

Due Diligence Checklist

Addresses: 2600 and 2612-16 West State Street and 1025-27 North 26th Street

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The "Properties" at 2600 and 2612-16 West State Street and 1025-27 North 26th Street are being sold "as is, where is," without any guarantees. The Properties currently have mixed zoning, however, the Properties will be zoned LB2 or Local Business prior to closing.</p> <p>The purchase price for the Properties is \$2,000. The building at 2612-16 West State Street has significant fire damage.</p>
<p>Full description of the development project.</p>	<p>The Buyer desires to acquire the Properties and restore and rehab the fire-damaged theater building at 2612-16 West State Street to house music, arts, entertainment and educational-related businesses and programs, including music production and performance along with recording studios and a retail shop for selling the music and wares of local and regional performance artists, and a 400+ seat all ages performance venue. In addition, the Buyer intends to create a pocket park in the vicinity of what is currently the 2600 West State Street parcel that will be open to the public and to construct a surface parking lot north of the pocket park.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>See preliminary site plans and building elevations in the Land Disposition Report.</p>
<p>Developer's development project history.</p>	<p>See "Buyer" section of the Land Disposition Report.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated development costs are \$2,600,000. The Buyer intends to seek grants, tax credits, fundraising and personal equity to finance the development.</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>If the building remains vacant, the deferred maintenance and costs to cure will continue to increase. Vacancy of the building will serve as a hindrance to efforts to redevelop the Property.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$2,600,000 in the project. The Properties will be assembled and 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.</p>