

COMMERCIAL OFFERING MEMORANDUM

DAISY'S RESOURCE AND DEVELOPMENT CENTER

1919 SHERMAN AVENUE, NORTH CHICAGO, IL 60064



OFFERING MEMORANDUM

KELLER WILLIAMS INSPIRE

407 S 3rd St # 114
Geneva, IL 60134



Each Office Independently Owned and Operated

PRESENTED BY:

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475.139695, IL

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1919 SHERMAN AVENUE



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1919 SHERMAN AVENUE

PROPERTY INFORMATION

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EXECUTIVE SUMMARY

1919 SHERMAN AVENUE



OFFERING SUMMARY

PRICE:	\$1,000,000
BUILDING SF:	23216
PRICE / SF:	43
LOT SIZE:	0.75 Acres
BUILDING CLASS:	B
YEAR BUILT:	1970
RENOVATED:	2002
PARKING:	40 Plus

PROPERTY OVERVIEW

23,216 SQ FT TURNKEY COMMERCIAL FACILITY – ENDLESS POTENTIAL USES ☑ Ideal for Group Home, Transitional Living, Vocational School, or Care Facility
Unlock the potential of this expansive 23,216 sq ft commercial property (R3 Zoning) situated on .75 acres with 40 dedicated parking spaces. This multi-purpose facility offers two full floors of thoughtfully designed space, tailored to accommodate a wide range of uses including for-profit and non-profit group residential living, nursing center, vocational or transitional housing programs, and more.

☑ First Floor – 12,714 SQ FT

Gym / Recreation Room with 22-ft Ceilings for wellness, physical therapy, or group activities

Fully Equipped Commercial Kitchen:

Multiple Bathrooms:

Office Space & Specialized Rooms:

Dedicated Salon / Training Room with 3 plumbed sinks

Multiple private offices, laundry, and mechanical rooms

☑ Second Floor – 10,411 SQ FT

10 Bedrooms / 9 Bathrooms / 24 Closets – perfect for transitional living or staff housing

Common Kitchen with stove, hood, and sink

Equipped with 7 Furnaces for zoned comfort and climate control, Roof replaced in 2022. Fire safety sprinkler system throughout. Ample plumbing and HVAC infrastructure for institutional or residential use

PROPERTY HIGHLIGHTS

- 23,000 sq ft plus
- 40 plus Parking
- Cinder Block Construction that is ideally designed for maximum use of space
- 2000 sq ft Gym/Recreation Center
- Dormitory Style Bedrooms with 9 plus Bathrooms.
- Updated Roof and Various HVAC Systems.

LOCATION & HIGHLIGHTS

1919 SHERMAN AVENUE



LOCATION INFORMATION

Building Name:	Daisy's Resource and Development Center
Street Address:	1919 Sherman Avenue
City, State, Zip:	North Chicago, IL 60064
County:	Lake
Market:	Chicago
Sub-market:	Far North

LOCATION OVERVIEW

North Chicago Residential Area with nearby Commercial buildings including School, Daycare and numerous Church/Spiritual Centers.

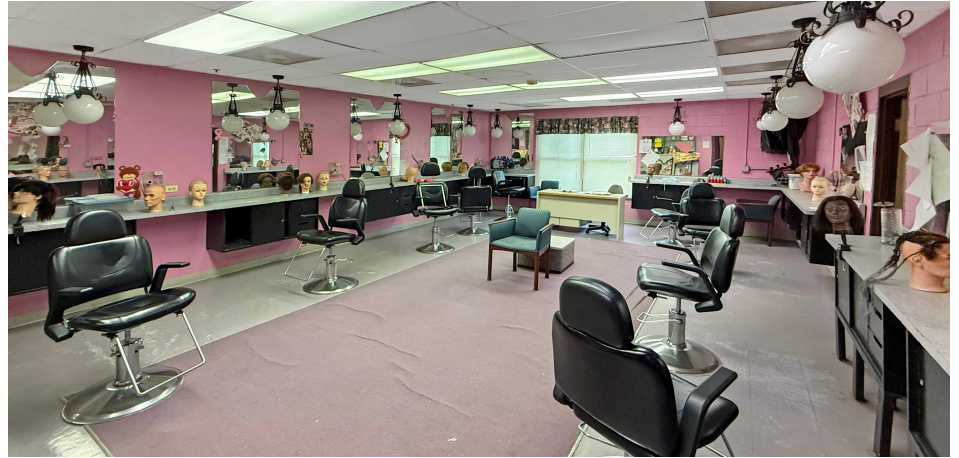


PROPERTY HIGHLIGHTS

- 20,000 sq ft plus Commercial building ideally suited for a variety of uses. Zoned R3 with past history of Vocational School and Youth Home. This can be easily renovated to high demand opportunities of Senior Care, Transitional Housing, Recreation Center. Wonderfully designed to allow for a variety of purposes with office, educational and recreational areas on the main floor and dormitory style bedrooms with adjoining bathrooms on the second floor. Updates include Roof in 2022 and various HVAC Systems. The building sits on .75 acres with access on two streets including a parking lot that accommodate up to 40 plus cars.

PROPERTY PHOTOS

1919 SHERMAN AVENUE





1919 SHERMAN AVENUE

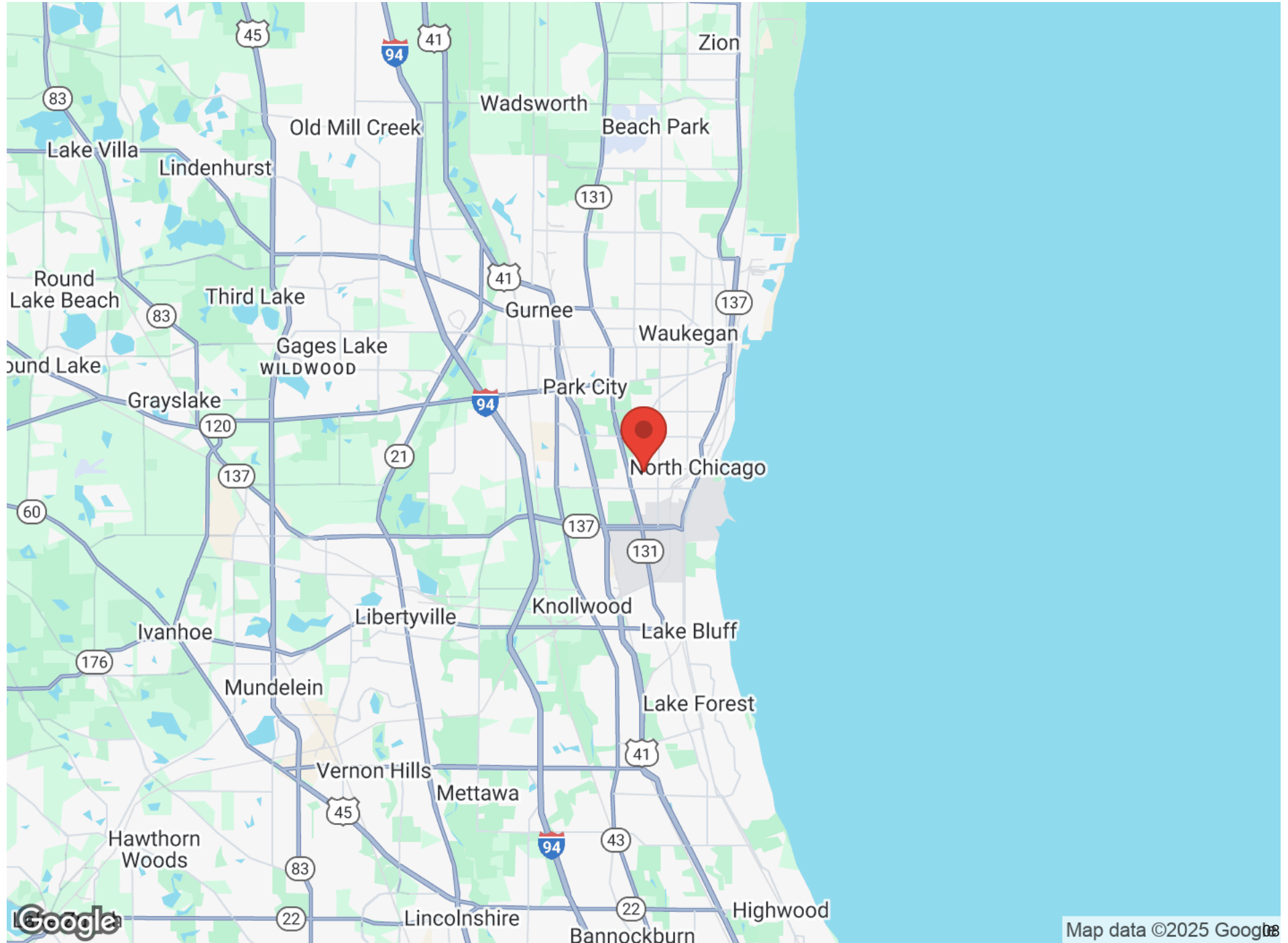
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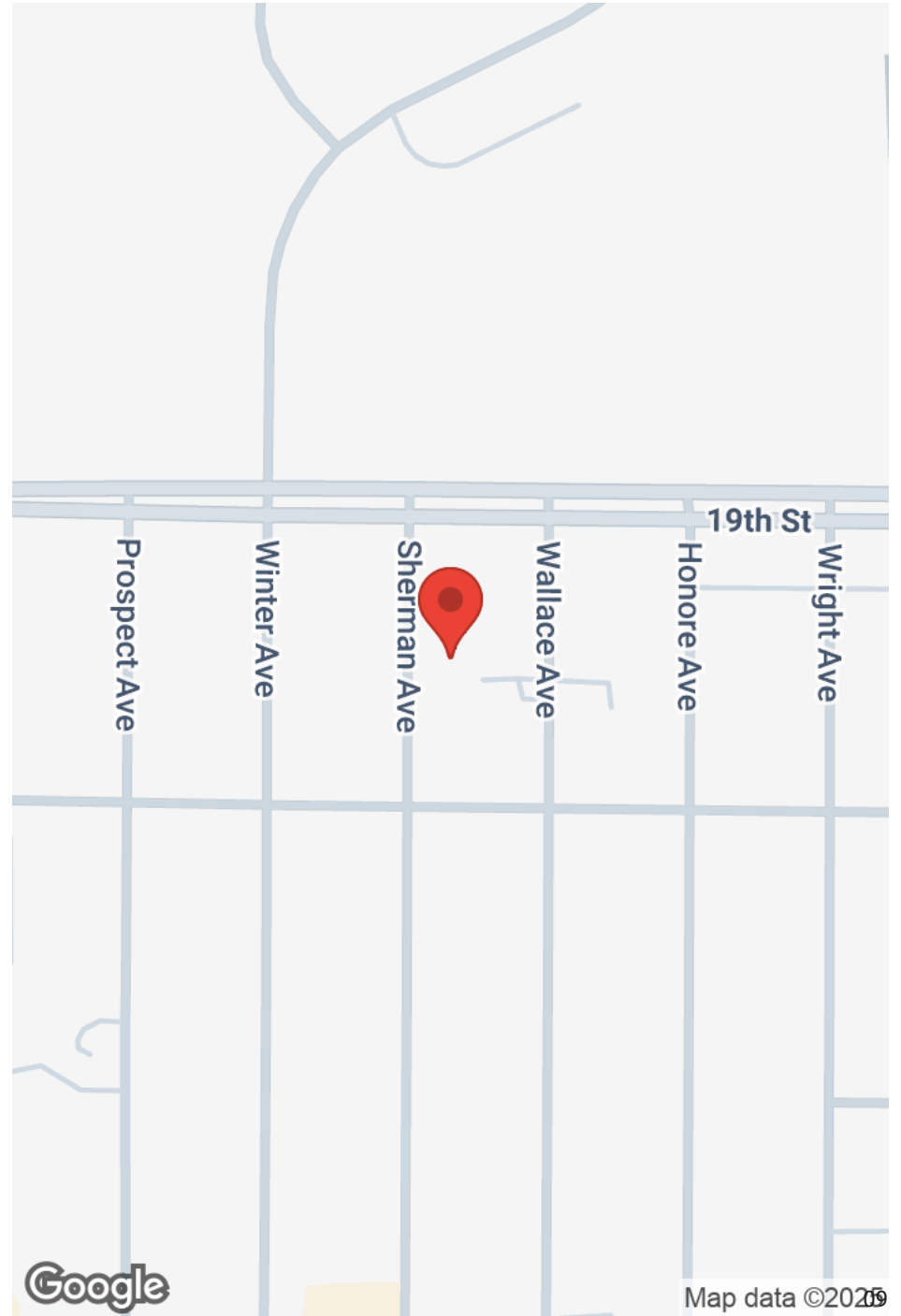
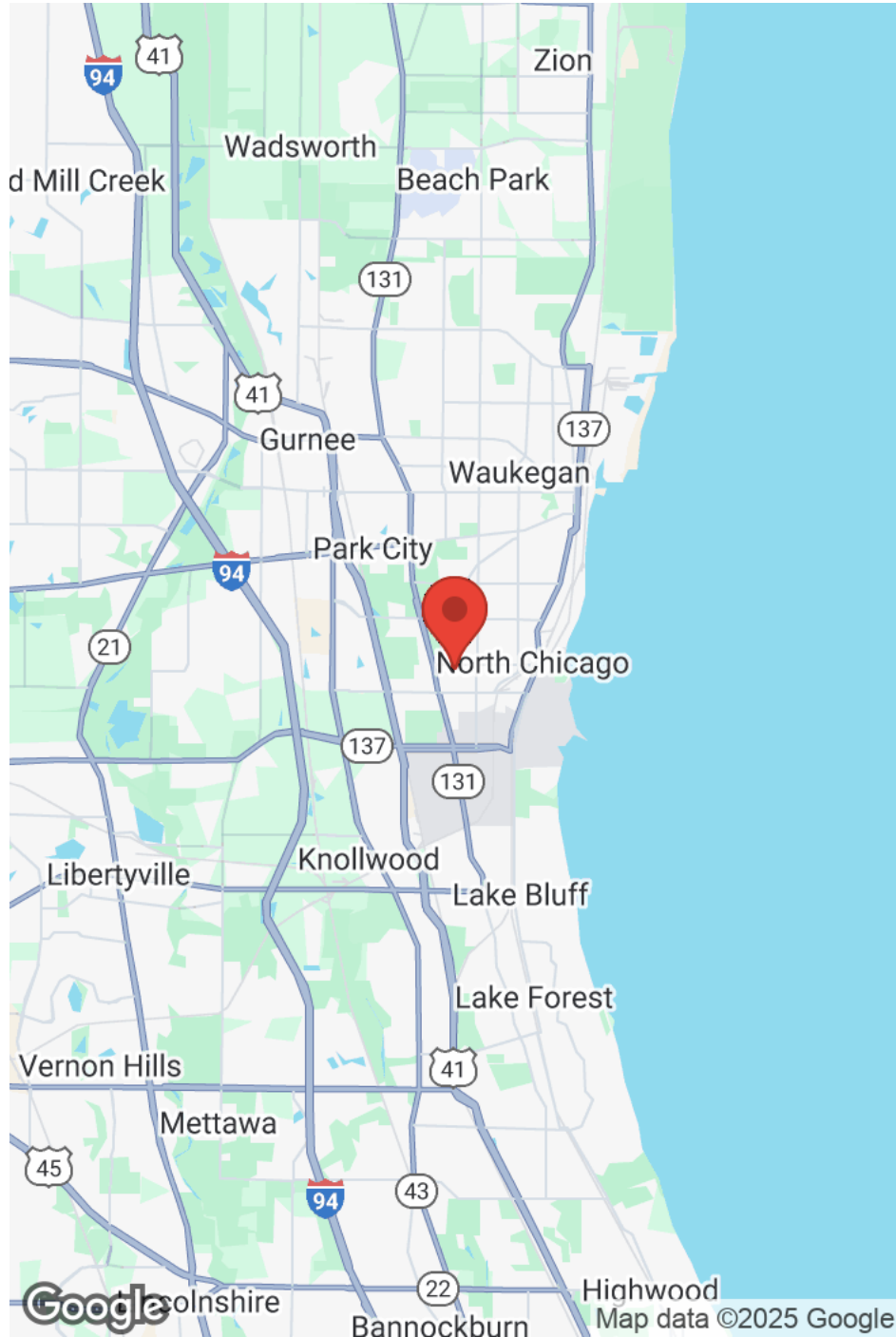
REGIONAL MAP

1919 SHERMAN AVENUE



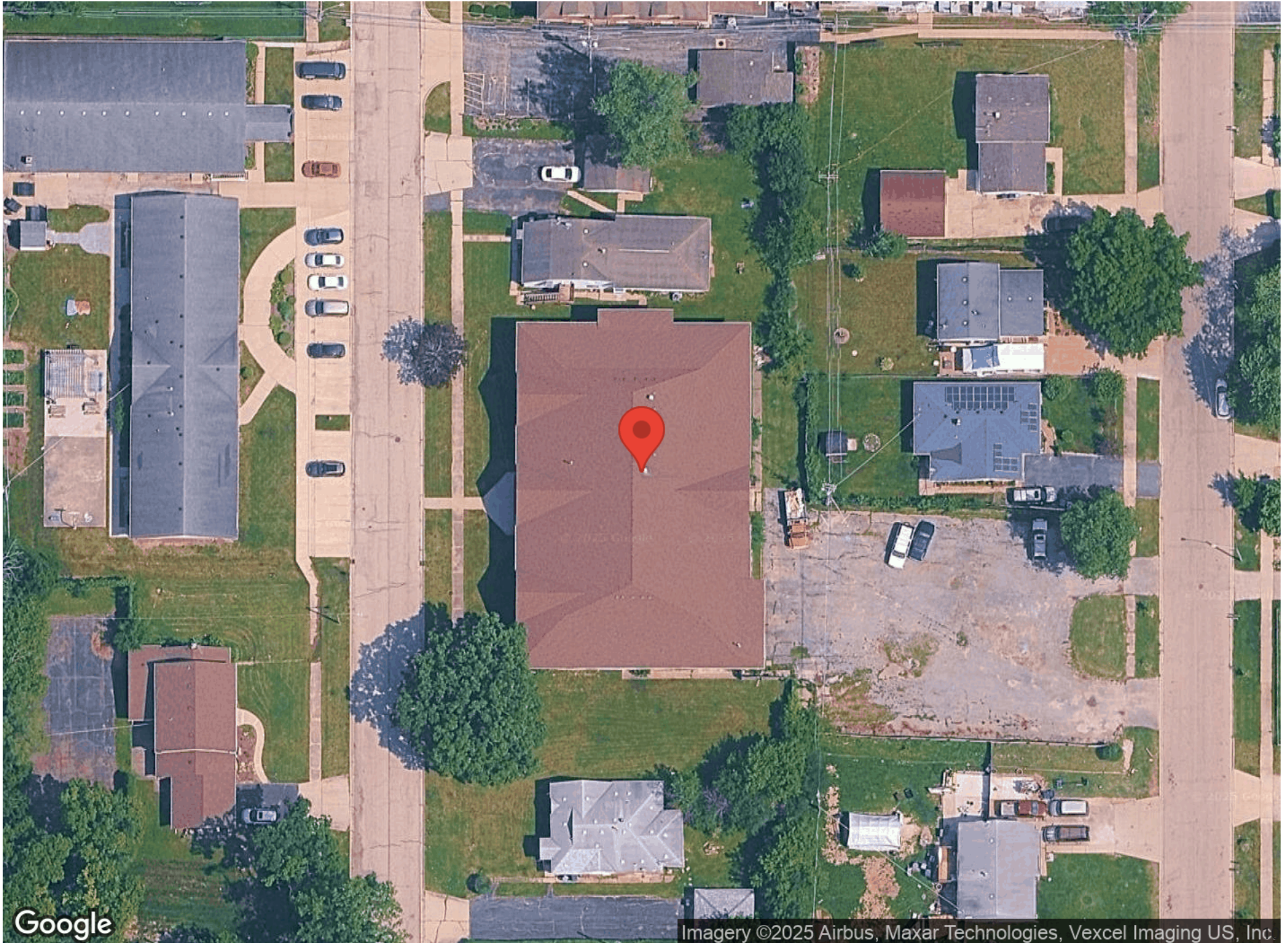
LOCATION MAPS

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AERIAL MAP

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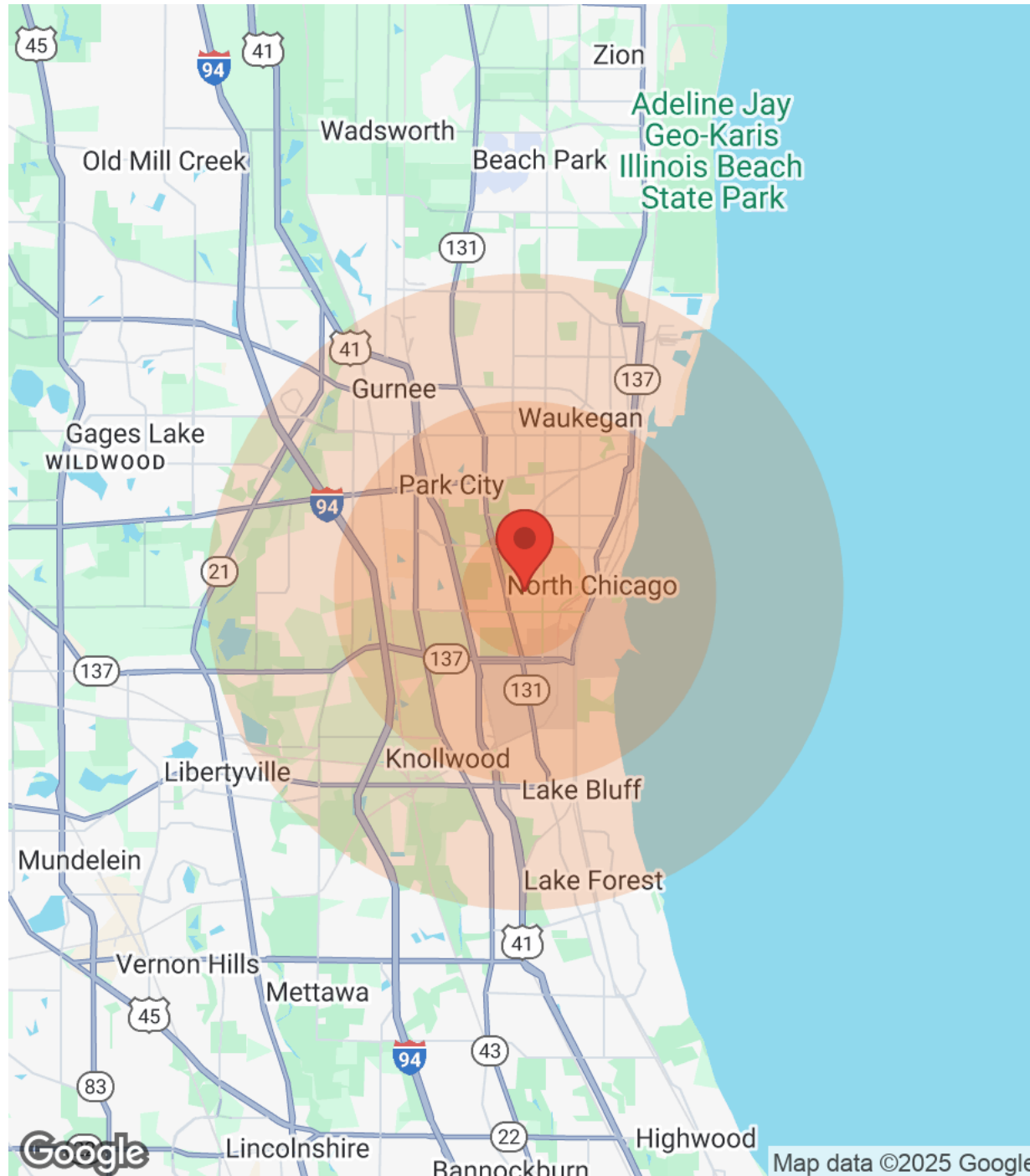


Google

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DEMOGRAPHICS

1919 SHERMAN AVENUE



Population	1 Mile	3 Miles	5 Miles
Male	6,742	46,189	82,030
Female	6,837	39,456	76,513
Total Population	13,579	85,645	158,543

Age	1 Mile	3 Miles	5 Miles
Ages 0-14	3,815	19,854	36,475
Ages 15-24	2,364	12,634	23,545
Ages 25-54	5,195	41,228	69,489
Ages 55-64	1,076	6,417	14,274
Ages 65+	1,129	5,512	14,760

Race	1 Mile	3 Miles	5 Miles
White	3,186	38,204	86,173
Black	7,000	16,922	24,639
Am In/AK Nat	25	395	641
Hawaiian	N/A	28	28
Hispanic	5,757	45,251	72,608
Multi-Racial	6,630	52,868	81,888

Income	1 Mile	3 Miles	5 Miles
Median	\$40,632	\$42,747	\$48,677
< \$15,000	1,010	2,951	5,042
\$15,000-\$24,999	408	2,488	5,033
\$25,000-\$34,999	469	2,893	5,349
\$35,000-\$49,999	668	4,154	7,116
\$50,000-\$74,999	773	4,695	9,166
\$75,000-\$99,999	467	2,700	5,798
\$100,000-\$149,999	202	1,787	5,086
\$150,000-\$199,999	64	613	2,575
> \$200,000	63	312	2,832

Housing	1 Mile	3 Miles	5 Miles
Total Units	5,105	25,664	54,640
Occupied	4,279	22,918	49,589
Owner Occupied	1,844	11,219	28,530
Renter Occupied	2,435	11,699	21,059
Vacant	826	2,746	5,051



1919 SHERMAN AVENUE

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CUMULATIVE ANALYSIS

1919 SHERMAN AVENUE



Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	05/2026	05/2027	05/2028	05/2029	05/2030
Equity (appreciation)	\$20,000	\$40,400	\$61,208	\$82,432	\$104,081
Equity (loan reduction)	\$7,111	\$14,735	\$22,911	\$31,678	\$41,079
After-Tax Cash Flow	\$76,761	\$159,353	\$247,953	\$342,739	\$443,899
Totals - To Date	\$103,871	\$214,489	\$332,072	\$456,850	\$589,059
Invested Capital	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)
ROIC - To Date	22.58%	46.63%	72.19%	99.32%	128.06%

DETAILED GENERAL EXPENSES

1919 SHERMAN AVENUE



Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	05/2026	05/2027	05/2028	05/2029	05/2030
Building Insurance	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)
Grounds Maintenance	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)
Taxes - Real Estate	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)
Total Expenses	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)
Operating Expense Ratio	21.16%	20.54%	19.95%	19.36%	18.80%

ANNUAL PROPERTY OPERATING DATA

1919 SHERMAN AVENUE



Description Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Income					
Rental Income	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Gross Scheduled Income	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Turnover Vacancy	(\$21,600)	(\$22,248)	(\$22,915)	(\$23,603)	(\$24,311)
Gross Operating Income	\$194,400	\$200,232	\$206,239	\$212,426	\$218,799
Expenses					
Building Insurance	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)
Grounds Maintenance	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)
Taxes - Real Estate	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)
Total Operating Expenses	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)
Operating Expense Ratio	21.16%	20.54%	19.95%	19.36%	18.80%
Net Operating Income	\$153,264	\$159,096	\$165,103	\$171,290	\$177,663

CASH IN CASH OUT

1919 SHERMAN AVENUE



Description Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Income					
Rental Income	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Gross Scheduled Income	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Turnover Vacancy	(\$21,600)	(\$22,248)	(\$22,915)	(\$23,603)	(\$24,311)
Gross Operating Income	\$194,400	\$200,232	\$206,239	\$212,426	\$218,799
Expenses					
Building Insurance	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)	(\$3,500)
Grounds Maintenance	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)
Taxes - Real Estate	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)	(\$35,636)
Total Operating Expenses	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)
Operating Expense Ratio	21.16%	20.54%	19.95%	19.36%	18.80%
Net Operating Income	\$153,264	\$159,096	\$165,103	\$171,290	\$177,663
Debt Service					
Loan Interest	(\$48,775)	(\$48,261)	(\$47,710)	(\$47,118)	(\$46,485)
Principal Payments	(\$7,111)	(\$7,625)	(\$8,176)	(\$8,767)	(\$9,401)
Before-Tax Cash Flow	\$76,761	\$82,593	\$88,600	\$94,787	\$101,160
Projected Property Value	\$1,020,000	\$1,040,400	\$1,061,208	\$1,082,432	\$1,104,081
Resale Expenses	(\$81,600)	(\$83,232)	(\$84,897)	(\$86,595)	(\$88,326)
Proceeds Before Debt Payoff	\$938,400	\$957,168	\$976,311	\$995,838	\$1,015,754
Loan Principal Balance	(\$692,889)	(\$685,265)	(\$677,089)	(\$668,322)	(\$658,921)
Capital Reserves Remaining	\$160,500	\$171,735	\$183,756	\$196,619	\$210,383
Replacement Reserves Remaining	\$20,618	\$41,236	\$61,854	\$82,472	\$103,090
Net Proceeds From Sale	\$426,629	\$484,874	\$544,833	\$606,607	\$670,306
Before Tax IRR	9.43%	19.73%	22.73%	23.90%	24.37%

* Cash Flow IRR based upon net cash flow and principal payments

ANNUAL PROPERTY OPERATING DATA PER SF

1919 SHERMAN AVENUE



Description Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Income					
Rental Income	\$10.48	\$10.79	\$11.11	\$11.45	\$11.79
Miscellaneous Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gross Scheduled Income	\$10.48	\$10.79	\$11.11	\$11.45	\$11.79
Turnover Vacancy	(\$1.05)	(\$1.08)	(\$1.11)	(\$1.14)	(\$1.18)
Gross Operating Income	\$9.43	\$9.71	\$10.00	\$10.30	\$10.61
Expenses					
Building Insurance	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)
Grounds Maintenance	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.10)
Taxes - Real Estate	(\$1.73)	(\$1.73)	(\$1.73)	(\$1.73)	(\$1.73)
Total Operating Expenses	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)
Net Operating Income	\$7.43	\$7.72	\$8.01	\$8.31	\$8.62

CASH FLOW ANALYSIS

1919 SHERMAN AVENUE



Before-Tax Cash Flow Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Before-Tax Cash Flow					
Gross Scheduled Income	\$216,000	\$222,480	\$229,154	\$236,029	\$243,110
Turnover Vacancy	(\$21,600)	(\$22,248)	(\$22,915)	(\$23,603)	(\$24,311)
Total Operating Expenses	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)	(\$41,136)
Net Operating Income	\$153,264	\$159,096	\$165,103	\$171,290	\$177,663
Loan Payment	(\$55,885)	(\$55,885)	(\$55,885)	(\$55,885)	(\$55,885)
Replacement Reserves	(\$20,618)	(\$20,618)	(\$20,618)	(\$20,618)	(\$20,618)
Before-Tax Cash Flow	\$76,761	\$82,593	\$88,600	\$94,787	\$101,160
Cash-On-Cash Return	16.69%	17.95%	19.26%	20.61%	21.99%

INTERNAL RATE OF RETURN ANALYSIS

1919 SHERMAN AVENUE



Before Tax IRR	Cash Flows
Initial Investment	(\$460,000)
05/2026	\$76,761
05/2027	\$82,593
05/2028	\$88,600
05/2029	\$94,787
05/2030*	\$771,465
IRR = 24.37%	* (\$101,160 + \$670,306)

After Tax IRR	Cash Flows
Initial Investment	(\$460,000)
05/2026	\$76,761
05/2027	\$82,593
05/2028	\$88,600
05/2029	\$94,787
05/2030*	\$771,465
IRR = 24.37%	* (\$101,160 + \$670,306)

FINANCIAL INDICATORS

1919 SHERMAN AVENUE



Description Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Key Ratios and Multipliers					
Capitalization Rate	15.33%	15.91%	16.51%	17.13%	17.77%
Gross Rent Multiplier	4.72	4.68	4.63	4.59	4.54
Net Income Multiplier	6.66	6.54	6.43	6.32	6.21
Operating Expense Ratio	21.16%	20.54%	19.95%	19.36%	18.80%
Amounts per SF					
Gross Income	\$10.48	\$10.79	\$11.11	\$11.45	\$11.79
Expenses	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)
Loan Metrics					
Loan To Value Ratio	67.93%	65.87%	63.80%	61.74%	59.68%
Debt Coverage Ratio	2.74	2.85	2.95	3.07	3.18
Cash-On-Cash Measures					
Before-Tax	16.69%	17.95%	19.26%	20.61%	21.99%
After-Tax	16.69%	17.95%	19.26%	20.61%	21.99%

INVESTMENT RETURN ANALYSIS

1919 SHERMAN AVENUE



Description Year Ending	Year 1 05/2026	Year 2 05/2027	Year 3 05/2028	Year 4 05/2029	Year 5 05/2030
Cash Flow - To Date	\$76,761	\$159,353	\$247,953	\$342,739	\$443,899
Net Resale Proceeds	\$426,629	\$484,874	\$544,833	\$606,607	\$670,306
Invested Capital	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)	(\$460,000)
Net Return on Investment	\$43,389	\$184,228	\$332,786	\$489,347	\$654,205
Before Tax Calculations					
PV (NOI + reversion)	\$1,091,664	\$1,269,528	\$1,453,774	\$1,644,591	\$1,842,170
After Tax Calculations					
IRR	9.43%	19.73%	22.73%	23.90%	24.37%
Modified IRR	9.43%	18.34%	19.89%	19.86%	19.36%
NPV	\$43,389	\$184,228	\$332,786	\$489,347	\$654,205

DISCLAIMER

1919 SHERMAN AVENUE



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KELLER WILLIAMS INSPIRE

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PRESENTED BY:

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