

SINGLE TENANT NET LEASE INVESTMENT OFFERING



PC CONNECTION
895 American Lane
Schaumburg, IL 60173



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**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

EXECUTIVE SUMMARY:

The Boulder Group is pleased to exclusively market for sale a single tenant industrial flex building located in Schaumburg, Illinois, an affluent village in the Chicago MSA. The building is leased on a single tenant basis to PC Connection, a Fortune 1000 National Technology Solutions Provider publically traded on the NASDAQ (Symbol: CNXN). The property is located just off of a heavily trafficked signalized intersection near several large corporate campuses. PC Connection recently executed a five year lease. The lease features annual rental escalations of approximately 3% and one three-year renewal option period. PC Connection is a leading National Technology Solutions Provider, connecting people with technology that enhances growth, elevates productivity, and empowers innovation.

The 26,121 square foot building is located off of the signalized intersection of East Golf Road and North Plum, Grove Road. This heavily traffic signalized intersection experiences traffic volumes in excess of 59,000 vehicles per day. Further contributing the strength of the property is its proximity to Interstate-290 which is located approximately one and one-half mile east of the property. Interstate-290 experiences traffic counts in excess of 192,000 vehicles per day. The surrounding area is affluent with over 90,000 people living within a three mile radius of the property earning average annual household incomes in excess of \$90,000.

The property is benefited by its location within a strong regional trade area that features a number of corporations and retailers such as IKEA, Bed Bath & Beyond, Best Buy, Costco, and the Woodfield Mall. The Woodfield Mall is 2.1 million square feet and attracts over 27 million visitors annually. The mall is anchored by Apple, Nordstrom, Lord & Taylor, and Macy's. A number of corporate campus' are in the immediate area such as Motorola, which employees over 3,500 people. Zurich Insurance Group recently relocated their North American Headquarters to a 40-acre site that is located approximately one and one-half miles north of the property. Additionally, the property is located in the immediate proximity to several large hotels including Hyatt, DoubleTree, the Renaissance Convention Center, Embassy Suites and Hyatt Regency to name a few.

PC Connection's Midwest office headquarters is located one-half mile east from the property. The subject property is PC Connection's Midwest warehouse and repair/assembly space outfitted with the necessary high-end technology needed for operation. The warehouse offers 11,621 SF with two interior docks. The repair/assembly area offers 14,500 SF and includes office, open operation areas, a reception area, two conference rooms, three bathrooms and a kitchenette.

The property is eligible for "Class 6B" real estate tax status. The Class 6B classification is designed to encourage industrial development throughout Cook County by offering a real estate tax incentive. Properties receiving Class 6B will be assessed at 10% of market value for the first 10 years, 15% in the 11th year and 20% in the 12th year.

INVESTMENT HIGHLIGHTS:

- Located within the Chicago MSA
- 3% annual rental escalations
- PC Connection has revenue in excess of \$2.6 billion
- PC Connection's Midwest office headquarters is located one-half mile from the property.
- Strong regional retail trade area that includes IKEA, Bed Bath & Beyond, Best Buy, Costco and the Woodfield Mall which is anchored by Apple, Nordstrom, Lord & Taylor, and Macy's
- Immediate proximity to several large hotels
- Positioned near the heavily trafficked signalized intersection of East Golf Road and North Plum Grove Road which experiences traffic counts in excess of 59,000 vehicles per day
- Approximately one and one-half mile west from access to Interstate-290 which experiences traffic counts in excess of 192,000
- Affluent area with over 90,000 people living within a three mile radius of the property earning average annual household incomes in excess of \$90,000
- Tax status class 6B eligible



**PROPERTY
OVERVIEW:**

Price:	\$2,247,993
Cap Rate:	7.25%
Net Operating Income:	\$162,979
Lease Term:	4 Years*
Rental Escalations:	Approximately 3% Annually
Renewal Options:	One Three-Year with 3% Annual Rental Escalations
Lease Commencement Date:	November 1, 2016
Lease Expiration Date:	October 31, 2021
Tenant:	PC Connection, Inc.
Year Built	1982
Renovated:	1998
Parking:	85 Spaces
Loading	2 Interior Docks
Building Size:	26,121 SF
Land Size:	98,010 SF
Zoning:	B-3 Office Business District

** Tenant has the option to terminate the Lease no earlier than the 3rd anniversary of the commencement date with 12 months written notice. If Tenant exercises its right to terminate early, Tenant shall pay the Landlord the sum of all unamortized balances of the leasing costs plus an interest rate of 8% per year.*

CLASS 6B TAX INCENTIVE:

The property is eligible for “Class 6B” real estate tax status. The Class 6B classification is designed to encourage industrial development throughout Cook County by offering a real estate tax incentive. The goal of Class 6B is to attract new industry, stimulate expansion and retention of existing industry and increase employment opportunities. Properties receiving Class 6B will be assessed at 10% of market value for the first 10 years, 15% in the 11th year and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings.

RENT ROLL:

Tenant	Square Feet	Term	Current Rent	Yearly Rent	Increase
PC Connection, Inc.	26,121	November 1, 2016 - October 31, 2017	\$227,253	\$227,253	-
		November 1, 2017 - October 31, 2018		\$234,044	3%
		November 1, 2018 - October 31, 2019		\$241,097	3%
		November 1, 2019 - October 31, 2020		\$248,411	3%
		November 1, 2020 - October 31, 2021		\$255,986	3%
	Option 1	November 1, 2021 - October 31, 2022		\$263,822	3%
		November 1, 2022 - October 31, 2023		\$271,658	3%
		November 1, 2023 - October 31, 2024		\$279,756	3%
Total	26,121 SF		\$227,253		

**PROFORMA
ANALYSIS:**

	Square Feet	
Income		
Base Rent	26,121	\$227,253
Gross Rental Income		<hr/> \$227,253
Effective Gross Income		\$227,253
Expenses¹		
Assessment		\$(2,208)
CAM		\$(11,175)
Taxes ²		\$(46,948)
Insurance		\$(3,942)
Total Expenses		<hr/> \$(64,273)
Net Operating Income		<hr/> \$162,979

1) Expenses based on 2017 Budget.

2) Estimated Taxes with Class 6B Tax Status.

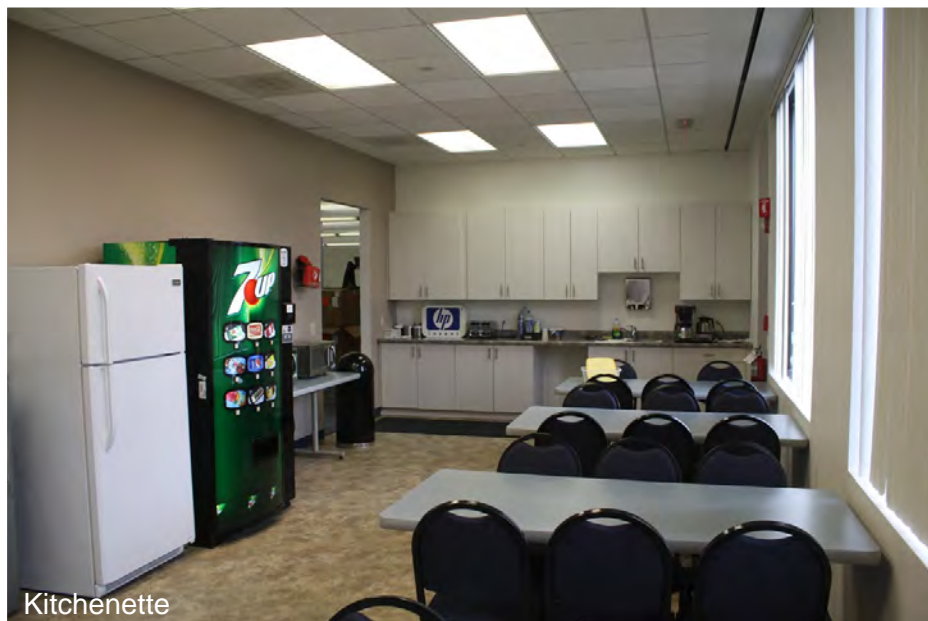




Reception Desk



Conference Room 1



Kitchenette



Conference Room 2



Cubicle/Work Space



Loading Dock

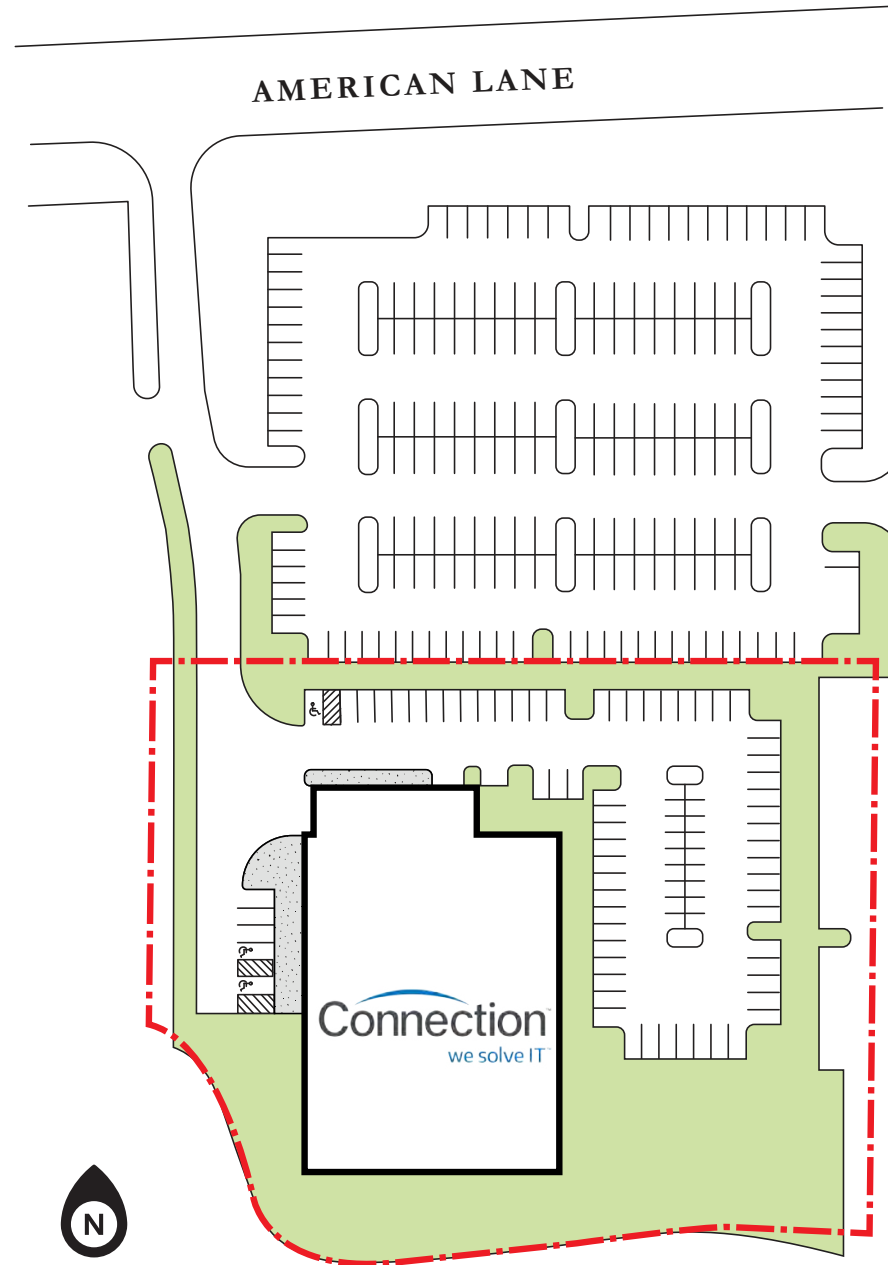


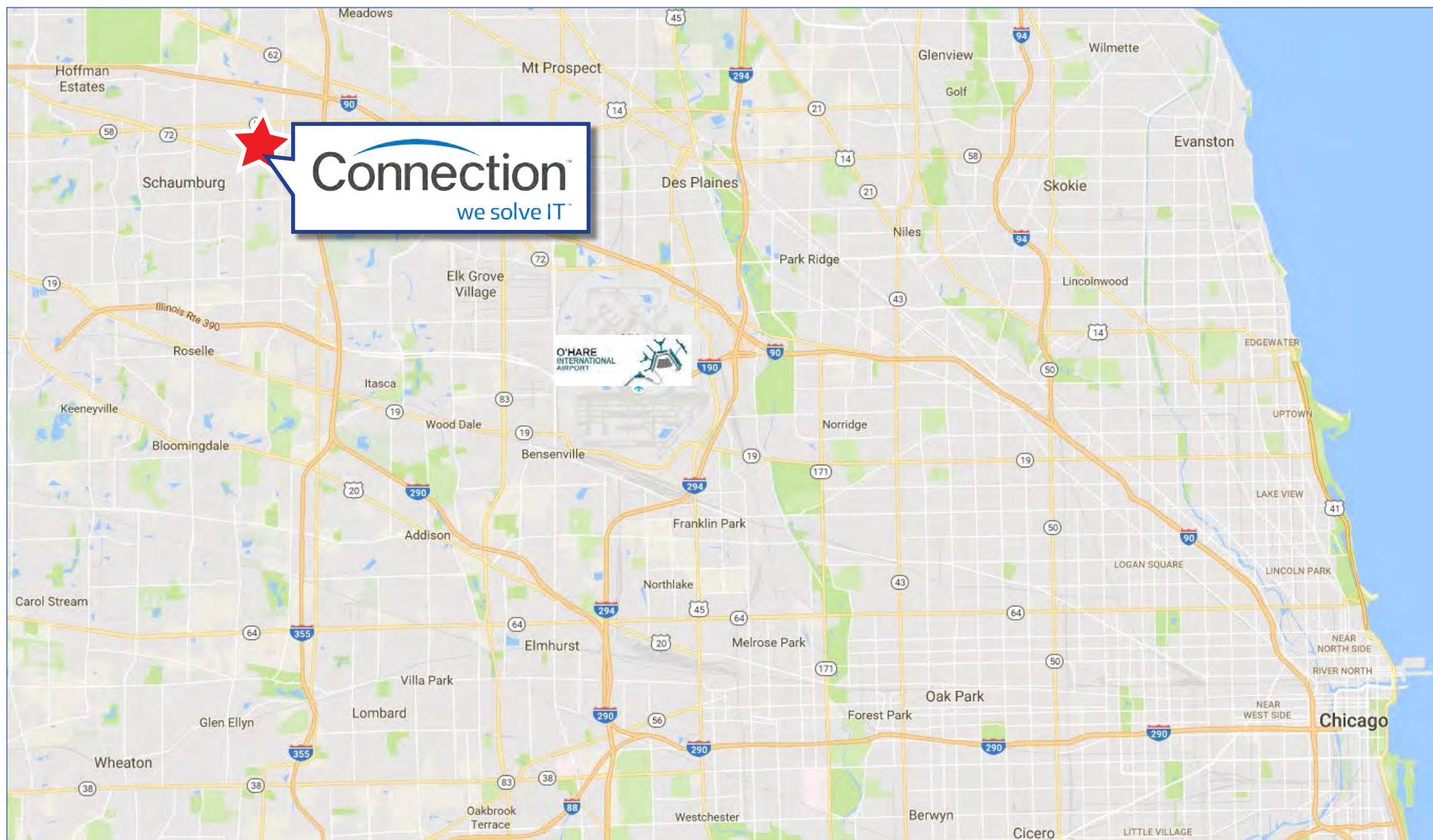
Repair Storage



Warehouse Storage







**DEMOGRAPHIC
REPORT:**

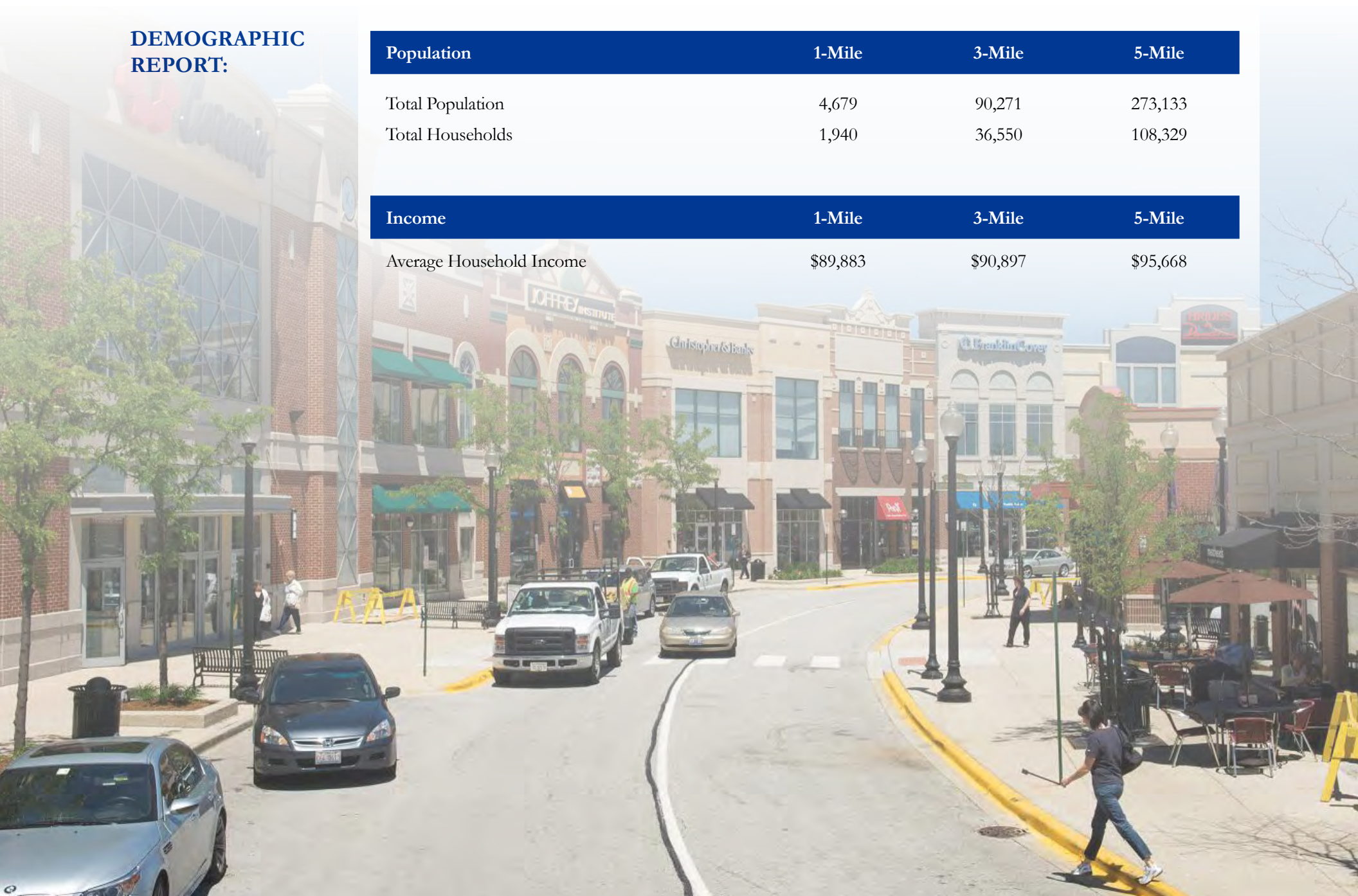
Population	1-Mile	3-Mile	5-Mile
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Total Population 4,679 90,271 273,133

Total Households 1,940 36,550 108,329

Income	1-Mile	3-Mile	5-Mile
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Average Household Income \$89,883 \$90,897 \$95,668



**MARKET
OVERVIEW:**

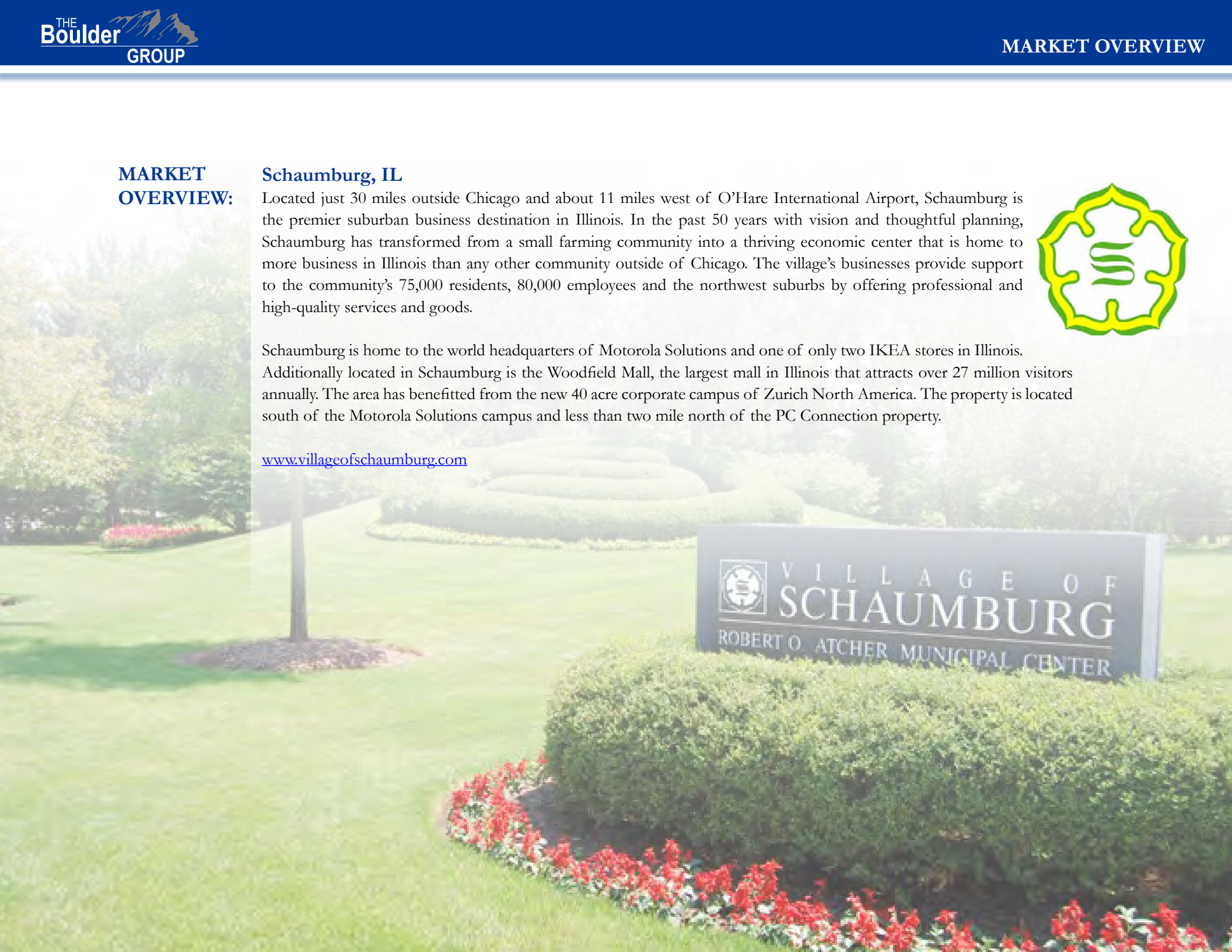
Schaumburg, IL

Located just 30 miles outside Chicago and about 11 miles west of O'Hare International Airport, Schaumburg is the premier suburban business destination in Illinois. In the past 50 years with vision and thoughtful planning, Schaumburg has transformed from a small farming community into a thriving economic center that is home to more business in Illinois than any other community outside of Chicago. The village's businesses provide support to the community's 75,000 residents, 80,000 employees and the northwest suburbs by offering professional and high-quality services and goods.



Schaumburg is home to the world headquarters of Motorola Solutions and one of only two IKEA stores in Illinois. Additionally located in Schaumburg is the Woodfield Mall, the largest mall in Illinois that attracts over 27 million visitors annually. The area has benefitted from the new 40 acre corporate campus of Zurich North America. The property is located south of the Motorola Solutions campus and less than two mile north of the PC Connection property.

www.villageofschaumburg.com



**MARKET
OVERVIEW:**

Chicago, IL

Chicago is the most populous city in the Midwestern United States and the third most populous city in the United States with 2,700,000 residents. Chicago is the county seat of Cook County, the second largest county in the United States. The Chicago MSA is the third most populated metropolitan area in the United States with 9,580,567 residents. The MSA covers over 1,300 square miles and six counties. Chicago has many nicknames, the best-known being the Windy City.

The Chicago metropolitan area is home to the corporate headquarters of 57 Fortune 1000 companies, including Boeing, McDonald's, Motorola, Discover Financial Services and United Airlines. Chicago is a major hub for industry, telecommunications and infrastructure and O'Hare International Airport is the second busiest airport in the world in terms of traffic movement.

The metro is a major financial center in North America, and is home to the largest futures exchange in the United States, the CME Group. Chicago is third in the world on the Global Financial Centers Index which ranks the competitiveness of financial centers based on people, business environment, market access, infrastructure and general competitiveness. As of 2016, Chicago had the third largest gross metropolitan product in the United States at \$630.3 billion.

The city of Chicago also hosts 12 Fortune Global 500 companies and 17 Financial Times 500 companies. The city claims one Dow 30 company: aerospace giant Boeing, which moved its headquarters from Seattle to the Chicago Loop in 2001. Two more Dow 30 companies, Kraft Foods and McDonald's are in the Chicago suburbs, as are Sears Holdings Corporation and the technology spin-offs of Motorola. The headquarters of United Continental Holdings, are in the United Building and its operations center and its United Airlines subsidiary are in the Willis Tower in Chicago.

In 2014, Chicago attracted 50.17 million domestic leisure travelers, 11.09 million domestic business travelers and 1.308 million overseas visitors. These visitors contributed more than \$13.7 billion to Chicago's economy. Upscale shopping along the Magnificent Mile and State Street, thousands of restaurants, as well as Chicago's eminent architecture, continue to draw tourists. The city is the United States' third-largest convention destination. A 2011 study by Walk Score ranked Chicago the fourth most walkable of fifty largest cities in the United States.

www.cityofchicago.org



TENANT OVERVIEW:

PC Connection

PC Connection (NYSE: CNXN) is a leading National Technology Solutions Provider, connecting people with technology that enhances growth, elevates productivity, and empowers innovation. Founded in 1982, PC Connection delivers valuable IT services and advanced technology solutions to business, government, healthcare, and education markets.

The PC Connection brand includes Connection Business Solutions, Connection MoreDirect Enterprise Solutions, and Connection GovConnection Public Sector Solutions, which provide customer-centric IT solutions and services for small- to medium-sized businesses, enterprises, and public sector markets, respectively. All three companies offer custom-configured computer systems from an ISO 9001:2008 certified technical configuration lab at Connection's distribution center in Wilmington, Ohio. In addition, the Company has over 2,500 technical certifications to ensure that they can solve the most complex issues of their customers.

PC Connection is a Fortune 1000 National Technology Solutions Provider that connects people with technology to enhance growth, elevate productivity, and empower innovation. They have been recognized by Forbes as one of "America's Most Trustworthy Companies".

In 2016, PC Connection announced a corporate rebranding. The new "Connection" brand unites all subsidiaries (PC Connection, GovConnection, MoreDirect, and Softmart) under one clear, concise, and powerful brand name. Connection is a publicly traded company (NASDAQ: CNXN) with a market capitalization in excess of \$760 million.

Website: www.pcconnection.com
 Stock Symbol: CNXN (NASDAQ)
 Annual Revenue: \$2.6 Billion (2015)
 Employees: Over 2,500
 Headquarters: Merrimack, NH

Connection[™]
 we solve IT[™]



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