



STARBUCKS



4383 Wade Green Rd | Kennesaw, GA

OFFERING MEMORANDUM

LISTED BY

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



STARBUCKS

CONSTRUCTION AS OF DECEMBER 24, 2019

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EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **Brand-new, 2020 construction** and Starbucks' **newest prototype** building with an indoor café, patio seating, and drive-thru window
- Starbucks signed a new **10-year lease** with **10% rental increases** in each 5-year option period
- **No early-termination clause** in the lease, allowing for a full, 10-year term for the future owner
- **20-year manufacturer's roof warranty** in place and to be transferred to new owner, at closing
- Industry-leading, investment-grade credit tenant with over 27,000 locations worldwide, a market cap of over \$104 billion, **and revenues of over \$26.5 billion in 2019 (NYSE: SBUX)**
- Starbucks holds a **BBB+ credit rating** by Standard & Poor's and saw **Q4 comparable store sales up 5% globally**, led by **6% comp growth in the United States**
- Consolidated net revenues in 2019 grew to \$26.5 billion, which is 7% year-over-year
- **Ideally positioned** on the go-to-work side of the street; with frontage to Wade Green Road which sees over **36,500 vehicles per day**; and has direct access to I-75 which sees over **98,800 vehicles per day** and is a main thoroughfare leading into downtown Atlanta
- **Starbucks out-positions the only direct competition** in the area in Dunkin Donuts, with closer proximity to I-75 which is used by daily commuters
- Attractive surrounding tenant synergy within the immediate retail corridor, with name brand tenants such as **Publix, Home Depot, Walgreens, LA Fitness, McDonald's and Burger King** to name a few
- Dense, in-fill location with over 180,000 residents in a 5-mile radius and **average household incomes of over \$96,871**
- **Strong, expected population growth of nearly 6%** in the 3 and 5-mile radii and healthy unemployment rate of 3.4% which is well below metro Atlanta's average of 4.2%

SITE PLAN

LEGEND:

 SUBJECT PROPERTY

 NAP



WADE GREEN ROAD
±37,000 VPD



FINANCIAL OVERVIEW



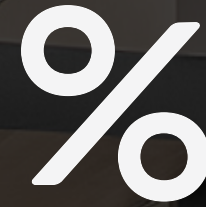
\$2,475,000

LIST PRICE



\$127,500

NOI



5.15%

CAP RATE

BUILDING INFO

Address	4383 Wade Green Rd Kennesaw, GA
APN	20005502160
Year Built	2020
GLA of Building	± 2,492 SF
Lot Size	±0.71 Acres (±30,884 SF)

TENANT SUMMARY

Trade Name	Starbucks
Ownership Type	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term (Years)	10 Years
Rent Commencement Date	Estimated March 15, 2020
Lease Expiration Date	10 Years from Rent Commencement
Increases	10% in Options
Options	Four (4), Five (5) Year Options
Roof & Structure	Landlord Responsible

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent	CAP
Years 1-10	\$10,625.00	\$127,500	5.15%
Option 1	\$11,687.50	\$140,250	5.66%
Option 2	\$12,856.25	\$154,275	6.23%
Option 3	\$14,141.88	\$169,703	6.85%
Option 4	\$15,556.06	\$186,673	7.54%

TENANT OVERVIEW



The Offering

PROPERTY NAME	
Starbucks	
Property Address	4383 Wade Green Rd Kennesaw, GA
SITE DESCRIPTION	
Number of Stories	One
Year Built	2020
Lot Size	± 30,884 SF
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

Tenant Overview

» Company Name	» Year Founded	» Headquarters
Starbucks	1971	Seattle, WA
» Ownership	» Industry	» No. of Employees
Public	Coffee Shops	±300,000

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.

\$26.5 B

2019 Sales

\$3.6 B

2019 Net Income

30,620 +

Locations Worldwide

BBB+

Credit Rating

PARCEL MAP



WADE GREEN RD
± 37,000 VPD

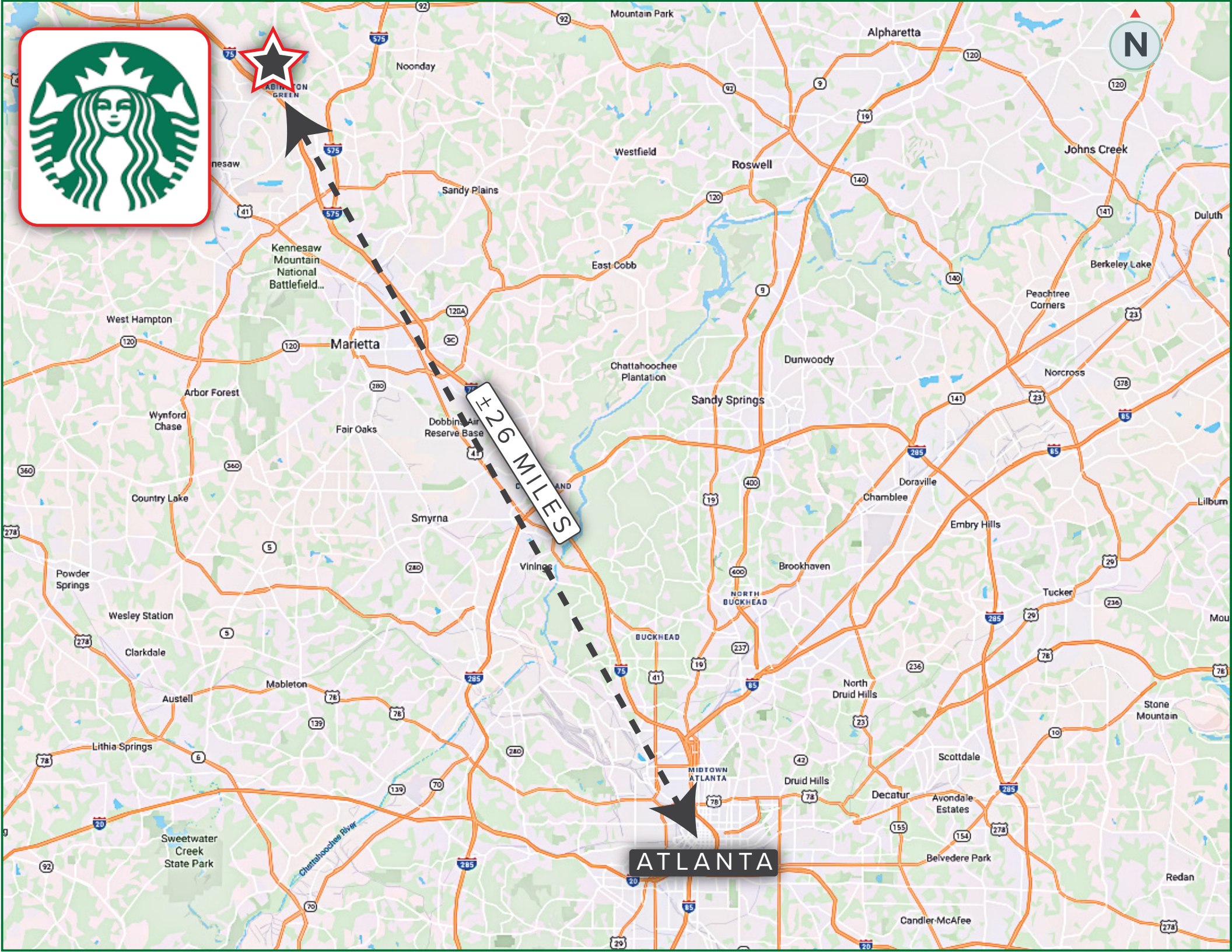


CONSTRUCTION AS OF
DECEMBER 24, 2019









AREA OVERVIEW

KENNESAW, GA OVERVIEW

Kennesaw is a city northwest of Atlanta, Georgia. Residents know Kennesaw as a great place to live, learn, work, and play. The city's combination of small-town charm, a great location in northern Cobb County, and plenty of parks, green spaces, and cultural facilities, offers an outstanding quality of life. Neighboring Kennesaw State University, the third-largest university in Georgia, offers not only outstanding educational programs but also excellent sports and entertainment options.

Visit Smith-Gilbert Gardens and take a leisurely stroll through verdant plants, flowers, and original sculptures. Or take in the downtown attractions around Depot Park and learn about Civil War history at the Smithsonian affiliated Southern Museum. Pack a picnic lunch and head to Swift-Cantrell Park, watch the skateboarders on the Street League certified plaza and in the bowl and flow course, and don't forget to let Rover run in the dog park. And Kennesaw has a well-earned reputation for putting on the best festivals in the area, including the annual Big Shanty Arts & Crafts Festival and the Pigs & Peaches BBQ Festival.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	12,128	89,365	204,092
2020 Estimate	11,509	84,372	192,585
2010 Census	10,333	74,104	169,139
Growth 2020-2025	5.38%	5.92%	5.97%
Growth 2010-2020	11.38%	13.86%	13.86%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	4,521	31,374	74,278
2020 Estimate	4,293	29,567	70,012
2010 Census	3,862	25,844	61,301
Growth 2020-2025	5.31%	6.11%	6.09%
Growth 2010-2020	11.16%	14.41%	14.21%

INCOME	1-MILE	3-MILE	5-MILE
2020 Avg Household Income	\$93,449	\$95,085	\$96,871

KENNESAW STATE UNIVERSITY

Kennesaw State, a comprehensive university located on suburban campuses in Kennesaw and Marietta northwest of metro Atlanta, is making an impact across the region, the nation, and the world. A leader in innovative teaching and learning, Kennesaw State University is **one of the 50 largest public institutions in the country**. KSU offers more than 150 undergraduate, graduate and doctoral degrees to its nearly 38,000 students. With 13 colleges on two metro Atlanta campuses, Kennesaw State is a member of the University System of Georgia and **the third-largest university in the state**.

The university's **vibrant campus culture, diverse population, strong global ties, entrepreneurial spirit, and Division I athletics** draw students from throughout the region and from 92 countries across the globe. Ranked a top choice for students by U.S. News, Kennesaw State is a **Carnegie-designated doctoral research institution (R2)**, placing it among an elite group of only 6 percent of U.S. colleges and universities with an R1 or R2 status. Kennesaw State was named **among the top 10 percent of institutions nationally**, by the Carnegie Foundation, for its ongoing collaborative efforts with the larger community.

Kennesaw State has an **economic impact on the local and regional economy of more than \$1.5 billion**. Kennesaw State's Division of Global Affairs leads a comprehensive array of scholarly, educational and service-related programs on behalf of the entire university, while administering more than **60 international studies programs**, offering more than 100 courses and organizing more than 130 distinct international education events. The university has seen a **rapid rise in funding for basic research — more than \$35 million over the last five years**, leading to new knowledge and discoveries by faculty and hands-on opportunities for students.

A LOOK AT KSU THROUGH THE NUMBERS



RANKED IN **TOP 10%** OF
INSTITUTIONS NATIONALLY



ECONOMIC IMPACT OF
\$1.5 BILLION



3RD LARGEST
UNIVERSITY IN GEORGIA

ATLANTA FAST FACTS

Metro Atlanta is recognized as an international gateway and the economic engine of the Southeast. As the largest economy of all metros in the region, metro Atlanta offers diverse businesses and services.

HOME TO 26 OF AMERICA'S LARGEST CORPORATIONS (FORTUNE 1000) AND 220 OF THE NATION'S FASTEST-GROWING PRIVATE COMPANIES (INC. 5000), metro Atlanta is a premier location for headquarters. Metro Atlanta is also a leading headquarters location for food franchises, business services and nonprofits.

Metro Atlanta is a thriving ecosystem for entrepreneurs and new businesses. **In 2017, ATLANTA WAS NAMED A RUNNER-UP TO THE TOP 20 TECH STARTUP ECOSYSTEMS GLOBALLY AND ONE OF THE TOP 10 CITIES FOR CORPORATE INNOVATION.** There is an abundance of creative energy, talent and entrepreneurial spirit in metro Atlanta. Many companies choose metro Atlanta to locate their innovation centers.

A business-friendly environment and low cost of doing business are key elements for growth and opportunity in the metro Atlanta region. Site Selection named Georgia the **#1 STATE FOR BUSINESS CLIMATE** in 2013, 2014, 2015 and 2016. Area Development ranked Georgia the **#1 STATE FOR DOING BUSINESS** in 2014, 2015 and 2016. KPMG indexed Atlanta with the **LOWEST RELATIVE COST OF DOING BUSINESS** of the nation's ten largest metro areas in 2016.





EMORY UNIVERSITY

Emory University, located just steps from the subject property, is one of the world's leading research universities. It is a top-ranked private institution recognized for its outstanding liberal arts colleges, graduate and professional schools, and of the world's leading healthcare systems. Emory also ranks as the second-largest employer in the metro Atlanta area. The total number of employees for both Emory University and Emory Healthcare is around 33,026.

Emory University is also one of the region's leading economic drivers. Its economic impact totals around \$5.6 billion per year, with the Emory University totaling around \$2.1 billion and Emory Healthcare estimated at \$3.5 billion.

TARGETED INDUSTRIES

TECHNOLOGY

- » World-class technology community – from startups to FORTUNE 500 companies
- » Headquarters of technology leaders including NCR, Global Payments, First Data, SecureWorks, among others
- » Home to the Advanced Technology Development Center
- » (ATDC) – one of 12 business incubators changing the world, according to Forbes
- » Strengths in FinTech, cyber security, IoT/mobile, health IT, digital media and supply chain

SUPPLY CHAIN & ADVANCED MANUFACTURING

- » Global logistics hub for the Southeast with extensive intermodal network of air, road, rail and port
- » 5th in the nation for metro area transportation and
- » logistics employment
- » 6th largest U.S. industrial real estate market
- » Strengths in supply chain management software, distribution services, food processing, aerospace and automotive

ATLANTA MSA

Atlanta is the capital of and the most populous city in the U.S. state of Georgia, the cultural and economic center of the Atlanta metropolitan area, and the ninth largest metropolitan area in the United States.

Atlanta is an “alpha-” or “world city”, exerting a significant impact upon commerce, finance, research, technology, education, media, art, and entertainment. It ranks 36th among world cities and 8th in the nation with a gross domestic product of \$270 billion. Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology.

Encompassing \$304 billion, the Atlanta metropolitan area is the eighth-largest economy in the country and 17th-largest in the world. Corporate operations comprise a large portion of Atlanta’s economy, with the city serving as the regional, national, or global headquarters for many corporations. Atlanta contains the country’s third largest concentration of Fortune 500 companies, and the city is the global headquarters of corporations such as The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, UPS, and Newell-Rubbermaid.

Atlanta is home to professional franchises for three major team sports: the Atlanta Braves of Major League Baseball, the Atlanta Hawks of the National Basketball Association, and the Atlanta Falcons of the National Football League. Due to the more than 30 colleges and universities located in the city, Atlanta is considered a center for higher education.

ECONOMY

Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology. Corporate operations comprise a large portion of Atlanta’s economy, with the city serving as the regional, national, or global headquarters for many corporations.

Over 75 percent of Fortune 1000 companies conduct business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations. Many corporations are drawn to Atlanta on account of the city’s educated workforce; as of 2010, nearly 43% of adults in the city of Atlanta have college degrees, compared to 27% in the nation as a whole.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Starbucks** located at **4383 Wade Green Rd, Kennesaw, GA 30144** ("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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