



Starbucks & Fuzzy's Taco Shop

850-854 W Cypress Creek Rd, Ft. Lauderdale, FL 33309

Offering Memorandum

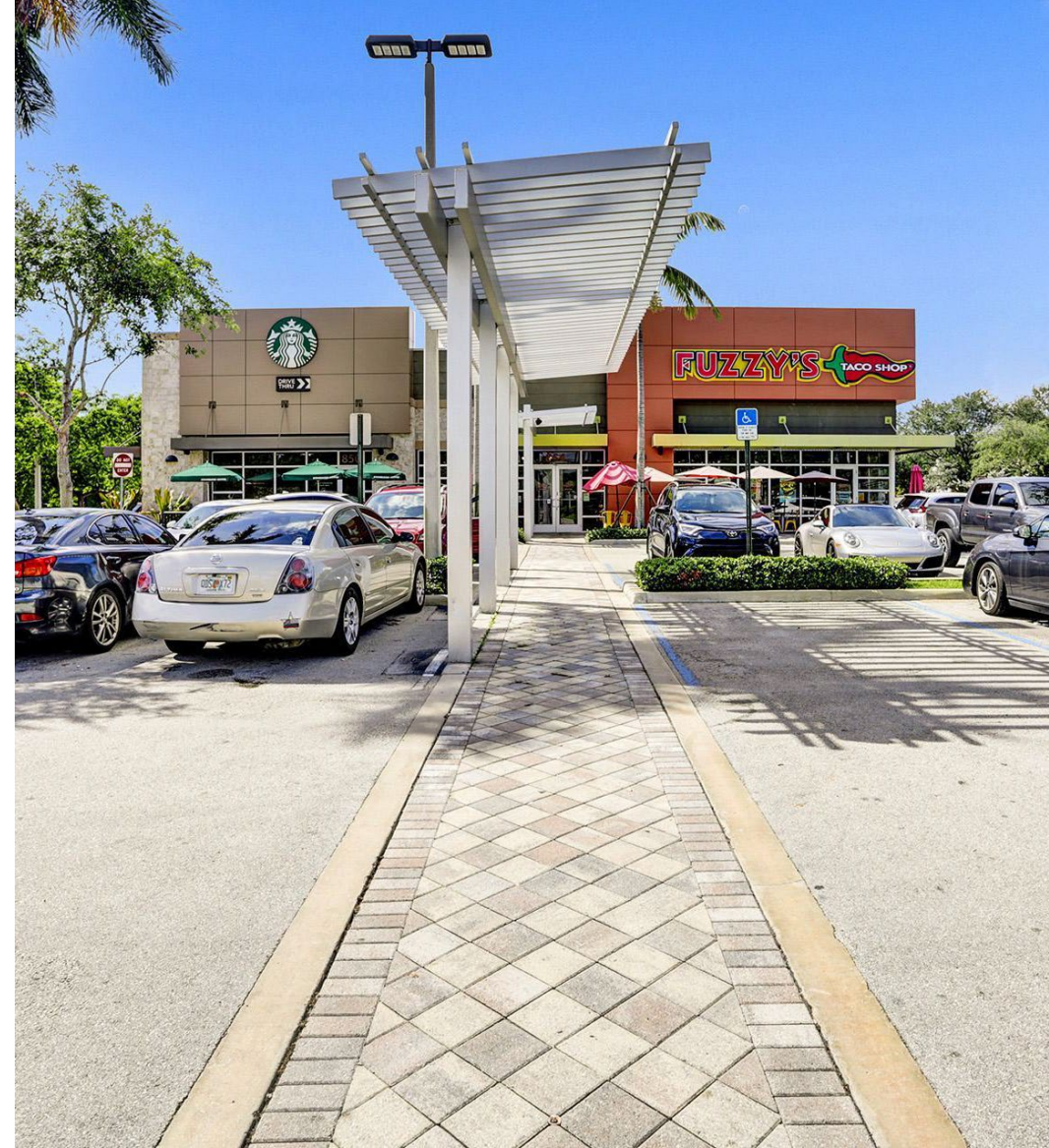
Presented By:
Marcus & Millichap
THE SANDELIN GROUP

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the opportunity to purchase a Starbucks and Fuzzy's Taco Shop located at 850-854 West Cypress Creek Road, Ft. Lauderdale, FL 33309. The property was developed in 2017 and leases signed with Starbucks and then Fuzzy's Taco Shop. Starbucks and Fuzzy's Taco Shop are on long term leases with regularly scheduled rental increases of 10% every five years during base term and options. The structure is 4,600 square feet of net leasable area and is situated on 1.08 acres of land.

Fort Lauderdale is a city on Florida's southeastern coast, known for its beaches and boating canals. The Strip is a promenade running along oceanside highway A1A. It's lined with upscale outdoor restaurants, bars, boutiques and luxury hotels. Other attractions include the International Swimming Hall of Fame, with pools and a museum of memorabilia, and Hugh Taylor Birch State Park, featuring trails and a lagoon.

Starbucks is the world's largest coffeehouse chain. As of November 2021, the company had 33,833 stores in 80 countries, 15,444 of which are in the United States. Starbucks is known for their high-quality products offered at a reasonable price. Fuzzy's Taco Shop is an American fast casual restaurant chain specializing in Baja-style Mexican cuisine, serving breakfast, lunch and dinner. Fuzzy's operates more than 150 locations in 17 states.



INVESTMENT HIGHLIGHTS

- High Demand Two Tenant Quick Service Restaurant Asset
- Oversized 1.08 Acre Parcel
- 53 Parking Spaces With Excellent Access & Visibility
- Located Just Off Signalized Intersection – 90,500+ VPD
- Starbucks Has A High-Capacity Drive Thru
- Located Just Off I-95 With No Competition In The Area
- Densely Populated Area – 128,500+ Within Three Mile Radius
- 10% Rental Increases Every Five Years During Base Term And Options

PROPERTY
PHOTOS





TRI RAIL
CYPRESS CREEK STATION

AMERANT

SUBJECT

Public Storage

BANK OF AMERICA

citi

HERTZ
RENT A CAR

AMERICAN FREIGHT
FURNITURE - MATTRESS

Wawa

Shell

Powerline Road: 40,500+ VPD

West Cypress Creek Road: 50,000+ VPD



Ft. Lauderdale
Executive Airport

**AMERICAN FREIGHT
FURNITURE - MATTRESS**

Wawa

McDonald's

Shell

**TIRES PLUS
TOTAL CAR CARE**

SUBWAY

BANK OF AMERICA

SUBJECT

West Cypress Creek Road: 50,000+ VPD

Powerline Road: 40,500+ VPD

FINANCIAL SUMMARY

PRICING SUMMARY

List Price:	\$5,210,500
Total Rent:	\$249,797
Reserves:	\$2,300
Net Operating Income:	\$247,497
Cap Rate:	4.75%

STARBUCKS - LEASE SUMMARY

Guarantee:	Corporate
Net Leased Area:	2,100 SF
Rent Commencement:	09/16/2017
Lease Expiration:	02/29/2028
Rent Increases:	10% Every 5 Years Including Options
Extension Options:	(4) 5-Year Options

STARBUCKS - RENT SCHEDULE

TERM (Years)	ANNUAL RENT	MONTHLY RENT
6 - 10	\$132,297	\$11,225
Option 1 (11 - 15)	\$145,527	\$12,127

PROPERTY SUMMARY

Total Building Size:	4,600 SF
Land Size:	1.08 AC
Year Built:	2017 (15-Year Roof Warranty)
Tax Parcel Number:	49-42-10-47-0010
Frontage:	400' on Cypress Creek Rd

FUZZY'S TACO - LEASE SUMMARY

Guarantee:	Investments G&G USA, LLC
Net Leased Area:	2,500 SF
Rent Commencement:	09/11/2018
Lease Expiration:	09/20/2028
Rent Increases:	10% Every 5 Years Including Options
Extension Options:	(4) 5-Year Options

FUZZY'S TACO - RENT SCHEDULE

TERM (Years)	ANNUAL RENT	MONTHLY RENT
1 - 5	\$117,500	\$9,792
6 - 10	\$129,250	\$10,771

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. 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.

www.starbucks.com



LEASE ABSTRACT

Tenants Obligations:

Tenant, at tenants' expense, shall keep the premises in good order and repair, including maintaining all plumbing, HVAC, electrical, and lighting facilities and equipment within the Premises and exclusively serving the premises, and the store front, doors, and plate glass. Tenant's obligations under this section shall not include making (a) any repair or improvement necessitated by the negligence or will misconduct of Landlord, its agents, employees or servants; (b) any repair or improvement caused by Landlords failure to perform its obligations hereunder or (c) any structural or seismic repairs, improvements or alterations to the premises, the building, or the shopping center, unless caused by Tenant.

Landlords Obligations:

Except for repairs, maintenance, and replacements to the Premises and the building for which tenant is responsible under section 6.1, landlord shall maintain, repair, and make replacements to the premises, the building, and the shopping center (including the common areas). Landlord shall, at its sole cost and expense (subject to Tenant's payment obligations, if any, pursuant to Article 12) make the repairs and the replacements and perform such work that is necessary to maintain the building and the shopping center in a condition comparable to other first-class building and shopping centers. Such repairs, replacements, and maintenance shall include, without limitation: (a) the upkeep of the roof, roof membrane, and roof systems (gutters, downspouts and the like), foundation, exterior walls, interior structural walls, and all structural components of the Premises, the Building and the Shopping Center; and (b) the maintenance and repair of all parking areas, sidewalks, landscaping and drainage systems on the Property, and all utility systems (including mechanical, electrical, and HVAC systems) and plumbing systems which serve the building and/or the shopping center as a whole and not a particular tenant's premises. Landlord may allocate the cost of such maintenance and repairs equitably among all tenants, if and to the extent provided in Article 12.

Insurance:

Tenant must have commercial property form insurance with a special form endorsement providing coverage on a replacement cost basis for Tenant's trade fixtures, equipment, and inventory in the Premises. Tenant shall use the proceeds from any such policy or policies of insurance for the repair or replacement of the insured property unless Tenant elects to terminate this Lease pursuant to Article 9 hereof. Landlord must have bodily injury, personal injury, and property damage insurance insuring against claims of bodily injury or death, personal injury, or property damage arising out of or in connection with (a) Landlord's conduct upon, in, or about the Premises; or (b) the use or occupancy of the balance of the Shopping Center, including, without limitation, the Common Areas, if any with each occurrence limit of not less than One Million Dollars (\$1,000,000) and a general aggregate limit of not less than Two Million Dollars (\$2,000,000).

Tenant's Payment:

Tenant shall pay to Landlord as additional rent Tenant's Pro Rata Share of Operating Expenses, Landlord's Insurance and Real Property Taxes (collectively, "Annual Additional Rent").

Tenants Right of Early Termination:

Tenant, in its sole discretion, shall have the right to terminate this Lease as of the Early Termination Date. The "Early Termination Date" shall be any date between the last day of the sixtieth (60th) full calendar month of the Term (9/30/22) and the last day of the 72nd full calendar month of the Term. In order to exercise this early termination right, Tenant must give Landlord written notice no less than one hundred twenty (120) days before the Early Termination Date. Should Tenant elect to terminate this Lease as permitted under Section 19, Tenant shall pay to Landlord a termination fee equal to One Hundred Ten Thousand Dollars (\$110,000).

TENANT SUMMARY



In 2001, Paul Willis opened the first **Fuzzy's Taco Shop** on West Berry Street in Fort Worth, Texas, near the campus of Texas Christian University. It was purchased in 2003 by Chuck and Alan Bush, who opened the brand's second restaurant in East Fort Worth in 2007 before launching a rapid expansion of the chain through franchising that focused primarily on locations near college campuses before branching out into other areas. The brand opened its 50th location in 2012 and its 100th location in 2016 - just months after selling a 70% stake to Atlanta-based private equity group NRD Capital Management.

Fuzzy's surpassed 150 locations in early 2019, and now operates restaurants in Texas, Oklahoma, Louisiana, Arkansas, Arizona, Colorado, Florida, Georgia, Iowa, Kansas, Mississippi, Missouri, Montana, Nebraska, South Carolina, Ohio and Virginia. The company has announced plans to surpass 200 locations by 2021. As of the 2021 Franchise Disclosure Document, there are 135 franchised Fuzzy's Taco Shop locations in the USA. In January 2022, Fuzzy's announced an agreement to expand into Alabama and North Carolina.

Entrepreneur.com - Fuzzy's Taco Shop is ranked #123 in the Franchise 500

Father and son restaurateurs Alan and Chuck Bush bought the original Fuzzy's Taco Shop, in Fort Worth, Texas, in 2003. In 2009, they began franchising the restaurants, which serve Baja-style Mexican food, including tacos, burritos, nachos, quesadillas, grilled sandwiches, salads and breakfast.

Franchisee: Cypress Grande, LLC

www.fuzzystacoshop.com



LEASE ABSTRACT

Operating Costs:

Tenant shall pay to landlord as additional rent Tenant's fractional share of the Operating Costs. "Operating Costs" shall mean the total costs and expenses incurred by the Landlord in operating, maintaining and repairing the Property, Building and Common Areas, including without limitation utilities, including electricity, gas and water, pertaining to the Common Areas, equipping, lighting, repairing and maintaining the exterior of the building, specifically including the building systems and structure, painting, maintenance and repair of the roof and roof membrane (including a roof maintenance contract), and the Common Areas, specifically including landscaping and gardening, the maintenance and repair of the parking area, line painting, lighting, traffic control, if any, sanitary control, removal of trash, rubbish and garbage, the cost of personnel to implement such services and to direct parking and the cost of such security guards and/or the cost of the installation and maintenance of any security system that landlord elects to utilize in order to police and protect the Common Areas, and a management fee equal to five (5%) percent of the net operating income for the Property, accounting and legal services directly related to the management of the Property, and costs arising from the implementation of legal requirements.

Taxes:

Tenant shall pay to landlord as additional rent.

Landlords Repairs and Right of Entry:

Landlord covenants that it will make such repairs to the common areas and outside utility lines and to the exterior of the premises (including the roof, gutters, downspouts, exterior walls, foundation, but excepting all glass and doors) as may be necessary to keep the same in a good condition of repair; provided that if the need for such repair is occasioned by or results from the negligence or act of Tenant, such repair shall be made by Landlord, but costs of such repairs shall be charged to and be promptly paid for by Tenant subject to Tenant being given credit for any money Landlord actually receives in respect to such damage from its insurance.

Tenant's Repairs:

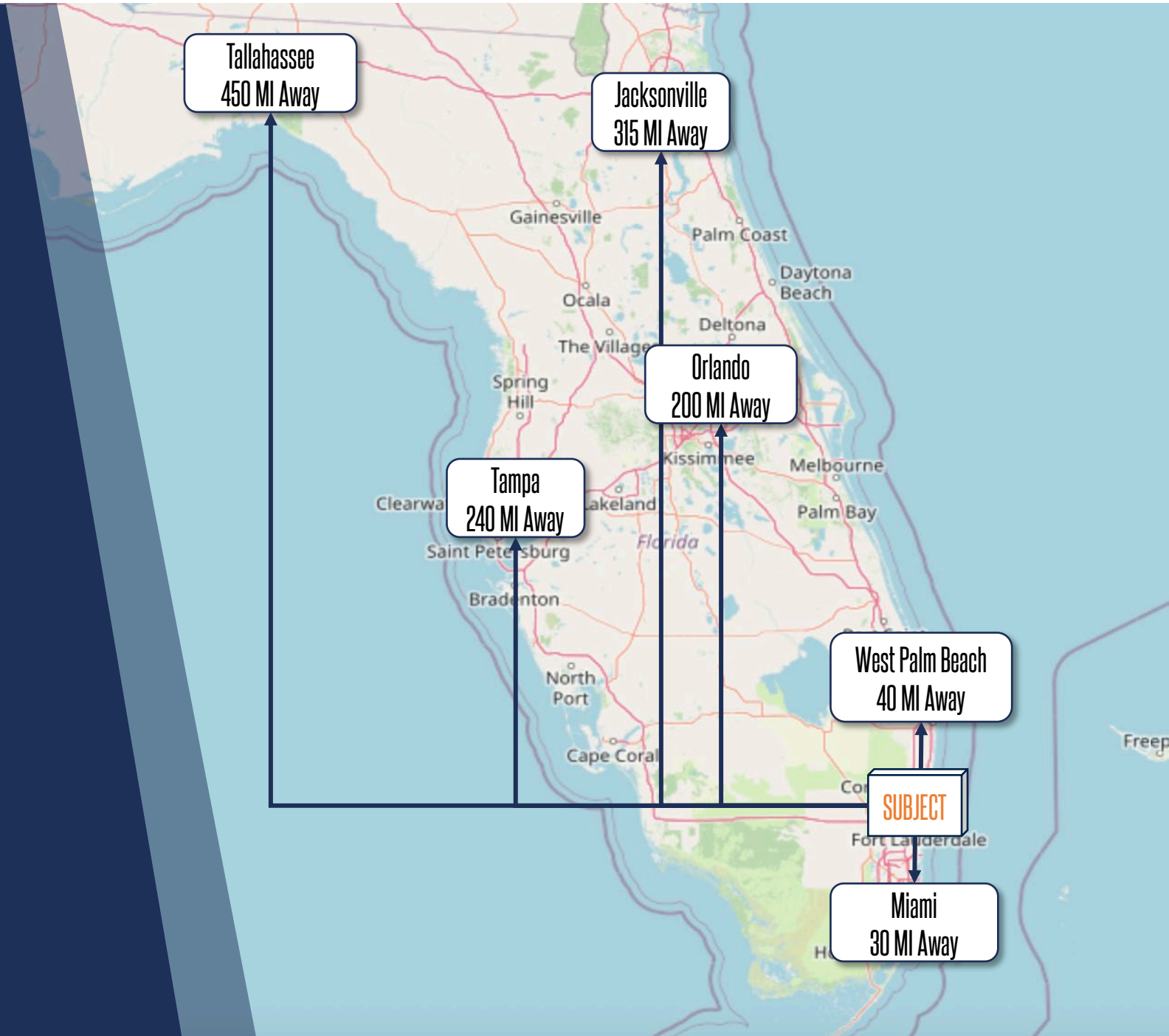
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Landlords Insurance:

Landlord covenants that it will keep the premises insured against damage covered under a special form policy written with coverage in an amount not less than 100% of the replacement cost thereof. Landlord shall also provide commercial general liability insurance policy with limits of not less than \$1,000,000 for each occurrence and \$2,000,000 general aggregate insuring landlord against liability for bodily injury, death, and property damage occurring on or involving common areas of the property. The costs of Landlord's insurance described herein shall be included in Operating Costs as defined in the lease Section 7 and which are payable by Tenant.

2022 Population:

- Jacksonville : 954,614
- Miami: 439,890
- Tampa : 387,050
- Orlando: 309,154
- Tallahassee : 197,102
- West Palm Beach: 117,286



LOCATION OVERVIEW

Fort Lauderdale is famous for its beaches, arts, culture, and events. From shopping on Las Olas Boulevard to gondola rides on the canals, to a historic riverfront, this is the "Venice of America." Just two miles north of Port Everglades, you can experience Fort Lauderdale's landscaped beachfront promenade, with its signature white wave wall and paved brick path, and, across the street, luxury hotels. Along Las Olas Boulevard, enjoy Fort Lauderdale shopping, dining, and the historic districts. A trip aboard Fort Lauderdale's water taxi provides a prime view of the mansions and yachts dotting Millionaires Row.



SURROUNDING DEMOGRAPHICS

POPULATION	1 MILE	3 MILES	5 MILES
2022 Population	7,278	128,822	400,422
2027 Population	7,411	132,021	409,723
Growth 2010 – 2022	0.70%	1.00%	0.90%
Growth 2022 – 2027	0.40%	0.50%	0.50%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2022 Households	2,869	53,430	168,275
2027 Households Projection	2,925	54,517	171,799
Average Household Size	2.4	2.3	2.3
Owner Occupied	2,190	31,750	105,345
Renter Occupied	735	22,767	66,454
Avg. Household Income	\$65,880	\$76,115	\$74,327



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CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.*



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