



ACTUAL PHOTO



### INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Absolute NNN Wendy's located at 925 25th Street NW, Cleveland, Tennessee. The subject property consists of a Free Standing 2,326 square foot restaurant with a drive-thru window and ample parking on a .59 Acre Parcel of land.

Strategically situated at the Hard Corner Signalized Intersection of 25th St NW and Peerless Rd NW, the property benefits from great visibility and daily traffic counts in excess of 28,800 vehicles per day. The Immediate trade area is home to more than 43,356 full time residents with an average household income exceeding \$72,528 annually. Directly off Interstate 75, the Subject Property is also within proximity to the Mars Chocolate North America Factory (M&M, Twix, Milky Way) and the Life Care Centers of America HQ, which employs over 40,000 people. This Wendy's is in the vicinity of National Retailers such as Big Lots, KFC, Papa Johns, Arby's, Tractor Supply, Taco Bell, and many others.

This location is operated by Southeast Food Services Company LLC - 42 Unit Operating Company. Wendy's has been operating this location for over 15 years and at the tenant's expense, must undergo a full remodel of the restaurant by November 2025. Through their commitment to their company goals and the Senior Leadership team with over 300 years of relevant experience, JAE has positioned themselves in Top 5 Franchisees in the Wendy's System.

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 over 6,711 locations, including 353 that are company-owned. 6,356 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 31,000 plus locations.).

### INVESTMENT HIGHLIGHTS

- Absolute NNN Lease with Zero Landlord Responsibility
- Strong Wendy's Operator | 42 Units
- Located at the Corner of A Signalized Intersection | Exposure to More Than 28,800 Vehicles Per Day
- Full Image Activation Remodel to Be Completed By 2025 | Commitment to Site
- Attractive Rent Increases Every Five Years
- Tennessee Is a No Income Tax State
- Wendy's Is Considered an Essential Tenant



## THE OFFERING



**Wendy's**  
**925 25th Street**  
**Cleveland, Tennessee 37311**



## PROPERTY DETAILS

Lot Size	25,700 SF (0.59 Acres)
Rentable Square Feet	2,326 SF
Price/SF	\$924.33
Year Built	1976

## FINANCIAL OVERVIEW

List Price	<b>\$2,150,000</b>
Down Payment	100% / \$2,150,000
Cap Rate	5.00%
Type of Ownership	Ground Lease

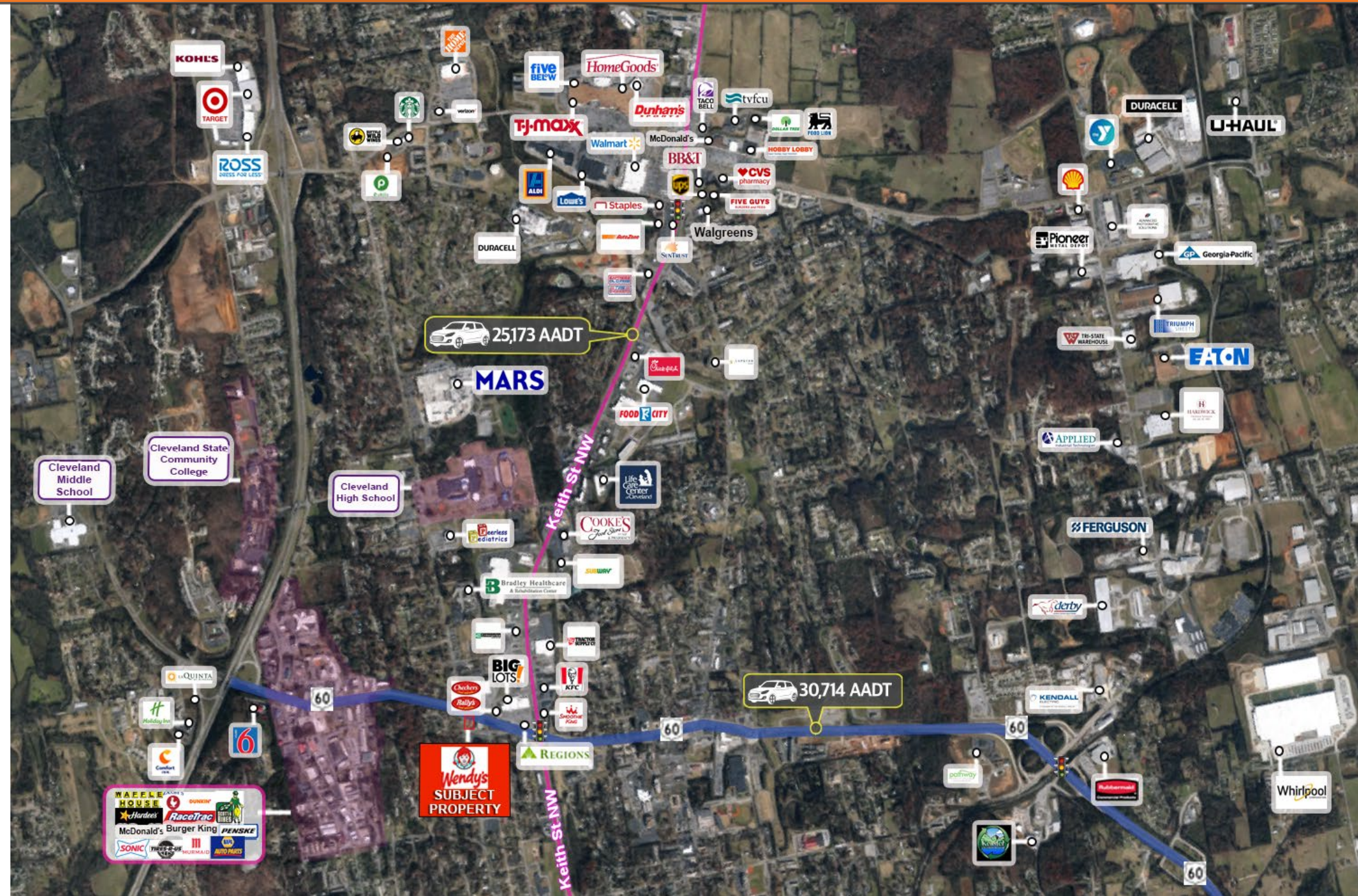
## PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
<b>11/01/2022 - 10/31/2027</b> (Current)	<b>\$8,958</b>	<b>\$107,500</b>
<b>11/01/2027 - 10/31/2032</b> (Option 1)	<b>\$9,630</b>	<b>\$115,563</b>
<b>11/01/2032 - 10/31/2037</b> (Option 2)	<b>\$10,352</b>	<b>\$124,230</b>
<b>11/01/2037 - 10/31/2042</b> (Option 3)	<b>\$11,129</b>	<b>\$133,547</b>
<b>11/01/2042 - 10/31/2047</b> (Option 4)	<b>\$11,964</b>	<b>\$143,563</b>
Base Rent (\$46.22 / SF)		<b>\$107,500</b>
Net Operating Income		<b>\$107,500.00</b>
<b>TOTAL ANNUAL RETURN</b>	<b>CAP 5.00%</b>	<b>\$107,500</b>

## LEASE ABSTRACT

Tenant Trade Name	Wendy's
Tenant	Franchisee
Ownership	Private
Guarantor	42 Unit Operating Company
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	01/03/2007
Rent Commencement Date	01/03/2007
Expiration Date of Base Term	10/31/2027
Increases	7.5% every 5 Years during Lease Term and Option Periods
Options	Four 5-Year Options
Term Remaining on Lease	6 Years
Property Type	Net Leased Restaurant Fast Food
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	No

















## 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 6,828 franchise and Company restaurants in the U.S. and 29 other countries and U.S. territories worldwide.

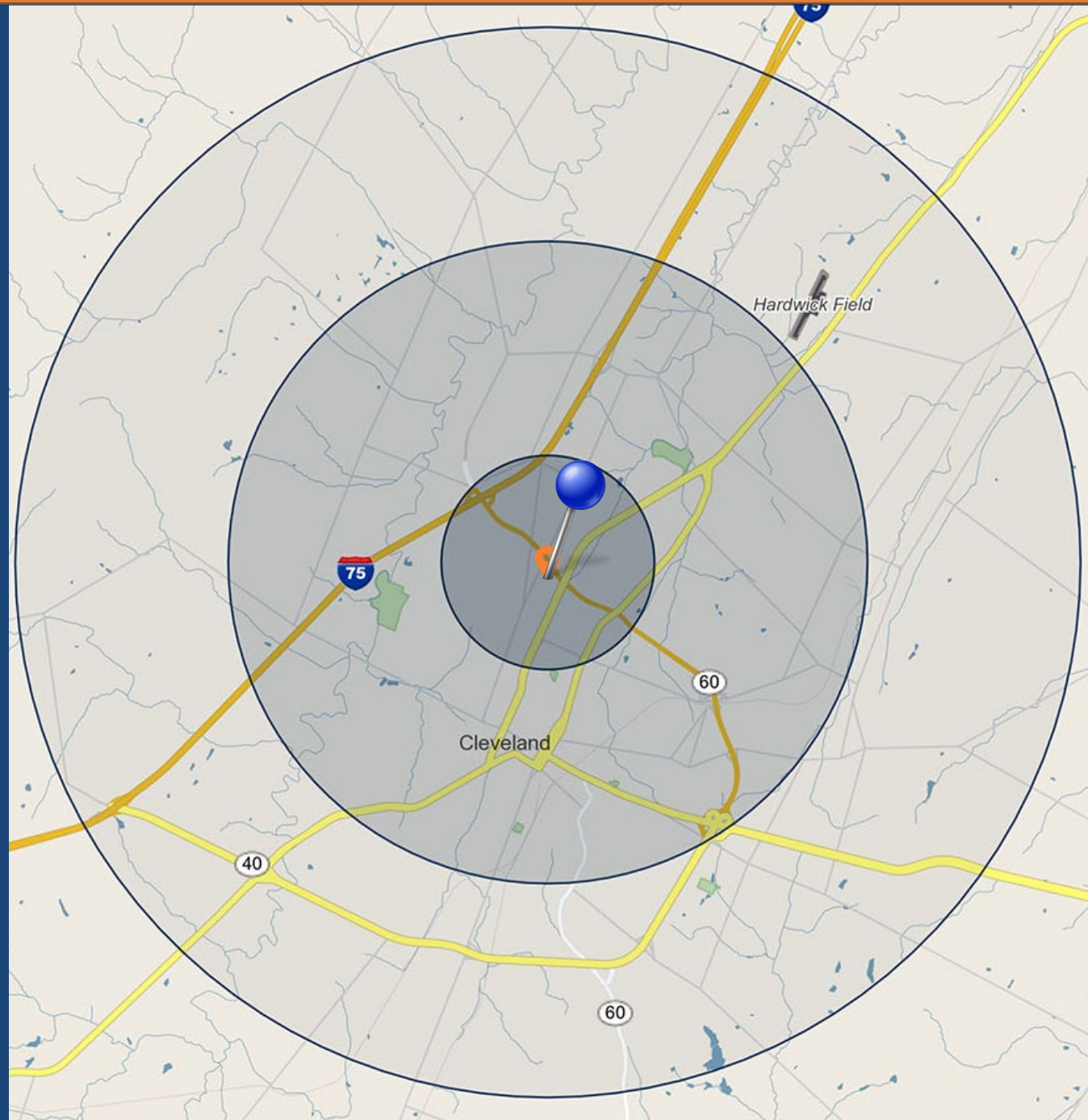
## WENDY'S CORPORATE

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>6,828+ (2020)</b>



POPULATION	1 Mile	3 Miles	5 Miles
<b>2026 Projection</b>			
Total Population	6,435	43,357	76,362
<b>2021 Estimate</b>			
Total Population	6,346	41,611	73,322
<b>2010 Census</b>			
Total Population	5,966	37,456	66,162
<b>2000 Census</b>			
Total Population	5,663	34,891	59,888
<b>Daytime Population</b>			
2021 Estimate	10,999	57,968	81,095
<b>HOUSEHOLDS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>2026 Projection</b>			
Total Households	2,848	17,415	29,781
<b>2021 Estimate</b>			
Total Households	2,781	16,593	28,419
Average (Mean) Household Size	2.3	2.4	2.5
<b>2010 Census</b>			
Total Households	2,615	14,881	25,579
<b>2000 Census</b>			
Total Households	2,580	14,174	23,690
<b>HOUSING UNITS</b>	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
<b>Occupied Units</b>			
2026 Projection	3,065	18,960	31,929
2021 Estimate	2,995	18,064	30,480

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2021 Estimate</b>			
\$200,000 or More	4.2%	4.2%	3.6%
\$150,000-\$199,999	3.5%	3.6%	3.3%
\$100,000-\$149,999	12.3%	12.0%	12.5%
\$75,000-\$99,999	13.9%	11.8%	13.0%
\$50,000-\$74,999	18.2%	18.0%	19.3%
\$35,000-\$49,999	13.8%	13.4%	13.9%
\$25,000-\$34,999	9.6%	10.8%	10.8%
\$15,000-\$24,999	9.5%	10.4%	10.4%
Under \$15,000	14.8%	15.8%	13.2%
Average Household Income	\$73,539	\$72,529	\$72,005
Median Household Income	\$52,343	\$49,512	\$51,886
Per Capita Income	\$33,427	\$29,505	\$28,300





## GEOGRAPHY: 5 MILE



### POPULATION

In 2021, the population in your selected geography is 73,322. The population has changed by 22.4 percent since 2000. It is estimated that the population in your area will be 76,362 five years from now, which represents a change of 4.1 percent from the current year. The current population is 48.1 percent male and 51.9 percent female. The median age of the population in your area is 38.2, compared with the U.S. average, which is 38.4. The population density in your area is 933 people per square mile.



### HOUSEHOLDS

There are currently 28,419 households in your selected geography. The number of households has changed by 20.0 percent since 2000. It is estimated that the number of households in your area will be 29,781 five years from now, which represents a change of 4.8 percent from the current year. The average household size in your area is 2.5 people.



### INCOME

In 2021, the median household income for your selected geography is \$51,886, compared with the U.S. average, which is currently \$65,694. The median household income for your area has changed by 57.9 percent since 2000. It is estimated that the median household income in your area will be \$52,496 five years from now, which represents a change of 1.2 percent from the current year.

The current year per capita income in your area is \$28,300, compared with the U.S. average, which is \$36,445. The current year's average household income in your area is \$72,005, compared with the U.S. average, which is \$94,822.



### EMPLOYMENT

In 2021, 34,190 people in your selected area were employed. The 2000 Census revealed that 53.8 percent of employees are in white-collar occupations in this geography, and 46.2 percent are in blue-collar occupations. In 2021, unemployment in this area was 5.0 percent. In 2000, the average time traveled to work was 15.3 minutes.



### HOUSING

The median housing value in your area was \$173,030 in 2021, compared with the U.S. median of \$227,827. In 2000, there were 14,659 owner-occupied housing units and 9,031 renter-occupied housing units in your area. The median rent at the time was \$377.



### EDUCATION

The selected area in 2021 had a lower level of educational attainment when compared with the U.S. averages. Only 8.7 percent of the selected area's residents had earned a graduate degree compared with the national average of 12.0 percent, and 14.2 percent completed a bachelor's degree, compared with the national average of 19.5 percent.

The number of area residents with an associate degree was lower than the nation's at 8.1 percent vs. 8.3 percent, respectively.

The area had more high-school graduates, 30.3 percent vs. 27.2 percent for the nation. The percentage of residents who completed some college is also higher than the average for the nation, at 24.0 percent in the selected area compared with the 20.5 percent in the U.S.



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Marcus & Millichap



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The Retail Real Estate Investment Leader  
Marcus & Millichap

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