

Marcus & Millichap
TAG INDUSTRIAL GROUP

602 STATE STREET

CALUMET CITY, IL 60409

NON-ENDORSEMENT & DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2022 Marcus & Millichap. All rights reserved.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers. Activity ID: ZAD0060532

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com

602 STATE STREET

CALUMET CITY, IL 60409

PRESENTED BY

TYLER SHARP

Senior Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5446
Tyler.Sharp@marcusmillichap.com
License: IL 475.177869

CLAYTON ISACSON

Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5471
Clayton.Isacson@MarcusMillichap.com
License: IL 475.199599

ADAM ABUSHAGUR

Senior Managing Director Investments
Office & Industrial Division
Dallas Office
Office (972) 755-5223
Adam.Abushagur@marcusmillichap.com
License TX 661916

BROKER OF RECORD

STEVEN WEINSTOCK

Illinois Broker of Record
One Mid America Plaza, Suite 200 Oak-
brook Terrace, IL 60181
Tel: 630-570-2200
Steven.Weinstock@MarcusMillichap.com
License: IL 471.011175

DEBT CONTACT

FRANK MONTALTO

President - Debt & Equity Structured Finance
333 West Wacker Drive, Suite 200
Chicago, IL 60606
Tel: 312-327-5421
Frank.Montalto@MarcusMillichap.com

Marcus & Millichap
TAG INDUSTRIAL GROUP





TABLE OF CONTENTS

01

INVESTMENT OVERVIEW

SECTION 1

Offering Summary • Tax Incentives • Property Details
Offering Highlights • Rent Roll • Floor Plan • Operating
Statement Regional Map • Aerial Map • Property Photos
Acquisition Financing

02

MARKET OVERVIEW

SECTION 2

Market Analysis • Demographic Analysis



SECTION 1

INVESTMENT OVERVIEW

Marcus & Millichap

OFFERING SUMMARY

- 95,300-Square-Foot Manufacturing Asset Situated on 5.77 Acres
- Features 14'-23' Clear Height, Two Dock-High Doors, Seven Grade-Level Doors, and Capital Improvements to Roof, HVAC, and Lighting
 - Located Within Tax Increment Finance (TIF), Opportunity Zone, and Enterprise Zone with Proximate Access to I-90 and I-94
 - Tough Barrier-to-Entry Submarket: 5.0% Vacancy, 7.7% Rent Growth, Above-Average Absorption (CoStar)
 - Lower Vacancy Rate Among Comparable Properties

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 602 State Street in Calumet City, Illinois. The subject property consists of approximately 95,300 square feet of manufacturing space and is situated on 5.77 acres of land. The vacant asset features a clear height of 14'-23', two dock-high doors, four recessed dock doors, seven grade-level doors, and seller reports capital improvements to the roof made in 2014. Located along the border of Illinois and Indiana, the property sits within a Tax Increment Finance (TIF) District, Opportunity Zone, and Enterprise Zone. Situated in Chicago's Near South Cook submarket, the property is positioned between Interstates 90 and 94, giving tenants direct access to downtown Chicago.

Near South Cook is a massive submarket, containing 52.5 million square feet of industrial space. The submarket consists mostly of logistics space, accounting for 66 percent of the inventory. Yet, specialized properties, including manufacturing facilities, make up a sizeable 30 percent of the submarket, followed by flex space at 4 percent. During Q4 2022, the vacancy rate settled at 5.0 percent, but the barriers to entry get tougher among comparable properties. For properties under 150,000 square feet, the vacancy rate sat at just 2.0 percent. Limited space has pushed market rents up 7.7 percent annually among all properties in Near South Cook. Market rents averaged about \$8.70 at the conclusion of 2022. Over the past year, net absorption expanded to over 816,000 square feet, 21 percent higher than the five-year average. With construction activity representing just 1.3 percent of current inventory levels, new supply will likely have minimal impact on rents and vacancies for the foreseeable future (CoStar).

Known as the Greater Chicagoland area, Chicago-Naperville-Elgin is the third largest metro in the nation. The metro houses 9.5 million people, including 2.7 million residents within the city of Chicago. The number of corporate headquarters in Chicago is second only to New York City and is home to 33 Fortune 500 companies. Thanks to eight commercial and passenger rail lines, the Port of Chicago, three international airports, and a vast network of freeways, Chicago is a major distribution and logistics hub. The local economy and workforce are highly diverse, supported largely by distribution, finance, manufacturing, and high-tech industries. As a multicultural city that thrives on the harmony and diversity of its neighborhoods, Chicago boasts 100 neighborhoods, 77 community areas, 50 wards, and eight 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).

TAX INCENTIVES

Enterprise Zone

The entire city of Calumet City is classified as an Enterprise Zone and is pre-approved by the city council for interested developers. This is a very beneficial tool for developers, which includes the exemption of sales taxes on materials and waiver of city permits.

Incentives:

- Sales tax abatement on building materials for zone projects with valid IDOR building materials sales tax exemption certificate.
- 50 percent abatement of the municipal portion of real estate taxes for five years on the added tax value created by the project. Projects in a TIF or receiving other substantial property tax abatements are not eligible for further tax reduction.
- 50 percent discount on local building permit fees. All other fees and inspection procedures follow local ordinances.

Opportunity Zone

The federal Tax Cuts and Jobs Act of 2017 created a program that would allow deferral and reduction of capital gains taxes for investments in economically struggling census tracts. Five census tracts in Calumet City have been designated as Qualified Opportunity Zones.

Incentives:

- Investments with money derived from capital gains can be made in these zones to allow deferral of capital gains taxes and, if the investment is held for long enough, the capital gains taxes can be reduced by 10-15 percent.

Tax Increment Finance (TIF) District

The subject property is located within the Sibley Boulevard/Torrance Avenue/ State Street TIF District (STS TIF), which has been in place since 2020. For qualifying development projects, Cook County will lower property tax rates by more than 50 percent for up to 12 years.

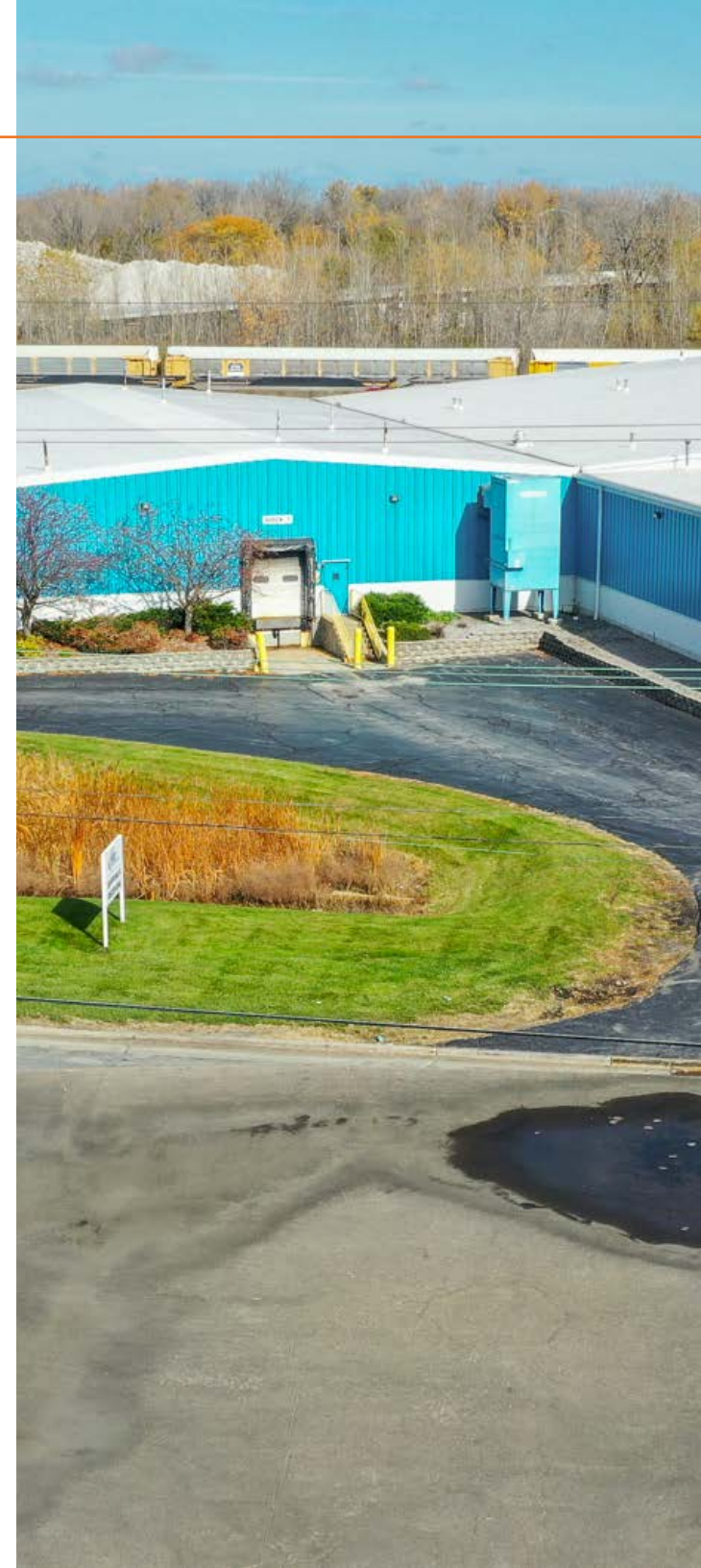
Source: Calumet City – Attractive Development Incentives



PROPERTY DETAILS

602 STATE STREET, CALUMET CITY, IL 60409

Number of Suites	1
Number of Buildings	1
Total Square Feet	95,300
Warehouse Square Feet	87,800
Office Square Feet	7,500
Office Ratio	8%
Year Built	1961/1992/1996/2007
Lot Size	5.77 Acres
Type of Ownership	Fee Simple
Clear Height	14'-23'
Parking Spaces	120
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Dock High Doors	2
Recessed Interior Dock Doors	4
Grade Level Doors	7
Sprinklers	Yes - Wet
Construction	Metal
Power	480/277 Volt, 3 Phase 4 Wire, 3600 Amps/ 120/240 Volt, 3 Phase 4 Wire, 1600/800 Amps
Type of Lighting	LED - 2018
Roof Type	TPO
Age/Condition of Roofs	Good Condition - 2014 Improvements
HVAC Units	2 - Roof Units
Age/Condition of HVAC	Replaced - 2018 Serviced 2021
Market	Chicago
Submarket	Near South Cook
Market Vacancy	5.20%



This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express 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. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap. All rights reserved. (Activity ID: ZAD0060532)



OFFERING HIGHLIGHTS

602 STATE STREET

CALUMET CITY, IL 60409

OFFERING PRICE
\$5,040,000

CAP RATE
2.25%

PRO FORMA CAP RATE
8.51%

Offering Price	\$5,040,000
Cap Rate	2.25%
Pro Forma Cap Rate	8.51%
Price/SF	\$52.89
Total Square Feet	95,300
Rental Rate	\$3.38
Lease Type	Triple Net (NNN)
Lease Term	Exp. 5/31/2023
Tenancy	Single
Occupancy	100.00%

FINANCING

Loan Amount	\$3,528,000
Loan Type	New
Interest Rate	6.50%
Amortization	25 Years
Year Due	2027

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express 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. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap. All rights reserved. (Activity ID: ZAD0060532)

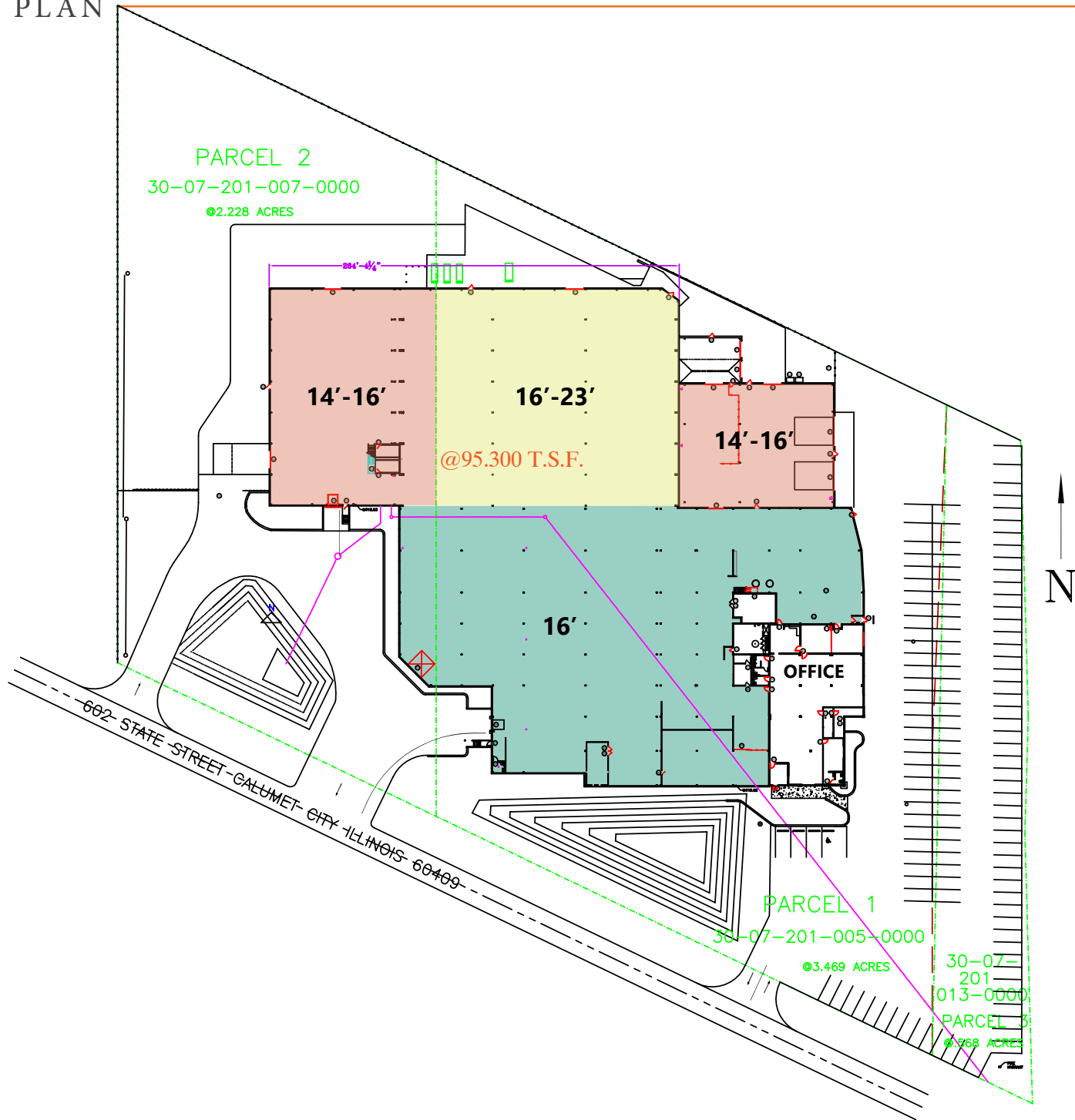
RENT ROLL

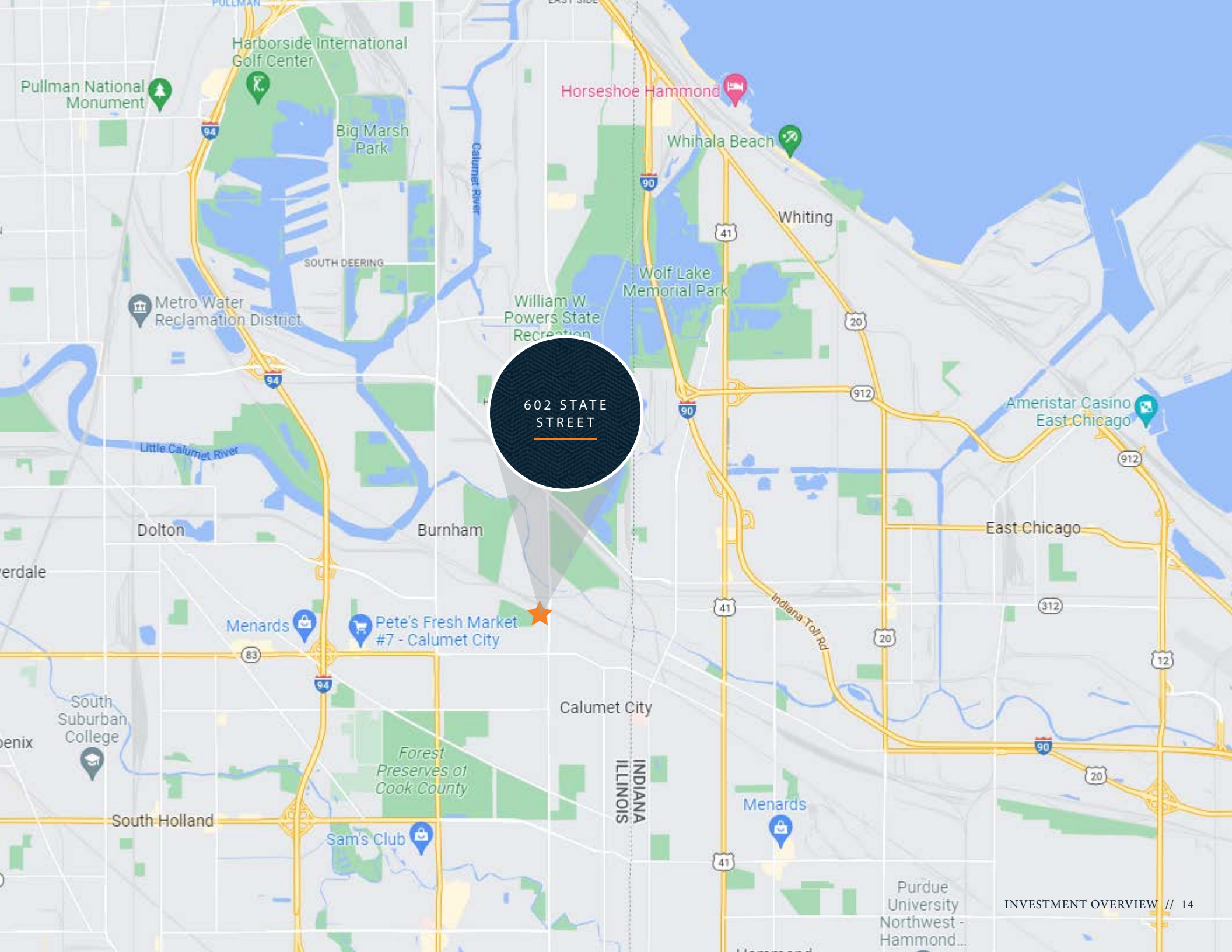
Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Vacant	A	95,300	100.0%	4/1/11	5/31/23	\$3.38	\$26,865	\$322,380	\$428,850	Jun-2023	\$35,738	NNN	Tenant will Vacate after lease expiration of 5/31/2023
Total		95,300				\$3.38	\$26,865	\$322,380	\$428,850				
Occupied Tenants: 1				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
Total Current Rents: \$16,119						Occupied Current Rents: \$16,119		Unoccupied Current Rents: \$0					

OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	193,429		2.03	428,850		4.50
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	14,583		0.15	25,000		0.26
Real estate Taxes	97,369		1.02	175,264		1.84
Total Reimbursement Income	\$111,952	58.3%	\$1.17	\$200,264	100.0%	\$2.10
Effective Gross Revenue	\$305,381		\$3.20	\$629,114		\$6.60
Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	25,000		0.26	25,000		0.26
Real Estate Taxes	166,918		1.75	175,264		1.84
Total Expenses	\$191,918		\$2.01	\$200,264		\$2.10
Expenses as % of EGR	62.8%			31.8%		
Net Operating Income	\$113,463		\$1.19	\$428,850		\$4.50

FLOOR PLAN





602 STATE STREET

602 STATE STREET





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 2,399 debt and equity financings in 2021



National platform operating within the firm's brokerage offices



\$10.4 billion total national volume in 2021



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. The Chicagoland area 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 9.5 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 have been 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



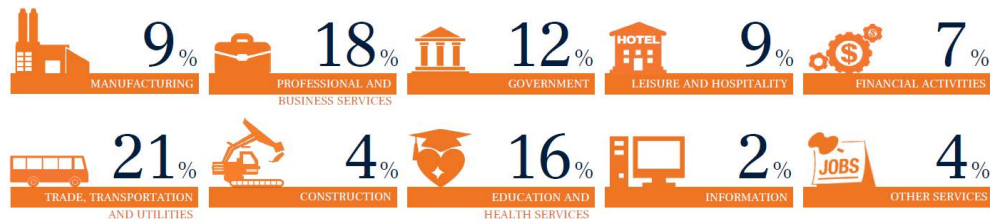
LARGE, DIVERSE
EMPLOYMENT BASE



METROPLEX GROWTH

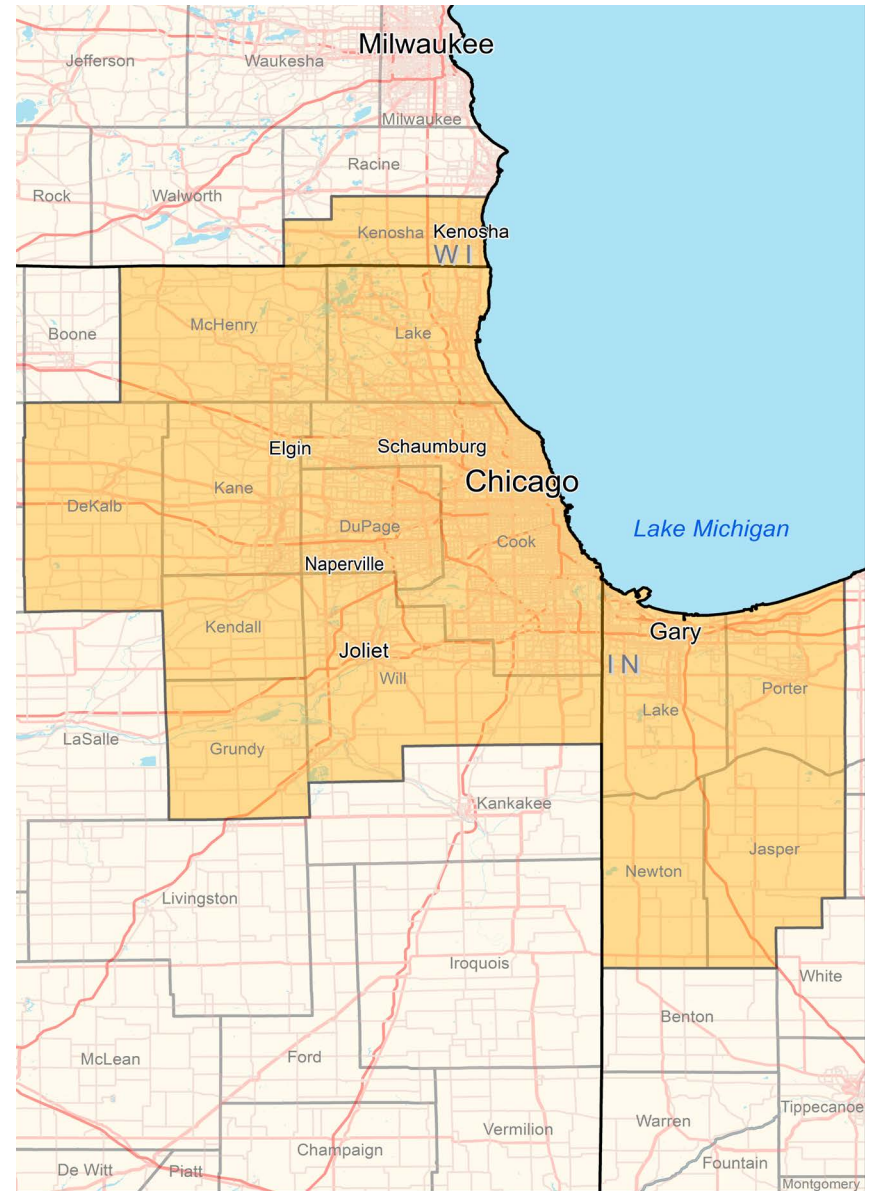
ECONOMY

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 are improving. 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 United States metros.



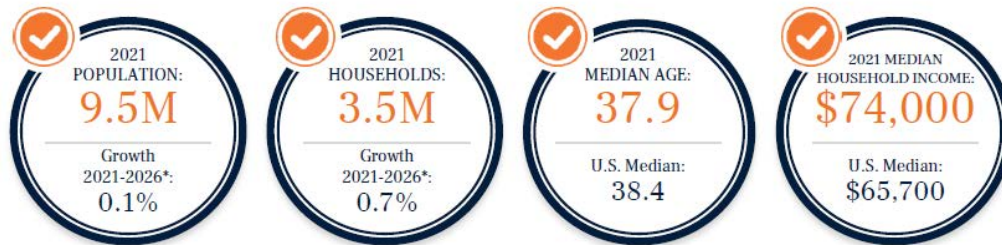
TRANSPORTATION

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 top 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. Sixteen smaller airports also 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. Nearly 37 percent of residents ages 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. median, as well as 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.



The Chicago metro has something to offer to each of its residents and visitors, whether it is legendary blues and jazz music, cultural and educational venues, professional sports, dining, entertainment, shopping or recreational amenities. The Chicago area's relative affordability is largely due to its lower housing costs. The median home price is significantly less than in other cities of its size and is below that of many smaller cities, including Seattle and Denver. Cultural activities and artistic venues underpin the metro's cosmopolitan lifestyle. The region is home to various well-known museums, including the world-class Field Museum, Shedd Aquarium, the Museum of Science and Industry, the Art Institute of Chicago and Adler Planetarium. The theater scene rivals the world's best, and troupes, dance companies, symphony orchestras and music venues abound. Chicago is also home to the upcoming Obama Presidential Center, which broke ground in September 2021.



DEMOGRAPHICS



243,466

Total Population
Within 5 miles



\$61,921

Average Household Income
Within 5 miles



97,380

Employees
Within 1 mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Population	11,082	97,724	239,604
2021 Estimate			
Total Population	11,254	99,590	243,466
2010 Census			
Total Population	11,755	104,106	253,669
2000 Census			
Total Population	11,981	108,370	267,253
Daytime Population			
2021 Estimate	7,652	76,392	227,354
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2026 Projection			
Total Households	3,634	35,770	87,589
2021 Estimate			
Total Households	3,701	36,316	88,694
Average (Mean) Household Size	3.0	2.7	2.7
2010 Census			
Total Households	3,820	37,644	91,642
2000 Census			
Total Households	4,158	40,154	98,365

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2021 Estimate			
\$200,000 or More	1.4%	1.2%	1.7%
\$150,000-\$199,999	4.2%	2.7%	3.1%
\$100,000-\$149,999	11.1%	9.9%	11.2%
\$75,000-\$99,999	12.7%	11.9%	12.9%
\$50,000-\$74,999	19.1%	19.4%	19.6%
\$35,000-\$49,999	15.1%	14.9%	14.0%
\$25,000-\$34,999	11.5%	12.2%	11.2%
\$15,000-\$24,999	11.7%	11.8%	11.4%
Under \$15,000	13.1%	15.9%	14.9%
Average Household Income	\$62,644	\$57,375	\$61,921
Median Household Income	\$48,422	\$44,574	\$48,090
Per Capita Income	\$20,831	\$21,041	\$22,702
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2021 Estimate Total Population	11,254	99,590	243,466
Under 20	30.0%	29.2%	28.7%
20 to 34 Years	20.3%	19.8%	19.6%
35 to 39 Years	6.3%	6.4%	6.3%
40 to 49 Years	13.4%	12.6%	12.4%
50 to 64 Years	18.8%	18.3%	18.6%
Age 65+	11.2%	13.7%	14.4%
Median Age	34.8	35.8	36.4
Population 25+ by Education Level			
2021 Estimate Population Age 25+	7,096	63,693	157,304
Elementary (0-8)	7.2%	7.5%	6.6%
Some High School (9-11)	8.6%	9.9%	9.2%
High School Graduate (12)	32.5%	33.5%	33.6%
Some College (13-15)	29.4%	26.5%	25.9%
Associate Degree Only	7.3%	7.5%	7.8%
Bachelor's Degree Only	10.6%	10.4%	11.5%
Graduate Degree	4.4%	4.7%	5.5%
Travel Time to Work			
Average Travel Time to Work in Minutes	37.0	37.0	36.0

602 STATE STREET

CALUMET CITY, IL 60409

PRESENTED BY

TYLER SHARP

Senior Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5446
Tyler.Sharp@marcusmillichap.com
License: IL 475.177869

CLAYTON ISACSON

Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5471
Clayton.Isacson@MarcusMillichap.com
License: IL 475.199599

ADAM ABUSHAGUR

Senior Managing Director Investments
Office & Industrial Division
Dallas Office
Office (972) 755-5223
Adam.Abushagur@marcusmillichap.com
License TX 661916

BROKER OF RECORD

STEVEN WEINSTOCK

Illinois Broker of Record
One Mid America Plaza, Suite 200 Oak-
brook Terrace, IL 60181
Tel: 630-570-2200
Steven.Weinstock@MarcusMillichap.com
License: IL 471.011175

DEBT CONTACT

FRANK MONTALTO

President - Debt & Equity Structured Finance
333 West Wacker Drive, Suite 200
Chicago, IL 60606
Tel: 312-327-5421
Frank.Montalto@MarcusMillichap.com

Marcus & Millichap
TAG INDUSTRIAL GROUP