



# PANERA BREAD

NNN GROUND LEASE | OUTPARCEL TO REDEVELOPING SANTA ROSA MALL | 2008 BUILT TO SUIT

*350 Mary Esther Blvd, Mary Esther, FL 32569*

OFFERING MEMORANDUM

**Marcus & Millichap**  
PATEL YOZWIAK GROUP



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## TENANT OVERVIEW



Panera began in 1987 as St. Louis Bread Company, a humble community bakery founded with a sourdough starter from San Francisco and a dream of putting a loaf of bread in every arm. While their business has expanded well beyond St. Louis since then, that same sourdough starter is still used in the iconic sourdough bread and the craft of baking bread fresh each day remains at the heart of Panera Bread. Each day their trained bakers fill bakery shelves with delicious freshly baked cookies, pastries, bagels, and a range of breads from focaccia to classic baguettes.

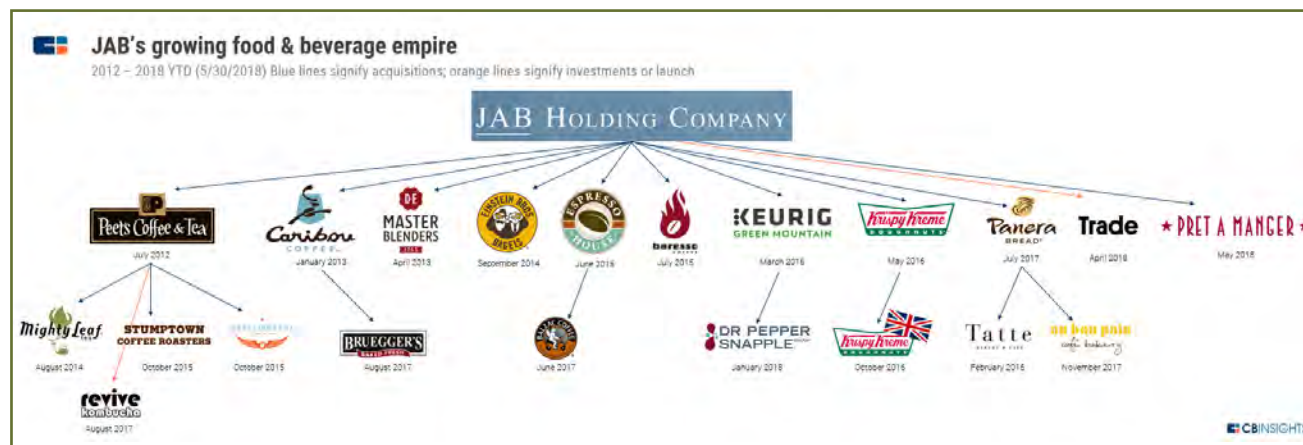
Food served in a warm, welcoming fast-casual bakery-cafe, by people who care. At Panera Bread, that's good eating and that's why they're serving clean food without artificial preservatives, sweeteners, flavors or colors from artificial sources. And they're always finding new ways to make every soup, salad, sandwich and sweet bakery treat you eat at Panera the best (and cleanest) it can be.

Panera Bread is privately held by JAB Holding Company. Panera Bread is part of Panera Brands, one of the world's largest fast casual restaurant companies, comprised of Panera Bread®, Caribou Coffee® and Einstein Bros.® Bagels.

**2,000+**  
LOCATIONS

**48**  
STATES

**140,000**  
EMPLOYEES





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AERIAL: EAST VIEW





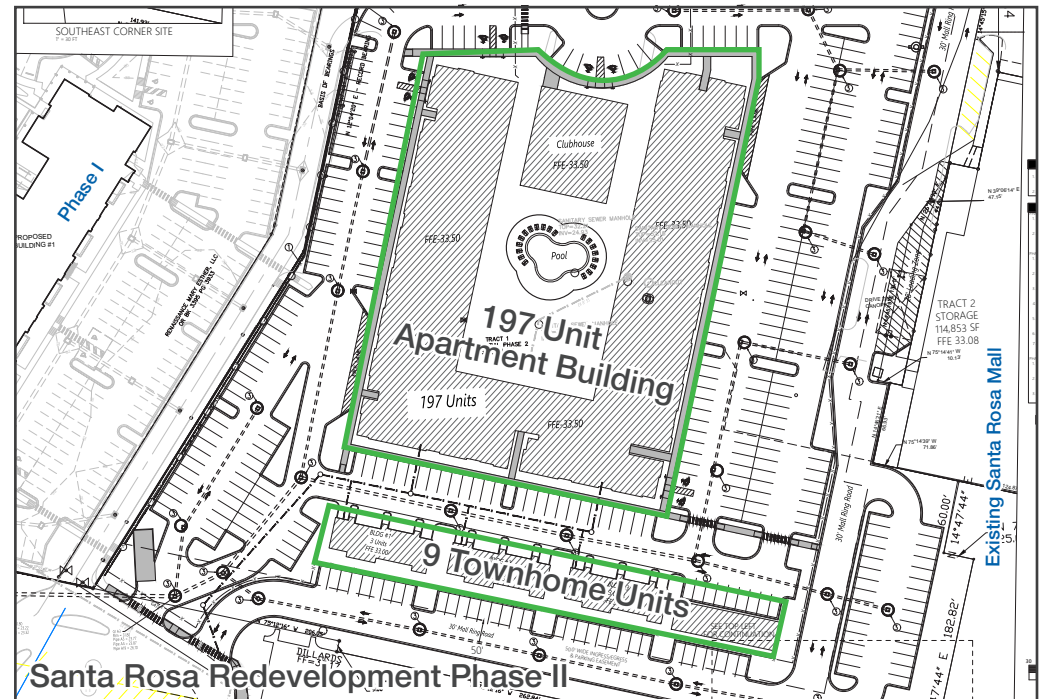
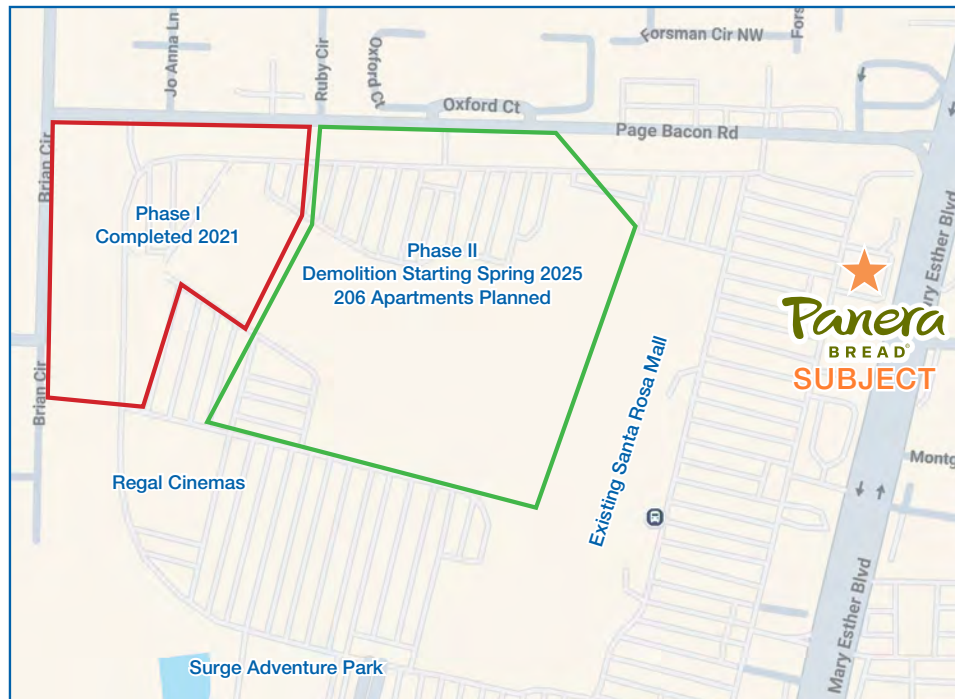
## MARKET SUMMARY: SANTA ROSA MALL REDEVELOPMENT PROJECT PHASE II

### Dillard's, food court at Santa Rosa Mall to be demolished for redevelopment

Jared Williams - Getthecoast.com

March 12, 2025

Demolition at the Santa Rosa Mall will begin soon, focusing on the old Dillard's building and former food court area as part of its ongoing redevelopment project. The partial demolition marks a new phase in the transformation of the mall property, which Radiant Partners has been redeveloping since acquiring the Dillard's department store building in early 2023. For Phase 2, a 206-unit apartment complex is planned for 8.25 acres on the east side of Phase 1 where the new demolition is slated to take place. Radiant Partners plans to continue its planning and design efforts, which will include sustainable practices and community-focused elements throughout the redevelopment.





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AERIAL: SOUTH VIEW





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## SUBJECT PHOTOS



## INVESTMENT HIGHLIGHTS

### **INVESTMENT HIGHLIGHTS:**

- 2008 Build to Suit for Panera Bread | Outparcel to Santa Rosa Mall With Drive-Thru and Outdoor Seating
- 4,662-SF Building on a +/-0.53 Acre Parcel | Renovated in 2012
- Just Under 3 Years Remaining on an Absolute Net Ground Lease | No Landlord Responsibilities
- 10% Rental Increases in Each of Three, 5-Year Renewal Options | Corporately Guaranteed Lease
- Initial Term Was Extended For an Additional 5 Years in 2015 and 2017 Respectfully, Showing Commitment to the Site

### **TENANT HIGHLIGHTS:**

- Panera Bread is One of The Largest Fast-Casual Bakery-Cafe Chains With Over 2,000 Locations
- Panera Bread Serves a Variety of Baked Goods, Sandwiches, Soups, Salads and Hot Prepared Foods in Addition to Hot and Iced Coffee, Espresso Drinks, Fruit Based Drinks and Teas
- Panera Bread is Owned by JAB Holding Company, a Private Conglomerate With Investments in Consumer Goods, Coffee and Fast Food, Among Others | JAB Has An Estimated Worth of \$15 Billion

### **LOCATION HIGHLIGHTS:**

- Property Features a Drive Thru With Separate Exit, Outdoor Patio Seating and a Large Parking Lot With 20 Total Spaces | Two Points of Ingress and Egress
- Outparcel to Santa Rosa Mall in a Dense Retail, Office and Residential Corridor | Mall is Undergoing Multi-Phase Development Project Converting Vacant Space into Modern Mixed-Use Spaces
- High Visibility Along Mary Esther Blvd on a Hard, Signalized Corner With a Dedicated Turn Lane and Access From Both Traffic Directions | 24,500+ Vehicles Per Day
- Proximity to Multiple National Tenants Including Starbucks, Target, McDonald's, Planet Fitness, Subway, Smoothie King, Piggly Wiggly, Longhorn Steakhouse, Wendy's, Sonic, Taco Bell and Many More
- 2.5 Miles From Hurlburt Field Air Force Base, With 7,900+ Active Duty and 17,00+ Civilian Employees
- 8 Miles From Eglin Air Force Base, The Largest Air Force Base in The World and a Major Command Base With Over 19,000 Personnel
- 5 Miles From Okaloosa Island and Multiple Beaches Within The Florida Panhandle
- Growing Demographics: Population of 68,900+ Within 5-Miles and Projected to Grow Through 2029 | Unemployment is Below 2% Within 1-Mile



## LEASE AND OFFERING SUMMARY

**LIST PRICE**  
**\$2,700,000**

**CAP RATE**  
**6.59%**

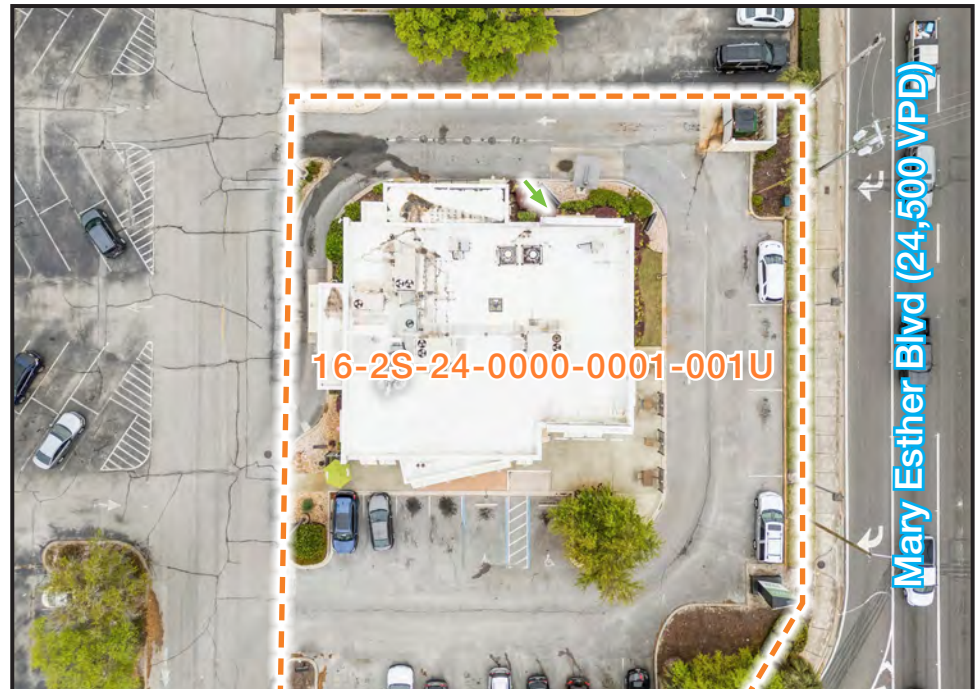
**PRICE/SF**  
**\$579**

PROPERTY DESCRIPTION	
YEAR BUILT/RENOVATED:	2008/2012
GLA:	4,662-SF
LOT SIZE:	+/-0.53-AC
TYPE OF OWNERSHIP:	Fee Simple

LEASE ABSTRACT	
TENANT:	Panera Bread
LEASE TYPE:	NNN Ground Lease
GUARANTOR:	Corporate
LEASE START:	7/1/2007
LEASE EXPIRATION:	6/30/2028
YEARS REMAINING:	~3 Years
RENTAL INCREASES:	10% in Each Option
RENEWAL OPTIONS:	Three, 5-Year Options
LL RESPONSIBILITY:	None
TENANT RESPONSIBILITY:	All

RENT SCHEDULE*					
START	END	ANNUALLY	MONTHLY	PSF	INCR.
7/1/2023	6/30/2028	\$178,065	\$14,838.75	\$38.19	-
OPTION 1	6/30/2033	\$197,685	\$16,473.75	\$42.40	10%
OPTION 2	6/20/2038	\$217,440	\$18,120.00	\$46.64	10%
OPTION 3	6/30/2043	\$239,175	\$19,931.25	\$51.30	10%

\*Initial term was extended by a combined 10 years in 2015 and 2017





## MARKET SUMMARY

### CITY OF MARY ESTHER

Mary Esther is a city in Okaloosa County, Florida. It is part of the Crestview–Fort Walton Beach–Destin, Florida Metropolitan Statistical Area. The population was 3,982 at the 2020 US census, up from 3,851 at the 2010 census. U.S. Route 98 is the main route through the city, leading east 4 miles to Fort Walton Beach and west 37 miles to Pensacola. Mary Esther is flanked by two Air Force Bases on either side: Hurlburt Field and Eglin Air Force Base.

Okaloosa County includes parts of both Choctawhatchee National Forest and Gulf Islands National Seashore.

Mary Esther is noted as one of the first areas settled in this part of Northwest Florida. The first settler of Mary Esther came in 1842. Mary Esther was incorporated in 1946, and the opening of Santa Rosa Mall in 1976 sparked a commercial building boom along Mary Esther Cutoff (later renamed Mary Esther Boulevard within the City limits) that no one had envisioned. The 2 and a half square mile city now boasts an estimated population of 4,400 residents.



### METRO AREA HIGHLIGHTS

Mary Esther is located within the Crestview–Fort Walton Beach–Destin, Florida Metropolitan Statistical Area, consisting of Okaloosa and Walton counties. As of the 2020 census, the MSA had a population of 286,993, up from 235,865 at the 2010 census.

The metropolitan area is a part of the “Northwest Corridor”, a part of the Florida Panhandle, which includes the Pensacola Metropolitan Statistical Area and the Panama City—Panama City Beach Metropolitan Statistical Area.

Historically, the economy of the panhandle depended mainly on farming, forestry and lumbering, paper mills, import/export shipping at Pensacola and to a lesser extent at Panama City, shipbuilding, and commercial fishing. After World War II, the economy was boosted by the numerous military bases established in the region, as well as the growth of tourism and the hospitality industry.

In addition to military bases, state and local governments, hospitals, schools, and colleges, major private employers in the second half of the twentieth century included Monsanto and Westinghouse plants at Pensacola, the St. Joe Paper Company in Port St. Joe, and Gulf Power, a major electric utility company.






## DEMOGRAPHIC REPORT

POPULATION	1 Mile	3 Miles	5 Miles
2028 Projection	7,306	43,486	69,739
2023 Estimate	7,274	43,118	68,984
2020 Census	7,270	43,020	68,524
2000 Census	6,815	39,212	62,172
Daytime Population	3,009	18,761	30,326
HOUSEHOLD INCOME	1 Mile	3 Miles	5 Miles
Average	\$85,196	\$84,142	\$90,147
Median	\$67,445	\$67,030	\$71,638
Per Capita	\$35,976	\$36,505	\$39,172
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2028 Projection	3,009	18,761	30,326
2022 Estimate	2,978	18,507	29,865
2020 Census	2,934	18,155	29,226
2000 Census	2,789	16,413	26,472
HOUSING	1 Mile	3 Miles	5 Miles
Median Home Value	\$273,883	\$300,103	\$328,003
EMPLOYMENT	1 Mile	3 Miles	5 Miles
2023 Unemployment	1.99%	1.63%	1.62%
Avg. Time Traveled	26	23	24
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
High School Graduate (12)	33.68%	27.81%	25.10%
Some College (13-15)	23.62%	25.50%	24.53%
Associate Degree Only	8.45%	10.66%	11.72%
Bachelor's Degree Only	17.82%	17.45%	19.71%
Graduate Degree	8.99%	10.11%	11.21%

MAJOR EMPLOYERS	EMPLOYEES
1 Fort Walton Beach Medical Center	750
2 Healthcare Services Group Inc	518
3 Booz Allen Hamilton Engineering Services	470
4 Leidos Info Tech Coml Corp	403
5 Winn-Dixie	325
6 Ulta Beauty Inc	297
7 Santa Rosa Mall	293
8 White Wilson Medical Center	286
9 Bi-Lo Holdings Foundation Inc	285
10 Northwest FL State College	280
11 The Home Depot	268
12 Florida Institute Neuroscience	236
13 Panama City News Herald-Northwest Florida Daily News	226
14 Olive Garden	217
15 L3 Technologies Inc-TCS Design & Management Svc	205
16 Walmart Inc	182
17 Global E Telcom	182
18 Marinemax East Inc	157
19 Publix Pharmacy	149
20 Beast Code LLC	136
21 Micro Systems Inc	135
22 Publix Super Markets lic	134
23 Valiant Global Def Services Inc	131
24 BAE Systems	130
25 Okaloosa County Water & Sewer	130





# PANERA BREAD

350 MARY ESTHER BLVD, MARY ESTHER, FL

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