



**"A CLEAR PERSPECTIVE OF COMMERCIAL
REAL ESTATE"**

Forest Glen Apartments Zion, IL

**APARTMENT SERVICES
COMMERCIAL SERVICES
LAND SERVICES
INVESTMENT SERVICES**

OFFERING MEMORANDUM

January 2021

WWW.TRICOUNTYRE.COM

Forest Glen Apartments, Zion, IL

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Forest Glen Apartments, Zion, IL

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Forest Glen Apartments

Zion, IL

PRICING AND FINANCIAL ANALYSIS



Forest Glen Apartments

2901-2905 Willow Lane

Zion, IL 60099

Unit Mix

No. of Units	Unit Type	Approx. Square
30	2 Bed 1 Bath	25,500
6	1 Bed 1 Bath	4,200
36	Total	29,700



Price	\$2,450,000
Down Payment	\$612,500
Price/Unit	\$68,055
Number of Buildings	Two
Number of Stories	Two
Year Built	1969
Building Size	34,476 SF
Lot Size	84,071 SF

Vital Data

Cap Rate-Pro Forma	7.9%
GRM-Pro Forma	6.0
Net Cash Flow after Debt Service - Pro Forma	\$75,962
Total Return Pro-Forma	\$119,645

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FINANCING

Financing	
Loan Amount (75%)	\$1,837,500
Down Payment	\$612,500
Interest Rate	4%
Amortization	25 Years
Balloon	5 Years
Yearly Payments (P & I)	\$116,388
Debt Coverage Ratio	1.68



2901 Willow Lane



2905 Willow Lane

Unit Mix

No. of Units	Unit Type	Approx. Square	Proforma Rents	Rent/SF	Monthly Rent
30	2 Bed 1 Bath	850	\$975	\$1.14	\$29,250
6	1 Bed 1 Bath	700	\$750	\$1.07	\$4,500
36	Total Average	825	\$937.00	\$1.13	\$33,750



Forest Glen Apartments

Zion, IL

INCOME & EXPENSES

Total Number of Units 36
Total Rentable Area 29,700 SF

Income	2020 Actual	Per Unit	Pro Forma	Per Unit
Gross Income	\$358,146	\$9,949	\$405,000	\$11,250
Other Income	\$2,905		\$3,000	
Laundry	\$2,782		\$3,000	
Total Gross Income	\$363,833		\$411,000	\$11,250
Vacancy Allowance 5%	\$0		\$20,250	
Effective Gross Income	\$363,833	\$10,106	\$390,750	\$10,854
Expenses				
Real Estate Taxes	\$77,001	\$2,139	\$80,000	\$2,222
Insurance	\$16,654	\$463	\$17,000	\$472
Supplies	\$6,101	\$169	\$3,600	\$100
License/Inspection	\$6,627	\$184	\$3,600	\$100
Lawn/Snow	\$3,555	\$99	\$3,600	\$100
Cleaning/Exterminator	\$7,342	\$204	\$3,600	\$100
Scavenger	\$6,758	\$188	\$4,000	\$111
Gas	\$3,873	\$108	\$4,000	\$111
Electrical	\$4,186	\$116	\$4,000	\$111
Water & Sewer	\$20,657	\$574	\$21,000	\$583
Miscellaneous	\$247	\$7	\$250	\$7
Accounting/Legal	\$2,464	\$68	\$2,500	\$69
Management	\$24,540	\$682	\$20,250	\$563
Advertising	\$2,268	\$63	\$2,000	\$56
Painting & Decorating	\$23,053	\$640	\$24,000	\$667
Replacement & Reserve	\$0	\$0	\$5,000	\$139
Total Potential Expenses	\$205,326	\$5,704	\$198,400	\$5,511
Expenses Per SF	\$6.91		\$6.55	
% of EGI	56%		50%	
Net Potential Income	\$158,507		\$192,350	

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Forest Glen Apartments

Zion, IL

FINANCIAL OVERVIEW

Location

2901-2905 Willow Lane
Zion, IL 60099

Price	\$2,450,000
Down Payment	\$612,500
Number of Units	36
Rentable SF	29,700
Total SF	34,476
Price/SF	\$71.06
CAP Rate Current	6.5%
CAP Rate Pro-Forma	7.9%
GRM Current	6.7
GRM Pro-Forma	6
Lot Size	84,071 SF

Loan Amount (75%)	\$1,837,500
Interest Rate	4.00%
Amortization	25 Years
Balloon	5 Years
Loan to Value	75%
Yearly Payments (P & I)	\$116,388
Debt Coverage Ratio	1.68

Annualized Operating Statement

	Income	Actual 2020	Pro Forma
Gross Potential Income		\$358,146	\$405,000
		\$5,687	\$6,000
Total Potential Gross		\$363,833	\$411,000
Less Vacancy			\$20,250
Effective Gross Income		\$363,833	\$390,750
Less: Expenses		\$205,326	\$198,400
Net Operating Income		\$158,507	\$192,350
Debt Service (P & I)		\$116,388	\$116,388
Debt Coverage Ratio		1.37	1.68
Net Cash Flow after Debt Service		7%/\$42,419	12.4%/\$75,962
Principal Reduction		\$43,683	\$43,683
Total Return		14%/\$86,102	19.5%/\$119,645
Expenses			
Real Estate Taxes		\$77,001	\$80,000
Insurance		\$16,654	\$17,000
Supplies		\$6,101	\$3,600
License/Inspection		\$6,627	\$3,600
Lawn/Snow		\$3,555	\$3,600
Cleaning/Exterminator		\$7,342	\$3,600
Scavenger		\$6,758	\$4,000
Gas		\$3,873	\$4,000
Electrical		\$4,186	\$4,000
Water & Sewer		\$20,657	\$21,000
Miscellaneous		\$247	\$250
Accounting/Legal		\$2,464	\$2,500
Management		\$24,540	\$20,250
Advertising		\$2,268	\$2,000
Painting & Decorating		\$23,053	\$24,000
Replacement & Reserve		\$0	\$5,000
Total Expenses		\$205,326	\$198,400
Expenses/Unit		\$5,704	\$5,511

Scheduled Income

# of Units	Unit Type	Approx. SF	Current Rents	Rent/SF Income	Monthly Income	Pro Forma Rents	Rent/SF	Monthly Income
30	2 Bed 1 Bath	850	\$903	\$1.06	\$27,090	\$975	\$1.14	\$29,250
6	1 Bed 1 Bath	700	\$737	\$1.05	\$4,425	\$750	\$1.07	\$4,500
36	Total/Wtd Average	14,000		\$1.06	\$31,515		\$1.17	\$33,750

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INVESTMENT OVERVIEW

Forest Glen Apartments is a two-building complex of 36 units located on a large secluded parcel of land bordered by large hardwood trees and a running creek that lend to a serene residential atmosphere.

The buildings have brick exteriors, pitched roofs and newer copper plumbing. The apartments are tenant heated and contain dishwashers, stoves, refrigerators and sleeve air conditioning units. All second and third floor units have private balconies and each apartment has its own storage locker and access to laundry facilities on the lower level.

There are 30 spacious two-bedroom one bath and six one bedroom one bath units with eat-in kitchens.

Kellogg Creek meanders through the south part of the property and is considered to be in the Lake County flood plain.

Owner of 14 years is ready to retire!



Forest Glen Apartments

Zion, IL

PROPERTY SUMMARY

The Offering

Property	Forest Glen Apartments
Property Address	2901-2905 Willow Lane, Zion, IL 60099

Site Description

Assessors Parcel Number	04-17-200-013
Number of Units	36
Year Built	1969
Total Building Square Feet	34,476 SF
Approximate Rentable Square Feet	29,700 SF
Lot Size	84,071 SF



2901 Willow Lane

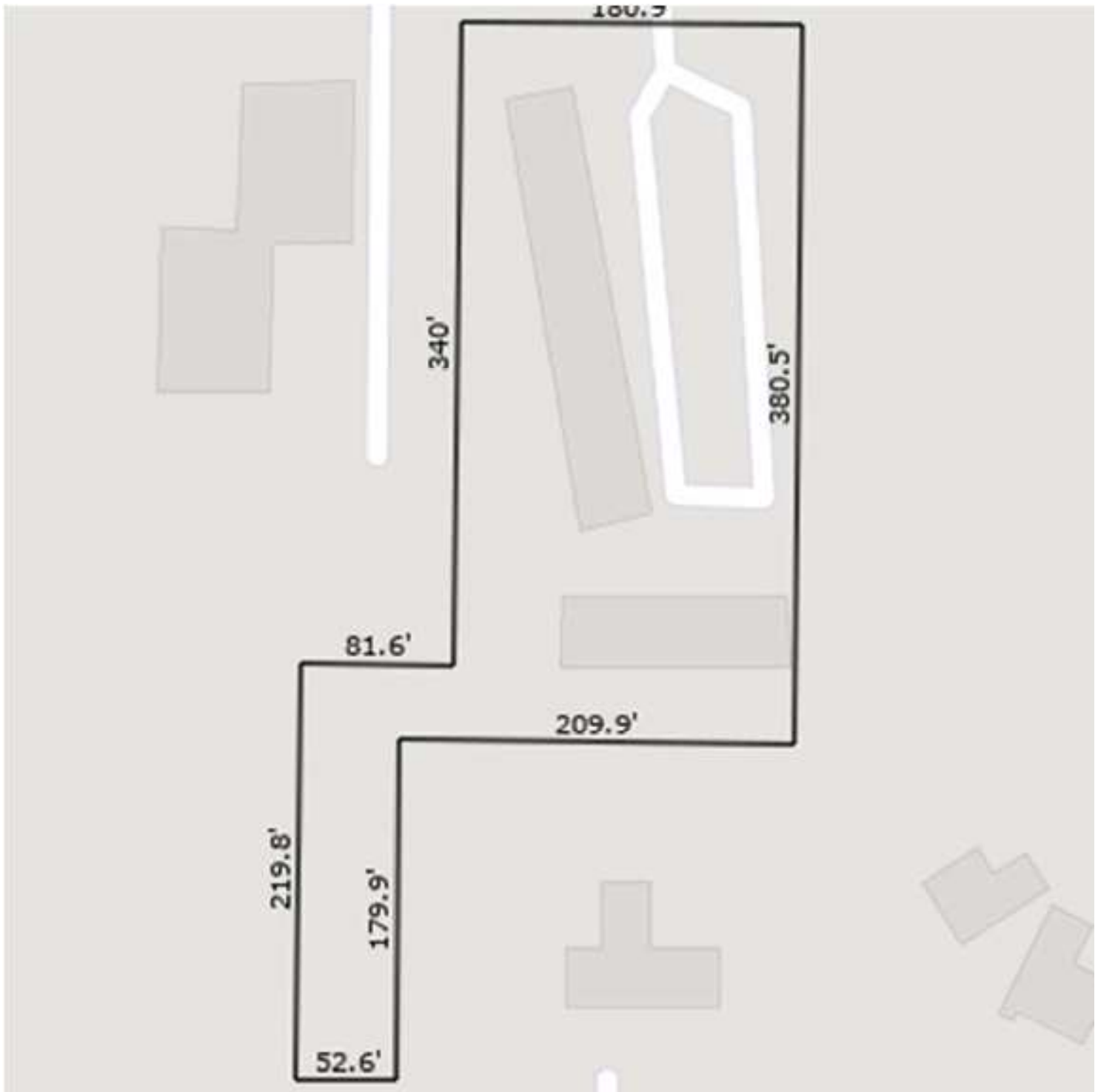


2905 Willow Lane

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PROPERTY SUMMARY



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Forest Glen Apartments

Zion, IL

PROPERTY SUMMARY

Lake County, Illinois



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Forest Glen Apartments

Zion, IL

PROPERTY PHOTOS



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Forest Glen Apartments

Zion, IL

PROPERTY PHOTOS



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RECENT SALES



Site 1

930 - 934 W Rollins Road
Round Lake, IL 60073

No. of Units	23
Year Built	1974
Sales Price	\$1,800,000
Price Per Unit	\$78,261
Price Per SF	\$111.05
CAP Rate	6.84%
GRM	7.91
Date Sold	2020

Units	Unit Type
16	1 Bed / 1 Bath
6	2 Bed / 1 Bath
1	Studio



Site 2

517 - 525 E Burnett Road
Island Lake, IL 60041

No. of Units	32
Year Built	1986
Sales Price	\$2,220,000
Price Per Unit	\$69,375
Price Per SF	\$72.78
CAP Rate	7.90%
GRM	7.05
Date Sold	2019

Units	Unit Type
32	2 Bed / 2 Bath



Site 3

1351 W Maple
Mundelein, IL 60060

No. of Units	39
Sales Price	\$3,350,000
Price Per Unit	\$85,897
Price Per SF	\$98.53
CAP Rate	5.74%
GRM	7.6
Date Sold	2020

Units	Unit Type
28	2 Bed / 1 Bath
11	1 Bed / 1 Bath



RECENT SALES



Site 4

26445 IL Route 134
Ingleside, IL 60041

No. of Units	12
Year Built	1995
Sales Price	\$840,000
Price Per Unit	\$70,833
Price Per SF	\$84.37
CAP Rate	7.60%
GRM	7.3
Date Sold	2019

Units	Unit Type
12	2 Bed / 1 Bath



Site 5

108 McAree
Waukegan, IL 60085

No. of Units	10
Year Built	1965
Sales Price	\$670,000
Price Per Unit	\$67,000
Price Per SF	\$61.84
CAP Rate	7.03%
GRM	6.45
Date Sold	2019

Units	Unit Type
10	2 Bed / 1 Bath



Site 6

37 Nippersink
Fox Lake, IL 60020

No. of Units	12
Year Built	1969
Sales Price	\$975,000
Price Per Unit	\$81,250
Price Per SF	\$108.33
CAP Rate	7.70%
GRM	N/A
Date Sold	2019

Units	Unit Type
12	2 Bed / 1 Bath



Forest Glen Apartments

Zion, IL RECENT SALES

RECENT SALES



Site 7

430 S. Slusser
Grayslake, IL 60030

No. of Units	10
Year Built	1979
Sales Price	\$750,000
Price Per Unit	\$75,000
Price Per SF	\$91.46
CAP Rate	7.60%
GRM	7.0
Date Sold	2019

Units	Unit Type
6	1 Bed / 1 Bath
4	2 Bed / 2 Bath



Site 8

2909 Willow Lane
Zion, IL 60099

No. of Units	16
Year Built	2004
Sales Price	\$1,150,000
Price Per Unit	\$71,875
Price Per SF	\$67.95
CAP Rate	6.32%
Date Sold	Pending

Units	Unit Type
16	2 Bed/ 1 Bath

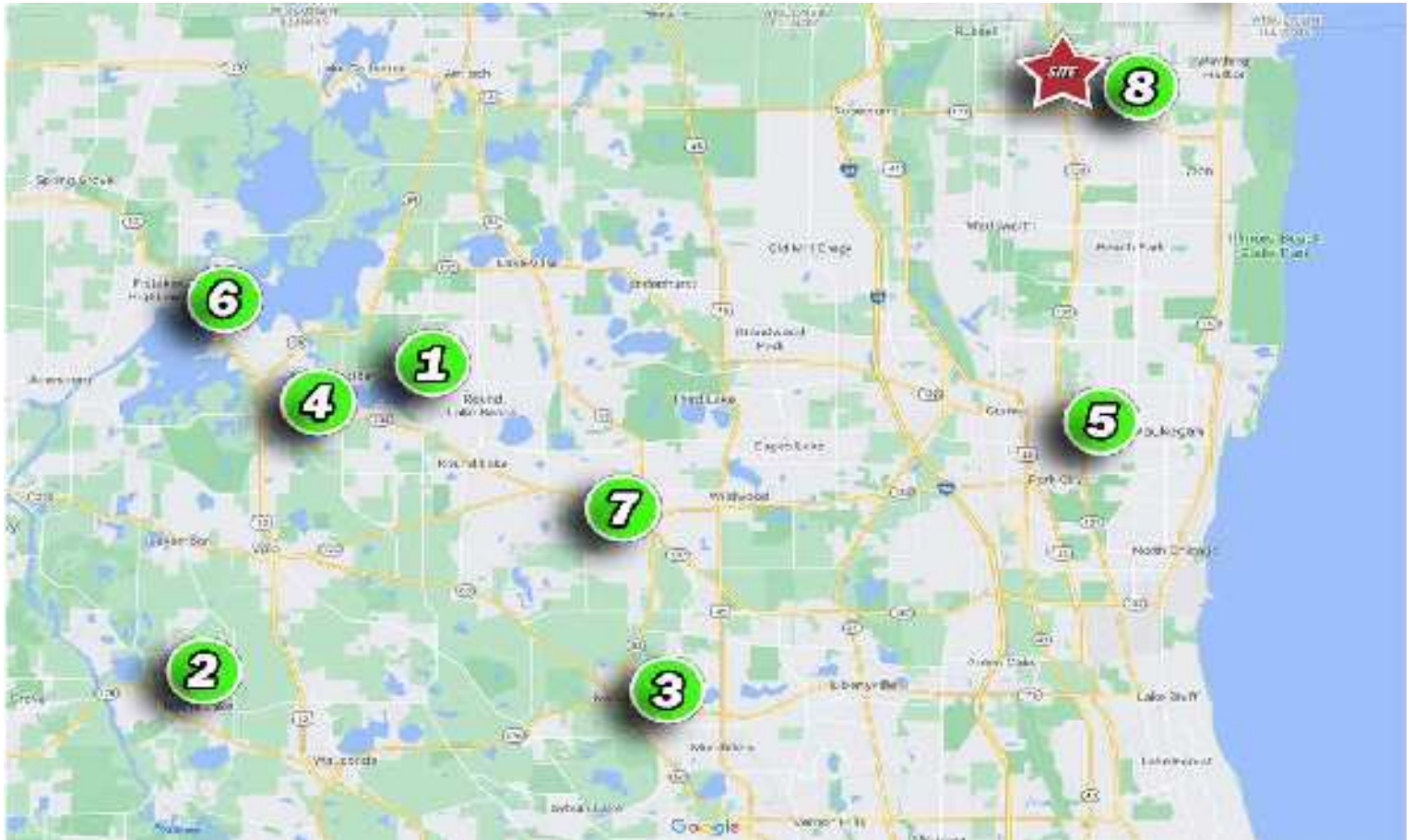


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RECENT SALES - Zion



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COMPARABLE ANALYSIS

Average Capitalization Rate	7.35%
Average Gross Rent Multiplier	7.09
Average Price Per Unit:	\$74,944

CAP Rate Calculation - Proforma	$\$192,350 / 7.35\% =$	\$2,617,006
GRM Calculation - Proforma	$\$411,000 \times 7.09 =$	\$2,913,990
Price Per Unit Calculation Performa	$\$74,944 \times 36 =$	\$2,697,984

Blended Average Computation	\$2,742,993
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Area Location Allocation (-10%)	\$2,468,693
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Zion, IL
2901-2905 Willow Lane

FOR SALE



Forest Glen Apartmets

Built: 1969
Unit Mix: 30 Two-Bedroom/1 Bath
6 One-Bedroom/1 Bath
Building Size: 34,476 Square Feet
Lot Size: 84,071 Square Feet
Tax ID No.: 04-17-200-013

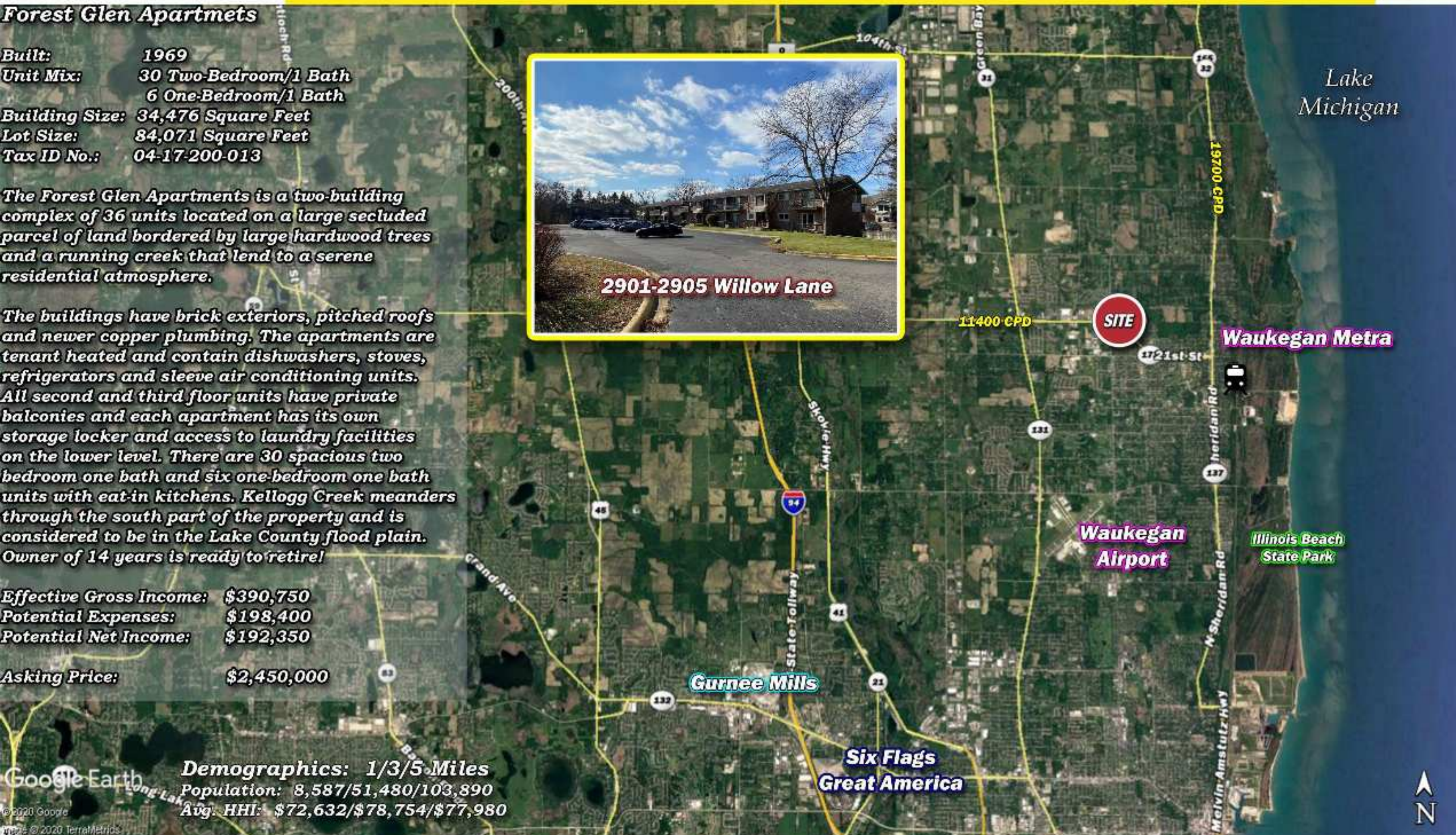
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Effective Gross Income: \$390,750
Potential Expenses: \$198,400
Potential Net Income: \$192,350

Asking Price: \$2,450,000

Demographics: 1/3/5 Miles
Population: 8,587/51,480/103,890
Avg. HHI: \$72,632/\$78,754/\$77,980



Google Earth
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