

Due Diligence Checklist

Address: 500 East Center Street former Centro del Nino School

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The Property is a 7,980 SF building on a 20,520 SF lot. The Property was declared surplus by MPS in 2012 and has been vacant since 2005. The Property is being sold "as is, where is," including all environmental and geotechnical conditions, without any guarantees. The Property was appraised for \$223,000 in May of 2016.</p> <p>The purchase price for the Property is \$150,000.</p>
<p>Full description of the development project.</p>	<p>The building and site will be redeveloped for Cream City Hostel, a 41-bed hostel with one, three and six dorm-style bunk bed rooms. In addition to the core hostel business, the site lends itself to seasonal, value-added and complementary opportunities. The Buyer will pursue additional uses as a community space, gallery space for local artists, summer pop-up truck space and large outdoor gathering space to curate local events open to guests and the public.</p> <p>The Buyer understands that the proposed project may require certain City approvals (BOZA) in addition to the approval of the Land Disposition Report. The closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>See Land Disposition Report. The exterior of the building will be restored to maintain all historic elements if possible. The site will be improved to accommodate secure bike parking and guest parking.</p>
<p>Developer's development project history.</p>	<p>RiverBee LLC will be created for the purchase. Juli Kaufmann of Fix Development has a proven track record of success through projects such as the Clock Shadow Building at 130 West Bruce Street in 2012 in Walker's Point; the Tandem Restaurant at 1848-50 West Fond du Lacey Avenue in 2016 located in Lindsay Heights; and the Sherman Phoenix currently underway at 3536 West Fond du Lac Avenue in the Sherman Park neighborhood.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The project cost for the Property is estimated at \$875,000. The Buyer is utilizing conventional financing and will invite crowd-funded investors to participate, including neighborhood residents.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable.</p>
<p>List and description of project risk factors.</p>	<p>The closing is contingent upon the Buyer obtaining all necessary approvals and financing.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Property is fully taxable. A former tax-exempt property will be added to the City's tax rolls.</p>