

BRAND NEW CONSTRUCTION DRIVE-THRU QSR

Absolute NNN Ground Lease Investment Opportunity



(NYSE: BROS)



4529 W. Bailey Boswell

FORT WORTH TEXAS

ACTUAL SITE



EXCLUSIVELY MARKETING BY



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PROPERTY PHOTO



INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the leased fee interest (land ownership) in an absolute NNN, corporate guaranteed, drive-thru equipped, Dutch Bros Coffee investment property located in Fort Worth, Texas (Dallas-Fort Worth MSA). The tenant, BB Holdings TX LLC, recently signed a brand new 15-year lease with 5 (5-year) options to extend, demonstrating their long-term commitment to the site. The lease features attractive 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 by Boersma Bros. LLC (NYSE: BROS) and is absolute NNN with zero landlord responsibilities making it an ideal, management-free investment opportunity for a passive investor. The state-of-the-art building was just recently completed and features brand new construction with modern amenities and design. In September 2021, Dutch Bros launched its initial public offering raising over \$484 million and valuing the company at \$3.8 billion.

Dutch Bros is strategically located near the hard corner, signalized intersection of W. Bailey Boswell Road and N. Old Decatur Road, averaging a combined 36,000 vehicles passing by daily. The new Dutch Bros site is equipped with a two-lane drive-thru, providing ease and convenience for customers, plus dual drive-thru stores generate significantly higher sales. Additionally, Dutch Bros is ideally located across from a Walmart Supercenter, a premium big-box retailer that significantly increases consumer draw to the immediate trade area and promotes crossover retail exposure for the asset. Other nearby national/credit tenants include Kroger Marketplace (125,000 SF), Albertsons, Raising Cane's, CVS Pharmacy, Chick-fil-A, 7-Eleven, Chipotle, and more. Moreover, the property is within close proximity to The Standard at Boswell apartments (128 units), Boswell High School (2,032 students), Wayside Middle School (812 students), and Bryson Elementary School (497 students), providing a consistent daily customer base for Dutch Bros Coffee. The 5-mile trade area is supported by a population of over 158,000 residents and nearly 39,000 daytime employees with an affluent average household income of \$102,748.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$2,397,000
Net Operating Income	\$89,900
Cap Rate	3.75%
Guaranty	Corporate (NYSE: BROS)
Tenant	BB Holdings TX, LLC
Lease Type	Absolute NNN - Ground Lease
Landlord Responsibilities	None
Sales Reporting	Yes

PROPERTY SPECIFICATIONS

Rentable Area	850 SF (Est.)
Land Area	0.63 Acres
Property Address	4529 W. Bailey Boswell Fort Worth, Texas 76179
Year Built	2022
Parcel Number	33957R-1-2
Ownership	Leased Fee (Land Ownership)

INVESTMENT HIGHLIGHTS



Brand New 15-Year Lease | Corporate Guaranteed | Rental Increases | Brand New Construction | Recent IPO

- Tenant recently signed a brand new 15-year lease with 5 (5-year) options to extend, demonstrating their long-term commitment to the site
- Lease features attractive 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 state-of-the-art building was just recently completed and features brand new construction with modern amenities and design
- In September 2021, Dutch Bros launched its initial public offering raising over \$484 million and valuing the company at \$3.8 billion

Absolute NNN | Leased Fee Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities - Ground Lease
- Ideal, management-free investment for a passive investor

Signalized, Hard Corner Intersection | Drive-Thru Equipped

- Located near the hard corner, signalized intersection of W. Bailey Boswell Road and N. Old Decatur Road, averaging a combined 36,000 vehicles passing by daily
- The new Dutch Bros site is equipped with a two-lane drive-thru, providing ease and convenience for customers, plus dual drive-thru stores generate significantly higher sales.

Across from Walmart Supercenter | Retail Corridor | Strong National/Credit Tenant Presence

- Across from a Walmart Supercenter, a premium big-box retailer that significantly increases consumer draw to the immediate trade area and promotes crossover retail exposure for the asset
- Other nearby national/credit tenants include Kroger Marketplace (125,000 SF), Albertsons, Raising Cane's, CVS Pharmacy, Chick-fil-A, 7-Eleven, Chipotle, and more

Direct Consumer Base | Six-Figure Incomes | Strong Demographics in 5-Mile Trade Area

- Nearby to The Standard at Boswell apartments (128 units), Boswell High School (2,032 students), Wayside Middle School (812 students), and Bryson Elementary School (497 students)
- Provides a consistent daily customer base for Dutch Bros Coffee
- More than 158,000 residents and nearly 39,900 employees support the trade area
- Affluent \$102,748 average household income

PROPERTY OVERVIEW



Location



Fort Worth, Texas
Tarrant, Denton, Parker, Wise & Johnson County
Dallas-Fort Worth MSA

Parking



There are 12 parking spaces on the owned parcel.
The parking ratio is approximately 14.12 stalls
per 1,000 SF of leasable area.

Access



W. Bailey Boswell: 2 Access Points
Old Decatur Rd: 1 Access Point

Parcel



Parcel Number: 33957R-1-2
Acres: 0.63
Square Feet: 27,443

Traffic Counts



W. Bailey Boswell:
22,985 VPD - West | 21,869 VPD - East
Old Decatur Rd:
13,011 VPD - South | 7,127 VPD - North

Construction



Year Built: 2022

Improvements



There is approximately 850 SF (Est.)
of existing building area

Zoning



Commercial (E) - City of Fort Worth





PRESIDIO TOWN CROSSING



COMANCHE SPRINGS
ELEMENTARY

CHASE

PRAIRIE VISTA
MIDDLE SCHOOL

Walmart
Supercenter

SUNSET VALLEY
ELEMENTARY SCHOOL



SAGINAW
HIGH SCHOOL



Walgreens



WAYSIDE MIDDLE
SCHOOL
(812 STUDENTS)
(49 TEACHERS)

OLD DECATUR RD.

20,700
VEHICLES PER DAY

U.S. HIGHWAY 287 BUSINESS



21,869
VEHICLES PER DAY



Great Clips



7,127
VEHICLES PER DAY

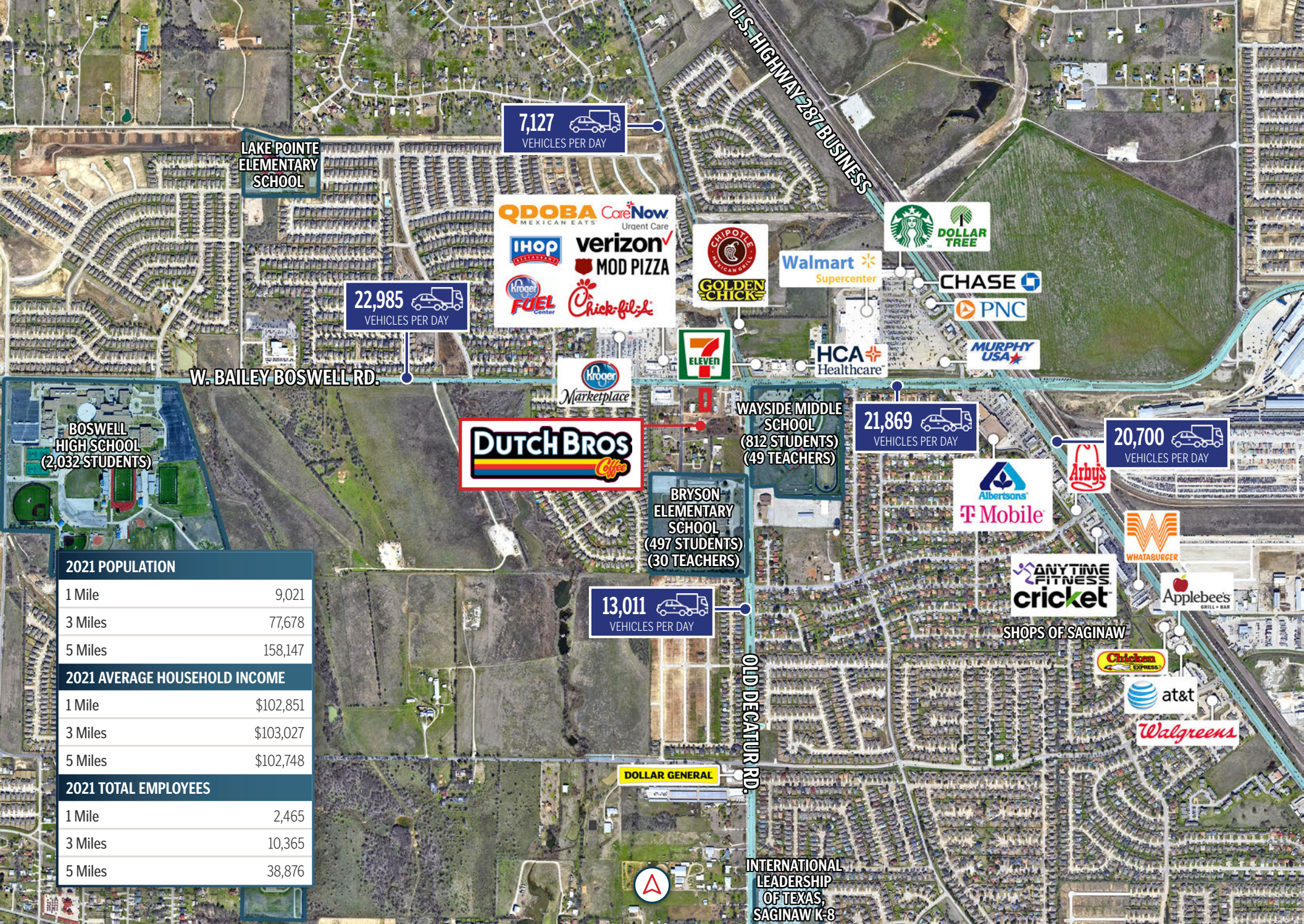
W. BAILEY BOSWELL RD.



22,985
VEHICLES PER DAY

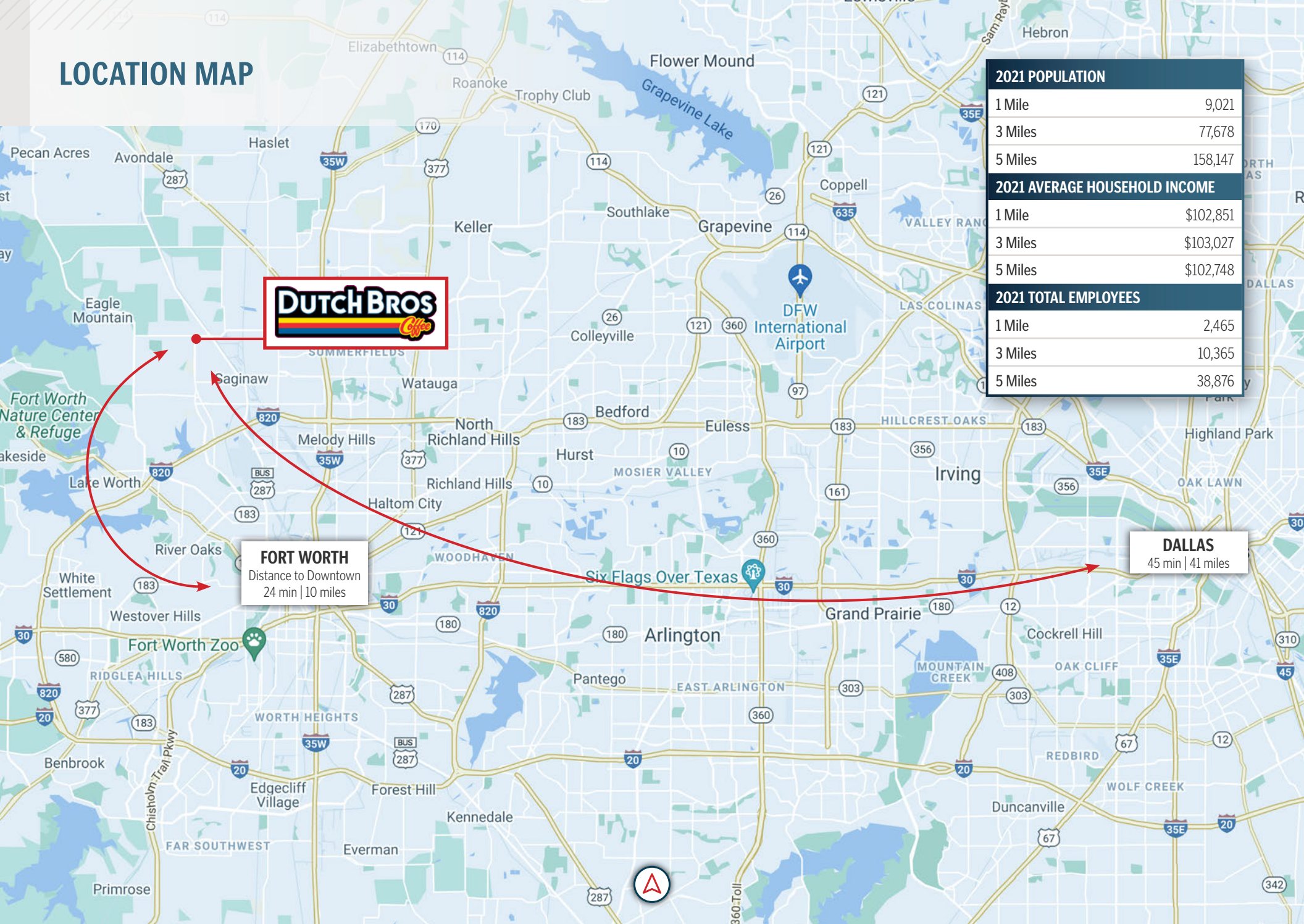


13,011
VEHICLES PER DAY





LOCATION MAP





FORT WORTH, TEXAS

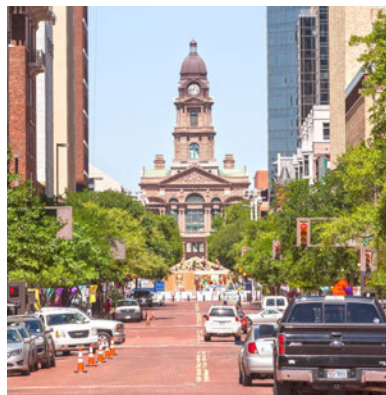
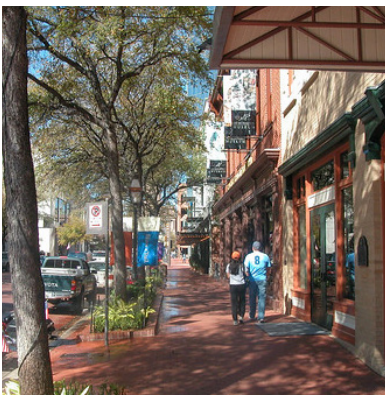
Fort Worth is the 16th-largest city in the United States and the fifth-largest city in the state of Texas. Fort Worth, incorporated in 1873, is a political subdivision and municipal corporation of the State of Texas, located in Tarrant, Denton, Parker, Wise and Johnson Counties. The City of Fort Worth had a population of 927,810 as of July 1, 2021.

Fort Worth is located in North Texas, and has a generally humid subtropical climate. It is part of the Cross Timbers region; this region is a boundary between the more heavily forested eastern parts and the rolling hills and prairies of the central part. Specifically, the city is part of the Grand Prairie ecoregion within the Cross Timbers.

Fort Worth is a Sunbelt city marked by its steady growth and diverse economy. Relocation of major firms to the greater Fort Worth area, renovation of many historical landmarks, shopping areas, and a host of public-private cooperative development ventures comprise Fort Worth's economic past. For the future, the ground has already been broken for ambitious commercial, retail, and residential developments. Fort Worth is one of two major cities in the Dallas/Fort Worth metropolitan area. The Dallas/Fort Worth metropolitan area contains a population of more than 6.9 million people.

Major companies based in Fort Worth include American Airlines Group (and subsidiaries American Airlines and Envoy Air), D. R. Horton, the John Peter Smith Hospital, Pier 1 Imports, RadioShack, and the BNSF Railway. In 2013, Fort Worth-Arlington ranked 15th on Forbes' list of the Best Places for Business and Careers.

Fort Worth has traditionally been a diverse center of manufacturing and is not dependent on the oil or financial sectors. The city's industries range from clothing and food products to jet fighters, helicopters, computers, pharmaceuticals, and plastics. Fort Worth is a national leader in aviation products, electronic equipment, and refrigeration equipment.





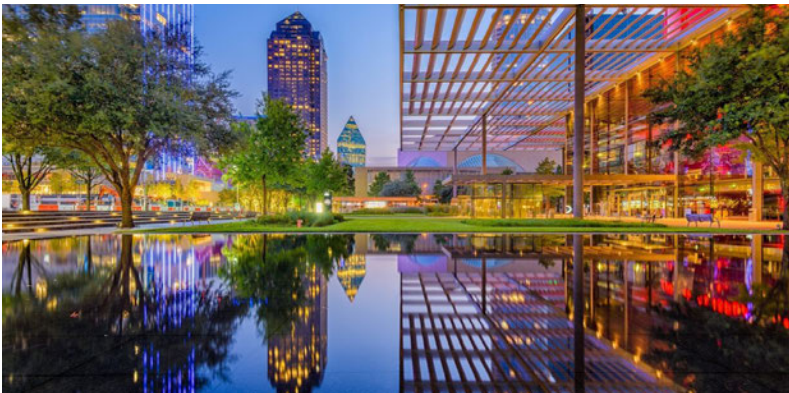
DALLAS, TEXAS

Dallas is a major American metropolis located in the state of Texas. The city is also the largest urban center of the fourth most populous metropolitan area in the United States of America. The city proper ranks ninth in the U.S. and third in Texas after Houston and San Antonio. The city's prominence arose from its historical importance as a center for the oil and cotton industries, and its position along numerous railroad lines. The bulk of the city is in Dallas County, of which it is the county seat; however, sections of the city are located in Collin, Denton, Kaufman, and Rockwall counties. The City of Dallas is the 3rd largest city in Texas with a population of 1,367,628 as of July 1, 2021.

The City of Dallas is the largest local economy in the nation's fourth largest metropolitan area. The City is home to over 62,000 businesses. Dallas' diverse industry employment mix continues to support steady and progressive local economic growth and to dampen the negative effects of any single industry downturn. Professional and Business services were the largest employment industry within the City, marking a change from the last two years where the Trade, Transportation and Utilities sector was the largest. The Government and Education and Health Services sectors employment shares were the third and fourth largest in fiscal 2014.

Dallas is a center of education for much of the south central United States. In addition to those located in the city, the surrounding area also contains a number of universities, colleges, trade schools, and other educational institutions.

Dallas is served by two commercial airports: Dallas/Fort Worth International Airport and Dallas Love Field. In addition, Dallas Executive Airport (formerly Redbird Airport), serves as a general aviation airport for the city, and Addison Airport functions similarly just outside the city limits in the suburb of Addison.



AREA OVERVIEW



ATTRACTIONS

Dallas is all about BIG fun, BIG events, and BIG attractions. Home to exclusive shopping, world-renowned museums, five-star dining, lush green spaces, and vibrant nightlife, in Dallas, a visitor can do it all. And, in no small way.

Fort Worth has traditionally been a diverse center of manufacturing and is not dependent on the oil or financial sectors. The city's industries range from clothing and food products to jet fighters, helicopters, computers, pharmaceuticals, and plastics. Fort Worth is a national leader in aviation products, electronic equipment, and refrigeration equipment.

Dallas is justifiably proud of its big city vibe. For instance, at 68 acres in size, the Dallas Arts District is the largest self-contained urban arts district in the USA. This area includes the Museum of Art, Crow Collection of Asian Art, Nasher Sculpture Center, Morton H. Meyerson Symphony center and the AT&T Performing Arts Center. Popular Dallas attractions also include the Dallas Zoo, the Dallas Arboretum, the Texas Discovery Gardens, several historical sites and a bunch of top-rated restaurants.

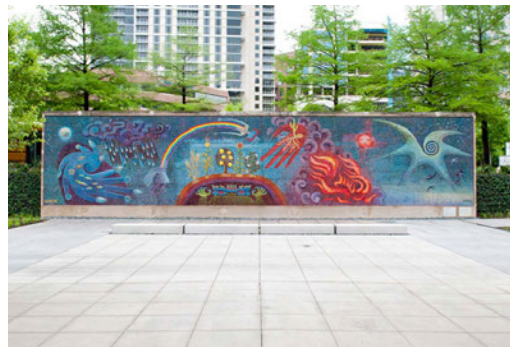
Fort Worth sights are an interesting combination of sophistication and earthiness. Locals often brag that Fort Worth is, "Where the West begins," and rightfully so. This city was founded on wealth from cattle and hardworking cowboys. Even now, the city's own herd of handsome longhorn cows strut through the Fort Worth Stockyards twice a day!



DALLAS CATTLE DRIVE SCULPTURES



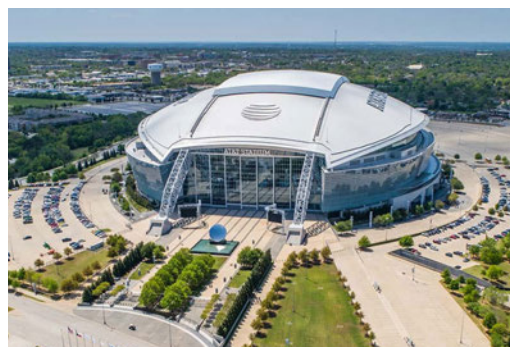
REUNION TOWER



DALLAS MUSEUM OF ART



ZERO GRAVITY AMUSEMENT PARK



AT&T STADIUM



FAIR PARK



DALLAS
BIG THINGS HAPPEN HERE

FORT WORTH



2018 GDP OF MSA



LARGEST CONCENTRATION

of Corporate HQs in the US

4TH BUSIEST AIRPORT

In the World – DFW Int'l

LARGEST RESIDENTIAL GROWTH

in the US – 2017

#1 BEST CITY

for Jobs

4TH LARGEST METRO

in the US

6TH BEST PLACE

for Business & Careers

9TH MOST POPULOUS CITY

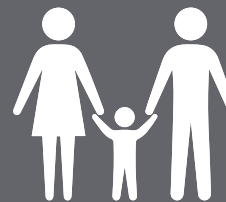
in the US

Major Employers

	Employees
1. Wal-Mart Stores, Inc.	34,698
2. American Airline	24,700
3. Bank of America	20,000
4. Texas Health Resources	19,230
5. Dallas ISD	18,314
6. Baylor Health Care System	17,097
7. Lockheed Martin	14,126
8. JPMorgan Chase	13,500
9. City of Dallas	12,836
10. Texas Instruments	9,100

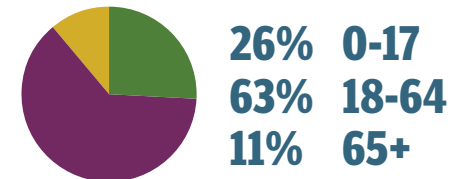


10,000+
Corporate HQs



7.1 Million
Residents

RESIDENTS BY AGE



UNEMPLOYMENT RATE



Industrial Market
Inventory

972M SF

Industrial Market
Vacancy Rate:

6.8%



AREA DEMOGRAPHICS



	1 MILE	3 MILES	5 MILES
POPULATION			
2021 Estimated Population	9,021	77,678	158,147
2026 Projected Population	13,114	93,420	187,638
2010 Census Population	6,264	49,535	99,125
Projected Annual Growth 2021 to 2026	7.77%	3.76%	3.48%
Historical Annual Growth 2010 to 2021	2.62%	4.28%	4.29%
HOUSEHOLDS & GROWTH			
2021 Estimated Households	2,851	24,609	51,534
2026 Projected Households	4,143	29,400	60,726
2010 Census Households	2,002	16,126	33,212
Projected Annual Growth 2021 to 2026	7.76%	3.62%	3.34%
Historical Annual Growth 2010 to 2021	2.49%	4.04%	4.03%
RACE & ETHNICITY			
2021 Estimated White	80.73%	74.26%	72.31%
2021 Estimated Black or African American	7.39%	9.91%	10.98%
2021 Estimated Asian or Pacific Islander	3.28%	5.36%	5.46%
2021 Estimated American Indian or Native Alaskan	0.60%	0.65%	0.64%
2021 Estimated Other Races	10.18%	9.72%	10.38%
2021 Estimated Hispanic	30.97%	30.55%	31.16%
INCOME			
2021 Estimated Average Household Income	\$102,851	\$103,027	\$102,748
2021 Estimated Median Household Income	\$93,008	\$89,551	\$87,671
2021 Estimated Per Capita Income	\$32,751	\$32,905	\$33,426
BUSINESSES & EMPLOYEES			
2021 Estimated Total Businesses	217	977	2,786
2021 Estimated Total Employees	2,465	10,365	38,876



RENT ROLL



TENANT NAME	SQUARE FEET	LEASE TERM				RENTAL RATES			
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	ANNUALLY	RECOVERY TYPE	OPTIONS
BB Holdings TX, LLC	850	TBD	15 Years	Year 1	-	\$7,492	\$89,900	Absolute NNN	5 (5-Year)
(Corporate Guaranty)	(Est.)			Year 6	10%	\$8,241	\$98,890		10% Increase at Beg. of Each Option
				Year 11	10%	\$9,065	\$108,779		

FINANCIAL INFORMATION

Price	\$2,397,000
Net Operating Income	\$89,900
Cap Rate	3.75%
Lease Type	Absolute NNN - Ground Lease

PROPERTY SPECIFICATIONS

Year Built	2022
Rentable Area	850 SF (Est.)
Land Area	0.63 Acres
Address	4529 W. Bailey Boswell Fort Worth, Texas 76179



For financing options and loan quotes:

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



Dutch Bros IPO Prices Above Forecast for \$3.8B Valuation

<https://www.restaurantdive.com/news/dutch-bros-coffee-targets-33b-valuation-in-ipo/601867/>

Published June 16, 2021 & Updated Sept. 15 2021, 9:08 a.m. | Alicia Kelso

Sept. 15, 2021: The coffee chain will go public on the New York Stock Exchange Wednesday and raised the price of its shares to \$23 each, an increase from its previously announced pricing of \$18 to \$20 per share, according to a company release. This share price gives Dutch Bros a valuation of \$3.8 billion. The company sold 21.05 million shares, raising \$484.2 million. The offering is expected to close on Sept. 17, subject to customary closing conditions.

Sept. 7, 2021: Dutch Bros Coffee on Tuesday set terms for its initial public offering, targeting a valuation of more than \$3.3 billion. The coffee chain plans to raise more than \$421 million in its IPO and will offer 21.1 million shares priced at \$18 to \$20 each.

Aug. 23, 2021: Dutch Bros Coffee on Friday filed documents for its initial public offering with plans to raise \$100 million. The company will trade on the New York Stock Exchange under the ticker "BROS."

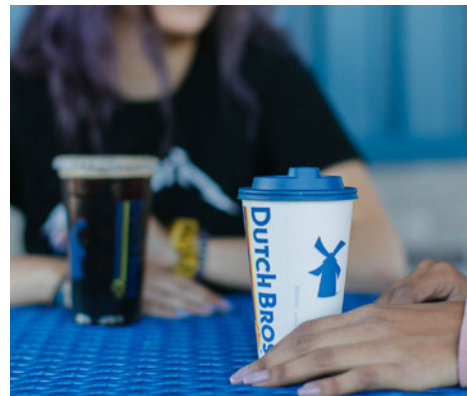
The coffee chain's average unit volumes rose 3% in 2020 to \$1.7 million, and its adjusted EBITDA jumped 43% last year to reach \$70 million. Revenue also rose 37% in 2020 to \$327.4 million.

"We believe we can capture share of any experience where customers seek to consume great beverages on the go," Dutch Bros said in its filing. "Customers are increasingly seeking new and differentiated beverages and the ability to customize these beverages with a multitude of flavor options."

Dive Insight:

Dutch Bros was on an ambitious expansion tear prior to this SEC filing, with 53 new units opening in 2020 and another 85 expected this year. There could be growing pains ahead, however. The company roasts all of its coffee beans in its hometown of Grants Pass, Oregon, and maintaining that supply could pose a challenge as it speeds up its proliferation with investor funding. Still, the concept seems ripe for investor and consumer interest. The chain's local hook can create a consumer perception of superior quality that could differentiate it from coffee giants Starbucks and Dunkin'. Further, 97% of Dutch Bros formats are already drive-thru locations. Because of that, Dutch Bros doesn't offer third-party delivery and has established a strong and growing suburban footprint. In other words, it's ahead of the game compared to coffee rivals that are sprinting to add more drive-thrus, which became a table stakes channel during the pandemic, and shifting their focus from metro to suburban markets after commuter traffic dwindled. The Brookings Institute found that populations grew more rapidly in cities than suburbs between 2010 and the first half of 2015, but that trend began to reverse during the 12 months ending July 2016 and the COVID-19 crisis has significantly exacerbated that pattern. In response to these trends, Starbucks announced in January it is increasing the number of drive-thru locations in Central, Southeast and Southwest U.S. markets, and is now sharply focused on suburban locations. Dutch Bros Coffee continued its growth thru the pandemic, which could indicate a strong business model.

BRAND PROFILE



DUTCH BROS

dutchbros.com

Company Type: Public (NYSE: BROS)

2020 Employees: 8,550

2020 Revenue: \$327.41 Million

2020 Net Income: \$5.73 Million

2020 Assets: \$259.66 Million

2020 Equity: \$75.99 Million

Dutch Bros Coffee is a drive-thru coffee company dedicated to making a massive difference one cup at a time. Headquartered in Grants Pass, Oregon, where it was founded in 1992 by Dane and Travis Boersma, it's now sharing the Dutch Luv with more than 500 locations in 11 states. Dutch Bros 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.



SRS

NATIONAL
NET LEASE
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THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

27

OFFICES

#1

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

3K+

RETAIL
TRANSACTIONS
company-wide
in 2021

840+

NET LEASE
TRANSACTIONS SOLD
in 2021

\$3.1B

NET LEASE
TRANSACTION VALUE
in 2021

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