

## Due Diligence Needs:

**General**

Proposed Use: \_\_\_\_\_  
 Current Use: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Building Size and Height: \_\_\_\_\_  
 Initial Perception of Condition: \_\_\_\_\_  
 Asking Price: \_\_\_\_\_  
 Comparison to Market Value: \_\_\_\_\_  
 Past title reports if available: \_\_\_\_\_  
 Any past Environmental or Condition/Engineering Reports (phase 1, 2 or 3 if cleanup performed) \_\_\_\_\_

**Tasks to be performed and estimated time frame to complete**

Appraisal - 30 days  
 Title Review to include lien review – 1 week  
 Property Inspection – 1 week  
 Property Condition Assessment (if warranted) – 10 days

Environmental Report – Phase I Environmental Site Assessment (2 to 3 weeks depending upon schedules and complexity of site – could include asbestos, lead based paint, radon, and mold inspection  
 Phase II ESA- soil and groundwater testing and other potential services if warranted (2 to 3 weeks)  
 Note: Environmental inspections are recommended even if it is seller financed or a cash purchase – unknown historical events could have contaminated the property

**Vacant Land**

Was it previously developed  
 Is it developable?  
     Wetlands  
     Easements  
     Protected species  
     Foundation requirements  
         De-mucking required  
     Height restrictions  
     Zoning  
     Impact study – if large tract  
     Traffic  
     Demographics  
     Contamination

## **All Buildings**

- Building plans
- Usable Square footage
- Utilities – City water or well water
  - Sanitary sewer or septic
  - Irrigation – wells or city water
  - Fire Control – City water or wells
- Building Systems
  - HVAC
  - Elevators
  - Plumbing
- Renovation history/ permits
- Type of roof and when it was installed;
- Date(s) of any roof work and warranty
- Does the owner have plans to repair, replace or update the signage?
- Crime report for the center and surrounding area for the last 3 years, 1 mile radius
- Traffic counts this past year (note closest traffic count markers)
- Current or past 4 months operating expenses
- Complete expenses including insurance, RE Tax, maintenance, reserves, management
- Warranties and Guaranties that exist (Roof, HVAC, etc.)
- List of Seller's Personal property (relative to the property)

## **Investment Property - Initial:**

- Single or multi-tenant
- Rent Roll (tenant / company names)
- Leasing info (start / end)
- Lease type (NNN? other?)
- Complete expenses including insurance, RE Tax, maintenance, reserves, management

## **Detailed Analysis:**

### **Building**

- Commission Agreements that affect the property (leasing agents)
- List of Vendors/Contractors/Suppliers with Contact information
- Utility Services and Agreements
- Detailed Operating Statements for the past 5 years
- Current A/R Report
- Copy of Cam, Insurance and RE Tax reconciliation worksheets

### **Tenants**

- Leases and all relating amendments
- Current Accurate Rent Roll (not proforma)
- Loss Run Report for the past 5 yrs from Insurance Company providing coverage
- List of the tenants that report % Rent and what their historical sales have been;
- Certificates of Occupancies
- Tenant's Certificates of Insurance
- List of Tenant's security deposits
- Rent payment History for each tenant for past 3 - 5 years
- List of tenant contacts.

### **Shopping Centers**

- Schedule of competing shopping centers with the following information (Ownership Info, List of Major Tenants, size, vacancy, Leasing agent contact info, asking rents; etc.) , 3 mile radius.
- Management contact information
- Retail leasing agents in the area that would handle leasing of this type of product; and confirm rents