



BIDDERS' INFORMATION PACKAGE

DECEMBER 22ND REAL ESTATE SEALED BID SALE OF 48-UNIT APARTMENT BUILDING (5334-62 W. MADISON, CHICAGO, ILLINOIS)



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I. PROPERTY INFORMATION

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

INSPECTION

DATES/TIMES:

Wednesday, December 3 from 10:00am – Noon
Wednesday, December 10 from 10:00am – Noon
Wednesday, December 17 from 10:00am – Noon

LOT SIZE:

The subject site consists of 37,839 sq. ft. with frontage of approximately 312.72 feet along the North side of Madison Street, and 121 feet deep on Long and Laurel Avenues.

BUILDING:

The property consists of 48-unit multi-family residential building, originally constructed in 1908. Unit mix consists of 42 two-bedroom units, and 6 three-bedroom units, with a total gross building area of 63,086 sq. ft., and a net rentable area of 53,700 sq. ft., or an average unit size of 1,118.75 square feet. In addition, there is a full basement under the building which contains various meters for the property, as well as designed for storage etc., utilized by building ownership. There are no common areas for tenants, such as storage or laundry area due to individual hook ups available in each of the apartments. In addition to abundant sized units, other amenities are individual gas forced air furnaces, with tenants having the option to install window air-conditioning units.

Click the link below to view the property photo gallery:
<http://dkrealty.com/membersonly/MadisonGallery/index.html>

REAL

ESTATE TAXES:

PIN # 16-09-321-027. 2007 Taxes: \$41,101.12. Click link to view a copy of the current tax bill:
<http://dkrealty.com/membersonly/documents/MadisonTaxes.pdf>

TRANSPORTATION:

Public Transportation - The Central Avenue stop of the Green Line is 0.8 miles (15 minutes walking distance) northwest of the property. Click the link for station information/timetable:
<http://transitchicago.com/maps/rail/green/Central.pdf>

Ground Transportation – The property is 1.0 miles from the I-290 ramp (eastbound & westbound) at Central Ave. Click link for map: <http://maps.google.com/maps?f=d&saddr=5334+W+Madison+St,+Chicago,+IL+60644&daddr=41.870903,-87.768402&hl=en&geocode=FRwMfwldaubE-g%3B&mra=dme&mrcr=0&mrsp=1&sz=14&sll=41.881576,-87.752094&sspn=0.029971,0.068836&ie=UTF8&t=h&z=14>

II. LOCATION MAP & SURVEY

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

LOCATION MAP

<http://maps.google.com/maps?f=q&hl=en&geocode=&q=5334-62+W.+Madison+Street,+Chicago,+IL&sll=42.106031,-88.065564&sspn=0.007434,0.017209&g=5334-62+W.+Madison+Street,+Chicago,+IL&ie=UTF8&ll=41.882902,-87.630129&spn=0.007461,0.017209&t=h&z=16&iwloc=addr>

SURVEY

Click the following link for a copy of the survey of the property:

<http://dkrealty.com/membersonly/documents/MadisonSurvey.pdf>

III. PRO FORMA INCOME & EXPENSES

5334-62 W. Madison Street
Chicago, Illinois

Sealed Bid Sale

PROJECTED GROSS INCOME.

Due to the recent foreclosure, there are a number of non-paying tenants. This offers astute investors, both the flexibility and the opportunity to reposition the property by replacing them and increasing the balance of quality occupancy. Information contained in the January, 2008 appraisal of the subject property indicates the surrounding neighborhood has a number of renovated, well-maintained rental properties, with the 2-bedroom units being most in demand. All of the following projections are based upon the figures provided in the most recent appraisal, as well as Broker "Pro-Forma". **The information is provided as "Pro-Forma" income and expenses based upon information available, and should be reviewed by each prospective Bidder on an individual basis.**

6 three bedroom units (1,250 sf.) @ \$850.00 per month:	\$61,200 Annually
42 two bedroom units (1,100 sf.) @ \$750.00 per month:	\$378,000 Annually

Total Annual Gross Income:	\$439,200.00
Less 10% Vacancy/Collection:	\$43,920.00
Adjusted Gross Income:	\$395,280.00

PROJECTED ANNUAL EXPENSES

Real Estate Tax:	\$45,322.00
Property Insurance:	\$25,200.00 Estimated by Appraiser.
Electricity:	\$9,460.00 Estimated by Appraiser.
Water/Sewer:	\$9,500.00 Estimated by Broker.
Pest Control:	\$6,000.00
Building Repairs:	\$20,000.00 Reduced due to rehab completed.
Interior/Exterior Décor:	\$12,000.00 Estimated by Appraiser.
Management (5%):	\$19,764.00
Janitorial:	\$14,400.00 Estimated by Appraiser.
Reserves:	\$12,000.00 Estimated by Appraiser.

Total Pro-Forma Expenses: \$173,646.00

Pro-Forma NOI: \$221,634.00

RENT ROLL

To view a copy of the rent roll, click the following link:

<http://dkrealty.com/membersonly/documents/MadisonRentRoll.pdf>

IV. PROPERTY APPRAISAL

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

Click on the links below for a copy of the Property Appraisal
<http://dkrealty.com/membersonly/documents/MadisonAppraisal.pdf>

V. ENVIRONMENTAL REPORT

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

Click on the link below for a copy of the Phase I Environmental Report:
<http://dkrealty.com/membersonly/documents/MadisonEnviro.pdf>

VI. TITLE COMMITMENT

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

Click on the links below for a copy of the Title Commitment:
<http://dkrealty.com/membersonly/documents/MadisonTitle.pdf>

VII. SEALED BID SALE PROCEDURES

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

HOW TO TENDER A SEALED BID

Sealed Bid Deadline: 1:00 PM, C.D.T. on Monday, December 22, 2008.

To submit your Sealed Bid, please fill in the blanks in the REAL ESTATE SALE CONTRACT, make four original copies and fully execute all four documents (initialing every page other than signature page, which you should sign). Place the contracts in an envelope accompanied by a Cashier's or Certified Check in the amount of 2% of the purchase price made payable to DK Realty Partners, LLC, as Escrow Agent the Bidder, (as an Initial Earnest Money Deposit). Seal the envelope and write the following on the outside of the envelope:

SEALED OFFER IS HEREBY TENDERED TO DK REALTY PARTNERS, LLC FOR THE PURCHASE OF 5334-62 W. MADISON STREET, CHICAGO, ILLINOIS. THIS SEALED OFFER MAY BE OPENED ONLY BY **PAUL DEMIK AND/OR TYLER NEPTUNE** OF DK REALTY PARTNERS, LLC IN THE PRESENCE OF THE SELLER AND NOT BEFORE 1:00 PM, C.S.T., MONDAY, DECEMBER 22, 2008. THIS OFFER MAY BE SHARED ONLY WITH THE SELLER AND MAY NOT BE SHOWN TO OTHER PROSPECTIVE BIDDERS.

Sealed bids must be HAND-DELIVERED by the bidder or such bidder's authorized agent or representative and received by Paul Demik or Tyler Neptune at DK Realty Partners, 650 E. Algonquin Road, Suite 201, Schaumburg, IL between the hours of 10:00 AM and 1:00 PM, C.S.T. on Monday, December 22, 2008.

Offers made by telephone or facsimile will not be accepted nor considered. No liability will attach to the Seller, escrow agent (if any), Paul Demik, Tyler Neptune, DK Realty Partners, LLC, nor any other party for failure to receive or open any Sealed Bid. All bids are being submitted for the Seller's consideration and the mere receiving and opening of same shall not create any obligation or otherwise convey any rights title or interests in or to the subject property, on the part of the owner to the bidder.

Changes, alterations, additions or deletions to the Real Estate Sale Contract may render your bid as non-conforming, non-responsive and/ or non-competitive. Any alterations, additions, or deletions to the enclosed Real Estate Sale Contract must be in the form of a rider. Any offers received that are not on the enclosed Real Estate Sale Contract form may not be considered.

A SEALED BID WHICH FAILS TO MEET THE ABOVE DEADLINE AND ANY SUBMISSION REQUIREMENTS OR WHICH IS NON-CONFORMING IN ANY OTHER RESPECT MAY BE DEEMED NON-RESPONSIVE AND MAY NOT BE CONSIDERED.

VII-1

The subject property is being sold "As-Is, Where-Is" without warranty or guarantee of any kind except as may be otherwise expressly contained in the Real Estate Sale Contract. While information has been obtained from sources deemed reliable, no responsibility or liability is assumed for errors and/or conclusions of any kind whatsoever. Property may be withdrawn from sale without notice, and Seller reserves the rights to waive any formality of the sale process or reject any bid for any reason.

If you require assistance with the procedure, call 847/397-8900 for Paul Demik (ext. 217) or Tyler Neptune (ext. 225).

BIDDER ACKNOWLEDGEMENTS

By submitting a sealed bid, bidder acknowledges that Bidder:

- 1) has read, or hereby waives its right to review, this Bidder's Information Package including all amendments and/or supplements thereto (the "BIP");
- 2) has reviewed and understands the Procedures of this Sealed Bid Sale as contained in this BIP;
- 3) has performed or has had an opportunity to perform all inspections of the Property (legal, physical, environmental, economic or otherwise) it deems necessary and has engaged the services of all professionals it deems necessary to assist the undersigned in performing such inspections, and the undersigned is submitting this Sealed Bid Sale based solely on its own independent investigations and findings and not in reliance on any information provided by the Seller (in any capacity), broker or any of their agents;
- 4) fully understands that the property is being sold "AS-IS, WHERE-IS" and without representations or warranties from the Seller or any other person of any kind or nature;
- 5) has reviewed the form of the Real Estate Sale Contract (the "Contract") contained in the BIP and fully understands the legal affect of the Contract, and if the undersigned has any questions regarding the legal affect of the Contract or the Terms and Conditions, such questions have been asked and answered to its satisfaction by an attorney selected by and representing the Bidder;

SEALED BID OPENING

Time & Place: At approximately 1:00pm on the day and at the place of the sale all sealed bids received shall be opened in private by the seller/owner and DK Realty Partners, LLC. Any offer may be accepted or rejected by seller for any reason or no reason.

Neither Bidders nor their authorized agents or representatives will be allowed to attend the Sealed Bid opening.

Sealed Bid Initial Earnest Money of those Bidders who are not announced the Successful Bidder (if any) will be returned following the Sealed Bid opening and review by Seller. The Initial Earnest Money Deposit of the Successful Bidder (if any) will be retained.

NON-REFUNDABLE EARNEST MONEY DEPOSIT

With Seller's delivery of a fully executed contract to the successful Bidder (if any), Bidder shall deposit a certified or cashier's check made payable to "DK Realty Partners, LLC, as Escrow Agent. Further Bidder shall increase their earnest money deposit to 10% of the purchase price within three (3) business days of seller acceptance of the Contract.

TERMS AND CONDITIONS OF SALE

GENERAL:

Seller reserves the right to make additions and modifications to or deletions from these terms and conditions and/or bid documents, if circumstances require and such changes if any will be announced prior to the receiving of sealed bids. Based upon such changes, if any, any Bidder can withdraw their sealed bid. Such modifications would be made only in extraordinary instances and every reasonable effort would be made to notify all prospective bidders known to Seller of such changes.

To the extent that there is any conflict between the provisions of the general Terms and Conditions of Sale and the Contract, the terms of the Contract shall govern. Written and oral announcements shall take precedence over prior printed information with regards to this Bidders' Information Package; however, the final executed Contract will evidence all understandings and agreements between Purchaser and the Seller and will be in all respects controlling.

This property is offered for sale to qualified purchasers without regard to the prospective purchaser's race, physical handicap, color, religion, age, sex, marital status or national origin.

Employees and/or agents of DK Realty Partners, LLC and the Seller (and their agents and subcontractors for this sale) are specifically prohibited from bidding on or purchasing the property offered in this sale without making a disclosure through the auctioneer.

Seller, without any prior notice, written or otherwise, reserves the absolute right, exercisable in its sole and absolute discretion, to withdraw the Property from this Sealed Bid sale AND / OR to postpone or cancel the Sealed Bid sale, at any time on or before the bidding process above has been completed.

SELLER'S RESERVE:

The Seller's solicitation of offers is subject to Seller's Reserve. Seller's Reserve means that the Seller has the right to accept or reject any of the Sealed Bids submitted for any reason or no reason.

BROKERAGE:

Paul G. Demik and Tyler G. Neptune, of DK Realty Partners, LLC, have been appointed by Seller as the listing broker for the Property and Seller's designated agent. Mr. Demik and/or Mr. Neptune of DK Realty Partners, LLC are acting as Seller's designated agents or as a dual agent dependent upon how the PROPERTY INSPECTION REGISTRATION FORM was filled out during the bidder's inspection of the Property. In the absence of agreement that Mr. Demik or Neptune shall be a dual agent, it shall be conclusively presumed that Mr. Demik or Neptune is the agents of the Seller only.

A 1% (one percent) commission as calculated on the gross purchase price will be paid to the licensed Realtor® procuring the Purchaser who pays and settles for the property. To qualify for said commission, the Realtor® **MUST**:

- 1) **warrant to DK Realty Partners that the co-broker is a Realtor® or agrees to abide by and be bound by the same requirements as all Realtors.**
- 2) **identify his/her prospect on the Bidder/Broker Certificate (found on the next page of this Bidder's Information Package); and**

The certificate must be sent/delivered so that it is received by:

DK Realty Partners, LLC
Attn: Realtor® Registration – Madison Street
650 E. Algonquin Road, Suite 201
Schaumburg, IL 60173
or via fax to 847/397-8940

no later than Friday, December 19, 2008 at 4:00pm.

A complete registration file on all prospects will be maintained by DK Realty Partners, LLC. **No Realtor® will be recognized on a prospect who has previously contacted or has been contacted by DK Realty Partners, LLC.** Commission will be paid to a participating Realtor® only when the sale has closed and full commissions have been received by DK Realty Partners, LLC. No commission will be paid to any Realtor® participating, or planning to participate, in the purchase as a principal, and an affidavit will be required that the Realtor® is serving only as a broker. Participating Realtor®, if any, shall be Purchaser's agent and not Seller's agent.



DK REALTY PARTNERS, LLC

Realtors®

Paul G. Demik
David M. Kaufman, CCIM
Principals

650 East Algonquin Road, Suite 201
Schaumburg, Illinois 60173

(647) 397-8900
FAX (647) 397-8940
www.dkrealty.com

Bidder/Broker Certificate

Dated: _____, 2008

The below identified Co-Broker states he is a Realtor® or Realtor® Associate, (hereinafter Co-Broker or Realtor®), belonging to the _____ Association of Realtors® and seeking to participate as a co-operating broker in the sale of **5334-62 W. Madison Street, Chicago, Illinois** property, (hereinafter, Property); hereby swears and affirms to Broker that said Realtor® a) has properly registered his/her prospect as required by the Sealed Bid Sale terms and conditions and b) will not participate in the ownership of the Property, directly or indirectly at or subsequent to the closing of the transaction. Furthermore, Realtor® agrees to accept 1% of the purchase price from Broker as their full and complete commission provided Realtor® has met and is in conformity with all requirements and conditions set forth in the Bidder's Information Package which they have read and acknowledge.

If DK Realty Partners, LLC determines that any of the above is incorrect, then Realtor® shall not be entitled to and will not receive any part of the real estate commission offered to co-operating Realtors®. In the event that Realtor® shall have received a commission in this sale from Broker when they were not entitled to same because of the foregoing covenants, they shall immediately pay same amount back to Broker.

Realtor®

By: _____ Company: _____

The below identified Purchaser acknowledges that he/they first became aware of **5334-62 W. Madison Street, Chicago, Illinois** Sealed Bid Sale when it was submitted to them by _____ the above captioned Realtor® on _____, 2008 before having seen information submitted to them by or having contacted DK Realty Partners, LLC. Purchaser further represents that the above Realtor represents them and acknowledges that DK Realty Partners, LLC is the agent of Seller and not the agent of the Purchaser.

Purchaser: Signature: _____

Purchase Name (print): _____

Purchase Address: _____

Purchase Phone: (_____) _____

CONTRACTUAL TERMS:

The personal signatures of all potential purchasers are required on all Real Estate Sale Contracts. Corporate, Company, Partnership or "As Trustee" signatures should be accompanied by proof of authority to sign. Assignments of the Real Estate Sale Contract will not be permitted without the written consent of the Seller.

The sale will not be contingent upon the Purchaser obtaining financing and the closing will not be extended for that purpose. Accordingly, all bidders are encouraged to examine financing alternatives prior to their participation in this sale. If the Purchaser cannot close for a lack of financing or shall otherwise default under the terms of the Contract, Purchaser will FORFEIT ALL EARNEST MONEY in addition to all other Seller remedies.

Closing shall take place as provided for in the Contract set forth below in VIII. of this Bidders' Information Package.

More Questions, please call 847/397-8900 for Paul Demik (ext. 217) or Tyler Neptune (ext. 225)

The above enclosed information is intended to describe and explain any items with respect to this Sealed Bid Sale that may not have been previously published. PLEASE READ ALL THE INFORMATION CAREFULLY. Wherever the terms and/or conditions of this sale set forth in this Bidder's Information Package shall differ from the Real Estate Sales Contract, said Contract shall control.

DK Realty Partners, LLC's managers are Paul G. Demik and David M. Kaufman, CCIM. Only the managers of DK Realty Partners, LLC can bind DK Realty Partners, LLC to any agreement. The above property information is subject to verification by reader and no liability for errors and/or omissions is assumed. Price is subject to change and/or listing withdrawn without notice.

VIII. REAL ESTATE SALE CONTRACT

**5334-62 W. Madison Street
Chicago, Illinois**

Sealed Bid Sale

Click the following link to access the Real Estate Sale Contract:
<http://dkrealty.com/membersonly/documents/MadisonContract.pdf>