

Due Diligence Checklist
Address: 1412-18 West Atkinson Avenue

| | |
|--|--|
| The Commissioner's assessment of the market value of the property. | 1412-18 West Atkinson Avenue, a 2,114 SF two-story masonry building constructed in 1922, with a lot area of approximately 11,638 SF. The City of Milwaukee acquired the property through tax foreclosure in July, 2008. The property is in the Arlington Heights neighborhood in the 6thAldermanic District. The purchase price is \$5,000, which factors in the building's overall condition. The property is being sold "as is, where is," without any guarantees. |
| Full description of the development project. | The Buyer plans to operate a remodeling company, specializing in interior and exterior modifications and improvements. The Buyer will renovate the 2nd floor residential unit for family use or rental income. |
| Complete site, operations and scope of work for redevelopment. | Please see the Land Disposition Report for details. |
| Developer's project history. | The Buyer has remodeled basements, bathrooms and kitchens in Milwaukee, since the early 1990's. After purchasing and remodeling his home in 2006, the Buyer continued working on properties as side jobs until 2015. Mr. Harris started Kel's Home Improvement in 2015 and also has other investment property in Milwaukee. |
| Capital structure of the project, including sources, terms and rights for all project funding. | The Buyer proposes extensive interior and exterior improvements to the property. The estimated renovation costs are not expected to exceed \$60,000 and will include personal funds and "sweat equity" towards the project. The Buyer anticipates doing over 70 percent of the work himself, due to his experience and expertise. |
| Project cash flows for the lease term for leased property. | Not applicable. |
| List and description of project risk factors. | DCD staff determined that there is no foreseen risk in selling the property to this Buyer. Mr. Harris has purchased and renovated other City-owned properties and staff believes renovating this building will add stability and value to the neighborhood. |
| Tax consequences of the project for the City. | The deed of conveyance will contain a restriction prohibiting the Buyer, his assignee or his successors from applying to the City of Milwaukee for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls. |