

WALMART SHADOW CENTER | INVESTMENT GRADE ANCHOR WITH STRONG INCREASES | LOW PRICE PER SQUARE FOOT | ILLINOIS



1940-1960 Gateway Center Drive,
Belvidere, IL 61008



4

17,700 AADT

I-90 ALT

4

Actual Site



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CONFIDENTIAL
OFFERING MEMORANDUM



Actual Site

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BELLAGIO
REAL ESTATE PARTNERS

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EXECUTIVE SUMMARY

\$3,402,887 PRICE	7.10% CAP RATE
\$241,605 NOI (AS OF 5/1/2024)	18,622 SF on 2.79 Acres BUILDING & PARCEL SIZE

Bellagio Real Estate Partners, LLC is pleased to present an investment opportunity to acquire a medical anchored multi-tenant strip center at the signalized corner leading to a Walmart Supercenter in the Rockford MSA. This OSF anchored center is strategically located just off I-90, creating plenty of traffic, while also being on the main commercial corridor of Belvidere, US-20. The site is surrounded by key retailers including Walmart Supercenter, Starbucks, Taco Bell, Applebee's, Dunkin' Donuts, Speedway, McDonald's, Walgreens, among many others. Belvidere is also home to the Belvidere Assembly Plant for new vehicle production. Stellantis recently announced a \$4.8B investment into the plant, \$3.2B of which will be used to build an EV battery plant.

Investment Highlights

- Shadow anchored by Walmart supercenter.
- Healthy tenant mix including recent lease signed by AT&T.
- Submarket Occupancy Rate of 95%.
- Attractive pylon signage.
- **OSF (A+ Credit Rating) makes up over 70% of the property and just extended 5 years.**
- Attractive rental increases including 3% annual increases for OSF.
- Strong historical occupancy of approximately 20 years at the subject property for Great Clips & Rosati's.
- Well maintained center with newly paved parking lot.
- 1,522 SF vacant, allowing for potential upside for the investor.
- Low in-place rents giving an investor future upside.
- Minutes from Belvidere Assembly Plant with \$4.8B being invested creating thousands of jobs.
- New \$20M truck stop development over 43 acres directly across the street
- New "Aroma Hill Dispensary" just opened across the street



MARKET AERIAL



MIDRANGE AERIAL



CLOSEUP AERIAL



DRONE AERIAL



DRONE AERIAL



DRONE AERIAL



LEASE ABSTRACT

Tenant	OSF Healthcare System (A+ Credit Rating)
Space Size	13,592 Square Feet (73% of the pro-rata share)
Rent Commencement	February 1, 2024
Current Lease Expiration	January 31, 2029
Annual Base Rent	\$171,034.59 (\$12.58 PSF)
Renewal Options	2 x 5 year with 180 day notice
Rent Increases	3% annual increases
Roof and Structure	Landlord Responsibility
Common Areas	The common areas are maintained by the Landlord, with the pro-rata share being fully reimbursed by the Tenant.
Taxes	Tenant
HVAC	Tenant
Insurance	Tenant
Utilities	Tenant
Admin/Mgmt Fee	Full



LEASE ABSTRACT

Tenant	Griswold, Inc. d/b/a Great Clips
Space Size	1,000 Square Feet (5.37% pro-rata share)
Lease Commencement	November 15, 2005
Current Lease Expiration	November 14, 2025
Annual Base Rent	\$15,000 (\$15 PSF)
Renewal Options	One, 5yr option
Rent Increases	\$1 SF increase (\$16 SF in option)
Roof and Structure	Landlord Responsibility
Common Areas	The common areas are maintained by the Landlord, with the pro-rata share being fully reimbursed by the Tenant.
Taxes	Tenant
HVAC	Tenant is responsible for maintenance. Landlord is responsible for replacement.
Insurance	Tenant
Utilities	Tenant
Admin/Mgmt Fee	Full
ROFR to Lease	Tenant has one, first right of refusal to lease Vacant space, in event landlord in its sole discretion divides the Vacant space for rental. Tenant has waived one-time right.



LEASE ABSTRACT

Tenant	Belvidere Pizza, Inc. d/b/a Rosati's Pizza –
Space Size	1,842 Square Feet (9.89% of the pro-rata share)
Lease Commencement	April 1, 2005
Current Lease Expiration	March 31, 2025
Annual Base Rent (as of 4/1/2024)	\$30,485.10 (\$16.55 PSF)
Renewal Options	None
Rent Increases	2.5% annual increases
Roof and Structure	Landlord Responsibility
Common Areas	The common areas are maintained by the Landlord, with the pro-rata share being fully reimbursed by the Tenant.
Taxes	Tenant
HVAC	Tenant
Insurance	Tenant
Utilities	Tenant
Admin/Mgmt Fee	Full



LEASE ABSTRACT

Tenant	Mobily, LLC, an AT&T authorized retailer
Space Size	1,850 Square Feet (9.93% of the pro-rata share)
Lease Commencement	May 1, 2022
Current Lease Expiration	April 30, 2027
Annual Base Rent (as of 4/1/2024)	\$40,700 (\$22 PSF)
Renewal Options	2 x 3 year
Rent Increases	10% increases at renewal
Roof and Structure	Landlord Responsibility
Common Areas	The common areas are maintained by the Landlord, with the pro-rata share being fully reimbursed by the Tenant, subject to an annual CAM Cap of 2% increase on Controllable costs.
Taxes	Tenant
HVAC	Tenant is responsible for maintenance. Tenant's cost to repair or replace HVAC capped at \$500 per year during the Term.
Insurance	Tenant
Utilities	Tenant
Admin/Mgmt Fee	Full



IN-PLACE PROFORMA

In-Place Operating Proforma			
	SF	Rent / SF	Annual Rent
OSF Healthcare	13,592	\$12.58	\$171,035
Great Clips	1,000	\$15.00	\$15,000
Rosati's Pizza	1,842	\$16.55	\$30,485
AT&T	1,850	\$22.00	\$40,700
Vacant	1,522	\$0.00	\$0
TOTAL (91.83% Leased)	18,622		\$257,220
	Building GLA		\$257,220
Gross Rental Income			\$257,220
2023 Reimbursable Expenses			
Real Estate Taxes (2022 taxes paid 2023)		\$4.89	\$91,001
CAM (Including Mgmt Fees and Utilities)		\$4.29	\$79,921
Insurance		\$0.25	\$4,592
Total Reimbursements		\$9.43	\$175,513
Potential Gross Revenue		\$23.24	\$432,733
Effective Gross Revenue		\$23.24	\$432,733
2023 Expenses			
Real Estate Taxes (2022 taxes paid 2023)		\$5.32	\$99,097
CAM (Including Mgmt Fees and Utilities)		\$4.67	\$87,031
Insurance		\$0.27	\$5,000
Total Operating Expenses		\$10.26	\$191,128
In-Place Net Operating Income		\$12.97	\$241,605



Actual Site



Actual Site

RENT ROLL

Tenant	Start Date	Expiration Date	Square Footage	Prorata Share %	Renewal Options Remaining	Start Date	End Date	Rent PSF	Monthly Rent	Annual Rent	% Annual Change
OSF Healthcare	2/1/2024	1/31/2029	13,592 SF	72.99%	Two, 5-year options	2/1/2024	1/31/2025	\$12.58	\$14,253	\$171,035	N/A
					3% annual increases throughout	2/1/2025	1/31/2026	\$12.96	\$14,680	\$176,166	3.0%
						2/1/2026	1/31/2027	\$13.35	\$15,121	\$181,451	3.0%
						2/1/2027	1/31/2028	\$13.75	\$15,575	\$186,894	3.0%
						2/1/2028	1/31/2029	\$14.16	\$16,042	\$192,501	3.0%
Griswold, Inc. d/b/a Great Clips	11/15/2005	11/14/2025	1,000 SF	5.37%	One, 5 year option	11/15/2023	11/14/2024	\$15.00	\$1,250	\$15,000	N/A
					\$1 SF increase in option (\$16 PSF)	11/15/2024	11/14/2025	\$15.00	\$1,250	\$15,000	0.0%
Belvidere Pizza, Inc. d/b/a Rosati's Pizza	4/1/2005	3/31/2025	1,842 SF	9.89%	None	4/1/2024	3/1/2025	\$16.55	\$2,540	\$30,485	N/A
Mobily, LLC, an AT&T authorized retailer	5/1/2022	4/30/2027	1,850 SF	9.93%	Two, 3 Yr options	5/1/2024	4/30/2025	\$22.00	\$3,392	\$40,700	N/A
					10% each renewal	5/1/2025	4/30/2026	\$0.00	\$3,392	\$40,700	0.0%
Vacant			1,522 SF	8.17%							



Actual Site



Actual Site



Actual Site

TENANT OVERVIEW



Founded in 1880, OSF Healthcare is based in Peoria, IL and consists of 16 hospital locations (approximately 2,100 beds), 32 urgent care locations and two colleges of nursing, all throughout Illinois and Michigan. In 2022, OSF Healthcare announced the acquisition of Galesburg Cottage Hospital located in Galesburg, IL. OSF is rated A2 by Moody's and had net revenue of over \$3.1B while serving more than 1,056,000 patients in the FY 2022.

Tenant Facts

Tenant	OSF Healthcare System
Company Type	Non-profit Organization
Revenue & Number Of Locations	Approximately \$3.1B in Revenue with over 145 locations throughout Illinois and Michigan
Credit Rating	A+ (Outlook Stable)
Company Headquarters & Website	Peoria, IL https://www.osfhealthcare.org



Actual Site



Actual Site

TENANT OVERVIEW

Great Clips®

Great Clips is known to be a leading hair salon franchiser and retailer of hair care products across the USA and Canada. Great Clips offers convenient and affordable hair care services with a no-appointment-necessary policy. With thousands of locations, Great Clips is known for its skilled stylists, competitive pricing, and seamless customer experience. Targeting busy professionals, families, and individuals, Great Clips integrates technology for online check-ins and app features, enhancing accessibility. As a sought-after tenant, Great Clips brings established brand recognition and a reliable revenue stream, making it an attractive addition to any commercial real estate property seeking a reputable and successful retail tenant.



Actual Site

Tenant Facts

Tenant	Griswold, Inc. d/b/a Great Clips
Company Type	Great Clips
Number Of Locations	Over 4,100 stores across the United States and Canada
Number Of Employees	31,000+
Company Headquarters & Website	Bloomington, MN https://www.greatclips.com/



Actual Site

TENANT OVERVIEW



Rosati's is known for their Authentic Chicago Pizza dating back to 1926 when founded by Saverio Rosati on the west side of Chicago. By 1995 the company grew to the 4th largest pizza chain in the Chicago area (behind Pizza Hut, Domino's and Little Caesar's). Rosati's now has locations across 13 states reaching as far west as Nevada and all the way east to North Carolina. Sam Rosati, the great grandson of Fred Rosati Sr, opened his first location in Belvidere, IL. Rosati's features dine-in seating, carryout, delivery and also provides catering to each of the communities they are in.



Tenant Facts

Tenant	Belvidere Pizza, Inc. d/b/a Rosati's Pizza – Corporate
Company Type	Rosati's Pizza
Number Of Locations	Over 200 locations, over 1/3 in Illinois
Company Headquarters & Website	Elgin, IL https://www.rosatispizza.com/



TENANT OVERVIEW



AT&T, a multinational telecommunications conglomerate founded in 1885, stands out as an attractive tenant for commercial real estate investors as is the world's largest telecommunications company. With a long history of stability and resilience through economic cycles. AT&T and Mobily, LLC offer investors' confidence in consistent lease payments. Their strong credit profile, diverse revenue streams spanning wireless services, broadband, media, and entertainment, and globally recognized brand enhance the property's marketability and perceived value. Dependence on telecommunications infrastructure ensures long-term leases and minimal tenant turnover, while industry tailwinds such as increased demand for connectivity and 5G technology further bolster their appeal. Mobily, LLC, is an authorized AT&T dealer, operating dozens AT&T's across the US, giving investors' a reliable operator.



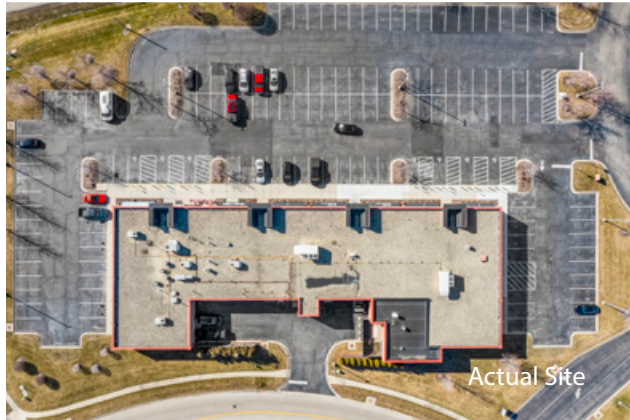
Actual Site

Tenant Facts	
Tenant	Mobily, LLC, an AT&T authorized retailer
Company Type	AT&T (NYSE: T)
Number Of Locations	5,442 stores across all 50 states
Mobily, LLC: 80 stores across 7 states	<ul style="list-style-type: none"> - AZ: 10 - TX: 39 - CO: 6 - WI: 13 - IL: 2 - NC: 5 - CT: 5
Number Of Employees	160,000+
Company Headquarters & Website	Dallas, TX https://www.att.com/ Sugar Land, TX http://www.mobilyllc.com/about-us/



Actual Site

EXTERIOR BUILDING PHOTOS



AREA OVERVIEW

Belvidere, IL

The subject property is located in Belvidere, IL (25,339 population), positioned in the Rockford MSA (339,000 population) just 15 minutes outside of Rockford, and a little over an hour to downtown Chicago.

Belvidere is home to the Belvidere Assembly Plant which dates back to 1963 by the Chrysler Corporation. According to the Chicago Tribune, this factory will see a \$4.8 billion investment from Stellantis – the parent company of Chrysler, Jeep, Fiat, Dodge, Ram, Masterati, Alfa Romeo, and many other car brands. Of that capital investment amount, \$3.2B will go towards electronic vehicle battery production, while \$1.5B will go towards retooling the factory for pickup truck production. The last \$100M of the capital stack will go towards creating a “megahub” distribution center for the automotive part brand Mopar, modeled after an “Amazon-like” distribution center hub. The plants are expected to reopen in 2027 & 2028 and will bring over 1,300 jobs to the Belvidere area. Staff are expected to be moved from Naperville to this new area. This is community changing and reviving news that will benefit everyone in the area, including business and traffic at the subject investment property.



Stellantis – Belvidere Assembly Plant. \$4.8B investment being made with will generate an additional 1,300 jobs.

Rockford, IL

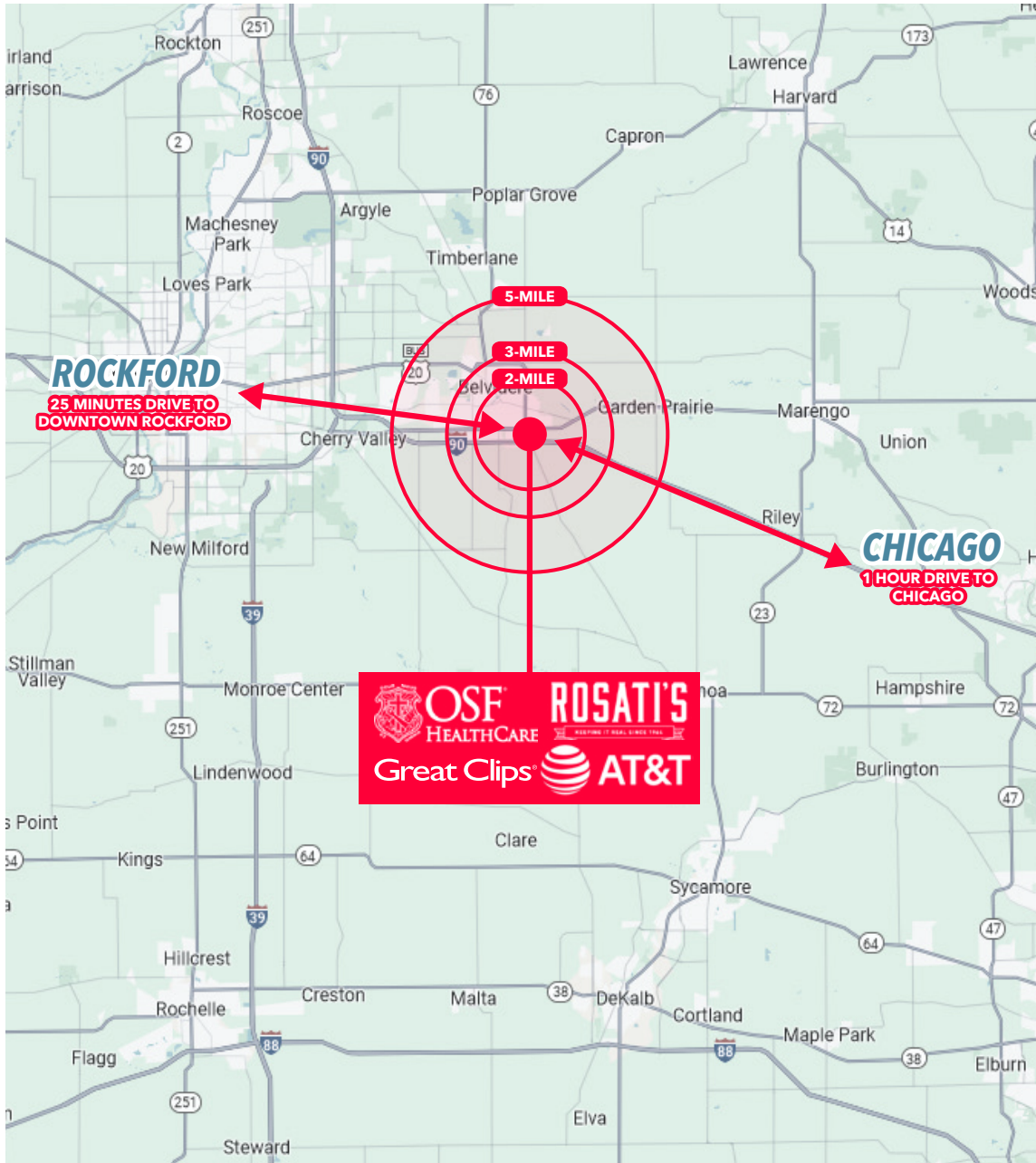
Rockford is the county seat within Winnebago County and is the largest city in Illinois outside of Chicago. Rockford is home to Rockford University as well as Rock Valley College. After a long multi-million dollar renovation, the Coronado Theatre reopened, providing a major draw to the community as well as the MetroCentre downtown arena (now known as BMO Harris Bank Center), which completed a \$20M renovation. After getting hit by the 2009 recession, the Rockford area climbed back with unemployment rates hitting lows of around 4.4%, which the area had not seen since around 2000. In nearby Loves Park, Woodward (aerospace industry) committed to a \$200M manufacturing campus focusing on energy control and optimization systems.

In the last decade, healthcare provider, SwedishAmerican opened a \$39M Regional Cancer Center in 2013, Mercy Health acquired Rockford Health System in 2014 and then in 2019 Mercy Health opened Javon Bea Hospital-Riverside, which is the 2nd largest hospital in Rockford. The hospital is a \$505M complex which was the largest construction project in the city's history.



Downtown Rockford, IL

AREA OVERVIEW



DEMOGRAPHICS	2 Mile	3 Mile	5 Mile
POPULATION	15,480	22,434	28,664
AVERAGE HH INCOME	\$66,638	\$65,583	\$71,031

Key Employers	
Rockford Public Schools	4,075 employees
UW Health	3,780 employees
Mercyhealth	3,000 employees
OSF Healthcare	2,200 employees
Collins Aerospace	2,000 employees
Woodward	2,000 employees
UPS	2,000 employees
Amazon	1,535 employees
Walmart	1,470 employees
Stellantis	1,459 employees
General Mills	-
Dean Foods	-
Yang Feng Automotive Interiors	-
Magna International	-

DISCLAIMER

Bellagio Real Estate Partners, LLC (“Bellagio REP”) has been retained as the exclusive broker by the owner of record (the “Owner”) 1940-1960 Gateway Center Dr, Belvidere, IL 61008 (the “Property”) in connection with its sale as described in this Offering Memorandum.

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Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors. In making a purchase decision, a potential purchaser must rely on their own examination of the Property and the terms of purchase.



TACO BELL

**Club
CARWASH**

GATEWAY CENTER DR

**MURPHY
USA**

GATEWAY 1
OSF[®] HEALTHCARE
ROSATI'S CHICAGO PIZZA
Great Clips[®] at&t

**WAL*MART[®]
SUPERCENTER**

CHRYSLER RD

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