



INVESTMENT OPPORTUNITY



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM | 5690 W CORTARO FARMS RD, MARANA AZ

DEVELOPED BY:

THOMPSON THRIFT
RETAIL GROUP

 **Kidder
Mathews**



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INVESTMENT SUMMARY

01



INVESTMENT SUMMARY

A new 15 year lease with 10% increases every 5 years located in one of the most business-friendly communities in Southern Arizona.

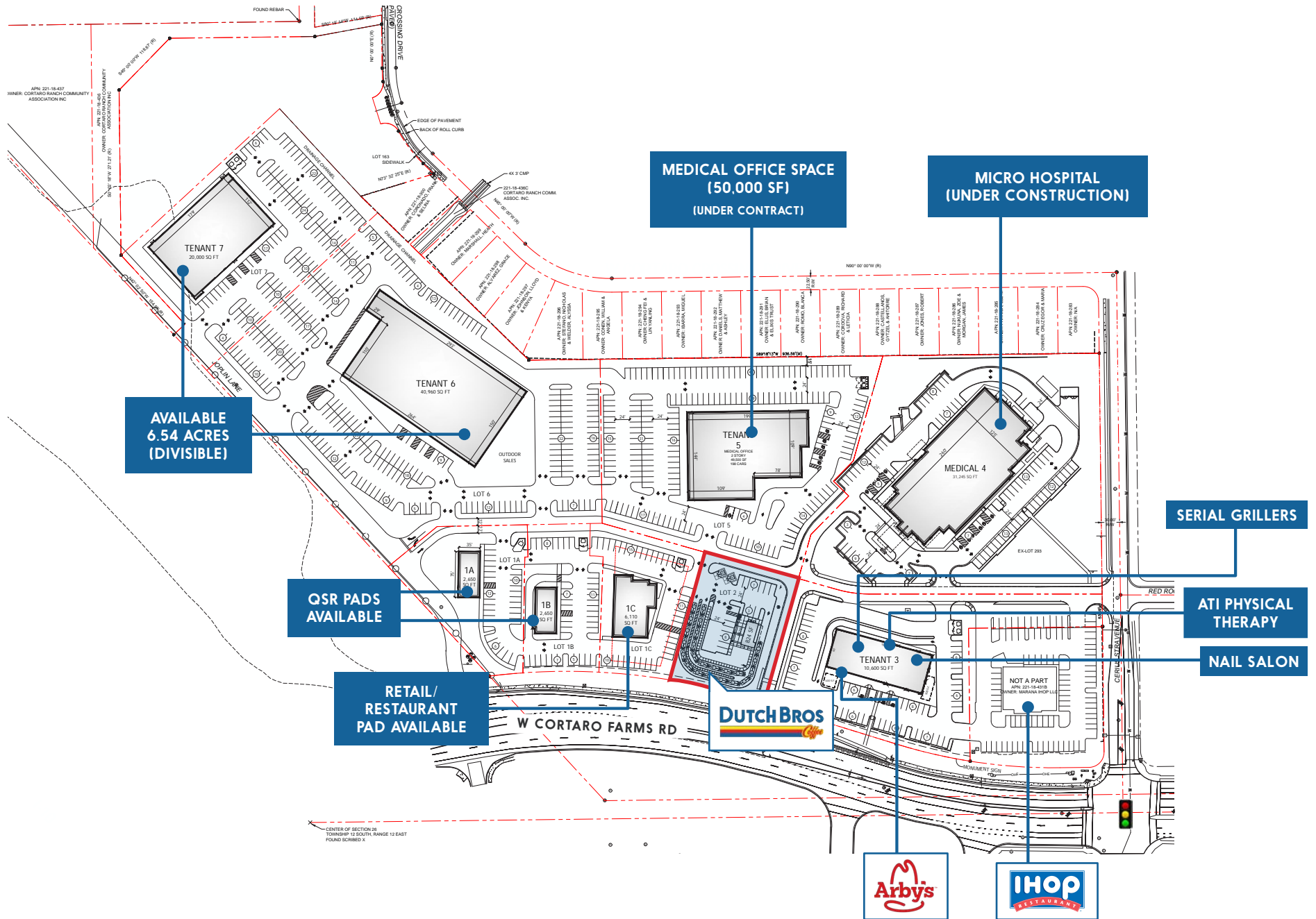
Property Overview

ADDRESS	5690 W Cortaro Farms Rd, Marana AZ
LEASE TERM	15 Year
LEASE COMMENCEMENT	Under Construction - July Opening
LEASE EXPIRATION	2034
INCREASES	10% increases every 5 years
LEASE OPTIONS	3 x 5 year (10% increase w/ each extension)
LEASE TYPE	NN
GUARANTEE	BB Holdings AZ, LLC (Dutch Bros Corp)
LANDLORD RESPONSIBILITIES	Roof & structure



OFFERING PRICE	\$1,885,714
CAP RATE	5.25%
LEASE TERM	15 year
NET OPERATING INCOME	\$99,000
YEAR BUILT	2019
TOTAL BUILDING AREA	±842 SF
TOTAL LAND AREA	±33,541 SF

SITE PLAN



LOCATION AERIAL





TENANT PROFILE

02



TENANT PROFILE



Dutch Bros Coffee was founded in 1992 by Dane and Travis Boersma, brothers of Dutch descent. After three generations in the dairy business, government regulations pressed the family to sell the cows. What felt devastating turned out to be a blessing in disguise.

The bros bought a double-head espresso machine, threw open the barn doors and started experimenting with just 100 pounds of beans and a rockin' stereo. They set up a pushcart on the railroad tracks and started passing out samples to anyone who would brave the new brew, and, within a month, they knew they had something special.

"One of the most rewarding things in this change of occupation was going from smelling cow manure to smelling coffee," said Dane. "You'd open the bag, and it was like heaven."

Today, Dutch Bros Coffee is the country's largest, privately held drive-thru coffee company, with over 367 locations in seven states and over 7,500 employees. But growth hasn't taken the company away from its roots. Dutch Bros still gives away drinks — now over one million each year — to further the bros' mission of "spreading the Dutch Luv."

The company donates over \$2 million a year to its local communities and nonprofit organizations, including the Muscular Dystrophy Association, in honor of Dane, who passed away in 2009 after a four-year battle with Lou Gehrig's disease. With its loyal customer base dubbed the Dutch Mafia, Dutch Bros Coffee continues to grow, and, wherever it does, the love, donations and smiles grow also.

TSG Consumer Partners ("TSG"), a leading private equity firm focused exclusively on the branded consumer sector, today announced that TSG has acquired a minority stake in Dutch Bros Coffee.

The partnership will enable Dutch Bros to expand its unique brand and Dutch Luv culture to new markets, leveraging TSG's expertise and resources. Dutch Bros hopes to grow to 800 shops in five years, continue attracting key talent, employ innovative technology to improve the quality of service, use business intelligence and data to advance operations, and execute a disciplined brand strategy.



COMPANY OVERVIEW

ESTABLISHED	1992
LOCATIONS	367+
EMPLOYEES	7,500+
HEADQUARTERS	Grants Pass, Oregon
COMPANY	Privately Held
WEBSITE	dutchbros.com



MARKET OVERVIEW

03



MARANA, AZ

Marana is fast becoming known as the most business-friendly community in Southern Arizona. With unrivaled access to transportation, a newly reorganized Development Services Center, and a local government that values corporate investment, businesses large and small are taking note and exploring opportunities in Marana. The Marana Economic Roadmap, the community's strategic plan for economic development, identifies three target industries that will lead the way for the Town's future job growth: transportation and logistics, tourism, and regional industry cluster support.

POPULATION GROWTH

For the foreseeable future, Marana is expected to be the fastest growing community in Southern Arizona in terms of housing starts, new retail construction and an expanding industrial market. In 2016 Marana led all communities in Pima County in single family housing permits. Since 2010 (34,780) Marana has added almost 10,000 people to its population base (43,474), nearly a 25% increase in population. (Town of Marana) This growth is expected to continue to make Marana an important part of the bright future of the Metropolitan Tucson area.

MARANA MEANS BUSINESS

Marana is home to a number of world-class companies on the cutting edge of science and technology. These corporations provide high-quality jobs for the community and critical linkages to Marana's educational system, helping develop the next generation of innovative leaders. Marana's unique position straddling Interstate 10 just northwest of Tucson and only 90 minutes south of Phoenix positions it to be a transportation and trade hub. Running parallel to I-10, the Union Pacific Railroad presents another option for the movement of goods and services. The Town of Marana has also invested tens of millions of dollars over the past decade in infrastructure improvements to the Marana Regional Airport, making it an important center for executive travel and general

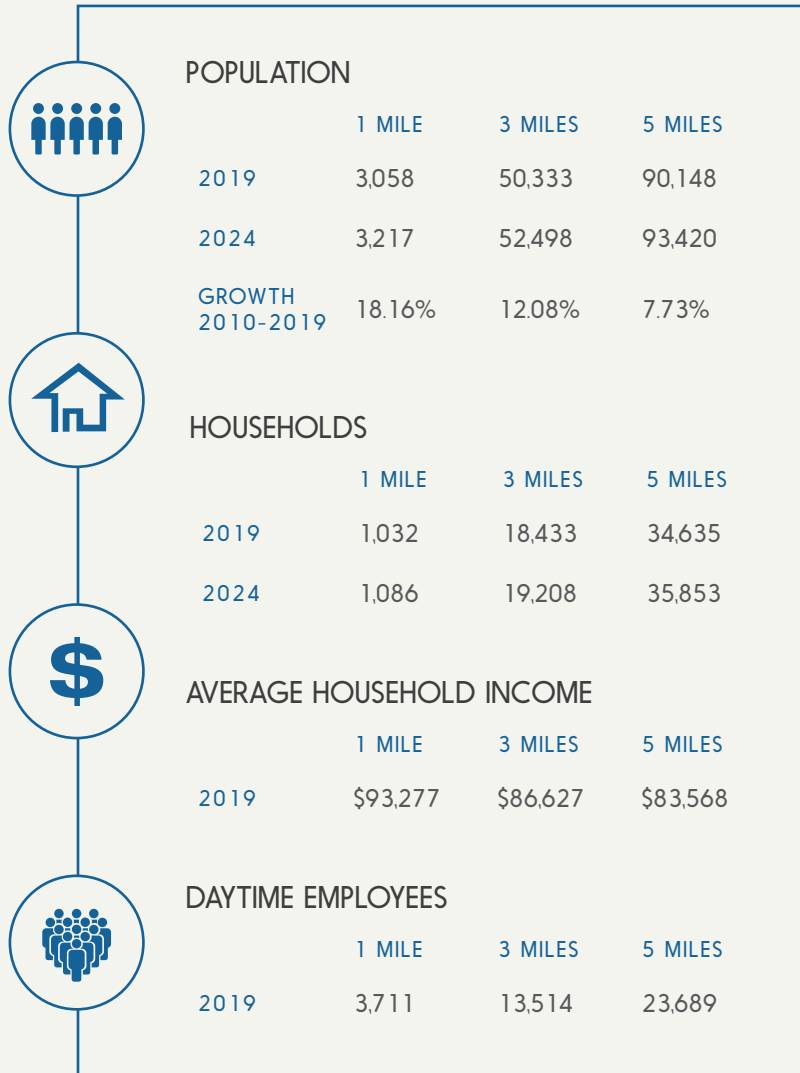
aviation. The Town continues to invest in expanding the airport's amenities and is actively seeking tenants for a nearly completed industrial park adjacent to the airport.

The list of major corporations that have already chosen to locate in Marana is impressive, including Sargent Controls & Aerospace, FLSmidth Krebs, Coca-Cola, Comcast, Lasertel, CalPortland, Johns Manville and Waste Management, among others. These companies are part of a base to a growing list of high-wage employers who make their home in Southern Arizona, including Raytheon, IBM, Honeywell, Sanofi-Aventis and The University of Arizona, a premier research institution. Marana's unique combination of assets allows it to focus on becoming the location of choice for the many companies that provide support to these employers through materials, contracting and labor, helping these firms expand and creating a truly sustainable economy.

The Town of Marana also sees itself as setting the example for progress and innovation, especially when it comes to use of taxpayer money. Even while growing at a rate of nearly 150% since 2000 and building key infrastructure to handle new developments, Marana businesses and residents still enjoy low-taxes when compared to other similar-sized communities. Marana has many times been recognized for its creative use of funds to ensure that public projects are delivered on time, on budget and to the satisfaction of its residents.

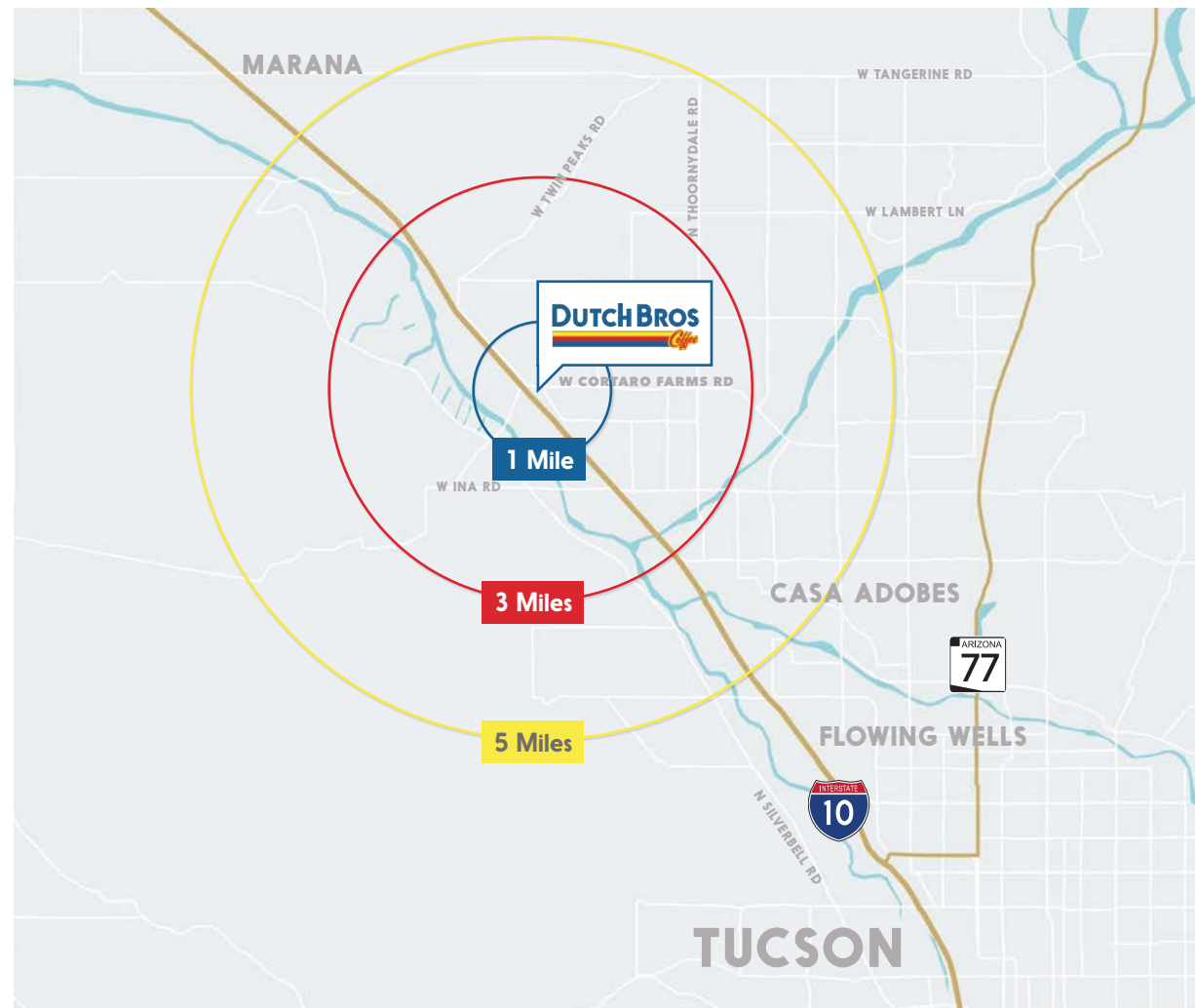


AREA DEMOGRAPHICS



AFFLUENT & GROWING TRADE AREA

More than 90,000 residents within 5 miles with an average household income of \$83,000





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R E T A I L G R O U P

