



REPRESENTATIVE PHOTO

STARBUCKS

HIGHWAY 24 & NW 24TH ST
TOPEKA, KANSAS 66608

OFFERING MEMORANDUM

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In Association with Kansas Designated Broker:
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CIA
commercial
investment
advisors

INVESTMENT OVERVIEW

STARBUCKS
TOPEKA, KANSAS

STARBUCKS

LOCATION	Highway 24 & NW 24th St Topeka, Kansas 66608
MAJOR CROSS STREETS	On NW US 24 Hwy, West of NW Topeka Blvd
TENANT	STARBUCKS CORPORATION
PURCHASE PRICE	\$1,938,000
CAP RATE	5.25%
ANNUAL RENT	\$101,756
GROSS LEASEABLE AREA	±2,178 SF
RENTAL ESCALATIONS	7.50% every 5 Years
LEASE TYPE	NN*
OWNERSHIP	(Building & Land) Fee Simple
YEAR BUILT	Feb 2021 (Under Construction)
LOT SIZE	±1.13 Acres**
PARKING LOT	Concrete
ROOF	Rubber Membrane (15-Yr Warranty)
LEASE EXPIRATION	January 31, 2031 (Est.)
OPTIONS	Four 5-Year Renewal Options

* Landlord is responsible for Roof, Structure/Foundation, Concrete Parking Lot "Replacement Only", and all Utility Systems, Plumbing, Water & Sewer Lines located outside the Premises.

** According to Shawnee County Assessor

POINTS OF INTEREST

RETAIL | ENTERTAINMENT: Topeka has major retailers include Walmart Supercenter, Target, Sam's Club, Kohl's, Lowe's Home Improvement, Home Depot, Menards, Hobby Lobby, Dick's Sporting Goods, Academy Sports + Outdoors, Ashley HomeStore, Sutherlands, Slumberland Furniture, Big Lots, Bed Bath & Beyond, Barnes & Noble, T.J. Maxx, Ross Dress for Less, Michaels, Dollar Tree, ALDI, Hy-Vee, Dillon's Food Store, Orscheln Farm & Home, Westlake Ace Hardware, Harbor Freight Tools, etc.

HIGHER EDUCATION: 5 miles from Washburn University (a public research university offering over 200 academic programs with total enrollment of 6,285)

HEALTHCARE: 4 miles from Stormont Vail Hospital (a 586-bed acute care center that provides inpatient & outpatient care and other services); 4 miles from University of Kansas Health System St. Francis Campus (a full-service hospital with 378 licensed beds)

INVESTMENT HIGHLIGHTS

LEASE: Brand New 10-Year NN Lease with Attractive 7.50% Rental Escalations every 5 Years

TENANT: Starbucks Corporation (NASDAQ: SBUX | S&P "BBB+ Stable" Credit Rating | Moody's Baa1 Stable Rating) Operates Approximately 31,000 Retail Stores in 78 Countries/Markets (as of October 31, 2019)

BRAND NEW CONSTRUCTION: Starbucks Latest Prototype - Slated for Developer Deliver to Starbucks December 1, 2020 with an Expected Opening Date/Rent Commencement of February 1, 2021 (Est.)!

LARGE PARCEL | TRAFFIC COUNTS: Positioned on a Large ±1.13-Acre Lot, (Across the Street from Walmart Supercenter) with Excellent Drive-By Visibility on NW US 24 Hwy where Traffic Counts Exceed 19,100 CPD!

2020 DEMOGRAPHICS (5-MI): Total Population: 77,539 | Average Household Income: \$61,442



FINANCIAL ANALYSIS

SUMMARY

TENANT	Starbucks Corporation
PURCHASE PRICE	\$1,938,000
CAP RATE	5.25%
GROSS LEASEABLE AREA	±2,178 SF
YEAR BUILT	February 1, 2021 (Est.)
LOT SIZE	±1.13 Acres
EXPENSE REIMBURSEMENT	This is a NN lease . Landlord is responsible for Roof, Structure/Foundation, Concrete Parking Lot "Replacement Only", and all Utility Systems, Plumbing, Water & Sewer Lines located outside of the Premises.

PROPOSED FINANCING SUMMARY

All Cash or Buyer to obtain new financing at Close of Escrow.

Loan to Value (65%)	\$1,259,700
Down Payment (35%)	\$678,300
Term	10-Year Fixed at 3.75%
Amortization	25 to 30 Years Partial Recourse

For more information, contact **Josh Sciotto** of **Mark One Capital** at **(602) 687-6647**.

RENT ROLL

TENANT INFO		LEASE TERMS		RENT SUMMARY	
TENANT NAME	SQ FT	TERM*	INCREASE	RENT	ANNUAL INVESTOR RETURN
Starbucks Corporation	2,178	Years 1-5: 02/01/21 to 01/31/26	Current	\$101,756	5.25%
		Years 6-10: 01/01/26 to 01/31/31	7.50%	\$109,379	5.64%
		5.45% AVG ANNUAL RETURN			
RENEWAL OPTIONS		1st Option: 02/01/31 to 01/31/36	7.50%	\$117,590	
		2nd Option: 02/01/36 to 01/31/41	7.50%	\$126,411	
		3rd Option: 02/01/41 to 01/31/46	7.50%	\$135,885	
		4th Option: 02/01/46 to 01/31/51	7.50%	\$146,078	

* Estimated Rent Commencement Date

STARBUCKS | TOPEKA, KANSAS

TENANT OVERVIEW

STARBUCKS
TOPEKA, KANSAS



STARBUCKS®

TYPE	PUBLIC
TRADED AS	NASDAQ: SBUX
INDUSTRY	RESTAURANTS: FAST FOOD
S&P CREDIT RATING	BBB+ NEGATIVE (05/04/20)
MOODY'S RATING	Baa1 NEGATIVE (05/04/20)
MARKET CAP	104.40B (10/20/20)
WEBSITE	https://www.starbucks.com/

Starbucks Corporation (NASDAQ: SBUX), together with its subsidiaries, operates as a roaster, marketer, and retailer of specialty coffee worldwide. The company operates in four segments: Americas; China/Asia Pacific; Europe, Middle East, and Africa; and Channel Development. Its stores offer coffee and tea beverages, roasted whole bean and ground coffees, single-serve and ready-to-drink coffee and tea products, and food and snacks; and various food products, such as pastries, breakfast sandwiches, and lunch items.

The company also licenses its trademarks through licensed stores, and grocery and foodservice accounts. It offers its products under the Starbucks, Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos, Frappuccino, Starbucks Doubleshot, Starbucks Refreshers, premium Tazo, and Starbucks VIA brand names.

As of October 31, 2019, there are approximately 31,000 retail stores in 78 countries/markets.

Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.

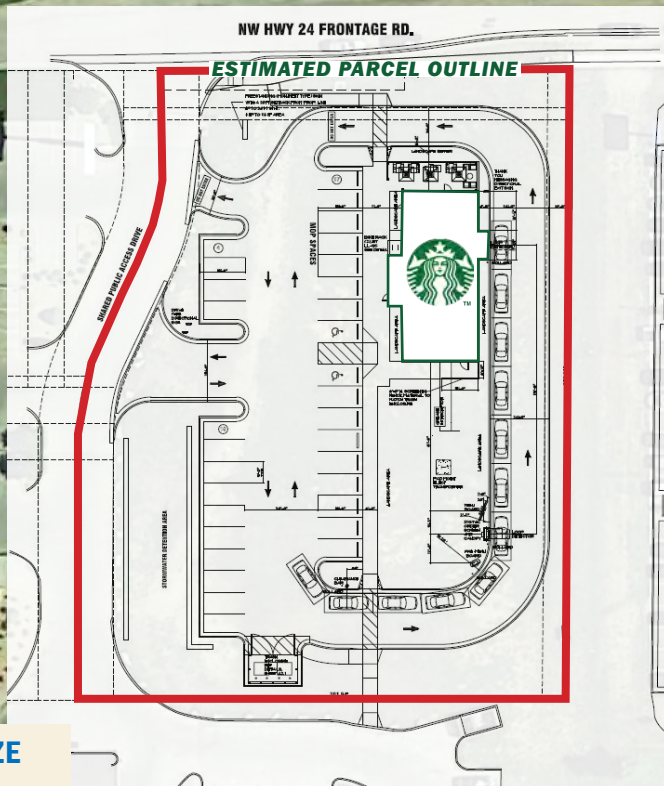
Market Summary > Starbucks Corporation NASDAQ: SBUX

89.30 USD **+1.70 (1.94%)** ↑
Oct 20, 1:12 PM EDT · Disclaimer



SITE PLAN

HWY 24
19,104 CPD



LOT SIZE
±1.13 Acres
GLA
2,178 SF

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AERIAL



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AERIAL ZOOMED OUT



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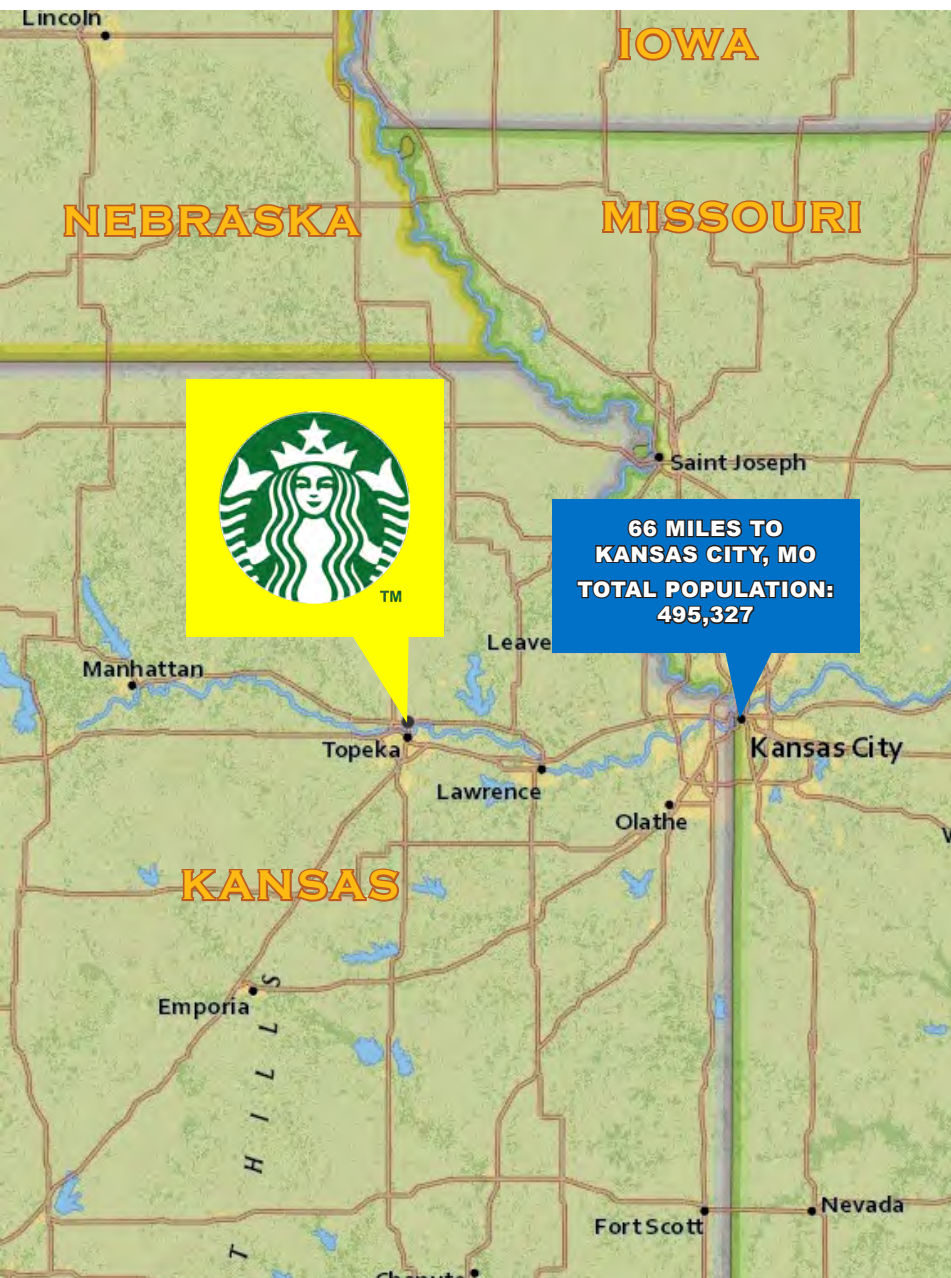
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AERIAL CITY VIEW



STARBUCKS | TOPEKA, KANSAS

LOCATION OVERVIEW



Topeka is the capital city of Kansas and the seat of Shawnee County. It is along the Kansas River in the central part of Shawnee County, in northeast Kansas, in the Central United States.

Being the state's capital city, Topeka's largest employer is the **State of Kansas** - employing about 8,400 people, or 69% of the city's government workers. Altogether, government workers make up one out of every five employed persons in the city.

The educational, health and social services industry makes up the largest proportion of the working population. The four school districts employ nearly 4,700 people, and **Washburn University** employs about 1,650. Three of the largest employers are **Stormont-Vail HealthCare** (with about 3,100 employees), **St. Francis Health Center** (1,800), and **Blue Cross Blue Shield of Kansas** (1,817).

The retail trade employs more than a tenth of the working population with **Walmart** (923 employees) and **Dillons** (761) having the greater share.

Nearly another tenth is employed in manufacturing with **Goodyear Tire & Rubber Co.** (1,600 employees), **Jostens Printing & Publishing** (1,000), **Hill's Pet Nutrition** (838), and **Frito-Lay** (803).

Other major employers in Topeka include **Payless Shoe Source Corporate** (1,600 employees), **City of Topeka** (1,400), **Burlington Northern Santa Fe, aka BNSF Rail Yard** (1,100), **U.S. Government** (1,256), **Shawnee County** (1,100), **Colmery-O'Neil VA Hospital** (920), **Westar Energy** (783), **Reser's Fine Foods** (765), and **Target** (650).

2020 DEMOGRAPHICS

	1-MI	3-MI	5-MI
TOTAL POPULATION	3,639	25,980	76,633
PROJECTED POPULATION (2025)	3,659	26,101	76,277
DAYTIME POPULATION	4,371	35,843	80,141
AVERAGE HOUSEHOLD INCOME	\$54,943	\$53,268	\$61,312

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