



OFFERING MEMORANDUM • PANERA BREAD CORPORATE

BRAND NEW PANERA BREAD 15-YEAR LEASE WITH 10% INCREASES EVERY 5 YEARS (LOUISVILLE METRO)

Actual Photo

276 Keystone Crossroads Drive, Shepherdsville, Kentucky 40165

Marcus & Millichap



44

KY ROUTE 44
23,000 VPD (2018)



65

KENTUCKY TURNPIKE
INTERSTATE I-65
95,760 VPD (2018)

fulfillment
by **amazon**

AMAZON FULLFILMENT CENTERS
EMPLOY 6,500 REGIONALLY

Denny's



Panera
BREAD®

SUBJECT PROPERTY
4,362 SQ. FT. GLA
1.03 +/- ACRES
DRIVE-THRU
BUILT 2017



DAIRY QUEEN



ADAM SHEPHERD PKWY - 14,000 VPD (2018)

MCDONALD'S



Stock Yards
Bank & Trust
SINCE 1904

REPUBLIC BANK
It's just easier here.®



*Borders Are Approximate



ADAM SHEPHERD PKWY
14,000 VPD (2018)

DISTRIBUTION CENTERS

GameStop



DOLLAR TREE

PENN STATION
EAST COAST SUBS



KENTUCKY TURNPIKE
INTERSTATE I-65
95,760 VPD (2018)

Walmart

Bojangles



KEN TIRE & AutoCare
TOWERY'S

Cattleman's
BURGER KING

DRIVE THRU

Cattleman's
ROADHOUSE

Panera
BREAD

SUBJECT PROPERTY
4,362 SQ. FT. GLA
1.03 +/- ACRES
DRIVE-THRU
BUILT 2017

44

EXIT 117 • KY-44
MT. WASHINGTON
SHEPHERDSVILLE

FUTURE QSR
DEVELOPMENT

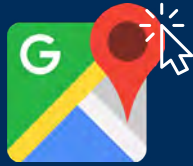
BURGER KING
NEW CONSTRUCTION



KEYSTONE CROSSROADS DRIVE



*Borders Are Approximate



ADDRESS:

276 KEYSTONE CROSSING
SHEPHERDSVILLE, KY 40165



PRICE

\$3,173,000



CAP RATE

5.20%



ANNUAL RENT

\$165,000

VITAL DATA

Price	\$3,173,000
Cap Rate	5.20%
Gross Leasable Area	4,362 Sq. Ft. +/-
Year Built	2017
Lot Size	1.03 Acres +/-

LEASE SUMMARY

Tenant	Panera, LLC (dba Panera Bread)
Revenue	\$6 Billion <i>Estimated</i>
Lease Type	NN
Roof & Structure Responsibility	Landlord Responsible (Transferrable, 15-Year Roof Warranty In-Place)
Lease Commencement	10/20/2017
Base Lease Expiration	12/31/2032
Base Term Remaining	13 +/- Years
Options	Three, 5-Year Options
Increases	Yes, 10.0% Every 5 Years
Right of First Refusal	Yes, Tenant Has 30 Days to Respond

BASE RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/Sq. Ft.	Cap Rate
Years 1 - 5	\$165,000.00	\$13,750.00	\$37.83	5.20%
Years 6 - 10	\$181,500.00	\$15,125.00	\$41.61	5.72%
Years 11 - 15	\$199,650.00	\$16,637.50	\$45.77	6.29%
Option Years 16 - 20	\$219,615.00	\$18,301.25	\$50.35	6.92%
Option Years 21 - 25	\$241,576.50	\$20,131.38	\$55.38	7.61%
Option Years 26 - 30	\$265,734.15	\$22,144.51	\$60.92	8.37%

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INVESTMENT HIGHLIGHTS



New Construction | Panera Location Opened Their Doors in 2017 - Corporate Tenant with Corporate Guarantee



Subject Has a 15-Year Corporate Panera with Limited Landlord Responsibility | NN-Lease with Transferable Roof Warranty



Subject Has Three, Five-Year Renewal Options with 10 Percent Rental Increases Every Five Years Throughout the Base Lease and Options



Located Off Kentucky Turnpike/Interstate I-65 Exit 117 with Daily Traffic Counts of Over 95,760 Vehicles Per Day (VPD), Kentucky Route 44 with 23,000 VPD and Local Thoroughfare Adam Shepherd Parkway with 14,000 VPD



Surrounding Area National Retailers Include a Brand New Burger King, Fricsh's Big Boy, White Castle, Panda Express, Kroger, Lowe's, McDonald's, PNC, Starbucks, Taco Bell, Walmart, Wendy's, Among Many Others



Part of the Louisville-Jefferson County MSA with a Population of Nearly 1.3 Million, Ranked 43rd Nationally, While Louisville is the Regions Most Populous City with Over 615,000 People



One of the Most Successful Restaurants Companies as a Top-Performing Restaurant Stock When Measured Over the Last 20 Years



Recently Acquired by JAB Holdings, a European Conglomerate that Owns Krispy Kreme, Keurig Dr. Pepper, Bally Fitness, Insomnia Cookies, Caribou Coffee, Peet's Coffee, & More



Panera is a Pioneer in Advanced Restaurant Tech Which Has Been a Main Driver of Continued Sales Growth & Improved Delivery & Catering Initiatives | Panera Bread's Ron Shaich Named 2018 Restuarant Leader of the Year



Nearby Industrial Facilities Include 3 Amazon Fullfilment Centers That Employ Approximately 6,500 People



Subject Only 15 Miles From Lousiville International Airport, Which Saw Nearly 3.87 Million Passengers in 2018 | Houses UPS Operations Worldport Facility, Headquarters and Airline Hub with More Than 500 Aircraft to Over 220 Countries



Nearby Bullitt Central High School Has 1,300 Students in Grades 9-12 Enrolled and 130 Faculty Members



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DEMOGRAPHICS



2018 5-MILE POPULATION
APPROX. 26,645



2018 5-MILE HOUSEHOLDS
APPROX. 10,865



2018 5-MILE AVERAGE
HOUSEHOLD INCOME
OVER \$64,653

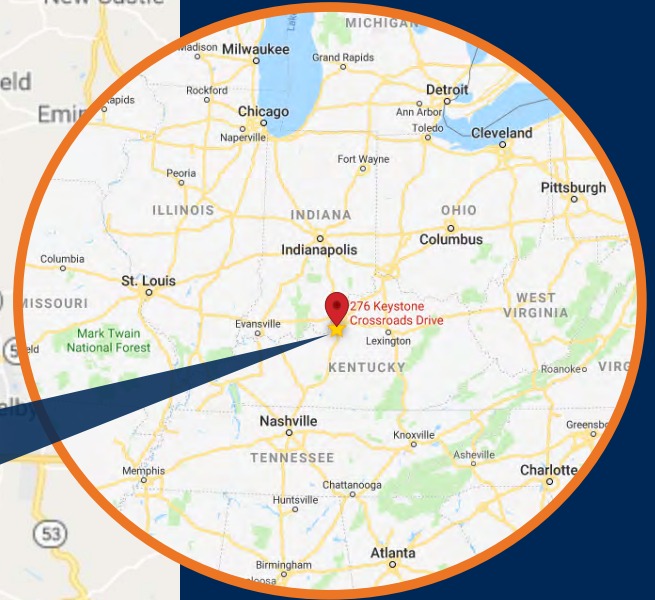
5-MILE

10-MILE

15-MILE



2018 10-MILE DAYTIME POPULATION
APPROX. 88,222



Area Population	5-Mile	10-Mile	15-Mile
2010 Population	26,645	121,408	417,190
2018 Population Estimate	28,689	129,374	437,932
2023 Population Projection	31,310	138,477	459,072
2018 Daytime Population	25,927	88,222	384,101
Area Households	5-Mile	10-Mile	15-Mile
2010 Households	9,990	45,806	164,469
2018 Households Estimate	10,865	48,982	172,599
2023 Households Projection	11,966	52,957	182,726
2018 Average HH Size	2.6	2.6	2.5
Area Income	5-Mile	10-Mile	15-Mile
Median HH Income	\$56,185	\$56,551	\$52,747
Per Capita Income	\$24,586	\$24,947	\$25,503
Average HH Income	\$64,653	\$65,753	\$64,458

Source: Marcus & Millichap Analytics, U.S. Census Bureau (2019)

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AREA MAP • 276 KEYSTONE CROSSROADS DRIVE, SHEPHERDSVILLE, KY 40165



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SITE PLAN



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SUBJECT PHOTOGRAPHS • 276 KEYSTONE CROSSROADS DRIVE, SHEPHERDSVILLE, KENTUCKY 40165



AREA PHOTOGRAPHS • 276 KEYSTONE CROSSROADS DRIVE, SHEPHERDSVILLE, KENTUCKY 40165



LOCATION OVERVIEW

SHEPHERDSVILLE, KY LOUISVILLE, KY MSA

Shepherdsville is a city in and the county seat of Bullitt County, Kentucky; a salt-producing region that straddles the Salt River. According to U.S. Census estimates, the home rule-class city has a population of over 12,000 and is a growing suburb for Louisville metro commuters.

The **Louisville-Jefferson County, KY-IN Metropolitan Statistical Area (MSA)**, sometimes also referred to as Kentuckiana, includes Louisville-Jefferson County and 12 surrounding counties, seven in Kentucky and five in Southern Indiana. As of 2018, the MSA has a population of nearly 1.3 million, ranking 43rd nationally. Louisville is the region's most populous city with more than 618,000 citizens.

Within a day's drive of two-thirds of the U.S. population and located along the Ohio River, it is a strategic position for thousands of companies, including the monstrous UPS Worldport headquarters and global air-freight hub at Louisville International Airport. While the civilian airport sees over 3.87 million passengers per year, the UPS Worldport facility is as big as 90 football fields and can process 115 packages per second, averaging 1.6 million packages a day.

The metro is also home to three of Kentucky's six Fortune 500 companies: Humana, Yum! Brands and Kindred Healthcare. Although the region's economy has been historically dominated by the shipping and rail industries, contemporary Louisville boasts a well-diversified economy focused on advanced manufacturing, logistics, life sciences and healthcare, among other industry sectors.

Louisville's most well-known annual cultural event is the Kentucky Derby, held at Churchill Downs Racetrack during the first Saturday of May. "The Most Exciting Two Minutes in Sports" event saw over 157,000 attendees in 2018, and is preceded by a two-week-long Kentucky Derby Festival, which starts with the annual Thunder Over Louisville, the largest annual fireworks display in North America. Attendance ranks first in North America and usually surpasses the attendance of all other stakes horse races.



BULLITT COUNTY MAJOR REGIONAL EMPLOYERS

Employer	Industry	Employees
United Parcel Service	Int'l Air Hub	21,200
Ford Motor Co. (2 Plants)	Auto MFG	12,600
Norton Healthcare	Healthcare	12,200
Humana, Inc.	Healthcare	12,000
Univ. of Louisville	Education	6,900
Amazon.com	Logistics	6,500
Metro Government	Government	6,200
Baptist Healthcare Syst.	Healthcare	6,100
GE Appliances/Haier	Retail	6,000
KentuckyOne Health, Inc.	Healthcare	6,000

Employer Numbers as of 2018
Sources: greaterlouisville.com; Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

TENANT OVERVIEW

PANERA BREAD JAB HOLDING COMPANY

Panera Bread Company is one of the top fast-casual chain restaurants in the United States and Canada, leading the industry in clean food, digital sales, customer loyalty, delivery and catering. Its headquarters are in Sunset Hills, Missouri, a suburb of St. Louis, and operates under the trade names of Panera Bread, Saint Louis Bread Company and Paradise Bakery & Cafe.

In the past 35 years, Panera has grown from one 400-square-foot cookie store in Boston, Massachusetts, into an enterprise with 2,360 bakery-cafes, 140,000 associates serving approximately 9 million customers per week, with an estimated \$6 billion in annual sales.

Panera Bread locations are friendly and inviting, featuring amenities such as free WiFi, fireplaces, and comfortable seating for groups of all sizes. With recent efforts to advance technology and evolve service flow, self-serve kiosks were installed and decor was modernized to reflect a rustic, bakery-forward concept. Locally produced interiors finishes have been used to highlight Panera's commitment to environmentally conscious and sustainable food.

Panera remains at the forefront of food quality standards and transparency, featuring crafted products such as specialty drinks and coffee, baked goods, bagels, soups, salads, pasta, sandwiches, and desserts alongside their caloric counts - all made with healthy, real ingredients, prepared fresh daily.

During its final 20 years as a public company, it was a best performing restaurant stock, delivering an 86-fold return to shareholders from 1997 to 2017. In 2017, Panera was acquired by JAB Holding, a privately held company and investment arm of the Reimann family, focused on long term investments in companies with premium brands, attractive growth and strong cash flow. Other subsidiaries include Krispy Kreme, Einstein Bros. Bagels, Pret A Managae, Caribou Coffee, Insomnia Cookies, Bally Fitness, and newly acquired Keurig Dr. Pepper, among many others.

Panera Bread remains poised for continued growth and long-term returns. In May 2018, the company introduced delivery services to 897 cities in 43 states, employing its own drivers and creating an estimated 13,000 jobs. In November, the company expanded menu and delivery to breakfast items.



COMPANY OVERVIEW

Company Name	Panera, LLC (dba Panera Bread)
Type	Subsidiary, Privately Owned
Parent Company	JAB Holding Company
Sales	\$6 Billion
Headquarters	Sunset Hills, Missouri
Founded	1980 (St. Louis Bread Company)
Locations	2,360 Total Stores
Employees	140,000 Associates
Website	panerabread.com

Numbers as 2018
Sources: Panera Bread, Factset, Bloomberg, S&P Cap IQ; Forbes

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LOUISVILLE METRO POPULATION AS OF 2018

SOURCE: MARCUS & MILLICHAP
ANALYTICS, U.S. CENSUS



DISTANCE

20 MILES FROM

LOUISVILLE, KY

**65 MILES FROM
LEXINGTON, KY**

100 MILES FROM
CINCINNATI, OH

130 MILES FROM INDIANAPOLIS, IN

**150 MILES FROM
NASHVILLE, TN**



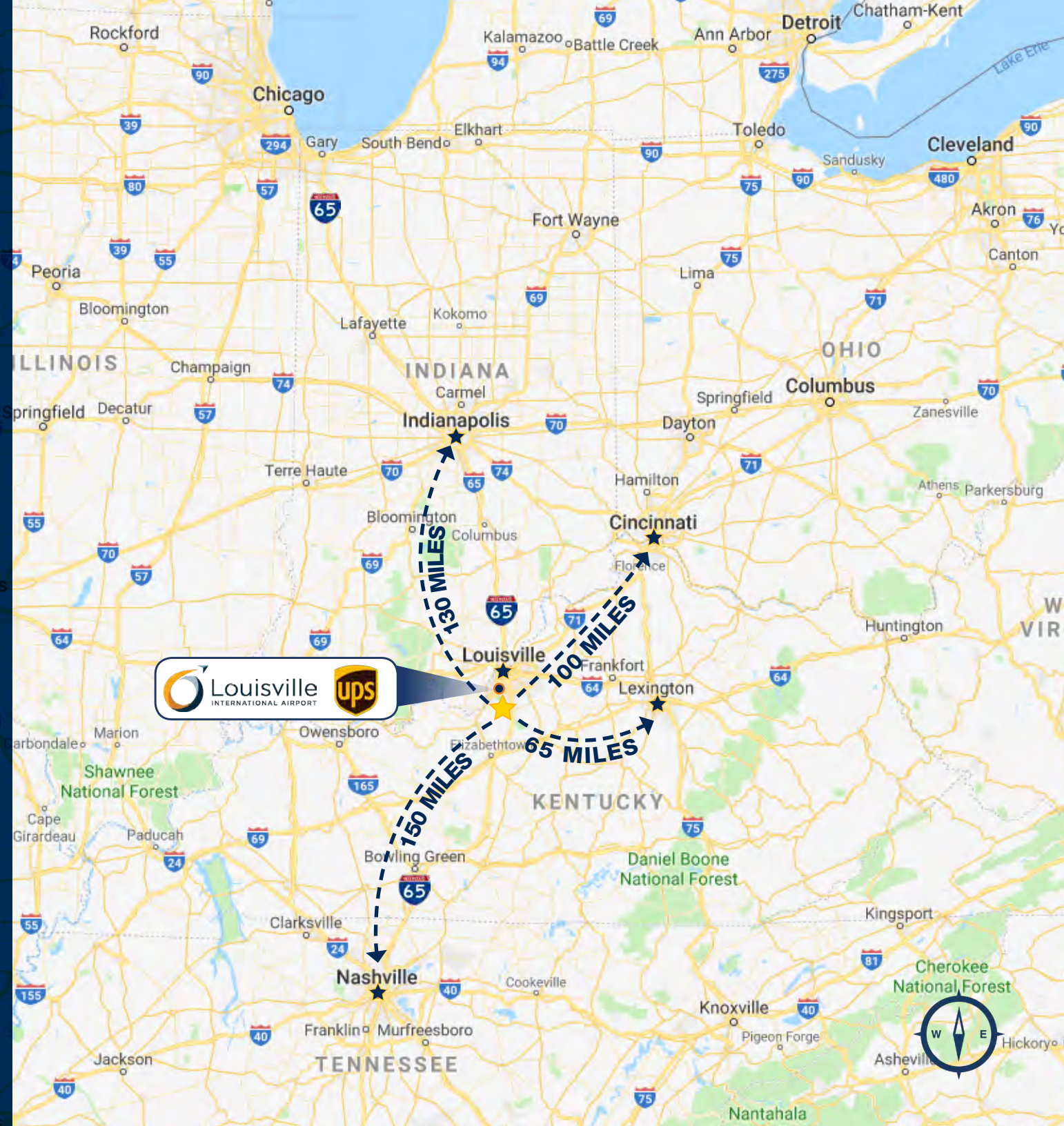
LOUISVILLE INT'L AIRPORT

3.87M PASSENGERS YEARLY, ALSO
UPS AIR OPERATIONS HQ & AIR HUB



MAJOR ACCESS

**ALONG INTERSTATE I-65
N-S HWY FROM IN TO AL
90,000 VPD IN 2018**



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ACTIVITY ID: ZAA0331634

KY BROKER OF RECORD

COLBY HAUGNESS
LIC.# 242197

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