



Starbucks

13776 Old St Augustine Rd, Jacksonville, FL 32258

Offering Memorandum

Exclusively Listed By
Marcus & Millichap
THE SANDELIN GROUP

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the opportunity to purchase the fee simple interest in a Starbucks located at 13776 Old St Augustine Rd, Jacksonville, FL 32258. The existing structure is being re-imaged as a state-of-the-art Starbucks Café with a total of 43 interior seats and 30 covered patio seats plus a drive-through. The building contains approximately 3,771 square feet of net leasable area and is situated on 0.81 acres of land. Starbucks has taken possession of the premises and is currently going through their build out process. Estimated completion is July 2022.

Jacksonville, the largest city in area in the continental United States, is a rapidly growing metropolitan city in Northeast Florida, with approximately 850,000 residents. Due to its convenient location, mild climate, reasonable cost of living, high quality of life and a business-friendly government, Jacksonville is a popular location for corporate expansions and relocations.

Starbucks Corporation is an American multinational chain of coffeehouses and roastery reserves headquartered in Seattle, Washington. It is the world's largest coffeehouse chain. As of November 2021, the company had 33,833 stores in 80 countries, 15,444 of which were in the United States.



INVESTMENT HIGHLIGHTS

- Investment Grade Rated Guarantee from Starbucks Corp – S&P: BBB+
- Brand New 10-Year Lease With No Kick-Out Clause
- Drive-Thru Location with 43 Interior Seats and 30 Covered Patio Seats
- Average Household Income of \$100k+ Within One-Mile Radius
- Outparcel to Shoppes at Bartram Park – Publix & Kohl's Anchored Center
- 10% Rental Increases Every Five Years, Providing a Hedge Against Inflation
- Oversized 0.81 Acre Parcel With Ample On-Site Parking
- Just Off Interstate 95 – 85,000+ Vehicles Per Day

EXTERIOR RENDERINGS



INTERIOR RENDERINGS







Hair Cuttery Massage Envy

verizon

GNC



tropical CAFE

FIVE GUYS

KOHL'S





Baptist Health

Holiday Inn

Residence Inn
Marriott

Publix

verizon

Hallmark

tropical CAFE
SMOOTHIE

FIVE GUYS

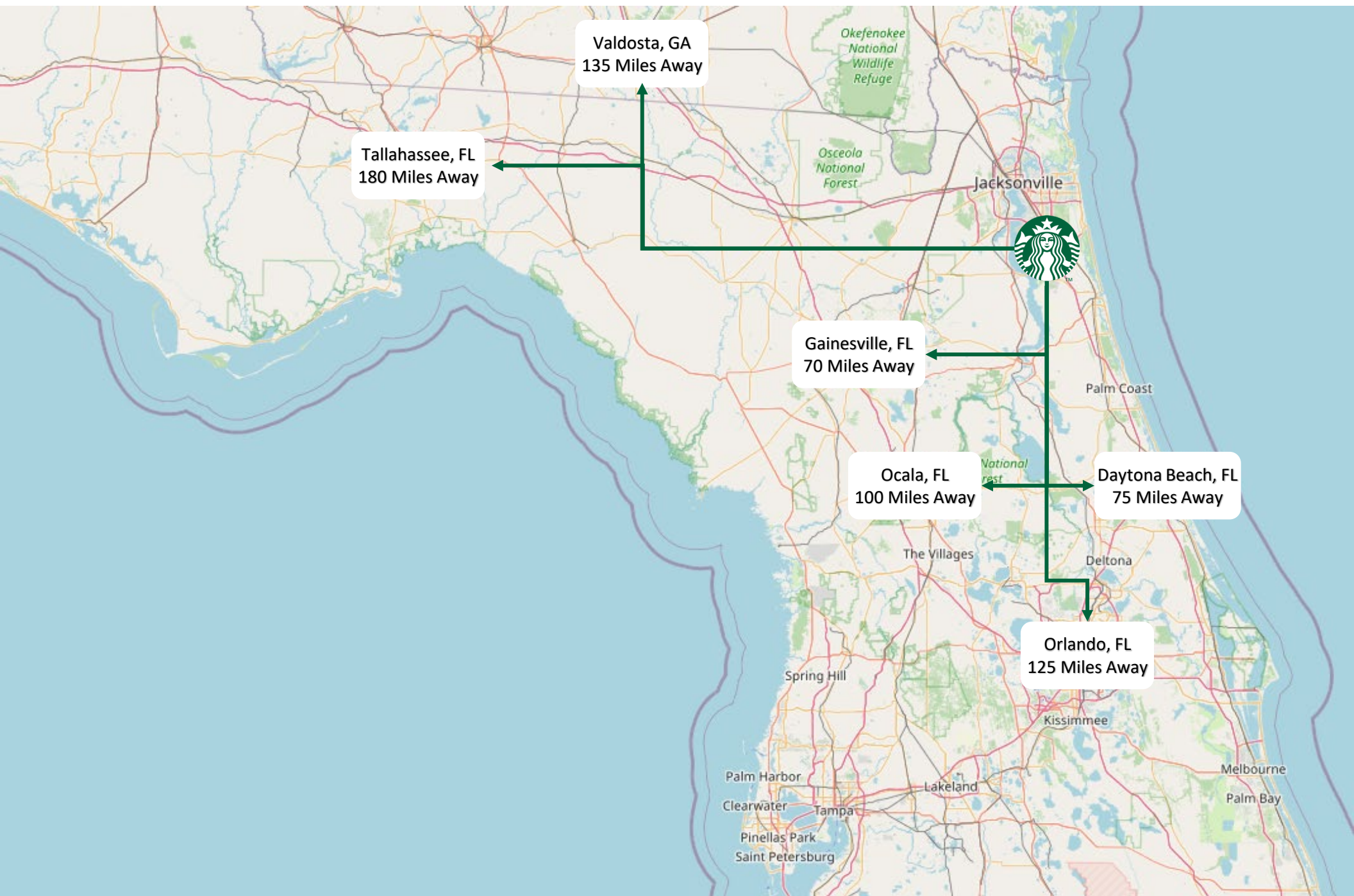
KOHL'S

STARBUCKS
COFFEE

BANK OF AMERICA

WELLS
FARGO

Panera
BREAD



OFFERING SUMMARY

PRICING SUMMARY

List Price	\$3,704,545
Net Operating Income	\$163,000
Cap Rate	4.40%

LEASE SUMMARY

Tenant	Starbucks
Guarantor	Corporate Guarantee
Est. Rent Commencement	7/1/2022
Est. Lease Expiration	6/30/2032
Net Leased Area	3,771 SF
Rent Increases	10% Every 5 Years
Extension Options	Six, Five-Year Options
Lease Type	NN (See Abstract on Next Page)
Roof & Structure	Landlord Responsible

PROPERTY INFO

Address	13776 Old St Augustine Rd, Jacksonville, FL 32258
Land Size	0.81 Acres
Year Built / Renovated	2014 / 2022
Parking	41 Spaces

RENT SCHEDULE

TERM	ANNUAL RENT	MONTHLY RENT
Years 1 – 5	\$163,000	\$13,583
Years 6 – 10	\$179,300	\$14,942
Five-Year Option 1	\$197,230	\$16,436
Five-Year Option 2	\$216,953	\$18,079
Five-Year Option 3	\$238,648	\$19,887
Five-Year Option 4	\$262,513	\$21,876
Five-Year Option 5	\$288,764	\$24,064
Five-Year Option 6	\$317,641	\$26,470

LEASE ABSTRACT

Landlord Obligations	Capital repairs and replacements to roof, foundation, exterior walls, interior structural walls, all structural components of the premises and building, replacement and repair of all outside light poles, parking area pavement, replacement and repair all above and underground utility lines up to the point of entry to the building, and governmental hurricane protection systems.
Tenant Obligations	Tenant shall keep the premises, building, drive-through facility, outdoor seating area, and the property in good order and repair, including maintenance and repair of all plumbing, sewer, utility and lighting facilities and equipment within the premises and exclusively serving the premises, and the store front, doors, and plate glass of the premises, as well as routine exterior maintenance and repairs including landscape maintenance and replacements, irrigation systems, parking lot sweeping, parking lot patching, sealing and restriping, roof, gutter and downspout maintenance and repairs, removing trash and debris, light bulb replacement, building painting. Tenant also responsible for HVAC, tenant's signage and all of tenant's improvements.
Payment of Property Taxes	As of the rent commencement date, landlord represents and warrants that: (a) landlord has paid in full all real property taxes due as of the rent commencement date, and (b) landlord shall pay when due all future real property taxes.
Utilities	Tenant shall pay directly to utility companies
Operating Expenses	Except with regard to Landlord's insurance, real property taxes, Bartram Park Owners Association CAM, tenant shall have no obligation to pay any other CAM or other charges, costs, fees, assessments or expenses of any kind.
Additional Rent	Tenant shall pay to landlord as additional rent Landlord's insurance, real property taxes, association CAM and center CAM, plus any sales tax.

TENANT SUMMARY

Starbucks was founded in 1971 in Seattle, Washington, and incorporated on November 4, 1985, to become the publicly traded Starbucks Corporation. Based on the company's positive, sustained operating results, it is ranked among Forbes' Top-500 world's biggest public companies. Today Starbucks is the largest coffeehouse company in the world, with 33,000+ retail locations, followed distantly by coffee shop chains such as Dunkin Donuts with about 10,000 restaurants, Tim Hortons with 4,300 outlets, and Costa Coffee with nearly 1,700 stores worldwide. Starbucks' international footprint has expanded to 24,000+ stores worldwide since first expanding outside the US market in 1996, with stores located in three main markets: the Americas, which includes Canada, Latin America, and the US; China and the Asia Pacific (CAP); and the Middle East and Africa (EMEA). The domestic market still represents more than half of all Starbucks stores; California, with 1,900+ locations, has more stores than any other state. The company's growth is bolstered by a low turnover of its stores.

Starbucks has shrugged off a difficult year of trading to exceed its pre-pandemic earnings. The world's largest coffee chain posted full-year revenue growth of 23.6% to \$29.1bn – 9.8% higher than the \$26.5bn earned in 2019. “Our strong finish to fiscal 2021, including record performance in the fourth quarter, demonstrates the resilience of Starbucks and reinforces the value of the bold strategic moves we have taken over the past two years. Through it all, we have thoughtfully navigated a strong recovery with an eye towards our future, all guided by our Mission and Values,” said Starbucks President and CEO Kevin Johnson.



Ownership
Public



Tenant
Corporate



Website
Starbucks.com



No. of Employees
350,000+ Employees



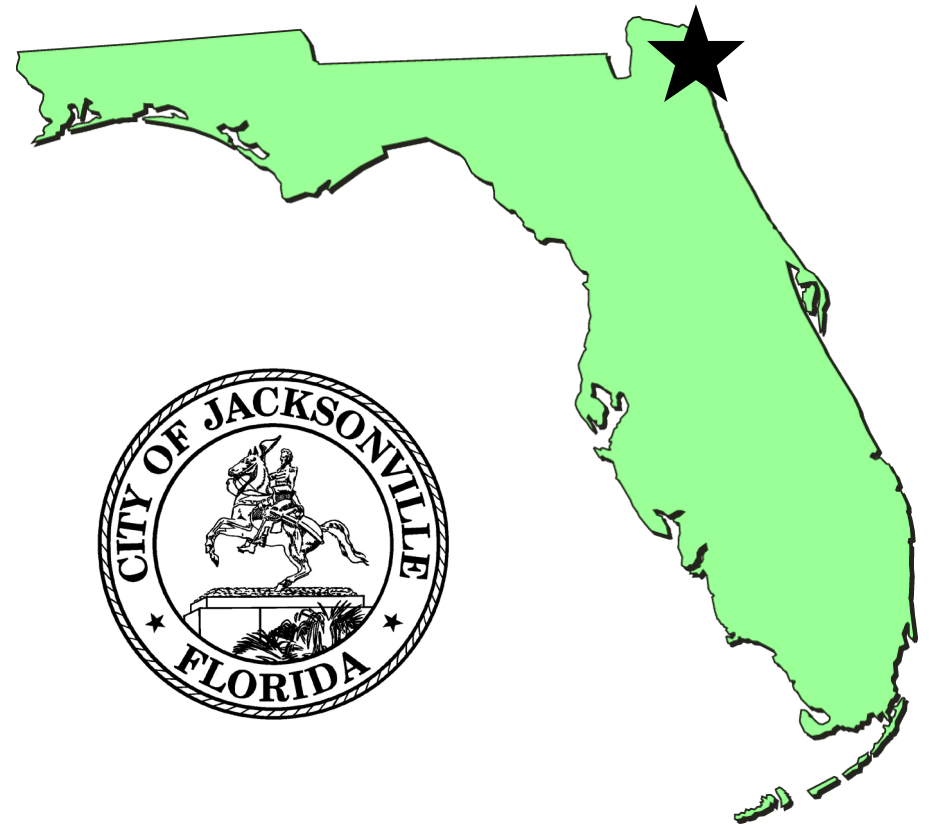
No. of Restaurants
33,000+ Locations



2021 Revenue
\$29 Billion+

LOCATION OVERVIEW

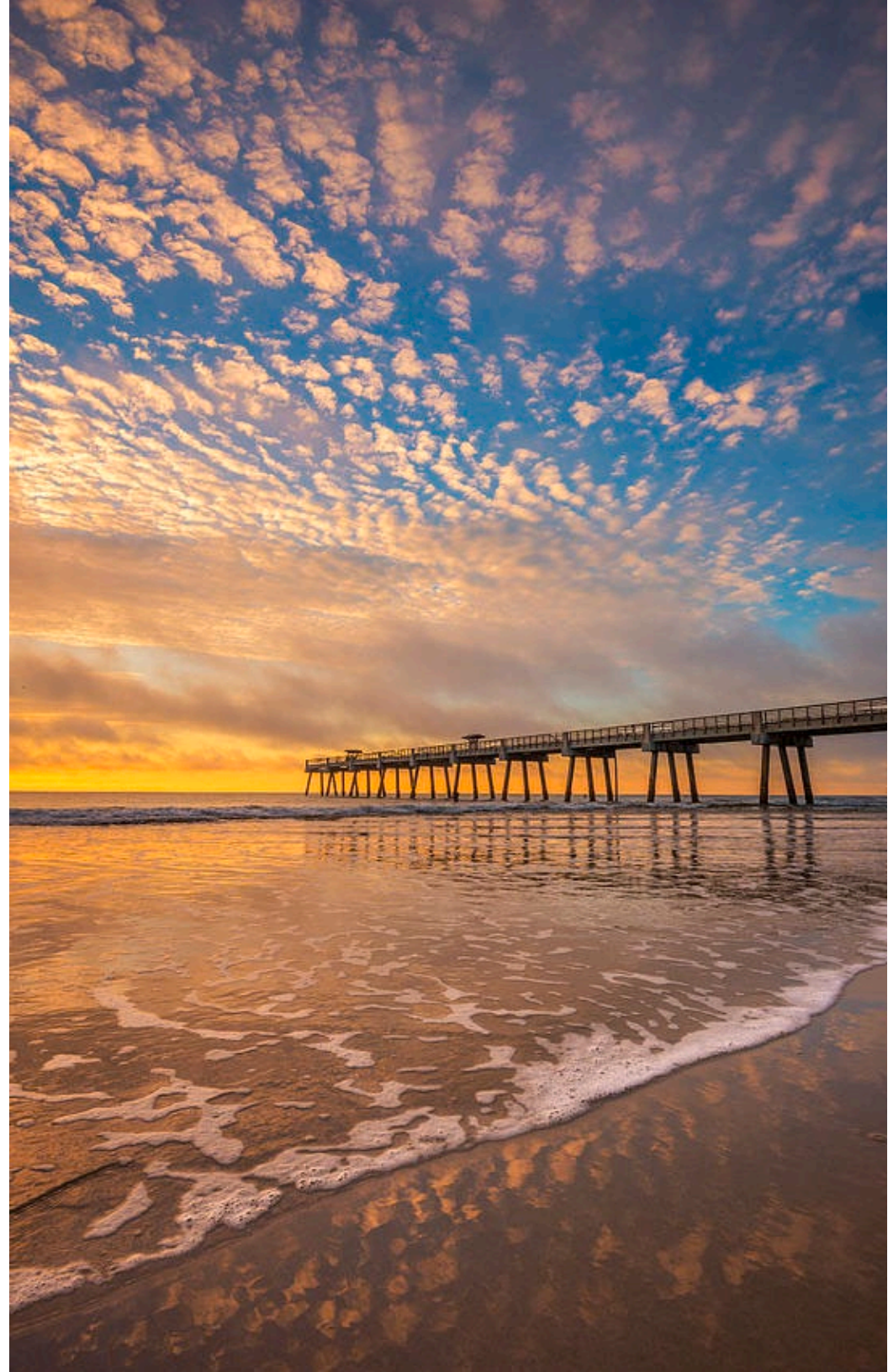
The asset is situated in Jacksonville, the largest city in the continental United States. Jacksonville is a popular location for corporate expansions and relocations due to its convenient location, high quality of life, and business-friendly government. It is considered one of the “Hottest Cities in America” for business expansions and relocations according to Expansion Management Magazine. Jacksonville is also a major transportation network in the global marketplace as a leading distribution center. The U.S. Chamber of Commerce released a study ranking Jacksonville as the nation’s third least expensive city to launch a corporate headquarters, and Florida’s workforce / training programs as number one in the country. The city is home to one of the largest urban park systems in the country. These parks and preservation lands are a vital component of Jacksonville’s quality of life, along with miles of beaches, waterways, sporting and entertainment events. With its growing population, strong economy, and diverse cultural influences, Jacksonville continues to distinguish itself as one of the nation’s most progressive cities.



SURROUNDING DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2021 Population	4,788	45,356	116,225
2026 Population	5,150	49,254	126,169
Growth 2010 – 2021	3.3%	2.7%	2.1%
Growth 2021 – 2026	1.5%	1.7%	1.7%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2021 Households	1,966	17,328	45,013
2026 Households Projection	2,119	18,792	48,566
Average Household Size	2.4	2.6	2.6
Owner Occupied	1,551	14,594	35,609
Renter Occupied	568	4,198	12,956
Avg. Household Income	\$101,768	\$114,168	\$111,185



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