



SANDS INVESTMENT GROUP
NET INVESTMENTS... NET RESULTS



Panera Bread
35 Peaks Center Lane
Asheville, NC 28805

EXCLUSIVELY MARKETED BY:



CLIFTON MCCRORY

Lic. # 99847

540.255.5496 | DIRECT
clifton@SIGnnn.com



WALTER PARKER

Lic. # 106557

864.593.0021 | DIRECT
walter@SIGnnn.com



CHRIS SANDS

Lic. # 300021

310.870.3282 | DIRECT
chris@SIGnnn.com

128 S Tryon Street, 21st Floor
Charlotte, NC 28202
844.4.SIG.NNN
www.SIGnnn.com

In Cooperation With Sands Investment Group
North Carolina, LLC Lic. # 29362

TABLE OF CONTENTS

04

07

08

13

17

INVESTMENT OVERVIEW

Investment Summary
Investment Highlights

LEASE ABSTRACT

Lease Summary
Rent Roll

PROPERTY OVERVIEW

Property Images
Location, Aerial & Retail Maps

AREA OVERVIEW

City Overview & Accolades
City Growth & Economy
Demographics

TENANT OVERVIEW

Tenant Profile
Parent Company
Guarantor

© 2019 Sands Investment Group (SIG). The information contained in this 'Offering Memorandum,' has been obtained from sources believed to be reliable. Sands Investment Group does not doubt its accuracy, however, Sands Investment Group makes no guarantee, representation or warranty about the accuracy contained herein. It is the responsibility of each individual to conduct thorough due diligence on any and all information that is passed on about the property to determine its accuracy and completeness. Any and all projections, market assumptions and cash flow analysis are used to help determine a potential overview on the property, however there is no guarantee or assurance these projections, market assumptions and cash flow analysis are subject to change with property and market conditions. Sands Investment Group encourages all potential interested buyers to seek advice from your tax, financial and legal advisors before making any real estate purchase and transaction.

INVESTMENT SUMMARY

Sands Investment Group is Pleased to Present Exclusively For Sale the Brand New Construction 4,270 SF Panera Located in The Peaks Center in Asheville, NC. A 15 Year Lease Term Along With Attractive Rent Increases and Guaranteed By the Largest Panera Franchisee Provides For a One of a Kind and Secure Investment Opportunity.

OFFERING SUMMARY

PRICE	\$3,287,899
CAP	5.00%
NOI	\$164,395
PRICE PER SF	\$769.99
GUARANTY	Covelli Enterprises (Dalcan LLC)

PROPERTY SUMMARY

ADDRESS	35 Peaks Center Lane Asheville, NC 28805
COUNTY	Buncombe
BUILDING AREA	4,270 SF
LAND AREA	1.02 AC
BUILT	2018 2019



HIGHLIGHTS

BEST OF CLASS INVESTMENT:

- Triple Net (NNN) 15 Year Lease With Minimal Landlord Responsibilities
- Brand New Construction Stand Alone Building With Fall 2019 Anticipated Opening Date
- Growing NOI and Hedging Against Inflation With Attractive Rent Increases - 10% Every 5 Years and At Options
- Strong Brand Recognition - Panera Bread is One of the Fastest-Growing Chains
- Franchisee Guarantee - Dalcan, LLC - a Subsidiary of Covelli Enterprises - the Largest Panera Bread Franchisee in the Country
- Covelli Enterprises Operates Over 315 Locations Across 8 States Nationwide
- Benefits From Dedicated Drive-Thru Providing Additional Customer Convenience and Opportunity to Increase Sales Revenue

DOMINANT MARKET POSITION:

- The Peaks is a Newly Developed Retail Center With National Credit Tenants Including Chick-fil-A, Sleep Number, Blaze Pizza and Rise Southern Biscuits & Righteous Chicken
- Neighboring Parcels Under Development For Future Retailers
- High Profile Location Along Dense Growth (Residential and Retail) Corridor in Asheville, NC
- Located Across From Asheville Mall (974,399 SF) With Select National Credit Tenants Including Dillard's, JCPenney, Barnes & Noble, Old Navy, Belk, Ulta - Asheville Mall is Slated For Redevelopment
- Strategic Positioning With Direct Access to the Newly Developed Asheville Market With National Credit Tenants Including Whole Foods, DSW Shoe Warehouse, Guitar Center and More
- The Asheville Market Sees Over 10 Million Visitors Annually and Generates Over 2.5 Billion in Gross Revenue in Business Sales Each Year
- Less Than 3-Miles From Biltmore Estate and Biltmore Village - Tourist Destination That Garners Over 1 Million Visitors Annually
- 5-Miles From UNC Asheville Campus - Student Enrollment of Over 3,600 People

HIGHLIGHTS

HIGH TRAFFIC LOCATION WITH STRONG VISIBILITY:

- Ideally Positioned Along Tunnel Road With Visibility From I-240, Tunnel Road and S Tunnel Road
- Tunnel Road Corridor is the Number 1 Retail Corridor in Western North Carolina
- Three Signalized Intersections Surrounding Shopping Center Giving Multiple Points of Entry For Easy Ingress and Egress
- Close Proximity to I-40 & I-240 Interchange
- Prominent Signage Along Tunnel Road
- Location Benefits From Additional Traffic From Proximity and Cross Access Easement to Additional National Retailers

DEMOGRAPHICS:

- Located in the Principal City of Asheville MSA With a Population of 462,067 Residents
- Population of 210,500 People Within a 10-Mile Radius and Over 92,900 People Within a 5-Mile Radius
- Growing Trade Area - Population Within 3-Miles is Anticipated to Grow by 5.21% Over the Next 5 Years
- Over 22,982 Vehicles Travel Along Tunnel Road Daily
- Interchange of I-240 and Tunnel Road Sees Traffic Counts Exceed 82,332 Vehicles Daily
- Affluent Demographics With Large Customer Base
- Consumer Spending on Food and Restaurant Dining Exceeds \$576,000 Annually Within a 10-Mile Radius of Panera
- Forbes Listed Asheville Among the "15 Coolest Places to Go" in 2018



LEASE SUMMARY

TENANT	Panera Bread
PREMISES	A Building of Approximately 4,270 SF
LEASE COMMENCEMENT	April 9, 2018
LEASE EXPIRATION	April 8, 2033
LEASE TERM	15 Years
RENEWAL OPTIONS	3 x 5 Years
RENT INCREASES	10% Every 5 Years
LEASE TYPE	Triple Net Lease (NNN)
PERMITTED USE	Retail Bakery – Café
PROPERTY TAXES	Tenant’s Responsibility
INSURANCE	Tenant’s Responsibility
COMMON AREA	Landlord’s Responsibility
ROOF & STRUCTURE	Landlord’s Responsibility
FOUNDATION	Landlord’s Responsibility
PARKING LOT	Landlord’s Responsibility
REPAIRS & MAINTENANCE	Tenant’s Responsibility
HVAC	Tenant’s Responsibility
UTILITIES	Tenant’s Responsibility
GUARANTOR	Franchisee
RIGHT OF FIRST REFUSAL	None

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
-------------------	---------------------	----------------

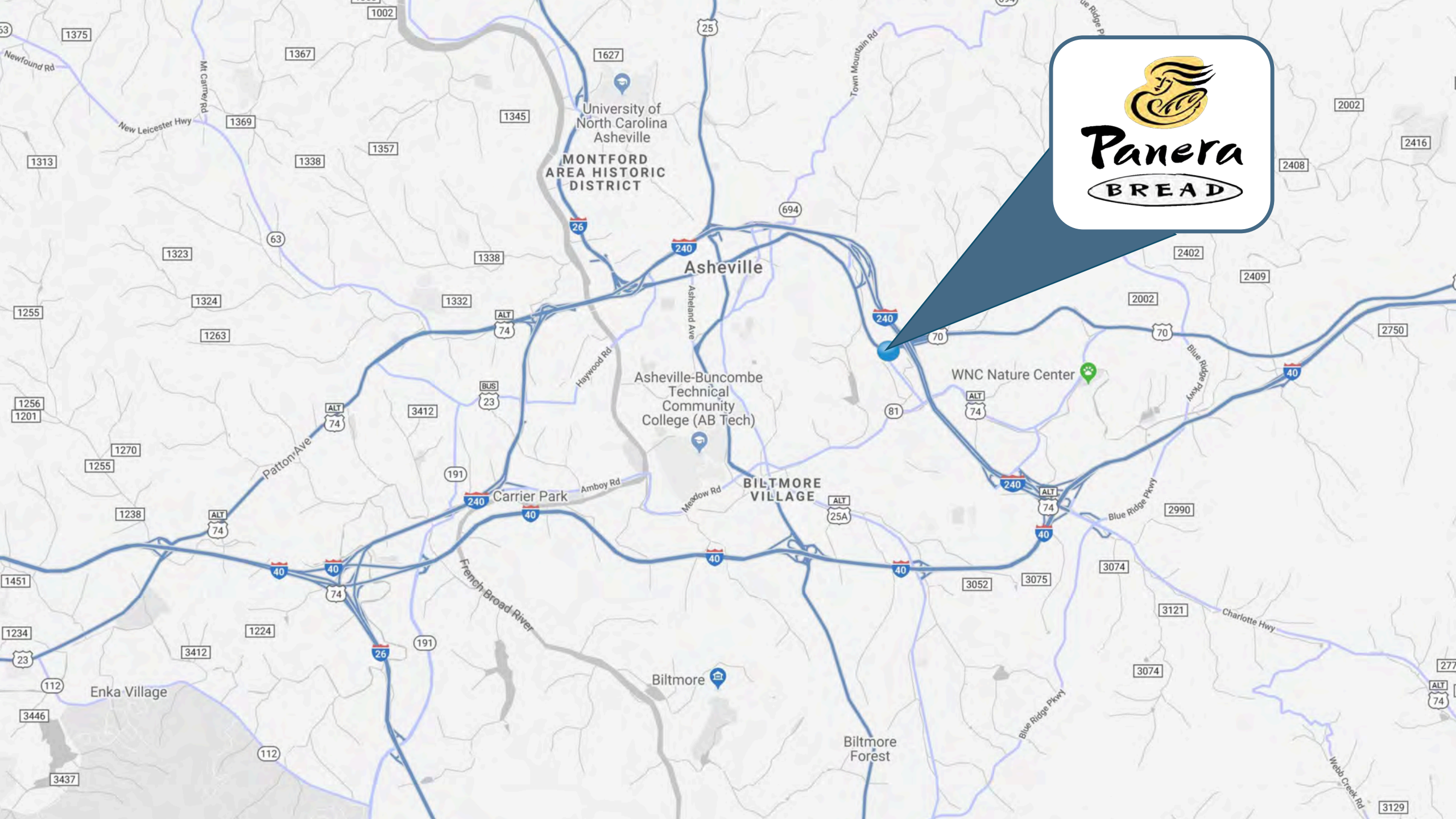
4,270 SF

\$164,395

\$38.50



ACTUAL PROPERTY IMAGES - AS OF SEPTEMBER 1, 2019



WHOLE
FOODS
MARKET

VERSONA

DOLLAR TREE

Asheville
Market

DSW
CityMac

ELEMENTALITY

FIFTH
SEASON

Guitar
Center

HobbyTown

Dillard's

H&M

Foot Locker

Bath
& Body
Works

AMERICAN EAGLE
OUTFITTERS

PANDA EXPRESS
CHINESE KITCHEN

BARNES & NOBLE

GNC

ZALES
THE DIAMOND STORE

JCPenney

Chick-fil&

ULTA
BEAUTY

VICTORIA'S
SECRET

belk

OLD NAVY

GameStop

974,399 SF Mall - Includes Over 99
of the Finest Stores & Restaurants

ASHEVILLE
MALL

BED BATH & BEST
BEYOND BUY
G.B. SHOE WAREHOUSE
Edward Jones
MATTRESS FIRM
metroPCS
H&R
BLOCK

JARED
The Galleria Of Jewelry

AT&T

BLAZE PIZZA

RISE

Chick-fil&

sleep number

MEN'S WEARHOUSE

Visionworks

TUNNEL VISION

Neo BURRITO

Kids garden

FAMOUS
TOASTERY

DAVID'S
BRIDAL

Celebrations

S Tunnel Rd

Tunnel Rd

70

Panera
BREAD

Walmart DISCOUNT TIRE KOHL'S GameStop PET SMART ALDI T-Mobile COLD STONE Cheddar's

Target DICK'S LOWE'S BED BATH & BEYOND BEST BUY Kitchen & Company G.B. SHOE WAREHOUSE metro PCS. H&R BLOCK amc OfficeMax Edward Jones HAVERLYS L.A. BOY

Dillard's Bath Body Works ASHEVILLE MALL JCPenney ULTA 974,399 SF Mall - Includes Over 99 of the Finest Stores & Restaurants BARNES & NOBLE GNC ZALES OLD NAVY GameStop belk

TJ-maxx HomeGoods ROSS DRESS FOR LESS JOANN America's MATTRESS U.S. Cellular SHOE CARNIVAL goodwill



WHOLE FOODS MARKET Asheville Market Guitar Center HobbyTown Versona DOLLAR TREE DSW CityMac FIFTH SEASON

Panera BREAD



JARED The Galleria Of Jewelry

TUNNEL VISION

Neo BURRITO

kids garden

AT&T

Chick-fil&

RISE

BLAZE PIZZA

sleep

number

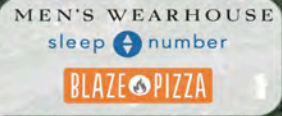
MEN'S WEARHOUSE

Visionworks

S Tunnel Rd

Tunnel Rd





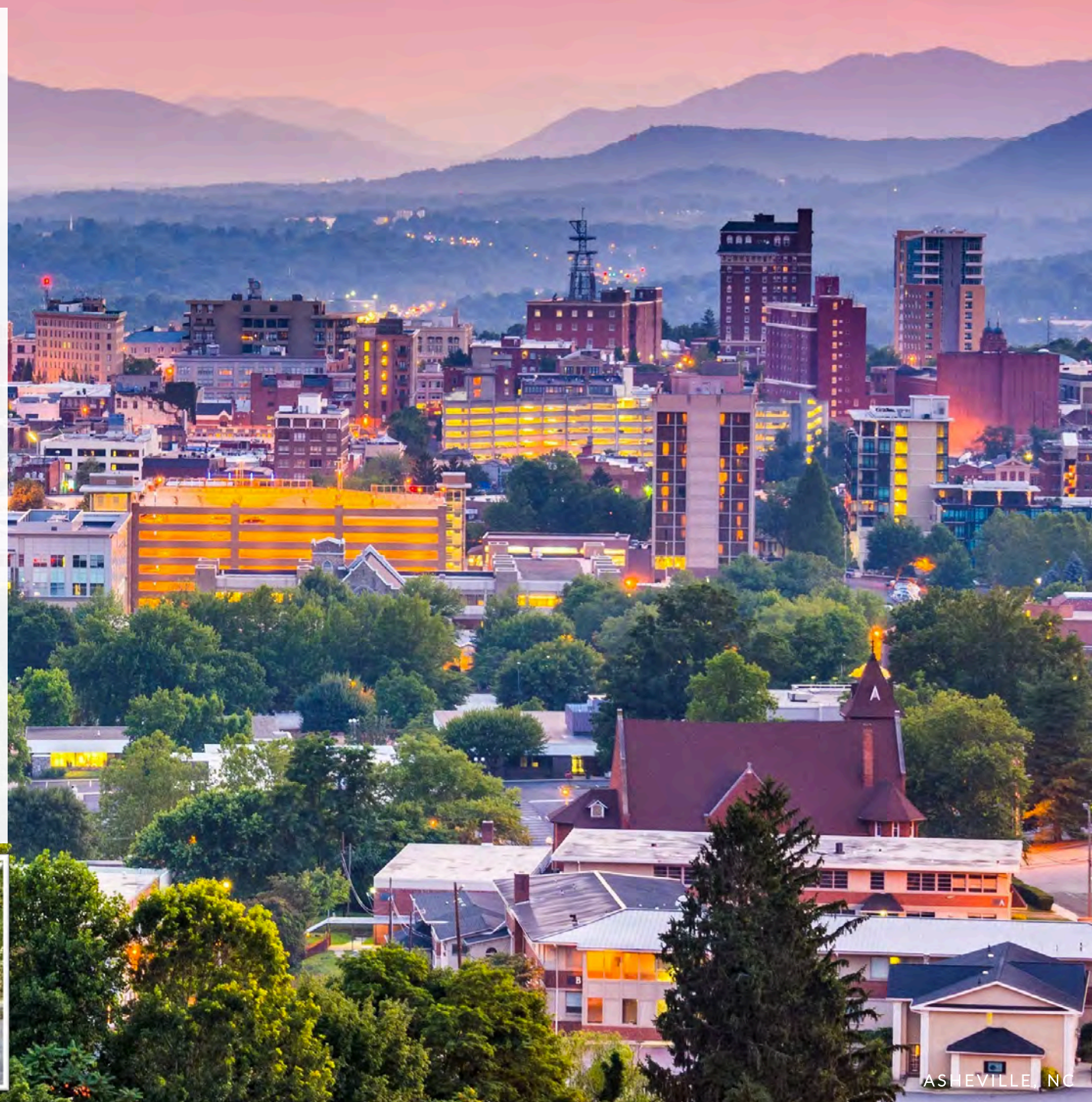
Tunnel Rd



Asheville is the county seat of Buncombe County in the state of North Carolina. It is the largest city in Western North Carolina, and the 12th-most populous city in the entire state. The city's population was 92,452 residents according to the 2018 estimate census. It is the principal city in the five-county Asheville metropolitan area, with a population of about 445,625 people in 2018. Asheville is located in the western North Carolina's Blue Ridge Mountains. It's known for a vibrant arts scene and historic architecture, including the dome-topped Basilica of Saint Lawrence. The Downtown Art District is filled with galleries and museums, and is nearby the River Arts District, which is an area of former factory buildings that house artists' studios. Asheville is famous for being the home of the Biltmore estate.

According to the city's recent Comprehensive Annual Financial Report, the largest employers in the city are: Mission Health System with over 3,000 employees, Buncombe County Schools System with over 3,000 employees, Ingles Markets, Inc. with over 3,000 employees, The Biltmore Company with over 2,000 employees, State of North Carolina with over 1,000 employees, Buncombe County with over 1,000 employees, Asheville VA Medical Center with over 1,000 employees and the City of Asheville with over 1,000 employees. The Asheville region is a diverse \$20 billion economy. Key economic drivers include steady population growth, manufacturing, healthcare, and hospitality.

Asheville is home to Biltmore which is George W. Vanderbilt's iconic French Renaissance historic mansion featuring 250 rooms, lavish gardens & tours. The city is also home to the North Carolina Arboretum and the Pisgah National Forest. The city's many music venues host regional and touring acts, and its theaters present musicals, plays and dance productions. It's also renowned for an abundance of microbreweries and having a farm-to-table food scene. The Thomas Wolfe Memorial is devoted to the namesake novelist and is set in his Victorian-style childhood home. Considered an eastern gateway to the Great Smoky Mountains National Park, Asheville offers access to hiking on the Appalachian Trail and scenic drives on the nearby Blue Ridge Parkway. Along the Parkway, the Folk Art Center features traditional and contemporary works by regional artist.



ASHEVILLE ACCOLADES

Top Cities to Do
Business
Forbes

#1 U.S. Travel
Destination
Lonely Planet

#1 Small City
for the Arts
American Style

Best Small City
in the U.S.
Citizen Times

Top 10
Retirement Cities
in the U.S.
Relocate America

10 Best Places
for Second
Homes
Barron's

America's Best
Affordable Places
to Retire
U.S. News &
World Report

Least Stressed
City
Citizen Times

ASHEVILLE GROWTH & ECONOMY

● McKibbin Places

Announced July 2019, The Kimpton Hotel Arras is it's first Kimpton flag and first independent boutique hotel. The mixed use project includes 128 hotel rooms, 54 condos, two restaurants, retail space and parking deck.

● Asheville South Slope

Developer Tribute Companies calls for construction of 550 Apartments with commercial storefronts, office space and 1,000-space parking deck on 4.5 acres.

● Broadway Street Development

A new development under way for Broadway street in downtown Asheville. Includes a hotel, condos and retail space along with office and art space.

● The Radview

The Radview would include 26 residential units, 13 of those studio apartments, over one level of office space and ground level retail/artist studio space.

● I-26 Widening Buncombe County

\$263-million, five year construction project that will widen interstate 26 from Hendersonville to I-40. Bringing thousands of cars along the interstate.

● NC Transportation Plan

10-Year transportation plan which includes over 1,700 projects stretching from 2020-2029. The overall statewide list includes 1,319 highway projects, 86 aviation, 234 bike and pedestrian, six ferry, 23 public transit and 50 rail projects selected on statewide, regional and division levels. 200 Projects are with an estimated \$2.5 billion that are scheduled to be awarded in fiscal year 2019-2020.

MAJOR EMPLOYERS # OF EMPLOYEES

Health Care & Social Assistance	14,211
---------------------------------	--------

Arts, Sports, Entertainment, and Recreation	3,000
---	-------

Manufacturing	2,000
---------------	-------

Retail	1,122
--------	-------

Construction	1,100
--------------	-------



	3 MILES	5 MILES	10 MILES
POPULATION	46,385	92,923	210,548
AVERAGE HH INCOME	\$65,420	\$68,708	\$70,719

TENANT PROFILE

Panera Bread Company is an American chain store of bakery-café fast casual restaurants with over 2,000 locations. Panera Bread Company was founded in 1981 and is based in Missouri. Together with its subsidiaries, Panera Bread owns, operates, and franchises retail bakery-cafes. The company operates through three segments: Company Bakery-Cafe Operations, Franchise Operations, and Fresh Dough and Other Product Operations. It operates bakery-cafes under the Panera Bread, Saint Louis Bread Co., and Paradise Bakery & Café names that offer daily baked goods, including freshly baked bagels, breads, muffins, scones, rolls, and sweet goods; made-to-order sandwiches on freshly baked breads; soups; freshly prepared and hand-tossed salads; pasta dishes; and custom roasted coffees and cafe beverages, such as hot or cold espresso and cappuccino drinks and smoothies through on premise sales, as well as providing catering services. The company also supplies fresh dough, produce, tuna, cream cheese, and proprietary sweet goods items. As of 2019 it has about 2,147 franchise-operated bakery-cafes in the United States, the District of Columbia, and Ontario.

On July 18, 2017, Panera Bread Company (Panera) and JAB Holding Company (JAB) announced the successful completion of the acquisition of Panera by a JAB-led investor group for \$315.00 per share in cash. The transaction was approved by Panera's stockholders at a special meeting of stockholders held on July 11, 2017. As a result of the completion of the acquisition, Panera's common stock ceased trading on The NASDAQ Global Select Market before the opening of the market on July 18, 2017.



COMPANY TYPE
Subsidiary



FOUNDED
1987



OF LOCATIONS
2,147+



HEADQUARTERS
Sunset Hills, MO



WEBSITE
panerabread.com

PARENT COMPANY

JAB is a global private investment firm and has offices in Europe and the US (Luxembourg, London, Mannheim, Washington DC) with two investment vehicles JAB Holding and JAB Consumer Fund. Both of those are run by three senior partners, CEO Olivier Goudet, chairman Bart Becht and senior partner Peter Harf, and none of the Reimanns have direct involvement in the firm's running. JAB has a solid investment grade credit rating (Baa1 at Moody's with stable outlook and BBB+ at S&P with stable outlook).

Together, JAB Holding Company and JAB Consumer Fund have controlling stakes in Keurig Green Mountain, a leader in single-serve coffee and beverage technologies, Jacobs Douwe Egberts (JDE), the largest pure-play FMCG coffee company in the world, Peet's Coffee & Tea, a premier specialty coffee and tea company, Caribou Coffee Company, a specialty retailer of high-quality premium coffee products, Einstein Noah Restaurant Group, Inc., a leading company in the quick-casual segment of the restaurant industry, Krispy Kreme Doughnuts, a global specialty retailer and wholesaler of premium-quality sweet treats, and in Espresso House, the largest branded coffee shop chain in Scandinavia. JAB Holding Company is also the largest shareholder in Coty Inc., a global leader in beauty, and owns a controlling stake in luxury goods companies including Jimmy Choo, Bally and Belstaff as well as a minority stake in Reckitt Benckiser PLC, a global leader in health, hygiene and home products. For more information, please visit the company's website at: www.jabholco.com.



COVELLI ENTERPRISES

GUARANTOR

After climbing the “Golden Arches,” Covelli Enterprises adheres to a core philosophy: Treat employees and customers with respect and dignity; and give back. The décor is different and so are the menus. But the underlying philosophy and the operating practices of all restaurants that are part of Covelli Enterprises are the same today as they were in 1959 when the late Albert Covelli opened the first McDonald’s Restaurant in Warren, Ohio. In addition to Panera Bread restaurants, Covelli Enterprises also owns O’Charley’s Restaurants and Dairy Queen stores. While the food offerings at these three restaurants are all different, the basic operating premise at all three is the same: treat customers and employees with total dignity and respect.

In 1997, Al and Sam sold their interest in McDonald’s and began franchising Panera Bread restaurants. Since that time, the company has become the largest franchisee of Panera Breads with over 315 locations in 8 states and Canada. Additionally, Covelli Enterprises hovers as the largest restaurant franchisees in the country, ranking in 2014 as #4. Is the Single Largest franchisee of Panera Breads, LLC. This year, Covelli hopes to reach \$500 million in annual revenue - an increase of roughly 3.7 percent.



COMPANY TYPE
Private



FOUNDED
1959



OF LOCATIONS
315+ Panera Breads



HEADQUARTERS
Warren, OH



WEBSITE
covelli.com

CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



ACTUAL PROPERTY IMAGE

EXCLUSIVELY MARKETING BY:

CLIFTON MCCRORY

Lic. # 99847

540.255.5496 | DIRECT
clifton@SIGnnn.com

WALTER PARKER

Lic. # 106557

864.593.0021 | DIRECT
walter@SIGnnn.com

CHRIS SANDS

Lic. # 300021

310.870.3282 | DIRECT
chris@SIGnnn.com



SANDS INVESTMENT GROUP

NET INVESTMENTS... NET RESULTS

In Cooperation With Sands Investment Group
North Carolina, LLC - Lic. # 29362



Panera Bread

35 Peaks Center Lane
Asheville, NC 28805