

Marcus & Millichap
TAG INDUSTRIAL GROUP

700 OAKTON STREET

ELK GROVE VILLAGE, IL 60007

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The page features a background image of an industrial building. The left side shows the interior of a large, empty warehouse with a high ceiling supported by a grid of steel beams. The right side shows the exterior of a similar building with vertical corrugated metal siding and a concrete base. A thin orange horizontal line is positioned above the main title.

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SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- 10,300-Square-Foot, Two Star Flex Property on 0.64 Acres - Available for Occupancy June of 2022
 - High-Quality Office Build-Out with Seven Offices
 - Parking Lot Removed and Replaced in 2019
 - Well-Located Building in Close Proximity to I-90 and I-290
- O'Hare Submarket Has a Low Vacancy Rate of 2.9% for Comparable Properties (CoStar)
- Industrial and Flex Rents Have Increased by 7.2% and 3.8% Year-Over-Year in the Chicago Market (CoStar)
- Close Proximity to O'Hare International Airport and the New Elk Grove Technology Park

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 700 Oaktown Street in Elk Grove Village, Illinois. The subject property consists of approximately 10,300 square feet of flex space and is situated on 0.64 acres of land. The asset features seven high-quality office build-outs and a newly constructed parking lot. With access to Interstates 90 and 290, the property is located within close proximity to the O'Hare International Airport and the new Elk Grove Technology Park.

The subject property is situated within the O'Hare submarket that 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, including a 4 percent growth rate for flex properties. Contrast this to the overall industrial market in Chicago that experienced 7.2 percent rent growth, including 3.8 percent for flex properties. 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. The submarket's historical growth is partly due to the pick-up in activity at the O'Hare International Airport, which is amongst the busiest airports in the world for cargo traffic. During 2020, total freight tonnage passing through O'Hare expanded by nearly 20 percent, and activity continued to expand further through the first three quarters of 2021 (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

700 OAKTON STREET,
ELK GROVE VILLAGE, IL 60007

Number of Suites	1
Number of Buildings	1
Total Square Feet	10,300
Warehouse Square Feet	5,150
Office Square Feet	5,150
Office Ratio	50%
Year Built	1986
Lot Size	0.64 Acres
Type of Ownership	Fee Simple
Clear Height	16' to Joist - 11.9' to Lighting
Parking Spaces	21
Parking Surface	Asphalt
Building Class	C
Tenancy	Single Tenant
Dock High Doors	1
Grade Level Doors	1
Sprinklers	Yes
Construction	Masonry
Power	200a/230v 3p
Type of Lighting	Fluorescent
Zoning	O-T
Roof Type	Modified Bitumen
Age/Condition of Roofs	Age Unknown / Fair
Age/Condition of HVAC	Age Unknown / Fair
Market	Chicago
Market Vacancy	2.90%

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OFFERING HIGHLIGHTS

700 OAKTON STREET

ELK GROVE VILLAGE, IL, 60007

OFFERING PRICE
\$1,100,000

PRO-FORMA CAP RATE
8.43%

Offering Price	\$1,100,000
Pro-Forma Cap Rate	8.43%
Price/SF	\$106.80
Total Square Feet	10,300
Rental Rate	\$3.72
Lease Type	Triple Net (NNN)
Tenancy	Single Tenant
Occupancy	100.00%

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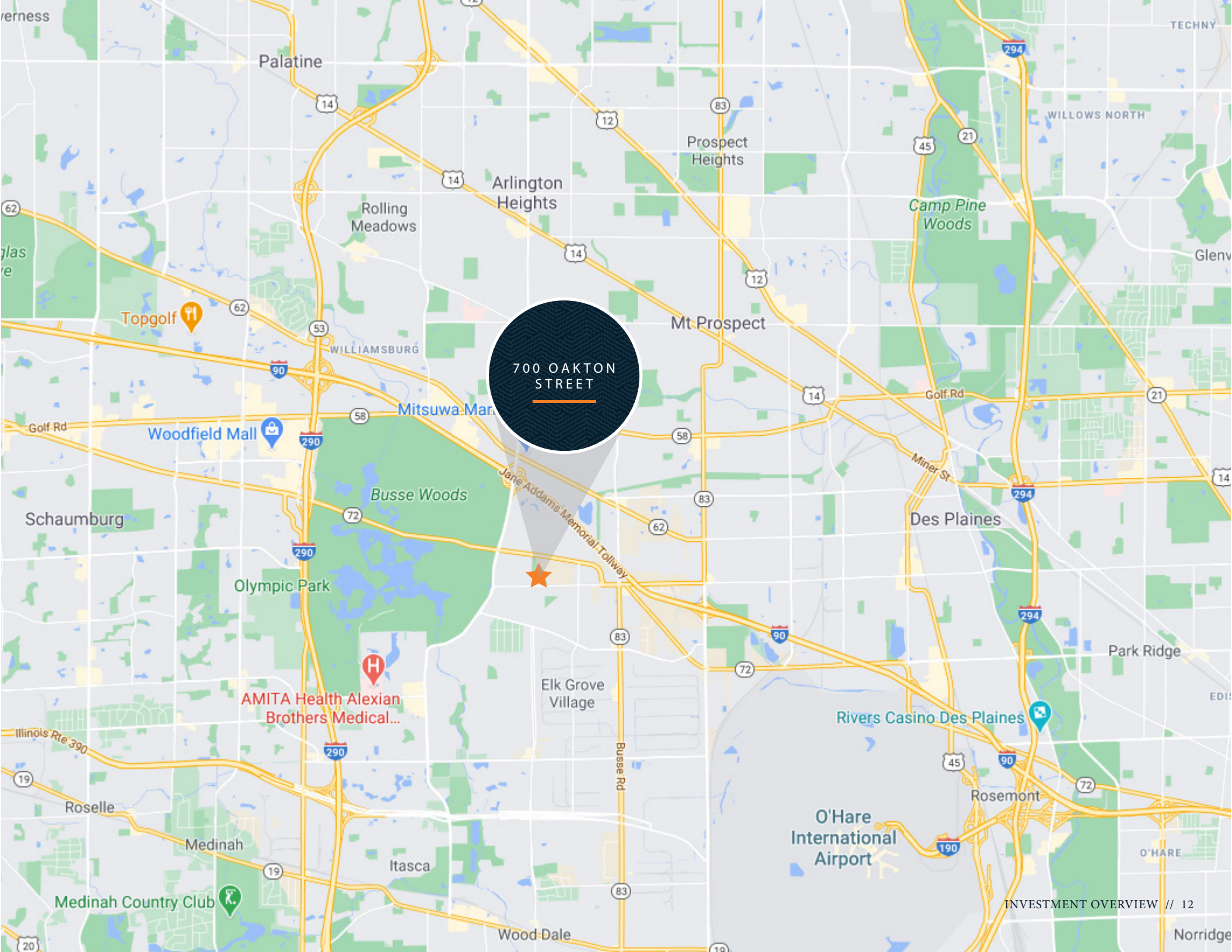
RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type
				Comm.	Exp.							
Mission Control Systems	1	10,300	100.0%	COE	5/31/2022	\$3.72	\$3,193	\$38,316	\$92,700	Dec-2022	\$7,725	NNN
Total		10,300				\$3.72	\$3,193	\$38,316	\$92,700			
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%				
Total Current Rents: \$1,597						Occupied Current Rents: \$1,597		Unoccupied Current Rents: \$0				

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	19,158	1.86	92,700	9.00
Expense Reimbursement Income				
Net Lease Reimbursement				
CAM	12,500	1.21	25,000	2.43
Insurance	1,500	0.15	3,000	0.29
Real estate Taxes	20,855	2.02	43,794	4.25
Total Reimbursement Income	\$34,855	50.0%	\$71,794	100.0%
Effective Gross Revenue	\$54,013	\$5.24	\$164,494	\$15.97

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Electric	8,400	0.82	8,400	0.82
Water	2,700	0.26	2,700	0.26
Trash Removal	4,200	0.41	4,200	0.41
Repairs & Maintenance	2,020	0.20	2,020	0.20
Landscaping	3,480	0.34	3,480	0.34
Snow Removal	600	0.06	600	0.06
Gas	3,600	0.35	3,600	0.35
Insurance	3,000	0.29	3,000	0.29
Real Estate Taxes	41,709	4.05	43,794	4.25
Total Expenses	\$69,709	\$6.77	\$71,794	\$6.97
Expenses as % of EGR	129.1%		43.6%	
Net Operating Income	-\$15,696	(\$1.52)	\$92,700	\$9.00



700 OAKTON STREET

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Optimal Automatic
Restaurant supply store

Micro Enhanced
Technology

Husqvarna
Construction Products

Hanco Ink
Delivery

Assagio

Sytech Engineering

700 OAKTON
STREET

Sourcelink Solutions

Fisa North America
Ultrasonic Cleaning

Mission Control Systems

Oakton St



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

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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



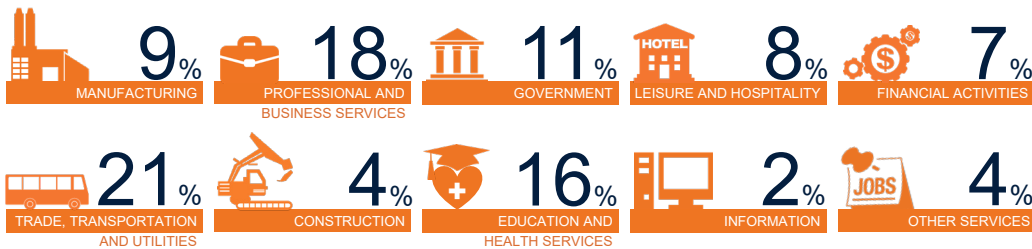
LARGE, DIVERSE
EMPLOYMENT BASE



METROPLEX GROWTH

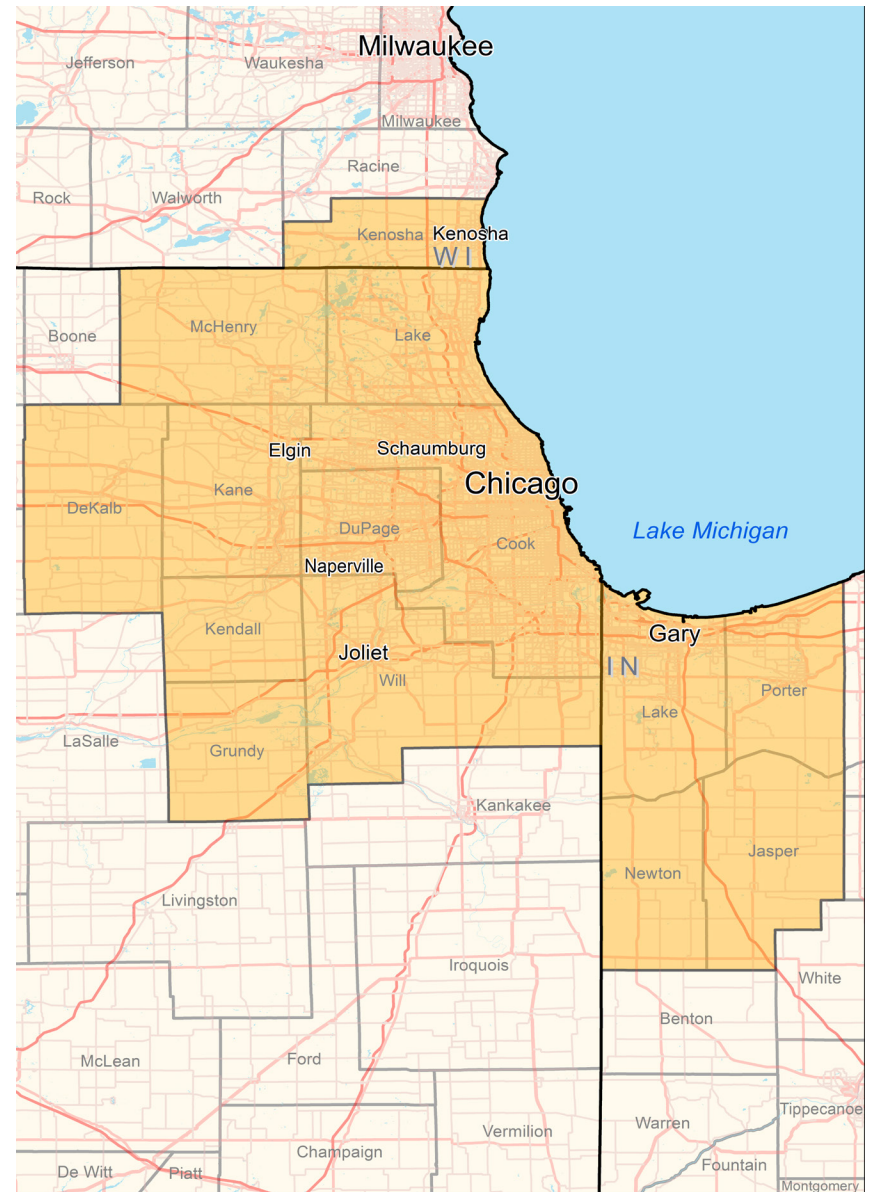
ECONOMY

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. Typically, more than 50 million people visit the metro annually and support approximately 500,000 jobs in the leisure and hospitality sector. Although suppressed during the pandemic, visitations and employment should pick up again in 2021. Large tech firms such as Amazon and Google attract a wide array of startup companies. The workforce is considered one of the most diverse and well trained among major U.S. metros.

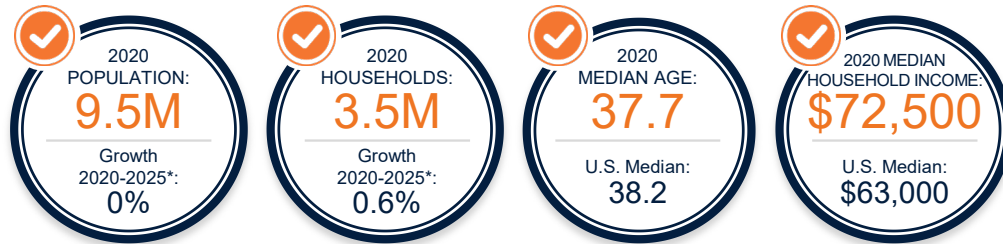


TRANSPORTATION

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 major carriers BNSF, Union Pacific, CSX, and Norfolk Southern servicing 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 provide air service for the region.



METROPLEX GROWTH



Chicago is the third most populous metro in the U.S. with 9.5 million residents. During the next five years, the population is expected to remain steady. World-class education institutions including Northwestern University and the University of Chicago help provide a skilled labor pool. early 37 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. The local homeownership at 64 percent is slightly above the national rate.



DEMOGRAPHICS



246,754

Total Population
Within 5 miles



\$105,332

Average Household Income
Within 5 miles



15,832

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	7,477	74,245	245,679
■ 2020 Estimate			
Total Population	7,581	74,656	246,754
■ 2010 Census			
Total Population	7,611	74,723	247,122
■ 2000 Census			
Total Population	8,269	77,129	247,132
■ Daytime Population			
2020 Estimate	19,338	116,219	388,846
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	2,751	29,282	96,586
■ 2020 Estimate			
Total Households	2,771	29,413	96,823
Average (Mean) Household Size	2.66	2.54	2.54
■ 2010 Census			
Total Households	2,790	29,531	96,953
■ 2000 Census			
Total Households	2,895	30,739	96,505

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	3.67%	6.33%	8.53%
\$150,000 - \$199,000	6.22%	6.51%	8.27%
\$100,000 - \$149,000	17.34%	17.57%	19.31%
\$75,000 - \$99,999	18.94%	14.99%	15.05%
\$50,000 - \$74,999	21.46%	20.24%	18.18%
\$35,000 - \$49,999	11.57%	12.02%	10.95%
\$25,000 - \$34,999	7.96%	8.21%	6.95%
\$15,000 - \$24,999	6.41%	7.62%	6.64%
Under \$15,000	6.44%	6.50%	6.10%
Average Household Income	\$85,777	\$93,872	\$105,332
Median Household Income	\$70,352	\$68,825	\$76,700
Per Capita Income	\$31,356	\$37,007	\$41,412
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	7,581	74,656	246,754
Under 20	23.06%	21.72%	22.06%
20 to 34 Years	23.44%	20.78%	18.97%
35 to 39 Years	7.82%	7.47%	6.84%
40 to 49 Years	12.65%	12.75%	13.09%
50 to 64 Years	18.83%	19.26%	21.04%
Age 65+	14.21%	18.02%	18.02%
Median Age	37.14	40.03	41.66
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	5,379	54,563	179,525
Elementary (0-8)	4.66%	5.46%	4.41%
Some High School (9-11)	5.78%	5.89%	4.88%
High School Graduate (12)	27.26%	25.14%	23.91%
Some College (13-15)	19.02%	18.09%	18.40%
Associate Degree Only	8.26%	7.73%	7.41%
Bachelors Degree Only	24.36%	24.47%	25.63%
Graduate Degree	8.08%	11.32%	13.82%
■ Time Travel to Work			
Average Travel Time in Minutes	27	30	30

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