



STARBUCKS®

1951 N IH-35
ROUND ROCK, TX



SITE RENDERING

NAIpartners

McCullough-Jaynes Investment Group

NAI Partners

+ 512 580 6025

901 S MoPac Expy, Bldg. 1, Suite 550

Austin, Texas USA 78746

www.naipartners.com

OFFERING MEMORANDUM



STARBUCKS®

NAI PARTNERS CONTACTS:



Ryan McCullough
SENIOR VICE PRESIDENT

tel 512.580.6224
ryan.mccullough@naipartners.com



Tyler Jaynes
SENIOR VICE PRESIDENT

tel 512.643.8069
tyler.jaynes@naipartners.com



Connor Watson
SENIOR ASSOCIATE

tel 512.643.8079
connor.watson@naipartners.com

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DISCLAIMER

This offering memorandum is for general information only. No information, forward looking statements, or estimations presented herein represent any final determination on investment performance. While the information presented in this offering memorandum has been researched and is thought to be reasonable and accurate, any real estate investment is speculative in nature. NAI Partners and/or its agents cannot and do not guarantee any rate of return or investment timeline based on the information presented herein.

By reading and reviewing the information contained in this offering memorandum, the user acknowledges and agrees that NAI Partners and/or its agents do not assume and hereby disclaim any liability to any party for any loss or damage caused by the use of the information contained herein, or errors or omissions in the information contained in this offering memorandum, to make any investment decision, whether such errors or omissions result from negligence, accident or any other cause.

Investors are required to conduct their own investigations, analysis, due diligence, draw their own conclusions, and make their own decisions. Any areas concerning taxes or specific legal or technical questions should be referred to lawyers, accountants, consultants, brokers, or other professionals licensed, qualified or authorized to render such advice.

In no event shall NAI Partners and/or its agents be liable to any party for any direct, indirect, special, incidental, or consequential damages of any kind whatsoever arising out of the use of this offering memorandum or any information contained herein. NAI Partners and/or its agents specifically disclaim any guarantees, including, but not limited to, stated or implied potential profits, rates of return, or investment timelines discussed or referred to herein.

EXECUTIVE SUMMARY

The McCullough-Jaynes Investment Group of NAI Partners is excited to announce the exclusive offering of a 1,950 square foot, single tenant, new construction Starbucks located in Round Rock, TX (Austin MSA). The offering includes fee simple interest and a new 10 year lease in one of the fastest growing markets in the country. This corporate lease is one of the last to feature 10% rental escalations every 5 years, has no COVID language, and includes a corporate guaranty from an investment grade tenant (S&P: BBB+).

Starbucks – Round Rock is located on the frontage road off interstate 35 which sees over 170,000 vehicles per day. This outparcel site is also the beneficiary of the surrounding 60,000 square foot retail center. The asset is complete with a drive through and multiple access points. In addition to Amazon constructing a new delivery station immediately across Interstate 35, this vital location is approximately 3 miles from the Dell Global Headquarters. The Austin-Round Rock MSA has consistently ranked among the fastest growing metropolitan areas in the county with an average annual population growth rate of 2.5%.





INVESTMENT SUMMARY



FINANCIAL SUMMARY

PRICE	\$3,071,250
CAP RATE	4.00%
BUILDING SIZE	1,950 SF
NOI	\$122,850.00
YEAR BUILT	2021
LOT SIZE	1.23 Acres

LEASE HIGHLIGHTS

- No Early Termination Clause
- No COVID Language
- One of the Last Leases With 10% Rental Escalations Every 5 Years

LEASE SUMMARY

ADDRESS	1951 N IH-35, Round Rock, 78664
LEASE TYPE	Triple Net (NNN)
TENANT	Starbucks Corporation
GUARANTOR	Corporate
LANDLORD RESPONSIBILITIES	Roof & Structure
ESTIMATED RENT COMMENCEMENT DATE	8/01/2021
ESTIMATED LEASE EXPIRATION DATE	7/31/2031
RENTAL INCREASES	10% Every 5 Years
RENEWAL OPTIONS	4 x 5 Year Options

INVESTMENT HIGHLIGHTS

CORPORATE LEASE WITH AN INVESTMENT GRADE TENANT

Leased to Starbucks Corporation, "rated BBB+" by Standard & Poor's. Starbucks Corporation has over 32,000 locations worldwide and over \$24B in revenue

LONG-TERM LEASE

The current lease term of 10 years is expected to commence in August of 2021. The lease features no early termination clause, a 10% rental increase after year 5, and escalations throughout the option periods

BRAND NEW 2021 CONSTRUCTION

Construction is currently underway with a scheduled delivery date of August 2021. New construction empowers investors to hedge against immediate capital expenditure and enables for a more passive investment

HIGH VISIBILITY SITE

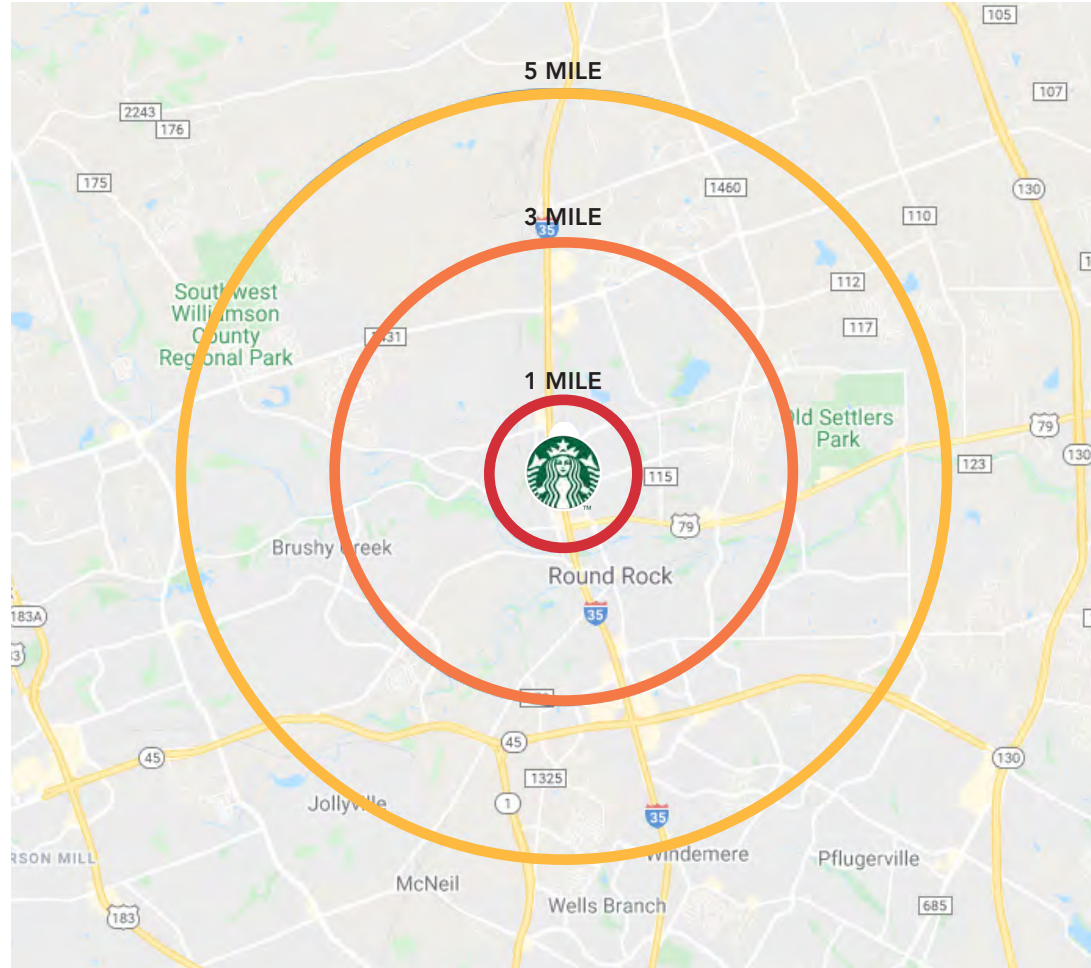
The subject location features over 300 linear feet of frontage on Interstate Highway 35 Frontage road which sees over 170,000 vehicles per day. Additionally, this site features multiple access points for ingress/egress and a dedicated Drive-Thru

FAVORABLE STATE TAX LAWS

Texas is one of seven states that currently do not impose a state income tax

UNPARALLELED MARKET GROWTH

According to NeighborhoodScout, the Austin-Round Rock MSA has seen a real estate appreciation of 67% over the last 10 years. Likely fueled by the numerous corporate relocations, the Austin-Round Rock MSA has maintained a steady population growth of approximately 2.5% annually and 29% over the last 10 years, ranking #3 according to the U.S. Census Bureau for percentage growth



DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2020 Population - Current Year Estimate	10,654	79,389	154,096
2025 Population - Five Year Projection	12,183	114,488	230,388
2010-2020 Population Growth	1.9%	2.5%	3.0%
HOUSEHOLDS			
2020 Households - Current Year Estimate	3,583	34,778	70,185
2010-2020 Household Growth	1.8%	2.4%	2.8%
HOUSEHOLD INCOME			
2020 Average Household Income	\$85,656	\$97,129	\$109,541
DAYTIME EMPLOYMENT			
2020 Businesses	813	3,913	6,177
2020 Employees	9,327	60,191	85,917

TENANT PROFILE



STARBUCKS®

Starbucks (NASDAQ: SBUX) began in 1971 as a single coffee shop in Seattle, Washington. Today, it's the world's largest coffeehouse chain, with over 32,000 locations in more than 70 countries, and among the most recognizable brands around the globe. The company sells a variety of coffee and tea products, serving about five billion cups of coffee annually. In addition, Starbucks is part of the Global Coffee Alliance with Nestle, and its brand portfolio includes Starbucks Reserve, Teavana, Seattle's Best Coffee, Evolution Fresh, and Princi.

During the fourth quarter of Starbucks' 2020 fiscal year, the coffee company generated approximately \$6.2 billion in revenue, up from \$4.2 billion the previous quarter. Total net revenue as of September 27, 2020, is \$23.52 billion and total asset values at \$29.37 billion. Starbucks opened 480 new stores in the fourth quarter of 2020, yielding 4% year-over-year unit growth, a 23% increase since 2016.

Approximately 80 percent of Starbucks' U.S. transactions in 2020 were on-the-go, driven by the ability to order and pay ahead using the Starbucks App and Drive-Thru pick-up locations. This strategy closely aligns with the rapidly evolving customer preferences of social distancing, due to COVID-19, including higher levels of mobile ordering and contactless pick up, and reduced in-store congestion. As a result, the total number of 90-day active members in Starbucks' Rewards Loyalty program in the U.S. increased to 19.3 million, up 10% year-over-year.

SEATTLE, WASHINGTON
HEADQUARTERS

1971 FOUNDED **32,000+** LOCATIONS

\$104.94 CURRENT STOCK PRICE

\$123.14 Billion MARKET CAP



SITE PLAN



N Interstate 35 Frontage Rd

Texas Ave



Allergy and Asthma Clinic
of Central Texas





EST. COMPLETION AUGUST 2021



Right: Recent Construction Aerials. Taken 12/30/20



AERIAL MAP



AMAZING MAGNETS®

Coming Soon

STONY POINT
HIGH SCHOOL



amazon

Delivery Station
Coming Soon

ROUND ROCK
CHRISTIAN ACADEMY



INTERSTATE
35
S Mays St
S Interstate 35



GLOBAL HEADQUARTERS
±14,000 Employees

CEDAR RIDGE
HIGH SCHOOL

BARNES & NOBLE

ULTA
BEAUTY

OLD NAVY



Marshalls

KOHL'S



WORLD MARKET





WHY AUSTIN IS THE #1 CITY OF THE FUTURE



#1 Best Place to Live 2019
#3 Best Place to Live 2020 – 2021



#1 Fastest Growing Large
City in the Country



#1 Real Estate Market
to Invest 2020



#1 US City to Start a Business

POPULATION GROWTH OF 2.5% ANNUALLY

- Austin has been #1 in population growth for 8 years in a row, according to CBS Austin.
- The City of Austin is home to nearly 965,000 residents with almost 2.2 million residing in the Austin-Round Rock metropolitan area.
- Population in Austin increased by 32.7% between 2009 and 2018.
- Austin remains one of the top destinations for migrating talent, with 6.7% of Austin residents having lived somewhere elsewhere just one year earlier.
- The Austin metropolitan area is predicted to experience a population growth rate of 31.6% between 2020 and 2030.

INCREASING JOB OPPORTUNITY

- The GDP of the Austin-Round Rock metropolitan area is more than \$146.7 billion, according to the Federal Reserve Bank of St. Louis, and has grown by more than 64% since 2010.
- Job growth in Austin last year was 3.3%.
- Kiplinger projects job growth in Texas will 1.6% in 2020, with Austin having employing growth of around 2% after eight solid years of "red hot" gains.
- Unemployment rate in the Austin Metro area is 2.4%.



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Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ Designated Broker of Firm	_____ License No.	_____ Email	_____ Phone
_____ Licensed Supervisor of Sales Agent/ Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date