

CONFIDENTIAL OFFERING MEMORANDUM

100% Occupied Recently Renovated Retail Strip

649-655 Railroad Avenue // Round Lake, IL 60073



RAILROAD AVE

OFFERED BY:

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BAUM REALTY GROUP, LLC
1030 W. Chicago Avenue, Suite 200
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Offering Summary

Baum Realty Group ("Baum Realty") is pleased to present the Recently Renovated Retail Strip ("the Property"), a 5-tenant building shadow anchored by Ace Hardware and Dollar Tree. The building was built in 1954 and recently renovated in 2008. The property is located in Round Lake, IL located approximately 50 miles northwest of Chicago. The Property is less than 1,000 feet from the Round Lake Metra stop which is also the home to the main retail corridor of Round Lake. The property contains 18,600 SF of gross leasable area spread over 1 building on a 6.01 acre parcel. The Property is 100% leased to a complimentary mix of 5 local tenant that serve the needs of the area residents including a barber, café, indoor playground, martial arts studio, and a banquet hall.

This property is a great investment opportunity to acquire a fully leased, upgraded retail asset with two strong anchoring tenants. With the heavy lift complete, the new owner can bump rents as leases expire. Ownership recently resurfaced the center's parking lot and invested heavily in roofing, exterior lighting and electrical, HVAC, and various interior improvements.

INVESTMENT HIGHLIGHTS

- ▶ Prime location near the busy Nippersink Road within walking distance to Round Lake Metra Station
- ▶ Shadow Anchored by Ace Hardware and Dollar Tree
- ▶ Stable in-place income
- ▶ Daily needs type tenancy largely insulated from impact of e-commerce
- ▶ Main on Main location establishes property a primary retail hub
- ▶ Ownership has completed numerous improvements including resurfacing the parking lot, roof repairs, exterior lighting & electrical upgrades, and tenant specific improvements
- ▶ All leases include personal guarantees from the owners of tenants
- ▶ Roof has a 5 year transferable warranty

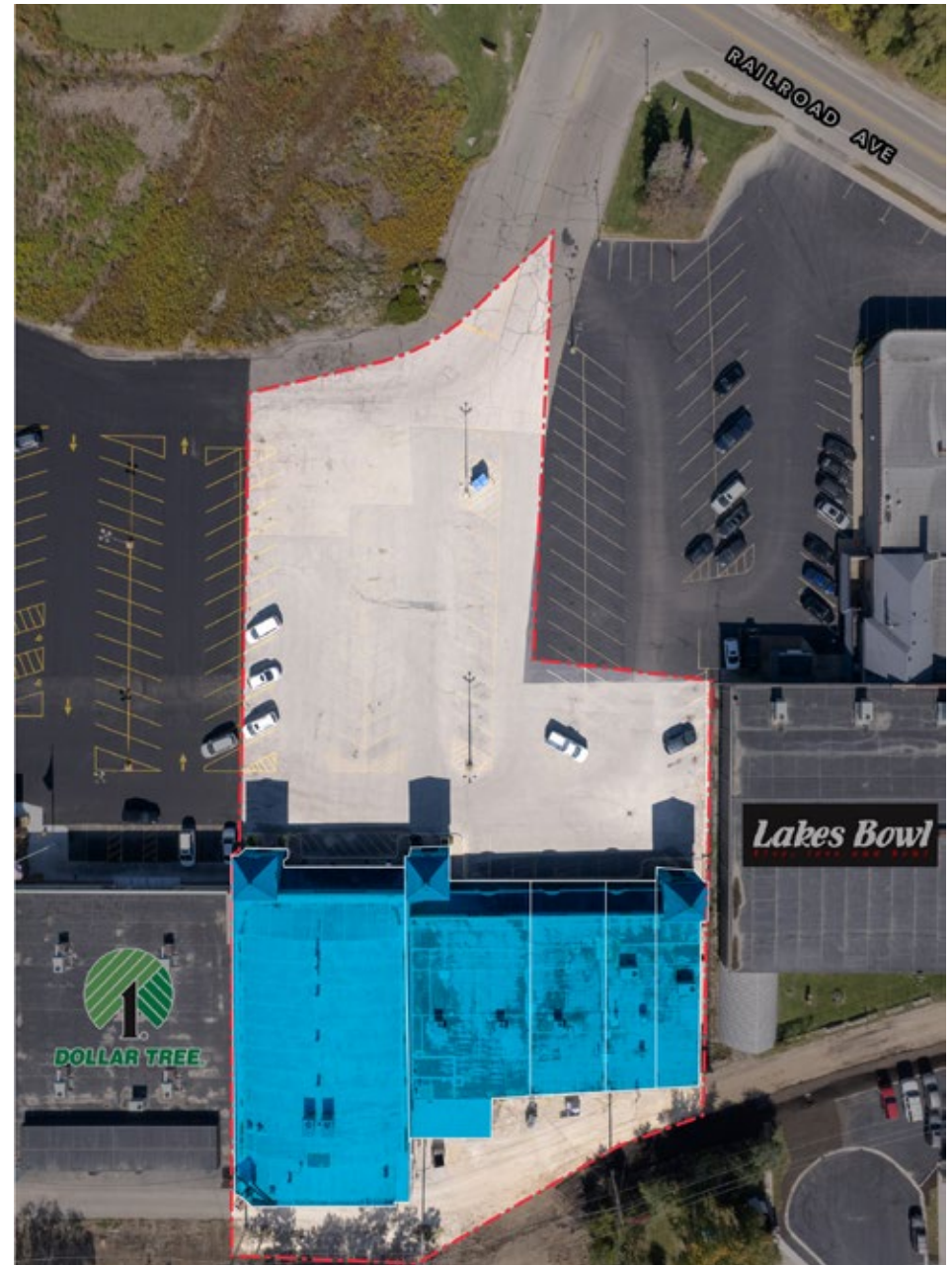


| | |
|-------------------|--------------------|
| PRICE: | \$1,650,000 |
| CAP: | 8.5% |
| NOI: | \$140,240 |
| PRICE PSF: | \$88.70 |

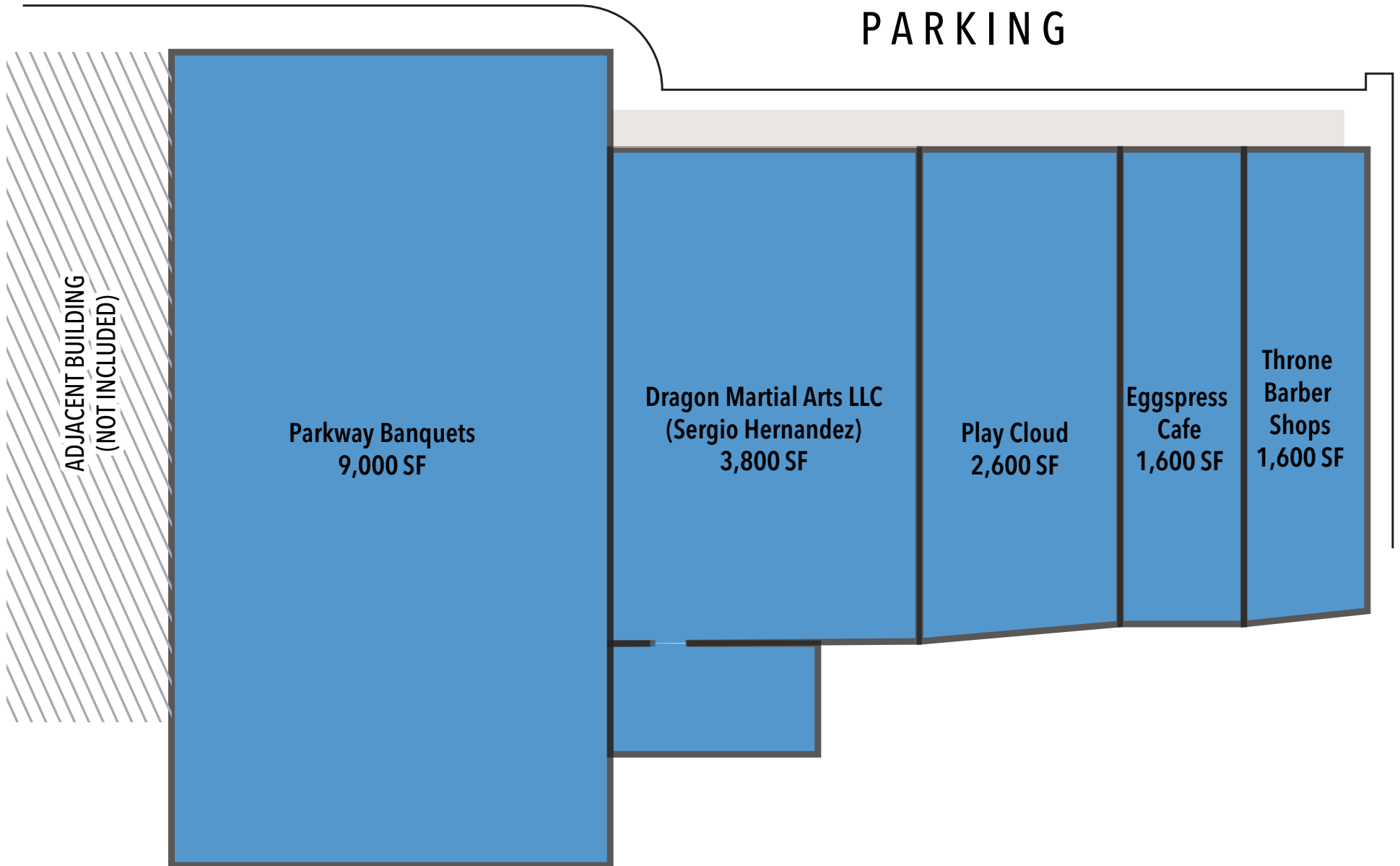
All property tours are to be registered 24 hours in advance with Tyler Dechter:
 tyler@baumrealty.com, 847.767.3342

Property Details

| | |
|-------------------------------|---|
| Address | 649-657 Railroad Avenue Round Lake, IL 60073 |
| Total Building size | 18,600 SF |
| Occupancy | 100% |
| Gross Land area | 6.01 AC |
| Taxes | \$23,218 |
| Description | Multi-tenant retail |
| Year built | 1954, renovated 2008 |
| Zoning | C-2 |
| Tenants | Throne Barber, Eggspress Café, Play Cloud, Dragon Martial Arts, Parkway Banquets |
| County | Lake |
| PINS | 06-29-101-025 |
| Surface parking spots: | 33 |
| Shadow Anchored: | Ace Hardware, Dollar Tree, and Lakes Bowl |
| Roof Warranty | 5-year warranty dated May 2022 |



SITE PLAN



EXTERIOR PHOTOS



INTERIOR PHOTOS

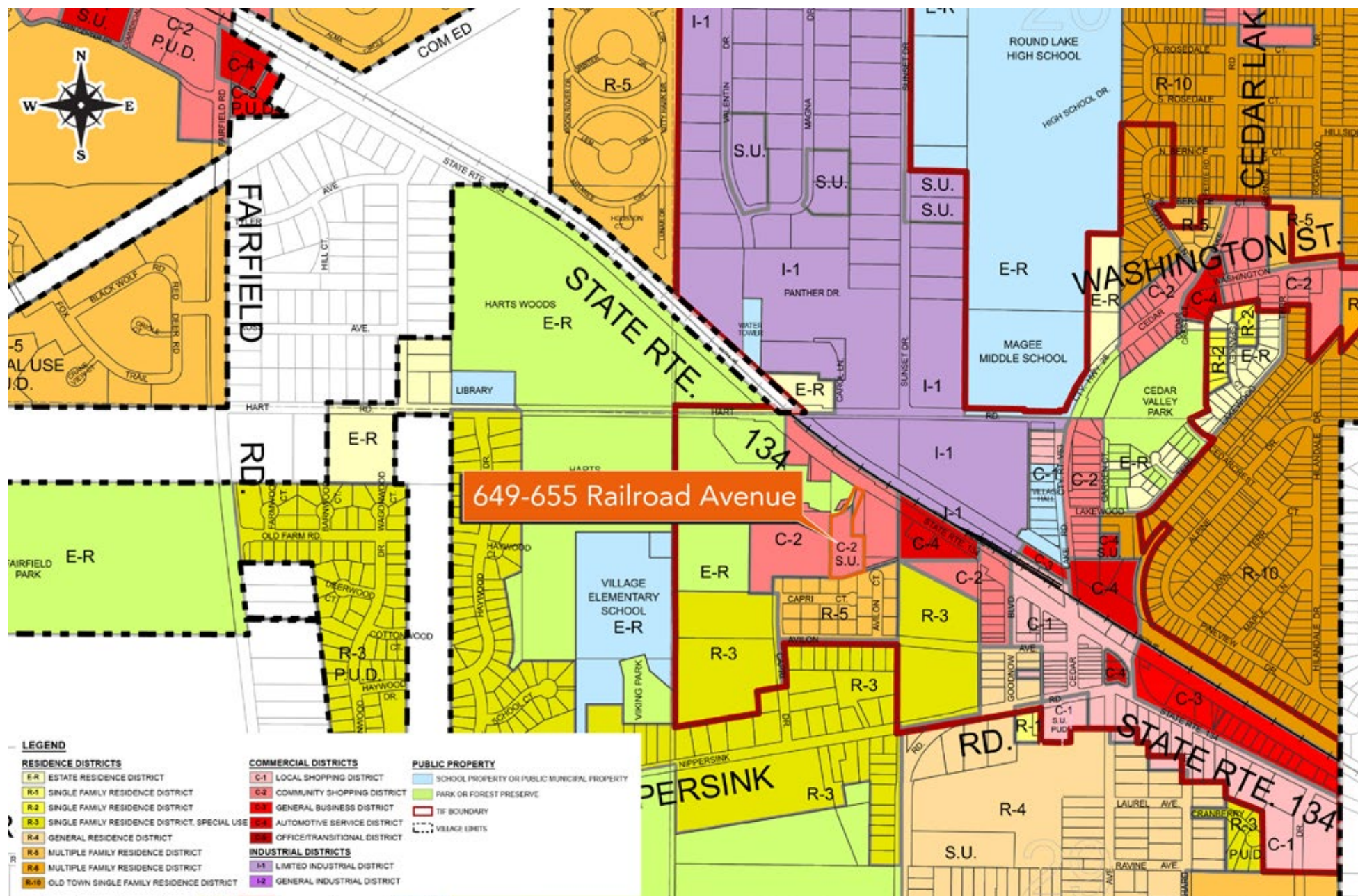


Operating Proforma

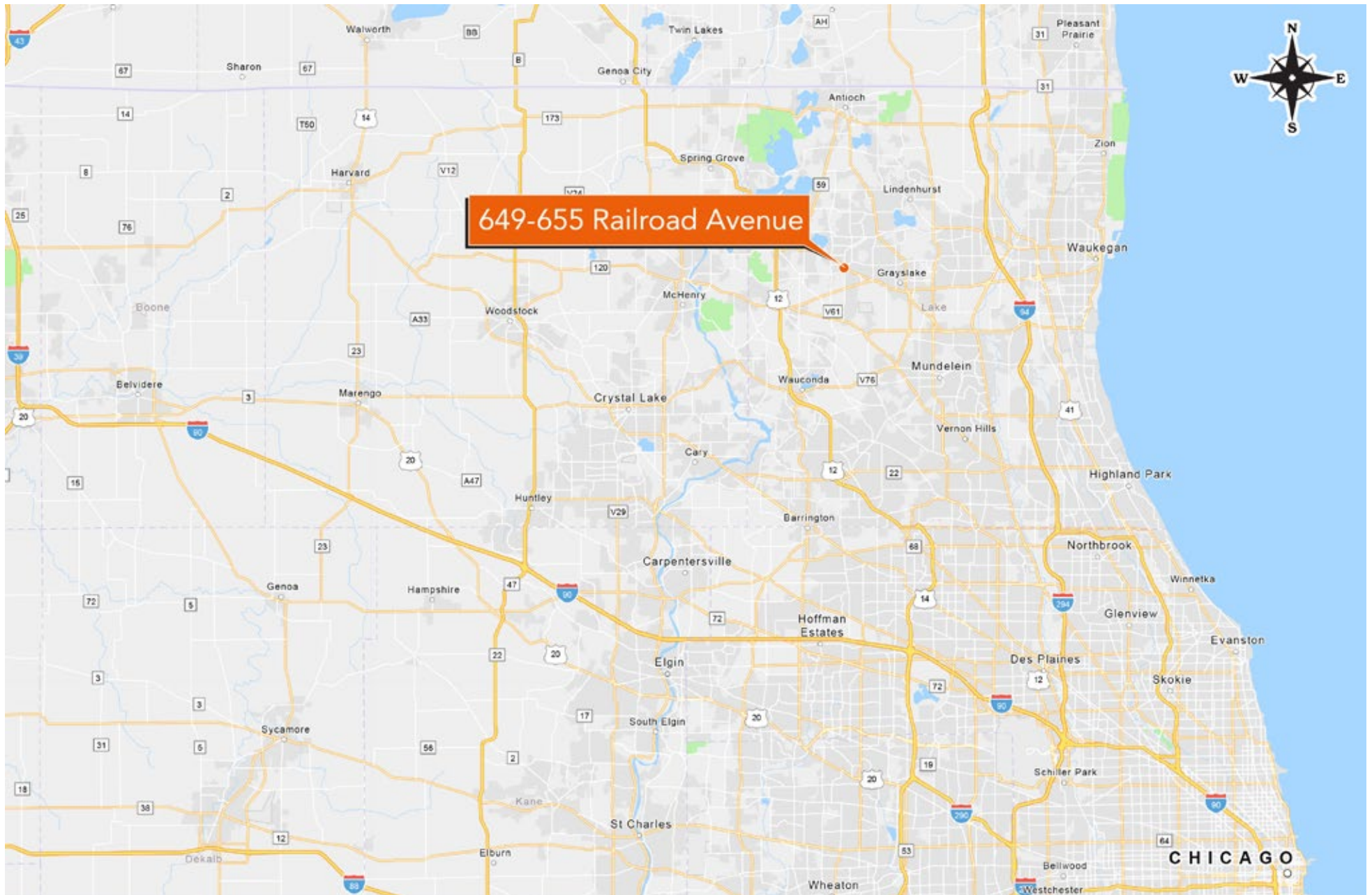
| Tenant | Unit | Lease Type | Lease Start | Lease Expiration | Guaranty | SF | % of GLA | Rent / SF | Annual Rent |
|--|------|------------|-------------|------------------|----------|-----------------------------|---------------|-------------------|-------------------|
| Throne Barber Shops LLC | 649 | Gross | 7/1/22 | 6/30/27 | Personal | 1,600 | 8.60% | \$ 15.00 | \$ 24,000 |
| Eggspress Cafe Round Lake Inc. | 651 | Gross | 7/5/18 | 6/23/23 | Personal | 1,600 | 8.60% | \$ 21.95 | \$ 35,112 |
| ALIVIVI, Inc d/b/a Play Cloud | 653 | MG | 7/1/22 | 6/30/25 | Personal | 2,600 | 13.98% | \$ 12.00 | \$ 31,200 |
| Dragon Martial Arts LLC (Sergio Hernandez) | 655 | Gross | 6/1/21 | 4/30/26 | Personal | 3,800 | 20.43% | \$ 10.18 | \$ 38,688 |
| Parkway Banquets | 657 | MG | 1/1/18 | 12/31/23 | Personal | 9,000 | 48.39% | \$ 7.65 | \$ 68,842 |
| TOTAL | | | | | | | | \$ 197,842 | \$ 197,842 |
| <i>Gross Rental Income</i> | | | | | | <i>Total Leasable Area:</i> | <i>18,600</i> | <i>\$ 10.64</i> | <i>\$ 197,842</i> |
| CAM | | | | | | | | \$ 0.20 | \$ 3,789 |
| Effective Gross Revenue | | | | | | | | \$ 10.84 | \$ 201,631 |
| Vacancy Factor | | | | | | 5% | | \$ 9,892 | |
| <i>Expenses</i> | | | | | | | | | |
| Management Fee | | | | | | 4.00% of GRI | | \$ 0.43 | \$ 7,914 |
| Real Estate Taxes | | | | | | | | \$ 1.47 | \$ 27,282 |
| Insurance | | | | | | | | \$ 0.41 | \$ 7,703 |
| Repairs & Maintenance | | | | | | | | \$ 0.11 | \$ 2,000 |
| Snow Removal | | | | | | | | \$ 0.14 | \$ 2,600 |
| Fire & Sprinkler | | | | | | | | \$ 0.08 | \$ 1,500 |
| Utilities | | | | | | | | \$ 0.08 | \$ 1,500 |
| Administrative & Professional Fees | | | | | | | | \$ 0.05 | \$ 1,000 |
| <i>Total Operating Expenses</i> | | | | | | | | <i>\$ 2.77</i> | <i>\$ 51,499</i> |
| In-Place Net Operating Income | | | | | | | | \$ 7.54 | \$ 140,240 |

NOI calculated using 2022 rental income and 2021 expenses and reimbursements.









Round Lake, IL

Round Lake is a suburb of Chicago in Lake County and is one of four villages that surrounding Round Lake proper that make up the greater Round Lake area. The area offers residents a spacious suburban feel and most residents own their homes. Round Lake offers residents plenty of shopping and dining options in addition to many parks and natural areas. Families and young professionals tend to live in Round Lake. The public schools are above average.

BEST PLACES IN ILLINOIS

Most Diverse Suburbs

#17 of 363



Best Suburbs to Raise a Family

#181 of 363



Best Suburbs to Live

#182 of 363



ACCESS & TRANSPORTATION

Round Lake is located near US-12, IL-83, and IL-120, offering quick travel by car to the surrounding Round Lake communities and nearby suburbs of Gurnee and Waukegan.

The Round Lake Metra train station (MD-N line) provides service north to Fox Lake and south to Chicago. Pace Suburban Bus Service provides on demand local travel.

O'Hare International Airport
±45 min drive

Waukegan National Airport
±30 min drive

AREA FEEL

Spacious Suburban

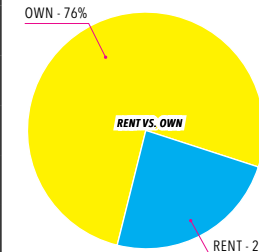


REPORT CARD

B+
OVERALL GRADE

| | | | |
|-----------|--------------------|-----------|------------------|
| B | Public Schools | B- | Crime & Safety |
| B- | Housing | B | Nightlife |
| A- | Good for Families | A+ | Diversity |
| B- | Jobs | C+ | Weather |
| C+ | Cost of Living | B | Health & Fitness |
| A- | Outdoor Activities | C+ | Commute |

INCOME & HOUSING



Median Household Income

\$213,300

Median Home Value

\$82,550

Median Rent

\$1,171

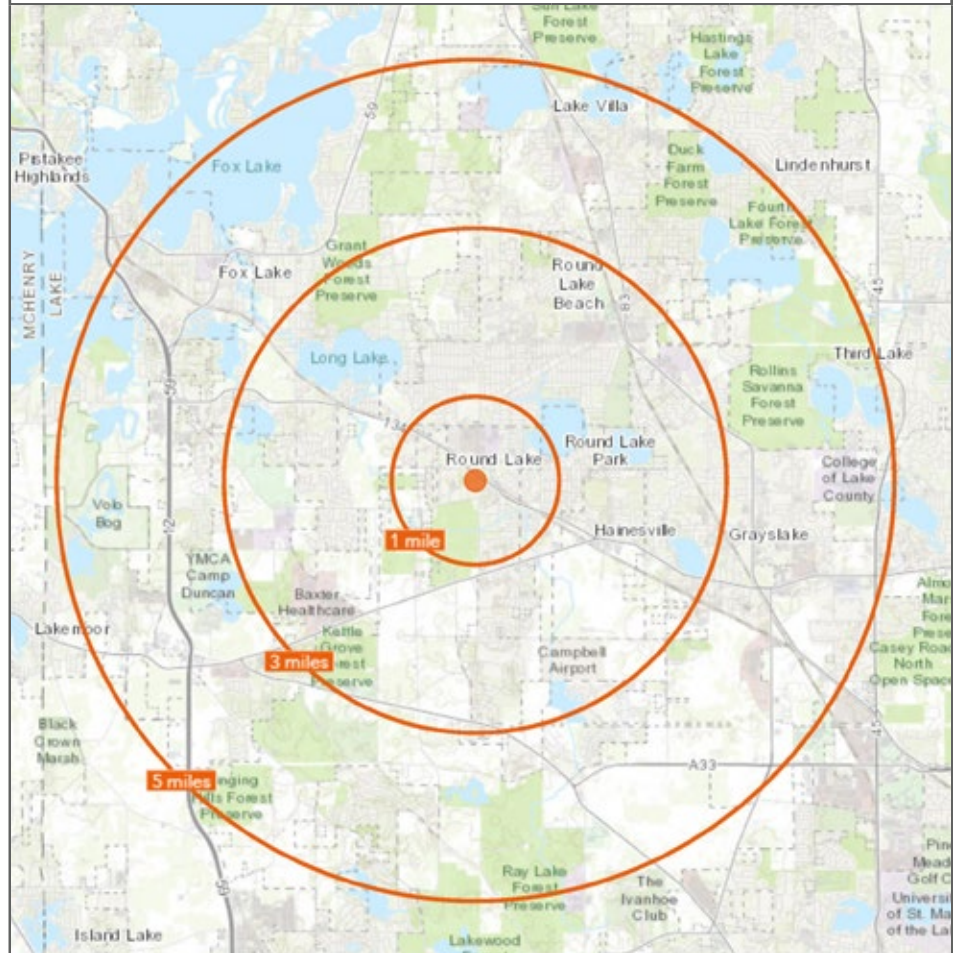
Sources: Village of Round Lake & Niche.com. Niche ranks thousands of places to live based on key statistics from the U.S. Census and expert insights.

DEMOGRAPHIC SUMMARY

| | 1 mile | 3 miles | 5 miles | |
|-----------------------------|---|----------|-----------|-----------|
| Population | 2022 Estimated Population | 10,775 | 72,631 | 124,935 |
| | 2027 Projected Population | 10,809 | 71,829 | 123,746 |
| | 2020 Total Population (U.S. Census) | 10,675 | 73,197 | 125,806 |
| | 2010 Population (U.S. Census) | 10,847 | 73,396 | 122,691 |
| | 2022 Median Age | 32.1 | 34.4 | 36.1 |
| Households | 2022 Estimated Households | 3,368 | 24,155 | 44,244 |
| | 2027 Projected Households | 3,403 | 24,076 | 44,211 |
| | 2020 Total Households (U.S. Census) | 3,342 | 24,209 | 44,305 |
| | 2010 Total Households (U.S. Census) | 3,312 | 23,184 | 41,702 |
| | % HH Projected Growth 2022-2027 | 1.00% | -0.30% | -0.10% |
| | % HH Historical Growth 2010-2021 | 1.70% | 4.20% | 6.10% |
| Income | 2022 Average Household Income | \$92,154 | \$109,494 | \$116,536 |
| | 2022 Median Household Income | \$76,133 | \$85,944 | \$91,172 |
| | 2022 Per Capita Income | \$29,305 | \$36,949 | \$41,167 |
| Business | 2022 Total Businesses | 213 | 1,227 | 2,915 |
| | 2022 Total Employees | 2,366 | 11,809 | 31,042 |
| | 2022 Estimated Daytime Population | 8,090 | 51,976 | 97,400 |
| Education (Age 25+) | 2022 Adult Population (Ages 25+) | 6,545 | 46,332 | 82,279 |
| | 2022 Elementary (Level 0 to 8) | 10.50% | 6.10% | 3.90% |
| | 2022 Some High School (Level 9 to 11) | 8.80% | 6.00% | 4.40% |
| | 2022 High School Diploma | 27.00% | 23.00% | 21.90% |
| | 2022 Some College/No Degree | 19.40% | 19.30% | 19.60% |
| | 2022 Associate Degree | 7.20% | 9.30% | 9.00% |
| | 2022 Bachelor Degree | 15.80% | 21.40% | 24.60% |
| | 2022 Graduate Degree | 4.10% | 10.40% | 12.50% |
| % Any College | 46.50% | 60.30% | 65.60% | |
| Race & Ethnicity | 2022 White Population | 39.00% | 52.60% | 61.60% |
| | 2022 Black/African American Population | 5.70% | 4.70% | 4.10% |
| | 2022 Asian Population | 2.80% | 5.00% | 5.20% |
| | 2022 American Indian/Alaska Native Population | 2.20% | 1.60% | 1.20% |
| | 2022 Pacific Islander Population | 0.10% | 0.10% | 0.10% |
| | 2022 Other Race | 29.30% | 19.30% | 13.70% |
| | 2022 Population of Two or More Races | 20.90% | 16.60% | 14.20% |
| | 2022 Hispanic Population | 14.70% | 15.00% | 16.00% |

Source: Esri, Esri and Infogroup, U.S. Census

| KEY DEMOGRAPHICS | 1 Mile | 3 Miles | 5 Miles |
|---------------------------|----------|-----------|-----------|
| Estimated Population: | 10,775 | 72,631 | 124,935 |
| Daytime Population: | 8,090 | 51,976 | 97,400 |
| Estimated Households: | 3,368 | 24,155 | 44,244 |
| Average Household Income: | \$92,154 | \$109,494 | \$116,536 |



Confidentiality Disclosure

Baum Realty Group, LLC ("Baum Realty") has been retained as the exclusive broker by the Owner of Record ("the Owner") of 649-655 Railroad Avenue in Round Lake, IL in connection with the sale of certain properties ("the Property") as described in this Offering Memorandum.

This Offering Memorandum has been prepared by Baum Realty for use by a limited number of parties, and does not purport to provide a necessarily accurate summary of the physical or economic aspects of the Property or any of the documents related thereto, nor does it purport to be all inclusive or to contain all of the information which prospective investors may need or desire further, the Offering Memorandum is limited to the matters set forth therein. All budgets or projections have been developed by Baum Realty and Owner, and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Baum Realty and therefore are subject to variation. Each of Baum Realty and Owner makes no representation as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Baum Realty and its employees, and Owner, and its trustees, officers, and employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or omissions from the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property Owner as of the date of preparation of the Offering Memorandum.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the property, and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner and the Board of Trustees of Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner's obligations hereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information that is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you acknowledge that you have executed, and have agreed to be bound by, the Confidentiality Agreement with Baum Realty and Owner.

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