



Starbucks
2021 Kentucky 192
LONDON / KENTUCKY

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INVESTMENT HIGHLIGHTS

- Corporate Guarantee:** Corporately guaranteed by Starbucks (NASDAQ: SBUX), arguably the most recognizable coffee chain in the world, which holds investment-grade credit (S&P: BBB+)
- Strong Lease Fundamentals:** Starbucks is currently in their 1st five-year option w/ approximately 3.3 years remaining. The Lease includes 10% increases every 5 years, and throughout the 3 remaining five-year options
- High-Quality Construction:** High-quality all-brick construction with a drive-thru lane and outdoor patio seating. Subject Starbucks presents an inviting atmosphere for customers while providing excellent visibility in a pride of ownership investment
- Low Competition:** No direct coffee competition in the area and the only Starbucks serving the city of London, KY. Additionally, this is the only Starbucks within a 50-mile radius, which is rare for the concept
- Global Brand Recognition:** Starbucks has over 28,500 locations worldwide, a \$2.88 billion net worth and saw revenues of over \$24.72 billion in 2018

LOCATION HIGHLIGHTS

- Ideal Synergies:** In addition to the impressive retail synergy, this location directly benefits from its immediate placement in front of three national hotel brands including: Country Inn & Suites, Baymont by Wyndham, & Holiday Inn & Suites
- Dominant Trade Area:** The subject property is located in London's busiest retail corridor, down the street from the Walmart Supercenter, Tractor Supply, Lowe's, & Kroger, which allow this asset to hold strong intrinsic value as part of the dominant retail trade area
- High Traffic Counts:** Combined Traffic Counts of over ±80,000 VPD. Starbucks is located on the premier traffic corridor in London, with direct frontage off W Highway 192 (±25k VPD) & I-75 (±55k VPD)
- Ideal Intersate Access:** Starbucks is strategically located directly off I-75, which is not only a highly trafficked freeway providing access across Kentucky, but it is a major cross-country, a north-south route that passes through six different states & is one of the longest in the U.S
- Intrinsic Real Estate Fundamentals:** In addition to the site's prime placement off the I-75 exit, increased traffic is provided from being across from Saint Joseph Hospital, which is the largest hospital in the region



Investment Summary

» OFFERING PRICE	\$1,679,046
» NOI	\$102,842
» CAP RATE	6.12%
» TOTAL BUILDING AREA	± 1,750 SF
» TOTAL LAND AREA	± 0.61 Acres
» YEAR BUILT	2007
» DRIVE THRU	Yes
» BLDG CONSTRUCTION	Brick

Annualized Operating Data

Term	Years	NOI/YR	NOI/mth	NOI/sf/yr	NOI/sf/mth
Current	11-15	\$102,842	\$8,570.13	\$58.77	\$4.90
Option 2	16-20	\$113,126	\$9,427.14	\$64.64	\$5.39
Option 3	21-25	\$124,438	\$10,369.86	\$71.11	\$5.93
Option 4	26-30	\$136,882	\$11,406.84	\$78.22	\$6.52

Tenant Summary

Tenant Trade Name	Starbucks
Type of Ownership	Fee Simple
Lease Guarantor	Starbucks Corporation
Lease Type	NN*
Roof and Structure	Tenant Responsibility
Rent Commencement	8/22/2007
Lease Expiration	1/1/2022
Original Lease Term	10 Years
Increases	10% Every 5 Years
Options	Four, 5-Year Options
*LL Responsibilities:	Roof & Structure



The Offering

PROPERTY NAME	Starbucks
Property Address	2021 Kentucky 192 London, KY 40741
SITE DESCRIPTION	
Number of Stories	One
Year Built	2007
GLA	± 1,477 SF
Lot Size	± 0.61AC (± 26,572 SF)
Type of Ownership	Fee Simple
Roof	Metal

Tenant Overview

» Company Name	» Headquarters	» Year Founded	» Credit Rating
Starbucks	Seattle, WA	1971	S&P: A Investment Grade
» Ownership	» No. of Employees	» Industry	» Stock Symbol
Public	±300,000	Coffee Shops	NASDAQ: SBUX

Starbucks Corporation operates as a roaster, marketer, and retailer of specialty coffee worldwide. Its stores offer coffee and tea beverages, packaged roasted whole bean and ground coffees, single-serve and ready-to-drink coffee and tea products, juices, and bottled water. The company's stores also provide fresh food and snack offerings; and various food products, such as pastries, and breakfast sandwiches and lunch items, as well as serve ware, beverage making equipment, and accessories.

\$26 B
2019 Sales

\$3.55 B
2019 Net Income

30,000 +
Locations Worldwide





Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2024 Projection	2,892	16,220	27,779
2019 Estimate	2,844	15,976	27,328
2010 Census	2,768	15,584	26,613

HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2024 Projection	1,189	6,688	11,185
2019 Estimate	1,168	6,574	10,981
2010 Census	1,134	6,381	10,637

INCOME	1 - MILE	3 - MILE	5 - MILE
2019 Est. Average Household Income	\$62,965	\$60,772	\$61,161



LONDON, KY

London is a home rule-class city in Laurel County, Kentucky. London, Kentucky, is the second-largest city named London in the United States and the fourth-largest in the world. It is part of the London, Kentucky micropolitan area. London is a “vacation crossroads” with a relatively low cost of living, which has made the city and a center for business, shopping, entertainment, education and health-care. London also enjoys a sound base of industrial and retail business, and the schools are exemplary. Moderately priced housing, low utility costs, a moderate climate and proximity to huge forests, beautiful lakes, tourist attractions and the metropolitan areas of Lexington and Knoxville combine to make London a very special place for visitors, new residents, and business opportunities.

LONDON ECONOMIC GROWTH

During the last year, Laurel County has seen economic growth, including multiple new businesses. One of the main reasons for this growth is because of the cities ability to be at the crossroads to go north, south, east, and west. In the last couple of months alone, multiple new businesses have been announced including Kohls, Marshalls and Five Below. In order to keep the town growing, officials would love to see a large manufacturing company join the area, similar to a Toyota or a big distribution box such as Amazon. London is continuing to grow as there has been roughly \$20 billion invested in Kentucky, and 54,000 jobs created and more than 60% of that comes from growth in existing businesses.

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Starbucks** located at **2021 Kentucky 192, Buena Park, CA 94588** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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