



# PANERA BREAD

LINCOLN, NEBRASKA

## OFFERING MEMORANDUM

PANERA BREAD

**\$3,895,000 | 4.75% CAP RATE**

- » New 15-Year NNN Lease to Corporate Tenant
- » 10% Rental Increases Every Five Years
- » High-Traffic Location at Signalized Hard Corner
  - » Access and Visibility to 50,610 Vehicles Per Day
- » Central Location in Dense Retail Corridor
  - » Outparcel to Costco-Anchored Retail Center
  - » Across from Lincoln Southwest High School (2,089 Students)
- » Affluent Demographics and Large Customer Base
  - » Average Household Income of \$107,098 Within a One-Mile Radius
  - » 133,199 Residents Within Five Miles
- » New 2019 Construction Featuring Dedicated Drive-Thru

# TABLE OF CONTENTS



## INVESTMENT SUMMARY

## AERIALS

## SITE PLAN

## TENANT SUMMARY

## PROPERTY OVERVIEW

## AREA OVERVIEW

## DEMOGRAPHIC PROFILE

## LEAD BROKERS

### JUSTIN RIVIERA

*Senior Associate*

402.548.4064

[jriviera@lundco.com](mailto:jriviera@lundco.com)

### MARTIN PATZNER, CPM, RPA

*Vice President, Office Specialist*

402.548.4033

[mpatzner@lundco.com](mailto:mpatzner@lundco.com)

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.



# INVESTMENT SUMMARY

<b>ADDRESS</b>	1424 Pine Lake Road, Lincoln, Nebraska		
<b>PRICE</b>	<b>\$3,895,000</b>		
<b>CAP RATE</b>	<b>4.75% return</b>		
<b>NOI</b>	\$185,000		
<b>TERM</b>	15 years		
<b>RENT COMMENCEMENT</b>	January 28, 2019		
<b>LEASE EXPIRATION</b>	December 31, 2033		
<b>RENTAL INCREASES</b>	10% rental increases every 5 years		
	<b>YEAR</b>	<b>NOI</b>	<b>RETURN</b>
	1-5	\$185,000	4.75%
	6-10	\$203,500	5.22%
	11-15	\$223,850	5.75%
	16-20 (Option 1)	\$246,235	6.32%
	21-25 (Option 2)	\$270,850	6.95%
	26-30 (Option 3)	\$297,950	7.65%
<b>YEAR BUILT</b>	2019		
<b>BUILDING SF</b>	5,000 SF		
<b>PARCEL SIZE</b>	1.16 acres (50,620 SF)		
<b>LEASE TYPE</b>	NNN, with tenant responsible for taxes, insurance, and maintenance, excluding roof and structure		



## 15-YEAR NNN LEASE WITH SCHEDULED RENTAL INCREASES

- » New 15-year lease to corporate tenant with strong brand recognition
- » 10% rental increases every five years, providing a hedge against inflation

## HIGH-TRAFFIC LOCATION IN DENSE RETAIL CORRIDOR

- » Excellent visibility and access to 50,610 vehicles per day at the signalized intersection of Pine Lake Road and South 14th Street
- » Outparcel to Costco-anchored retail center
- » Neighboring parcels under development for future retailers
- » Near SouthPointe Pavilions, a premier lifestyle center tenanted by Von Maur, Scheels, Banana Republic, Barnes & Noble, Old Navy, and more
- » Surrounded by notable national tenants, including Walmart Supercenter, Chick-fil-A, Trader Joe's, and many others

## CENTRAL LOCATION WITH STRONG DEMOGRAPHICS

- » Directly across from Lincoln Southwest High School, which has a total enrollment of 2,089 students
- » Surrounded by affluent residential neighborhoods; the average household income within a one-mile radius is \$107,098
- » 133,199 residents live within a five-mile radius
- » The Lincoln MSA is currently one of the fastest growing metro areas in the Midwest

## NEW 2019 CONSTRUCTION

- » Relocation store with high-quality 2019 construction
- » Features dedicated drive-thru, providing additional customer convenience and boosting sales revenue





Cavett Elementary School  
(706 students)



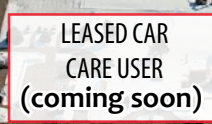
Adams Elementary School  
(815 students)



Pine Lake Road  
(22,520 AADT)



Scott Middle School  
(1,076 students)



South 14th Street (28,090 AADT)

Lincoln Southwest High School  
(2,089 students)





Ruth Hill  
Elementary School  
(578 students)



Scott Middle School  
(1,076 students)



LEASED CAR  
CARE USER  
(coming soon)



Pine Lake Road  
(22,520 AADT)



Lincoln Southwest High School  
(2,089 students)

South 14th Street (28,090 AADT)







**TARGET**

**SHERWIN  
WILLIAMS**

**Holiday Inn**  
(90 rooms)

**KOHL'S**  
**HomeGoods**  
**Marshalls**  
**ALDI** **SALLY BEAUTY**  
**carter's**

**Walmart**  
Supercenter

**PARKVIEW  
ANIMAL  
HOSPITAL**

**Adams Elementary School**  
(815 students)

**Hyland**

**EXTREMEPCs**

**JUICE  
STOP**  
**SUBWAY**

**FOX**  
Neighborhood Bar & Grill

**Scott Middle School**  
(1,076 students)

**Security  
First Bank**

**Pine Lake Road (22,520 AADT)**

**JOHN JONES**  
Since 1953  
COUNTRY SAUSAGE

**SLIM CHICKENS**

**South 14th Street**  
(28,090 AADT)

**COSTCO**  
WHOLESALE

**Florio's**  
ITALIAN RESTAURANT & GRILLE

**PANDA EXPRESS**  
(coming soon)

**LEASED CAR  
CARE USER**  
(coming soon)

**Panera  
BREAD**

**Cattle**  
BANK & TRUST  
(coming soon)

**Lincoln Southwest  
High School**  
(2,089 students)





DOWNTOWN  
LINCOLN  
(5 miles)

INDUSTRIAL REGION

Ruth Hill  
Elementary School  
(578 students)

South 14th Street (28,090 AADT)



Lincoln Southwest  
High School  
(2,089 students)



LEASED CAR  
CARE USER  
(coming soon)



Pine Lake Road (22,520 AADT)





# SITE PLAN

SOUTH 14TH STREET

DRIVE-THRU



DRIVE-THRU



5,000 SF

DRIVE-THRU

LEASED  
CAR CARE  
USER



MONUMENT SIGN



PINE LAKE ROAD





# TENANT SUMMARY



Panera Bread Company opened its first location in 1987. In the past 35 years, it has grown from a 400-square-foot cookie store into an enterprise with more than 2,300 bakery-cafes across the United States and Canada, over 100,000 associates, and annual system-wide sales of nearly \$6 billion.

Panera Bread's offerings include soups, salads, pasta, sandwiches, specialty drinks, and bakery items, served in a warm, welcoming environment. Panera Bread's menu was created with nutrition in mind, and the company is the first and only restaurant company to commit to and achieve 100% clean food. Panera Bread has a loyal customer base; the MyPanera loyalty program is the largest in the industry, with over 28 million members.

On July 18, 2017, Panera was acquired by JAB Holding Co., ending its 26-year run as a public company on a high note. Panera was the best performing restaurant stock of the last 20 years, delivering a total shareholder return up 86-fold from July 18, 1997 to July 18, 2017, compared to a less than twofold increase for the S&P 500 during the same period.

For more information, please visit [www.panerabread.com](http://www.panerabread.com).

<b>REVENUE</b>	<b>\$6B</b>	<b>OWNERSHIP</b>	<b>JAB Holding Co.</b>
<b># OF LOCATIONS</b>	<b>2,300+</b>	<b>HEADQUARTERS</b>	<b>Sunset Hills, MO</b>

# LEASE ABSTRACT

<b>TENANT</b>	Panera, LLC		
<b>ADDRESS</b>	<a href="#">1424 Pine Lake Road, Lincoln, Nebraska</a>		
<b>RENT COMMENCEMENT</b>	January 28, 2019		
<b>LEASE EXPIRATION</b>	December 31, 2033		
<b>RENEWAL OPTIONS</b>	Three (3) five (5) year options		
<b>RENTAL INCREASES</b>	<b>YEAR</b>	<b>NOI</b>	<b>RETURN</b>
	1-5	\$185,000	4.75%
	6-10	\$203,500	5.22%
	11-15	\$223,850	5.75%
	16-20 (Option 1)	\$246,235	6.32%
	21-25 (Option 2)	\$270,850	6.95%
	26-30 (Option 3)	\$297,950	7.65%
<b>REAL ESTATE TAXES</b>	Tenant is responsible for taxes.		
<b>INSURANCE</b>	Tenant is responsible for insurance.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant is responsible for maintaining all nonstructural portions of the Premises.		
<b>MAINTENANCE BY LANDLORD</b>	Landlord is responsible for maintaining the roof and structural portions of the Premises.		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

The property is strategically located at the signalized hard corner of Pine Lake Road and South 14th Street, with excellent visibility and access to 50,610 vehicles per day. Located in a dense retail corridor, the property is surrounded by major national retailers and large shopping centers. The property is outparcel to a Costco-anchored center and is a short distance from SouthPointe Pavilions, a premier lifestyle center tenanted by Von Maur, Scheels, Banana Republic, Barnes & Noble, Old Navy, and more. Other notable tenants near the property include Walmart Supercenter, Chick-fil-A, Trader Joe's, and many others.

The property is directly across from Lincoln Southwest High School, which has a total enrollment of 2,089 students. Several other schools are nearby, including Scott Middle School (1,076 students), Adams Elementary School (815 students), and Ruth Hill Elementary Hill (578 students). Additionally, the property is surrounded by affluent residential neighborhoods; the average household income within a one-mile radius is \$107,098, and 133,199 residents live within a five-mile radius.

## ACCESS

Interparcel access from Pine Lake Road and South 14th Street

## TRAFFIC COUNTS

Pine Lake Road: 22,520 AADT  
South 14th Street: 28,090 AADT

## PARKING

59 parking stalls in parcel, including three (3) handicap stalls, and ample cross access parking

## YEAR BUILT

2019

## NEAREST AIRPORT

Lincoln Airport (LNK)



**59**  
PARKING  
STALLS  
+  
CROSS  
ACCESS  
PARKING



**2019**  
YEAR BUILT



**51K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
LINCOLN  
AIRPORT



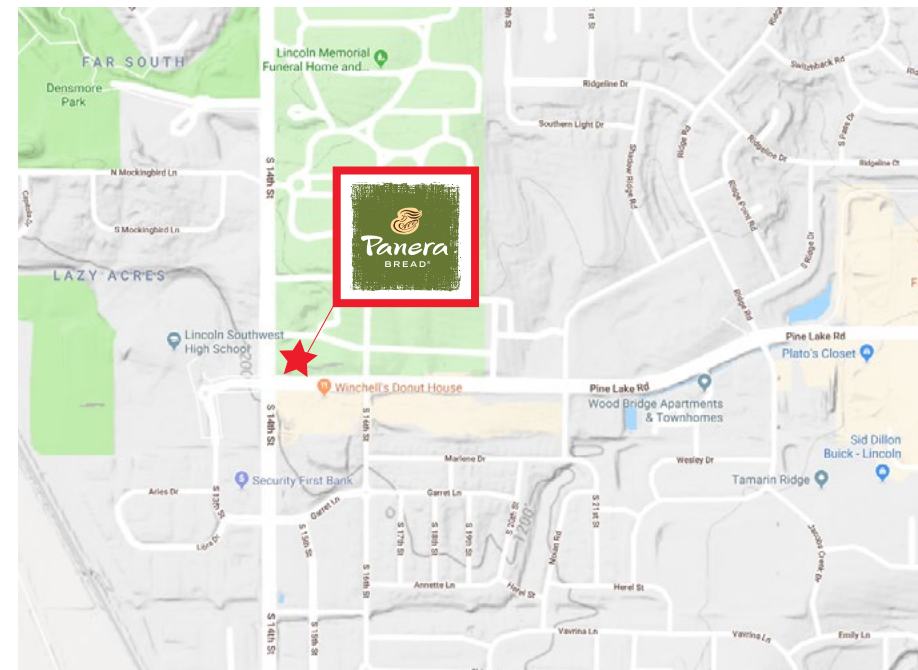
# AREA OVERVIEW

Lincoln is the capital of Nebraska and the county seat of Lancaster County. Lincoln is located in the southeastern corner of the state, is midway between Chicago and Denver, and is currently one of the fastest growing metro areas in the Midwest. With a population of 284,736 in 2017, Lincoln is the second most populous city in Nebraska. Lincoln's economy is fairly typical of a mid-sized American city; most economic activity is derived from the service and manufacturing industries. Government and the University of Nebraska are both large contributors to the local economy. Other prominent industries in Lincoln include finance, insurance, publishing, manufacturing, pharmaceutical, telecommunications, railroads, high technology, information technology, healthcare, education, and truck transport.

The city is the economic and cultural anchor of both the Lincoln Metropolitan Statistical Area (MSA) and the Lincoln-Beatrice Combined Statistical Area (CSA). The CSA is home to 353,120 people, making it the 106th largest combined statistical area in the United States. The Lincoln area makes up a part of what is known as the greater Midwest Silicon Prairie, a multi-state area in the Upper Midwest with a growing high-tech sector.

- » Lincoln is home to University of Nebraska–Lincoln, the largest university in the state, with 26,079 students.
- » With Lincoln's population expected to grow to more than 311,000 people by 2020, prices for homes and rent costs have risen. Home prices rose 10% from the first quarter of 2015 to the first quarter of 2016; rent prices rose 30% from 2007 to 2017, with a 5–8% increase in 2016 alone.
- » For March 2018, the Lincoln MSA's preliminary unemployment rate was 2.6%. With a tight labor market, Lincoln has seen rapid wage growth. From the summer of 2014 to the summer of 2015, the average hourly pay for both public and private employees increased by 11%. From October 2014 to October 2015, wages were also up by 8.4%.
- » In 2013, Lincoln ranked fourth on Forbes' list of the Best Places for Business and Careers, first on NerdWallet's Best Cities for Job Seekers in 2015, and second on SmartAsset's Cities with the Best Work-life Balance in 2019.

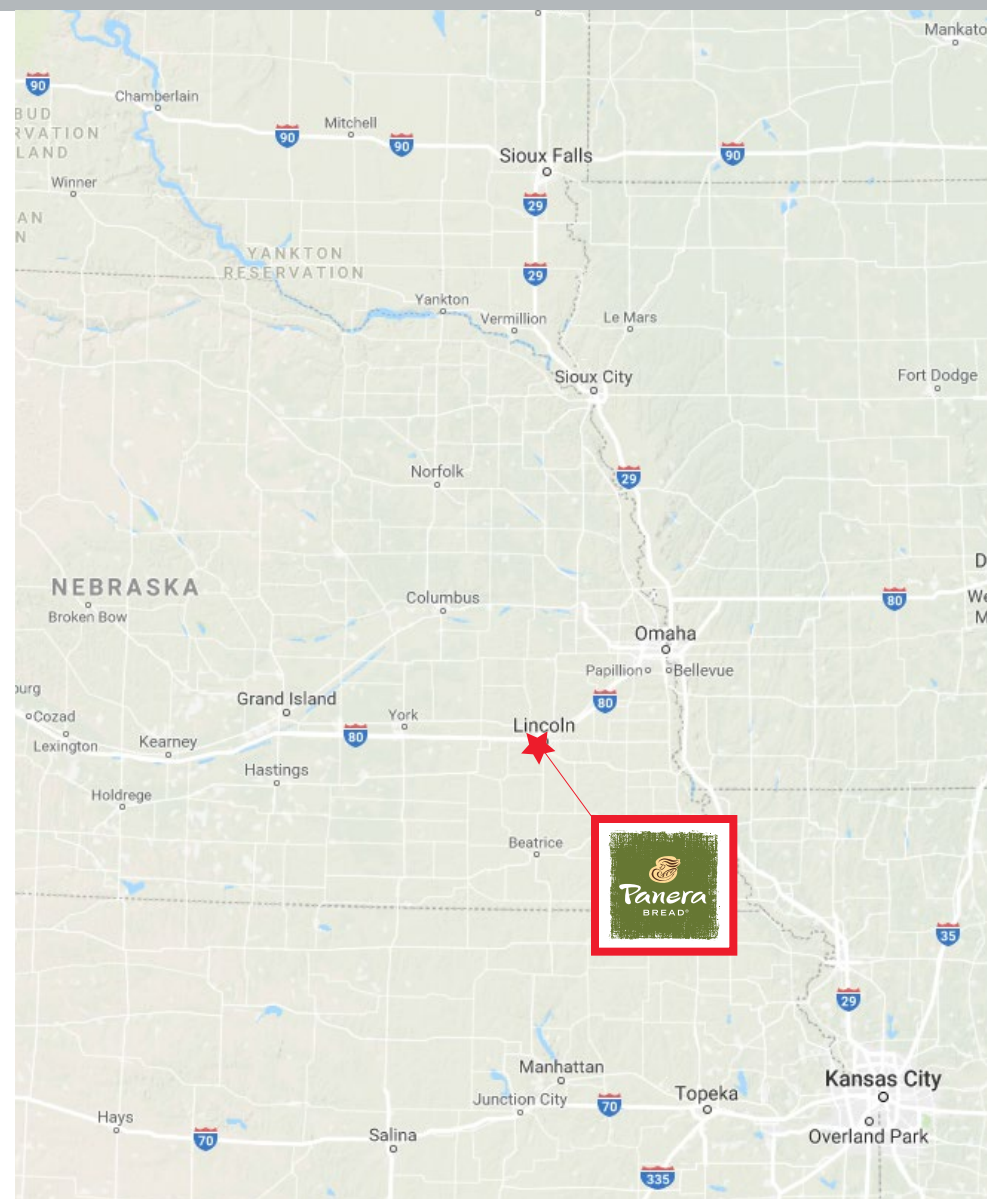
MAJOR EMPLOYERS IN LINCOLN	# OF EMPLOYEES
STATE OF NEBRASKA	9,097
LINCOLN PUBLIC SCHOOLS	8,400
UNIVERSITY OF NEBRASKA-LINCOLN	6,487
BRYAN HEALTH	3,500
U.S. GOVERNMENT	3,465
CITY OF LINCOLN	2,648
SAINT ELIZABETH REGIONAL MEDICAL CENTER	2,300
BURLINGTON NORTHERN RAILROAD	2,000
MADONNA REHABILITATION HOSPITAL	1,500
DUNCAN AVIATION	1,200





# DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>7,572</b>	<b>48,427</b>	<b>133,199</b>
Households	2,755	18,817	54,233
Families	1,938	12,584	32,123
Average Household Size	2.75	2.50	2.38
Owner Occupied Housing Units	1,727	12,534	32,037
Renter Occupied Housing Units	1,028	6,283	22,196
Median Age	34.4	37.1	36.4
<b>Average Household Income</b>	<b>\$107,098</b>	<b>\$98,306</b>	<b>\$81,819</b>
2023 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>8,415</b>	<b>51,384</b>	<b>141,214</b>
Households	3,051	19,939	57,406
Families	2,131	13,266	33,877
Average Household Size	2.76	2.51	2.39
Owner Occupied Housing Units	1,919	13,415	34,263
Renter Occupied Housing Units	1,132	6,524	23,144
Median Age	33.4	37.9	37.2
<b>Average Household Income</b>	<b>\$118,667</b>	<b>\$107,888</b>	<b>\$90,625</b>



**AVERAGE HOUSEHOLD INCOME OF \$107,098**  
WITHIN ONE MILE



**POPULATION OF 133,199**  
WITHIN FIVE MILES





# PANERA BREAD

## LEAD BROKERS

### JUSTIN RIVIERA

*Senior Associate*

402.548.4064

[jriviera@lundco.com](mailto:jriviera@lundco.com)

### MARTIN PATZNER, CPM, RPA

*Vice President, Office Specialist*

402.548.4033

[mpatzner@lundco.com](mailto:mpatzner@lundco.com)