



**Wendy's**

**31150 5 Mile Rd | Livonia, MI**

**OFFERING MEMORANDUM**



## LISTED BY

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# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

### PROPERTY HIGHLIGHTS:

- **Recently Renovated** - This site was renovated into the newest Wendy's prototype in 2020
- **Stable Rent to Sales Ratio** - This store is operating at a healthy rent to sales ratio, contact broker for more details
- **Below Average Rent** - The rent at this location is 30% below the average for Wendy's Restaurants
- **Strong Operator** - Douglas Corporation of Michigan is an established Wendy's operator that has over 50 locations and has been in the business for over 25 years
- **Zero Management Responsibilities** - This lease is Absolute NNN making it ideal for an out of state investor
- **Established Location** - This location has been a Wendy's for over 22 years
- **Global Brand** - Wendy's is the third-largest hamburger chain in the world with 6,600 locations in the United States and 30 other countries worldwide

### LOCATION HIGHLIGHTS:

- **Dense Metro** - There is a population of over 250k in a 5-mile radius
- **Kirksey Recreation Center** - Less than a mile away from a 45-acre community recreation center driving traffic to this location
- **Surrounding Retail** - This location is right across the street from a Kroger anchored center surrounded by national tenants including AutoZone, Dollar Tree, Tim Hortons, Valvoline, Shell, Subway, and more







# FINANCIAL OVERVIEW



**\$1,575,000**

LIST PRICE



**\$85,000**

NOI



**5.40%**

CAP RATE

## BUILDING INFO

Address	31150 5 Mile Rd Livonia, MI
Year Built/Renovated	1964/2020
GLA of Building	± 3,023 SF
Lot Size	±0.54 AC (±23,522 SF)



## ANNUALIZED OPERATING DATA

Lease Term	Monthly Rent	Annual Rent	RPSF	Cap Rate
Current - 3/31/2024	\$7,083.33	\$85,000.00	\$26.20	5.40%
4/1/2024 - 3/31/2029	\$7,650.00	\$91,800.00	\$28.30	5.83%
4/1/2029 - 3/31/2034	\$8,262.00	\$99,144.00	\$30.56	6.29%
Option 1 4/1/2034 - 3/31/2039	\$8,922.96	\$107,075.52	\$33.01	6.80%
Option 2 4/1/2030 - 3/31/2044	\$9,636.80	\$115,641.56	\$35.65	7.34%

## TENANT SUMMARY

Lease Type	NNN
Lease Guarantor	Franchisee
Roof and Structure Responsible	Tenant Responsibility
Original Lease Term (Years)	15
Lease Commencement Date	9/4/98
Rent Commencement Date	4/1/19
Lease Expiration Date	3/31/34
Lease Term Remaining (Years)	±13 Years
Increases	8% Increases
Options	2, 5 Year Options

Please contact a Matthews™ Capital Markets Agent for financing options:

Niko Buntich  
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714-656-7500



LAUREL PLACE

RETAIL CORRIDOR



LIVONIA  
BUSINESS PARK



LIVONIA  
CITY HALL

JACK E. KIRKSEY  
LIVONIA COMMUNITY REC CENTER



MERRIMAN RD  
± 20,000 VPD

5 MILE RD  
± 19,000 VPD

Tim Hortons



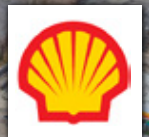




MILLENIUM PARK  
SHOPPING MALL



5 MILE RD  
± 19,000 VPD





# TENANT OVERVIEW

## WENDY'S



» **Company Name**  
WENDY'S



» **Ownership**  
PUBLIC



» **Year Founded**  
1969



» **Industry**  
RESTAURANT



» **Headquarters**  
DUBLIN, OH



» **Website**  
[WWW.WENDYS.COM](http://WWW.WENDYS.COM)

The Wendy's Company operates the Wendy's fast food chain. The company is the #2 hamburger chain in the US. The Wendy's chain consists of nearly 6,600 restaurants in the US and more than 25 other countries. Besides burgers and fries, the restaurants serve chicken sandwiches, wraps, and a variety of salads. Instead of milkshakes, Wendy's serves its famously thick Frosty. Most of the company's locations are franchised, and it generates most of its sales in the US.

Wendy's brand transformation is re-energizing all touch points with consumers. From bold restaurant design to innovative food that consumers' want, to improved customer service, this exciting evolution of the brand reinforces the mission to position Wendy's as A Cut Above. All elements of Wendy's brand transformation are coming together in a powerful way in the sleek, contemporary Image Activation restaurants. Not only do these restaurants deliver a striking street appearance, they are designed to greatly enhance the customer experience. Prominent features include fireplaces; a variety of inviting seating options, including lounge chairs and booths; Wi-Fi and flat-screen TVs; digital menuboard and more. Coupled with friendly, courteous service, Wendy's creates a welcoming ambiance that truly stands out.

## DOUGLAS CORPORATION OF MICHIGAN

Douglas Corporation of Michigan is a successful Wendy's Franchisee Operator that own and operate roughly 50 Wendy's in Michigan.



## LIVONIA, MI

Livonia, Michigan, is a safe, well-planned community of 36 square miles in southeast Michigan. City boundaries are Inkster Road on the east, Eight Mile Road on the north, Eckles and Haggerty Roads on the west, and Joy Road on the south. Livonia enjoys a strategic location second-to-none in the region, with easy access to the I-96 and the I-275 expressways. The main roads fan out in every direction providing convenient drive times across the metropolitan area.

Livonia's industrial and manufacturing heart is largely concentrated in a 6-square-mile corridor, combining major railroad and highway access across the metropolitan region. Livonia offers many entertainment venues, including upscale restaurants and movie theaters including a 20-screen state-of-the-art facility. There are several major shopping centers, including Laurel Park Place Mall, Wonderland Village, and Livonia Marketplace.

The cultural fiber of Livonia is alive and thriving. Music and the Arts are celebrated and embraced. The Livonia Symphony Orchestra (LSO) was formed (then called the Oakway Symphony Orchestra) in 1973 and is still going strong. The LSO performs a full concert series and special events including the classics, Broadway and movie musicals, and a pop repertoire.

## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	8,966	81,089	253,838
2020 Estimate	8,988	81,247	253,545
2010 Census	9,213	83,010	255,739
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	3,527	32,216	105,789
2020 Estimate	3,536	32,261	105,653
2010 Census	3,618	32,861	106,470
INCOME	1-MILE	3-MILE	5-MILE
2020 Avg HH Income	\$95,157	\$90,763	\$76,671

## DETROIT, MI

Detroit is the largest and most populous city in the U.S. state of Michigan, the largest city on the United States-Canada border, and the seat of Wayne County. The metropolitan area, known as Metro Detroit, is home to 4.3 million people, making it the second-largest in the Midwest after the Chicago metropolitan area.

Regarded as a major cultural center, Detroit is known for its contributions to music and as a repository for art, architecture, and design. Detroit is a major port located on the Detroit River, one of the four major straits that connect the Great Lakes system to the Saint Lawrence Seaway. The Detroit Metropolitan Airport is among the most important hubs in the United States.

The City of Detroit anchors the second-largest regional economy in the Midwest, behind Chicago and ahead of Minneapolis-Saint Paul, and the 13th largest in the United States. Detroit and its neighboring Canadian city Windsor are connected through a tunnel and the Ambassador Bridge, the busiest international crossing in North America. Detroit is best known as the center of the U.S. automobile industry, and the "Big Three" auto manufacturers General Motors, Ford, and Chrysler are all headquartered in Metro Detroit.



Nearly **1,300 FOREIGN COMPANIES** from over 38 countries employ **MORE THAN 150,000 PEOPLE** in the Detroit region

Since 2006, the city of Detroit has experienced more than **\$13 BILLION** in new investments across **200+ PROJECTS**

**60 OF THE TOP 100** automotive suppliers to North America are **HEADQUARTERED** in Michigan with an additional **32** having a major presence





## ECONOMIC DEVELOPMENT

While Detroit is the world's epicenter of mobility and advanced transportation solutions, today's Detroit is so much more than just the Motor City. With a diverse offering of competitive advantages, Detroit is a smart choice for businesses looking to expand, relocate, and invest.

Detroit offers a suite of incentive programs designed to help businesses thrive with a talented workforce, innovative educational institutions, successful private/public partnerships attracting international attention, and affordable, unique real estate.

Within Detroit beats the heart of a major metropolitan city featuring a thriving downtown district and vibrant neighborhood communities. There are world-class hospital systems and rich history of art, theater, music, and culture.

## TOURISM IN DETROIT

Tourism in metropolitan Detroit, Michigan is a significant factor for the region's culture and for its economy, comprising nine percent of the area's two million jobs. About 15.9 million people visit Metro Detroit annually, spending an estimated \$4.8 billion. Detroit is one of the largest American cities and metropolitan regions to offer casino resort hotels. Leading multiday events throughout Metro Detroit attract super-sized crowds of hundreds of thousands to over three million people. More than fifteen million people cross the highly traveled nexus of the Ambassador Bridge and the Detroit-Windsor Tunnel annually. Detroit is at the center of an emerging Great Lakes Megalopolis. An estimated 46 million people live within a 300-mile radius of Metro Detroit.

Detroit's unique culture, distinctive architecture, and revitalization and urban renewal efforts in the 21st century have given Detroit increased prominence as a tourist destination in recent years. The New York Times listed Detroit as the 9th-best destination in its list of 52 Places to Go in 2017, while travel guide publisher Lonely Planet named Detroit the second-best city in the world to visit in 2018.





Wendy's

**DETROIT, MI**  
**±19 MI**





# CONFIDENTIALITY AGREEMENT & DISCLAIMER

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.





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