

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 fully remodeled (Tenant Invested \$900+/-, in 2022) 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 Street 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.

Wendy's, founded by Dave Thomas in 1969, is one of the most recognized quick-service restaurant (QSR) brands in the world. Known for its fresh, never frozen beef, made-to-order square hamburgers, and signature menu items such as the Frosty dessert, Wendy's has grown to over 7,000 locations worldwide, generating annual revenue in excess of \$2.2 billion.

INVESTMENT HIGHLIGHTS

- Absolute NNN Lease with Zero Landlord Responsibility
- Strong Wendy's Operator | 76 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	\$941.74
Year Built / Remodeled	1976 / 2022

FINANCIAL OVERVIEW

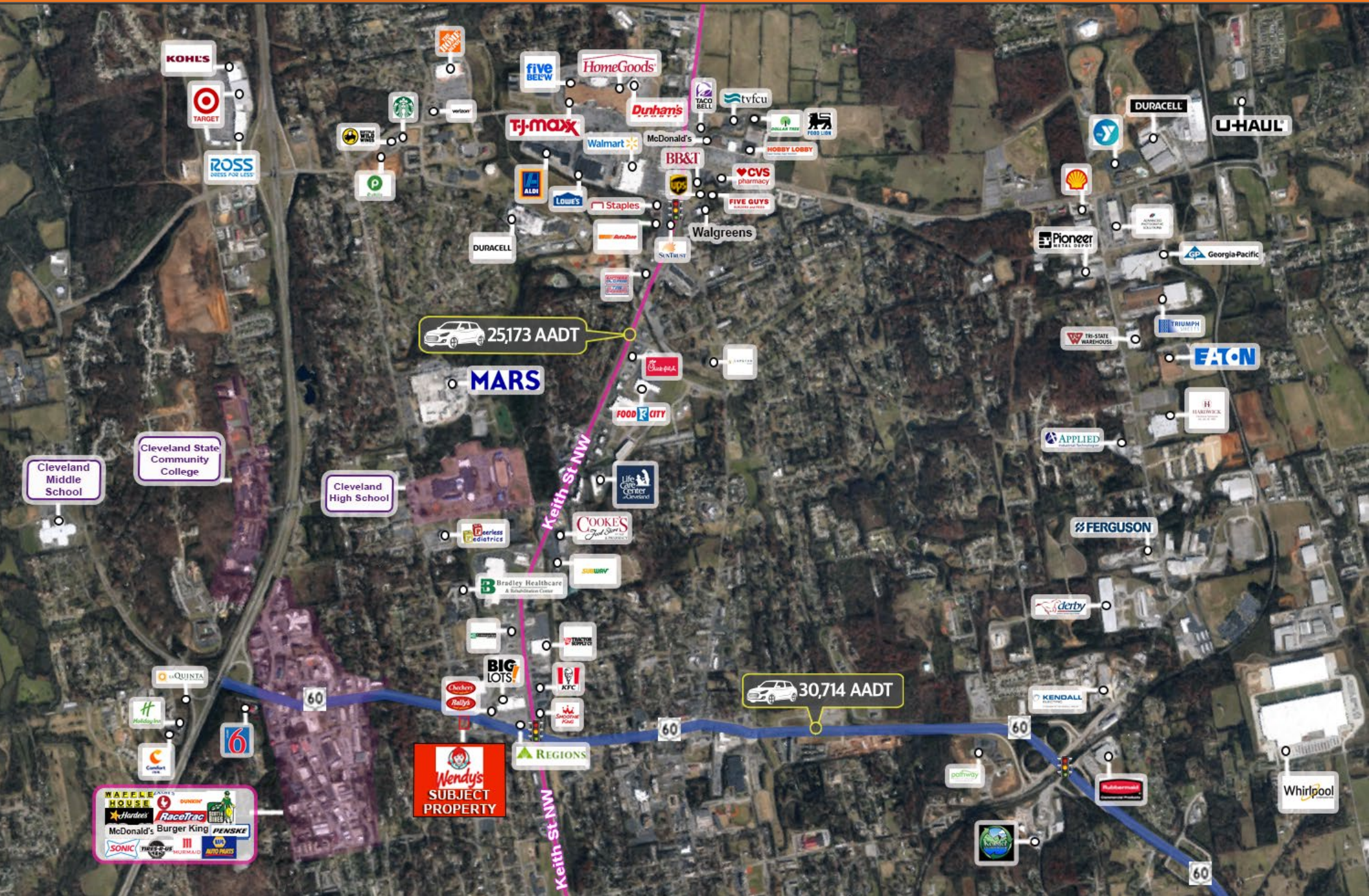
List Price	\$2,190,476
Down Payment	100% / \$2,190,476
Cap Rate	5.25%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
12/01/2025 - 11/30/2030 (Current)	\$9,583	\$115,000
12/01/2030 - 11/30/2035	\$10,302	\$123,625
12/01/2035 - 11/30/2040	\$11,075	\$132,897
12/01/2040 - 11/30/2045	\$11,905	\$142,864
12/01/2045 - 11/30/2050 (Option 1)	\$12,798	\$153,579
12/01/2050 - 11/30/2055 (Option 2)	\$13,758	\$165,097
12/01/2055 - 11/30/2060 (Option 3)	\$14,790	\$177,480
12/01/2060 - 11/30/2065 (Option 4)	\$15,899	\$190,791
Base Rent (\$49.44 / SF)		\$115,000
Net Operating Income		\$115,000.00
TOTAL ANNUAL RETURN	CAP 5.25%	\$115,000

LEASE ABSTRACT

Tenant Trade Name	Wendy's
Tenant	Franchisee
Ownership	Private
Guarantor	76+ Units Franchisee Guarantee (WENJAI Restaurant Group)
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	12/01/2025
Rent Commencement Date	12/01/2025
Expiration Date of Base Term	11/30/2045
Increases	7.5% every 5 Years during Lease Term and Option Periods
Options	Four 5-Year Options
Term Remaining on Lease	17 Years
Property Type	Net Leased Restaurant Fast Food
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	Yes





PROPERTY PHOTOS





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 7,240 franchise and Company restaurants in the U.S. and 29 other countries and U.S. territories worldwide.

WENDY'S CORPORATE

Sales Volume	\$2.18+ Billion
Net Worth	N/A
Credit Rating	B +
Rating Agency	Standard & Poor's
Stock Symbol	WEN
Board	NASDAQ
HQ	DUBLIN, OHIO
Number of Locations	7,240+



WENJAI
RESTAURANT GROUP



INGREDIENTS MATTER



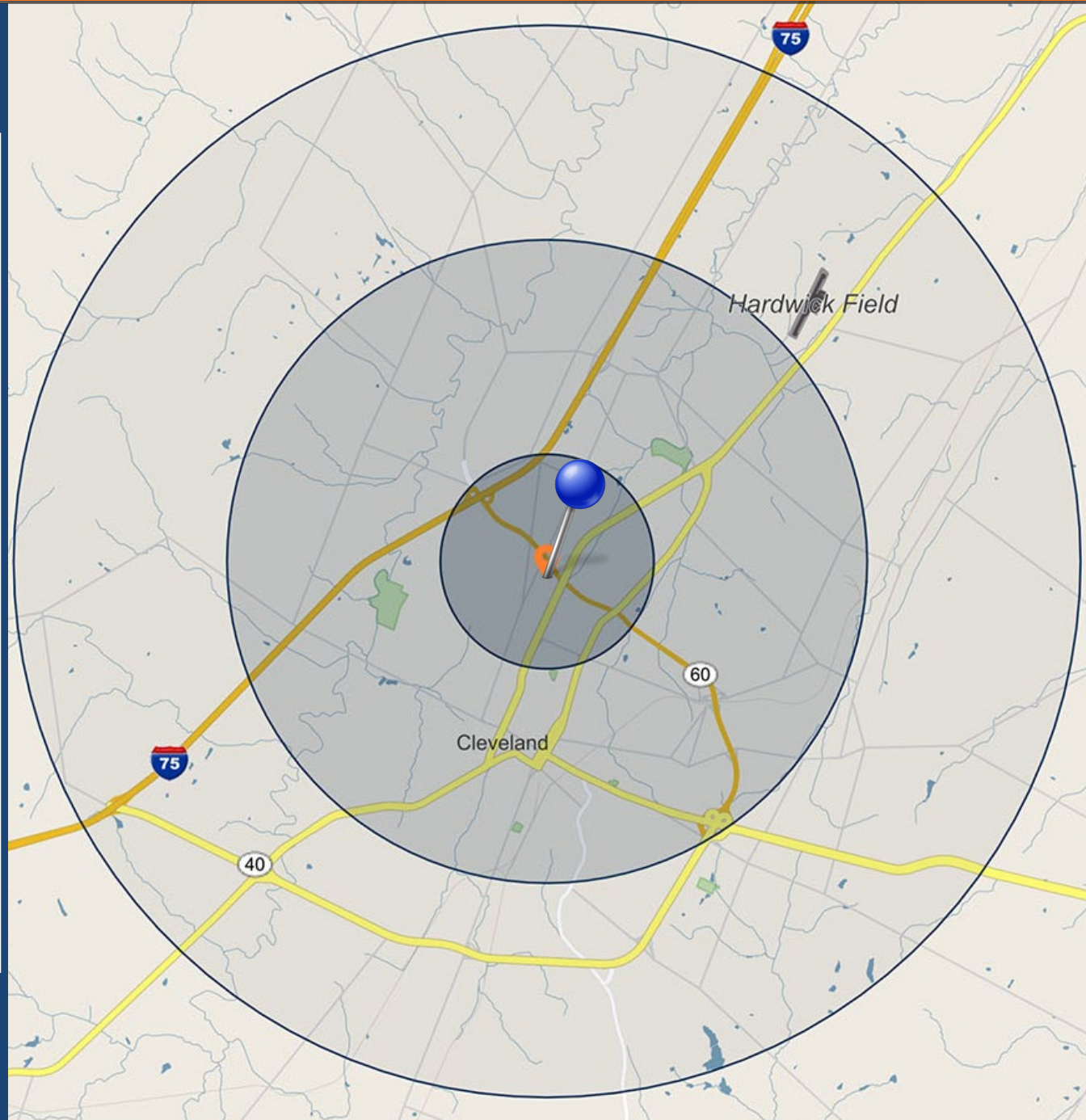
Wen JAI, based in Pompano, Florida is one of the largest multi-unit franchisees of Wendy's with a total of 90 Stores and more than 2,700 employees. To date, Wen JAI owns Wendy's restaurants in GA, FL, TX, NM, SC, and TN with three locations currently under construction. Wen JAI plans to remodel three Wendy's this year to include updated features such as fireplaces, a variety of inviting seating options, Wi-Fi, flat-screen TVs and digital menu boards. The company has an overall goal to eventually remodel all Wendy's and open another 11 locations over the next four years.

"We strive to remain leaders in the nation's evolving quick service restaurant industry by delivering an exceptional experience of quality, service and cleanliness to our customers through high quality food, friendly staff, high operational standards, and being engaged in our communities," said Jhonny Mercado, Chairman of Wen JAI Restaurant Group. "JAI looks forward to expanding Wendy's presence and positively impacting communities across the country."

Wen JAI will also be expanding to other brands with the acquisition of 20 Taco Bell locations in Atlanta, GA this May 30, 2023. The company will then have 3,300 employees.

Wen JAI plans to open 6 more Taco Bell locations in the next 4 years. "This is a great opportunity, and we are very excited to be part of the Taco Bell brand. I am confident this will be a major achievement that will bring growth to the JAI team", said Jhonny Mercado. By the end of 2023 the company will grow to have 3,500 employees and 106 restaurants.

Wen JAI Restaurant Group and Wendy's have a longstanding history, dating back to when JAI opened its first Wendy's restaurant in Miami, Florida in 2007. Since then, JAI-owned restaurants has boasted above average unit volume (AUV) within Wendy's franchise system, thanks to their five-star management team who pride themselves on using quality service, continual improvement, community involvement and innovation to measure success. The JAI team is proud to support children in foster care. "Every year we are committed to this cause. Our team puts 100% of their efforts to succeed in all fundraisers", said Jhonny Mercado. JAI has been recognized by the brand for its achievements in the fundraising for Wendy's charity, Dave Thomas Foundation for Adoption.



POPULATION	1 Mile	3 Miles	5 Miles
2029 Projection			
Total Population	6,034	45,075	77,178
2024 Estimate			
Total Population	5,971	44,001	75,414
2020 Census			
Total Population	5,943	42,982	73,411
2010 Census			
Total Population	5,650	38,006	66,101
Daytime Population			
2024 Estimate	12,982	58,468	81,446
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2029 Projection			
Total Households	2,595	18,227	30,764
2024 Estimate			
Total Households	2,563	17,682	29,842
Average (Mean) Household Size	2.3	2.4	2.5
2020 Census			
Total Households	2,519	16,932	28,578
2010 Census			
Total Households	2,442	15,051	25,589
HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2024 Estimate			
\$200,000 or More	3.8%	4.8%	4.4%
\$150,000-\$199,999	4.9%	4.1%	4.6%
\$100,000-\$149,999	18.5%	17.6%	17.1%
\$75,000-\$99,999	13.9%	12.0%	14.3%
\$50,000-\$74,999	14.1%	16.2%	17.9%
\$35,000-\$49,999	15.6%	13.1%	12.6%
\$25,000-\$34,999	11.1%	11.6%	10.5%
\$15,000-\$24,999	8.5%	9.6%	8.3%
Under \$15,000	9.5%	11.0%	10.3%
Average Household Income	\$76,313	\$77,811	\$78,388
Median Household Income	\$41,197	\$44,532	\$44,075
Per Capita Income	\$31,608	\$31,352	\$31,069

GEOGRAPHY: 5 MILE



POPULATION

In 2024, the population in your selected geography is 75,414. The population has changed by 14.09 percent since 2010. It is estimated that the population in your area will be 77,178 five years from now, which represents a change of 2.3 percent from the current year. The current population is 51.9 percent male and 48.1 percent female. The median age of the population in your area is 38.0, compared with the U.S. average, which is 39.0. The population density in your area is 960 people per square mile.



HOUSEHOLDS

There are currently 29,842 households in your selected geography. The number of households has changed by 16.62 percent since 2010. It is estimated that the number of households in your area will be 30,764 five years from now, which represents a change of 3.1 percent from the current year. The average household size in your area is 2.4 people.



INCOME

In 2024, the median household income for your selected geography is \$64,620, compared with the U.S. average, which is currently \$76,141. The median household income for your area has changed by 65.34 percent since 2010. It is estimated that the median household income in your area will be \$72,078 five years from now, which represents a change of 11.5 percent from the current year.

The current year per capita income in your area is \$31,069, compared with the U.S. average, which is \$40,471. The current year's average household income in your area is \$78,388, compared with the U.S. average, which is \$101,307.



EMPLOYMENT

In 2024, 33,665 people in your selected area were employed. The 2010 Census revealed that 54.5 percent of employees are in white-collar occupations in this geography, and 29.8 percent are in blue-collar occupations. In 2024, unemployment in this area was 4.0 percent. In 2010, the average time traveled to work was 20.00 minutes.



HOUSING

The median housing value in your area was \$254,830 in 2024, compared with the U.S. median of \$321,016. In 2010, there were 15,272.00 owner-occupied housing units and 10,317.00 renteroccupied housing units in your area.



EDUCATION

The selected area in 2024 had a lower level of educational attainment when compared with the U.S. averages. 23.8 percent of the selected area's residents had earned a graduate degree compared with the national average of only 13.5 percent, and 9.1 percent completed a bachelor's degree, compared with the national average of 21.1 percent.

The number of area residents with an associate degree was higher than the nation's at 14.6 percent vs. 8.8 percent, respectively.

The area had fewer high-school graduates, 1.9 percent vs. 26.2 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 38.9 percent in the selected area compared with the 19.7 percent in the U.S.

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Marcus & Millichap

The Retail Real Estate Investment Leader

Marcus & Millichap

ISSENBERG BRITTI GROUP

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