

FOR SALE COFFEE

520 JEFFERSON BOULEVARD • BIG LAKE, MN 55309

CBRE

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INVESTMENT SUMMARY

CARIBOU COFFEE | BIG LAKE, MN

PRICE

\$1,350,000 **6.00% CAP Rate**

ADDRESS

520 Jefferson Boulevard Big Lake, MN 55309

APN

65-019-4405

NET OPERATING INCOME

\$81,000

BUILDING/LOT SIZE

500 SF/2.07 Acres

YEAR BUILT

2019-2020

LEASE TYPE

NNN

TERM REMAINING

10 Years

OPTIONS

Four 5-Year Options

TYPE OF OWNERSHIP

Fee Simple

SUMMARY

format.

New Drive-Thru Small Format "Cabin" Concept

One of the first locations in the Twin Cities featuring the new drive-up and walk-up only

New 10-Year Lease

Caribou Coffee signed a 10-year lease with attractive 10% rent increases every 5 years, continuing throughout the renewal options.

Brand New Construction

The building is new construction built-to-suit according to Caribou Coffee's specifications.

Strong Parent Company

Parent company is JAB Holding Company, an international private firm whose house of brands includes Peet's Coffee, Keurig Dr. Pepper, Panera, and more.

Dominant Regional Coffee Brand
Caribou Coffee has more locations throughout the Twin Cities and state of Minnesota than any of its competitors, making it the dominant brand in the market.

Strong Travel Corridor

Conveniently located on Highway 10, a major "cabin-bound" travel route for Minneapolis-St. Paul residents driving to second homes located in the Brainerd Lakes Area. Highway 10 is also an alternate route for drivers commuting between St. Cloud and Minneapolis-St. Paul.

INVESTMENT SUMMARY CARIBOU COFFEE | BIG LAKE, MN

RENT SCHEDULE						
Rent Start	Rent End	Annual Rent	Monthly Rent	Per SF		
2/1/2020	1/31/2025	\$81,000.00	\$6,750.00	\$162.00		
2/1/2025	1/31/2030	\$88,000.00	\$7,333.33	\$176.00		
2/1/2030 [OPTION 1]	1/31/2035	\$96,800.00	\$8,066.67	\$193.60		
2/1/2035 [OPTION 2]	1/31/2040	\$106,480.00	\$8,873.33	\$212.96		
2/1/2040 [OPTION 3]	1/31/2045	\$117,128.00	\$9,760.67	\$234.26		

TENANT SUMMARY CARIBOU COFFEE | BIG LAKE, MN

TENANT SUMMARY				
Ownership	Private			
Tenant	Caribou Coffee Inc.			
Systemwide Sales	\$292M (2017)			
Lease Guarantor	Corporate			
No. of Locations	273 Corporately Owned Stores			
Headquartered	Brooklyn Center, MN			
Years in the Business	26 Years			
Website	www.CaribouCoffee.com			

CARIBOU COFFEE

Founded in 1992, Caribou Coffee is the second largest company-operated premium coffeehouse in the United States with over 200 company-owned locations nationwide. Caribou Coffee also has over 120 domestic license locations in 22 states, and over 200 international franchise stores in 11 countries. Caribou Coffee provides high quality, handcrafted beverages and food options to fuel life's adventures, both big and small.

Known for a commitment to sustainability, the Company was the first major U.S. coffeehouse to serve 100% Rainforest Alliance Certified™ coffees and espresso. Caribou Coffee products can also be found in grocery stores, mass retailers, club stores, foodservice providers, hotels, entertainment venues and online.

Caribou was acquired by German conglomerate JAB Holdings in 2012 tor \$340 million. JAB's portfolio includes other well-known national brands such as Peet's Coffee, Dr. Pepper Keurig, and Panera Bread.



"Caribou Coffee is proud to announce John Butcher has been appointed President & CEO. Butcher has served as President of Caribou Coffee since joining the company in June of 2017."

"Caribou Coffee names John Butcher CEO", www.franchising.com January 21, 2019

EXPENSE RESPONSIBILITIES				
Real Estate Tax	Tenant responsible.			
Property Insurance	Tenant responsible.			
Utilities	Tenant responsible and pays direct.			
Roof & Structure	Landlord responsible for roof and structure.			
Parking Lot	Landlord responsible for resurfacing. Landlord responsible for snow removal.			
HVAC	Tenant responsible.			
Repairs & Maintenance (CAM)	Tenant responsible.			

AERIAL - EAST FACING CARIBOU COFFEE | BIG LAKE, MN



AERIAL - NORTHWEST FACING CARIBOU COFFEE | BIG LAKE, MN



EXCELLENT CORNER VISIBILITY CARIBOU COFFEE | BIG LAKE, MN



AERIAL CARIBOU COFFEE | BIG LAKE, MN



MARKET SUMMARY CARIBOU COFFEE | BIG LAKE, MN

A rapidly growing enclave located between the metropolitan areas of St. Cloud and Minneapolis-St. Paul, Big Lake, Minnesota, has experienced rapid growth since 2000. The population is forecasted to grow by over 80% between 2000 and the year 2024.

Big Lake is conveniently located 25 miles from the St. Cloud Airport and 45 miles from the Minneapolis-St. Paul International Airport, making the city the perfect location for commuters desiring lower cost of living in more pastoral, suburban settings.

Sherburne County supports an **array of major employers**, including two telecommunications centers for Target and United Health Care. Cargill's poultry processing plant and Remmele Engineering Inc. are Big Lake's largest employers.

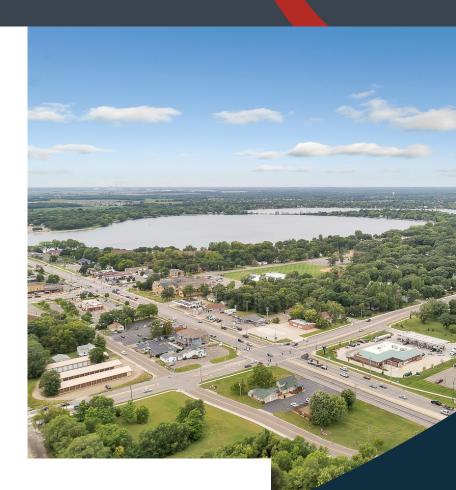
INCOME

\$68,836 2019 Big Lake Estimated Median Household Income (\$61,372 2018 National Average, CNBC.com)

\$36,335 2019 Big Lake Estimated Per Capita Income (\$31,177 2018 National Average, www.census.gov)

POPULATION

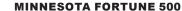
6,864 2000 Census, Big Lake City Population
 12,503 2024 Projection, Big Lake City Population
 82% PROJECTED INCREASE





MSP MARKET SNAPSHOT CARIBOU COFFEE | BIG LAKE, MN

TOP FORBES PRIVATE MINNESOTA COMPANIES



































































TOP TEN MAJOR EMPLOYERS

Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Area

Allina Health System 27,635 Employees

Target Corporation 26,694 Employees

University of Minnesota 26,436 Employees

HealthPartners 22,500 Employees

Fairview Health System 22,000 Employees

Wells Fargo & Co. 20,000 **Employees**

UnitedHealth Group 15,750 Employees

#8

CHS Inc. 12,157 Employees

U.S. Bancorp 12,010 Employees #10

Land O'Lakes Inc. 10,000 Employees

MAJOR RETAIL BRAND HEADQUARTERS

















MSP MARKET SNAPSHOT CARIBOU COFFEE | BIG LAKE, MN

MSP AIRPORT TRAFFIC

Delta Airlines Hub



Sun Country Airlines Headquarters





163 Nonstop Markets Served





HEALTHCARE & RESEARCH

Minnesota Has the

2nd Highest Total Number of Medical Device Patents

In the Nation - "Compare Minnesota: Invention Patents", MN.gov Minneapolis - St. Paul MSA is a

Top Ten U.S. City
for Corporate Innovation



- "Top 10 Cities for Corporate Innovation" Innovation Leader Magazine, May 2017

- "About MSP - MSP by the Numbers", MSPairport.com/about-msp

MSP DEMOGRAPHICS

3,628,856

Minneapolis-St. Paul, Bloomington Population
- U.S. Census Bureau. 2018

#2 in the Nation

#2 State in Percentage of the Population with Associate Degree or Higher
- MN Office of Higher Education, http://www.ohe.state.mn.us/sPages/educ_attain.cfm

93.6%

of Persons Age 25+Hold High School Diploma or Higher | 88% National Average - U.S. Census Bureau, 2018

3% Unemployment

3.8% National Average, January 2019

- U.S. Census Bureau, 2018

LIFE & RETAIL IN MSP

\$2 Billion

in Economic Activity Generated for Minnesota by Mall of America



"Mall of America: By the Numbers." Mall of America, 2016, www.mallofamerica.com/upload/ FactSheets 2016.pdf

#3 Best State

Overall in the United States Based on 70 Metrics, 2019



"Best States Rankings."
U.S. News, 2019,
https://www.usnews.com/news/best-states/rankings

\$59,736

Average Per Capita Personal Income (2017), \$53,658 National Average (2018)



"Per Capita Personal Income in Minneapolis-St. Paul Bloomington MSA", Federal Reserve Bank of St. Louis, Economic Research

Best Parks

System in the Nation According to The Trust for Public Land's ParkScore® Index



"Minneapolis Repeats as Nation's Best Park System." Minneapolis Park & Rereation Board, May 23, 2018, www.MinneapolisParks.org

#3 Fittest City

Ranked by the American Fitness Index Summary 2019



"ACSM American Fitness Index", American Fitness Index, May 2019, www.americanfitnessindex.org

#2 Ticket Sales

In the Nation, Theater Tickets Sold Per Capita (NYC #1)

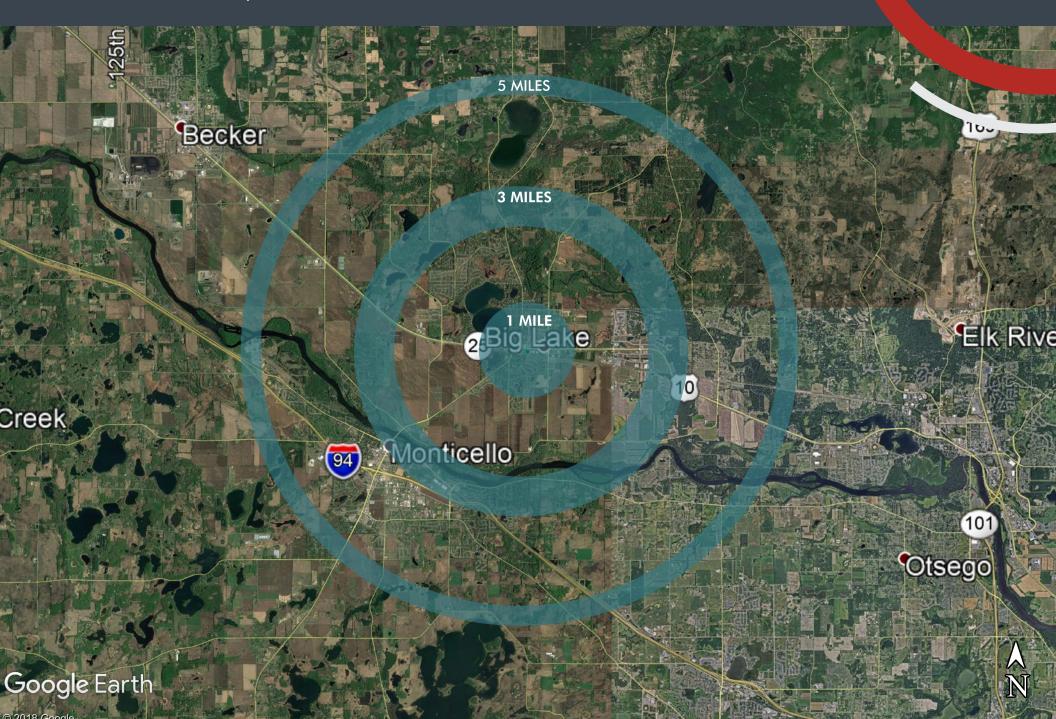


Meet Minneapolis - Things To Do, https:// www.minneapolis.org/things-to-do/arts-culture/theaters/

PAGE HEADER CARIBOU COFFEE | BIG LAKE, MN

	1 Mile	3 Miles	5 Miles
POPULATION			
2019 Population - Estimate	4,423	16,011	39,168
2024 Population - Five Year Projection	4,714	17,283	42,851
2019-2024 Annual Population Growth Rate Projection	1.28%	1.54%	1.81%
GENERATIONS			
Generation Alpha (Bron 2017 or Later)	5.3%	5.0%	4.8%
Generation Z (Born 1999-2016)	27.3%	28.7%	27.7%
Millennials (Born 1981-1998)	27.9%	24.7%	25.0%
Generation X (Born 1965-1980)	20.7%	22.3%	22.2%
Baby Boomers (Born 1946-1964)	15.1%	15.7%	16.6%
HOUSEHOLD INCOME			
2019 Average Household Income	\$86,498	\$95,243	\$96,983
2024 Average Household Income	\$99,315	\$107,284	\$109,634
EDUCATION			
High School Diploma	22.0%	23.6%	23.3%
Some College - No Degree	24.1%	23.7%	23.8%
Associate's Degree	11.8%	12.2%	13.8%
Bachelor's Degree	24.6%	23.1%	21.6%
Graduate or Professional Degree	5.7%	7.0%	7.7%
EMPLOYMENT			
2019 Employed Civilian Population (16+)	98.7%	98.4%	98.0%
2019 Unemployed Population (16+)	1.3%	1.6%	2.0%
COMMUTE TIMES			
45-59 Minutes	15.8%	15.5%	13.8%
60-89 Minutes	13.8%	14.6%	11.6%

DEMOGRAPHICS CARIBOU COFFEE | BIG LAKE, MN



CONSUMER BASE CARIBOU COFFEE | BIG LAKE, MN

DOMINANT TAPESTRY SEGMENT

40.5% UP AND COMING FAMILIES

- Ambitious, working hard to get ahead
- More ethnically diverse, more mobile, and younger than previous generations
- Seek the latest and best in technology
- Careful shoppers, aware of prices
- Young families still feathering the nest and establishing their style
- Busy with work and family

DOMINANT LIFEMODE GROUP

40.9% FAMILY LANDSCAPES

- · Successful young families in their first homes
- · Two workers in the family, prosperous married couple families
- Do-it-yourselfers who work on home improvement projects, as well as their lawns and gardens
- · Eat out frequently at fast food or family restaurants

DOMINANT URBANIZATION GROUP

62.1% SUBURBAN

- Urban expansion: commuters value low density living but demand proximity to jobs, entertainment and amenities of an urban center
- Well-educated, two-income households accept long commutes to raise children in family-friendly neighborhoods
- Invest for the future, insure themselves against unforeseen circumstances, but also enjoy fruits of their labor

OTHER TOP SEGMENTS

20.2% SOCCER MOMS

- · Affluent, family-oriented market with a country flavor
- · Well insured and invested in a range of funds
- · Family oriented purchases and activities dominate
- · Outdoor activities and sports are characteristic
- Favor time-saving devices like online banking or housekeeping services and family-oriented pursuits

19.3% MIDDLEBURG

Residents are conservative, family-oriented consumers Prefer to buy American and travel in the US Young couples, many with children Traditional values are the norm here: faith, family, and country

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