

BRAND NEW CONSTRUCTION

NN Investment Opportunity



(S&P: BBB+)



702 E Milam Street | Mexia, Texas

WACO MSA

REPRESENTATIVE PHOTO



SRS

NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



SABRINA KORTLANDT

Senior Associate

SRS National Net Lease Group

sabrina.kortlandt@srsre.com

D: 914.498.2225

900 Camp Street, Suite 3C9

New Orleans, LA 70130

LA License No. 10401294185



Broker/Designated Officer: Will Majors, SRS Real Estate Partners-Austin, LLC | TX License No. 508128

TABLE OF CONTENTS



4

INVESTMENT SUMMARY

Offering Summary
Investment Highlights

7

PROPERTY OVERVIEW

Aerials
Site Plan
Location Map

13

AREA OVERVIEW

Demographics

14

FINANCIALS

Rent Roll
Pricing Summary
Brand Profile

INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a newly constructed, NN leased, Starbucks Corporation (S&P: BBB+) investment property located in Mexia, Texas (Waco MSA). The tenant, Starbucks Corporation, recently signed a brand new 10-year lease with 4 (5-year) options to extend, demonstrating their long-term commitment to the site. The lease features a 10% rental increase in year 6, and an 8% increase at the beginning of each option period, steadily growing NOI and hedging against inflation. The lease is signed by the corporate entity (S&P: BBB+) and is NN with minimal landlord responsibilities making it an ideal, low-management investment opportunity for a passive investor. The property consists of 1,950 sq ft of brand new, custom Starbucks construction.

Starbucks is located on the hard corner intersection of E Milam St. and N Canton St., averaging a combined 17,500 vehicles per day. E Milam St. is the primary retail corridor of Mexia, serving many major national/credit tenants including Walmart, Tractor Supply, CVS, McDonalds, and more. Strong tenant synergy increases consumer draw to the immediate trade area and promotes crossover retail exposure for Starbucks. The site benefits from multiple points of ingress and egress, providing excellent access to the site. The building is equipped with a drive-thru, providing ease and convenience for customers. The property will experience minimal competition, as it is the only Starbucks location for over 29 miles. On average, stores with drive-thrus experience higher sales than those without. The 5-mile trade area is supported by a population of over 9,500 and 4,786 daytime employees with an average household income of \$59,107.

OFFERING SUMMARY



OFFERING

Pricing	\$2,179,000
Net Operating Income	\$103,500
Cap Rate	4.75%
Lease Signature	Corporate (S&P: BBB+)
Tenant	Starbucks Corporation
Lease Type	NN
Landlord Responsibilities	Roof, Structure, Parking Lot, Exterior
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	1,950 SF
Land Area	0.89 Acres
Property Address	702 E. Milam Street Mexia, Texas 76667
Year Built	2021
Parcel Number	R18489
Ownership	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS



Brand New Construction | Corporate Signed Lease | 10-Year Lease Term | Scheduled Rental Increases

- Brand new construction with a 10-year lease term as well as 4 (5-year) options to extend, demonstrating long term commitment to the site
- The lease features a 10% rental increase in year 6, as well as 8% increases at the beginning of each option period, generating NOI and hedging against inflation
- The Lease is corporately signed by Starbucks Corporation, an investment grade (S&P: BBB+), nationally recognized, and the world's largest coffee house chain with over 32,000 locations

NN Lease | Fee Simple Ownership | Minimal Landlord Responsibilities

- Tenant pays for CAM, and reimburses taxes and insurance
- Landlord responsibilities limited to roof, structure, exterior, and parking
- Ideal, low-management investment for a passive investor

Hard Corner Intersection | Minimal Competition Excellent Visibility and Access | Drive-Thru Equipped

- The property is located on the hard corner intersection of E Milam St. and N Canton St, averaging a combined 17,500 VPD
- This location will experience minimal competition, as it is the only Starbucks location for over 29 miles
- The building is equipped with a drive-thru, providing ease and convenience for customers
- The property enjoys 4 total points of access along both E Milam St. and N Canton St.

Local Demographics in 5-mile Trade Area

- More than 9,500 residents and 4,700 daytime employees support the trade area
- \$59,107 average household income

PROPERTY OVERVIEW



Location



Mexia, Texas
Limestone County
Waco MSA

Parking



There are approximately 18 parking spaces on the owned parcel.
The parking ratio is approximately 9.50 stalls per 1,000 SF of leasable area.

Access



E. Milam St/U.S. Hwy 84: 2 Access Points
N. Canton St: 2 Access Points

Parcel



Parcel Number: R18489
Acres: 0.89
Square Feet: 38,768

Traffic Counts



E. Milam St/U.S. Hwy 84: 17,500 Vehicles Per Day
State Hwy 14: 9,500 Vehicles Per Day

Construction



Year Built: 2021

Improvements

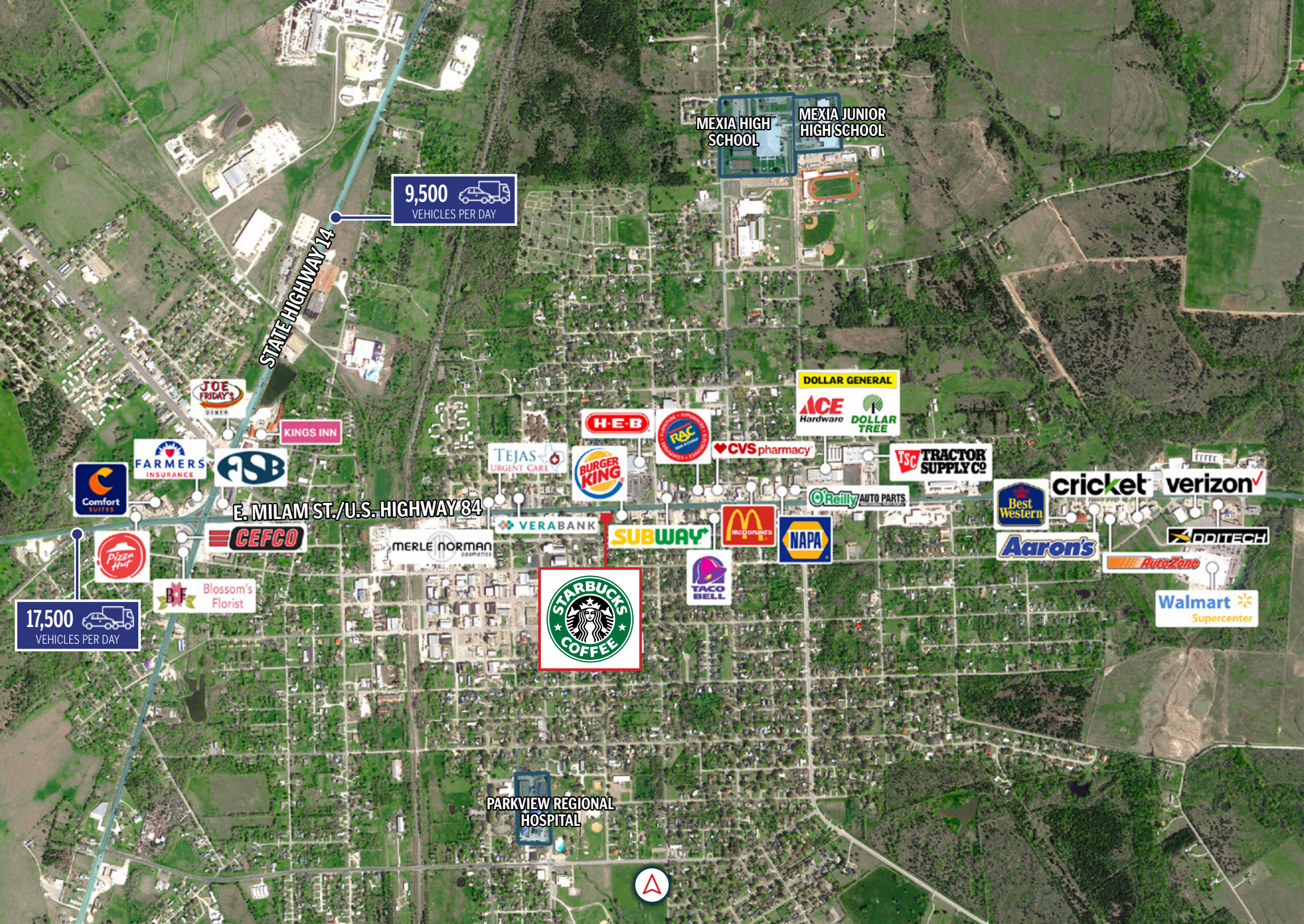


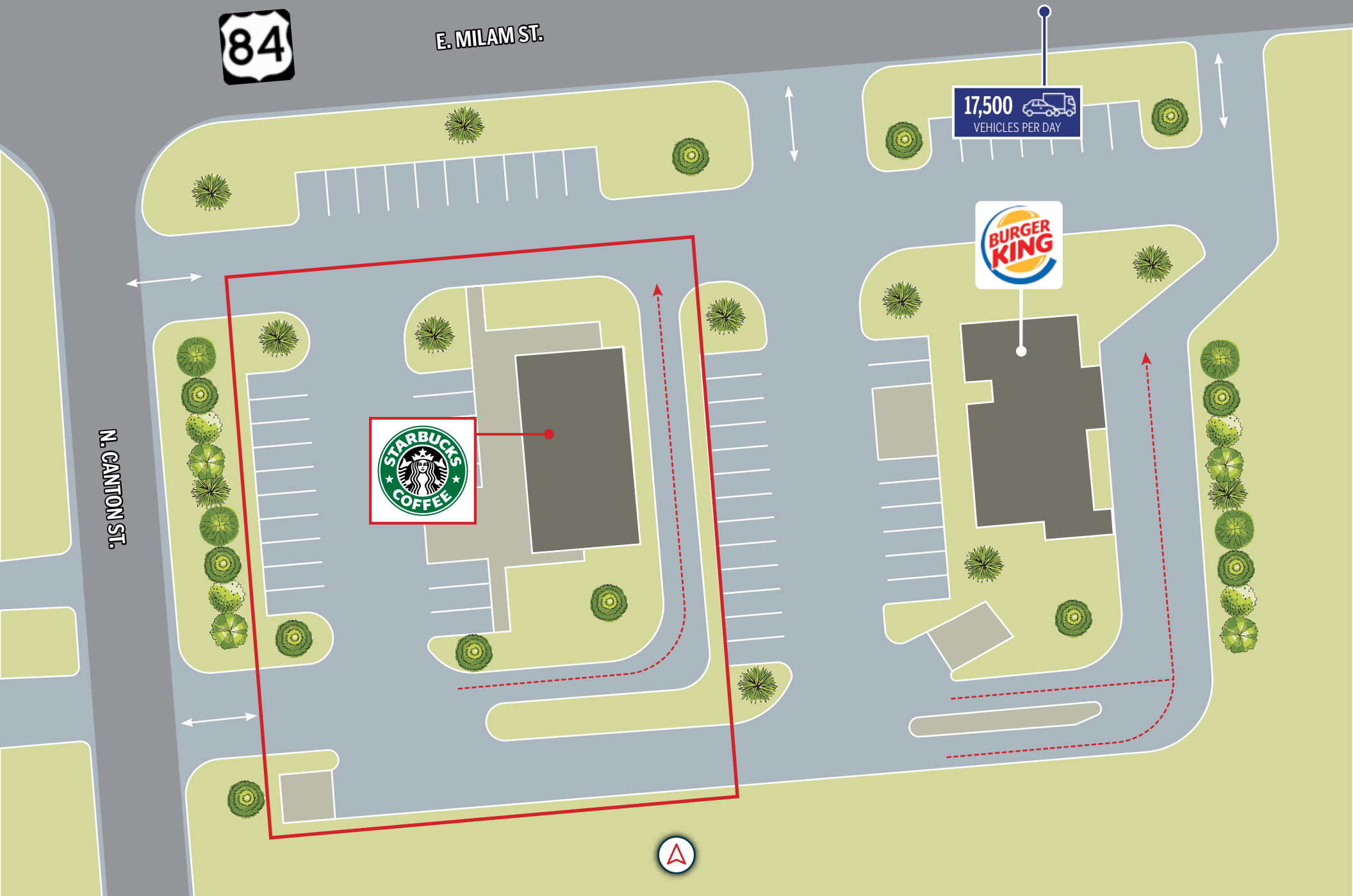
There will be approximately 1,950 SF of existing building area

Zoning



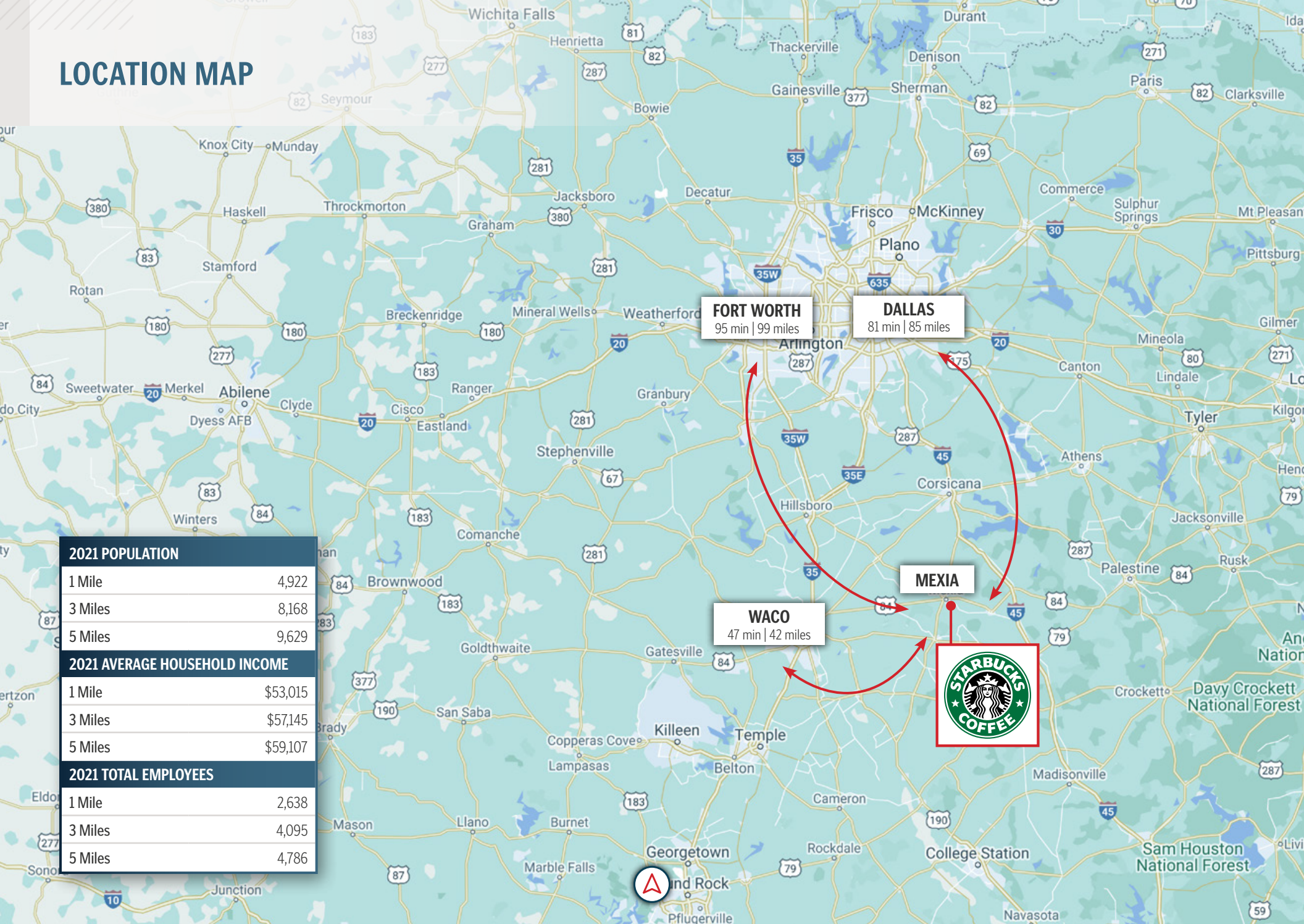
Commercial





LOCATION MAP

2021 POPULATION	
1 Mile	4,922
3 Miles	8,168
5 Miles	9,629
2021 AVERAGE HOUSEHOLD INCOME	
1 Mile	\$53,015
3 Miles	\$57,145
5 Miles	\$59,107
2021 TOTAL EMPLOYEES	
1 Mile	2,638
3 Miles	4,095
5 Miles	4,786



AREA OVERVIEW



MEXIA, TEXAS

The City of Mexia is located at the intersection of U.S. Highway 84 and State Highways 14. It is approximately 40 miles east of Waco and about 1 1/2 hours south of the Dallas/Ft. Worth Metroplex. Named after General José Antonio Mexía, a Hispanic hero for the Republic of Texas Army during the Texas Revolution, the town was founded near his estate, whose ownership dates to 1833. Mexia was platted in 1870 by the Houston and Texas Central Townsite Company, a sister company of the Houston and Texas Central Railroad. A post office was granted in 1872, and Mexia was incorporated the following year. A large deposit of natural gas was discovered in 1912 by the Mexia Gas and Oil Company, and in 1920, the Mexia Oilfield was found. These discoveries led to rapid population growth in the area. Mexia is located in Limestone County. The current population of Mexia, Texas is 7,372.

The largest industries in Mexia, TX are Health Care & Social Assistance, Retail Trade, and Educational Services. The highest paying industries are Mining, Quarrying, & Oil & Gas Extraction, Finance & Insurance, and Finance & Insurance, & Real Estate & Rental & Leasing.

Mexia is perfectly located as a distribution hub. 93% of the United States population is accessible within 48 hours of Mexia via highway travel. In addition, Texas Highways 171 and 14 provide redundant access to major distribution centers assuring the Mexia business community of uninterrupted logistics systems. A business-friendly environment encourages companies to relocate to Mexia. Low cost of living with a high quality lifestyle encourages employees to make their home in Mexia.

Nearby attractions include Mexia Public Schools Museum, Fort Parker Historical recreation, Fort Parker State Park, and Lake Mexia.

AREA OVERVIEW



WACO, TEXAS

Waco is the 23rd largest city in Texas and the county seat of McLennan County, which has an area of more than 1,000 square miles. At the junction of the Bosque River and the 890-mile Brazos River, Waco lies between the three largest cities in the state: 90 miles south of Dallas, 200 miles northwest of Houston and 180 miles northeast of San Antonio. It is less than 100 miles from the state capital of Austin. The City of Waco has a population of over 140,000.

The City is a trade and agricultural center for the Central Texas region. Efforts by the community's leadership over the past several years have led to diversification in the regional economy, a major factor contributing to significant improvement in growth and development. Waco is the approximate geographic center of Texas' population and is often referred to as the "Heart of Texas." The City sits on the rich southern agricultural Blackland Prairie to the east and cattle country of the rolling Grand Prairie to the west. The central location in the state makes the City commercially attractive as a distribution center.

Economic experts predict a bright future for Waco because of the diversification of the manufacturing industry, influx of high technology companies, stability in the financial sector, availability of diverse higher education opportunities and steady population growth. Waco will continue to attract new industry because the City provides a high quality labor force, attractive real estate opportunities, favorable tax treatment and abundant natural resources. Waco's main sources of income are primarily from educational and health services and manufacturing, according to Baylor University's Center for Business & Economic Research. Any fluctuations in Waco's historically stable economy have originated in the manufacturing base. Waco's top ten taxpayers include a candy manufacturer, a soft drink bottler, an aircraft components manufacturer, and an eye care products manufacturer. Additionally, there are retail shopping centers, an electric utility, a disposable diaper manufacturer and warehouses.



AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2021 Estimated Population	4,922	8,168	9,629
2026 Projected Population	4,884	8,110	9,587
2010 Census Population	4,876	8,174	9,552
HOUSEHOLDS & GROWTH			
2021 Estimated Households	1,604	2,740	3,323
2026 Projected Households	1,585	2,713	3,301
2010 Census Households	1,621	2,780	3,330
RACE & ETHNICITY			
2021 Estimated White	50.82%	55.26%	59.68%
2021 Estimated Black or African American	28.69%	28.09%	25.97%
2021 Estimated Asian or Pacific Islander	0.77%	0.94%	0.92%
2021 Estimated American Indian or Native Alaskan	0.77%	0.69%	0.65%
2021 Estimated Other Races	23.45%	20.02%	18.49%
2021 Estimated Hispanic	37.71%	32.60%	30.41%
INCOME			
2021 Estimated Average Household Income	\$53,015	\$57,145	\$59,107
2021 Estimated Median Household Income	\$36,540	\$39,342	\$41,314
2021 Estimated Per Capita Income	\$17,787	\$19,508	\$20,733
DAYTIME POPULATION			
2021 Estimated Total Businesses	262	382	414
2021 Estimated Total Employees	2,638	4,095	4,786



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Starbucks Corporation	1,950	Nov. 2021	Oct. 2031	Current	-	\$8,625	\$4.42	\$103,500	\$53.08	NN	4 (5-Year)
(Corporate Signature)		(est.)		Nov. 2026	10%	\$9,487	\$4.87	\$113,850	\$58.38		8% Inc. at Beg. of Each Period

FINANCIAL INFORMATION

Price	\$2,179,000
Net Operating Income	\$103,500
Cap Rate	4.75%
Lease Type	NN

PROPERTY SPECIFICATIONS

Year Built	2021
Rentable Area	1,950 SF
Land Area	0.89 Acres
Address	702 E. Milam Street Mexia, Texas 76667



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



STARBUCKS

starbucks.com

Company Type: Public (NASDAQ: SBUX)

Locations: 33,000+

2020 Employees: 349,000

2020 Revenue: \$23.52 Billion

2020 Net Income: \$928.30 Million

2020 Assets: \$29.37 Billion

Credit Rating: S&P: BBB+

Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Starbucks stores offer coffee and tea beverages, Handcrafted Beverages, Merchandise and Fresh Food. Through their unwavering commitment to excellence and guiding principles, the company bring the unique Starbucks Experience to life for every customer through every cup. Today, with more than 33,000 stores around the globe, Starbucks is the premier roaster and retailer of specialty coffee in the world. Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.



SRS

NATIONAL
NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

1.7K+

RETAIL
TRANSACTIONS
company-wide
in 2020

500+

NET LEASE
PROPERTIES SOLD
in 2020

\$1.9B

NET LEASE
TRANSACTION VALUE
in 2020

This document has been prepared by SRS Real Estate Partners' National Net Lease Group (SRS) and has been approved for distribution by all necessary parties. Although effort has been made to provide accurate information, SRS and those represented by SRS make no guarantees, warranties, or representations as to the completeness of the materials presented herein or in any other written or oral communications transmitted or made available. Documents may have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither SRS or those represented by SRS represent that this document is all inclusive or contains all of the information you may require. Any financial projections and/or conclusions presented herein are provided strictly for reference and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in economic performance, local market conditions, economic and demographic statistics, or further business activities since the date of preparation of this document. Recipients of this document are urged to undertake their own independent evaluation of the subject and/or asset(s) being shared in this document.