

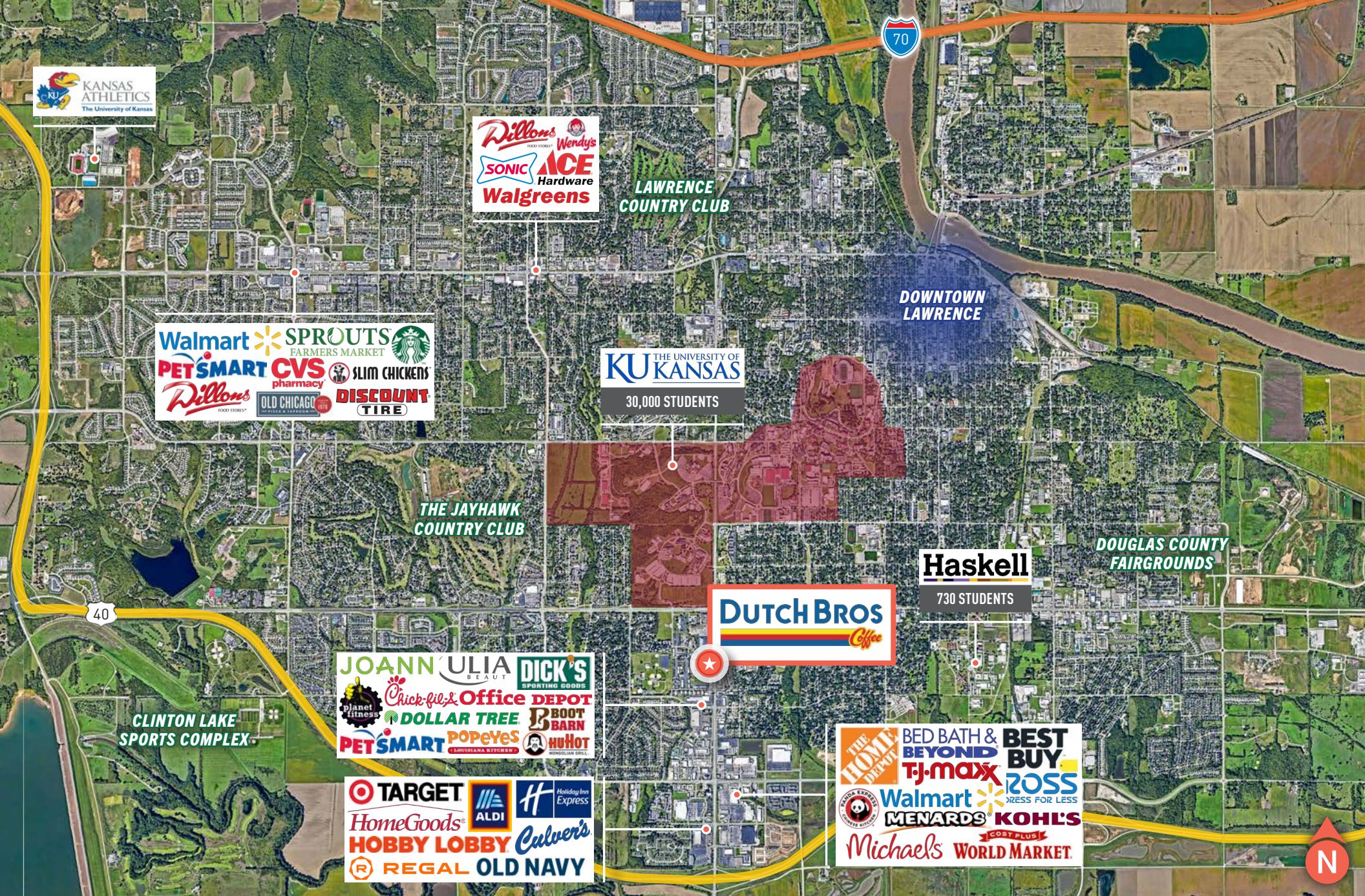
DUTCH BROS COFFEE - 15 YR @ UNIVERSITY OF KANSAS

2531 IOWA STREET, LAWRENCE, KANSAS



OFFERING MEMORANDUM

Marcus & Millichap



LAWRENCE COUNTRY CLUB



DOWNTOWN LAWRENCE



KU THE UNIVERSITY OF KANSAS
30,000 STUDENTS

THE JAYHAWK COUNTRY CLUB

Haskell
730 STUDENTS

DOUGLAS COUNTY FAIRGROUNDS



CLINTON LAKE SPORTS COMPLEX



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Executive Summary

2531 Iowa Street, Lawrence, KS 66046

FINANCIAL SUMMARY

| | |
|---------------|--------------------|
| Price | \$2,678,200 |
| Cap Rate | 5.75% |
| Building Size | 950 SF |
| Net Cash Flow | 5.75% \$154,000 |
| Year Built | 2024 |
| Lot Size | 0.43 Acres |

LEASE SUMMARY

| | |
|------------------------------|---------------------------------|
| Lease Type | Absolute Triple-Net (NNN) Lease |
| Tenant | BB Holdings KS, LLC |
| Guarantor | Boersma Bros. LLC (Corporate) |
| Est. Lease Commencement Date | September 2024 |
| Est. Lease Expiration Date | September 2039 |
| Lease Term | 15 Years |
| Rental Increases | 10% Every 5 Years |
| Renewal Options | 4, 5 Year Options |
| Right of First Refusal | None |
| Roof and Structure | Tenant Responsible |
| Taxes and Insurance | Tenant Responsible |

ANNUALIZED OPERATING DATA

| Lease Years | Annual Rent | Cap Rate |
|-----------------|--------------|----------|
| 1 – 5 | \$154,000.00 | 5.75% |
| 6 – 10 | \$169,400.00 | 6.33% |
| 11 – 15 | \$186,340.00 | 6.96% |
| Renewal Options | Annual Rent | Cap Rate |
| Option 1 | \$204,974.00 | 7.65% |
| Option 2 | \$225,471.40 | 8.42% |
| Option 3 | \$248,018.54 | 9.26% |
| Option 4 | \$272,820.39 | 10.19% |

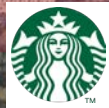
| | |
|-----------------------------|------------------------|
| Base Rent | \$154,000 |
| Net Operating Income | \$154,000 |
| Total Return | 5.75% \$154,000 |





KU THE UNIVERSITY OF KANSAS

30,000 STUDENTS



27,500 CPD
IOWA STREET





MENARDS®

Walmart **Michael's**
THE HOME DEPOT **COST PLUS WORLD MARKET** **BEST BUY**
ROSS **TJ-maxx** **Public Storage**
DRESS FOR LESS **KOHL'S**

HomeGoods®
REGAL
Holiday Inn Express
petco
HOBBY LOBBY
OLD NAVY

TARGET

Chick-fil-A

ULTA BEAUTY **DICK'S SPORTING GOODS**

AutoZone

tropical CAFE
SMOOTHIE

FIRST WATCH
THE DAYTIME CAFE
NOTHING BUTT' CAKES®

DAIRY QUEEN

Advance Auto Parts
meineke
car care center

planet fitness **TREK**
THE mattress HUB
Office DEPOT
HUHOT
MONGOLIAN GRILL

Dutch Bros
Coffee

27,500 CPD
IOWA STREET



Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 15-Year Absolute Triple-Net (NNN) Lease with Corporate Dutch Bros Guaranty (NYSE: BROS)**
- » 10% Rental Increases Every 5 Years with Multiple Renewal Options
- » **New High-Quality 2024 Construction with a Drive-Thru**
- » 97,467 Residents within a 5-Mile Radius in Growing Lawrence Trade Area
- » **Located Less Than 1 Mile from the University of Kansas (30,000+ Students)**
- » Excellent Visibility Along Iowa Street (27,500 Cars per Day)
- » **Outparcel to Planet Fitness and Office Depot**
- » Dutch Bros is One of the Fastest-Growing Brands in the Quick Service Beverage

Industry in the United States with over 870 Locations in 17 States



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

| | | | |
|--------------------|--------|--------|--------|
| 2028 Projection | 14,365 | 72,051 | 99,338 |
| 2023 Estimate | 13,787 | 70,569 | 97,467 |
| Growth 2023 – 2028 | 4.19% | 2.10% | 1.92% |

Households

| | | | |
|--------------------|-------|--------|--------|
| 2028 Projection | 6,772 | 30,409 | 42,081 |
| 2023 Estimate | 6,492 | 29,686 | 41,182 |
| Growth 2023 – 2028 | 4.32% | 2.44% | 2.18% |

Income

| | | | |
|------------------------------------|----------|----------|----------|
| 2023 Est. Average Household Income | \$53,269 | \$67,303 | \$76,258 |
| 2023 Est. Median Household Income | \$36,367 | \$40,752 | \$46,978 |

Tenant Overview



870+
Locations



NYSE: BROS
Stock Symbol



1992
Founded



DUTCHBROS.COM
Website



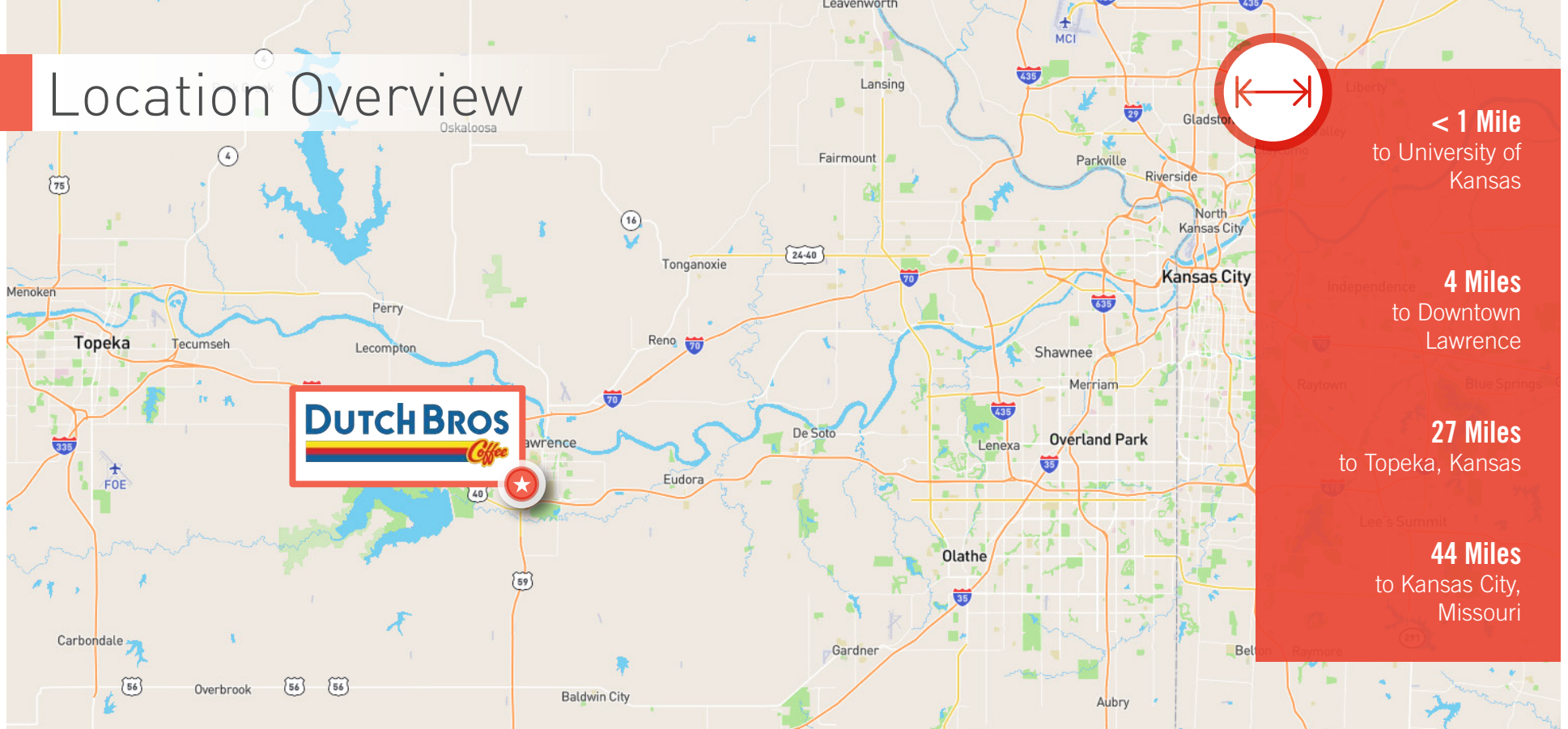
GRANTS PASS, OREGON
Headquarters

Dutch Bros Coffee was founded in 1992 in Grants Pass, Oregon by Dane and Travis Boersma, brothers of Dutch descent. Today, Dutch Bros Coffee is one of the largest publicly-traded drive-thru coffee companies with approximately 876 stores open in 17 states as of March 31, 2024. The company's total revenue for FY 2023 grew 30.7 percent to \$966 million as compared to \$739 million in 2022.

Dutch Bros Coffee roasts all its own coffee, a three-bean blend sourced from direct relationships with Salvadorian, Brazilian, and Colombian coffee plantations. In October 2014, the company announced the release of Dutch Bros Single-Serve Cups compatible with Keurig-style brewers. In 2012, the Company launched its own energy drink, Blue Rebel, and in May 2016 introduced Cold Brew Coffee.

Dutch Bros is a high growth operator and franchisor of drive-thru shops that focus on serving high quality, hand-crafted beverages with unparalleled speed and superior service. Dutch Bros stock is traded on the NYSE under the symbol BROS. Dutch Bros is taking meaningful and measurable action in philanthropy; sustainability; and diversity, equity and inclusion to drive the company toward making a massive difference.

Location Overview



Lawrence is located 35 miles west of Kansas City and 25 miles east of Topeka. It is the county seat of Douglas County and is the sixth-largest city in Kansas with 94,934 residents. Lawrence is well known as a college town, home to both the University of Kansas and Haskell Nations University. The area is a hotbed for families moving from Kansas City and the surrounding areas and is one of the state's fastest growing cities. The city has a diverse economy spanning education, agriculture, government, financial services, and scientific research.

The University of Kansas (KU) is a public research university with approximately 30,000 students enrolled, 13 academic schools, over 2,600 staff members, and over 400 degree and certificate programs. KU's main campus is located in Lawrence, with several satellite campuses, research and education centers,

medical centers, and classes located across the state of Kansas. The city of Lawrence's economy largely depends on KU, which is the city's largest employer with over 10,100 employees as of 2020.

Lawrence is known for its famously distinctive main street, a vibrant art and entertainment scene with live music, great food, and unique shopping. The city's pedestrian-friendly main street, Massachusetts Street, is one of the region's most popular destinations home to specialty shops, art galleries, locally owned restaurants, breweries, coffee houses, and live music venues. Lawrence offers an abundance of outdoor recreation with more than 50 public parks and hiking and biking trails. The city's universities also offer additional sites of interest for academics, sports fans, historians, and visitors.

Property Photos



[exclusively listed by]

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