

# Wendy's®

## NEW 20-YEAR LEASE SINGLE TENANT NNN INVESTMENT

GRAND RAPIDS, MI



Marcus & Millichap  
DUONG INVESTMENT GROUP

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OFFERING MEMORANDUM



## NEW 20-YEAR LEASE SINGLE TENANT NNN INVESTMENT GRAND RAPIDS, MI

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# INVESTMENT HIGHLIGHTS



Introducing a New, 20-Year Wendy's Sale-Leaseback



Full Remodel Scheduled for June 2024



Located at Entry to Gerald R. Ford International Airport  
Serving Over 3 Million Passengers Each Year

## Prime Retail Location

- ▶ Located Near the Intersection of 44th St and Patterson Ave (**Combined Traffic Counts Exceed 47,000 Cars Per Day**)
- ▶ The Subject Property boasts an **Expansive 1.5-Acre Lot, Providing Ample Space for 66 Parking Spots**
- ▶ Located Next to the Gerald R. Ford International Airport
- ▶ **Population During the Daytime More than Doubles** Due to the Massive Workforce in the Immediate Area Which Provides a Large Customer Base

## 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 380 Locations in 16 States**
- ▶ Strong Performing Restaurant with Increasing Sales (Please Contact Agent for More Details)
- ▶ Scheduled 1.5% Annual Rental Increases Throughout the Initial Term Provide for an Excellent Hedge Against Inflation

## Pride of Property Ownership in Grand Rapids, MI

- ▶ Dense, Infill Location with **Over 113,000 Residents** within 5 Miles, Creating a Large Customer Base
- ▶ Affluent Area with the **Average Household Income Exceeding \$102,000** within 5 Miles



# 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](http://www.wendys.com)

Revenue: 2.095 Billion USD (2022)

NASDAQ: WEN



## 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 more than 6,500 Wendy's® restaurants currently in operation in the United States and 29 countries and U.S. territories worldwide. Meritage is on track to develop 40 new Wendy's restaurants and re-image 100% of its existing restaurants by the end of 2024. 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.otcmartets.com](http://www.otcmartets.com), under the stock symbol MHGU, or the Company's website.

Website: [www.meritagehospitality.com](http://www.meritagehospitality.com)

Headquarters Grand Rapids, MI

OTCQX: MHGU

# FINANCIAL ANALYSIS

## Offering Summary

Property Name	Wendy's
Property Address	4343 Patterson Ave SE Kentwood, MI 49512
Assessor's Parcel Number	41-18-24-478-019
Year Built	2001/2024
Gross Leasable Area (GLA)	±3,297 Square Feet
Lot Size	±1.50 Acres (±65,340 Square Feet)

## Pricing

Price	\$2,570,000
Cap Rate	5.25%
Price Per Square Foot	\$779.50



## Annualized Operating Data

Gross Potential Rent	\$135,000
Total Expenses	Absolute NNN
<b>Net Operating Income</b>	<b>\$135,000</b>

## Lease Information

Initial Lease Term	±20 Years
Lease Commencement Date	Close of Escrow
Lease Expiration Date	±20 Years
Lease Remaining	TBD
Lease Type	Absolute NNN
Increases	Annual CPI Not to Exceed 1.5%
Options	Six, Five-Year
Guarantee	Franchisee





# MARKET OVERVIEW

Aerial Photo



The Shops at Centerpoint & More:



Woodland Mall & More:



**SUBJECT PROPERTY**



Gerald R. Ford Int'l Airport (GRR)



Demographics - 5-Mile Radius

Population: ±113,598

Households: ±44,433

Avg. HH Income: \$102,171



44th Street SE  
±16,230 Cars Per Day

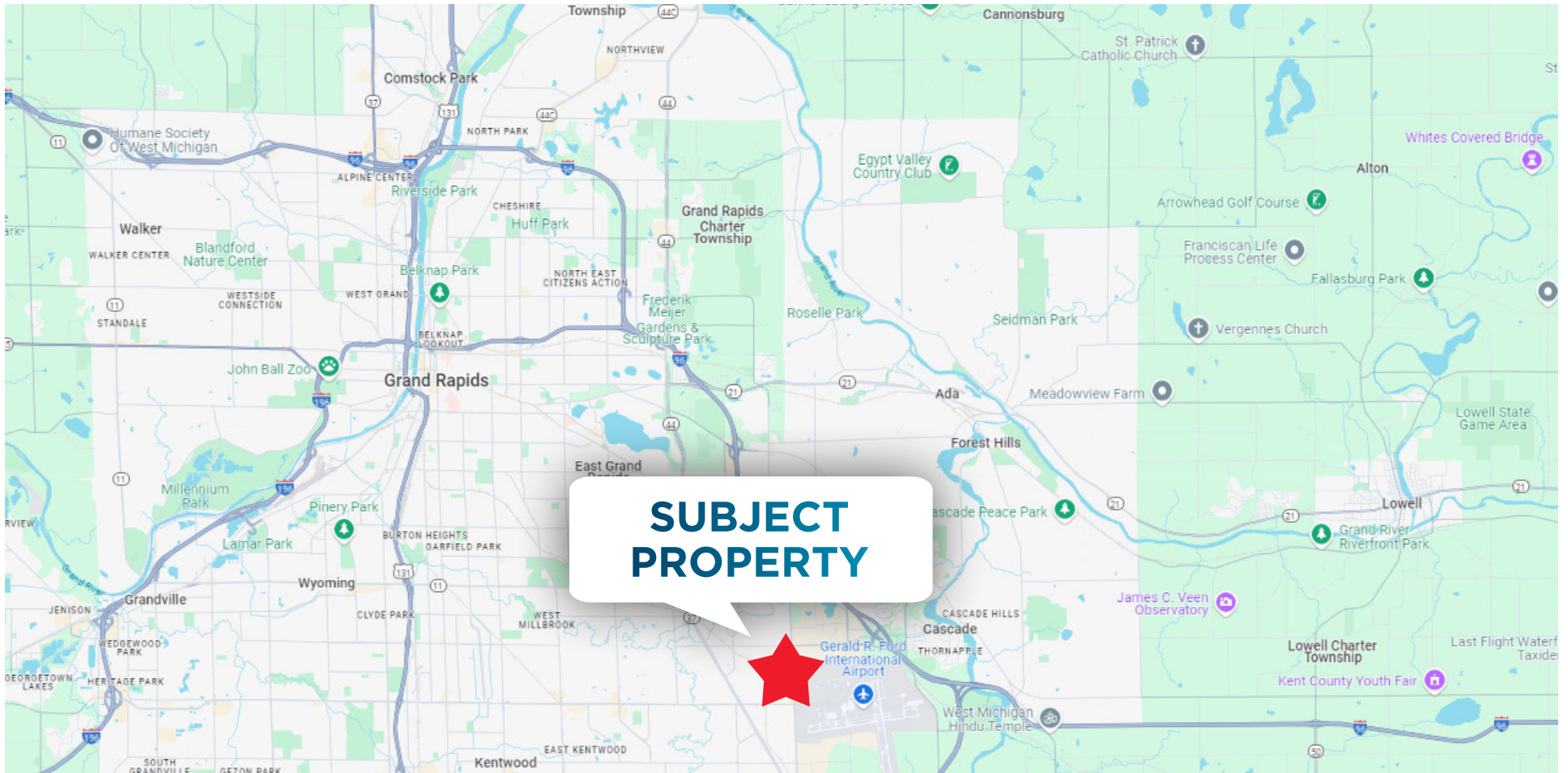


Patterson Avenue SE  
±31,137 Cars Per Day



# MARKET OVERVIEW

## Regional Map



**±31,137 CARS**

PER DAY ON PATTERSON AVENUE SE



**±0 MILES**

TO GERALD R. FORD INT'L AIRPORT (GRR)



**±16,230 CARS**

PER DAY ON 44TH STREET SE



**±8 MILES**

TO DOWNTOWN GRAND RAPIDS



# MARKET OVERVIEW

## The City Of Grand Rapids & Kentwood

Grand Rapids, Michigan, is the state's second-largest city, situated along the Grand River. With a population of around 200,000, it boasts a diverse economy, including manufacturing, healthcare, education, and technology.



Known for its furniture industry, it's also a cultural hub with museums, galleries, and theaters. The city offers outdoor recreational opportunities and is home to several universities. Grand Rapids is renowned for its craft beer scene and healthcare facilities, making it a dynamic and livable city in the Midwest.

Kentwood, a suburban city southeast of Grand Rapids in Kent County, Michigan, offers a vibrant community with approximately 50,000 residents. Known for its family-friendly neighborhoods and excellent schools, Kentwood is a desirable place to live and work.

The city features a mix of residential areas, commercial districts, and recreational facilities, including parks and sports fields. Kentwood's diverse dining scene, shopping centers, and local businesses contribute to its thriving economy, offering residents a suburban lifestyle with easy access to both urban amenities and natural attractions.

## City Highlights

- ▶ **Downtown Grand Rapids:** Downtown Grand Rapids is home to numerous cultural institutions, including the Grand Rapids Art Museum, which features an impressive collection of contemporary and modern art
- ▶ **Festivals:** Held annually in downtown Grand Rapids, the Festival of the Arts is one of the largest all-volunteer arts festivals in the United States. It features performances, exhibits, food booths, and activities celebrating the local arts community
- ▶ **Heritage Hill Historic District:** This historic neighborhood is home to over 1,300 preserved buildings dating back to the 19th century. It's one of the largest urban historic districts in the country and offers guided walking tours to explore its beautiful Victorian-era architecture

Festival of the Arts



Water Activities



Downtown Grand Rapids





# MARKET OVERVIEW

## Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2027 Population	7	27,358	116,043
2022 Population	7	26,507	113,598
2010 Population	6	23,983	105,117
2000 Population	4	20,333	94,372

Households	1-Mile	3-Miles	5-Miles
2027 Households	6	12,194	45,582
2022 Households	6	11,802	44,433
2010 Households	5	10,644	40,840
2000 Households	4	9,150	36,291
2027 Owner Occupied Housing	87.6%	50.2%	64.9%
2027 Rent Occupied Housing	12.4%	49.8%	35.1%
2022 Owner Occupied Housing	87.5%	49.7%	64.7%
2022 Renter Occupied Housing	12.5%	50.3%	35.3%
2010 Owner Occupied Housing	87.2%	50.6%	65.2%
2010 Renter Occupied Housing	12.8%	49.4%	34.8%

Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$ 14,999	2.5%	7.9%	7.0%
\$ 15,000 - \$24,999	2.2%	10.9%	7.8%
\$ 25,000 - \$34,999	9.2%	11.7%	8.2%
\$ 35,000 - \$49,999	10.4%	12.4%	10.7%
\$ 50,000 - \$74,999	16.8%	18.4%	18.4%
\$ 75,000 - \$99,999	19.2%	12.1%	13.7%
\$100,000 - \$124,999	16.0%	9.0%	11.3%
\$125,000 - \$149,999	16.2%	5.8%	6.6%
\$150,000 - \$200,000	4.7%	5.9%	7.3%
\$200,000 to \$249,999	1.3%	2.4%	3.8%
\$250,000 +	1.5%	3.7%	5.3%
2022 Median Household Income	\$86,551	\$59,157	\$71,811
2022 Average Household Income	\$92,776	\$86,478	\$102,171



**\$102,171**

2022 AVERAGE HOUSEHOLD INCOME  
(5-MILE RADIUS)





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PRESENTED BY

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