

Caribou COFFEE™



Caribou Coffee

9805 Maple Grove Parkway, Maple Grove, MN 55369

Marcus & Millichap



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## MARKET OVERVIEW

"The Grove" Overview  
Demographic Summary







## INVESTMENT OVERVIEW

**Marcus and Millichap** is pleased to present for your acquisition review the Caribou Coffee in Maple Grove, Minnesota.

The 2,536 square foot building was built-to-suit for Caribou Coffee with the construction just having finished in early 2020. The brand new building is positioned on about 1.01 acres at the hard corner of Maple Grove Parkway and Hospital Drive, in front of the Maple Grove Hospital. The Maple Grove Hospital was built in 2005 and is one of only two emergency care facilities in Maple Grove, and is the medical campus located in The Grove. The Grove is an open-air lifestyle center that was built in 2005 and consists of 538,000 square feet of retail space and 600,000 square feet of medical space, including the Maple Grove Hospital. The Grove is anchored by The Home Depot, Super Target, Slumberland Furniture and North Memorial Medical Center. The Grove is also home to tenants like Chipotle, Raising Canes, Subway, Great Clips, Fantastic Sams, DaVita Dialysis and several other national and regional retailers that draw more traffic to the area. There is also a brand new Taco Bell being built directly next door, and a Shell gas station perfectly positioned out in front of the development, which provides consistent walk-up traffic while customers are pumping gas or making a quick stop.

Caribou Coffee signed a 10-year lease commencing March 1, 2020 and expiring February 28, 2030. The lease is modified triple net with the landlord having minimal responsibilities. There are rent increases every five years including in the base term and in each of the three, five-year renewal options available.

Caribou Coffee Company was founded in Edina, Minnesota in 1992 and has 603 locations worldwide and more than 7,000 employees. The Company is currently owned by JAB Holding Company, a privately-held German conglomerate.







## Marcus & Millichap

- Brand New 2020 Build-to-Suit for Caribou Coffee | High-Quality Construction
- New 10-Year NNN Lease with Minimal Landlord Responsibility
- Rare Rent Increases Every 5 Years in the Base Term Providing a Hedge Against Inflation
- Perfectly Positioned as an Outparcel to the Maple Grove Hospital
- Located in the 200 Acre Development “The Grove” (538,000 Square Feet of Retail Space & 600,000 Square Feet of Medical Space)
- “The Grove” is Anchored by a Super Target & The Home Depot and is Home to the Maple Grove Hospital Campus
- High-Income Demographics | 1-Mile Average Household Income Exceeds \$125,460



# OFFERING SUMMARY

## EXECUTIVE SUMMARY



### CARIBOU COFFEE

Click to View Map: 9805 Maple Grove Parkway, Maple Grove, MN 55369

## Pricing

Price	\$2,234,000
Cap Rate	5.50%
Building Square Footage	2,536
Year Built	2020
Lot Size	1.01 Acres

## Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent
Years 1-5	\$121,728	\$10,144
Years 6-10	\$133,900	\$11,158
Option 1: Years 11-15	\$147,290	\$12,274
Option 2: Years 16-20	\$161,999	\$13,499
Option 3: Years 21-25:	\$178,230	\$14,853
Net Operating Income	\$122,869	

## Tenant Summary

Lease Commencement	March 1, 2020
Lease Expiration	February 28, 2030
Original Term	10 Years
Increases	Every 5 Years
Guarantee	Corporate
Lease Type	Triple Net
Landlord Responsibilities	Roof and Structure
Option Periods	3, 5-Year
Right of First Refusal (ROFR):	No
Option to Purchase:	No



### Avg. HH Income

\$133,883 within 3 Miles



### Population

89,019 within 5 Miles



### Guarantee

Corporate



### Net Operating Income

\$122,869

\*15% CAM Admin Fee Paid to Seller Equal to \$1,141 (NOI: \$121,728 + \$1,141)



### Cap Rate

5.50%



### Years Left on Lease

10 Years

## Financing Options

Approximate Rate	3.75%
Loan To Value	75%
Fixed Term	5 Years
Amortization	25 Years

Multiple financing options are available based on buyer requirements. Please contact listing agents to discuss options in detail.

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SUITE	TENANT NAME	APPROX. RENTABLE SF	OCCUPANCY	RENT COMMENCE	LEASE EXPIRATION	APPORX. RENT/SF	BASE RENT/MONTH	ANNUAL RENT	LEASE TYPE	RENT INCREASES	RENEWAL OPTIONS
1	Caribou Coffee	2,536	100%	3/1/2020	2/28/2030	\$48.00	\$10,144	\$121,728	NNN	3/1/2025 - \$52.80 / PSF 3/1/2030 - \$58.08 / PSF 3/1/2035 - \$63.88 / PSF 3/1/2040 - \$70.28 / PSF	3, 5 Year
TOTAL SQUARE FEET:		2,536	100%			MONTHLY INCOME:		\$10,144			
TOTAL OCCUPIED SQUARE FEET:		2,536	100%			ANNUAL INCOME:		\$121,728			
TOTAL AVAILABLE SQUARE FEET:		0	0%			AVERAGE NNN RENT PSF:		\$48.00			

FOOTNOTE:  
\*15% CAM Admin Fee Paid to Seller Equal to \$1,141 (NOI: \$121,788 + \$1,141)



Caribou COFFEE™



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# TENANT OVERVIEW



Caribou Coffee is an American coffee company and coffeehouse chain that was founded in Edina, Minnesota in 1992. The company has grown to having more than 7,000 employees now and 603 locations worldwide and reports annual revenue in excess of \$500 million. Caribou Coffee is currently owned by German JAB Holding Company. JAB Holding Company is a privately held conglomerate and owns or partially owns a number of companies including Dr Pepper Snapple Group, Panera Bread, Krispy Kreme and Keurig Green Mountain.

<b>OWNERSHIP:</b>	Private
<b>TENANT:</b>	Corporate
<b>LOCATIONS:</b>	603
<b>COMPANY REVENUE:</b>	\$500+ Million
<b>YEAR FOUNDED:</b>	1992
<b>HEADQUARTERED:</b>	Edina, MN
<b>WEBSITE:</b>	<a href="http://www.cariboucoffee.com">www.cariboucoffee.com</a>
<b>PARENT COMPANY:</b>	JAB Holding Company

# LEASE ABSTRACT

## TENANT SUMMARY

### COMMON AREA MAINTENANCE:

Tenant shall reimburse inclusive of 15% Administrative Fee

### REAL ESTATE TAXES:

Tenant Responsible; Landlord pays and Tenant fully reimburses in monthly installments

### INSURANCE:

Tenant Responsible and fully reimburses Landlord for General Liability and Property Insurance

### ROOF AND STRUCTURE:

Landlord Responsible for Repairs and Replacement

### HVAC:

Tenant Responsible for Maintaining, Repairing, and Replacing the HVAC

### SALES REPORTING:

Tenant shall provide Gross Sales reports and Financial Statements upon written request once per year



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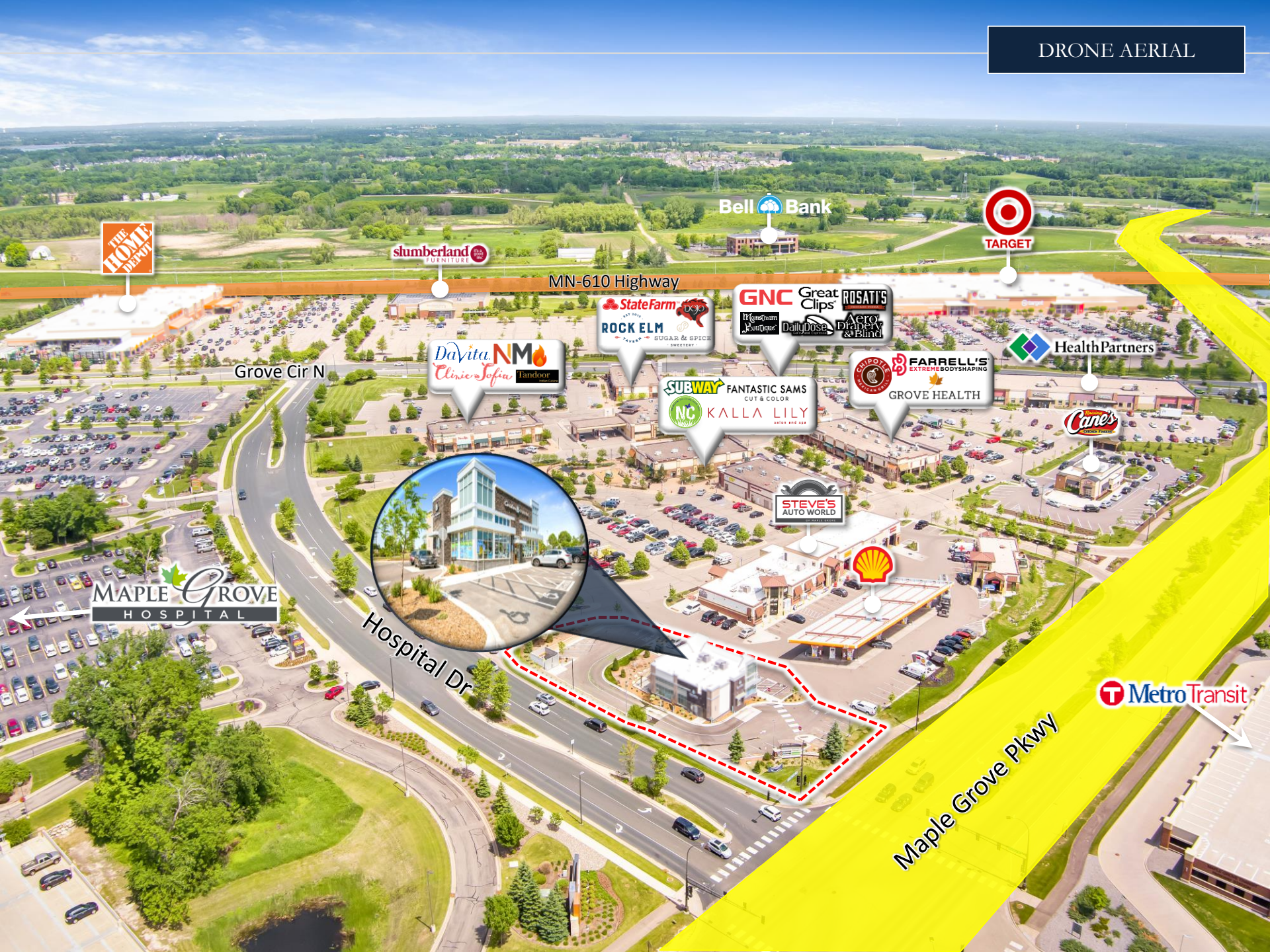












MN-610 Highway



Grove Cir N



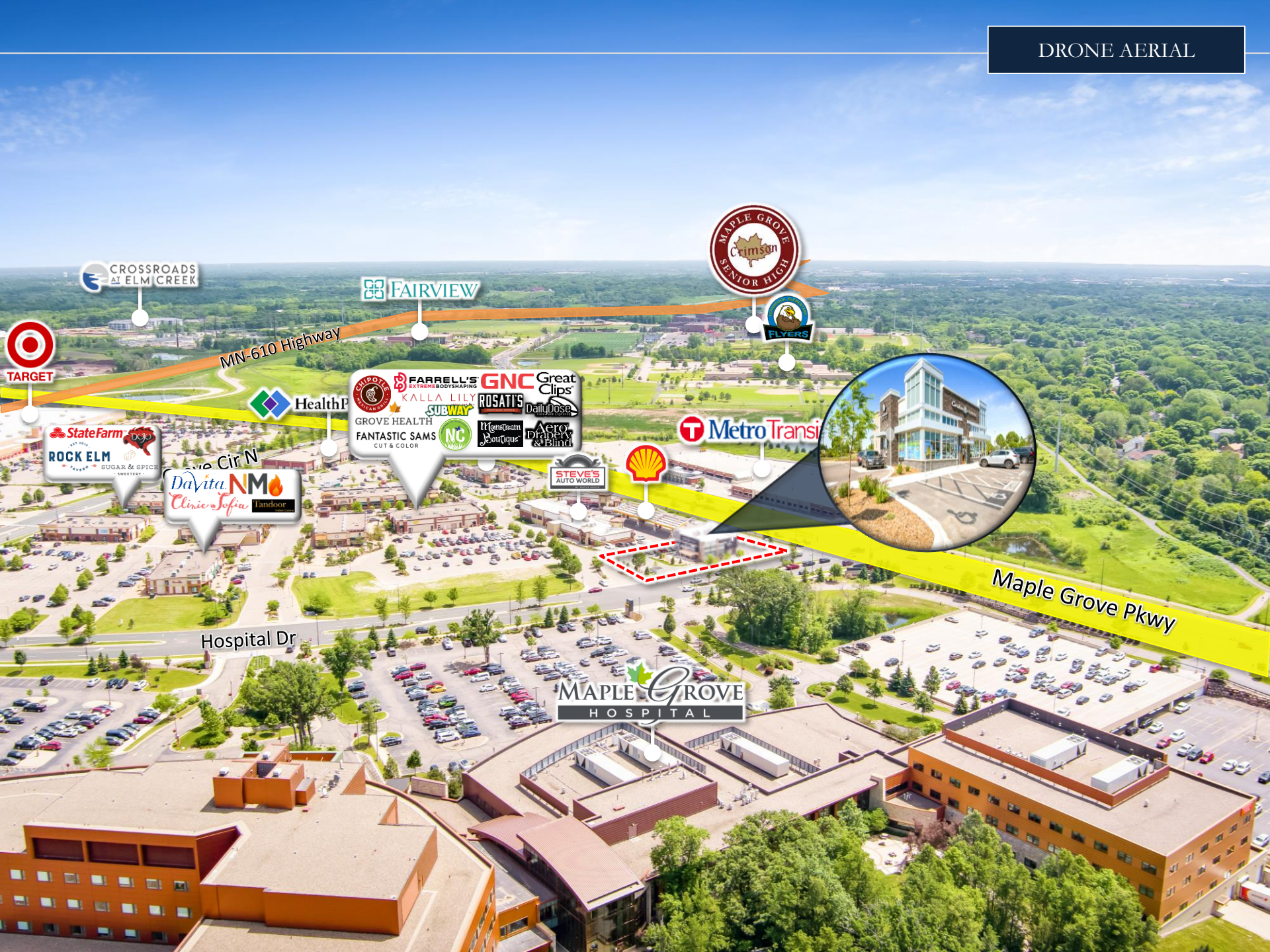
MAPLE GROVE HOSPITAL

Hospital Dr



Maple Grove Pkwy





CROSSROADS  
AT ELM CREEK

FAIRVIEW

MAPLE GROVE  
SENIOR HIGH

FLYERS

MN-610 Highway



HealthP

State Farm  
ROCK ELM  
SUGAR & SPICE  
SWEETERY

Cir N  
Davita  
Clinic Sofia  
Tandem

CHIROPOLE  
FARRELL'S  
EXTREME BODYSHAPING  
KALLA LILY  
SUBWAY  
GROVE HEALTH  
FANTASTIC SAMS  
CUT & COLOR  
GNC  
ROSATI'S  
Daily Dose  
Monsieur  
Boutique  
Acro  
Dance & Blind

STEVE'S  
AUTO WORLD



MetroTransit



Hospital Dr

MAPLE GROVE  
HOSPITAL

Maple Grove Pkwy





**MENARDS** **Walmart**  
Save money. Live better.  
**Walgreens** **ANYTIME FITNESS**  
**White Castle** **Sam's Club** **Starbucks** **HOBBY LOBBY**  
**McDonald's** **Culver's** **Jersey Mike's** **verizon** **Firestone**

MAPLE GROVE  
HOSPITAL

**SUBWAY** FANTASY SAMS  
CUT & COLOR  
**KALLA LILY**  
SUNNY AND SEXY

**Davita** **NM**  
**Clinica Sofia** **Landmark**

**FARRELL'S**  
EXTREME BODYSHAPING  
**GROVE HEALTH**

**State Farm** **Rock Elm**  
SUGAR & SPICE  
SWEETERY

**GNC** **Great Clips** **ROSATI'S**  
**Acro**  
Drapery & Blind

**THE HOME DEPOT**

**slumberland**

**TARGET**

Grove Cir N

Maple Grove Pkwy

MN-610 Highway

"Project 100"  
New 100 Acre Development



## "Project 100"

### New Development (100 Acres):

- Extension of the Maple Grove Hospital
- Multifamily
- Flex-Office
- Natural Wetland

## "THE GROVE"

200 Acre Development | Open-Air Lifestyle Center |  
Maple Grove Hospital Campus

- 538,000sf of Retail
- 600,000sf Medical Campus

MAPLE GROVE  
HOSPITAL

Metro Transit



Maple Grove Pkwy

93<sup>rd</sup> Ave N

93<sup>rd</sup> Ave N

MENARDS

Culver's

Holiday

Firestone

McDonald's

SPiRE

YOLAGSTENTS

CAMBRIA  
hotels

iSpine

CDI

ALDI

Metro  
Dentalcare ENT  
The Woods  
Eagle  
Community Bank  
Maple Grove

WELLS  
FARGO

Walmart  
Save money. Live better.

HOBBY  
LOBBY

ANYTIME  
FITNESS

DOLLAR TREE

BECKER'S  
FURNITURE WORLD

LEEANN  
CHIN

White  
Castle

SKY ZONE

SUPERCUTS

SportClips

verizon

DISCOUNT  
TIRE

Clean'n  
Press

Sam's  
CLUB

THE HOME  
DEPOT

slumberland  
FURNITURE

TARGET



LOCAL MAP



**MAPLE GROVE**  
HOSPITAL

**0.2 MILES**  
Maple Grove  
Hospital

**M HEALTH**  
University of Minnesota  
Masonic Children's Hospital

**0.8 MILES**  
University of  
Minnesota Children's  
Hospital



**18.8 MILES**  
Minneapolis,  
Minneapolis



## REGIONAL MAP



**296 MILES**  
Green Bay,  
Wisconsin



**355 MILES**  
Milwaukee,  
Wisconsin



**426 MILES**  
Chicago,  
Illinois



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Fantastic Sams Great Clips

Physicians Neck  
& Back Center

SUBWAY

Park Nicollet  
Rehabilitation

KALLA LILY  
acacia wood spa

NM NORTH MEMORIAL  
FEDERAL CREDIT UNION

Mamstream Boutique

Caribou  
COFFEE

The Grove



# “THE GROVE”



2007  
COMPLETION

200  
ACRES

538,000SF  
RETAIL SPACE

600,000SF  
MEDICAL CAMPUS

## MAJOR TENANTS:





# “THE GROVE”



The Grove is a master planned, mixed-use development, including an interconnected mix of big-box retailers with local, regional, and national retailers and restaurants, and a 600,000 square foot medical campus featuring the North Memorial Hospital. The Open-Air Lifestyle Center is home to 538,000 square feet of retail and is anchored by Target and The Home Depot. The development covers 200 acres, using high-quality architecture that incorporates traditional and contemporary design elements. The Grove also incorporates walking paths throughout the site that connect to adjacent park trails and several locations to gather and relax, giving the development a cohesive, community feel. The Groves unique, mixed-use layout, provides Maple Grove residents and surrounding communities access to high-quality, convenient healthcare, expanded employment opportunities, and a bustling, inviting space to shop, eat and gather.





POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	4,192	43,423	96,618
■ 2018 Estimate			
Total Population	3,988	40,041	89,019
■ 2010 Census			
Total Population	3,828	34,693	77,910
■ 2000 Census			
Total Population	3,746	28,942	63,791
■ Current Daytime Population			
2018 Estimate	5,967	39,990	85,869
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	1,823	16,233	36,371
■ 2018 Estimate			
Total Households	1,668	14,767	33,098
Average (Mean) Household Size	2.50	2.67	2.69
■ 2010 Census			
Total Households	1,590	12,779	28,871
■ 2000 Census			
Total Households	1,286	9,859	22,259
■ Occupied Units			
2023 Projection	1,823	16,233	36,371
2018 Estimate	1,672	14,821	33,380
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	24.98%	26.10%	25.28%
\$100,000 - \$149,000	23.46%	24.63%	24.07%
\$75,000 - \$99,999	18.58%	18.64%	17.16%
\$50,000 - \$74,999	13.26%	13.93%	14.34%
\$35,000 - \$49,999	7.34%	7.42%	8.17%
Under \$35,000	12.37%	9.28%	10.96%
Average Household Income	\$125,463	\$133,883	\$130,712
Median Household Income	\$97,779	\$101,096	\$99,026

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$96,739	\$101,041	\$99,210
■ Consumer Expenditure Top 10 Categories			
Housing	\$25,922	\$26,942	\$26,229
Transportation	\$17,999	\$18,657	\$18,125
Shelter	\$15,162	\$15,991	\$15,579
Personal Insurance and Pensions	\$12,326	\$13,102	\$12,581
Food	\$8,647	\$9,108	\$8,930
Health Care	\$7,019	\$6,849	\$6,689
Entertainment	\$5,452	\$6,112	\$5,932
Utilities	\$4,783	\$4,859	\$4,764
Household Furnishings and Equipment	\$2,943	\$2,983	\$2,873
Cash Contributions	\$2,640	\$2,470	\$2,615
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	3,988	40,041	89,019
Under 20	24.43%	28.67%	29.22%
20 to 34 Years	17.27%	17.02%	16.74%
35 to 39 Years	6.57%	6.97%	6.87%
40 to 49 Years	12.81%	14.38%	14.27%
50 to 64 Years	26.09%	22.75%	22.09%
Age 65+	12.85%	10.20%	10.82%
Median Age	41.50	38.07	37.95
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	2,815	26,800	59,092
Elementary (0-8)	0.45%	0.37%	0.46%
Some High School (9-11)	1.55%	2.35%	2.68%
High School Graduate (12)	18.32%	16.36%	17.43%
Some College (13-15)	21.72%	21.07%	21.11%
Associate Degree Only	8.89%	9.28%	10.21%
Bachelors Degree Only	35.74%	35.62%	33.21%
Graduate Degree	13.07%	14.65%	14.43%



# CARIBOU COFFEE

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# MAPLE GROVE, MN



Minnesota BOR: Jon Ruzicka  
License #: 40583288

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