



TRACY CROSS & ASSOCIATES, INC.  
REAL ESTATE MARKET ANALYSIS

May 16, 2025

Mr. Patrick Schloss  
Mr. Shaun Mueller  
City of West Allis  
7525 W. Greenfield Avenue  
West Allis, WI 53214

**Re: Service Agreement No. 9012-F**

Gentlemen:

This letter will acknowledge the services to be rendered by Tracy Cross & Associates, Inc. (hereinafter referred to as "Cross") on behalf of the *City of West Allis* (hereinafter referred to as "*Client*"). To wit:

**I. Services**

Cross will provide selected research and consulting services to determine the highest-and-best market-driven residential development opportunities throughout the city of West Allis, Wisconsin. Specifically, *Cross will update and expand its 2021 housing study* in order to provide strategic planning guidelines for the introduction (and sustainability) of new construction housing alternatives throughout the municipality. In meeting this goal, the objectives of our analysis are:

- ☐ To determine the depth of the market for residential development in the city of West Allis over the next 5-10 years. This evaluation will be based upon economic, demographic, socio-economic and residential construction trends throughout the Milwaukee metropolitan region as a whole, with focused attention upon the city of West Allis.
- ☐ To forward conclusions regarding the marketability of all forms of housing throughout the city in order to meet the needs/demands of area residents (current and future); fill voids that exist in the marketplace; and address future growth initiatives. Investigative uses will include, but not be limited to multifamily apartments and other rental housing idioms, as well as for sale/ownership products in the form of small lot single family residences and duplex/villa/townhome/condominium units – focusing upon all **mainstream/workforce and market rate** age groups and income categories, i.e., ranging from younger profiles through active adults aged 55+. These conclusions will be based upon depth of market in each residential sector and consumer segment, and the alignment of residential developments, both existing and planned.
- ☐ To offer specific design, product and rental rate/pricing recommendations for those housing forms that are viewed to have measurable market support now and into the future, again including mainstream/workforce alternatives and market rate housing options. These recommendations will address total unit count potentials, product criteria, plan types and sizes, unit mix, parking requirements, etc., along with benchmark rental rate/pricing guidelines viewed as necessary to attain acceptable levels of sales or absorption.
- ☐ To offer a geographic positioning strategy for the introduction of new housing products throughout the city focusing on those areas viewed most suitable for the recommended housing forms over the next 5-10 years.

*Note: this geographic positioning strategy will consider any of the Client's pre-determined investigative properties or development/redevelopment areas **including a focus on The Foundry District/East Side**. In addition, Cross will provide input regarding specific site locations and/or general areas Client should strongly consider for development.*

- ☐ To offer specific action items necessary for implementing all recommendations such as builder/developer selection and insight; priority ranking of opportunities; how to bring product to market, implications on West Allis' current land use plan, zoning codes, etc.

## **II. Process, Timing and Deliverables**

Services, which will encompass field work, data collection, and analysis, will be divided into phases:

### ***Phase One Project Start/Data Collection/Analysis:***

- ☐ Conduct a teleconference/videoconference with Client to confirm assignment parameters and discuss pertinent items related to scope, investigative properties/areas, etc.
- ☐ Conduct a thorough "on the ground" market investigation to determine/re-establish geographic boundaries of the local study area and identify factors likely to affect housing demand throughout the city. As a part of this evaluation, Cross will conduct site analyses on properties (or areas of West Allis) identified by Client as likely development candidates.
- ☐ Collect secondary employment and residential construction data and condense regional analyses into an operating perspective of the defined study area.
- ☐ Conduct a comprehensive demographic analysis of the defined study area focusing upon its household base in terms of age segment, size, composition, incomes, etc.
- ☐ Based upon our experience in the greater Milwaukee region, determine who are/will be the target consumer groups for residential development within the municipality. Measure the depth of these market segments based upon their income, lifestyle, current choice of housing, and propensity to move.
- ☐ Conduct an audit of selected new construction residential developments in the defined market area (and surrounding areas) which may serve as a source of competitive influence including apartments, single family homes, townhomes, duplexes, villas, condominiums, etc. This audit will address model offerings, unit size, bedroom/bath ratios, rent/price/value positioning, occupancy/absorption, sales trends, and other pertinent factors.
- ☐ Conduct a thorough analysis of the existing home market, i.e. resale sector, to evaluate its potential influence on future new construction development.
- ☐ Examine projects in the planning pipeline/under construction which may pose some degree of future competitive influence.
- ☐ Develop a demand forecast for residential development in the defined study area, focusing upon West Allis and its capture potential by product type and rent/price range.
- ☐ Conduct *case study* analyses (as applicable) of "like" initiatives in other markets throughout the Midwest (and the state of Wisconsin in particular) to evaluate product, performance levels, implementation, strategies, etc.

**Phase Two Report Submission and Review:**

- ☐ Within eight (8) weeks of Client's execution of contract and receipt of contract deposit, as outlined in Section III, Cross will provide a written draft report highlighting market assessments and detailed conclusions/recommendations. ***This analysis will provide all the tools necessary for the Client to make "informed" business decisions regarding the overall market/demand potential for various rental and for sale housing options (mainstream/workforce through market rate) in the city of West Allis (and selected sites/areas in particular) and the specific direction that should be taken.***
- ☐ Following submission of the draft, Cross will conduct a teleconference/videoconference with Client and other selected stakeholders to review findings of the report and answer any questions regarding market potential, demand, recommendations, etc.
- ☐ Upon completion of the teleconference/videoconference/review session, Cross will incorporate comments/modifications (as appropriate) and submit a final report.

**III. Fee Structure**

Client agrees to pay Cross as compensation for services rendered the following:

<i>At Contract Signing</i>	<i>\$12,500</i>
<i>Upon Completion of Phase Two Report</i>	<i><u>\$7,375</u></i>
<b><i>Total:</i></b>	<b><i>\$19,875</i></b>

*Note: the fee structure outlined above has been discounted by 25 percent from Cross' original report fee in 2021, which is our normal billing rate for similar studies. This significant discount considers both our previous work performed for the City of West Allis, along with an overlap with current assignments.*

Reimbursable expenses, including but not limited to mileage/tolls and the cost of secondary data available only through purchase, will be billed separately as they occur at cost.

*Timing and fee schedule noted are valid for 60 days from date of proposal.*

**IV. Authority to Act/Payment of Fees and Expenses**

The undersigned hereby acknowledges that he/she has authority to accept and enter into an agreement with Cross on behalf of the Client, and further promises and agrees to pay all invoices for fees, costs and expenses when due, including but not limited to all collection costs, attorney's fees and other related costs incurred in enforcing any of Cross' rights hereunder. ***All payments are due within fifteen (15) days of receipt of invoice.***

**V. Entire Agreement/Choice of Forum**

This letter constitutes the entire agreement between the parties without regard to any statements or representations made prior or subsequent to its execution. No changes, modifications or revisions can or will affect or alter the agreement unless the changes, modifications or revisions are in writing and acknowledged by both parties. The agreement shall be governed by the laws of the State of Illinois, and any legal proceedings relating to the agreement shall take place in the Circuit Court of Cook County, Municipal or Law Division, Rolling Meadows, Illinois.

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**VI. Approval and Acceptance**

If this agreement is acceptable to you, please sign and return one executed contract ***together with the \$12,500 contract deposit*** as outlined in Paragraph III above.

The undersigned hereby agrees with the provisions set forth above and authorizes Tracy Cross & Associates, Inc. to proceed.

**TRACY CROSS & ASSOCIATES, INC.**

**CLIENT: CITY OF WEST ALLIS**

By:

  
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Erik A. Doersching  
Its: President & CEO

By:

\_\_\_\_\_  
Patrick Schloss or Shaun Mueller

Date: May 16, 2025

Date: \_\_\_\_\_

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**TRACY CROSS & ASSOCIATES, INC.**