

OFFERING MEMORANDUM

INVESTMENT PROPERTIES
NATIONAL NET LEASE PROPERTY GROUP

SINGLE-TENANT TRIPLE-NET INVESTMENT OFFERING
9330 E GOLF LINKS RD | TUCSON, AZ

CBRE



ACTUAL SITE



THE NET LEASE PROPERTY GROUP - PHOENIX

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ACTUAL SITE PHOTOS

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2575 East Camelback Road, Suite 500
 Phoenix, Arizona 85016
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INVESTMENT OVERVIEW

INVESTMENT OPPORTUNITY

CBRE and the Net Lease Property Group in Phoenix have exclusively listed the Dutch Bros Coffee (the “Property”) located on 9330 East Golf Links Road. This Dutch Bros Coffee offering consists of a new, 15-year triple-net (NNN) single-tenant lease with ± 14.75 years remaining. The brand-new building is made up of ± 817 rentable square feet on approximately 28,000 square feet of land.

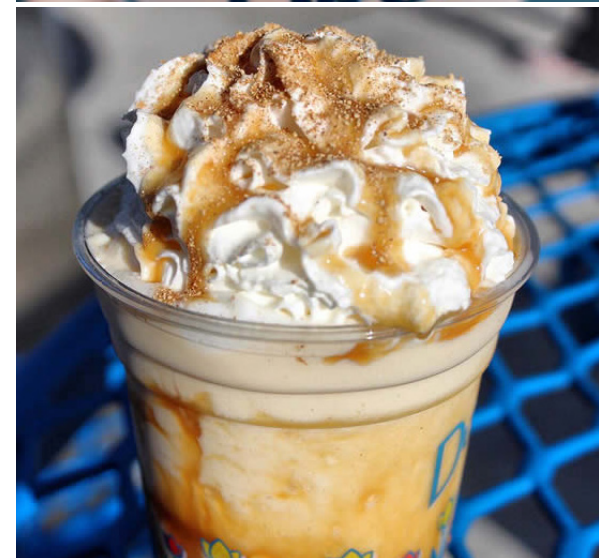
The investment opportunity offers an attractive corporate lease with Dutch Bros Coffee, the country’s largest privately held drive-thru coffee company. The lease calls for 10% rental increases every five years.

Dutch Bros Coffee is an independent manufacturer and producer of coffee based in Grants Pass, Oregon. Founded in 1992, two brothers of Dutch descent went from experimenting with coffee grounds at their family’s dairy farm, to operating an enterprise with revenues over \$415 million a year in 2017. Dutch Bros Coffee is known for their signature, three-bean mixed hot coffee, cold brew, and patented energy drink, Blue Rebel, as well as a variety of espressos, lattes, mochas, smoothies, and snacks (Source: dutchbros.com).

The Property is located in Tucson which is Arizona’s second largest city. Tucson boasts a population of more than $\pm 545,975$ people (Source: US Census Bureau, 2018). The Property is well-positioned to take advantage of the working population, with roughly 47,028 daytime workers in a 5-mile radius (Source: Esri).

Dutch Bros Coffee is strategically located on East Golf Links Road, which has approximately 27,017 vehicles per day (Source: ADOT, 2018). Nearby national retailers include: LA Fitness, Safeway, Walgreens, The UPS Store, Taco Bell, McDonald’s, Chase Bank, Pizza Hut, Circle K, Ace Hardware, and more.

The Property is approximately five miles from Davis-Monthan Air Force Base which employs over 8,500 people and is one of the most active military bases in the United States. It is home to the 355th Contracting Squadron and hosts ± 11 more divisions and subdivisions which are comprised of over 11,000 Airmen combined.





ACTUAL SITE

- › Brand new single-tenant Dutch Bros Coffee investment opportunity, offering a 15-year triple-net (NNN) lease with ± 14.75 years remaining and 10% rental increases every five years.
- › Corporate guarantee with Dutch Bros Coffee, which has over 320 locations and $\pm 10,000$ employees in seven states (Source: DutchBros.com).
- › Brand new 2019 construction, including a drive-thru.
- › 2019 Population of 157,884 in a 5-mile radius (Source: Esri).
- › Nearby national retailers include: LA Fitness, Safeway, Walgreens, Taco Bell, McDonald's, Chase Bank, Pizza Hut, Circle K, Ace Hardware, and more.
- › Tucson is home to the University of Arizona, the first university in Arizona. Founded in 1885, the university is one of the top-ranked research facilities in the country, especially known for its Optical Sciences department, Space Exploration research and sports programs. There are approximately 44,831 students enrolled (Source: Arizona.edu).
- › Top employers in Tucson include: The University of Arizona ($\pm 11,251$ employees), Raytheon Missile Systems ($\pm 9,600$ local employees), Davis-Monthan Air Force Base ($\pm 8,580$ employees), State of Arizona ($\pm 8,500$ employees), and Tucson Unified School District ($\pm 7,700$ employees) (Source: Tucson Relocation Guide, 2018).

INVESTMENT HIGHLIGHTS

INVESTMENT OVERVIEW

PRICING SUMMARY

ADDRESS	9330 East Golf Links Road Tucson, AZ 85730		
NOI	\$95,000		
YEAR BUILT	2019	<div>LIST PRICE</div> <div>\$1,950,000</div> <div>CAP RATE</div> <div>4.87%</div>	
RENTABLE SF	±817		
PARCEL SIZE	±28,000 SF		
PARCEL NUMBER	136-13-3300		
NLPG PHOENIX TEAM WEBSITE	www.cbre.us/nlpgphoenix		

RETURN SCHEDULE

10% Every Five Years

YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE RETURN SCHEDULE
YEARS 1-5	\$7,916.67	\$95,000.00	4.87%
YEARS 6-10	\$8,708.33	\$104,500.00	5.36%
YEARS 11-15	\$9,579.17	\$114,950.00	5.89%
YEARS 16-20	\$10,537.08	\$126,445.00	6.48%
YEARS 21-25	\$11,590.83	\$139,090.00	7.13%
YEARS 26-30	\$12,749.83	\$152,998.00	7.85%

* Initial Term is highlighted.

LEASE SUMMARY

TENANT'S NAME	Dutch Bros Coffee
COMPANY TYPE	Private
LEASE GUARANTOR	Corporate
LEASE TYPE	Triple Net (NNN)
LEASE COMMENCEMENT	01/12/2018
RENT COMMENCEMENT	05/31/2019
LEASE EXPIRATION	05/30/2034
INITIAL LEASE TERM	15 Years
LEASE TERM REMAINING	14.75 Years
RENT INCREASES	10% Every Five Years
OPTIONS TO RENEW	Three (3), Five (5) Year

Landlord's Maintenance. Landlord agrees to repair and maintain in good order and condition, at its sole expense, and if necessary, to replace during the Term, the roof, exterior walls, footings, foundation, subfloor, roof gutters and drains, and flashings of the building.

Tenant's Maintenance. Except to the extent Landlord is obligated to maintain, repair and replace the Premises pursuant to the above, on and after the Delivery Date, Tenant will repair and maintain, at its own cost, the Premises and all improvements thereon and Tenant's Improvements in good order and condition during the Initial Term and any Extension Terms, and conduct routine repair and maintenance of the HVAC system and all other all maintenance, repairs, and replacements of the HVAC system. Tenant's obligations will include, without limitation, the maintenance, repair and replacement of: (a) the interior of the Building and all exterior portions that are not Landlord's responsibility, including glass and plate glass; (b) all mechanical, electrical, plumbing, and fire-life safety systems and equipment serving the Building; (c) landscaping, lighting and drainage facilities, utility lines, sprinkler systems, and storm draining systems; (d) cleaning, sweeping, repairing, re-painting and re-stripping of parking areas and other paved surfaces; (e) janitorial services and trash collection and removal; and (f) pest control services.

DEMOGRAPHICS

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS
2019 POPULATION	12,673	83,601	157,884
2024 POPULATION	12,828	85,746	163,212
GROWTH 2019-2024	0.24%	0.51%	0.67%
2019 AVERAGE HOUSEHOLD INCOME	\$76,169	\$70,100	\$68,790
2019 EMPLOYEES	1,504	14,125	41,258
2019 MEDIAN AGE	45.7	42.3	41.2



ACTUAL SITE PHOTOS

PROPERTY OVERVIEW

LOCATIONS
±320

HEADQUARTERS
**GRANTS
PASS, OR**

REVENUE (2017)
\$415M

EMPLOYEES
±10,000

TENANT OVERVIEW

Founded in Southern Oregon in 1992 by dairy farmer brothers, Dane and Travis Boersma, Dutch Bros Coffee is the country's largest privately held, drive-thru coffee company.

Having started from humble beginnings, as a single espresso pushcart in the small town of Grants Pass, Ore., the company now has over 320 locations in Colorado, California, Washington, Idaho, Nevada, Oregon and Arizona.

Dutch Bros Coffee serves specialty coffee drinks, smoothies, freezes, teas and its private-label Dutch Bros Blue Rebel™ energy drink that customers can infuse with their favorite flavors.

Every cup of coffee is handcrafted — roasted by hand in the Pacific Northwest, blended by hand and then ground and pulled by hand, ristretto-style.



TRAVIS BOERSMA, CEO



Dutch Bros Coffee was ranked by J.D. Power and Associates as highest in customer satisfaction compared to other coffee companies in its 2012 and 2013 Specialty Coffee Retailer Satisfaction Reports(SM).

Dutch Bros Coffee franchises are locally owned and operated. Owners have a personal investment in the communities they serve and contribute to various local causes and organizations.

Dutch Bros Coffee has always focused more on people than the bottom line, with a desire to transform lives rather than conduct transactions. 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.



In 2005, Dutch Bros Coffee Co-founder Dane Boersma was diagnosed with amyotrophic lateral sclerosis, ALS. Dutch Bros Coffee rallied around him and started Drink One for Dane in 2007. The day became a way to celebrate Dane's inspiration, love and passion for music, a compelling future for all and good vibes.



Valentine's Day is Dutch Luv Day. All Dutch Bros Coffee locations partner with their communities and customers to raise funds and awareness for local food organizations. All donate \$1 from every drink sold to local food banks.



On September 29, National Coffee Day, all Dutch Bros Coffee locations participate in a company-wide event known as Buck for Kids. All locations donate at least a "buck" per drink or proceeds from the day to local youth programs selected by each franchisee.

SOURCE: www.dutchbros.com

Dutch Bros
Coffee

E GOLF LINKS RD



S HARRISON RD

LA FITNESS



Walgreens



SITE PLAN

NOT TO SCALE
ALL DIMENSIONS ARE APPROXIMATE

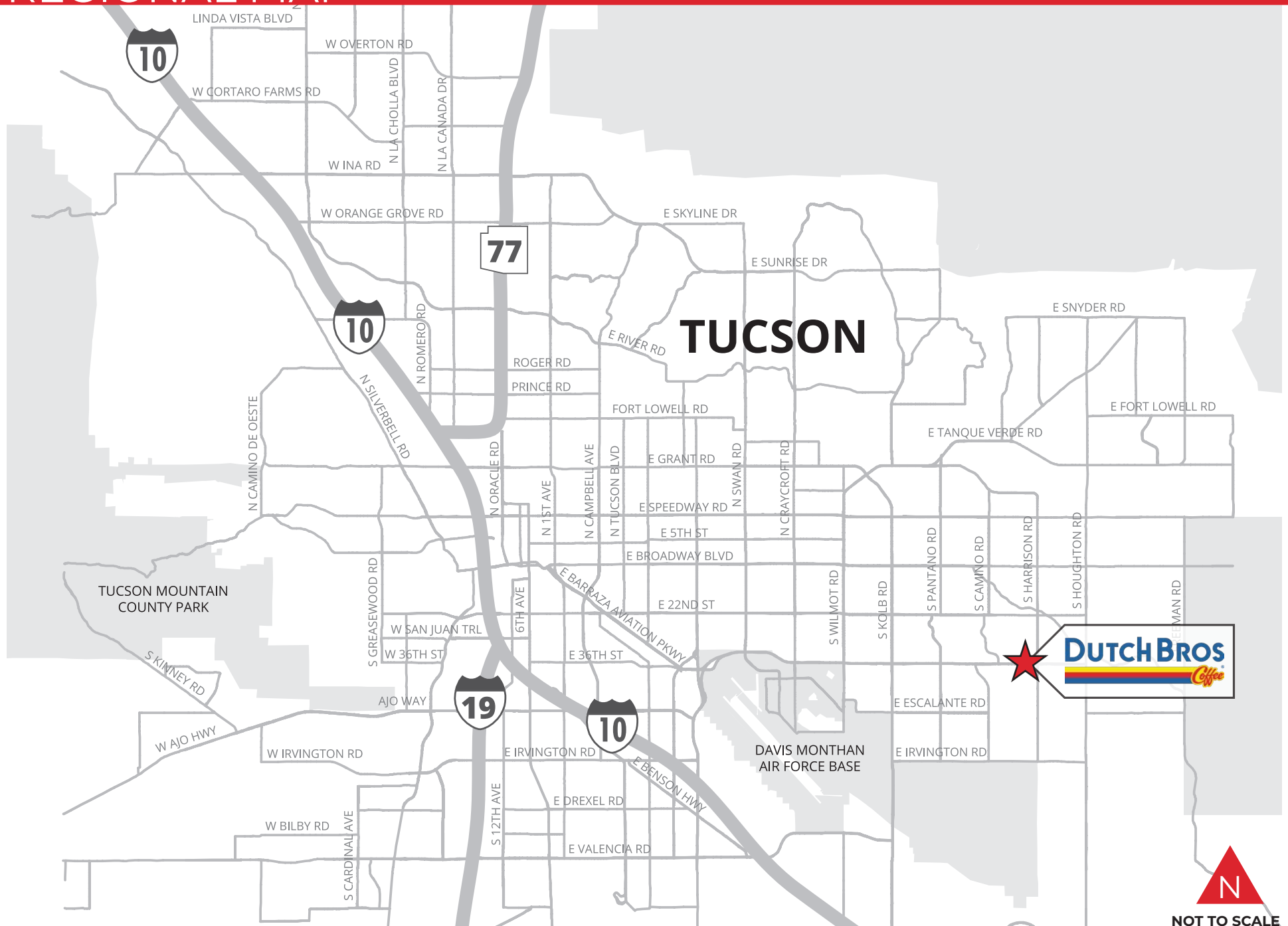
PROPERTY OVERVIEW - NEIGHBORING RETAILERS





AERIAL

REGIONAL MAP



TUCSON

Metro Tucson is a vibrant community located in Southern Arizona that has earned its reputation as a desirable place to call home and do business. The Tucson metro is the second largest MSA in Arizona with a population of ±1 million residents. A growing arts culture and culinary scene and a buzzing downtown core featuring a true live-work-play environment, in addition to an array of outdoor activities and annual events contributes to residents' quality of life. The region's mix of high-end and affordable housing contributes to a diverse community that attracts both executives, first-time home-buyers, and renters alike.

A major economic engine in the region is the University of Arizona (UA), which provides a strong talent pipeline for the metro. Enrollment at UA has reached nearly 45,000 students and the area has been touted as one of the best college towns in the country. Additional educational institutions such as Pima County Community College, Central Arizona College, and Embry Riddle Aeronautical University give employers piece of mind that their talent needs will be met. In addition to a quality workforce, employers are attracted to the region because of its affordable cost of living, business-friendly environment, availability of land and proximity to major markets. Recent employer announcements in the metro include C3/ Customer Contact Channels, Raytheon, GEICO, Caterpillar, Texas Instruments, Axis Cades, Pima County Education Department, Simpleview, and TuSimple. Together, these announcements will contribute to the creation of thousands of jobs to the area. Over the last several years, the economy has experienced slow, yet steady growth. Metro Tucson's economy is driven by key industries including healthcare, manufacturing and aerospace and defense.



TOP TUCSON ATTRACTIONS

- › Tucson Gem and Mineral Show
- › Tucson Sugar Skulls (Arena Football)
- › Tucson Roadrunners (Hockey)
- › FC Tucson (Soccer)
- › Tour de Tucson (Cycling)
- › Rialto Theatre
- › AVA Amphitheater
- › FOX Theatre
- › Pima Air and Space Museum
- › La Fiesta de los Vaqueros Tucson Rodeo
- › Tucson Festival of Books
- › All Souls Procession
- › Tucson PGA Golf Tour
- › Tucson Jazz Festival
- › Arizona-Sonora Desert Museum

PARKS & RECREATION

- › Saguaro National Park East/West
- › Coronado National Forest
- › Ski Valley, Mount Lemmon
- › 40+ Golf Courses
- › The Loop - cyclist, pedestrian & equestrian use - 131 miles

METROPOLITAN TUCSON OVERVIEW

MARKET OVERVIEW

TUCSON DEMOGRAPHIC PROFILE

1,022,789
METRO TUCSON



7,016,270
ARIZONA

Metro Tucson is the second largest MSA in Arizona

Metro Tucson is expected to add 42,800 new residents over the next five years.

0.8%

Tucson (2018-2023)
Average Annual Growth

0.8%

United States (2018-2023)
Average Annual Growth

Demographics

Median Age

39.0
TUCSON METRO
37.2
ARIZONA
38.3
UNITED STATES

Median Household Income

\$51,163
TUCSON METRO
\$54,974
ARIZONA
\$58,100
UNITED STATES

Average Home Price

\$257,202
TUCSON METRO
\$275,198
ARIZONA
\$310,149
UNITED STATES

Tucson Educational Attainment

22.0%
BACHELOR'S+

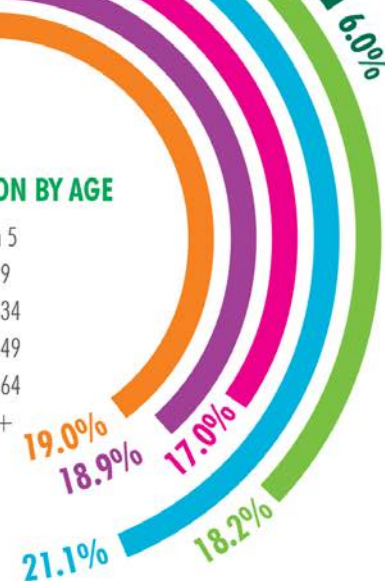
34.2%
SOME COLLEGE

32.3%
HIGH SCHOOL



TUCSON POPULATION BY AGE

- Less than 5
- Ages 5-19
- Ages 20-34
- Ages 35-49
- Ages 50-64
- Ages 65+



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Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information

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The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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