

Due Diligence Checklist
Address: 2623-25 West Fond du Lac Avenue

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The "Property" at 2623-25 West Fond du Lac Avenue is a 4,293 SF two-story, vacant mixed-use building, with a lot area of approximately 4,610 SF, which was built in 1912. The City of Milwaukee acquired the Property on January 5, 2015 through property tax foreclosure. The purchase price is \$5,000, which factors in the building's overall condition. The property is being sold "as-is, where-is," without any guarantees. The Property is in the Park West neighborhood in the 15th Aldermanic District.</p>
<p>Full description of the development project.</p>	<p>The Buyer seeks to expand the business footprint for two active retail businesses adjacent to the Property. The Buyer also plans to add parking, landscaping and exterior improvements on the two commercial buildings. The estimated site renovation costs are not expected to exceed \$110,000.</p>
<p>Complete site, operations and scope of work for redevelopment.</p>	<p>Please see the Land Disposition Report for details.</p>
<p>Developer's project history.</p>	<p>This will be the Buyer's fifth development project in the City of Milwaukee. Fryerz, LLC has provided retail services at this location for over 10 years.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated renovation costs will be through personal funds and "sweat equity" on the expansion project. The Buyer has an experienced general contractor and environmental firm overseeing the improvements to the Property.</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>DCD staff determined that there is no foreseen risk in selling the Property to this Buyer. Staff determined removing this building will relieve parking congestion and will fill an abandoned underground vault located within the public right-of-way. The expansion project also will eliminate continued deferred maintenance on the Property.</p>
<p>Tax consequences of the project for the City.</p>	<p>The deed of conveyance will contain a restriction prohibiting the Buyer from applying to the City of Milwaukee for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be used as part of a business expansion to increase the property taxes on the adjacent commercial property.</p>