



**ABSOLUTE TRIPLE NET (NNN) INVESTMENT OPPORTUNITY | 4.25% CAP RATE**  
**COLORADO SPRINGS, COLORADO**

Representative Photo

## OFFERING MEMORANDUM

GPS Commercial Advisors | 480.603.6892 | [www.gpsaz.com](http://www.gpsaz.com)



Exclusively Listed By

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Broker of Record

**James Craddock**



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## INVESTMENT OVERVIEW

Sale Price:	<b>\$1,576,471</b>
Cap Rate:	<b>4.25%</b>
Net Cash Flow:	<b>\$67,000</b>
Lease Term:	<b>20 Year Initial Term</b>
Options:	<b>Three, 5-Year options</b>

## SITE INFORMATION

Location:	<b>4420 Edison Ave., Colorado Springs, CO</b>
Building Size:	<b>480 SF</b>
Parcel Size:	<b>±29,273 SF</b>
Year Built:	<b>2019</b>

## LEASE STRUCTURE

Lease Type:	<b>Absolute Triple Net (NNN) Ground Lease</b>
Tenant:	<b>BB Holdings CO, LLC</b>
Guarantor:	<b>Corporate Backed</b>
Landlord Responsibilities:	<b>NONE</b>

## LEASE YEAR

## ANNUAL RENT

## CAP RATE

Years 1-5	\$67,000.00	4.25%
Years 6-10	\$73,700.00	4.68%
Years 11-15	\$81,070.00	5.14%
Years 16-20	\$115,001.00	7.29%
Years 21-25 (Option 1)	\$126,501.10	8.02%
Years 26-30 (Option 2)	\$139,151.21	8.83%
Years 31-35 (Option 3)	\$153,066.33	9.71%



## INVESTMENT HIGHLIGHTS

- Opportunity to Invest in a Growing Concept with 450+ Locations Nationally
- Corporate Backed 20-Year Absolute Triple-Net (NNN) Lease
- **ZERO** Landlord Responsibilities
- 10% Increases Every 5 Years Throughout the Entire Lease Term Including Options

## DEMOGRAPHICS

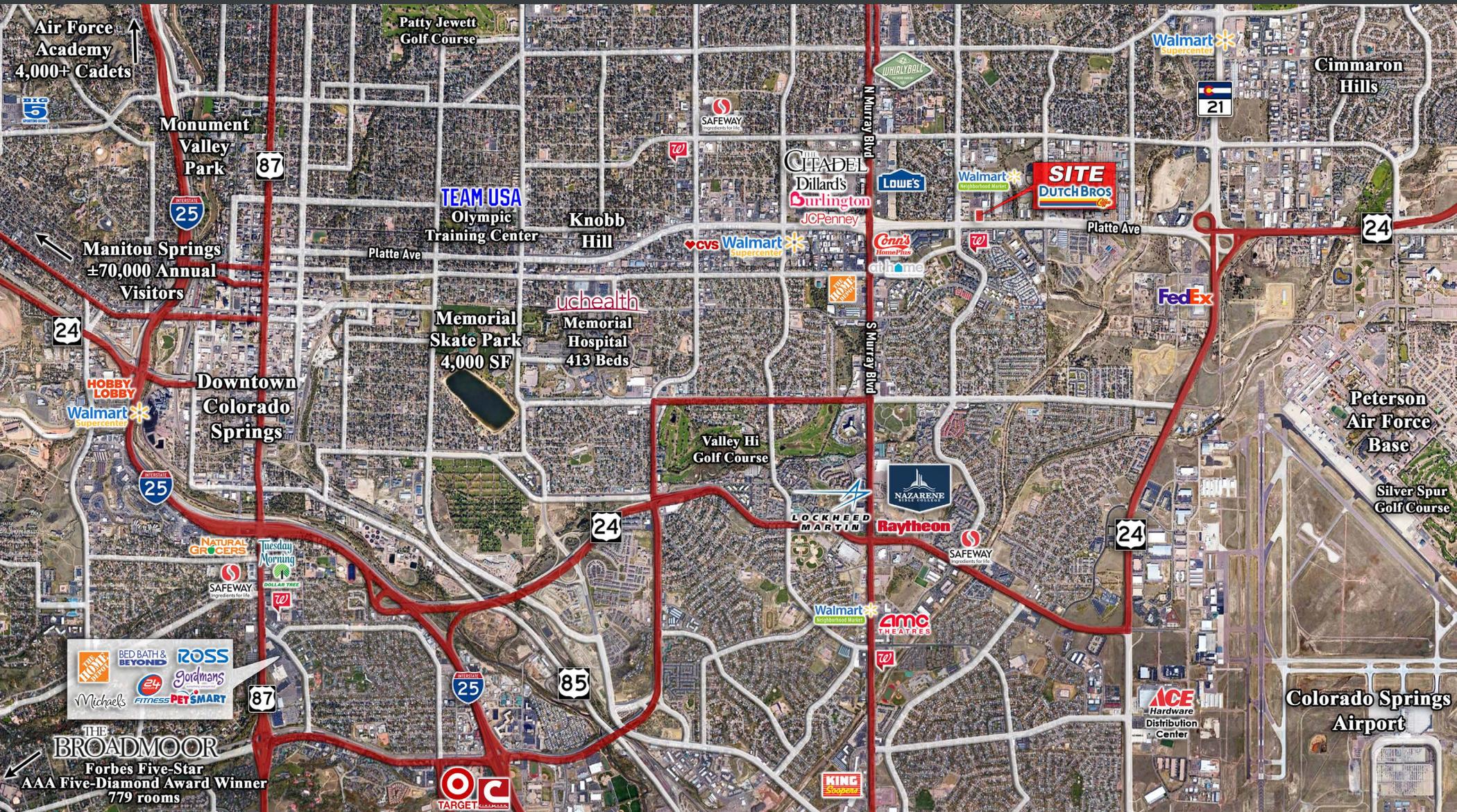
	1 Mile	3 Mile	5 Mile
2020 Population	14,756	117,360	257,907
2025 Proj. Population	15,310	122,644	270,989
2020 Daytime Pop	15,427	122,372	271,218
2020 Employed	7,503	58,126	129,758
Avg HH Income	\$50,049	\$60,229	\$66,776
Median Age	31.0	34.0	34.7

## LOCATION OVERVIEW

- Colorado Springs ranked 4th best place to live in the United States.
- Close proximity to the Citadel Mall, Memorial Hospital, Olympic Training Center, and the Air Force Academy
- Excellent access and signage along Edison Ave



The Dutch Bros Standard Drive-Thru model has proved resilient throughout the pandemic and allows for both quick service and quality drinks.



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## DUTCH BROS

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.



IN ADDITION TO ITS MISSION OF SPEED, QUALITY AND SERVICE, DUTCH BROS IS COMMITTED TO GIVING BACK TO THE COMMUNITIES IT SERVES



DUTCH BROS COFFEE IS THE COUNTRY'S LARGEST PRIVATELY HELD DRIVE-THRU COFFEE COMPANY.

Dutch Bros Coffee is known for their signature, three-bean mixed hot coffee, cold brew, and patented energy drink, Blue Rebel, as well as a variety of espressos, lattes, mochas, smoothies, and snacks. From experimenting with coffee grounds at their family's dairy farm, the company has grown to an enterprise with revenues over \$494 million a year in 2018 (Source: dutchbros.com). Due to the tremendous success Dutch Bros has enjoyed, they have over 450 locations and have become one of the most sought-after drive-thru pad tenants in the Western U.S. \$2M annually donated to nonprofit organizations.

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Colorado Springs is the most populous city of El Paso County, Colorado, United States. It is located just east of the geographic center of the state and 61 miles (98 km) south of the Denver. At 6,035 feet (1839 meters), the city sits over one mile above sea level, though some areas of the city are significantly higher. Colorado Springs is situated near the base of one of the most famous American mountains, Pikes Peak, at the eastern edge of the southern Rocky Mountains.

Colorado Springs is a hub to students, professionals, and military personnel with a numerous military bases and nationally ranked colleges. Currently, construction in Colorado Springs is booming, with new residences popping up alongside quality schools, parks and cultural attractions. The area is filled with many natural wonders and has the additional allure of proximity to ski resorts like Aspen and Vail without the associated steep costs of living and high levels of traffic.

With an estimated population of 472,688 (2018), it is the second most populous city in the state of Colorado and the 48th most populous city in the United States, covering approximately 186.10 square miles. Colorado Springs consistently receives high rankings of “Best Places to Live”.



(Source: <https://www.visitcos.com/about-cvb/about-colorado-springs/>)

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- Colorado Springs has an unemployment rate of 3.3%. The US average is 3.7%.
- Colorado Springs has seen the job market increase by 4.1% over the last year. Future job growth over the next ten years is predicted to be 48.4%, which is higher than the US average of 33.5%.
- The Sales Tax Rate for Colorado Springs

#### **Income and Salaries for Colorado Springs**

- The average income of a Colorado Springs resident is \$29,355 a year. The US average is \$28,555 a year.
- The Median household income of a Colorado Springs resident is \$54,228 a year. The US average is \$53,482 a year.

#### **Colorado Springs is ranked:**

- #4 in Best Place to Live in the United States
- #3 in Best Places to live in Colorado

(Source: <https://realestate.usnews.com/places/colorado/colorado-springs>)

## **OFFERING MEMORANDUM**

# DUTCH BROS COFFEE COLORADO SPRINGS MAJOR ATTRACTIONS



**Memorial Hospital**  
413-bed hospital



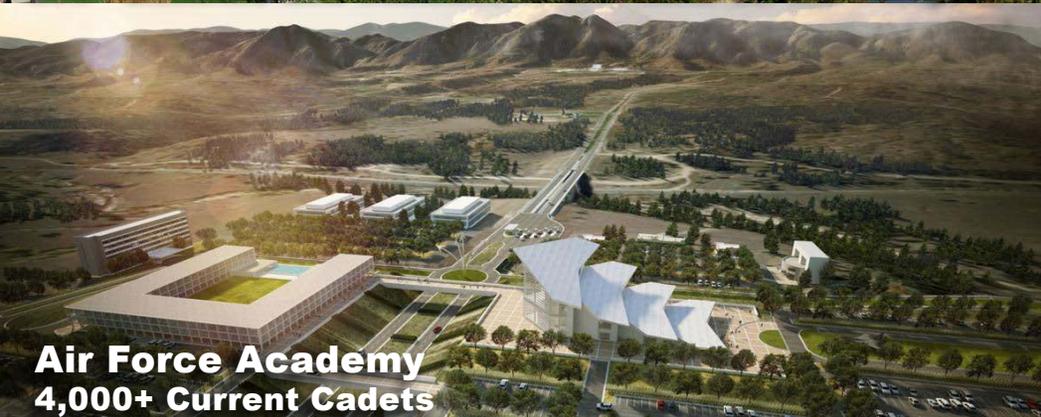
**Memorial Skate Park**  
40,000 SF



**Olympic Training Center**  
500+ athletes and coaches at one time on the complex



**The Broadmoor Hotel**  
Forbes Five-Star & AAA Five-Diamond Award Winner, 779 rooms



**Air Force Academy**  
4,000+ Current Cadets



**Manitou Springs**  
An estimated 70,000 annual visitors

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## CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from GPS Retail LLC and it should not be made available to any other person or entity without the written consent of GPS Retail LLC. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to GPS Retail LLC.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. GPS Retail LLC has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, GPS Retail LLC has not verified, and will not verify, any of the information contained herein, nor has GPS Retail LLC conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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The information contained herein has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only, and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. GPS Retail LLC.

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.  
(BDB24-10-19) (Mandatory 1-20)

**DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE SELLER AGENCY, BUYER AGENCY OR TRANSACTION-BROKERAGE.**

## **BROKERAGE DISCLOSURE TO BUYER DEFINITIONS OF WORKING RELATIONSHIPS**

**Seller's Agent:** A seller's agent works solely on behalf of the seller to promote the interests of the seller with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the seller. The seller's agent must disclose to potential buyers all adverse material facts actually known by the seller's agent about the property. A separate written listing agreement is required which sets forth the duties and obligations of the broker and the seller.

**Buyer's Agent:** A buyer's agent works solely on behalf of the buyer to promote the interests of the buyer with the utmost good faith, loyalty and fidelity. The agent negotiates on behalf of and acts as an advocate for the buyer. The buyer's agent must disclose to potential sellers all adverse material facts actually known by the buyer's agent, including the buyer's financial ability to perform the terms of the transaction and, if a residential property, whether the buyer intends to occupy the property. A separate written buyer agency agreement is required which sets forth the duties and obligations of the broker and the buyer.

**Transaction-Broker:** A transaction-broker assists the buyer or seller or both throughout a real estate transaction by performing terms of any written or oral agreement, fully informing the parties, presenting all offers and assisting the parties with any contracts, including the closing of the transaction, without being an agent or advocate for any of the parties. A transaction-broker must use reasonable skill and care in the performance of any oral or written agreement, and must make the same disclosures as agents about all adverse material facts actually known by the transaction-broker concerning a property or a buyer's financial ability to perform the terms of a transaction and, if a residential property, whether the buyer intends to occupy the property. No written agreement is required.

**Customer:** A customer is a party to a real estate transaction with whom the broker has no brokerage relationship because such party has not engaged or employed the broker, either as the party's agent or as the party's transaction-broker.

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### **RELATIONSHIP BETWEEN BROKER AND BUYER**

Broker and Buyer referenced below have NOT entered into a buyer agency agreement. The working relationship specified below is for a specific property described as:

**4420 Edison Ave., Colorado Springs CO 80915**

or real estate which substantially meets the following requirements:

**N/A**

Buyer understands that Buyer is not liable for Broker's acts or omissions that have not been approved, directed, or ratified by Buyer.

#### **CHECK ONE BOX ONLY:**

**Multiple-Person Firm.** Broker, referenced below, is designated by Brokerage Firm to serve as Broker. If more than one individual is so designated, then references in this document to Broker shall include all persons so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend to the employing broker, Brokerage Firm or to any other brokers employed or engaged by Brokerage Firm who are not so designated.

**One-Person Firm.** If Broker is a real estate brokerage firm with only one licensed natural person, then any references to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who shall serve as Broker.

**CHECK ONE BOX ONLY:**

**Customer.** Broker is the  seller's agent  seller's transaction-broker and Buyer is a customer. Broker intends to perform the following list of tasks:  Show a property  Prepare and Convey written offers, counteroffers and agreements to amend or extend the contract. Broker is not the agent or transaction-broker of Buyer.

**Customer for Broker's Listings – Transaction-Brokerage for Other Properties.** When Broker is the seller's agent or seller's transaction-broker, Buyer is a customer. When Broker is not the seller's agent or seller's transaction-broker, Broker is a transaction-broker assisting Buyer in the transaction. Broker is not the agent of Buyer.

**Transaction-Brokerage Only.** Broker is a transaction-broker assisting the Buyer in the transaction. Broker is not the agent of Buyer.

Buyer consents to Broker's disclosure of Buyer's confidential information to the supervising broker or designee for the purpose of proper supervision, provided such supervising broker or designee does not further disclose such information without consent of Buyer, or use such information to the detriment of Buyer.

**DISCLOSURE OF SETTLEMENT SERVICE COSTS.** Buyer acknowledges that costs, quality, and extent of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

**THIS IS NOT A CONTRACT. IT IS BROKER'S DISCLOSURE OF BROKER'S WORKING RELATIONSHIP.**

If this is a residential transaction, the following provision applies:

**MEGAN'S LAW.** If the presence of a registered sex offender is a matter of concern to Buyer, Buyer understands that Buyer must contact local law enforcement officials regarding obtaining such information.

**BUYER ACKNOWLEDGMENT:**

Buyer acknowledges receipt of this document on \_\_\_\_\_.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

**BROKER ACKNOWLEDGMENT:**

On \_\_\_\_\_, Broker provided \_\_\_\_\_ (Buyer) with this document via e-mail \_\_\_\_\_ and retained a copy for Broker's records.

Brokerage Firm's Name: Craddock Commercial Real Estate, LLC

\_\_\_\_\_  
Broker