



## NEW 20-YEAR LEASE SINGLE TENANT NNN INVESTMENT

RICHMOND, MI



ACTUAL PHOTO OF THE SUBJECT PROPERTY

**Marcus & Millichap**  
DUONG INVESTMENT GROUP

**OFFERING MEMORANDUM**





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# INVESTMENT HIGHLIGHTS



**NOW OPEN! Wendy's New Global Next Gen Prototype**



**Brand New, 20-Year Wendy's Sale-Leaseback**



**Outparcel to Kroger Anchored Shopping Center**

## Prime Retail Location

- ▶ Highly-Trafficked Location Near the Intersection of Gratiot Ave and 31 Mile Rd (**Combined Traffic Counts Exceed 28,000 Cars Per Day**)
- ▶ Located in Front of the **Only Major Grocery Store within a 6-Mile Radius, Providing for a Consistent Flow of Customers to the Subject Property**
- ▶ Located on Main Retail Corridor in Close Proximity to Several Major Retailers such as Tractor Supply, Jimmy John's, T-Mobile, Great Clips, CVS, O'Reilly Auto Parts, Verizon, AT&T, Tropical Smoothie Café, Speedway, AutoZone, PNC Bank, and Many More
- ▶ **Affluent Area with the Average Household Income Exceeding \$87,000 within 3 Miles**

## Experienced Franchisee

- ▶ **Absolute NNN Property with Zero Landlord Responsibilities** – Ideal for Investors Not Local to the Market
- ▶ **Meritage Hospitality Group is One of the Largest Wendy's Franchisee's in the Country with Over 12,000 Employees and 380 Locations in 16 States**
- ▶ Scheduled 1.5% Annual Rental Increases Throughout the Initial Term Provide for an Excellent Hedge Against Inflation



# TENANT OVERVIEW

## Wendy's®

Wendy's® is a globally recognized fast-food restaurant chain known for its square hamburgers, fresh ingredients, and innovative menu offerings. Founded by Dave Thomas in 1969 in Columbus, Ohio, Wendy's quickly grew from a single location to become one of the largest and most beloved fast-food chains in the world.



Today, Wendy's operates thousands of restaurants worldwide, offering a diverse menu that caters to a wide range of tastes and preferences. With a focus on innovation, quality, and customer satisfaction, Wendy's continues to be a leader in the fast-food industry, providing delicious meals and memorable dining experiences for millions of people every day.

Website:	www.wendys.com
# of Locations:	7,000+ (6,500+ U.S. Locations)
Ticker:	NASDAQ: WEN
Revenue:	\$2.181 Billion (2023 / +4.10% YoY)



## Meritage Hospitality Group

Frosty, Burgers, and Fries—what is not to love? On November 15, 1969, Dave Thomas opened his very first Wendy's® restaurant in Columbus, Ohio.



In no time, the quick-service chain became known for its square beef patties, made from fresh beef, and iconic Frosty® desserts. There are now more than 6,500 Wendy's® restaurants currently in operation in the United States and 29 countries and U.S. territories worldwide.

Meritage is proud to have recently opened one of the first Global Next Gen Wendy's restaurants in Edmond, OK. Click here to learn more.

The Company is the nation's only publicly traded Wendy's restaurant franchisee and their public filings can be viewed at [www.otcmkt.com](http://www.otcmkt.com), under the stock symbol MHGU, or the Company's website.

Website:	www.meritagehospitality.com
Headquarters:	Grand Rapids, MI
Employees:	12,000+
Ticker:	OTCMKTS: MHGU
Revenue:	\$672.49 Million (2023 / +7.42% YoY)



# FINANCIAL ANALYSIS

## Offering Summary

Property Name	Wendy's
Property Address	66942 Gratiot Avenue Richmond, MI 48062
Assessor's Parcel Number	07-06-12-227-003
Year Built	2024
Gross Leasable Area (GLA)	±2,045 Square Feet
Lot Size	±0.56 Acres (±24,394 Square Feet)

## Pricing

Price	\$2,304,000
Cap Rate	6.25%

## Annualized Operating Data

Gross Potential Rent	\$144,000
Total Expenses	Absolute NNN
<b>Net Operating Income</b>	<b>\$144,000</b>

## Lease Information

Initial Lease Term	±20 Years
Lease Commencement Date	Close of Escrow
Lease Expiration Date	±20 Years From Close of Escrow
Increases	Annual CPI (1.50% Maximum)
Options	Six, Five-Year
Guarantee	Franchisee (380+ Units)
Lease Type	Absolute NNN
Lease Type Details	Zero Landlord Responsibilities





# MARKET OVERVIEW

Aerial Photo



McDonald's



Future Development



CHRYSLER

HENRY FORD HEALTH  
Same-Day Care

tropical  
SMOOTHIE  
CAFE



verizon



Gratiot Avenue & 31 Mile Road  
±28,000 Cars Per Day

Burger King



DOLLAR  
GENERAL



Chrysler Dodge Jeep Ram  
Auto Body Shop

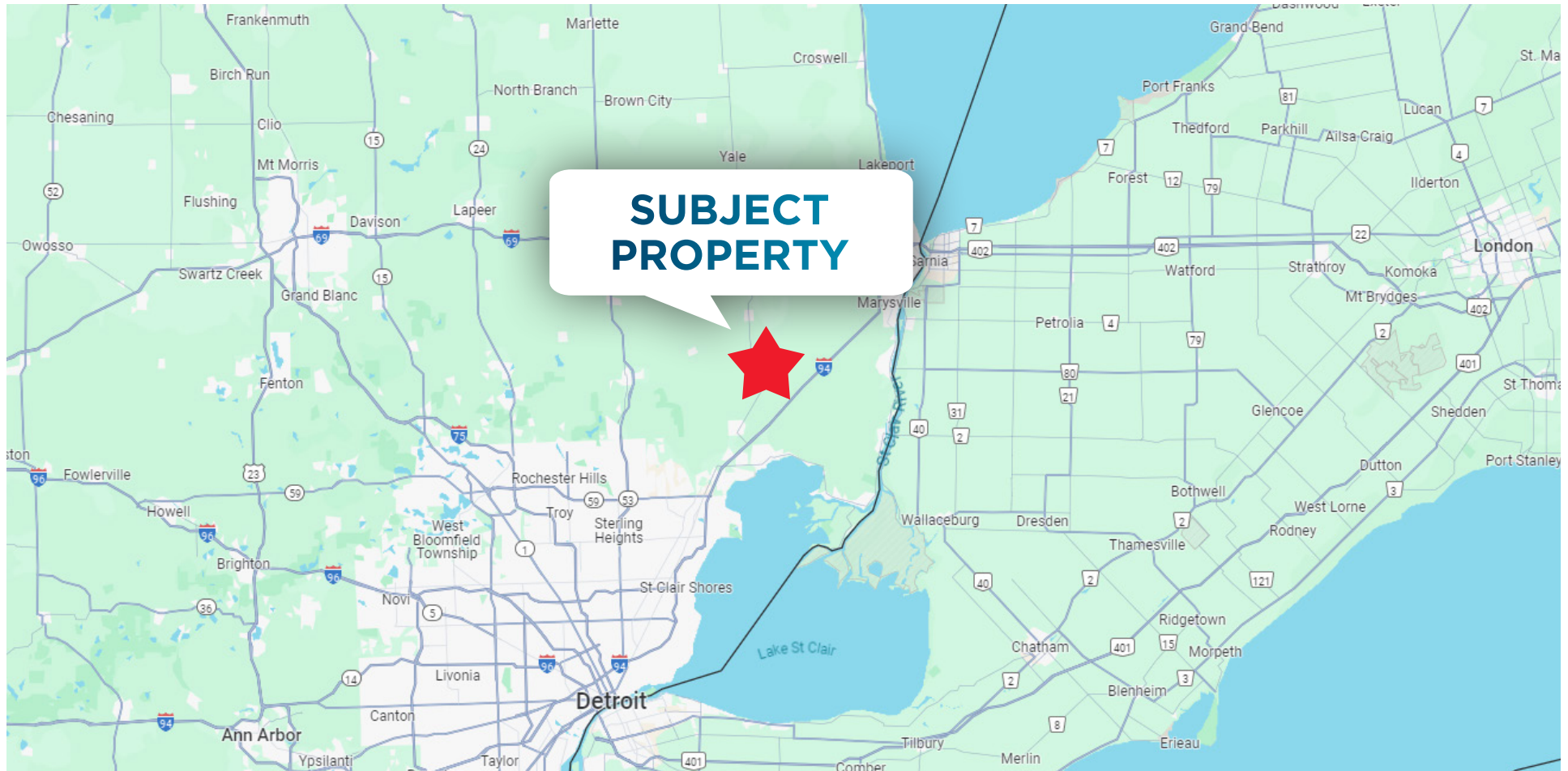


Wendy's



# MARKET OVERVIEW

## Regional Map



**±28,000**

CARS PER DAY AT THE GRATIOT/31  
MILE ROAD INTERSECTION



**±60 MILES**

TO DETROIT METROPOLITAN  
AIRPORT (DTW)



**±39 MILES**

VIA I-94 TO  
DETROIT, MI



**±13 MILES**

TO SAINT CLAIR, MI  
(US/CANADA BORDER)

# MARKET OVERVIEW

## The City Of Richmond, MI

In 1835, Erastus Beebe had a dream. With his two brothers and several men from an English settlement in New York, he was determined to carve a prosperous community out of the wilderness known today as the City of Richmond.



It was not until December 1, 1859, that Richmond's success as a community was secured. The Grand Trunk Railway had arrived, providing easy access to the area's lumber and agricultural products; commodities much needed by a young nation in its time of civil war.

Today, Richmond is a growing city with an estimated population of 6,000 residents and is linked by the I-94 Expressway, M-19, and the Gratiot Avenue corridor to the Detroit / Flint / Port Huron metropolitan areas. Richmond offers many housing options in various price ranges for everyone.

Richmond offers a wide variety of recreational activities for the outdoor enthusiast through its many municipal parks as well as a comprehensive sidewalk system throughout the city. The Macomb Orchard Trail, a 23.5 mile linear park, begins in Richmond and connects to a network of trails.

The retail business districts offer turn of the century charm and unique modern Main Street architecture. The pedestrian friendly downtown is the perfect location for shopping and services. Special events are held year round to promote our businesses. Additionally, the city has worked with private property owners on the development of prime industrial property in the heart of Richmond.

Source - The Richmond, MI Website: <https://www.cityofrichmond.net/182/City-History>

## City Highlights

- ▶ Although only 40 miles north of Detroit and twenty miles southwest of Port Huron, all roads that lead to Richmond are lined with rich farm lands and scenic Michigan landscapes.
- ▶ The Grand Trunk Railroad remains. Its tracks reach west to Pontiac and cities beyond, north to Port Huron and Canada, and south to Detroit and rest of the nation.
- ▶ Michigan's largest airport, the Detroit Metropolitan, is 60 miles away and the St. Clair County Airport is a 10 minute drive from the city.

Downtown Richmond, MI



Richmond High School



Community Park - Richmond, MI





# MARKET OVERVIEW

## Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2028 Population	2,062	9,338	19,131
2023 Population	2,021	9,157	18,310
2020 Population	1,850	8,850	17,673
2010 Population	1,831	8,816	16,782
2023 Daytime Population	1,752	7,931	12,780

Households/Population By Age	1-Mile	3-Miles	5-Miles
2028 Households	871	3,725	7,295
2023 Households	851	3,634	6,939
2020 Households	842	3,588	6,739
2010 Households	764	3,375	6,125
Under 20	22.9%	22.4%	23.3%
20 to 34 Years	18.4%	17.3%	18.8%
35 to 39 Years	5.9%	5.2%	5.9%
40 to 49 Years	12.7%	12.0%	12.6%
50 to 64 Years	23.0%	23.3%	22.4%
Age 65+	17.2%	19.8%	17.0%
Median Age	42.3	44.5	41.7

Income	1-Mile	3-Miles	5-Miles
Under \$35,000	25.3%	22.3%	22.2%
\$ 35,000 - \$49,999	17.3%	14.7%	13.9%
\$ 50,000 - \$74,999	17.5%	20.1%	20.7%
\$ 75,000 - \$99,999	10.0%	11.6%	13.9%
\$100,000 - \$149,999	19.8%	19.5%	19.1%
\$150,000 +	10.3%	11.9%	10.3%
2023 Median Household Income	\$59,296	\$64,767	\$65,277
2023 Average Household Income	\$81,512	\$87,184	\$85,911



**\$87,184**

2023 AVERAGE HOUSEHOLD INCOME  
(3-MILE RADIUS)





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