

Due Diligence Checklist
Address: 8940 North Michele Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The "Property" at 8940 North Michele Street is being sold "as is, where is," without any guarantees. The Property is zoned RM3 or Residential Multi-Family. The two-story, eight-unit building was previously occupied by as an apartment building.</p> <p>The purchase price for the Property is \$150,000. The building has minor deferred maintenance, including minor roof issues.</p>
<p>Full description of the development project.</p>	<p>The Buyer's renovation scope of work includes a total interior rehab of all units, including, but not limited to, electrical and plumbing upgrades, bathroom vanities, new mechanicals, new flooring, new doors, painting, window replacement, security systems and ceiling work. Exterior repairs include power washing of brick work as needed, minor roof repair, tuck-pointing, new asphalt driveway, new sidewalk, garbage enclosure for dumpsters, security cameras, doors, signage and landscaping features.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>Facade modifications will include new doors, window replacements, sidewalks, asphalt driveway, dumpster enclosure and landscaping features.</p>
<p>Developer's development project history.</p>	<p>Berrada Properties Management Inc. ("Berrada Properties") is wholly owned by Youseff "Joe" Berrada. Berrada Properties will assign its right to purchase the Property to an LLC to be formed that will be wholly owned by Mr. Berrada. The newly formed LLC will assume Berrada Properties' obligations under the Purchase and Sale Agreement. Mr. Berrada has more than 20 years of experience in the rental property industry, which includes property management, tenant screening, evictions and landscaping services.</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 \$75,000. The Buyer is considering conventional financing and/or personal equity to finance the renovations. Some of the renovation work will be completed by some of the Buyer's affiliated companies.</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.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$75,000 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>