

# WENDY'S

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



# OFFERING MEMORANDUM



61 N Black Branch Rd  
Cecilia, KY 42724

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Cecilia, KY 42724



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# Investment Highlights

PRICE: \$2,523,364 | CAP RATE: 5.35% | RENT: \$135,000

Wendy's

## Optimal Lease Structure

- ✓ **20-Year Triple-Net (NNN) Sale-Leaseback:** At closing the tenant will execute a brand new 20-year absolute triple-net (NNN) lease. The lease will have no landlord responsibilities.
- ✓ **Corporate Guaranty:** The lease will carry a corporate guaranty from Stonewall Road Restaurant Group
- ✓ **Attractive Rental Increases:** The lease will feature 10.00% rental increases every five years that will continue through the base term and into the four, five-year tenant renewal option periods.

## Compelling Location Fundamentals

- ✓ Hard Corner Location on Large Parcel of Land (Approximately 1.50 Acres)
- ✓ Located in a Densely Populated Residential and Retail Corridor | Major National Tenants Include: McDonalds, Taco Bell, Subway, Burger King, Circle K and More
- ✓ Strong Academic Presence | Located Right Next to Central Hardin High School | Total Student Enrollment of Approximately 1,800 Students
- ✓ Located Less Than an Hour from Louisville, KY

## Strong Brand, Exceptional Operator

- ✓ Wendy's is the World's Number Three Hamburger Chain in Terms of Locations
- ✓ There are Approximately 6,600 Franchise and Company-Operated Wendy's Restaurants in the United States and 30 Countries and U.S. Territories Worldwide
- ✓ Stonewall Road Restaurant Group ("SRRG") is a Singularly Focused Restaurant Operations Firm, and One of Wendy's Fastest-Growing and Most-Respected Franchisee Groups
- ✓ SRRG Currently Operates 57 Wendy's Restaurants with Significant Plans for Expansion through a Robust M&A and Development Pipeline







# Financial Analysis

**PRICE: \$2,523,364 | CAP RATE: 5.35% | RENT: \$135,000**



## PROPERTY DESCRIPTION

Property	Wendy's
Property Address	61 N Black Branch Rd
City, State ZIP	Cecilia, KY 42724
Year Built	Brand New Construction – Exp. Opening in Dec. 2021
Estimated Building Size (SF)	2,759
Lot Size (Acres)	1.05
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price <sup>1</sup>	\$2,523,364
CAP Rate	5.35%
Annual Rent <sup>1</sup>	\$135,000

## LEASE SUMMARY

Tenant / Guarantor	SRRG Restaurants LLC & SRRG Holdings LLC
Original Lease Term	20 Years
Lease Commencement	Close of Escrow
Rent Commencement	Store Opening
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, Five-Year Option Periods
Rental Increases	10% Every Five Years

<sup>1</sup> Final pricing is subject to change based on final development costs. Seller has the option to increase / decrease the Annual rent by \$10,000.

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$135,000	\$11,250	-
Year 2	\$135,000	\$11,250	-
Year 3	\$135,000	\$11,250	-
Year 4	\$135,000	\$11,250	-
Year 5	\$135,000	\$11,250	-
Year 6	\$148,500	\$12,375	10.00%
Year 7	\$148,500	\$12,375	-
Year 8	\$148,500	\$12,375	-
Year 9	\$148,500	\$12,375	-
Year 10	\$148,500	\$12,375	-
Year 11	\$163,350	\$13,613	10.00%
Year 12	\$163,350	\$13,613	-
Year 13	\$163,350	\$13,613	-
Year 14	\$163,350	\$13,613	-
Year 15	\$163,350	\$13,613	-
Year 16	\$179,685	\$14,974	10.00%
Year 17	\$179,685	\$14,974	-
Year 18	\$179,685	\$14,974	-
Year 19	\$179,685	\$14,974	-
Year 20	\$179,685	\$14,974	-





# Concept & Tenant Overview

Wendy's

## About Wendy's

**Wendy's** is an American international fast food chain restaurant founded by Dave Thomas on November 15, 1969, in Columbus, Ohio. The company moved its headquarters to Dublin, Ohio on January 29, 2006. The Wendy's chain offers made-to-order burgers and fries as well as such alternative menu items as baked potatoes, chili, and salads. The chain is known for its square hamburgers, sea salt fries and the Frosty, a form of soft serve ice cream mixed with frozen starches. As of 2020, Wendy's is the world's number three hamburger chain in terms of locations (only behind McDonald's and Burger King), with approximately 6,800 franchise and Company-operated restaurants in the United States and 30 countries and U.S. territories worldwide.



Wendy's®

## About Stonewall Road Restaurant Group

**Stonewall Road Restaurant Group ("SRRG")** is a singularly focused restaurant operations firm, and one of Wendy's fastest-growing and most-respected franchisee groups. Founded in 2017 by two friends and partners with deep personal roots in franchising and experience building and growing businesses, SRRG represents 'the next generation' of Wendy's franchisees. SRRG is led by Glen Brandeburg, a former Wendy's operations executive (SVP & DVP) with ~25 years of experience in the quick-service-restaurant space. Operational expertise is further buoyed by >200 years of collective experience in the Wendy's system via SRRG's experienced multi-unit operations managers. The Company currently operates 57 Wendy's restaurants with significant plans for expansion through a robust M&A and development pipeline. SRRG's headquarters is located in Dallas, TX.





# Surrounding Area

Wendy's



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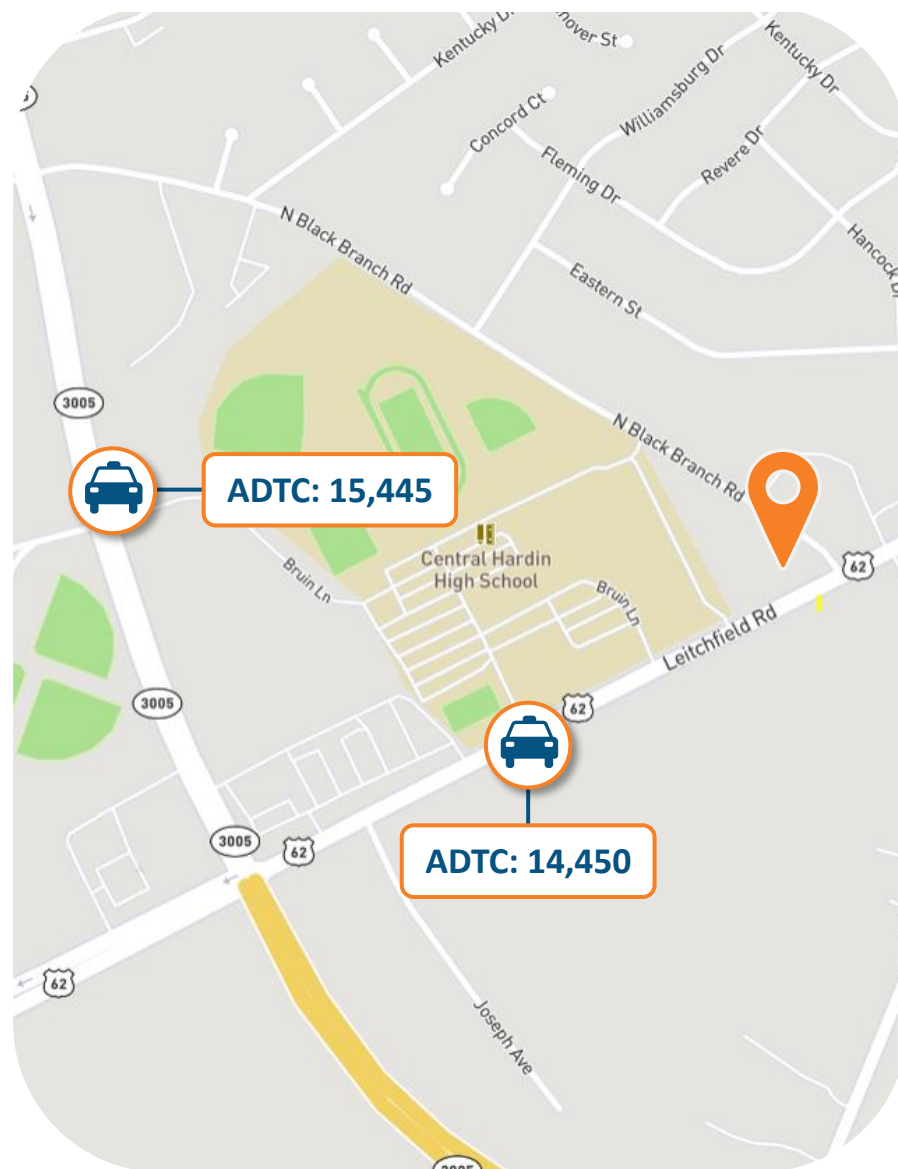


# Location Overview

The subject investment property is situated on the corner of N Black Branch Road and Leitchfield Road. Leitchfield Road boasts average daily traffic counts of approximately 14,450 vehicles per day. Leitchfield Road intersects with Ring Road which brings an additionally 15,445 vehicles into the immediate area daily. There are approximately 38,300 individuals residing within a five-mile radius of the subject property and 76,160 individuals within a ten-mile radius.

This property is located on a hard corner in a dense residential and retail corridor near major national and local tenants. National tenants in the surrounding area include McDonalds, Taco Bell, Subway, Burger King, Circle K, as well as others. This Wendy's benefits from being located directly next to Central Hardin High School. Central Hardin High School is one of the three high schools in Hardin County and has an approximately 1,800 students. The subject property is just under five miles from the third largest employer in Hardin County, the state of the art 300-bed, Hardin Memorial Hospital. Freeman Lake Park, the largest City Park in Elizabethtown, featuring a 170-acre lake where fishing and boating are the main attraction, is located less than five and a half miles from the subject property as well.

Elizabethtown is a city in Hardin County. The city is centrally located within 44 miles of Louisville to the North and 131 miles of Nashville to the South. The beautiful countryside and rich natural resources convinced many people throughout the years that Elizabethtown was the place to raise their families, earn their living, and love their home. From viewing horseless carriages and sporty automobiles at the Swope's Cars of Yesteryear Museum to picnicking at Freeman Lake Park, there are plenty of fun things to do in Elizabethtown. The city offers area parks, museums, festivals, events, shopping, and more. Part of what gives Elizabethtown its irresistible charm is a wide array of festivals and events held throughout the year.

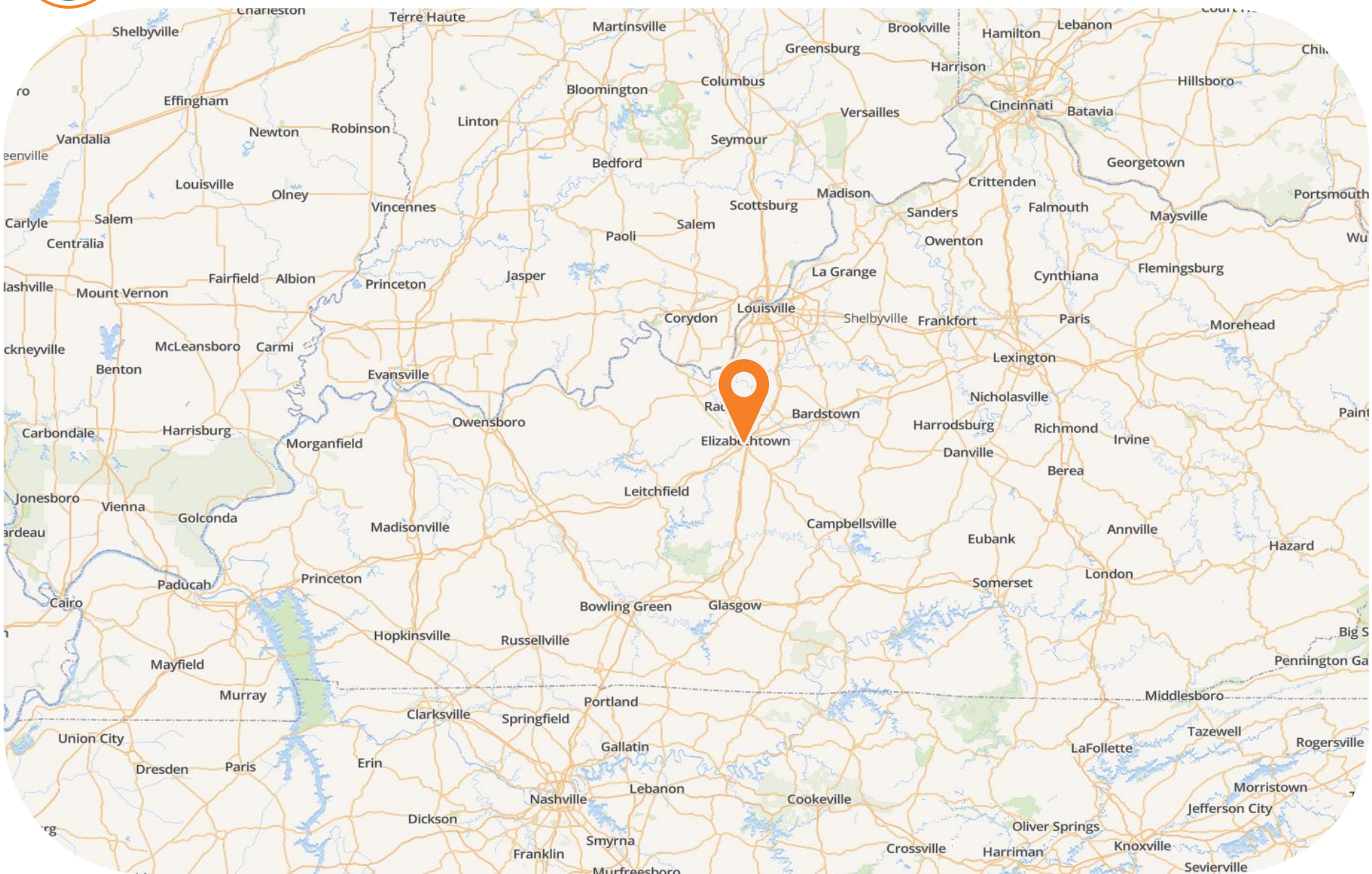






# Local Map

Wendy's

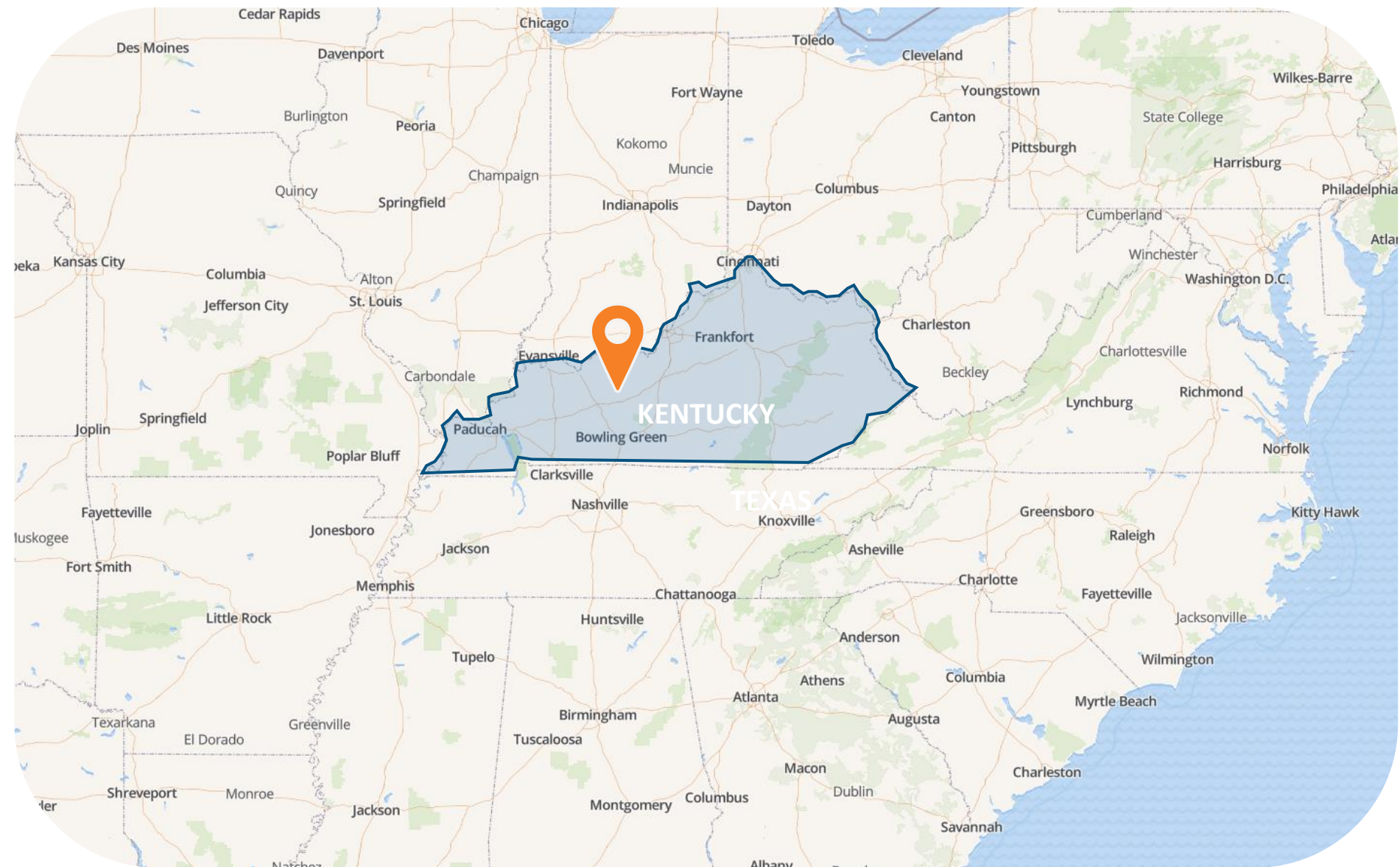






# Regional Map

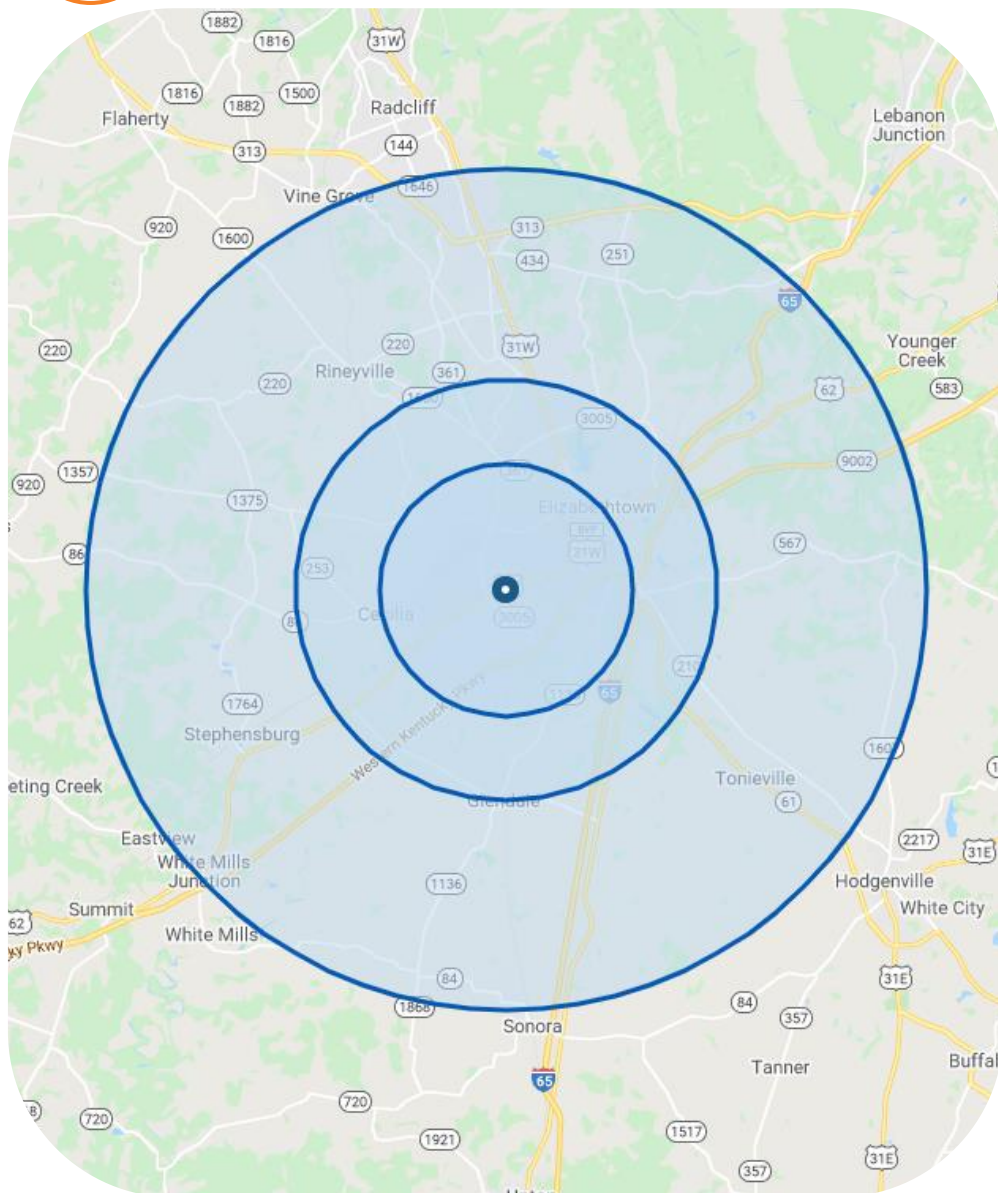
Wendy's







# Demographics



## POPULATION

	3 Miles	5 Miles	10 Miles
2025 Projection	15,329	40,092	80,045
2020 Estimate	14,613	38,300	76,160
2010 Census	13,642	35,568	70,546
2000 Census	10,917	28,872	58,204

## INCOME

Average	\$68,170	\$71,048	\$72,633
Median	\$49,331	\$53,033	\$57,161
Per Capita	\$27,912	\$28,648	\$28,033

## HOUSEHOLDS

2025 Projection	6,232	16,120	30,900
2020 Estimate	5,913	15,289	29,229
2010 Census	5,576	14,381	27,375
2000 Census	4,568	11,641	22,316

## HOUSING

2020	\$175,293	\$181,719	\$179,360
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## EMPLOYMENT

2020 Daytime Population	24,408	52,829	84,098
2020 Unemployment	4.65%	3.80%	3.65%
2020 Median Time Traveled	23 Mins	22 Mins	23 Mins

## RACE & ETHNICITY

White	82.35%	82.36%	81.76%
Native American	0.15%	0.17%	0.28%
African American	10.79%	10.13%	10.61%
Asian/Pacific Islander	1.97%	2.20%	2.13%



# Market Overview

*Louisville, KY*

## Louisville

Louisville is a city that combines heritage with innovation, authenticity with originality, and quirkiness with friendliness, in a way that's completely unique to the region. The city is an entirely different type of Southern. From boundary pushing twists on Southern cuisine that has made the city one of the "10 Best New Food Cities" in America to the one and only Urban Bourbon Experience, featuring the world's only, city-wide trail filled with award-winning micro-distilleries, exhibits and craft cocktail destinations. Then discover one-of-a-kind attractions like the legendary Churchill Downs, Louisville Slugger Museum & Factory, and the Muhammed Ali Center. Louisville today is home to dozens of companies and organizations across several industrial classifications. However, the underpinning of the city's economy since its earliest days has been the shipping and cargo industries. Its strategic location at the Falls of the Ohio, and its unique position in the central United States (within one day's road travel to 60 percent of the cities in the continental United States) make it a very practical location for the transfer of cargo along its route to other destinations. Additionally, the Louisville and Portland Canal and the Louisville and Nashville Railroad have been important links in water and rail transportation. Louisville is also a significant center of manufacturing, with two major Ford plants, and the headquarters of major home appliance factory, GE Appliances. The city is also a major center of the American whiskey industry, with about one-third of all bourbon in the nation coming from Louisville.



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## EXCLUSIVE NET LEASE OFFERING

