

**LAND DISPOSITION REPORT
COMMON COUNCIL OF THE CITY OF MILWAUKEE**

DATE

May 29, 2019

RESPONSIBLE STAFF

Yves LaPierre, Real Estate Section (286-5762)

BUYER

Milwaukee Habitat for Humanity, Inc. is a local organization that is part of a nationwide effort to build new homes for first-time, low to moderate-income buyers. Volunteer labor, including required sweat equity by future buyers, and homebuyer counseling are key to Habitat's success. Its Executive Director is Brian Sonderman. Since 1984, Habitat has built over 500 homes for Milwaukee families. After several years of concentrating in the Washington Park and Walnut Hill neighborhoods, Habitat is committing to a multi-year effort to build new homes and renovate existing homes in the Midtown neighborhood. Over the course of two years, Habitat hopes to construct 30 new homes on City-owned lots.

PROPOSED USE

Construction of single-family, owner-occupied homes beginning in Spring 2019. Three different models will be constructed. Each home will be approximately 1,100-1,400 SF and will have 3-4 bedrooms and 2 baths. Once completed, the homes will be sold to owner-occupants for approximately \$85,000 to \$90,000. Each owner is required to contribute "sweat equity" to the new home.

OFFER TERMS AND CONDITIONS

The properties will be sold "as is" for \$1 per lot. 2019 closing will occur within six months of Common Council approval, but in advance of construction to allow Habitat to obtain needed certified survey maps to create building sites. Subsequent closings will occur in each year of Habitat's build program for the Midtown neighborhood. Closing is subject to DCD approval of final house designs and site plans. The Purchase and Sale Agreement will include reversion of title provisions for non-performance. No earnest money or performance deposit will be required based on Habitat's past performance.



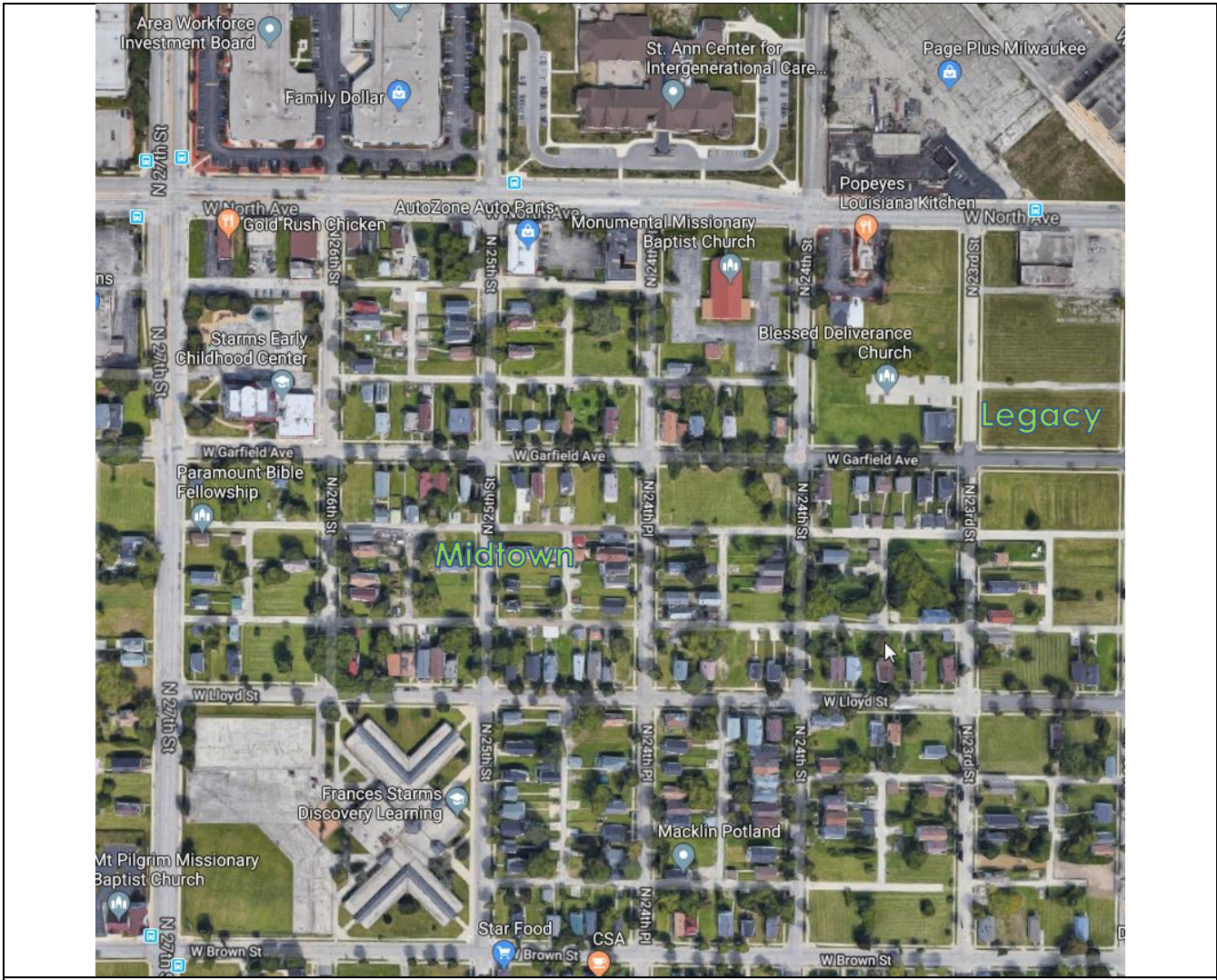
Sample House Design

PROPERTIES

Thirty-two vacant lots for building sites in the Midtown neighborhood. If any lots are determined to be infeasible for construction, as Habitat prepares building plans or certified survey maps or additional lots become City-owned, the Commissioner of the Department of City Development may substitute a similar lot in the target area upon approval from the local Common Council Member.

Address	Tax Key No.	Address	Tax Key No.
2121 North 24th Street	3502183000	2421 West Garfield Avenue	3502173000
2123 North 24th Street	3502182000	2425 West Garfield Avenue	3502172000
2217 North 24th Place	3502063100	2429 West Garfield Avenue	3502171000
2227 North 24th Place	3502061000	2433 West Garfield Avenue	3502170000
2231 North 24th Place	3502060100	2520 West Garfield Avenue	3502041000
1845 North 25th Street	3501347110	2527 West Garfield Avenue	3502231000
2219 North 25th Street	3502036000	2531 West Garfield Avenue	3502230000
1929 North 26th Street	3501209000	2532 West Garfield Avenue	3502044000

1931 North 26th Street	3501208000	2615 West Garfield Avenue	3503804000
2119 North 26th Street	3502272000	2625 West Garfield Avenue	3503803000
2125 North 26th Street	3502271000	2635 West Garfield Avenue	3503802000
2127 North 26th Street	3502270000	2414 West Lloyd Street	3502187000
2401 West Brown Street	3500317100	2604 West Lloyd Street	3503901000
2415 West Garfield Avenue	3502175000	2608 West Lloyd Street	3503902000
2417 West Garfield Avenue	3502174000	2616 West Lloyd Street	3503903000
2405 West Garfield Avenue	3502173100	2618 West Lloyd Street	3503904000



Habitat building area in the Midtown neighborhood 2019-2020 Build

DUE DILIGENCE CHECKLIST – MILWAUKEE HABITAT FOR HUMANITY 2019-2020

Market value of the property.	Vacant lots to be sold for \$1 per lot to create building sites for new home construction and owner-occupancy.
Full description of the development project.	Construction of single-family, owner-occupied homes beginning in Spring 2019. Three different models will be constructed. Each home will be approximately 1,100-1,400 SF and will have 3-4 bedrooms and 2 baths. Once completed, the homes will be sold to owner-occupants for approximately \$85,000 to \$90,000. Each owner is required to contribute "sweat equity" to the new home.
Complete site, operations and scope of work for development.	Please see the Land Disposition Report for details.
Developer's project history.	Milwaukee Habitat for Humanity has built over 500 homes since 1984 and successfully supported new homeowners and strengthened neighborhoods.
Capital structure of the project, including sources, terms and rights for all project funding.	Habitat will fund the project with its own equity, fundraising and private financing.
Project cash flows for the lease term for leased property.	Not applicable.
List and description of project risk factors.	Department of City Development staff determined that there is very low risk in selling the property to Habitat, based on the Developer's track record developing previous projects in Milwaukee.
Tax consequences of the project for the City.	The deed of conveyance will contain a restriction prohibiting the Developer, its assignee or its successors from applying to the City for tax-exempt property status. Development of City land with new homes will greatly increase the taxable value of the properties.