



12803 S HARLEM AVENUE



PALOS HEIGHTS, IL 60463 (CHICAGO MSA)

OFFERING MEMORANDUM



EXCLUSIVELY LISTED BY

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



LEASE

ABSTRACT

Tenant Name	Jewel Osco
Type of Ownership	Fee Simple
Parent Company	Albertson's LLC
Lease Type	Absolute NNN
Roof, Structure and Parking Lot	Tenant Responsible
Term Remaining	±13 Years
Original Lease Term	20 Years
Lease Commencement Date	11/1/17
Lease Expiration Date	10/31/37
Options	Eight, 5-Year Options
GLA (SF)	57,685
Lot Size	±9.97 Acres
Option Increases	7.50% every 5 years for options 1-6. Fair Market Value Increase for options 7, 8
Year Built	2012

Lease Term	Monthly	Annual	Cap Rate
11/1/2024 - 10/31/2027	\$80,639.17	\$967,670	5.65%
11/1/2027 - 10/31/2032	\$86,687.08	\$1,040,245	6.07%
11/1/2032 - 10/31/2037	\$93,188.58	\$1,118,263	6.53%
(Option 1) 11/1/2037 - 10/31/2042	\$100,177.75	\$1,202,133.00	7.01%
(Option 2) 11/1/2042 - 10/31/2047	\$107,691.08	\$1,292,292.98	7.55%
(Option 3) 11/1/2047 - 10/31/2052	\$115,767.91	\$1,389,214.95	8.11%
(Option 4) 11/1/2052 - 10/31/2057	\$124,450.51	\$1,493,406.07	8.72%
(Option 5) 11/1/2057 - 10/31/2062	\$133,784.29	\$1,605,411.52	9.37%
(Option 6) 11/1/2062 - 10/31/2067	\$143,818.12	\$1,725,817.39	10.01%
(Option 7) 11/1/2067 - 10/31/2072	FMV	FMV	FMV
(Option 8) 11/1/2072 - 10/31/2077	FMV	FMV	FMV



INVESTMENT

HIGHLIGHTS

GROSS LEASABLE AREA

±57,685 SF

LOT SIZE

±9.97 AC

YEAR BUILT

2012

TERM REMAINING

±13 YEARS

INVESTMENT GRADE TENANT

Property features a 13-year lease with a corporate guarantee from Albertsons Companies, which ranks number 53 on the Fortune 500 list.

ATTRACTIVE ASSUMABLE DEBT

This property has assumable financing available at a 4.38% interest rate. The loan is coterminous with the lease term (13 years).

COMPLETELY PASSIVE INVESTMENT

The lease is absolute NNN (no landlord responsibilities). Lease features 7.5% rental increases every five years. Strong hedge against inflation.



ASSUMABLE

DEBT

Loan Balance	\$7,474,174
Interest Rate (fixed)	4.38%
Loan Maturity Date	8/1/38
Amortization	30 Years

Assumable Loan Highlights

- Assumable loan rate is approximately 200bps lower than market interest rates.
- Loan is coterminous with the lease, providing a low interest rate for the life of the original lease term.
- Non-recourse structure protects the borrower when the loan nears maturity.



INVESTMENT

HIGHLIGHTS



LIST PRICE

\$17,126,903

NOI

\$967,670

CAP RATE

5.65%

STRONG DEMOGRAPHICS

250,000+ people within a 5-mile radius, providing a great target market of grocery shoppers. Average HH Income within a 2-mile radius is \$117,000+. With monthly visits of 76,505 people, the location ranks in the upper 77th percentile of Jewel Osco's nationwide (*Alphamap*).

RESILIENCE TO ECONOMIC CYCLES

Grocery retail is considered recession-resistant, as consumers prioritize spending on essential goods even during economic downturns. This resilience enhances the property's stability and mitigates downside risk for investors.

MODERN GROCERY STORE FORMAT

The property, built in 2012, features a modern store layout, a convenient drive-thru pharmacy, and offers abundant parking with over 290 spaces available.

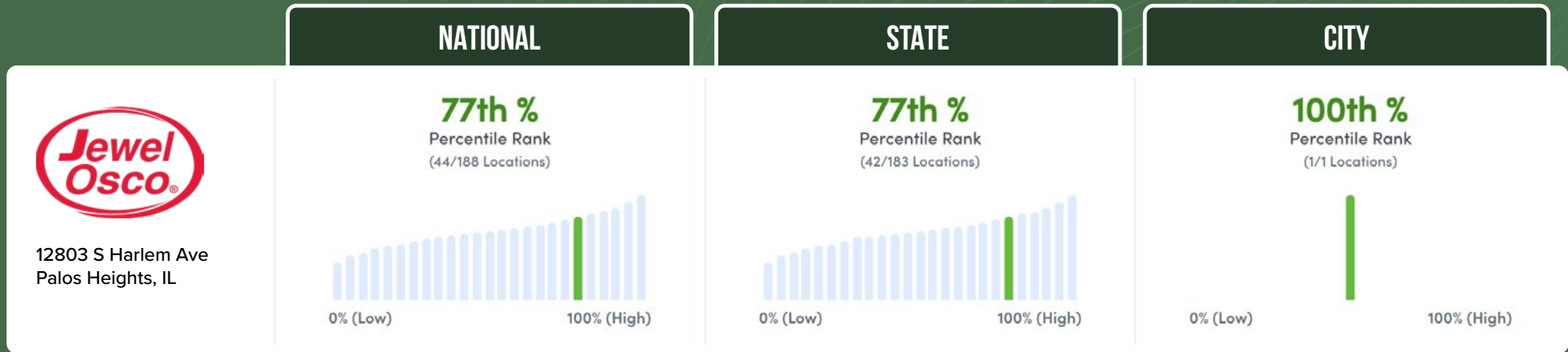


BRAND

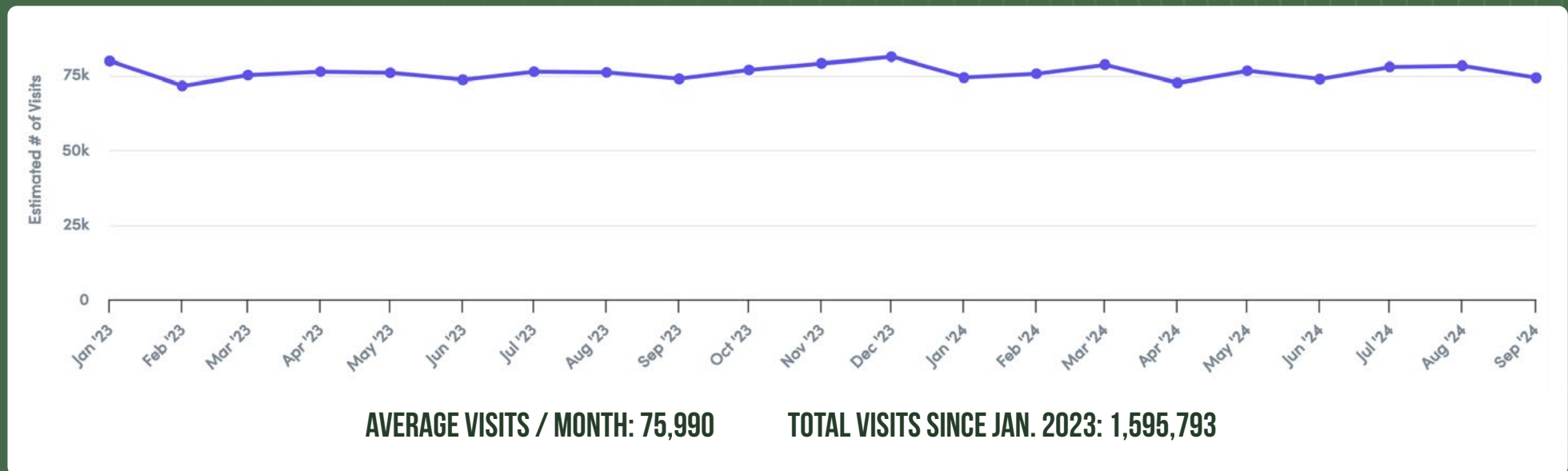
RANKING



PERCENTILE RANKINGS



LOCATION VISITS



* Source: AlphaMap

PRIMARY

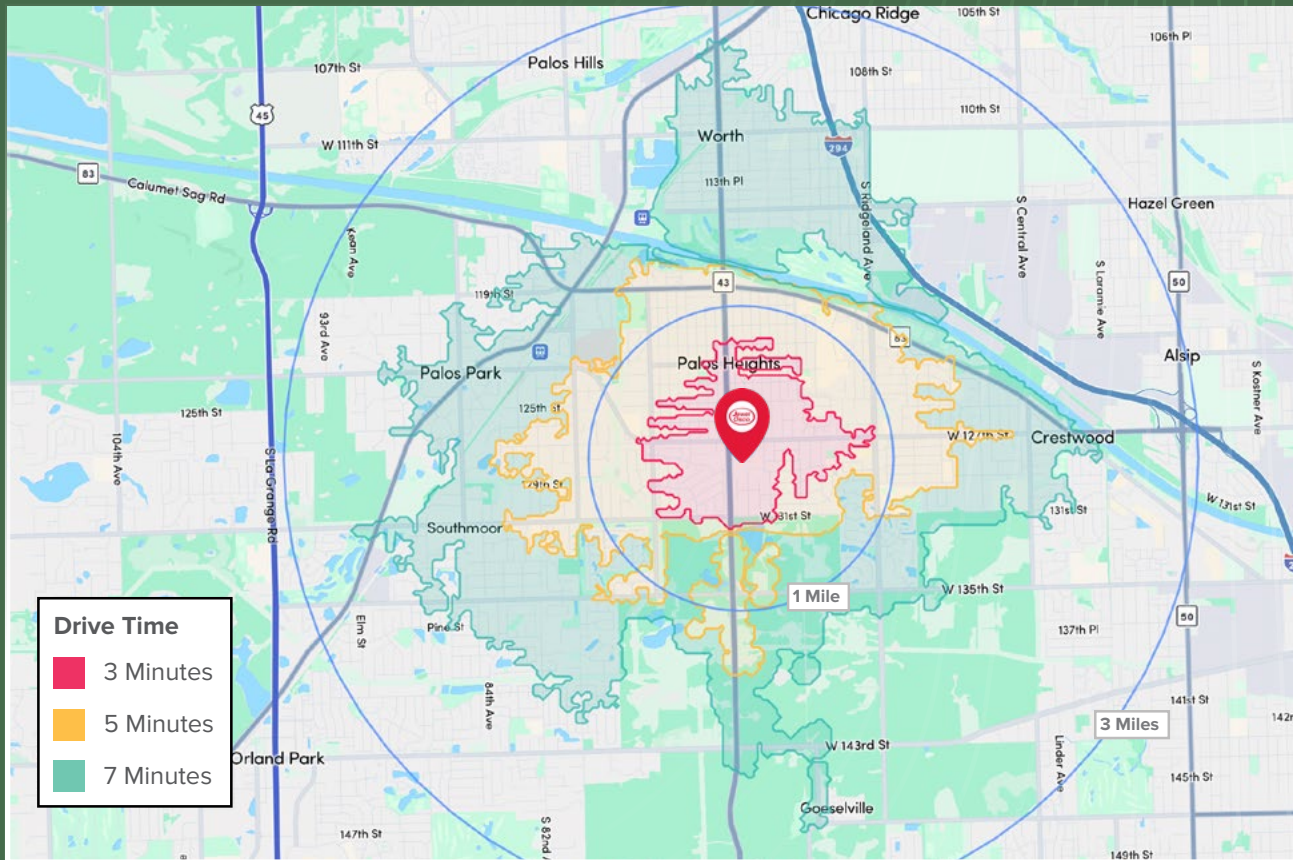
TRADE AREA



DEMOGRAPHIC HIGHLIGHTS WITHIN THREE MILES OF THE PRIMARY TRADE AREA

	63,243 TOTAL POPULATION		\$151,700 AVG HH INCOME		\$90,100 MED HH INCOME		25,589 HOUSEHOLDS
	61,652 WORKDAY POPULATION		9,737 BACHELOR'S DEGREES		45 MEDIAN AGE		\$296,700 AVG HOME VALUE

PRIMARY TRADE AREA



MARKET DEMOGRAPHICS (2023)

POPULATION	1 MILE	3 MILES	5 MILES
Population	8,144	63,243	251,722
Workday Population	7,710	61,652	218,051
Median Age	47	45	43
HOUSEHOLDS			
Total Households	3,220	25,589	99,130
Avg HH Income	\$151.7k	\$113.5k	\$107.7k
EDUCATION			
Bachelors Degree	1,627	9,737	36,339
AVG HOME VALUE			
Avg Home Value	\$406.3k	\$317.6k	\$296.7k

RETAIL
MAP

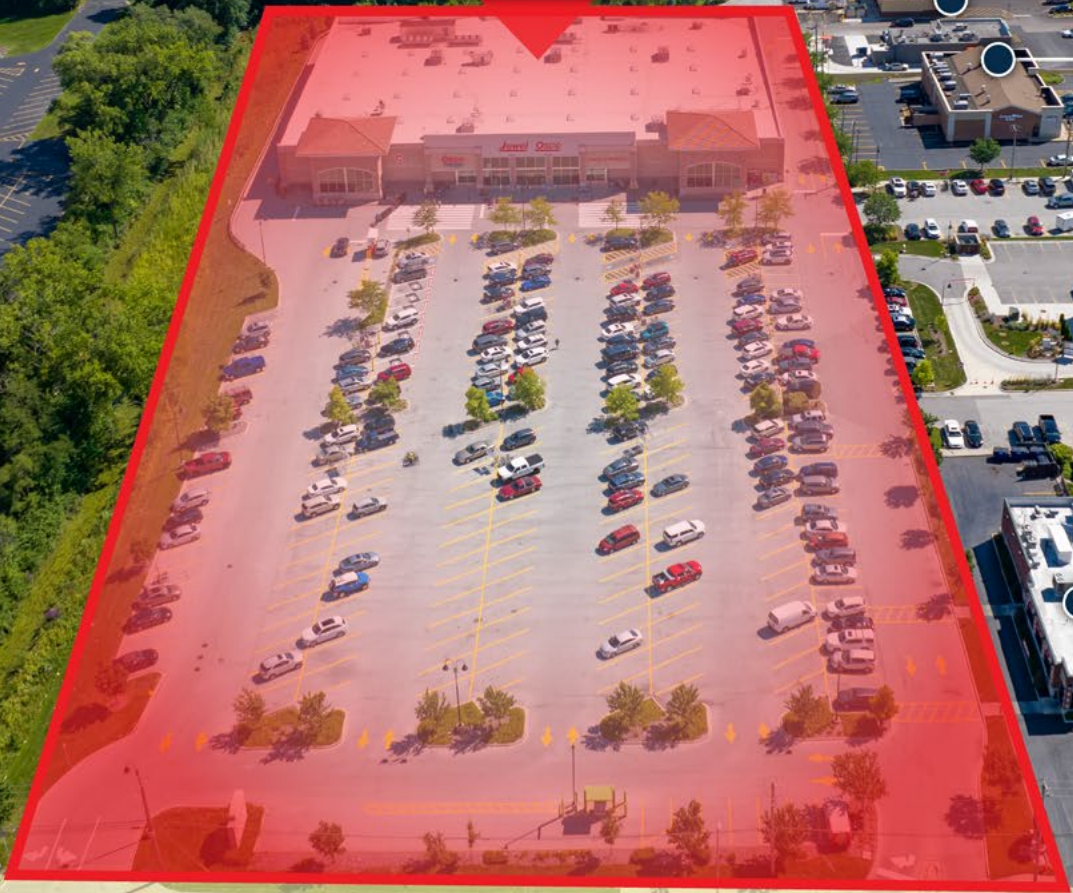
ARROWHEAD FOREST
PRESERVE PARK

LAKE ARROWHEAD

TURTLEHEAD LAKE



SUBJECT PROPERTY



S HARLEM AVE ± 29,000 VPD

W 127TH ST ± 14,000 VPD

RETAIL

MAP



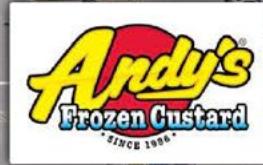
INDIAN TRAILS SHOPPING CENTER SHOPPING MALL



SUBJECT PROPERTY



W 127TH ST ± 14,000 VPD



S HARLEM AVE ± 29,000 VPD

TENANT

OVERVIEW



Jewel began as a band of door-to-door salesmen, selling tea and coffee from the back of horse-drawn wagons. Founded by Frank Ross and his brother-in-law Frank Skiff in 1899, the company launched with just \$700, a rented horse, and a secondhand wagon. The partnership named their venture the Jewel Tea Company, the routemen called on their customers bi-weekly, coming directly to their homes. Over time, the company added hundreds of new routes across the nation, and the traveling Jewel salesman came to be a familiar, welcomed sight.

Throughout the 20th century, the company continued to expand. As Jewel acquired other supply chains and Chicago-area grocery stores, the company began operating under the name Jewel Food stores. In 1934, Jewel Food Stores merged with Jewel Tea Company. By the start of the 1940s, customers could also place their orders from a catalog, with merchandise delivered by mail. By the late 1950s, Jewel also secured food stores from the downstate Illinois and west central Indiana regions, continuing its expansion in the 1960s through the acquisition of Osco Drugs, leading to the debut of Jewel-Osco combination stores.

Throughout the 1960s and 1970s, Jewel constructed many Jewel Foods/Osco Drugs stores as side-by-side operations. Between 1970 and 1990, Jewel moved or expanded most of its storefronts to freestanding buildings with ample parking. By 1983, the company moved to consolidate Jewel and Osco stores together as a singular business unit under one roof. Today, the two stores present to the customer as a singular entity.

FOUNDED

1899

NUMBER OF STORES

188

HEADQUARTERS

ITASCA, IL

EMPLOYEES

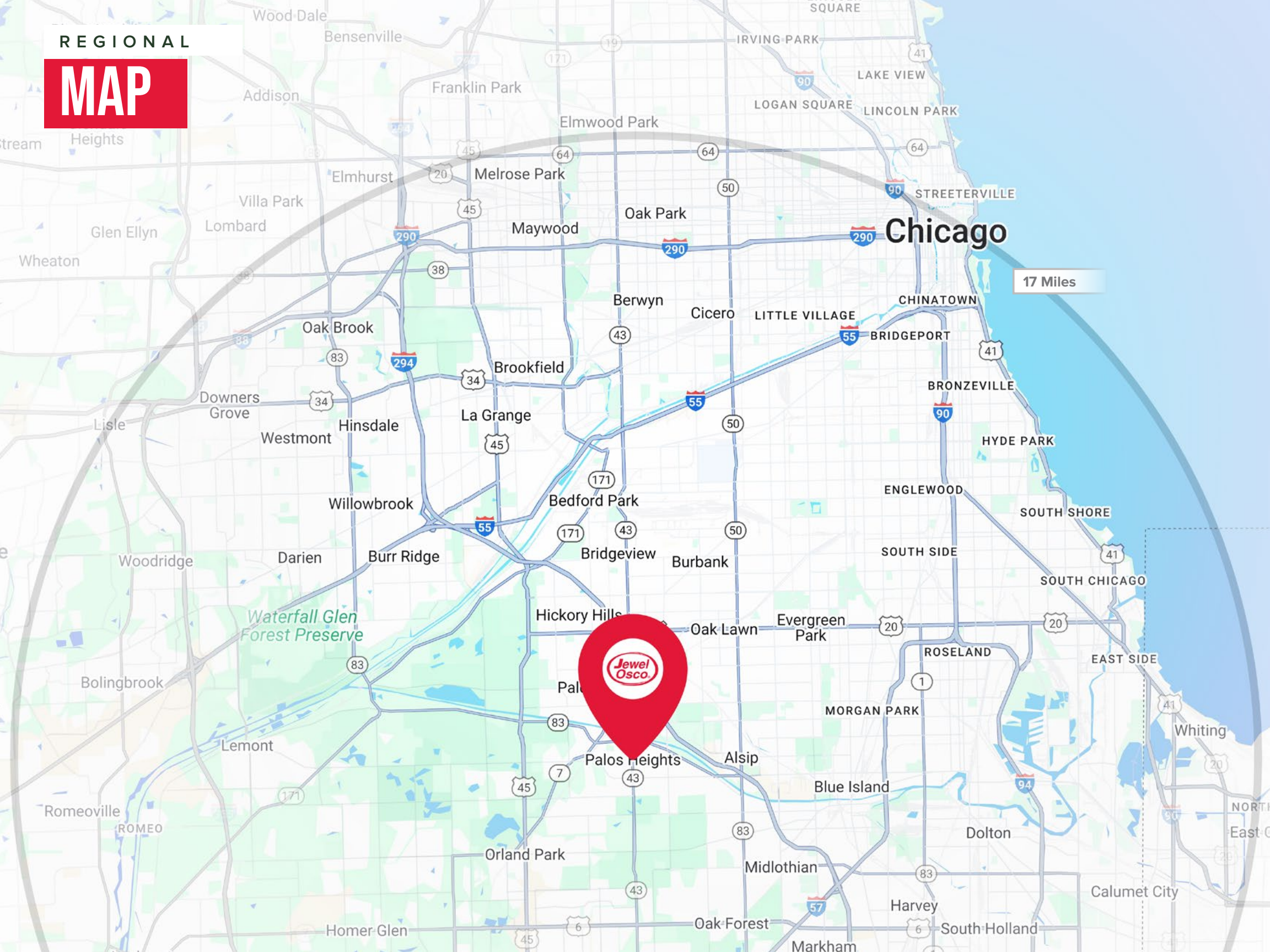
265,000+

2023 REVENUE

\$31B

REGIONAL

MAP



Chicago

17 Miles



DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Jewel-Osco** located at **12803 S Harlem Ave, Palos Heights, IL 60463** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Retail Group. The material and information in the Offering Memorandum is unverified. Matthews Retail Group has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Retail Group is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Retail Group.

Owner and Matthews Retail Group expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Retail Group or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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