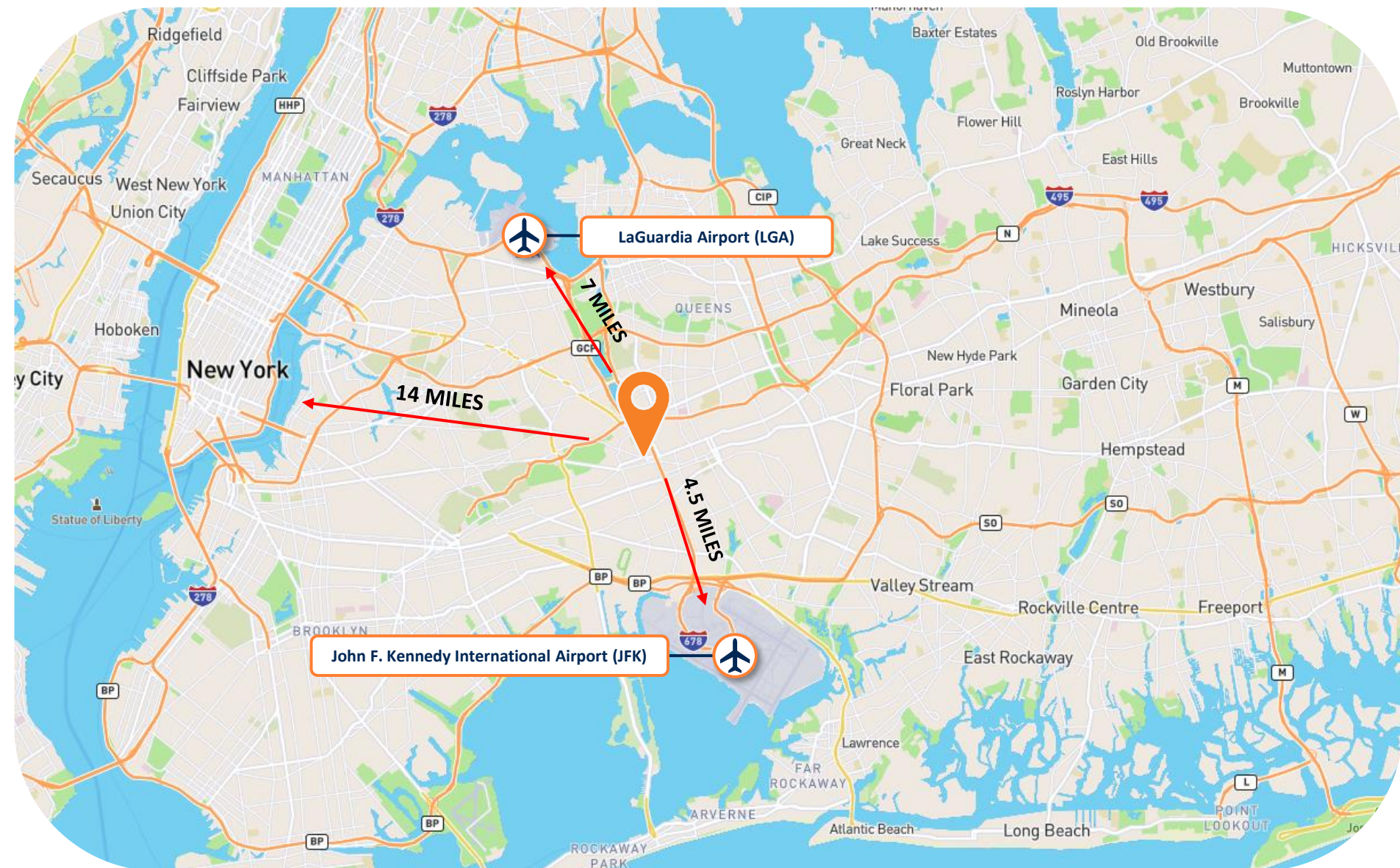




# Local Map

Property Address: 138-41 Jamaica Ave, Jamaica, NY 11435

**Wendy's**



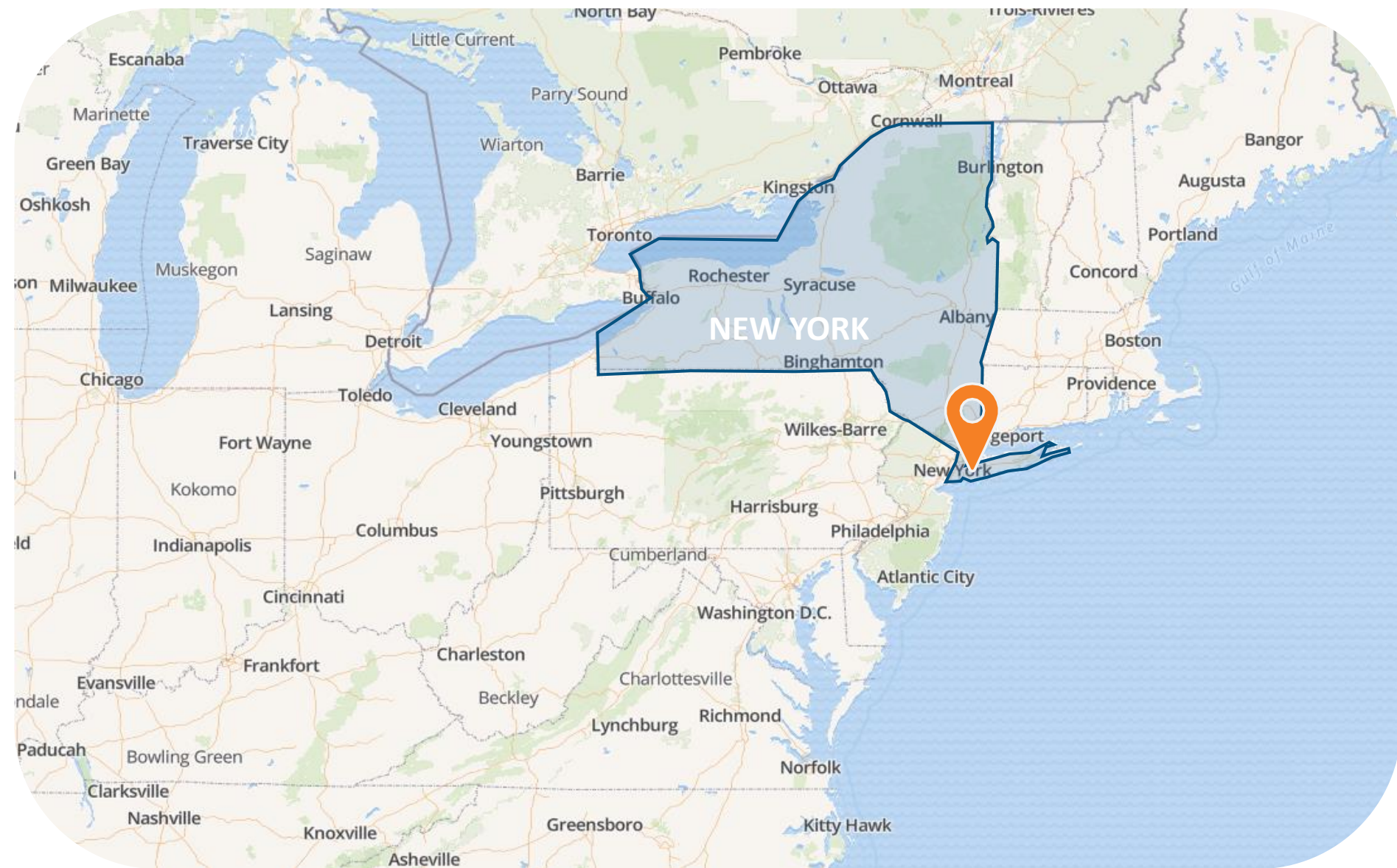




# Regional Map

Property Address: 138-41 Jamaica Ave, Jamaica, NY 11435

**Wendy's**







# Demographics

Property Address: 138-41 Jamaica Ave, Jamaica, NY 11435

**Wendy's**



## POPULATION

	1 Mile	3 Miles	5 Miles
2024 Projection	110,988	712,681	1,805,115
2019 Estimate	112,602	721,496	1,811,390
2010 Census	104,199	685,648	1,732,829
2000 Census	104,858	677,744	1,715,829

## INCOME

	1 Mile	3 Miles	5 Miles
Average	\$76,499	\$85,811	\$80,937
Median	\$59,940	\$65,435	\$61,464
Per Capita	\$25,352	\$29,629	\$27,318

## HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2024 Projection	37,264	249,452	616,267
2019 Estimate	36,954	247,602	608,483
2010 Census	34,011	234,143	579,286
2000 Census	34,299	235,225	579,160

## HOUSING

	1 Mile	3 Miles	5 Miles
2019	\$377,747	\$400,033	\$411,190

## EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2019 Daytime Population	103,993	557,544	1,307,085
2019 Unemployment	5.94%	5.43%	4.91%
2019 Median Time Traveled	50 Mins	50 Mins	49 Mins

## RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	26.35%	29.82%	29.91%
Native American	0.17%	0.11%	0.08%
African American	17.72%	24.68%	24.40%
Asian/Pacific Islander	27.31%	24.56%	25.17%



# Market Overview

City: Jamaica | County: Queens | State: New York

*New York, New York*

**Jamaica** is a city in the eastern part of the New York City borough of Queens located just 15 miles outside of Manhattan, New York. Manhattan has an estimated 2019 population of 8,622,698 distributed over a land area of about 302.6 square miles, New York City is also the most densely populated major city in the United States. Located at the southern tip of the state of New York, the city is the center of the New York metropolitan area, the largest metropolitan area in the world by urban landmass and one of the world's most populous megacities. A global power city, New York City has been described as the cultural, financial, and media capital of the world, and exerts a significant impact upon commerce, entertainment, research, technology, education, politics, tourism, and sports. Home to the headquarters of the United Nations, New York is an important center for international diplomacy. Situated on one of the world's largest natural harbors, New York City consists of five boroughs, each of which is a separate county of the State of New York. The five boroughs – Brooklyn, Queens, Manhattan, The Bronx, and Staten Island – were consolidated into a single city in 1898. As many as 800 languages are spoken in New York, making it the most linguistically diverse city in the world.

Many districts and landmarks in New York City are well known, and the city received a record 62.8 million tourists in 2019. Several sources have ranked New York the most photographed city in the world. Times Square, iconic as the world's "heart" and its "Crossroads", is the brightly illuminated hub of the Broadway Theater District, one of the world's busiest pedestrian intersections, and a major center of the world's entertainment industry. Anchored by Wall Street in the Financial District of Lower Manhattan, New York City has been called both the most economically powerful city and the leading financial center of the world, and the city is home to the world's two largest stock exchanges by total market capitalization, the New York Stock Exchange and NASDAQ. Providing continuous 24/7 service, the New York City Subway is one of the most extensive metro systems worldwide, with 472 stations in operation. Over 120 colleges and universities are located in New York City, including Columbia University, New York University, and Rockefeller University, which have been ranked among the top universities in the world.

## Major Employers

Employer	Estimated # of Employees
MTA Long Island Rail Road	6,030
US Post Office	4,347
East NY Diagnostc & Trtmnt Ctr	3,714
City of New York	3,451
Nyc Police Department	3,165
Jamaica Hospital	3,061
JAMAICA HOSPITAL MEDICAL CENTE	3,050
Medisys Family Care	3,000
St Johns University New York	2,995
Thomas Jefferson High School	2,761
Newyork-Presbyterian/Queens	2,234



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