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Activity ID #ZAE1050064





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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 Lease 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 Lease 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.

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INVESTMENT HIGHLIGHTS // Starbucks - Wolfchase Galleria

LONG-TERM OCCUPANCY WITH RECENT 10-YR LEASE EXTENSION | ATTRACTIVE RENT ESCALATIONS

- Starbucks recently extended a 10-year renewal (2nd option) that commenced Sept. 2021
- Starbucks has been successfully operating at this location for over 22 years, and recent 10-year renewal shows commitment to the site.
- There are approximately 8.6 years remaining on a corporate lease
- Starbucks is currently paying \$86,415 in annual rent, very low for a well located stand alone Starbucks location
- Starbucks with a drive-thru was constructed in 2000
- 8.3% rent increase effective Sept. 2026
- 10% rent increase at option years
- Three 5-yr. options remaining

TREMENDOUS TRAFFIC COUNTS | PRIMARY RETAIL CORRIDOR

- The subject property is located on North Germantown Parkway, one of the most traveled road in Memphis that boasts over 60,750 VPD
- Starbucks is strategically located just north of Interstate 40
- National retailers in the immediate area include Home Depot, Costco Best Buy, Dave & Buster, PetSmart, Chick-fil-A, Office Depot, Chili's, Academy Sports, T.J. Maxx, Old Navy, Burlington, Dick's Sporting, Ethan Allen, Five Below, and many other national restaurant & retail brands

STRONG DEMOGRAPHICS

- Within a three-mile radius of the subject property, there is an estimated population of 61,752 with an average household income of \$91,123, and within a five-mile radius, there is an estimated population of 157,431 with an average household income of \$91,295
- Strong day-time population within a one-mile, three-mile and five-mile radius of the subject property, there is an estimated population of 12,191, 33,679, and 61,950 respectively

EXCELLENT LOCATION SITUATED AT THE ENTRANCE TO WOLFCHASE GALLERIA

- The subject property ideally sits as an outparcel at the entrance to Wolfchase Galleria, the largest regional mall in Memphis
- Wolfchase Galleria is a +/- 591,149 SF regional shopping destination with 117 stores anchored by Macy's, Dillards, JCPenney and Malco Theatre
- Co-tenants includes Cheesecake Factory, Red Lobster, Olive Garden, Buffalo Wild Wings, Barnes & Noble, Redlands Grill, etc.

NN LEASED | LIMITED LANDLORD RESPONSIBILITIES

- Tenant pays for taxes and insurance
- Landlord responsible for roof and structure
- Early termination right can be exercised 120 days prior to 9/1/2026 and Starbucks also must pay six months of base rent on or prior to the early termination date.



OFFERING SUMMARY // Starbucks - Wolfchase Galleria



Cap Rate **4.25%**

NOI **\$86,415**

ADDRESS	2698 N. GERMANTOWN PARKWAY, MEMPHIS TN
GROSS LEASEABLE AREA	1,741 +/- SF
PRCE PER SF	\$1,168/SF
LEASE COMMENCEMENT	9/1/2000
LEASE EXPIRATION	8/31/2031
LEASE TERM	10 Years
LEASE TERM REMAINING	8.6 Years
LEASE GUARANTOR	Starbucks Corporation
LEASE TYPE	NN
RENT INCREASES	8.31% at Year 6, 10% at Options
LOT SIZE	.46 +/- Acres
YEAR BUILT/ RENOVATED	2000
OPTIONS	Three 5-Yr.
ROOF & STRUCTURE	Landlord
TYPE OF OWNERSHIP	Fee Simple



RENT SCHEDULE

PERIOD	MONTHLY	ANNUALLY	RENT/SF
9/01/2021 - 8/31/2026	\$7,201.26	\$86,415.12	\$49.64
9/01/2026 - 8/31/2031	\$7,800.00	\$93,600.00	\$53.76
OPTIONS			
9/01/2031 - 8/31/2036	\$8,580.00	\$102,960.00	\$59.14
9/01/2036 - 8/31/2041	\$9,438.00	\$113,256.00	\$65.05
9/01/2041 - 8/31/2046	\$10,381.80	\$124,581.60	\$71.56

















STARBUCKS

TENANT OVERVIEW

Starbucks Corporation is an American multinational chain of coffeehouses and roastery reserves headquartered in Seattle, Washington. As the world's largest coffeehouse chain, Starbucks is seen to be the main representation of the United States' second wave of coffee culture.

The company operates over 35,000 locations worldwide in more than 76 countries. Starbucks locations serve hot and cold drinks, whole bean coffee, microground instant coffee known as VIA, espresso, caffe latte, full and loose leaf teas including Teavana tea products, Evolution Fresh juices, Frappuccino beverages, La Boulange pastries, and snacks including items such as chips and crackers; some offerings are seasonal or specific to the locality of the store. Many stores sell pre packaged food items, pastries, hot and cold sandwiches, and drinkware including mugs and tumblers.

There are also several select "Starbucks Evenings" locations which offer beer, wine, and appetizers. Starbucks brand coffee, ice cream, and bottled cold coffee drinks are also sold at grocery stores in the United States and other countries. In 2010, the company began its Starbucks Reserve program for single origin coffees and high end coffee shops. It planned to open 1,000 Reserve coffee shops by the end of 2017. Starbucks operates six roasteries with tasting rooms and 43 coffee bars as part of the program. The latest roastery location opened on Chicago's Magnificent Mile in November 2019, and is the world's largest Starbucks.

35,000+ LOCATIONS \$32.25 B 2022 Revenue

BBB+ Credit Rating S&P



Kerrville

- West Union

- The metro is expected to add more than 26,600 people over the next five years, resulting in the formation o approximately 12,800 households.
- A median home price of \$236,200 is well below the U.S. median and has allowed 61 percent of households to afford owning their home.
- Roughly 27 percent of people ages 25 and older hold bachelor's degrees: among those residents, 10 percent have also earned a graduate or professional degree.









POPULATION	1 Mile	3 Miles	5 Miles
2022 Population	3,978	61,752	157,431
2027 Populations Projection	3,930	61,401	157,050
Median Home value	\$167,495	\$183,752	\$188,159
INCOME	1 Mile	3 Miles	5 Miles
Avg Household Income	\$79,907	\$91,123	\$91,295
Median Household Income	\$62,705	\$70,923	\$72,345
Median Household Income	\$62,705	\$70,923	\$72,345
Median Household Income DAYTIME EMPLOYMENT	\$62,705 1 Mile	\$70,923 3 Miles	\$72,345 5 Miles



MEMPHIS OVERVIEW // Starbucks - Wolfchase Galleria

Memphis is a growing city with several major company headquarters, including FedEx, AutoZone and International Paper. The many FedEx packages passing through makes Memphis International Airport the world's busiest cargo airport. High-tech industries, health care and biomedical research are also important segments of the city's economy. Known as the birthplace of the Blues and home of Elvis Presley, Memphis is one of America's top cities for tourism. The City of Memphis is the 2nd largest city in Tennessee with a population of 631,187 as of July 1, 2022.

Often considered the home of the blues, as well as the birthplace of rock 'n' roll, Memphis has music in its soul. The metro spans 3,000 square miles over nine counties in the states of Tennessee, Mississippi and Arkansas. The Tennessee counties include Shelby, Fayette and Tipton. Crittenden County is in Arkansas, and Tate, DeSoto, Tunica, Benton and Marshall counties are in Mississippi. The Mississippi River runs through the metro, forming the border between Tennessee and Arkansas. Other rivers flowing through the region define areas available for development. The market contains nearly 1.4 million residents and roughly 939,000 reside in Shelby County. Memphis is the area's most populous city, with over 640,000 citizens.



GROWING ECONOMY

A large distribution presence, favorable business climate and diversification into other industries are helping augment the metro's economy.



SKILLED WORKERS

Memphis has a large, highly skilled logistics labor pool that helps draw companies.



AFFORDABLE COST OF LIVING

The median home price in Memphis is well below the national median.



- #39 Fortune 500
- \$93.51B FY
- 30,000 Local Employees



- #111 Fortune 500
- \$21.16B FY Revenue
- 3,200 Local Employees



- #249 Fortune 500
- \$16.56B
- 2,200 Local Employees

TOP RATED BUSINESS CLIMATE

The central geographic location of the city combined with its competitive tax structure allows Memphis to draw quality businesses. FedEx Corporation, the city's largest employer with 30,000 employees, joins other Fortune 500 Companies currently headquartered in the city including International Paper and AutoZone. Memphis' corporate citizens include world-renowned companies:

- ServiceMaster (Global Headquarters)
- Ducks Unlimited (World HQ)
- Elvis Presley Enterprises (World HQ)
- First Tennessee (World HQ)
- Hilton Hotels (Division HQ)
- Hunter Fan (World HQ)
- Lucite International (World HQ)
- Medtronic (Division HO)
- Raymond James (Division HQ)
- Nike (Major Operations)
- Disney (Major Operations)
- Sharp Manufacturing of America (Division HQ)
- Smith & Nephew (Division HQ)
- Wright Medical Technologies (World HQ)
- ABB/Thomas & Betts (World HQ)
- Youth Villages (World HQ)

