

*SRS Distribution Subsidiary*



**OPERATING HISTORY OF 50+ YEARS  
\$5B+ REVENUE CORPORATE GUARANTEE**

**NAPERVILLE, ILLINOIS**

**Marcus & Millichap**  
**DUONG INVESTMENT GROUP**

NOTE: PROPERTY BOUNDARY LINES ARE ESTIMATED AND MUST BE  
INDEPENDENTLY VERIFIED BY POTENTIAL BUYERS

**OFFERING MEMORANDUM**

# SRS Distribution Subsidiary



**OPERATING HISTORY OF 50+ YEARS**  
**\$5B+ REVENUE CORPORATE GUARANTEE**

**NAPERVILLE, ILLINOIS**

## Offering Memorandum Disclaimer

This Confidential Offering Memorandum ("Memorandum") is being delivered subject to the terms of the Confidentiality Agreement (the "Confidentiality Agreement") signed by you and constitutes part of the Confidential Information (as defined in the Confidentiality Agreement). It is being given to you for the sole purpose of evaluating the possible investment in the subject property mentioned herein ("the Project"), and is not to be used for any other purpose or made available to any other party without the prior written consent of the Seller of Record ("Managing Member"), or its exclusive broker, Marcus & Millichap ("Exclusive Broker"). This Memorandum was prepared by Exclusive Broker based primarily on information supplied by Managing Member. It contains select information about the Project and the real estate market but does not contain all the information necessary to evaluate the Project. The financial projections contained herein (or in any other Confidential Information) are for general reference only. They are based on assumptions relating to the overall economy and local competition, among other factors. Accordingly, actual results may vary materially from such projections. Various documents have been summarized herein to facilitate your review; these summaries are not intended to be a comprehensive statement of the terms or a legal analysis of such documents. While the information contained in this Memorandum and any other Confidential Information is believed to be reliable, neither Exclusive Broker nor Managing Member guarantees its accuracy or completeness. Because of the foregoing and since the investment in the Project is being offered on an "As Is, Where Is" basis, a prospective investor or other party authorized by the prospective investor to use such material solely to facilitate the prospective purchaser's investigation, must make its independent investigations, projections and conclusions regarding the investment in the Project without reliance on this Memorandum or any other Confidential Information. Although additional Confidential Information, which may include engineering, environmental or other reports, may be provided to qualified parties as the marketing period proceeds, prospective purchasers should seek advice from their own attorneys, accountants, engineers and environmental experts. Neither Exclusive Broker nor Managing Member guarantees the accuracy or completeness of the information contained in this Memorandum or any other Confidential Information provided by Exclusive Broker and Managing Member. Managing Member expressly reserves the right, at its sole discretion, to reject any offer to invest in the Project or to terminate any negotiations with any party at any time with or without written notice. Managing Member shall have no legal commitment or obligations to any prospective investor unless and until a written sale agreement has been fully executed, delivered and approved by Managing Member and any conditions to Managing Member's obligations thereunder have been satisfied or waived. Managing Member has retained Exclusive Broker as its exclusive broker and will be responsible for any commission due to Exclusive Broker in connection with a transaction relating to the Project pursuant to a separate agreement. Exclusive Broker is not authorized to make any representation or agreement on behalf of Managing Member. Each prospective investor will be responsible for any claims for commissions by any other broker in connection with an investment in the Project if such claims arise from acts of such prospective investor or its broker. This Memorandum is the property of Managing Member and all parties approved by Managing Member and may be used only by parties approved by Managing Member. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as permitted under the Confidentiality Agreement.

EXCLUSIVELY LISTED BY:

## JAMES ANDREWS

Associate

Net Leased Properties Group

(949) 419-3302

[james.andrews@marcusmillichap.com](mailto:james.andrews@marcusmillichap.com)

Lic. CA 02115272

## CRAIG ELSTER

Vice Presidents Investments

Net Leased Properties Group

(949) 419-3223

[craig.elster@marcusmillichap.com](mailto:craig.elster@marcusmillichap.com)

Lic. CA 01958307

## RON DUONG

Senior Managing Director Investments

Senior Director, National Retail Group

(949) 419-3233

[ron.duong@marcusmillichap.com](mailto:ron.duong@marcusmillichap.com)

Lic. CA 01438643

BROKER OF RECORD:

Steven Weinstock

Lic. #: IL 471.011175

# EXECUTIVE SUMMARY



Aqua-Gon is a Subsidiary of SRS Distribution, a Top 100 Private Company that has long Owned Distributors in Several Construction-Related Fields | SRS Revenue: \$5.4B



Aqua-Gon is a Legacy Brand - Over a 50 Year Operating History at this Location with Revenues in Excess of \$10 Million Dollars

## Strong Real Estate Fundamentals

- ▶ Overhead AC Units & Furnace Recently Replaced
- ▶ New Roof Recently Installed on Main Warehouse
- ▶ E-Commerce and Recession Proof Tenant

## Corporate Guaranteed Lease

- ▶ Tenant has been **Consistently Extending the Lease and Operating Successfully at this Location for 50+ Years**
- ▶ Aqua-Gon is a Subsidiary of **SRS Distribution - SRS Distribution was Named in the Top 80 of the 2021 Forbes' Largest Private Companies List. SRS Distribution Reached \$5.4 billion in Revenue** by the Fiscal Year-End in October 2021, Earning the Company the 80th Spot of 225 Qualifying Companies
- ▶ NN Industrial Property - Minimal Landlord Responsibilities, Which is Ideal for an Investor not Local to the Market

## Pride of Ownership Property in Naperville, IL

- ▶ Dense, Infill Area with Over 220,000 Residents within 5 Miles of Subject Property
- ▶ The Total Population of the Chicago Metropolitan Area is 9.459 Million
- ▶ Located in a Dense Industrial Area with other National Brands such as American Roofing Supply (SRS), 84 Lumber, BrightView Landscape, ABC Supply, CMC Materials, Napa Auto Parts, Caliber Collision, Ryder, Chrysler Distribution, and Many More within Close Proximity to the Subject Property



# TENANT OVERVIEW & IN THE NEWS

## Aqua-Gon

Aqua-Gon, Inc. began in 1965 with the sole purpose of providing reliable service to the pool and hot tub industry. They pride themselves on their service, knowledge, and quick action to help make your business run smoothly.



Website [www.aquagon.com](http://www.aquagon.com)

## SRS Distribution

SRS is a top 100 private company that has long owned distributors in several construction-related fields. SRS is backed by two private-equity groups — Los Angeles-based Leonard Green & Partners, and Boston-based Berkshire Partners. SRS is one of the nation's leading distributors of roofing materials and building products -- focused on providing the best service for their customers, building a great culture for their team members and giving back in the communities they serve.



Website [www.srsdistribution.com](http://www.srsdistribution.com)

SRS Revenue \$5.4B

## New Distributor Enters Stage with National Aspirations

August 26, 2021 - Rebecca Robledo

**Another company has added to the roll-up trend occurring in the pool/spa business. This one — brand new to this industry — enters the distribution space.**

**Springing from a parent company with roots in the building and landscape industries, Heritage Pool Supply Group debuted by making its first acquisition, stating the intention to grow nationally.**

[Click Here to Read More](#)



# FINANCIAL ANALYSIS

## Offering Summary

Property Name	Aqua-Gon (SRS)
Property Address	1728 North Aurora Road Naperville, IL 60563
Assessor's Parcel Number	07-15-101-010
Year Built	1982
Gross Leasable Area (GLA)	±21,140 Square Feet
Lot Size	±1.92 Acres (±83,635 Square Feet)

## Pricing

Price	\$1,900,000
Cap Rate	7.26%
Price Per Square Foot	\$89.88

## Annualized Operating Data

Net Operating Income	\$137,928
----------------------	-----------

## Lease Information

Initial Lease Term	5 Years
Lease Commencement Date	December 31, 2021
Lease Expiration Date	December 31, 2026
Lease Remaining	±4 Years
Lease Type	NN
Increases	2% Annual After Initial Lease Term
Options	Two, Five-Year
Guarantee	Corporate
Notes	Landlord Responsible for Roof & Structure



# EXECUTIVE SUMMARY

Aerial Photo

ILLINOIS  
**110**

**NALCO** Water  
An Ecolab Company


**Goodman**  
Air Conditioning & Heating

**TARGET**

**KSM**  
ELECTRONICS INC.

**NIKE**  
Nike Sports Complex

**Public Storage**

 **Illinois Route 59**  
±55,300 Cars Per Day

ED HOY'S  
International

Cress Creek Country Club

**SUBJECT PROPERTY**


 **North Aurora Road**  
±19,500 Cars Per Day

Naperville North High School

**Metro Self Storage**

**AMERICAN ROOFING SUPPLY**

**AutoZone**

 **Demographics - 5-Mile Radius**  
Population: ±221,867  
Households: ±81,128  
Avg. HH Income: \$147,226

Route 59 Train Station

**Ryder**  
Ever better.

**CHASER LASER TAG**

**Toyota of Naperville**

**Hilton**

**CHRYSLER**

**iGPS**  
THIS WAY FORWARD

Downtown Naperville

**TARGET**

Naperville Public Works

**Car Dealerships of Naperville**  
     
 

Centennial Beach

**meijer**

**FRIDAYS**

**Vetnique**  
Clubs

Naperville Central High School

**BEST BUY**

**DICK'S**  
SPORTING GOODS

**DISCOUNT TIRE**

**MENARDS**

**iGPS**  
THIS WAY FORWARD

  
Downtown Naperville  
±2 Miles

**Ryder**  
Ever better.

**NAR**  
TOWING

**CHASER LASER TAG**

**SUBJECT  
PROPERTY**

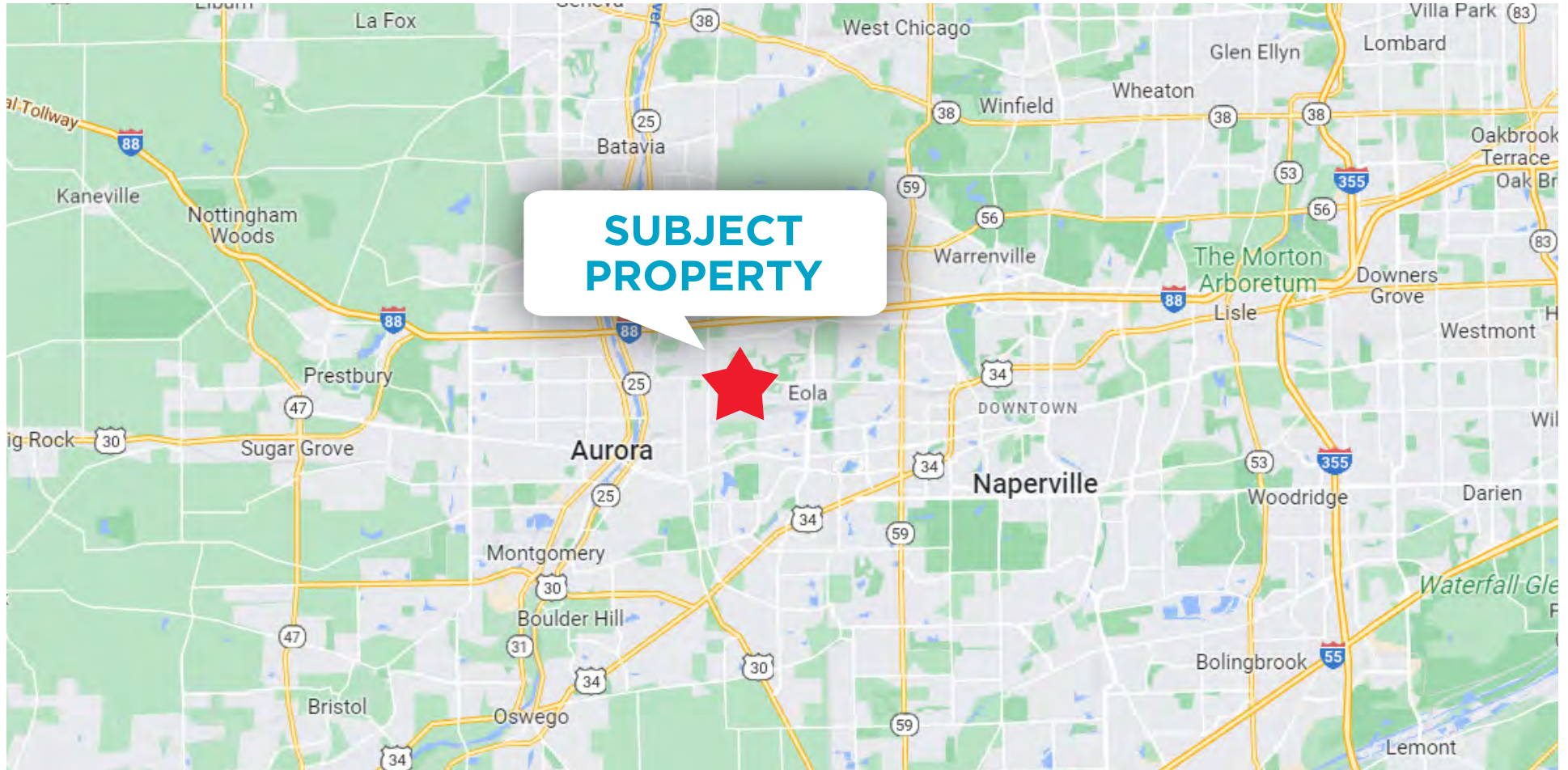
 **AMERICAN  
ROOFING  
SUPPLY**

**84 LUMBER**

NOTE: PROPERTY BOUNDARY LINES ARE ESTIMATED AND MUST BE INDEPENDENTLY VERIFIED BY POTENTIAL BUYERS

# MARKET OVERVIEW

## Regional Map



**±55,300**

CARS PER DAY ON  
STATE ROUTE 59



**±3 MILES**

TO CHICAGO BOLINGBROOK  
INT. AIRPORT (1CS)



**±30 MILES**

TO THE CITY OF  
CHICAGO, IL



**±19,500**

CARS PER DAY ON  
AURORA ROAD



# MARKET OVERVIEW

## The City Of Naperville, IL

“Located 28 miles west of Chicago, Naperville, Ill., consistently ranks as a top community in the nation in which to live, raise children and retire. This vibrant, thriving city is home to acclaimed public and parochial schools, the best public library system in the country, world-class parks, diverse worship options, an array of healthcare providers and an exceptionally low crime rate.



Naperville has ready access to a variety of public transportation, housing and employment choices. The city’s diversified employer base features high technology firms, retailers and factories, as well as small and home-based businesses. With all the amenities of a modern city and all the charm of a small town, Naperville truly is the premiere community in which to live, work and play” (Naperville.il.us)

## An Award-Winning Community

“In 2020, Naperville was ranked No. 1 on SafeWise’s America’s Safest Cities to Raise a Child report, which ranks safety by low property crimes, violent crimes and number of sex offenders.

In 2019, Naperville made SmartAsset’s list of top cities where millennials are purchasing homes and was ranked one of America’s “coolest suburbs” by Apartment Therapy. In 2018, Naperville was named the best city to live in Illinois on 24/7 Wall Street’s list of Best Cities to Live in Every State as well as the Best City to Raise a Family in America by Niche. Naperville was also named the third best place to visit in 2018 by Livability, and in August, the City took the No. 12 spot on Safewise’s 2018 Safest College Towns in the Nation report.

Naperville has also been named to Money magazine’s prestigious “Best Places to Live” list eight times since 2004, ranking No. 45 on the 2021 list, and was named the best place for early retirement by Kiplinger in 2013. In 2017, Naperville made Livability.com’s Top 100 Best Places to Live list and came in No. 2 in Niche.com’s Best Cities to Live In rankings. Naperville was also rated the safest city in America in 2017 by Niche.com as well as Homes.com” (Naperville.il.us)



Naperville Nature



Chicago River



Train Station

# MARKET OVERVIEW

## Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2027 Population	11,313	79,209	224,272
2022 Population	10,807	75,107	216,989
2010 Population	10,807	75,107	216,989
2000 Population	7,551	65,198	185,908

Households	1-Mile	3-Miles	5-Miles
2027 Households	4,610	31,287	82,457
2022 Households	4,554	30,750	81,128
2010 Households	4,456	29,779	78,828
2000 Households	2,978	25,684	66,057
2027 Owner Occupied Housing	44.4%	60.8%	70.4%
2027 Rent Occupied Housing	55.6%	39.2%	29.6%
2022 Owner Occupied Housing	44.5%	60.9%	70.5%
2022 Renter Occupied Housing	55.5%	39.1%	29.5%
2010 Owner Occupied Housing	44.4%	61.5%	72.3%
2010 Renter Occupied Housing	55.6%	38.5%	27.8%

Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$ 14,999	4.4%	3.8%	3.7%
\$ 15,000 - \$24,999	3.5%	3.7%	3.8%
\$ 25,000 - \$34,999	4.3%	4.1%	4.1%
\$ 35,000 - \$49,999	8.7%	7.6%	7.8%
\$ 50,000 - \$74,999	15.4%	14.6%	13.4%
\$ 75,000 - \$99,999	14.5%	13.1%	12.8%
\$100,000 - \$124,999	12.5%	12.3%	12.3%
\$125,000 - \$149,999	11.0%	10.3%	10.3%
\$150,000 - \$200,000	13.5%	13.5%	13.7%
\$200,000 to \$249,999	5.2%	7.6%	8.2%
\$250,000 +	7.1%	9.3%	9.9%
2022 Median Household Income	\$98,695	\$105,923	\$108,579
2022 Average Household Income	\$127,066	\$142,236	\$147,226



**\$147,226**

2022 AVERAGE HOUSEHOLD INCOME



# SRS Distribution Subsidiary



**OPERATING HISTORY OF 50+ YEARS**  
**\$5B+ REVENUE CORPORATE GUARANTEE**

**NAPERVILLE, ILLINOIS**

PRESENTED BY

## **JAMES ANDREWS**

Associate

Net Leased Properties Group

(949) 419-3249

[james.andrews@marcusmillichap.com](mailto:james.andrews@marcusmillichap.com)

Lic. CA 02115272

## **CRAIG ELSTER**

Vice President Investments

Director, Net Leased Properties Group

(949) 419-3223

[craig.elster@marcusmillichap.com](mailto:craig.elster@marcusmillichap.com)

Lic. CA 01958307

## **RON DUONG**

Senior Managing Director Investments

Senior Director, National Retail Group

(949) 419-3233

[ron.duong@marcusmillichap.com](mailto:ron.duong@marcusmillichap.com)

Lic. CA 01438643

## **BROKER OF RECORD:**

Steven Weinstock

Lic. #: IL 471.011175

19800 MacArthur Boulevard, Suite 150, Irvine, CA 92612 / [www.marcusmillichap.com](http://www.marcusmillichap.com)

©2022 Marcus & Millichap. All rights reserved. The material in this presentation has been prepared solely for information purposes, and is strictly confidential. Any disclosure, use, copying or circulation of this presentation (or the information contained within it) is strictly prohibited, unless you have obtained Marcus & Millichap's prior written consent. The views expressed in this presentation are the views of the author and do not necessarily reflect the views of Marcus & Millichap. Neither this presentation nor any part of it shall form the basis of, or be relied upon in connection with any offer, or act as an inducement to enter into any contract or commitment whatsoever. NO REPRESENTATION OR WARRANTY IS GIVEN, EXPRESS OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION CONTAINED WITHIN THIS PRESENTATION, AND MARCUS & MILLICHAP IS UNDER NO OBLIGATION TO SUBSEQUENTLY CORRECT IT IN THE EVENT OF ERRORS.