

# DUTCH BROS

Coffee

15211 Hook Blvd • Victorville, California



DUTCH BROS

VICTORVILLE | CALIFORNIA

**15-YEAR ABSOLUTE NNN LEASE | 10% INCREASES EVERY 5 YEARS  
BRAND NEW CONSTRUCTION**

# DUTCH BROS

VICTORVILLE | CALIFORNIA

*Exclusively Listed By*

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# INVESTMENT OVERVIEW

We are pleased to present a single tenant corporate net leased investment with Dutch Brothers Coffee located in Victorville, California. The property is a newly constructed prototypical Dutch Bros. building with dual lane drive through. The building sits on a .55 acre out lot to a very busy Stater Brothers grocery anchored shopping center. The investment is a **15 year Absolute Net Leased Fee Simple investment, with 10% rent increases every 5 years.**

Located off the South West corner of Hook Blvd. and Amargosa Blvd. traffic counts exceed **40,000 cars per day**. The property is well positioned to benefit from the shopping center and traffic flow that travels through Hook and Amargosa. This location is home to an abundance of national retailers consisting of grocers, fast food, medical and daily needs- based retail, which include Winco Foods, Walgreens, Costco, Home Depot, Carl's Jr., In and Out Burger, Starbucks, and Wells Fargo to name a few. **The trade area here is exploding with development and has been growing rapidly over the last several years. New developments include the Desert Sun (125,900SF) and Desert Sky (193,200) Plazas, two multi-phase projects totaling 319,100 square feet of necessity based retail including a Target in the plans. The Mediterranean village located 0.2 miles north of the subject property is a fully entitled 428-unit multi-family development project. Imogene Garner Hook Junior High is adjacent to the property serving grades 7 and 8 with a 982-student enrollment.**

Victorville is the business hub of the high desert and draws consumers from well beyond its immediate area. It is the largest commercial center between San Bernardino and the Nevada border. The city of Victorville is home to a large and diverse pool of workers and is home to 34 universities, colleges and technical schools providing an abundant supply of skilled labor. Victorville has experienced tremendous growth over the last decade with the population increasing over 117% since 2000 and a projected 20% growth over the next five years. There are 15,663 homes planned in the Victor Valley region and the area has seen a 35% growth in new home permits since 2019.



**Explosive Trade Area  
Rapidly Growing  
Surrounded by National Retailers**



**Absolute Net Lease Investment,  
No Landlord Responsibility**



**15-Year Absolute Net Lease  
Fee Simple  
10% Increases every 5 Years**



**NYSE: BROS  
Dutch Bros is one of the fastest-  
growing fast food chains in the US  
with "Coffee-Cult" following**



**Adjacent to 319,000SF of newly-  
developed Retail, Future Residential,  
0.8 mile from Costco-anchored  
Center**



**Strong Demographics  
Growing Population and  
New Housing Developments**



# OFFERING SUMMARY

PRICE

**\$3,066,000**

NOI

**\$115,000**

LEASE TERM

**15 Years**

CAP RATE

**3.75%**

YEAR BUILT

**2022**

LOT SIZE

**0.55 Ac**

15211 Hook Blvd • Victorville, California  
APN: 3106-191-04-0000

Projected Opening Date: May 1st, 2022





# LEASE SUMMARY

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Tenant	Dutch Bros
Lease Type	Absolute Net
Guarantor	Corporate (Boersma Bros, LLC)
Projected Opening Date	May 1st, 2022
Rent Increases	10% every 5 years
Lease Term	15 Years
Years Remaining on Lease	15 Years
Landlord Responsibility	None
Tenant Responsibility	Absolute NNN
Option	Three Five-year Options
Increases during Options	10% every 5 years
Right of First Refusal	No





**WinCo  
FOODS**



**WELLS  
FARGO**



**Taco  
Grande**

**STATER  
BROS.  
markets**



**Amargosa Rd  
17,396 CPD**



**FormerBoys  
BURGERS & MORE**

**OneMain  
Financial**

**SUPERCUTS**



**WaBa grill**

**Sushiaru**



**Roy Rogers Dr  
22,951 CPD**



**Victorville**

**CITY HALL**



**I-15 Fwy  
102,000 CPD**

**COSTCO  
WHOLESALE**



**THE GYM**

**MCDONALD'S**

**IN-SHAPE**



**Goodwill**

**YUM! YUM  
DONUTS**

**AutoZone**

**AdvanceAmerica**

**Mojestic  
BEAUTY**

**cricket  
Desert Nail**

**dd's  
DISCOUNTS**

**Denny's**



**HOWARD'S  
APPLIANCE • TV • MATTRESS**





HOOK BLVD 22,951 CPD



**MIDTOWN SPECTRUM**  
Mixed-Use  
Office, Medical, Retail

**MEDITERRANEAN VILLAGE**  
428 Multi-Family units  
Fully Entitled

**IMPRESSIONS AT VALLEY CENTER**  
100 Multi-Family units  
Fully Leased



**DESERT SUN PLAZA PHASE II**  
Shopping Center  
GLA: 125,900 SF

AMARGOSA ROAD 17,396 CPD



**DESERT SKY PLAZA PHASE II**  
Shopping Center  
GLA: 193,200 SF

**FUTURE TARGET**





# TENANT OVERVIEW

## TENANT

**Dutch Bros**

## OWNERSHIP

**Public (NYSE: BROS)**

## NUMBER OF LOCATIONS

**538 Shops**

## GUARANTOR

**Corporate (Boersma Bros, LLC)**

## HEADQUARTER

**Grants Pass, Oregon**

## WEBSITE

**<https://www.dutchbros.com/>**



## A SNAPSHOT

Total Revenue:

**\$130M**

+50% YoY



Company-Operated Shop Sales:

**\$109M**

+63% YoY



Company-Operated Shop Gross Profit:

**\$23M**

Company-Operated Shop Contribution <sup>3</sup>:

**\$27M**



Systemwide Same Shop Sales <sup>1</sup>:

**7.3%**

SSS of 10.7% When Compared to 2019 <sup>2</sup>



Adjusted EBITDA <sup>3</sup>:

**\$21M**





# DUTCH BROS INC. (BROS)

IPO Price \$23

Current Market Cap \$2.636B



## Dutch Bros Surges Onto Wall Street with Dreams of 4,000 Locations

The Oregon-based Dutch Bros couldn't have written a better script. The chain first projected a share price of \$18 to \$20, but the brand exceeded expectations by pricing its IPO at \$23 per share, raising \$484 million. At that level, the chain was valued at \$3.8 billion. Dutch Bros opened on the stock market at \$32 per share—41 percent above the IPO price—and reached a high of \$54 per share last week. Dutch Bros closed Friday at \$43.55 per share, or a \$7.19 billion valuation.



## Coffee Chain Dutch Bros Surges 41% on IPO After "Broistas" Fuel America Through Covid

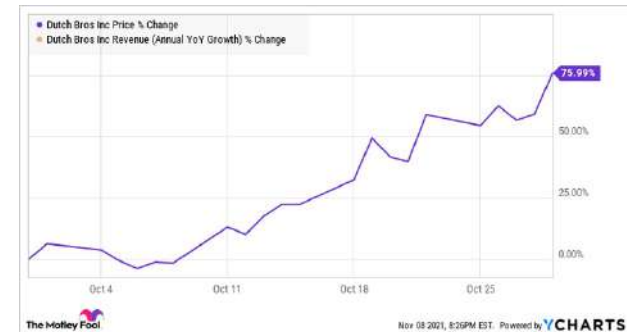
Shares of Dutch Bros Inc (NYSE: BROS) surged 41% in opening trade Wednesday after pricing at \$23 apiece, far above the indicative \$18-\$20 range as investors bid up shares of the Oregon-based coffee chain.

The company, which refers to its servers fraternally as "broistas" rather than baristas, has a three-decade track record, is highly profitable, and commands a dedicated following among customers who drink coffee and an array of other beverages from its drive-through shops. But it stands out in another regard that few other brick-and-mortar retailer do: It powered straight through Covid without missing a beat.



## Dutch Bros cheered in public debut, as stock opens 41% above IPO price

Dutch Bros Inc. BROS, was cheered in its public debut, as the drive-through coffee chain's stock opened 41.3% above the initial public offering price. The company had said overnight that it raised \$484.2 million as its 21.05 million-share IPO priced at \$23 a share, well above the expected range of between \$18 and \$20 a share. The stock's first trade on the NYSE was at \$32.50 at 12:20 p.m. Eastern for 2.6 million shares. The stock has since added to gains, to trade up 46.1% at \$33.60. The company went public on a day that the Renaissance IPO ETF IPO, -1.98% slipped 0.1% in midday trading while the S&P 500 SPX, -0.66% gained 0.4%.



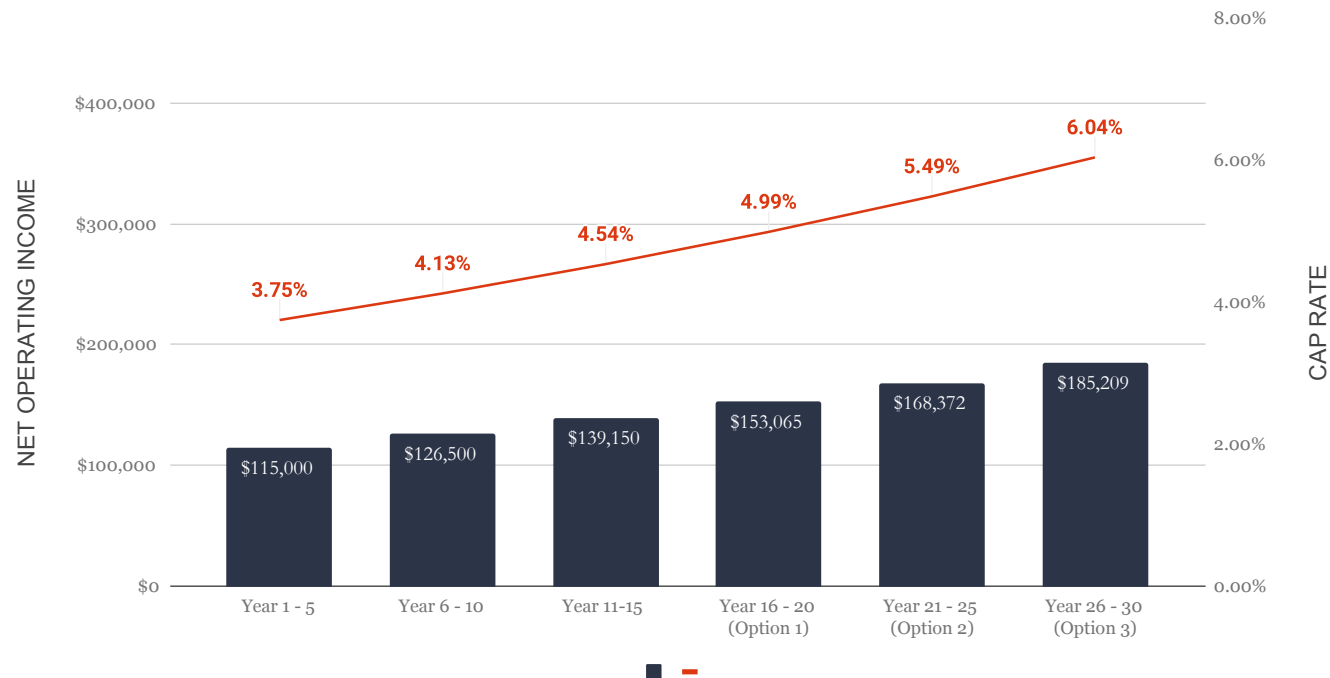
## Dutch Bros Soars in Trading as Dairy Farmer Becomes Billionaire



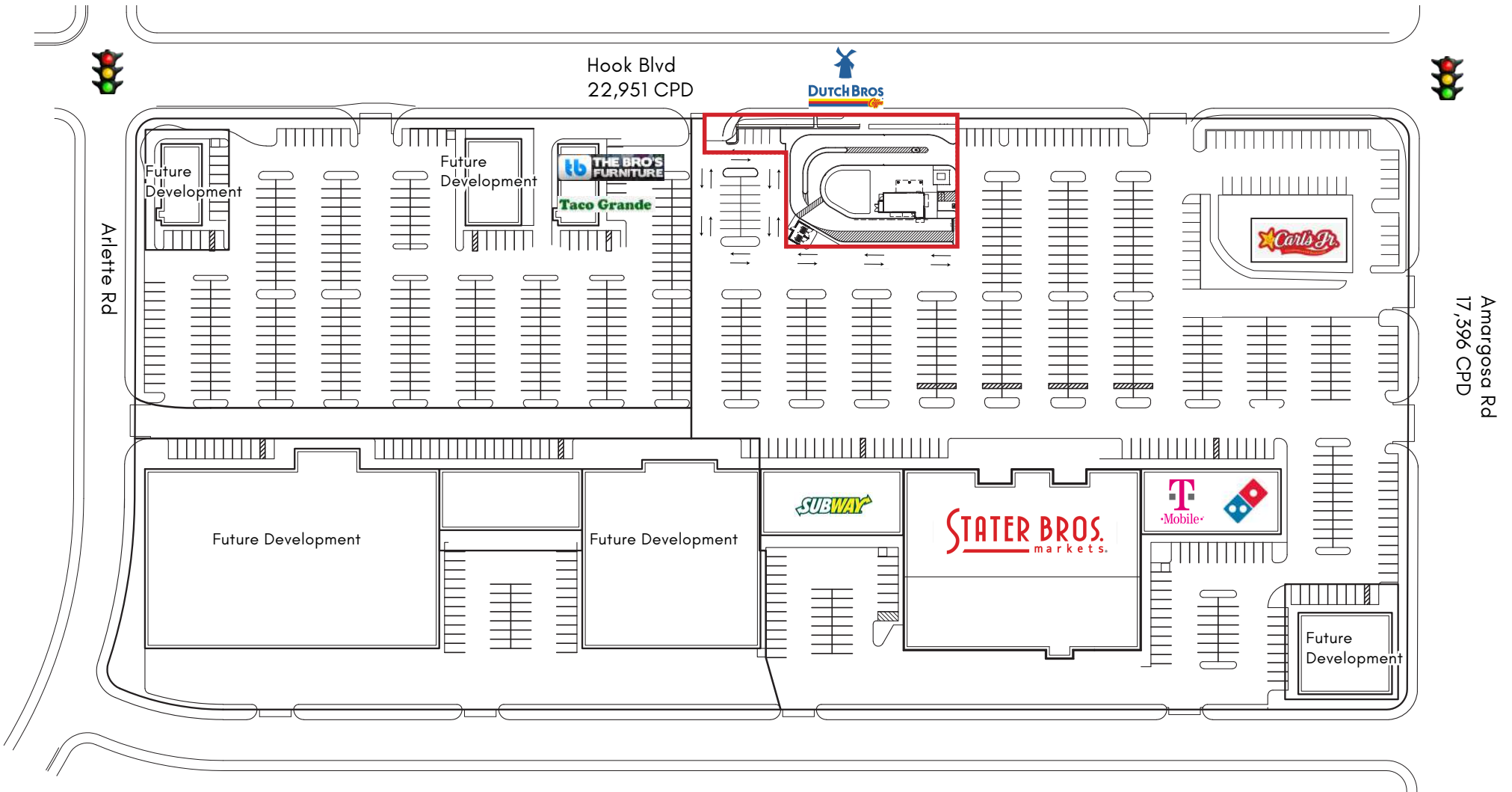


# RENT INCREASES

RENT SCHEDULE				
LEASE YEAR	MONTHLY RENT	ANNUAL RENT	INCREASES	CAP RATE
Year 1 - Year 5	\$9,583	\$115,000	--	3.75%
Year 6 - Year 10	\$10,542	\$126,500	10.00%	4.13%
Year 11 - Year 15	\$11,596	\$139,150	10.00%	4.54%
Option 1 (Year 16 - Year 20)	\$12,755	\$153,065	10.00%	4.99%
Option 2 ( Year 21 - Year 25)	\$14,031	\$168,372	10.00%	5.49%
Option 3 ( Year 26 - Year 30)	\$15,434	\$185,209	10.00%	6.04%



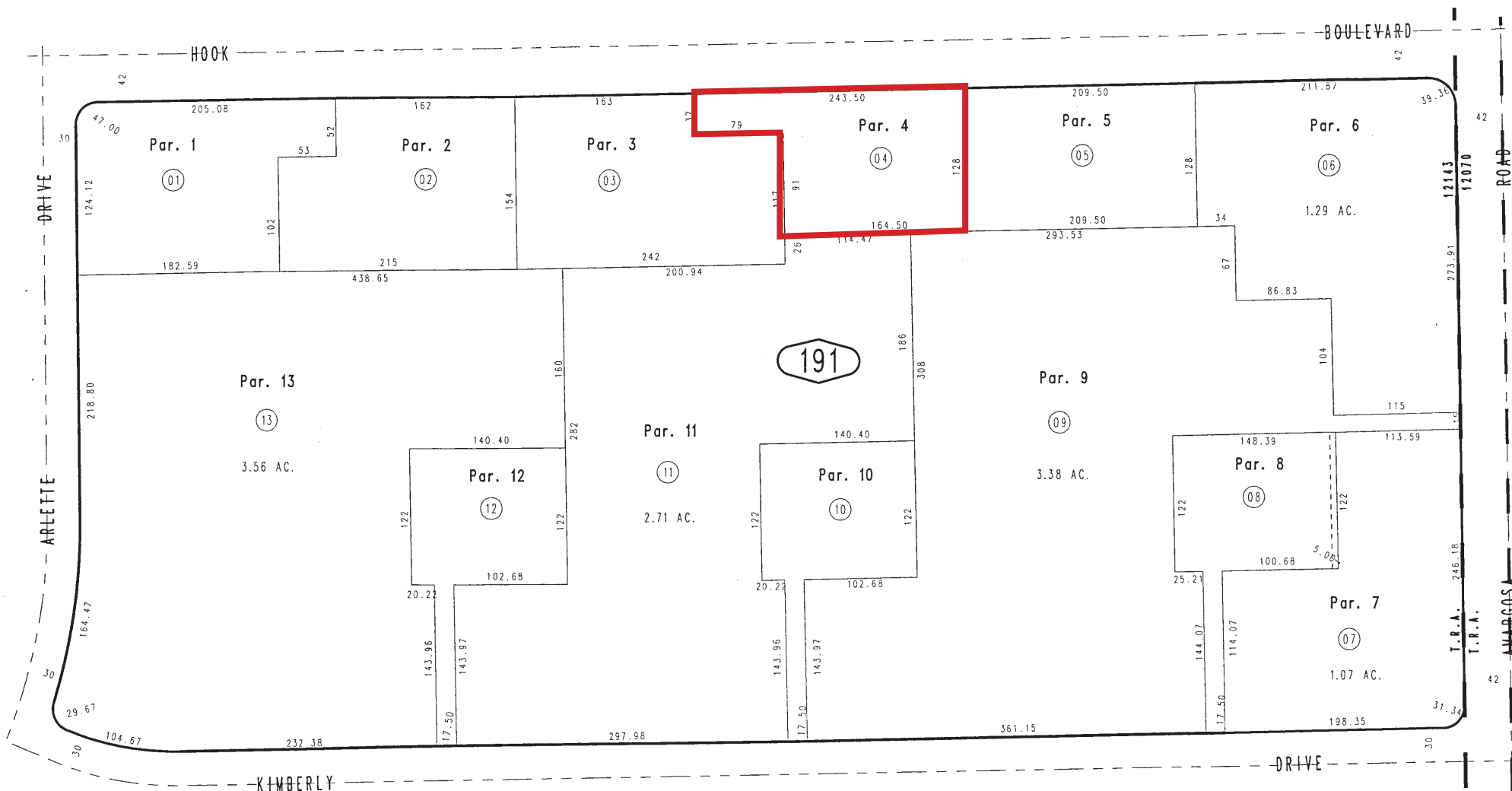




## SITE PLAN



18





## VICTOR PLAZA

Anchor: Goodwill, dd's Discount

GLA: 158,429 SF

0.8 mile from Subject Property

**Goodwill**

**AutoZone**

**dd's  
DISCOUNTS**

**Mojo  
BEAUTY**

**cricket**

**YUM  
yum  
DONUTS**

**AdvanceAmerica**

## VALLEY CENTER

Anchor: Costco Wholesale

GLA: 271,496 SF

0.8 mile from Subject Property

**COSTCO  
WHOLESALE**

**Shell**

**THE GYM**

**Arby's**

**W  
Spoon  
buffet**

**IN-SHAPE**

**MCDONALD'S**

**COSTCO-ANCHORED VALLEY CENTER  
AND VICTOR PLAZA  
0.8 MILE EAST OF SUBJECT PROPERTY**

**STARBUCKS  
COFFEE**

**MOTOR  
HARLEY-DAVIDSON  
CYCLES**

**TOYOTA**

**KIA**

**INTERSTATE  
CALIFORNIA  
15**

**I-15 Fwy  
102,000 CPD**



### DESERT SUN PLAZA PHASE I

Shopping Center

GLA: 98,293 SF

Across from Subject Property

### MEDITERRANEAN VILLAGE

428 Multi-Family units

Fully Entitled

0.2 mile from Subject Property

### DESERT SUN PLAZA PHASE II

Shopping Center

GLA: 125,900 SF

0.2 mile from Subject Property

### MIDTOWN SPECTRUM

Mixed-Use

Office, Medical, Retail

GLA: 75,721 SF

### IMPRESSIONS AT VALLEY CENTER

100 Multi-Family units

Fully Leased

0.2 mile from Subject Property

**WinCo**  
FOODS



**WELLS**  
FARGO

**DESERT SUN PLAZA**  
**ACROSS FROM SUBJECT PROPERTY**

**Roy Rogers Drive**  
**22,951 CPD**



**DESERT OASIS**  
Retail & Hotel

**DESERT SKY PLAZA PHASE I**

Shopping Center

GLA: 138,026 SF

0.2 mile from Subject Property



**DESERT SKY PLAZA PHASE II**

Shopping Center

GLA: 193,200 SF

Adjacent to Subject Property



Future Target

**DESERT SKY PLAZA**  
**ADJACENT EAST OF SUBJECT PROPERTY**





# San Bernardino

## POPULATION

**2.18 million (2019)**

San Bernardino County, is a county located in the southern portion of the U.S. state of California, and is located within the Inland Empire area. It is the fifth-most populous county in California and the 14th-most populous in the United States. At the heart of Southern California, San Bernardino County is one of the world's most dynamic and diverse economies. Located in the heart of Southern California, San Bernardino County is a hub for global commerce. The County features an extensive transportation infrastructure, a skilled workforce, and measurable business cost savings. With room for both local and global companies to launch and expand, San Bernardino County continues to inspire migration, making it a high growth area. With a regional population expected to nearly double in the next 30 years, access to 6.5 million workers, and a population younger than California and the national average, it's no wonder why Fortune 500 firms and innovative startups call our County home.

**655,000+**

HOUSEHOLDS

**3**

MAJOR AIRPORTS

**63,000+**

BUSINESSES

**3**

MAJOR INTERSTATE HIGHWAYS

**2**

MAJOR RAILWAYS

**23M**

MARKET ACCESS

**\$86K+**

AVERAGE HOUSEHOLD INCOME

**\$30B+**

TAXABLE SALES



**20,160**

SQUARE MILES



**950K+**

LABOR FORCE

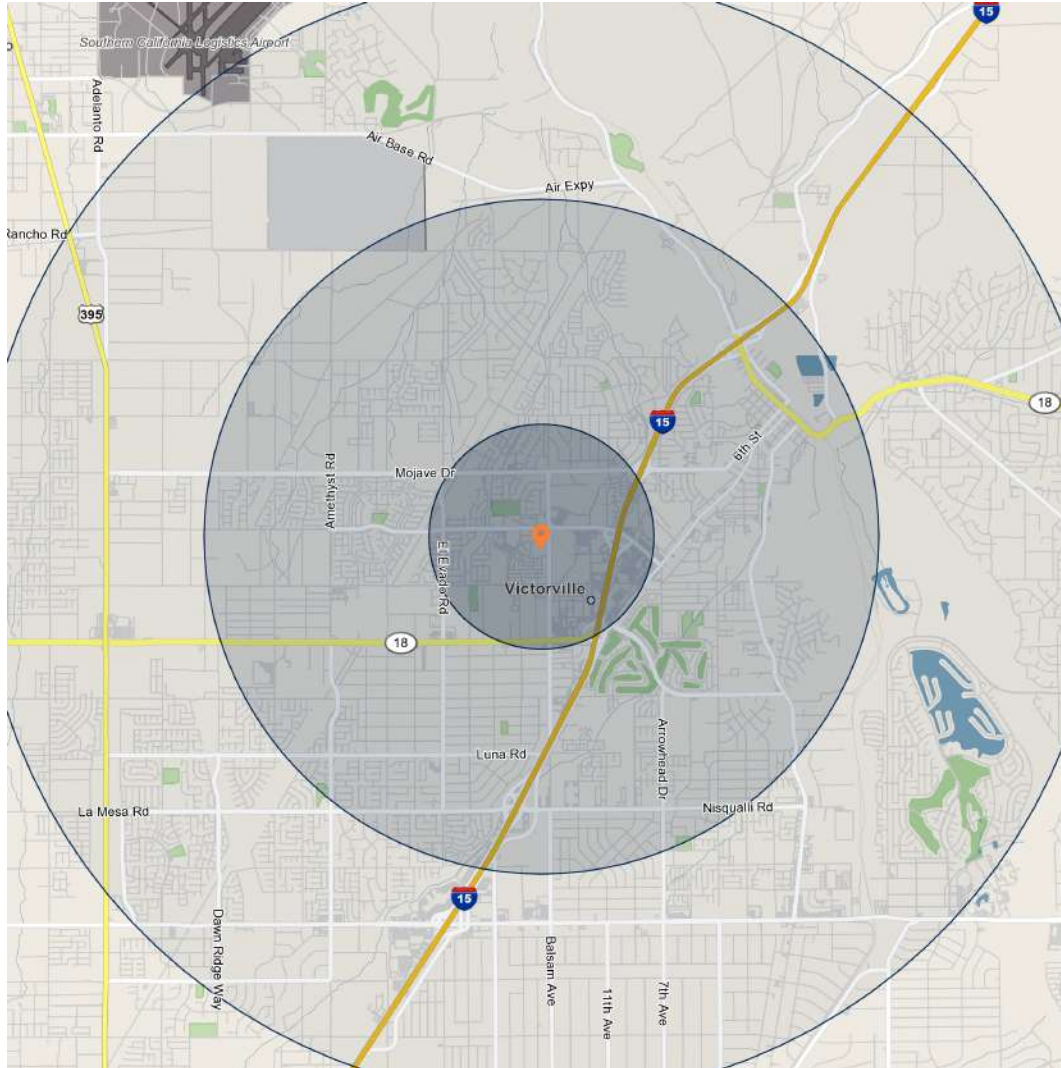


**2.1M+**

POPULATION



# DEMOGRAPHICS



## POPULATION

	1 Mile	3 Miles	5 Miles
2026 Projection	12,055	78,684	173,811
2021 Estimate	11,767	76,690	168,305
2010 Census	11,032	71,381	154,814
2000 Census	7,238	43,907	88,085

## HOUSEHOLD INCOME

Average	\$56,083	\$64,589	\$75,163
Median	\$39,093	\$53,175	\$62,131
Per Capita	\$18,097	\$19,565	\$22,635

## HOUSEHOLDS

2026 Projection	3,844	23,615	51,262
2021 Estimate	3,779	23,095	49,504
2010 Census	3,510	21,290	44,633
2000 Census	2,522	14,653	29,051

## HOUSING

Median Home Value	\$134,146	\$165,970	\$203,534
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## EMPLOYMENT

2021 Daytime Population	10,950	68,462	141,111
2021 Unemployment	10.66%	9.44%	8.51%
Average Time Traveled (Minutes)	34	37	38

## EDUCATIONAL ATTAINMENT

High School Graduate (12)	32.15%	29.93%	29.48%
Some College (13-15)	25.63%	26.56%	26.65%
Associate Degree Only	6.44%	8.13%	8.55%
Bachelor's Degree Only	6.13%	7.12%	8.53%
Graduate Degree	2.12%	3.24%	4.48%





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