



FOR SALE



NEW CONSTRUCTION | CORPORATE GUARANTY | 15 YEAR FEE SIMPLE NNN

OFFERING MEMORANDUM
SEC of Bear Valley Rd & Mojave Fish Hatchery Rd,
Hesperia, CA

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OFFERING SUMMARY



LOCATION

SEC of Bear Valley Road and Mojave Fish Hatchery Rd.,
Hesperia, CA 92345

OFFERING SUMMARY

Price:	\$4,412,000
Price Per SF:	\$1,260.57
Net Operating Income (NOI):	\$209,566.15
Capitalization Rate:	4.75%
Building Size:	3,500 SF
Year Built:	2023
Lot Size:	41,492 SF Lot (0.95 Acres)

LEASE TERMS (1)

Guarantor:	Panera, LLC
Guaranty Type:	Corporate
Lease Commencement: (2)	8/1/2023
Lease Expiration: (2)	7/31/2038
Primary Lease Term:	15 Years
Lease Type:	Fee Simple - NNN
Roof & Structure:	Tenant Responsibility
Monthly Rent:	\$17,463.85
Annual Rent:	\$209,566.15
Rental Increases:	10% Every 5 Years
Renewal Options:	Three 5-Year Options @ 10% Increases

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.

(2) Estimated lease commencement and expiration dates.



RENT ROLL



Tenant Name	LEASE TERM			RENTAL RATES							
	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
Panera, LLC: (Corporate)	3,500	8/1/2023	7/31/2038	Aug 2023	–	\$ 17,463.85		\$ 209,566.15	\$ 56.72	NNN	3 (5-Year) 10% Increases at the Beg. of Each Option
				Aug 2028	10%	\$ 19,210.23		\$ 60.23			
				Aug 2033	10%	\$ 21,131.23		\$ 66.25			

- 1) Shopping center owner (declarant) is responsible for Common Area Maintenance (CAM) and bills landlord their pro rata share. Tenant responsible to reimburse landlord's pro rata share of CAM expenses plus a 15% administrative fee paid to declarant.
- 2) Controllable CAM increase capped at 5% per year non-cumulative.

FINANCIAL INFORMATION

Price:	\$4,412,000
Net Operating Income (NOI):	\$209,566.15
Capitalization Rate:	4.75%
Lease Type:	Fee Simple - NNN

PROPERTY SPECIFICATION

Year Built:	2023
Rentable Area:	3,500 SF
Land Area:	0.95 Acres
Address:	SEQ Bear Valley Rd. & Fish Hatchery Rd. Hesperia, CA 92345



INVESTMENT HIGHLIGHTS



Beta Agency is pleased to present for sale a new construction Panera Bread (Corporate Lease Signature) equipped with a drive-thru in Hesperia, CA. Panera Bread has signed a new 15 year fee simple NNN lease at the location. The property is situated as an outparcel to Mojave Plaza anchored by ALDI Supermarket and Planet Fitness. The subject building is 3,500 SF and sits on a 41,492 sf lot. The lease includes three (3) 5-Year options with 10% rental increases in the primary term and option periods.

INVESTMENT HIGHLIGHTS:

- 2023 Construction
- New 15 Year Fee Simple NNN Lease
- Corporate Guarantee from Panera, LLC
- Newest Panera Bread Building
- Property is equipped with a Double Lane Drive-Thru
- Latest state-of-the-art concept
- Hard corner location, entrance to Mojave Plaza
- 10% Increases Every 5 Years
- Panera Bread 2,100+ Location w/ \$5.8B Annual Revenue
- Parent Company JAB Holding Company (German Investment Conglomerate)

SITE PLAN



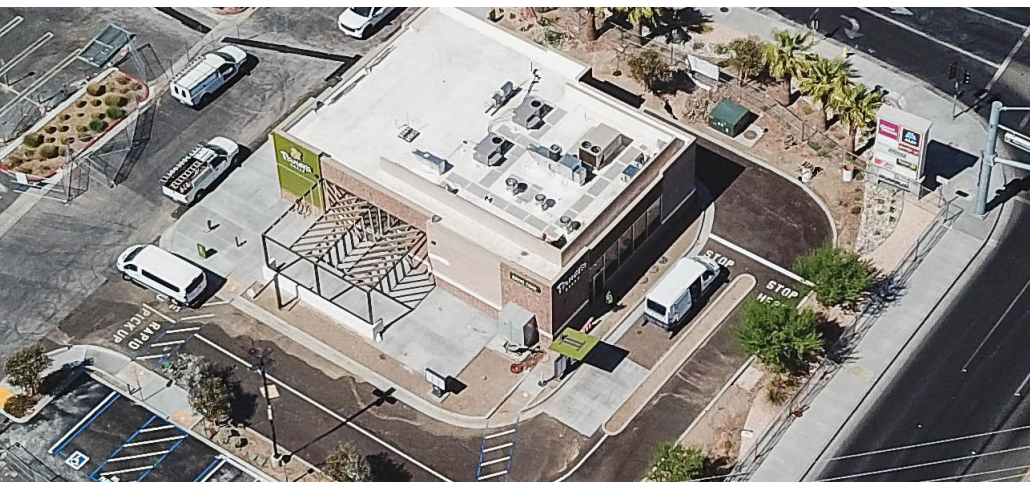
AERIAL OVERVIEW



SURROUNDING RETAIL



TENANT OVERVIEW



Panera Bread is an American chain store of bakery-café fast casual restaurants with over 2,000 locations, all of which are in the United States and Canada. Its headquarters are in Sunset Hills, Missouri. Revenue was \$5.795 billion USD (2022).

The company operates as Saint Louis Bread Company in the Greater St. Louis area, where it has over 100 locations. Offerings include bakery items, pasta, salads, sandwiches, soups, and specialty drinks. As of 2020, the menu also includes flatbread pizzas.

The company, which until 2021 also owned Au Bon Pain, is owned by JAB Holding Company, which is, in turn, owned by the Reimann family of Germany.

Panera offers a wide array of pastries and baked goods, such as bagels, brownies, cookies, croissants, muffins, and scones. These, along with Panera's artisan breads, are typically baked before dawn by an on-staff baker. Aside from the bakery section, Panera has a regular menu for dine-in or takeout including flatbreads, pizzas, warm grain bowls, panini, pasta, salads, sandwiches, side choices, and soups, as well as coffee, espresso drinks, frozen drinks, fruit smoothies, hot chocolate, iced drinks, lattes, lemonade, and tea.

Website: www.panerabread.com



\$5B+
Total Revenue



2,100+
Total Units & Growing



120,000+
Employees

AREA OVERVIEW

Hesperia, CA

Hesperia is a growing community with easy access to favorable markets, attractive occupancy costs, proximity to a sizable labor pool and affordable housing. Located in Southern California's Inland Empire in the Victor Valley Region of San Bernardino County, Hesperia is known as the "Star of the West." Hesperia is just minutes from the Cajon Pass, providing minimal commute time to nearby Ontario, San Bernardino, and Riverside areas. The most recent project to get approved by the City is the Tapestry Project. The project is a master-planned community that is aimed at younger families, preservation, and environmental sustainability. Proposed 15,663 housing units and over 1.4 million square feet of commercial and retail space are planned in the community that will sit on 9,400 acres of what is currently empty land. The project will be constructed in phases over 25 years and could boost the city's population by up to 80,000.

History

The City's history stretches far beyond its 1988 incorporation. Hesperia's past is rich with the history of the Mojave Indian Tribe, Spanish settlers and the westward travelers of the Mormon Trail. The first major turning point in present day Hesperia occurred in 1855 when the Atchison, Topeka and Santa Fe railroad tracks were completed. This resulted in Hesperia's first industry, providing juniper wood to bakers in Los Angeles by way of train. Juniper is a very hard wood that was used as fuel for kilns up until the early 1900s, when oil became the principal fuel for bakers. The change in technology did not slow Hesperia's progress. The 1900s were a booming time with the increased popularity of automobiles and Route 66. The City served as the last stopping point before travelers made the treacherous trip down the Cajon Pass.



AREA OVERVIEW

San Bernardino County

- 20,160 square miles which makes this the largest county in the contiguous United States
- 24 Incorporated cities in the county
- 82% land area is vacant and 13% of land is for military use
- 3 out of 4 residents living within one mile of a local park or within 5 miles of a regional, state or national park
- Population: 2.1 million people with a 16% projected growth between 2020 and 2045

ECONOMY

The economy of San Bernardino County, CA employs 927k people. The largest industries in San Bernardino County, CA are Health Care & Social Assistance (120,015 people), Retail Trade (118,793 people), and Transportation & Warehousing (88,686 people), and the highest paying industries are Utilities (\$80,062), Mining, Quarrying, & Oil & Gas Extraction (\$71,936), and Public Administration (\$63,707).

From 2019 to 2020, employment in San Bernardino County, CA grew at a rate of 1.35%, from 915k employees to 927k employees.

The most common job groups, by number of people living in San Bernardino County, CA, are Office & Administrative Support Occupations (114,173 people), Sales & Related Occupations (97,318 people), and Material Moving Occupations (74,243 people). This chart illustrates the share breakdown of the primary jobs held by residents of San Bernardino County, CA.



AREA OVERVIEW

EMPLOYMENT

- From 2019 to 2020, employment in San Bernardino County, CA grew at a rate of 1.35%, from 915k employees to 927k employees
- The most common job groups, by number of people living in San Bernardino County, CA, are Office & Administrative Support Occupations (114,173 people), Sales & Related Occupations (97,318 people), and Material Moving Occupations (74,243 people)

TRANSPORTATION

- I-215 and I-15 carry passengers and cargo north and south; I-10 runs east-west through the county
- **Ontario International Airport** — A public airport with 15 airlines; 5,740,593 passengers and 851,924 tons of cargo traveled through the airport in 2022
- Metrolink has 8 stations within the county; Arrow service extends Metrolink’s San Bernardino Line by nine miles and includes four new stations

TOURISM

- San Bernardino County, welcomes travelers from all corners of the world eager to explore everything from the floor of the Mojave Desert Basin to the alpine villages of Lake Arrowhead and Big Bear.
- The region also offers outlet shopping, wine tasting, apple picking and an array of eclectic outdoor art installations

EDUCATION

- In 2021, universities in San Bernardino County, CA awarded 29,325 degrees
- The student population of San Bernardino County, CA in 2021 is skewed towards women, with 70,566 male students and 110,650 female students
- Most students graduating from Universities in San Bernardino County, CA are Hispanic or Latino (14,935 and 52%), followed by White (6,113 and 21.3%), Asian (2,211 and 7.7%), and Black or African American (1,923 and 6.7%)

San Bernardino — Quick Stats

655K+

Households

63K+

Businesses

\$86K

Ave. Household Income

\$30B+

Taxable Sales

3 

Major Airports

2 

Major Railways

950K+

Labor Force

20,160

Square Miles

DEMOGRAPHICS

POPULATION	2-MILE	5-MILE	10-MILE
2028 Projection	24,525	161,269	372,510
2023 Estimate	23,438	156,066	357,970
2020 Census	22,994	153,615	351,582
Average Household Income	\$94,910	\$86,188	\$93,551

HOUSEHOLDS

2028 Projection	9,370	54,189	115,658
2023 Estimate	8,794	51,061	108,1845
2020 Census	8,559	49,648	104,9870
Average Home Value	\$410,226	\$403,093	\$376,448

RACE AND ETHNICITY

White	27.6%
Hispanic or Latino	53.8%
Black or African American	7.7%
Asian	7.1%
American Indian or Alaska Native	0.5%
Hawaiian or Pacific Islander	0.2%
Other Race	3.1%



161,269
Population (5-Mile)



32,591
College Graduates (10-Mile)



\$94,910
Avg. Household Income (2-Mile)

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