

Due Diligence Checklist  
Address: 4270-72 South Howell Avenue

<p>The commissioner's assessment of the market value of the property.</p>	<p>The Property at 4270-72 South Howell Avenue is being sold "as is, where is," without any guarantees. The Property is zoned LB2 or Local Business. The building is a single-story building, with two commercial units.</p> <p>The purchase price for the Property is \$75,000. The building has been vandalized and has considerable deferred maintenance that has negatively affected the interior of the building.</p>
<p>Full description of the development project.</p>	<p>The Buyer is seeking a larger restaurant space to move and expand the Kwik Wok restaurant. Renovation activity will include: interior restaurant build-out, removal of one curb cut along South Howell Avenue, new signage and landscaping.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The proposed floor plan and site plan are provided in the Land Disposition Report.</p>
<p>Developer's development project history.</p>	<p>Marwan Otallah has owned and operated restaurants since 1998. The Buyer currently owns and operates the Yum Yum and Kwik Wok restaurants at 4125 South Howell Avenue. These restaurants provide a mix of Chinese and Mediterranean dishes.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The renovation costs are approximately \$294,500. The Buyer is considering conventional financing and/or personal equity, along with 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.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$294,500 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>