



SURPRISE, ARIZONA

16986 **DUTCH BROS** REPRESENTATIVE PHOTO NET LEASE INVESTMENTS

**EXCLUSIVELY OFFERED BY:** 

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DEVELOPED BY:

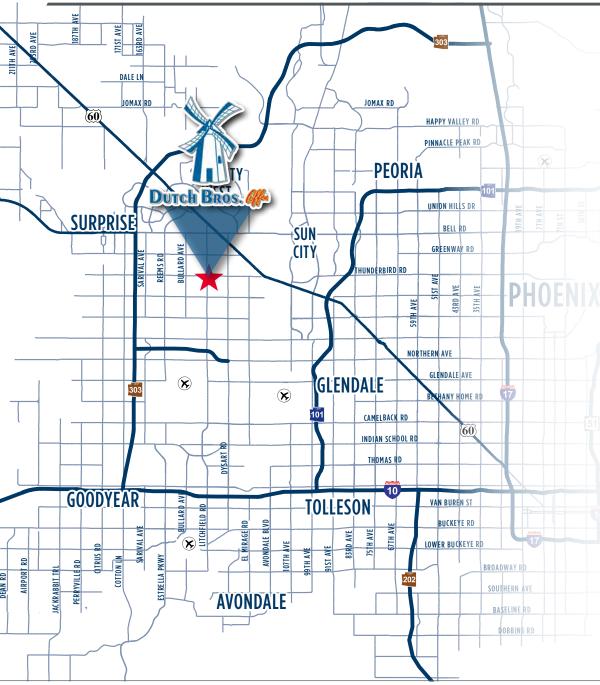


TENANT:	Dutch Bros. Coffee			
<b>GUARANTOR:</b>	West Side DB, LLC			
LOCATION:	13431 N. Litchfield Road Surprise, AZ 85379			
LEASE TERM:	15 years			
LEASE COMMENCEMENT:	January 2023 (estimated)			
LEASE EXPIRATION:	January 2038 (estimated)			
OPTIONS:	Three (3) five (5) year options			
RENT INCREASES	10% increases every 5 years			
YEAR BUILT:	Under construction			
PARCEL:	501-36-903A			
BUILDING SIZE:	±1,216 SF			
LAND SIZE:	±1.22 AC (±53,255 SF)			
LEASE TYPE:	Build-to-Suit, Absolute NNN			
TAXES:	Tenant			
INSURANCE:	Tenant			
CAM	Tenant			

CURRENT NOI:	\$141,000
PRICE:	\$3,318,000

## **RENT SCHEDULE:**

TERM	YEARS	MONTHLY RENT	ANNUAL RENT	% INCREASE	CAP RATE
Primary	1-5	\$11,750.00	\$141,000.00	N/A	4.25%
Primary	6-10	\$12,925.00	\$155,100.00	10.00%	4.68%
Primary	11-15	\$14,217.50	\$170,610.00	10.00%	5.14%
Option 1	16-20	\$15,639.25	\$187,671.00	10.00%	5.66%
Option 2	21-25	\$17,203.18	\$206,438.10	10.00%	6.22%
Option 3	26-29	\$18,923.49	\$227,081.91	10.00%	6.84%



## **INVESTMENT HIGHLIGHTS**

- Brand new construction
- New 15 year lease
- One of the largest Dutch Bros locations by square footage in the nation, (1,200 SF building with 400 SF patio)
- Absolute NNN zero landlord responsibilities
- 10% increases every 5 years
- Outparcel in front of a busy AMC Theater, with Walgreens, Safeway, EOS Fitness, Fry's and more at the intersection

## **TENANT HIGHLIGHTS**

- More than 600 locations in 14 states.
- Opened 98 Shops in 2021, Expects At Least 125 Shop Openings in 2022
- Caleb Berkey (Franchisee) operator of 18 Dutch Bros locations
- 2nd largest franchisee in the U.S. for Dutch Bros
- www.dutchbros.com

### **LOCATION HIGHLIGHTS**

- Less than 2.5 miles from Highland Prep, and Dysart and Valley Vista High School (4,727 Total Students)
- ±4.5 miles from Luke Air Force Base (±6,500 military personnel)
- Adjacent to ±145,000 SF Amazon Warehouse Distribution Facility (±600 Employees)
- Extremely high household incomes over \$110.000 in a 1 mile radius

# # OF DUTCH BROS. LOCATIONS (2022): ±600

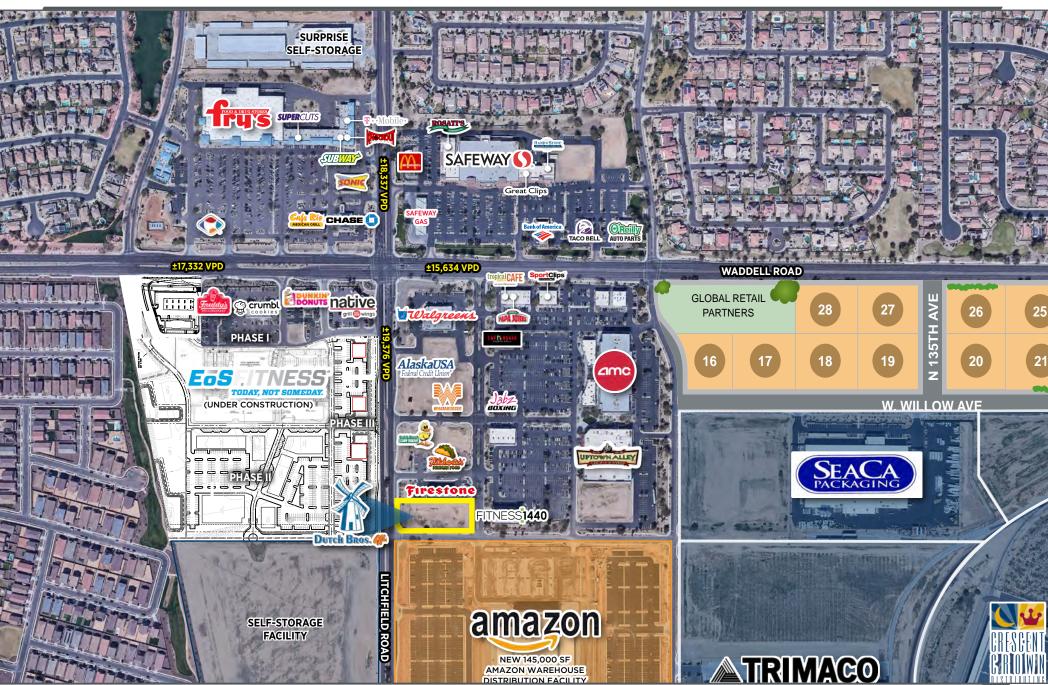
DUTCH BROS. COFFEE was started in 1992 by brothers Dane & Travis Boersma and based out of Grants Pass, Oregon. After government regulations forced their families three generation dairy farm into downsizing and selling their cows, the Boersma brothers knew they had to come up with another idea to make money. They decided to switch to the coffee business. It all started with a double-head espresso machine, 100 pounds of coffee beans and a pushcart, the brothers gave away their coffee for free along the railroad tracks to anyone that was willing to try it. To this day Dutch Bros still gives out more than 1 million free drinks per year.

As of today, Dutch Bros Coffee has more than 600 locations in 14 states and over ±19,000 employees, and they show no signs of stopping. Dutch Bros stated that they plan to grow to 4,000 domestic locations. To fuel this planned growth Dutch Bros recently had their initial public offering on the New York Stock Exchange (symbol: BROS) (ABC News). Dutch Bros currently has a market CAP of \$5.97 Billion and a 2021 revenue of \$497.9 Million. This location has a franchise guaranty with West Side DB, LLC, an 18 unit operator and the 2nd largest franchisee in the US for Dutch Bros.

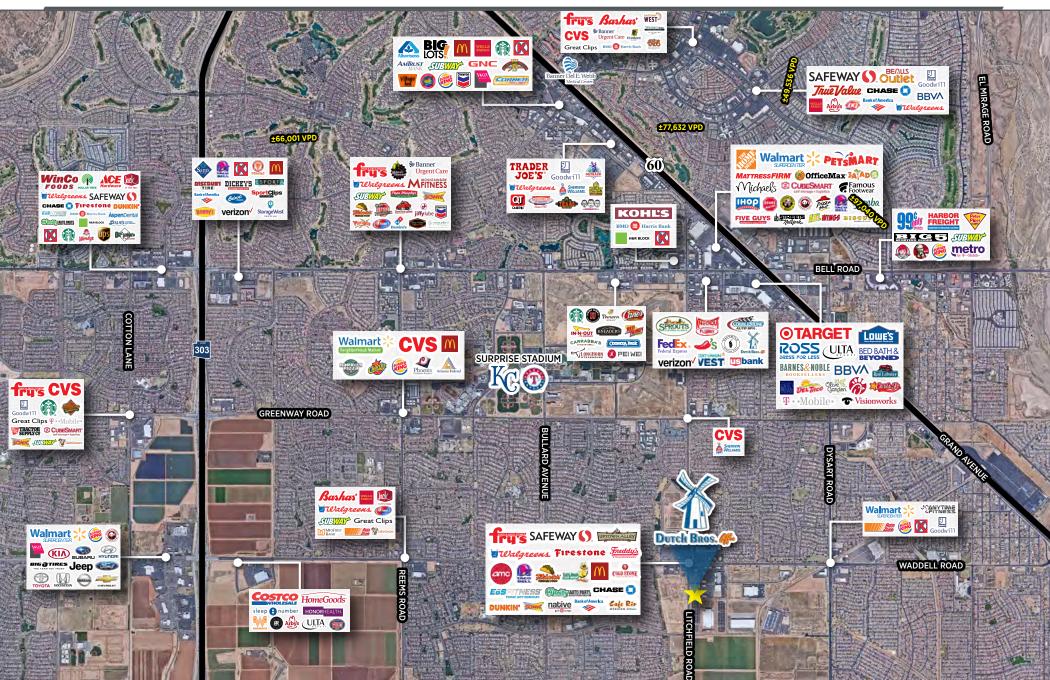
For more information please visit: www.dutchbros.com



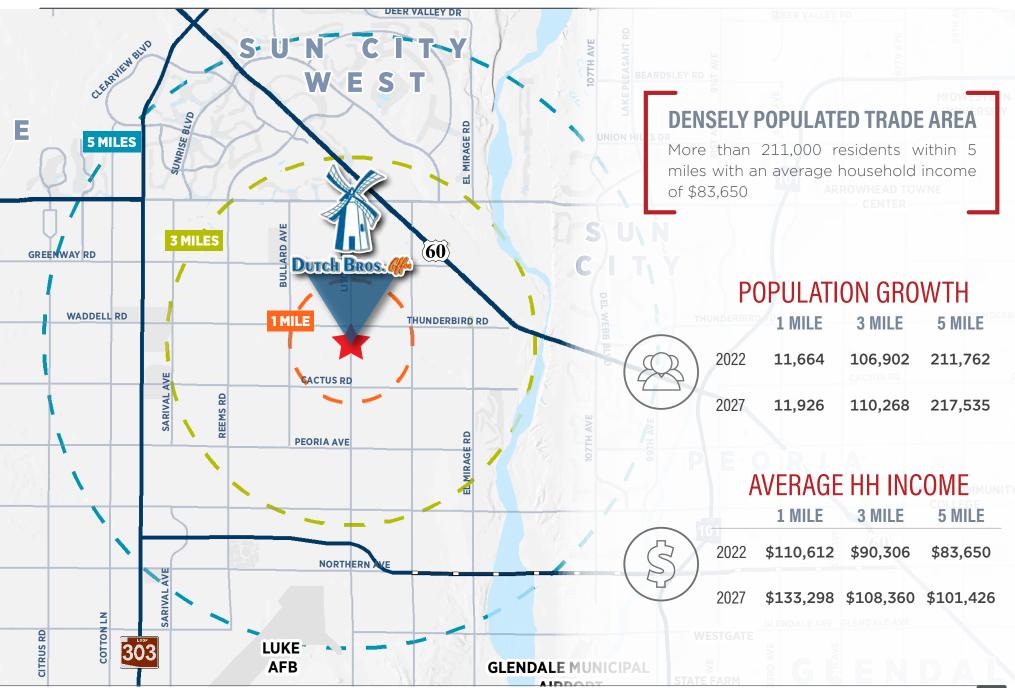
RETAIL MAP PROPERTY OVERVIEW



RETAIL MAP PROPERTY OVERVIEW



**DEMOGRAPHICS**MARKET OVERVIEW



#### **Population**

The West Valley of Arizona is comprised of Surprise, Sun City West, Peoria, El Mirage, Youngtown, Sun City, Glendale, Litchfield Park, Avondale, Tolleson, Goodyear, and Buckeye.

The West Valley is home to three of the largest ten cities in Arizona, and is comprised of a diverse and vibrant population covering a vast cross section of economic and cultural communities. The West Valley is a leading economic engine of the Greater Phoenix Metropolitan Area. From its beginnings as an early faming settlement in the 1880's, to a military center of excellence after World War II, it is now a major sports, healthcare, education and corporate employment center.

The West Valley encompasses over 1,025 square miles and is a market of over 1,024,000 residents. The median aged resident in the West Valley area is 38.1, with a median household income of \$74,520.

#### **Employment**

A number of the top employers in the Phoenix Metropolitan Area are located in the West Valley, with a large emphasis on healthcare, manufacturing, education and local government. Throughout the years, the West Valley has

attracted a variety of stable, traditional industries and investments, such as education, healthcare and commercial developments, that has positioned it for an even more dynamic future. Leveraging the cities' strengths is the most important way to sustain a positive economic environment, retain employment and attract new businesses to the community, making the community a great place to live, work, learn and play.

#### Transportation

The West Valley is highly accessible with a transportation infrastructure and services that support current economic development and planning that supports future development. The area is bisected by four state highways, making it convenient to reach I-10 and I-17. These arteries provide access to numerous large and midsized metro areas in California, Texas, and the Southwest. In 2011, the Loop 303 connected I-10 to I-17, providing access to Northwest Phoenix. The 303 runs 7 miles through the West Valley's northern region, opening up the pristine landscape for commercial development as well as high-wage employment.

The city's freight rail service is provided by the Atchison, Topeka and Santa Fe Railroad (a portion of the Burlington Northern Santa Fe Railroad system). This affords the West Valley the opportunity to compete for industries needing rail service. Glendale also has its own municipal airport and is within 20-25 minutes of Phoenix Sky Harbor International Airport.

## **Education**

The West Valley offers numerous higher education opportunities including Arizona State University's West Campus, Midwestern University, DeVry University Westgate and Grand Canyon University. In addition, residents of Peoria enjoy one of the state's highest performing school districts, the Peoria Unified School District. As the fourth largest school district in Arizona, it serves 36,000 students.

LITCHFIELD PARK, PEORIA AND GOODYEAR WERE ALL RANKED SOME OF THE TOP 20 CITIES TO RAISE A FAMILY IN THE PHOENIX AREA FOR 2022 BY NICHE.COM



#### Lifestyle & Entertainment

The West Valley today is the sports destination for all of Arizona. Gila River Arena and the NHL Coyotes continue to attract fans to new growth in the far western areas of the city. The state-of-the-art State Farm Stadium in Glendale is also host to the PlayStation Fiesta Bowl and College Football Playoff National Championship games, as well as the 2008, 2015 and the upcoming 2023 Super Bowls. In 2017, Glendale hosted the NCAA Final Four at University of Phoenix Stadium. This was Arizona's first Final Four and the first in the West since 1995. Adjacent to Gila River Arena and University of Phoenix Stadium is Glendale's Westgate Entertainment District featuring shopping, dining and nightlife.

In addition to Historic Downtown, shoppers can also indulge at one of the largest malls in the region – Arrowhead Towne Center, featuring a movie theater and more than 170 shops and restaurants. Tanger Outlets Glendale is also located in the area offering more than 90 leading brand names and designer outlet stores.

The City of Peoria boasts Lake Pleasant, the state's second-largest lake and recreation area. It is also home to Cactus League spring training baseball, with the Seattle Mariners and San Diego Padres sharing the Peoria Sports Complex. Peoria also features spectacular arts and science venues such as the acclaimed Challenger Space Center Arizona, in association with the

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Smithsonian Institute. With more than 30 parks, residents and visitors alike enjoy scenic trail systems for biking and hiking. New River Trail accommodates non-vehicular users including walkers, joggers, strollers, bicyclists and equestrians. The system is more than 25 miles in length with more than 18 miles of the trail located within Peoria.

#### Housing

The West Valley area is home to over 404,631 residential units. Of these units 91.5% are occupied and over 66.1% of those are owner occupied.

The West Valley has a number of Historic Districts with homes ranging from bungalows to midcentury moderns to classic ranch style homes.

#### **MAJOR SCOTTSDALE EMPLOYERS**

United States Department of the Air Force McDonalds

Walmart Deer Valley Unified School District 97

Peoria Unified School District 11 Amazon

Frys Food Stores City of Surprise

Banner Health JBS

State of Arizona Litchfield Elementary School District 79

Abrazo Healthcare Macys Inc

Dysart Unified School District 89 Aaa Arizona Inc

City of Glendale Hum

Glendale Elementary School District 40

City of Peoria

Papa Johns Salads Produce Inc

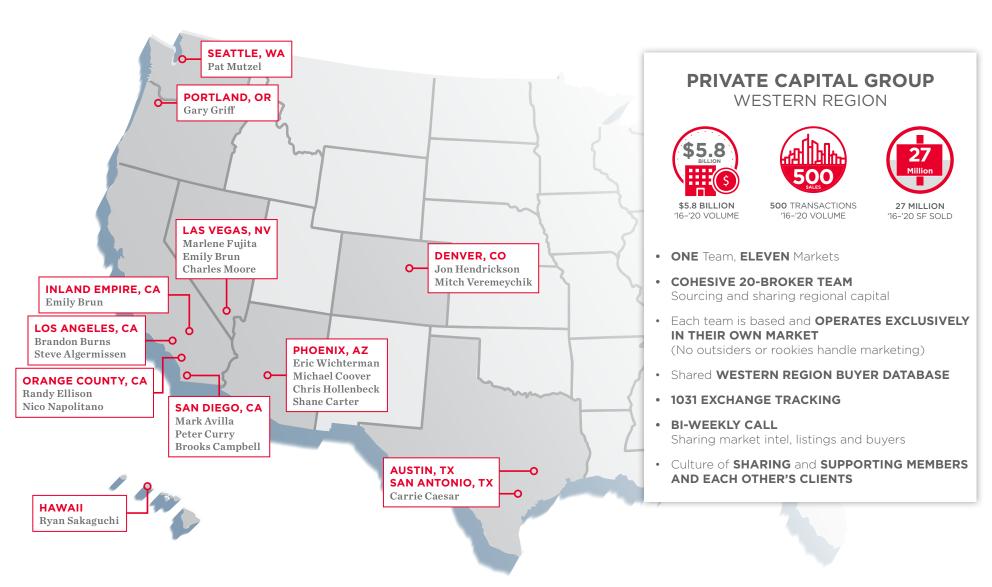
Humana Inc

Avondale Elementary School District 44

Sources: Moody's Analytics; The Cromford Report; U.S. Census Bureau Census 2010 – ESRI Forecasts; 2016 MAG Employer Database; 2016 ARMLS and FBS. DMCA; Costar; 2016 Arizona Department of Education; Arizona State University – Degree Facts; GPEC, City of Glendale, VisitGlendale.com, City of Peoria, VisitPeoria.com, halosheaven.com (Christian Petersen/Getty Images), pleasantharbor.com; mytrilogylife.com

## PRIVATE CAPITAL GROUP, WESTERN REGION

ONE Team, ELEVEN Markets

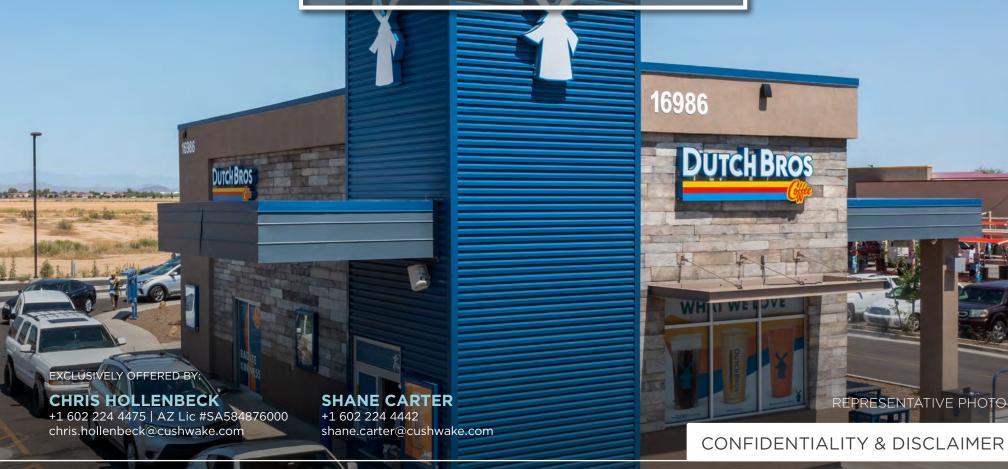






Private Capital Group

**NET LEASE INVESTMENTS** 



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