



Sprouts Farmers Market | NN Lease | 7.5+ Years Remaining

800 NE 291 Highway

Lees Summit, MO 64086



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**Sprouts Farmers Market—Lees Summit, MO**

## Investment Summary

Purchase Price	\$7,303,000
Price PSF	\$272.36 PSF
NOI	\$449,134.50 (\$16.75 PSF) 3/2016-3/2021
	\$475,948.50 (\$17.75 PSF) 3/2021-3/2026
Initial Cap Rate	6.15%
Land Acreage	2.54 Acres
Built/Renovated	1999 / 2016
Building Size	26,814 SF
Aerial Map	<a href="#">Click HERE</a>

## Lease Summary

Lease Type	Modified Double Net (NN)
Tenant Responsibilities	All Utilities, Trash removal, All HVAC Maintenance, Repairs, & Replacement Parts, Real Estate, & Ad Valorem Taxes Shall Be Paid Directly by Tenant. Tenant Shall Reimburse LL for ALL INSURANCE COSTS Incurred After RCD (within 30 days of Receipt from LL) Tenant shall Repair/Replace All Damaged or Broken Glass in Tenant's Building.
Landlord Responsibilities	Maintain/Repair/Replace Roof, Structure, All Supporting Elements, All Exterior Soffits/Finishes/Systems. All Capital Expense Repairs & Replacements of Driveways/Sidewalks/Parking/Service/Loading Areas & Signage. Repair All Damages to Premises Due to Subsidence, Settling of Land, Structural Defects, Latent Defects
RCD	March 23, 2016
Expiration	March 31, 2026
Term Remaining	7.5+ Years
Rent Increases	\$1.00/PSF Every 5-Years (Including Options)
Options Periods	4x 5-Year Options

## Investment Highlights

Strong BB- Credit   \$4.66 Billion FY17 Corporate Revenue
Increasing Credit Strength   Rapid Corporate Unit & Revenue Growth
Building Constructed 1999   New Sprouts Remodel 2016
New 10-Year NN Lease   7.5+ Years Remaining
Offered Free and Clear
Primary Retail Corridor Position   Over 27,000 VPD
3.19% Projected 5-Mile Population Growth (2018-2023)
Nearly \$100,000 Average Household Income Within 5-Mile Radius
Corporate Lease With SFM, LLC (Sprouts Holding Company)
Minimal Local Grocery Competition   Strong Grocery Sales Market





Sprouts Farmers Market, Inc. (NASDAQ: SFM), through its subsidiaries, engages in the retailing of natural and organic food in the United States. Its products include fresh produce, bulk foods, vitamins and supplements, grocery products, meat and seafood products, bakery products, dairy and dairy alternatives, frozen foods, fresh deli specialties, beer and wine, body care, and natural household products.

The company currently employs more than 27,000 employees and operates more than 285 stores in 15 states from coast to coast, primarily in the southern tier of states. Sprouts Farmers Market, Inc. was founded in 2002 and is based in Phoenix, Arizona.

Customers will find mountains of fresh fruits and vegetables, barrels of wholesome grains, nuts and sweets, full-service deli, meat and seafood counters— complete with homemade burgers and sausages. The displays are typically set to a height of about six feet so shoppers can see the entire store when first walking in. Customers will find fresh baked goods, eclectic beer and wine, gourmet cheese, sensibly-priced vitamins and supplements, and thousands of natural, organic and gluten-free groceries as well. The open floor plan allows customers to easily find the products they are looking for so they can get in and out quickly.

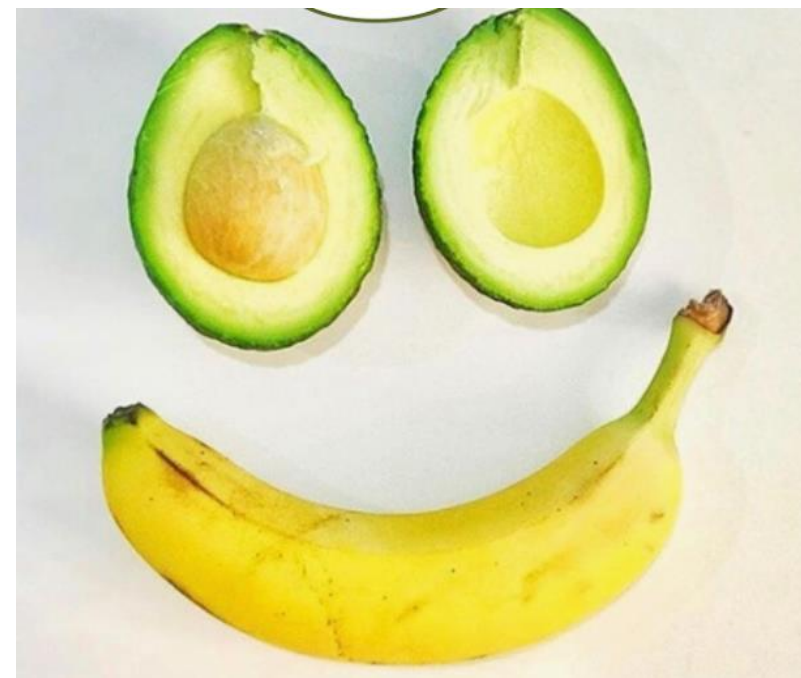
As of December 31, 2017, Sprouts Farmers Market, Inc. and subsidiaries had a total revenue of \$4.66 billion, a net income of \$158.4 million, a net worth in excess of \$969.07 million and an S&P Rating of BB-/Stable.

**WE BELIEVE HEALTHY LIVING IS A JOURNEY AND  
EVERY MEAL IS A CHOICE.  
WE LOVE TO INSPIRE, EDUCATE AND EMPOWER  
EVERY PERSON TO EAT HEALTHIER AND LIVE A BETTER LIFE.**

*This isn't just a mission. It's our passion.*

## Tenant Overview

<b>Tenant:</b>	Sprouts Farmers Market, Inc.
<b>DBA:</b>	Sprouts
<b>Business Type:</b>	Grocery
<b>Credit Rating:</b>	BB-
<b>No. of Employees:</b>	27,000
<b>No. of Locations:</b>	285+
<b>Annual Revenue (FY 2017):</b>	\$4.66 Billion
<b>Founded:</b>	2002
<b>Headquarters:</b>	Phoenix, AZ
<b>Website:</b>	<a href="http://www.sprouts.com">www.sprouts.com</a>



## Lees Summit

Lee's Summit is 16 miles southeast of downtown Kansas City, and is one of the fastest growing communities in the state with a current population of 93,000, and a strong Median Household Income is \$80,395. At 65 square miles – the fifth largest in the state – the city has room to grow with recently annexed properties in strategic highway served locations. Served by two interstates (I-470 and I-70) and two federal highways (U.S. 50 and U. S. 71) Lee's Summit is accessible to regional and national markets.

## Kansas City Metro

Lee's Summit is located less than 25 minutes from downtown Kansas City, Missouri. The most geo-central market in the nation, metro Kansas City is served by three interstates. Kansas City boasts a world class performing arts center, dynamic shopping and entertainment districts like Power and Light, Crown Center, City Market, Zona Rosa, Westport, and Country Club Plaza - the country's first mall developed for the automobile age - two major league sports franchises, a famous network of boulevards and parks, a world-renowned art museum, the Kauffman Foundation - the world's top entrepreneurial think tank - grand historic neighborhoods, a major international airport, a well-regarded state university, the Stowers Institute for Medical Research, competitive rail and highway infrastructure, and Fortune 500 corporations.











SPROUTS  
FARMERS MARKET

FRESH  
PRODUCE

FRESH  
PRODUCE

SPROUTS  
FARMERS MARKET





SPROUTS  
FARMERS MARKET

Now Open

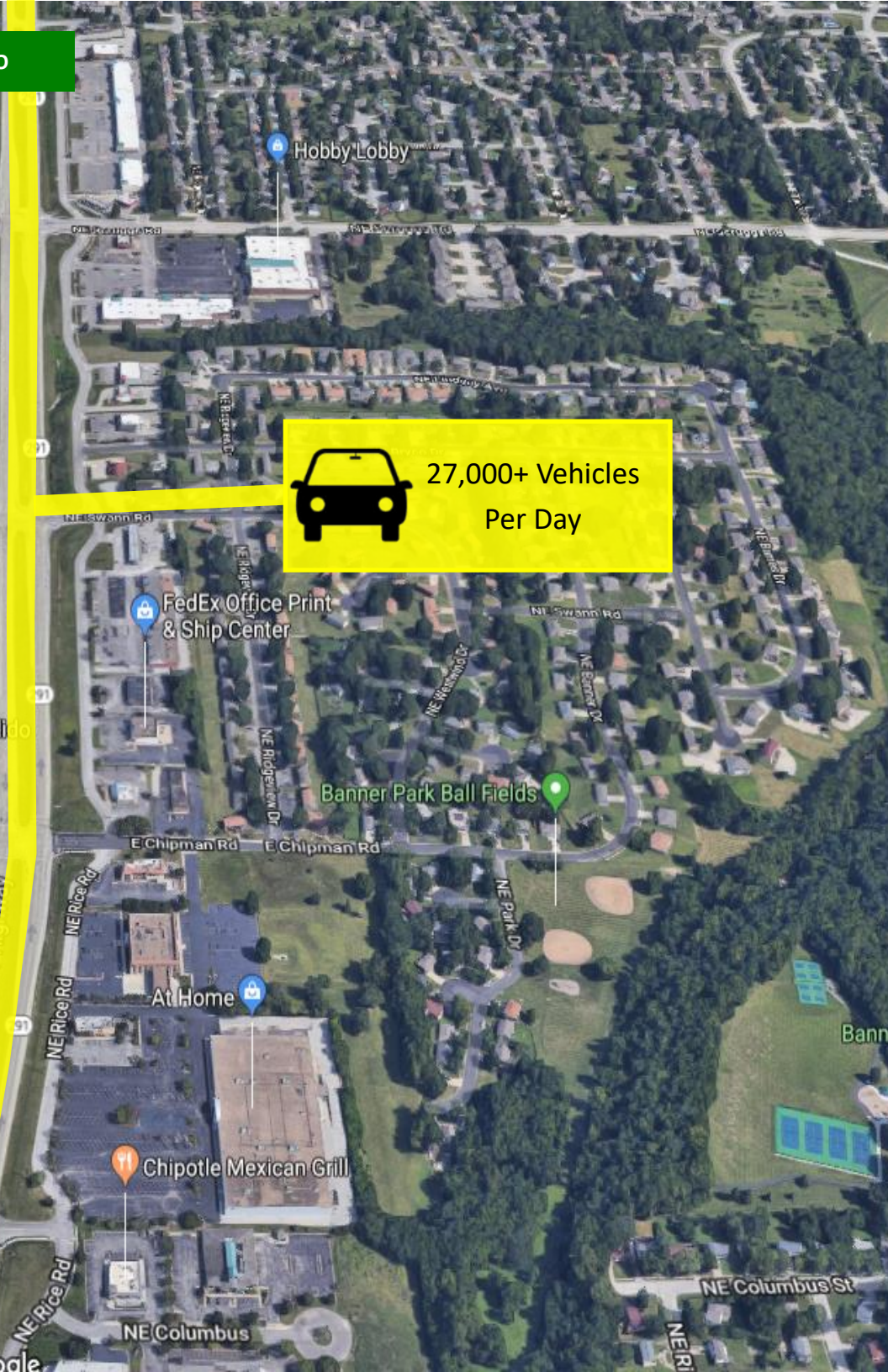
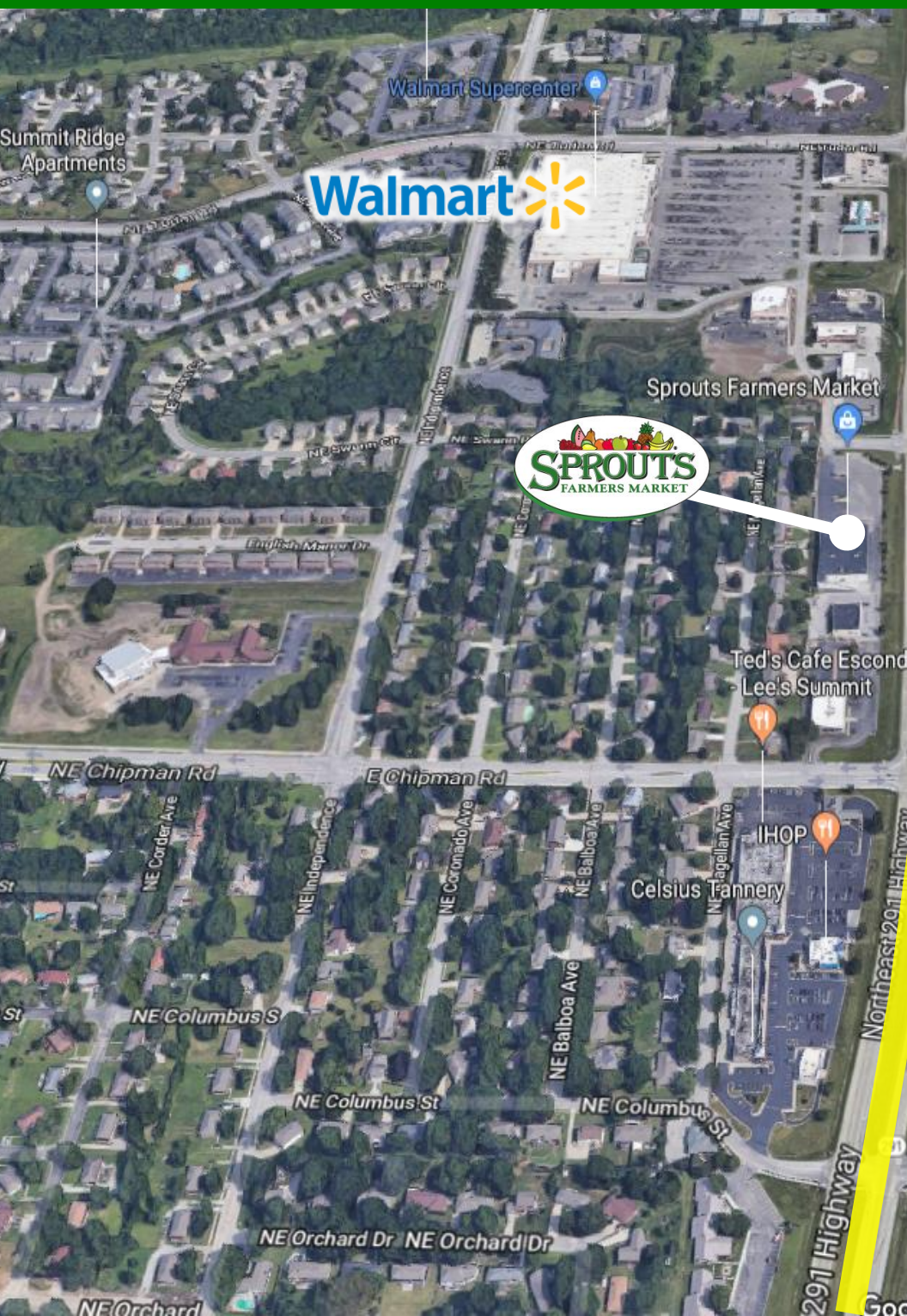
FARM FRESH  
PRODUCE

NATURAL  
FOODS













84,400 People Live  
Within 5 Miles



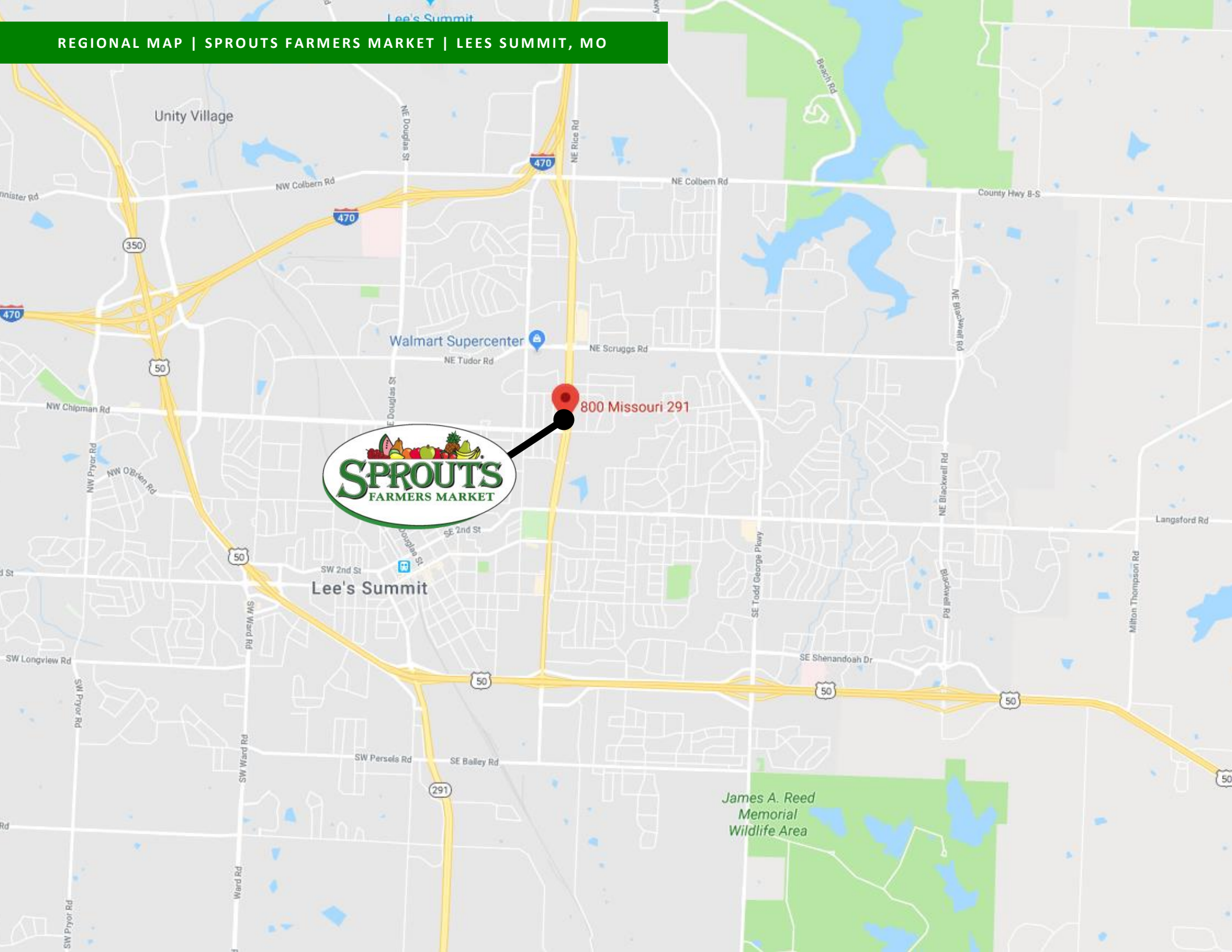
800 NE 291 Hwy, Lees  
Summit, MO 64086



Average  
Household  
Income  
Exceeds  
\$99,800  
Within 5  
Miles



REGIONAL MAP | SPROUTS FARMERS MARKET | LEES SUMMIT, MO





Radius	1 Mile	3 Mile	5 Mile
<b>Population:</b>			
2023 Projection	13,914	54,072	87,158
2018 Estimate	13,585	52,642	84,466
2010 Census	13,298	50,731	79,280
Growth 2018-2023	2.42%	2.72%	3.19%
Growth 2010-2018	2.16%	3.77%	6.54%
2018 Population Hispanic Origin	872	2,578	3,619
<b>2018 Population by Race:</b>			
White	11,480	46,359	73,237
Black	1,258	3,793	7,161
Am. Indian & Alaskan	69	219	313
Asian	259	815	1,506
Hawaiian & Pacific Island	17	65	113
Other	502	1,391	2,136
<b>U.S. Armed Forces:</b>	<b>0</b>	<b>20</b>	<b>32</b>
<b>Households:</b>			
2023 Projection	5,745	21,627	33,429
2018 Estimate	5,595	21,016	32,342
2010 Census	5,410	20,069	30,108
Growth 2018 - 2023	2.68%	2.91%	3.36%
Growth 2010 - 2018	3.42%	4.72%	7.42%
Owner Occupied	3,130	14,439	24,153
Renter Occupied	2,465	6,577	8,190
<b>2018 Avg Household Income</b>	<b>\$76,817</b>	<b>\$86,739</b>	<b>\$99,893</b>





# REAL EXPERIENCE

## *Real* RESULTS

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