

CONFIDENTIAL OFFERING MEMORANDUM

# Starbucks & Rosati's Pizza · Early 10-Year Lease Extension

2160 Morthland Drive (US-30) // Valparaiso, IN 46385



# ROSATI'S



**EXCLUSIVELY OFFERED BY:**

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**ROSATI'S**

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // **EXECUTIVE OVERVIEW**

# Offering Summary

Baum Realty Group, LLC has been exclusively retained to sell the two-tenant Starbucks & Rosati's Pizza outlet property located at the signalized intersection of US-30 and Coolwood Drive in Valparaiso, IN (Chicago MSA). The property is centrally located along Valparaiso's primary US-Highway, providing access to down-town Chicago, approximately 50 miles northwest.



**ROSATI'S**

**PRICE:** \$1,494,000

## YEAR 1

**Year 1 NOI:** \$88,170

**CAP Rate:** 5.90%

## YEAR 4

**Year 4 NOI:** \$98,472

**CAP Rate:** 6.59%

**Building GLA:** ±3,600 square feet

**Daily Traffic Count:** 28,218 VPD

**Drive-Thru:** Yes







# Investment Highlights

## 10-YEAR STARBUCKS LEASE EXTENSION

Starbucks corporation recently extended the lease for an additional 10 years, with no early termination right, and four 5-year options to renew the lease.

## DUAL INCOME STREAM

Passive, long-term dual income streams from two dynamic and e-commerce resistant tenants, providing greater diversification than a typical single-tenant Starbucks property.

## LOW RENT BASIS AND PRICE POINT

Both Starbucks and Rosati's Pizza feature relatively low rental rates with a blended net rent of just \$24.30 psf. The average two-tenant Starbucks property comps out at a sale price of \$3 million.

## STRONG RENT INCREASES

Starbucks rent increases 10% every 5 years while Rosati's Pizza rent increases 3% each year.



**PRIMARY SIGNALIZED ENTRANCE**

Ideally located at a signalized intersection along US Highway 30, with visibility and exposure to over 28,200 vehicles per day. US-30 is Northwest Indiana's primary east-west highway and most direct route to and from downtown Chicago.

**GROCERY STORE SHADOW ANCHOR**

Situated at the entrance to a regional grocery store anchored development. Strack & Van Til is one of the largest grocery store chains in the region and this location is the only one in the area, drawing consumers from long distances.

**THRIVING NORTHWEST INDIANA SUBMARKET**

Valparaiso, home of Valparaiso University, is less than 50 miles from downtown Chicago. It's the county seat of Porter County, the second largest county in the Northwest Indiana region, with over 25% population growth since 2000.

**LARGEST MSA IN THE MIDWEST**

The property is approximately 50 miles southeast of downtown Chicago. Chicago MSA is the third largest metropolitan area in the country with 9.9 million people.

**CORPORATE STARBUCKS LEASE**

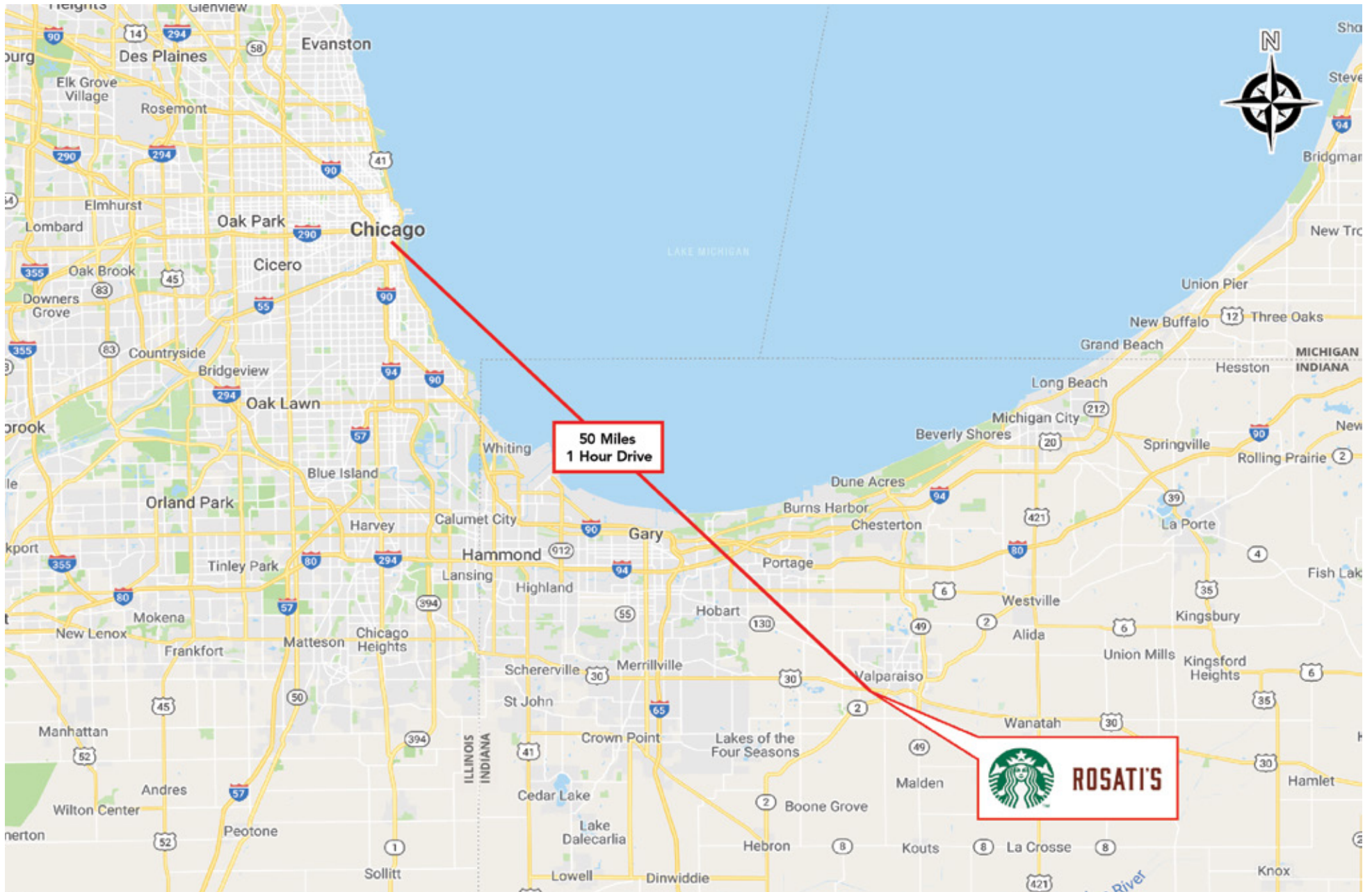
Starbucks is the world's leading coffee retailer with revenues in excess of \$19 billion and an investment-grade S&P credit rating of A-.





**ROSATI'S**

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // **AERIALS**

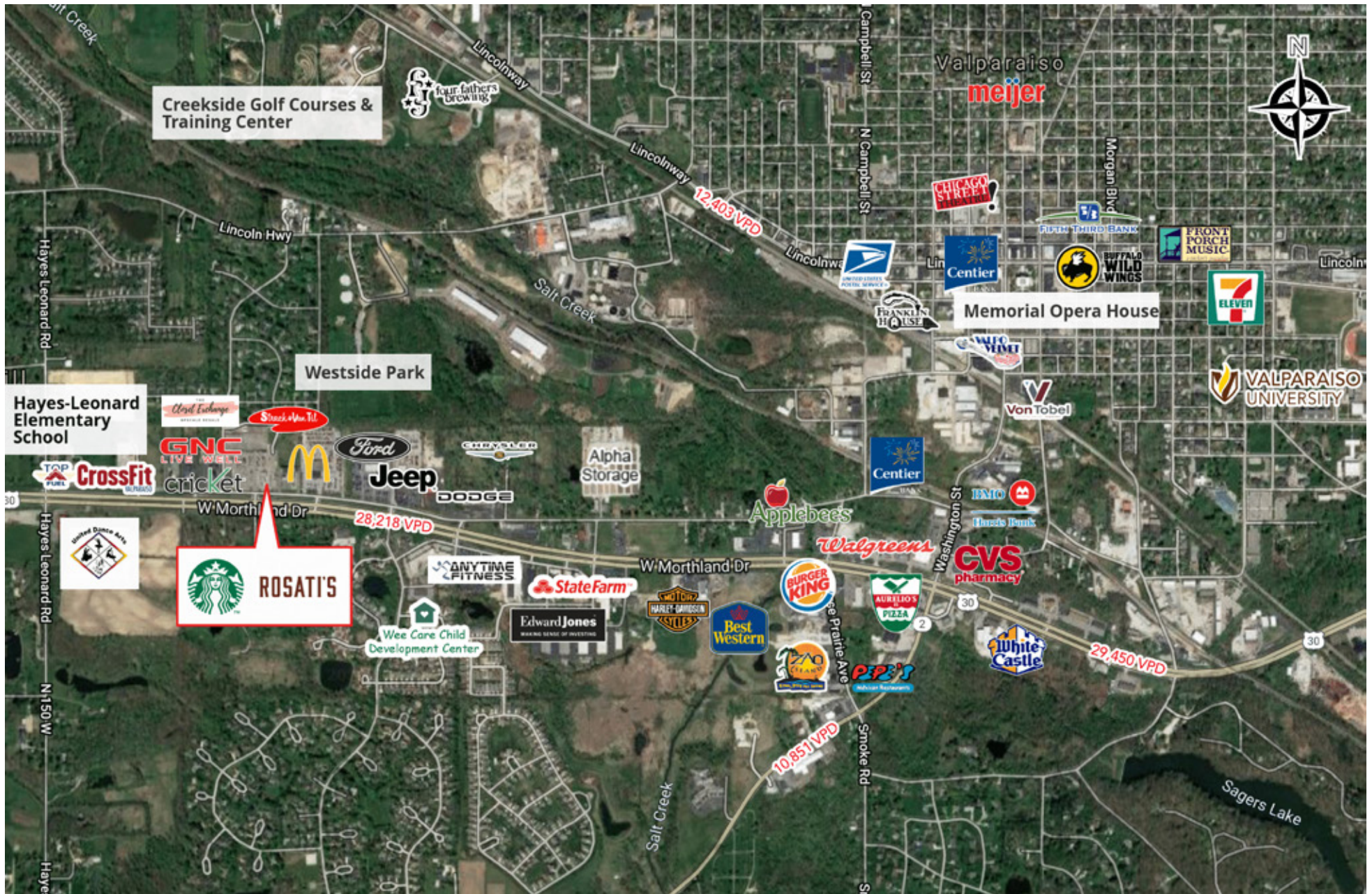






ROSATI'S

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // AERIALS







ROSATI'S

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // **AERIALS**



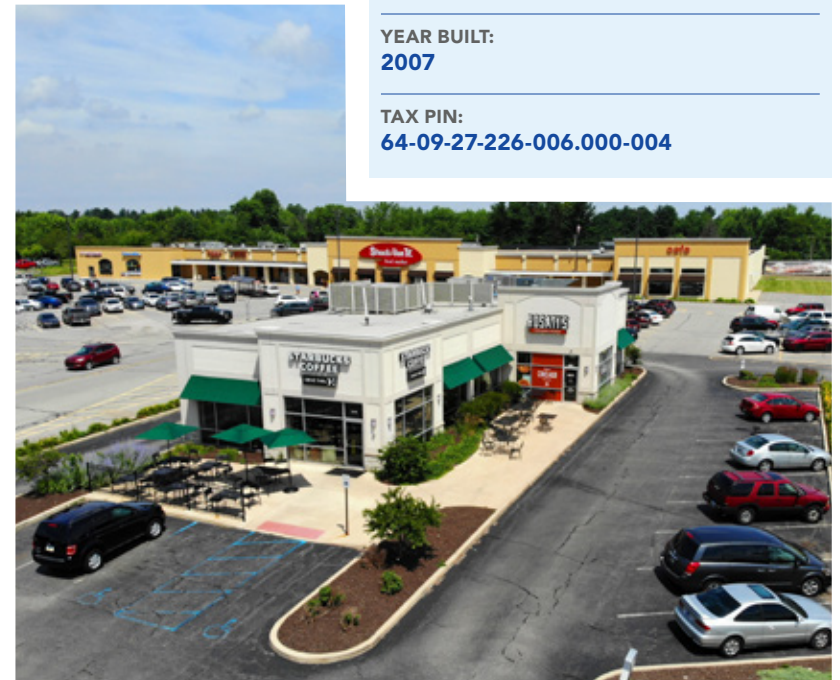




# Property Information

The Starbucks & Rosati's Pizza is located in Valparaiso, Indiana, approximately 50 miles southeast of downtown Chicago. The property is an outlot to the Strack & Van Till grocery store, the only fresh-market grocery concept in Valparaiso. The building is situated on a 0.61 acre parcel along US Route 30, which is the primary east / west thoroughfare for Valparaiso and the quickest route to Chicago. The property features excellent visibility and exposure as it's situated at the area's primary intersection, with exposure to over 28,200 vehicles per day. The site features approximately 27 parking spaces and there is additional cross-easement access that is provided by the adjacent-east McDonald's property.

The property is an outlot to the Coolwood Plaza shopping center, a primary shopping destination for west Valparaiso that caters to a large population of 54,783 residents earning \$85,383 average annual income within 5 miles of the property. Other tenants within the development include McDonald's, Great Clips, Cricket Wireless, GNC, among others. Other nearby national tenants include Walmart Supercenter, Walgreens, CVS, Applebee's, Burger King, White Castle, BMO Harris.

**ADDRESS****2160 MORTH LAND DRIVE (US HWY 30)  
VALPARAISO, IN****BUILDING SIZE:****±3,600 SQUARE FEET****LAND SIZE:****±26,572 SQUARE FEET (0.61 ACRES)****OCCUPANCY:****100%****TOTAL PARKING:****±27 SPACES****DRIVE-THRU:****YES – STARBUCKS****MONUMENT SIGN:****YES****YEAR BUILT:****2007****TAX PIN:****64-09-27-226-006.000-004**





# Site Plan







ROSATI'S

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // **THE PROPERTY**

# Property Photos







**ROSATI'S**

2160 MORTHLAND DRIVE (US-30) // VALPARAISO, IN // **THE PROPERTY**







# Operating Proforma

## STARBUCKS & ROSATI'S

Tenant	Lease Expiration Date	SF	Rent / SF	Annual Rent
Starbucks	2/29/2028	1,800	\$ 41.00	\$ 73,800
Rosati's	6/30/2027	1,800	\$ 17.51	\$ 31,518
<b>Total</b>		<b>3,600</b>	<b>\$ 29.26</b>	<b>\$ 105,318</b>
Gross Rental Income			\$ 29.26	\$ 105,318
<i>Reimbursement Income</i>				
Real Estate Taxes			\$ 2.80	\$ 10,079
Common Area Maintenance			\$ 1.64	\$ 5,890
Insurance			\$ 0.36	\$ 1,293
Starbucks Admin Fee (15% of CAM)			\$ 0.25	\$ 884
<i>Total Reimbursements</i>			<i>\$ 5.04</i>	<i>\$ 18,146</i>
Gross Revenue			\$ 34.30	\$ 123,464
<i>Expenses</i>				
Real Estate Taxes (2019 Actual)			\$ 5.08	\$ 18,295
Common Area Maintenance (2019 Actual)			\$ 2.50	\$ 11,780
Management (% of rent)			2.50%	\$ 2,633
Insurance			\$ 0.30	\$ 2,586
<i>Total Operating Expenses</i>			<i>\$ 9.80</i>	<i>\$ 35,294</i>
<b>Net Operating Income</b>			<b>\$ 24.49</b>	<b>\$ 88,170</b>





# Rent Roll

Tenant	Start Date	Expiration Date	Square Footage	Prorata Share %	Renewal Options Remaining	Start Date	End Date	Rent PSF	Monthly Rent	Annual Rent	% Annual Change
Starbucks	3/15/2007	2/29/2028	1,800	50.00%	Four, 5-year options to extend with 180 days prior written notice	3/1/2018	2/28/2023	\$42.00	\$6,150	\$73,800	N/A
						3/1/2023	2/29/2028	\$44.00	\$6,765	\$81,180	10.0%
						Option 1					
						3/1/2028	2/28/2033	\$46.00	\$7,442	\$89,298	10.0%
						Option 2					
						3/1/2033	2/28/2038	\$48.00	\$8,186	\$98,226	10.0%
						Option 3					
						3/1/2038	2/28/2043	\$50.00	\$9,005	\$108,054	10.0%
						Option 4					
						3/1/2043	2/29/2048	\$52.00	\$9,905	\$118,854	10.0%
Rosati's Pizza	3/1/2017	6/30/2027	1,800	50.00%	One, 5-year options to extend with 90 days prior written notice	7/1/2017	6/30/2018	\$17.00	\$2,550	\$30,600	N/A
						7/1/2018	6/30/2019	\$17.00	\$2,550	\$30,600	0.0%
						7/1/2019	6/30/2020	\$17.51	\$2,627	\$31,518	3.0%
						7/1/2020	6/30/2021	\$18.04	\$2,705	\$32,464	3.0%
						7/1/2021	6/30/2022	\$18.58	\$2,786	\$33,438	3.0%
						7/1/2022	6/30/2023	\$19.13	\$2,870	\$34,441	3.0%
						7/1/2023	6/30/2024	\$19.78	\$2,967	\$35,606	3.4%
						7/1/2024	6/30/2025	\$20.37	\$3,056	\$36,674	3.0%
						7/1/2025	6/30/2026	\$20.99	\$3,148	\$37,774	3.0%
						7/1/2026	6/30/2027	\$21.62	\$3,242	\$38,907	3.0%
						Option 1					
						7/1/2027	6/30/2028	\$22.26	\$3,340	\$40,074	3.0%
						7/1/2028	6/30/2029	\$22.93	\$3,440	\$41,277	3.0%
						7/1/2029	6/30/2030	\$23.61	\$3,542	\$42,504	3.0%
						7/1/2030	6/30/2031	\$24.32	\$3,648	\$43,780	3.0%
						7/1/2031	6/30/2032	\$25.05	\$3,758	\$45,093	3.0%





# Lease Abstract

## STARBUCKS

<b>Tenant:</b>	Starbucks Corporation, a Washington corporation
<b>Space Size:</b>	±1,800 square feet
<b>Pro Rata Share:</b>	50.00%
<b>Rent Commencement:</b>	March 15, 2007
<b>Lease Expiration:</b>	February 29, 2028
<b>Annual Rent:</b>	\$73,800
<b>Rent Increases:</b>	10% every 5 years through the primary term and renewal option periods.
<b>Renewal Options:</b>	Four, 5-year options by providing 6 months prior written notice.
<b>Tenant Responsibilities:</b>	Tenant maintains and repairs its Premises including HVAC, plumbing, store front, doors, plate glass, and electrical lighting facilities exclusively serving the Premises.
<b>Landlord Responsibilities:</b>	Landlord is responsible for the roof, foundation, and structural components of the building. Landlord maintains CAM which includes the parking areas, landscaping, and systems not servicing the Premises exclusively.
<b>CAM:</b>	Tenant reimburses its prorata share of expenses for the common areas. CAM includes common area repairs. Tenant's share of CAM includes a 15% admin fee.
<b>Insurance:</b>	Tenant maintains its own insurance and reimburses landlord for its prorata share of its insurance costs.
<b>Taxes:</b>	Tenant reimburses its pro rata share of real estate taxes.
<b>ROFR:</b>	The owner of the Coolwood Plaza development has the right of first refusal to purchase the property by providing written notice within 45 days of receipt of the accepted offer notice.





# Lease Abstract

## ROSATI'S PIZZA

<b>Tenant:</b>	Jacobs Valpo, LLC
<b>Guarantor:</b>	Darin Jacobs, jointly and severally
<b>Space Size:</b>	±1,800 square feet
<b>Pro Rata Share:</b>	50.00%
<b>Rent Commencement:</b>	July 1, 2017
<b>Lease Expiration:</b>	June 30, 2027
<b>Annual Rent:</b>	\$31,518
<b>Renewal Options:</b>	One, 5-year options with 3 months prior written notice
<b>Rent Increases:</b>	3% annual increases during the primary term and renewal option term
<b>Tenant Responsibilities:</b>	Tenant maintains and repairs its Premises, including HVAC and replacing of the interior walls and glass, exterior glass, exterior signs and storefront, utility meters, pipes and facilities exclusively servicing the Premises.
<b>Landlord Responsibilities:</b>	Landlord is responsible for the roof, exterior walls, and building structure.
<b>Insurance:</b>	Tenant and landlord maintain its own property insurance.
<b>Taxes:</b>	Tenant's pays its prorata share of any increases over the real estate taxes paid in 2016. Total real estate taxes paid in 2016 were \$16,470. Total real estate taxes in 2019 were \$18,235.
<b>Utilities:</b>	Tenant pays directly
<b>Security Deposit:</b>	\$2,550.00





# Tenant Overview



The world's #1 specialty coffee retailer, Starbucks has more than 27,000 coffee shops in 75 countries. The outlets offer coffee drinks and food items, as well as roasted beans, coffee accessories and teas. Starbucks operates more than 12,700 of its shops, most of which are located in the US, while licensees and franchisees operate more than 12,300 units worldwide (primarily in shopping centers and airports). The company also owns and operates Seattle's Best Coffee, Evolution Fresh, and Starbucks Reserve Roastery & Tasting Room brands. In addition, Starbucks markets its coffee through grocery stores and licenses its brand for other food and beverage products.



**CORPORATE TENANT:**  
**STARBUCKS CORPORATION**

**STOCK SYMBOL:**  
**SBUX (NASDAQ)**

**S&P CREDIT RATING:**  
**A / STABLE**

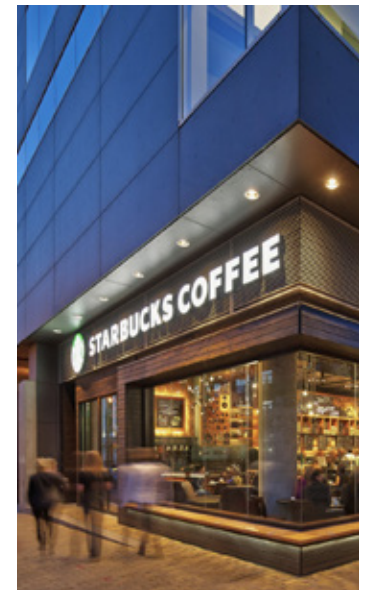
**FYE 2017 REVENUE:**  
**\$22.34 BILLION**

**FYE 2017 OPERATING INCOME:**  
**\$4.13 BILLION**

**MARKET CAP (MAY 2018):**  
**\$79.28 BILLION**

**TOTAL LOCATIONS:**  
**27,339 STORES**

**WEBSITE:**  
**WWW.STARBUCKS.COM**







# Tenant Overview

## ROSATI'S

Established in Chicago in 1927, Rosati's Pizza now has over 200 locations across 18 states. Rosati's is the largest family-owned local chain of restaurants in the Chicago metropolitan area and is ranked #135 in the Franchise 500 by Entrepreneur Magazine. Of the more than 75,000 pizzerias in the U.S., to top 50 chains take in 59% of all pizza sales. In 2019, Rosati's was ranked #18 in the country by Franchise Chatter.

Rosati's continues to be one of the fastest growing Chicago-style pizza franchises and is opening 15-20 new stores per year, with their most recent store openings in Minnesota, Maryland, Colorado, and Alabama.

Rosati's pizzeria and Italian restaurant is committed to providing customers with signature Chicago style pizzas, pastas, and sandwiches that offer high quality, value and flavor. Rosati's, a pizzeria and Italian restaurant, has been serving people with Chicago style sandwiches, pasta and deep-dish pizza for nearly 100 years and continue to make their pizza with fresh, high quality ingredients. Rosati's Pizza provides signature thin-crust, double

dough and Chicago-style deep-dish pizzas, pastas, sandwiches, calzones, salads, entrees, desserts, and also provides catering.

We literally started at the bottom, and through the years have created a franchise opportunity that is among the top 500 franchises in the United States. People know the Rosati's name and they know the Rosati's way – something we make sure not to fall short on. Our Italian food and pizza restaurants are something people will always enjoy. With our selection of traditional Chicago style deep-dish pizza, pastas and sandwiches we are sure to satisfy any craving! When you're looking for quality, come to Rosati's.

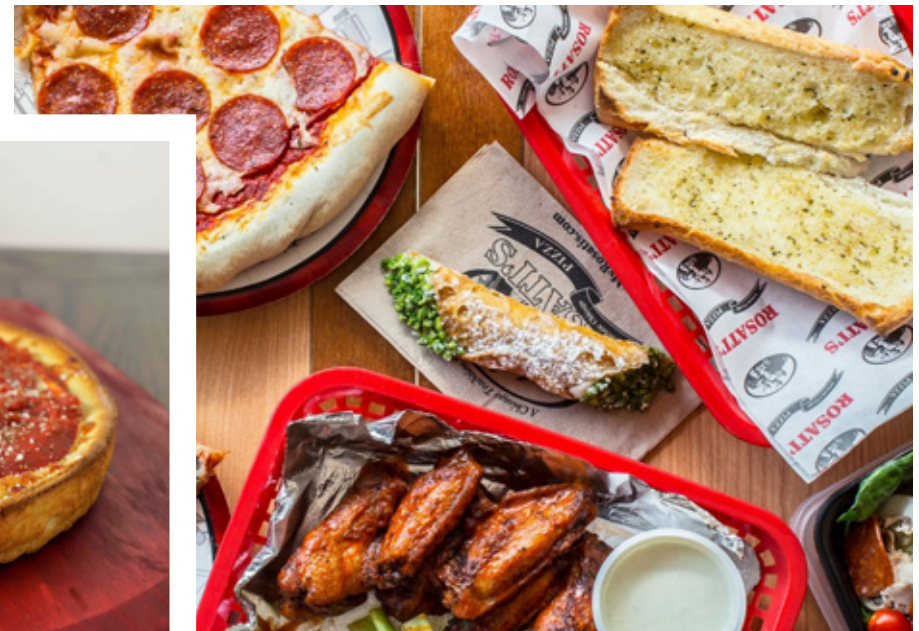
**TENANT:**  
**ROSATI'S PIZZA**

**TOTAL LOCATIONS:**  
**200 STORES**

**YEAR ESTABLISHED:**  
**1927**

**FRANCHISE 500 LIST:**  
**#135**

**WEBSITE:**  
**[WWW.ROSATISPIZZA.COM](http://WWW.ROSATISPIZZA.COM)**





# Local Market Overview

## VALPARAISO, IN

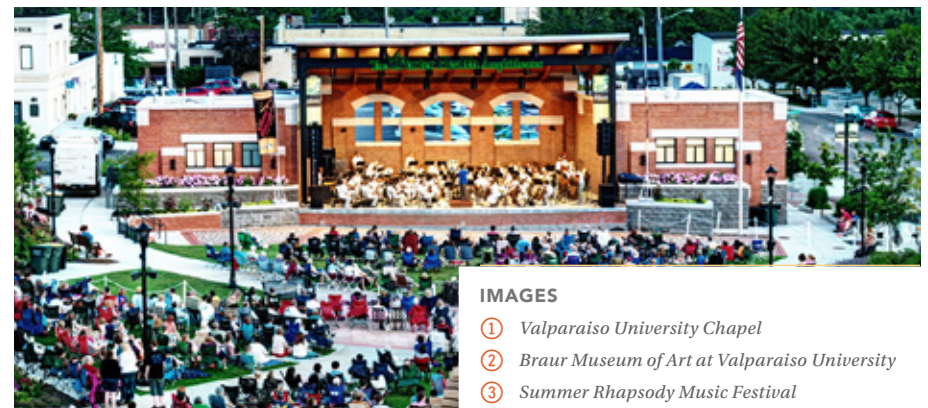
Valparaiso is a prospering city located in Northwest Indiana, less than 50 miles from downtown Chicago. It is the county seat of Porter County, the second largest county in the Northwest Indiana region, with more than 168,500 residents.

The city is the site of multiple colleges and universities. Purdue University Northwest has a satellite campus in Valparaiso, and one of Ivy Tech's 23 regional campuses is located in the city. Valparaiso University, occupies 310 acres on the south side of the city near downtown. The university is home to approximately 4,500 students and is ranked the 5th best regional university in the Midwest. The university also serves as a cultural center of the city, hosting venues such as the Brauer Museum of Art, home to more than 2,700 pieces of 19th- and 20th century American art.

Valparaiso, a passenger rail hub in the mid-1800's to early 1900's, is still very much a part of the "Crossroads of America" today. Although the city no longer has passenger rail service, three railroads still pass freight through the city. The Norfolk Southern Railway operates on the tracks that were previously the Nickel Plate Road, the Canadian National is the former Grand Trunk Western Railroad

and the Chicago, Fort Wayne and Eastern Railroad operates on the tracks that were previously used by the Pennsylvania Railroad. Valparaiso runs an express bus service to and from Chicago, Illinois called ChicaGo DASH. Buses depart Valparaiso on weekday mornings and return from Chicago in the evenings. Valparaiso is also served by four highways. US Rt-30 is the major east-west artery on the southern side of the city. Indiana State Road 49, the major north-south artery, connects with Chesterton, Indiana and the Indiana Toll Road. Indiana Route 130 runs northwest to Hobart, Indiana. Indiana State Road 2, which connects South Bend and Lowell, passes through the southeast corner of the city.

The city hosts numerous events throughout the year, such as Central Park Plaza Market, Summer Rhapsody Music Festival, Valpo Brewfest, Holly Days, the Porter County Fair, and Popcorn Fest, honoring former resident Orville Redenbacher. Redenbacher participated in most of the festival's parades until his death in 1995. The festival also features racing events and a balloon launch in addition to typical fair activities. The Porter County Fair consists of carnival attractions and hosts a variety of shows such as a demolition derby, motocross races, and live musical performances.



### IMAGES

- ① Valparaiso University Chapel
- ② Braur Museum of Art at Valparaiso University
- ③ Summer Rhapsody Music Festival



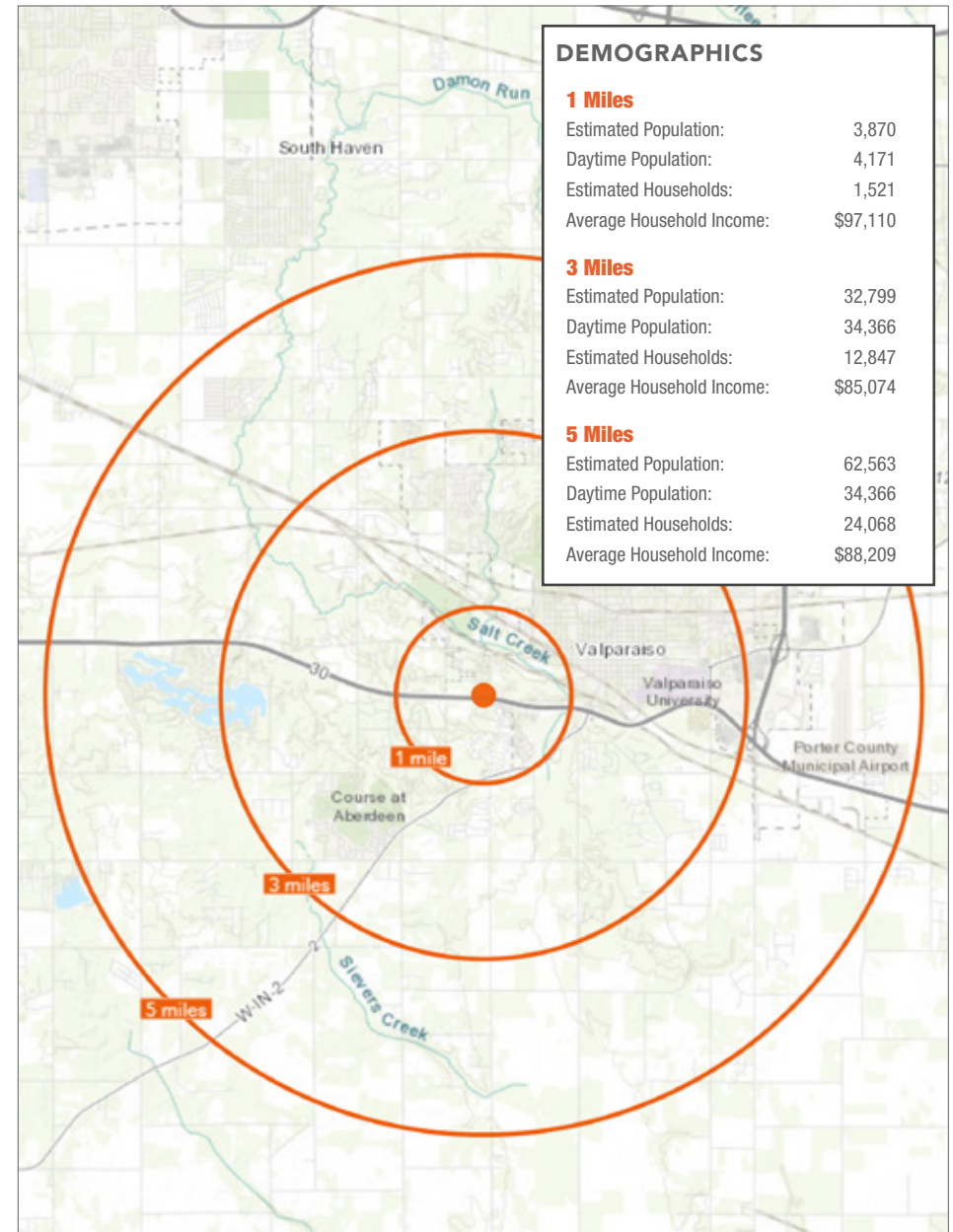


## DEMOGRAPHIC SUMMARY

2000-2010 Census, 2018 Estimates with 2023 Projections

		1 mile	3 miles	5 miles
Population	2018 Estimated Population	3,870	32,799	62,563
	2023 Projected Population	4,013	33,818	64,759
	2010 Population (U.S. Census)	3,617	30,895	58,385
	2000 Population (U.S. Census)	2,695	27,123	50,729
	% Projected Growth 2018-2023	3.7%	3.1%	3.5%
	% Historical Growth 2000-2018	43.6%	20.9%	23.3%
	2018 Median Age	38.0	37.2	39.2
Households	2018 Estimated Households	1,521	12,847	24,068
	2023 Projected Households	1,576	13,274	24,964
	2010 Total Households (U.S. Census)	1,429	12,060	22,370
	2000 Total Households (U.S. Census)	1,080	10,336	19,037
	% HH Projected Growth 2018-2023	3.6%	3.3%	3.7%
	% HH Historical Growth 2000-2018	40.8%	24.3%	26.4%
Income	2018 Average Household Income	\$97,110	\$85,074	\$88,209
	2018 Median Household Income	\$77,861	\$60,901	\$67,235
	2018 Per Capita Income	\$36,527	\$33,815	\$34,186
Business	2018 Total Businesses	224	1,917	2,683
	2018 Total Employees	1,971	18,956	28,714
	2018 Estimated Daytime Population	4,171	34,366	59,585
Education (Age 25+)	2018 Adult Population (Ages 25+)	2,524	21,480	42,684
	2018 Elementary (Grade Level 0 to 8)	0.3%	1.3%	1.7%
	2018 Some High School (Grade Level 9 to 11)	1.6%	2.9%	3.7%
	2018 High School Diploma	18.5%	21.8%	23.8%
	2018 Some College/No Degree	22.2%	17.8%	19.1%
	2018 Associate Degree	8.5%	9.2%	10.0%
	2018 Bachelor Degree	30.3%	27.5%	24.3%
	2018 Graduate Degree	16.3%	16.8%	14.9%
	% Any College	77.3%	71.3%	68.3%
Race & Ethnicity	2018 White Population	90.1%	88.3%	89.5%
	2018 Black/African American Population	2.5%	3.6%	3.6%
	2018 Asian Population	3.2%	2.9%	2.3%
	2018 American Indian/Alaska Native Population	0.2%	0.3%	0.3%
	2018 Pacific Islander Population	0.0%	0.1%	0.0%
	2018 Other Race	2.0%	2.6%	2.1%
	2018 Population of Two or More Races	2.0%	2.2%	2.2%
	2018 Hispanic Population	60.5%	59.6%	63.3%

Source: Esri, Esri and Infogroup, U.S. Census





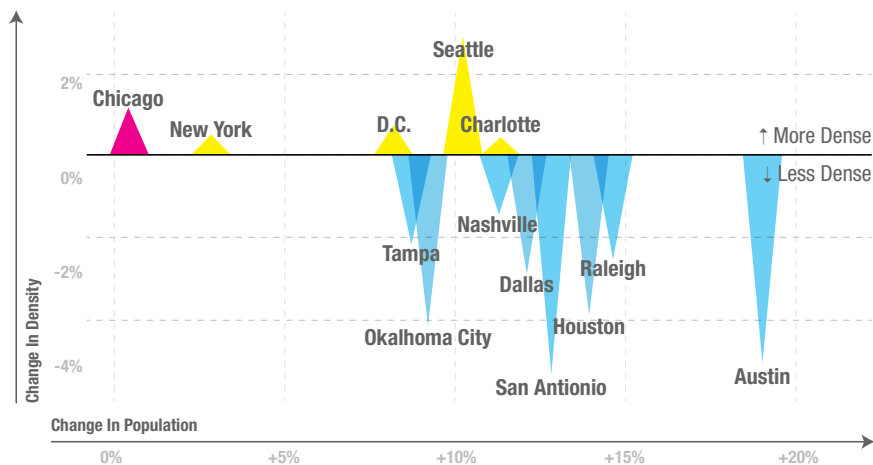
# Chicago Economic Overview

## 3RD LARGEST MSA IN THE U.S.

The Chicago MSA is home to approximately 9.5 million residents, making it the third most populous region in the country, encompassing 16 counties across three states: Illinois, Indiana, and Wisconsin. The city of Chicago is the economic and cultural capital of the Midwest, featuring a vibrant downtown district that is filled with world class businesses, restaurants, retail, residences, and entertainment. The strong economic base, skilled labor pool and diverse background make this 24-hour metropolis one of the most important and influential in the world.



## POPULATION DENSITY CHANGE IN U.S. METRO AREAS (2010-2016)



## GROWING URBAN CORE

Chicago's urban core and surrounding neighborhoods has become noticeably more dense. In the last several years, according to a report by The New York Times, between 2010 and 2016, Chicago's density has increased by 1.2%.

The report suggests that the city's population is shifting and refocusing with an influx of younger, more affluent residents moving into areas like the Loop, West Loop, and Wicker Park.

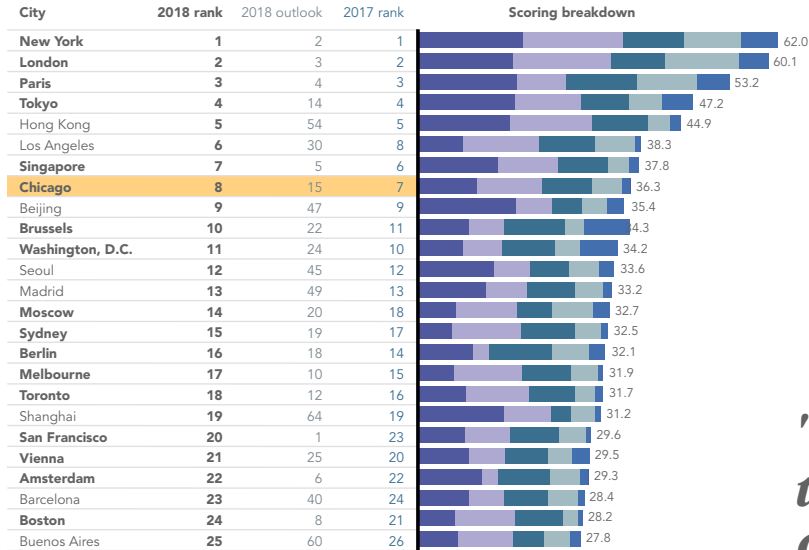




## THE TOP 25 ON THE GLOBAL CITIES INDEX & OUTLOOK

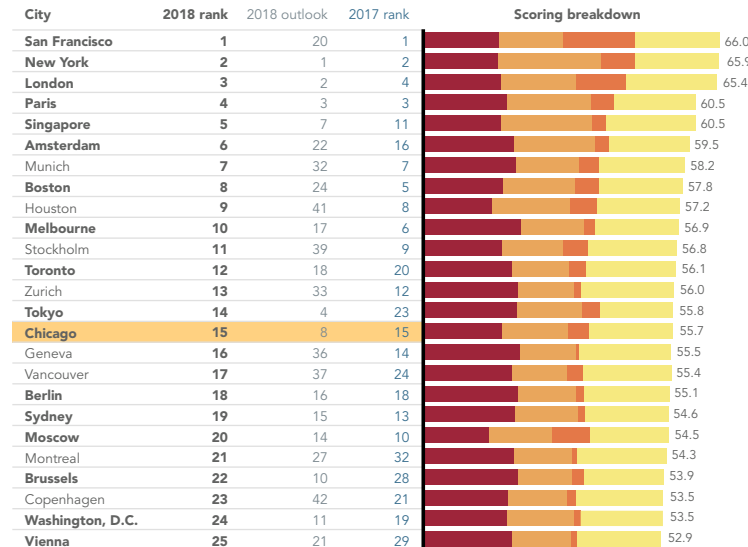
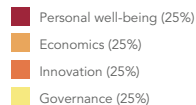
### GLOBAL CITIES INDEX

Note: **Bold** city names indicate top 25 in both Index and Outlook



### GLOBAL CITIES OUTLOOK

Note: **Bold** city names indicate top 25 in both Index and Outlook



The Global Cities Index examines the current performance of cities based on 27 metrics spanning five dimensions: business activity, human capital, information exchange, cultural experience, and political engagement. The Index provides insights into the global reach, performance, and level of development of the world's largest cities. Source: A.T. Kearney Global Cities 2018.

### GLOBAL ELITE CITY

Chicago ranks 8th on the A.T. Kearney 2018 Global Cities Index, which examines cities' performance based metrics spanning five dimensions: business activity, human capital, information exchange, cultural experience, and political engagement; and ranks 15th on the Global Cities Outlook, which evaluates their potential. Global Elite Cities—cities in the top 25 on both the Index and the Outlook—are not only performing well, but are also positioned for continued growth and global influence in the future. In 2017, Chicago was one of only 17 cities in the world to make the top 25 of both lists.

*"The Windy City, the Second City, the Dark City – call it what you will, Chicago is the economic and cultural capital of the Midwest."*

Wired Magazine

### WORLD CLASS EDUCATION

The Chicago MSA is home to several world class higher education universities that provide the area with a constant supply of top job talent and disposable income. There are more than 325,000 students in Chicago, with 58,000 in the Loop alone, attending higher education institutions throughout the metropolitan area.

Top universities in the area include Northwestern University, The University of Chicago, Illinois Institute of Technology, Loyola University Chicago, De Paul University, Columbia College Chicago and, University of Illinois at Chicago.



## TECH HUB

Chicago is home to tech industry giants and is a hotbed for privately held startups in the Midwest. Facebook currently occupies 15,000 square feet of office space Downtown and Google occupies 200,000 square feet at 1K Fulton in the West Loop. There was a 15% rise in employment at Chicago's biggest tech companies between 2016 & 2017 and in 2017 alone Chicago saw \$1.94 billion in venture capital investments.

## #1 FOR CORPORATE RELOCATION & INVESTMENT

Chicago remains the #1 ranked metro area for Corporate Relocation and Investment in the US in *Site Selection Magazine*, a title it has held for five consecutive years and Chicago leads all major cities in the Americas for Foreign Direct Investment (FDI) Strategy according to *fDi Magazine*. Chicago ranks #3 on *Inc Magazine*'s list of business hubs for fast-growing companies and KIG CRE reported 30 corporations moving operations from surrounding suburbs leasing over 5.1M square feet in the metro area.



***"Reflecting a melding of corporate and entrepreneurial cultures, Chicago has more than 100 startup incubators and accelerators and more than 300 corporate R&D centers."***

*Site Selection Magazine*







**Fortune 500 Companies With Headquarters In the Chicago MSA**

COMPANY	RANK	REVENUES (\$M)	Location
Walgreens Boots Alliance	17	\$ 131,537	Deerfield
Boeing	28	\$ 101,127	Chicago
State Farm Insurance	36	\$ 81,732.2	Bloomington
Archer Daniels Midland	49	\$ 64,341	Chicago
Caterpillar	58	\$ 54,722	Deerfield
United Continental Holdings	78	\$ 41,303	Chicago
Allstate	82	\$ 39,815	Northbrook
Exelon	93	\$ 35,985	Chicago
AbbVie	96	\$ 32,753	North Chicago
Abbott Laboratories	103	\$ 30,578	Abbott Park
Mondelez International	116	\$ 25,938	Deerfield
US Foods Holding	125	\$ 24,175	Rosemont
McDonald's	149	\$ 21,025.2	Chicago
Jones Lang LaSalle	189	\$ 16,318.4	Chicago
CDW	191	\$ 16,240.5	Lincolnshire
Illinois Tool Works	214	\$ 14,768	Glenview
Discover Financial Services	253	\$ 12,848	Riverwoods
LKQ	262	\$ 11,876.7	Chicago
Tenneco	267	\$ 11,763	Lake Forest
W.W. Grainger	282	\$ 11,221	Lake Forest
Baxter International	286	\$ 11,127	Deerfield
Univar	353	\$ 8,632.5	Downers Grove
Anixter International	364	\$ 8,400.2	Glenview
Conagra Brands	386	\$ 7,938.3	Chicago
Dover	412	\$ 7,395.8	Downers Grove
Motorola Solutions	416	\$ 7,343	Chicago
Packaging Corp. of America	432	\$ 7,014.6	Lake Forest
Arthur J. Gallagher	435	\$ 6,934	Rolling Meadows
R.R. Donnelley & Sons	445	\$ 6,800.2	Chicago
Ulta Beauty	449	\$ 6,716.6	Boilingbrook
Northern Trust	453	\$ 6,658.9	Chicago
Old Republic International	481	\$ 6,021.8	Chicago
Ingredion	486	\$ 5,841	Westchester
TreeHouse Foods	489	\$ 5,812.1	Oak Brook

Source: Fortune Magazine, June 2019

**STRONG, DIVERSE ECONOMY**

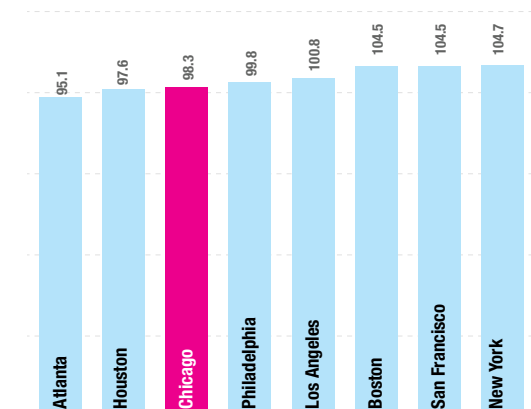
Chicago MSA has the 3rd largest Gross Domestic Product in the US, after New York City and Los Angeles, at \$524.6 billion. Chicago also ranks 8th in the world in terms of cities with the highest Gross Product. Additionally, Chicago is the most diversified economy in the US, with no single industry employing more than 14% of the workforce. Chicago's primary industries include Financial Services, Business & Professional Services, Manufacturing, Health Services, and Transportation and Warehousing.



**Chicago is home to over 400 major corporate headquarters, including 34 Fortune 500 companies**

As one of the largest financial centers in North America, the Chicago MSA is home to more than 400 major corporate headquarters, including Walgreens Boots Alliance, Boeing, United Continental Holdings, McDonald's, Discover Financial and Abbot Laboratories, among others. The city is also home to the largest futures exchanges in the US, the CME Group.

**COST OF DOING BUSINESS BY METRO AREA**





## INTERNATIONAL TRAVEL DESTINATION

Chicago's tourism totals have consistently been on the rise in recent years, growth in 2018 was more substantial than normal. A record **57.6 million people visited Chicago in 2018**, nearly a 4.3% increase over 2017's record of 55.2 million. The largest percentage of growth was domestic travel with a 4.4% increase over 2017. International visitor numbers also increased 2.9% over 2017.

The record setting numbers were due, in part, to several initiatives that boosted leisure travel as well as word-of-mouth and high-profile kudos. *Condé Nast Traveler* readers voted Chicago the number 1 big city in the US two years in a row, *Bon Appétit* magazine named Chicago "restaurant city of the year" in 2017, and the *Financial Times* called Chicago "the most architecturally aware city on earth." Part of the boost also came from the city's aggressive pursuit of big-tourist draws including the NFL Draft, the James Beard Foundation Awards and the Laver Cup. The city also bolstered tourism-friendly offerings with attractions like the Riverwalk and, more recently, Art on the Mart. Business travel also contributed to the bump, with an 3.5% in 2018. 59 new major conventions have committed to meet in Chicago in future years.



## DUAL-HUB AIRPORT SYSTEM

O'Hare International Airport and Midway International Airport, the only "dual-hub" airport system in North America, handled **105 million passengers in 2018**. Both airports have direct rail access to Downtown Chicago and modernization projects are happening at both O'Hare and Midway. Most notably O'Hare's \$8.5 billion plan to expand over the next decade which includes a new airfield, terminal, gates, and passenger perks. Midway's improvements are budgeted at \$400 million and include restaurants, upgraded passenger screening, and updated parking infrastructure.

O'Hare is the busiest airport in the world for flight operations and is among the few airports worldwide that rank in the top 20 for both passenger volume and cargo tonnage - two leading indicators of an airport's connectivity and economic strength.





# Confidentiality Disclosure

Baum Realty Group, LLC ("Baum") has been retained as the exclusive broker by the Owner of Record ("the Owner") of 2160 Morthland Drive in Valparaiso, IN in connection with the sale of certain properties ("the Property") as described in this Offering Memorandum.

This Offering Memorandum has been prepared by Baum for use by a limited number of parties, and does not purport to provide a necessarily accurate summary of the physical or economic aspects of the Property or any of the documents related thereto, nor does it purport to be all inclusive or to contain all of the information which prospective investors may need or desire further, the Offering Memorandum is limited to the matters set forth therein. All budgets or projections have been developed by Baum and Owner, and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Baum and therefore are subject to variation. Each of Baum and Owner makes no representation as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Baum and its employees, and Owner, and its trustees, officers, and employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or omissions from the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property Owner as of the date of preparation of the Offering Memorandum.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the property, and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner and the Board of Trustees of Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner's obligations hereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information that is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you acknowledge that you have executed, and have agreed to be bound by, the Confidentiality Agreement with Baum and Owner.

CONFIDENTIAL OFFERING MEMORANDUM

# Starbucks & Rosati's Pizza · Early 10-Year Lease Extension

2160 Morthland Drive (US-30) // Valparaiso, IN 46385



# ROSATI'S



EXCLUSIVELY OFFERED BY:

**PATRICK J. FORKIN**

*Vice President / Broker*

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