



STARBUCKS

GREENFIELD, CALIFORNIA (SALINAS MSA/CENTRAL COAST)

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

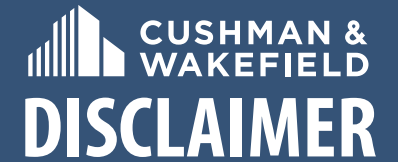


\$3,012,000 | 4.25% CAP RATE

- » Long-Term Corporate Net Lease with Scheduled Rental Increases
 - » Starbucks is Rated "BBB+" by S&P
- » Freeway-Visible Location with Immediate Access to U.S. Route 101 (41,000 AADT)
 - » Primary Route Through California's Central Coast
- » Prominent Location at Entrance to New 11-Acre Commercial Development
 - » Adjacent to Planned 86-Room Hotel
- » Strong Customer Base with Mix of Residents and Tourists
- » New 2018 "Central Coastal California" Upgraded Construction with Dedicated Drive-Thru

ACTUAL SITE

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DEMOGRAPHIC PROFILE

Cushman & Wakefield (“Broker”) has been retained on an exclusive basis to market the property described herein (“Property”). Broker has been authorized by the Seller of the Property (“Seller”) to prepare and distribute the enclosed information (“Material”) for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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**YURAS
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Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	367 Walnut Avenue, Greenfield, California		
PRICE	\$3,012,000		
CAP RATE	4.25% return		
NOI	\$128,000		
TERM	10 years		
RENT COMMENCEMENT	September 21, 2018		
LEASE EXPIRATION	February 28, 2029		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	Current-Feb. 2024	\$128,000	4.25%
	Mar. 2024-Feb. 2029	\$140,800	4.67%
	Mar. 2029-Feb. 2034 (Option 1)	\$154,880	5.14%
	Mar. 2034-Feb. 2039 (Option 2)	\$170,368	5.66%
Mar. 2039-Feb. 2044 (Option 3)	\$187,405	6.22%	
Mar. 2044-Feb. 2049 (Option 4)	\$206,145	6.84%	
YEAR BUILT	Q4 2018		
BUILDING SF	2,200 SF		
PARCEL SIZE	0.49 acres (21,344 SF)		
LEASE TYPE	Net, with tenant responsible for taxes, insurance, and maintenance, excluding roof and structure		



HIGH-QUALITY, INVESTMENT GRADE SINGLE-TENANT ASSET

- » Retail asset with dedicated drive-thru leased to Starbucks Corporation for ten years, plus four five-year options
- » 10% rental increases every five years in initial term and option periods
- » Starbucks is an investment grade tenant, rated “BBB+” by Standard & Poor’s

FREEWAY-VISIBLE LOCATION IN NEW COMMERCIAL DEVELOPMENT

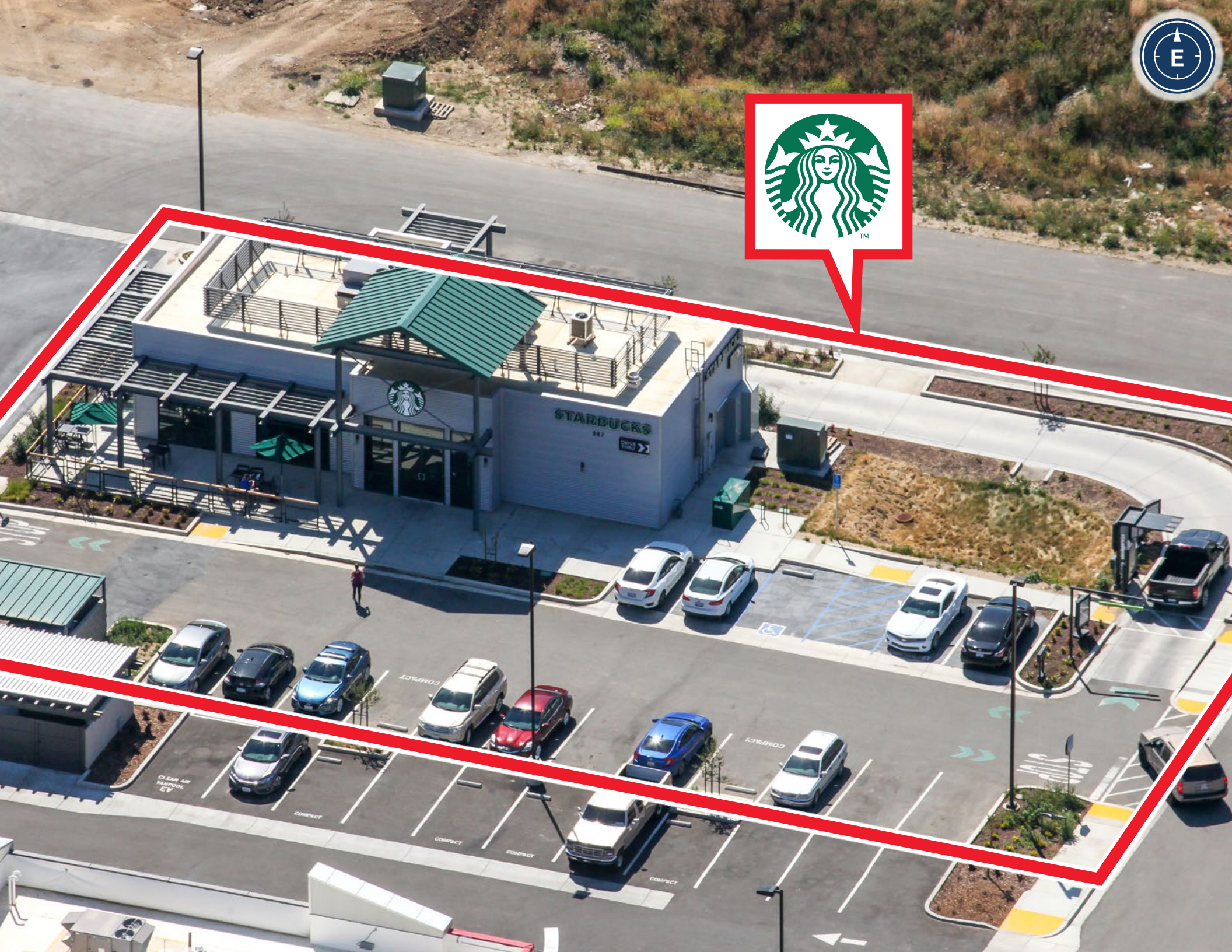
- » Conveniently located in a freeway-visible spot—including freeway pylon sign—on Walnut Avenue, with immediate access to and on- and off-ramps for U.S. Route 101, which has a high traffic count of 41,000 vehicles per day near the property
- » U.S. Route 101 is the main highway through both the Salinas Valley and the Central Coast and serves as a major corridor for tourist, commuter, and commercial traffic
- » Prominently located at the entrance to The Vines at Greenfield, an 11-acre commercial development that will include an array of national retail tenants
- » Current tenants in The Vines at Greenfield include Carl’s Jr., Arco (under construction), and an 85-room Fairfield Inn (planned)
- » Included in the Walnut Avenue Specific Plan area, which aims to create a multi-functional focal point for both shopping and community events and activities

STRONG CUSTOMER BASE WITH MIX OF RESIDENTS AND TOURISTS

- » Near several schools, downtown Greenfield, and residential neighborhoods
- » Close to the Yanks Air Museum and Recreation Center Greenfield, which will include an aircraft museum, hotel, winery, and RV park and will employ approximately 400 people upon completion
- » Minutes from tourist attractions like Pinnacles National Park, which has over 225,000 visitors per year

NEW “CENTRAL COASTAL CALIFORNIA” UPGRADED CONSTRUCTION

- » Upgraded “Central Coastal California” construction featuring a modern, yet rustic architectural theme
- » Building has a unique aesthetic that differentiates itself from other Starbucks locations across the United States
- » Dedicated drive-thru, providing additional customer convenience and catering to traffic on U.S. Route 101





DOLLAR TREE

Greenfield High School
(1,053 students)

Vista Verde
Middle School
(1,055 students)

Oak Avenue
Elementary School
(824 students)

THE VINES
AT GREENFIELD
(11-acre development with
85-room Fairfield Inn and
other retail tenants)

101 / U.S. Route 101
(41,000 AADT)

O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE



Little Caesars



Mary Chapa Literacy
and Technology Academy
(865 students)

**FREWAY VISIBLE
PYLON SIGN
FEATURING STARBUCKS**

ARCO
(under construction)

Cesar Chavez
Elementary School
(766 students)

Carl's Jr.
CHARBROILED BURGERS

WALNUT AVENUE SPECIFIC PLAN
(63-acre development with
retail and civic uses)

Santa Lucia Square



Pinnacles National Park
(225,000+ visitors per year)



YANKS AIR MUSEUM AND RECREATION CENTER GREENFIELD
(440-acre development with aircraft museum, hotel, winery, retail shops, and RV park)



WALNUT AVENUE SPECIFIC PLAN
(63-acre development with retail and civic uses)

FREEWAY VISIBLE PYLON SIGN FEATURING STARBUCKS

ARCO 
(under construction)

Cesar Chavez Elementary School
(766 students)



Santa Lucia Square



Mary Chapa Literacy and Technology Academy
(865 students)

101 / U.S. Route 101
(41,000 AADT)

THE VINES
AT GREENFIELD
(11-acre development with 85-room Fairfield Inn and other retail tenants)



SITE PLAN

WALNUT AVENUE

CROSS ACCESS ROAD

CROSS ACCESS ROAD

CROSS ACCESS ROAD

CROSS ACCESS ROAD



DRIVE-THRU

DRIVE-THRU

DRIVE-THRU



2,200 ± SF

DRIVE-THRU

ARCO GAS PUMPS

CURRENTLY UNDER CONSTRUCTION



TENANT SUMMARY



Starbucks Corporation (NASDAQ: "SBUX") is the premier roaster, marketer, and retailer of specialty coffee in the world, operating more than 29,000 locations in 76 countries. Starbucks also sells a variety of coffee and tea products and licenses its trademarks through other channels, such as licensed stores, grocery, and national foodservice accounts. In addition to the flagship Starbucks Coffee brand, Starbucks also sells goods and services under the Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, and Ethos brand names.

On August 27, 2018, Starbucks and Nestlé closed a \$7.15 billion licensing deal, giving Nestlé the rights to market, sell, and distribute Starbucks' packaged coffee and tea around the world. The licensing arrangement includes the rights to market everything from whole bean coffee to portioned coffee pods for each brand owned by Starbucks. The agreement significantly strengthens Nestlé's coffee portfolio in the North American premium roast and ground and portioned coffee business. It also unlocks global expansion in grocery and foodservice for the Starbucks brand, utilizing the global reach of Nestlé. Starbucks CEO Kevin Johnson said the Nestle deal opens the door for the restaurant chain to reach a global scale in the retail sector as well. "This global coffee alliance with Nestlé is a significant strategic milestone for the growth of Starbucks," Johnson said in a statement. "Bringing together the world's leading coffee retailer, the world's largest food and beverage company, and the world's largest and fast-growing installed base of at-home and single-serve coffee machines helps us amplify the Starbucks brand around the world while delivering long-term value creation for our shareholders."

For the fiscal year ended September 30, 2018, Starbucks Corporation reported net revenues of \$24.7 billion, representing a 10% increase from 2017. As of 2018, Forbes ranked Starbucks as the world's second largest restaurant company and the world's 370th largest company overall. Starbucks is rated "BBB+" by Standard & Poor's.

For more information, please visit www.starbucks.com.

TICKER	NASDAQ: "SBUX"	# OF LOCATIONS	29,000+
REVENUE	\$24.7B	HEADQUARTERS	Seattle, WA

LEASE ABSTRACT

TENANT	Starbucks Corporation		
ADDRESS	367 Walnut Avenue, Greenfield, California		
RENT COMMENCEMENT	September 21, 2018		
LEASE EXPIRATION	February 28, 2029		
RENEWAL OPTIONS	Four (4) five (5) year options		
RENTAL INCREASES	YEAR	RENT	RETURN
	Current-Feb. 2024	\$128,000	4.25%
	Mar. 2024-Feb. 2029	\$140,800	4.67%
	Mar. 2029-Feb. 2034 (Option 1)	\$154,880	5.14%
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COMMON AREA COSTS	Tenant is responsible for its proportionate share of common area costs, which shall not increase more than 5% per year.		
REAL ESTATE TAXES	Tenant is responsible for real estate taxes.		
INSURANCE	Tenant is responsible for insurance.		
REPAIR & MAINTENANCE	Tenant is responsible for maintaining the interior and exterior nonstructural portions of the Premises and the parking areas on the Property.		
MAINTENANCE BY LANDLORD	Landlord is responsible for maintaining the roof, structure, and foundation of the Premises.		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is conveniently located in a freeway-visible spot on Walnut Avenue, with immediate access to and on- and off-ramps for U.S. Route 101, which has a high traffic count of 41,000 vehicles per day near the property. The major highway through both the Salinas Valley and the Central Coast, U.S. Route 101 links Greenfield to the rest of the Central Coast region, San Francisco to the north, and Los Angeles to the south. As such, U.S. Route 101 serves as a major corridor for tourist, commuter, and commercial traffic, and the property is strategically located in The Vines at Greenfield development, which is designed to take advantage of and attract this type of traffic. The Vines at Greenfield is an 11-acre commercial project that will include an array of national retail tenants with various use types, including food, hospitality, fitness, and service. Currently, the property is directly adjacent to Carl's Jr., and Arco and an 85-room Fairfield Inn are under construction and planned, respectively, in the property's immediate vicinity. Additionally, the property is located within the Walnut Avenue Specific Plan area, which aims to create a multi-functional focal point for both shopping and community events and activities around the Walnut Avenue corridor.

The property is centrally located within walking distance of downtown Greenfield and near several of Greenfield's notable retailers, including Rite Aid, Dollar Tree, McDonald's, and O'Reilly Auto Parts, amongst others. Several schools are close by, and the property is near residential neighborhoods. Furthermore, the property is close to attractions like Pinnacles National Park—which has over 225,000 visitors per year—and the Yanks Air Museum and Recreation Center Greenfield, which will include an aircraft museum, hotel, winery, and RV park and will employ approximately 400 people upon completion.

ACCESS

Access from Walnut Avenue

TRAFFIC COUNTS

U.S. Route 101: 41,000 AADT

PARKING

17 parking stalls in parcel, including two (2) handicap stalls, plus ample cross access parking

YEAR BUILT

Q4 2018

NEAREST AIRPORTS

Monterey Regional Airport (MRJ) and San Jose International Airport (SJC)




2018
YEAR BUILT


41K
TRAFFIC
COUNT (AADT)


**NEAREST
AIRPORT**
MONTEREY
REGIONAL AIRPORT
AND SAN JOSE
INTERNATIONAL
AIRPORT

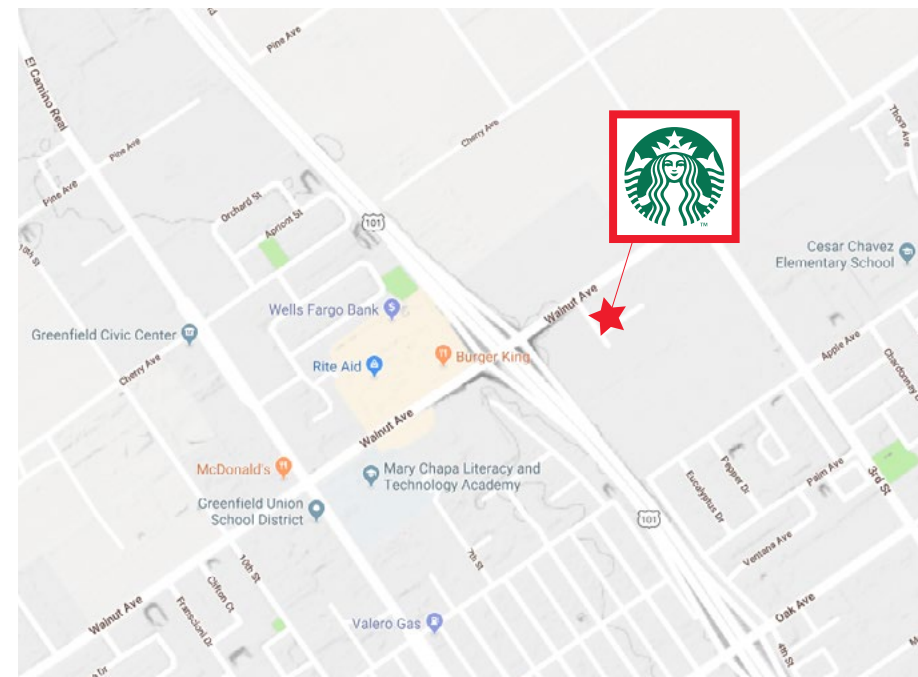
AREA OVERVIEW

Greenfield is a city in Monterey County in the Salinas Valley, 33 miles southeast of Salinas. The city is the fastest growing in the county, with its population rising 30% between 2000 and 2010. Greenfield's current population of 17,648 represents an 8% increase from 2010. Greenfield is located in the heart of the Salinas Valley, approximately 135 miles south of San Francisco, 95 miles south of San Jose, and 60 miles north of Paso Robles. Due to its location near California's Central Coast, the area is filled with rich soil and desirable climate, ideal for many agricultural and wine companies. Greenfield is centered in one of the most productive agricultural areas in the world. The rich Salinas Valley has often been dubbed the "Salad Bowl of the World," and Monterey County is the third largest agricultural county in California. The county also offers the longest coastline of any California county and attracts more than 3 million visitors annually to destinations such as Fisherman's Wharf, the Cannery and the Monterey Bay Aquarium. In addition, the wine industry produces upwards of \$238 million per year and attracts visitors to the Monterey County Wine Trail.

The Salinas metropolitan area, defined as coterminous with Monterey County, is part of California's Central Coast, a six-county area roughly spanning the coastal region between Point Mugu and Monterey Bay. The region is known primarily for agriculture and tourism. Major crops include wine grapes, lettuce, strawberries, and artichokes. The Central Coast's Salinas Valley is one of the most fertile farming regions in the United States. Tourist attractions include Cannery Row in Monterey; the Monterey Bay Aquarium; the theatres, galleries, and white sand beaches of Carmel-by-the-Sea; the golf courses of Pebble Beach and the Monterey Peninsula; the rugged coastline of Big Sur; and Hearst Castle in San Simeon. Further south is Morro Rock and the port city of Morro Bay, which is adjacent to the college town of San Luis Obispo. The Santa Ynez Valley has become a hotbed for wine tasting, with towns such as Buellton, Los Olivos, and Santa Ynez growing in popularity in recent years. The Central Coast also is home to the Central Coast Film Society, which celebrates filmmakers, cinema, and media arts that are from the region, also known as "Hollywood's Backyard."

- » Known for its AgTech industry, Salinas is the emerging AgTech capital of the nation and a global hub for agricultural technology. Its proximity to Silicon Valley and large number of agricultural employers make it an ideal location for developing high-tech agricultural innovations. Since 2015, Forbes has hosted the yearly Forbes AgTech Summit in Salinas. The event draws agricultural technology entrepreneurs from around the world and includes speakers, group discussions, tours, and on-site demonstrations.
- » The six counties that make up the Central Coast region had an estimated population of 2.4 million in 2018.

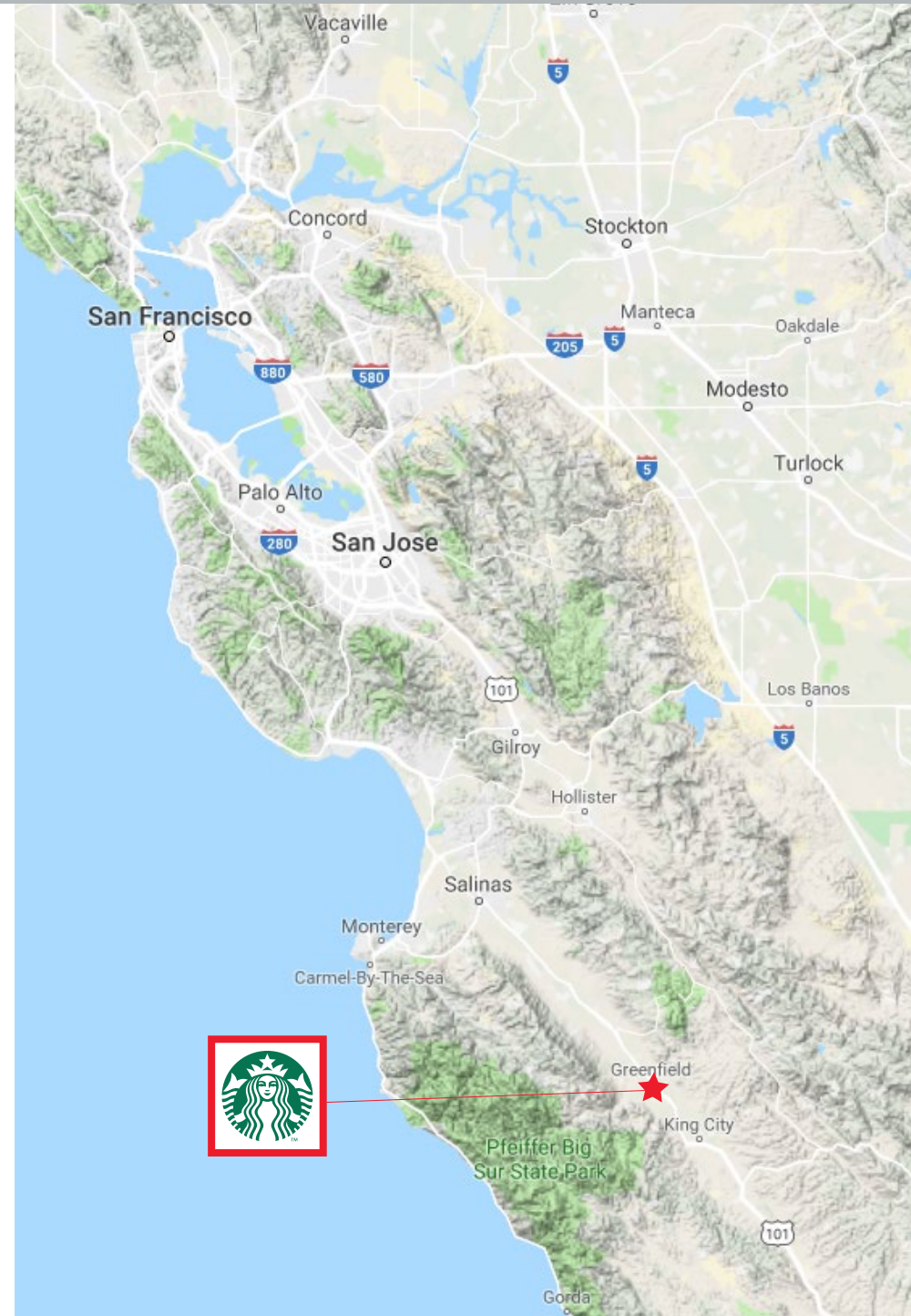
MAJOR EMPLOYERS IN MONTEREY COUNTY	# OF EMPLOYEES
MONTEREY COUNTY	5,875
TAYLOR FARMS	3,000
EMPLOYNET, INC.	2,661
PEBBLE BEACH COMPANY	2,500
SALINAS VALLEY MEMORIAL HOSPITAL	2,132
D'ARRIGO BROTHERS	2,000
TANIMURA & ANTLE	2,000
MONTAGE HEALTH	2,000
NATIVIDAD MEDICAL CENTER	1,643
MANN PACKAGING	800



DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	16,246	18,121	18,361
Households	3,395	3,835	3,912
Families	3,026	3,417	3,478
Average Household Size	4.78	4.72	4.69
Owner Occupied Housing Units	1,699	1,933	1,965
Renter Occupied Housing Units	1,695	1,902	1,947
Median Age	26.9	26.9	26.9
Average Household Income	\$65,425	\$66,741	\$67,124

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	16,830	18,783	19,029
Households	3,511	3,968	4,047
Families	3,129	3,535	3,598
Average Household Size	4.79	4.73	4.69
Owner Occupied Housing Units	1,880	2,139	2,174
Renter Occupied Housing Units	1,631	1,830	1,873
Median Age	27.5	27.6	27.6
Average Household Income	\$76,495	\$77,999	\$78,429



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