



# STARBUCKS STRIP CENTER

APEX, NORTH CAROLINA  
(RALEIGH MSA)

OFFERING MEMORANDUM



## ADDRESS

US Highway 64 & W. Williams St.  
Apex, NC 27502

## PRICE

\$9,141,000

## CAP RATE

6.67%

## NOI

\$609,825

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## EXCLUSIVELY LISTED BY

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Coming Soon  
**COSTCO WHOLESALE**  
**Academy**  
**TOYOTA**  
**TACO BELL**  
**SAFARI**  
**zaxby's**  
**jiffy lube**  
**Sherwin Williams**  
**Bajaj**

**TOWNES AT NORTH SALEM**  
294 HOMES

COMING  
SOON!  
**APEX HIGH SCHOOL**  
\$70.6 MILLION REDEVELOPMENT  
2,057 STUDENTS

**VILLAGE OF APEX - SOUTH**

**LARGEST FORD SHOWROOM  
IN THE WORLD**  
167,000 SF / 22 ACRES

**APEX MIDDLE**  
1,286 STUDENTS

**BAUCOM ELEMENTARY**  
703 STUDENTS

**42,382 CPD**

**THE ORCHARD VILLAS**  
86 TOWNHOMES

**DukeHealth**

**SUBJECT  
PROPERTY**

**WakeMed**  
WakeMed Health & Hospitals

**PET SMART**  
**OfficeMax**  
**ihop**  
**BB&T**  
**FIREHOUSE SUBS**  
**SUNTRUST**  
**WELLS FARGO**  
**chili's**  
**Tanera**

**ST. MARY MAGDALENE CATHOLIC SCHOOL**  
618 STUDENTS

**Lowe's**

**Target**

**KOHL'S**

**DICK'S SPORTING GOODS**  
**five BELOW**  
**ULTA**  
**at&t**  
**HomeGoods**  
**REGAL CINEMAS**  
**DOLLAR TREE**  
**Kirkland's**  
**OLD NAVY**  
**RED ROBIN**  
**Earth Fare**  
**Wendy's**

**SCOTTS RIDGE ELEMENTARY**  
781 STUDENTS

**TOWNES AT WESTFORD &  
WESTFORD APARTMENTS**  
611 RESIDENCES

**GREENMOOR**  
291 HOMES

**THE PRESERVE AT  
WHITE OAK**  
330 HOMES

**WHITE OAK**  
575 HOMES

**CRESTMONT**  
399 HOMES

**29,440 CPD**

**PEAK 502**  
182 HOMES

**Publix**

**OLIVE CHAPEL ELEMENTARY**  
952 STUDENTS

**(TEMPORARY) APEX HIGH**  
2,057 STUDENTS

**FOOD LION**  
**ALDI**  
**Sherwin Williams**  
**Advance Auto Parts**  
**WALGREENS**

**LIFETIME FITNESS**

**HOME DEPOT**

INDUSTRIAL

INDUSTRIAL

**CANDLEWOOD SUITES**  
**McDonalds**

**Walmart**  
Supercenter

**Auto Zone**  
**BB&T**  
**DUNKIN'**

INDUSTRIAL

**DAVIS DRIVE ELEMENTARY**  
996 STUDENTS

**DAVIS DRIVE MIDDLE**  
1,321 STUDENTS

**SALEM MIDDLE**  
1,109 STUDENTS

**SALEM ELEMENTARY**  
609 STUDENTS

**OAK POINTE**  
152 HOMES

**TURNER CREEK**  
764 STUDENTS

**48,600 CPD**



# Address

US HIGHWAY 64 & W. WILLIAMS ST., APEX, NORTH CAROLINA 27502

PRICE	\$9,141,000
CAP RATE	6.67%
NOI	\$609,825
GROSS LEASABLE AREA	17,416 SF
LOT SIZE	3.31 +/- Acres

INCOME/EXPENSES	
ANNUAL RENT	\$625,960
MANAGEMENT FEE (3% OF BASE RENT)	(\$18,779)
ADMIN/MANAGEMENT FEE REIMBURSEMENT	\$2,644
NET OPERATING INCOME (NOI)	\$609,825

# Rent Roll

TENANT	GLA	% OF GLA	ANNUAL RENT	RENT/SF	LEASE TERM	OPTIONS	CHANGES ON	CHANGES TO
Mezeh	2,500 SF	14.30%	\$95,000	\$38.00	10 Years	Two, 5-Year	Year 6 Option 1 Option 2	\$104,449 \$114,949 \$126,445
Domino's Pizza	1,680 SF	9.65%	\$53,760	\$32.00	10 Years	Two, 5-Year	Year 6 Option 1 Option 2	\$59,136 \$65,050 \$71,551
First Watch	3,710 SF	21.30%	\$148,400	\$40.00	10 Years	Three, 5-Year	Year 6 Option 1 Option 2 Option 3	\$163,240 \$179,564 \$197,520 \$217,258
Starbucks	2,238 SF	12.85%	\$89,520	\$40.00	10 Years	Four, 5-Year	Year 6 Option 1 Option 2 Option 3 Option 4	\$98,472 \$108,319 \$119,151 \$131,057 \$144,172
Love Nails	1,888 SF	10.84%	\$66,080	\$35.00	10 Years	None	Year 2	2% Annual Increases
Tropical Smoothie	1,400 SF	8.04%	\$53,200	\$38.00	10 Years	Two, 5-Year	Year 6 Option 1 Option 2	\$58,520 \$64,372 \$70,798
Mattress Warehouse	4,000 SF	22.97%	\$120,000	\$30.00	10 Years	Three, 5-Year	Year 6 Option 1 Option 2 Option 3	\$132,000 \$145,200 \$159,720 \$175,680
<b>TOTAL</b>	<b>17,416 SF</b>	<b>100.00%</b>	<b>\$625,960</b>					



# INVESTMENT HIGHLIGHTS

- 100% Occupied by National and Regional Tenants
- 10-Year Leases with Rental Increases Throughout the Base Term
- Brand New 2020 Construction with a Starbucks Drive-Thru
- Over 130,000 Residents in Primary Trade Area, 15 Miles West of Downtown Raleigh
- Surrounded by Several Large Residential Developments with Over 3,000 Single-Family Homes and Multifamily Units Currently Under Construction
- Apex is One of the Fastest Growing Suburbs in the U.S.
- Average Household Income Exceeds \$127,000 in 1, 3, and 5 Miles
- Highly Visible to 48,600 Cars/Day Along Major Thoroughfare
- Hard Corner Location at Signalized Intersection
- Easy Access to All Major Arteries within the Raleigh/Durham MSA, Including US Route 64, I-540, and NC Route 55
- Primary Retail Corridor, Surrounded by Super Target, Home Depot, Lowe's, TJ Maxx, HomeGoods, Kohl's, Regal Cinemas, Dick's, Lifetime Fitness and Dozens More
- Close Proximity to North Carolina State University with 35,479 Students and 9,101 Employees
- Minutes to Duke University (15,892 Students) and University of North Carolina at Chapel Hill (29,469 Students)
- Strong Daytime Population, Over 38,000 Employees within 5 Miles
- South of the 7,000-Acre Research Triangle Park, the Largest in the U.S. and Home to 50,000 Employees and 10,000 Contractors







<b>TENANT</b>	Starbucks (Starbucks Corporation)
<b>OWNERSHIP</b>	Public (NASDAQ: SBUX)
<b>GUARANTOR</b>	Corporate Guaranty
<b>LOCATIONS</b>	30,000+
<b>COMPANY INFORMATION</b>	Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Today, with over 30,000 stores around the globe, the company is the premier roaster and retailer of specialty coffee in the world.
<b>GLA</b>	2,238 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including a 10% admin fee. Annual increases in CAM shall not exceed 5% excluding utilities and snow removal.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may assign or sublet the lease without Landlord's consent but shall remain liable under the obligations of the lease.
<b>TERMINATION OPTION</b>	Tenant shall have the right to terminate any date on or after the last day of the 60th full calendar month of the term. Tenant must give notice 120 days before and pay a termination fee.
<b>ESTOPPEL</b>	Tenant has 30 Days to process.

<b>TENANT</b>	Love Nails (Hien Tran)
<b>OWNERSHIP</b>	Private
<b>GUARANTOR</b>	Personal Guaranty
<b>LOCATIONS</b>	3
<b>COMPANY INFORMATION</b>	Love Nails is a neighborhood nail salon offering manicures, pedicures and other beauty treatments.
<b>GLA</b>	1,470 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including a 15% admin fee. Annual increases in CAM shall not exceed 5% excluding utilities and snow removal.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may not assign or sublet without Landlord's prior written consent and should only be released of any obligations should the third party have a net worth of at least \$10M.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	Tenant has 30 Days to process.

<b>TENANT</b>	Tropical Smoothie (Next Frontier, LLC)
<b>OWNERSHIP</b>	Private
<b>GUARANTOR</b>	Personal Guaranty
<b>LOCATIONS</b>	2
<b>COMPANY INFORMATION</b>	Tropical Smoothie Cafe's menu boasts bold, flavorful smoothies with a healthy appeal, all made-to-order with quality ingredients.
<b>GLA</b>	1,400 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including an 8% admin fee. Annual increases in CAM shall not exceed 3% excluding utilities and snow removal.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may not assign or sublet without Landlord's prior written consent.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	Tenant has 30 Days to process.

<b>TENANT</b>	Mattress Warehouse (MW of Apex Williams LLC)
<b>OWNERSHIP</b>	Private
<b>GUARANTOR</b>	Corporate Guaranty Mattress Warehouse, Inc.
<b>LOCATIONS</b>	250+
<b>COMPANY INFORMATION</b>	Mattress Warehouse carries the largest selection of quality name brand bedding, including pillows, sheets, mattress protectors, bed frames, platform beds and more.
<b>GLA</b>	4,000 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including an 5% admin fee. Annual increases in CAM shall not exceed 4% excluding utilities and snow removal.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may not assign or sublet without Landlord's prior written consent.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	Tenant has 30 Days to process.





<b>TENANT</b>	Mezeh Mediterranean Grill (Mezeh-Apex, LLC)
<b>OWNERSHIP</b>	Personal Guaranty
<b>GUARANTOR</b>	Private
<b>LOCATIONS</b>	16 + 6 Under Construction
<b>COMPANY INFORMATION</b>	Mezeh is a fast-casual Mediterranean restaurant that serves custom salad and rice bowls, pita pockets and wraps. The food is made from scratch daily in an open kitchen using freshly sourced ingredients.
<b>GLA</b>	2,500 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including a 10% admin fee. Annual increases in CAM shall not exceed 5% excluding taxes, insurance and utilities.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may not assign or sublet without Landlord's prior written consent.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	Tenant has 15 Days to process.



<b>TENANT</b>	Domino's (Patterson Pizza Company, LLC)
<b>OWNERSHIP</b>	Personal Guaranty
<b>GUARANTOR</b>	Private
<b>LOCATIONS</b>	7
<b>COMPANY INFORMATION</b>	Patterson Pizza Company is a Domino's franchisee with seven locations in North Carolina, including two in North Raleigh and locations in South Raleigh, Holly Springs, Apex, Wendell and Knightdale.
<b>GLA</b>	1,680 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including a 10% admin fee. Annual increases in CAM shall not exceed 5% excluding utilities and snow removal.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may assign or sublet lease to another Domino's franchisee without Landlord's consent as long as third party has a net worth of at least equal to the net worth of Tenant prior to execution of the lease.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	Tenant has 30 Days to process.



<b>TENANT</b>	First Watch (VIM Holdings Inc.)
<b>OWNERSHIP</b>	Personal Guaranty
<b>GUARANTOR</b>	Private
<b>LOCATIONS</b>	8
<b>COMPANY INFORMATION</b>	First Watch's menu offers both traditional and innovative items prepared with farm fresh ingredients. The restaurant will be operated by VIM Holdings, which operates eight First Watch locations in the Triangle area in addition to opening 7 Edd & 1 locations in 2020.
<b>GLA</b>	3,720 SF
<b>LANDLORD RESPONSIBILITIES</b>	Roof & Structure
<b>CAM</b>	Tenant shall pay its pro rata share, including a 10% admin fee. Annual increases in CAM shall not exceed 5% excluding snow removal, utilities, and any other uncontrollable expenses.
<b>TAXES</b>	Tenant shall pay its pro rata share.
<b>INSURANCE</b>	Tenant shall pay its pro rata share.
<b>ASSIGNMENT &amp; SUBLETTING</b>	Tenant may not assign or sublet without Landlord's consent.
<b>TERMINATION OPTION</b>	None.
<b>ESTOPPEL</b>	TBD



SCOTTS RIDGE ELEMENTARY  
781 STUDENTS

OLIVE CHAPEL ELEMENTARY  
952 STUDENTS

PEAK 502  
182 HOMES



55 48,600 CPD

42,382 CPD US 64



SUBJECT  
PROPERTY



THE PRESERVE AT  
WHITE OAK  
330 HOMES

GREENMOOR  
291 HOMES

CRESTMONT  
399 HOMES

(TEMPORARY) APEX HIGH  
2,057 STUDENTS

WHITE OAK  
575 HOMES



OAK POINTE  
152 HOMES



US 64  
42,382 CPD

55  
48,600 CPD



SUBJECT  
PROPERTY







**HADDON HALL**  
325-ACRES OF MIXED USE  
RESIDENTIAL AND COMMERCIAL  
DEVELOPMENT



**SUBJECT  
PROPERTY**

55 48,600 CPD





COX FIELD AIRPORT



BAUCOM ELEMENTARY  
703 STUDENTS

HADDON HALL

325-ACRES OF MIXED USE  
RESIDENTIAL AND COMMERCIAL  
DEVELOPMENT

US  
64

42,382 CPD

SUBJECT  
PROPERTY

PIZZA  
PAPA JOHN'S



WELLS  
FARGO

55

48,600 CPD

Chick-fil-A



BB&T



42,382 CPD



ON RAMP  
US 64



55 48,600 CPD







14,416 SF



# DEMOGRAPHICS

US Highway 64 & W. Williams St., Apex, NC 27502

## POPULATION

1-MILE	3-MILES	5-MILES
7,822	50,832	103,943
10,112	65,016	130,025
12,180	73,185	145,644

## HOUSEHOLDS

2,685	17,314	36,999
3,526	22,353	46,412
4,258	25,303	52,041

## INCOME

1-MILE	3-MILES	5-MILES	
2019 Average Household Income	\$130,611	\$127,592	\$137,031

## EMPLOYEES

1-MILE	3-MILES	5-MILES	
2019 Number of Employees In Area	3,229	13,892	38,637



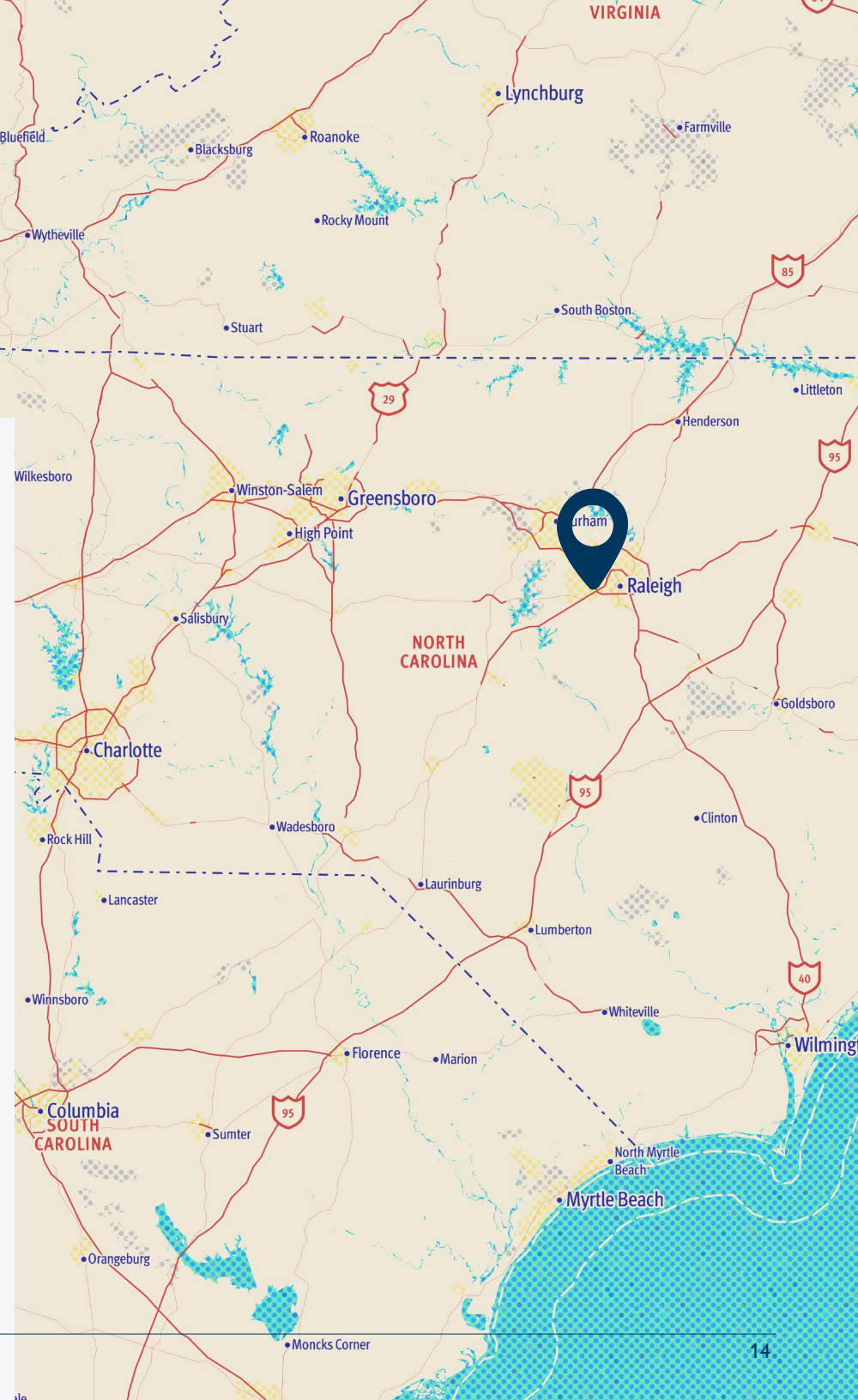
**13  
MILES**  
RALEIGH,  
NORTH CAROLINA



**20  
MILES**  
DURHAM,  
NORTH CAROLINA



**72  
MILES**  
GREENSBORO,  
NORTH CAROLINA





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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant(s). While a tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant(s) and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of the tenant(s) history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any lease, including the likelihood of locating a replacement tenant if a current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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O F F E R I N G   M E M O R A N D U M

# STARBUCKS STRIP CENTER

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