

SINGLE TENANT NN W/DRIVE-THRU

Investment Opportunity



Part of Deltona Village Development (140 AC) | Directly off Interstate 4 (93,000 VPD) | New 10-Year Lease



3221 Howland Boulevard

DELTONA FLORIDA

ACTUAL SITE

 **SRS** | NATIONAL NET LEASE GROUP

EXCLUSIVELY MARKETED BY



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Qualifying Broker: Patrick Nutt, SRS Real Estate Partners-SOFLO LLC | FL License No. BK3120739

PROPERTY PHOTOS



PROPERTY PHOTOS



PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$4,000,000
Net Operating Income	\$200,000
Cap Rate	5.00%

PROPERTY SPECIFICATIONS

Property Address	3221 Howland Boulevard Deltona, Florida 32725
Rentable Area	2,630 SF
Land Area	0.86 AC
Year Built	2023
Tenant	Starbucks
Lease Signature	Corporate (Nasdaq: SBUX) (S&P: BBB+)
Lease Type	NN
Landlord Responsibilities	Roof, Structure & Foundation
Lease Term	10 Years
Increases	10% Every 5 Years
Options	6 (5-Year)
Rent Commencement	September 30, 2023
Lease Expiration	February 28, 2034

RENT ROLL



Tenant Name	Square Feet	Lease Term			Rental Rates				Options
		Lease Start	Lease End	Begin	Increase	Monthly	Annually	Options	
Starbucks	2,630	9/30/2023	2/28/2034	Current	-	\$16,667	\$200,000	6 (5-Year)	
				Year 6	10%	\$18,333	\$220,000		
				Option 1	10%	\$20,167	\$242,000		
10% Rental Increase Beg. Each Option Thereafter									



INVESTMENT HIGHLIGHTS



Brand New 10-Year Lease | Corporate Guaranty (S&P: BBB+) | 2023 Construction | Scheduled Rental Increases

- Brand new 10-year lease with 6 (5-year) options to extend
- The lease features 10% rental increases every 5 years and at the beginning of each option, growing NOI and hedging against inflation
- The lease is corporate signed by Starbucks, an investment grade (S&P: BBB+), nationally recognized firm with over 36,000 stores as of August 2023
- The asset features 2023 construction with high-quality materials, high-level finishes, and distinct Starbucks design elements built to last

Fee Simple Ownership (Land & Building) | No State Income Tax | NN Leased | Limited Landlord Responsibilities

- Tenant pays for taxes, insurance and maintains most aspects of the premises
- Limited landlord responsibilities to roof, structure and foundation
- Ideal, low-management investment for a passive investor in a state with no state income tax

2023 - Second Quarter Earnings Report Highlights

- During Q2 2023, U.S. comparable store sales increased 12%, driven by a 6% increase in comparable transactions and a 6% increase in average ticket
- Opened 464 new stores in Q2 2023 (100+ in North America & 360+ internationally), 36,634 total locations
- GAAP operating margin increase to 15.2% compared to 12.4% in the previous year

Ideal Demographics Local Trade Area | Population Growth (YOY)

- The average household income within a 3-mile radius is beyond \$83,000
- Population counts exceed 128,000 individuals within a 5-mile radius
- The local trade area is anticipating a 1.88% year over year population increase from 2023-2038

Directly Off Interstate 4 (93,000 VPD) | Strong Tenant Synergy | Drive-Thru Equipped | Excellent Visibility & Ease of Access

- Starbucks fronts the signalized intersection of Howland Boulevard and State Highway 472, collectively generating more than 47,300 VPD
- The asset will benefit from the presence of Interstate 4 which generates approximately 93,000 VPD on average
- The subject property will benefit from having multiple points of access, cross access with the neighboring Burger King and being drive-thru equipped
- National credit tenants in the immediate trade area include; Wawa, McDonald's, Burger King, Dollar General, Wendy's, O'Reilly Auto Parts, an Amazon Distribution Center and many others

Deltona Village Development (140 Acre) | Deltona High School | Amazon Distribution Expansion | Medical Center of Deltona

- Deltona Village is an approved 140 acre mixed-use development that will include 600+ new apartments, 50k square feet of light industrial/manufacturing, 25 acre Amazon Distribution Center expansion (1.4M SF to date), grocery-anchored retail development, hotel development and more
- Starbucks will also benefit from Deltona High School which fronts Howland Blvd and has more than 1,700 students enrolled
- Halifax Health Center is known as the medical center of Deltona, positioned behind the newly developed Wawa across the street, it provides 96 beds in private rooms, six operating suites pre-and post-op spaces, imaging center, ICU patients rooms and more



140-acre Deltona development wins final OK

By Al Everson - August 3, 2023

Approximately 20 years of visioning, planning, revising and re-revising have culminated in the Deltona City Commission's approval of an ambitious mixed-use project that promises to give area residents and consumers the bustling commerce center they have craved.

Despite some misgivings about traffic problems associated with Deltona Village, the commission July 17 passed on second and final reading the latest changes in the 140-acre Business Planned Unit Development (BPUD).

Source: Beacon Online News
Read Full Article [HERE](#)



New Deltona mayor makes push for DT corridor, more mixed-use projects in city

By Dustin Wyatt | March 20, 2023

The newly elected mayor of Deltona is pitching a plan to bring a downtown corridor and other urban-style mixed-use development projects to Volusia County's most populous city.

Saying that many of Deltona's roughly 100,000 residents go elsewhere to dine and shop, Santiago Avila, who was sworn into his mayoral seat in November, has drafted a plan called "A city of Destiny: Looking Forward" in which he proposes three community center concepts he'd like to see emerge with restaurants, retailers, and apartments.

Source: Growth Spotter
Read Full Article [HERE](#)



Seventy-four acre senior living community planned for Deltona

By Dustin Wyatt | May 24, 2023

Newly-formed company JBEC Development LLC is working to bring a 74-acre wellness community with resort-style independent living, an assisted living facility, a skilled nursing facility, pickleball courts, walking trails, and more to land directly next to a hospital in Deltona.

An estimated \$350 million development project that promises to create more than 400 jobs, Halifax Village includes plans for more than 800 units across a variety of housing options and an on-site wellness center with programs curated for residents.

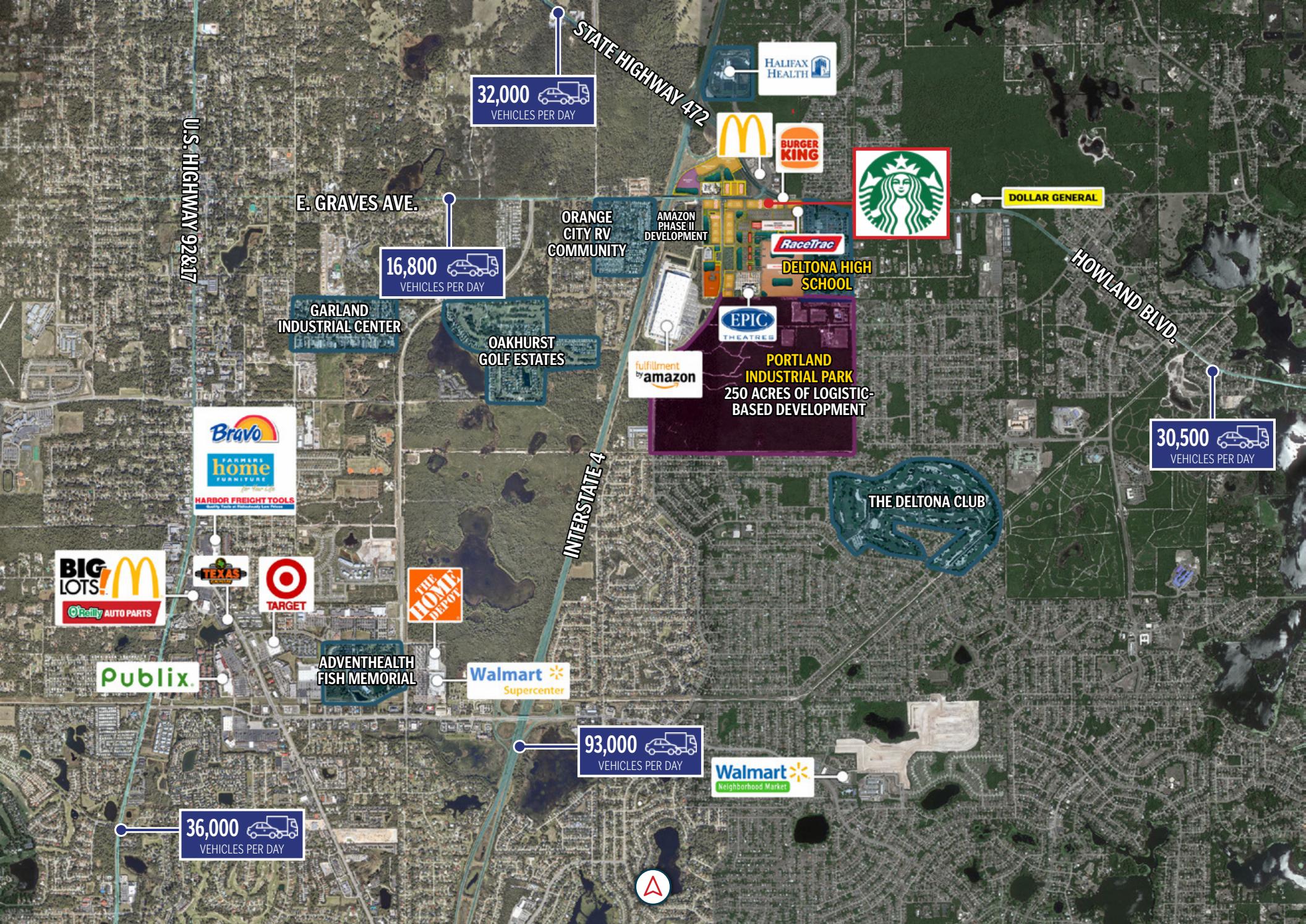
Source: Growth Spotter
Read Full Article [HERE](#)











COMING SOON



COMING SOON



30,500
VEHICLES PER DAY



HOWLAND BLVD.



PROPERTY OVERVIEW



LOCATION



Deltona, Florida
Volusia County

ACCESS



Howland Boulevard: 1 Access Point
Rhode Island Road: 1 Access Point

TRAFFIC COUNTS



Howland Boulevard: 30,500 VPD
E. Graves Avenue: 16,800 VPD
Interstate 4: 93,000 VPD

IMPROVEMENTS



There is approximately 2,630 SF of existing building area

PARKING



There are approximately 34 parking spaces on the owned parcel.
The parking ratio is approximately 12.92 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 1
Acres: 0.86
Square Feet: 37,693

CONSTRUCTION



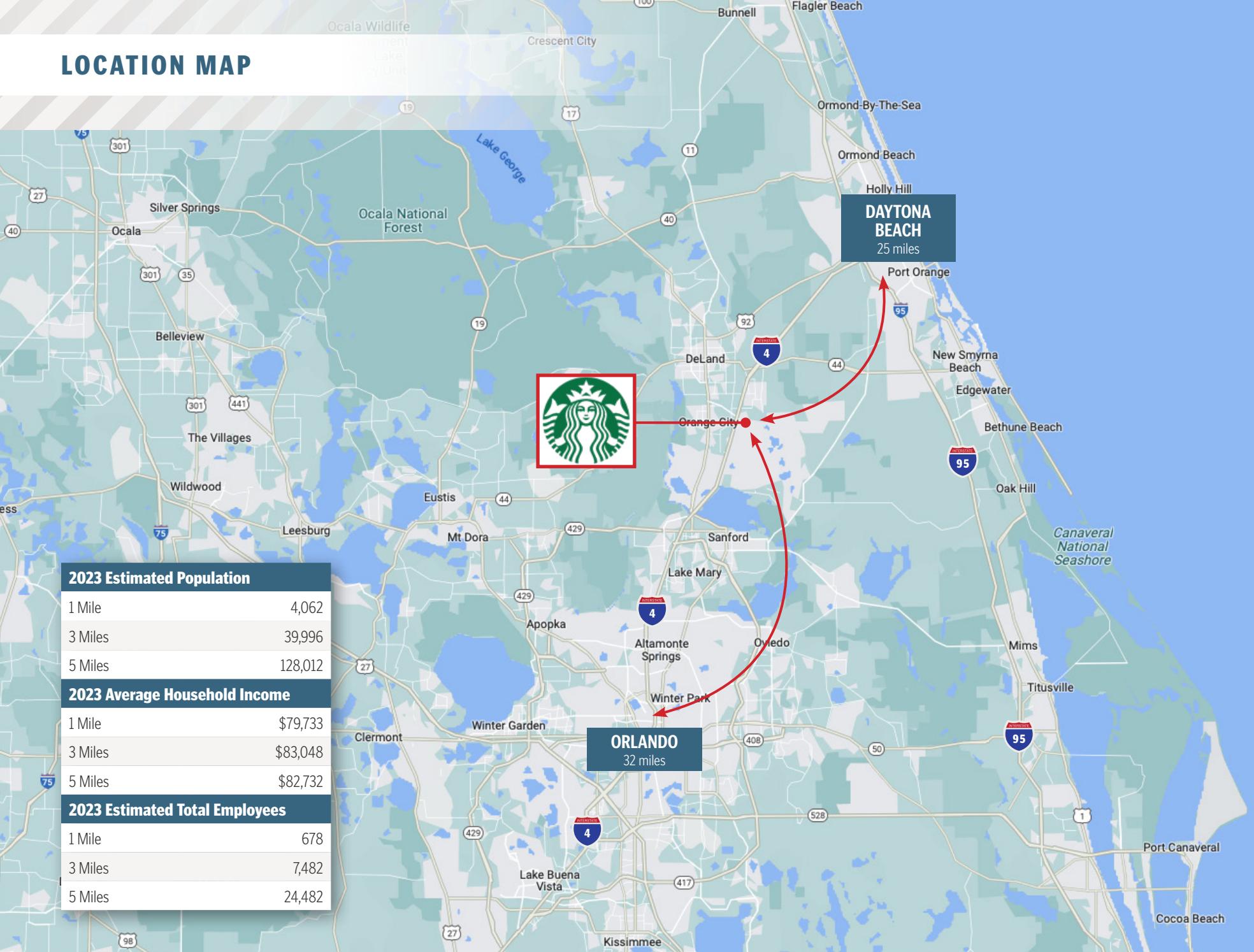
Year Built: 2023

ZONING



Commercial

LOCATION MAP



BRAND PROFILE



STARBUCKS

starbucks.com

Company Type: Public (NASDAQ: SBUX)

Locations: 36,600+

2022 Employees: 402,000

2022 Revenue: \$32.25 Billion

2022 Net Income: \$3.28 Billion

2022 Assets: \$27.98 Billion

Credit Rating: S&P: BBB+

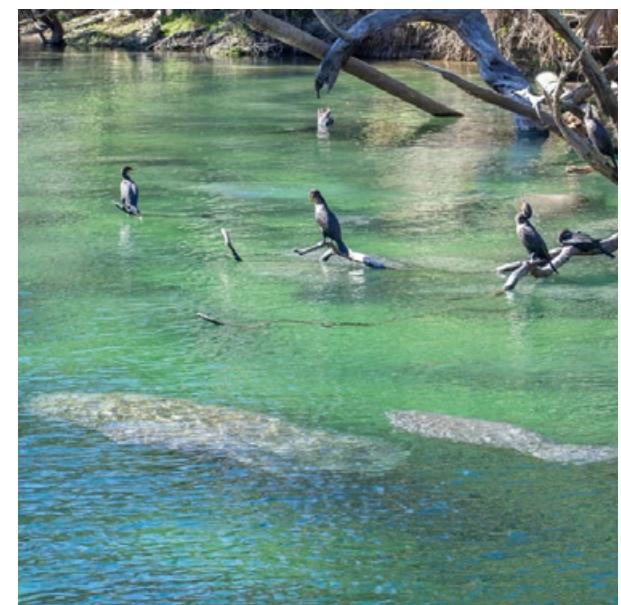
Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Today, with more than 36,600 stores worldwide, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique Starbucks Experience to life for every customer through every cup. Starbucks Corporation was founded in 1971 and is based in Seattle, Washington.

Source: investor.starbucks.com finance.yahoo.com

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2023 Estimated Population	4,062	39,996	128,012
2028 Projected Population	4,459	43,228	131,726
Projected Annual Growth 2023 to 2028	1.88%	1.57%	0.57%
2023 Median Age	42.9	46.7	43.6
Households & Growth			
2023 Estimated Households	1,480	15,446	48,761
2028 Projected Households	1,587	16,838	50,722
Projected Annual Growth 2023 to 2028	1.41%	1.74%	0.79%
Race & Ethnicity			
2023 Estimated White	78.24%	78.84%	78.30%
2023 Estimated Black or African American	10.49%	9.27%	9.59%
2023 Estimated Asian or Pacific Islander	1.87%	2.04%	1.81%
2023 Estimated American Indian or Native Alaskan	0.32%	0.46%	0.49%
2023 Estimated Other Races	9.50%	9.74%	10.03%
2023 Estimated Hispanic	29.30%	29.61%	30.52%
Income			
2023 Estimated Average Household Income	\$79,733	\$83,048	\$82,732
2023 Estimated Median Household Income	\$64,446	\$64,729	\$63,107
Businesses & Employees			
2023 Estimated Total Businesses	91	1,040	3,169
2023 Estimated Total Employees	678	7,482	24,482





DELTONA, FLORIDA

The Florida city of Deltona is located in southwestern Volusia County, midway between Daytona Beach (30 miles to the northeast) and Orlando (30 miles to the southwest). Access to both cities is afforded via Interstate I-4, which passes through Deltona. Nearby communities include Enterprise, DeBary, Orange City, DeLand, Lake Helen, and Sanford. It is a principal city of the Deltona–Daytona Beach–Ormond Beach metropolitan area. It is the third largest city in the Greater Orlando combined statistical area. The City of Deltona had a population of 93,974 as of July 1, 2023.

The largest industries in Deltona, FL are Health Care & Social Assistance, Retail Trade, and Construction, and the highest paying industries are Management of Companies & Enterprises, Information, and Public Administration. Portland Industrial Park, which is 250 acres of logistic-based development just off Howland Boulevard at Interstate-4 now has its first business, Amazon, with a 1,400,000 square-foot logistics center. Halifax Health/University of Florida is also a major employer of the city.



The city of Deltona boasts over 100 lakes within its boundaries comprising a total of over 8 square miles of water. Not surprisingly, there are numerous opportunities for water-related outdoor recreational activities that can be enjoyed. Fans of indoor recreation will appreciate the Deltona Arts & Historical Center, a venue which preserves Deltona's history and also features art exhibitions, performing arts programs, cultural events, and music and acting workshops. About 30 minutes south of Deltona is the city of Orlando, home to several major Central Florida attractions, including Walt Disney World, Sea World Florida, and Universal Studios. Sports fans will recognize Orlando as home of the NBA's Orlando Magic and Arena Football's Orlando Predators, as well as the Spring Training home of baseball's Atlanta Braves. Daytona Beach (30 minutes to the north) has its share of sports as well. The city is home to the Daytona Cubs, the Minor League Baseball single-A affiliate of the Chicago Cubs. Daytona Beach also serves as the headquarters of NASCAR (National Association of Stock Car Auto Racing) and of the LPGA (Ladies Professional Golf Association).

Major airports near Deltona, Florida are Orlando Sanford International Airport & Daytona Beach International Airport.



Americans Moved to Low-Tax States in 2022

Posted January 10, 2023

Americans were on the move in 2022 and chose low-tax states over high-tax ones. That's the finding of recent U.S. Census Bureau population data and commercial datasets released this week by U-Haul and United Van Lines.

The U.S. population grew 0.4 percent between July 2021 and July 2022, an increase from the previous year's historically low rate of 0.1 percent. While international migration helped numbers on the national level, interstate migration was still a key driver of state population numbers. New York's population shrunk by 0.9 percent between July 2021 and July 2022, Illinois lost 0.8 percent of its population, and Louisiana (also 0.8 percent), West Virginia (0.6 percent), and Hawaii (0.5 percent) rounded out the top five jurisdictions for population loss. At the same time, Florida gained 1.9 percent, while Idaho, South Carolina, Texas, South Dakota, Montana, Delaware, Arizona, North Carolina, Utah, Tennessee, Georgia, and Nevada all saw population gains of 1 percent or more.

This population shift paints a clear picture: people left high-tax, high-cost states for lower-tax, lower-cost alternatives.

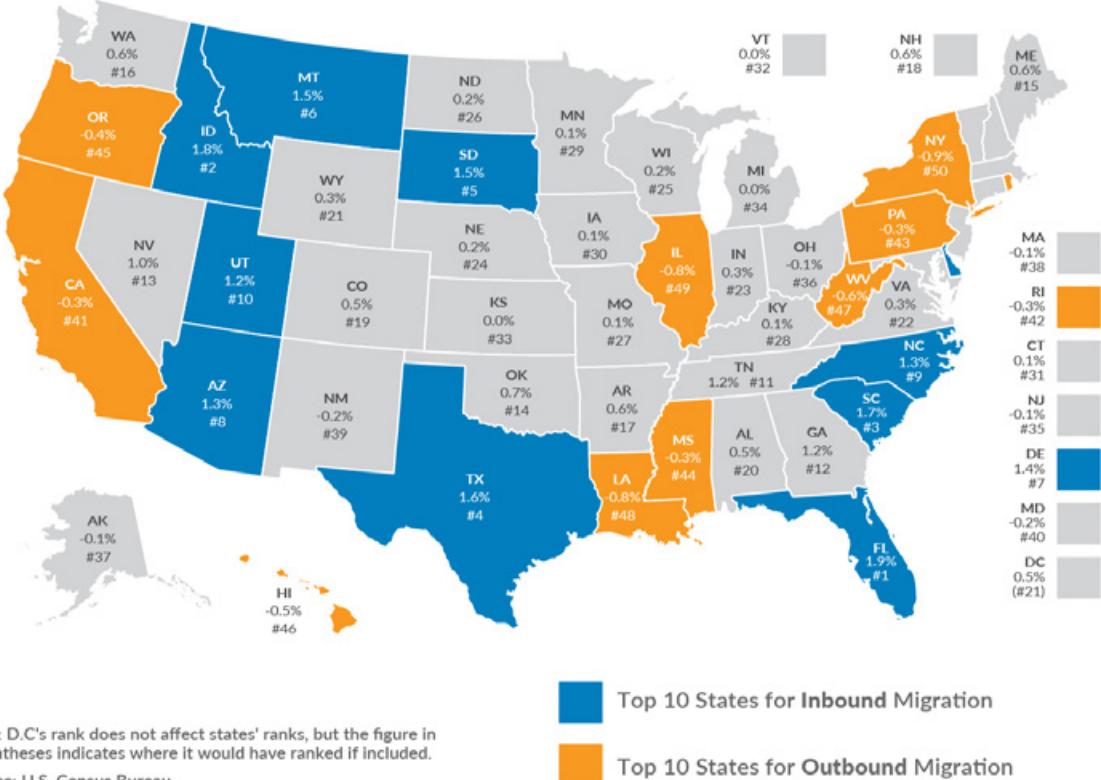
The individual income tax is illustrative here (though only one component of overall tax burdens, it is often highly salient). In the top third of states for population growth (including D.C.), the average combined top marginal state income tax rate is about 4.0 percent. In the bottom third, it's about 6.6 percent.

Six states in the top third forgo taxes on wage income (Florida, Texas, South Dakota, Tennessee, and Nevada, as well as Washington, which taxes capital gains income but not wage income), and the highest top rate in that cohort is Maine's 7.15 percent. Among the bottom third, five jurisdictions—California, Hawaii, New Jersey, New York, and

Oregon—have double-digit income tax rates, and—excepting Alaska, with no income tax—the lowest rate is in Pennsylvania, where a low state rate of 3.07 percent is paired with some of the highest local income tax rates in the country. Six states in the bottom third have local income taxes; only one in the top third does.

State Population Change in 2022

State Migration Patterns, from Most Inbound to Most Outbound, 2022



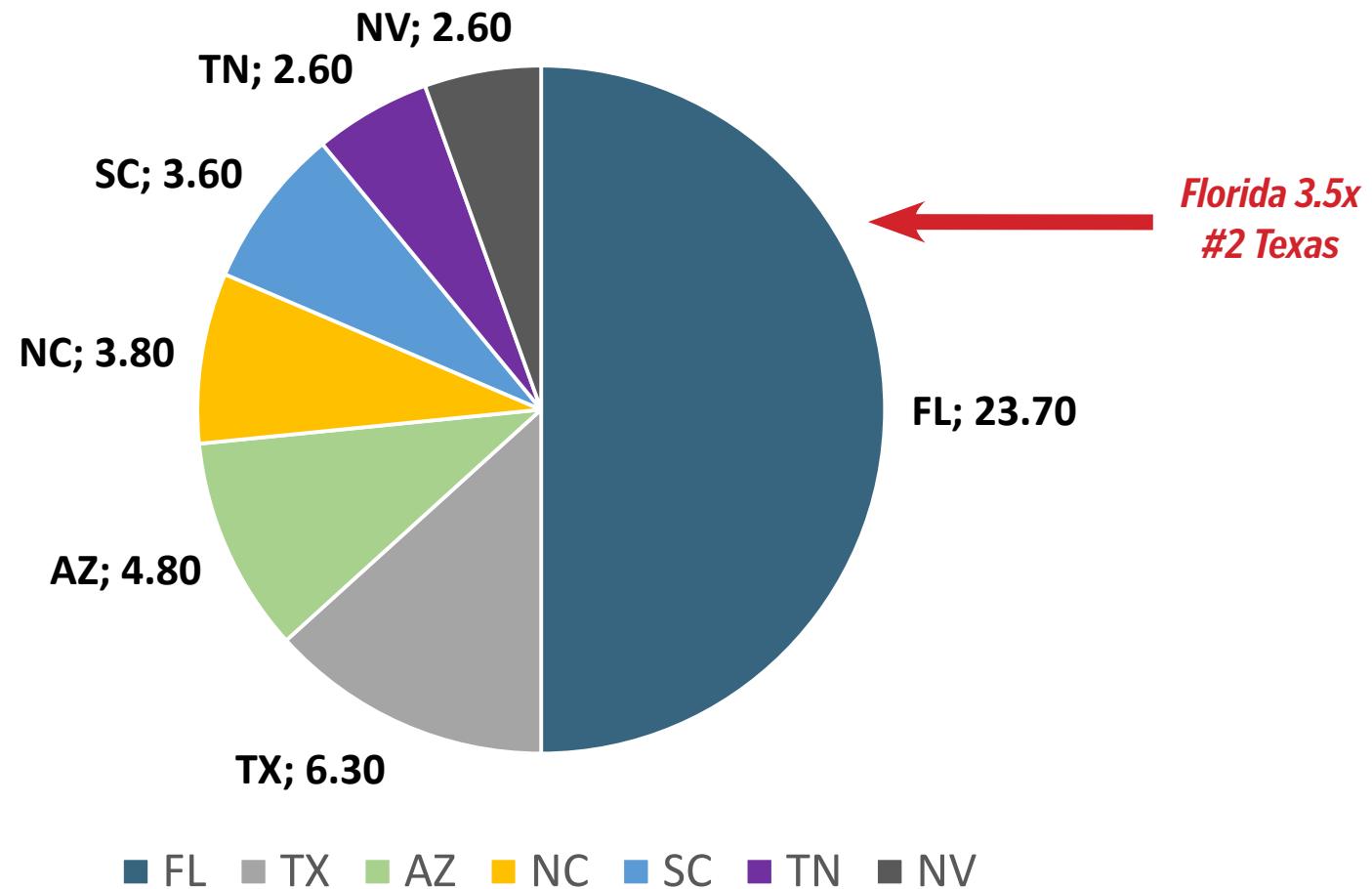
Note: D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would have ranked if included.

Source: U.S. Census Bureau.

Source: Tax Foundation
Read Full Article [HERE](#)



NET INCOME MIGRATION (\$ BILLIONS): TOP 7



Florida has experienced the largest net income migration since the onset of the coronavirus pandemic. The latest available IRS data shows \$23.7 billion in net annual income migration and the Florida Chamber Foundation expects that figure to continue expanding as people from other states come to Florida. This figure is roughly 3.5 times higher than the Texas which saw the second highest net income growth.



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to retail

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RETAIL
TRANSACTIONS
company-wide
in 2022

760+
NET LEASE
TRANSACTIONS
SOLD
in 2022

\$2.9B+
NET LEASE
TRANSACTION
VALUE
in 2022

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