

Tenant Description

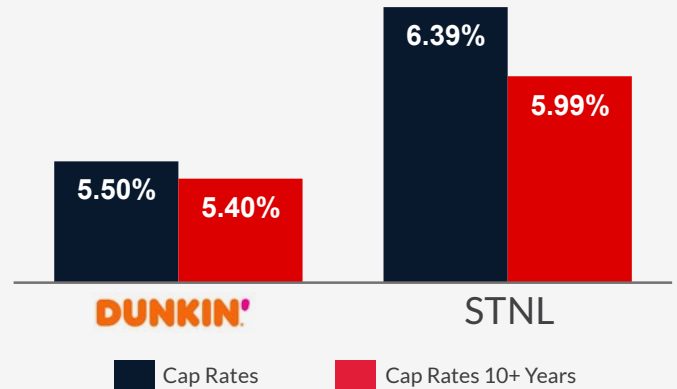
Dunkin', previously known as Dunkin' Donuts, has established itself as one of the premier coffee and donut chains throughout the country. Founded in Quincy, Massachusetts in 1950 Dunkin' has since expanded into a multi-concept international chain. Currently, Dunkin' has over 11,300 locations. In the US they cover 41 states. Baskin-Robbins is also under the Dunkin' umbrella and both concepts will often share one space.

Net Lease Overview

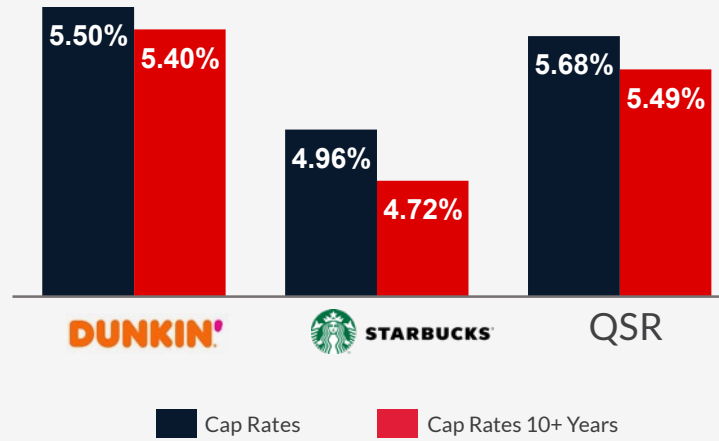
Dunkin' stands out as an investment opportunity against competitors in the market due to its strong brand recognition, popularity, and ability to connect with customers. Like other Quick Service Restaurants (QSRs), Dunkin' is resistant to online competition, the act of going to a physical location to pick up coffee and breakfast items will ensure the need for retail locations, but Dunkin' also provides quick reliable service that makes it convenient for the customers to visit. These locations are typically located in areas with high visibility and high traffic counts. These factors help ensure a strong demand for coffee but are highly desirable for any retail tenant. The flexible size of a Dunkin' store allows them to operate in a variety of locations, while their common layout is easy to retenant, in the event Dunkin' decides to vacate the property.

Dunkin' features a mixture of double net and triple net leases, a driving factor in their cap rate when sold. The types of lease impact the level of responsibility that falls on the investor. Investors expect to be compensated with a higher cap rates when they have higher levels of landlord responsibilities. Another factor that comes in to play is the financial strength of the operator. Most locations are franchisees, which come in an assortment of financial strengths.

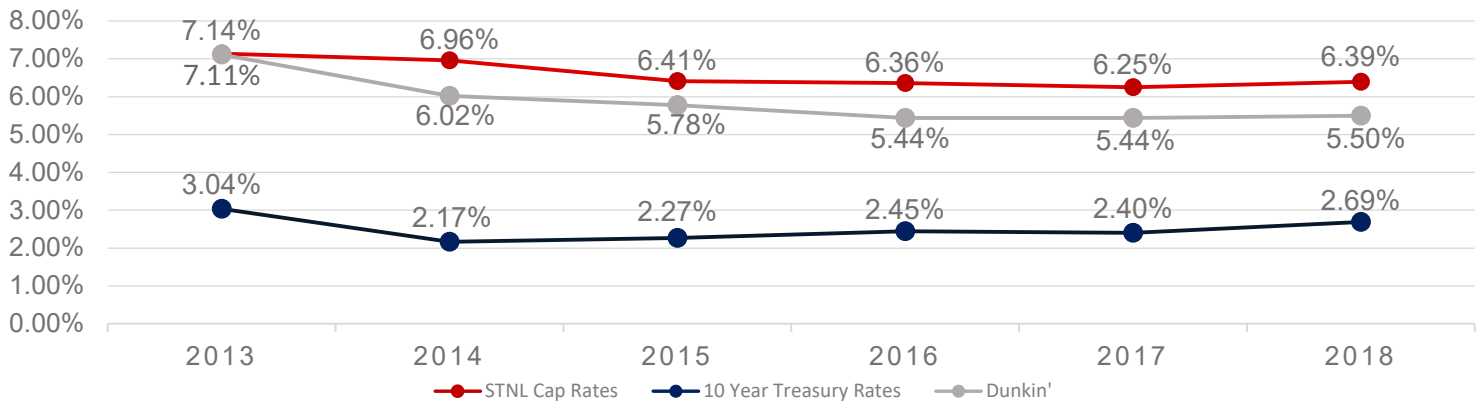
Average Cap Rates From the Past 12 Months



Average Cap Rates From the Past 12 Months



STNL Cap Rates vs Dunkin' Cap Rates vs 10-Yr T-Rates



CALKAIN | Research

12930 Worldgate Dr | Suite 150

Herndon, VA 20170

703.787.4714

DISCLOSURES: As part of our market research, we collect sales price, cap rate, and lease years remaining for all publicly advertised and sold STNL properties. a) We are not able to capture 100% of the off-market transactions that occur; however the nature of off-market typically limits their value as true market comps. b) Sources include public records, sales announcements, Calkain sales, and appraiser obtained sales amongst others. c) Our collection process, while thorough, is not all encompassing and there may be biases in the data as it relates to geography, tenancy, or brokers involved in the transaction. d) Public records often lag behind when transactions actually close, months in some cases. e) In sectors with a skew of greater than |2|, we have replaced the mean with the median to better describe these sectors. Consequently the data supplied here for any given quarter is likely to miss a material amount of transactions that actually closed in it.