

Due Diligence Checklist
Addresses: 3619, 3621-25 and 3633 West Villard Avenue

<p>The commissioner's assessment of the market value of the property.</p>	<p>The Properties at 3619, 3621-25 and 3633 West Villard Avenue have a combined area of approximately 17,231 SF. The properties consist of a vacant lot, a vacant building and an adjoining parking lot that is in poor condition. The Properties are being sold "as is, where is," without any guarantees. The Properties are zoned LB2 or Local Business and are located within the Villard Avenue Business Improvement District No. 19 and the Old North Milwaukee Neighborhood.</p> <p>The purchase price for the Properties is \$20,000.</p>
<p>Full description of the development project.</p>	<p>The Buyers proposes to assemble the City-owned properties with two privately owned properties located at 3611 and 3615 West Villard Avenue to construct a new four-story, mixed-use housing development. The building will have approximately 43 residential units comprising of one, two and three-bedroom units.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The proposed floor plan and site plan are provided in the Land Disposition Report.</p>
<p>Developer's development project history.</p>	<p>Index Development Group, LLC, was formed in 2016. The partners are recent graduates of the Associates in Commercial Real Estate ("ACRE") Program. ACRE is a partnership among the City of Milwaukee, Marquette University and the Local Initiatives Support Corporation ("LISC") to increase minority representation in the local real estate field. The Buyer is partnering with Brinshore Development, LLC.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated construction costs are approximately \$9.7 million. The project will be financed in part through federal low-income housing tax credits allocated by WHEDA. Additional funding will be provided through conventional financing, along with exploring available City funding resources.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable.</p>
<p>List and description of project risk factors.</p>	<p>If the properties remain vacant, the deferred maintenance and costs to cure will continue to negatively affect growth on neighboring businesses. These factors will serve as an impediment on efforts to redevelop the Properties and revitalize the Villard Avenue commercial corridor.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyers anticipates investing \$9.7 million in the project. The Property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyers or its successors from applying to the City for tax-exempt property status.</p>