



STARBUCKS & WASHINGTON FEDERAL BANK

22904 BOTHELL EVERETT HIGHWAY, SEATTLE (BOTHELL), WA 98021



STARBUCKS & WASHINGTON FEDERAL BANK CORPORATE NET LEASED INVESTMENT

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EXECUTIVE SUMMARY

Rare Two-Tenant Corporate Net Leased Investment



Two-Tenant Shopping Strip Featuring
Brand New 10-Year Corporate Leases



Located on Bothell Everett Highway with
Access to 228th Street and Combined Traffic
Counts Exceeding 65,000 Cars Per Day



Newly Renovated in 2020

Corporate Starbucks & Washington Federal Bank

- ▶ Net leased property with **minimal landlord responsibilities** – Ideal for investors not local to the market.
- ▶ **Starbucks has over 32,000 locations.** Corporate guarantee from investment grade tenant with an S&P rating of BBB+.
- ▶ Washington Federal Bank has **very rare 3% annual increases.**
- ▶ Washington Federal Bank has over **200 locations in eight states** with total assets in excess of \$16 billion.

Prime Retail Location

- ▶ Prime location directly across from QFC anchored Shopping Center comprised of Chick-fil-A, MOD Pizza, Chase Bank, among other tenants.
- ▶ Located right off of Interstate 405 on-off ramps with **traffic counts exceeding 141,000 cars per day.**
- ▶ The University of Washington Bothell is only 3 miles away, with 6,000+ students enrolled.
- ▶ Close proximity to many large employers in the Seattle MSA, including AT&T Mobile (2,000+ employees), Philips Healthcare (2,000+ employees), and Seattle Genetics (900+ employees).



Pride of Ownership Property

- ▶ Dense, infill location with **over 104,000 residents within 3 miles.**
- ▶ Affluent area with the average household income exceeding \$129,000 within 3 miles.
- ▶ **39% future job growth** projected over the next ten years.
- ▶ **Expected population growth of over 15%** within 5 miles of the subject property over the next five years.
- ▶ The area has a very high education level, with 31% of the population over 25 having earned a Bachelor's Degree or higher, compared to the national average of 18%.



WA BOTHELL STARBUCKS & W

TENANT OVERVIEW

Starbucks

Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971. Starbucks began as a roaster and retailer of whole bean and ground coffee, tea and spices with a single store in Seattle's Pike Place Market. **As of early 2020, the company operates over 32,000 locations worldwide.**



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, La Boulange pastries, and snacks including items such as chips and crackers; some offerings 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.**

In July 2019, Starbucks reported fiscal third-quarter net income of \$1.37 billion, or \$1.12 per share, up from \$852.5 million, or 61 cents per share, a year earlier. **The company's market value of \$101.2 billion increased by 41% in the mid of 2019.** The earnings per share in quarter three were recorded 78 cents, much more than the forecast of 72 cents.



Tenant Profile

Website	www.starbucks.com
Company Type:	Public (NASDAQ: SBUX)
Market Cap:	\$101.61 Billion
Number of Locations	32,000+ Worldwide (As of 2020)
Credit Rating	A- by S&P
Revenue	\$24.72 Billion (2018)
Operating Income	\$5.62 Billion (2018)

TENANT OVERVIEW

Washington Federal

From checking, savings and retirement accounts to home loan and corporate real estate financing, Washington Federal is ready to help bring clarity to banking.



They operate in eight western states, including Washington, Arizona, Idaho, Nevada, Oregon, Texas, Utah and New Mexico.

At WaFd Bank, we've taken the same long-term perspective as we have with our clients. We value our employees by investing in a healthy work/life balance, competitive compensation packages, a vibrant team-oriented environment centered on professional service, and 360-degree, open communication with your colleagues.

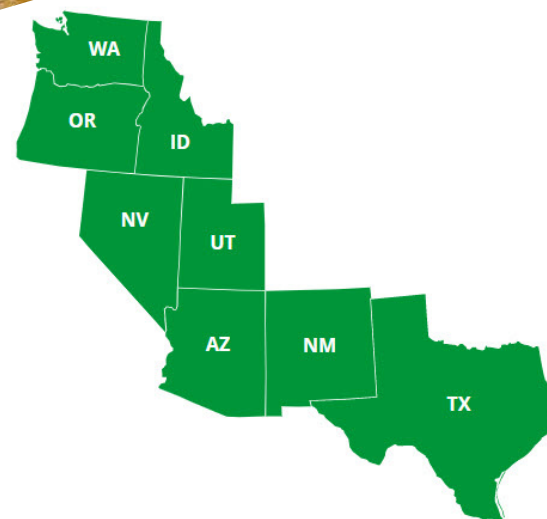
Website	www.wafdbank.com
# of Branches	200+
States	Washington, Oregon, Idaho, Nevada, Utah, Arizona, New Mexico, and Texas

Services Offered

- ▶ Personal Checking, Savings, Mortgages, Refinances, Credit Cards
- ▶ Small Business - Full Suite of Services Including Checking, Savings, Credit, Loans, and Treasury Management
- ▶ Commercial Services - Real Estate Loans, Construction Loans, Equipment Finance, Acquisitions, and a Full Suite of Small Business Services Including Checking, Savings, Credit, and SBA Loans

Additional Branch Features

- ▶ 24/7 Online Mobile Banking
- ▶ Drive-Up ATMs and Over 32,000 Free ATMS



FINANCIAL ANALYSIS

Offering Summary

Property Name	Starbucks & Washington Federal
Property Address	22904 Bothell Everett Highway Seattle (Bothell), WA 98021
Assessor's Parcel Number	5193003000003
Current Occupancy	Fully Occupied
Year Built/Renovated	2007/2020
Gross Leasable Area (GLA)	±3,990 Square Feet
Lot Size	±0.75 Acres (±32,718 Square Feet)

Pricing

Price	\$3,390,000
Cap Rate	4.90%
Price Per Square Foot	\$849.62



Rent Roll

Tenant Name	Square Feet	Percent of GLA	Expires	Monthly Rent	Rent Per SF	Increases	Lease Type	Options/ Comments
Starbucks	1,930 SF	48.32%	03/26/2030	\$8,750.00	\$4.53	10% Every Five Years	NNN	Four, Five-Year Options No Management - +10% Admin Fee
Washington FederalBank	1,427 SF	42.50%	06/27/2029	\$5,747.71	\$4.03	3% Annual	NNN	Two, Five-Year Options
Shared Restroom	633 SF	9.18%	N/A	N/A	N/A	N/A	N/A	Owner Partial Expense (Underwritten in Annualized Operating Data)
Total Available:	0 SF		Monthly:	\$14,497.71				
Total Occupied:	3,990 SF		Annual:	\$173,972.52				

Annualized Operating Data

Gross Potential Rent	\$173,973
Expense Reimbursements	\$65,686
Gross Potential Income	\$239,658
Vacancy/Collection Allowance	\$0
Effective Gross Income	\$239,658
Total Expenses	\$73,666
Net Operating Income	\$165,992

Expenses

Tax	\$21,394
Insurance	\$3,990
Landscaping	\$6,413
Winter Services	\$250
Janitorial	\$15,000
Water/Sewer	\$8,400
Electricity	\$1,000
Stormdrain	\$440
Trash	\$12,000
Management	\$5,219
Total Expenses	\$73,666
Expenses/SF	\$18.46

MARKET OVERVIEW

Close-Up Aerial Photo

JUNO
THERAPEUTICS

ROMAC
INDUSTRIES, INC.

SeattleGenetics

**Industrial &
Manufacturing
Business Park**

PHILIPS
Healthcare

**Philips Healthcare
Bothell Campus
±2,000 Employees**

INTERSTATE
405

141,000+ Cars Per Day

Hilton

**BONEFISH
GRILL**

OUTBACK
STEAKHOUSE

**Jack
in the box**

**PCC
COMMUNITY
MARKETS**

**Orangetheory
FITNESS**

**BIG 5
SPORTING GOODS**

Tacotime

**Little
Caesars**

Shell

**extended
STAY
AMERICA**

Arby's

FIVE GUYS
BURGERS and FRIES

Bank of America

**228th Street SE
10,000+ Cars Per Day**

Shell

**7
ELEVEN**



**Bothell Everett Highway
55,000+ Cars Per Day**

Chick-fil-A

CHASE

QFC
Quality Food Centers

MOD

Holiday Inn

**Papa Murphy's
PIZZA**

baskin B R obbins

**SUBJECT
PROPERTY**



**WafD
Bank**

Wendy's

SUBWAY

Applebee's

Note: Parcel boundaries are approximate. Buyer must verify actual parcel boundaries.

MARKET OVERVIEW

Aerial Photo

**Philips Healthcare
Bothell Campus
±2,000 Employees**

PHILIPS
Healthcare

Juno
THERAPEUTICS

ROMAC
INDUSTRIES, INC.

LA FITNESS

SeattleGenetics

**Industrial &
Manufacturing
Business Park**

Hilton

INTERSTATE
405

141,000+ Cars Per Day

**North
Creek
Trail**

**SUBJECT
PROPERTY**



**Avellino Community
Newly Developed
Single Family Homes**

**Bothell Everett Highway
55,000+ Cars Per Day**

**Lake Pleasant
RV Park**

**Green Acres
Park**

**Canyon Pointe
Apartments**

OUTBACK
STEAKHOUSE

BONEFISH
GRILL

Jack
IN THE BOX

WELLS
FARGO

Tacotime

Little
CAESARS

Arby's

FIVE GUYS
BURGERS and FRIES

Shell

7
ELEVEN

QFC
Quality Food Centers

COMFORT
SUITES

Holiday Inn

Wendy's

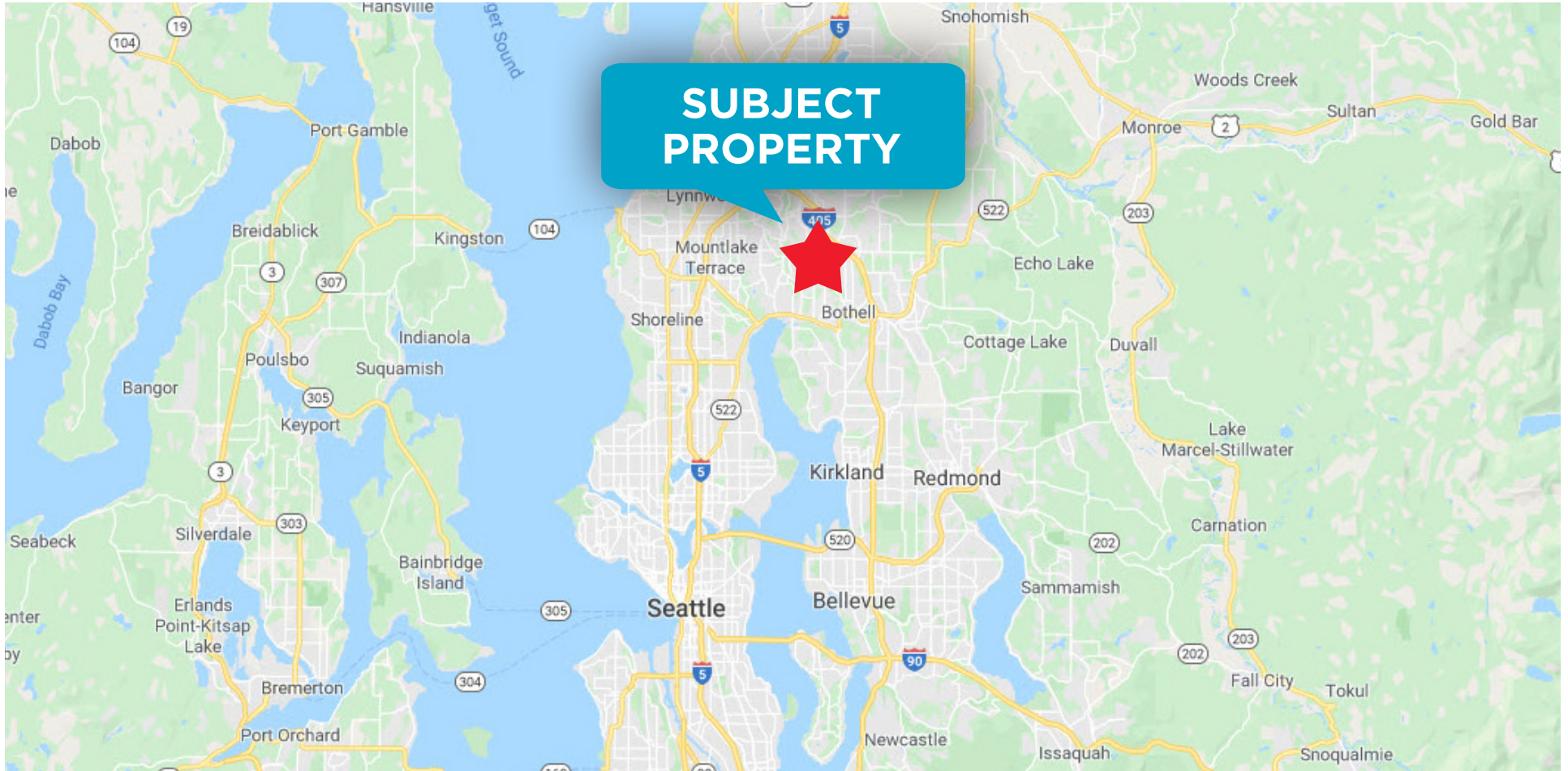
Shell

Crab-fish

baskin **BR** **Robbins**

MARKET OVERVIEW

Regional Map



141,000±

CARS PER DAY ON
THE 405 FREEWAY



±30 MINUTES

FROM SEATTLE-TACOMA
AIRPORT (SEA)



55,000±

CARS PER DAY ON
BOTHELL EVERETT HIGHWAY



±19.5 MILES

FROM DOWNTOWN SEATTLE &
MAJOR COMMERCIAL DISTRICTS

MARKET OVERVIEW

The City Of Bothell, WA

Bothell is a city in King and Snohomish counties in the U.S. state of Washington. It is part of the Seattle metropolitan area.



As of the 2010 census it had a population of 33,505, and in **2018 the estimated population was 46,657.**

Education

Bothell is home to Cascadia College and the University of Washington, Bothell. The two institutions share the same campus, which opened in the year 2000... **After becoming accredited in 2006 Cascadia College was named the second best community college in the nation**, behind Atlanta Technical College. UW Bothell has an enrollment of over 6,000 students, of which 13 percent are from Snohomish County.

Demographic Summary

	1-Mile	3-Miles	5-Miles
2019 Population	10,294	104,795	283,295
2019 Households	4,220	40,617	111,488
2019 Average Household Income	\$129,938	\$122,583	\$119,809



Bothell Economy & Business Headquarters

Bothell was until recently predominantly a bedroom community with most of its residents working outside of the city. **Starting in the 1990s, several businesses opened offices in Bothell, creating a regional employment center providing about 20,000 jobs.** Many of these businesses are located in the Canyon Park and North Creek business districts.

Biotechnology is a key industry, with OncoGenex Pharmaceuticals, Seattle Genetics, CMC Icos, Alder Biopharmaceuticals, MDRNA, Blue Heron Biotechnology, Amgen, Iverson Genetic Diagnostics, and Elitech (formerly Epoch Biosciences and Nanogen) all opening in Bothell. Medical device manufacturers are also located in Bothell, including Philips Medical Systems and Lockheed Martin Aculight. Medical device company Ventec Life Systems is based in Bothell and manufactures ventilators.

Computer technology, data, and telecommunications are well represented, and include companies such as AT&T, AVST, Kinesis, Leviton Voice & Data, Systems Interface, Silicon Mechanics, Boeing, Lockheed Martin, SonoSite (owned by Fujifilm), T-Mobile, Panasonic Avionics Corporation, Parity Corporation, Vertafore, Allocent, Teltone, and Google. Microsoft had a Canyon Park campus in the early 2000s.

Downtown Seattle



20
MILES

SEA Airport



30
MINUTES

Seattle Genetics



1K+
EMPLOYEES

Amazon HQ



20
MILES

Microsoft HQ



15
MILES

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