

**SECURE**  
NET LEASE

# STARBUCKS

**\$2,607,270 | 5.50%**

**BRAND NEW 10-YEAR CORPORATE NET LEASE**

240 Cahaba Valley Rd., Pelham, AL 35124 (Birmingham MSA)



FILE PHOTO

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SECURE NET LEASE ("Agent") has been engaged as an agent for the sale of the property located at 240 Cahaba Valley Rd., Pelham, AL by the owner of the Property ("Seller"). The Property is being offered for sale in an "as-is, where-is" condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. The enclosed materials are being provided solely to facilitate the prospective investor's own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent nor the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein. Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller. Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller's obligations hereunder have been satisfied or waived. By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller and Agent.





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# INVESTMENT OVERVIEW

PRICE   CAP:	\$2,607,270   5.50%
NET OPERATING INCOME:	\$143,400
BUILDING AREA:	2,500 +/- Square Feet
LAND AREA:	0.68 +/- Acres
YEAR BUILT:	2019
LANDLORD RESPONSIBILITY:	Roof, Structure & Parking Lot
OCCUPANCY:	100%

## INVESTMENT HIGHLIGHTS



**10-YEAR  
CORPORATE NET  
LEASE**











**NORTH OF OAK  
MOUNTAIN  
AMPHITHEATER**



**JUST WEST OF  
INTERSTATE-65  
(124K VPD)**

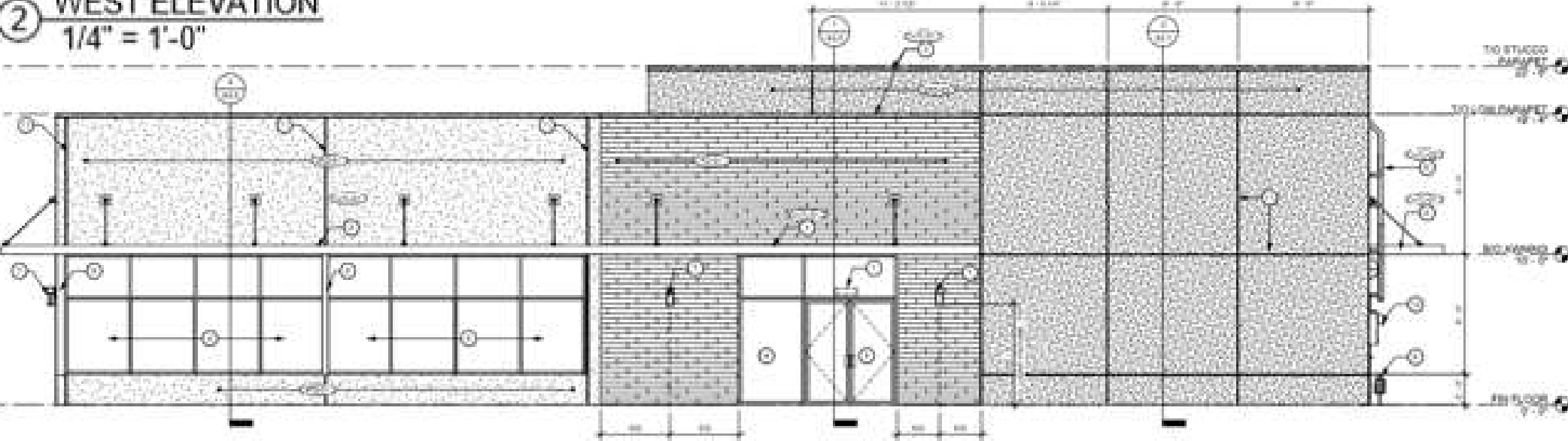


**LARGE STARBUCKS  
BLDG (2,500 +/- SF)**

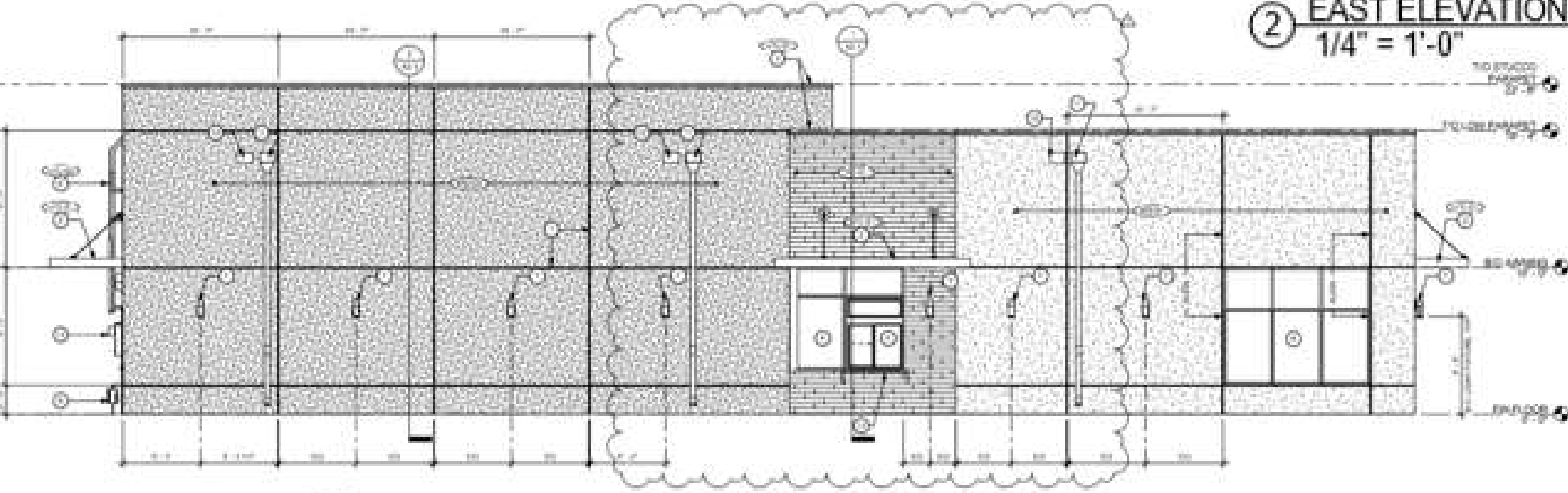
-  **Located in between two roadways that both have over 30K VPD.** The subject Starbucks is located 0.2-miles east of Pelham Pkwy. (33K VPD) and 0.8-miles west of I-65 (124K VPD).
-  **Property is less than a mile north of Oak Mountain Amphitheater.** The subject property is north of Oak Mountain Amphitheater, the largest out door theater in Alabama (10,500 capacity).
-  **Just 2-miles north of Starbucks is the Riverchase Business District.** The district houses multiple notable company offices including Blue Cross Blue Shield, Regions bank, Frito-Lay and more.
-  **The immediate trade area features an above average number of employees.** Within 1-mile of the subject Starbucks are 6,643 employees and within 3-miles of the property are 23,964 employees.
-  **Three hotels are in close proximity to the Starbucks.** Hampton Inn & Suites (85 rooms) and Fairfield Inn & Suites (93 rooms) are both directly south, while Holiday Inn Express (80 rooms) is directly east.
-  **New 10-year Corp. Net Lease, scheduled to open Nov. 2019.** Corp. Net Lease with landlord responsible for Roof, Structure, and Parking Lot. Includes 10% rent increases every 5-years in primary and options.
-  **Located 15-miles south of downtown Birmingham.** The subject Starbucks is strategically located along AL-119 "Cabaha Valley Rd." (27,274 VPD) in the city of Pelham, AL.
-  **The subject site features an above average sized Starbucks building.** The average Starbucks building is usually around 2,100 +/- square feet, whereas the subject Starbucks is 2,500 +/- square feet.

# EXTERIOR ELEVATIONS

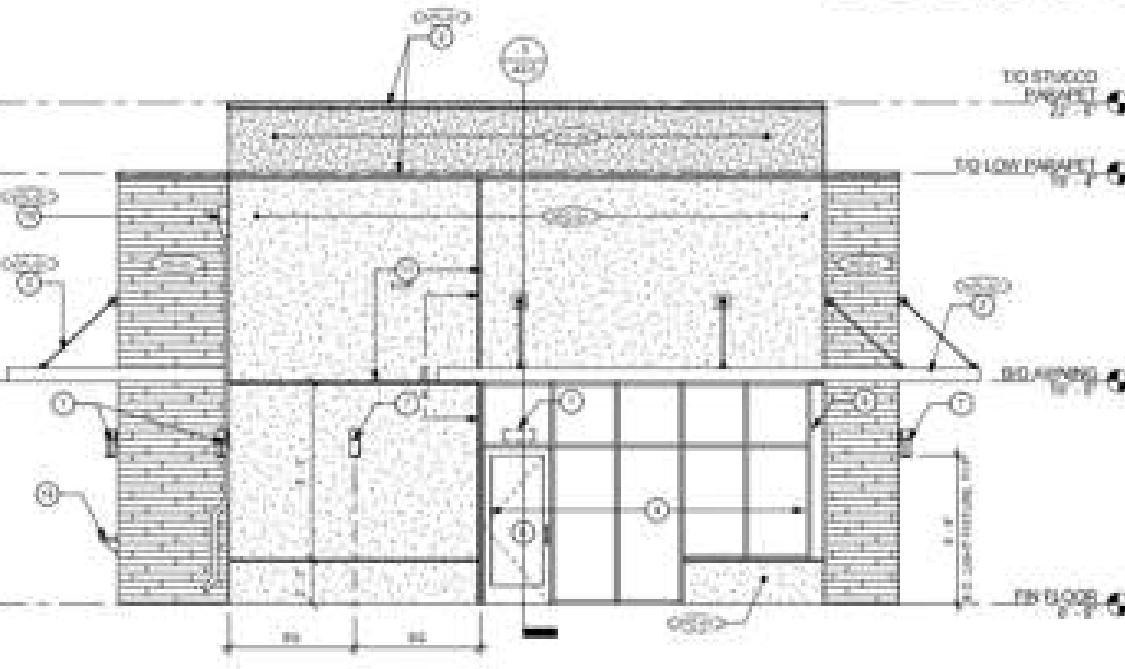
② WEST ELEVATION  
1/4" = 1'-0"



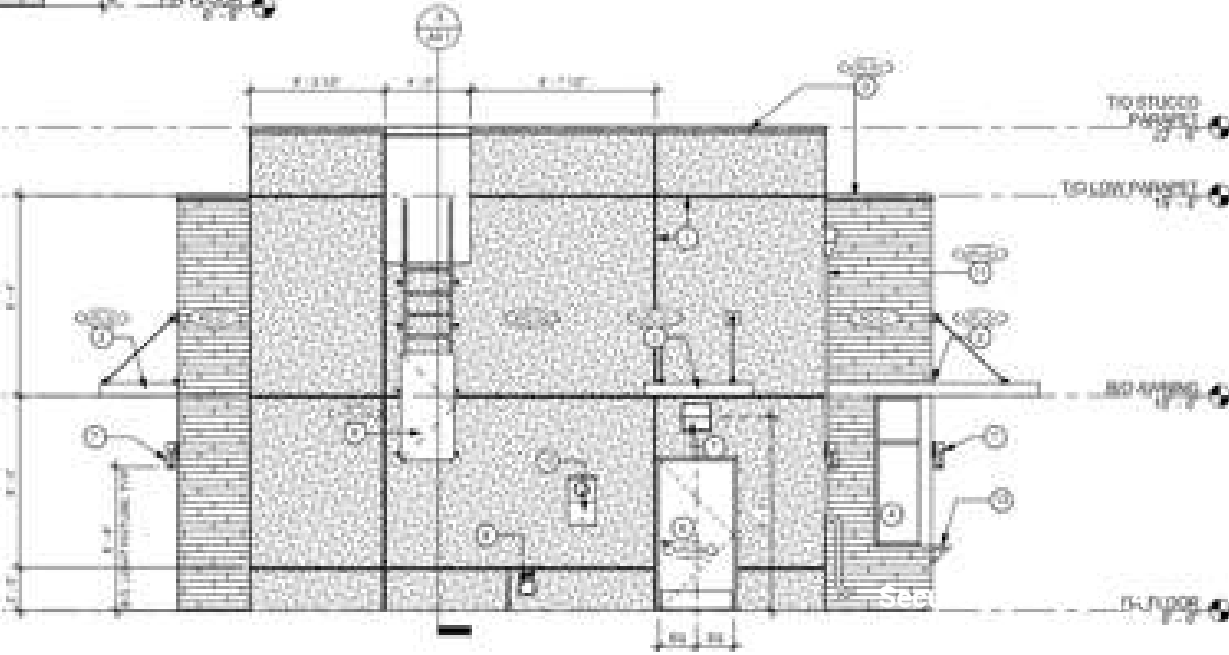
② EAST ELEVATION  
1/4" = 1'-0"



① NORTH ELEVATION  
1/4" = 1'-0"



① SOUTH ELEVATION  
1/4" = 1'-0"



# TENANT OVERVIEW



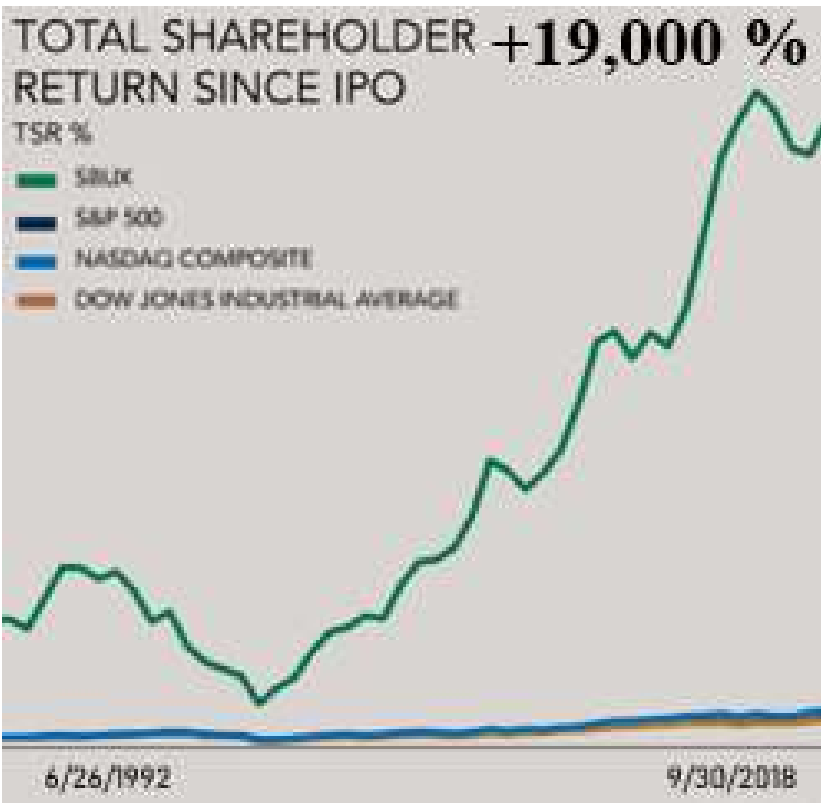
## STARBUCKS

[www.starbucks.com](http://www.starbucks.com)

Starbucks Corporation is an international coffee and coffeehouse chain based in Seattle, Washington. Starbucks is the largest coffeehouse company in the world. Starbucks sells drip brewed coffee, espresso-based hot drinks, other hot and cold drinks, snacks, and items such as mugs and coffee beans. Many of the company's products are seasonal or specific to the locality of the store. 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.

In the 1990s, Starbucks was opening a new store every workday, a pace that continued into the 2000s. In fiscal 2018, the company reported an increase in revenues of 10% from the prior year, and net income of \$4.52 billion (up from \$2.88 billion in 2017)

LESSEE:	Starbucks Corporation, a Washington Corporation
NASDAQ:	SBUX
HEADQUARTERS:	Seattle, WA
COUNTRIES:	78 (including the U.S.)
STATES:	50
EMPLOYEES:	Over 350,000
LOCATIONS:	Over 30,100
REVENUE:	\$24.7 Billion (2018)



# IN THE NEWS

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## THE PURSUIT OF DOING GOOD

Source: - Starbucks (August 12, 2019)

*Each year since 2001, Starbucks has reported on its efforts to make a positive impact in the communities it serves. Here we reflect on our progress and share the company's results for the 2018 fiscal year.*

From the first time Starbucks opened its doors in Seattle's Pike Place Market in 1971, we have been dedicated to exceptional coffee and customer service – and something more.

It started with our early travels to the places where our coffee is grown, understanding that our future is inextricably tied to the futures of farmers and their families. We nurtured personal relationships and built a global network of support to create a new way to produce coffee: one that is sustainable, transparent and good for people and the planet. As the threats of climate change have grown, we have been working to help coffee farms adapt and find innovative solutions in how we build and operate our stores, while reducing the environmental impact of our cups, straws and lids.

Our stores are often the heart of a neighborhood, and we strive to make each one a welcoming and inclusive Third Place. As we have grown, so too has our opportunity to make a positive impact, from alleviating hunger through our food donation program to making investments in local partnerships and coffee- and tea-origin communities through The Starbucks Foundation.

Stitching all these efforts together is a common thread – a green thread – one that is woven in the fabric of our company by the more than 300,000 men and women who proudly wear the green apron. We are dedicated to making our partners proud, providing pay equity and investing in their success. And we are working to hire veterans and military spouses, refugees, Opportunity Youth and those formerly incarcerated, and helping them build their futures once they are with us.

As it has been from the beginning, our purpose goes far beyond profit. We believe in the pursuit of doing good.

This report serves as a transparent acknowledgement of our efforts: where we have achieved and where we have fallen short, and the work still to come. As we look ahead to our centennial anniversary 50 years from now, we hope to build an enduring company by staying true to Our Mission and Values, embracing new ideas and innovating in ways that are meaningful to our customers and inspiring to our partners. We hope you will continue to join us on this journey.

[CLICK HERE TO VIEW MORE](#)



# LEASE SUMMARY

Primary Lease Term:	10-Years
Options:	Four, Five Year Periods
Projected Rent Commencement:	Late-November 2019
Projected Lease Expiration:	Late-November 2029
Lease Type:	Corporate Net Lease
Ownership:	Fee Simple Interest
Taxes:	Tenant Responsibility
Insurance:	Tenant Responsibility
Common Area Maintenance:	Tenant Responsibility
Roof, Structure, Parking Lot:	Landlord Responsibility
Primary Term Rent Increases:	10% Every 5-Years
Option Periods Rent Increases:	10% Every 5-Years
Rent Increase Commencement:	Beginning Year 6 in Primary & Year 11 in Options
Annual Rent Years 1-5:	\$143,400
Annual Rent Years 6-10:	\$157,740
Option 1   Years 11-15:	\$173,514
Option 2   Years 16-20:	\$190,865
Option 3   Years 21-25:	\$209,951
Option 4   Years 26-30:	\$230,947







**Publix**  
PET SUPPLIES PLUS  
**SportClips**  
Papa Murphy's

**WAFFLE HOUSE**  
HEAD START  
Mobile cricket  
metro PCS

Riverchase Business District

bp  
K  
Arbys  
Shell

65

**Walmart**  
Supercenter  
MURPHY USA  
SUBWAY

Industrial Hub

VALLEYDALE RD.  
(± 31,820 VPD)

PELHAM PKWY.  
(± 33,057 VPD)

TEXAS  
Ruby Tuesday  
golden corral  
Burger King  
Arbys  
TACO BELL

AutoZone  
DOLLAR TREE  
McALISTER'S  
SONIC  
Precision Tune Auto Care

Firestone  
Advance Auto Parts  
WELLS FARGO

CAHABA VALLEY RD.  
(± 27,274 VPD)

**STARBUCKS**

Oak Mountain Amphitheater  
(10,500 capacity)

Best  
DQ

Applebee's  
WAFFLE HOUSE  
DUNKIN'  
Chick-fil-A  
Pizza Hut  
Chevron  
Shell  
Kentucky Fried Chicken  
McDonald's

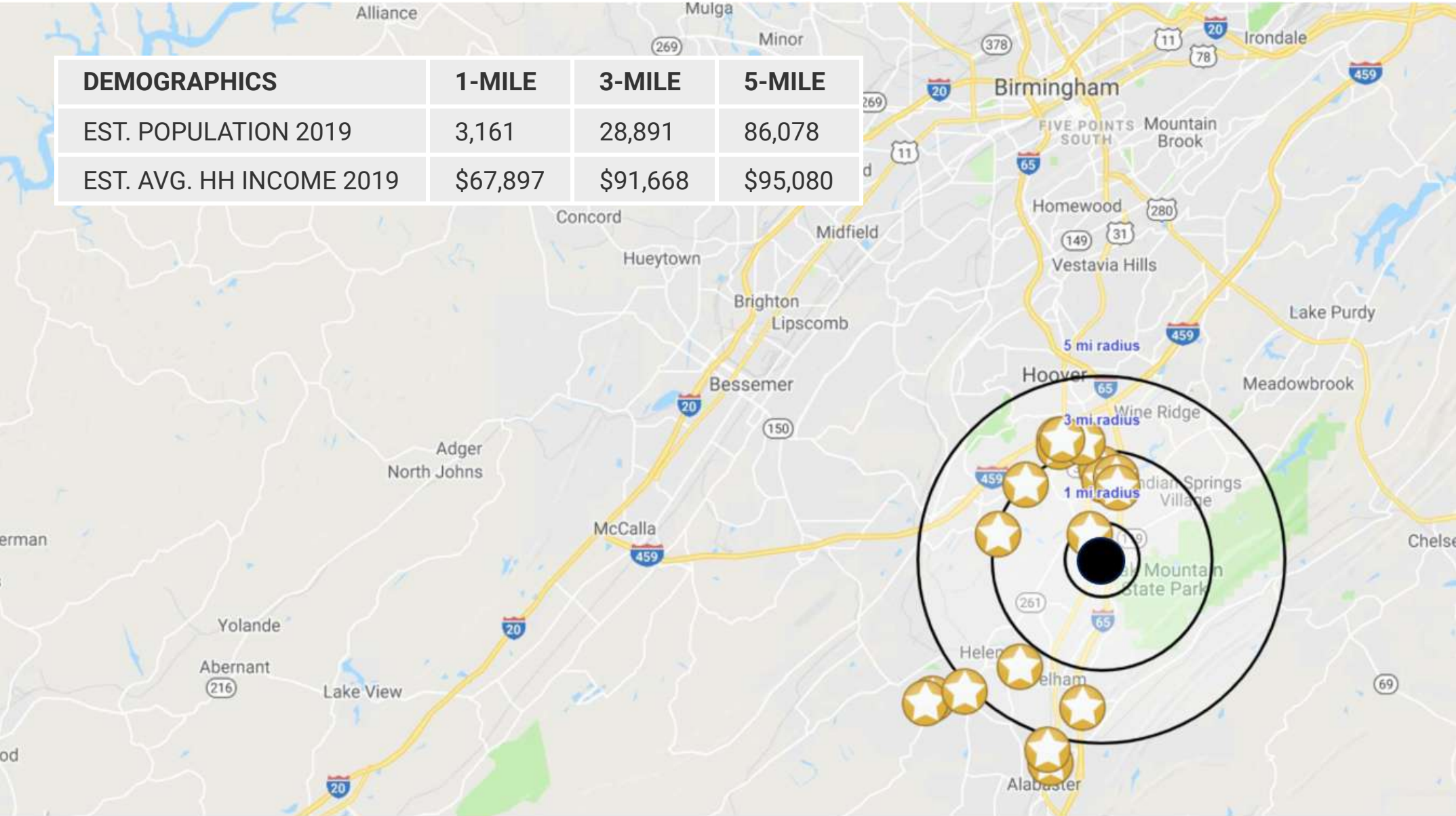
I-65  
(± 124,466 VPD)

the Bojangles

65

# LOCATION OVERVIEW

DEMOGRAPHICS	1-MILE	3-MILE	5-MILE
EST. POPULATION 2019	3,161	28,891	86,078
EST. AVG. HH INCOME 2019	\$67,897	\$91,668	\$95,080



## ECONOMIC DRIVERS

### COMPANY (EMPLOYEES)

- Blue Cross & Blue Shield of Alabama (2,200)
- Helena High School (1,300 + 1,216 students)
- Helena Middle School (1,000 + 964 students)
- Shelby Baptist Medical Center (850 + 252 beds)
- Cahaba Government Benefit Administrators (678)
- Walmart Inc. (500)
- Warrior Coal, LLC (415)
- Sears, Roebuck and Co. (330)
- The Children's Hospital of Alabama (321 + 332 beds)

- Summerfield Plantation LLC (320)
- Hoover High School (320 + 2,922 students)
- Mailsouth, Inc. (300)
- Publix Super Markets, Inc. (270)
- Hyatt Regency - Wynfrey Hotel (260 + 331 rooms)
- YP Advertising & Publishing LLC (250)
- School Transportation Solutions (250)
- Regions Financial Corporation (238)
- Automation Personnel Services, Inc. (233)



# IMMEDIATE TRADE AREA

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## PELHAM, ALABAMA

Starbucks is strategically located along AL-119 “Cahaba Valley Rd.” (27,274 VPD), just east of its intersection with Pelham Pkwy. (33,057 VPD) and just west of its intersection with I-65 (124,466 VPD), in Pelham, AL. Starbucks is located in a heavy commercial and industrial region of Pelham. AL-119 or “Cahaba Valley Rd.” as its known in Pelham is an east-west thoroughfare in the area that connects the surrounding community to the traffic dense highway, I-65. Pelham Pkwy. is a north-south commercial corridor and the main thoroughfare in Pelham. The immediate trade area features above average household incomes of \$91,668 within a 3-mile radius. Additionally, located less than a mile south of the property is the Oak Mountain Amphitheater, with a 10,500 person capacity it is Alabama’s largest outdoor music venue. Starbucks is located approximately 15-miles from downtown Birmingham, AL.

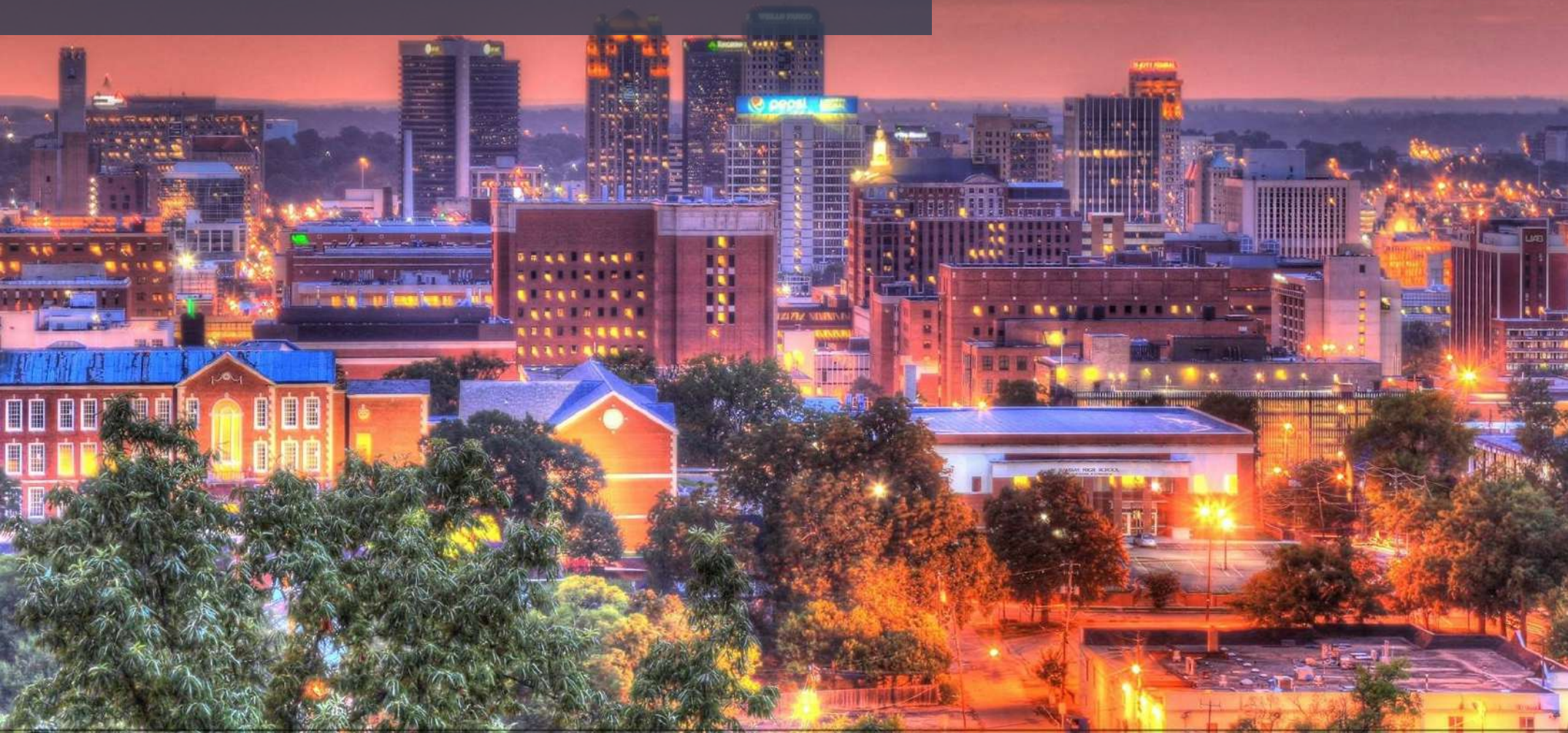
Pelham is a city in Shelby County, Alabama, just about 15-miles south of Birmingham, Alabama. As of the 2017 census estimate, the population of Pelham is 23,493 people. The city of Pelham is one of fastest growing cities in Alabama, along with the county its located in, Shelby County. Pelham has over 5,500 businesses, a two-to one advantage over its nearest competitor in the county. In terms of median family income, Shelby County made the top 500 wealthiest counties list according to 2000 census data. Located in the foothills of Oak Mountain, the scenic neighborhoods offer a retreat from the busy world.



Oak Mountain Amphitheater - Pelham, AL



# BIRMINGHAM, AL AREA



## BIRMINGHAM

Birmingham is a city in the north central region of the U.S. state of Alabama. With an estimated 2018 population of 209,880, it is the most populous city in Alabama. Birmingham is the seat of Jefferson County, Alabama's most populous and fifth largest county, and its a part of the Birmingham-Hoover Metropolitan Statistical Area. The city of Birmingham serves as an important regional hub and is one of the most important business centers in the Southeast. Banking, telecommunications, transportation, electrical power transmission, medical care, college education, and insurance are some of the major economic activities in the city. Birmingham ranks as one of the largest banking centers in the U.S.





## BIRMINGHAM-HOOVER MSA

The Birmingham-Hoover, AL Metropolitan Statistical Area (MSA) is a metropolitan area composed of 7 counties in central part of the U.S. state of Alabama centered around its primary city of Birmingham. The population of this metropolitan area as of the 2013 census estimate was 1,140,300. The Birmingham metropolitan area has consistently been rated as one of America's best places to work and earn a living based on the area's competitive salary rates and relatively low living expenses. One study published in 2006 at the Web site Salary.com determined that Birmingham was 2nd in the nation for building personal net worth, based on local salary rates, living expenses, and unemployment rates.

From its founding through the end of the 1960s, Birmingham was a primary industrial center of the South. The pace of Birmingham's growth during the period from 1881 through 1920 earned its nicknames The Magic City and The Pittsburgh of the South. Though the steel industry no longer has the same prominence it once held in Birmingham, steel production and processing continue to play a key role in the economy. Steel products manufacturers American Cast Iron Pipe Company (ACIPCO) and McWane are based in the city. Several of the nation's largest steelmakers, including CMC Steel, U.S. Steel, and Nucor, also have a major presence in Birmingham. In recent years, local steel companies have announced about \$100 million worth of investment in expansions and new plants in and around the city. Vulcan Materials Company, a major provider of crushed stone, sand, and gravel used in construction, is also based in Birmingham.

In the 1970s and 1980s, Birmingham's economy was transformed by investments in bio-technology and medical research at the University of Alabama at Birmingham (UAB) and its adjacent hospital. The UAB Hospital is a Level I trauma center providing health care and breakthrough medical research. UAB is now the area's largest employer and the second largest in Alabama with a workforce of about 18,750 as of 2011.



Health care services providers HealthSouth, Surgical Care Affiliates and Diagnostic Health Corporation are also headquartered in the city. Caremark Rx was also founded in the city.

Birmingham is also a leading banking center, serving as home to two major banks: Regions Financial Corporation and BBVA Compass. SouthTrust, another large bank headquartered in Birmingham, was acquired by Wachovia in 2004. The city still has major operations as one of the regional headquarters of Wachovia, which itself is now part of Wells Fargo Bank. In November 2006, Regions Financial merged with AmSouth Bancorporation, which was also headquartered in Birmingham. They formed the 8th largest U.S. bank (by total assets). Nearly a dozen smaller banks are also headquartered in the Magic City, such as Cadence Bank and New South Federal Savings Bank.

Birmingham is also a powerhouse of construction and engineering companies, including BE&K, Brasfield & Gorrie and B.L. Harbert International which routinely are included in the Engineering News-Record lists of top design and international construction firms. Two of the largest soft-drink bottlers in the U.S., each with more than \$500 million in sales per year, are located in Birmingham. The Buffalo Rock Company, was formerly a maker of just ginger ale, but now it is a major bottler for the Pepsi Cola Company, and the Coca-Cola Bottling Company, United, is the third-largest bottler of Coca-Cola products in the United States

# SITE PLAN



22+/- PARKING SPOTS



0.68 +/- ACRES



2,500 +/- SQ. FT.

Walmart  
 MURPHY USA  
 SUBWAY

Industrial Hub

TEXAS

AutoZone

Ruby Tuesday  
 golden corral  
 Waffle House  
 Sizzler  
 Arby's  
 McDonald's  
 Taco Bell

Alabama Bone & Joint Clinic

KIA

Precision Tune AutoCare

McAlister's

Firestone  
 Advance Auto Parts  
 Wells Fargo

CAHABA VALLEY RD.  
 (± 27,274 VPD)

Applebee's  
 Waffle House  
 Dunkin'  
 Chick-fil-A  
 Pizza Hut  
 Chevron  
 Shell  
 Kentucky Fried Chicken  
 McDonald's

DOLLAR TREE  
 SONIC

H Holiday Inn Express & Suites

Oak Mountain Amphitheater  
 (10,500 capacity)

I - 65  
 (± 124,466 VPD)

DQ

Best Buy

Hampton Inn  
 Fairfield Inn & Suites  
 Marriott

PELHAM PKWY.  
 (± 33,057 VPD)

STARBUCKS

# SECURE

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## NET LEASE

***WE LOOK FORWARD TO HEARING FROM YOU!***

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