



STARBUCKS & CHIPOTLE | NEW CONSTRUCTION | FREE STANDING W/DRIVE-THRUS

Memphis, TN

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NEW CONSTRUCTION STARBUCKS & CHIPOTLE

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NEW CONSTRUCTION STARBUCKS & CHIPOTLE

4720 Summer Ave., Memphis, TN 38122

PORTFOLIO PRICE
\$4,420,884

CAP RATE
4.75%

GROSS LEASABLE AREA
4,425 SF

- ▶ 2022 Built-to-Suit Construction with Drive-Thru “Chipotlane” | Brand New 15 Year Triple-Net Lease | Aldi Pad Site and Adjacent New Drive-Thru Starbucks
- ▶ Chipotle has Rental Increases in Year Six and Ten of Initial Term | Four, Five-Year Options with Rental Increases at the Beginning of Each Term
- ▶ 2022 Built-to-Suit Construction Starbucks with Drive-Thru | 10 Year Firm Term | Minimal Landlord Responsibilities
- ▶ 7.5% Rental Increase in the Sixth Year | Four, Five-Year Options with Rental Increases at the Beginning of Each Term
- ▶ Highly Desirable Drive-Thru Location with Monument Signage
- ▶ Excellent Visibility Along Summer Ave with Nearly 29,500 VPD | Memphis Area Transit Authority Bus Line
- ▶ Positioned Less than One Mile from I-40/Isaac Hayes Memorial Hwy with Nearly 181,500 VPD and Less than One-Half Mile from Sam Cooper Blvd with Over 67,500 VPD
- ▶ Surrounding National Tenants Include Kroger, Aldi Grocery, TJ Maxx, Lowe’s, Walgreens, Starbucks, Chick-Fil-A, McDonald’s, Smoothie King, Harbor Freight Tools, Planet Fitness, Hibbett Sports, Family Dollar, Dollar Tree, Dollar General, AutoZone, Advance Auto Parts, and O’Reilly Auto Parts
- ▶ Over 23 Percent Median Household Income Growth Since 2000 within One Mile with Projected Six Percent Growth in the Next Five Years
- ▶ Nearly 215,000 Residents and Over 268,800 Employees within Five Miles
- ▶ Memphis is the Second Most Populous City in TN and the Largest City Located Along the Mississippi River

Not to Scale



Summer Ave. (29,500 VPD)

Memphis, TN
Population: 651,932

Douglass High School
636 Students & Faculty

Rhodes College
2,240 Students & Faculty

Memphis Zoo
1 Million+ Visitors/ Year

Methodist Le Bonheur Healthcare
617 Bed Facility

SUBJECT PROPERTY

Sam Cooper Blvd (67,537+ VPD)

Chickasaw Country Club

East High School
468 Students & Faculty

Christian Brothers University
1,889 Students & Faculty

Liberty Bowl Memorial Stadium
58,325 Seating Capacity

Links at Galloway Golf Course

Christian Brothers High School
932 Students & Faculty

BAPTIST MEMORIAL HEALTHCARE
706 Bed Facility

Downtown Memphis
17 Minutes to Subject Property

Memphis Fairgrounds

Memphis Country Club

University of Memphis
24,544 Students & Faculty

The Links at Audobon

Memphis Botanical Garden

McDonald's

Sam's Club

O'Reilly Auto Parts

AutoZone

Family Dollar

40

NAPA

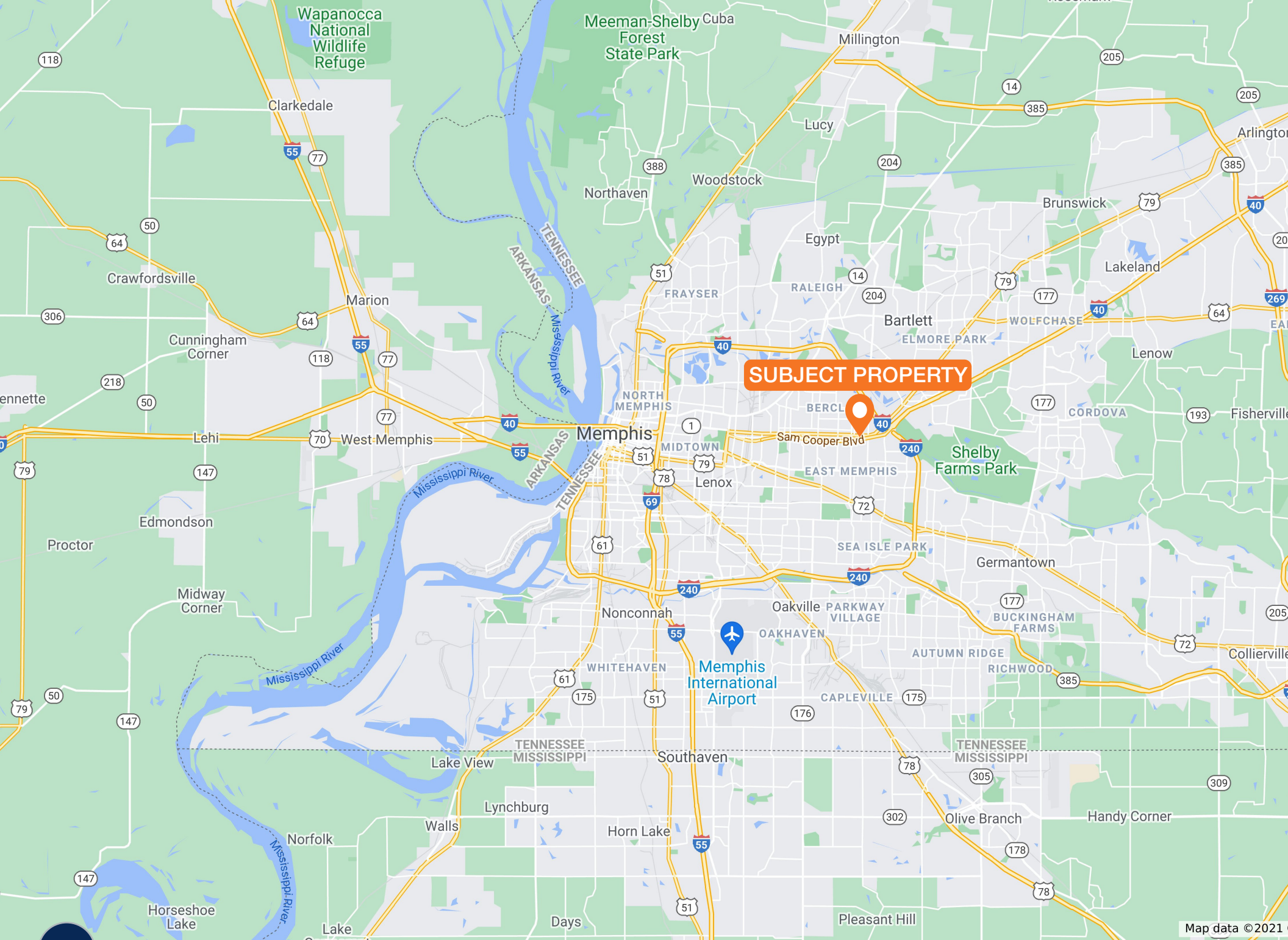
40

Isaac Hayes Memorial Hwy (181,482+ VPD)

SHELBY FARMS PARK

240

Interstate - 240 (135,906+ VPD)



SUBJECT PROPERTY



Chipotle Mexican Grill, Inc. often known simply as Chipotle, is an American chain of fast casual restaurants in the United States and Europe specializing in tacos and Mission burritos that are made to order in front of the customer. Its name derives from chipotle, the Nahuatl name for a smoked and dried jalapeño chili pepper. The company trades on the New York Stock Exchange under the ticker symbol CMG.

Chipotle is one of the first chains of fast casual dining establishments. Founded by Steve Ells on July 13, 1993, Chipotle had 16 restaurants (all in Colorado) when McDonald's Corporation became a major investor in 1998. By the time McDonald's fully divested itself from Chipotle in 2006, the chain had grown to over 500 locations. Chipotle was born of the radical belief that there is a connection between how food is raised and prepared, and how it tastes. Real is better. Better for You, Better for People, Better for Our Planet. It may be the hard way to do things, but it's the right way.

HAVEN'T ORDERED YET?
GET THE APP

2020 Sales Volume	Number of Locations:	Ownership
\$5.6B	2,780+	Public

INSIDE THE RISE OF THE GAME-CHANGING 'CHIPOTLANE'

DANNY KLEIN - QSR Magazine, 10/4/21

"The Chipotlane doesn't have a menu board. It's a digital order drive-thru pickup lane where guests who pay in advance arrive and get their food from a quick handoff. Restricting Chipotlanes to digital orders stripped friction out of the process. And it avoided past concerns that kept Chipotle from ever seriously considering the channel, fast casual perception or not. [...] "Digital represented a \$916 million business for Chipotle in the second quarter of 2021. When Chipotle collected \$262 million in digital sales in Q2 2019, it marked a 99 percent year-over-year rise and was more than it produced in all of 2016." " All of these efforts, though, center on Chipotle's day-one aim: Create incremental sales and become more convenient to customers. "There absolutely is a clear focus to continue building as many Chipotlanes as possible," Khan says. [\[Read Full Article\]](#)



Starbucks is an American coffee company. Starbucks operates over 32,660 locations in 83 countries, including 16,637 company operated stores and 16,023 licensed stores. Starbucks offers some of the finest coffees in the world, grown, prepared and served by the finest people. For each cup of coffee, Starbucks purchases and roasts high-quality whole bean coffees. Starbucks' coffee buyers personally travel to coffee farms in Latin America, Africa and Asia to select high quality beans. And the master roasters bring out the balance and rich flavor of the beans through the signature Starbucks Roast. Other companies under the Starbucks brand are Seattle's Best Coffee, Teavana, Tazo, Evolution Fresh, La Boulange, Ethos Water and Torrefazione Italia Coffee.

Starbucks is considered the main representative of "second wave coffee", initially distinguishing itself from other coffee serving venues in the US by taste, quality, and customer experience while popularizing darkly roasted coffee.

2020 Sales Volume

\$23.5B

Number of Locations:

33,295

Ownership

Public

STARBUCKS REPORTS Q4 AND FULL YEAR FISCAL 2021 RESULTS

10/28/2021

- 4 Consolidated Net Revenues Up 31% to a Record \$8.1 Billion
- Q4 Comparable Store Sales Up 17% Globally; U.S. Up 22% with 11% Two-Year Growth
- Q4 GAAP EPS \$1.49; Non-GAAP EPS of \$1.00 Driven by Strong U.S. Performance
- Active Starbucks® Rewards Membership in the U.S. Approaches 25 million, Up 28% Year-Over-Year
- Company Commits to \$20 Billion of Share Repurchases and Dividends Over Next Three Years
- Company Announces Historic Investments in its Partners (Employees), Bringing Average U.S. Retail Hourly Wage to Nearly \$17/hr. by Summer 2022

“Our strong finish to fiscal 2021, including record performance in the fourth quarter, demonstrates the resilience of Starbucks and reinforces the value of the bold strategic moves we have taken over the past two years. Through it all, we have thoughtfully navigated a strong recovery with an eye towards our future, all guided by our Mission and Values,” said Kevin Johnson, president and CEO.

TENANT	Chipotle #4111			
ORIGINAL LEASE TERM	15 Years			
LEASE COMMENCEMENT	03/22/2022 (Expected)			
LEASE EXPIRATION	02/28/2037			
LEASE TYPE	Triple Net			
GLA	2,325 SF			
RENT ESCALATIONS	Term	\$/SF	Monthly	Annual
	Year 1 - 5	\$45.16	\$8,749	\$104,992
	Year 6 - 10	\$48.54	\$9,405	\$112,860
	Year 11 - 15	\$52.18	\$10,111	\$121,329
	Year 16 - 20 (Option 1)	\$56.10	\$10,870	\$130,441
	Year 21 - 25 (Option 2)	\$60.31	\$11,685	\$140,218
	Year 26 - 30 (Option 3)	\$64.84	\$12,562	\$150,745
	Year 31 - 35 (Option 4)	\$69.70	\$13,504	\$162,044
RENEWAL OPTIONS	Four, 5-Year Options with Rental Increases In Each			
UTILITIES	Tenant Pays Directly			
INSURANCE	Tenant reimburses pro-rata share			
TAXES	Tenant reimburses pro-rata share			
CAM	Tenant reimburses pro rata share, Puls 10% Admin Fee w/ 5% cap over prior year excluding Taxes, Insurance, and snow removal			
LANDLORD RESPONSIBILITIES	Landlord is responsible CAM (Landlord shall have no obligation to maintain the Premises whether structural or nonstructural, nor any systems serving the Premises exclusively)			
TENANT RESPONSIBILITIES	Tenant is responsible for maintenance, repair, and replacement as necessary to the Premises, whether structural or nonstructural and all systems serving the Premises exclusively, signage, cleaning and power washing the patio area			

TENANT	Starbucks #63302-TN			
ORIGINAL LEASE TERM	10 Years			
LEASE COMMENCEMENT	10/25/2021			
LEASE EXPIRATION	Q1 2032 (Estimated)			
LEASE TYPE	Double Net			
GLA	2,100 SF			
RENT ESCALATIONS	Term	\$/SF	Monthly	Annual
	Year 1 - 5	\$50.00	\$8,750	\$105,000
	Year 6 - 10	\$53.75	\$9,406	\$112,875
	Year 11 - 15 (Option 1)	\$57.78	\$10,112	\$121,341
	Year 16 - 20 (Option 2)	\$62.12	\$10,870	\$130,442
	Year 21 - 25 (Option 3)	\$66.77	\$11,685	\$140,225
	Year 26 - 30 (Option 4)	\$71.78	\$12,562	\$150,742
RENEWAL OPTIONS	Four, 5-Year Options with Rental Increases In Each			
UTILITIES	Tenant Pays Directly			
INSURANCE	Tenant reimburses pro-rata share			
TAXES	Tenant reimburses pro-rata share			
CAM	Tenant reimburses pro rata share, Puls 10% Admin Fee w/ 5% cap over prior year excluding Taxes, Insurance, and snow removal			
LANDLORD RESPONSIBILITIES	Landlord is responsible for CAM and the maintenance, repair, and replacement as necessary to the Premises and building, roof, roof membrane and roof systems (including gutters, downspouts and the like), foundation, exterior walls, interior structural walls, and all structural components; all parking areas, sidewalks, Outdoor Seating Area and Drive-Thru facility (other than installed by Tenant), landscaping and drainage systems, all utility systems (including mechanical, plumbing, electrical, lighting, and HVAC systems) and plumbing systems serving the Premises and building.			
TENANT RESPONSIBILITIES	Tenant is responsible for maintenance, repair, and replacement as necessary to the interior walls and ceiling (including the painting thereof); floor surfacing or coverings, janitorial services for the Premises and Outdoor Seating Area (which may include power washing), all plumbing (including any stoppages thereof within the Premises), HVAC, electrical and lighting facilities and fixtures, interior wiring (to and including the main circuit breaker panels); any signage, awnings, furniture, equipment, speakers, and screens installed by Tenant and located in the Drive-Thru facility and Outdoor Seating Area; and equipment within the Premises and exclusively serving the Premises, and the storefront, doors, and windows (including plate glass), sprinklers systems and sprinkler heads.			

PRICING DETAILS // 4720 Summer Avenue

THE OFFERING

Property	Starbucks & Chipotle
Property Address	4720 Summer Ave., Memphis, TN

LIST PRICE

Portfolio Price	Cap Rate	NOI
\$4,420,884	4.75%	\$209,992

PROPERTY DESCRIPTION: CHIPOTLE

Year Built	2022
Gross Leasable Area	2,325 SF
Type of Ownership	Fee Simple
Lot Size	+/- 1.45 Acres
Occupancy	Single Tenant
Parking	+/- 55 Shared Spaces
Zoning	CMU-3

PROPERTY DESCRIPTION: STARBUCKS

Year Built	2022
Gross Leasable Area	2,100 SF
Type of Ownership	Fee Simple
Lot Size	+/- 1.45 Acres
Occupancy	Single Tenant
Parking	+/- 55 Shared Spaces
Zoning	CMU-3



Representative Photo

Representative Photo

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	10,831	78,179	214,176
2021 Estimate			
Total Population	10,907	78,689	215,487
2010 Census			
Total Population	10,985	79,418	216,825
2000 Census			
Total Population	10,534	76,694	218,112
Daytime Population			
2021 Estimate	9,667	103,927	269,657
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	4,298	29,358	85,029
2021 Estimate			
Total Households	4,335	29,481	85,151
Average (Mean) Household Size	2.5	2.5	2.4
2010 Census			
Total Households	4,410	29,812	85,762
2000 Census			
Total Households	4,633	30,688	88,979
Occupied Units			
2026 Projection	4,823	33,898	98,727
2021 Estimate	4,828	33,779	98,153
HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$150,000 or More	10.8%	12.6%	9.2%
\$100,000-\$149,999	11.3%	11.1%	9.6%
\$75,000-\$99,999	10.0%	9.0%	9.1%
\$50,000-\$74,999	15.2%	15.7%	16.8%
\$35,000-\$49,999	16.6%	14.4%	14.7%
Under \$35,000	36.2%	37.3%	40.6%
Average Household Income	\$76,015	\$84,245	\$72,405
Median Household Income	\$46,613	\$47,991	\$43,920
Per Capita Income	\$30,213	\$32,410	\$29,047

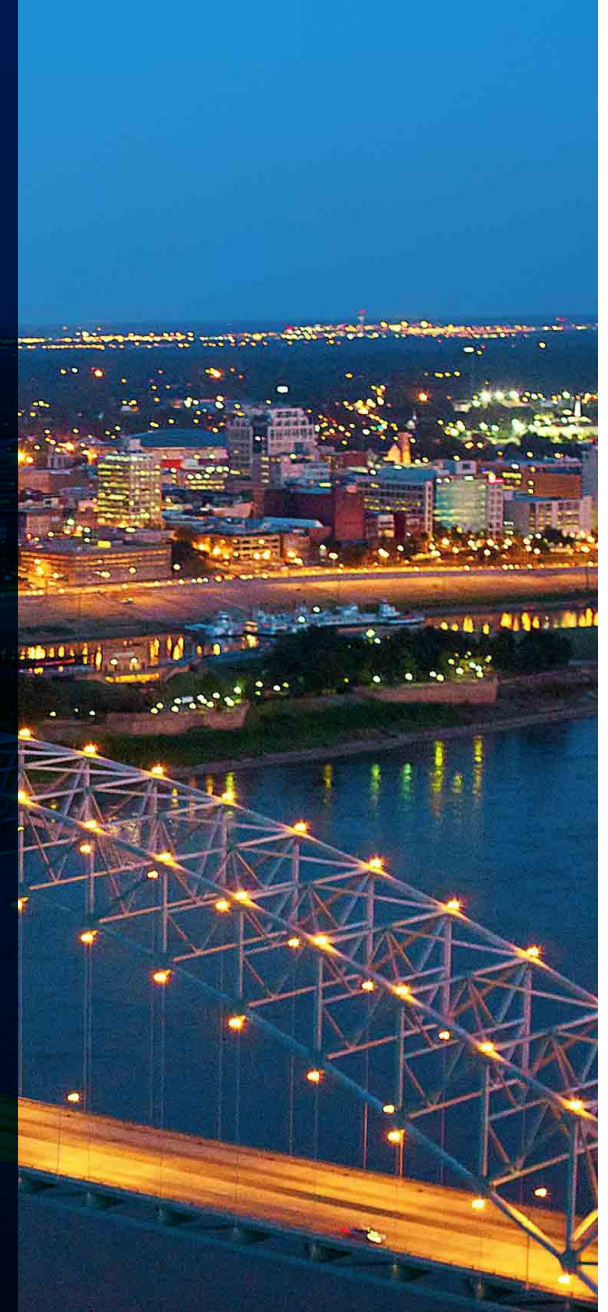
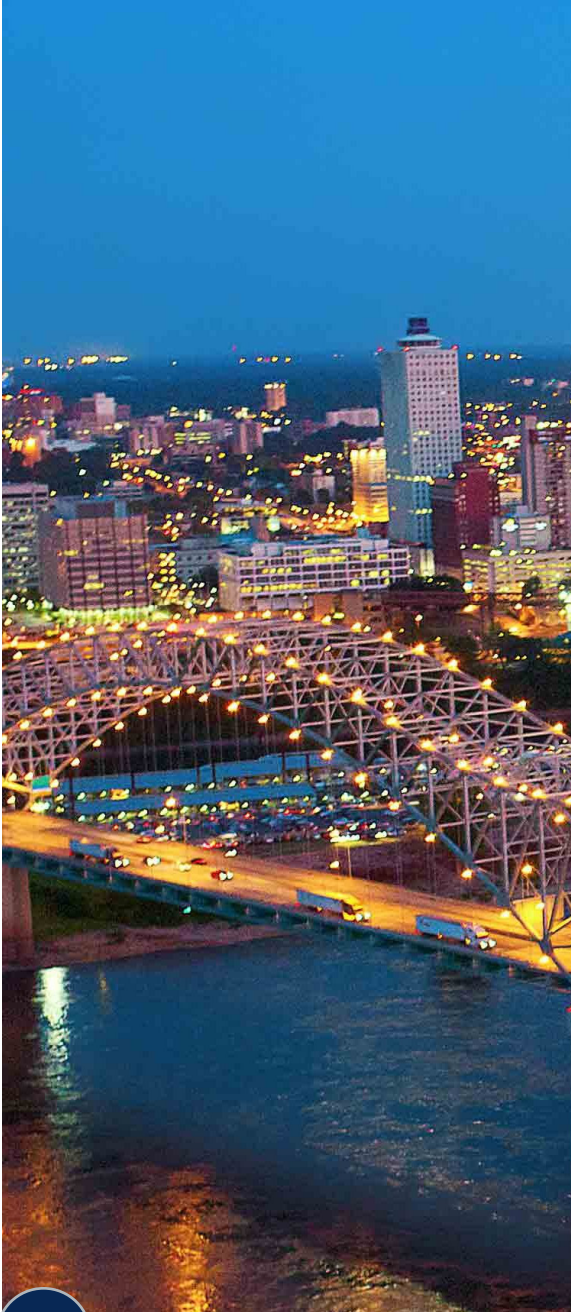
HOUSEHOLDS BY EXPENDITURE	1 Mile	3 Miles	5 Miles
Consumer Expenditure Top 10 Categories			
Housing	\$16,977	\$17,123	\$16,067
Transportation	\$8,823	\$8,831	\$8,294
Food	\$7,144	\$7,137	\$6,668
Personal Insurance and Pensions	\$5,660	\$5,755	\$5,332
Healthcare	\$4,697	\$4,670	\$4,346
Entertainment	\$2,049	\$2,092	\$1,883
Cash Contributions	\$1,628	\$1,652	\$1,492
Apparel	\$1,556	\$1,551	\$1,443
Gifts	\$999	\$970	\$891
Education	\$894	\$857	\$785
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	10,907	78,689	215,487
Under 20	27.3%	25.6%	26.2%
20 to 34 Years	21.7%	24.8%	24.3%
35 to 39 Years	7.2%	7.3%	6.8%
40 to 49 Years	11.5%	11.5%	11.1%
50 to 64 Years	16.6%	16.1%	16.6%
Age 65+	15.7%	14.7%	14.9%
Median Age	35.7	34.8	34.7
Population 25+ by Education Level			
2021 Estimate Population Age 25+	7,386	52,718	143,305
Elementary (0-8)	7.7%	6.8%	5.4%
Some High School (9-11)	8.5%	9.4%	8.8%
High School Graduate (12)	25.4%	25.8%	27.0%
Some College (13-15)	19.2%	18.4%	21.8%
Associate Degree Only	4.9%	4.8%	5.5%
Bachelor's Degree Only	18.9%	19.8%	18.7%
Graduate Degree	15.4%	15.1%	12.8%

MARKET OVERVIEW // *Memphis, TN*

Memphis is a city along the Mississippi River in Shelby County, Tennessee. Its 2020 population was 633,104, making it Tennessee's second-most populous city behind Nashville, and the largest city proper situated along the Mississippi River. Greater Memphis is the 42nd-largest metropolitan area in the United States. One of the more historic and culturally significant cities of the southern United States, Memphis has a wide variety of landscapes and distinct neighborhoods.

Memphis played a prominent role in the American civil rights movement. The city now hosts the National Civil Rights Museum—a Smithsonian affiliate institution. Since the civil rights era, Memphis has become one of the nation's leading commercial centers in transportation and logistics. Its largest employer is the multinational courier corporation FedEx, which maintains its global air hub at Memphis International Airport, making it the busiest cargo airport in the world. The International Port of Memphis also hosts the fifth-busiest inland water port in the U.S., making Memphis a multi-modal hub for trading goods for imports and exports despite its inland location.

Memphis is a regional center for commerce, education, media, art, and entertainment. It has long had a prominent music scene, with historic blues clubs on Beale Street. The city's music has continued to be shaped by a multicultural mix of influences: the blues, country, rock and roll, soul, and hip-hop. Memphis-style barbecue has achieved international prominence, and the city hosts the World Championship Barbecue Cooking Contest, attracting over 100,000 visitors to the city annually.



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