



FILE PHOTO

**EXCLUSIVE OFFERING** | \$2,218,000 – 5.50% CAP  
**STARBUCKS – CORPORATE NET LEASE**



121 S ELECTRIC RD, SALEM, VA

214.915.8890

**RUSSELL SMITH**  
 rsmith@trivanta.com  
**BOB MOORHEAD**  
 bob@trivanta.com

**Property.** 3,077± SF building on ±0.76 acres. **Relocated Starbucks:** From high performing non drive-thru café store to new drive-thru location.

**Tenant.** Starbucks Corporation | FY 2018 financials: \$24.7 billion in revenue and \$4.5 billion in net income | Over 29,000 locations worldwide.

**Lease structure.** New 10-year, corporate net lease with 10% rent increases every 5 years in primary term and option periods.

**Location.** Starbucks is strategically located along Electric Rd. (21,000 VPD), in near its intersection with Main St. (16,000 VPD), in Salem, VA. This site will benefit as it is a relocation of a high performing café to a new drive-thru location, which will capture heavy traffic along the local commercial corridors. Additionally, the subject property is in close proximity to several economic drivers including American National University – Salem, VA (1,337 students), Salem Football Stadium (7,157 seats), and Haley Toyota Field (6,300 seats), home of the Boston Red Sox A-affiliate team the Salem Red Sox. The subject property is located at the front parcel of Lakeside Plaza, a 83,000 SF Kroger anchored shopping center that contains national credit tenants such as CVS, IHOP, McDonald's, Subway, Great Clips, AT&T, and GNC. Other tenants in the trade area include Goodwill, Quick Lane, Hardee's, and more. Starbucks is located approximately 7-miles from downtown Roanoke, VA.

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**DISCLAIMER**

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**Virginia Broker of Record:**  
**Hunt Gunter – The Wilton Companies | License#: 22516590**

121 S ELECTRIC RD, SALEM, VA

PRICE   CAP RATE:	\$2,218,000   5.50%
NET OPERATING INCOME:	\$122,000
BUILDING AREA:	3,077± Square Feet
LAND AREA:	0.76± Acres
YEAR BUILT   RENOVATED:	1989   2019
LANDLORD RESPONSIBILITY:	Roof, Structure, & Parking Lot
OWNERSHIP:	Fee Simple Interest
OCCUPANCY:	100%

LEASE OVERVIEW

Lease Term:	10-Years, Plus (4), 5-Year Options to Extend
Projected Rent Commencement:	April 2019
Projected Lease Expiration:	April 2029
Lease Type:	Corporate Net Lease
Rent Increases:	10% Every 5 Years In Primary Term & Options
Annual Rent Yrs 1-5:	\$122,000
Annual Rent Yrs 6-10:	\$134,200
Option 1   Yrs 11-15:	\$147,620
Option 2   Yrs 16-20:	\$162,382
Option 3   Yrs 21-25:	\$178,620
Option 4   Yrs 26-30:	\$196,482

TENANT OVERVIEW

Starbucks Corporation, a Washington Corporation.

**STARBUCKS | [www.starbucks.com](http://www.starbucks.com) | NASDAQ: SBUX**

Starbucks Corporation is an international coffee and coffeehouse chain based in Seattle, Washington, United States. Starbucks is the largest coffeehouse company in the world, with over 29,000 stores globally, including over 14,500 in the United States, followed by over 3,500 in China and more than 1,500 in Canada. Starbucks sells drip brewed coffee, espresso-based hot drinks, other hot and cold drinks, snacks, and items such as mugs and coffee beans. Through the Starbucks Entertainment division and Hear Music brand, the company also markets books, music, and film. Many of the company's products are seasonal or specific to the locality of the store. Starbucks-brand ice cream and coffee are also offered at grocery stores.

Starbucks retail stores are located in high-traffic, high-visibility locations. Its stores are located in or near a variety of settings, including downtown and suburban retail centers, office buildings and university campuses.

The Company sells whole bean and ground coffees, including the Starbucks and Seattle's Best Coffee brands, as well as a selection of premium Tazo teas, VIA and other related products, to institutional foodservice companies that service business and industry, education, healthcare, office coffee distributors, hotels, restaurants, airlines and other retailers.

From Starbucks founding in later forms as a local coffee bean roaster and retailer, the company has expanded rapidly. In the 1990s, Starbucks was opening a new store every workday, a pace that continued into the 2000s. The first store outside the United States or Canada opened in the mid-'90s, and overseas stores now constitute almost one third of Starbucks stores.

In fiscal 2018, the company reported revenues of \$24.7 billion (10% increase from prior year) and net income of \$4.52 billion (up from \$2.88 billion in 2017)





121 S ELECTRIC RD, SALEM, VA

[CLICK HERE FOR Q1 FY19 EARNINGS STATEMENT](#)

TODAY\*

29,324 STORES

78 COUNTRIES

up to 91m OCCASIONS  
PER WEEK

+350,000 WEAR THE  
GREEN APRON

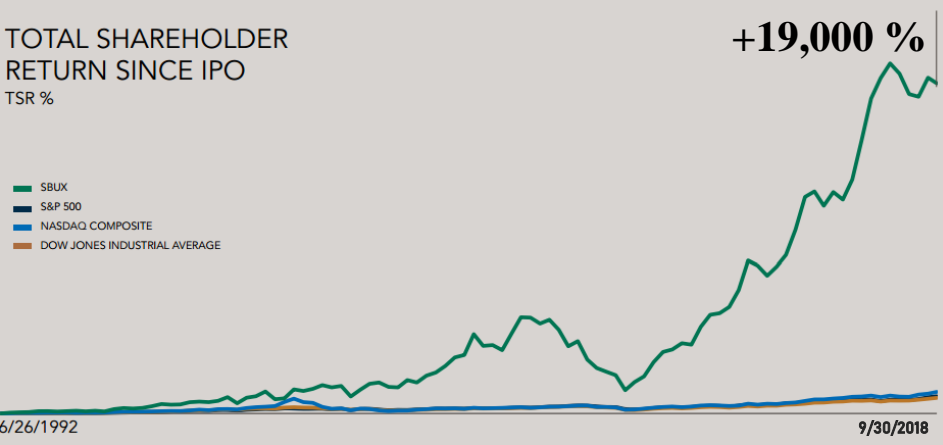
\*AS OF FY18



**FORTUNE**  
WORLD'S MOST  
ADMIRABLE  
COMPANIES

1. APPLE
2. AMAZON.COM
- 3. STARBUCKS**
4. BERKSHIRE HATHAWAY
5. DISNEY
6. ALPHABET
7. GENERAL ELECTRIC
8. SOUTHWEST AIRLINES
9. MICROSOFT
10. FACEBOOK

TOTAL SHAREHOLDER  
RETURN SINCE IPO  
TSR %



Source:starbucks.com



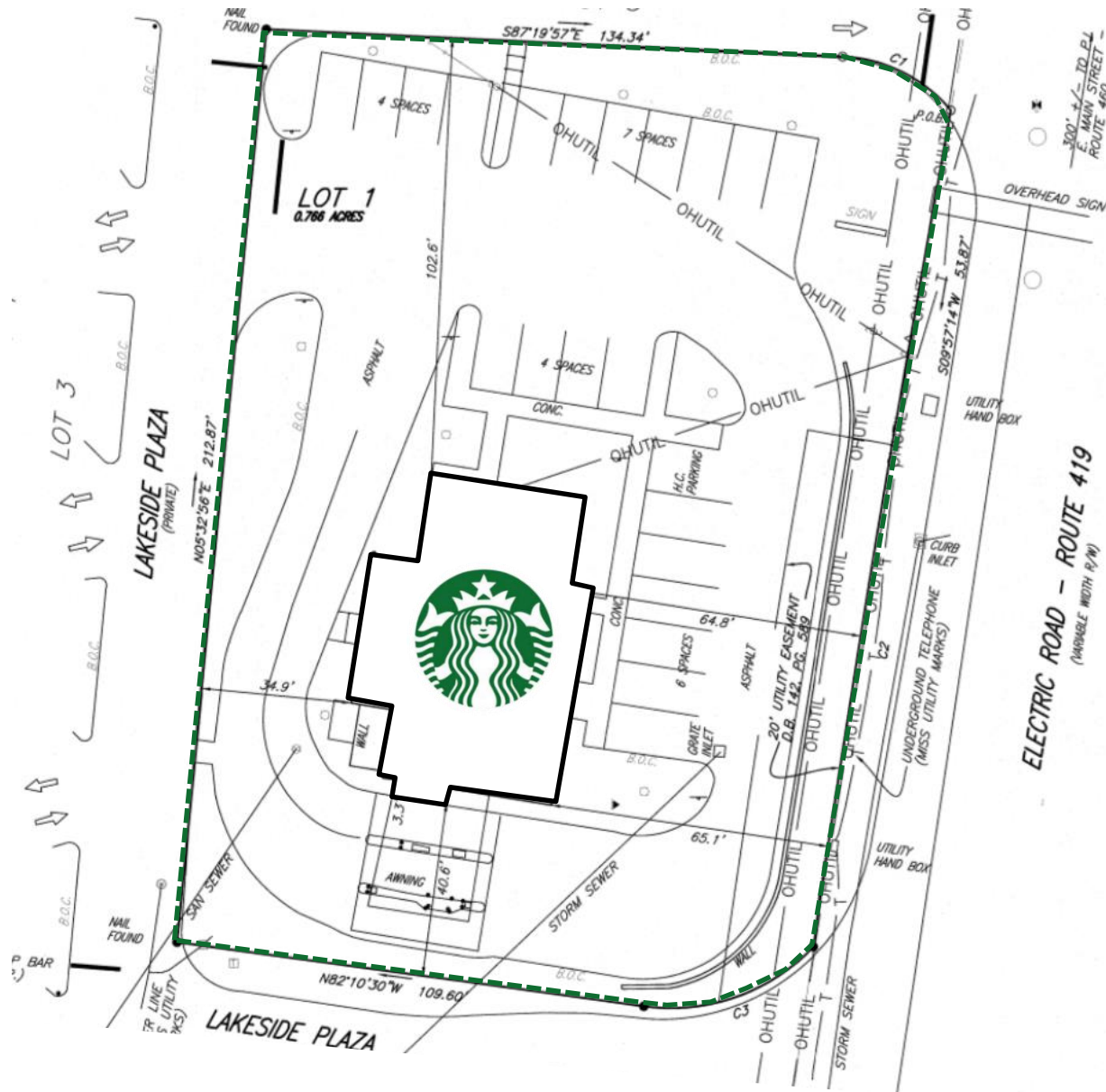
121 S ELECTRIC RD, SALEM, VA





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**IMMEDIATE TRADE AREA**

Starbucks is strategically located along Electric Rd. (21,000 VPD), in near its intersection with Main St. (16,000 VPD), in Salem, VA. Electric Rd. is a local north-south thoroughfare that provides residents access to the commercial hub of the city. Main St. is an east-west retail corridor that travels through Salem directly into downtown Roanoke, VA. This site will benefit as it is a relocation of a high performing café to a new drive-thru location, which will capture heavy traffic along the local commercial corridors. Additionally, the subject property is in close proximity to several economic drivers including American National University – Salem, VA (1,337 students), Salem Football Stadium (7,157 seats), and Haley Toyota Field (6,300 seats), home of the Boston Red Sox A-affiliate team the Salem Red Sox. Starbucks is located approximately 7-miles from downtown Roanoke, VA.

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**SALEM, VA**

Salem is an independent city in the U.S. Commonwealth of Virginia. As of 2017, the population was approximately 25,862. It is the county seat of Roanoke County, although the two are separate jurisdictions. Salem is bordered by the city of Roanoke and is included in the Metropolitan Statistical Area. The city is located approximately 120 miles from Charlottesville, 104 miles from Greensboro, North Carolina, and 250 miles from Knoxville, Tennessee.

The community of Salem also has a large interest in athletics and has become known as “Virginia’s Championship City.” It is home to the Salem Red Sox, a High Class-A affiliate of the Boston Red Sox, and the Amos Alonzo Stagg Bowl, the NCAA Division III Football Championship game, which is held at Salem Football Stadium. Salem’s success in holding these events led the NCAA to also move the NCAA Men’s Division III Basketball Championship and the NCAA Division III Volleyball Championship to the Salem Civic Center and the Women’s NCAA Division II Softball Championship to the James I. Moyer Sports Complex.

Salem is also the home of Roanoke College - a four-year liberal arts college that has been named one of the best colleges in America by the Princeton Review and Forbes Magazine. Situated in the Shenandoah Valley between the Alleghany and Blue Ridge Mountains on the Roanoke River, Salem possesses all the beauty and grandeur that nature can bestow.



121 S ELECTRIC RD, SALEM, VA



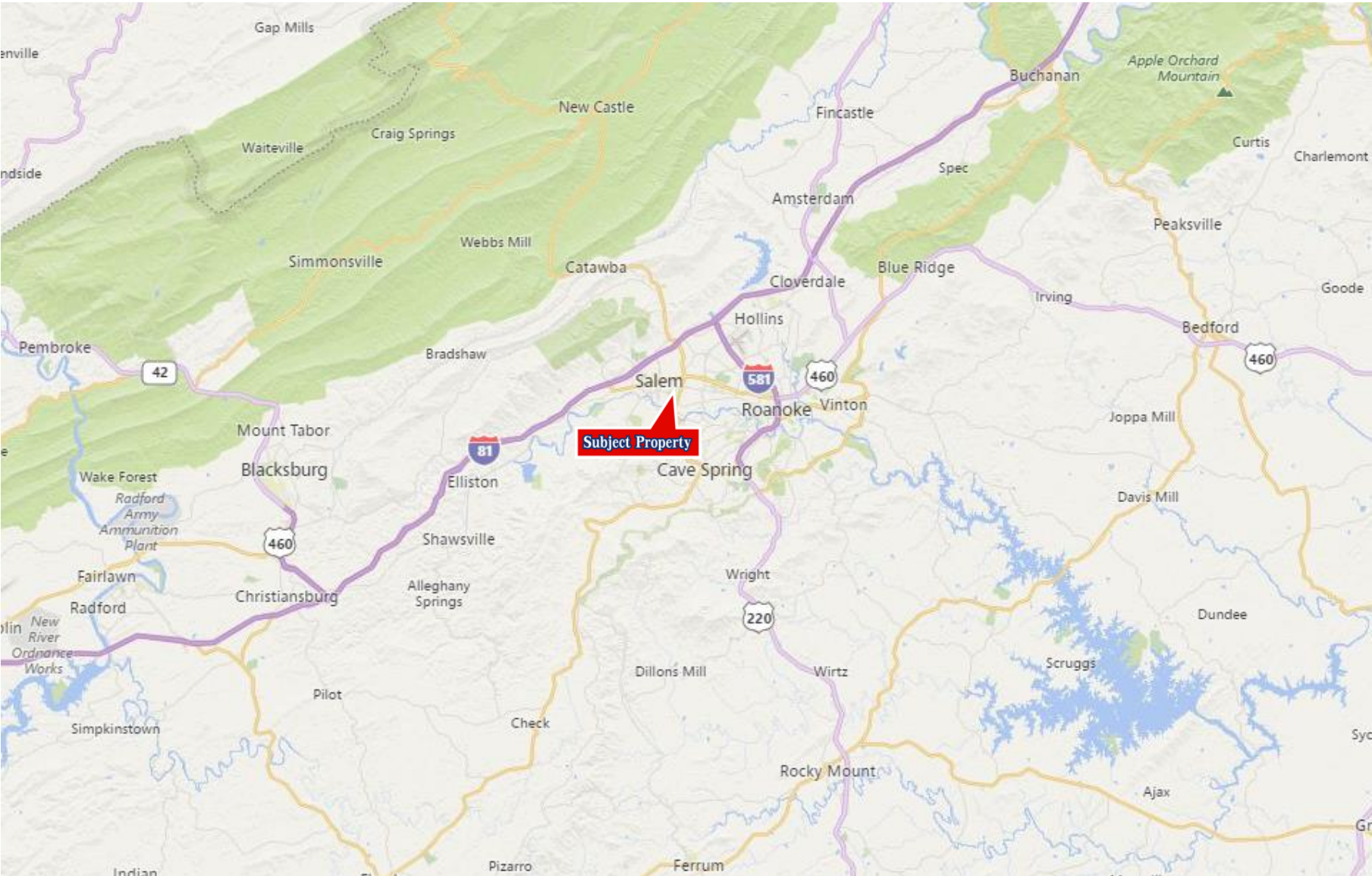
**ROANOKE MSA**

The Roanoke Metropolitan Statistical Area (MSA) is located in the Roanoke Valley of western Virginia in the midst of the Blue Ridge and Alleghany Mountains. This 1,874-square mile region, with a population of 316,802, is bordered on the west by West Virginia and along the east by the Blue Ridge Mountains. Roanoke MSA was recently voted by Forbes as one of the best places to retire. Roanoke has also seen an increase in their millennial population. From 2011-2015 the millennial population has increased nearly 24%.

As a place to live or to make a living, the Roanoke MSA is recognized as one of the best. Roanoke’s central East Coast location provides excellent market access for business and a pleasant climate for residents. Located in a right-to work state, it is recognized and known for a low cost of doing business. Roanoke is the most economically diverse economy in Virginia and is the cultural and business hub for Western Virginia. The Roanoke MSA is home to several large regional banking offices, home to the headquarters of the Fortune 500 retailer Advance Auto, and home to several large advanced manufacturing operations such as those owned by General Electric, Harris, Dynax America, and Optical Cable Corporation, among others. Roanoke’s economy developed around the Norfolk and Western Railroad, with a strong emphasis on manufacturing. Roanoke’s economic history also includes Sun Belt characteristics, as it was once a center for the garment industry.

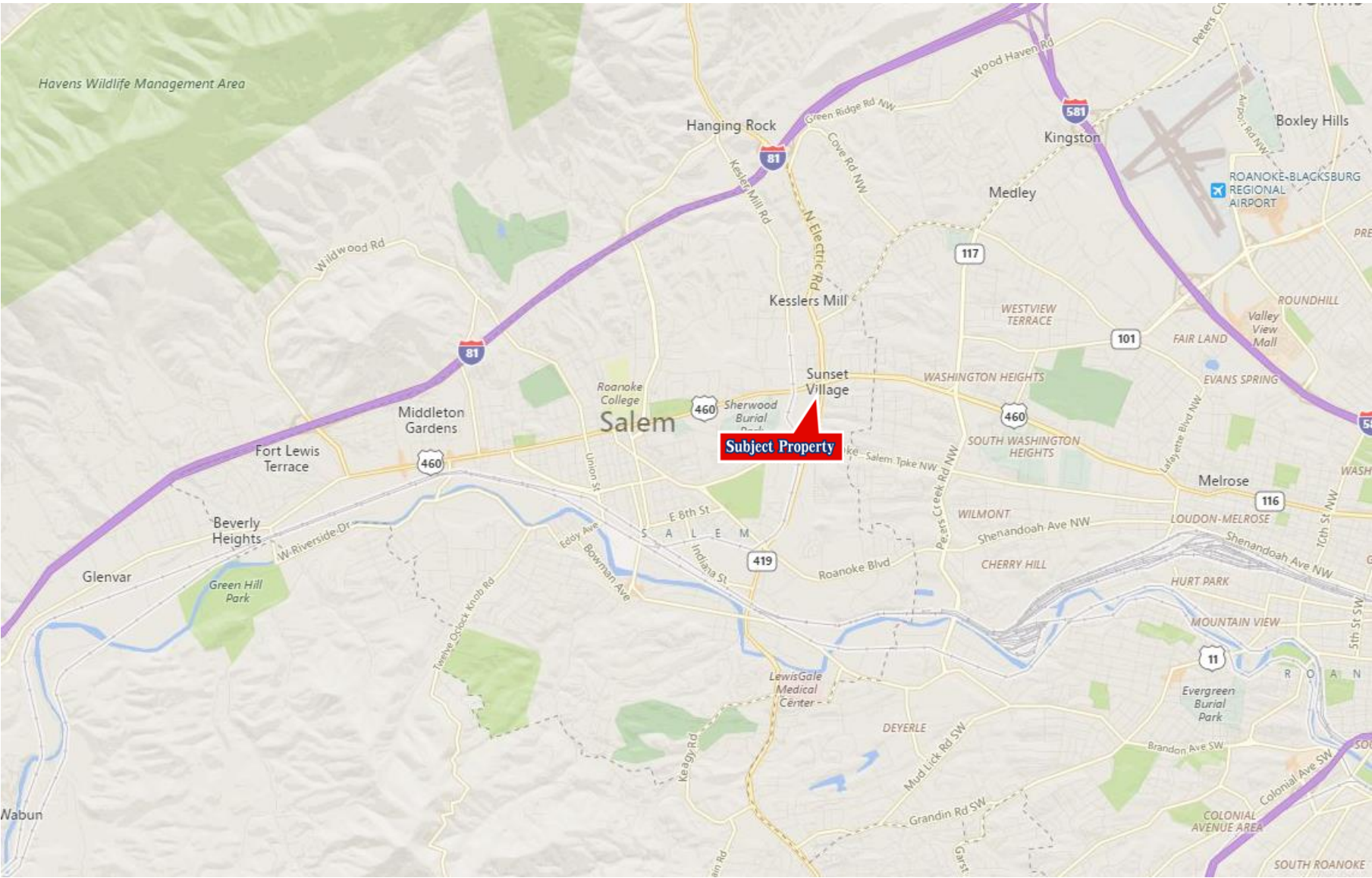
Roanoke’s location allows for delivery within one day to most markets in the southeast, northeast, mid-atlantic, and Ohio Valley, which has made it a distribution center for such companies as Orvis, Elizabeth Arden, and Hanover Direct. United Parcel Service (UPS) maintains a major facility at the Roanoke Regional Airport Roanoke. The city of Roanoke is the center of one of Virginia’s largest metropolitan regions, and a hub of transportation, finance, and industry for the southwestern part of the state. The city’s diverse economy allows the city to thrive. Top business employers within the city include Advanced Auto Parts, Allstate Insurance, Anthem, Carilion Clinic, Coca Cola Bottling Company, and Dynax America. Roanoke’s location allows 2/3 of the US population access to the city within a day drives. This has resulted in a significant increase in tourism. The Roanoke Times reports numbers from the Virginia Tourism Corp. and the U.S. Travel Association show direct travel expenditures by regional visitors grew to about \$813 million in 2016. That’s \$13 million more than the year before.

121 S ELECTRIC RD, SALEM, VA





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121 S Electric Rd			
Salem, VA 24153			
		1 mi radius	3 mi radius 5 mi radius
POPULATION	2018 Estimated Population	6,908	51,202 123,276
	2023 Projected Population	7,277	52,747 125,797
	2010 Census Population	6,749	49,186 118,638
	2000 Census Population	6,773	48,238 116,675
	Projected Annual Growth 2018 to 2023	1.1%	0.6% 0.4%
	Historical Annual Growth 2000 to 2018	0.1%	0.3% 0.3%
HOUSEHOLDS	2018 Estimated Households	2,942	21,249 53,463
	2023 Projected Households	3,005	21,473 54,071
	2010 Census Households	2,859	20,321 50,737
	2000 Census Households	2,846	19,762 49,834
	Projected Annual Growth 2018 to 2023	0.4%	0.2% 0.2%
AGE	Historical Annual Growth 2000 to 2018	0.2%	0.4% 0.4%
	2018 Est. Population Under 10 Years	13.1%	12.6% 12.2%
	2018 Est. Population 10 to 19 Years	11.4%	13.0% 11.9%
	2018 Est. Population 20 to 29 Years	13.7%	13.7% 13.3%
	2018 Est. Population 30 to 44 Years	18.2%	16.7% 18.0%
	2018 Est. Population 45 to 59 Years	19.2%	19.0% 19.7%
	2018 Est. Population 60 to 74 Years	17.3%	17.6% 17.1%
	2018 Est. Population 75 Years or Over	7.1%	7.5% 7.8%
MARITAL STATUS & GENDER	2018 Est. Median Age	38.4	38.8 39.7
	2018 Est. Male Population	48.1%	47.4% 47.7%
	2018 Est. Female Population	51.9%	52.6% 52.3%
	2018 Est. Never Married	30.3%	33.0% 32.3%
	2018 Est. Now Married	43.4%	39.5% 41.6%
	2018 Est. Separated or Divorced	21.7%	20.3% 19.0%
	2018 Est. Widowed	4.6%	7.2% 7.1%
INCOME	2018 Est. HH Income \$200,000 or More	2.4%	3.5% 3.5%
	2018 Est. HH Income \$150,000 to \$199,999	2.1%	3.3% 4.0%
	2018 Est. HH Income \$100,000 to \$149,999	12.5%	11.2% 12.0%
	2018 Est. HH Income \$75,000 to \$99,999	14.9%	13.0% 12.8%
	2018 Est. HH Income \$50,000 to \$74,999	22.3%	19.6% 19.5%
	2018 Est. HH Income \$35,000 to \$49,999	14.2%	14.2% 13.6%
	2018 Est. HH Income \$25,000 to \$34,999	14.1%	10.9% 10.6%
	2018 Est. HH Income \$15,000 to \$24,999	9.6%	10.5% 11.3%
	2018 Est. HH Income Under \$15,000	7.9%	13.7% 12.6%
	2018 Est. Average Household Income	\$69,986	\$68,274 \$70,394
	2018 Est. Median Household Income	\$53,990	\$53,010 \$54,596
	2018 Est. Per Capita Income	\$29,936	\$28,540 \$30,716
	2018 Est. Total Businesses	217	2,441 5,883
	2018 Est. Total Employees	3,019	35,301 75,958

121 S Electric Rd			
Salem, VA 24153			
		1 mi radius	3 mi radius 5 mi radius
LABOR FORCE	2018 Est. Labor Population Age 16 Years or Over	5,521	41,192 99,758
	2018 Est. Civilian Employed	64.3%	59.2% 60.8%
	2018 Est. Civilian Unemployed	1.4%	2.1% 2.0%
	2018 Est. in Armed Forces	0.3%	0.2% 0.2%
	2018 Est. not in Labor Force	33.9%	38.5% 37.0%
	2018 Labor Force Males	47.3%	46.4% 46.8%
OCCUPATION	2018 Labor Force Females	52.7%	53.6% 53.2%
	2010 Occupation: Population Age 16 Years or Over	3,570	24,351 60,668
	2010 Mgmt, Business, & Financial Operations	14.6%	12.2% 13.0%
	2010 Professional, Related	16.4%	20.9% 22.4%
	2010 Service	17.2%	19.5% 18.9%
	2010 Sales, Office	30.1%	25.7% 26.5%
	2010 Farming, Fishing, Forestry	-	0.3% 0.2%
	2010 Construction, Extraction, Maintenance	6.2%	6.5% 6.5%
	2010 Production, Transport, Material Moving	15.6%	15.0% 12.5%
	2010 White Collar Workers	61.1%	58.7% 61.9%
TRANSPORTATION TO WORK	2010 Blue Collar Workers	38.9%	41.3% 38.1%
	2010 Drive to Work Alone	85.0%	82.3% 82.0%
	2010 Drive to Work in Carpool	7.1%	9.2% 8.7%
	2010 Travel to Work by Public Transportation	0.1%	1.7% 2.4%
	2010 Drive to Work on Motorcycle	-	0.1% 0.2%
	2010 Walk or Bicycle to Work	4.0%	2.9% 2.9%
	2010 Other Means	1.7%	1.1% 0.8%
TRAVEL TIME	2010 Work at Home	2.1%	2.7% 3.0%
	2010 Travel to Work in 14 Minutes or Less	32.6%	28.4% 25.9%
	2010 Travel to Work in 15 to 29 Minutes	39.3%	39.2% 39.4%
	2010 Travel to Work in 30 to 59 Minutes	29.5%	27.8% 31.9%
	2010 Travel to Work in 60 Minutes or More	3.9%	2.6% 3.4%
CONSUMER EXPENDITURE	2010 Average Travel Time to Work	19.8	20.2 21.2
	2018 Est. Total Household Expenditure	\$162 M	\$1.14 B \$2.93 B
	2018 Est. Apparel	\$5.59 M	\$39.5 M \$102 M
	2018 Est. Contributions, Gifts	\$10.2 M	\$74.5 M \$194 M
	2018 Est. Education, Reading	\$5.74 M	\$42.3 M \$110 M
	2018 Est. Entertainment	\$9.03 M	\$63.5 M \$163 M
	2018 Est. Food, Beverages, Tobacco	\$25.2 M	\$177 M \$451 M
	2018 Est. Furnishings, Equipment	\$5.46 M	\$38.6 M \$99.4 M
	2018 Est. Health Care, Insurance	\$14.5 M	\$102 M \$261 M
	2018 Est. Household Operations, Shelter, Utilities	\$50.1 M	\$354 M \$908 M
	2018 Est. Miscellaneous Expenses	\$2.45 M	\$17.1 M \$43.8 M
	2018 Est. Personal Care	\$2.10 M	\$14.8 M \$38.0 M
	2018 Est. Transportation	\$31.4 M	\$218 M \$557 M