

# STARBUCKS

1610 WEST ST. MARY'S ROAD, TUCSON, ARIZONA

INFILL TUCSON LOCATION - NEW 10 YEAR LEASE | SIGNALIZED HARD CORNER - IN FRONT OF REGIONAL HOSPITAL | ONLY STARBUCKS DRIVE-THRU LOCATION IN A 2+ MILE RADIUS



OFFERING MEMORANDUM





JCPenney★macy's  
KREI Dillard's H&M  
The Container Store  
TUCSON MALL

SPROUTS FARMERS MARKET  
ACE Hardware  
BEST BUY petco  
LA FITNESS  
Walmart

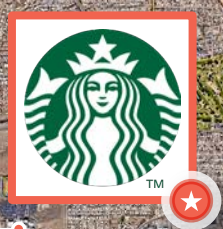
Tucson Medical Center

Banner University Medical Center

Walmart ROSS  
THE HOME DEPOT  
TARGET Office DEPOT  
CENTURY THEATRES  
Marshall's Burlington PET SMART  
EL CON CENTER

macy's Dillard's  
ULTA Total Wine & MORE  
CENTURY FOREVER 21  
THEATRES. AMERICAN EAGLE  
PARK PLACE MALL

PimaCommunityCollege



Carondelet St. Mary's Hospital

THE UNIVERSITY OF ARIZONA  
44,800 STUDENTS

DOWNTOWN TUCSON

REID PARK ZOO

RANDOLPH  
NORTH • DELL URICH

CINEMARK  
Costco WHOLESALE  
planet fitness Walmart  
POPEYES LOUISIANA KITCHEN  
DAVE & BUSTERS  
WOODSPRING SUITES AN EXTENDED STAY HOTEL

JW MARRIOTT  
TUCSON STARR PASS

DAVIS-MONTHAN AIR FORCE BASE



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# Executive Summary

1610 West St. Mary's Road, Tucson, AZ 85745

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$2,669,900</b>
Cap Rate	5.15%
Net Cash Flow	5.15% \$137,500
Building Size	1,040 SF
Year Built	2024
Lot Size	.73 Acres

## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease*
Tenant	Starbucks Corporation
Guarantor	Corporate
Lease Commencement Date	January 29, 2024
Est. Lease Expiration Date	January 28, 2034
Lease Term	10 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options
Right of First Refusal	None

\* Landlord is only responsible for Roof and Structure.

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Years 1 – 5	\$137,500.00	5.15%
Years 6 – 10	\$151,250.00	5.67%
Renewal Options	Annual Rent	Cap Rate
Option 1	\$166,375.00	6.23%
Option 2	\$183,012.50	6.85%
Option 3	\$201,313.75	7.54%
Option 4	\$221,445.13	8.29%

<b>Base Rent</b>	<b>\$137,500</b>
<b>Net Operating Income</b>	<b>\$137,500</b>
<b>Total Return</b>	<b>5.15% \$137,500</b>

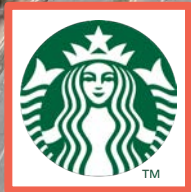




DOWNTOWN TUCSON



14,860 CPD  
N SILVERBELL ROAD



Walgreens

25,170 CPD  
W ST. MARY'S ROAD



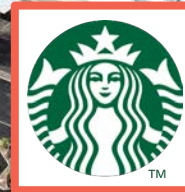




55,000-SF, \$17M  
CLASS A MEDICAL  
OFFICE BUILDING  
OPENED 2021



25,170 CPD  
W ST. MARY'S ROAD



14,860 CPD  
N SILVERBELL ROAD





# Property Description



## INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Corporate Lease with Starbucks (NASDAQ: SBUX)**
- » High-Quality 2024 Construction with a Drive-Thru
- » **10% Rental Increases Every Five Years with Multiple Renewal Options**
- » 230,496 Residents within a Five-Mile Radius - Dense Tucson Infill
- » **Signalized Hard Corner Location, Visible to 40,000+ Cars per Day**
- » Located Directly Across from St. Mary's Hospital (400+ Beds), Southern Arizona's Longest Continuously Operating Hospital - New 55,000-SF, \$17M Class A Medical Office Building Opened in 2021 Adjacent to the Hospital
- » **Less Than a Five Minute Drive from Pima Community College**
- » One Mile Off the I-10 Freeway, a Major Connector Providing a Direct Route North to Phoenix
- » **Central Location within a 15-Minute Drive of Tucson International Airport, Downtown Tucson, and The University of Arizona**
- » Surrounded by National Retailers: Safeway, Walgreens, Wendy's, Whataburger, Dollar Tree, and More



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2027 Projection	10,464	98,173	233,484
2022 Estimate	10,377	96,471	230,496
Growth 2022 - 2027	0.84%	1.76%	1.30%

### Daytime Population

2022 Estimate	14,042	172,168	322,300
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### Households

2027 Projection	4,220	37,995	94,428
2022 Estimate	4,138	37,039	92,638
Growth 2022 - 2027	1.97%	2.58%	1.93%

### Income

2022 Est. Average Household Income	\$47,917	\$51,333	\$56,047
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# 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.

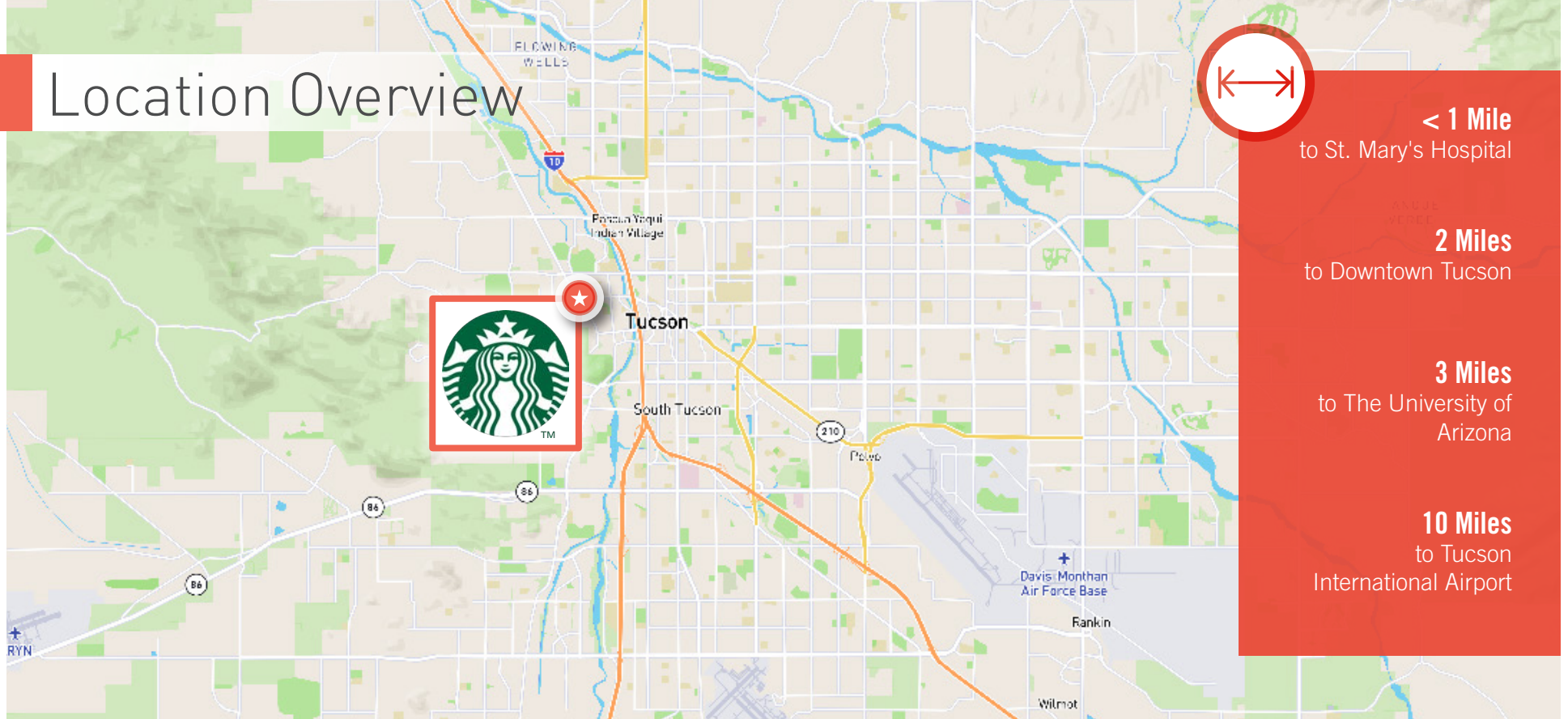


# Property Photos





# Location Overview



Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business. Over the next five years, the metro is projected to add roughly 37,000 new residents.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson where each has a significant presence within the community. In addition to Caterpillar and Amazon, Comcast and

HomeGoods, all Fortune 500 companies, have added Tucson locations recently. Davis-Monthan Air Force Base, home to 15,000 employees, is a significant driver of Tucson's local economy.

The University of Arizona is an integral part of Tucson. It has been named a Top 20 US public research institution, and enjoys a large student enrollment of 51,000 students and 16,000 administration staff members and faculty. As the city's largest employer, the University of Arizona is a significant economic driver in the metro. In addition to the campus, the university also oversees Tech Parks Arizona, which operates the UA Tech Park at Rita Road, UA Tech Park at The Bridges, and the Arizona Center for Innovation. These facilities offer more than 2 million square feet of high-tech office, R&D and laboratory space.



# [ exclusively listed by ]

**Nick Christifulli**

Director

602 687 6694

nick.christifulli@marcusmillichap.com

**Chris N. Lind**

Senior Managing Director

602 687 6780

chris.lind@marcusmillichap.com

**Mark J. Ruble**

Executive Managing Director

602 687 6766

mruble@marcusmillichap.com

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