



DUTCH BROS *Coffee*

523 W Nine Mile Rd | Pensacola, FL 32534

OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY:

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OFFERING MEMORANDUM

EXECUTIVE OVERVIEW

LEASE HIGHLIGHTS

- » **Absolute NNN Lease** – This property offers true passive income with an absolute NNN lease with zero landlord responsibilities
- » **Brand New Construction** – Building is currently being constructed
- » **Long Term Lease** – New 15-year lease with built in 10% increases every 5 years
- » **Large Lot** – Sitting on a lot of ±0.75 acres, double the size of most other coffee stands
- » **Established Tenant** – Dutch Bros (NYSE: BROS) is a financially stable, national tenant, known for their high-quality beverages and exceptional customer service
- » **Significant Tenant Capital Contribution** – Dutch Bros spent \$585,000 of their own money to contribute to the construction cost of the building, showing commitment to the location.
- » **Expanding Business** – Spanning over 17 states, Dutch Bros has 876 locations with plans of continued growth
- » **Heavy Traffic Counts** – Nine Mile Rd sees over 37,500 VPD and located adjacent to Pensacola Blvd seeing 40,000 VPD
- » **Ease Of Access** – The new construction Dutch Bros includes the Double Drive-Thru concept
- » **Growing Market** – There is significant growth and development in Pensacola, FL creating a desirable location for business and locals
- » **Planned Costco Development** – Less than a mile down the road, Costco has released development plans for a new store





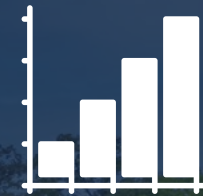
FINANCIAL OVERVIEW



\$2,857,142
LIST PRICE



\$150,000
NOI



5.25%
CAP RATE

BUILDING INFO

Address	523 W 9 Mile Road, Pensacola, FL
Lot Size	± 0.75 AC
GLA	±950 SF
Year Built	2024

FINANCING INQUIRIES

For financing options reach out to:

Corey Russell
corey.russell@matthews.com
(972) 636-5280

TENANT SUMMARY

Tenant Trade Name	Dutch Bros
Type of Ownership	Corporate
Lease Type	NNN
Roof and Structure	Tenant
Original Lease Term	15 Years
Lease Commencement Date	9/1/2022
Rent Commencement Date	TBD
Lease Expiration Date	15 Years After Rent Commencement
Term Remaining on Lease	15 Years
Increase	10% increase every 5 Years
Options	Three, 5-Year Options

ANNUALIZED OPERATING DATA

Date	Rent Per SF	Monthly Rent	Annual Rent	Increases	Cap Rate
Year 1 - 5	\$157.89	\$12,500.00	\$150,000.00	-	5.25%
Year 6 - 10	\$173.68	\$13,750.00	\$165,000.00	10.00%	5.78%
Year 11 - 15	\$191.05	\$15,125.00	\$181,500.00	10.00%	6.35%
Renewal Year 1 - 5	\$210.16	\$16,637.50	\$199,650.00	10.00%	6.99%
Renewal Year 6 - 10	\$231.17	\$18,301.25	\$219,615.00	10.00%	7.69%
Renewal Year 11 - 15	\$254.29	\$20,131.38	\$241,576.50	10.00%	8.46%

TENANT OVERVIEW



COMPANY NAME

Dutch Bros Coffee

HEADQUARTERS

Grant Pass, OR

LOCATIONS

994+

INDUSTRY

Retail Coffee

EMPLOYEES

24,000+

WEBSITE

www.dutchbros.com



DUTCH BROS Coffee

DUTCH BROS

Dutch Bros Coffee is the largest privately held drive-through coffee chain in the United States. It is headquartered in Grants Pass, Oregon, with company-owned and franchise locations expanding throughout the western United States. Having started from humble beginnings, as a single espresso pushcart in the small town of Grants Pass, Ore., the company now has 994+ locations in Oregon, California, Washington, Idaho, Nevada, Colorado, New Mexico, Utah, Arizona, Texas, and Oklahoma.

Dutch Bros. Coffee serves specialty coffee drinks, smoothies, freezes, teas, and its Dutch Bros. Blue Rebel energy drink that customers can infuse with their favorite flavors. Every cup of Dutch Bros. coffee is handcrafted — roasted by hand in the Pacific Northwest, blended by hand, and then ground and pulled by hand, ristretto-style. Dutch Bros. Coffee franchises are locally owned and operated, so owners have a personal investment in the communities they serve and contribute to various local causes and organizations.



29

± 44,000 VPD



W 9 MILE RD ± 37,500 VPD



SUBJECT PROPERTY



29



AREA OVERVIEW



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Census	4,016	38,968	90,876
2020 Census	4,515	43,211	101,274
2024 Estimate	4,622	44,283	104,615
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2020 Census	1,905	17,766	41,374
2024 Estimate	1,952	18,285	42,873
2029 Projection	2,009	18,918	44,593
INCOME	1-MILE	3-MILE	5-MILE
2021 Avg Household Income	\$79,355	\$82,603	\$84,110

PENSACOLA, FL

Pensacola, Florida, is a charming coastal city nestled in the westernmost part of the Florida Panhandle. Known for its stunning white-sand beaches and crystal-clear Gulf of Mexico waters, Pensacola is a popular destination for tourists and locals alike. The city boasts a rich history, with a Spanish colonial heritage dating back to the 16th century when it was first settled. Pensacola is often referred to as the “City of Five Flags” due to its history of being governed by five different nations throughout its existence, including Spain, France, Great Britain, the Confederate States, and the United States. This unique cultural blend is evident in its architecture, cuisine, and festivals. Visitors can explore historic sites such as Fort Pickens and the Pensacola Lighthouse, enjoy fresh seafood at waterfront restaurants, or simply relax on the pristine beaches while taking in the breathtaking sunsets. Pensacola’s vibrant arts scene, diverse community, and welcoming atmosphere make it a wonderful place to live and a fantastic destination for those seeking a coastal paradise.



ATTRACTIONS

Pensacola, Florida, offers a wealth of attractions that cater to a diverse range of interests, making it a captivating destination for visitors and residents alike. The city's crown jewel is undoubtedly its stunning beaches, including Pensacola Beach and Perdido Key, known for their powdery white sands and emerald-green waters. Additionally, history enthusiasts can explore the rich heritage of Pensacola at sites like Fort Pickens, Fort Barrancas, and the Pensacola Lighthouse, offering a glimpse into the city's military past. The vibrant downtown area is brimming with cultural attractions, such as the Historic Pensacola Village, the T.T. Wentworth Jr. Florida State Museum, and the Saenger Theatre, where live performances and events take center stage. Nature lovers can venture to the Gulf Islands National Seashore, home to pristine landscapes, hiking trails, and abundant wildlife. Moreover, Pensacola's bustling food scene, bustling festivals, and warm Gulf Coast hospitality make it a must-visit destination for those seeking a delightful blend of history, culture, and natural beauty.



HIGHER EDUCATION

Pensacola, Florida, boasts a robust higher education landscape that caters to the academic needs of both local and visiting students. The city is home to the University of West Florida (UWF), a prominent public university that offers a wide array of undergraduate, graduate, and doctoral programs across various disciplines. UWF's beautiful campus provides a dynamic learning environment, and the university is known for its strong emphasis on research and community engagement.

ECONOMY

The economy in Pensacola, Florida is characterized by a diverse range of industries that contribute to its stability and growth. The city's strategic location along the Gulf of Mexico has long been an asset, driving economic activities such as tourism, shipping, and trade. The tourism sector plays a significant role, thanks to the city's beautiful beaches and vibrant cultural attractions, bringing in visitors year-round. Additionally, Pensacola hosts several military bases, including Naval Air Station Pensacola, which is a major employer and contributes substantially to the local economy. Healthcare, education, and aviation industries also make significant contributions, with institutions like the University of West Florida and numerous healthcare facilities providing jobs and fostering research and development. Furthermore, Pensacola's expanding technology and manufacturing sectors are on the rise, making it an attractive place for businesses looking to establish a presence in the region. Overall, Pensacola's economy benefits from its diverse industrial base, making it a dynamic and resilient economic hub on Florida's Gulf Coast.

MAJOR EMPLOYERS

Naval Air Station Pensacola: The Naval Air Station Pensacola is a significant military installation and one of the area's largest employers. It serves as the primary training base for naval aviators and is a key contributor to the local economy.

Sacred Heart Health System: Sacred Heart Health System is a leading healthcare provider in the region, operating hospitals and healthcare facilities that employ a substantial number of healthcare professionals and support staff.

University of West Florida: The University of West Florida is a major educational institution in Pensacola, employing faculty, staff, and administrators across various departments and disciplines.

Baptist Health Care: Baptist Health Care is another prominent healthcare provider in the area, operating hospitals and healthcare facilities that offer employment opportunities in the medical field.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **523 W Nine Mile Rd, Pensacola, FL 32534** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



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