



STARBUCKS | T-MOBILE | SALLY BEAUTY

3290 W. SOUTH AIRPORT ROAD, TRAVERSE CITY, MI 49684



SUBJECT PROPERTY

CONFIDENTIALITY AND RESTRICTED USE AGREEMENT

The information ("Information") contained in this Offering Memorandum ("Memorandum") is confidential and furnished to you solely for the limited purpose of your review as a prospective purchaser of 3290 West South Airport Rd, Traverse City, MI ("Property") to determine whether you desire to express further interest in the acquisition of the Property and is not to be used for any other purpose or made available to any other person without the express written consent of Alrig USA, the owner of the Property ("Owner").

This Memorandum contains selected information pertaining to the Property and is not intended to be comprehensive or all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. The Information has been obtained from sources believed reliable, however it has not been verified. No representation, warranty, or guaranty, expressed or implied, is made by Owner or any of its directors, officers, affiliates or representatives as to the accuracy or completeness of this Memorandum or any of its contents, or any other written or oral communication transmitted to you in the course of your evaluation of the Property and no legal commitment, obligation or liability shall arise by reason of your receipt of this Memorandum or use of its contents or in connection with any other such written or oral communication; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the Property. Without limiting the generality of the foregoing, this Memorandum does not purport to be a representation of the state of affairs of the Property or the Owner or constitute an indication that there has been no change in such affairs of the Property or Owner since the date of preparation of this Memorandum nor does it represent the future performance of the Property. You and your advisors should conduct a careful, independent investigation of the Property to determine the suitability of the Property for your needs and the value of the Property to you.

All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and therefore are subject to material change and/or variation. Any projections, opinions, assumptions or estimates used are for example only. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including, without limitation, leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced nor do they constitute a legal analysis of such documents. Interested parties are expected to review all such documents and information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making any offer to purchase the Property unless and until a written agreement approved by the Owner for the purchase of the Property has been fully executed and delivered by and between the Owner and such entity and any conditions to the Owner's obligations therein have been satisfied or waived and then only to the extent expressly provided for therein.

This Memorandum is the property of Owner and may be used only by parties approved by Owner. The Property is privately offered and by your receipt of this Memorandum, you agree (i) to return it to Owner immediately upon Owner's request and (ii) that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity, nor copy or reproduce any portion of this Memorandum, without the prior written authorization of Owner. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner.

EXCLUSIVELY OFFERED BY DEVELOPER

VINCENT PIPIA

Director of Dispositions

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Direct: 248.480.8058

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ALRIG USA

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HIGHLIGHTS

100% Occupied by Starbucks, T-Mobile, and Sally Beauty

All Tenants Operating on 10-Year NNN Leases | Minimal Landlord Responsibilities

All Tenants Have Rent Increases During Initial Term, As Well As Option Periods

Brand New 2020 Construction

Outparcel To Grand Traverse Mall Which Is The Region's Only Shopping Mall

Starbucks, Great Clips and T-Mobile Are All Corporate Guaranteed Leases

All Three Tenants Are Credit Rated By Both S&P and Moody's

Only 5 Miles From Cherry Capital Airport
Airport Code: TVC

Excellent Exposure Being Located on South Airport Rd

Densely Populated With Over 82,662 Residents in The Trade Area

Over a 3% Population Growth Expected In The Immediate Trade Area by 2025

High Average Household Income of Over \$84,900 In The Trade Area

Surrounding National Retailers Include; Target, Grand Traverse Mall, Walmart, Home Depot, Sam's Club, Lowe's, Meijer's, Buffalo Wild Wings, Aldi, Planet Fitness, Kohl's, Harbor Freight Tools, Best Buy and Many More...

INVESTMENT OVERVIEW

STARBUCKS | T-MOBILE | SALLY BEAUTY //

3290 W. South Airport Rd, Traverse City, MI 49684



PRICE

\$3,678,720



CAP RATE

6.25%

RENTABLE SQUARE FOOTAGE:

6,448 SF +/-

LAND AREA:

1.42 ACRES +/-

NET OPERATING INCOME:

\$229,920

YEAR BUILT:

2020

LEASE TYPE:

NNN

LEASE TERM:

10 YEARS

RENT COMMENCEMENT

SBUX: AUG 1, 2020
SALLY: SEP 1, 2020
TMBLE: APR 1, 2020

RENT INCREASES

SBUX: \$2/psf Every 5-Yrs
SALLY: 10% Every 5-Yrs
TMBLE: 10% Every 5-Yrs

RENT EXPIRATION:

SBUX: JULY 31, 2030
SALLY: AUG 31, 2030
TMBLE: MAR 31, 2030



VINCENT PIPIA | Dispositions Associate

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CONSTRUCTION PHOTO 6.25.20



CONSTRUCTION PHOTO 6.25.20



CONSTRUCTION PHOTO 6.25.20



LEASE OVERVIEW

TENANT INFO			LEASE TERM			CURRENT BASE RENT					
TENANT	GLA	% OF GLA	LEASE TYPE	BEGIN	END		BEGIN	END	ANNUAL	PSF	Increase
STARBUCKS	2,448	38%	NNN	Estimated 8/1/2020	Estimated 7/31/2030		8/1/2020	7/31/2025	\$97,920	\$40.00	
							8/1/2025	7/31/2030	\$102,816	\$42.00	\$2/PSF
						Option 1:	8/1/2030	7/31/2035	\$107,712	\$44.00	\$2/PSF
						Option 2:	8/1/2035	7/31/2040	\$112,608	\$46.00	\$2/PSF
						Option 3:	8/1/2040	7/31/2045	\$117,504	\$48.00	\$2/PSF
						Option 4:	8/1/2045	7/31/2050	\$122,400	\$50.00	\$2/PSF
SALLY BEAUTY	2,000	31%	NNN	Estimated 9/1/2020	Estimated 8/31/2030		9/1/2020	8/31/2025	\$62,000	\$31.00	
							9/1/2025	8/31/2030	\$68,200	\$34.10	10%
						Option 1:	9/1/2030	8/31/2035	\$75,020	\$37.51	10%
						Option 2:	9/1/2035	8/31/2040	\$82,520	\$41.26	10%
T-MOBILE	2,000	31%	NNN	4/1/2020	3/31/2030		4/1/2020	3/31/2025	\$70,000	\$35.00	
							4/1/2025	3/31/2030	\$76,000	\$38.00	9%
						Option 1:	4/1/2030	3/31/2035	\$83,600	\$41.80	10%
						Option 2:	4/1/2035	3/31/2040	\$91,960	\$45.98	10%
						Option 3:	4/1/2040	3/31/2045	\$101,156	\$50.58	10%
TOTAL:		6,448	100.00%	TOTAL CURRENT NOI: \$229,920							







BED BATH & BEYOND West Marine
QDOBA MEXICAN EATS KOHL'S
AMC THEATRES OUTBACK STEAKHOUSE
ABC KITCHEN

GREAT WOLF LODGE

Panera

meijer

RED LOBSTER

W.M.W.

BELLE TIRE

Olive Garden

Pizza Hut

Auto Zone

LOWE'S

DISCOUNT TIRE

Once upon a child

★ macy's

JCPenney

GRAND TRAVERSE MALL

TARGET

STARBUCKS
T-Mobile
SALLY BEAUTY

TENANT OVERVIEW

STARBUCKS

Starbucks Corporation operates as a roaster, marketer and retailer of specialty coffee worldwide. Starbucks currently operates 27,339 stores in 75 different countries, every store offers coffee and tea beverages, packaged roasted whole bean and ground coffees, single serve products, juices, waters and soluble coffees. Every store also offers fresh food offerings, including, breakfast sandwiched, pastries, lunch items and salads. In addition to food and drinks, they also sell beverage making equipment and accessories. Starbucks licenses the rights to produce and distribute Starbucks branded products to the North American Coffee Partnership with the Pepsi-Cola Company, as well as licenses its trademarks through other channels, such as, grocery and national food accounts. The Starbucks brand portfolio also includes Teava-na, Tazo, Seattle's Best Coffee, Starbucks VIA, Evolution Fresh, Starbucks Refreshers, La Boulange and Ethos.

Starbucks has nearly doubled its footprint in the last 10 years as they have expanded from 15,000 stores to more than 28,000 to-day. In fiscal 2019 the company opened hundreds of new stores, primarily in the Americas and Asia Pacific segments. Total Net Revenue increased to \$26.5B in fiscal 2019, compared to \$22.3B in 2017.



STARBUCKS®

TENANT // GUARANTEE
CORPORATE

HEADQUARTERS
SEATTLE, WA

ANNUAL REVENUE
\$26.51B

OF LOCATIONS
28,000+

STOCK TICKER
SBUX

CREDIT RATING
S&P: BBB+

WEBSITE
WWW.STARBUCKS.COM

TENANT OVERVIEW

SALLY BEAUTY

Sally Beauty is the world's largest distributor and retailer of professional beauty products based on a store count of more than 3,700 stores in 12 countries.

Sally Beauty stores operate throughout the United States and Puerto Rico, Canada, Mexico, Peru, the United Kingdom, Belgium, Chile, France, Ireland, the Netherlands, Spain and Germany.

Sally Beauty stores service both retail consumers and salon professionals by offering up to 8,000 products for hair color, hair care, skin, and nails through proprietary brands such as Ion®, Generic Value Products®, Beyond the Zone® and Silk Elements® as well as professional lines such as Wella®, Clairol®, OPI®, Conair® and Hot Shot Tools®.



OWNERSHIP
CORPORATE

HEADQUARTERS
DENTON, TX

OF LOCATIONS
3,700+

OF EMPLOYEES
27,000

STOCK TICKER
NYSE: SBH

ANNUAL REVENUE
\$3.9B

WEBSITE
WWW.SALLYBEAUTY.COM

TENANT OVERVIEW

T-MOBILE

T-Mobile U.S. Inc. (NASDAQ: TMUS) is America's supercharged Un-carrier, delivering an advanced 4G LTE and transformative nationwide 5G network that will offer reliable connectivity for all. T-Mobile's customers benefit from its unmatched combination of value and quality, unwavering obsession with offering them the best possible service experience and undisputable drive for disruption that creates competition and innovation in wireless and beyond. Based in Bellevue, Wash., T-Mobile provides services through its subsidiaries and operates its flagship brands, T-Mobile, Metro by T-Mobile and Sprint.

T-Mobile USA is a Nation wide provider of wireless voice, messaging and data services capable of reaching over 308 million Americans where they live, work, and play. They employ approximately 52,000 employees as of December 2018. Deutsche Telekom beneficially owns and possesses majority voting power of the fully diluted shares of T-Mobile US's common stock. The total full year 2019 revenues of T-Mobile were \$45.0 Billion.

On April 1, 2020, T-Mobile US and Sprint Corporation completed their merger with T-Mobile now being the whole owner of Sprint, making Sprint an effective subsidiary of T-Mobile until the Sprint brand is officially phased out. Leadership, background, and stock changes happened immediately, with customer side changes happening over time. No timeline has been released for these changes.



TENANT // GUARANTEE
CORPORATE

HEADQUARTERS
BELLEVUE, WA

ANNUAL REVENUE
\$45.0B

OF CUSTOMERS
7.0M

STOCK TICKER
NASDAQ: TMUS

CREDIT RATING
S&P: BBB-

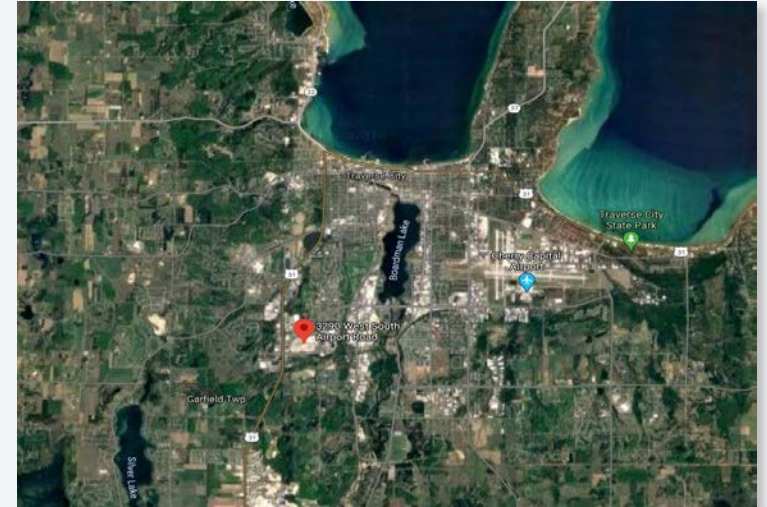
WEBSITE
WWW.T-MOBILE.COM



TRAVERSE CITY, MICHIGAN

Traverse City is a city in the U.S. state of Michigan. It is the county seat of Grand Traverse County, although a small portion extends into Leelanau County. It is the largest city in the 21-county Northern Michigan region. The population was 14,674 at the 2010 census, with 143,372 in the Traverse City micropolitan area.

The Traverse City area is the largest producer of tart cherries in the United States, as of 2010. Near the time of cherry harvest, the city hosts the annual week-long National Cherry Festival in the first full week of July, attracting approximately 500,000 visitors annually. The surrounding countryside also produces grapes, and is one of the centers of wine production in the Midwest. Tourism, both summer and winter, is another key industry. The Traverse City area features varied natural attractions, including freshwater beaches, vineyards, a National Lakeshore, downhill skiing areas, and numerous forests. In 2009, Trip Advisor named Traverse City the number two small town travel destination in the United States. In 2012, the city was listed among the 10 best places to retire in the country by U.S. News & World Report.



DEMOGRAPHICS

POPULATION	3 MILE	5 MILES	10 MILES
2020 Population	25,162	44,816	82,662
Pop. Growth 2020-2025	2.99%	2.94%	2.87%
DAY TIME EMPLOYMENT	3 MILE	5 MILES	10 MILES
Number of Businesses	3,953	5,551	6,540
Number of Employees	39,016	58,878	67,400
HOUSEHOLDS	3 MILE	5 MILES	10 MILES
2020 Total Households	11,707	19,807	34,738
HH Growth 2020-2025	3.00%	2.91%	2.84%
Average Household Income	\$71,801	\$78,739	\$84,904
INCOME	3 MILE	5 MILES	10 MILES
Median Home Value	\$204,200	\$217,319	\$225,024
Median Year Built	1985	1982	1984



FOR SALE BY DEVELOPER

VINCENT PIPIA
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