

OFFERING MEMORANDUM

Mattress Firm | Mt. Prospect, IL (Chicago MSA)



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THE OFFERING



TRANSACTION SUMMARY

| | |
|-----------------|-------------|
| Cap Rate: | 7.00% |
| Annual Rent: | \$193,687 |
| Purchase Price: | \$2,766,957 |

Lease Specifications

| | |
|----------------------------|--|
| Lease Type: | NN |
| Landlord Responsibilities: | Roof & Structure |
| Tenant: | Mattress Firm, Inc. |
| Rent Commencement: | November 15, 2015 |
| Remaining Term: | Approx. 8 Years (11/14/2025) |
| Rental Increases: | 10% increase in year 6 & in each option period |
| Options to Renew: | Two (2), Five (5) year options |

Property Specifications

| | |
|---------------------------|--|
| Address: | 2 East Rand Road Mount Prospect, IL |
| Net Rentable Square Feet: | 4,121 SF |
| Year Built: | 2015 |
| Lot Size: | 0.52 Acres |



TENANT SUMMARY

With more than 3,500 company-operated and franchised stores across 48 states, Mattress Firm Holding Corp. (NASDAQ: MFRM) has the largest geographic footprint in the United States among multi-brand mattress retailers. Founded in 1986, Houston-based MFRM is the nation's leading specialty bedding retailer with over \$3.5 billion in pro forma sales in 2015. MFRM, through its brands including Mattress Firm, Sleepy's and Sleep Train, offers a broad selection of both traditional and specialty mattresses and bedding accessories.

Most recently, Mattress Firm was purchased for \$3.8 Billion by the South African firm, Steinhoff Holdings.

The sale, which includes debt, closed before year-end 2016. The merger created the world's largest mattress retail distribution company. Steinhoff is an integrated retailer that manufactures, sources and retails furniture, household goods and general merchandise in Europe, Australasia and Africa. They operate more than 40 brands in 30 countries. Steinhoff has a primary listing on the Frankfurt Stock Exchange (SNH) and a secondary listing on the Johannesburg Stock Exchange.

MATTRESSFIRM®



STEINHOFF
INTERNATIONAL HOLDINGS N.V.



MATTRESSFIRM®

MATTRESS FIRM STORE CONSOLIDATION



MATTRESS FIRM®

2 E. RAND ROAD

MATTRESS FIRM®

CLOSING LOCATION

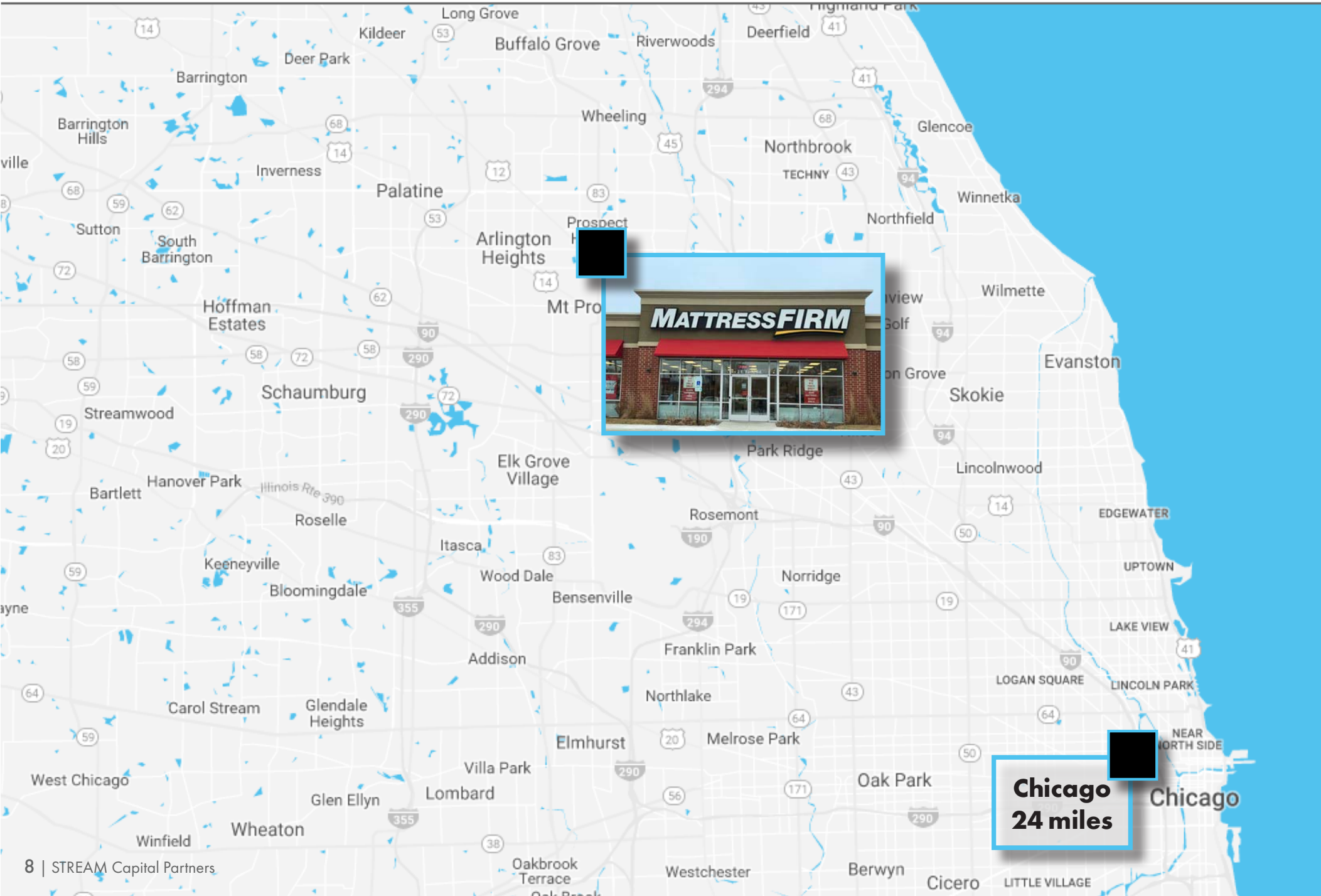
MATTRESS FIRM®

CLOSING LOCATION

AERIAL MAP



METROPOLITAN MAP



MARKET OVERVIEW

Mount Prospect, Illinois is a northwest suburb of Chicago. With a diverse population of over 54,000, an extensive school system and a strong base of both retail and professional businesses, Mount Prospect is a vibrant community that has much to offer, yet retains a sense of small town charm.

The big news in the 1990's and 2000's was the downtown redevelopment. Several new buildings continue to be built changing the look and make-up of the downtown area. There are several new condominium buildings as well as space for new shops and restaurants. The Village is also working on making the downtown area look more appealing. Attention is being focused on flowers, plants and trees in an effort to beautify the Village.

Top Employers in the city are Caremark Rx, Bosch Tools, MetLife, Cummins-Allison, Rauland-Borg, and Walmart.

Quick Facts:

Favorable Demographics: 54,000+ residents, household income 25% higher than Cook County median.

Ideal Location: Mount Prospect is home to two Metra rail lines, easy access to I-90 and I-294, a 20-minute drive to O'Hare International Airport, and just 23 miles to downtown Chicago.

History of Success: From the revitalization of Randhurst to the redevelopment of Downtown, Mount Prospect has a proven track record for business success.

Entrepreneur Support: The Village continually supports local businesses through a variety of financial incentive programs, marketing promotion, and education, including the Mount Prospect Entrepreneurs Initiative program.



MOUNT PROSPECT DEMOGRAPHICS

POPULATION ESTIMATE

1-MILE

11,570

3-MILE

119,026

5-MILE

319,634

ESTIMATED AVERAGE HOUSEHOLD INCOME

1-MILE

\$106,798

3-MILE

\$117,250

5-MILE

\$106,945

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