REAL ESTATE AUCTION

LENDER DIRECTS SALE

The Riverfront Work Lofts Building

500 WEST CERMAK, CHICAGO, ILLINOIS



AUCTION

BENJ. E. SHERMAN & SONS™

AUCTION SERVICES GROUP

UNIQUE USER, INVESTOR OR DEVELOPMENT OPPORTUNITY

THE RIVERFRONT WORK LOFTS BUILDING

500 WEST CERMAK ROAD
CHICAGO, ILLINOIS





- **A CERTIFIED OR CASHIER'S CHECK IN THE AMOUNT OF 5% OF PURCHASE PRICE IS REQUIRED TO BID**

ZONING

PMD 11 (M3-4, Restricted Manufacturing District)

MARKET AREA

The property is located in the Cermak Road Bridge District two miles south of the CBD and just 3 blocks to the west of Chinatown. There is excellent access to highway transportation via the Stevenson Expressway (I-55) and the Dan Ryan Expressway (I-94) within a few blocks of the property.

PROPERTY FEATURES

- Multiple bay loading docks
- Off street parking area
- Recently tuckpointed
- Fully sprinklered
- Full Basement
- 800 amp electric service
- 1 passenger and 3 freight elevators
- Over $700,000 current annual gross income

PROPERTY DESCRIPTION

This architecturally significant building originally named the Thomson and Taylor Spice Building is situated on the northeast corner of Cermak Road and Lumber Street with approximately 360 feet of frontage on the South branch of the Chicago River. Chatten & Hammond a prominent Chicago architectural firm designed the building with construction beginning in 1911. The eight-story 308,694 square foot, multi-tenant, loft office building is constructed of masonry and steel. Floors one through seven are built-out for offices and the 8 floor is currently open loft space. The Riverfront Work Lofts Building sits on a prominent 1.275 acre riverfront site.

FINANCING

The Seller will provide financing for up to 80% of the purchase price to pre-qualified bidders. Loan application packages are available in the bidder package.





BIDDER PACKAGE INFORMATION

A comprehensive Bidder Package will be made available to purchase at the on-site inspections for $75.00 in a paper version or $25.00 for a CD. Bidder Packages may also be purchased by telephone by calling (312) 223-8324 or by faxing your order to (312) 223-8329. Bidder Packages will be sent via first class mail. For Federal Express overnight delivery, please include your Federal Express account number or add $35.00 per bidder package ordered.

VIEWING INFORMATION

The property will be open for inspection during the following scheduled on-site inspection dates and times. These inspections are an excellent opportunity to meet auction representatives and to tour the property.

ON-SITE INSPECTION DATES AND TIMES

Tuesday, October 11, from 1:00 p.m. to 3:00 p.m.
Wednesday, October 26, from 1:00 p.m. to 3:00 p.m.

DIRECTIONS

From I-90/94 northbound exit 22nd street/Chinatown, West on 22nd/Cermak Road, pass Canal, cross the bridge, and immediately turn right onto Lumber Street.

From I-90/94 southbound exit 18th street, proceed south to 22nd/Cermak Road, turn left on Cermak Road, east 2 blocks, turn left on Lumber Street.

SEALED BID SUBMITTAL DEADLINE

All bids must be submitted by 5:00 p.m.
Thursday, November 10, 2005 to the offices of:

Auction Services Group
2 N. LaSalle Street, 14th Floor
Chicago, IL 60602
Attn: Kelly T. Frank
312.223.8324





AUCTION SERVICES GROUP
— OF —
BENJ. E. SHERMAN & SONS™
established 1922

2 North LaSalle Street, 14th Floor
Chicago, Illinois 60602
Phone: 312.223.8324
Auction Line: 888.442.8008
Facsimile: 312.223.8329

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Permit No. 240

AUCTION TERMS AND CONDITIONS

BIDDER PACKAGE. The Bidder Package will contain the following information if available and/or applicable: auction information, Brochure with Auction Terms and Conditions, aerial photos, specimen Real Estate Purchase and Sale Agreement, Phase I Environmental Site Assessment, Rent Roll, Income and Expense Statement, Leases, Demographics, Financing Information, Survey, Rentable Square Footage Analysis, zoning information, real estate tax information, Bidder's Statement and Owner's Fee Title Insurance Commitment with applicable Schedule B2 Documents. Bidder Packages will be available to purchase for $75 each (paper version) or $25 each (CD version) by phone (312) 223-8324 or by fax (312) 223-8329. Bidder Packages will be sent via first class mail. For Federal Express overnight delivery, please include your Federal Express account number or add $35 per Bidder Package ordered. All information contained in the Bidder Package, the auction brochure and all other auction materials should be reviewed by each prospective bidder and their attorneys in advance of the auction. BENJ. E. SHERMAN & SONS™ ("BROKERS" AND/OR "AUCTIONEER") AND ALL LICENSEES ENGAGED BY OR ASSOCIATED WITH AUCTIONEER, REPRESENT THE SELLER IN THE SALE OF THIS PROPERTY.

CONDITION OF THE PROPERTY. The property is being sold on an AS-IS, WHERE-IS basis.

AUCTION PROCESS AND BIDDING PROCEDURES. The sale of this property will be conducted via Sealed Bid Auction. A certified or cashier's check in the amount of five percent (5%) of the purchase price is required to bid on this property. Checks should be made payable to Chicago Title & Trust. Only certified or cashier's checks made payable to Chicago Title & Trust will be accepted. No third party checks will be accepted. Sealed bids should be submitted to Auction Services Group 2 N. LaSalle St., 14th Floor, Chicago, IL 60602. All Sealed Bids must be received by Auction Services Group prior to the "Bid Submittal Deadline" of 5:00 pm CST November 10, 2005. Sealed Bids that are received after the Bid Submittal Deadline will not be considered and will be returned to the bidder unopened. Each bid must include the Real Estate Purchase and Sale Agreement, executed by the bidder; plus the required certified or cashier's check, made payable to Chicago Title & Trust as specified in the Real Estate Purchase and Sale Agreement, as initial earnest money. If the bidder is a corporation, limited liability company, partnership or trust a copy of the resolution authorizing the signing of the Real Estate Purchase and Sale Agreement must be included. This property is being offered with reserve, which means that all bids submitted are subject to seller's acceptance within seven (7) business days following the Bid Submittal Deadline. The sealed bids will be irrevocable during the seven (7) business days following the Bid Submittal Deadline. The selection of the successful bidder will be based on the highest and most qualified bid received, as determined by the seller in its sole and absolute discretion. The seller in its sole and absolute discretion reserves the right to request a best and final offer (BAFO). Bidders will be notified of seller's intent to solicit a BAFO by phone, facsimile or mail, in which case bidders will be given 48 hours to increase their bid. If a BAFO is requested, it will be incorporated by written amendment into the Real Estate Purchase and Sale Agreement. Bidders may not lower BAFO bids below their original amount, and their original bid will be irrevocable during the 48 hour BAFO time period whether or not any BAFO is offered or received. Failure to notify any bidder does not constitute acceptance of any bid by seller.

BUYER'S PREMIUM. All bidders will pay a premium equal to 4% of the high bid price. This amount will be added to the high bid price to determine the purchase price as provided in the Real Estate Purchase and Sale Agreement.

POST-AUCTION PROCEDURES. Seven (7) business days following the notification of seller's acceptance of bid, the initial earnest money MUST be increased by cashier's or certified check to ten percent (10%) of the purchase price. The sale will close on or before December 27, 2005, at which time the successful high bidder will pay the remaining balance of the purchase price. An Owner's Fee Title Insurance Policy will be provided by the seller through Chicago Title & Trust. The Real Estate Purchase and Sale Agreement will supersede all prior oral or written information. Unsuccessful bidders will be notified by telephone and/or, certified mail, by facsimile or via email in the event their bid is rejected. All certified or cashier's checks received with bids that are rejected will be returned to the bidder within three (3) business days of the acceptance of the high bid.

BROKER PARTICIPATION. Broker participation may be permitted under the following guidelines: A real estate commission equal to one percent (1%) of the high bid price will be paid to the duly licensed real estate broker acting as a Buyer-Agent whose registered prospect closes in accordance with the Real Estate Purchase and Sale Agreement. To be eligible for a commission the broker must (i) be currently licensed as a real estate broker in the state of Illinois, (ii) identify the prospect by name and address, acquire their prospect's signature confirming Buyer-Agent's arrangement on the broker's company letterhead, send the registration letter by certified mail, return receipt requested, to Auction Services Group, Inc. 2 N. LaSalle St., 14th Floor, Chicago, Illinois 60602, Attn: Robert Roggeveen. This letter must be received by Auctioneer prior to October 24, 2005 and prior to any on-site inspection of the property by their prospect, and lastly (iii) attend and register at a scheduled on-site inspection with the prospect. A broker will not be eligible to register a prospect that has had contact with the Auctioneer, seller or any of their related parties prior to receipt by Auctioneer of broker's registration letter. Eligible brokers will be sent an acknowledgment letter. There will be no commission paid to a broker if that broker is representing themselves, their company, another broker or salesperson in their company, or a member of the broker' family. An affidavit will be required to be signed by broker to certify that the broker is not acting as principal in any manner whatsoever. Broker, Auctioneer and seller offer no sub-agency to any broker or agent. **NO ORAL REGISTRATIONS WILL BE ACCEPTED AND THERE CAN BE NO EXCEPTIONS TO THIS BROKER REGISTRATION PROCESS.**

BROKERS WHO HAVE NOT MET ALL OF THESE REQUIREMENTS FOR BROKER PARTICIPATION WILL NOT BE PAID A COMMISSION EVEN THOUGH THE PROSPECT PURCHASES THE PROPERTY.

DISCLAIMER. INFORMATION CONTAINED IN THIS AUCTION BROCHURE AND THE BIDDER PACKAGE HAS BEEN OBTAINED FROM THE SELLER AND OTHER SOURCES DEEMED TO BE RELIABLE. HOWEVER, NEITHER THE SELLER, BROKER, AUCTIONEER, RELATED PARTIES NOR THEIR AGENTS MAKE ANY REPRESENTATIONS OR WARRANTIES AND HEREBY DISCLAIM ANY AND ALL ALLEGED REPRESENTATIONS AND WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THIS INFORMATION. ALL BIDDERS ARE DEEMED TO ACKNOWLEDGE THAT THEY HAVE HAD AN OPPORTUNITY TO INSPECT THE PROPERTIES AND ALL PERTINENT DOCUMENTS AND RELATED WRITINGS PRIOR TO MAKING BID(S), AND ALL BIDDERS ARE DEEMED TO HAVE RELIED SOLELY ON THEIR REVIEW AND UPON THEIR OWN INVESTIGATION AND INSPECTION IN MAKING THEIR BID(S). EACH PROSPECTIVE BIDDER MUST UNDERTAKE AND RELY ON HIS OR HER OWN INVESTIGATION OF THE PROPERTY AND DISCLAIMS ANY AND ALL RELIANCE UPON SAID INFORMATION.

Brokers and Auctioneer reserve the right, without prior notice, to postpone or cancel the auction in whole or in part, modify these Auction Terms and Conditions, withdraw the property before or at the auction, and to sell the property prior to the auction.

This is not an offering or solicitation to residents of any state where this offering is prohibited by law.

Benj. E. Sherman & Sons™, Inc., licensed Illinois Broker and Auctioneer. Illinois Auctioneers license number 044.0000177.

Kelly T. Frank, Robert Roggeveen, licensed Illinois Brokers and Auctioneers

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