

**INVESTMENT OFFERING:
NEW STARBUCKS (10 YEAR LEASE)
S&P CREDIT: BBB+**



9455 DYER ST, EL PASO, TX 79924



MIMCO
Commercial Real Estate Management & Investments

INVESTMENT OPPORTUNITY

This is an opportunity to purchase a brand-new, build-to-suit Starbucks Coffee located in the center of the Northeast corridor of El Paso, Texas at Dyer St. and Times Ln. The property consists of a $\pm 2,000$ square-foot, freestanding, drive-thru Starbucks Coffee located in between the El Paso Community College -Transmountain Campus ($\pm 10,000$ students enrolled annually) and Ft. Bliss Military Base ($\pm 39,000$ military personnel assigned and $\pm 13,000$ civilians employed). Starbucks's lease features 10% rental increases every five (5) years during the initial 10-year lease term and throughout the tenant's four (4), five-year renewal option periods. This Starbucks is currently under-construction and is scheduled to be open for business around Thanksgiving of 2019.

Starbucks (NASDAQ: SBUX) is the largest coffeehouse company in the world with 30,000 locations worldwide. In recent years, Starbucks has seen a doubling in market value and top-line revenue growth. In 2018 Starbucks posted revenues of over \$24 billion, thus significantly outperforming industry-level revenue growth. Starbucks has an investment grade credit rating and is publicly traded on NASDAQ. Starbucks's investment-grade tenancy provides substantial

security to future cash flows, creating an exceptional opportunity for an investor seeking passive income from a well-located and high-quality asset. This makes Starbucks one of the most sought-after tenants in commercial real estate

RENDERING



FINANCIAL SUMMARY

PRICE	\$2,400,000
NET OPERATING INCOME	\$125,000
CAP RATE	5.20%



RETURN SCHEDULE

YEAR	ANNUAL RENT PSF	ANNUAL RENT	RENTAL GROWTH	CAP RATE RETURN
YEARS 1 - 5	\$62.50	\$125,000	-	5.20%
YEAR 6 - 10	\$68.75	\$137,500	10.00%	5.73%
YEAR 11 - 15	\$75.63	\$151,250	10.00%	6.30%
YEAR 16 - 20	\$83.18	\$166,375	10.00%	6.93%
YEAR 21 - 25	\$91.50	\$183,012	10.00%	7.62%
YEAR 26 - 30	\$100.65	\$201,313	10.00%	8.39%

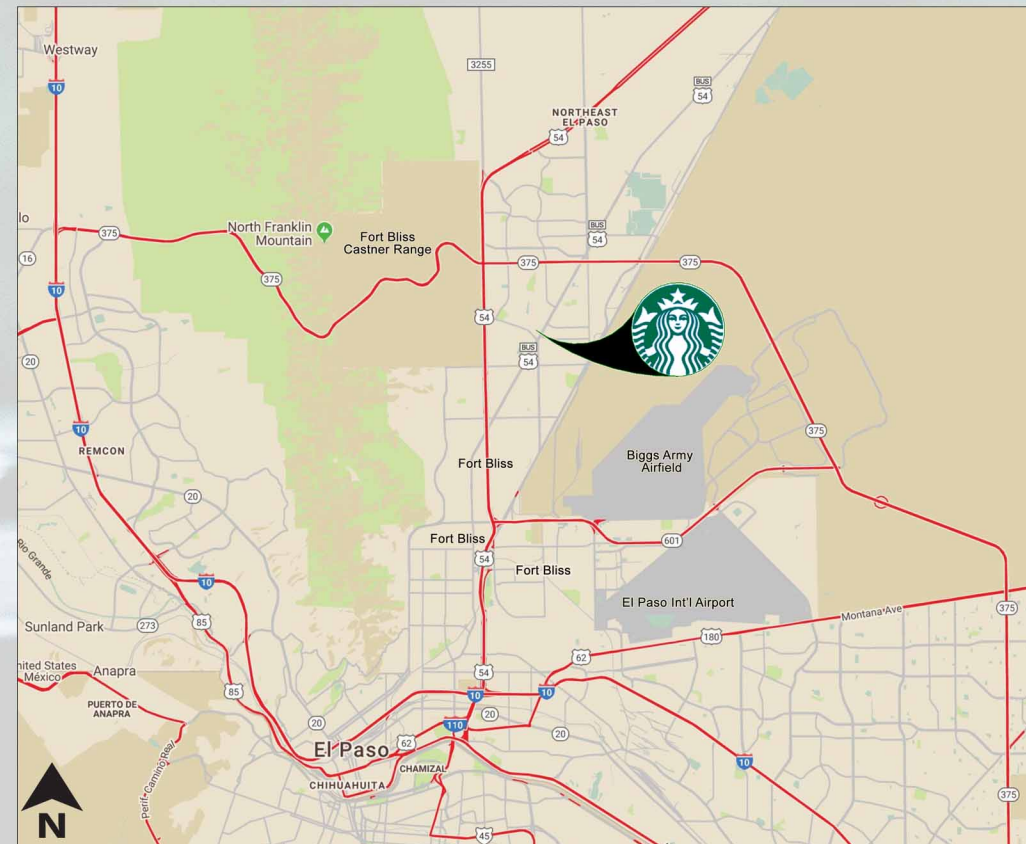
*Option to Renew Term is highlighted

INVESTMENT HIGHLIGHTS

- Brand-new, corporate 10-year lease with Starbucks Corporation (NASDAQ: SBUX).
- 10% rental increases every five years in the initial 10-year term and throughout the tenant's four (4), five-year option periods.
- Brand-new 2019 construction featuring patio and a drive-thru.
- ONE of 3 sites with a drive-thru servicing the Northeast and with close proximity to El Paso Community College & Ft. Bliss Military Base.
- El Paso Community College achieves enrollment of $\pm 10,000$ students annually and Fort Bliss, one of the largest military bases in the country, counts $\pm 39,000$ military personnel assigned and employs over $\pm 13,000$ civilians
- The lease is guaranteed by Starbucks Corporation (S&P: BBB+) who achieved revenues in excess of \$24.72 billion in 2018.



- Easy freeway access from the Patriot Freeway (Highway 54) and Transmountain (Loop 375) with close proximity to Ft. Bliss (large commuter base).
- Multiple QSRs and national retailers along this corridor include McDonald's, Panda Express, dd's Discounts, Ross Dress For Less, Wendy's, Walgreens, Circle K, Subway, Carl's Jr, Valero and Popeye's Louisiana Kitchen, among many others.
- Excellent access and visibility at an intersection featuring $\pm 25,243$ vehicles per day (Source: Sites USA).



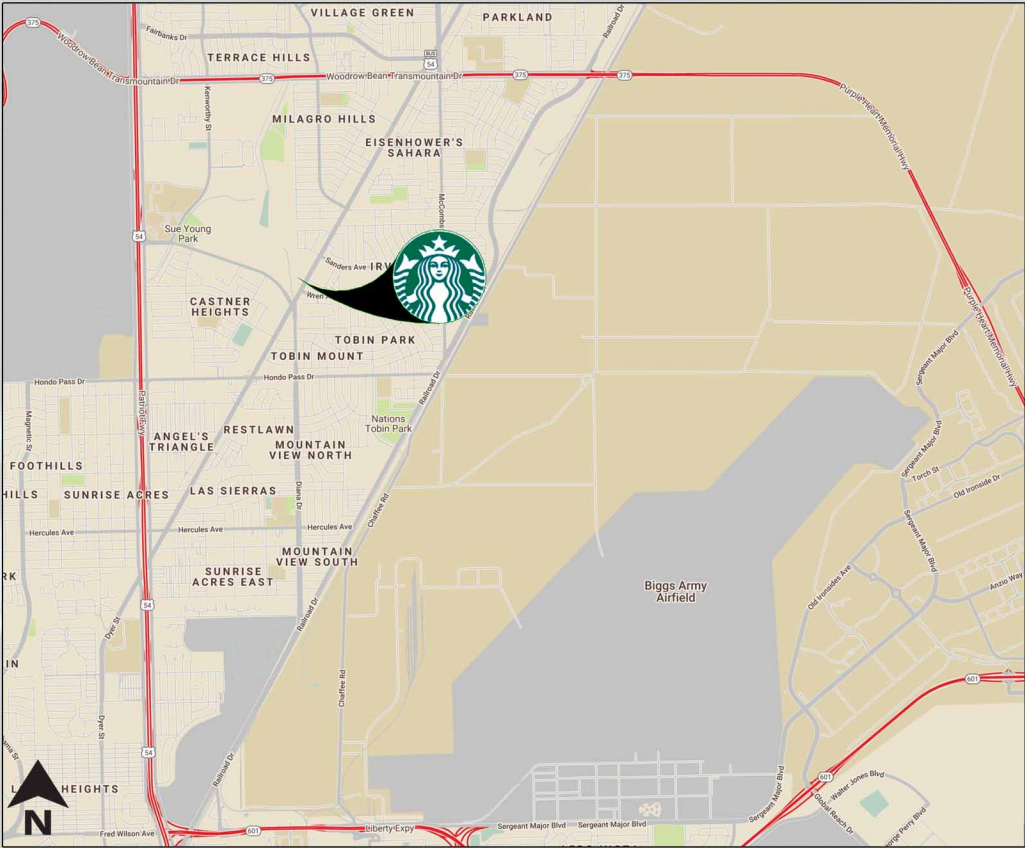
ASSET PROFILE

NAME	STARBUCKS COFFEE
ADDRESS	9455 DYER ST EL PASO, TX
BUILDING SIZE	±2,000 SF
OCCUPANCY	100%
YEAR BUILT	2019
DESCRIPTION	FREESTANDING RESTAURANT
DRIVE-THRU	YES
MONUMENT SIGNAGE	YES
GEOGRAPHIC ID	Z90099900100100
PARCEL SIZE	±33,105 SF
COUNTY	EL PASO
ZONING	C-3, CITY OF EL PASO

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2019 POPULATION	16,031	75,973	129,749
2024 POPULATION	16,381	77,727	132,757
GROWTH RATE 2019-2024	0.4%	0.5%	0.5%
AVERAGE HH INCOME	\$41,235	\$46,320	\$54,712
2019 EMPLOYEES	3,716	16,457	25,950
MEDIAN AGE	34.8	32.3	31.1

Source: Sites USA



LEASE SUMMARY

TENANT NAME	STARBUCKS COFFEE
COMPANY TYPE	PUBLIC, CORPORATE
LEASE GUARANTOR	STARBUCKS CORPORATION, A WASHINGTON CORPORATION
ASDAQ STOCK TICKER	SBUX
TENANT S&P CREDIT RATING	BBB+ (INVESTMENT GRADE)
LEASE TYPE	DOUBLE-NET (NN)
LEASE DATE	5/2/2019
EST. COMMENCEMENT DATE	11/20/2019
EST. EXPIRATION DATE	11/20/2029
BUILDING SF	±2,000
LEASE TERM	10 YEARS
LEASE TERM REMAINING	10 YEARS
RENTAL INCREASES	10.00% EVERY FIVE (5) YEARS
OPTIONS TO RENEW	FOUR (4), FIVE-YEAR OPTION PERIODS

NOTE: The Landlord of the Starbucks is responsible for paying property taxes, insurance and maintaining the common area of their parcel, which is reimbursed by Starbucks. The Landlord is responsible for roof, structure and parking lot replacement per the lease. There is an additional piece of property that will be conveyed to the Buyer as part of the purchase. The additional property is a ponding area that serves both the Starbucks property and the adjacent GECU Credit Union property. Both properties are covered by an ECR agreement that requires both Starbucks and GECU to contribute to all the costs of maintaining the ponding facility and property taxes for the ponding parcel. The Starbucks owner will be required to pay the property taxes for the ponding parcel and maintain the ponding facility, which would be a simple monthly maintenance contract to pick up any trash and remove weeds. Depending on rainfall or time of year, an every other month maintenance may work. The ECR is on title and will be part of the Buyer's title review.



CITY OF EL PASO

El Paso is the largest US City along the US-Mexico border which boasts a best-in-class, business friendly operating environment while also offering a great living experience. It stands on the Rio Grande river across the Mexico-United States border from Ciudad Juárez, the most populous city in the Mexican state of Chihuahua. The two cities, along with Las Cruces in the neighboring U.S. state of New Mexico, form a combined international metropolitan area sometimes referred to as the Paso del Norte or El Paso-Juárez-Las Cruces. The region represents one of the largest manufacturing centers in North America and is recognized as globally competitive. This is largely due to El Paso's unique quality of possessing the largest bilingual and bi-cultural workforce in the Western Hemisphere.

HIGHLIGHTS

- More than 650,000 residents and an MSA of almost 2.7 million people
- Home to one of the largest bilingual and bi national work forces in the Western Hemisphere
- The University of Texas at El Paso (UTEP) and El Paso Community College enrolls more than 55,000 students
- Fort Bliss, the second largest US Army military complex in the United States, employees 38,500 active duty military personnel, 39,000 military family members, 13,000 civilians and 1,000 reservists
- Strategic location allows for direct access to two nations and three U.S. States
- Over \$75 Billion in annual trade volume and more than 30 million annual border crossings

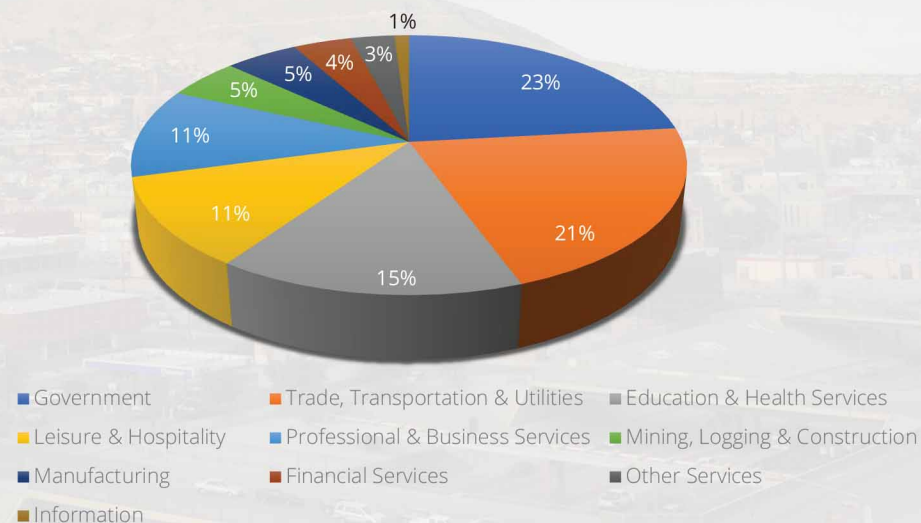
*<https://www.elpasotexas.gov/economic-development>

As the sixth-largest city in Texas, El Paso is a top 20% U.S. performing economy and continues to experience positive economic growth by attracting new businesses and helping existing companies to grow. As of 2019, there are over 70 Fortune 500 companies with a presence in El Paso, marking the city as one of Texas's most established business hubs with robust corporate activity and a strong focus on international trade. The City's focus is to create new employment opportunities in 21st century industries, maintain a great quality of life, and facilitate business growth at the local and international levels.* El Paso is home to the Medical Center of the Americas, the only medical research and care provider complex in west Texas and southern New Mexico. In addition to the private sector, El Paso maintains a strong public and military workforce. The largest of which is Fort Bliss, which maintains more than 41,000 active duty personnel and employs over 12,000 civilians.

EMPLOYMENT

EL PASO EMPLOYMENT BY SECTOR

Industry	1Q 2019	%	1Q 2018	%	Growth	% Change
Government	73,700	23%	73,100	23%	600	0.8%
Trade, Transportation, & Utilities	68,000	21%	67,300	21%	700	1.0%
Education and Health Services	47,100	15%	45,800	14%	1,300	2.8%
Leisure and Hospitality	36,300	11%	35,500	11%	800	2.3%
Professional and Business Services	35,200	11%	36,000	11%	-800	-2.2%
Mining, Logging, & Construction	16,700	5%	15,700	5%	1,000	6.4%
Manufacturing	16,300	5%	16,500	5%	-200	-1.2%
Financial Activities	12,700	4%	12,700	4%	0	0.0%
Other Services	9,100	3%	8,900	3%	200	2.2%
Information	4,500	1%	4,400	1%	100	2.3%
Total	319,600	100%	315,900	100%	3,700	1.2%



EL PASO ACCOLADES

1ST

LOWEST COST OF LIVING

Forbes 2018



4TH

HOTTEST REAL ESTATE MARKET TO WATCH

Trulia.com, January 2018



5TH

AMERICA'S BEST SMALL CITIES

Resonance, June 2018



7TH

SAFEST METRO CITY IN AMERICA

Safewise, August 2018



7TH

BEST PLACES TO LIVE IN AMERICA

AreaVibes, June 2018



TOP
10

CITIES WITH THE LOWEST COST OF BUSINESS

Forbes, 2018



TOP
15

BEST CITIES FOR VETERANS TO LIVE

VeteransUnited, November 2018



TOP
25

CONVENTION CITIES IN THE U.S.A

Meeting Source, January 2018



#1

BEST RUN CITY IN TEXAS

WalletHub, July 2018



SUBMARKET OVERVIEW

NORTHEAST EL PASO RETAIL SUBMARKET

Within the El Paso market, the Northeast Retail Submarket has consistently exhibited strong performance due to its strong accessibility, dense consumer base, and excellent surrounding demand drivers. These qualities and others have driven strong leasing demand within the Northeast Retail Submarket, driving up rental rates and resulting in a total submarket occupancy of 95.6% as of the first quarter of 2019. Over the last 20 years, submarket occupancy has maintained impressive stability, with occupancy never dipping below 93%.

SUBMARKET INVENTORY & DELIVERIES

The Northeast Retail Submarket consists of 5,080,640 square feet across 646 buildings. Due to a limited number of available retail development sites, and the current shortage of retail development funds available in the capital markets, the submarket has seen just 27,700 square feet in deliveries over the last 24 months, with nominal square feet of retail currently under construction. While recent retail deliveries have been limited, demand from retailers and QSR's continues to grow within the submarket.

KEY ECONOMIC DRIVERS IN SUBMARKET

FORT BLISS US MILITARY BASE

The 1.1-million-acre Fort Bliss is the US Army's second largest base in the country and has an economic impact of over \$24 billion annually supporting more than 48,000 jobs. Home to more than 38,500 active duty military personnel, 39,000 military family members, 13,000 civilians, and 1,000 reservists, Fort Bliss is one of the largest military bases in the country. Fort Bliss is currently under construction on a new \$670 million, 270-acre medical center that is slated to open February 2020.

AERIAL





REPRESENTATIVE PHOTO



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