

Due Diligence Checklist

Address: 4116 West Silver Spring Drive former Carleton School

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The former MPS Carleton School located at 4116 West Silver Spring Drive (the "Property"). The Property was declared surplus in 2012 and has been vacant since 2005. The building has 53,000 SF on a 3.5-acre parcel. It was built in 1927, with several additions through 1970. The Property is being sold "as is, where is," including all environmental and geotechnical conditions, without any guarantees.</p> <p>The purchase price for the Property is \$220,000, based on the appraised value on March 23, 2016. Asbestos is present and MPS identified \$356,676 in deferred maintenance.</p>
<p>Full description of the development project.</p>	<p>The Property is in below average condition and the Buyer plans to spend approximately \$16,000,000 on the purchase and renovations to create apartment and townhome units.</p> <p>The Buyer understands that the proposed project may require certain City approvals in addition to the approval of the Land Disposition Report. Closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>See the Land Disposition Report. The exterior of the building will not be changed, except for the possible addition of an elevator tower.</p>
<p>Developer's development project history.</p>	<p>AndersonWebb LLC and Wisconsin Redevelopment, LLC (jointly referred to as "Buyer") will partner with Continuum Architects and Planners on the proposed renovations.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated purchase/renovation cost for the Property is \$16,000,000. Funding will be a combination of conventional debt, tax credit equity, historic tax credit equity and Developer equity. The Developer intends to apply for tax incremental financing.</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>Closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$16.0 million 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>