

REPRESENTATIVE PHOTO



Starbucks

**KENT, WASHINGTON
(SEATTLE MSA)**



CAPITAL PACIFIC

Overview

Starbucks

22431 84TH AVE SOUTH, KENT, WA 98032



REPRESENTATIVE PHOTO



\$3,009,000

PRICE

4.50%

CAP

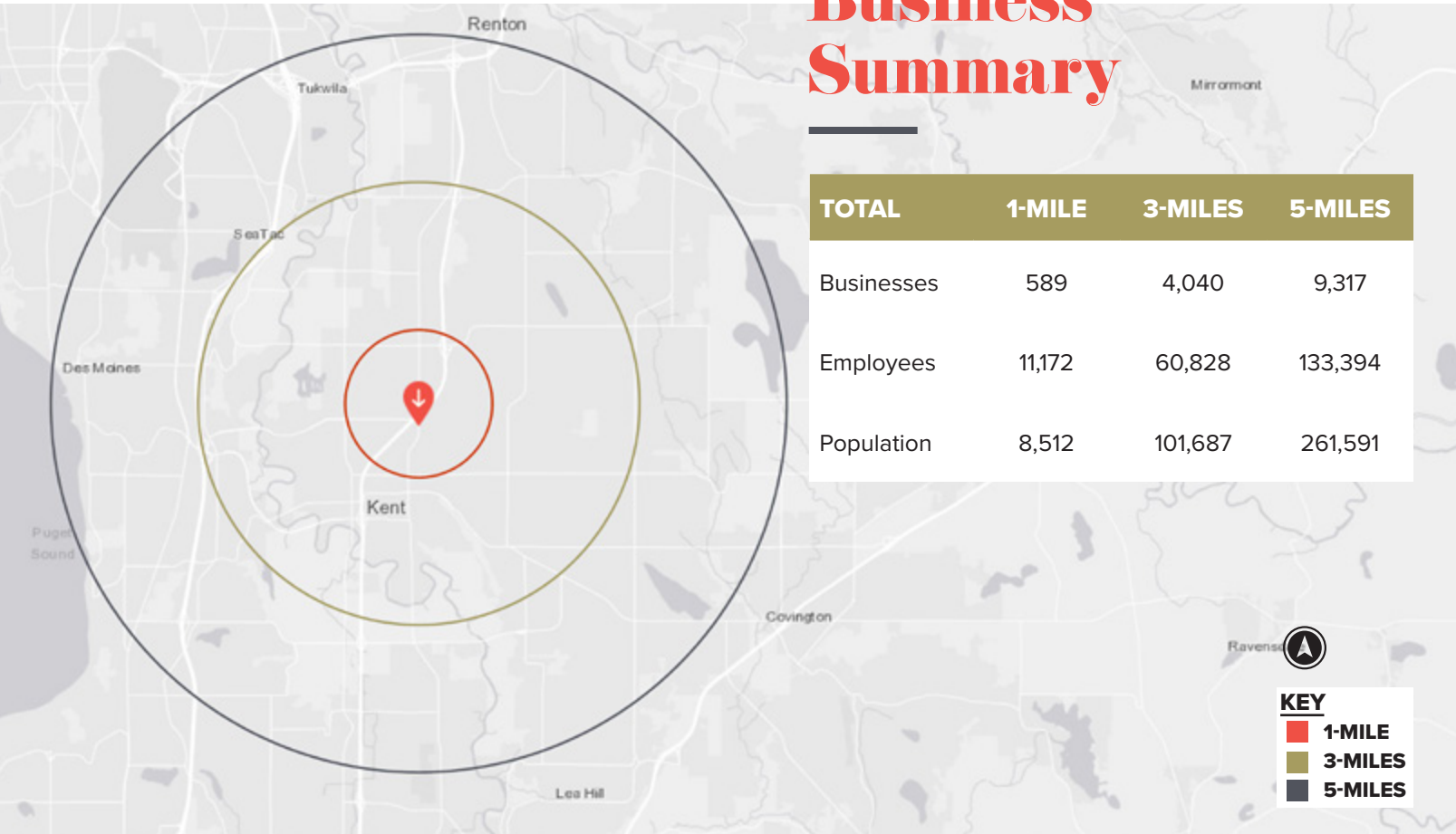
Investment Summary

LEASEABLE SF 2,000 SF	LAND AREA 18,229 SF	LEASE TYPE NNN
TERM 10 Years	YEAR BUILT 2020	PARKING ±10 Spaces; 5.0/1,000 SF

- **BRAND NEW BUILD-TO-SUIT STARBUCKS DRIVE-THRU, AN INVESTMENT GRADE CREDIT TENANT (S&P: BBB+).**
- **10-YEAR NNN LEASE WITH 10% RENT INCREASES EVERY 5 YEARS; SCHEDULED RENT BUMPS INCREASE YIELD AN ESTIMATED 45 BASIS POINTS AT YEAR 6.**
- **ADJACENT TO A NEWLY CONSTRUCTED 7-ELEVEN GAS STATION PROVIDING INCREASED DRAW.**
- **BENEFITS FROM COMMUTER TRAFFIC AND EXPOSURE TO 125,000 VPD, SITUATED DIRECTLY OFF HWY 167 ON-OFF RAMPS.**
- **STRONG LOCAL DEMOGRAPHIC WITH AVERAGE INCOMES OF \$93,000 AND 262,000 RESIDENTS WITHIN 5 MILES.**
- **CLOSE PROXIMITY TO NUMEROUS SEATTLE MSA EMPLOYERS, INCLUDING BOEING, R.E.I. HEADQUARTERS, AND AN AMAZON FULFILLMENT CENTER.**

Surrounding Retail & Area Employers

Business Summary



MAJOR RETAIL

- 24 Hour Fitness
- Advance Auto Parts
- AutoZone Auto Parts
- Big 5 Sporting Goods
- Big Lots
- Burger King
- Days Inn by Wyndham
- Dollar Tree

- Extended Stay America
- Fred Meyer
- Goodwill
- Grocery Outlet
- Home Depot
- JoAnn Fabrics
- LA Fitness
- O'Reilly Auto Parts
- Petco

- Planet Fitness
- Rite Aid
- Ross Dress for Less
- Safeway
- Staples
- T.J. Maxx
- Target
- Tractor Supply Co
- WinCo Foods

AREA EMPLOYERS

- Amazon Fulfillment Center

- Boeing Space & Defense
- Columbia Distributing

- R.E.I. Headquarters
- Mikron Industries



Surrounding Retail & Area Employers

Questions & Answers

Q & A

Q: IS THERE AN EASEMENT FOR CROSS ACCESS WITH THE NEIGHBORING PROPERTIES - 7-11 AND THE EXTENDED STAY AMERICA HOTEL?

A: Yes, there is an easement allowing Starbucks patrons, employees and customers, to cross both the 7-11 property and the Extended Stay America Hotel property.

Q: WHAT IS THE ANTICIPATED RENT COMMENCEMENT DATE?

A: Rent commencement and the grand opening of the store are expected to occur on May 14, 2020.

SITE PLAN NOT TO SCALE



Financial Summary

PRICE		\$3,009,000	
CAPITALIZATION RATE		4.50%	
CASH FLOW SUMMARY			
SCHEDULED INCOME		PER SF	
Base Rent for the Period of:	6/1/2020 - 5/31/2021	\$67.72	\$135,437
Total Effective Gross Income (EGI)		\$67.72	\$135,437
OPERATING EXPENSES		PER SF	
CAMS			NNN
Property Taxes			NNN
Insurance			NNN
Total Operating Expenses		NNN	-
NET OPERATING INCOME		\$135,437	

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Rent Roll

STARBUCKS

Lease Term: 5/14/2020 - 5/31/2030

Size (SF): 2,000

RENT SUMMARY

DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF	CAP RATE
5/14/2020	\$11,286		\$135,437	\$67.72	4.50%
6/1/2025	\$12,415	10%	\$148,981	\$74.49	4.95%
OPTIONS					
1 6/1/2030	\$13,657	10%	\$163,879	\$81.94	5.45%
2 6/1/2035	\$15,022	10%	\$180,267	\$90.13	5.99%
3 6/1/2040	\$16,524	10%	\$198,293	\$99.15	6.59%
4 6/1/2045	\$18,177	10%	\$218,123	\$109.06	7.25%
CURRENT	\$11,286		\$135,437	\$67.72	4.50%

Lease Notes

Comments: Tenant operates on a NNN lease. Tenant reimburses taxes, insurance, CAMS, and pays utilities direct to utility providers. CAMS are capped at a 5% increase from the previous year. Rent commencement is estimated.

Lease Abstract

Premise & Term

TENANT

Starbucks Coffee Company

Maintenance & Repair

TENANT'S OBLIGATIONS

Tenant is directly responsible for all interior, non-structural portions of the building, including, but not limited to, the HVAC, plumbing, electrical, store front, doors and plate glass of the premises.

LANDLORD'S OBLIGATIONS

Landlord is responsible for the maintenance, repair, and replacement of the foundation, slab, roof, and all structural components of the building. Landlord is responsible for any latent defects in the Premises and Building for the first two lease years.

Expenses

CAMS

Tenant reimburses Landlord for all exterior maintenance, including their share (45.5%) of storm water drainage shared by the 7-Eleven parcel, and a 10% Admin Fee based on CAM excluding utilities. Controllable CAMs are capped at a 5% increase from the previous year. Landlord may request reimbursement of capital expenses capped at \$10,000 for Year 1; such cap increases annually on January 1st.

TAXES

Tenant will reimburse the Landlord 100% of the taxes for the property.

INSURANCE

Tenant reimburses Landlord's required insurance.

UTILITIES

Tenant is directly responsible for payment of utilities to service providers.

Misc. Lease Provisions

EXCLUSIVE USE

So long as the Subject Property is occupied by a Starbucks, the adjacent parcel currently occupied by 7-Eleven will not be used for the sole purpose of the sale of coffee beans, espresso, nor related products; 7-Eleven is permitted to sell brewed coffee and tea that is not brand name nor gourmet.

Contact Us

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MEET THE ENTIRE TEAM HERE.



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