

STARBUCKS

1722 SOUTH MAIN STREET, GROVE, OKLAHOMA



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

1722 S Main St, Grove, OK 74344

FINANCIAL SUMMARY

| | |
|---------------|--------------------|
| Price | \$2,040,000 |
| Cap Rate | 6.00% |
| Building Size | 2,225 SF |
| Net Cash Flow | 6.00% \$122,375 |
| Year Built | 2023 |
| Lot Size | 0.58 Acres |

LEASE SUMMARY

| | |
|----------------------------|-----------------------|
| Lease Type | Double-Net (NN) Lease |
| Tenant | Starbucks |
| Guarantor | Corporate |
| Rent Commencement Date | January 7, 2024 |
| Lease Term | 10 Years |
| Rental Increases | 8% Every 5 Years |
| Renewal Options | 4, 5 Year Options |
| Right of First Refusal | None |
| Roof, Structure, & Parking | Landlord Responsible |

ANNUALIZED OPERATING DATA

| Lease Years | Annual Rent | Cap Rate |
|--------------|--------------|----------|
| Years 1 – 5 | \$122,375.00 | 6.00% |
| Years 6 – 10 | \$132,165.00 | 6.48% |
| Options | Annual Rent | Cap Rate |
| Option 1 | \$142,738.20 | 7.00% |
| Option 2 | \$154,157.26 | 7.56% |
| Option 3 | \$166,489.84 | 8.16% |
| Option 4 | \$179,809.02 | 8.81% |

| | |
|-----------------------------|------------------------|
| Base Rent | \$122,375 |
| Net Operating Income | \$122,375 |
| Total Return | 6.00% \$122,375 |





DAIRY QUEEN

HONEY CREEK
BRIDGE

HONEY CREEK
LANDING MARINA

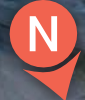
NEOSHO RIVER



18TH STREET



14,400 CPD
S MAIN ST / HWY 10



NEOSHO RIVER

UNDER DEVELOPMENT



ROSS
DRESS FOR LESS

Marshalls

bealls
OUTLET



14,400 CPD
S MAIN ST / HWY 10



18TH STREET

HARPS
HOMETOWN FRESH



GRAND LAKE
PUBLIC HOUSE
amedisys FARMERS
INSURANCE



SHOE sensation
FACTORY
CONNECTION
True Value.
DOLLAR TREE

WALGREENS



GROVE HIGH SCHOOL & PERFORMING ARTS CENTER

GROVE REGIONAL & MUNICIPAL AIRPORT

INTEGRIS HEALTH
Grove Hospital

WALGREENS

INTEGRIS HEALTH
Urgent Care

BETTY ANN NURSING CENTER

TACO BELL

BANK OF GRAND LAKE

GRAND LAKE PUBLIC HOUSE
amedisys FARMERS INSURANCE

MOSA VAPOR MAVEN

CHARLES & CO SALON & SPA

Casa GUTIERREZ Restaurant



UNDER DEVELOPMENT

14,400 CPD
S MAIN ST / HWY 10

bealls OUTLET

Marshalls

ROSS DRESS FOR LESS

18TH STREET

Arby's



Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Corporate Lease with Starbucks (NASDAQ: SBUX)**
- » High-Quality 2023 Construction with a Drive-Thru
- » **8 Percent Rental Increases Every Five Years Throughout the Initial Term and Multiple Renewal Options**
- » Excellent Frontage and Accessibility Along S Main St / Hwy 10 (14,400 Cars per Day)
- » **Upcoming Shopping Center in Development with Major Retail Tenants: Ross, Marshalls, & Bealls with Shared Ingress/Egress**
- » Central Location in Grove's Primary Retail Corridor - Notable Tenants Include Walmart, Lowe's, Harps Food Stores, Walgreens, Taco Bell, Sonic, and More
- » **Immediate Proximity to INTEGRIS Health Grove Hospital within 1 Mile**
- » Direct Connection to Central Grove, Grove Regional & Municipal Airports, and Grand Lake State Park Sites



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

| | | | |
|--------------------|-------|-------|--------|
| 2027 Projection | 2,744 | 8,345 | 12,232 |
| 2022 Estimate | 2,706 | 8,288 | 12,131 |
| Growth 2022 – 2027 | 1.39% | 0.69% | 0.84% |

Households

| | | | |
|--------------------|-------|-------|-------|
| 2027 Projection | 1,238 | 3,680 | 5,459 |
| 2022 Estimate | 1,215 | 3,638 | 5,384 |
| Growth 2022 – 2027 | 1.88% | 1.14% | 1.39% |

Income

| | | | |
|------------------------------------|----------|----------|----------|
| 2022 Est. Average Household Income | \$64,026 | \$70,599 | \$71,143 |
| 2022 Est. Median Household Income | \$41,234 | \$46,726 | \$48,008 |

Tenant Overview



SEATTLE, WASHINGTON
Headquarters



1985
Founded



STARBUCKS.COM
Website



33,000+
Locations



NASDAQ: SBUX
Stock Symbol

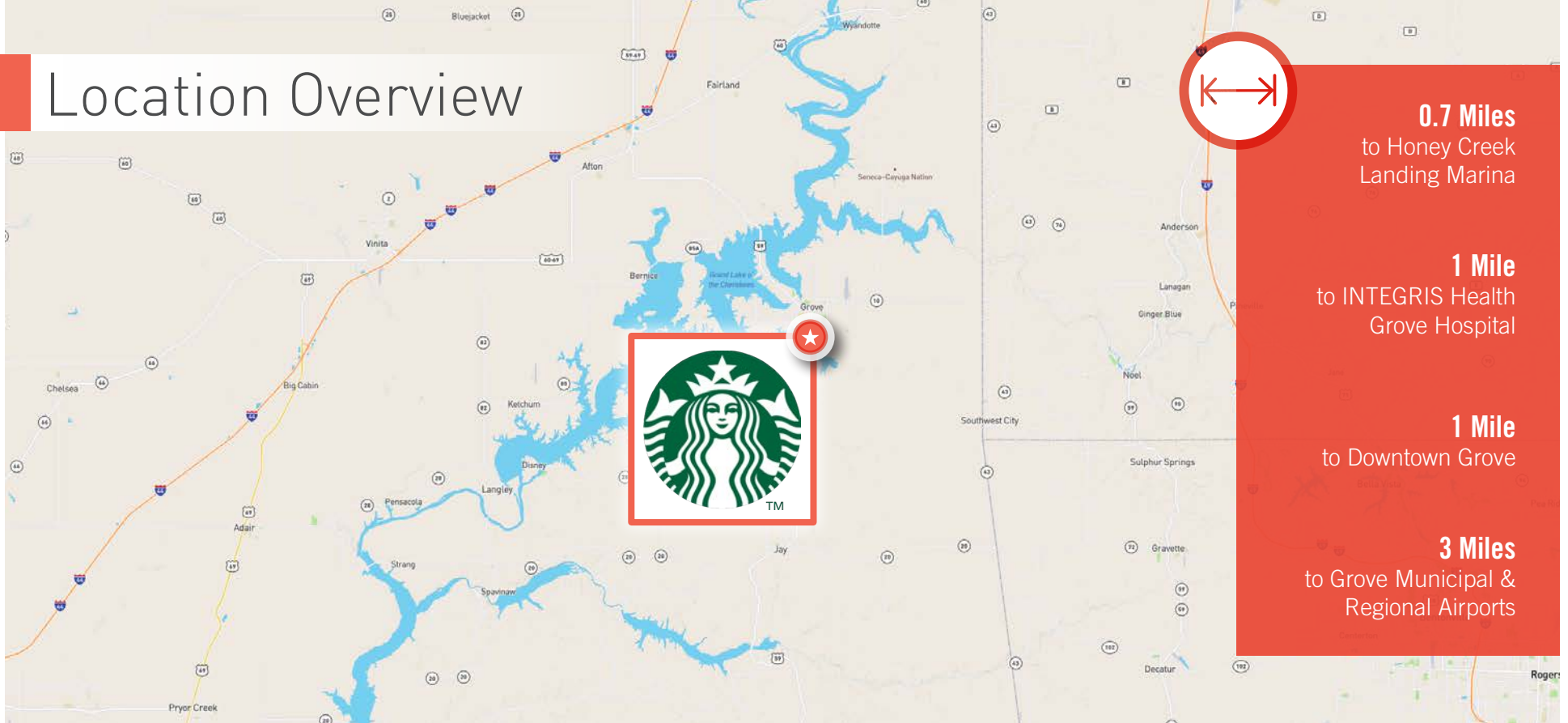
Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world, operating in 69 countries. Formed in 1985, Starbucks Corporation's common stock trades on the NASDAQ Global Select Market ("NASDAQ") under the symbol "SBUX." The company purchases and roasts high-quality coffees 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 brands including: Teavana, Tazo, Seattle's Best Coffee, 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.

Property Photos



Location Overview



Nestled along the shores of Oklahoma's Grand Lake O' The Cherokees, the Town of Grove has long been the economic and cultural hub of the Grand Lake region, attracting visitors year-round for Grand Lake fun like fishing, boating, and relaxing at the lake. Grove's economy is anchored by the tourism industry, driven by the allure of Grand Lake. The city boasts resorts, marinas, and recreational businesses catering to visitors seeking water-based activities and relaxation. Additionally, healthcare services, anchored by Integris Grove Hospital, contribute to the local economy.

In recent years, the city underwent a \$3.7 million park project to attract fishing events to Grand Lake, along with the Bassmaster Classic bass fishing tournament. Grove has become a shopping and dining destination, with a quaint downtown

area full of unique shops and restaurants, as well as a growing number of art galleries and boutiques. Visitors can find everything from handcrafted gifts and home decor to one-of-a-kind clothing and jewelry, and, of course, lots of great Grand Lake gifts and souvenirs. From summer festivals and the local Farmer's Market to winter carnivals, the events in Grove are a blend of tradition and modern entertainment.

Grove also continues to attract new residents, whether that be retirees looking to enjoy the relaxed pace of life, or younger families looking to embrace the Grand Lake Living lifestyle while enjoying the small-town life for raising a family. Each month on the first Friday, families can enjoy the Grove Block Party on the Community Lawn in Downtown Grove.

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