

Due Diligence Checklist  
Address: 4313-15 West Fond du Lac Avenue

The Commissioner's assessment of the market value of the property.	The property at 4313-15 West Fond du Lac Avenue is being sold "as is, where is" without any guarantees. The property was used as a tavern from 1935 to 2005. A daycare was the most recent use in 2010. The City of Milwaukee acquired the property in July, 2009 through tax foreclosure. The City's Listing Price was \$50,000. The purchase price is \$20,000, which factors in the building's overall condition.
Full description of the development project.	The Buyer proposes to renovate and operate a full-service daycare facility. Buyer may change plans to a retail use with market-rate apartments on the upper level. The estimated renovation costs are \$55,000.
Complete site, operations and scope of work for redevelopment.	Please see the Land Disposition Report for details.
Developer's project history.	Ms. Yashica Spears and Mr. Maurice Wince have successfully renovated and managed several rental properties purchased from the City of Milwaukee for investment purposes.
Capital structure of the project, including sources, terms and rights for all project funding.	The Buyer's estimated renovation costs of \$55,000 will include personal funds and "sweat equity" towards the project. No City funding assistance is being requested. Spring Bank is the participating lender for the Buyer's project.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	DCD staff determined if the building remains vacant, the deferred maintenance and costs to cure would be minimized if the property was sold. Staff believes sale and renovation of this building will increase stability and value to the commercial corridor.
Tax consequences of the project for the City.	The Buyer plans to invest \$75,000 into the project. The property will be fully taxable. The deed of conveyance will contain a restriction prohibiting the Buyer, assignees or successors from applying to the City of Milwaukee for tax-exempt property status. Thus, a vacant, tax-exempt building will be returned to the property tax rolls.