

Due Diligence Checklist
Address: 5372 North 37th Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>Surplus Milwaukee School at 5372 North 37th Street ("Property"), 152,240 square foot building constructed in 1928 on a 4.06 acre site. The Property has been vacant since 2008. The property is being sold "as is, where is," including all environmental and geotechnical conditions, without any guarantees.</p> <p>Appraised Value as of 2017 was \$1,550,000 for education use. The Property was not appraised for adaptive re-use.</p> <p>Purchase Price-\$600,000 due at closing.</p>
<p>Full description of the development project.</p>	<p>Edison Middle School Redevelopment as proposed by Gorman & Company, LLC ("Gorman") will feature 64 apartment units in the former school building and new construction of 11 townhomes on the site. Estimated unit mix is: 32-one bedroom units, 32-two bedroom units and 11 three bedroom units. Surface parking will be provided on 102 spaces.</p> <p>Gorman ("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 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>Gorman has a long history of successfully completing redevelopment projects. Other Gorman projects in the Milwaukee area include the redevelopment of the 5th Street School, Sherman Park Commons, Washington Park Townhomes, Blue Ribbon Lofts, Brew House Inn & Suites, Kilbourn Lofts and Frederick Lofts.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated scope of work for the Property is estimated at \$20 million. Gorman's project funding will be a combination of conventional debt, tax credit equity, historic tax credit equity, Developer equity and Affordable Housing Finance Funds from the Federal Home Loan Bank.</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 Buyer obtaining all necessary approvals and financing.</p>
<p>Tax consequences of the project for the City.</p>	<p>Gorman anticipates investing \$20 million 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>