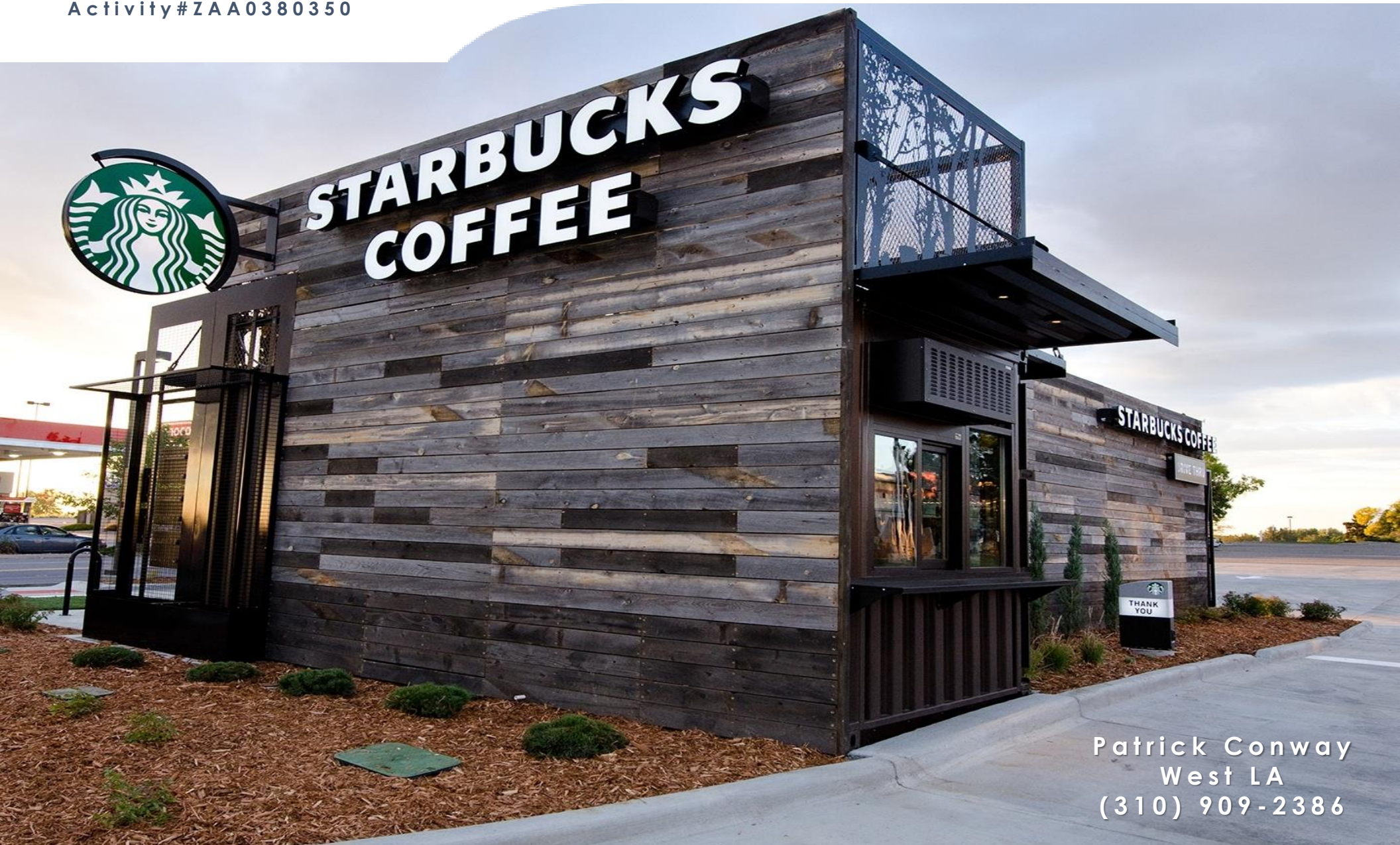


MARCUS & MILLICHAP
Activity#ZAA0380350

OFFERING
MEMORANDUM



Patrick Conway
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STARBUCKS
991 Civic Center Drive, Vista, CA 92083

INVESTMENT OVERVIEW

OFFERING SUMMARY

PRICE	\$2,706,353
NOI	\$115,020
CAP RATE	4.25%
PRICE/SF	\$3,007.06
RENT/SF	\$128
LEASE TYPE	NNN
GROSS LEASABLE AREA	900 SF
YEAR BUILT	2016
LOT SIZE	0.47 ACRES



INVESTMENT HIGHLIGHTS

- Absolute Net Lease (fee) Starbucks in Vista CA
- New 2016 Prototype Construction with Drive –Thru
- Investment Grade Tenant S & P Rated A – with \$11.5B in Gross Profits Annually
- Trophy Location – Located Just Off the HWY 78 (Over 120k VPD)
- Attractive 11.5% Rental Increases Every 5 Years and Option Periods
- Affluent Community – Vista is Located in Northern San Diego County

INVESTMENT SUMMARY

The Conway Group at Marcus and Millichap is pleased to present this Starbucks located at 991 Civic Center Drive in Vista, California. The drive through only (DTO) building is approximately 900 square feet and is positioned on approximately 0.47 acres of land; the building is Starbucks' most current drive through only prototype and comes with all warranties in place, including roof and structure. The lease contains Four - 5 year option periods. There are 11.5% rental increases every 5 years, including the option periods, presenting a strong inflation hedge to an investor. Conveniently situated on the Ronald Packard PKWY (route 78) off ramp and Civic Center Drive in Vista, CA, which is within the San Diego MSA and just 7 miles from the pacific ocean.

LEASE SUMMARY

LEASE SUMMARY	
Property Subtype	Net-Leased Restaurant
Tenant	Starbucks
Rent Increases	11.5% Every 5 Years
Guarantor	Corporate Guarantee
Lease Type	NNN
Master Lease Commencement	August 1, 2016
Current Lease Expiration	July 31, 2026
Term Remaining on Lease	7.2 Years
Renewal Options	Four Five -Year Options
Landlord Responsibility	None
Tenant Responsibility	CAM, Repairs & Maintenance, Insurance and Property Taxes

PROPERTY SUMMARY	
Right of First Refusal/Offer	No
Property	Starbucks
Address	991 Civic Center Drive, Vista, CA 92083
Price	\$2,706,353
Net Operating Income	\$115,020
CAP Rate	4.25%
Year Built	2016
Gross Leasable Area	900 SF
Lot Size	0.47 Acres
Type of Ownership	Fee Simple
Zoning	C1

RENT SCHEDULE



Year	Annual Rent	Monthly Rent	Cap Rate
Base Term			
August 1, 2016 – July 31, 2021	\$115,020.00	\$9,585.00	4.25%
August 1, 2021 – July 31, 2026	\$128,247.00	\$10,687.00	4.74%
First Option			
August 1, 2026 – July 31, 2027	\$142,996.00	\$11,916.00	5.28%
Second Option			
August 1, 2026 – July 31, 2027	\$159,440.00	\$13,287.00	5.89%
Third Option			
August 1, 2026 – July 31, 2027	\$177,776.00	\$14,815.00	6.57%
Fourth Option			
August 1, 2026 – July 31, 2027	\$198,220.00	\$16,518.00	7.32%

TENANT PROFILE



TENANT OVERVIEW

Starbucks Corporation operates as a roaster, marketer and retailer of specialty coffee worldwide. The company operates in four segments: Americas; Europe, Middle East and Africa; China/ Asia Pacific; and Channel Development. The company's stores offer coffee and tea beverages, packaged roasted whole bean and ground coffees, single serve products, and juices and bottled water. Its stores also provide fresh food offerings; ready-to-drink beverages; and various food products, such as pastries, breakfast sandwiches and lunch items, as well as beverage-making equipment and accessories. In addition, it licenses the rights to produce and distribute Starbucks branded products to The North American Coffee Partnership with the Pepsi-Cola Company, as well as licenses it trademarks through licensed stores and grocery and national foodservice accounts. The company offers its products under the Starbucks, Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos, Starbucks VIA, Frappuccino, Starbucks Doubleshot, Starbucks Refreshers, and Starbucks Discoveries Iced Café Favorites brand names.

Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971. As of 2018, the company operates 28,218 locations worldwide. Starbucks is considered the main representative of "second wave coffee", initially distinguishing itself from other coffee-serving venues in the US by taste, quality, and customer experience while popularizing darkly roasted coffee. Since the 2000s, third wave coffee makers have targeted quality-minded coffee drinkers with hand-made coffee based on lighter roasts, while Starbucks nowadays uses automated espresso machines for efficiency and safety reasons.

TENANT PROFILE

Tenant	Starbucks
Lease Guarantor	Starbucks Corporate
Ownership	Public
Years in Business	45 Years
Credit Rating	A2
Number of Locations	29,324 Worldwide
Headquarters	Seattle, Washington
Website	www.starbucks.com

LOCATION



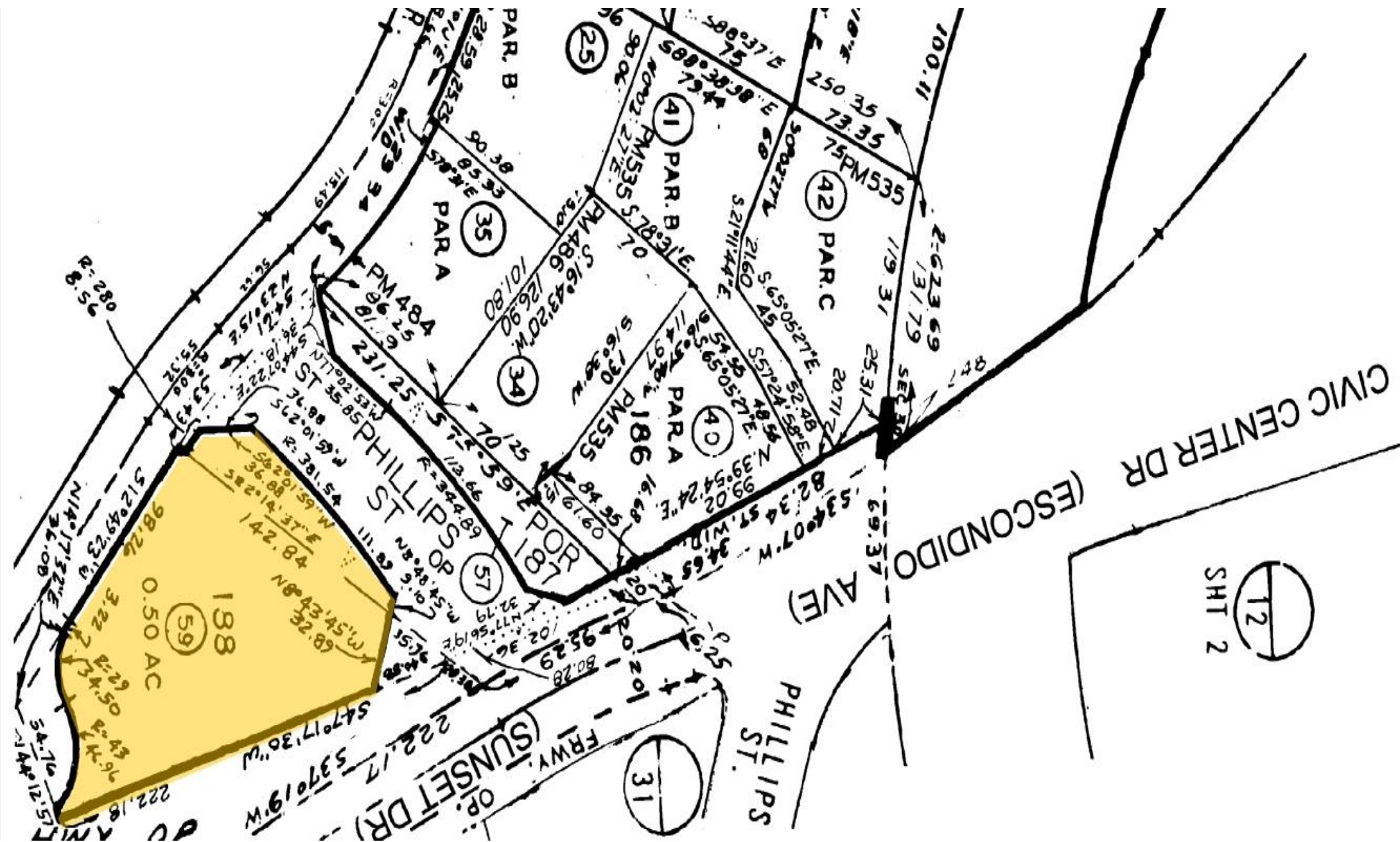
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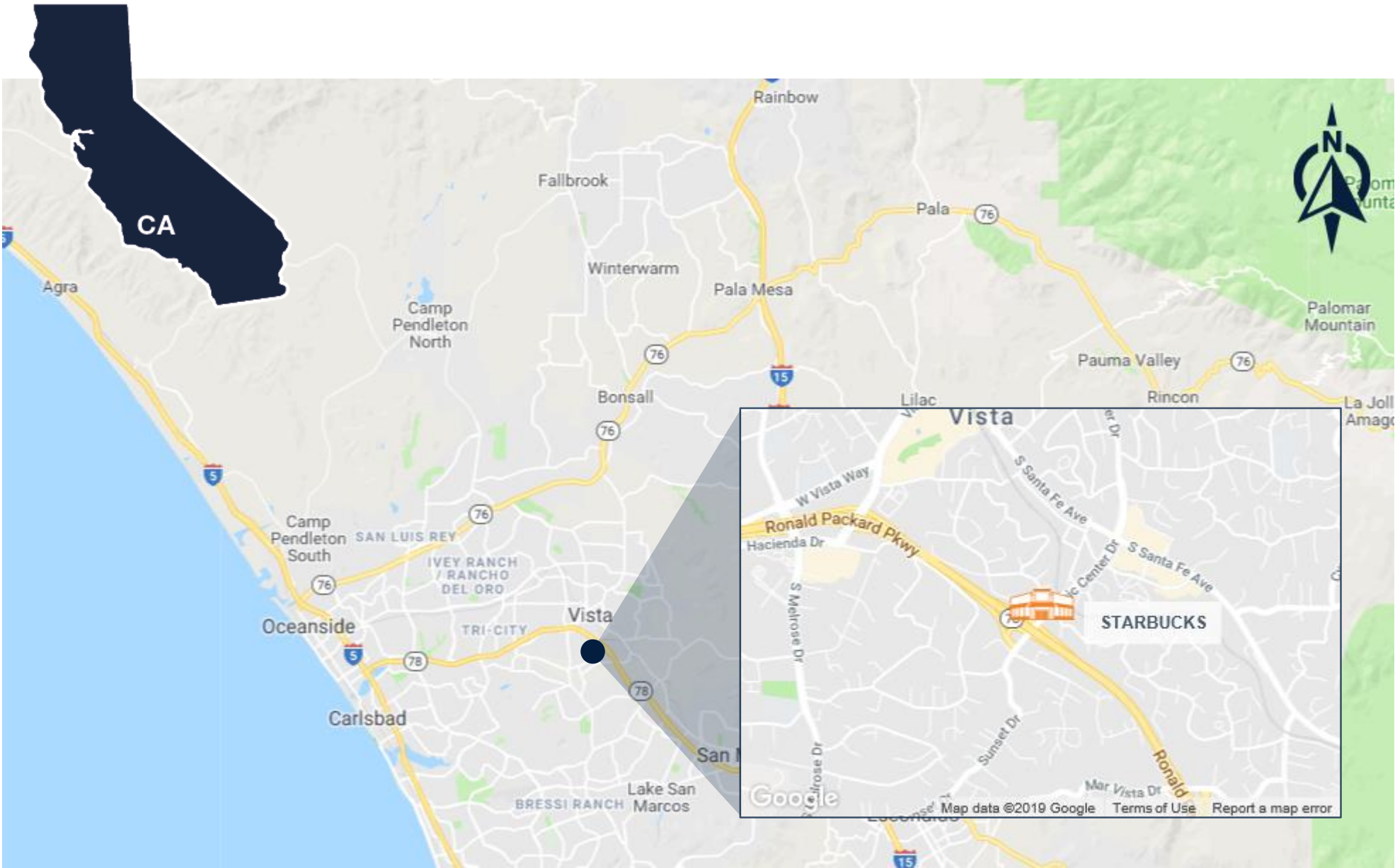
LOCATION



LOCATION



LOCATION



AREA DEMOGRAPHICS



POPULATION	1 Miles	3 Miles	5 Miles
2023 Projection			
Total Population	14,289	141,771	263,864
2018 Estimate			
Total Population	14,785	141,270	257,573
2010 Census			
Total Population	13,625	129,839	237,942
2000 Census			
Total Population	12,137	124,311	217,865
Current Daytime Population			
2018 Estimate	10,826	122,506	253,091
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2023 Projection			
Total Households	4,311	47,092	91,126
2018 Estimate			
Total Households	4,296	45,686	86,795
Average (Mean) Household Size	3.10	2.95	2.87
2010 Census			
Total Households	3,960	42,021	79,936
2000 Census			
Total Households	3,698	40,827	73,683
Occupied Units			
2023 Projection	4,311	47,092	91,126
2018 Estimate	4,334	46,246	87,849
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2018 Estimate			
\$150,000 or More	11.52%	10.73%	13.71%
\$100,000 - \$149,000	17.92%	16.14%	18.19%
\$75,000 - \$99,999	13.56%	16.04%	15.72%
\$50,000 - \$74,999	19.12%	19.11%	18.06%
\$35,000 - \$49,999	12.61%	13.20%	11.87%
Under \$35,000	25.27%	24.77%	22.44%
Average Household Income	\$85,408	\$84,294	\$94,315
Median Household Income	\$63,138	\$64,744	\$71,328
Per Capita Income	\$25,186	\$27,587	\$31,998

HOUSEHOLDS BY EXPENDITURE (Total Average Household Retail Expenditure)	1 Miles	3 Miles	5 Miles
\$78,678	\$78,190	\$82,313	
Consumer Expenditure Top 10 Categories			
Housing	\$23,361	\$23,083	\$24,220
Shelter	\$15,226	\$14,990	\$15,614
Transportation	\$13,070	\$13,369	\$14,001
Food	\$7,934	\$7,900	\$8,333
Personal Insurance and Pensions	\$7,691	\$7,522	\$8,258
Health Care	\$4,082	\$4,235	\$4,546
Utilities	\$3,752	\$3,721	\$3,902
Entertainment	\$3,173	\$3,161	\$3,386
Apparel	\$2,170	\$2,190	\$2,301
Household Furnishings and Equipment	\$2,155	\$2,110	\$2,283

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2018 Estimate Total Population	14,785	141,270	257,573
Under 20	26.30%	25.98%	25.73%
20 to 34 Years	25.95%	25.30%	22.96%
35 to 39 Years	6.89%	6.56%	6.49%
40 to 49 Years	13.81%	12.17%	12.69%
50 to 64 Years	18.70%	17.11%	18.08%
Age 65+	8.35%	12.90%	14.04%
Median Age	33.53	34.14	35.96
Population 25+ by Education Level			
2018 Estimate Population Age 25+	9,715	93,711	173,032
Elementary (0-8)	10.16%	10.49%	8.18%
Some High School (9-11)	9.09%	8.04%	6.75%
High School Graduate (12)	27.46%	23.62%	21.42%
Some College (13-15)	21.69%	21.53%	22.77%
Associate Degree Only	12.04%	11.21%	11.33%
Bachelors Degree Only	13.36%	15.47%	18.38%
Graduate Degree	4.84%	7.33%	9.44%

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