

# PNC BANK GROUND LEASE

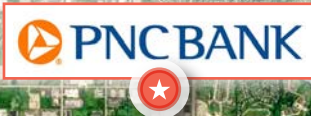
111 QUENTIN ROAD, LAKE ZURICH, ILLINOIS



OFFERING MEMORANDUM

Marcus & Millichap





INDUSTRIAL



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# Executive Summary

111 Quentin Road, Lake Zurich, IL 60047

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$6,285,700</b>
Cap Rate	5.25%
Building SF	3,315 SF
Net Cash Flow	5.25% \$330,000
Year Built	2014
Land/Lot Size	1.24 Acres

## LEASE SUMMARY

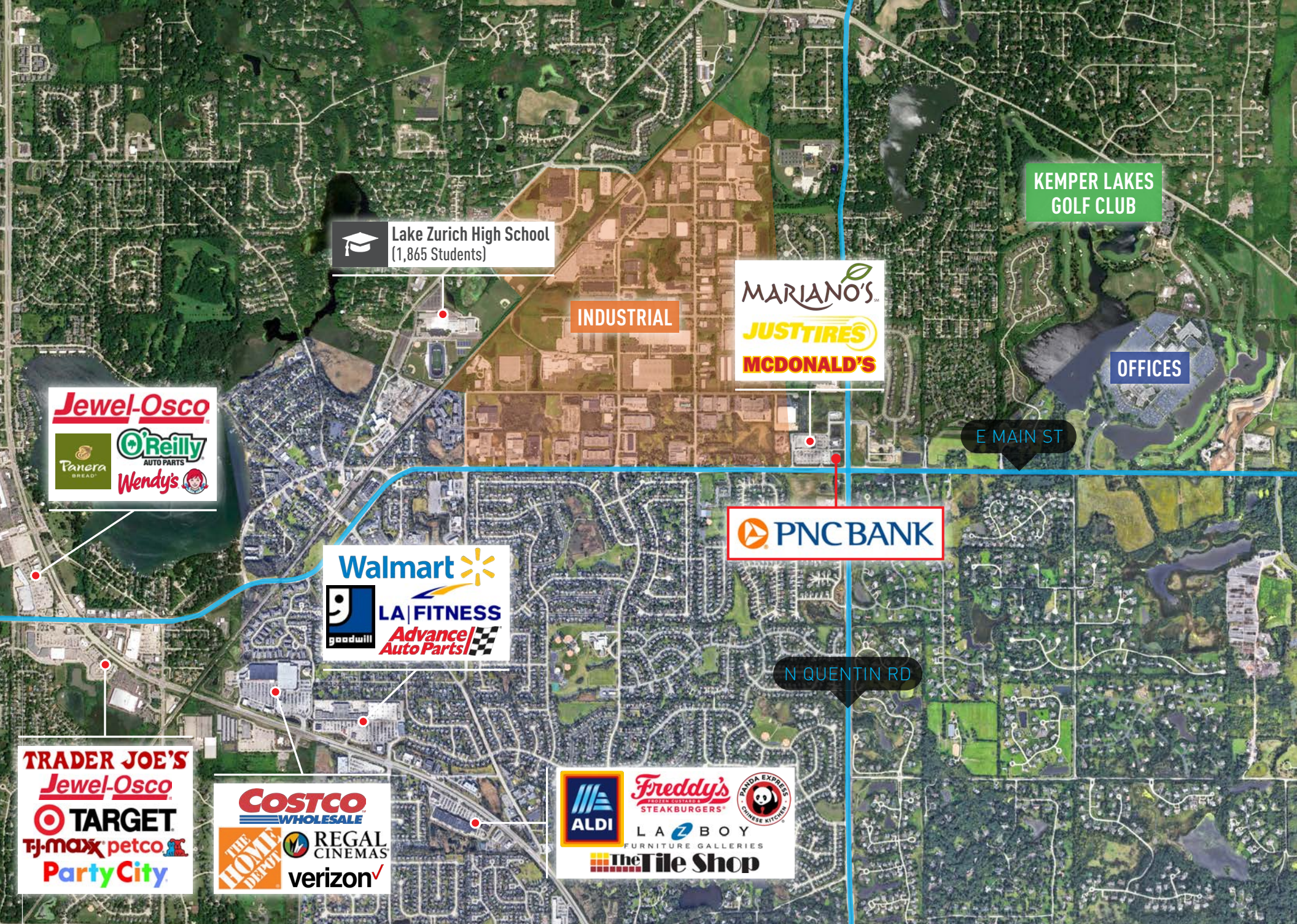
Lease Type	Absolute Triple-Net (NNN) Ground Lease
Tenant	PNC Bank, National Association
Guarantor	Corporate
Tenant Credit Rating	S&P Credit Rating A
Roof & Structure	Tenant Responsible
Lease Commencement Date	July 30, 2014
Lease Expiration Date	July 31, 2034
Lease Term	14 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

## ANNUALIZED OPERATING DATA

<b>Lease Years</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Current - 7/31/2024	\$330,000.00	5.25%
8/1/2024 - 7/31/2029	\$363,000.00	5.78%
8/1/2029 - 7/31/2034	\$399,300.00	6.35%
<b>Options</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Option 1	\$439,230.00	6.99%
Option 2	\$483,153.00	7.69%
Option 3	\$531,468.30	8.46%
Option 4	\$584,615.13	9.30%

<b>Base Rent</b>	<b>\$330,000</b>
<b>Net Operating Income</b>	<b>\$330,000</b>
<b>Total Return</b>	<b>5.25% \$330,000</b>





 Lake Zurich High School  
(1,865 Students)

INDUSTRIAL

MARIANO'S  
JUST TIRES  
MCDONALD'S

KEMPER LAKES  
GOLF CLUB

OFFICES

E MAIN ST

Jewel-Osco  
Panera BREAD  
O'Reilly AUTO PARTS  
Wendy's

Walmart  
goodwill  
LA FITNESS  
Advance Auto Parts

PNC BANK

N QUENTIN RD

TRADER JOE'S  
Jewel-Osco  
TARGET  
TJ-MAXX petco  
Party City

COSTCO WHOLESALE  
THE HOME DEPOT  
REGAL CINEMAS  
verizon

ALDI  
Freddy's PROVEN CUSTARDS STEAKBURGERS  
PANDA EXPRESS CHINESE KITCHEN  
LA-Z-BOY FURNITURE GALLERIES  
The Tile Shop





MARIANO'S

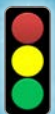
JUST TIRES

MCDONALD'S

PNC BANK

20,400 CPD  
E MAIN ST

12,700 CPD  
N QUENTIN RD





# Property Description



## INVESTMENT HIGHLIGHTS

- » 14 Years Remaining on Absolute Triple-Net (NNN) Ground Lease
- » 10 % Rental Increases Every 5 Years
- » 133,783 Residents within a 5-Mile Radius in Growing Lake Zurich Trade Area - Chicago MSA
- » Outparcel to Mariano's Grocery Store
- » Signalized Hard Corner Location - Visible to 33,100+ Cars/Day at the Intersection of Main Street/Lake Zurich Road and North Quentin Road
- » Close Proximity to Lake Zurich's Primary Retail Corridor - Costco, Target, Walmart, The Home Depot, Jewel-Osco, and More
- » Affluent Trade Area- Average Household Income Exceeds \$183,000 within 3-Miles
- » Strong Daytime Population - 105,364 Employees in Surrounding Area



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2024 Projection	6,552	38,597	134,947
2019 Estimate	6,275	37,445	133,783
Growth 2019 - 2024	4.41%	3.08%	0.87%

### Households

2024 Projection	2,126	12,939	48,134
2019 Estimate	2,034	12,497	47,635
Growth 2019 - 2024	4.51%	3.53%	1.05%

### Income

2019 Est. Average Household Income	\$176,085	\$183,540	\$153,337
2019 Est. Median Household Income	\$128,366	\$130,466	\$106,472
2019 Est. Per Capita Income	\$57,077	\$61,372	\$54,661





# Tenant Overview



**Pittsburgh, Pennsylvania**

Headquarters

**NYSE: PNC**

Stock Symbol

**2,480+**

Locations

**[www.pnc.com](http://www.pnc.com)**

Website

The PNC Financial Services Group, Inc. (NYSE: PNC) is one of the largest diversified financial services institutions in the United States with assets of \$406 billion as of June 30, 2019. PNC has employees in more than 40 states across the country; regional presidents in 40 markets; a retail branch network located in markets across the Mid-Atlantic, Midwest and Southeast; and strategic international offices in four countries outside the U.S. PNC is organized around its customers and communities for building strong relationships and is engaged in retail banking, including residential mortgage, corporate and institutional

banking, and asset management, providing many of its products and services nationally.

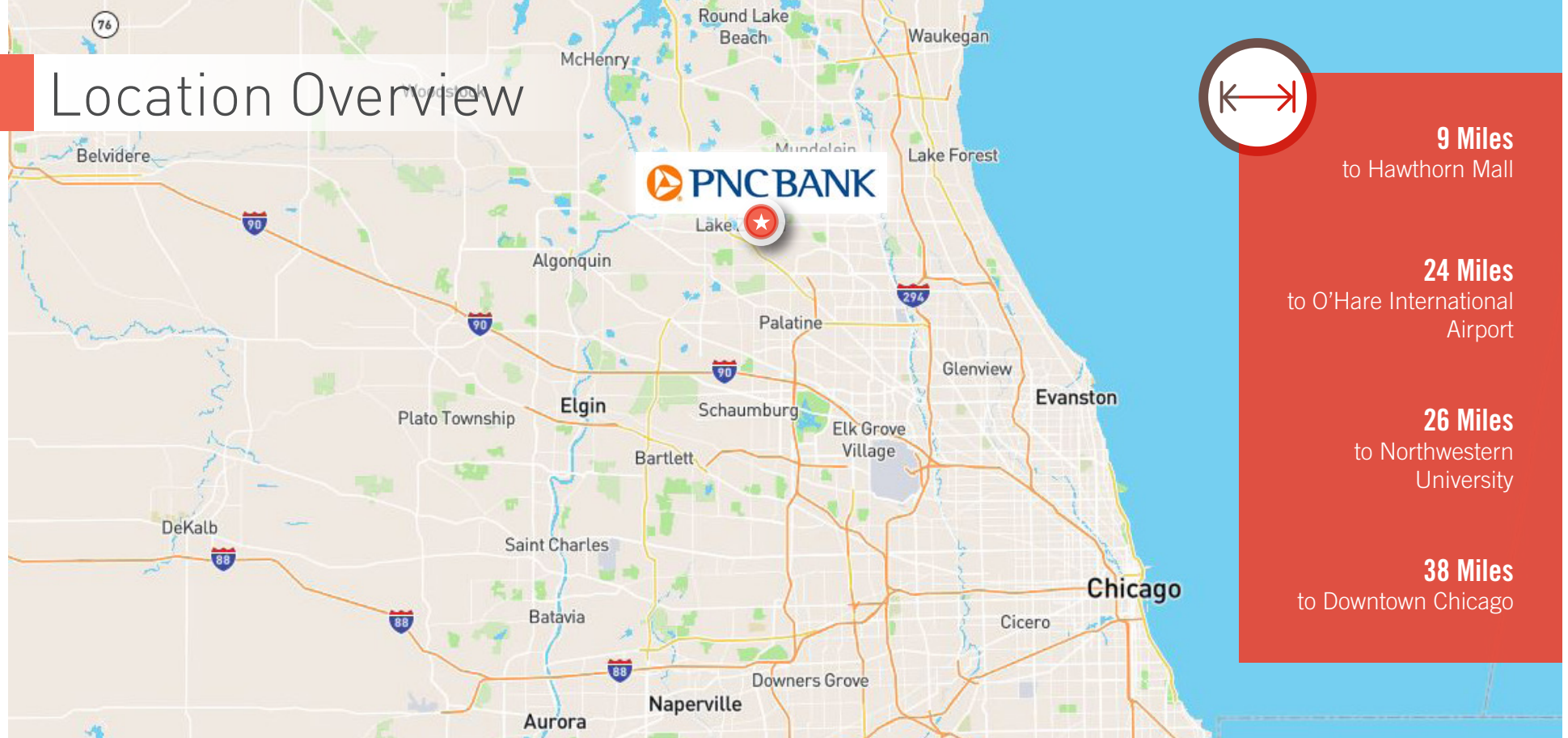
In 2018, PNC invested more than \$77 million in its local communities. PNC boosts the quality of life in neighborhoods through affordable home loans and lending programs, economic revitalization and customized financial solutions. Further, PNC's commitment to environmentally responsible business practices has allowed the company to lower costs, increase efficiency, and create a healthy workplace for employees.







# Location Overview



Located in Lake County, Illinois, the village of Lake Zurich is a northwest suburb of Chicago. The village's estimated 2019 population was 19,877. In 2015, personal finance website, NerdWallet.com, rated Lake Zurich number one in Illinois for young families. In the past, Lake Zurich has been ranked on numerous lists, including Frommer's list of the top one hundred "Best Places to Raise Your Family" and U.S. News' "Top Twenty-Five Affordable Places to Live in the Country."

The city of Chicago is located in the northeast portion of the state of Illinois, along the shorelines of Lake Michigan. Chicago is the nation's third-largest city, trailing only New York and Los Angeles, with a population exceeding 2.7 million in 2018. At nearly 10 million people, Chicago's metropolitan area is the third most

populous in the nation. The city is one of the world's great economic centers, with a diverse employment base, robust transportation network, and renowned tourist attractions that enhance Chicago's reputation on the global stage.

The professional, scientific, and technical services sector is a major employment generator for the city of Chicago, which contains 36 Fortune 500 companies, including Boeing, Walgreens, and McDonald's. Additionally, the city has developed a burgeoning tech scene, as KPMG ranked Chicago in 2017 as one of the top 10 leading innovation hubs of the future. These companies are attracted to the city for its young, talented labor force that is generated by an array of well-respected institutions, including Northwestern University and the University of Chicago.



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**Marcus & Millichap**