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## STARBUCKS MULTI-TENANT | OFFERING MEMORANDUM

Low Rent/Price – Retail Synergy – Starbucks Adding 2<sup>nd</sup> DT Lane

1780 and 1800 22<sup>nd</sup> Ave SW  
Minot, ND 58701



# STARBUCKS MULTI\_TENANT MINOT, ND

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**EXCLUSIVELY LISTED BY**

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## *section 1*

# Investment Overview & Highlights

# INVESTMENT OVERVIEW

The subject investment offers an investor the opportunity to acquire one of the lowest priced Starbucks multi-tenant properties currently and historically on the market. The property is approximately 4,896 Sq. Ft. situated on approximately 0.75 Acres with frontage on Highway 2, 16<sup>th</sup> St SW and 22<sup>nd</sup> Ave SW. The rent is substantially below market and increases throughout the option periods.

National retailer's in the immediate area include but are not limited to Kohl's, Hobby Lobby, Target, Sear, JCPenney, Barnes & Noble, TJ Maxx, Ross, Herberger's, Gordmans, Cash Wise Foods, Petco, Scheels, Party City, and many more.

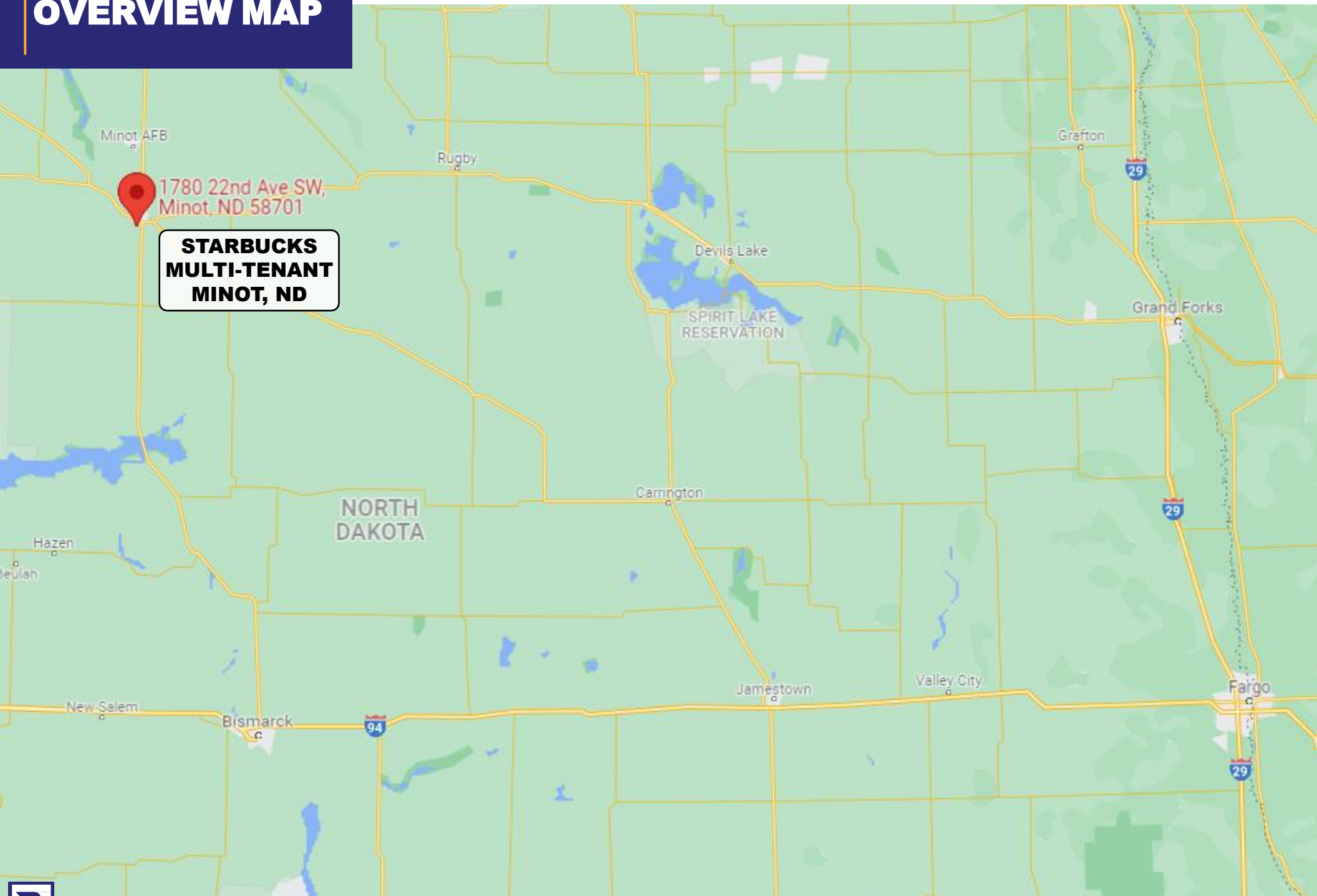


## INVESTMENT HIGHLIGHTS

- Excellent Fundamentals – One of the Lowest Priced Starbucks Multi-Tenant Available (Currently and Historically)
- Corporate, Regional and Local Credit
- Strong Demographics – 7,000+ Ppl w/ Median HHI of \$81,000+ in a 1-Mile Radius
- Priced Well Below Land and Replacement Cost – Appx. \$255/ft
- Strong Retail Synergy – Kohls, Hobby Lobby, Dakota Square Mall, Target, TJ Maxx, Ross, Barnes and Noble, Cash Wise Foods, AMC Theaters, and Many Others Located in the Immediate Vicinity



# LOCATION OVERVIEW MAP



**STARBUCKS  
MULTI-TENANT  
MINOT, ND**







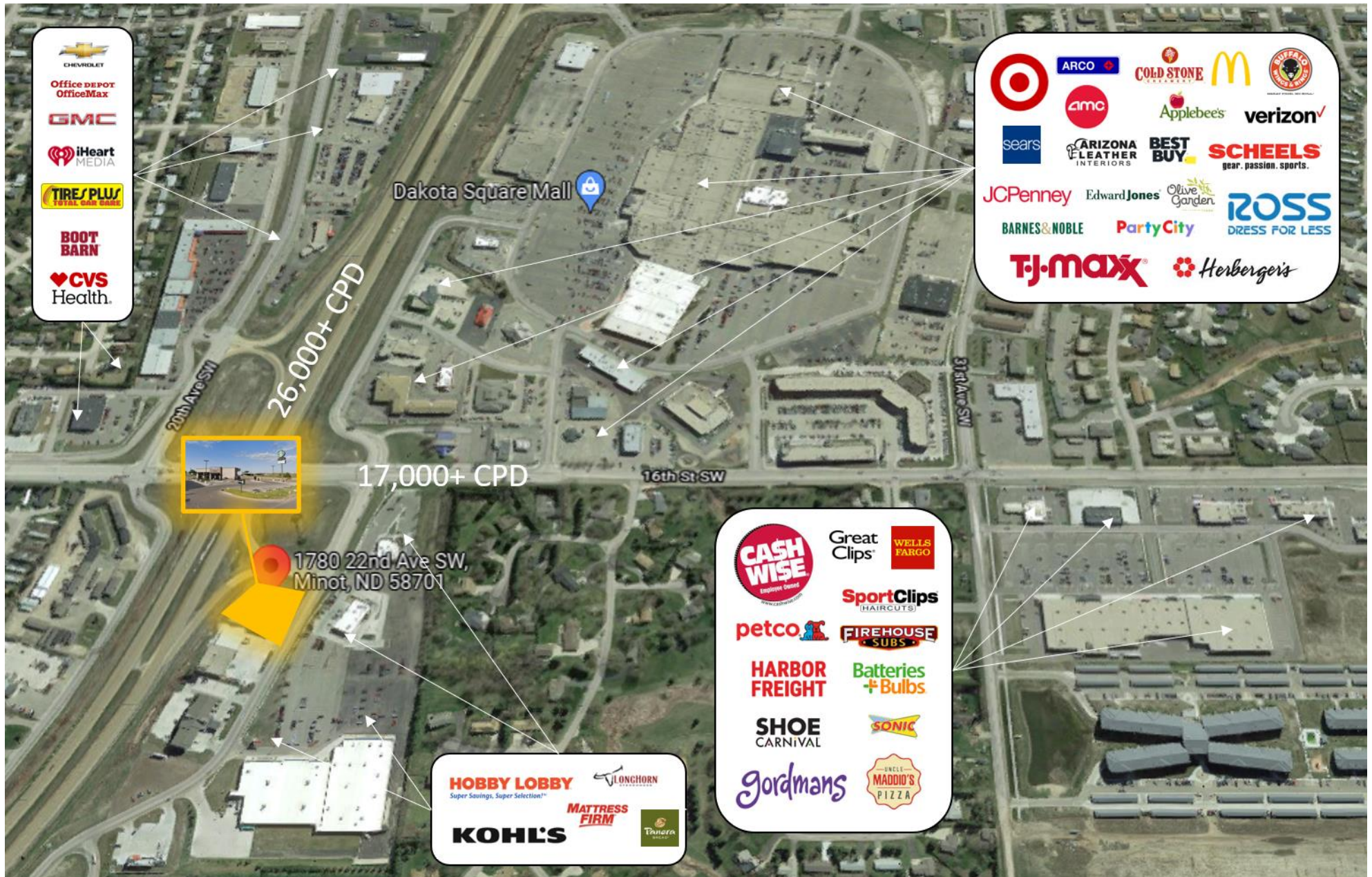
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*section 2*  
**Property Aerials**



# SURROUNDING RETAIL





# LOCAL RETAIL





### *section 3*

## **Pricing & Operating Information**



# PRICING - STARBUCKS MINOT

PRICING SUMMARY		
Cap Rate	Price	Price Per Foot
6.29%	\$1,250,000	\$255.31

OPERATING INFORMATION	
Year 1 NOI	\$78,675
NOI/SF	\$16.07
Gross Leasable Area	4,896 SF

RENT SCHEDULE				
Year	Annual NOI	Monthly NOI	NOI/SF	Cap Rate
Current	\$78,675	\$6,556.25	\$16.07	6.29%

OFFERING SUMMARY	
Tenants	Starbucks, Eventures and Heartland Home Supply
Guarantor	Corporate and Regional/Local
Credit Rating	A and Regional/Local
Rent Commencement	September 28, 2013, and 2020s
Initial Terms	10, 2 and 3 Years
Rent Increases	10% Every 5 Years, 3% Annual in Option and 3% in Option
Renewal Options	4, 5-Yr Options, 1, 2-Yr Option and 1, 3-Yr Option
Lease Type	NN and Gross
NOI/Mo.	\$6,556.25



# PRICING AND OPERATING INFO

OFFERING SUMMARY		PROPERTY DETAILS	
Property	Starbucks Multi-Tenant	Year Built/Renovated	1991/2013
Address	1780 and 1800 22 <sup>nd</sup> Ave SW, Minot, ND 58701	Lot Size (Acres)	0.75
Price	\$1,250,000	Gross Leasable Area	4,896 SF
Cap Rate	6.29%	Zoning	Commercial
Price/SF	\$255.31	Type of Ownership	Fee Simple

RENT ROLL													
Tenant Name	Suite	SF	% of Build- ing	Lease Comm.	Lease Exp.	Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Changes on	Changes to	Lease Type	Expense Reimburse- ments	Renewal Option and Option Year Rental Information
Starbucks	1	1,836	38%	9/28/2013	2/29/2024	\$26.00	\$4,042.50	\$48,510	3/1/2024	\$53,370	NN	67% of CAM, Ins. and Taxes	4, 5-Year Options, 10% Increases in Each Option
Eventures	2	1,525	31%	11/1/2020	10/31/2022	\$12.73	\$1,618	\$19,414	Nov-22	\$19,996.92	Gross	0%	One, Two Year Option, 3% Annual Increases Starting in Options Split Capex w/ \$1500 Tenant Max
Heartland Home Supply	3	1,535	31%	6/1/2020	5/31/2023	\$17.98	\$2,300	\$27,600	Jun-23	\$28,428.00	Gross	0%	One, Three Year Option, Three Percent Increase in Option
Total		4,896				\$18.90	\$7,961	\$95,524				67%	

- Starbucks has a rolling early termination right if sales are below \$850,000 for two (2) full calendar years. If exercised, tenant shall pay six months of year six (6) (current) rent amount.



# PRICING AND OPERATING INFO

OPERATING STATEMENT					
Income	Year 1	Per SF	Year 2	Per SF	Notes
<b>Scheduled Base Rental Income</b>	\$95,524.00	19.51	\$95,524.00	19.51	
<b>Expense Reimbursement Income</b>					
CAM	\$6,688.82	1.37	\$6,688.82	1.37	
Insurance	\$2,809.70	0.57	\$2,809.70	0.57	
Real Estate Taxes	\$9,962.75	2.03	\$9,962.75	2.03	
Management Fees	\$0.00	0	\$0.00	0	
<b>Total Reimbursement Income</b>	\$19,461.28	53.60%	\$19,461.28	53.60%	
<b>Effective Gross Revenue</b>	\$114,985.28	\$23.49	\$114,985.28	\$23.49	
<b>Operating Expenses</b>	Year 1	Per SF	Year 2	Per SF	Notes
<b>Common Area Maintenance (CAM)</b>					
Utilities	\$5,175.70	\$1.06	\$5,175.70	\$1.06	
Trash Removal	\$3,900.00	\$0.80	\$3,900.00	\$0.80	
Fence Maintenance	\$667.00	\$0.14	\$667.00	\$0.14	
Mowing Service	\$400.00	\$0.08	\$400.00	\$0.08	
Lawn Care and Snow Removal	\$4,629.50	\$0.95	\$4,629.50	\$0.95	
Concrete Maintenance	\$2,031.65	\$0.41	\$2,031.65	\$0.41	
Painting	\$443.00	\$0.09	\$443.00	\$0.09	
<b>Insurance</b>	\$4,193.58	\$0.86	\$4,193.58	\$0.86	
<b>Real Estate Taxes</b>	\$14,869.78	\$3.04	\$14,869.78	\$3.04	
<b>Total Expenses</b>	\$36,310.21	\$7.42	\$36,310.21	\$7.42	
<b>Expenses as % of EGR</b>	31.58%		31.58%		
<b>Net Operating Income</b>	\$78,675	\$16.07	\$78,675	\$16.07	

- Starbucks reimburses 67% of CAM attributed to the entire property – inquire for details
- Painting, concrete maintenance and fence maintenance are three year averages





#### *section 4*

## **Market Overview**



## Market Overview



**47k+**

Population of Minot



**15.99%**

Population Growth  
Since 2010 Census



**4th**

4<sup>th</sup> Largest City in  
North Dakota



**\$70,000+**

Average Household  
Income





# LOCATION OVERVIEW

## MINOT, ND

Minot is the fourth largest city in North Dakota and is part of the Minot micropolitan area that covers McHenry, Renville and Ward counties. In 2021, this area is estimated to have a combined population of 76,044.

Minot is known as the “Magic City” because of its profound growth in the late 1800’s when the town grew from zero to 5,000 in the five months after the railroad was built 1896. It is home to Minot Air Force Base, Roosevelt Park Zoo, the North Dakota State Fair and Norsk Hostfest, which is the largest Scandinavian festival in North America.

### TOP EMPLOYERS as of 2020

Employer	Number of Employees
Minot Air Force Base	6,803
Trinity Health	2,885
Minot Public Schools	1,057
City of Minot	416
Minot State University	387
Cognizant (ING Service Center)	372 (2018)
MLT, Inc.	366 (2019)
BNSF Railroad	360
Marketplace Foods	313
Ward County	283

## DEMOGRAPHIC SNAPSHOT

Population		
Year	1 Mile	3 Miles
2020	7,061	38,590

Median Household Income		
Year	1 Mile	3 Miles
2020	\$81,540	\$70,777







## CONTACT INFORMATION

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