



# SOUTH SHORE 8-UNIT MULTIFAMILY

7840 S YATES BLVD.  
CHICAGO, IL 60649

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# Sealed Bid Instructions

## Sealed Bid Public Sale of Real Estate Terms and Conditions

**Property:** 7840 S Yates Blvd, Chicago, IL 60649 (the “Property”)

**Description:** 8-Unit Multifamily Building

**Scheduled Tour Dates:** Thursday, July 16, 2020 (12:30 PM – 2:30 PM)  
Thursday, July 23, 2020 (1:00 PM – 2:00 PM)

**Offer Due Date:** Wednesday, August 5, 2020

- Seller:** The Property is being sold by the Receiver for the EquityBuild Receivership Estate (the “Seller”) created by that certain Order Appointing Receiver dated August 17, 2018, and entered in the action styled *U.S. Securities and Exchange Commission v. EquityBuild, Inc., et al.*, Civil Action No. 1:18-cv-05587, in the United States District Court for the Northern District of Illinois, Eastern Division (the “Receivership Court”). The Receivership Estate includes ownership and control of the Property.
- Offers:** Good faith offers may be made on a cash basis, accompanied by a proof of funds, or subject to a financing contingency, in the latter case by completing Rider A to the form Purchase And Sale Agreement to be supplied by the Seller. A good faith offer may also be submitted by credit bid in accordance with Paragraph 11, below. All offers shall be delivered to Jeffrey Baasch (“Broker”), SVN Commercial Real Estate, 940 West Adams, Suite 200, Chicago, IL 60607, [jeffrey.baasch@svn.com](mailto:jeffrey.baasch@svn.com), by no later than 5:00 p.m. CST on August 5, 2020. Offers must be transmitted to the Broker by e-mail or enclosed in a sealed envelope and delivered by U.S. mail, by nationally-recognized overnight courier, or by hand. Untimely and non-conforming offers may be rejected at the sole discretion of the Broker. The Seller strongly recommends that prospective purchasers who do not submit cash offers pre-qualify for financing. No liability shall attach to Seller, Broker, or any other party for failure to receive or open any offer.
- Best and Final:** Although bidders are encouraged to submit their best offer, at the Seller’s sole discretion, a best and final round may be conducted. In that event, the Seller will select the most competitive bids and the corresponding bidders will be invited to participate in the best and final round to be conducted by the Broker. The best and final bidding process will be conducted by telephone and email.



# Sealed Bid Instructions

4. Earnest Money Deposit: The winning bidder, if not a credit bidder, will be required to make an earnest money deposit in an amount equal to ten percent (10%) of the purchase price by wiring the funds to a designated title company within three (3) business days after acceptance of the Purchase and Sale Agreement. The earnest money deposit shall become non-refundable at the expiration of the due diligence period (see Paragraph 6 below) and applied toward the purchase price at closing.
5. Property Tours: Property tours will be available to all bidders at scheduled times, and the Property may also be shown by appointment. Prospective bidders will be provided a set of bid materials, although the accuracy of the information contained in the bid materials cannot be guaranteed, and, thus, prospective bidders are encouraged to complete any desired and non-invasive due diligence at their own expense.
6. Due Diligence: The winning bidder will be entitled to conduct a second due diligence review of the Property within ten days following acceptance of its offer and prior to closing.
7. As-Is Sale: The Property is being sold “as-is,” with all faults, as of the closing date. Neither the Seller, the Broker, nor any of their respective agents, contractors, attorneys, officers, or directors (“Agents”) makes any representation or warranty with respect to the physical condition of the Property, nor any of the personalty, fixtures, machinery, or equipment located thereon, including any warranty of merchantability or fitness for a particular purpose, or any type of other warranty, express or implied. The Seller, the Broker, and their Agents specifically disclaim any warranty, guaranty, or representation, oral or written, past or present, express or implied, concerning the physical condition of the Property or any of the personalty, fixtures, machinery, or equipment located thereon. Neither the Seller, the Broker, or the Agents possesses any authority to make any oral or written representation regarding the condition of the Property or its contents, other than as may be set forth in the Purchase and Sale Contract, and no bidder may rely upon any such oral or written representation. The bidders shall conduct their own independent physical inspections of the Property and its contents, shall be charged with full knowledge of all documents made available for inspection, and shall submit offers based solely upon their own independent judgment and conclusions and not in reliance upon any information provided by the Seller, the Broker, or the Agents.
8. Broker Participation Invited: A cooperating commission will be paid to a qualified, licensed real estate broker that procures the bidder who closes on the Property, provided that (1) said cooperating real estate broker is not prohibited by law from being paid such commission and, additionally, is not a principal or affiliate of the bidder and (2) no commission shall be considered earned or payable unless the broker registers its client on the Buyer Broker Registration form prior to the client's submission of a bid. Oral registrations will not be accepted. Under no circumstances shall any commission be paid if the sale does not close.

# Sealed Bid Instructions

9. Closing: The closing shall be held within fifteen (15) days after the Receivership Court grants the Receiver's motion to approve the sale, which motion will be filed as soon as practicable following the Seller's acceptance of the contract submitted by the winning bidder. The Property will be conveyed by receiver's deed, subject to any and all covenants, conditions, and restrictions of record, actual and apparent public utility easements, building lines, if any, encroachments of a minor nature that can be insured over by the purchaser, real estate taxes not yet due and payable, housing court proceedings, building code violations and administrative proceedings, and acts suffered or permitted by the grantee.
10. Other Terms and Conditions:
  - a) The Closing shall remain subject to the approval of the Receivership Court.
  - b) The Seller and the Broker reserve the right, in their sole and absolute discretion, to postpone or cancel the Sealed-Bid Public Sale of Real Estate with or without notice or to amend or modify these Terms and Conditions prior to the submission of bids. To the extent of any conflict between these terms and conditions and the Purchase and Sale Agreement, the terms of the Purchase and Sale Agreement shall control.
  - c) These terms and conditions do not create any legal obligation on the part of the Seller or the Broker. If the sale fails to comply with any of these terms and conditions for any reason, the Seller and the Broker shall have no liability to any unsuccessful bidder.
11. Rules Regarding Credit Bids: Rules governing credit bids will be made available upon request.





## PROPERTY INFORMATION

Property Summary

## LOCATION INFORMATION

Regional Map

Location Maps

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Aerial Photo - 2

Obama Presidential Library

Tiger Woods Golf Course

71st & Jeffery Redevelopment

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# 1 PROPERTY INFORMATION

7840 S Yates Blvd.  
Chicago, IL 60649



# Property Summary



## OFFERING SUMMARY

Sale Price:	\$250,000
Number Of Units:	8
Price Per Unit:	\$31,250
Cap Rate:	18.52%
NOI:	\$46,293
Lot Size:	6,165 SF
Year Built:	1963
Building Size:	6,800 SF
Zoning:	RT-4
Price / SF:	\$36.76

## PROPERTY OVERVIEW

SVN Chicago Commercial is pleased to present an 8-unit multifamily property located in Chicago's south side neighborhood of South Shore. The building consists of [3] 1 bedroom and [5] 2 bedroom, 1 bath units. Recent improvements to the property include individual gas forced heat and hot water tanks in each unit. The property, built in 1963, is zoned RT-4 and situated on a 6,165 sqft. parcel of land.

## PROPERTY HIGHLIGHTS

- Individual Gas Forced Heat
- In-Unit Hot Water Tanks
- Desirable Unit Mix: [5] 2 Bedroom, 1 Bath
- Proximity to Public Transportation

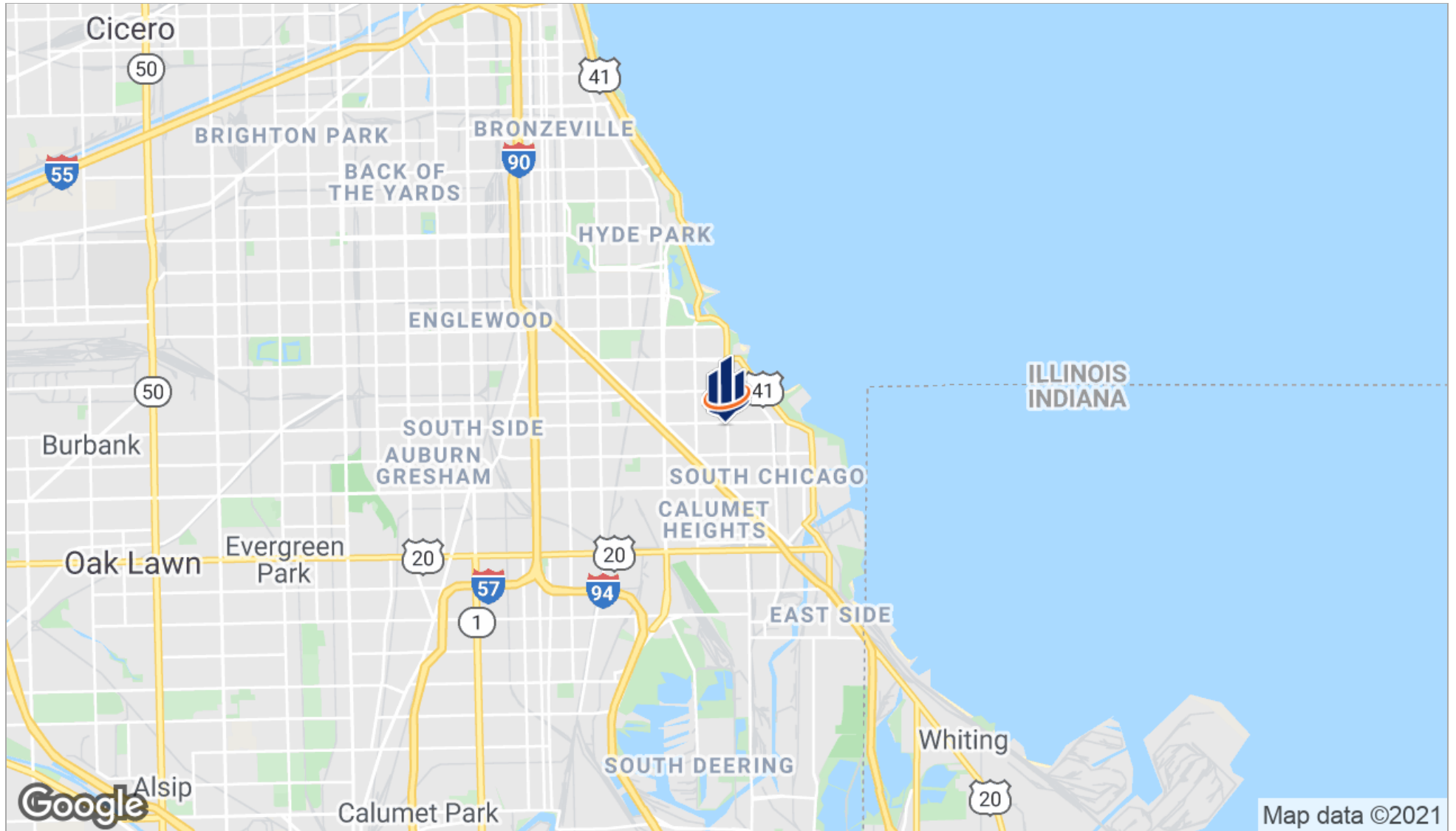


# 2 LOCATION INFORMATION

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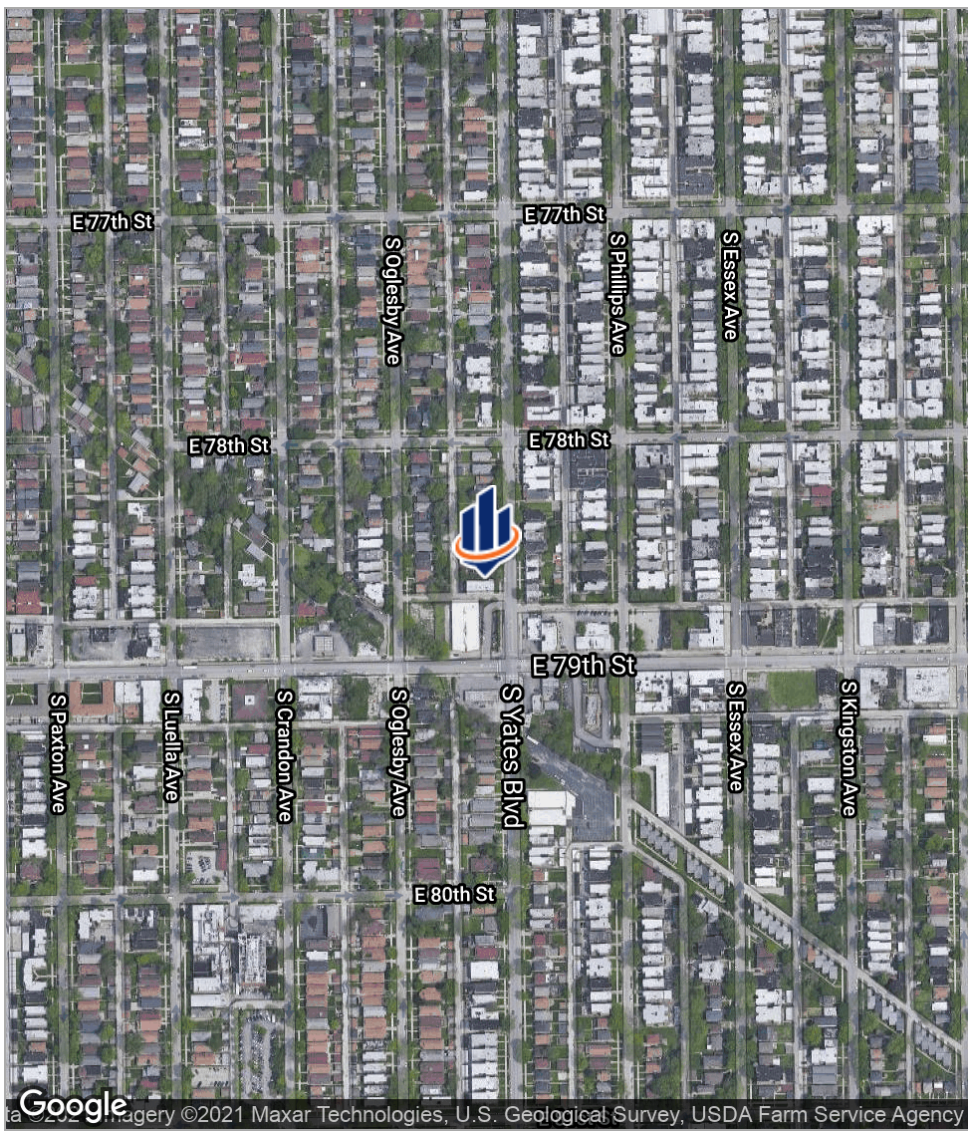
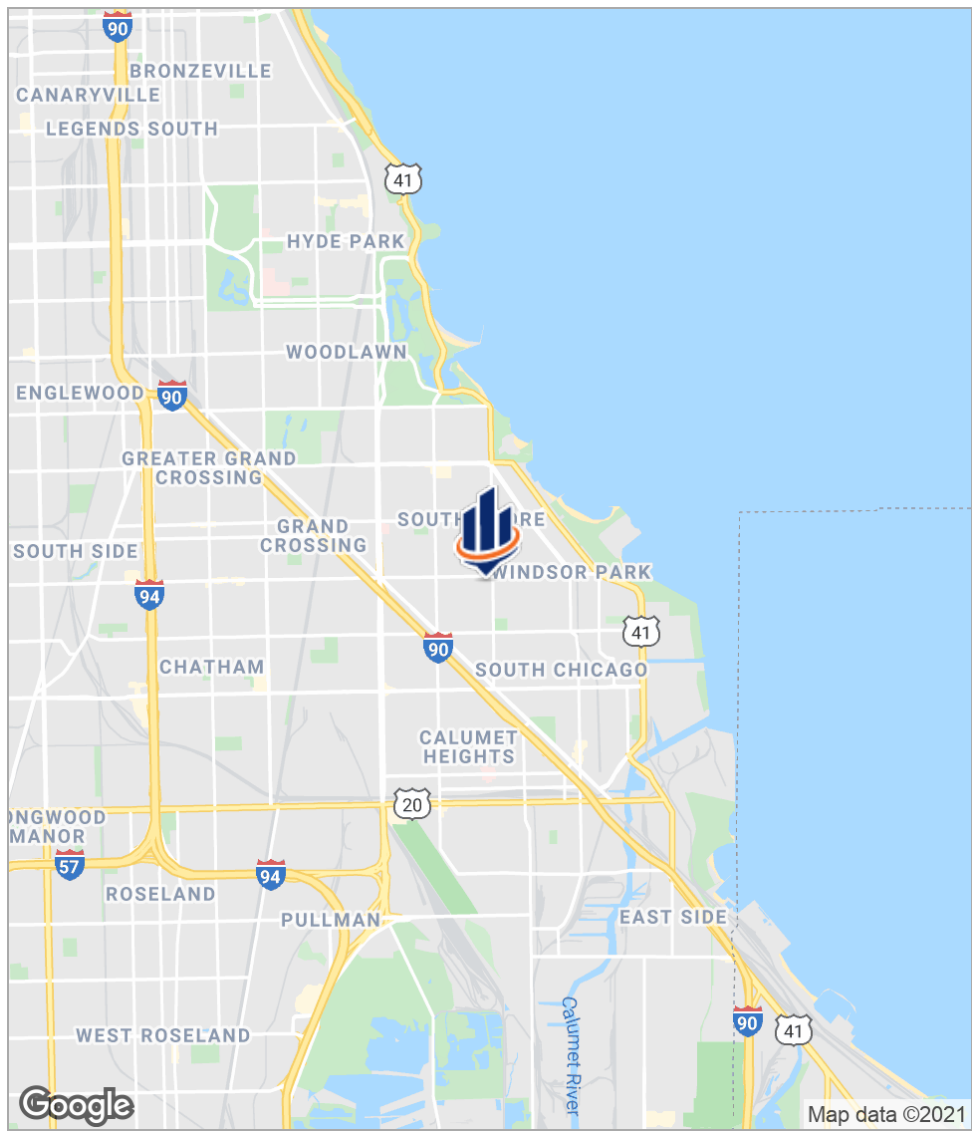


# Regional Map





# Location Maps





# Aerial Photo - 1





# Aerial Photo - 2





# Obama Presidential Library



**OBAMA PRESIDENTIAL LIBRARY**

- \$600 Million project, includes museum, housing, Metra station upgrade, restaurants, road upgrades
- UC Chicago projects 800K visitors, 3300 construction jobs, 40 businesses & 1900 perm jobs
- \$10 year economic impact of \$3.1 Billion in Cook county, according to Deloitte
- Final location picked in Jackson Park, half a mile away from our portfolio.
- Museum CEO chosen, Architect chosen
- Developers have announced many mixed income residential projects totaling over 200 residential units, a grocery store, a pavilion, a music court, a new school building, and tens of thousands of square feet of retail space
- The Clinton museum was built in a similar economically challenged area. It was found that the center led to over \$2 Billion in area investment



# Tiger Woods Golf Course

## LEGEND

-  MULTI-USE TRAIL
-  PROPOSED UNDERPASS
-  PLAYGROUND
-  GOLF CART PATH
-  NATURAL AREA
-  SECONDARY ROUGH
-  PRIMARY ROUGH
-  FAIRWAY
-  GREEN
-  TEE



## TIGER WOODS PGA GOLF COURSE

- Tiger woods announced plan on June 21, 2017 to combine Jackson Park and South Shore golf courses into one PGA caliber golf course
- \$30 million projected cost
- The park district has already paid over \$1 Million to commission the design
- 18 holes, 7,354 yards
- Scheduled to open 2020

Rendering By:



*The information presented here is deemed to be accurate, but it has not been independently verified. We make no guarantee, warranty or representation. It is your responsibility to independently confirm accuracy and completeness. All SVN® offices are independently owned and operated.*



# 71st & Jeffery Redevelopment





# 3 FINANCIAL ANALYSIS

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# Financial Summary

## INVESTMENT OVERVIEW

Price	\$250,000
Price per Unit	\$31,250
GRM	2.8
CAP Rate	18.5%
Cash-on-Cash Return [yr 1]	46.69 %
Total Return [yr 1]	\$37,602
Debt Coverage Ratio	4.11

## OPERATING DATA

Gross Scheduled Income	\$90,744
Other Income	-
Total Scheduled Income	\$90,744
Vacancy Cost	\$13,611
Gross Income	\$77,132
Operating Expenses	\$30,839
Net Operating Income	\$46,293
Pre-Tax Cash Flow	\$35,020

## FINANCING DATA

Down Payment	\$75,000
Loan Amount	\$175,000
Debt Service	\$11,273
Debt Service Monthly	\$939
Principal Reduction [yr 1]	\$2,581



# Income & Expenses

## INCOME SUMMARY

## PER UNIT

Expected Gross Income	\$90,744	\$11,343
Less: Vacancy/Collection Loss	-\$13,612	-\$1,701
<b>Gross Income</b>	<b>\$77,132</b>	<b>\$9,641</b>

## EXPENSE SUMMARY

## PER UNIT

Repairs/Maintenance	\$2,000	\$250
Cleaning/Decorating	\$2,000	\$250
Utilities - Electric	\$1,000	\$125
Utilities - Water	\$3,600	\$450
Property Taxes	\$9,982	\$1,247
Insurance	\$3,200	\$400
Scavenger	\$1,600	\$200
Janitor	\$1,600	\$200
Management	\$3,857	\$482
Miscellaneous and Reserve	\$2,000	\$250
<b>Gross Expenses</b>	<b>\$30,839</b>	<b>\$3,854</b>
<b>Net Operating Income</b>	<b>\$46,293</b>	<b>\$5,786</b>



# Unit Mix Summary

UNIT TYPE	COUNT	% TOTAL	RENT
1 Bedroom, 1 Bath	3	37.5	\$804
2 Bedroom, 1 Bath	5	62.5	\$1,030
<b>Totals/Averages</b>	<b>8</b>	<b>100%</b>	<b>\$7,562</b>



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# DEMOGRAPHICS

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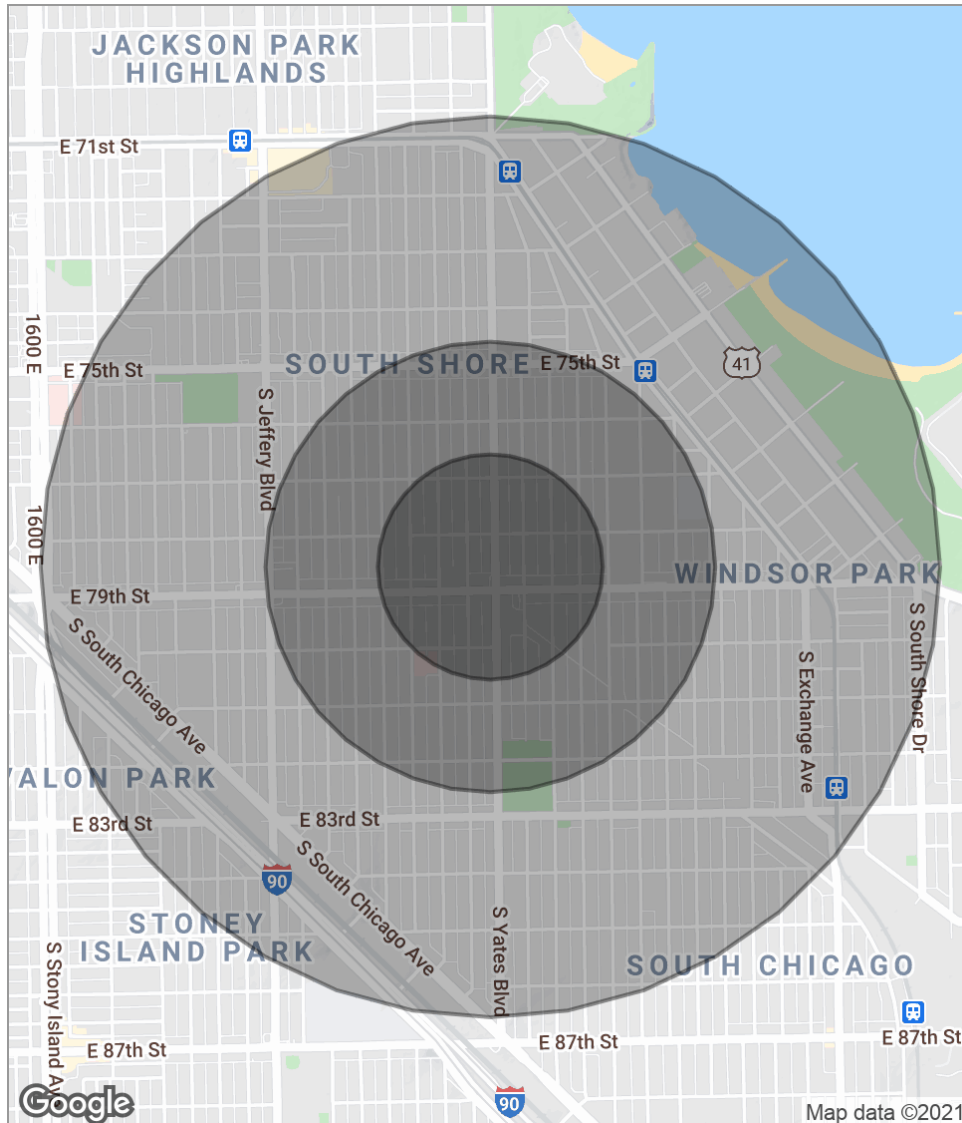
# Demographics Report

	<b>0.25 MILES</b>	<b>0.5 MILES</b>	<b>1 MILE</b>
Total population	3,599	14,052	45,848
Median age	32.9	35.0	36.6
Median age (male)	27.4	30.0	31.6
Median age (female)	39.5	39.9	40.6
Total households	1,717	6,459	20,228
Total persons per HH	2.1	2.2	2.3
Average HH income	\$32,647	\$38,777	\$42,761
Average house value	\$270,104	\$254,769	\$219,302

*\* Demographic data derived from 2010 US Census*



# Demographics Map



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# 5 ADDITIONAL INFORMATION

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# Photos - Exterior





# Photos - Interior





# Photos - Mechanicals





# Disclaimer

The material contained in this Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of the SVN® Advisor or Property Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Owner in connection with the sale of the Property is the SVN Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to the SVN Advisor.

Neither the SVN Advisor nor the Owner make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future representation of the Property. This Offering Brochure may include certain statements and estimates with respect to the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, the SVN Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement between it and Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or the SVN Advisor nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at any time with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and the SVN Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.





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