

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

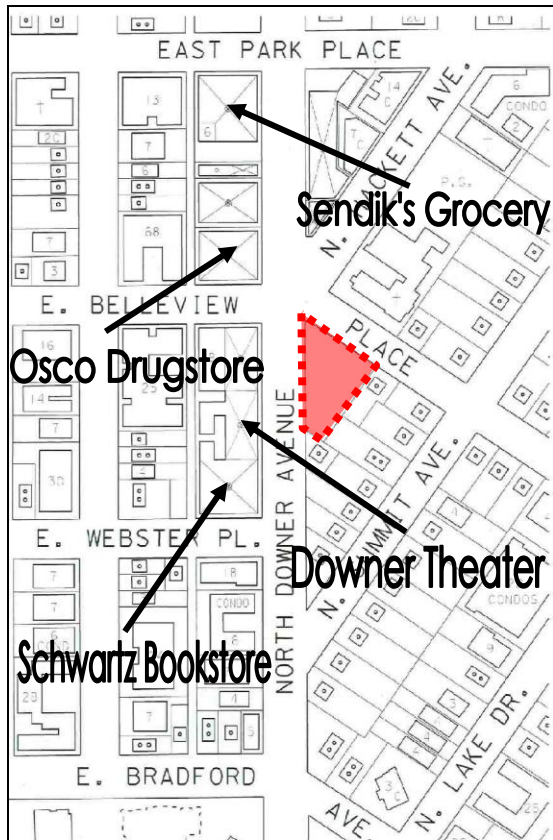
DATE April 17, 2007

RESPONSIBLE STAFF

Joel Brennan (286-5821)

PROPERTY

2574-90 North Downer Avenue. A triangular lot with approximately 16,517 SF. The site has frontage of about 200 feet of along Downer Avenue and 150 feet on Belleview Place. Located in the North Downer Avenue local historic district.



BUYER

DAPL, LLC, owned by New Land Enterprises, LLP ("NLE") and Van Buren Management, Inc ("VBM"). NLE, whose president is Boris Gokhman, has constructed several mixed-use buildings in the Milwaukee area over the past 15 years. They are currently completing the CityGreen project near downtown Milwaukee. Joel Lee, president of VBM, is the owner and developer of several downtown office buildings such as 788 North Jefferson Street and Cathedral Place. Together, NLE and VBM are finalizing plans for a complete redevelopment of Downer Avenue, including restoring existing buildings, constructing new condominium units and a hotel and providing new streetscaping along the retail corridor.

PROJECT DESCRIPTION

A mixed-use building preliminarily consisting of 7,500 SF of commercial/retail space on the first floor, 27 underground parking spaces and 103 aboveground parking spaces. City will record a permanent public parking easement on the property ensuring that 29 spaces are reserved for hourly public parking at standard City rates. Estimated project cost is \$4.75 million and Buyer will be required to meet the City's Emerging Business Enterprises (EBE) goal of 21%. Buyer plans to begin construction in the fall of 2007 and complete construction in the fall of 2008. The popcorn

wagon will be relocated to an agreed upon location.



Preliminary Site Plan



Preliminary Elevation

OPTION TERMS AND CONDITIONS

The purchase price is \$350,000. Buyer will enter into a Purchase, Sale and Development Agreement ("Agreement") with a six month Contingency Period to complete its environmental and geotechnical investigations, secure financing and finalize building plans. Buyer will be required to relocate the transformer on the property, if necessary, at its sole cost. If Buyer is able to find a mutually agreed upon location for the popcorn wagon, Buyer will be responsible for all costs associated with its relocation.

A \$10,000 Earnest Money deposit will be required with submission of the Agreement and shall be credited toward the Performance Deposit at Closing. In total, a \$10,000 Performance Deposit will be required at Closing to guarantee satisfactory completion of the improvements. Buyer will be given twelve months from Closing to complete construction.