



3201 PEOPLES ST

Johnson City, TN 37604

Prime Retail Corridor
Minutes from University
Offering Memorandum



MATTHEWS™

EXCLUSIVELY LISTED BY



Michael Tamir

Associate

(646) 921-9713 direct

(917) 767-3997 cell

michael.tamir@matthews.com

License No. 10401388321 (NY)



Kevin Puder

Vice President

(949) 777-5987 direct

(562) 841-1789 cell

kevin.puder@matthews.com

License No. 01949749 (CA)



Chad Kurz

EVP & Managing Director

(949) 662-2252 direct

(562) 480-2937 cell

chad.kurz@matthews.com

License No. 01911198 (CA)

Hutt Cooke

Broker of Record

Broker Lic. No.: 356505 (TN)

Firm Lic. No.: 263667 (TN)

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PROPERTY OVERVIEW

Wendy's

3201 Peoples St, Johnson City, TN 37604



INVESTMENT HIGHLIGHTS

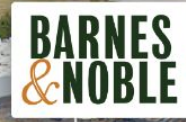
Property Highlights

- **Long-Term Absolute NNN Lease** – The property is secured by an Absolute Triple-Net (NNN) lease, providing passive ownership.
- **24+ Years of Remaining Term** – The lease extends through December 31, 2050, delivering durable, long-term income stability.
- **Institutional Scale Franchisee** – Recently assigned to a 140+ unit Wendy's operator with over \$300M in system-wide revenue, representing a significant upgrade in tenant credit and operational scale.
- **High Foot Traffic** - Ranks in the top 13% in terms of foot traffic when compared to all Wendy's nationally, according to Alpha Maps.
- **Structured Rental Increases** – Base rent increases 7.5% every five years throughout the initial term and across all four 5-year renewal options, ensuring consistent income growth and inflation protection.
- **Attractive In-Place Yield with Upside** – Offered at a 5.50% cap rate on \$139,750 NOI, the investment benefits from contractual rent escalations that drive yield above 7% during the initial term.
- **High-Traffic Retail Corridor** – Strategically positioned just off I-26 / U.S. Route 23, the site benefits from more than 184,000 combined vehicles per day along surrounding roadways.
- **Prime Retail Location** – Located 2 miles from The Mall at Johnson City, 4 miles from East Tennessee State University, and 3.5 miles from Johnson City Medical Center, the property is surrounded by strong retail, education, and healthcare drivers.
- **Strong Area Demographics** – Average household income exceeds \$104,801 within a 1-mile radius, supported by steady projected population growth.
- **Experienced Regional Operator** – Operated by Tri-Cities Restaurant Group, LLC, an established franchisee with approximately 17 Wendy's locations, serving as lease guarantor and providing seasoned operational expertise.
- **Modern Construction & Recent Renovation** – Originally built in 2010 and renovated in 2020, the property offers modern improvements and limited near-term capital expenditure requirements.





INTERSTATE 26 ± 64,200 VPD



381



± 28,000 VPD



Peoples St



FOOD CITY

SHOPPES AT FRANKLIN

Walmart
Supercenter

FOOD LION

KIA **CHEVROLET** **GMC**
NISSAN **HARLEY-DAVIDSON** **Cadillac** **BUICK**



sam's club

AMERICAN CENTER

Goodwill
OLLIE'S OUTLET
Bargain
"GOOD STUFF CHEAP"

MULLICAN
— HARDWOOD FLOORING —

JOHNSON CITY CROSSING

Michaels **ROSS** **OLD NAVY**
DRESS FOR LESS
PET SMART **FIVE BEL'OW** **THE HOME DEPOT**

at home
The Home Depot Signature
HOBBY LOBBY **Guitar Center**

SUNSET PLAZA

Kroger Gabe's

JOHNSON CITY MARKETPLACE

KOHL'S **LOWE'S** **ASHLEY**

Wendy's
Subject Property

JOHNSON CITY MARKET

TARGET **BAM!**
T.J. maxx **BOOKS-A-MILLION**

NORTHERN
TOOL + EQUIPMENT

BEST BUY

HAMILTON PLACE TOWN CENTER

Academy **planet fitness**
SPORTS+OUTDOORS

ROAN CENTER

AMC

JOHNSON CITY MARKET

belk **HomeGoods**
JCPenney **J.CREW**

+ **FRANKLIN WOODS COMMUNITY HOSPITAL**
80 BEDS

FOOD CITY

MARKETS WEST AT FRANKLIN

Publix

ALDI
Advance Auto Parts

+ **JAMES H. QUILLEN VA MEDICAL CENTER**
420 BEDS

IGA **DOLLAR TREE**

± 25,000 VPD

MILLIGAN
UNIVERSITY
±1,200 STUDENTS

SHOPPES AT WEST MARKET

Walmart
Supercenter **DOLLAR TREE**

INNOVATION PARK PLAZA

THE FRESH MARKET

EARTH FARE
HEALTHY FOOD FOR EVERYONE

EAST TENNESSEE STATE UNIVERSITY
±14,000 STUDENTS

+ **JOHNSON CITY MEDICAL CENTER**
445 BEDS

Google Earth

PERFORMANCE
FOODSERVICE

3201 Peoples St
Johnson City, TN 37604

±3,120 SF
GLA

2010
Year Built

±28,000
Vehicles Per Day

NNN
Lease Type

24 Years
Term Remaining



FINANCIAL OVERVIEW

Wendy's

3201 Peoples St, Johnson City, TN 37604



FINANCIAL SUMMARY

\$2,540,909

List Price

5.50%

Cap Rate

24 Years

Term Remaining

±1.85 AC

Lot Size

Property Details

Tenant Name	Wendy's
Lease Guarantor	M&J Restaurants, Inc
Lease Type	NNN
Original Lease Term	31
Lease Commencement Date	11/1/2019
Lease Expiration Date	12/31/2050
Term Remaining on Lease	±24 Years
Options	Four, 5-Year Options
Increases	7.5% Every 5 Years

Monthly Rent	Annual Rent	Cap Rate
\$11,646	\$139,750	5.50%
Scheduled Rent Growth		
Current Rent (2026–2030): \$139,750 (5.25% Cap)		
2031–2035: \$200,629 (7.54% Cap)		
2036–2040: \$215,676 (8.10% Cap)		
2041–2045: \$231,852 (8.71% Cap)		
2046–2050: \$249,241 (9.36% Cap)		



JOHNSON CITY, TN



Local Market Overview

Johnson City, Tennessee continues to demonstrate steady growth and resilience, supported by a diverse economic base, expanding healthcare and education sectors, and sustained residential development. Positioned in the heart of the Tri-Cities region, Johnson City benefits from strong regional connectivity, quality-of-life appeal, and a business-friendly environment that attracts both new residents and employers.

The local economy is anchored by major institutions including East Tennessee State University and Ballad Health, which provide employment stability and consistent demand for housing, retail, and services. Ongoing infrastructure improvements and commercial development projects are further strengthening the area’s long-term outlook. Retail corridors along North Roan Street and the revitalized downtown district continue to experience investment and increased consumer activity.

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	35,588	84,826	171,715
Current Year Estimate	34,599	83,036	167,300
2020 Census	33,019	79,282	159,852
Growth Current Year-Five-Year	2.86%	2.16%	2.64%
Growth 2020-Current Year	4.79%	4.74%	4.66%
Households	3-Mile	5-Mile	10-Mile
Five-Year Projection	16,601	37,234	74,687
Current Year Estimate	15,798	35,684	71,669
2020 Census	14,652	33,425	67,172
Growth Current Year-Five-Year	5.08%	4.34%	4.21%
Growth 2020-Current Year	7.82%	6.76%	6.69%
Income	3-Mile	5-Mile	10-Mile
Average Household Income	\$104,801	\$95,185	\$94,522

TENANT OVERVIEW

Year Founded
1969

Headquarters
Dublin, Ohio

Ownership Status
Public

Employees
200,000

Locations
7,000

Credit Rating
BB+ (S&P)

Annual Revenue
\$2.2 Billion



Tenant Overview

Wendy's is one of the largest quick-service restaurant chains in the world, known for its made-to-order square hamburgers, fresh ingredients, and signature Frosty desserts. Headquartered in Dublin, Ohio, the company operates and franchises thousands of restaurants across the United States and internationally.

Wendy's focuses on quality, innovation, and customer satisfaction, maintaining a strong and consistent brand presence in the fast-food industry.

Why Invest in Wendy's?

- **Financial Resilience:** Steady revenue growth and strong profitability across company-owned and franchised restaurants, with annual systemwide sales exceeding \$12 billion.
- **Extensive Operational Scale:** Over 7,000 restaurants worldwide, supported by a proven franchise model that drives efficiency and expansion.
- **Credit Stability:** Solid BB+ S&P rating, reflecting consistent cash flow and improving leverage metrics.
- **Growth Through Innovation:** Expanding with new "Global Next Gen" restaurant designs focused on drive-thru and digital ordering efficiency.
- **Strong Brand Position:** A trusted quick-service leader known for quality, innovation, and value, strengthened by digital and delivery partnerships.

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 3201 Peoples St, Johnson City, TN, 37604 ("Property"). The 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™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

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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 Owner or Matthews™. 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 of this Offering Memorandum.

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