



STARBUCKS

BRAND-NEW, 2021 CONSTRUCTION PROTOTYPE

475 HAMPTON WAY | MOREHEAD, KY

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

EXCLUSIVELY LISTED BY:

BROKER OF RECORD

Kyle Matthews

Direct: 886.889.0550

License #: 221925 (KY)

841 Apollo St., Suite 150

El Segundo, CA 90245

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



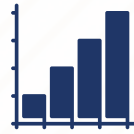
STARBUCKS

475 HAMPTON WAY | MOREHEAD, KY





\$1,870,514
ASKING PRICE



5.25%
CAP RATE



±2,232 SF
BUILDING SIZE



±1.57 AC
LOT SIZE



2021
YEAR BUILT

INVESTMENT HIGHLIGHTS

- ▶ Brand-new, 2021 construction prototype
- ▶ Starbucks signed a new 10-year lease with 10% rental increases every 5 years
- ▶ No early-termination clause in the lease, allowing for a full, 10-year term for the future owner
- ▶ Industry-leading, investment-grade credit tenant with over 32,000 locations worldwide, a market cap of over \$135 billion, and revenues of over \$18.4 billion in 2020 (NYSE: SBUX)
- ▶ Starbucks holds a BBB+ credit rating by Standard & Poor's
- ▶ Average household income is over \$77,000 in a 1-mile radius
- ▶ Property sits with great visibility from I-64, and exit 137 is the only interstate exit into Morehead
- ▶ Only drive-thru Starbucks serving Morehead, which is home to Morehead State University. Also, the closest drive-thru Starbucks is over 40 miles away.
- ▶ Less than 2 miles from the St. Claire Regional Medical Center, the largest rural hospital in Northeastern Kentucky, with 159 beds and more than 1,300 staff.
- ▶ Morehead is home to Cave Run Lake, the largest lake in Eastern Kentucky, which attracts tourist from all over
- ▶ AppHarvest, a leader in produce, built the largest greenhouse in the country at 2.76 million square feet in Morehead to grow fresh tomatoes

TENANT SUMMARY

Tenant Trade Name	Starbucks
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof, Structure, Parking Lot	LL Responsible
Original Lease Term	10 years
Lease Commencement Date	8/10/2020
Rent Commencement Date	6/28/2021*
Rent Expiration Date	6/28/2031
Term Remaining on Lease	10 years
Increase	10% every 5 years
Options	Four, 5-Year Options

*rent commencement date is an estimate

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Increases	Cap Rate
5/1/2021-4/31/2026	\$8,183.50	\$98,202.00	-	5.25%
5/1/2026-5/1/2031	\$9,001.85	\$108,022.20	10.00%	5.78%
Option 1	\$9,902.04	\$118,824.48	10.00%	6.35%
Option 2	\$10,892.24	\$130,706.88	10.00%	6.99%
Option 3	\$11,981.46	\$143,777.52	10.00%	7.69%
Option 4	\$13,179.61	\$158,155.32	10.00%	8.67%

DEBT QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 65.00%

RATE: 3.850%

AMORTIZATION: 30

JESSE LILLARD

(956) 564-2922

jesse.lillard@matthews.com



THE OFFERING

PROPERTY NAME	
Starbucks	
Property Address	
475 Hampton Way Morehead, KY 40351	
SITE DESCRIPTION	
Number of Stories	One
Year Built	2021
Lot Size	±1.57 acres
Type of Ownership	Fee Simple

TENANT OVERVIEW

- | | | | |
|----------------|----------------|--------------------|-----------------|
| » Company Name | » Year Founded | » Headquarters | » Credit Rating |
| Starbucks | 1971 | Seattle, WA | BBB+ rating |
| » Ownership | » Industry | » No. of Employees | » Stock Symbol |
| Public | Coffee Shops | ±300,000 | NASDAQ: SBUX |

Starbucks Corporation operates as a roaster, marketer, and retailer of specialty coffee worldwide. Its stores offer coffee and tea beverages, packaged roasted whole bean and ground coffees, single-serve and ready-to-drink coffee and tea products, juices, and bottled water. The company's stores also provide fresh food and snack offerings; and various food products, such as pastries, and breakfast sandwiches and lunch items, as well as serve ware, beverage making equipment, and accessories.

32,000

Locations

\$135 B

Market Cap

\$18.4 B

2020 Revenue

PARCEL MAP





ACE
Hardware
DOLLAR
GENERAL

Auto
Zone

BW
Best
Western

Days Inn

Red Roof

motel
6

McDonald's

bp

LEE'S
Famous Recipe Chicken

Domino's
Pizza

Hardee's

RENO'S
ROADHOUSE

Hampton
by HILTON

Starbucks

Old Country Store

FLEMINGSBURG RD
± 28,000 VPD

INTERSTATE
64

± 21,000 VPD



SLEEP OUTFITTERS

HIBBETT
SPORTS

BIG
LOTS!

Kroger

Great
Clips

goodwill

TSC TRACTOR
SUPPLY CO

burkes
OUTLET

FURNITURE WORLD
Superstore

INTERSTATE
64

± 21,000 VPD

LOWE'S

Hardee's

LEE'S
USED CARS INC.

RENO'S
ROADHOUSE

FLEMINGSBURG RD
± 28,000 VPD

Rockstar
Barrel
Old Country Store



Hampton
by HILTON

SLEEP OUTFITTERS

HIBBETT
SPORTS

Kroger

Great
Clips

burkes
OUTLET

goodwill

Walmart
Supercenter

WOODFOREST
NATIONAL BANK

LOWE'S

U-HAUL

DOLLAR TREE

Aaron's

Speedway

DQ

INTERSTATE
64

± 21,000 VPD

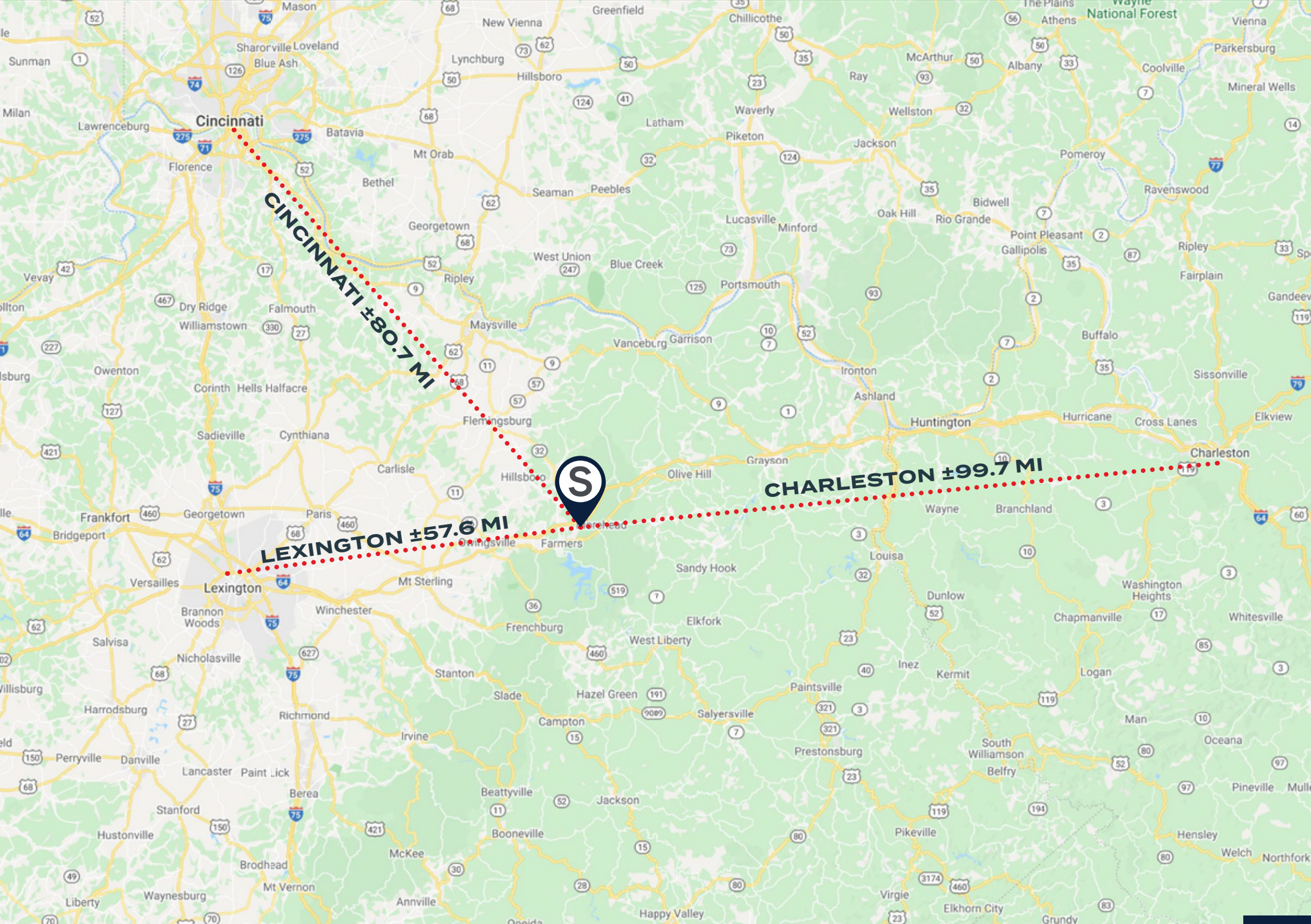
FLEMINGSBURG RD
± 28,000 VPD



CROCKER
BARREL

Old Country Store

Hampton
by HILTON



MOREHEAD, KY

Morehead is a home rule-class city located along US 60 (the historic Midland Trail) and Interstate 64 in Rowan County, Kentucky. It is the seat of its county. It is the home of Morehead State University. Morehead State University is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools. 211 degree programs are available on the two-year, four-year and graduate levels through four colleges. The university offers a Doctoral degree in Education. 74% of the full-time faculty hold doctoral degrees. The student body represents 116 Kentucky counties, 47 states and 19 foreign countries.

MOREHEAD STATE UNIVERSITY

MSU supports its missions of teaching, applied research and public service through an annual budget of more than \$140 million. Grants and contracts from external sources for research, service and academic/student support projects generate more than \$17 million each year. Annual private gifts to the university average \$3 million annually. It was the first institution in Kentucky to offer a complete degree program online, the Master of Business Administration (MBA).

MSU is 1 of 5 institutions in the U.S. with a bachelor’s degree in space science. The university has erected a space tracking system in partnership with NASA. The second component of the Space Science Center opened in 2009—a \$16.6 million instruction and research support facility. MSU claims the state’s best computer-student ratio in its computer laboratories, as well as offering students a program to lease university-owned laptops while enrolled. Nearly 70,000 persons have received degrees from MSU.

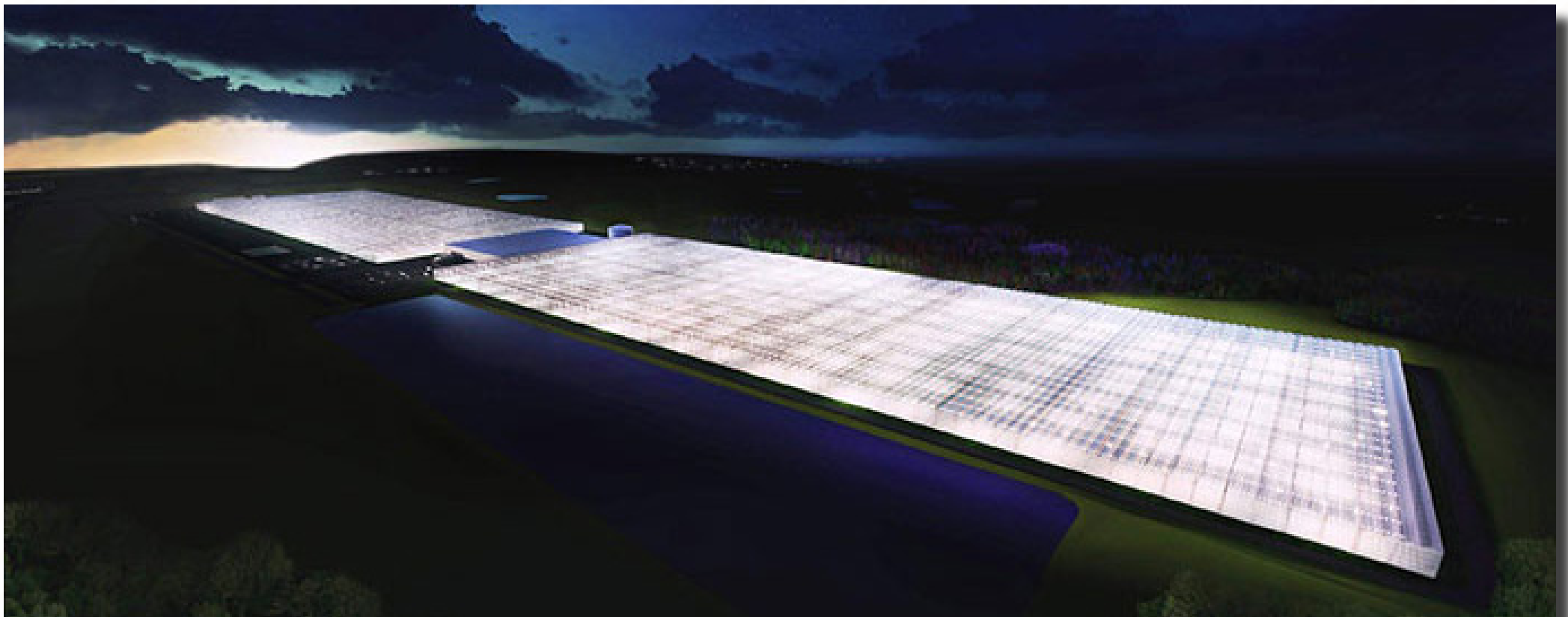


DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	740	10,416	17,383
2020 Estimate	745	10,475	17,461
2010 Census	711	9,575	16,234
Growth 2010-2020	4.78%	9.40%	7.56%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	284	3,399	6,233
2020 Estimate	285	3,407	6,230
2010 Census	279	3,280	5,997
Growth 2010-2020	2.23%	3.88%	3.88%
INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$77,517	\$63,069	\$59,948

APP HARVEST GREENHOUSE IN MOREHEAD, KY

AppHarvest is an applied technology company building some of the world's largest high-tech indoor farms in Appalachia that grow non-GMO, chemical pesticide-free produce using 90 percent less water than open-field agriculture and only recycled rainwater while producing yields up to 30 times that of traditional agriculture on the same amount of land with zero agricultural runoff. The Company combines conventional agricultural techniques with cutting-edge technology including artificial intelligence and robotics to improve access for all to nutritious food, farming more sustainably, building a domestic food supply, and increasing investment in Appalachia. The Company's 60-acre (.76 million sqft) Morehead, Ky. facility is among the largest indoor farms in the U.S.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Starbucks** located at **475 Hampton Way | Morehead, KY 38305** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

OFFERING MEMORANDUM

STARBUCKS

475 HAMPTON WAY | MOREHEAD, KY

EXCLUSIVELY LISTED BY:

BROKER OF RECORD
Kyle Matthews

Direct: 886.889.0550

License #: 221925 (KY)

841 Apollo St., Suite 150

El Segundo, CA 90245

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES