

DUE DILIGENCE CHECKLIST

Address: 827-29 East Brady Street

<p>The commissioner's assessment of the market value of the property.</p>	<p>The Property at 827-29 East Brady Street is being sold "as is, where is," without any guarantees. The Property was acquired through property tax foreclosure in 2012.</p> <p>The purchase price for the Property is \$54,100. The building's leaking roof and considerable deferred maintenance has negatively affected the interior of the building.</p>
<p>Full description of the development project.</p>	<p>The Buyer proposes to renovate the interior of the building to create two studio apartments, an one-bedroom apartment and a 430 SF commercial space. The Buyer plans to provide an electric range, refrigerator, dishwasher and stacked washer and dryer in each residential unit. The one-bedroom residential tenant(s) also will have access to a new wood roof deck.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>The Buyer understands that the building is located in the Brady Street Historic District, which has both local and national historic designations. The Buyer has obtained a Certificate of Appropriateness for much of the exterior renovations and also is seeking Historic Preservation Commission approval for the proposed additions in the rear of the building.</p>
<p>Developer's development project history.</p>	<p>Russell Drewry and John Miceli formed a limited liability corporation known as Peperoni Cannoli LLC (the "Buyer"). Mr. Drewry is the Associate Vice President at HGA Architects and Engineers and was formally the President of the Brady Street Association. Mr. Miceli is a Vice President with Epstein Uhen Architects, where he is completing a 2nd "Scattered Sites" project, with Brinshore and Maures Development, involving the rehab of 26 City-owned single-family and duplex foreclosures in the Harambee and Lindsay Heights Neighborhoods. His civic involvement has included serving on the Journey House Board for the past 13 years and more recently on the Clarke Square Neighborhood Initiative Board.</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 \$335,000. The Buyer is considering conventional financing, private investors and/or personal equity, while exploring available City grants that may be applicable. The Buyer is evaluating the project eligibility for federal and state historic tax credits for this project.</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 \$335,000 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>