

Marcus & Millichap

THE IACONO TEAM

Starbucks • Offering Memorandum

680 Monroe Ave, Rochester, NY 14607



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STARBUCKS - ROCHESTER, NY
Rochester, NY
ACT ID Z0281428



INVESTMENT OVERVIEW

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EXCLUSIVELY LISTED BY

Karly Iacono

Vice President

Net Leased Properties Group

National Retail Group

Tel: (201) 742-6119

karly.iacono@marcusmillichap.com

Licenses: NJ 0345216, NY 10401274993

www.iaconoretailgroup.com

JC Corr

Associate

Net Leased Properties Group

National Retail Group

Tel: (201) 742-6181

jc.corr@marcusmillichap.com

License: NJ 1757580

www.iaconoretailgroup.com



An aerial photograph of a residential neighborhood. On the left, a blue house with a dark roof is visible, with a red car parked in the driveway. A sign for 'DANDEDEVILLE BARBER AND BEAUTY SHOP' is visible on the side of the house. On the right, a light blue house with a dark roof and a Starbucks logo on the front is visible. The house has a white balcony and a Starbucks sign above the entrance. A silver car is parked in the driveway. The background shows more houses and trees.

INVESTMENT OVERVIEW

Marcus & Millichap
THE IACONO TEAM

OFFERING PRICE	CAP RATE	TERM REMAINING
\$940,767	6.00%	8.5 Years

Vital Data

Price	\$940,767
Cap Rate	6.00%
Price / SF	\$327.22
Rent / SF	\$19.63
Net Operating Income	\$56,446
Gross Leasable Area	2,875 Sq. Ft.
Year Built / Renovated	1920 / 1997 / 2007 / 2012
Lot Size	0.13 acres
Lease Type	NN



LOCATION HIGHLIGHTS



680 Monroe Ave.
Rochester, NY



300,564
5-Mile Population



\$61,172
5-Mile Average Income



124,898
5-Mile Estimated Households



11,469
Vehicles Per Day

Marcus and Millichap is pleased to exclusively present a Starbucks in Rochester, NY. The property is subject to a NN corporately guaranteed lease. There are 8.5 years remaining on the base term and two 5 year option periods available. The lease calls for rental increases of 10% in each option period. Starbucks has been operating at this location since 1997. The sloped roof was re-shingled in Summer of 2007 with a 50-year architectural shingle. The flat roof was replaced completely in Summer 2007. The property has non-exclusive access to all parking spaces in the city managed parking lot behind the building. This is a unique opportunity to own a well-maintained Starbucks in a high barrier to entry downtown market.

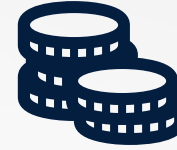
Starbucks is an American based global coffee company based in Seattle, WA. Starbucks is the largest coffeehouse company in the world with more than 28,000 locations across 78 countries. Since its founding in 1971, Starbucks has grown into a global public company that ranks #132 on the Fortune 500 list.

The subject property is located in Downtown Rochester near many national and local tenants. National tenants nearby include Walgreens, 7-Eleven, Chase Bank, Subway, McDonald's and more. Starbucks is located only 0.2 miles off Interstate 490 which has an average of 94,650 vehicles per day. The area is very densely populated with more than 300k people residing within 5 miles.

Investment Highlights

- NN Corporately Guaranteed Lease
- Investment Grade Tenant | BBB+ (S&P)
- Excellent Demographics | 300k+ People in 5 Miles
- 10% Rent Increases in each Option Period
- Long Term Historical Occupancy | Starbucks has Operated at this Location since 1997
- Located in Downtown Rochester , NY
- Located 0.2 Miles from I-490 Exit 18 | 94,640 VPD





2018 SALES: \$24.7B

*2018 Financial Statement



NYSE:
SBUX



28,200+
LOCATIONS



FOUNDED IN
1971

Starbucks is an American based global coffee company based in Seattle, WA. Starbucks is the largest coffeehouse company in the world with more than 28,200 locations across 78 countries. Starbucks was founded in 1971 in Seattle's historic Pike Place Market and has grown into a global public company that ranks #132 on the Fortune 500 list.

Starbucks objective is to be the leading retailer and brand of coffee and tea in each of their target markets by selling the finest quality coffee, tea and related products, as well as complementary food offerings, and by providing each customer with a unique Starbucks Experience. The Starbucks Experience is built upon superior customer service and a seamless digital experience as well as clean and well-maintained stores that reflect the personalities of the communities in which they operate, thereby building a high degree of customer loyalty.

An aerial photograph of a residential neighborhood. On the left, a blue house with a dark roof is visible, with a red car parked in the driveway. A sign for 'DANDEDEVILLE BARBER AND BEAUTY SHOP' is visible on the side of the house. On the right, a light blue house with a dark roof and a Starbucks logo on the front is visible. The house has a white balcony and a small outdoor patio area with a green umbrella. A silver car is parked in the driveway. The background shows other houses and trees.

FINANCIAL OVERVIEW

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THE IACONO TEAM

Offering Summary	
Property Address	680 Monroe Ave, Rochester, NY
Price	\$940,767
Cap Rate	6.00%
Price / SF	\$327.33
Rent / SF	\$19.63

Property Description	
Year Built / Renovated	1920 / 1997 / 2007 / 2012
Gross Leasable Area	2,875 Sq. Ft.
Lot Size	0.13 acres
Type of Ownership	Fee Simple
Parking	Property has non-exclusive access to all parking spaces in the city managed parking lot behind the building.

Annualized Operating Data				
Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current	\$56,446	\$4,704	\$19.63	6.00%
2/1/18-1/31/2028	\$56,446	\$4,704	\$19.63	6.00%
Option 1	\$62,041	\$5,170	\$21.58	6.59%
Option 2	\$68,195	\$5,683	\$23.72	7.25%

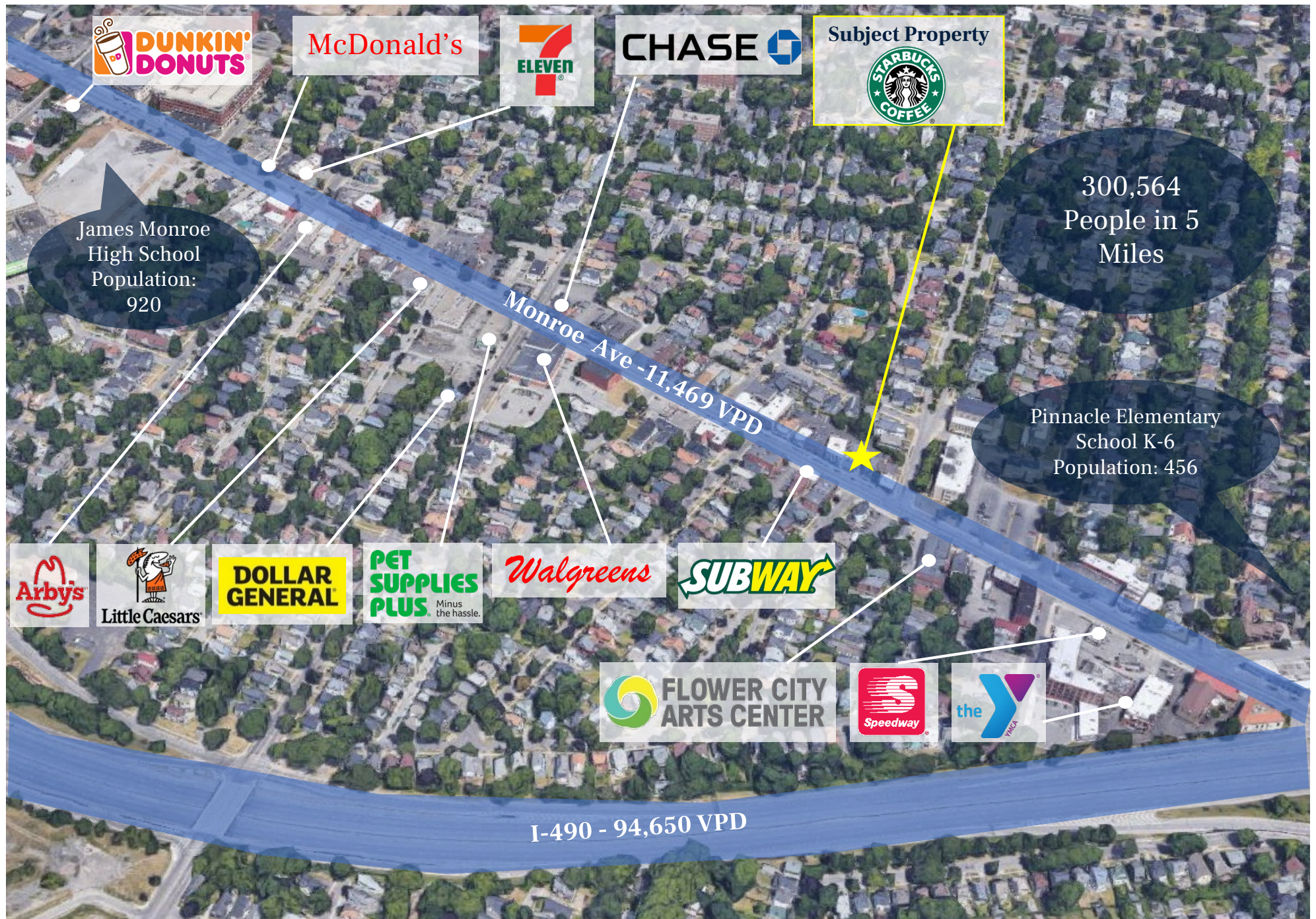
Lease Summary	
Property Subtype	Net Leased Restaurant
Tenant	Starbucks
Lease Type	NN
Lease Commencement	June 12, 1997
Lease Expiration	January 31, 2028*
Base Term Remaining	8.5 Years
Renewal Options	Two 5-Year
Rent Increases	10% in each Option
Landlord Responsibility	The upkeep of the roof, roof membrane, & roof systems, foundation, exterior walls, interior structural walls, and all structural components and the maintenance and repair of sidewalks, exterior stairways, ADA ramps, landscaping and drainage systems. Landlord shall maintain all utility systems excluding HVAC to their point of entry to the Building.
Tenant Responsibility	Taxes, Maintenance, Insurance
Right of First Refusal	No

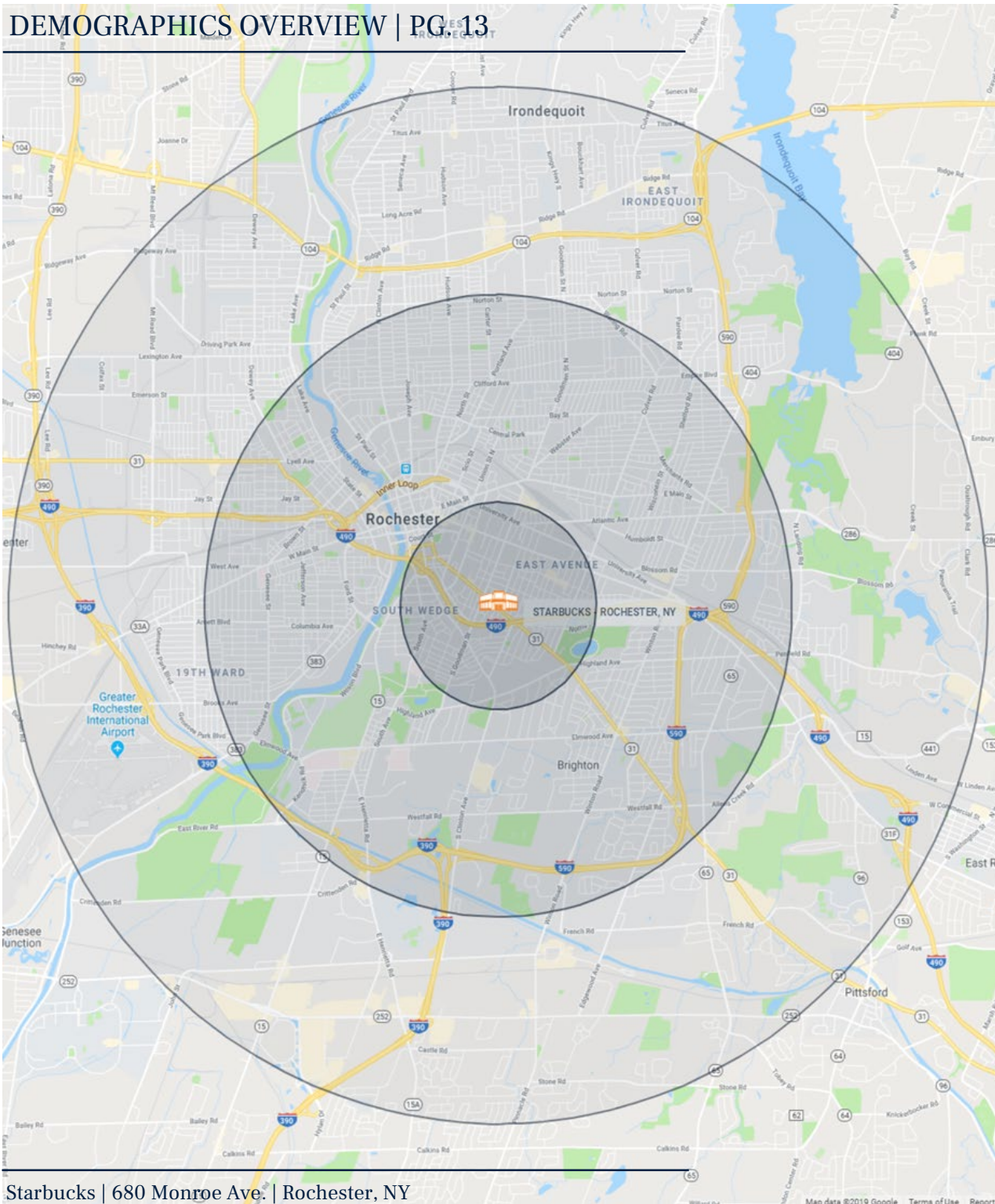
*Early Termination Option January 31, 2023 with 270 Days Notice

An aerial photograph of a residential neighborhood. The central focus is a two-story blue house with white trim and a dark grey roof. The house has a Starbucks logo on the front gable and a balcony on the second floor. A Starbucks Coffee sign is visible above the ground-floor windows. The house is surrounded by green trees and a sidewalk. A red car is parked on the street to the left, and a silver car is parked on the street to the right. The text "LOCATION OVERVIEW" is overlaid in white serif font on the left side of the image.

LOCATION OVERVIEW

Marcus & Millichap
THE IACONO TEAM





Starbucks | 680 Monroe Ave. | Rochester, NY



Demographics Summary

	1 Miles	3 Miles	5 Miles
POPULATION			
2023 Projection	27,205	169,282	296,263
2018 Estimate	27,476	173,155	300,564
2010 Census	27,103	171,830	298,248
2000 Census	27,974	180,547	305,708
INCOME			
Average	\$57,202	\$57,193	\$61,172
Median	\$38,694	\$37,395	\$40,513
Per Capita	\$32,229	\$24,702	\$26,109
HOUSEHOLDS			
2023 Projection	15,106	71,593	124,603
2018 Estimate	15,118	72,241	124,898
2010 Census	14,988	71,685	124,033
2000 Census	15,133	74,437	125,422
HOUSING			
2018	\$139,550	\$105,743	\$110,111
EMPLOYMENT			
2018 Daytime Population	34,748	233,453	395,731
2018 Unemployment	4.90%	8.49%	7.35%
2018 Median Time Traveled	19	20	20
RACE & ETHNICITY			
White	75.54%	47.55%	52.52%
Native American	0.05%	0.07%	0.05%
African American	15.02%	36.21%	31.62%
Asian/Pacific Islander	3.68%	4.07%	4.80%



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Karly Iacono
Vice President
Net Leased Properties Group
National Retail Group
Tel: (201) 742-6119
karly.iacono@marcusmillichap.com
Licenses: NJ 0345216, NY 10401274993
www.iaconoretailgroup.com

JC Corr
Associate
Net Leased Properties Group
National Retail Group
Tel: (201) 742-6181
jc.corr@marcusmillichap.com
License: NJ 1757580
www.iaconoretailgroup.com

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