



Representative Photo



MID-AMERICA®

BMO  HARRIS BANK

1400 GANNON DRIVE | HOFFMAN ESTATES, IL 60169

TABLE OF CONTENTS

INVESTMENT OVERVIEW	3
RETAIL TRADE AREA	8
LEASE / FINANCIAL SUMMARY.....	13
TENANT OVERVIEW	16
MARKET OVERVIEW & ANALYSIS.....	18
LEGAL DISCLAIMER	23

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INVESTMENT OVERVIEW



Representative Photo



INVESTMENT OVERVIEW

SUBJECT OFFERING

Mid-America Real Estate Corporation, is pleased to present BMO Harris Bank located at 1400 Gannon Drive in Hoffman Estates, Illinois. The property is located approximately 30 miles northwest of downtown Chicago and is comprised of a new construction 4,716 square foot retail building situated on a 0.98-acre parcel. BMO Harris Bank relocated an extremely successful branch on the same site, and is subject to a 15-year NNN lease with 8.25% increases every 4 years throughout the primary term. The site is located in the Chicago suburb of Hoffman Estates, with 233,274 residents in a five miles radius that have an average household income over \$115,000. The site's location in a dense and affluent suburban community, excellent traffic exposure, combined with desirable tenancy and new construction, make it an excellent net lease investment opportunity.

PROPERTY DETAILS

Price: \$4,889,000

Lease Type: NNN

Square Footage: 4,716 SF

Cap Rate: 4.50%

Term: 15 Years

Lot Size: 0.98 Acres

Annual Rent: \$220,000

Rental Increases: 8.25% / 4

Year Built: 2020



INVESTMENT FEATURES

15 YEAR NNN LEASE WITH EXCEPTIONAL INCREASES AND HIGH INVESTMENT GRADE CREDIT

In 2019, BMO Harris Bank signed a 15-year NNN lease for this site. There are exceptional 8.25% rental increases every 4 years throughout the primary term. This lease structure increases the average yield of the investment 3 times in the base term of the lease, while hedging against inflation. BMO Harris Bank, is one of the largest banks in the Midwest and the 16th largest bank in the United States with over 600 branches and approximately 1,300 ATMs in Illinois, Wisconsin, Indiana, Kansas, Missouri, Minnesota, Arizona, Florida and California. It is the second-largest Chicago-area bank, based on 11.5% market share of deposits. BMO Harris Bank has an investment grade credit rating of "A+" from S&P with a stable outlook and its parent company, Bank of Montreal is publicly traded on the NYSE.

SIGNALIZED CORNER, EXCELLENT TRAFFIC & VISIBILITY

The site is situated near the signalized, hard corner intersection of West Higgins Road and Gannon Drive across from Hoffman Estates High School. This intersection is heavily trafficked with more than nearly 37,000 vehicles passing through daily. The location has excellent visibility to customers traveling east and west on West Higgins Road, one of the main thoroughfare through this busy retail corridor. The property is well positioned to capture customers traveling downtown from the surrounding residential communities and its frontage on West Higgins Road makes it visible and accessible to traffic from all directions.

PLANNED DEVELOPMENT ADJACENT-POSSIBLY AVAILABLE

Ownership relocated BMO on their existing site and plans for additional development on the hard corner. This property is an additional 1.38 acres of prime land, which can be made available should purchaser of the BMO have interest. (Contact Broker for More Details).

LONG-TERM HISTORY AT SITE WITH \$138MM IN DEPOSITS

BMO Harris Bank has resided at this site since 1974 establishing a strong customer base in this affluent suburb. As of June 2020, this location has over \$138 million dollars in deposits. Furthermore, in 2019, the company signed a new 15-year lease to relocate on the site into a new, state of the art smaller banking facility, demonstrating their commitment to this location for the long term.

DENSELY POPULATED AND AFFLUENT TRADE AREA

The subject offering is prominently located in the affluent suburban community of Hoffman Estates, in the Chicago MSA. There are more than 92,000 residents with an average household income exceeding \$106,000 within 3 miles. Stretching further out to five miles, those numbers swell to 233,000 people with an average household income of \$115,000. These attractive demographics make the property well poised to hold long term value for BMO Harris Bank and the new owner.

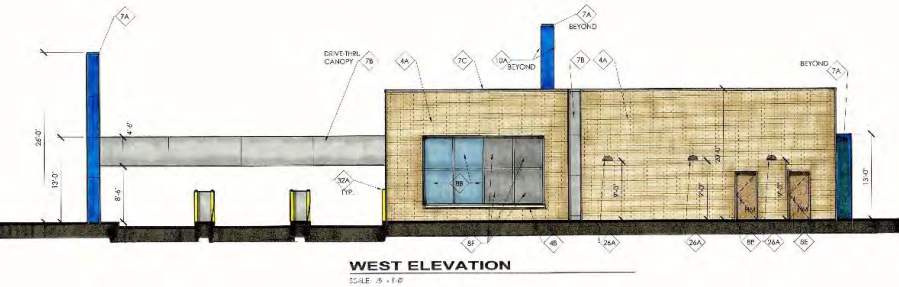
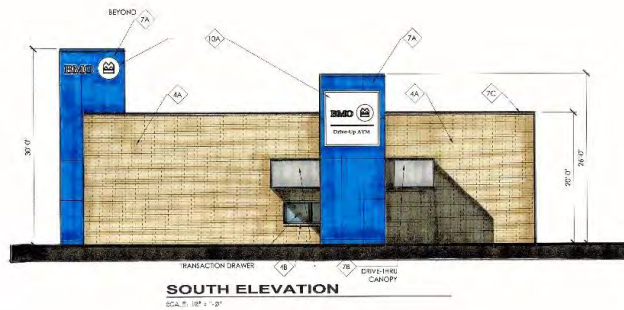
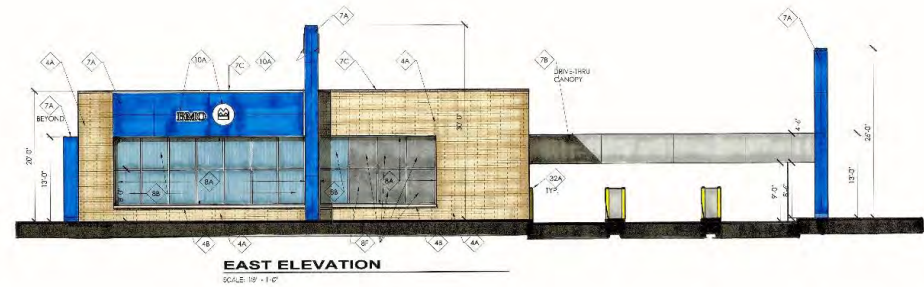
NEWLY CONSTRUCTED BUILDING ON GENEROUS PARCEL W/ DRIVE-THRU

The building is situated on a 0.98-acre parcel and was newly constructed to BMO Harris Bank's latest branch prototype and specifications, including 3 drive-thrus. These drive-thru lanes allow this location to accommodate a high volume of vehicles without impeding either of the access points.

DESIRABLE RETAIL LOCATION NEAR A SUPER REGIONAL TRADE AREA

The site is well positioned on a busy corridor close to Schaumburg's super regional trade area. The trade area is home to countless national retailers such as IKEA, Costco, Target, Aldi, Kohl's, Ulta Beauty, Ross, Best Buy, Old Navy, TJ Maxx etc. The strong mix of national retailers pulls from a wide radius, bringing customers from not only Schaumburg, but also the surrounding communities.

BUILDING RENDERINGS



CONSTRUCTION PROGRESS PHOTOS (AS OF 10/25/2020)



RETAIL TRADE AREA



Representative Photo

EAST FACING AERIAL



SOUTHEAST FACING AERIAL



*Additional land to be developed may be purchased separately or together with the bank. Contact broker for more details

WEST FACING AERIAL



*Additional land to be developed may be purchased separately or together with the bank. Contact broker for more details

SITE AERIAL



*Additional land to be developed may be purchased separately or together with the bank. Contact broker for more details

LEASE / FINANCIAL SUMMARY



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LEASE ABSTRACT

Lessee: BMO Harris Bank, N.A

Address: [1400 Gannon Drive, Hoffman Estates, IL](#)

Lease Type: NNN

Term: 15 Years

Options: Three (3) – Five (5) Year Options

Year Built: 2020

Building Size: 4,716 SF

Land Area: 0.98 Acres

Parking Spaces: 24

Annual Rent: \$220,000

Monthly Rent: \$18,333

Rental Increases: 8.25% increases every 4 years

Option Rental Increases: FMR, but in no event less than the current rent for the first Lease Year. 1% annual increases for the balance of each such Option.

Taxes: Tenant pays to Landlord

Utilities: Tenant shall pay directly

Tenant Insurance: Tenant maintains insurance

Landlord Insurance: None

Estoppel: Within fifteen (15) days after written request

Tenant Responsibilities: Tenant shall keep the premises in good order and repair, including maintaining and replacing if necessary, roof, foundation, driveways, landscaping, snow and ice removal, parking areas, interior components, plumbing, sprinkler system, HVAC, electrical, lighting facilities, doors, plate glass, windows and floors.

Landlord Responsibilities: None



FINANCIAL SUMMARY

PRICE **\$4,889,000** CAP RATE **4.50%**

YEARS	ANNUAL BASE RENT	MONTHLY RENT	YIELD	RENTAL INCREASE
1-4	\$220,000	\$18,333	4.50%	-
5-8	\$238,150	\$19,846	4.87%	8.25%
9-12	\$257,797	\$21,483	5.27%	8.25%
13-15	\$279,066	\$23,255	5.71%	8.25%
Average Yield Throughout Primary Term			5.09%	

TENANT OVERVIEW



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TENANT OVERVIEW

Parent Company: Bank of Montreal

Tenant: BMO Harris Bank, N.A.

Total Assets: \$152.3 Billion

Credit Rating: "A+" (S&P)

Headquarters: Chicago, IL

Year Founded: 1882

Number of Branches: 600



BMO Harris Bank, N.A. is a full-service investment and commercial bank based in Chicago, Illinois that is a subsidiary of the Canadian multinational Bank of Montreal, commonly known as "BMO". BMO Harris Bank was founded in 1907 as Harris Trust and Savings Bank and merged with Chicago National Bank in 1960 to form Harris Bank, N.A. In 1984, the Bank of Montreal acquired Harris Bank, N.A. Harris Bank then grew rapidly through a series of successful acquisitions, including First National Bank of Barrington (1985), State Bank of St. Charles (1988), First National Bank of Batavia (1988), Libertyville Federal Savings Bank and Loan (1990), Frankfort Bancshares (1990), Village Bank of Naples (2000), Century Bank (2000), and Northwestern Trust and Investors Advisory Company (2002). In the late 2000's, Harris Bank began expanding their footprint beyond the Chicagoland region through acquisitions of First National Bank & Trust, Ozaukee Bank, Merchant and Manufacturers Bankcorp Inc. In 2010, the Harris Bank made its largest acquisition in an all-stock transaction valued at US \$4.1 billion of the Marshall & Ilsley Corporation. Following the acquisition, the bank rebranded as BMO Harris Bank, N.A.

Today, BMO Harris Bank, N.A. is one of the largest banks in the Midwest and the 16th largest bank in the United States with over 600 branches and approximately 1,300 ATMs in Illinois, Wisconsin, Indiana, Kansas, Missouri, Minnesota, Arizona, Florida and California. It is the second-largest Chicago-area bank based on 11.5% market share of deposits. BMO Harris Bank, N.A. has an investment grade credit rating of "A+" from S&P with a stable outlook and its parent company, Bank of Montreal is publicly traded on the NYSE.

MARKET OVERVIEW & ANALYSIS



CHICAGO MSA OVERVIEW

The City of Chicago is the third largest city in the nation and is the economic and cultural capital of the Midwest. The Chicago Metropolitan Statistical Area (“MSA”) encompasses fourteen counties in Illinois, Indiana, and Wisconsin. It covers 9,581 square miles of land and water and is the third largest MSA in the nation with over 9.5 million people. The region was established at a natural portage between the Great Lakes and the Mississippi Valley and has served as the pivotal link in the nation’s water, rail, and aviation networks. The Chicago MSA is a leader in financial trading, higher education, logistics, health care, manufacturing, and cultural institutions and is home to the headquarters of thirty-four Fortune 500 corporations, including Boeing, Walgreens, Kraft Foods, McDonald’s, Motorola, and United Airlines. The city of Chicago is an approved investment market for the vast majority of public, institutional, and private real estate investments firms.

3rd <i>Largest MSA in the Nation</i>	9.5 <i>Million Residents in Chicago MSA</i>	57.6 <i>Million Annual Tourists</i>
37 <i>Fortune 500 Companies</i>	130 <i>Colleges & Universities</i>	134 <i>Million SF Of Retail Space</i>



CHICAGO ECONOMIC OVERVIEW

Chicago has developed from America's industrial capital into one of the nation's most dynamic and diversified economies, with strengths in financial services, transportation, insurance, pharmaceuticals, and retailing. In addition, Chicago is home to four of the nation's largest financial exchanges, including the Chicago Board of Trade, the Chicago Board Options Exchange, the Chicago Mercantile Exchange, and the Chicago Stock Exchange. Major U.S. money center banks and nearly ninety foreign banks, including more than forty full-service branches, have operations in Chicago. These institutions serve as a major source of investment capital for the Midwest, providing clients with access to the Euro- Markets and facilitating both imports to the Midwest and exports of the region's products overseas. Public employment and services are provided by six county governments, 270 cities and villages, and nearly 1,000 schools, park, and other special-purpose districts.

CHICAGO'S LARGEST EMPLOYERS

Rank	Employer	Sector	# of Employees
1	U.S. Government	Government	45,736
2	Chicago Public Schools	Education	37,731
3	City of Chicago	Government	31,621
4	Advocate Aurora Health	Healthcare	25,917
5	Cook County	Government	22,438
6	Northwestern Memorial Healthcare	Healthcare	21,264
7	Amita Health	Healthcare	20,046
8	University of Chicago	Education	18,276
9	Amazon.com Inc.	Retail	14,610
10	United Continental Holdings Inc.	Aviation	14,520

Data courtesy of Crain's List of Chicago's Largest Employers 2020

2nd
*Largest Central
Business District*

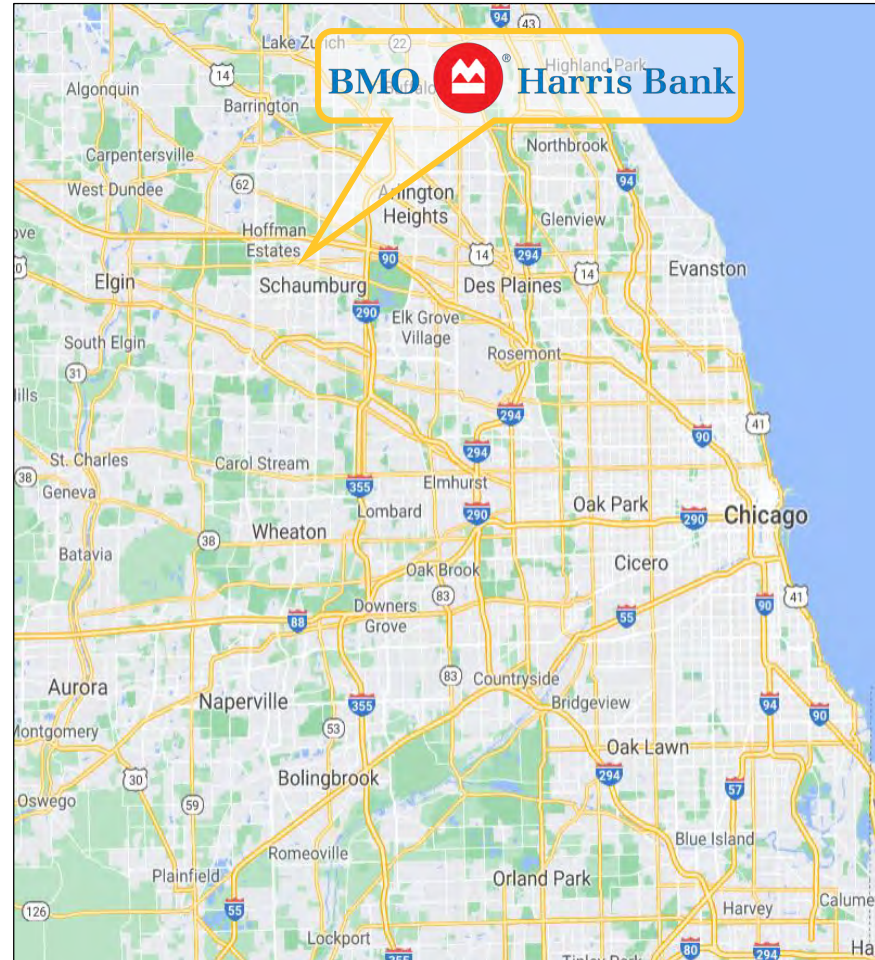
3rd
*Largest MSA GDP
In the Nation*

150,000
*College Graduates Per Year
Stocking the Workforce*



HOFFMAN ESTATES OVERVIEW

Hoffman Estates is a dense and affluent suburb located thirty miles northwest of downtown Chicago, in the Chicago MSA, which is home to over 9.5 million residents. In 1959, Hoffman Estates was incorporated as a village and currently has the 29th largest population in Illinois with over 55,000 people. The village is well known for its top-ranked schools, beautiful homes in safe neighborhoods and excellent public services, including a variety of parks and recreational amenities. The city's consumer base is comprised of affluent professionals that have an average household income over \$110,000. Hoffman Estates is bordered to the south by Schaumburg and Streamwood, Rolling Meadows to the east and Elgin to the west. The village's proximity to Schaumburg provides its residents easy access to employment, entertainment and shopping. Schaumburg is the largest economic center in Illinois, besides the city of Chicago. It is home to the headquarters of multiple Fortune 500 companies as well as the Woodfield Mall, which is the largest shopping mall in the state of Illinois. In total, Schaumburg contains approximately 9.5 million square feet of retail & commercial space, 12 million square feet of office space and 13.5 million square feet of industrial space. Overall, many families choose to live in Hoffman Estates given its top-ranked schools, beautiful neighborhoods as well as easy access to a plethora of retail shopping, entertainment and employment options.





DEMOGRAPHIC OVERVIEW

Population	1 Mile	3 Miles	5 Miles
2020 Population	16,887	92,824	233,274
2025 Projected Population	16,664	92,011	231,228
Workplace Establishments	309	3,395	8,703
Households	1 Mile	3 Miles	5 Miles
2020 Households	6,087	35,903	86,619
2025 Projected Households	6,018	35,622	85,973
Persons per Household	2.76	2.56	2.67
Income	1 Mile	3 Miles	5 Miles
Average Household Income	\$102,231	\$106,537	\$115,472
Median Household Income	\$82,972	\$83,212	\$87,499
Per Capita Income	\$36,887	\$40,999	\$42,922

DEMOGRAPHIC PROFILE WITHIN 5-MILE RADIUS:



POPULATION
233,274



HOUSEHOLDS
86,619



AVERAGE HH INCOME
\$115,472



LEGAL DISCLAIMER

The Offering Memorandum ("The Memorandum") is intended solely for the limited use of The Potential Purchaser in considering whether to pursue negotiations to acquire 1400 Gannon Drive, Hoffman Estates, IL 60169 ("The Property"). The Memorandum, prepared by Mid-America Real Estate Corporation, (Hereinafter referred to as "MAREC"), contains brief, selected information pertaining to the operation of The Property and Owner does not purport to be all-inclusive or to contain all the information, which The Potential Purchaser may desire. The Memorandum will be delivered with the understanding that The Potential Purchaser will conduct its own analysis and investigation of The Property, independently and without reliance upon The Owner, MAREC or The Memorandum and based on such documents, information and other matters as The Potential Purchaser, in its sole discretion, deems appropriate in evaluating a purchase of The Property. In furnishing The Memorandum, MAREC and/or The Owner reserve(s) the right to request the return of The Memorandum (including all copies or partial copies), or any other information provided, at any time. Neither The Owner nor MAREC or any of their officers, employees or agents make any representation or warranty, expressed or implied, as to the accuracy or completeness of The Memorandum or any oral or written communication transmitted from MAREC and/or The Owner to The Potential Purchaser and no legal liability is assumed or to be implied with respect thereto. By accepting The Memorandum, The Potential Purchaser agrees that The Memorandum's contents and any other information pertaining to The Property and provided to The Potential Purchaser are confidential and proprietary; that The Memorandum and the information contained therein or provided is the property of The Owner and/or MAREC, that it will hold and treat The Memorandum and information provided in the strictest of confidence; that it will not, directly or indirectly, disclose or permit anyone else to disclose The Memorandum's contents without prior written authorization; and, that it will not use or permit to be used The Memorandum or The Memorandum's contents in any fashion or manner detrimental to the interest of The Owner and/or MAREC or in violation of the obligation to maintain such information and The Memorandum in strict confidence. However, The Potential Purchaser may disclose such confidential information to its employees, auditors, financial advisors, directors and/or counsel to whom it is reasonably necessary for purposes of evaluating The Property provided such disclosure is made pursuant to this agreement, all reasonable precautions are taken to safeguard the information and parties are informed of the need to maintain the information as confidential. The Potential Purchaser agrees that photocopying or other duplication of information provided by The Owner and/or MAREC is strictly prohibited. The Owner expressly reserves the right, at its sole discretion, to reject any or all proposals or expressions of interest in The Property and to commence, participate in, or terminate discussions with any party at any time with or without notice. The Potential Purchaser acknowledges that The Owner has no obligation to discuss or agree to the sale of The Property. Notwithstanding that The Potential Purchaser and The Owner may reach one or more oral understandings or agreements on one or more issues that are being discussed, neither party shall be bound by any oral agreement of any kind and no rights, claims, obligations or liabilities of any kind, either express or implied, shall arise or exist in favor of or be binding upon either party except to the extent expressly set forth in a written agreement signed by both parties. The Memorandum shall not be deemed a representation of the state of affairs of The Property nor constitute an indication that there has been no change in the business or affairs of The Property since the date of its preparation. The Potential Purchaser agrees not to contact the tenants, leasing MARECs or property management staff of The Property in connection with its review of The Property. Any and all questions related to The Memorandum or The Property must be directed to MAREC. In the event The Potential Purchaser decides not to pursue the acquisition of The Property, The Potential Purchaser agrees to return The Memorandum and all copies (including partial copies) to the appropriate representative of MAREC.



LEGAL DISCLAIMER

Representation The Potential Purchaser understands and agrees that MAREC is not representing The Potential Purchaser in this Proposed Sale. MAREC is only representing The Owner in this Proposed Sale.

Americans with Disabilities Act The United States Congress has enacted the Americans With Disabilities Act. Among other things, this act is intended to make business establishments equally accessible to persons with a variety of disabilities. As such, modifications to real property may be required. State and local laws also may mandate changes. Neither The Owner nor MAREC is qualified to advise The Potential Purchaser as to what, if any, changes may be required now, or in the future. The Potential Purchaser should consult the attorneys and qualified design professionals of its choice for information regarding these matters. Neither The Owner nor MAREC can determine which attorneys or design professionals have the appropriate expertise in this area.

Hazardous Materials Disclosure Various construction materials may contain items that have been or may in the future be determined to be hazardous (toxic) or undesirable and as such may need to be specifically treated, handled or removed. Due to prior or current uses of The Property or the area, there may be hazardous or undesirable metals, minerals, chemicals, hydrocarbons or biological or radioactive items (including electric and magnetic fields) in soils, water, building components, above or below-ground containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. Neither The Owner nor MAREC has expertise in the detection or correction of hazardous or undesirable items. Expert inspections are necessary. Current or future laws may require clean up by past, present and/or future owners and/ or operators. It is the responsibility of The Potential Purchaser to retain qualified experts to detect and correct such matters.

Remedies If there is a breach or threatened breach of any provision of these Conditions of Offering, The Owner and/or MAREC shall be entitled to seek redress by court proceedings in the form of an injunction restraining The Potential Purchaser without the necessity of showing any actual damages or that monetary damages would not afford an adequate remedy and/or a decree for specific performance without any bond or other security being required. Nothing herein shall be construed as prohibiting The Owner and/or MAREC from pursuing any other remedies at law or in equity, which it may have. If The Owner and/or MAREC is involved in a court proceeding to enforce the covenants contained in these Conditions of Offering and The Owner and/or MAREC prevails in such litigation, The Potential Purchaser shall be liable for the payment of The Owner and/or MAREC's reasonable attorneys' fees, court costs and ancillary expenses together with such other and further relief as available under any applicable statute.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies.

For further information contact the owner's exclusive representatives:

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