



DUTCH BROS COFFEE

BERNALILLO, NEW MEXICO (ALBUQUERQUE MSA)

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$2,196,000 | 4.35% CAP RATE

- » 15-Year Absolute NNN Lease to Iconic Corporate Tenant
 - » 10% Rental Increases Every Five Years
 - » Dutch Bros Recently Went Public Valued at Over \$3.8 Billion
 - » Dutch Bros is on Track to Open More Than 100 Stores in 2021
- » Located in Established, Affluent and Growing Community
 - » High-Traffic Location Along U.S. Highway 550 (50,600 AADT)
 - » Average Annual Household Income of \$97,565 Within a Five-Mile Radius of the Site
- » Central Location Near Large Employers, Retailers, and Community Hubs
 - » Beneficial Proximity to Santa Ana Star Casino Hotel
 - » Twenty Miles from Downtown Albuquerque, the Central Hub of the Most Populous City in New Mexico (Population 559,374)
- » New 2021 Construction with Dedicated Dual-Lane Drive-Thru



FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	U.S. Highway 550 & Camino Del Pueblo, Bernalillo, NM		
PRICE	\$2,196,000		
CAP RATE	4.35%		
NOI	\$95,500		
TERM	15 years		
RENT COMMENCEMENT	August 20, 2021 (estimated)		
LEASE EXPIRATION	August 31, 2036 (estimated)		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$95,500	4.35%
	6-10	\$105,050	4.78%
	11-15	\$115,550	5.26%
	16-20 (Option 1)	\$127,110	5.79%
	21-25 (Option 2)	\$139,822	6.37%
	26-30 (Option 3)	\$153,804	7.00%
YEAR BUILT	2021		
BUILDING SF	871 SF		
PARCEL SIZE	0.713 acres (31,058 SF)		
LEASE TYPE	Absolute NNN lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

NEW 15-YEAR ABSOLUTE NNN LEASE WITH SCHEDULED RENTAL INCREASES TO STRONG RETAIL TENANT

- » New 15-year absolute NNN lease with three (3) five (5) year options, creating a stable, long-term investment
- » 10% rental increases every five years, providing a hedge against inflation
- » Absolute NNN lease requires zero landlord management, ideal for an out-of-area investor
- » Dutch Bros recently went public valued at over \$3.8 billion (NYSE: "BROS")
- » Dutch Bros sales are up 51% through the first six (6) months of 2021 after a record performance in 2020

LOCATED IN AN ESTABLISHED, AFFLUENT, AND GROWING COMMUNITY

- » High-traffic location along U.S. Highway 550 (50,600 AADT)
- » Surrounded by high-density single-family housing developments and large apartment and townhouse complexes
- » Average household income of \$97,565 within a five-mile radius of the site providing an established customer base for the property
- » Projected 10 percent average annual household income increase within a five-mile radius of the site in the next five years, poising Dutch Bros and Bernalillo for concurrent growth

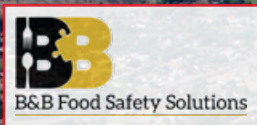
CENTRAL LOCATION NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Beneficial proximity to the Santa Ana Star Casino Hotel 1.3 miles from the site (204 luxury rooms, 1,600 slot machines, 5 restaurants)
- » Surrounded by a strong mix of local and national retailers, including Walgreens, Dollar General, Applebee's, AutoZone, Little Caesars, McDonald's, and many more
- » Convenient access to highly trafficked New Mexico thoroughfares, including Interstate 25 (53,400 AADT), significantly increasing traffic to the site
- » Gateway to Downtown Albuquerque, the central hub of the most populous city in New Mexico (population 559,374)

NEW 2021 CONSTRUCTION

- » 2021 construction featuring a dedicated dual-lane drive-thru, providing additional customer convenience and boosting sales revenue
- » Features latest store designs and concepts





INDUSTRIAL REGION

WD Carroll
Elementary School
(355 students)

Rotary Park

Village At The Bosque
(99 units)



Bernalillo
Middle School
(429 students)

Bernalillo
Elementary School
(813 students)



Camino Don Tomas

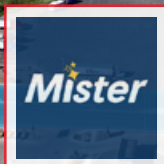
Loretto Park

Coronado Townhome
Apartments
(331 units)



550

U.S. Highway 550
(50,600 AADT)





Tunnel Spring Trailhead

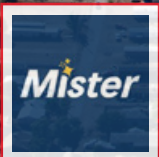
ANASAZI TRAILS

550 U.S. Highway 550
(50,600 AADT)

25 /CanAm Highway
(53,400 AADT)



Bernalillo High School
(813 students)



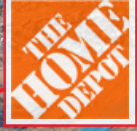
Camino Don Tomas



Vista Grande Elementary School
(676 students)

New Mexico Soccer
Tournament Complex

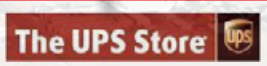
Pat D'Arco Highway
(27,200AADT)



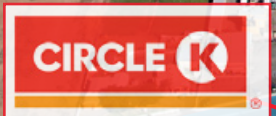
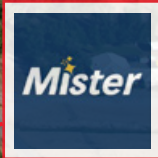
Mountain View
Middle School
(901 students)



Coronado
Campground



U.S. Highway 550
(50,600 AADT)



Camino Don Tomas



550 U.S. Highway 550
(50,600 AADT)



SITE PLAN



U.S. HIGHWAY 550

Mister

871 SF

AutoZone

usbank

Source Bop

DRIVE-THRU

DRIVE-THRU

DRIVE-THRU

TENANT SUMMARY



Dutch Bros Coffee, founded in 1992 and headquartered in Grants Pass, Oregon, is a drive-thru coffee chain with company-owned and franchise locations throughout the Western United States. On September 15, 2021, Dutch Bros launched their IPO on the New York Stock Exchange valued at \$3.3 billion. Dutch Bros has over 480 locations throughout seven states and over 12,000 team members, with plans to grow to 4,000 locations nationwide. Dutch Bros sales are up 51% through the first six months of 2021 after a record performance in 2020. In 2017, Forbes named Dutch Bros one of its Small Giants: Best Small Companies. Dutch Bros, its owner/operators and the Love Abounds Foundation remain committed to the community, donating millions of dollars annually to nonprofit organizations and local causes.

For more information, please visit www.dutchbros.com

TICKER	NYSE: "BROS"	HEADQUARTERS	Grants Pass, OR
LOCATIONS	480+	SALES	\$567M

LEASE ABSTRACT

TENANT	BB Holdings NM, LLC		
GUARANTOR:	Boersma Bros. LLC		
ADDRESS	U.S. Highway 550 & Camino Del Pueblo, Bernalillo, NM 87004		
RENT COMMENCEMENT	August 20, 2021 (estimated)		
LEASE EXPIRATION	August 31, 2036 (estimated)		
RENEWAL OPTIONS	Three (3) five (5) year options		
RENTAL INCREASES	YEAR 1-5 6-10 11-15 16-20 (Option 1) 21-25 (Option 2) 26-30 (Option 3)	RENT \$95,500 \$105,050 \$115,550 \$127,110 \$139,822 \$153,804	RETURN 4.35% 4.78% 5.26% 5.79% 6.37% 7.00%
REAL ESTATE TAXES	Tenant is responsible for all real estate taxes.		
INSURANCE	Tenant is responsible for all insurance costs.		
REPAIR & MAINTENANCE	Tenant is responsible for all maintenance including roof, structure and parking lot.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is conveniently located along U.S. Highway 550 (50,600 AADT), drawing significant traffic to the site. The location is strategically placed near highly trafficked New Mexico thoroughfares, including Interstate 25 (53,400 AADT). The site is also located in a highly affluent area as well, with an average annual household income of \$97,565 within a five-mile radius of the site. With a projected 10 percent average annual household income increase within a five-mile radius of the site in the next five years, Dutch Bros and New Mexico are poised for concurrent growth.

Visibility to the property is increased by the site's centralized location near large employers, retailers, and community hubs. The location is surrounded by many major national retailers, including Walgreens, Dollar General, Applebee's, AutoZone, Little Caesars, McDonald's, and many others. The property maintains beneficial proximity to the Santa Ana Star Casino and Hotel located 1.3 miles from the site, which features 204 non-smoking rooms, 1,600 slot machines, five restaurants, and generates a significant impact on the local economy. The site is within walking distance to Bernalillo Elementary School (391 students), Bernalillo Middle School (429 students), and Bernalillo High School (813 students). The property also serves as a gateway to Downtown Albuquerque, the central hub of the most populous city in New Mexico (population 559,374), and is surrounded by high-density single family housing developments and large apartments and townhouse complexes.

ACCESS

Access from U.S. Highway 550, North Camino Don Tomas, and Ronald Drive

TRAFFIC COUNTS

U.S. Highway 5560:	50,600 AADT
State Road 528:	27,200 AADT
Camino Don Tomas:	7,940 AADT
Interstate 25:	53,400 AADT

PARKING

13 parking stalls, including one (1) handicap stall

YEAR BUILT

2021

NEAREST AIRPORT

Albuquerque International Sunport Airport (ABQ | 23 miles)



FILE PHOTO



13
PARKING
STALLS



2021
YEAR BUILT



**NEAREST
AIRPORT**
ALBUQUERQUE
INTERNATIONAL
SUNPORT AIRPORT

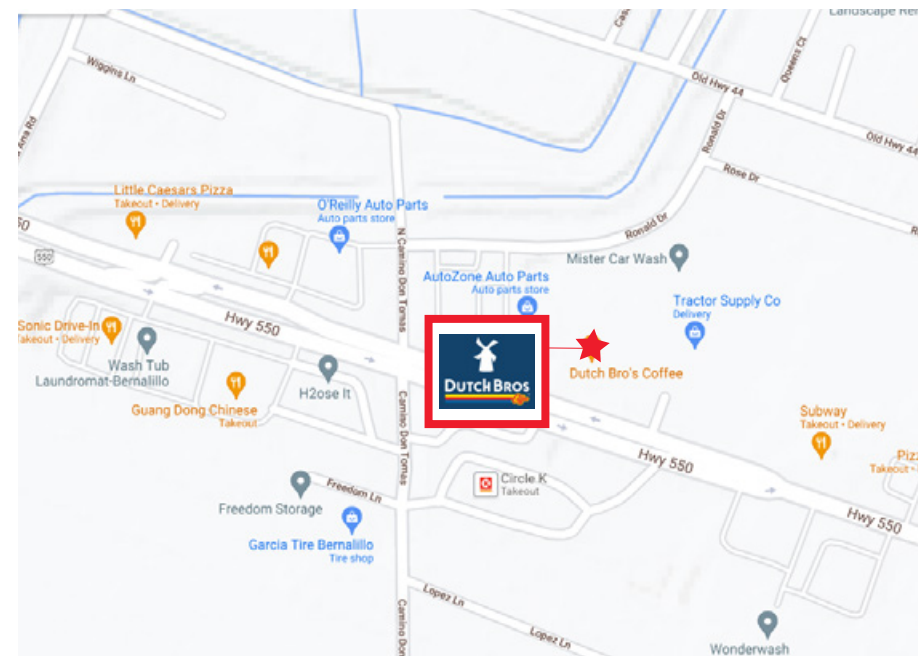
AREA OVERVIEW

Bernalillo is a town in Sandoval County, New Mexico with a population was 10,477. Bernalillo is part of the Albuquerque Metropolitan Statistical Area. Bernalillo draws crowds to Las Fiestas de San Lorenzo and its Matachines dancing, Christmas parade and activities. Bernalillo is a retail trade and service center for surrounding communities, such as Placitas, Algodones, and seven Indian pueblos. New residents of this growing community like the small-town atmosphere but can enjoy nearby city amenities. The other major arterial that straddles the Town of Bernalillo is U.S. 550, which carries an average of 30,000 vehicles each weekday. Since 2015, the New Mexico Brewers Guild and the Town of Bernalillo have partnered to present the Mountain West Brew Fest, an annual craft beer and artisanal cider festival, planned to occur every Labor Day weekend at Loretto Park in Bernalillo. The festival features local brewers of beer and cider as well as products from around the Mountain states and west to the Pacific Coast. Major private employers in Bernalillo are Advance Manufacturing, Hyatt Regency Tamaya Resort, and Santa Ana Star Casino.

Sandoval County has a population of 146,748, making it the fourth-most populous county in New Mexico. Once a sparsely settled rural county, Sandoval County has far outstripped every other county in the state in population growth, with estimated gains of 55 percent between 2000 and 2015. The county seat is Bernalillo and it is part of the Albuquerque metropolitan area. Sandoval County is one of the most geographically and culturally diverse counties in a very diverse state. The County stretches from the Middle Rio Grande Valley west and north to the scenic Jemez Mountains. It includes valley farmland, grassy mesas, and volcanic features. In addition to the Rio Grande, the county also contains Jemez River and the Rio Puerco, which originate in the Jemez Mountains.

- » In 2014, the county commission voted to join the City of Rancho and several private-sector groups in providing seed money for a new regional economic development corporation. This organization, the Sandoval Economic Alliance, works to attract new businesses—and expand existing businesses—in all parts of Sandoval County, as well as the surrounding Albuquerque Metropolitan area.
- » The Santa Ana Star Center (SASC) is a \$47 million, multi-functional arena that can seat approximately 6,000 for hockey and rodeos and up to 7,500 for concerts. It has 500 club seats, 26 private luxury suites, and 1,400 parking spaces.
- » In August 2016, Santa Ana began construction on a \$50 million hotel opening in July 2018 featuring 204 luxury rooms, as well as a new ballroom and more than 12,000 SF of meeting space. It also features five new upscale restaurants: Juniper Steakhouse, Cantina Rio, Feast Buffet, Mesa Grille, and the Starlight Bar & Grille.

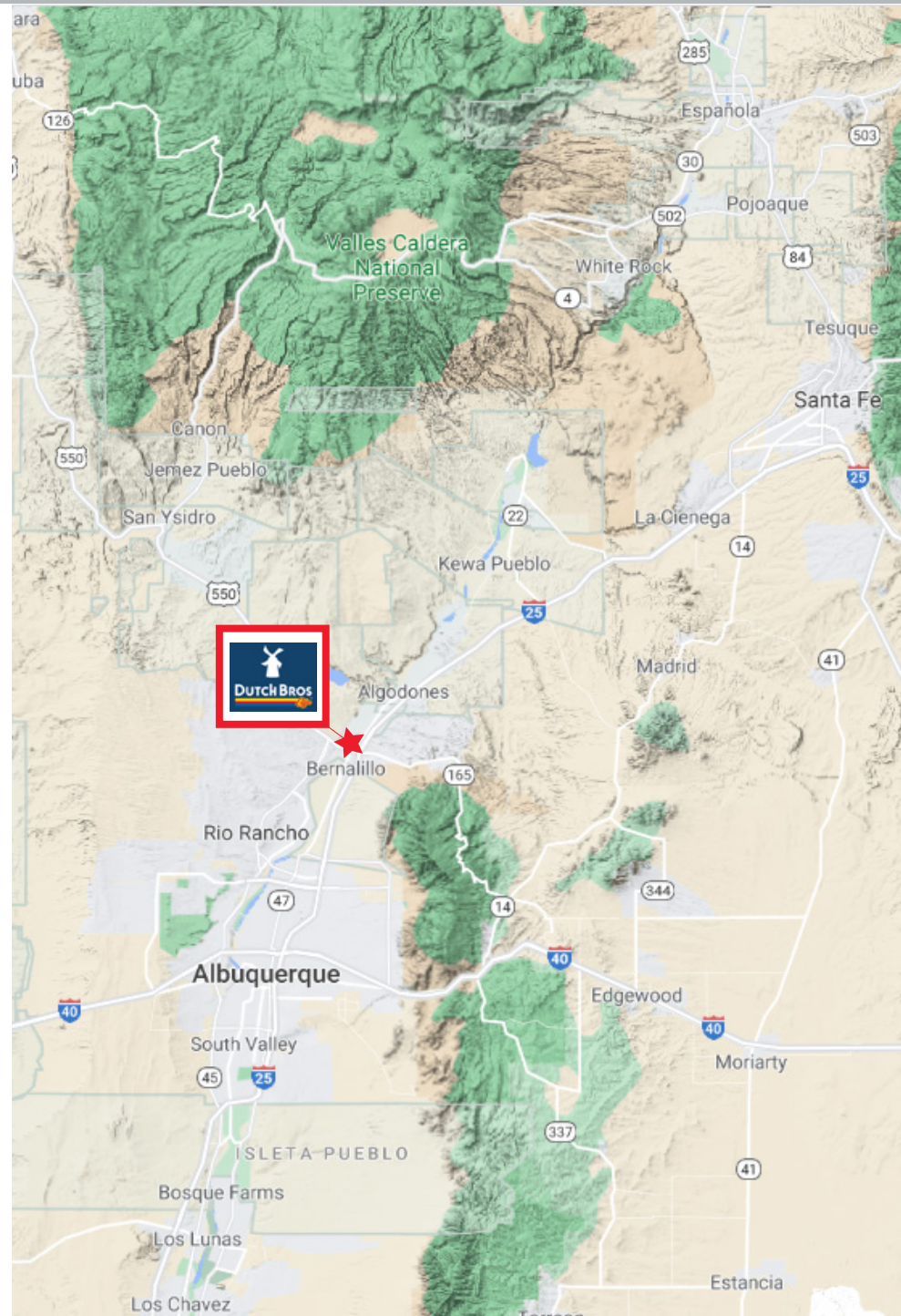
LARGEST EMPLOYERS IN SANDOVAL COUNTY, NEW MEXICO	# OF EMPLOYEES
HEALTH CARE & SOCIAL ASSISTANCE	9,011
RETAIL TRADE	7,718
EDUCATION SERVICES	5,560
PUBLIC ADMINISTRATION	4,710
CONSTRUCTION	4,522
ACCOMMODATION & FOOD SERVICES	4,298
PROFESSIONAL SCIENTIFIC, & TECHNICAL SERVICES	4,032
OTHER SERVICES, EXCEPT PUBLIC ADMINISTRATION	3,279
MANUFACTURING	3,259
FINANCE & INSURANCE	2,349



DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
Population	3,567	21,679	35,684
Households	1,291	8,167	13,247
Families	831	5,783	9,759
Average Household Size	2.68	2.59	2.66
Owner Occupied Housing Units	920	6,520	11,085
Renter Occupied Housing Units	372	1,647	2,162
Median Age	44.8	42.4	42.0
Average Household Income	\$67,312	\$89,860	\$97,565

2026 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	3,698	22,369	42,640
Households	1,344	8,548	15,945
Families	848	5,947	11,643
Average Household Size	2.68	2.56	2.64
Owner Occupied Housing Units	985	6,943	13,832
Renter Occupied Housing Units	359	1,605	2,113
Median Age	46.0	43.1	42.6
Average Household Income	\$75,689	\$95,594	\$106,200





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