

Marcus & Millichap
TAG INDUSTRIAL GROUP

15 WEST INDUSTRIAL DRIVE

KANKAKEE, IL 60901

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

15 WEST INDUSTRIAL DRIVE KANKAKEE, IL 60901

PRESENTED BY

ZACH ORZEL

Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5401
Zachary.Orzel@MarcusMillichap.com
License: IL 475.198922

TYLER SHARP

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

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
Oakbrook Terrace, IL 60181
Tel: 630-570-2200
Steven.Weinstock@marcusmillichap.com
License: IL 471.011175

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The background of the slide is a dark, blue-tinted photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lights. The lighting is dim, creating a moody atmosphere. The structure appears to be part of a factory or a large warehouse.

SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- Flex Showroom Space Available for Immediate Occupancy
- Directly Off Route 52 and I-57 Exit Provides Premier Accessibility
 - Five Minutes from Greater Kankakee Airport
 - 12,000+ Square Feet of Outside Storage Yard
 - Well Below Replacement Cost Offering
 - Low Kankakee County Taxes

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 15 West Industrial Drive in Kankakee, Illinois. The subject property consists of approximately 18,850 square feet of flex space and is situated on 1.72 acres of land. The two-building asset features a showroom, metal construction, three grade-level doors, and over 12,000 square feet of outside storage space. At less than \$39 per square foot, the property is priced well below replacement cost. Situated within Kankakee County, the property enjoys some of the lowest property taxes in Northeast Illinois (Tax-Rates.org). Located just off of U.S. Route 52, the property sits in close proximity to Interstate 57 and is only a five-minute drive from the Greater Kankakee Airport.

The property sits within the Illinois North Area market, which contains 66.5 million square feet of industrial space. The vacancy rate closed out last year falling for five consecutive quarters down to 4.1 percent. While rent growth slowed down during 2022, market rents were still up 8.0 for the year, 210 basis points higher than the three-year annual average. Market rents now average about \$5.00 per square foot, offering tenants nearly a 44 percent discount compared to the neighboring Chicago market. Thanks to a record fourth quarter, demand set a new high in 2022 with 2.5 million square feet absorbed on net, representing about 3.8 percent of existing inventory. Despite the submarket's impressive fundamentals, there were no industrial properties under construction going into 2023. As a result, rent growth and vacancies will go unimpeded by new supply 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).

PROPERTY DETAILS

15 WEST INDUSTRIAL DRIVE,
KANKAKEE, IL 60901

Number of Suites	3
Number of Buildings	2
Total Square Feet	18,850
Warehouse Square Feet	18,850
Year Built	1985
Lot Size	1.72 Acres
Type of Ownership	Fee Simple
Clear Height	14'
Parking Spaces	15
Parking Surface	Asphalt
Building Class	C
Tenancy	Owner-User
Grade Level Doors	3
Construction	Metal
Power	3 Phase
Type of Lighting	LED & Fluorescent
Zoning	I-1
Roof Type	Metal
Age/Condition of Roofs	Building One Replaced 2013
Age/Condition of HVAC	Hanging Heaters
Market	Chicago
Submarket	Illinois North Area
Market Vacancy	4.10%



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KANKAKEE, IL 60901

OFFERING PRICE

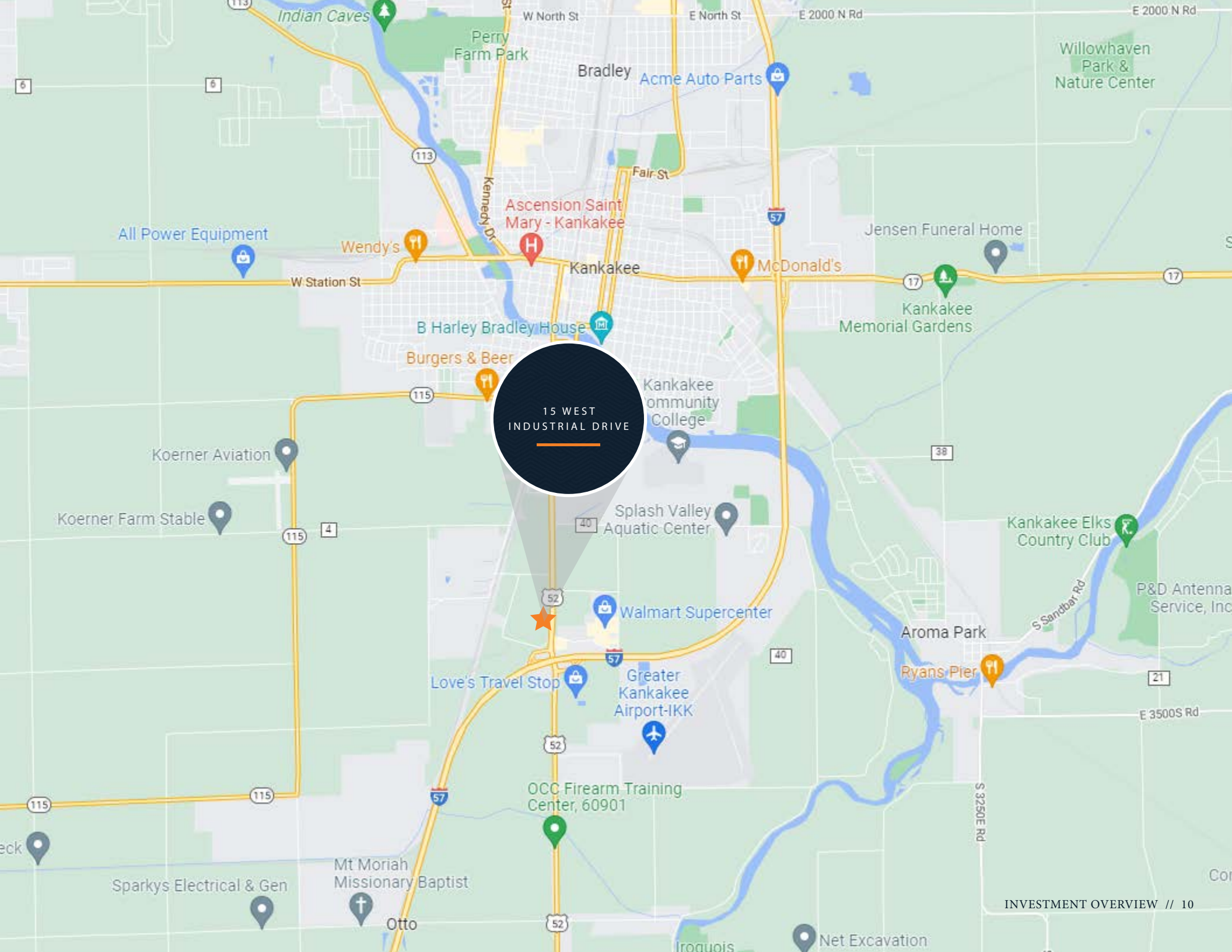
\$650,000

PRO FORMA CAP RATE

14.94%

Offering Price	\$650,000
Pro Forma Cap Rate	14.94%
Price/SF	\$34.48
Total Square Feet	18,850
Lease Type	Triple Net (NNN)
Tenancy	Vacant
Occupancy	0.00%

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15 WEST
INDUSTRIAL DRIVE

Tholens' Landscape & Garden Center
Landscaping supply store

ALDI

AL Sh

15 WEST
INDUSTRIAL DRIVE

Fair

W Industrial Park Dr

W Industrial Park Dr

E 2740 South Rd

White Ln



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

.....



The background of the slide is a dark, blue-tinted photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lights. The lighting is dim, creating a moody atmosphere. The structure appears to be a large warehouse or a factory interior.

SECTION 2

MARKET OVERVIEW

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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

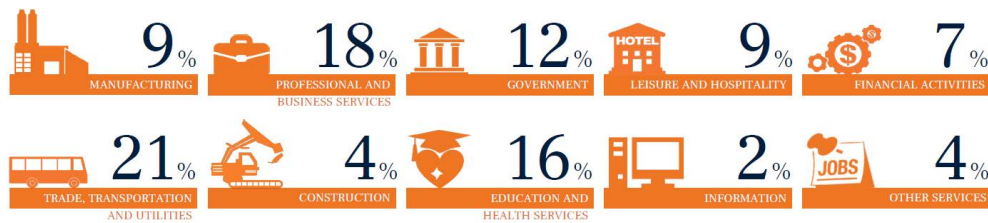


LARGE, DIVERSE
EMPLOYMENT
BASE

METROPLEX GROWTH

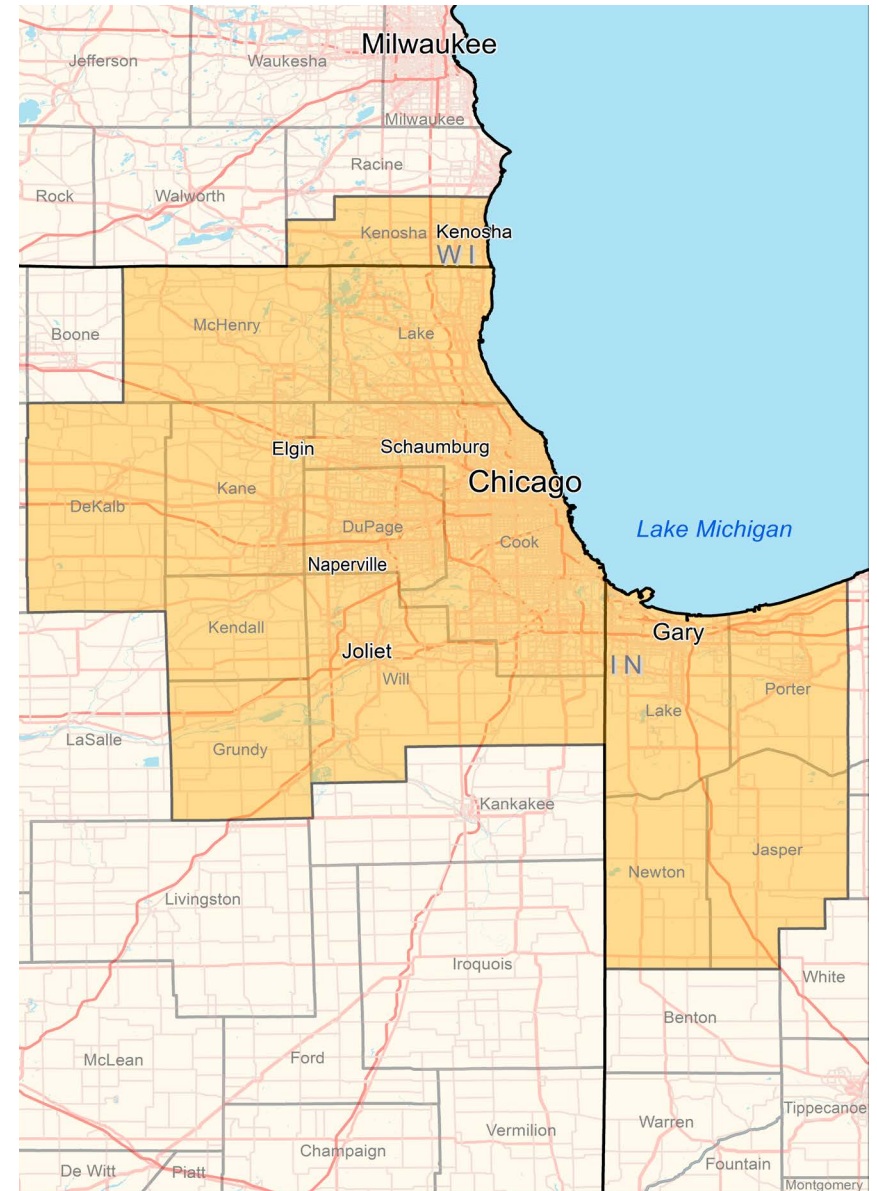
ECONOMY

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.



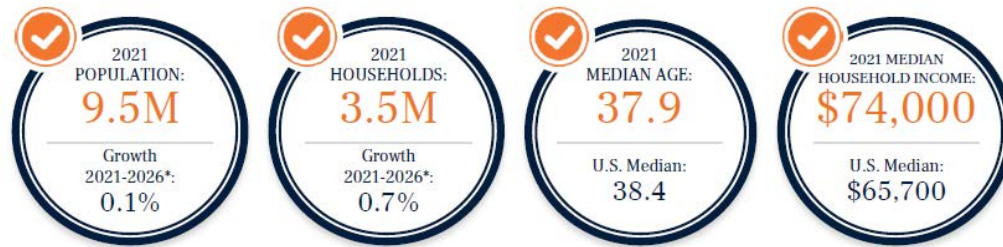
TRANSPORTATION

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



42,702

Total Population
Within 5 miles



49.1%



50.9%



\$65,400

Average Household Income
Within 5 miles



20,460

Employees
Within 1 Mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	137	21,842	42,185
2022 Estimate			
Total Population	138	22,120	42,702
2010 Census			
Total Population	149	23,805	45,658
2000 Census			
Total Population	149	24,021	45,974
Daytime Population			
2022 Estimate	604	23,100	48,247
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Households	51	7,944	16,064
2022 Estimate			
Total Households	51	8,018	16,157
Average (Mean) Household Size	2.5	2.6	2.5
2010 Census			
Total Households	52	8,338	16,722
2000 Census			
Total Households	53	8,807	17,464

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
\$200,000 or More	1.6%	2.2%	2.2%
\$150,000-\$199,999	3.7%	3.3%	4.0%
\$100,000-\$149,999	8.8%	12.2%	12.9%
\$75,000-\$99,999	16.0%	12.0%	12.5%
\$50,000-\$74,999	19.5%	16.1%	16.1%
\$35,000-\$49,999	18.3%	15.6%	15.6%
\$25,000-\$34,999	12.1%	11.2%	10.2%
\$15,000-\$24,999	9.0%	12.3%	11.9%
Under \$15,000	11.2%	15.1%	14.7%
Average Household Income	\$63,503	\$63,745	\$65,400
Median Household Income	\$48,795	\$45,543	\$47,333
Per Capita Income	\$26,508	\$23,778	\$25,564
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2022 Estimate Total Population	138	22,120	42,702
Under 20	23.4%	28.1%	27.6%
20 to 34 Years	21.2%	21.8%	21.9%
35 to 39 Years	6.8%	6.5%	6.0%
40 to 49 Years	12.0%	11.5%	11.2%
50 to 64 Years	22.0%	17.9%	17.6%
Age 65+	14.6%	14.1%	15.7%
Median Age	38.9	35.1	35.4
Population 25+ by Education Level			
2022 Estimate Population Age 25+	97	14,341	27,471
Elementary (0-8)	19.4%	7.7%	5.9%
Some High School (9-11)	13.0%	10.3%	9.6%
High School Graduate (12)	33.0%	35.1%	36.8%
Some College (13-15)	18.9%	24.6%	24.7%
Associate Degree Only	6.6%	7.0%	8.4%
Bachelor's Degree Only	5.2%	9.3%	9.5%
Graduate Degree	3.9%	6.0%	5.2%
Travel Time to Work			
Average Travel Time to Work in Minutes	26.0	23.0	23.0

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PRESENTED BY

ZACH ORZEL

Associate
Office & Industrial Division
Chicago Office
Office (312) 327-5401
Zachary.Orzel@MarcusMillichap.com
License: IL 475.198922

TYLER SHARP

Vice President of Investments
Office & Industrial Division
Chicago Office
Office (312) 327-5446
Tyler.Sharp@MarcusMillichap.com
License: IL 475.177869

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
Oakbrook Terrace, IL 60181
Tel: 630-570-2200
Steven.Weinstock@marcusmillichap.com
License: IL 471.011175

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