



NET LEASE INVESTMENT OFFERING



STARBUCKS (DAVENPORT-MOLINE MSA)

3232 MIDDLE ROAD
BETTENDORF, IA 52722



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Starbucks property located within the Davenport-Moline MSA in Bettendorf, Iowa. The Starbucks lease has over 8 years remaining on the primary term with four 5-year renewal options. The lease also features a rental escalation in 2024. The building was constructed in 2018. Starbucks Corporation is an investment grade rated tenant (S&P: BBB+). This particular Starbucks location does not have a kickout option in their lease.

The 2,100 square foot building benefits from its location along Middle Road (21,200 VPD), which is a primary east-west thoroughfare. Starbucks is placed between two retail centers along Middle Road. Tenants on the east end of Middle Road include Hy-Vee, Walgreens, The UPS store, Arby's, Taco Bell, and Dunkin'. Cumberland Square is located on the west end of Middle Road with tenants Dollar General, Pizza Hut, Wendy's, Goodwill, CVS Pharmacy, and Wells Fargo. The property is also located in close proximity to Interstate 74 (51,000 VPD). Bettendorf High School (1,550 students) is also situated less than 1-mile northwest of the Starbucks property. There are 140,189 people living within 5 miles of the property with an average annual income of \$82,019.

The lease expires on February 28, 2029 and features four 5-year renewal options with rental escalations. Starbucks Corporation is an American multinational chain of coffeehouses and roastery reserves headquartered in Seattle, Washington. As the world's largest coffeehouse chain, Starbucks is seen to be the main representation of the United States' second wave of coffee culture. As of early 2020, the company operates over 30,000 locations worldwide in more than 70 countries.



INVESTMENT HIGHLIGHTS

- Located within the Davenport-Moline MSA
- New 2018 construction
- Starbucks Corporation is an investment grade rated tenant (S&P: BBB+) (NASDAQ: SBUX)
- Four 5-year renewal options
- \$4.00 psf rental escalations every 5 years in primary term and options (Next in 2024)
- This Starbucks lease does NOT feature a Kickout Option
- Located along Middle Road (21,200 VPD)
- Within close proximity to Interstate 74 (51,000 VPD)
- Nationally recognized tenants in the area include CVS Pharmacy, Walgreens, Hy-Vee, Dollar General, Taco Bell, Arby's, and The UPS Store
- 140,189 people living within 5 miles of the property with an average annual income of \$82,019



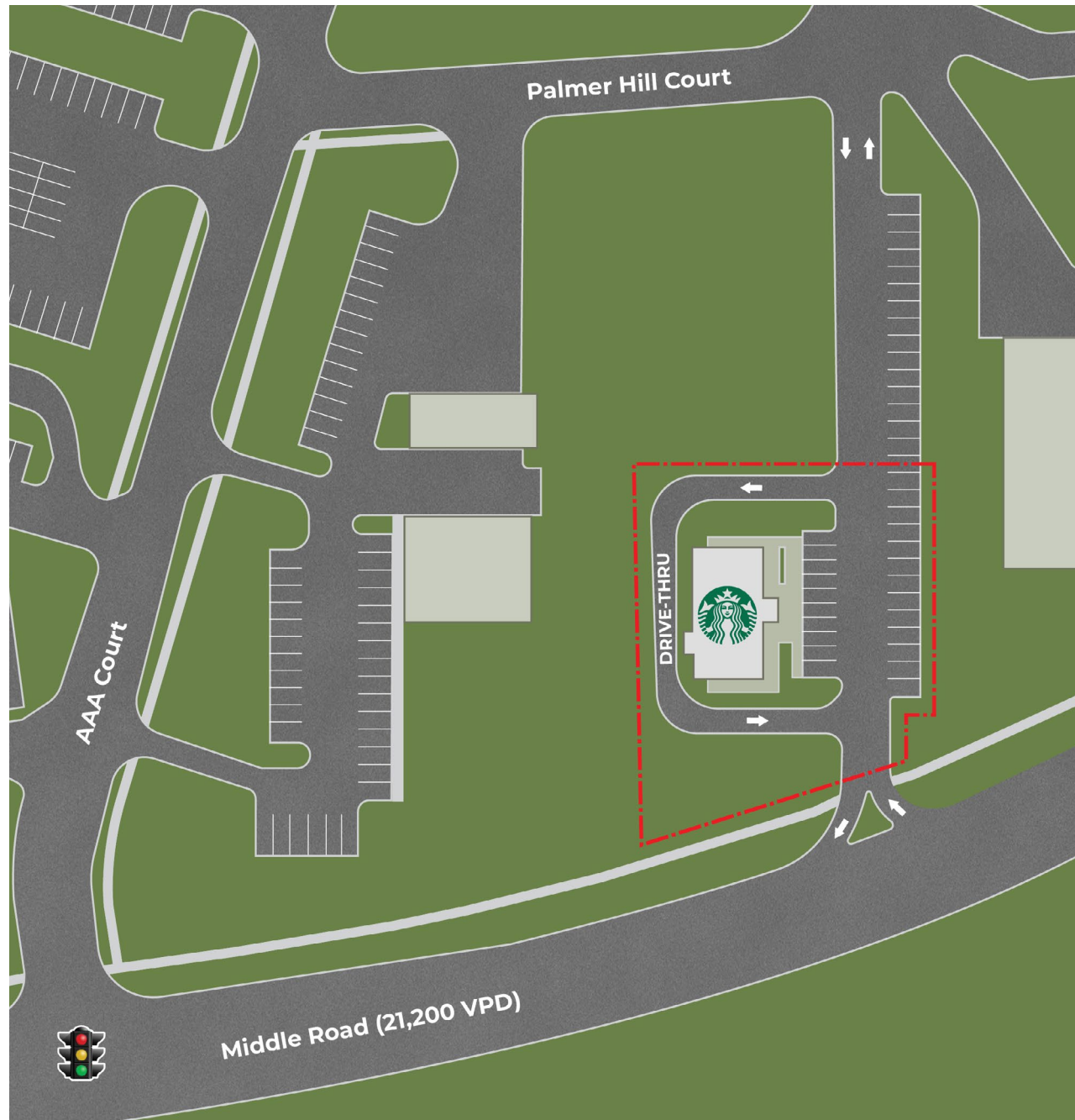
PROPERTY OVERVIEW

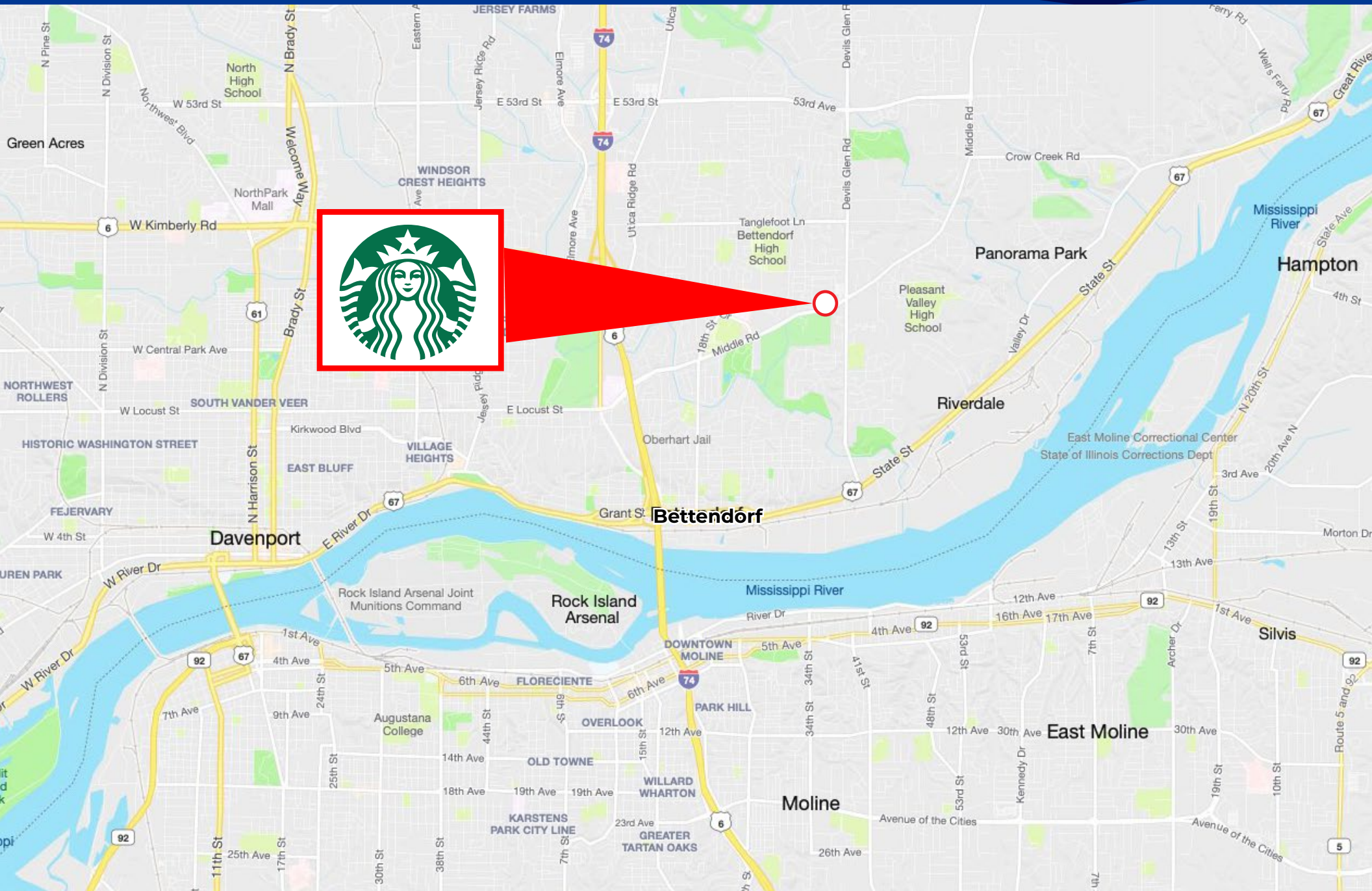
Price:	\$1,680,000
Cap Rate:	5.25%
Lease Commencement Date:	1/17/2019
Lease Expiration Date:	2/28/2029
NOI:	\$88,200
Renewal Options:	Four 5-year
Rental Escalations:	\$4.00 psf every 5 years (Next escalation is scheduled for 3/1/2024)
Lease Type:	NN – Roof, Structure, Parking
Tenant:	Starbucks
Year Built:	2018
Building Size:	2,100 SF
Land Size:	0.73 AC











DEMOGRAPHICS

POPULATION

	1-Mile	3-Mile	5-Mile
Total Population:	8,414	48,307	140,189
Total Households:	3,904	19,974	57,222

INCOME

	1-Mile	3-Mile	5-Mile
Median Household Income:	\$72,812	\$78,978	\$57,943
Average Household Income:	\$94,821	\$108,141	\$82,019



CITY OF BETTENDORF, IOWA

Bettendorf is a city in Scott County, Iowa, United States. It is the 15th largest city of Iowa and the fourth-largest city in the “Quad Cities”. It is part of the Davenport–Moline–Rock Island, IA-IL Metropolitan Statistical Area. The population was 33,217 at the 2010 U.S. Census and was estimated to be 36,543 by July 2019.

Bettendorf is one of the Quad Cities, along with neighboring Davenport and the Illinois cities of Moline, East Moline and Rock Island. The Quad Cities have a population estimate of 382,630. In 2011, Bettendorf was named U.S. 95th Best Town by CNN Money.

MSA OF DAVENPORT-MOLINE, IOWA

The Quad Cities Metropolitan Area, more formally known as the Davenport–Moline–Rock Island Metropolitan Statistical Area, is the metropolitan area associated with the Quad Cities in the U.S. states of Iowa and Illinois. The area consists of the cities of Davenport and Bettendorf in Iowa and Rock Island, Moline, and East Moline in Illinois, and their suburbs in northwest Illinois and southeast Iowa. The Quad Cities Metropolitan Area is also considered part of the Great Lakes Megalopolis and is the largest Metropolitan Area along the Mississippi River in Iowa and between Minneapolis–Saint Paul and the St. Louis metropolitan area.

The Davenport–Moline–Rock Island Metropolitan Statistical Area consists of four counties: Scott County in Iowa and Henry, Mercer, and Rock Island counties in Illinois. The Quad City Metro population as of a 2013 estimate is 383,681 and a CSA population of 474,937, making it the 90th largest CSA in the nation. In addition to the five anchor cities, the Quad Cities area comprises surrounding smaller communities.



STARBUCKS CORPORATION

Starbucks Corporation is an American multinational chain of coffeehouses and roastery reserves headquartered in Seattle, Washington. As the world's largest coffeehouse chain, Starbucks is seen to be the main representation of the United States' second wave of coffee culture. As of early 2020, the company operates over 30,000 locations worldwide in more than 70 countries. 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.

Headquartered in the Starbucks Center, the company was founded in 1971 by Jerry Baldwin, Zev Siegl, and Gordon Bowker at Seattle's Pike Place Market. During the early 1980s, they sold the company to Howard Schultz who – after a business trip to Milan, Italy – decided to make the coffee bean store a coffeeshop serving espresso-based drinks. Schultz's first tenure as chief executive, from 1986 to 2000, led to an aggressive expansion of the franchise, first in Seattle, then across the U.S. West Coast. Despite an initial economic downturn with its expansion into the Midwest and British Columbia, the company experienced revitalized prosperity with its entry into California in the early 1990s through a series of highly publicized coffee wars. Schultz was succeeded by Orin Smith who ran the company for five years, positioning Starbucks as a large player in fair trade coffee and increasing sales to \$5 billion. Jim Donald served as chief executive from 2005 to 2008, orchestrating a large-scale earnings expansion. Schultz returned as CEO in the middle of the 2008 financial crisis and spent the succeeding decade growing its market share, expanding its offerings, and reorienting itself around corporate social responsibility. Kevin Johnson took over from Schultz in 2017 and continues to serve as the firm's chief executive.

Company Type:	Public (NASDAQ: SBUX)
Headquarters:	Seattle, WA
# of Locations:	31,256
Employees:	346,000
Investment Rating:	S&P: BBB+
Website:	www.starbucks.com



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The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

EXCLUSIVELY LISTED BY:



RANDY BLANKSTEIN
President
847-562-0003
randy@bouldergroup.com

JIMMY GOODMAN
Partner
847-562-8500
jimmy@bouldergroup.com

The Boulder Group
3520 Lake Avenue, Suite 203
Wilmette, Illinois 60091

www.bouldergroup.com