

PROPERTY CURRENTLY UNDER CONSTRUCTION.
ESTIMATED DATE OF COMPLETION: NOVEMBER 18, 2019



Black Bear Diner

BLACK BEAR DINER

I-70 & LITTLE BLUE PKWY.

INDEPENDENCE, MO 64057

CBRE | **OFFERING
MEMORANDUM**

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CBRE

INVESTMENT HIGHLIGHTS

- Black Bear Diner is a fast-growing, community oriented, family dining concept that was **founded in 1995 and has since grown to over 132 locations in 13 U.S. states.**
- This location is currently under construction – **the estimated date of completion is November 18, 2019.**
- The lease structure is **triple net (NNN), with zero landlord responsibilities.** Tenant is responsible for maintaining, repairing, and replacing all aspects of the property, as well as all required insurances, taxes, and utilities.
- The lease will be **brand new with a ten (10) year term once the lease commences.** There will be three (3), five (5) year options.
- The lease provides for **10% rental increases every five (5) years.**
- There are **125,917 residents located in the five (5) mile demographic ring.**
- The average household income in the three (3) mile demographic ring **is an affluent \$88,024.**
- The subject property is located **right off the I-70 Freeway, which report traffic counts of 98,488 cars per day.**
- The subject property is located in Independence's main retail corridor minutes away from the Independence Center Shopping Mall. Nearby retailers include **Menards, Party City, Bed Bath & Beyond, Buy Buy Baby, Outback Steakhouse, Hooters, Costco and Lowe's, among others.**
- This location is only **one of two Black Bear Diners in Missouri.**
- Independence is located on the eastern edge of Kansas City, MO **and is the 5th largest city in Missouri.**
- The City of Independence is the **County Seat of Jackson County** and home to Lake City Army Ammunition Plant, the largest small-caliber ammunition manufacturing plant in the world.

INVESTMENT SUMMARY

Offering Price	\$3,210,000
Cap Rate.....	6.00%
Price/SF	\$571.80
Lease Structure	NNN
Current Annual Rent.....	\$192,850
Building GLA	5,614 SF
Lot Size.....	1.21 acres
Ownership	Fee Simple



TENANT OVERVIEW

About Black Bear Diner

Black Bear Diner, founded in 1995, is a fast-growing, community-oriented, family dining concept that offers a one-of-a-kind experience in a fun, bear-themed atmosphere. Black Bear Diner was born from a desire to bring home-style comfort food classics and personal service back to the dining experience. The brand is strategically growing its national footprint, and as of today operates 132 stores in 13 U.S. States.

Sweeping, colorful, bear-mottled murals give their diners a little more magic. From skiing bears to grape-stomping bears, each carved critter is a reflection of its unique location. They are proud to say that each restaurant features custom artwork from the inside out. The tradition began when co-founder Bob Manley, a sculptor and art enthusiast, wanted a way to show off the sweeping Mt. Shasta landscapes they call home — while making diners feel a little more at home, too. He commissioned the dynamic duo of Steve and Gary Fitzgerald to install one of their masterpieces on the outside of the Mt. Shasta location, and the rest is history.

In 2018, Nation's Restaurant News named Black Bear Diner #9 in the "Top 10 Fastest Growing Chains" category, boasting 22.3% sales growth. They are targeting to add 21-22 of their experiential restaurants annually through franchising and the opening of additional corporate stores.

Black Bear Diner has quickly become one of the top performing "anti-chains" nationwide, known for serving its customers over the top portions of breakfast (served all day), burgers, sandwiches, salads and shakes. Nearly 20 years later, they are still serving up the same genuine experience. Because at Black Bear Diner, they believe that timeless values like quality and personal service are still very much alive.



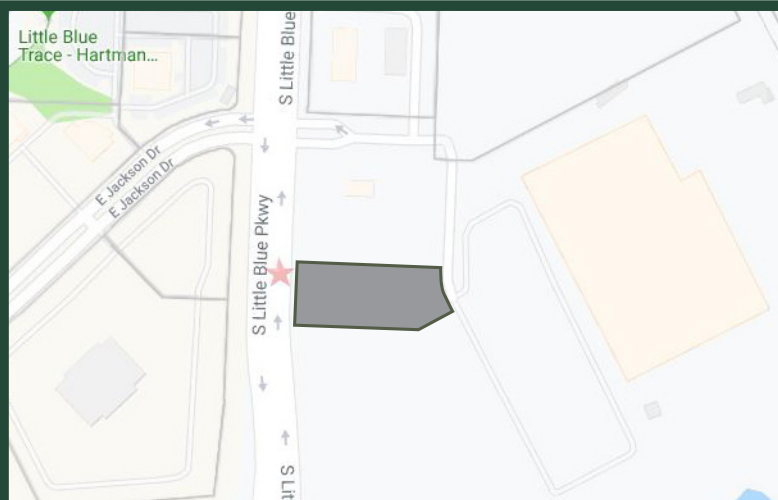
BLACK BEAR DINER CORPORATE OVERVIEW

Type:	Private
Industry:	Restaurant
Locations:	132
Corporate Headquarters:	Redding, CA





PROPERTY OVERVIEW



PROPERTY SUMMARY

Price: \$3,210,000

Cap Rate: 6.00%

Address: I-70 and Little Blue Pkwy.
Independence, MO

Ownership: Fee Simple

Building GLA: 5,614 SF

Lot Size: 1.21 acres

Parking: 69 spaces

Year Built: 2019

Parcel Number: TBD

LEASE SUMMARY

Tenant: Bear Tracks Holdings, LLC (Corporate)

Date of Lease: January 31, 2019

Rent Commencement: TBD - *earlier of (i) the date tenant opens for business and (ii) 150 days following the delivery date

Lease Expiration: 10 years following commencement

Lease Term: 10.0 years

Term Remaining: 10.0 years

Renewal Options: 3 - 5 year options

Current Annual Rent: \$192,850

Rental Increases: 10% every 5 years

Percentage Rent: None

Sales Reporting: Upon request by Landlord, and not more than once per year unless in connection with a sale/refi, Tenant shall provide statements of Gross Receipts for the premises (unit level) and Tenant's financial statements (entity level)

LEASE SUMMARY CONTINUED

Lease Structure:	NNN - Zero Landlord Responsibility
Roof & Structure:	Tenant
HVAC:	Tenant
Common Area:	Tenant
Parking:	Tenant
Property Taxes:	Tenant - Tenant pays direct*
Utilities:	Tenant - Tenant pays direct
Insurance:	Tenant - Tenant pays direct
Permitted Use:	Solely for a full service casual dining restaurant initially operating as a Black Bear Diner.
Assignment & Subletting:	Permitted Transfers: Tenant may assign without consent to (i) an entity resulting from a merger, consolization, or reorganization, provided the entity has a minimum net worth not less than Tenant's; or (ii) an entity related to Tenant or Tenant's parent, or a bona fide Bleack Bear Diner franchisee, provided the entity/franchisee has a net worth not less than \$1M. No permitted transfer shall relieve Tenant from its obligations.
ROFR:	Tenant does not have a ROFR.

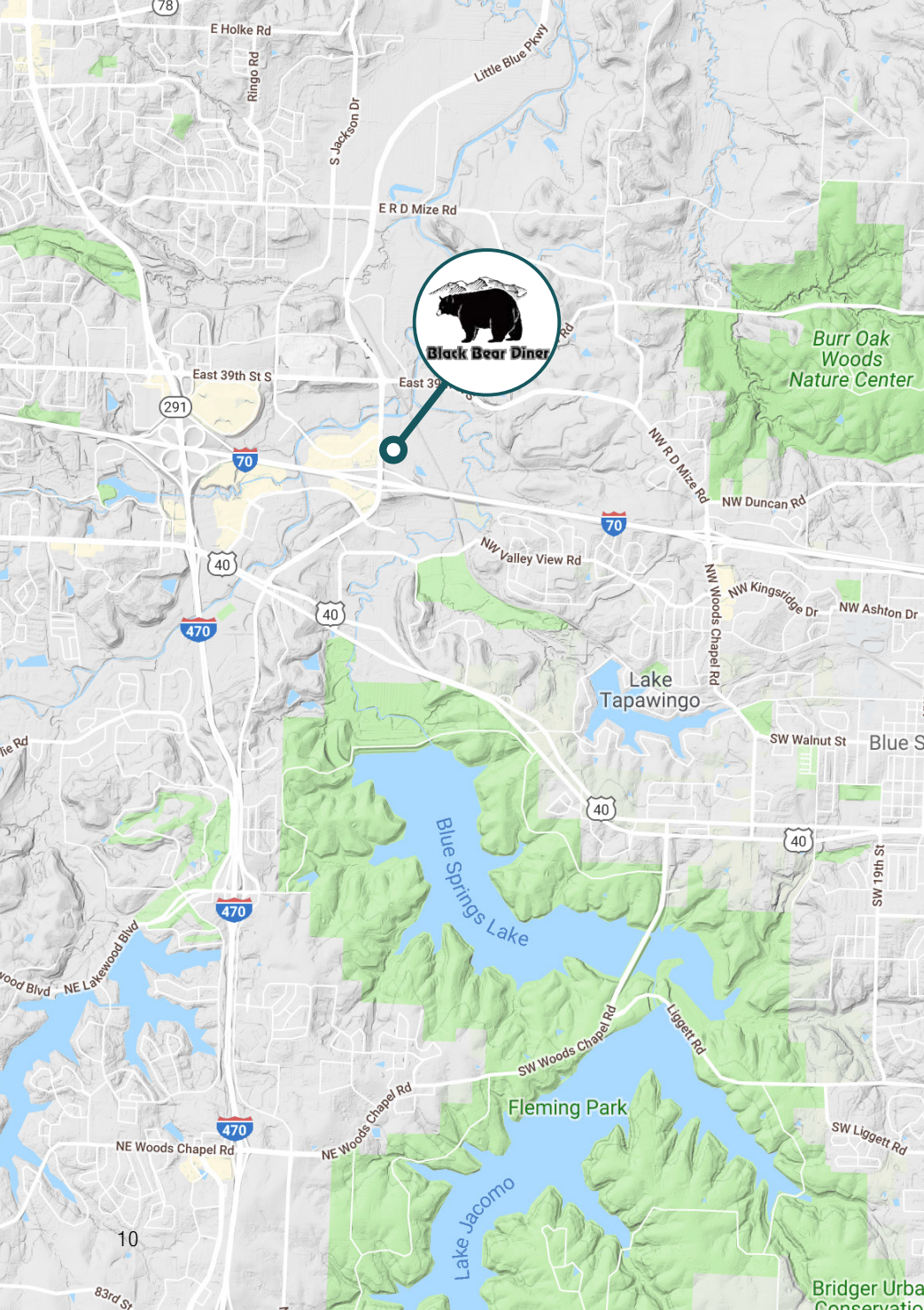
*Landlord to pay Tenant \$5,000 on each occurrence in which the Premises is sold in order to offset any increase in taxes that Tenant may incur as a result of said sale.

RENT SCHEDULE

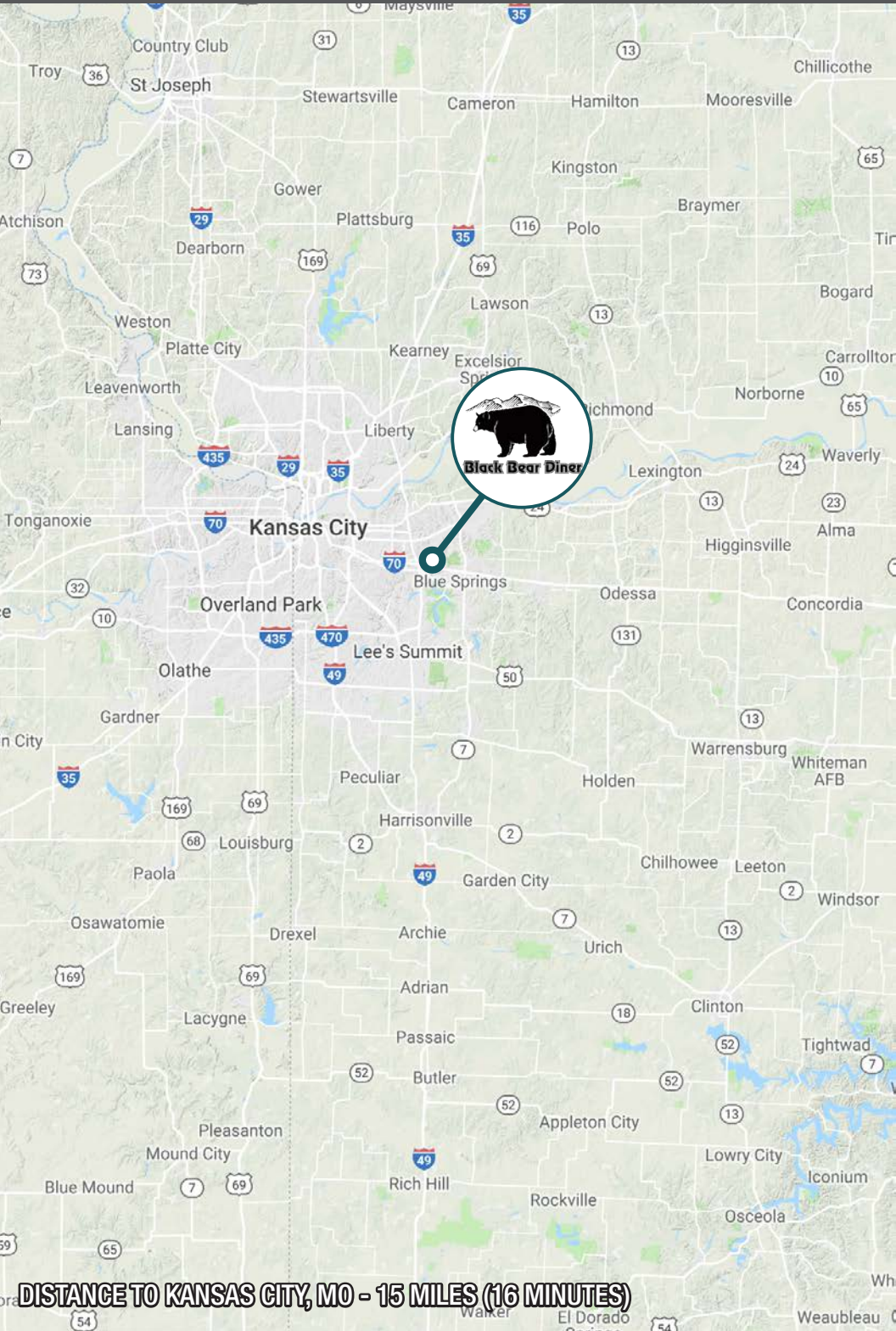
Lease Term	Lease Years	Monthly Rent	Annual Rent	Rent/SF	Increase (%)
Primary:	1 - 5:	\$16,070.83	\$192,850.00	\$35.06	
	6 - 10:	\$17,677.92	\$212,135.00	\$38.57	10.00%
Option 1:	11 - 15:	\$19,445.71	\$233,348.50	\$42.43	10.00%
Option 2:	16 - 20:	\$21,390.28	\$256,683.35	\$46.67	10.00%
Option 3:	21 - 25:	\$23,529.31	\$282,351.69	\$51.34	10.00%



AREA OVERVIEW



BLACK BEAR DINER - I-70 & LITTLE BLUE PKWY. | INDEPENDENCE, MO 64057



DISTANCE TO KANSAS CITY, MO - 15 MILES (16 MINUTES)



ESTIMATED POPULATION	
3 Mile	44,431
5 Mile	125,917
10 Mile	362,416


KANSAS CITY, MO


ARROWHEAD & KAUFFMAN STADIUM


NOLAND FASHION SQUARE

JO-ANN
fabric and craft stores
TARGET

Walmart
PET SMART

Sam's CLUB


Bass Pro Shops


SILVERSTEIN EYE CENTERS ARENA

COSTCO WHOLESALE

LOWE'S

INDEPENDENCE CENTER SHOPPING MALL


INDEPENDENCE COMMONS SHOPPING CENTER


CENTERPOINT MEDICAL CENTER

INTERSTATE 70
98,488 CPD

Party City
BED BATH & BEYOND
WORLD MARKET PAVILIONS

CARRABBA'S ITALIAN GRILL
OUTBACK


Holiday Inn


Arby's


Culver's


Black Bear Diner


QuikTrip

S LITTLE BLUE PKWY - 11,217 CPD

MENARDS


LION'S CHOICE
Famous Roast Beef Sandwiches

DRURY HOTELS



JO-ANN
fabric and craft stores

TARGET

Dollar Tree

Longhorn Steakhouse

theVitamin Shoppe

AutoZone

Phillips 66

JCP

INDEPENDENCE CENTER MALL

Dillard's

Aéropostale

DICK'S

Forever 21

MACYS

MAC

Finish Line

Hot Topic

zumez

Shoe Dept.

Petland

BR

Robbins

AMERICAN EAGLE

Kohl's

Marshall's

GameStop

ROSS

AMC

ENTERTAINMENT

five below

BEST BUY

SALLY

BEAUTY SUPPLY

MATTRESS FIRM

BARNES & NOBLE

BOOKSELLERS

Party City

COLD STONE

BEYOND

buy buy BABY

WORLD MARKET

PAVILIONS

FOZ & ALI

terra.

DAVID'S BRIDAL

Hilton Garden Inn

HEALTH & WELLNESS MARKET

Walmart

Sam's Club

McDonald's

TACO BELL

PERKINS

BIG O TIRES

HOBBY LOBBY

DULUTH TRADING CO.

Bas Pro Shops

Cheddar's

Pizza Ranch

SLIM CHICKENS

QuikTrip

NATURAL GROCERS

PAPA JOHN'S

SILVERSTEIN EYE CENTERS ARENA

CENTERPOINT MEDICAL CENTER

QuikTrip

Lion's Choice

Famous Roast Beef Sandwiches

MENARDS

Black Bear Diner

CARRABBA'S

Holiday Inn

OUTBACK HOOTERS

Arby's

COMFORT SUITES

Culver's

COSTCO WHOLESALE

golden corral

Carmax

Davita

Candlewood Suites

LOWE'S

Panera Bread

RED ROBIN

McDonald's

jiffy lube

POPEYES

LOUISIANA KITCHEN

INTERSTATE 470
67,355 CPD

INTERSTATE 70
98,488 CPD

S LITTLE BLUE PKWY - 11,217 CPD



AREA OVERVIEW

INDEPENDENCE, MISSOURI

HISTORY

- Incorporated in 1849, the City of Independence is the county seat of Jackson County and borders on the eastern edge of Kansas City, Missouri. Independence has a rich history as The Queen City of the Trails and former home of Harry S Truman, 33rd President of the United States. Independence is the fifth largest city in Missouri with an estimated population of 117,306.
- Its central location in the “Heart of America” offers residents and businesses unique location advantages and means that traveling, shipping, receiving and communications are more economical because of shorter distances to most parts of the country. Situated along major interstate highways (I-70, I-49, I-35, I-29) and rail routes, access to Independence from all parts of the nation, as well as Canada and Mexico is excellent. The City’s 78 square miles accommodate its residents and numerous businesses with 32 square miles of mixed-use land in eastern Independence available for development.



ECONOMY

- The City of Independence is continuing to experience growth on the eastern side of town. The development of the Little Blue Parkway, a new thoroughfare connecting the eastern portion of the City from I-70 to 24 Highway will open 38 miles of land for development. It is estimated that by the year 2020, the Little Blue Valley will be home to an additional 20,000 people and 5,000 new office, industrial and retail jobs. Independence has a history of a pro-business attitude. Its low-cost environment is a natural incentive to companies looking to expand or relocate.
- There are six major industrial and business parks in Independence. A large portion of the manufacturing, warehousing and office space is located underground in three separate, sub-surface business parks. This area has over 750 acres of mixed-use business parks with over 32 million square feet of industrial space, underground warehousing, and a cold storage facility with 1.2 million square feet.

RETAIL ACTIVITY

- Independence, MO supports a thriving retail economy and is currently home to 9.82 million square feet of retail space and 65 major retail centers. The largest centers in the city include the 946,000-square foot Independence Center, the 450,000-square foot Blue Ridge Crossing, and the 417,000-square foot Crossroads of Independence.

AREA OVERVIEW

EDUCATION

- Metropolitan Community College Blue River Campus is the oldest and largest public institution of higher learning in Kansas City, MO. The 550-acre college is located 3 miles (9 minutes) from the subject property and enrolls nearly 23,000 students annually.
- Park University is a 700-acre, wooded flagship campus located just 0.5 miles (4 minutes) from the subject property. The four-year University enrolls more than 16,500 students worldwide.

AIRPORTS

- Lee's Summit Municipal Airport is located just 10 miles (16 minutes) from the subject property, and offers direct and easy access to Kansas City, Blue Springs, Independence, Liberty, North Kansas City, Raytown, Grandview, Belton, Pleasant Hill, Harrisonville, and Lone Jack in Missouri, as well as Overland Park, Leawood, Shawnee Mission, Olathe, and Kansas City in Kansas.
- Kansas City International Airport is the 40th busiest airport in the country and located just 35 miles (42 minutes) from the subject property. The airport flies 12 million passengers annually.



PARK UNIVERSITY



SURROUNDING ACTIVITY

- The City of Independence is home to Lake City Army Ammunition Plant, the largest small-caliber ammunition manufacturing plant in the world. Lake City is one of the largest employers in Independence and encompasses 458 buildings on 3,935 acres. Independence is home to the Harry S. Truman Presidential Museum & Library, one of only fourteen in the nation.
- As the beginning of the Santa Fe, Oregon, and California Trails, Independence has 16 heritage attractions including the Harry S. Truman Library and Museum, the Truman Home, Victorian mansions, 1859 Jail and Marshal's Home, the National Frontier Trails Museum, historic square, and religious sites. Patricia Schultz included several tourism attractions in Independence in her travel book, 1,000 Places to See in the United States and Canada Before You Die.
- This area is home to the Silverstein Eye Centers Arena, formerly known as the Independence Events Center which includes an arena with 5,800 seats for sports with additional seating for concerts and a community ice rink. The Silverstein Eye Centers Arena is home to the Central Hockey League franchise the Kansas City Mavericks and Major Indoor Soccer League the Comets. The Kansas City Mavericks have a signed contract that expires in 2024 and the Comets contract expires April 2019. The Arena opened in November 2009, providing approximately 120 new jobs.

DEMOGRAPHICS

POPULATION	3 Mile	5 Mile	10 Mile
Estimated Population (2019)	44,431	125,917	362,416
Census Population (2010)	42,063	119,872	345,581
Projected Population (2024)	45,620	128,946	370,799
HISTORICAL ANNUAL GROWTH			
2000-2010	1.68%	1.04%	0.66%
2010-2019	0.59%	0.53%	0.52%
PROJECTED ANNUAL GROWTH			
2019-2024	0.53%	0.48%	0.46%
HOUSEHOLDS	3 Mile	5 Mile	10 Mile
Estimated Households (2019)	18,015	50,608	143,060
Census Households (2010)	17,033	48,228	137,179
Projected Households (2024)	18,491	51,739	145,998
HISTORICAL ANNUAL GROWTH			
2000-2010	2.16%	1.27%	0.67%
2010-2019	0.61%	0.52%	0.45%
PROJECTED ANNUAL GROWTH			
2019-2024	0.52%	0.44%	0.41%

2019 POPULATION BY RACE	3 Mile	5 Mile	10 Mile
White	82.2%	81.6%	75.6%
Black or African American	6.5%	7.0%	11.6%
Hispanic	6.1%	6.2%	7.8%
Asian	2.1%	1.7%	1.4%
2019 AGE BY GENDER	3 Mile	5 Mile	10 Mile
MEDIAN AGE			
Male	39.30	38.70	37.50
Female	42.70	42.60	40.50
HOUSEHOLD INCOME	3 Mile	5 Mile	10 Mile
2019 Average	\$88,024	\$85,281	\$77,203
2019 Median	\$69,508	\$65,642	\$59,697
VALUE OF HOUSING UNITS	3 Mile	5 Mile	10 Mile
2019 Average	\$224,386	\$208,403	\$190,239
2019 Median	\$186,925	\$169,354	\$149,398

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This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs.

ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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