

# LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

## DATE

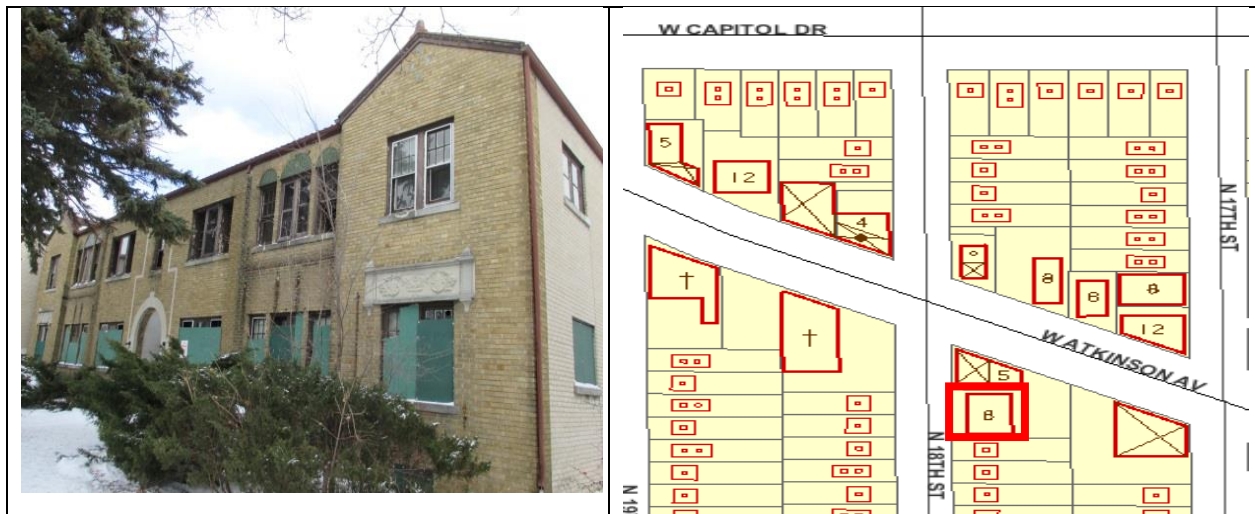
October 9, 2018

## RESPONSIBLE STAFF

Dwayne Edwards, Program Manager, DCD

## PARCEL ADDRESS AND DESCRIPTION

3880 North 18<sup>th</sup> Street (the "Property"): An 8,030 SF two-story, eight-unit apartment building situated on a 6,960 SF lot. The building was built in 1928 and was acquired by the City of Milwaukee ("City") on July 9, 2012 through property tax foreclosure.



**CITY MULTI-FAMILY PROPERTY FRONT VIEW**



**CITY PROPERTY**

## BUYER

Units LLC (the "Buyer"), or its assigns, is solely owned and managed by Reginald Pickens. The Buyer is seeking to purchase and renovate the eight-unit apartment building. The Buyer is a licensed electrician and has a team of skilled labor that will assist with property management services. Mr. Pickens has purchased and successfully renovated six rental properties in Milwaukee.

## PROJECT DESCRIPTION

The Buyer proposes to renovate the blighted eight-unit building at 3880 North 18<sup>th</sup> Street into market-rate residential apartments. The scope of work includes new HVAC, electrical and plumbing upgrades, new flooring, painting, window replacement, doors and ceiling work. Exterior repairs include power washing the brick, roof repair, wall repairs, as needed, new gutters and tuck pointing, among other improvements.

Other amenities will include: new cabinetry, energy-efficient appliances and lighting, exterior security doors and security alarm systems.

The estimated renovation costs are approximately \$153,500.



### **CITY MULTI-FAMILY PROPERTY AFTER RENOVATIONS**

Certain City approvals may be required in addition to the approval of the Land Disposition Report. Closing is contingent upon the Buyer obtaining all necessary approvals, financing and DCD's approval of the final building elevations.

#### **PURCHASE TERMS AND CONDITIONS**

The purchase price is \$7,000, which factors in the building's overall condition. The project will be funded with Buyer equity and private financing through F Street Investments, LLC.

The conveyance of the Property to the Buyer will be "as is, where is." The deed of conveyance will contain a restriction prohibiting the Buyer from applying to the City for tax-exempt property status. At closing, subtracted from the sale proceeds will be sale and marketing expenses and a 30 percent disposition fee to the Redevelopment Authority of the City of Milwaukee, with the remaining proceeds credited to the Delinquent Tax Fund.