

SHOPKO Hometown

NET LEASE INVESTMENT OFFERING

SHOPKO[®]
Hometown

SHOPKO HOMETOWN
110 Watters Drive, Dwight, IL 60420

THE
Boulder
GROUP

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**DISCLAIMER
STATEMENT:**

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.



**EXECUTIVE
SUMMARY:**

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Shopko Hometown property located in Dwight, Illinois. The property is located along Interstate 55 approximately 75 miles southwest of downtown Chicago. There are over nine years remaining on the Shopko lease that expires May 31, 2024. The lease features three 5-year renewal options and no landlord responsibilities. Shopko is a privately owned \$3 billion retailer with 323 stores in 21 states.

The 26,254 square foot Shopko Hometown property is strategically located along Interstate 55 approximately 75 miles southwest of downtown Chicago. There are approximately 6,000 people living within a five mile radius earning average annual household incomes in excess of \$61,000. Following the Shopko and Pamida merger, the building was converted to be a Shopko Hometown. The Shopko Hometown retail format offers a differentiated and financially successful merchandising strategy. Shopko Hometown offers household goods and dry grocery assortment with a broad and dynamic offering of strong national brands and high-value private label brands of apparel, home goods, toys, consumer electronics, seasonal items, and lawn and garden products.

There are over nine years remaining on the Shopko Hometown lease that expires on May 31, 2024. The absolute net lease features three 5-year renewal option periods. Shopko is a privately owned \$3 billion retailer with 323 stores in 21 states.



**INVESTMENT
HIGHLIGHTS:**

- Tenant is a privately held \$3 billion retailer that operates over 323 locations in 21 states
- Located approximately 75 miles south of Chicago
- Over 9 years remaining
- Absolute net lease with no landlord responsibilities
- Located along Interstate 55 (20,000 VPD)
- Recently constructed building (2009)
- Average annual household incomes within a ten mile radius are approximately \$65,000



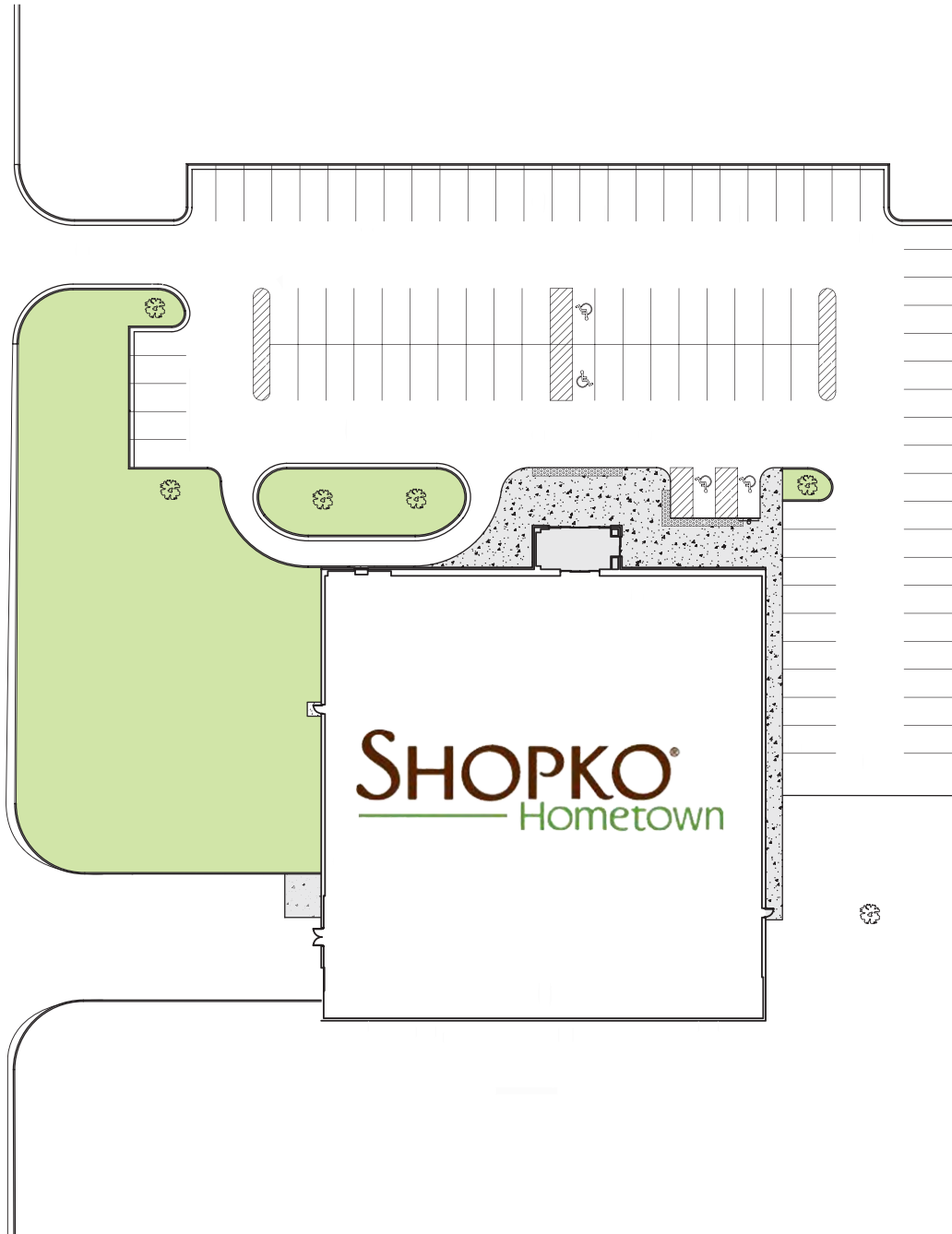
**PROPERTY
OVERVIEW:**

Price:	\$2,176,171
Current Cap Rate:	8.75%
Net Operating Income:	\$190,415
Renewal Options:	Three 5-Year
Lease Commencement Date:	June 1, 2009
Lease Expiration Date:	May 31, 2024
Tenant:	Shopko Hometown
Year Built:	2009
Lease Type:	NNN
Building Size:	26,254 SF
Land Size:	2.53 Acres





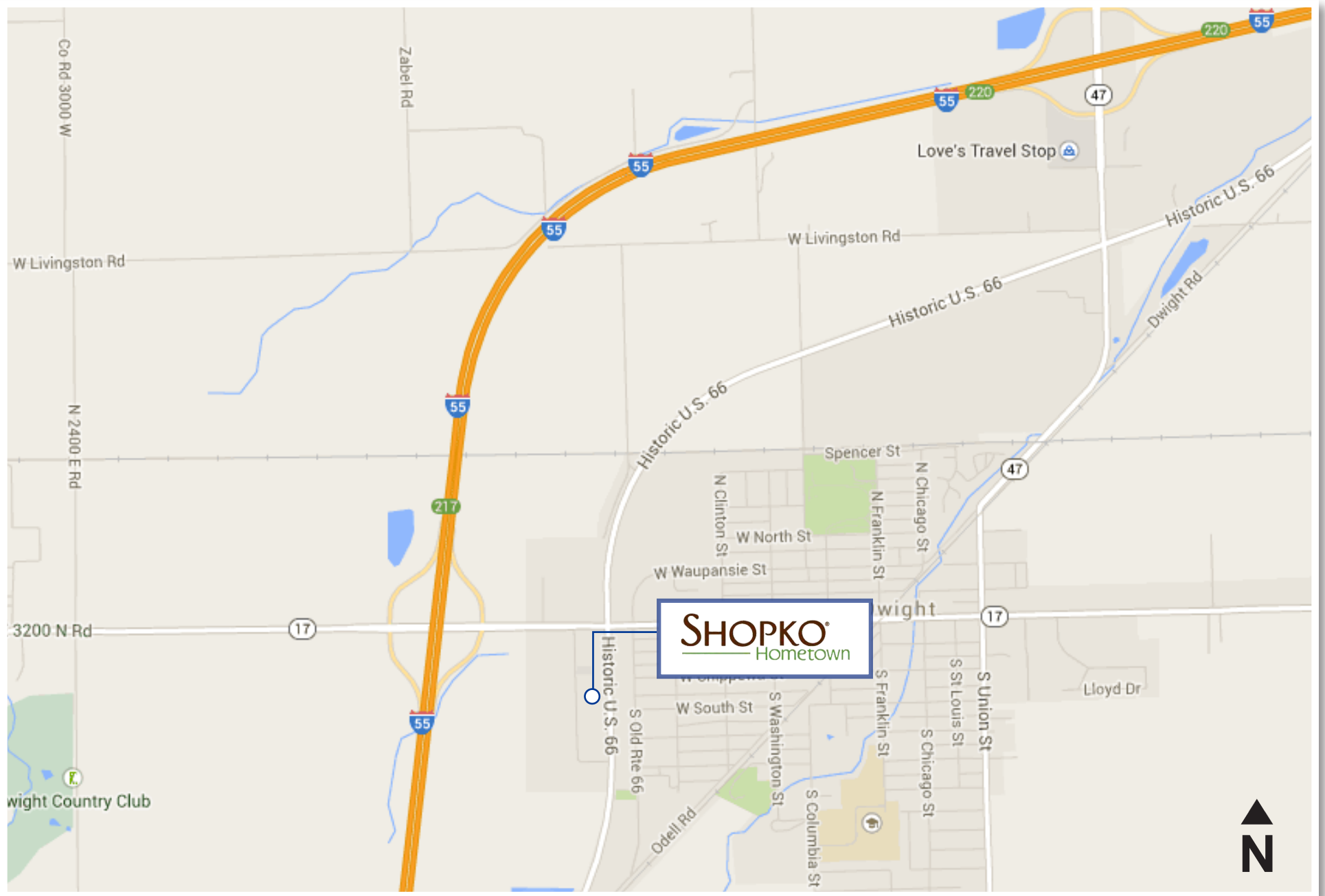
WATTERS DRIVE



HISTORIC U.S. 66









**TENANT
PROFILE:**

Founded in 1962 and headquartered in Green Bay, Wisconsin, Shopko Stores Operating Co., LLC is a \$3 billion retailer that operates over 323 stores in 21 states throughout the Midwest, Mountain, North Central and Pacific Northwest regions. Retail formats include 133 Shopko stores, 179 Shopko Hometown locations, and 5 Shopko Express Rx stores.

Shopko operates under three different brands; Shopko, Shopko Express and Shopko Hometown. Shopko Express is a chain of pharmacies that carry a limited selection of general merchandise, groceries, beer, wine, health and beauty supplies, and over-the-counter medicines. Shopko Hometown is Shopko's newest concept which is aimed at smaller communities ranging from 3,000 to 8,000 in population, and carry about 70% of the merchandise carried at Shopko's larger stores. In addition to the multiple brands Shopko operates, in 1999, Shopko signed a contract with Payless Shoes to lease the chain floor space within Shopko stores.

Shopko Stores Operating Co., LLC is an affiliate of Sun Capital Partners, Inc., a leading private investment firm focused on leverage buyouts, equity, debt, and other investments in market-leading companies that can benefit from its in-house operating professionals and experience.

Sun Capital Partners, Inc. is a leading private investment firm focused on leveraged buyouts, equity, debt, and other investments in market-leading companies that can benefit from its in-house operating professionals and experience. Sun Capital affiliates have invested in and managed more than 165 companies worldwide with combined sales in excess of \$35.0 billion since Sun Capital's inception in 1995. Sun Capital has offices in Boca Raton, Los Angeles, and New York, and affiliates with offices in London, Tokyo, and Shenzhen, China.

Website:	www.shopko.com
Number of Locations:	323
State Locations:	21
Standard & Poor's Rating:	Private
Employees:	17,500



**LOCATION
OVERVIEW:**

Dwight, Illinois is a village in located mainly in Livingston County, Illinois, with a small portion in Grundy County, Illinois. The population was 4,260 at the 2010 census. It is located about 80 miles southwest of Chicago. I-55 bypasses the village to the north and west.

Dwight is home to one of only three banks designed by the famous architect Frank Lloyd Wright, the First National Bank of Dwight, as well as an historic U.S. Route 66 Texaco gas station, Ambler's Texaco Gas Station, and a 1891 railway station. Two of the buildings, the gas station and the train station, are listed on the National Register of Historic Places.

The Illinois Department of Corrections Dwight Correctional Center is within Nevada Township in an unincorporated area in Livingston County, near Dwight. Dwight Correctional Center housed the State of Illinois female death row.

<http://www.dwightillinois.org/>



DEMOGRAPHIC REPORT:

Population	1 Mile	5 Mile	10 Mile
Total Population	2,281	5,956	10,918
Total Households	886	1,921	3,866

Income	1 Mile	5 Mile	10 Mile
Median Household Income	\$49,430	\$50,522	\$54,855
Average Household Income	\$60,256	\$61,263	\$64,697





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