



STARBUCKS - DRY RIDGE, KY



STARBUCKS

69 Broadway St  
Dry Ridge, KY 41035

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Representative Photo

# STARBUCKS - DRY RIDGE, KY

## INVESTMENT SUMMARY



|                |                |
|----------------|----------------|
| Tenant         | Starbucks      |
| Street Address | 69 Broadway St |
| City           | Dry Ridge      |
| State          | KY             |
| Zip            | 41035          |
| GLA            | 2,100 SF       |
| Lot Size       | 0.85 AC        |
| Year Built     | 2020           |

**\$2,376,000**

PURCHASE PRICE

**5.00%**

CAP RATE

Price / SF

\$1,131.43



Property as of Oct. 4th, 2019  
Estimated Opening Date March 2020



Representative Photo

### One of the Most Admired Companies in the World

For the 16th consecutive year, Fortune Magazine has included Starbucks in their list of the most admired companies in the world. In 2018, the iconic coffee franchise ranked at number five, just below finance and tech giants Berkshire Hathaway, Alphabet, Amazon, and Apple ranking at the top.

### Brand New 2020 Construction with a Drive-Thru

High-quality construction, state-of-the-art Starbucks development features a dedicated drive-thru and outdoor patio seating which will maximize sales revenue.

### No Termination Clause

No termination clause language within the lease, which ensures more security to prospective investors.

### Corporate Guarantee from Investment Grade Credit Tenant

Starbucks (SBUX) is the world's leading coffee retailer with annual revenue of more than \$22 billion and an "investment grade" credit rating (S&P: BBB+), providing an investor with superior financial security.



## LEASE SUMMARY



|                     |                 |
|---------------------|-----------------|
| Lease Type          | Double-Net (NN) |
| Type of Ownership   | Fee Simple      |
| Original Lease Term | Contact Broker  |
| Commencement Date   | Est. March 2020 |
| Lease Expiration    | Contact Broker  |
| Term Remaining      | Contact Broker  |
| Increases           | Contact Broker  |
| ROFR / ROFO         | N/A             |

|                     |                      |
|---------------------|----------------------|
| Real Estate Taxes   | Tenant Responsible*  |
| Insurance           | Tenant Responsible   |
| Roof & Structure    | Landlord Responsible |
| Lease Guarantor     | Corporate            |
| Company Name        | Starbucks            |
| Ownership           | Public               |
| Years in Business   | 48                   |
| Number of Locations | 28,218               |

\*Tenant Not Obligated to Pay Increases in Taxes Upon Sale.



Representative Photo



Representative Photo

### Significant Rental Increases in the Base Term

This investment benefits from a sizable increase every five years, as well as in the option periods, allowing for healthy and consistent rental growth.

### Tenant Market Strength

The first quarter 2019 consolidated net revenues up 9% to record \$6.6 billion.

### Notable Credit Tenants in Close Proximity

No direct coffee competition in the immediate area, but good surrounding tenant synergy with national brands such as Walmart, McDonald's, Taco Bell, KFC, Wendy's, and Dollar General.

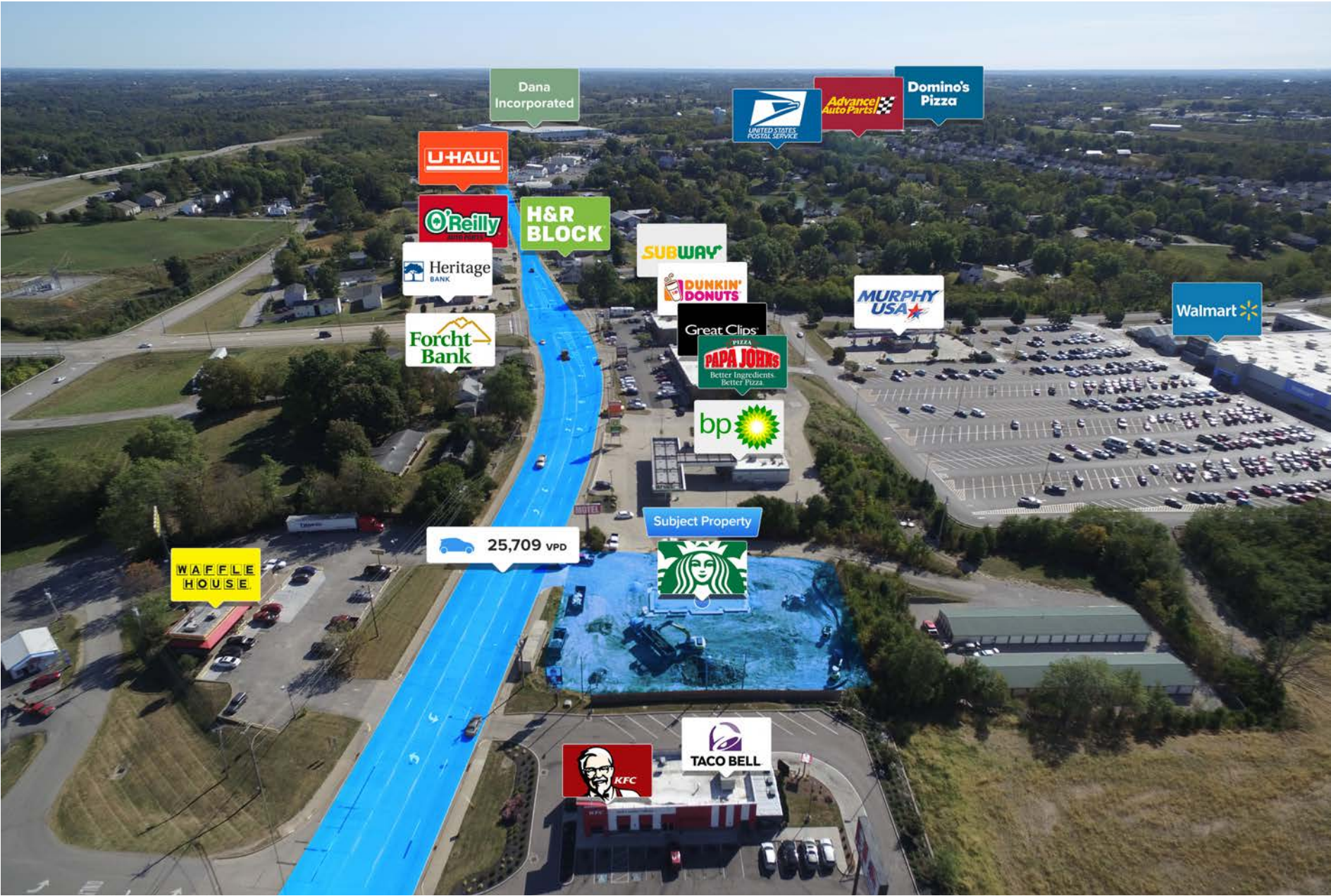
### Excellent Visibility with Strong Traffic Counts

Ideally positioned with great frontage and visibility on the heavily trafficked Broadway Street to over 25,709 vehicles per day.

### Walmart Shadow Center

Strategically positioned as a shadow center to a Walmart Supercenter.











## PROPERTY PHOTO





STARBUCKS - DRY RIDGE, KY  
SITE PLAN





## ABOUT THE BRAND



Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971. As of early 2019, the company operates over 28,000 locations worldwide. Starbucks locations serve hot and cold drinks, whole-bean coffee, microground instant coffee known as VIA, espresso, caffè latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers; some offerings (including their annual fall launch of the Pumpkin Spice Latte) are seasonal or specific to the locality of the store. Many stores sell pre-packaged food items, hot and cold sandwiches, and drinkware including mugs and tumblers; select "Starbucks Evenings" locations offer beer, wine, and appetizers.

**28,218**  
LOCATIONS

**76**  
COUNTRIES

**\$26.5 B**  
2019 REVENUE



### **Starbucks Delivers to be Available in Early 2020**

Starbucks continues expansion in their partnership with Uber Eats to address the \$24 billion U.S. online food delivery category.

### **Starbucks Partners Make Deep, Local Impact**

Points of Light and The Starbucks Foundation last year tested a program that enabled Starbucks employees to work for a nonprofit in their community part-time while still working part-time at Starbucks.

### **Starbucks College Achievement Plan**

Since Starbucks began offering an online bachelor's degree program through Arizona State University more than 2,400 students have graduated.

### **Starbucks Reports Q3 Fiscal 2019 Results**

Q3 comparable store sales up 6% globally, led by 7% comp growth in the U.S. and 6% comp growth in China.



## LOCATION OVERVIEW



### Cincinnati, OH

Now an economic and cultural hub, Cincinnati is Ohio's largest metropolitan area, which had a population of over 2 million. Cincinnati is home to historic architecture with many structures in the urban core having remained intact for 200 years. Ohio's third-largest city is an attractive destination for foodies & adventurers— and it's one of the most inexpensive cities to visit in the United States.

### Cincinnati Ranks Among 10 Best Places in U.S. to Visit in 2019

The Queen City ranks No. 8 on Money magazine's list of the top 20 places to visit in 2019 – 10 in the U.S. and 10 worldwide – the only Midwest city to make the cut.

### Growing Economy

Cincinnati has become one of the fastest growing economic powers in the Midwestern United States. Due to its increase of economic output over recent years; metropolitan Cincinnati has become the twenty-eighth largest economy in the United states.

### University of Cincinnati

The University of Cincinnati is the oldest institution of higher education in Cincinnati and has an annual enrollment of over 44,000 students, making it the second largest university in Ohio.



Downtown Cincinnati

### The "Paris of America"

A 19th-century boomtown that has escalated to a popular travel destination in the United States. Cincinnati, Ohio was commonly referred to as the "Paris of America", due to such ambitious architectural projects it endured during its most progressive development period.

### Headquarters to Fortune 500 and 1000 Companies

Northern Kentucky is home to dozens of formidable Fortune 500 and 1000 headquarters and corporations that keep the economic engine humming and continually attract more talent and opportunities.

### Major and Collegiate Sports

Cincinnati is home to three major sports teams: the Cincinnati Reds of Major League Baseball; the Cincinnati Bengals of the National Football League; and FC Cincinnati of Major League Soccer.

### Close Proximity to Several Universities

Dry Ridge, KY is surrounded by several notable universities & more than 40 universities within a 50 mile radius. These universities include University of Kentucky, Kentucky State University, Georgetown College, Xavier University & Thomas More College.



## AMAZON & KENTUCKY



Amazon first set roots in Kentucky in 1999 when it opened two fulfillment centers. Amazon's fulfillment centers not only store products but also serve as distribution centers where associates pick, pack, and ship orders quickly and efficiently. These centers bring millions of dollars into the economy while providing the surrounding area with thousands of jobs. Today, Kentucky is home to 14 Amazon fulfillment and sortation centers, one customer service center and two Whole Foods Market stores spread across the state. Amazon has invested more than \$8 billion in the state of Kentucky, created more than 12,500 full-time jobs & is slated to bring more to the table for Kentucky residents and its economy.

In May of 2019, Amazon broke ground for a new Air Hub located in Hebron, KY at the Cincinnati/Northern Kentucky International Airport (CVG). The Air Hub will open in 2021 as part of the company's commitment to ensure fast, free shipping for customers. This Air Hub is part of Amazon's continued investment in Prime to ensure they have the capacity required for continued outstanding service for all of their customers. According to Bezos, the hub will be 3 million square feet and is expected to create 2,000 jobs. The hub will help get customers packages faster and could park up to 100 planes. This massive project at the Cincinnati/Northern Kentucky International Airport will be revolutionary for the region's workforce and for the state's overall economy.



### Improvement to the Kentucky Economy

Amazon expects about 50 of its planes to operate from the facility. This is estimated to create over 2,000 additional positions boosting the economy and lowering unemployment. This massive project at the Cincinnati/Northern Kentucky International Airport will be revolutionary for the region's workforce and for the state's overall economy & vitality.

### Long-Term Commitment to Kentucky

As part of the agreement to develop the hub, Amazon will lease 900 acres from the Cincinnati/Northern Kentucky International Airport for more than 50 years. In January, 2018, Amazon purchased an additional 210 acres of private land next to the airport along Aero Parkway bringing the total acreage under the control of Amazon Prime Air to 1,100 acres. With 14 fulfillment centers already stationed in Kentucky, Amazon is betting on Kentucky to flourish and move forward with cutting edge technology.

### Additional Benefits to the Cincinnati/Northern Kentucky International Airport

The expected activity and landed weight of Amazon's operations will enable the Cincinnati/Northern Kentucky International Airport to continue lowering its landing fees, benefiting all carriers while ensuring it remains a great place to do business.



## LOCATION OVERVIEW



### 1. University of Cincinnati

2600 Clifton Ave, Cincinnati, OH 45221

36 MILES FROM SUBJECT PROPERTY

### 2. Paul Brown Stadium

1 Paul Brown Stadium, Cincinnati, OH 45202

34 MILES FROM SUBJECT PROPERTY

### 3. Great American Ball Park

100 Joe Nuxhall Way, Cincinnati, OH 45202

34 MILES FROM SUBJECT PROPERTY

### 4. Cincinnati Zoo & Gardens

3400 Vine St, Cincinnati, OH 45220

37 MILES FROM SUBJECT PROPERTY

### 5. Cincinnati Museum Center

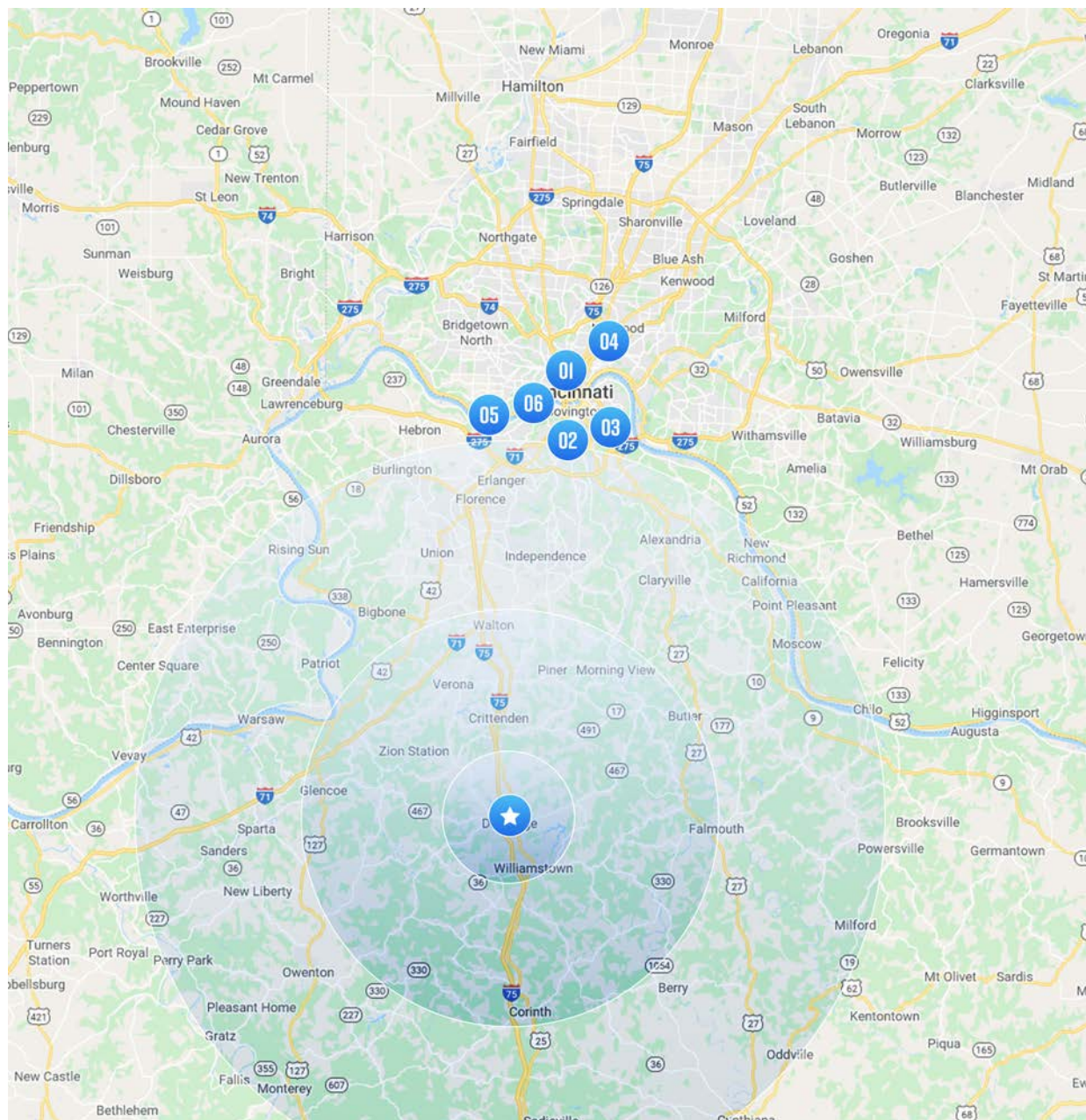
1301 Western Ave, Cincinnati, OH 45203

35 MILES FROM SUBJECT PROPERTY

### 6. Cincinnati Music Hall

1241 Elm St, Cincinnati, OH 45202

35 MILES FROM SUBJECT PROPERTY



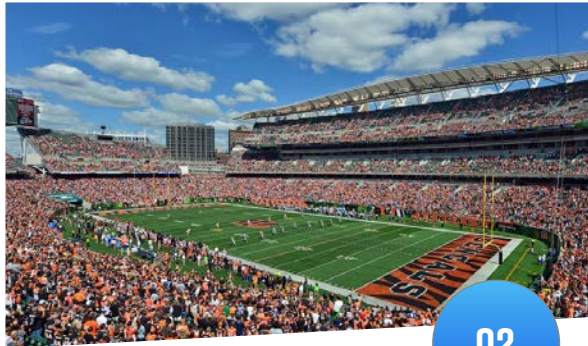




01

### UNIVERSITY OF CINCINNATI

The University of Cincinnati is a public research university in Cincinnati, Ohio and was founded in 1819.



02

### PAUL BROWN STADIUM

This outdoor stadium is the home venue of the Cincinnati Bengals of the National Football League.



03

### GREAT AMERICAN BALL PARK

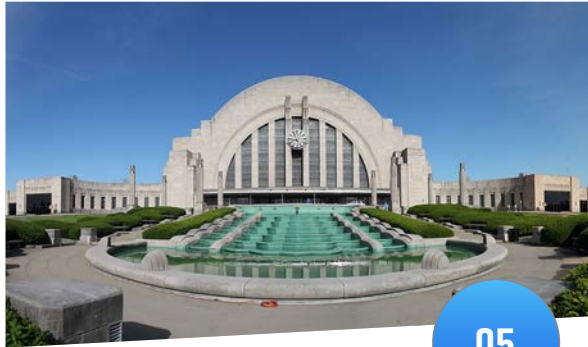
This stadium is the home field of Major League Baseball's Cincinnati Reds. It opened in 2003, replacing Cinergy Field.



04

### CINCINNATI ZOO & GARDENS

A visit to the zoo is a full day, with rides, a 4D theater, animal encounters and shows.



05

### CINCINNATI MUSEUM CENTER

The center is a Cincinnati icon and features three museums at its one location at Union Station.



06

### CINCINNATI MUSIC HALL

The prestigious Music Hall is in Cincinnati's neighborhood at Washington Park, with a stunning presence.



STARBUCKS - DRY RIDGE, KY

# DEMOGRAPHICS



| POPULATION       | 1-Mile | 3-Mile | 5-Mile |
|------------------|--------|--------|--------|
| 2024 Projection  | 534    | 3,414  | 11,960 |
| 2019 Estimate    | 533    | 3,338  | 11,865 |
| 2010 Census      | 544    | 3,051  | 11,776 |
| Growth '19 - '24 | 0.19%  | 2.28%  | 0.80%  |
| Growth '10 - '19 | -2.02% | 9.41%  | 0.76%  |

| HOUSEHOLDS       | 1-Mile   | 3-Mile   | 5-Mile   |
|------------------|----------|----------|----------|
| 2024 Projection  | 188      | 1,221    | 4,151    |
| 2019 Estimate    | 187      | 1,193    | 4,117    |
| 2010 Census      | 191      | 1,082    | 4,082    |
| Growth '19 - '24 | 0.53%    | 2.35%    | 0.83%    |
| Growth '10 - '19 | -2.09%   | 10.26%   | 0.86%    |
| Average Income   | \$84,333 | \$67,452 | \$55,755 |
| Median Income    | \$77,143 | \$50,467 | \$43,724 |



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