

STARBUCKS COFFEE

111 San Felipe Rd, Hollister, CA 95023

CORPORATE GUARANTEE | TOP 94% NATIONWIDE | HIGH TRAFFIC 18,000+ VPD | EXCELLENT LOCATION



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VIEW VIDEO

PRICE	CAP	NOI
\$3,480,000	5.00%	\$174,000

PROPERTY INFORMATION

Guarantor	Corporate
Term Remaining	6+ Years
Lease Type	Modified NNN
Rental Increases	10% Increases at Options
Renewal Options	Four, 5-Year Options
Year Built	2021
Net Rentable Area	2,192 SF
Lot Size	0.74 Acres
Property Taxes & Insurance	Tenant Responsible
Roof & Structure	Landlord Responsible
Repairs & Maintenance	Tenant Responsible
Landlord Responsibilities	Roof + Foundation, HVAC & Parking Areas
Ownership	Fee Simple
Right of First Refusal	None



PROPERTY HIGHLIGHTS

- CORPORATE GUARANTEE** – The property is operated by Starbucks corporate and is backed by a full corporate guarantee, providing strong credit tenancy, enhanced financial security, and long-term lease stability.
- OUTPERFORMING RETAIL LOCATION** – Ranked in the top 94th percentile nationwide and top 89th percentile statewide, this Starbucks is the highest-performing store within a 15-mile radius, highlighting its exceptional traffic generation and sustained revenue strength.
- STRONG RENT GROWTH** – The lease includes a 10% rent increase effective March 2027, immediately boosting cash flow. Additional 10% increases occur at each 5-year option period, providing durable long-term income growth and built-in inflation protection.
- FAVORABLE DRIVE-THRU FORMAT** – Approximately 60%–70% of quick-service restaurant sales are generated through the drive-thru. Additionally, average Starbucks store sales are approximately 50% higher at locations that include a drive-thru component.
- MARKET-DOMINANT COFFEE CHAIN** – Starbucks is the world's largest coffeehouse chain, operating approximately 40,000 locations across 84 countries worldwide.
- HIGH-TRAFFIC AREA** – The subject property benefits from excellent visibility along San Felipe Rd, a major arterial roadway with strong daily traffic counts of over 18,000+ VPD.
- LARGE LOT** – Situated on approximately 0.74 acres near the corner of San Felipe Rd and Santa Ana Rd, the property offers prominent visibility, strong ingress/egress, and ample site coverage.
- EXCELLENT LOCATION** – Located in Hollister, one of the most populous cities in the Monterey Bay, the property sits within a dense retail corridor anchored by national tenants including Taco Bell, Quik Stop, McDonald's, KFC, AutoZone, UPS, and Jack in the Box, driving consistent traffic and consumer demand to the area.



FINANCIALS

TENANT	SQUARE FOOTAGE	TERM REMAINING	TERM		RENTAL INCREASE	MONTHLY RENT	MONTHLY RENT PER SF	ANNUAL RENT	ANNUAL RENT PER SF
Starbucks Coffee	2,192	6+ Years	Current	02/28/2027		\$14,500	\$6.61	\$174,000	\$79.38
			03/01/2027	02/29/2032	10% Increase	\$15,950	\$7.28	\$191,400	\$87.32
		Option 1	03/01/2032	02/28/2037	10% Increase	\$17,545	\$8.00	\$210,540	\$96.05
		Option 2	03/01/2037	02/28/2042	10% Increase	\$19,299	\$8.80	\$231,594	\$105.65
		Option 3	03/01/2042	02/28/2047	10% Increase	\$21,229	\$9.68	\$254,753	\$116.22
		Option 4	03/01/2047	02/29/2052	10% Increase	\$23,352	\$10.65	\$280,224	\$127.84

TERM COMMENCEMENT	TERM EXPIRATION	RENEWAL OPTIONS	RENTAL INCREASES	LANDLORD RESPONSIBILITIES	GUARANTEE	RIGHT OF FIRST REFUSAL
11/25/2021	02/29/2032	Four, 5-Year Options	10% Increases at Options	Roof + Foundation, HVAC & Parking Areas	Corporate	None



TENANT SUMMARY

Revenues: Approximately **\$37+ Billion (FY 2025)**

Rank: **#1 coffeehouse chain worldwide** with the largest global footprint & **ranked #2 globally** for most valuable restaurant brand

Stock Ticker: NASDAQ: SBUX

Founded in 1971 in Seattle, Washington, Starbucks began as a single store selling premium coffee beans and equipment. Through decades of disciplined expansion, brand innovation, and an unwavering focus on quality, Starbucks evolved into the world's most recognizable and dominant coffeehouse brand. Under the leadership and vision that shaped its modern growth, the company pioneered the "third place" concept—creating welcoming environments between home and work that transformed how consumers experience coffee globally.

Throughout the 1990s and 2000s, Starbucks experienced rapid domestic and international expansion, strategically entering major metropolitan markets and high-traffic retail corridors. The brand became synonymous with consistency, premium products, and customer loyalty. Starbucks further strengthened its competitive position by expanding its drive-thru format, which today represents a significant portion of systemwide sales and has proven especially resilient across economic cycles.

As of today, Starbucks operates approximately 40,000 locations across more than 80 countries, supported by a vertically integrated supply chain and industry-leading digital platform. The company continues to invest heavily in technology, mobile ordering, and loyalty programs—its Starbucks Rewards program includes tens of millions of active members, driving repeat traffic and stable revenue streams.

Starbucks is widely regarded as one of the strongest retail tenants globally, backed by a corporate balance sheet, investment-grade credit profile, and a long history of profitability. Its scale, brand power, and adaptability make Starbucks a premier net-lease tenant and a cornerstone holding for institutional and private investors alike.



WEBSITE	www.starbucks.com
FOUNDED	1971
HEADQUARTERS	Seattle, WA
NUMBER OF LOCATIONS	40,000 ±
NUMBER OF EMPLOYEES	381,000 ±



AERIAL PHOTO (NORTH)



AERIAL PHOTO (NORTHEAST)



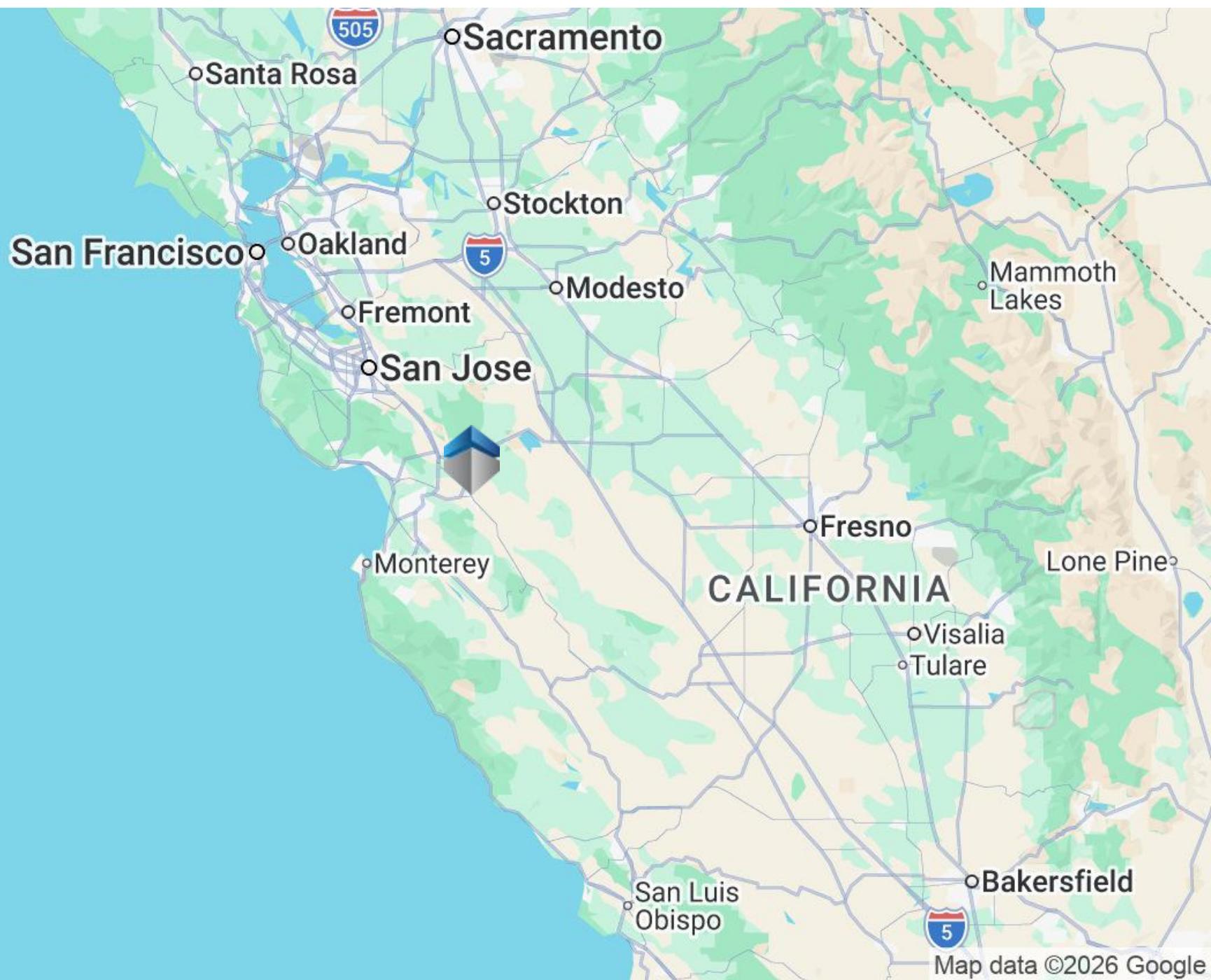
AERIAL PHOTO (EAST)



AERIAL PHOTO (SOUTH)



REGIONAL MAP



RETAILER MAP



Location & Regional Connectivity

Hollister, California is the county seat and primary economic center of San Benito County, strategically positioned in Central California approximately 90 miles south of San Francisco. Within commuting distance of Silicon Valley and the Monterey Bay area, the city benefits from strong regional connectivity while maintaining a more affordable cost structure than surrounding coastal markets. This positioning has driven increasing interest from residents, businesses, and investors seeking long-term value.

Economic Base & Industry Diversification

Founded in 1868, Hollister has historically served as an agricultural and trade hub for the surrounding fertile valleys. While agriculture remains an important component of the local economy, the city has successfully diversified into retail, healthcare, education, logistics, and light industrial uses. Today, Hollister supports a balanced and resilient economic base anchored by essential services and national retailers serving both the local population and the broader San Benito County trade area.

Population Growth & Consumer Demand

Hollister has experienced steady population growth as a bedroom community for higher-cost Bay Area markets. Rising household incomes, expanding residential development, and continued in-migration have fueled demand for retail and service-oriented commercial uses. These trends have strengthened consumer spending and reinforced the long-term fundamentals supporting net-lease investments.

Demographics & Workforce Strength

The city benefits from a growing, family-oriented population with strong workforce participation and long-term residency patterns. Increasing income levels and sustained housing demand reflect economic stability and provide a durable customer base for necessity-driven and essential tenants.

Infrastructure, Quality of Life & Investment Outlook

Hollister is supported by established public services, local school districts, and higher-education access through Gavilan College, contributing to employment stability and sustained economic activity. Ongoing public and private investment in housing and infrastructure underscores confidence in the city's long-term outlook. Combined with its proximity to major coastal and employment centers, Hollister offers a compelling blend of strong fundamentals and lifestyle appeal, positioning the market well for long-term single-tenant net-lease investment.



DEMOGRAPHICS

5-MILE KEY FACTS



61,571

POPULATION



36.2

AVERAGE AGE



\$772,928

MEDIAN HOUSEHOLD VALUE

BUSINESSES



1,728

BUSINESSES



13,340

EMPLOYEES

INCOME



\$105,379

MEDIAN HH INCOME



\$146,641

AVERAGE HH INCOME

	3 MILES	5 MILES	10 MILES
Current Population	55,154	61,571	67,395
2029 Population	62,986	70,272	76,656
Employees	12,678	13,340	17,666
Total Businesses	1,626	1,728	2,113
Average Household Income	\$141,031	\$146,641	\$150,313
Median Household Income	\$98,557	\$105,379	\$107,133
Average Age	35.5	36.2	36.6
Households	16,085	18,395	20,387
Average Housing Unit Value	\$739,049	\$772,928	\$812,968



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The Offering Memorandum contains select information pertaining to the business and affairs of Starbucks Coffee ("property"). It has been prepared by Prime Net Lease. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of 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 Seller or Prime Net Lease. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their offices, employees, or agents makes 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.

Owner and Prime Net Lease 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 written agreement for the purchase and sale of the Property has been fully executed 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 this Property including this Offer Memorandum.

A prospective purchaser's sole and exclusive rights with respect to the 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 executive Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Prime Net Lease 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 date this Offering Memorandum.

BY ACCEPTING THIS CONFIDENTIAL OFFERING MEMORANDUM, YOU AGREE TO RELEASE PRIME NET LEASE AND HOLD IT HARMLESS FROM ANY KIND OF CLAIM, COST, EXPENSE, OR LIABILITY ARISING OUT OF YOUR INVESTIGATION AND/OR PURCHASE OF THIS NET LEASED PROPERTY.



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EXCLUSIVELY PRESENTED BY



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