

**OLATHE, KS**



**BELLEVUE, NE**



**OMAHA, NE | DOWNTOWN**



**GRAND ISLAND, NE**



**LINCOLN, NE**



**ST. CLOUD, MN**



**OMAHA, NE**



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# PEPPERJAX GRILL PORTFOLIO Offering Memorandum

September, 2017

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## INVESTMENT OVERVIEW

Scott Schneiderman of The MEGA Corporation dba CB Richard Ellis|MEGA is pleased to offer five freestanding PepperJax Grill commercial buildings and two 2-tenant commercial buildings for sale. This sale portfolio consists of seven net-leased fast casual restaurant stores all 100% leased out to PepperJax Grill. These sites are operating under absolute NNN leases with six located in Nebraska, one located in Kansas and one located in Minnesota. All seven properties are offered as a portfolio and individually.



## INVESTMENT HIGHLIGHTS

- + PepperJax Grill operates on NNN leases on all seven sites, with six sites on absolute NNN leases, providing the landlord with the ability to collect passive, management-free income on six of seven properties
- + Owner can realize significant after-tax cash flow through the ability to depreciate the properties on an accelerated 15-year schedules (to be verified with accountant)
- + All properties have strong restaurant store fundamentals: strong traffic counts, great visibility, robust demographics, and easy access

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## TENANT OVERVIEW



### PEPPERJAX GRILL'S STORY

PepperJax believes in crafting good food for hardworking people.

PepperJax believes in keeping it real and serving you uncomplicated, delicious meals. No fancy buzzwords or gimmicks, just downright, genuinely good food that brings everybody to the table.

And when it comes to their food, that's where PepperJax really rolls up their sleeves and get to work.

PepperJax believes in bringing you the same high-quality, grill-to-order meals that have kept you satisfied since they first opened. In fact, they wouldn't dare do it any other way – they are founded on this stuff.

From the beginning, PepperJax's founder believed in crafting the perfect Philly Cheesesteak with the kind of high-quality meat you can't get just anywhere. A Nebraska rancher, he pioneered the thinly sliced, perfectly-flavored steak that we all know and devour in our Philly Cheesesteaks

around the country. From rancher to inventor to restaurateur. In 2002, he took his pioneering ways and opened the first PepperJax Grill searing up (you guessed it) this hand-selected, handcrafted steak on his grills.

Proudly front and center, for all to experience, it's how PepperJax keeps things fired up today.

When you order, you order straight from their grill cook. Your favorite meat is cooked right in front of you, layered on

Property Name	<b>PepperJax Grill</b> (All stores are corporate-owned by TA Associates)
Property Type	Fast Casual Restaurant
Parent Company Trade Name	PepperJax Holdings, LLC, a Delaware limited liability company / TA Associates
Ownership	TA Associates (see Ownership Overview) <ul style="list-style-type: none"><li>• A successful private investment fund in the world.</li><li>• Founded in 1968, has partnered with over 400 companies who manage \$18 billion of capital</li></ul>
Number of National Locations	41 Stores located in Iowa, Kansas, Minnesota, Nebraska, Missouri and South Dakota with plans to expand.
Website	<a href="http://www.pepperjaxgrill.com">www.pepperjaxgrill.com</a> <a href="http://www.ta.com">www.ta.com</a>

their perfectly-toasted bread (or bowl, if that's what you're feeling) and finished with our 30-year-old, family secret seasoning.

Hungry for double meat? Make it a Gunner. Hankering for a fries and drink? Jax It Up. Because when it comes to your food, PepperJax doesn't cut corners on quality or skimp on the straight-up, most mouthwatering meal you can get your hands on.

PepperJax keeps it real because we want you to feel at-home reaching right across the table to share your friends' loaded fries or licking your fingers to get that very last delicious taste. They won't judge, but might get a little jealous when you take that first bite.

### PEPPERJAX GRILL'S RECORD OF SUCCESS

- + Rapidly growing fast-casual restaurant offering "America's Best Philly" and other made-to-order, customizable sandwiches and flavorful entrees
- + Was named Top 100 Fast Casual Restaurant Chains by Technomics Restaurant Reports
- + Named to The Future 50 list of the fastest growing small restaurant chains in the U.S. by Restaurant Business Magazine
- + An established and growing regional brand...Going National

## PEPPERJAX GRILL PORTFOLIO | Offering Memorandum

## OWNERSHIP OVERVIEW

### PEPPERJAX GRILL'S OWNERSHIP

TA Associates is a leading global growth private equity firm with nearly five decades of experience. We have partnered with owners and management teams of more than 470 companies around the world to help accelerate growth and create lasting shareholder value.

Their global team of over 80 dedicated and experienced investment professionals is focused on investing in profitable, growing companies in the business services, consumer, financial services, healthcare and technology industries. With \$24 billion of equity and subordinated debt capital raised, TA Associates are investing more than \$1 billion per year.

### INVESTMENT STRATEGY

**INDUSTRY FOCUS:** Deep domain experience and demonstrated success investing across business services, consumer, financial services, healthcare and technology industries

**GEOGRAPHIC FOCUS:** Global, particularly North America, Europe and the Asia-Pacific region



**TA ROLE AND VALUE-ADD:** Lead investor and active director involved in strategy, recruiting, financings and acquisitions to help scale growth; day-today operations are left to company management

**INVESTMENT PERIOD:** Long-term, patient growth investor looking to build value over time; TA's investment holding period has averaged 5 years over the past 15 years.

**INVESTMENT CRITERIA STAGE:** Profitable and growing companies

**USE OF CAPITAL:** To provide liquidity for stakeholders, working capital for growth and/or financing for acquisitions

**INVESTMENT SIZE:** \$50 to \$500 million in equity, generally \$10 to \$50 million in subordinated debt; investment sizes may be smaller in Asia, starting at \$25 million

**COMPANY VALUATION:** Generally \$100 million to \$3 billion

**OWNERSHIP:** Minority and majority positions, with ownership typically ranging from 15% to 90%

**LEVERAGE:** The majority of TA's investments utilize moderate levels of debt

**FEES:** TA typically does not charge fees to our portfolio companies

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This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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