



OFFERING MEMORANDUM

WENDY'S

13334 TOMBALL PARKWAY | HOUSTON, TX 77086

INVESTMENT SALES

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MEET THE TEAM



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EXECUTIVE SUMMARY

NewQuest Properties is pleased to exclusively offer Wendy's ground lease located in Houston, TX. The +/-3,164 SF asset sits on 0.78 acres directly off Hwy 249 with great visibility experiencing 50,000+ VPD. The property features a 15-year original lease with 10 years and 1 month remaining. The lease entails 6, five-year option periods with rent increasing 10% every 5 years. The Absolute NNN ground lease requires zero landlord responsibilities making this a truly passive investment.



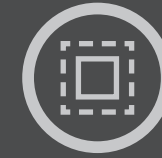
\$1.75M
price



5.0%
cap rate



3,164
GLA



0.78
acres



2015
year built

INVESTMENT HIGHLIGHTS

- **Publicly Traded Tenant** - Wendy's is publicly traded on the NASDAQ under WEN. Their 2019 revenue was over \$4.4 billion and has remained strong throughout the Corona Virus Pandemic.
- **Excellent Location** - The subject property has great visibility on Hwy 249 that experiences 48,000+ VPD.
- **Solid Surrounding Tenants** - Surrounding tenants include ALDI, Chick-fil-A, Kroger, Raising Cane's, Chase Bank, Whataburger, Advanced Auto Parts, Bank of America, Sonic and Capital One along with many local and regional tenants.
- **Excellent Demographics** - The property is situated in a booming area of Houston with an average household income of \$68,000+ and a population of 126,000+ within 3 miles.
- **Passive Investment** - Wendy's is operating under an absolute NNN ground lease with absolutely zero landlord responsibilities making this a truly passive investment.

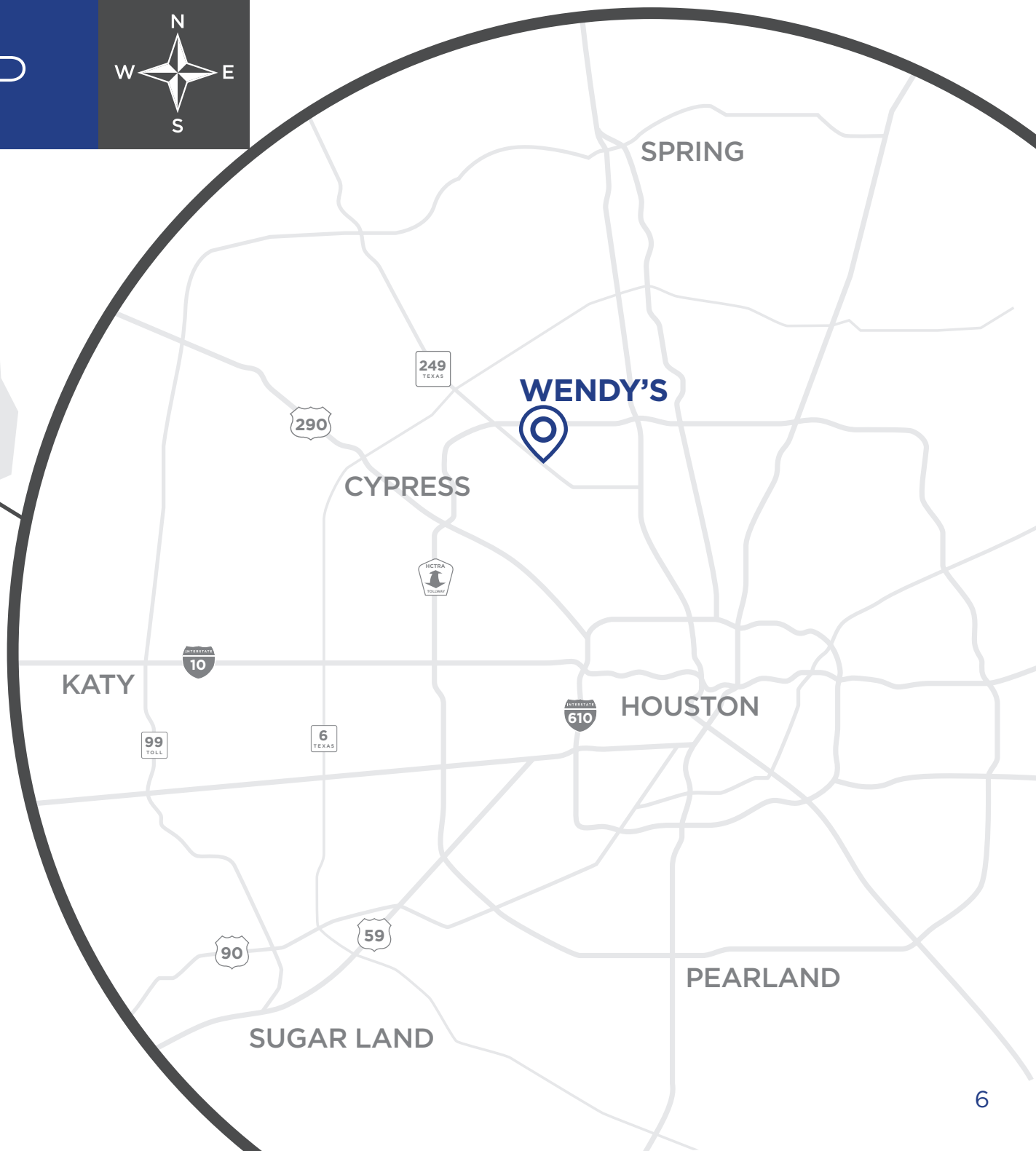
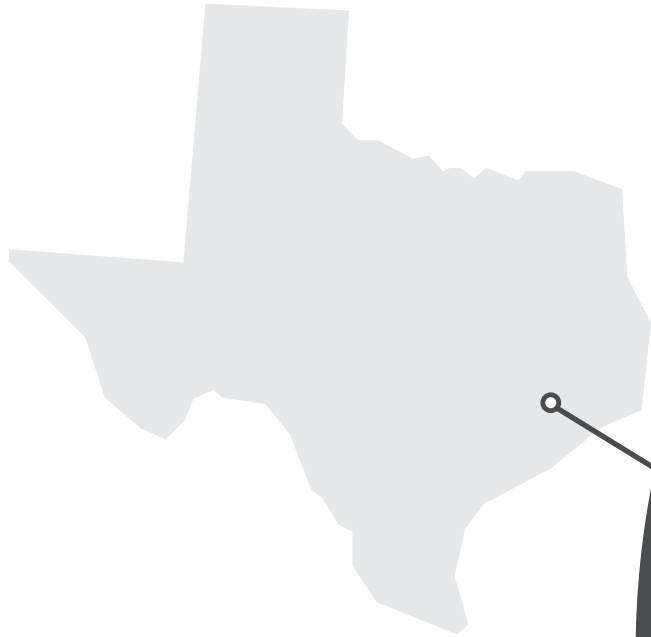


WENDY'S

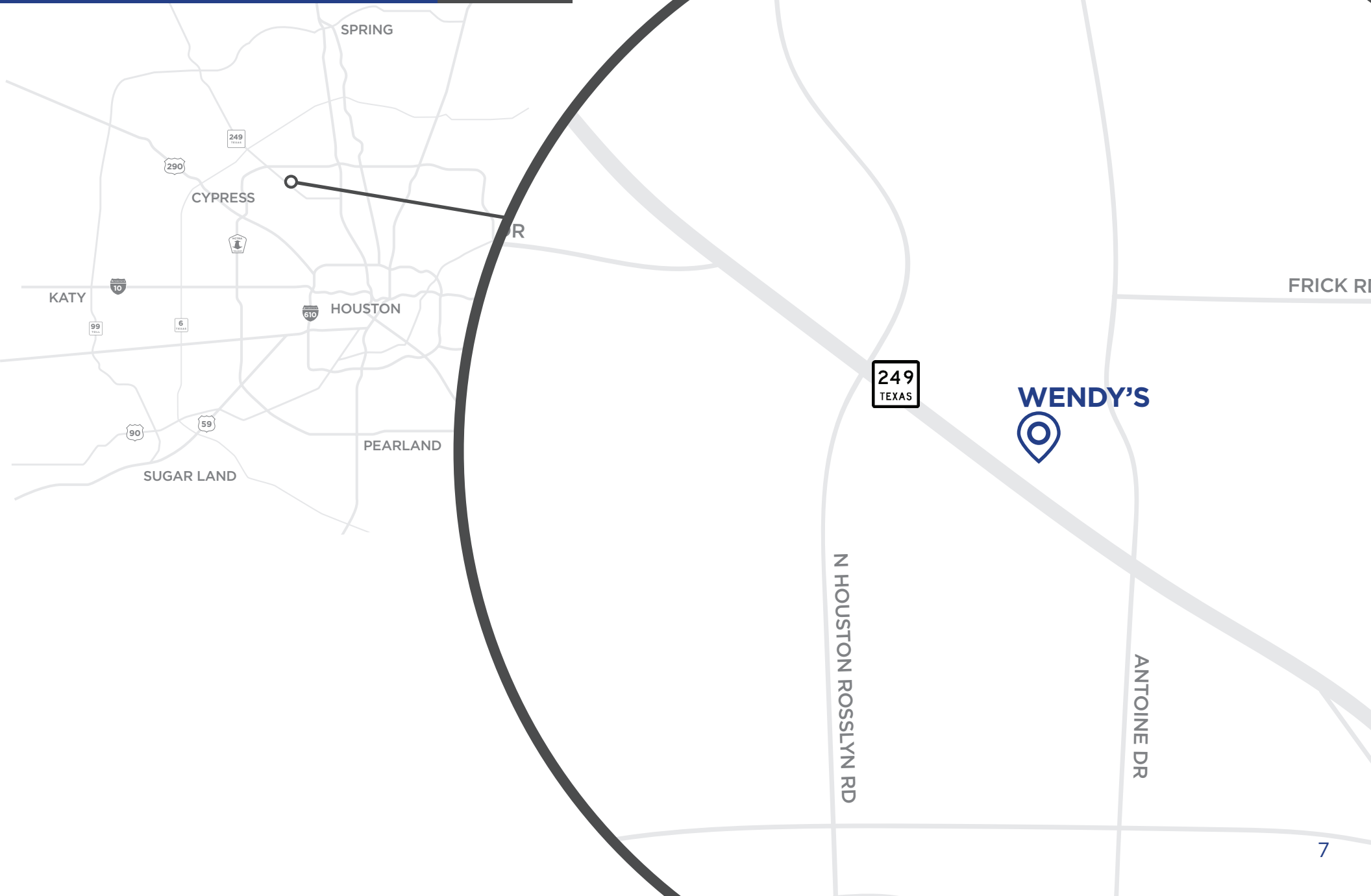
ADDRESS	13334 Tomball Parkway, Houston, TX 77086
PRICE	\$1,750,000
CAP RATE	5.0%
TERM REMAINING	+/- 10 YEARS, 1 MONTH
LEASE TYPE	ABSOLUTE NNN
YEAR BUILT	2015
OPTIONS	SIX (6), FIVE (5) YEAR
OWNERSHIP INTEREST	GROUND LEASE



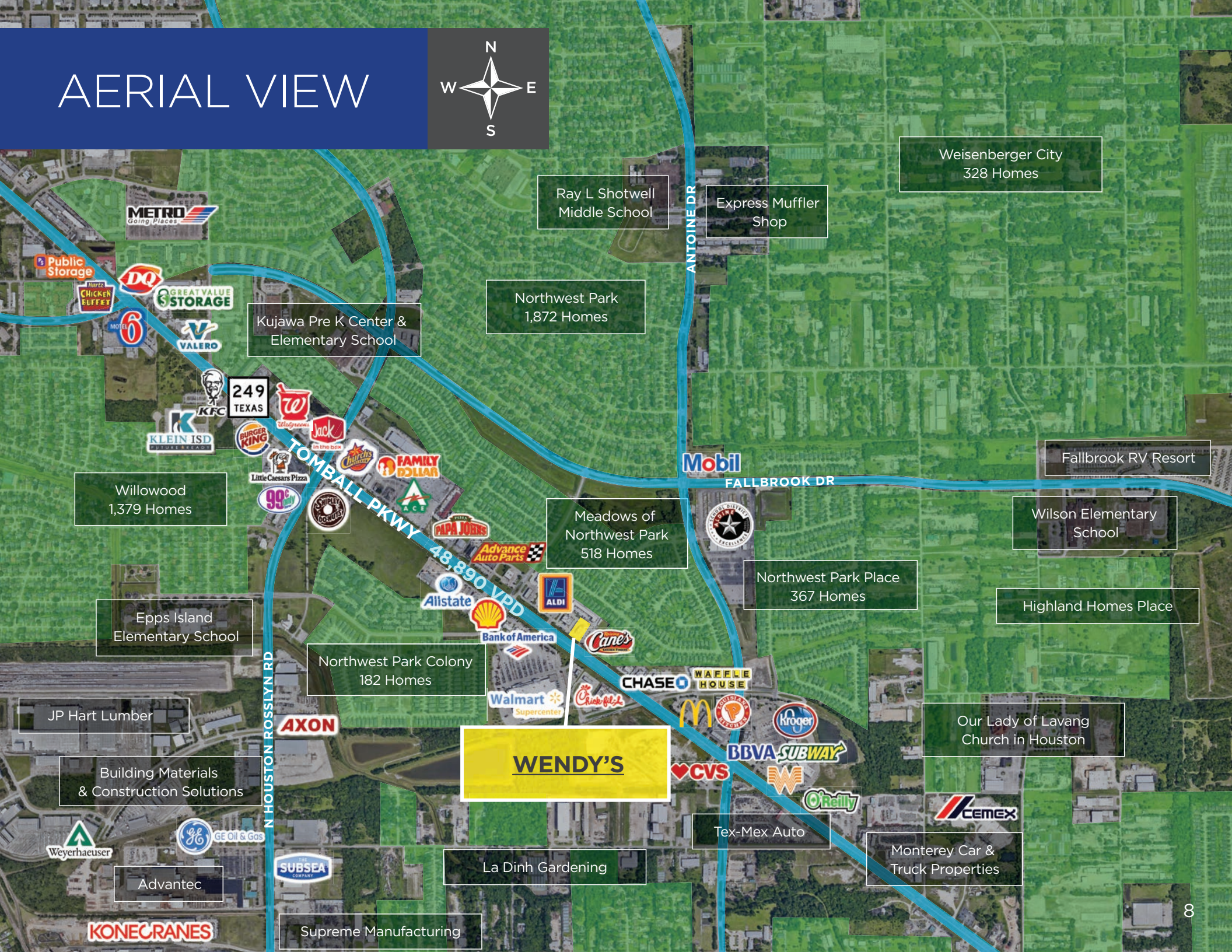
REGIONAL MAP



LOCAL MAP



AERIAL VIEW



AERIAL VIEW



Hung Dong
Asian Supermarket



Bank of America



Uptown Beauty
Supply



Hotel Bella



Brident Dental &
Orthodontics



WENDY'S

Park at Willowbrook
228 Units

Northwest Park Colony
182 Homes



The Meadows of
Northwest Park
518 Homes

SMILING WOODS LN/NW PARK DR

TOMBALL PKWY 48,890 VPD

TENANT OVERVIEW

Wendy's® was founded in 1969 by Dave Thomas in Columbus, Ohio. Dave built his business on the premise, "Quality is our Recipe®," which remains the guidepost of the Wendy's system. Wendy's is best known for its made-to-order square hamburgers, using fresh, never frozen beef*, freshly-prepared salads with hand-chopped lettuce, and other signature items like chili, baked potatoes and the Frosty® dessert. The Wendy's Company (NASDAQ: WEN) is committed to doing the right thing and making a positive difference in the lives of others. This is most visible through the Company's support of the Dave Thomas Foundation for Adoption® and its signature Wendy's Wonderful Kids® program, which seeks to find every child in the North American foster care system a loving, forever home. Today, Wendy's and its franchisees employ hundreds of thousands of people across more than 6,700 restaurants worldwide with a vision of becoming the world's most thriving and beloved restaurant brand.



WENDY'S

# OF LOCATIONS	6,700+
FOUNDED	1969
GUARANTOR	Individual/ RDC Restaurants
PUBLICLY TRADED	(NASDAQ: WEN)
REVENUE	\$4.8+ Billion (2019)

PRICING DETAIL

PROPERTY DESCRIPTION

Year Built	2015
Gross Leasable Area	3,164 SF
Type of Ownership	Ground Lease

LEASE SUMMARY

Tenant	WENDY'S
Option Increases	MARKET RATE
Guarantor	INDIVIDUAL / RDC RESTAURANTS
Lease Type	Absolute NNN
Lease Commencement	November 11, 2015
Lease Term	15 YEARS
Term Remaining on Lease (Years)	10 YEARS, 1 MONTH
Options	6, Five Year Options

PRICE

\$1,750,000

CAP Rate	5.0%
Gross Leasable Area (GLA)	3,164 SF
Lot Size	0.78 Acres
Year Built	2015

RENT SCHEDULE

Term	Years	Annual Rent	RPSF	Increases
BASE	1 - 5	\$80,000	\$25.28	-
BASE	6 - 10	\$88,000	\$27.81	10%
BASE	11 - 15	\$96,800	\$30.59	10%

* UPCOMING 10% RENT INCREASE ON NOVEMBER 11, 2020

TEXAS OVERVIEW

49

FORTUNE 500
COMPANIES
CALL TEXAS HOME



POPULATION
28,995,881



#1 STATE IN
AMERICA
TO START A BUSINESS



TOP STATE FOR
JOB GROWTH
14+ MILLION WORKERS



NO STATE
INCOME TAX



2ND FASTEST
GROWING ECONOMY
IN THE U.S.A.



RECESSION PROOF
RANKED AMONG TOP
RECESSION-PROOF STATES
IN AMERICA



BEST STATE
FOR BUSINESS
11TH YEAR IN A ROW



LARGEST
MEDICAL CENTER
2ND LARGEST CANCER CENTER
MD ANDERSON, HOUSTON



FORT WORTH

#1 In U.S. job growth market | 2020
#2 Top-moving destination | 2019
#4 Fastest-growing city in the nation
Leads the country in employment and population growth | 2020
Fastest-growing, among the 20 largest U.S. cities | 2000-2016

DALLAS

#6 Fastest-growing housing market | 2020
21 Fortune 500 companies
300 Corporate headquarters
8,300 Californians move in area yearly

HOUSTON

#2 Fastest-growing housing market | 2018
#7 Top 2 business-friendly city

AUSTIN

#1 Fastest-growing major metro | 2020
#1 Best city to start a business | 2020
#2 Best city for young professionals | 2020
#3 Fastest-growing city in the nation
Best place to live in the U.S. for the 3rd year in a row | 2020
Amazon creating 1,000 new jobs in Pflugerville | 2020
Tesla building a \$1.1B, 2,000-acre factory (5,000 workers)

SAN ANTONIO

#2 Fastest-growing city in the nation
#4 Best places to live in Texas | 2020
#34 Best places to live in America



LOCATION HIGHLIGHTS

As the fifth most populous metro area in the U.S., Houston houses roughly 6.9 million people in southeastern Texas. The market is composed of nine counties: Harris, Galveston, Brazoria, Fort Bend, Chambers, Montgomery, Austin, Liberty and Waller. The Gulf of Mexico, which borders the metro to the southeast, provides access to markets around the world via the Port of Houston, making it a prime location for exports. Local industries have diversified from oil to technology and healthcare. Many companies provide goods and services for the large population growth, which has sprawled, primarily to the north and west. The city of Houston is the largest in the metro with 2.3 million residents.

METRO HIGHLIGHTS

CORPORATE GROWTH

Houston will remain a top destination for corporate relocations due to its business-friendly environment. More than 20 Fortune 500 companies are headquartered in the metro.

HIGHER EDUCATION

Over 40 post-secondary educational institutions are located in the metro. Nearly 31 percent of residents have attained a bachelor's degree, with 11 percent also holding a graduate or professional degree.

LOW COST OF LIVING, DOING BUSINESS

Houston has a lower cost of living than many major metros, no state income tax and a median home price below the national level.



LOCATION DEMOGRAPHICS



POPULATION
319,180



HOUSEHOLDS
104,349



MEDIAN AGE
32.2



AVERAGE INCOME
\$72,069



2020 POPULATION BY AGE



POPULATION	1 MILE	3 MILES	5 MILES
2025 Projected Population	15,213	131,799	335,236
2020 Estimated Population	14,634	126,995	319,180
2010 Census Population	12,955	112,395	285,565
2000 Census Population	8,323	90,015	247,909

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2025 Projected Households	4,418	39,316	111,971
2020 Estimated Households	4,167	37,088	104,349
2010 Census Households	3,567	31,857	90,340
2000 Census Households	2,520	26,836	81,498
2020 Occupied Units	4,167	37,088	104,349

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$150,000 or More	3.9%	6.9%	8.3%
\$100,000 to \$149,000	10.6%	13.8%	13.0%
\$75,000 to \$99,999	13.9%	14.7%	13.4%
\$50,000 to \$74,999	21.6%	20.8%	19.7%
\$35,000 to \$49,999	14.9%	14.4%	14.6%
Under \$35,000	35.1%	29.4%	31.0%
Average Household Income	\$58,816	\$68,453	\$72,069
Median Household Income	\$48,631	\$57,725	\$57,689
Per Capita Income	\$16,769	\$20,003	\$23,574

LOCATION DEMOGRAPHICS



HOUSEHOLDS BY EXPENDITURE	1 MILE	3 MILES	5 MILES
Total Monthly Retail Expenditures	\$1,932	\$2,144	\$2,199
Consumer Expenditure Top 10 Categories			
Shelter	\$862	\$949	\$983
Transportation	\$750	\$833	\$852
Food and Beverages	\$613	\$675	\$693
Health Care	\$346	\$383	\$393
Utilities	\$318	\$345	\$352
Entertainment	\$223	\$251	\$258
Contributions	\$120	\$138	\$144
Education	\$109	\$125	\$132
Apparel	\$144	\$159	\$164
Furnishings and Equipment	\$138	\$156	\$160

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2020 Estimate Total Population	14,634	126,995	319,180
Under 20	5,088	41,281	98,847
20 to 34 Years	3,371	27,205	71,932
35 to 39 Years	1,160	9,525	23,768
40 to 49	1,944	17,645	43,311
50-64	2,076	20,789	52,366
Age 65+	994	10,550	28,957
Median Age	29.4	31.5	32.2
Population 25+ by Education	8,472	77,177	198,099
Elementary (0 to 8)	1,892	12,481	26,429
Some High School (9 to 11)	1,247	10,775	23,230
High School Graduate (12)	2,593	23,293	58,262
Some College (13-15)	1,485	14,839	39,451
Associate Degree Only	288	4,548	12,859
Bachelor Degree Only	722	8,053	26,745
Graduate Degree	245	3,188	11,123

LOCATION DEMOGRAPHICS

POPULATION

In 2020 the population in your selected geography is 319,180. The population has changed by 11.77% since 2010. It is estimated that the population in your area will be 335,236 five years from now, which represents a change of 5.03% from the current year. The current population is 49.2% male and 50.8% female. The median age of the population in your area is 32.2 compare this to the US average which is 37.95. The population density in your area is 4,066 people per square mile.

HOUSEHOLDS

There are currently 104,349 households in your selected geography. The number of households has changed by 15.5% since 2010. It is estimated that the number of households in your area will be 111,971 five years from now, which represents a change of 7.30% from the current year. The average household size in your area is 3.1 persons.

HOUSING

The median housing value in your area was \$148,237 in 2020, compare this to the US average of \$201,842. In 2020, there were 59,123 owner occupied housing units in your area and there were 45,226 renter occupied housing units in your area. The median rent at the time was \$855.

RACE & ETHNICITY

The current year racial makeup of your selected area is as follows: 38.3% White, 29.5% Black, 0.8% Native American and 9.5% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race. People of Hispanic origin make up 48.1% of the current year population in your selected area. Compare this to the US average of 18.01%.

INCOME

In 2020 the median household income for your selected geography is \$57,689; compare this to the US average which is currently \$58,754. The median household income for your area has changed by 21.6% since 2010. It is estimated that the median household income in your area will be \$66,621 five years from now, which represents a change of 15.5% from the current year. The current year per capita income in your area is \$23,574; compare this to the US average, which is \$32,356. The current year average household income in your area is \$72,069; compare this to the US average which is \$84,609.

EMPLOYMENT

In 2020, there are 130,461 employees in your selected area, this is also known as the daytime population. The 2010 Census revealed that 45.8% of employees are employed in white-collar occupations in this geography, and 54.2% are employed in blue-collar occupations. In 2020, unemployment in this area is 6.8%. In 2020, the average time traveled to work was 29.6 minutes.