

PANERA BREAD

200 Town Center Boulevard, Garland, Texas 75040



Exclusively Offered By:

Michael Campbell
619.546.0122
Michael@InvestCoreCommercial.com
CA Lic #01843521

Ed Colson, Jr. CCIM
619.546.0121
Ed@InvestCoreCommercial.com
CA Lic #01382996 | TX Lic #635820





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InvestCore Commercial, Inc.
3910 W. Point Loma Blvd, 2nd Floor
San Diego, CA 92110



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**PANERA BREAD EARNS TOP SPOT
ON 2015 FAST CASUAL TOP 100**

INVESTMENT SUMMARY



1,100
Residential
Units

macy's

OLD NAVY

WORLD MARKET
ETHAN ALLEN

DICK'S
SPORTING GOODS

AMC
THEATRES

DSW

BARNES & NOBLE
BOOKSELLERS

M
W

Dillard's

Pier 1 imports

Toys R Us

IN-N-OUT
BURGER

President George Bush Turnpike
56,308 CPD

Lavon Drive
43,173 CPD



INVESTMENT SUMMARY



EXECUTIVE SUMMARY

Tenant:	Panera Bread
Guarantor:	Panera, LLC (Nasdaq: PNRA)
Address:	200 Town Center Boulevard, Garland, Texas 75040
Building Size:	~4,315 SF
Land Size:	~ 40,510 SF (0.93 Acres)
Year Built:	2015
Rent Commencement:	Estimated January 15 th
Lease Expiration:	15 Years From Rent Commencement
Annual Rent:	\$136,666
Primary Term:	15 Years
Options:	Three (3) 5-Year Options to Extend
Rent Increases:	Various (See rent schedule below)
Lease Type:	Absolute NNN Ground Lease - No Landlord Responsibilities



RENT SCHEDULE

Term	Years	Annual Rent	% Increase
Primary	1-5	\$136,666.67	
Primary	6-10	\$146,666.67	7.32%
Primary	11-15	\$156,666.67	6.82%
Option 1	16-20	\$160,000.00	2.13%
Option 2	21-25	\$170,000.00	6.25%
Option 3	26-30	\$180,000.00	5.88%

OFFERING TERMS

Price:	\$3,416,666
NOI:	\$136,666
Cap Rate:	4.00%



INVESTMENT SUMMARY



INVESTMENT HIGHLIGHTS

Panera Bread is leading the way in the Fast Casual Restaurant Sector

- Panera Bread earned the top spot on the 2015 Fast Casual Top 100, a list of top restaurant chains, trends and technologies shaping the fast casual segment
- Panera is currently investing heavily in “Panera 2.0” which will increase digital ordering and greater off-premise sales, such as catering, which represents 8% or \$300 million annually in sales.
- Panera Bread is one of the first Fast Casual restaurants to commit to removing all artificial preservatives, colors, sweeteners and flavors from it’s food, through it’s “No No List”.

Corporate Guaranteed Lease by National, Publicly Traded Company

- The 15 year lease is corporately guaranteed by Panera, LLC a publically traded company (NYSE: PNRA).
- Panera Bread reported third quarter revenue increased 7% to \$665 million
- Panera Bread has more than 1,946 locations with revenues of \$4.83 billion as of May 2014.

Trophy Location in Northeast Dallas MSA

- Panera Bread is located on Town Center Blvd., an entrance to the 1 million+ square foot Firewheel Town Center, with over 46,000 cars passing the site daily.
- Firewheel Town Center is a main-street style shopping center owned by Simon Property Group and featuring over 125 stores including Macy’s, Dillard’s, Dicks Sporting Goods, AMC Theater and DSW.
- Firewheel Town Center also includes four residential buildings offering high-end apartments and townhome living with over 1,100 units.

Growing Community with Strong Demographics

- Garland ranks as the 12th largest population in Texas and is projected to grow by 1.22% annually from 2015 through 2020.
- The current average household income is \$90,310 in this area, compared to \$74,699 for all U.S. households. Projected income raises to \$101,756 in just 5 years. Median home value in the area is \$222,514 with over 60% being owner occupied.

Attractive Lease Structure For Passive Investor

- Panera Bread pays all of the expenses leaving the landlord with no responsibilities.
- Periodic rental increases in the primary and option periods will increase the overall return.





TENANT INFORMATION



Panera Bread Highlights

- Panera Bread operates 1,946 bakery-cafes.
- Q3 2015 Revenue increased 7% to \$665 million.
- Fast Company ranked Panera Bread as 2015's #1 Most Innovative Company in Food and #27 Most Innovative Company Overall".

Company Profile:

The Panera Bread® legacy 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 1993, Au Bon Pain Co., Inc. purchased Saint Louis Bread Company®, a chain of 20 bakery-cafes located in the St. Louis area. The company then managed a comprehensive re-staging of Saint Louis Bread Co. Between 1993 and 1997 average unit volumes increased by 75%. Ultimately the concept's name was changed to Panera Bread. By 1997, it was clear that Panera Bread had the potential to become one of the leading brands in the nation. In order for Panera Bread to reach its potential, it would require all of the company's financial and management resources.

In May 1999, all of Au Bon Pain Co., Inc.'s business units were sold, with the exception of Panera Bread, and the company was renamed Panera Bread. Since those transactions were completed, the company's stock has grown exponentially, and today it has a market capitalization of \$4.5 billion. Panera Bread was recognized as one of Business Week's "100 Hot Growth Companies." As reported by The Wall Street Journal's Shareholder Scorecard in 2006, Panera Bread was named as the top performer in the restaurant category for one-, five- and ten-year returns to shareholders.

In 2007, Panera Bread purchased a majority stake in Paradise Bakery & Café®, a Phoenix-based concept with over 70 locations in 10 states (predominantly in the west and southwest). The Company purchased the balance of Paradise in June 2009.

As of September 29, 2015, there are 1,946 bakery-cafes in 46 states, the District of Columbia, and in Ontario Canada operating under the Panera Bread®, Saint Louis Bread Co.® and Paradise Bakery & Café® names, delivering fresh, authentic artisan bread served in a warm environment by engaging associates.

Website: www.panerabread.com



Panera Bread Facts:

2014 Revenue:	\$4.83 Billion
Locations:	1,946
Employees:	20,800
Founded:	1981
Headquarters:	St. Louis, MO
Website:	www.panerabread.com

PROPERTY DESCRIPTION



Lavon Drive
43,173 CPD

Dillard's

Residential

KIRKLAND'S

ULTA

M

BARNES & NOBLE
BOOKSELLERS

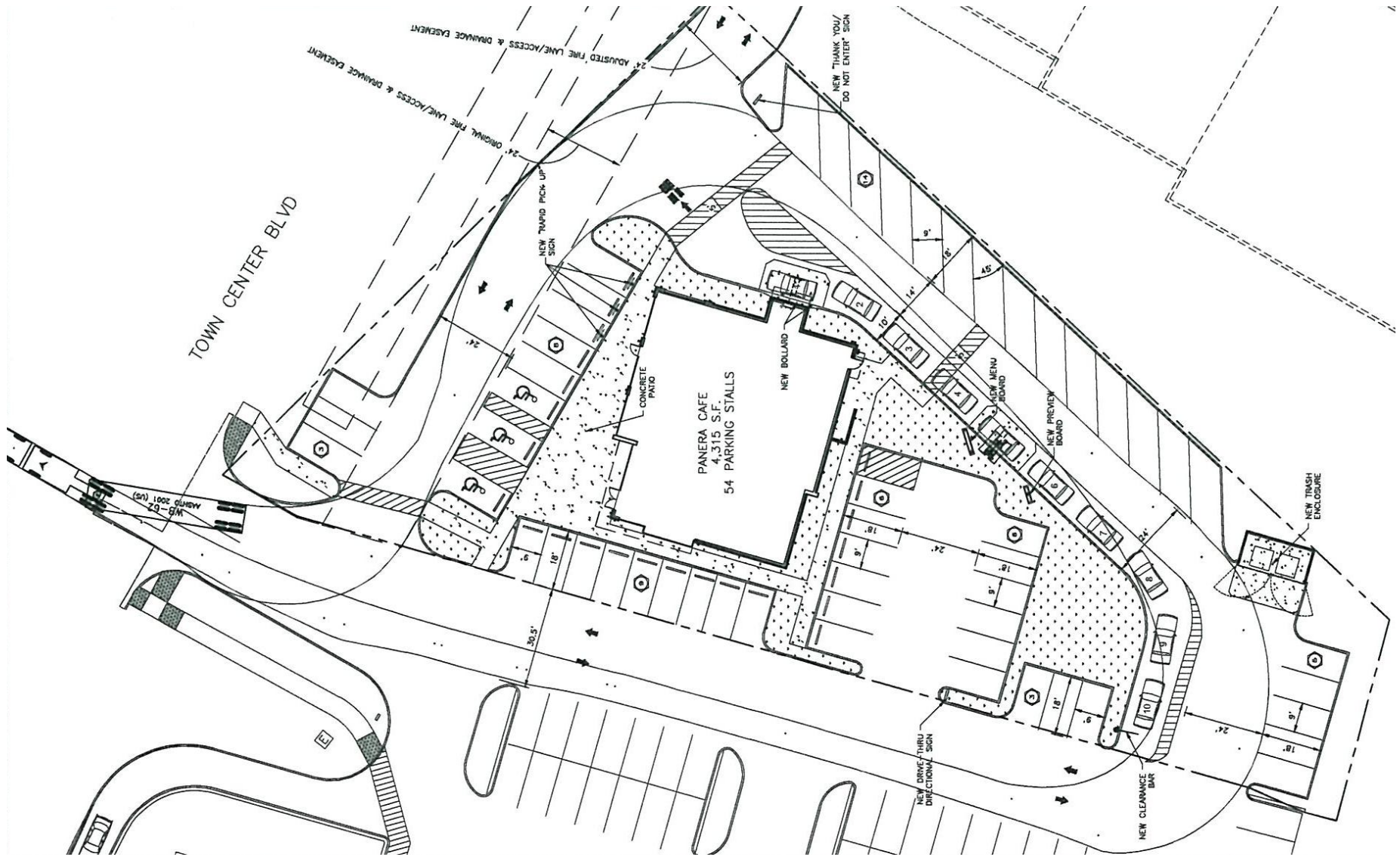
IN-N-OUT
BURGER



PROPERTY DESCRIPTION



SITE PLAN

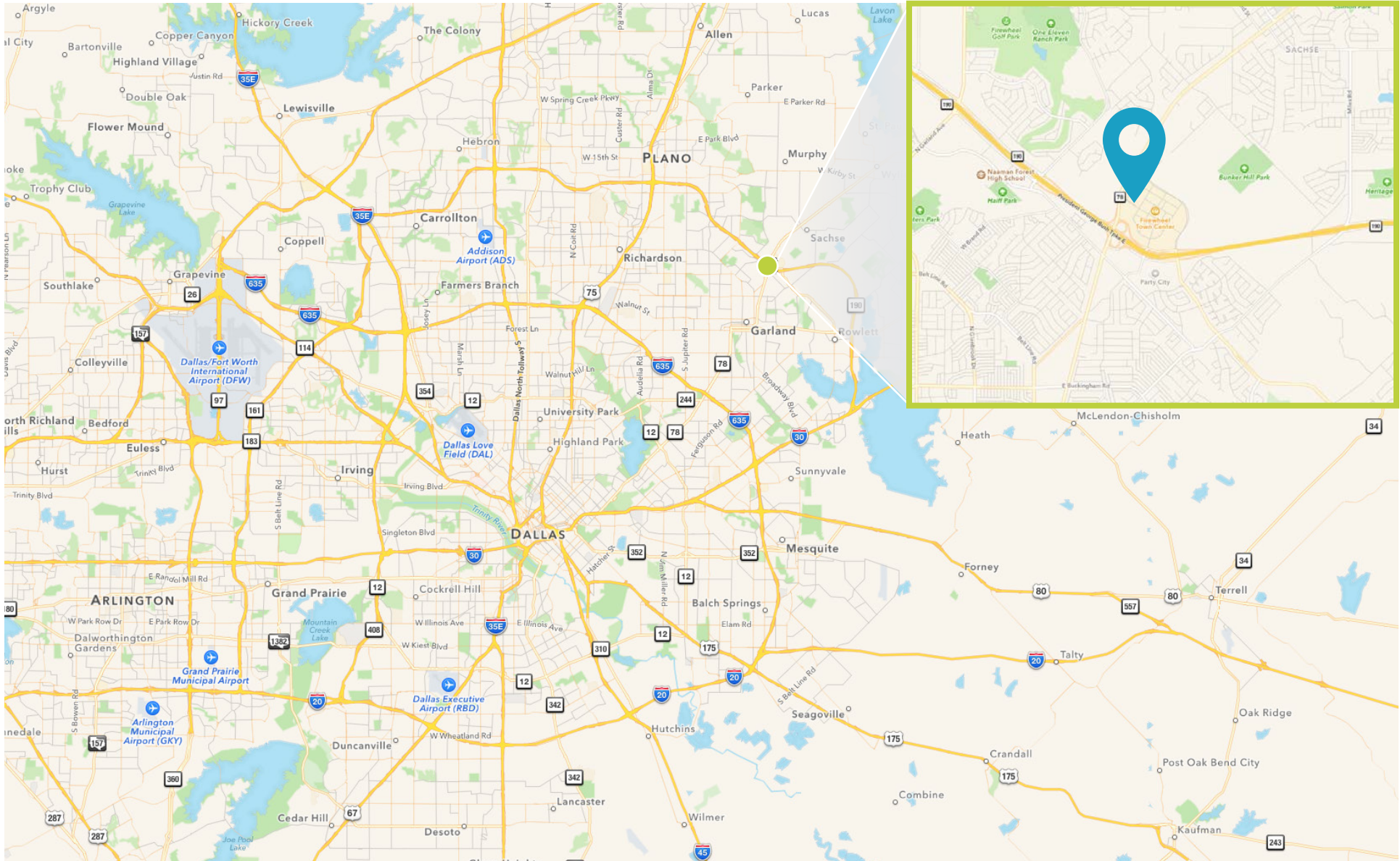




PROPERTY DESCRIPTION



STREET MAP





PROPERTY DESCRIPTION



AERIAL



AREA OVERVIEW



AMC THEATRES

President George Bush Turnpike
56,308 CPD

Lavon Drive
43,173 CPD

OLD NAVY

Pier 1 Imports

WORLD MARKET
ETHAN ALLEN

DICK'S SPORTING GOODS

Toys R Us

BARNES & NOBLE
BOOKSELLERS

M
W

IN-N-OUT
BURGER

Dillard's



AREA OVERVIEW



MARKET SUMMARY

About Garland, Texas:


Located adjacent to northern and eastern Dallas - Garland is a major manufacturing hub that houses more than 375 manufacturers including Raytheon, General Dynamics, Sherwin Williams and Kraft Foods. Part of the 4th largest region in the nation, the DFW Metroplex, Garland was ranked 67th Best Place to Live by CNN and Money Magazine.

Incorporated in 1891, the city of Garland is home to more than 236,000 residents, making it the fifth largest city in the DFW Metroplex and twelfth largest in Texas. In spite of its large population, residents value Garland's small-town feel and outstanding city services. The city of Garland prides itself on the strength of its diverse neighborhoods and offers residents the best of both urban and suburban living. Offering a wide range of housing options, Garland communities include apartments, condos, starter, luxury and custom homes. The quaint downtown square, which includes a fountain plaza, tree-canopied walkways and shaded rest areas, offers residents and visitors a place where they can come together as a community. Garland is a diverse city working hard to preserve its traditional charm, while advancing into the future.

"Texas Made Here" is more than a branding slogan for Garland - It's a state of mind.



The Garland Wheel
Echoes the Firewheel wildflower and signifies forward motion, energy and power.



The Cog
The edge of the medallion creates the impression of a gear. Gears provide energy—like the people who make Garland a vibrant community.

The Inner Works
Resembles a timepiece with contrasting color bands to set the wheel into visual motion.

TEXAS MADE HERE
Garland is where things are made—products, careers and opportunities—and many people have made this part of Texas their home.

TEXAS

A state of mind promising opportunity and a statement of friendship inviting visitors to come and experience an iconic place.

MADE

The essence of Garland's brand. Something is grown, stitched or layered together. A well-made thing—or city—requires vision, skill and care.

HERE

"Here" is about the ground—solid, fertile soil to grow and build neighborhoods and businesses. The starting point from which residents can make things happen.



AREA OVERVIEW



DEMOGRAPHICS

	1 mile	3 miles	5 miles
Population			
2000 Population	5,676	71,498	196,442
2010 Population	6,153	87,095	239,966
2015 Population	7,022	92,136	253,025
2020 Population	7,608	98,056	268,819
2000-2010 Annual Rate	0.81%	1.99%	2.02%
2010-2015 Annual Rate	2.55%	1.08%	1.01%
2015-2020 Annual Rate	1.62%	1.25%	1.22%
2015 Male Population	49.1%	48.8%	49.2%
2015 Female Population	50.9%	51.2%	50.8%
2015 Median Age	40.4	36.6	35.4

In the identified area, the current year population is 253,025. In 2010, the Census count in the area was 239,966. The rate of change since 2010 was 1.01% annually. The five-year projection for the population in the area is 268,819 representing a change of 1.22% annually from 2015 to 2020. Currently, the population is 49.2% male and 50.8% female.

Median Age

The median age in this area is 40.4, compared to U.S. median age of 37.9.

Race and Ethnicity

2015 White Alone	56.9%	58.5%	56.9%
2015 Black Alone	14.1%	12.9%	12.4%
2015 American Indian/Alaska Native Alone	0.4%	0.7%	0.6%
2015 Asian Alone	21.2%	16.6%	15.5%
2015 Pacific Islander Alone	0.1%	0.0%	0.0%
2015 Other Race	4.2%	8.0%	11.0%
2015 Two or More Races	3.2%	3.3%	3.5%
2015 Hispanic Origin (Any Race)	14.3%	25.6%	29.9%

Persons of Hispanic origin represent 29.9% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 78.9 in the identified area, compared to 63.0 for the U.S. as a whole.

Households

2000 Households	1,820	23,375	64,849
2010 Households	2,179	28,590	78,835
2015 Total Households	2,506	30,228	82,776
2020 Total Households	2,719	32,185	87,822
2000-2010 Annual Rate	1.82%	2.03%	1.97%
2010-2015 Annual Rate	2.70%	1.07%	0.93%
2015-2020 Annual Rate	1.64%	1.26%	1.19%
2015 Average Household Size	2.79	3.04	3.05

The household count in this area has changed from 78,835 in 2010 to 82,776 in the current year, a change of 0.93% annually. The five-year projection of households is 87,822, a change of 1.19% annually from the current year total. Average household size is currently 3.05, compared to 3.04 in the year 2010. The number of families in the current year is 64,524 in the specified area.



AREA OVERVIEW



DEMOGRAPHICS

	1 mile	3 miles	5 miles
Median Household Income			
2015 Median Household Income	\$87,614	\$71,301	\$69,812
2020 Median Household Income	\$100,397	\$81,775	\$79,990
2015-2020 Annual Rate	2.76%	2.78%	2.76%
Average Household Income			
2015 Average Household Income	\$105,393	\$90,257	\$90,310
2020 Average Household Income	\$118,651	\$101,431	\$101,756
2015-2020 Annual Rate	2.40%	2.36%	2.42%
Per Capita Income			
2015 Per Capita Income	\$36,134	\$29,801	\$29,594
2020 Per Capita Income	\$40,730	\$33,487	\$33,293
2015-2020 Annual Rate	2.42%	2.36%	2.38%

Households by Income

Current median household income is \$69,812 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$79,990 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$90,310 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$101,756 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$29,594 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$33,293 in five years, compared to \$32,501 for all U.S. households

Housing			
2000 Total Housing Units	1,871	24,026	66,777
2000 Owner Occupied Housing Units	1,650	18,938	48,585
2000 Renter Occupied Housing Units	170	4,438	16,265
2000 Vacant Housing Units	51	650	1,927
2010 Total Housing Units	2,287	29,937	82,748
2010 Owner Occupied Housing Units	1,863	22,434	58,409
2010 Renter Occupied Housing Units	316	6,156	20,426
2010 Vacant Housing Units	108	1,347	3,913
2015 Total Housing Units	2,570	31,537	86,776
2015 Owner Occupied Housing Units	2,106	23,176	59,978
2015 Renter Occupied Housing Units	399	7,052	22,798
2015 Vacant Housing Units	64	1,309	4,000
2020 Total Housing Units	2,770	33,460	91,729
2020 Owner Occupied Housing Units	2,278	24,542	63,285
2020 Renter Occupied Housing Units	441	7,643	24,537
2020 Vacant Housing Units	51	1,275	3,907

Currently, 69.1% of the 86,776 housing units in the area are owner occupied; 26.3%, renter occupied; and 4.6% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 82,748 housing units in the area - 70.6% owner occupied, 24.7% renter occupied, and 4.7% vacant. The annual rate of change in housing units since 2010 is 2.13%. Median home value in the area is \$222,514, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 1.70% annually to \$242,118.



INFORMATION ABOUT BROKERAGE SERVICES



Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written-listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY

A broker may act as an intermediary between the parties if the broker complies

with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.