



7-ELEVEN ANCHORED RETAIL CENTER

1512 SHERMER ROAD
NORTHBROOK, IL 60062

Marcus & Millichap



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PROPERTY
ANALYSIS



7-ELEVEN ANCHORED RETAIL CENTER

1512 SHERMER ROAD | NORTHBROOK, IL 60062

OFFERING PRICE

\$1,575,000

CAP RATE

7.28%

VITAL DATA

Price	\$1,575,000
Cap Price	7.28%
Cash-on-Cash	8.54%
Price/SF	\$246.09
Gross Square Feet	6,400

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to offer the fee simple interest in a 7-Eleven Anchored Retail Center located in Northbrook, Illinois. This wealthy suburban enclave, located about 20 miles North of Chicago, is a high-barrier-to-entry, mature, infill market. Positioned across the street from the Northbrook Metra station, this 7-Eleven anchored retail center benefits from the resulting daily commuter traffic flows. The other tenants in the center are service oriented, forming a synergistic partnership with their anchor tenant.

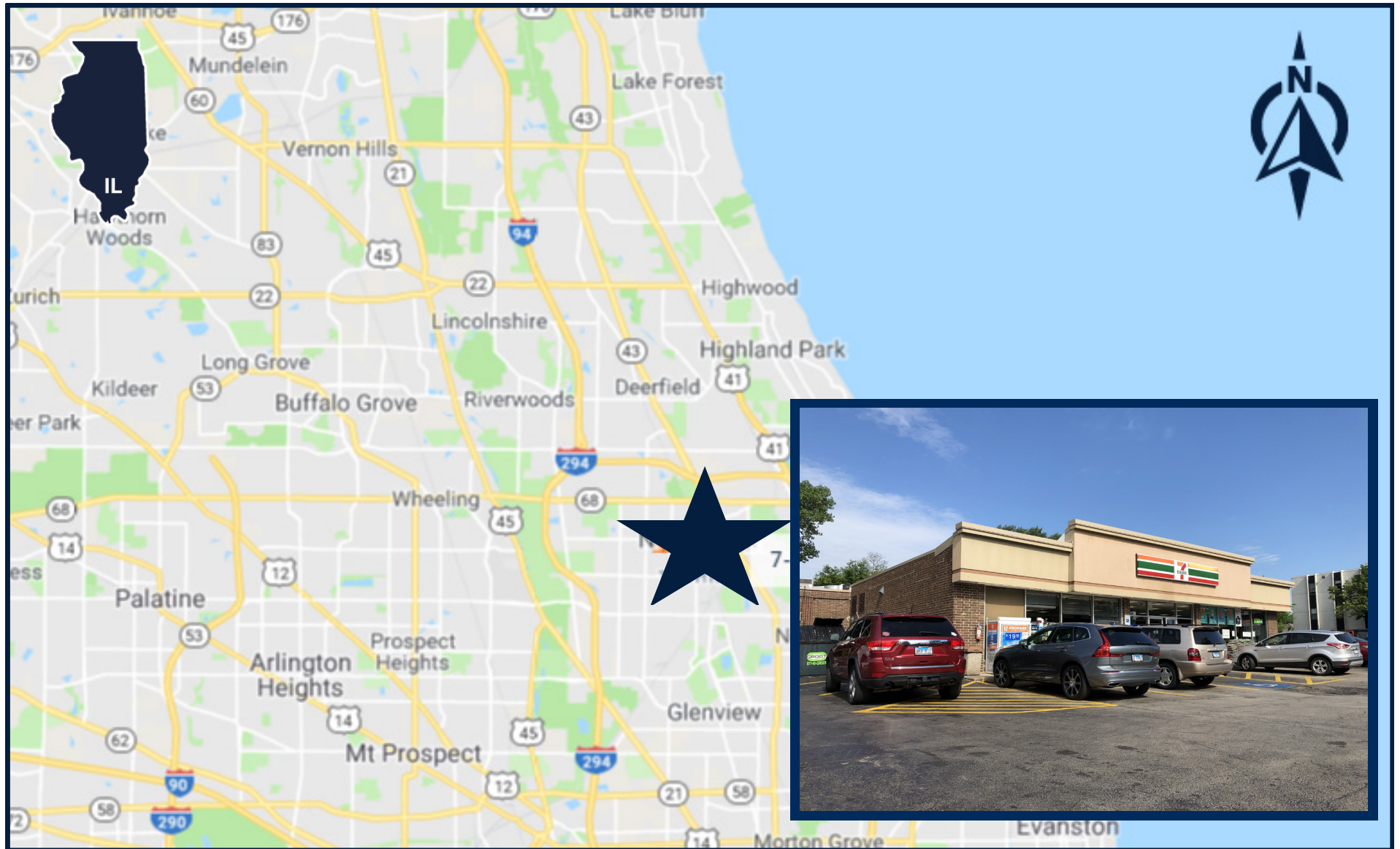
The current owner purchased the property last year and immediately signed a renewal option with 7-Eleven, taking a 10 percent increase in their annual rent. Ownership also extended two short term leases and converted them to NNN, stabilizing the rent roll and increasing the NOI significantly. In its current condition, this is a highly stabilized retail center, located in a dense, infill market with average household incomes exceeding \$170,000 annually. It's an opportunity for a long-term investor to acquire a well performing asset and to enjoy steady cash-flow in a high barrier to entry to market. The rents are low and replaceable and, given the almost non-existent vacancy in downtown Northbrook, there's likely future upside in the rents.

INVESTMENT HIGHLIGHTS

- 7-Eleven (S&P Credit Rating AA-) recently exercised their final renewal option, increasing their annual rent by 10 percent
- Long-term leases, several tenants just renewed and agreed to operate on NNN leases
- North Shore Chicago location in a mature, infill submarket 0.2 miles from the Northbrook Metra station
- Located 1 mile from Glenbrook North High School (2,000 Students)
- Low vacancy market, with replaceable rents
- Average HH incomes of over \$180k annually



LOCATION MAP



AERIAL



PHOTOS

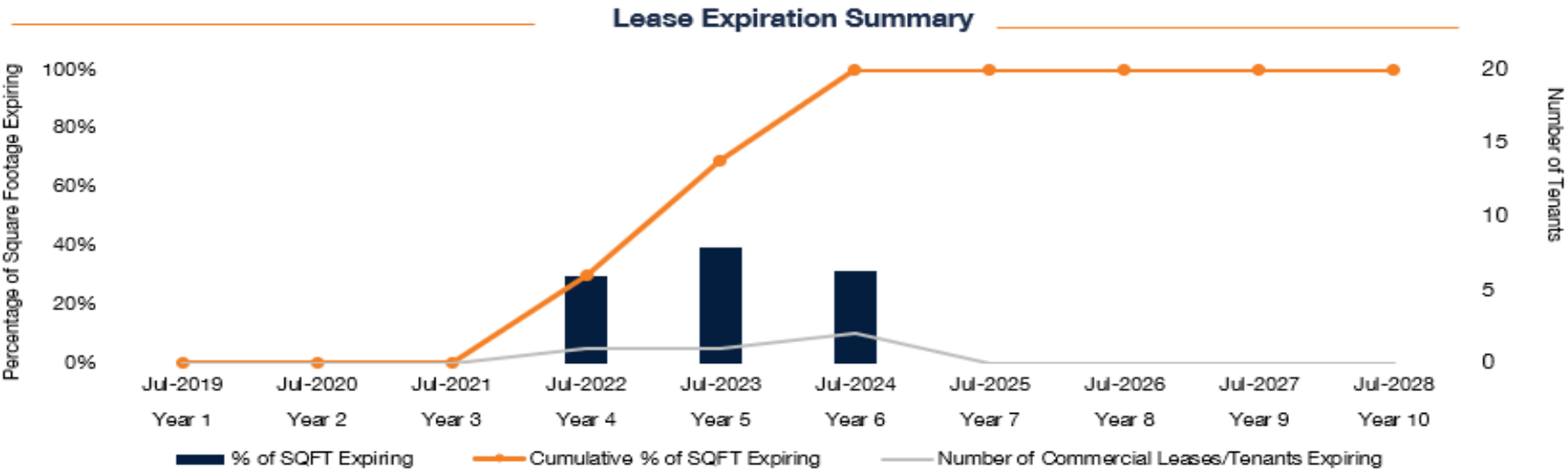


TENANT SUMMARY

TENANT	SUITE	SQUARE FEET	% BLD SHARE	LEASE COMM.	DATES EXP.	ANNUAL RENT/SF	TOTAL RENT/ MONTH	TOTAL RENT/ YEAR	CHANGES ON	CHANGES TO (YR)	LEASE TYPE	EXPENSE REIMBURSE
7-ELEVEN	1	2,500	39.1%	12/20/72	1/31/24	\$20.90	\$4,354	\$52,248	NA	\$15,076	NNN	\$15,076
Northbrook Nails	2	1,000	15.6%	9/1/12	12/31/24	\$18.48	\$1,540	\$18,480	Jan-2020	\$19,032	NNN	\$6,030
Eye Level	3	1,000	15.6%	9/1/14	8/31/24	\$20.32	\$1,693	\$20,316	Sep-2020	\$19,728	Gross	\$1,292
Emily's Stitchery	4	1,900	29.7%	9/29/18	12/31/21	\$18.54	\$2,935	\$35,220	Jan-2020	\$36,277	NNN	\$11,457
		6,400				\$19.73	\$10,522	\$126,264				\$33,855
Occupied Tenants: 4			Occupied GLA: 100%			Unoccupied Tenants:0			Unoccupied GLA:0.00%			

Notes:

Eye Level reimburses for their pro-rata share of any increase in Real Estate Taxes.



OPERATING DATA

INCOME	YEAR 1		PRICE PSF
Scheduled Base Rental Income	\$127,872		\$19.98
Expense Reimbursement Income			
CAM	\$5,821		\$0.91
Insurance	\$2,026		\$0.32
Real Estate Taxes	\$26,008		\$4.06
Total Reimbursement	\$33,855	78.2%	\$5.29
Potential Gross Revenue	\$161,727		\$25.27
General Vacancy	(\$3,781)	5.0%	(\$0.59)
Effective Gross Revenue	\$157,946		\$24.68
Less: Operating Expense	(\$43,293)	27.4%	
Net Operating Income	\$114,653		
Cash Flow	\$114,653		
Debt Service	(\$74,290)		
Net Cash Flow After Debt Service	\$40,363	8.54%	
Principal Reduction	\$24,078		
Total Return	\$64,441	13.64%	
OPERATING EXPENSES	YEAR 1		PER SF
Repair and Maintenance	\$3,500		\$0.55
Landscaping	\$1,400		\$0.22
Snow Removal	\$2,000		\$0.31
Insurance	\$2,400		\$0.38
Real Estate Taxes	\$29,293		\$4.58
Management Fee	\$4,700	3.0%	\$0.73
Total Expenses	\$43,293		\$6.75
Expenses as % of EGR		27.4%	
Net Operating Income	\$114,653		\$17.91

OPERATING DATA

OPERATING EXPENSES		YEAR 1
Common Area Maintenance		\$6,900
Insurance		\$2,400
Real Estate Taxes		\$29,293
Management Fee		\$4,700
Total Expenses		\$43,293
Expenses PSF		\$6.76
Net Operating Income		\$114,653

FINANCING	
Loan Amount	\$1,102,500
Loan Type	New
Interest Rate	4.60%
Amortization	25 Years
Year Due	2024

PRICING DETAILS

THE OFFERING	
Property	Net Leased Retail Center
Property Address	1515 Shermer Road Northbrook, IL 60062
Price	\$1,575,000
Capitalization Rate	7.28%
Price/SF	\$246.09
PROPERTY DESCRIPTION	
Gross Leasable Area	6,400
Zoning	Commercial
Type of Ownership	Fee Simple
ANNUALIZED OPERATING INFORMATION	
INCOME	
Net Operating Income	\$114,653



TENANT PROFILES



GENERAL INFORMATION	
TENANT NAME	7- Eleven
WEBSITE	www.7-eleven.com
HEADQUARTERS	Dallas, TX
RENTABLE SQ.FT.	2,500
NUMBER OF LOCATIONS	66,579

The 7-Eleven brand is known and loved around the world, and our iconic products are a big part of the American culture. And although we've grown significantly over the years, our focus stays fixed on making life easier for customers. This simple idea is the reason we're the marketplace leader. It's also why our customers, employees, Franchisees and community leaders are proud to be part of the 7-Eleven story. Source: www.7-eleven.com

NORTHBROOK TOWNE NAILS

GENERAL INFORMATION	
TENANT NAME	Northbrook TowneNails
WEBSITE	NA
HEADQUARTERS	Northbrook
RENTABLE SQ.FT.	1,000
NUMBER OF LOCATIONS	1

Northbrook Towne Nails is a warm and welcoming place for women and man alike to enjoy coming to have their nails manicured by our friendly and highly trained professionals. The quality of service and attention to decor are immaculate, yet prices are affordable. Source: Agent generated profile



GENERAL INFORMATION

TENANT NAME	Eye Level
WEBSITE	www.eyelevenorthbrook.com
HEADQUARTERS	Northbrook, IL
RENTABLE SQ.FT.	1,000
NUMBER OF LOCATIONS	1

Choosing the right learning center is an important first step when you want to reinforce your understanding of a specific subject. At Eye Level Learning Center of Northbrook (formerly E.nopi), our instructors are here to improve your overall comprehension, and we welcome students of from Pre-K through 9th grade. Students can join at any time. We'll do what it takes to accommodate your needs, and our staff are ready to consult with you about your goals. Source: www.eyelevenorthbrook.com



GENERAL INFORMATION

TENANT NAME	Emily's Stitchery
WEBSITE	www.emilystitchery.com
HEADQUARTERS	Northbrook, IL
RENTABLE SQ.FT.	1,900
NUMBER OF LOCATIONS	1

Emily's Stitchery is located in the town of Northbrook, North of Chicago, Emily's stitchery, formerly North Shore Needlework, is a needle-point-only shop owned by Emily and Josh Soble. We specialize in a large assortment of threads (in complete color lines) and a huge collection of canvases and charts. Silk threads, in all their glory, are a favorite with use and we carry many lines. Source: www.emilystitchery.com

DEMOGRAPHICS HIGHLIGHTS

64,262

POPULATION STATISTIC WITHIN A THREE -MILE RADIUS

\$184,242

AVERAGE HOUSEHOLD INCOME IN A
THREE-MILE RADIUS

76,753

TOTAL HOUSEHOLDS IN A FIVE MILE
RADIUS



DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Population	11,214	65,588	205,768
■ 2018 Estimate			
Total Population	10,994	64,262	202,537
■ 2010 Census			
Total Population	10,950	63,214	199,683
■ 2000 Census			
Total Population	10,562	62,262	197,933
■ Current Daytime Population			
2018 Estimate	13,677	99,884	262,454
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2023 Projection			
Total Households	4,161	25,613	78,815
■ 2018 Estimate			
Total Households	4,042	24,730	76,753
Average (Mean) Household Size	2.68	2.54	2.62
■ 2010 Census			
Total Households	4,020	24,276	75,479
■ 2000 Census			
Total Households	3,798	22,815	73,545
■ Occupied Units			
2023 Projection	4,161	25,613	78,815
2018 Estimate	4,251	26,232	81,439
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2018 Estimate			
\$150,000 or More	41.95%	40.24%	34.38%
\$100,000 - \$149,000	17.16%	17.46%	16.85%
\$75,000 - \$99,999	9.43%	10.46%	10.90%
\$50,000 - \$74,999	11.45%	11.21%	12.64%
\$35,000 - \$49,999	6.19%	6.36%	8.34%
Under \$35,000	13.81%	14.27%	16.87%
Average Household Income	\$178,775	\$184,242	\$166,750
Median Household Income	\$123,768	\$119,239	\$103,011
Per Capita Income	\$65,772	\$71,070	\$63,347

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$93,288	\$90,952	\$86,482
■ Consumer Expenditure Top 10 Categories			
Housing	\$25,447	\$24,947	\$23,839
Transportation	\$16,688	\$16,717	\$15,413
Shelter	\$15,320	\$14,957	\$14,438
Food	\$10,232	\$9,837	\$9,395
Personal Insurance and Pensions	\$8,850	\$8,387	\$8,089
Health Care	\$6,752	\$6,849	\$6,169
Entertainment	\$5,621	\$5,142	\$4,837
Utilities	\$5,018	\$4,980	\$4,723
Apparel	\$2,766	\$2,526	\$2,493
Household Furnishings and Equipment	\$2,448	\$2,395	\$2,203
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2018 Estimate Total Population	10,994	64,262	202,537
Under 20	26.93%	22.80%	24.58%
20 to 34 Years	9.81%	9.93%	13.19%
35 to 39 Years	3.68%	3.90%	4.97%
40 to 49 Years	14.59%	12.61%	13.16%
50 to 64 Years	24.44%	24.69%	23.47%
Age 65+	20.54%	26.03%	20.64%
Median Age	47.08	50.51	45.88
■ Population 25+ by Education Level			
2018 Estimate Population Age 25+	7,580	47,129	143,677
Elementary (0-8)	0.65%	0.90%	2.19%
Some High School (9-11)	1.84%	1.94%	2.72%
High School Graduate (12)	8.73%	11.20%	13.74%
Some College (13-15)	12.35%	14.15%	14.88%
Associate Degree Only	4.67%	3.97%	4.28%
Bachelors Degree Only	37.50%	35.23%	32.61%
Graduate Degree	33.87%	32.22%	28.79%

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7-ELEVEN ANCHORED RETAIL CENTER

Northbrook, IL

ACT ID Y0150604



Northbrook is a suburb of Chicago, located at the northern edge of Cook County, Illinois, United States. When incorporated in 1901, the village was known as Shermerville in honor of Frederick Schermer, who donated the land for its first train station

The Village of Northbrook is more than just another North Shore suburb; it is a diverse community that has managed to grow, thrive, and yet remain totally unique in the Chicagoland area. It doesn't matter if one is looking for a place to visit, shop—or even relocate to—there are plenty of reasons that Northbrook is a great spot to be. Accessibility is a major perk here. Northbrook is located just 25 miles from Chicago and commuter rail service makes the trip a breeze for those who work downtown. Both O'Hare International Airport and Chicago Midway International Airport are a short distance away. Those who prefer to drive will find that the Edens Expressway (I-94), the Edens Spur, and the Tri-State Tollway (I-294) offer a convenient way to travel. These factors make Northbrook an easy place to visit as well.

Northbrook's terrain and easy access to major biking and walking trails make the Village an excellent place to bike or enjoy a run. This page is designed to help cyclists and pedestrians identify local routes and how to connect to regional paths. Experience the Forefront of the North Shore! Find what you want right here in Northbrook in one of our convenient neighborhood centers, our quaint downtown, our modern centers with national retailers, and our upscale regional mall. The Milwaukee District North (MD-N) Line travels to and from Chicago with 25+ daily trips from Northbrook. Northbrook is conveniently located 17 miles from O'Hare International Airport, 33 miles to Midway Airport (MDW), and just five minutes from the Chicago Executive Airport. Source: www.northbrook.com



7-ELEVEN ANCHORED RETAIL CENTER



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