



# STARBUCKS

IRVING, TEXAS (DALLAS/FORT WORTH MSA)

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

**\$2,948,000 | 4.75% CAP RATE**

- » 10-Year Corporate Net Lease With 10% Rental Increases Every Five Years (NASDAQ: "SBUX")
- » Extremely Rare "Self-Maintain" Lease Whereas Starbucks Maintains the Premises, Providing a Unique Passive Starbucks Investment
- » Starbucks is Rated "BBB+" by S&P
- » High-Traffic Location in Densely Populated Retail Corridor
- » High-Visibility Location on West Airport Freeway, With Access to 13,475 Vehicles Per Day Directly in Front of the Location
- » 255,569 Residents Live Within a Five-Mile Radius of the Property
- » Infill Location Near Large Employers, Retailers, and Community Hubs
- » Adjacent to One of the Highest-Grossing Walmart Supercenters in Texas (\$130mm +/- Year)
- » Located Near Major Employment Centers (Approximately 165,000 Daytime Employees Within a Five-Mile Radius)
- » New 2021 Construction Featuring Dedicated Drive-Thru
- » Texas Has No State Income Tax, Estate Tax, or Inheritance Tax

FILE PHOTO

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## LEAD BROKERS

### VINCENT AICALE

*Executive Director*

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

### RYAN FORSYTH

*Executive Director*

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

### MICHAEL T. YURAS, CCIM

*Executive Managing Director*

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

### SCOTT CROWLE

*Managing Director*

415.604.4288

scott.crowle@cushwake.com

CA RE License #01318288

# DISCLAIMER

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

**YURAS  
AICALE  
FORSYTH  
CROWLE**

Leased Investment Team

[www.YAFteam.com](http://www.YAFteam.com)



# INVESTMENT SUMMARY

<b>ADDRESS</b>	State Route 183/Airport Freeway & Esters Road, Irving, TX		
<b>PRICE</b>	<b>\$2,948,000</b>		
<b>CAP RATE</b>	<b>4.75%</b>		
<b>NOI</b>	\$140,000		
<b>TERM</b>	10 years		
<b>RENT COMMENCEMENT</b>	August 1, 2021		
<b>LEASE EXPIRATION</b>	July 31, 2031		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$140,000	4.75%
	6-10	\$154,000	5.23%
	11-15 (Option 1)	\$169,400	5.75%
	16-20 (Option 2)	\$186,340	6.32%
	21-25 (Option 3)	\$204,974	6.95%
	26-30 (Option 4)	\$225,471	7.65%
<b>YEAR BUILT</b>	2021		
<b>BUILDING SF</b>	1,000 SF +/-		
<b>PARCEL SIZE</b>	± 1.0 acres (43,560 SF)		
<b>LEASE TYPE</b>	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding roof, structure, and parking lot		

## CORPORATE NET LEASE TO HIGH-QUALITY, INVESTMENT GRADE, SINGLE-TENANT ASSET

- » Leased to Starbucks Corporation for 10 years, plus four (4) five-year options
- » 10% fixed rental increases every five years in initial term and extension terms, providing a hedge against inflation
- » Investment grade tenant, rated “BBB+” by Standard & Poor’s
- » Starbucks Corporation (NASDAQ: “SBUX”) is the world’s premier coffee company, with over 29,000 locations and \$26.51 billion in annual revenue
- » 2021 construction featuring upgraded construction and dedicated drive-thru, boosting sales revenue and catering to traffic on State Highway 183/Airport Freeway

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED RETAIL CORRIDOR

- » High-visibility location on West Airport Freeway (13,475 AADT)
- » Located along State Route 183/Airport Freeway, a major east-west thoroughfare traversing the entirety of Irving (165,205 AADT)
- » Surrounded by highly trafficked Texas thoroughfares, including Esters Road, North Belt Line Road, and State Highway 161 (combined 182,199 AADT), increasing traffic to the site
- » 255,569 residents live within a five-mile radius of the property, establishing regular local traffic and shopping to the site
- » Projected nine percent average household income increase within five miles of the site in the next five years, poising Starbucks and Irving for concurrent growth

## INFILL LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Infill location surrounded by several national retailers, including Walmart Supercenter, El Pollo Loco, McDonald’s, Burger King, Best Buy, Denny’s, and many more, promoting crossover shopping to the location
- » Near major employment centers – approximately 165,000 daytime employees within a five-mile radius
- » Adjacent to one of the highest-grossing Walmart Supercenters in Texas with cross-access between parking lots
- » Six miles from Dallas/Fort Worth International Airport, the busiest airport in Texas, serving over 64 million passengers annually and over 10 hotels within a two mile radius
- » Texas has no State Income Tax, Estate Tax, or Inheritance Tax



FILE PHOTO





Bear Creek  
Golf Club

DFW Airport  
Hotel and  
Conference  
Center

North Belt Line Road (47,600 AADT)

Future Retail  
Development

West Airport Freeway (13,475 AADT)

Airport Freeway (165,205 AADT)





INDUSTRIAL PARK

Riverside Golf Club

INDUSTRIAL PARK














INDUSTRIAL PARK





Distribution Center

(728,530 SF Building on 38.8 Acres, with Over 200 Employees)







North Belt Line Road (47,600 AADT)













Future Retail Development

Airport Freeway (165,205 AADT)











(Under Construction)



West Airport Freeway (13,475 AADT)







DOWNTOWN DALLAS

INDUSTRIAL PARK



Crockett Middle School

Irving School District



Lady Bird Johnson Middle School



Airport Freeway  
(165,205 AADT)

West Airport Freeway  
(13,475 AADT)

Future Retail Development



Esters Road (22,571 AADT)







DFW  
International  
Airport

INDUSTRIAL PARK



North Belt Line Road (47,600 AADT)



Highway 161 (112,028 AADT)

Thomas Haley  
Elementary  
School



West Irving  
Library



Airport Freeway  
(165,205 AADT)

West Airport Freeway  
(13,475 AADT)

Future Retail  
Development





AIRPORT FREEWAY

# SITE PLAN

WEST AIRPORT FREEWAY

ESTRADA PARKWAY

SIGN

DRIVE-THRU

DRIVE-THRU





# TENANT SUMMARY



Starbucks Corporation (NASDAQ: "SBUX") is the premier roaster, marketer, and retailer of specialty coffee in the world, operating more than 29,000 locations in 76 countries. Starbucks also sells a variety of coffee and tea products and licenses its trademarks through other channels, such as licensed stores, grocery, and national foodservice accounts. In addition to the flagship Starbucks Coffee brand, Starbucks also sells goods and services under the Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, and Ethos brand names.

On August 27, 2018, Starbucks and Nestlé closed a \$7.15 billion licensing deal, giving Nestlé the rights to market, sell, and distribute Starbucks' packaged coffee and tea around the world. The licensing arrangement includes the rights to market everything from whole bean coffee to portioned coffee pods for each brand owned by Starbucks. The agreement significantly strengthens Nestlé's coffee portfolio in the North American premium roast and ground and portioned coffee business. It also unlocks global expansion in grocery and foodservice for the Starbucks brand, utilizing the global reach of Nestlé. Starbucks CEO Kevin Johnson said the Nestle deal opens the door for the restaurant chain to reach a global scale in the retail sector as well. "This global coffee alliance with Nestlé is a significant strategic milestone for the growth of Starbucks," Johnson said in a statement. "Bringing together the world's leading coffee retailer, the world's largest food and beverage company, and the world's largest and fast-growing installed base of at-home and single-serve coffee machines helps us amplify the Starbucks brand around the world while delivering long-term value creation for our shareholders." For the fiscal year 2019, Starbucks Corporation reported net revenues of \$26.5 billion, representing a 7% increase from 2018.

For more information, please visit [www.starbucks.com](http://www.starbucks.com).

<b>LOCATIONS</b>	<b>29,000+</b>	<b>HEADQUARTERS</b>	<b>Seattle, WA</b>
<b>REVENUE</b>	<b>\$26.5B</b>	<b>TICKER</b>	<b>NASDAQ: "SBUX"</b>

# LEASE ABSTRACT

<b>TENANT</b>	Starbucks Corporation		
<b>ADDRESS</b>	<a href="#">State Route 183/Airport Freeway &amp; Esters Road, Irving, Texas 75061</a>		
<b>RENT COMMENCEMENT</b>	August 1, 2021		
<b>LEASE EXPIRATION</b>	July 31, 2031		
<b>RENEWAL OPTIONS</b>	Four (4) renewal periods of five (5) years each		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-5 6-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3) 26-30 (Option 4)	<b>RENT</b> \$140,000 \$154,000 \$169,400 \$186,340 \$204,974 \$225,471	<b>RETURN</b> 4.75% 5.23% 5.75% 6.32% 6.95% 7.65%
<b>REAL ESTATE TAXES</b>	Tenant shall pay Landlord, as additional rent, Tenant's Pro Rata Share of Real Property Taxes.		
<b>INSURANCE</b>	Tenant shall pay to Landlord, as additional rent, Landlord's Insurance.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant, at Tenant's expense, shall keep the Premises, Building, and Property in good order and repair.		
<b>MAINTENANCE BY LANDLORD</b>	Landlord shall maintain the roof, structure, and parking lot.		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

The property is located on West Airport Freeway, with excellent access and visibility to 13,475 vehicles per day directly in front of the location. The property is located just off of the heavily trafficked State Route 183/Airport Freeway, which experiences a traffic count of 165,205 vehicles per day near the site. The location is also surrounded by several other highly trafficked Texas thoroughfares, including Esters Road, North Belt Line Road, and State Highway 161 (combined 182,199 AADT), increasing traffic to the site. The site is located in a densely populated area, with 255,569 residents living within a five-mile radius of the property, establishing regular local traffic and shopping to the site. With a projected nine percent average household income increase within five miles of the site in the next five years, Starbucks and Irving are poised for significant concurrent growth.

The property benefits from its location near large employers, retailers, and community hubs. The location is adjacent and with direct cross access to one of the highest-grossing Walmart Supercenters in Texas and is surrounded by several large retail centers featuring major national tenants, including El Pollo Loco, McDonald's, Burger King, Best Buy, Denny's, and many more. Irving Mall is directly across from the site, which features over one million square feet of retail area and is anchored by Dillard's, Macy's, Sears, and Burlington Coat Factory. The property also maintains a beneficial proximity to Dallas/Fort Worth International Airport. The airport is one of the busiest in the world and serves over 64 million passengers annually. Additionally, Downtown Dallas is approximately 15 miles from the site.

## ACCESS

Access from West Airport Freeway

## TRAFFIC COUNTS

West Airport Freeway:	13,475 AADT
Airport Freeway:	165,205 AADT
Esters Road:	22,571 AADT
North Belt Line Road:	47,600 AADT
Highway 161:	112,028 AADT

## PARKING

14 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2021

## NEAREST AIRPORT

Dallas Fort Worth International Airport (AEX | 6 miles)



**14**  
PARKING  
STALLS



**2021**  
YEAR BUILT



**13K**  
TRAFFIC  
COUNT (AADT)



# AREA OVERVIEW

Irving is a principal city located in Dallas County. According to a 2018 estimate from the United States Census Bureau, the city population was 242,242, making it the 13th most populous city in Texas. Irving is part of the Dallas–Fort Worth MSA (often referred to as DFW or the Metroplex) and is located nine miles west of Dallas and 23 miles east of Fort Worth. Irving includes the Las Colinas community, one of the first master-planned developments in the United States and once the largest mixed-use development in the Southwest, with a land area of more than 12,000 acres. Due to its central location between Dallas and Fort Worth and its proximity to both DFW International Airport and Love Field Airport, Las Colinas has been a viable place in the Metroplex for corporate and business relocation. As a planned community, it has many corporate offices, luxury hotels, landmark office towers, luxury townhomes, distinguished single-family homes, private country clubs, gated enclaves, and urban lofts.

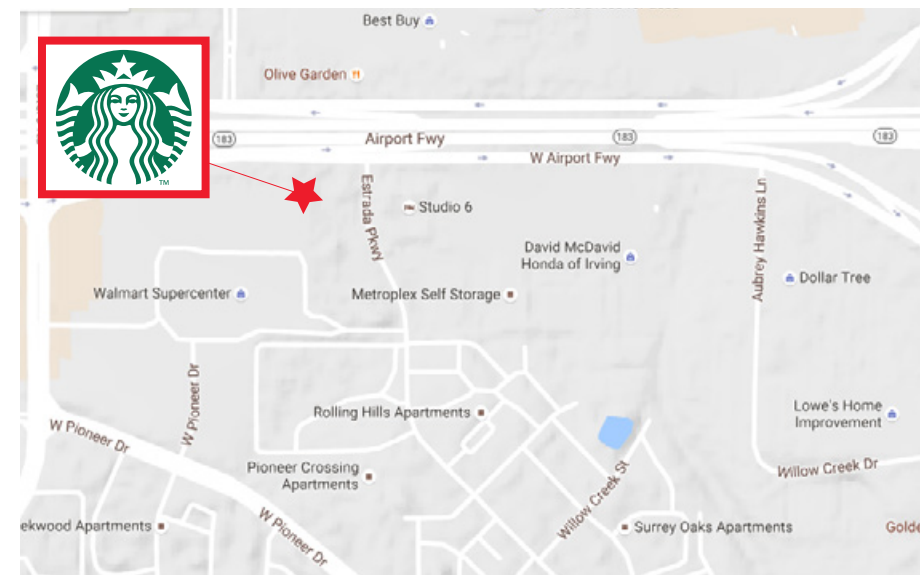
The Dallas/Fort Worth MSA, with a population of 7,102,796, is the largest metropolitan area in the South, the fourth-largest in the United States, and the 10th largest in the Americas. It is the economic and cultural hub of the region commonly called North Texas or North Central Texas. Dallas and its suburbs have one of the highest concentrations of corporate headquarters in the United States and also contains the largest IT industry base in Texas. Meanwhile, the Texas farming and ranching industry is based in Fort Worth, which is also home to several major defense manufacturers.

- » Several large businesses have headquarters in Irving, including Caliber Home Loans, Chuck E. Cheese's, Commercial Metals, ExxonMobil, Gruma, H.D. Vest, Kimberly-Clark, La Quinta Inns and Suites, Michaels Stores, Zale Corporation, Fluor Corporation, NCH Corporation, ITW Polymers Sealants North America, LXI Enterprise Storage, and others. The city is also home to the national headquarters of the Boy Scouts of America, the American headquarters of BlackBerry, and the headquarters of Nokia America and NEC Corporation of America.
- » The headquarters for two collegiate athletic conferences, the Big 12 Conference and Conference USA, are located in Irving.
- » Dallas/Fort Worth International Airport is the busiest airport in Texas, the third busiest airport in the world by aircraft movements, and the 10th busiest airport in the world by passenger traffic. Part of Dallas/Fort Worth International Airport lies inside the city limits of Irving.
- » Dallas County, population 2,553,385, is the second most populous county in Texas and the ninth most populous in the United States.
- » The Dallas/Fort Worth MSA has the fourth largest gross metropolitan product in the U.S. and the 10th largest in the world.
- » The Metroplex is one of the 12 American metropolitan areas that has a team in each of the four major professional sports leagues.

## LARGEST EMPLOYERS IN IRVING, TEXAS

## # OF EMPLOYEES

CITIGROUP, INC.	6,500
VERIZON COMMUNICATIONS	3,000
MICROSOFT CORP.	2,200
IRVING MALL (WP GLIMCHER)	2,100
ALLSTATE INSURANCE	1,768
DFW INTERNATIONAL AIRPORT	1,700
MCKESSON	1,600
HEALTH MANAGEMENT SYSTEMS (HMS)	1,400
PIONEER NATURAL RESOURCES	1,400
NEIMAN MARCUS DIRECT	1,399



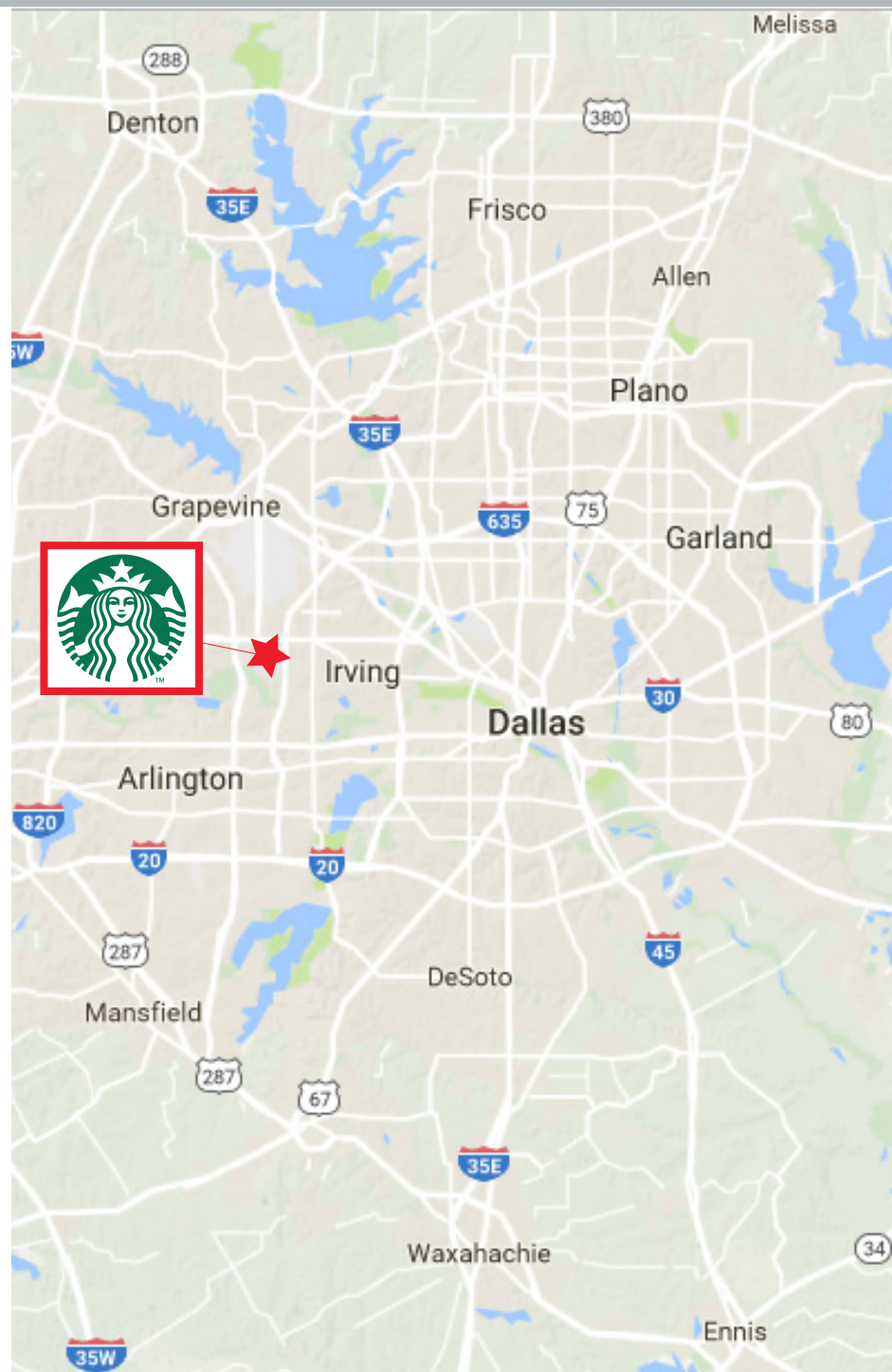


# DEMOGRAPHIC PROFILE

2020 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>20,797</b>	<b>112,995</b>	<b>225,569</b>
Households	7,837	40,887	98,176
Families	4,843	26,084	58,750
Average Household Size	2.65	2.76	2.59
Owner Occupied Housing Units	2,279	14,366	33,437
Renter Occupied Housing Units	5,557	26,521	64,740
Median Age	31.9	32.2	32.8
<b>Average Household Income</b>	<b>\$66,283</b>	<b>\$67,026</b>	<b>\$76,730</b>
2025 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>21,676</b>	<b>117,327</b>	<b>269,449</b>
Households	8,085	42,175	103,393
Families	5,018	26,909	61,481
Average Household Size	2.68	2.78	2.60
Owner Occupied Housing Units	2,369	14,786	34,589
Renter Occupied Housing Units	5,717	27,389	68,805
Median Age	31.7	32.3	33.0
<b>Average Household Income</b>	<b>\$70,313</b>	<b>\$71,737</b>	<b>\$83,418</b>



**POPULATION OF 225,569**  
WITHIN FIVE MILES







# INFORMATION ABOUT BROKERAGE SERVICES



## 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:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o 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





## LEAD BROKERS

### VINCENT AICALE

*Executive Director*

415.690.5522

vince.aicale@cushwake.com

CA RE License #01728696

### RYAN FORSYTH

*Executive Director*

415.413.3005

ryan.forsyth@cushwake.com

CA RE License #01716551

### MICHAEL T. YURAS, CCIM

*Executive Managing Director*

415.481.0788

michael.yuras@cushwake.com

CA RE License #01823291

### SCOTT CROWLE

*Managing Director*

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scott.crowle@cushwake.com

CA RE License #01318288

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Cushman and Wakefield Inc. LIC. # 00616335