



*REPRESENTATIVE PHOTOS



OFFERING
MEMORANDUM

WENDY'S

ABSOLUTE NNN LEASED OFFERING

2214 ERIC LN BURLINGTON, NC 27215

OFFERING MEMORANDUM
PRESENTED BY:

KASE ABUSHARKH

FOUNDING PRINCIPAL

PHONE **925.348.1844**

EMAIL **kase@thekasegroup.com**

TX LICENSE **#708586**

JACOB ABUSHARKH

MANAGING PRINCIPAL

PHONE **415.269.2474**

EMAIL **jacob@thekasegroup.com**

BRE **#01385529**



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INVESTMENT OVERVIEW



The subject property is a 20-year Wendy's NNN lease, which commenced in December 2018. The lease is guaranteed by WendSchmidt NC LLC, which operates 24 Units of Wendy's. Schmidt Family Restaurant Group operates a total of 75 restaurants. This lease calls for zero landlord obligations and scheduled increases of 8% every 5 years. The tenant also has four, 5-year options to renew. The site benefits from its location in a major retail trade area.

INVESTMENT HIGHLIGHTS

LONG TERM ABSOLUTE NNN LEASE

8% INCREASES IN RENT EVERY 5 YEARS

100% FEE SIMPLE INTEREST

ZERO LANDLORD OBLIGATIONS

STRONG OPERATOR OF WENDY'S

HEALTHY RENT TO SALES RATIO: 7.5%

OFFERING SPECIFICATIONS

PRICE \$2,597,540

CAP RATE 5.00%

NET OPERATING INCOME \$129,877

SQUARE FOOTAGE 3,018

LOT SIZE 0.68 AC

RENT:SALES 7.5%

FINANCIAL SUMMARY

WENDY'S • ABSOLUTE NNN LEASE

2214 ERIC LN BURLINGTON, NC 27215

\$2,597,540 • 5.00% CAP

SUMMARY

TENANT NAME	WendSchmidt NC LLC.
LEASE START	12/01/2018
LEASE END	11/30/2038
ANNUAL RENT	\$129,877
OPTIONS	Four, 5-Year
INCREASES	8% Every 5 Years

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
YEARS 1-5	\$129,877.00	5.00%
YEARS 6-10	\$140,267.16	5.40%
YEARS 11-15	\$151,488.53	5.83%
YEARS 16-20	\$163,607.62	6.30%
OPTION 1	\$176,696.22	6.80%
OPTION 2	\$190,831.92	7.35%
OPTION 3	\$206,098.48	7.93%
OPTION 4	\$222,586.35	8.57%

TENANT OVERVIEW



WENDY'S

Wendy's is an American international fast food restaurant chain 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 December 31, 2018, Wendy's was the world's third-largest hamburger fast-food chain with 6,711 locations, following Burger King and McDonald's. On April 24, 2008, the company announced a merger with Triarc Companies Inc., a publicly-traded company and the parent company of Arby's. Wendy's headquarters remained in Dublin. Following the merger, Triarc became known as Wendy's/Arby's Group, and later as The Wendy's Company.

As of December 31, 2018, there were a total of 6,711 locations, including 353 that are company-owned and 6,358 that are franchised; 92% of the system-wide locations are in North America. While Wendy's determines standards for each store's exterior appearance, food quality, and menu, the store owners have control over hours of operations, interior decor, pricing, staff uniforms, and wages.

The chain is known for its square hamburgers, sea salt fries, and Frosty, a form of soft-serve ice cream mixed with starches. Wendy's menu consists primarily of hamburgers, chicken sandwiches, French fries, and beverages such as the Frosty.

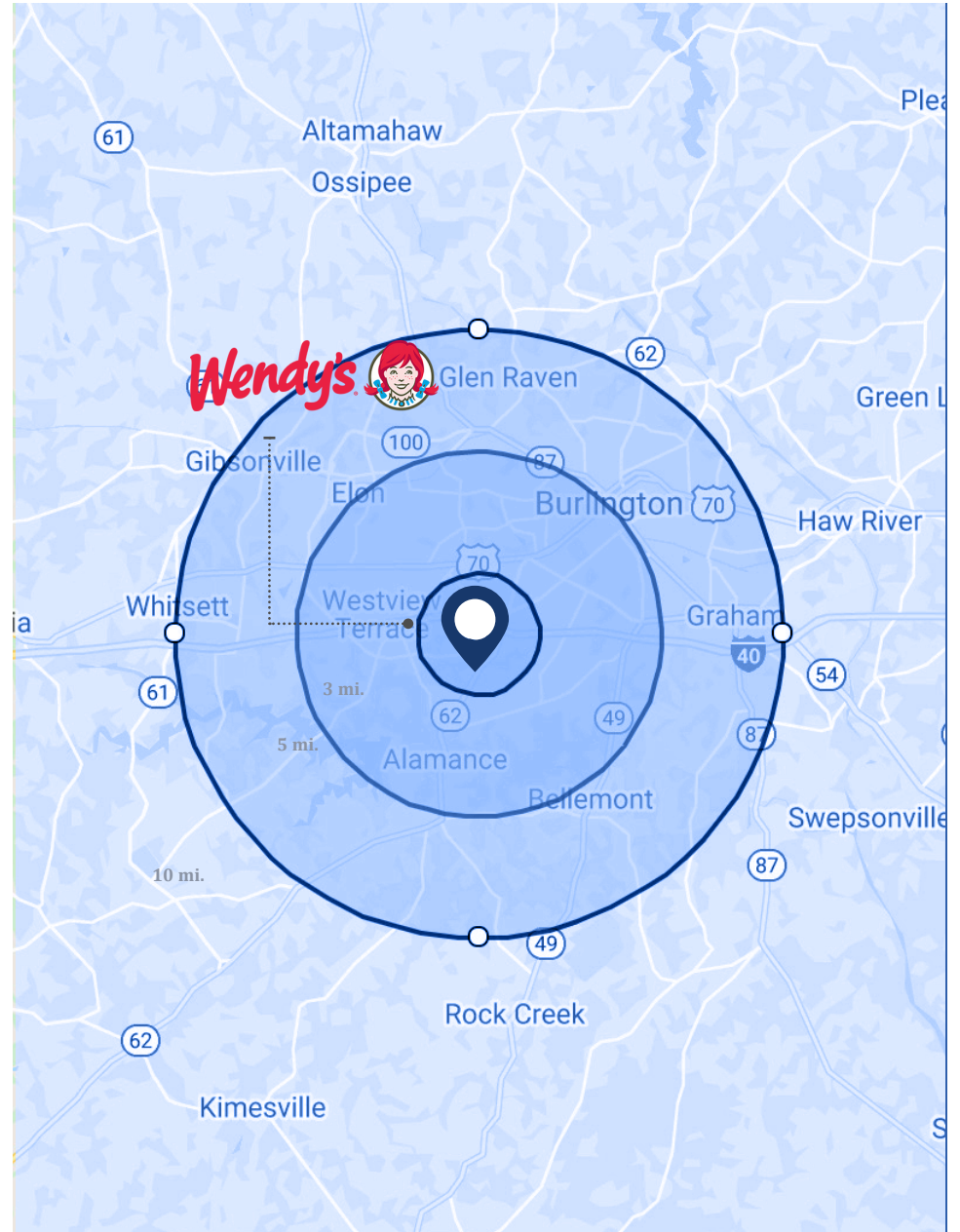
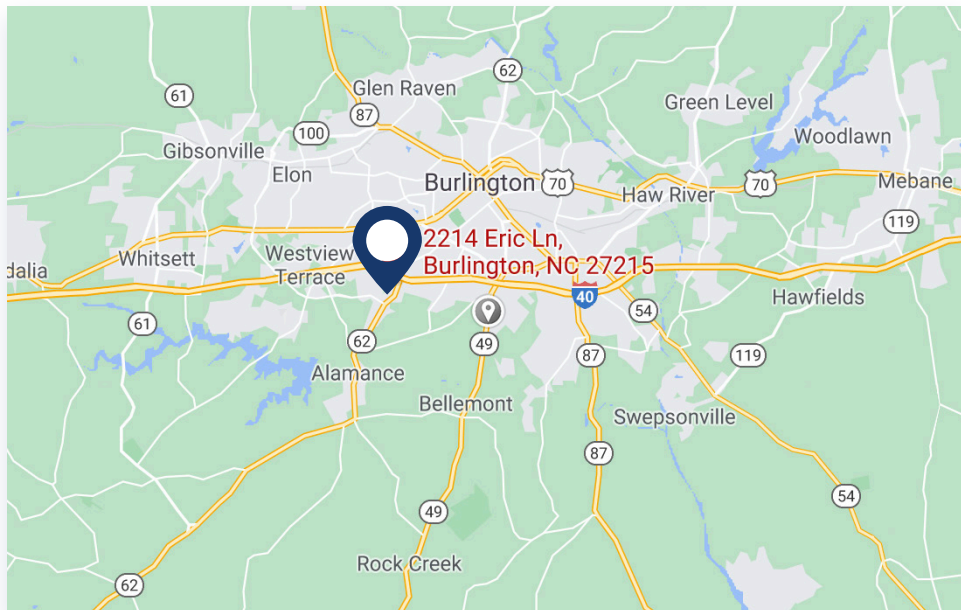
SCHMIDT FAMILY RESTAURANT GROUP

Schmidt Family Restaurant Group was founded in 1988 by Scott Schmidt. Schmidt had worked in an Ohio Wendy's for 13 years before founding the company and purchasing two franchises in Portsmouth, Ohio. Today, the company operates 75 Wendy's locations in Ohio, Kentucky, North Carolina and West Virginia.

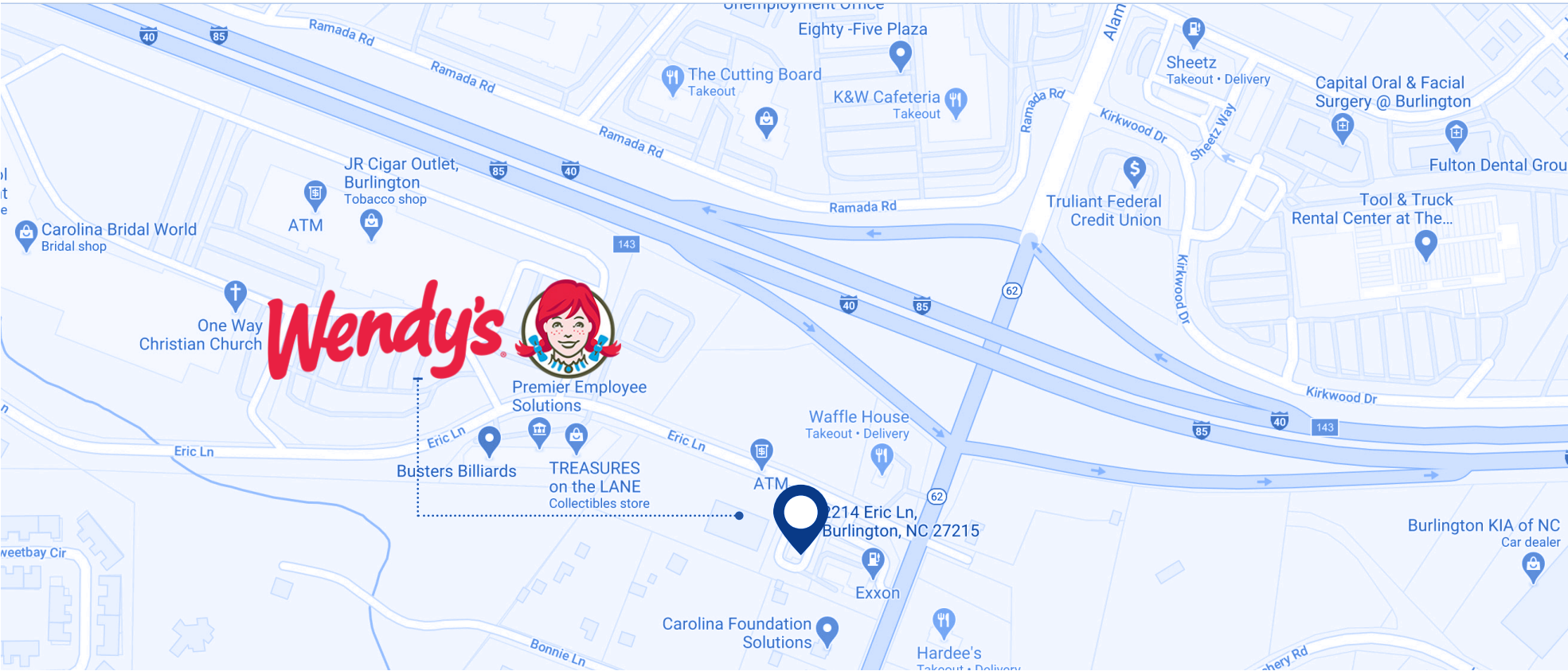
LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	38,072	99,651	157,207
TOTAL HOUSEHOLDS	16,395	39,271	62,235
AVERAGE HOUSEHOLD INCOME	\$69,801	\$63,694	\$65,862
AVERAGE AGE	41.1	37.6	39.1

AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	38,072	99,651	157,207
TOTAL HOUSEHOLDS	16,395	39,271	62,235
PERSONS PER HOUSEHOLD	2.3	2.4	2.4
AVERAGE HOUSEHOLD INCOME	\$69,801	\$63,694	\$65,862
AVERAGE HOUSE VALUE	\$169,721	\$152,733	\$156,473
AVERAGE AGE	41.1	37.6	39.1
WHITE	28,335	70,382	115,524
BLACK	6,876	22,910	32,911
AMERICAN INDIAN/ALASKAN NATIVE	588	1,582	2,191
ASIAN	1,358	2,438	3,051
HAWAIIAN & PACIFIC ISLANDER	54	110	148
TWO OR MORE RACES	861	2,230	3,381
HISPANIC ORIGIN	4,649	14,808	20,416

BURLINGTON, NC

Burlington is a city in Alamance and Guilford counties in the State of North Carolina. It is the principal city of the Burlington, North Carolina Metropolitan Statistical Area, which encompasses all of Alamance County, in which most of the city is located, and is a part of the Greensboro-Winston-Salem-High Point CSA. The population was 50,042 at the 2010 census, which makes Burlington the 17th largest city in North Carolina. The Metropolitan Statistical Area population was over 150,000 in 2010.



BURLINGTON, NORTH CAROLINA



The Kase Group

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