

EXCLUSIVE NET-LEASE OFFERING

BUILD-TO-SUIT PANERA BREAD

BRAND NEW CONSTRUCTION

Representative Photo



OFFERING MEMORANDUM



807 NW Sheridan Road - Lawton, OK 73505

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Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Surrounding Area	7
Location Overview	8
Local Map	9
Regional Map	10
Demographics / Market Overview	11-12





Investment Highlights

PRICE: \$4,572,760 | CAP: 5.00% | RENT: \$228,638



About the Investment

- ✓ Brand New Construction; Opening April 2021
- ✓ Long-Term, 15-Year Modified Triple Net (NNN) Lease Commencing Upon Store Opening
- ✓ Eight Percent (8.0%) Rental Increases Every Five (5) Years
- ✓ Three (3), Five (5)-Year Tenant Renewal Options, Bringing the Potential Lease Term to 30 Years
- ✓ Corporate Tenant | Corporate Guarantee

About the Location

- ✓ Dense Retail Corridor | Walmart Supercenter, Lowe's, The Home Depot, Sam's Club, Harbor Freight Tools, Aldi, Walgreens, CVS Pharmacy, Staples, Chick-fil-A, McDonald's, Burger King, Wendy's, Among Various Others
- ✓ Several Hospitality Accommodations Within Immediate Proximity | Hampton Inn & Suites, Candlewood Suites, La Quinta Inn & Suites, Baymont by Wyndham, and Many More
- ✓ Less than Six Miles From Fort Sill | 20,000 Military and Civilian Personnel, and 33,000 Military Family Members
- ✓ Immediate Access to Healthcare | Comanche County Memorial Hospital | Less than 1.5 Miles From the Subject Property | 283-Beds | ~2,000 Employees | 250 Physicians
- ✓ Cameron University | Situated Within a 1.5 Miles Radius | More Than 6,400 Students Enrolled

About the Tenant / Brand

- ✓ Panera has been one of the most successful restaurant companies in history
- ✓ Panera was the best-performing restaurant stock when measured over the last 20 years; delivering a total shareholding return 44 times better than the S&P 500 from 1997 to 2017
- ✓ Named "Sales Leader" by Nation's Restaurant News in the Bakery-Café Group – August 2018
- ✓ Pioneer in Advanced Technology – Driver of Ongoing Sales Growth and Improved Delivery-Catering Initiatives
- ✓ Acquired in 2017 by JAB Holdings, a European conglomerate that owns Krispy Kreme, Keurig, Peet's Coffee, Pret A Manger, among other assets; positioning the chain for continued growth and long-term returns





Financial Analysis

PRICE: \$4,572,760 | CAP: 5.00% | RENT: \$228,638



PROPERTY DESCRIPTION

Property	Panera Bread
Property Address	807 NW Sheridan Road
City, State, ZIP	Lawton, OK 73507
Estimated Store Opening	April 2021
Estimated Building Size	4,355 SF
Estimated Lot Size	+/- 1.28 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$4,572,760
CAP Rate	5.00%
Annual Rent	\$228,638

LEASE SUMMARY

Property Type	Net Leased Casual Dining Restaurant
Tenant / Guarantor	Corporate; Panera LLC
Franchisor Ownership	Private; JAB Restaurant Holding Company
Original Lease Term	15 Years
Lease Commencement	Upon Store Opening
Lease Expiration	15 Years From Store Opening
Lease Term Remaining	15 Years
Lease Type	Modified Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	8.0% Every Five (5) Years
Options to Renew	Three (3) Periods of Five (5) Years Each

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1	\$228,638	\$19,053	-
Year 2	\$228,638	\$19,053	-
Year 3	\$228,638	\$19,053	-
Year 4	\$228,638	\$19,053	-
Year 5	\$228,638	\$19,053	-
Year 6	\$246,929	\$20,577	8.00%
Year 7	\$246,929	\$20,577	-
Year 8	\$246,929	\$20,577	-
Year 9	\$246,929	\$20,577	-
Year 10	\$246,929	\$20,577	-
Year 11	\$266,683	\$22,224	8.00%
Year 12	\$266,683	\$22,224	-
Year 13	\$266,683	\$22,224	-
Year 14	\$266,683	\$22,224	-
Year 15	\$266,683	\$22,224	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a brand-new build-to-suit Panera Bread located at 807 NW Sheridan Road in Lawton, OK. This site will consist of approximately 4,355 rentable square feet of building space on estimated 1.28-acre parcel of land. The café is scheduled to open in April 2021.

The initial annual rent will be \$228,638 and will increase by eight percent (8.0%) every five (5) years throughout the term of the lease and in each option period. There will be three (3), five (5)-year tenant renewal options, extending the total possible lease term to 30 years.

About Panera Bread

Thirty years ago, at a time when quick service meant low quality, Panera set out to challenge this expectation. They believed that food that was good and that you could feel good about, served in a warm and welcoming environment by people who cared, could bring out the best in all of us. To them, that is food as it should be and that is why they exist. So they began with a simple commitment: to bake fresh bread every day in their bakery-cafes. No short cuts, just bakers with simple ingredients and hot ovens. Each night, any unsold bread and baked goods were shared with neighbors in need.

These traditions carry on today, as they have continued to find ways to be an ally to its guests. That means crafting a menu of soups, salads and sandwiches that they are proud to feed their families. Like poultry and pork raised without antibiotics on our salads and sandwiches. A commitment to transparency and options that empower their guests to eat the way they want. Seasonal flavors and whole grains. And a commitment to removing artificial additives (flavors, sweeteners, preservatives and colors from artificial sources) from the food in its bakery-cafes. Why? Because they think that simpler is better and they believe in serving food as it should be. The company is also focused on improving quality and convenience. With investments in technology and operations, they now offer new ways to enjoy your Panera favorites -- like mobile ordering and Rapid Pickup for to-go orders -- all designed to make things easier for its guests.

As of April 2019, there are more than 2,360 bakery-cafes in 48 states and in Ontario, Canada operating under the Panera Bread(R) or Saint Louis Bread Co. (R) names.

For more information, visit panerabread.com or find them on Twitter (@panerabread), Facebook ([facebook.com/panerabread](https://www.facebook.com/panerabread)) or Instagram (@panerabread).

About JAB Holding Company

JAB Holding, a privately held company and investment arm of the Reimann family, is no stranger to the coffee business. It began building its position in coffee and breakfast in 2012 when it took a stake in D.E. Master Blenders and bought Peet's Coffee & Tea, a premier specialty coffee and tea company, for \$974 million and Minnesota-based Caribou Coffee, a specialty retailer of high-quality premium coffee products, for \$340 million. In the years that followed, the European company would go on to spend billions expanding its coffee empire. Eventually in 2013, JAB agreed to pay \$9.8 billion to purchase D.E. Master Blenders. That company became Jacobs Douwe Egberts (JDE) when JAB merged it with the coffee division of Mondelez International in 2015, which it bought for around \$4 billion, becoming the largest pure-play FMCG coffee company in the world. In 2014, JAB scooped up Einstein Bagels' parent company, Espresso House and Baresso Coffee and in 2015, the company purchased Keurig Green Mountain, a leader in single-serve coffee and beverage technologies, for \$14 billion along with coffee roaster and retailer Stumptown Coffee and coffee bar chain Intelligentsia coffee. Krispy Kreme, a global specialty retailer and wholesaler of premium-quality sweet treats, was added to the portfolio in 2016 and later completed its acquisition of Panera Bread Company in July 2017 for \$7.5 billion and Au Bon Pain (304 units) for an undisclosed sum later that year. Panera Bread's acquisition of Au Bon Pain brings the two companies together again since having split in 1999 and offers a strategic opportunity for the company. The caffeine-fueled company, which has been steadily building a coffee and breakfast empire over the last five years, announced early April 2018 that it has expanded its coffee empire, making a major investment in the launch of online craft coffee retailer "Trade". Trade's website features more than 400 roasts, each with a description of where the coffee was sourced, its flavor profile and how best to brew it. Investing in Trade gives JAB one more foothold in the coffee market, this time online. Only one month later, JAB acquired Pret A Manger, a leading company in the ready-to-eat food market. Pret maintains a strong presence in the U.K. and boasts a rapidly growing international footprint with a presence in the U.S., Hong Kong/China, and France. The company operates over 530 stores worldwide, generating group revenues of £879 million. Today, JAB has broadened its expansion with its announcement to buy a majority stake in Compassion-First Pet Hospitals, moving its portfolio into yet another sector.

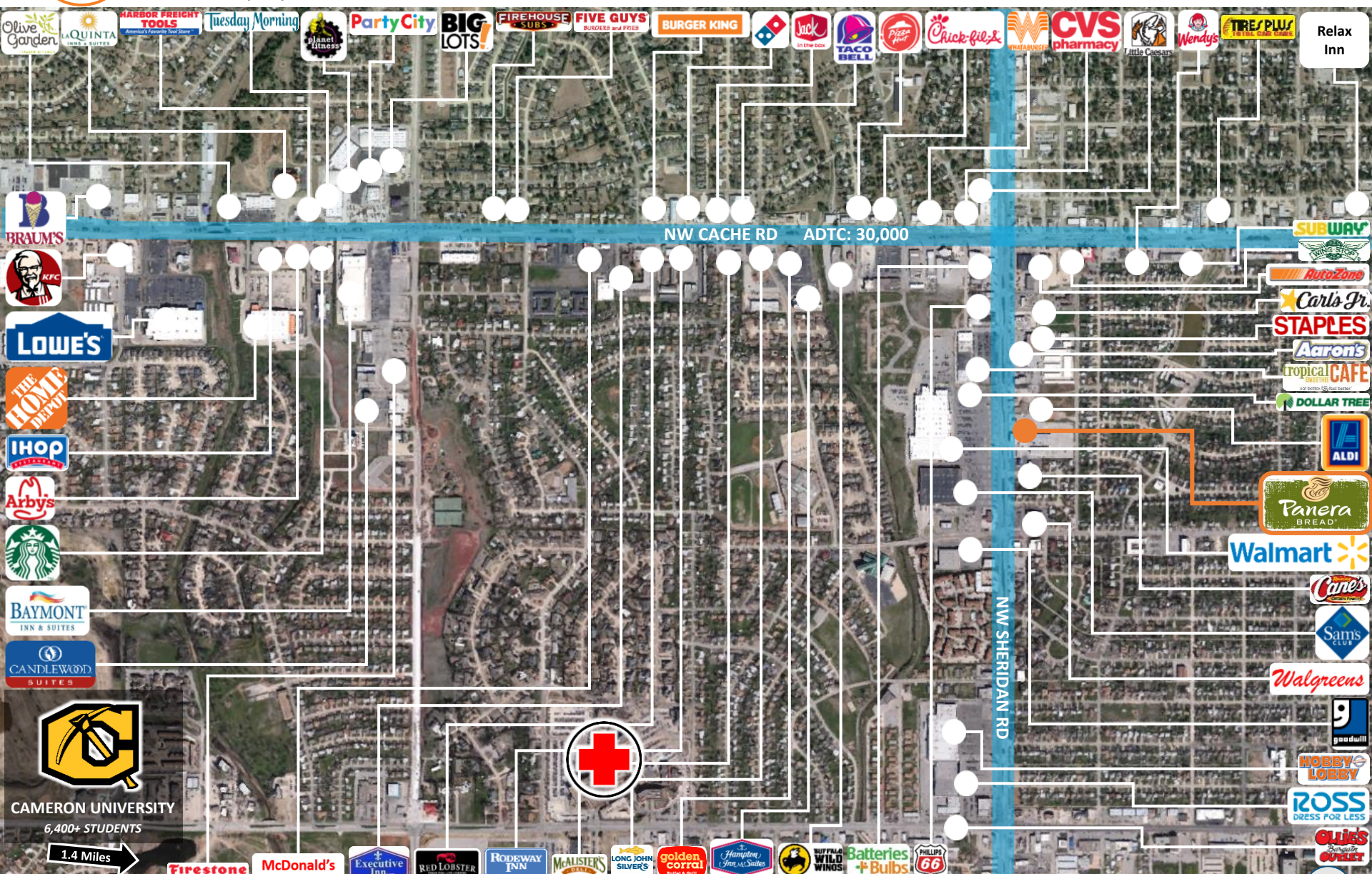
For more information about JAB investments, please visit the company's website: <http://www.jabholco.com>
Additional Source: <https://www.cnbc.com/2018/04/05/jab-expands-coffee-empire-with-investment-in-online-coffee-shop-trade.html>
<https://www.jabholco.com/documents/6/press-release-s-p-jab-pret-a-manger.pdf>
<https://www.reuters.com/article/us-compassionfirst-m-a-jab/jab-broadens-expansion-with-stake-in-pet-hospitals-idUSKCN1QE1M9>



Surrounding Area



Property Address: 807 NW Sheridan Road - Lawton, OK 73505



Panera Bread – Lawton, OK



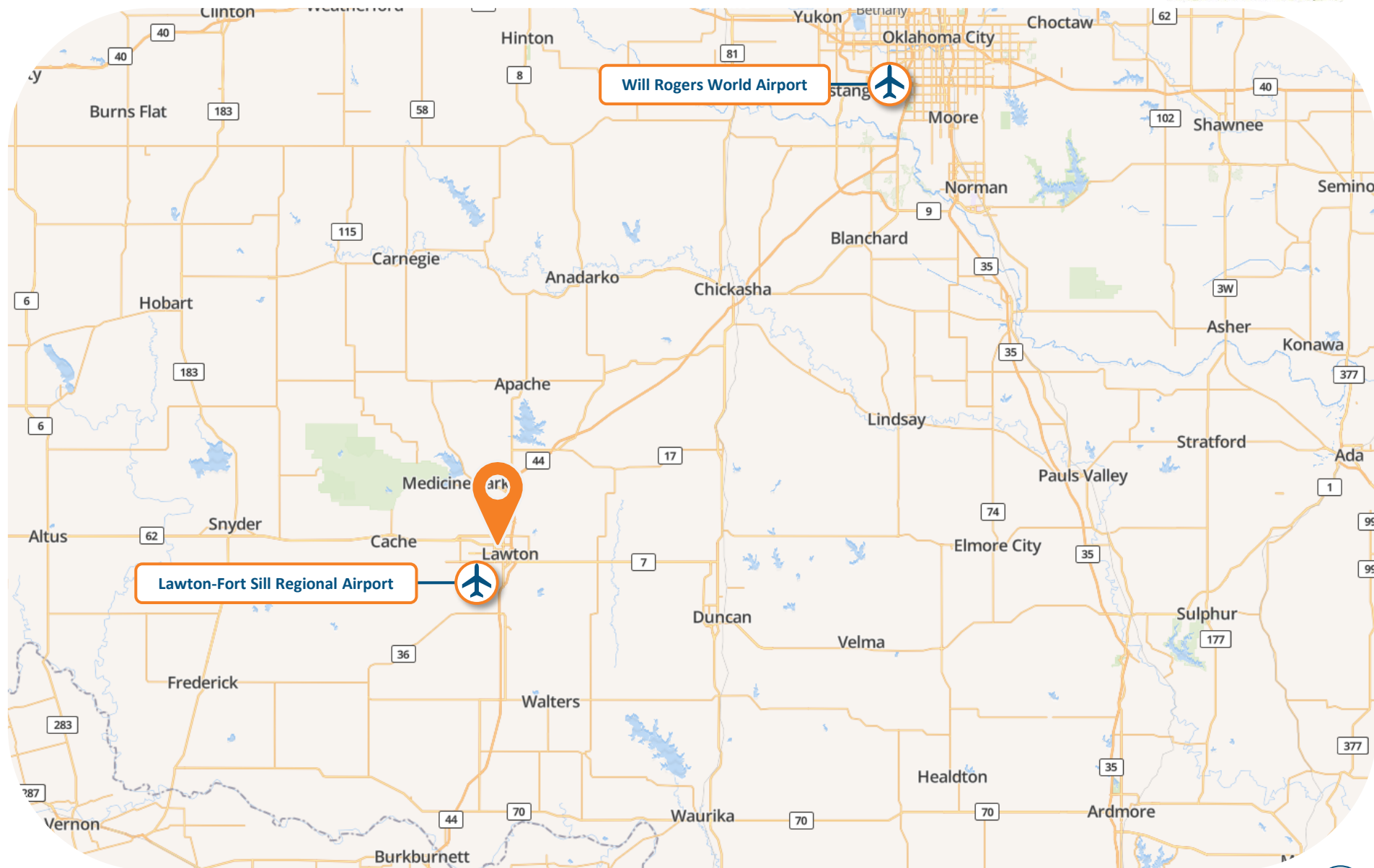
Lawton is mainly known for Fort Sill Military Reservation, which is the city's strongest economic influence. Lawton is primarily centered on government, manufacturing, and retail trade industries. The Lawton MSA ranks fourth in Oklahoma with a gross domestic product around \$4.2 billion, with a majority (\$2.1 billion) in the government sector. The city is home to Cameron University and the Great Plains Technology Center. Recreation can be found at the city's many parks, lakes and festivals. Popular museums in the area include the Museum of the Great Plains, The Fort Sill Museum and the Comanche National Museum and Cultural Center.





Local Map

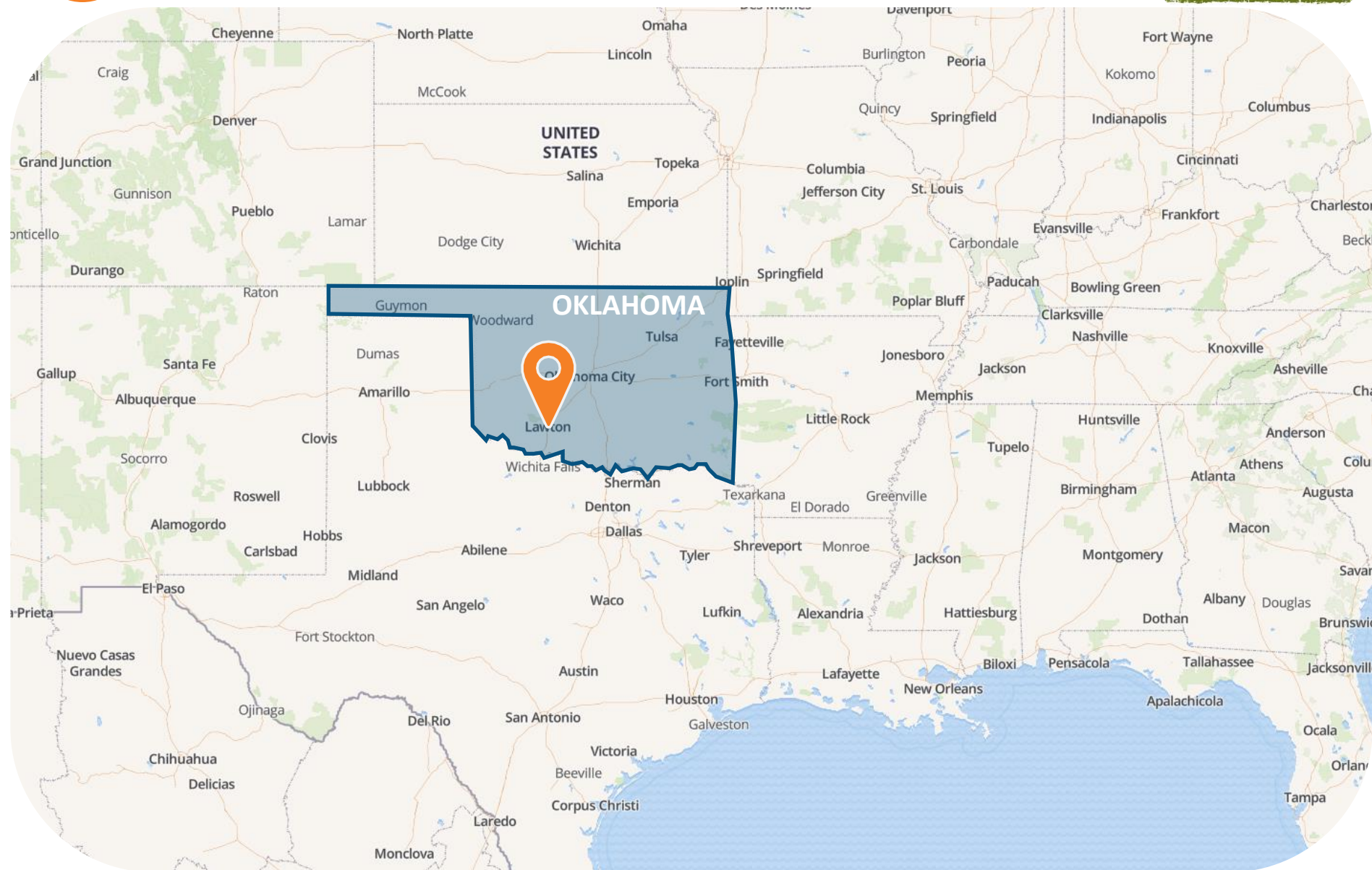
Property Address: 807 NW Sheridan Road - Lawton, OK 73505





Regional Map

Property Address: 807 NW Sheridan Road - Lawton, OK 73505





Demographics

Property Address: 807 NW Sheridan Road - Lawton, OK 73505



1 Mile 3 Miles 5 Miles

POPULATION

2025 Projection	11,839	55,229	84,940
2020 Estimate	12,051	56,345	86,100
2010 Census	12,722	59,232	89,342
2000 Census	12,488	55,561	77,368

INCOME

Average	\$55,264	\$53,482	\$61,477
Median	\$42,836	\$41,120	\$47,585
Per Capita	\$23,573	\$21,678	\$23,470

HOUSEHOLDS

2025 Projection	4,992	21,733	31,105
2020 Estimate	5,052	21,957	31,221
2010 Census	5,446	23,546	33,100
2000 Census	5,238	21,651	28,976

HOUSING

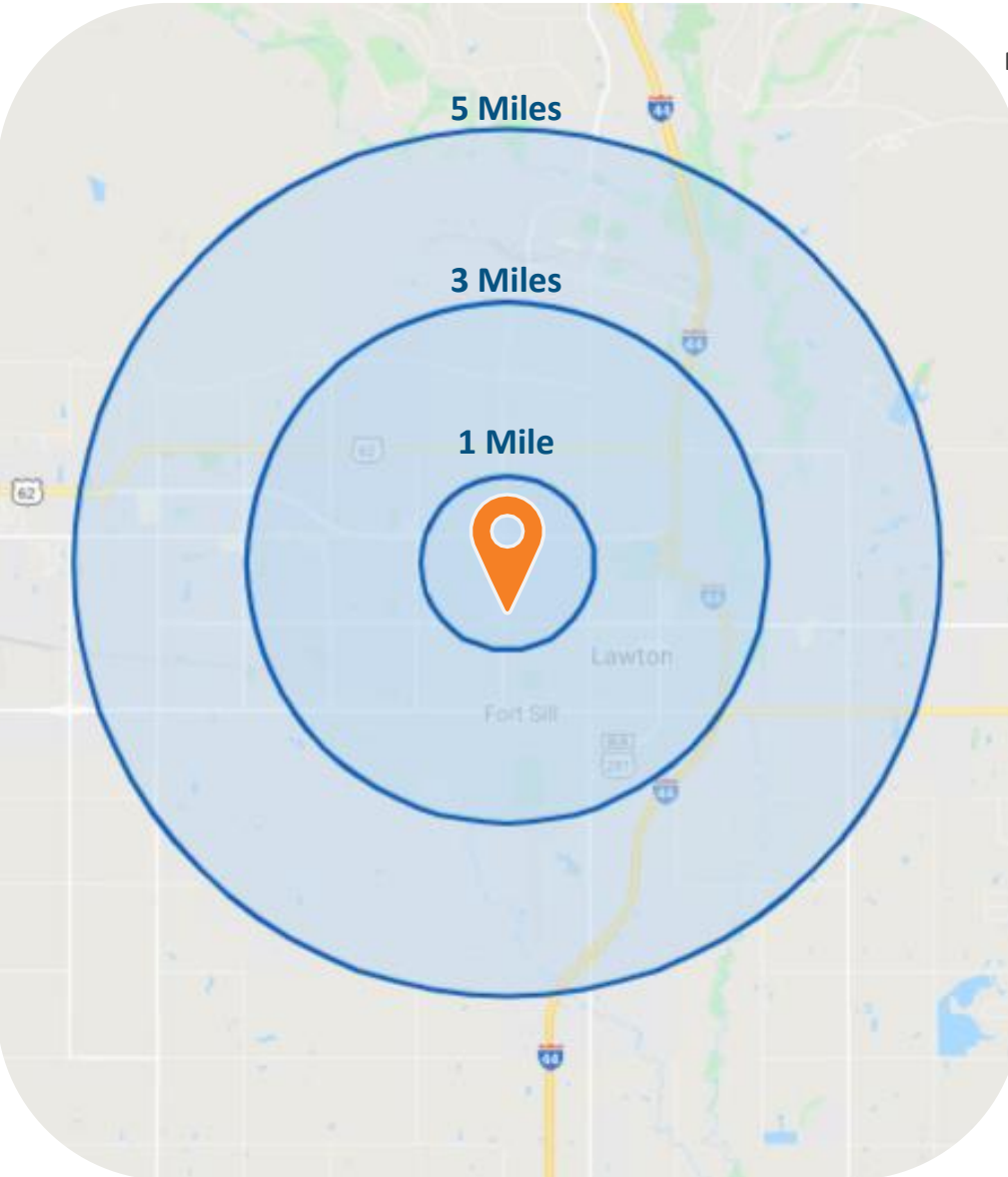
2020	\$97,555	\$92,792	\$108,475
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EMPLOYMENT

2020 Daytime Population	15,900	56,609	91,652
2020 Unemployment	4.76%	3.84%	3.01%
2020 Median Time Traveled	16 Mins	17 Mins	17 Mins

RACE & ETHNICITY

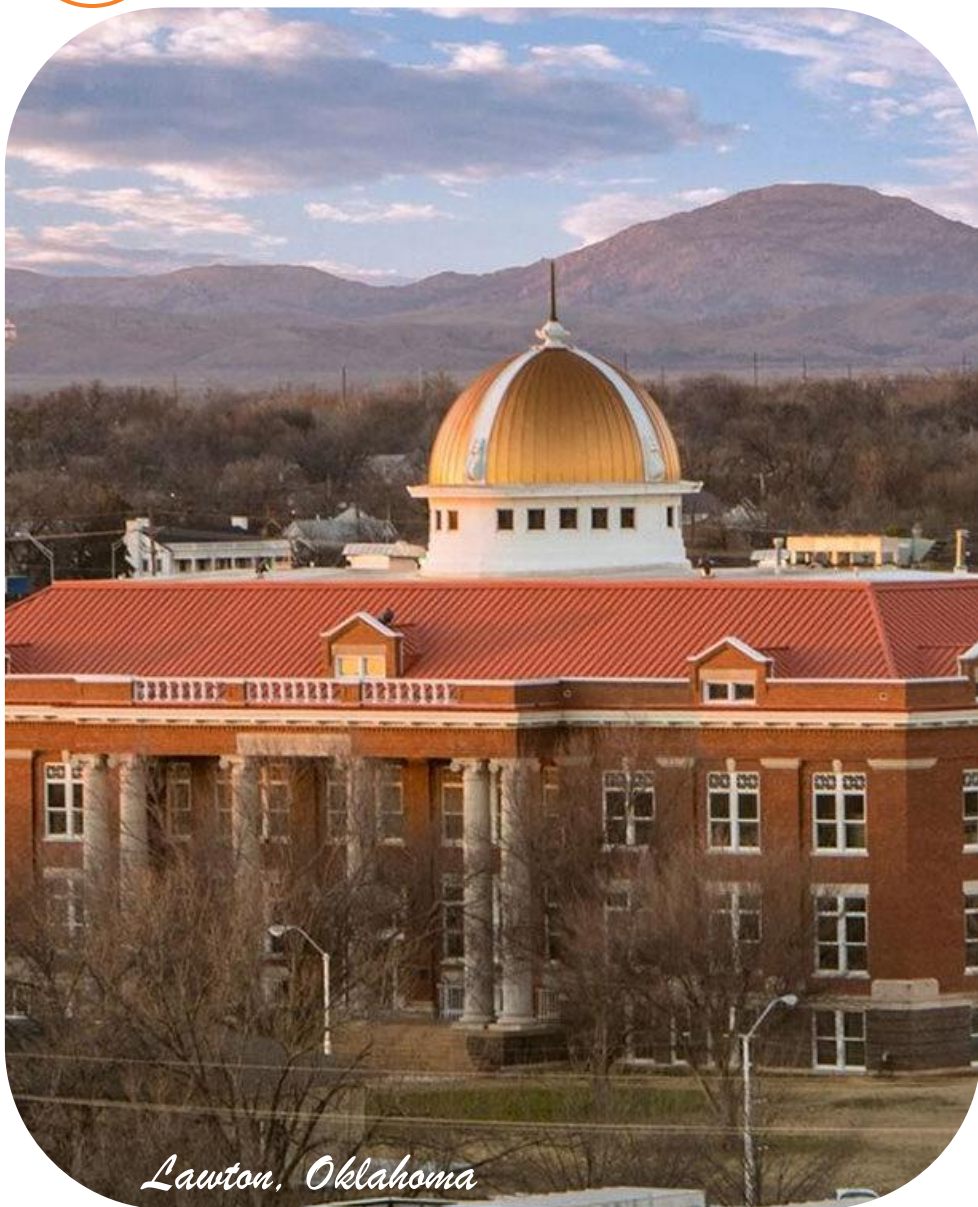
White	61.77%	56.06%	57.56%
Native American	0.79%	0.61%	0.71%
African American	15.41%	21.00%	20.88%
Asian/Pacific Islander	2.70%	2.66%	3.14%





Market Overview

City: Lawton | County: Comanche | State: Oklahoma



Lawton, Oklahoma

Lawton is a city in, and the county seat of, Comanche County, in the state of Oklahoma. Located in southwestern Oklahoma, approximately 87 miles southwest of Oklahoma City, it is the principal city of the Lawton, Oklahoma, metropolitan statistical area. With a population greater than 92,000 Lawton is the fifth-largest city in the state, and the largest in Western Oklahoma.

The city's proximity to Fort Sill Military Reservation gave Lawton economic and population stability throughout the 20th century. Although Lawton's economy is still largely dependent on Fort Sill, it has also grown to encompass manufacturing, higher education, health care, and retail. The Lawton MSA ranks fourth in Oklahoma with a gross domestic product around \$4.2 billion, with a majority (\$2.1 billion) in the government sector. Fort Sill is the largest employer in Lawton, with over 5,000 full-time employees. In the private sector, the largest employer is Goodyear Tire and Rubber Company with 2,400 full-time employees. Some other major employers in the Lawton area also include Lawton Public Schools, Comanche County Memorial Hospital, Southwestern Hospital, City of Lawton, Cameron University, and Bar S Foods. Lawton includes two major industrial parks. One is located in the southwest region of town, while the second is located near the Lawton-Fort Sill Regional Airport. The Blue Canyon Wind Farm, consisting of four development phases generating about 423.45 megawatts of electrical power, is about 27 miles north-northwest of town. The city's government is run by a council-manager government consisting of a city manager and a city council headed by a mayor. Interstate 44 and three major United States highways serve the city, while Lawton-Fort Sill Regional Airport connects Lawton by air.

Recreation can be found at the city's many parks, lakes, museums, and festivals. Notable residents of the city include many musical and literary artists, as well as several professional athletes. Lawton's landscape is typical of the Great Plains, with flat topography and gently rolling hills, while the area north of the city is marked by the Wichita Mountains.

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