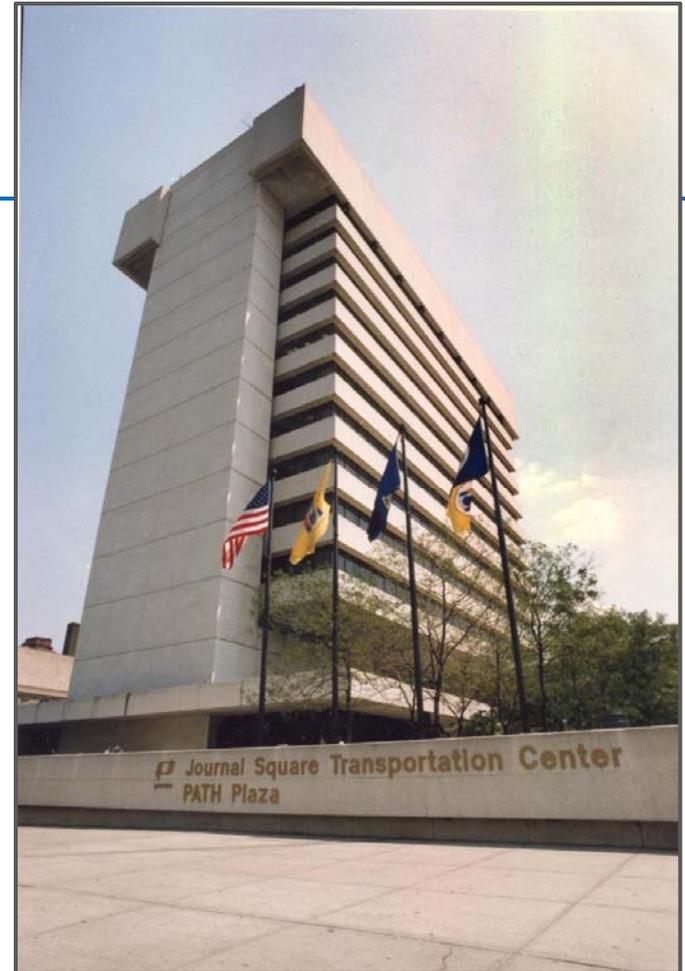


***Journal Square Transportation Center
Starbucks Corporation
New Lease***

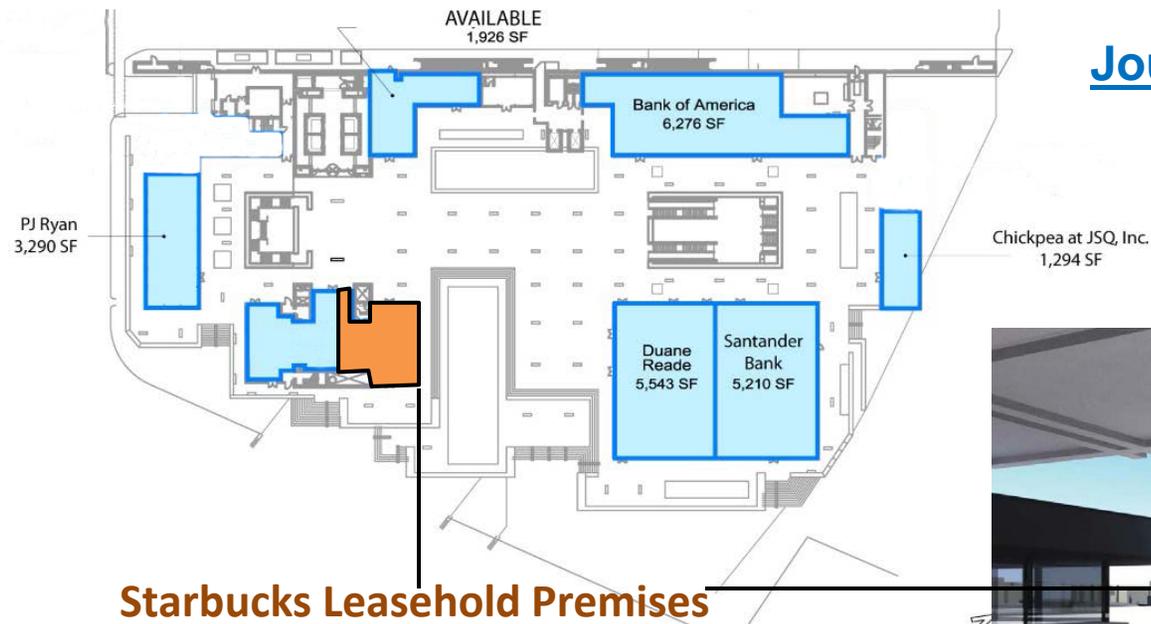
Committee on Operations
June 30, 2016

Background



THE PORT AUTHORITY OF NY & NJ

Premises



Journal Square Plaza Level



Financial Terms

- **Aggregate Rental of \$1.4 million over the initial 10-year term**
 - Lease includes 12.5% escalations every five years. Aggregate of \$3.14 million if two five-year extension option periods are executed.
- Port Authority pays a commission of \$59,202 to be split between Cushman & Wakefield and The Dartmouth Company of NJ (Starbucks' broker)
- Cancellable by PA on 30 Days' Notice
- Starbucks plans to invest approximately \$588,160 in the leasehold
- Starbucks to be reimbursed for landlord work performed on PATH's behalf

Benefits

- Increased Revenue Rental to the Port Authority
- Class A tenant who will provide a popular coffee and dining destination to patrons at JSTC



- Tenant will subdivide the former PSE&G space to allow space to be leased to another retailer
- Tenant will refurbish the space every 5 years