



DUTCH BROS

A NET LEASED DRIVE-THRU COFFEE

SACRAMENTO, CA



CAPITAL PACIFIC



DUTCH BROS

4750 FLORIN ROAD, SACRAMENTO, CA 95823 

\$1,572,000
PRICE

5.00%
CAP

LEASABLE SF

1,190 SF

LAND AREA

0.4 Acres

LEASE TYPE

ABSOLUTE NNN

TRAFFIC

273,000+ VPD

YEAR BUILT

2018

LEASE EXPIRATION

8/13/2033

Absolute triple net lease yields zero landlord expense responsibilities

High net worth franchisee spent \$400,000 on remodel of building and site

Franchisee operates two locations, which are among the highest sales volume stores in the Dutch Bros Chain

Personal guarantee by Kyle Garrett, and a layered corporate guarantee for the first two years

Ideal location in Florin Square Shopping Center

Visible and accessible from Highway 99 (207,200 VPD)

Double Drive-Thru access from Florin Road (56,000 VPD) and East Parkway

Located between the major retail shopping centers in South Gate Plaza and Florin Mall Town Center



Investment Highlights

THE OFFERING is a brand new absolute net leased Dutch Bros operated by a top franchisee in a high traffic location in a major California market with excellent drive-thru access with the ability to stack a lot of cars. The lease has zero landlord expense responsibilities and rental increases every 5 years. The franchisee is a top franchisee in the Dutch Bros system, which has spent over \$400,000 of its own money to remodel the building and site. They operate two other locations that are among the highest sales volume stores in the Dutch Bros Chain with detailed financials to reflect that. The lease is further guaranteed by Dutch Bros corporate for the first two years.

The property is located at the 'top five' retail intersection of Highway 99 and Florin Road in the heart of a major retail trade area in Sacramento. The location benefits from on/off ramp access immediately off of Highway 99 with vehicle counts of 207,200 VPD. The property shares a parking lot with long-term tenant IHOP, which attracts morning/breakfast traffic.

SACRAMENTO is the capital city of California, as well as the sixth-largest city in the state. The city hosts a population of over 500,000 and a metropolitan area of over 2,500,000. It is the most rapidly-growing major city in the state and a hub for politics, finances, education and tourism. Sacramento is home to several major universities, including Sacramento State University, University of the Pacific, and nearby University of California - Davis.

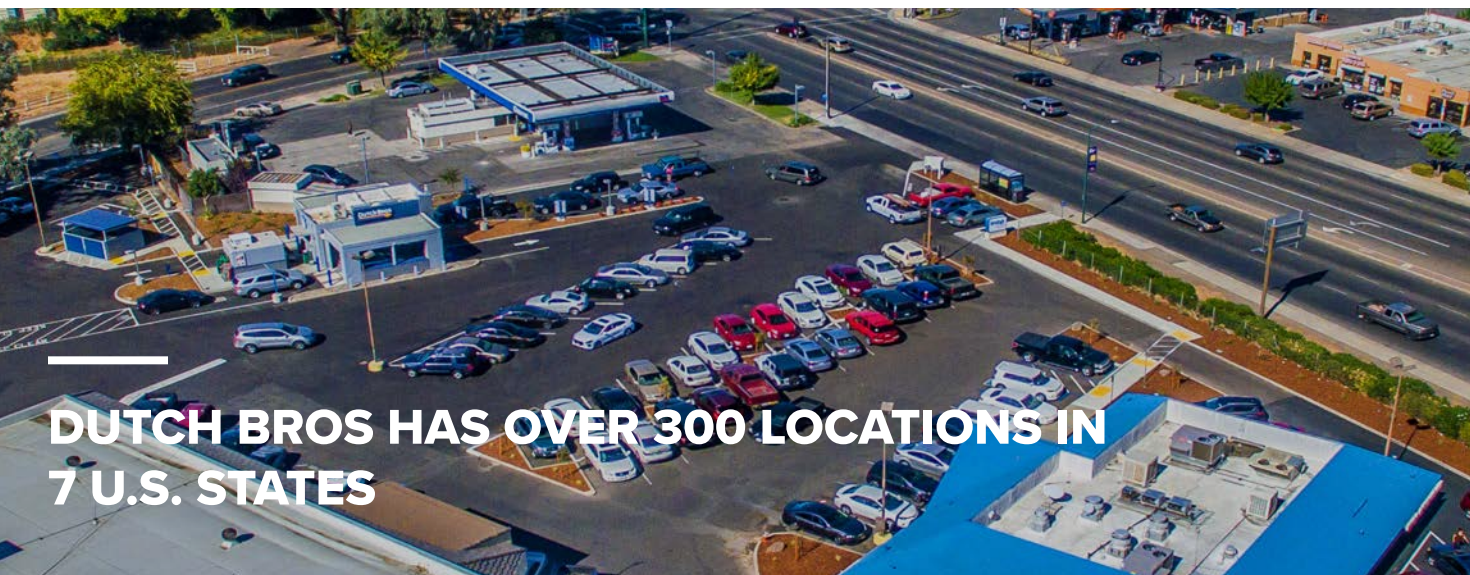
Contact the team

DAVE LUCAS

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CA DRE#: 01389761



**DUTCH BROS HAS OVER 300 LOCATIONS IN
7 U.S. STATES**

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Retail Aerial

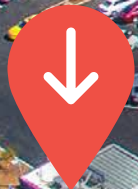


207,200
VPD

99

FLORIN ROAD

56,296
VPD



10,420
VPD

EAST PARKWAY

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Retail Aerial



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Income & Expense

		CURRENT
Price:		\$1,572,000
Capitalization Rate:		5.00%
Price Per Square Foot:		\$1,321.01
Total Leased (SF):	100.00%	1,190
Total Vacant (SF):	0.00%	0
Total Rentable Area (SF):	100.00%	1,190
INCOME		P/SF
Scheduled Rent*	\$66.05	\$78,600
EFFECTIVE GROSS INCOME		\$78,600
EXPENSES		P/SF
Property Tax		NNN
Insurance		NNN
Common Area Maintenance		NNN
NET OPERATING INCOME		\$78,600



Rent Roll

TENANT INFO			LEASE TERMS		RENT SUMMARY			
TENANT	SQ. FT	PERCENT OF LOT	TERM		MONTHLY RENT	ANNUAL RENT	RENT/FT/YR	LEASE TYPE
Dutch Bros Coffee	1,190	100.00%	8/14/2018	8/13/2023	\$6,550.00	\$78,600.00	\$66.05	ABS NNN
		Increase	8/14/2023	8/13/2028	\$7,031.25	\$84,375.00	\$70.90	
		Increase	8/14/2028	8/13/2033	\$7,910.16	\$94,921.92	\$79.77	
		Option 1	8/14/2033	8/13/2038	\$8,898.93	\$106,787.16	\$89.74	
		Option 2	8/14/2038	8/13/2043	\$10,011.30	\$120,135.56	\$100.95	
		Option 3	8/14/2043	8/13/2048	\$11,262.71	\$135,152.50	\$113.57	
Current Totals:	1,190	100.00%						
Occupied	1,190	100.00%			2018 Total Monthly Rent:	\$6,550.00		
Vacant	0	0.00%			2018 Total Annual Rent:	\$78,600.00		

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Lease Abstract

PREMISE & TERM

TENANT	Dutch Bros
GUARANTOR	Kyle Garrett and Garret Innovations
ADDITIONAL FIRST 2 YEAR GUARANTOR	Dutch Bros Corporate (DB Franchising USA)
BUILDING SF	1,190 SF
LEASE TYPE	Absolute NNN
TERM	15 Years
RENT COMMENCEMENT	August 14, 2018
EXPIRATION	August 13, 2033
OPTIONS	Three 5-year options

RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
8/14/2018 - 8/13/2033	\$6,550.00	\$78,600.00
Increase 8/14/2023 - 8/13/2028	\$7,031.25	\$84,375.00
Increase 8/14/2028 - 8/13/2033	\$7,910.16	\$94,921.92

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 8/14/2033 - 8/13/2038	\$8,898.93	\$106,787.16
#2. 8/14/2038 - 8/13/2043	\$10,011.30	\$120,135.56
#3. 8/14/2043 - 8/13/2048	\$11,262.71	\$135,152.50

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EXPENSES

TENANT'S OBLIGATIONS

At sole cost & expense keep premises, utility installations, and alterations in good order, condition, and repair. Responsible for plumbing, HVAC, electric, lighting, interior walls, ceilings, floors, windows, doors.

LANDLORD'S OBLIGATIONS

Subject to reimbursement, maintain foundations, exterior, structure, and roof.

TAXES

Tenant shall pay real property taxes and personal property taxes.

INSURANCE

Tenant must maintain commercial general liability insurance.

UTILITIES

Tenant pays for all utilities and any taxes against them.

CAM

Tenant pays pro rata share.

LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

Lessor Consent Required.

EARLY TERMINATION

None.

RIGHT OF FIRST REFUSAL/OFFER

None.

ESTOPPELS

Each party shall within 10 days of written request deliver estoppel certificates.

Tenant Overview

ABOUT DUTCH BROS

Dutch Bros Coffee, founded in 1992 and headquartered in Grants Pass, Oregon, is a privately held drive-thru coffee chain with company-owned and franchise locations throughout the western U.S. Dutch Bros is the country's largest privately-owned, drive-thru coffee chain with over 290 locations throughout seven states and over 7,500 team members. Dutch Bros specializes in roasting their own three-bean coffee blend directly from Salvadorian, Brazilian and Colombian coffee plantations. The company prides itself on its 3 core values: speed, quality and service.

In 2012, Dutch Bros created its own energy drink, Blue Rebel, and in 2016 launched its cold brew coffee. The company has continued innovating since its inception in the early 90's. In 2017, Forbes named Dutch Bros one of its Small Giants: Best Small Companies.

300+

LOCATIONS
THROUGHOUT
WESTERN U.S.

ABOUT THE FRANCHISEE

Garret Innovations Inc. operates two other locations in the Sacramento area. Garrett Innovations Inc. is among the top performing franchisees in the Dutch Bros system and has much higher than average store sales at their locations. The lease is also personally guaranteed by Kyle Garrett.

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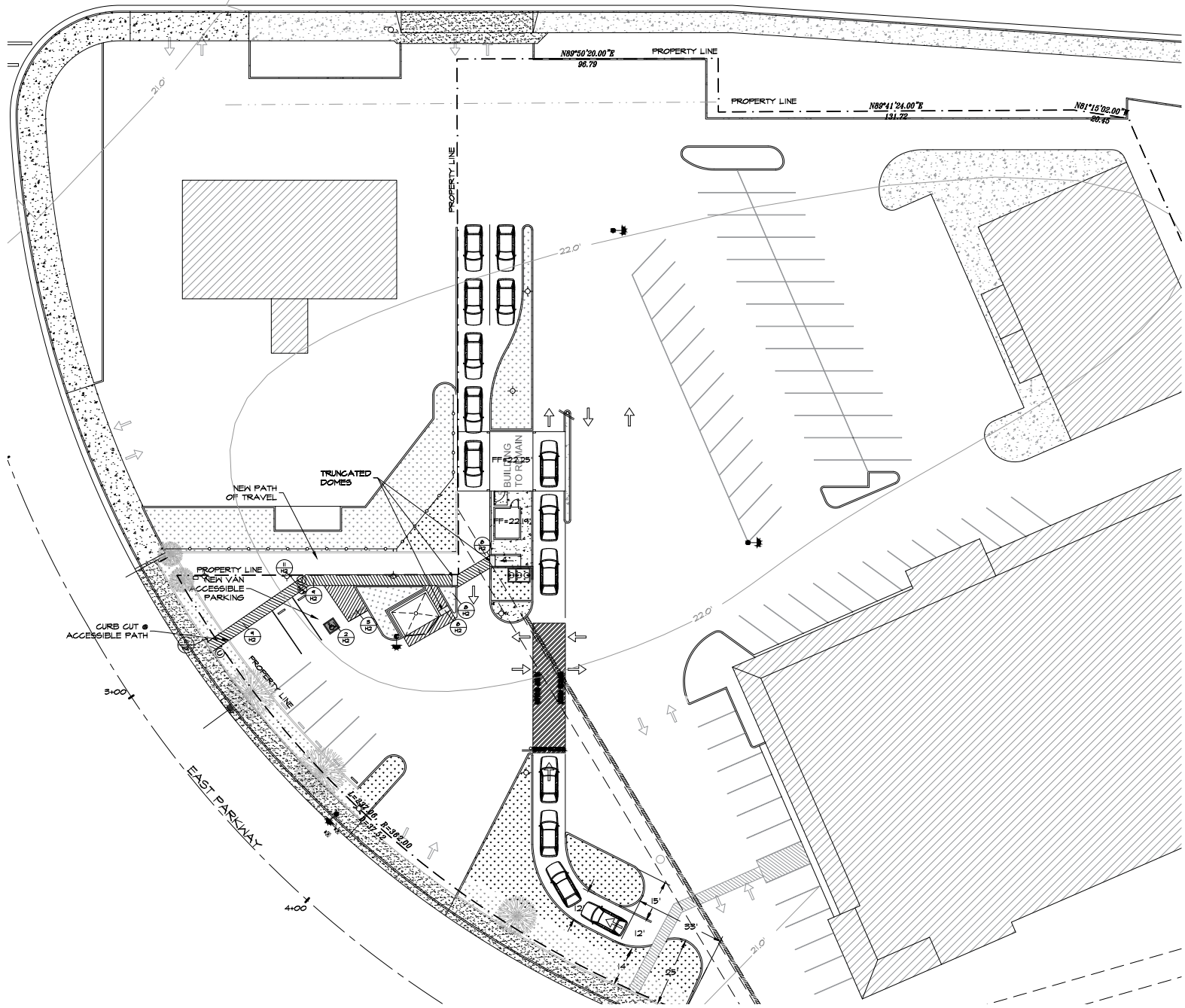
Site Plan



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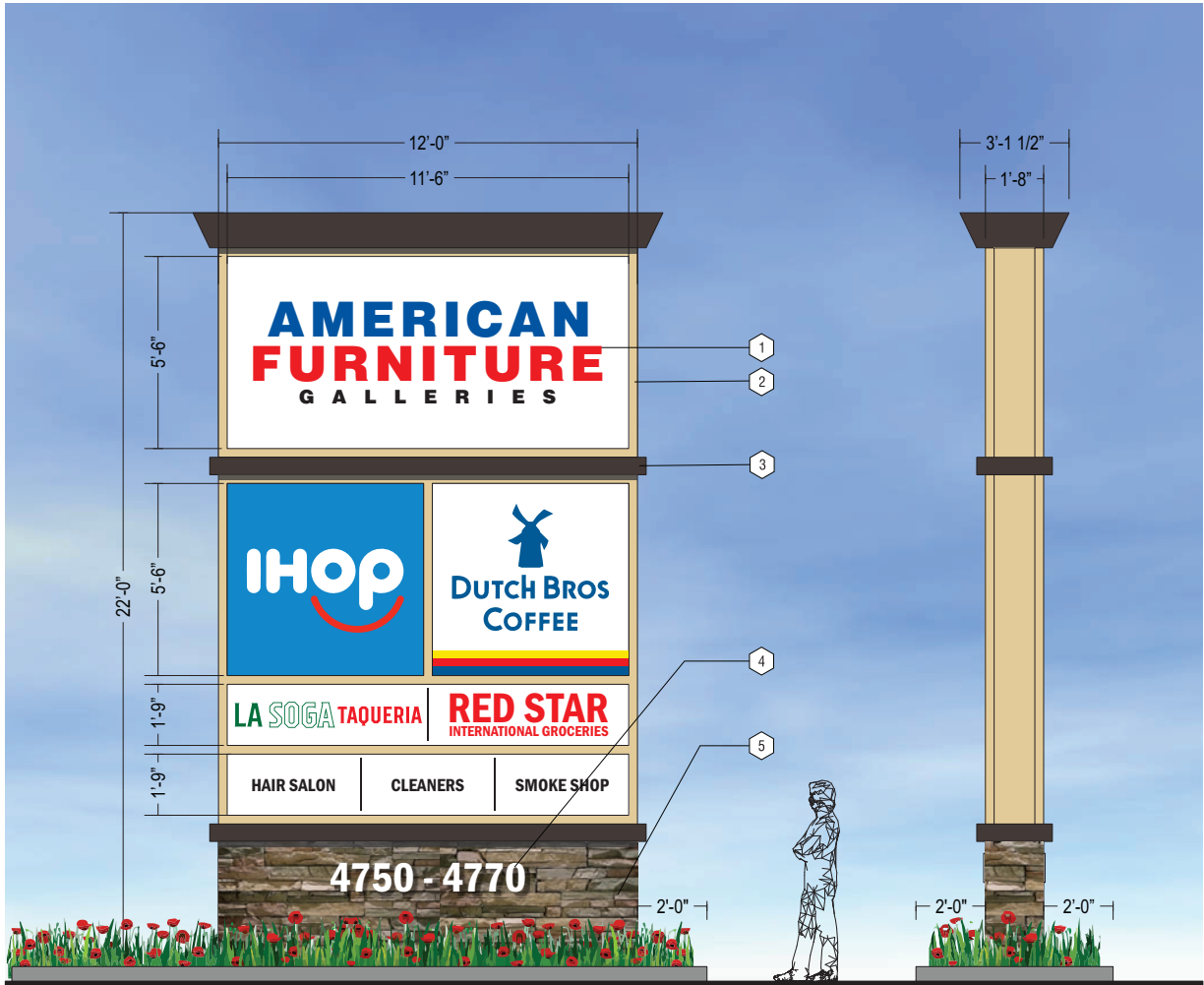
DOUBLE SIDED DRIVE-THRU, WITH ENTRANCES FROM EACH SIDE

Dutch Bros Driveways



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Signage



MAIN SIGN - FRONT ELEVATION

TOTAL SQFT: 264

SCALE: 1/4" = 1'

- 1 3/16" THICK WHITE LEXAN FACES
- 2 ALUMINUM SIGN CABINET W/ TEXCOTE PAINTED DUNN- EDWARDS PRAIRIE LAND (DET489)
- 3 ALUMINUM CAP AND TRIM W/ TEXCOTE PAINTED DUNN-EDWARDDS ESPRESSO MACCHIATO (DET680)
- 4 1/2" THICK CLEAR ACRYLIC ADDRESS #'S W/ PAINTED WHITE, SATIN FINISH
- 5 ALUMINUM BASE W/ MASONARY STACKED STONE



SIMULATED NIGHT VIEW

COLOR GUIDE


- DUNN- EDWARDS PRAIRIE LAND (DET489)
- DUNN-EDWARDDS ESPRESSO MACCHIATO (DET680)

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THIS PACKAGE IS CURRENTLY UNDER APPLICATION BY THE LANDLORD AND PROJECTED FOR INSTALLATION IN 2019.

Demographics

POPULATION

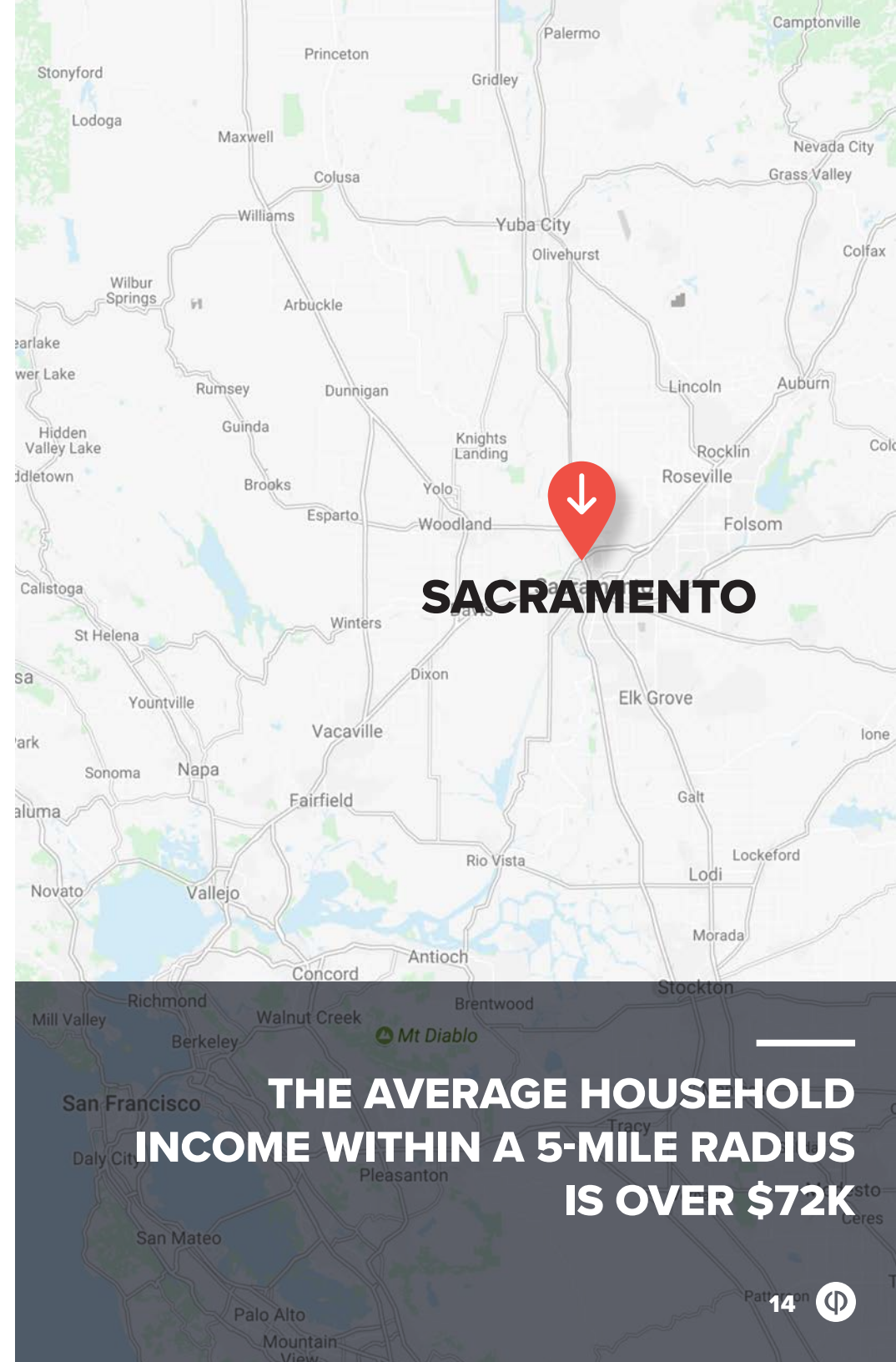
	1-MILE	3-MILES	5-MILES
2010	23,004	180,283	359,050
2018	24,750	192,133	382,996
2023	25,987	201,145	402,016

2018 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$51,021	\$52,403	\$72,907
Median	\$36,946	\$39,793	\$52,855

TOP EMPLOYERS IN SACRAMENTO VALLEY

EMPLOYER	
State of California	69,469
Sacramento County	10,634
UC Davis Health System	9,985
Sutter Health Sacramento Sierra Region	6,507
Intel Corp.	6,000



**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 5-MILE RADIUS
IS OVER \$72K**

SACRAMENTO, CALIFORNIA



SACRAMENTO, CA

SACRAMENTO is the capital city of California, the sixth-largest city in the state, and the 35th largest city in the United States. The urban Sacramento area has a population of 1.44 million while the Sacramento Valley, which includes ten counties, has an estimated population of 2.66 million.

Sacramento is one of the most historic cities in California, boasting an impressive array of museums, landmarks, parks, amenities, and more. California State University, Sacramento, is located in downtown Sacramento and offers 151 Bachelor's degrees, 69 Master's degrees, 28 teaching credentials, and 2 Doctoral degrees. There are over 30,500 students enrolled annually.

SACRAMENTO ECONOMY

The Sacramento Valley is located in the Central Valley, which is comprised of ten Northern California counties. Government and transportation are key sectors of the economy. Technology-related companies such as Intel and Hewlett-Packard have increasingly been drawn to Sacramento based on proximity to research centers and a well-educated labor pool. Other economic drivers include health services, hospitality, education & construction.

2.66 MILLION



**SACRAMENTO VALLEY
POPULATION
(ESTIMATED)**

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We'd love to hear from you.

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