



# Starbucks

S&P Rated BBB+

**\$3,050,000 | 4.00% CAP**

265 FM 518, Kemah, TX 77565 (Houston MSA)

- ✓ **New Construction** Starbucks Property
- ✓ **10 Year Net Lease** with No Early Termination
- ✓ **8.5% Rental Increases** in Primary Term and Options
- ✓ **Minimal LL Responsibilities** with New Roof Warranty
- ✓ **Outparcel to Walmart** Supercenter in Houston MSA

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 KEMAH, TX

FILE PHOTO

## CONTACT FOR DETAILS

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\$3,050,000

4.00% CAP

NOI

\$122,000

Building Area

±2,117 SF

Land Area

±0.653 AC

Year Built

2022

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 8.5% 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: Marshalls, Ross Dress for Less, Petco, Rack Room Shoes, NTB, Whataburger, ALDI, Walgreens, and many others.
- ✓ **High income demographics with average household incomes** over \$137,300, \$116,763 and \$109,178 within a one, three and five mile radius (respectively) of the subject property.
- ✓ **Located in the dynamic and growing Houston, TX MSA - Houston added 1.1 million new residents from 2010 to 2018**, an 18.2 percent increase and the fastest rate of population growth among the 10 most populous U.S. Metros.
- ✓ **Once predominantly oil and gas focused, today Houston is home to a number of growing industries** including healthcare, aerospace/aviation, advanced manufacturing, transportation/logistics, life sciences/biotech and more.

\*LL responsible for roof, structure and parking lot. New 20 Year 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.

**SECURE**  
NET LEASE

## TENANT OVERVIEW

STARBUCKS KEMAH, TX

# Starbucks

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

REVENUE  
**\$23.5 B**

CREDIT RATING  
**BBB+**

LOCATIONS  
**32,000+**

STOCK TICKER  
**SBUX**



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

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 KEMAH, 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.

Having gained more than **73%** since the March bottom, Starbucks' stock (NASDAQ: SBUX) is close to its near term potential. Our conclusion is based on a detailed comparison of SBUX's performance against the S&P 500 now as well as during the 2008 downturn in our interactive dashboard analysis.

In FY 2020, Starbucks reported an earnings beat with EPS of \$0.79 and total revenues at **\$23.5 billion**, down **11% y-o-y**. Further, the company reported **\$1.6 billion in cash** inflows from operating activities for the year.

EXPLORE ARTICLE



## Starbucks Is Testing A Cashierless Cafe In NYC & This Could Be The Future Of Coffee

SAMEEN CHAUDHRY, DECEMBER 20, 2021 (NARCITY)

The coffee chain is testing out a new store concept in New York City called Starbucks Pickup with Amazon Go.

A press release by the coffee brand explained how the store uses a combination of features like the Starbucks app to **order ahead** and Amazon Go's **walk-out technology**, which allows you to pick up a coffee without speaking to a cashier or standing in line. For those who want to go to a coffee shop to get some work done or chat with a friend, the store also has a fully updated lounge that features **individual workspaces** and more extensive work tables. You also don't need to worry about finding **power outlets and USB ports** because this store has you covered in that department.

It may not be too long before you walk into your local Starbucks and grab a coffee without speaking to a single person.

The store will also feature items from the Amazon Go market, including fresh salads and sandwiches in addition to the Starbucks menu.

Ordering drinks is **pretty straightforward** as the process isn't that different from using the Starbucks app for in-store pickup.

However, you have a few options when buying from **the Amazon Go Market**. You can either use the **"in-Store Code"** from the Amazon app, Amazon One or a credit card. Then you can proceed to shop as per usual.

If the store proves to be a **success in New York City**, it might not be long until we see similar stores popping up across the U.S. and in Canada.

EXPLORE ARTICLE





## LEASE OVERVIEW

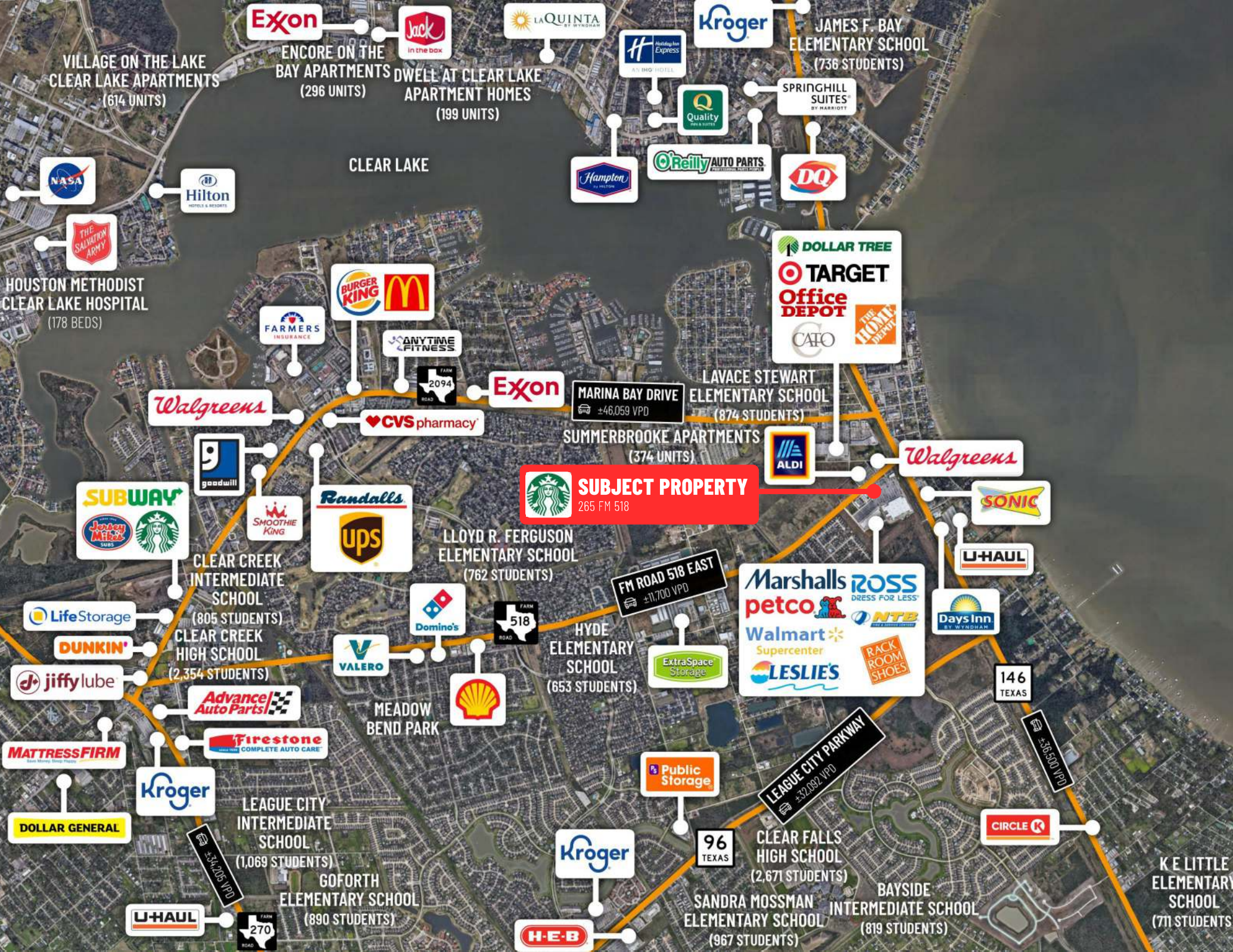
STARBUCKS KEMAH, TX

Initial Lease Term	10-Years, Plus (4), 5-Year Options to Extend
Rent Commencement	Mid-February 2022
Lease Expiration	Mid-February 2032
Lease Type	Corporate Net Lease
Rent Increases	8.5% Every 5 Years, In Primary Term & Options
Annual Rent YRS 1-5	\$122,000.00
Annual Rent YRS 6-10	\$132,370.00
Option 1	\$143,621.45
Option 2	\$155,829.27
Option 3	\$169,074.76
Option 4	\$183,446.11

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.







Exxon

Jack  
in the box

LA QUINTA  
BY WYNDHAM

Kroger

JAMES F. BAY  
ELEMENTARY SCHOOL  
(736 STUDENTS)

VILLAGE ON THE LAKE  
CLEAR LAKE APARTMENTS  
(614 UNITS)

ENCORE ON THE  
BAY APARTMENTS  
(296 UNITS)

DWELL AT CLEAR LAKE  
APARTMENT HOMES  
(199 UNITS)

Hampton  
by Hilton

Quality  
Tires & More

SPRINGHILL  
SUITES  
BY HARRIOTT

Hilton  
HOTELS & RESORTS

Hampton  
by Hilton

O'Reilly  
AUTO PARTS

DQ

THE  
SAVATION  
ARMY

HOUSTON METHODIST  
CLEAR LAKE HOSPITAL  
(178 BEDS)

FARMERS  
INSURANCE

BURGER  
KING

ANYTIME  
FITNESS

2094  
ROAD

Exxon

MARINA BAY DRIVE  
±46,059 VPD

LAVACE STEWART  
ELEMENTARY SCHOOL  
(874 STUDENTS)

DOLLAR TREE  
TARGET  
Office  
DEPOT  
CATO  
THE HOME  
DEPOT

Walgreens

goodwill

CVS pharmacy

Starbucks

SUBJECT PROPERTY  
265 FM 518

ALDI

Walgreens

SONIC

U-HAUL

SUBWAY  
Jersey Mike's  
Starbucks

CLEAR CREEK  
INTERMEDIATE  
SCHOOL  
(805 STUDENTS)

Randalls  
ups

LLOYD R. FERGUSON  
ELEMENTARY SCHOOL  
(762 STUDENTS)

Domino's

518  
ROAD

HYDE  
ELEMENTARY  
SCHOOL  
(653 STUDENTS)

FM ROAD 518 EAST  
±11,700 VPD

ExtraSpace  
Storage

Marshalls  
petco  
Walmart  
Supercenter  
LESLIE'S  
ROSS  
DRESS FOR LESS  
NTE  
RACK ROOM  
SHOES

Days Inn  
BY WYNDHAM

146  
TEXAS

±36,500 VPD

MEADOW  
BEND PARK

Shell

VALERO

Advance  
Auto Parts

Firestone  
COMPLETE AUTO CARE

LifeStorage

DUNKIN'

jiffy lube

MATTRESS FIRM

Kroger

LEAGUE CITY  
INTERMEDIATE  
SCHOOL  
(1,069 STUDENTS)

GOFORTH  
ELEMENTARY SCHOOL  
(890 STUDENTS)

U-HAUL

270  
ROAD

Kroger

SANDRA MOSSMAN  
ELEMENTARY SCHOOL  
(967 STUDENTS)

LEAGUE CITY PARKWAY  
±32,082 VPD

CLEAR FALLS  
HIGH SCHOOL  
(2,671 STUDENTS)

BAYSIDE  
INTERMEDIATE SCHOOL  
(819 STUDENTS)

CIRCLE K

K E LITTLE  
ELEMENTARY  
SCHOOL  
(771 STUDENTS)

H-E-B

96  
TEXAS



## SITE OVERVIEW

STARBUCKS KEMAH, TX



Year Built

2022



Building Area

±2,117 SF



Land Area

±0.653 AC

### NEIGHBORING RETAILERS

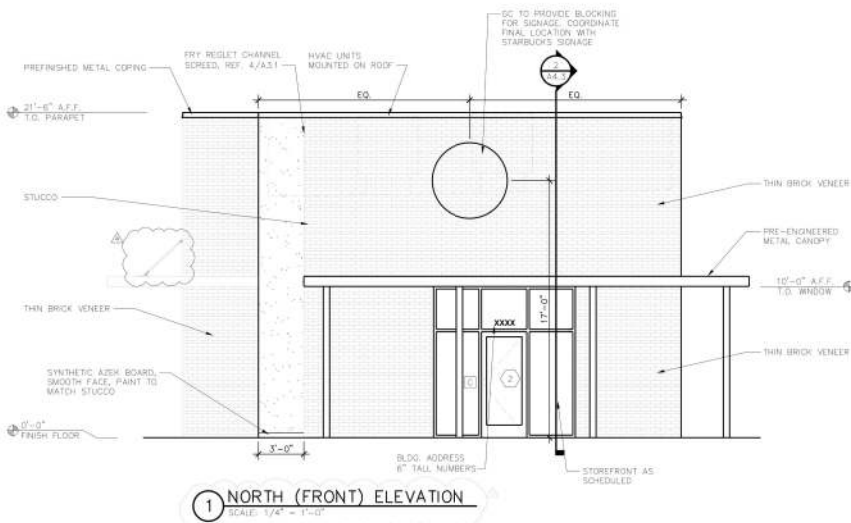
- Marshalls
- Petco
- Walmart Supercenter
- ROSS Dress For Less
- Aldi
- The Home Depot
- Target
- Kroger
- H-E-B
- Office Depot





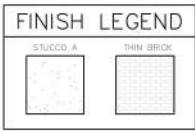
ELEVATIONS

STARBUCKS KEMAH, TX

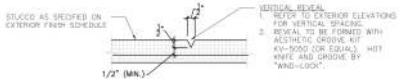


EXTERIOR FINISH SCHEDULE			
ITEM	COLOR	MANUFACTURER	REMARKS
STUCCO	SW7019 GAUNTLET GREY	SHERWIN WILLIAMS	-
THIN BRICK VENEER	PEWTER, MASON TEXTURE	MUTUAL MATERIALS	RUNNING BOND, MORTAR COLOR TO MATCH
METAL GATES AT TRASH ENCLOSURE	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
PRE-ENGINEERED METAL CANOPY	BLACK	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 DURATED FINISH
ROOF LADDER	SW7044 AMAZING GREY	SHERWIN WILLIAMS	-
MISCELLANEOUS METALS	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
PRE-FINISHED METAL CORING	"BLACK FOX" SW 7020	SHERWIN WILLIAMS	-
LIGHT FIXTURE A	DARK BRONZE	LBL LIGHTING	LED (REFER TO ELECT.)
LIGHT FIXTURE B	DARK BRONZE	LITHONIA	LED (REFER TO ELECT.)

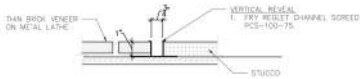
\*\* COLORS AND MANUFACTURERS INDICATED ARE PREFERRED. O.C. SHALL SUBMIT SAMPLES OF PROPOSED ALTERNATES FOR ARCHITECT'S APPROVAL IN ACCORDANCE WITH DIRECTIONS IN SPECIFICATIONS



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



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



4 REVEAL DETAIL  
SCALE: 3"=1'-0"

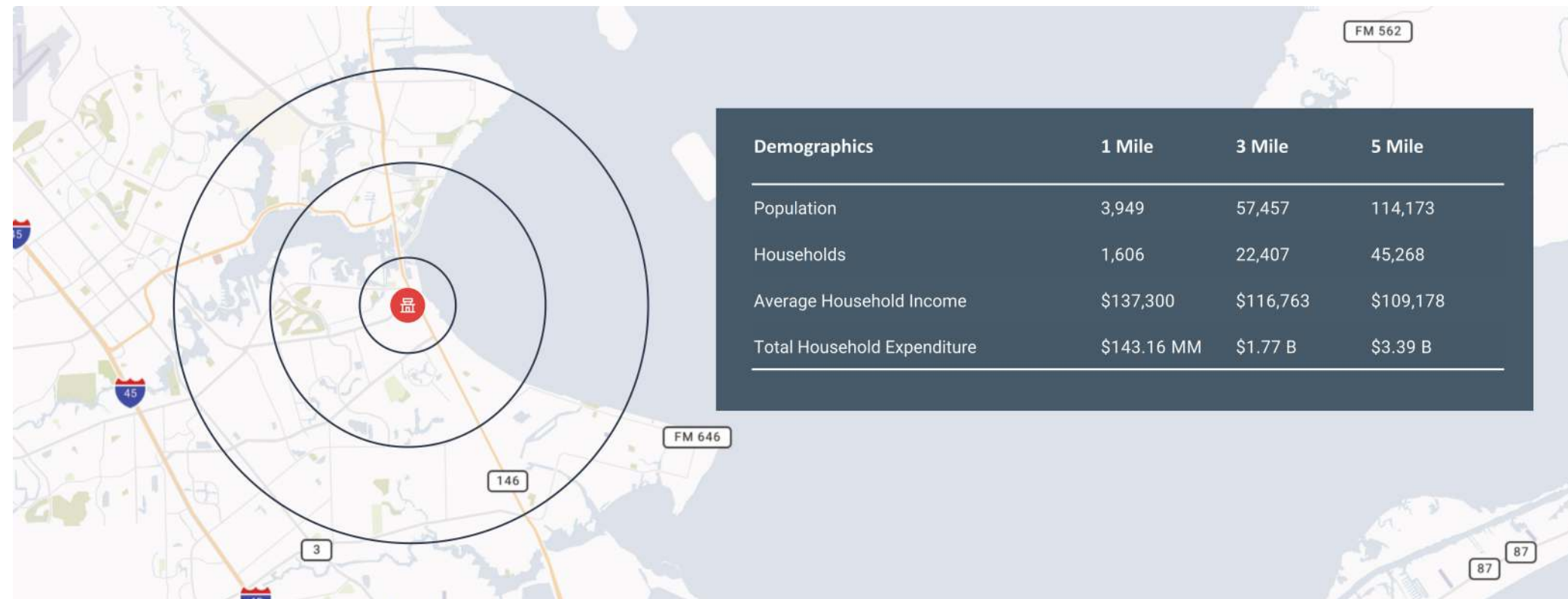






# LOCATION OVERVIEW

STARBUCKS KEMAH, TX



## ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

- |   |                                       |                        |
|---|---------------------------------------|------------------------|
| 1. Walmart (37,000)   | 7. Kroger (16,000)                    | 13.HCA (10,830)        |
| 2. Memorial Hermann Health System (24,108)                    | 8. United Airlines (14,941)           | 14.Landry's (10,800)   |
| 3. H-E-B (23,732)   | 9. Schlumberger (12,069)              | 15.UTMB Health (9,928) |
| 4. The University of Texas MD Anderson Cancer Center (21,086) | 10.Shell Oil Company (11,507)         |                        |
| 5. McDonald's Corporation (20,918)                            | 11.Exxon Mobil Corporation (11,000)   |                        |
| 6. Houston Methodist (20,000)                                 | 12.Texas Children's Hospital (10,922) |                        |

## LOCATION OVERVIEW

STARBUCKS KEMAH, TX

# Kemah

Texas



3,057  
Population



\$73,250  
Median Household Income



Smart Asset named  
Galveston County the No. 2 in  
the state and No. 5 nationally  
for small business owners

No. 2

Houston is expected to see  
the fastest economic growth  
in U.S. through 2023

2023

## Kemah is located southeast of Houston along west Galveston Bay.

Located in Galveston County, Kemah's main industry is shipping.

**Houston is home to the Texas Medical Center (TMC)-the largest medical center in the world, featuring both the world's largest children's hospital, Texas Children's Hospital, and world's largest cancer hospital, MD Anderson Cancer Center.**

Originally a small fishing town, the city has become a tourist destination for the area's restaurants and attractions, which are contained within the Kemah Entertainment District.

Located just 20 miles from downtown Houston, the Kemah Boardwalk is home to fabulous waterfront restaurants, amusements, charming retail stores, festivals and seaside shows every day. In 2012, Kemah was ranked the top tourism spot in the Greater Houston area. **Houston** is the most populous city in Texas, as well as the 4th most populous city in the U.S, with an estimated population of 2,325,503. Houston's economy since the late 20th century has a broad industrial base in energy, manufacturing, aeronautics and transportation. Leading in healthcare sectors and building oilfield equipment, Houston has the second most Fortune 500 headquarters of any U.S. municipality within its limits after New York City. Houston is the most diverse metropolitan area in Texas and is home to many cultural institutions and exhibits, attracting more than 7 million visitors a year to its Museum District. CNN Money and Money Magazine have recognized 5 cities in the Greater Houston area over the past 3 years as part of its 100 Best Places to Live in the U.S. list. Houston has become a global city, with world-renown strength in medicine and research. Houston is home to the Texas Medical Center (TMC)-the largest medical center in the world, featuring both the world's largest children's hospital, Texas Children's Hospital, and world's largest cancer hospital, MD Anderson Cancer Center. TMC offers over 9,200 patient beds and has over 8 million patient visits per year. Within 1,345 total acres, TMS is the 8th largest business district in the entire U.S. TMC employs over 106,000 people and has over \$3 billion in construction projects underway. Houston is also home to several universities including Rice University, Texas Southern University and The University of Houston.



## IN THE NEWS

— STARBUCKS KEMAH, TX

## Where to take out-of-towners in Houston: Best bets in the Bayou City

HOLLY BERETTO, DECEMBER 14, 2021 (CULTUREMAP HOUSTON)

When out-of-town guests arrive, it's a perfect time to show off the Bayou City. With that in mind, we've rounded up an expansive list to some of Houston's best cultural and entertainment offerings, from museums to parks, and so much more. These landmarks are sure to turn your guests into Newstonians.

In addition to these hot spots, check out our picks for **holiday lights**, holiday plays and theater, and art events. From **kid-friendly**, hands-on exhibits to the NASA tram tour, there are more than **400 things to see and do**.

It's easy to spend a day here – and still want to come back for more!

Dedicated to chronicling the **U.S.'s space exploration journey**, visitors will find everything from moon rocks to space suits to the control room that helped put man on the moon. There are several **permanent exhibits**, including rockets and a space shuttle replica, and rotating ones.

Head south to this family entertainment complex that features rides, shopping and dining. Cruise out into Galveston Bay aboard the Boardwalk Beast, or ride the Boardwalk Bullet rollercoaster. Feed the stingrays and check out the arcade games.

With its lineup of **shows designed specifically for young people**, Main Street Theater's Theater for Youth programming is perfect for kids and parents alike. Several stories are based on popular children's books, and the fully staged productions are among the country's finest.

Spend a day. **Spend the weekend**. But certainly make time for this Galveston favorite that has plenty for the whole family. There's an aquarium, a rainforest, a museum, **3D and 4D theaters**, not to mention season offerings throughout the year. Stay-and-play packages are offered by the adjacent hotel.

EXPLORE ARTICLE

## Texas recognized as second best state for business, while Houston expected to see key economic growth

John Egan, Dec 30, 2019 (innovation map)

Houston and the rest of Texas received two early Christmas presents signaling that their economies continue to percolate.

In a report released December 23, **economic forecasting** and analysis firm Oxford Economics predicted **Houston and Dallas-Fort Worth** will enjoy a greater share of **economic growth through 2023** than any other mega-metro area in the U.S. except San Francisco.

In a recent forecast, the Greater Houston Partnership envisions the Houston area adding 42,300 jobs in 2020, mostly outside the energy sector.

Meanwhile, Forbes magazine declared on December 19 that Texas is the **second best state for business**, behind only North Carolina. Texas previously sat in the No. 3 spot on the Forbes list, preceded by North Carolina and Utah.

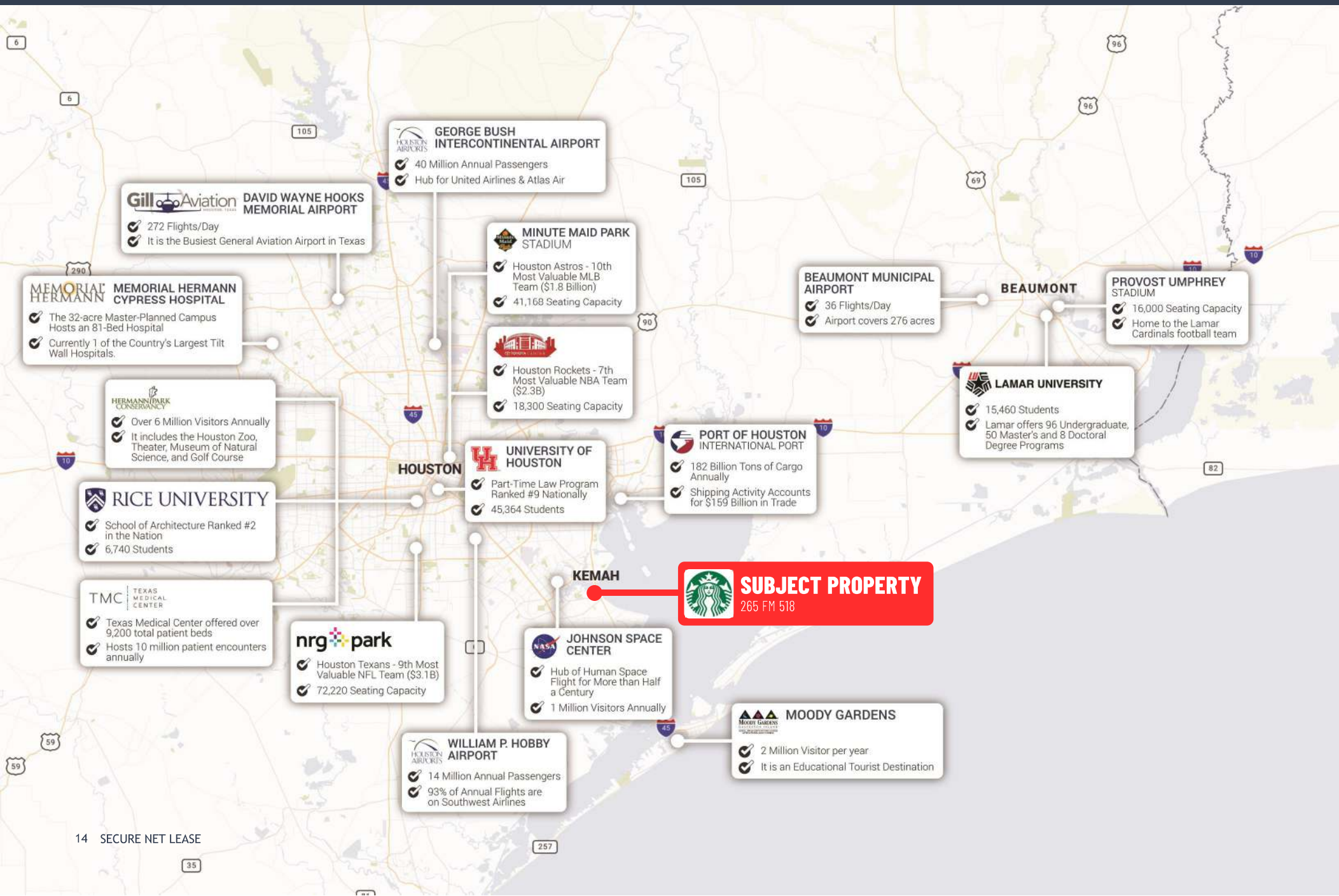
Through 2023, Oxford Economics forecasts average compound GDP growth of **2.4 percent** in Houston and Dallas-Fort Worth. Among the country's 10 biggest metro areas, only the projection for San Francisco is higher (2.7 percent).

For Houston, the **2.4 percent** figure would be an improvement over recent economic performance. From 2014 to 2018, the region's **GDP growth rate was 1 percent**, while it was **1.5 percent for 2015-19**. In the 2020-21 timeframe, the growth rate for Houston is expected to be 1.9 percent.

Among the region's top-performing sectors in 2020 will be **healthcare, government**, food services, and construction, the partnership says. Meanwhile, the energy, retail, and information sectors are expected to shrink.

EXPLORE ARTICLE

# STARBUCKS KEMAH, 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

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CALL FOR ADDITIONAL INFORMATION

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# TEXAS DISCLAIMER

STARBUCKS KEMAH, 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.