



Representative Photo
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PALOMAR
Real Estate Group

Starbucks

3104 William Few Pkwy
Evans, GA 30809

Legal Conditions

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for the limited use in considering whether to pursue negotiations to acquire Starbucks (the "Property") located in Evans, GA and is not intended to be an offer for the sale of the Property.

This confidential memorandum, which contains brief, selected information pertaining to the business and affairs of the Property, has been prepared by The Palomar Group. This confidential memorandum does not purport to be all-inclusive or to contain all the information which a prospective purchaser may desire. Neither Seller nor The Palomar Group nor any of their officers, employees or agents make any representation of warranty, expressed or implied, as to the accuracy or completeness of this confidential memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto.

By receipt of this confidential memorandum, it is agreed that the memorandum and its contents are confidential, that they will be held and treated in the strictest of confidence, that the Recipient will not, directly or indirectly, disclose or permit anyone else to disclose this memorandum or its contents to any other person, firm or entity without prior written authorization of the Seller, and that the Recipient will not use or permit to be used this memorandum or its contents in any fashion or manner detrimental to the interest of the Seller. Photocopying or other duplication is strictly prohibited.

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If the Recipient does not wish to pursue negotiations leading to this acquisition, or if in the future the Recipient discontinues such negotiations, Recipient agrees to return this confidential memorandum to The Palomar Group.

THIS CONFIDENTIAL MEMORANDUM SHALL NOT BE DEEMED A REPRESENTATION OF THE STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THIS MEMORANDUM.

THE PALOMAR GROUP (BROKER) MAKES THE DISCLOSURE THAT ITS ROLE IS EXCLUSIVELY REPRESENTING THE SELLER, NOT THE BUYER AND AS SUCH, BROKERS MUST WORK TO OBTAIN FOR SELLER THE BEST PRICE AND TERMS AVAILABLE. NEITHER SELLING BROKER OR SELLER ARE RESPONSIBLE FOR ANY COMPENSATION TO ANY OTHER PARTY IN CONNECTION WITH THE SALE OF THE PROPERTY.

THIS PROPERTY IS BEING SOLD AS AN "AS IS, WHERE IS" SALE.

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The Palomar Group is a full-service commercial Investment Sales firm. The Investment Sales Team specializes in well positioned anchored or unanchored retail properties throughout the country. Their proven track record on both the acquisition and disposition sides are a direct result of their understanding of the marketplace, appropriate asset valuation based off current market conditions, and the alignment of assets to the most suitable and qualified Buyer/ Seller. The Team has worked on over 9.5 million square feet of retail, office and multifamily, having a hand in over \$1 billion in transactions across 13 states.

Executive Summary





Asking Cap Rate
5.15%



Asking Price
\$2,330,000



Acreage
0.88 AC



Price PSF
\$932/SF



Square Footage
2,500 SF



Lease Structure
NN
(Roof & Structure)



Lease
No Early
Termination



Year Built
2021

THE OPPORTUNITY



Address

3104 William Few Pkwy
Evans, GA 30809



Parcel Number

065 901
0.88 acres



Leasable Area

2,500 square feet



Lease Type

NN – Landlord responsible for Roof and Structure (20yr Roof Warranty)



Year Built

2021



NOI

\$120,000



Asking Price

\$2,330,000 (\$932 psf)
5.15% cap rate



Commencement Date/ Expiration

Commencement: Spring 2021
Expiration: 10 Year Initial Term



Lease Summary – Escalations & Options

Date	\$ psf	Annual	Monthly
2021–2026	\$48.00	\$120,000	\$10,000
2026–2031	\$50.40	\$126,000	\$10,500
Options			
2031–2036	\$52.80	\$132,000	\$11,000
2036–2041	\$58.08	\$145,200	\$12,100
2041–2046	\$63.89	\$159,720	\$13,310
2046–2051	\$70.28	\$175,692	\$14,641

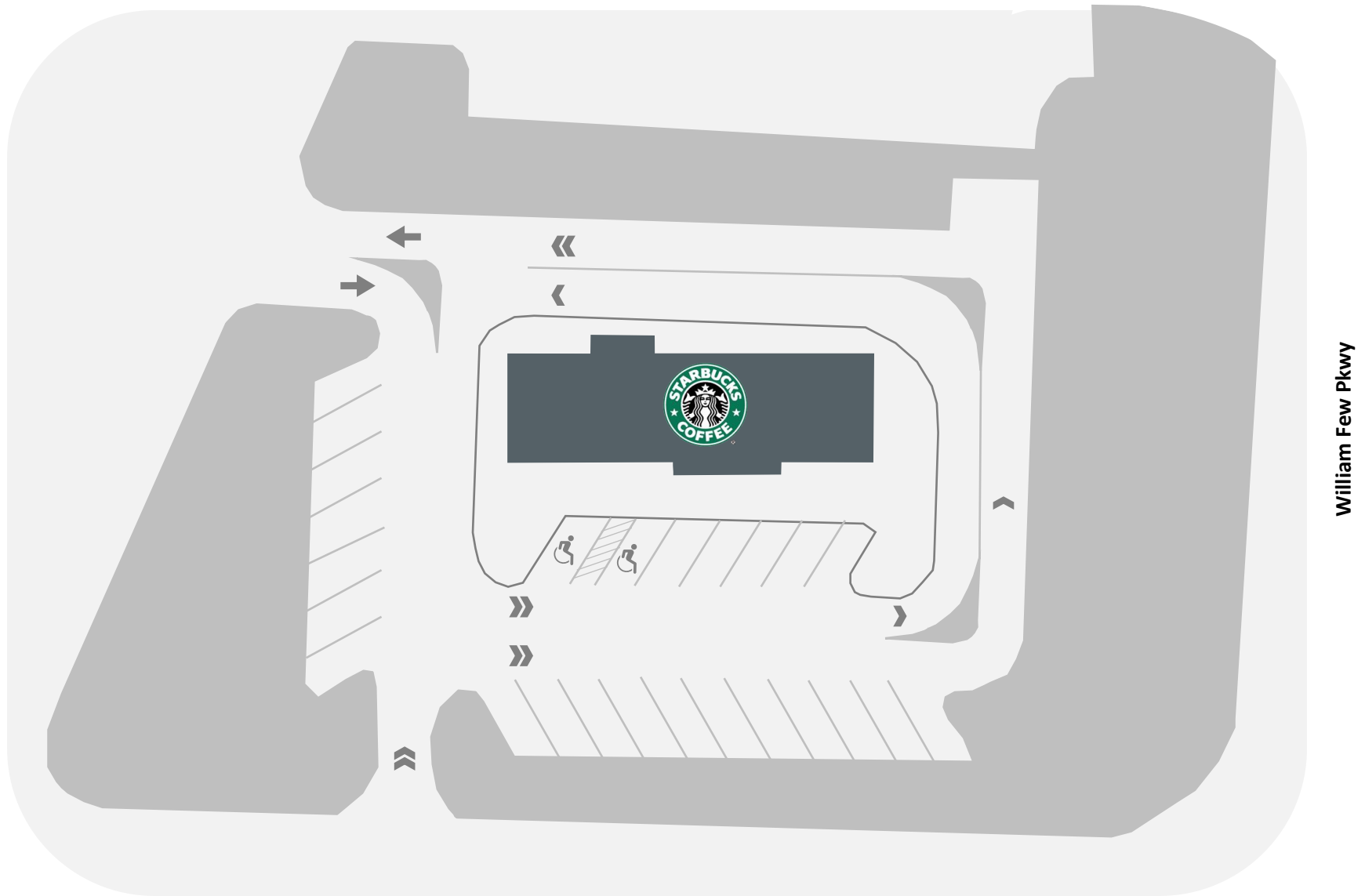
THE ASSET

- Investment Grade Tenant
- New construction
- Starbucks Credit Rating: **Baa1** by Moody's
- NASDAQ: **SBUX**
- No Termination Clause
- 5% Rent escalation years 6-10
- 4, Five Year Options
- 4.76% rental increase in first option
- 10% rental increases in final three options
- NN Lease
- Landlord responsible for roof and structure, 20 year Roof Warranty
- Starbucks is the world's largest coffee shop chain

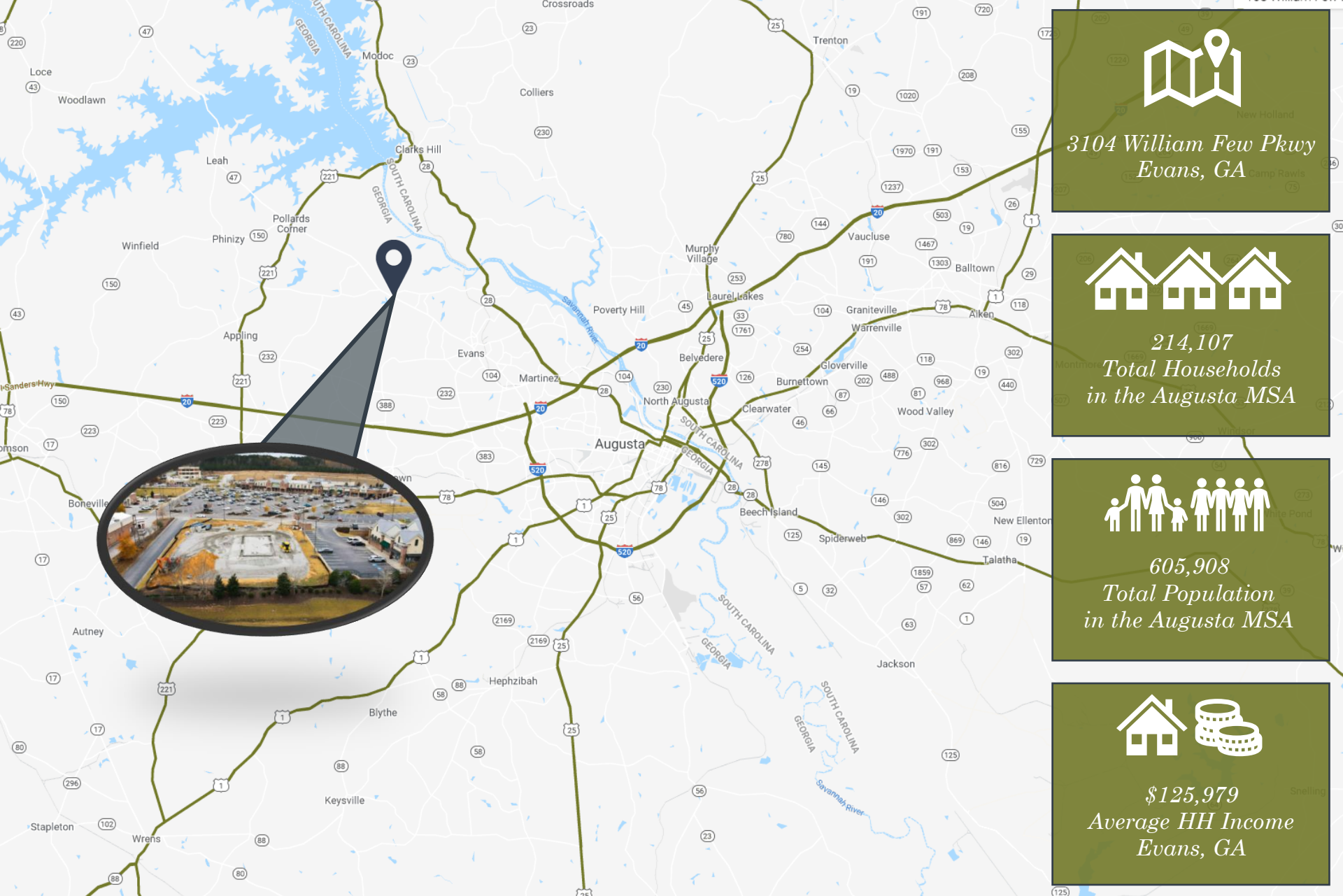
PROPERTY FUNDAMENTALS

- Dominant outparcel of top performing Publix in the market
- Strategically located: First coffee shop passed when leaving Riverwood subdivision, Riverwood boasts the highest price point homes in the Augusta MSA
- Located on the AM side of the road
- Publix Shopping Center is 97.6% Occupied
- Money Magazine ranked Evans, GA the #1 Best Place to Live in America
- \$142,322 Average Household Income within 1 mile
- \$295,000 Medium Home Value within 1 mile
- Located 5.7 miles, 13-minute drivetime from nearest standalone Starbucks
- Columbia County 10-year population growth has been 27.53%, ranks 3rd in the state in that span
- Despite the pandemic, unemployment in the area was 5.2% in June, less than half the national average





William Few Pkwy



3104 William Few Pkwy
Evans, GA



214,107
Total Households
in the Augusta MSA



605,908
Total Population
in the Augusta MSA



\$125,979
Average HH Income
Evans, GA







Financials & Tenant Overview



			Lease Term		Rental Rates			Options/Escalations			
Tenant	S.F.	% s.f.	Occupancy Date	Expiration Date	\$ PSF	Monthly Rent	Annual Rent	Rent Start	\$ PSF	Annual Rent	Opt/Esc
Starbucks	2,500	100.00%	Spring 2021	2031	\$48.00	\$10,000.00	\$120,000.00	Spring 2026	\$50.40	\$126,000.00	Esc
								Spring 2031	\$52.80	\$132,000.00	Opt*
								Spring 2036	\$58.08	\$145,200.00	Opt*
								Spring 2041	\$63.89	\$159,720.00	Opt*
								Spring 2046	\$70.28	\$175,692.00	Opt*
								*Four 5-Year Options			
TOTAL	2,500	100.00%			\$48.00	\$10,000.00	\$120,000.00				

Exp Reimbursement Summary												
Tenant	CAM/psf	Monthly CAM	Annual CAM	RET psf	Monthly RET	Annual RET	INS psf	Monthly INS	Annual INS	TOTAL REIMB PSF	TOTAL REIMB ANNUALLY	Notes
Starbucks	\$2.50	\$520.83	\$6,250.00	\$3.50	\$729.17	\$8,750.00	\$1.50	\$312.50	\$3,750.00	\$7.50	\$18,750.00	5% CAM Cap (Controllable Expenses) 10% Admin Fee on CAM Snow & Ice Uncapped
TOTAL		\$520.83	\$6,250.00		\$729.17	\$8,750.00		\$312.50	\$3,750.00		\$18,750.00	





PREMISES & TERM

TENANT	Starbucks Corporation (Corporate)
LEASE TYPE	NN
LEASE TERM	10 Years
OPTION PERIOD	Four 5-Year Options

RENT ROLL

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT	% INCREASE
Q2 2021 – Q2 2026	\$10,000	\$120,000	
Q2 2026 – Q2 2031	\$10,500	\$126,000	5.00%

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT	% INCREASE
Q2 2031 –Q2 2036	\$11,000	\$132,000	4.76%
Q2 2036 – Q2 2041	\$12.100	\$145,200	10.00%
Q2 2041 – Q2 2046	\$13,310	\$159,720	10.00%
Q2 2046 – Q2 2051	\$14,641	\$175,692	10.00%

EXPENSES

LANDLORD OBLIGATIONS

Landlord to maintain and repair roof, structure, foundation (20yr Roof Warranty in place)

TENANT OBLIGATIONS

Tenant maintains premises and all improvements therein in good working order and repair, including the maintenance, repair, and replacement of plumbing, HVAC, electrical facilities and equipment within the Premises and exclusively serving the Premises, and the storefront, doors, and plate glass of the Premises

TAXES

Tenant pays Landlord, as additional rent, Tenant’s Pro Rata share of Property Taxes

INSURANCE

Tenant shall pay to Landlord, as additional rent, Landlord’s Insurance

UTILITIES

Tenant pays separately metered utilities

CAM

Tenant pays to Landlord as additional rent Tenant’s Pro Rata share of Operating Expenses

LEASE PROVISIONS

EARLY TERMINATON

None

RENT COMMENCEMENT

90 days following Tenant opening for business (section 3.1 of Lease)

ESTOPPEL

No more than twice in any Lease Year and upon not less than thirty (30) days’ written notice from Landlord, Tenant shall execute, acknowledge, and deliver Estoppel



Founded in 1971 in Seattle, Washington

S&P 500 Component

S&P 100 Component

Nearly 300,000 Employees Worldwide

Opening approx. 850 New Stores in the Americas During Fiscal Year 2021

Stock hit 52 Week High January 4, 2021

Tenant Summary	
Tenant	Starbucks
Website	www.starbucks.com
Stock Symbol	NASDAQ: SBUX
Credit Rating	Baa1 by Moody's
Market Cap	\$100.85 Billion
52 Week High	\$107.75 (1/4/21)
52 Week Low	\$50.02
Cash on Hand	\$4.2 Billion
Revenue	\$26.509 Billion (2019)

Largest Coffee Chain in the World

Over 32,000 Locations

Locations in 70 Countries

2019 Revenue - \$26.5 Billion

Market Overview





EVANS, GA & THE AUGUSTA MSA

EVANS, GA

Evans, GA was recently recognized by Money magazine as the #1 Best Place to Live in America right now. Driving factors to this recognition are the safe and friendly atmosphere, lack of traffic and close proximity of schools, the community parks and the recreational offerings of both the Savannah River and Clarks Hill Lake. Evans has been attracting new arrivals with plenty of good-paying jobs in healthcare, administration and Fort Gordon (home of Army Cyber Command). One of the primary emphasis for the recent ranking in Money magazine was that Evans had the lowest cost of living of any place with similarly high-income levels. Evans also benefits from its close proximity to Augusta, GA and its 11 hospitals and only public medical school in Georgia. Over the past five years, Evans enjoyed a 17% increase in its employed population, according to Moody's Analytics. That number is expected to jump another 9% in the next five years. Despite the pandemic, unemployment in the area was just 5.2% in June, which was below the 7.6% average for Georgia and less than half the national average of 11.1%.

In addition to shops in nearby Augusta, Evans is expanding its own downtown, with a 50-acre mixed-use development that will include retail, housing, and restaurants that the city hopes to complete by 2025. Evans benefits from being two hours east of Atlanta via I-20, the close proximity offers big-city amenities like the Falcons, Braves, world class entertainment and performers, and Hartsfield-Jackson International airport. Classic southern weekend destinations like the historic cities of Savannah and Charleston, S.C., are about three hours southeast.

AUGUSTA MSA

Augusta is Georgia's second-largest city, and it's the second-oldest city in the state. With over half a million residents, the Augusta area has a variety of amenities, including a vibrant arts community and many fine restaurants. And unlike other growing cities in the Southeast, the area has fewer of the traffic snarls that plague so many metropolitan areas. In addition to the low cost of living and affordable housing, Augusta offers its residents a beautiful historic city with a diverse culture, active arts community and mild climate. The Augusta area is known for its balmy climate, with an annual average temperature of 64 degrees. Some studies suggest its location between the Atlantic and Gulf coasts contributes to generally mild winters. Those warm winters turned the region into a seasonal resort in the late 1800s and early 1900s and gave Augusta much of its early reputation for hospitality and warmth.

When it comes to events in Augusta, there's the Masters Tournament and then there's everything else. This isn't to say there isn't any other event that draws out-of-towners to the

area, but golf's premiere event is such a big deal, even schools let out for that one week in April. The Masters Tournament is held on the beautiful grounds of Augusta National Golf Club. Another major event in Augusta is the largest Half-Ironman competition in the U.S.

Health care continues to be one of the strongest employment sectors in Augusta, recognized as a regional health care provider. The area also is building a reputation as a leading medical research center.

U.S. ARMY FORT GORDON

Home of the U.S. Army Cyber Center of Excellence and host to a multi-service community of Army, Navy, Air Force, Marines and multinational forces and has become a center for joint forces activities, training and operations.

GEORGIA CYBER INNOVATION & TRAINING CENTER:

Former Governor Nathan Deal signed a bill investing \$50M for a world class cyber range and training facility in Augusta to be developed in conjunction with Augusta University. The 150,000sf facility is located at Augusta University's Riverfront Campus. "We have a chance for Georgia, and specifically, Augusta, to become the cyber capital of the United States, if not, the world" Augusta University President Brooks Keel said. The facility combines academia, private industry, and government to establish statewide cybersecurity standards. Construction of the facility was completed in 2018.

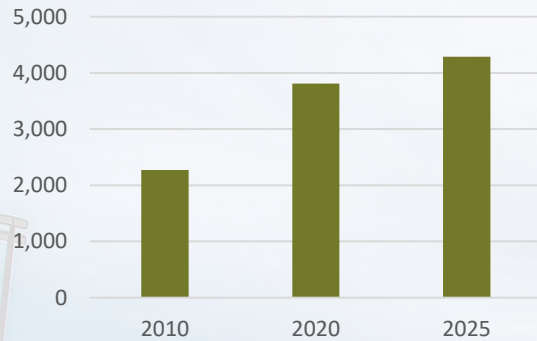
US ARMY CYBER COMMAND LOCATING AT AUGUSTA'S FORT GORDON:

On November 29, 2016 ground was broken on an \$85M facility at Fort Gordon that will house the headquarters of the US Army's Cyber Command. The facility, completed in 2019, operates with over 1,200 soldiers and civilians. Fort Gordon is already home to the US Army's Cyber Center of Excellence, which trains soldiers and civilians in cyber warfare.

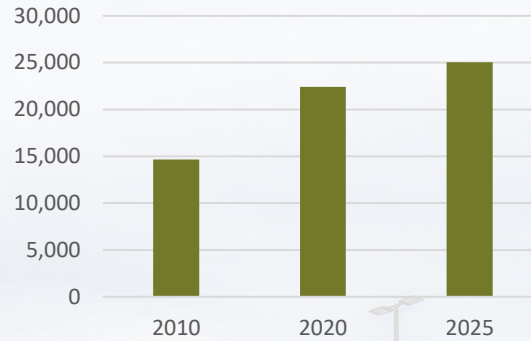
NSA AT FORT GORDON:

Already operational at Fort Gordon is the Gordon Regional Security Operations Center. The 604,000 sf facility, that cost \$286M to build, operates with over 4,000 soldiers and civilians. Additional expansion is expected on the 160 acre campus in the heart of Fort Gordon.

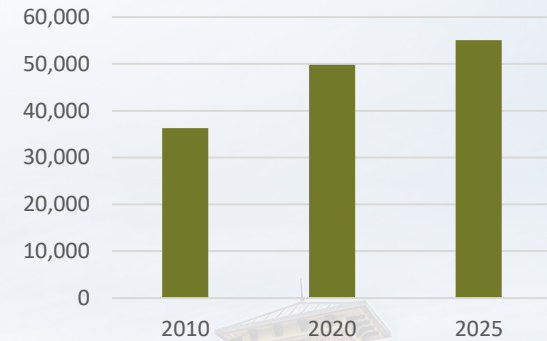
1 Mile Population



3 Mile Population



5 Mile Population



Population:	1 Mile	3 Mile	5 Mile
2025 Projection	4,291	25,054	55,057
2020 Estimate	3,812	22,427	49,797
2010 Census	2,271	14,649	36,279
Growth 2020-2025	2.5%	2.3%	2.1%
Growth 2010-2020	6.8%	5.3%	3.7%



2020 Household Income	1 Mile	3 Mile	5 Mile
2020 Avg Household Income	\$142,322	\$141,351	\$130,007
2020 Med Household Income	\$114,784	\$115,537	\$107,152



Households:	1 Mile	3 Mile	5 Mile
2025 Projection	1,282	7,829	18,386
2020 Estimate	1,149	7,073	16,796
2010 Census	710	4,782	12,635
Growth 2020 - 2025	2.3%	2.1%	1.9%
Growth 2010 - 2020	5.8%	4.7%	3.2%

2020 Households by Household Income:	1 Mile	3 mile	5 Mile
<\$25,000	70	419	1,141
\$25,000 - \$50,000	67	626	1,792
\$50,000 - \$75,000	90	679	2,186
\$75,000 - \$100,000	230	1,082	2,485
\$100,000 - \$125,000	197	1,177	2,777
\$125,000 - \$150,000	107	453	810
\$150,000 - \$200,000	169	1,345	3,112
\$200,000+	217	1,294	2,494

Evans, GA...This Is the Best Place to Live in America Right Now

September 22, 2020

EVANS, GA — Each year, Money examines thousands of U.S. cities and analyzes hundreds of data points for each one — from sunny days to doctors per capita — in order to create our list of the best places to live. (You can see our full methodology here). Our main emphasis, however, is always on what it costs to live there. Of all the U.S. towns and cities we looked at this year, Evans had the lowest cost of living of any place with similarly high income levels. Those generous salaries are due in part to proximity to Augusta — a city locals often refer interchangeably with Evans — which is brimming with good jobs.

Augusta has 11 hospitals and the only public medical school in Georgia, which is why one in every 90 residents in the area is a doctor. But the biggest employer in the area is the U.S. Army's Fort Gordon, which employs about 30,000 and growing: The U.S. Army Cyber Command relocated here from Washington D.C. earlier this year.

The upshot is that, in the past five years, Evans enjoyed a 17% increase in its employed population, according to Moody's Analytics. And that number is expected to jump another 9% in the next five years. Despite the pandemic, unemployment in the area was just 5.2% in June, which was below the 7.6% average for Georgia and less than half the national average of 11.1%.

[Read More](#)



Company brings nearly 200 jobs to Georgia Cyber Center

October 20, 2020

AUGUSTA, GA - The Georgia Cyber Center continues to grow thanks, in part, to government services provider Perspecta. The company has officially opened its regional headquarters in Augusta, creating at least 178 jobs. Perspecta is based out of Washington, D.C. and has offices throughout the country. Augusta's growing dominance as a cyber city made it an attractive area to set up shop. "Augusta is the cyber capital of the CSRA," Governor Brian Kemp said.

The new Augusta office is creating opportunities for dozens of people in the CSRA. Perspecta plans to partner with local universities for internship programs. It's also working with Fort Gordon to create more jobs for workers in the cyber and tech fields. "It's not just the 100 people that Perspecta is employing," Dr. Tom Clark, the executive director of the Fort Gordon Alliance, explained. "It's the 100 families that come here. It's those who now get haircuts in our area. It makes a significant economic impact to our entire region." As Governor Kemp looks toward economic recovery, he says innovative partners like Perspecta will play a major role. "We're going to emerge from this pandemic stronger and more prosperous than we ever have."

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ARCYBER, Georgia Cyber Center's partnership already paying off

January 4, 2021

AUGUSTA, GA - It's a courtship year in the making, and now the partnership between Army Cyber Command and the Georgia Cyber Center is paying dividends all across the CSRA. "I can't overstate the significance of having Army cyber command here at Fort Gordon," said Eric Toler, the executive director of the Georgia Cyber Center. ARCYBER, in short, is the reason the Nathan Deal Campus for Innovation exists. "They were the catalyst," said Toler. "Their announcement back in late 2013 that they were moving from Fort Belvoir to Fort Gordon was that catalyst that made the state decide to put the Georgia Cyber Center here in Augusta."

In September, Army Cyber Command officially moved in to the Georgia Cyber Center. It's the culmination of months of recruiting pitches and maneuvering. "We have the complete ecosystem that we're building at Fort Gordon, and that ecosystem will enable us to pull together operations, training, doctrine, and equipping, all together under one facility," said Al Mollenkopf, the army cyber command science advisor. Moving from the upper east coast to Augusta was a bit harder because of the pandemic. But Mollenkopf says the private sector and available academic assets put them in prime position to hit the ground running. "We are going to have a footprint down here at the Georgia Cyber Center that will allow us to gain accelerated access to technologies and experts to help us solve hard problems and more rapidly equip our force," said Mollenkopf.

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Starbucks earnings top estimates as sales rebound quicker than expected in U.S., China

October 29, 2020

SEATTLE, WA—Starbucks on Thursday reported that sales in the U.S. and China are recovering from the coronavirus pandemic more quickly than expected, helping global same-store sales shrink just 9%. The global coffee chain's sales have been boosted by customers spending more on their Pumpkin Cream Cold Brew and Frappuccinos, although foot traffic remains down. The company's outlook for fiscal 2021 is projecting a faster rebound than expected by analysts. Shares of the stock initially rose after the report, but were now down about 1%. Here's what the company reported compared with what Wall Street was expecting, based on a survey of analysts by Refinitiv:

-Earnings per share: 51 cents, adjusted, vs. 31 cents expected

-Revenue: \$6.2 billion vs. \$6.06 billion expected

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