



WENDY'S

2141 OLD US 27 RD., GRAYLING, MI 49738

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 FORTIS NET LEASE™



INVESTMENT SUMMARY

List Price:	\$1,575,000
Current NOI:	\$89,868.00
Initial Cap Rate:	5.71%
Land Acreage:	2.3
Year Built	1979
Building Size:	2,418 SF
Price PSF:	\$651.36
Lease Type:	NNN
Lease Term:	15 years

INVESTMENT OFFERING

Fortis Net Lease is pleased to present this Wendy's Restaurant located at 2141 Old US 27 Road in Grayling, Michigan. There is a fifteen year triple net lease in place with 1.5 percent annual increases. The lease has four, five year options with 1.5 percent rent bumps at each option as well.

The subject property is located on Old US 27, a busy retail corridor that runs through the city of Grayling. Nearby retailers include O'Reilly Auto Parts, Save A Lot, Dollar Tree, Family Fare Supermarket, NAPA Auto Parts, Walgreens, and Ace Hardware.

*Tenant has right of first refusal.



PRICE \$1,575,000



CAP RATE 5.71%



LEASE TYPE NNN



TERM REMAINING 14+ years

INVESTMENT HIGHLIGHTS

- 2,418 SF Wendy's Restaurant with Drive Thru on 2.3 Acres
- TEAM Schostak Family Restaurants Currently Operate 150+ Restaurants (Del Taco, Wendy's, MOD Pizza, Applebee's and Olga's Kitchen)
- 15 Year Triple Net Lease with 1.5% Annual Rent Increases
- Four, Five Year Options
- 10 Mile Annual Income Exceeds \$47,000

FINANCIAL SUMMARY

INCOME		PER SF
Gross Income	\$89,868.00	\$37.17
EXPENSE		PER SF
Gross Expenses	-	-
NET OPERATING INCOME	\$89,868.00	\$37.17

PROPERTY SUMMARY

Year Built:	1979
Lot Size:	2.3 Acres
Building Size:	2,418 SF
Zoning:	Commercial
Construction Style:	Prototype
# of Parking Spaces	50

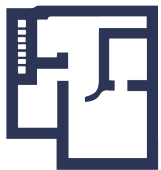
LEASE SUMMARY

Tenant:	Wendy's
Lease Type:	NNN
Primary Lease Term:	15 years
Annual Rent:	\$89,868.00
Rent PSF:	\$37.17
Taxes, Insurance & CAM:	Tenant
Lease Start Date:	January 1, 2020
Lease Expiration Date:	December 31, 2034
Lease Term Remaining:	14+ years
Rent Bumps:	1.5% annual increases
Renewal Options:	Four, 5 year options
Lease Guarantor:	Franchisee Guarantee - 56 Unit Operator
Tenant Website:	www.wendys.com



UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	ESC DATE	RENT PER SF/YR
2,418	1/1/2020	12/31/2034	\$89,868.00	100.0	1/1/2021	\$37.17
			\$91,216.02		1/1/2022	\$37.72
			\$92,584.26		1/1/2023	\$38.29
			\$93,973.02		1/1/2024	\$38.86
			\$95,382.62		1/1/2025	\$39.45
			\$96,813.36		1/1/2026	\$40.04
			\$98,265.56		1/1/2027	\$40.64
			\$99,739.54		1/1/2028	\$41.25
			\$101,235.64		1/1/2029	\$41.87
			\$102,754.17		1/1/2030	\$42.50
			\$104,295.48		1/1/2031	\$43.13
			\$105,859.92		1/1/2032	\$43.78
			\$107,447.81		1/1/2033	\$44.44
			\$109,059.53		1/1/2034	\$45.10
		\$45.78				

2,418	\$89,868.00	\$ 37.17
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TOTAL SF
2,418



TOTAL ANNUAL RENT
\$89,868.00



OCCUPANCY RATE
100.0%



AVERAGE RENT/SF
\$ 41.33



NUMBER OF TENANTS
1



OVERVIEW

Company:	Wendy's
Founded:	1969
Total Revenue:	\$1.69B
Number Of Locations:	6,711
Headquarters:	Dublin, OH
Website:	www.wendys.com

TENANT HIGHLIGHTS

- Third Largest Quick-Service Hamburger Company in The World
- Amazon and Recession Resistant Tenant
- 2018 Global System Sales Growth of 2.5% to \$10.5B
- Continued Global Expansion with 159 restaurants opened in 2018
- Returned \$350M Of Cash To Shareholders In 2018

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP
Current	\$89,868.00	\$7,489.00	1.5% Annual Increases
Four, Five Year Options			

COMPANY PROFILE

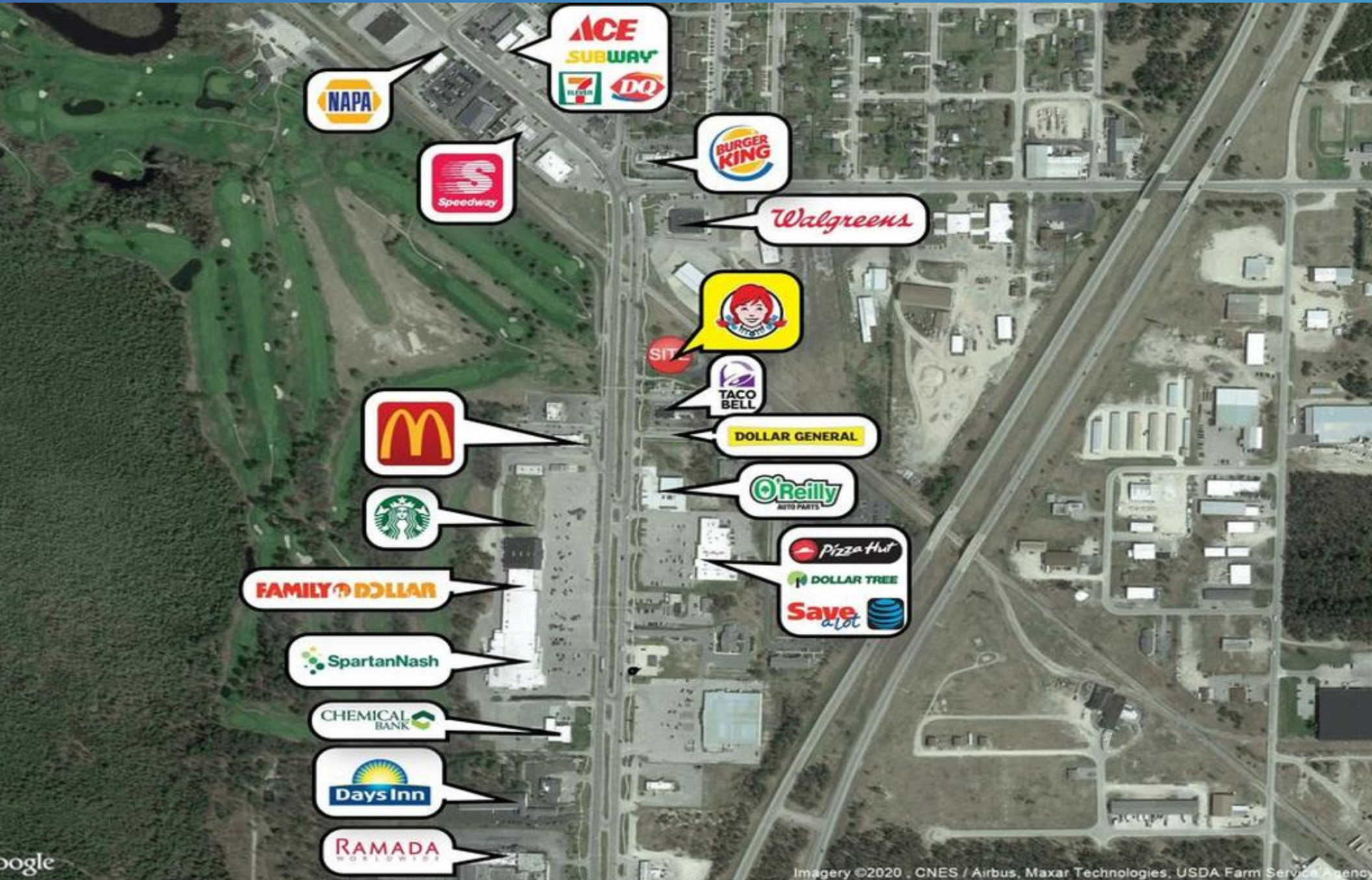
Wendy's is an American international fast food restaurant chain founded by Dave Thomas on November 15, 1969, in Columbus, Ohio. The company moved its headquarters to Dublin, Ohio, on January 29, 2006. As of December 31, 2018, Wendy's was the world's third largest hamburger fast food chain with 6,711 locations, following Burger King and McDonald's.

As of December 31, 2018, there were a total of 6,711 locations, including 353 that are company-owned. 6,358 restaurants are franchised. The chain is known for its square hamburgers, sea salt fries, and their signature Frosty, a form of soft serve ice cream mixed with frozen starches. Wendy's menu consists primarily of hamburgers, chicken sandwiches, French fries, and beverages such as the Frosty. Wendy's has continued to exhibit robust growth with 159 restaurants opened in 2018 and \$350M of cash returned to shareholders.

FRANCHISEE BACKGROUND

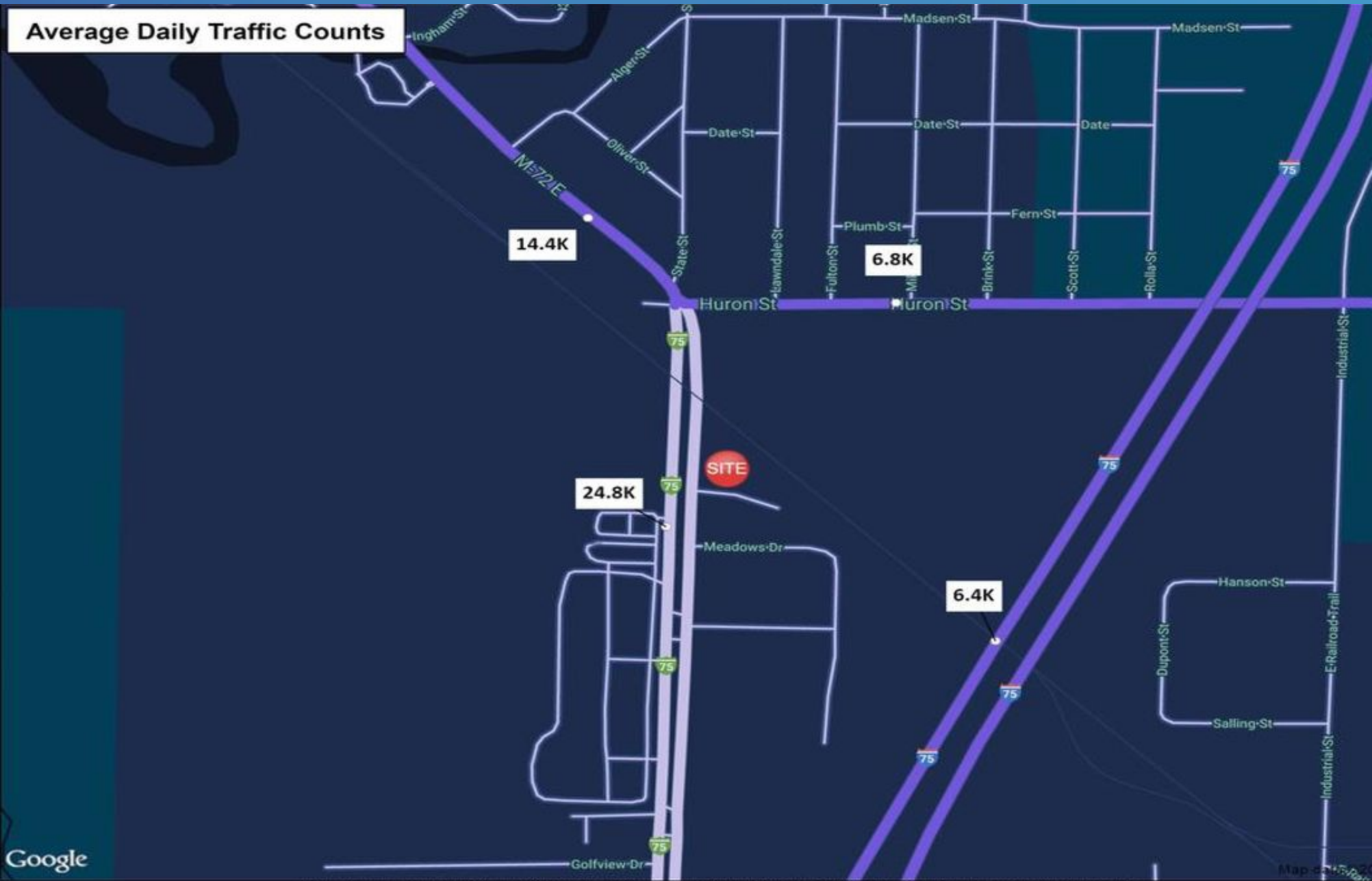
The Schostak family has had a footprint in Michigan for nearly 100 years. Since 1920, the company's activities have included real estate development, acquisitions and leasing of retail, office, industrial, residential and mixed use projects. The fourth generation family based business operates commercial properties in states throughout the Midwest as a full-service real estate development, management, leasing and consulting company. In the early '80's, the family began as a franchisee and now operates over 150 restaurants across these brands: Del Taco, MOD Pizza, Wendy's, Applebee's and Olga's Kitchen.

In July 2005, TEAM Schostak Family Restaurants introduced Michigan to Del Taco and have been recognized by Del Taco Corp. as Franchisee of the Year on multiple occasions. Currently, they are looking to expand Del Taco throughout Michigan and have plans to open 12 more locations with 3 more coming online in 2019.



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Average Daily Traffic Counts

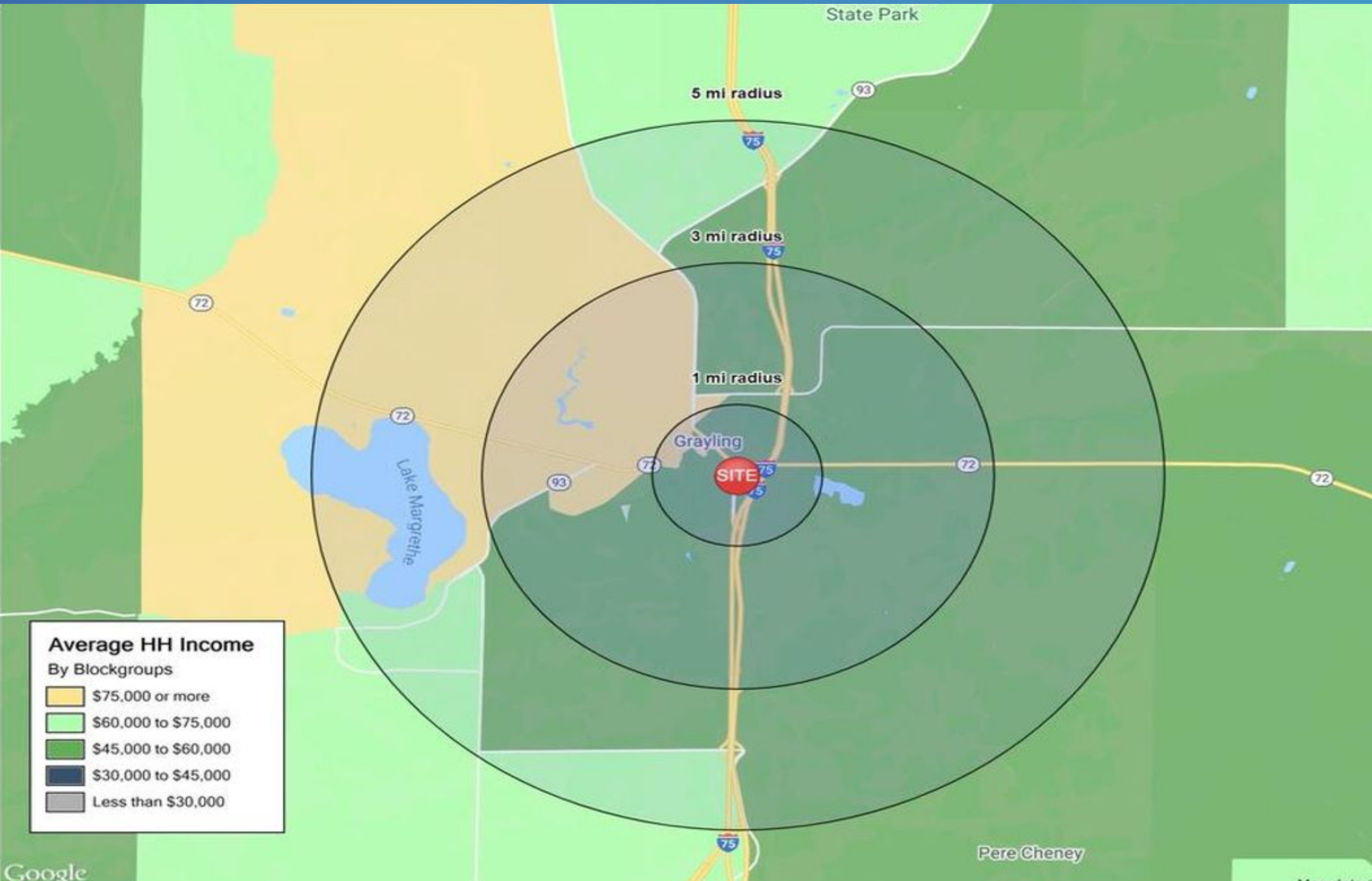


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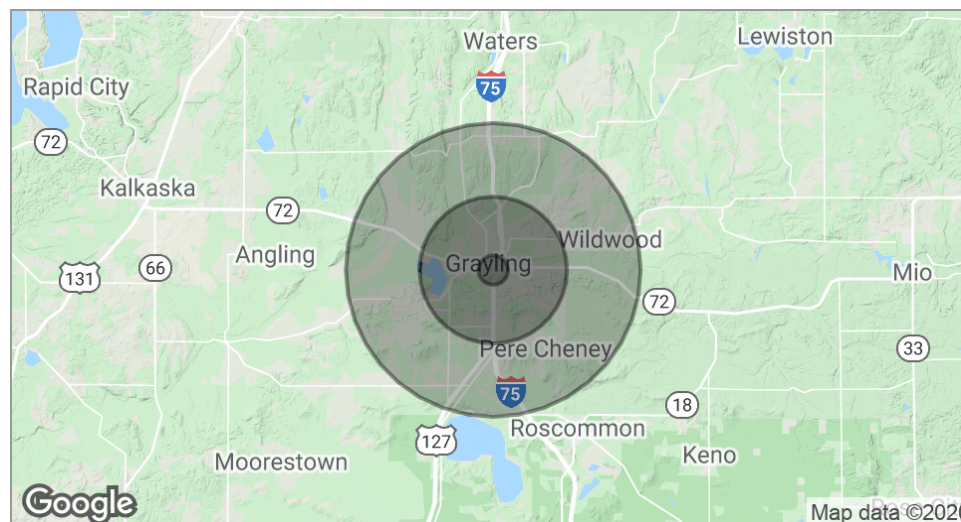


Wendy's



POPULATION	1 MILE	5 MILES	10 MILES
Total Population 2020	1,727	6,062	10,596
Total Population 2025	1,727	6,060	10,619
Average Age	41.2	43.4	44.8
# Of Persons Per HH	2.3	2.4	2.3
HOUSEHOLDS & INCOME	1 MILE	5 MILES	10 MILES
Total Households	705	2,502	4,448
Average HH Income	\$44,526	\$54,201	\$55,799
Median House Value	\$77,935	\$98,094	\$102,117
Consumer Spending (Thousands)	13,175	52,867	96,239

Grayling is a city in Michigan and the county seat of Crawford County. Grayling is surrounded by Grayling Township. It is located in the middle of Northern Michigan. The highways (I-75, US 127, M-72, and M-93) make it the natural 'gateway' to much of "up north," as it is known to locals and many visitors. Grayling is perhaps most famous for hosting the Au Sable River Canoe Marathon in July of every year since 1947. The city is named after the grayling species of fish once abundant in the Au Sable River, although the species has long since been extinct in the area. Year round, Grayling offers casual adventures for outdoor enthusiasts. Enjoy biking, hiking, golfing, disc golfing, canoeing, kayaking, and fishing on the AuSable and Manistee Rivers as well as endangered Kirtland's Warbler tours, geocaching, and historical sites. In the winter, snowtubing, snowboarding, and downhill skiing as well as numerous groomed or ungroomed trails for cross country skiing and snowmobiling are all available. 70% of the land in Crawford County is owned by either the State or Federal government, allowing public access to literally thousands of acres.



FNL

TOTAL SALES VOLUME

\$6B

PROPERTIES SOLD

3,000+

BROKER & BUYER REACH

345K

STATES SOLD IN

43

Click to Meet Team Fortis

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