



Offering Memorandum

STARBUCKS | AT&T
10620 PARALLEL PARKWAY
KANSAS CITY, KS 66109

Marcus & Millichap
Real Estate Investment Services

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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services 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.

exclusively listed

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summary

EXECUTIVE SUMMARY

STARBUCKS | AT&T

10620 Parallel Parkway
 Kansas City, KS 66109

OFFERING SUMMARY

Offering Price	\$3,065,000
Down Payment	100% \$3,065,000
CAP Rate	6.50%
Rentable SF	4,800 SF
Lot Size	.88 Acres
Year Built	2014
Occupancy	100%
Subject Property Tenants	Starbucks and AT&T
Lease Type	Triple Net (NNN) Leases
NOI	\$199,248



description

PROPERTY DESCRIPTION



Investment Overview

Starbucks and AT&T are located at 10620 Parallel Parkway, in Kansas City, Kansas. The building is currently under construction and is to be completed in May of 2014. The property consists of one, two-tenant retail building totaling approximately 4,800 square-feet on approximately .88 Acres. The property is 100% leased to Starbucks and AT&T on a triple-net (NNN) lease basis.

The subject is located at the signalized intersection of 106th Street and Parallel Parkway off of Interstate-435. The property sits in a prime location between a Walmart Supercenter, Sam's Club and Legends Outlets Kansas City. It is surrounded by national retailers including Best Buy, Wendy's, Taco Bell, McDonald's, TJ Maxx, Jack in the Box, Target, Payless, Chick fil A, Sleep Number, Nebraska Furniture Mart, Red Lobster, Olive Garden, Mattress Firm, Old Navy, Forever 21, Panda Express, JC Penney, and more. It is also down the street from Community America Ballpark, Sporting Park (MLS' KC team - 18,500 seats), Kansas Speedway (82,000 seats), and Nebraska Furniture Mart (12 million visitors per year).

Investment Highlights

- 100% Leased to Starbucks (S&P A-) and AT&T (S&P A-) on New 10-Year NNN Leases
- Brand New Construction - Kansas City MSA
- 10% Rent Increases Every 5 Years
- Out Parcel to Sam's Club in Prime Retail Corridor
- Trophy Location Across the Street from the Main Entrance to Legends Outlets Kansas City, a 1,200,000 Square-Foot Outlet Mall with Over 110 Tenants
- Starbucks Drive-Thru Location



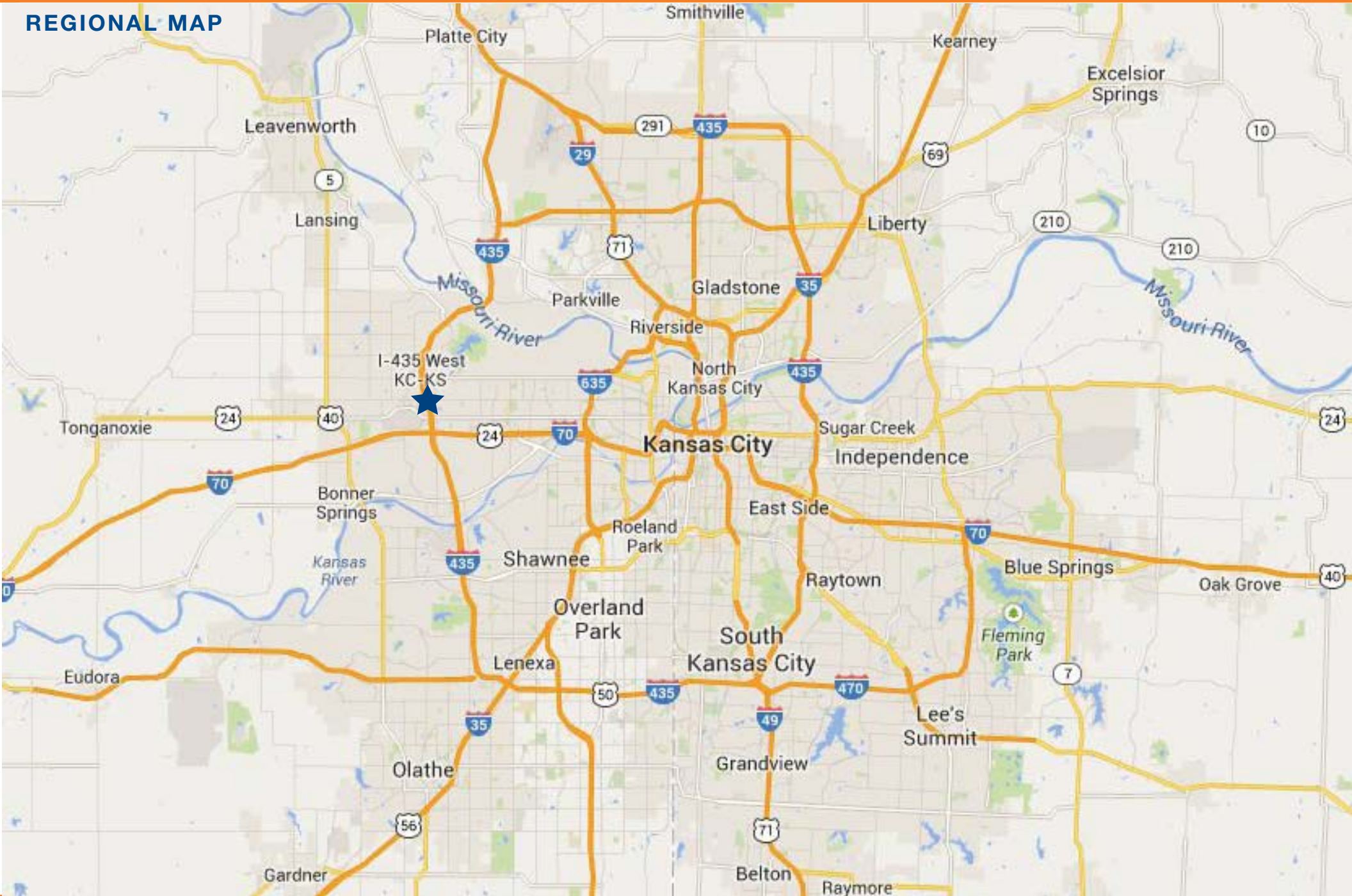
EXECUTIVE SUMMARY

PROPERTY DESCRIPTION

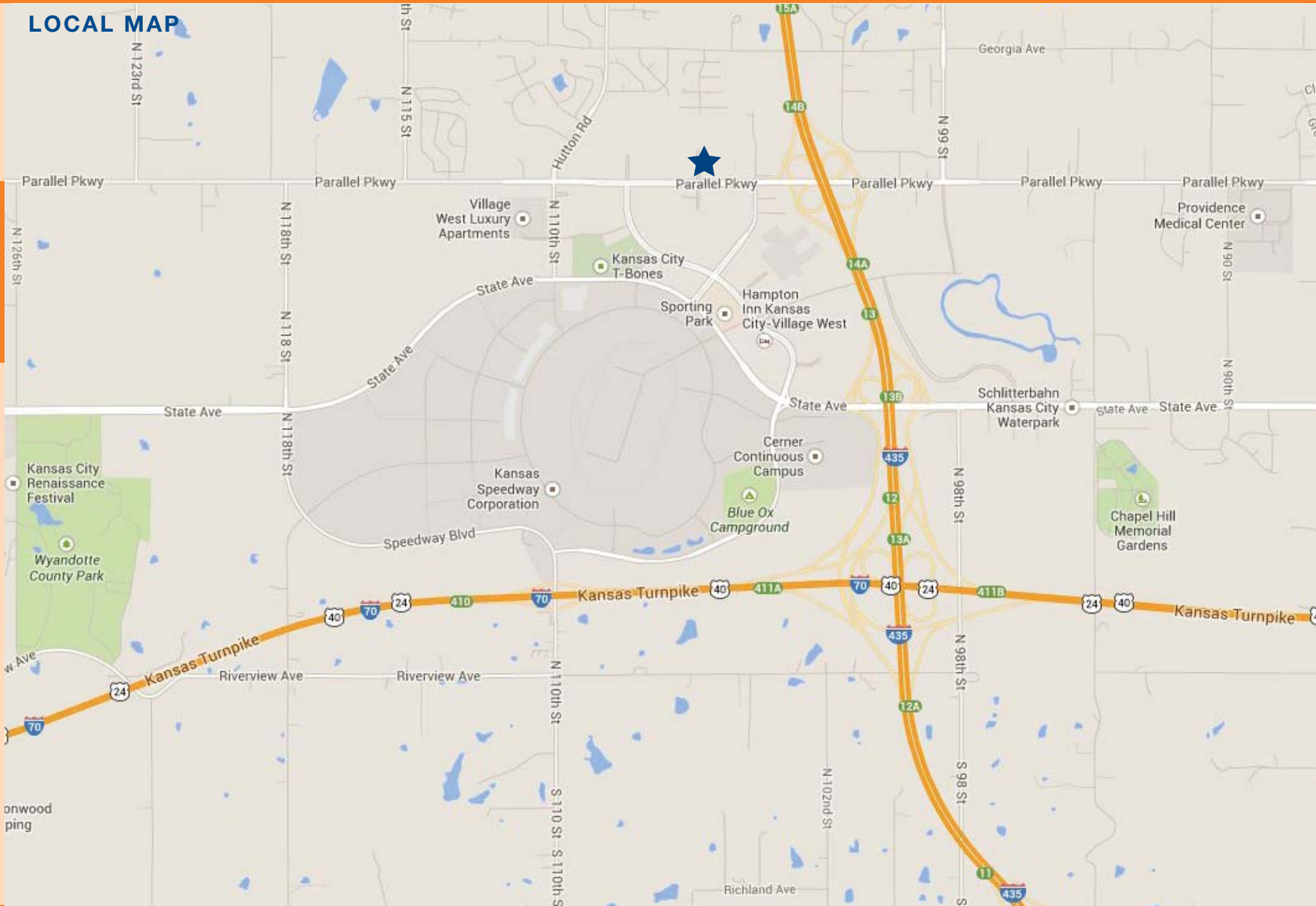
FINANCIAL ANALYSIS

MARKET OVERVIEW

REGIONAL MAP



LOCAL MAP



AERIAL PHOTO



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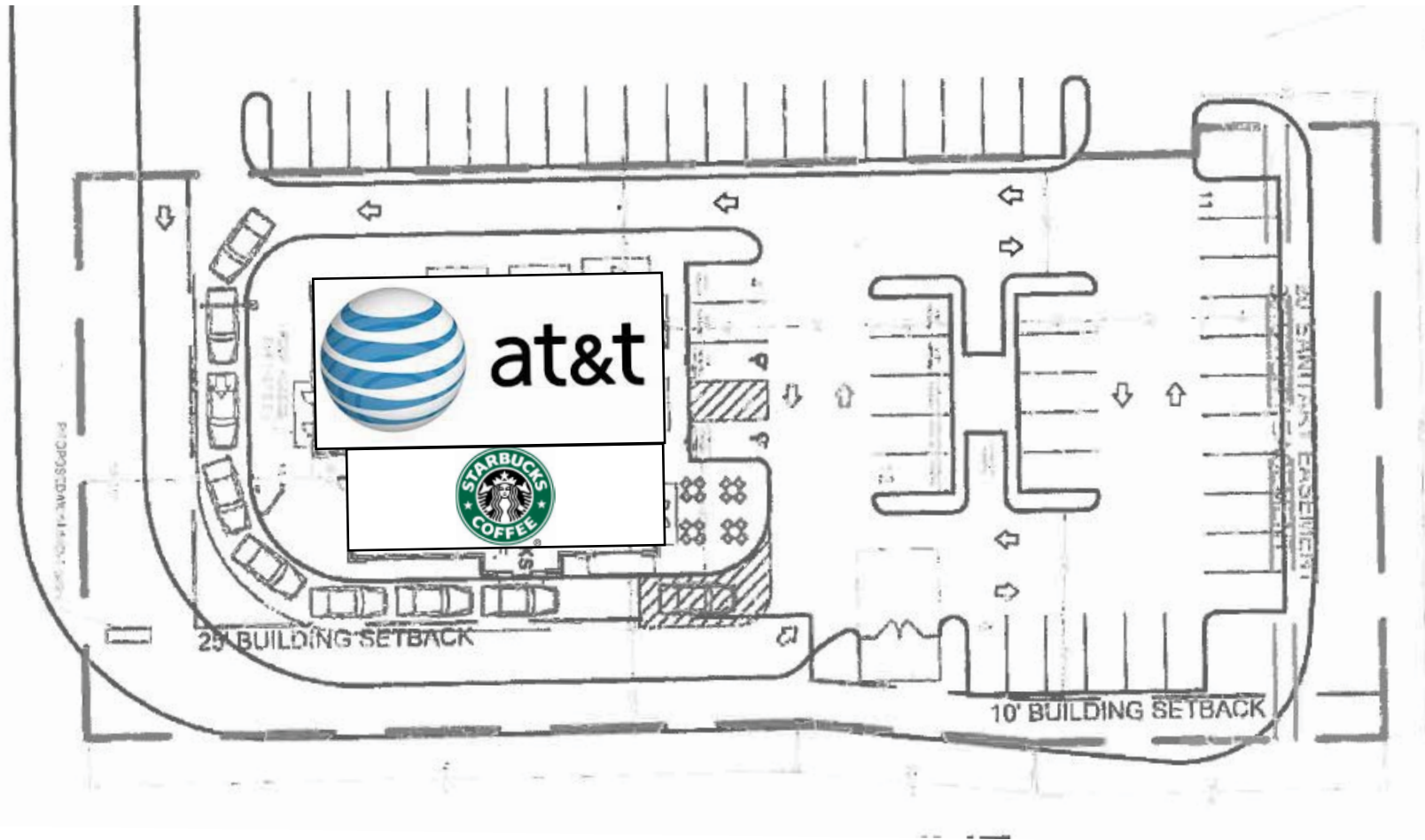
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SITE PLAN



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SURROUNDING PROPERTY



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Legends Outlets Kansas City

Accessible from I-70 and I-435, Legend Outlets Kansas City offers 1,200,000 square feet of shopping space with over 110 retail and restaurant outlets, including Dave & Buster's, Legends 14-screen Cinema, J.Crew, Ralph Lauren Factory Store, Target, Walmart, JC Penney, and Kohl's.

A popular shopping destination, Legends Outlets Kansas City averaged more than \$400 per square-foot in sales and attracted over 10 million visitors in 2012. As one of the top ranking tourist destinations in Kansas, the shopping center is in a prime location surrounded by popular attractions including Warren Buffet's Nebraska Furniture Mart (12 Million visitors per Year), Kansas Speedway (82,000 seats), Hollywood Casino, Community America Ballpark, Wolf Lodge and Sporting Park (18,500 seats).

Highlights

- **Top ranking tourist destination in Kansas** - 10 Million visitors per year
- **1,200,000 square-feet of retail and restaurant space** - Over 110 tenants
- **Surrounded by popular attractions** - including Nebraska Furniture Mart which draws over 12 Million visitors per year
- **Part of a \$500 million investment** - the shopping mall is an ongoing project with more phases of development planned for the future



analysis

FINANCIAL ANALYSIS

Rent Roll

Lessee Information as of April 2014

Suite #	Tenant Name	Approx. Rentable SF	Percent Occupancy	Lease Commencement	Lease Expiration	Approx Rent per SF	Base Rent Per Month	Annual Rent	Lease Type	Rental Increases	Renewal Options
1	AT&T	3,000	62.5%	2014	May 2024	\$38.00	\$9,500.00	\$114,000.00	NNN	10% Every 5 Years	2, 5 Year Options
2	Starbucks	1,800	37.5%	2014	May 2024	\$47.36	\$7,104.00	\$85,248.00	NNN	10% Every 5 Years	4, 5 Year Options
	Total SF	4,800	100%			Monthly Income	\$16,604				
	Occupied SF	4,800	100%			Annual Income	\$199,248				
	Available SF	0	0%			Average Rent Per SF	\$41.51				

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Estimated Income & Expense Summary

Toal Square Feet Per Lease 4,800 SF
 Occupancy as of: April 2014 100%

Income	
Scheduled Base Rent	\$199,248
Estimated Total Potential Base Rent	\$199,248
Plus Expense Reimbursements	\$26,234
GROSS INCOME	\$225,482
EFFECTIVE GROSS INCOME	\$225,482

ESTIMATED OPERATING EXPENSES		PSF
CAM Expense	\$12,000	\$2.50
Insurance	\$2,400	\$0.50
Property Taxes	\$11,834	\$2.47
TOTAL OPERATING EXPENSES	\$26,234	\$5.47

NET OPERATING INCOME	\$199,248
OFFERING PRICE	\$3,065,000
CAPITALIZATION RATE	6.50%
PRICE PER SQUARE FOOT	\$638.54

*Current Taxes are based on the land only and will increase upon reassessment of the property with building in the future.

**AT&T and Starbucks reimburse for a 10% admin fee based on CAM only (excluding taxes & insurance).



Tenant Overview



The Starbucks story began in 1971. Back then they were a roaster and retailer of whole bean and ground coffee, tea and spices with a single store in Seattle's Pike Place Market. Today, they are privileged to connect with millions of customers every day with exceptional products and nearly 18,000 retail stores in 60 countries. Starbucks is named after the first mate in Herman Melville's Moby Dick. Their logo is also inspired by the sea – featuring a twin-tailed siren from Greek mythology. Their stores are a neighborhood gathering place for meeting friends and family. Starbucks customers enjoy quality service, an inviting atmosphere and an exceptional cup of coffee. Starbucks Corporation's common stock is listed on NASDAQ, under the trading symbol SBUX.



AT&T is one of world's largest communications companies. For more than a century, AT&T has consistently provided innovative, reliable, high-quality products and services and excellent customer care. Today, their mission is to connect people with their world, everywhere they live and work, and do it better than anyone else. AT&T is fulfilling this vision by creating new solutions for consumers and businesses and by driving innovation in the communications and entertainment industry. AT&T Inc. common stock is listed on the New York Stock Exchange (Ticker Symbol: T). A Fortune 500 company, AT&T is one of the 30 stocks that make up the Dow Jones Industrial Average.

overview

MARKET OVERVIEW



Location Overview

Kansas City

The Kansas City metro consists of Clay, Bates, Cass, Platte, Clinton, Caldwell, Jackson, Lafayette and Ray counties in Missouri and Johnson, Leavenworth, Linn, Franklin, Miami and Wyandotte counties in Kansas. The metro has nearly 2.1 million residents, and is growing at an annual rate of 0.7 percent. Kansas City, Mo., is the largest city followed by Overland Park, Kan.

The Kansas City region's centralized and well-connected location makes it a prime transportation hub. Kansas City International is considered one of the most convenient and efficient airports in the nation. In addition, the Charles B. Weaver Downtown Airport fills corporate and charter air needs.

The region is strategically located at the intersection of three major interstates: I-70, I-35 and I-29. Kansas City is also one of the busiest rail hubs by tonnage in the country. This infrastructure supports a thriving transportation and logistics industry. Nearly half of all eastbound intermodal freight that enters the United States through West Coast ports passes through the Kansas City metro.

Economy

The Kansas City metro's economy has weathered the recent recession and is recovering. Local GMP is positioned to increase 2.0 percent this year and 4.2 percent next year. Retail sales in the region are estimated at 2.6 percent in 2013 and are expected to expand 4.8 percent next year.

Kansas City's central geographic location makes it a natural transportation and distribution hub. The metro is the second largest rail mecca in the nation. The increased flow of goods from Mexico will drive intermodal growth in the region. The BNSF KC Intermodal facility in Edgerton will open this year with rail-to-truck loading capabilities. Land is also available for 7 million square feet of warehouse and distribution space on the site.

Market Highlights

Central Location

A large portion of the nation can be reached within a 12-hour drive.

Excellent Transportation System

The region is the second largest rail hub in the country and features an efficient and well-connected airport.

Affordable Cost of Living

Kansas City features a lower cost of living than most large Midwestern markets.



Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2018 Projection	2,056	13,748	43,335
2013 Estimate	1,930	12,673	41,322
Growth 2013 - 2018	6.5%	8.5%	4.9%
2010 Census	1,919	12,602	41,085
2000 Census	1,693	10,140	36,799
Growth 2000 - 2010	13.4%	24.3%	11.6%

Households	1-Mile	3-Miles	5-Miles
2018 Projections	768	5,245	16,909
2013 Estimate	704	4,759	15,958
Growth 2013 - 2018	9.1%	10.2%	6.0%
2010 Census	700	4,731	15,870
2000 Census	525	3,512	13,965
2000 Owner Occupied Housing Units	89.4%	83.0%	70.3%
2000 Renter Occupied Housing Units	10.4%	15.6%	25.8%
2000 Vacant	2.3%	3.1%	4.3%
2010 Occupied Housing Units	96.0%	94.7%	92.0%
2010 Vacant	4.0%	5.3%	8.0%
2013 Occupied Housing Units	96.4%	95.0%	92.3%
2013 Vacant	3.7%	5.0%	7.7%

2013 Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$9,999	0.7%	2.1%	4.8%
\$10,000 - \$14,999	0.6%	2.2%	3.9%
\$15,000 - \$24,999	3.0%	8.4%	10.6%
\$25,000 - \$34,999	10.1%	7.4%	9.7%
\$35,000 - \$49,999	11.8%	15.0%	16.9%
\$50,000 - \$74,999	27.6%	24.1%	21.7%
\$75,000 - \$99,999	17.5%	15.8%	14.1%
\$100,000 - \$124,999	15.8%	13.3%	10.2%
\$125,000 - \$149,999	10.5%	7.4%	4.1%
\$150,000 +	2.4%	4.2%	4.0%
2013 Est. Average Household Income	\$79,053	\$75,963	\$66,710
2013 Est. Median Household Income	\$72,036	\$66,308	\$54,757
2013 Est. Per Capita Income	\$28,834	\$28,594	\$25,865

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