

# STARBUCKS

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## KINGSLAND, GA





A photograph of a Starbucks building with a modern design, featuring large glass windows and a wooden facade. The Starbucks logo is visible on the left side of the building. The building is situated in a parking lot with a clear blue sky in the background.

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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Marcus & Millichap



# OFFERING SUMMARY



**\$2,800,000**

**LIST PRICE**



**4.82%**

**CAP RATE**

## *Financial*

List Price	\$2,800,000
Cap Rate	4.82%
NOI	\$135,000
Price/SF	\$1,120
Rent/SF	\$54

## *Operational*

Lease Type	Double Net
Guarantor	Corporate Guarantee
Lease Expiration	07/31/2029
Square Footage	2,500 SF
Lot Size	0.75 acres
Occupancy	100%
Year Built	2019











# STARBUCKS

## Boone Avenue E • Kingsland, Georgia

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Marcus & Millichap is pleased to present this 2019 construction Starbucks with a drive-thru located at 1398 Boone Avenue Ext., Kingsland, Georgia. The subject offering provides both new and experienced investors the opportunity to acquire a corporately guaranteed, double-net Starbucks (NYSE: SBUX). 7+ years are remaining in the primary term with 10% increases every 5 years. The property is situated along East King Ave, the main retail corridor in Kingsland, which boasts over 21,500 vehicles per day. I-95, the major interstate highway on the east coast is also less than 3/4ths of a mile down the street. Kingsland also benefits from its proximity to Jacksonville, Florida, which is located just thirty-five miles south and has become an integral hub for the southeast. Starbucks is backed by a strong corporate guarantee, an S&P rating of BBB+, 30,000+ locations, and \$29.1B+ in revenue.

### Investment Highlights

Outparceled to Winn-Dixie Shopping Center and Lowe's Home Improvement

15 Year Assignable Roof Warranty

2019 Construction

7+ Lease Term with Six (6) 5-year Options

Less than a 30-Minute Drive to Jacksonville, Florida

NN Lease

# FINANCIAL DETAILS

## THE OFFERING

Price	\$2,800,000
Cap Rate	4.82%
Price/SF	\$1,120
Net Operating Income	\$135,000

## PROPERTY DESCRIPTION

Year Renovated	2019
Building Area	2,500 SF
Type of Ownership	Fee Simple
Lot Size	0.75 acres

## LEASE SUMMARY

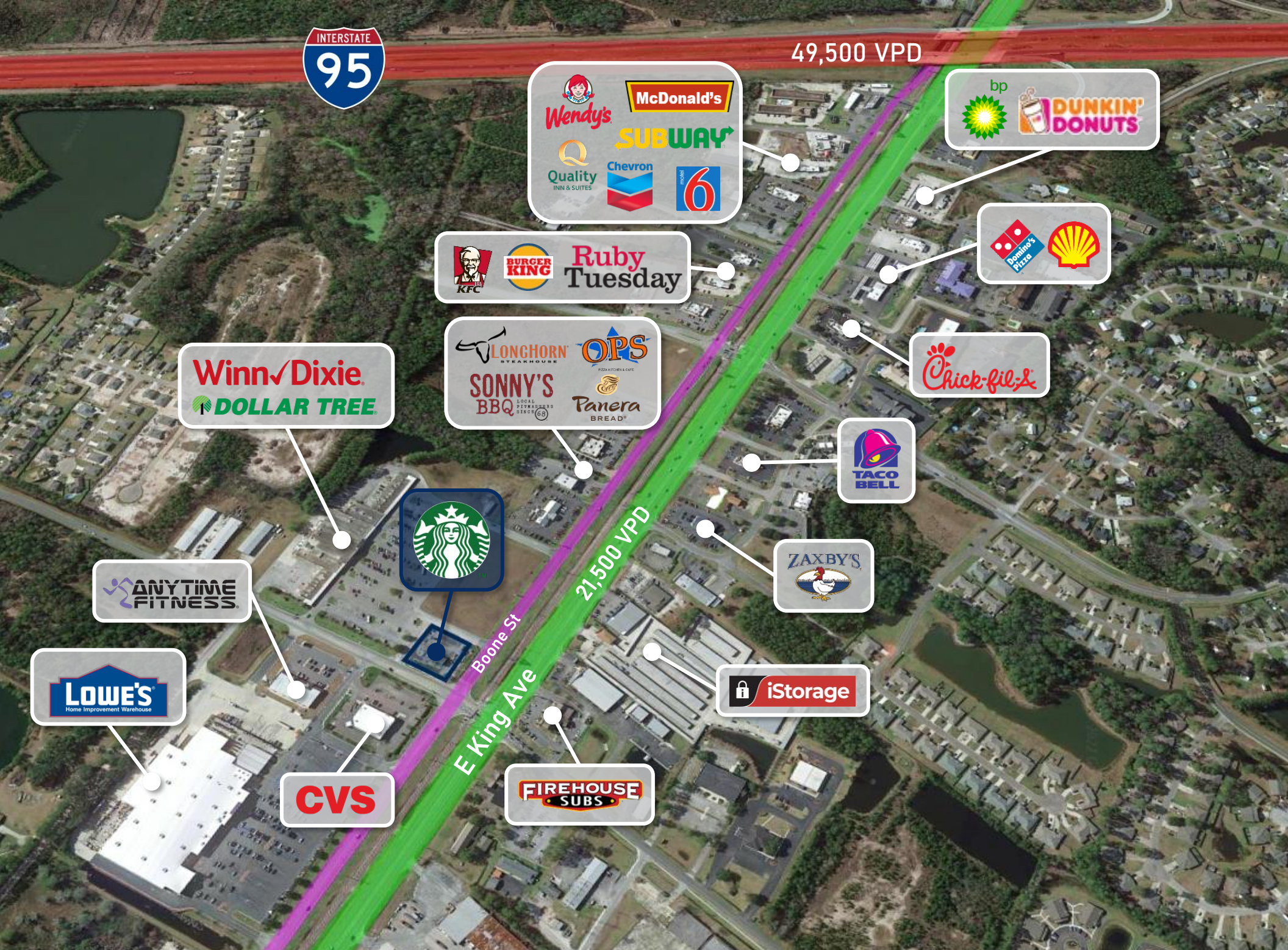
Tenant	Starbucks
Guarantor	Corporate Guarantee
Lease Type	Double Net
Rent Increases	10% increase after every 5 years
Lease Commencement	Estimated 7/12/2019
Lease Expiration	7/31/2029
Renewal Options	Six (6) 5-yr options
Term Remaining on Lease	7 years, 5 months
Landlord Responsibility	Roof, Structure, Parking, Landscape
Tenant Responsibility	Taxes, Insurance

## RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/SF	Cap Rate
Current	\$135,000	\$11,250	\$54.00	4.82%
Years 5-10	\$148,500	\$12,375	\$59.40	5.30%
Option 1	\$163,350	\$13,613	\$65.34	5.83%
Option 2	\$179,685	\$14,974	\$71.87	6.42%
Option 3	\$197,654	\$16,471	\$79.06	7.06%
Option 4	\$217,419	\$18,118	\$86.97	7.76%
Option 5	\$239,161	\$19,930	\$95.66	8.54%
Option 6	\$263,077	\$21,923	\$105.23	9.40%







INTERSTATE  
95

49,500 VPD

Wendy's McDonald's  
SUBWAY  
Quality Inn & Suites Chevron 6

bp DUNKIN' DONUTS

KFC BURGER KING Ruby Tuesday

Domino's Pizza Shell

Winn-Dixie  
DOLLAR TREE

LONGHORN STEAKHOUSE OPS  
SONNY'S BBQ LOCAL PITMASTERS SINCE 1968 Panera BREAD

Chick-fil-®

TACO BELL

ANYTIME FITNESS

Starbucks

ZAXBY'S

iStorage

LOWE'S  
Home Improvement Warehouse

CVS

FIREHOUSE SUBS

Boone St  
E King Ave





E King Ave

Kings Bay Naval Submarine Base

Naval Submarine Base Kings Bay is a base of the United States Navy located adjacent to the city of St. Marys in Camden County, Georgia, on the North River in southeastern Georgia, and 38 miles from Jacksonville, Florida.

The Submarine Base is the U.S Atlantic Fleet's home port for the U.S Navy Fleet ballistic missile nuclear submarines armed with Trident missile nuclear weapons.

This submarine base covers about 16,000 acres of land, of which 4,000 acres are protected wetlands. There are more than 520,000 SF of classroom and office space and more than 15,000 people call it home, 9,000 of which are personnel



# TENANT OVERVIEW

Starbucks was founded in 1971 in Seattle's historic Pike Place Market. It started by selling fresh-roasted coffee beans, tea, and spices for customers to take home and make themselves. It wasn't until 1982, when Howard Schultz joined the company, that they started to become the coffeehouse that they are known for today. The company expanded to many different states and even Canada before opening their first store overseas in Japan in 1996. With millions of customers every week, Starbucks has stayed true to their mission to inspire and nurture the human spirit. The company also announced a commitment to small business growth with more than \$21 million in funding allotted to seven community development financial institutions. Starbucks also launched new products in 2022 including an energy drink made with caffeine naturally found in coffee beans. Global comparable store sales increased 20% in 2021. They also reported 1,173 new stores in 2021.

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



## HEADQUARTERS

Seattle, WA



## NO. OF EMPLOYEES

383,000+



## NO. OF LOCATIONS

34,317



## YEAR FOUNDED

1971



# MARKET OVERVIEW

## JACKSONVILLE

The Jacksonville metro is in the northeastern corner of Florida just south of the Georgia border. It is composed of five counties: Duval, Clay, St. Johns, Nassau and Baker, with the Atlantic Ocean providing its eastern border. Jacksonville's access to road, rail, sea and air transportation has made it an intermodal hub for the Southeast. JAXPORT is one of the largest ports in the region and is equipped to handle cargo as well as cruise ships and the local ferry service. Naval Air Station Jacksonville and Mayport Naval Station contribute to a strong military presence in the market. The metro houses 1.6 million people. With approximately 902,800 residents, Jacksonville is by far the largest city in the metro. No other city in the market contains more than 40,000 citizens.

### ECONOMY

- Once rooted in its military bases, commercial port, tourism and paper mills, the Jacksonville economy is diversifying
- The metro is home to three Fortune 500 companies: Fidelity National Information Services, Fidelity National Financial, and CSX
- The city has developed a large financial services sector, led by Bank of America, Citibank, Deutsche Bank and Wells Fargo
- Jacksonville has an emerging industrial base in medical products research and manufacturing

### DEMOGRAPHICS

- The metro is projected to add roughly 109,300 people through 2025, resulting in the formation of nearly 46,700 households
- A median home price of roughly \$297,600 sits well below the national level and that of South Florida metros, allowing 65 percent of households to own their home
- Roughly 30 percent of people age 25 and older hold a bachelor's degree; among those residents, 10 percent also have earned a graduate or professional degree

## METRO HIGHLIGHTS



### BUSINESS ATTRACTION

A lower cost of doing business than other nearby cities and a large, skilled labor pool help draw relocating and expanding companies to the region



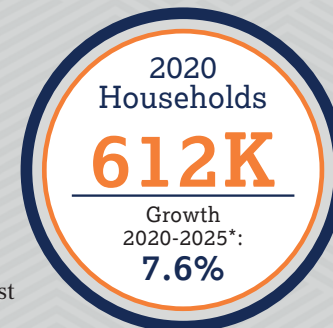
### STRONG POPULATION GROWTH

In past decades, the metro's population growth has outpaced that of the nation, a trend that is projected to continue over the next five years

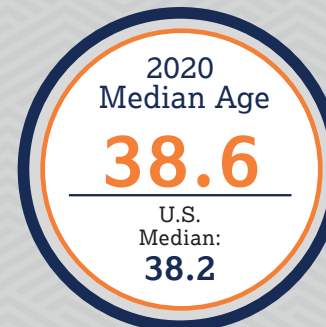


### DEEPWATER PORT

Cargo activity through JAXPORT provides \$31 billion in annual economic impact to the metro and generates 138,500 jobs in Florida



\*forecast





# KINGSLAND, GA DEMOGRAPHICS



<b>Population</b>	1 Mile	3 Mile	5 Mile
2026 Projection	2,278	18,183	37,807
2021 Estimate	2,187	17,292	35,918
2010 Census	1,988	15,482	32,127



<b>Households</b>	1 Mile	3 Mile	5 Mile
2026 Projection	931	6,883	13,425
2021 Estimate	885	6,483	12,647
2010 Census	795	5,728	11,164



<b>HH Income</b>	1 Mile	3 Mile	5 Mile
Average	\$81,500	\$74,064	\$75,191
Median	\$68,635	\$62,601	\$63,945
Per Capita	\$32,975	\$27,778	\$26,795



<b>Employment</b>	1 Mile	3 Mile	5 Mile
2021 Daytime Projections	2,706	15,205	29,088
2021 unemployment	3.93%	4.20%	4.03%
Average Time Traveled (min)	23	24	24





## Broker of Record

John Leonard

Georgia

1100 Abernathy Rd., N.E Bldg. 500

Atlanta, GA 30328

P: (678) 808-2700

LIC #: 252904

