



*REPRESENTATIVE PHOTO



OFFERING
MEMORANDUM

STARBUCKS NET LEASED OFFERING

38 DANBURY RD NEW MILFORD, CT 06776

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Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.



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INVESTMENT OVERVIEW



The subject offering is a fee simple interest in a net leased Starbucks in New Milford, CT. The corporately guaranteed lease calls for minimal landlord obligations. Starbucks recently extended their lease and shows commitment to this location. The lease also calls for 5% rental increases every 5 years. The tenant has four, 5 year options to renew. This Starbucks is strategically located on a heavily trafficked road and includes a drive thru. The asset neighbors Walmart, Home Depot, Kohl's, Home Goods, Big Y, Super Stop & Shop, Staples, TJMaxx, Aldi, McDonald's, Arby's. **The tenant has a one time early termination right after the fifth year of the lease; should tenant exercise this termination right, they shall be responsible for paying a \$40,000 termination fee.**

INVESTMENT HIGHLIGHTS

EARLY LEASE EXTENSION

LONG TERM TENANCY OF 15+ YEARS

MINIMAL LANDLORD RESPONSIBILITIES

SCHEDULED INCREASES IN RENT

CORPORATE GUARANTY - NASDAQ: SBUX

S&P RATED A- INVESTMENT GRADE CREDIT

HEAVILY TRAFFICKED LOCATION - OVER 27,000 VPD

OFFERING SPECIFICATIONS

PRICE \$1,590,909

CAP RATE 5.50%

NET OPERATING INCOME \$87,500

SQUARE FOOTAGE 2,500

YEAR BUILT 2006

FINANCIAL SUMMARY

STARBUCKS • NET LEASED OFFERING

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\$1,590,909 • 5.50% CAP

SUMMARY

| | |
|----------------|----------------------------|
| TENANT NAME | Starbucks |
| SQUARE FOOTAGE | 2,500 |
| LEASE STARTS | 3/1/2021 |
| LEASE ENDS | 2/28/2031 |
| ANNUAL RENT | \$87,500 |
| INCREASES | 5% Increases Every 5 Years |
| OPTIONS | Four, 5 Year |

OFFERING SUMMARY

| | NET OPERATING INCOME | CAP RATE |
|------------|----------------------|----------|
| YEARS 1-5* | \$87,500 | 5.50% |
| YEARS 6-10 | \$91,875 | 5.50% |
| OPTION 1 | \$96,468 | 6.06% |
| OPTION 2 | \$101,292 | 6.37% |
| OPTION 3 | \$106,356 | 6.69% |
| OPTION 4 | \$111,674 | 7.02% |

* The tenant has a one time early termination right after the fifth year of the lease; should tenant exercise this termination right, they shall be responsible for paying a \$40,000 termination fee.

TENANT OVERVIEW



STARBUCKS

Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971. As of early 2019, the company operates over 30,000 locations worldwide.

Starbucks is considered the main representative of “second wave coffee”, initially distinguishing itself from other coffee-serving venues in the US by taste, quality, and customer experience while popularizing darkly roasted coffee. Since the 2000s, third wave coffee makers have targeted quality-minded coffee drinkers with hand-made coffee based on lighter roasts, while Starbucks nowadays uses automated espresso machines for efficiency and safety reasons.

Starbucks locations serve hot and cold drinks, whole-bean coffee, microground instant coffee known as VIA, espresso, caffe latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers; some offerings (including their annual fall launch of the Pumpkin Spice Latte) are seasonal or specific to the locality of the store. Many stores sell pre-packaged food items, hot and cold sandwiches, and drinkware including mugs and tumblers; select “Starbucks Evenings” locations offer beer, wine, and appetizers. Starbucks-brand coffee, ice cream, and bottled cold coffee drinks are also sold at grocery stores.



PUBLICLY TRADED



30,000+ LOCATIONS

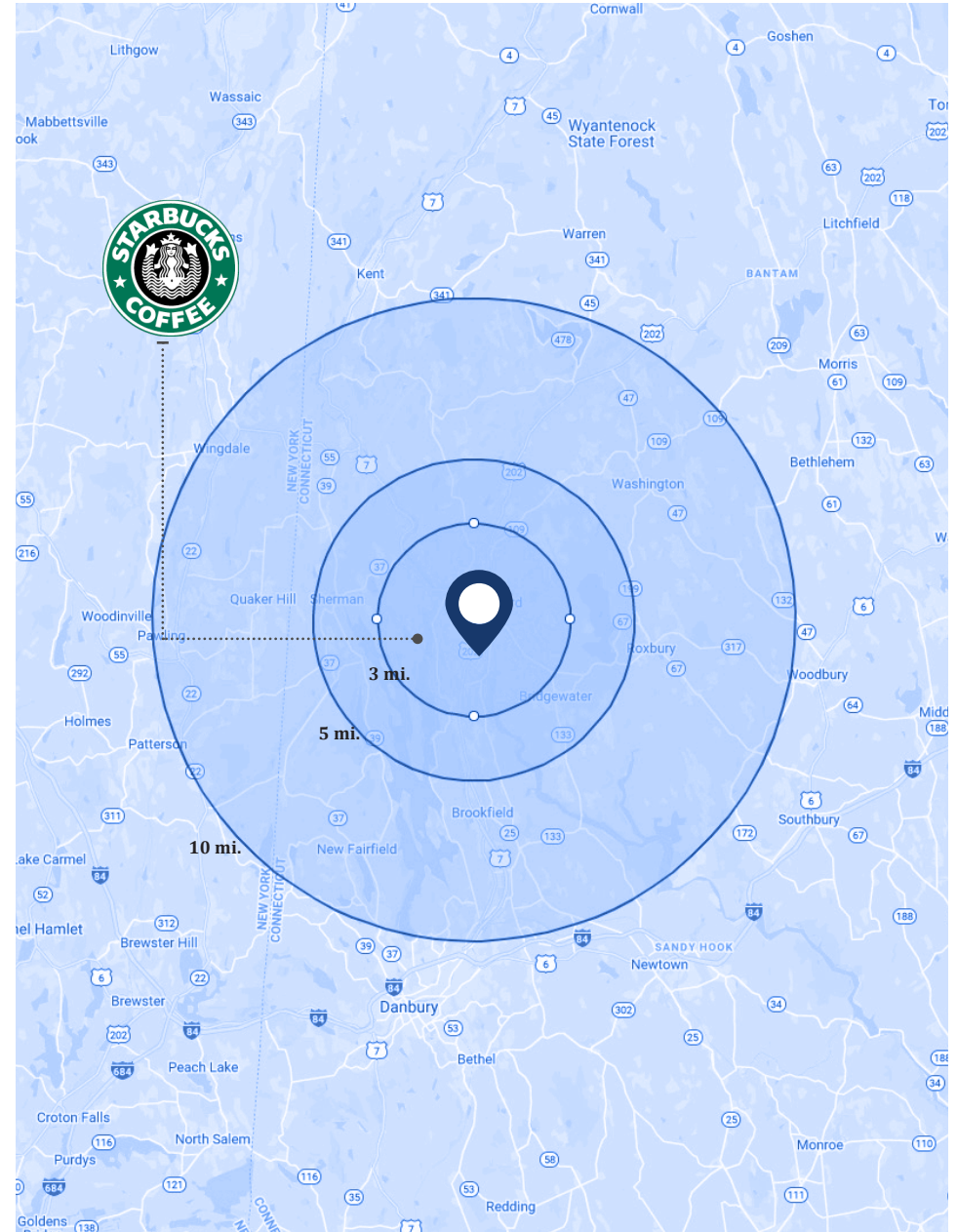
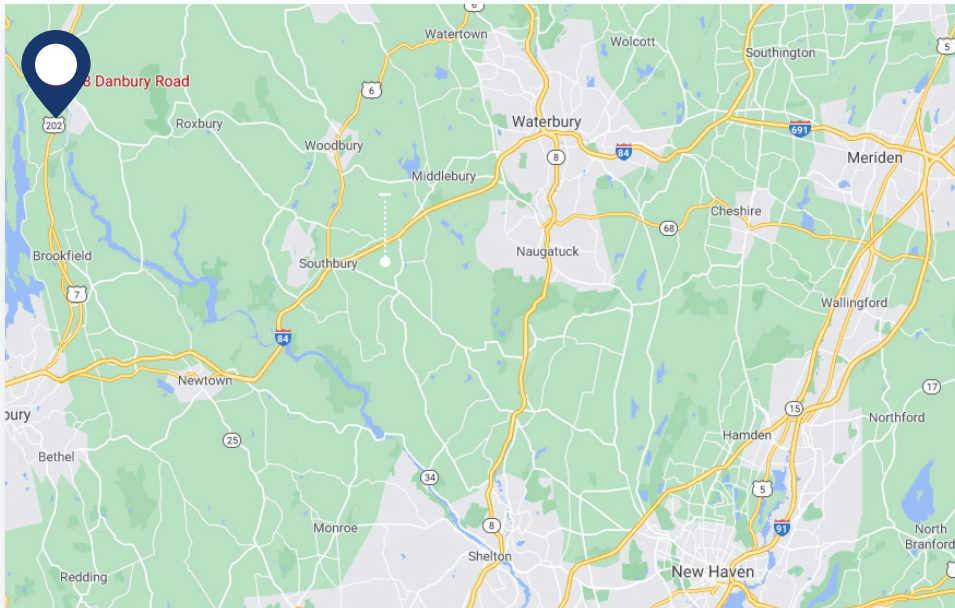
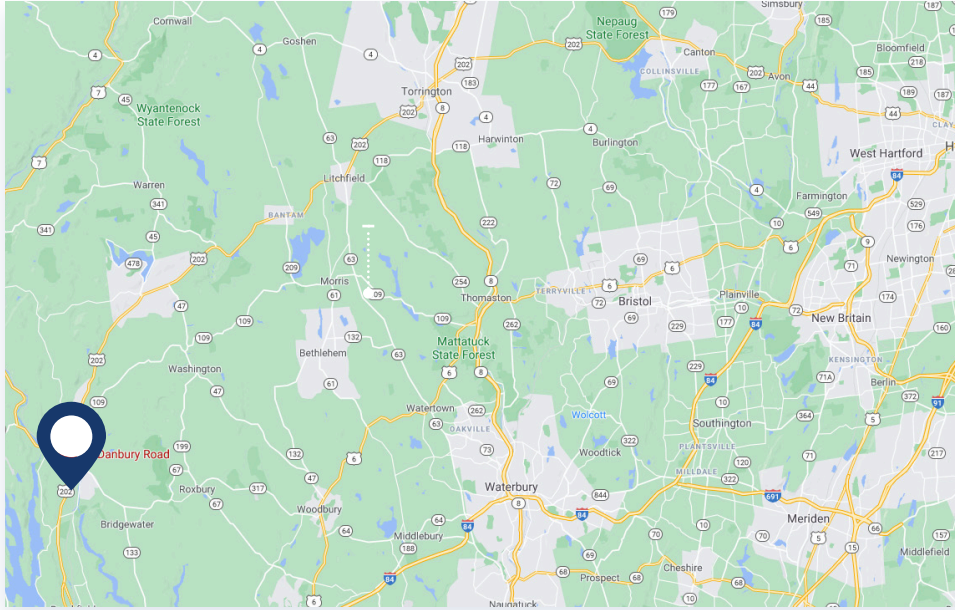


291,000 EMPLOYEES

LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



| | 3 MILES | 5 MILES | 10 MILES |
|--------------------------|-----------|-----------|-----------|
| TOTAL POPULATION | 18,125 | 31,379 | 102,084 |
| TOTAL HOUSEHOLDS | 7,070 | 12,052 | 37,578 |
| AVERAGE HOUSEHOLD INCOME | \$100,512 | \$110,664 | \$123,057 |
| AVERAGE AGE | 44.3 | 45.8 | 46 |

AREA OVERVIEW

| DEMOGRAPHICS | 3 MILES | 5 MILES | 10 MILES |
|--------------------------------|-----------|-----------|-----------|
| TOTAL POPULATION | 18,125 | 31,379 | 102,084 |
| TOTAL HOUSEHOLDS | 7,070 | 12,052 | 37,578 |
| PERSONS PER HOUSEHOLD | 2.5 | 2.6 | 2.6 |
| AVERAGE HOUSEHOLD INCOME | \$100,512 | \$110,664 | \$123,057 |
| AVERAGE HOUSE VALUE | \$291,146 | \$321,520 | \$355,890 |
| AVERAGE AGE | 44.3 | 45.8 | 46 |
| WHITE | 16,346 | 28,791 | 93,243 |
| BLACK | 563 | 780 | 3,227 |
| AMERICAN INDIAN/ALASKAN NATIVE | 83 | 104 | 330 |
| ASIAN | 737 | 1,064 | 3,490 |
| HAWAIIAN & PACIFIC ISLANDER | 33 | 42 | 64 |
| TWO OR MORE RACES | 363 | 598 | 1,730 |
| HISPANIC ORIGIN | 1,850 | 2,571 | 8,651 |

NEW MILFORD, CT

New Milford is a town in Litchfield County, Connecticut, United States. The town is in western Connecticut, 14 miles north of Danbury, on the banks of the Housatonic River. It is the largest town in the state in terms of land area at nearly 62 square miles. The population was 28,142 according to the 2010 census, up from 27,121 at the 2000 census. The town center is listed as a census-designated place. The northern portion of the town is part of the region of northwestern Connecticut, and the far eastern portions are part of the Litchfield Hills region.

It is located roughly 50 miles west of Hartford, 65 miles southwest of Springfield, Massachusetts, 85 miles southeast of Albany, New York, and 77 miles northeast of New York City.



NEW MILFORD, CT



The Kase Group

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