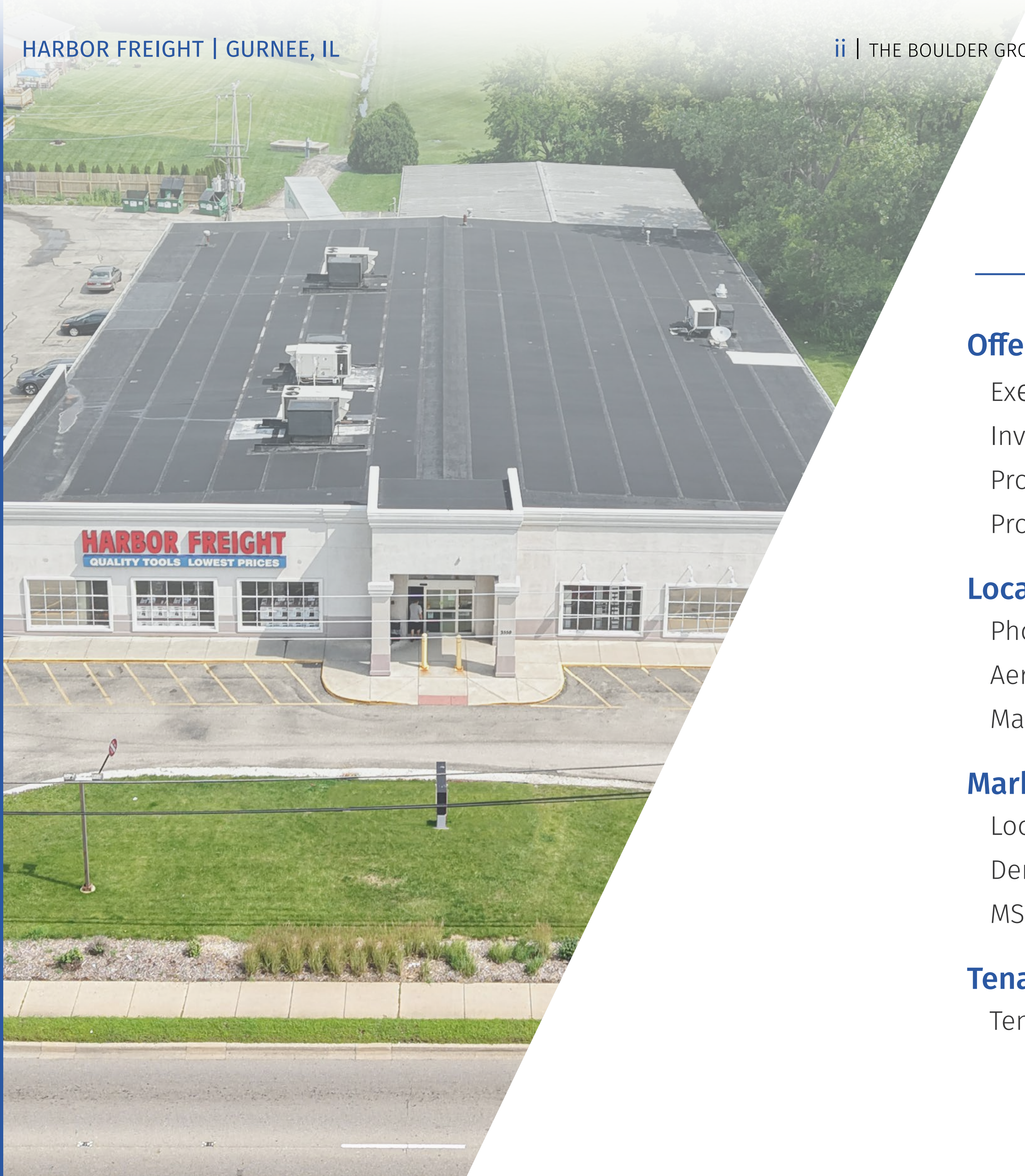
NET LEASE INVESTMENT OFFERING

HARBOR FREIGHT

Harbor Freight

3550 Grand Ave
Gurnee, IL 60031 (Chicago MSA)

THE Boulder GROUP



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Executive Summary

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Harbor Freight property positioned within the Chicago MSA, in Gurnee, Illinois. Harbor Freight has successfully operated at this location since its opening in 2014 and has repeatedly demonstrated its long-term commitment by extending the lease multiple times, most recently through June 2034. The lease provides for 7.5% rental escalations throughout the primary term (next escalation in 2029) and includes three 5-year renewal options.

The 20,568-square-foot building is positioned along Grand Avenue, which carries approximately 21,000 vehicles per day, and is located immediately east of Route 41, a primary north-south arterial accommodating approximately 37,000 VPD. Just to the east, Green Bay Road provides an additional high-traffic north-south route carrying approximately 33,000 VPD. Interstate 94, one of northern Illinois' primary transportation corridors, is accessible within minutes and carries more than 100,000 VPD along this stretch. The property benefits from its location in the established Gurnee retail corridor, roughly 10 minutes east of Gurnee Mills — a nearly 2-million-square-foot regional shopping destination anchored by Macy's, Kohl's, Bass Pro Shops Outdoor World, Dick's Sporting Goods, Burlington, and IKEA (coming soon). The site also draws consistent traffic from Six Flags Great America and Hurricane Harbor Chicago, a regional entertainment destination attracting approximately 3 million annual visitors. There are more than 170,000 residents within a five-mile radius of the property, with an average household income exceeding $115,000. Neighboring retailers include Jewel-Osco, Walgreens, Starbucks, McDonald's, Sherwin-Williams, Dollar Tree, Thornton's, and several others

Harbor Freight Tools is one of the largest and fastest-growing privately held tool and equipment retailers in the United States, operating more than 1,650 stores across 48 states from its headquarters in Calabasas, California. Founded in 1977, Harbor Freight Tools generates approximately $8 billion in annual revenue through its value-focused retail model, which offers a broad assortment of power tools, hand tools, automotive equipment, and shop supplies under its proprietary brand portfolio. The company is targeting 2,000 total store locations by 2027, reflecting its continued commitment to physical retail expansion.

Investment Highlights

- Positioned within the Chicago MSA – Ranked #3 in the United States for population size
- Harbor Freight has extended the lease multiple times since opening in 2014 – most recently through June 2034 – demonstrating commitment to the location
- 7.5% rental escalation every five, next occurring in 2029
- Proximity to Gurnee Mills, one of the largest shopping centers in Illinois at nearly 2 million square feet, anchored by Macy's, Kohl's, Bass Pro Shops Outdoor World, Dick's Sporting Goods, Burlington, and IKEA (coming soon)
- The site benefits from high vehicular traffic at the intersection of Grand Avenue (21,000 VPD) and US Route 41 (37,000 VPD), with Green Bay Road located immediately to the east (33,000 VPD)
- Located within minutes of Interstate 94, one of northern Illinois' primary transportation arteries, which carries more than 100,000 vehicles per day
- Proximity to Six Flags Great America and Hurricane Harbor Chicago, a major regional entertainment destination attracting approximately 3 million annual visitors
- 170,000+ residents within five miles with average household income exceeding $115,000
- Neighboring retailers include Jewel-Osco, Walgreens, Starbucks, McDonald's, Sherwin-Williams, Dollar Tree, Thornton's, & several others

Property Overview

PRICE	CAP RATE	NOI
$1,654,510	7.25%	$119,952[1]

LEASE COMMENCEMENT DATE:	3/27/2014
LEASE EXPIRATION DATE:	6/30/2034
RENEWAL OPTIONS:	Three 5-year
RENTAL ESCALATION:	7.5% every 5 years (Next: July 2029)
LEASE TYPE:	NN – Roof, structure, foundation, HVAC[2], parking lot replacement
TENANT:	Harbor Freight Tools USA, Inc.
YEAR BUILT/RENOVATED:	1975/2018
BUILDING SIZE:	20,568 SF – Main building 4,934 SF – Storage building
LAND SIZE:	1.52 AC

1. *Landlord is responsible for utilities and fire & safety equipment for the rear storage building. See following page for breakdown.*
2. *The tenant is responsible for up to $2,500 per year in HVAC repair costs; any amount exceeding that is the landlord's responsibility.*

ProForma Analysis

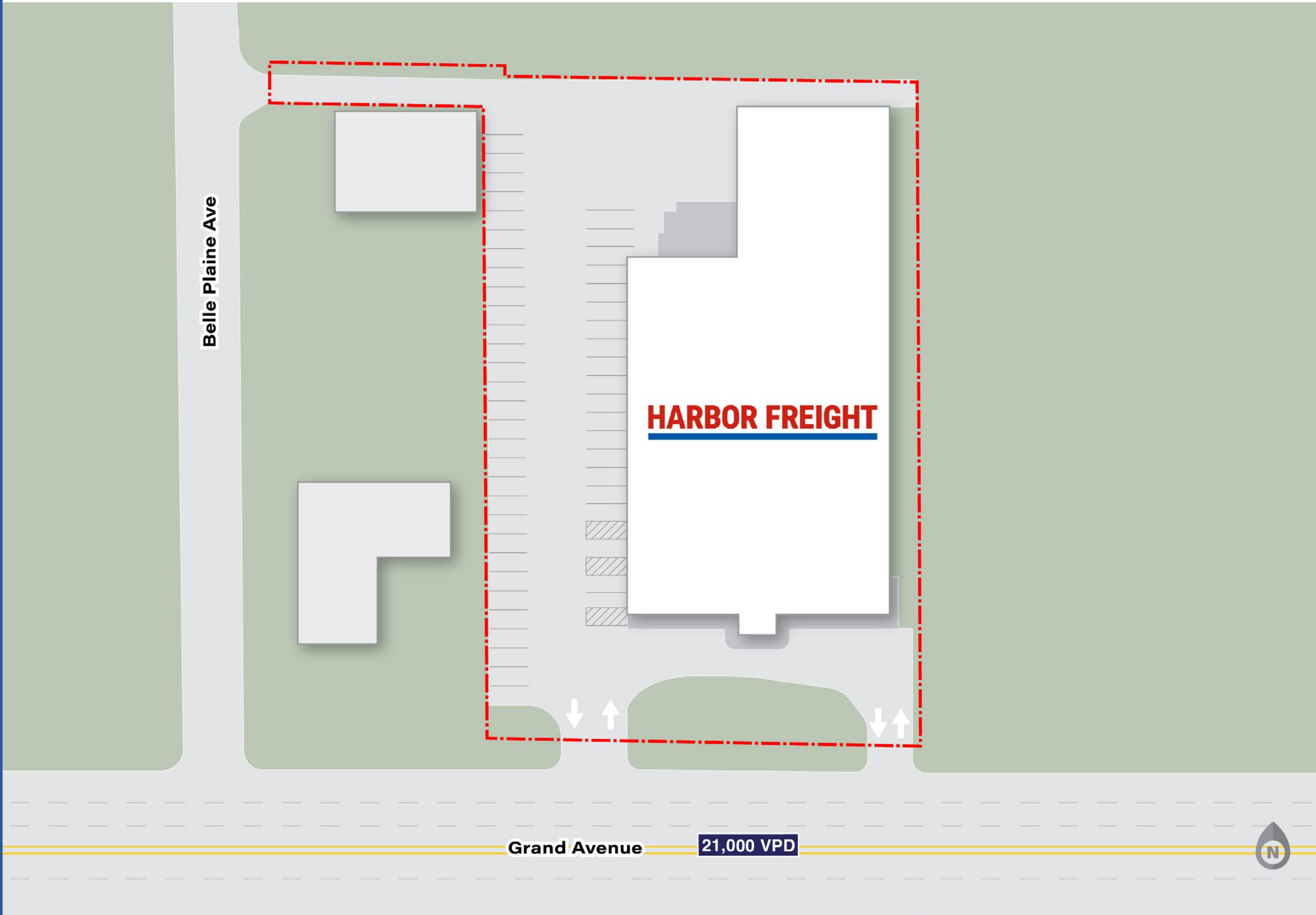
Base Rent	$123,444
Expenses	
Utilities	
ComEd Electric	$540
North Shore Gas	$552
Contracted Services	
FSS Technologies	$1,380
Total Fire & Safety	$1,020
Total Expenses	$3,492
NOI	$119,952

Photographs

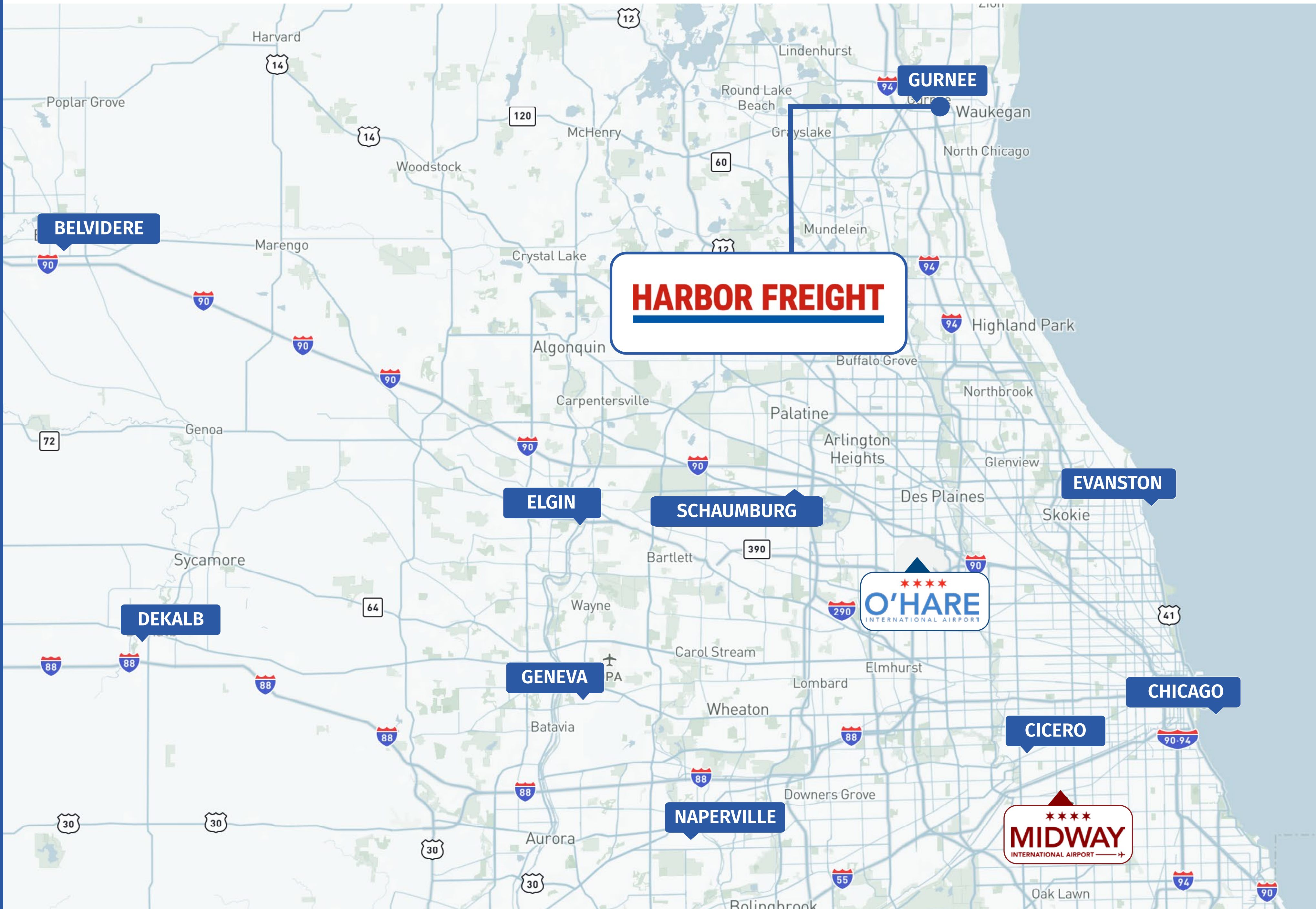
Aerial


HARBOR FREIGHT
DOLLAR TREE
FASTSIGNS
Make Your Statement
ADVANCE AUTO PARTS
JR Muffler & Brakes
U-HAUL
Speedway
DaVita Kidney Care
Jewel Osco
BURGER KING
CHIPOTLE MEXICAN GRILL
genoa healthcare
FIFTH THIRD
Walgreens
41
US Highway 41
37,000 VPD
Grand Avenue
21,000 VPD
Green Bay Rd
33,000 VPD
THORNTONS
TOYOTA
KIA
SHERWIN WILLIAMS.
TRIO
THE SALVATION ARMY

Site Plan



Map


HARBOR FREIGHT
GURNEE
BELVIDERE
ELGIN
SCHAUMBURG
EVANSTON
DEKALB
GENEVA
CHICAGO
CICERO
NAPERVILLE
O'HARE
INTERNATIONAL AIRPORT
MIDWAY
INTERNATIONAL AIRPORT
Harvard
Lindenhurst
Round Lake Beach
Waukegan
Grayslake
North Chicago
Poplar Grove
McHenry
Woodstock
Mundelein
Marengo
Crystal Lake
Highland Park
Algonquin
Buffalo Grove
Northbrook
Carpentersville
Palatine
Genoa
Arlington Heights
Glenview
Des Plaines
Skokie
Bartlett
Sycamore
Wayne
Carol Stream
Elmhurst
Lombard
Wheaton
Batavia
Downers Grove
Aurora
Oak Lawn

Location Overview

GURNEE, ILLINOIS

Gurnee is a village in Lake County, Illinois, located within the Chicago metropolitan area roughly 40 miles north of Chicago and 50 miles south of Milwaukee, bordering the city of Waukegan. Founded in 1928 and named for former Chicago mayor and railroad director Walter S. Gurnee, the village has grown from just over 500 residents in 1930 to a population of around 30,400 today. Split by Interstate 94, which divides it into an older east side and a newer west side, Gurnee sits along the Des Plaines River and covers about 13.6 square miles. The village is best known as a major regional tourist destination, drawing roughly 23 million visitors annually to attractions such as the Six Flags Great America amusement park and its Hurricane Harbor Chicago water park, the Gurnee Mills outlet mall (the fourth-largest mall in Illinois), and the Great Wolf Lodge resort. It is also home to corporate operations for companies including the High Sierra Sport Company and PurposeBuilt Brands (maker of Goo Gone). Gurnee is an affluent, well-educated community, with a median household income above $119,000 and more than half of adult residents holding a bachelor's degree or higher. A home-rule municipality governed by a council-manager system with an elected Village President and six-member Board of Trustees, Gurnee combines a stable residential base with one of the busiest tourism economies in northern Illinois.

GURNEE
COMMUNITY OF OPPORTUNITY

Demographics

	POPULATION	HOUSEHOLDS	MEDIAN INCOME	AVERAGE INCOME
1-MILE	8,707	3,308	$74,300	$103,943
3-MILE	99,170	36,134	$75,489	$102,808
5-MILE	170,076	59,644	$81,200	$115,618

MSA Overview

CHICAGO MSA

The Chicago metropolitan statistical area, officially designated by the U.S. Office of Management and Budget as the Chicago–Naperville–Elgin, IL–IN–WI MSA, is the third-largest metropolitan area in the United States and the largest in the Midwest. Anchored by the city of Chicago, the region spans roughly 14 counties across northeastern Illinois, northwestern Indiana, and southeastern Wisconsin, and is subdivided into four metropolitan divisions. It had a 2020 census population of about 9.6 million, and the broader combined statistical area reaches nearly 10 million residents, making it the fourth-largest urban area in North America. Commonly known as “Chicagoland,” the region is diverse, with a population that is roughly half non-Hispanic White alongside sizable Hispanic, Black, and Asian communities. It functions as a major national economic hub, home to the headquarters of dozens of Fortune 1000 companies including McDonald’s, United Airlines, and Walgreens, along with major financial firms such as Citadel and Discover. The area is served by an extensive transportation network, including the CTA “L” rapid transit system, Metra commuter rail, Pace suburban buses, and Chicago Union Station as the national Amtrak hub for the Midwest. After several years of modest decline, the region’s population began growing again in the mid-2020s, helped by rising immigration and slowing outbound migration.

CHICAGO

Tenant Overview

HARBOR FREIGHT

Harbor Freight Tools is a privately held American tool and equipment retailer headquartered in Calabasas, California, that has grown into one of the country's largest discount tool chains since its founding in 1977. Eric Smidt and his father, Allan Smidt, started the company as Harbor Freight Salvage in North Hollywood, California, as a mail-order business dealing in liquidated and returned merchandise before opening its first retail store in Lexington, Kentucky, in 1982. Today, still owned and led by CEO Eric Smidt, the company operates roughly 1,650 stores across 48 states alongside an e-commerce business, and employs over 30,000 people in the United States. Harbor Freight built its reputation on offering thousands of power tools, hand tools, automotive equipment, generators, and welding gear at prices far below national brands by sourcing directly from manufacturers and selling under its own house brands, including Pittsburgh, Bauer, Hercules, Icon, U.S. General, Chicago Electric, and Doyle. The company markets itself as America's go-to store for low prices on power tools, generators, jacks, and tool storage, and in recent years has invested in higher-tier professional lines and quality control to broaden its appeal beyond DIY customers to contractors and tradespeople. It also maintains a notable community focus through the Smidt Foundation and Harbor Freight Tools for Schools, which supports K-12 skilled-trades education.

Website:	www.harborfreight.com
Headquarters:	Calabasas, CA
Number of Locations:	1,650 +/-
Company Type:	Private

CONFIDENTIALITY & DISCLAIMER

www.bouldergroup.com

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