

COASTAL SOUTHERN CALIFORNIA NNN INVESTMENT FOR SALE
Corporate Starbucks Drive-Thru Only Location

OFFERING MEMORANDUM
1702 Mission Avenue | Oceanside, California

Exclusively Offered by:

BRENT HENSLEY

Lic # 01361112

(c) 760-473-0520

brent@1031nnnsearch.com



**The photos displayed are the actual building as of June 2019.*



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INVESTMENT SUMMARY

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Tenant:	Starbucks Corporate
Address:	1702 Mission Avenue, Oceanside, CA 92058
Building Square Footage:	850 Square Feet
Land Size:	Approx. 14,356 Square Feet
Year Developed:	2015-2016
Primary Lease Term:	Ten (10) years
Lease Commencement:	June 24 2016
Lease Expiration:	June 23, 2026
Option Periods:	Four (4), Five (5) year options
Lease Type:	NN Lease

RENT SCHEDULE

Term	Years	Annual Rent	% Increase
Primary Term	Years 6-10	\$120,432	11% Increase
1st Option	Years 11-15	\$133,668	11% Increase
2nd Option	Years 16-20	\$148,368	11% Increase
3rd Option	Years 21-25	\$164,688	11% Increase
4th Option	Years 26-30	\$182,796	11% Increase

OFFERING TERMS

Price:	\$2,825,000
Cap Rate:	4.26%
NOI:	\$120,432

INVESTMENT SUMMARY

INVESTMENT HIGHLIGHTS



CORPORATE GUARANTEE, INVESTMENT GRADE TENANT

Starbucks, Inc. is the lease guarantor and holds an investment grade credit rating, "A-" by S & P and A3 by Moody's.

LONG TERM, NN LEASE

Starbucks, Inc. signed an original 10-year NN lease with four 5 year options to renew in 2014 with lease commenced in June 2016. The investment property provides a conservative investor long term, secure income. Due to the NN lease structure, this opportunity provides investors minimal landlord responsibility.

NEWER REDEVELOPMENT

Starbucks, Inc. was completed as a brand new restaurant that had been a former fast food restaurant. They spend a significant amount on their tenant improvements, converting the property to their most current drive through only prototype.

FIXED INCREASES IN INCOME

The lease provides an investor fixed 11% increases in income every 5 years. All options include a 11% increase as well.

PRIME SUBURBAN INFILL / SAN DIEGO COUNTY LOCATION

The Starbucks is ideally located at the signalized intersection of Mission Avenue & Archer Street in Oceanside, California. Oceanside is a beach style bedroom community with commercial uses along major transportation arteries. The location is situated to be convenient for morning commuters heading to work.

DENSELY POPULATED TRADE AREA

There are over 167,683 people within a 5-mile radius of the Starbucks earning an average household income of \$90,670, an ideal demographic for convenient coffee store consumers.

ACCESS TO MAJOR HIGHWAYS

The subject property is located in close proximity to Interstate 5.

- Interstate 5: Avg Volume - 192,000 ADT (Google 2011)
-

HIGH TRAFFIC COUNTS

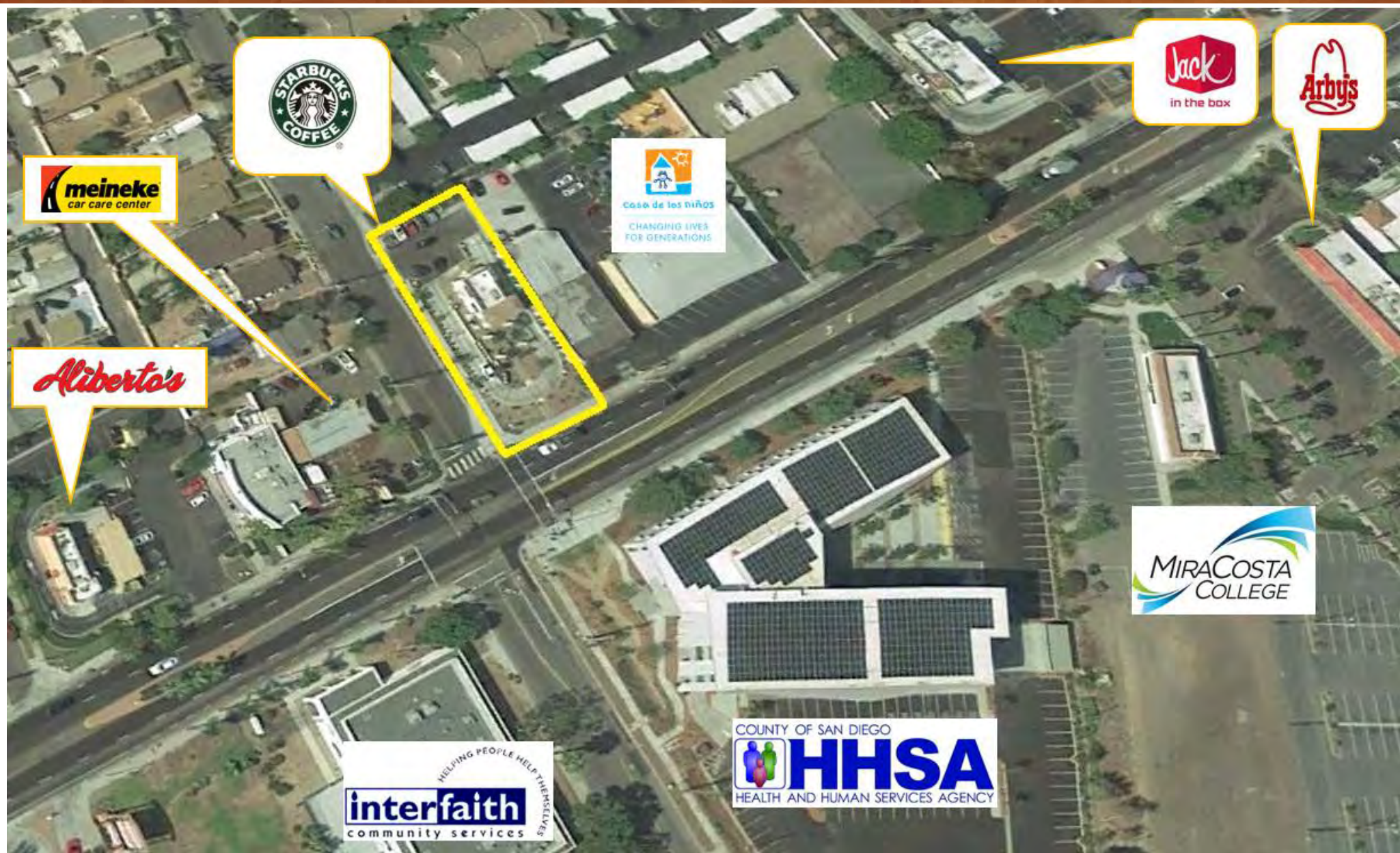
Mission Avenue is a major thoroughfare through Inland Oceanside. The property benefits from its location at a heavily trafficked signalized intersection with over 29,618 cars per day.

PROPERTY DESCRIPTION



The Starbucks was constructed in 2016 and the site of a former Jack in the Box. The Jack in the Box building was scraped and replaced with Starbucks most modern stereotype drive-thru building with outdoor seating. The location is at the signalized NEC corner of Mission Avenue and Archer Street in Oceanside, CA,. This location represents the best case scenario for Starbucks as it sits at the westbound, "Morning Commute" side of Mission Avenue through this bedroom community leading to the Interstate 5 freeway or the Pacific Ocean.

This location provides immediate and direct access to San Diego County to the south and Orange and Los Angeles County to the north. Oceanside is a seaside community of Northern San Diego County as well as a enormous contributor to the military who are working and housed at Camp Pendleton Marine Base a (one of the largest Marine bases in the U.S.) and the US Navy.



PROPERTY DESCRIPTION

AERIAL | OCEANSIDE AMENITIES



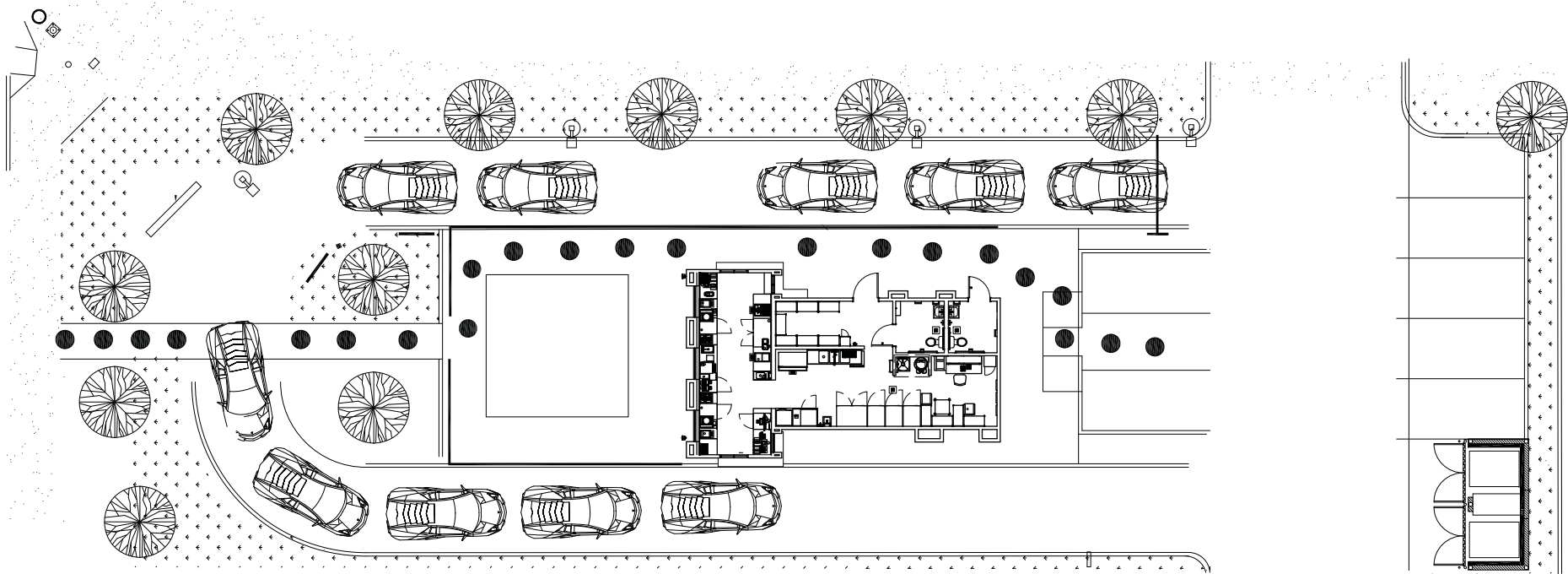
PROPERTY DESCRIPTION

SITE PLAN



ARCHER STREET

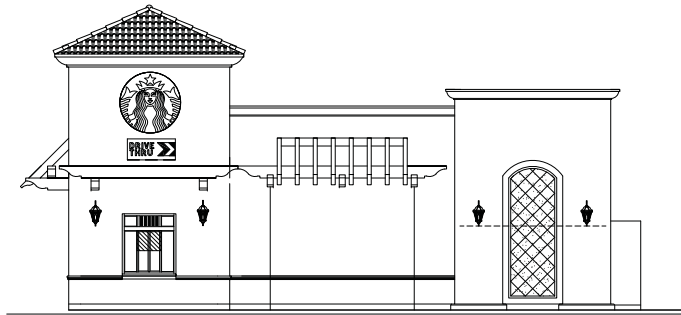
MISSION AVENUE



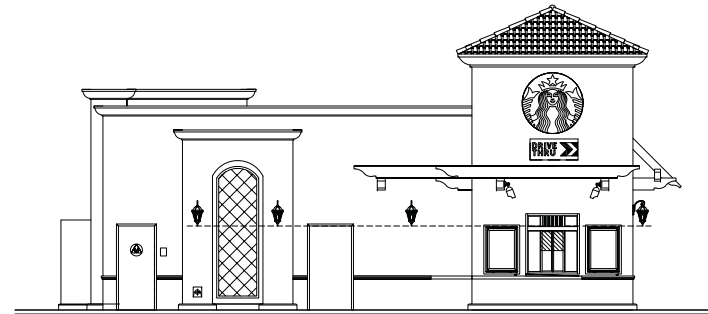
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PROPERTY DESCRIPTION

SITE PLAN



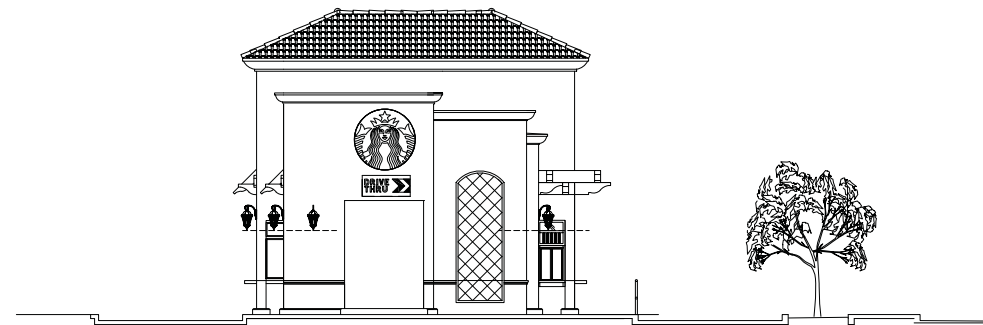
SOUTH ELEVATION



NORTH ELEVATION



WEST ELEVATION



EAST ELEVATION

AREA OVERVIEW

MARKET OVERVIEW

OCEANSIDE MARKET OVERVIEW

The City of Oceanside, incorporated in 1888, is a municipal corporation and has a five-member elected City Council that serves as the legislative body of the corporation. As elected officials, the Mayor and City Councilmembers serve at the pleasure of the voters and make decisions on issues and policies relating to general City operations. The City Council also serves as the Small Craft Harbor District Board of Directors, the Community Development Commission (CDC), and the Oceanside Public Financing Authority.

As an elected official, the City Clerk provides legislative services to the City Council, and serves as the Secretary to the Harbor District, the Community Development Commission, and Public Financing Authority. The City Treasurer, also an elected official, serves as the treasurer for all of the legislative bodies. Both elected officials serve at the pleasure of the voters.



The City of Oceanside follows the Council/Manager form of government in which the City Council sets laws and policies, and the City Manager performs administrative duties established by ordinances and City policies.

The City Manager is appointed by the City Council to serve as the City's chief executive officer and is responsible for the management of all municipal programs and services. The City Manager also serves as the Administrative Officer for the Harbor District, and as the Executive Director of the CDC and Public Financing Authority. As part of the duties, the City Manager oversees operations of City departments through the Department Directors.

The City Attorney is appointed by the City Council to serve as legal counsel to the City, Harbor District, CDC, and Public Financing Authority.

The City of Oceanside is a Charter City as of June 8, 2010. A City governed on the basis of a Charter establishes its powers and authorities, as contrasted with a General Law City that enjoys only those powers specifically granted to it by the State.

As a full-service City, Oceanside provides the community with such services as police, fire, library, water and sewer. In addition, the City has an airport, a small craft harbor, a municipal pier, golf courses, swimming pools and numerous parks, and community center facilities.

SAN DIEGO MARKET OVERVIEW

San Diego County is a county located in the southwestern corner of the U.S. state of California. It is the southwestern most county in the 48 contiguous United States. Its county seat and largest city is San Diego. The county's population was about 2,813,835 in the 2000 U.S. Census. According to the 2010 U.S. Census, San Diego County had a population of 3,095,313 people, making it the second most-populous county in California, after Los Angeles County. Its population in 2009 was estimated at 3,208,466, making it the fifth most-populous county in

the United States and giving it a population greater than 20 of the 50 U.S. states.



San Diego County has 70 miles (110 km) of coastline. It has a mild Mediterranean to semi-arid climate. Also in this county are 16 significant navy and military locations of the United States Navy, U.S. Marine Corps and the U.S. Coast Guard, including Naval Base San Diego, Marine Corps Base Camp Pendleton, Marine Corps Air Station Miramar, and Naval Air Station North Island.

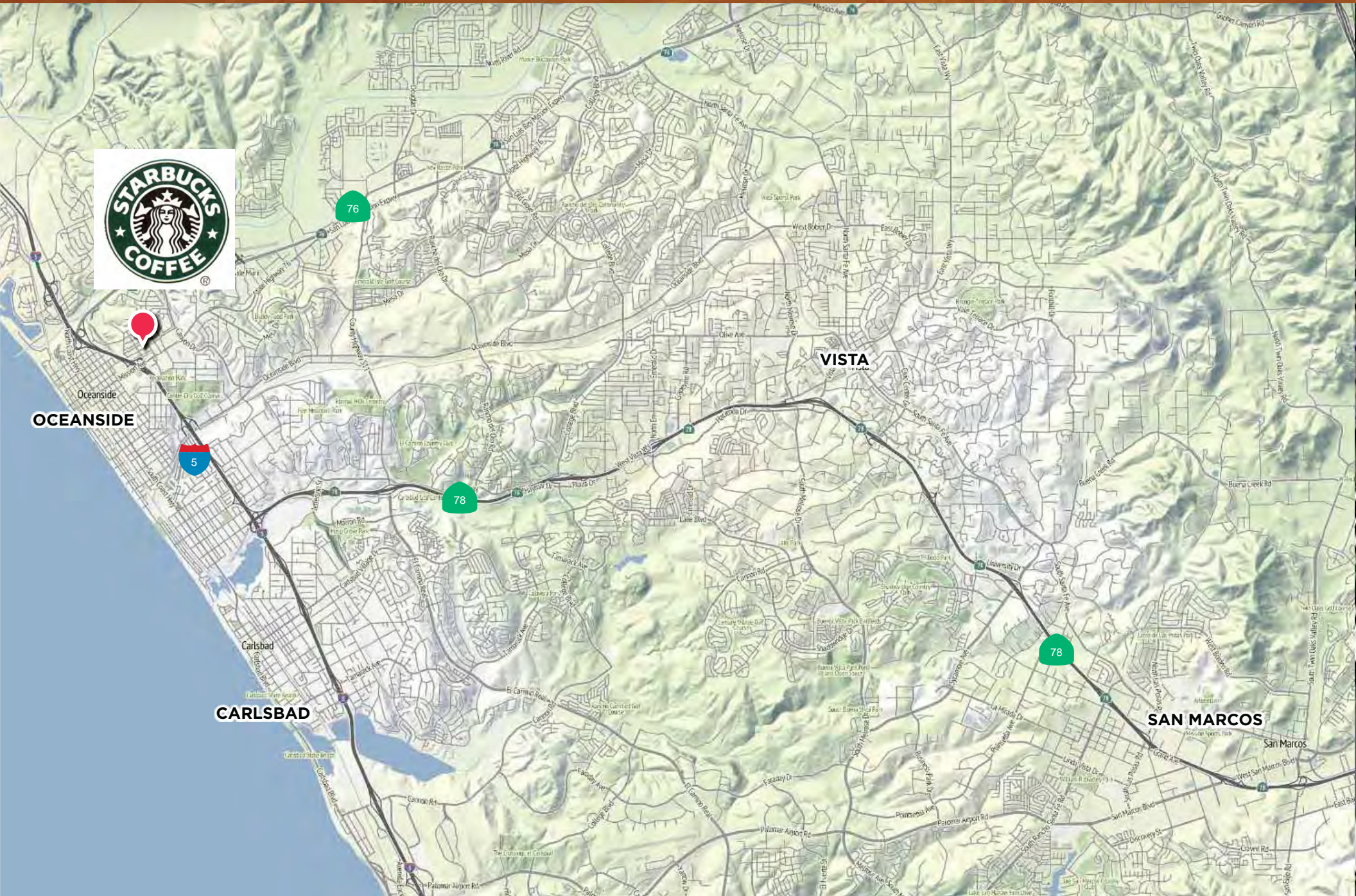
San Diego County defines the metropolitan statistical area of San Diego-Carlsbad-San Marcos, and in its metropolitan capacity is also known as Greater San Diego. In addition, San Diego County is part of the San Diego-Tijuana metropolitan area, an area with above five million people and the largest bi-national metropolitan area shared between the United States and Mexico.

PROPERTY DESCRIPTION

AREA MAP

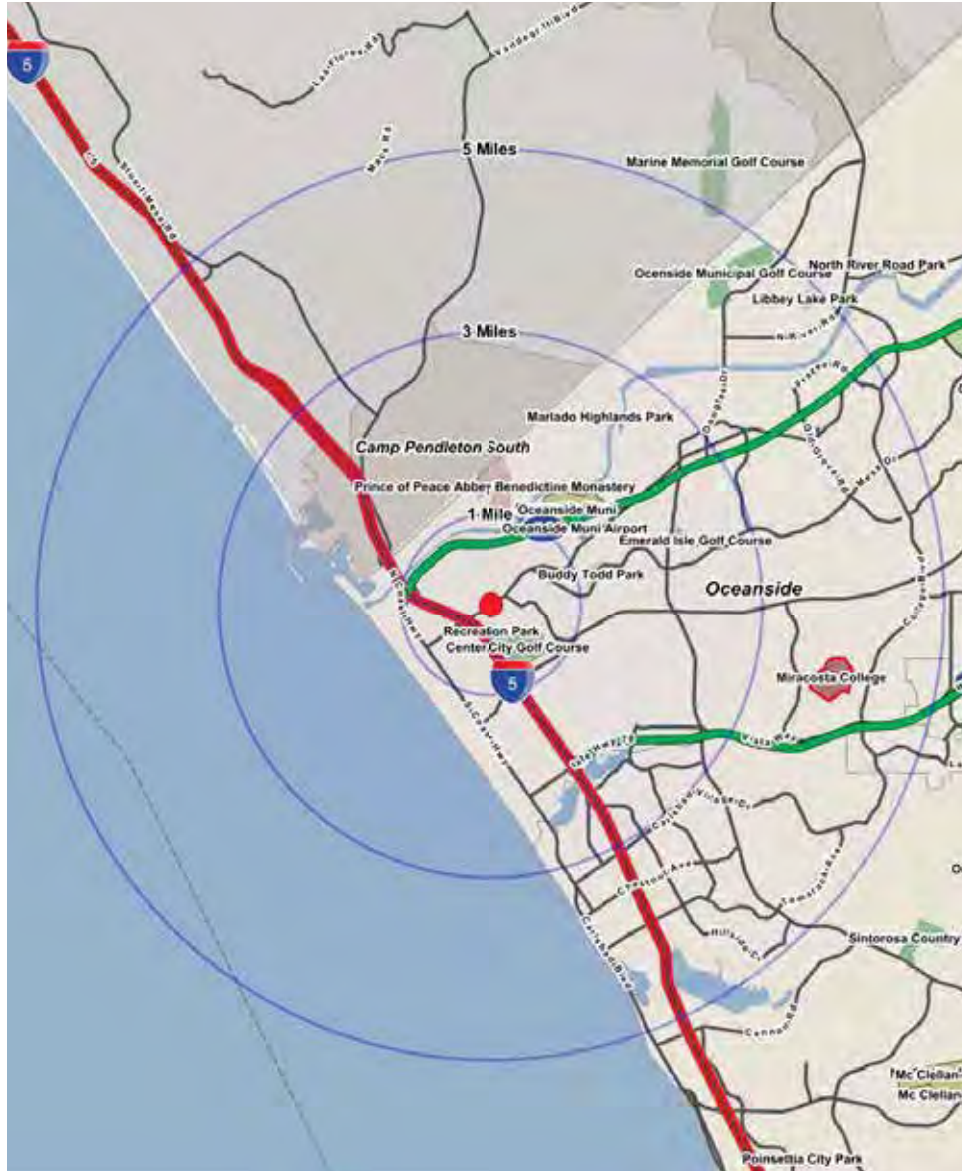
ADDRESS

1702 Mission Avenue, Oceanside, CA 92058



AREA OVERVIEW

DEMOGRAPHICS



EXPANDED PROFILE

2000-2010 Census, 2011 Estimates with 2016 Projections

Calculated using Proportional Block Groups



Lat/Lon: 33.2028/-117.3671

RF5

1702 Mission Avenue Oceanside, CA	1 Mile	3 Miles	5 Miles
Population			
Estimated Population (2011)	21,642	70,113	158,681
Projected Population (2016)	23,827	74,984	167,683
Forecasted Population (2021)	24,678	77,921	177,020
Census Population (2010)	21,000	68,711	156,558
Census Population (2000)	22,458	69,417	150,832
Projected Annual Growth (2011 to 2016)	2,185 2.0%	4,871 1.4%	9,002 1.1%
Historical Annual Growth (2010 to 2011)	641 3.1%	1,402 2.0%	2,123 1.4%
Historical Annual Growth (2000 to 2010)	-1,457 -0.6%	-706 -0.1%	5,726 0.3%
Estimated Population Density (2011)	6,895 psm	2,481 psm	2,022 psm
Trade Area Size	3.14 sq mi	28.26 sq mi	78.49 sq mi
Households			
Estimated Households (2011)	7,212	26,652	57,882
Projected Households (2016)	7,915	28,242	60,569
Forecasted Households (2021)	8,605	29,675	64,016
Census Households (2010)	6,968	26,238	57,193
Census Households (2000)	6,723	25,568	54,296
Estimated Households with Children (2011)	2,643 36.6%	7,713 28.9%	18,725 32.4%
Estimated Average Household Size (2011)	2.94	2.58	2.69
Average Household Income			
Estimated Average Household Income (2011)	\$57,208	\$70,599	\$76,617
Projected Average Household Income (2016)	\$69,294	\$83,949	\$90,670
Estimated Average Family Income (2011)	\$62,121	\$83,129	\$88,882
Median Household Income			
Estimated Median Household Income (2011)	\$44,119	\$56,921	\$64,321
Projected Median Household Income (2016)	\$49,952	\$62,851	\$70,838
Estimated Median Family Income (2011)	\$48,626	\$66,803	\$75,263
Per Capita Income			
Estimated Per Capita Income (2011)	\$19,868	\$27,734	\$28,736
Projected Per Capita Income (2016)	\$23,748	\$32,458	\$33,498
Estimated Per Capita Income 5 Year Growth	\$3,880 19.5%	\$4,724 17.0%	\$4,762 16.6%
Other Income			
Estimated Median Disposable Income (2011)	\$37,804	\$47,180	\$52,509
Projected Median Disposable Income (2016)	\$41,995	\$51,416	\$57,080
Disposable Income Estimated 5 Year Growth	\$4,191 11.1%	\$4,236 9.0%	\$4,571 8.7%
Estimated Average Household Net Worth (2011)	\$443,287	\$572,044	\$625,597
Daytime Demos (2011)			
Total Businesses	972	3,190	5,573
Total Employees	8,237	26,390	50,292
Company Headquarter Businesses	2 0.2%	3 0.1%	5 0.1%
Company Headquarter Employees	158 1.9%	214 0.8%	269 0.5%
Employee Population per Business	8.5	8.3	9.0
Residential Population per Business	22.3	22.0	28.5

AREA OVERVIEW

TENANT PROFILE



STARBUCKS (NASDAQ. SBUX)

S&P CREDIT RATING: A-

2023 REVENUE (\$ BIL): \$29.46

Starbucks (NASDAQ: SBUX) is an American global coffee company and coffee company and coffeehouse chain based in Seattle, Washington. As of May 2024, Starbucks had 38,137 stores worldwide. The United States has the most Starbucks locations with 16,482 stores, while the remaining 21,655 are located across the globe.

Starbucks locations serve hot and cold beverages, whole-bean coffee, microground instant coffee, full-leaf teas, pastries, and snacks. Most stores also sell pre-packaged food items, hot and cold sandwiches, and items such as mugs and tumblers. Since 1987, Starbucks has opened on average two new stores everyday.

Starbucks is publicly traded on the NASDAQ, SBUX, and has a market capitalization in excess of \$53 billion. Starbucks is investment grade rated with a Standard and Poor's rating of A-.

www.starbucks.com



Exclusively Offered By:

Brent L. Hensley
President/Broker

Net Leased Real Properties, Inc.
5831 Lancefield Drive,
Huntington Beach, CA 92649

Tel: : 760-473-0520
eFax: 760-560-1607

Email: brent@1031nnnsearch.com

