

Due Diligence Checklist

Addresses: 1940-48 North Dr. Martin Luther King Jr. Drive and 227R West Brown Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>Vacant lots with a combined total of 11,250 SF zoned LB2. The Properties at 1940-48 North Dr. Martin Luther King Jr. Drive were acquired through award of damages in May of 1986. The property at 227R West Brown Street was acquired by Warranty Deed in October of 1984. The combined Properties are being sold "as is, where is," including all environmental and geotechnical conditions, without any guarantees.</p> <p>The purchase price for the Properties is \$40,000.</p>
<p>Full description of the development project.</p>	<p>The Buyer proposes to build a new three-story state-of-the-art medical office building (12,864 SF), with four residential units on the upper level and 15 parking spaces in the rear of the building. Dr. Mexton Deacon plans to operate his podiatry practice, Milwaukee Advanced Foot and Ankle Clinic, on the first and second floors of the building. Dr. Deacon currently operates his practice in rented space in Wauwatosa. The four parcels will be combined by certified survey map for the proposed development.</p> <p>The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the Land Disposition Report. Closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>See Land Disposition Report.</p>
<p>Developer's development project history.</p>	<p>Scott Crawford, Inc., headed by ACRE graduate Que El-Amin, has assembled a development team consisting of Continuum Architects and JCP Construction. Continuum has over 20 years experience consisting of over 670 projects and JCP Construction has 30 years of experience.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The Buyer is working with Tri-City Bank to finance the \$2 million project with a combination of conventional debt, subordinate debt, deferred developer's fee and owner equity.</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>Closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$2,000,000 in the project. The property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.</p>