



Starbucks



Brand New Construction

CHARLOTTE, NC

CONFIDENTIAL OFFERING MEMORANDUM

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PROPERTY SUMMARY

Address	6328 Banner Elk Drive Charlotte, NC 28216
Ownership	Fee Simple
Year Built	2022
Building Size	±2,200 SF
Parcel Size	±0.95 Acres
Road Frontage	±145 Feet (Sunset Rd)
Parking	38 Spaces
Traffic Count	±31,500 VPD (Sunset Rd)

FINANCIAL SUMMARY

NOI	\$127,490
Cap Rate	4.65%
List Price	\$2,748,880
Lease Type	NNN
Remaining Lease Term	10 Years
Remaining Options	4 - (5) Year Options
Rent Increases	7% Every 5 Years

NOI & CAP RATE GROWTH

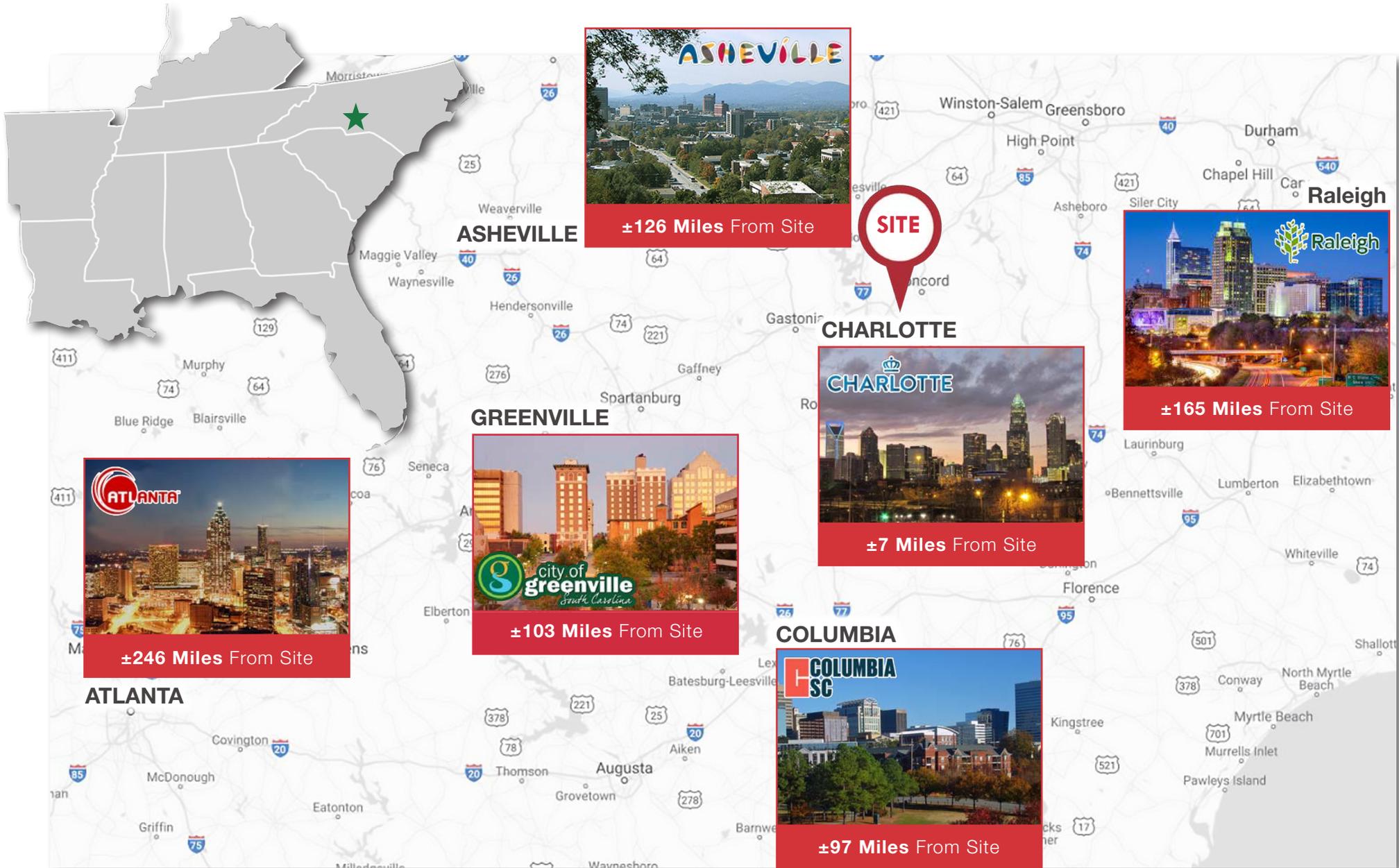
	Yrs 6	Yrs 11	Yrs 16
NOI	\$136,422	\$145,970	\$156,200
Cap Rate Growth	4.98%	5.32%	5.70%

INVESTMENT HIGHLIGHTS

- **Desirable Lease Term:** Brand new 10 year NNN lease with 7% rent increases every 5 years
- **Minimal Landlord Responsibilities:** NNN lease with landlord only responsible for roof, structure, and parking lot (see page 10 for more details); all warranties are transferable
- **Brand New Construction:** 2022 build-to-suit for Starbucks; all warranties are transferable
- **Access to High Volume Interstate Traffic:** Located just off I-77 provides access to high volume drive-thru traffic
- **Attractive Population Density:** Over a 167,000 residents within a 5 mile radius, a 20% increase since 2010
- **Corporate Lease:** Fully guaranteed by Starbucks Corporation with over 33,800 locations in 80 countries with revenues in excess of \$29 billion
- **Investment Grade Tenant:** Starbucks holds an S&P BBB+ credit rating
- **Booming Greater Market:** Charlotte is one of the fastest growing MSA's with over 100 people moving to the region each day making it one of the most desirable investment markets in the Southeast

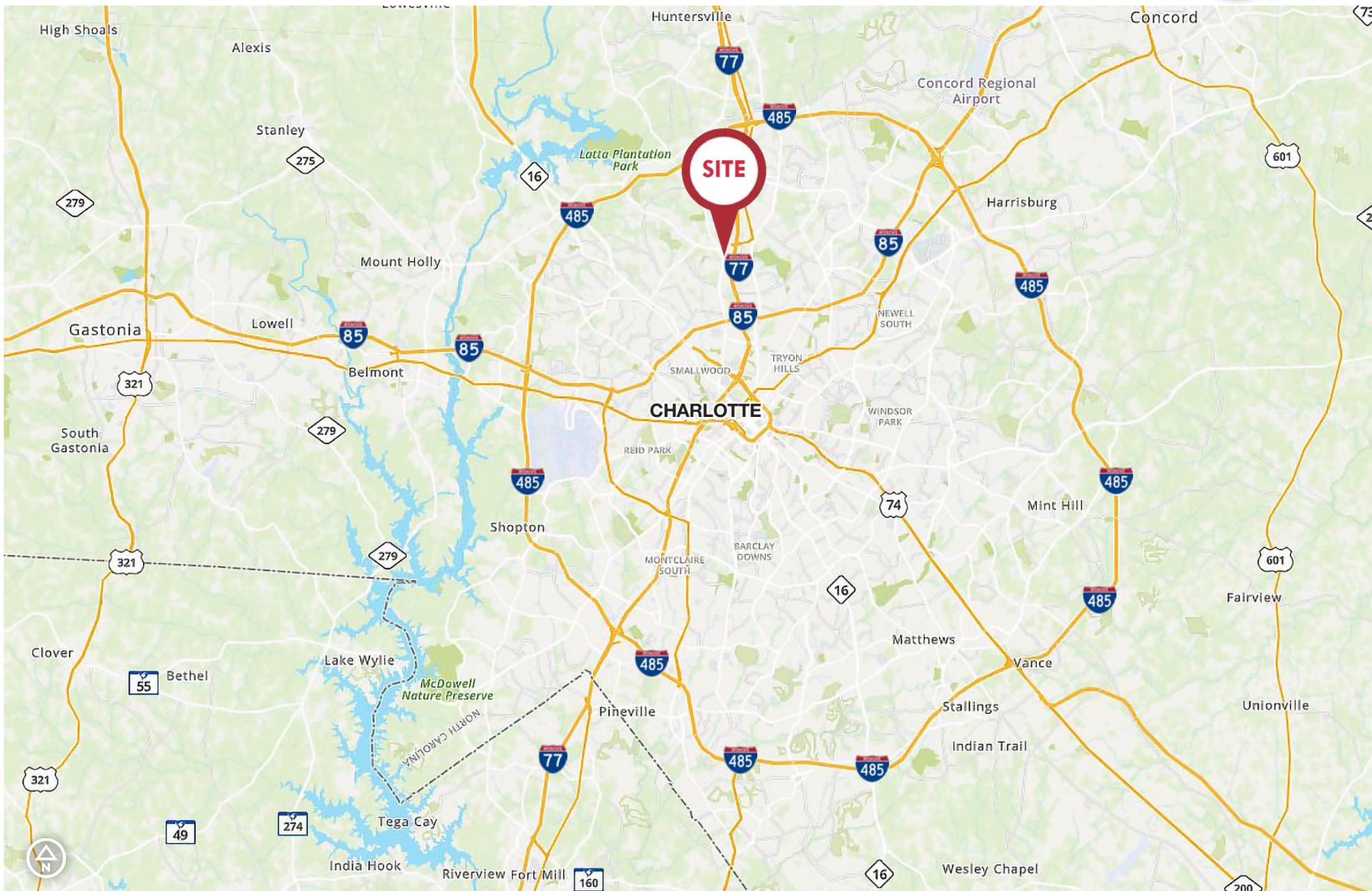
PROPERTY OVERVIEW

Regional Map



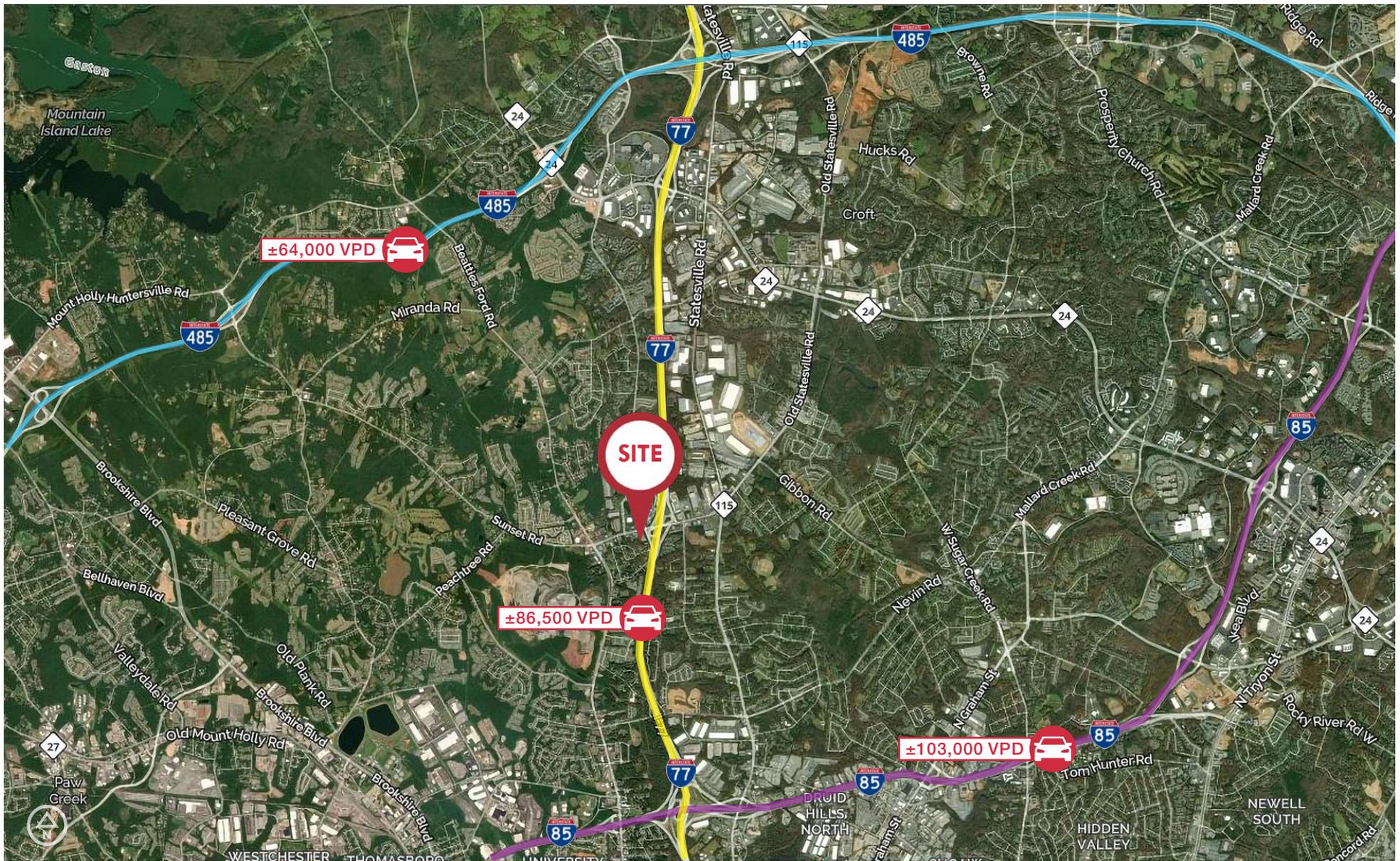
PROPERTY OVERVIEW

Market Map



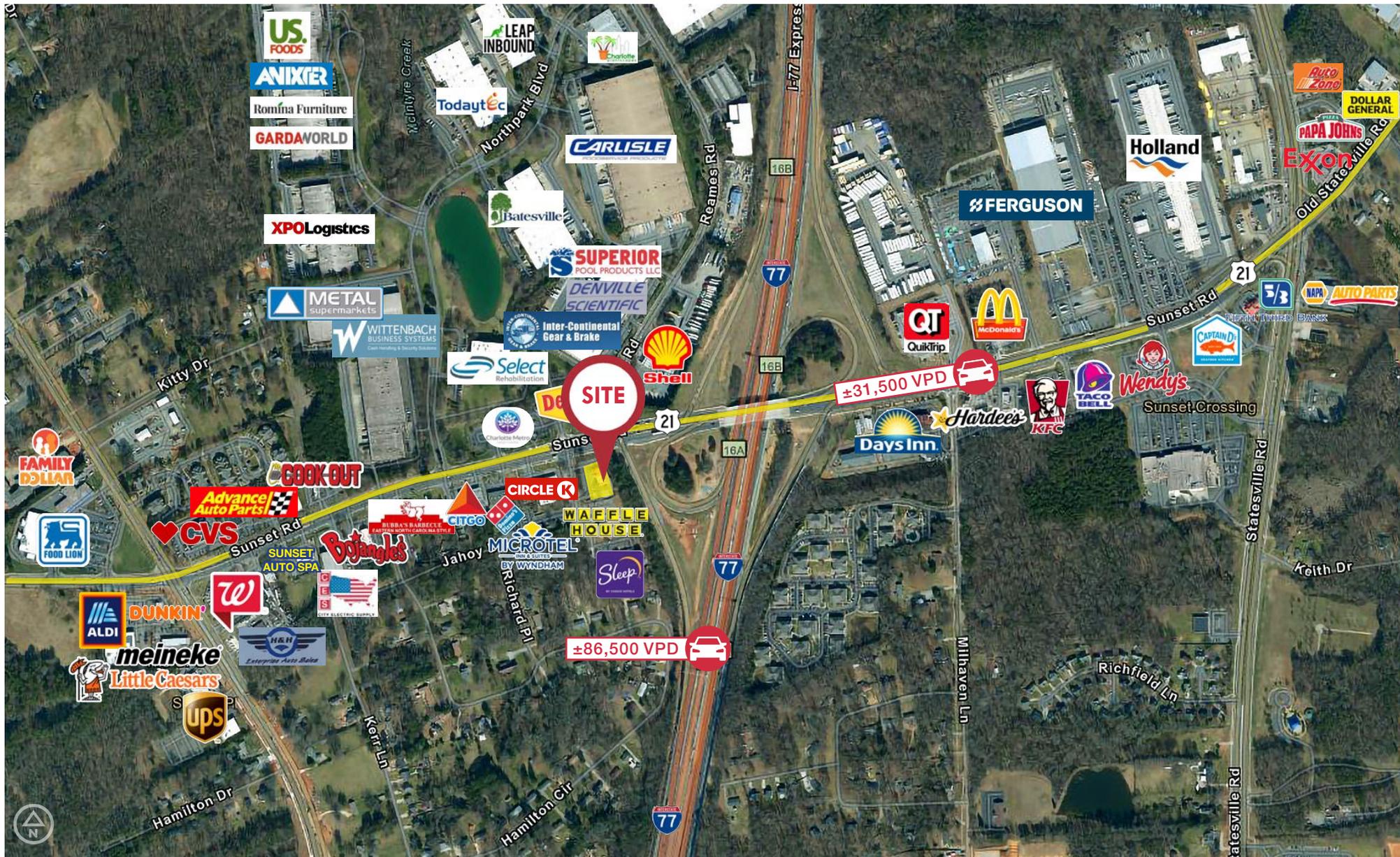
PROPERTY OVERVIEW

Submarket Map



PROPERTY OVERVIEW

Aerial Map



PROPERTY OVERVIEW

Site Plan



PROPERTY OVERVIEW

Photos



PROPERTY OVERVIEW

Lease Summary



LEASE SUMMARY

Tenant	Starbucks Corporation
Tenant Classification	Corporate
Lease Type	NNN
Original Lease Term	10 Years
Commencement Date	2022*
Lease Expiration Date	2032
Term Remaining on Lease	10 Years*
Options	(4) 5-Year
Increases	7% Every 5 Years
Repairs & Maintenance	Tenant Responsible
Property Taxes	Tenant Responsible
Property Insurance	Tenant Responsible
Roof / Structure	Landlord Responsible ¹
Parking Lot	Tenant & Landlord Responsible ²
Option to Terminate	None

*Tenant shall begin to pay Base Rent 90 days after the Tenant opens for business (est. rent start date of April 2022)

¹ Brand new transferable 20-year roof warranty

² Tenant is responsible for sweeping, sealing, and re-striping. Landlord is responsible to maintain, repair, and replace.

RENT SCHEDULE

Initial Term	Monthly	Annual
Years 1 - 5	\$10,624	\$127,490
Years 6 - 10	\$11,369	\$136,422
Option 1	\$12,164	\$145,970
Option 2	\$13,017	\$156,200
Option 3	\$13,928	\$167,134
Option 4	\$14,901	\$178,816



Starbucks offers more than 30 blends of single-origin premium coffees as well as handcrafted teas, blended beverages, pastries, sandwiches and a variety of other fresh foods.

TENANT OVERVIEW

Starbucks Coffee



www.starbucks.com

Founded	1971
Headquartered	Seattle, WA
Number of Locations	±33,800 retail stores in 83 countries
Annual Revenue (2021)	\$29 Billion
Fortune 500 Rank (2021)	125
Credit Rating	S&P BBB+
Stock Symbol	NASDAQ: SBUX

- Starbucks is a national investment grade tenant (NASDAQ: SBUX; S&P: BBB+) with over 33,800 stores globally.
- Operating income increased to \$1.3 billion in Q4 FY21, up from \$506.0 million in Q4 FY20.
- Average store sales are approximately 50% greater in Starbucks locations that have a drive-thru, which has created a goal for Starbucks to have drive-thrus in half of its stores by end of year 2020.
- 538 new stores were opened in the fourth quarter of fiscal 2021, yielding 4% year-over-year unit growth, ending the period with a record 33,833 stores globally, of which 51% and 49% were company operated and licensed, respectively.



REPRESENTATIVE PHOTO

STARBUCKS | QUICK FACTS

#5

**WORLD'S MOST ADMIRED
COMPANY**
Fortune (2021)

#1

**WORLD'S MOST VALUABLE
RESTAURANT BRANDS**
QSR Magazine (2021)

#30

**MOST INNOVATIVE
COMPANY**
Forbes (2021)



A charming yet sprawling Southern city, Charlotte is a pleasant urban area in the Piedmont region of North Carolina, within a few hours' drive of both the Appalachian Mountains and North Carolina's white sand beaches. Charlotte is nestled between two lakes, Lake Norman and Lake Wylie, both accessible in under an hour by car for boating, swimming and fishing.

The city has a strong economic identity – it's the **second-largest banking hub in the U.S.** behind New York City – that's helped drive consistent population growth for decades. Charlotte takes pride in its cityscape, defined by a handful of skyscrapers. But the city's essence is perhaps better captured in its **diverse neighborhoods and suburban areas**, each of which has its own style and flair.

As the second-largest financial center in the U.S., this region tends to attract professionals. It's also a natural magnet for college graduates from the University of North Carolina--Chapel Hill, Duke University, Davidson College and others in the Carolinas. UNC--Charlotte, Queens University, Central Piedmont Community College and Johnson & Wales University--Charlotte offers a **steady influx of graduates within the city limits** as well.

Although its economy and rapid development make Charlotte a thoroughly 21st century metro area, **Southern charm** is still very much alive. Its geographical location, generally temperate weather, relative affordability and local culture are all draws to the Queen City.

Pro sports representation in the NBA and NFL give residents something to root for, while museums, parks and an exploding brewery scene offer more diversions for people with varying interests. The Charlotte Hornets (NBA), Carolina Panthers (NFL) and Charlotte Knights (minor league baseball) all have stadiums downtown. An expansion Major League Soccer team, Charlotte FC, along with legendary NASCAR racetrack Charlotte Motor Speedway and the PGA's annual Wells Fargo Championship make the city a well-rounded center for professional athletics.



#2 Best Places to Live in North Carolina
#20 Best Places to Live
#22 Fastest-Growing Places



MARKET OVERVIEW

Market Analysis

CHARLOTTE, NORTH CAROLINA



LOCATION

- Located in the Piedmont region, Charlotte (Mecklenburg County) is the most populous city of North Carolina.
- Charlotte's central location between the population centers of the northeast and southeast has made it a transportation focal point and primary distribution center, with two major interstate highways, I-85 and I-77, intersecting near the city's center.
- U.S. Census estimates (released in April 2020) showed 874,579 residents living within Charlotte's city limits and 1,115,482 in Mecklenburg County.



HIGHER EDUCATION

- Charlotte is home to a number of universities and colleges such as Central Piedmont Community College, Johnson C. Smith University, Johnson & Wales University, Queens University of Charlotte, and the University of North Carolina at Charlotte.
- UNC Charlotte is the city's largest university. It is located in University City, the northeastern portion of Charlotte, which is also home to University Research Park, a 3,200 acres research and corporate park. With more than 29,000 students, UNC Charlotte is the third largest university in the state.



COMMERCE

- Charlotte is home to the corporate headquarters of Bank of America, Truist Financial, and the east coast operations of Wells Fargo, which along with other financial institutions has made it the second-largest banking center in the United States.
- Microsoft's East Coast headquarters are also located in Charlotte.
- As of 2021, Charlotte has eight Fortune 500 companies in its metropolitan area: Bank of America, Honeywell, Truist, Nucor, Lowe's, Duke Energy, Sonic Automotive and Brighthouse Financial.
- Charlotte is the center of the U.S. motorsports industry, housing the US's only Formula One team, Haas F1, multiple teams and offices of NASCAR, the NASCAR Hall of Fame, and Charlotte Motor Speedway in Concord.
- In the region there are more than 240 companies directly tied to the energy sector, collectively employing more than 26,400. Since 2007 more than 4,000 energy sector jobs have been announced.



SPORTS

- Carolina Panthers (NFL) - Bank of America Stadium
- Charlotte Hornets (NBA) - Spectrum Center
- Charlotte Knights (Triple-A affiliate of the Chicago White Sox) - BB&T Ballpark
- Charlotte Checkers (Minor league affiliate of the Hurricanes) - Bojangles' Coliseum
- Charlotte Independence (USL Soccer) - Sportsplex at Matthews
- NASCAR (Stock-car racing) - Charlotte Motor Speedway

MARKET OVERVIEW

Demographics



1 MILE RADIUS

Summary	2010	2021	2026
Population	4,816	5,347	5,712
Daytime Population		6,500	
Households	1,544	1,680	1,800
Families	1,058	1,146	1,226
Average Household Size	2.97	3.02	3.02
Owner Occupied Housing Units	1,001	1,084	1,217
Renter Occupied Housing Units	543	596	583
Median Age	33.0	34.6	35.0
Average Household Income		\$57,344	\$65,397

3 MILE RADIUS

Summary	2010	2021	2026
Population	50,162	60,724	65,824
Daytime Population		60,275	
Households	18,760	22,322	24,214
Families	12,282	14,352	15,488
Average Household Size	2.63	2.68	2.68
Owner Occupied Housing Units	11,938	13,415	14,746
Renter Occupied Housing Units	6,822	8,907	9,468
Median Age	32.3	34.6	34.3
Average Household Income		\$63,525	\$72,817

5 MILE RADIUS

Summary	2010	2021	2026
Population	140,139	167,266	181,953
Daytime Population		170,742	
Households	53,009	63,345	69,223
Families	33,514	39,131	42,471
Average Household Size	2.59	2.59	2.58
Owner Occupied Housing Units	29,203	31,827	34,515
Renter Occupied Housing Units	23,806	31,518	34,709
Median Age	32.1	34.3	34.1
Average Household Income		\$67,687	\$77,338



This Offering Memorandum contains select information pertaining to the business and affairs of the property located at 6328 Banner Elk Dr., Charlotte, NC 28216 ("Property"). It has been prepared by Furman Capital Advisors ("Agent"). This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in the Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Owner or Agent. The material is based in part upon information supplied by the Owner and in part upon financial information obtained from sources it deems reliable. The Owner, nor their officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner.

Owner and Agent expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed by all parties and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to the Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Agent or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the creation of this Offering Memorandum.

A large, light green Starbucks logo watermark is centered in the background of the slide. It features the word "STARBUCKS" at the top, "COFFEE" at the bottom, and a central mermaid logo with two stars.

FURMAN

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