

CBRE PRESENTS - Strategic Planning Report

Milwaukee County Consolidated Facilities Plan - Strategies for Marcia P. Coggs Human Services Center and City Campus

Prepared for:

Milwaukee County



January 14, 2014

Submitted to:

Mr. Don Tyler
Director
Milwaukee County Department
of Administrative Services
901 N. Ninth Street
Room 308
Milwaukee, WI 53233
T: 414-278-4808
don.tyler@milwcnty.com

Presented by:

Mr. T. Michael Parker
Senior Vice President
CBRE
777 E. Wisconsin Ave
Suite 3150
Milwaukee, WI 53202
T: 414.274.1643
C: 414-218-8180
michael.parker@cbre.com

Mr. Rolf Kemen
Managing Director
CBRE
4400 West 78th Street
Suite 200
Minneapolis, MN 55435
T: 952.656.2702
C: 516.816.5739
rolf.kemen@cbre.com

Mr. Scott Weas
Director
CBRE
777 E. Wisconsin Ave
Suite 3150
Milwaukee, WI 53202
T: 414.274.1608
C: 414.331.7856
scott.weas@cbre.com



CBRE





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This letter/proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties. The parties agree that this letter/proposal is not intended to create any agreement or obligation by either party to negotiate a definitive lease/purchase and sale agreement and imposes no duty whatsoever on either party to continue negotiations, including without limitation any obligation to negotiate in good faith or in any way other than at arm's length. Prior to delivery of a definitive executed agreement, and without any liability to the other party, either party may (1) propose different terms from those summarized herein, (2) enter into negotiations with other parties and/or (3) unilaterally terminate all negotiations with the other party hereto.





CBRE

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Mr. Don Tyler
Director
Department of Administrative Services
Milwaukee County
901 N. Ninth Street
Room 308
Milwaukee, WI 53233

T. Michael Parker
Senior Vice President
777 E. Wisconsin Ave,
Suite 3150
Milwaukee, WI 53202
Phone: 1-414-274-1643

Michael.Parker@cbre.com
www.cbre.com

Re: Strategies for the Marcia P. Coggs Human Services Center and City Campus

Dear Mr. Tyler:

On behalf of CBRE, we are pleased to present this Strategy Report for the Marcia P. Coggs Human Services Center and City Campus properties owned by Milwaukee County. The alternatives outlined in this report consider a range of options that reflect opportunities for cost savings and increased efficiency.

This report views choices for the two properties that range from keeping and maintaining the facilities to evaluating the cost of leaving each location. Options have been developed utilizing the findings of the recently completed Comprehensive Facilities Plan of February 11, 2013 and input from the Consolidated Facilities Plan Team.

Thank you again for the opportunity to partner with Milwaukee County.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Michael Parker".

T. Michael Parker
Senior Vice President
Global Corporate Services



PREFACE

STRATEGIES FOR MARCIA P. COGGS HUMAN SERVICES CENTER AND CITY CAMPUS

The Marcia P. Coggs Human Services Center (“Marcia Coggs”) and the City Campus complex were identified in the Comprehensive Facilities Plan (“CFP”) completed February 11, 2013, as key assets that required further assessment and whose resolution could have a major impact on the implementation of the overall strategic plan going forward.

CBRE has been retained to identify alternatives for these two properties. This initial assessment compares a stay-in-place strategy for both properties with new construction and 3rd party leased strategies. Results from this analysis will be compared in the next implementation phase to remodeling alternatives for existing owned buildings including the Courthouse and Safety Building.

This report is not a detailed cost estimate of the alternatives. The next phase of analysis will require additional design and engineering resources to refine proposed alternatives and provide pricing that reflects the more detailed plans.

CONSOLIDATED FACILITIES PLAN PARTICIPANTS

Primary participants involved in the completion of this study include:

Milwaukee County – Primary Participants	
<ul style="list-style-type: none"> ■ Don Tyler, Director - Department of Administrative Services ■ Tieg Whaley-Smith - Director of Economic Development - Dept of Administrative Services ■ Julie Esch - Director of Operations - Dept of Administrative Services 	<ul style="list-style-type: none"> ■ Greg High – Director, Department of Administrative Services - Architectural, Engineering and Environmental Services Section ■ Gary Waszak – Facilities Manager; Facilities Maintenance; Department of Administrative Services – Facilities Maintenance Section ■ Don Natzke, Director, Office for Persons with Disabilities

Consultants
<p>CBRE</p> <ul style="list-style-type: none"> ■ T. Michael Parker – Senior Vice President – Global Corporate Services ■ Rolf Kemen – Managing Director - Public Sector Consulting ■ Scott Weas – Director - Project Management ■ CBRE – The prime contractor for this report. CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world’s largest commercial real estate services firm (in terms of revenue). The Company has approximately 34,000 employees and serves real estate owners, investors and occupiers through more than 300 offices worldwide



Executive Summary

EXECUTIVE SUMMARY
Primary recommendations

Executive Summary





Executive Summary

PROJECT OVERVIEW

Analysis Overview

Due to the key impact of the Marcia P. Coggs Human Services Center and the City Campus complex on the implementation of the Comprehensive Facilities Plan (“CFP”; completed 2/11/13), Milwaukee County initiated this assessment of both facilities to determine their future long-term need and functionality.

The purpose of this report is to determine if the long-term occupancy in either the Marcia Coggs building or the City Campus is economically viable for continued investment and if they support the overall goals of reducing costs and improving space utilization and service delivery efficiencies.

This analysis benchmarked cost per occupant at Marcia Coggs and City Campus against new construction or 3rd party leased space. In a subsequent planning phase, the results may be compared to the feasibility of renovating existing space in the Courthouse and Safety Building.

Analysis Summary

■ Methodology

- Four scenarios were developed to compare the feasibility of remaining in both City Campus and Marcia Coggs with two alternatives, 1) occupying an equivalent amount of space in new construction or 2) occupying an equivalent amount of space in market leased space property.
- Alternatives were evaluated using a 30 year discounted cash flow analysis that compares the cost of occupancy for each scenario utilizing inputs for facilities support, utilities, contract services, repairs and maintenance, capital costs, parking fees (where applicable) and rent paid (for leased facilities).

■ Analysis Results

- **City Campus** – Not viable for long-term occupancy
 - Highest occupancy cost per person (48% less favorable than Build New)
 - Highest construction cost
 - Minimal market value for building
 - Immediate capital needs
- **Marcia P. Coggs Human Services Center** – Potential for moderate cost occupancy, but also best opportunity to raise proceeds, reduce market risk, improve staff efficiencies and pay off debt, if sold
 - Second lowest occupancy cost per person (17% less favorable than Build New)
 - Offers opportunity for significant revenue from a sale if State of Wisconsin signs a long-term lease – Revenue estimate \$20 - \$25 M (Note: value estimates are contingent on negotiated terms)
 - Property sale should fund the pay-off \$10M bonding debt and provide capital for move/tenant fit-up
- **Build New Space** – Potentially, best opportunity for lowest cost occupancy
 - Lowest occupancy cost per person
 - Potential for most efficient design and space layout
 - Avoids market risk if built on County owned land



Executive Summary

- **Market Leased Space** – Moderately higher cost alternative than Build New or remain in Marcia Coggs
 - Third lowest occupancy cost per person (28% less favorable than Build New)
 - Exposes County to market risk at renewal
 - Provides cost and space flexibility

Property Overview

City Campus - 2711 West Wells Street

- Total Building Size: 158,014 square feet – 9 story and 5 story structures
- Total Site Area: 0.58 acres (25,200 SF) approximate building coverage
- Built: 5 story – 1950s – early 1960s; 9 story – 1964 and 1973
- Only using the 9 story space, 5 story building only used for storage and would require substantial capital input to remodel to current standards
- There are two county owned lots immediately west of the site across 28th Street (2805 W. Wells St. and 763 N. 28th St.) that are 1.69 AC and 0.74 AC respectively. They are used for parking.
- Total operating costs are high, exceeding \$8.42/sf, approximately 60% higher than a BOMA/IFMA comparative facility.
- Current tenants that occupy the building could be moved to other consolidation locations.
- Significant upgrades, renovations and life safety costs are scheduled, if property is retained for continued use

Milwaukee County - City Campus



City Campus Neighborhood Area





Executive Summary

City Campus Office Complex – 9 Story (ID: 5605)

2711 West Wells Street

- Background Data
 - Square Feet: 129,989
 - Year Built: 1986
- Overall Building Condition
 - Overall building conditions are fair
- Functionality/ Utilization
 - The former hospital layout does not function well for office use
- Operational Issues
 - Very high cost to operate the building
- Major Capital Requirements
 - Extensive infrastructure upgrades are going to be required to bring up to modern standards

City Campus Office Complex – 9 Story

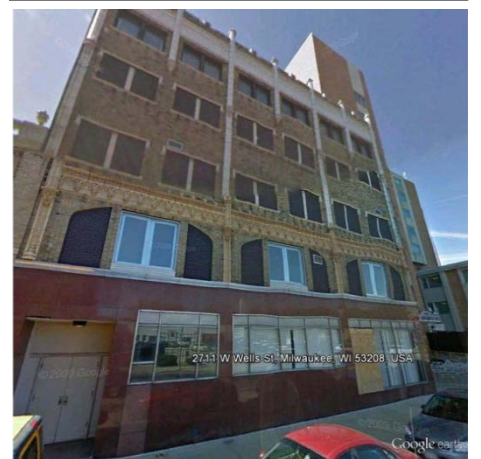


City Campus Office Complex – 5 Story (ID: 5605)

2711 West Wells Street

- Background Data
 - Square Feet: 28,025
 - Year Built: 1986
- Overall Building Condition
 - Overall building conditions are fair
- Functionality/ Utilization
 - The former hospital layout does not function well for office use
- Operational Issues
 - Very high cost to operate the building
- Major Capital Requirements
 - Extensive infrastructure upgrades required

City Campus Office Complex – 5 Story



City Campus - 2711 West Wells Street – Theater and Retail

- Total Building Size: Storefront retail: Approximately 11,200 SF; Theater: Approximately 10,000 SF
- Built: Early 1900's
- Retail and theater use hospital HVAC plant, making it more difficult to sell to a buyer that would redevelop the theater and continue to rent out the retail



Executive Summary

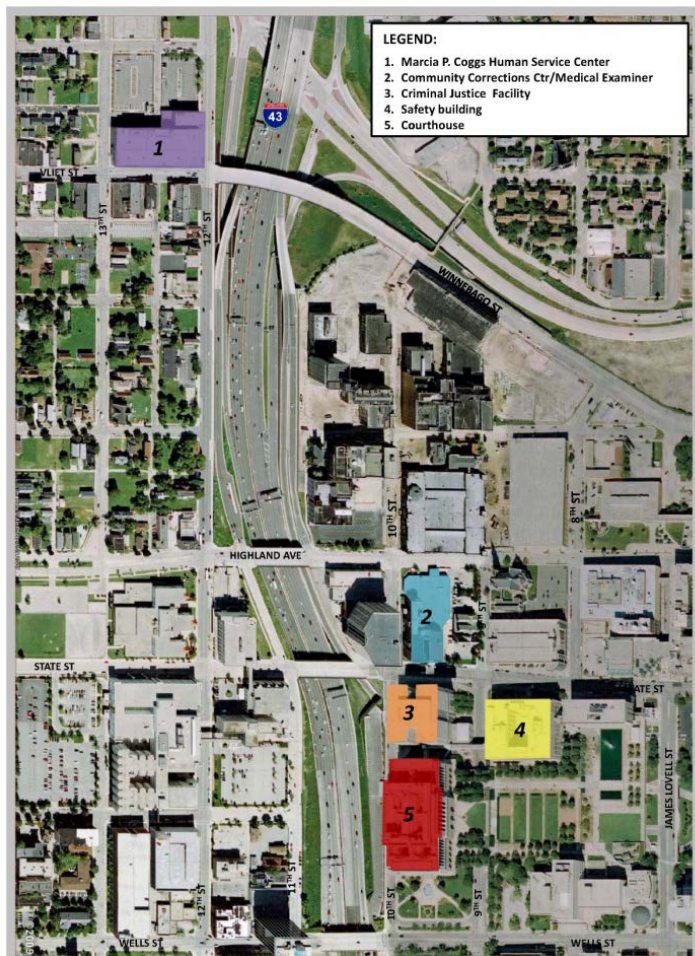
Marcia P. Coggs Human Services Center - 1220 West Vliet Street

- Total Building Size: 222,482 square feet
- Total Site Area: N/A
- Built: 1920
- Stories: 3
- Milwaukee County currently occupies one floor of Marcia Coggs and the State of Wisconsin occupies two additional floors.
- The State has expressed interest in extending their lease and possibly occupying the entire building.
- Marcia Coggs sale value is dependent in part on the State of Wisconsin. A longer term lease signed by the State and/or County could increase its value in a sale to a third party buyer.
- If sufficient space can be found for the Marcia Coggs - County occupants in an alternate location, approach the State to explore their interest in a possible purchase or negotiate a longer term lease with the State and then sell to a third party buyer.
- If alternative space can be identified, Milwaukee County may be able to raise sufficient proceeds to off-set existing debt and fund improvements in a new location.

Marcia Coggs Human Services Center



Milwaukee County Downtown Area Campus





Executive Summary

PRIMARY REAL ESTATE STRATEGIES

The reason for testing the feasibility of remaining in the Marcia P. Coggs Human Services Center and the City Campus complex is based on the findings outlined in the February 11, 2013 Comprehensive Facilities Plan report. The following “Proposed Scenarios” were identified in that report and are helping to shape future property strategies.

Proposed Scenarios

A primary driver of greater efficiency and cost saving involves a higher utilization of mission critical space identified for continued occupancy by the County.

- The CBRE Team believes that the capacity of existing buildings identified for long-term occupancy can be greatly increased.
- Maximizing space utilization will improve staffing efficiencies for real estate management and core County functions such as courts.
- Funding for strategy implementation can be derived in part from cost savings in operations, redirected capital expense dollars, staffing efficiencies and property sales.

Scenarios Assessed in the Analysis

The following analysis provides a comparison of stay-in-place scenarios for the Marcia P. Coggs Human Services Center and City Campus complex with quantifiable alternatives that include construction of a new facility or moving into leased space. The goal is to compare alternatives that have the same level of finish, efficiency and functionality such as improvements to ADA accessibility. A summary of the scenarios follows:

- City Campus – Stay in-Place
 - Clear the floors across the slab from window-to-window to accommodate modern space standards and workstations, and improve efficiencies efficiency
 - Provide major upgrades to core and shell components and on-site parking
 - Update all mechanical, electrical, life safety and plumbing systems to current code
- Marcia P. Coggs Human Services Center – Stay-in-Place
 - The Coggs building has undergone major interior and exterior renovations in recent years with improvements funded by bond financing which is still outstanding
 - Renovate interior build out to increase space efficiency
 - Minor upgrades to mechanical, electrical, plumbing systems and ADA compliance, as required
 - Provide improved access for persons with disabilities and seniors
- Build New County Owned Facility On Existing County Land
 - Build new mid-rise office space to accommodate department and building consolidation
 - Design floors to accommodate modern space standards, furniture, and improve efficiencies
 - New facility could be stand-alone or an addition to an existing facility



Executive Summary

- Market Lease
 - Lease space at market rate in close proximity to related County functions
 - Renovate interior build out to increase space efficiency
 - Landlord funded tenant improvement (TI) allowance will typically off-set renovation costs
 - Modifications to core and shell should be principally funded by the Landlord

A third alternative identified in the Comprehensive Facilities Plan – the remodeling of the Courthouse Safety Building – will require additional analysis including more intensive design and engineering assessments in the next phase.

FINANCIAL ANALYSIS SUMMARY

Financial Assumptions Used in the Analysis

The following assumptions have been used in the financial analysis that is summarized on the following pages and provided in detail in the cash flow analysis section.

- Square Feet
 - All scenarios use a common area of 85,000 useable square feet to allow comparison of construction and operating costs across comparably sized spaces
 - Efficiency ratios are applied to the gross square feet to achieve useable square feet (Efficiency ratios are based on actual BOMA calculations)
 - Operating expenses are calculated with useable square feet; construction costs use gross square feet
- Debt
 - Terms and balances for outstanding debt for both City Campus and Marcia Coggs have been provided by Milwaukee County and included in the cash flow analysis. At Marcia Coggs, Milwaukee County receives rent from the State of Wisconsin for its occupancy in roughly two-thirds of the space, which covers a portion of the debt, so \$5M has been used in this assessment. However, if the State leaves the space, the County is still obligated to re-pay \$10 M.
 - New debt for property renovation, new construction, demolition, parking and soft costs has been added to each scenario based on the overall estimated project cost
- Construction Costs
 - Costs for City Campus are based on clearing the floor slabs and rebuilding new open layout office area
 - Costs for Marcia Coggs and Leased space reflect upgrades to existing built out space
 - The build new scenario assumes the construction of a new building on County land or a Greenfield site
- Operating Expenses
 - Operating expenses have been estimated based on comparable new, leased and renovated facilities in the Milwaukee area and actual expenses at Marcia Coggs
 - Operating expense adjustments have been made to account for estimated differences in new construction versus remodeled space
- Market Rent for Leased Scenario
 - Rent has been estimated for comparable quality space in proximity of the Milwaukee County Courthouse



Executive Summary

- Parking
 - Recovery at a rate of \$100 per month has been assumed for the Build New scenario
 - Parking expense in the Leased scenario is not included in the in the estimated gross rent
 - A parking deck in the Build New scenario is assumed to cost \$25,000 per stall

Proposed Scenarios

The primary driver of greater efficiency and cost saving includes higher utilization of the space identified for continued occupancy by the County.

Financial Summary

Scenario/ NPV	Annualized Cost/Occupant	30 Year Total Cost	Assumptions
1. City Campus Renovation 85,398 USF	<ul style="list-style-type: none"> ▪ \$133,382 ▪ 285 occupants 	<ul style="list-style-type: none"> ▪ \$37,968,282 	<ul style="list-style-type: none"> ▪ Clear the floors from window-to-window ▪ Annual Operating Costs: \$2,354,070 ▪ Total Capital <ul style="list-style-type: none"> ▪ New Debt \$18,449,725 ▪ Existing Debt <u>\$ 500,000</u> ▪ Total Capital \$18,949,725
2. Marcia Coggs Renovation 65,142 USF	<ul style="list-style-type: none"> ▪ \$105,392 ▪ 217 occupants 	<ul style="list-style-type: none"> ▪ \$22,884,845 	<ul style="list-style-type: none"> ▪ Moderate renovation as major improvements have recently been made ▪ Annual Operating Costs: \$1,333,016 ▪ Total Capital <ul style="list-style-type: none"> ▪ New Debt \$ 4,499,866 ▪ Existing Debt <u>\$ 5,000,000</u> ▪ Total Capital \$ 9,499,866
3. Build New 85,000 USF	<ul style="list-style-type: none"> ▪ \$89,834 ▪ 283 occupants 	<ul style="list-style-type: none"> ▪ \$25,452,976 	<ul style="list-style-type: none"> ▪ Build new mid-rise building or add to existing facility, on or near related County functions ▪ Annual Operating Costs: \$1,615,712 ▪ Total Capital <ul style="list-style-type: none"> ▪ New Debt \$15,238,815 ▪ Existing Debt <u>\$ 0</u> ▪ Total Capital \$15,238,815
4. Leased 85,000 USF	<ul style="list-style-type: none"> ▪ \$115,175 ▪ 283 occupants 	<ul style="list-style-type: none"> ▪ \$32,632,779 	<ul style="list-style-type: none"> ▪ Lease at market rate in close proximity to related County functions ▪ Annual Operating Costs (including rent): \$1,804,776 ▪ Total Capital <ul style="list-style-type: none"> ▪ New Debt \$ 2,585,088 ▪ Existing Debt <u>\$ 0</u> ▪ Total Capital \$ 2,585,088



Executive Summary

CITY CAMPUS STRATEGY

Cost of Operations and Improvements

- City Campus has a much higher cost of operation than a similar office building, due to its design as a hospital
- A large amount of capital is required to fully renovate the building to updated standards including life safety codes
- A complete renovation of the space will still leave space inefficiencies due to the hospital oriented design of the floor plates and building

Milwaukee County Options

- The County can remain in the space and pay higher than average sums to fund capital improvements or the County can evaluate lower cost solutions that will accommodate better floor layouts and space efficiencies
- Given the inefficiencies, high cost and non-central location, CBRE recommends that the County dispose of the facility

MARCIA COGGS SERVICES CENTER STRATEGY

State of Wisconsin Negotiations

- The State of Wisconsin occupies roughly 100,000 useable square feet of space (2 of 3 primary floors) at the Marcia P. Coggs Human Services Center
- The State has expressed interest in remaining in the building and possibly expanding into the space occupied by the County
- Economic Development group within the Department of Administrative Services is leading negotiations for the County

Milwaukee County Options

- The County can remain in the space and continue to operate the building and continue to fund capital improvements
- The County can lease all of the facility to the State, relocate existing employees into a consolidation location and sell the facility
 - Depending on the terms of the lease with the State, the County may be able to sell the property, retire the existing debt and have additional proceeds to pay for move and build out costs in a nearby facility
 - At this time we have not determined an appropriate location for the staff to move from Marcia Coggs
- The County can remove the State and move in County services from that occupy another location

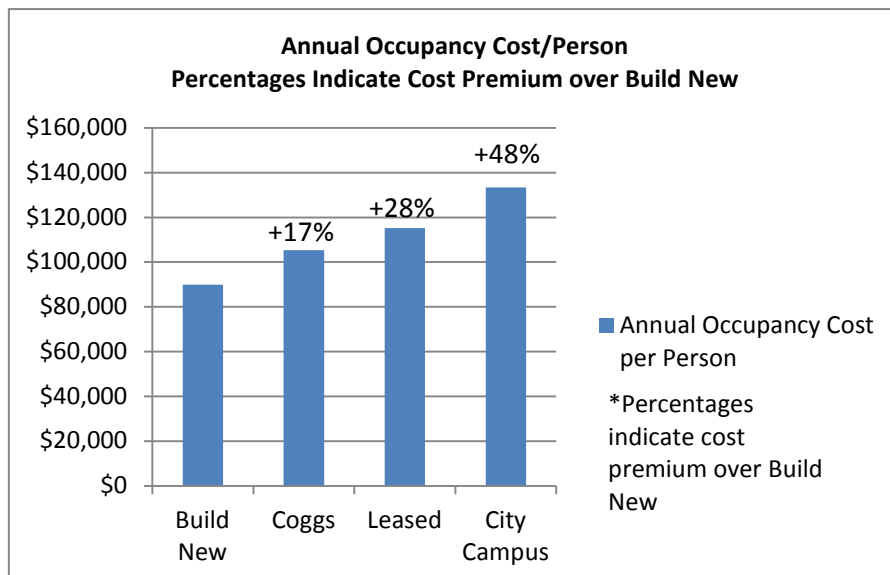


Executive Summary

CONCLUSIONS

Preferred Strategies

- City Campus
 - Cost to renovate and resulting inefficient floor plates, make renovating this building alternative not viable
 - Sell or dispose of City Campus to a buyer for a development that is compatible with Milwaukee’s Near West Plan
- Marcia Coggs Services Center
 - Potential for long term lease with the State could create sufficient value upon sale to pay off debt and fund a move and tenant build out at an alternative location
 - Sell and move to an existing County building, newly constructed space or a leased location in proximity to related County space
- Build New County Owned Facility
 - Build New is the most economically viable, preferred strategy when compared with upgrading City Campus and Marcia Coggs for continued investment to support Milwaukee County’s overall goals of reducing costs, increasing space utilization and improving service delivery
 - An appropriate site needs to be identified
 - Solution should be integrated with planning that includes the Courthouse, Safety Building, former Huber facility and Medical Examiner’s operation in the next phase of implementation
 - Additional parking requirements need to be coordinated with an overall parking strategy
- Courthouse and Safety Building
 - The preferred strategy noted below should be compared in the next implementation phase to remodeling alternatives for existing owned buildings including the Courthouse and Safety Building, to determine the viability of renovating these facilities when compared with new construction



Executive Summary





Cash Flow Analysis

CASH FLOW ANALYSIS
Financial Analysis of Alternatives



Cash Flow Analysis





Cash Flow Analysis

CASH FLOW ANALYSIS APPROACH

Discounted Cash Flow

A thirty year discounted cash flow model has been used to compare the four scenarios including staying-in-place at City Campus and Marcia Coggs and replacing the same space with either a newly constructed building on County land or a market lease in a privately owned building near related County functions.

SUMMARY COST INFORMATION

30 Year Net Present Value (NPV)

Summary number that identifies total occupancy cost over thirty year time horizon.

Occupancy Cost Per Person

Building occupancy is based on building efficiency of new, existing or leased space. Occupancy cost per person derived by dividing 30 Year NPV by Building Occupancy. This metric is used to identify best alternative – Build New.

Annualized Costs

Annual costs including cost of debt service are aggregated. Note that Marcia Coggs existing debt is \$10 M instead of \$5M. A \$5M amount is used in this analysis as Milwaukee County receives rent for State of Wisconsin occupancy in roughly two-thirds of the space that covers a portion of the debt service. If the State leaves the space, the County is still obligated to re-pay \$10 M.

Capital Costs

Capital costs identify the estimated dollar amount required to upgrade the occupied space. This ranges from new construction to upgrades to existing space.



Cash Flow Analysis

Alternatives for Marcia Cogs Service Center and City Campus

	City Campus	Cogs	Build New	Leased
NPV @ 30 yr.	\$37,968,282	\$22,884,845	\$25,452,976	\$32,632,779
Building Occupancy	285	217	283	283
Occupancy Cost Per Person	\$133,382	\$105,392	\$89,834	\$115,175
% Premium vs. Baseline	48%	17%	Base Line	28%

Building Gross Square Feet (GSF)	116,983	NA	96,591	NA
Efficiency Ratio	73.0%	NA	88.0%	NA
Useable SQFT (County)	85,398	65,142	85,000	85,000
Suite GSF per Occupant	300	300	300	300
Building Occupancy	285	217	283	283

Annualized Costs

Description	City Campus	Cogs	Build New	Leased
Annual Cost				
Debt @ 3.52% New	1,300,904	317,289	1,074,500	182,276
Debt @ 4.31% Existing	37,808	378,078	0	0
Operating Cost				
Utilities	290,118	125,724	239,545	Gross Lease
Facilities Support	405,000	202,500	202,500	135,000
Contract Services	128,096	179,141	127,500	0
R&M	192,145	130,284	85,000	0
Parking Fees	0	0	-113,333	0
Subtotal Operating Cost	1,015,359	637,649	541,212	135,000
Rent				
Base	0	0	0	1,487,500
CAM	0	0	0	0
	\$2,354,070	\$1,333,016	\$1,615,712	\$1,804,776

Capital Cost

Description	City Campus	Cogs	Build New	Leased
One Time Cost				
Construction				
Bldg Core / Shell	5,372,093	501,593	4,202,506	0
Interior Buildout	5,252,303	2,924,746	4,336,739	3,816,330
MEP	4,206,709	501,593	2,953,113	0
Demolition	830,579	162,855	0	233,750
Parking	923,293	0	2,361,111	0
Land (parking @ 1.5 acre)	187,500	0	0	0
	16,772,477	4,090,787	13,853,469	4,050,080
Soft Cost @ 10%				
A/E Services	1,677,248	409,079	1,385,347	405,008
Sub-Total	18,449,725	4,499,866	15,238,815	4,455,088
Add'l Offsets				
Tenant Allowance	0	0	0	-1,870,000
	0	0	0	0
Sub-Total	0	0	0	-1,870,000
New Debt - Capital Imp. TOTAL	18,449,725	4,499,866	15,238,815	2,585,088
Existing Debt	500,000	5,000,000	0	0
Total Capital	18,949,725	9,499,866	15,238,815	2,585,088



Appendix A – Property Overview

APPENDIX A

Property Review



Appendix A – Property Overview





Appendix A – Property Overview

PROPERTY INSPECTIONS

Inspections Approach

The CBRE Team performed a physical property inspection of key properties as part of the Comprehensive Facilities Plan completed in February 2013. The following descriptions are taken from that report.

- Overall Facility condition
- Functionality/Utilization
- Operational Issues
- Major Capital Requirements
- Health and Safety Compliance (as noted above)
- Highest and Best Use

Property Inspection Summaries

Marcia P. Coggs Human Services Center (ID: 5600) **1220 West Vliet Street**

- Background Data
 - Square Feet: 222,482
 - Year Built: 1920
- Overall Building Condition
 - The building is in generally good condition as many improvements have been made to the property
 - State of Wisconsin occupies two of three floors
- Functionality/ Utilization
 - Poor access for elderly users of services
 - Parking is in short supply
- Operational Issues
 - Very large and open floor plates accommodate open workstation layouts
- Major Capital Requirements
 - Many of the HVAC system components are at the end of their useful life
- Safety
 - Loading dock requires protective guardrails
 - Open water service well in basement should have cover
 - Neighborhood security is an issue





Appendix A – Property Overview

- Highest & Best Use
 - Continued use as an office center
- Summary
 - If sufficient space can be found in the immediate Courthouse complex, approach the State to explore their interest in a possible purchase or negotiate a longer term lease with the State and then sell to a third party buyer.
 - Marcia Coggs sale value is dependent in part on the State of Wisconsin. A longer term lease signed by the State and/or County could increase its value in a sale to a third party buyer.
 - If additional space is needed to house staff from City Campus and other consolidation locations, increase capacity at the Marcia Coggs building using up-to-date workplace concepts and space standards, remodeling the basement or by renegotiating space needs with the State.

City Campus Office Complex – 9 Story (ID: 5605)

2711 West Wells Street

- Background Data
 - Square Feet: 129,989
 - Year Built: 1986
- Overall Building Condition
 - Overall building conditions are fair
- Functionality/ Utilization
 - The former hospital layout does not function well for office use
- Operational Issues
 - Very high cost to operate the building
- Major Capital Requirements
 - Extensive infrastructure upgrades are going to be required
- Safety
 - Sixth floor, which is used for storage, is not safe
 - Major deficiencies in fire protection system
 - Building lacks selected fire rated doors, dampers and penetration seals
- Highest & Best Use
 - Alternative redevelopment of the site tailored to the City of Milwaukee - Near West plan
- Summary
 - Demolish and sell





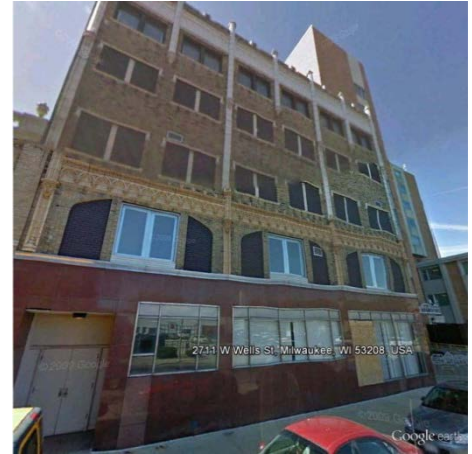
Appendix A – Property Overview

City Campus Office Complex – 5 Story (ID: 5605)

2711 West Wells Street

- Background Data
 - Square Feet: 28,025
 - Year Built: 1986
- Overall Building Condition
 - Overall building conditions are fair
- Functionality/ Utilization
 - The former hospital layout does not function well for office use
- Operational Issues
 - Very high cost to operate the building
- Major Capital Requirements
 - Extensive infrastructure upgrades required
- Safety
 - Asbestos in the building
 - Major deficiencies in fire protection system
 - Building lacks selected fire rated doors, dampers and penetration seals
- Highest & Best Use
 - Alternative redevelopment of the site should be tailored to the City of Milwaukee - Near West plan
- Summary
 - Demolish and sell

City Campus Office Complex – 5 Story



City Campus 27th Street Store Front (ID: N/A)

North 27th Street at West Wells Street

- Background Data
 - Square Feet: 19,366
 - Year Built: Not available
- Overall Building Condition
 - Operational with several existing leased storefronts
- Functionality/ Utilization
 - Serves the need of neighborhood retail
- Operational Issues

City Campus 27th Street Store Front





Appendix A – Property Overview

- County should not be in the retail landlord business
- Major Capital Requirements
 - Significant deferred maintenance
- Safety
 - Major deficiencies in fire protection system
 - Building lacks selected fire rated doors, dampers and penetration seals
- Highest & Best Use
 - Neighborhood retail
- Summary
 - The City of Milwaukee is interested in commercial anchors such as retail, services, entertainment and restaurant anchors along arterial streets in the Near West planning district
 - Discussions should be held with the city or interested 3rd parties about the sale or transfer of the property

City Campus Theater (ID: N/A)

North 27th Street at West Wells Street

- Background Data
 - Square Feet: 9,116
 - Year Built: Not available
- Overall Building Condition
 - Closed theater with good fundamental structure, however, extensive repairs required for re-use
 - Would need extensive improvements
- Functionality/ Utilization
 - Could be operated again as a theater
- Operational Issues
 - Not currently in operation
- Major Capital Requirements
 - Major renovation required
- Safety
 - Peeling paint in toilet rooms should be tested for lead
 - Poor air quality due to condition of building
 - Major deficiencies in fire protection system

City Campus Theater





Appendix A – Property Overview

- Building lacks selected fire rated doors, dampers and penetration seals
- Highest & Best Use
 - An operating theater
- Summary
 - The City of Milwaukee is interested in commercial anchors such as retail, services, entertainment and restaurant anchors along arterial streets in the Near West planning district
 - Discussions should be held with the city or interested 3rd parties about the sale or transfer of the property



Appendix A – Property Overview





Appendix B – Cash Flow Detail

APPENDIX B

Cash Flow Detail



Appendix B – Cash Flow Detail





Appendix B – Cash Flow Detail

Alternatives for Marcia Cogg's Service Center and City Campus				
	City Campus	Coggs	Build New	Leased
NPV @ 30 yr.	\$37,968,282	\$22,884,845	\$25,452,976	\$32,632,779
Building Occupancy	285	217	283	283
Occupancy Cost Per Person	\$133,382	\$105,392	\$89,834	\$115,175
% Premium vs. Baseline	48%	17%	Base Line	28%
Building Gross Square Feet (GSF)	116,983	NA	96,591	NA
Efficiency Ratio	73.0%	NA	88.0%	NA
Useable SQFT (County)	85,398	65,142	85,000	85,000
Suite GSF per Occupant	300	300	300	300
Building Occupancy	285	217	283	283
Annualized Costs				
Description	City Campus	Coggs	Build New	Leased
Annual Cost				
Debt @ 3.52% New	1,300,904	317,289	1,074,500	182,276
Debt @ 4.31% Existing	37,808	378,078	0	0
Operating Cost				
Utilities	290,118	125,724	239,545	Gross Lease
Facilities Support	405,000	202,500	202,500	135,000
Contract Services	128,096	179,141	127,500	0
R&M	192,145	130,284	85,000	0
Parking Fees	0	0	-113,333	0
Subtotal Operating Cost	1,015,359	637,649	541,212	135,000
Rent				
Base	0	0	0	1,487,500
CAM	0	0	0	0
	\$2,354,070	\$1,333,016	\$1,615,712	\$1,804,776
Capital Cost				
Description	City Campus	Coggs	Build New	Leased
One Time Cost				
Construction				
Bldg Core / Shell	5,372,093	501,593	4,202,506	0
Interior Buildout	5,252,303	2,924,746	4,336,739	3,816,330
MEP	4,206,709	501,593	2,953,113	0
Demolition	830,579	162,855	0	233,750
Parking	923,293	0	2,361,111	0
Land (parking @ 1.5 acre)	187,500	0	0	0
	16,772,477	4,090,787	13,853,469	4,050,080
Soft Cost @ 10%				
A/E Services	1,677,248	409,079	1,385,347	405,008
Sub-Total	18,449,725	4,499,866	15,238,815	4,455,088
Add'l Offsets				
Tenant Allowance	0	0	0	-1,870,000
	0	0	0	0
Sub-Total	0	0	0	-1,870,000
New Debt - Capital Imp. TOTAL	18,449,725	4,499,866	15,238,815	2,585,088
Existing Debt	500,000	5,000,000	0	0
Total Capital	18,949,725	9,499,866	15,238,815	2,585,088



Appendix B – Cash Flow Detail

Milwaukee County										
City Campus - Stay and Remodel With Parking										
3.92% Discount Rate						USF	85,398			
1.50% Inflation										
	NPV (New Debt)	PV (Old Debt)	NPV (A+B+C)	A	B	C	D	E	F	
Year	17,813,524	517,710	19,637,048	Parking Fees	Facilities Support	(D+E+F) * H1	Utilities	Contract	R&M	
0										
1	1,300,904	37,808	937,027	0	405,000	532,027	2.48	1.50	2.25	
2	1,300,904	37,808	951,082	0	411,075	540,007	2.52	1.52	2.28	
3	1,300,904	37,808	965,349	0	417,241	548,108	2.55	1.55	2.32	
4	1,300,904	37,808	979,829	0	423,500	556,329	2.59	1.57	2.35	
5	1,300,904	37,808	994,526	0	429,852	564,674	2.63	1.59	2.39	
6	1,300,904	37,808	1,009,444	0	436,300	573,144	2.67	1.62	2.42	
7	1,300,904	37,808	1,024,586	0	442,845	581,741	2.71	1.64	2.46	
8	1,300,904	37,808	1,039,955	0	449,487	590,467	2.75	1.66	2.50	
9	1,300,904	37,808	1,055,554	0	456,229	599,324	2.79	1.69	2.53	
10	1,300,904	37,808	1,071,387	0	463,073	608,314	2.84	1.72	2.57	
11	1,300,904	37,808	1,087,458	0	470,019	617,439	2.88	1.74	2.61	
12	1,300,904	37,808	1,103,770	0	477,069	626,701	2.92	1.77	2.65	
13	1,300,904	37,808	1,120,326	0	484,225	636,101	2.97	1.79	2.69	
14	1,300,904	37,808	1,137,131	0	491,489	645,643	3.01	1.82	2.73	
15	1,300,904	37,808	1,154,188	0	498,861	655,327	3.05	1.85	2.77	
16	1,300,904	37,808	1,171,501	0	506,344	665,157	3.10	1.88	2.81	
17	1,300,904	37,808	1,189,074	0	513,939	675,135	3.15	1.90	2.86	
18	1,300,904	37,808	1,206,910	0	521,648	685,262	3.19	1.93	2.90	
19	1,300,904	37,808	1,225,013	0	529,473	695,540	3.24	1.96	2.94	
20	1,300,904	37,808	1,243,389	0	537,415	705,974	3.29	1.99	2.99	
21			1,262,039	0	545,476	716,563	3.34	2.02	3.03	
22			1,280,970	0	553,658	727,312	3.39	2.05	3.08	
23			1,300,185	0	561,963	738,221	3.44	2.08	3.12	
24			1,319,687	0	570,393	749,295	3.49	2.11	3.17	
25			1,339,483	0	578,949	760,534	3.55	2.14	3.22	
26			1,359,575	0	587,633	771,942	3.60	2.18	3.26	
27			1,379,969	0	596,447	783,521	3.65	2.21	3.31	
28			1,400,668	0	605,394	795,274	3.71	2.24	3.36	
29			1,421,678	0	614,475	807,203	3.76	2.28	3.41	
30			1,443,003	0	623,692	819,311	3.82	2.31	3.46	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
City Campus - New Bond for Remodeling			
1)	Enter amount to be borrowed.		\$18,449,725
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	3.5235 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$1,300,904	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$26,018,074	\$7,568,349
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	1,300,904	
	2	1,300,904	
	3	1,300,904	
	4	1,300,904	
	5	1,300,904	
	6	1,300,904	
	7	1,300,904	
	8	1,300,904	
	9	1,300,904	
	10	1,300,904	
	11	1,300,904	
	12	1,300,904	
	13	1,300,904	
	14	1,300,904	
	15	1,300,904	
	16	1,300,904	
	17	1,300,904	
	18	1,300,904	
	19	1,300,904	
	20	1,300,904	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
City Campus - Existing Bond for Remodeling			
1)	Enter amount to be borrowed.		\$500,000
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	4.3100 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$37,808	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$756,157	\$256,157
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	37,808	
	2	37,808	
	3	37,808	
	4	37,808	
	5	37,808	
	6	37,808	
	7	37,808	
	8	37,808	
	9	37,808	
	10	37,808	
	11	37,808	
	12	37,808	
	13	37,808	
	14	37,808	
	15	37,808	
	16	37,808	
	17	37,808	
	18	37,808	
	19	37,808	
	20	37,808	



Appendix B – Cash Flow Detail

Milwaukee County										
Marcia Coggs - Stay and Remodel With Parking										
	3.92%	Discount Rate				USF	65,142			
	1.50%	Inflation								
	NPV (New Debt)	PV (Old Debt)	NPV (A+B+C)	A	B	C	D	E	F	
Year	4,344,697	5,177,101	13,363,047	Parking Fees	Facilities Support	(D+E+F) * H1	Utilities	Contract	R&M	
0										
1	317,289	378,078	637,649	0	202,500	435,149	1.93	2.75	2.00	
2	317,289	378,078	647,213	0	205,538	441,676	1.96	2.79	2.03	
3	317,289	378,078	656,921	0	208,621	448,301	1.99	2.83	2.06	
4	317,289	378,078	666,775	0	211,750	455,025	2.02	2.88	2.09	
5	317,289	378,078	676,777	0	214,926	461,851	2.05	2.92	2.12	
6	317,289	378,078	686,929	0	218,150	468,779	2.08	2.96	2.15	
7	317,289	378,078	697,233	0	221,422	475,810	2.11	3.01	2.19	
8	317,289	378,078	707,691	0	224,744	482,947	2.14	3.05	2.22	
9	317,289	378,078	718,306	0	228,115	490,192	2.17	3.10	2.25	
10	317,289	378,078	729,081	0	231,536	497,545	2.21	3.14	2.29	
11	317,289	378,078	740,017	0	235,010	505,008	2.24	3.19	2.32	
12	317,289	378,078	751,117	0	238,535	512,583	2.27	3.24	2.36	
13	317,289	378,078	762,384	0	242,113	520,272	2.31	3.29	2.39	
14	317,289	378,078	773,820	0	245,744	528,076	2.34	3.34	2.43	
15	317,289	378,078	785,427	0	249,431	535,997	2.38	3.39	2.46	
16	317,289	378,078	797,209	0	253,172	544,037	2.41	3.44	2.50	
17	317,289	378,078	809,167	0	256,970	552,197	2.45	3.49	2.54	
18	317,289	378,078	821,304	0	260,824	560,480	2.49	3.54	2.58	
19	317,289	378,078	833,624	0	264,736	568,887	2.52	3.60	2.61	
20	317,289	378,078	846,128	0	268,708	577,421	2.56	3.65	2.65	
21			858,820	0	272,738	586,082	2.60	3.70	2.69	
22			871,702	0	276,829	594,873	2.64	3.76	2.73	
23			884,778	0	280,982	603,796	2.68	3.82	2.78	
24			898,050	0	285,196	612,853	2.72	3.87	2.82	
25			911,520	0	289,474	622,046	2.76	3.93	2.86	
26			925,193	0	293,816	631,377	2.80	3.99	2.90	
27			939,071	0	298,224	640,847	2.84	4.05	2.95	
28			953,157	0	302,697	650,460	2.88	4.11	2.99	
29			967,455	0	307,237	660,217	2.93	4.17	3.03	
30			981,966	0	311,846	670,120	2.97	4.23	3.08	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
Marcia Coggs - New Bond for Remodeling			
1)	Enter amount to be borrowed.		\$4,499,866
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	3.5235 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$317,289	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$6,345,777	\$1,845,911
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	317,289	
	2	317,289	
	3	317,289	
	4	317,289	
	5	317,289	
	6	317,289	
	7	317,289	
	8	317,289	
	9	317,289	
	10	317,289	
	11	317,289	
	12	317,289	
	13	317,289	
	14	317,289	
	15	317,289	
	16	317,289	
	17	317,289	
	18	317,289	
	19	317,289	
	20	317,289	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
Marcia Coggs - Existing Bond for Remodeling			
1)	Enter amount to be borrowed.		\$5,000,000
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	4.3100 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$378,078	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$7,561,569	\$2,561,569
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	378,078	
	2	378,078	
	3	378,078	
	4	378,078	
	5	378,078	
	6	378,078	
	7	378,078	
	8	378,078	
	9	378,078	
	10	378,078	
	11	378,078	
	12	378,078	
	13	378,078	
	14	378,078	
	15	378,078	
	16	378,078	
	17	378,078	
	18	378,078	
	19	378,078	
	20	378,078	



Appendix B – Cash Flow Detail

Milwaukee County										
Build New With Parking										
	3.92%	Discount Rate				USF	85,000			
	1.50%	Inflation								
	NPV (New Debt)	PV (Old Debt)	NPV (A+B+C)	A	B	C	D	E	F	
Year	14,713,336	0	10,739,640	Parking Fees	Facilities Support	(D+E+F) * H1	Utilities	Contract	R&M	
0										
1	1,074,500	0	512,467	-113,333	202,500	423,300	2.48	1.50	1.00	
2	1,074,500	0	520,154	-115,033	205,538	429,650	2.52	1.52	1.02	
3	1,074,500	0	527,956	-116,759	208,621	436,094	2.55	1.55	1.03	
4	1,074,500	0	535,875	-118,510	211,750	442,636	2.59	1.57	1.05	
5	1,074,500	0	543,913	-120,288	214,926	449,275	2.63	1.59	1.06	
6	1,074,500	0	552,072	-122,092	218,150	456,014	2.67	1.62	1.08	
7	1,074,500	0	560,353	-123,924	221,422	462,855	2.71	1.64	1.09	
8	1,074,500	0	568,759	-125,782	224,744	469,797	2.75	1.66	1.11	
9	1,074,500	0	577,290	-127,669	228,115	476,844	2.79	1.69	1.13	
10	1,074,500	0	585,949	-129,584	231,536	483,997	2.84	1.72	1.14	
11	1,074,500	0	594,738	-131,528	235,010	491,257	2.88	1.74	1.16	
12	1,074,500	0	603,660	-133,501	238,535	498,626	2.92	1.77	1.18	
13	1,074,500	0	612,714	-135,503	242,113	506,105	2.97	1.79	1.20	
14	1,074,500	0	621,905	-137,536	245,744	513,697	3.01	1.82	1.21	
15	1,074,500	0	631,234	-139,599	249,431	521,402	3.05	1.85	1.23	
16	1,074,500	0	640,702	-141,693	253,172	529,223	3.10	1.88	1.25	
17	1,074,500	0	650,313	-143,818	256,970	537,162	3.15	1.90	1.27	
18	1,074,500	0	660,067	-145,976	260,824	545,219	3.19	1.93	1.29	
19	1,074,500	0	669,969	-148,165	264,736	553,397	3.24	1.96	1.31	
20	1,074,500	0	680,018	-150,388	268,708	561,698	3.29	1.99	1.33	
21			690,218	-152,644	272,738	570,124	3.34	2.02	1.35	
22			700,572	-154,933	276,829	578,676	3.39	2.05	1.37	
23			711,080	-157,257	280,982	587,356	3.44	2.08	1.39	
24			721,746	-159,616	285,196	596,166	3.49	2.11	1.41	
25			732,573	-162,010	289,474	605,109	3.55	2.14	1.43	
26			743,561	-164,440	293,816	614,185	3.60	2.18	1.45	
27			754,715	-166,907	298,224	623,398	3.65	2.21	1.47	
28			766,035	-169,411	302,697	632,749	3.71	2.24	1.49	
29			777,526	-171,952	307,237	642,240	3.76	2.28	1.52	
30			789,189	-174,531	311,846	651,874	3.82	2.31	1.54	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
Build New - New Bond for New Construction			
1)	Enter amount to be borrowed.		\$15,238,815
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	3.5235 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$1,074,500	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$21,490,002	\$6,251,186
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	1,074,500	
	2	1,074,500	
	3	1,074,500	
	4	1,074,500	
	5	1,074,500	
	6	1,074,500	
	7	1,074,500	
	8	1,074,500	
	9	1,074,500	
	10	1,074,500	
	11	1,074,500	
	12	1,074,500	
	13	1,074,500	
	14	1,074,500	
	15	1,074,500	
	16	1,074,500	
	17	1,074,500	
	18	1,074,500	
	19	1,074,500	
	20	1,074,500	



Appendix B – Cash Flow Detail

Milwaukee County										
Market Lease With Parking										
	3.92%	Discount Rate				USF	85,000			
	1.50%	Inflation								
	NPV (New Debt)	PV (Old Debt)	NPV (A+B+C)	A	B	C	D	E	F	
Year	2,495,947	0	30,136,832	Parking Fees	Facilities Support	(D+E+F) * H1	Gross Rent	Rent Incr.	CAM	
0										
1	182,276	0	1,622,500	0	135,000	1,487,500	17.50		0.00	
2	182,276	0	1,624,525	0	137,025	1,487,500	17.50		0.00	
3	182,276	0	1,626,580	0	139,080	1,487,500	17.50		0.00	
4	182,276	0	1,628,667	0	141,167	1,487,500	17.50		0.00	
5	182,276	0	1,630,784	0	143,284	1,487,500	17.50		0.00	
6	182,276	0	1,647,808	0	145,433	1,502,375	17.50	0.18	0.00	
7	182,276	0	1,664,865	0	147,615	1,517,250	17.68	0.18	0.00	
8	182,276	0	1,681,954	0	149,829	1,532,125	17.85	0.18	0.00	
9	182,276	0	1,699,076	0	152,076	1,547,000	18.03	0.18	0.00	
10	182,276	0	1,716,233	0	154,358	1,561,875	18.20	0.18	0.00	
11	182,276	0	1,718,548	0	156,673	1,561,875	18.38		0.00	
12	182,276	0	1,720,898	0	159,023	1,561,875	18.38		0.00	
13	182,276	0	1,723,283	0	161,408	1,561,875	18.38		0.00	
14	182,276	0	1,725,705	0	163,830	1,561,875	18.38		0.00	
15	182,276	0	1,728,162	0	166,287	1,561,875	18.38		0.00	
16	182,276	0	1,745,531	0	168,781	1,576,750	18.38	0.18	0.00	
17	182,276	0	1,762,938	0	171,313	1,591,625	18.55	0.18	0.00	
18	182,276	0	1,780,383	0	173,883	1,606,500	18.73	0.18	0.00	
19	182,276	0	1,797,866	0	176,491	1,621,375	18.90	0.18	0.00	
20	182,276	0	1,815,388	0	179,138	1,636,250	19.08	0.18	0.00	
21			1,818,075	0	181,825	1,636,250	19.25		0.00	
22			1,820,803	0	184,553	1,636,250	19.25		0.00	
23			1,823,571	0	187,321	1,636,250	19.25		0.00	
24			1,826,381	0	190,131	1,636,250	19.25		0.00	
25			1,829,233	0	192,983	1,636,250	19.25		0.00	
26			1,847,003	0	195,878	1,651,125	19.25	0.18	0.00	
27			1,864,816	0	198,816	1,666,000	19.43	0.18	0.00	
28			1,882,673	0	201,798	1,680,875	19.60	0.18	0.00	
29			1,900,575	0	204,825	1,695,750	19.78	0.18	0.00	
30			1,918,522	0	207,897	1,710,625	19.95	0.18	0.00	



Appendix B – Cash Flow Detail

<u>Debt Service Calculator</u>			
Milwaukee County			
Market Lease - New Bond for Remodeling			
1)	Enter amount to be borrowed.		\$2,585,088
2)	Enter borrowing conditions:	Interest Rate (e.g., 3.5% as 3.5):	3.5235 percent
		Term (enter 5 or more)	20 years
3)	Indicate ("x") payment type. Check both for comparisons.		
	Level Debt Service	<input checked="" type="checkbox"/>	
	Level Principal	<input type="checkbox"/>	
<hr/>			
<u>Projected annual payment</u>			
	Level Debt Service	\$182,276	
	Level Principal (Year One)		
<hr/>			
<u>Projected total payments over term.</u>		Principal & Interest	Interest only
	Level Debt Service	\$3,645,529	\$1,060,441
	Level Principal		
<hr/>			
	<u>Year</u>	<u>Level debt service (\$)</u>	
	1	182,276	
	2	182,276	
	3	182,276	
	4	182,276	
	5	182,276	
	6	182,276	
	7	182,276	
	8	182,276	
	9	182,276	
	10	182,276	
	11	182,276	
	12	182,276	
	13	182,276	
	14	182,276	
	15	182,276	
	16	182,276	
	17	182,276	
	18	182,276	
	19	182,276	
	20	182,276	



Appendix B – Cash Flow Detail





Prepared for:



For more information, contact:

T. Michael Parker

Senior Vice President
CBRE
777 E. Wisconsin Ave
Suite 3150
Milwaukee, WI 53202

T: 414.274.1643
C: 414-218-8180
michael.parker@cbre.com

Rolf Kemen

Managing Director
CBRE
4400 West 78th Street
Suite 200
Minneapolis, MN 55435

T: 952.656.2702
C: 516.816.5739
rolf.kemen@cbre.com

Mr. Scott Weas

Director
CBRE
777 E. Wisconsin Ave
Suite 3150
Milwaukee, WI 53202

T: 414.274.1608
C: 414.331.7856
scott.weas@cbre.com