

**EVANSTON  
METROCENTER**  
1007 CHURCH STREET



Jones Lang LaSalle Americas (Illinois), L.P. ("JLL")



# THE OFFERING

**Jones Lang LaSalle (Illinois), L.P. (“JLL”)** has been exclusively retained to arrange the sale of Evanston MetroCenter (the “Property”), a transit-oriented office building with dual investment grade anchors. Located just steps away from the Davis Station, which houses both the Metra and CTA lines, the Property has unrivaled access to various labor pools in both the suburbs and downtown. Home to multiple investment grade tenants, including Accuity (parent RELX Inc.; S&P: BBB+) and Northwestern University (S&P: AA+), the Property boasts a weighted average lease term of 6.0 years, providing long-term income stability for an investor. Evanston MetroCenter has recognized remarkable leasing success in 2020 and 2021, with occupancy reaching 91.3%. The combination of commercial zoning requirements and lack of feasible development sites in downtown Evanston result in limited Class-A office product, further positioning the rare Property as one of the few premier assets in this vibrant downtown. Evanston MetroCenter provides an investor the opportunity to acquire a core Class-A office asset with exceptional transit access and investment grade tenancy in the heart of Evanston.

## KEY PROPERTY STATISTICS

<b>Building Address</b>	1007 Church Street, Evanston IL
<b>Rentable Area</b>	166,332 RSF
<b>Percent Leased (as of Oct 2021)</b>	91.3%
<b>WALT (as of Oct 2021)</b>	6.0 Years
<b>Tenants</b>	15
<b>Floors</b>	8 Stories
<b>Typical Floor Plate</b>	22,377 RSF
<b>Completed / Renovated</b>	1984 / 2017
<b>Architect</b>	Helmut Jahn
<b>Parking Spaces<sup>(1)</sup></b>	306

(1) Located in a parking garage across the street at 1720 Oak Avenue, which is included as part of the Offering.





**166,332**

RENTABLE SQUARE FEET

**91.3%**

LEASED

**6.0 Yrs**

WEIGHTED AVERAGE  
LEASE TERM

**92**

WALK SCORE



TRANSIT-ORIENTED LOCATION

## **Supply Constrained**

EVANSTON OFFICE MARKET

## **Strong Leasing Success**

2020 & 2021 ACTIVITY ACCOUNTS FOR OVER 20% OF BUILDING RSF

## **Investment Grade Tenancy** 55% OF PROPERTY RSF



**BBB+**

S&P  
PARENT RELX INC.

**AA+**

S&P

**AA-**

S&P

## **Mark-to-Market Potential**



## Unrivaled Transportation + Access

Located just north of Chicago on the shores of Lake Michigan, Evanston is a vibrant community known for its walkable urban environment, incredible access to public transportation, phenomenal restaurant scene and pro-business attitude. Also home to world-renowned Northwestern University, Evanston appeals to millennials and baby boomers alike who want to live in the best of urban and suburban environments.

- + Evanston MetroCenter is just a one block walk to the Davis Station, which houses Metra's Union Pacific/North Line. The Metra is approximately a 25-minute ride from the Davis Station to the Chicago CBD and also connects to the surrounding affluent North Shore suburbs.
- + The Davis Station is also serviced by the CTA Purple Line, commonly referred to as the "El". The Purple Line provides direct access to the Chicago CBD and other CTA lines.
- + The Property is one block west of Ridge Avenue, one of the major North/South arteries of the City of Evanston.
- + Evanston MetroCenter also provides access to covered parking at 1720 Oak Avenue. The strong parking ratio of 1.84 coupled with public transit options allows businesses to tap into various labor pools of the Chicago CBD, the surrounding suburban markets and the North Shore.





MINUTE DRIVE

5 MINUTE DRIVE

EMERSON ST



NORTHWESTERN  
UNIVERSITY

CHICAGO AVE

ARK ST

ORRINGTON AVE

CHURCH ST

DAV



OUTDOOR PATIO



## Supply Constrained Micro Market

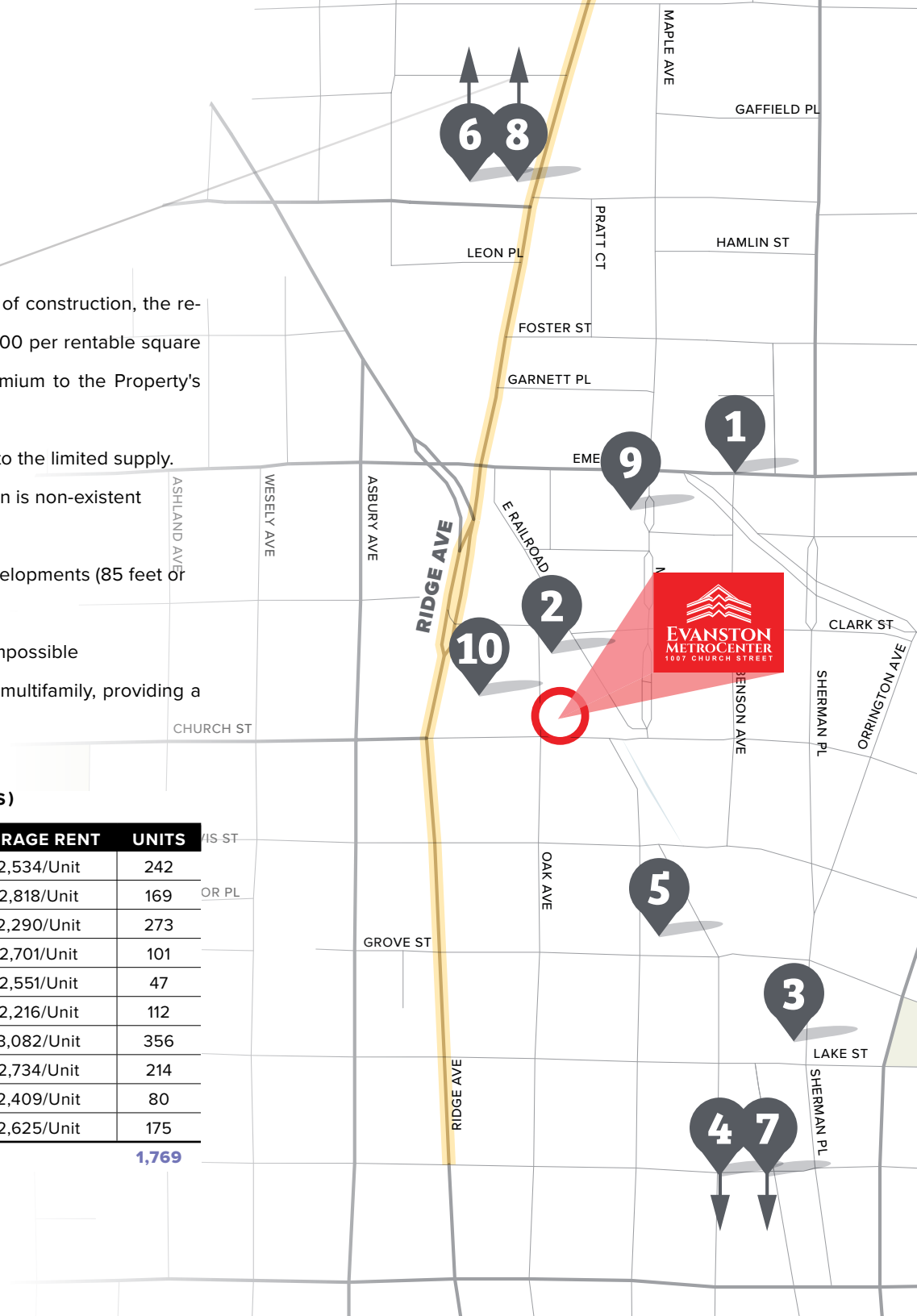
- + Due to the dearth of available land sites in Evanston and the rising cost of construction, the replacement cost of similarly, well-located assets would be in excess of \$400 per rentable square foot. New developments would require gross rents at a significant premium to the Property's current gross market rents of \$41.00 PSF.
- + Class A office product has always been in high demand in Evanston due to the limited supply.
  - Vacant land possessing quality utility for office development in Evanston is non-existent
  - Maximum FAR of 4.5 in downtown district D-3 deters many developers
  - The City of Evanston maintains a general height restriction for new developments (85 feet or approximately eight stories)
  - Stringent parking requirements make new office development nearly impossible
- + The highest and best use of available development sites in Evanston is multifamily, providing a hedge against future speculative office development in the area

### EVANSTON MULTIFAMILY DEVELOPMENTS (PAST 10 YEARS)

	PROPERTY NAME	ADDRESS	YEAR BUILT	AVERAGE RENT	UNITS
1	The Link	811 Emerson St	2020	\$2,534/Unit	242
2	Avidor Evanston	1727 Oak Ave	2020	\$2,818/Unit	169
3	Albion Evanston	1500 Sherman Ave	2019	\$2,290/Unit	273
4	Centrum Evanston	1571 Maple	2017	\$2,701/Unit	101
5	1620 Central	1620 Central	2017	\$2,551/Unit	47
6	The Main	847 Chicago Ave	2016	\$2,216/Unit	112
7	E2	1890 Maple Ave	2015	\$3,082/Unit	356
8	AMLI Evanston	739-749 Chicago Ave	2013	\$2,734/Unit	214
9	Central Station	1720 Central Ave	2013	\$2,409/Unit	80
10	1717 Evanston	1717 Ridge Ave	2013	\$2,625/Unit	175

**TOTAL**

**1,769**





**Limited Supply of Class-A Office**  
 With limited office supply in Evanston, the Property is ideally positioned in the marketplace. Evanston MetroCenter offers Class-A product at a slight discount when compared to the competitive set and offers a strong parking ratio of 1.84.

**1.84**

PARKING RATIO OUTPERFORMS THE COMPETITIVE SET BY 50%

**21%**

BELOW-MARKET RENTS IN BUILDING

**400ft**

TO DAVIS STREET METRA STATION

**0.2mi**

TO DAVIS STATION CTA STATION

**Rare Private Tenant Decks & Outdoor Terrace**

**EVANSTON METROCENTER COMPETITIVE SET**

	<b>EVANSTON METROCENTER</b>	<b>909 DAVIS</b>	<b>1603 ORRINGTON</b>	<b>1560 SHERMAN</b>	<b>500 DAVIS</b>	<b>AVERAGES</b>
<b>Delivery Year</b>	1984 / Renovated 2017	2002	1969	1977	1978	-
<b>RBA</b>	166,332	195,245	287,502	369,500	126,799	-
<b>Occupancy</b>	91.3%	93.3%	86.1%	98.9%	92.9%	<b>91%</b>
<b>Parking Ratio</b>	1.84	0.94	1.01	1.04	1.97	<b>1.23</b>
<b>Gross Asking Rents</b>	\$41.00	\$42.47	\$45.48	\$48.59	\$40.26	<b>\$44.72</b>

(1) Evanston MetroCenter rental rates reflect modified gross structure net of electricity.  
 (2) 1603 Orrington rentable building area excludes lower level space.



**11%** ANNUAL  
RENT  
GROWTH

2021 **COREFX**  
**\$40.00/RSE (Gross)**

2020 **Ornuo**  
**\$38.50/RSE (Gross)**

2019 **NORTHSIDE FOOT & ANKLE**  
**\$37.00/RSE (Gross)**

2017 **Ansys**  
**\$32.50/RSE (Gross)**

2016 **ACCUITY**  
**\$25.14/RSE (Gross)**

## **Recent Leasing Success at the Property**

- + Evanston MetroCenter experienced exceptional leasing velocity in 2020 and 2021, totaling 34,867 RSF and bringing current occupancy levels up to 91.3%.
- + Of the recent leasing, 50% of rentable square feet represent tenants new to the Property. Such tenancy includes CoreFX, who recently executed a lease for the 8th floor at a strong gross rental rate of \$40.00/RSF, LifeStance Health, who will be moving in to the 3rd floor and paying a gross rate of \$40.50/RSF, and the Evanston Chamber of Commerce in Suite 106 also at \$40.50/RSF. These strong rental rates coupled with the velocity underscore the demand for office space as tenants prefer to live and work in Evanston.
- + In addition to recent leasing, Evanston MetroCenter has also recognized substantial rental rate appreciation historically. Since 2016, the Property has enjoyed average annual growth of 11%, which far exceeds submarket performance.

**34,867**  
RSF LEASED  
2020-2021 YTD





# Institutional Quality Rent Roll Anchored by Investment Grade Credit

Evanston MetroCenter is home to multiple investment grade tenants including Accuity (Parent RELX; S&P: BBB+), Northwestern University (S&P: AA+), and NorthShore University HealthSystem (S&P: AA-). Together they account for 55% of the rentable square footage of the building and have a combined remaining average lease term of 5.6 years. Evanston MetroCenter has also been home to the North American headquarters of Ornuva Foods for the past 14 years. A subsidiary of theirs, CoreFX Ingredients, was in need of additional room and recently expanded into contiguous space on the 8th floor.



NORTHWESTERN KITCHEN

<b>ACCUIITY</b> <i>Regional Headquarters</i>			
<b>25.6%</b> OF NRA	<b>Parent REX BBB+</b> S&P GLOBAL	<b>RELX</b> NYSE	<b>2016</b> COMMENCEMENT DATE

<b>Northwestern   Kellogg</b>			
<b>24.6%</b> OF NRA	<b>AA+</b> S&P GLOBAL	<b>4th</b> TOP MBA PROGRAM IN COUNTRY IN 2021 <i>(U.S. News &amp; World Report)</i>	<b>2007</b> COMMENCEMENT DATE

<b>NorthShore</b> University HealthSystem		WatsonHealth <b>100</b> Top Hospitals*	<i>Only Hospital in U.S. to Achieve this Honor 22 times</i>
<b>5.5%</b> OF NRA	<b>AA-</b> S&P GLOBAL	<b>\$2.1B</b> ANNUAL REVENUE	<b>1998</b> COMMENCEMENT DATE

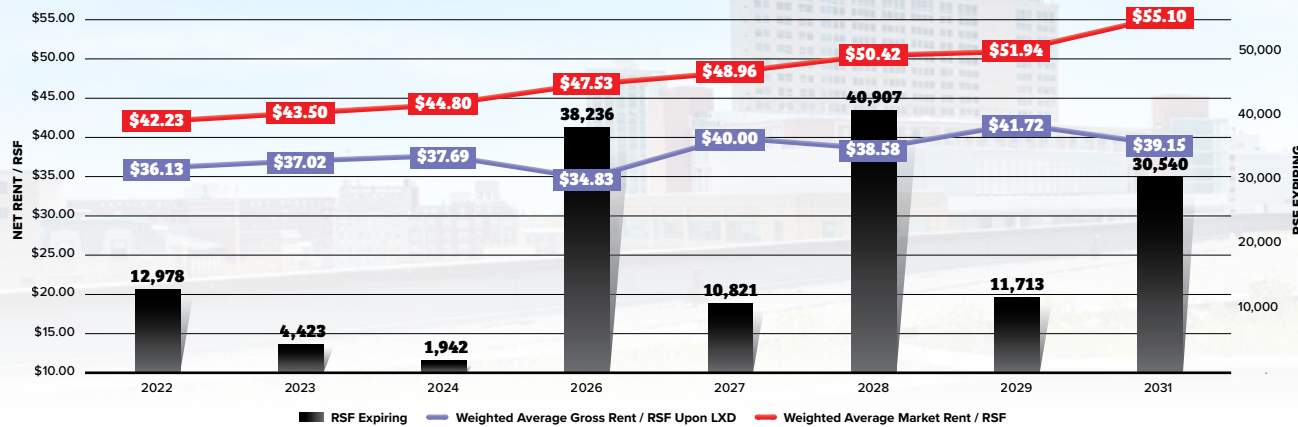
<b>Ornuva</b> <b>COREFX</b>			
<b>15.0%</b> OF NRA	<b>Headquarters</b> NORTH AMERICA	<b>8.0 Years</b> COMBINED WALT	<b>8th Floor</b> RECENT EXPANSION



## Immediate In-Place Cash Flow with Mark-to-Market Potential

- Currently 91.3% leased with 6.0 years of weighted average lease term, Evanston MetroCenter provides an investor with unmatched income stability.
- Cash flow is backed by locally entrenched tenancy, such as Northwestern University and NorthShore University HealthSystem
- The Property offers tremendous mark-to-market upside, with gross market rents in the building 28.9% below market, presenting an investor a material opportunity to increase NOI.

### RENTS UPON EXPIRATION VS. MARKET RENTS



	2022	2023	2024	2026	2027	2028	2029	2031
<b>% BELOW MARKET</b>	<b>14.5%</b>	<b>14.5%</b>	<b>15.9%</b>	<b>26.7%</b>	<b>18.3%</b>	<b>23.5%</b>	<b>19.7%</b>	<b>28.9%</b>

**\$34<sup>83</sup>**

AVERAGE IN-PLACE  
GROSS RENT

**\$41<sup>00</sup>**

MARKET RENT

ACCQUITY PRIVATE ROOF DECK







ACCUITY KITCHEN



ORNUA PRIVATE ROOF DECK



CAFÉ



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