

Starbucks - Piqua

Dayton MSA

1200 East Ash Street
Piqua, Ohio 45356
www.piqua-starbucks.com

New Starbucks Location Scheduled to Open April 2022



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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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Executive Summary

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The Offering



CBRE has been exclusively retained by the Owner to facilitate the sale of a freestanding Starbucks located at 1202 East Ash Street in Piqua, Ohio. The property is a 2,307-square-foot single tenant building on an outlot to Home Depot. It's leased on a double-net (NN) basis and a 10-year lease which commences in April, 2022. The lease includes four (4), five (5) year options and ten (10%) percent rental increases every five years throughout the entire lease term.

Starbucks is located on an outlot of Miami Valley Crossing shopping center. Miami Valley Crossing is strategically located at Interstate 75 (52,000 vpd) and State Route 36 (19,000 vpd) in the northern Miami Valley area to easily serve Piqua, Troy, Sidney, Greenville and Urbana. The center boasts the largest selection of fine retail, services and restaurants within the northern Dayton MSA, the likes include Walmart Supercenter, Home Depot, Joann Fabrics, Goodwill, Big Lots and Dollar Tree as well as a number of quality national retailers. Other nearby retailers include AT&T, Kay Jewelers, Wright-Pat Credit Union, Planet Fitness, Aldi, Farm & Home, Harley Davidson, and a recently constructed Kettering Health Network Hospital.

Piqua is located along the I-75 corridor, the major north/south connector running from Michigan to South Florida and features a heavy industrial presence within Ohio. The location is a short drive from Dayton, Columbus and Cincinnati, which allows businesses to service all three locations without the same labor pool competition present in the cities.

Tenant	Starbucks Corporation
Address	1202 East Ash Street / Piqua, OH
Tenant Website	www.starbucks.com
Acres	0.5698
Year Built	2022
Square Feet	2,307
Base Rent	\$135,306
Rent Increases	10% every 5 years
Asking Price	\$2,848,000
Cap Rate	4.75%
Lease Type	NN
Lease Term	10 years
Current Term Lease Start	4/11/2022 (estimated store opening date)
Current Lease Expiration	4/10/2032
Renewal Options	Four (4), five (5) year renewal options with 10% base rental rate increases in each option period

Property Highlights

Starbucks / 1202 East Ash Street

The offering provides an investor with a brand new, state-of-the-art freestanding Starbucks that will benefit from its strategic position, tremendous road signage, Home Depot and Walmart Supercenter traffic, and its highway pylon signage for years to come.

- + Corporate guaranteed by Starbucks Corporation which carries an investment grade S&P credit rating of (BBB+) and an annual revenue stream of over \$30 billion (Fiscal 1st Quarter, 2022) thru its over 34,000 locations worldwide.
- + Brand new construction in 2022 with latest prototype design including drive-thru and an outdoor patio.
- + Highly visible corner location which is an outlot to a Home Depot & Walmart Supercenter anchored strip center.
- + Lease does not contain any termination and/or Covid lease language ensuring long-term security to investors.
- + Property provides direct access to a traffic light providing easy ingress/egress into the site.
- + Located just off I-75 at US 36/Ash Street which is Piqua's main interstate exit.


Demographics

	1 Mile	3 Mile	5 Mile	7 Mile
Population	1,542	19,450	26,099	38,267
Avg. HH Income	\$59,449	\$57,054	\$62,930	\$68,732
Daytime Population	3,852	10,105	13,606	21,176
# of Businesses	207	766	936	1,327



Investment Terms

Starbucks / 1202 East Ash Street

A close-up photograph of a Starbucks coffee machine. Two streams of golden-brown coffee are pouring from the spouts into a dark-colored cup. The cup features the iconic Starbucks Siren logo in a light color. The background is dark and out of focus.

The property is being offered for sale, fee simple absolute, by CBRE, to a select group of investors on an “as is”, all cash basis. All Letters of Intent should at a minimum include the purchase price, earnest money, due diligence period, closing date and allocation of closing costs between Purchaser and Seller.

Property Description

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View North

Starbucks / 1202 East Ash Street



View East

Starbucks / 1202 East Ash Street



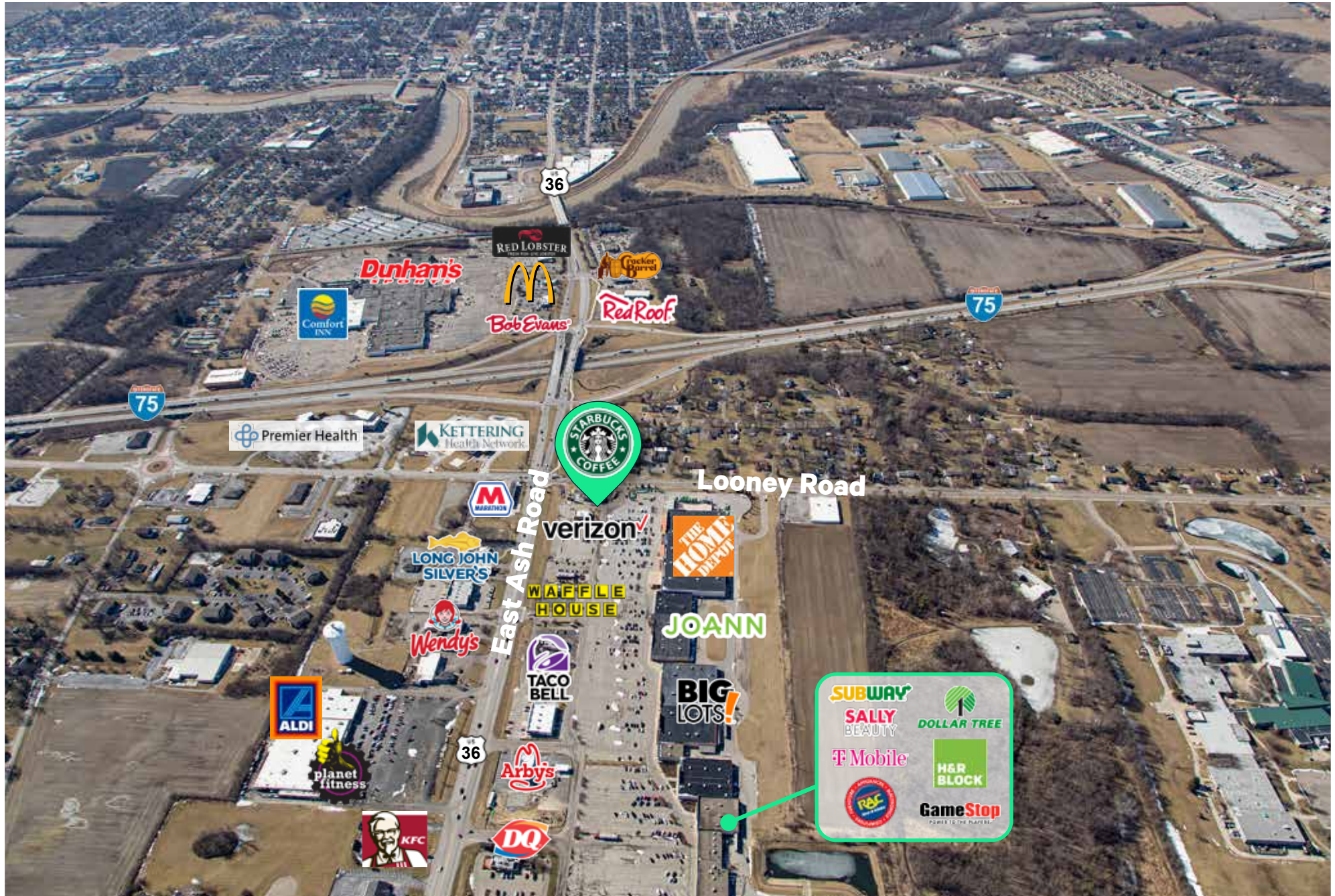
View South

Starbucks / 1202 East Ash Street



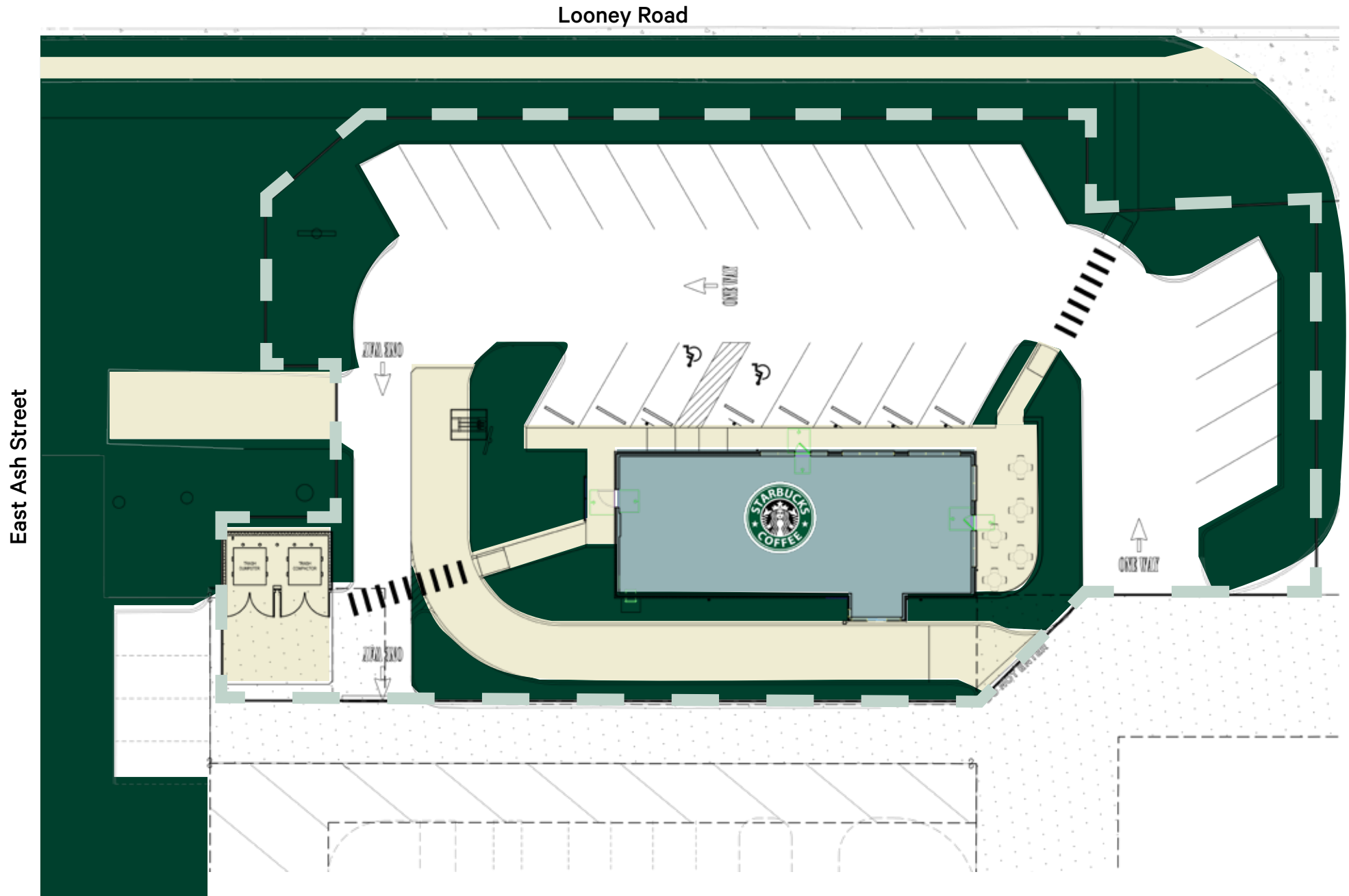
View West

Starbucks / 1202 East Ash Street

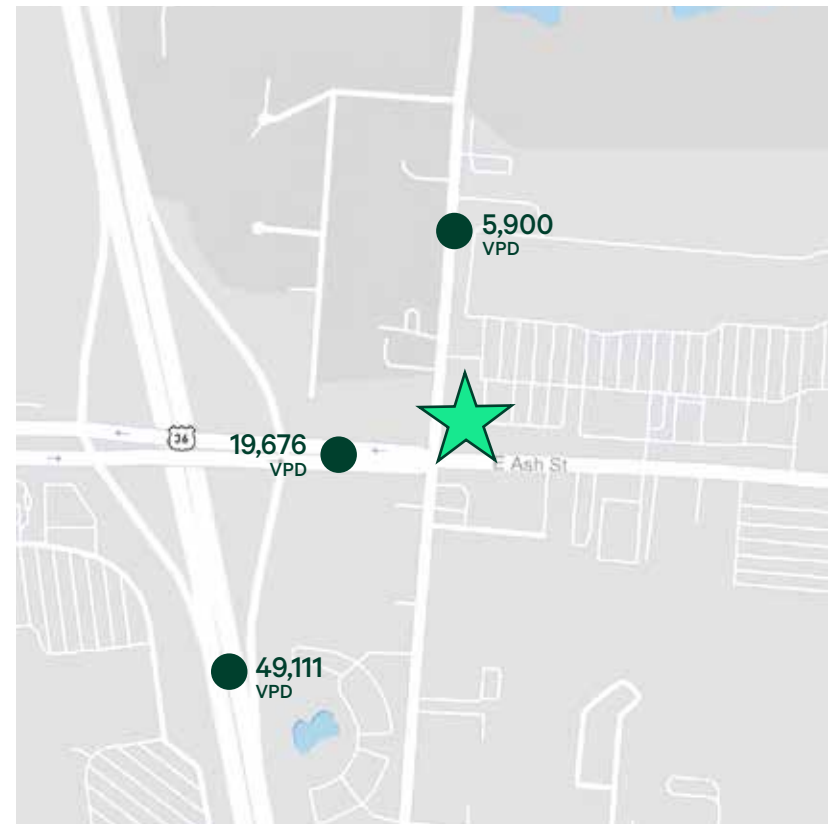
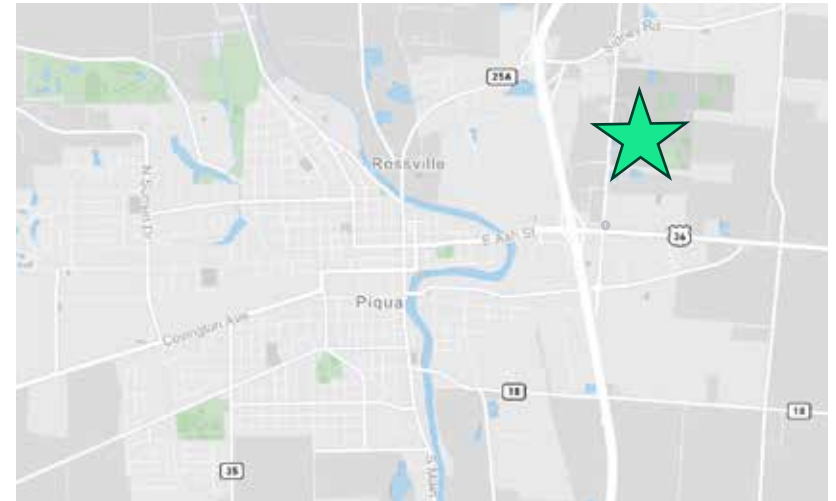


Site Plan

Starbucks / 1202 East Ash Street



Location Maps



Tenant Summary

03

Lease Abstract

Starbucks / 1202 East Ash Street

Tenant	Starbuck's Corp.		
Location Address	1202 East Ash & Looney Roads, Piqua, OH		
Lease Guarantor	Starbuck's Corp.		
Building Square Footage	2,307		
Tenant Square Footage	2,307		
Lease Type	NN		
Pro Rata Share	100%		
Parcel	N44-101572		
County	Miami		
State	Ohio		
Year Built	2022		
Acres	0.5698		
Current Term	10 years		
Original Lease Commencement	4/11/2022 - 4/10/2032		
Rent Commencement Date	4/11/2022 * Estimated		
Lease Expiration	4/10/2032		
Annual Base Rent			
Current Term	Rent/SF	Annual	Increase
Lease Year 1 - 5	\$58.65	\$135,306	
Lease Year 6 - 10	\$64.52	\$148,848	10.01%
Renewal Options	Four (4), five (5) year renewal options		
	Rent/SF	Annual	Increase
Lease Years 11 - 15	\$70.97	\$163,728	10.00%
Lease Years 16 - 20	\$78.07	\$180,107	10.00%
Lease Years 21 - 25	\$85.88	\$198,125	10.00%
Lease Years 26 - 30	\$94.46	\$217,919	9.99%
Security Deposit	None		
Utilities	Tenant Responsibility		
CAM	Pro Rata; Estimated year one is \$4.50/psf capped on non cumulative basis at 105% (excluding snow & ice removal, RE Taxes & Insurance) on non cumulative basis over previous year		
Trash Removal	Tenant Responsibility		

R.E. Taxes	Pro Rata; year one estimated shall be \$8.75/psf;
Insurance	Pro Rata; estimated year one shall be \$1.25/psf;
Management Fee	10% total of CAM, excluding Utilities, Insurance, RE Taxes
CC&R's	Pro Rata
Repairs & Maintenance	Tenant Responsibility
Roof/Structure/Parking Lot	Landlord Responsibility
Pylon Sign	Tenant Responsibility
Right of First Opportunity	None
Termination Option	None
Right of First Offer	None
Right of First Refusal	None
Continuous Use	None
Subletting & Assignment	Tenant may without Landlord's consent assign or sublet the lease which shall not release Tenant from its payment liabilities.
Hold Over Rent	150%
Estoppel	30 Days



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Tenant Summary

Starbucks / 1202 East Ash Street

Starbucks Corporation, together with its subsidiaries, operates as a roaster, marketer, and retailer of specialty coffee worldwide. The company operates in three segments: Americas; International; and Channel Development. Its stores offer coffee and tea beverages, roasted whole bean and ground coffees, single-serve and ready-to-drink beverages, and iced tea; and various food products, such as pastries, breakfast sandwiches, and lunch items. The company also licenses its trademarks through licensed stores, and grocery and foodservice accounts. It offers its products under the Starbucks, Teavana, Seattle's Best Coffee, Evolution Fresh, Ethos, Starbucks Reserve, and Princi brand names. As of the fiscal first quarter of 2022, the company operated approximately 34,000 stores across 81 countries worldwide. Starbucks Corporation's common stock trades on the NASDAQ Global Select Market ("NASDAQ") under the symbol "SBUX". Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.

Fiscal first quarter 2022 financial performance highlights included:

- + Global comparable store sales increased 13%, driven by a 10% increase in comparable transactions.
- + Americas comparable store sales increased 18%, driven by an 12% increase in comparable transactions and a 6% increase in average ticket.
- + The company opened 484 net new stores in the first quarter of fiscal 2022, yielding 4% year-over-year unit growth, ending the period with a record 34,317 stores globally.
- + Stores in the U.S. and China comprised 61% of the company's global portfolio at the end of the first quarter of fiscal 2022, with 15,500 and 5,557 stores, respectively.
- + Consolidated net revenues of \$8.1 billion grew 19% compared to the prior year, mainly driven by a 13% increase in comparable store sales primarily from lapping the unfavorable impact of business disruption in the prior year due to the COVID-19 pandemic and strength in U.S. company-operated sales in the current year.

Key Income Statement Numbers Trailing 12 months (Feb. 2022)

\$30.36B
Revenue

\$108.13B
Market Capitalization

\$7.597B
EBITDA

\$3.70
Earning Per Share

\$93.98
Stock Price (Feb. 2022)

25.37
P/E Ratio (Forward)

Stock Information

SBUX
Stock Symbol

Nasdaq
Exchange

Credit Ratings (September 2021)

Baa1
Moody's

BBB+
Standard & Poor's

Market Overview

04

About Dayton

With a population exceeding 800,000 residents, Dayton is the sixth largest city in Ohio. Dayton is considered part of Ohio's Miami Valley Region, just north of the Cincinnati-Northern Kentucky metropolitan area. Located at the crossroads of I-71 and I-75, Dayton is one of the most accessible cities in the nation and is located within a day's drive of 60% of the U.S. population. The superior transportation within the city, including a large railroad capacity and an international airport, puts Dayton among the most competitive mid-sized cities for logistics. Dayton also hosts significant research and development in fields like industrial, aeronautical, and astronautical engineering that have led to many technological innovations. Much of this innovation is due in part to Wright-Patterson Air Force Base and its place within the community. Today, the community is driven by aerospace technology, advanced manufacturing, abundant natural resources, a rich cultural heritage and a quality of life that rivals any city in the country.

In addition to defense and aerospace, healthcare accounts for much of the Dayton area's economy. Hospitals in the Greater Dayton area have an estimated combined employment of nearly 32,000 and a yearly economic impact of \$6.8 billion. The Miami Valley Hospital and Kettering Medical Center were included in the top ten "Best Hospitals in Ohio" list released by U.S. News & World Report. The Miami Valley Hospital also ranked 47th in the nation for urology care.

Dayton is also noted for its association with aviation; the city is home to the National Museum of the United States Air Force and is the birthplace of Orville Wright. Dayton is known for its many patents, inventions, and inventors that have come from the area, most notably the Wright brothers' invention of powered flight. In 2019, Site Selection magazine ranked Dayton the No. 2 in the nation among cities of its size for economic development projects in its annual Governor's Cup rankings, marking the 13th consecutive year the region has ranked in the top 10.

Dayton Top Employers

30,000
employees

Wright-Patterson Air
Force Base

4,030
employees



12,425
employees

 Premier Health

3,817
employees



9,319
employees

 KETTERING
HEALTH NETWORK

3,341
employees



4,284
employees



3,200
employees



Research and Development

The Dayton region is the birthplace of aviation and is known for its high concentration of aerospace and aviation technology. In 2009, the governor designated Dayton as Ohio's Aerospace Innovation Hub. Two major U.S. research and development organizations have leveraged Dayton's historical leadership in aviation and maintain their headquarters in the area: The National Air and Space Intelligence Center (NASIC) and the Air Force Research Laboratory (AFRL). Both are headquartered at the Wright-Patterson Air Force Base (WPAFB), one of the Air Force's largest bases. WPAFB is estimated to have a \$4.2 billion annual economic impact on the region. Additionally, state officials are working to make Dayton a hub and a leader for UAV research and manufacturing.

Several organizations support these headquarters and the Dayton Community including the Advanced Technical Intelligence Center, daytaOhio at Wright State University, the University of Dayton Research Institute, and Tech Town. Tech Town is a development project started by the City of Dayton to attract technology-based firms and revitalize downtown. Tech Town is home to the world's first Radio Frequency Identification (RFID) business incubator.

Logistics Hub

Dayton is a prime opportunity to establish logistics hubs, add distribution centers to an existing network or establish businesses to support the increasing boom in Dayton's logistics market. Dayton offers the unique combination of an ideal location for building optimal distribution networks, lower-than-average operating costs, available industrial real estate and an affordable workforce. Dayton's amenities and accessibility have it poised to become the next big name in logistics for the Midwest Mega-region and the nation.

Distribution businesses, a large number of available workers and workforce development are just some of the factors that make Dayton ideal. The logistics job market is expected to grow 22% by the year 2022.

Healthcare

Kettering Health Network and Premier Health have a major role in Dayton's economy. Hospitals in the Greater Dayton area have an

estimated combined employment of nearly 32,000 and a yearly economic impact of \$6.8 billion. Several Dayton area hospitals earn top national rankings and recognition, including the U.S. News & World Reports list of "America's Best Hospitals". The most notable hospitals are the Miami Valley Hospital and Kettering Medical Center.

The Dayton region has several key institutes and centers for health care. The Center for Tissue Regeneration and Engineering at Dayton focuses on the science and development of human tissue regeneration. The National Center for Medical Readiness (NCMR) is also in the Dayton area. The center includes Calamityville which is a state-of-the art disaster training facility. It is estimated that over a period of five years, Calamityville will have a regional economic impact of \$374 million. Also, the Neurological Institute at Miami Valley Hospital is an institute focused on the diagnosis, treatment, and research of neurological disorders.

Greater Dayton & Cincinnati are maturing into a regional mega hub as the markets merge into one large metroplex with a diversified economy and excellent quality of life.

As home to an astounding number of Fortune 500 companies and corporate headquarter locations, the region continues to evolve into one of the most appealing, fastest growing markets in the U.S.

- Combined largest MSA in Ohio - the next census will count the region as one populace
- Approximately 3 million people in an 18-county region
- One-hour flight from 60% of the US population
- Major e-commerce hubs in Dayton and Cincinnati bolstered by the access to I-75 & I-70
- Amenities abound from Pro and minor league sports (Cincinnati Reds & Bengals, Dayton Dragons, FC Cincinnati), major collegiate sports, fine arts, excellent public and private school options
- 8 Fortune 500 companies in the region including: Kroger, Fifth Third Bank, Cintas, Western & Southern Financial Group, American Financial, Procter & Gamble, Cincinnati Financials and AK Steel



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