



Single Tenant Absolute NNN Fee Simple

Brand New 2019 Construction

U.S.'s Largest Privately Held Drive-Thru Coffee Company

SWC E. Cottonwood St. & S. Main St, Cottonwood, AZ 55125



PROPERTY OVERVIEW

ONE OF THE FASTEST GROWING COFFEE BRANDS IN THE NATION

We are pleased to offer to qualified investors an opportunity to purchase a brand new 2019 construction Dutch Bros. on a new 15 year absolute NNN lease. The subject property comprises an 815 SF building on a 26,500 SF lot located as an out parcel to a grocery anchored shopping center in the main retail trade hub of Cottonwood, AZ. Positioned on E. Cottonwood St., the property has excellent street frontage and sees more than 29,000 VPD with traffic generators such as Food City, Safeway, Chase Bank, Bank of America, The Home Depot and more in close proximity. Additionally, the subject property is located 1 mile from the Verde Valley Medical Center which is part of the Northern Arizona Healthcare system and is the largest healthcare organization in the region with over 3,000 doctors, nurses, and experts. This is an excellent opportunity to acquire a brand new 2019 construction absolute NNN investment, leased to one of the fastest growing coffee brands in the nation, on a new 15 year NNN lease, with attractive 10% rental increases every 5 years, providing inflation hedge, zero landlord responsibilities, and passive income to investors.



PRICING DETAILS

List Price \$1,725,000

CAP Rate 5.20%

Annual Rent \$89,700

Taxes NNN

Insurance NNN

CAM NNN

LEASE ABSTRACT

Tenant Trade Name Dutch Bros.

Lease Start April 1, 2019

Lease Expiration March 31, 2034

Lease Term 15 Years

Term Remaining On Lease 15 Years

Base Rent \$89,700

Rental Adjustments
4/1/2024: \$98,670
4/1/2029: \$108,537

Option Periods
3 - 5 Year Options
10% Increases Each Option
4/1/2034: \$119,391
4/1/2039: \$131,330
4/1/2044: \$144,463

Lease Type NNN Lease

Roof & Structure Tenant Responsible

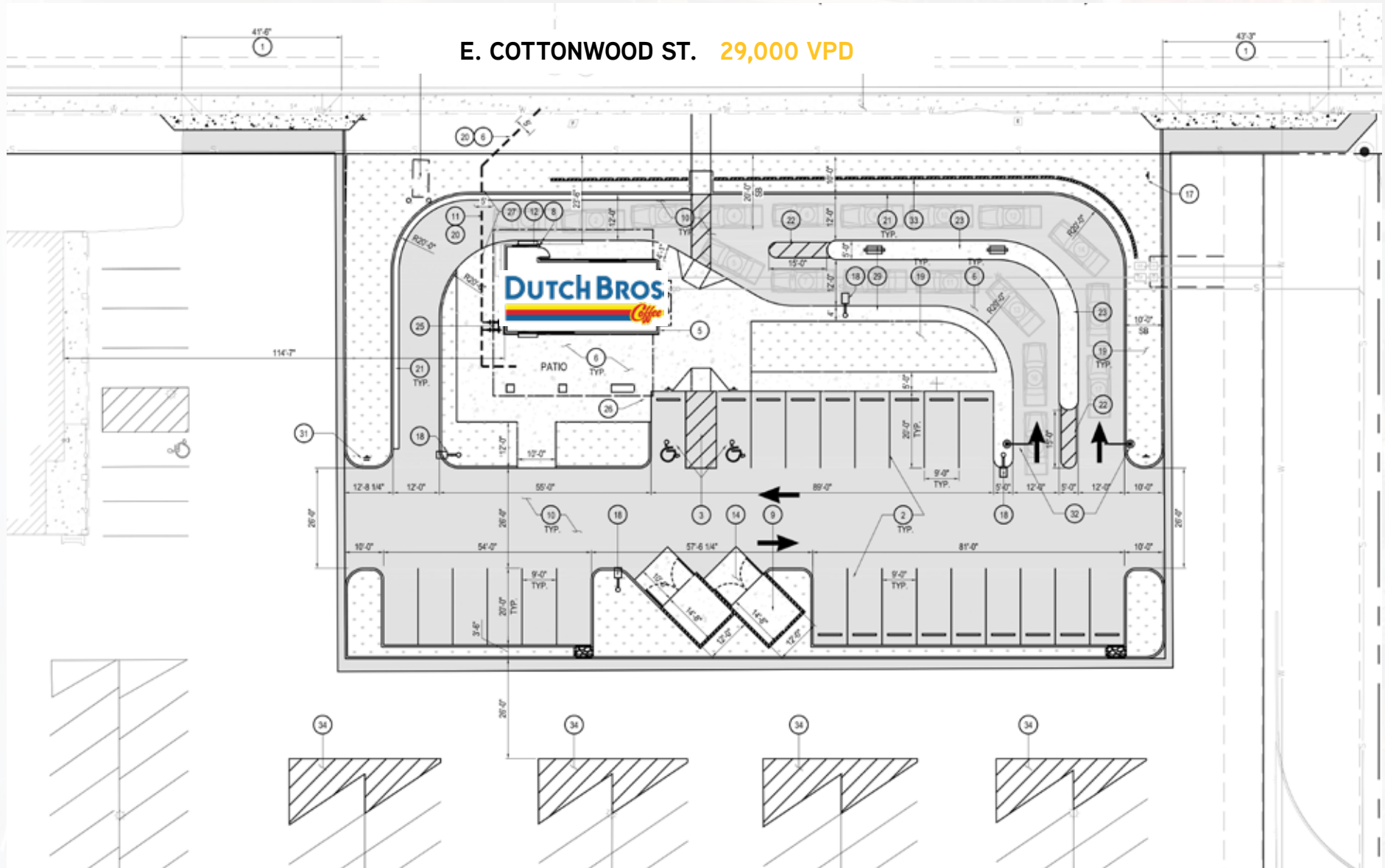
INVESTMENT HIGHLIGHTS

Brand New 2019 Construction - Absolute NNN Lease - Coupon Clipper Asset

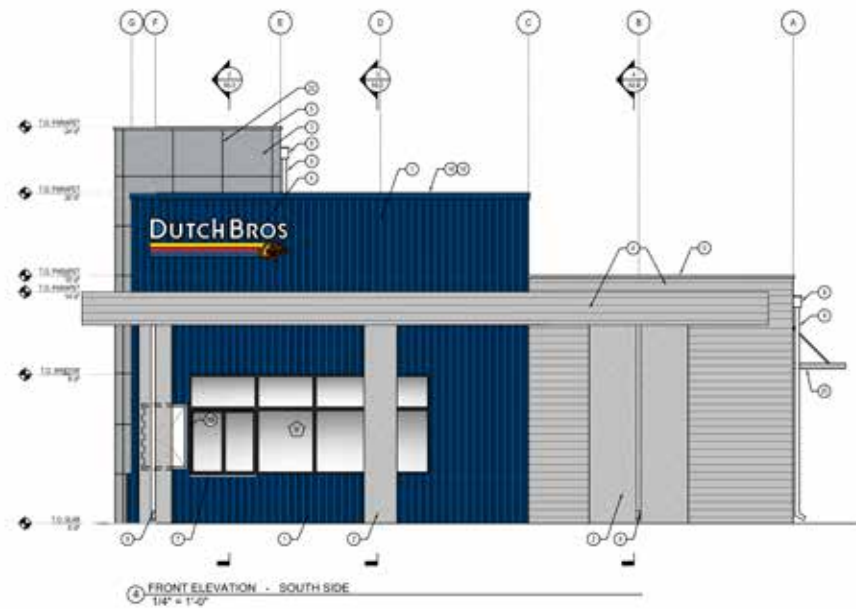
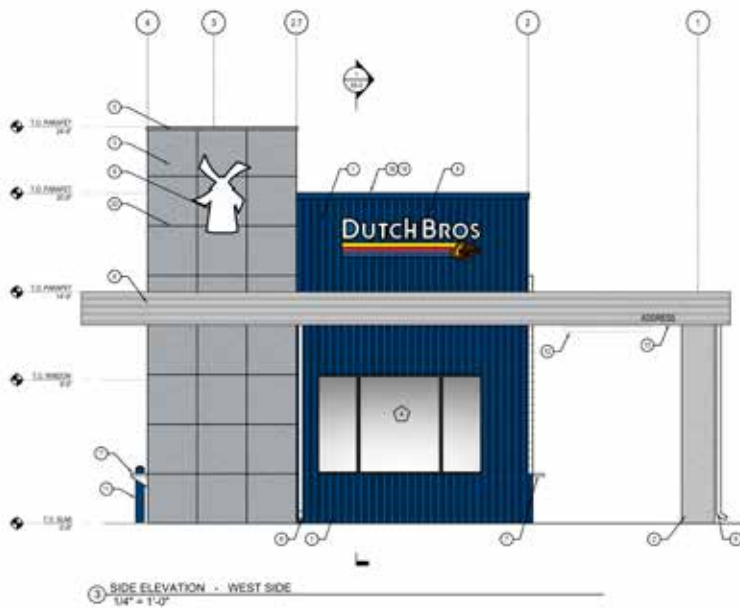
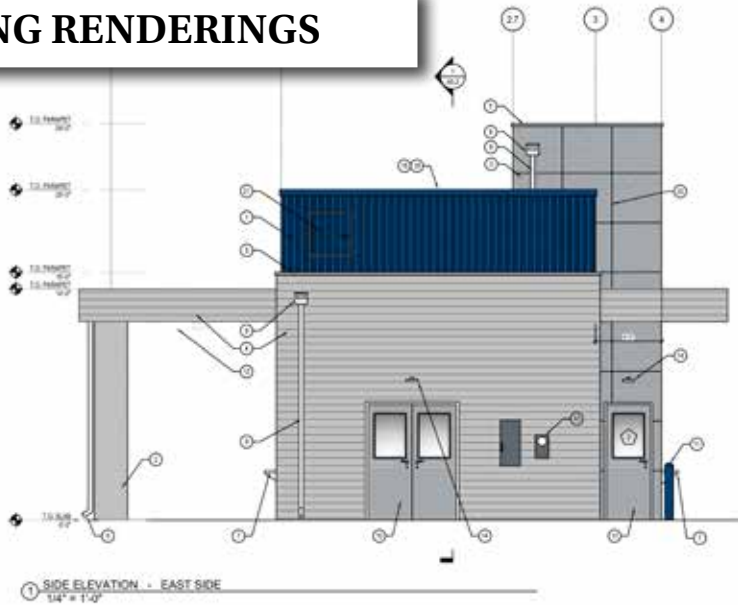
- **Dutch Bros.** - U.S.'s Largest Privately Held Drive-Thru Coffee Company
- Recent Minority Stake Investment from TSG Consumer Partners
A Leading Private Equity Firm Focused on the Branded Consumer Sector
- **One of the Fastest Growing Coffee Brands in the Nation**
- Plans to Grow from 300 to 800 New Locations in the Next 5 Years
- **Long Term Lease** - New 15 Year Lease - 3-5 Year Options
- **Inflation Hedge** - 10% Rental Increases Every 5 Years (Including Options)
- **Out Parcel to Grocery Anchored Shopping Center (Food City)**
- Surrounding Traffic Generators Include - Safeway, Chase Bank, Bank of America, The Home Depot and More
- Excellent Street Frontage Along E. Cottonwood St. - AADT Exceeds 29,000
- **Tenant Maintains its Own Premises** - Zero LL Responsibilities
- **Close Proximity to Verde Valley Medical Center** - Part of the Regions Largest Hospital Organization - Over 3,000 Doctors, Nurses, & Experts
- **Demographics** - Over 34,332 Residents within 5 Mile Radius
- **Neighborhood** - \$59,040 AHHI within 5 Mile Radius



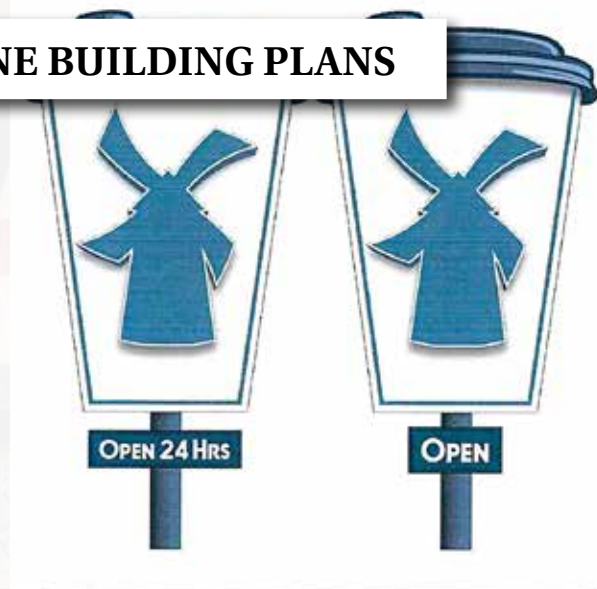
SITE PLAN | DUTCH BROS.



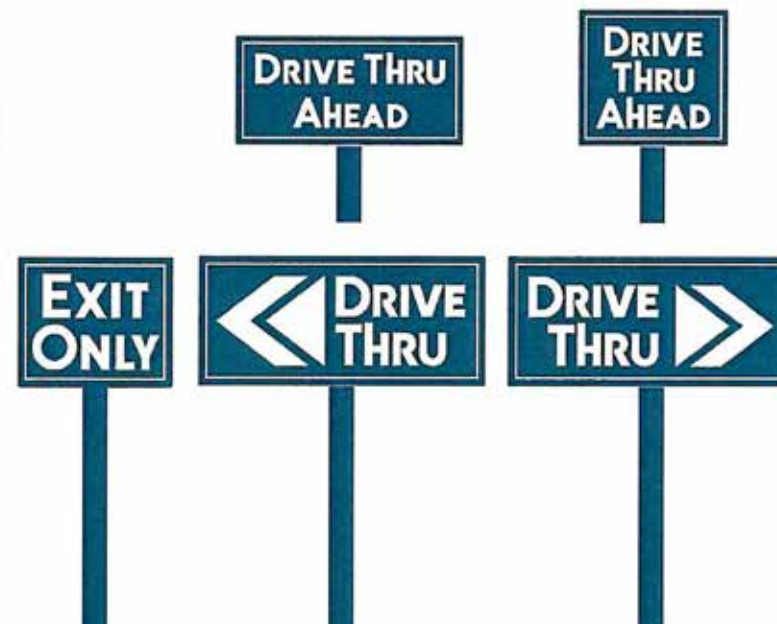
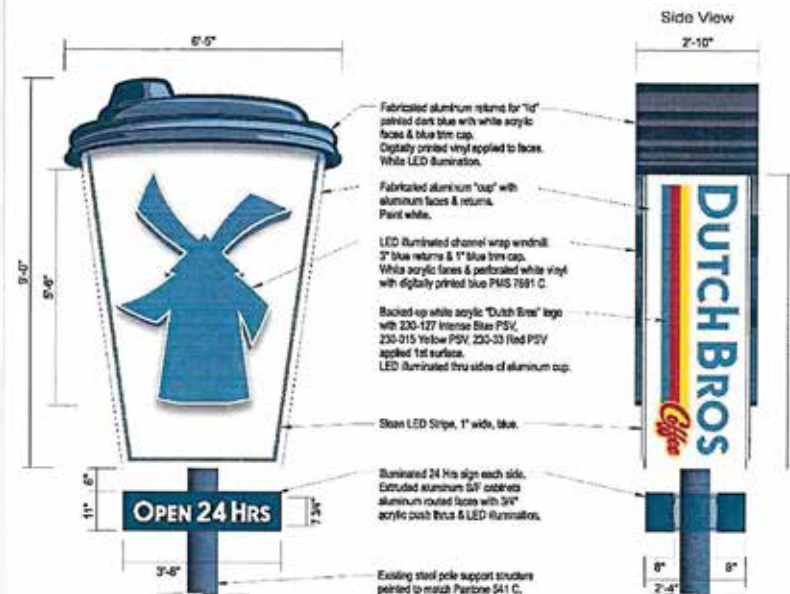
BUILDING RENDERINGS



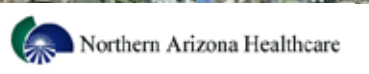
BASELINE BUILDING PLANS



D/F Internally Illuminated Pole Sign







VERDE VALLEY MEDICAL CENTER
Part of the Regions Largest
Hospital Organization
Over 3,000 Doctors, Nurses, & Experts



E. COTTONWOOD ST. 29,000 VPD



**Cottonwood
Airport**

S. WILLARD ST.

S. 6TH ST.

S. MAIN ST.



89A

260

**Mingus Union
High School**





TENANT OVERVIEW

DUTCH BROS COFFEE

Dutch Bros Coffee is the largest privately held drive-through coffee chain in the United States. It is headquartered in Grants Pass, Oregon, with company-owned and franchise locations expanding throughout the western United States.

The company was founded on February 12, 1992 by Dane and Travis Boersma, brothers of Dutch descent, in Grants Pass, Oregon. It originally sold coffee from pushcarts around town, and by 2018 had over 300 coffee stands in seven Western states with the majority being drive-thrus and a few walk ins. The coffee chain serves a variety of coffees, caffeinated beverages, and other drinks including tea, energy drinks, smoothies, hot cocoa, soda, and lemonade including a “not-so-secret menu”. The company’s mission statement centers on three core values: quality, speed, and service. The company was on the Forbes Small Giants: America’s Best Small Companies list in 2017.



Dutch Bros Coffee	
Year Founded	1992
Headquarters	Grants Pass, Oregon
Locations	325+
Employees:	10,000+
Geographic Footprint	Arizona, California, Colorado, Idaho, Nevada, Oregon, Washington

Awards & Recognition

The Oregonian’s Top Places to Work 2017

Travis Boersma, Portland Business Journal 2017 Executive of the Year

Portland Business Journal Fastest Growing for at least 7 years & Best Places to Work 2017

Forbes Small Giants 2017

J.D. Powers Best in Customer Satisfaction: In Specialty Coffee Retailer Satisfaction Report 2012 & 2013



AREA OVERVIEW

CITY OF COTTONWOOD

The City of Cottonwood is located adjacent to the Verde River at elevations ranging from 3,300 feet to 3,900 feet above sea level and experiences a mild climate which, together with its proximity to an abundance of natural amenities such as the Grand Canyon, Sedona, Dead Horse Ranch State Park, Tuzigoot National Monument and the historic mining communities of Clarkdale and Jerome, continues to attract steady growth and tourism.

Recent History

In 1990 the City constructed a wastewater treatment plant and collection system, the first in the Verde Valley. This plant was expanded in the 1990s to treat 1.5 million gallons per day and allow discharge of reclaimed water into Del Monte Wash. The availability of a modern sanitary sewer system has assisted the City to attract and accommodate growth.

Since 2001 the City has pursued the acquisition of the private water companies serving the area and with those acquisitions the City of Cottonwood has become a full service municipality. Cottonwood has experienced a major expansion of the Verde Valley Medical Center, development of new residential projects such as Cottonwood Ranch and many commercial and office projects.



Population Growth

The Verde Valley has experienced significant population growth in recent years, 51% between 1990 and 2000. The table below shows the area's population increases during this period:

Community	1990 Population	2000 Population	2010 Population
Cottonwood	5,918	9,179	11,265
Clarkdale	2,144	3,422	4,097
Camp Verde	6,243	9,451	10,873
Jerome	403	329	444
Sedona	7,720	10,192	10,031



Population	1-MILE	3-MILE	5-MILE
Estimated Population (2018)	7,528	25,932	34,332
Projected Population (2023)	8,020	27,738	34,332
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2018)	3,234	11,062	13,759
Projected Households (2023)	3,452	11,843	14,685

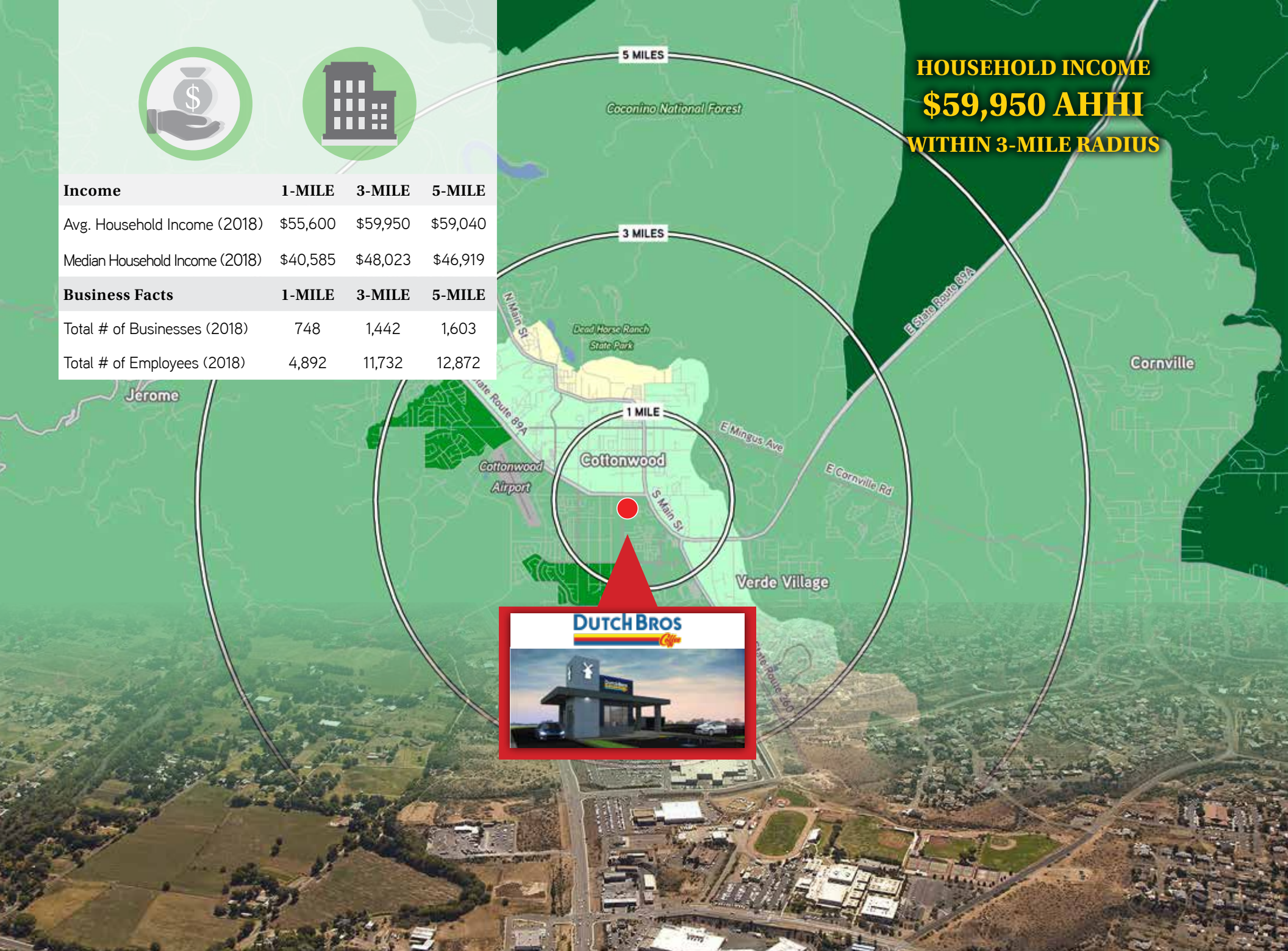
POPULATION DENSITY
25,932+ RESIDENTS
WITHIN 3-MILE RADIUS





Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2018)	\$55,600	\$59,950	\$59,040
Median Household Income (2018)	\$40,585	\$48,023	\$46,919
Business Facts	1-MILE	3-MILE	5-MILE
Total # of Businesses (2018)	748	1,442	1,603
Total # of Employees (2018)	4,892	11,732	12,872

HOUSEHOLD INCOME
\$59,950 AHHI
WITHIN 3-MILE RADIUS





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By acknowledging your receipt of this Offering Memorandum from Colliers, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of Dutch Bros. - Cottonwood, AZ or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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