



ABSOLUTE TRIPLE NET (NNN) INVESTMENT OPPORTUNITY | 4.25% CAP RATE
CHANDLER, ARIZONA

Representative Image

OFFERING MEMORANDUM

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INVESTMENT OVERVIEW

Sale Price: **\$2,941,176.47**

Cap Rate: **4.25%**

Net Cash Flow: **\$125,000**

Lease Term: **15 Year Initial Term**

Options: **Three, 5-Year Options**

SITE INFORMATION

Location: **S/SEC Gilbert Road and Queen Creek Road, Chandler, AZ**

Building Size: **906 SF**

Parcel Size: **1.09 Acres**

Estimated Completion **September 2021**

LEASE STRUCTURE

Lease Type: **Absolute Triple Net (NNN) Lease**

Guarantor: **Franchisee (Large Corporate Entity)**

Landlord Responsibilities: **NONE**

LEASE YEAR

ANNUAL RENT

CAP RATE

Years 1-5

\$125,000.00

4.25%

Years 6-10

\$135,000.00

4.59%

Years 11-15

\$145,800.00

4.96%

Years 16-20 (Option 1)

\$157,464.00

5.35%

Years 21-25 (Option 2)

\$170,061.12

5.78%

Years 26-30 (Option 3)

\$183,666.01

6.24%



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INVESTMENT HIGHLIGHTS

- Opportunity to Invest in a Growing Concept with 450+ Locations Nationally
- 15-Year Absolute Triple-Net (NNN) Lease backed by the Largest Franchisee in the Company
- **ZERO** Landlord Responsibilities
- 8% Increases Every 5 Years Throughout the Entire Lease Term Including Options



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

DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
2020 Population	9,753	77,279	273,616
2025 Proj. Population	11,201	89,754	305,860
2020 Daytime Pop	8,490	71,272	250,153
2020 Employed	3,419	31,569	109,899
Avg HH Income	\$145,829	\$140,689	\$123,573
Median Age	32.6	33.5	34.9

LOCATION OVERVIEW

- One Mile from a Full Diamond Interchange at Loop 202 (100k+ VPD)
- Located in the Master Planned Community of Layton Lakes boasting an Average Household Income of Over \$120,000
- Adjacent to Crossroads Towne Center, featuring Walmart Supercenter, Target Power Center, Sprouts and EOS Fitness, and the brand-new Fry's Marketplace.
- Chandler is the third largest city in Maricopa County with a population of more than 255,000 and is expected to grow to over 284,000 by the year 2030
- Ranked #1 for Millennial Job Seekers in Arizona (source: Wallet Hub)



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DUTCH BROS *Coffee*

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.

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.



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

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The City of Chandler, Arizona was founded in 1912 and incorporated in 1920. Since its early beginnings, Chandler is a vibrant, diverse community. (<https://www.chandleraz.gov>). Chandler is Arizona's fourth largest city with a population of 265,797 citizens and continues to be one of Arizona's fastest-growing communities. The things that make Chandler a great place to visit, make it an even better place to live. Conveniently located just 20 minutes from Phoenix Sky Harbor International Airport and Phoenix-Mesa Gateway Airport, in the southeast metropolitan valley. (<https://www.visit Chandler.com/about-chandler/>)

Chandler's vision of creating a diverse city with a high quality of life has been realized. Chandler has become one of the leaders in the computer technology field. Chandler is a city of continuous growth and evolution. One man's dream has become one city's vision, as Chandler enters the 21st century continually looking toward the horizon. (<https://www.visit Chandler.com/about-chandler/>)

Chandler's proactive leadership, corporate-friendly environment, world-class labor force and market reach have made it an attractive location for businesses of all sizes and industries. Away from work, our community is committed to developing a sense of place that draws new visitors and enriches the lives of our residents (<https://www.chandleraz.gov/business>) There are more than 1 million workers within a 30-minute commute, encompassing a local population with 45 percent of adult residents possessing a bachelor's degree. There is a continuous influx of highly qualified graduates from area colleges and universities In 2018, Chandler was ranked number 2 in Best places to live in Arizona (Niche.com) .

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Exclusively Listed By:



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