

OFFERING MEMORANDUM

High-Profile Investment Opportunity | Newer Construction

3511 South 27th St
Milwaukee, WI 53221



LONG-TERM CORPORATE TENANT

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OFFERING SUMMARY

ADDRESS	3511 South 27th St. Milwaukee, WI 53221
COUNTY	Milwaukee
MARKET	Southeast Wisconsin
SUBMARKET	Milwaukee County
BUILDING SIZE	4,300 SF
LAND SIZE	.72 Acres
TAX KEY NO.	5530772000
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

ASKING PRICE	\$3,300,000
PRICE PSF	\$767.44
OCCUPANCY	100 %
NOI (CURRENT / Year 4)	\$163,400 (before sale)
NOI (PRO FORMA) / Year 5	\$179,740 (upon sale)*
CAP RATE (CURRENT/ Year 4)	4.95%
CAP RATE (PRO FORMA / Year 5)	5.45% (upon sale)*
AVERAGE CAP RATE	5.67% (remaining term)



We obtained the following information above from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent the current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction. Photos subject to copyright.

A 4,300-square-foot retail building with a drive-thru, leased to Panera, is now available on South 27th Street in Milwaukee, Wisconsin. The property has a corporate lease with Panera, with almost 12 years remaining and several renewal options. There are 10% rent increases every five years, with Seller to carry forward 2026 renewal rate upon closing.

Located about 4 miles south of downtown Milwaukee in a prime retail area anchored by the renowned 931-bed Aurora St. Luke's Medical Center, the site benefits from excellent traffic exposure and demographics. The area has 384,953 residents within a 5-mile radius with an average household income of \$78,550, making this an excellent net lease investment opportunity.

PROPERTY DESCRIPTION

HVAC	(4) Four Lennox gas-fired units and rooftop exhaust fans
CONSTRUCTION	Decorative masonry
YEAR BUILT	2020
ZONING	LB-1
RESTROOMS	(2) Two
SPRINKLER	Yes
POWER	3 Phase, 800 amp service (TBV)
SIGNAGE	Prominent monument and building facade
DRIVE THRU	Yes
OUTDOOR CAFE SEATING	Yes

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2023 Population	20,081	197,654	384,953
2023 Median HH Income	\$52,498	\$53,857	\$55,359
2023 Average HH Income	\$73,632	\$73,946	\$78,550

TRAFFIC COUNTS (per WisDOT)

27TH STREET	32,600 CPD
MORGAN AVENUE	10,500 CPD

* Seller to carry forward 2026 renewal rate upon closing.



PANERA BREAD INVESTMENT OFFERING

LONG-TERM LEASE WITH RENT INCREASES

- In 2020, Panera signed a 15-year lease with 10% rent increases every 5 years, including options. This enhances investment yield and guards against inflation.
- Panera, a top bakery-cafe chain with over 2,000 locations and \$5 billion in annual sales, was acquired by JAB Holding Company in 2017, a German firm with a “BBB+” S&P credit rating.

NEW BUILDING WITH DRIVE-THRU

- Newly built to Panera’s latest standards in 2020, featuring a drive-thru.
- Located on an outparcel with a transferable 20-year roof warranty.

NEAR AURORA ST. LUKE’S MEDICAL CENTER

- Half a mile from Wisconsin’s largest hospital, Aurora St. Luke’s, with 931 beds and \$6.154 billion in annual revenue, ensuring a steady customer base.



DENSE POPULATION WITH HIGH INCOMES

- Over 197,654 residents within 3 miles, average household income \$73,946.
- Within 5 miles, 384,953 residents, average household income \$78,550, supporting long-term value.

EXCELLENT TRAFFIC, ACCESS, AND VISIBILITY

- Located near a busy intersection with nearly 47,000 vehicles daily.
- Easy access and high visibility with multiple entry points.

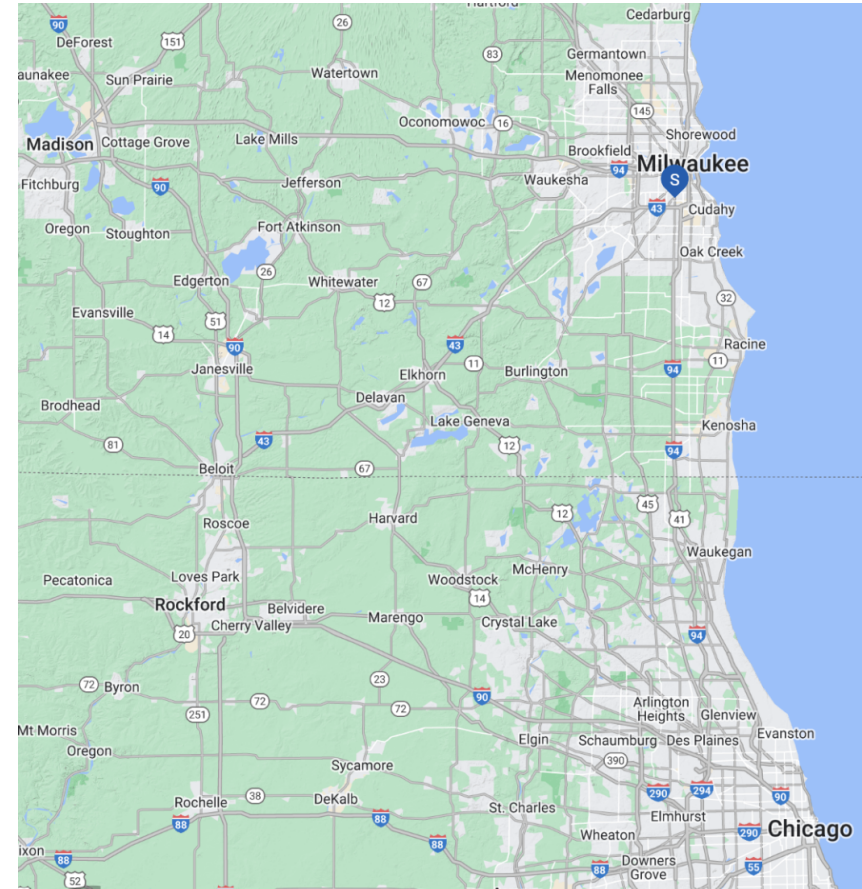
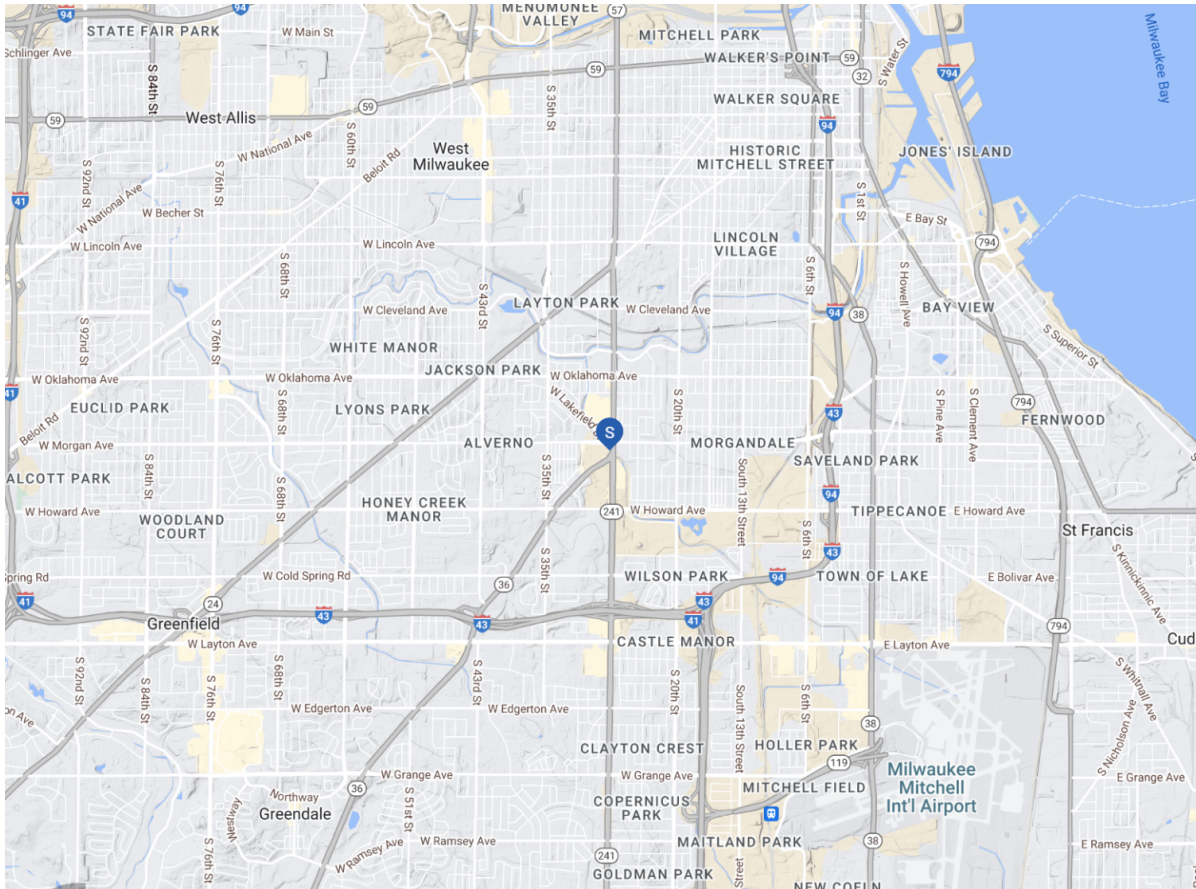
PRIME RETAIL LOCATION

- In a retail corridor next to a shopping center with Ross, Marshalls, and Michael’s.
- Surrounded by major retailers like Walmart, Kohl’s, Walgreens, and Planet Fitness, attracting many customers.

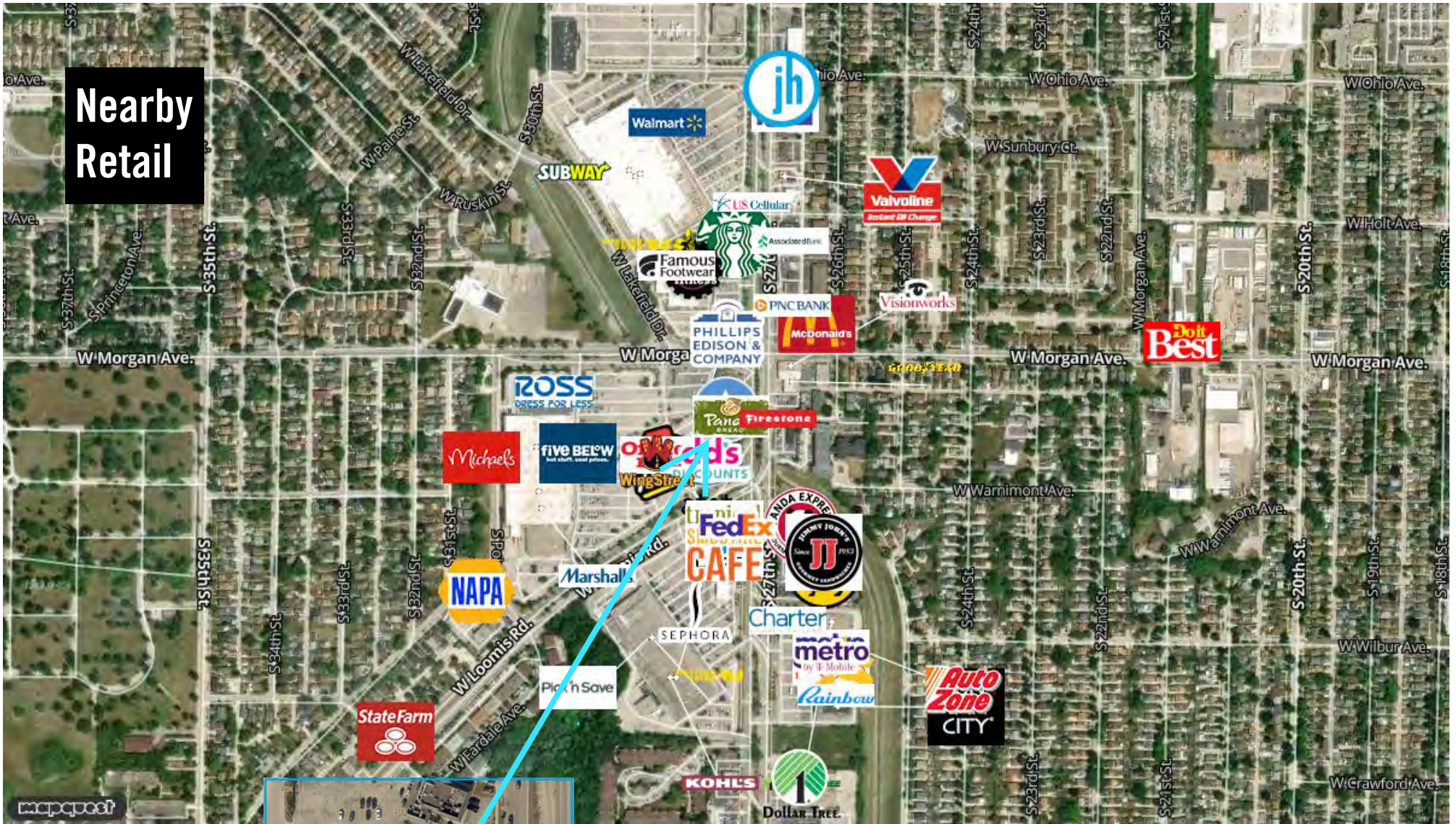


Seller Disclosure: The property benefits from a perpetual non-exclusive easement on, over, across, along and upon those parts of the [Loomis Center] Shopping Center that are used for ingress, egress, and parking. Seller has learned that future access may be impacted by MMSD ownership rights over that same adjacent parking lot. Seller has been working with MMSD to secure assurances to mitigate potential risks related to any uncertainty.

LOCATION SUMMARY



Nearby Retail





Tenant Profile

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 Panera has expanded well beyond St. Louis since then, that same sourdough starter is still used in their iconic sourdough bread and the craft of baking bread fresh each day remains at the heart of Panera Bread. Each day trained bakers fill the bakery shelves with delicious freshly baked cookies, pastries, bagels, and a range of breads from focaccia to classic baguettes.

Panera believes in serving delicious, freshly prepared, Clean food made with carefully selected ingredients that they are proud to serve their own families. The menu, crafted by chefs and bakers, features classic, comforting dishes, each with an intriguing twist.

Panera respects our planet and takes measures to lessen their impacts. They believe in treating people with warmth, kindness, and respect, whether it's a guest in Panera cafe or one of their associates. They believe in helping local communities, especially in times of need.

Panera also focused on improving quality and convenience. With investments in technology and operations, they offer omni-channel access to Panera favorites – like mobile ordering, catering, and Rapid Pick-Up® for to-go orders, Curbside pick-up and delivery – all designed to make things easier for guests.

Today, Panera operates as both Panera Bread® or Saint Louis Bread Co./ St. Louis Bread Company in 48 states, the District of Columbia and Canada.

Panera Bread is privately held by JAB Holding Company. Panera Bread is part of Panera Brands, one of the largest fast casual restaurant platforms in the U.S., comprised of Panera Bread®, Caribou Coffee® and Einstein Bros.® Bagels.

Source: www.panerabread.com





CONFIDENTIAL LEASE INFORMATION

LEASE ABSTRACT



TENANT	Panera LLC
EFFECTIVE DATE	August 1 , 2021
ORIGINAL LEASE TERM	(15) Fifteen Years
LEASE TERM REMAINING	(12) Twelve Years
OPTIONS	(3) Three, (5) Five-Year Options
LEASE TYPE	(NN) Double Net: Landlord reimbursed for all operating expenses
RENTAL INCREASES	(10%) Ten Percent every 5 years
UTILITIES	Tenant Responsibility
TAXES	Landlord reimbursed for all property taxes by Tenant

Tenant's Proportionate Share: 1.98% (of Center). Landlord pays these expenses and tenant reimburses landlord on a pro-rata basis.

Landlord Responsibilities: Landlord's sole obligation to keep in good repair all Common Areas, common utility systems, and center service equipment including exterior lighting, structural and roof.

Tenant Responsibilities: All building repairs not Landlord's responsibility, repair and replacements to all HVAC, electrical, plumbing and other mechanical systems.

Rent Roll

Tenant Name	Square Feet	% of GLA	Lease Term		Begin Date	Rental Rates				Lease Type
			Lease Start	Lease End		Monthly	PSF	Annual	PSF	
Panera Bread	4,300	100.00 %	08/01/21	07/31/36	CURRENT	\$13,617	\$3.17	\$163,400	\$38.00	NN
					08/01/2026	\$14,978	\$3.48	\$179,740	\$41.76	
					08/01/2031	\$16,476	\$3.83	\$197,714	\$45.96	
					OPTION(S)					
					08/01/2036	\$18,124	\$4.21	\$217,485	\$50.52	
					08/01/2041	\$19,938	\$4.64	\$239,252	\$55.68	
					08/01/2046	\$21,931	\$5.10	\$263,177	\$61.20	
Totals	4,300				\$13,617		\$163,400			

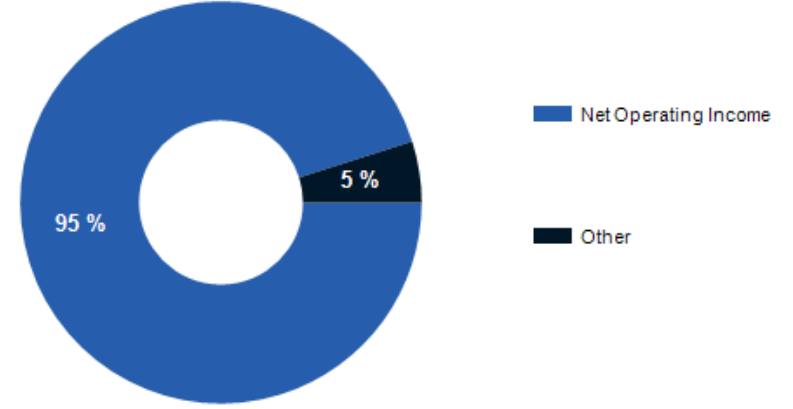
Income & Expense Analysis

REVENUE ALLOCATION CURRENT

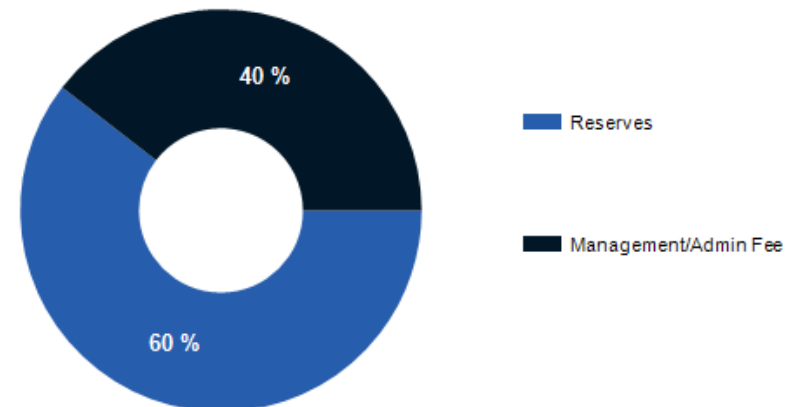
INCOME	YEAR 4		YEAR 5 / PRO FORMA*	
Gross Scheduled Rent	\$163,400		\$179,740	
Effective Gross Income	\$163,400		\$179,740	
Less Expenses	\$3,268	2.00 %	\$3,595	2.00 %
Net Operating Income	\$160,132		\$176,145	

EXPENSES	CURRENT	PRO FORMA
Management/Admin Fee	\$3,268	\$3,595
Total Operating Expense	\$3,268	\$3,595
Reserves	\$5,000	\$5,100
Expense / SF	\$0.76	\$0.84
% of EGI	2.00 %	2.00 %

* rental rate upon closing



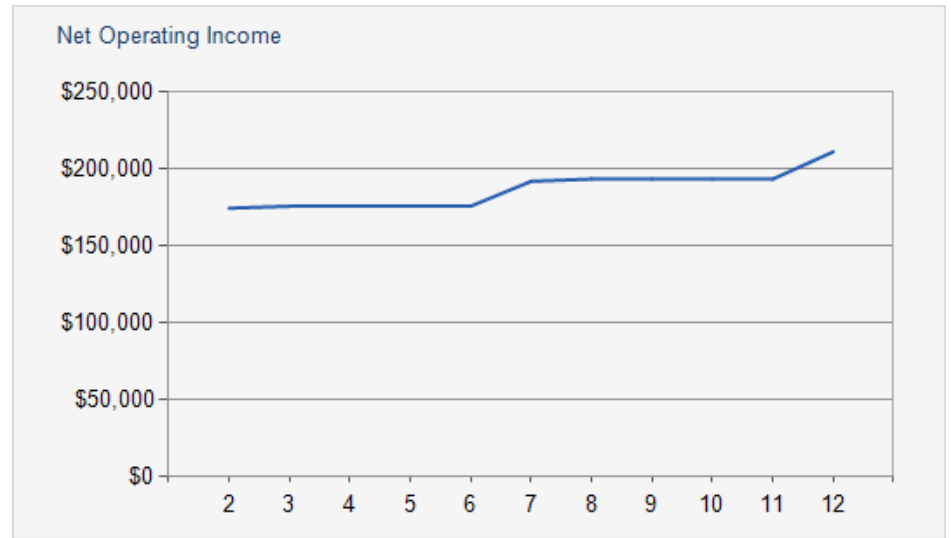
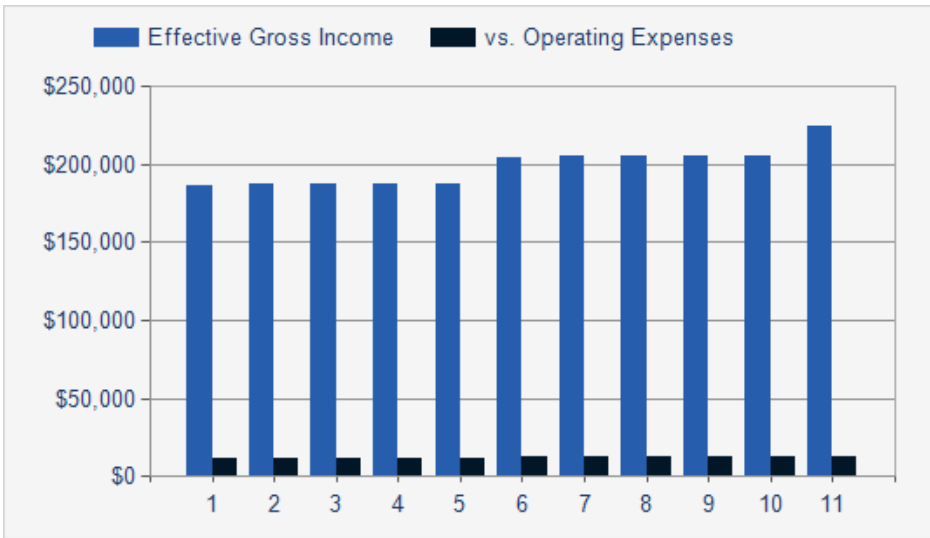
DISTRIBUTION OF EXPENSES CURRENT





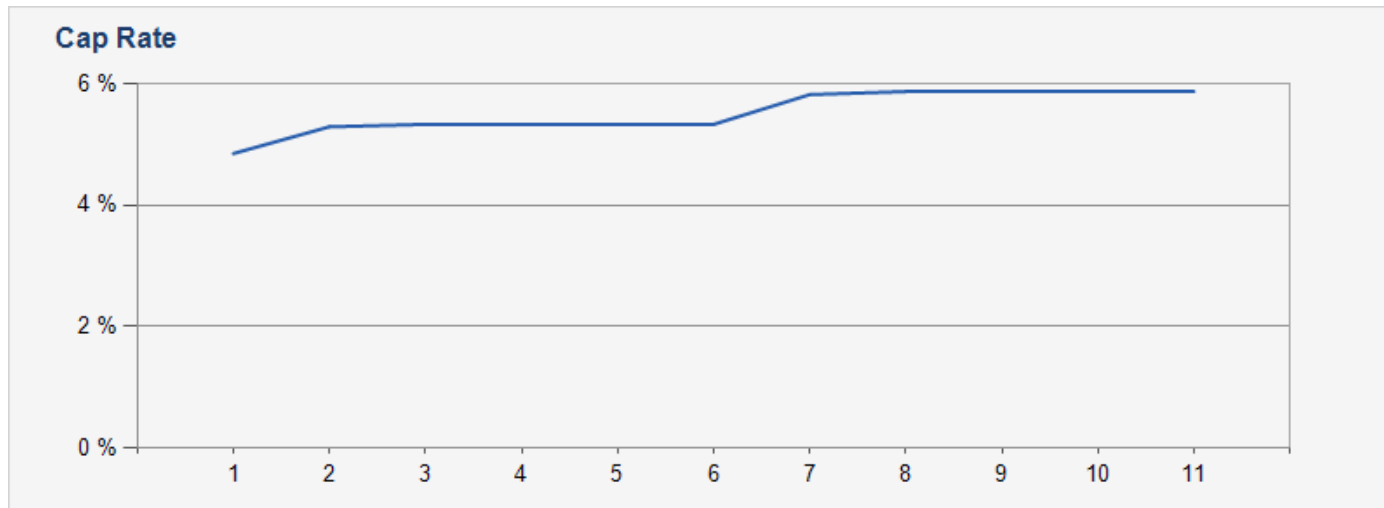
Cash Flow Analysis / Investor Perspective

Year	Aug. 1, 2024	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Gross Revenue												
Gross Scheduled Rent	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$197,714	\$197,714	\$197,714	\$197,714	\$197,714
Effective Gross Income	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$179,740	\$197,714	\$197,714	\$197,714	\$197,714	\$197,714
Management/Admin Fee	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,954	\$3,954	\$3,954	\$3,954	\$3,954
Total Operating Expense	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,595	\$3,954	\$3,954	\$3,954	\$3,954	\$3,954
Net Operating Income	\$176,145	\$176,145	\$176,145	\$176,145	\$176,145	\$176,145	\$176,145	\$193,760	\$193,760	\$193,760	\$193,760	\$193,760
Reserves	\$3,184	\$3,247	\$3,312	\$3,378	\$3,446	\$3,515	\$3,585	\$3,657	\$3,730	\$3,805	\$3,881	\$3,958

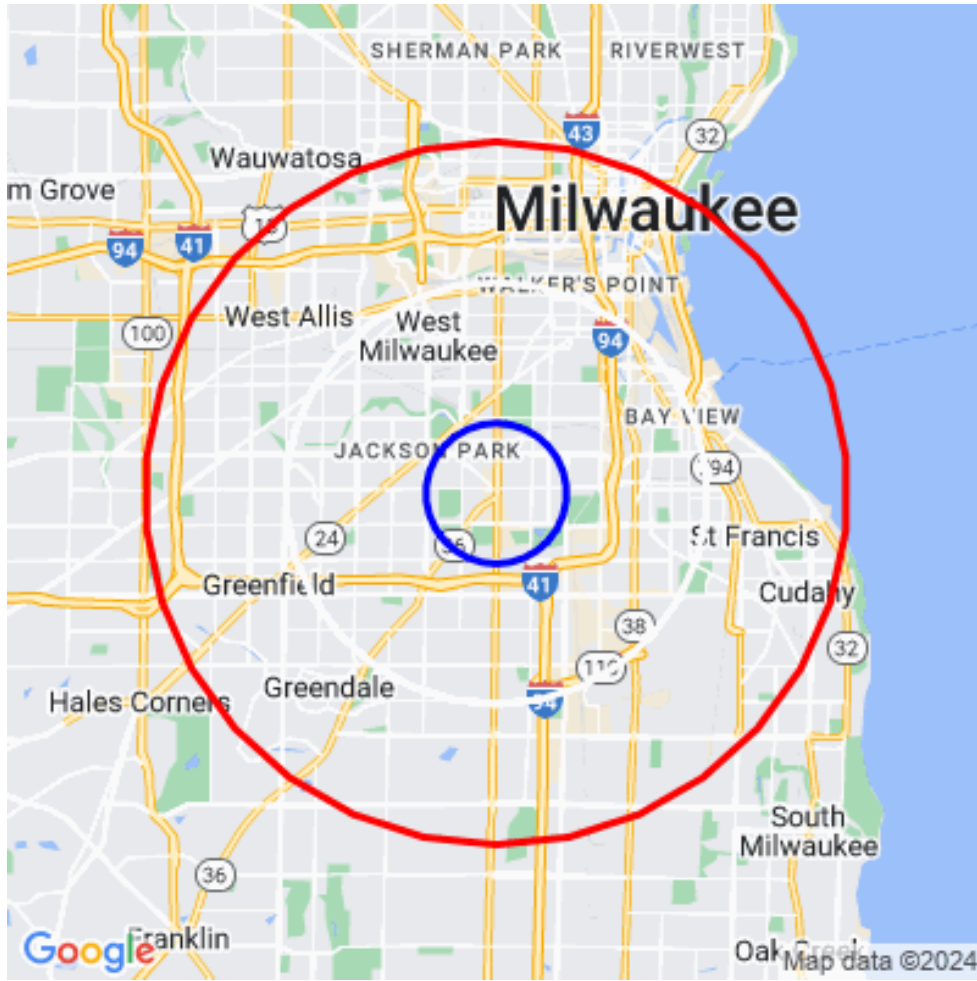


Financial Metrics / Investor Perspective

Calendar Year	Aug. 1, 2024	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
CAP Rate	5.34 %	5.34 %	5.34 %	5.34 %	5.34 %	5.34 %	5.34 %	5.87 %	5.87 %	5.87 %	5.87 %	5.87 %
Operating Expense Ratio	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %
Breakeven Ratio	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %
Price / SF	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44	\$767.44
Income / SF	\$41.80	\$41.80	\$41.80	\$41.80	\$41.80	\$41.80	\$41.80	\$45.98	\$45.98	\$45.98	\$45.98	\$45.98
Expense / SF	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.91	\$0.91	\$0.91	\$0.91	\$0.91



DEMOGRAPHICS



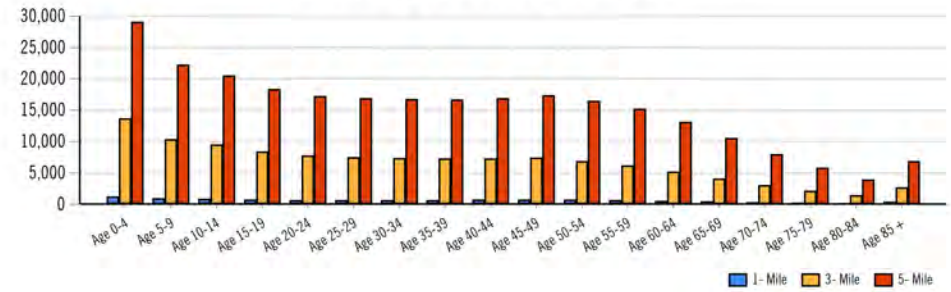
Employment by Distance

Distance	Employed	Unemployed	Unemployment Rate
1-Mile	4,962	282	3.82 %
3-Mile	49,969	2,657	4.26 %
5-Mile	121,600	5,699	4.09 %

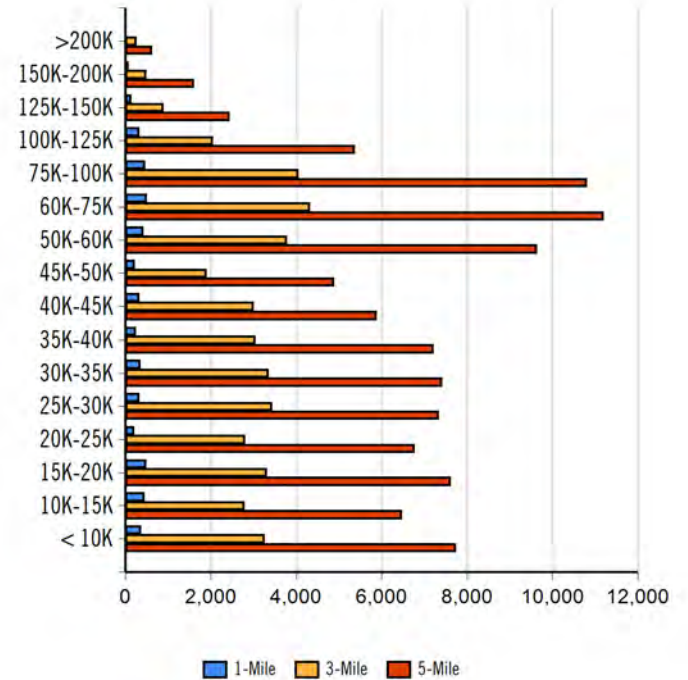
Population

Distance	Male	Female	Total
1- Mi	5,495	5,865	11,360
3- Mi	59,137	58,976	118,113
5- Mi	135,759	136,255	272,014

Population by Distance and Age (2020)



Household Income



information from Moody's

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

- 8 (a) The duty to provide brokerage services to you fairly and honestly.
- 9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.
- 12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).
- 14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).
- 16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
- 17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

- 28 The following information is required to be disclosed by law:
- 29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
 - 30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____
36 _____
37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____
39 _____
40 _____

41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)

42 **DEFINITION OF MATERIAL ADVERSE FACTS**
43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

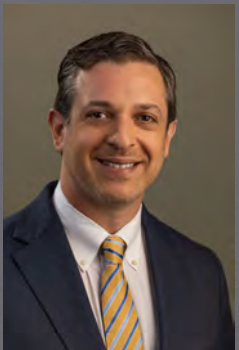
47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

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