

Kalyan Kolouju
3380 Peace St
La Crosse, WI-54601
608-738-9000

Feb 7th 2020

Private and Confidential NON-BINDING

Re: Letter of interest to purchase the “Plaid Pantry Site” at 618 Jackson and 1004 7th St (Parcels 17-30004-20 and 17-30004-40)

City of La Crosse

Dear Community Development Committee,

I am pleased to submit this Letter of Intent (“LOI”) which sets forth the general terms and conditions that me, under the through to be formed entity (Sai KrishnaVeena), would purchase the vacant property located at the intersection of Jackson and 7th St “Plaid Pantry Site” currently owned by City of Lacrosse.

Subject to entering into formal agreement, the terms of which would be customary in City of lacrosse, and satisfaction with its due diligence, Kalyan Kolouju will purchase the property for the sum of \$20,000 for redevelopment the details of which are provided below.

Keeping in mind the historical usage of the site, we intent to develop the site with a mixed use in mind. The site would be developed with a basement plus 2 floors. Contingent to zoning approvals we would like to erect a structure of approximately 30’x100’ on the site with dimensions of 50 x 134. The first floor will serve as a commercial property with around 3000 sqft of commercial space to be divided according to future tenant requirement (currently assuming 3 1000 sqft spaces). Second floor would be developed into 4 residential units with approximately 800sqft of space each. The basement space can be used for storage units for the tenants, coin laundry, common bathrooms and common space, Subject to final architectural design confirmations and city approvals, we intent to build the site with a standard construction materials per current building codes and requirements where applicable the construction will adopt a Green theme and use environmentally friendly construction materials. Since this is a mixed use project, I think the best way to approach this type of construction would be to use concrete and steel for the basement and 1st floor and wood construction for the second floor residential units this will setup the building for a long term. We are a great advocates of going Green and are considering a solar roof project with intent to power the unit with Green Energy and put in a couple Electric Chargers on site with future of mobility in mind.

We expect the total cost for the project to not exceed \$350,000 including the cost of the land, of which around 20% would be our personal funds and 80% would be coming in from Investment or SBA loans to be used to construct the property secured by us. The residential units will be rented at market value which we think at this time would bring in around \$850-\$900 per month per unit, and the commercial space is expected to bring in around \$1000 per/unit.

There are 2 big trees on the lot which could provide risk to the project and we expect the city to clear them or trim them under the Acquisition and Demolition Grant Program. Subject to zoning and architectural approvals we would like to commence the project within 3 months and complete the project within 6 -8 months.

The best experience we had with construction is our own home which is around the same price point and which we designed and constructed by hiring contractors and sub-contractors. The project is within our capabilities both from financial and time commitment stand point to get it to completion. Since we won't have other projects we would be 100% dedicated to completion of the project with in agreed upon time.

We hope the city would consider the LOI upon review and give us an opportunity to present the same.

Yours Sincerely,

Kalyan Kolouju

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