



STARBUCKS OH - 6.05% CAP IN 2021

7305 OH-37 • Sunbury, OH 43074

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Sunbury, OH  
ACT ID ZAB0240270

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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## EXECUTIVE SUMMARY

## OFFERING SUMMARY

Price	\$1,289,200
Net Operating Income	\$70,905
Capitalization Rate – Current	5.5%
Price / SF	\$799.26
Rent / SF	\$43.96
Lease Type	NNN
Gross Leasable Area	1,613 SF
Year Built / Renovated	1994 / 2007
Lot Size	0.76 acre(s)

## FINANCING

Down Payment	All Cash
Net Cash Flow	5.50% / \$70,905
Cash on Cash Return	5.50%
Total Return	5.50% / \$70,905

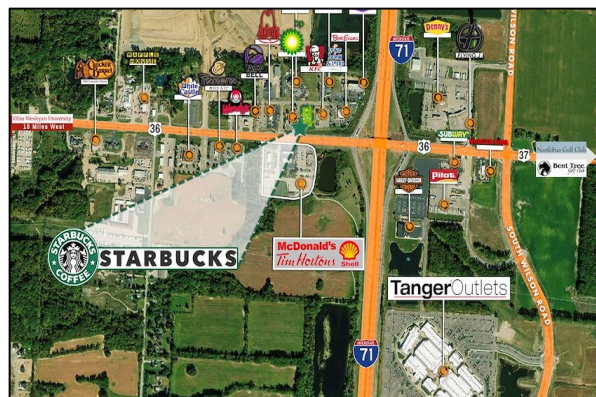
## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES*
Kroger	1,114
Firstenterprises Inc	387
Cracker Barrel	150
Olentangy Local School Dst	98
Cheshire Elementary School	97
Berkshire Middle School	95
McDonalds	86
Bob Evans	81
Gerling and Associates Inc	80
Double Eagle Club	75
North Star Golf Club	75
OLENTANGY LOCAL SCHOOLS	75

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2019 Estimate Pop	319	6,055	19,525
2010 Census Pop	232	4,858	15,774
2019 Estimate HH	111	2,048	6,835
2010 Census HH	82	1,636	5,530
Median HH Income	\$120,002	\$123,379	\$109,024
Per Capita Income	\$50,839	\$52,247	\$47,336
Average HH Income	\$145,471	\$154,497	\$135,222

\* # of Employees based on 5 mile radius



## INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present a corporately guaranteed net leased Starbucks, comprised of 1,613 square feet located in Sunbury, Ohio. Starbucks, who hand-picked this particular location for expansion in the Columbus market and desirable location directly off and visible from I-71. Starbucks executed a 10-year extension commencing in 2016 leaving just under 6.5 years of term remaining and no early termination rights. This lease offers a mid-term rental increase and minimal management responsibilities due to the attractive Net Lease that has Starbucks handling all on-site maintenance and repairs. Additionally, Starbucks is responsible for HVAC and roof replacement. This location for Starbucks along I-71 is the only freestanding, corporate location along the highway between Cleveland and Northern Columbus. Due to the position of the store, Starbucks installed highly visible signage, which can be seen from I-71 along with Route 36/37. Starbucks has also completed a full interior renovation in the summer/fall of 2016 that cost approx. \$200,000, further proving their commitment to this location. The featured asset is strategically positioned directly off the highway exit surrounded by a constant flow of traffic from hotels, fueling stations and restaurants. High traffic counts surround the I-71/Route 36/37 interchange with approximately 150k+ VPD. Additionally, the area is slated for new multi-family housing and an increase of residential homes on 1,100 acres in the vicinity. Also as a testament to the growth and increased traffic at this exit of I-71, the Village of Sunbury and Township of Berkshire are working on a \$16.5 million road improvement plan that will create new highway exits and expansion of the roadways. Sunbury is growing by leaps and bounds, having annexed over 555 acres in the recent years. The affluent community has an average household income of \$154,497 within 3-miles of the Starbucks. Further evidence of areas growth can be seen by the recent development of the new 300,000 S.F. Tanger Outlet Mall that sits on over 70 acres (located 0.3 miles from the property) and boasts high-end stores such as Banana Republic, J. Crew, Under Armour, GAP, Coach, The North Face, Ann Taylor and many more.

## INVESTMENT HIGHLIGHTS

- 6.05% CAP Starting October 1, 2021
- No Early Termination Rights
- Only Freestanding Starbucks Along I-71 Between Cleveland & Northern Columbus
- NNN Lease, Including Roof and HVAC Replacement
- Location Operating as a Starbucks Since 2008
- Highly Visible Prominent Highway Signage





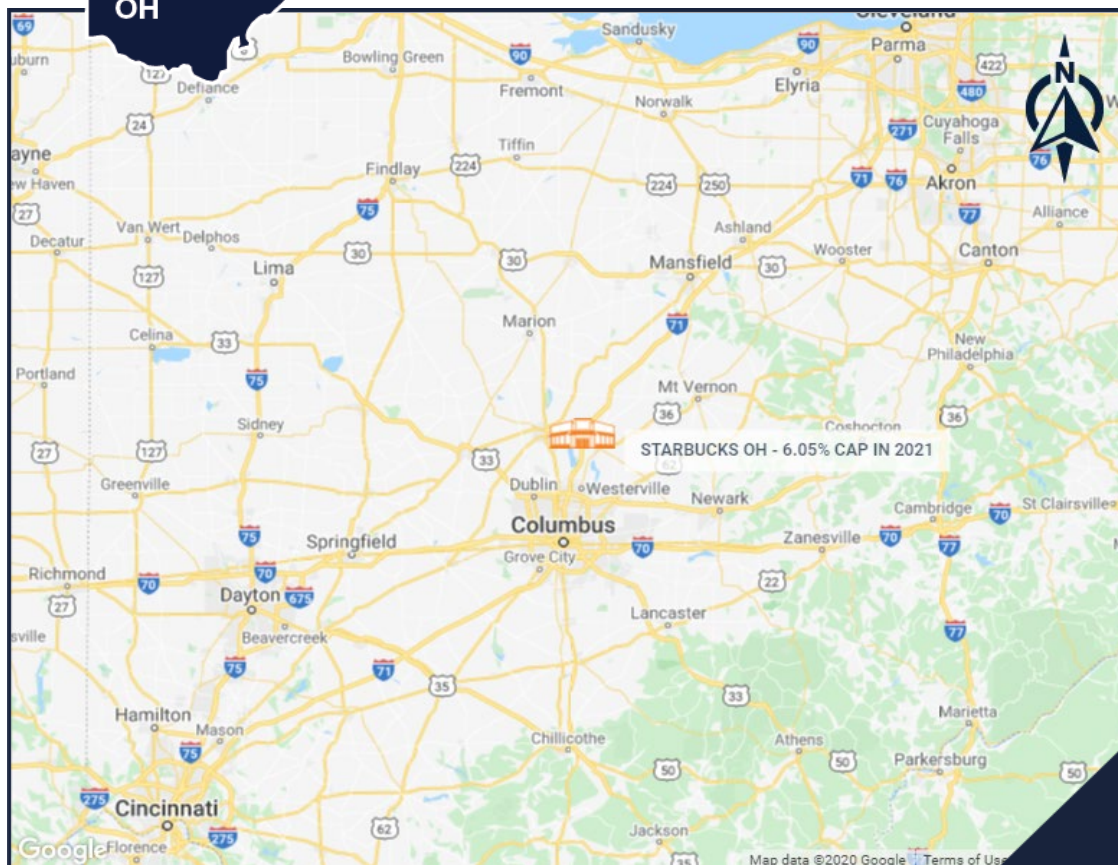
## Starbucks Corporation



General Information	
Tenant Name	Starbucks Corporation
Website	<a href="http://www.starbucks.com">www.starbucks.com</a>
Headquartered	Seattle, WA
Rentable Square Feet	1,613 SF
Percentage of RBA	100%
Lease Commencement	3/1/2008
Lease Expiration	9/30/2026
No. of Locations	32,050



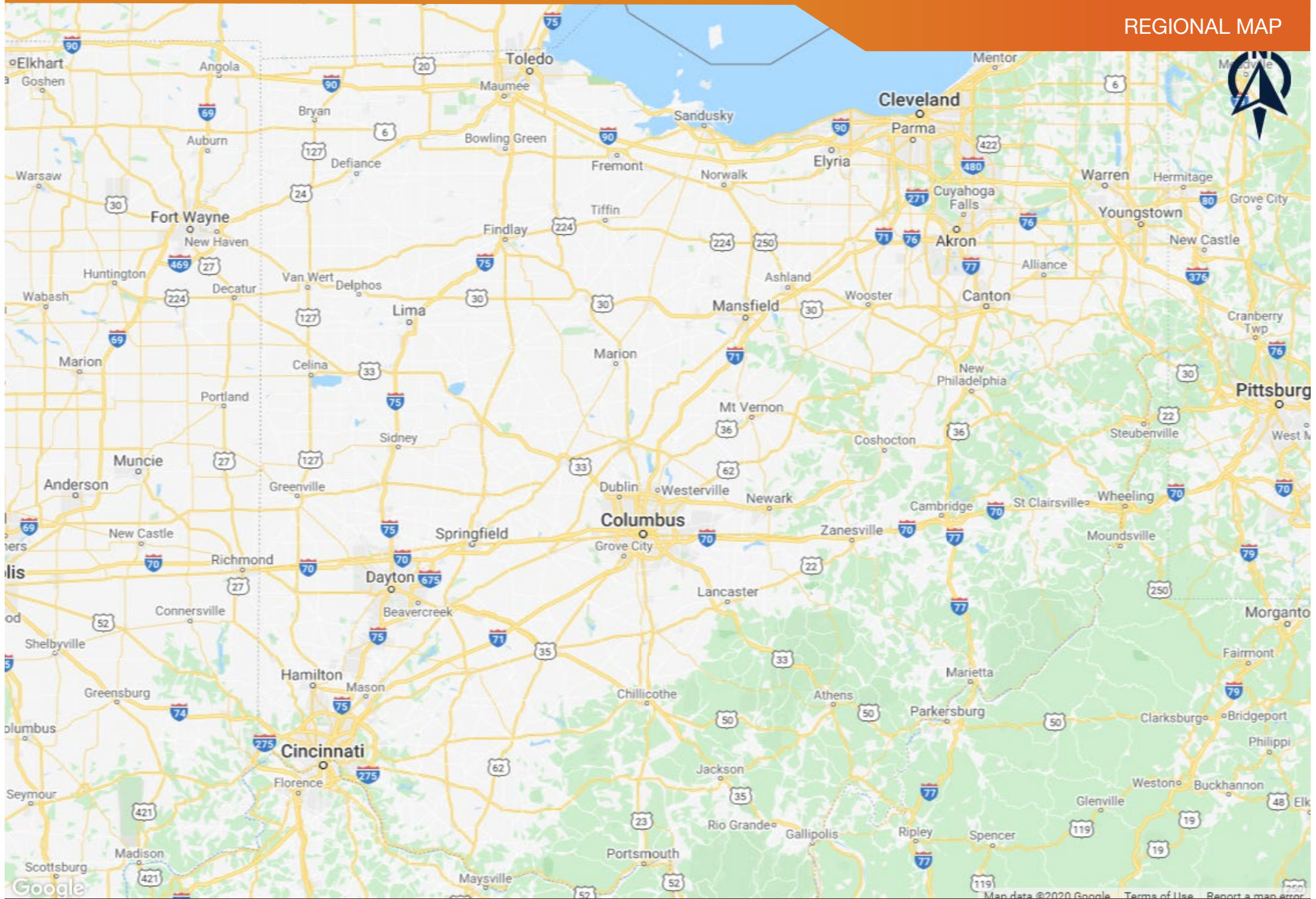
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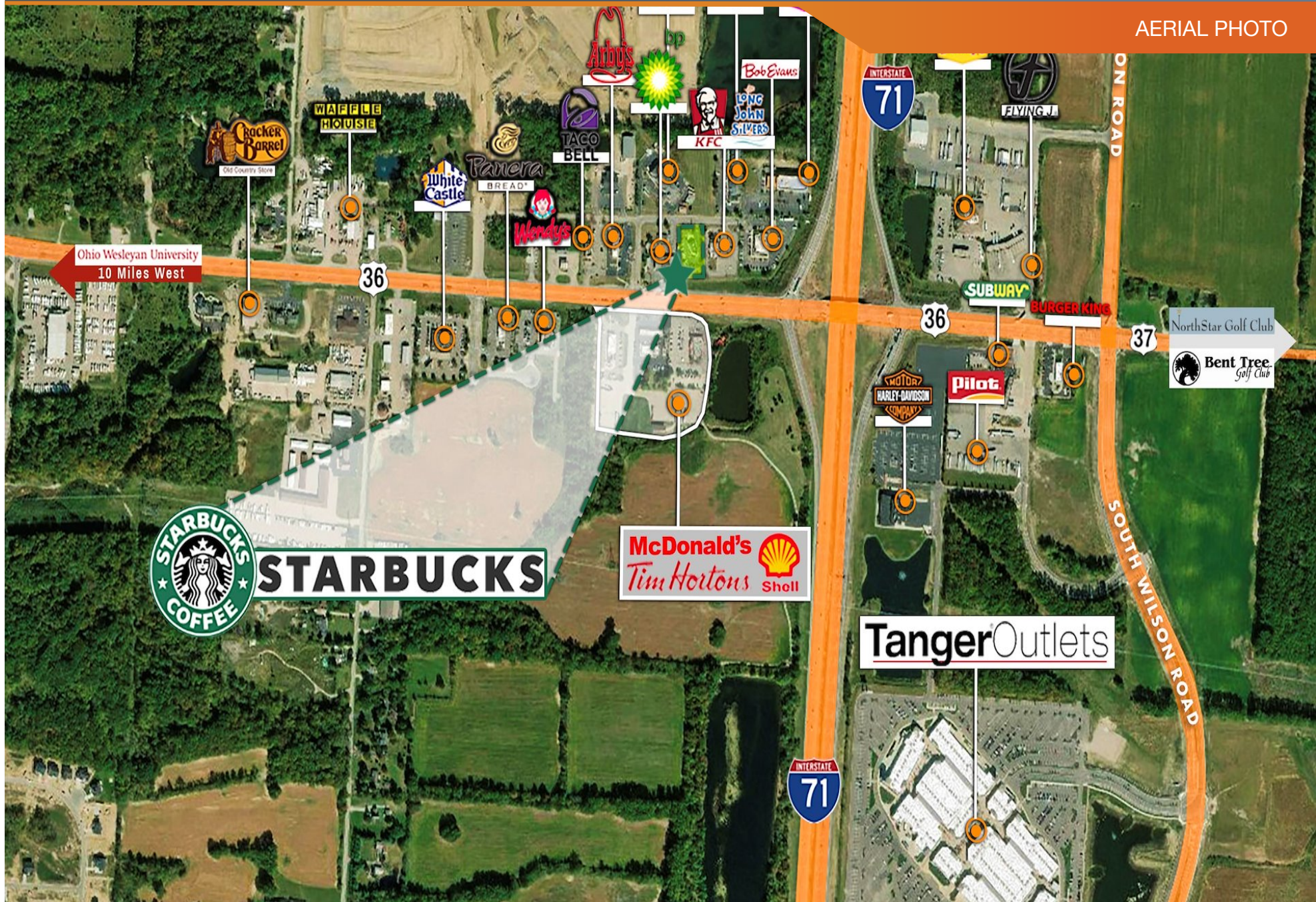
- Only Freestanding Starbucks Along I-71
- Average Household Income of \$154,497
- New 300,000 S.F. Tanger Outlet Mall
- Highly Visible Prominent Highway Sign

CLOSE PROXIMITY TO:











## PROPERTY SUMMARY

THE OFFERING	
Property	Starbucks
Property Address	7305 State Route 37 Sunbury, OH 43074
Price	\$1,289,200
Capitalization Rate	5.50%
Price/SF	\$799.26

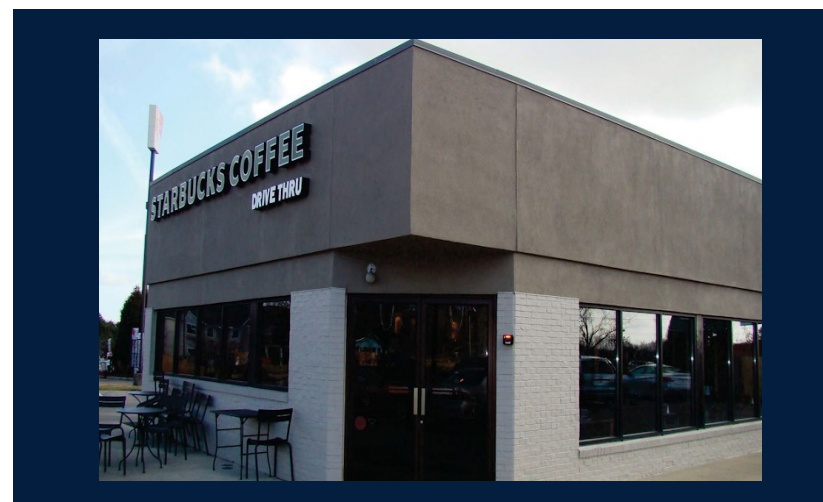
PROPERTY DESCRIPTION	
Year Built / Renovated	1994/2007/2016
Gross Leasable Area	1,613 SF
Zoning	Fast Food - Drive In Restaurant
Type of Ownership	Fee Simple
Lot Size	0.76 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Restaurant
Tenant	Starbucks
Rent Increases	10%, Every Five Years
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Commencement	March 1, 2008
Lease Expiration	September 30, 2026
Lease Term	19
Term Remaining on Lease (Years)	6.4
Renewal Options	Four, Five-Year
Landlord Responsibility	Structure
Tenant Responsibility	See Lease Abstract
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

INCOME	
Net Operating Income	\$70,905

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$70,905	\$5,909	\$43.96	5.50%
10/1/2021-9/30/2026	\$77,997	\$6,500	\$48.36	6.05%
Option 1	\$85,796	\$7,150	\$53.19	6.66%
Option 2	\$94,376	\$7,865	\$58.51	7.32%
Option 3	\$103,814	\$8,651	\$64.36	8.05%
Option 4	\$114,195	\$9,516	\$70.80	8.86%



## NOTES

## MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



**Closed 1,944  
debt and equity  
financings  
in 2019**



**National platform  
operating  
within the firm's  
brokerage offices**



**\$ 7.18 billion  
total national  
volume in 2019**



**Access to  
more capital  
sources than  
any other firm  
in the industry**

## WHY MMCC?

**Optimum financing solutions to  
enhance value**

**Enhanced control through  
investor qualification support**

**Enhanced control through  
MMCC's ability to qualify  
investor finance contingencies**

**Enhanced control through  
quickly identifying potential  
debt/equity sources,  
processing, and closing  
buyer's finance alternatives**

**Enhanced control through  
MMCC's ability to monitor  
investor/due diligence and  
underwriting to ensure timely,  
predictable closings**



## COLUMBUS OVERVIEW

The Columbus metro is Ohio's most populated metropolitan area, composed of 10 counties in the gently rolling hills of central Ohio. Natural landmarks include reservoirs to the north and the Scioto River. Franklin County, home to Columbus, is surrounded by mainly rural counties. Columbus, the state's capital city, is a national transportation and distribution hub, with nearly 60 percent of the U.S. population within an eight-hour driving radius. Interstates 70 and 71 intersect in Columbus, while I-270 forms a beltway around the metro and I-670 bisects the city. Port Columbus International Airport, located east of downtown, is the primary air passenger facility.

### METRO HIGHLIGHTS



#### LOGISTICS HUB

Rickenbacker Inland Port is a multimodal logistics hub that provides air, truck and rail transport throughout the U.S. and Canada, making the metro a key point for distribution activities.



#### MIDWESTERN COMMERCIAL CENTER

Greater Columbus is home to multiple Fortune 500 companies and many regional operations, drawing a variety of other employers and residents.



#### AFFORDABLE HOUSING COSTS

The median home price in Columbus is well below the national level, channeling more expendable income to local retailers and entertainment.



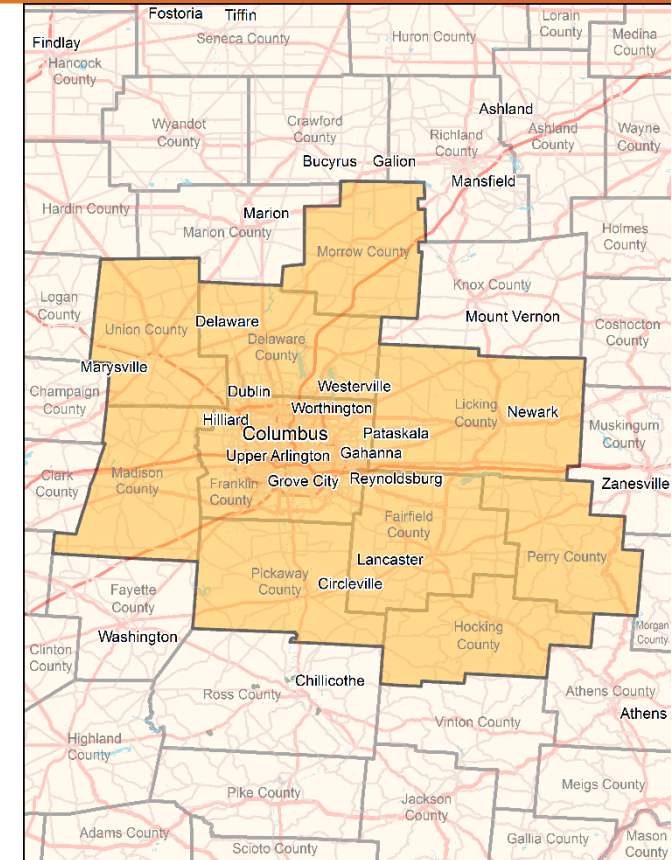
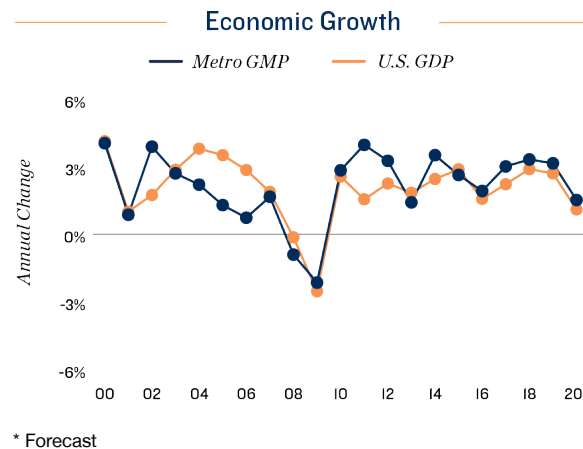
## MARKET OVERVIEW

## ECONOMY

- State agencies and Ohio State University provide a diverse array of employment opportunities. A lower cost of doing business, a strong education system and a strategic location draw major corporations to the metro.
- Fortune 500 companies based in the metro include L Brands, Cardinal Health, American Electric Power, and Nationwide.
- Data centers and information technology are growing in Columbus with IBM's Client Center for Advanced Analytics at the core.

### MAJOR AREA PRIVATE EMPLOYERS

JPMorgan Chase
Nationwide Insurance
Honda of America
L Brands
Cardinal Health
Amazon
Huntington Bancshares, Inc.
Alliance Data
American Electric Power
Ohio State University



## SHARE OF 2019 TOTAL EMPLOYMENT





## DEMOGRAPHICS

- The metro is expected to add nearly 81,400 people in the next five years, resulting in the formation of roughly 38,200 households.
- A median home price of roughly \$219,000 has afforded 58 percent of households to own a home, which is slightly above the national rate of 57 percent.
- Approximately 35 percent of residents age 25 and older hold bachelor's degrees; of those residents, 12 percent also have obtained a graduate or professional degree.

### 2019 Population by Age



## QUALITY OF LIFE

Columbus may be best known as a college town, but for a midsize community, it offers residents big-city amenities. The metro is home to major-league sports teams: the Blue Jackets (NHL) and the Crew (MLS). The city is host to the Columbus Symphony Orchestra, BalletMet and Opera Columbus, as well as theater companies, art galleries and dealers, and a variety of museums. Many of the galleries and restaurants are located in Short North, a vibrant neighborhood north of downtown. The region's economic vitality and social scene are supported by a strong post-secondary education network, including the nationally recognized Ohio State University, as well as many other four-year colleges, universities, and two-year institutions.

\* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



## SPORTS



## EDUCATION



## ARTS & ENTERTAINMENT





Created on May 2020

POPULATION	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Population	381	6,884	22,051
■ 2019 Estimate			
Total Population	319	6,055	19,525
■ 2010 Census			
Total Population	232	4,858	15,774
■ 2000 Census			
Total Population	128	2,261	9,652
■ Current Daytime Population			
2019 Estimate	310	4,273	15,494
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Households	133	2,337	7,738
■ 2019 Estimate			
Total Households	111	2,048	6,835
Average (Mean) Household Size	2.91	3.03	2.89
■ 2010 Census			
Total Households	82	1,636	5,530
■ 2000 Census			
Total Households	48	816	3,514
■ Occupied Units			
2024 Projection	133	2,337	7,738
2019 Estimate	114	2,080	6,978
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2019 Estimate			
\$150,000 or More	29.45%	32.00%	26.67%
\$100,000 - \$149,000	32.65%	33.35%	29.16%
\$75,000 - \$99,999	13.11%	13.23%	13.91%
\$50,000 - \$74,999	9.63%	8.80%	11.42%
\$35,000 - \$49,999	6.24%	5.44%	7.69%
Under \$35,000	8.92%	7.15%	11.15%
Average Household Income	\$145,471	\$154,497	\$135,222
Median Household Income	\$120,002	\$123,379	\$109,024
Per Capita Income	\$50,839	\$52,247	\$47,336

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$84,775	\$85,930	\$81,549
■ Consumer Expenditure Top 10 Categories			
Housing	\$20,332	\$21,049	\$19,674
Transportation	\$14,254	\$13,751	\$13,461
Shelter	\$10,876	\$11,298	\$10,614
Personal Insurance and Pensions	\$10,048	\$10,594	\$9,596
Food	\$9,413	\$9,655	\$9,023
Health Care	\$6,167	\$6,250	\$5,823
Entertainment	\$4,404	\$4,598	\$4,233
Utilities	\$4,344	\$4,484	\$4,227
Gifts	\$2,579	\$2,547	\$2,385
Education	\$2,500	\$2,596	\$2,249
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2019 Estimate Total Population	319	6,055	19,525
Under 20	28.45%	31.38%	29.96%
20 to 34 Years	12.91%	11.82%	13.90%
35 to 39 Years	6.77%	6.47%	6.95%
40 to 49 Years	15.28%	17.58%	15.89%
50 to 64 Years	22.71%	21.39%	20.45%
Age 65+	13.87%	11.35%	12.84%
Median Age	41.39	40.23	39.44
■ Population 25+ by Education Level			
2019 Estimate Population Age 25+	213	3,876	12,720
Elementary (0-8)	0.69%	0.56%	0.72%
Some High School (9-11)	2.57%	2.21%	2.86%
High School Graduate (12)	22.87%	21.54%	25.82%
Some College (13-15)	22.49%	20.62%	20.41%
Associate Degree Only	6.05%	6.85%	6.68%
Bachelors Degree Only	32.59%	33.66%	30.63%
Graduate Degree	12.44%	14.03%	12.31%

Source: © 2019 Experian



### Population

In 2019, the population in your selected geography is 319. The population has changed by 149.22% since 2000. It is estimated that the population in your area will be 381.00 five years from now, which represents a change of 19.44% from the current year. The current population is 50.29% male and 49.71% female. The median age of the population in your area is 41.39, compare this to the US average which is 38.08. The population density in your area is 101.38 people per square mile.



### Households

There are currently 111 households in your selected geography. The number of households has changed by 131.25% since 2000. It is estimated that the number of households in your area will be 133 five years from now, which represents a change of 19.82% from the current year. The average household size in your area is 2.91 persons.



### Income

In 2019, the median household income for your selected geography is \$120,002, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 62.24% since 2000. It is estimated that the median household income in your area will be \$142,892 five years from now, which represents a change of 19.07% from the current year.

The current year per capita income in your area is \$50,839, compare this to the US average, which is \$33,623. The current year average household income in your area is \$145,471, compare this to the US average which is \$87,636.



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 93.96% White, 1.27% Black, 0.02% Native American and 1.96% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 1.63% of the current year population in your selected area. Compare this to the US average of 18.17%.



### Housing

The median housing value in your area was \$375,047 in 2019, compare this to the US average of \$212,058. In 2000, there were 43 owner occupied housing units in your area and there were 5 renter occupied housing units in your area. The median rent at the time was \$518.



### Employment

In 2019, there are 434 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 67.61% of employees are employed in white-collar occupations in this geography, and 29.58% are employed in blue-collar occupations. In 2019, unemployment in this area is 2.81%. In 2000, the average time traveled to work was 29.00 minutes.