

BRAND NEW CONSTRUCTION

Absolute NNN Investment Opportunity



81780 Hwy. 111 | Indio, California

PALM SPRINGS MSA

REPRESENTATIVE PHOTO



EXCLUSIVELY MARKETING BY



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INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, corporate guaranteed, freestanding, Dutch Bros Coffee investment property located in Indio, California. The tenant, BB Holdings CA, LLC, recently signed a brand new 15-year lease with 4 (5-year) options to extend, demonstrating their long-term commitment to the site. The lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation. The lease is corporate guaranteed and is absolute NNN with zero landlord responsibilities making it an ideal, management-free investment opportunity for a passive investor. The brand new state-of-the-art property is slated to open June 2021 and will feature Dutch Bros' most recent prototype. The offering represents a rare opportunity to acquire modern real estate within a dense, infill trade area with high barriers for new development.

Dutch Bros is located along U.S. Highway 111, a major retail thoroughfare with 25,000 vehicles passing by daily. This Dutch Bros location will be equipped with a two-lane drive-thru, providing ease and convenience for customers. On average, stores with drive-thrus generate higher sales than those without. The site benefits from excellent visibility via a large pylon sign and significant highway frontage. Nearby national/credit tenants include McDonald's, In-N-Out, Starbucks, Dollar Tree, AutoZone, CVS Pharmacy, 7-Eleven, and more, increasing consumer draw to the immediate trade area and promoting crossover shopping to the site. Dutch Bros. is less than 1 mile north of John F. Kennedy Memorial Hospital, a 145-bed facility with a variety of services, including: Emergency care 24/7, orthopedic and joint replacement services using emerging technology, cardiovascular services, maternity care and pediatric services, ambulatory surgery center, and imaging services. The 5-mile trade area is supported by a population of over 104,000 residents with healthy average household income of \$77,000.

OFFERING SUMMARY



OFFERING

Pricing	\$2,800,000
Net Operating Income	\$119,000
Cap Rate	4.25%
Guaranty	Boersma Bros. LLC - Corporate
Tenant	BB Holdings CA, LLC
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No
Note	15-year roof warranty

PROPERTY SPECIFICATIONS

Rentable Area	887 SF
Land Area	1.00 Acre
Property Address	81780 Highway 111 Indio, CA 92201
Year Built	June 2021
Parcel Number	616-050-010
Ownership	Fee Simple (Land & Building)



Brand New 15-Year Lease | Corporate Guaranteed | Scheduled Rental Increases | Latest Prototype

- Dutch Bros will be operating on a new 15-year lease with 4 (5-year) options to extend
- Scheduled 10% rental every 5 years throughout the initial term and options, generating NOI growth and hedging against inflation.
- Scheduled to open in June 2021, featuring Dutch Bros' most recent prototype

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes and insurance
- No landlord responsibilities - See Rent Roll
- Ideal, management-free investment for a passive investor

Close Proximity to JFK Memorial Hospital | Nearby National/Credit Tenants

- Dutch Bros. benefits from being less than 1 mile away from John F. Kennedy Memorial Hospital, a 145-bed facility
- Nearby national/credit tenants include McDonald's, In-N-Out, Starbucks, Dollar Tree, AutoZone, CVS Pharmacy, 7-Eleven, and more, increasing consumer draw to the immediate trade area promoting crossover shopping to the site

Strong Demographics in 5-Mile Trade Area

- More than 172,500 residents and 49,500 employees support the trade area
- \$87,000 average household income

PROPERTY OVERVIEW



Location



Indio, California
Riverside County
(Palm Springs MSA)

Parking



There are approximately 40 parking spaces on the owned parcel.
The parking ratio is approximately 45.10 stalls per 1,000 SF of leasable area.

Access



State Highway 111: 2 Access Points
Las Palmas Road: 1 Access Point

Parcel



Parcel Number: 616-050-010
Acres: 1.00
Square Feet: 43,560 SF

Traffic Counts



State Highway 111:
25,000 Cars Per Day

Indio Boulevard:
19,000 Cars Per Day

Construction



Year Built: June 2021

Improvements



There is approximately 887 SF of existing building area

Zoning



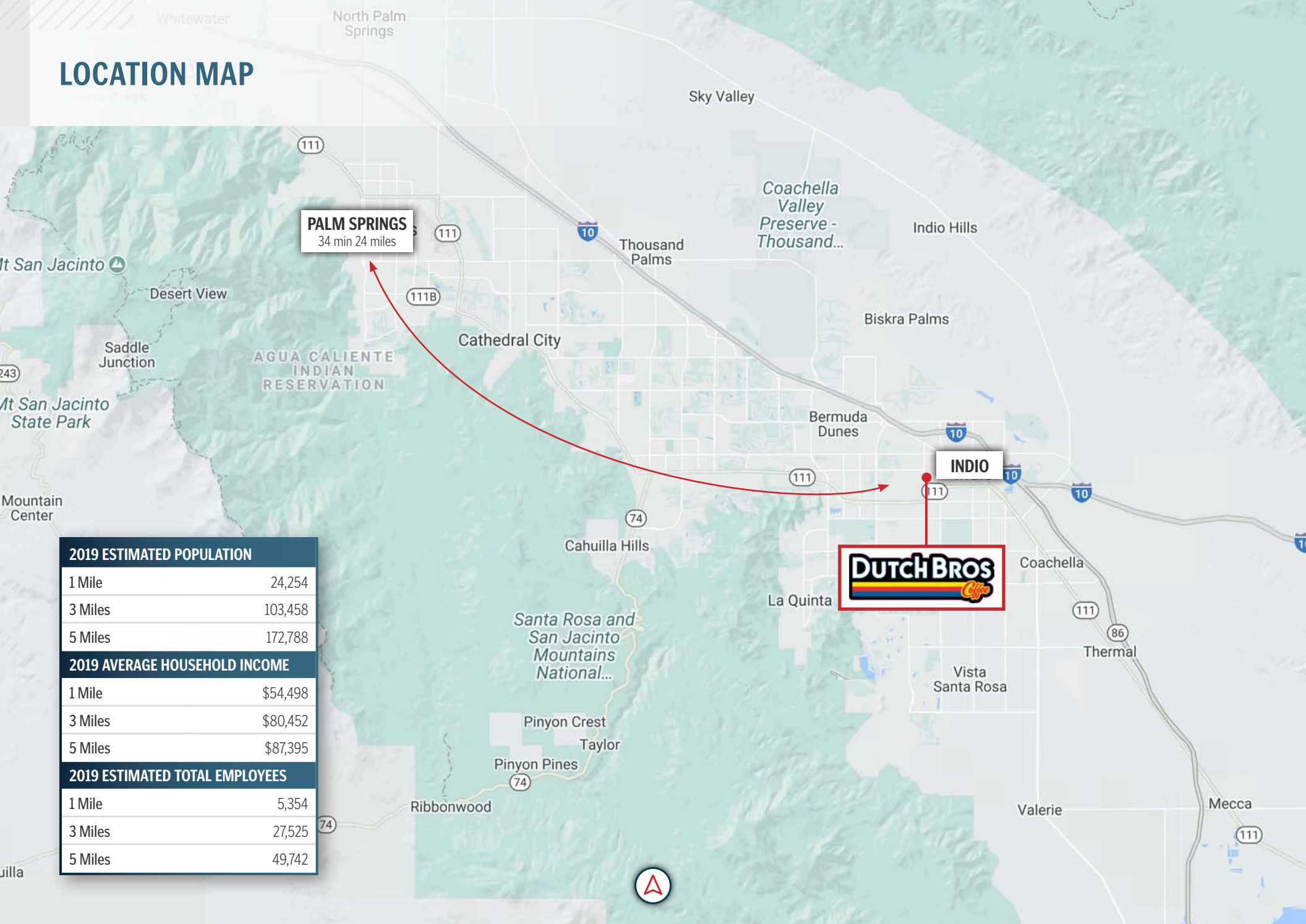
Commercial







LOCATION MAP





INDIO, CALIFORNIA

The city of Indio was incorporated in 1930 and encompasses approximately 33 square miles at the geographic mid-point of Riverside County, California. Indio is the largest city by population in the sub-region of the County known as the Coachella Valley. The City is located about 125 miles east of the center of the Los Angeles region, 75 miles north of the California-Baja California Mexican border and 30 miles southeast of Palm Springs. The City of Indio had a population of 89,863 as of July 1, 2019.

The City is a center for business, government, and entertainment within the Coachella Valley. The County of Riverside, Desert Sands Unified School District, Fantasy Springs Resort Casino, John F. Kennedy Memorial Hospital, Walmart Supercenter, City of Indio, Riverside Superior Court, Fiesta Ford Lincoln, Mathis Brothers, Cardenas Market are all Principal Employers.

The City has many golf and retirement communities in addition to a sizable population of families that enjoy the benefits of local parks, recreation, and youth programs. Known as the “City of Festivals,” the City hosts the Coachella Valley Music and Arts Festival (Coachella), the Stagecoach Country Music Festival, Riverside County Fair & Date Festival, Palm Springs Kennel Club Dog Show, Southwest Arts Festival, and the Indio International Tamale Festival. The City’s ability to draw and host worldwide festivals is based on being home to the Riverside County Fairgrounds as well as both the Empire Polo Club and the Eldorado Polo Club, which are large-scale outdoor entertainment venues, unique to the Coachella Valley. The closest major airport to Indio, California is Palm Springs International Airport.



PALM SPRINGS, CALIFORNIA

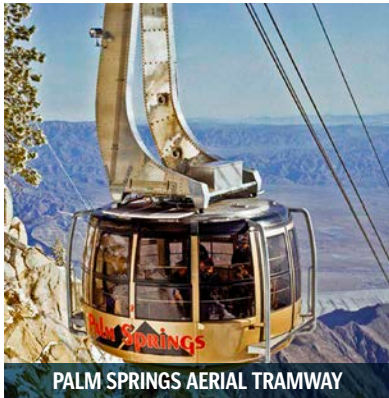
Palm Springs is a desert resort city in Riverside County, California, United States, within the Coachella Valley. It is located approximately 55 mi east of San Bernardino, 107 mi east of Los Angeles, 123 mi northeast of San Diego, and 268 mi west of Phoenix, Arizona. The population was 44,552 as of the 2010 census. Palm Springs covers approximately 94 square miles, making it the largest city in Riverside County by land area.

Tourism is a major factor in the city's economy with 1.6 million visitors in 2011. The city has over 130 hotels and resorts, numerous bed and breakfasts, and over 100 restaurants and dining spots. Events such as the Coachella and Stagecoach Festivals in nearby Indio attracting younger people, making greater Palm Springs a more attractive area to retire.

The movement behind Mid-Century modern architecture (1950s/60s era) in Palm Springs is backed by architecture enthusiasts, artistic designers and local historians to preserve many of Central Palm Springs' buildings and houses of famous celebrities, businessmen and politicians.

Golf, swimming, tennis, biking, hiking and horseback riding in the nearby desert and mountain areas are major forms of recreation in Palm Springs. The city is also known for its mid-century modern architecture, design elements, and arts and cultural scene.

Palm Springs is a popular retirement destination, as well as a winter snowbird destination; during the winter months (November to March), the city's population triples.



PALM SPRINGS AERIAL TRAMWAY



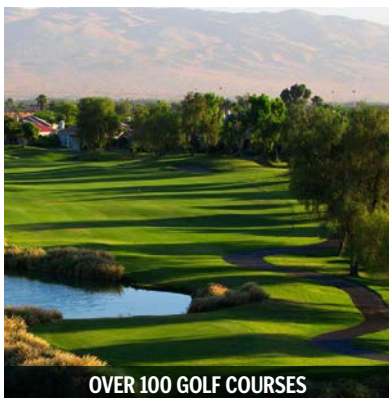
COACHELLA MUSIC FESTIVAL



AGUA CALIENTE CASINO RESORT



WET 'N' WILD



OVER 100 GOLF COURSES



CHILDREN'S DISCOVERY MUSEUM

THE COACHELLA VALLEY

Hosts Some of the Hottest Events in California

Coachella Art & Music Festival: By far, the largest music event in Southern California, the Coachella Valley Music and Arts Festival highlights some of music's greatest performers with genres including rock, hip-hop, indie, and electric dance music. Hosted at the Empire Polo Club, Coachella plays 2 consecutive weekends in a row with approximately 250,000 combined attendees.

Stagecoach California's Country Music Festival: The Stagecoach Music Festival (75,000 attendees) is one of country music's most highly anticipated events of the year, and is the highest-grossing festival in the world that is centered around country music.

Palm Springs International Film Festival: The Palm Springs International Film Festival (PSIFF) is one of the largest film festivals in North America, welcoming 130,000 attendees each year for its lineup of new and celebrated international features and documentaries.

ANA Inspiration: The ANA Inspiration is one of the five major championships of professional women's golf. Apart of the LPGA Tour, this event is held at the Mission Hills Country Club in Rancho Mirage every year with a prize fund of about \$2.8 million.

BNP Paribas Open: The BNP Paribas Open, also known as The Indian Wells Masters, is an annual tennis tournament held in March at the Indian Wells Tennis Garden. The tournament is the largest ATP World Tour Masters 1000 and WTA Premier combined event in the world and the total financial contribution is nearly \$16 million.

AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2019 Estimated Population	24,254	103,458	172,788
2024 Projected Population	25,215	109,806	184,736
2010 Census Population	22,925	93,642	155,201
Projected Annual Growth 2019 to 2024	0.78%	1.20%	1.35%
Historical Annual Growth 2010 to 2019	0.80%	1.09%	1.16%
2019 Estimated Households	6,911	31,644	54,958
2024 Projected Households	7,145	33,617	58,596
2010 Census Households	6,532	28,351	49,120
Projected Annual Growth 2019 to 2024	0.67%	1.22%	1.29%
Historical Annual Growth 2010 to 2019	0.85%	1.21%	1.22%
2019 Estimated White	69.15%	82.12%	84.46%
2019 Estimated Black or African American	2.81%	2.17%	1.95%
2019 Estimated Asian or Pacific Islander	1.54%	2.45%	2.39%
2019 Estimated American Indian or Native Alaskan	1.11%	0.90%	0.84%
2019 Estimated Other Races	39.31%	31.38%	30.38%
2019 Estimated Hispanic	84.77%	70.13%	66.89%
2019 Estimated Average Household Income	\$54,498	\$80,452	\$87,395
2019 Estimated Median Household Income	\$40,364	\$57,606	\$58,881
2019 Estimated Per Capita Income	\$15,391	\$24,761	\$27,808
2019 Estimated Total Businesses	572	2,396	4,297
2019 Estimated Total Employees	5,354	27,525	49,742



RENT ROLL



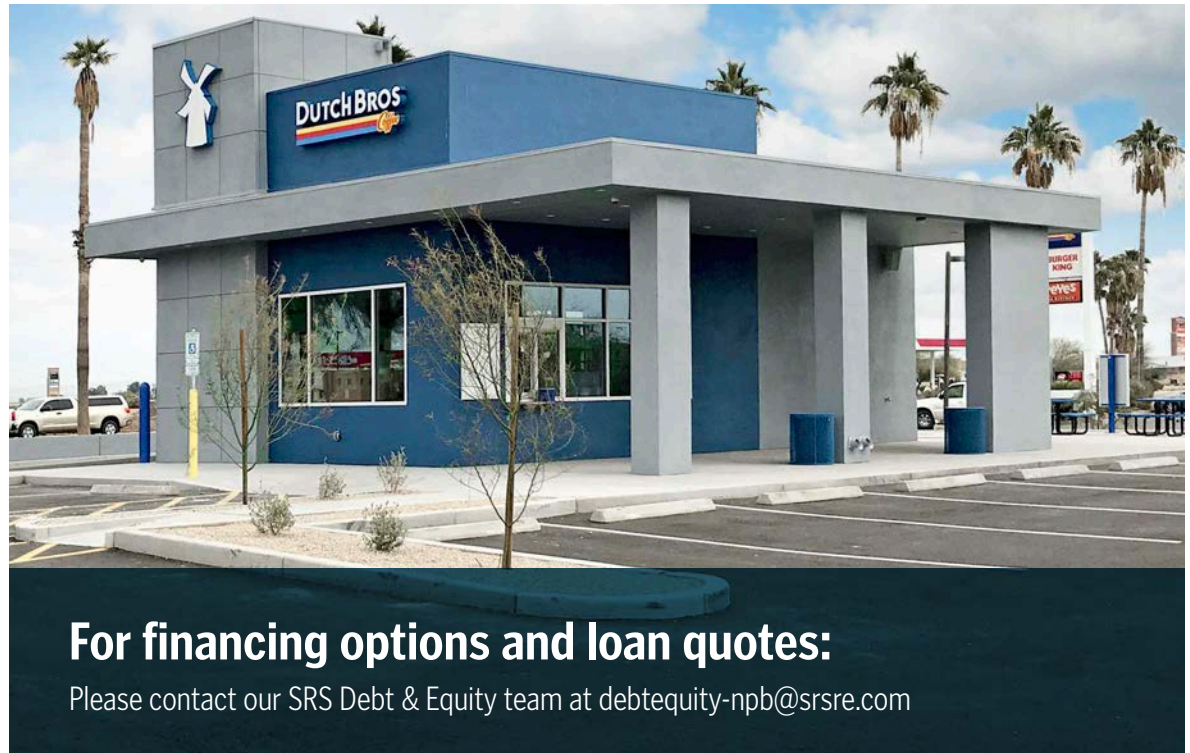
LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
BB Holdings CA, LLC	887	Jan. 2020	Feb.2035	Current	-	\$9,917	\$11.18	\$119,000	\$134.16	Absolute NNN	4 (5-Year)
(Corporate Guaranty)				Jan. 2025	10%	\$10,908	\$12.30	\$130,900	\$147.58		
				Jan. 2030	10%	\$11,999	\$13.53	\$143,990	\$162.33		

FINANCIAL INFORMATION

Price	\$2,800,000
Net Operating Income	\$119,000
Cap Rate	4.25%
Lease Type	Absolute NNN

PROPERTY SPECIFICATIONS

Year Built	June 2021
Rentable Area	887 SF
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Address	81780 Highway 111 Indio, CA 92201



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



DUTCH BROS

www.dutchbros.com

Company Type: Private

Locations: 400+

Dutch Bros. Coffee is the country's largest privately held drive-thru coffee company, with more than 400 locations and 12,000 employees in seven states. The company is headquartered in Grants Pass, Oregon, where it was founded in 1992 by Dane and Travis Boersma. Dutch Bros. Coffee serves specialty coffee, smoothies, freezes, teas, a private-label Dutch Bros. Blue Rebel energy drink and nitrogen-infused cold brew coffee. Its rich, proprietary coffee blend is handcrafted from start to finish. The company was founded in 1992 and is based in Grants Pass, Oregon.



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NET LEASE
GROUP

DUTCHBROS
Coffee

**THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
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275+

**RETAIL
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25+

OFFICES

#1

**LARGEST REAL ESTATE
SERVICES FIRM**
in North America
exclusively dedicated
to retail

2K+

**RETAIL
TRANSACTIONS**
company-wide
in 2020

485

**NET LEASE
PROPERTIES SOLD**
in 2020

\$1.5B

**NET LEASE
TRANSACTION VALUE**
in 2020

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