

Offering Memorandum

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LA | FITNESS[®]
SIGNATURE CLUB

5701 West Touhy Avenue
Niles, Illinois 60714

Marcus & Millichap
SHARKO | WEISENBECK
TEAM



Construction as of 1.6.2020

Downtown Chicago



Michaels Tuesday Morning ULTA BARNES & NOBLE
 DICK'S SPORTING GOODS BEST BUY
 HALF PRICE BOOKS TCF BANK Davita GNC
 PET SMART AMC THEATRES noodles Jersey Mike's SUPERCUTS Chuck E. Cheese
 ANYTIME FITNESS BED BATH & BEYOND BUFFALO WILD WINGS PENN STATION Bank of America WW SUBWAY
 CHIPOTLE PANDA EXPRESS chili's FOREVER YOGURT RED ROBIN Tilted Kilt ME carter's PALM BEACH TAN
 PartyCity OfficeMax Sylvan OUTBACK STEAKHOUSE HG Hair Game cuttery Stop

Jewel-Osco

Subject Property

Touhy Ave
38,100 VPD

Walmart ROSS DRESS FOR LESS
 FRESH FARMS MEN'S WEARHOUSE
 BLAZE PIZZA Sprint
 Walgreens T. verizon JJ
 Bath & Body Works WELLS FARGO WING STOP BatteriesPlus
 Naf Naf Grill Chick-fil-e Great Clips

PNC

NISSAN





Heavily Populated
184,852 People Live Within
Three Miles of Subject Property



COSTCO WHOLESALE

ALDI **TARGET**



CD ONE PRICE CLEANERS
ONE DAY. ONE PRICE. CLEAN.

SportClips HAIRCUTS

FIFTH THIRD BANK



SHURE
700+
Employees

Lehigh Ave
7,600 VPD



NISSAN

Subject
Property

PNC

Touhy Ave
38,100 VPD



Jewel-Osco



INVESTMENT HIGHLIGHTS

- Rare, New 20-Year Lease with Rental Increases Every Five Years
- Corporately Guaranteed | Net Lease | Limited Landlord Responsibility
- Mature Submarket with Very High Barriers to Entry
- Irreplaceable Real Estate Surrounded by Nation's Largest Retailers Including Target, Costco, Walmart, Dick's Sporting Goods, Best Buy and Many More
- Located on a Heavily Traveled Retail Thoroughfare | 38,100 Vehicles per Day Along Touhy Avenue
- Adjacent to Village Crossing Shopping Center (722,394 Square Feet of Retail) | Across from Pointe Plaza (193,011 Square Feet of Retail)
- Highly Visible with Stoplight Access | 160 Feet of Frontage Along Touhy Avenue
- Less Than One Mile West of the Interstate 94 Interchange | 170,600 Vehicles Passing per Day



20-Year
Lease



Corporate
Guarantee



Heavily
Traveled



High Barrier
to Entry



LA Fitness | Chicago MSA

5701 West Touhy Avenue, Niles, Illinois 60714

Price	\$13,210,423
Cap Rate	6.10%
NOI	\$805,836*
Rent Increases	Rent increases every five years to be the lesser of the increase in CPI or \$2.25 per square foot.
Gross Leasable Area	33,299 SF
Year Built Renovated	2011 2020
Lot Size	2.61 Acres +/-
Parcel Number	10-32-203-039
Type of Ownership	Fee Simple
Parking	200+ Spaces

LEASE SUMMARY

Lease Type	NN
Lease Guarantor	Corporate (LA Fitness International, Inc.)
Roof & Structure	Landlord
Lease Term	20 Years
Rent Commencement*	9/1/2020
Lease Expiration	1/31/2040
Options	2, 5-Year
Option to Terminate	None
Option to Purchase	None

*Rent commencement date is estimated to be 9/1/2020. There is a 180 day rent abatement period based on the estimated trigger date of 3/1/2020. Seller will credit buyer for any remaining abatement if closing occurs prior to rent commencement.

LEASE ABSTRACT

	Responsible Party	Notes
Roof	Landlord	
Structure	Landlord	
Parking Lot	Landlord	
HVAC	Landlord	
Taxes	Tenant	Paid as additional rent.
Insurance	Tenant	Paid as additional rent.
CAM	Tenant	Paid as additional rent. Three percent cap on controllable CAM from prior calendar year, non-cumulative.





LA | FITNESS[®]

- Largest Non-Franchised Fitness Club Operator
- Over 705 Locations in the United States and Canada
- Privately Held Company
- \$2.1 Billion Revenue in 2018
- Diverse Amenities Including Cardio and Strength Equipment, Personal Training, Indoor Cycling, Group Exercise Classes, Pool, Basketball and Racquetball Courts and a Spa
- Headquartered in Irvine, California
- Founded in 1984

SIGNATURE CLUB

An “Upscale” Version of the LA Fitness Premier Clubs, Offering Higher-Level Equipment and Amenities Such as Towel Service, Complementary Classes and Toiletries in Locker Rooms

705
LOCATIONS

\$2.1 Billion
ANNUAL REVENUE

20
YEAR TERM

NN
LEASE

LAFITNESS.COM

2019 TOP HEALTH CLUBS IN THE UNITED STATES

Rank	Company	2018 Revenues (Millions)	Founded	# of Locations
1	LA Fitness	\$2,100	1984	705
2	Life Time Fitness	\$1,750	1992	122
3	24 Hour fitness USA	\$1,510	1983	433
4	Equinox Holdings	\$1,430	1991	91
5	ClubCorp	\$1,110	1957	204
6	Planet Fitness	\$572.9	1992	1,742
7	Town Sports International	\$443	1973	165
8	Gold's Gym International	\$302	1965	305
9	The Bay Club Company	\$294.65	1977	27
10	XSport Fitness (Capital Fitness)	\$204.8	1989	39

Source: www.clubindustry.com/awards-rankings/club-industrys-top-100-health-clubs-2019

SITE PLAN



LOCATION HIGHLIGHTS | NILES

- Located 15 Miles Northwest of Downtown Chicago
- Excellent Demographics | Population of 184,852 Within Three Miles
- Affluent Area | Average Household Income Within One Mile is \$131,866
- Four Million Square Feet of Retail Space Within Village
- Niles Ranked Sixth in the Chicagoland Market and 11th in the State of Illinois for Retail Sales
- Named America’s Best, Affordable Place to Raise Kids (Businessweek.com)
- Offering a Complete Spectrum of Products and Services Including Firms, Wholesale, Retail and Manufacturing | Over 1,300 Businesses
- Home to the Leaning Tower of Niles | Smaller-Scale Replica of the Leaning Tower of Pisa Added to the National Register of Historic Places (April, 2019)
- 15 Minutes from O’Hare International Airport



Chicago MSA



Highly Populated



Affluent Demographics



Abundance of Retailers



LA Fitness | Chicago MSA
5701 West Touhy Avenue, Niles, Illinois 60714

DEMOGRAPHICS

Population	1 Mile	2 Miles	3 Miles
2018 Population	11,484	70,189	184,852
2023 Population	11,476	70,806	185,360

Households	1 Mile	2 Miles	3 Miles
2018 Households	4,157	27,348	71,230
2023 Households	4,206	27,871	72,128

Daytime Population	1 Mile	2 Miles	3 Miles
2018 Population	20,617	81,968	192,432

Income	1 Mile	2 Miles	3 Miles
2018 Median HH Income	\$96,357	\$73,331	\$74,913
2018 Average HH Income	\$131,866	\$103,289	\$102,971





Lehigh Ave
7,600 VPD

Walmart * ROSS DRESS FOR LESS Walgreens T-Mobile Verizon

FRESH FARMS Bath & Body Works WELLS FARGO BatteriesPlus

BLAZE PIZZA Sprint MENS WEARHOUSE Naf Naf Grill Chick-fil-A Great Clips

COSTCO WHOLESALE

ALDI TARGET

SHURE
700+ Employees

Pointe Plaza

goodwill McDonald's MOD

CHASE The Tile Shop Panera BREAD

Touhy Ave
38,100 VPD

Subject Property

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SportClips HAIRCUTS
FIFTH THIRD BANK

NISSAN PNC

Village Crossing Shopping Center

Jewel-Osco Michaels Tuesday Morning ULTA BARNES & NOBLE

DICK'S SPORTING GOODS BEST BUY ALDI HALF PRICE BOOKS TCF BANK Davita GNC

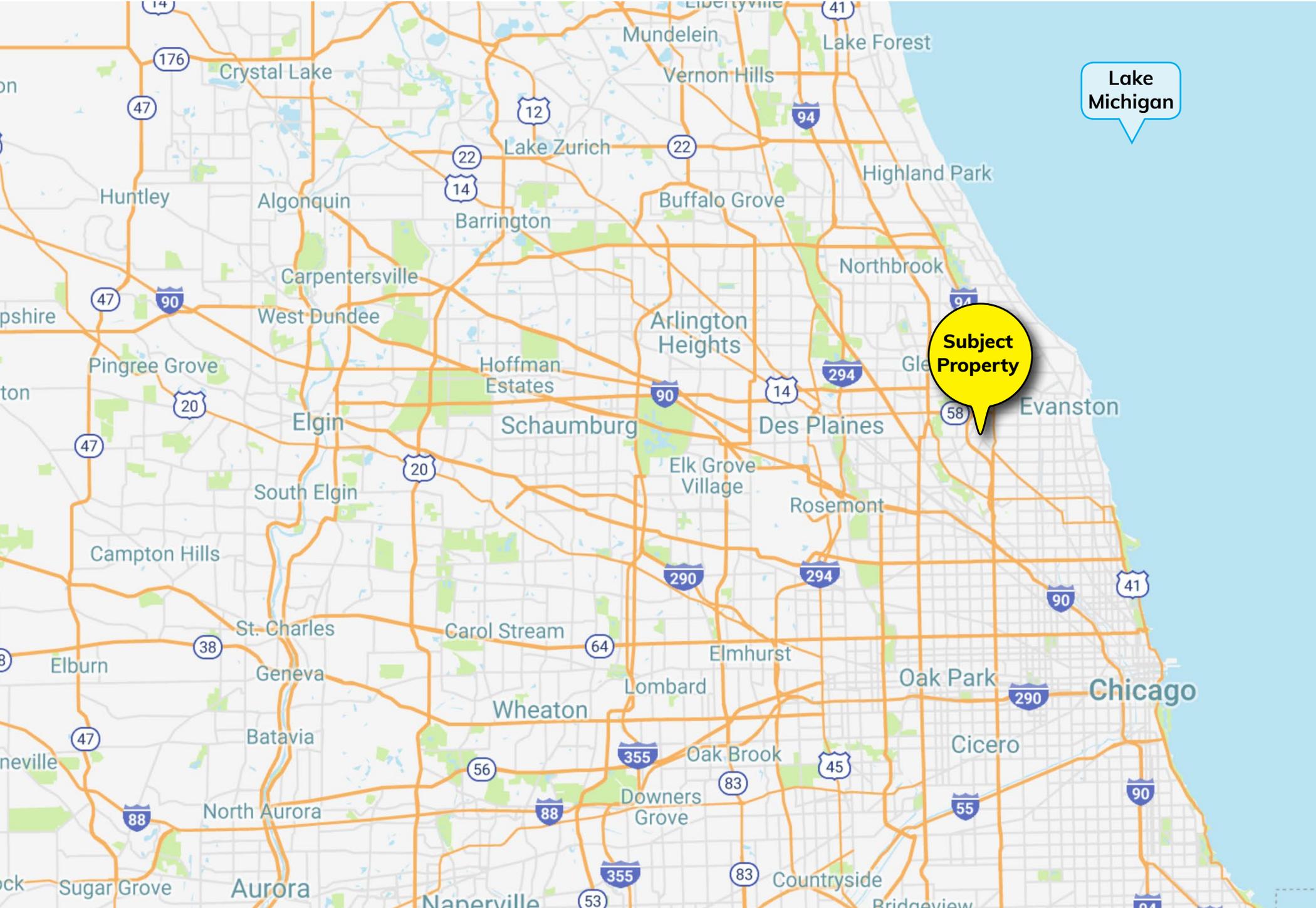
PET SMART AMC THEATRES noodles Jersey Mike's SUPERCUTS Chuck E. Cheese

ANYTIME FITNESS BED BATH & BEYOND BUFFALO WILD WINGS PENN STATION Bank of America WW SUBWAY

CHIPOTLE MEXICAN GRILL PANDA EXPRESS COUNTRY CHINESE FOOD chili's forever yogurt RED ROBIN Tilted Kilt PUB & CATCH ME carter's PALM BEACH TAN

Party City OfficeMax Sylvan OUTBACK STEAKHOUSE FC Hair cutter Game Stop

REGIONAL MAP



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