



Starbucks

S&P: BBB+

\$2,600,000 | 4.50% CAP

1626 W Church St., Livingston, TX 77351 (Houston MSA)

- ✓ **New Construction** Starbucks Property
- ✓ **10 Year Net Lease** with No Early Termination
- ✓ **10% Rental Increases** in Primary Term and Options
- ✓ **Minimal LL Responsibilities** with New Roof Warranty
- ✓ **Irreplaceable Interstate** Location with High Traffic

Starbucks is the **premier roaster and retailer** of specialty coffee in the **world**. As of today, Starbucks is the **largest coffeehouse company in the world** with **32,660 stores** across the globe in 2020.



INVESTMENT OVERVIEW

STARBUCKS LIVINGSTON, TX



FILE PHOTO

CONTACT FOR DETAILS

Edward Benton

Executive Vice President
(713) 263-3981

ebenton@securenetlease.com

\$2,600,000

4.50% CAP

NOI

\$117,000

Building Area

±2,058 SF

Land Area

±0.65 AC

Year Built

2021

Lease Type

*Corporate
Net Lease

Occupancy

100%

- ✓ **New construction Starbucks property with drive thru:** featuring a new 10 year net lease with no early termination clause and 10% rental increases every five years
- ✓ **Long Term Net Lease with Starbucks Corporation:** S&P Rated BBB+ | Ranked #125 on the Fortune 500 list | Over 26,000 locations globally
- ✓ **Minimal landlord responsibilities:** corporate net lease with new roof warranty. Landlord responsible for roof structure and parking lot
- ✓ **Shadow anchored by a Walmart Supercenter and strategically situated in a dense retail corridor** with surrounding national tenants including: HEB Grocery, Lowe's, CVS, McDonald's, Whataburger, AutoZone, Burger King, Jack in the Box, Popeyes, & Taco Bell
- ✓ **High income demographics with average household incomes** over \$102,000, \$67,000 and \$70,000 within a one, three and five mile radius (respectively) of the subject property
- ✓ **Excellent highway location just west of the signalized intersection of US Highway 190 (W. Church St.) and US-59** which is estimated to see approximately 26,600 vehicles per day in front of the subject property
- ✓ **Subject Property is located in the Great State of Texas which is the World's 9th largest economy** with a state domestic product totalling \$1.9 trillion

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

SECURE
NET LEASE

TENANT OVERVIEW

STARBUCKS LIVINGSTON, TX

Starbucks

Lessee: Starbucks Corporation, a Washington corporation

REVENUE

\$23.5 B

CREDIT RATING

S&P BBB+

STOCK TICKER

SBUX

TOTAL LOCATIONS

32,000+



[Starbucks.com](https://www.starbucks.com)

Starbucks Corporation is an American multinational chain of coffeehouses and roastery reserves headquartered in Seattle, Washington.

As the world's largest coffeehouse chain, Starbucks is seen to be the main representation of the United States' second wave of coffee culture. As of early 2020, the company operates **over 30,000 locations worldwide** in more than **70 countries**. Starbucks locations serve hot and cold drinks, whole-bean coffee, microground instant coffee known as VIA, espresso, caffe latte, full- and loose-leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers; some offerings are **seasonal or specific** to the locality of the store. Many stores sell pre-packaged food items, pastries, hot and cold sandwiches, and drinkware including mugs and tumblers.

There are also several select **"Starbucks Evenings"** locations which offer beer, wine, and appetizers. Starbucks-brand coffee, ice cream, and bottled cold coffee drinks are also sold at **grocery stores** in the United States and other countries. In 2010, the company began its Starbucks Reserve program for single-origin coffees and **high-end coffee shops**. It planned to open **1,000 Reserve coffee shops** by the end of 2017. Starbucks operates six roasteries with tasting rooms and **43 coffee bars** as part of the program. The latest roastery location opened on Chicago's Magnificent Mile in **November 2019**, and is **the world's largest Starbucks**.

FILE PHOTO



IN THE NEWS

— STARBUCKS LIVINGSTON, TX

Starbucks Stock To Grow As Recovery Continues?

JULY 07, 2021 (FORBES)

Due to the coronavirus crisis, SBUX saw its revenue fall by 11% in 2020. The company started recovery in the Q4 2020 (ended September 2020) and Q1 2021 (ended December 2020).

The momentum continued in Q2 2021 (ended March 2021) as the company recorded revenue of \$6.7 billion, up 11% y-o-y while earnings improved to \$0.58 per share compared to \$0.28 per share in the same period of the previous year. The revenue growth was driven by the International market as comparable store sales grew by 35% y-o-y. We expect this momentum to continue in 2021 as the pace of vaccination increases.

At the current price of around \$115 per share, we believe Starbucks (NASDAQ: SBUX) has nearly 8% growth potential in the near term as per Trefis' Starbucks' valuation of \$124.

We expect Starbucks' revenues to rise by 21% to \$28.5 billion for FY 2021 (ends September 2021). Further, its net income is likely to increase to \$3.7 billion, increasing its EPS figure to \$3.17 in 2021, which coupled with the P/E multiple of 39.1x will lead to Starbucks' valuation of \$124, which is 10% higher than the current market price.

EXPLORE ARTICLE



Brokerages Expect Starbucks Co. (NASDAQ:SBUX) Will Post Quarterly Sales of \$7.23 Billion

JULY 14, 2021 (MARKETBEAT)

Starbucks reported sales of \$4.22 billion during the same quarter last year, which would suggest a positive year over year growth rate of 71.3%. The company is expected to issue its next earnings report on Tuesday, July 27th.

According to Zacks, analysts expect that Starbucks will report full-year sales of \$28.74 billion for the current financial year, with estimates ranging from \$28.52 billion to \$29.01 billion. For the next year, analysts expect that the company will post sales of \$31.23 billion, with estimates ranging from \$30.64 billion to \$32.27 billion. Zacks Investment Research's sales calculations are a mean average based on a survey of analysts that that provide coverage for Starbucks.

Equities research analysts expect Starbucks Co. (NASDAQ:SBUX) to announce \$7.23 billion in sales for the current quarter, Zacks reports. Nine analysts have made estimates for Starbucks' earnings, with estimates ranging from \$7.00 billion to \$7.45 billion.

Starbucks (NASDAQ:SBUX) last issued its quarterly earnings results on Monday, April 26th. The coffee company reported \$0.62 earnings per share (EPS) for the quarter, topping analysts' consensus estimates of \$0.52 by \$0.10. The firm had revenue of \$6.67 billion for the quarter, compared to analyst estimates of \$6.75 billion. Starbucks had a negative return on equity of 18.94% and a net margin of 4.18%. The firm's quarterly revenue was up 11.2% on a year-over-year basis. During the same period last year, the company earned \$0.32 EPS.

EXPLORE ARTICLE



LEASE OVERVIEW

STARBUCKS LIVINGSTON, TX

Initial Lease Term	10-Years, Plus (4), 5-Year Options to Extend
Rent Commencement	November 5, 2021
Lease Expiration	November 30, 2031
Lease Type	Corporate Net Lease
Rent Increases	10% Every 5 Years, In Primary Term & Options
Annual Rent Years 1-5	\$117,000.00
Annual Rent Years 6-10	\$128,700.00
Option 1	\$141,570.00
Option 2	\$155,727.00
Option 3	\$171,299.70
Option 4	\$188,429.67

*Landlord is responsible for roof, structure and parking lot. New Roof Warranty.

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.





POLK COUNTY COMMERCE CENTER

JOE PEDIGO PARK



146 TEXAS



SUBJECT PROPERTY
1626 W CHURCH ST.

TIMBERCREEK ELEMENTARY SCHOOL
(445 STUDENTS)



CEDAR GROVE ELEMENTARY SCHOOL
(473 STUDENTS)



N HOUSTON STREET
±7,938 VPD



PINE RIDGE PRIMARY
(458 STUDENTS)



W CHURCH STREET
±26,950 VPD

LIVINGSTON HIGH SCHOOL
(1,054 STUDENTS)

SITE OVERVIEW

STARBUCKS LIVINGSTON, TX

	Year Built	2021
	Building Area	±2,058 SF
	Land Area	±0.65 AC



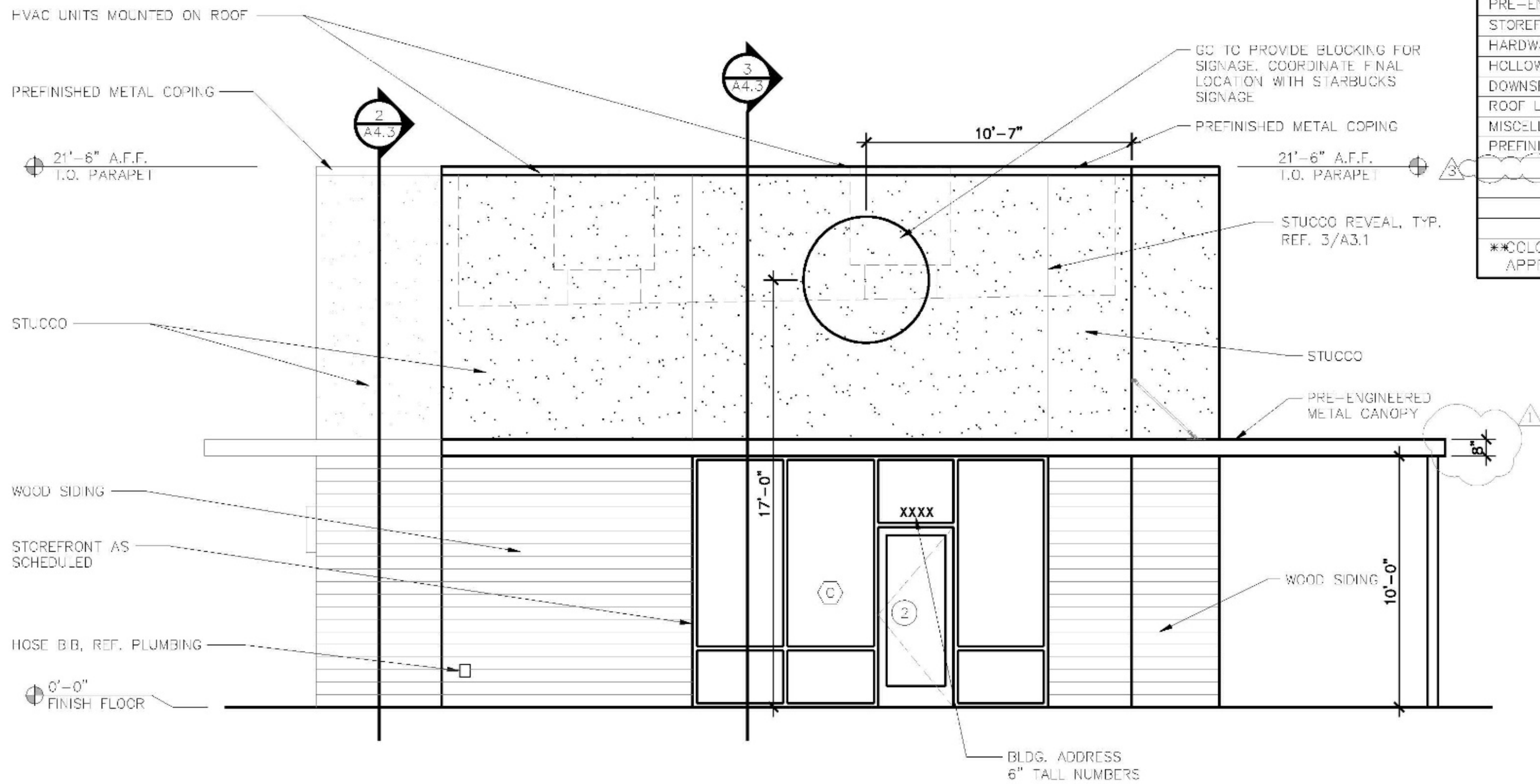
NEIGHBORING RETAILERS

- Walmart Supercenter
- Hibbett Sports
- Dollar Tree
- Tractor Supply Co
- H-E-B
- Lowe's
- Walgreens
- CVS Pharmacy
- H-E-B
- Burkes Outlet
- Brookshire Brothers



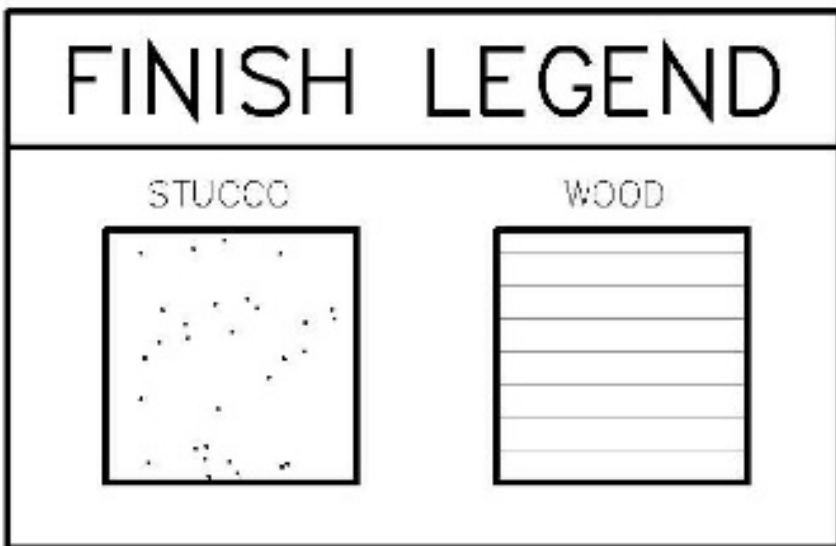
ELEVATIONS

STARBUCKS LIVINGSTON, TX

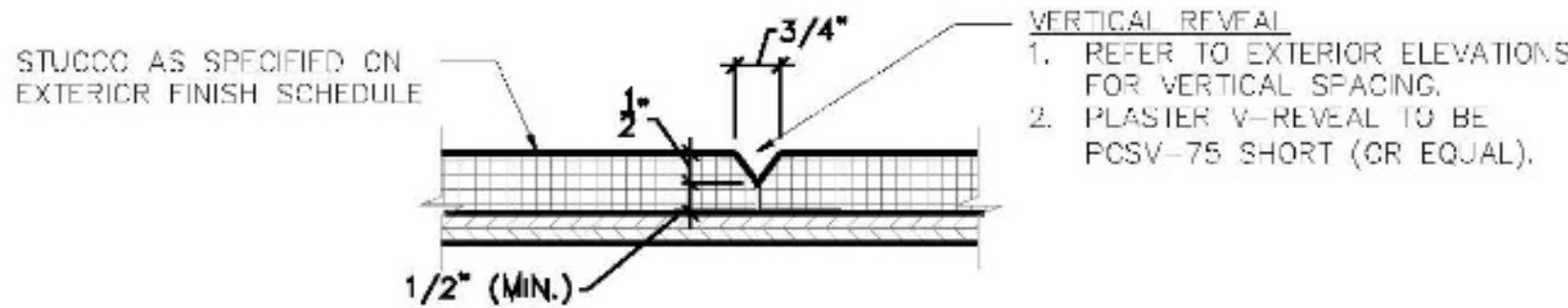


1 WEST (FRONT) ELEVATION
SCALE: 1/4" = 1'-0"

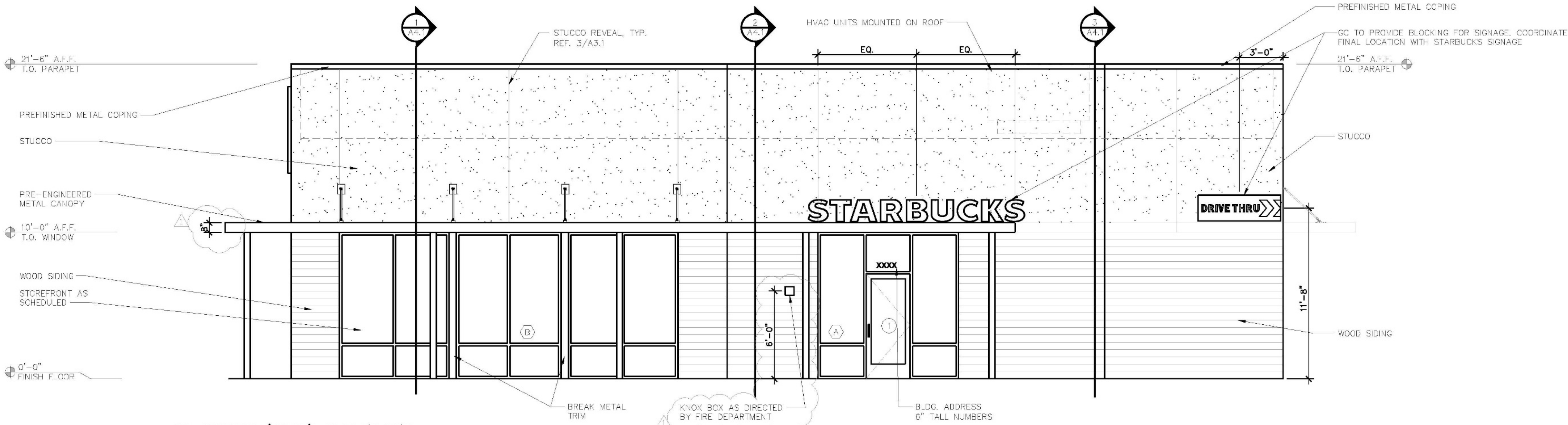
EXTERIOR FINISH SCHEDULE			
ITEM	COLOR	MANUFACTURER	REMARKS
STUCCO	SW7044 AMAZING GREY	SHERWIN WILLIAMS	-
WOOD SIDING	NICHIA - SPRUCE WOOD CLADDING	NICHIA FIBER CEMENT	INSTALL PER MANUFACTURER'S SPECIFICATIONS. VERTICAL SEAMS SHALL BE MINIMIZED. ALL SPANS OF 10' OR MORE SHALL HAVE VERTICAL CALLED SEAMS ALIGNED IN THE CENTER OF THE ARCHON. ALL TRIMS SHALL BE FACTORY PAINTED TO MATCH PANELS. VERTICAL APPLICATIONS ONLY (NOT FOR USE ON SOFFITS).
METAL GAILS AT TRASH ENCLOSURE	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
PRE-ENGINEERED METAL CANOPY	BLACK	ARCHITECTURAL FABRICATION	COLOR TO BE REVIEWED AND APPROVED BY STARBUCKS DESIGNER.
STOREFRONT FRAMES	DARK BRONZE ANODIZED FRAME AND DOORS	KAWNEER	REFER TO WINDOW AND DOOR SCHEDULE
HARDWARE	SATIN CLEAR FINISH	FACTORY FINISHED	REFER TO HARDWARE LEGEND
HOLLOW METAL DOOR AND FRAME	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
DOWNSPOUTS	TO MATCH "BLACK FOX" SW 7020	AEP SPAN	FACTORY APPLIED DURATECH FINISH
ROOF LADDER	SW7044 AMAZING GREY	SHERWIN WILLIAMS	-
MISCELLANEOUS METALS	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
PREFINISHED METAL COPING	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
**COLORS AND MANUFACTURERS INDICATED ARE PREFERRED. G.C. SHALL SUBMIT SAMPLES OF PROPOSED ALTERNATES FOR ARCHITECT'S APPROVAL IN ACCORDANCE WITH DIRECTIONS IN SPECIFICATIONS			



NOTE:
REFER TO SHEET A2.2 FOR
WINDOW SIZES AND DETAILS.



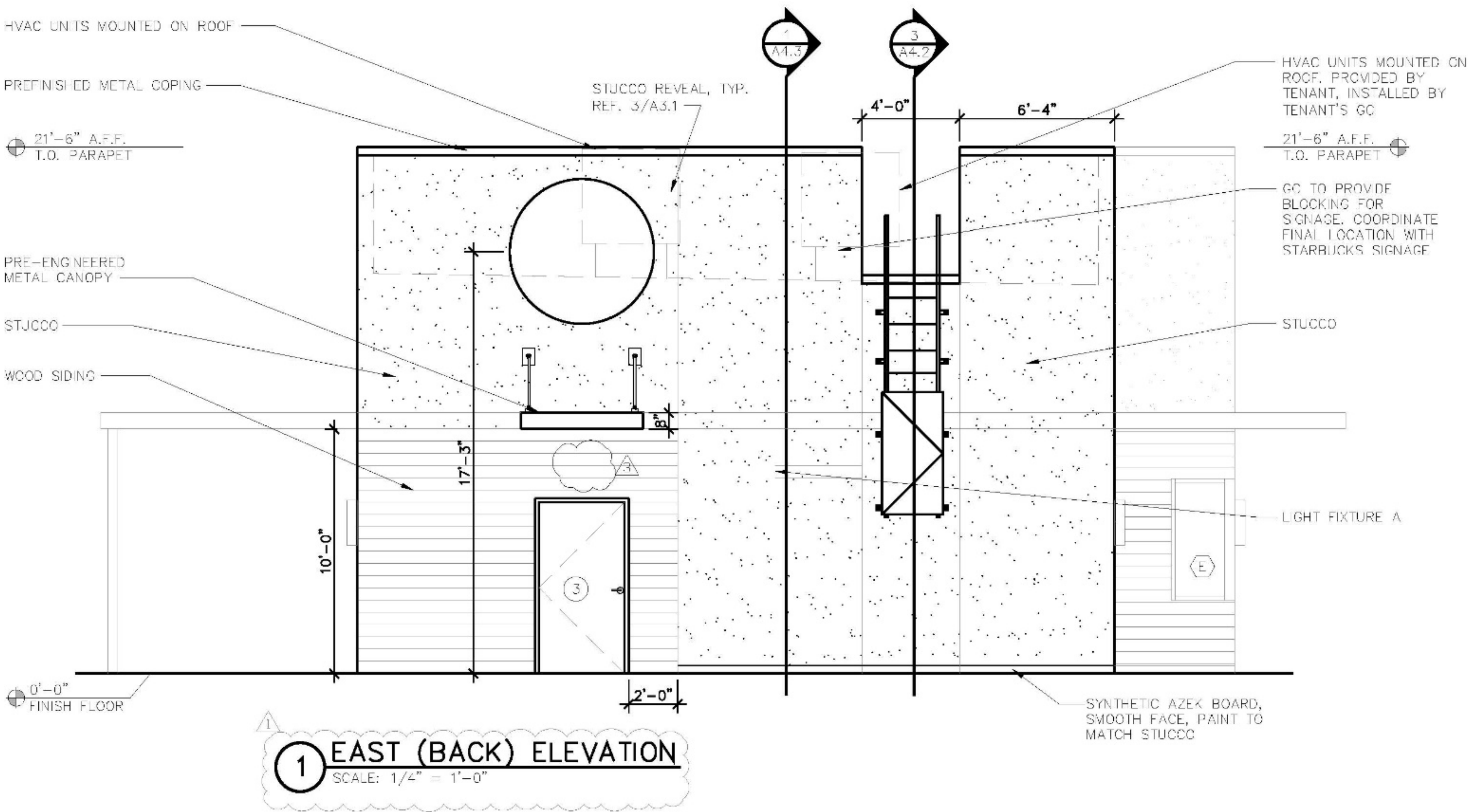
3 VERTICAL REVEAL
SCALE: 3"=1'-0"



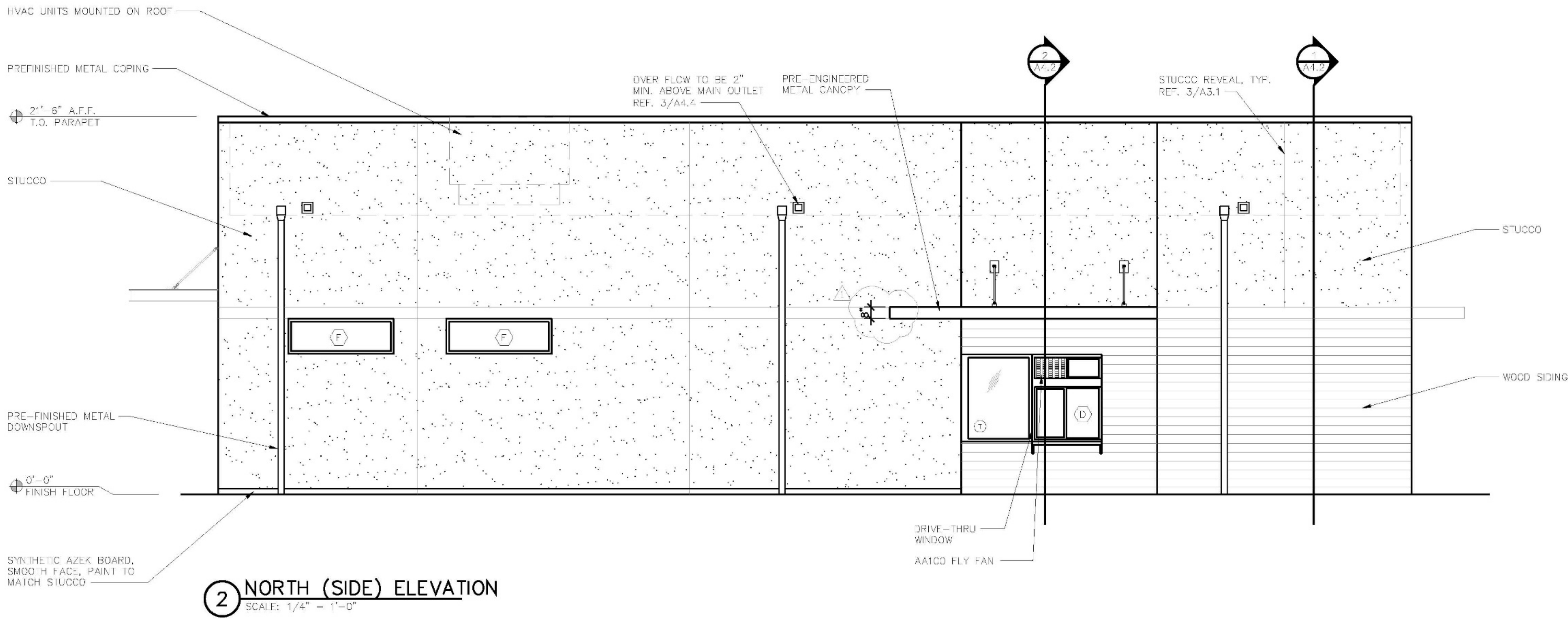
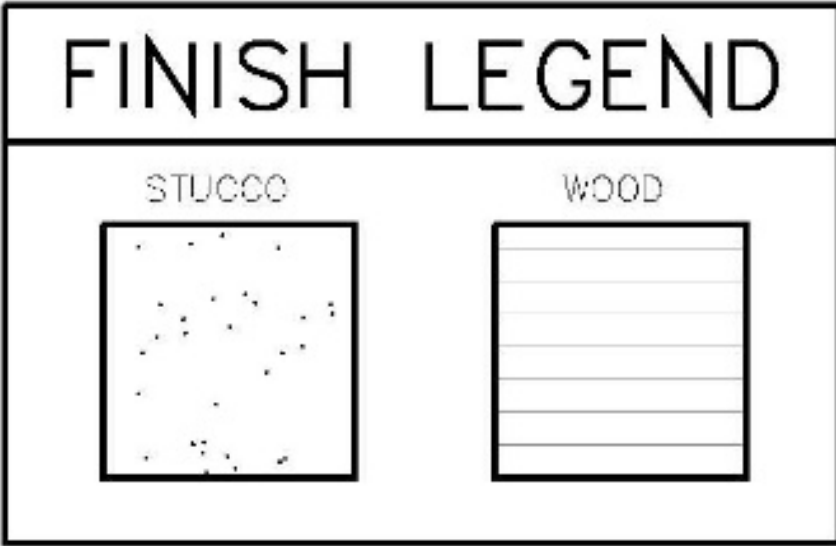
2 SOUTH (SIDE) ELEVATION
SCALE: 1/4" = 1'-0"

ELEVATIONS

STARBUCKS LIVINGSTON, TX

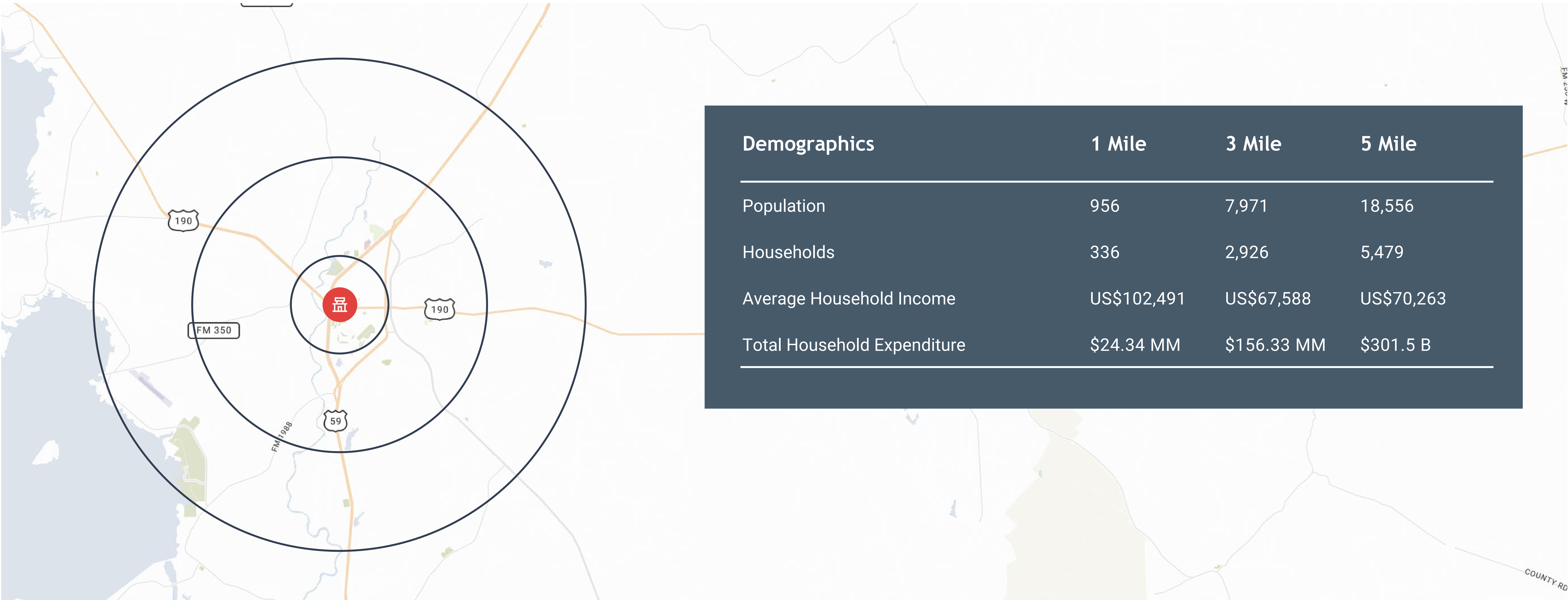


EXTERIOR FINISH SCHEDULE			
ITEM	COLOR	MANUFACTURER	REMARKS
STUCCO	SW7044 AMAZING GREY	SHERWIN WILLIAMS	—
WOOD SIDING	NICHHA — SPRUCE WOOD CLADDING	NICHHA FIBER CEMENT	INSTALL PER MANUFACTURER'S SPECIFICATIONS. VERTICAL SEAMS SHALL BE MINIMIZED. ALL SPANS OF 10' OR MORE SHALL HAVE VERTICAL CALKED SEAMS ALIGNED IN THE CENTER OF THE ARCHON. ALL TRIMS SHALL BE FACTORY PAINTED TO MATCH PANELS. VERTICAL APPLICATIONS ONLY (NOT FOR USE ON SOFFITS).
METAL GATES AT TRASH ENCLOSURE	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	—
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DOWNSPOUTS	TO MATCH "BLACK FOX" SW 7020	AEP SPAN	FACTORY APPLIED DURATECH FINISH
ROOF LADDER	SW7044 AMAZING GREY	SHERWIN WILLIAMS	—
MISCELLANEOUS METALS	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	—
PREFINISHED METAL COPING	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	—
***COLORS AND MANUFACTURERS INDICATED ARE PREFERRED. G.C. SHALL SUBMIT SAMPLES OF PROPOSED ALTERNATES FOR ARCHITECT'S APPROVAL IN ACCORDANCE WITH DIRECTIONS IN SPECIFICATIONS			



LOCATION OVERVIEW

STARBUCKS LIVINGSTON, TX



ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1.

Polk County Government
2.

Naskila Entertainment Center
3.

Livingston ISD
4.

CHI St Luke's Health
5.

Georgia Pacific
6.

Onalaska ISD
7.

Pine Ridge Health Care
8.

Corrigan/Camden ISD
9.

First National Bank
10.

Lowe's Home Improvement
11.

City of Livingston
12.

Brookshire Brothers
13.

Wal-Mart Super Center
14.

Sam Houston Electric Coop
15.

Timberwood Nursing & Rehab

LOCATION OVERVIEW

STARBUCKS LIVINGSTON, TX



Livingston
Texas

5,335
Population

\$43,217
Median Household Income

Lake Livingston-2nd
Largest Lake in
Texas

Lake
Livingston

Lake Livingston is an
important tourist attraction
and an economic
asset to the city

Economic
Asset

Livingston is the county seat of Polk County in Upper East Texas at the junction of US Highways 190 and 59.

It is located about 70 miles north of Houston and 65 miles south of Nacogdoches.

Naskila Gaming is Texas’ newest and closest destination for gaming entertainment, and is located just 15 minutes east of Livingston.

Polk County is the gateway between the Texas Forest Country and Texas Gulf Coast Area, providing fishing, hunting, outdoor activities, antiques, hometown restaurants and much more.

In the midst of the Big Thicket forest in Polk County lies Texas' oldest Indian Reservation, home of the Alabama-Coushatta Tribe of Texas. Nearby Lake Livingston is the second largest lake located within the borders of Texas. It has over 450 miles of shoreline and 90,000 acres of surface area. Additional attractions include the Polk County Memorial Museum, Heritage Park and the Historic Main Street District for a glimpse into the area’s rich and varied history. Naskila Gaming is Texas’ newest and closest destination for gaming entertainment, and is located just 15 minutes east of Livingston. Naskila Gaming boasts over 30,000 sq. ft. gaming facility. Lumbering, ranching and the production of gas and oil continue to drive the local economy .Over the past ten years, Livingston has experienced a diversification of the economic base with the construction by the Texas Department of Criminal Justice of a 2,850 bed prison unit five miles outside Livingston. The unit employs approximately 835 people. Additionally, much new growth in the region has focused on the health-care industry as well as retiree and senior-care related industry and small businesses. With a state-of-the-art hospital located on the U. S 59 Highway Bypass, development of numerous new medical office buildings, nursing homes, assisted living and independent living retirement facilities, and an active-adult over-55 residential subdivision, Livingston will continue to experience a growing senior population in the area.

IN THE NEWS

STARBUCKS LIVINGSTON, TX

Livingston casino generates \$170 million into East Texas' economy

JOSEPH BROWN, MARCH 15, 2020 (THE HUNTSVILLE ITEM)

“I am extremely proud that our electronic bingo operation supports hundreds of well-paying jobs while providing entertainment for one million visitors each year, 95 percent of whom come from outside of Polk County,” said Cecilia Flores, Alabama-Coushatta Tribe Tribal Council Chairperson. “This study reinforces the critical economic impact and jobs Naskila Gaming provides for Deep East Texas families -- an impact that must be preserved by the Senate passage of HR 759. Affirming the sovereign right of the Alabama-Coushatta Tribe to offer electronic bingo will save jobs and protect economic opportunity for the people of East Texas.”

Naskila Gaming, one of the few casinos in Texas, supports more than **700 jobs** and provides a **\$170 million** economic impact to East Texas, according to a economic study by the Texas Forest Country Partnership.

Today, the Tribe is the second largest employer in Polk County due to their operation of Naskila Gaming, which opened in 2016 and offers electronic bingo and entertainment to 1 million visitors each year.

The study updates economic impact numbers from 2018 and reveals what tribe leaders call “**the increasingly important impact of the electronic bingo facility on East Texas.**”

The Alabama-Coushatta Tribe of Texas is one of three federally recognized Tribes in the state and has long been a part of Texas’ history, playing an **important role** in Texas’ fight for independence. Today, the **Tribe** is the second largest employer in Polk County due to their operation of **Naskila Gaming**, which opened in 2016 and offers electronic bingo and entertainment to **1 million** visitors each year.

EXPLORE ARTICLE

Texas Enters 2021 As World’s 9th Largest Economy By GDP

JANUARY 27, 2021 (U.S. NEWS)

Texas enters 2021 as the world’s ninth largest economy, proof of the success of a long-term strategy to make Texas the best place to start or relocate a business, said Robert Allen, President and CEO of the Texas Economic Development Corporation.

“This is more than just a statistic,” Allen said. “The fact that our state, if it were a nation, would be the world’s **ninth largest economy** shows that Texas is well positioned to outperform economically, regardless of the challenges that may lie ahead.”

TxEDC is an independently funded non-profit organization in partnership with the Governor’s Office of Economic Development and Tourism charged with marketing Texas as a premier business location, the cornerstone of Texas Gov. Greg Abbott’s economic development agenda.

Texas’ ranking as the world’s ninth largest economy is because of the hardworking men and women of the Lone Star State, our commitment to economic freedom, our state-of-the-art infrastructure and business climate.

“While **2020** brought unique challenges, Texas continued to shine as a beacon of **hope** and **opportunity**,” Abbott said. “Texas’ ranking as the world’s ninth largest economy is because of the hardworking men and women of the **Lone Star State**, our commitment to economic freedom, our **state-of-the-art** infrastructure and business climate. As we cultivate an environment of growth and opportunity, Texas will continue to build an even **brighter future** for all Texans.”

EXPLORE ARTICLE

NOT PART OF AN MSA

STARBUCKS LIVINGSTON, TX



CALL FOR ADDITIONAL INFORMATION

Dallas

Office

10000 N Central Expressway
Suite 200
Dallas, TX 75231
(214) 522-7200

Los Angeles

Office

123 Nevada Street
El Segundo, CA 90245
(424) 224-6430

CALL FOR ADDITIONAL INFORMATION

Edward Benton

Executive Vice President
(713) 263-3981

ebenton@securenetlease.com

TEXAS DISCLAIMER

STARBUCKS LIVINGSTON, TX

Approved by the Texas Real Estate Commission for Voluntary Use

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

Information about brokerage services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties' consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

If the broker represents the owner

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written – listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information the owner knows.

If the broker represents the buyer

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

If the broker acts as an intermediary

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- May not disclose any confidential information or any information that a part specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions.