

# WENDY'S

BRAND NEW 20-YEAR TRIPLE-NET (NNN) SALE LEASEBACK



# OFFERING MEMORANDUM



2833 N Prince St  
Clovis, NM 88101

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# Wendy's



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# Investment Highlights

PRICE: \$3,789,000 | CAP: 4.75% | RENT: \$180,000



## About the Investment

- ✓ Brand New 20-Year Sale Leaseback
- ✓ Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Attractive Rental Increases | Eight Percent (8.00%) Every Five Years
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each

## About the Location

- ✓ Remodeled in 2018 | Seasoned Location Originally Built in 2002
- ✓ Positioned on Signalized, Hard Corner | High Traffic, Four-Lane Thoroughfare
- ✓ In Main Commercial Corridor Surrounded by National Retailers | Hobby Lobby, Walgreens, Big Lots, Goodwill and Many More
- ✓ Outpad to Major Demand Driver for Area – North Plains Mall | Only Mall within 95-Mile Radius
- ✓ Clovis High School | Located Approximately One and a Half Miles Away | Over 2,900 Students Enrolled

## About the Tenant / Brand

- ✓ 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 World Wide
- ✓ The Wendy's Company is the World's Third Largest Quick-Service Hamburger Company
- ✓ Operated by Highly Profitable Franchisee (Wendgord, LLC – 6-units) | Affiliated with Wendcentral, LLC (125+ units)
- ✓ Wendgord, LLC has Been in Business Since 1992 | Wendcentral, LLC has Been in Business Since 1985





# Financial Analysis

PRICE: \$3,789,000 | CAP: 4.75% | RENT: \$180,000



## THE OFFERING

Purchase Price	\$3,789,000
CAP Rate	4.75%
Annual Rent	\$180,000

## PROPERTY DESCRIPTION

Property	Wendy's
Property Address	2833 Prince St
City, State ZIP	Clovis, NM 88101
Year Built / Renovated	2002 / 2018
Building Size (SF)	3,571 SF
Lot Size (Acres)	0.83
Type of Ownership	Fee Simple

## LEASE SUMMARY

Property Type	Net-Leased Restaurant
Ownership	Private
Tenant / Guarantor	Wendgord, LLC (6-Unit Operator)
Lease Term	20 Years
Lease Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Four (4), Five (5) Year Option Periods
Rental Increases	8.00% Increases Every Five Years

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$180,000	\$15,000	-
Year 2	\$180,000	\$15,000	-
Year 3	\$180,000	\$15,000	-
Year 4	\$180,000	\$15,000	-
Year 5	\$180,000	\$15,000	-
Year 6	\$194,400	\$16,200	8%
Year 7	\$194,400	\$16,200	-
Year 8	\$194,400	\$16,200	-
Year 9	\$194,400	\$16,200	-
Year 10	\$194,400	\$16,200	-
Year 11	\$209,952	\$17,496	8%
Year 12	\$209,952	\$17,496	-
Year 13	\$209,952	\$17,496	-
Year 14	\$209,952	\$17,496	-
Year 15	\$209,952	\$17,496	-
Year 16	\$226,748	\$18,896	8%
Year 17	\$226,748	\$18,896	-
Year 18	\$226,748	\$18,896	-
Year 19	\$226,748	\$18,896	-
Year 20	\$226,748	\$18,896	-

## Investment Summary

Marcus & Millichap is pleased to present the exclusive listing for a Wendy's located at 2833 Prince St, Clovis, NM. The property consists of 3,571 square feet of building space and is situated on approximately 0.83 acres of land.

The tenant will enter into a brand new, 20-year triple-net (NNN) lease with absolutely no landlord responsibilities upon the day following the close of escrow. The lease will call for rental increases of eight percent every five years. The rental increases will continue through the base term and into the four, five-year tenant renewal options. The lease will carry a guaranty from Wendgord, LLC, a subsidiary of Wendcentral, LLC, an experienced 125+ unit operator founded in 1985.





# Concept Overview



## About Wendy's

**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, 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. As of March 2021, Wendy's and its franchisees employ hundreds of thousands of people across more than 6,800 restaurants worldwide with a vision of becoming the world's most thriving and beloved restaurant brand. Currently, Wendy's is the world's number three hamburger chain in terms of locations (only behind McDonald's and Burger King).

## About Wendcentral, LLC

**Fast Food Systems, Inc.** began in December 1985 as a Wendy's franchisee by Lewis Topper. Today, they are best known as Wendcentral, LLC and operate 125+ sites across 13 states throughout the United States. Throughout their growth and expansion process they have adopted a unique operating structure in order to capture the full potential of each location of their affiliated restaurants. Each Wendcentral, LLC Franchise Market averages two-to-six (2-6) restaurants with Local Operating Partner as partial owner. This operating structure insures local presence and out performs average Wendy's sales volume.

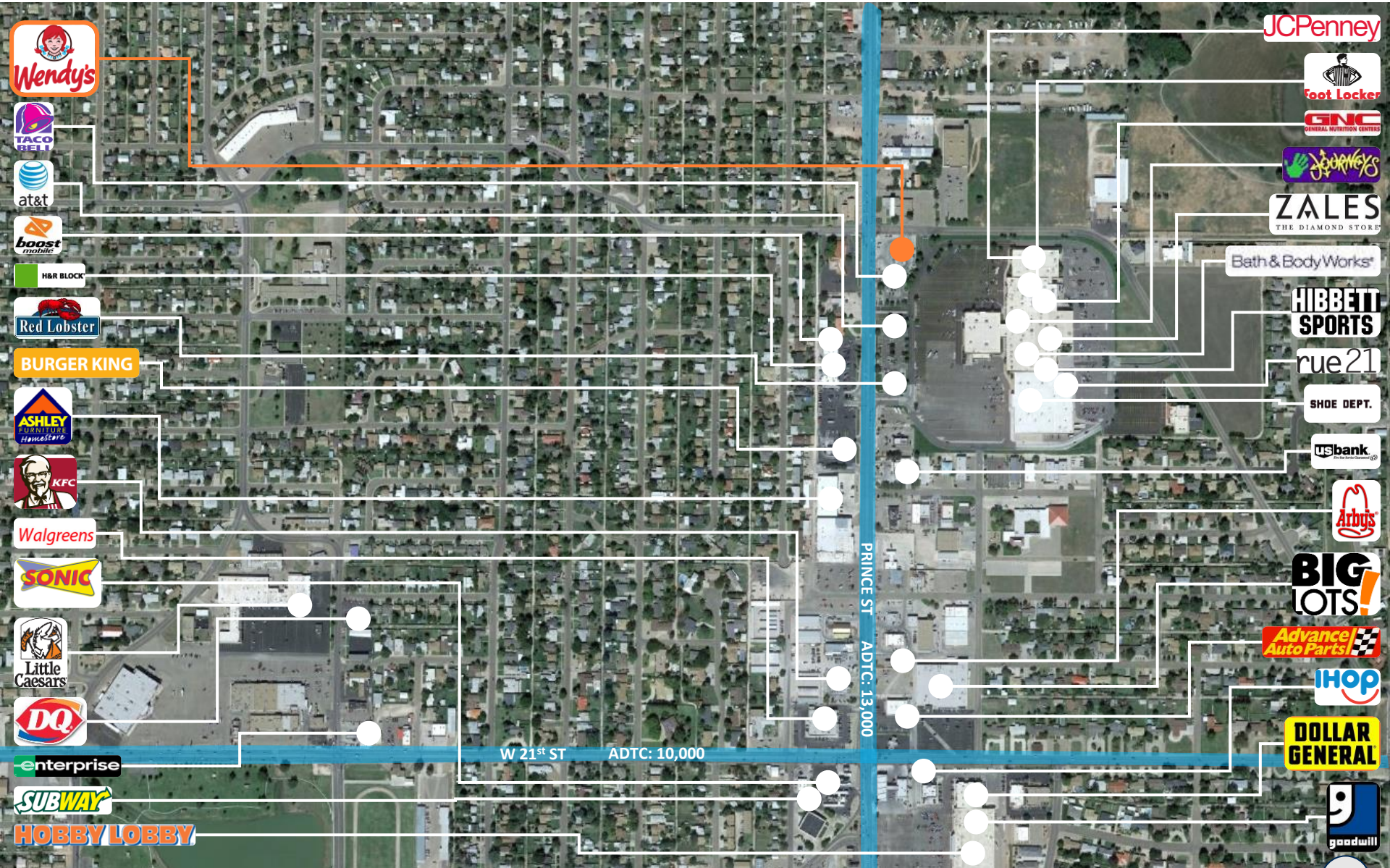






# Surrounding Area

Wendy's



Marcus & Millichap





# Property Photos

Wendy's







# Surrounding Area Photos

Wendy's





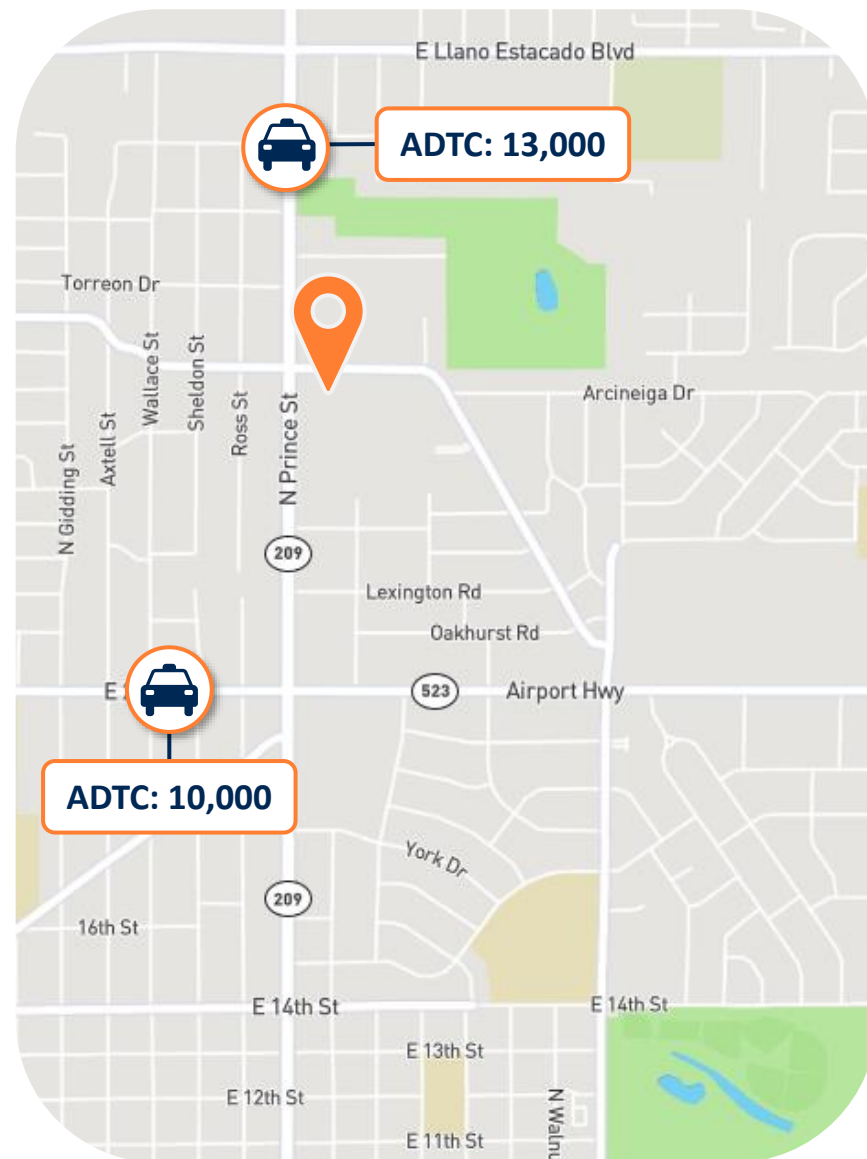
# Location Overview



The Wendy's property is situated on Prince Street, which boasts average daily traffic counts of 13,000 vehicles respectively. Prince Street intersects with W 21<sup>st</sup> Street, which brings an additional 10,000 vehicles into the immediate area on average daily. There are more than 38,000 individuals residing within a three-mile radius of the property and more than 41,000 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a very dense retail corridor consisting of national and local tenants, and shopping centers. Major national tenants in the area include: JC Penny, Foot Locker, Big Lots, Ashley Home Furniture, Hobby Lobby, Goodwill, Walgreens, Red Lobster, Arby's, and KFC, as well as many others. This Wendy's also benefits from its location on a hard corner signalized intersection for a high traffic, four-lane thoroughfare. Additionally, this site is an out pad to North Plains Mall, featuring tenants: Sears, Zale's, Bath & Body Works and several others. Nearby, is the Hilltop Plaza North Shopping Mall which is home to smaller tenants such as a day care center, nail salon, gym, and medical offices. Just over one and a half miles away is Clovis High School which enrolls over 2,900 students. Less than three miles away is the Plains Regional Medical Center which is a 25-bed, critical access hospital providing medical care for residents and visitors in Eastern New Mexico and West Texas.

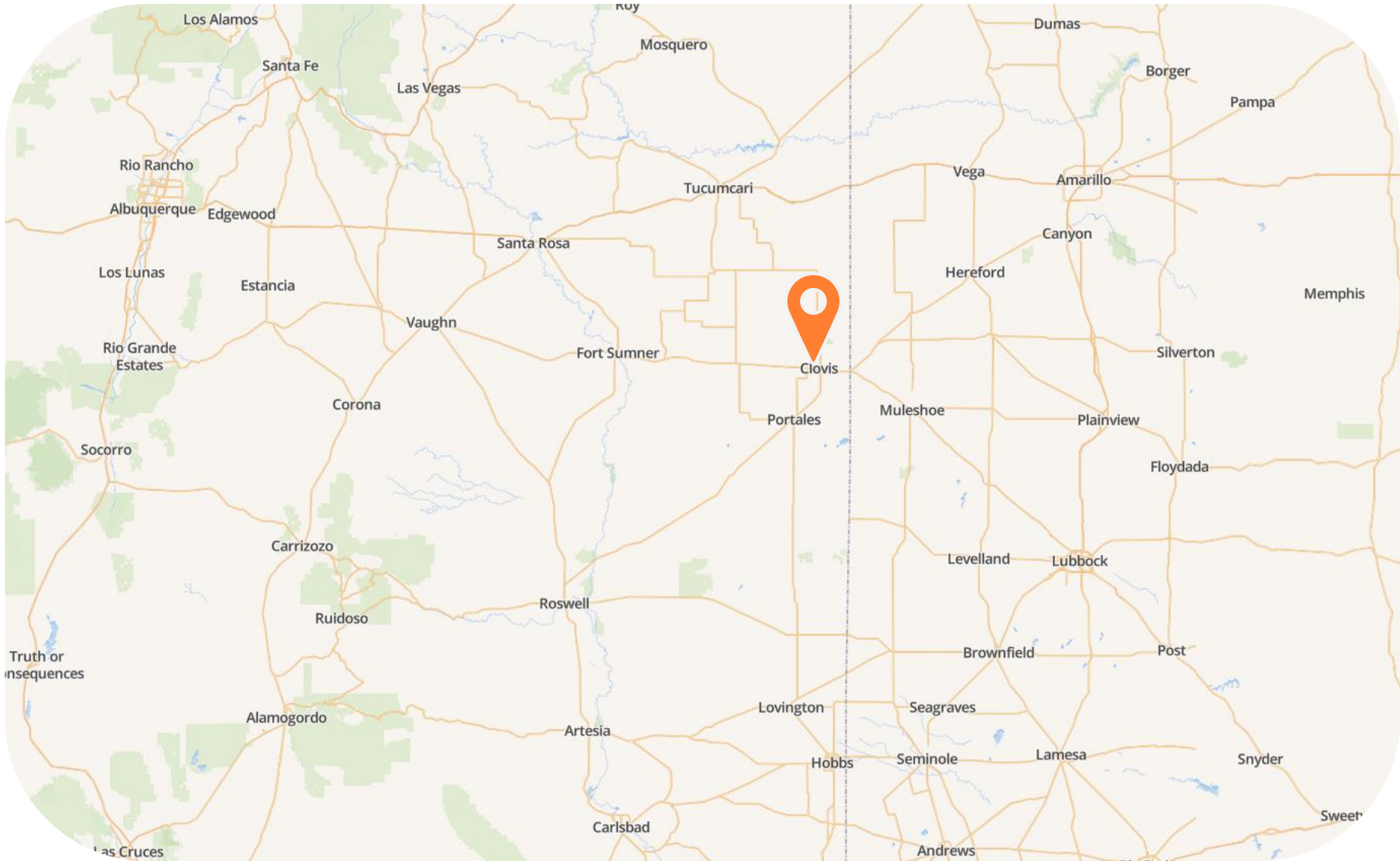
Clovis is the county seat of Curry County, New Mexico. A largely agricultural community, closely bordering Texas, it is noted for its role in early rock music history and for nearby Cannon Air Force Base. Like most of east-central New Mexico and west Texas, the surrounding area plays host to significant agriculture and ranching activities, including peanut and cotton farming and cattle ranching used for both meat and dairy production. The Southwest Cheese Company plant constructed in 2004 is one of the largest plants of its type in the world, processing milk provided by the numerous local dairies in excess of 2.3 billion pounds of milk annually. Known for its great annual events including various professional and youth rodeo events, firework spectacles, cultural art series performances, Cannon Air Force Base partnership events, the Clovis Music Festival, and hundreds of other great community focused events, parades and celebrations throughout the year – Clovis has become a popular destination for surrounding communities and tourists.





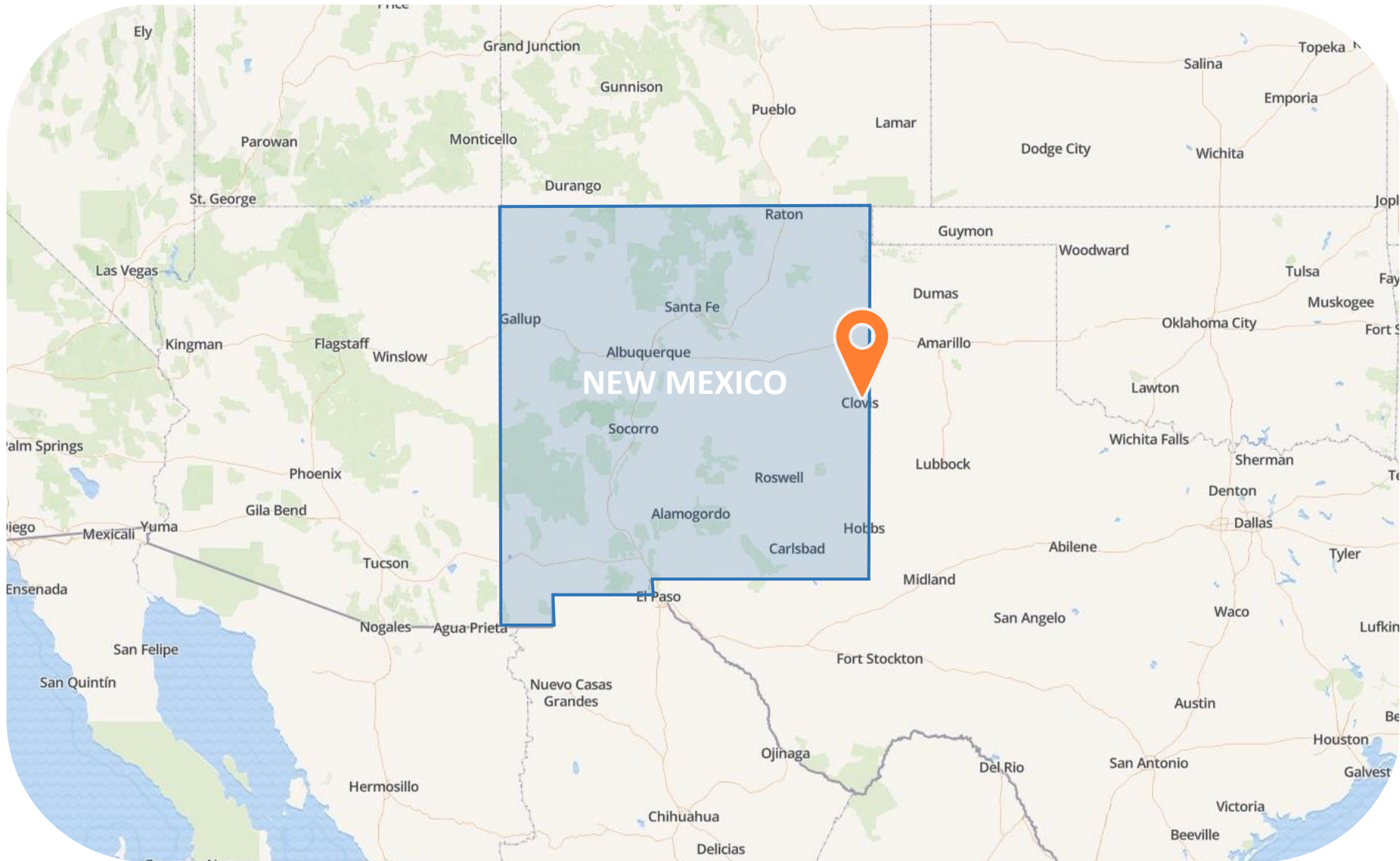


# Local Map





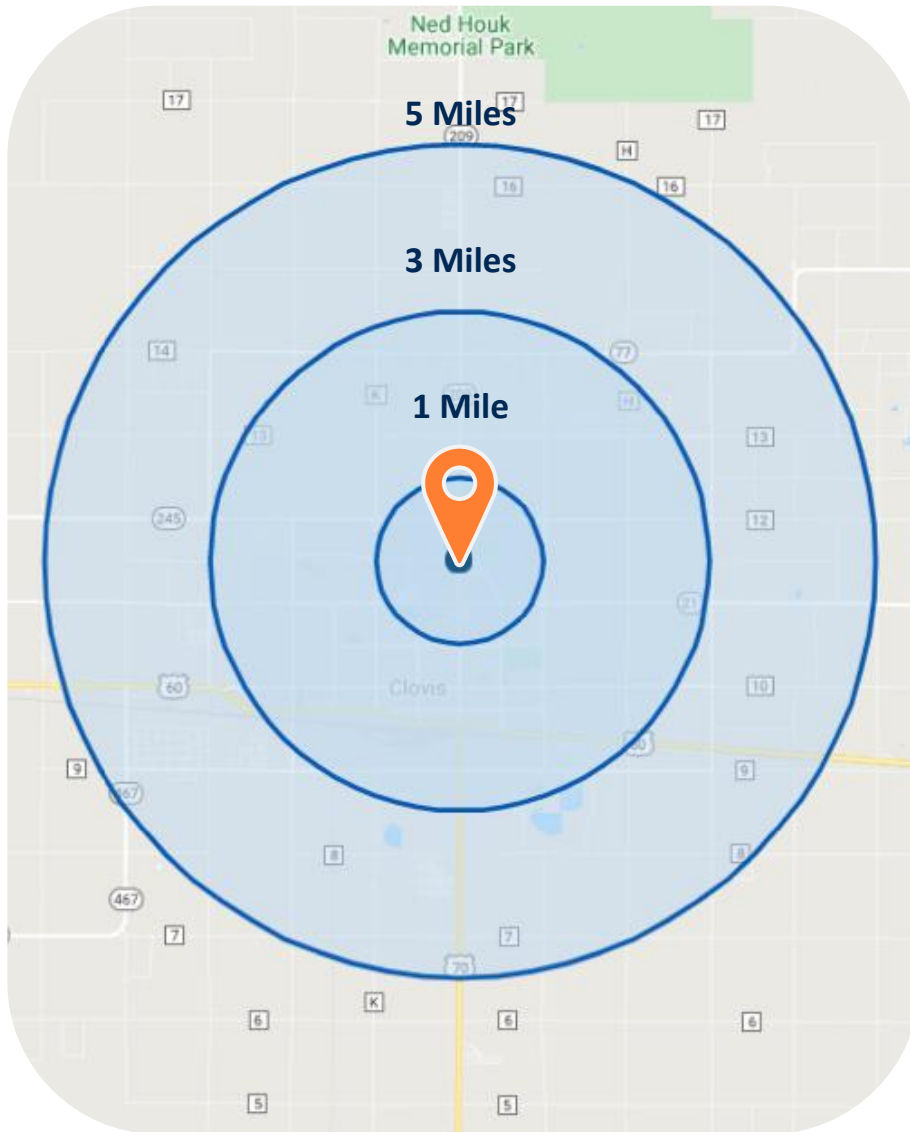
# Regional Map







# Demographics



	1 Mile	3 Miles	5 Miles
<b>POPULATION TRENDS</b>			
2021 Population	7,591	38,592	41,776
<b>POPULATION BY RACE (2021)</b>			
White	6,708	32,863	35,696
Black	410	2,839	2,978
American Indian/Alaskan Native	118	768	877
Asian	139	770	792
Hawaiian & Pacific Islander	23	98	101
Two or More Races	193	1,254	1,331
Hispanic Origin	2,411	17,041	18,922
<b>HOUSEHOLD TRENDS</b>			
2021 Households	3,112	14,400	15,554
<b>AVERAGE HOUSEHOLD INCOME (2021)</b>	\$70,277	\$63,484	\$63,759
<b>MEDIAN HOUSEHOLD INCOME (2021)</b>	\$53,852	\$50,479	\$50,752
<b>HOUSEHOLDS BY HOUSEHOLD INCOME (2021)</b>			
< \$25,000	666	3,531	3,837
\$25,000 - 50,000	796	3,612	3,842
\$50,000 - 75,000	652	2,934	3,152
\$75,000 - 100,000	508	1,805	1,922
\$100,000 - 125,000	218	1,320	1,452
\$125,000 - 150,000	30	494	553
\$150,000 - 200,000	78	335	416
\$200,000+	164	369	382



# Market Overview



*Clovis, New Mexico*



**Clovis** is a community full of friendly people and a rich history rooted in music, agriculture and community partnerships centered on the continued growth and development of the city. Such strong roots have only developed further through the decades, to make Clovis one of the biggest little music cities, agricultural bases, and cowboy countries throughout all of Eastern New Mexico. Clovis is located in the New Mexico portion of the Llano Estacado, in the eastern part of the state. U.S. Routes 60, 70, and 84 pass through the city. US 60 and 84 lead west 60 miles to Fort Sumner, while US 70 leads southwest 19 miles to Portales and 110 miles to Roswell. The three highways lead east together to the state line at Texico, New Mexico, and Farwell, Texas. Cannon Air Force Base is 7 miles west of the center of Clovis.

The major sources of income are agricultural and related industries: Cannon Air Force Base, Santa Fe Railroad, and the Clovis retail trade industry. The BNSF Railway operates a division point and large freight classification yard on its Southern Transcon at Clovis, with a dispatchers office here monitoring traffic over the Belen Cutoff. This 235-mile rail corridor is one of the most heavily trafficked routes in the western United States, often with more than 100 mostly intermodal freight trains arriving and leaving Clovis daily. Clovis is home to Cannon Air Force Base (the 27th Special Operations Wing), Burlington Northern Railroad, the Southwest Cheese Plant, Cummins-Natural Gas Engines, and many locally owned and operated businesses. This community also is surrounded by thousands of acres of farming, ranching, and dairy land. Agriculture is thus a mainstay of the local economy. Clovis' location adjacent to Cannon Air Force Base, a special operations base, has had a large impact on the community. Clovis Municipal Airport provides a base for general aviation and daily service by Key Lime Air to and from Denver International Airport. In addition to the agricultural, military and railroading sectors, music has contributed to the economy of Clovis almost since the city originated. Norman Petty Studio in Clovis is where several different artists have recorded; one of the most famous is Buddy Holly.



Glen Kunofsky  
[gkunofsky@nnnpro.com](mailto:gkunofsky@nnnpro.com)  
212.430.5115  
NY: 10301203289

Ryan Sblendorio  
[rsblendorio@nnnpro.com](mailto:rsblendorio@nnnpro.com)  
201.248.3281  
NY: 10401309105

Francis Purritano  
[fpurritano@nnnpro.com](mailto:fpurritano@nnnpro.com)  
201.661.1238  
NY: 10401333619

## Marcus & Millichap

### EXCLUSIVE NET-LEASE OFFERING



NM Broker of Record  
Matthew Reeves  
Marcus & Millichap  
5600 Eubank Blvd. NE, Ste. 200  
Albuquerque, NM 87111  
Tel: (505) 445-6333  
License: 19583