

Due Diligence Checklist  
Addresses: 1840-42 and 1848 West Fond du Lac Avenue

The commissioner's assessment of the market value of the property.	The Properties are situated in the Triangle North Neighborhood and Business Improvement District No. 32. The building at 1848 West Fond du Lac Avenue has considerable deferred maintenance, fire damage and is being sold "as is, where is," without any guarantees. The property at 1840 West Fond du Lac Avenue is 30 feet by 120 feet and has limited redevelopment potential. The \$5,000 purchase price for the Properties reflects the overall condition of the building and the Buyer's substantial investment for the proposed renovation of both properties.
Full description of the development project.	<p>The Buyer proposes to renovate and restore the historic character of the building. The first floor space is intended to be used as a café/sit-down restaurant. The second floor will be renovated for office uses and the Buyer has letters of intent from two tenants: Fix Development LLC and Bottletwood Communications LLC. The third floor may be used as a residential apartment.</p> <p>The Buyer is considering improving 1840-42 West Fond du Lac Avenue to provide additional tenant parking at the rear of the property along the alley and will add landscaping and ornamental fencing along the street frontage. The Buyer understands that tenant parking may require Board of Zoning Appeals approval and has agreed to work with the City's Development Center and if needed, the Board of Zoning Appeals to obtain all necessary approvals and permits to implement all improvements at 1840-42 and 1848 West Fond du Lac Avenue.</p>
Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.	The Buyer proposes to renovate the building to use the first floor as a café/sit-down restaurant. The second floor is intended to be occupied by Fix Development LLC and Bottletwood Communications LLC. The third floor may be converted to a residential unit. The vacant lot at 1840-42 may be partially improved as a parking lot for tenants. All landscaping along the street frontage will be in accordance with Milwaukee Code of Ordinances Section 295-405 (Milwaukee zoning code-landscaping).
Developer's development project history.	<p>Eye Ntoboase, LLC, Jeremy Davis, Member, ("Buyer") will co-develop the properties with Juli Kaufmann, principal of Fix Development LLC. Jeremy Davis is a Lindsay Heights resident and Environmental Specialist at Walnut Way Conservation Corp. Jeremy serves as Secretary of the Lindsay Heights Community Planning Council and sits on the Lindsay Heights Commercial Corridors Committee.</p> <p>Juli Kaufmann has more than two decades of nonprofit, corporate and entrepreneurial business expertise. Juli has developed several award-winning projects such as the Clock Shadow Office Building at 130 West Bruce Street.</p>
Capital structure of the project, including sources, terms and rights for all project funding.	The Buyer, Jeremy Davis, and Juli Kaufmann have each pledged up to \$20,000. Other potential funding sources include: Fondy North EDC, Historic Tax Credits, City participation (facade, white box and commercial property renovation fund); crowdfunding and debt, if necessary.

Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	<p>Aside from the standard deferred maintenance associated with an in rem property, the second floor was damaged by fire prior to the City acquiring the property through property tax foreclosure. In addition, the roof is in poor condition. If the building continues to sit idle, it will continue to deteriorate and may become eligible for razing.</p> <p>The City will incur risks in holding this building. The structure has significant deferred maintenance issues, including, but not limited to, an inadequate HVAC system, poorly functioning elevators, and inadequate security. The mounting deferred maintenance and potential security risks will grow the longer the City holds the property.</p>
Tax consequences of the project for the City.	The Buyer anticipates investing \$425,000 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.