

STARBUCKS

BALCH SPRINGS (DALLAS), TEXAS



A Single Tenant Net Lease offered exclusively by

DUWEST
INVESTMENT SERVICES





STATEMENT OF CONFIDENTIALITY AND DISCLAIMER

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the retail property known as Starbucks at 12306 Elam Rd. Blach Springs, TX being approximately 1,260 square feet of improvements ("The Property"). It is not to be used for any other purpose or made available to any other person without the express written consent of Seller or DuWest Realty, LLC ("DW"). The material herein is based in part upon information supplied by the Seller and in part upon information obtained by DW from sources it deems reliable. No representation or warranty, expressed or implied, is made by the Seller, DW, or any of their respective affiliates as to the accuracy or completeness of the information contained herein. Prospective purchasers should conduct their own independent investigation, conduct their own due diligence, and form their own conclusions without reliance upon the material contained herein. 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 and Sale Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or DW or any of their affiliates or any of their respective officers, directors, owners, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from DW or Seller or their affiliates or any of their respective officers, directors, owners, or agents as legal, tax, or other advice. Prior to forming their acquisition value of the Property, prospective purchasers should consult with their own legal counsel and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.

EXECUTIVE SUMMARY

DuWest Realty Investment Services has been exclusively retained to market for sale Starbucks in Balch Springs, Texas ("The Property"). The Property is a corporately-backed NN lease, landlord responsible for roof and structure, with a 10-year primary term and four, five-year options. The building recently finalized construction and rent will commence on of November 1, 2025. It sits on one of the most dynamic corners in the area, just southeast of the one of the top performing Home Depots in Texas.

Starbucks is a popular, multinational operator of coffee house and roastery reserves headquartered in Seattle, Washington. The company currently has 40,199 locations around the world, and continues to add new locations in their portfolio. Since going public in 1992, Starbucks' stock, (NYSE:SBUX), has climbed to \$84.72 per share with a market cap of \$95.82 billion. In 2024, Starbucks reported over \$36.15 billion in annual revenue.

The Property is located along Elam Road and Highway 635 (155,582 VPD) which offers high visibility and easy access for commuters. Highway 635 is a major traffic artery around Dallas, guaranteeing steady customer flow. There is a 92,152 population within 3 miles. The Property is poised to capture both morning and afternoon commuter traffic, which fills the market gap for a premium coffee option in the area.

The acquisition of this Starbucks offers investors an outstanding 10-year corporate lease with staggered 7.5% income increases every 5 years, along a highly trafficked corridor within the DFW submarket. With minimal landlord responsibilities and the backing of one of the world's strongest retail brands, this property represents an exceptional opportunity for investors seeking stable, long-term income with upside potential.

12306 ELAM ROAD

ADDRESS

ELAM & 635

INTERSECTION

BALCH SPRINGS

CITY

2025

CONSTRUCTION YR

1,260

BUILDING SIZE

1.012

SITE SIZE ACRES

\$162,309

IN-PLACE NOI

7.5% EVERY FIVE YEARS

EMBEDDED RENT GROWTH

11/1/2025

COMMENCEMENT DATE

10 YEARS

INITIAL TERM

FOUR, 5 YEAR

OPTIONS

\$2,847,500

PRICE

YES

DRIVE THROUGH WINDOW

NN

LEASE STRUCTURE

**ELAM RD: 13,010 VPD
635: 155,582 VPD**

TRAFFIC COUNTS

CORPORATE

GUARANTY

INVESTMENT HIGHLIGHTS

STRONG CORPORATE GUARANTEE

- Corporately-back NN lease with 10-year primary term
- 7.5% annual increases every 5 years
- Four, Five-Year Options to Extend (includes annual increases)
- Brand New Construction
- Landlord is responsible for roof & structure
- Rent Commencement Date: 11/1/2025
- Transferable roof warranty (20 years)

STRATEGICALLY LOCATED ALONG HIGHLY TRAFFICKED INTERSECTION

- Adjacent to #4 ranked Home Depot in Texas which sees over 1.3M visitors annually
- Direct access to Highway 635 which sees 155,582 vehicles per day
- Poised to capture morning and afternoon commuters along Highway 635
- No other quick service coffee provider within 3.5 miles
- Features Drive Thru and Pick Up Lane

STARBUCKS: A BLUE CHIP INVESTMENT STRATEGY

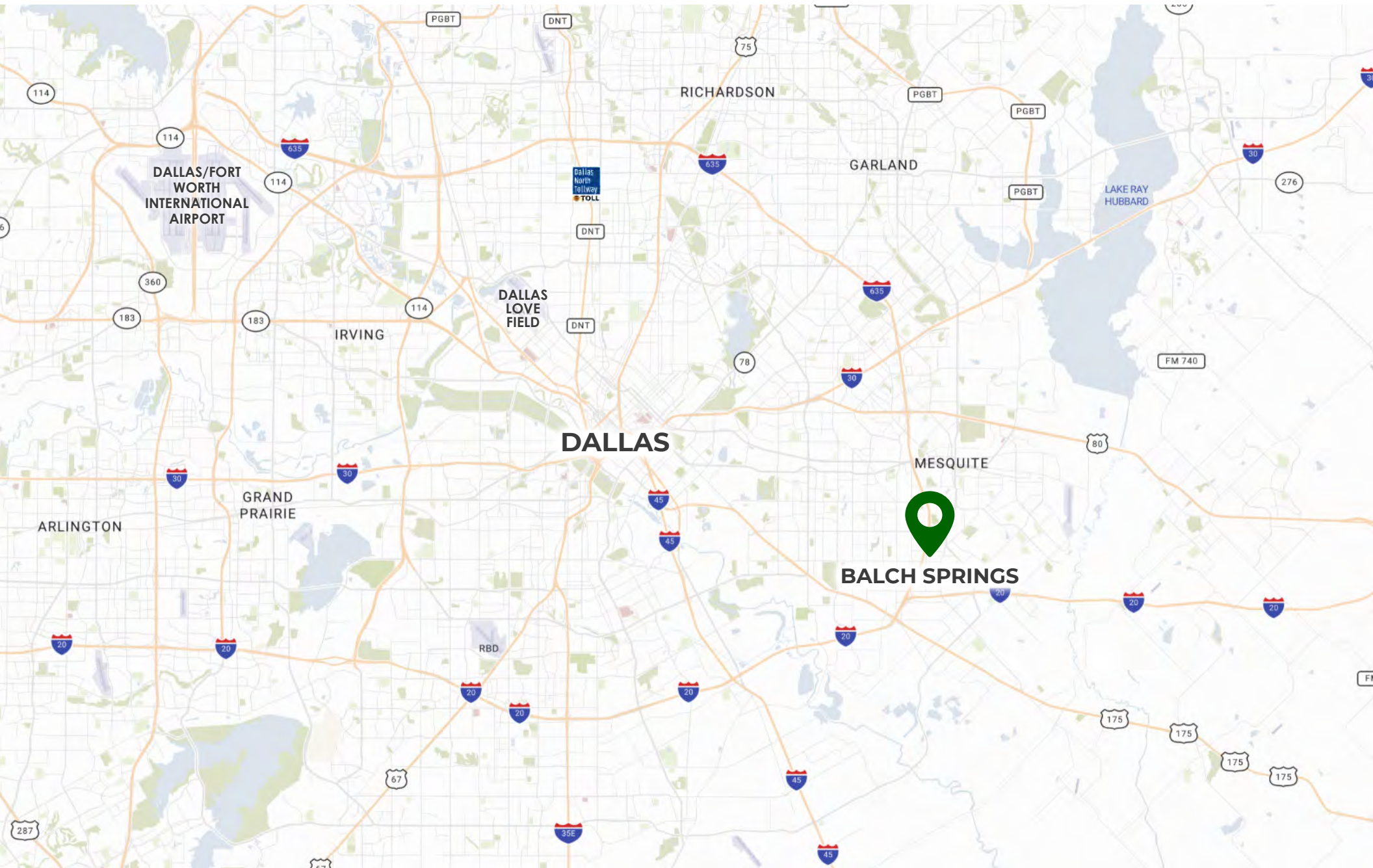
- Starbucks boasts \$4.2 billion in cash and investments, offering financial flexibility
- Starbucks' "Back to Starbucks" plan is showing early progress, with a focus on strategic actions and operational efficiencies.
- Analysts expect the company to increase earnings by nearly 18% per year through 2027



LOCATION OVERVIEW



REGIONAL MAP



LYNDON B JOHNSON FWY | 155,582 VPD



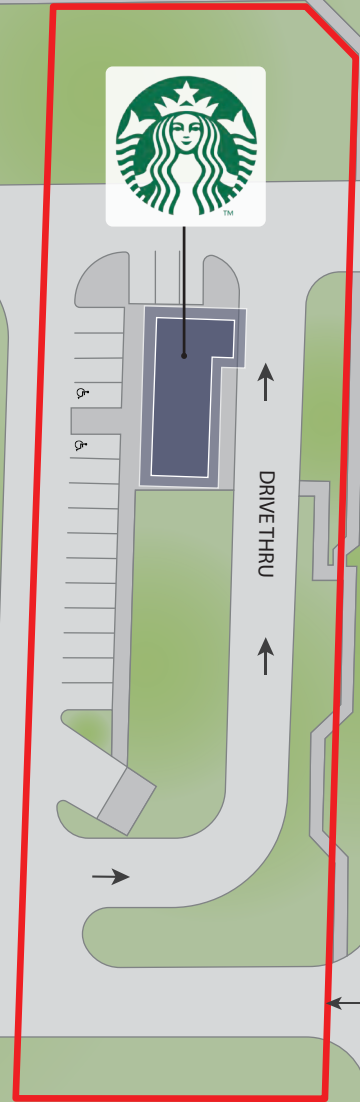
ON RAMP

ELAM ROAD | 13,010 VPD

OFF RAMP



SHEPPARD LANE



DRIVE THRU

DRIVE THRU

PRICING

\$2,847,500

PRICE

1,260 SF

SIZE

5.70%

CAP RATE

CORPORATE

LEASE CREDIT

10 YEARS

LEASE TERM

NN

LEASE STRUCTURE

7.5% EVERY 5 YRS

RENT INCREASES

7/16/2025

STORE OPEN

\$162,309

NOI

20 YEARS

TRANSFERABLE ROOF WARRANTY

FOUR, 5 YEAR TERM

OPTIONS

STARBUCKS

RENT ROLL AS OF MAY 2025

12306 ELAM RD, BALCH SPRINGS, TX 75180													
TENANT	SIZE (SF)	% OF TOTAL (SF)	CURRENT TERM		CURRENT BASE RENT			RENTAL INCREASES			CAM RECOV.	RENEWAL OPTIONS	NOTES
			START	EXPIRE	PSF	ANNUAL	MONTHLY	DATE	PSF	ANNUAL			
Starbucks	1,260	100.0%	11/1/2025	10/31/2035	\$ 128.82	\$162,309	\$13,526	Year 6-10	\$138.98	\$174,482	NN	Four, 5-Year Options with 7.5% increases every 5 years	Store Opens 7/14/2025
Total Occupied	1,260	100.0%			\$128.82	\$162,309	\$13,526						
Total Vacant	0	0.0%											
Total GLA	1,260												

TENANT OVERVIEW

Starbucks

Starbucks Corporation, known simply as Starbucks, is an American chain of coffeehouses and roastery reserves in the United States and around the world. They serve an array of hot and cold espresso-based drinks as well as seasonal food and beverage offerings. The company trades on the New York Stock Exchange under the symbol SBUX.

In Starbucks' latest earnings call, CEO Brian Niccol commented on the brand's ability to meet these consumer needs and make them fall in love with the brand again. "We're going to, once again, be loved for our coffee, loved for the warm, loved for kind of the welcoming coffeehouse...that we have," he said.

The company is banking on cozy mugs and meticulously curated macchiato art to bring back that coffeehouse feel that he hopes will entice customers.

One major theme of the call was menu optimization, both in simplifying the available food and drink items and also improving the digital menu displays in-store.



Stock Information	
Stock Symbol	SBUX
Exchange	NYSE
Price	\$84.72
2024 Revenue	\$36.15 Billion
Market Cap	\$95.82 Billion
Locations	40,199 +

LEASE ABSTRACT

STARBUCKS, BALCH SPRINGS, TEXAS

Address:	12306 Elam Road, Balch Springs, Texas 75180					Exclusive Use:	Landlord shall not sell or permit any party to sell on the Property or the adjacent Property owned or controlled by Landlord the following: a) whole or ground coffee beans, b) espresso, espresso-based drinks or coffee-based drinks, c) tea or tea-based drinks d) brewed coffee or e) blended beverages.
Demised Premises:	1,260 SF						
Specific Use:	Tenant may use and occupy the Premises and the Drive-Through Facility for any lawful retail or restaurant use.						
Documentation:	Commercial Lease dated July 30, 2024					Landlord Responsibility:	Landlord shall maintain, repair and make replacements to the Premises, the Building, the Property and the Critical Accessway. Such repairs include the roof and structural components.
Tenant:	Starbucks Corporation, a Washington corporation						
Delivery Date:	April 30, 2025						
Store Open:	July 16, 2025					Tax Payments:	Tenant shall pay Landlord as additional rent, Tenant's pro rata share of real property taxes.
Initial Term:	10 Years						
Base Rent:	Period	Annually	Monthly	%Inc	PSF		Insurance:
	Years 1-5	\$162,309	\$13,525.71	-	\$69.81		
	Years 6-10	\$174,482	\$14,540.14	7.5%	\$75.05		
Renewal Option(s):	Four, 5-Year Renewal Options, with fixed rates Option 1: \$187,568 annually Option 2: \$201,635 annually Option 3: \$216,758 annually Option 4: \$233,015 annually					Estoppel:	Tenant shall no more than twice in any Lease Year and upon not less than 30 days prior written notice from Landlord execute and deliver to any purchaser on Tenant's standard form certifying the lease is unmodified and in full force and effect.
Tenant Responsibility:	Tenant shall keep the Premises in good order and repair including maintaining all plumbing, HVAC, electrical and lighting facilities and equipment within the Premises.						

DFW TEXAS OVERVIEW



NOTABLE EMPLOYERS:



Southwest



Goldman Sachs



LOCKHEED MARTIN



EMPLOYMENT TRENDS

- **#1** Overall Real Estate Prospect for 2025 (ULI Emerging Trends in Real Estate)
- **20.3%** job growth in the past 5 years
- **#1** Best State for Business for 20 Consecutive Years (Chief Executive Magazine 2024)
- Texas is home to **55** Fortune 500 company headquarters, 8 of which are in DFW
- **#1** State Business Climate for 2024 (Site Selection)
- **0%** Corporate Income Tax Rate and 0% Personal Income Tax Rate
- **#1** US city in population growth over the last 5 years

POPULATION TRENDS

- **8.1MM** total population
- **#4** Largest US Metro by population
- **9.4%** Projected Population Growth 2023-2030
- **#1** US city in population growth over the last 5 years

TEXAS MARKET OVERVIEW



2ND
FASTEST GROWING
ECONOMY IN THE U.S.



TOP
STATE FOR JOB GROWTH



NO STATE
INCOME TAX



FORTUNE 500
COMPANIES CALL
TEXAS HOME



POPULATION
29,346,468



WORLD'S 9TH LARGEST
ECONOMY
STATE FAIR OF TEXAS



BEST STATE
FOR BUSINESS
FOR THE 17TH YEAR IN A ROW BY
CHIEF EXECUTIVE MAGAZINE



DALLAS/FORT WORTH
INTERNATIONAL AIRPORT
2ND MOST PASSENGER VOLUME IN THE WORLD

DALLAS LOVE FIELD
INTERNATIONAL AIRPORT
HOME TO THE NATIONS LARGEST DOMESTIC
AIRLINE

FORT WORTH
MORE THAN 8.8 MILLION
VISITORS ANNUALLY

DALLAS
#1 FASTEST GROWING HOUSING
MARKET 2018
#1 TOP 20 BUSINESS-FRIENDLY
CITY

HOUSTON
#2 FASTEST GROWING HOUSING
MARKET 2018
#7 TOP 20 BUSINESS-FRIENDLY
CITY

AUSTIN
#1 BEST PLACE TO LIVE 2018
#12 TOP 20 BUSINESS-FRIENDLY
CITY

SAN ANTONIO
#14 BEST PLACE TO LIVE 2018

DEMOGRAPHICS

WITHIN 3-MILES



30,800
HOUSEHOLDS



28,085
HOUSING UNITS



76,108
AVERAGE HOUSEHOLD
INCOME



26,711
BALCH SPRINGS
POPULATION



\$295,200
AVERAGE HOME VALUE



ELAM RD: 13,010
VPD
635: 155,582
VPD

STARBUCKS

BALCH SPRINGS (DALLAS), TEXAS

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