



REPRESENTATIVE PHOTO

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Wendy's Restaurant with Drive Thru located in Lenoir City, Tennessee. Lenoir City is located a short 30 minute drive from Knoxville, Tennessee. The Knoxville Metropolitan Area has a population exceeding 1.05 Million People. This brand new 022 construction Wendy's is located in front of a Food City Supermarket and across the street from a Walmart Supercenter and a Home Depot. Situated on busy highway 321, this Wendy's experiences traffic counts exceeding 29,000 vehicles per day.

Many brand-new home developments have been springing up near this Wendy's including Rarity Bay Community by Providence Builders with 900 Homeowners, Tellico Village by Providence Builders with 99 Homesites and WindRiver by Providence Builders with 350 homes (200 which are lakefront on Lake Tellico.)

Numerous apartment complexes also surround this property including Vintage Creekwood Park Apartments with three stories and 208 rented units, Town Creek Apartments with 96 units, River Manor Apartments with 29 units, Spring Place Apartments with 72 units and Loudonview Apartments with 24 units.

Roane State Community College is also in the vicinity of this property with a student enrollment over 5,172 students.

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

- Brand New 2022 Construction Wendy's Restaurant with Drive Thru
- 20 Year Absolute NNN Lease | 7.5% Rent Increases Every 5 Years
- Located Less than 30 Minutes from Downtown Knoxville, Tennessee
- Located in front of a Food City Supermarket and Across the Street from a Walmart Supercenter and a Home Depot
- Traffic Counts Exceeding 29,000 Vehicles Per Day
- Many Brand New Home Communities Nearby Including Rarity Bay by Providence Builders (900 Homes), Tellico Village (90 Homesites), and WindRiver (350 Homes With 200 Located on Lake Tellico)
- Numerous Apartment Complexes in Vicinity Including Vintage Creekwood Park Apartments (208 Rented Units), Town Creek Apartments (96 Units), Spring Place Apartments (72 Units), River Manor Apartments (29 Units), Loudounview Apartments (24 Units)
- Located in Vicinity is Roane State Community College with Over 5,172 Enrolled Students
- Wendy's Is Considered an Essential Tenant (Over 6,800 Locations and Third Largest Hamburger Fast-Food Chain Following Burger King and McDonald's)

THE OFFERING



Wendy's
874 US-321
Lenoir City, Tennessee 37771



PROPERTY DETAILS

Lot Size	30,056 SF (0.69 Acres)
Rentable Square Feet	2,500 SF
Price/SF	\$1,035.29
Year Built	2022

FINANCIAL OVERVIEW

List Price	\$2,588,235
Down Payment	100% / \$2,588,235
Cap Rate	4.25%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
06/06/2022 - 06/05/2027 (Current)	\$9,167	\$110,000
06/06/2027 - 06/05/2032	\$9,854	\$118,250
06/06/2032 - 06/05/2037	\$10,593	\$127,119
06/06/2037 - 06/05/2042	\$11,388	\$136,653
06/06/2042 - 06/05/2047 (Option 1)	\$12,242	\$146,902
06/06/2047 - 06/05/2052 (Option 2)	\$13,160	\$157,919
06/06/2052 - 06/05/2057 (Option 3)	\$14,147	\$169,763
06/06/2057 - 06/05/2062 (Option 4)	\$15,208	\$182,495
Base Rent (\$44 / SF)		\$110,000
Net Operating Income		\$110,000.00
TOTAL ANNUAL RETURN	CAP 4.25%	\$110,000

LEASE ABSTRACT

Tenant Trade Name	Wendy's
Tenant	Franchisee
Ownership	Private
Guarantor	Franchisee Guarantee
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	06/06/2022
Rent Commencement Date	06/06/2022
Expiration Date of Base Term	06/05/2042
Increases	7.5% every 5 Years during Lease Term and Option Periods
Options	Four 5-Year Options
Term Remaining on Lease	20 Years
Property Type	Net Leased Restaurant Fast Food
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	Yes







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	\$2.06+ Billion
Net Worth	N/A
Credit Rating	B +
Rating Agency	Standard & Poor's
Stock Symbol	WEN
Board	NASDAQ
HQ	DUBLIN, OHIO
Number of Locations	6,828+ (2020)



“The Wendy’s Way”

Their mission is to follow “The Wendy’s Way” with their stakeholders and also remain true to their values. They strive to be leaders in the Wendy’s franchise community by delivering an exceptional experience of quality, service and cleanliness to their customers through their professional, friendly and continually developed staff and being engaged contributors to their communities. They will provide outstanding operations, prudent financial management and support the Wendy’s leadership through market testing, development of new restaurants and support of new initiatives.

WENDY’S CREATES JOY & OPPORTUNITY THROUGH FOOD, FAMILY & COMMUNITY



RESTAURANTS

A place I love to go

CLEAN & WELL MAINTAINED
UP TO DATE
EASY & CONVENIENT
UPBEAT & COMFORTABLE

FOOD

Food I love

FRESH
HONEST INGREDIENTS
CRAVEABLE TASTE
MADE RIGHT



The Wendy’s Way

DELIGHT EVERY CUSTOMER.

WENDY’S KIND OF PEOPLE



SERVICE

An experience that brings me back

FRIENDLY
ACCURATE
FAST

VALUE

Worth what I pay

COMPETITIVE PRICE
WENDY’S QUALITY
GREAT EXPERIENCE



QUALITY IS OUR RECIPE

TREAT PEOPLE WITH RESPECT

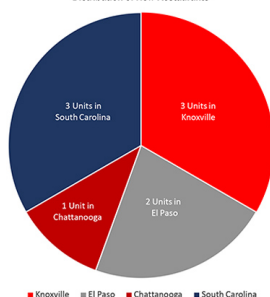
DO THE RIGHT THING

PROFIT MEANS GROWTH

GIVE SOMETHING BACK

Goals: 2022 – 2026 New Restaurant Development

Distribution of New Restaurants

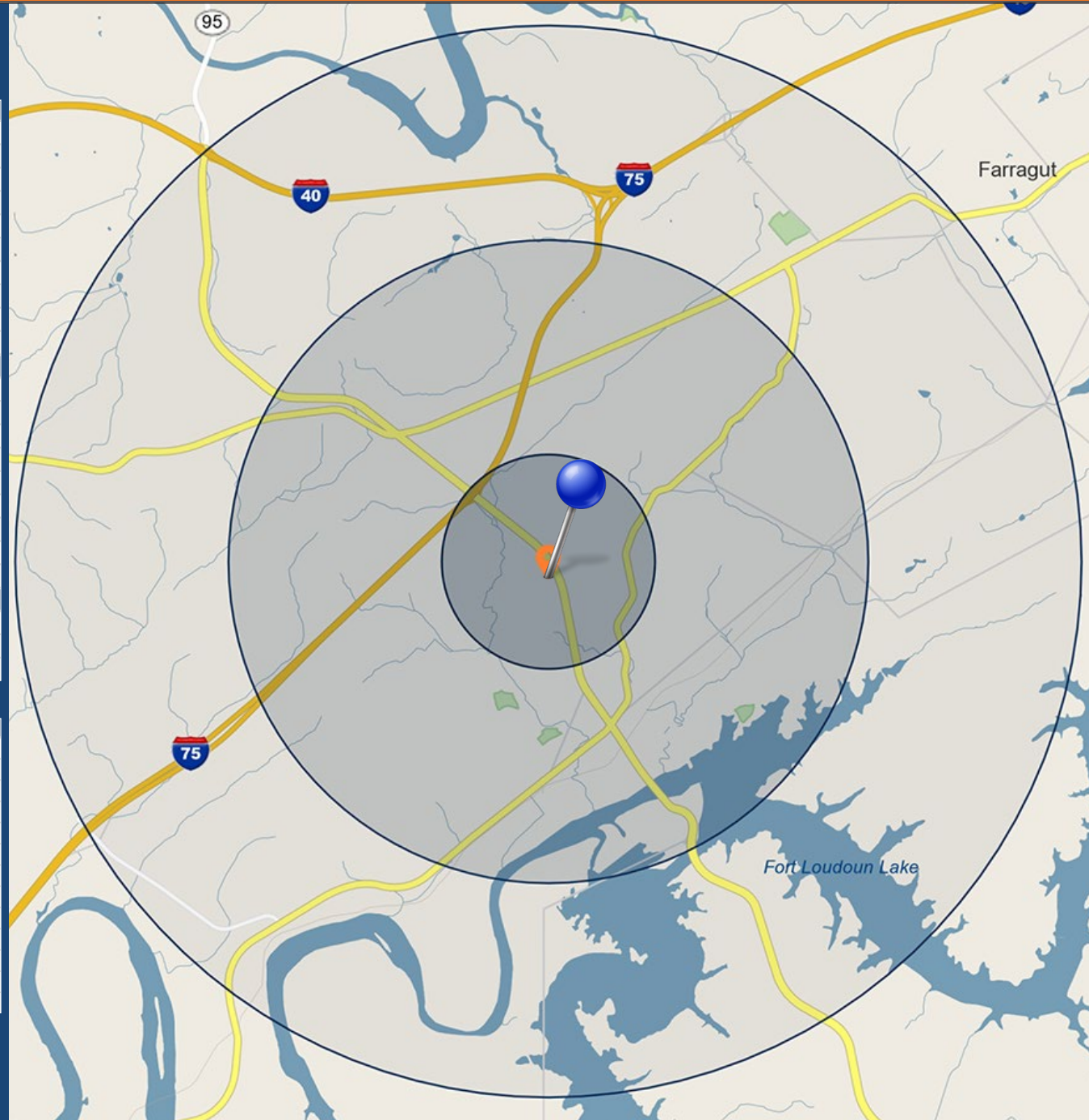


Wen JAI Five-Year Plan Goals

- 90% + RULES
 - 100% of the restaurants will achieve a 90% score on RESTAURANTS EVALUATIONS
 - 100% of the restaurants will have 5-STAR MANAGERS
 - 90% of the restaurants will yield 10%+ EBITDA
 - 100% of the restaurants will be REMODELED to IA by 2024
 - 100% of the restaurants will have at least one COMMUNITY INITIATIVE per year within the markets we operate.
- Keep the focus on breakfast to achieve 12 – 15% Sales Mix

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	2,110	21,451	36,992
2021 Estimate			
Total Population	1,962	20,338	34,618
2010 Census			
Total Population	1,642	18,111	30,093
2000 Census			
Total Population	1,488	14,707	23,486
Daytime Population			
2021 Estimate	2,625	16,621	25,784
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	926	8,726	14,411
2021 Estimate			
Total Households	852	8,227	13,451
Average (Mean) Household Size	2.4	2.5	2.5
2010 Census			
Total Households	704	7,183	11,541
2000 Census			
Total Households	667	6,036	9,224
HOUSING UNITS	1 Mile	3 Miles	5 Miles
Occupied Units			
2026 Projection	973	9,110	15,028
2021 Estimate	896	8,613	14,062

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	2.0%	2.9%	7.2%
\$150,000-\$199,999	3.4%	4.5%	8.0%
\$100,000-\$149,999	9.8%	13.1%	16.4%
\$75,000-\$99,999	18.0%	17.4%	17.1%
\$50,000-\$74,999	19.6%	19.1%	17.2%
\$35,000-\$49,999	12.0%	10.8%	9.1%
\$25,000-\$34,999	9.1%	9.2%	7.7%
\$15,000-\$24,999	9.8%	10.2%	7.8%
Under \$15,000	16.1%	12.7%	9.6%
Average Household Income	\$64,548	\$72,742	\$97,023
Median Household Income	\$54,021	\$59,034	\$73,013
Per Capita Income	\$28,023	\$29,530	\$37,800



GEOGRAPHY: 5 MILE



POPULATION

In 2021, the population in your selected geography is 34,618. The population has changed by 47.4 percent since 2000. It is estimated that the population in your area will be 36,992 five years from now, which represents a change of 6.9 percent from the current year. The current population is 49.5 percent male and 50.5 percent female. The median age of the population in your area is 43.3, compared with the U.S. average, which is 38.4. The population density in your area is 441 people per square mile.



HOUSEHOLDS

There are currently 13,451 households in your selected geography. The number of households has changed by 45.8 percent since 2000. It is estimated that the number of households in your area will be 14,411 five years from now, which represents a change of 7.1 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 \$73,013, compared with the U.S. average, which is currently \$65,694. The median household income for your area has changed by 70.7 percent since 2000. It is estimated that the median household income in your area will be \$74,331 five years from now, which represents a change of 1.8 percent from the current year.

The current year per capita income in your area is \$37,800, compared with the U.S. average, which is \$36,445. The current year's average household income in your area is \$97,023, compared with the U.S. average, which is \$94,822.



EMPLOYMENT

In 2021, 19,490 people in your selected area were employed. The 2000 Census revealed that 58.9 percent of employees are in white-collar occupations in this geography, and 41.1 percent are in blue-collar occupations. In 2021, unemployment in this area was 4.0 percent. In 2000, the average time traveled to work was 22.5 minutes.



HOUSING

The median housing value in your area was \$245,538 in 2021, compared with the U.S. median of \$227,827. In 2000, there were 7,271 owner-occupied housing units and 1,953 renter-occupied housing units in your area. The median rent at the time was \$385.



EDUCATION

The selected area in 2021 had a higher level of educational attainment when compared with the U.S. averages. Only 11.1 percent of the selected area's residents had earned a graduate degree compared with the national average of 12.0 percent, and 19.4 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 7.8 percent vs. 8.3 percent, respectively.

The area had more high-school graduates, 30.9 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 21.0 percent in the selected area compared with the 20.5 percent in the U.S.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

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Marcus & Millichap



ISSENBERG & BRITTI

The Retail Real Estate Investment Leader
Marcus & Millichap

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