DOWNTOWN PHOENIX | Brand New 10 Year Net Lease

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PROPERTY SUMMARY

ASKING PRICE	$2,512,000
CAP RATE	4.50%
ANNUAL BASE RENT	$113,000
TOTAL BUILDING SIZE	±1,946 SF and ±443 SF Patio + Drive-Thru
TOTAL LAND SIZE	±0.513 Acres
YEAR BUILT	2017
PRIMARY LEASE TERM	Ten (10) Years
RENT COMMENCEMENT	Projected Dec 2017
LEASE TYPE	Net Lease
RENT INCREASES	10% Every 5 Years
PROPERTY ADDRESS	837 N 7th Avenue Phoenix, AZ 85007

INVESTMENT HIGHLIGHTS

- **Highly desirable, premier downtown Phoenix location** serving several historic residential communities, bustling downtown businesses, and a vibrant hospitality trade area
- **Brand new corporate 10 year net lease,** landlord has limited responsibilities
- **High barriers to entry and strategically located on a prime signalized hard corner**
- Starbucks is one of the nation's preeminent corporations with **4Q16 revenues in excess of $5.7 billion**
- Strong employment corridor **with over 195,000 employees and over 29.5 Million square feet of office** within a 3-mile radius
- True investment grade tenant Starbucks Corporation (NASDAQ: SBUX) with **over 25,000 locations worldwide**
- **Strong 10% rent increases** every 5 years through the primary term and option periods
- **Brand new best-in-class 2017 construction** freestanding building with drive-thru
- Starbucks (S&P: A-) annual corporate **revenues in excess of $21 billion**
- Property is located a block south of the most **heavily traveled stretch of Interstate 10** (±272,000 vehicles per day)

PROPERTY SITE PLAN

site plan not drawn to scale

LEASE ABSTRACT

TENANT	Starbucks Corporation
GUARANTOR	Starbucks Corporation
LEASE TERM	Ten (10) Years
RENT COMMENCEMENT	Projected Dec 2017
LEASE TYPE	Net Lease
RENT INCREASES	10% Every 5 Years
RENEWAL OPTIONS	Four, Five Year Options
PROPERTY TAXES	Paid by Tenant
INSURANCE	Paid by Tenant
UTILITIES	Paid by Tenant
COMMON AREA EXPENSES	Paid by Tenant
HVAC	Paid by Tenant
ROOF & STRUCTURE	Paid by Landlord

Term	Years	Increase Date	Annual Rent	% Increase
Primary	1-5	-	$113,000.00	N/A
Primary	6-10	Dec 2022	$124,300.00	10%
Option	11-15	Dec 2027	$136,730.00	10%
Option	16-20	Dec 2032	$150,403.00	10%
Option	21-25	Dec 2037	$165,443.30	10%
Option	26-30	Dec 2042	$181,987.63	10%

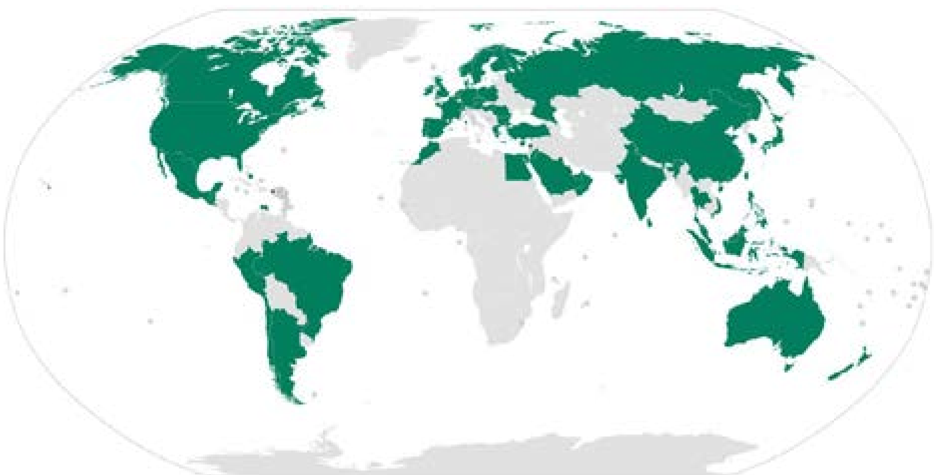
TENANT PROFILE

OUR HERITAGE

Starbucks is an American global coffee company that is currently the largest coffee shop in the world with over 25,000 retail stores in 75 countries and over 250,000 employees. Founded in 1971 in Seattle, Washington, the original Starbucks location still stands in Pike Place Market.

Starbucks offers more than 30 lends of single-origin premium coffees as well as handcrafted teas, blended beverages, pastries, sandwiches and a variety of other fresh foods. The company offers its products under the Starbucks, Tazo tea, Seattle's Best Coffee, Starbucks VIA Ready Brew, Starbucks Refreshers, Evolution Fresh, La Boulange, and Verismo brand names.

As of October 2016, Starbucks is present in 75 countries and territories



STARBUCKS CORPORATION	
NASDAQ	SBUX
MARKET CAP	$84 billion
REVENUE	$21 billion
S&P RATING	A-
HEADQUARTERS	Seattle, WA
LOCATIONS	±25,000 Worldwide
EMPLOYEES	±250,000


DOWNTOWN PHOENIX
University of Arizona College of Medicine
Phoenix Convention Center
Urban Living Apartments
Arizona State University Downtown
Embassy Condominiums
Lofts at McKinley
Orpheum Theatre
Phoenix Municipal Court
Phoenix Parks & Recreation
Comerica Theatre
United States District Court
Fox 10 News
Phoenix Police Department
Alta Fillmore Apts. ±230 units
Rio Salado College
±42,069 VPD
7th Ave
Roosevelt St
I-10 Freeway 0.1 miles
OVER
350,000
EMPLOYEES WITHIN A 5-MILE RADIUS

METRO DEMOGRAPHICS

16%

16% of all Phoenix Metropolitan businesses are within a 5-mile radius

PHOENIX BUSINESSES 2016

Phoenix Metropolitan Area	127,185
5-Mile Radius	21,463

20%

20% of all Phoenix Metropolitan employees are within a 5-mile radius

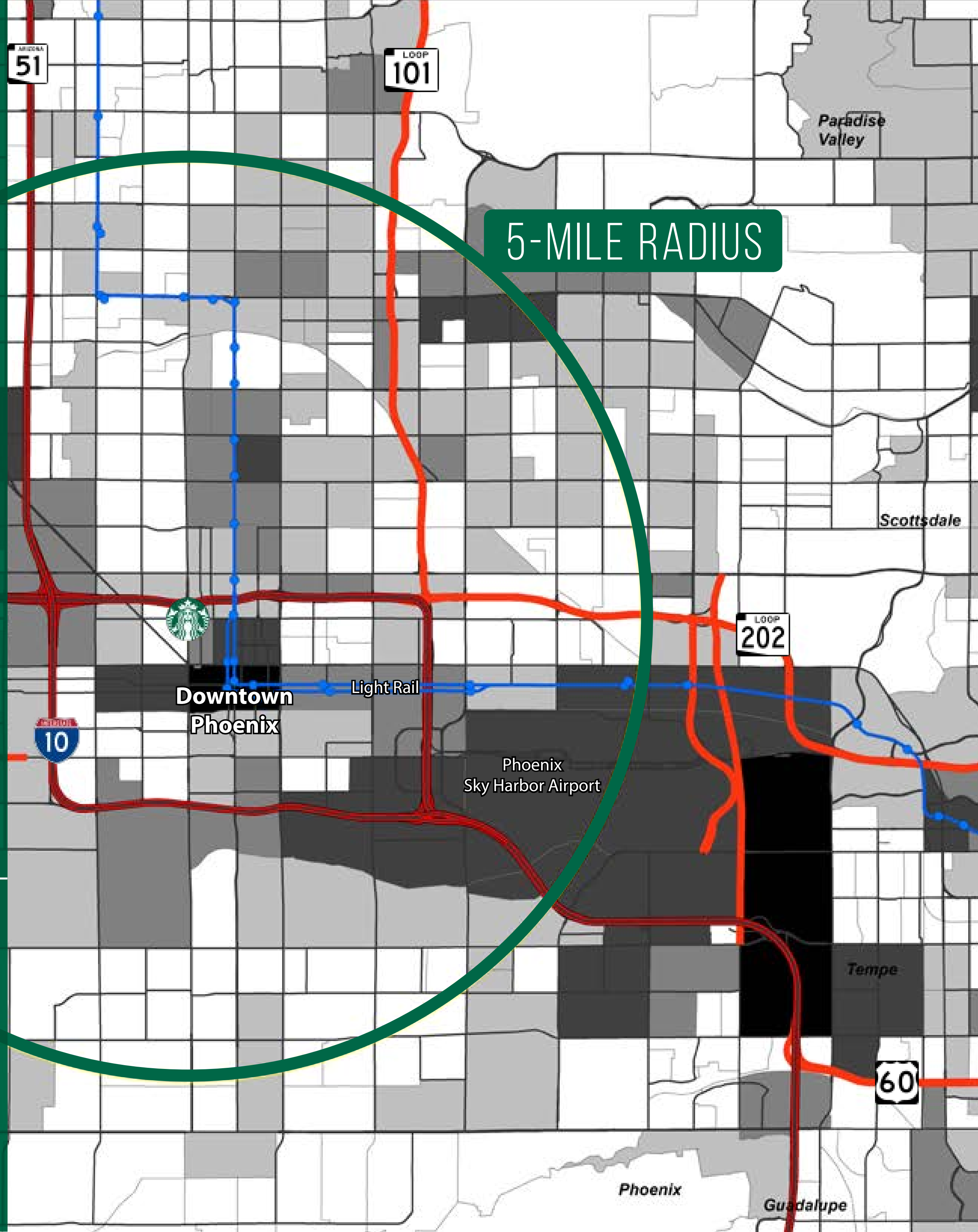
PHOENIX EMPLOYEES 2016

Phoenix Metropolitan Area	1,725,046
5-Mile Radius	353,128

LEGEND

TOTAL BUSINESSES

- 0.0 - 59.0
- 59.0 - 157.0
- 157.0 - 364.0
- 364.0 - 808.0
- 808.0 - 2308.0



INTERSTATE
10
±272,000 VPD
7th Ave
Roosevelt St
±42,069 VPD
Walter Yoga


Roosevelt / Central
Light Rail Station
Hance Park
±272,000 VPD
INTERSTATE
10
Roosevelt
Historic District
7th Ave
FQ Story
Historic District
±602 Homes
±42,069 VPD
Roosevelt St

DEMOGRAPHICS

POPULATION GROWTH
5-Mile

2010	348,039
2016	375,039
2021	399,144

HOUSEHOLD GROWTH
5-Mile

2010	116,221
2016	125,218
2021	133,725

AVERAGE HOUSEHOLD INCOME
2016

1-Mile	$57,568
3-Mile	$48,054
5-Mile	$47,400

DAYTIME DEMOGRAPHICS 2016
Employees in the Area

1-Mile	67,573
3-Mile	195,498
5-Mile	353,128

DAYTIME DEMOGRAPHICS 2016
Businesses in the Area

1-Mile	2,928
3-Mile	10,242
5-Mile	21,463

CONSUMER FOOD SPENDING OF MORE THAN

$90 MILLION

WITHIN A 3-MILE RADIUS

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All property showings are by appointment only.

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