

confidential OFFERING MEMORANDUM



humble TEXAS

# starbucks retail center

PRESENTED BY

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## executive SUMMARY

UCR Investment Sales, on behalf of the Ownership, has been exclusively retained to offer the opportunity to acquire Starbucks Retail Center (the “Property”), a 5,720 square foot retail center located in Humble, Texas. The Property is 100% occupied with Starbucks occupying the drive-thru end cap. The Property is located on the corner of Northpark Drive and Glade Valley Drive in Humble, Texas.



## investment overview

### Investment Highlights

- 100% Leased to Starbucks Coffee, The Nailspot and Menchie's Yogurt
- Starbucks Occupies the Drive-Thru End Cap
- Menchie's is Leased through June of 2022
- Adjacent to Walmart Neighborhood Market
- Dense Area & Strong Demographics – HH Income of \$105,324 & \$117,679 in 3 & 5 Mile Radii
- Starbucks Corporation (S&P:A-) had Revenue of \$11.7 billion in 2011



Starbucks Retail Center is a three-tenant located in Humble, Texas that is 100% leased retail center to Starbucks Coffee, The Nailspot and Menchie's Frozen Yogurt. Located on the Northwest corner of Northpark Drive and Glade Valley Drive, the Property is approximately 35 minutes northeast of Downtown Houston. Starbucks Retail Center is across the street from Walmart Neighborhood Market and has multiple ingress/egress points. Traffic volumes passing by the Property on Northpark Drive are in excess of 37,063 vehicles per day. In addition, Starbucks Retail Center is adjacent to Kingwood Park High School with 1,700 students enrolled.

Starbucks Retail Center benefits from strong demographics with average household incomes over \$105,000 & \$117,000 in a 3 & 5 mile radii. The population has grown over 100% since 1990 in a 7-mile radius. In addition to Walmart, surrounding retailers include Walgreens, Gold's Gym, McDonald's, Jack in the Box and Subway, among other retailers, restaurants and service tenants.

The Property benefits from Starbucks occupying a drive-thru end cap and Menchie's recently opening for business in September on a 10-year lease term. Overall, Starbucks Retail Center is a well-located asset that should provide limited management to a new investor in a great retail trade area with strong demographics.

## project profile

Location: 2021 Northpark Drive  
Humble, Texas 77339

Price: \$1,726,000

Size (GLA): 5,276 square feet

Land Area: +/-1.563 acres

Project Type: Retail Strip Center

Occupancy: 100%

Year Built: 2005

Tenants: Starbucks  
The Nailspot  
Menchie's



# property OVERVIEW



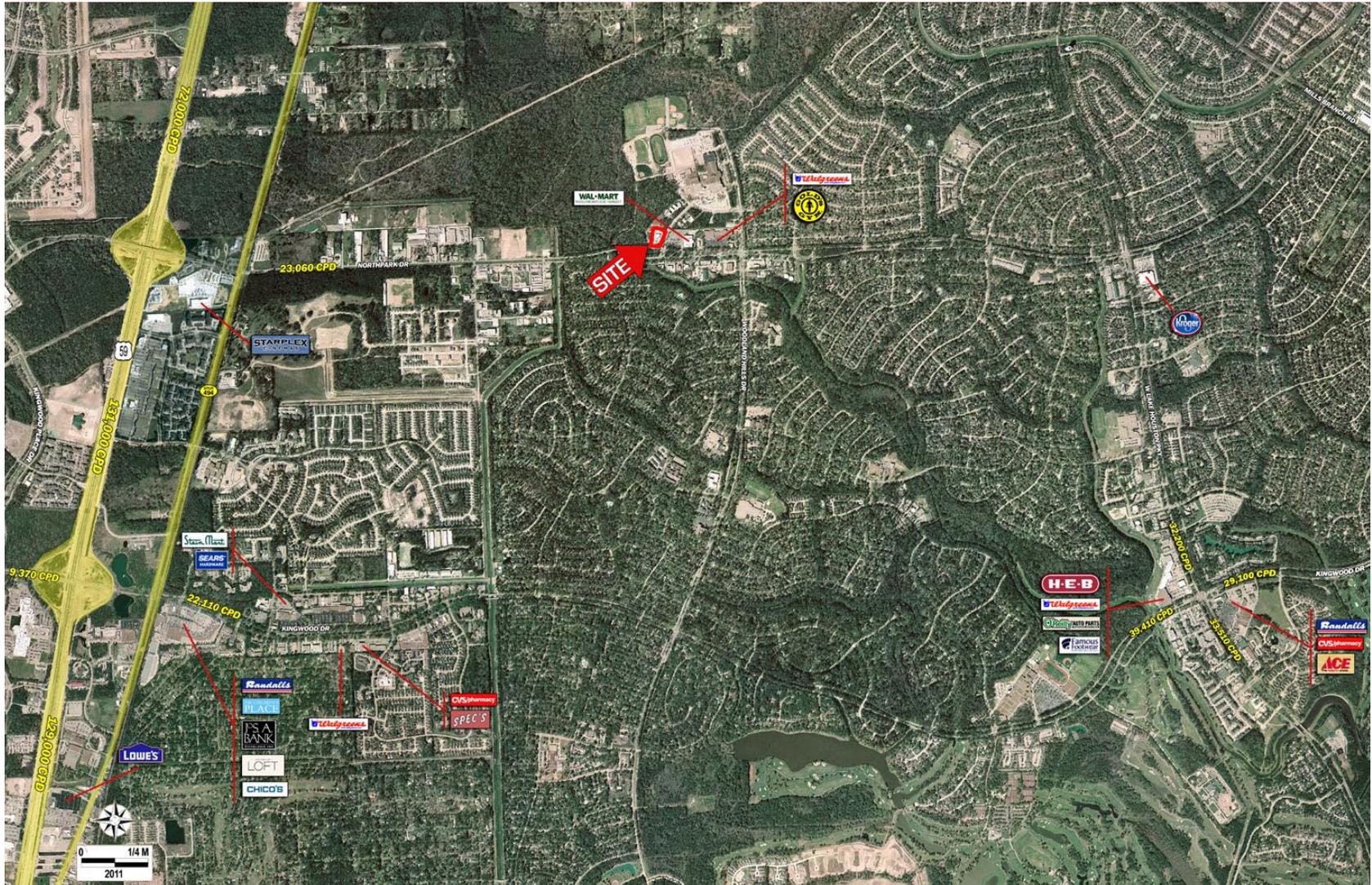




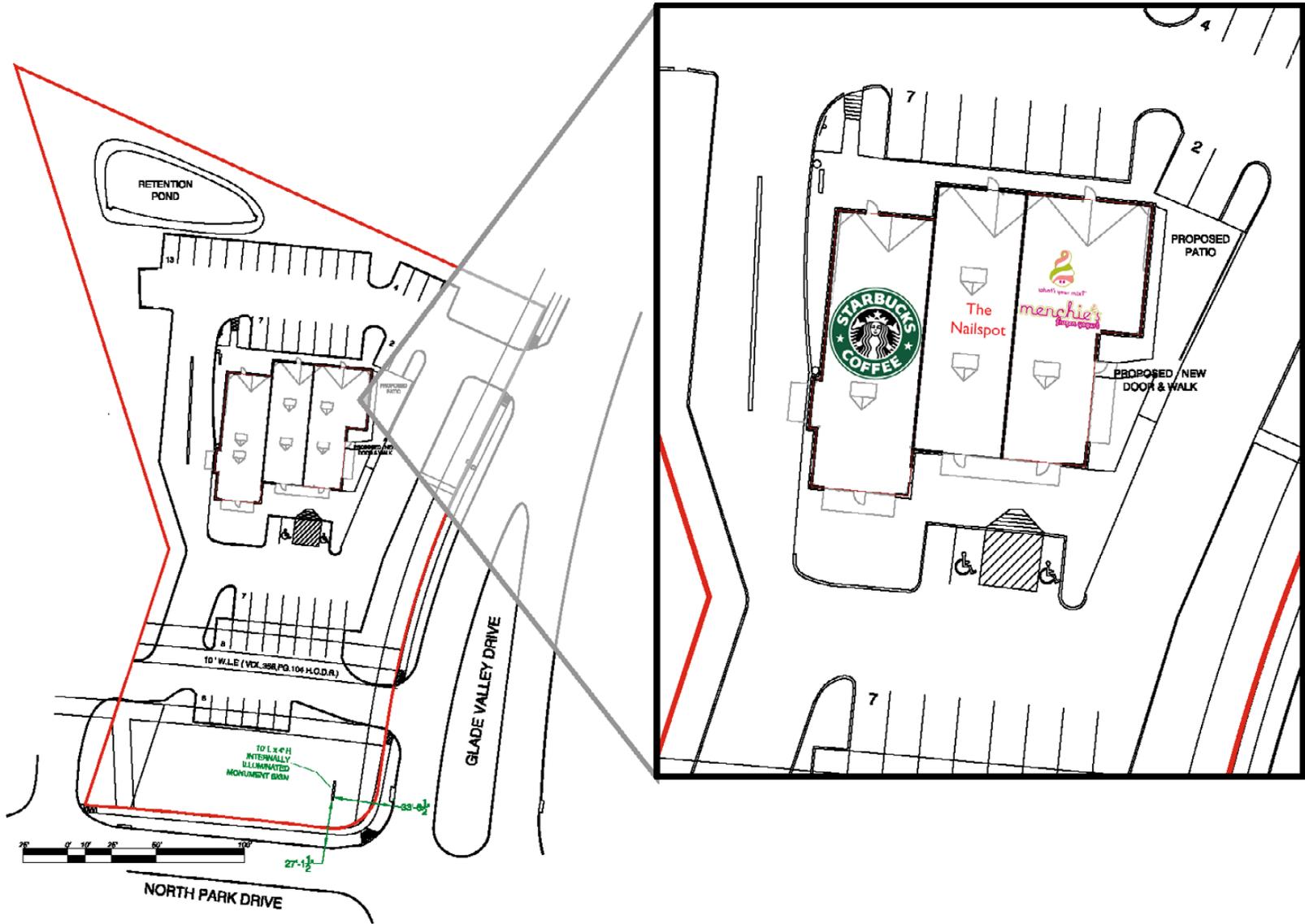
# property aerials



property OVERVIEW



# site plan



# trade area OVERVIEW

## houston area overview

Houston–Sugar Land–Baytown is a 10-county metropolitan area defined by the Office of Management and Budget. It is located along the Gulf Coast region in the U.S. state of Texas. The metropolitan area is colloquially referred to as "Greater Houston" and is situated in Southeast Texas, just west of the Golden Triangle.

Houston–Sugar Land–Baytown is the fifth-largest metropolitan area in the United States with a population of 6.1 million as of the 2010 U.S. Census estimate. The population of the metropolitan area is centered in the city of Houston—the largest economic and cultural center of the South Central United States with a population of 2.3 million.



Houston is among the fastest-growing metropolitan areas in the United States. The area grew 25.2 percent between the 1990 and 2000 censuses—adding more than 950,000 people—while the nation's population increased 13.2 percent over the same period. From 2000 to 2007, the area grew by 912,994 people. From 2000 to 2030, the metropolitan area is projected by Woods & Poole Economics to rank fifth in the nation in population growth—adding 2.66 million people. In 2009, Milken Institute/Greenstreet Real Estate Partners ranked Houston–Sugar Land–Baytown as the fifth-best performing metropolitan area; the Houston area had moved up 11 spaces from the previous year's ranking.



## houston economy overview

Among the ten most populous metropolitan areas in the U.S., Houston ranked first in employment growth rate and second in nominal employment growth. In 2010, the Houston metropolitan area ranked #1 in the country on Forbes' "Best Shopping Cities" and #3 among large cities for "Best City for Jobs." Additionally, Fortune Magazine ranked Houston #3 for Fortune 500 headquarters and #3 city for jobs and the best city to get ahead in 2010. Forbes ranks Houston as #2 "Best Cities for Young Adults" for 2010 and "Most Jobs Gained" for 2011.

The Houston–Sugar Land–Baytown MSA's Gross Area Product (GAP) in 2005 was \$308.7 billion, up 5.4 percent from 2004 in constant dollars—slightly

larger than Austria's Gross Domestic Product (GDP). By 2009, the GAP rose to \$403.2 billion, fourth in the nation. Only 28 nations other than the United States have a GDP exceeding Houston's GAP. Mining, which in Houston is almost entirely oil and gas exploration and production, accounts for 11 percent of Houston's GAP—down from 21 percent in 1985. The reduced role of oil and gas in Houston's GAP reflects the rapid growth of other sectors—such as engineering services, health services, and manufacturing.

The area's economic activity is centered in Houston, the county seat of Harris County. Houston is second to New York City in Fortune 500 headquarters.



The city has attempted to build a banking industry, but the companies that originally started in Houston have since merged with other companies nationwide. Banking, however, is still vital to the region. Galveston Bay and the Buffalo Bayou together form one of the most important shipping hubs in the world. The Port of Houston, the Port of Texas City, and the Port of Galveston are all major seaports located in this Greater Houston area. The area is also one of the leading centers of the energy industry, particularly petroleum

processing, and many companies have large operations in this region. The metropolitan area also comprises the largest petrochemical manufacturing area in the world, including for synthetic rubber, insecticides, and fertilizers and is the world's leading center for building oilfield equipment. The region is also a major center of biomedical research, aeronautics, and high-technology.

Much of metro area's success as a petrochemical complex is enabled by its busy man-made ship channel, the Houston Ship Channel. Because of these economic trades, many residents have moved to the Houston area from other U.S. states, as well as hundreds of countries worldwide. Unlike most places, where high gas prices are seen as harmful to the economy, they are generally seen as beneficial for Houston as many are employed in the energy industry. Baytown, Pasadena/La Porte, and Texas City have some of the area's largest petroleum/petrochemical plants, although major operations can also be found in Houston, Anahuac, Clute, and other communities. Galveston has the largest cruise ship terminal in Texas (and the 12th-largest in the world). The island, as well the Clear Lake Area, are major recreation and tourism areas in the region.

Houston is home to the Texas Medical Center—the largest medical center in the world. In addition, Galveston has one of only two national biocontainment laboratories in the United States.

The University of Houston System's annual impact on the Houston-area's economy equates to that of a major corporation: \$1.1 billion in new funds attracted annually to the Houston area, 3.13 billion in total economic benefit, and 24,000 local jobs generated. Additionally, 12,500 UH graduates annually enter the workforce in Houston and throughout Texas.

Sugar Land, the third-largest city in the metropolitan area, has the most important economic center in Fort Bend County. The city holds the Imperial Sugar (its namesake), Nalco/Exxon and Western Airways headquarters. Engineering firms and other related industries have managed to take the place as an economic engine.



## business overview

With its proximity to the Southern Hemisphere and the infrastructure to accommodate the growing needs of numerous global interests, Houston has become an international destination and one of the world's great cities. As a major corporate center, Houston is home to 18 Fortune 500 companies.

The Port of Houston, one of the region's greatest assets, ranks as the nation's largest port in international tonnage and second in total tonnage.

Houston's infrastructure is also strengthened by three airports, which form the sixth-largest airport system in the world and a massive trucking and rail system that links the southern, south central, midwestern and western United States. More than 600 trucking firms operate in Houston, and two major rail systems operate 14 mainline tracks radiating from Houston.

Houston's employment base has become increasingly diverse. In 1981, the economic base was dominated by energy-related businesses with nearly 85 percent of all jobs in those sectors. Today, nearly half of all jobs are in non-energy fields, such as business services, technology, aerospace, medicine and manufacturing.

Houston offers a richly-diverse pool of highly-skilled, multilingual, multicultural workers. Nearly 25 percent of all adults have completed four years of college, surpassing the national average, while the median age is three years younger than the national average.

## starbucks retail center demographics

	1-Mile Radius	3-Mile Radius	5-Mile Radius	7-Mile Radius	10-Mile Radius
<b>Population</b>					
2016 Total Population*	7,959	70,154	115,158	219,271	342,482
2011 Total Population	7,348	61,665	100,493	190,604	298,761
2000 Total Population	7,297	50,013	77,586	127,093	191,109
1990 Total Population	6,901	40,664	58,858	93,843	144,273
2011 Total Daytime Population	6,558	49,392	82,793	159,272	235,280
<b>Households</b>					
2016 Total Households*	2,848	26,278	41,220	75,204	113,647
2011 Total Households	2,673	23,499	36,590	66,443	100,601
2000 Total Households	2,556	17,968	26,914	44,026	64,488
1990 Total Households	2,234	13,403	19,108	31,090	47,145
2011 Median Home Value	\$123,072	\$144,945	\$153,183	\$144,694	\$133,587
<b>Household Income</b>					
2011 Average Household Income	\$98,744	\$105,234	\$117,679	\$102,715	\$91,828
Household Income \$50,000-\$59,999	5.62%	6.10%	5.71%	7.16%	9.16%
Household Income \$60,000-\$74,999	13.07%	8.40%	7.85%	9.79%	11.78%
Household Income \$75,000-\$99,999	20.44%	16.58%	15.29%	16.79%	15.47%
Household Income \$100,000-\$124,999	23.70%	16.79%	15.49%	14.04%	11.99%
Household Income \$125,000-\$149,999	8.91%	10.39%	10.38%	9.26%	7.31%
Household Income \$150,000 and more	7.26%	9.06%	8.71%	6.92%	5.99%
Household Income Greater than \$50,000	79.00%	67.32%	63.43%	63.96%	61.70%
<b>Educational Attainment</b>					
Bachelor's Degree	27.91%	27.39%	26.19%	21.90%	18.68%
Master's Degree	8.13%	9.27%	9.59%	7.37%	6.23%
Professional School Degree	1.14%	2.29%	2.45%	1.74%	1.43%
Doctorate Degree	1.19%	1.19%	1.20%	0.93%	0.76%
Bachelor's Degree or Higher	38.37%	40.14%	39.43%	31.94%	27.10%

Source: Pitney Bowes

\*projection  
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