



PRE-DEVELOPMENT PROCESS MAP

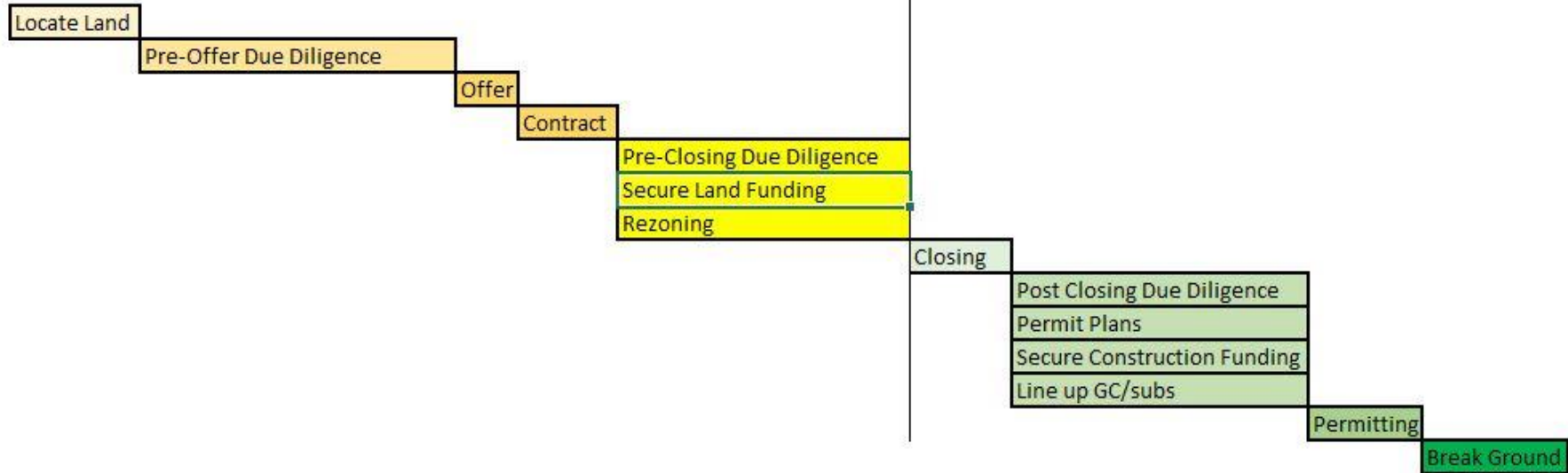




- The bulk of Real Estate Development lives in Pre-Development. This is where all the hard work happens that ensures that once you break ground on a project, everything goes smoothly and predictably.
- The Pre-Development Road Map walks you through the exact steps you need to take between finding land and breaking ground on any development project.
- Note: *This is specifically built for in-fill development. Raw land development requires additional due diligence steps not outlined here.*
- The Due Diligence is broken out into 3 Phases and the “Who:” section tells you what member of your team should be added and used for each phase. Below is another helpful illustration outlining the 3 Phases of Due Diligence a different way.



Pre-Development Road Map (Find, Value, Plan)



What:	Density Study Financial Analysis / Valuation	Survey Title Work Zoning Confirmation Confirm Density Study Geotech Testing Verify Utilities Phase I *	Topo, Additional Geo Testing Arch Civil* Structural* MEPs*	
				*Commercial Only
Who:	Architect Land Use Attorney	Surveyor Title Co / Attorney Soil Engineering Firm	Civil Engineer* Structural Engineer* MEP Engineer*	



3 PHASES OF DUE DILIGENCE

Pre-Offer

- Density Study
- Financial Analysis / Valuation

Pre-Closing

- Survey
- Title Search
- Zoning Confirmation
- Geotech Testing
- Confirm Density Study
- Verify Utilities
- Phase I

Post-Closing

- Topo, ALTA surveys
- Additional Geotech



Pre-Offer Due Diligence:

- Density Study: verify what “by right zoning” allows you to build on the site. How many units, size, height of building, parking requirements. Architect or Land Use Attorney can assist with this.
- Financial Analysis and Valuation: Based on Density Study determine A-Built Value of project, construction costs, exit strategy, and determine Max Land Offer

Offer: Based on Financial Analysis, make offer on land and secure contract.

Pre-Closing Due Diligence:

- Order a boundary survey from a surveyor.
- Order title work from your attorney or title company.
- Confirm your zoning assumptions that you made during Density Study.
- Perform soil testing. A local Geotech Engineering firm typically helps here. Some civil engineering firms do this as well.
- Verify that utilities exist at the street.
- For commercial parcels you may be required to do a Phase I Environmental Study

Closing: If all Pre-Closing Due Diligence looks good, proceed to close.

Post-Closing Due Diligence: Typically, after closing on the lot, we may spend some additional money on surveying and engineering that will be required for permit plans.

- Topographical survey and ALTA (for commercial developments)
- Additional geo-testing required by structural engineer



ADDITIONAL RESOURCES

Free Real Estate Development Training:

www.RehabValuator.com/developers

Cashflow Developer Academy

(structured A-Z training, Resources Library, Developer Community, Mentoring):

www.RehabValuator.com/CDA