



**STARBUCKS**

MOLINE, ILLINOIS



# STARBUCKS

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## EXCLUSIVELY LISTED BY

### ZACHARY TURNER

Associate

National Retail Group

COLUMBUS

**Phone:** (614) 360-9032

**Fax:** (614) 474-1696

Zachary.Turner@marcusmillichap.com

**License:** OH SAL.2018003592

### ERIN PATTON

Senior Vice President Investments

Executive Director, National Retail Group

COLUMBUS

**Phone:** (614) 360-9035

**Fax:** (614) 474-1696

Erin.Patton@marcusmillichap.com

**License:** OH SAL.2004010274

### SCOTT WILES

Senior Vice President Investments

Executive Director, National Retail Group

CLEVELAND

**Phone:** (216) 264-2026

**Fax:** (216) 264-2010

Scott.Wiles@marcusmillichap.com

**License:** OH SAL.2005013197

### CRAIG FULLER

Senior Vice President Investments

Executive Director, National Retail Group

CLEVELAND

**Phone:** (216) 264-2043

**Fax:** (216) 264-2010

Craig.Fuller@marcusmillichap.com

**License:** OH SAL.2008001551



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**STARBUCKS**  
DRIVE THRU

4031





# EXECUTIVE SUMMARY

## STARBUCKS

4051 Avenue of the Cities  
Moline, IL 61265



## RENT SCHEDULE

Base Term	Annual Rent	Monthly Rent	CAP Rate
2/14/2019-1/31/2024	\$107,800.00	\$8,983.33	5.50%
2/1/2024-2/28/2029	\$118,580.00	\$9,881.67	6.05%

Option Terms	Annual Rent	Monthly Rent	CAP Rate
3/1/2029-2/28/2034	\$130,438.00	\$10,869.83	6.66%
3/1/2034-2/28/2039	\$143,484.00	\$11,957.00	7.32%
3/1/2039-2/29/2044	\$157,828.00	\$13,152.33	8.05%
3/1/2044-2/28/2049	\$173,624.00	\$14,468.67	8.86%

## OFFERING SUMMARY

Offering Price	\$1,960,000
Cap Rate	5.50%
Current Annual Rent	\$107,800
Gross Leasable Area (GLA)	2,077 SF
Year Built	2019
Lot Size	0.271

## LEASE SUMMARY

Legal Tenant	Starbucks Corporation
Lease Type	Double Net (NN)
Roof & Structure	Landlord Responsible
Ownership Interest	Fee Simple
Rent Commencement Date	2/14/2019
Lease Expiration Date	2/28/2029
Remaining Lease Term	10 Years
Renewal Options	(4) 5 Year
Rent Increases	10% Every 5 Years
Sales Reporting/Percentage Rent	None
Option to Terminate	None
Right of First Refusal	None
Roof/Structure/Utility-Lines	Landlord Responsible
Lot, Driveway, Sidewalk, Curb Repair & Replacement	Tenant Reimburses
Parking Lot & Exterior Building Lighting	Tenant Responsible
HVAC Repair/Replacement	Tenant Responsible
Utilities	Tenant Responsible
Real Estate Taxes	Tenant Reimburses
Property + Liability Insurance	Tenant Reimburses
Landscaping/Snow/Ice/Salt	Tenant Reimburses
Trash Removal	Tenant Responsible
Administrative Income	Tenant pays 10% of CAM

## DEMOGRAPHIC SUMMARY

	1 Mile	3 Miles	5 Miles
2018 Population	9,614	63,840	137,409
2023 Population Projection	9,698	63,746	137,618
Average Household Income	\$68,489	\$65,921	\$68,154
Median Household Income	\$51,067	\$49,762	\$51,150

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## INVESTMENT OVERVIEW

Marcus & Millichap, on behalf of ownership as its exclusive advisor, is pleased to market for sale Starbucks located in Moline, Illinois. Starbucks was built-to-suit in 2019 and occupies a freestanding prototypical masonry building with drive-thru. Starbucks recently signed a 10-year lease with rent escalations of 10% every 5 years, which carry over into all four 5-year options. The lease terms are very favorable for prospective landlords, wherein there are no early termination clauses, and landlord is only responsible for expenses associated with roof & structure. All other operating expenses are fully reimbursed by tenant including taxes, insurance and common area maintenance. The lease has a full corporate guarantee from publicly-traded Starbucks Corporation (NASDAQ: SBUX), which carries Moody's "Baa1" investment-grade credit. Starbucks is currently ranked #132 on the Fortune 500, posting 2018 consolidated revenues of \$24.7 billion, up 10% over the prior year. Starbucks also announced that same-store sales increased by 4% year-over-year, and their renowned reward membership in the U.S. increased by 15% to 15.3 million active users.

Starbucks is located at the hard corner of Avenue of the Cities & 41st Street, which combine to see over 33,100 vehicles per day. The subject property has a central location in Moline's dense residential district which is characterized by tightly packed streets of single-family homes, with 9,614 residents within 1-mile. Expanding out to three and five-mile radii, there are 63,840 and 137,409 residents respectively. Average household incomes exceed the national average at \$68,489 within 1-mile, \$68,154 within 5-miles. The subject property is also 1/10th of a mile from Moline High School, which enrolls 2,080 students and over 100 faculty members. Surrounding retailers include Walgreens, CVS, Sherwin-Williams, Aldi, Hy-Vee, Verizon and AutoZone. This asset benefits from having a key location in Moline's main housing corridor and is the only Starbucks servicing East & West Moline, north of John Deere Road.

Moline is located in Rock Island County, Illinois, and is part of the Quad Cities. Quad Cities have an estimated population count of 381,342 and include cities in Illinois and Iowa. Moline is the ninth-most populated city in Illinois outside the Chicago Metropolitan Area and is home to Deere & Company's national headquarters.

## INVESTMENT HIGHLIGHTS

- ▶ Brand New 2019 Construction with Drive-Thru
- ▶ 10-Year Lease, No Early Termination Clause
- ▶ 10% Increases Every 5 Years, Including All Four 5-Year Options
- ▶ Corporate Guarantee by Investment Grade Tenant Baa1 by Moody's
- ▶ Highly Visible to 33,100 Vehicles Per Day
- ▶ 1/10th of a Mile from Moline High School – Enrollment of Over 2,080 Students & 100+ Faculty Members
- ▶ Located in Moline's Dense Residential District; Huge Population Counts of 9,618 within 1-Mile, 63,706 within 3-Miles and 137,320 within 5-Miles
- ▶ Hard Corner Location at Signalized Intersection of Avenue of the Cities & 41st Street
- ▶ Minimal Landlord Responsibilities: Landlord Roof/Structure, Tenant Reimburses CAM, Taxes, and Insurance

## TENANT OVERVIEW



Starbucks Corporation, together with its subsidiaries, operates as a roaster, marketer, and retailer of specialty coffee worldwide. The company operates in four segments: Americas; China/Asia Pacific; Europe, Middle East, and Africa; and Channel Development. Its stores offer coffee and tea beverages, roasted whole bean and ground coffees, single-serve and ready-to-drink beverages, iced tea, and food and snacks; and various food products, such as pastries, breakfast sandwiches, and lunch items. The company also licenses its trademarks through licensed stores, and grocery and foodservice accounts. It offers its products under the Starbucks, Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos, Frappuccino, Starbucks Reserve, Princi, Starbucks Doubleshot, Starbucks Refreshers, and Starbucks VIA brand names. As of January 12, 2019, the company operated approximately 25,000 stores worldwide. Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.

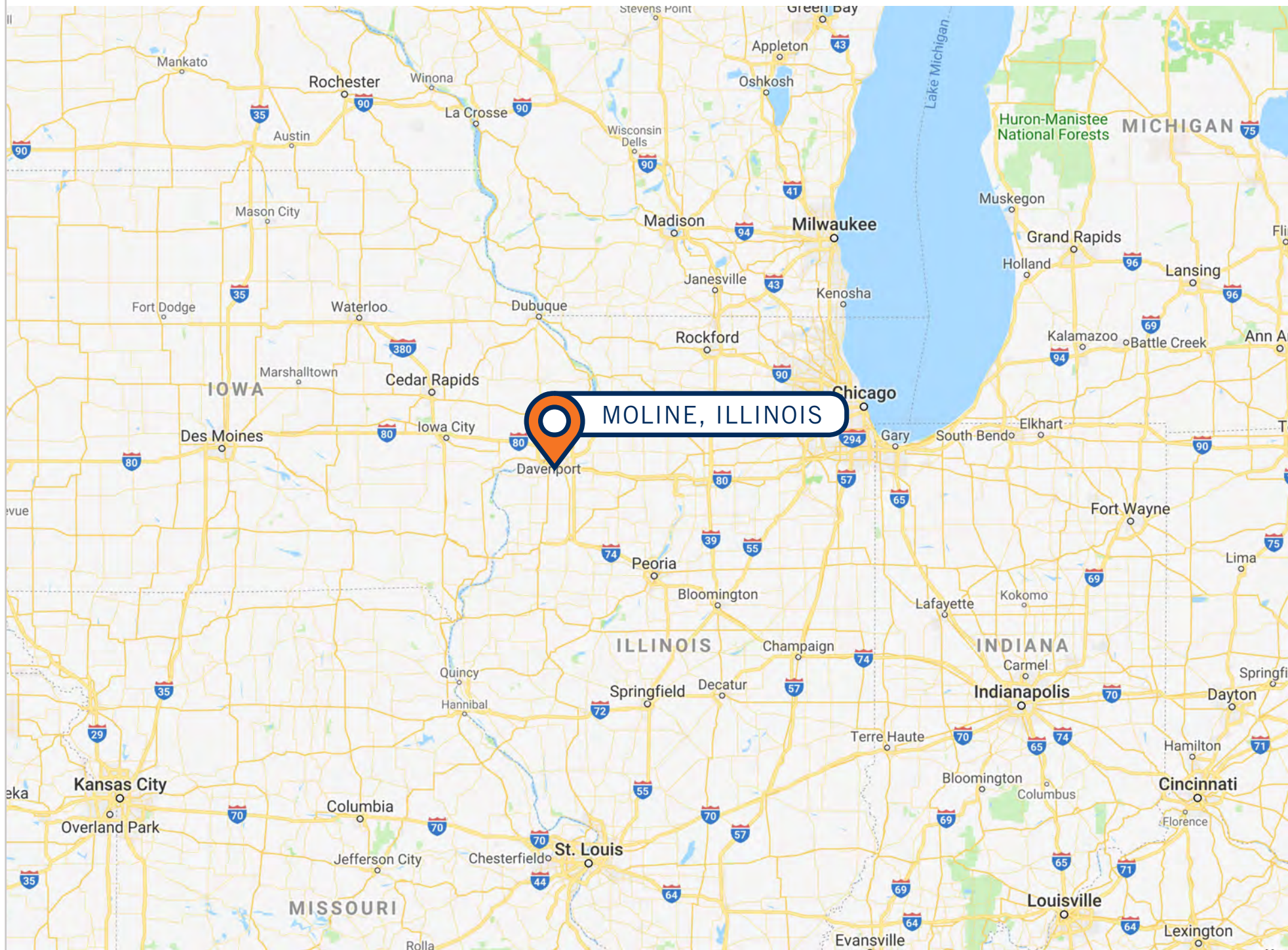
TENANT OVERVIEW	
Ownership	Public
Stock Symbol & Exchange	SBUX (NASDAQ)
Revenue	\$24.7 Billion
Net Income	\$4.5 Billion
Market Capitalization	\$84.73 Billion
Credit Rating & Rating Agency	Baa1 (Moody's)
Fortune 500 Rank	132
Number of Locations	28,218
Headquartered	Seattle, WA







# REGIONAL MAP







MOLINE HIGH SCHOOL  
2,040 Students

McDonald's

First National Bank



Walgreens

14,800 VPD

DOLLAR GENERAL

37,700 VPD  
AT INTERSECTION



GOODYEAR

HyVee



HyVee GAS



22,900 VPD





# RETAILER AERIAL









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## DEMOGRAPHIC HIGHLIGHTS



137,409

POPULATION WITHIN 5 MILES



\$68,154

AVERAGE HOUSEHOLD INCOME  
IN 5-MILE RADIUS



58,204

HOUSEHOLDS WITHIN 5 MILES



POPULATION	1 MILE	3 MILES	5 MILES
<b>2018 Estimate</b> Total Population	9,614	63,840	137,409
<b>2023 Projection</b> Total Population	9,698	63,746	137,618
<b>2010 Census</b> Total Population	9,799	64,213	137,236
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
<b>2018 Estimate</b> Total Households	4,550	27,881	58,204
<b>2023 Projection</b> Total Households	4,637	28,082	58,786
<b>2010 Census</b> Total Households	4,598	27,827	57,959
<b>Owner Occupied</b> Total Households	3,260	18,402	39,641
<b>Renter Occupied</b> Total Households	1,290	9,478	18,563
HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
<b>2018 Estimate</b>			
\$150,000 or More	6.7%	5.3%	6.3%
\$125,000 - \$149,999	3.7%	3.5%	4.0%
\$100,000 - \$124,999	8.1%	7.0%	7.5%
\$75,000 - \$99,999	13.0%	13.7%	13.3%
\$50,000 - \$74,999	19.8%	20.3%	20.0%
\$35,000 - \$49,999	17.4%	15.4%	14.5%
\$25,000 - \$34,999	9.7%	11.2%	11.1%
Under - \$25,000	21.6%	23.8%	23.4%
<b>Average Household Income</b>	\$68,489	\$65,921	\$68,154
<b>Median Household Income</b>	\$51,067	\$49,762	\$51,150

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
<b>Population By Age</b>			
2018 Estimate Total Population	9,614	63,840	137,409
Under 20 Years	22.1%	24.1%	24.7%
20 - 24 Years	5.2%	5.9%	6.3%
25 - 34 Years	12.3%	13.5%	13.2%
35 - 44 Years	11.5%	12.0%	12.0%
45 - 54 Years	11.9%	12.3%	12.4%
55 - 64 Years	14.8%	13.6%	13.6%
65+ Years	22.1%	18.6%	17.8%
Median Age	44.0	40.2	39.7
<b>Population 25+ by Education Level</b>			
2018 Estimate Population Age 25+	6,995	44,699	94,737
Elementary (0-8)	2.3%	3.0%	2.7%
Some High School (9-11)	5.8%	7.0%	6.6%
High School Graduate (12)	29.7%	30.0%	29.1%
Associates Degree Only	9.5%	9.2%	9.6%
Bachelors Degree Only	18.9%	16.0%	17.3%
Graduate Degree	9.8%	8.9%	9.9%
Some College, No Degree	23.6%	25.2%	24.1%
<b>Population by Gender</b>			
2018 Estimate Total Population	9,614	63,840	137,409
Female Population	52.7%	51.5%	51.2%
Male Population	47.3%	48.6%	48.8%









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EXCLUSIVELY LISTED BY:

**ZACHARY TURNER**

Associate  
National Retail Group  
COLUMBUS

**Phone:** (614) 360-9032

**Fax:** (614) 474-1696

**Email:** Zachary.Turner@marcusmillichap.com

**License:** OH SAL.2018003592

**ERIN PATTON**

Senior Vice President  
Executive Director, National Retail Group  
COLUMBUS

**Phone:** (614) 360-9035

**Fax:** (614) 474-1696

**Email:** Erin.Patton@marcusmillichap.com

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**SCOTT WILES**

Senior Vice President  
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CLEVELAND

**Phone:** (216) 264-2026

**Fax:** (614) 474-1696

**Email:** Scott.Wiles@marcusmillichap.com

**License:** OH SAL.2005013197

**CRAIG FULLER**

Senior Vice President  
Executive Director, National Retail Group  
CLEVELAND

**Phone:** (216) 264-2043

**Fax:** (614) 474-1696

**Email:** Craig.Fuller@marcusmillichap.com

**License:** OH SAL.2008001551

**PWF**

**PATTON  
WILES  
FULLER**

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