

2720

NORTH CLARK

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URBAN INFILL CLASS A RETAIL OFFERING
IN CHICAGO'S LINCOLN PARK

THE OFFERING

Jones Lang Lasalle (“JLL”) has been exclusively retained to offer the opportunity to acquire 2720 N. Clark (the “Property” or the “Offering”), a freestanding, Class A retail property totaling 22,160 square feet on a hard corner in Chicago’s premier Lincoln Park neighborhood. The Property features market-leading credit tenancy from Chicago Public Schools on a brand new ten-year lease, Banana Republic Factory, and Amazon Hub Locker+, providing a diversified tenant roster.

Highly accessible to consumers near the five-way intersection of Clark, Diversey, and Broadway, the Property benefits from its desirable location surrounded by the dense and affluent residential population of Lincoln Park. The Clark Street retail corridor features a dynamic mix of national and boutique retailers serving the many high-rise apartment complexes and single-family homes in the immediate area. With a walk score of 98, the Clark Street retail corridor is one of the busiest in Chicago, anchored by major grocers including Walmart Neighborhood Market, Trader Joe’s, and Target. As the best-in-class submarket in the city, Lincoln Park retail has proven incredibly resilient through 2020 with below-market vacancy and elevated sales volume vs. 2019, as investors remain hyper-focused on the area. There is a dearth of new-construction retail product in Lincoln Park, giving 2720 N. Clark a competitive advantage as one of the only freestanding Class A retail properties in a submarket that has demonstrated a premium for new-construction assets. With eight years of WALT remaining, the deal profile provides a unique opportunity to acquire a stable long-term investment with incredible income diversification in the heart of one of the most sought-after locations in Chicago.

PRICE:
\$16,600,000
CAP RATE: 5.25%

BEST
IN-CLASS

INFILL CHICAGO

RETAIL OFFERING

CLASS A FREESTANDING RETAIL

IN THE HEART OF LINCOLN PARK

INVESTMENT HIGHLIGHTS



22,160 SF with two ground floor units and one second floor unit



100% CREDIT TENANTS featuring a diversified roster of market-leading brands



PROPERTY OCCUPANCY: 100%



WALT: 8 years



CLASS A CONSTRUCTION delivered in 2016



GROWING SPENDING POWER: median age of 32 years old reflects young professionals and families in their prime spending years



40,000+ VPD at the nearby five-way intersection of Clark / Diversey / Broadway



WALK SCORE of 98 – “Walker’s Paradise”



84,500+ RESIDENTS within a 1-mile radius



\$138,000 Average Household Income



GROCERY-ANCHORED retail corridor including Trader Joe’s, Walmart Neighborhood Market, and Target

TENANT	CREDIT	FLOOR	GLA	LEASE BEGIN	LEASE EXPIRATION	REMAINING TERM (YRS.)	RENT INCREASES	OPTIONS
Banana Republic	Ba2 (parent)	1	6,078	Dec-16	Dec-26	5.7	10% every 5 years	2 x 5 years
Amazon	A2	1	2,883	Oct-17	Oct-27	6.5	10% every 5 years	2 x 5 years
Chicago Public Schools	Ba3	2	13,199	Aug-21	Jul-31	10.0	2% annual	2 x 5 years
Total			22,160			8.0		

**TOTAL NOI
\$871,438**

*Rent as of February 1, 2022

TENANCY OVERVIEW

100% CREDIT-TENANT OCCUPANCY



CHICAGO
PUBLIC
SCHOOLS

CPS

'BA3' CREDIT RATING - 3RD LARGEST SCHOOL DISTRICT IN THE UNITED STATES

The Chicago Board of Education is responsible for the governance, organizational, and financial oversight of Chicago Public Schools, the third-largest school district in the United States. Overseeing 642 schools and serving over 355,000 students in the 2019-2020 school year, Chicago Public Schools is funded at the local, state, and federal level with over \$6.9 billion in 2021 budget funding.



BANANA REPUBLIC

'BA2' CREDIT RATING -
3RD LARGEST RETAIL APPAREL BRAND IN THE U.S.

Banana Republic Factory is a division of The Gap, Inc ("The Gap") (NYSE: GPS), one of the most iconic apparel and accessories brands in the world. The company has a solid market position in the specialty apparel market, ranking as the third largest retail apparel brand in the U.S. by top-line revenue. Investments in its omni-channel online and mobile business have strengthened the The Gap's operational profile and improved customer experience, as online sales grew to over \$6 billion, (approximately 45% of sales) in 2020.

AMAZON HUB LOCKER+

'A2' CREDIT RATING - WORLD'S LARGEST E-COMMERCE COMPANY

The Property is an Amazon Hub Locker+ store, one of the few retail facility types in Amazon's model. With locations in over 900 cities across the U.S., Amazon Hub Locker+ locations offer fast, convenient, staffed locations for picking up Amazon packages and returning items fulfilled by Amazon. The value proposition is especially useful in urban settings with a high density of surrounding apartment complexes and homes with front-porch delivery, which often have no security, small mailboxes, and no doormen to monitor packages. Amazon has ramped up its Hub Locker program rollout aggressively since 2019 and through the pandemic, as the convenient locations surge in popularity as ecommerce sales continue to grow.





TARGET

Walgreens

TRADER JOE'S

2720 N. CLARK ST.

URBAN OUTFITTERS

STARBUCKS

T.J. MAXX

Stars Donuts

BLU MERCURY

DIVERSEY/CLARK/BROADWAY INTERSECTION

CENTURY LANDMARK THEATRES

ADVOCATE ILLINOIS MASONIC MEDICAL CENTER

PETCO

BINNY'S



Walmart Neighborhood Market



WRIGLEY FIELD



PRIME CORNER REAL ESTATE
IN ESTABLISHED RETAIL CORRIDOR

HIGH-FOOT TRAFFIC POCKET IN CHICAGO'S MOST COVETED NEIGHBORHOOD

LINCOLN PARK

Lincoln Park is a highly-coveted Chicago neighborhood on the city's near north side, bordered by the beautiful shores of Lake Michigan to the east. Lincoln Park includes high-end shopping and housing stock, fine dining, a vibrant nightlife, and ample green space, including the world-famous Lincoln Park Zoo and North Pond Nature Sanctuary immediately east of Clark Street. The historic neighborhood is well-established with a diverse blend of urban professionals, students, and families. In addition to being bound by the lake to the east, the neighborhood is surrounded by similarly affluent neighborhoods in Lakeview to the north, Gold Coast/Old Town to the south, and Bucktown/Wicker Park to the west.



WALKER'S PARADISE
WALK SCORE OF 98



SYNERGISTIC RETAIL MIX
IN THE GROCERY-ANCHORED
CLARK STREET CORRIDOR



HIGHLY ACCESSIBLE LOCATION
TO OVER 84,500+ RESIDENTS WITHIN A 1-MILE RADIUS IN A
DENSE RESIDENTIAL NEIGHBORHOOD



OVER \$1B IN RETAIL
EXPENDITURES WITHIN A MILE OF THE PROPERTY



LINCOLN PARK HAS THE
6TH LARGEST
CLUSTER OF MILLENIALS IN THE COUNTRY

INSTITUTIONAL CLASS, FLAGSHIP RETAIL BUILDING IN A HIGH-BARRIER TO ENTRY MARKET



LINCOLN PARK RETAIL SUBMARKET STANDS ABOVE THE REST



LESS THAN 7% of retail inventory has been constructed since 2016 or is currently under construction.



Fungible & **PREFERRED TENANT SUITES** supported by **COMFORTABLE IN-PLACE RENTS**



Over the past five years, Lincoln Park has remained a very liquid investment market, as noted by the submarket's **HIGHEST INVESTMENT SALES YEAR ON RECORD IN 2020**, with sales volume growing by 69% year-over-year.



PRICE PER SQUARE FOOT on sales in Lincoln park is **55% HIGHER THAN THE MARKET AVERAGE**



VACANCY in Lincoln Park tightened vs. 2019 to as low as **5.7% IN Q4 2020** and currently stands at 5.9% as of Q1 2021, **20 BPS** below the Chicago market average.

**PROVEN INVESTOR AND TENANT PREFERENCE FOR NEW CONSTRUCTION
PRODUCT RESULTS IN A SIGNIFICANT RENT PREMIUM TO MARKET**

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