

Marcus & Millichap
TAG INDUSTRIAL GROUP

PRECISION GRINDING, INC
2375 AMERICAN LANE

ELK GROVE VILLAGE, IL 60007

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Marcus & Millichap

Elk Grove Truck
And Trailer Repair

Cooperation
Variety store

Anto Natural Foods

Precision Grinding

HMF EXPRESS

American Ln

American Ln

2380

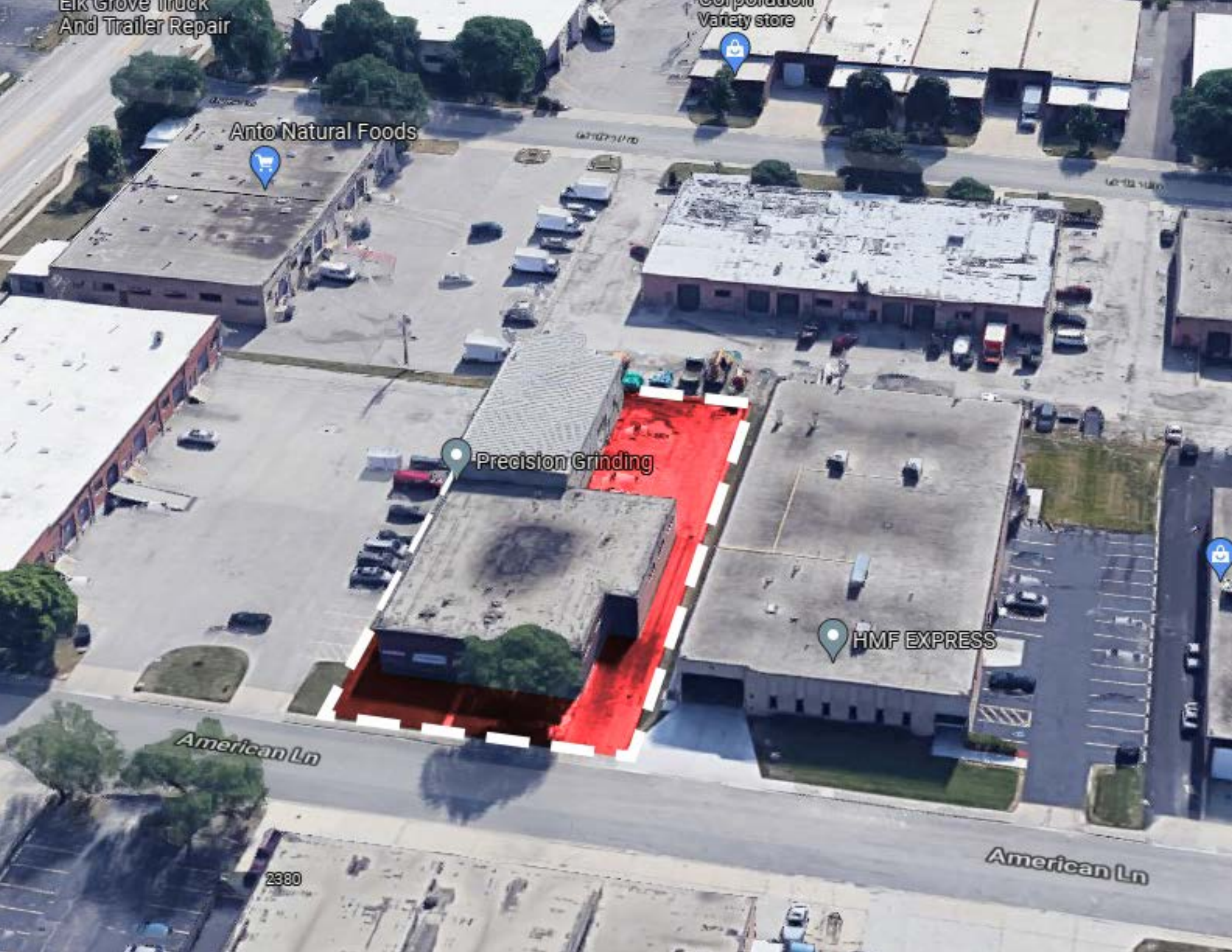




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SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- 3-Year NNN Sale and Leaseback with Precision Grinding
- 12,054-Square-Foot Industrial Warehouse Sitting on 0.56 Acres
- Low DuPage County Taxes Just South of Devon Avenue
- Masonry/Metal Construction with 14'-22' Clear Height and 2 Grade-Level Doors
- Tough Barrier-to-Entry Market: 2.9% Overall Vacancy and 7.5% Annual Rent Growth (CoStar)
- Strategically Located Industrial Warehouse in Close Proximity to O'Hare International Airport

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 2375 American Lane in Elk Grove Village, Illinois, occupied by Precision Grinding, Inc. The subject property consists of approximately 12,054 square feet of warehouse space and is situated on 0.56 acres of land. The asset features masonry and metal construction, clear heights ranging from 14' to 22', and two grade-level doors. With close proximity to the O'Hare International Airport, the property is strategically located just south of Devon Avenue in the O'Hare submarket. As a part of DuPage County, the property owner enjoys low taxes within the metro area. Upon sale of the property, the current owner, Precision Grinding, will sign a three-year triple net lease, limiting responsibility of the future landlord. Since 1993, Precision Grinding has offered a variety of surface grinding services and products.

Some of these services include Blanchard grinding, bar grinding, and Mattison. Precision Grinding works with ferrous metals, non-ferrous metals, and exotic metals.

Thanks to O'Hare International Airport's standing as one of the busiest in the world for cargo traffic, the O'Hare submarket ranks as one of the most in-demand industrial submarkets in the Chicago area. With one month remaining in 2021, net absorption in O'Hare has already posted its biggest year on record with 4.8 million square feet. Once tallying is complete, net absorption in 2021 will roughly double its previous high set in 2013. While net deliveries have also been robust over the last two years, the additional industrial space substantially lags behind demand. As a result, the vacancy rate has dropped to a record low of 2.9 percent for comparable properties ranging from 10,000 to 50,000 square feet. Likewise, industrial rents on comparables increased by a record 7.5 percent annually. Industrial sales in O'Hare have enjoyed another banner year with volume totaling \$551 million year-over-year in Q4 2021, nearly 40 percent higher than the historical annual average (CoStar).

The City of Chicago covers an area of 60,000 hectares and sits 578 feet above sea level on the southwestern shore of Lake Michigan. At 190 kilometers wide and 495 kilometers long, it is the 5th largest body of fresh water in the world. The city is traversed by the Chicago and Calumet rivers. Chicago's extensive parklands, including 3,000 hectares of city parks, attract an estimated 86 million visitors annually. As a multicultural city that thrives on the harmony and diversity of its neighborhoods, Chicago boasts 100 neighborhoods, 77 community areas, 2,716,450 residents, 50 wards, and 8 major league sports teams, including two MLB teams. Chicago is a leader in reforming public schools, enhancing public safety and security initiatives, providing affordable housing in attractive and economically sound communities, ensuring accessibility for all, and fostering, social, economic and environmental sustainability (Chicago.gov).

PROPERTY DETAILS

2375 AMERICAN LANE,
ELK GROVE VILLAGE, IL 60007

Number of Suites	1
Number of Buildings	1
Total Square Feet	12,054
Warehouse Square Feet	11,454
Office Square Feet	600*
Office Ratio	5%
Year Built	1980/2003
Lot Size	0.56 Acres
Type of Ownership	Fee Simple
Clear Height	14'-22'
Parking Spaces	7
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Grade Level Doors	2
Sprinklers	Yes
Construction	Masonry
Power	400a/480v 3p
Type of Lighting	Fluorescent
Zoning	I-2
Age/Condition of Roofs	2003
Age/Condition of HVAC	Fair
Market	Chicago MSA
Submarket	O'Hare Industrial
Market Vacancy	3.20%

Note: *Office Square Feet is Approximate



2375 AMERICAN LANE - 3-YEAR SALE AND LEASEBACK

ELK GROVE VILLAGE, IL 60007

OFFERING PRICE	CAP RATE	PRO-FORMA CAP RATE
\$1,050,000	7.17%	7.39%

Offering Price	\$1,050,000
Cap Rate	7.17%
Pro-Forma Cap Rate	7.39%
Price/SF	\$87.11
Total Square Feet	12,054
Rental Rate	\$6.25
Lease Type	Triple Net (NNN)
Lease Term	3 Years
Rental Increases	3% Annually
Tenancy	Single
Occupancy	100.00%



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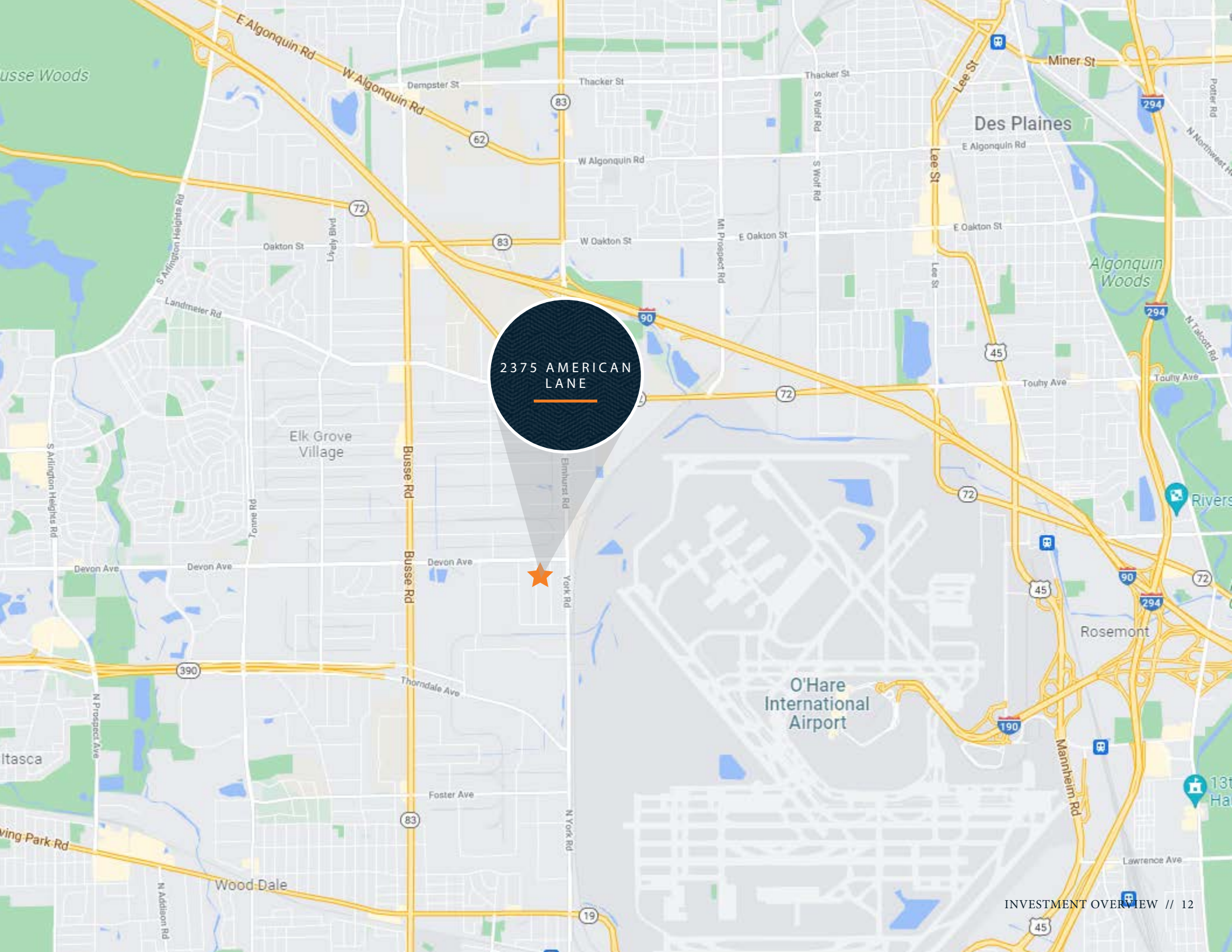
RENT ROLL

Tenant Name	Square Feet	% Bldg Share	Lease Dates Comm. Close Of Escrow	Lease Dates Exp.	Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Precision Grinding	12,054	100.0%		12/31/24	\$6.25	\$6,278	\$75,338	\$77,598	Jan-2023	\$6,278	NNN	One (1) 3-year Option
Total	12,054				\$6.25	\$6,278	\$75,338	\$77,598				
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
Total Current Rents: \$6,278					Occupied Current Rents: \$6,278		Unoccupied Current Rents: \$0					

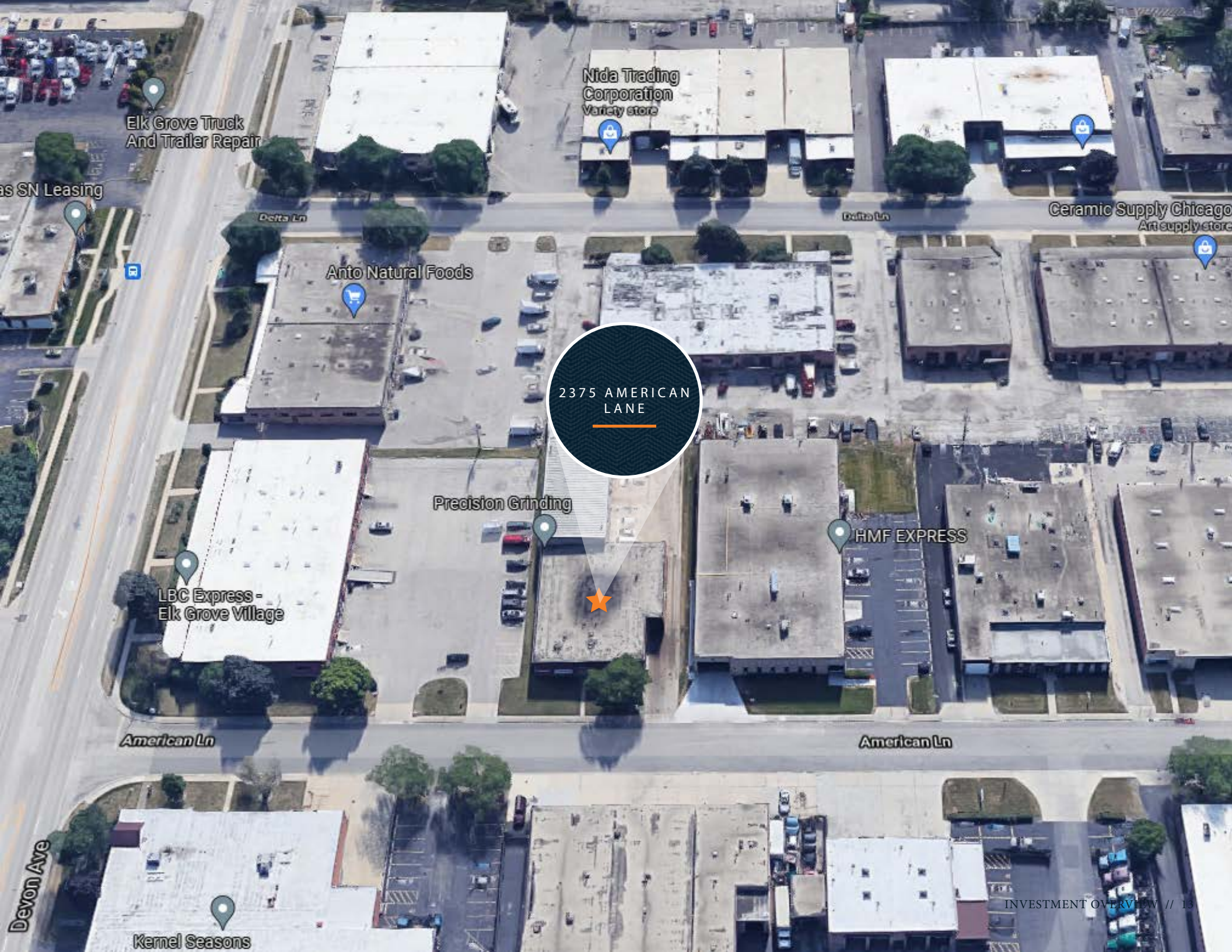
OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	75,338	6.25	77,598	6.44
Expense Reimbursement Income				
Net Lease Reimbursement				
CAM	24,969	2.07	24,969	2.07
Insurance	4,859	0.40	4,859	0.40
Real estate Taxes	23,568	1.96	24,275	2.01
Total Reimbursement Income	\$53,396 100.0%	\$4.43	\$54,103 100.0%	\$4.49
Effective Gross Revenue	\$128,734	\$10.68	\$131,701	\$10.93

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Electric	22,233	1.84	22,233	1.84
Water	1,783	0.15	1,783	0.15
Repairs & Maintenance	953	0.08	953	0.08
Insurance	4,859	0.40	4,859	0.40
Real Estate Taxes	23,568	1.96	24,275	2.01
Total Expenses	\$53,396	\$4.43	\$54,103	\$4.49
Expenses as % of EGR	41.5%		41.1%	
Net Operating Income	\$75,337	\$6.25	\$77,597	\$6.44



2375 AMERICAN
LANE



Elk Grove Truck
And Trailer Repair

Nida Trading
Corporation
Variety store

Ceramic Supply Chicago
Art supply store

Anto Natural Foods

2375 AMERICAN
LANE

Precision Grinding

HMF EXPRESS

LBC Express -
Elk Grove Village

American Ln

American Ln

Kernel Seasons



TENANT SUMMARY

Rotary & Surface Grinding Specialists

TENANT

Precision Grinding, Inc.

HEADQUARTERS

Elk Grove Village, IL

DATE FOUNDED

1993

www.PrecisionGrind.com



For over 25 years, Precision Grinding has offered a variety of surface grinding services and products that meet exact customer specifications. Some of these services include Blanchard grinding, bar grinding, and Mattison. Precision Grinding works with ferrous metals, non-ferrous metals, and exotic metals, such as carbon steel, alloy steel, stainless steel, tool steels, aluminum, cast irons, copper, and bronze. To produce its products, Precision Grinding works with an assortment of castings, mold bases, cavity and core blocks, inserts, fabrications, shear blade and punch sharpening, machine ways & angle grinding. Typical lead times range from two to three days; however, the company provides emergency deliveries as well. Whether it's parts for a jet engine composed of Duplex steel or a six-foot steel rotor used to shred cars, Precision Grinding has the facility, staff, and knowledge to complete the job.

CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,944 debt and equity financings in 2019



National platform operating within the firm's brokerage offices



\$7.18 billion total national volume in 2019



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

SECTION 2

MARKET OVERVIEW

Marcus & Millichap

CHICAGO

ILLINOIS

Chicago-Naperville-Elgin is one of the largest metros in the nation. Also known as the Greater Chicagoland area, it is bounded to the east by Lake Michigan, expands over a 5,000-square-mile region in northeastern Illinois and extends into Wisconsin and Indiana. The metro houses 9.6 million people and comprises 14 counties. The city of Chicago contains 2.7 million residents. The greatest growth during the past 20 years occurred in the western portion of the region. In recent years, however, businesses are relocating back into the city to attract young workers, supporting the development of high-rise residential and office towers in downtown Chicago.



THIRD-LARGEST
METROPOLITAN AREA



WEALTH OF
INTELLECTUAL
CAPITAL



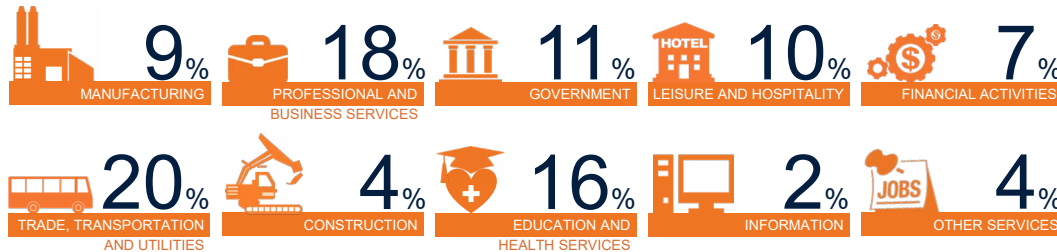
LARGE, DIVERSE
EMPLOYMENT BASE



METROPLEX GROWTH

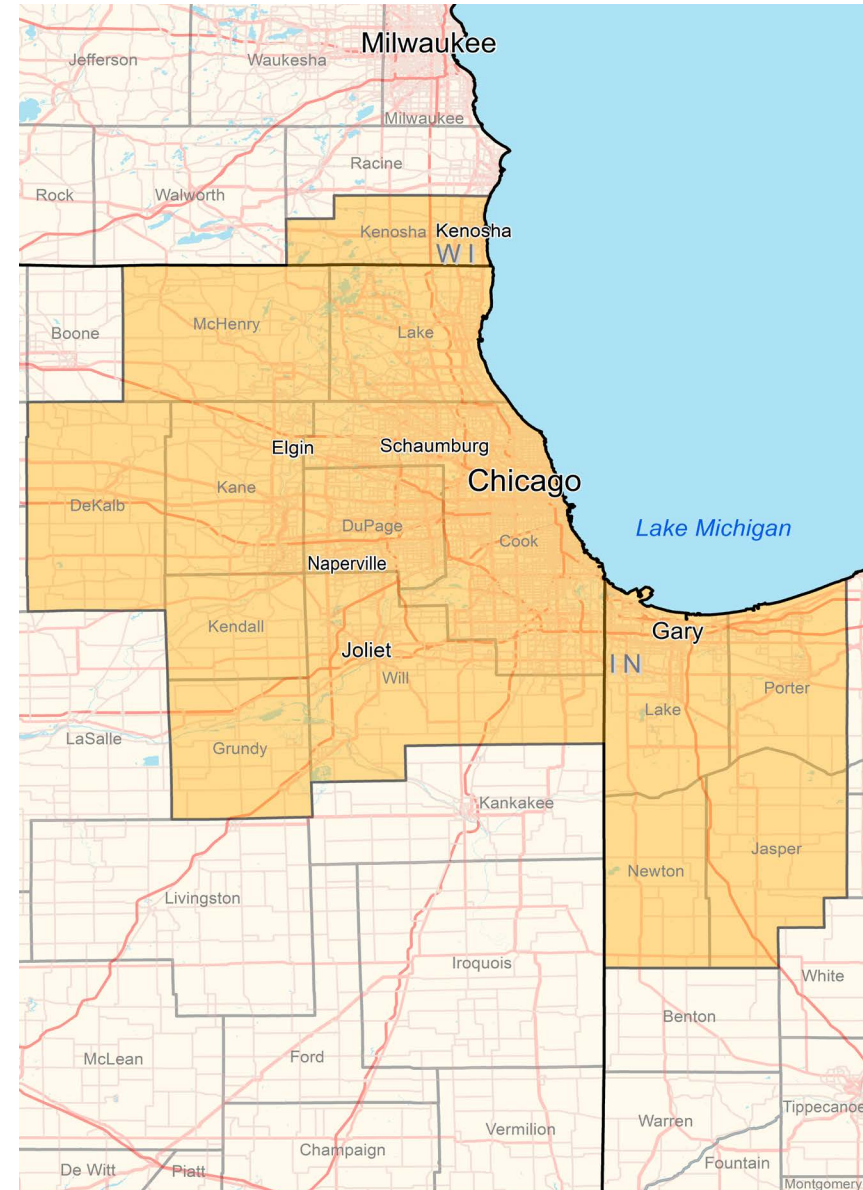
ECONOMY

The metro has one of the biggest economies in the nation and is buoyed by its distribution, finance, manufacturing operations and growing high-tech sectors. Fortune 500 companies headquartered in the metro include Boeing, Walgreens, Allstate and McDonald's. The area is a major global tourist and convention destination. Last year, a record 57.7 million people visited the metro, supporting 500,600 jobs in the leisure and hospitality sector. Large tech firms such as Amazon, Groupon and Google attract startup companies. The workforce is considered one of the most diverse and well trained among major U.S. metros.

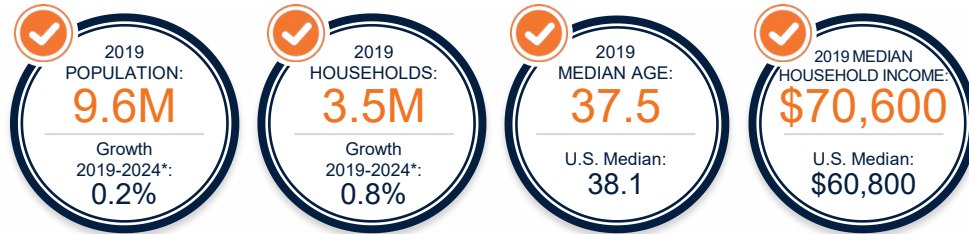


TRANSPORTATION

The region's transit network ranks among the largest and most efficient in the world. The vast network of freeways, centralized location, a large rail-truck intermodal facility, and the Port of Chicago contribute to the metro's position as a major distribution and logistics hub. Chicago is the nation's premier freight rail hub, with four carriers — BNSF, Union Pacific, CSX, and Norfolk Southern — that service the region. Amtrak routes originate from Union Station, while the Metra commuter rail and the Chicago L provide passenger service throughout the metro area and beyond. International airports include O'Hare, Midway and Gary/Chicago. Also 16 smaller airports also provide air service for the region.



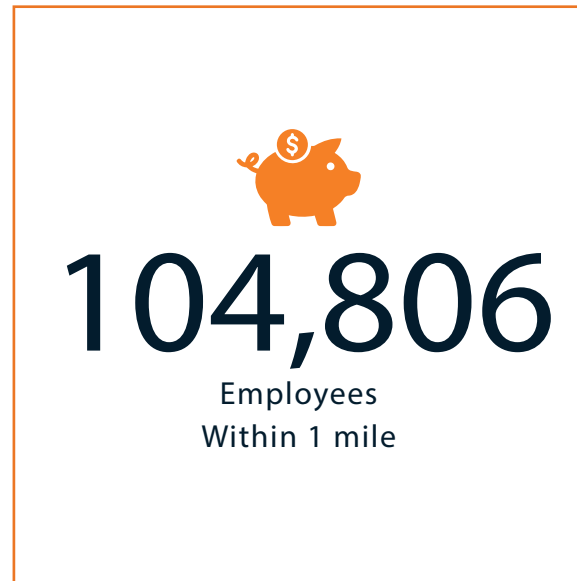
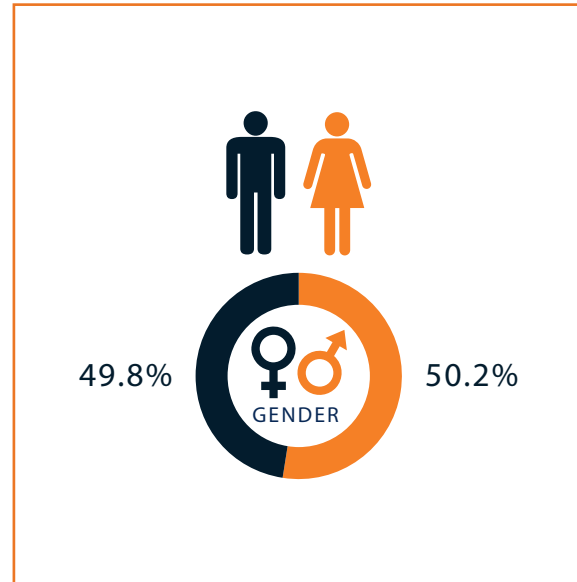
METROPLEX GROWTH



Chicago is the third most populous metro in the U.S. with 9.6 million residents. During the next five years, gains will remain below the U.S. rate of growth. World-class education institutions including Northwestern University and the University of Chicago help provide a skilled labor pool. Nearly 36 percent of residents age 25 and older hold a bachelor's degree and of these, 14 percent have also earned a graduate or professional degree, which is well above the national level. Younger professionals moving to the market for employment provide a skilled workforce and contribute to a median age that is below that of the U.S. and a household income above the national level. More people are renting as thousands of new apartments are completed. As a result, the local homeownership at 60 percent has declined in recent years.



DEMOGRAPHICS



DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	9	49,440	206,740
2021 Estimate			
Total Population	9	49,575	207,134
2010 Census			
Total Population	9	49,724	208,085
2000 Census			
Total Population	10	52,794	210,216
Daytime Population			
2021 Estimate	72	140,453	334,341
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	9	17,534	77,876
2021 Estimate			
Total Households	9	17,537	77,880
Average (Mean) Household Size	3.3	2.8	2.6
2010 Census			
Total Households	8	17,580	78,117
2000 Census			
Total Households	10	18,541	78,615

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	8.9%	4.6%	6.9%
\$150,000-\$199,999	7.1%	6.2%	8.2%
\$100,000-\$149,999	14.8%	16.9%	18.5%
\$75,000-\$99,999	12.2%	15.2%	14.3%
\$50,000-\$74,999	13.8%	19.8%	18.3%
\$35,000-\$49,999	19.4%	13.6%	11.4%
\$25,000-\$34,999	6.4%	8.3%	7.8%
\$15,000-\$24,999	7.9%	7.7%	7.7%
Under \$15,000	9.4%	7.6%	6.9%
Average Household Income	\$96,287	\$86,616	\$98,089
Median Household Income	\$62,296	\$65,274	\$72,037
Per Capita Income	\$92,204	\$30,700	\$36,938
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	9	49,575	207,134
Under 20	33.0%	23.8%	22.5%
20 to 34 Years	23.9%	21.8%	19.7%
35 to 39 Years	9.1%	7.5%	7.1%
40 to 49 Years	12.1%	12.8%	12.7%
50 to 64 Years	13.7%	18.6%	19.9%
Age 65+	8.2%	15.5%	18.2%
Median Age	31.3	37.9	40.6
Population 25+ by Education Level			
2021 Estimate Population Age 25+	5	34,803	149,254
Elementary (0-8)	20.8%	11.0%	7.3%
Some High School (9-11)	9.9%	8.0%	6.2%
High School Graduate (12)	37.2%	30.7%	27.9%
Some College (13-15)	12.6%	18.7%	19.2%
Associate Degree Only	4.1%	7.5%	7.7%
Bachelor's Degree Only	12.5%	17.5%	21.2%
Graduate Degree	2.9%	6.6%	10.6%
Travel Time to Work			
Average Travel Time to Work in Minutes	29.0	28.0	30.0

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