



# Dunkin' Donuts | Offering Memorandum

73 N Plank Rd, Newburgh, NY 12550



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# Offering Highlights

The subject property is an absolute triple net leased Dunkin' Donuts store located at Route 32 also known as North Plank Road. The property is accessible from Route 32 in both directions without turning restrictions. The Dunkin' store is leased to a multi-unit operator of Dunkin' Donuts franchises.

## Absolute Triple Net Lease (NNN) - Zero Landlord Responsibilities

**Dense Retail Corridor** – Located across the street from shopping center anchored by Shop Rite and Family Dollar. The immediate vicinity has a complimentary mix of national retailers including Walgreens, Pizza Hut, Key Bank, McDonald's, Ethan Allen, Big Lots, gas stations and regional banks.

**America Runs on Dunkin' (NASDAQ: DNKN)** - Dunkin' Donuts is planning to add 9,000 stores becoming the nation's largest coffee chain based on store count.

**Strong Sales** – sales exceed average store sales for freestanding stores located in the Northeast region.

**Growing Community** - Orange County is one of the fastest growing counties in New York according to the U.S. Census Bureau.

**Strong Demographics** - Over \$100,000 average household income within 1 mile and over 85,000 people within 5 miles.

**High Daily Traffic Volume** - Approx ½ mile from I-84 which has an average of 65,000 vehicle per day.

### The Offering

|                   |                                       |
|-------------------|---------------------------------------|
| Property Address  | 73 N Plank Road<br>Newburgh, NY 12550 |
| Year Built        | 1997                                  |
| Type of Ownership | Fee Simple                            |

### Site Description

|                      |            |
|----------------------|------------|
| Parcel Size          | 0.59 Acres |
| Rentable Square Feet | +/- 1,400  |

### Building Description

|                   |         |
|-------------------|---------|
| Number of Stories | 1       |
| Exterior          | Brick   |
| Parking Surface   | Asphalt |
| Spaces            | 18      |
| Ratio             |         |

# National Tenant Overview



Dunkin' Donuts is an American global donut company and coffeehouse based in Canton, Massachusetts, in Greater Boston. It was founded in 1950 by William Rosenberg in Quincy, Massachusetts. Since its founding, the company has grown to become one of the largest coffee and baked goods chains in the world, with more than 12,000 restaurants in 36 countries. The chain's products include donuts, bagels, other baked goods, and a wide variety of hot and iced beverages.

Before 1990, Dunkin' Donuts' primary competitor was Mister Donut, but in February of that year Mister Donut was acquired by Dunkin' Donuts' owner Allied-Lyons. After the acquisition of Mister Donut by Allied-Lyons, all Mister Donut stores in North America were offered the chance to change their name to Dunkin' Donuts. As of 2014, Dunkin' Donuts is owned by Dunkin' Brands Inc., which also owns Baskin-Robbins and previously owned the Togo's chain.

In 2006, Dunkin' Donuts began using the slogan "America Runs on Dunkin'" which continues to be used in many advertisement campaigns. By 2010, Dunkin' Donuts' global system-wide sales were \$6 billion. In 2012, Dunkin' Donuts launched an application for payment and gifting for iPhone, iPod touch, and Android smartphones. In 2014, Dunkin' Donuts launched their first loyalty program.

Dunkin' Donuts has several varieties of donuts. Other bakery goods and sandwiches include bagels, cookies, muffins, donut holes under the brand name "Munchkins", oven-toasted sandwiches under the brand name "Big N' Toasted", and a glazed donut breakfast sandwich. However, only 8% of the chain's sales are donuts; 65% are drinks, and 27% are other food items. Some popular other food items being: a Maple Sugar Bacon Sandwich, the Egg & Cheese, and the Hash Browns. Hot drinks include coffee, tea and hot chocolate; cold drinks include iced tea and "Coolatta", which is an iced drink served since 1997, flavored either with coffee and cream, or as a slush, made with fruit juice. There are also ice coffees, lattes, and macchiatos that can have flavors such as caramel (unsweet), caramel swirl (sweet), hazelnut, and vanilla added to them. Seasonal flavors are also presented to customers for a certain duration of time.



Mid Valley Mall



Subject Property:  
73 N Plank





# Financial Summary

## TENANT SUMMARY

|                  |                    |
|------------------|--------------------|
| Trade Name       | Dunkin Brands, Inc |
| Ownership        | Public             |
| Board            | NASDAQ             |
| Stock Symbol     | DNKN               |
| Tenant           | Franchisee         |
| Lease Guarantor  | Personal           |
| Lease Type       | NNN                |
| Roof & Structure | Tenant Responsible |

## OFFERING SUMMARY

|                     |             |
|---------------------|-------------|
| Price               | \$1,838,000 |
| Gross Leasable Area | +/- 1,400   |
| Cap Rate – Current  | 6.00%       |
| NOI – Current       | \$110,234   |

## INCOME

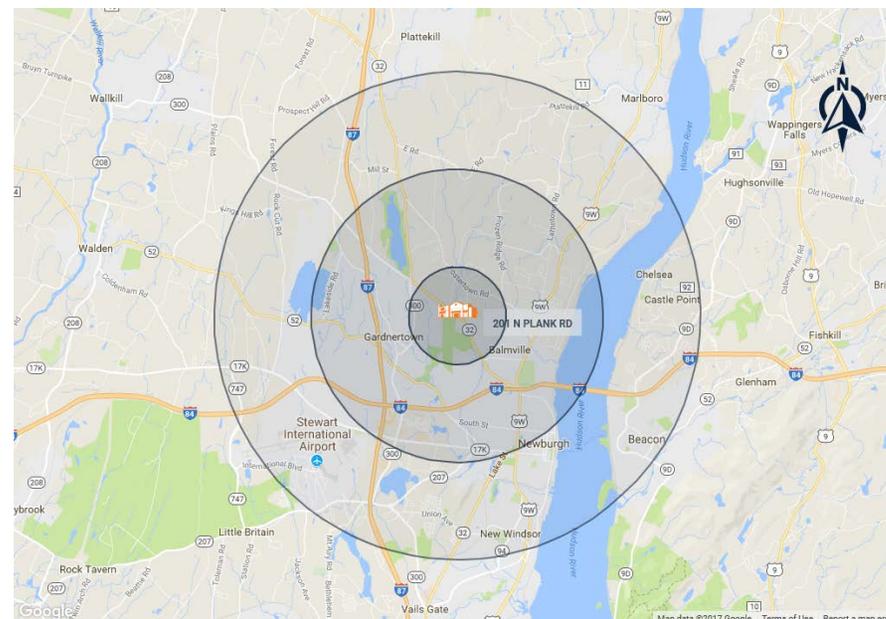
|                                |                  |
|--------------------------------|------------------|
| Base Rent                      | \$45,000         |
| Average Percentage Rent (3 Yr) | \$65,234         |
| <b>NET OPERATING INCOME</b>    | <b>\$110,234</b> |

| Tenant Name   | GLA (SF) | % of GLA | Lease Start | Lease Exp. | Annual Rent | Rent/SF | Percentage Rent | Options     | Lease Type |
|---------------|----------|----------|-------------|------------|-------------|---------|-----------------|-------------|------------|
| Dunkin Donuts | 1,400    |          | 5/20/2004   | 8/30/2025  | \$45,000    |         | +9% Annually    | 2 – 20 Year | NNN        |

# Demographic Highlights

| POPULATION                    | 1 Miles   | 3 Miles  | 5 Miles  |
|-------------------------------|-----------|----------|----------|
| ■ 2021 Projection             |           |          |          |
| Total Population              | 2,644     | 38,718   | 89,009   |
| ■ 2016 Estimate               |           |          |          |
| Total Population              | 2,649     | 38,002   | 87,206   |
| ■ 2010 Census                 |           |          |          |
| Total Population              | 2,577     | 37,701   | 86,336   |
| ■ 2000 Census                 |           |          |          |
| Total Population              | 2,543     | 35,091   | 82,202   |
| ■ Current Daytime Population  |           |          |          |
| 2016 Estimate                 | 2,943     | 37,407   | 82,645   |
| HOUSEHOLDS                    | 1 Miles   | 3 Miles  | 5 Miles  |
| ■ 2021 Projection             |           |          |          |
| Total Households              | 917       | 13,231   | 31,952   |
| ■ 2016 Estimate               |           |          |          |
| Total Households              | 917       | 12,916   | 31,069   |
| Average (Mean) Household Size | 2.89      | 2.82     | 2.72     |
| ■ 2010 Census                 |           |          |          |
| Total Households              | 889       | 12,771   | 30,649   |
| ■ 2000 Census                 |           |          |          |
| Total Households              | 877       | 12,048   | 28,539   |
| ■ Occupied Units              |           |          |          |
| 2021 Projection               | 917       | 13,231   | 31,952   |
| 2016 Estimate                 | 962       | 13,988   | 33,974   |
| HOUSEHOLDS BY INCOME          | 1 Miles   | 3 Miles  | 5 Miles  |
| ■ 2016 Estimate               |           |          |          |
| \$150,000 or More             | 17.57%    | 12.31%   | 10.56%   |
| \$100,000 - \$149,000         | 27.25%    | 17.65%   | 15.81%   |
| \$75,000 - \$99,999           | 17.11%    | 14.22%   | 13.90%   |
| \$50,000 - \$74,999           | 16.73%    | 18.93%   | 18.34%   |
| \$35,000 - \$49,999           | 7.85%     | 11.48%   | 11.61%   |
| Under \$35,000                | 13.51%    | 25.40%   | 29.80%   |
| Average Household Income      | \$109,643 | \$86,869 | \$79,596 |
| Median Household Income       | \$92,555  | \$65,706 | \$60,686 |
| Per Capita Income             | \$37,986  | \$29,869 | \$28,674 |

**Newburgh** is a city located in Orange County, New York, United States, 60 miles north of New York City, and 90 miles south of Albany, on the Hudson River. Newburgh is a part of the New York CSA. The Newburgh area was first settled in the early 18th century by the Germans and British. During the American Revolution, Newburgh served as the headquarters of the Continental Army. Prior to its chartering in 1865, the city of Newburgh was part of the town of Newburgh; the town now borders the city to the north and west. East of the city is the Hudson River; the city of Beacon, New York is across the river; and it is connected to Newburgh via the Newburgh–Beacon Bridge. The entire southern boundary of the city is with the town of New Windsor. Most of this boundary is formed by Quassaick Creek. In May 2016, the city requested help for its PFOS contaminated water supply under Superfund.



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