
OFFERING
MEMORANDUM



STARBUCKS

7101 South Stony Island Avenue

CHICAGO, IL 60649

Marcus & Millichap

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OFFERING SUMMARY

STARBUCKS

 Total Price
\$2,450,000

Cap Rate	4.50%
Tenant	Starbucks Corporation
Guarantor	Corporate
Address	7101 South Stony Island Avenue, Chicago, IL 60649
Building Size	1,696 SF
Lot Size	0.40 Acres
Year Built	2004
Lease Expiration	7/31/2034
Years Remaining on Lease	12.35
Lease Structure	NN
Annual Base Rent PSF	\$110,240 \$65.00
Rent Increases	7.5% Increase in Extended Term & Renewal Options
Renewal Options	Three, Five-Year Renewal Options
Landlord Responsibilities	Roof & Structure Parking Lot, Utility Systems, Plumbing Systems, Landscaping*

*Subject to Tenant Reimbursement

RENT SCHEDULE

Lease Year	Lease Dates	Annual Rent	PSF	Increases
Current Term	8/1/2019 – 7/31/2024	\$110,240.00	\$65.00	
Extended Term	8/1/2024 – 7/31/2029	\$110,240.00	\$65.00	
	8/1/2029 – 7/31/2034	\$118,516.48	\$69.88	7.50%
First Renewal Option	9/1/2034 – 8/31/2039	\$127,403.52	\$75.12	7.50%
Second Renewal Option	8/1/2039 – 7/31/2044	\$136,952.00	\$80.75	7.50%
Third Renewal Option	8/1/2044 – 7/31/2049	\$147,229.76	\$86.81	7.50%



STARBUCKS

7101 South Stony Island Avenue
Chicago, IL 60649

Marcus & Millichap is pleased to offer for sale the fee simple interest in 7101 South Stony Island Avenue (The Property), a 1,696-square-foot building in which Starbucks has just executed an early ten-year lease extension on their long-term double net lease, with multiple renewal options and rent increases remaining. Starbucks has a history of exercising multiple renewal options at this location, as well as repeatedly increasing the rent, showing a strong commitment to the site.

The drive-thru Property is strategically located on the hard corner of East 71st Street and South Stony Island Avenue, a highly trafficked intersection with visibility to a combined 28,450 vehicles per day. The site is only 350 feet from the Stony Island Avenue station of the Metra Electric Line, the fifth busiest of the Metra's 11 lines that commutes a total of 7.7 million annual riders. Additionally, the Property is within 2.5 miles of both Interstate 94 and Interstate 90, with a combined VPD of 233,900. Neighboring retail tenants on Stony Island Avenue include Advanced Auto Parts, Bank of America, Dollar Tree, Burger King, Shell, Jewel-Osco, AutoZone Auto Parts, and numerous others.

INVESTMENT HIGHLIGHTS

Long-Term Tenant has Operated at Location for 18+ Years and Just Executed Early Lease Extension

Over Twelve Years of Lease Term Remaining — Double Net with Minimal Landlord Responsibilities

Located on Highly Trafficked South Stony Island Avenue and East 71st Street Intersection — Combined 28,450 Vehicles Per Day

Prominent Retail Corridor — Dollar Tree, Burger King, Jewel-Osco, Advance Auto Parts, and Numerous Other Major Retail Tenants

Significant Renovation Slated for Q4 2022



AERIAL & SURROUNDING RETAIL // Starbucks



Downtown Chicago
8 Miles North

Walgreens

SUBWAY

boost
mobile

CHASE

Stony Island
Arts Bank



DUNKIN'
DONUTS

Metra®
The way to really fly.



Advance
Auto Parts



Subject
Property



Jackson
Park

Dr. D.J. Brooks
Head Start Center

State Farm

NICKY'S
GYROS

U-HAUL

LA RABIDA
CHILDREN'S HOSPITAL

S Stony Island Ave 31,600+ VPD

Demographics | 3-Mile Radius

2021 Population.....	246,402
2021 Avg. Household Income.....	\$57,818
2021 Total Households.....	104,781
2021 Median Age.....	37.2



TENANT OVERVIEW // Starbucks



STARBUCKS CORPORATION

Starbucks Corporation is the premier roaster, marketer, and retailer of specialty coffee, operating more than 34,000 locations in 80 countries. Formed in 1985, Starbucks Corporation's common stock trades on the NASDAQ Stock Exchange under the symbol "SBUX." The company purchases and roasts high-quality coffees that they sell, along with handcrafted coffee, tea and other beverages and a variety of fresh food items, through company-operated stores.

Starbucks also sells a variety of coffee and tea products and license their trademarks through other channels such as licensed stores, grocery and national food service accounts. In addition to their flagship Starbucks Coffee brand, Starbucks also offers goods and services under the following brands: Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos and Torrefazione Italia Coffee.

The company reported over \$20 Billion in Revenue in 2020 and employs nearly 350,000 people globally. Headquarter in the Pacific Northwest city of Seattle, WA, the company ranked 5th in Fortune Magazine's Most Admired Companies list and is currently slotted at 114th on the Fortune 500 list.

CORPORATE HIGHLIGHTS

NAMED THE 5TH MOST ADMIRABLE COMPANY IN THE WORLD BY FORTUNE MAGAZINE

Only Brick-and-Mortar Retail Business in Top 10 List of 2021

Q1 FISCAL 2022 RESULTS REPORTED CONSOLIDATED NET REVENUES OF \$8.1 BILLION

Consolidated Net Revenues Grew by 19% Compared to the Prior Year

RANKED #37 WORLD'S MOST VALUABLE BRANDS 2020 BY FORBES

Of the 100 Companies, Starbucks Ranked #2 in Restaurants Category

COMPANY OPENED 484 NET NEW STORES GLOBALLY IN Q1 OF FISCAL 2022

Openings Yielded 4% Year-Over-Year Unit Growth

COMPANY ANNOUNCED PLANS TO INCREASE STORE COUNT TO 55,000 BY 2030

The Increased Store Count Will Include Bringing New Types of Stores to the Market

www.starbucks.com

COMPANY OVERVIEW



**Headquartered in
Seattle, WA**



**34,000+
Locations**



**350,000+
Employees**



**Located in
80 Countries**



**#114 on
Fortune 500 List**



**World's Largest
Coffeehouse Chain**



CHICAGO, IL // *Starbucks*

The City of Chicago is the most populous city in the U.S. state of Illinois, and the third most populous city in the United States, following New York City and Los Angeles. As of 2020, the city's population was over 2.7 million, with a metropolitan statistical area population of over 9.6 million. Located on the shores of Lake Michigan, the city is an international hub for finance, commerce, technology, telecommunications, transportation, and culture, attracting over 55 million visitors annually in the past few years.

The city continues to be a highly desired location for some of the world's largest businesses and for the 5th year in a row, the Chicago metropolitan area took the top spot in the U.S for corporate growth and investment. Chicago's commercial business district is the second largest commercial business district in North America, and houses the headquarters of several global and national businesses, such as Exelon, United Airlines, Blue Cross and Blue Shield Association, Boeing, Walgreens Boots Alliance, and numerous others. Additionally, across the entire state of Illinois, there are currently 36 global headquarters of Fortune 500 companies.

LOCATION HIGHLIGHTS

- The [Bronzeville Lakefront Project](#) going up on Chicago's Near South Side is a 7.8-Million Square Foot, \$8.2 Billion mixed-use megadevelopment that is expected to provide an indirect economic benefit of over \$8 Billion over a 20-year period. The project, approved in 2021 and led by Farpoint Development, will cover 100 acres and span 2 miles along Lake Michigan's waterfront.
- Despite pandemic woes in 2020, developer Hines was able to secure a \$500 Million+ Construction Loan for [Salesforce Tower](#) in Chicago's River North, breaking ground on the project the same year. The 820-foot-tall riverfront tower continues to ascend in 2022, and will encompass 1.2-Million Square Feet and rise 60 stories above downtown Chicago.
- The Prime Group, a real estate development company, is buying the [James R. Thompson Center located in the Loop for \\$70 million](#), with plans to revamp the iconic 1.2 million square foot building. The redevelopment will save the state, and taxpayers, an estimated \$20 million per year over the next 30 years by consolidating office leases and reducing operating expenses.
- The [Barack Obama Presidential Center](#) broke ground in 2021 on a 19-acre lakefront site in Jackson Park, a historic park on Chicago's South Side near the Obama family home. The \$500 Million world class facility aims to promote the city's South Side and will include a museum, public library branch, athletic center, children's play area, and test kitchen.



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