

**BRAND NEW CONSTRUCTION
TROPHY INVESTMENT OPPORTUNITY - PHOENIX, AZ MSA**



OFFERING MEMORANDUM

GPS Retail Advisors | 480.566.8640 | www.gpsaz.com

Exclusively Listed By



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Executive Summary

Sale Price	\$2,550,000
Cap Rate:	5.00%
Location:	NEC of 83rd St & Thunderbird
Building Size:	846 SF with 1,000 SF patio
Lot Size:	1.15 acres
Rent Commencement:	Upon Successful Closing
Lease Term:	15 years
Rent/Primary Term:	\$127,500/year
Options:	3 - 5 year options
Rent Increases:	10% every 5 years
Credit:	Franchisee

Investment Highlights

- Extremely Strong Rent-to-Sales of approximately 3-4%
- New 15-Year Absolute Triple Net (NNN) Built-to-Suit
- Ten Percent Increases Every Five Years (Including Options)
- Drive-thru Location
- Dominant Retail Intersection for the Trade Area
- This location is in the Top 10 units out of the 325+ store chain
- Over 50k Cars per Day at the intersection of 83rd Ave & Thunderbird Rd
- Strong daytime employment with over 128k daytime population in a 3 mile radius
- Close Proximity to Loop 101 (less than half mile)
- Located in Metro Phoenix, AZ - Fastest growing MSA in the country

Demographics	1 mile	3 miles	5 miles
2016 Population	14,062	118,176	321,784
Daytime Population	12,470	128,654	307,341
Average HH Income	\$78,183	\$66,611	\$66,587

Lease Years	Annual Rent	Cap Rate
1 - 5	\$ 127,500.00	5.00%
6 - 10	\$ 140,250.00	5.50%
11 - 15	\$ 154,275.00	6.05%
Option 1	\$ 169,702.50	6.66%
Option 2	\$ 186,672.75	7.32%
Option 3	\$ 205,340.03	8.05%

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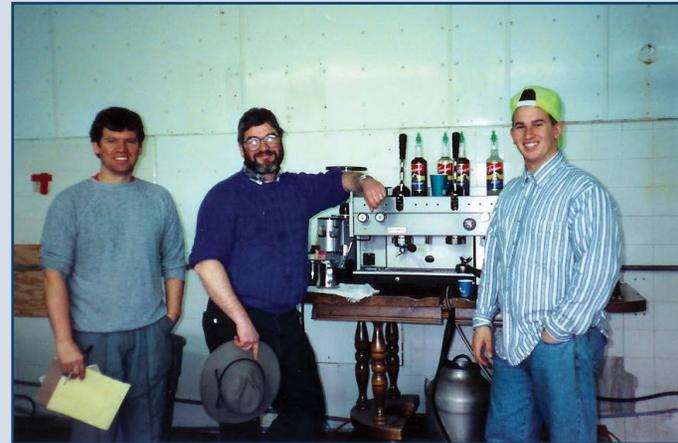
Dutch Bros Coffee was founded in 1992 by Dane and Travis Boersma, brothers of Dutch descent. After three generations in the dairy business, government regulations pressed the family to sell the cows. What felt devastating turned out to be a blessing in disguise.

The bros bought a double-head espresso machine, threw open the barn doors and started experimenting with just 100 pounds of beans and a rockin' stereo.

They set up a pushcart on the railroad tracks and started passing out samples to anyone who would brave the new brew, and, within a month, they knew they had something special.



2013: Co-founder Travis Boersma with Paul Leighton, still the company bean broker. Though he has to go it alone these days, Trav says he is always guided by the wisdom of late brother Dane, who was also his best friend and mentor.



From left to right: Co-founder Dane Boersma, Bean Broker Paul Leighton and Co-founder Travis Boersma with their first espresso machine in 1992

"One of the most rewarding things in this change of occupation was going from smelling cow manure to smelling coffee," said Dane. "You'd open the bag, and it was like heaven."

Today, Dutch Bros Coffee is the country's largest, privately held drive-thru coffee company, with over 325 locations in seven states and over 9,000 employees. But growth hasn't taken the company away from its roots. Dutch Bros still gives away drinks — now over one million each year — to further the bros' mission of "spreading the Dutch Luv."

"It's about fun, it's about people and it's about great coffee."

- Travis Boersma

The company donates over \$2 million a year to its local communities and nonprofit organizations, including the Muscular Dystrophy Association, in honor of Dane, who passed away in 2009 after a four-year battle with Lou Gehrig's disease.

With its loyal customer base dubbed the Dutch Mafia, Dutch Bros Coffee continues to grow, and, wherever it does, the love, donations and smiles grow also.

NATIONAL RECOGNITION

Dutch Bros Coffee was ranked by J.D. Power and Associates as highest in customer satisfaction compared to other coffee companies in its 2012 and 2013 Specialty Coffee Retailer Satisfaction Reports.

- Undercover Boss, 2013
- Portland Business Journal: Fastest Growing Private Business; 8 years running.
- Harvard Business School, Case Study: 2015, 2016.
- Forbes Magazine, 2016
- Forbes, Small Giant: America's Best Small Companies, 2017
- Numerous "Best of Awards" throughout the 7 states
- Several of our Franchisees have made Business Reviews: 40 under 40
- Love Abounds 2016 Donated \$1.6 Million in Local Communities



“Dutch Bros. Coffee Growth is driven primarily by providing compelling future opportunities. They grow from within, using an internal pool of qualified franchise candidates to grow the company. Their growth rate will be driven by the number of qualified people and will increase as they add shops with leaders cultivating leaders.”

Franchisee, Caleb Berkey:

Caleb went to work for Dutch Bros. in Oregon in 2004. He moved to Phoenix 2 years later to work for Jim Thompson, currently the largest Dutch Bros. franchisee in the U.S. From 2006 – 2012, Caleb assisted Jim Thompson open 12 locations (as a manager) throughout the metropolitan Phoenix area.

In 2012, Dutch Bros. corporate offered Caleb a franchise territory for the entire west side of metropolitan Phoenix. By the end of 2018, Caleb will have opened 6 stores. His 4 existing stores are in the top 20 locations (in sales) for the entire Dutch Bros. chain (currently over 325 open in 7 states).

Facing West



Facing Southwest

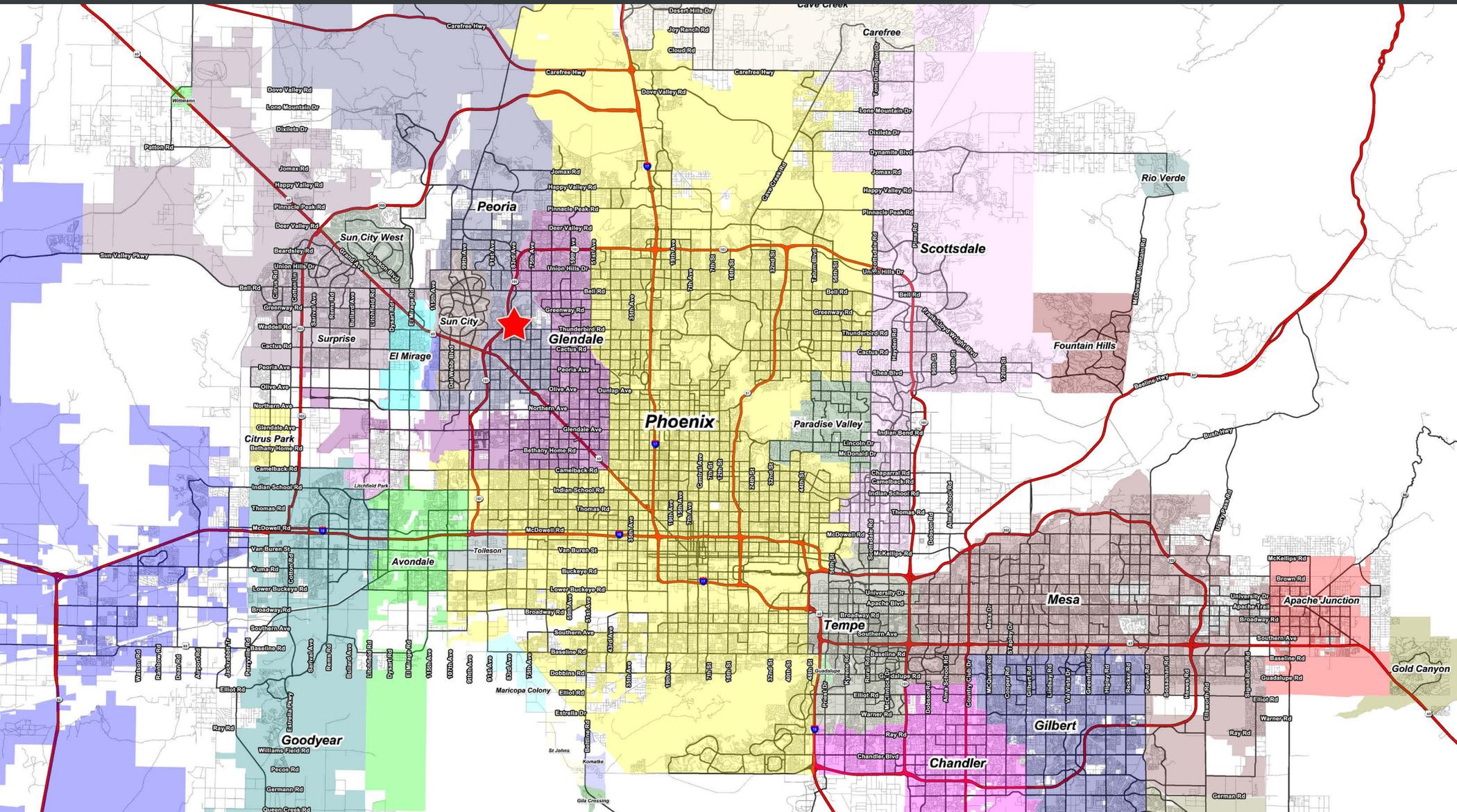


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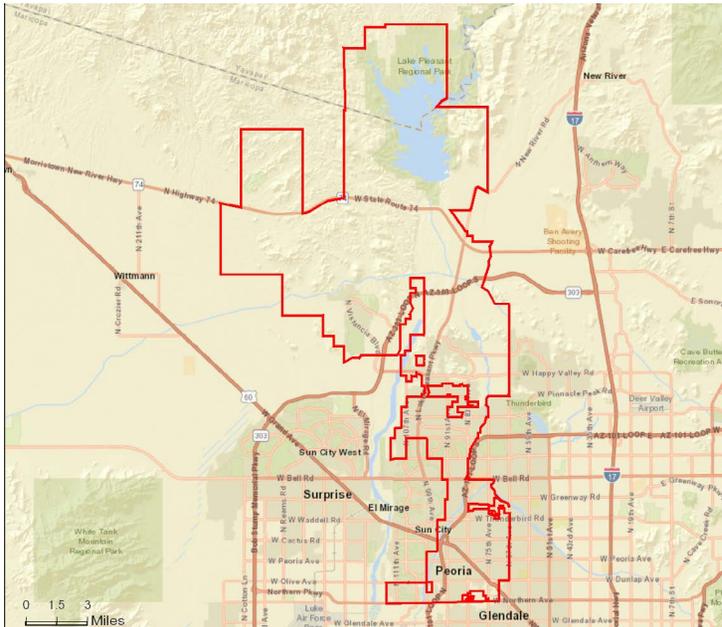


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PEORIA, ARIZONA:

- Peoria is a city in Maricopa and Yavapai counties in the State of Arizona.
- Most of the city is located in Maricopa County, while a tiny portion in the north is in Yavapai County.
- It is a major suburb of Phoenix



KEY FACTS

179,533

Population

39.2

Median Age

2.7

Average Household Size

\$65,240

Median Household Income

BUSINESS



3,976

Total Businesses



47,598

Total Employees

INCOME



\$65,240

Median Household Income



\$30,933

Per Capita Income



\$162,101

Median Net Worth

EDUCATION

8%

No High School Diploma



25%

High School Graduate



38%

Some College



30%

Bachelor's/Grad/Prof Degree

EMPLOYMENT



69%

White Collar



16%

Blue Collar



15%

Services

4.5%

Unemployment Rate

Households By Income

The largest group: \$50,000 - \$74,999 (20.0%)

The smallest group: \$200,000+ (5.1%)

Indicator	Value	Difference	
<\$15,000	7.3%	-3.2%	<div style="width: 100%;"></div>
\$15,000 - \$24,999	7.4%	-2.1%	<div style="width: 100%;"></div>
\$25,000 - \$34,999	8.2%	-1.6%	<div style="width: 100%;"></div>
\$35,000 - \$49,999	13.2%	-0.5%	<div style="width: 100%;"></div>
\$50,000 - \$74,999	20.0%	+1.1%	<div style="width: 100%;"></div>
\$75,000 - \$99,999	14.7%	+1.9%	<div style="width: 100%;"></div>
\$100,000 - \$149,999	17.6%	+3.7%	<div style="width: 100%;"></div>
\$150,000 - \$199,999	6.6%	+1.2%	<div style="width: 100%;"></div>
\$200,000+	5.1%	-0.4%	<div style="width: 100%;"></div>

Bars show deviation from Maricopa County

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