



DUTCH BROS COFFEE

ROSENBERG, TEXAS (HOUSTON MSA)

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$2,450,000 | 4.00% CAP RATE

- » New 15-Year Absolute NNN Lease With 10% Rental Increases Every Five Years
- » Dutch Bros (NYSE: "BROS") Recently Went Public - Now Valued at Over \$7.9 Billion
- » Located Near the Reading Road (21,527 AADT) Four-Way Signalized Intersection, Offering Multiple Access Points to the Property
- » Less Than a Mile From Interstate 69 (93,095 AADT), Greatly Increasing Site Traffic and Visibility
- » Outparcel to Kroger-Anchored Brazos Town Center Shopping Mall (110 Stores)
- » Population of 121,706 Within Five Miles (41% Growth Since 2010), Projected to Increase 18% By 2026
- » High-Income Community With the Average Annual Household Income Exceeding 100k Within One-, Three-, and Five-Mile Radii
- » 30 Miles From Downtown Houston, the Most Populous City in Texas and, Fourth-Most Populous in the United States (2.3 Million Residents)
- » New 2022 Construction With Dedicated Dual-Lane Drive-Thru in Income Tax-Free State

FILE PHOTO

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**YURAS
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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.

INVESTMENT OVERVIEW

ADDRESS	538 Minonite Road, Rosenberg, Texas		
PRICE	\$2,450,000		
CAP RATE	4.00%		
NOI	\$97,983		
TERM	15 years		
RENT COMMENCEMENT	June 15, 2022 (estimated)		
LEASE EXPIRATION	June 30, 2037 (estimated)		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$97,983	4.00%
	6-10	\$107,781	4.40%
	11-15	\$118,559	4.84%
	16-20 (Option 1)	\$130,415	5.32%
	21-25 (Option 2)	\$143,457	5.86%
	26-30 (Option 3)	\$157,803	6.44%
	31-35 (Option 4)	\$173,583	7.09%
YEAR BUILT	2022		
BUILDING SF	950 SF		
PARCEL SIZE	1.04 acres (45,302 SF)		
LEASE TYPE	Absolute NNN lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		



FILE PHOTO

NEW 15-YEAR ABSOLUTE NNN LEASE TO STRONG RETAIL TENANT

- » New 15-year absolute NNN lease to strong and rapidly growing retail tenant
- » 10% rental increases every five years, providing a hedge against inflation
- » No landlord management, ideal for an out-of-area investor
- » Dutch Bros recently went public - now valued at over \$7.9 billion (NYSE: "BROS")
- » Dutch Bros Inc. is one of the fastest-growing brands in the food service and restaurant industry in the U.S by location count
- » In 2021, total revenues grew 52.1% to \$497.9 million as compared to \$327.4 million in 2020

HIGH-VISIBILITY LOCATION NEAR PROMINENT RETAILERS AND COMMUNITY HUBS

- » Strategically located on Minonite Road (9,847 AADT) near the Reading Road (21,527 AADT) four-way signalized intersection, offering multiple access points to the property
- » Outparcel to Kroger-anchored Brazos Town Center shopping mall (110 stores) with prominent nearby tenants such as Best Buy, The Home Depot, Target, CVS Pharmacy, Walgreens, ALDI, H-E-B, HomeGoods, Chick-fil-A, and many more
- » Beneficial proximity to several large schools and universities including B F Terry High School (2,117 students), Arredondo Elementary (817 students), Wharton County Junior College – Richmond campus, and Texas State Technical College
- » Within walking distance to SpringHill Suites by Marriott Houston Rosenberg (118 rooms) and near several other hotel chains within a five-mile radius of the location
- » Less than a mile from Interstate 69 (93,095 AADT), greatly increasing site traffic and visibility and connects the location with the large Houston trade area
- » 30 miles from Downtown Houston, the most populous city in Texas and fourth-most populous in the U.S. (2.3 million residents)

PRIME LOCATION WITHIN A GROWING MASTER-PLANNED COMMUNITY WITH A LARGE AND AFFLUENT CUSTOMER BASE

- » Prime location within Brazos Town Center, a "life essential" town center, that integrates 100 acres of retail with high-end multi-family units, single family homes, and a medical/professional office park, providing a reliable customer base for the site
- » 121,706 residents within five miles (41% growth since 2010), projected to increase 18% by 2026
- » High-income community with the average annual household income exceeding 100k within one-, three-, and five-mile radii
- » The city of Rosenberg financial outlook is stable and has an 'AA-' long-term rating by Standard & Poor's

NEW 2022 CONSTRUCTION IN INCOME TAX-FREE STATE

- » 2022 construction featuring a dedicated dual-lane drive-thru, providing additional customer convenience and boosting sales revenue
- » Texas has no state income tax, estate tax, or inheritance tax



Brazos Town Center

KOHL'S **HOBBY LOBBY** **THE HOME DEPOT** **TACO EXPRESS**

PETCO **TEXAS POPCORN** **BURGER KING** **BEST BUY**

Where the pets go. **Office DEPOT** **TARGET**

Bank of America **Starbucks** **Buffalo Wild Wings** **Chick-fil-A**

Walmart
Supercenter

Brazos Town Center

Kroger **Academy** **McDonald's**

Olive Garden **SONIC** **Michaels**

five BELOW **WING STOP**

POPEYES **jcpenny** **ROCKY BARREL**

LOUISIANA KITCHEN **Old Country Store**

stripes

DUTCH BROS
(Under Construction)

Dolce Living
Apartments
(324 units)

Walgreens
KFC **TACO BELL**

BatteriesPlus

TEXANS FIT

Kids R Kids
Learning Academy

O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

AutoZone

EXXON

Springs at
Summer Park
(280 units)

Minonite Road

Reading Road
(21,527 AADT)

Interstate 69
(93,095 AADT)

Don Carter
Elementary School
(728 students)

Thomas
Elementary School
(672 students)

Dr. Thomas E. Randle
High School
(1,700 students)



Reading Road
(21,527 AADT)

Minonite Road

Springs at
Summer Park
(280 units)

EXXON



O'Reilly AUTO PARTS
PROFESSIONAL PARTS PEOPLE

Dolce Living
Apartments
(324 units)



(Under Construction)

Kids R Kids
Learning Academy

Brazos Town Center



Academy
SPORTS+OUTDOORS



five BELOW



POPEYES
+LOUISIANA KITCHEN+

jcpenny



TEXANS FIT

AutoZone



Brazos Town Center



Interstate 69
(93,095 AADT)



Dolce Living
Apartments
(324 units)



Reading Road
(21,527 AADT)

Brazos Town Center



Springs at
Summer Park
(280 units)

Minonite Road

DOWNTOWN HOUSTON
(30 MILES)

Interstate 69
(93,095 AADT)



Dolce Living
Apartments
(324 units)

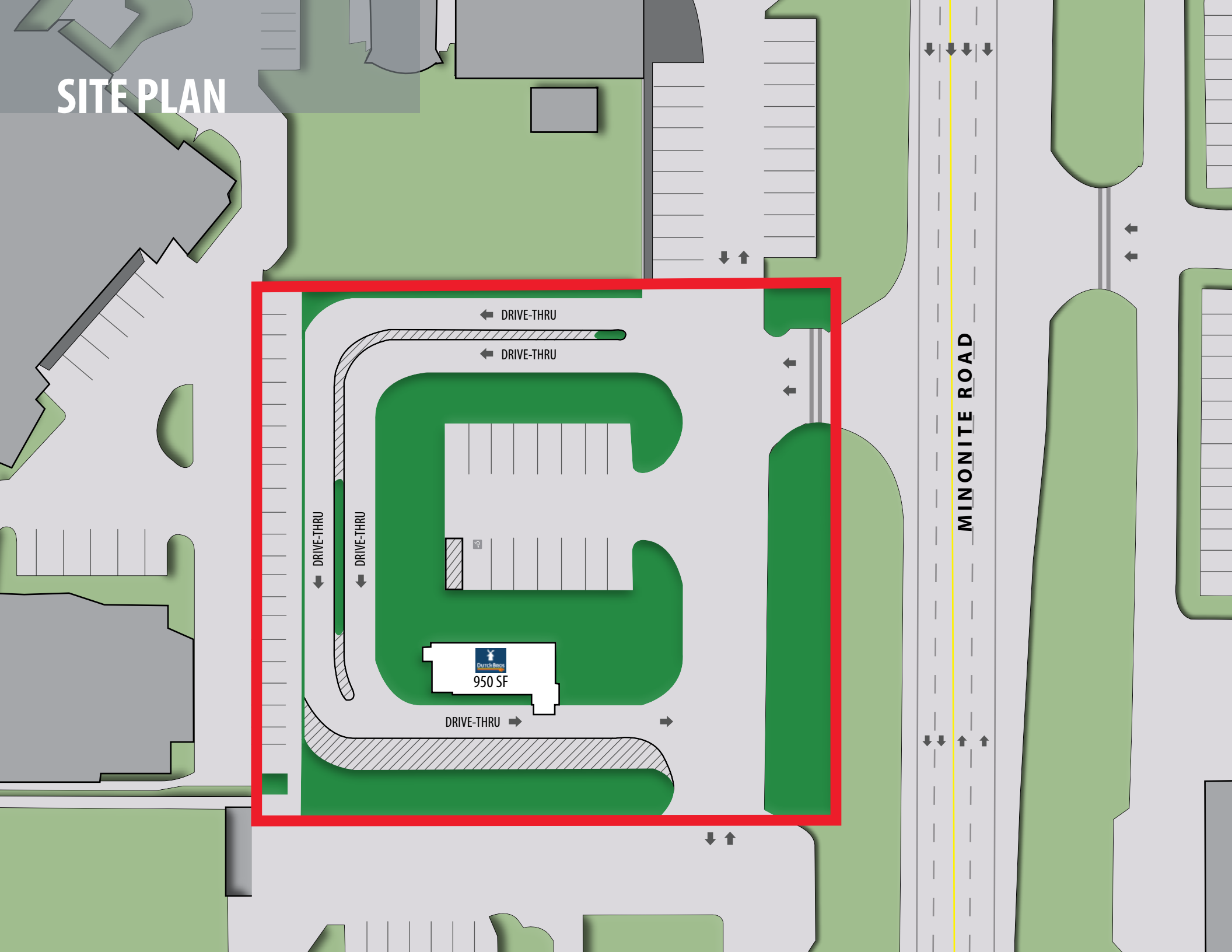


Reading Road
(21,527 AADT)

Minonite Road

Springs at
Summer Park
(280 units)

SITE PLAN



TENANT SUMMARY



Dutch Bros is a high-growth operator and franchisor of drive-thru shops with a focus on serving high-quality, hand-crafted beverages with unparalleled speed and superior service. Founded in 1992 by brothers Dane and Travis Boersma, Dutch Bros began with a double-head espresso machine and a pushcart in Grants Pass, Oregon. While espresso-based beverages are still at the core of the business, Dutch Bros now offers a wide variety of unique, customizable cold and hot beverages that delight a broad array of customers. On September 15, 2021, Dutch Bros launched their IPO on the New York Stock Exchange, which is now valued at \$7.9 billion. In 2021, total revenues grew 52.1% to \$497.9 million as compared to \$327.4 million in 2020.

As of December 31, 2021, Dutch Bros had 538 locations across 12 states, with plans to grow to 4,000 locations nationwide.

For more information, please visit www.dutchbros.com.

TICKER	NYSE: "BROS"	HEADQUARTERS	Grants Pass, OR
LOCATIONS	538+	SALES	\$497.9M

LEASE ABSTRACT

TENANT	BB Holdings TX, LLC		
ADDRESS	538 Minonite Road, Rosenberg, Texas		
RENT COMMENCEMENT	June 15, 2022 (estimated)		
LEASE EXPIRATION	June 30, 2037 (estimated)		
RENEWAL OPTIONS	Four (4) five (5) year options		
RENT PER YEAR	YEAR	RENT	RETURN
	1-5	\$97,983	4.00%
	6-10	\$107,781	4.40%
	11-15	\$118,559	4.84%
	16-20 (Option 1)	\$130,415	5.32%
	21-25 (Option 2)	\$143,457	5.86%
	26-30 (Option 3)	\$157,803	6.44%
	31-35 (Option 4)	\$173,583	7.09%
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 repair and maintenance, including roof, structure, and parking lot.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

Dutch Bros is strategically located on Minonite Road (9,847 AADT) near the Reading Road (21,527 AADT) four-way signalized intersection, offering multiple access points to the site. The property is in a prime location within Brazos Town Center, a “life essential” town center integrating 100 acres of retail with high-end multi-family units, single family homes, and a medical/professional office park, providing a reliable customer base for the site. The property is an outparcel to the Kroger-anchored Brazos Town Center shopping mall (110 stores) with prominent nearby tenants such as Best Buy, The Home Depot, Target, CVS Pharmacy, Walgreens, ALDI, H-E-B, HomeGoods, Chick-fil-A, and many more. The site maintains beneficial proximity to well-attended schools and universities including B F Terry High School (2,117 students), Arredondo Elementary (817 students), Wharton County Junior College, and Texas State Technical College. The property is within walking distance to SpringHill Suites by Marriott Houston Rosenberg (118 rooms) and near several other hotel chains within a five-mile radius.

The community is densely populated and growing with 121,706 residents living within five miles (41% growth since 2010) and is projected to increase 18% by 2026. The location is supported by a high-income population with the average annual household income exceeding 100k within one-, three-, and five-mile radii. The area is poised for continuous growth along with other surrounding Houston Suburbs. The property is situated less than a mile from Interstate 69 (93,095 AADT), greatly increasing traffic and visibility to the site and connecting the location with the large Houston trade area. Downtown Houston, the most populous city in Texas and fourth-most populous in the United States with 2.3 million residents is only 30 miles from the site.

ACCESS

Access from Minonite Road and cross access from Reading Road and Winding Lakes Lane

TRAFFIC COUNTS

Minonite Road: 9,847 AADT
Reading Road: 21,527 AADT
Interstate 69: 93,095 AADT

PARKING

15 parking stalls, including one (1) handicap stall

YEAR BUILT

2022

NEAREST AIRPORT

Houston Southwest Airport (AXH) | 21.1 miles

FILE PHOTO



15
PARKING
STALLS



2022
YEAR
BUILT



**NEAREST
AIRPORT**
HOUSTON
SOUTHWEST
AIRPORT

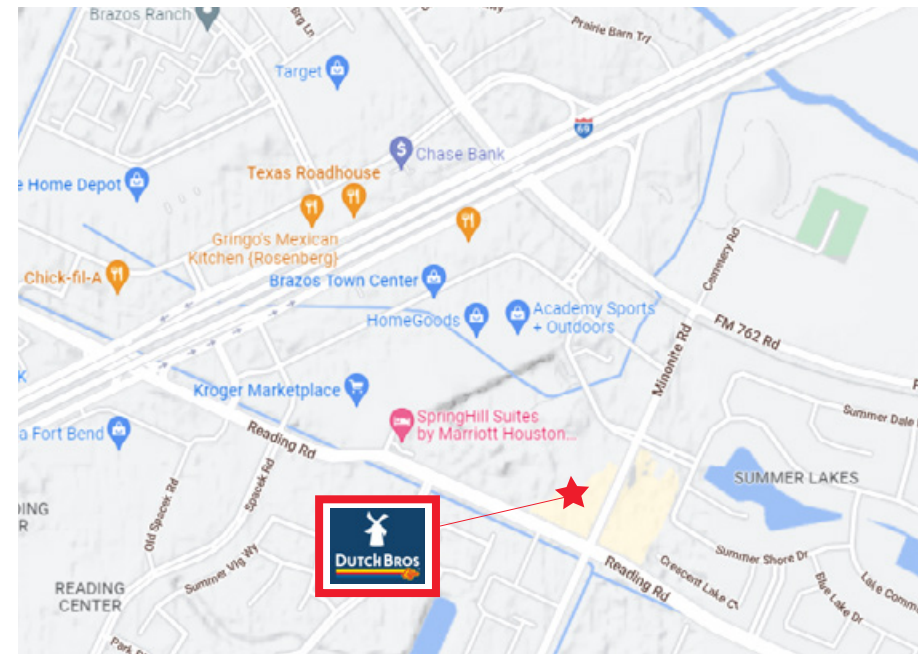
AREA OVERVIEW

Rosenberg is located in the Gulf Coast region of Texas, at the geographic center of Fort Bend County, and is approximately thirty miles southwest of Downtown Houston along Interstate 69 (I-69). Rosenberg is located in one of the fastest growing and most ethnically diverse counties in the United States. Rosenberg is home to a diverse group of industries including pharmaceutical packaging, machining, manufacturing, chemical blending, telecommunications services, distribution centers, engineering, oil and gas services, and a variety of retail operations. The City is a major retail trade area for antiques, building materials, general merchandise, food stores, and automobiles. The Brazos Town Center, located along I-69, between FM 762 and Reading Road, is a master-planned, mixed-use development, which integrates retail, residential, and professional spaces interconnected with parks, a trail system, lakes, and fountains. Brazos Town Center serves as a regional shopping and dining destination, attracting customers and from outside the City.

Fort Bend County is in southeast Texas in the Houston metropolitan area. It encompasses a total of 875 square miles. Fort Bend is known as an exceptional place to live with upward residential and commercial sector growth. U.S. 59 traverses the center of the County from northeast to southwest, while U.S. 90A crosses from east to west. Fort Bend County has approximately 11 square miles of surface water in rivers, creeks, and small lakes. The County is drained by the Brazos, San Bernard Rivers, and Oyster Creek. The Brazos River formed a broad alluvial valley, up to 10 miles wide in sections. The resulting fertile soils have been a major contributing factor to the agricultural industry in the County. The Houston–The Woodlands–Sugar Land metropolitan area (Greater Houston) is the fifth-largest Metropolitan area in the United States, with 6.8 million residents. Greater Houston continues to grow; from 2000 to 2030, the metropolitan area is projected to rank fifth in the nation in population growth—adding 2.66 million people. The metro area is the largest economic and cultural center of the American South and is included in the Texas Triangle megapolitan area, anchored by the metro areas of Houston, Dallas–Fort Worth, and San Antonio. The Texas Triangle is home to more than 70 percent of all Texans. In the next 40 years, the population of the Texas Triangle has been projected to grow more than 65 percent, or an additional 10 million people, leading to 78 percent of Texans living and working within the Texas Triangle.

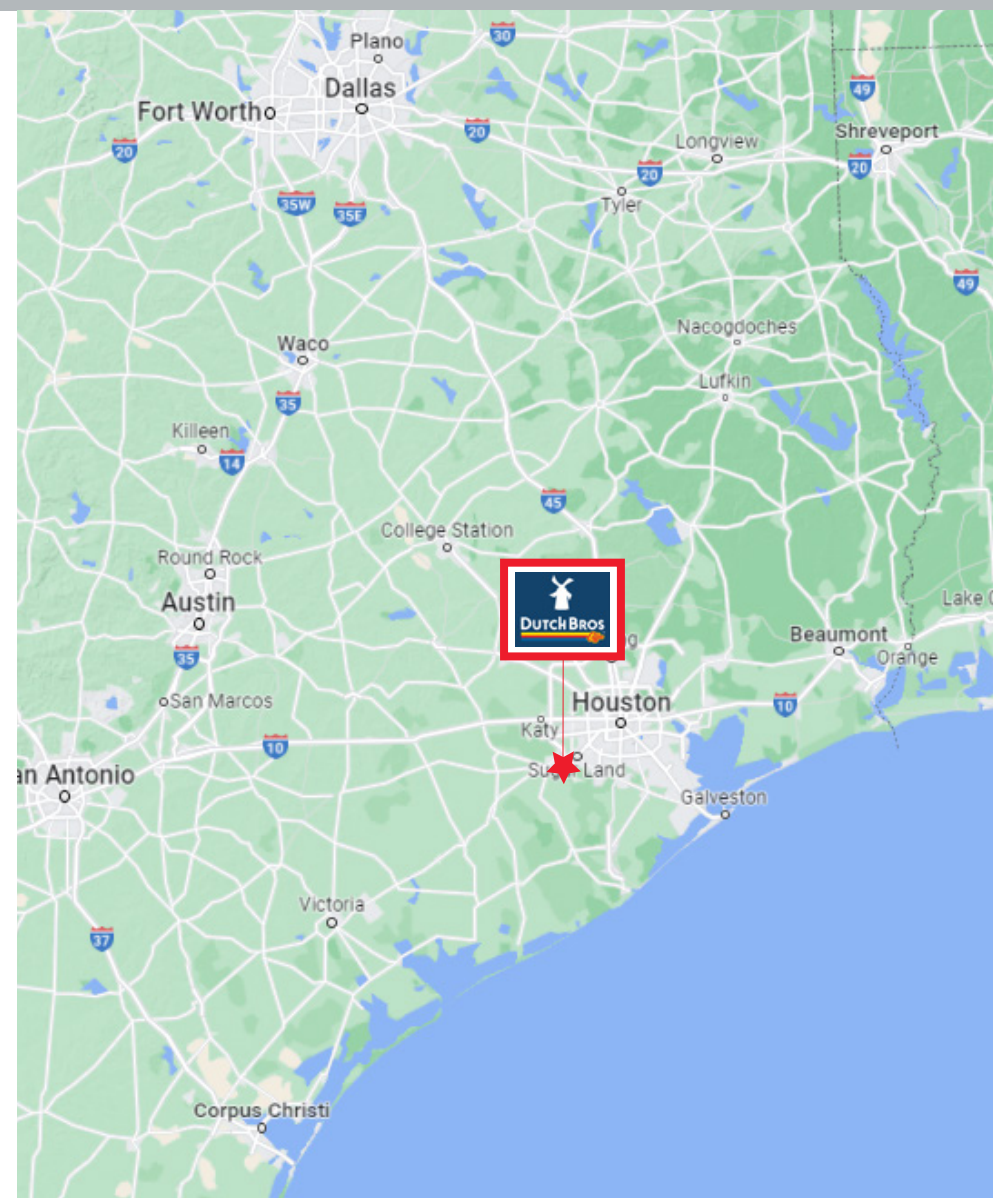
- » Rosenberg's financial outlook is stable and is assigned an 'AA-' long-term rating by Standard & Poor's.
- » Fort Bend County is the tenth largest county in Texas and one of the fastest-growing regions in terms of commercial development.
- » Fort Bend County is home to Fortune 500 companies, international businesses, and the brightest innovators, and has grown from 8,600 business establishments or companies to nearly 15,000 in ten years.
- » Fort Bend County has experienced economic stability with its labor force, which stands at 394,407 on September 30, 2020; an increase of 1.16% from the prior year. The median household income for 2019 was \$86,486 and is projected to grow to \$98,867 by 2023.

LARGEST EMPLOYERS IN ROSENBERG, TEXAS	# OF EMPLOYEES
LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT	5,283
TEXANA CENTER	714
FRITO LAY, INC.	600
DOLLAR TREE	520
FORT BEND COUNTY OFFICES - ANNEX	394
CITY OF ROSENBERG	315
KROGER	300
BENEDITTINI CABINETRY	275
SI ENVIRONMENTAL	192
BIOTICS RESEARCH CORPORATION	150



DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Miles	3 Miles	5 Miles
Population	7,770	63,741	121,706
Households	2,559	21,272	39,526
Families	2,072	16,129	30,723
Average Household Size	3.03	2.94	3.04
Owner Occupied Housing Units	2,125	15,853	30,015
Renter Occupied Housing Units	434	5,418	9,511
Median Age	32.9	33.2	34.2
Average Household Income	\$120,122	\$105,566	\$103,913
2026 ESTIMATE	1 Miles	3 Miles	5 Miles
Population	9,858	77,513	143,214
Households	3,241	25,915	46,640
Families	2,613	19,630	36,153
Average Household Size	3.04	2.95	3.04
Owner Occupied Housing Units	2,669	19,571	35,839
Renter Occupied Housing Units	572	6,343	10,800
Median Age	31.7	32.5	34.0
Average Household Income	\$131,417	\$117,188	\$114,280



AVERAGE HOUSEHOLD INCOME OF \$120,122
WITHIN ONE MILE



POPULATION OF 121,706
WITHIN FIVE MILES

INFORMATION ABOUT BROKERAGE SERVICES



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone
Buyer/Tenant/Seller/Landlord Initials		Date	

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