

LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

June 15, 2015

RESPONSIBLE STAFF

Matthew Haessly, Real Estate Specialist, DCD

PARCEL ADDRESS AND DESCRIPTION

1946 South Muskego Avenue (the "Property"): A 5,360 SF vacant lot located in the Muskego Way neighborhood. The Property was acquired through property tax foreclosure in 2013.



BUYER

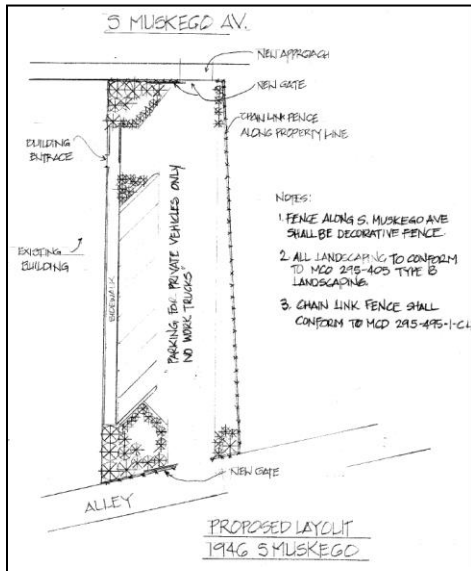
Ultimate Contractors, LLC ("Ultimate") is owned by Hector Sanchez ("Buyer"). The Buyer began his career in the construction industry, as a general contractor, while working for a family-owned business where he managed projects for 22 years. Ultimate started out of the home of the Buyer in 2012. The company has grown rapidly and currently has over 30 general contractors and 4 office staff. The Buyer purchased 1956 South Muskego Avenue in March, 2014 to be the headquarters for Ultimate.

PROJECT DESCRIPTION

The Buyer proposes to renovate the entire building for office and business uses. The first floor will be the headquarters for Ultimate and two additional office spaces will be leased to Emprexel LLC and Sosa Garcia LLC. The second floor will be renovated and used as a business incubator space.

The Buyer is seeking to acquire and improve the City property as an accessory parking lot for its staff, building tenants and customers. The Property also will allow the Buyer to install an emergency exit along the north side of the structure for building code purposes.

The Buyer understands that landscaping along the street, Muskego Avenue frontage, will need to meet the intent of the Milwaukee Code of Ordinances ("MCO") Section 295-405 (Milwaukee zoning code-landscaping) and MCO 295-495-1-C4 along the residential property line.



The estimated renovation for the existing building and improvement costs for the vacant lot are \$350,000. The Buyer was awarded a White Box grant from the City of Milwaukee, has obtained a loan from the Wisconsin Women's Business Initiative Corporation and the Buyer will use its own sweat equity for many of the improvements.

PURCHASE TERMS AND CONDITIONS

The purchase price is \$3,000. The conveyance will be on an "as is, where is" basis, including environmental concerns, if any. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status. At closing, the sale proceeds, less all sale and marketing expenses and a 30 percent disposition fee paid to the Redevelopment Authority of the City of Milwaukee, shall be credited to the Delinquent Tax Fund.