



**STARBUCKS**  
OKLAHOMA CITY, OK

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM



**\$2,353,000 | 5.25% CAP RATE**

- » 10-Year Corporate Net Lease with 10% Increases Every Five Years
- » No Early Termination
- » Starbucks is Rated "BBB+" by S&P
- » High-Traffic Location in Growing Retail Corridor
- » Excellent Visibility and Access to 22,300 Vehicles Per Day Directly in Front of the Property on East State Highway 152
- » Average Household Income is \$91,618 Within a Five-Mile Radius
- » Central Location Near Community Attractions
- » One Mile from SSM Health St. Anthony Healthplex (597 Beds, 3,000 Employees)
- » Minutes from Mustang High School (2,800+ Students), Mustang Middle School (700+ Students), Mustang Valley Elementary School (600+ Students), and Mustang Centennial Elementary School (600+ Students)
- » Within Five Miles of Eight Hotels
- » 2018 Construction Featuring Dedicated Drive-Thru

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

## LEAD BROKERS

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# INVESTMENT SUMMARY

<b>ADDRESS</b>	132 East State Highway 152, Mustang, Oklahoma		
<b>PRICE</b>	<b>\$ 2,353,000</b>		
<b>CAP RATE</b>	<b>5.25%</b>		
<b>NOI</b>	\$123,500		
<b>TERM</b>	10 years		
<b>RENT COMMENCEMENT</b>	April 26, 2018		
<b>LEASE EXPIRATION</b>	April 30, 2028		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$123,500	5.25%
	6-10	\$135,850	5.78%
	11-15 (Option 1)	\$149,435	6.35%
	16-20 (Option 2)	\$164,378	6.99%
	21-25 (Option 3)	\$180,815	7.69%
	26-30 (Option 4)	\$198,897	8.45%
<b>YEAR BUILT</b>	2018		
<b>BUILDING SF</b>	2,278 SF		
<b>PARCEL SIZE</b>	0.88 acres (38,333 SF)		
<b>LEASE TYPE</b>	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding roof, structure, and parking lot		

## HIGH-QUALITY, INVESTMENT GRADE SINGLE-TENANT ASSET

- » Leased to Starbucks Corporation for 10 years plus four five-year options
- » 10% fixed rental increases every five years in initial term and extension terms, providing a hedge against inflation
- » No early termination
- » Investment grade tenant, rated “BBB+” by Standard & Poor’s
- » Starbucks Corporation (NASDAQ: “SBUX”) is the world’s premier coffee company, with over 29,000 locations and \$24.7 billion in annual revenue

## HIGH-TRAFFIC LOCATION IN GROWING RETAIL CORRIDOR

- » Located at the intersection of North Mustang Road and East State Highway 152, with excellent visibility and access to 39,645 vehicles per day at the intersection
- » Minutes from additional well-known retailers and restaurants including Walmart Supercenter, Lowe’s, Taco Bell, Domino’s Pizza, Little Caesars, Applebee’s, Walgreens, CVS Pharmacy, Subway, Freddy’s, McDonald’s, Tractor Supply Company, Stage, and Whataburger, among many others
- » Located between Will Rogers World Airport (4.34 million passengers) and southwest Oklahoma City

## CENTRAL LOCATION NEAR COMMUNITY ATTRACTIONS

- » One mile from SSM Health St. Anthony Healthplex (597 beds, 3,000 employees)
- » Minutes away from Mustang High School (2,800+ students), Mustang Middle School (700+ students), Mustang Valley Elementary School (600+ students), and Mustang Centennial Elementary School (600+ students)
- » Within five miles of eight hotels

## 2018 CONSTRUCTION

- » Features dedicated drive-thru, providing additional customer convenience and boosting sales revenue
- » New building, limiting near-term deferred maintenance or capital costs



FILE PHOTO



Lakehoma Elementary School  
(450 students)

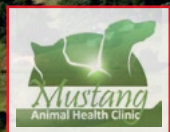
Centennial Elementary School  
(655 students)

Mustang High School  
(2,854 students)

FUTURE  
DEVELOPMENT

Mustang Road (17,345 AADT)

Mustang Elementary School  
(491 students)



East State Highway 152 (22,300 AADT)



PEBBLE CREEK  
GOLF COURSE

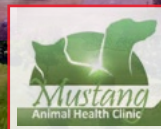
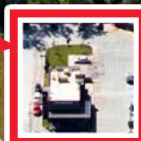


Mustang High School  
(2,854 students)

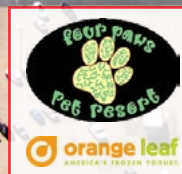
FUTURE  
DEVELOPMENT

Mustang Road (17,345 AADT)

Mustang Elementary School  
(491 students)



Southwest 74th Street (22,300 AADT)



Mustang Trade Center



OKLAHOMA CITY  
(17 miles)



Walmart Supercenter  
**MURPHY USA**  
DOLLAR TREE  
Wendy's  
at&t

Applebee's GRILL & BAR  
TACO BELL  
**IHOP**  
ZAXBY'S

**LOWE'S**

**Chicken EXPRESS**

**Papa Murphy's**  
TAKE 'N BAKE PIZZA

**Freddy's**  
FROZEN CUSTARD &  
STEAKBURGERS®

**SONIC**  
America's Drive-In.

Southwest 74th Street  
(22,300 AADT)

**S**  
**SWADLEY'S**  
BAR-B-Q'S

Mustang Trade Center  
**CASHSAVER**  
COST PLUS FOOD STORE  
**DOLLAR GENERAL**  
**SUBWAY**

**O'Reilly** AUTO PARTS  
PROFESSIONAL PARTS PEOPLE

PEBBLE CREEK  
GOLF COURSE

**Starbucks**

Mustang  
Elementary School  
(491 students)

**STAGE cricket** wireless  
**Pizza Hut**

**WHATABURGER**

**McDonald's**

**Mustang**  
Animal Health Clinic

Mustang Road  
(17,345 AADT)

**TSC TRACTOR SUPPLY CO**  
**HIBDON TIRE PLUS**  
**KFC**

**four paws**  
Pet Resort  
**orange leaf**  
AMERICA'S FRESH TOMATO

**Walgreens**

**CVS**  
pharmacy



**TSC** TRACTOR SUPPLY CO  
**HIBDON** TIRE PLUS  
**KFC**

**BIG TIRES**

**BRAUM'S**

**UNITED STATES POSTAL SERVICE**

**WHATABURGER**

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PEBBLE CREEK GOLF COURSE

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AMERICA'S FROZEN YOGURT

**Mustang**  
Animal Health Clinic

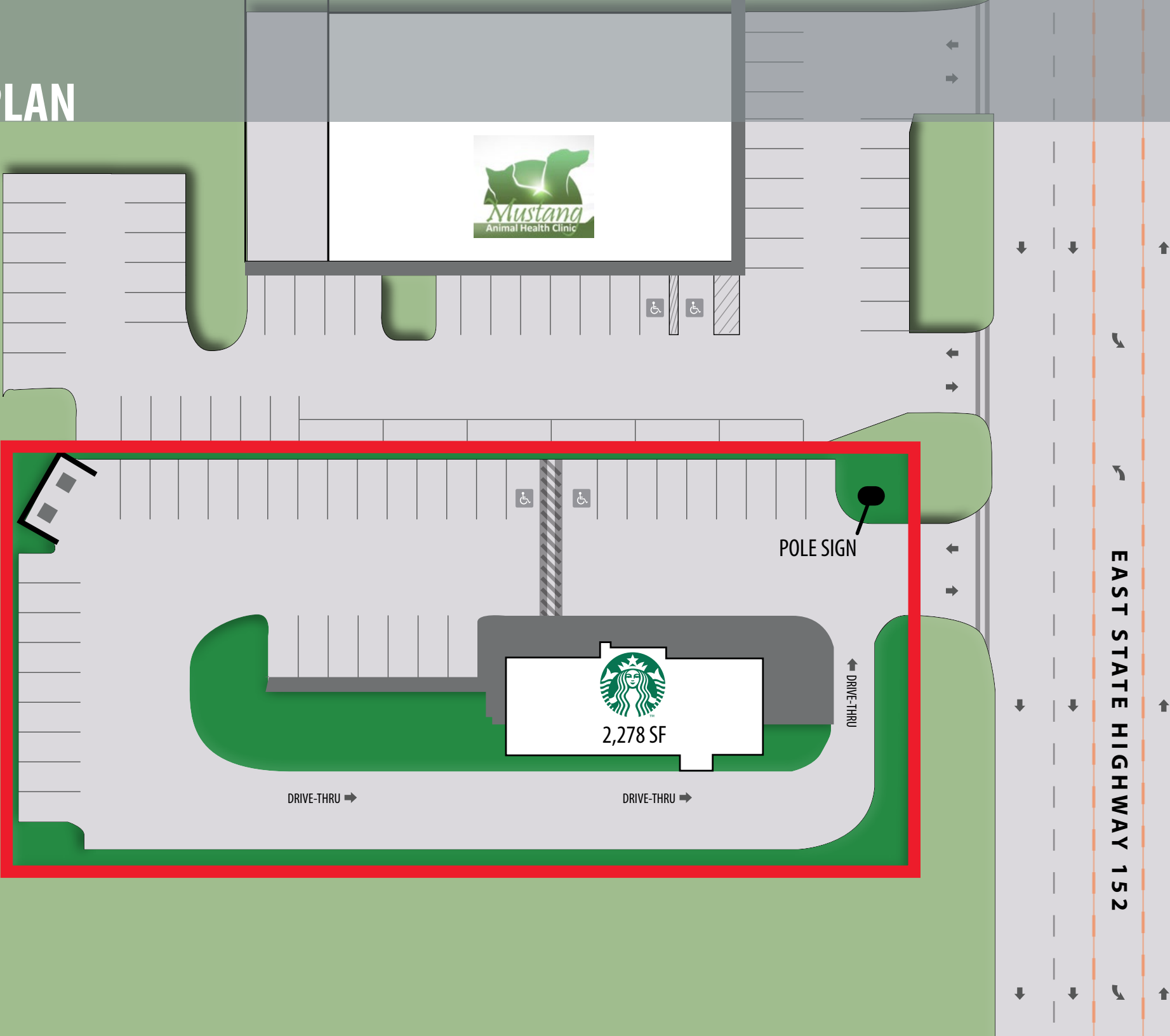
**Starbucks**

**SWADLEY'S**  
BAR-B-Q

**Walgreens**

Mustang Elementary School  
(491 students)

# SITE PLAN



# TENANT SUMMARY



Starbucks Corporation (NASDAQ: "SBUX") is the premier roaster, marketer, and retailer of specialty coffee in the world, operating more than 29,000 locations in 76 countries. Starbucks also sells a variety of coffee and tea products and licenses its trademarks through other channels, such as licensed stores, grocery, and national foodservice accounts. In addition to the flagship Starbucks Coffee brand, Starbucks also sells goods and services under the Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, and Ethos brand names.

On August 27, 2018, Starbucks and Nestlé closed a \$7.15 billion licensing deal, giving Nestlé the rights to market, sell, and distribute Starbucks' packaged coffee and tea around the world. The licensing arrangement includes the rights to market everything from whole bean coffee to portioned coffee pods for each brand owned by Starbucks. The agreement significantly strengthens Nestlé's coffee portfolio in the North American premium roast and ground and portioned coffee business. It also unlocks global expansion in grocery and foodservice for the Starbucks brand, utilizing the global reach of Nestlé. Starbucks CEO Kevin Johnson said the Nestle deal opens the door for the restaurant chain to reach a global scale in the retail sector as well. "This global coffee alliance with Nestlé is a significant strategic milestone for the growth of Starbucks," Johnson said in a statement. "Bringing together the world's leading coffee retailer, the world's largest food and beverage company, and the world's largest and fast-growing installed base of at-home and single-serve coffee machines helps us amplify the Starbucks brand around the world while delivering long-term value creation for our shareholders."

For the fiscal year ended September 30, 2018, Starbucks Corporation reported net revenues of \$24.7 billion, representing a 10% increase from 2017. As of 2018, Forbes ranked Starbucks as the world's second largest restaurant company and the world's 370th largest company overall. Starbucks is rated "BBB+" by Standard & Poor's.

For more information, please visit [www.starbucks.com](http://www.starbucks.com).

<b>LOCATIONS</b>	<b>29,000+</b>	<b>HEADQUARTERS</b>	<b>Seattle, WA</b>
<b>REVENUE</b>	<b>\$24.7B</b>	<b>TICKER</b>	<b>NASDAQ: "SBUX"</b>

# LEASE ABSTRACT

<b>TENANT</b>	Starbucks Corporation		
<b>ADDRESS</b>	<a href="#">132 East State Highway 152, Mustang, Oklahoma</a>		
<b>RENT COMMENCEMENT</b>	April 26, 2018		
<b>LEASE EXPIRATION</b>	April 30, 2028		
<b>RENEWAL OPTIONS</b>	Four (4) five (5) year options		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-5 6-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3) 26-30 (Option 4)	<b>RENT</b> \$123,500 \$135,850 \$149,435 \$164,378 \$180,815 \$198,897	<b>RETURN</b> 5.25% 5.78% 6.35% 6.99% 7.69% 8.45%
<b>CAM COSTS</b>	Tenant is responsible for its pro rata share of CAM costs.		
<b>REAL ESTATE TAXES</b>	Tenant is responsible for its pro rata share of real estate taxes.		
<b>INSURANCE</b>	Tenant and Landlord shall both maintain liability and property insurance.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant is responsible for all maintenance and repairs that are not the responsibility of Landlord.		
<b>MAINTENANCE BY LANDLORD</b>	Landlord shall repair and maintain the roof and structural portions of the Building and the parking areas on the Property.		
<b>RIGHT OF FIRST REFUSAL</b>	None		

# PROPERTY OVERVIEW

## LOCATION

The property is located at the intersection of East State Highway 152 and North Mustang Road, with excellent visibility and access to 22,300 AADT along East State Highway and 17,345 AADT on North Mustang Road. The location resides in a growing retail corridor and is within walking distance of a newly constructed Walmart Supercenter-anchored shopping plaza. Other major retailers in the surrounding area include Lowe's, Taco Bell, Domino's Pizza, Little Caesars, Applebee's, Whataburger, and more. Located between Will Rogers World Airport and southwest Oklahoma City, the property is easily accessible to 4.34 million annual air travelers.

The property benefits from the immediate adjacency of surrounding schools such as Mustang High School (2,800+ students), Mustang Middle School (700+ students), Mustang Valley Elementary School (600+ students), and Mustang Centennial Elementary School (600+ students). Due to its major transit hub location, the property is conveniently placed within five miles of eight different hotels. Additionally, the location is also minutes from the community's primary health care provider, SSM Health St. Anthony Healthplex (597 beds, 3,000 employees), which completed a 10-year, \$220 million expansion and renovation in 2016. Furthermore, the property is surrounded by new homes and apartments and is supported by a large customer base, with 206,228 people living within a 10-mile radius of the property.

## ACCESS

Access from East State Highway 152

## TRAFFIC COUNTS

East State Highway 152:	22,300 AADT
North Mustang Road:	17,345 AADT

## PARKING

39 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2018

## NEAREST INTERNATIONAL AIRPORTS

Will Rogers World Airport (OKC)



**39**  
PARKING  
STALLS



**2018**  
YEAR BUILT



**22K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
WILL ROGERS  
WORLD AIRPORT  
(OKC)

# AREA OVERVIEW

Oklahoma City is the capital of and largest city in Oklahoma. The county seat of Oklahoma County, the city ranks 27th among U.S. cities in population. The Oklahoma City Metropolitan Statistical Area (MSA) has a population of 1,396,445, and the Oklahoma City-Shawnee Combined Statistical Area (CSA) has a population of 1,469,124 residents, making it Oklahoma's largest metropolitan area. Oklahoma City has the largest municipal population of any city in the Great Plains region of the central United States as well as all neighboring states to Oklahoma, excluding Texas and Colorado. The economy of Oklahoma City, once just a regional power center of government and energy exploration, has since diversified to include the sectors of information technology, education, health services, aviation and aerospace, bioscience, manufacturing, business services, and retail trade.

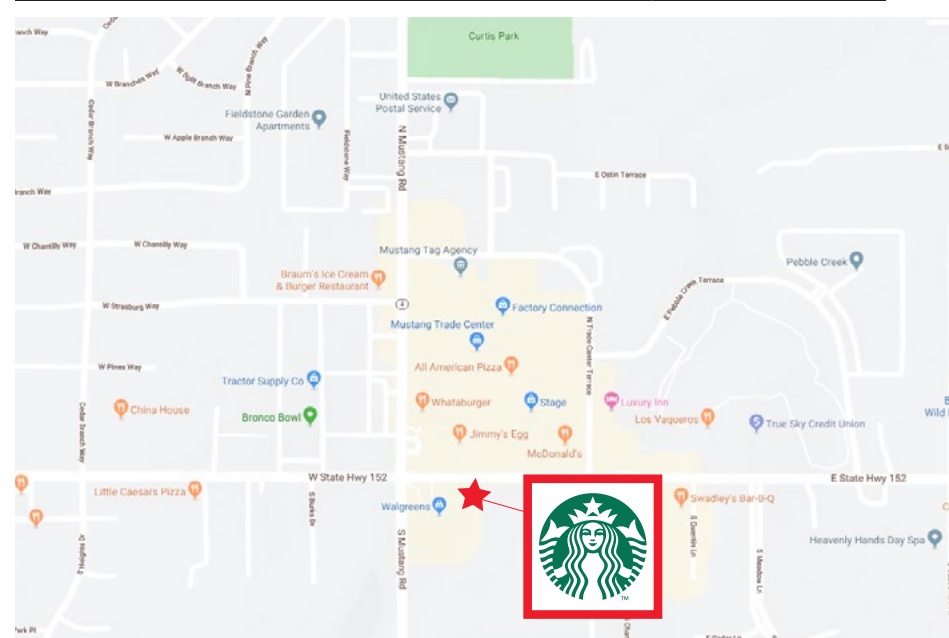
The city is headquarters to two Fortune 500 companies, Chesapeake Energy Corporation and Devon Energy Corporation, as well as being home to Love's Travel Stops & Country Stores, which is ranked 13th on Forbes' list of private companies. Lying in the Great Plains region, Oklahoma City also has one of the world's largest livestock markets. Government and energy exploration still contribute significantly to Oklahoma City's economy. The federal government employs large numbers of workers at Tinker Air Force Base and the United States Department of Transportation's Mike Monroney Aeronautical Center. Oil, natural gas, petroleum products, and related industries are the largest sector of the local economy, and the city is in the middle of an active oil field. Major corporations with a large presence in Oklahoma City include Dell, The Hertz Corporation, United Parcel Service, Farmers Insurance Group, Great Plains Coca-Cola Bottling Company, Cox Communications, The Boeing Company, Deaconess Hospital, Johnson Controls, MidFirst Bank, American Fidelity Assurance, Rose State College, Sonic Drive-In, and Continental Resources.

- » Oklahoma City is an integral point on the United States Interstate Network, with three major interstate highways—Interstates 35, 40, and 44—bisecting the city. Oklahoma City is on the Interstate 35 Corridor, which is one of the primary travel corridors south into neighboring Texas and Mexico and north toward Wichita and Kansas City.
- » Oklahoma City has experienced significant population increases since the late 1990s. Since the official Census in 2000, Oklahoma City has grown over 25%, according to the Bureau estimates. The 2018 estimate of 649,021 is the largest population Oklahoma City has ever recorded. It is the first city in the state to record a population greater than 600,000 residents.
- » According to the Oklahoma City Chamber of Commerce, the metropolitan area's economic output grew by 33% between 2001 and 2005, due chiefly to economic diversification. Its gross metropolitan product (GMP) was \$43.1 billion in 2005 and grew to \$61.1 billion in 2009. By 2016, the GMP had grown to \$73.8 billion.
- » Tinker Air Force Base, in southeast Oklahoma City, is the largest military air depot in the nation, a major maintenance and deployment facility for the Navy and the Air Force, and the second largest military institution in the state.

## MAJOR EMPLOYERS IN OKLAHOMA CITY MSA

## # OF EMPLOYEES

STATE OF OKLAHOMA	47,300
TINKER AIR FORCE BASE	24,000
UNIVERSITY OF OKLAHOMA - NORMAN	12,700
FAA MIKE MONRONEY AERONAUTICAL CENTER	7,000
INTEGRIS HEALTH	6,000
HOBBY LOBBY STORES INC.	5,100
UNIVERSITY OF OKLAHOMA HEALTH SCIENCES CENTER	5,000
CITY OF OKLAHOMA	4,700
MERCY HOSPITAL	4,500
OGE ENERGY CORPORATION	3,400
OU MEDICAL CENTER	3,200



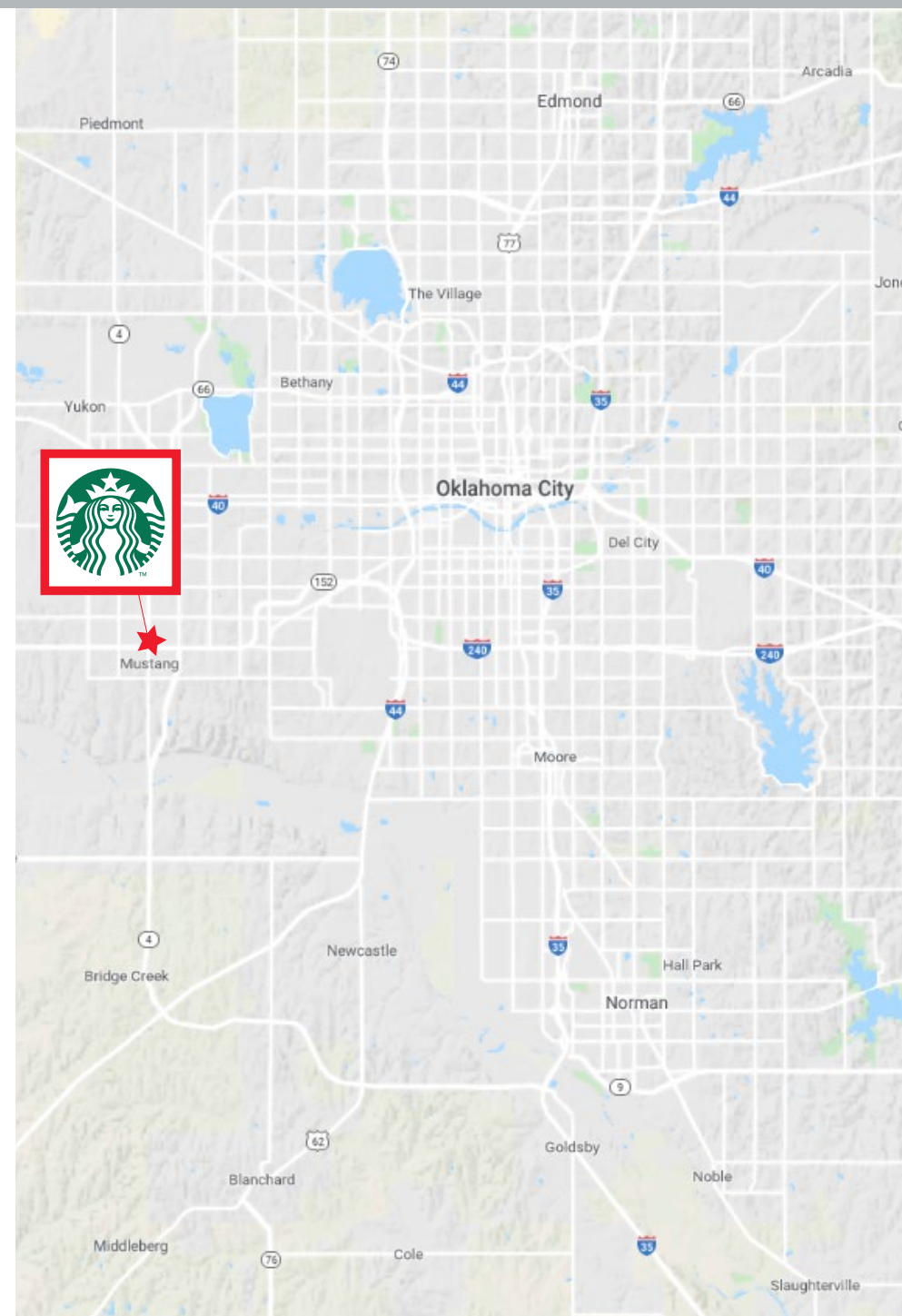
# DEMOGRAPHIC PROFILE

## 2019 SUMMARY

	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>10,163</b>	<b>23,256</b>	<b>57,907</b>
Households	3,887	8,748	21,176
Families	2,727	6,513	16,064
Average Household Size	2.61	2.66	2.73
Owner Occupied Housing Units	2,566	6,654	16,045
Renter Occupied Housing Units	1,320	2,094	5,131
Median Age	35.0	38.3	36.3
<b>Average Household Income</b>	<b>\$77,382</b>	<b>\$88,026</b>	<b>\$91,618</b>

## 2024 ESTIMATE

	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>10,733</b>	<b>25,045</b>	<b>65,056</b>
Households	4,113	9,427	23,758
Families	2,865	6,977	17,928
Average Household Size	2.61	2.66	2.74
Owner Occupied Housing Units	2,773	7,281	18,121
Renter Occupied Housing Units	1,340	2,145	5,638
Median Age	35.2	39.1	36.5
<b>Average Household Income</b>	<b>\$86,864</b>	<b>\$97,057</b>	<b>\$100,949</b>



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