

FOR SALE
2500 WEST CHICAGO
CHICAGO, IL 60622





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2500 W CHICAGO CHICAGO, IL 60622



SALE PRICE
\$3,500,000.00



CURRENT NOI
\$252,786



CAP RATE
7.2%



LEASE TYPE
NNN



YEAR BUILT/RENOVATED
1940/2017

INVESTMENT HIGHLIGHTS

- Rarely Available 100% Leased, Investment Opportunity In Ukrainian Village/Wicker Park
- Home To Split Rail/Villanelle And Dorothy's Downstairs
- Offered At 7.2% Cap Rate
- Building Has Top-of-the-line Amenities And Two (2) Spacious Second Floor Apartments
- Building Also Features A Rear, 5,000 SF Impressive Live/ Work Space Perfect For Owner/User Or To Lease Out
- Located In One Of The Fastest-growing Neighborhoods In The Country For Young Professionals
- Owners open to partial sale leaseback on Rear Bow Truss space. Details must be negotiated

INVESTMENT SUMMARY

LIST PRICE	\$3,500,000.00
CURRENT NOI	\$252,786
INITIAL CAP RATE	7.2%
YEAR BUILT/RENOVATED	1940/2017
BUILDING SIZE	17,000 SF
FLOORS	2
ZONING	Commercial
BUILDING CLASS	A

INVESTMENT OFFERING

Friedman Real Estate is pleased to present this rare opportunity on the north side of Chicago. 2500 W. Chicago Ave is a mixed-use retail/residential building on a corner located in Ukrainian Village/Wicker Park. This building has gone through extensive renovation and now features Class A amenities. The property is 100% leased with long-term tenants. The retail space is occupied by Split Rail/Villanelle since 2016 who has a large and loyal customer base. The same proprietor also leases the downstairs space- Dorothy's. The 2nd floor features 2 huge apartments. The rear 5,000 SF class Chicago bow-truss space is currently leased by the building owners and must be viewed to really appreciate the amazing potential for an owner-user or to lease out. This live - work space has been renovated for office use, entertainment or a showroom. It has a mezzanine floor and a car lift. Please contact the broker for further details. Buyers must sign an NDA prior to reviewing financial documents and rent rolls.

RENT ROLL

RENT ROLL

Suite	Tenant	Suite Size (SF)	Rent Step Date	Monthly Rent	Annual Rent	Annual Rent (SF)	Estimated Monthly Expense Reimb.	Estimated Annual Expense Reimb. (PSF)	Estimated Expense Reimb. (PSF)	Lease Start	Lease End
Restaurant	Split Rail/Boat house	4,143	Current Term	\$8917	\$107,003	25.83	\$1,500	\$18,000	\$4.34	3/1/2016	2/28/2026
Basement	Dorthy's	4,259	Current Term	\$5,060	\$60,718	\$14.26	\$1,200	\$14,400	\$3.38	10/1/2017	9/30/2027
			10/1/2025	5,186	\$62,236	\$14.61					
			10/1/2026	\$5,316	\$63,792	\$14.98					
2W	Rick Jones	±2000	Current Term	\$2,750	\$33,000	\$16.50				11/1/2023	10/31/2025
2E	Dwayne Charp	±2000	Current Term	\$3,200	\$38,400	19.20				3/16/2024	3/31/2025
Live/Work	Owner Occupied	±5000	Current Term	\$5,000	\$60,000	\$12.00					

Total Building Area	±17000										
Occupied (SF)	±17000	\$24,927	\$299,120	\$17.60	\$2,700	\$32,400	\$1.91	\$6,490			
Vacant (SF)	0										
Occupancy (%)	100.00%	1.69	WALT								
Vacancy (%)	0.00%										

RENT ROLL NOTES
•Unless otherwise noted, all rent roll information shown above was based on the provided rent roll.
LIVE/WORK SPACE - The ±5,000 SF live/work space is currently occupied by ownership, who are contemplating a sale leaseback at \$60,000 per year (\$12.00 PSF gross). We believe an appropriate rental rate for this space should be \$120,000 per year (\$24.00 PSF gross).

*All Suites 100% Occupied

TENANT INFORMATION - RENT ROLL AS OF 11/1/24

Suite	Tenant Name Rent Change & Options	Suite Size (SF)	Rent Step Date	Monthly Rent	Annual Rent	Annual Rent/SF	Estimated Monthly Expense Reimb.	Estimated Annual Expense Reimb.	Estimated Expense Reimb. PSF	Annual Percentag e Rent	Lease Start	Lease End
Restaurant	Split Rail/Boathouse	4,143	Current Term	\$8,917	\$107,003	\$25.83	\$1,500	\$18,000	\$4.34		3/1/2016	2/28/2026
			3/1/2025	\$9,184	\$110,213	\$26.60						
Basement	Dorthys	4,259	Current Term	\$5,060	\$60,718	\$14.26	\$1,200	\$14,400	\$3.38	\$6,490	10/1/2017	9/30/2027
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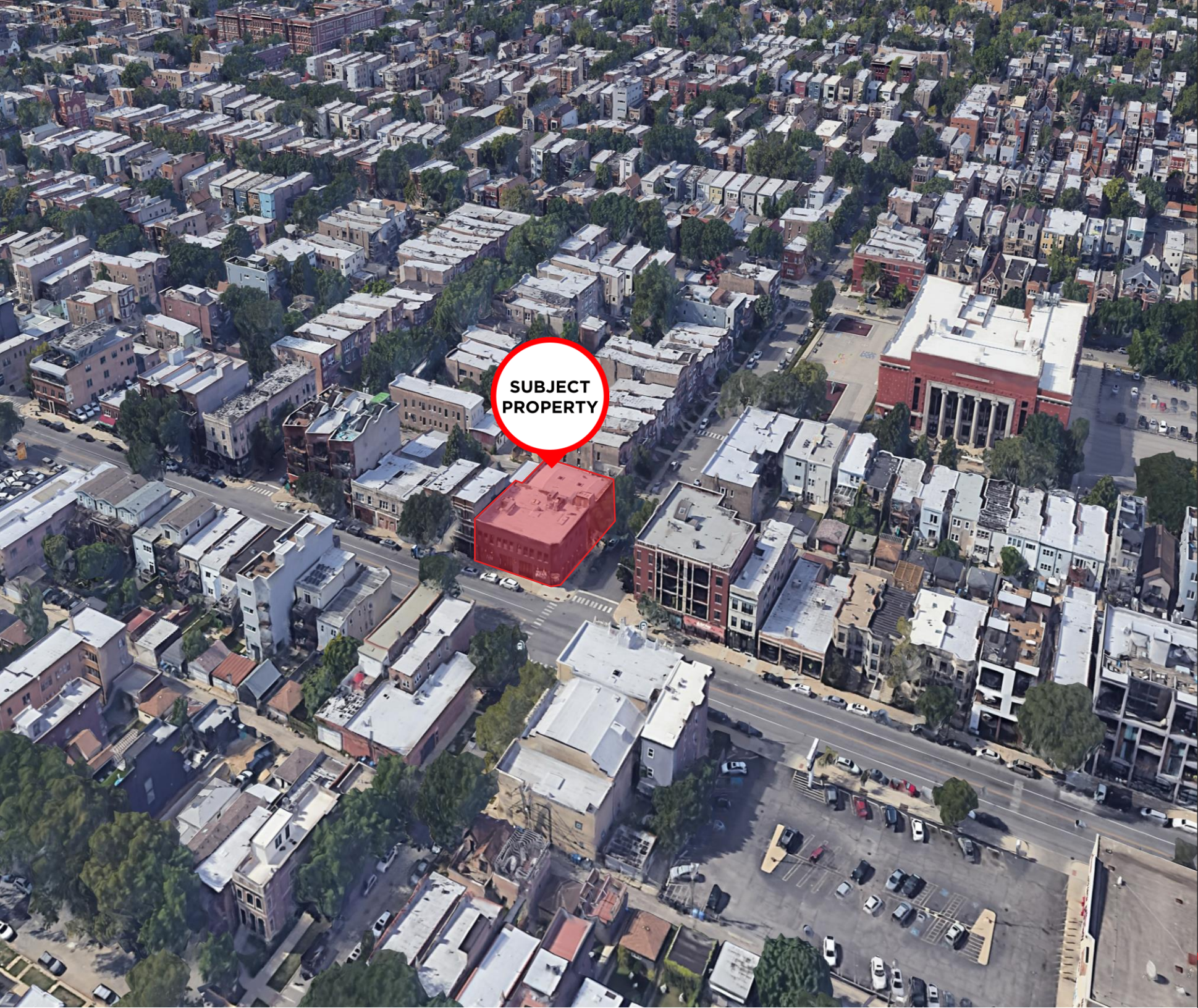
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FINANCIAL SUMMARY – YEAR 1 PROJECTED CASH FLOW

Year 1 Pro Forma	\$120K Live/Work Income	\$60K Live/Work Income
Revenues		
Base Rent (Commercial)	167,720	167,720
Percentage Rent (Commercial)	6,490	6,490
Total Commercial Rent	174,210	174,210
Expense Reimbursement	32,400	32,400
Total Commercial Revenues	206,610	206,610
Rent (Multi-Family)	71,400	71,400
Rent (Live/Work Space) ¹	120,000	60,000
Vacancy Factor (Multi-Family) ²	(9,570)	(6,570)
Total Multi-family Rent	181,830	124,830
Effective Gross Revenue	388,440	331,440
Expenses		
Real Estate Taxes ³	38,092	38,092
Insurance	12,642	12,642
Cable	5,165	5,165
Repairs & Maintenance	39,394	39,394
General & Administrative	9,012	9,012
Utilities	15,809	15,809
Management Fee ⁴	15,538	13,258
Total Operating Expenses	135,654	133,374
Expenses % of EGR	34.92%	40.24%
Net Operating Income	252,786	198,066

PROJECTED CASH FLOW NOTES

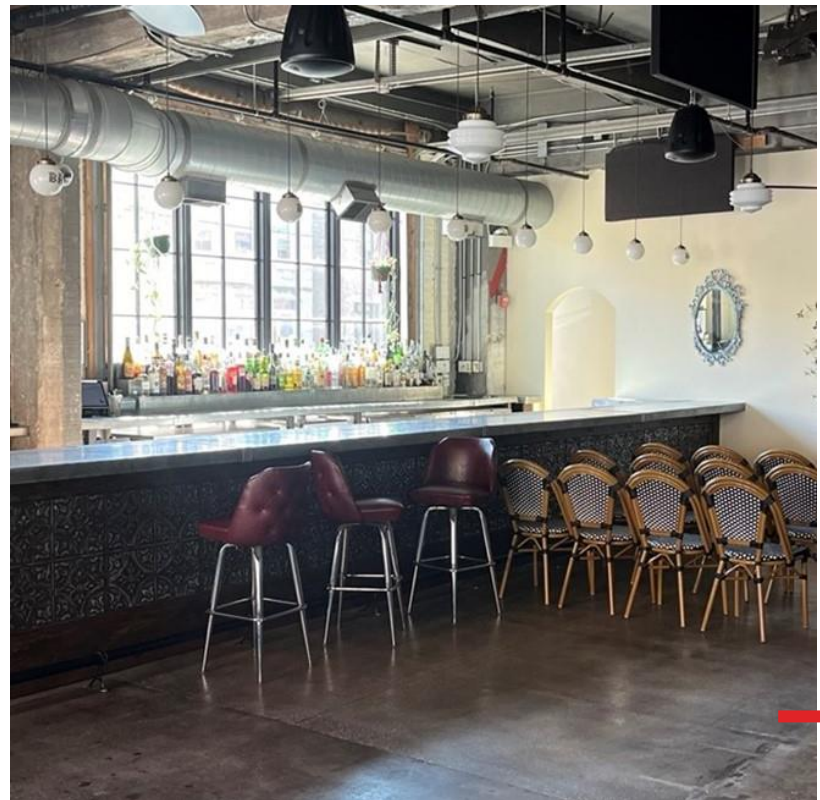
- Unless otherwise detailed below, our analysis utilized the provided rent roll and 2023 P&L for assumptions detailed below. Notably, the 2024 YTD P&L was missing numerous expenses, so our analysis primarily utilized the 2023 P&L plus 3.00% for general inflation. Should we receive updated information materially changing any of our other income assumptions, we reserve the right to update our valuation in this BOV.
- LIVE/WORK SPACE INCOME** – The ±5,000 SF live/work space is currently occupied by ownership, who are contemplating a sale leaseback at \$60,000 per year (\$12.00 PSF gross). We believe an appropriate rental rate for this space should be \$120,000 per year (\$24.00 PSF gross). We showed both scenarios for reference.
 - GENERAL VACANCY FACTOR** – We included an industry standard 5.00% vacancy factor for the multi-family component.
 - REAL ESTATE TAXES** – 2024 taxes of ±\$38,092 are based on an assessed value of ±\$180,000, which equates to a ±\$1.8MM market value. Notably, given the value contemplated within this BOV and the cook county assessor, real estate taxes will likely increase significantly upon a sale, but has not been modeled as such in this analysis. Should we be provided with updated information materially changing our real estate tax assumption, we reserve the right to update our valuation in this BOV.
 - MANAGEMENT FEES** – Assumption based on 4.00% of effective gross revenue (EGR). The provided 2023 & 2024 YTD P&L's had no management expense. A buyer will likely include a management expense.
 - CAPITAL RESERVE** – Although we were not provided with a property condition report, given the Subject has been 100% renovated with new plumbing, electrical, and upscale amenities, we did not include a capital reserve. Should we be provided with a property condition report that materially changes this assumption, we reserve the right to update our valuation in this BOV.
 - DIRECT CAP RATE** – Historical cap rates for stabilized mixed-use buildings in the immediate area approximately range from ±6.00%—±9.00% depending on size, location, vintage, and tenancy. Given the increased interest rates pressure on cap rates/return metrics and non-credit tenancy, we believe an appropriate direct cap rate for the Subject property would fall approximately between 7.00% and 8.00%.









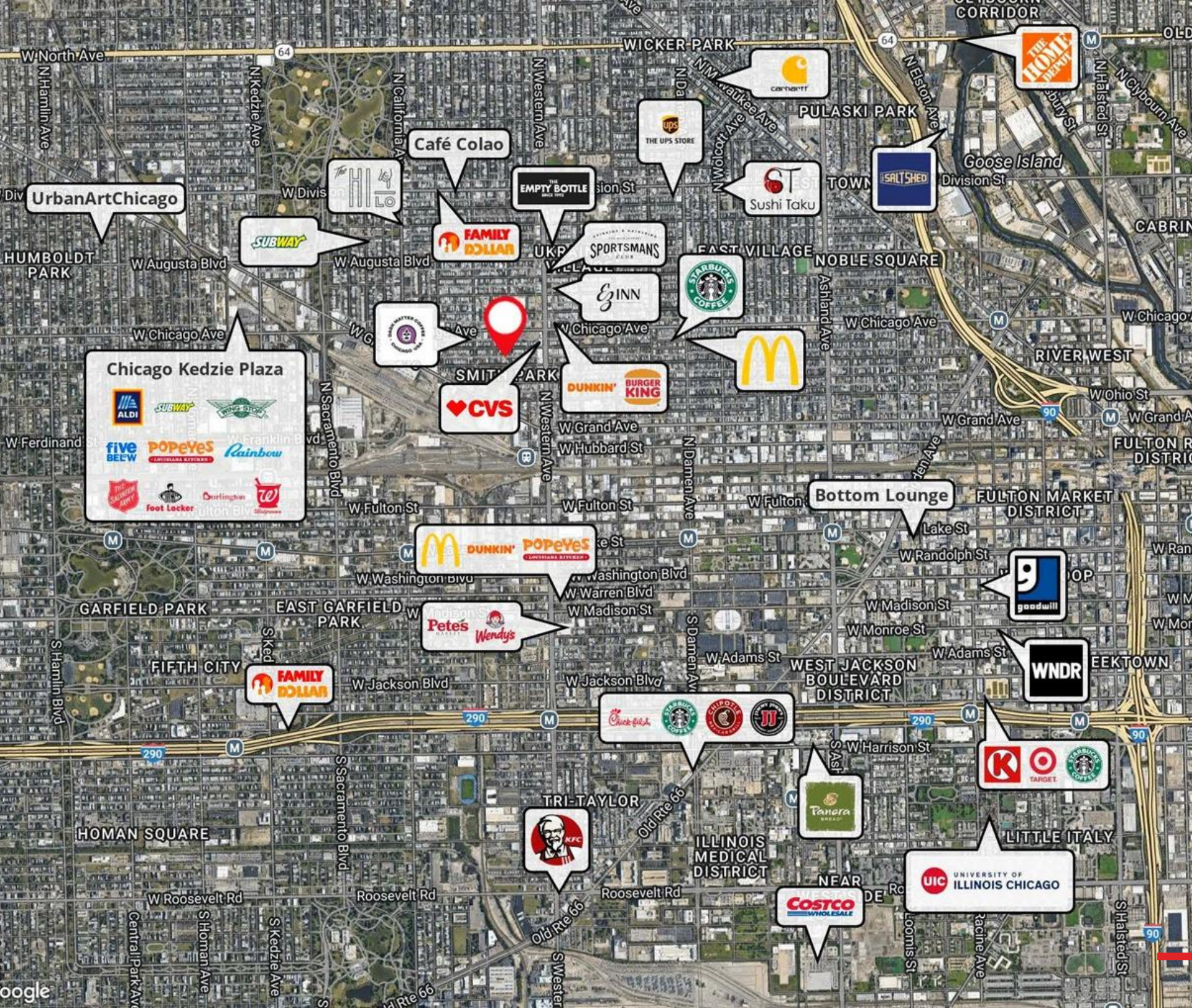


PROPERTY PHOTOS





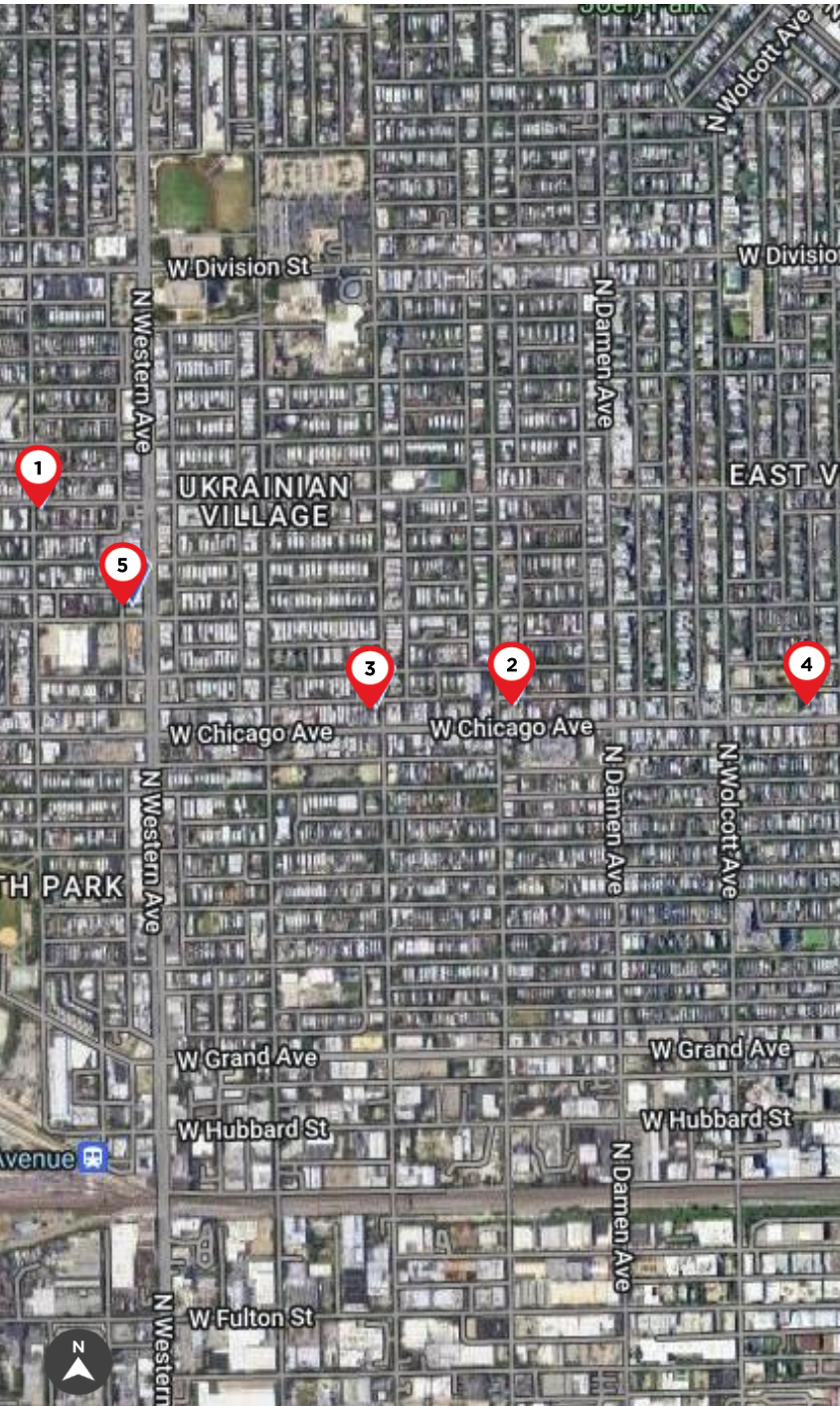
PROPERTY PHOTOS

NEARBY AMENITIES



RECENT MARKET SALES

 = SUBJECT PROPERTY
 = COMPARABLE



1—2459 W AUGUSTA ST

2459 W Augusta St | Chicago, IL

Size	6,500 SF	Built	1892
Type	Retail	Sale Date	6/7/23
Sale Price	\$1,200,000	Price PSF	\$184.62
Cap Rate	N/A	Days on Market	N/A

Note Three apartment units and ground floor retail.



2—2054 W CHICAGO AVE

2054 W Chicago Ave | Chicago, IL

Size	6,498 SF	Built	2017
Type	Retail	Sale Date	3/1/23
Sale Price	\$1,900,000	Price PSF	\$292.40
Cap Rate	6.44%	Days on Market	219

Note Three 1,850 SF 3-Bed, 3-Bath apartment units and ground floor retail. Renovated units. Two garage parking spaces.



3—2200 W CHICAGO AVE

2200 W Chicago Ave | Chicago, IL

Size	6,410 SF	Built	1888
Type	Retail	Sale Date	6/29/22
Sale Price	\$1,670,000	Price PSF	\$260.53
Cap Rate	N/A	Days on Market	N/A

Note Six apartment units and ground floor retail. Two (2) 3-Bed, 1-Bath, and four (4) 2-Bed, 1-Bath units with three garage parking spaces.



4—1814 W CHICAGO AVE

1814 W Chicago Ave | Chicago, IL

Size	9,321 SF	Built	1914
Type	Retail	Sale Date	8/25/21
Sale Price	\$2,250,000	Price PSF	\$241.39
Cap Rate	N/A	Days on Market	N/A

Note Vacant restaurant.



5—900 N WESTERN AVE

900 N Western Ave | Chicago, IL

Size	8,100 SF	Built	1898
Type	Retail	Sale Date	8/6/21
Sale Price	\$1,537,000	Price PSF	\$189.75
Cap Rate	7.60%	Days on Market	N/A

Note Nine apartment units and ground floor retail.



CHICAGO

Chicago, the third-largest city in the U.S., is a dynamic hub of culture, commerce, and innovation nestled along the shores of Lake Michigan. Home to 2.7 million residents, the city is celebrated for its iconic architecture, including the Willis Tower and Millennium Park, as well as its rich history and vibrant cultural scene. Renowned for its deep-dish pizza, jazz and blues legacy, and storied sports teams like the Cubs and Bulls, Chicago also boasts world-class institutions like the Art Institute and the Field Museum. Its diverse economy thrives on industries such as finance, technology, and manufacturing, with major corporations like Boeing and United Airlines headquartered here. Among Chicago's many neighborhoods, Wicker Park, affectionately known as "Wicker Village," shines as a hotspot for creativity and modern living. Situated in the West Town community area, it seamlessly blends historic charm with a contemporary flair, attracting young professionals, artists, and families alike. At its heart lies the vibrant Six Corners intersection, teeming with vintage shops, trendy cafes, and an electric nightlife. Wicker Park's inviting green spaces, filled with gardens, sports facilities, and community events, add to its appeal. Whether exploring the city's architectural marvels downtown or soaking in the neighborhood's eclectic energy, Chicago offers endless opportunities for discovery. Economically, Chicago stands tall with one of the world's largest urban economies, boasting a gross metropolitan product exceeding \$770 billion. Key sectors like healthcare, logistics, and hospitality continue to drive growth, supported by state initiatives aimed at attracting investment and creating jobs. However, challenges persist, such as a sluggish luxury real estate market and rising downtown office vacancies, driven by concerns over crime and tax burdens. Looking to the future, Chicago is positioning itself as a leader in emerging technologies, with initiatives like the Illinois Quantum and Microelectronics Park poised to make the city a global hub for innovation. While economic growth may lag behind national averages, strategic investments in technology and service industries offer promising opportunities, underscoring Chicago's potential for long-term advancement and resilience.

SURROUNDING DEMOGRAPHICS

	1 Mile	3 Mile	5 Mile
Population	42,754	435,645	1,181,540
Households	19,529	196,606	534,238
Average HHI	\$123,656	\$125,411	\$118,228
Median HHI	\$93,217	\$93,033	\$86,355

BROKER REPRESENTATION



600

CURRENT
BROKER LISTINGS

12,500

MULTI-FAMILY
APARTMENTS MANAGED

20,000,000

COMMERCIAL
SF MANAGED

\$22,000,000,000

IN CLOSED TRANSACTIONS



Kellen Duggan

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Kellen Duggan has been a specialist in retail and office investment sales throughout the Chicago city and suburban markets since 2011. During that time, he has been a high-producing broker and consultant for his clients in both acquisition and disposition scenarios. For multiple years he has been the recipient of the Commercial Forum Top Producer Award. Since 2011 Kellen has transacted or been a part of over \$225 million dollars of total deals. His knowledge and understanding of the Chicago real estate market continues to add value for his clients in every transaction he is a part of.

Kellen holds a B.A. in Business Administration from Michigan State University and an M.B.A in Finance from the University of Illinois.



SERVICE LINES

Friedman's Brokerage Services group partners with clients on setting the right strategy to maximize real estate investment assets. We offer a full array of service lines that assist our clients in the entire real estate life cycle from acquisition through ownership and ultimately disposition.

SINGLE TENANT SALES (RETAIL, MEDICAL, OFFICE, INDUSTRIAL)

Facilitating single tenant dispositions for owners of net leased investments requires a skilled team with deep institutional and private capital relationships as well as the determination to maximize value. Our group's complete focus on the single tenant, net leased investment sector ensures your commercial real estate assets are carefully placed with precise detail in the ultra-competitive marketplace.

MULTI-FAMILY SALES

Our advisors combine local market expertise with a national perspective, providing owners and investors a balanced view of both the macro and micro multi-family investment market. Our Multi-Family team is part of a national sales and investment platform that is dedicated solely to the multi-family industry, with deep-rooted relationships with owners, buyers, and debt & equity partnerships nationwide.

SHOPPING CENTER SALES

Shopping center dispositions require the ability to access both institutional and private investors nationwide, while also managing the complexity of active marketing campaigns. Our team can quickly interpret owners' goals to formulate, manage and successfully close transactions. We sell shopping centers both individually as well as portfolios, utilizing our custom tailored multi-faceted marketing process.

INDUSTRIAL SALES

Our advisors leverage their vast experience handling industrial property repositioning, valuation, and disposition of industrial assets nationwide. In addition to traditional sales and auction sales, Friedman handles industrial disposition work resulting from bankruptcy and M&A activity.

ONLINE AUCTION SALES

Friedman specializes in the disposition of value-add, opportunistic, and stabilized properties for clients through our auction partnership channels. Through auction, clients can sell assets on a digital marketplace that precision-targets buyers, including previously unknown investors from around the world. Our auction partners accelerate the transaction process from listing & marketing through due diligence and close. Deals close 2x faster with 60% of buyers coming from outside/local markets.

ADDITIONAL SERVICE LINES

- 1031 exchanges
 - Debt placement / capital markets
 - Sale leasebacks & portfolio sales
 - Valuation, research & consultation
 - Commercial management
 - Multi-Family Management
 - Construction & design services
 - Financing
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CREATING VALUE BEYOND REAL ESTATE



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