

STARBUCKS

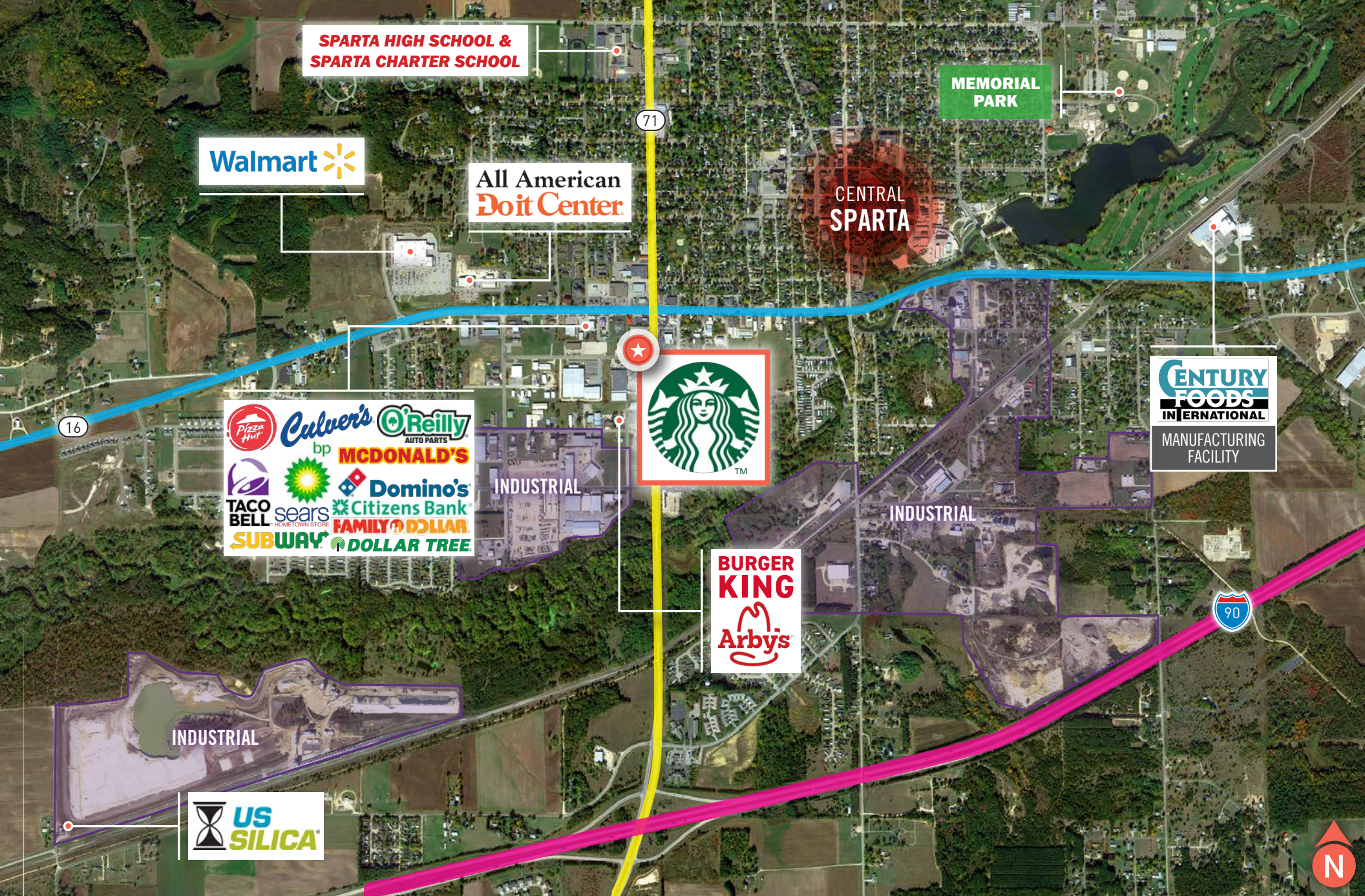
630 SOUTH BLACK RIVER STREET, SPARTA, WISCONSIN



CONSTRUCTION PHOTO
AS OF 12/03/2022

OFFERING MEMORANDUM

Marcus & Millichap



The information in this package 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. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus Millichap

Executive Summary

630 S Black River St, Sparta, WI 54656

FINANCIAL SUMMARY

Price	\$2,090,000
Cap Rate	5.65%
Building Size	2,460 SF
Net Cash Flow	5.65% \$118,080
Year Built	2023
Lot Size	1.20 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Starbucks Corporation
Guarantor	Corporate
Lease Commencement Date	Est. Q1 2023
Lease Expiration Date	Est. Q1 2033
Lease Term	10 Years
Rental Increases	\$2/SF Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	None

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 – 5	\$118,080.00	5.65%
6 – 10	\$123,000.00	5.89%
Options	Annual Rent	Cap Rate
Option 1	\$127,920.00	6.12%
Option 2	\$132,840.00	6.36%
Option 3	\$137,760.00	6.59%
Option 4	\$142,680.00	6.83%

Base Rent	\$118,080
Net Operating Income	\$118,080
Total Return	5.65% \$118,080





Walmart

12,100 CPD
INTERSTATE-90 ALT

Casey's

Hansen's
Market IGA
DAIRY QUEEN

sears
HOMETOWN STORE
bp
FAMILY DOLLAR
TACO BELL

WALGREENS

All American
Doit Center

Ford

DOLLAR TREE
Domino's
Citizens Bank
O'Reilly AUTO PARTS
Culver's

SUBWAY
Pizza Hut
MCDONALD'S

Starbucks

BURGER KING
Arby's

INDUSTRIAL

12,500 CPD
CITIZEN SOLDIER HWY-71



Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Corporate-Guaranteed Lease with Starbucks (NASDAQ: SBUX)**
- » New 2022 Construction with a Drive-Thru
- » **Rental Increases and Multiple Renewal Options on Lease**
- » Located Directly Beside Intersection of Interstate-90 Alternative and Citizen Soldier Highway-71 (Approximately 24,600 Combined Cars/Day)
- » **Close Proximity to National Tenants – Walmart, McDonald's, Pizza Hut, Subway, Culver's, Walgreens, Domino's, O'Reilly Auto Parts, and Many More**
- » Subject Property is Less than 6 Miles from Fort McCoy Army Airfield
- » **Highly Accessible Location Off of Wisconsin Veterans Memorial Highway-90, Major State Thoroughfare (Over 24,000 Cars/Day)**
- » Direct Connection to Central Sparta and Fort McCoy Army Base



DEMOGRAPHICS

1-mile

5-miles

15-miles

Population

2027 Projection	6,878	14,803	37,995
2022 Estimate	6,758	14,521	37,238
Growth 2022 - 2027	1.78%	1.94%	2.03%

Households

2027 Projection	3,020	6,152	15,056
2022 Estimate	2,949	6,001	14,675
Growth 2022 - 2027	2.41%	2.52%	2.60%

Income

2022 Est. Average Household Income	\$63,741	\$72,662	\$77,711
2022 Est. Median Household Income	\$50,056	\$59,504	\$63,100
2022 Est. Per Capita Income	\$28,208	\$30,331	\$30,899



TM

Tenant Overview



Seattle, Washington

Headquarters

NASDAQ: SBUX

Stock Symbol

1985

Founded

33,000+

Locations

www.starbucks.com

Website

Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world, operating in 69 countries. Formed in 1985, Starbucks Corporation's common stock trades on the NASDAQ Global Select Market ("NASDAQ") 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.

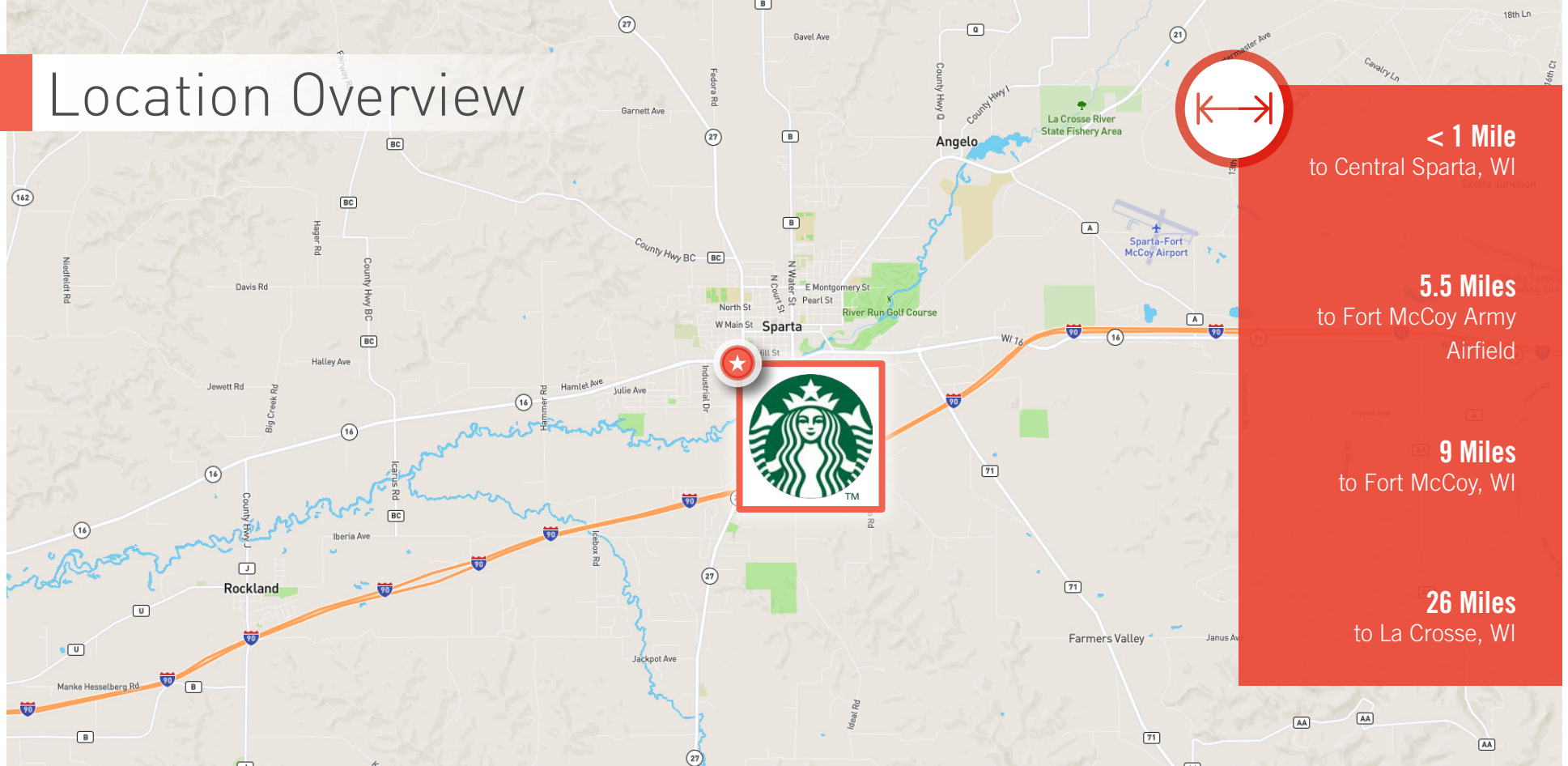
Starbucks company-operated stores are typically located in high-traffic, high-visibility locations. Their ability to vary the size and format of their stores allows the Starbucks to locate them in or near a variety of settings, including downtown and suburban retail centers, office buildings, university campuses, and in select rural and off-highway locations.

Construction Photos

as of 11/21/2022 & 12/03/2022



Location Overview



Sparta is a city in and the county seat of Monroe County, Wisconsin, United States, along the La Crosse River. Sparta is the home and international headquarters of several businesses including Century Foods International, Northern Engraving Corp., Spartek, Mathews Inc., F.A.S.T. Corp., Sparta Brush Company, McPherson Guitars, Multistack, Lake States Lumber, and Wesco Home Furnishings.

Sparta is conveniently located on major highways with 2 exits on Interstate 90, and is also served by Wisconsin State Highway 16, Wisconsin State Highway 21, Wisconsin State Highway 27, and Wisconsin State Highway 71. With a city council that is pro business and supports investing in community, Sparta has an aggressive and forward thinking approach to development. The newest business center,

South Pointe Business Park features Wisconsin Certified Sites as well as many other elements such as being an Xcel Energy Certified Site.

Sparta is also known as the “Bicycling Capital of America,” and has manifold attractions, including the world’s largest bike – an old-fashioned high wheeler formed out of fiberglass, and over 100 miles of multi-use trails including the El-roy-Sparta State Trail, the first rails-to-trails bicycle route in the country. The city hosts several annual events including Butterfest, which was formed to raise funds for the advancement of the general welfare of the city of Sparta, and others like Concerts in the Park, Sound Taps Wisconsin July 4 Celebration, Sparta Area Cancer Support Walk, Leon Gatorfest, and Crazy Dayz.

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

WISCONSIN REALTORS® ASSOCIATION
4801 Forest Run Road, Madison, WI 53704

Marcus & Millichap Real Estate
Effective July 1, 2016

No representation is made as to the legal
validity of any provision or the adequacy
of any provision in any specific transaction.

Copyright © 2016 by
Wisconsin REALTORS® Association

Drafted by Attorney Debra Peterson Conrad

Marcus & Millichap Real Estate Services
13890 Bishop's Drive Suite 300
Brookfield, WI 53005

Todd Lindblom
Phone: (262) 364-1900 | Fax: (262) 364-1910

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:
3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:
8 (a) The duty to provide brokerage services to you fairly and honestly.
9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.
12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).
14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).
16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.
19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.
23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.
28 The following information is required to be disclosed by law:
29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.
32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.
35 **CONFIDENTIAL INFORMATION:** _____
36 _____
37 _____
38 **NON-CONFIDENTIAL INFORMATION** (The following information may be disclosed by the Firm and its Agents): _____
39 _____
40 _____
41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)
42 **DEFINITION OF MATERIAL ADVERSE FACTS**
43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.
47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.
52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

[exclusively listed by]

Zack House

Director
602 687 6650
zhouse@marcusmillichap.com

Mark J. Ruble

Executive Managing Director
602 687 6766
mruble@marcusmillichap.com

Chris N. Lind

Senior Managing Director
602 687 6780
chris.lind@marcusmillichap.com

Todd Lindblom

Broker of Record
262 364 1964
License #: 56163-90

Offices Nationwide
www.marcusmillichap.com

NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or

entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

Marcus & Millichap