

1323 W. IRVING PARK RD

CONFIDENTIAL OFFERING
MEMORANDUM



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



1323 W. IRVING PARK RD

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1323 W. IRVING PARK RD



CLARK STREET

EXECUTIVE SUMMARY

Jones Lang LaSalle Americas (Illinois), L.P. ("JLL") as sole and exclusive agent, has been retained to offer for sale to qualified investors the ability to acquire fee simple interest in a premier investment/development opportunity located at 1323 W. Irving Park Road in Chicago, Illinois ("the Property").

Prominently located on the northern end of both the Wrigleyville neighborhood and Southport Corridor, 1323 W Irving Park benefits from the tremendous activity and infectious energy in this rapidly expanding submarket. Known for its proximity to world-famous Wrigley Field, the neighborhood has experienced more than \$3 billion in investment over the past three years.

Currently improved as a single-story Burger King restaurant and parking lot, the Property is zoned B3-2. The site totals 31,544 square feet and has 129' of frontage on W Irving Park Road.



IRVING PARK ROAD

SOUTHPORT AVENUE

INVESTMENT HIGHLIGHTS

Rapidly Growing Residential Market



Chicago is experiencing steady population growth within the investable core due to rapidly increasing employment opportunities due a lower cost of labor and housing compared to coastal cities. Between 2010 - 2021 Chicago's population added over 261,000 new residents. Demand for new housing has been strong and from 2018-2021, over 7,125 multifamily units have been absorbed in Chicago. As of Q1 2021, Class A multifamily occupancy is 92.4% with demand set to outpace supply in 2021 and 2022.

In-Place Rental Revenue



The Property currently operates as a Burger King restaurant, under lease agreement which expires September 2023. The Burger King operators currently pays a base rent of \$30,000 annually in addition to a percentage rent of 5% of gross sales in excess of \$550,000. The percentage rent has fluctuated between \$ 45,000 and \$50,000 from 2018 through 2020, resulting in net rents between \$24.00 and \$25.25 per square foot.

Transit Oriented



1323 W Irving Park is ideally located less than a 10 minute walk from the CTA's Sheridan Red Line and Irving Park Brown Line L stations. Additionally, the Property is a few blocks away from high frequency bus routes: Ashland Ave #9 and Clark Street #22. The Property is immediately adjacent to a Divvy bike share station located at W. Irving Park Road and Southport Avenue. Finally, Irving Park Road allows for easy accessibility to I-90/94 and US Highway 41 (Lake Shore Drive) representing true infill transit-oriented development opportunity.

Stable and Vibrant Economy



The Chicago MSA is a leading economic powerhouse in the US, third to only New York and Los Angeles. With over 300,000 jobs located in the loop alone, Chicago is home to 34 Fortune 500 companies, representing a diverse group of industries, immune to any single sector downturn. Continued public investment has been pledged to ensure the continued growth of the fast-paced tech and innovation sectors of Chicago's economy.



1323 W. IRVING PARK RD

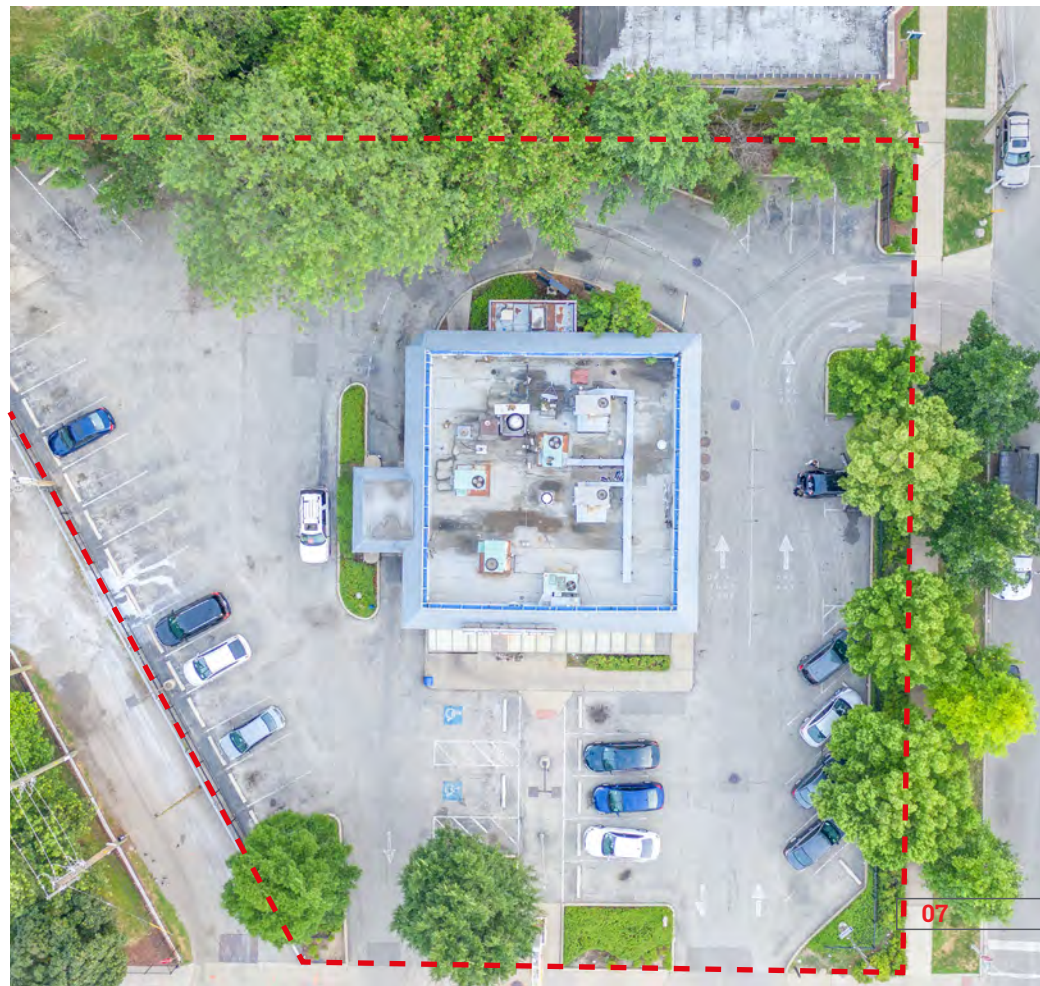
PROPERTY OVERVIEW

1323 W. Irving Park represents a rare infill development opportunity in the high barrier to entry Wrigleyville neighborhood with in-place rental income to assist with carry costs prior to construction. The Property is on the south side of West Irving Park Road between Clark Street and Southport Avenue in the dynamic Wrigleyville neighborhood, on the northern stretch of the exploding Southport Corridor. Wrigleyville is Chicago's most recognizable and energetic community which is experiencing significant new investment by the Rickett's Family to Wrigley Field and surrounding area by private developers such as Bucksbaum and M&R. The neighborhood is characterized by its abundance of entertainment options, club/bars, unique restaurant options and adjacency to Lake Michigan. Lincoln Park and Chicago's CBD. The area is well served by transit via the CTA's Red/Purple/Brown Line trains. Wrigley Field, a major Chicago and national attraction, is just a few short blocks south from the Property.

THE PROPERTY

ADDRESS	1323 W Irving Park Road
SUBMARKET	Wrigleyville
ALDERMAN	47th Ward - Matthew J. Martin
LAND AREA	31,544 square feet .72 acres
BUILDING SIZE	3,401 square feet
CURRENT USE	Burger King Restaurant + Parking Lot
BURGER KING LEASE EXPIRATION	September 28th, 2023
RENEWAL OPTION	None
BASE NNN RENT	\$30,000 per year
PERCENTAGE RENT	5% above \$550,000 (Est. \$45,000 - \$55,000)
CURRENT ZONING	B3-2 (Community Shopping District) FAR 2.2
TRANSIT ORIENTED DEVELOPMENT (TOD)	FAR 4.0
DENSITY BONUS	
PIN	14-20-103-072-0000
REAL ESTATE TAXES	\$72,997 (Paid 2018)
TRANSIT	Sheridan CTA Station 9 min walk, Irving Park CTA Station 10 min walk
TRAFFIC COUNT	W Irving Park Rd: 45,406 vehicles
FRONTAGE	Irving Park Rd- 129 feet / Wayne Ave- 176 feet / Lakewood Ave- 202 feet





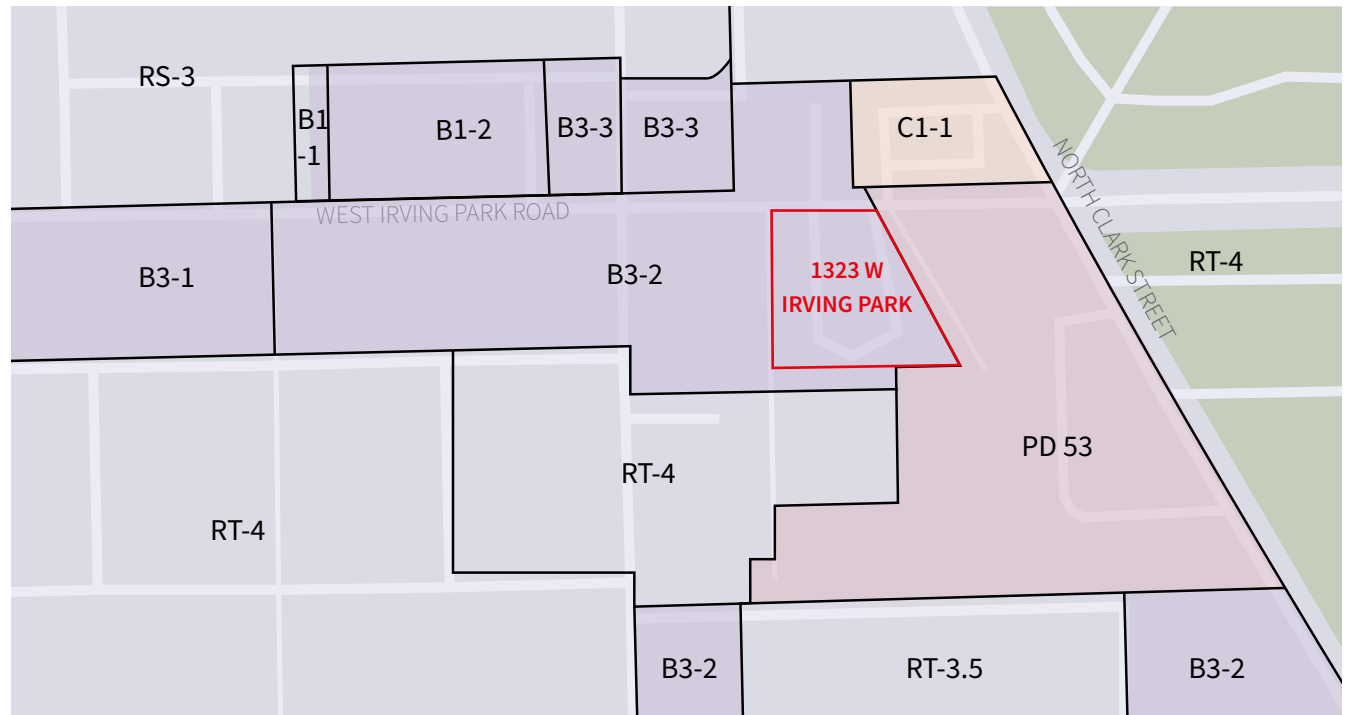
1323 W. IRVING PARK RD

LOCATION OVERVIEW

1323 W. Irving Park Road is zoned B3-2 which accommodates a broad range of residential, retail and commercial uses. The as-of-right zoning allows for retail with residential above which is believed to be the highest and best use. 1323 W. Irving Park Road may qualify as a Transit Oriented Development (TOD) given the sites proximity to the Ashland Avenue bus corridor. The eligibility of the site as a TOD will be subject to the 47th ward Alderman Matthew Martin's direction and community driven review process.

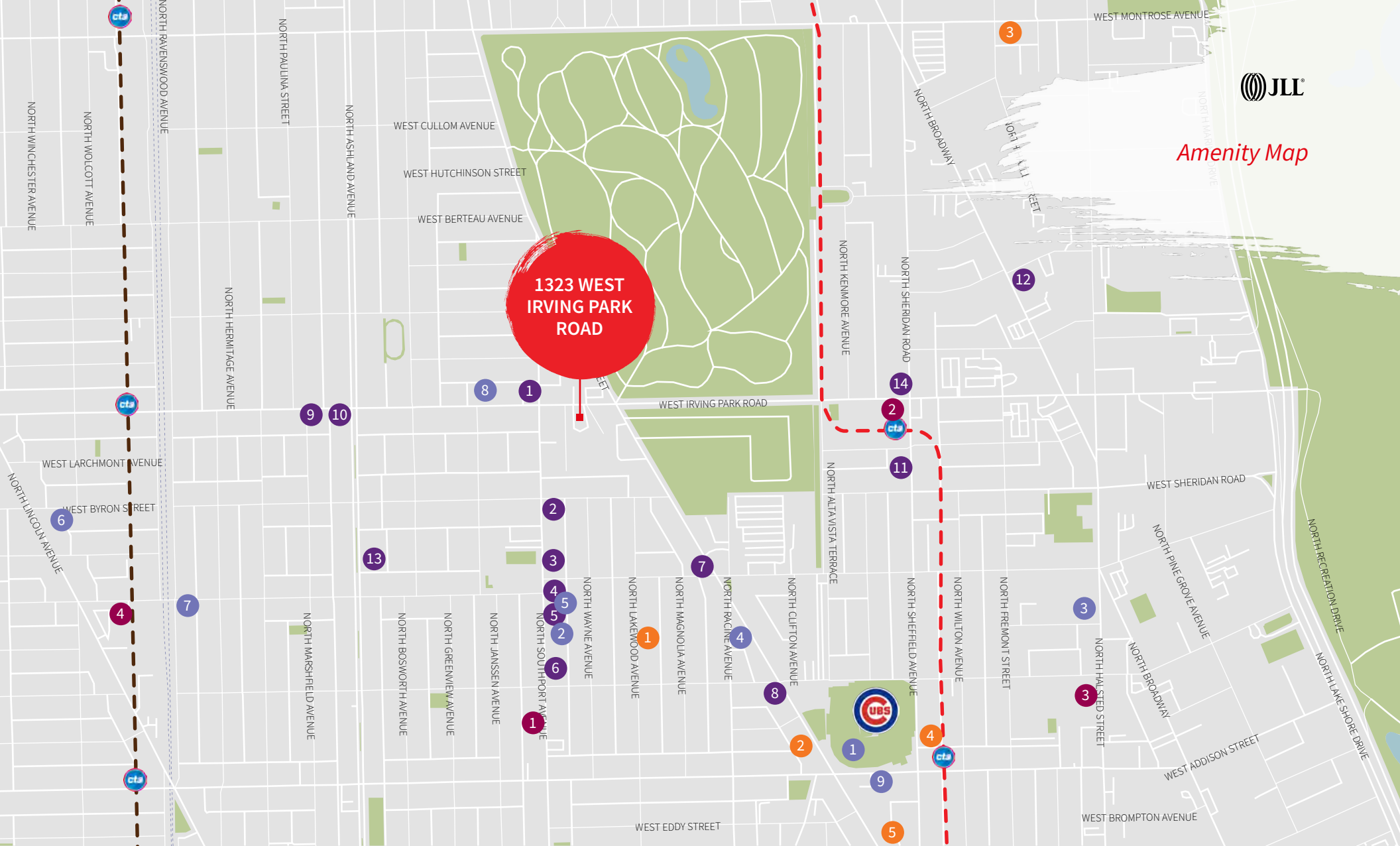
B3-2 Zoning

- ▶ Maximum Floor Ratio: 2.2 FAR
- ▶ Maximum Building Height: 50 ft with retail; 45 ft without retail
- ▶ Minimum Lot Area (MLA): 1,000 sf per dwelling unit, 700 sf per efficiency unit, 700 sf per SRO unit
- ▶ Maximum Efficiency Units: 20%



Transit Oriented Development (TOD)

- ▶ Property located within 1,320' or 2,640' (along a pedestrian street) from a qualifying train or bus route are eligible for TOD density bonuses and reduced MLA and parking requirements.
- ▶ The subject property is +/- 2,083' from the Sheridan Red/Purple Line and +/- 1,498' from the Ashland Ave Bus route
- ▶ TOD eligible sites can capture 0.50 - 1.0 FAR Bonuses, reduced parking to as little as zero stalls and reduced MLA requirements: 300 sf per dwelling unit, 200 sf per efficiency unit, 135 sf per SRO unit



Restaurants

- | | |
|--------------------------------|--|
| 1) Southport & Irving SIP | 8) Casey Morans |
| 2) Toons Bar & Grill | 9) The Piggery |
| 3) Kai sushi | 10) Starbucks |
| 4) Tango Sur | 11) PR Italian Bistro |
| 5) Grassroots Grill Restaurant | 12) Michael's Original Pizzeria & Tavern |
| 6) Coalfire | 13) Zia's Lago Vista |
| 7) Uncommon Ground | 14) Holiday Club |

Hotels

- 1) Chicago Guest House
- 2) Hotel Zachary
- 3) Hazelton LLC
- 4) The Inn at Wrigleyville
- 5) The Wheelhouse Hotel

Recreational

- 1) Wrigley Field
- 2) Music Box Theater
- 3) Orange Theory Fitness
- 4) Metro Music Venue
- 5) Mercury Theater Chicago
- 6) Martyr's Music Venue
- 7) Om on the Range Yoga Studio
- 8) CIC Theater
- 9) Addison & Clark Development

Grocers

- 1) Jewel-Osco
- 2) Alta Vista Foods
- 3) Whole Foods
- 4) Trader Joes

1323 W. IRVING PARK RD

TRANSPORTATION



Red Line & Brown Line

1323 W Irving Park is located within a 10-minute walk from both the Sheridan Red Line stop and Irving Park Brown Line stop. The Red and Brown lines provide direct access to both Chicago's Loop and the northern suburbs of Evanston, Wilmette and Skokie.



CTA Bus Routes

The Property is adjacent to high frequency bus routes #9, #22 and #80. These routes offer comprehensive accessibility to all major employment centers and entertainment hubs. Specifically, the popular #22 bus route with daily commuters goes south along Clark Street through Lakeview, Lincoln Park, Old Town and Gold Coast into the heart of the central business district.



Automobile

Irving Park Road provides easy accessibility to two of the major arteries that service downtown Chicago: I-90/94 and U.S. Highway 41 (Lake Shore Drive).



Bicycle & Pedestrian

The City of Chicago has made a concerted effort to establish dedicated bike lanes on many of the major roads throughout the city in response to the growing popularity and convenience of commuting via bicycle. These efforts include adding 248 miles of bike lanes with plans to reach 645 miles of on-street bikeways by the end of 2020. The expansion of bike lanes has functioned well with the popularity of the bike-share program Divvy. Divvy has an expansive network of automated rental stations, which has increased the mobility of Chicago travelers with 5,800 bikes in 580 stations across the city. There is a Divvy docking station across the street from the Property on the corner of Irving Park Rd and Southport Ave.



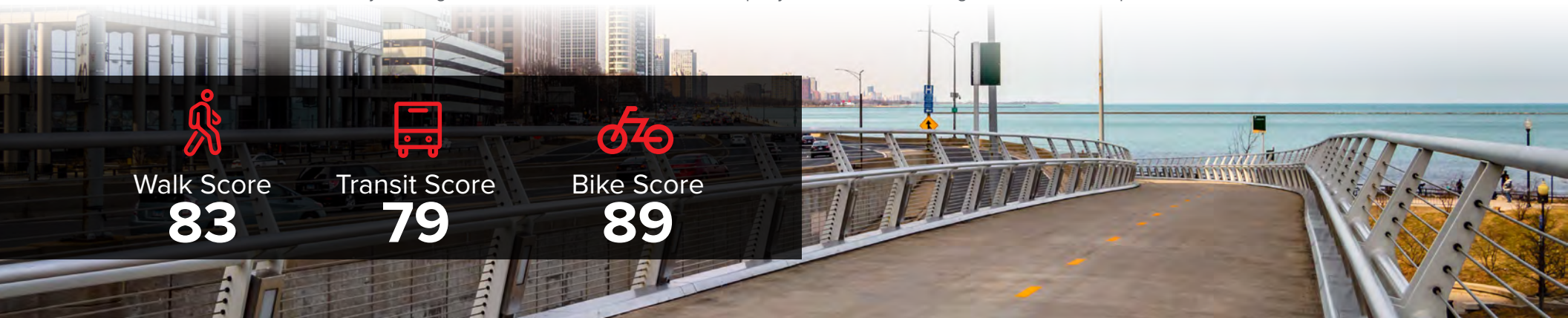
Walk Score
83



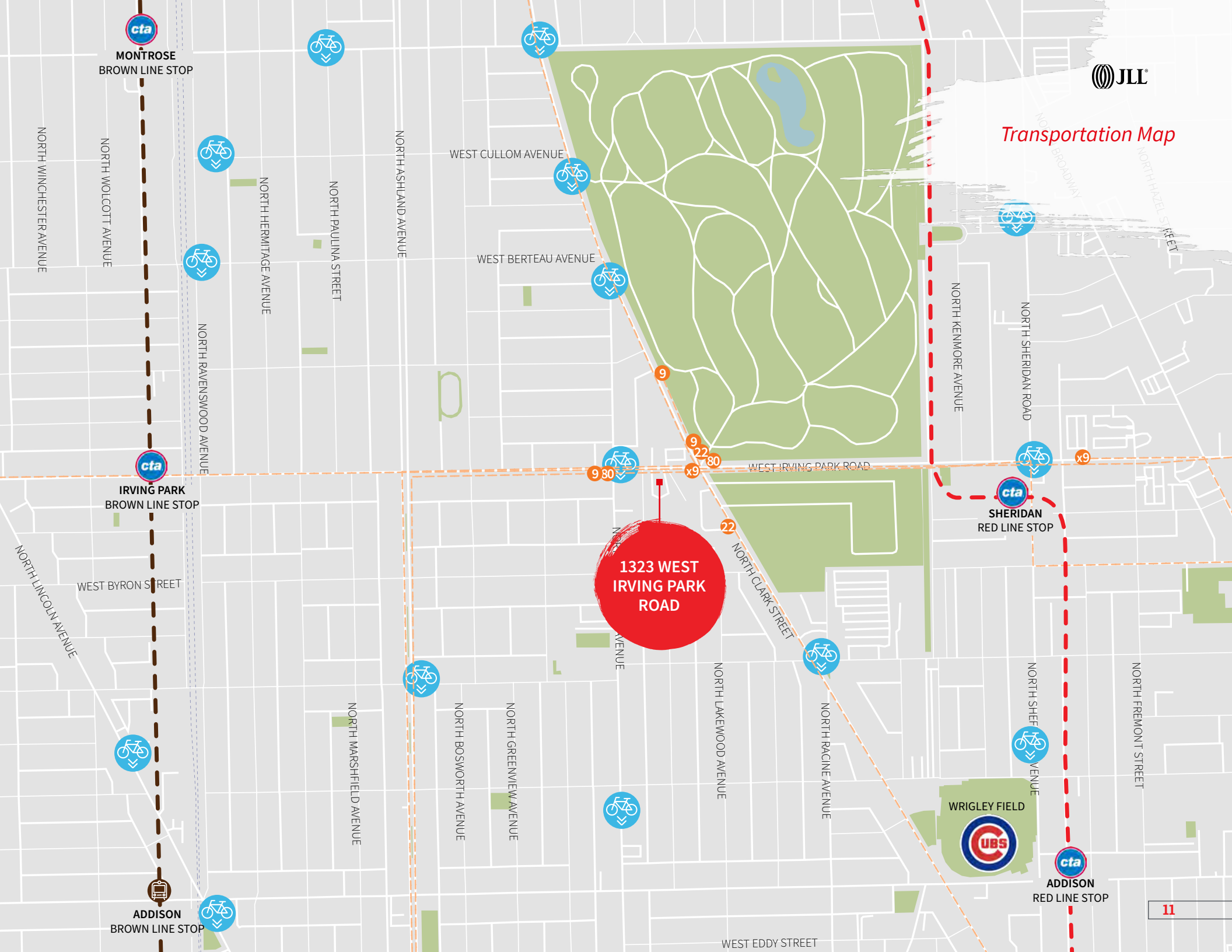
Transit Score
79



Bike Score
89



Transportation Map



1323 WEST IRVING PARK ROAD



1323 W. IRVING PARK RD



Southport Corridor

The Southport Corridor is a vibrant stretch of Southport Avenue that extends from Lincoln Ave north to the Southport & Clark intersection. This corridor is one of Chicago's hottest retail submarkets that has experienced a recent surge in residential development. At the heart of the Southport Corridor is the Southport Brown Line Station, a 0.7 mile walk from 1323 W Irving Park. On the short walk from the Property to the Southport station is the historic Music Box Theater, a Lululemon store plus an elite variety of restaurants, including both national chains and local options.

Southport Corridor

Residential development in the Southport Corridor has been very active with few projects able to achieve the scale possible at 1323 W Irving Park. Both apartments and condominiums have proven viable development options. Luxury condominium product along the swanky stretch has traded for over \$400 per square foot and recently built apartment rents are asking roughly \$3.00 per square foot per month. Multifamily buildings were recently delivered or under construction at 3647 N Southport (18 apartment units), 3409 N Southport (30 apartment units) and 3542 N Southport (3 condo units). A strong retail presence along the Southport Corridor continues to attract high end residential development.

\$400+ PSF

CONDOMINIUM SALES PRICES

\$3.00+ PSF

APARTMENT ASKING RENTS

jenie's



lululemon athletica



Jewel-Osco

CVS/pharmacy

Amazon



**1323 W.
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WRIGLEYVILLE OVERVIEW

Given the infill nature of the Wrigleyville neighborhood the opportunity to acquire a scalable multi-family development site like 1323 W. Irving Park Road is extremely rare. The Wrigleyville neighborhood reflects the strong market dynamics seen throughout Chicago. The neighborhood is bordered by Halsted St. to the East, Ashland Ave. to the West, Roscoe St. to the South and Irving Park Rd. to the North. Wrigleyville's atmosphere is inextricably linked to Wrigley Field, home of the 2016 World Series champion Chicago Cubs. When the ballpark was originally built in 1914, the neighborhood was defined within the context of the larger Lakeview area. Today, Wrigleyville is its own recognizable and thriving neighborhood with an authentic energy not found in any of Chicago's other 77 neighborhoods. Visitors from across the country and the globe frequent the area for Cubs' games and to experience the nostalgia of witnessing a game at the country's second oldest ballpark. Wrigleyville is a sports-and-spirits flavored neighborhood with a heavy dose of camaraderie and passion.

DEMOGRAPHICS

	1 MI	3 MI
Population	87,459	55,313
Households	45,682	216,811
Average Age	35.80	36.10
Median HH Income	\$91,345	\$86,126



1 CLARK & ADDISON



Unit Count: 148 units
Retail Space: 70,000 sf
Delivered: 2019
Developer: M&R Dev.
FAR: 3.76

2 1111 W ADDISON ST



Planet Granite Climbing Gym
Building Area: 36,000 sf
Delivered: 2020
Developer: West Addison Dev.
FAR: 3

3 3630 N CLARK ST



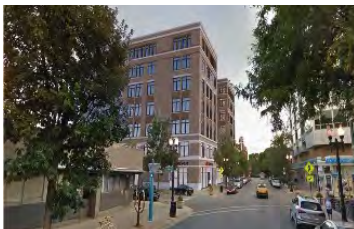
Hotel Zachary
Unit Count: 178 Keys
Delivered: 2018
Developer: Hickory Street Cap.
FAR: 4.25

4 1101 W WAVELAND



Gallagher Way Tower 1
Building Area: 140,000 sf office/retail
Delivered: 2018
Developer: Hickory Street Cap.
FAR: 4.25

5 3921 N SHERIDAN RD

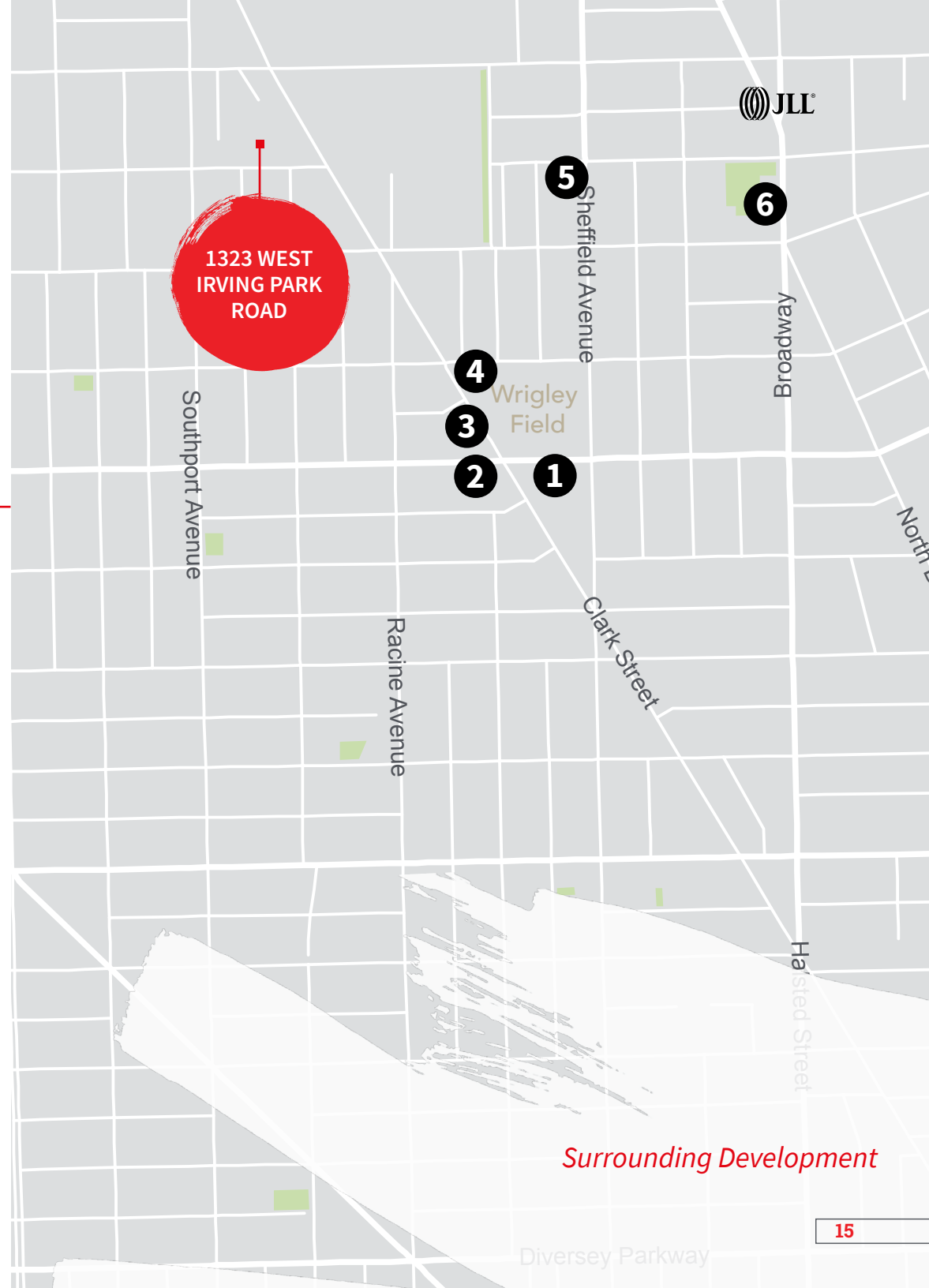


Unit Count: 120 units
Building Area: 50,000 sf
Delivered: 2021
Developer: Lakeview CP
FAR: 5

6 3833 N BROADWAY ST



Unit Count: 134 units
Building Area: 229,000 sf
Delivered: 2019
Developer: DLG
FAR: 5



Surrounding Development

1323 W.
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Major Wrigleyville Investments

Gallagher Way and Addison & Clark account for \$400 million of the \$3 billion of capital that has been invested in Wrigleyville over the past 5 years. The early success of these mega developments is indicative of the exceptional demographic profile in the immediate area, which will continue to support strong fundamentals in the Wrigleyville neighborhood.





Addison & Clark Development

A \$150 million apartment and retail development directly south of Wrigley Field.

- ▶ 148 rental apartment units
- ▶ Rental rates averaging \$3.51 per square foot
- ▶ Average rent of \$3,049 per unit
- ▶ 155,000 square feet of retail
- ▶ Tenants include:



Gallagher Way Tower 1 & Plaza

\$140 million mixed-use development that ideally combines office, retail and green space adjacent to Wrigley Field.

- ▶ 93,677 square feet of office space
- ▶ Cubs offices for franchise executives represents the majority of the space
- ▶ 47,086 square feet of retail
- ▶ The Plaza offers a small park that keeps visitors and locals engaged year-round
- ▶ Events include: Cubs game viewing, ice rink, corporate events, movie showings, concerts and Christmas market
- ▶ Tenants include:



Gallagher Way Tower 2

Tower 2 is a \$100 million development, home to the Hotel Zachary and roughly 48,890 square feet of commercial space.

- ▶ Hotel Zachary
- ▶ 173 available rooms
- ▶ Four-star hotel
- ▶ Retail
- ▶ Tenants include:



1323 W.
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TRANSACTION GUIDELINES

1323 W Irving Park Road is being distributed exclusively by Jones Lang LaSalle Americas (Illinois), L.P. ("JLL") to a select group of investors. The prospective investor will be selected by Owner in its sole and absolute discretion based on a variety of factors, including, but not limited to:

- ▶ Offer price
- ▶ Financial strength
- ▶ Ability to close in a timely fashion
- ▶ Required contingencies

JLL will be available to assist prospective investors to arrange on-site inspections and to answer any questions related to information contained in this offering memorandum. Other key Transaction Guidelines include the following.

All offers must be presented in writing and include:

- ▶ The price
- ▶ The source of purchaser's capital (equity and debt)
- ▶ The amount of earnest money deposit
- ▶ An outline of the proposed schedule for due diligence and closing
- ▶ A description of any physical or environmental assumptions which affect the price being offered
- ▶ High-level description of investor development plan
- ▶ List of contingencies, including committee approvals, required to close the transaction

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