

SINGLE TENANT NNN

Investment Opportunity



W/ Drive-Thru

NO COVID-19 RENT DEFERRAL/ABATEMENT LANGUAGE



421 W Vandalia Avenue

PORTERVILLE CALIFORNIA

ACTUAL SITE



SRS

NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



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PROPERTY PHOTO



INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a NNN leased, investment grade (S&P: BBB+), drive-thru equipped, Starbucks investment property located in Porterville, California. The tenant, Starbucks Corporation, recently executed a brand new 10-year lease with 4 (5-year) options to extend, demonstrating their commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation. Additionally, the lease was signed early 2020 and features **no Covid-19 rent deferral/abatement language**. The lease is signed by Starbucks Corporation (S&P: BBB+) and is NNN with limited landlord responsibilities making it an ideal, low-management investment for a passive investor. Formerly an El Pollo Loco, the location recently underwent a complete remodel that features brand new, high-quality construction.

Starbucks is strategically located between two signalized, hard corner intersections with the S. Jaye Street and State Highway 190 intersection averaging a combined 34,400 vehicles passing by daily. The building is complete with a drive-thru, providing ease and convenience for customers. On average, stores with drive-thrus experience higher sales than those without. Starbucks is ideally situated as an outparcel to Riverwalk Marketplace, a 132,000 SF shopping center anchored by Lowe's Home Improvement. Porterville is home to a variety of national/credit tenants including The Home Depot, Aldi, Grocery Outlet, Smart & Final, Walgreens, and more. Strong tenant synergy significantly increases consumer draw to the immediate trade area and promotes crossover store exposure for Starbucks. Additionally, the site is located within close proximity to both Porterville College (4,285 students) and a Walmart Distribution Center (1.1M SF), providing a direct consumer base from which to draw. Moreover, the asset is within walking distance to Villa Robles Apartments (100 units) and Park View Village Apartments (81 units), offering an immediate coffee/beverage option for nearby residents. The 5-mile trade area is supported by more than 74,100 residents and more than 18,800 daytime employees with an average household income of \$63,807.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$2,941,000
Net Operating Income	\$125,000
Cap Rate	4.25%
Guaranty	Lease Signature is Corporate
Tenant	Starbucks Corporation (S&P: BBB+)
Lease Type	NNN
Landlord Responsibilities	Roof & Structure*
Sales Reporting	No

Note: Subject to reimbursement.

PROPERTY SPECIFICATIONS

Rentable Area	2,992 SF
Land Area	0.78 Acres
Property Address	421 W. Vandalia Avenue Porterville, CA 93257
Year Built / Remodeled	2008 / 2020
Parcel Number	260-040-019-000
Ownership	Fee Simple (Land & Building)

INVESTMENT HIGHLIGHTS



Brand New 10-Year Lease | Investment Grade (S&P: BBB+) | Scheduled Rental Increases | Recent Remodel

- Lease signed by corporate entity (S&P: BBB+)
- Recently executed a brand new 10-year lease with 4 (5-year) options to extend, demonstrating their commitment to the site
- Lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation
- Lease was signed early 2020 and features **no Covid-19 rent deferral/abatement language**
- Formerly an El Pollo Loco, the location recently underwent a complete remodel that features brand new, high-quality construction

NNN Leased | Fee Simple Ownership | Limited Landlord Responsibilities

- Tenant pays pro rate share of CAM, taxes, and insurance
- Limited landlord responsibilities
- Ideal, low-management investment for a passive investor

Signalized, Hard Corner Intersections | Drive-Thru Equipped

- Starbucks is located between two signalized, hard corner intersections with the S. Jaye Street and State Highway 190 intersection averaging a combined 34,400 vehicles passing by daily
- State Highway 190 is a main commuter thoroughfare serving Porterville that directly intersects with State Highway 65 (28,500 VPD), the primary highway leading directly to Bakersfield
- The building is complete with a drive-thru, providing ease and convenience for customers
- On average, stores with drive-thrus experience higher sales than those without

Outparcel to Riverwalk Plaza | Strong National/Credit Tenant Presence

- Ideally situated as an outparcel to Riverwalk Marketplace, a 132,000 SF shopping center anchored by Lowe's Home Improvement
- Nearby national/credit tenants include The Home Depot, Aldi, Grocery Outlet, Smart & Final, Walgreens, and more
- Strong tenant synergy significantly increases consumer draw to the immediate trade area and promotes crossover store exposure for Starbucks

Walmart Distribution Center (1.1 Million SF) | Porterville College (4,285 Students)

- Located within close proximity to both Porterville College (4,285 students) and a Walmart Distribution Center (1.1M SF)
- Students and employees of the distribution center will provide a direct consumer base from which to draw

Direct Residential Consumer Base | Strong Demographics in 5-Mile Trade Area

- Within walking distance to Villa Robles Apartments (100 units) and Park View Village Apartments (81 units), offering an immediate coffee/beverage option for nearby residents
- More than 74,100 residents and 18,800 employees support the trade area
- \$63,807 average household income

PROPERTY OVERVIEW



Location



Porterville, California
Tulare County

Parking



There are approximately 33 parking spaces on the owned parcel.
The parking ratio is approximately 11.03 stalls per 1,000 SF of leasable area.

Access



W. Vandalia Avenue: 1 Access Point
S. Jaye Street: 1 Access Point

Parcel



Parcel Number: 260-040-019-000
Acres: 0.78
Square Feet: 33,949 SF

Traffic Counts



S. Jaye Street: 12,400 Vehicles Per Day
State Highway 190: 22,000 Vehicles Per Day
State Highway 65: 28,500 Vehicles Per Day

Construction



Year Built: 2008
Year Remodeled: 2020

Improvements



There is approximately 2,992 SF of existing building area

Zoning



PD: Planned Development





PORTERVILLE COLLEGE
(4,285 STUDENTS)

WALMART
DISTRIBUTION CENTER
(1.1M SF)

12,400
VEHICLES PER DAY

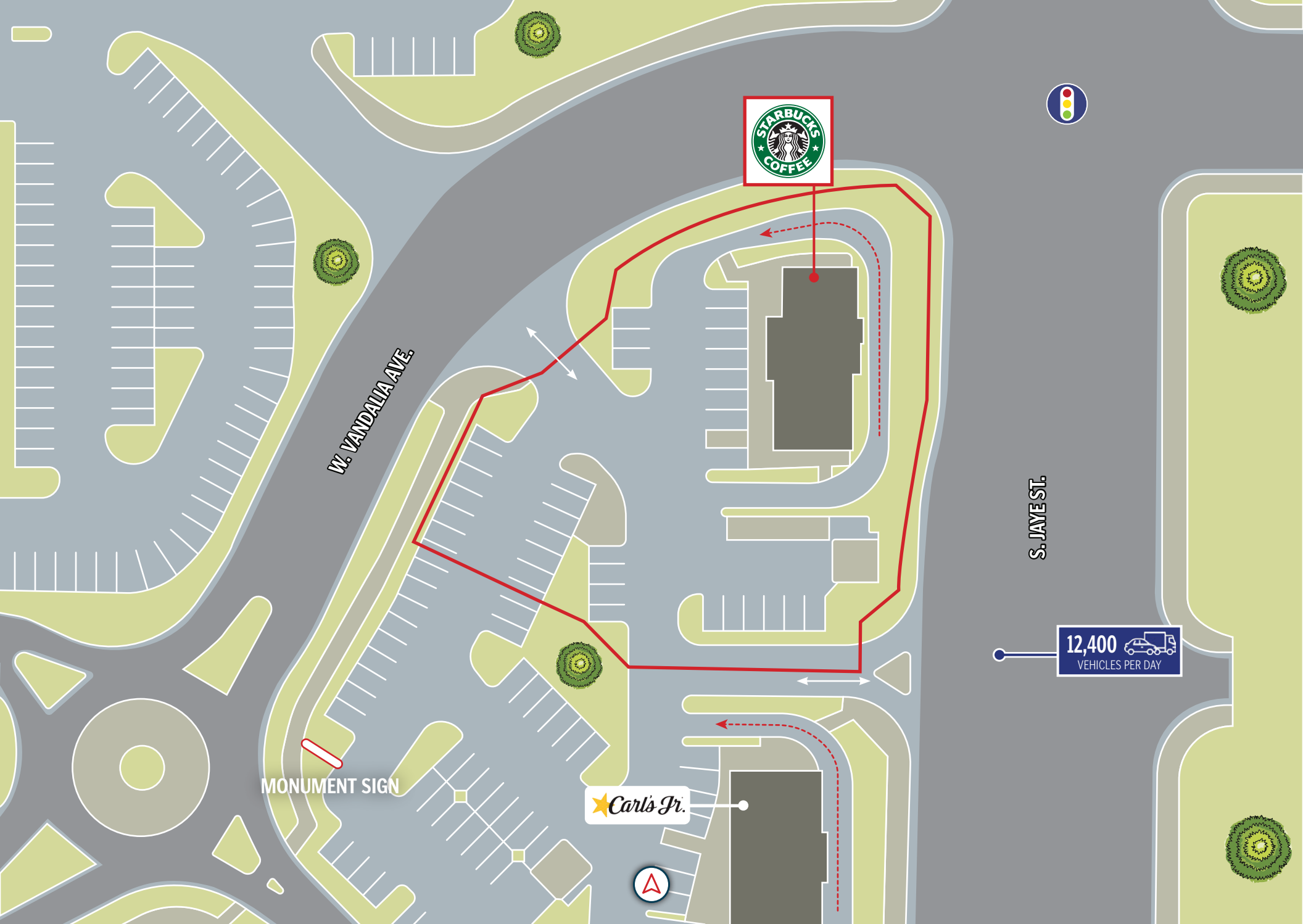
22,000
VEHICLES PER DAY

STATE HIGHWAY 190

W. VANDALIA AVE.

S. JAYE ST.



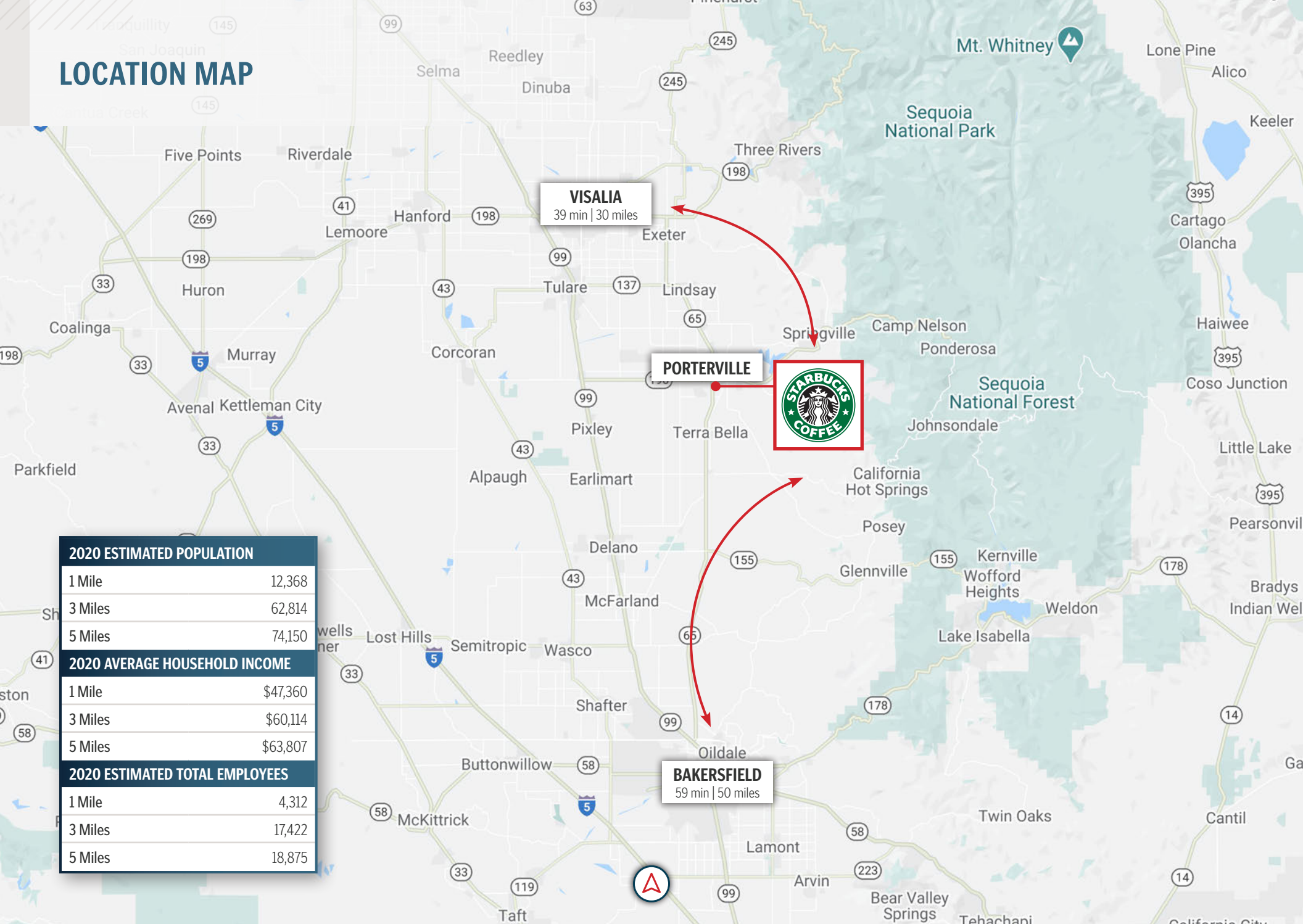


PROPERTY PHOTO



LOCATION MAP

2020 ESTIMATED POPULATION	
1 Mile	12,368
3 Miles	62,814
5 Miles	74,150
2020 AVERAGE HOUSEHOLD INCOME	
1 Mile	\$47,360
3 Miles	\$60,114
5 Miles	\$63,807
2020 ESTIMATED TOTAL EMPLOYEES	
1 Mile	4,312
3 Miles	17,422
5 Miles	18,875



AREA OVERVIEW



PORTERVILLE, CALIFORNIA

The City of Porterville, incorporated on May 7, 1902, is located midway between San Francisco and Los Angeles, an hour from Fresno and Bakersfield. It is situated in the southeastern portion of California's San Joaquin Valley, the most diverse agricultural area in the world. The City of Porterville had a population of 60,967 as of July 1, 2020.

The City of Porterville's economy is a thriving mixture of agri-business, light industry and commercial enterprise. Local businesses produce a variety of products such as electronic medical instruments, printed forms and specialty documents, food products, machine products, aircraft parts, and lumber. A large number of the county's jobs are based in agriculture. Dairy, citrus, grapes, nuts, olives and stone fruits are some of the area's significant products. National Vitamin, Standard Registers, Beckman Instruments and Sierra Pacific Apparel have facilities in Porterville. It's home to the Sequoia National Forest Headquarters. Major Employers are Porterville Developmental Center, Porterville Unified School District, Walmart, Sierra View District Hospital, Eagle Mountain Casino, City of Porterville, Foster Farms, Burton School District, United States Forest Service - Sequoia National Forest, Beckman Coulter.

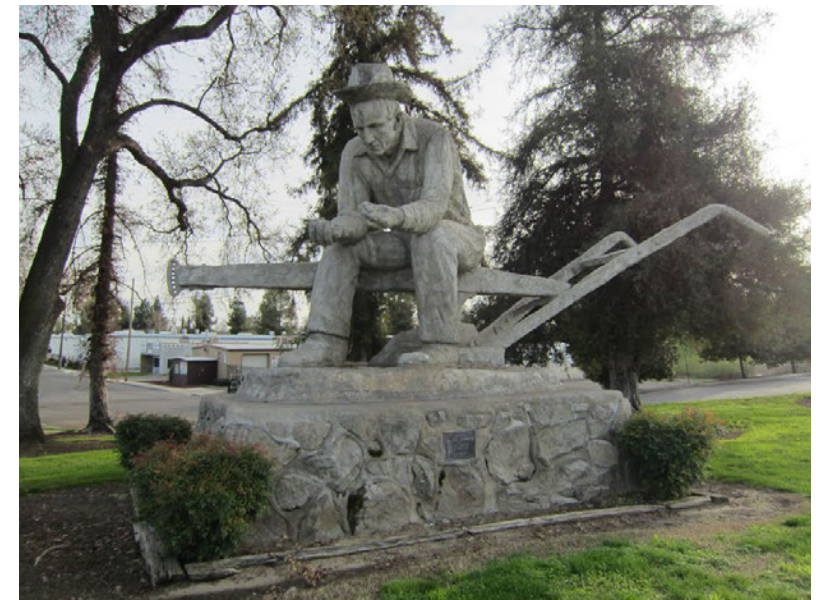
Porterville attractions are Barn Theater, Historic Main Street includes a wide variety of shops, restaurants and galleries, Porterville Fair, Porterville Multicultural Art Center, Zalud House Museum is included in the National Register of Historic Places, Porterville Historical Museum features Yokuts Indian relics and artifacts from the early pioneers, Cinco de Mayo Celebration, Community Festival.

Lake Success is a popular destination for fishing, boating, water skiing, camping and picnicking. Murray Park is a scenic location. The River Island Country Club, Porterville Municipal Golf Course and the nearby Sierra View Golf Course are popular with golf enthusiasts. The Eagle Mountain Casino is nearby.

AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2020 Estimated Population	12,368	62,814	74,150
2025 Projected Population	12,626	64,054	75,643
2010 Census Population	11,855	60,040	70,808
Projected Annual Growth 2020 to 2025	0.41%	0.39%	0.40%
Historical Annual Growth 2010 to 2020	0.41%	0.45%	0.46%
HOUSEHOLDS & GROWTH			
2020 Estimated Households	3,225	17,812	20,944
2025 Projected Households	3,292	18,128	21,324
2010 Census Households	3,099	17,186	20,195
Projected Annual Growth 2020 to 2025	0.41%	0.35%	0.36%
Historical Annual Growth 2010 to 2020	0.39%	0.36%	0.37%
RACE & ETHNICITY			
2020 Estimated White	72.90%	77.75%	77.77%
2020 Estimated Black or African American	1.25%	1.19%	1.16%
2020 Estimated Asian or Pacific Islander	2.72%	3.82%	4.06%
2020 Estimated American Indian or Native Alaskan	1.74%	1.90%	1.85%
2020 Estimated Other Races	39.03%	32.36%	31.58%
2020 Estimated Hispanic	81.80%	69.32%	67.91%
INCOME			
2020 Estimated Average Household Income	\$47,360	\$60,114	\$63,807
2020 Estimated Median Household Income	\$32,423	\$41,348	\$43,645
2020 Estimated Per Capita Income	\$12,539	\$17,220	\$18,198
DAYTIME POPULATION			
2020 Estimated Total Businesses	263	1,447	1,588
2020 Estimated Total Employees	4,312	17,422	18,875



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Starbucks Corporation	2,992	9/1/2020	8/31/2030	Current	-	\$10,417	\$3.48	\$125,000	\$41.78	NNN	4 (5-Year)
(Corporate Signature)		(Est.)	(Est.)	Year 6	10%	\$11,458	\$3.83	\$137,500	\$45.96		10% Increase at Beg. of Each Option

- 1) Tenant's monthly share of Taxes, Landlord Insurance, and Operating Expenses for Year 1 of initial term shall be capped at \$1,308.00, \$426.00, and \$272.08.
 2) Tenant's share of Operating Expenses (exclusive of Common Area Costs and Rent Tax) cannot increase more than 5% per year.

FINANCIAL INFORMATION

Price	\$2,941,000
Net Operating Income	\$125,000
Cap Rate	4.25%
Lease Type	NNN

PROPERTY SPECIFICATIONS

Year Built / Remodeled	2008 / 2020
Rentable Area	2,992 SF
Land Area	0.78 Acres
Address	421 W. Vandalia Avenue Porterville, CA 93257



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



STARBUCKS

starbucks.com

Company Type: Public (NASDAQ: SBUX)

Locations: 31,256+

2019 Employees: 346,000

2019 Revenue: \$26.51 Billion

2019 Net Income: \$3.60 Billion

2019 Assets: \$19.22 Billion

Credit Rating: S&P: BBB+

Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Starbucks stores offer coffee and tea beverages, Handcrafted Beverages, Merchandise and Fresh Food. Through their unwavering commitment to excellence and guiding principles, the company bring the unique Starbucks Experience to life for every customer through every cup. Today, with more than 32,000 stores around the globe, Starbucks is the premier roaster and retailer of specialty coffee in the world. Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.



SRS

NATIONAL
NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

2K+

RETAIL
TRANSACTIONS
company-wide
in 2020

485

NET LEASE
PROPERTIES SOLD
in 2020

\$1.5B

NET LEASE
TRANSACTION VALUE
in 2020

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