

INVESTMENT OPPORTUNITY

Multi Family Offering

2200-2206 W Cortez Street, Chicago, IL 60622



MILLER
CHICAGO
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INVESTMENT OPPORTUNITY

6 APTS, GARDEN & LOT

UKRAINIAN VILLAGE

\$1,899,000

OFFERING MEMORANDUM



Site Details:

Unit Mix: 3 - 3 Beds/1 Bath, 3 - 2 Bed/1 Bath & 1 - 2 Bed/ 2 Bath

Current NOI: \$119,617

Building Cap Rate: 7.04%

Taxes: \$19,819 (2017)

PIN #(s): 17-06-309-031-0000, 17-06-309-030-0000

Building Size: 7,644 Sq Ft

Lot Size: 8,250 Sq Ft

Zoning: RT-3.5

Parking Type: Garage & Lot

Highlights:

- Gorgeous 6-unit plus garden plus bonus side lot for Sale in Chicago's Ukrainian Village neighborhood
- Desirable unit mix with 2 and 3 bedroom renovated apartments
- 3-Bedrooms feature living room, dining room, den & eat-in kitchen
- Apartments feature tons of original wood work & character
- Finished basement with 1,200 Sq Ft 2-Bed / 2-Bath unit, shared laundry & storage lockers
- New porches & other exterior capital improvements done in 2017
- Property includes side lot with 2-car garage and parking pad
- Located in hot Ukrainian Village steps away from bars, restaurants & retail stores
- Upside in rent through addition of in unit laundry & upgraded kitchens

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FINANCIAL ANALYSIS

Investment Opportunity
6 Apartments plus Basement plus Lot
Chicago, IL
\$1,699,000

	2018 ACTUAL	CURRENT ESTIMATE	PRO FORMA
GROSS POTENTIAL RENTAL INCOME:	\$ 162,480	\$ 167,580	\$ 181,500
Less Vacancy & Collections	\$ (9,002)	\$ (2,295)	\$ (3,000)
GROSS RENTAL INCOME:	\$ 153,478	\$ 165,285	\$ 178,500
<i>Parking Income</i>	\$ 2,750	\$ 1,800	\$ 9,600
<i>Move In Fee Income</i>	\$ 1,550	\$ 1,000	\$ 3,500
<i>Laundry Income</i>	\$ 1,367	\$ 1,401	\$ -
<i>Other Income</i>	\$ 428	\$ 438	\$ 500
EFFECTIVE GROSS INCOME:	<u>\$ 159,572</u>	<u>\$ 169,924</u>	<u>\$ 192,100</u>
OPERATING EXPENSES:			
MGT FEE	3.51% \$ 5,600	5.00% \$ 8,496	5.00% \$ 9,605
ADMIN/OFFICE	0.40% \$ 637	0.24% \$ 400	0.21% \$ 410
GAS & ELECTRIC	1.93% \$ 3,087	1.86% \$ 3,165	1.69% \$ 3,244
WATER & SEWER	1.53% \$ 2,436	1.47% \$ 2,497	1.33% \$ 2,559
SCAVENGER	1.25% \$ 1,988	1.20% \$ 2,037	1.09% \$ 2,088
REP & MAINT	10.47% \$ 16,713	5.43% \$ 9,232	3.64% \$ 7,000
CAP-X	5.06% \$ 8,082	0.00% \$ 2,000	0.00% \$ -
INSURANCE	1.63% \$ 2,596	1.57% \$ 2,661	1.42% \$ 2,727
REAL ESTATE TAXES:	11.29% \$ 18,018	11.66% \$ 19,819	10.41% \$ 20,000
TOTAL EXPENSES:	37.07% \$ 59,157	28.43% \$ 50,307	24.80% \$ 47,634
NET OPERATING INCOME	<u>\$ 100,416</u>	<u>\$ 119,617</u>	<u>\$ 144,466</u>
Offering Price:	\$1,699,000	\$1,699,000	\$1,699,000
CAP RATE:	5.91%	7.04%	8.50%

CURRENT ESTIMATE

Garden Rent	\$1,895
Unit 1F Rent	\$2,295
Unit 1R Rent	\$1,690
Unit 2F Rent	\$2,295
Unit 2R Rent	\$1,685
Unit 3F Rent	\$2,295
Unit 3R Rent	\$1,810
Total Rent	\$13,965
Parking Rent	\$150

PRO FORMA

Garden Rent	\$2,000
Unit 1F Rent	\$2,400
Unit 1R Rent	\$1,850
Unit 2F Rent	\$2,475
Unit 2R Rent	\$1,900
Unit 3F Rent	\$2,550
Unit 3R Rent	\$1,950
Total Rent	\$15,125
Parking Rent	\$800
Inflation Rate	2.5%
R&M Per unit	\$1,000

Current Estimate is based on April 1, 2019 rent roll annualized

Pro Forma is based on addition of In Unit Laundry and updating Kitchens

Pro Forma Parking Rent Assumes Vacant Lot converted to 8 car parking pads

Construction and Lease-Up Costs NOT included in Pro Forma

****FOR UNDER WRITING PRUPOSES, PRICE EXCLUDES VACANT LOT AT 2206 W CORTEZ VALUED AT \$200,000. TOTAL OFFERING PRICE IS \$1,899,000.**

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YIELD ANALYSIS

Investment Opportunity

6 Apartments plus Basement plus Lot

Chicago, IL

\$1,699,000

		<u>CURRENT ESTIMATE</u>	<u>PRO FORMA</u>
NET OPERATING INCOME:		<u>\$ 119,617</u>	<u>\$ 144,466</u>
PRICE	\$ 1,699,000		
PRICE PER UNIT	\$ 242,714		
CAPITALIZATION RATE		7.04%	8.50%
CASH FLOW AFTER DEBT SERVICE		\$ 34,534	\$ 59,384
PURCHASER CASH ON CASH		10.16%	17.48%
DEBT COVERAGE		1.41	1.70
DOWN PAYMENT	\$ 339,800		
PERCENT DOWN	20.00%		
<u>MORTGAGE ASSUMPTIONS:</u>			
DEBT SERVICE	\$ (85,082.77)		
RATE	4.75%		
LOAN AMOUNT	\$ 1,359,200		
AMORTIZATION	30		
DEBT CONSTANT	6.26%		

****FOR UNDER WRITING PRUPOSES, PRICE EXCLUDES VACANT LOT AT 2206 W CORTEZ VALUED AT \$200,000. TOTAL OFFERING PRICE IS \$1,899,000.**

RENTAL COMPS

Miller Chicago, LLC

2200 W. Cortez 2 Bed 1 Bath Rental Comps

Name and Address	Distance from Subject	Price	# BRS	# Bas	sq ft	PPS	Utilities Included	Amenities	Laundry	Construction
2200 W. Cortez (current)	-	\$1,700	2	1.0	800	\$2.13	Water	AC, DW, GR, SS, ST	OnSite	Rehab
2350 W Augusta Blvd Unit 1	0.2	\$1,800	2	1.0	725	\$2.48	Water	AC, DW, GR, LA, ST	Onsite	Rehab
2153 W Division St Unit 302	0.2	\$2,450	2	1.0	900	\$2.72	Water	AC, GR, LA, SS, ST	In unit	Rehab
816 N Leavitt St Unit 1R	0.3	\$2,100	2	1.0	800	\$2.63	Water	AC, DW, GR, LA, SS, ST	In unit	Rehab
816 N Leavitt St Unit 1F	0.3	\$2,100	2	1.0	900	\$2.33	Water	AC, DW, GR, LA, SS, ST	In unit	Rehab
816 N Leavitt St Unit 2F	0.3	\$2,225	2	1.0	900	\$2.47	Water	AC, GR, SS	In unit	Rehab
816 N Leavitt St Unit 3R	0.3	\$2,300	2	1.0	800	\$2.88	Water	AC, DK, DW, GR, SS, ST	In unit	Rehab
816 N Leavitt St Unit 3F	0.3	\$2,300	2	1.0	900	\$2.56	Water	AC, DW, GR, SS, ST	In unit	Rehab
938 N Damen Ave Unit 3F	0.4	\$2,100	2	1.0	900	\$2.33	H & W	AC, DK, GR, SS, LA	In unit	Rehab
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MARKET AVERAGE		\$2,172	2	1.00	853	\$2.55				
Market Low		\$1,800			\$725	\$2.33	amenity key: A/C = Air Conditioning DK = Deck DW = Dishwasher GR = Granite JA = Jacuzzi PK = Parking SS = Stainless Steel ST = Storage Unit			
Market High		\$2,450			\$900	\$2.88				
In Unit Laundry Average		\$2,225			871	\$2.56				
No Laundry Average		\$1,800			725	\$2.48				
2200 Cortez Post Rehab	-	\$2,048	2	1.0	800	\$2.56	Water			

RENTAL COMPS

Miller Chicago, LLC

2200 W. Cortez 2 Bed 2 Bath Rental Comps

<u>Name and Address</u>	<u>Distance from Subject</u>	<u>Price</u>	<u># BRS</u>	<u># Bas</u>	<u>sq ft</u>	<u>PPS</u>	<u>Utilities Included</u>	<u>Amenities</u>	<u>Laundry</u>	<u>Construction</u>
2200 W. Cortez (Current)	-	\$1,795	2	2	1,200	\$1.50	Water, Electric	AC, DW, GR, SS, ST	OnSite	Rehab
2307 W Haddon Ave Unit C	0.3	\$2,000	2	2.0	1,300	\$1.54	Water	AC, PK	none	rehab
2105 W Division Unit 2R	0.3	\$2,400	2	2.0	1,200	\$2.00	Water	AC, DK, ST	in unit	rehab
2045 W Iowa St Unit 2W	0.4	\$2,150	2	2.0	1,200	\$1.79	Water	AC, DK, DW, GR, JA, PK, SS	in unit	new
2013 W Rice St Unit 3	0.5	\$2,500	2	2.0	1,300	\$1.92	Water	AC, DK, GR, JA, GA, SS, ST	in unit	rehab
2016 W Chicago Ave Unit 2	0.6	\$2,300	2	2.0	1,400	\$1.64	Water	AC, DK, GR, SS,	in unit	rehab
MARKET AVERAGE		\$2,270	2	2.00	1,280	\$1.81				
Market Low		\$2,000			1200	\$1.54				
Market High		\$2,500			1400	\$2.00				
In Unit Laundry Average		\$2,338			1275	\$1.84				
No Laundry Average		\$2,000			1300	\$1.54				
2200 W. Cortez Post Rehab	-	\$2,207	2	2	1,200	\$1.84	Water, Electric	AC, DW, GR, SS, ST	In Unit	Rehab

amenity key:
 A/C = Air Conditioning
 DK = Deck
 DW = Dishwasher
 GR = Granite
 JA = Jacuzzi
 PK = Parking
 SS = Stainless Steel
 ST = Storage Unit

RENTAL COMPS

Miller Chicago, LLC

2200 W. Cortez 3 Bed 1 Bath Rental Comps

Name and Address	Distance from Subject	Price	# BRS	# Bas	sq ft	PPS	Utilities Included	Amenities	Laundry	Construction
2200 W. Cortez (Current)	-	\$2,200	3	1.0	1,200	\$1.83	Water	AC, DW, GR, SS, ST	OnSite	Rehab
2105 W Division St Unit 2N	0.3	\$2,600	3	1.0	1,200	\$2.17	C,W,H,I	AC, DK, DW, JA	in unit	rehab
2048 W Division St Unit 3	0.4	\$2,500	3	1.0	1,225	\$2.04	water	AC, DK	in unit	rehab
2458 W Iowa St Unit 1	0.5	\$2,300	3	1.0	1,500	\$1.53	water	AC, DK, DW, GA, GR	on site	rehab
1210 N Marion Ct Unit 2	0.7	\$2,400	3	1.0	1,100	\$2.18	water	AC, LA, ST	on site	rehab
1210 N Marion Ct Unit 3	0.7	\$2,400	3	1.0	1,100	\$2.18	water	AC, LA, ST	on site	rehab
-										
MARKET AVERAGE		\$2,440	3	1.00	1,225	\$2.02				
Market Low		\$2,300			1,100	\$1.53				
Market High		\$2,600			1,500	\$2.18				
In Unit Laundry Average		\$2,550			1213	\$2.10				
No Laundry Average		\$2,367			1233	\$1.97				
2200 W. Cortez Post Rehab	-	\$2,524	3	1.0	1,200	\$2.10	Water	AC, DW, GR, SS, ST	In Unit	Rehab

amenity key:
A/C = Air Conditioning
DK = Deck
DW = Dishwasher
GR = Granite
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