



*REPRESENTATIVE PHOTOS



OFFERING
MEMORANDUM

WENDY'S

ABSOLUTE NNN LEASED OFFERING

1301 MEBANE OAKS RD MEBANE, NC 27302

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**



DISCLAIMER & CONFIDENTIALITY

The material contained in this Investment Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of The Kase Group or Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Property Owner ("Owner") in connection with the sale of the Property is The Kase Group Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Investment Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to The Kase Group.

Neither The Kase Group Advisor nor the Owner or its affiliates make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future performance of the Property. This Offering Brochure may include certain statements and estimates by The Kase Group with respect to the projected future performance of the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, The Kase Group Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Investment Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement between it and Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or The Kase Group Advisor, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Investment Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.



TABLE OF CONTENTS

| | |
|----|----------------------------|
| 04 | INVESTMENT OVERVIEW |
| 05 | FINANCIAL SUMMARY |
| 06 | TENANT OVERVIEW |
| 07 | AERIAL PHOTO |
| 08 | REGIONAL OVERVIEW |
| 09 | DEMOGRAPHICS |
| 10 | AREA OVERVIEW |

INVESTMENT OVERVIEW



The subject property is a 20-year Wendy's NNN lease, which commenced in December 2018. The lease is guaranteed by Superior Restaurant Group of North Carolina Inc. which has 24 units. Superior Restaurant Group as a whole operates over 30 units of Wendy's. 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 and is across from Walmart Supercenter. The city of Mebane is completing a road widening project on Mebane Oak Road, right in front of the property, to accommodate for increased traffic flow.

INVESTMENT HIGHLIGHTS

LONG TERM ABSOLUTE NNN LEASE

8% INCREASES IN RENT EVERY 5 YEARS

100% FEE SIMPLE INTEREST

ZERO LANDLORD OBLIGATIONS

ESTABLISHED AND GROWING OPERATOR OF WENDY'S

WELL SITUATED IN A MAJOR RETAIL TRADE AREA

**CITY IS COMPLETING A ROAD WIDENING PROJECT ON
MEBANE OAK ROAD, RIGHT IN FRONT OF THE PROPERTY,
TO ACCOMMODATE FOR INCREASED TRAFFIC FLOW**

OFFERING SPECIFICATIONS

PRICE \$3,942,240

CAP RATE 5.00%

NET OPERATING INCOME \$197,112

SQUARE FOOTAGE 3,146

LOT SIZE 1.1 AC

RENT:SALES 8.7%

FINANCIAL SUMMARY

WENDY'S • ABSOLUTE NNN LEASE

1301 MEBANE OAKS RD MEBANE, NC 27302

\$3,942,240 • 5.00% CAP

SUMMARY

| | |
|--------------------|--|
| TENANT NAME | Superior Restaurant Group of North Carolina Inc. |
| LEASE START | 12/1/2018 |
| LEASE END | 11/30/2038 |
| ANNUAL RENT | \$197,112 |
| OPTIONS | Four, 5-Year |
| INCREASES | 8% Every 5 Years |

OFFERING SUMMARY

| | NET OPERATING INCOME | CAP RATE |
|--------------------|----------------------|----------|
| YEARS 1-5 | \$197,112.00 | 5.00% |
| YEARS 6-10 | \$212,880.96 | 5.40% |
| YEARS 11-15 | \$229,911.44 | 5.83% |
| YEARS 16-20 | \$248,304.35 | 6.30% |
| OPTION 1 | \$268,168.70 | 6.80% |
| OPTION 2 | \$289,622.20 | 7.35% |
| OPTION 3 | \$312,791.97 | 7.93% |
| OPTION 4 | \$337,815.33 | 8.57% |

TENANT OVERVIEW



\$1.2B REVENUE



6,711+ LOCATIONS



12,100+ EMPLOYEES

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.

SUPERIOR RESTAURANT GROUP

The lease is guaranteed by Superior Restaurant Group of North Carolina Inc. which has 24 units. Superior Restaurant Group as a whole operates over 30 units of Wendy's.

LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



| | 3 MILES | 5 MILES | 10 MILES |
|---------------------------------|-----------------|-----------------|-----------------|
| TOTAL POPULATION | 20,831 | 34,501 | 121,000 |
| TOTAL HOUSEHOLDS | 8,507 | 13,777 | 47,946 |
| AVERAGE HOUSEHOLD INCOME | \$77,431 | \$78,367 | \$67,171 |
| AVERAGE AGE | 39.5 | 40.3 | 39.9 |

AREA OVERVIEW

| DEMOGRAPHICS | 3 MILES | 5 MILES | 10 MILES |
|--|-----------|-----------|-----------|
| TOTAL POPULATION | 20,831 | 34,501 | 121,000 |
| TOTAL HOUSEHOLDS | 8,507 | 13,777 | 47,946 |
| PERSONS PER HOUSEHOLD | 2.4 | 2.5 | 2.5 |
| AVERAGE HOUSEHOLD INCOME | \$77,431 | \$78,367 | \$67,171 |
| AVERAGE HOUSE VALUE | \$179,789 | \$177,690 | \$158,044 |
| AVERAGE AGE | 39.5 | 40.3 | 39.9 |
| WHITE | 15,264 | 25,791 | 84,177 |
| BLACK | 4,583 | 7,144 | 29,962 |
| AMERICAN INDIAN/ALASKAN NATIVE | 138 | 291 | 2,222 |
| ASIAN | 283 | 378 | 1,646 |
| HAWAIIAN & PACIFIC ISLANDER | 25 | 40 | 105 |
| TWO OR MORE RACES | 539 | 858 | 2,886 |
| HISPANIC ORIGIN | 1,478 | 3,079 | 18,685 |

MEBANE, NC

Mebane is a city located mostly in Alamance County, North Carolina, and partly in Orange County, North Carolina. The town was named for Alexander Mebane, an American Revolutionary War general and member of the U.S. Congress. It was incorporated as “Mebanesville” in 1881, and in 1883 the name was changed to “Mebane”. It was incorporated as a city in 1987. The population as of the 2010 census was 11,393. Mebane is one of the fastest growing municipalities in North Carolina. Mebane straddles the Research Triangle and Piedmont Triad Regions of North Carolina. The Alamance County portion is part of the Burlington Metropolitan Statistical Area, which is a component of the Greensboro-Winston-Salem-High Point Combined Statistical Area. The Orange County portion is part of the Durham-Chapel Hill Metropolitan Statistical Area, which is a component of the Raleigh-Durham-Chapel Hill Combined Statistical Area.



MEBANE, NORTH CAROLINA



The Kase Group

KASE ABUSHARKH

FOUNDING PRINCIPAL

PHONE 925.348.1844

EMAIL kase@thekasegroup.com

TX LICENSE #708586

**OFFERING
MEMORANDUM**

**WENDY'S
ABSOLUTE NNN LEASED OFFERING**

1301 MEBANE OAKS RD MEBANE, NC 27302

JACOB ABUSHARKH

MANAGING PRINCIPAL

PHONE 415.269.2474

EMAIL jacob@thekasegroup.com

BRE #01385529