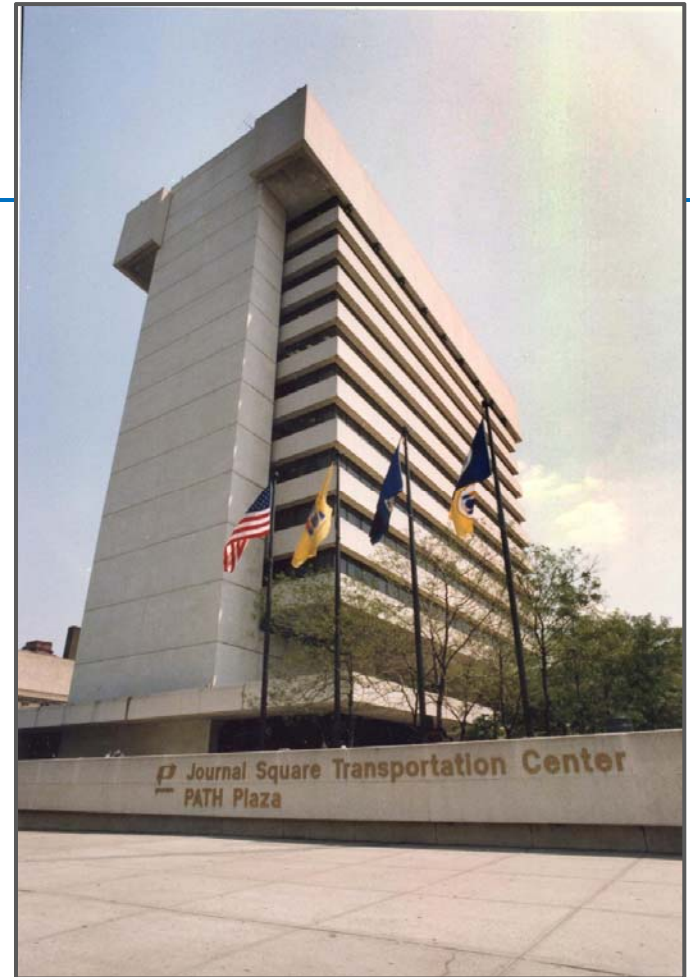


***Journal Square Transportation Center  
Starbucks Corporation  
New Lease***

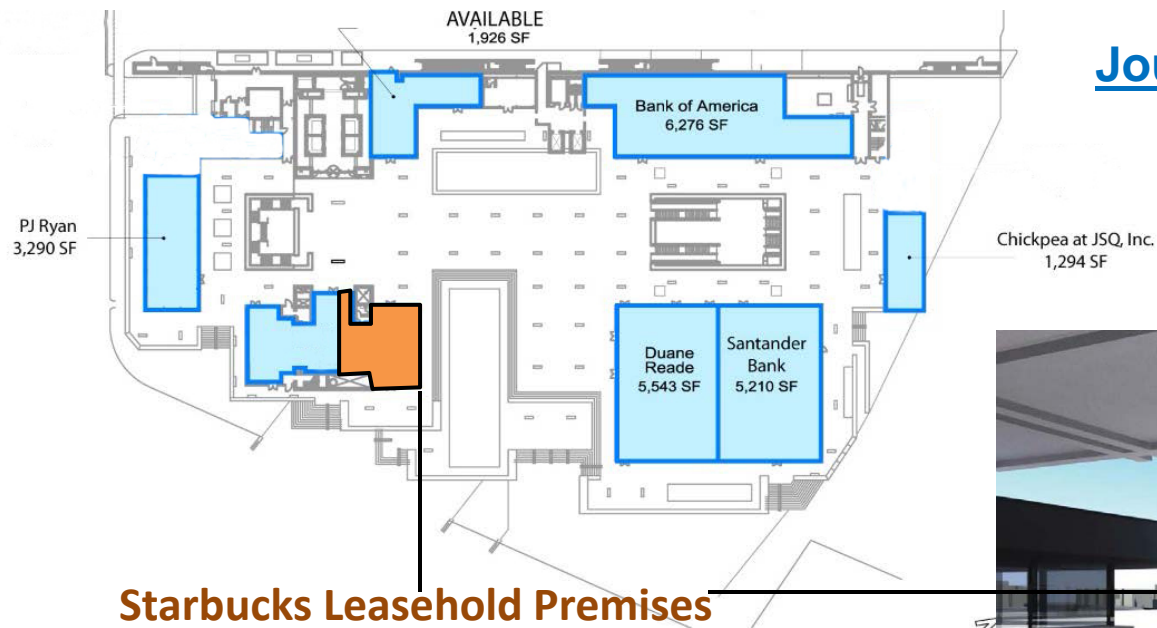
Committee on Operations  
June 30, 2016

# *Background*



**THE PORT AUTHORITY OF NY & NJ**

# Premises



## Journal Square Plaza Level



# *Financial Terms*

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- **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

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- 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