



DRIVE
THRU

10613 Garvey Avenue

EL MONTE, CA 91733

NEWER CONSTRUCTION STARBUCKS
SAN GABRIEL VALLEY NET-LEASE INVESTMENT



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Investment Highlights





SANTA ANITA AVENUE

GARVEY AVENUE

52,000+ CPD
@ INTERSECTION



PROPERTY *Summary*

TENANT:	Starbucks
ADDRESS:	10613 Garvey Avenue El Monte, CA 91733
PRICE:	\$3,625,000
CURRENT NOI:	\$145,000
CAP RATE:	4.0%
CAP RATE 2023:	4.4%
BUILDING SIZE:	890 SF
LAND AREA:	0.38 Acres
YEAR BUILT:	2018
LEASE TYPE:	NN
LEASE GUARANTOR:	Corporate
RENT INCREASES:	10% Every 5 Years
PARKING:	6 Stalls
ZONING:	EMC3
APN:	8580-015-023
TRAFFIC COUNTS:	52,000+ CPD* @ Intersection

* Source: Kalibrate

SITE Plan

SANTA ANITA AVE

10 FWT ON/OFF RAMP LESS THAN 2000FT AWAY

STARBUCKS

GARVEY AVE

52,000+ VPD
@ Intersection



INVESTMENT *Highlights*

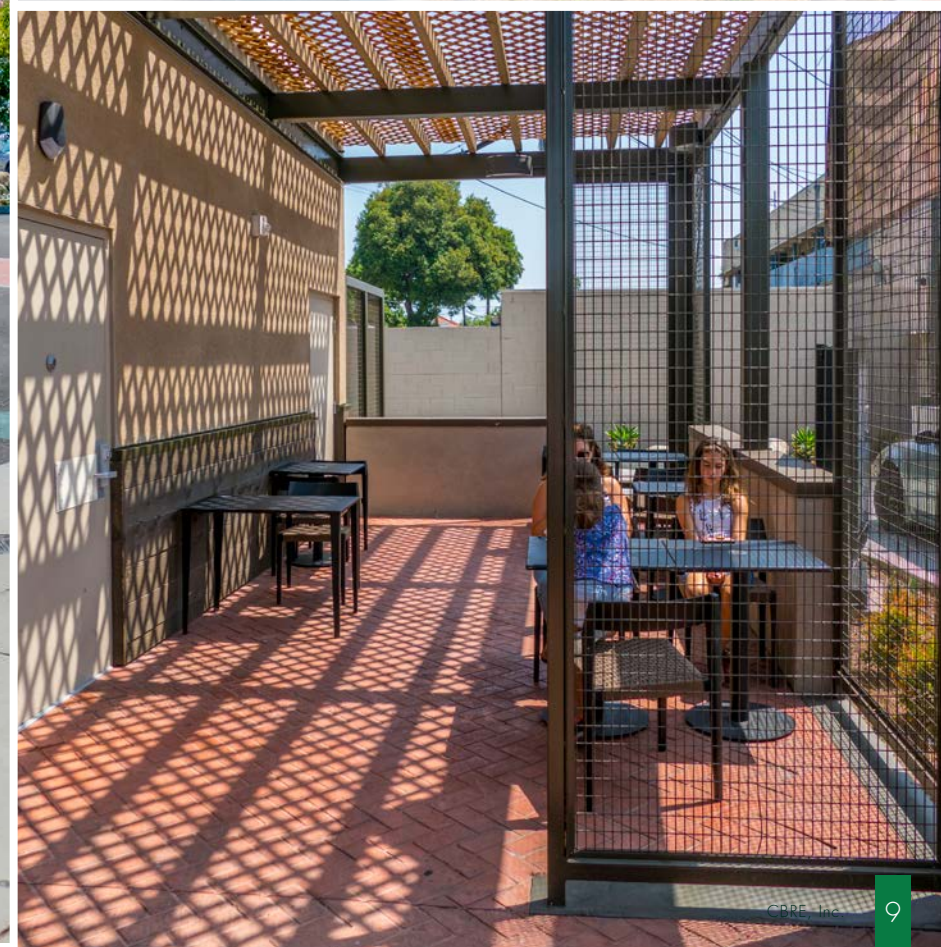
Ideal 1031-Exchange Net-Lease Investment with Corporate Guarantee

- **Newer Construction Starbucks Drive-Thru** – 2018 Construction in High Barriers to Entry San Gabriel Valley (Los Angeles) Submarket
- **10-Year Corporate Guaranteed Lease with No Early Kick-Outs** – Corporate Guarantee from Starbucks, Inc. (S&P: “A-” Credit Rating) with Approximately 8 Years Remaining
- **Limited Landlord Responsibilities** – Starbucks is Responsible for Most Expenses and Maintenance. The Landlord’s Responsibilities of Roof and Structure is Mitigated by a New 15-Year Roof Warranty
- **Strong Inflation Hedge** – The Initial Term and Options have 10% Rent Increases Every 5 Years
- **No Early Termination Clause** – Starbucks has Strong Commitment to the Location
- **Desirable Drive-Thru Permit** – Coffee and Quick-Serve Restaurants Derive the Majority of Their Sales Through Drive-Thrus. Starbucks New Store Prototypes Include Drive-Thru Only

Highly Strategic and Desirable Real Estate Location in San Gabriel Valley

- **Hard Corner Lot Location with High Traffic** – Sits at the Signalized Intersection of Garvey Ave. and Santa Anita Ave. with Exceptional Traffic Counts Exceeding 52,000 VPD
- **“Going to Work” Side of Street** – Starbucks is Located at the Northeast Corner on the Way to Access the Garvey Ave. On-Ramp to the 10 Freeway
- **Limited Area Competition** – Starbucks is the Only Coffee Drive Thru in a 2-Mile Radius
- **Excellent Visibility and Access** – Driveway Access from Both Garvey Ave. and Santa Anita Allow Easy Customer Access
- **Extremely High Barriers to Entry Location** – Infill Location with Over 223,000 People with Average Household Income Exceeding \$75,000 in 3-Mile Radius
- **Excellent Retail Synergy** – Nearby Multiple Schools and Retailers Which Drives Customer Traffic





AREA MAJOR

Retailers



223,813

TOTAL POPULATION
WITHIN 3-MILE RADIUS



75,353

OF EMPLOYEES
WITHIN 3-MILE RADIUS



\$75,270

AVERAGE HOUSEHOLD
INCOME WITHIN 3-MILE
RADIUS



211,689

DAYTIME POPULATION
WITHIN 3-MILE RADIUS

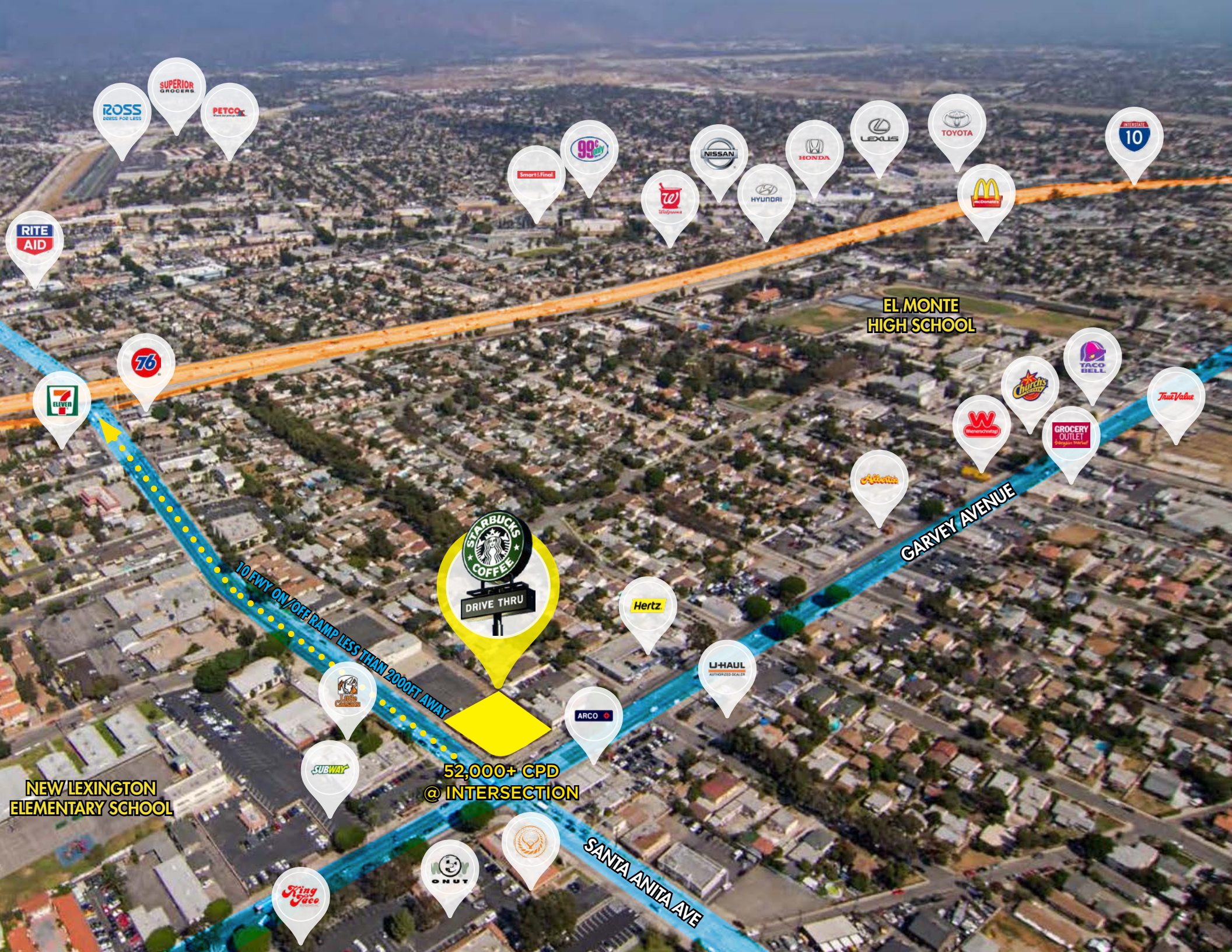
EL MONTE GATEWAY

- MIXED-USE MASTER-PLANNED COMMUNITY
- 500+ RESIDENTIAL UNITS
- 25,000 SF COMMERCIAL SPACE

METRO EXPRESSLANES

EL MONTE
TRANSIT CENTER





EL MONTE
HIGH SCHOOL



NEW LEXINGTON
ELEMENTARY SCHOOL

52,000+ CPD
@ INTERSECTION

10 FWY ON/OFF RAMP LESS THAN 2000 FT AWAY

SANTA ANTA AVE

GARVEY AVENUE

A top-down photograph of coffee-related items on a dark, textured surface. In the upper left, a small burlap sack is filled with dark brown coffee beans. Scattered around the sack and across the surface are many individual coffee beans and several light brown sugar cubes. In the lower left, a wooden scoop is filled with coffee beans. In the lower right, a manual metal coffee grinder is visible, with its hopper containing ground coffee. The overall lighting is warm and focused, creating a rustic and inviting atmosphere.

03 *Financial Overview*



LEASE Abstract

LEASE ABSTRACT:		Starbucks - El Monte	
TERMS	Commencement:	August 4, 2018	
	Termination:	August 31, 2028	
	Lease Term:	10 years	
	Remaining Term:	Approx. 8 years	
	Options:	4, 5 year options	
RENT	Current Rent:	\$145,000/year	\$12,083.33/month
	Rent Increases:	10%	
Rent Schedule:		% Increase	
Year 1 - Year 5:		\$145,000.00/year	\$12,083.33/month
Year 6 - Year 10:		\$159,500.00/year	\$13,291.67/month 10.00%
Option 1 (Year 11-15):		\$175,450.00/year	\$14,620.83/month 10.00%
Option 2 (Year 16-20):		\$192,995.00/year	\$16,082.92/month 10.00%
Option 3 (Year 21-25):		\$212,294.50/year	\$17,691.21/month 10.00%
Option 4 (Year 26-30):		\$233,523.95/year	\$19,460.33/month 10.00%

EXPENSES	Lease Structure:	NN
	Roof & Structure*:	Landlord
	HVAC:	Tenant
	CAM:	Tenant
	Parking Lot:	Tenant
LEASE INFO	Property Taxes:	Tenant
	Utilities:	Tenant
	Insurance:	Tenant
	Ownership:	Fee Simple
	Tenant:	Starbucks
PROPERTY	Guarantor:	Corporate
	GLA:	890 SF
	Lot Size:	16,553 SF
	Year Built:	2018
	APN #:	8580-015-023
	Zoning:	EMC3

*15-Year roof warranty in-place at construction completion.



A top-down view of a rustic wooden table. In the center is a rectangular chalkboard with a thick wooden frame. The chalkboard has the text '04 Tenant/Area Overview' written in white. Surrounding the chalkboard are various spices: cinnamon sticks, nutmeg, coffee beans, and vanilla pods. There are also small bowls and a spoon with more spices. The background is a warm, textured wood.

04 Tenant/Area Overview



SANTA ANITA AVENUE

GARVEY AVENUE

52,000+ CPD
@ INTERSECTION

TENANT *Overview*



Starbucks Corporation, known as Starbucks Coffee, is an American global coffee company and coffee house chain based in Seattle, Washington. Starbucks is the largest coffee house company in the world, ahead of UK rival Costa Coffee, with 24,000 stores in 68 countries and territories, including 12, 218 in the United States, and 1,716 in China, 1,330 in Canada, 1,079 in Japan and 808 in the United Kingdom. Starbucks serves hot and cold beverages, whole-bean coffee, micro ground instant coffee, full-leaf teas, pastries and snacks. From Starbucks' founding in 1971 as a Seattle coffee bean roaster and retailer, the company has expanded rapidly. Between 1987 and 2007, Starbucks opened an average of two new stores every day. The company is widely regarded as the Gold Standard in the coffee industry in regards to innovation and consistency.

The first Starbucks was opened in Seattle, Washington, in March 1971 by three partners who met while they were students at the University of San Francisco. Originally, the company was to be called Pequod, after a whaling ship from Moby Dick, but this name was rejected by some of the co-founders. The company was instead named after the chief mate on the Pequod, Starbuck.

At the time of its initial public offering (IPO) on the stock market in June 1992, Starbucks had grown to 140 outlets, with revenue of US \$73.5 million, up from US \$1.3 million in 1987. In July 2013, over 10% of the in-store purchases were made on customers' mobile devices using the Starbucks app. The company once again utilized the mobile platform when it launched the "Tweet-a-Coffee" promotion in October 2013.

On November 14, 2012, Starbucks announced the purchase of Teavana for US\$620 million in cash and the deal was formally closed on December 31, 2012.

In August 2014, Starbucks opened their first store in Williamsburg, Brooklyn. This location will be one of 30 Starbucks stores that will serve beer and wine. In September 2014, it was revealed that Starbucks would acquire the remaining 60.5 percent stake in Starbuck Coffee Japan that it does not already own, at a price of \$913.5 million.



Public/Private:

Public

Ticker Symbol:

NASDAQ: SBUX

Industry:

Coffee Shop

Founded:

1971

Website:

www.starbucks.com

Number of Locations:

32,050 (Worldwide)

Total Employment:

350,000+

Annual Revenue:

\$26.6 billion

Headquarters:

Seattle, WA



AREA *Overview*

San Gabriel Valley

Located just east of Downtown Los Angeles, the San Gabriel Valley offers an outstanding quality of life and great business environment.

The 31 cities and five large unincorporated communities of the San Gabriel Valley cover an area of 400 square miles with almost 1.8 million residents. This dynamic region offers a variety of lifestyles and business opportunities.

The San Gabriel Valley is home to leading educational institutions including the California Institute of Technology (Caltech) and California State Polytechnic University, Pomona (Cal Poly). The list also includes the University of La Verne, Azusa Pacific University, the Claremont Colleges, Art Center College of Design, and three outstanding community colleges.



Leading research facilities include NASA's Jet Propulsion Laboratory and the City of Hope Medical Center. Cultural icons such as the Rose Bowl and its annual New Year's celebration in Pasadena, the Huntington Library and Gardens in San Marino, Arcadia's Arboretum, and La Cañada's Descanso Gardens are also located in the San Gabriel Valley.

Many popular sports and entertainment complexes are found in the San Gabriel Valley including Arcadia's Santa Anita Park (horse racing), the Fairplex in Pomona, and the Speedway at Irwindale.

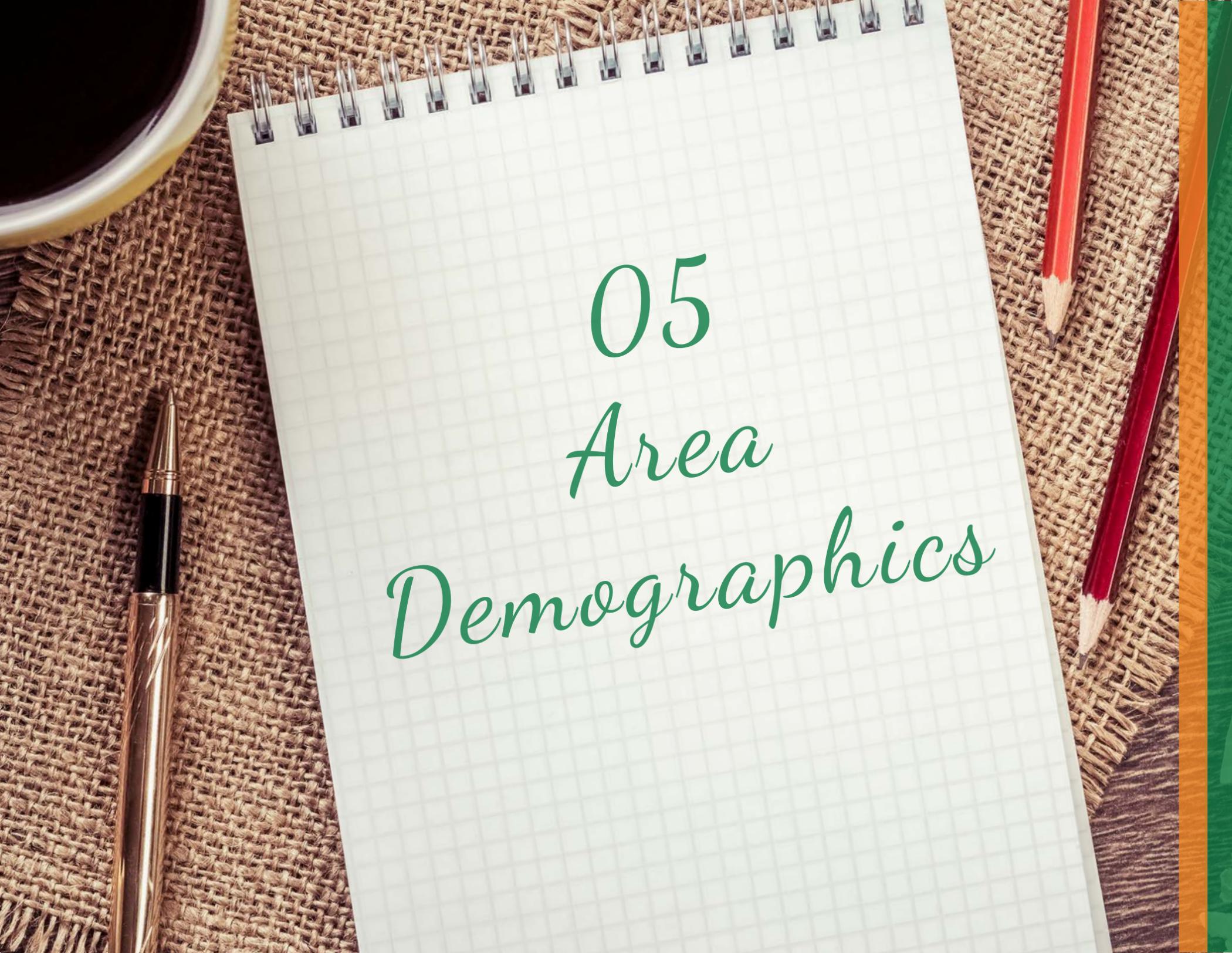


El Monte

Located approximately 17 miles east of downtown Los Angeles, El Monte is the hub of the San Gabriel Valley, where two major freeways - Interstates 605 and 10 - intersect and is the ninth largest city (out of 88) in Los Angeles County with a population of approximately 120,000.

As the San Gabriel Valley continues to grow so does the City of El Monte through new businesses and quality housing. Many public improvements are underway to provide an attractive and safe environment for its economic growth. El Monte has maintained a reputation for a “business friendly attitude” by attracting commercial and retail businesses as well as international corporations through its Foreign Trade Zone.





05
Area
Demographics





AREA *Demographics*

	1 Mile	3 Miles	5 Miles
HOUSEHOLD INCOME			
2020 Households	9,169	57,157	160,981
Under \$15,000	991 10.8%	5,286 9.3%	13,554 8.4%
\$15,000-\$24,999	1,468 16.0%	6,638 11.6%	14,716 9.1%
\$25,000-\$34,999	1,053 11.5%	5,609 9.8%	13,607 8.5%
\$35,000-\$49,999	1,542 16.8%	7,903 13.8%	19,520 12.1%
\$50,000-\$74,999	1,766 19.3%	10,500 18.4%	28,534 17.7%
\$75,000-\$99,999	1,007 11.0%	7,162 12.5%	21,477 13.3%
\$100,000-\$149,999	848 9.3%	8,136 14.2%	26,989 16.8%
\$150,000-\$199,999	302 3.3%	3,396 5.9%	12,150 7.6%
\$200,000 and Over	191 2.1%	2,528 4.4%	10,433 6.5%
2020 Average Household Income	\$59,151	\$75,270	\$86,677
2025 Average Household Income	\$64,633	\$84,651	\$97,699
2020 Median Household Income	\$44,292	\$55,549	\$64,564
2025 Median Household Income	\$47,413	\$60,003	\$71,184
2020 Per Capita Income	\$13,821	\$19,243	\$24,069
2025 Per Capita Income	\$15,059	\$21,535	\$26,988

	1 Mile	3 Miles	5 Miles
POPULATION			
2020 Population - Current Year Estimate	39,326	223,813	579,860
2025 Population - Five Year Projection	40,089	226,198	582,532
2010 Population - Census	38,054	218,847	569,900
2000 Population - Census	39,130	220,273	567,705
2010-2020 Annual Population Growth Rate	0.32%	0.22%	0.17%
2020-2025 Annual Population Growth Rate	0.39%	0.21%	0.09%

HOUSEHOLDS

2020 Households - Current Year Estimate	9,169	57,157	160,981
2025 Households - Five Year Projection	9,353	57,488	160,883
2010 Households - Census	8,871	56,237	159,487
2000 Households - Census	8,535	54,934	157,074
2010-2020 Annual Household Growth Rate	0.32%	0.16%	0.09%
2020-2025 Annual Household Growth Rate	0.40%	0.12%	-0.01%
2020 Average Household Size	4.26	3.88	3.58

DAYTIME POPULATION

2020 Daytime Population	36,312	211,689	542,162
Daytime Workers	11,434	73,814	195,153
Daytime Residents	24,878	137,875	347,009

PLACE OF WORK

2020 Businesses	1,856	8,624	20,513
2020 Employees	12,710	75,353	170,492

CLASS OF WORKER

2020 Employed Civilian Population 16+	14,713	87,375	236,757
White Collar	5,201	40,917	131,058
Services	3,218	18,184	45,922
Blue Collar	6,296	28,277	59,778



	1 Mile		3 Miles		5 Miles	
AGE						
Age 0-4	3,163	8.0%	14,767	6.6%	34,064	5.9%
Age 5-9	3,130	8.0%	15,136	6.8%	35,564	6.1%
Age 10-14	2,985	7.6%	15,240	6.8%	36,961	6.4%
Age 15-19	2,904	7.4%	15,221	6.8%	37,125	6.4%
Age 20-24	3,266	8.3%	16,016	7.2%	38,609	6.7%
Age 25-29	3,463	8.8%	17,990	8.0%	44,599	7.7%
Age 30-34	3,042	7.7%	17,213	7.7%	43,499	7.5%
Age 35-39	2,683	6.8%	15,597	7.0%	40,076	6.9%
Age 40-44	2,392	6.1%	13,950	6.2%	35,545	6.1%
Age 45-49	2,395	6.1%	14,073	6.3%	37,506	6.5%
Age 50-54	2,226	5.7%	13,611	6.1%	37,531	6.5%
Age 55-59	1,923	4.9%	12,931	5.8%	36,365	6.3%
Age 60-64	1,666	4.2%	11,574	5.2%	32,996	5.7%
Age 65-69	1,414	3.6%	10,144	4.5%	28,770	5.0%
Age 70-74	1,023	2.6%	7,749	3.5%	22,264	3.8%
Age 75-79	734	1.9%	5,357	2.4%	15,668	2.7%
Age 80-84	466	1.2%	3,556	1.6%	10,817	1.9%
Age 85 and Older	450	1.1%	3,689	1.6%	11,899	2.1%

EDUCATION

2020 Population 25 and Over	23,877		147,433		397,537	
Less than 9th Grade	7,085	29.7%	32,306	21.9%	63,791	16.0%
9-12th Grade - No Diploma	4,245	17.8%	18,182	12.3%	39,013	9.8%
High School Diploma	6,300	26.4%	37,527	25.5%	97,178	24.4%
GED or Alternative Credential	449	1.9%	2,509	1.7%	6,718	1.7%
Some College - No Degree	2,485	10.4%	21,014	14.3%	61,371	15.4%
Associate`s Degree	936	3.9%	9,501	6.4%	28,128	7.1%
Bachelor`s Degree	1,852	7.8%	19,897	13.5%	73,105	18.4%
Graduate or Professional Degree	525	2.2%	6,497	4.4%	28,233	7.1%

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