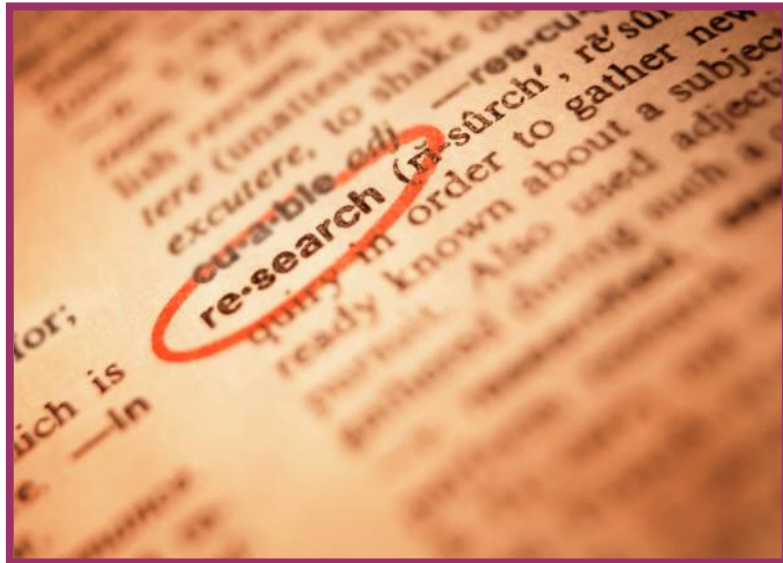


# COMMERCIAL BROKERAGE DUE DILIGENCE CHAOS IN THE SALE OF REAL ESTATE



## Presented By:

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**Wed. Dec. 6, 2017**  
**Atlantic City Convention Center**  
**Atlantic City, NJ**  
**2:30 pm to 4:30 pm**

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**STATEMENT OF QUALIFICATIONS**

**ROBERT J. NAHIGIAN, FRICS, SIOR, CRE, MCR**

Robert J. Nahigian, FRICS, SIOR, CRE, MCR has 45 years of real estate experience with 37 years exclusively in commercial and industrial as a developer, advisor, expert witness and broker of approximately \$5 billion of real estate totaling 40 million square feet. He has served as a mediator and arbitrator. Rob is the national recipient of the “**2009 James Felt Creative Counseling Award**” for the most unique and creative counseling assignment in the U.S. He was awarded by Boston’s Commercial Brokers Association the “**2005, 2004 and 2003 Advisory Assignment of the Year**”; “**2001 Industrial Deal of the Year**”; “2016 Final Nominee Industrial Deal of the Year” and “**Distinguished Achievements in Commercial Leasing**”. He was honored by Banker & Tradesman as “Top 125 Business Leaders in Massachusetts”. He was featured by various publications as “People to Watch in New England Real Estate”; “Who’s Who in New England Real Estate”; “Who’s Who in the East”; “Who’s Who in America” and “Who’s Who in Residential and Commercial Real Estate”. He was appointed by Governors to the MassDOT Appraisal Review Board; serves on the Board of Advisors for a NYSE real estate investment firm; and is appointed by the Mass RE Licensing Commission to its Education CE Subcommittee.

Mr. Nahigian is currently, Principal of Auburndale Realty Co. He provides brokerage/advisory and litigation support services to public agencies, investment portfolio groups and corporations in New England, Michigan, Missouri, Ohio, California and Florida.

Formerly, Mr. Nahigian was Director, Office/Industrial Division of The Robbins Group in Cambridge, Massachusetts with office/industrial responsibilities in New England. Previous he was Vice-President of The Norwood Group in Burlington, Massachusetts specializing on build-to-suits/speculative developments. He was a City Planner in Bowie, Maryland; a Planner with Perkins & Will, New York City and a junior planner with the Bethlehem (PA) Redevelopment Authority.

He is a Senior Lecturer at Boston University/MAR/SIOR, and a Visiting Asst. Professor at RealtorU and has provided national corporate training for NAR Commercial, CoreNet Global and CB Richard Ellis. He has lectured at; Harvard, MIT, Northeastern, Suffolk, Rutgers, Lehigh and DePaul Universities. Mr. Nahigian is an invited speaker in the United States, Canada, Mexico, South America and Europe by FIABCI, Colliers, CoStar, NAI, ONCOR, CCIM, NAIOP, CRE, AMPI, Latin American Real Estate Conference and other Realtor associations. Mr. Nahigian has co-authored four real estate books; over 370 professional articles; has developed over 150 Realtor and state licensing board courses; and prepared a HUD report to President Carter and Congress on the state of the nation’s public housing stock.

With SIOR, Mr. Nahigian served on the National Branding & Communications Committee; its Editorial publication Board; National Budget&Finance; was the National Faculty Chair; National Co-Chair, 2001 Boston Convention; Nominating Committee; National Committee VP; New England Chapter President; National Education and Instructor Committee Chair; NE Regional Vice-President; National Executive Committee and National Board of Directors. He was awarded the **2012/2004/2003/2002/1994 SIOR National Instructor of the Year**, CoreNet’s “**2013 Top Faculty**” and “**2011 and 2015 Mass. RE Educator of the Year.**”

Rob serves on the CRE National Board of Directors and was National Vice-Chair Liaison; New England/NY Chapter President, and National Editor-In-Chief. He served on MAR/GBREB/CBA Committees; Govt. Affairs, Professional Development, Agency Law, Education Curriculum; and the Chapter Board of Directors of LAI/SIOR/CRE/CBA. Rob is a Mass/NH Licensed Broker. He received his BA, cum laude from Lehigh University where he played Div. 1AA baseball and holds a Masters in Urban Planning from Columbia University. He has earned the FRICS, SIOR, CRE and MCR designations and was elected to LAI.

## COMMERCIAL BROKERAGE DUE DILIGENCE CHAOS IN THE SALE OF REAL ESTATE

### Triple Play Annual Event

Wednesday, December 6, 2017

2:30 pm – 4:30 pm

Atlantic City, NJ

### Outline/Agenda

2:30 PM – 2:45 PM

2:45 PM – 4:30 PM

### **Introduction**

### **Commercial Brokerage Due Diligence (Group Assignments)**

- Defining Due Diligence
- Researching Mortgages
- Researching the Owner's Title
- Researching at Municipal Building
- Factors of Physical Asset
- Evaluation of Liabilities
- Environmental Issues

### Course Objective:

This module is geared to the commercial real estate broker representing sales and the proper due diligence of the purchase or sale of commercial real estate. Such items include: environmental, physical, financial and legal considerations. We will detail the “nitty-gritty” issues that many have long-forgotten or have never performed. How can we enhance the selling prospects of our listings in the best interest of our clients? What are the deal killers that can easily be avoided and save your client-buyer time and money? What are the essentials and advanced homework that a commercial broker should conduct and counsel his/her client with a selling package? What information can a listing broker perform to save the client from embarrassment? We want to expose the pitfalls and the contingencies in the drafting of an offer for buyers. The course material will also help to understand the various underwriting of bank financing and the information that a lender would require in a loan package. A “take-home” due diligence checklist will be included.

**Do not rely on the accuracy of any of the information provided. The author, the sponsor and the instructor cannot be responsible for errors in the preparation of the materials, nor the presentation of the same. The program is for educational purposes only and neither the author, the sponsor nor the instructor are providing advice, legal or otherwise. The broker/student should contact professionals, legal counsel or experts on updates, corrections or revisions on any information provided herein and for advice which would be dependent on the facts and circumstances of any particular situation.**

**As a further disclaimer, the information provided in this course is for educational experiences only. Any names or information are for educational purposes only and should not be relied upon for professional or legal purposes or to aid in a business decision in real estate or any other field. The material presented may be inaccurate or may be improper for any business decision and some examples in this presentation are good examples of practices that would be better to avoid.**

## 1. DEFINING DUE DILIGENCE

- **Definition:** The process of investigation, performed by investors or buyers in general, into the details of a potential purchase such as an examination of operations, management and the verification of material facts.
- **Webster's Dictionary:** Research and analysis of a company or organization in preparation for a business transaction (as a corporate merger or purchase of securities).
- Who owns the due diligence material? The seller or buyer? Is it negotiated? What examples have brokers experienced?
  - 1) Develop a list of due diligence items and how the broker can investigate these items.
  - 2) Offer contingencies are developed to satisfy buyer but also buyer's lender.
  - 3) Buyer's broker needs to know what a loan application will request for information.
  - 4) A listing broker should anticipate those contingencies prior to placing a building on the market.
  - 5) A listing broker can collect this information for a listing package.

- 6) Typically, the buyer will order and pay for its own due diligence experts. But the owner may have information available that he will share at no cost with the buyer such as blue prints, past engineering or environmental reports, title surveys, etc.
- 7) In some cases, the buyer may perform his own due diligence with seller's approval. But seller may negotiate that the seller receives copies of any reports conducted on his/her property.
- 8) Issue of representation by broker providing information. **Informational Disclaimers. (See Example)**

**Information Collected/Disclaimer: (Example Only)**

The information in this package was initially researched and collected during July, 2017. At any time, any information may have changed or been revised by natural causes, government decisions, market conditions or otherwise. Every prospective buyer should reconfirm such information.

- 9) How much research would a selling broker perform vs. buyer broker?
- 10) How much due diligence would a broker perform vs. a consultant?

**CASE STUDY: Let's assume a building is being sold to an end-user with no leases.**

**SAMPLE ONLY, THIS PURCHASE CONTRACT  
HAS BEEN EDITED AND REVISED FOR THIS  
CLASS MATERIAL. DO NOT USE.**

### **CONTRACT OF SALE**

THIS CONTRACT OF SALE (hereafter, this "Contract") is made as of

\_\_\_\_\_,  
20\_\_ (the "Effective Date"), by and between \_\_\_\_\_ ("Seller") and  
\_\_\_\_\_ ("Buyer")

#### ARTICLE 1- DEFINITIONS

As used in this Contract, the following terms shall have the meanings set forth below as definitions.

Section 1.1 Closing Date. The term "Closing Date" means \_\_\_\_\_, 20\_\_ or sooner if Seller and Buyer mutually agree.

Section 1.2. Land. The term "Land" means the parcels of real property located in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of New York, more particularly located at \_\_\_\_\_. Said parcel is further described as Tax Map Number \_\_\_\_ and described in Exhibit "A" attached hereto and made a part hereof.

#### ARTICLE 2 – TERMS OF THE SALE

Section 2.1. Agreement to Buy to Sell. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, the Property, upon the terms and conditions set forth herein.

Section 2.2 Closing. On the Closing Date, at the closing, subject to the terms and conditions set forth in this Contract, Seller shall sell, transfer, assign and deliver to Buyer, and Buyer shall purchase, acquire and accept from Seller, the Property (the "Closing").

Section 2.3. Purchase Price. The price to be paid by Buyer to Seller for the Property (the "Purchase Price") is \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

Section 2.4 Deposit. (a) As an earnest money deposit hereunder, Buyer shall deliver to \_\_\_\_\_ ("Escrow Agent") \_\_\_\_\_ dollars (\$\_\_\_\_\_ ) contemporaneously with the execution and delivery of this contract by Buyer. Said earnest money deposit and any interest earned thereon shall be referred to hereinafter as the "Deposit". The deposit shall be paid to the order of Escrow Agent, as escrow agent, and made by a bank wire transfer of immediately available funds to an account designated by Escrow Agent.

Section 2.5 Conditions to Closing. (a) It shall be a condition precedent to Buyer's obligation to close hereunder that, as of the date of Closing, all of Seller's representations

contained in this Contract are true and correct and all of Seller's covenants have been satisfied in full.

ARTICLE 3- FEASIBILITY PERIOD; SELLER'S DELIVERIES

Section 3.1. Feasibility Period. (a) Seller hereby grants to Buyer and Buyer's agents the right to enter upon the Property during the Feasibility Period to make a physical inspection of the Property and to perform such tests as Buyer deems reasonably necessary and appropriate. If Buyer wishes to conduct a Phase II environmental survey of the Property, Buyer shall do so immediately upon the execution of this Contract. If any tests are performed on the Property, Buyer shall keep the Property, Buyer shall keep the Property in or restore the Property to its physical condition as of the Effective Date. Notwithstanding anything to the contrary set forth in the foregoing sentences, in exercising its rights under this Section 3.1, Buyer shall not contact any tenant without advance notice to Seller and in cooperation with any reasonable conditions that Seller may impose in connection therewith nor shall Buyer enter in to any premises occupied by tenants nor interfere in any way with their access, use or occupancy of the Property, not shall Buyer interfere otherwise with the normal operation, use, occupancy, management or maintenance of the Property.

(b) Buyer agrees to indemnify and hold Seller harmless from and against any claim, suit, or damage arising out of Buyer's entry, tests and/or inspections on or about the property, unless caused by Seller's willful misconduct or gross negligence. Such indemnity shall survive the Closing or any earlier termination of this Contract.

(c) In the event that any advance determination with respect to any examinations, studies, tests, reviews and/or inspections causes Buyer, in its sole and absolute discretion, to believe that it is not prudent to proceed to Closing, then Buyer may, at any time during the Feasibility Period, terminate this Contract by giving written notice of such termination to Seller, whereupon the parties hereto shall be released from any and all liability and obligation hereunder, except as expressly provided in this Section 3.1 and in Sections 3.2 (b) and 10.3 hereof, and the portion of the Deposit paid to Seller shall be returned to Buyer.

(d) In the event Buyer does not terminate this Contract on or prior to the last day of the Feasibility Period as provided in this Section 3.1, as to which date time is of the essence, Buyer shall no longer have the right to terminate this Contract (except as specified in Paragraph 2.8(c)), but shall have the continued right until Closing, to inspect, survey and make other tests of the Property, subject in all cases to Buyer's indemnification and restoration obligations set forth in this Section 3.1.

(e) Upon termination of this Contract, neither party shall have liability to the other, except that (i) Buyer's indemnification and restoration obligations set forth in this Section 3.1 and in Sections 3.2(b) and 10.3 hereof shall survive as set forth in such provisions, (ii) Buyer shall be obligated to deliver to Seller any reports that were performed by or on behalf of buyer with respect to the Property, and (iii) Buyer shall return all copies of all confidential information of to Buyer or Buyer's agents by Seller.

Section 3.2 Copies of Leases: Books And Records. (a) Except as specified in paragraph (b) of this Section 3.2, upon the execution and delivery of this Contract by Seller and Buyer, Seller shall deliver to Buyer the following (the "Property Documents"): (i) copies of all leases and all amendments thereto in the possession of Seller with respect to the Improvements, if any; (ii) a rent roll for the Property and operating statements for the Property for calendar year \_\_\_\_\_; (iii) copies of all warranties and guarantees in Seller's possession with respect to the Improvements; and (iv) copies of all certificates of occupancy, hazardous waste reports and studies, environmental assessments, audits and analyses, title insurance policies, contracts relating to the ownership, operation or management of the property, maps and surveys, as-built drawings, correspondence with any governmental agency, building plans and specifications and /or all tenant plans and specifications (including, without limitation, any working drawings) and service agreements in Seller's possession and relating to the Property, including, without limitation, the materials described in Section 9.1(a) hereof. Contemporaneously with the delivery of the Property Documents, Buyer shall sign an inventory list of the Property Documents so delivered to Buyer for Buyer's inspection, acknowledged receipt of such Property Documents.

(b) Seller has delivered to Buyer, and Buyer has approved, the following documents: (i) copies of all Space Leases (as defined in Section 4.1 hereof), and (ii) a current rent roll for the Property and operating statements for the Property for calendar year \_\_\_\_\_. Seller shall use its best efforts to obtain from each tenant a tenant estoppel letter verifying the material terms of each Space Lease, substantially in the form attached to the appropriate Space Lease as Exhibit E.

(c) Buyer acknowledges that all information in respect of the Property furnished to Buyer is and has been so furnished on the condition that Buyer maintain the confidentiality thereof. Accordingly, Buyer shall, and shall cause its directors, officers, employees, agents and representatives to hold in strict confidence, and not disclose to any other party without the prior written consent of Seller until the Closing shall have been consummated, any of the information delivered to Buyer by Seller or any of its directors, officers, employees, agents and representatives. In the event the Closing does not occur and this Contract is terminated, Buyer shall promptly return to Seller all originals and copies of all such information without retaining any copy thereof or extract therefrom, together with a copy of the Phase II environmental report and all supporting information. Notwithstanding anything to the contrary hereinabove set further, Buyer may disclose such information (i) on a need-to-know basis to its employees or members of professional firms serving it in connection with this transaction; (ii) as is requested by a reputable institutional lender in connection with its financing of the purchase of the Property, and (iii) as any governmental agency may require in order to comply with applicable laws or regulations; provided, however, that all such individuals and/or entities shall agree to be bound by the confidentiality provisions of this Contract and that Buyer shall indemnify Seller with respect to any breach of such agreement by any such person and/or entity. The provisions of this Section shall survive the Closing or earlier termination of this Contract.



#### ARTICLE 4- COVENANTS AND REPRESENTATIONS

Section 4.1 Seller's Representations. Seller hereby represents and warrants to Buyer, now and as of the Closing as follows:

(a) Attached hereto as Exhibit "B", Rent Roll, is a true, correct and complete listing of all leases affecting the property (the "Space Leases"), except subleases. Seller is not in material default of any of its obligations pursuant to any of the Space Leases and, to the best of the Seller's knowledge, no tenant is in material default of any of its obligations thereunder.

(b) Attached hereto as Exhibit "C" is a true, correct and complete listing of all contracts and agreements with respect to the operation, maintenance and/or repair of the Property to which Seller is a party, including without limitation, management agreements, janitorial contracts, maintenance contracts and service contracts (the "Service Contracts"). Seller is not in material default of any of its obligations pursuant to any of the Service contracts and, to the best of Seller's knowledge, no vendor is in material default of any of its obligations thereunder.

Section 4.2 Buyer's Representations. Buyer hereby represents and warrants to Seller, now and as of the Closing, as follows:

(a) Buyer agrees to accept the Property "**AS IS, WHERE IS**" in its present condition, subject to reasonable use, wear, tear and natural deterioration of the Property between the date hereof and the Closing Date, and Buyer further agrees that Seller shall not be liable for any latent or patent defects in the property.

(b) In the event that Buyer does not cancel the Contract at the end of the Feasibility Period, Buyer shall be deemed to have (i) represented and warranted that it has inspected all of the Property and the Property Documents and that in such inspection Buyer has not discovered any material matter which would form the basis for a claim by Buyer that the Property is not in the condition agreed to or that Seller has breached any representation, warranty, covenant or agreement of Seller made in this Contract relating to the Property or the Property Documents, and that Buyer has no actual knowledge of any such matter and (ii) waived any claim that Buyer may have against Seller, and released Seller from any such claim, that Seller has breached any such representation, warranty, covenant or agreement set forth herein.

#### ARTICLE 5- MATTERS OF TITLE

Section 5.1 Title Report: Defects of Title. (a) A title commitment for the Property (the "Title Report") has been issued by \_\_\_\_\_. Title Insurance Company (the "Title Company") and approved by Buyer. If any updates or continuations of the Title Report or any supplements thereto reveal a defect of title (other than Permitted Exceptions) which adversely affects the use of the Property for its current purposes ("Additional Exceptions"), Buyer shall notify Seller of the defect within three (3) business days after receipt thereof. The failure by Buyer to notify Seller as required by the immediately preceding sentence within the time period specified therefor shall constitute a waiver by Buyer of any and all Additional

Exceptions set forth on such update or continuation of the Title Report or supplement thereto and such Additional Exceptions shall become Permitted Exceptions.

#### ARTICLE 6- ADJUSTMENTS

Section 6.1 Income and Expense. (a) All items of income and expense, including but not limited to rents, additional rents, escalations, and tenant reimbursements (hereinafter "Rents"), water and sewer taxes, charges, and rents (hereinafter, "Water Charges"), fuel oil charges, charges for electricity, gas, telephone and other utilities, license fees and other charges in connection with the Property (hereinafter, collectively, "Expenses") shall be adjusted and apportioned between the parties hereto as of 11:59 p.m. of the day immediately preceding the Closing Date, and the net amount thereof shall be added to or deducted from, as the case may be, the amount of the Purchase Price to be paid at the Closing.

(b) If any Rents shall be accrued and unpaid at the Closing Date, the Rents collected by Buyer on or after the Closing Date shall be applied in the following order: first, paid to Buyer until Buyer has received all Rents due on or prior to the date of such collection with respect to the period after the Closing Date; and, second, paid to Seller, to the extent of delinquent Rents or Rents due but not yet payable to Seller as of the Closing Date. If Seller shall not have received all accrued and unpaid Rents due it as of the Closing Date within ninety (90) days thereafter, Seller, at its sole cost and expense, shall be entitled to bring such actions or proceedings not affecting possession or enforcing landlord's liens as Seller shall desire to bring in order to collect any such accrued and unpaid rents, and Buyer shall cooperate with Seller in any such action;

(c) Readings of the water, gas, and electric meters located on the Property, if any, (other than meters measuring the computation of utilities which are the direct responsibility of any Tenant) shall be furnished to a date not more than thirty (30) days prior to the Closing Date and the unfixed Expenses, if any, based thereon for the intervening time shall be apportioned on the basis of such last readings. If such readings are not obtainable by the Closing Date, then, at the Closing, any Expenses which are based on such readings shall be prorated based upon the per diem charges obtained by using the most recent period for which such readings shall then be available.

(d) The amount of any unpaid real property taxes and assessments, and Expenses which Seller is obligated to pay and discharge may, at the option of Seller, be allowed to Buyer out of the cash balance of the Purchase Price, provided that official bills therefor, indicating the interest and penalties, if any, thereon, are furnished by Seller at the Closing and provided that the Title Company is willing to insure Buyer free and clear of such item.

Section 6.2 Taxes. (a) Taxes shall be prorated as of 11:59 p.m. of the day immediately preceding the Closing Date based upon the current year's tax. If the current year's assessment is not available, then taxes shall be prorated on the basis of the prior year's tax. If, subsequent to the Closing, real estate taxes are determined to be higher or lower than those apportioned at the Closing (by reason of change in either assessment or rate), a new computation shall be made and the parties shall reimburse each other as may be required thereby. Buyer shall give Seller notice

of any change in either the assessment or tax rate within thirty (30) days of the effective date of such change.

#### ARTICLE 7- CLOSING

Section 7.1 Seller's Closing Deliveries and Obligations. (a) On the Closing Date, Seller shall deliver the following to Buyer:

(i) Space Leases. The original, executed counterparts of the Space leases or, if unavailable, photocopies thereof certified by Seller, to the best of its knowledge, as true, correct and complete photocopies thereof.

(ii) FIRPTA Affidavit. An affidavit by Seller stating that Seller is not a "foreign person" within the meaning of Section 1445 of the United States Internal Revenue Code of 1986, as amended, and the regulations issued thereunder, in the form annexed hereto as Exhibit "H".

(iii) Occupancy Permits. To the extent in Seller's possession, originals or, if unavailable, certified copies of all current certificates, licenses, permits, authorizations and approvals issues for or with respect to the Property by governmental and quasi-governmental authorities having jurisdiction, except that photocopies may be substituted of the originals are posted at the Property.

(iv) Plans, Specifications, Warranties and Guarantees. To the extent in Seller's possession, originals or, if unavailable, certified copies of (a) all current site plans, maps and surveys, soil and substrata reports and studies, architectural drawings, plans and specifications, engineering plans and studies, floor plans, landscape plans and other plans or studies of any kind that relate to all or any part of the property and (b) all warranties and guarantees then in effect that relate to all or any part of the Property.

#### ARTICLE 8- MISCELLANEOUS PROVISIONS

Section 8.1 Default. (a) In the event Buyer were to default under this Contract, the parties hereto agree that the damages that Seller would sustain as a result thereof would be substantial but difficult to ascertain. The parties hereto therefore agree that in the event Buyer fails to perform all of the terms, covenants, conditions and agreements to be performed by it hereunder whether at or prior to the closing, Seller shall give Buyer written notice of same and five (5) days to cure such default. If Buyer fails to cure such default to the satisfaction of Seller, Seller may terminate this Agreement by written notice to Buyer and retain the Deposit as and for its sole remedy hereunder, as Seller's liquidated damages, and Seller shall have no further liability or obligation to Buyer hereunder, except for such liabilities or obligations which are specifically stated to survive the termination of this agreement, including, without limitation Sections 3.1, 3.2(b) and 10.3 hereof.

(b) In the event that (i) Seller fails to perform all of the terms, covenants, conditions and agreements to be performed by it hereunder whether at or prior to the Closing or (ii) on the Closing Date title to the Property shall not be in accordance with this Contract, then Buyer may

elect either (A) to waive any such performance or condition to title that causes title not to be in accordance herewith, (B) to terminate this Contract, or (C) if and to the extent permitted under clause (3) below, to bring an action for specific performance in accordance with the following.

(1) If Buyer makes the election set forth in clause (A) above, Buyer shall perform all of Buyer's obligations hereunder and the Closing shall occur otherwise in accordance with the terms of this Contract with no abatement of the Purchase price and no liability on the part of Seller.

Section 8.2 Agents and Brokers. Each party hereto covenants and warrants to the other party that no broker, finder, real estate agent or person, other than \_\_\_\_\_ (the "Broker"), is entitled to any fee or commission based in any way on agreements or understandings made by such party with respect to the Property or its Contract. Seller shall pay a commission to Broker in accordance with a separate written agreement. Each party agrees to indemnify and hold harmless the other party from any claims resulting from a breach of the foregoing covenant and warranty. The provisions of this Section 10.3 shall survive the closing and the delivery of the Deed, or earlier termination of this Contract.

Section 8.3. Choice of Law. The laws of the State of New York shall strictly govern the rights and obligations of the parties to this Contract, and the interpretation, construction and enforceability thereof and any and all issues relating to the transactions contemplated herein.

In WITNESS WHEREOF, Seller and Buyer have duly executed this Contract as of the date first set forth above.

Seller:

Buyer:

By: \_\_\_\_\_

By: \_\_\_\_\_



## Rent Roll

Building Name \_\_\_\_\_ Rent Roll Date \_\_\_\_\_

No.	Tenant Name	Suite #	Tenant Type	Leased Area	Annual Rent	Lease Start	Lease Expire	Occupied Since	Options/Term	Borrower Affiliated	Reimbursements:				
											CAM/Util	Taxes	Insur	Mgmt	
1															
2															
3															
4															
5															
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<b>Income &amp; Expenses</b>						
Item	3rd Preceding Year	2nd Preceding Year	Preceding Year	YTD No of Months	Trailing 12 Months	Notes
Base Rent						
Expense Reimbursements						
Percentage Rent						
Parking Income						
Other Income						
Vacancy & Coll. Loss						
<b>Effective Gross Income</b>						
Real Estate Taxes						
Property Insurance						
Utilities						
Repairs and Maintenance						
Janitorial						
Management Fees						
Payroll and Benefits						
Advertising and Marketing						
Professional Fees						
General and Administrative						
Other Expenses						
Ground Rent						
<b>Total Operating Expenses</b>						
<b>Net Operating Income</b>						
Leasing Commissions						
Tenant Improvements						
Cap Ex. (Repl. Reserves)						
Extraordinary Capital Exp.						
<b>Total Capital Items</b>						
<b>Net Cash Flow</b>						

Building Name \_\_\_\_\_

Due Diligence Requirements

<b>All information can be sent via PDF</b>	<b>Date Provided</b>	<b>Information Needed</b>
Project Description/Summary		X
Preliminary title report with copies of all Schedule B items, legal descriptions. Commitment for lender's title policy/Title company contact		X
Survey (If applicable)		X
CC&Rs with all amendments		
Phase I Environmental Site Assessment from Bank approved consultant, assigned to Bank		X
Soils Report		X
Environmental Questionnaire		X
Market Feasibility Reports - if available		
Copy of any prior appraisal if applicable		
Borrower /Guarantor Entity Documents/Articles Of Inc/Bylaws or Articles of Organization/Operating Agreements/ and all amendments/Annual reports for Corporations		X
W-9's completed for all Borrowers/Guarantors		X
3 years signed and dated Financial statements for Borrower		X
2 Years signed and dated Tax Returns for Borrower		X
Personal Financial Statements if Applicable		X
2 Years signed and dated Personal Tax Returns if Applicable		X
Trust documents if Applicable/and all amendments		X
Copies of Drivers License		X
Management resumes for principals		X
Copies of Executed Leases and all amendments		X
Insurance- WC, GL, Builders Risk/Property		X



## 2. RESEARCHING MORTGAGES ON PROPERTY

- a) **The broker's services to research and conduct due diligence for the buyer or seller in commercial real estate could be as a consultant or in the process of listing a property.**
- b) **We will review the information that should be researched and relevant to a buyer that a broker could be performing. Mortgages are recorded at the Registry of Deeds or Land Records. (Different names for each state. May be managed by a County Clerk's office).**
- c) **A listing broker wants to know the seller's/owner's obligations under the mortgage prior to listing a building and research if there are penalties for a sale.**
- d) **A listing broker should review for mortgage constraints such as:**
  - i. Yield-Up Maintenance or Due-On-Sale Issues (**See Example**)
    - This language may prohibit any settlement of the mortgage prior to a certain year of the mortgage. It may require that upon a sale, there is a premium fee to maintain the interest rate yield.
  - ii. Default or acceleration issues (**See Example**)
    - Defaults will contain penalties such as interest rate premiums. The bank may also be able to call in the note (accelerate) with the all the remaining years of payments due now.
  - iii. Assumption benefits (**See Example**)
    - An ability to sell the property and transfer the existing mortgage to the buyer and allow the buyer to continue with the same payments, same terms and conditions.
    - The mortgage may have a favorable interest rate and a buyer may find that mortgage attractive.
    - Banks however may not allow an assumption of the mortgage or may allow an assumption but for a fee.
  - iv. A broker should research any penalties that a seller's lender may impose on the sale of property (**See Example**).
    - A listing broker, during his research to develop an information package, should review the mortgage for any penalties that the seller may incur in the sale of the property.
    - Such constraints might include: lockout periods, personal recourse, fees, etc. A broker may recommend to a seller not to sell the property.
    - A broker should use this research to garner an overview and submit recommendations to a seller or buyer.
    - There may be a **Master or Special Servicer** as part of the approval process.

"Business Day" shall mean any day other than a Saturday or Sunday or any other day on which national banks in New York are not open for business.

4. The whole of the principal sum of this Note, together with all interest accrued and unpaid thereon and all other sums due under the Loan Documents (all such sums hereinafter collectively referred to as the "Debt"), or any portion thereof, shall without notice become immediately due and payable at the option of Payee if any payment required in this Note is not paid on the date on which it is due or upon the happening of any other Event of Default. In the event that it should become necessary to employ counsel to collect or enforce the Debt or to protect or foreclose the security therefor, Maker also shall pay on demand all costs of collection incurred by Payee, including attorneys' fees and costs incurred for the services of counsel whether or not suit be brought.

5. Maker does hereby agree that upon the occurrence and during the continuance of an Event of Default, Payee shall be entitled to receive and Maker shall pay to Payee interest on the entire unpaid principal sum and any other amounts due at a rate per annum (the "Default Rate") equal to the lesser of (i) the maximum rate permitted by applicable law, or (ii) five percent (5%) above the Applicable Interest Rate. Interest at the Default Rate shall be computed from the occurrence of the Event of Default until the actual receipt and collection of the Debt (or that portion thereof that is then due). Interest at the Default Rate shall be added to the Debt and shall be secured by the Mortgage. This paragraph, however, shall not be construed as an agreement or privilege to extend the date of the payment of the Debt, nor as a waiver of any other right or remedy accruing to Payee by reason of the occurrence of any Event of Default.

*Default*

⑥ This Note may not be prepaid prior to the Optional Prepayment Date (except in connection with a Casualty/Condemnation Prepayment under Section 2.3.2 of the Loan Agreement); provided, however, Maker shall have the right and option to defease this Note and release the Property owned by Maker from the lien of the Mortgage in accordance with the provisions set forth in Sections 2.3 and 2.4 of the Loan Agreement (the "Defeasance Option"). Notwithstanding the foregoing sentence, Maker shall have the privilege to prepay the entire principal balance of this Note and any other amounts outstanding on any scheduled payment date from and after the Optional Prepayment Date without payment of the Yield Maintenance Premium or any other premium or penalty. If prior to the Optional Prepayment Date and following the occurrence and during the continuance of any Event of Default, Maker shall tender payment of an amount sufficient to satisfy the Debt at any time prior to a sale of the Property, either through foreclosure or the exercise of the other remedies available to Payee under the Mortgage, such tender by Maker shall be deemed to be voluntary and Maker shall pay, in addition to the Debt, the Yield Maintenance Premium, if any, that would be required under the Defeasance Option.

*Yield-up Assumption*

7. Notwithstanding anything to the contrary contained in this Note, the following subparagraphs shall apply in the event that the Maker does not prepay the entire principal balance of this Note and any other amounts outstanding on the Optional Prepayment Date:

- (e) Fifth, payments to Lender to prepay the outstanding principal balance under the Note until paid in full;
- (f) Sixth, payments to Lender to be applied against Accrued Interest and interest accrued thereon; and
- (g) Lastly, payments to Borrower of any excess amounts.

Notwithstanding anything herein to the contrary, the failure of Borrower to make all of the payments required under clauses (a) through (d) above in full on the Optional Prepayment Date and on each Payment Date thereafter shall constitute a Default under this Agreement. However, the failure of Borrower to pay any principal under (e) above, or any Accrued Interest or interest on Accrued Interest under (f) above on a Payment Date as a result of insufficient Rents for such payment shall not constitute a Default hereunder. All Accrued Interest or interest on Accrued Interest shall nonetheless be due and payable on the Maturity Date.

**2.2.4 Default Rate.** After the occurrence and during the continuance of an Event of Default, the entire outstanding principal balance of the Loan shall bear interest at the Default Rate, and shall be payable upon demand from time to time, to the extent permitted by applicable law. Payment or acceptance of the increased rates provided for in this subsection is not a permitted alternative to timely payment and shall not constitute a waiver of any Default or Event of Default or an amendment to this Agreement or any other Loan Document and shall not otherwise prejudice or limit any rights or remedies of Lender.

**Section 2.3 Loan Repayment and Defeasance.**

**2.3.1 Repayment.** Borrower shall repay any outstanding principal indebtedness of the Loan in full on the Maturity Date of the Loan, together with interest thereon to (but excluding) the date of repayment. Other than as set forth in Section 2.3.2 below, Borrower shall have no right to prepay all or any portion of Loan during the period commencing on the Closing Date to but not including the Optional Prepayment Date. From and after the Optional Prepayment Date, the Loan may be prepaid in whole or in part without penalty or premium.

**2.3.2 Mandatory Prepayments.** The Loan is subject to mandatory prepayment, without premium or penalty except as provided in Section 7.1.2, in certain instances of Insured Casualty or Condemnation (each a "Casualty/Condemnation Prepayment"), in the manner and to the extent set forth in Sections 7.1.2 and Section 7.1.3 hereof. Each Casualty/Condemnation Prepayment shall be made on a Payment Date and include all accrued and unpaid interest on the amount prepaid up to but not including such Payment Date or, if not paid on a Payment Date, include interest that would have accrued on the amount prepaid to but not including the next Payment Date.



2.3.3 Voluntary Defeasance of the Note. *Assumption*

(a) Subject to the terms and conditions set forth in this Section 2.3.3, Borrower may defeas all or any portion of the Loan evidenced by the Note. (hereinafter, a "Defeasance"); provided, that no such Defeasance may occur prior to the Release Date. Each Defeasance shall be subject, in each case, to the satisfaction of the following conditions precedent:

- (i) Borrower shall provide not less than thirty (30) days prior written notice to Lender specifying a Payment Date (the "Defeasance Date") on which the Defeasance is to occur. Such notice shall indicate the principal amount of the Note to be defeased.
- (ii) Borrower shall pay to Lender all accrued and unpaid interest on the principal balance of the Note to but not including the Defeasance Date. If for any reason the Defeasance Date is not a Payment Date, Borrower shall also pay interest that would have accrued on the Note to but not including the next Payment Date.
- (iii) Borrower shall pay to Lender all other sums, not including scheduled interest or principal payments, then due under the Note, this Agreement, the Mortgage and the other Loan Documents.
- (iv) No Event of Default shall exist.
- (v) Borrower shall pay to Lender the required Defeasance Deposit for the Defeasance.
- (vi) In the event only a portion of the Loan evidenced by the Note is the subject of the Defeasance, Borrower shall execute and deliver all necessary documents to amend and restate the Note and issue two substitute notes: one having a principal balance equal to the defeased portion of the original Note (the "Defeased Note") and one note having a principal balance equal to the undefeased portion of the original Note (the "Undefeased Note"). The Defeased Note and Undefeased Note shall have identical terms as the Note, except for the principal balance. A Defeased Note cannot be the subject of any further Defeasance.
- (vii) Borrower shall execute and deliver a security agreement, in form and substance satisfactory to Lender, creating a first priority lien on the Defeasance Deposit and the U.S. Obligations purchased with the Defeasance Deposit in accordance with this provision of this Section 2.3.3 (the "Security Agreement").

- (viii) Borrower shall deliver an opinion of counsel for Borrower in form satisfactory to Lender in its reasonable discretion stating, among other things, that (A) Lender has a perfected first priority security interest in the Defeasance Deposit and the U.S. Obligations delivered by Borrower and (B) said U.S. Obligations have been validly assigned to the [REDACTED] Trust.
- (ix) Lender shall receive evidence in writing from the applicable Rating Agencies to the effect that such Defeasance will not result in a reduction, withdrawal or requalification of the ratings in effect immediately prior to such Defeasance for the Securities issued in connection with the Securitization which are then outstanding.
- (x) *Assumption* If required by the applicable Rating Agencies, Borrower shall also deliver or cause to be delivered a non-consolidation opinion with respect to the Successor Borrower in form and substance reasonably satisfactory to Lender and the applicable Rating Agencies.
- (xi) Borrower shall deliver an Officer's Certificate certifying that the requirements set forth in this Section 2.3.3(a) have been satisfied.
- (xii) Borrower shall deliver such other certificates, documents or instruments as Lender may reasonably request.
- (xiii) Borrower shall pay all reasonable costs and expenses of Lender incurred in the Defeasance, including any costs and expenses associated with a release of Lien as provided in Section 2.4 hereof and reasonable attorney's fees and expenses.

(b) In connection with each Defeasance of all or any portion of the Note, Borrower hereby appoints Lender as its agent and attorney-in-fact for the purpose of using the Defeasance Deposit to purchase U.S. Obligations (which purchases, if made by Lender, shall be made by Lender on an arms-length basis at then prevailing market rates) which provide payments on or prior to, but as close as possible to, all successive Payment Dates after the Defeasance Date, in the case of a Defeasance for the entire outstanding principal balance of the Note, or the Defeased Note, in the case of a Defeasance for only a portion of the outstanding principal balance of the Loan, as applicable (including, on the Optional Prepayment Date, the outstanding principal balance of either the Note or the Defeased Note), and in amounts equal to the scheduled payments due on such dates under the Note or the Defeased Note, as applicable (the "Scheduled Defeasance Payments"). Borrower, pursuant to the Security Agreement or other appropriate document, shall irrevocably authorize and direct that the payments received from the U.S. Obligations may be made directly to Lender and applied to satisfy the obligations of Borrower under the Note or the Defeased Note, as applicable. Any portion of the Defeasance Deposit in excess of the amount necessary to purchase the U.S. Obligations required by this Section 2.3(a) and satisfy Borrower's obligations under Sections 2.3 or 2.4 shall be remitted to Borrower. Any amounts received in respect of the U.S. Obligations in excess of the amounts

### 3. RESEARCHING THE OWNER'S TITLE

- The broker should research the title to **confirm ownership** and ownership authority using on-line resources such as the Registry of Deeds.
- The information **will be used in the Letter of Intent** (LOI) and Purchase & Sales Agreement. It also confirms who has authority to make decisions or executive documents.
- Succinctly **identify any liens** on the property such as tax lien, environmental liens, mechanic's liens, etc. that can found on the title.
- Liens will be listed on the title and a broker can recommend if title transfer can be hampered.
- Seller may not be aware of liens on the property or the **lack of ability to transfer title**.

#### SAMPLE ADVISORY REPORT; Title Confirmation

#### Ownership, Subject Site Address and Distance

##### Ownership

According to the quitclaim deed dated May 31, 1996, the **subject project is owned by LehighColum Realty Trust**. The trustees are William Lehigh and Richard J. Columbia. The LehighColum Realty Trust Declaration of Trust dated May 20, 1996, indicates that **William Lehigh and Richard J. Columbia, each have a fifty (50%) percent beneficial interest**.

**We did not find documentation referring to Mr. Boston's ten (10%) percent ownership of the property.** However Mr. William Lehigh indicated to us verbally that Mr. Boston was a ten (10%) percent owner. **If accurate then Mr. William Lehigh's personal interest in the property ownership is forty-five (45%) percent.**

**The property's deed reference is book number 114555 and page 365. The plan reference (according to the property survey by American Surveying Co. dated June 8, 1999) is plan book 444, plan number 224.**

Sample of Liens/Environmental Lien: AUL

BOOK 20 PAGE 68

MAIL:  
Peter J. Dawson, Esq.  
Mirick, O'Connell, DeMallie & Lougee  
1700 BankBoston Tower  
Worcester, Massachusetts 01608-1477

Form 1082B

LOOK

FIRST AMENDMENT TO NOTICE OF AN ACTIVITY AND USE LIMITATION  
M.G.L. c. 21E, § 6 and 310 CMR 40.0000

2300  
G

Disposal Site Name: [REDACTED]  
DEP Release Tracking No.(s): 2-[REDACTED]

WHEREAS, a Notice of Activity and Use Limitation has been recorded with the Worcester County Registry of Deeds in Book [REDACTED] Page(s) [REDACTED] (said Notice of Activity and Use Limitation and any amendments thereto are collectively referred to herein as "Notice");

WHEREAS, said Notice sets forth limitations on use and activities, conditions and obligations affecting certain parcel(s) of land situated in Worcester, Worcester County, Massachusetts, with the buildings and improvements thereon, said land being more particularly bounded and described in Exhibit A attached hereto and made a part of hereof ("Property"). Said limitations on use and activities are consistent with the terms of an Activity and Use Limitation Opinion ("AUL Opinion") dated June 17, 1998, signed and sealed by Richard J. Hughto, holder of a valid license issued by the Board of Registration of Waste Site Cleanup Professionals, pursuant to Massachusetts General Laws Chapter 21A, Sections 19-19J (the holder being referred to as "LSP") attached to the Notice of Activity and Use Limitation as Exhibit C and made a part of thereof, in order to maintain at the Property a condition of No Significant Risk (such conditions and terms being defined in 310 CMR 40.0000); and

WHEREAS, the undersigned LSP, in accordance with Chapter 21B and the MCP, has issued and signed an AUL Opinion, dated June 17, 1998, and filed with DEP at its Central Regional Office under Release Tracking No.(s) [REDACTED], attached hereto as Exhibit B and made a part hereof. Said AUL Opinion explains that the implementation of the following proposed changes in Site Activities and Uses at the Property will maintain a condition of No Significant Risk;

NOW THEREFORE, in accordance with M.G.L. c. 21E and the MCP, the undersigned [REDACTED] LLC, of Boston, Suffolk County, Massachusetts; being the owner of the property, hereby amends said Notice as follows:

Paragraph 1, "Permitted Uses and Activities Set Forth in the AUL Opinion", is amended to read as follows:

1. Permitted Activities and Uses Set Forth in the AUL Opinion. The AUL Opinion provides that a condition of No Significant Risk to health, safety, public welfare or the environment (such condition being defined in 310 CMR 40.0000) has been achieved for any foreseeable period of time so long as any of the following activities and uses occur on the Property:

- (i) Excavation associated with limited short-term utility or construction work, which may be deemed necessary within the designated Property, provided that it is conducted in accordance with the performance standards of the MCP.
- (ii) Use of the Property as a school, playground or day care facility provided that access to surface and subsurface soils is prevented through the use of an impermeable cap on the proposed area. This cap is to consist of an impermeable cover, such as geotextile fabric, clay, asphalt or concrete, and have a minimum of two feet of imported clean fill in playground areas.
- (iii) Uses not in conflict with the activities and uses listed below in Section 2.0 (Activities and Uses Inconsistent with the AUL Opinion).
- (iv) Such other activities and uses, which, in the opinion of an LSP, shall present no greater risk of harm to health, safety, public welfare, or the environment than the activities and uses set forth in this section.
- (v) Continued industrial or commercial use of the property.



4. **RESEARCHING THE PROPERTY AT COUNTY OR MUNICIPAL BUILDING**

During broker's due diligence, listing a property or representing a buyer, the following cursory research can be conducted:

- a) **Research the zoning** at the planning dept. and identify allowed, prohibited uses or special permit uses (**See Sample**)

<b>SAMPLE ADVISORY REPORT</b>
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## ZONING REGULATIONS

### a. Zoning By-Laws

An initial Bellingham zoning review was conducted using the most recent Bellingham's Zoning Regulations, **amended October 13, 2014. Interviews with the Bellingham's Planner, Ms. Urban Planner (Feb. 17, 25 and March 1, 2016)** and Mr. Hye, Assistant Inspector of Buildings (Feb. 24, 2016) supplemented this research.

According to the Municipality of Bellingham's Zoning Map dated January 1, 1977 with the latest revision date of June 17, 1997 from the Bellingham's Zoning By-Laws amended through October 13, 2014, **the subject site is located in an "Agricultural Zone"** and is surrounded by properties located in an **"Agriculture Zone"**. Additionally the original **septic system "As-Built" plans** dated November 9, 1988 and received by Bellingham on November 17, 1988, clearly states that the property is **located in an "Agricultural" zone** with an "Industrial" use. The surrounding area is surrounded by residential and wooded or open space uses.

According to the original Bellingham building permit, dated August 25, 1988, the **property is listed as being a "Contractor's yard."** Bellingham's planner, Ms. Planner on February 25, 2016 indicated that the last revised zoning map is dated in 1997.

According to Mr. Hye in the Building Department, he clearly believes that the subject property was zoned "Industrial" but continued to refer to the Industrial Zone on Spook Street closer to Baltimore Avenue. He could not visualize the subject property's location and state its accurate zoning. **The property is probably zoned Agricultural.** Whether the property had another zoning prior to the latest revision in 1997 is unknown. **This accuracy of zoning needs to be further probed.**

Based on the **"Agricultural" Zone in the most recent Bellingham Zoning By-Laws** amended through October 13, 2014, the following information applies:

1. There are **no industrial uses allowed in an "Agricultural" Zone** or District except "Earth Removal" which is only allowed under a Special Permit Acted on by the Board of Appeals.



2. **Agricultural Zone/District generally allows the following uses:**

- Livestock raising on parcel under 5 acres
- Other farm
- Greenhouse
- Roadside Stand
- Municipal Use
- Religious Use

**Almost no commercial or industrial use of any kind is allowed in an Agricultural Zone/District.**

3. The subject property might have been allowed under old zoning by-laws. Under today's regulations it seems that it could **very well be a non-conforming use** unless the current use is considered "earth removal." It seems however, through the **municipal records, that the use is industrial with a contractor's yard.**
4. If the property is located in an Agricultural Zone/District, **then the property's highest and best use is quite constrictive.** There may be very little allowed use and market for this property.
5. If the property is zoned "Industrial" then the following are allowed uses. However, the **correct zoning needs to be legally confirmed.**
- Manufacturing for on-site sales
  - Other manufacturing, research
  - Bulk Storage
  - Contractor's Yard
  - Transportation terminal
6. The following is allowed by **Special Permit under an Industrial Zone/District:**
- Earth Removal by Special Permit Acted on by the Board of Appeals
  - Waste Processing or Disposal of junk-yard, second-hand auto parts by Special Permit acted on by the Board of Selectman.
7. Under an **Industrial Zone/District, the property expands its marketability** and the possible upside **value for this property.**

END

## Zoning Solutions, Inc.

836 Washington Street, P.O. Box 850270, Braintree, MA 02185  
781-848-0040 ~ FAX 781-380-4136

### ZONING CERTIFICATE

**Date:** February 12, 2010

This certificate was compiled from public records obtained and reviewed by Zoning Solutions, Inc. regarding the zoning requirements and limitations for this property.

**Subject Property:**

██████████ Road, Woburn, MA

**Zoning District:**

Industrial Park (IP) District

See attached zoning map & index

**Permitted Uses:**

Business, Professional and General Office under 15,000 SF is permitted, over 15,000 requires a Special Permit; Manufacturing under 15,000 SF is permitted, over 15,000 SF requires a Special Permit; Research and development facility, wholesale establishment, warehouse and distribution center requires a special permit. It was confirmed with the Building Department that the existing structure is a 11,491 SF industrial warehouse style building. This is a legally non-conforming use. The building department and city clerk confirmed that a change of ownership would require a special permit from the City Council (see attached application) The next scheduled City Council meeting is March 2, 2010.

There are no violations on file for the property.  
See attached assessor records.

**Dimensional/ Open Space Requirements:** See Section 6.1 Table of Dimensional Regulations.

b) **RESEARCH Conservation Commission for the 100-year flood plain map and zone number and the location of the property within the flood plain.**

- **Almost every municipality has FEMA maps complimentary for review.**
- You will find the FEMA maps typically at the Conservation Commission's office.
- FEMA = Federal Emergency Management Agency. FEMA has rated the entire U.S. for 100-year flood plain zone areas for insurance purposes.
- Maps are typically segregated in 3 zones: A, B and C. Zone C is "high and dry" while Zone A is a 100-year flood plain.
- A 100-year flood plain is also a part of the Wetlands Act.
- Information and maps are also available on-line at [www.fema.gov](http://www.fema.gov).
- **See Sample of FEMA map.**

**NATIONAL FLOOD INSURANCE PROGRAM**

**FIRM**  
 FLOOD INSURANCE RATE MAP


TOWN OF  
 ANYTOWN, USA  
 SOME COUNTY

PANEL 103 OF 500  
(SEE MAP INDEX FOR PANELS NOT PRINTED)

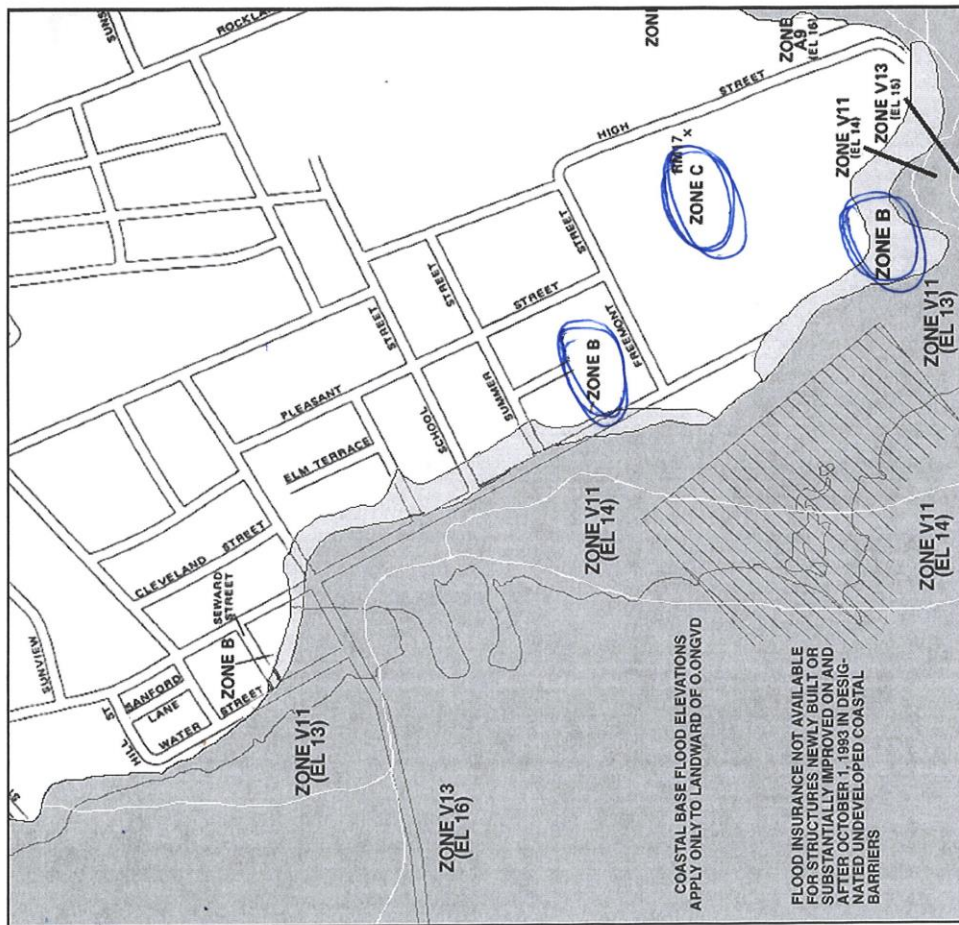
SAMPLE FIRM TO SHOW RIVERINE AND  
 COASTAL FLOODING FOR TRAINING PURPOSES  
 ONLY. NOT FOR OFFICIAL USE.

COMMUNITY-PANEL NUMBER  
 990099 0103 C

MAP REVISED:  
 JULY 1, 1989



Federal Emergency Management Agency



MAP 7

May 1, 2006

**SAMPLE FROM ADVISORY REPORT**

**Wetland Issues**

Mr. Wetlands, Franklin's Conservation Agent on August 20, 2014 discussed issues with wetlands and the 100-year flood plan zone. According to Mr. Wetlands, the Federal FEMA maps indicate **that this property is located in "Zone C"** however Mr. Wetlands suggested that a final determination would need to be made by Mr. David Dry, Building Commissioner and Zoning Officer. Mr. Wetlands also recommended that future discussions with Mr. James Sands, the Municipal's GIS Manager and Systems Specialist at Franklin's Department of Public Works, would be necessary for more definitive discussions.

Under a **"Zone C" floodplain map, the area would not be considered a 100-year flood plan zone.**

The municipal's planner also stated that **due to the presence of wetlands, the subject property would need to be submitted to the Conservation Commission.** A project may also be submitted simultaneously to the Planning Board with Conservation Commission, to help expedite the process.

**END**

- c) **RESEARCH that the property has municipal water, municipal sewer or private septic system at the Water/Sewer Dept. to share information with buyers.**

**SAMPLE FROM ADVISORY REPORT**

**Municipal Water Source Issues**

Bellingham has seven (7) wells for water source. The municipality **is not serviced by County water.** The municipality has an **aquifer for its main water source** located along Spook Street at Rt. 495.

**END**

- d) **RESEARCH Board of Health for size and capacity of sanitary private septic system** for total number of occupants allowed in a property that can affect a buyer's decision on a specific property.

- e) **IF SEPTIC**, research last **pumping of tank** at the Board of Health and its compliance with **state code**.

**SAMPLE FROM ADVISORY REPORT**

**Sanitary Sewer/Septic Service**

Bellingham officials have stated that **Bellingham does not have municipal sewer service**. The subject site is serviced by a private septic system. The property has one septic tank located at the front of the building and one leaching field located at the rear of the property. Vent pipes were not observed therefore not confirming if the fields are on high ground in relationship to the building grade.

The last recorded pumping of the septic tank was January 20, 2015. According to the Board of Health, the **tank holds 1,500 gallons, which is the minimum size, allowed by code**.

The **original septic system had performing percolation tests on April 19, 1988**.

**c. Certificate of Compliance for the Septic System**

The subject site was issued a certificate of compliance for the original constructed septic system on July 11, 1988 at 299 (Lot 1) Spook Street. Don's Contracting constructed the system.

**The plans on file indicate the following information:**

- 1. The septic tank is a pre-cast reinforced concrete tank with a capacity of 1500 gallons. The estimated flow is for 10 employees @ 15 gallons per person or 150 gallons per day. The design perc is 20 MPI (minutes per inch) and the leaching area has 75.4 LF use. There are no known sources of water within 200' of the system. At the time of the filed plans, it indicates that there were no streams, wetlands surface within 100' of property. No County gas trap required.**
- f) **INVESTIGATE at Fire Dept. for any underground tank permits** (entering or exiting) that could affect the price of the property or compliance issues. These are negotiating items as it relates to removal and cost.
- g) **RESEARCH the real estate tax assessment, tax rate** and research if the taxes have been paid to date.

**EXAMPLE OF MUNICIPAL RECORDS ON  
NY HUNTINGTON OFFICE PROPERTY:  
This property was emailed to our office for sale.  
How do we research the records?**

**Robert Nahigian**

**From:** Ten-X Commercial [via] PropertyBlast.com <listingalert@propertyblast.com>  
**Sent:** Tuesday, August 01, 2017 9:48 AM  
**To:** Robert Nahigian  
**Subject:** Upcoming Commercial Properties For Sale

[Click Here](#) to view our online version.

Powered By  
**PropertyBlast.com**



Upcoming Commercial Properties For Sale



Office | Melville, NY

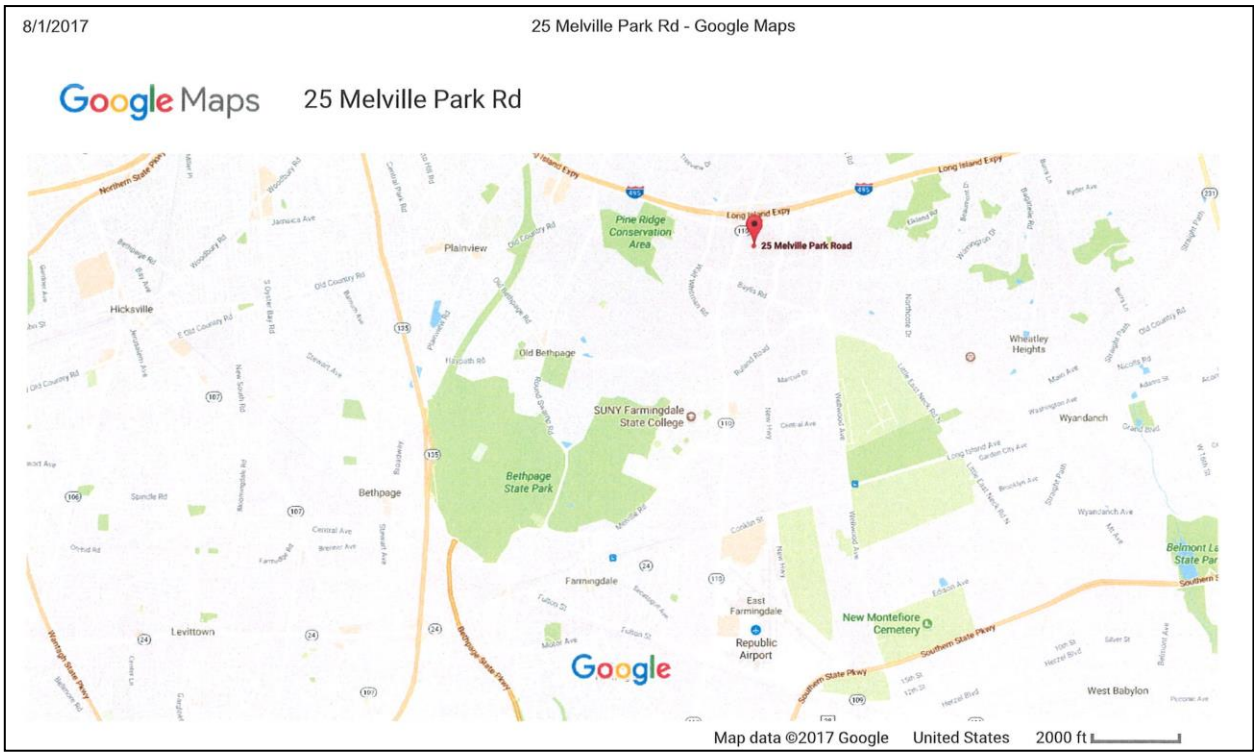
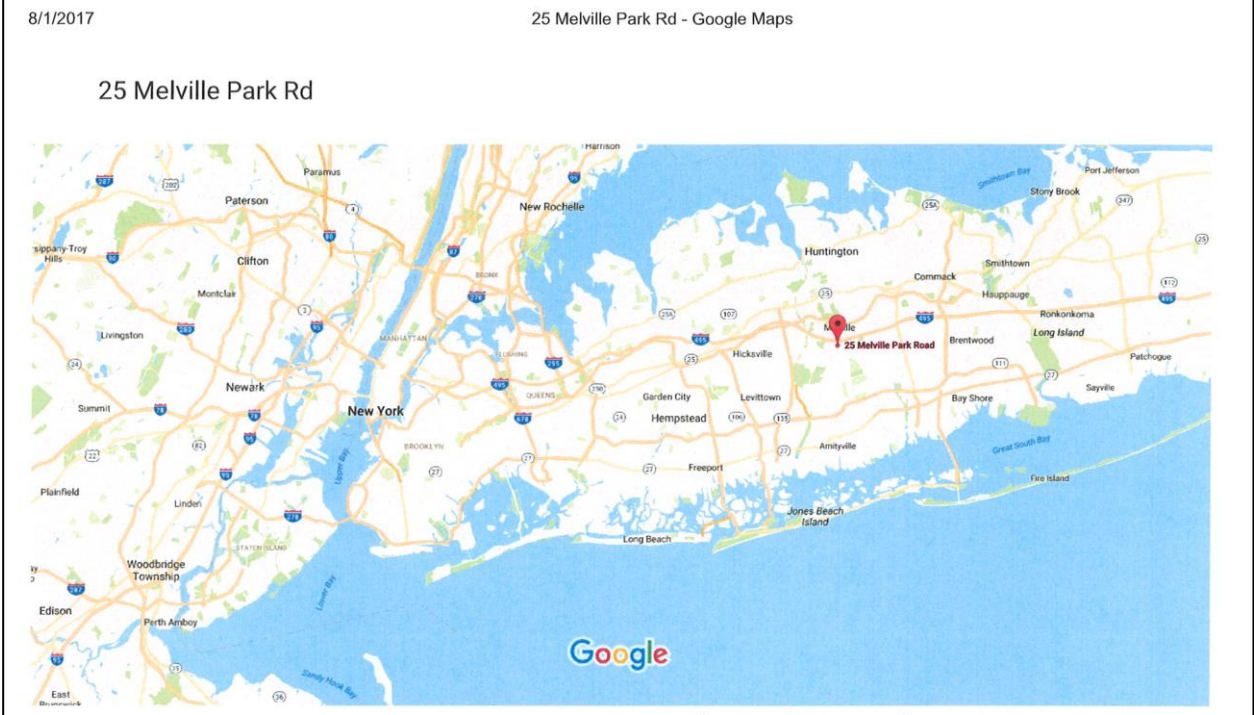
Starting Bid: \$2,500,000

Commercial Properties

Search Code	Type	City	State	Price/Starting Bid	Size
<a href="#">1000004031</a>	Office	San Mateo	CA	Unpriced	33,982 SF
<a href="#">1000004391</a>	NNN Industrial	Edison	NJ	Unpriced	140,738 SF
<a href="#">1000003981</a>	Note Pool	Multiple Cities	US	Unpriced	87 Notes
<a href="#">1000003997</a>	Office	Palm Springs	CA	Unpriced	15,100 SF
<a href="#">193051679</a>	Retail	Prescott	AZ	\$13,000,000	318,503 SF
<a href="#">1000004489</a>	Office	Liberty Lake	WA	\$12,270,000	43,115 SF

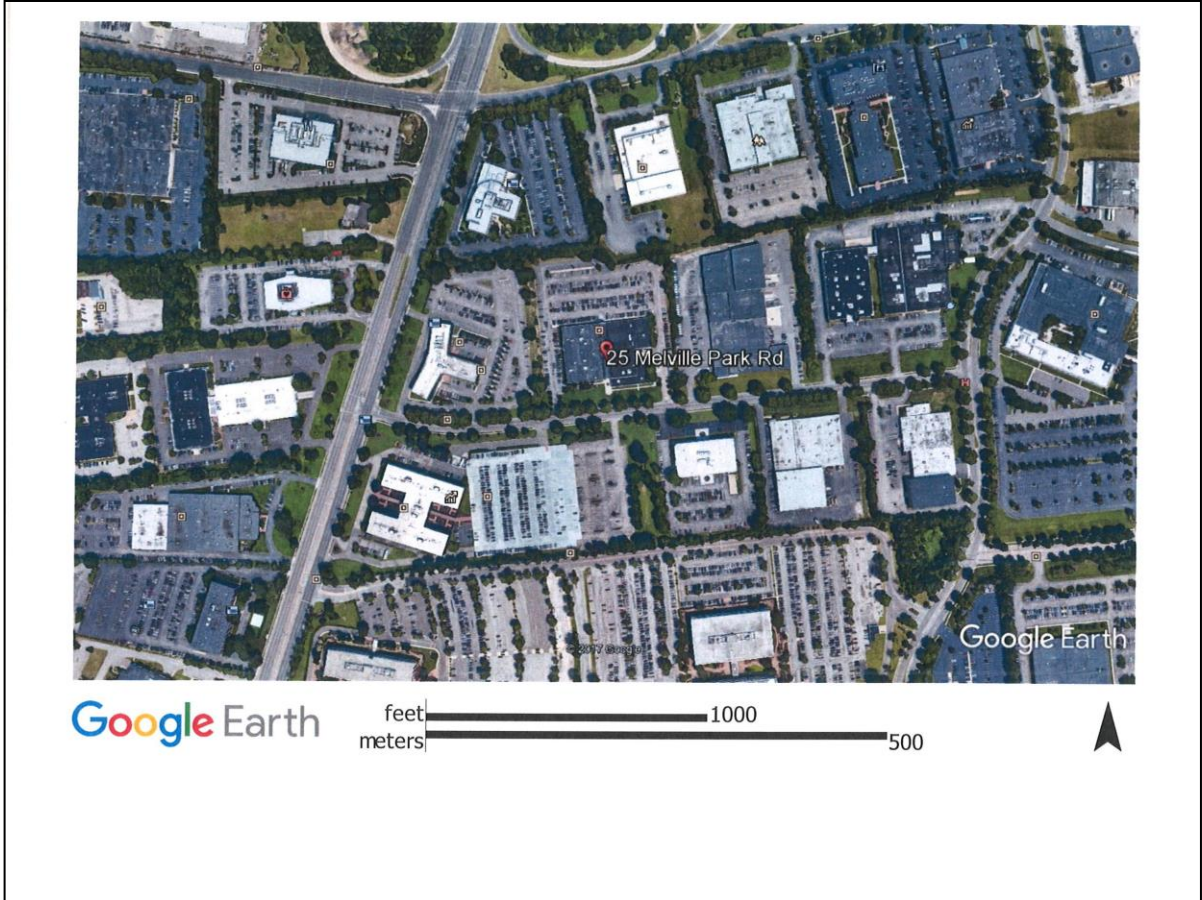


**RESEARCH WE CONDUCTED ON OUR OWN CONCERNING THIS PROPERTY**





AERIAL



25 Melville Park Road, Melville, NY 11747 - Ten-X Commercial

<https://www.ten-x.com/commercial/details/25-melville-park-road-melv...>

BUY SEARCH BROKERS RESEARCH MORE

Home > All Commercial > New York > Melville > 25 Melville Park Road

## 25 Melville Park (Office)

25 Melville Park Road  
 Melville, NY 11747

Office  
 97,624 Sq. Feet  
 73% Occupied



Register for

**Starting Bid**

Participation Depo

Auction Starts

Auction Ends

Au

4

**Trans**

5% of ' minimum

Daniel Rahmani  
 Capital Property  
 NY RE Lic No: 10  
 516-581-3495  
 dr@cpvre.com

### Property Details (25 Melville Park Road, Melville, NY 11747)

<b>Asset Type</b>	Commercial	<b>Number of Buildings</b>	1
<b>Starting Bid</b>	\$2,500,000	<b>Number of Stories</b>	2
<b>Participation Deposit</b>	\$25,000	<b>Occupancy</b>	73.0%
<b>Property</b>	25 Melville Park (Office)	<b>Occupancy As of Date</b>	07/01/2017
<b>Property Description</b>	97,624 Office Building Located in Melville, NY	<b>Event Item #</b>	B215-100
<b>Primary Property Type</b>	Office	<b>Property ID</b>	1000003521
<b>Assessor's Parcel Number</b>	Lot 4, Section 268	<b>Transaction Fee</b>	5% of Winning Bid Amount (A minimum of \$20,000 will apply)
<b>Net Rentable Area</b>	97,624 Sq. Ft.		
<b>Lot Size</b>	6.0 Acres		
<b>Year Built</b>	1986		

Joseph Rahmani  
 Capital Property  
 212-203-4132  
 jr@cpvre.com

For auction relat

Jeff Book  
 Ten-X  
 949-236-5519  
 jbook@ten-x.com

Description Due Diligence

Description for 25 Melville Park Road, Melville, NY 11747

#### Property Tours

Will be offered on Thursday, August 31st and Thursday, September 7th between 10:00 AM to 1:00 PM

For registration, '

25 Melville Park Road, Melville, NY 11747 - Ten-X Commercial

https://www.ten-x.com/commercial/details/25-melville-park-road-melv...

local time. Please contact the listing broker to schedule.

**Investment Highlights**

- 97,624 SF Multi-tenant office Building
- Located approximately 35 miles east of New York City on Long Island
- Compelling value-add opportunity in the Western Suffolk office submarket

**Investment Overview**

25 Melville Park Road is a multi-tenant office building located in Melville, NY. The subject property consists of approximately 97,624 SF with 17 office units across two stories and is situated on a six-acre site just east of Route 110 and south of the Long Island Expressway. Located approximately 35 miles east of New York City on Long Island, the property is part of the prime Melville office corridor in the Western Suffolk office submarket. Route 110, located just west of the subject property, offers numerous mid-rise Class A and B office parks catering to a mixed tenant base across various industries. The Long Island Expressway, Northern State Parkway, and the Southern State Parkway provide regional east-west access to the local area. Each of these highways has an exit on Route 110, allowing for easy access to the property. The property receives additional income from antennas and a UPS drop-off box.

**Auctioneer Licensing Information**

Ten-X Scott Reid RE Brkr 10311205915

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 representative at

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8/1/2017

Land Management Site History Report



**Town of Huntington**  
Tax Map #0400-268.00-01.00-004.000  
25 MELVILLE PARK RD ,MELVILLE  
MELVILLE OPPORTUNITY LLC

**Name/ Mail Address**  
MELVILLE OPPORTUNITY LLC  
KARAKORAM LLC  
295 Madison Ave Fl 2  
New York NY 10017-7766

<b>Class</b>	464 Office Building	<b>Roll Section</b>	1 Taxable
<b>Book No</b>	35 Sect 265-273	<b>Property Type</b>	3 Commercial
<b>Nbhd</b>	90161	<b>School District</b>	472605 Half Hollow Hills
<b>Zoning</b>	I1	<b>Tax Code</b>	158 Tax District - 158
<b>Size Total</b>	6 Acres		
<b>FY</b>	2016		

**Parcel Info.**

<b>Subdivision/Lot</b>	<b>Effective Year</b>	<b>Inactive Year</b>	<b>Legal</b>
004000	1998		350019008

**Property Area**

<b>Flood Zone</b>		<b>Sub Nbhd</b>	
<b>School Dist</b>	472605 Half Hollow Hills	<b>City Dist</b>	
<b>Park Dist</b>	Hills	<b>Fire Dist</b>	
<b>Ward</b>		<b>Other Dist</b>	
<b>Area</b>		<b>Inspection Territory</b>	

**Legal Description**

<b>Front Size</b>		<b>Class</b>	464 Office Building
<b>Size1</b>		<b>Primary Land</b>	
<b>Size2</b>	6 Acres	<b>Property Type</b>	3 Commercial
<b>Size Total</b>	6 Acres		

**Owner (Current)**

MELVILLE OPPORTUNITY LLC  
KARAKORAM LLC  
295 Madison Ave Fl 2  
New York NY 10017-7766

**Building Information**

<b>Id</b>	<b>Effective Year</b>	<b>Location</b>
		25 MELVILLE PARK RD

**Permits**

**All Applications Chronologically**

Type	Application	Permit	Certificate	Estimated Cost	Total Fee
Transferred Data	A19660002610	016929	030084	\$471,543.00	\$953.50
	1/1/1966	2/23/1966	11/7/1966		
<b>Purpose</b>	ERECT 1 STORY MASONRY BUILDING FOR OFFICES & LT. MFG. 200' X 250' FACTORY: 29143 OFF: 10708 STG. BOILER: 1563 LAB-WASH:3211 HEAT RM:4440, SHIP ETC: 1736				

8/1/2017

Town of Huntington Property Tax Record



**Town of Huntington**  
Tax Map # 0400-268.00-01.00-004.000  
25 MELVILLE PARK RD, MELVILLE  
MELVILLE OPPORTUNITY LLC

**Name/Mail Address**  
MELVILLE OPPORTUNITY LLC  
KARAKORAM LLC  
295 Madison Ave Fl 2  
New York NY 10017-7766

<b>Class</b>	464 Office Building	<b>Roll Section</b>	1 Taxable
<b>Book No</b>	35 Sect 265-273	<b>Property Type</b>	3 Commercial
<b>Zoning</b>	I1	<b>School District</b>	472605 Half Hollow Hills
<b>Size Total</b>	6 Acres	<b>Tax Code</b>	Tax District - 158
		<b>Fiscal Year</b>	2016-2017

**Assessment**

<b>CURRENT YEAR (2016-2017)</b>		<b>PRIOR YEAR (2015-2016)</b>	
<b>Land Value</b>	55000.00	<b>Land Value</b>	55000.00
<b>Total Value</b>	105000.00	<b>Total Value</b>	105000.00
<b>Tax Rate</b>	313.693		
<b>True Taxes</b>	\$329,377.65	<b>Total Taxes</b>	\$324,334.50
<b>Total Taxes</b>	\$329,377.65		

**Tax Billing**

<b>Bill Number</b>	<b>Sub System</b>				
35576003	Real Property Tax				
<b>Date</b>	<b>Installments</b>	<b>Transaction Type</b>	<b>Amount</b>	<b>Balance Due</b>	<b>Amount Billed</b>
12/01/2016	1 st	Inv./Bill.	\$164,688.83	\$164,688.83	
12/01/2016	2 nd	Inv./Bill.	\$164,688.82	\$329,377.65	\$329,377.65
1/10/2017	1 st	Payment	(\$164,688.83)	\$164,688.82	
5/31/2017	2 nd	Payment	(\$164,688.82)	\$0.00	\$329,377.65

**Tax Levy**

<b>Levy No</b>	<b>Levy Desc</b>	<b>Levy Type</b>	<b>Exempt</b>	<b>Taxable Val.</b>	<b>Tax Rate</b>	<b>Taxes</b>
sc005	School Dist-H.H.H	School District		105000	209.763	\$220,251.15
ld005	Lib.Dist.-H.H. Hills	Library District		105000	7.9	\$8,295.00
d006	County	County District		105000	2.565	\$2,693.25
d008	County Police District	Police District		105000	40.717	\$42,752.85
d096	Out of County Tuition	Town District		105000	0.958	\$1,005.90
d007	Town/Pt.Town	Town District		105000	14.092	\$14,796.60
d009	Highway Tax	Highway		105000	11.127	\$11,683.35
d020	Lighting Dist. -Town Wide	Light District		105000	1.153	\$1,210.65
d005	NYS Real Property Tax Law	County District		105000	4.664	\$4,897.20
d022	Open Space Bonds II & III	Open Space		105000	0.463	\$486.15
d023	New York State MTA Tax	County District		105000	0.149	\$156.45
d019	Fd - Melville (Indust)	Fire District		105000	15.221	\$15,982.05
d050	Wd - So. Hunt. Orig. Dist	Water district		105000	4.921	\$5,167.05

**Tax Exemptions**

<b>Exempt No</b>	<b>Exempt Desc</b>	<b>Exemption</b>	<b>Amount</b>
------------------	--------------------	------------------	---------------

**Alert Codes**

**Codes**

8/1/2017

geo.huntingtonny.gov/helix/taxreceiver/assessment/results2017.asp

**TOWN OF HUNTINGTON**  
LONG ISLAND, NEW YORK

**Town of Huntington**  
Tax Map# 0400-268.00-01.00-004.000

MELVILLE OPPORTUNITY LLC  
KARAKORAM LLC  
295 Madison Ave Fl 2  
New York NY 10017-7766

25 MELVILLE PARK RD  
MELVILLE 11747

SWIS Code	472689	Roll Section	1
School District	472605	Item No	0000000000
Class	464	Acreage	6
Land Value	55000	Total Assessment	105000
Tax Code	158	Town Taxable Amt.	105000
County Taxable Amt.	105000	Equal Rate	.84
Equal Market Value	12,500,000.00		

**LEVYS**

Levy Code	Levy Description	Taxable Amount
sc005	School Dist-H.H.H	105000
d009	Highway Tax	105000
d022	Open Space Bonds II & III	105000
d008	County Police District	105000
ld005	Lib.Dist.-H.H. Hills	105000
d019	Fd - Melville (Indust)	105000
d050	Wd - So. Hunt. Orig. Dist	105000
d020	Lighting Dist. -Town Wide	105000
d007	Town/Pt.Town	105000
d005	NYS Real Property Tax Law	105000
d023	New York State MTA Tax	105000

**EXEMPTIONS**

Exemption Description	Exemption Amount
-----------------------	------------------

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HUNTINGTON CODE

Symbol	Section Number	District	Uses Permitted in District to Which Standards Apply	Maximum Building Height		Minimum Depth of Yards		Minimum Side yards			Minimum Lot Area		Minimum Lot Frontage (feet)	Maximum Percent of Lot Covered by Building
				(stories)	(feet)	Front Yard (feet)	Rear yard (feet)	Number of Yards	Width of One yard (feet)	Combined Width of Two Yards (feet)	Width of Yard on Street Side (feet)	Width of Interior Side yard (feet)		
	198-31	C-10 Planned Motel	All uses	2	35	75	50	2	50	100	75	50	200	25
	198-32	C-11 Automotive Service Station	All uses	1	--	25	25	2	25	50	25	25	150 on all frontages	25
	198-33	C-12 Professional	All uses	1	--	50	25	2	25	50	50	25	--	--
	198-34	I-1 Light Industry	All uses	--	45	100	50	2	50	100	50	50	400	30
	198-35	I-2 Light Industry	All uses	--	45	75	25	2	25	75	50	25	150	33 1/3
	198-36	I-3 Light Industry	All uses	--	45	50	20	2	10	35	25	10	250	40
	198-37	I-4 Light Industry	All uses	--	35	50	10	2	10	20	50	10	200	60
	198-38	I-5 General Industry	All uses	--	45	25	25	2	25	50	25	25	--	--
	198-39	I-6 Generating Station	All uses	--	250	200	200	2	200	400	200	200	--	--

8/1/2017

Contact - Philips International



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## CONTACT

**Lefcourt Colonial Building**  
295 Madison Ave, New York, NY 10017

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### Corporate Headquarters

295 Madison Avenue, FL2  
New York, NY 10017

212-545-1100

<http://www.pihc.com/contact/>

**5 Cheshire Rd #60**

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### New England Regional Office

5 Cheshire Road, Suite 60  
Pittsfield, MA 01201

Telephone: 413-263-5957

**419 W 49th St #300**

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### Southeast Regional Office



**SAMPLE TAX ASSESSMENT RESEARCH**

**Assessor's Office**

According to the Assessor's Office, the **property is referenced as Map 215, Lot 41**. The Fiscal 2017 Assessed Value is **\$ 5,895,000 or \$66.99 per square foot based on 128,400 square feet of building areas (see attached assessor's information)**. The industrial tax rate for Fiscal 2017 is **\$16.48/1000**.

The property is situated on 15.3 acres of land. The main warehouse building is listed as comprised of 108,400 square feet and outdoor sheds totaling 20,000 square feet for a total of 128,400 gross square feet. The property is listed as having fifteen (15%) percent office fit-up, town water, gas and electric. There is no town sewer service in the Town of Harborsville.

The breakdown of the property assessment for **Fiscal 2017** was as follows:

- Building           \$ 3,516,900
- Misc.               679,000
- Land                \$ 1,363,300
  
- **Total             \$ 5,559,200 or \$ 43.30 psf**

**For Fiscal 2015 the new assessment is as follows:**

- Building           \$ 3,907,600
- Misc.               737,700
- Land                \$ 1,249,800
  
- **Total             \$ 5,895,100 or \$ 45.91 psf**

**END**

- g) **RESEARCH** the Building Dept. for any **permit moratoriums** or other filings that might impact the neighborhood.

5. **ESTABLISHING THE FACTORS OF THE PHYSICAL ASSET**

- a. **Establish an information checklist** that a broker should research and collect for commercial.
- b. **Inspect and tour a building** for its building characteristics, utilities, land area, etc.
- c. A broker **should perform a physical review**, tour the building and note the condition of the property. Are there any obvious replacement issues? As a buyer's broker, you want to identify possible repair or replacement issues to the buyer for further review by experts.
- d. As a buyer's broker, **identify possible physical maintenance issues** and costs that a buyer is certain to ask or items that you, as a seller's broker, are required to disclose as a physical defect.

**SAMPLE FROM REPORT**

**THE SUBJECT PROPERTY**

The subject property was **toured** with Mr. William Penrod and Mr. James Sox, Operations Branch Manager on Wednesday, **January 13, 2017**. The building is **constructed with split rib block exterior along the office area and metal panel exterior for the warehouse**. It has a dry sprinkler system. The building is in good condition. The property has excellent access to Rt. 95. There is ample parking on the site as well.

The building is a **pre-engineered metal building** structure with the following size:

- |                                |                            |
|--------------------------------|----------------------------|
| • Office area                  | 5,000 square feet          |
| • Warehouse area               | <u>190,000 square feet</u> |
| • Total Enclosed Building Area | 195,000 square feet        |
| • Building Addition            | <u>34,000 square feet</u>  |
| Total Project Size             | 229,000 square feet        |

6. **Other Physical Characteristics**

The property was **inspected on January 13, 2017** and noted the following existing characteristics.

- Location: Within 0.5 miles from driveway entrance to Rt. 95 and close to Rt. 1.
- Ceiling Height: 34' eaves and 38' clear on center
- Power: 1200 Amps, 220 volts/480volts, 3 phase; has its own transformer
- Columns: Single row of columns 40' apart
- Rail Service: CSX to the building
- Rail Docks: 4 rail doors, 12' in width x 14' in height
- Docks: 4, overhead mechanical doors are 16' in width, 12' in height
- Drive-in: 2 ground level, overhead doors are 22' x 24'
- Heat: Gas heat in the warehouse, gas heat in the office
- Sprinkler: Wet system in warehouse
- Floor thickness: Concrete 4" and 6" thick reinforced
- Utilities: Huntington Water System and city sewer
- Electric: Lehigh Energy
- Gas: Natural Gas by Catskills Natural Gas
- Lighting: Warehouse has sodium lighting
- Outside lighting: Exterior wall mounted
- Roofing System: Corrugated metal
- Building Exterior: Concrete block
- Warehouse: metal panels. Office: split rib block

We are **not privy to any Phase I environmental** assessment of known presence of hazardous waste. For the purposes of this report, it is assumed that no known environmental issues exist.

**END**

**SAMPLE BROKERAGE LIST FOR DUE DILIGENCE**

**a. Review of Annual Property Operating Data expenses**

- Last 3 years of cash flow analysis of actual expenses and capital repairs or replacements
- All property operating expenses such as:
  - Repairs & Maintenance
  - Gas
  - Oil
  - Electric
  - Water
  - Sewer
  - Parking (if public)
  - Snow Removal
  - Trash Removal
  - Janitorial
  - Supplies
  - Landscaping
  - Personal Property Taxes
  - Real Estate Taxes
  - Insurance
  - Management
  - Capital expenses, extraordinary capital expenses
  - Any pending special assessments
  - Miscellaneous

**END**

7. **ENVIRONMENTAL ISSUES**

- a. Items that a broker should review and the **recommendation of outside expertise.**
- b. **Environmental issues** affect **contingencies** in a Letter of Intent or Offer to Purchase
  - Broker should incorporate such environmental contingencies in a Letter of Intent.
- c. **Hazardous waste inspection as a contingency** for due diligence.
  - Is the seller responsible to conduct and provide an environmental report?
  - If not, then who determines responsibility and ownership?
  - If the buyer backs out of a transaction, what are the business practices for ownership of the environmental due diligence?
- d. Business practice is for a buyer to **conduct a hazardous waste report** for his lender and title insurance company.
- e. A **broker should identify the environmental issues** that affect the buyer's determination of value.
- f. The broker should identify **the presence of wetlands** and its impact on the expansion of a commercial building, parking lot, driveway, sanitary septic system, its impact on valuation or exit strategies.



Loitherstein  
ENVIRONMENTAL  
ENGINEERING

45 Beulah Street, Framingham, MA 01701-5243  
(508) 872-6400 FAX (508) 872-6466  
www.loitherstein.com

March 9, 2010  
Project No. 210010

Mr. Jeffrey S. Muir  
Salem Five  
43 North Main Street  
Mansfield, MA 02048

Subject: ASTM Transaction Screening  
[REDACTED]  
Woburn, Massachusetts

Dear Mr. Muir:

Loitherstein Environmental Engineering, Inc. (LEEI) is pleased to submit this report, which summarizes the results of an American Society for Testing and Materials (ASTM) E 1528-06 "Standard Practice for Limited Environmental Due Diligence: Transaction Screen Process" conducted for a portion of the property located at [REDACTED] in Woburn, Massachusetts (the "Site"). This work was conducted in accordance with your written authorization and the Project Parameters and Terms and Conditions in Appendix A. A Site locus is included in the Figures section of this report.

The objective of the work summarized in this report is to: (i) provide an objective third party opinion as to the environmental status or condition of the Site; (ii) evaluate for the presence of *potential environmental concerns*: possible presence of any hazardous substances or petroleum products on the Site under conditions that indicate the possibility of an existing release, a past release, or a threat of a release of any hazardous substances or petroleum products into structures on the Site or into the ground, groundwater, or surface water of the Site; and, (iii) recommend additional assessment warranted by the findings of the report.

Please note that this report is intended to serve as an initial screening for environmental risks associated with the Site, and is not intended to constitute a "Phase I Environmental Site Assessment" or satisfy the requirements for "All Appropriate Inquiry" as defined by ASTM Designation E 1527-05.

LEEI appreciates your allowing us the opportunity to serve you. Please do not hesitate to contact the undersigned if you should have any questions or require further information.

Sincerely,  
LOITHERSTEIN ENVIRONMENTAL ENGINEERING, INC.

James J. DeAngelis  
Project Scientist

Jonathan R. O'Brien, LSP  
Vice President, Director of Operations

**SAMPLE PACKAGE**

**THE FORMER KNIGHTS OF COLUMBUS BUILDING  
505 WEST CENTRAL STREET  
(RT. 140 AT RT. 95)  
FRANKLIN, ANY STATE**

**Date:** 2017

**From:** Rob Nahigian, FRICS, SIOR, CRE, MCR  
Project Consultant

**(Retail Land Property being marketed to buyers outside of Your State)**

**City of Franklin**

The City of Franklin is located in eastern Any State, 35 miles southwest of My City and less than 20 miles north of Your City. The City abuts the east side of Rt. 95. According to the Franklin website, the city's population growth is expected to reach approximately 40,347 in 2017. The City of Franklin has a land area of 26.7 square miles. There are approximately 10,642 total households.

**Legal Ownership**

The legal reference of the subject property is 4161-603 and the city reference is Map 270, Lot 029. The legal address is "**505 West Central Street.**"

**Property Size:**

The property contains **approximately 3.985** acres of land and has a fraternal lodge style building concrete block exterior building of approximately 6,512 square feet of finished area. The building was built approximately in 1965. The property is **currently vacant** and being used for storage by the owners.

**Zoning:**

The property was recently rezoned prior to the title transfer to J&J West Central Realty LLC. The current zoning is "**Commercial District**" and **allows for retail and business uses.**

### **Site Addresses, Distances and Surrounding Retail Support Services**

The subject property is located at 505 West Central Street, Franklin, Any State. West Central Street is also known as Route 140 and is a state road. The subject property has some retail support services and is accessible to major roads.

#### **Below is a brief retail inventory from the subject site:**

- Rt. 95 0.2 miles
- Mobil Station 0.2 miles
- Franklin Village 0.2 miles
- Jiffy Lube 0.0 miles
- Sunoco Station 0.0 miles
- Subway Sandwiches 0.0 miles

### **Traffic Study**

A traffic study was conducted by Acme Travel Service on August 9, 2017 and **delivered on August 30, 2017.**

### **Easements**

There are **no indications of any easements** on the subject property that would affect any development.

### **Water Service/Sprinkler Service**

According to Mr. Specialist, the subject property and Rt. **140 has city water and sufficient (good) water pressure.** There is a **12 inch water** main in Rt. 140 which is controlled by SC DOT as a state road.

### **Sanitary Sewer Service**

There is also city **public sewer service to the subject site with a 12 inch** PVC main line that Mr. Specialist considers sufficient service with sufficient capacity. The sewerage service on the subject site would be a **gravity system.**

### **Gas Service**

The KOC building currently has a **gas line that commences** in Rt. 140 with the main gas line and travels to the right side of the KOC and then bends to the left into the building. The distance is, at least, **381 feet from Rt. 140 to the building.**