



Starbucks



New 10-Year Lease

Kings Mountain, NC | Charlotte MSA

CONFIDENTIAL OFFERING MEMORANDUM

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INVESTMENT OVERVIEW

Executive Summary

PROPERTY SUMMARY

Address	717 York Road Kings Mountain, NC 28086
Ownership	Fee Simple
Class	A
Year Renovated	2020
Building Size	±2,833 SF
Parcel Size	±1.05 Acres
Tenancy	Single
Occupancy	100%
Road Frontage	±220 Feet
Parking	40 Spaces
Traffic Count (I-85)	59,000 VPD
Financing	Delivered Free & Clear

FINANCIAL SUMMARY

NOI	\$100,000
Cap Rate	5.25%
List Price	\$1,904,762
Lease Type	NNN
Primary Lease Term	10 Years
Options	4 (5) Years
Rent Increases	7.00% Every 5 Years

NOI & CAP RATE GROWTH

	Yrs 6	Yrs 11	Yrs 16
NOI	\$107,000	\$114,490	\$122,504
Cap Rate Growth	5.62%	6.01%	6.43%

INVESTMENT HIGHLIGHTS

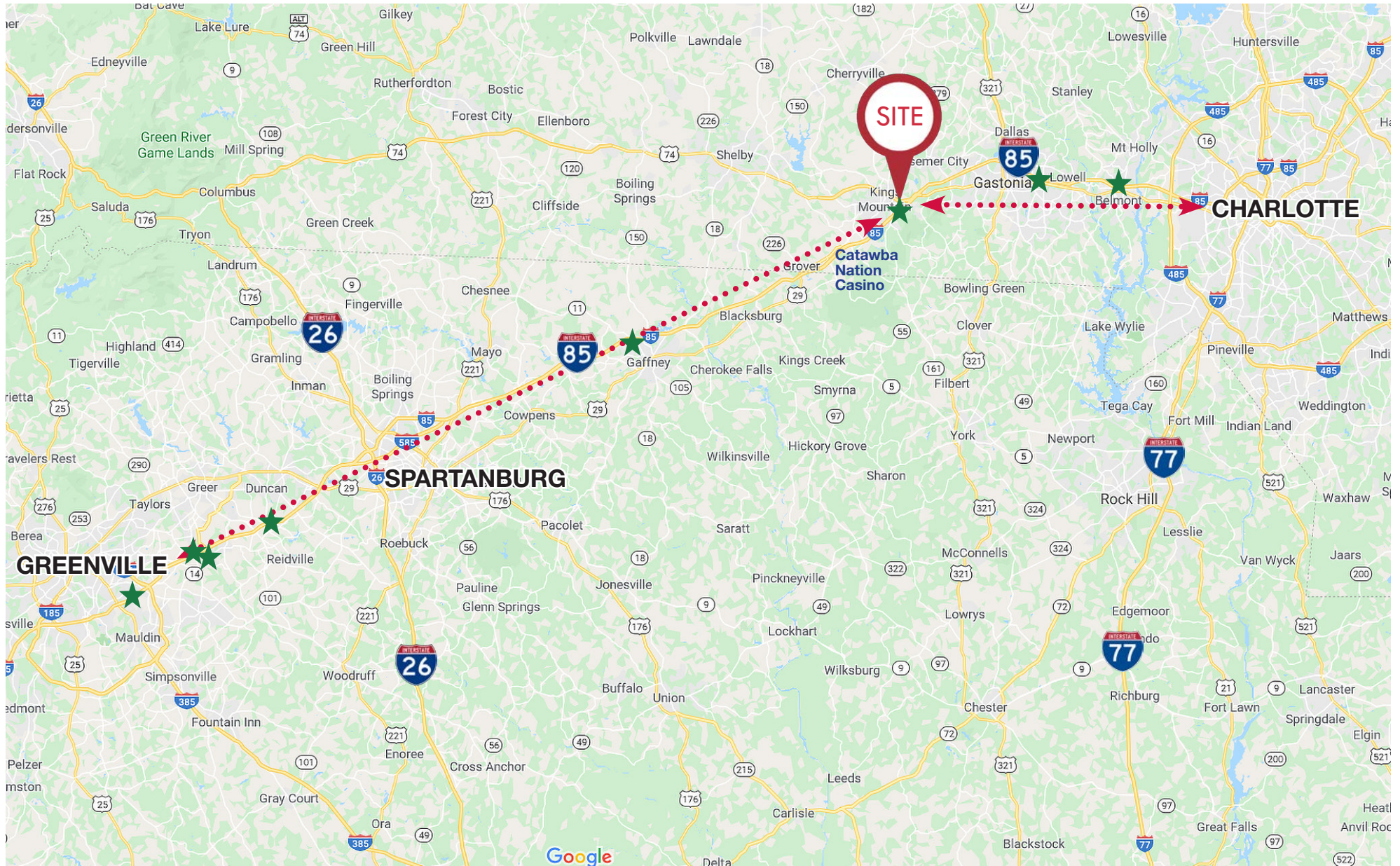
- **Brand New 10 Year Lease:** Estimated rent commencement date Q3 2020
- **Access to High Volume Interstate Traffic:** Located directly on I-85 only 30 minutes south of Downtown Charlotte
- **High Quality Construction:** Complete renovation with high end finishes, large covered patio, and excellent parking ratio
- **Corporate Starbucks Lease:** Over 30,000 locations in 78 countries with corporate revenues in excess of \$24 billion (NASDAQ: SBUX)
- **Investment Grade Tenant:** S&P Rating BBB+
- **Booming Greater Market:** Charlotte is the 16th largest city in the US
- **One Exit from the Proposed Catawba Nation Casino:** U.S. Dept. of Interior recently approved the Catawba Nation's application to build a \$273 million tribal casino and resort in Kings Mountain, NC, only one exit from the subject property

Regional Map



PROPERTY OVERVIEW

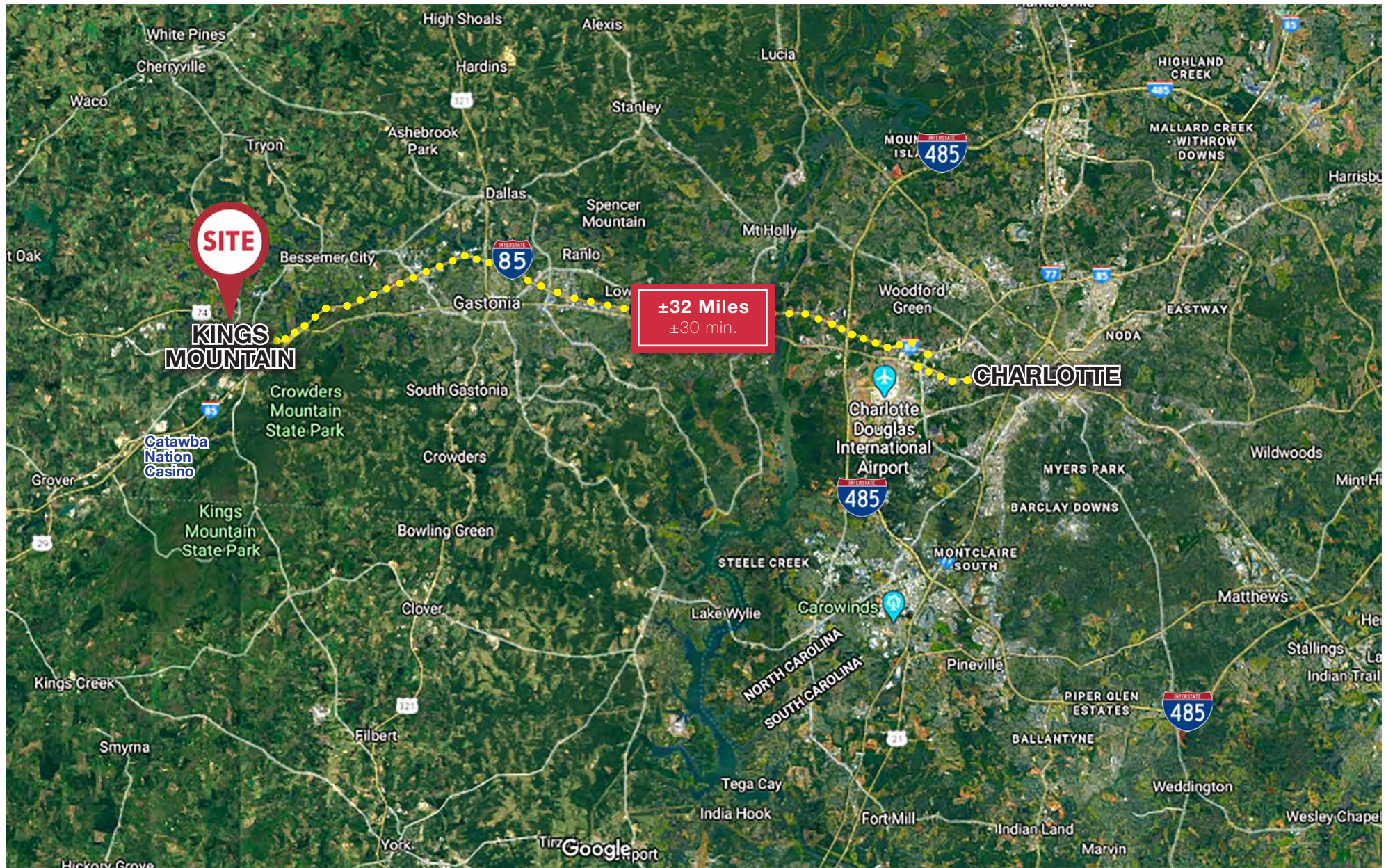
Starbucks Interstate Locations w/ Drive-Thrus



★ Starbucks location with drive-thru

PROPERTY OVERVIEW

Submarket Map



PROPERTY OVERVIEW

Retail Map



PROPERTY OVERVIEW

Site Map



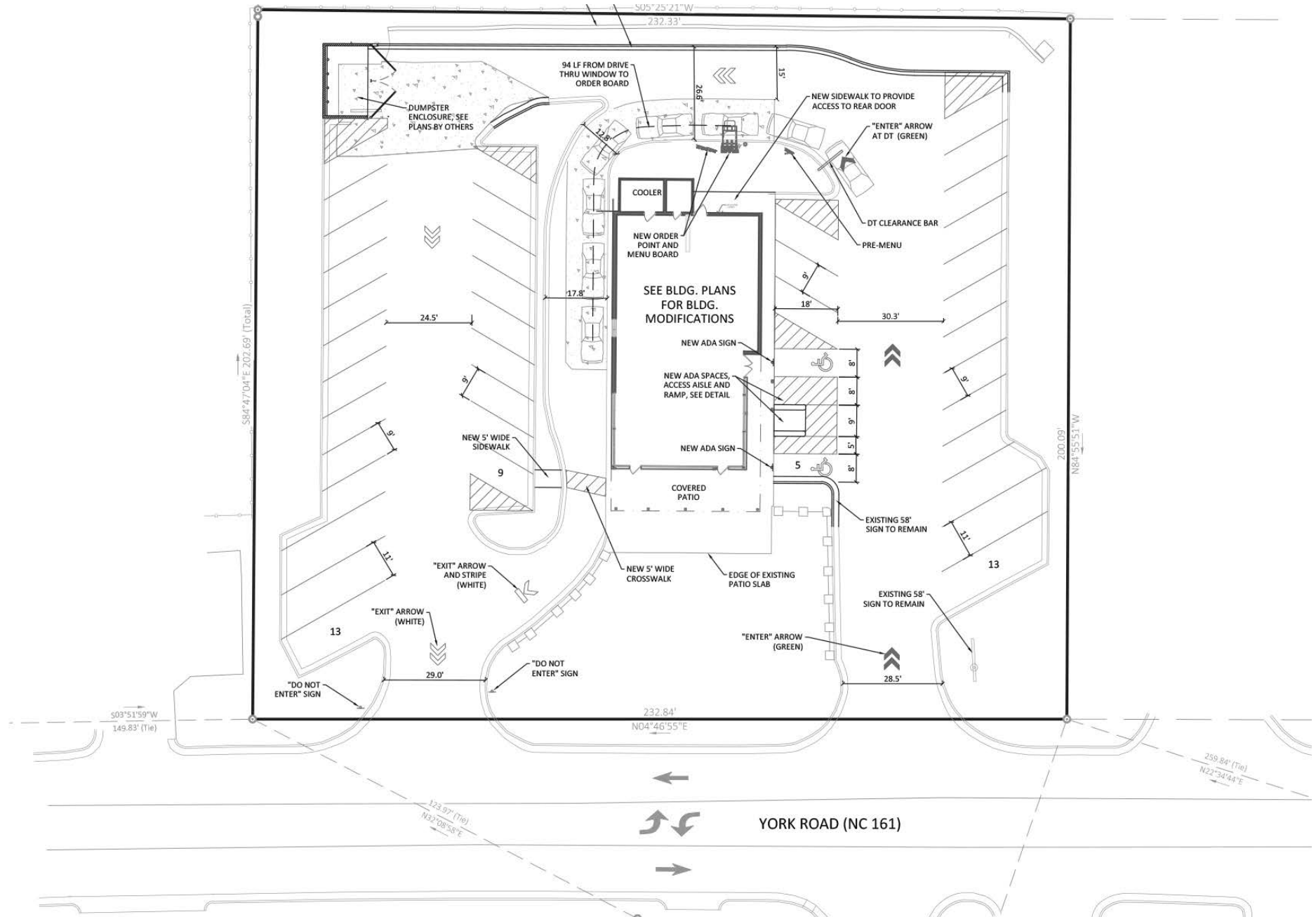
PROPERTY OVERVIEW

Rendering



PROPERTY OVERVIEW

Site Plan



PROPERTY OVERVIEW

Lease Summary

LEASE SUMMARY

Tenant	Starbucks Corporation
Tenant Trade Name	Starbucks
Tenant Classification	Corporate
Lease Type	NNN
Original Lease Term	10 Years
Rent Commencement Date	Est. Q3 2020
Lease Expiration Date	2030
Term Remaining on Lease	±10 Years
Options	(4) 5-Year
Increases	7.00% Every 5 Years
Property Taxes	Tenant Responsible
Property Insurance	Tenant Responsible
Roof	Landlord Responsible*
Structure	Landlord Responsible
Option to Terminate	Yes**

*Brand new transferable 20-year roof warranty

**In months 60 and 65, only if Tenant's annual store sales <\$1M with a penalty of 6 months base rent plus unamortized TI & LC

RENT SCHEDULE

Initial Term	Monthly	Annual	Rent/SF
Yrs 1 - 5	\$8,333	\$100,000	\$35.05
Yrs 6 - 10	\$8,917	\$107,000	\$37.50
Option 1			
Yrs 11 - 15	\$9,541	\$114,490	\$40.13
Option 2			
Yrs 16 - 20	\$10,209	\$122,504	\$42.94
Option 3			
Yrs 21 - 25	\$10,923	\$131,080	\$45.94
Option 4			
Yrs 26 - 30	\$11,688	\$140,255	\$49.16



Starbucks offers more than 30 blends of single-origin premium coffees as well as handcrafted teas, blended beverages, pastries, sandwiches and a variety of other fresh foods.

TENANT OVERVIEW

Starbucks Coffee



www.starbucks.com

Founded	1971
Headquartered	Seattle, WA
Credit Rating	S&P BBB+
Number of Locations	±30,000 retail stores in 78 countries
Market Cap	\$108.87 Billion
Annual Revenue	\$24.72 Billion
Fortune 500 Rank	227
Stock Symbol	NASDAQ: SBUX

- Starbucks is a national investment grade tenant (NASDAQ: SBUX; S&P: BBB+) with over 30,000 stores globally.
- Fiscal 2018 was highlighted by double digit growth in topline revenue of \$24.7 billion, up 10% over the prior year.
- Average store sales are approximately 50% greater in Starbucks locations that have a drive-thru, which has created a goal for Starbucks to have drive-thrus in half of its stores by 2020.



REPRESENTATIVE PHOTO

STARBUCKS | QUICK FACTS

#5

**WORLD'S MOST ADMIRABLE
COMPANY**

Fortune (2019)

#1

**WORLD'S MOST VALUABLE
RESTAURANT BRANDS**

QSR Magazine (2019)

#30

**MOST INNOVATIVE
COMPANY**

Forbes (2018)

MARKET OVERVIEW

Catawba Resort and Casino

CATAWBA RESORT & CASINO

*Kings Mountain Boulevard interchange at I-85 Exit 5
Kings Mountain, NC*

U.S. Department of Interior recently approved the Catawba Nation's application to build a \$273 million tribal casino and resort in Kings Mountain, NC, only one exit from the subject property.

The project will consist of a 195,000 SF casino, 1,500 hotel rooms, a full concert & event venue, and is estimated to generate \$300 million of annual economic activity.



Click to learn more about the Catawba resort and casino



MARKET OVERVIEW

Market Analysis

CHARLOTTE, NORTH CAROLINA



LOCATION

- Located in the Piedmont region, Charlotte (Mecklenburg County) is the most populous city of North Carolina.
- Charlotte's central location between the population centers of the northeast and southeast has made it a transportation focal point and primary distribution center, with two major interstate highways, I-85 and I-77, intersecting near the city's center.
- The most recent U.S. Census estimate (released in May 2019) showed 872,498 residents living within Charlotte's city limits and 1,093,901 in Mecklenburg County.



HIGHER EDUCATION

- Charlotte is home to a number of universities and colleges such as Central Piedmont Community College, Johnson C. Smith University, Johnson & Wales University, Queens University of Charlotte, and the University of North Carolina at Charlotte.
- UNC Charlotte is the city's largest university. It is located in University City, the northeastern portion of Charlotte, which is also home to University Research Park, a 3,200 acres research and corporate park. With more than 29,000 students, UNC Charlotte is the third largest university in the state.



COMMERCE

- Charlotte is home to the corporate headquarters of Bank of America, Truist Financial, and the east coast operations of Wells Fargo, which along with other financial institutions has made it the second-largest banking center in the United States.
- Microsoft's East Coast headquarters are also located in Charlotte.
- As of 2020, Charlotte has six Fortune 500 companies in its metropolitan area: Bank of America, Honeywell, Nucor, Lowe's, Duke Energy, Sonic Automotive and Brighthouse Financial.
- Charlotte is the center of the U.S. motorsports industry, housing the US's only Formula One team, Haas F1, multiple teams and offices of NASCAR, the NASCAR Hall of Fame, and Charlotte Motor Speedway in Concord.
- In the region there are more than 240 companies directly tied to the energy sector, collectively employing more than 26,400. Since 2007 more than 4,000 energy sector jobs have been announced.



SPORTS

- Carolina Panthers (NFL) - Bank of America Stadium
- Charlotte Hornets (NBA) - Spectrum Center
- Charlotte Knights (Triple-A affiliate of the Chicago White Sox) - BB&T Ballpark
- Charlotte Checkers (Minor league affiliate of the Hurricanes) - Bojangles' Coliseum
- Charlotte Independence (USL Soccer) - Sportsplex at Matthews
- NASCAR (Stock-car racing) - Charlotte Motor Speedway

MARKET OVERVIEW

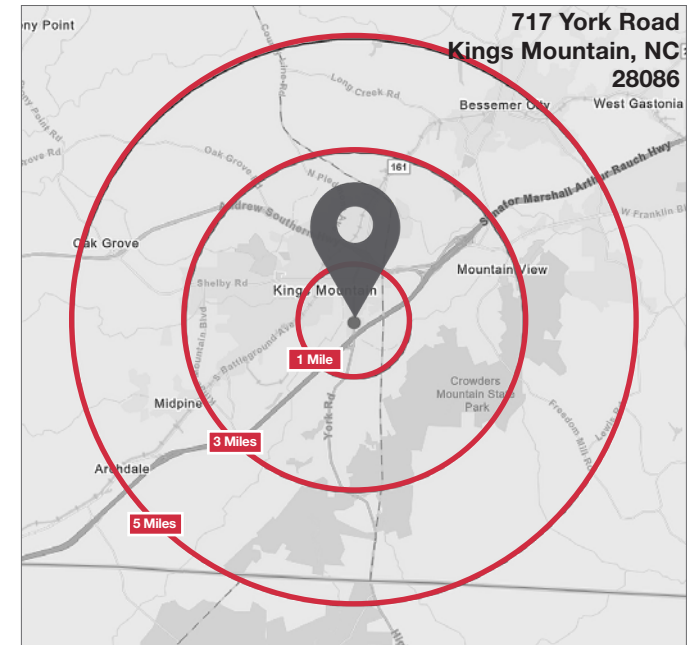
Demographics

Demographics

Distance From Property

	1 Mile	3 Miles	5 Miles
Population			
2019	1,384	12,641	28,492
2024 Projected	1,448	12,870	29,008
Growth 2019-2024	0.91%	0.36%	0.36%
2019 Median Age	40.7	42.9	42.9
2019 Total Daytime Population	3,355	14,421	26,118
Households			
2019	595	5,049	11,127
2024 Projected	624	5,144	11,324
Average Household Income			
2019	\$39,613	\$50,679	\$55,522
2024 Projected	\$46,378	\$58,409	\$63,877

Source: esri



DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property located at 717 York Road, Kings Mountain, NC 28086 ("Property"). It has been prepared by Furman Capital Advisors ("Agent"). This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in the 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 Owner or Agent. The material is based in part upon information supplied by the Owner and in part upon financial information obtained from sources it deems reliable. The Owner, nor their officers, employees, or agents make 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 Owner.

Owner and Agent 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 by all parties 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 the 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 Agent or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause 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 creation of this Offering Memorandum.



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