



# STARBUCKS

10-YEAR CORPORATE LEASED STORE

MOUNT VERNON, IL



CAPITAL PACIFIC





## STARBUCKS

4399 BROADWAY STREET, MOUNT VERNON, IL 62864 

**\$1,460,869**

**PRICE**

**5.75%**

**CAP**

LEASEABLE SF

**2,000 SF**

LAND AREA

**0.44 Acres**

LEASE TYPE

**Corporate NN**

LEASE TERMS

**10 Years**

YEAR BUILT

**2018**

PARKING

**19 Spaces**

**Very low rent of \$42/ft - Most Starbucks rents are \$50/ft**

**10-year lease with four 5-year options, and rental increases every 5 years (no early termination right)**

**S&P "A-" Credit Rating - \$22.4B in revenues for 2017**

**This is the only freestanding drive-thru Starbucks in 60 mile radius**

**Easily accessible from Interstate 64 (37,700+ VPD)**



# Investment Highlights

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**THE OFFERING** provides the opportunity to acquire a brand new build-to-suit Starbucks located in Mount Vernon, Illinois. The lease features 10 years of initial term and four 5-year options with rental increases every 5 years in the base term and extension periods. Starbucks benefits from traffic counts of over 30,900 vehicles per day on Broadway Street, and is just off of Interstate 64, which is Mount Vernon's primary thoroughfare (37,700+ VPD). The subject property features a drive-thru, and benefits from being the only freestanding drive-thru Starbucks within a 60 mile radius. Additionally, Starbucks has excellent visibility, and is surrounded by five hotels, which help further drive traffic to the area.

**THE RETAIL MARKET** - The subject property is located within Mount Vernon's primary retail corridor, just off Interstate 64 and feeds into the Kroger anchored shopping center and the Times Square Mall, which features internet-resistant tenants including Ross, Hobby Lobby, and Big Lots. Just south of Starbucks is the SSM Health Good Samaritan Hospital, a 134-bed facility that has does \$500M in patient revenue and serves the country. The Starbucks also caters to the 3,000 employees at Continental Tire's 48-acre tire facility southeast of the property.



**LOW STARBUCKS RENT OF ONLY \$42/FT  
NO TERMINATION RIGHT**

## Contact the team

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# Surrounding Retail





# Income & Expense

<b>PRICE</b>		<b>\$1,460,869</b>
<b>Price Per Square Foot:</b>		<b>\$730.43</b>
<b>Capitalization Rate:</b>		<b>5.75%</b>
Total Rentable Area (SF):		2,000
Lot Size (AC):		0.44
<b>STABILIZED INCOME</b>		
Scheduled Rent		\$84,000
Effective Gross Income		\$84,000
<b>LESS</b>		
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
<b>EQUALS NET OPERATING</b>		<b>\$84,000</b>



# Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY					
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT	
Starbucks	2,000	2/2/2018	2/28/2023	\$84,000	\$7,000	\$84,000	\$3.50	\$42.00	
		3/1/2023	2/29/2028		\$7,700	\$92,400	\$3.85	\$46.20	
		Option 1	3/1/2028	2/28/2033		\$8,470	\$101,640	\$4.24	\$50.82
		Option 2	3/1/2033	2/28/2038		\$9,317	\$111,804	\$4.66	\$55.90
		Option 3	3/1/2038	2/28/2043		\$10,249	\$122,984	\$5.12	\$61.49
		Option 4	3/1/2043	2/29/2048		\$11,274	\$135,283	\$5.64	\$67.64
TOTALS:	2,000			\$84,000	\$7,000	\$84,000	\$3.50	\$42.00	

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# Lease Abstract

## PREMISE & TERM

<b>TENANT</b>	Starbucks
<b>BUILDING SF</b>	2,000 SF
<b>LEASE TYPE</b>	Corporate NN
<b>TERM</b>	10 Years
<b>RENT COMMENCEMENT</b>	2/28/2018
<b>Expiration</b>	2/29/2028
<b>OPTIONS</b>	Four 5-year options

## RENT

### BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
2/2/2018 - 2/28/2023	\$7,000	\$84,000
3/1/2023 - 2/29/2028	\$7,700	\$92,400

### OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 3/1/2028 - 2/28/2033	\$8,470	\$101,640
#2. 3/1/2033 - 2/28/2038	\$9,317	\$111,804
#3. 3/1/2038 - 2/28/2043	\$10,249	\$122,984
#4. 3/1/2043 - 2/29/2048	\$11,274	\$135,283

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## EXPENSES

### TAXES

Tenant shall pay, directly to the taxing authority, all taxes assessed against Tenant's personal property located in the Premises. Tenant shall also pay Landlord its pro-rata share of the Real Property Taxes.

### UTILITIES

Tenant is responsible for direct payment of all utilities to the appropriate billing authority.

### TENANT'S INSURANCE

Tenant shall maintain the following policies throughout the term: (1) Liability Insurance, naming Landlord as additional insured, with limits no less than \$1 million per occurrence and \$2 million in aggregate; and (2) Property Insurance providing coverage of Tenant's fixtures, equipment, and inventory.

### LANDLORD'S INSURANCE

Landlord shall maintain the following policies throughout the term: (1) Liability Insurance with limits no less than \$1 million per occurrence and \$2 million in aggregate; and (ii) Special Form Property Insurance insuring the Building for full replacement value.

### TENANT'S OBLIGATIONS

Tenant is responsible for the repairs and maintenance of all non-structural portions of the Premises, including the HVAC system.

### LANDLORD'S OBLIGATIONS

Landlord is responsible for the repairs and maintenance of the roof, structure, all parking areas, sidewalks, landscaping and drainage systems.

### COMMON AREA OPERATING EXPENSES

Tenant shall pay Landlord its pro-rata share of Operating Expenses, Landlord's Insurance and Real Property Taxes throughout the term of the Lease.



# Site Plan



**2,000  
RENTABLE SF**



**0.44  
ACRES**



**19  
SPACES**



This site plan is a rendering that has been created based on sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



# Tenant Overview

## ABOUT STARBUCKS

The world's #1 specialty coffee retailer, Starbucks has more than 28,700 coffee shops in about 77 countries, and over 350,000 employees. The outlets offer coffee drinks and food items, as well as roasted beans, coffee accessories, and teas.

**A-** | S&P RATED

In 2017, the chain had net revenues of \$22.4 Billion, and an operating income of \$4.4 Billion. Starbucks has a credit rating of A- from Standard & Poor, and is traded on the NASDAQ under SBUX.

**\$22.4B**

**2017 NET REVENUES**

## RANKINGS

- #3 - FORTUNE'S list of world's most admired companies (2017)
- #146 - FORTUNE 500 list (2017)
- #45 - FORTUNE'S change the world list (2017)

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# Demographics

## POPULATION

	1-MILE	3-MILES	5-MILES
2018	3,603	14,591	19,600

## 2018 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$64,868	\$59,118	\$60,409

## JEFFERSON COUNTY TOP EMPLOYERS

EMPLOYER	
Continental Tire The Americas, LLC	3,348
SSM Health Good Samaritan Hospital	2,204
Walgreens Distribution Center	1,380
Mt. Vernon City School District 80	267
Crossroads Community Hospital	260



**THE AVERAGE HOUSEHOLD INCOME WITHIN A 1-MILE RADIUS IS OVER \$64K**

# MOUNT VERNON, ILLINOIS



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**MOUNT VERNON** is located at the crossroads of I-57 and I-64 in southern Illinois, with St. Louis, MO located 80 miles west and Chicago 277 miles to the north. The city acts as a regional hub for many industries, retail businesses, regional medical services and tourism.

Over one billion public and private dollars have been spent on development during the last six years, allowing Mt. Vernon to make great strides in infrastructure improvements. Included in recent improvement and development: roads, water and sewer lines, new retail, expansion/renovation of existing businesses, the attraction of new businesses, growth in recreational facilities and community events, and the revitalization of the historic downtown area.

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### ABOUT THE ECONOMY

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**DUE TO MOUNT VERNON'S STRATEGIC LOCATION** and plentiful access to multiple interstate highways and four rail lines, it is home to a 48-acre facility for Continental Tire of America, and major distribution centers for Walgreens, NAPA, and National Railway Equipment (NREC), along with many other smaller distribution hubs.

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**47,284**



**MOUNT VERNON MSA  
POPULATION  
(ESTIMATED)**

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# We'd love to hear from you.

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