



PANERA BREAD

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Confidentiality and Restricted Use Agreement

This Confidential Offering Memorandum ("COM") is provided by Foresite Commercial Real Estate, solely for your consideration of the opportunity to acquire the commercial property described herein (the "Property"). This COM may be used only as stated herein and shall not be used for any other purpose, or in any other manner, without prior written authorization and consent of Foresite Commercial Real Estate.

This COM does not constitute or pertain to an offer of a security or an offer of any investment contract. This COM contains descriptive materials, financial information and other data compiled for the convenience of parties who may be interested in the Property. Such information is not all inclusive and is not represented to include all information that may be material to an evaluation of the acquisition opportunity presented. Foresite Commercial Real Estate has not independently verified any of the information contained herein and makes no representations or warranties of any kind concerning the accuracy or completeness thereof. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. An interested party must conduct its own independent investigation and verification of any information the party deems material to consideration of the opportunity, or otherwise appropriate, without reliance upon Foresite Commercial Real Estate.

The Property may be financed or withdrawn from the market without notice, and its owner(s) reserve(s) the right to negotiate with any number of interested parties at any time. The Property is offered and sold by its owner(s) as is, where is, and with all faults, without representation or warranty of any kind except for any customary warranties of title.

BY ACCEPTING THIS COM, YOU AGREE THAT: (1) all information contained herein, and all other information you have received or may hereafter receive from Foresite Commercial Real Estate relating to the Property, whether oral, written or in any other form (collectively, the "Information"), is strictly confidential; (2) you will not copy or reproduce, and claim as your own without attribution to Foresite Commercial Real Estate, all or any part of this COM or the Information; (3) upon request by Foresite Commercial Real Estate at any time, you will return and/or certify your complete destruction of all copies of this COM and the Information; (4) for yourself and all your affiliates, officers, employees, representatives, agents and principals, you hereby release and agree to indemnify and hold harmless comp all of its affiliates, officers, employees, representatives, agents and principals, from and with respect to any and all claims and liabilities arising from or related to the receipt or use of this COM and/or any other Information concerning the Property; (5) you will not provide this COM or any of the Information to any other party unless you first obtain such party's acceptance and approval of all terms, conditions, limitations and agreements set forth herein, as being applicable to such party as well as to you; and (6) monetary damages alone will not be an adequate remedy for a violation of these terms and that Foresite Commercial Real Estate shall be entitled to equitable relief, including, but not limited to, injunctive relief and specific performance, in connection with such a violation and shall not be required to post a bond when obtaining such relief.

OFFERED EXCLUSIVELY BY



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PANERA BREAD



PROPERTY OVERVIEW

Foresite Investment Sales is pleased to announce the sale of this single-tenant net leased Panera Bread that features a 15 year NNN lease with 9 years remaining on the term and four (5 year) renewal options. This is a fee-simple offering and features a lease with attractive rent bumps and zero landlord responsibilities. The property is located in one of the busiest areas of San Antonio on US Highway 281. Traffic counts at the property exceed 150,000 vehicles per day. Surrounding retailers include, AT&T, Sprint, Mattress Firm, and Twin Liquors. The property is anchored by Burlington and Petsmart. This lease is guaranteed by the franchisee, Texas Restaurant Group, Inc., a 20-unit Panera Bread operator.

PROPERTY HIGHLIGHTS

- 6 Years of Successful Operating History with 9 Years Remaining on the Initial Lease Term
- One of the Top Performing Locations in Operation, Above Average Unit Sales
- Drive-Thru Location
- Absolute NNN Lease - Zero Landlord Responsibilities
- Excellent Freeway Visibility and Access - Near San Antonio International Airport

|| EXECUTIVE SUMMARY

SALE DETAILS

PANERA BREAD



Sale Price

\$3,100,000 | 5.51% CAP RATE

LOCATION INFORMATION

Property Name	Panera Bread
Street Address	13025 San Pedro Ave
City, State, Zip	San Antonio, TX 78216
County	Bexar

PROPERTY INFORMATION

Building Size	4,469 SF
Lot Size	1.20 Acres
Year Built	2013
Parking Spaces	75
Zoning	C-3 I-1
Drive-Thru	One Lane

LEASE INFORMATION

Current NOI	\$170,780
Lease Type	Absolute NNN
Lease Guarantor	Texas Restaurant Group, Inc.
Initial Lease Term	15 Years
Rent Commencement Date	8/20/2014
Expiration Date	8/20/2029
Renewal Options	Four, Five-Year Options
Rent Increases	8.0% Every 5 Years

RENT SCHEDULE

		ANNUAL RENT	RENT PSF
Years 1-5:	8/2014 to 8/2019	\$158,130.00	\$35.38
Years 6-10:	8/2019 to 8/2024	\$170,780.40	\$38.21
Years 11-15:	8/2024 to 11/2029	\$184,442.83	\$41.27
Option 1:	11/2029 to 11/2034	\$199,198.25	\$44.57
Option 2:	11/2034 to 11/2039	\$215,134.11	\$48.14
Option 3:	11/2039 to 11/2044	\$232,344.13	\$51.99
Option 4:	11/2044 to 11/2049	\$250,932.41	\$56.15

AERIAL

PANERA BREAD



Woodlands of Camino Real

FORESITE
COMMERCIAL REAL ESTATE



HOBBY LOBBY

SANTIKOS
ENTERTAINMENT

Bowlero

PETSMART

MJM
SHOES

Burlington

FedEx
Ship Center

SAN PEDRO AVE (13,000 VPD)

US HWY 281 (168,701 VPD)

THE HOME DEPOT

TARGET

Office
DEPOT

UNITED STATES
POSTAL SERVICE

Walgreens

THE WASH TUB

NORTH SAN ANTONIO
CHAMBER

TEXSTAR
BANK

Bank of America

Hilton
Garden
Inn

ProCare
COLLISION CENTER

ALAMO
TRUCK GEAR

BIG O TIRES

Hertz

WURZBACH PKWY (43,558 VPD)

Ford
NORTHSIDE
TRUCKS

SHEARER HILLS
Baptist Church

TWIN
LIQUORS
FINE WINE & SPIRITS

N
NORTHSIDE
COLLISION

THE TILE SHOP



ABOUT THE TENANT

PANERA BREAD



OVERVIEW

Company:	Panera Bread
Founded:	1987
Total Revenue:	Over 2.8 Billion
Holding Company:	JAB Holdings
Other Concepts:	Several
Locations:	2,000+
Headquarters:	Sunset Hills, MO
Website:	www.panerabread.com
Franchisee:	Texas Restaurant Group, Inc.



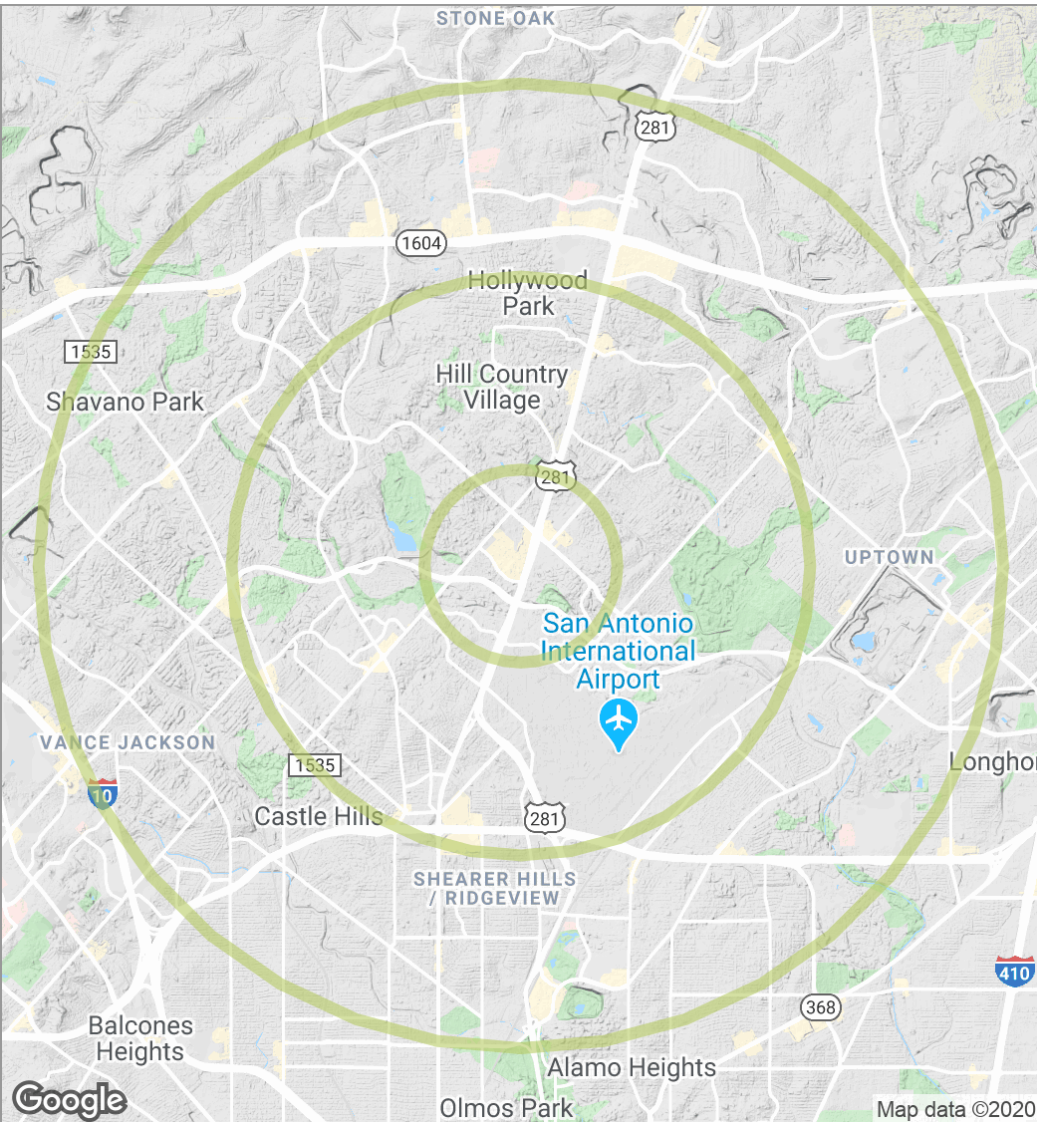
ABOUT THE TENANT

Panera Bread Company is an American chain store of bakery-café fast casual restaurants. Offerings include bakery items, pasta, salads, sandwiches, soups, and specialty drinks. Panera first opened in 1980 as a small cookie store in Boston, Massachusetts and is now a leading restaurant brand with over 2,000 locations, all of which are in the United States and Canada. Its headquarters are in Sunset Hills, Missouri, a suburb of St. Louis. The company also operates over 100 locations as Saint Louis Bread Company in Greater St. Louis. Panera Bread is owned by JAB Holding Company, which is owned by the Reimann family of Germany. During its final 20 years as a public company, from 1997 to 2017, it was the best performing restaurant stock, delivering an 86-fold return to shareholders. Panera is focused on growth and has opened over 200 locations since 2016.

The franchisee, Texas Restaurant Group, Incorporated, operates 20 Panera Bread locations throughout Texas. They have been operating within the Panera system since 2006 and have been in the restaurant space for over 14 years.

DEMOGRAPHICS

PANERA BREAD



POPULATION	1 MILE	3 MILES	5 MILES
Total population	6,602	87,613	255,042
Median age	41	36.3	37.7
Median age (Male)	38.9	35.2	36.3
Median age (Female)	39.8	37.1	38.7
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total households	3,346	39,747	109,295
# of persons per HH	2.2	2.3	2.4
Average HH income	\$98,286	\$83,710	\$91,819
Average house value	\$242,594	\$209,272	\$217,644

* Demographic data derived from 2010 US Census

|| DEMOGRAPHICS MAP

SAN ANTONIO, TEXAS

- San Antonio is the seventh most populated city in the United States and the second most populated city in the state of Texas, with more than 1.5 million residents. San Antonio is one of the fastest growing cities in the United States and consistently reports the largest population gain year-over-year. The city is located in the south-central region of Texas and is the southwestern corner of an urban region called the Texas Triangle and is the center of the San Antonio-New Braunfels Metropolitan Statistical Area, which encompasses eight counties. The metro area has a population of 2,473,974 based on the 2017 census estimates.

ECONOMY

- San Antonio is home to five Fortune 500 Companies and hosts a diversified economy with a gross domestic product of approximately \$109 billion. San Antonio has the fourth highest rate of growth among the 100 largest U.S. metros over the last five years. San Antonio is also home to a number of national landmarks and famous attractions, making it Texas' most visited city with over 30 million visitors every year. San Antonio has been identified as one of the most recession-proof cities in the U.S. according to the Brookings Institution.

CORPORATE HEADQUARTERS IN SAN ANTONIO

- | | |
|------------------------|------------------|
| • H-E-B | 20,000 Employees |
| • USAA | 18,000 Employees |
| • Cullen/Frost Bankers | 4,000 Employees |
| • Bill Miller Bar-B-Q | 3,500 Employees |
| • Rackspace | 3,300 Employees |



CITY HIGHLIGHTS

- Consistently one of the top 5 fastest growing cities in the U.S.
- Diverse and highly trained labor pool in technology, medical, finance, and military industries provide a stable economic base.
- San Antonio benefits from 5 military bases
- San Antonio ranks second in the nation for the growth rate of Millennials, coming in at 11.5% growth in the last five years.
- San Antonio is home to the South Texas Medical Center, the only medical research and care provider in the South Texas region. The 200 acre campus employs over 350

TEAM CONTACTS

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FOR SALE

PANERA BREAD





Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date