



DUTCH BROS COFFEE GROUND LEASE

PAYSON, UTAH

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM

\$1,775,000 | 4.00% CAP RATE

- » 15-Year Absolute NNN Ground Lease With Corporate Guaranty
 - » 10% Rental Increases Every Five Years
 - » Dutch Bros (NYSE: "BROS") Recently Went Public - Now Valued at Over \$5.6 Billion
- » High-Visibility Interstate Location Within Large and Growing Utah Suburb
 - » Conveniently Located on West 800 South With Access to 19,285 Vehicles Per Day
 - » Just Off of the Interstate 15 Off-Ramp, With Visibility and Access to 67,285 Total Vehicles Per Day
- » Proximity to Payson's Largest Retail Centers, Schools, and Community Hubs
 - » Surrounded by Strong Local and National Retailers, Including Walmart Supercenter, Taco Bell, Arby's, IHOP, KFC, AutoZone, Sherwin-Williams (Also Available), and Many More
- » 2022 Construction With Dedicated Dual-Drive Drive-Thru

West 800 South Street
(19,285 AADT)



Interstate 15
(48,000 AADT)

ACTUAL SITE

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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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**YURAS
AICALE
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CROWLE**

Leased Investment Team

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	1142 West 800 South, Payson, UT 84651		
PRICE	\$1,775,000		
CAP RATE	4.00%		
NOI	\$71,000		
TERM	15 years		
RENT COMMENCEMENT	August 31, 2022 (estimated)		
LEASE EXPIRATION	August 30, 2037 (estimated)		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$71,000	4.00%
	6-10	\$78,100	4.40%
	11-15	\$85,910	4.84%
	16-20 (Option 1)	\$94,501	5.32%
	21-25 (Option 2)	\$103,951	5.86%
	26-30 (Option 3)	\$114,346	6.44%
	31-35 (Option 4)	\$125,781	7.09%
YEAR BUILT	2022		
BUILDING SF	950 SF		
PARCEL SIZE	0.89 acres (38,768 SF)		
LEASE TYPE	Absolute NNN ground lease, with tenant responsible for all taxes, insurance, and maintenance, including roof, structure, and parking lot		

NEW 15-YEAR ABSOLUTE NNN GROUND LEASE WITH CORPORATE GUARANTY

- » New 15-year absolute NNN ground lease with a strong corporate guaranty
- » Dutch Bros recently went public valued at over \$5.6 billion (NYSE: "BROS")
- » Dutch Bros has over 600 locations across 12 states, with plans to grow to 4,000 locations nationwide
- » 10% rental increases every five years, providing a hedge against inflation
- » 2022 construction featuring a dedicated dual-lane drive-thru, providing additional customer convenience and boosting sales revenue

HIGH-VISIBILITY LOCATION IN LARGE AND GROWING UTAH SUBURB

- » Conveniently located on West 800 South, with access to 19,285 vehicles per day
- » Less than a quarter of a mile from Interstate 15, with visibility to an additional 48,000 vehicles per day
- » Utah County grew by a staggering 35.7% from 2010-2020, the 35th fastest-growing county nationwide
- » 50,314 residents within a five-mile radius, providing a consistent customer base for the property
- » Average household income of \$91,313 within five miles and projected to increase 14 percent by 2026, poising Dutch Bros and the immediate trade area for concurrent growth

PROXIMITY TO PAYSON'S LARGEST RETAIL CENTERS, SCHOOLS, AND COMMUNITY HUBS

- » Surrounded by a strong mix of local and national retailers, including Walmart Supercenter, Taco Bell, Arby's, IHOP, KFC, AutoZone, Sherwin Williams (also available), Big O Tires, and many more
- » 1.5 miles from Payson High School (1,318 students) and Payson Junior High School (1,051 students)
- » 10 miles from Utah Lake (285,000+ annual visitors)
- » Interstate 15 carries significant commuter traffic to and from the Salt Lake City MSA (1.24 million population)
- » One mile from Payson Utah Temple (95,000+ members), providing a large customer base to the site



DRY
MOUNTAIN

MOUNT
NEBO



Spring Lake
Elementary School
(696 students)

Apple Valley
Elementary School
(704 students)

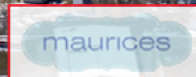
Payson Utah
Temple
(95,000 members)

Jesse Taylor
Park

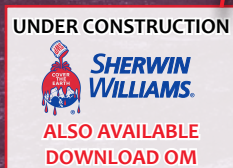
Interstate 15
(48,000 AADT)



Orchard View Assisted
Living & Memory Care



West 800 South Street
(19,285 AADT)



Future Grocery-Anchored
Shopping Center



BUCKLEY
MOUNTAIN

POWERHOUSE
MOUNTAIN

LOAFER
MOUNTAIN

Mountain View
Hospital
(124 beds)

Valley View
Middle School
(750 students)

Gladstan
Golf Course

Salem Hills
High School
(1,142 students)

DOWNTOWN
PAYSON
(2 miles)

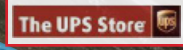
Wilson
Elementary School
(444 students)

Payson
High School
(1,318 students)

Payson
Junior High School
(1,051 students)

Mount Nebo
Middle School
(712 students)
Future Grocery-
Anchored
Shopping Center

West 800 South Street
(19,285 AADT)



Interstate 15
(48,000 AADT)

BUCKLEY
MOUNTAIN



SALT LAKE CITY
INTERNATIONAL AIRPORT
(65.3 miles)

PROVO
AIRPORT
(18.7 miles)

UTAH LAKE
(285,000+ annual visitors)

Central Utah
Veterans Home
(108 beds)



INDUSTRIAL REGION

Temkin
International Inc.
(376 employees)

Interstate 15
(48,000 AADT)

Mount Nebo
Middle School
(712 students)

UNDER CONSTRUCTION

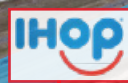
SHERWIN
WILLIAMS
ALSO AVAILABLE
DOWNLOAD OM

DUTCH BROS
(Under Construction)

Future Grocery-Anchored
Shopping Center



West 800 South Street
(19,285 AADT)



PINYON
PEAK

West Mountain
ATV Trails



Ridgestone
Condominiums



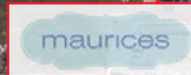
Orchard View Assisted
Living & Memory Care



Interstate 15
(48,000 AADT)



UNDER CONSTRUCTION
**SHERWIN
WILLIAMS.**
ALSO AVAILABLE
DOWNLOAD OM



West 800 South Street
(19,285 AADT)



Future Grocery-Anchored
Shopping Center



WEST 800 SOUTH

SITE PLAN

Advance
Auto Parts



950 SF



ALSO
AVAILABLE



DRIVE-THRU

DRIVE-THRU

DRIVE-THRU

DRIVE-THRU

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 valued at \$3.3 billion. In 2021, total revenues grew 52.1% to \$497.9 million as compared to \$327.4 million in 2020.

Dutch Bros has over 600 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	600+	SALES	\$497.9M

LEASE ABSTRACT

TENANT	BB Holdings UT, LLC		
GUARANTOR	Boersma Bros. LLC,		
ADDRESS	1142 West 800 South, Payson, UT 84651		
RENT COMMENCEMENT	August 31, 2022 (estimated)		
LEASE EXPIRATION	August 30, 2037 (estimated)		
RENEWAL OPTIONS	Four (4) 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) 31-35 (Option 4)	RENT \$71,000 \$78,100 \$85,910 \$94,501 \$103,951 \$114,346 \$125,781	RETURN 4.00% 4.40% 4.84% 5.32% 5.86% 6.44% 7.09%
REAL ESTATE TAXES	Tenant shall pay all real estate taxes.		
INSURANCE	Tenant is responsible for all insurance costs.		
REPAIR & MAINTENANCE	Tenant will repair and maintain in good and tenantable, clean and safe condition and repair and replace, as necessary, at its own cost, the Premises including, but not limited to, pavement, asphalt, sidewalks, parking or traffic lane striping, and landscaping; all utility connections, conduits, sewers, and drains in or on the Premises; and Tenant's Improvements, including the HVAC system, in good order and repair.		
MAINTENANCE BY LANDLORD	None		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

This Dutch Bros Coffee is conveniently located on West 800 South, with excellent access and visibility to 19,285 vehicles per day. The site is less than a quarter of a mile from Interstate 15, with visibility to an additional 48,000 vehicles per day. Utah County grew by a staggering 35.7% from 2010-2020, the 35th fastest-growing county nationwide. The site has strong demographics, with 50,314 residents living within a five-mile radius, providing a consistent customer base for the property. The average household income is \$91,313 within five miles and is projected to increase 14 percent by 2026, poising Dutch Bros and the immediate trade area for concurrent growth.

The property benefits from its proximity to Payson's largest retail centers, schools, and community hubs. Major tenants in the surrounding area include Walmart Supercenter, Taco Bell, Arby's, IHOP, KFC, AutoZone, Sherwin Williams (also available), and many more, significantly increasing traffic to the site. The property is 1.5 miles from Payson High School (1,318 students) and Payson Junior High School (1,051 students), driving breakfast and lunchtime traffic to the location. The site is 10 miles from Utah Lake (285,000+ annual visitors) and maintains excellent proximity to Payson Utah Temple (95,000+ members), providing a large customer base to the site.

ACCESS

Access from West 800 South and cross access from South 1040 West

TRAFFIC COUNTS

West 800 South: 19,285 AADT
Interstate 15: 48,000 AADT

PARKING

12 parking stalls, including one (1) handicap stall

YEAR BUILT

2022

NEAREST AIRPORT

Salt Lake City International Airport (SLC | 65 miles)



12
PARKING
STALLS



2022
YEAR BUILT



**NEAREST
AIRPORTS**
SALT LAKE CITY
INTERNATIONAL
AIRPORT

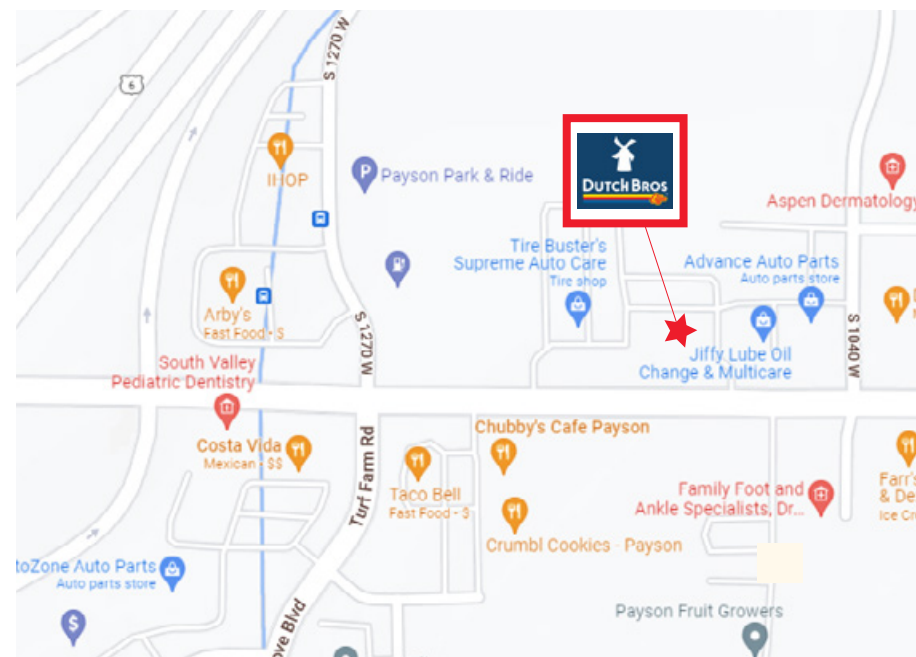
AREA OVERVIEW

Payson is a city in Utah County, Utah and is part of the Provo–Orem Metropolitan Statistical Area. Located in the Provo-Metropolitan area of Utah County, Payson is situated approximately 59 miles from Salt Lake City, and covers an area of approximately 19.36 square miles. Payson strives to brand itself as a “destination city”, emphasizing the outdoor recreation available in the area. These activities include biking, hiking, trail riding, golf, and more. Major industries with headquarters or divisions located within the government’s boundaries or in close proximity include software manufactures, food manufacturers, and many retail entities. Payson also has a large health-based component with Payson Mountain View Hospital located within the city’s boundaries.

Utah County is part of the Provo-Orem, UT Metropolitan Statistical Area as well as the Salt Lake City-Provo-Orem, UT Combined Statistical Area. In the past 20 years, Utah County has grown quickly and consistently. Provo/Orem was recently ranked the ninth fastest-growing metropolitan area between 2010 and 2019 according to the U.S. Census Bureau, and there have been many factors playing into the growth and changes across the past two decades. The main stronghold of the local area’s economy had been education, but Utah County is no longer simply an education hub. The overall economic makeup has shifted and the area has developed a niche technology specialization. Utah County’s economic changes of recent decades have contributed to employment growth, higher wages, and a more diversified economy. These factors establish the county’s strong economic foundation and set the stage for continued prosperity moving forward.

- » Utah County’s non-farm employment has grown steadily in the past 20 years, seeing an almost 75 percent increase during the period.
- » Nearly every industry has seen significant growth across the past 20 years in Utah County. The most significant gains have occurred in industries tied directly to population growth, such as construction, healthcare/social assistance, and education.
- » Both the healthcare/social assistance and construction sectors have grown significantly in Utah County. Both thrive because of Utah County’s significant population growth. This is expected to continue as the county’s population continues to grow.

LARGEST EMPLOYERS IN UTAH COUNTY, UTAH	# OF EMPLOYEES
BRIGHAM YOUNG UNIVERSITY	15,000-21,998
UTAH VALLEY UNIVERSITY	4,000-5,998
UTAH VALLEY HOSPITAL	3,000-3,999
VIVINT, INC.	2,000-2,999
ADOBE SYSTEMS, INC.	1,000-1,999
DOTERRA INTERNATIONAL	1,000-1,999
IM FLASH TECHNOLOGIES	1,000-1,999
NESTLE PREPARED FOODS COMPANY	1,000-1,999
NEXEO STAFFING	1,000-1,999
VIVINT SOLAR	1,000-1,998



DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
Population	7,550	25,218	50,314
Households	2,053	6,908	13,403
Families	1,721	5,767	11,479
Average Household Size	3.67	3.64	3.74
Owner Occupied Housing Units	1,659	5,639	11,417
Renter Occupied Housing Units	394	1,268	1,986
Median Age	27.8	28.0	28.2
Average Household Income	\$81,280	\$81,820	\$91,313
2026 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	8,024	27,458	56,267
Households	2,182	7,514	14,952
Families	1,819	6,237	12,750
Average Household Size	3.67	3.65	3.75
Owner Occupied Housing Units	1,802	6,273	12,979
Renter Occupied Housing Units	381	1,241	1,973
Median Age	28.3	28.4	28.7
Average Household Income	\$93,160	\$94,454	\$103,892



BUCKLEY
MOUNTAIN

POWERHOUSE
MOUNTAIN

LOAFER
MOUNTAIN

DOWNTOWN
PAYSON
(2 miles)

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(444 students)

Mount Nebo
Middle School
(712 students)

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Shopping Center

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High School
(1,318 students)

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