



STARBUCKS
INVESTMENT OFFERING

HOGAN
REAL ESTATE

633 HENNESSEY WAY
BOWLING GREEN, KENTUCKY

CONFIDENTIALITY AGREEMENT

This Confidential Offering has been prepared by Hogan Real Estate (“Agent”) in cooperation with the Owner for informational purposes only and does not purport to contain all the information necessary to reach a purchase decision. The information contained herein has been carefully compiled from sources considered reliable and, while not guaranteed as to completeness or accuracy, we believe it to be correct as of this date.

This Offering is subject to prior placement, errors, omissions, changes, withdrawal or cancellation without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by Agent or the Owner. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the Property described herein.

The projections set forth in this Offering do not constitute a representation, warranty or a guaranty by Agent or the owner of any of the numbers set forth herein or of any economic value attributable

to the Property or income that may be derived therefrom. Prospective purchasers should develop their own independent estimates of pro forma income and expenses before making any decisions on whether to acquire the Property.

Summaries or schedules of legal documents contained within this Memorandum are not intended to be comprehensive statements of the terms of such documents, but rather outlines of some of the major provisions therein.

This Offering is the property of Agent and may be used only by parties to whom Agent delivered the Offering or to whom Agent has approved such delivery. By accepting a copy of the Offering, the party who has possession thereof agrees to return it to Agent immediately upon Agent’s request. No copies of this Offering may be made without Agent’s prior written consent and no excerpts or summaries thereof may be distributed, reproduced or included in any document without such consent.

HOGANDEV.COM

TABLE OF CONTENTS

01 EXECUTIVE SUMMARY

-
- The Offering, Investment Highlights, Sales Terms
 - Offering Summary
 - Aerials
 - Exterior & Interior Photos
 - Lease Overview
 - Tenant Profile

02 EXHIBITS

-
- Bowling Green MSA Statistics
 - Bowling Green MSA Market Overview

01

EXECUTIVE SUMMARY



The Offering, Investment Highlights, Sales Terms
Offering Summary
Aerials
Exterior & Interior Photos
Lease Overview
Tenant Profile

EXECUTIVE SUMMARY

The Offering

Qualified investors are extended the opportunity to acquire a 100.0% fee simple interest in a newly constructed NNN lease Starbucks Coffee in Bowling Green, Kentucky located just off Interstate 65, Exit 28. The initial lease term for the new Starbucks is ten (10) years with four (4) five (5) year extension terms.

The property is located in north Bowling Green in an expansive retail and industrial trade area with significant highway service traffic due to its adjacency to and high visibility along I-65. The area is home to the Corvette Museum, GM Corvette Assembly Plant, and numerous casual restaurants and businesses.

Located 60 miles north of Nashville and 110 miles south of Louisville off Interstate 65, Bowling Green is the third-most populous city in the state of Kentucky after Louisville and Lexington. The third largest Kentucky public university, Western Kentucky University, is located less than 5 miles away.

Sales Terms

The unit is being offered on an “as-is” basis with ownership making no representations or warranties with respect to the accuracy or completeness of the offering memorandum or any and all documents delivered to any acquisition prospect for the purpose of due diligence.

Investment Highlights

NNN Lease Structure

- 10 year initial term with limited landlord responsibilities
- Starbucks opened February, 17 2020

Excellent Corporate Guaranty

- The lease is fully guaranteed by Starbucks Corporation
 - S & A Rating: A-
 - Reported Sales of \$26.5 Billion in FY 2019
 - Q4 comparable store sales up 5% globally, led by 6% comp growth in the US

High Interstate Visibility

- The site offers high visibility to I-65 which carries over 59,000 vehicles per day at the Exit 28 interchange. Starbucks will also benefit from an exclusive 100' interstate sign that is parallel to I-65

Vibrant Retail Trade Area and Market

- Located in an expansive retail and industrial trade area with significant highway service traffic
- Located in Bowling Green, KY, the third most populous city in the State of KY

OFFERING SUMMARY

Property Information

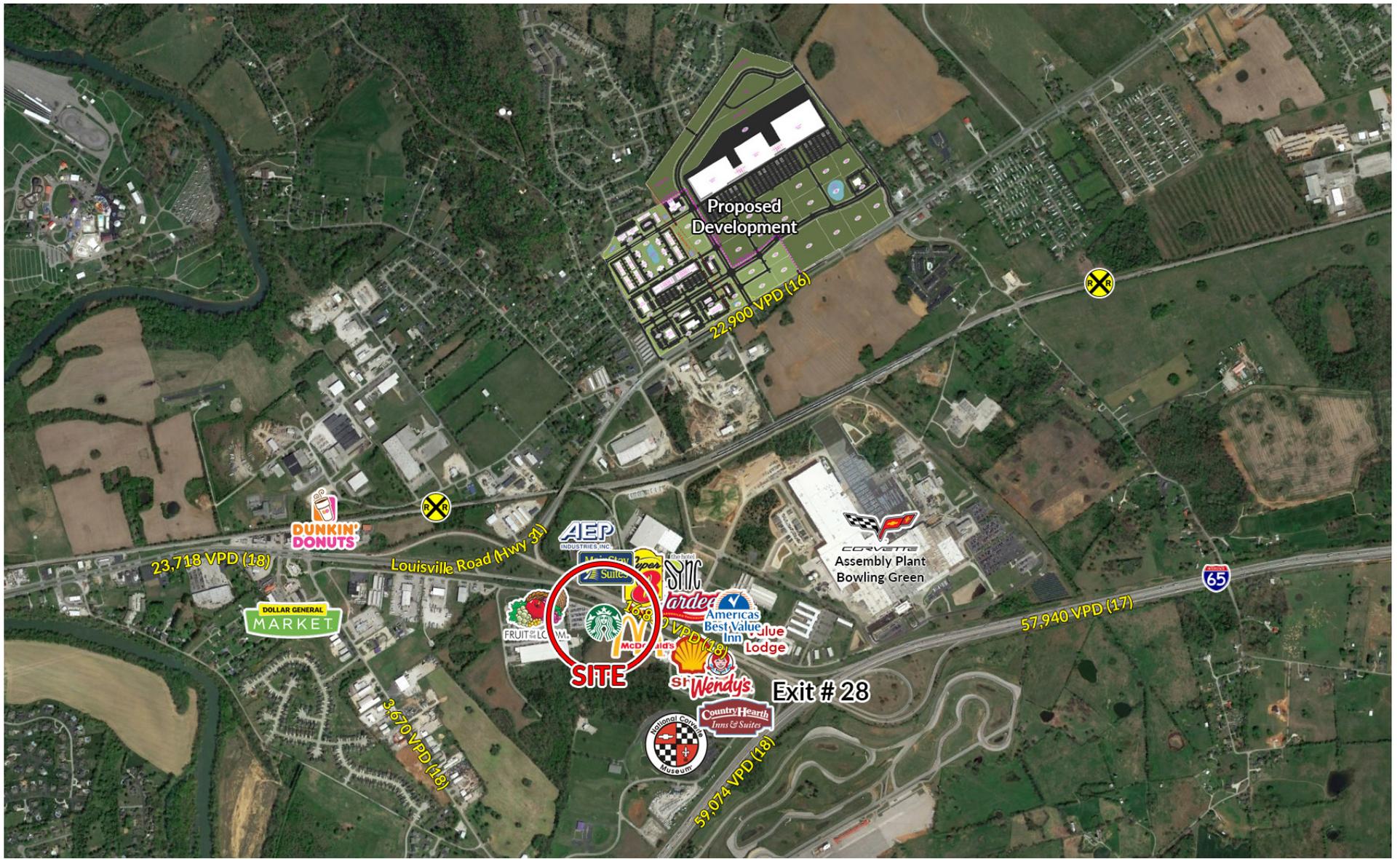
Subject Property	Single Tenant Building
Property Location	633 Hennessy Way Bowling Green, KY 42101
Year Built	2020
Price	\$2,034,000
Cap Rate	5.00%
Rentable Square Feet	2,100 SF
Parking Spaces	32
Exclusive Highway Signage	100' tall pylon sign
Lot Size	0.72 ± acres

Lease Summary

Tenant	Starbucks Corporation
Guarantor	Starbucks Corporation
Lease Type	NNN (limited Landlord responsibility)
Tenant Responsibilities	Taxes Property & general liability insurance All utilities Parking lot maintenance and repairs HVAC maintenance, repair, and replacement
Landlord Responsibilities	Parking lot (replacement and code compliance only) Roof and Structure General liability
Initial Term	10 years
Lease Commencement	February 2020
Initial Term Rental Income	Years 1 - 5: \$101,740 \$48.45 Years 6 - 10: \$111,914 \$53.29
Extension Options	Four (4) Five (5) year options Years 11 - 15: \$123,105 \$58.62 PSF Years 16 - 20: \$135,415 \$64.48 PSF Years 21 - 25: \$148,957 \$70.93 PSF Years 26 - 30: \$163,853 \$80.41 PSF



STARBUCKS®











\$101,740 Total Annual Base Rent



10 Year Lease Term



NNN Lease Structure



2,100 SF



Year 6 Rent Escalation \$111,914





<https://www.starbucks.com/>

Starbucks Corporation

NASDAQ: SBUX. Starbucks Corporation is an American coffee company and coffeehouse chain. The chain was founded in Seattle, Washington in 1971; it operates 23,768 locations worldwide, including 13,107 (+170) in the United States, 2,204 (+86) in China, 1,418 (-12) in Canada, 1,160 (+2) in Japan and 872 in South Korea (bumping United Kingdom from 5th place) (Differences reflect growth since Jan 8, 2016).

Starbucks locations serve hot and cold drinks, whole-bean coffee, microground instant coffee known as VIA, espresso, cafe latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, pastries, and snacks; some offerings (including their 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. Starbucks-brand coffee, ice cream and bottled cold coffee drinks are also sold at grocery stores.

Starbucks first became profitable in Seattle in the early 1980s, and despite an initial economic downturn with its expansion into the Midwest and British Columbia in the late 1980s, the company experienced revitalized prosperity with its entry into California in the early 1990s. The first Starbucks location outside North America opened in Tokyo in 1996; overseas properties now constitute almost one third of its stores. The company had opened an average of two new locations daily between 1987 and 2007.

Tenant	Lease Commencement	Lease Expiration	Square Footage	Annual Base Rental Income	% Rent	Lease Structure	Guaranty	Notes
Starbucks Corporation	Feb-20	Feb-30	2,100	\$101,740	N/A	NNN	Starbucks Corporation	Corporate Guaranty
Rent Escalation	Feb-25			\$111,914		Landlord: Roof & Structure		
Four (4) Five (5) Year Renewal Options	Feb-30			\$123,105			*No termination rights	
	Feb-35			\$135,416				
	Feb-40			\$148,958				
	Feb-45			\$163,853				

Please refer to each tenant's lease documents for specific provisions and detailed explanation of reimbursement methods

02

EXHIBITS



Bowling Green MSA Statistics
Bowling Green MSA Market Overview

BOWLING GREEN MSA STATISTICS

MSA Population:	180,288
Total Households:	69,962
Warren County Population:	133,362
Overall Growth Rate MSA: (2010-2020)	1.40%
Projected Growth Rate: (2020-2025)	1.21%

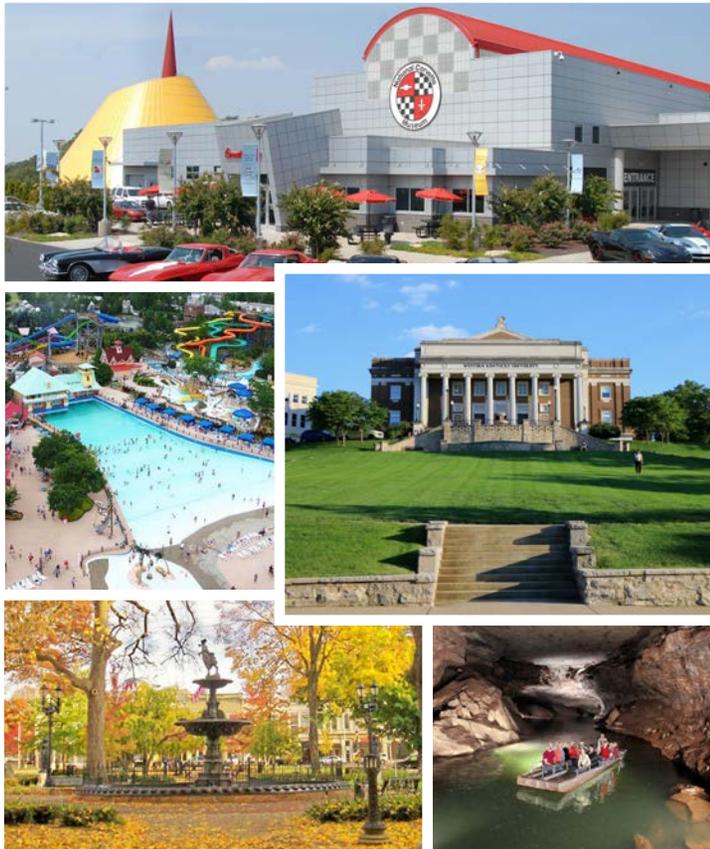
Largest Colleges & Universities in Bowling Green Area:			
Western Kentucky University		14,956	
Southcentral Kentucky Community College	3,128		

Population for Metro Cities/Towns:	
Bowling Green	68,760
Brownsville	891
Morgantown	2,429
Scottsville	4,301
Smiths Grove	788
Woodburn	394



Largest Employers in Bowling Green MSA: (Excluding government agencies)	
General Motors Corp	1,200
Fruit of the Loom	1,005
Huish Detergents Inc	808
Bowling Green Metalforming LLC	730
DESA LLC	600
Eagle Industries LLC	500
Trace Die Cast Inc	477
Country Oven Bakery	410
AFNI	384
Holley Performance Products	340

BOWLING GREEN MSA MARKET OVERVIEW



Bowling Green Area

Located 60 miles north of Nashville and 110 miles south of Louisville off Interstate 65, Bowling Green is the third-most populous city in the state of Kentucky after Louisville and Lexington. In 2003, Bowling Green and its surrounding communities were designated as a “metropolitan area” but separate city and county governments remain. Significant companies in Bowling Green include the GM Corvette Assembly Plant, Fruit of the Loom/ Russell Athletics, Houchens Industries, Holley Performance Products, Bowling Green Metalforming, and Camping World. The third largest Kentucky public university, Western Kentucky University, is situated upon a hill in central Bowling Green.

Warren County consists of 546 square miles and was named for General Joseph Warren, a hero of the famous American Revolution Battle of Bunker Hill. The area

was first settled in 1785 when Andrew McFadin built McFadin’s Station on Barren River. At the first county commissioners meeting in early 1798, the pioneers decided that the new town would be “called and known by the name of Bolin Green.” This name was after the Bowling Green Square in New York City, where patriots had pulled down a statue of King George III and used the lead to make bullets during the American Revolution. In laying out the town, the Moore’s designed two acres for the construction of public buildings. Those same two acres today make up Fountain Square Park in the heart of downtown. This is symbolic of the city of Bowling Green whose central location allowed it quickly to become a major agricultural community and river port, and later, an important commercial and educational center.

Today Bowling Green is a regional entertainment hub for more than 250,000 people in 11 surrounding counties.



HOGAN REAL ESTATE EXCLUSIVE AGENTS

+ Justin Phelps

D: 502.271.5820
M: 502.426.1050
F: 502.426.1223

jphelps@hogandev.com

+ Hunter Jacobs

D: 502.271.5812
M: 502.426.1050
C: 502.639.4727
F: 502.426.1223

[hjacobson@hogandev.com](mailto:hjacobs@hogandev.com)