



# DUTCH BROS

**15-YEAR ABSOLUTE NNN LEASE | PAD TO WALMART SUPERCENTER**

**PORT ORCHARD, WA**



**CAPITAL PACIFIC**

# Contact the team

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REPRESENTATIVE PHOTO

## DUTCH BROS

3623 BETHEL ROAD, PORT ORCHARD, WA 98366

**\$2,305,158**  
PRICE

**4.75%**  
CAP

NOI: **\$109,495**

LEASE TYPE: **Absolute NNN**

LEASE TERM: **15 Years**

LEASABLE AREA: **800 SF**

LAND AREA: **61,359 SF**

YEAR BUILT: **2020**

PARKING: **6 Spaces**

**THE 15-YEAR TERM IS EXPECTED TO  
COMMENCE ON AUGUST 3, 2020**

# Investment Highlights

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**A new construction Dutch Bros located in Port Orchard, WA.** The 15-year absolute NNN lease features increases in the base term and options, and zero Landlord maintenance and expense responsibilities. Rent is expected to commence on August 3, 2020.

Dutch Bros is a pad to a Walmart SuperCenter on Bethel Rd, which is a primary north-south commercial corridor in Port Orchard. Located on Puget Sound, Port Orchard is approximately 47 miles from downtown Seattle and falls within the Bremerton-Silverdale MSA. It is also the county seat of Kitsap County. The site is located between a Safeway and Fred Meyer grocery store supporting a desirable demographic of more than 36,700 people with average household incomes of \$82,691 in a 3-mile radius. The 800 sf building sits on a generous 1.4-acre parcel and features the iconic Dutch Bros double drive-thru lanes and inviting, can't-miss signage, including a monument sign visible to Bethel Rd.

Dutch Bros Coffee is the country's largest privately held, drive-thru coffee company. Having started as a single espresso pushcart in Oregon, the company now has over 380 locations across seven western states and a massive, loyal customer base in Washington State, reflective in its huge store count in the state. Dutch Bros has been recognized as having one of the strongest track records by Forbes' annual list of best franchises. Dutch Bros Coffee has always focused more on people than the bottom line, with a desire to transform lives above all else. An example of this would be that at the onset of the COVID-19 crisis, it gave all of the store employees a \$3 per hour increase in wage, and donated all April profits to medical first responders on the front lines ([see article here](#)).

# Income & Expense

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<b>PRICE</b>		<b>\$2,305,158</b>
<b>Capitalization Rate:</b>		<b>4.75%</b>
Total Rentable Area (SF):		800
<b>STABILIZED INCOME</b>	<b>PER SQUARE FOOT</b>	
Scheduled Rent	\$136.87	\$109,495
Effective Gross Income	\$136.87	\$109,495
<b>LESS</b>	<b>PER SQUARE FOOT</b>	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
<b>EQUALS NET OPERATING INCOME</b>		<b>\$109,495</b>

# Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY					
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT	
Dutch Bros	800	1*	5	\$109,495	\$9,124.58	\$109,495.00	\$11.41	\$136.87	
		6	10		\$10,037.04	\$120,444.50	\$12.55	\$150.56	
		11	15		\$11,040.75	\$132,488.95	\$13.80	\$165.61	
		Option 1	16	20		\$12,144.82	\$145,737.85	\$15.18	\$182.17
		Option 2	21	25		\$13,359.30	\$160,311.63	\$16.70	\$200.39
		Option 3	26	30		\$14,695.23	\$176,342.79	\$18.37	\$220.43
		Option 4	31	35		\$16,164.76	\$193,977.07	\$20.21	\$242.47
<b>TOTALS:</b>	<b>800</b>			<b>\$109,495</b>	<b>\$9,124.58</b>	<b>\$109,495</b>	<b>\$11.41</b>	<b>\$136.87</b>	

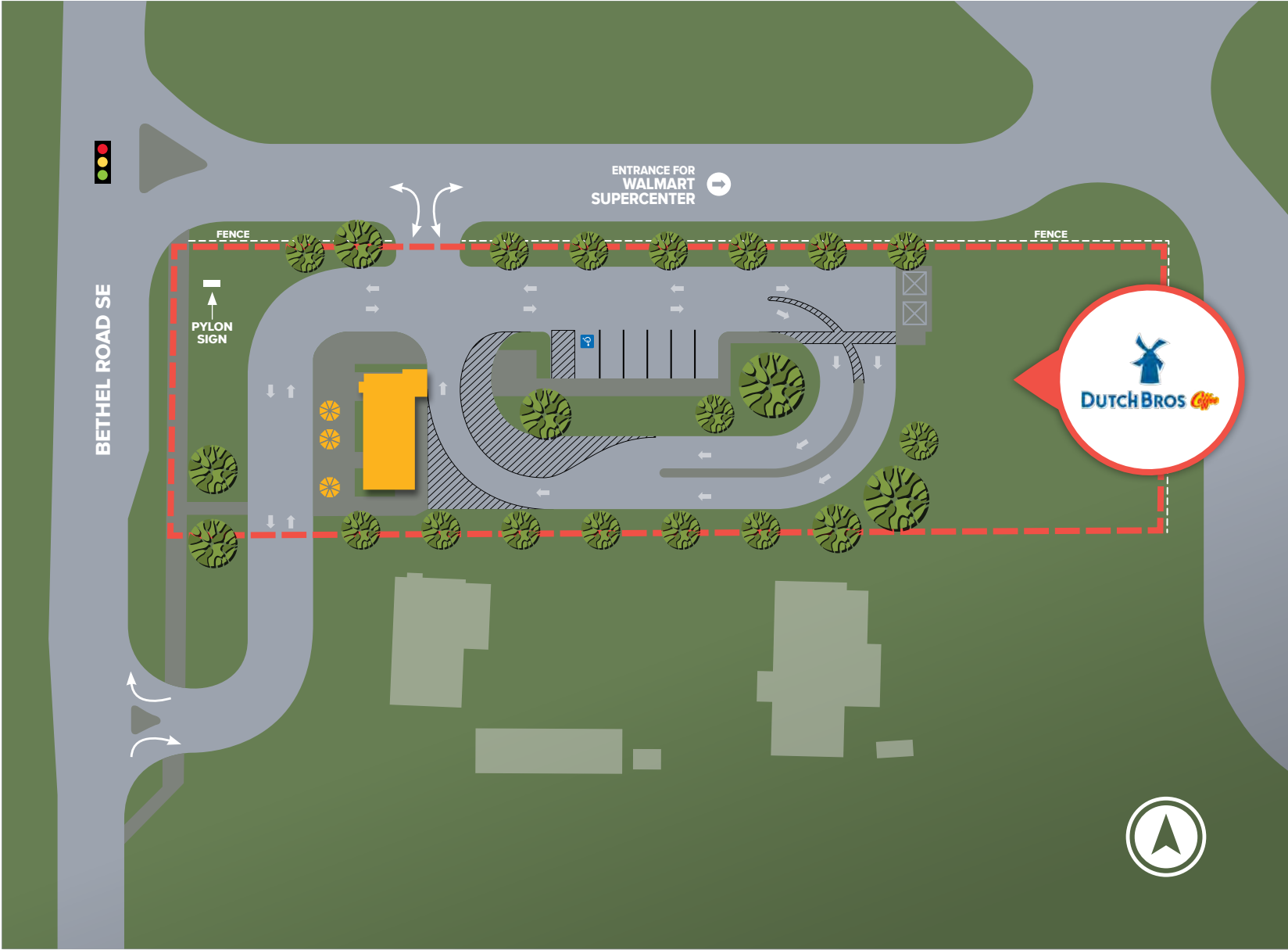
**\*Rent Commencement anticipated on August 3, 2020**

# Site Plan

**sf**  
800  
RENTABLE SF

**sf**  
61,359  
LAND AREA

**6**  
SPACES



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# Tenant Overview

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# DUTCH BROS. *Coffee*

## ABOUT DUTCH BROS

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Dutch Bros Coffee, founded in 1992 and headquartered in Grants Pass, Oregon, is the country's largest privately held drive-thru coffee chain with company-owned and franchise locations throughout the Western U.S. Dutch Bros has over 380 locations throughout seven states and over 12,000 team members.

Its coffee kiosks serve specialty coffee drinks, smoothies, freezes, teas, a private-label Dutch Bros Blue Rebel energy drink and nitrogen-infused cold brew coffee. A proprietary three-bean blend is still roasted to perfection from its Grants Pass headquarters. The company prides itself on its 3 core values: speed, quality and service.

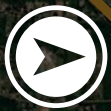
Forbes previously named Dutch Bros one of its Small Giants: Best Small Companies. Dutch Bros, its owner/operators and the Love Abounds Foundation remain committed to the community, donating more than \$5.8 million annually to nonprofit organizations and causes across the country.

380+

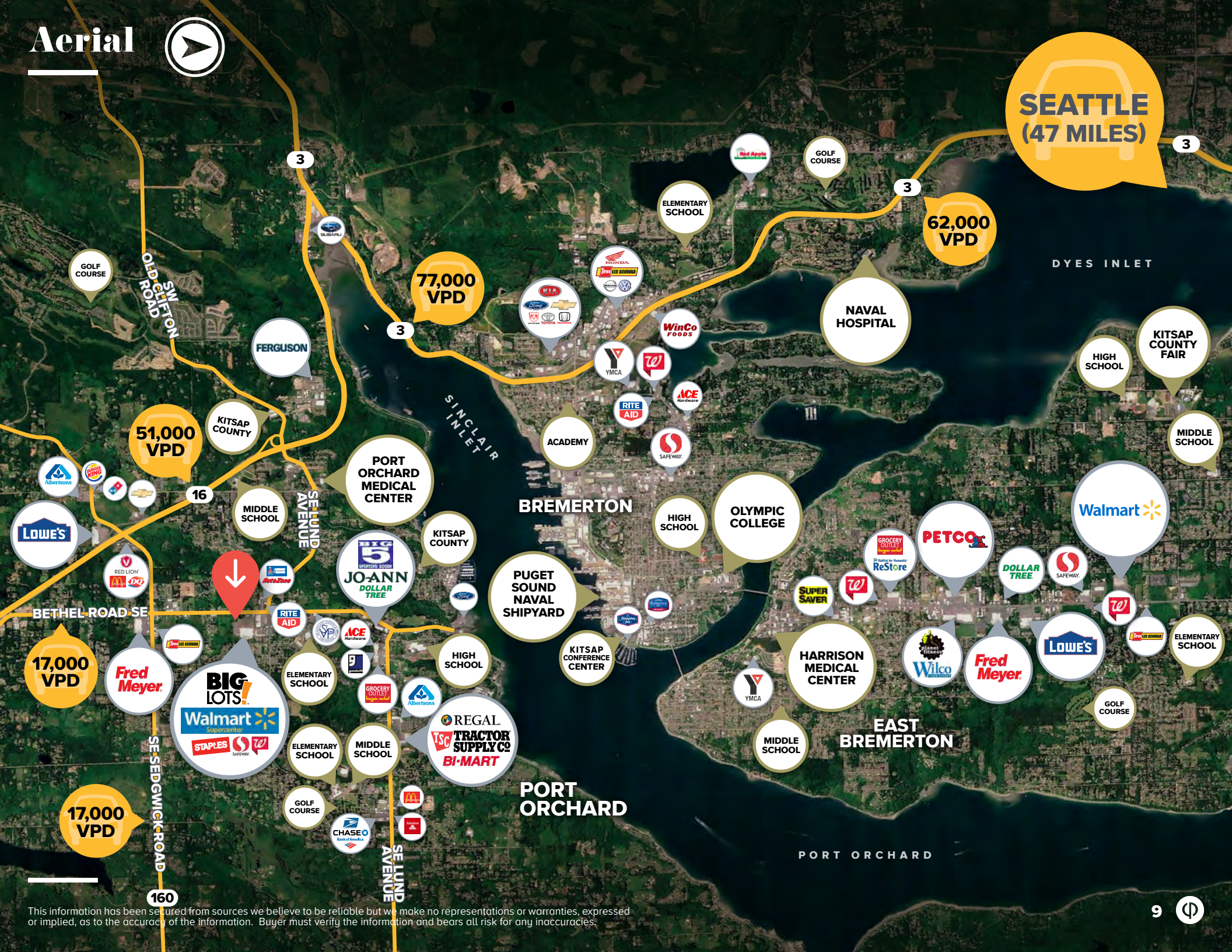
LOCATIONS THROUGHOUT  
THE WESTERN U.S.







**SEATTLE**  
(47 MILES)



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# Demographics



## POPULATION

	1-MILE	3-MILES	5-MILES
2010	7,983	32,535	83,417
2019	8,569	36,721	92,758
2024	8,949	38,846	97,503



## 2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$69,438	\$82,691	\$80,438
Median	\$56,735	\$66,790	\$65,247

## TOP KITSAP COUNTY EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Naval Base Kitsap	33,800
CHI Franciscan - Harrison Medical Center	2,500
Washington State	2,000
Central Kitsap School District	1,550
North Kitsap School District	1,200
South Kitsap School District	1,150



**THE AVERAGE HOUSEHOLD INCOME WITHIN A 3-MILE RADIUS IS OVER \$82K**

# PORT ORCHARD, WASHINGTON

KITSAP COUNTY

**PORT ORCHARD** is located on the Sinclair Inlet of the Puget Sound and is also the county seat for Kitsap County. The city is located just south of Bremerton across the Sinclair Inlet. The passenger-only ferry, known as the “foot Ferry”, links the two cities. It is located 47 miles southwest of Seattle and 26 miles northwest of Tacoma.

Port Orchard is a busy waterfront community and popular tourist destination for business and leisure travelers. The Port Orchard Waterfront Loop, located a short block from the waterfront park, marina and foot ferry, is the downtown waterfront area that features antique shops, dining with local brews & bites, walking paths, a playground and community park for family-friendly activities.

**KITSAP COUNTY** is located between Hood Canal and Admiralty Strait. Water transportation is dominant in the culture and economy of the county. Because of Kitsap County’s geographic configuration, the Washington State Ferry system is an important infrastructure link for Kitsap residents. In 2019, more than 6.21 million passenger trips were taken on the Seattle-Bainbridge ferry run, and more than 2.46 million trips were taken on the Seattle-Bremerton route and more than half of all ridership on the Washington State Ferries originates or ends in Kitsap County. Kitsap is ranked 9th for overall economic benefits generating nearly \$700 million in revenue and \$35 million in local taxes.

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266,550



**KITSAP COUNTY  
POPULATION  
(ESTIMATED)**

# Naval Base Kitsap

**NAVAL BASE KITSAP (NBK)** which serves as the host command for the Navy's fleet throughout the Pacific Northwest, providing exceptional installation services, programs, and facilities to meet the needs of its hosted war-fighting commands, tenant activities, and personnel.

**NBK is the third largest U.S. Navy installation in the United States**, and arguably the most complex. NBK is home to a diverse range of high-value strategic missions, including all types of submarines, two Nimitz-class aircraft carriers, Puget Sound Naval Shipyard and the largest fuel depot in the Continental U.S.

NBK is geographically located on the Kitsap Peninsula in Washington state, and is a conglomerate of installations at Bangor, Bremerton, Jackson Park, Keyport, and Manchester. **NBK encompasses more than 12,000 acres** supporting more than 70 tenant commands, including Commander, Navy Region Northwest (NRNW), Commander, Submarine Group 9 (CSG-9), and Naval Facilities Engineering Command (NAVFAC) Northwest headquarters. The base is also responsible for Naval Hospital Bremerton (NHB).



**266,550**  
**BASE SUPPORTED**  
**POPULATION**



**\$303 MILLION**  
**STATEWIDE MILITARY**  
**ECONOMIC IMPACT**



## REPRESENTATIVE PHOTO



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