



REPRESENTATIVE PHOTO



### INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Wendy's Fast Food Restaurant with drive thru located at 5011 Millertown Pike in Knoxville, Tennessee. Knoxville is the principal city of the Knoxville Metropolitan Statistical Area with a population over 869,046 and the third largest city in the state after Nashville and Memphis.

This brand new construction Wendy's is situated as an outparcel to a Lowe's Home Improvement Center on the Millertown Pike Exit Road from I-25. Several shopping centers surround this Wendy's including Black oak Plaza Shopping Center, Magnolia Shopping Center, International Shopping Alliance, Kingston Pike Shopping Center, Clinton Plaza and Wright Place. Major National Retailers in the immediate area include Walmart Super Center, Home Depot and Sam's Club.

This Wendy's Restaurant is conveniently located only 12 minutes from Pellissippi State Community College with 11,259 enrolled students, 15 minutes from The College of Arts & Sciences with 23,290 enrolled students and 15 minutes from South College with 1,241 enrolled students. Also in close vicinity to this property is Magnolia Gardens Apartments with 268 fully rented apartments.

Wendy's is an international fast food restaurant chain founded by Dave Thomas on November 15, 1969 in Columbus, Ohio. As of January 2019, there were a total of 6,711 locations, including 353 that are company-owned. 6,358 restaurants are franchised and 77 percent of them are located in North America. (In 2016, Wendy's was the world's third largest hamburger fast-food chain, following Burger King's 12,000 plus locations and McDonald's with over 31,000 plus locations).

### INVESTMENT HIGHLIGHTS

- Brand New Construction Wendy's 20 Year NNN Lease with 7.5% Increases In Rent Every 5 Years
- Located on The South Bound Exit From Highway 25 (58,495 VPD Traffic) to Millertown Pike Road (22,000 VPD Traffic)
- Situated As a Lowe's Home Improvement Outparcel
- Located Minutes From Pellissippi State College (11,259 Students), College of Arts and Sciences (23,290 Students), and South College (1,241 Students)
- Close Proximity to North Knoxville Medical Center and East Tennessee Children's Hospital
- National Retailers In The Immediate Area Lowe's, Walmart Super Center, Home Depot, Sam's Club
- Wendy's Is Considered an Essential Tenant



## THE OFFERING



**Wendy's**  
**5011 Millertown Pike**  
**Knoxville, Tennessee, 37917**



## PROPERTY DETAILS

Lot Size	47,916SF (1.10 Acres)
Rentable Square Feet	2,224 SF
Price/SF	\$1,214.03
Year Built	2021

## FINANCIAL OVERVIEW

List Price	<b>\$2,700,000</b>
Down Payment	100% / \$2,700,000
Cap Rate	5.00%
Type of Ownership	Fee Simple

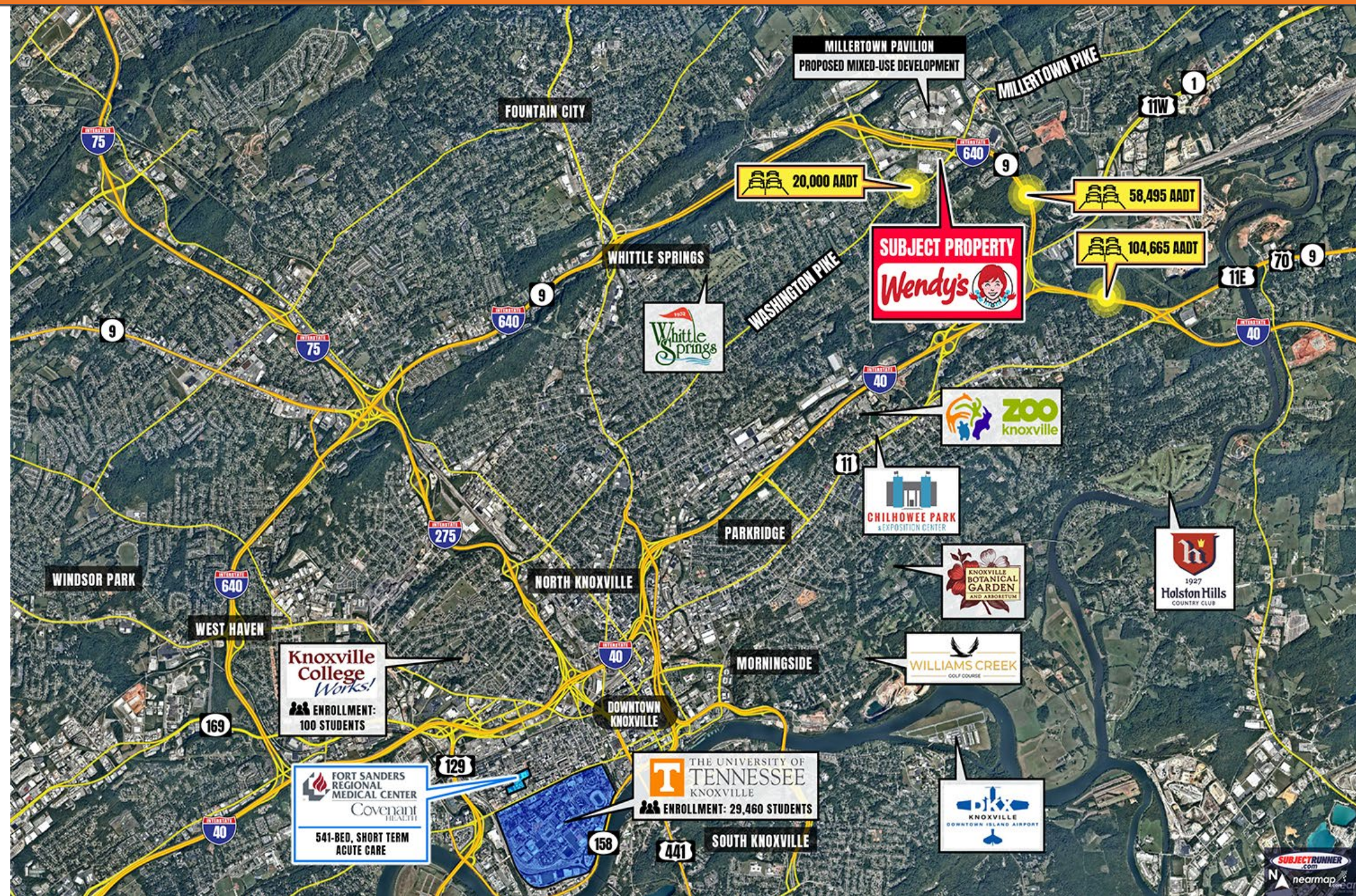
## PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
05/30/2021 - 05/29/2026	\$11,250	\$135,000
05/30/2026 - 05/29/2031	\$12,094	\$145,125
05/30/2031 - 05/29/2036	\$13,001	\$156,009
05/30/2036 - 05/29/2041	\$13,973	\$167,710
05/30/2041 - 05/29/2046 (Option 1)	\$15,024	\$180,288
05/30/2046 - 05/29/2051 (Option 2)	\$16,151	\$193,810
05/30/2051 - 05/29/2056 (Option 3)	\$17,362	\$208,346
05/30/2056 - 05/29/2061 (Option 4)	\$18,664	\$223,972
Base Rent (\$60.70 / SF)		\$135,000
Net Operating Income		\$135,000.00
<b>TOTAL ANNUAL RETURN</b>	<b>CAP 5.00%</b>	<b>\$135,000</b>

## LEASE ABSTRACT

Tenant Trade Name	Wendy's
Tenant	Franchisee
Ownership	Private
Guarantor	210 Unit Holding Company
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	05/30/2021
Rent Commencement Date	05/30/2021
Expiration Date of Base Term	05/29/2041
Increases	7.5% Increases every 5 Years during Lease Term and Option Periods
Options	Four Five-Year Options
Term Remaining on Lease	20 Years
Property Type	Net Leased Restaurant Fast Food
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	Yes













## ABOUT WENDY'S

The Wendy's Company (NASDAQ: WEN) 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 worldwide.

## WENDY'S CORPORATE

Sales Volume	<b>\$2.06+ Billion</b>
Net Worth	<b>N/A</b>
Credit Rating	<b>B +</b>
Rating Agency	<b>Standard &amp; Poor's</b>
Stock Symbol	<b>WEN</b>
Board	<b>NASDAQ</b>
HQ	<b>DUBLIN, OHIO</b>
Number of Locations	<b>6,711+ (2018)</b>





JAE Restaurant Group is owned by Andres Garcia, Eddie Rodriguez, and Jhonny Mercado. They currently own a total of 210+ Wendy's restaurants in Florida, New Mexico, Tennessee and Texas and will continue to look for other locations in these areas to provide our customers with more options when dining in our areas.

Their restaurants are operated by a Five-Star management team that is working diligently to achieve the company's goals. They pride themselves on using quality service, continual improvement, community involvement, and innovation to measure success.

- 210+ restaurants in Florida, Texas, and Tennessee
- \$350 million in annual revenue
- Among the Top 5 franchisees in the Wendy's system
- Ranked as #30 multi-unit franchisee by Multi-Unit Franchisee magazine
- Senior leadership team with over 300 years of relevant experience
- 52 % of its restaurant Image Activated

**WEBSITE****[www.jaerestaurantgroup.com](http://www.jaerestaurantgroup.com)****INDUSTRY****Restaurants****TYPE****Privately Held****HEADQUARTERS****Pompano Beach, Florida****EMPLOYEES****+/- 5000**



	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	3,333	38,320	102,605
2020 Estimate	3,297	37,449	100,036
2010 Census	3,118	35,171	93,801
2000 Census	3,050	32,124	88,197

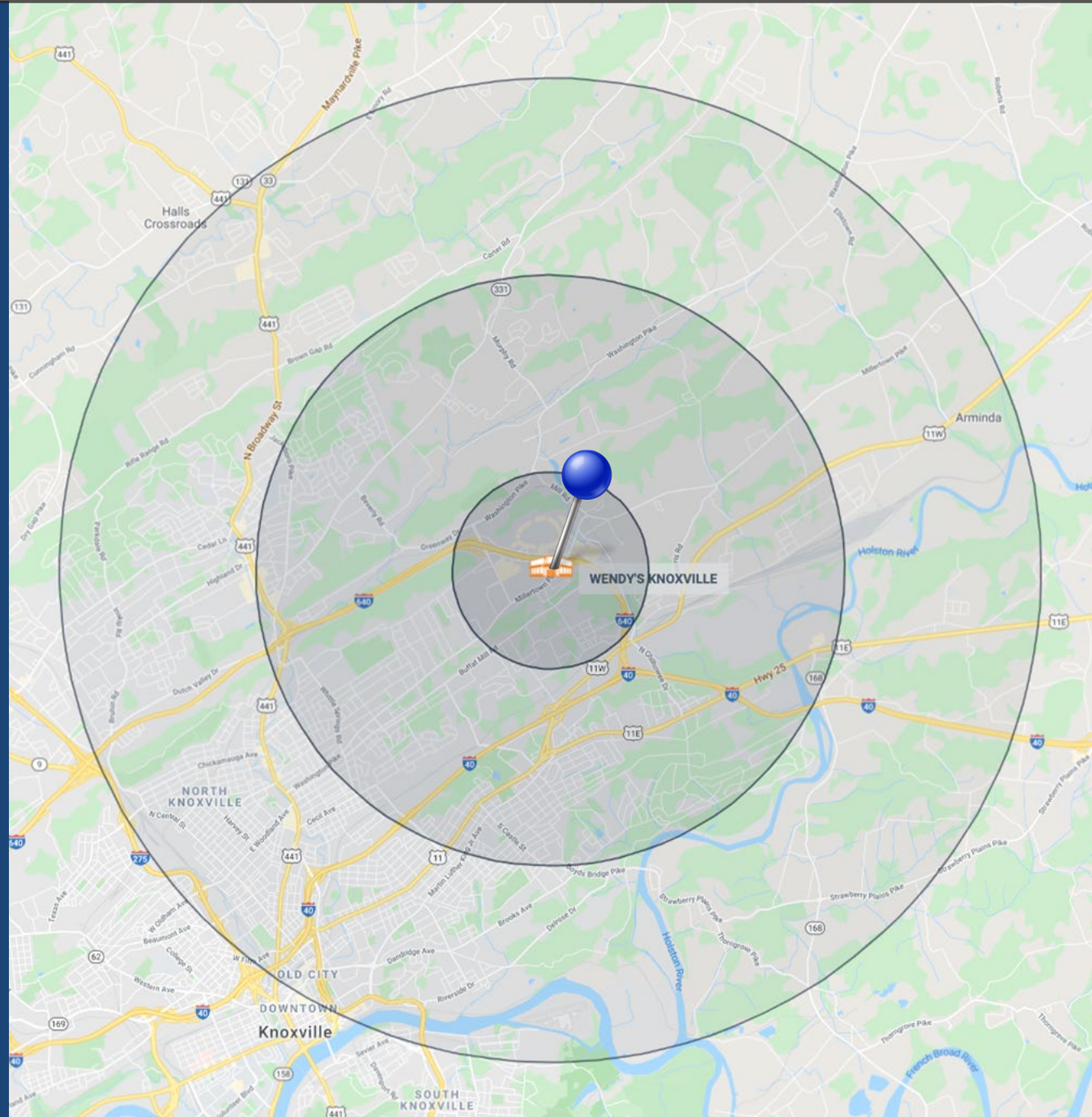
INCOME			
Average	\$60,419	\$63,555	\$56,302
Median	\$51,245	\$49,034	\$41,508
Per Capita	\$30,238	\$27,988	\$24,818

HOUSEHOLDS			
2025 Projection	1,690	16,904	45,077
2020 Estimate	1,649	16,423	43,590
2010 Census	1,551	15,428	40,683
2000 Census	1,467	14,111	38,857

HOUSING			
2020	\$127,824	\$146,082	\$136,143

EMPLOYMENT			
2020 Daytime Population	5,480	37,721	105,931
2020 Unemployment	2.44%	3.12%	3.75%
2020 Median Time Traveled	25	24	24

RACE & ETHNICITY				
White	80.00%	71.00%	73.27%	
Native American	0.30%	0.07%	0.07%	
African American	15.85%	23.51%	20.44%	
Asian/Pacific Islander	1.32%	1.02%	0.67%	





## GEOGRAPHY: 5 MILE



### POPULATION

In 2020, the population in your selected geography is 100,036. The population has changed by 13.42% since 2000. It is estimated that the population in your area will be 102,605.00 five years from now, which represents a change of 2.57% from the current year. The current population is 48.12% male and 51.88% female. The median age of the population in your area is 38.80, compare this to the US average which is 38.21. The population density in your area is 1,272.96 people per square mile.



### HOUSEHOLDS

There are currently 43,590 households in your selected geography. The number of households has changed by 12.18% since 2000. It is estimated that the number of households in your area will be 45,077 five years from now, which represents a change of 3.41% from the current year. The average household size in your area is 2.24 persons.



### INCOME

In 2020, the median household income for your selected geography is \$41,508, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 46.71% since 2000. It is estimated that the median household income in your area will be \$46,309 five years from now, which represents a change of 11.57% from the current year.

The current year per capita income in your area is \$24,818, compare this to the US average, which is \$34,935. The current year average household income in your area is \$56,302, compare this to the US average which is \$90,941.



### RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 73.27% White, 20.44% Black, 0.07% Native American and 0.67% Asian/Pacific Islander. Compare these to US averages which are: 69.84% White, 12.88% Black, 0.20% Native American and 5.75% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 4.82% of the current year population in your selected area. Compare this to the US average of 18.38%.



### HOUSING

The median housing value in your area was \$136,143 in 2020, compare this to the US average of \$221,068. In 2000, there were 23,180 owner occupied housing units in your area and there were 15,677 renter occupied housing units in your area. The median rent at the time was \$361.



### EMPLOYMENT

In 2020, there are 44,100 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 56.05% of employees are employed in white-collar occupations in this geography, and 44.10% are employed in blue-collar occupations. In 2020, unemployment in this area is 3.75%. In 2000, the average time traveled to work was 24.00 minutes.



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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.

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