

# AURORA INDUSTRIAL COMPLEX



Marcus & Millichap  
DUONG INVESTMENT GROUP

631 W. PARK AVENUE, AURORA, IL 60506

OFFERING MEMORANDUM

# AURORA INDUSTRIAL COMPLEX



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# INVESTMENT OVERVIEW

## Investment Highlights



Offered at a 10.91% Cap | Low Price Per SF of Just \$24.87 (Well Below Replacement Value)



Below Market Rents – Low Average Rent/SF of Just \$3.30/SF MG | Pro Forma Cash on Cash Return of Over 25%



Value-Add Opportunity – Investors Have the Ability to Achieve a Pro Forma Cap Rate of 15.28% by Leasing Up Vacancies and Renewing Existing MTM Leases at Market Rents

## Excellent Value-Add Opportunity

- ▶ Anchored by Apex Warehouse Systems, a Premier Service Provider of Warehouse Design, Automation Solutions and Storage Systems. Apex has Exhibited Ongoing Facility Commitment with Recent and Consistent Expansions
- ▶ The Remaining 35% of the GLA is Currently on MTM or Short-Term Leases with No Options
- ▶ **Below Market Rents** – Market Rent is in Excess of \$4.00/SF/Year NNN, While the Subject Property Averages Just \$3.30/SF/Year Modified Gross
- ▶ Generational Asset – First Time on the Market in 30+ Years
- ▶ Additional Opportunity to Add Value by Utilizing Available Land for Industrial Outdoor Storage (IOS)

## Strong Real Estate Fundamentals

- ▶ 18 Drive-In Doors and 14 Dock-High Doors | 13 Different Sprinkler Risers
- ▶ The Majority of the Property Benefits from High Ceiling Clearance Ranging from 18ft to 34ft
- ▶ Hard-to-Find Crane Facility – Operational but Not in Use
- ▶ Brick Building Reinforced with Metal and Concrete Masonry

## Pride of Ownership Property in Aurora, IL

- ▶ Ideally Located Within the Heart of Aurora - Illinois' Second-Largest City
- ▶ Strategically Positioned Among the Nation's Top 5 Industrial Markets Boasting Unparalleled Connectivity to Key Arterials
- ▶ Favorable Property Taxes – Situated in Kane County



# INVESTMENT OVERVIEW

## Tenant Spotlight

### Apex Warehouse Systems

Apex Warehouse Systems is a Full-Service Resource for Pallet Rack & Automation Solutions – Design, Engineering & Installation.

Apex Stands as a Premier Service Provider in the Realm of Warehouse Solutions, Offering an Array of Services Including Innovative Warehouse Design, Cutting-Edge Automation Solutions, Advanced Storage Systems, Top-Tier Material Handling Equipment, and Unparalleled Expertise in Service and Repair.

At the Core of Their Approach Lies the Art of Seamlessly Designing and Harmoniously Integrating Systems and Warehouse Operations, All in the Pursuit of Elevating Efficiency. This Mission Is Undertaken with a Meticulous Selection of Tools, Ranging from the Vanguard of Modern Technology to the Steadfast and Proven Solutions, Equipment, and Processes.

Through Their Adeptness, They Orchestrate the Optimization of Pallet Rack Configurations, Storage Layouts, and Material Handling Systems, Culminating in a Warehouse Efficiency That Is Truly Second to None. Leveraging the Forefront of Engineering and Design Technology, Including 3D AutoCAD and Advanced Modeling Tools, Apex Crafts a Future Where Warehouses Operate at the Pinnacle of Performance.

Website

[www.apex-cos.com](http://www.apex-cos.com)



### MVP Metals

This reputable company has carved out a niche in the industry, specializing in the distribution and provision of value-added services for special bar products. With a steadfast commitment to customer satisfaction, they offer a diverse array of customized solutions, meticulously crafted to address the unique requirements and preferences of each individual client.

### US Specialty Packaging

With a rich history dating back to 1990 at their current location, this company has firmly established itself as a leader in the field of packaging solutions. Their area of specialization lies in precision cutting and intricate customization of cardboard and paper products, where their seasoned experts bring forth not only decades of experience but also an unwavering commitment to delivering the highest standards of craftsmanship in every project they undertake.



# INVESTMENT OVERVIEW

## Aerial Photo



# FINANCIAL ANALYSIS

## Offering Summary

Property Name	Aurora Industrial Complex
Property Address	631 W. Park Avenue Aurora, IL 60506
Assessor's Parcel Number	15-21-126-009, 15-16-378-006
Current Occupancy	96%
Year Built	1950
Gross Leasable Area (GLA)	±341,810 Square Feet
Lot Size	±17.34 Acres (±755,330 Square Feet)

## Pricing

Price	\$8,500,000
Cap Rate (Current)	10.91%
Cap Rate (Pro Forma)	15.28%
Price/SF	\$24.87

## Financing Quote (as of August 2024)

% Down / Down Payment	40% / \$3,400,000
Loan-to-Value / Loan Amount	60% / \$5,100,000
Interest Rate	6.75%
Amortization	25-Year
Loan Program	Please contact Agents.

NOTE: Financing quotes are time sensitive and subject to change.

## Annualized Operating Data

	Current	Pro Forma
Gross Potential Rent	\$1,218,276	\$1,389,100
Expense Reimbursements	\$0	\$289,805
Gross Potential Income	\$1,218,276	\$1,678,905
Vacancy Reserve	\$0	5% / (\$83,945)
Effective Gross Income	\$1,218,276	\$1,594,960
Less Expenses	(\$290,739)	(\$295,864)
<b>Net Operating Income</b>	<b>\$927,536</b>	<b>\$1,299,096</b>
Debt Service	(\$422,838)	(\$422,838)
Cash Flow After Debt Service	\$504,699	\$876,258
<b>Cash on Cash Return</b>	<b>14.84%</b>	<b>25.77%</b>

## Expenses

	Current	Pro Forma
Property Tax	\$84,000	\$84,000
Insurance	\$90,000	\$90,000
Janitorial	\$13,191	\$13,191
Utilities	\$17,000	\$17,000
Repairs & Maintenance	\$50,000	\$50,000
Property Management	\$36,548	\$41,673
<b>Total Expenses</b>	<b>\$290,739</b>	<b>\$295,864</b>
Expenses/SF	\$0.85	\$0.87

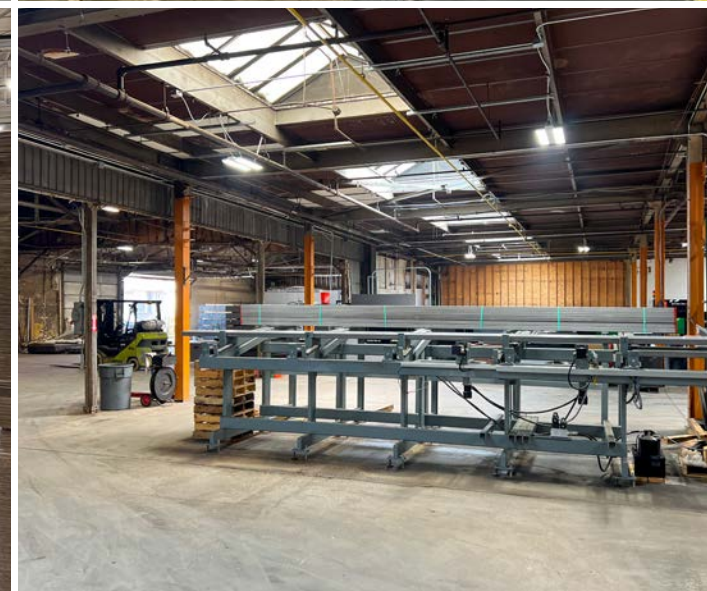
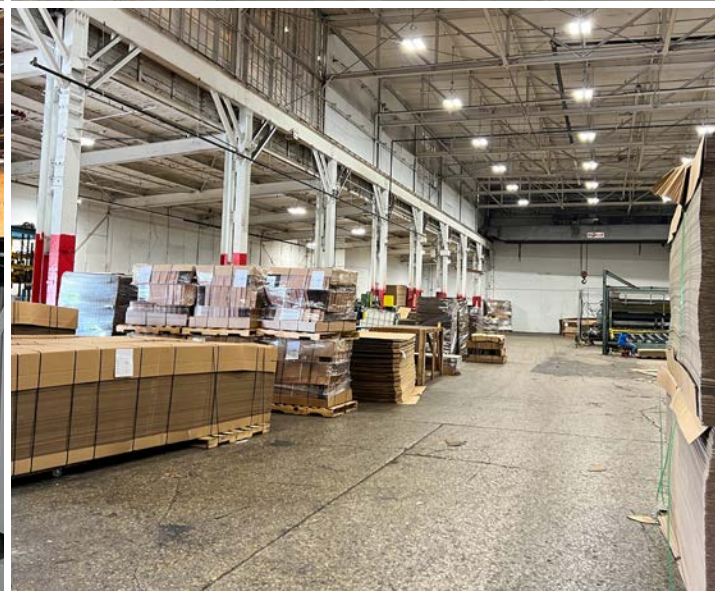
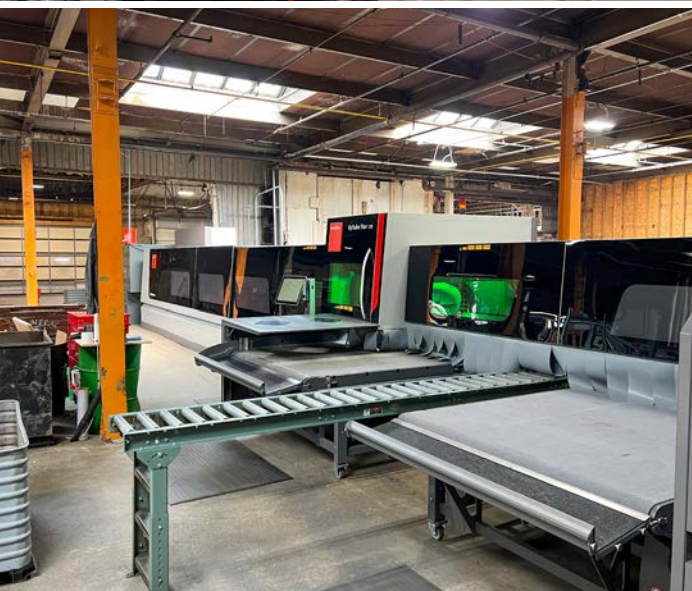
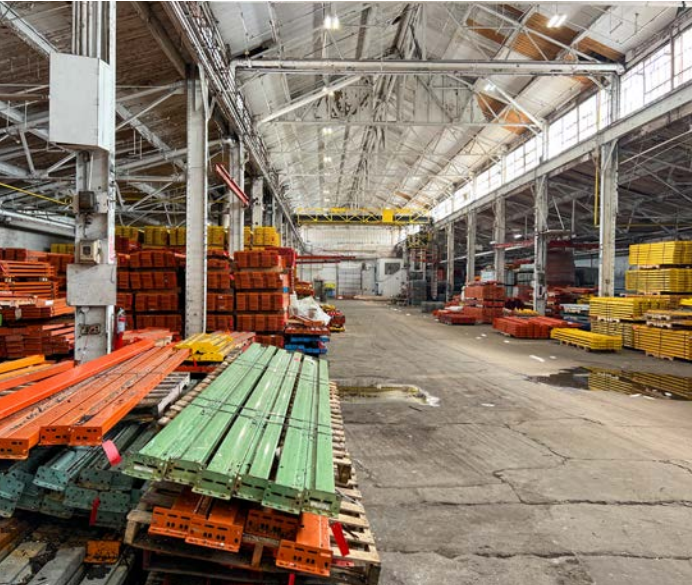
# FINANCIAL ANALYSIS

## Rent Roll - As of August 2024

Tenant Name	GLA	% of GLA	Expires	Current Monthly Rent	Current Rent/SF/Yr	Lease Type	Increases	Options	Pro Forma Lease Type	Pro Forma Monthly Rent	Pro Forma Rent/SF/Yr
Apex Material Handling	224,600	65.71%	3/31/2028	\$69,054.00	\$3.69	MG	5% Annual	None	NNN	\$74,866.67	\$4.00
US Packaging	67,810	19.84%	1/31/2027	\$20,226.00	\$3.58	MG	5% Annual	None	NNN	\$22,603.33	\$4.00
MVP Metals	26,000	7.61%	10/31/2025	\$8,221.98	\$3.79	MG	None	None	NNN	\$8,666.67	\$4.00
Outdoor Storage (±1 Acre)	0	0.00%	MTM	\$0.00	N/A	N/A	None	None	N/A	\$2,575.00	\$0.00
Truck Parking (±0.5 Acres)	0	0.00%	MTM	\$1,580.00	N/A	MG	None	None	N/A	\$1,580.00	\$0.00
FJ Masonry	2,400	0.70%	MTM	\$400.00	\$2.00	MG	None	None	NNN	\$800.00	\$4.00
Vacant (Leased 7 Months Per Year)	14,000	4.10%	7 Months Per Year	\$2,041.00	\$1.75	MG	None	N/A	NNN	\$4,666.67	\$4.00
Office	5,000	1.46%	N/A	\$0.00	\$0.00	N/A	N/A	N/A	N/A	\$0.00	\$0.00
Maintenance	2,000	0.59%	N/A	\$0.00	\$0.00	N/A	N/A	N/A	N/A	\$0.00	\$0.00
<b># of Tenants:</b> 9	<b>Total Available:</b> ±21,000 SF	<b>Total Occupied:</b> ±320,810 SF	<b>Monthly:</b> <b>Annual:</b>	<b>\$101,523</b> <b>\$1,218,276</b>	<b>Current Average Rent/SF/Yr:</b> <b>\$3.30/SF MG</b>				<b>Monthly:</b> <b>Annual:</b>	<b>\$115,758</b> <b>\$1,389,100</b>	<b>PF Average:</b> <b>\$4/SF/Yr NNN</b>

# INVESTMENT OVERVIEW

## Interior Photos





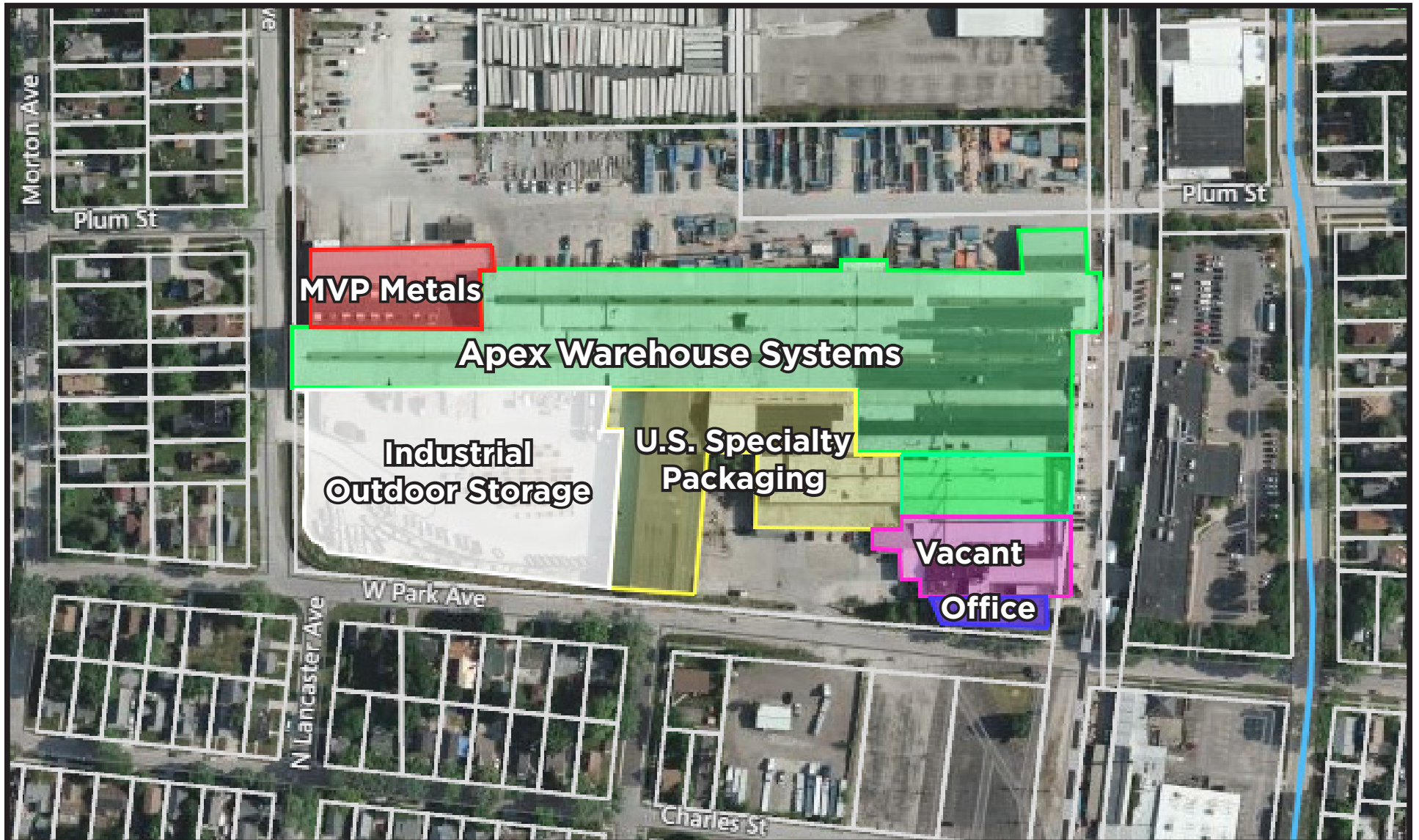
# INVESTMENT OVERVIEW

## Exterior Photos



# INVESTMENT OVERVIEW

## Site Plan



NOTE: All property and tenant boundary lines are estimated and must be independently verified by potential Buyers.

# MARKET OVERVIEW

## Regional Map



**±9 MILES**

TO THE CITY OF  
NAPERVILLE, IL



**±37 MILES**

TO CHICAGO O'HARE  
INTERNATIONAL AIRPORT (ORD)



**±1 MILE**

TO BUSTLING  
DOWNTOWN AURORA, IL



**±30 MILES**

VIA I-88 & I-290  
TO CHICAGO, IL

# MARKET OVERVIEW

## The City Of Aurora, IL

Aurora, nestled in the northeastern region of Illinois just west of Chicago, is a dynamic city characterized by its diverse population of approximately 200,000 residents. This thriving urban hub has cultivated a rich blend of cultures, resulting in a vibrant and inclusive community that stands as a testament to the city's openness and acceptance.



The city's economic landscape is a tapestry woven with various industries. While manufacturing has historical significance, Aurora has diversified into sectors such as healthcare, technology, and education. This diversified economy has attracted a range of businesses, contributing to the city's robust growth and vitality.

Education plays a significant role in Aurora's identity, with Aurora University offering a comprehensive range of academic programs.

Cultural experiences abound in Aurora. The Paramount Theatre, a historic gem, hosts an array of performances that span from Broadway productions to captivating concerts. Meanwhile, the Aurora Historical Society diligently preserves and shares the city's history, offering a glimpse into its evolution over the years.

Transportation options ensure connectivity and convenience for residents. Major highways, including Interstate 88, streamline access to Chicago and nearby locales. Additionally, the Metra commuter rail system presents a seamless commuting option, connecting Aurora to the heart of the Windy City.

## Popular Nearby Attractions

- ▶ **Paramount Theatre Gem:** The historic Paramount Theatre shines as a cultural centerpiece, hosting a range of captivating performances.
- ▶ **Nature-Infused Lifestyle:** With the Fox River and abundant parks, Aurora offers a perfect blend of urban convenience and natural beauty.
- ▶ **Aurora University:** Aurora University is a private institution in Aurora, Illinois, offering diverse undergraduate, graduate, and doctoral programs, fostering an engaged student community, and emphasizing community involvement and academic excellence.

Paramount Theater



Downtown Aurora, IL



Aurora University



# MARKET OVERVIEW

## Demographic Summary

Population	1-Mile	3-Miles	5-Miles
2028 Population	18,864	129,154	239,930
2023 Population	19,009	129,263	238,362
2010 Population	19,462	131,090	236,456
2000 Population	18,650	108,096	173,815

Households	1-Mile	3-Miles	5-Miles
2028 Households	6,015	39,274	78,668
2023 Households	6,178	34,160	57,109
2010 Households	6,110	39,091	75,904
2000 Households	6,178	34,160	57,109
2028 Owner Occupied Housing	53.6%	60.7%	69.7%
2028 Rent Occupied Housing	46.4%	39.3%	30.4%
2023 Owner Occupied Housing	53.8%	60.9%	69.7%
2023 Renter Occupied Housing	46.2%	39.1%	30.3%
2010 Owner Occupied Housing	58.7%	64.9%	72.7%
2010 Renter Occupied Housing	41.3%	35.1%	27.3%

Income	1-Mile	3-Miles	5-Miles
\$ 0 - \$ 14,999	9.7%	8.5%	5.7%
\$ 15,000 - \$24,999	10.5%	9.6%	6.6%
\$ 25,000 - \$34,999	10.4%	9.3%	6.7%
\$ 35,000 - \$49,999	16.9%	16.5%	12.2%
\$ 50,000 - \$74,999	20.3%	19.5%	17.4%
\$ 75,000 - \$99,999	11.9%	13.1%	13.4%
\$100,000 - \$124,999	8.8%	9.8%	12.2%
\$125,000 - \$149,999	4.2%	5.3%	8.3%
\$150,000 - \$200,000	4.2%	5.3%	9.2%
\$200,000 to \$249,999	1.2%	1.3%	3.7%
\$250,000 +	1.9%	2.0%	4.7%
2023 Median Household Income	\$53,167	\$57,933	\$77,486
2023 Average Household Income	\$71,989	\$75,887	\$105,129



**\$105,129**

2023 Average Household Income  
(5-Mile Radius)



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