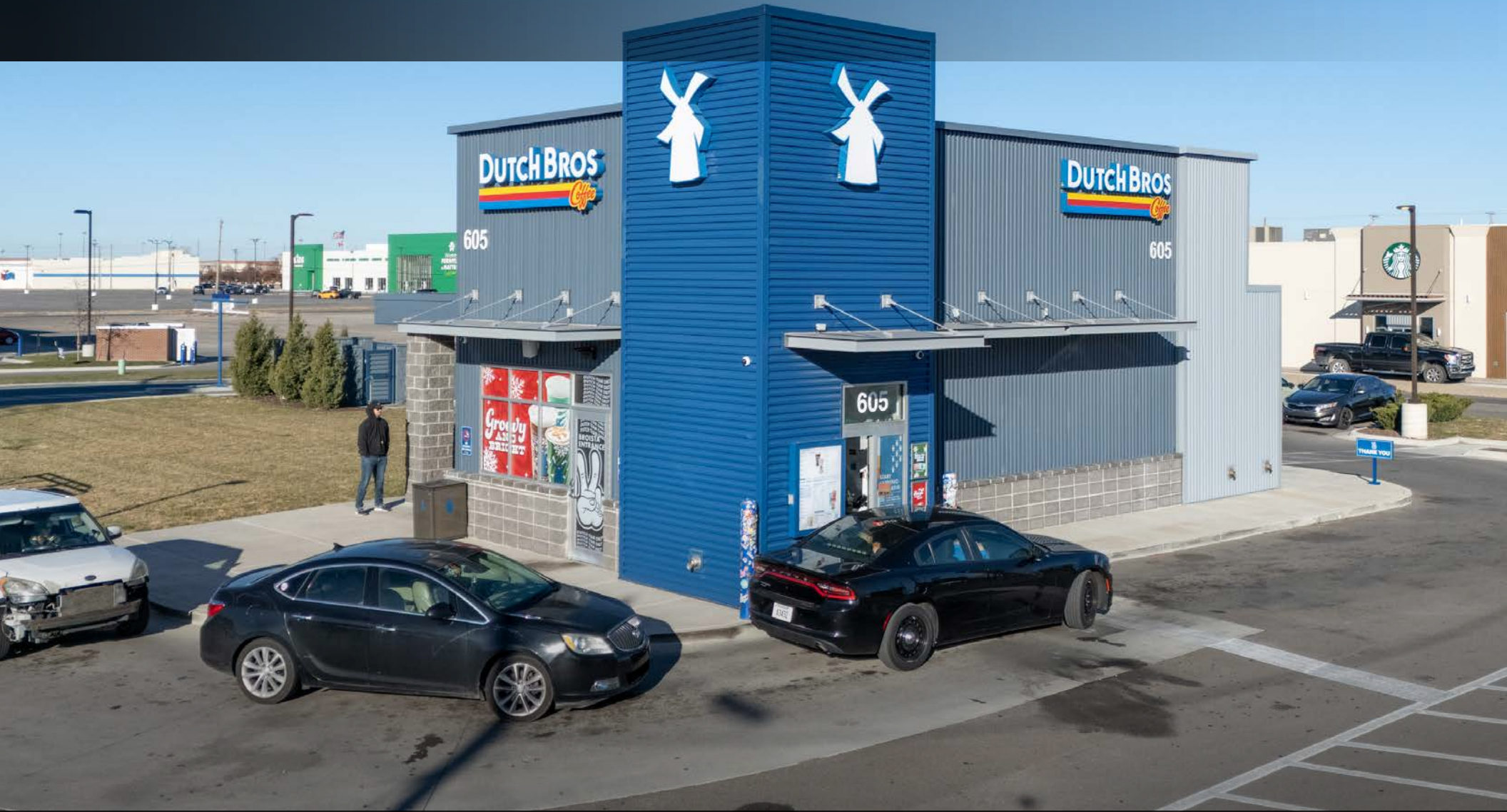


# DUTCH BROS GROUND LEASE

605 SOUTH WEST STREET, WICHITA, KS 67213



OFFERING MEMORANDUM

Marcus & Millichap



**KOCH**

HEADQUARTERS

Michaels  
WORLD MARKET  
Marshall's  
TOPGOLF  
DULUTH TRADING  
KREI W  
CAYENDER'S  
WICHITA SPORTS FORUM  
HomeGoods  
DAVE & BUSTERS

SEDGWICK COUNTY ZOO

WICHITA STATE UNIVERSITY  
15,000 STUDENTS

sam's club  
amc THEATRES  
Walmart

STRYKER SPORTS

BOTANICA WICHITA

WESLEY Medical Center

Dillard's JCPenney VON MAUR  
FAMOUS footwear  
maurices RESTAURANT  
H&M OLD CHICAGO  
COACH BUFFALO WILD WINGS  
FOREVER 21  
THE CHILDREN'S PLACE  
OLD NAVY SCHEELS  
TOWNE EAST SQUARE

235

FRIENDS UNIVERSITY  
1,600 STUDENTS

DOWNTOWN WICHITA

96

DUTCH BROS Coffee

54

BEECH FACTORY AIRPORT

WICHITA DWIGHT D. EISENHOWER NATIONAL AIRPORT

NU NEWMAN UNIVERSITY  
2,700 STUDENTS

Walmart

ROBERT J. DOLE VA MEDICAL CENTER

Walmart  
IHOP  
LOWE'S  
PETSMART

CAMPING WORLD

35

McCONNELL AIR FORCE BASE



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# Executive Summary

605 South West Street, Wichita, KS 67213

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$1,327,000</b>
Cap Rate	5.50%
Building Size	950 SF
Net Cash Flow	5.50% \$73,000
Year Built	2022
Lot Size	0.96 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	BB Holdings KS, LLC
Guarantor	Boersma Bros, LLC
Lease Term	15 Years
Lease Commencement Date	November 16, 2022
Lease Expiration Date	November 15, 2037
Lease Term Remaining	13 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 – 5	\$73,000.00	5.50%
6 – 10	\$80,300.00	6.05%
11 – 15	\$88,330.00	6.66%
Renewal Options	Annual Rent	Cap Rate
Option 1 (16 - 20)	\$97,163.00	7.32%
Option 2 (21 - 25)	\$106,879.30	8.05%
Option 3 (26 - 30)	\$117,567.23	8.86%
Option 4 (31 - 35)	\$129,323.95	9.75%

<b>Base Rent</b>	<b>\$73,000</b>
<b>Net Operating Income</b>	<b>\$73,000</b>
<b>Total Return</b>	<b>5.50% \$73,000</b>



LAWRENCE  
ELEMENTARY  
SCHOOL

QuikTrip

McDonald's

BANK OF AMERICA

T-Mobile

GRASSCHAMPIONS

verizon

32,390 CPD  
KELLOGG DR

JumpStart

DUTCH BROS  
Coffee



STANION  
WINDSHIELD ELECTRIC CO.

PS  
The Print Source

SCOTTIE'S  
CARTERS

TACO BELL

DUNKIN'

RAND  
GRAPHICS

KFC

ECONOMY  
HOTEL

Arby's

WELLS  
FARGO

Casey's

RED LOBSTER  
FRESH FISH-LIKE LOBSTER

Charlie's  
CAR WASH

Starbucks

Dutch Bros

DOWNTOWN WICHITA

NU NEWMAN UNIVERSITY

FRIENDS UNIVERSITY

BW Best Western PLUS

INDUSTRIAL

89,800 CPD

CRASHCHAMPIONS COLLISION REPAIR TEAM

verizon

JumpStart

32,390 CPD  
KELLOGG DR

Starbucks

MEDICARE ADVANTAGE Annual Enrollment Period Oct. 15–Dec. 7

DUTCH BROS Coffee

Charlie's CAR WASH

N

# Property Description



## INVESTMENT HIGHLIGHTS

- » 13 Years Remaining on Absolute Triple-Net (NNN) Ground Lease
- » 10% Rental Increases Every 5 Years
- » **New 2022 Construction**
- » Visible to 90,000+ CPD Via Interstate 235
- » **Located Near Towne West Square - Tenants include JcPenny, Dillard's, Dick's Sporting Goods and more**
- » Dutch Bros is One of the Fastest-Growing Brands in the Quick Service Beverage Industry in the United States with over 870 Locations in 17 States
- » **Located less than 2 Miles from Newman University (2,746 Students Enrolled)**
- » 192,177 Residents within a Five-Mile Radius - Growing Wichita Trade Area



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2028 Projection	6,024	71,017	194,696
2023 Estimate	5,895	70,224	192,177
Growth 2023 - 2028	2.19%	1.13%	1.31%

### Households

2028 Projections	2,467	31,505	80,635
2023 Estimate	2,398	30,971	79,150
Growth 2023 - 2028	2.86%	1.72%	1.88%

### Income

2023 Est. Average Household Income	\$50,745	\$55,225	\$63,101
2023 Est. Median Household Income	\$41,138	\$44,257	\$49,271

# Tenant Overview



**870+**  
Locations



**NYSE: BROS**  
Stock Symbol



**1992**  
Founded



**DUTCHBROS.COM**  
Website



**GRANTS PASS, OREGON**  
Headquarters

Dutch Bros Coffee was founded in 1992 in Grants Pass, Oregon by Dane and Travis Boersma, brothers of Dutch descent. Today, Dutch Bros Coffee is one of the largest publicly-traded drive-thru coffee companies with approximately 876 stores open in 17 states as of March 31, 2024. The company's total revenue for FY 2023 grew 30.7 percent to \$966 million as compared to \$739 million in 2022.

Dutch Bros Coffee roasts all its own coffee, a three-bean blend sourced from direct relationships with Salvadorian, Brazilian, and Colombian coffee plantations. In October 2014, the company announced the release of Dutch Bros Single-Serve Cups compatible with Keurig-style brewers. In 2012, the Company launched its own energy drink, Blue Rebel, and in May 2016 introduced Cold Brew Coffee.

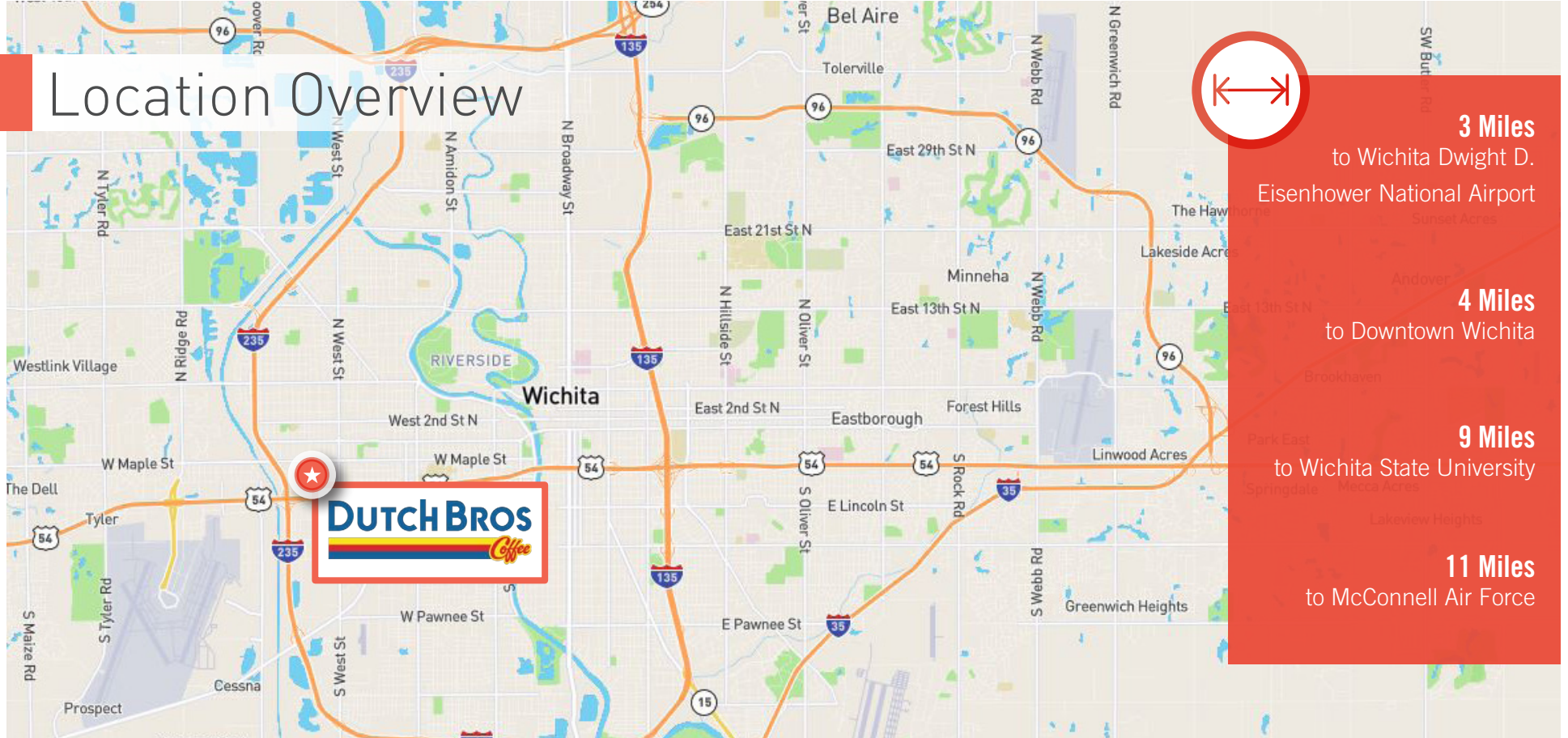
Dutch Bros is a high growth operator and franchisor of drive-thru shops that focus on serving high quality, hand-crafted beverages with unparalleled speed and superior service. Dutch Bros stock is traded on the NYSE under the symbol BROS. Dutch Bros is taking meaningful and measurable action in philanthropy; sustainability; and diversity, equity and inclusion to drive the company toward making a massive difference.

# Property Photos





# Location Overview



Wichita is the largest city in the State of Kansas and the 49th-largest city in the United States. Located in south-central Kansas on the Arkansas River, Wichita is the county seat of Sedgwick County and the principal city of the Wichita metropolitan area. In 2018, the estimated population of the Wichita metropolitan area was 644,888. Major highways, including the Kansas Turnpike, US 400 and Interstate I-135, link the city with a large trade area that encompasses a population of more than a million people within a 100-mile radius. The nearest large cities are Denver to the west, Kansas City to the northeast, Oklahoma City to the south, and Tulsa to the southeast.

Since the growth of the aircraft industry during the inter-war years, Wichita has been a leading producer of general aviation and commercial aircraft. McConnell

Air Force Base was activated in 1951 and has remained an important factor in the community. Additionally, Airbus maintains a workforce in Wichita. The city has long been known as a center of entrepreneurship. In addition to aircraft pioneers, Fred Koch founded Koch Industries in Wichita, and Dan and Frank Carney founded Pizza Hut. Coleman, Freddy's Frozen Custard, and many other successful companies began in Wichita.

Wichita has evolved into a cultural and entertainment center. The downtown district offers restaurants, retail shops, museums and parks. INTRUST Bank Arena, located in downtown Wichita, features a total potential capacity of over 15,000. Several universities are located in Wichita, the largest being Wichita State University. Friends University and Newman University are also located in Wichita.

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Broker of Record  
License #: 00241410

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