

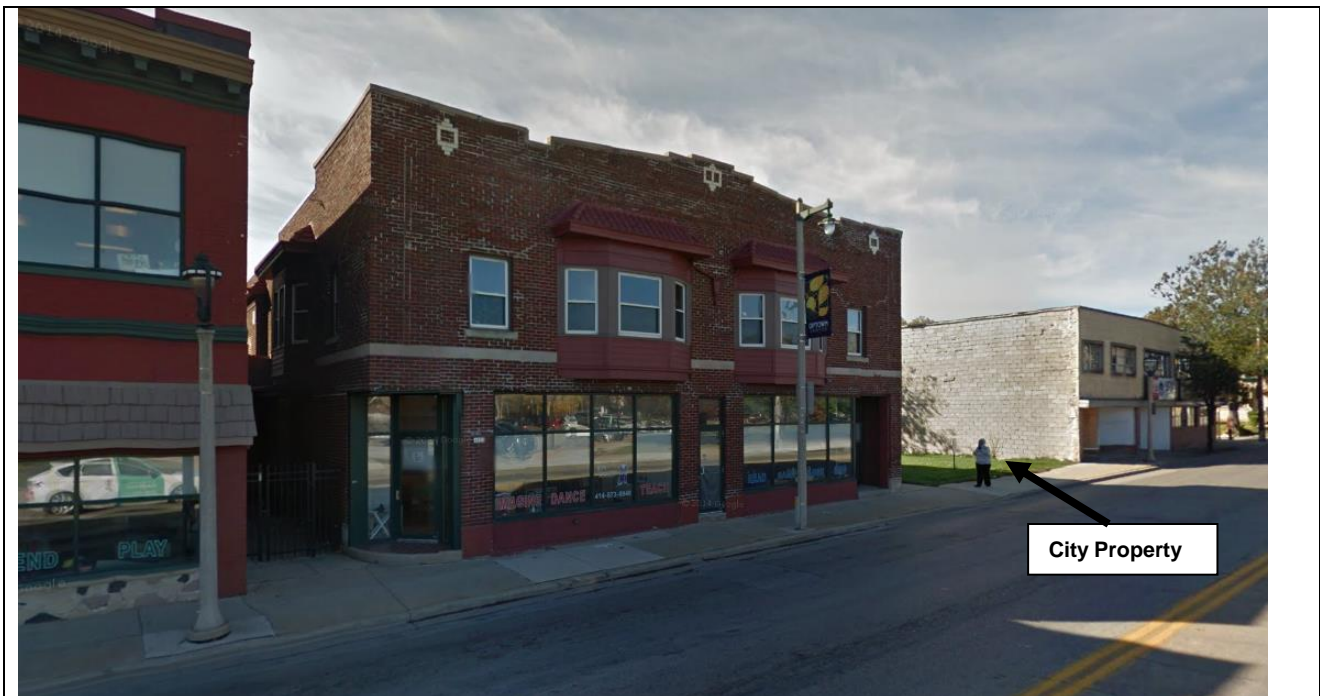
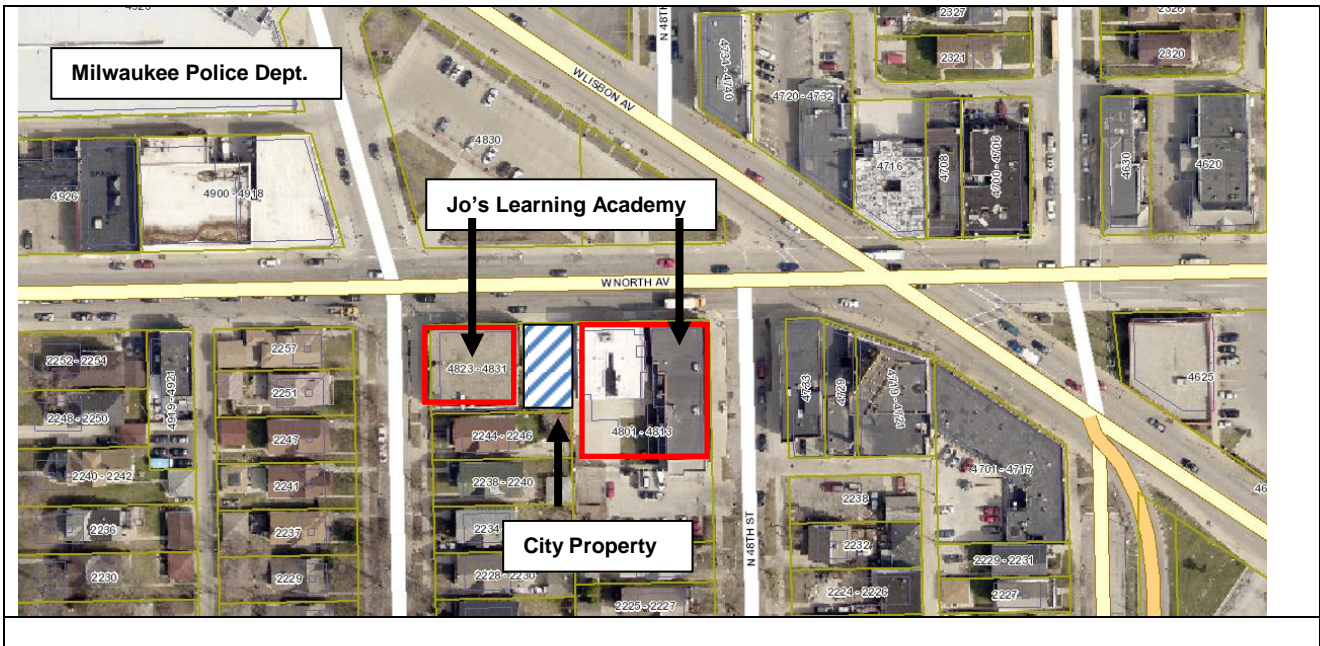
**LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE

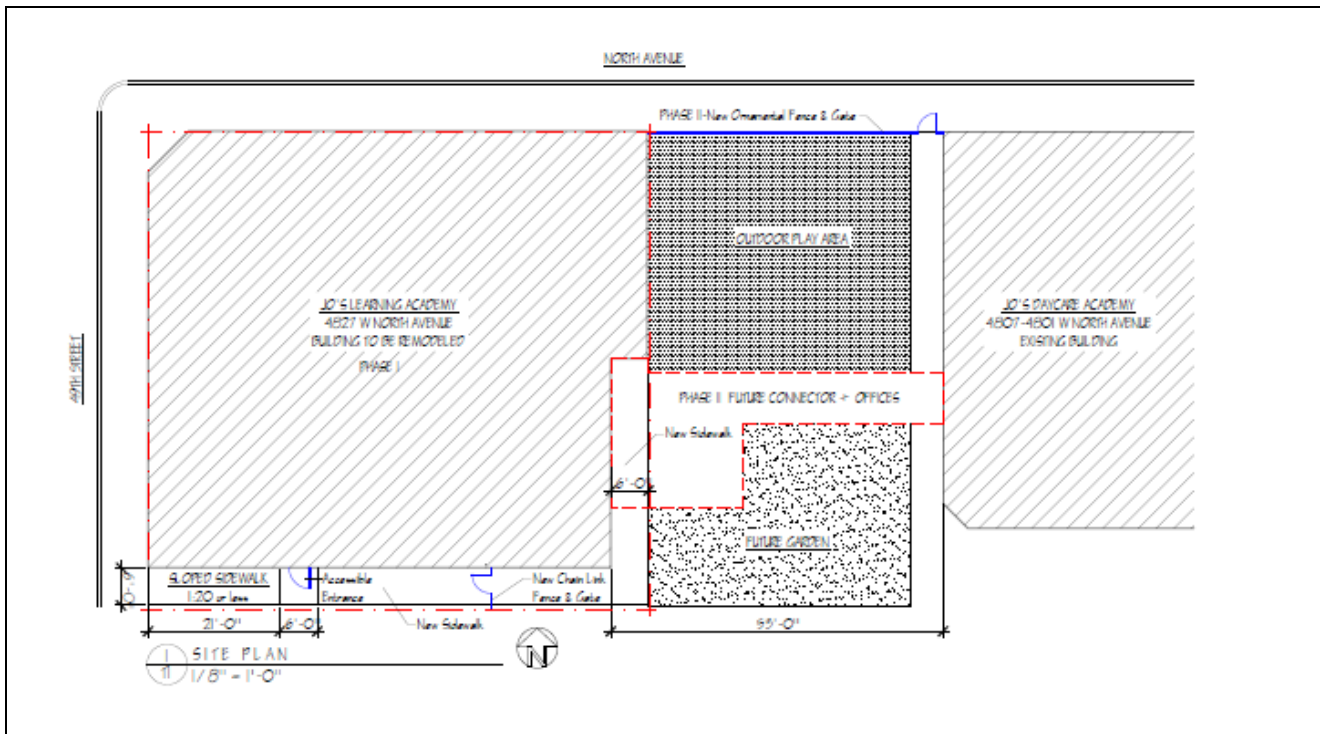
June 23, 2015
DCD Yves LaPierre

PROPERTY

4815 West North Avenue: A 3,052 square-foot vacant lot. The property was acquired through tax foreclosure in February, 2011.



JO'S LEARNING ACADEMY BUILDINGS AND CITY VACANT LOT



JO'S LEARNING ACADEMY SITE PLAN

BUYER

S. Price Real Estate Holdings, LLC, owner of the two buildings that adjoin the City vacant lot. Both adjoining buildings have undergone extensive renovations. S. Price Real Estate Holdings, LLC is located at 4801 West North Avenue and runs Jo's Learning Academy, which is housed in the adjoining buildings. Jo's Learning Academy has been in business at this site for 18 years and employs 10 people. This expansion will allow Jo's to hire another 10 employees.

PROPOSED DEVELOPMENT

City vacant lot will be developed with an outdoor play area and garden. A one-story connector will be constructed to allow access between the two buildings. The North Avenue property line will be landscaped with trees, shrubs and ornamental fencing.

Total project budget is \$75,000 and will be funded with Buyer's equity and financing.

OFFER TERMS AND CONDITIONS

The purchase price is \$500. A Purchase and Sale Agreement will be executed with the Buyer to outline performance obligations and assure satisfactory compliance through reversion of title power. A Certificate of Occupancy must be provided within 12 months following closing as evidence of satisfactory redevelopment and conformance with City code. An \$1,000 performance deposit will be required. The City shall provide the Buyer with its Historic Land Use Investigation, rather than provide an independent Phase I environmental site assessment. Conveyance will be by quit claim deed on an "as is, where is" basis with a deed restriction prohibiting tax-exempt status. The sale proceeds, less sales and marketing expenses and a 30 percent disposition fee payable to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.

DUE DILIGENCE CHECKLIST**ADDRESS: 4815 WEST NORTH AVENUE**

Market value of the property.	Property is a 3,052 square-foot vacant lot acquired by the City in 2011 through property tax foreclosure. The property is in the Uptown Neighborhood in the 15th Aldermanic District. The Property is being sold "as is, where is," without any guarantees. Sales price for the property is \$500 based on previous sales of similar sized lots, limited development potential and Buyer's proposed investment.
Full description of the development project.	The Buyer, S. Price Real Estate Holdings, LLC ("Price"), submitted an unsolicited offer for the lot. Price owns the two adjoining properties. Purchase of the City lot will allow Price to connect its two buildings and create play areas and a garden for its tenant, Jo's Learning Academy. The estimated development costs are \$75,000.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	S. Price Real Estate Holdings, LLC owns the two buildings adjoining this property and has invested heavily in their renovation.
Capital structure of the project, including sources, terms and rights for all project funding.	S. Price Real Estate Holdings, LLC will fund the project with its own equity and financing.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	DCD staff determined that there is very low risk in selling the property to this Buyer. The sale of this lot will add stability and value to the two adjoining buildings currently owned by S. Price Real Estate Holdings, LLC. And, the landscaping of the lot will help beautify the block.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Buyer, its assignee or its successors from applying to the City for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls. Sale of the City-owned lot will increase the value of the full redevelopment of this block of North Avenue and add taxable value.