

## Due Diligence Checklist

**Addresses: 310 West Locust Street, 2971-75 and 2977-79 North Dr. Martin Luther King Jr. Drive**

<p>The Commissioner's assessment of the market value of the property.</p>	<p>310 West Locust Street was acquired by the City of Milwaukee ("City") between 1968-70 to construct the current home of the Dr. Martin Luther King Jr. Library. 2971-75 and 2977-79 North Dr. Martin Luther King Jr. Drive were acquired through property tax foreclosure. The Properties zoned LB2 or Local Business and located within the Harambee Neighborhood.</p> <p>The combined purchase price for the properties is \$3.00. The library at 310 West Locust Street is 52 years old. The property at 2971-75 North Dr. Martin Luther King Jr. Drive is a vacant lot, the building at 2977-79 North Dr. Martin Luther King Jr. Drive is a former tavern and has considerable deferred maintenance, including a leaking roof, defective electrical and defective plumbing. It is a demolition property.</p>
<p>Full description of the development project.</p>	<p>The Developer shall raze the buildings located on the City Parcels and partially raze the building located on the Church Parcels.</p> <p>The Developer has an accepted offer to purchase for the Church Parcels that will be combined with the City Parcels with a Certified Survey Map ("CSM") creating two lots that together represent the Project Site. Recording of the CSM is contingent upon Developer obtaining ownership of and paying the delinquent property taxes on the Church Parcels.</p> <p>The Project Site will be home to the new Martin Luther King Jr. Milwaukee Public Library, 15 three-bedroom units, 40 two-bedroom units and 38 one-bedroom units totaling 93 residential units, approximately 124 on-site parking spaces, bicycle parking, free internet, community room, laundry room, computer center, storage units, exercise room and onsite leasing office. The residential units will be available for veterans, supporting housing, families, workforce housing and professionals. Developer will also install new landscaping, where applicable, around the perimeter of the Project Site in accordance with the Milwaukee Code of Ordinances 295-405.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>Please see Land Disposition Report that is part of this file.</p>
<p>Developer's development project history.</p>	<p>General Capital Group, LLP was founded in 1996. The firm's core business is the development, acquisition, and management of high-quality office, industrial, retail and residential properties (market rate and affordable), with an emphasis on build-to-suits.</p>

	<p>EMEM Group, LLC is a Milwaukee based real estate firm. Michael Emem is a known leader in the built industry with over 17 years' experience in architectural design, construction management and real estate development. He has a demonstrated ability to oversee projects of various types, and with over 50 new homes built and another 60 homes rehabbed, has played a key role in the revitalization of Milwaukee's inner-city neighborhoods.</p>
Capital structure of the project, including sources, terms and rights for all project funding.	<p>The estimated budget is \$37,200,000. The proposed financing structure includes equity from low income housing tax credits, WHEDA tax exempt bond financing, American Recovery Plan Act funds allocated by the State of Wisconsin, Milwaukee Housing Trust Funds, Tax Incremental Financing, deferred developer fees and other grants and loans.</p>
Project cash flows for the lease term for leased property.	<p>Not applicable.</p>
List and description of project risk factors.	<p>Approval delays may add significant costs and shortfalls to the development and delay construction of the new library.</p>
Tax consequences of the project for the City.	<p>The overall development, with the exception to the new library, will be fully taxable.</p>