

**LAND DISPOSITION REPORT AND DUE DILIGENCE CHECKLIST
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE

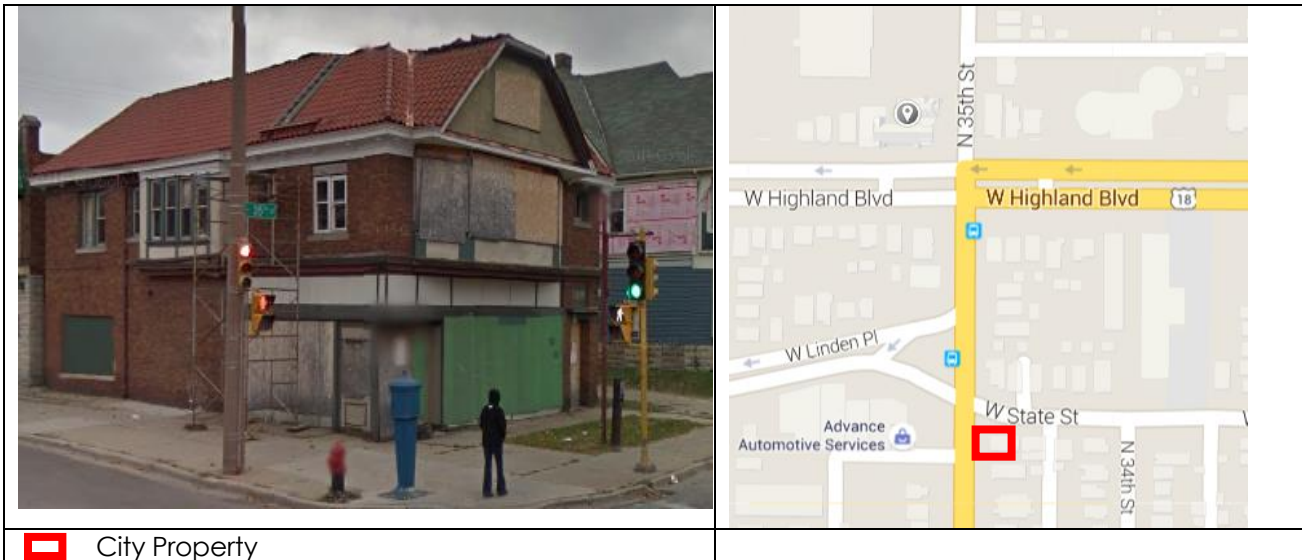
March 29, 2016

RESPONSIBLE STAFF

Yves LaPierre, Program Manager, Department of City Development

PROPERTY

964 North 35th Street: A 3,240 square-foot, mixed-use building. The building is on a 4,133 square-foot lot located in the Historic Concordia neighborhood. The property was acquired through tax foreclosure in December of 2013.



BUYER

Near West Side Partners, Inc. ("NWSP") is dedicated to revitalizing the near west side of Milwaukee. NWSP is working on several plans for the area, and this will be one of its major projects.

PROPOSED DEVELOPMENT

Full renovation of the building based on the existing first floor commercial space and upper level residential space, along with appropriate landscaping. Exterior renovations will be done in an historically appropriate manner. NWSP will work to find tenants that will have a positive impact on the neighborhood. The total project renovations are projected to be in excess of \$250,000. The project will be financed with funds raised by NWSP.

OFFER TERMS AND CONDITIONS

The purchase price is \$15,000. A Purchase and Sale Agreement will be executed with NWSP to outline performance obligations and assure satisfactory compliance through reversion of title power. A Certificate of Occupancy must be provided within eighteen months following the closing as evidence of satisfactory redevelopment and conformance with City of Milwaukee ("City") code. Conveyance will be by quit claim deed on an "as is, where is" basis, with a deed restriction prohibiting tax-exempt status. The sale proceeds, less sale and marketing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.

DUE DILIGENCE CHECKLIST**ADDRESS: 964 NORTH 35TH STREET**

Market value of the property.	The property is a 3,240 SF blighted building acquired by the City in 2013 through property tax foreclosure. The property is in the Historic Concordia neighborhood in the 4th Aldermanic District. The property is being sold "as is, where is," without any guarantees. The property was marketed for \$15,000 in 2015. The sales price for the property is based on its deteriorated condition and sales prices for similar buildings sold by the City.
Full description of the development project.	Full renovation of the building's first floor commercial and upper level residential spaces, along with appropriate landscaping. Appropriate tenants will be found at end of renovations. The total project budget will be in excess of \$250,000. The development team brings experience in renovating distressed properties and finding commercial tenants in the Near Westside neighborhood.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	NWSP has a development team headed by local developer Rick Wiegand, architect Brian Scotty and contractor Greenfire Management Services LLC. All three have extensive experience working on projects on the Near Westside neighborhood.
Capital structure of the project, including sources, terms and rights for all project funding.	NWSP will rely on funds contributed by Milwaukee County, the NWSP Challenge Fund and private financing to underwrite the renovation of 964 North 35th Street.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Department of City Development staff determined that there is low risk in selling the property to NWSP, based on the experience of its development team and committed funds. The renovation of this building will remove a blighting influence from the area and will add stability and value to the Historic Concordia neighborhood.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Buyer, its assignee or its successors from applying to the City for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls.