



@ The Levee District

Relocation Store | New Construction Drive-Thru Location | Long-Term NNN Corporate Lease



REPRESENTATIVE PHOTO

In Association with Parasell, Inc | A Licensed Illinois Broker #478027307

OFFERING MEMORANDUM  
EAST PEORIA, ILLINOIS



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



## OFFERING MEMORANDUM

### EAST PEORIA, ILLINOIS

#### TABLE OF CONTENTS:

Offering Summary	3
Investment Highlights	4
Site Plan / Parcel Map	6
Aerial Overview	9
Regional Map	13
Tenant Profile	14
Area Overview	16
Demographics	19

#### EXCLUSIVELY LISTED BY:

**Jeff Lefko**

Executive Vice President  
jlefk@higrea.com  
844.585.7682

**Bill Asher**

Executive Vice President  
basher@higrea.com  
844.585.7684



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



# OFFERING SUMMARY

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

### LOCATION

**Panera Bread @ The Levee District**  
**460 West Washington Street**  
**East Peoria, IL 61611**

### OFFERING SUMMARY

<b>Price:</b>	\$3,685,000
<b>Current Net Operating Income (NOI):</b>	\$175,000
<b>Capitalization Rate:</b>	4.75%
<b>Net Rentable Area:</b>	4,380
<b>Year Built:</b>	2020
<b>Lot Size (Acres):</b>	0.80

### LEASE TERMS

<b>Guarantor:</b>	Corporate
<b>Lease Commencement:</b>	3/1/2020
<b>Lease Expiration:</b>	3/31/2035
<b>Lease Type:</b>	NNN
<b>Roof:</b>	Tenant Responsibility
<b>Structure:</b>	Landlord Responsibility
<b>Monthly Rent:</b>	\$14,583
<b>Annual Rent:</b>	\$175,000
<b>Rental Increases:</b>	10% Every 5 Years
<b>Renewal Options:</b>	Three 5-Year @ 10% Each Option



## QUICK FACTS

**2,300+**  
**LOCATIONS**

**#1**  
**"SANDWICH SHOP**  
**BRAND OF THE YEAR"**  
(2018, 2019)

**\$6+ Billion**  
**IN SYSTEM-WIDE SALES**







- **Brand New Construction Corporate Panera Bread Relocation Store:**

- New 15-year lease with 10% increases every 5 years
- Three 5-year options to renew at 10% increases
- Brand new 2020 construction
- Corporate lease; Panera Bread has over 2,300 locations across 48 states and Ontario, Canada
- Panera Bread strategically relocated from a successful inline space to the subject property in order to have a freestanding footprint with better visibility and a drive-thru
- The next closest Panera Bread is 7 miles away, which creates a large trade area customer base
- #1 "Sandwich Shop Brand of the Year" – Harris Poll EquiTrend (2018, 2019)

- **Favorable Drive-Thru Format:** Average Panera Bread store sales are 35% greater in locations with a drive-thru

- **Part of The Levee District at East Peoria Downtown:** Mixed-use, 650,000 square foot development featuring retail, office, hotel, and civic components

- Anchored by Target, Costco, Gordmans, and Ross Dress for Less; only Costco location within a 2-hour drive
- Other national retailers within the development include Carter's, Chipotle, GNC, Jersey Mike's, Lane Bryant, McDonald's, Noodles & Company, Panda Express, Pizza Hut, Potbelly Sandwich Shop, Supercuts, Red Robin, Ulta Beauty, and Xfinity
- 137-room Holiday Inn & Suites, a 54,000 square foot office building, Fondulac District Library, and East Peoria City Hall
- CAT's corporate offices are adjacent to The Levee District

REPRESENTATIVE PHOTO



# INVESTMENT HIGHLIGHTS

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

- **Freeway Accessible:** The Levee District is located just off of Interstate 74, the primary east/west arterial in Central Illinois with over 68,000 cars per day
- **Dominant Retail Destination:** Retailers in the immediate area include Walmart Supercenter, Lowe's, Kohl's, Kroger, Ashley Home Store, ALDI, Chick-Fil-A, CVS/pharmacy, Dollar Tree, GameStop, Harbor Freight Tools, OfficeMax, PetSmart, Planet Fitness, Starbucks, and Walgreens
- **Strong Daytime Population:** The subject property is adjacent to Caterpillar's main tractor assembly plant, which has over 12,000 employees in Peoria
  - Approximately 58,000 employees within a 5-mile radius of the subject property
  - The Levee District draws a majority of the downtown worker lunch crowd due to the free, open parking
- **Nearby Regional Tourist Attractions:**
  - **Bass Pro Shop** – (½-mile from the property) 145,000 square feet; hub of retail activity; only location between Chicago and St. Louis, attracting over 3 million visitors per year
  - **Par-A-Dice Hotel Casino** – (2 miles from the property) One of the main attractions in the area; 1.35 million visitors per year
  - **Peoria Civic Center** – (1.5 miles from the property) Largest civic complex and exhibition space outside Chicago and St. Louis; 875,000 annual visitors
  - **Dozer Park** – (1.5 miles from the property) Home of the Peoria Chiefs; 225,000 annual visitors
- **Located Within Minutes of Downtown Peoria:** Peoria is the largest city along the Illinois River and has a regional draw market that is perfectly positioned between Chicago, St. Louis, Indianapolis, and Iowa City
- **Peoria is the Medical Hub of Illinois (See Page 15):** The healthcare industry is the largest employer in Peoria with 3 regional hospitals, a St. Jude's Research Hospital, a medical school, countless clinics, outpatient centers, and specialty providers that ultimately employ over 32,000 people
  - The subject property is located within minutes of Saint Francis Hospital (6,000 employees) and Methodist Medical Center (3,283 employees)









# SITE PLAN / PARCEL MAP

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

-  **SUBJECT PROPERTY**
-  **NOT A PART**
-  **PROPERTY PARCEL**
-  **THE LEVEE DISTRICT**

APN: 01-01-32-205-009







- Surrounding Tenants -  
- Not a Part -

## THE LEVEE DISTRICT

### Property Details

- o Mixed-use shopping center within minutes of Downtown Peoria; 650,000 SF of retail, restaurants, entertainment, and office space
- o Anchored by Costco, Target, Ross Dress for Less, and Ulta Beauty
- o Other national retailers include ALDI, Chipotle, Jersey Mike's, McDonald's, Noodles & Company, Pizza Hut, Potbelly Sandwich Shop, Red Robin, and Xfinity
- o 137-Room Holiday Inn & Suites
- o Home to the 54,000 square foot Clocktower Place office building, state-of-the-art Fondulac District Library and East Peoria City Hall

### Why East Peoria?

- o The growing communities on the east side of the Illinois River were dramatically underserved, with residents having to travel to Peoria or Bloomington-Normal to shop and dine
- o The location, across from downtown Peoria, lies in the heart of a metropolitan area with a population of 350,000
- o The Levee District is home to Costco and minutes from Bass Pro Shops – both retailers have made East Peoria their only locations between Chicago and St. Louis



**ONLY COSTCO LOCATION  
BETWEEN CHICAGO & ST. LOUIS**







LOCATED WITHIN MINUTES  
OF DOWNTOWN PEORIA



650,000 SF MIXED-  
USE DEVELOPMENT

- Surrounding Tenants -  
- Not a Part -





## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS





# AERIAL OVERVIEW

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

### DEMOGRAPHICS

	Population	AHHI
3-Mile Radius	52,835	\$51,722
5-Mile Radius	116,424	\$58,744
10-Mile Radius	262,205	\$75,710



SUBJECT  
PROPERTY



CLOCK TOWER DRIVE

WEST WASHINGTON STREET





# AERIAL OVERVIEW

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.



# AERIAL OVERVIEW

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



### RELOCATION STORE

- Panera Bread strategically relocated from an inline space to the subject property in order to have a freestanding footprint with better visibility and a drive-thru
- Average Panera Bread store sales are typically 35% greater in locations with a drive-thru



REPRESENTATIVE PHOTOS





# REGIONAL MAP

PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.



# TENANT PROFILE

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS



The Panera Bread Company is a leader in the quick-casual restaurant business with more than 2,300 bakery-cafes located throughout the U.S. and Ontario, Canada, employing more than 140,000 associates. Its locations offer made-to-order sandwiches using a variety of artisan breads, including Asiago cheese bread, focaccia, and its classic sourdough bread. The chain's menu also features soups, salads, and gourmet coffees as well as a long list of breads, bagels, pastries, and desserts to-go. The company offers an "At Home" line of soups, breads, dressings, and coffees that are sold through grocery stores.

Panera is committed to providing clean food from responsible sources by using cage-free eggs, chicken raised without antibiotics, and eliminating artificial colors, sweeteners, flavors, and preservatives from their menu. Panera was the first national food chain to list calorie counts on their menu as they seek to be transparent with their customer-base.

Panera Bread began in 1981 as Au Bon Pain Co., Inc. Founded by Louis Kane and Ron Shaich, the company prospered along the east coast of the United States and internationally throughout the 1980s and 1990s and became the dominant operator within the bakery-cafe category. In May 1999, all of Au Bon Pain Co., Inc.'s business units were sold, with the exception of Panera Bread. The company was renamed Panera Bread.

Panera operated as a public company from 1997 to 2017, during which it was the best performing restaurant stock, delivering an 86-fold return to shareholders. In 2017, JAB Holding completed a \$7.5 billion deal to make Panera a private business once more. Panera's CEO Ron Shaich, says he expects he can do even more with Panera as a private business, allowing the company to work toward long-term goals without the pressure of having to show results quarter to quarter.

System-wide sales are reported to be in the billions. Panera is headquartered in Sunset Hills, Missouri, a suburb of St. Louis.

<b>Company Type:</b>	Private
<b>Locations:</b>	2,300+
<b>Website:</b>	<a href="http://www.panerabread.com">www.panerabread.com</a>







**CNBC**



## Panera Bread Enters the Breakfast Wars with New Strategy

By Amelia Lucas | April 15, 2019

**P**anera Bread has long been associated with bagels and pastries, but the company is finally trying to make breakfast a bigger chunk of sales.

The breakfast wars have been heating up for five years as chains like McDonald's, Dunkin', and Taco Bell have pushed early morning offerings as a way to attract consumers who are juggling busy schedules and long commutes.

In 2014, Panera founder Ron Shaich said his chain was competing for a different customer than those restaurants. "We're focused in a different niche, which is a higher-quality experience and a less time-sensitive experience," he said.

Now, Panera is switching its breakfast strategy. Historically, more than three-quarters of its business happens after 11 a.m., the company said, but it wants to change that.



[CLICK FOR ARTICLE](#)



**CNBC**



## Panera Partners with UberEats, DoorDash, and GrubHub to Expand its In-house Delivery

By Jonathan Maze | August 27, 2019

**A**fter several years of handling delivery itself, Panera Bread is partnering with third-party delivery services.

Customers can now order Panera for lunch or dinner on DoorDash, GrubHub, and UberEats. Panera's own delivery drivers will still be responsible for delivering food to the customers.

Pizza Hut has a similar partnership with GrubHub. Its owner, Yum Brands, bought a stake in the third-party delivery service and named it as its official delivery partner. GrubHub now processes some incoming orders for Pizza Hut, but the pizza chain still delivers orders with its own employees.



[CLICK FOR ARTICLE](#)





## Peoria, Illinois

- Largest city on the Illinois River perfectly positioned between Chicago, St. Louis, Indianapolis, and Iowa City; boasts first-class healthcare and educational facilities, a diversified economy, and easy access to a range of cultural and recreational amenities
- Its geographic position acts as an insulator as it draws high income groups from surrounding cities to the area, for tourist and entertainment attractions in addition to business and healthcare
- #5 "Best City for Millennials to Buy Homes" - Smart Asset (2017)

## ECONOMY

- Top 200 "Best Places for Business and Careers" - Forbes (2019)
- Average household income is \$82,325 while the cost of living is 16% below the U.S. average
- The local economy is dominated by health care and social assistance, employing at least 20% of the area workforce at 700+ local healthcare establishments; OSF and UnityPoint Health are among the region's top employers
  - **OSF Saint Francis Medical Center** - 4th largest medical center in Illinois with a staff of 900+ physicians, 6,000+ employees, and 629 patient beds
  - **UnityPoint Health - Methodist | Proctor** - Senior affiliate of UnityPoint Health, the nation's 5th largest non-denominational health system; includes two hospitals with 550 beds, 600 physicians, a state-of-the-art outpatient and imaging center, 40+ clinics, and a nursing college; only level 1 trauma center and tertiary care center within a 60-mile radius
- Manufacturing also plays a large role in the economy, accounting for about 15% of employees
  - **Caterpillar Inc.** - A leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives; employs approximately 12,000 people in the greater Peoria area; #65 on the Fortune 500 list and #43 on Fortune's "Most Admired List" (2019)
  - **Komatsu America Corp.** - 2nd largest mining equipment manufacturer in the world with a substantial manufacturing facility in Peoria, employing about 700 people



**111,380 CITY POPULATION;  
375,050 MSA POPULATION**



**#5 "BEST CITY FOR  
MILLENNIALS TO BUY HOMES"**



**TOP 200 "BEST PLACES FOR  
BUSINESS & CAREERS"**

**\$82K**

**AVERAGE  
HOUSEHOLD INCOME**



### DEVELOPMENTS

- **The Levee District** - A vibrant mixed-use center and major shopping destination
  - Includes Target, Costco, Gordmans, Ulta Beauty, and Ross Dress for Less, a variety of dining options, and a 137-room Holiday Inn & Suites with a full service Johnny's Italian Steakhouse; 3,500 total Levee District employees
- Federal and state historic tax credits have become the driving force for redevelopment in the area as investors rehabilitate abandoned historic buildings into coveted residential and commercial spaces
  - **Central Business District/Downtown** - An area of businesses surrounded by hotels, bars, restaurants, and shops with cultural and entertainment venues and a fast-growing arts community; employee base of over 20,000 (the highest concentration of downtown jobs in Illinois outside Chicago)
    - ◆ The area has recently received \$400 million in new road infrastructure and major capital investments in on-going technological service enhancement
    - ◆ OSF Healthcare plans to expand its headquarters to downtown in 2020 after extensive \$130 million renovations of the former Chase building; will employ 800 people
    - ◆ The city is providing incentives for developers to increase the residential population of the area with 1,300 residents by the end of 2022; there is currently a waiting list for downtown residential availability
  - **Warehouse District** - Emerging as downstate Illinois' premier mixed-use, urban neighborhood as developers transform existing warehouse buildings for residential and commercial purposes; \$25 million in infrastructure improvements in recent years; plans to add 300-400 total apartments
    - ◆ Baldwin Development Company recently announced their plans to bring 90+ high end apartments, rooftop amenities, business retail space, and 100-140 jobs to their newly purchased Federal and Mitchells Fabrics Buildings

### TOURISM

- **Bass Pro Shops** - 150,000 square foot outdoor sports and recreation store featuring a massive 26,000-gallon freshwater aquarium, an underwater-themed bowling alley, and a full-scale restaurant and bar
  - The company's only location between Chicago and St. Louis; attracts over 3 million annual visitors



**650K**

**SQUARE FEET OF MIXED-USE  
AT THE LEVEE DISTRICT**

**20K**

**PERSON EMPLOYEE BASE  
CONCENTRATED DOWNTOWN**

**90+**

**HIGH END APARTMENTS PLANNED  
IN WAREHOUSE DISTRICT**

**3M**

**PEOPLE VISIT BASS PRO  
SHOPS EACH YEAR**



# AREA OVERVIEW

## PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

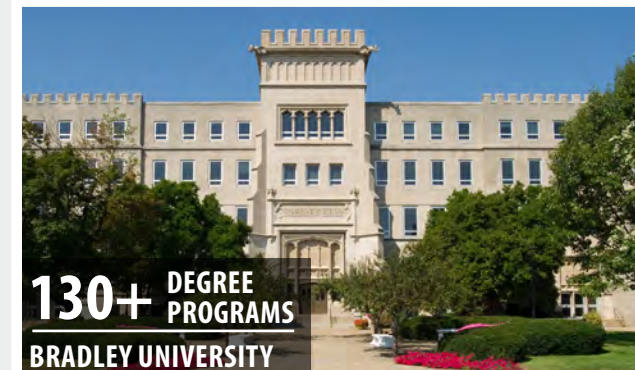
- **Louisville Slugger Sports Complex** - \$18 million, 50-acre youth sports complex featuring 10 outdoor 100% synthetic turf fields, a 125,000 square foot dome with 2 indoor baseball/softball fields, and an all-purpose hard court
  - Attracts 500,000 annual visitors and fills 25% of the area's 4,300 hotel rooms between Memorial Day and Labor Day
- **Eastside Center** - Premier athletic facility and fitness center hosting softball, baseball, volleyball, soccer, and track tournaments; hosts 3,500 games annually
- **Peoria Civic Center** - The largest civic complex and exhibition space outside Chicago and St. Louis; 875,000 annual visitors
  - Home to the Bradley Braves men's basketball, Peoria Rivermen Hockey, the Peoria Symphony Orchestra, live touring Broadway shows and concerts, theater productions, and large-scale conventions
- **Par-A-Dice Hotel and Casino** - A riverboat casino located in East Peoria featuring 1,000+ slots and table games, a 202-room hotel, 20,000 square feet of meeting and banquet space, and 4 restaurants; 1.35 million annual visitors
- **Dozer Park** - Baseball field; home to the Peoria Chiefs (the Class A affiliate of the St. Louis Cardinals) as well as Bradley University's college baseball team; 225,000+ annual visitors
- Peoria has one of the largest park districts in Illinois with numerous golf courses, an indoor skating rink, and access to dozens of miles of walking/biking paths

### TRANSPORTATION

- **General Wayne A. Downing Peoria International Airport** - The largest airport between Chicago and St. Louis, with more destinations than any other downstate Illinois airport; provides non-stop service to 12 cities on 4 airlines
  - 6 years of consecutive travel growth, with 2019 on pace to be a record year for passengers

### EDUCATION

- **Bradley University** - Top 10 private universities in the midwest; over 185 undergraduate and graduate academic programs; 5,400+ students
  - #4 "Regional Universities in the Midwest" - U.S. News Report (2019)
- **The University of Illinois - College of Medicine** - 1 of 4 campuses that make up one of the nation's largest public medical schools; 244 students; 271 resident enrollment



# 500K

ANNUAL VISITORS AT THE  
LOUISVILLE SPORTS COMPLEX

# 875K

ANNUAL VISITORS  
PEORIA CIVIC CENTER

# 200K

FANS VISIT DOZER PARK  
BASEBALL FIELD EACH YEAR



HOME TO ONE OF THE LARGEST  
PUBLIC MEDICAL SCHOOLS







	<b><u>3-Mile</u></b>	<b><u>5-Mile</u></b>	<b><u>10-Mile</u></b>
<b>Population</b>			
2018 Estimate	52,835	116,424	262,205
2010 Census	53,323	117,186	262,144
2000 Census	57,636	123,211	258,934
<b>Households</b>			
2018 Estimate	20,090	46,909	106,781
2010 Census	20,310	47,346	106,927
2000 Census	21,538	48,928	103,166
<b>2018 Est. Population by Single-Classification Race</b>			
White Alone	30,459	78,458	207,614
Black or African American Alone	16,976	27,988	35,135
American Indian and Alaska Native Alone	264	442	813
Asian Alone	777	1,630	6,660
Native Hawaiian and Other Pacific Islander Alone	11	35	79
Some Other Race Alone	2,018	3,202	4,222
Two or More Races	2,352	4,687	7,655
<b>2018 Est. Population by Ethnicity (Hispanic or Latino)</b>			
Hispanic or Latino	4,394	7,358	11,084
Not Hispanic or Latino	48,441	109,066	251,121
<b>2018 Est. Average Household Income</b>	<b>\$51,722</b>	<b>\$58,744</b>	<b>\$75,710</b>



# CONFIDENTIALITY AGREEMENT

PANERA BREAD @ THE LEVEE DISTRICT



**HANLEY INVESTMENT GROUP**  
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

Neither Owner nor Broker nor any of their respective officers, Agents or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Marketing Package or any of its contents, and no legal commitment or obligation shall arise by reason of the Marketing Package or its contents. Analysis and verification of the information contained in the Marketing Package is solely the responsibility of the prospective buyer, with the Property to be sold on an as is, where-is basis without any representations as to the physical, financial or environmental condition of the Property.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

## EXCLUSIVELY LISTED BY:

### Jeff Lefko

Executive Vice President  
jlefkohigrea.com  
844.585.7682

### Bill Asher

Executive Vice President  
basherhigrea.com  
844.585.7684

In Association with Parasell, Inc | A Licensed Illinois Broker #478027307



**\$6+ BILLION**  
retail sales nationwide



**SHARED DATABASE**  
collaborative proprietary database



**TOP BROKERAGE GLOBALLY**  
in investment sales



**COSTAR POWER BROKER**  
top sales brokers & firm in OC



**NATIONWIDE REACH**  
retail & investors across the U.S.