

DUE DILIGENCE CHECKLIST
ADDRESS: 4132 NORTH HOLTON STREET

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| The Commissioner's assessment of the market value of the property. | 4132 North Holton Street (the "Property") consists of a vacant 3.7 acre brownfield site located in the Estabrook Park Neighborhood. The Property is zoned IL2 or Industrial. It was acquired through property tax foreclosure in 2012 and the blighted brownfield property was transferred to the Redevelopment Authority. Due to the current brownfield conditions, the purchase price is \$1.00. |
| Full description of the development project. | <p>4132 Holton LLC is proposing to construct a new 73,000 square foot state-of-the-art manufacturing facility for Spike Brewing LLC, of which Spike will occupy about 50,000 square feet. The remaining portion of the building will be rented out temporarily, with the long-term plan to have Spike take over the full building as the business continues to grow. The larger building will allow the company to implement three new production lines immediately: an electrical panel assembly department, a CNC tube bending line as well as a commercial fermenter production line. The company estimates the new production lines will allow the addition of 15-20 new employees over the next three years.</p> <p>The heavy emphasis on glass as opposed to solid walls is a unique feature of the building. The lot is tucked back near the Milwaukee River, giving its employees some great views of green space. The Buyer's goal is to have the building be 100 percent solar powered. The building will also have a cutting edge test brewery, where Spike plans to host classes to teach the local community about brewing beer at home.</p> |
| Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment. | (See Land Disposition Report) |
| Developer's development project history. | Ben Caya is the owner and founder of 4132 Holton LLC and Spike Brewing LLC. Mr. Caya founded Spike in 2011 in his college basement and currently employs 25 FTE and rents 24,000 square feet in the Riverworks neighborhood. |
| Capital structure of the project, including sources, terms and rights for all project funding. | The estimated renovation cost is \$9,000,000. The Buyer's capital stack includes New Market Tax Credits, conventional financing and a Redevelopment Authority revolving loan fund. |
| Project cash flows for the lease term for leased | Not applicable. |

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| List and description of project risk factors. | The Property has residual contamination that will require the Buyer to seek approval from regulatory agencies prior to any land disturbing activity and development at the Property. |
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| Tax consequences of the project for the City. | The Property will be fully taxable. The deed of conveyance will contain a restriction prohibiting tax-exempt property status. |