



OFFERING MEMORANDUM

AMERICAN VALU REALTY

STARBUCKS | AT&T

591-595 H STREET
CHULA VISTA (SAN DIEGO MSA), CA 91910



AT&T

OVERVIEW



Address	591 - 595 H Street Chula Vista, CA 91910
Price	\$ 3,633,115
Net Operating Income	\$ 188,922
Rent / Month	\$ 15,743.50
Cap Rate	5.20 %
Cap Rate - 6/1/2021	5.58 %
Building	4,456 SF
Land	19,980 SF
Sale Interest	Fee Simple (Building + Land)
Year Built / Renovated	1962 / 2001 / 2018 / 2019
Lease Term	
Starbucks	6/1/2016 - 5/31/2026
AT&T	11/28/2018 - 2/28/2024



HIGHLIGHTS

- Stable investment
- One of the top performing Starbucks in San Diego County
- Starbucks interior renovation completed July 2018
- AT&T operated by My Wireless - A large established operator with over 100 stores
- My Wireless interior renovation completed April 2019
- Building Exterior painted November 2018
- Strategically located at high traffic intersection
- 9 miles to Downtown San Diego
- Dense population 148,000 residents within 3 miles
- Adjacent to regional center with Macy's, Sears, JC Penney, Burlington, AMC Theaters, CVS.



4th Ave



Chula Vista Middle School



5th Ave



Vista Square Elementary School

H St

CHULA VISTA CENTER

★ macy's	CVS pharmacy	Rubio's FRESH MEXICAN GRILL
Sears	JCPenney	amc
Burlington	Payless SHOESOURCE	Panera BREAD



Broadway





Chipotle

Sears

Burlington

macy's

BUFFALO WILD WINGS
GRILL & BAR

FIVE GUYS
BURGERS and FRIES

Panera
BREAD

Rubio's
FRESH MEXICAN GRILL

JCPenney

RED LOBSTER
FRESH FISH - LIVE LOBSTER

AT&T

STARBUCKS
COFFEE

STARBUCKS COFFEE
DRIVE THRU



SAN DIEGO BAY

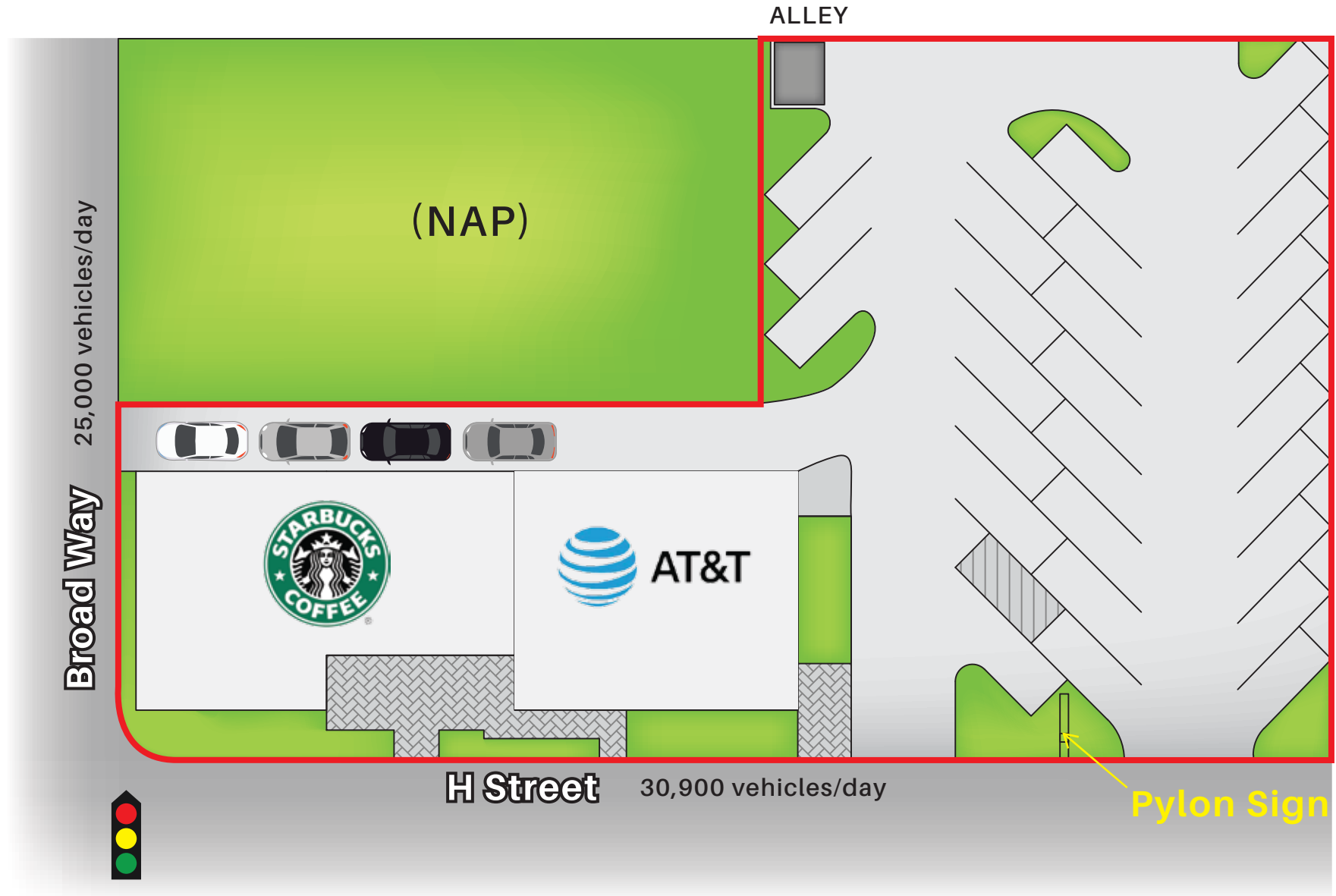
PACIFIC OCEAN



SITE PLAN



591-595 H STREET, CHULA VISTA, CA 91910



LEASE SUMMARY



STARBUCKS

Address	595 H Street Chula Vista, CA 91910
Tenant	Corporate Starbucks
Term	6/1/2011 - 5/31/2026
Remaining	Approximately 7 years
Renewal Option	None
Sq. Ft.	2,430
Rent	
Year	Annual Rent
6/1/2016 - 5/28/2021	\$ 115,986.12
6/1/2021 - 5/28/2026	\$ 129,683.04
Rent Increase	6/1/2021 (11.8% increase)
Expenses	
CAM	Tenant
Insurance	Tenant
Taxes	Tenant
Utilities	Tenant
Roof	Tenant (except structural)
Structural / foundation	Landlord

AT&T

Address	591 H Street Chula Vista, CA 91910
Tenant	B-PER Electronics, Inc. dba My Wireless Large AT&T operator with over 100 stores
Term	11/28/2018 - 2/28/2024
Remaining	Approximately 4.8 years
Renewal Option	2 x 5 years
Sq. Ft.	2,026
Rent	
Year	Annual Rent
11/28/2018 - 2/28/2024	\$ 72,956.00
option 1 3/1/2024 - 2/28/2029	\$ 80,229.60
option 2 3/1/2029 - 2/28/2034	\$ 88,252.16
Rent Increases	10% every 5 years
Expenses	
CAM	Tenant
Insurance	Tenant
Taxes	Tenant
Utilities	Tenant
Roof	Tenant (except structural)
Structural / foundation	Landlord

TENANT OVERVIEW



STARBUCKS DRIVE-THRU

Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world. The company operates in four segments: Americas; China/Asia Pacific; Europe, Middle East, and Africa. Its stores offer coffee and tea beverages, roasted whole bean and ground coffees, single-serve and ready-to-drink beverages, iced tea, and food and snacks; and various food products, such as pastries, breakfast sandwiches, and lunch items. In addition to our flagship Starbucks Coffee brand, we sell goods and services under the following brands: Teavana, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos, Starbucks Reserve and Princi.

Our objective is to maintain Starbucks standing as one of the most recognized and respected brands in the world. In addition, by leveraging the experience gained through our traditional store model, we continue to offer consumers new coffee and other products in a variety forms, across new categories, diverse channels and alternative store formats.

CORPORATE OVERVIEW

Headquarters	Seattle, WA
Founded	1971
Locations	29,324
2018 Fiscal Revenue	\$ 24.72 Billion
Ticker	NASDAQ: "SBUX"
Website	www.starbucks.com



AT&T, Inc (NYSE: "T"), with 2018 fiscal revenue over \$170 Billion is a telecommunications company providing cell phones, data plans and tablets. As a global leader in the Telecommunication, Media and Technology industry, AT&T delivers advanced mobile services, next generation TV, high speed internet and smart solutions for consumers and business. With its acquisition of Time Warner, now known as WarnerMedia, they've brought together one of the best collections of premium video content, a large base of direct-to-consumer relationships, high-speed networks optimized for video and advertising technology platform.

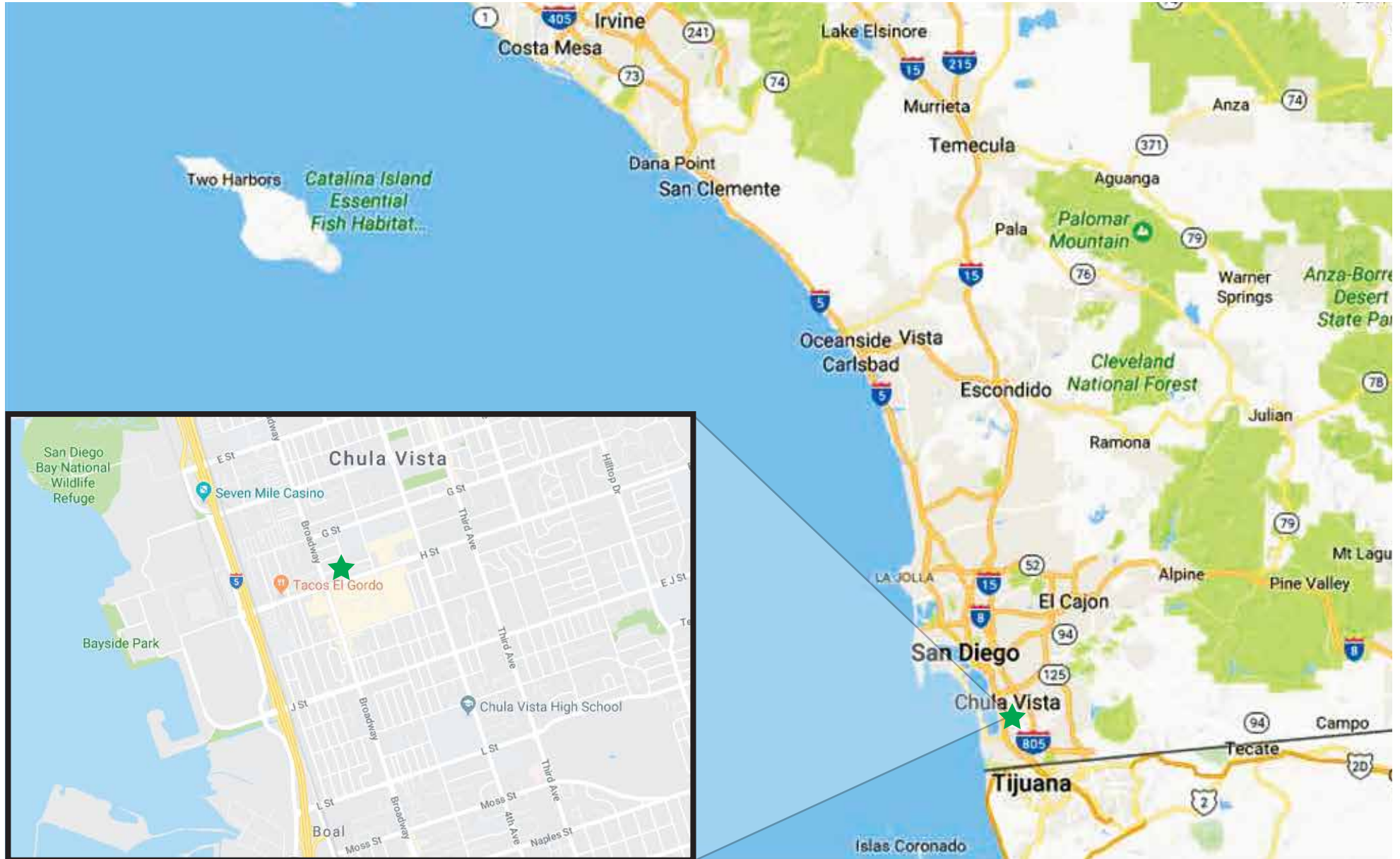


My Wireless, headquartered in Santa Ana, California, is a premium AT&T Authorized Retailer with over 100+ locations in the United States that sell all of AT&T products and services. My Wireless believes in providing a complete entertainment solution through knowledgeable and technical team members that are passionate about creating loyal customers.

MAP



591-595 H STREET, CHULA VISTA, CA 91910





CHULA VISTA

Chula Vista means "beautiful view". It is located in the South Bay region of San Diego County between the Pacific Ocean and the foothills of the San Ysidro Mountains. It is the second largest city in San Diego County and only 7 miles from Downtown San Diego. It is also 7 miles from the world's busiest border crossing at San Ysidro, Mexico, placing it at the center of one of the richest cultural, economic and environmentally diverse zones in the United States.

Chula Vista has created an environment for business growth. Its acquisition of the 375-acre University Park and Innovation District site will create even greater opportunities for business in the future. The 535-acre Chula Vista Bayfront project will transform the area into a thriving residential and world-class waterfront resort destination.



SAN DIEGO

San Diego, "America's Finest City" is located along the Pacific Coast of Southern California. It is the 8th largest city in the United States and 2nd largest in California.

With near perfect weather year-round and 70 miles of spectacular coastline, San Diego offers world class attractions such as the world famous San Diego Zoo and Safari Park, Balboa Park museums, USS Midway aircraft carrier museum, Sea World, Legoland and Old Town Historic Park.

The economy is influenced by its deepwater port. Several major defense contractors are headquartered in San Diego and San Diego hosts the largest naval fleet in the world. The presence of one of the top colleges in America, University of California, San Diego (UCSD), with its affiliated UCSD Medical Center, has helped make the area a center for research in biotechnology. San Diego is recognized as one of the leading high-tech hubs in the U.S. Its innovation economy is anchored by established life science, cleantech, communications, and software industries. Tourism is also a major industry as San Diego hosted more than 35 million visitors in 2016.

DEMOGRAPHICS



Population

	1 mile	3 miles	5 miles
2000 Population	27,918	131,702	384,110
2010 Population	29,313	138,969	407,563
2018 Population	31,138	147,226	430,903
2023 Population	32,436	153,007	446,588
2000-2010 Annual Rate	0.49 %	0.54 %	0.59 %
2010-2018 Annual Rate	0.73 %	0.70 %	0.68 %
2018-2023 Annual Rate	0.82 %	0.77 %	0.72 %
2018 Male Population	49.2 %	48.7 %	49.8 %
2018 Female Population	50.8 %	51.3 %	50.2 %
2018 Median Age	34.1	34.8	33.2

In the identified area, the current year population is 430,903. In 2010, the Census count in the area was 407,563. The rate of change since 2010 was 0.68% annually. The five-year projection for the population in the area is 446,588 representing a change of 0.72% annually from 2018 to 2023. Currently, the population is 49.8% male and 50.2% female.

Median Age

The median age in this area is 34.1, compared to U.S. median age of 38.3.

Race and Ethnicity

	1 mile	3 miles	5 miles
2018 White Alone	53.6%	54.8%	48.1%
2018 Black Alone	4.7%	3.7%	6.2%
2018 American Indian/Alaska Native Alone	1.3%	1.0%	0.8%
2018 Asian Alone	5.7%	6.8%	13.5%
2018 Pacific Islander Alone	0.5%	0.5%	0.7%
2018 Other Race	28.9%	28.1%	25.2%
2018 Two or More Races	5.4%	5.1%	5.5%
2018 Hispanic Origin (Any Race)	73.6%	71.3%	62.8%

Persons of Hispanic origin represent 62.8% of the population in the identified area compared to 18.3% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 86.5 in the identified area, compared to 64.3 for the U.S. as a whole.

Households

	1 mile	3 miles	5 miles
2000 Households	10,668	45,753	114,410
2010 Households	10,360	45,508	118,455
2018 Total Households	10,814	47,599	124,329
2023 Total Households	11,213	49,242	128,533
2000-2010 Annual Rate	-0.29%	-0.05%	0.35%
2010-2018 Annual Rate	0.52%	0.55%	0.59%
2018-2023 Annual Rate	0.73%	0.68%	0.67%
2018 Average Household Size	2.83	3.05	3.33

The household count in this area has changed from 118,455 in 2010 to 124,329 in the current year, a change of 0.59% annually. The five-year projection of households is 128,533, a change of 0.67% annually from the current year total. Average household size is currently 3.33, compared to 3.30 in the year 2010. The number of families in the current year is 97,081 in the specified area.

Median Household Income

	1 mile	3 miles	5 miles
2018 Median Household Income	\$ 39,205	\$ 47,959	\$ 54,290
2023 Median Household Income	\$ 45,489	\$ 54,482	\$ 61,498
2018-2023 Annual Rate	3.02%	2.58%	2.52%

Average Household Income

2018 Average Household Income	\$ 51,313	\$ 65,835	\$ 72,462
2023 Average Household Income	\$ 60,282	\$ 77,199	\$ 84,994
2018-2023 Annual Rate	3.27%	3.24%	3.24%



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