

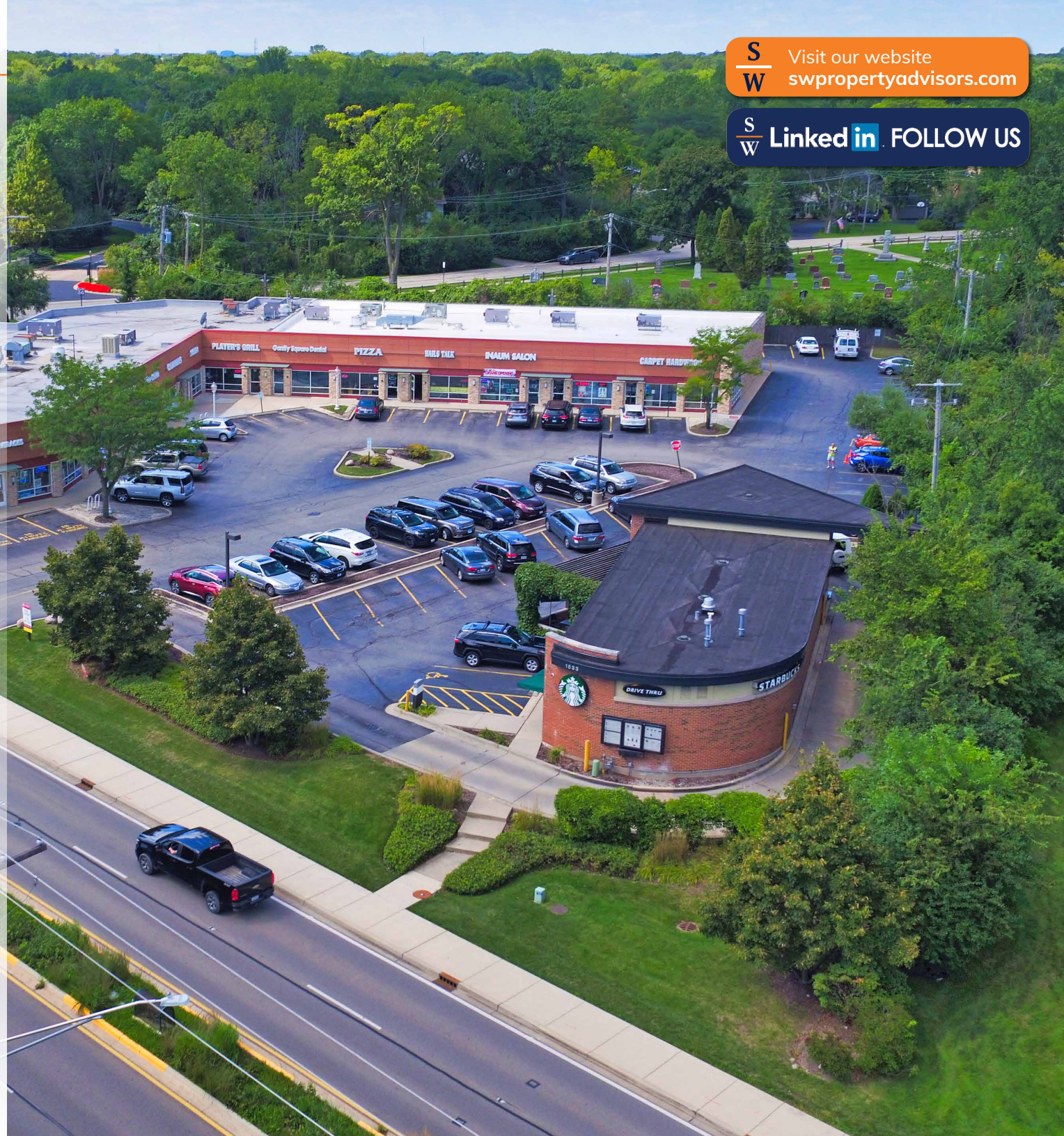
Offering Memorandum

STARBUCKS ANCHORED CENTER | AFFLUENT SUBMARKET

1833-1855 Deerfield Road
Highland Park, Illinois 60035

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Lake Michigan



Highway 41
57,250 VPD

US
41



Police Department



Place of Worship



Mooney Park



Subject Property

Ridge Rd
2,000 VPD



Affluent Submarket
Average Household Income
Within One Mile is \$212,299



Deerfield Rd
18,200 VPD



INVESTMENT HIGHLIGHTS

- Highly Affluent Community | Over \$212,000 Average Household Income Within One-Mile Radius | Top 100 Wealthiest Towns in United States (Bloomberg 2019)
- Anchored by Freestanding Starbucks with Drive Through | 15-Year Operating History at this Location | Separately Parceled from Center
- Ideal Mix of Tenants for Neighborhood Shopping Center Including Convenience Store, Several Restaurants, Dentist and Nail Salon
- Regularly Scheduled Rent Increases for Many of the Tenants Provides Investor with Excellent Hedge Against Inflation
- Strong Real Estate Fundamentals | Full Ingress/Egress off of Deerfield Road (18,200 Vehicles per Day) and Egress off of Ridge Road
- High Barrier to Entry Submarket with Limited New Construction | Helps Insulate Investor from Competing Properties



Anchored
Center



Heavily
Traveled



Internet
Resistant



High Barrier
to Entry



Starbucks Anchored Center | Affluent Submarket
1833-1855 Deerfield Road, Highland Park, Illinois 60035

Price	\$7,575,000
Cap Rate	7.34%
Price/ SF	\$368.85
Gross Leasable Area	20,537 SF
Year Built	1988 / 2002
Lot Size	1.87 Acres +/-
Parcel Numbers	16-27-301-037 16-27-301-038
Parking	97 Surface Spaces +/-

VITAL DATA

Current Rent	\$575,067
Total Reimbursements	\$150,445
Vacancy/Collection Allowance	\$11,750
Effective Gross Income	\$713,762
Expenses	\$157,927
NOI	\$555,835

PROPOSED FINANCING

LTV	70%
Interest Rate Amortization	4.50% 25 Years
Down Payment	\$2,272,500
First Trust Deed/Mortgage	\$5,302,500
Debt Service	\$353,676
Debt Coverage Ratio	1.57
Net Cash Flow After Debt Services Return %	\$202,159 8.90%
Principal Reduction	\$117,467
Total Return Return %	\$319,625 14.06%

RENT ROLL

Tenant /Suite #	SF Leased	% of Total SF	Start	End	Term of Occupancy (Yrs)	Rent Schedule						% of Total Rent	Renewal Options	Lease Type
						Period	Changes on	Monthly Rent	Annual Rent	Rent/ SF	Increase			
HP Convenience Store Retail, Suite A	2,525	14.02%	9/1/2019	8/31/2024	5 Years	Base	Current	\$3,156	\$37,875	\$15.00	-	7%	1, 5-Year	Net
						-	5/1/2020	\$3,577	\$42,925	\$17.00	13%			
						-	1/1/2021	\$3,998	\$47,975	\$19.00	12%			
						-	9/1/2021	\$4,208	\$50,500	\$20.00	5%			
						-	9/1/2022	\$4,293	\$51,510	\$20.40	2%			

Notes: Option rent shall increase by two percent annually.

Guys & Co. Retail, Suite B	1,401	6.82%	10/1/2018	9/30/2024	6 Years	Base	Current	\$2,569	\$30,822	\$22.00	-	5%	2, 3-Year	Net
						-	10/1/2020	\$2,620	\$31,438	\$22.44	2%			
						-	10/1/2021	\$2,671	\$32,055	\$22.88	2%			
						-	10/1/2022	\$2,724	\$32,685	\$23.33	2%			
						-	10/1/2023	\$2,778	\$33,339	\$23.80	2%			

Notes: Option rent shall increase by two percent annually.

New China Restaurant Retail, Suite C	1,080	5.26%	4/1/2006	10/31/2022	5 Years	Base	Current	\$2,070	\$24,840	\$23.00	-	4%	None	Net
						-	11/1/2019	\$2,121	\$25,456	\$23.57	2%			
						-	11/1/2020	\$2,174	\$26,083	\$24.15	2%			
						-	11/1/2021	\$2,228	\$26,730	\$24.75	2%			

Notes: Start Date reflects original lease date to demonstrate tenant's length of occupancy at the property. Tenant signed new lease on 10/1/2017. Admin fee shall not exceed 15 percent of CAM.

Master Cleaners Retail, Suite D	1,116	5.43%	6/1/2004	5/31/2024	20 Years	Base	Current	\$6,430	\$77,166	\$69.14	-	14%	1, 5-Year	Net
						-	6/1/2021	\$6,591	\$79,095	\$70.87	2%			
						-	6/1/2022	\$6,756	\$81,072	\$72.65	2%			
						-	6/1/2023	\$6,924	\$83,088	\$74.45	2%			

Notes: N/A

Frogg Pond Dive Shop Retail, Suite E	1,116	5.43%	4/1/2015	4/30/2021	6 Years	Base	Current	\$2,031	\$24,372	\$21.84	-	4%	None	Gross
						-	5/1/2020	\$2,081	\$24,972	\$22.38	2%			

Notes: N/A

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RENT ROLL

Tenant /Suite #	SF Leased	% of Total SF	Start	End	Term of Occupancy (Yrs)	Rent Schedule						% of Total Rent	Renewal Options	Lease Type
						Period	Changes on	Monthly Rent	Annual Rent	Rent/ SF	Increase			
Players Grill Retail, Suite F	3,320	16.17%	12/1/1988	8/31/2020	32 Years	Base	Current	\$5,690	\$68,280	\$20.57	-	12%	1, 5-Year	Net
						Option 1	9/1/2020	\$5,861	\$70,328	\$21.18	3%			
						-	9/1/2021	\$6,037	\$72,438	\$21.82	3%			
						-	9/1/2022	\$6,218	\$74,611	\$22.47	3%			
						-	9/1/2023	\$6,404	\$76,850	\$23.15	3%			

Notes: N/A

Garrity Square Dental Retail, Suite G	1,098	5.35%	4/1/2006	5/31/2026	20 Years	Base	Current	\$2,427	\$29,122	\$26.52	-	5%	None	Net
						-	6/1/2020	\$2,500	\$29,995	\$27.32	3%			
						-	6/1/2021	\$2,575	\$30,895	\$28.14	3%			
						-	6/1/2022	\$2,652	\$31,822	\$28.98	3%			
						-	6/1/2022	\$2,731	\$32,777	\$29.85	3%			

Notes: Start Date reflects original lease date to demonstrate tenant's length of occupancy at the property. Tenant signed new lease on 6/1/2016.

Judy's Pizza Retail, Suite H	1,098	5.35%	4/1/2006	7/31/2022	16 Years	Base	Current	\$2,449	\$29,388	\$26.77	-	5%	None	Net
						-	8/1/2020	\$2,523	\$30,276	\$27.57	3%			
						-	8/1/2021	\$2,598	\$31,176	\$28.39	3%			

Notes: Start Date reflects original lease date to demonstrate tenant's length of occupancy at the property. Tenant signed new lease on 8/1/2016. Admin fee not to exceed 15 percent of CAM.

Nails Talk Retail, Suite I	1,098	5.35%	5/1/2013	12/31/2022	10 Years	Base	Current	\$2,311	\$27,726	\$25.25	-	5%	None	Net
						-	1/1/2020	\$2,388	\$28,658	\$26.10	3%			
						-	1/1/2021	\$2,448	\$29,372	\$26.75	2%			
						-	1/1/2022	\$2,506	\$30,071	\$27.39	2%			

Notes: N/A

Inaum Salon Retail, Suite J	1,098	5.35%	6/1/2019	12/31/2022	4 Years	Base	Current	\$1,674	\$20,088	\$18.30	-	4%	1, 5-Year	Net
						-	10/1/2020	\$1,767	\$21,204	\$19.31	6%			
						-	10/1/2021	\$1,860	\$22,320	\$20.33	5%			
						Option 1	1/1/2023	\$1,897	\$22,766	\$20.73	2%			
						-	1/1/2024	\$1,934	\$23,213	\$21.14	2%			

Notes: Space has continualisy operated as salon for over 15 years.

RENT ROLL

Tenant /Suite #	SF Leased	% of Total SF	Start	End	Term of Occupancy (Yrs)	Rent Schedule						% of Total Rent	Renewal Options	Lease Type
						Period	Changes on	Monthly Rent	Annual Rent	Rent/ SF	Increase			
Refresh Center Reflexology Retail, Suite K	1,100	5.36%	2/1/2018	1/31/2023	5 Years	Base	Current	\$1,818	\$21,813	\$19.83	-	4%	None	Net
						-	2/1/2020	\$1,872	\$22,462	\$20.42	3%			
						-	2/1/2021	\$1,928	\$23,133	\$21.03	3%			
						-	2/1/2022	\$1,986	\$23,826	\$21.66	3%			
						Option 1	2/1/2023	\$2,045	\$24,541	\$22.31	3%			

Notes: Option rent shall increase by three percent per year.

Carpet Central & Hardwood Flooring Retail, Suite L	1,962	9.55%	5/1/2008	4/30/2022	14 Years	Base	Current	\$2,500	\$30,000	\$15.29	-	5%	None	Net
						-	5/1/2020	\$2,575	\$30,900	\$15.75	3%			
						-	5/1/2021	\$2,652	\$31,824	\$16.22	3%			

Notes: Admin fee not to exceed 15 percent of CAM. Lessee shall receive a rent abatement of four months including tax, CAM and insurance for consideration to enter into this lease extension. The abatement will be applied to May 2019, December 2019, May 2020, and May 2021.

Starbucks Corporation Retail, Suite A	2,525	12.29%	3/1/2002	3/31/2022	20 Years	Base	Current	\$11,781	\$141,375	\$55.99	-	25%	2, 5-Year	Net
						Option 1	4/1/2022	\$12,378	\$148,532	\$58.82	5%			
						Option 2	4/1/2027	\$13,614	\$163,371	\$64.70	10%			

Notes: Admin fee not to exceed 15 percent of CAM

Occupied	20,537	100%							\$562,866	\$27.41				
Vacant	0	0%							\$0	\$0.00				
Total	20,537	100%							\$562,866	\$27.41				

CASH FLOW YEAR ONE

STARTING 4/1/2020

Base Rent	Current	Per SF
Occupied Space	\$575,067	\$28.00
Available Space	\$0	-
Gross Potential Rent	\$575,067	\$28.00
Expense Reimbursements		
Real Estate Taxes	\$82,355	\$4.01
Insurance	\$10,173	\$0.50
CAM	\$32,375	\$1.58
Management Fee	\$25,541	\$1.24
Total Expense Reimbursements	\$150,445	\$7.33
Gross Potential Income	\$725,512	\$35.33
Vacancy/Collection Allowance	\$11,750	\$0.57
Effective Gross Income	\$713,762	\$34.75
Expenses		
Real Estate Taxes	\$86,704	\$4.22
Shopping Center	\$70,177	
Starbucks	\$16,526	
Insurance	\$10,575	\$0.51
Shopping Center	\$6,478	
Starbucks	\$4,097	
CAM	\$33,912	\$1.65
Shopping Center	\$24,817	
Starbucks	\$9,095	
Management Fee	\$26,737	\$1.30
Shopping Center	\$19,290	
Starbucks	\$7,447	
Total Expenses	\$157,927	\$7.69
Net Operating Income	\$555,835	\$27.07

INCOME & EXPENSE

Tenant	Annual Expense Reimbursements					Mgmt Fee	Gross Income
	Taxes	Insurance	CAM	Total	PSF		
HP Convenience Store	\$9,838	\$908	\$3,479	\$14,225	\$0.69	\$2,704	\$16,929
Guys & Co.	\$5,459	\$504	\$1,930	\$7,893	\$0.38	\$1,500	\$9,393
New China Restaurant	\$4,208	\$388	\$1,488	\$6,084	\$0.30	\$1,157	\$7,241
Master Cleaners	\$4,348	\$401	\$1,538	\$6,287	\$0.31	\$1,195	\$7,482
Frogg Pond Dive Shop	\$0	\$0	\$0	\$0	\$0.00	\$0	\$0
Players Grill	\$12,935	\$1,194	\$4,574	\$18,704	\$0.91	\$3,555	\$22,259
Garrity Square Dental	\$4,278	\$395	\$1,513	\$6,186	\$0.30	\$1,176	\$7,362
Judy's Pizza	\$4,278	\$395	\$1,513	\$6,186	\$0.30	\$1,176	\$7,362
Nails Talk	\$4,278	\$395	\$1,513	\$6,186	\$0.30	\$1,176	\$7,362
Inaum Salon	\$4,278	\$395	\$1,513	\$6,186	\$0.30	\$1,176	\$7,362
Refresh Center Reflexology	\$4,286	\$396	\$1,516	\$6,197	\$0.30	\$1,178	\$7,375
Carpet Central & Hardwood Flooring	\$7,644	\$706	\$2,703	\$11,053	\$0.54	\$2,101	\$13,154
Starbucks Corporation	\$16,526	\$4,097	\$9,095	\$29,718	\$1.45	\$7,447	\$37,165
Total	\$82,355	\$10,173	\$32,375	\$124,903	\$6.08	\$25,541	\$150,445

SITE PLAN



LOCATION HIGHLIGHTS | HIGHLAND PARK

- 25 Minutes North of Chicago's Loop | Chicago MSA
- One of Chicagoland's Most Affluent Communities | Average Household Income Within One Mile is \$212,299
- Excellent Demographics | Population of 57,179 Within Three Miles of Subject Property
- Easily Accessible from Route 41, Interstate 94 and Interstate 294 and is Served by PACE Buses and Metra Trains
- Has Been Awarded a National Award, Tree City USA Since 1980
- Downtown Highland Park is Home to Over 400 Businesses, Both Retail and Service
- The Park District of Highland Park, Operates and Manages Over 650 Acres of Land in 44 Park Areas, and Offers Approximately 3,000 Recreation and Seasonal Programs
- Home to Ravinia Festival | Highland Park's World-Class Summer Venue of the Performing Arts



Affluent
Demographics



Highly
Populated



World Class
Businesses



Award
Winning Town



Starbucks Anchored Center | Affluent Submarket
1833-1855 Deerfield Road, Highland Park, Illinois 60035

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2018 Population	8,951	63,831	127,199
2023 Population	9,045	64,127	128,536

Households	1-Mile	3-Miles	5-Miles
2018 Households	3,240	23,862	47,261
2023 Households	3,303	24,181	48,224

Daytime Population	1-Mile	3-Miles	5-Miles
2018 Population	11,340	96,880	181,704

Income	1-Mile	3-Miles	5-Miles
2018 Median HH Income	\$147,580	\$127,448	\$130,573
2018 Average HH Income	\$212,299	\$191,459	\$199,573



TENANT OVERVIEWS



starbucks.com

- American Coffee Company and Coffeehouse Chain
- One of the "Worlds Most Valuable Brands" (Fortune, 2013-2017)
- Net Revenue of \$22.4 Billion in 2017, Up Five Percent from Prior Year
- 28,209 Retail Stores in 76 Countries (As of 4.1.18)
- Headquartered in Seattle, Washington
- Founded in 1971

Tenant	Starbucks Corporation
Tenant/Guarantor	Coffe House Holdings Inc.
Number of Locations	28,209
Stock Symbol Board	SBUX NASDAQ
Credit Rating Agency	A- Standard and Poor's



guysandco.com

- Men's High-Quality Clothing and Accessory Boutique
- Offering a Unique, Highly Personalized Service
- Founded in 2008

DBA	Guys & Co.
Tenant/Guarantor	Personal



froggponddive.com

- Scuba and Snorkeling Education, Travel and Supply Store
- Certified Professional Association of Diving Instructors

DBA	Frogg Pond Dive Shop
Tenant/Guarantor	Personal



playersgrill.net

- Bar and Grill Serving American Fare and Drinks
- Sports-Themed Venue
- Founded in 1989

DBA	Players Grill
Tenant/Guarantor	Personal



garritysquaredental.com

- Dentist Office
- Services Include Family and Preventative Dentistry and Dental Implants
- One Doctor | One Dental Assistant | Three Dental Hygienists

DBA	Garrity Square Dental
Tenant/Guarantor	Personal

TENANT OVERVIEWS



judyspizza.com

- Family Owned Pizzeria
- Founded in 1979
- Services the Northshore Area of Chicago
- Four Star Yelp Rating | 4.4 Star Google Rating

DBA	Judy's Pizza
Tenant/Guarantor	Personal



inaumsalon.com

- Hair Salon
- Services Include Threading, Waxing and Hair Cuts/Styles

DBA	Inaum Salon
Tenant/Guarantor	Personal

Carpet Central & Hardwood Flooring

carpetcentralhardwood.com

- Flooring Store
- Offers Many Options in Carpet, Tile, Hardwood Flooring
- Specialize in Eco-Friendly Green Flooring

DBA	Carpet Central & Hardwood Flooring
Tenant/Guarantor	Personal





Affluent Submarket
Average Household Income
Within One Mile is \$212,299



Jewel-Osco
petco
EXTRA SPACE STORAGE
SUBWAY



Police Department



Mooney Park



Subject Property



Deerfield Rd
18,200 VPD



TESLA



Sunset Valley Golf Club



Highway 41
57,250 VPD



Briarwood Country Club

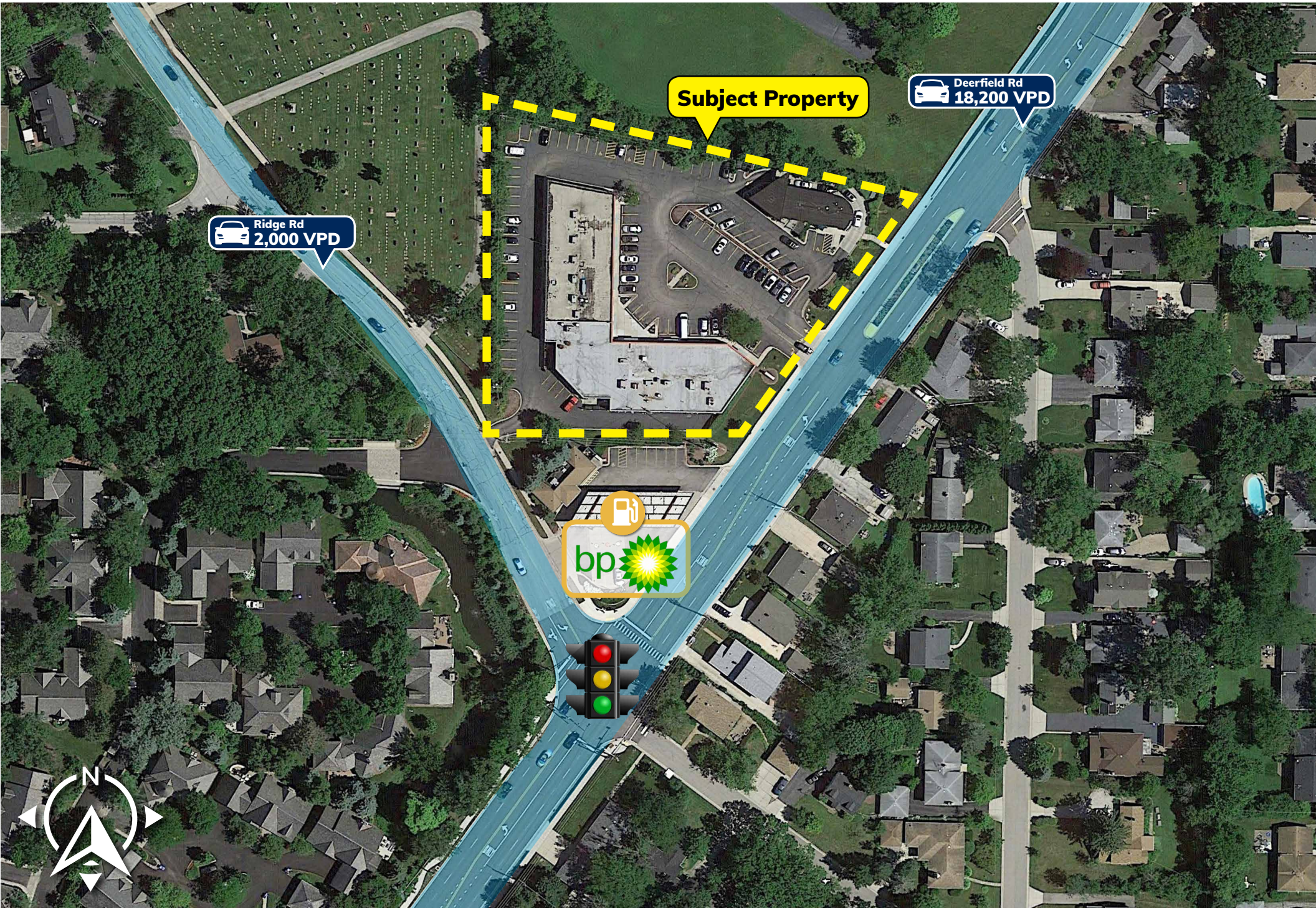


Sherwood Elementary School



North Shore Academy

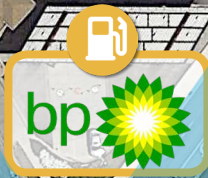




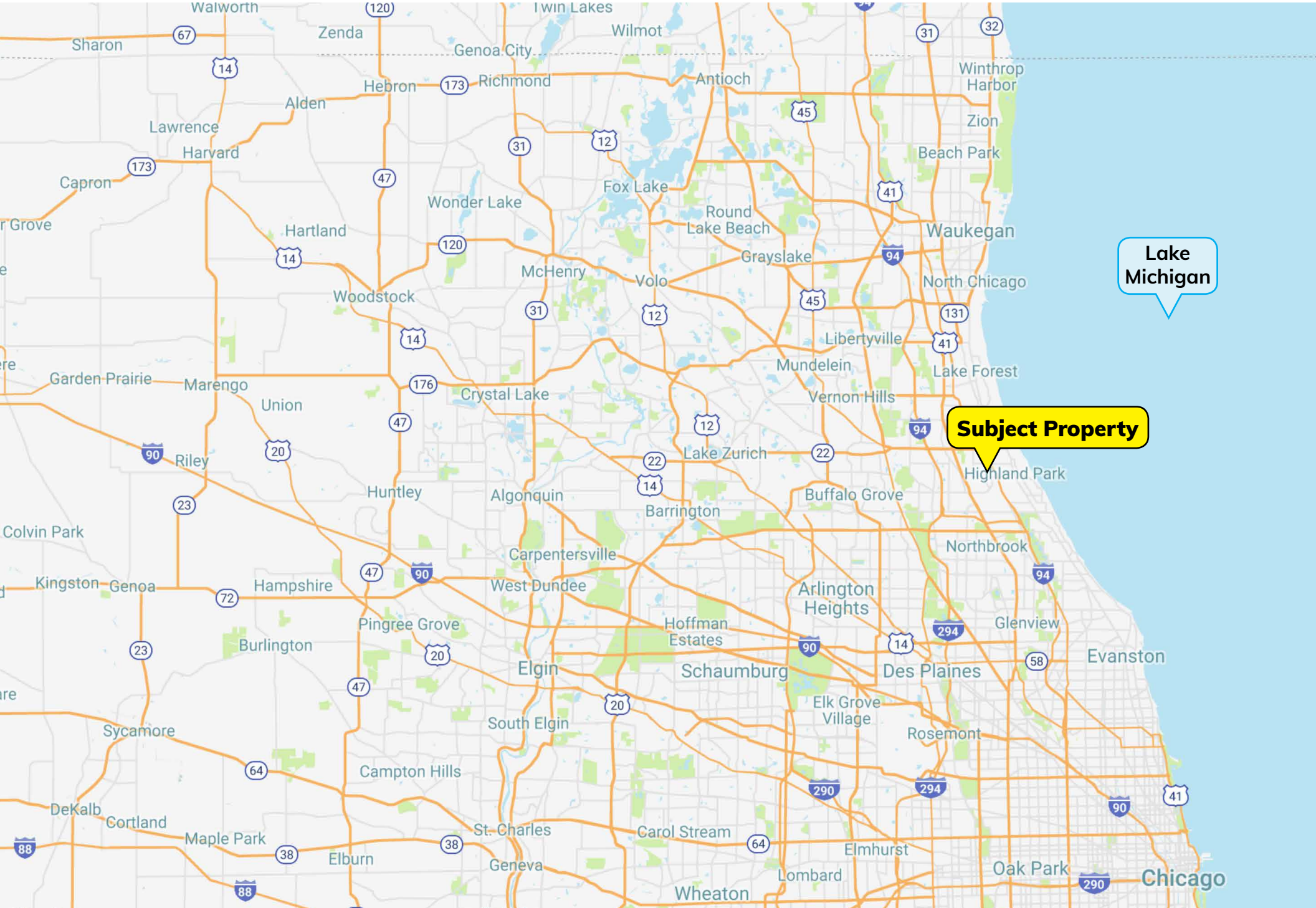
Subject Property

Deerfield Rd
18,200 VPD

Ridge Rd
2,000 VPD



REGIONAL MAP



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Exclusively Listed By

ADRIAN MENDOZA

FIRST VICE PRESIDENT INVESTMENTS
Chicago Oakbrook
(630) 570-2163
adrian.mendoza@marcusmillichap.com
IL 475.147980

SEAN SHARKO

SENIOR VICE PRESIDENT INVESTMENTS
Chicago Oakbrook
(630) 570-2238
sean.sharko@marcusmillichap.com
IL 471.010712

AUSTIN WEISENBECK

SENIOR VICE PRESIDENT INVESTMENTS
Chicago Oakbrook
(630) 570-2169
austin.weisenbeck@marcusmillichap.com
IL 475.140200

SHARKO WEISENBECK

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STEVEN WEINSTOCK

BROKER OF RECORD
Chicago Oakbrook
(630) 570-2250
(630) 570-2323 fax
steven.weinstock@marcusmillichap.com
IL 471.011175