



# Dutch Bros

RARE 2,410 SF DUTCH BROS IN HIGH-DENSITY RETAIL TRADE AREA

MERCED, CA



**CP PARTNERS**  
COMMERCIAL REAL ESTATE



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# Dutch Bros

575 W OLIVE AVE, MERCED, CA 95348



**\$2,768,000**

PRICE

**4.65%**

CAP RATE

NOI	\$128,700
LEASE TYPE	Absolute NNN
LEASE TERM REMAINING	10.5 Years
BUILDING SIZE	2,410 SF
LAND AREA	0.52 AC



## Low-Rent Fee Simple Location Adjacent to Merced High School

The property offers 10.5 years remaining on a corporate Dutch Bros lease with 10% rent increases every five years across the base term and options. It is positioned along **Olive Avenue**, one of Merced's **main retail arteries**.

## The Offering

- 10.5 years remaining on a corporate lease with 10% rent increases every five years
- Rare 2,410 SF building size, providing greater versatility and future redevelopment flexibility compared to the standard ±848 SF prototype
- Adjacent to Merced High School and in close proximity to national retailers including Target, Petco, Kohl's, El Pollo Loco, McDonald's, Lowe's, Walmart, Best Buy, and others
- Strong positioning near a dense concentration of medical offices, schools, and complementary retail uses

## About The Tenant

- With 1,100+ locations across 18 states, Dutch Bros (NYSE: BROS) is a category leader in unit expansion and same-store sales growth
- In 2025, the company opened over 160 new locations nationwide and outlined continued aggressive growth targets through 2026
- As of January 5, 2026, Dutch Bros had a market capitalization of approximately \$10.14 billion

## Market Highlights

- Located 1 block from Merced High School (1,950+ students) and just minutes from Merced College (18,670+ students)
- The site is also within four miles of University of California, Merced, which serves 9,100+ students
- Known as the "Gateway to Yosemite," Merced is the county seat of Merced County and has a population exceeding 96,000 residents



INCOME & EXPENSE		
Price		\$2,768,000
Capitalization Rate		4.65%
Building Size (SF)		2,410
Lot Size (AC)		0.52
Stabilized Income		
Scheduled Rent		\$128,700
Less	\$/SF	
CAM	NNN	\$0.00
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
<b>Net Operating Income</b>		<b>\$128,700</b>

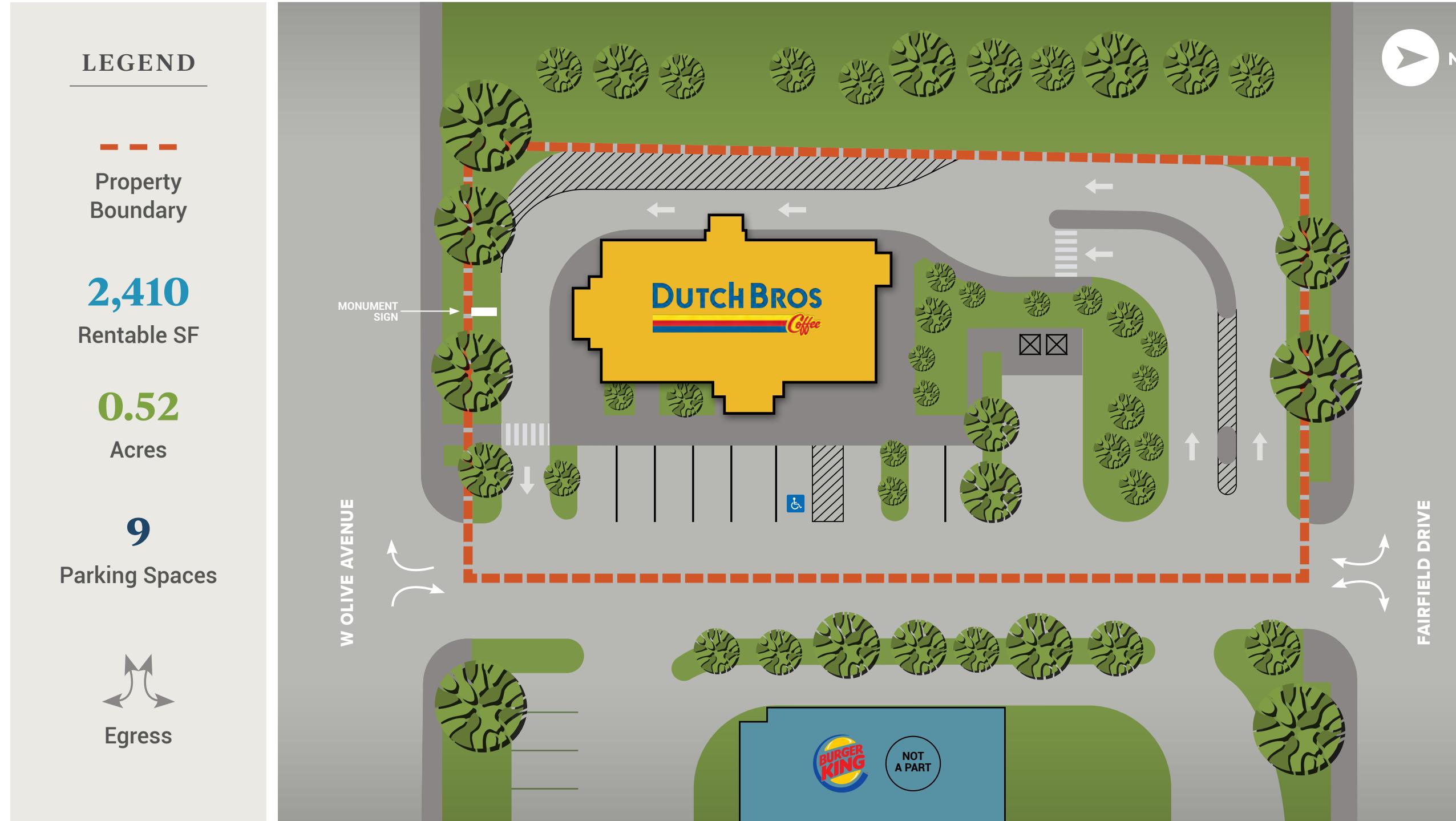
LEASE ABSTRACT		
Premise & Term		
Tenant		BB Holdings CA, LLC (DBA Dutch Bros.)
Lease Type		Absolute NNN
Lease Term Remaining		10.5 Years
Rent Increases		10% Every 5 Years
Rent Commencement		6/18/2021
Options		Three, 5-Year
Year Built		2021
Expenses		
CAM		Tenant's Responsibility
Property Taxes		Tenant's Responsibility
Insurance		Tenant's Responsibility
Utilities		Tenant's Responsibility
HVAC		Tenant's Responsibility
Repairs & Maintenance		Tenant's Responsibility
Roof & Structure		Tenant's Responsibility

## Disclaimer

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. CPP and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

Tenant Info		Lease Terms		Rent Summary			
Tenant Name	Sq. Ft.	Term Years		Current Rent	Monthly Rent	Yearly Rent	Cap Rate
Dutch Bros	2,410	6/18/2021	6/30/2026		\$9,750	\$117,000	
	Increase	7/1/2026*	6/30/2031	\$128,700	\$10,725	\$128,700	4.65%
	Increase	7/1/2031	6/30/2036		\$11,798	\$141,570	
	Option 1	7/1/2036	6/30/2041		\$12,977	\$155,727	
	Option 2	7/1/2041	6/30/2046		\$14,275	\$171,300	
	Option 3	7/1/2046	6/30/2051		\$15,702	\$188,430	
<b>TOTALS:</b>		<b>2,410</b>		<b>\$128,700</b>	<b>\$10,725</b>	<b>\$128,700</b>	

\*Seller to credit any difference in rent to the increase on 7/1/2026 at Close of Escrow (COE).



# One of the fastest-growing brands in the U.S. quick service beverage industry



**1,081+**

STORES ACROSS  
24 STATES

**\$10.14 Billion**

MARKET CAP  
(JANUARY 2026)

**\$1.28 B**

REVENUE  
(FY 2024)



## About Dutch Bros

- Founded in 1992 and headquartered in Grants Pass, Oregon, Dutch Bros (NYSE: BROS) began as a single coffee cart and has since evolved into a high-growth operator and franchisor of drive-thru coffee shops
- As of September 30, 2025, the company operates 1,081 company-owned and franchised locations across 24 states, ranking as the third-largest coffee chain in the U.S.
- In 2024, Dutch Bros generated \$1.28 billion in total revenue, reflecting a 41% compound annual growth rate since 2020
- While espresso-based drinks remain central to the menu, Dutch Bros offers a highly customizable selection of hot and cold beverages, including specialty coffees, smoothies, freezes, teas, its signature Blue Rebel energy drink, and nitrogen-infused cold brew
- A focus on product innovation, operational efficiency, and a people-first culture has fueled strong unit-level performance and cultivated deep brand loyalty nationwide
- In 2025, Dutch Bros expanded into new markets including Atlanta, GA; Baton Rouge, LA; Charleston, SC; Cincinnati, OH; and Indianapolis, IN, with nearly all 2025 openings delivered as build-to-suit locations
- Looking ahead, the company is targeting 2,029 total shops by 2029

[Tenant Website](#) 



MODESTO  
39.8 MILES



Located in  
the thriving  
Central Valley  
of California

**4.7 Million**

VISITS TO THE NEIGHBORING  
MARKETPLACE AT MERCED  
SHOPPING CENTER  
(PER PLACER.AI)

**32,999**

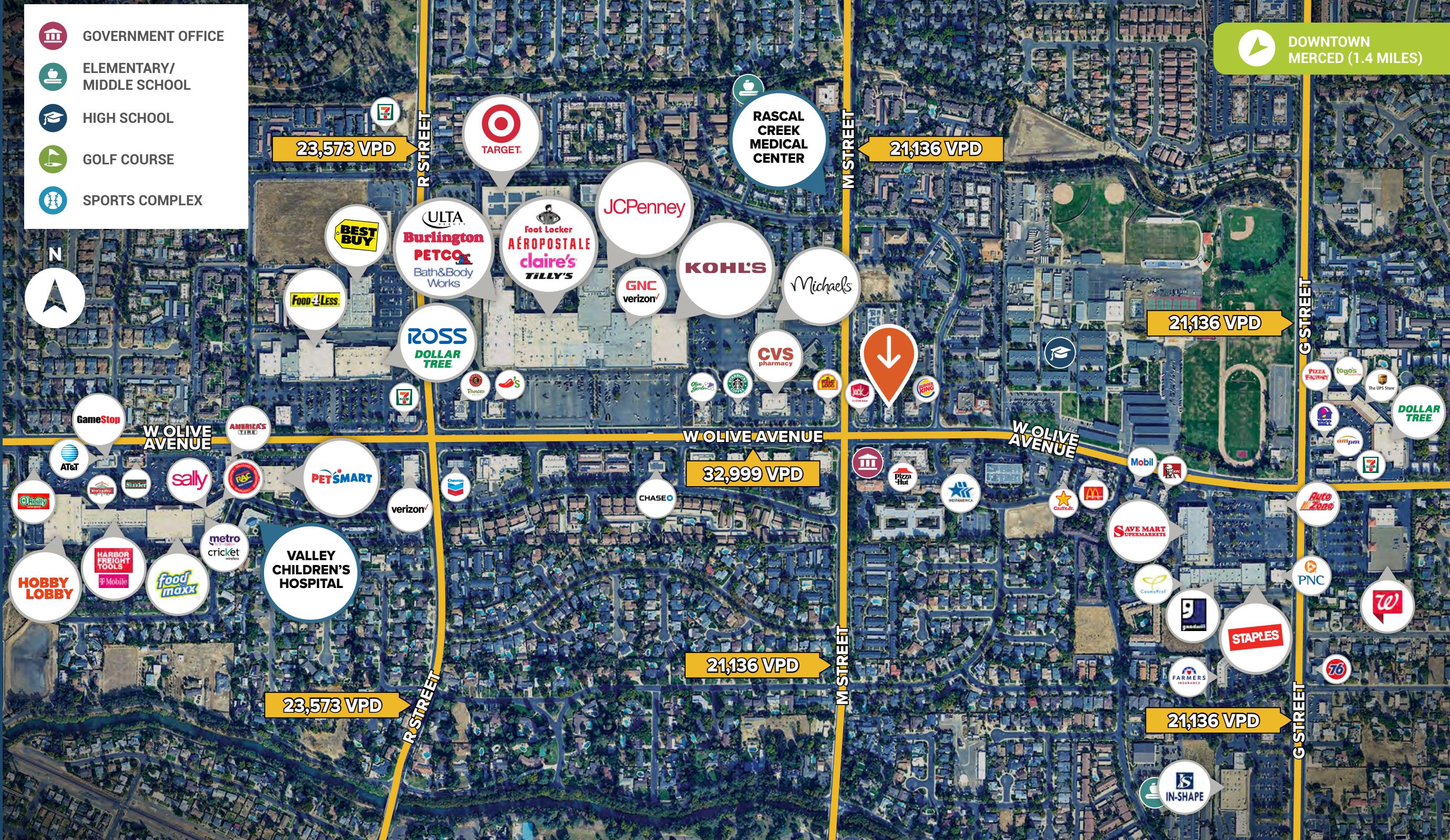
VEHICLES PER DAY ALONG  
W OLIVE AVENUE

**39.8 miles**

TO DOWNTOWN  
MODESTO



# Immediate Aerial





### Ring Radius Population Data

	1-MILE	3-MILES	5-MILES
2024	17,337	99,175	113,513
2029 Projection	18,871	109,785	125,726

### Ring Radius Income Data

	1-MILE	3-MILES	5-MILES
Average	\$76,984	\$85,676	\$88,591
Median	\$59,029	\$62,584	\$64,243

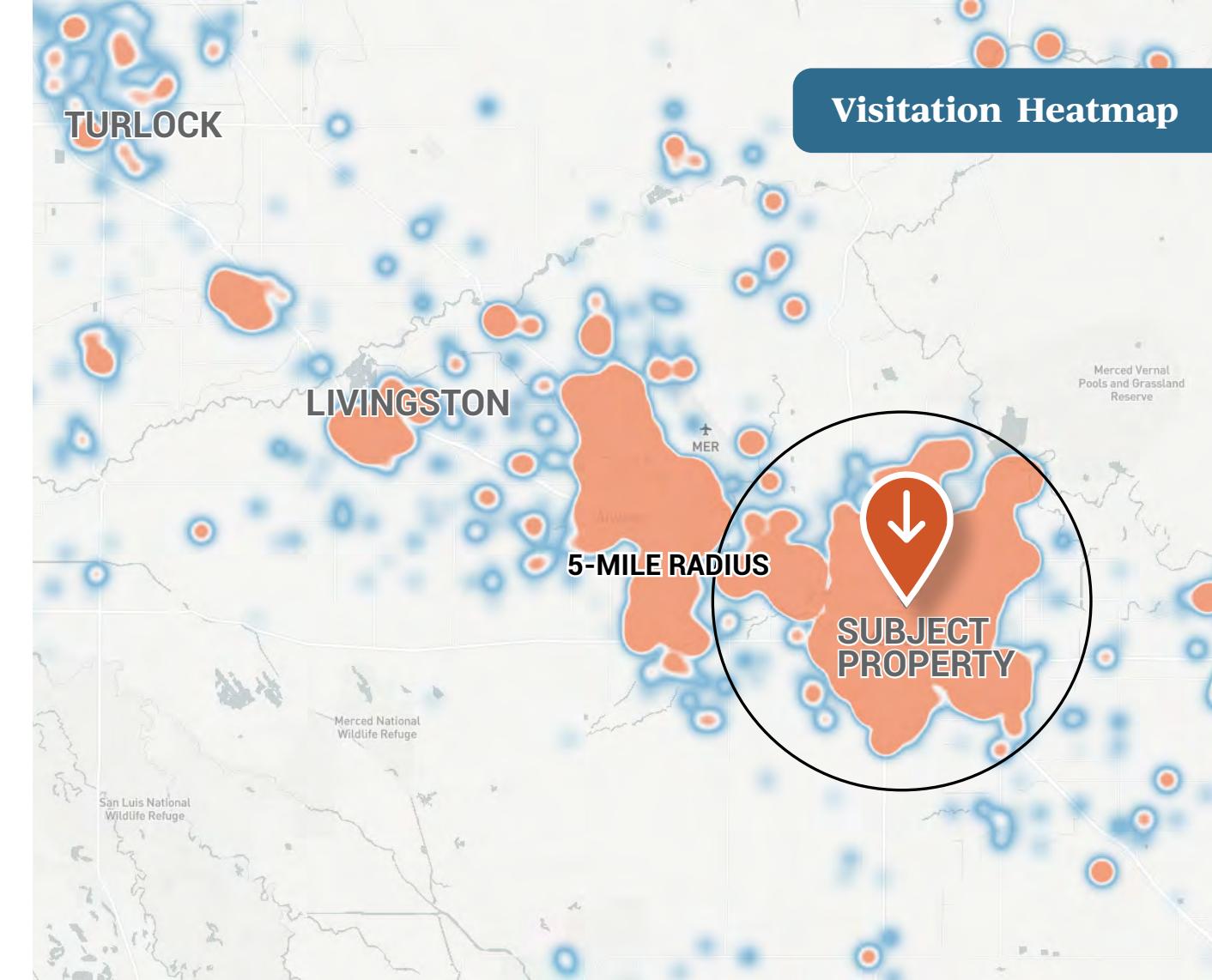
The subject property is **ranked in the 87th percentile (top 13%) nationwide** based on the number of visits in the last 12 months

**645.9K Visits**

OVER PAST 12 MONTHS AT  
THE SUBJECT PROPERTY

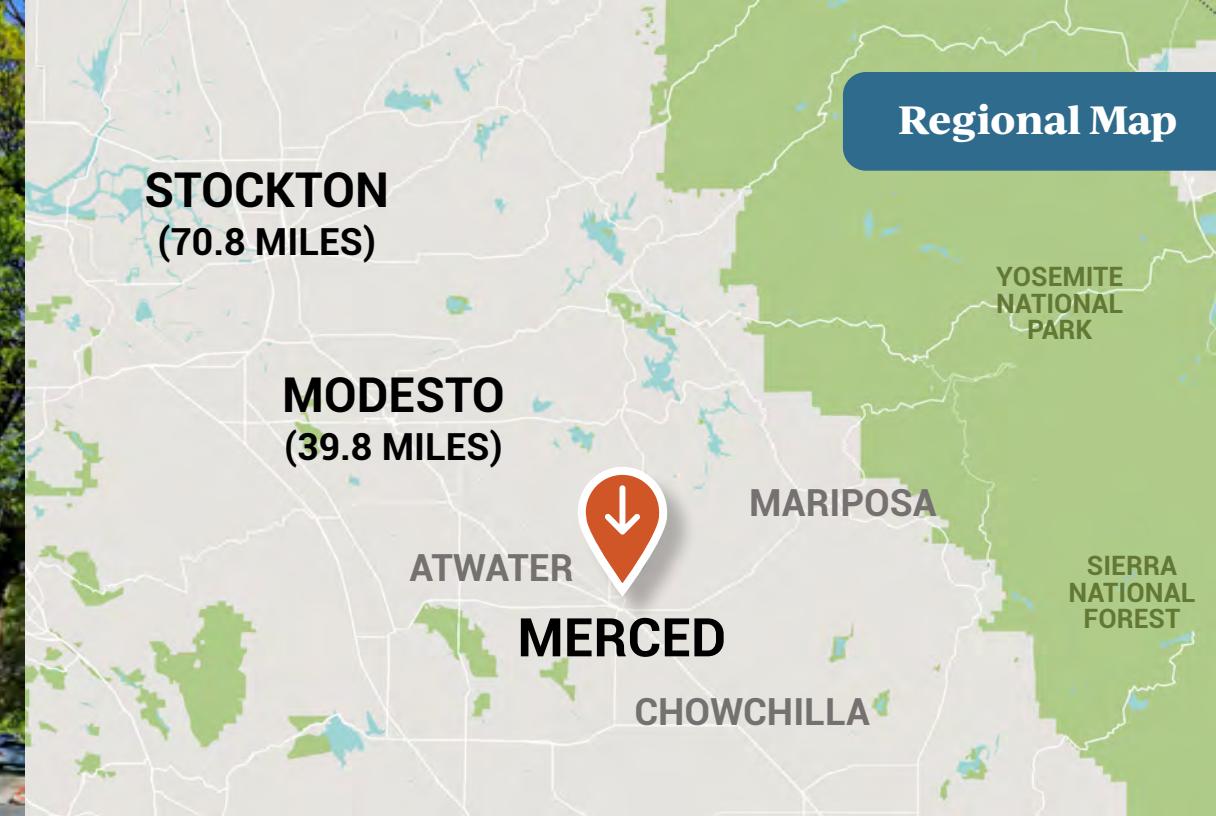
**13 Minutes**

AVERAGE DWELL TIME AT  
THE SUBJECT PROPERTY



The shading on the map above shows the **home location of people who visited the subject property over the past 12 months**. Orange shading represents the highest concentration of visits.

\*Map and data on this page provided by Placer.ai. Placer.ai uses location data collected from mobile devices of consumers nationwide to model visitation and demographic trends at any physical location.



# Merced, CA

THE "GATEWAY TO YOSEMITE"



**296,774**

MERCED COUNTY  
ESTIMATED POPULATION

## The Heart of California's San Joaquin Valley

- Merced is the county seat of Merced County with an estimated population of 96,073 residents, and serves as the region's primary commercial, cultural, entertainment, and governmental hub
- Known as the "Gateway to Yosemite," the city offers a high quality of life with a low cost of living and convenient access to Yosemite National Park, providing a range of outdoor recreation
- Home to the University of California Merced and a revitalized downtown district, Merced brings a youthful and diverse community and economic growth to its charming, mid-size city

## California's Central Valley

- The Central Valley covers about 20,000 square miles and is one of the most productive agricultural regions in the world
- More than 250 different crops are grown in the Central Valley with an estimated value of \$17 billion annually (predominately almonds, grapes, tomatoes, hay, cotton, vegetables, tree fruits)
- Approximately 6.5 million people live in the Central Valley, and it is the fastest growing region in California



# UCMERCED

**The fastest-growing public university in the nation**

- Situated approximately 11 miles east of the subject property in the heart of California's Central Valley, UC Merced is a top-100 research university and the youngest campus in the prestigious University of California system
- The transformative \$1.3 billion Merced 2020 Project, led by Chancellor Dorothy Leland, is the largest public-private partnership social infrastructure that nearly doubled the campus footprint
- UC Merced is the only university in the nation where every building is environmentally certified, all having earned LEED Platinum status from the U.S. Green Building Council

**A Carnegie R1 research university, one of the nation's top-tier institutions**



**9,100+**

NUMBER OF  
STUDENTS ENROLLED

**\$372.9M**

ECONOMIC IMPACT ON  
MERCED COUNTY

**\$514.6M**

ECONOMIC IMPACT ON  
SAN JOAQUIN VALLEY

# Engines of Innovation and Agriculture

## Merced County Profile

- Merced County is home to a dynamic mix of industries including emerging technologies, renewable energy, food processing, agriculture, and manufacturing
- Major companies include Foster Farms, Hilmar Cheese, E&J Gallo Winery, and Waymo, which leases over 100 acres at Castle Commerce Center to advance its self-driving vehicle development
- The county also features a forward-looking 2,000-acre multimodal industrial and logistics hub, designed to support up to 8 million square feet of next-generation industrial development
- Strategically located with direct highway access via State Route 99 and Interstate 5, and within reach of major cargo airports, seaports, and the nation's two largest railroads (BNSF and Union Pacific)

## Agriculture in the Central Valley

- Often called the "breadbasket of the world," California's Central Valley plays a vital role in both the state and national economy driven by its agricultural sector
- Fueled by the fertile soil and favorable climate, the region produces over a quarter of the nation's table food
- Approximately 75% of the irrigated land in California and 17% of the Nation's irrigated land is in the Central Valley
- The Central Valley delivers 8% of U.S. agricultural output by value, using less than 1% of the country's farmland, including 40% of the nation's fruits, nuts, and other table foods
- About 20% of the Nation's groundwater demand is supplied from pumping Central Valley aquifers, making it the second-most-pumped aquifer system in the U.S.





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