

FOR SALE

8338 Austin Avenue

Morton Grove, IL

100% Leased

152,000 SF Office / Flex

Unique Infill Location

Credit Tenancy



EXECUTIVE SUMMARY

The Offering

Cushman & Wakefield has been retained by The Missner Group (“Owner” or “Ownership”) as its exclusive advisor in the sale of 8338 Austin Avenue, Morton Grove, IL. The offering provides investors with a rare opportunity to acquire a 152,040 SF facility that is fully leased to two committed tenants with a weighted average lease term of 8.23 years. Both tenants have occupied the building for 20+ years and have recently recommitted to the building by renewing and extending leases, with Ownership committing to invest \$2.7M into the Property. The near north location, easy access to the Central Business District, O’Hare International Airport and major expressways, and proximity to public transportation and major thoroughfares, are all contributing factors to the long-term commitment of the tenants at the facility and continued benefits to future owners. The Property also benefits from the scarcity of developable land within Morton Grove, the concentration of retail and residential developments, and the limited comparable industrial and office properties within the immediate area of the Property, will continue to support the long-term demand for the Property, the value of the underlying land, and potential for redevelopment in the future.

INVESTMENT SUMMARY

Address	8338 Austin Avenue Morton Grove, IL 60053
Property Identification Number	10-20-301-024-0000 10-20-301-026-0000
Rentable Area	152,040
% Leased	100%
Avg. Remaining Lease Term	8.23 years
Number of Tenants	2
Year-1 NOI	\$1,013,946



INVESTMENT HIGHLIGHTS



ESTABLISHED TENANTS

The two well-established tenants, which have both occupied the property for over two decades, have recently extended their lease terms. Bunzl Retail Services (d/b/a Schwartz Supply) leases 117,780 SF, recently extending through 12/31/2028, and Integrated Merchandising Systems (IMS) leases 34,260 sf renewing through 12/31/2023. In addition to the long-term lease extensions, the investment grade quality of the tenancy, and corporate guaranty from Bunzl USA, ensure stable cash flow and low probability of default by either tenant.

SIGNIFICANT ONGOING INVESTMENT

Ownership is in the process of making extensive improvements to the property. In conjunction with executing long-term commitments with each tenant, Ownership is investing an additional \$2.7M for capital and tenant space improvements. The investment will fund the interior reconfiguration, and expansion of Bunzl's office space, increasing the total office footprint, roof repairs/replacement over the IMS space, and other costs associated with the new leases. All projects are scheduled for completion in the fourth quarter of 2018.

HIGHLY ACCESSIBLE LOCATION

The Property is located in the Village of Morton Grove, a highly desirable and accessible near north suburb just 15 miles from downtown Chicago, and a 20 minute drive from O'Hare International Airport. The 7.4 acre site benefits from frontage along the major thoroughfare of Austin Avenue and less than 5 minutes to I-94 via Lincoln Avenue, providing easy access to the Property for commercial vehicles and commuters alike. In addition, the Property is within walking distance to the Morton Grove Metra station and proximate to several PACE bus routes, providing alternative transportation options to the property.

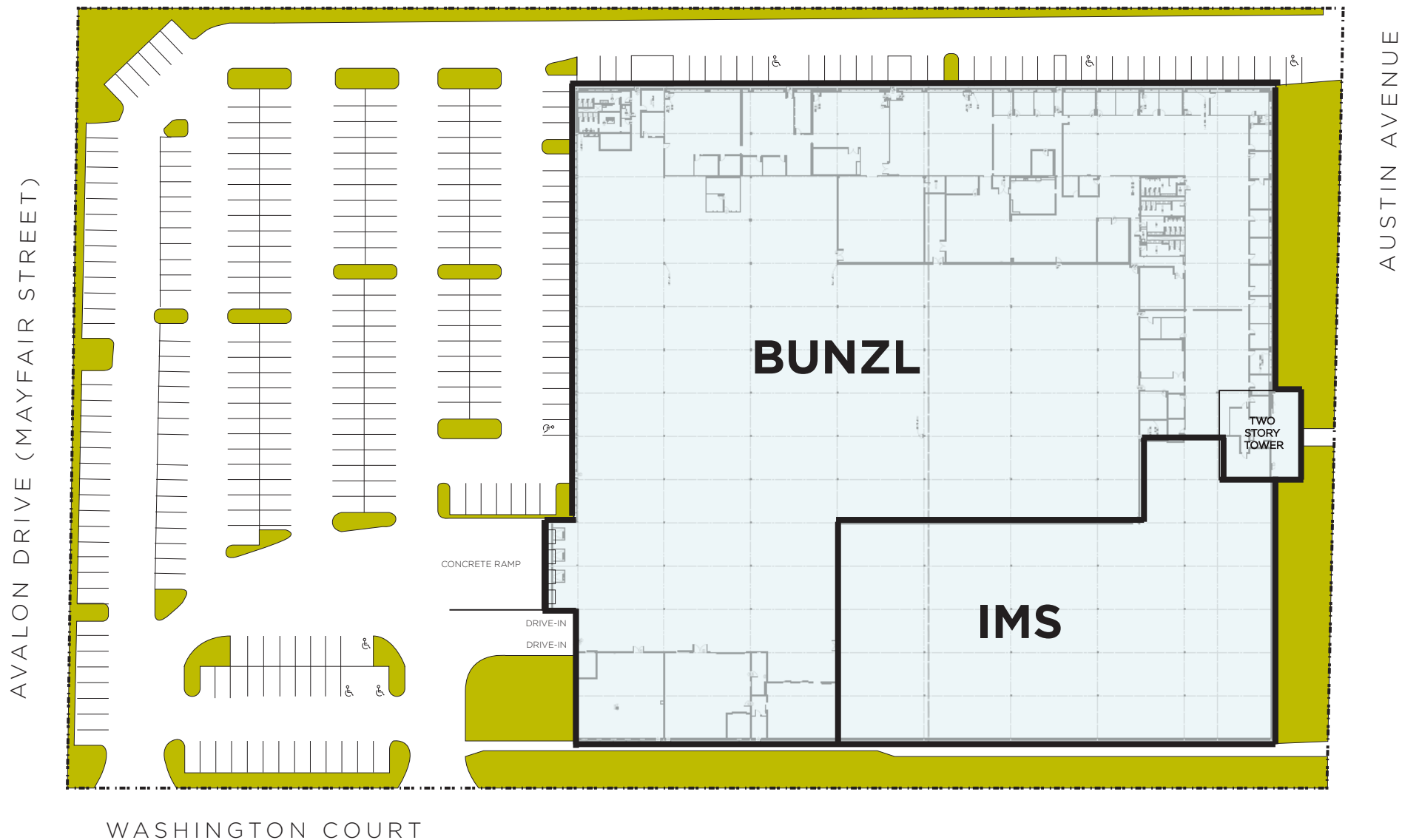
STRONG CASH RETURN WITH REDEVELOPMENT POTENTIAL

The new leases, with contractual rents and annual escalations, will provide a strong current cash return for a new owner. In addition to a strong current income component, the location in Morton Grove, where less than one percent of land remains undeveloped, accessibility to the Property, proximity to existing retail and residential developments, exceptional elementary, middle and high schools, and continued population growth of the near north suburbs all provide strong drivers for an owner to rezone and redevelop the Property for residential or other uses well beyond the current tenant lease terms.

AERIAL VIEW



SITE PLAN





CONTACT INFORMATION

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