Wendy’s
1908 W. Main Street, Norman, OK 73069
OFFERING MEMORANDUM
This Offering Memorandum contains select information pertaining to the business and affairs of Wendy’s located at 1908 W Main St, Norman, OK 73069 (“Property”). It has been prepared by Matthews Retail Advisors. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Retail Advisors. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Retail Advisors expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Retail Advisors or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.
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INVESTMENT HIGHLIGHTS

PROPERTY DETAILS
- Over 11 years remaining on the base lease - Ideal for 1031 exchanges
- Rare 2% annual rental increases - Strong hedge against inflation
- Absolute NNN - Zero landlord responsibilities
- Established location - In operation for over 40 years

LOCATION
- Ideally positioned along the main retail corridor - Main Street
- Less than two miles from the campus of The University of Oklahoma
- Strong demographics - over 105,000+ within a 5 mile radius
- Above average HH incomes - $68,516 within a 5 mile radius

TENANT
- Operated by Meritage Hospitality Group Inc., one of the largest Wendy’s franchisees with 183 restaurants in 8 states
- Meritage recently acquired 18 Wendy’s restaurants in the Oklahoma City area, including this location, under Wen Oklahoma, LLC
- The company’s system wide Sales and Net Earnings have increased 15.7% and 31.1% from the same period last year respectively
- Meritage Hospitality has shown a strong commitment to the Wendy’s brand, invoking the Image Activation building remodel when necessary
**EXECUTIVE SUMMARY**

1908 W. Main Street  
Norman, OK 73069

- **List Price**: $2,257,395
- **Gross Leasable Area**: 2,529 SF
- **CAP Rate - Current**: 6.75%
- **Year Built**: 1976
- **Lot Size**: ± 0.83 Acres (36,155 SF)

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**ANNUALIZED OPERATING DATA**

<table>
<thead>
<tr>
<th>Period</th>
<th>Monthly Rent</th>
<th>Annual Rent</th>
<th>Increases</th>
<th>CAP Rate</th>
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<tbody>
<tr>
<td>10/23/16 - 10/22/17</td>
<td>$12,697.85</td>
<td>$152,374.20</td>
<td>2%</td>
<td>6.75%</td>
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<td>10/23/17 - 10/22/18</td>
<td>$12,951.80</td>
<td>$155,421.68</td>
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<td>6.88%</td>
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<td>10/23/18 - 10/22/19</td>
<td>$13,210.84</td>
<td>$158,530.11</td>
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<td>7.02%</td>
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<td>10/23/19 - 10/22/20</td>
<td>$13,475.06</td>
<td>$161,700.72</td>
<td>2%</td>
<td>7.16%</td>
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<td>10/23/20 - 10/22/21</td>
<td>$13,744.56</td>
<td>$164,934.73</td>
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<td>7.30%</td>
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<tr>
<td>10/23/21 - 10/22/22</td>
<td>$14,019.45</td>
<td>$168,233.42</td>
<td>2%</td>
<td>7.45%</td>
</tr>
</tbody>
</table>

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**TENANT SUMMARY**

- **Tenant Trade Name**: Wendy’s
- **Type of Ownership**: Fee Simple
- **Lease Guarantor**: Franchisee
- **Lease Type**: NNN
- **Roof and Structure**: Tenant Responsible
- **Original Lease Term**: 20 years
- **Lease Commencement Date**: October 23, 2007
- **Lease Expiration Date**: October 22, 2027
- **Term Remaining on Lease**: 11+ years
- **Increases**: 2% Annually
- **Options**: 2 (10) Year
The Wendy's Company, through its subsidiaries, operates as a quick-service restaurant company in the hamburger sandwich segment worldwide. It is involved in operating, developing, and franchising a system of quick-service restaurants. The Wendy's company is the #2 hamburger chain in the US. The company's restaurants offer a range of chicken breast sandwiches, chicken nuggets, chili, French fries, baked potatoes, salads, soft drinks, Frosty desserts, and kids’ meals. As of August 10, 2016, its restaurant system included approximately 6,500 franchise and company-operated restaurants. The Wendy's Company was formerly known as Wendy's/Arby's Group, Inc. and changed its name to The Wendy's Company in July 2011. The company was founded in 1969 and is headquartered in Dublin, Ohio. In 2014, the company was purchased by Global Food Retail Group for about $10 million.

Source: Yahoo! Finance

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Wendy’s</th>
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<tbody>
<tr>
<td>Property Type</td>
<td>Net Leased Quick Service Restaurant</td>
</tr>
<tr>
<td>Parent Company Trade Name</td>
<td>The Wendy’s Company</td>
</tr>
<tr>
<td>Ownership</td>
<td>Public</td>
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<tr>
<td>Credit Rating</td>
<td>B+</td>
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<tr>
<td>Rating Agency</td>
<td>Standard &amp; Poor’s</td>
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<tr>
<td>Revenue</td>
<td>$1.87 B</td>
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<td>Net Income</td>
<td>$161.14 M</td>
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<tr>
<td>Stock Symbol</td>
<td>WEN</td>
</tr>
<tr>
<td>Board</td>
<td>NASDAQ</td>
</tr>
<tr>
<td>No. of Locations</td>
<td>± 6,500</td>
</tr>
<tr>
<td>No. of Employees (All)</td>
<td>± 21,200</td>
</tr>
<tr>
<td>Headquartered</td>
<td>Dublin, Ohio</td>
</tr>
<tr>
<td>Web Site</td>
<td><a href="http://www.wendys.com">www.wendys.com</a></td>
</tr>
<tr>
<td>Year Founded</td>
<td>1969</td>
</tr>
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</table>
THE OFFERING
Property Name ............................................ Wendy’s
Property Address ................................. 1908 W. Main Street
Norman, OK 73069
Assessor’s Parcel Number ................. .R0023554
Zoning. .................................................. C-2

SITE DESCRIPTION
Number of Stories ................................. One
Year Built .............................................. 1976
Gross Leasable Area (GLA) ................. 2,529 SF
Lot Size .................................................. ± 0.83 Acres (36,155 SF)
Type of Ownership. .............................. Fee Simple
Parking ............................................... ± 50 Surface Spaces
Parking Ratio ........................................ .19 : 1,000 SF
Landscaping .......................................... Professional
Topography .......................................... Generally Level

CONSTRUCTION
Foundation ......................................... Concrete Slab
Framing ................................................. Wood
Exterior .................................................. Brick
Parking Surface ..................................... Asphalt
Roof ....................................................... Pitched
## Demographics Report

### Population

<table>
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<tr>
<th></th>
<th>1-Mile</th>
<th>3-Mile</th>
<th>5-Mile</th>
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<tbody>
<tr>
<td>2021 Projection</td>
<td>10,841</td>
<td>68,868</td>
<td>111,700</td>
</tr>
<tr>
<td>2016 Estimate</td>
<td>10,928</td>
<td>67,807</td>
<td>107,422</td>
</tr>
<tr>
<td>2010 Census</td>
<td>11,200</td>
<td>66,920</td>
<td>101,599</td>
</tr>
<tr>
<td>2000 Census</td>
<td>11,142</td>
<td>62,909</td>
<td>87,425</td>
</tr>
<tr>
<td>Growth 2016-2021</td>
<td>-0.80%</td>
<td>1.57%</td>
<td>3.98%</td>
</tr>
<tr>
<td>Growth 2010-2016</td>
<td>-2.43%</td>
<td>1.33%</td>
<td>5.73%</td>
</tr>
<tr>
<td>Growth 2000-2010</td>
<td>0.52%</td>
<td>6.38%</td>
<td>16.21%</td>
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### Households

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<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>5,007</td>
<td>5,014</td>
<td>5,074</td>
<td>5,111</td>
<td>-0.14%</td>
<td>-1.19%</td>
<td>-0.72%</td>
</tr>
<tr>
<td></td>
<td>28,587</td>
<td>27,969</td>
<td>27,260</td>
<td>26,005</td>
<td>2.21%</td>
<td>2.60%</td>
<td>4.83%</td>
</tr>
<tr>
<td></td>
<td>45,786</td>
<td>43,885</td>
<td>41,094</td>
<td>35,734</td>
<td>4.33%</td>
<td>6.79%</td>
<td>15.00%</td>
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</table>

### Income

<table>
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<tbody>
<tr>
<td>$0 - $15,000</td>
<td>13.77%</td>
<td>15.89%</td>
</tr>
<tr>
<td>$15,000 - $24,999</td>
<td>10.74%</td>
<td>11.75%</td>
</tr>
<tr>
<td>$25,000 - $34,999</td>
<td>12.93%</td>
<td>11.00%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>14.73%</td>
<td>14.32%</td>
</tr>
<tr>
<td>$50,000 - $74,999</td>
<td>18.91%</td>
<td>17.26%</td>
</tr>
<tr>
<td>$75,000 - $99,999</td>
<td>12.22%</td>
<td>10.47%</td>
</tr>
<tr>
<td>$100,000 - $124,999</td>
<td>7.93%</td>
<td>6.46%</td>
</tr>
<tr>
<td>$125,000 - $149,999</td>
<td>3.73%</td>
<td>4.15%</td>
</tr>
<tr>
<td>$150,000 - $199,999</td>
<td>2.49%</td>
<td>4.50%</td>
</tr>
<tr>
<td>$200,000 - $249,999</td>
<td>1.03%</td>
<td>1.80%</td>
</tr>
<tr>
<td>$250,000 - $499,999</td>
<td>1.22%</td>
<td>1.87%</td>
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<tr>
<td>$500,000+</td>
<td>0.30%</td>
<td>0.54%</td>
</tr>
</tbody>
</table>

2016 Est. Average Household Income: $62,084, $66,556, $68,516
2016 Est. Median Household Income: $47,797, $46,897, $49,656
City Overview

NORMAN, OK

Norman is a city in Oklahoma, 20 miles south of downtown Oklahoma City and is in the Oklahoma City Metropolitan Statistical Area. Norman is perfectly positioned for state, regional, and national commerce. Norman’s estimated population is 120,000 making it the third-largest city in Oklahoma.

Norman has a great business climate and low operating costs continues to attract new businesses and has induced existing businesses to expand within the city. Notable examples of new and recently expanding businesses include: Agio Technology, Cimarron Energy, Evans Enterprises, Hitachi Computer Products, and NextThought.

THE UNIVERSITY OF OKLAHOMA

Economically the city has prominent higher education and related research industries, as it is home to the University of Oklahoma, the largest university in the state, with approximately 30,000 students enrolled. The Princeton Review has named the university one of its “Best Value” colleges. The school is ranked first per capita among public universities in enrollment of National Merit Scholars. The university is well known for its sporting events by teams under the banner of the nickname “Sooners,” with over 85,000 people routinely attending football games. The university is home to several museums, including Fred Jones Jr. Museum of Art, which contains the largest collection of French impressionist art ever given to an American university, as well as the Oklahoma Museum of Natural History.

The University of Oklahoma employs over 10,700 personnel across three campuses, making it a significant driver of Norman’s economy. The estimated wage and salary income generated in the 2015 Fiscal Year had a $606 million dollar impact on the regional economy. The campus is a center for scientific and technological research, having contributed over $277 million to such programs in 2009.

NORMAN, OK

Oklahoma City, the capital and largest city in the state, is a major center for the oil industry and related manufacturing. The city has recently undergone a major renaissance, particularly in its downtown areas funded in part by a well-supported sales tax initiative. Downtown is now clean and modern with unusually attractive parks and a nicely restored “Bricktown” historic residential and entertainment district with a canal and promenade. the area also has a noted zoo and science museum and the Thunder NBA team.
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