

MENARDS



NET LEASE INVESTMENT OFFERING



EDGE FITNESS (TOP PERFORMING LOCATION)
800 COG CIRCLE
CRYSTAL LAKE, IL 60014 (CHICAGO MSA)



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EXECUTIVE SUMMARY

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Edge Fitness property located within the Chicago MSA in Crystal Lake, Illinois. The 15-year lease commenced in April 2022 and runs through March 2037. The subject lease features scheduled \$1.00/SF increases every five years throughout the primary term and three 5-year options. The property underwent extensive renovations for Edge Fitness in 2021. High points of the renovations include a new roof with a 15-year warranty and resurfaced parking lot. **Edge Fitness recently decided to operate this location 24/7 due to its outstanding performance.**

The 52,599 square foot building is well-positioned in a dense retail corridor along Northwest Highway (30,800 VPD). The subject property is also adjacent to State Route 31 which experiences 33,500 vehicles per day. There is a large collection of nationally recognized retailers occupying the corridor. Those of which include Target, Menards, Sam's Club, The Home Depot, Jewel-Osco, Hobby Lobby, ALDI, Walmart, Kohl's, Mariano's, and Regal Cinemas. Quick service and other net lease tenants found along the same stretch include Chick-Fil-A, Starbucks, Chipotle, Texas Roadhouse, Chase Bank, Panera Bread, PNC Bank, Raising Cane's, Portillo's, Advance Auto Parts, Walgreens, and CVS. There are 122,212 people living within five miles of the property who earn an average household income of \$134,213.

Edge Fitness was founded in 1988 and has grown to 42 locations across nine states with more than 150,000 members across the Eastern and Midwest regions of the United States. The company has seen year-over-year growth every year since its start. The company offers personal fitness, body building, weight loss, strength, and cardio trainings, as well as kickboxing, les mills body combat, yoga, Zumba, and other fitness related training. Its mission is to offer extraordinary fitness facilities, innovative programming, and energetic staff to ensure that members enjoy their fitness experience and see the results of their hard work.



INVESTMENT HIGHLIGHTS

- Positioned within the Chicago MSA – Ranked #3 in the United States for population size
- Tenant now operates this location 24/7 due to its outstanding performance
- Edge Fitness operates 42 locations across 9 states and has been in business since 1988
- Located adjacent to Menards
- Recently renovated in 2021 – New roof (15-year warranty) and resurfaced parking lot
- Over 13 years remaining on the primary lease term with \$1.00/SF increases every five years
- Located along Northwest Highway (30,800 VPD) and State Route 31 (33,500 VPD)
- Positioned in a dense retail corridor with national brands such as Target, Sam's Club, The Home Depot, Jewel-Osco, Hobby Lobby, ALDI, Walmart, Kohl's, Mariano's, Regal Cinemas, and many more
- 122,212 people live within five miles of the property
- Average household income within a five mile radius is \$134,213
- Located in Lake County, Illinois, which is home to the 2nd largest concentration of fortune 500 headquarters in the Midwest and has more favorable property taxes compared to Cook County (Chicago)



PROPERTY OVERVIEW

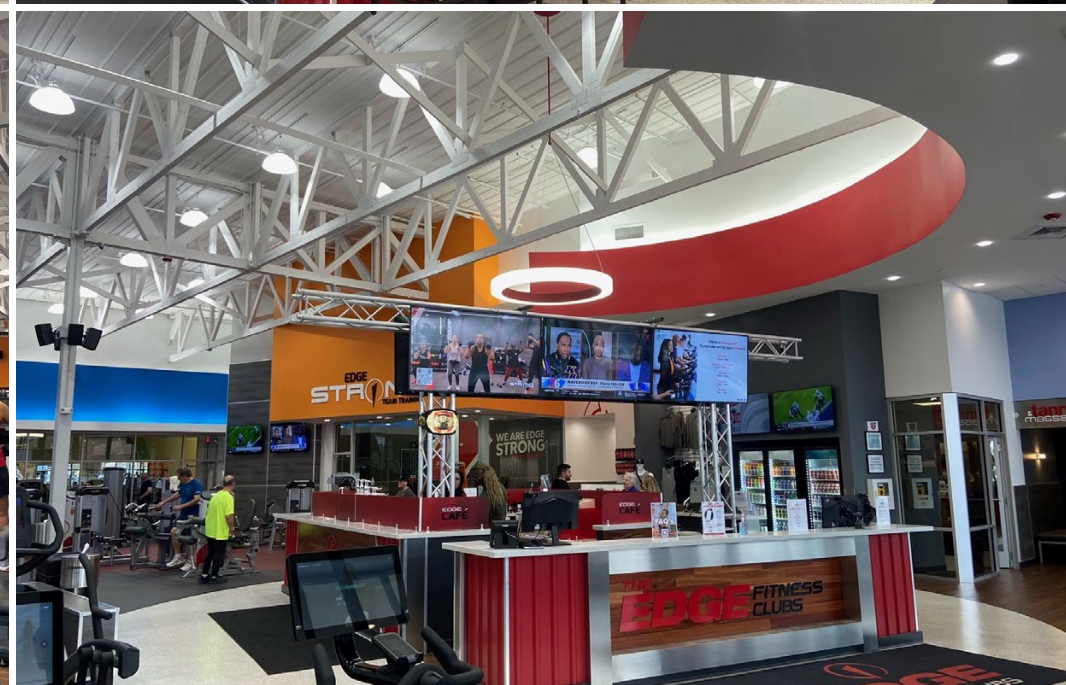
Price:	\$7,805,013
Cap Rate:	7.75%
Net Operating Income:	\$604,888.50
Tenant:	Edge Fitness, LLC
Rent Commencement:	4/1/2022
Lease Expiration:	3/31/2037
Renewal Options:	Three 5-year
Rental Escalations:	\$1.00/SF every 5 years
Lease Type:	NN- Roof, structure, foundation ¹
Year Built/Renovated:	1992/2021
Building Size:	52,599 SF
Lot Size:	5.19 AC

1) Landlord administers CAM and is reimbursed by tenant. Landlord is entitled to a 5% admin/management fee (not included in NOI above). Controllable operating expenses as part of CAM cannot exceed a year-over-year increase of 4%.

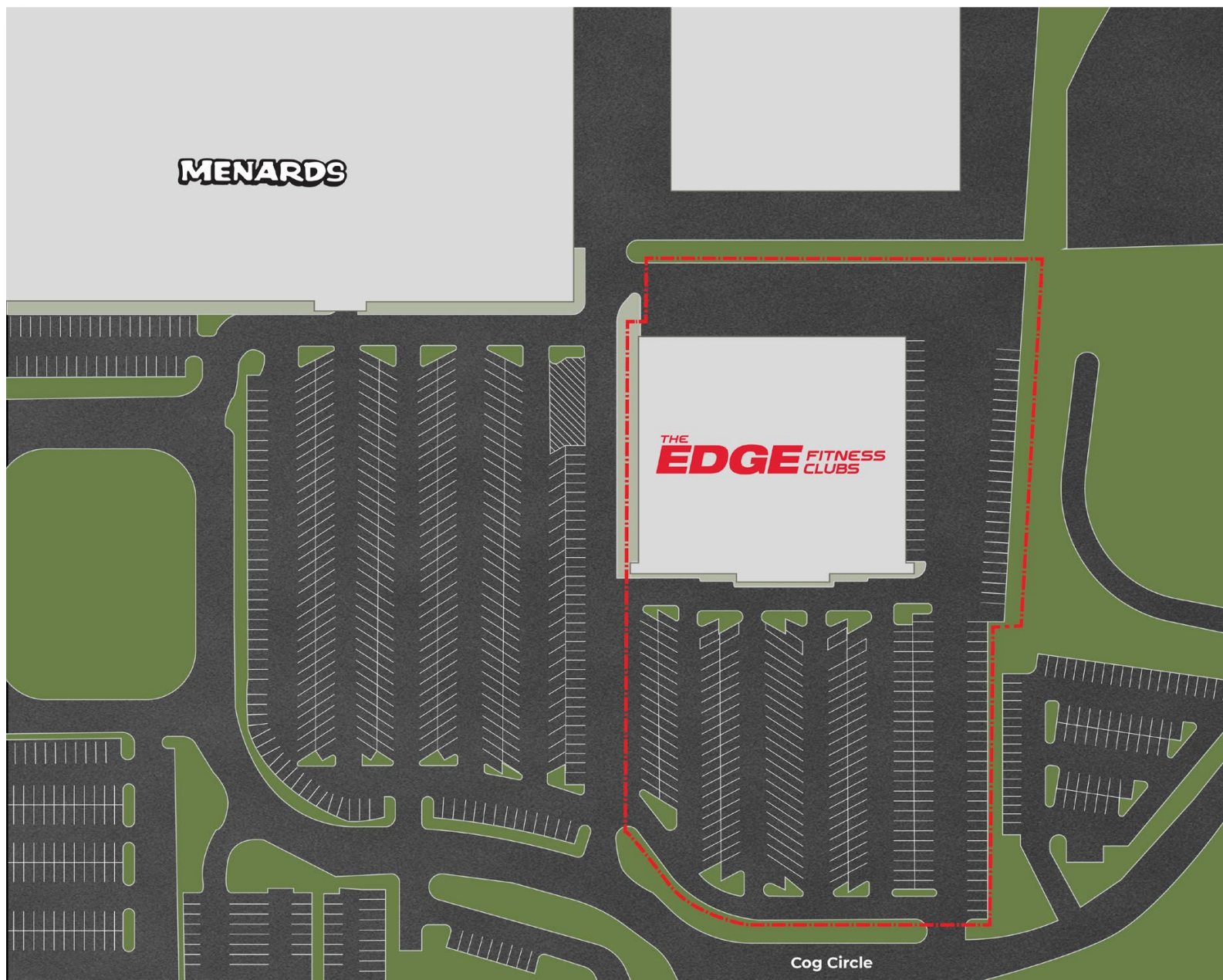


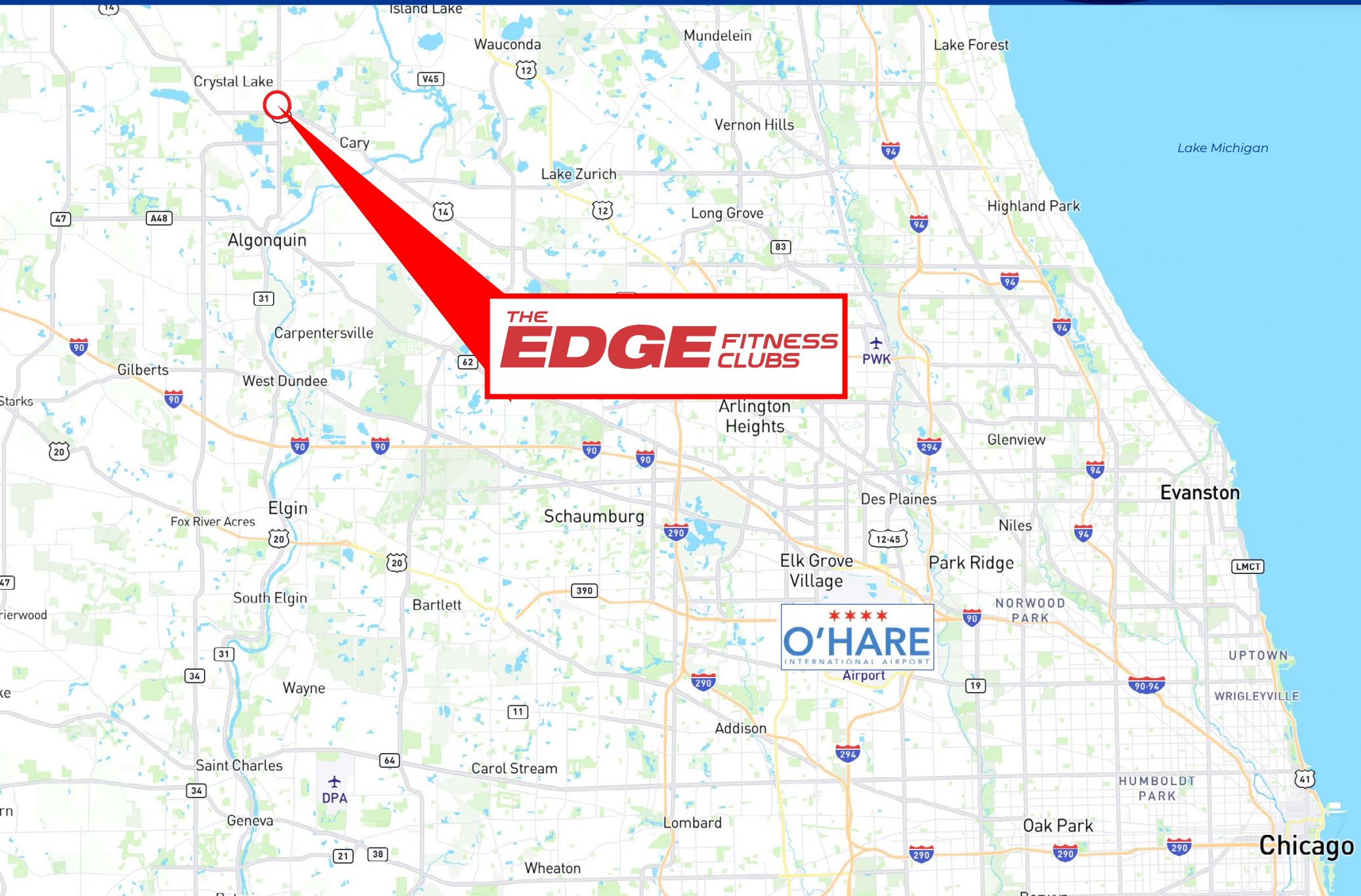












DEMOGRAPHICS

POPULATION

	1-Mile	3-Mile	5-Mile
Total Population:	6,787	53,835	145,472
Total Households:	2,587	18,103	50,561

INCOME

	1-Mile	3-Mile	5-Mile
Average Household Income:	\$98,468	\$87,877	\$88,397
Median Household Income:	\$125,102	\$115,067	\$115,730



CITY OF CRYSTAL LAKE, ILLINOIS

Crystal Lake is a city in McHenry County in the U.S. state of Illinois. Named after a lake 1.6 miles (2.6 km) southwest of the city's downtown, Crystal Lake is 45 miles northwest of Chicago. The population is 40,269 as of the 2020 Census, Crystal Lake is the largest city in McHenry County, part of the Chicago metropolitan area.

Just one hour northwest of the Chicago metropolitan area, Crystal Lake is ideally situated along major roads and highways, including Northwest Highway and Routes 176 and 31. There are two Metra train stations located in Crystal Lake, which provide service to Chicago along the Union Pacific Northwest line. O'Hare International Airport, Chicago-Rockford International Airport, Chicago Midway International Airport, or General Mitchell International Airport are all options for air travelers. Additionally, private and commercial chartered flights are available through the Lake in the Hills Airport.



CHICAGO, ILLINOIS MSA

The Chicago metropolitan area, also colloquially referred to as Chicagoland, is a metropolitan area in the Midwestern United States. Encompassing 10,286 sq mi, the metropolitan area includes the city of Chicago, its suburbs and hinterland, spanning 14 counties in northeast Illinois, northwest Indiana, and southeast Wisconsin. The MSA had a 2020 census population of 9,618,502 and the combined statistical area which spans up to 19 counties had a population of nearly 10 million people. The Chicago area is the fourth largest metropolitan area in North America (after the metro areas of Mexico City, New York City, and Los Angeles), the third-largest metropolitan area in the United States, the largest within the entire Midwest, and the largest in the Great Lakes megalopolis. Its urban area is one of the forty largest in the world.

According to the 2020 Census, the metropolitan's population is approaching the 10 million mark. The metropolitan area has seen a substantial increase of Latin American residents on top of its already large Latin population, and the Asian American population also increased according to the 2020 Census. The metro area also has a large number of White, Black, and Arab American residents, making the Chicago metropolitan area a truly diverse region. The Chicago metropolitan area represents about 3 percent of the entire United States population.

Chicagoland, as the metropolitan area is also called, has one of the world's largest and most diversified economies. With more than six million full and part-time employees, the Chicago metropolitan area is a key factor of the Illinois economy, as the state has an annual GDP of over \$1 trillion. The Chicago metropolitan area generated an annual gross regional product (GRP) of approximately \$700 billion in 2018. The region is home to more than 400 major corporate headquarters, including 31 in the Fortune 500 such as McDonald's, Boeing, United, and Blue Cross Blue Shield. With many companies moving to Chicagoland, the area ranked as the nation's top metropolitan area for corporation relocations for six consecutive years.

The Chicago area is home to a number of the nation's leading research universities including the University of Chicago, Northwestern University, University of Illinois at Chicago, DePaul University, Loyola University, and the Illinois Institute of Technology. The University of Chicago and Northwestern University are consistently ranked as two of the best universities in the world.

There are many transportation options around the area. The region has three separate rail networks: the Chicago Transit Authority (CTA) operates elevated and subway lines that run primarily throughout the city, Downtown Chicago, and into some suburbs. The CTA operates some rail lines 24 hours a day, every day of the year, nonstop service, making Chicago and New York City the only two cities in the world to offer some 24-hour rail service running nonstop, everyday throughout their city limits. The city-suburban Metra rail network runs numerous lines between Downtown Chicago and suburban/satellite cities. And the South Shore Line runs between Downtown Chicago and suburban Northwest Indiana. Amtrak operated a national rail hub at Union Station in Downtown Chicago.

EDGE FITNESS

The Edge Fitness Clubs known as “Edge Fitness” is a national fitness club chain based out of Fairfield County, CT. The company offers personal fitness, body building, weight loss, strength, and cardio trainings, as well as kickboxing, les mills body combat, yoga, Zumba, and other fitness related training. Its mission is to offer extraordinary fitness facilities, innovative programming, and energetic staff to ensure that members enjoy their fitness experience and see the results of their hard work. Edge Fitness offers very inexpensive memberships starting at only \$9.99/month.

Edge Fitness was founded in 1988 and has grown to 42 locations across nine states with more than 150,000 members across the Eastern and Midwest regions of the United States. The company has seen year-over-year growth every year since its start. In the last year, Edge Fitness grew their employee count by 15% and now has 691 employees across all locations. According to Grojo.com, Edge Fitness has an estimated annual revenue of \$187 million and an estimated revenue per employee of \$270,000. Edge Fitness is privately held company owned by private equity firm Norwest Equity Partners.

Website: www.theedgefitnessclubs.com
Founded: 1988
Type: Private
Headquarters: Orange, CT

THE
EDGE FITNESS
CLUBS



CONFIDENTIALITY & DISCLAIMER

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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