STARBUCKS
DRIVE-THRU

New 10-Year Lease
Frontage Along Kendall Drive (23,500 CPD)
270,000+ People Within 5-Miles

#1
MOST VALUABLE RESTAURANT BRAND IN THE WORLD
QSR Magazine

REPRESENTATIVE PHOTO

BRAND NEW 2025 CONSTRUCTION

OFFERING MEMORANDUM
SHANDIN HILLS (SAN BERNARDINO), CALIFORNIA

20 YEARS
HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

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STARBUCKS
DRIVE-THRU

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OFFERING SUMMARY

LOCATION

Starbucks
SWQ Kendall Drive & Shandin Hills Circle
Shandin Hills (San Bernardino), CA 92407

VIEW ON GOOGLE MAPS

OFFERING SUMMARY

Price:	$3,980,000
Net Operating Income (NOI):	$199,000
Capitalization Rate:	5.00%
Year 6 Net Operating Income (NOI):	$218,900
Year 6 Capitalization Rate:	5.50%
Net Rentable Area:	1,872
Year Built:	2025
Lot Size (Acres):	0.43

LEASE TERMS (1)

Rent Commencement:	TBD
Lease Term:	10 Years
Lease Type:	NNN
Roof & Structure:	Landlord Responsibility
Monthly Rent:	$16,583
Annual Rent:	$199,000
Rental Increases:	10% Every 5 Years
Renewal Options:	Four 5-Year @ 10% Increases

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.

BRAND NEW 2025 CONSTRUCTION

Quick Facts

#1
MOST VALUABLE RESTAURANT BRAND IN THE WORLD
QSR Magazine (2024)

#1
FORTUNE SECTOR LEADERS: RESTAURANTS
Fortune (2024)

#16
WORLD'S MOST ADMIRED COMPANIES
Forbes (2024)

- **New Construction Single-Tenant Corporate (NASDAQ: SBUX; S&P: BBB+) Starbucks Drive-Thru Pad to Stater Bros Market:**
  - New 10-year lease
  - 10% rental increases every 5 years during the primary term and each of the four 5-year options
  - 1,872 square foot building with double drive-thru
  - One of the "World's Most Admired Companies" by *Fortune* (2009-2024)
  - Largest coffeehouse chain globally with approximately 40,000+ stores in 84 countries
- **Outparcel to Stater Bros Market Anchored Shopping Center (1.6 Million Annual Visits to the Shopping Center, Placer.ai):** Surrounding tenants include 7-Eleven (top 3% in California, Placer.ai), Chase Bank (top 15% nationwide, Placer.ai), AutoZone, Pizza Hut, UPS, and O'Reilly Auto Parts
- **Favorable Drive-Thru Format:** Approximately 60%-70% of all business for quick service restaurants come through a drive-thru and average Starbucks store sales are approximately 50% greater in locations that have a drive-thru

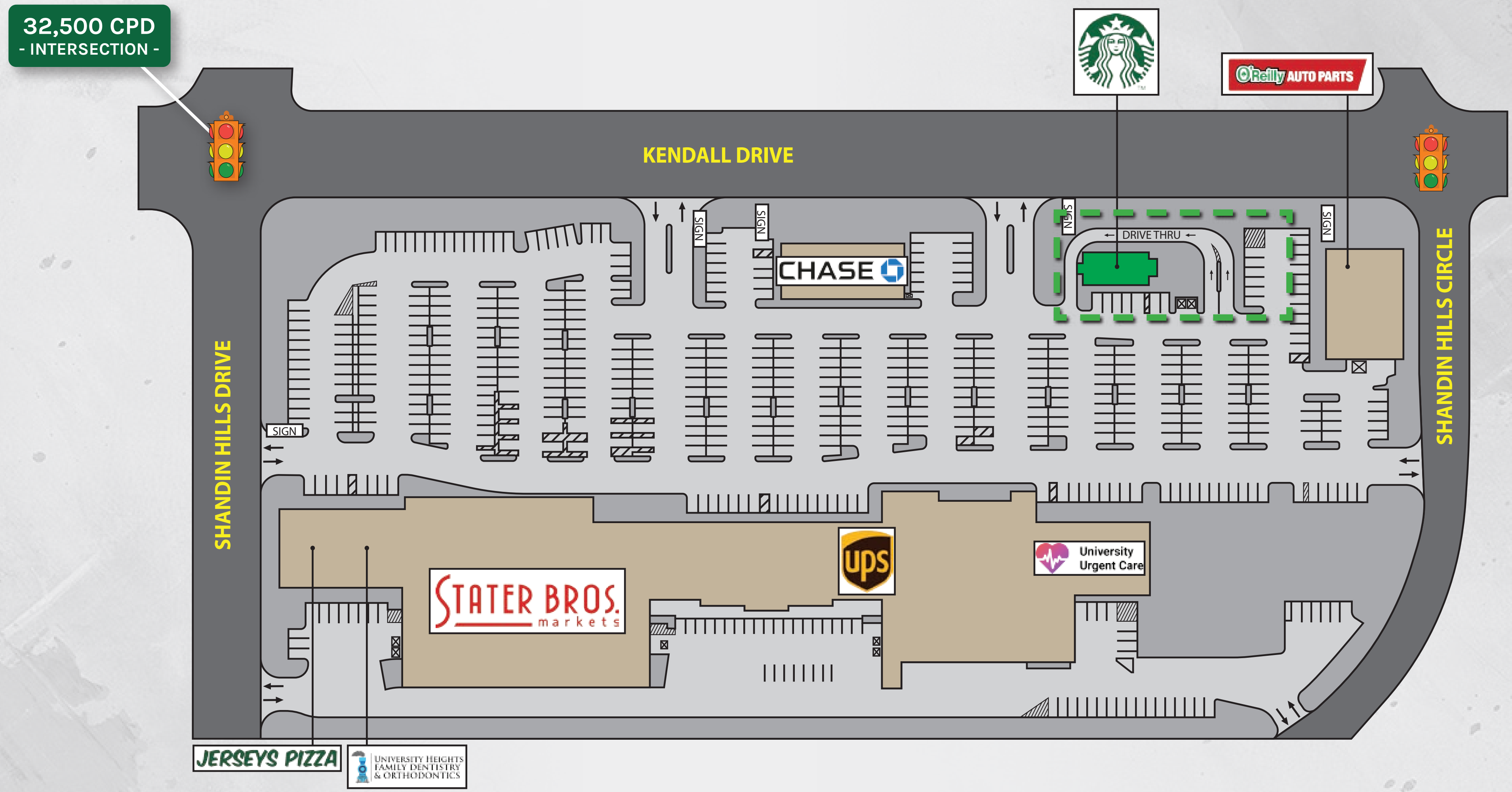
REPRESENTATIVE PHOTO

INVESTMENT HIGHLIGHTS

- **High-Traffic Location:** 23,500 cars per day along Kendall Drive
- **Excellent Accessibility and Visibility:** The shopping center is accessible from two signalized intersections along Kendall Drive; there are over 32,500 cars per day at the intersection of Kendall Drive and Shandin Hills Drive (W. 40th Street)
  - The property benefits from two points of ingress/egress from Kendall Drive and four more points of ingress/egress from Shandin Hills Circle and Shandin Hills Drive
- **Located 2-Mile from California State University, San Bernardino (20,000+ Students, 2,000+ Faculty)**
- **Dense, High-Growth Inland Empire Demographics:**
  - More than 270,000 people within a 5-mile radius
  - 11.91% population growth within a 1-mile radius from 2010 to 2020
- **San Bernardino is Part of the Inland Empire, One of the Fastest Growing Regions in the Nation:** Over the last thirty years, the Inland Empire has grown by 78%, more than twice as fast as the rest of California during that same time period

REPRESENTATIVE PHOTO

SITE PLAN / PARCEL MAP



Starbucks
SWQ Kendall Drive & Shandin Hills Circle
Shandin Hills (San Bernardino), CA 92407

SUBJECT PROPERTY

NOT A PART

PROPERTY PARCEL

APN: 0266-521-12-0000

N

The site plan provided is for illustrative purposes only and may not be accurate or to scale. Actual layout and dimensions may vary. Please consult official documentation for precise details.

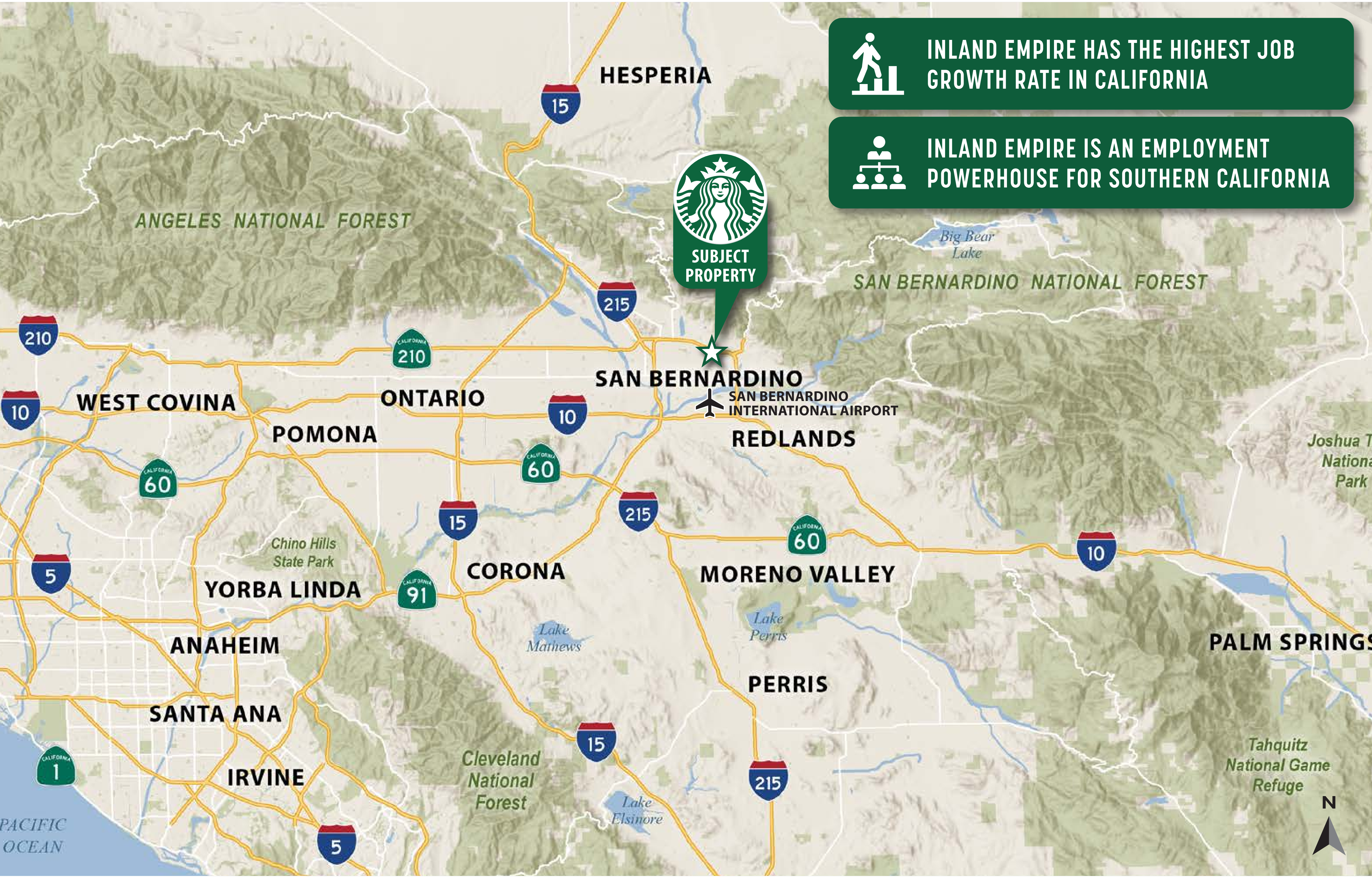
AERIAL OVERVIEW

DEMOGRAPHICS

Population:	
1-Mile Radius	18,206
3-Mile Radius	133,629
5-Mile Radius	270,040
Household Income:	
1-Mile Radius	$78,602
3-Mile Radius	$80,649
5-Mile Radius	$82,129

AERIAL OVERVIEW

REGIONAL MAP



CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

CALIFORNIA STATE UNIVERSITY
SAN BERNARDINO

- California State University, San Bernardino (CSUSB) is a preeminent center of intellectual and cultural activity in Inland Southern California.
- The university serves more than 20,000 students each year and graduates about 4,000 students annually.
- CSUSB offers more than 70 traditional baccalaureate and master's degree programs, education credential and certificate programs, and a doctoral program.
- #2 safest university campus among all 33 public universities in California.
- Cal State San Bernardino is listed among the best colleges and universities in the western United States, according to *The Princeton Review*, *Forbes*, *U.S. News,* and *World Report*, in their respective annual rankings.

TENANT PROFILE

STARBUCKS

Starbucks Corporation is the world's largest roaster, marketer, and retailer of coffee. Each Starbucks location offers more than 170,000 ways to customize coffee and tea beverages. Starbucks stores also offer various food products such as pastries, sandwiches, and lunch items.

From 2014 to 2019, the company saw its market value double and top-line revenue grow from $16.4 billion to $26.5 billion. Despite being saturated in a plethora of markets, the company has been able to significantly outperform industry-level revenue growth.

As of October 2024, Starbucks operated over 38,000 stores globally, with plans to expand to 55,000 stores by 2030.

The company continues to deliver record financial performances in part to their 3-fold strategy – increase digital engagement, grow relevancy in China, and promote the Starbucks Reserve brand as the company's innovation lab for the future. Perhaps its greatest opportunity lies in China where the number of stores has grown to 7,000.

In 2019, Starbucks announced plans to strengthen its drive-thru experience. Consumers prefer ease, convenience, and contactless pick-up afforded by a drive-thru, especially amid the current global pandemic. Starbucks' reinvention of the drive-thru has initiated the largest capital expenditure in the company's history, and 80% of future stores built will include a drive-thru.

Starbucks shareholders have seen a return of $25 billion over the last 4 years.

Company Type:	Public (NASDAQ: SBUX) | S&P: BBB+ Investment Grade
Locations:	38,000+ in 84 countries
Website:	www.starbucks.com

#1
Most Valuable Restaurant Brand in the World
QSR Magazine (2024)

#1
Fortune Sector Leaders: Restaurants
Fortune (2024)

#16
World's Most Admired Companies
Forbes (2024)

New Infrastructure Ushers in a New Retail Era for San Bernardino County

June 6, 2024

Consumer demand will increase when the nation's biggest county adds a major new rail project to the mix of development underway.

The intersection of emerging opportunity and sustainable progress is a good place for retailers. Such a combination is happening in San Bernardino County, America's largest county by size and the 15th-most populous.

The Inland Empire stronghold will bolster its access and appeal with a first-of-its-kind transportation project and a nearly 10,000-acre master plan development.

"We talk about San Bernardino County's affordability and for good reason, but I think this chapter of our development will really emphasize the broad growth and economic diversification taking place across the unincorporated areas of the county and all 24 cities," says Derek Armstrong, director of the San Bernardino County Economic Development Department.

CLICK FOR ARTICLE

Why Starbucks Stock is Ripe for a 30% Pop and a New Era of Growth: Analyst

Brian Sozzi | January 2, 2025

Starbucks stock (SBUX) could percolate later in 2025 as the coffee chain brews better financial performances under new CEO Brian Niccol after a challenging 2024, longtime Starbucks watcher Peter Saleh said.

In Saleh's eyes, a focus by Niccol — who took over as CEO in September 2024 — on faster service times, simpler pricing, and better store operations are the ingredients to reestablish Starbucks shares as a top performer.

"We believe that progress against these initiatives in 2025 will set the stage for outsized same-store sales and earnings growth in 2026 and beyond, catalyzing shares as we progress through the year and that recovery trajectory emerges," Saleh, the BTIG restaurant analyst, wrote in a note on Thursday.

Saleh named Starbucks one of his top first-half 2025 picks, assigning a $115 price target. The target assumes about 30% upside from current levels.

CLICK FOR ARTICLE

AREA OVERVIEW

San Bernardino, CA

- A vibrant city in and the county seat of America's largest county by population (San Bernardino)
  - 60 miles east of Los Angeles; 120 miles northeast of San Diego; 55 miles northwest of Palm Springs
- 223,728 population in the city; 17th-largest city in the state by population
  - 30.3 median age, well below the national median age of 39.3 years
  - Growing steadily due to its supply of affordable, quality family housing, as well as its proximity to major metropolitan areas

ECONOMY

- A city of opportunity strategically located in the middle of four enormous economic entities (the LA Basin, San Diego, Phoenix, and Las Vegas), a region that contains 30 million people and $1.8 trillion of GDP
- The largest industries by employment include transportation and warehousing (14%), retail trade (14%), health care and social assistance (11%), construction (9%), and accommodation/food services (8%)
- 93,480 employees; 60% white-collar jobs vs. 40% blue-collar jobs
- ***Cal State, San Bernardino*** - A public university with 18,500 students and $500+ million annual economic impact; recently ranked #48 "Best Value National Universities" by the *U.S. News & World Report* (2025)
- The largest employers in the city include Stater Bros. Markets, San Bernardino School District, California State University, City of San Bernardino, and Community Hospital of San Bernardino

DEVELOPMENTS

- ***Downtown Revitalization*** – A proposed set of initiatives, programs, and investments intended to help the city tap into its potential for more jobs, housing, and economic activity
  - The downtown area is home to only 1.4% of the city's population, but holds 19% of the jobs in the city
  - Proposed improvements include a pedestrian corridor, city hall, satellite Cal State campus, and more
- ***Carousel Mall Property*** – A 42-acre cleared property that is undergoing infrastructure improvements; the city is seeking a private partner to develop the site with new housing and commercial development
- ***Arrowhead Grove Phase IV*** – Construction of 92 affordable housing units and a community center

17th-Largest City in California by Population

AMAZON FULFILLMENT AND SORTATION CENTERS


SAN BERNARDINO TRANSIT CENTER

COMMUNITY HOSPITAL OF SAN BERNARDINO

AREA OVERVIEW

Inland Empire, CA

- Comprised of Riverside and San Bernardino counties; 60 miles inland from coastal Southern California
  - 60 miles north to south and 50 miles wide, covering 27,000 square miles
- Home to 12% of California's population (4.7 million people); 13th-largest metro in the nation
  - Expected to grow by 1 million residents by 2050, accounting for one-third of all of California's growth
  - Home to a large Latino population which accounts for 52% of all residents
  - Home to 6 of California's 30 largest cities
- Loved for its affordable housing, manageable traffic, abundant outdoor activities, and large employers

ECONOMY

- Gross Domestic Product (GDP) exceeds $237.9 billion; 20th-largest economic region in the U.S.
- One of the nation's key players in the logistics industry; 40% of U.S. goods travel through the IE
  - Holds more industrial large-space leases than Dallas and Atlanta combined (the 2nd and 3rd busiest cities for such leases in the U.S.)
  - Amazon has 40 facilities in the Inland Empire and is one of the region's largest employers
- ***Ontario International Airport (ONT)*** - Passenger travel reached 6.4 million in 2023, up 12% from 2022
- Important employers in the region include Amazon, Kaiser Permanente, University of California-Riverside, Panda Restaurant Group, Abbott Vascular, Collins Aerospace, Loma Linda University, and Stater Bros. Markets

DEVELOPMENTS

- ***Brightline*** - $12 billion construction of 218 miles of rail service connecting Rancho Cucamonga to Las Vegas
- ***World Logistics Center*** - A $25 billion project to construct 40.6 million SF of logistics buildings on 2,610 acres in Moreno Valley; expected to boost the supply chain capabilities of Southern California
  - Under construction; will be the largest planned logistics and business park in North America
- ***Silverwood*** - A massive master-planned community in Hesperia; 15,633 housing units at build-out

40% of All U.S. Goods Travel Through the Inland Empire

LAKE ELSINORE SUPERBLOOM

AMAZON WAREHOUSE

WORLD LOGISTICS CENTER

DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2029 Projection	18,067	132,938	269,627
2024 Census	18,206	133,629	270,040
2020 Census	18,823	135,607	272,397
2010 Census	16,820	124,817	255,470
Growth 2010-2020	11.91%	8.64%	6.63%
HOUSEHOLDS			
2029 Projection	5,965	38,797	76,366
2024 Census	5,940	38,504	75,510
2020 Census	5,979	38,585	75,328
2010 Census	5,599	36,023	70,021
Growth 2010-2020	6.79%	7.11%	7.58%
Growth 2024-2029	0.42%	0.76%	1.13%
2024 POPULATION BY SINGLE-CLASSIFICATION RACE			
White Alone	4,934	31,269	60,759
Black or African American Alone	2,403	16,169	31,865
American Indian and Alaska Native Alone	473	3,341	6,211
Asian Alone	437	3,742	8,911
Native Hawaiian and Other Pacific Islander Alone	73	535	1,080
Some Other Race Alone	6,882	55,857	115,847
Two or More Races	3,004	22,717	45,097
2024 POPULATION BY ETHNICITY (HISPANIC OR LATINO)			
Hispanic or Latino	11,907	94,476	194,429
Not Hispanic or Latino	6,299	39,153	75,611
2024 AVERAGE HOUSEHOLD INCOME	$78,602	$80,649	$82,129

AREA SNAPSHOT

270,040
POPULATION (5-Mile)

245,976
DAYTIME POPULATION (5-Mile)

11.91%
POPULATION GROWTH (1-Mile, 2010-2020)

$82,129
AVERAGE HOUSEHOLD INCOME (5-Mile)

$514,586
AVERAGE HOME VALUE (1-Mile)

Source: ESRI (2025)

HANLEY INVESTMENT GROUP
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

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$11.5 BILLION
retail sales nationwide

SHARED DATABASE
collaborative proprietary database

GLOBEST. INFLUENCERS
in retail & net lease sales

NATIONWIDE REACH
retail & investors across the U.S.

$3 BILLION IN RETAIL SOLD
530+ transactions in last 36 mos.