



# Due Diligence Checklist

Property Name

Property Address

Number of Units


## Lease Information

- Copy of Standard Lease/Application forms
- Current Rent Roll (trailing 24 months)
- Current Security Deposit Report
- Current Rent Concessions

## Tenant Rent

- Rent Qualification Policy
- Late Fee Policy
- Application Fees
- Security Deposits
- Lease Termination Policy
- Month to Month Policy

## Pets

- Current Pet Deposit/Fees & Policy

## Legal Documents

- Rental Control Ordinances
- Legal Description
- Seller's Certification-prop. Meets all state/local codes
- Copies of zoning violations, if any
- Any/all pending litigation

## Rental Information

- Brochures with Current Street Rents per unit type
- Rent Concession Policy & Current Concessions

## Marketing/Unit Information

- Copy of Current Marketing Plan & Recent Market Study
- Copies of All Current Advertising
- Current Brochure/Floor Plan/Site Plan (Site Map)
- Pictures of Property and Comparables
- Any Existing Aerial Photographs
- List of units with washers/dryers included, and /or with hookups

## Operating Financial Statements

- Most recent balance sheet
- Detailed P&L Statements for the last three years
- YTD General Ledger
- Current Year Budget
- Signed document that all statements are accurate
- CPA and/or internal audits, if available



# Due Diligence Checklist

## Bookkeeping Reports

- Delinquency & Prepaid Report
- Prepaid Rent Report

## Leasing Reports

- Lease Expiration Report (sorted by month)
- Month To Month tenant report

## Loans/Taxes

- Most Recent Mortgage Statement
- Property tax bill/assessments
- Current tax bill
- Appeal in process? \_\_Yes \_\_No

## Staff Payroll

- List of Staff-Names, Emp. History/Salaries/Benefits
- List of Free Units (Employee/Model/Inc.)

## Repairs & Maintenance

- Last 3 years work order history log
- List of recurring maintenance problems
- Schedule of capital improvements for last two years

## Occupancy History

- Current Vacancy Report (per unit type)
- List of Section 8 Residents, if available

## Management Reports

- Traffic/Rental Conversions 12 mo.
- Loss to Lease Detail by Unit

## General & Administrative

- Copies of Current Service Contracts & Leases
- List of Memberships & Licenses

## Utilities

- Utility bills-last two years by Month/Account Number
- All Utility Names/Contact Information, Account Number
- List all current telephone numbers in use at the site
- List of Utility Deposits/Bonds

## MTD Booking Reports

- Bank statements & recs for last 12 months

# Due Diligence Checklist

## Inventory

- Permits—Pools & Spas
- Site vehicles—include registration, description, etc.
- Office inventory/equipment serial numbers
- Clubhouse inventory
- Maintenance shop inventory—tools/supplies
- Amenity inventory
- Pool inventory
- Unit appliance inventory w/ serial numbers
- Model and other inventory

## Studies

- Phase I
- Phase I—final
- Phase II, if applicable
- Appraisal
- Soils Test
- Termite Inspection / Warranty
- Structural Inspection Report
- Drainage Inspection Report
- Other, explain:

## Insurance

- Declaration Page
- Liability limits
- Deductible/Premium
- Umbrella
- Loss Run History—5 years from current insurance carrier

## Financing

- Loan documents
- Prepayment penalty
- Assumable Loan
- Current Lender
- Loan Prepayment Calculations

## Construction Documents

- Copies of certificates of occupancy
- Copy of original building plans and specs
- Copy of all warranties
- Site map with unit numbers



# Due Diligence Checklist

## Contracts/Service Agreements

- |  |  |
|--|--|
| <input type="checkbox"/> Cable TV                      | <input type="checkbox"/> Furniture rental-clubhouse            |
| <input type="checkbox"/> Telephone contract            | <input type="checkbox"/> Yellow page listing                   |
| <input type="checkbox"/> High-speed contract           | <input type="checkbox"/> Copier service and/or Maint. Contract |
| <input type="checkbox"/> Payphone contract             | <input type="checkbox"/> Advertising contracts                 |
| <input type="checkbox"/> Pool service                  | <input type="checkbox"/> Business permits/privilege license    |
| <input type="checkbox"/> Pager service                 | <input type="checkbox"/> Alarm permit                          |
| <input type="checkbox"/> Answering service             | <input type="checkbox"/> Brochure printing vendor              |
| <input type="checkbox"/> Telephone equipment service   | <input type="checkbox"/> Apartment turnkey agreements          |
| <input type="checkbox"/> Eviction service              | <input type="checkbox"/> Apartment painting agreements         |
| <input type="checkbox"/> Credit screening service      | <input type="checkbox"/> Apartment carpet agreements           |
| <input type="checkbox"/> Chamber of Commerce           | <input type="checkbox"/> Fire department inspections           |
| <input type="checkbox"/> Local multifamily association | <input type="checkbox"/> Plant maintenance                     |
| <input type="checkbox"/> Locator Service               | <input type="checkbox"/> Software license                      |
| <input type="checkbox"/> HOA agreement                 | <input type="checkbox"/> Furniture options                     |
| <input type="checkbox"/> Furniture rental-units        | <input type="checkbox"/> Hospitality service                   |
| <input type="checkbox"/> Landscaping                   | <input type="checkbox"/> Pest control                          |
| <input type="checkbox"/> Landlord utility agreement    | <input type="checkbox"/> Vending machine                       |
| <input type="checkbox"/> Sweeping service              | <input type="checkbox"/> Coin operated laundry                 |
| <input type="checkbox"/> Snow removal                  | <input type="checkbox"/> In-unit W/D rentals                   |
| <input type="checkbox"/> Chimney cleaning              | <input type="checkbox"/> Alarm Monitoring                      |
|  | <input type="checkbox"/> Courtesy/Security Patrol              |