

STARBUCKS



306 US Hwy 17-92 | Longwood, FL

OFFERING MEMORANDUM

MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES

REPRESENTATIVE PHOTO

LISTED BY

Aron Cline

SVP & Senior Director
Mobile +1 818 632 0233
Direct +1 949 432 4509
aron.cline@matthews.com
License No. 01904371 (CA)

BROKER OF RECORD
KYLE MATTHEWS
LIC # CQ1052263 (FL)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



REPRESENTATIVE PHOTO

TABLE OF CONTENTS



EXECUTIVE OVERVIEW



FINANCIAL OVERVIEW



TENANT OVERVIEW



AREA OVERVIEW

STARBUCKS



306 US Hwy 17-92 | Longwood, FL

OFFERING MEMORANDUM

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

Highly Sought-After Tenant with Secure Lease

- **Corporately guaranteed** by Starbucks, arguably the most recognizable coffee chain in the world, which holds **Investment-grade Credit** (S&P)
- **New, 10-year Lease** with **no early-termination** clause and **10% rent increases every 5 years**
- **Brand-new Renovation of building** and conversion to Starbucks, estimated to open in August, 2019

Location

- **Only Starbucks for a ±3-mile radius**
- Highly trafficked site - **±74,500 VPD on Highway 17-92**
- **Only Starbucks located directly off Highway 17-92 for more than a 25-mile stretch**
- **Less than 3.5 miles from the Seminole State College Sanford/Lake Mary Campus**, which enrolls ±29,300 students and is centrally located in Seminole County on 280 acres and features 840,000+ square feet of well-equipped learning facilities
- ±2 miles from Lyman High School, **±2,600 students**
- Outparceled to Big Lots and Save-a-Lot shopping center
- Located in an **Income Tax-free state**
- Plenty of new development in the area: [Click here for more details](#)
- **Exceptional Growth: ±16% population growth since 2010** within the 1-mile radius; **projected to grow another 6.66%** by 2024
- **Average Household Income ±\$80,000** within the 3-mile radius

SITE PLAN



FINANCIAL OVERVIEW



\$2,523,800
LIST PRICE



\$132,500
NOI



5.25%
CAP RATE

BUILDING INFO

Address	306 US Hwy 17-92 Longwood, FL
APN	33-20-30-527-0000-0030
Year Built /Renovated	2005/2019
GLA of Building	± 2,275 SF
Lot Size	±0.73 Acres (±31,936 SF)



TENANT SUMMARY

Trade Name	Starbucks
Ownership Type	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term (Years)	10 YRS
Rent Commencement Date	Estimated 8/16/2019
Lease Expiration Date	8/31/2029
Increases	10% Every 5 Years
Options	Four, 5-Year Options
*Roof & Structure	Landlord Responsible

*New, 15-year, assignable roof-warranty in place

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Cap Rate
8/16/19 - 8/31/24	\$11,041.67	\$132,500.00	5.25%
9/1/24 - 8/31/29	\$12,145.83	\$145,750.00	5.78%
Option 1 - 8/31/34	\$13,360.42	\$160,325.00	6.35%
Option 2 - 8/31/39	\$14,696.46	\$176,357.50	6.99%
Option 3 - 8/31/44	\$16,166.10	\$193,993.25	7.69%
Option 4 - 8/31/49	\$17,782.71	\$213,392.58	8.46%

TENANT OVERVIEW



REPRESENTATIVE PHOTO

The Offering

PROPERTY NAME		Starbucks
Property Address	306 US Hwy 17-92 Longwood, FL	
SITE DESCRIPTION		
Number of Stories	One	
Year Built/Renovated	2005/2019	
Lot Size	±31,936 SF	
Type of Ownership	Fee Simple	

Tenant Overview

- » **Company Name** Starbucks
- » **Year Founded** 1971
- » **Headquarters** Seattle, WA
- » **Credit Rating** BBB+ rating
- » **Ownership** Public
- » **Industry** Coffee Shops
- » **No. of Employees** ±300,000
- » **Stock Symbol** 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.

\$22.4 B

2017 Sales

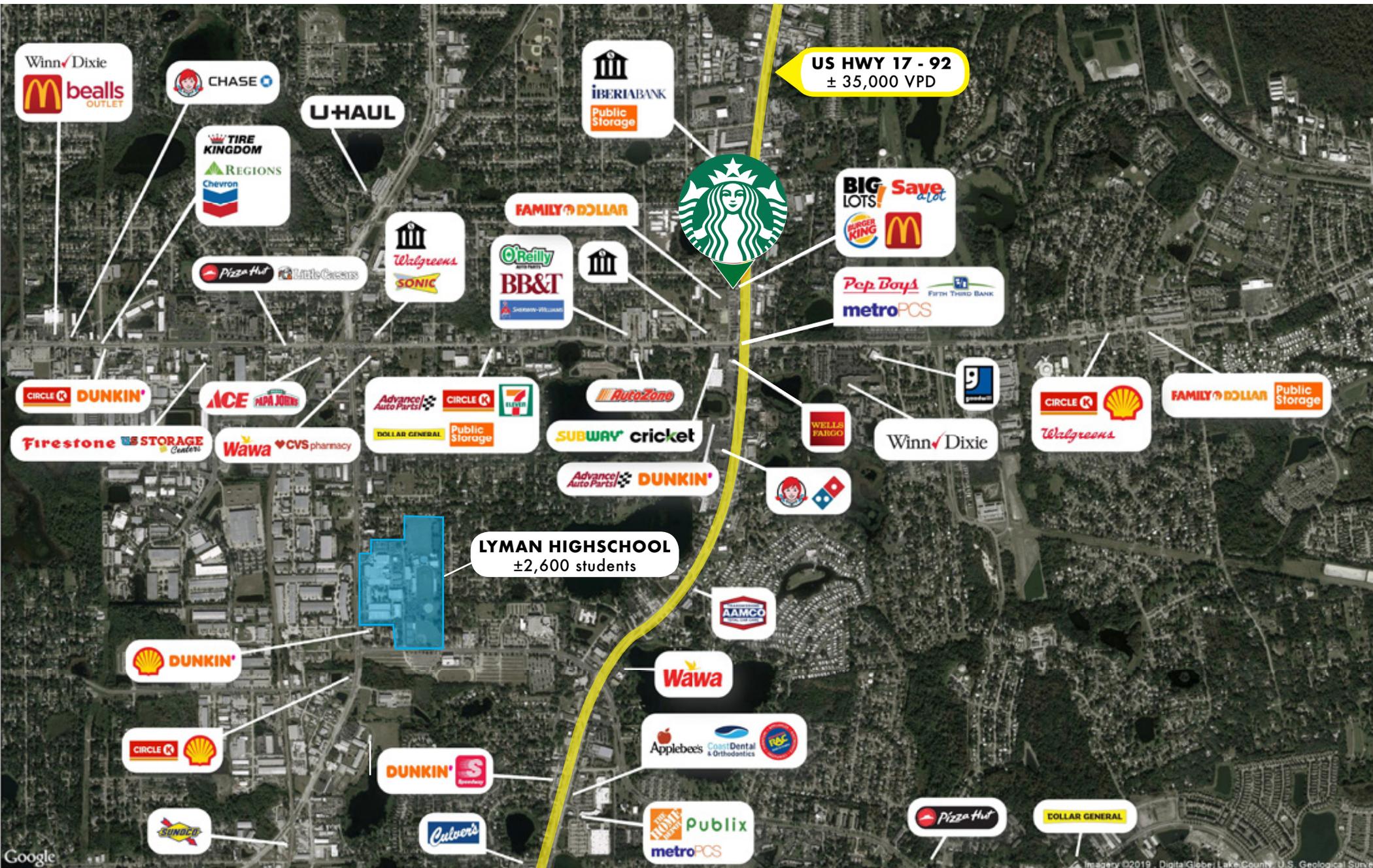
\$2.88 B

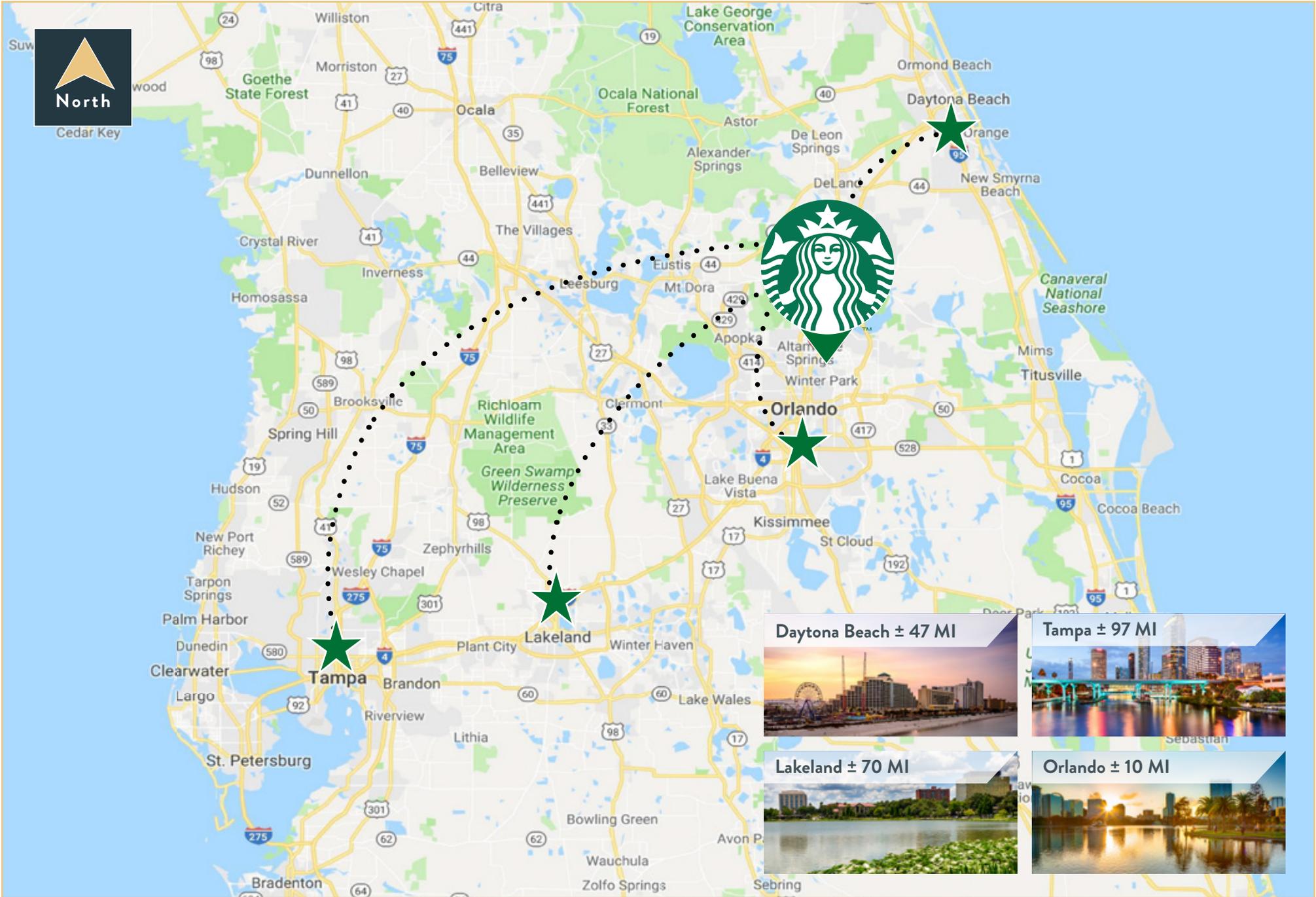
2017 Net Income

27,000 +

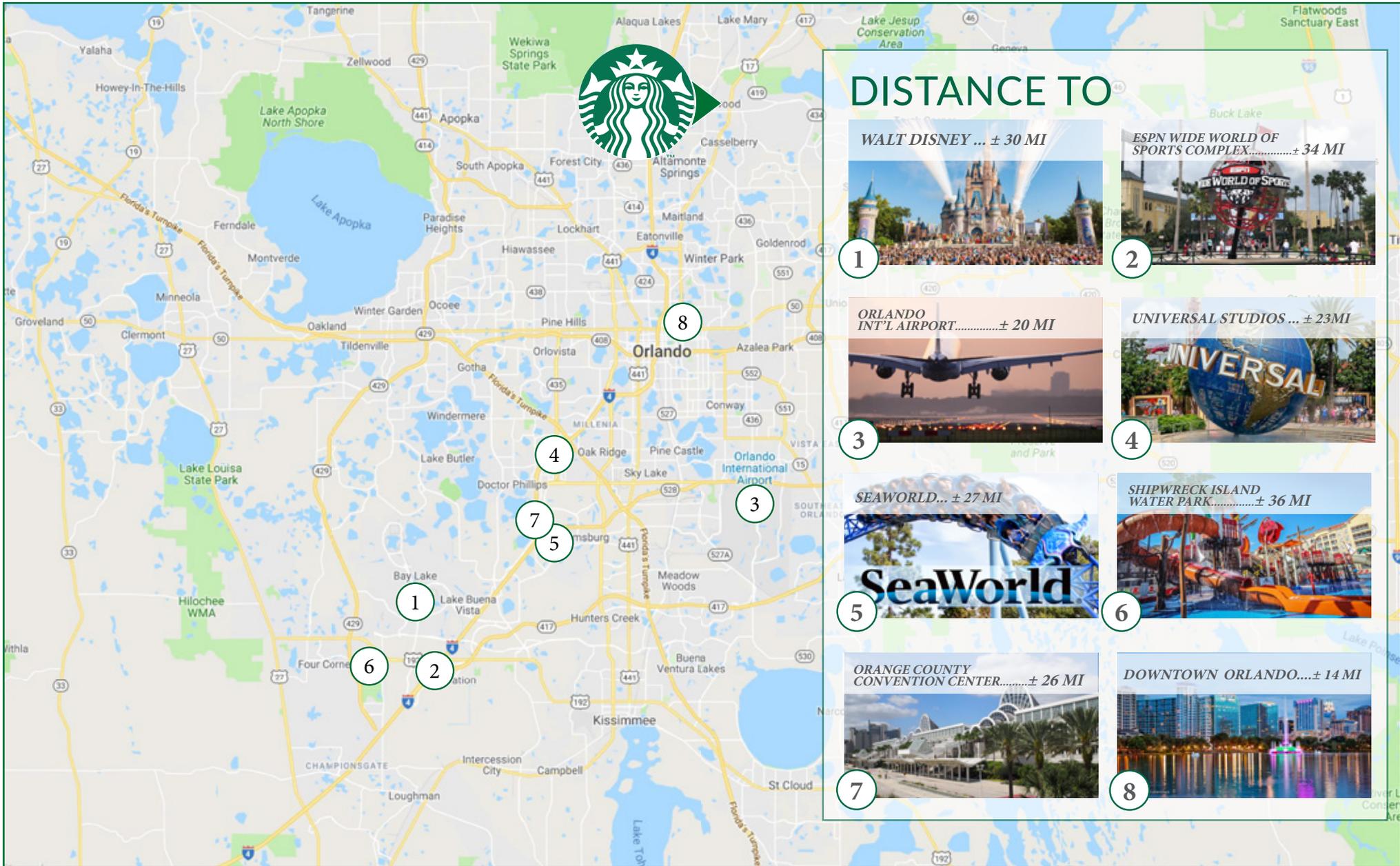
Locations Worldwide

SURROUNDING TENANTS





REGIONAL MAP



AREA OVERVIEW

LONGWOOD, FL OVERVIEW

Longwood is a city in Seminole County, Florida. It is part of the Orlando–Kissimmee–Sanford, Florida Metropolitan Statistical Area.

The City of Longwood's Mayor and Commissioners have adopted a proactive attitude, dedicated to creating an environment that is not only business friendly but also has a focus upon making Longwood a place that attracts new businesses and grows its existing businesses through the provision of quality development, A-rated schools, ample parks and safe neighborhoods.

One of the many low cost advantages of doing business in Longwood is the ease of transportation.

Whether it's traveling in the Greater Orlando area or having to reach the Atlantic or Gulf Coasts; Longwood businesses have noted

that the location has been a significant advantage and aid in the decision to locate their company in the City. Being in the central Florida area has enabled Longwood to enjoy the regional cooperation in economic development that has made the Orlando MSA famous. According to a recent report from the U.S. Department of Labor, Orlando added 52,200 jobs in 2015 and is now the No. 1 metropolitan area in the country for job growth. That's 8,700 more jobs than the year before, and the region's highest annual gain since 2004.

That attitude of collaboration has now placed the Orlando region first in job growth in the United States and an economic engine for Florida and the country.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Census	10,790	63,636	175,791
2019 Estimate	12,508	68,852	192,119
2024 Projection	13,341	72,323	202,367
Growth 2010-2019	15.92%	8.20%	9.29%
Growth 2019-2024	6.66%	5.04%	5.33%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Census	4,413	24,719	71,057
2019 Estimate	5,249	27,398	79,235
2024 Projection	5,645	29,023	84,066
Growth 2010-2019	18.94%	10.84%	11.51%
Growth 2019-2024	7.54%	5.93%	6.10%

INCOME	1-MILE	3-MILE	5-MILE
2019 Avg Household Income	\$59,204	\$79,415	\$87,653
2019 Med Household Income	\$47,491	\$59,803	\$64,466



ORLANDO, FL

Orlando, FL, located along the Sun Belt, is one of the most visited cities within the United States. It is the center of the Orlando metropolitan area and offers just about everything when it comes to entertainment. The city was originally nicknamed “The City Beautiful,” because of Lake Eola. In recent years, the city also received the nickname of “The Theme Park Capital of the World.” Orlando holds seven of the top theme parks in the world. In 2015, more than 66 million people visited Orlando. The city also holds beautiful, clean beaches. From theme parks and sunshine to continuously evolving dining scenes, Orlando is the only destination where you can enjoy it all together.



ORLANDO ATTRACTIONS

Orlando is best-known as home to the world's top theme parks and water parks including the four theme parks and two water parks at Walt Disney World Resort - Disney's Animal Kingdom, Blizzard Beach Water Park, Epcot, Disney's Hollywood Studios, Magic Kingdom, and Typhoon Lagoon; the two theme parks at Universal Orlando Resort - Islands of Adventure and Universal Studios Florida; three parks from SeaWorld Parks and Entertainment - SeaWorld Orlando, Aquatica - SeaWorld's Waterpark and Discovery Cove; and LEGOLAND Florida Resort. With a unique mix of legendary theme parks, water parks, spectacular museums, world-class entertainment and blockbuster rides and attractions, it would take about 67 days to visit all of the entertaining offerings in Orlando.

With approximately 450 hotels and more than 116,000 guest rooms - including 35 AAA Four Diamond and Forbes Travel Guide Four-Star award recipients - Orlando offers more lodging options than nearly any destination in the world. Accommodations range from luxury resorts and themed hotels to charming bed and breakfasts, economy hotels/motels and campgrounds. Vacation ownership units, private condominiums, and homes are also available.

ECONOMY

The Orlando area is a large industrial and hi-tech center. It is nationally recognized for their innovative techniques in digital media, aviation, aerospace, agricultural technology, and software design. The city holds over 150 international companies that represent 20 different countries. Orlando is also the 7th-largest research park in the country. Central Florida Research Park is home to over 120 companies that employ more than 8,500 people. It is also the hub of the nation's military simulation and training programs.

Lockheed Martin has a large manufacturing facility for missile systems, aeronautical craft, and other high-tech research. Many notable engineering firms work with the different branches of the U.S. Army to create innovative technology. The city is also a large home base for Darden Restaurants, Olive Garden, and LongHorn Steakhouse.

The film, television, and entertainment industry is another large sector for Orlando's economy. Universal Studios, Disney's Hollywood Studios, UCF College of Arts and Humanities, Full Sail University, and Florida Interactive Entertainment Academy are only a few studios and teaching programs that are located within Orlando. The gaming industry has also become an important part of the Orlando economy. Everything from film, show production, computer animation, video game design, and much more is taught and executed extensively in Orlando.

150
INTERNATIONAL
COMPANIES

\$33 BILLION
IN TOURISM

7TH-LARGEST
RESEARCH PARK





UNIVERSITY OF CENTRAL FLORIDA (UCF)

The University of Central Florida is a metropolitan public research university in Orlando. Founded in 1963, it holds the largest enrollment at a single campus. The university offers over 200 degrees within thirteen colleges. UCF has ten regional campuses in Central Florida with most of the student population located on the main campus. The university has made significant research contributions to engineering, optics, business administration, hospitality management, education, digital marketing, and simulation.

UCF was ranked the third-best “up and coming” national university, as well as, the 13th most innovative school. It was also ranked among the nation’s “Best Graduate Schools,” with most of their graduate programs receiving top-100 rankings within the nation. The student body keeps growing with 34% of accepted applicants being in the top 10% of their class and 72% being in the top quarter of their high school. More freshmen and transfer students applied to UCF during 2015 than any other public university in Florida. They also awarded more bachelor’s degree than any other public Florida University.

GETTING AROUND

ORLANDO INTERNATIONAL AIRPORT

Orlando's major airport is Orlando International Airport (MCO), located within 15-miles (24-kilometers) of the Orange County Convention Center and major attractions. With 38 scheduled airlines and two charters, MCO provides nonstop service to 76 destinations in the U.S. and 32 international cities. More than 35 million passengers use Orlando International Airport annually; making MCO the third busiest airport in the U.S. Orlando Sanford International Airport is located within 18-miles of Orlando city limits and 45 minutes from the Orange County Convention Center and major attractions.

GROUND TRANSPORTATION

Major highway networks provide easy access for visitors to reach their destinations and for traveling in and around the Greater Orlando area. Primary roadways include Interstate 4, the Florida Turnpike (toll), Highway 528 (Beachline Expressway-toll), Highway 408 (East-West Expressway-toll), Highway 417 (Central Florida Greenway-toll) and State Road 429 (toll). Orlando's main train service is Amtrak, serving 29 Florida communities. The I-Ride Trolleys serve the popular International Drive Resort Area year-round.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Starbucks** located at **306 US Hwy 17-92, Longwood, FL 32750** (“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.

REPRESENTATIVE PHOTO

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



306 US Hwy 17-92 | Longwood, FL

OFFERING MEMORANDUM

LISTED BY

Aron Cline

SVP & Senior Director
Mobile +1 818 632 0233
Direct +1 949 432 4509
aron.cline@matthews.com
License No. 01904371 (CA)

BROKER OF RECORD
KYLE MATTHEWS
LIC # CQ1052263 (FL)

