

LAND DISPOSITION REPORT

COMMON COUNCIL OF THE CITY OF MILWAUKEE

DATE

May 21, 2013

RESPONSIBLE STAFF

Matthew Haessly, Real Estate Specialist, DCD

PARCEL ADDRESS & DESCRIPTION

1817 West National Avenue: A 12,512 SF two-story brick building situated on a 13,874 SF lot. Historically, the building was used as a funeral home, and it has two residential units on the second floor. The property also has an attached two-car garage. The City acquired the property through tax foreclosure on July 9, 2012.

Marketing the property would be difficult due to a deed restriction prohibiting use as a funeral home, mortuary, crematory, flower shop or sale of related services or merchandise. The property does not have on-site parking. Historically, parking was provided on the adjoining lot at 1807 West National Avenue that was not subject to tax-foreclosure.



 City Property

 Alice Ledesma's Property

BUYER

Alice J. Ledesma, the former owner of 1817 West National Avenue who resides and operates her catering business from the property. Ms. Ledesma has purchased and installed many personal fixtures and equipment for her catering business that are integrated with the real estate.

The Common Council approved an application to vacate the foreclosure judgment, but Ms. Ledesma missed the deadline to pay the delinquent taxes and charges by one day due to difficulties obtaining a cashier's check from her bank.

OFFER TERMS AND CONVEYANCE

The estimated Purchase Price is \$105,557.68. The final price will be determined prior to closing based upon the amount of delinquent property taxes and charges, City and Redevelopment Authority ("RACM") building expenses, utility charges and costs incurred during her occupancy.

As a good-faith deposit, Ms. Ledesma provided the City Treasurer with a cashier's check in the amount of \$82,831.22, the amount to have been paid to vacate the judgment. The deposit is being held in an escrow account pending closing. If the Common Council does not approve the sale or if Ms. Ledesma is unable to close, the City Treasurer shall return the \$82,831.22 deposit to Ms. Ledesma.

Closing shall be in accordance with the offer to purchase. City closing contingencies include Ms. Ledesma's ability to pay the balance Purchase Price. The property will be conveyed on an "as-is, where-is" basis by quit claim deed. The City deed shall contain a deed restriction requiring that the property be fully taxable for property tax purposes and also be joined with Ms. Ledesma's adjoining parking lot.

The final Purchase Price will be determined prior to closing. After closing, the \$82,831.22 in escrow funds shall be distributed according to the method that payment of the vacated judgment would have been handled. The sale proceeds, plus any additional City and RACM expenses and charges attributable to the property, shall either be returned to the respective department or agency that incurred the cost(s) or be deposited into the Tax Deed Fund. The 2013 property tax estimate shall be deposited into the Treasurer's General Miscellaneous Revenue Fund.