

34051 Date Palm Drive,
CATHEDRAL CITY. CA
CATHEDRAL CITY MARKETPLACE - OUT PARCEL



New 15- Year Absolute NNN Corporate Ground Lease | Four 5 Year Options | 10% Increases Every 5 Years | Dominant Grocery Anchored Shopping Center



Kunal Sethi sync
Investment Real Estate Advisor commercial

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The information contained herein does not purport to provide a complete or fully accurate summary of the property or any related documents, nor is it intended to be all-inclusive or to contain all of the information that prospective buyers may need or desire. All financial projections are based on assumptions related to the general economy, competition, and other factors beyond the control of the Owner and Broker, and are therefore subject to material variation. This Offering Memorandum does not constitute an indication that there have been no changes in the business or affairs of the property or the Owner since the preparation of the information contained herein. Additional information and an opportunity to inspect the property will be made available to interested and qualified prospective buyers.

Neither the Owner, Broker, nor any of their respective officers, agents, or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents. No legal commitment or obligation shall arise by reason of the Offering Memorandum or its contents. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective buyer, with the property to be sold on an "as-is, where-is" basis, without any representation as to the physical, financial, or environmental condition of the property.

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The Offering Memorandum and its contents, except for information that is a matter of public record or provided from sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, the buyer and their agent agree to hold and treat the Offering Memorandum and its contents in the strictest confidence.



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Illustrations for reference only. Subject Property is under Construction.



Property

OVERVIEW

Sync Commercial is pleased to present a rare opportunity to purchase a brand-new construction, absolute Triple Net (NNN) Corporate ground leased Dutch Bros Coffee with a 15-year primary term and located in the trade areas of Cathedral City, CA. This is a rare opportunity to own a 950 SF building (typical DB store) with a double drive-thru in Riverside County which limits new drive thru developments. The rapidly growing and publicly traded drive-thru coffee chain currently operates over 950+ locations across 18 states with over 160+ locations slated to open in 2025. With a corporate guarantee, Four 5 year options and 10% rent increases every 5 years and no landlord responsibilities, this asset is ideal for an investor seeking long term passive cash flow at a highly desirable location.

The property is located on a outparcel for The Cathedral City Marketplace close to a signalized intersection with traffic counts of over 55,000 vehicles per day. The Cathedral City Center is grocery anchored by Food4Less along with DD's Discount, Planet Fitness, Jack in the Box, Mobil Gas, IHOP, Pizza Hut and other national and regional retailers. The Food4Less has been operating at this location for over 26 years and is one of the highest grossing grocers in the region. Cathedral City is located in the Coachella Valley. The current metro area population of Cathedral City, Indio and Palm Springs was over 504,000 as of Nov 2024, a 1.61% increase from 2023. The metro area population of Cathedral City, Indio and Palm Springs was 496,000 in 2022, a 1.85% increase from 2022.





DATE PALM DRIVE
30,000 VPD

DINAH SHORE DRIVE
25,000 VPD



OFFERING SUMMARY

ADDRESS	34051 DATE PALM DRIVE
CITY	CATHEDRAL CITY
PRICE	\$2,980,000
NOI	\$149,000
CAPITALIZATION RATE	5.00 %
NET RENTABLE AREA	950
YEAR BUILT	2025*
LOT SIZE	0.62 Acres

LEASE TERMS

RENT COMMENCEMENT:	6/1/2025**
INITIAL LEASE EXPIRATION:	6/1/2040
LEASE TERM:	15 Years
LEASE TYPE:	Absolute NNN Corporate Ground Lease.
ROOF & STRUCTURE:	Tenant Responsibility
MONTHLY RENT:	\$12,417
ANNUAL RENT:	\$149,000
RENTAL INCREASES:	10% Every 5 Years
RENEWAL OPTIONS:	Four-5 year Options @ 10% Increases

	MONTHLY RENT	ANNUAL RENT	CAP RATE
Year 1	\$12,416.67	\$149,000	5%
Year 6	\$13,658.33	\$163,900	5.5%
Year 11	\$15,024.17	\$180,290	6.05%
Option 1	\$16,526.58	\$198,319	6.65%
Option 2	\$18,179.24	\$218,150.90	7.32%
Option 3	\$19,997.17	\$239,965.99	8.05%
Option 4	\$21,996.88	\$263,962.59	8.85%

* Property is currently under construction. Lease is in full force and effect and not subject to termination by the Tenant.
 ** Seller will Credit Buyer for Tenants Rent from Close of Escrow till June 1st, 2025 rent commencement date.
 *** Seller will Credit Buyer for Tenant Improvement allowance in escrow. Improvement allowance to be credited to Tenant.

DUTCH BROS COFFEE IS ONE OF THE FASTEST GROWING RESTAURANT CHAINS IN THE UNITED STATES.

NYSE:
BROS

DUTCH BROS is a Publicly traded Company. NYSE: BROS

950+

DRIVE-THRU Locations Across 18 States

#48

TOP 500 Restaurants.

#33

TOP 50 Fast Food Chains ranked by Sales.



INVESTMENT HIGHLIGHTS

- New Construction Single Tenant Dutch Bros Coffee with Double Drive-Thru.
- Brand New Construction. ****Rent Commencement June 2025.** (under construction)
- New 15 year absolute NNN corporate Ground Lease.
- Four 5 year options with 10% increases during initial and options period
- Absolute NNN - No landlord responsibilities.
- Extreme High Barriers to Entry - Rare Drive Thru Opportunity
- New Construction STNL Dutch Bros. Coffee - Cathedral City, CA
- Publicly Traded Company (NYSE: BROS)
- Corporate Guarantee: Boersma Bros, LLC (Dutch Bros)
- Over 950+ Locations Open Across 18 States as of 2024.
- 160+ New Locations to open in 2025. (Tenative)
- Strategically Located at Date Palm Dr and Dinah Shore Dr. 55k VPD
- Regional Shopping Center. Anchored by Food4Less, DD's Discount & Planet Fitness.

* Seller will Credit Buyer for Tenants Rent from Close of Escrow till June 1st, 2025 rent commencement date.

** Building is under construction. Lease is in full force and effect and is not subject to termination by the Tenant.

*** Seller will Credit Buyer for Tenant Improvement allowance in escrow. Improvement allowance to be credited to Tenant.



TENANT OVERVIEW

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 is now the third-largest coffee chain in the U.S., trailing only Starbucks and Dunkin'. Founded in 1992 by Brothers Dane and Travis Boersma, Dutch Bros has grown from a single pushcart to over 950+ locations across 18 States.

Dutch Bros plans to open an additional 160+ locations in 2025 with a long term goal of operating 4,000+ drive-thru locations in the next 10 to 15 years. For the year 2023, Dutch Bros total revenue rose 30.7% to \$966 million. Dutch Bros revenue guidance for 2024 is around \$1.26 billion with an EBITDA of around \$215 to \$220 million.

In Q3 2024, Dutch Bros achieved a 27.9% year-over-year growth reaching \$338 million. Company-operated shop revenues increased by 30.4%. Dutch Bros opening 38 new shops in Q3 2024.

The average unit volume (AUV) of a Dutch Bros location is \$2 million in sales generated within a 950 square foot location. The average location size for Dutch Bros is 950 square feet.

Dutch Bros Coffee

Traded As	NYSE: BROS
Headquarters	Grants Pass, Oregon
Locations	950+ (2024)
Employees	24,000+
Geographic Footprint	Oregon, California, Texas, Arizona, Washington, Florida, Kentucky, Alabama, Colorado, Idaho, Nevada, Utah, Oklahoma, New Mexico, Kansas, and Tennessee



TENANT PROFILE

- History: Brothers Dane and Travis Boersma founded Dutch Bros in 1992 in Grants Pass, Oregon, with a pushcart and a double-head espresso machine.
- Growth: Dutch Bros has grown from a single pushcart to over 950 locations across 18 states as of September 2024.
- Coffee: Dutch Bros roasts its own coffee and serves a variety of hot and cold beverages, including espresso-based drinks.
- Community involvement: Dutch Bros donates to non-profit organizations and reinvests 1% of gross sales into the community.
- Headquarters: Dutch Bros is headquartered in Grants Pass, Oregon.
- Ownership: Travis Boersma is the executive chairman and majority owner of Dutch Bros, and Christine Barone is the president and CEO.
- Public trading: Dutch Bros became a publicly traded company in September 2021, selling 21 million shares for \$484 million.
- Employees: Dutch Bros employed approximately 24,000 people as of December 2023. Dutch Bros offers benefits like 401k, health insurance, and dental insurance.
- Dutch Bros. offers a variety of beverages, including coffee, tea, lemonade, soda, smoothies, and energy drinks.
- Dutch Bros' annual growth rate has outpaced the coffee sector and its competitors over the past five years.
- Dutch Bros has a reputation for building relationships with customers and the communities it serves. The company promotes from within and offers leadership opportunities for employees.





CATHEDRAL CITY MARKETPLACE

- ◆ Cathedral City Marketplace is a 209,536 +/- square foot regional shopping center anchored by Food 4 Less grocery store along with other nationally recognized retailers including: DD's Discounts, Planet Fitness, Jack In The Box, Pizza Hut, IHOP, Subway, Mobil Gas, Dutch Bros (Opening soon) along with other national and regional tenants.
- ◆ Cathedral Marketplace is a major traffic generator to the area with over 1.9 million annual visits.
- ◆ The site is located at major signalized intersection of Dinah Shore Dr & Date Palm Dr (55,000 VPD) . Date Palm Drive and Dina Shore Drive serve as major arterials for commuter traffic accessing the greater Coachella Valley, I-10 freeway and Hwy 111.
- ◆ Food4Less Grocery Store has been at this location since 1998. 26+ Year Operating History. Food4Less is currently developing a service station across from the street from the Cathedral City Marketplace.
- ◆ The current metro area population of Cathedral City, Indio, Palm springs in 2024 was over 504,000, a 1.61% increase from 2023. The population in the metro area grew 1.85% in 2022.
- ◆ Average household income of \$116,936 within a 5 mile radius.
- ◆ 82% of the residents within a 5 mile radius of the site commute by car to work. 90% of workers within a 5 mile radius of the site commute at least 10 minutes to work.

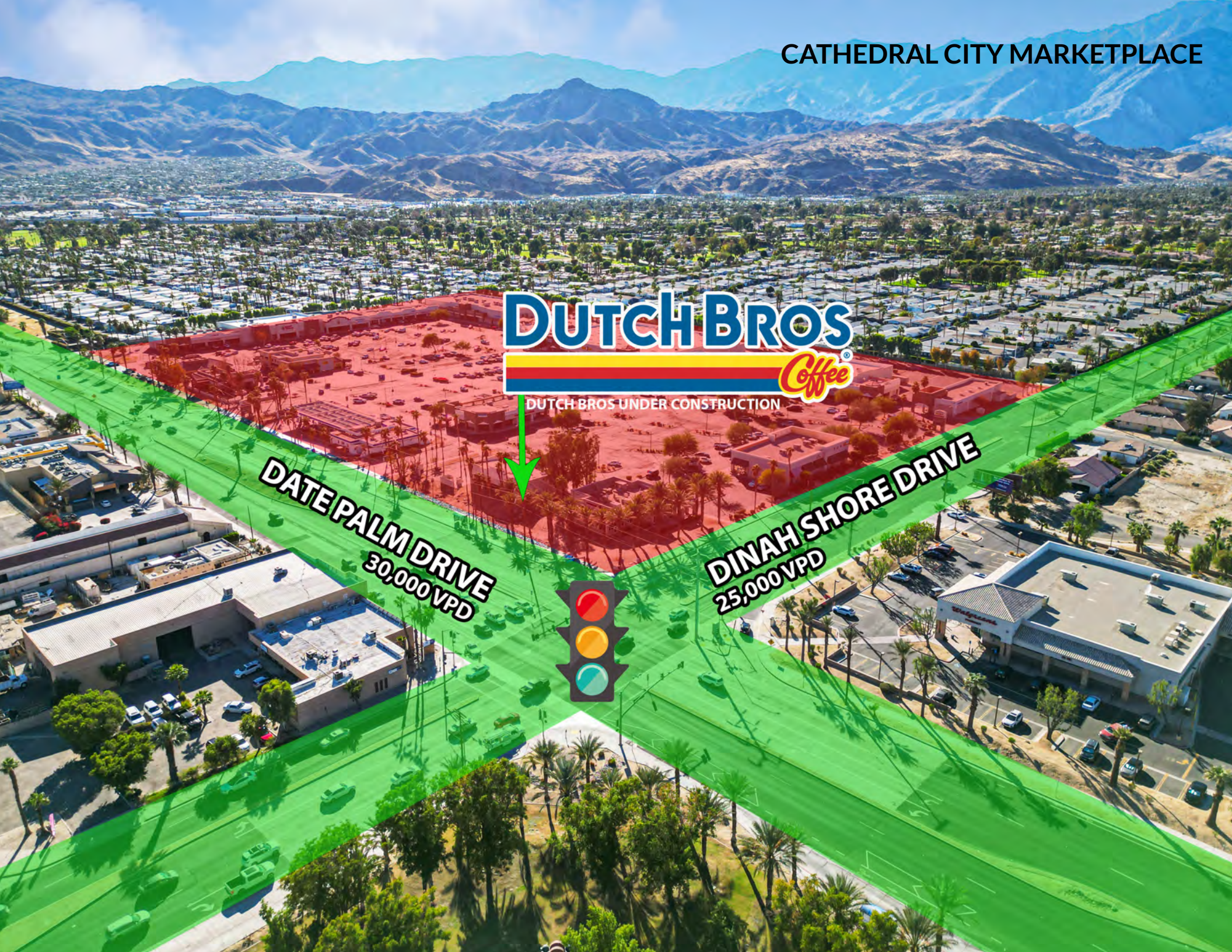
DUTCH BROS

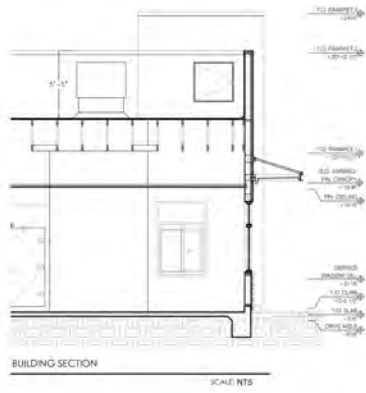


DUTCH BROS UNDER CONSTRUCTION

DATE PALM DRIVE
30,000 VPD

DINAH SHORE DRIVE
25,000 VPD





EXTERIOR FINISH SCHEDULE

ID TAG	MATERIAL	MANUFACTURER	MODEL	REMARKS
ZONE 1 (BODY)				
1A	METAL PANEL	WESTERN STATES METAL ROOFING	WESTERN WAVE, 24 ga	ORIENTATION VERTICAL. COLOR: BLDG DB DARK GRAY
1B	METAL PANEL	WESTERN STATES METAL ROOFING	WESTERN WAVE, 24 ga	ORIENTATION VERTICAL. COLOR: BLDG DB LIGHT GRAY
ZONE 2 (TOWER)				
2	METAL PANEL	WESTERN STATES METAL ROOFING	WESTERN WAVE, 24 ga	ORIENTATION HORIZONTAL. COLOR: BLDG DB BLUE
ZONE 3 (BASE & COLUMNS)				
3	STONE VENEER	ELDORADO STONE	CLIFFSTONE, BANF SPRINGS	
	STONE VENEER SILL	ELDORADO STONE	SHAPED EDGE WAINSCOT SILL, PEWTER	
ZONE 4 (FRAMED CANOPY)				
4	FASCIA	WESTERN STATES METAL ROOFING	METAL FASCIA	COLOR TO MATCH DUTCH BROS DARK GRAY
5	SOFFIT	JHEWN ELEMENTS	NATURAL NORTHWESTERN SPRUCE	1X6, TAG, 2" REVEAL
6	COLUMNS	ELDORADO STONE	CLIFFSTONE, BANF SPRINGS	

NOTE: PROVIDE 3/4" SMOOTH DOWNSPOUTS AND ALL NECESSARY ADAPTORS AT AWNING AND CANOPY LOCATIONS. DOWNSPOUT COLOR TO MATCH BODY MATERIAL PER ELEVATION



1331 OLIMPIC BLVD
SANTA MONICA, CALIFORNIA 90404
PH 310-482-5333 FAX 310-408-4742

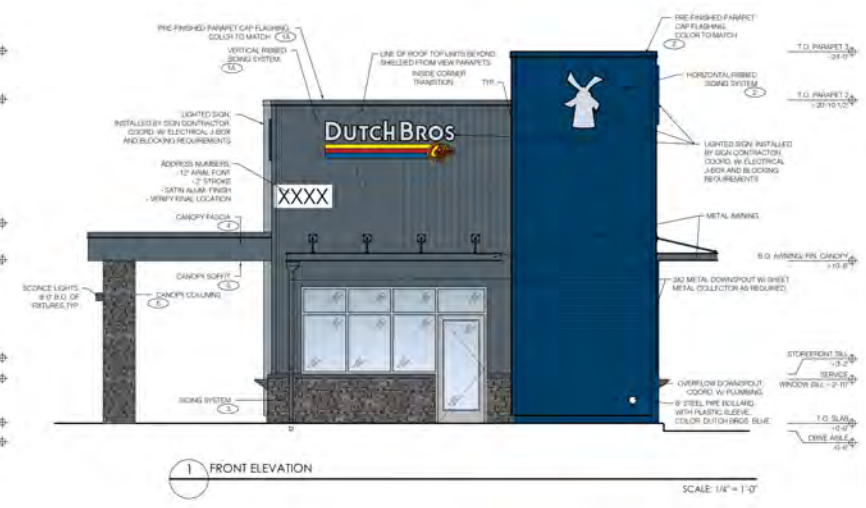
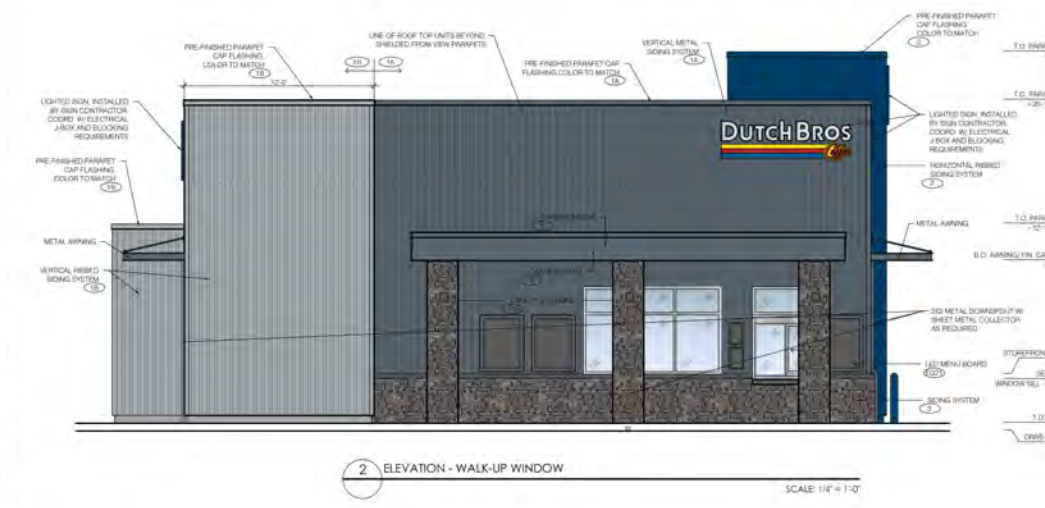
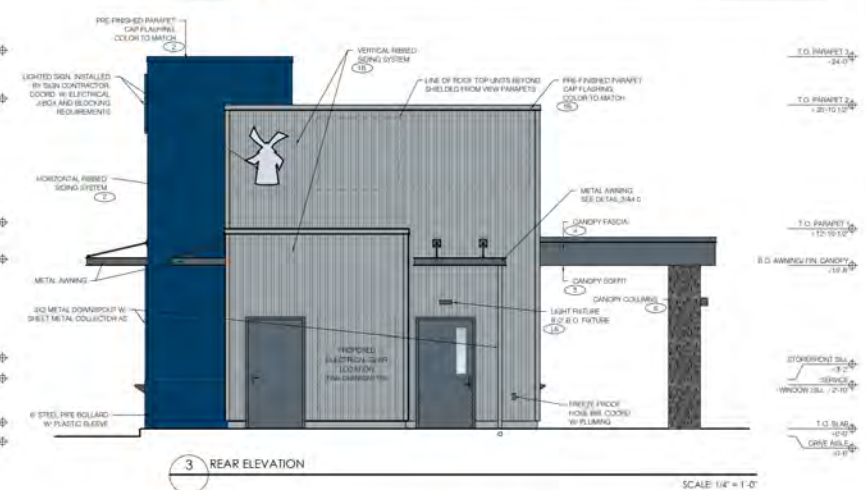
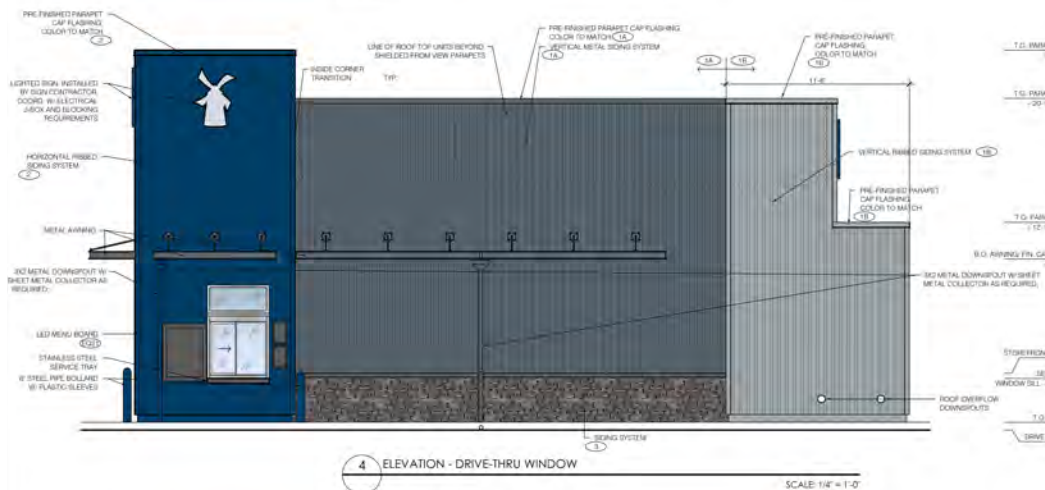
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Project No: CA3707
Dutch Bros Coffee - Freestanding Store
DB2550 - A2
34051 DATE PALM DR.
CATHEDRAL CITY, CA 92234

DATE: 6/07/2022
REV: DATE DESCRIPTION:
SHEET NAME:
BUILDING ELEVATIONS
COLOR
SHEET NUMBER:

A6.1



PROPERTY PHOTOS

CATHEDRAL CITY MARKETPLACE



Subject Site. Demolition of old building and construction is underway. Dutch Bros is slated to open around April / May of 2025. Rent commencement is June 1st, 2025.
**Seller will credit Buyer for rent from close of escrow till the rent commencement date.

PROPERTY PHOTOS

CATHEDRAL CITY MARKETPLACE



THE LIVING DESERT ZOOI GARDENS

The Citrus Club at La Quinta Resort

Rancho La Quinta Golf Club

THE SHOPS AT PALM DESERT

★ macy's BARNES & NOBLE FINISH LINE JCPenney

DICK'S SPORTS & OUTDOORS HOLLISTER

Lids ZALES WINDSOR KAY

TARGET Walmart **PET SMART** petco

Marshalls TJ-MAXX FIVE BELOW TRADER JOE'S Michaels

ALDI DOLLAR TREE WHOLE FOODS BEST BUY DSW Guitar Center ROSS DRESS FOR LESS

OLD NAVY Total Wine planet fitness HomeGoods verizon STAPLES

Jack-in-the-Box Dunkin' Donuts Starbucks Arby's McDonald's Olive Garden Red Lobster OUTBACK

Indian Canyons

111

COLLEGE OF DESERT

74

Walmart **TARGET** **PET SMART** TJ-MAXX

Home Depot ALDI DOLLAR TREE LOWE'S 99 STORE Auto Zone planet fitness

WORLD MARKET TRADER JOE'S Marshalls T-Mobile

SEPHORA KOHL'S verizon petco STAPLES

ULTA BEAUTY FLOOR DECOR AT&T ROSS DRESS FOR LESS VONS HOBBY LOBBY

Starbucks McDonald's IHOP Jack-in-the-Box BRUNO MAGLI DELTACO

TARGET ANYTIME FITNESS McDonald's Starbucks TRADER JOE'S

CVS pharmacy MATTRESS FIRM TOYOTA LEXUS HONDA ACURA NISSAN TOYOTA

CHEVROLET Jeep KIA Volkswagen SUBARU

111

Rancho Mirage Elementary School

Monterey Country Club

AGUA CALIENTE CASINO

amazon

Walmart **LOWE'S** ALDI Home Depot

PET SMART Burlington Marshalls

STAPLES verizon T-Mobile

ROSS DRESS FOR LESS ULTA Bank of America DELTACO

WELLS FARGO Jack-in-the-Box McDonald's 7 ELEVEN FIVE GUYS

111

CSU The California State University

DUTCH BROS Coffee

Cathedral City Elementary School

Mission Hills Country Club

Mission Hills North

Xavier College Preparatory High School

Walmart **KOHL'S** Ashley HOME STORE COSTCO WHOLESALE

Home Depot Sams Club DOLLAR TREE JOANN PET SMART Red Robin

Wendy's Jack-in-the-Box Chick-fil-e Starbucks IHOP McDonald's

Food4Less planet fitness

Walgreens SUBWAY

IHOP Jack-in-the-Box PIZZA HUT

palm springs INTERNATIONAL AIRPORT

111

Desert Princess Country Club

Coachella Valley Preserve





AREA

OVERVIEW

CATHEDRAL CITY, CALIFORNIA

Cathedral City is the 10th largest city in Riverside County California. Cathedral City is a business and resort community located 110 miles east of Los Angeles and 115 miles northeast of San Diego. Sharing a border with Palm Springs, and incorporated in 1981, the city has a permanent population of over 54,000 and is one of the fastest growing areas in the country.

An ideal climate of 350 sunny days per year, clean air, scenic beauty, and unlimited leisure activities attract an additional 10,000 residents during the winter months. Cathedral City is the Coachella Valley's home for distinctive activities. From "big league" style baseball and soccer fields, a skateboard park, and numerous golf courses, Cathedral City's athletic facilities draw participants from around the nation.

The current metro area population of Cathedral City, Palm Springs and Indio in 2024 was around 504,000 residents, a 1.61% increase from 2023. The metro area population of Cathedral City, Palm Springs and Indio was 496,000 in 2023 an increase of 1.85% from 2022.

POPULATION

In 2023, Cathedral City, CA had a population of 54k people with a median age of 40.5 and a median household income of \$63,209. According to the most recent data, Cathedral City, California has experienced a population growth rate of approximately 1.7% in the past 5 years, based on estimates from April 1, 2020 to July 1, 2023. Median household income in Cathedral City grew from \$56,671 to \$63,209, a 11.5% increase from 2022 to 2023. The largest share of households in Cathedral City have incomes between \$75,000 and \$100,000.

The 5 largest ethnic groups in Cathedral City, CA are White (Non-Hispanic) (29.7%), White (Hispanic) (19.7%), Other (Hispanic) (19.2%), Two+ (Hispanic) (17.6%), and Asian (Non-Hispanic) (6.59%).

86.2% of the residents in Cathedral City, CA are U.S. citizens.

The largest universities in Cathedral City, CA are Mayfield College. Universities in the metro area include UC Riverside (Palm Desert), California State Universtiy San Bernardino and College of the Desert.

In October 2024, the median sale price for a home in Cathedral City was \$543,000, a 9.9% increase from the previous year. The homeownership rate in Cathedral City is 64.3%, which is similar to the national average of 64.8%

Most people in Cathedral City, CA drove alone to work, and the average commute time was 20.3 minutes. The average car ownership in Cathedral City, CA is 2 cars per household.

DEMOGRAPHICS

POPULATION



Female	25,141
Male	26,823

HOUSEHOLDS



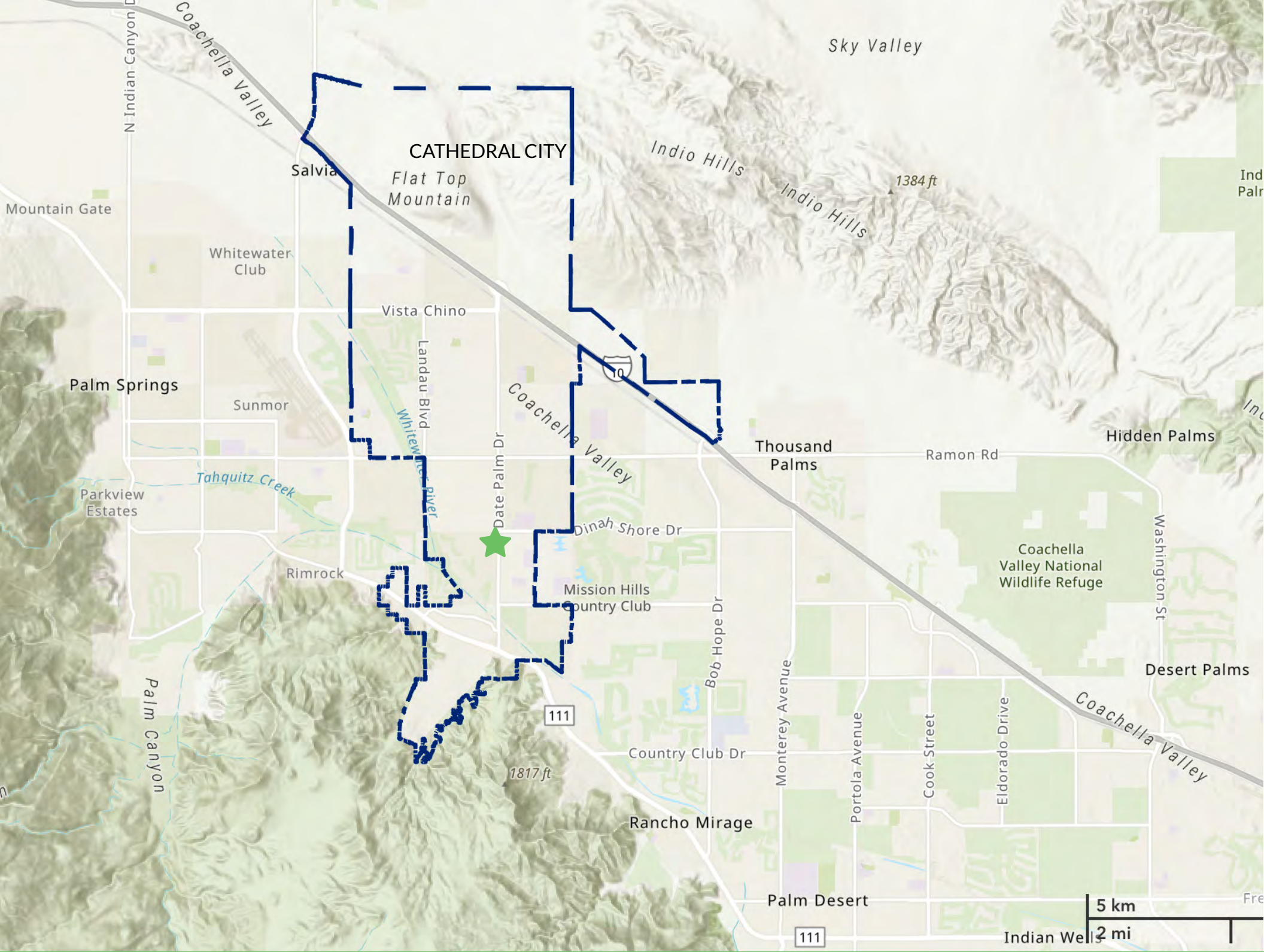
Homeowner's	64%
Renters	36%

INCOME



Avg. Single Income	\$25,744
Avg. Household Income	\$60,569





CATHEDRAL CITY

Flat Top Mountain

Sky Valley

Indio Hills

Indio Hills

1384 ft

Salvia

Whitewater Club

Mountain Gate

Vista Chino

Sunmor

Palm Springs

Parkview Estates

Tahquitz Creek

Landau Blvd
Whitewater River

Coachella Valley

Date Palm Dr

Dinah Shore Dr

Thousand Palms

Ramon Rd

Hidden Palms

Rimrock

Mission Hills Country Club

Bob Hope Dr

Coachella Valley National Wildlife Refuge

Desert Palms

Washington St

111

Country Club Dr

1817 ft

Rancho Mirage

Monterey Avenue

Portola Avenue

Cook Street

Eldorado Drive

Coachella Valley

Palm Desert

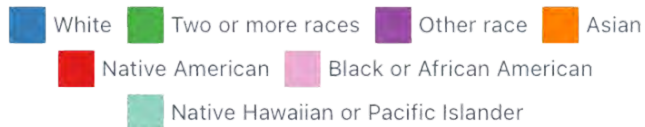
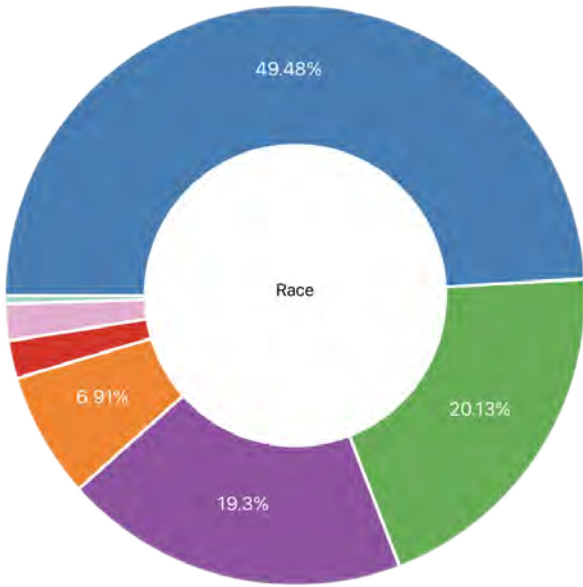
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Indian Wells

5 km

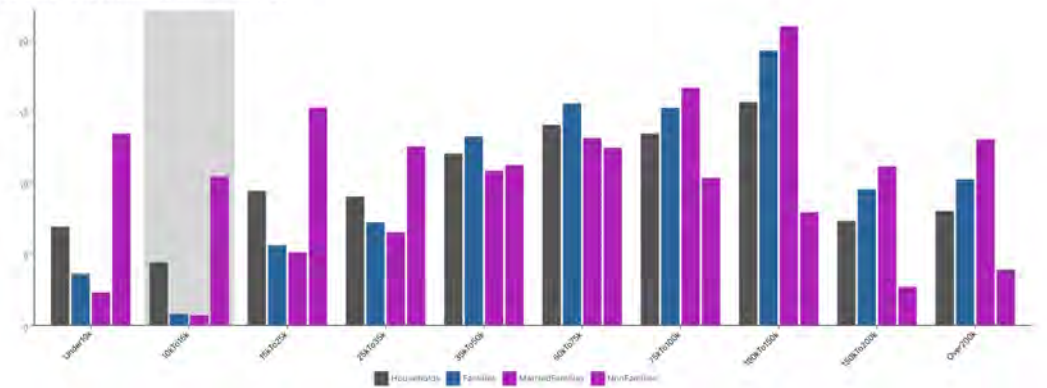
2 mi

CATHEDRAL CITY DEMOGRAPHICS



NAME ^	MEDIAN	MEAN
Families	\$79,866	\$108,770
Households	\$63,209	\$91,605
Married Families	\$89,792	\$-999,999,999
Non Families	\$33,613	\$57,959

Cathedral City income by Household Type





UNDER CONSTRUCTION

34051 Date Palm Drive,
Cathedral City, CA

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