

## LANDWIN's 58-POINT DUE DILIGENCE CHECKLIST

1. Property location classification (A, B or C).
2. Property type, age, and gross leasable space (square footage).
3. Tenant mix and percentage of income from credit vs. local tenants.
4. Color aerial photo of 1 mile radius surrounding property.
5. Color photos of property.
6. Visual appeal of property.
7. Property site plan including all dimensions.
8. Accessibility of property within community.
9. Ingress and egress of property.
10. Parking ratio and bay depths.
11. Parking facilities condition appraisal and status.
12. Water drainage on property.
13. Roof condition appraisal and status.
14. Complete deferred maintenance status.
15. Amount of any hidden space at property.
16. Itemized list of all improvements needed to complete any current vacant spaces and common areas.
17. Population within 1 mile and 3 mile radius surrounding property.
18. Demographics reports for 1 mile and 3 mile radius surrounding property.
19. Average income per family within 1 mile and 3 mile radius surrounding property.
20. Traffic counts on all sides of property.
21. Trends in area surrounding property.
22. Any military base or other significant governmental or business closings near property.
23. Description of all previous uses of, and structures on, property.
24. Prior 10 year cash-on-cash proforma of property.
25. Current financing on property (fixed rate, term, non-recourse, assumable, etc.).
26. Original equity capital and debt financing invested in property.
27. Confirmation of all land and structures collateralized.
28. Most recent property appraisal report.
29. Description of all current leases on property by type (NNN) and term.
30. Annual rental rate increases in leases.
31. Comparative market rents in 1 mile and 3 mile radius surrounding property.
32. Current and future competition for property within 1 mile and 3 mile radius surrounding property.
33. Amount of vacant land in 1 mile and 3 mile radius surrounding property.
34. Supply constraints in general region of property.
35. List of all City Hall contacts, including Building and Traffic Departments.
36. Complete tenant profiles.
37. Tenant surveys.
38. Annual reports of all credit tenants.
39. 10K and 10Q filings of all credit tenants.
40. Prior 3 years sales figures by month for all tenants.
41. Complete description of any lease restrictions imposed by City or other authorities.
42. Copies of tenant rent schedules, including lease summaries indicating when each lease began, rent amount and increases (fixed or CPI).
43. All covenants, conditions and restrictions (CC&Rs).
44. Confirmation that each tenant pays its proportionate share of CAM (common area maintenance), insurance, taxes, utilities and management.
45. Prior 3 years actual recapitulation reports copies indicating all charges and expenses for all tenants.
46. List of all security deposits held for each tenant.
47. List indicating which tenants have rent concessions and/or received any funds and for what reason, including related to tenant improvements.
48. List of tenants ever delinquent, for what period of time, and for what amounts.
49. List of tenants currently owing any money, for what period of time, for what amount, and any agreed-upon payment methods.
50. All books and records related to property for prior 3 years, including originals of past and present rental agreements, leases, amendments, addendums and notarized estoppel certificates in form provided by buyer.
51. Originals of soils reports and engineering studies of property, setting forth drainage data, elevations, condition of underground drains and utilities, building plans and all documents used in developing and renovating property, including original stamped sets of plans and certificates of occupancy.
52. Phase I environmental reports including any reasonable documentation requested by buyer assuring there are no environmental problems, including but not limited to, asbestos and any spill, discharge or leak of hazardous substance in, on or around property as defined by State and Federal law, and if so, precisely when, where, how, by whom and to what extent, and current status.
53. Written assignments to buyer of all General and Sub-Contractor construction warranties and equipment guarantees related to property.
54. Certified Plotted Easement Survey and Perimeter Survey clearly showing on survey map size of property and absence of encroachments or clearly identifying each easement or obstruction of any type.
55. Copies of paid bills by parcel including current tax invoices.
56. Approximate impact of taxes at sale price.
57. Copies of all paid insurance bills including current invoices and separate policies or riders for hurricane or other similar applicable coverage.
58. Diagnostic conclusion.

\* To the extent practical on a case-by-case basis, all of the above items are considered during Landwin's due-diligence process.