

Due Diligence Checklist
Address: 1104 West Historic Mitchell Street

<p>The commissioner's assessment of the market value of the property.</p>	<p>The Property at 1104 West Historic Mitchell Street is being sold "as is, where is," without any guarantees. The Property is zoned LB2 or Local Business. The single-tenant space was previously occupied by a retail sporting goods store.</p> <p>The purchase price for the Property is \$10,000. The building has considerable deferred maintenance, including a leaking roof and defective electrical and plumbing. The leaking roof has negatively affected the interior of the building.</p>
<p>Full description of the development project.</p>	<p>Ryan Pattee (the "Buyer") seeks to purchase the City commercial building to repurpose the space for an artist studio. On February 15, 2016, the Buyer acquired a vacant City-owned commercial building at 2433 West National Avenue in the 8th Aldermanic District. Upon completion of all repairs, the Buyer attracted numerous artists seeking space.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>No facade modifications are planned at this time. The Buyer understands that any changes or modifications to the exterior facade will require approval from the City of Milwaukee Historic Preservation Commission.</p>
<p>Developer's development project history.</p>	<p>The Buyer has ownership of and operates several City commercial properties, including 4828 West Lisbon Avenue and 4716 West Vliet Street.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated renovation and improvement costs are \$122,750. The Buyer is considering conventional financing, private investors and/or personal equity, while also exploring available City grants that may be applicable.</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 building remains vacant, the deferred maintenance and costs to cure will continue to increase. Continued vacancy of the building will serve as a drag on efforts to redevelop the Property and Historic Mitchell Street.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$122,750 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>