



Starbucks (With Drive-Thru)

475 S Dixie Hwy, Coral Gables, FL 33146

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 475 S Dixie Hwy, Coral Gables, FL 33146. Starbucks recently renewed their lease showing a strong commitment to the site and has just under five years remaining on the primary lease term. Starbucks has three five-year renewal options and rental increases of 12% every five years. The subject has frontage on S Dixie Hwy, one of Miami's busiest streets with an average of 70,000 vehicles per day. In addition to the subject parking lot, there is an abundance of parking west of the property.

The property is approximately one mile away from the University of Miami and Miami Metrorail's University Station. "The Underline" is transforming the land below Miami's Metrorail into a 10-mile linear park, urban trail, and public art destination. The Underline is expected to bring an influx of pedestrians, runners, and bicyclists to the area. This will in turn provide a stream of new business to this significant store for Starbucks, as it will be located directly behind the subject.

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.

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Property Video



INVESTMENT HIGHLIGHTS

- Investment Grade Rated Guarantee from Starbucks Corp – S&P: BBB+
- Only Starbucks on South Bound Lanes of US-1 for 25 Miles
- Rare Opportunity to Acquire a Starbucks on S Dixie Hwy in Miami
- Average Household Income of \$100k+ Within One-Mile Radius
- Down the Street From Merrick Park – World Renowned Shopping Center
- 12% Rental Increases Every Five Years, Providing a Hedge Against Inflation
- Drive-Thru Location
- Frontage on S Dixie Hwy – 70,000+ Vehicles Per Day



LIFETIME

DWTWN
MIAMI

**SHOPS AT
MERRICK PARK**

DECOR HOUSE
FURNITURE

Mobil

M
MARATHON

**Chicken
Kitchen**

UniVista
INSURANCE

Sakura
Sushi & Bar

US-1: 70,000 VPD

metrorail

Starbucks

**TACO
RICO**

SUBWAY



US-1: 70,000 VPD



OFFERING SUMMARY

PRICING SUMMARY

Listing Price	\$4,175,000
Annual Rent	\$188,160
Landscaping (Two-Year Average)	\$685
Reserves (\$0.25 / SF)	\$416
Net Operating Income	\$187,744
Cap Rate	4.48%

LEASE SUMMARY

Tenant	Starbucks
Guarantor	Corporate Guarantee
Rent Commencement	11/29/2006
Lease Expiration	11/28/2026
Rent Increases	12% Every 5 Years
Extension Options	Three, Five-Year Options
Lease Type	Double-Net
Roof & Structure	Landlord Responsible
Parking	See Next Page



PROPERTY INFO

Building Size	1,664 SF
Land Size	5,000 SF
Year Built / Renovated	1953 / 2007

RENT SCHEDULE

TERM	ANNUAL RENT	MONTHLY RENT
Current - 11/28/26	\$188,160	\$15,680
Five-Year Option 1	\$210,739	\$17,562
Five-Year Option 2	\$236,028	\$19,669
Five-Year Option 3	\$264,351	\$22,029

STARBUCKS LEASE ABSTRACT

Landlord Obligations	Roof, foundation, exterior walls, interior structural walls, all structural components of the building. Landlord shall also repair and maintain all parking areas, sidewalks, landscaping, and drainage systems on the property and all utility systems (including mechanical and electrical systems) up to the point of entry to the premises and plumbing systems up to the point of entry to the premises as well as the septic tank and the system and the grease trap for the premises. Landlord shall not be required to maintain the interior surface of the exterior walls, windows, doors, or plate glass and store fronts.
Tenant Obligations	Tenant, at Tenant's expense, shall keep the Premises in good order and repair, including maintaining all plumbing, HVAC, electrical and lighting facilities and equipment exclusively serving the premises and the store front, doors, and plate glass and premises.
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. Tenant shall reimburse Landlord for the payment of real property taxes.
Insurance	Tenant shall reimburse Landlord for the cost of Landlord's insurance.
Utilities	Tenant shall pay directly to utility companies.
Parking Lot Lease	In addition to Base Rent, commencing on the Rent Commencement Date and continuing on or before the first day of every month thereafter during the Term, Tenant shall reimburse Landlord for the minimum rent due pursuant to section 3 of the parking lease. The parking rent is \$2,640 per month (\$31,680 per year) and the parking rent shall be adjusted pursuant to section 3 of the parking lease on each fifth-year anniversary date of the parking lease term to reflect the city's standard parking rates in effect at the time or a 10% increase, whichever is greater. Landlord shall notify tenant in writing of any such increases in the parking rent at least 30 days prior to the date any such increase takes effect, and tenant shall thereafter pay such increased parking rent as described herein, subject to the following. If the parking rent increases by more than 10% over the immediately preceding parking rent rate, then landlord and tenant shall each pay one half of such increase above 10%. Current term expires on November 28 th , 2026, with one five-year option to renew. Starbucks shall reimburse Landlord for the parking lot rental payments.

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



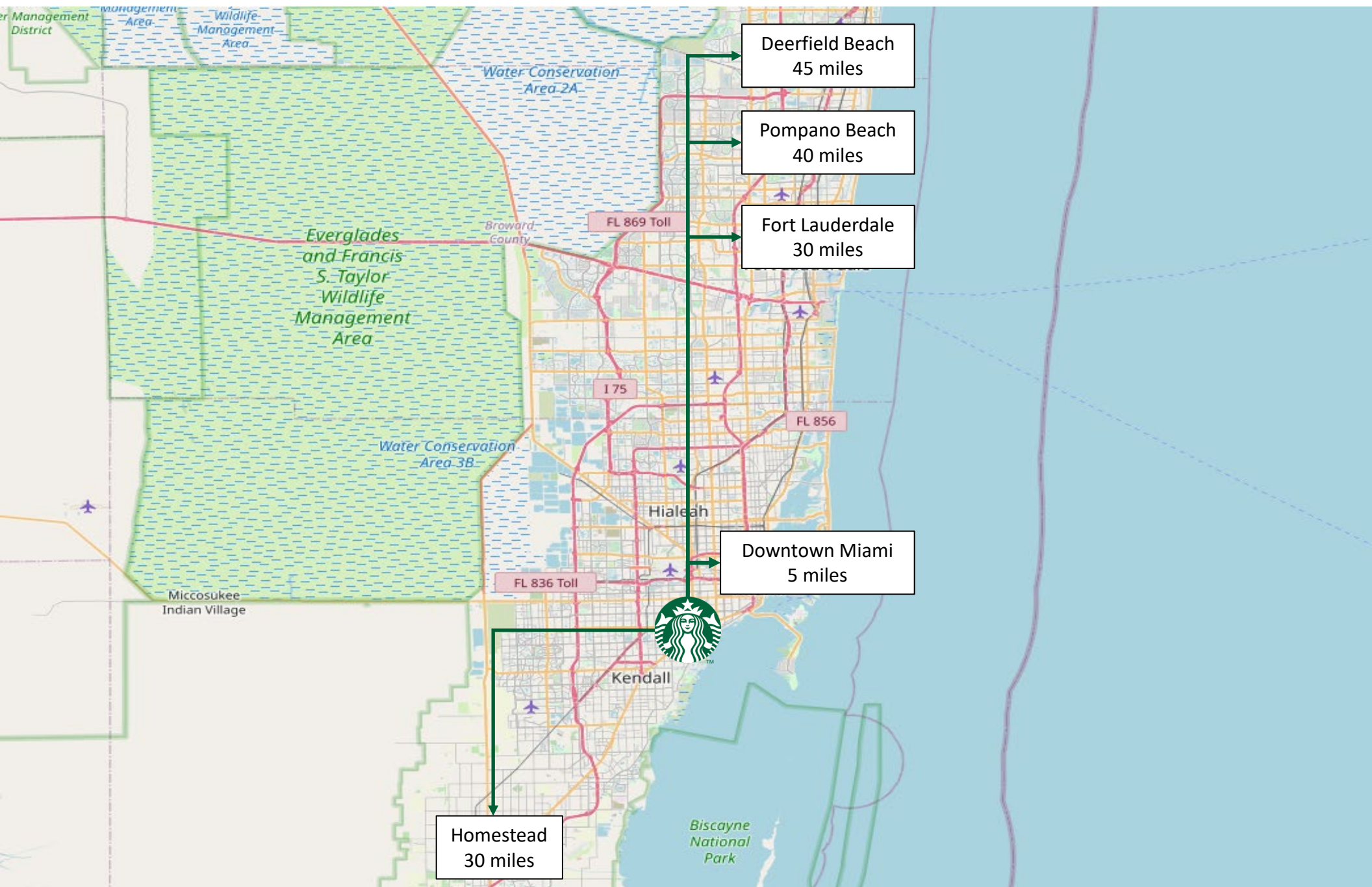
No. of Employees
350,000+ Employees



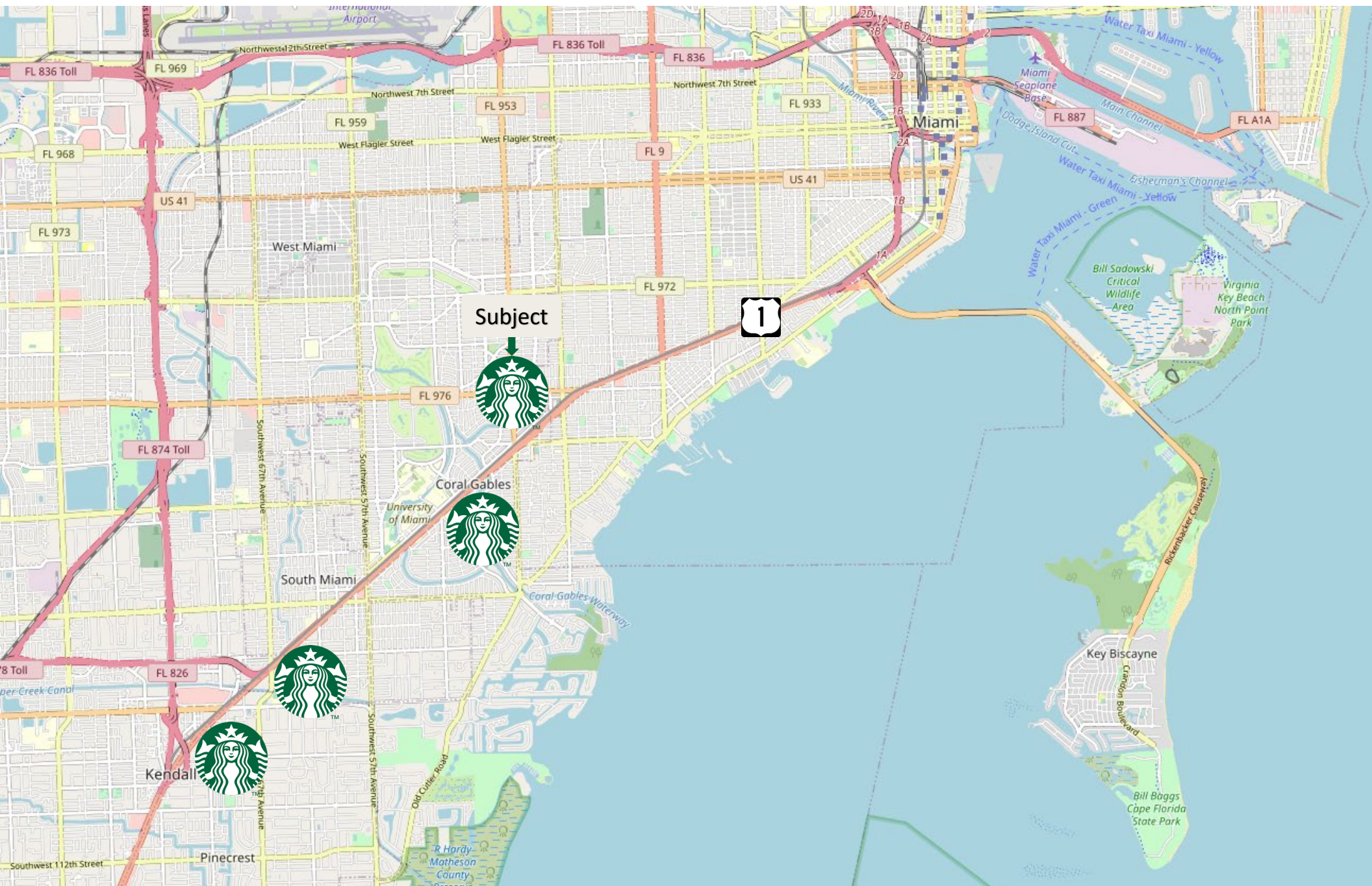
No. of Restaurants
33,000+ Locations



2021 Revenue
\$29 Billion+

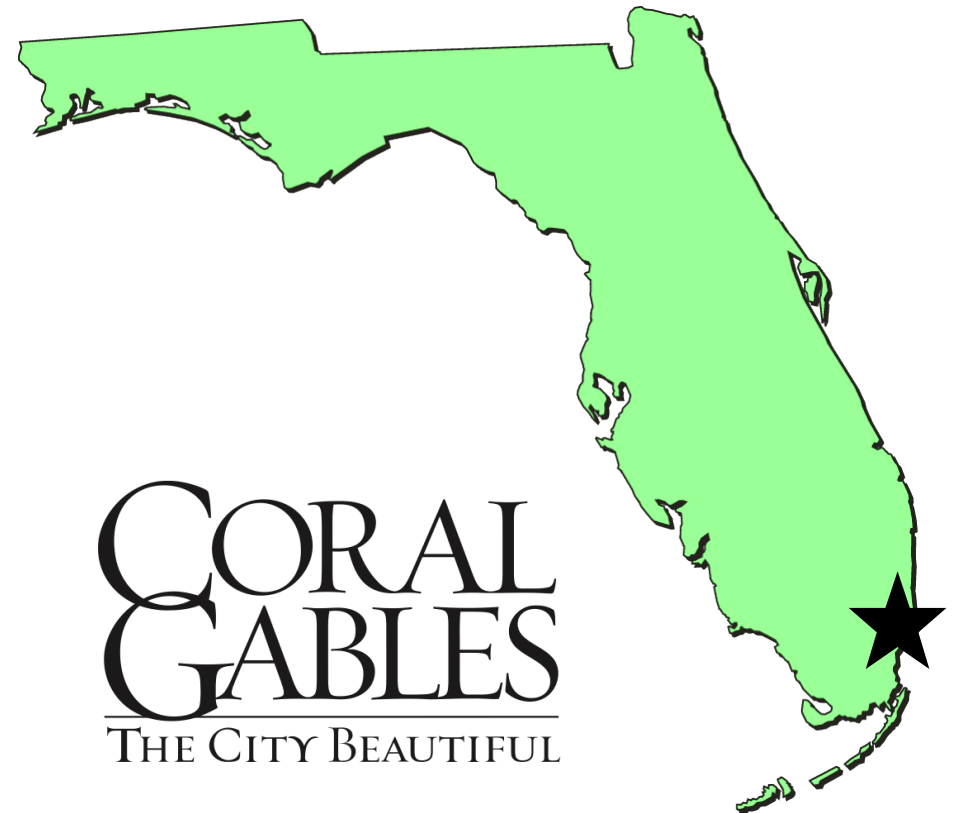


NEARBY STARBUCKS ALONG US-1



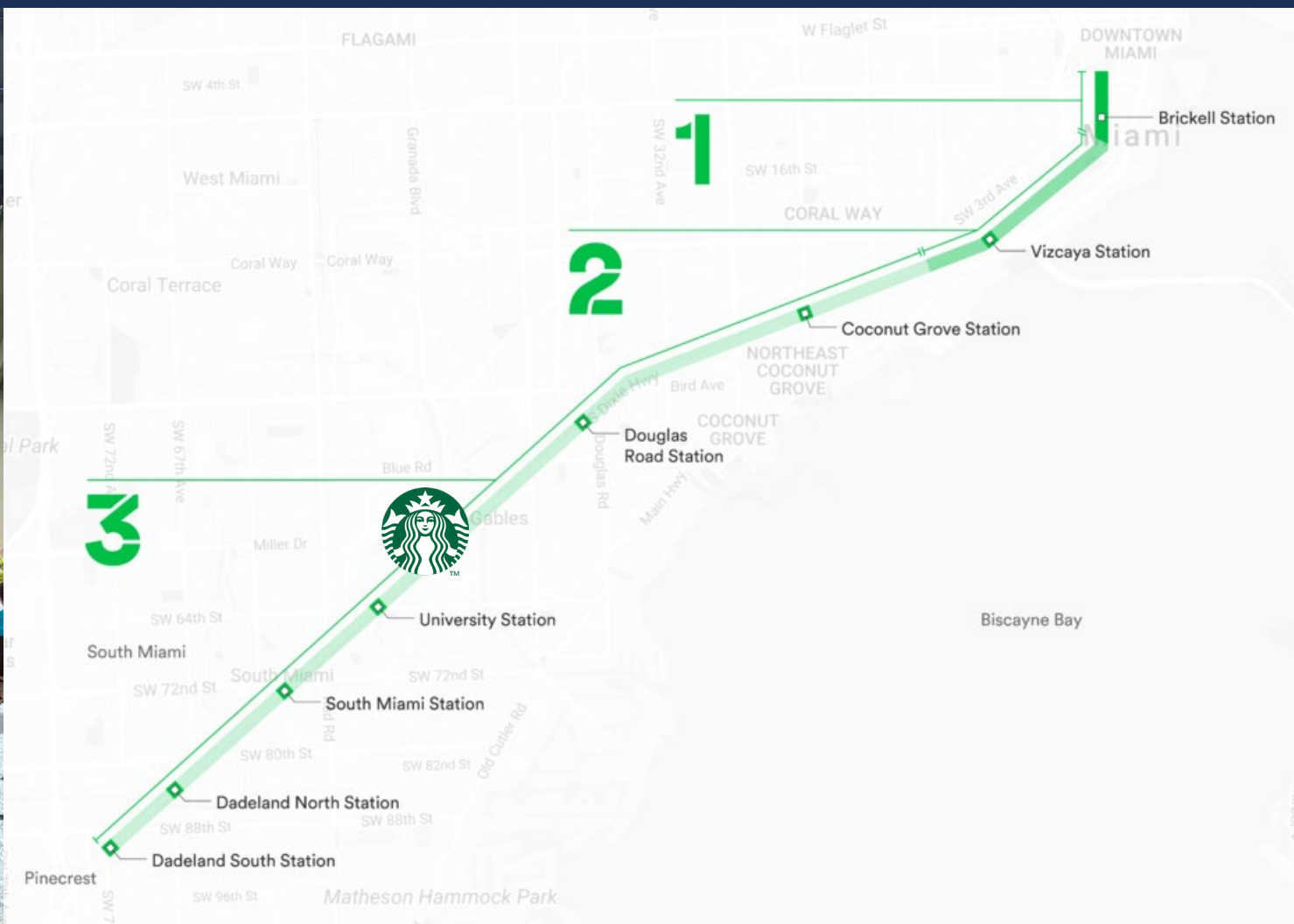
LOCATION OVERVIEW

Dubbed "The City Beautiful," Coral Gables is known for its tree-lined boulevards, ivy-covered mansions and historical landmarks such as the world-famous Biltmore Hotel and the Venetian Pool, both built in the 1920s. Coral Gables is a major employment center, with almost as many people working in the City as living there. The Coral Gables economy is comprised of local and international businesses, but unlike other parts of Florida, it is not influenced as strongly by seasonal shifts. The City is especially desirable to businesses because of its proximity to Miami International Airport, the Port of Miami, and downtown Miami, while also being convenient for executive housing. In addition, a vintage style trolley connects many of the commercial districts, Grand Avenue and the Metrorail. The City has a strong offering of banking, investment institutions, health care, and professional services, as well as being the international headquarters for Bacardi and Del Monte Fresh Produce. The University of Miami is also located in Coral Gables and is the City's largest employer.



THE UNDERLINE

The Underline is a public-private partnership that will transform 120 acres of Miami-Dade County owned land below the existing Metrorail guideway, from the Miami River (Brickell area) to the Dadeland South Metrorail Station, into a world-class, multimodal urban trail. Once completed in 2026, the Underline will serve 107,000 residents within a 10-minute walk, will provide access to public transportation to one University and 24 schools, two hospitals, three urgent care facilities, four major malls and over 10,000 businesses. The 10-mile corridor, which will vary from 70 to 170 feet wide, will provide pedestrian and bicycle paths, improvements to over 30 intersections, access to public transportation, lighting, and wayfinding. In addition to the transportation components, recreational features will include butterfly gardens, playgrounds, exercise equipment, basketball and volleyball courts, soccer fields, picnic areas, dog parks and more.



SURROUNDING DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2021 Population	16,929	150,070	421,454
2026 Population	17,356	150,922	424,214
Growth 2010 – 2021	1.7%	0.4%	0.5%
Growth 2021 – 2026	0.5%	0.1%	0.1%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2021 Households	6,248	57,009	156,211
2026 Households Projection	6,353	57,017	156,550
Average Household Size	2.6	2.4	2.5
Owner Occupied	3,649	31,562	70,647
Renter Occupied	2,704	25,456	85,903
Avg. Household Income	\$130,138	\$111,933	\$85,699



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CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.*



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