

Due Diligence Checklist
Address: 2600 West Vliet Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>2600 West Vliet Street, a 1,460 SF one-story vacant building constructed in 1948 with a lot area of approximately 2,226 SF. The City of Milwaukee acquired the property in March, 2010 through tax foreclosure. The property is in the Midtown neighborhood in the 15th Aldermanic District. The purchase price for the property is \$7,500, which factors in the building's overall condition. The property is being sold "as is, where is" without any guarantees.</p>
<p>Full description of the development project.</p>	<p>The Buyer, Sukhjinder "Max" Singh, of JOT Real Estate Investment, LLC, proposes interior and exterior improvements to lease the commercial space for retail use. The estimated renovation costs are not expected to exceed \$50,000.</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>JOT Real Estate Investment, LLC purchased, renovated and operates Max's Vliet Street Market, a neighborhood retail grocery store on the south side of the block at 2631 West Vliet Street. The Buyer also has other family members operating businesses in Milwaukee and Racine, Wisconsin.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated renovation costs will include personal funds and "sweat equity" towards the project. The Buyer also provided a letter from its financial institution to demonstrate adequate funding in its personal account for purchase and rehabilitation.</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. The Buyer has purchased and renovated a building across the street from the subject property and staff believes renovating this building will add stability and value to the neighborhood.</p>
<p>Tax consequences of the project for the City.</p>	<p>The deed of conveyance will contain a restriction prohibiting the Buyer, its assignee or its successors, from applying to the City of Milwaukee for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls.</p>