

verizon^v

BRAND-NEW SINGLE-TENANT INVESTMENT
11515 IL ROUTE 14 | WOODSTOCK, IL
FOR SALE: \$2,050,000



ACTUAL SITE

CBRE

Investment Properties | National Net Lease Property Group

OFFERING MEMORANDUM



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NATIONAL NET LEASE PROPERTY GROUP

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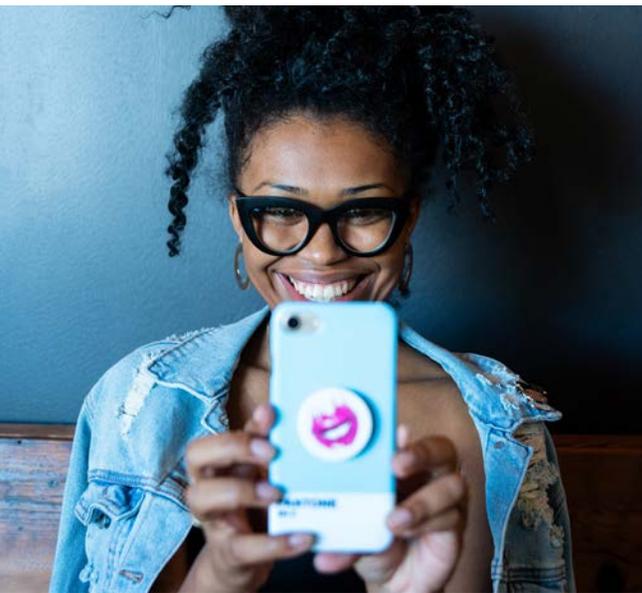
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INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- » Brand-new single-tenant Verizon Wireless investment opportunity, offering a new 10-year lease with ± 9.75 years remaining.
- » Attractive 10% rental increases every five years in the initial term and throughout the two (2), five-year options.
- » Brand-new 2020 construction, opened February 28th.
- » Verizon Wireless is the largest telecommunications provider in The United States.
- » Franchisee guarantee by Cellular Sales of Knoxville, Inc., a management company that operates ± 770 Verizon Wireless stores in 41 states.
- » Average household income of $\pm \$106,993$ in a 10-mile radius (Source: Esri).
- » Woodstock is the county seat of McHenry County, located northwest of Chicago, Illinois.
- » Top employers in Woodstock include: McHenry County ($\pm 1,249$ employees), Woodstock Community Unit School District 200 ($\pm 1,142$ employees), Centegra Health System (± 904 employees), Catalent (± 590 employees), and Charter Dura-Bar (± 335 employees) (Source: Woodstock 2018 Annual Financial Report).
- » Major national tenants nearby include Menards, Kohl's, Walmart Supercenter, Starbucks, AutoZone, Subway, Popeyes Louisiana Kitchen, U-Haul, Culver's, Anytime Fitness, and more.

INVESTMENT OVERVIEW

PRICING SUMMARY

ADDRESS	11515 IL Route 14 Woodstock, IL 60098
PRICE	\$2,050,000
CAP RATE	6.17%
ANNUAL RENT	\$126,500
YEAR BUILT	2020, Opened February 28
RENTABLE SF	±3,000
LAND SIZE	±21,817 (±.50 Acres)
PARCEL NUMBER	13-16-251-002
NLPG PHOENIX TEAM WEBSITE	www.cbre.us/nlpgphoenix

RETURN SCHEDULE

* Initial Term is Highlighted

YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE RETURN SCHEDULE
YEARS 1-5	\$10,541.67	\$126,500.00	6.17%
YEARS 6-10	\$11,595.83	\$139,150.00	6.79%
YEARS 11-15	\$12,755.42	\$153,065.00	7.47%
YEARS 16-20	\$14,030.96	\$168,371.50	8.21%

Note: The annual rent is subject to a slight adjustment, once the developer and tenant reconcile the final cost of the building construction.

LEASE SUMMARY

TENANT'S NAME	Cellular Sales of Illinois, LLC
COMPANY TYPE	Private
LEASE GUARANTOR	Cellular Sales of Knoxville, Inc.
LEASE GUARANTY	Franchisee (±770 unit operator)
LEASE TYPE	Modified Triple Net (NNN)
ROOF AND STRUCTURE	Landlord Responsible
LEASE COMMENCEMENT	08/20/2019
RENT COMMENCEMENT	02/29/2020
LEASE EXPIRATION	02/28/2030
INITIAL LEASE TERM	10 Years
LEASE TERM REMAINING	±9.75 Years
RENT INCREASES	10% Every Five Years
OPTIONS TO RENEW	Two (2), Five (5) Year

Note: See lease abstract on next page for more details regarding the lease.

DEMOGRAPHICS

	3 MILE RADIUS	5 MILE RADIUS	10 MILE RADIUS
2019 POPULATION	21,534	38,471	218,721
2024 POPULATION	22,709	39,913	223,941
GROWTH 2019-2024	1.07%	0.74%	0.47%
2019 AVERAGE HOUSEHOLD INCOME	\$89,169	\$98,499	\$106,993
2019 EMPLOYEES	16,107	21,478	98,498
2019 MEDIAN AGE	37.0	38.3	38.7

(Source: Esri)



INVESTMENT OVERVIEW

LEASE ABSTRACT

Real Estate Taxes: Lessee shall pay, as additional rent, the Real Estate Taxes assessed against the Leased Premises. Lessee shall pay, as additional rent, an amount equal to the premiums incurred by Lessor to maintain the insurance coverages Lessor is required to carry pursuant to the terms of this Lease.

Insurance: Lessee agrees to procure and maintain during the Term, at its sole cost, the following insurance coverages, which may be provided pursuant to blanket policies: Commercial General Liability, Owned Property, Workers' Compensation and Employer's Liability

Utilities: All utilities serving the Leased Premises shall be separately metered, and Lessee shall pay directly to the utility service providers all costs for utilities consumed on the Leased Premises including without limitation electricity, water, gas, and sewer.

Repairs and Maintenance:

- » **Lessee's Obligations:** Lessee shall, at Lessee's expense and throughout the Term, keep in clean, sanitary, and safe condition the Leased Premises, and except for the repairs Lessor is specifically obligated to make pursuant to the terms of this Lease, make all necessary repairs to the Building, including, but not limited to, the exterior and interior doors, windows, ceiling tiles, fixtures, carpets and floor coverings, interior and exterior wall surfaces and coverings, plumbing systems and fixtures from the point of entry into the Building, and the monitoring of any fire suppression system in the Building. In addition, Lessee shall, at Lessee's expense, and throughout the Term, be responsible for maintaining the Leased Premises, including, but not limited to, the landscaping, landscape irrigation system, grass mowing, site lighting, trash removal and cleaning of the sidewalks and parking lot, including trash, debris, ice, and snow.
- » **Lessor's Obligations:** Lessor shall, at Lessor's expense and throughout the Term, keep in good repair, maintain, and replace, when and if necessary, all structural components of the Building including, but not limited to, the foundations, exterior walls, load bearing walls and columns, subfloors, floors (but not including carpet or tile or other floor covering), the roof, including roof membrane and any interior damage caused by roof leaks, stairways, under slab and exterior plumbing, site utilities servicing the premises, and window and door frames, and the inspections and repairs to any fire suppression system in the Building. Lessee will use reasonable efforts to report to Lessor any defective condition known to or discovered by Lessee that Lessor is required to repair. Lessor will commence any repair or replacement promptly after Lessor is aware of, by notice from Lessee or otherwise, the need for any such repair. Notwithstanding the foregoing, Lessee shall reimburse Lessor for repairs to, but not the replacement of, the roof membrane.
- » **HVAC:** Lessee shall be responsible for maintaining and repairing the heating, ventilating, and air conditioning system servicing the Building including all duct work and related components (the "HV AC System"). In addition, Lessee shall, at its own expense, enter into a contract with a reputable contractor to provide regular (but not less than semiannually) service to the HV AC System. Lessee shall provide a copy of such contract to Lessor upon request. In the event that, in the reasonable opinion of a reputable contractor, the HV AC System or any component thereof costing in excess of \$2,500.00, needs to be replaced, Lessee shall notify Lessor who shall, within 10 days thereafter, either engage a contractor to perform the replacement; or alternatively, authorize Lessee to engage a contractor to perform the replacement in which case Lessor shall reimburse Lessee for all costs associated therewith within 10 days following receipt of an invoice from Lessee certifying that Lessee has paid the contractor.
- » **Parking Lot and Sidewalks:** Lessee shall be responsible for maintaining and repairing the parking lot and sidewalks; provided, however, Lessor shall reimburse Lessee for reasonable repair costs in excess of \$2,500.00 incurred within any consecutive 12 month period, so long as Lessee has provided commercially reasonable routine maintenance throughout the Term of the Lease. If Lessee has failed to provide commercially reasonable routine maintenance, Lessor shall not be responsible for any costs in excess of \$2,500.00 attributable to such failure to maintain. If Lessee anticipates that repair costs will exceed \$2,500.00 in any consecutive 12 month period, Lessee shall provide Lessor with at least 30 days' notice of the types of repairs and the cost of repairs that Lessee anticipates undertaking that will cause the costs to exceed \$2,500.00. In any event, Lessee shall provide Lessor with at least 6 months prior written notice of its intent to seal coat or slurry the parking lot and shall request at least three bids for such work. Lessor shall be responsible for any replacement to the parking lot and/or sidewalks or any portion thereof.
- » **Storm Water:** Lessee shall be responsible for maintaining all storm water facilities and improvements (the "Storm Water Facilities") located on the Leased Premises. In the event maintenance or repair to the Storm Water Facilities becomes necessary as a result of an act or negligent omission of an owner or occupant of an adjacent parcel, Lessor shall use all reasonable means necessary to assist Lessee in obtaining reimbursement for Lessee's out of pocket expenses. Lessor shall be responsible for the portion of the necessary Major Repairs to the Storm Water Facilities that exceed \$2,000 in a calendar year, so long as the need for such Major Repair is not caused by the act or negligent omission of Lessee, or Lessee's officers, directors, partners, members, managers, employees, agents, licensees and invitees. A "Major Repair" to the Storm Water Facilities shall be any repair or replacement that exceeds \$2,000.00 in costs.

PROPERTY OVERVIEW



CORPORATE TENANT OVERVIEW

Verizon Wireless is an American telecommunications company which offers wireless products and services. It is a wholly owned subsidiary of Verizon Communications. Verizon Wireless is the largest wireless telecommunications provider in the United States.

The company is headquartered in New York City, New York. It was founded on June 30, 2000 by Bell Atlantic Corp. and GTE Corp., in one of the largest mergers in U.S. business history. Today, Verizon is a global technology company delivering the promise of the digital world to millions of customers every day.

Stock Symbol	VZ (NYSE & NASDAQ)
CEO	Hans Vestberg
Tenant S&P Credit Rating	BBB+ Investment Grade Credit
2019 Revenue	\$131.9 billion
2019 Dividends Paid	\$10.02 billion
Number of Employees	±135,000
Number of Countries	±150
Fortune 500 Rank	19
Fortune 500 Customers Served	99%
Consumer Retail Connections	±94.5 million
Business Retail Connections	±25.2 million
Fios Digital Connections	±13.7 million
Retail Sites	±1,600

Verizon Wireless Selection of Services:

- » **5G:** 5G is the fifth generation of wireless technology, but users will know it as one of the fastest, most robust technologies the world has ever seen.
- » **Wireless Network:** Since 2000, they have invested more than \$126 billion to meet today's surging demand for wireless data and video, and to get their network ready for 5G wireless technology.
- » **Broadband and Fiber:** Fios by Verizon is a 100% fiber-optic network that allows you to enjoy the Internet speed you crave, the TV channels you love and a home phone that's reliable.
- » **Media & Technology:** With brands like Yahoo, HuffPost and TechCrunch, Verizon's media group transforms how people stay informed and entertained, communicate and transact, while creating new ways for advertisers and partners to connect.

VERIZON.COM



PROPERTY OVERVIEW

FRANCHISEE OVERVIEW

Cellular Sales of Knoxville was founded in Knoxville, Tennessee in 1993 by University of Tennessee graduates, Dane and Meg Scism. The company employs approximately 7,200 team members in over 770 retail locations in 41 states.

Cellular Sales believes passionately that the right people are their most important asset. Based on this principle, they carefully select sales representatives through a rigorous process, which takes into account an applicant's background, experience, personality traits, learning style, and professionalism. It takes skill and perpetual training to guide a customer to a decision that the customer will be happy with, and to take the time to make certain the customer starts off on the right foot. Cellular Sales growth curve is a testament to the value they provide.

Cellular Sales' personalized retail model strategically positions them to serve thousands of small businesses across their operating regions. Through personalized account analysis and individual attention to each business, Cellular Sales provides "concierge-level" service that no one else in the industry is providing.

Their services include:

- » Consultation on device capabilities and business integration.
- » Device training.
- » Office visits to demonstrate equipment and take questions.
- » Ongoing rate plan analyses.

CELLULARSALESOFKNOXVILLE.COM



ACTUAL SITE PHOTOS

Source: cellularsalesofknoxville.com

SITE PLAN



NOT TO SCALE
ALL DIMENSIONS ARE APPROXIMATE

Icons made by Roundicons from www.flaticon.com

DOWNTOWN
WOODSTOCK

BW Best Western
±43 ROOMS

CHICAGO
CONSUMABLES

FLOCON

BULL VALLEY
GOLF CLUB

Berry
±180 EMPLOYEES

ORTHO
MOLECULAR
PRODUCTS

47

POPEYES

CHRYSLER
DODGE
Jeep

Super 8

±59 ROOMS

WILLOW BROOKE
APARTMENTS
320 UNITS

Walmart
SUBWAY

MCHENRY COUNTY
COLLEGE
±6,602 STUDENTS

U-HAUL

US-14 ±14,700 VPD*

LAKE AVE ±14,500 VPD*

AspenDental Bank of America
Starbucks SportClips
ATI

WOOLF
±200 EMPLOYEES

DAVIS ROAD PARK
KISHWAUKEE PARK

LAKE MARME
& RV

Dordan

AutoZone

MENARDS
±140 EMPLOYEES

KOHL'S

MERCY
WOODSTOCK
MEDICAL CENTER

14

Culver's

CHARTER DURA-BAR
±335 EMPLOYEES

CHEVROLET

BUICK

**MOTOR HARLEY-DAVIDSON
CYCLES**

Dura-Bar
Continuous Cast Iron Bar Stock

**Blain's
FARM & FLEET**

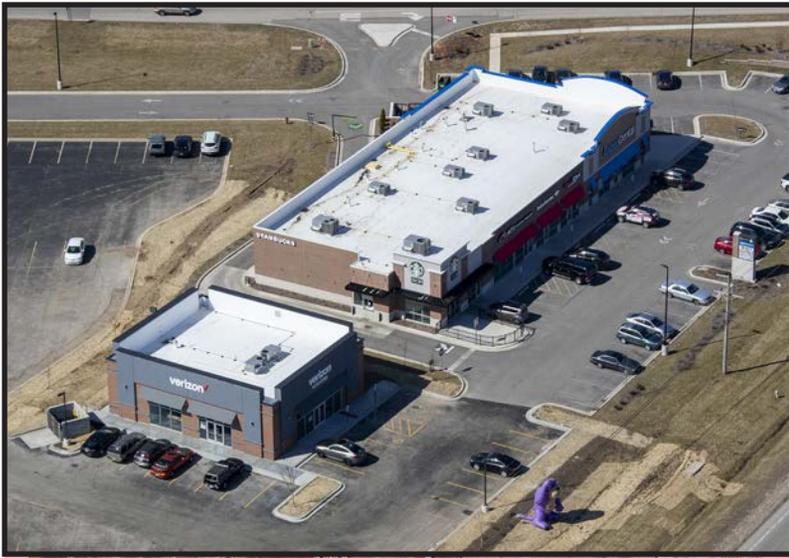
Catalent
±590 EMPLOYEES



NOT TO SCALE
* IDOT, 2017

WOODSTOCK
COMMONS
170 UNITS

verizon



Berry
±180 EMPLOYEES

**ORTHO
MOLECULAR
PRODUCTS**

**MCHENRY COUNTY
COLLEGE**
±6,602 STUDENTS

Walmart
SUBWAY

WOOLF
LEADING WHOLESALER OF BUILDING MATERIAL AND MILLWORK IN THE MIDWEST FOR OVER 70 YEARS WITH OVER 200 EMPLOYEES

verizon

Dordan

US-14 ±14,700 VPD*

MENARDS
±140 EMPLOYEES



LAKE AVE ±14,500 VPD*

KOHL'S

**MERCY WOODSTOCK
MEDICAL CENTER**

- URGENT CARE
- DERMATOLOGY
- DIABETES CENTER
- HEART & VASCULAR CENTER
- MEMORY CLINIC
- OCCUPATIONAL HEALTH
- ORTHODONTICS
- PHARMACY

AspenDental **Bank of America**
practice made perfect

Starbucks **SportClips**
HAIRCUTS

ATI
PHYSICAL THERAPY

**Blain's
FARM & FLEET**

FAMILY-OWNED, MODERN GENERAL STORE DEEPLY ROOTED IN THE TRADITIONS AND CULTURE OF THE MIDWEST WITH 42 STORES IN 4 STATES.

"IF BLAIN'S FARM & FLEET DOESN'T HAVE IT, WE DON'T NEED IT!"

Culver's

N
NOT TO SCALE
* IDOT, 2017

NEIGHBORING RETAILERS



MARKET OVERVIEW

WOODSTOCK

The City of Woodstock is located in McHenry County, Illinois, ±55 miles northwest of downtown Chicago. Woodstock is a true Midwestern city where community and quality of life are values revealed in every street and sidewalk. Beginning in the center of its historic Square and moving out to its agriculture edge, Woodstock is truly unique, a place its citizens are proud to call home.

Originally, the town was called Centerville to attract the seat of McHenry County government in 1842. The Centerville site was chosen when Alvin Judd donated a two-acre public square for the county offices. The name was changed to Woodstock in 1845, named after the Vermont birthplace of early settler Joel Johnson. Woodstock was incorporated as a City in 1852 and received city status in 1873.

With a population of nearly 25,000, Woodstock has matured into a well-rounded community offering a multitude of housing choices, diverse employment and shopping opportunities, outstanding recreational facilities and a quality of life second to none.



Source: ESRI

MAJOR EMPLOYERS (MCHENRY COUNTY)

1. Northwestern Medicine (healthcare/hospital) ±5,000 employees
2. District 47 (Crystal Lake Elementary School) ±1,528 employees
3. District 158 (Pre-K through grade 12) ±1,500 employees
4. McHenry County (County Government) ±1,400 employees
5. Follett Library Resources, Inc ±1,378 employees

Source: The City of Woodstock , realwoodstock.com, mchenrycountyedc.com



CHICAGO

The Chicago-Naperville-Elgin MSA is comprised of 14 counties, led by Cook County, and is situated in northeast Illinois along the southern shore of Lake Michigan and the banks of the Chicago River. The vast public-transportation and expressway networks have allowed the metropolitan area, popularly called Chicagoland, to stretch through three states: from Kenosha, Wisconsin to the north, around the south end of the lake, through northwestern Indiana to the Michigan state line.

ECONOMY

Chicago has one of the world's largest and most diversified economies, with a workforce of more than four million people, generating an annual gross domestic product of roughly \$680 billion. The city is an economic powerhouse which rivals some nations and is home to more than 400 major corporate headquarters. The Chicagoland economy is a mammoth consumer market, transport hub, financial center, and tourist magnet. Surpassed in size only by New York and Los Angeles, Chicago is a globally important business center, housing more than 30 Fortune 500 corporations and the world's largest futures and options market.

The Chicago MSA is a major transportation hub for the Midwest. The city is served by two major airports and is the main freight rail hub of North America. O'Hare International Airport, which is the second busiest airport in the world by passenger traffic and is a major airport serving numerous domestic and international destinations. It is a hub for United Airlines and American Airlines. Construction is underway for an \$8.7 billion expansion and modernization of the O'Hare Airport.



CONFIDENTIALITY AGREEMENT

AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the “Property”), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgment of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates’ interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms’ length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained

herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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