



**BID DEADLINE AUGUST 14** .....

**71,500± SF Housing Facility & 20,000± SF Commercial Building**  
 105 Unit Property & Separate Commercial Opportunity

 700 Sheridan Rd., Highwood, IL









**HIGHLIGHTS**

- 95 studios/10 one-bedroom units
- Located in Chicago's North Shore suburbs – between the major cities of Lake Forest & Highland Park
- Easily accessible via I-94, IL Route 22, IL Route 131 & U.S. Route 41
- Amenities include: lobby & reception area, management office, library, mail room, beauty/barber shop, sundry store, wellness/therapy facilities, indoor pool & sauna, industrial kitchen

**DETAILS**

This property, known as 700 on Sheridan, is a five-story housing facility. Originally designed as a Ramada Inn hotel, this building features a total of 105 units, with 95 studio units averaging 316± SF and 10 one-bedroom units ranging from 632± to 720± SF. The building has undergone comprehensive interior and exterior renovations including its recent additions of 2,100± SF commercial kitchen and a 20,000± SF retail space suitable for grocery operations, restaurants and similar uses. This site is a prime opportunity for a new investor or owner to provide quality housing and retail opportunities for the Chicago North Shore area.



	<b>Buildings</b>	71,587± SF (Housing Facility) 20,000± SF (Commercial)
	<b>Land</b>	1.67± AC
	<b>Renovations</b>	2019
	<b>Parking</b>	85 Spaces
	<b>Zoning</b>	PUD
	<b>Tax ID #</b>	16-15-202-008

855.755.2300  
 HilcoRealEstateSales.com



**DISCOUNTED CASH FLOW ASSUMPTIONS**

**General Assumptions**

Start Date	Oct-24
Term	10 Years

**Growth Rate Assumptions**

Income Growth	2.00%
Expense Growth	2.50%

**Market Rates - Year 1**

Average Rent (\$/Unit/Month)	\$4,000
Average Other Rental Activity (\$/Unit/Year)	\$750

**Occupancy Assumptions**

Stabilized Occupancy	85.00%
Estimated Lease-up Period	3 Year

**Financial Assumptions**

Discount Rate	12.00%
Going-In Cap Rate	8.00%
Terminal Cap Rate	9.00%

**Other Assumptions**

Sale Transaction Costs	2.0%
Capital Expenses (Deferred Maintenance)	\$800,000

**GROWTH RATE SUMMARY**

Type	Rate
<b>U.S. Bureau of Labor Statistics (CPI-U)</b>	
10-Year Snapshot Average	2.10%
<b>PwC National Apartment Market</b>	
Rent	0.00% - 8.00%
Expenses	1.00% - 4.00%

**DISCOUNT RATE SUMMARY**

Type	Rate
<b>PwC Investor Survey</b>	7.95%
<b>RealtyRates.com</b>	
All Types	11.60%
Assisted Living Facilities	10.63%

**TOTAL OPERATING EXPENSE**

Expense	Amount
Property Tax	\$300,000
Insurance	\$100,000
Utilities	\$225,000
Supplies	\$52,500
Payroll	\$315,000
Maintenance	\$157,500
General & Administrative	\$200,000
Management	\$250,000
Building Services	\$1,000,000
Other Expenses	\$150,000
Replacement Reserves	\$50,000
	<b>\$2,800,000</b>



**ABSORPTION ANALYSIS**
**Units Occupied**

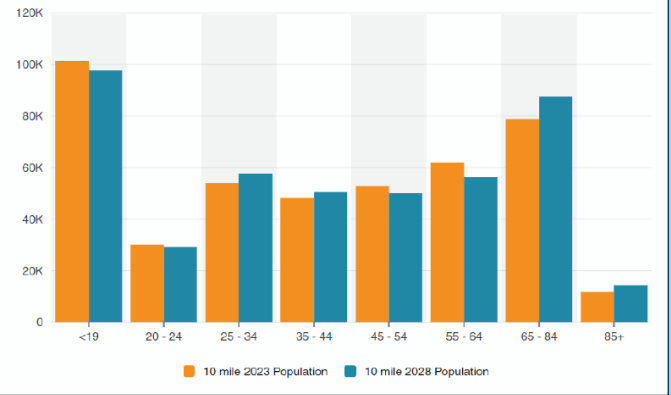
Unit Type	Year 1	Year 2	Year 3	Year 4
Studio - Assisted Living	20	40	55	63
One Bedroom - Assisted Living	5	8	8	8
Studio - Independent Living	7	10	15	18
<b>Total</b>	<b>32</b>	<b>58</b>	<b>78</b>	<b>89</b>

**DISCOUNTED CASH FLOW ANALYSIS**

Period Ending	9/30/24	9/30/25	9/30/26	9/30/27	9/30/28	9/30/29	9/30/30	9/30/31	9/30/32	9/30/33	9/30/34
<b>Revenue</b>											
Unit Income	\$1,566,720	\$2,895,360	\$3,968,640	\$4,613,760	\$4,706,035	\$4,800,156	\$4,896,159	\$4,994,082	\$5,093,964	\$5,195,843	\$5,299,760
Other Income	\$24,480	\$45,240	\$62,010	\$63,250	\$64,515	\$65,806	\$67,122	\$68,464	\$69,833	\$71,230	\$72,655
<b>Effective Gross Income</b>	<b>\$1,591,200</b>	<b>\$2,940,600</b>	<b>\$4,030,650</b>	<b>\$4,677,010</b>	<b>\$4,770,550</b>	<b>\$4,865,961</b>	<b>\$4,963,281</b>	<b>\$5,062,546</b>	<b>\$5,163,797</b>	<b>\$5,267,073</b>	<b>\$5,372,415</b>
<b>Expenses</b>											
Property Taxes	\$307,500	\$315,188	\$323,067	\$331,144	\$339,422	\$347,908	\$356,606	\$365,521	\$374,659	\$384,025	\$393,626
Insurance	\$102,500	\$105,063	\$107,689	\$110,381	\$113,141	\$115,969	\$118,869	\$121,840	\$124,886	\$128,008	\$131,209
Utilities	\$230,625	\$236,391	\$242,300	\$248,358	\$254,567	\$260,931	\$267,454	\$274,141	\$280,994	\$288,019	\$295,219
Supplies	\$53,813	\$55,158	\$56,537	\$57,950	\$59,399	\$60,884	\$62,406	\$63,966	\$65,565	\$67,204	\$68,885
Payroll	\$322,875	\$330,947	\$339,221	\$347,701	\$356,394	\$365,303	\$374,436	\$383,797	\$393,392	\$403,227	\$413,307
Maintenance	\$161,438	\$165,473	\$169,610	\$173,851	\$178,197	\$182,652	\$187,218	\$191,898	\$196,696	\$201,613	\$206,654
General & Admin.	\$205,000	\$210,125	\$215,378	\$220,763	\$226,282	\$231,939	\$237,737	\$243,681	\$249,773	\$256,017	\$262,417
Management	\$256,250	\$262,656	\$269,223	\$275,953	\$282,852	\$289,923	\$297,171	\$304,601	\$312,216	\$320,021	\$328,022
Building Services	\$1,025,000	\$1,050,625	\$1,076,891	\$1,103,813	\$1,131,408	\$1,159,693	\$1,188,686	\$1,218,403	\$1,248,863	\$1,280,085	\$1,312,087
Other Expenses	\$153,750	\$157,594	\$161,534	\$165,572	\$169,711	\$173,954	\$178,303	\$182,760	\$187,329	\$192,013	\$196,813
Replacement Reserves	\$51,250	\$52,531	\$53,845	\$55,191	\$56,570	\$57,985	\$59,434	\$60,920	\$62,443	\$64,004	\$65,604
<b>Total Expenses</b>	<b>\$2,870,000</b>	<b>\$2,941,750</b>	<b>\$3,015,294</b>	<b>\$3,090,676</b>	<b>\$3,167,943</b>	<b>\$3,247,142</b>	<b>\$3,328,320</b>	<b>\$3,411,528</b>	<b>\$3,496,816</b>	<b>\$3,584,237</b>	<b>\$3,673,843</b>
<b>CapEx + FF&amp;E</b>	<b>\$800,000</b>										
<b>Net Income</b>	<b>-\$2,078,800</b>	<b>-\$1,150</b>	<b>\$1,015,356</b>	<b>\$1,586,334</b>	<b>\$1,602,607</b>	<b>\$1,618,820</b>	<b>\$1,634,961</b>	<b>\$1,651,018</b>	<b>\$1,666,981</b>	<b>\$1,682,836</b>	<b>\$1,698,572</b>



## POPULATION BY AGE



## DISTANCES

Chicago O'Hare International Airport	30 Minutes
Downtown Chicago	60 Minutes
Milwaukee	65 Minutes

## 700 Sheridan Rd., Highwood, IL

### LOCAL INFORMATION

Highwood, Illinois, is situated in Chicago's affluent North Shore suburban neighborhood. Known for its top-rated schools, beautiful lakefront views and charming communities, this area offers a vibrant culture with boutique shops, fine dining, golf courses, country clubs and nature preserves.

The area's development is further characterized by its excellent transportation access. It is 27 miles from the Chicago Loop and 20 miles from O'Hare Airport. Public transportation options include Metra's Chicago & North Western/North Line commuter trains and Pace bus service. Metra trains run over twenty times a day between Kenosha, Wisconsin, and Chicago, Illinois, with nearby stations in Highwood, Fort Sheridan and Highland Park. The express train from Highwood to Chicago takes only thirty minutes. Additionally, Highwood is easily accessible via IL Route 22, IL Route 131 and U.S. Route 41.

### AREA DEMOGRAPHICS

	YEAR(S)	3-MILE	5-MILE	10-MILE
Pop.	2023	39,491	89,005	439,432
Pop. Growth	2023-28	0.20%	0.30%	0.20%
Average HHI	2023	\$173,759	\$177,307	\$148,168



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### SALE INFORMATION

#### BID PROCEDURES

This sale is being conducted subject to the Bid Procedures, available for download from the Hilco Real Estate (HRE) website at [www.HilcoRealEstateSales.com](http://www.HilcoRealEstateSales.com).

#### ON-SITE INSPECTIONS

By Appointment Only

#### BID DEADLINE

August 14, 2024 by 5:00 p.m. (CT)

#### BID SUBMISSION

All bids should be made on the approved Purchase and Sale Agreement available on the HRE website. Bids must be submitted to Chet Evans at [cevans@hilcoglobal.com](mailto:cevans@hilcoglobal.com).

#### DATA ROOM

A Virtual Data Room has been assembled and contains important due diligence documents on the property. To gain access to these documents, bidders will need to register at HRE's website.

**Chet Evans**  
847.418.2702  
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