

Due Diligence Checklist
Address: 3880 North 18th Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The "Property" at 3880 North 18th Street is being sold "as is, where is," without any guarantees. The Property is zoned RM3 or Residential Multi-Family. The two-story, eight-unit building was previously occupied as an apartment building.</p> <p>The purchase price for the Property is \$7,500. The building has considerable deferred maintenance, including a leaky roof that negatively impacted the interior of the building, foundation cracks and defective electrical and plumbing.</p>
<p>Full description of the development project.</p>	<p>QEWM, LLC (the "Buyer") proposes to add affordable housing options on this stretch of North 18th Street, in the 6th Aldermanic District. The Property also will include LEED certified amenities for residents.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The overall facade will generally remain the same; however, the foundation cracks will be repaired and new solar panels and energy-efficient windows will be part of the redevelopment.</p>
<p>Developer's development project history.</p>	<p>This will be the first major development project for the Buyer, as co-developers, but its project team brings over 50 years of combined experience in commercial real estate development. The Buyers are graduates of the Associates in Commercial Real Estate ("ACRE") program.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated renovation and improvement costs are \$705,193. The Buyer is seeking conventional financing, private equity and WHEDA tax credits. Grant sources will include the Federal Home Loan Bank and the Affordable Home Program.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable.</p>
<p>List and description of project risk factors.</p>	<p>If the building remains vacant, the deferred maintenance and costs to cure will continue to increase. Continued vacancy of the building will serve as a hindrance to efforts to redevelop the Property and the business corridor in the Arlington Heights neighborhood.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$705,193 in the project. The Property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.</p>