

ACTUAL SITE



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ABSOLUTE NNN CORPORATE DUTCH BROS

CATHEDRAL CITY, CA

Absolute NNN Ground Lease Brand New Construction Double Drive Thru Dutch Bros

ACTUAL SITE



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ACTUAL SITE



Brand new 2025 construction Dutch Bros Coffee with double drive-thru lanes situated in Cathedral City's retail hub in Southern California. Surrounded by national retailers as well as local businesses with regional draw.

Price	\$3,204,000
Cap Rate	4.65%
NOI	\$149,000
Lease Type	Absolute NNN
Land SF	27,442 SF
Land AC	0.63 AC
Year Built	2025

34051 DATE PALM DR, CATHEDRAL CITY, CA





WHY INVEST

Absolute NNN Lease with Brand-New Construction

The property is secured by a brand-new 15-year absolute triple-net (NNN) ground lease with Dutch Bros Coffee, offering investors a truly passive ownership structure with zero landlord responsibilities. Completed in 2025, the asset features modern construction and an efficient double drive-thru configuration designed to maximize throughput and sales volume. The combination of new construction and long-term lease term significantly reduces capital expenditure risk while delivering stable, predictable cash flow.

Prime “Donut Hole” Location in the Coachella Valley

Positioned at the intersection of Date Palm Drive and Dinah Shore Drive, the property sits in the geographic “donut hole” of the Coachella Valley, providing seamless access to Palm Springs, Cathedral City, Rancho Mirage, and Palm Desert. This infill location captures traffic from across the region and sits just minutes from downtown Palm Springs. Dense surrounding residential neighborhoods further support consistent daily visitation.

High-Traffic Grocery-Anchored Center

Dutch Bros is located within Cathedral City Marketplace, a dominant neighborhood center receiving over 5 million visits annually. The center is anchored by a high-performing Food 4 Less reporting approximately \$33.4 million in annual revenue, demonstrating strong regional draw. As one of only three drive-thru buildings in the center—and benefiting from recent redevelopment and new tenant additions—the property enjoys premium positioning and long-term viability.

Strong Demographics and Population Base

The Palm Springs–Cathedral City submarket features a stable mix of families, retirees, and seasonal residents supported by dense single-family housing. The area’s established population base provides consistent daily demand, while its lifestyle appeal drives steady year-round traffic. Dutch Bros’ energetic, community-oriented brand aligns well with this diverse and engaged consumer base.

Employment Drivers and Daily Convenience

The property is located near key employment centers including Desert Regional Medical Center, Palm Springs International Airport, and the area’s robust hospitality sector. Dutch Bros’ extended operating hours allow it to capture commuter, healthcare, and service industry traffic throughout the day. Limited direct coffee competition in the immediate trade area further strengthens its positioning.

Tourism-Fueled Market with Regional Scarcity

The Coachella Valley is a nationally recognized destination hosting major events such as Coachella, Stagecoach, and the BNP Paribas Open, attracting millions of visitors annually. This tourism activity supplements the strong local base and enhances seasonal sales potential. As the only Dutch Bros in the northern Coachella Valley within a supply-constrained drive-thru market, the asset represents a rare long-term investment opportunity.



Dutch Bros to Lean on Culture and Data to Hit 2,000 Locations by 2029

QSR Magazine | March 28, 2025

It took Dutch Bros 33 years to reach 1,000 locations.

The brand now bets it can do the same pace in just four years.

The third-largest U.S. coffee chain announced Thursday that it plans to reach 2,029 shops in 2029. To do that, Dutch Bros would have to average more than 200 shop openings between 2025 and 2029, far above what it's ever done.

Dutch Bros also increased its total addressable market to more than 7,000 U.S. locations, up from 4,000 at the time of its IPO in 2021. The company's 18 existing states alone could support approximately 3,500 shops.

The chain opened 151 new locations in 2024 and the plan is to open at least that many this year as well. That includes five new states—Louisiana, Georgia, South Carolina, Indiana, and Ohio. As of mid-Q1 2025, Dutch Bros has already opened 27 new shops. Three more are expected to open before the quarter ends. Same-store sales increased 4.6 percent through March 24.

Leading the charge is chief development officer Brian Cahoe, who has 25 years of experience and previously worked at KFC U.S. The brand, which primarily grows through company-owned stores, is also backed by a pipeline of operators ready to lead shops.

[Read the Full Article](#)



Dutch Bros' same-store sales lifted 5.3 percent in 2024 and adjusted EBITDA increased 44 percent. Systemwide AUV rebounded to \$2 million after a dip in 2023, thanks to improved market planning and more media spend to boost awareness. The company's new stores are outperforming prior cohorts. Locations opened in 2024 delivered first-year sales 20 percent higher than 2023's class. Dutch Bros is now targeting a second-year AUV of \$1.8 million.

06 TRADE AREA

Located in the retail core of the Palm Springs area along one of the main retail thoroughfares

5M

ANNUAL VISITS TO CATHEDRAL CITY MARKETPLACE

\$33.4M

FOOD4LESS ANNUAL SALES

\$130K

AVG HH INCOME WITHIN A 5 MILE RADIUS



planet fitness

OneMain Financial.

Food4Less
\$33.4M IN ANNUAL SALES

dd's DISCOUNTS

Toda Moda

Fernanda's

DJ'S

CV Optometry

CATHEDRAL CITY MARKETPLACE

Pizza Hut

Mobil

IHOP

Jack in the box

DATE PALM DRIVE

SUBJECT PROPERTY
Dutch Bros Coffee



		CURRENT
Price		\$3,204,000
Capitalization Rate		4.65%
Price/LOT SF		\$117
Lot Size (SF)		27,442
Lot Size (AC)		0.63
Stabilized Income	\$/SF	
Scheduled Rent	\$5.43	\$149,000
Expenses	\$/SF	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
CAM	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
Net Operating Income		\$149,000



FINANCING

Financing is available on the subject property. Please contact agent for details.

LEASE NOTES

Absolute NNN ground lease with zero landlord maintenance responsibilities.



Tenant Info		Lease Terms		Rent Summary				
TENANT NAME	LOT SQ. FT.	TERM YEARS		MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT	INCREASES
Dutch Bros	27,442	6/1/2025	5/31/2040	\$12,417	\$149,000	\$0.45	\$5.43	
<i>(4 - 5 Year Options)</i>	Increase	6/1/2030	5/31/2035	\$13,658	\$163,900	\$0.50	\$5.97	10.0%
	Increase	6/1/2035	5/31/2040	\$15,024	\$180,290	\$0.55	\$6.57	10.0%
	<i>Option 1</i>	<i>6/1/2040</i>	<i>5/31/2045</i>	<i>\$16,527</i>	<i>\$198,319</i>	<i>\$0.60</i>	<i>\$7.23</i>	<i>10.0%</i>
	<i>Option 2</i>	<i>6/1/2045</i>	<i>5/31/2050</i>	<i>\$18,179</i>	<i>\$218,151</i>	<i>\$0.66</i>	<i>\$7.95</i>	<i>10.0%</i>
	<i>Option 3</i>	<i>6/1/2050</i>	<i>5/31/2055</i>	<i>\$19,997</i>	<i>\$239,966</i>	<i>\$0.73</i>	<i>\$8.74</i>	<i>10.0%</i>
	<i>Option 4</i>	<i>6/1/2055</i>	<i>5/31/2060</i>	<i>\$21,997</i>	<i>\$263,963</i>	<i>\$0.80</i>	<i>\$9.62</i>	<i>10.0%</i>
TOTALS:	27,442			\$12,417	\$149,000	\$0.45	\$5.43	



Buyer must verify all information and bears all risk for any inaccuracies.



PREMISES & TERM

LEASE SIGNATORY	Boersma Bros. LLC
LEASE TYPE	NNN
LEASE TERM EXPIRE	5/31/2040
RENT COMMENCEMENT	6/1/2025
OPTIONS	Four, 5-year Options
YEAR BUILT	2025

EXPENSES

CAM	Tenant
PROPERTY TAXES	Tenant
INSURANCE	Tenant
UTILITIES	Tenant
HVAC	Tenant
REPAIRS & MAINTENANCE	Tenant
ROOF & STRUCTURE	Tenant



ADDITIONAL LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

Landlord consent required.

ESTOPPELS

Upon not less than 15 business days' prior written request.

Contact Agent for more detail.





THE FASTEST-GROWING COFFEE CHAIN IN THE UNITED STATES

Dutch Bros Coffee is one of the fastest-growing drive-thru coffee chains in the U.S., known for its energetic customer service, customizable drinks, and loyal fan base. Founded in 1992 in Grants Pass, Oregon, Dutch Bros has expanded to **over 1,045 locations across 18 states, with plans for continued aggressive growth.** The company went public in 2021 under the ticker symbol BROS on the NYSE and is headquartered in Phoenix, Arizona.

Dutch Bros offers a diverse menu, with approximately 50% of offerings centered on coffee-based beverages, 25% on energy drinks, and the remaining 25% comprising teas, smoothies, specialty drinks, and food, all delivered with a strong focus on speed, friendly service, and community connection. Its unique business model focuses on drive-thru convenience and freestanding buildings with small footprints, making it a highly efficient and desirable tenant. **In 2024, Dutch Bros reported total revenues grew 32.6% to \$1.28 billion** as compared to \$965.8 million in 2023, with same-shop sales growth and store-level profitability across both new and existing markets.

Looking ahead to 2025, **Dutch Bros projects total revenues between \$1.555 billion and \$1.575 billion**, reflecting its continued rapid growth. The company also **expects to open at least 160 new shops** during the year, further expanding its national footprint and market presence.

\$1.28B

ANNUAL REVENUE FOR FISCAL YEAR 2024

1,045+

LOCATIONS IN 18 STATES

32.6%

TOTAL REVENUE GROWTH FROM FY 2023 TO FY 2024

BROS

NYSE TICKER SYMBOL





PROPERTY DATA

27,442

Land SF

0.63

Land Acres

2

Parking Spaces

LEGEND



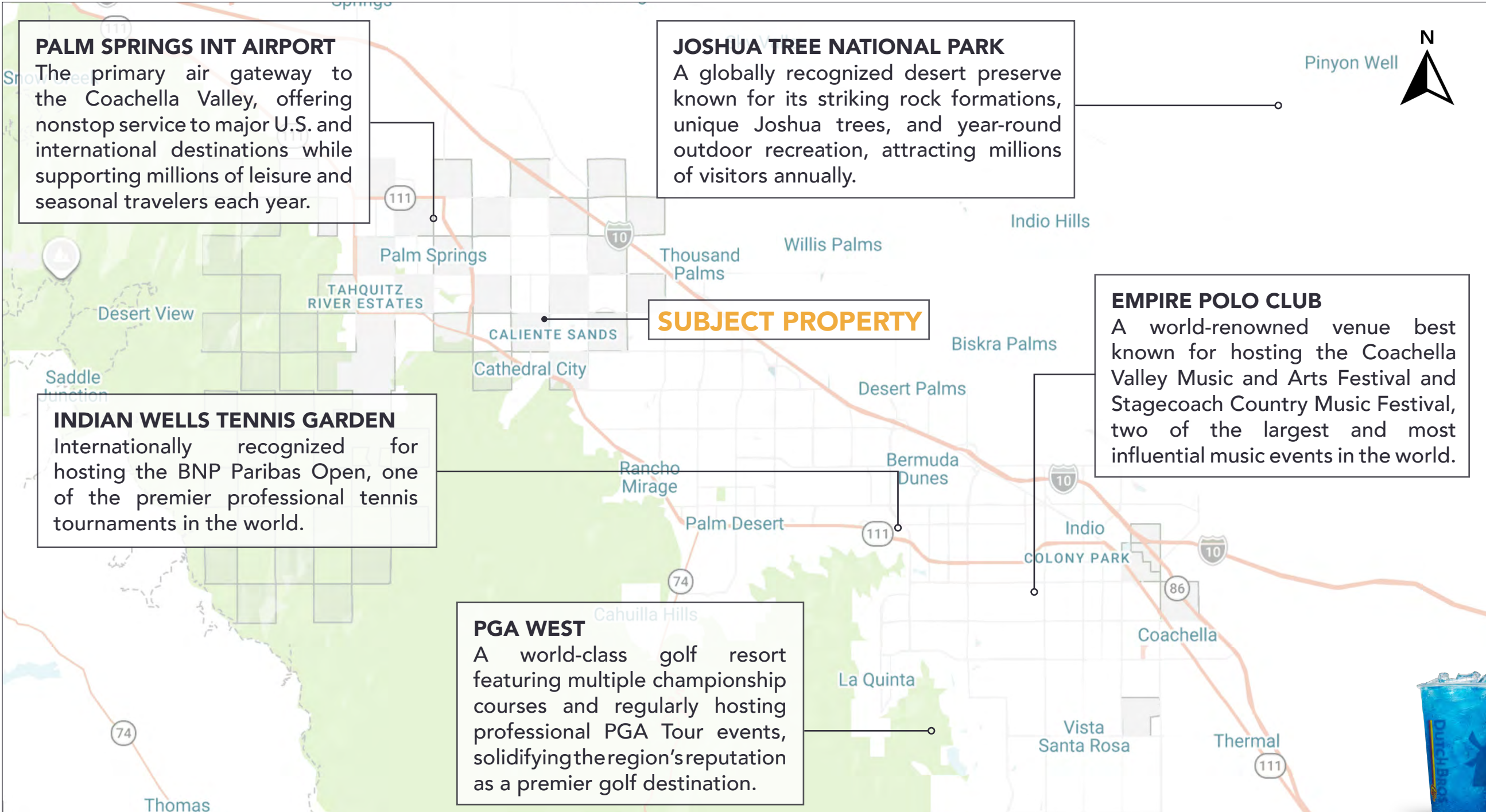
Property Boundary

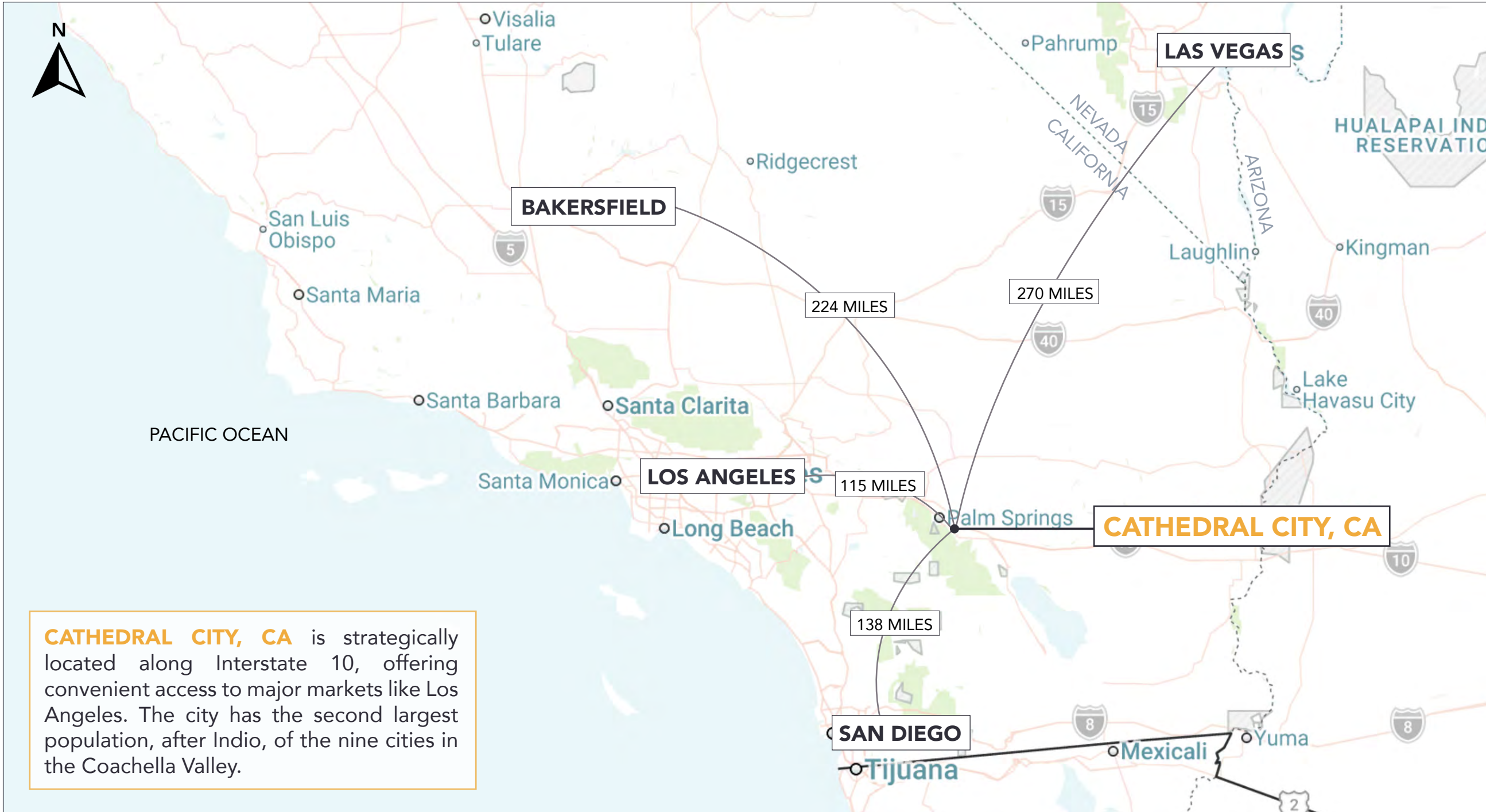


Egress









CATHEDRAL CITY, CA is strategically located along Interstate 10, offering convenient access to major markets like Los Angeles. The city has the second largest population, after Indio, of the nine cities in the Coachella Valley.



VISITATION DATA

Cathedral City Marketplace draws from a large trade area, receiving **over 5M visits in the past 12 months**. Shading on the heatmap represents home location of visitors to Cathedral City Marketplace based on cellular data.

DEMOGRAPHICS

	1 mi	3 mi	5 mi	10 mi
Population	17,794	70,630	127,261	245,326
Average HH Income	\$77,574	\$122,846	\$130,956	\$132,648
Median HH Income	\$57,750	\$122,846	\$88,994	\$90,076
Average HH Net Worth	\$964K	\$1.5M	\$1.6M	\$1.7M
Total Employees	2,295	15,309	39,835	88,041

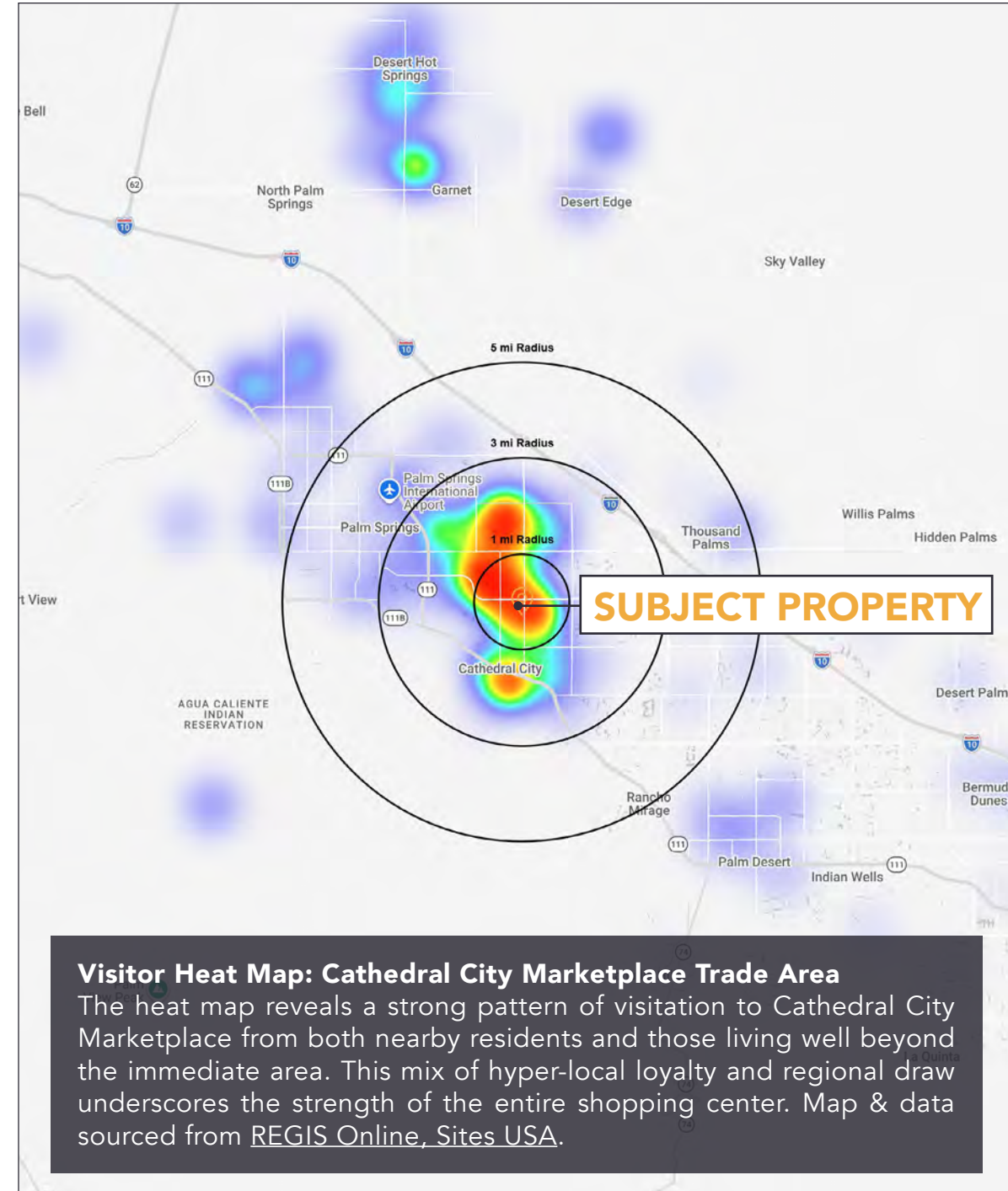
HIGHLIGHTS

5M

ANNUAL VISITS TO
CATHEDRAL CITY
MARKETPLACE

\$130K

AVG HH INCOME
WITHIN 5 MILE RADIUS



Visitor Heat Map: Cathedral City Marketplace Trade Area
The heat map reveals a strong pattern of visitation to Cathedral City Marketplace from both nearby residents and those living well beyond the immediate area. This mix of hyper-local loyalty and regional draw underscores the strength of the entire shopping center. Map & data sourced from REGIS Online, Sites USA.



CATHEDRAL CITY, CA, IN FOCUS

A RESIDENTIAL AND COMMERCIAL ANCHOR OF
THE COACHELLA VALLEY



A CENTRAL HUB IN THE CALIFORNIA DESERT

Cathedral City, California, is a centrally located city within the Coachella Valley, positioned between Palm Springs and Rancho Mirage in Riverside County. With **a population of approximately 55,000 residents**, the city serves as a key residential and commercial community in the region. Cathedral City benefits from excellent regional access via **Interstate 10**, offering direct connectivity to **Palm Springs International Airport**, nearby resort destinations, and the broader Southern California market.

The city's economy is supported by a mix of **healthcare, retail, construction, hospitality, and local services**, while also **benefiting from spillover demand generated by the Coachella Valley's robust tourism and resort economy**. Cathedral City has emerged as a more affordable alternative to neighboring resort communities, attracting full-time residents, workforce households, and retirees seeking proximity to employment centers and amenities without premium resort pricing. This positioning has helped sustain consistent consumer demand and residential growth.

In recent years, Cathedral City has experienced continued **investment in residential development, neighborhood-serving retail, and public infrastructure**, reinforcing its long-term stability within the valley. Ongoing improvements to roadways, parks, and community facilities have enhanced livability and economic competitiveness. With its growing population base, central valley location, and access to major employment and tourism hubs, Cathedral City continues to strengthen its role as a stable and increasingly important market in the Coachella Valley.



THE PALM SPRINGS MSA

460K

PALM SPRINGS MSA
POPULATION

15M

ANNUAL VISITORS TO
THE AREA

\$9B

ANNUAL VISITOR
ECONOMIC IMPACT

51K

JOBS SUPPORTED BY
THE TOURISM INDUSTRY

A GLOBALLY RECOGNIZED RESORT AND LIFESTYLE DESTINATION ECONOMY

The Palm Springs Metropolitan Statistical Area (MSA)—commonly referred to as the Coachella Valley—includes the cities of Palm Springs, Cathedral City, Rancho Mirage, Palm Desert, Indio, La Quinta, and Coachella, with a combined **population exceeding 460,000 residents**. Located in Riverside County, the region is defined by its desert climate, resort-oriented development, and accessibility via **Interstate 10 and Palm Springs International Airport**, which provides direct flights to major domestic and international markets.

The Palm Springs MSA **economy is primarily driven by tourism, hospitality, healthcare, retail, real estate, and government services**, with millions of visitors arriving annually for world-class resorts, golf courses, festivals, and cultural attractions. High-profile events such as the **Coachella Valley Music and Arts Festival, Stagecoach, professional golf tournaments, and seasonal sporting events** generate significant economic impact and global visibility, reinforcing the region’s status as a premier destination market.

Beyond tourism, the MSA **benefits from a strong retirement, second-home, and seasonal resident population**, which supports year-round demand for healthcare, retail, and personal services. The region has also seen steady growth in healthcare facilities, residential communities, and mixed-use developments designed to serve both permanent residents and visitors. With continued **infrastructure investment, expanding population trends, and a diversified service-based economy**, the Palm Springs MSA remains one of Southern California’s most distinctive, resilient, and lifestyle-driven regional markets.

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