NEW 20-YEAR LEASE
SINGLE TENANT NNN INVESTMENT

KALAMAZOO-PORTAGE MSA (ALLEGAN), MI

ACTUAL PHOTO OF THE SUBJECT PROPERTY

Marcus & Millichap
DUONG INVESTMENT GROUP

OFFERING MEMORANDUM

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Investment Highlights

Successful Store with a 7.5% Rent-to-Sales Ratio

New, 20-Year Wendy's Sale-Leaseback

Located Across from Allegan High School and Allegan Middle School

Prime Retail Location

- Highly-Trafficked Location Located on the Main Thoroughfare Through Town
- Limited Competition – This Wendy's is One of Only Four Drive-Thru Restaurants within a 10-Mile Radius
- Located on Main Retail Corridor in Close Proximity to Several Major Retailers such as NAPA Auto Parts, Taco Bell, AutoZone, Dollar General, Goodwill Store, Pizza Hut, Burger King, McDonald's, and Many More
- **Affluent Area with the Average Household Income Exceeding $84,000 within 5 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:	$2.246 Billion (2024)

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.otcmarkets.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:	$668.80 Million (2024)

MARKET OVERVIEW

Aerial Photo

FINANCIAL ANALYSIS

Offering Summary

Property Name	Wendy's
Property Address	1509 Lincoln Road Allegan, MI 49010
Assessor's Parcel Number	51-170-106-00
Year Built	2001
Gross Leasable Area (GLA)	±3,209 Square Feet
Lot Size	±1.29 Acres (±56,105 Square Feet)

Pricing

Price	$2,000,000
Cap Rate	6.50%

Annualized Operating Data

Gross Potential Rent	$130,000
Total Expenses	Absolute NNN
Net Operating Income	**$130,000**

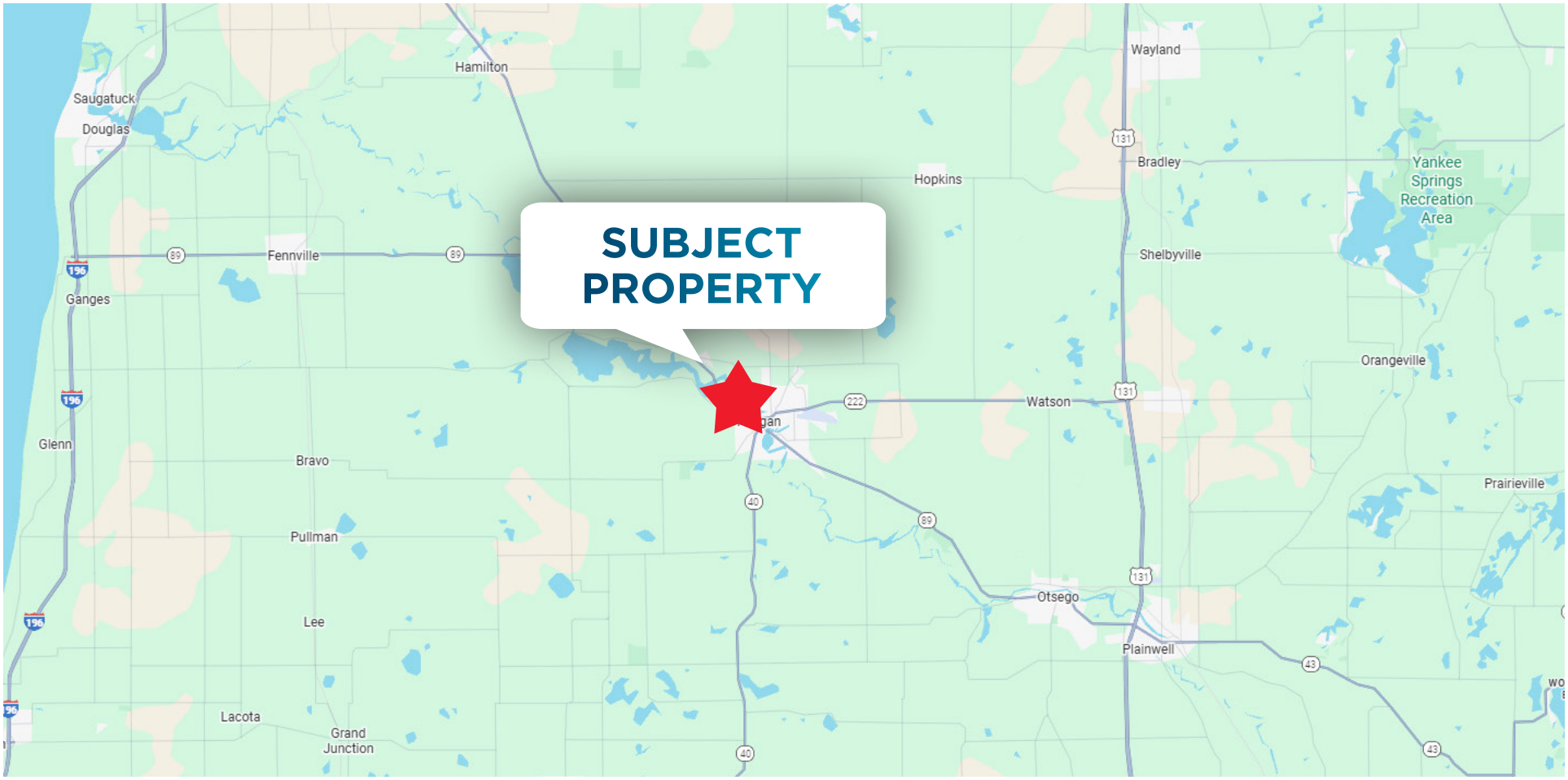
Lease Information

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

PROPERTY PHOTOS

MARKET OVERVIEW

Regional Map



STEPS AWAY

FROM ALLEGAN HIGH SCHOOL

±8 SCHOOL FAILITIES

AND ± 2,400 STUDENTS WITHIN A 1.5-MILE RADIUS

±27 MILES

TO DOWNTOWN KALAMAZOO, MI

±1 MILE

FROM ALLEGAN COUNTY FAIR

MARKET OVERVIEW

Kalamazoo-Portage MSA, Allegan, MI

The Kalamazoo–Portage MSA functions as a diversified regional economy anchored by healthcare, education, advanced manufacturing, logistics, and food processing. **The market benefits from a stable employment base supported by major corporate operators, regional medical systems, and higher education institutions,** providing consistent consumer demand across primary and secondary trade areas.

Allegan serves as a county seat community within the western portion of the MSA, benefiting from both localized demand and commuter connectivity to larger employment centers. Retail performance in the submarket is driven by daily-needs consumption, limited big-box saturation, and a reliance on convenience-oriented formats rather than discretionary retail. This dynamic supports durable tenancy for single-tenant and service-based retail assets.

Allegan's residential and community infrastructure continues to strengthen with significant local developments. **The new Allegan Elementary School, scheduled to open in 2026, will consolidate multiple existing facilities into a modern campus,** enhancing the area's appeal to families and supporting sustained property demand. Nearby, the River Ridge residential community reflects the submarket's ongoing housing growth and planned development. **The Allegan County Fairgrounds, recognized by USA Today as one of Michigan's most visited fairs**, contributes to local commerce and regional draw, further reinforcing the community's lifestyle and investment attractiveness.

Demographics

Income & Economics	1-Mile	3-Mile	5-Mile
Average Household Income	$80,666	$81,084	$84,010
Average Home Value	$171,485	$174,815	$184,849
2024 Daytime Population	3,978	11,951	15,012
Population			
2029 Population	3,112	9,399	13,609
2024 Population	3,065	9,290	13,473
2010 Population	3,057	8,769	12,735
Households			
2029 Households	1,209	3,753	5,436
2024 Households	1,189	3,694	5,360
2010 Households	1,123	3,407	4,985

Nearby Attractions
(+Proximity to Subject Property)

ALLEGAN COUNTRY FAIR

ALLEGAN HIGH SCHOOL

L.E. WHITE MIDDLE SCHOOL

ALLEGAN ELEMENTARY DEV.

RIVER RIDGE DEV.

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