

SAMPLE MULTIFAMILY DUE DILIGENCE LIST

REVIEW MATERIALS

1. Review Materials.

- A. Delivery.** Seller agrees to deliver or make available to Buyer within five (5) business days after the Effective Date complete and legible copies of the following pertaining to the Property, to the extent in Seller's possession or readily available to Seller:
- (1) A detailed current inventory of all tangible personal property and fixtures owned by Seller and located on, attached to, or used in connection with the Property, to be sold with the Property;
 - (2) All service, maintenance, management, or other contracts relating to the ownership and operation of the Property;
 - (3) All written warranties and guaranties;
 - (4) The real estate and personal property tax statements for the Property for the previous two (2) calendar years and the current calendar year-to-date, and copies of any notice of change in assessed value or tax rate for the Property as well as information regarding the progress of any ongoing real property and personal property tax protests concerning the Property;
 - (5) Copies of all utility bills for the Property for the current billing cycle period and for the past twelve (12) months, and copies of utility or service agreements currently in effect at the Property;
 - (6) The most recent City Property Inspection report, if any;
 - (7) Copies of any written notice of any uncured violations received by Seller from any federal, state, or local governmental authority or agency related to the Property during the past three (3) years;
 - (8) Copy of current Certificate of Occupancy for each of the building(s) on the Property, and copies of all other licenses and building permits required by applicable law to own, operate, manage and maintain the Property;
 - (9) Copies of any existing oil and gas leases currently in effect;
 - (10) Copies of any environmental, pest and termite, structural, mechanical or engineering reports in Seller's possession prepared by third parties with respect to the property (unless the report is not permitted by the author to be provided and Seller has not been able to obtain permission from the author despite Seller's reasonable efforts. Seller's reasonable efforts shall not include the payment of additional fees; however, if the author of the report demands additional fees the Seller agrees to give Purchaser the opportunity to pay such fees in order to obtain a copy of such report). Seller makes no representation or warranty whatsoever with regards to any such report, including, without limitation, its accuracy or completeness;
 - (11) As Built plans and specifications for the Property;

- (12)** Copies of any Site Plans;
- (13)** The most recent rent roll and monthly rent rolls for the past twelve (12) months; including names of tenants, rents, security deposit schedule, expenses paid by tenants and by Seller, commencement dates, terms of leases, and all other pertinent data for the Property certified by Seller to be true, correct and complete in all material respects;
- (14)** To the extent not already contained in the rent rolls under subpart (14) above, Delinquency and Prepaid Rent Report(s);
- (15)** To the extent not already contained in the rent rolls under subpart (14) above, Collections & Vacancy History for the past twelve (12) months;
- (16)** List of on-site employees and a description of any on-site living arrangements;
- (17)** Copies of marketing materials;
- (18)** Tenant leases and tenant files will be made available for review and copying (at Purchaser's expense) at the office of Seller's Property Manager. The tenant files shall include all modifications, supplements or amendments thereto;
- (19)** True, complete and correct copies of all Commercial Leases, currently effective letters of intent with prospective tenants, brokerage commission agreements, and other agreements related to the leasing of the Property, including all modifications, supplements or amendments to each of the foregoing. Seller will also permit Purchaser access to the tenant lease files at the office of Seller's Property Manager;
- (20)** Income and expense statements for the Property covering the previous two (2) calendar years and current year to date, certified true and correct in all material respects (specific lender requirement);
- (21)** To the extent not already contained in the income and expense statements to be delivered under subpart (21) above, a list of all capital expenditures incurred during the previous two (2) calendar years and the current calendar year-to-date together with the budget for any contemplated in the future;
- (22)** Monthly bank delivered or bank prepared statements reports for the past twelve (12) months for all checking and savings accounts that relate to the Property;
- (23)** Copies of deposit slips for the past three (3) months;
- (24)** Copy of the most recent loan payment coupon or statement for the Existing Loan;
- (25)** Copies of insurance certificates for all fire, hazard, liability, and other insurance policies maintained by Seller for the Property; and
- (26)** Insurance Loss Runs for the past five (5) years and year-to-date.