

State of Indiana Office

6525 COLUMBIA AVE | HAMMOND, INDIANA

AAA
S&P Global



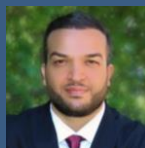
NEW 10-YEAR LEASE



STATE OF INDIANA LEASE



**CORPORATE GUARANTEE
S&P AAA RATING**



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Offered At
\$3,024,000

Cap Rate
5.00%

PROPERTY SUMMARY

Price	\$3,024,000
Net Operating Income	\$151,200
Lease Type	Full Service
Property Size	8,400-Square Feet
Lot Size	1.15 Acres
Year Built / Renovated	1968 / 2021
Zoning	Commercial
Type of Ownership	Fee Simple
Property Type	Single-Tenant / Net-Leased Office

INVESTMENT OVERVIEW



Jonna Group at Colliers has been selected to exclusively represent for sale the State of Indiana Office Building located in Hammond, Indiana. State of Indiana signed a full-service 10-year government lease that consists of minimal landlord responsibilities and a cap on expenses. The lease is guaranteed by the State of Indiana (S&P AAA Investment-Grade Tenant). The lease features attractive ten five-year options and is a fee simple offering. The property is situated on 1.15 acres and was renovated in 2021.

The subject property is in the city center of Hammond, Indiana within a busy retail corridor. The State of Indiana Office Building is located on the signalized corner of East 165th Street and Columbia Avenue (combined 35,000 +/- VPD) with high visibility and exposure. Several national tenants are in the immediate vicinity including Walgreens, CVS, Menard's, McDonald's, Burger King, ALDI, The Home Depot, FedEx, Speedway, Caterpillar, Popeye's, Dollar General and many others.

Hammond is part of the Chicago metropolitan area, and the only city in Indiana to border Chicago. As of the 2020 United States census, it is also the largest in population: the 2020 population was 77,879, replacing Gary as the most populous city in Lake County. The city is traversed by numerous railroads and expressways, including the South Shore Line, Borman Expressway, and Indiana Toll Road. Notable local landmarks include the parkland around Wolf Lake and the Horseshoe Hammond riverboat casino. Part of the Rust Belt, Hammond has been industrial almost from its inception, but is also home to a Purdue University campus and numerous historic districts that showcase the residential and commercial architecture of the early 20th century. Hammond is one of the first cities with fiber optics.

INVESTMENT OVERVIEW



INVESTMENT HIGHLIGHTS

- NEW 10-YEAR LEASE | FULL SERVICE (\$6 PSF EXPENSE CAP)
- STATE OF INDIANA (S&P AAA) | INVESTMENT-GRADE TENANT
- LEASE INCLUDES ONE FIVE-YEAR OPTION
- 8,400-SQUARE FOOT FREESTANDING OFFICE BUILDING
- PROPERTY IS SITUATED ON 1.15 ACRES | HIGH VISIBILITY
- 200+ FEET OF FRONTAGE ON COLUMBIA AVENUE
- 35,000 +/- COMBINED VEHICLES PER DAY AT INTERSECTION
- STRONG DEMOS | 242,000 PEOPLE IN 5-MILE RADIUS
- \$68,840 INCOME IN 5-MILE RADIUS | HIGHER THAN NAT'L AVG
- SEVERAL NATIONAL TENANTS IN VICINITY INCLUDING:
WALGREENS, CVS, MENARD'S, MCDONALD'S, BURGER KING,
ALDI, THE HOME DEPOT, FEDEX, AUTOZONE AND MANY OTHERS.
- LARGEST CITY IN LAKE COUNTY | SURPASSED GARY, INDIANA
- CHICAGO MSA | 9.5MM PEOPLE | 400 CORPORATE HEADQUARTERS
- 25 MILES SOUTHEAST OF DOWNTOWN CHICAGO

INVESTMENT SALES FINANCIALS

THE INVESTMENT

PROPERTY	State of Indiana
PROPERTY ADDRESS	6525 Columbia Ave Hammond, IN 46320
PRICE	\$3,024,000
CAP RATE	5.00%
NET OPERATING INCOME	\$201,600

PROPERTY INFO

PROPERTY CATEGORY	Net Leased Office
TENANT	State of Indiana (S&P AAA)
RENT INCREASES	At Terms Mutually Agreed Upon
GUARANTOR	Corporate Guarantee
LEASE TYPE	Full Service*
RENT COMMENCEMENT	11/1/2021
RENT EXPIRATION	10/31/2031
LEASE TERM	10 Years
TERM REMAINING	10 Years
RENEWAL OPTIONS	(1) 5-Year Option
LANDLORD RESPONSIBILITY	See Lease Summary
TENANT RESPONSIBILITY	See Lease Summary

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT PSF	CAP RATE
CURRENT	\$201,600	\$16,800	\$24.00	5.75%

NET OPERATING INCOME

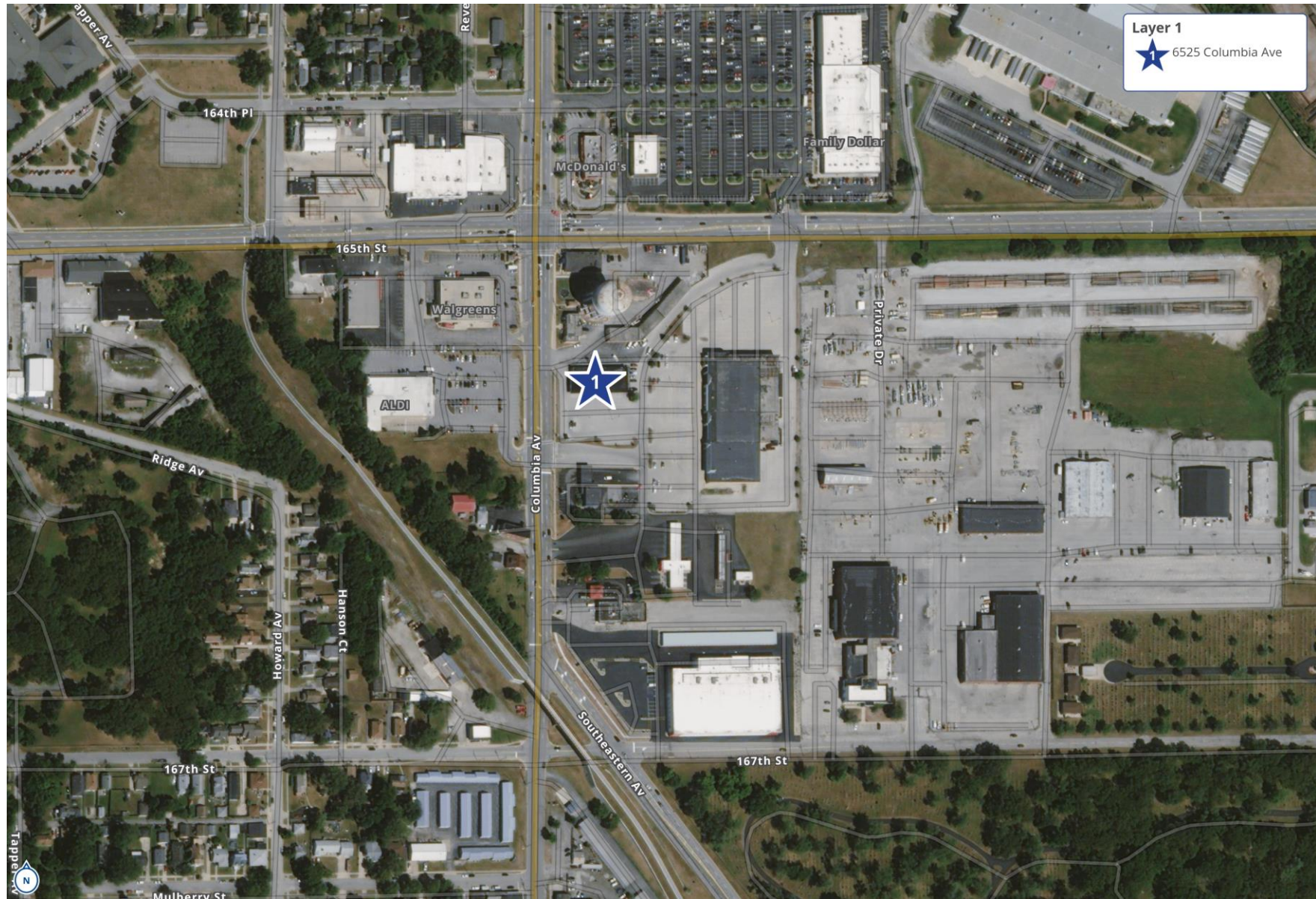
CURRENT RENT	\$201,600
EXPENSES (\$6 PSF)	(\$50,400)
NOI	\$151,200



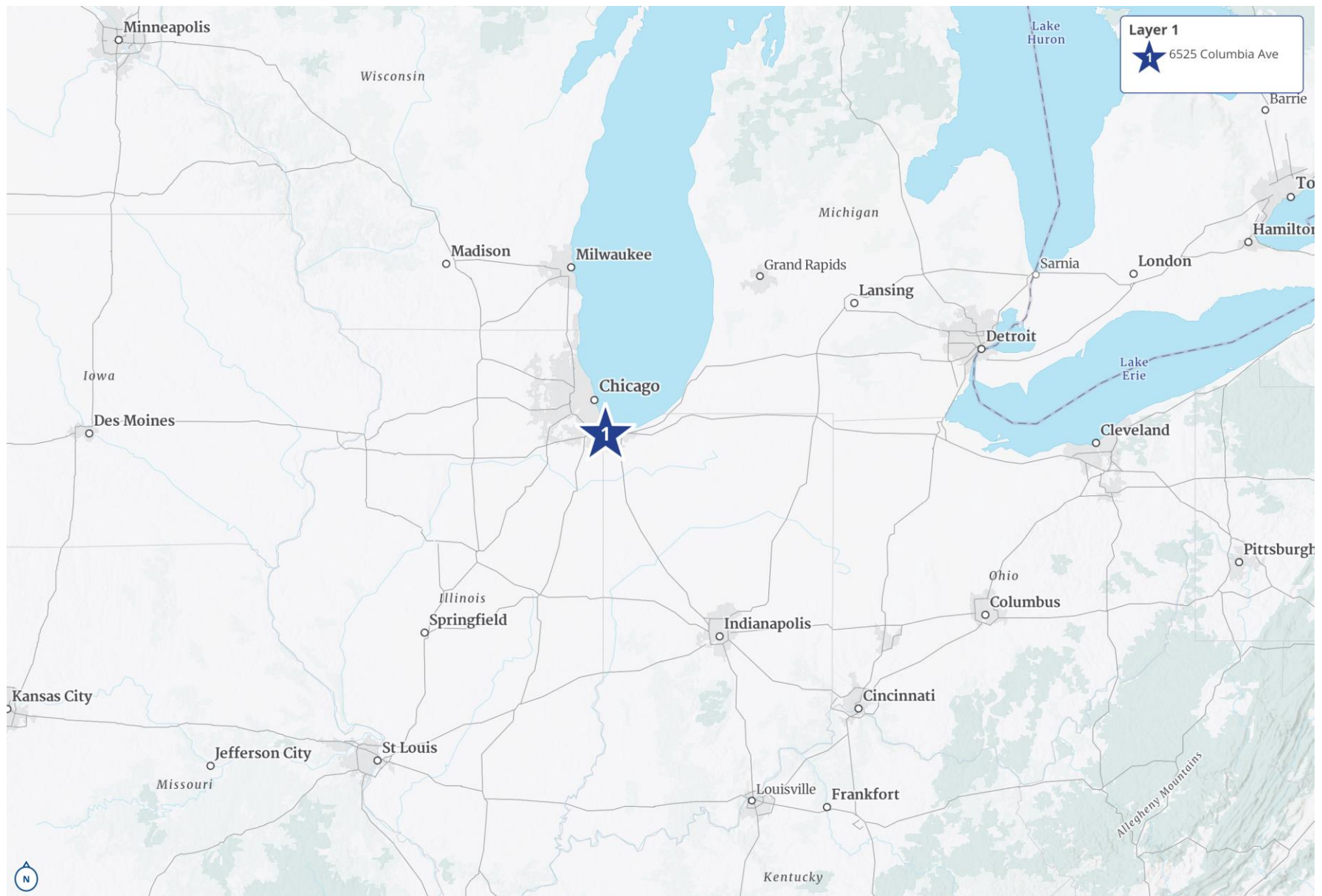
Lease Summary: *A total of \$24.00 per square foot annually or (\$16,800 monthly) with an all-inclusive (i.e., operating expenses, insurance, utilities, maintenance and janitorial service five (5) nights per week with an 2% annual rental escalation. The all-inclusive expenses described above shall be capped at \$6.00 per square foot annually and the Tenant shall be responsible for any amounts over this).

*LL Operating Expenses capped at \$6.00 PSF
*Essentially NNN lease at \$18 PSF + \$6.00 Operating Expenses

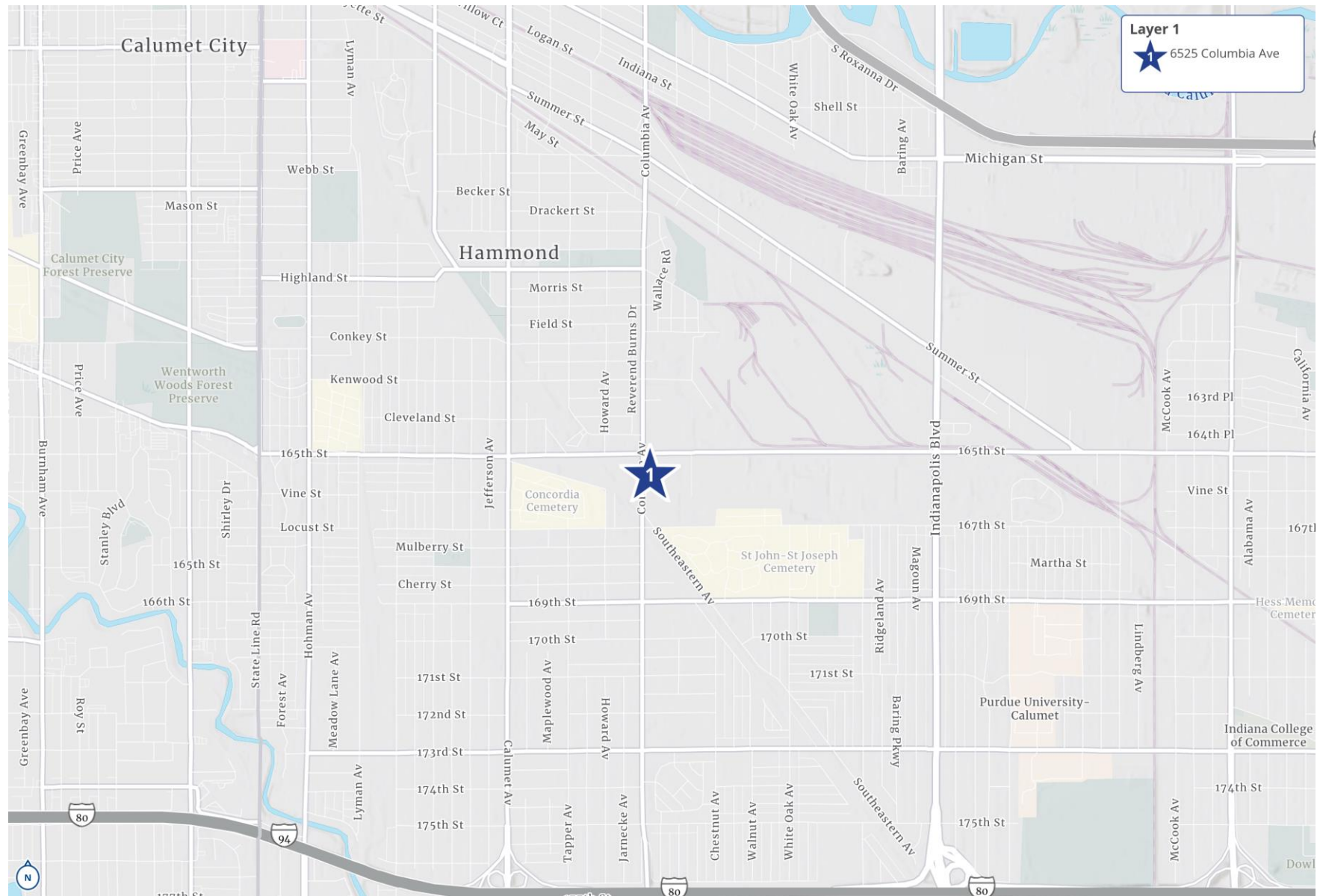
AERIAL HYBRID VIEW



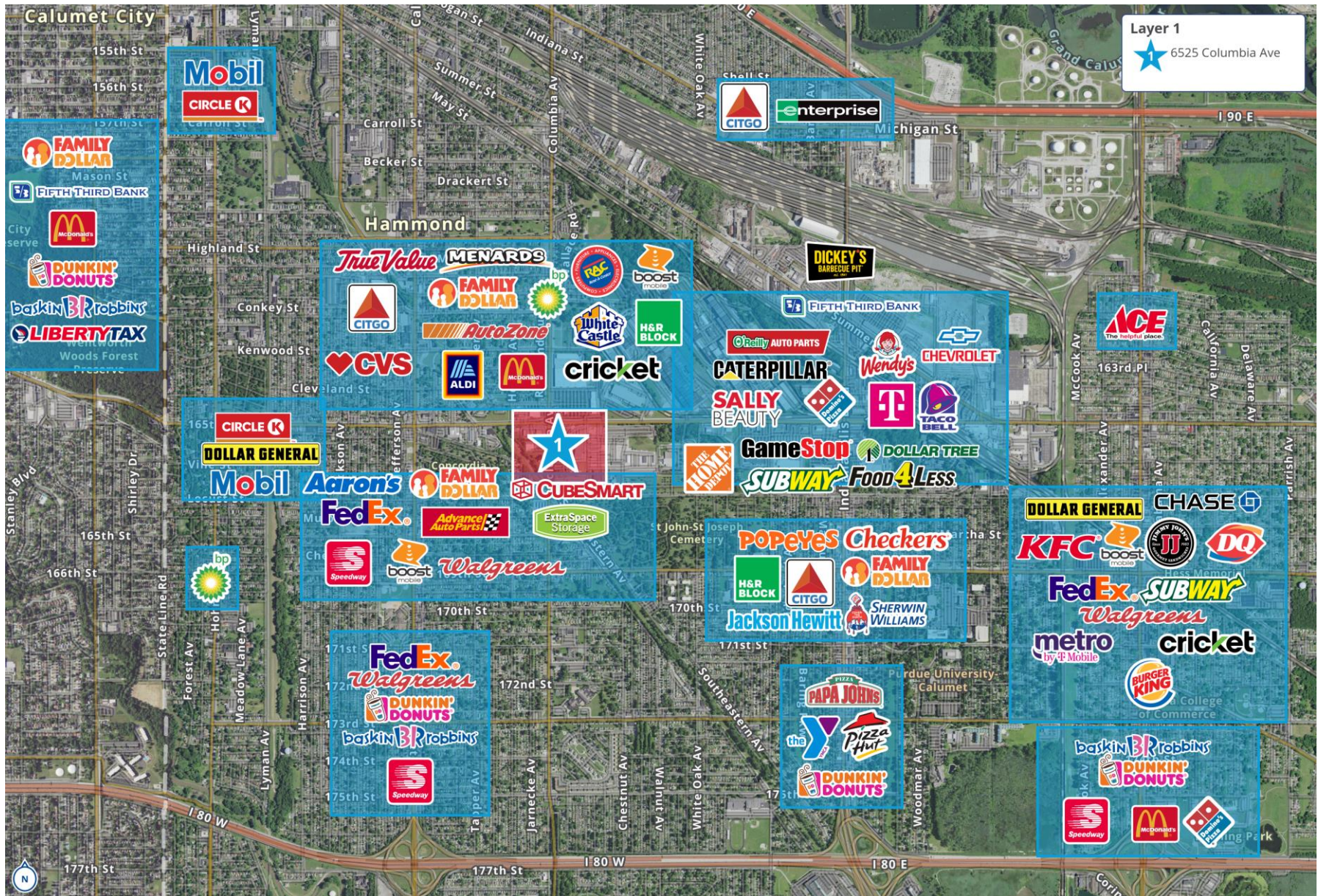
REGIONAL OVERVIEW



LOCAL OVERVIEW



RETAIL AERIAL VIEW



LOCATION DEMOGRAPHICS

	1 mile radius	3 mile radius	5 mile radius
Population Summary			
2000 Total Population	14,522	122,483	257,272
2010 Total Population	14,346	119,910	251,004
2021 Total Population	14,062	116,211	242,230
2021 Group Quarters	1	1,372	2,343
2026 Total Population	13,827	113,995	237,524
2021-2026 Annual Rate (CAGR)	-0.34%	-0.38%	-0.39%
2000 to 2010 Population Change	-1.2%	-2.1%	-2.4%
2000 to 2021 Population Change	-3.2%	-5.1%	-5.8%
2010 to 2026 Population Change	-3.6%	-4.9%	-5.4%
2021 to 2026 Population Change	-1.7%	-1.9%	-1.9%
2021 Total Daytime Population	13,133	109,430	229,348
Workers	5,099	43,305	93,188
Residents	8,034	66,125	136,160
2021 Workers % of Daytime Population	38.8%	39.6%	40.6%
2021 Residents % of Daytime Population	61.2%	60.4%	59.4%
Household Summary			
2000 Households	5,523	46,736	97,732
2010 Households	5,240	43,681	93,994
2021 Households	5,136	42,253	91,238
2021 Average Household Size	2.74	2.72	2.63
2026 Households	5,058	41,487	89,638
2021-2026 Annual Rate	-0.31%	-0.37%	-0.35%
2000 to 2010 Household Change	-5.1%	-6.5%	-3.8%
2000 to 2021 Household Change	-7.0%	-9.6%	-6.6%
2010 to 2026 Household Change	-3.5%	-5.0%	-4.6%
2021 to 2026 Household Change	-1.5%	-1.8%	-1.8%
2010 Families	3,465	28,982	63,056
2021 Families	3,295	27,292	59,744
2026 Families	3,221	26,636	58,393
2021-2026 Annual Rate	-0.45%	-0.49%	-0.46%
Housing Unit Summary			
2021 Housing Units	5,865	48,487	103,602
Owner Occupied Housing Units	61.2%	62.4%	65.9%
Renter Occupied Housing Units	38.8%	37.6%	34.1%
Vacant Housing Units	12.4%	12.9%	11.9%
Owner Occupied Median Home Value			
2021 Median Home Value	\$106,065	\$119,714	\$145,782
2026 Median Home Value	\$170,458	\$172,645	\$192,202
Income			
2021 Per Capita Income	\$19,906	\$22,327	\$25,954
2021 Median Household Income	\$42,804	\$47,174	\$52,079
2021 Average Household Income	\$54,421	\$61,428	\$68,840

IN 5-MILE RADIUS

POPULATION

242k+

AVERAGE
HOUSEHOLD INCOME

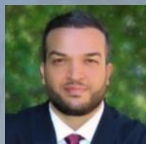
\$68k+

TOTAL HOUSEHOLDS

91k+



Colliers
INTERNATIONAL



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- 2) You will hold it and treat it in the strictest of confidence
- 3) You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller; and
- 4) You understand and agree that any financial analysis uses industry standard assumptions and actual financial returns may vary.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum