

Due Diligence Checklist
Address: 6330 West Appleton Avenue

The Commissioner's assessment of the market value of the property.	The Property is a 3,890 SF mixed-use building on a 5,787 SF lot acquired by the City in 2010 through property tax foreclosure. The Property is in the Lenox Heights commercial corridor in the 10 th Aldermanic District. The purchase price for the Property is \$15,000, 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.	Kleen Kutz, LLC proposes extensive rehabilitation to operate an upscale beauty salon and a barbershop on the main level of the Property. The Buyer also envisions a small retail barber supply outlet for its growing clientele. The apartments on the upper level will have modern energy efficient updates and one unit will be a market-rate rental unit. The Buyer plans to convert the two smaller units for his personal residence.
Complete site, operations and scope of work for redevelopment.	Please see the Land Disposition Report for details.
Developer's project history.	This will be the Buyer's first investment property in Milwaukee.
Capital structure of the project, including sources, terms and rights for all project funding.	The project costs will be approximately \$62,000. The project budget will include a Facade Grant for exterior work and a White Box Grant for commercial improvements. The Buyer will seek private financing to renovate the residential units and will contribute personal funds and "sweat equity" towards the project.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	DCD staff determined that there was no unforeseen risk in selling the Property to this Buyer. The Buyer has extensive experience in the barbering trade and staff believes renovating this building will add stability and eliminate further deferred maintenance to the Property.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Buyer, assignees or successors from applying to the City for tax-exempt property status. Thus, a formerly vacant, tax-exempt property will be returned to the property tax rolls.