



GRANITE
REALTY PARTNERS

Joint Venture Proposal for the Redevelopment
of Park West Plaza

for





Overview: Granite Partners and two of the principals of Caton Commercial Real Estate Group with the resources of Caton Commercial Real Estate Group would be used to purchase the subject property commonly known as Park West Plaza located at 3006 183rd St in Homewood, IL, redevelop the property by bringing it back onto the tax rolls while providing the resources and expertise to properly lease and care for the property. The plan would be to hold this as a long-term investment and maintain its value.

Both Granite Properties and the principals of Caton Commercial Real Estate Group, Steve Caton & Bill Caton have extensive experience in owning, leasing, redeveloping, and caring for commercial properties in the Chicagoland and across the country.

Plan: After purchasing the property for \$2, the new joint venture would do an extensive assessment of the property to ensure that it is in top working and aesthetic shape. It is anticipated that to lease the approximate 10,000sf of vacancy, ownership would need to account for approximately \$30/sf in TI (Tenant Improvement dollars) for any new perspective tenant, as well as providing approximately \$5/sf in leasing commissions to attract the right tenants. This is estimated to be \$400,000 at a minimum. We are planning for \$500,000 with the ability to access and provide more for the right tenants. We also believe from a cursory review of the property that the parking lot, lighting, signage, and landscaping need to be upgraded and believe that number would be in the range of \$250,000 of additional capital investment. This would bring the total potential spend to bring this center up to the highest quality and fill the vacancies with new tenants to around \$750,000.

Funding: We would fund the needed dollars with a combination of cash and potentially getting a small loan on the property that can easily be serviced from the current and future income. We have relationships with local banks that would do a project like this.

Leasing: We would utilize the leasing services of the retail leasing team of Caton Commercial as well as our own contacts in the industry. We have represented and completed leases recently with Honey Berry Breakfast Restaurant, Silver Cross Hospital, Midwest Express Clinic (who is looking in Homewood currently), Dunkin Donuts, Two Bostons, Ben & Jerry's, Tapville Social, Bulldog Ale House, Five Guys Burgers & Fries, Panera Bread, Starbucks, 7Brew, Vasa Fitness, Legacy Club, Wingstop, 7-11, and Salon Suites to name a few. We are members of ICSC and the leasing team at Caton Commercial has a stable of tenants that they represent in the Chicago market. You can find more information on the Caton Team at www.CatonCommercial.com

The property would be professionally managed by Caton Property Management.

Experience:

Granite Realty Partners was founded in 1998 and has significant experience in retail real estate. One of its founders, **Rob Palley**, led the development of three "power center" shopping centers in his prior employment, including 300,000 sf in Racine, Wisconsin, 440,000 sf in Woodridge, Illinois and 275,000 sf in Burbank, Illinois.

As part of Granite, Rob directed the acquisition of the following shopping centers:

- Bricktown Square, Chicago, IL. 300,000 sf
- Southridge Center, Milwaukee, WI. 150,000 sf.
- Greenfield Fashion Center, Milwaukee, WI. 225,000 sf.
- Value City store. Milwaukee, Wisconsin.
- Gap Store, Chicago, IL.
- River Forest retail, Lake Street, River Forest, IL.

As part of these transactions, Granite worked with national retailers such as Walgreen's, Dick's Sporting Goods, Ross Dress for Less, Aldi, TJ Maxx, PetSmart and others. Granite also worked with many small retailers, from health care providers to clothing stores, restaurants and other boutiques.

Caton Commercial Real Estate Group

Established in 1984 by **Bill Caton**, Caton Commercial Real Estate Group has been dedicated to representing the interests of landlords, tenants, investors, and property owners across Chicago, its suburbs, and beyond. Leveraging strong community ties and lasting relationships, we've crafted a client-centric service model that stands out in the industry. Caton has 22 full-time commercial brokers, a property management division that manages over 1 million sf of retail, industrial and office, and an appraisal company.

Caton also believes in giving back with a philanthropic vision supporting the Salvation Army, Bridge Communities, Metropolitan family services and KidsMatter.

Bill Caton's background in the service industry spans more than 40 years: Teacher, Realtor, Broker/Owner, CEO/Partner. Bill Caton specializes in commercial development, farmland sales, 1031 exchanges, and commercial and industrial leasing and sales. He lists and sells hotels, commercial land, farms, retail centers, and commercial lots. More recently, Bill has been working in the area of multi-family master leasing and sales.

Bill Caton is Past President and a Board Member of the Northern Illinois Commercial Association of Realtors and is on the NICAR Board of Directors. Bill was the Charter Chairman of NICAR's Commercial Global Business Council. In addition, Bill is part of the Illinois Realtors (IR) where he has served as Chairman of the Commercial/Industrial/Investment Committee and IR Global Committee. Bill is currently a member of the Global Working Group, the Public Policy & Government Affairs Member Involvement Group, and is a major investor in the REALTORS Political Involvement Committee.

Steve Caton is a commercial real estate executive with over 25 years of experience. Steve is a partner in the company with his father and sister. Steve learned the business as a broker representing developers, banks, property owners, tenants, and investors. He transacted over \$350,000,000 in volume during this time. Some of his notable clients include Wells Fargo, MB Financial, Kasa, Neuragenex, Mid-America Development Group, McDonalds, Marathon Oil, 7-11, Node-living, Circle K, Crusade Burger, Bulldog Alehouse, Next-door Storage, Q Factor, Elk Development, Limestone Brewing Company, Medici Living Group, Nova Cinemas, Inland Bank, and Continental Properties.

Steve received his CCIM designation in 2013 and began to focus on raising equity and syndicated investment purchases as a sponsor, as well as build -to-suit developments with various partners. Relevant developments or acquisitions as a sponsor in recent years that Steve was involved in or led are

- Acquisition and stabilization of 2 strip centers bought as distressed sales in Crest Hill, IL, 25,500 sf Crestlake Commons, and 19,000sf Renwick Plaza
- Built two 7-11's ground up in Berlin & Salisbury Maryland
- Purchased and repositioned 20,000 sf office building at 416 E Roosevelt Rd, Wheaton, IL
- Developed 16 pain centers both in redevelopment and ground up in IL, TN, TX, UT, GA, & FL
- Is developing 139 apartments with Granite Partners in Romeoville, IL
- Purchased and repositioned 8 corporate 7-11's in a portfolio in 4 states and Canada
- Built a corporate The Learning Experience daycare in Crest Hill, IL
- Developed the LA Fitness in Joliet, IL 40,000 sf with a pool
- Am currently on a team working on repositioning the vacant Dominick's Center in Romeoville, IL with a national fitness user and bringing the remaining out parcels and 119,000 sf of inline retail shops back to life with new tenants including national tenants and physical upgrades to the property.



RETAIL



MULTI-FAMILY



OFFICE



INDUSTRIAL

Your Property Management Partner

By partnering with experts in our industry, we can maximize value and create mutually beneficial relationships. Focus on other business lines while your assets, or client's, are being cared for by the property management professionals at Caton.

How We Can Help

Whether you're a commercial property manager, broker, investor or developer, we will work to find solutions to your property management challenges.

There are three ways Caton Property Management can partner with you.

- 1**
Your Firm Does Not Offer PM Services

 - Caton can come alongside you to offer property management, and you get paid for the referrals.
 - Well-managed properties retain value and make better investments for your clients in the long run.
- 2**
You Currently Offer PM Services

 - A local PM saves you time, money and builds better tenant satisfaction.
 - Our team will manage geographical outliers in your portfolio. We specialize in Suburban Chicagoland.
- 3**
You're A Full Time Investor or Developer

 - Entrust your properties to Caton and reallocate your time and resources.
 - Have more time to focus on your core business and additional acquisitions.

GET IN TOUCH

Barbara Montes, CPM, CAPS
 Managing Director, Property Management
 847-767-7623 (c) | Barbara@CatonCommercial.com

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Caton Property Management handles my tenants' concerns with the utmost respect, they always pick up the phone when I call and make sure I understand the process also. I have learned so much about commercial real estate in the last year.

-Santo G.

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I have been working with Caton for a few years on both the investment and property management sides. They are a great team to work with. They find balance for both landlords and tenants and guide/advise appropriately.

- Raj K.

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CATON PROPERTY MANAGEMENT REFERENCES

The following are current clients whom you may call for references regarding our property management team's performance:

Rajasekhar Kanuri - Caton manages three retail properties for Mr. Kanuri, some since 2017.

651-592-0794

kanuri_sekhar@yahoo.com

Richard Brune – Caton has managed a property for Mr. Brune and his wife since 2019.

847-767-3966

rebruneluthier@yahoo.com

Jeffrey Kabbe - Mr. Kabbe is the current president of the board of directors of a two-story office building we have managed since 2020.

630-219-4200

jeff@kabbe-law.com

Venkat Davarapalli – Mr. Davarapalli was a partner (sold his share recently) on several shopping centers Caton still manages.

630-816-9417

venkat.davarapalli@cesltd.com

Caton Commercial

ROM Pricing Budget

Park West Plaza

Homewood, Illinois

Project Costs

Parking Lot Repair				\$ 125,000
building connecting drive to neighboring commercial if approved				\$ 40,000
Roof Repair				\$ 75,000
New Pylon Sign				\$ 55,000
Façade repairs and Column Upgrades				\$ 85,000
HVAC Repairs and Replacement				\$ 25,000
New Landscaping				\$ 30,000
Tenant Improvement Allowance	10,000	\$ 35.00		\$ 350,000
Leasing Commissions		\$ 6.00		\$ 60,000
Sidewalk and Knee Wall repairs				\$ 50,000
Entry Door replacements				\$ 40,000
General and Administrative Costs				\$ 25,000
Legal Costs				\$ 25,000
Total Project Costs				<u>\$ 985,000</u>