

CITY OF MILWAUKEE - OFFER TO PURCHASE

Commercial Improved Property

GH, 9-17-2014, CAO 207624

The Buyer, **Cache Investments, LLC** (“**Buyer**”), offers to purchase from the **City of Milwaukee** (“**City**”) the City’s right, title, and interest in the properties at 1801 W. Keefe (TIN 284-0215-000-0), 3075-77 N. 14th St. (TIN 311-0301-000-7), and 3299 N. 11th St. (TIN 283-0437-000-0), Milwaukee, Wisconsin (individually and collectively the “**Property**”) on the terms and conditions contained herein (the “**Offer**”). As used herein, “**DCD**” means the City’s Department of City Development, and “**MCO**” means Milwaukee Code of Ordinances.

1. **Purchase Price.** Buyer offers to purchase the Property for \$60,000 (“**Purchase Price**”) (\$20,000 x 3 parcels = \$60,000) to be paid by Buyer to City by cashier’s check at time of **Closing (hereafter defined)**, less a credit for Earnest Money. City may request that Buyer allocate the Purchase Price as outlined on City’s closing statement.
2. **MCO 304-49-8 City Buyer Policies.** Per MCO 304-49-8, *unless the Common Council approves otherwise*, the City will not sell property to a buyer, or to a buyer in which an owner, member, shareholder or partner, directly or indirectly, unless the Buyer is in compliance with the following “**General Buyer Policies:**”
 - a) Not delinquent in the payment of any property tax (real and personal property), special assessment, special charge or special tax to the City of Milwaukee.
 - b) Not a party against whom the City has an outstanding judgment.
 - c) Not have outstanding building or health code violations or orders from the City’s Health Department or Department of Neighborhood Services that are not actively being abated.
 - d) Not a party who has been convicted of violating an order of the Health Department or Department of Neighborhood Services within the past year.
 - e) Not been convicted of a felony that causes neighborhood or community concerns with respect to neighborhood stability, health, safety or welfare.
 - f) Not subject to a property tax foreclosure by the City within the past five years.

Buyer violates the General Buyer Policies. Buyer lost all 3 Properties to property-tax foreclosure on December 17, 2012. Buyer filed vacation applications under MCO 304-50 but failed to pay as required thereunder (Common Council Files 121283, 121284, 121408). Because Buyer fails to satisfy the General Buyer Policies, the Council must authorize this sale.

3. **No Broker.** No real estate broker is involved in this transaction. Neither City nor Buyer have engaged any broker.
4. **Earnest Money.** Buyer shall pay “**Earnest Money**” of **\$5,000** at the time of Buyer signing and tendering this Offer to City, to be held by City. The Earnest Money shall be credited toward the Purchase Price at Closing or disbursed as otherwise provided herein. Earnest Money is nonrefundable except as expressly provided herein.
5. **Buyer Identification and Disclosures.** Buyer is and will take title as (check one):

- | | | | |
|--|--|---|--|
| <input type="checkbox"/> Single person | <input type="checkbox"/> Married Persons | <input type="checkbox"/> Joint Tenants | <input type="checkbox"/> Tenants in Common |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Partnership | <input checked="" type="checkbox"/> LLC | <input type="checkbox"/> other _____ |

Identify corporate officers, partners or LLC members: Caston Love, sole manager and member. Mary Smith, member. Latonya Wright, member.

6. **Buyer Certification.** Buyer certifies that Buyer is is not an employee of the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, the Housing Authority of the City of Milwaukee, the

Milwaukee Economic Development Corporation or Neighborhood Improvement Development Corporation (individually and collectively “**City Agency**”). If employed by City Agency, identify the City Agency and department: _____. City Agency employees must complete and submit with the Offer a DCD Conflict of Interest Form that has been signed by the employee’s supervisor and DCD Commissioner.

7. **Acceptance.** This Offer is contingent upon City Common Council approval. This Offer becomes binding on both parties upon signature of the Commissioner of DCD or designee (“**Effective Date**”). City shall, if it signs and accepts, provide a fully-signed copy of the Offer to Buyer. Buyer may withdraw the Offer at any time prior to delivery of the City’s acceptance signature by sending a written notice of withdrawal to City. In the case of timely and proper Buyer withdrawal, Earnest Money shall be returned to Buyer.
8. **Offer Term.** The Offer shall commence on the Effective Date and be in effect until **NOVEMBER 26, 2014** (“**Expiration Date**”). Buyer must satisfy all City Contingencies (see below) and Buyer Contingencies (see below) and close on or before the Expiration Date.
9. **City Contingencies.** This Offer, and City’s duty to Close, are subject to Buyer satisfying the following “**City Contingencies**”: (a) Common Council approval of this transaction; and (b) Buyer paying in full outstanding taxes against 2450-52 W. Burleigh. If at Closing, Buyer has not met and satisfied the City Contingencies, City may declare this Offer null and void, in which case, City shall have no duty to Close, and Earnest Money shall be returned.
10. **Buyer Contingencies.** NONE.
11. **Property Condition, AS-IS.** City shall convey the Property to Buyer at Closing in “**AS-IS, WHERE-IS**” condition, with no warranties or representations, express or implied, and with all faults and defects, known or unknown. Such provisions shall bar all tort, warranty, and misrepresentation claims – including any action based on non-disclosure. The Property may contain adverse conditions such as lead-based paint, asbestos and underground storage tanks. Buyer acknowledges that City has no disclosure requirements, as Wis. Stat. Ch. 709 does not apply to this transaction. Buyer shall indemnify and hold harmless City concerning claims or expenses associated with the Property.
12. **Closing.** Closing on this transaction (“**Closing**”) shall take place at the offices of the DCD’s Real Estate Office at 809 North Broadway, 2nd Floor, Milwaukee, Wisconsin, or other mutually acceptable place, at a mutually acceptable time and date that will be on or before the Expiration Date - **NOVEMBER 26, 2014**. At Closing, Buyer agrees to execute a Closing Statement.
13. **Deed; Restrictions.** Upon delivery of the Purchase Price by Buyer, City shall convey the Property to Buyer by Quit-Claim Deed (“**Deed**”) subject to the restrictive covenant of prohibition against property-tax exemption per MCO 304-49-12.
14. **Title Insurance.** NONE. City will not provide Buyer with a title insurance commitment for the Property or title insurance. If Buyer wants same, Buyer must obtain and pay for same on its own.
15. **Legal Possession; Occupancy; Tenant; Assignment of Lease.** Legal possession and occupancy of the Property shall be delivered to Buyer at Closing subject to the terms and conditions contained herein. Occupancy is subject to the rights of tenants in possession, if any. One Property – 3075-3077 N. 14th Street has one residential tenant, Caston Love’s sister, Mary Lee Smith. At Closing, City will assign to Buyer City’s rights under the Lease between City and Mary Lee Smith dated February 1, 2013 on an AS IS WHERE IS BASIS, and Buyer will accept same and be responsible for the Tenant and all issues concerning the lease. There shall be no proration of rent, City being able to keep all prior rent paid and all rent for the month in which Closing occurs. Unless otherwise disclosed to Buyer, City holds no security deposit concerning any

tenant now or formerly occupying the Property. Buyer shall indemnify and hold harmless City concerning claims or expenses associated with the tenant or leasehold.

- 16. Proration; Special Letters.** No 2014 property taxes will be billed against the Property as same is exempt for year 2014 under City ownership. There will be no proration of utility bills. Prior to Closing, City will obtain internal "Special Letters" and provide copies of same to Buyer, and at Closing, beside the Purchase Price, Buyer must pay outstanding special assessments, special charges, and utility expenses.
- 17. Transfer Fee and Return.** No real-estate-transfer fee shall be due at closing pursuant to Wis. Stat. 77.25 (2), and no real-estate-transfer return shall be required pursuant to the exemption under Wis. Stat. 77.255. City is not a lender for the transaction.
- 18. Recording Deed.** Promptly after Closing, the Deed shall be recorded by the City as required by MCO 304-49-10. Buyer shall be responsible for recording fees and charges and shall provide City a check at Closing for recording charges as directed on the Closing Statement.
- 19. DNS Property Recordings.** The Property shall be registered with the Department of Neighborhood Services ("DNS") Property Recording Program and Vacant Building Registration Program, if applicable, promptly at Closing. See MCO 200-51.5 and 200-33-64. At Closing, Buyer shall execute the DNS Property Recording Form and, if applicable, DNS Vacant Building Registration, and shall provide City with a check for the required fee as shown on the Closing Statement. City shall transmit the registrations to DNS.
- 20. Energy Efficiency.** Sale of improved properties containing residential rental units may be subject to the Wisconsin Department of Commerce "Rental Unit Energy Efficiency Standards," Wis. Admin. Code Ch. 67, and Wis. Stat. 101.122. Buyer is responsible for all costs, expenses and fees for complying with this program and will execute required applications at Closing.
- 21. Personal Property.** To the extent any personal property exists at the Property on the date of Closing that does not belong to tenants (if any) of the Property, Buyer shall be responsible for such personal property, and indemnify and hold harmless City concerning claims or expenses associated with such personal property. Buyer understands City acquired the subject real Property by property-tax foreclosure under Wis. Stat. 75.521, but that City did not acquire the personal property by property-tax foreclosure.
- 22. Compliance with Laws.** At and after Closing, Buyer must comply with applicable federal, state and local laws regarding the Property, and its use and occupancy.
- 23. Successors and Assigns.** Once this Offer is accepted by City, this Offer binds and inures to the benefit of the parties hereto and their successors and assigns. Buyer may not assign any rights, or obligations under this Offer without the written consent of City.
- 24. Facsimile and Counterparts.** This Offer may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. Facsimile, email, or PDF signatures shall be accepted as originals.
- 25. Entire Agreement; Amendment.** This Offer constitutes the entire agreement between the parties and all prior statements, written or oral, are terminated and of no effect. This Offer may only be amended by a written agreement signed by all the parties hereto.
- 26. Severable.** The terms and provisions of this Offer are severable such that the invalidity or unenforceability of any term or provision shall not affect or impair the validity or enforceability of the remaining terms and provisions.

27. Survival. The terms, provisions, and agreements herein shall survive Closing and delivery and recording of the Deed.

28. Notices. All notices permitted or required hereunder shall be considered given **(i)** upon receipt if hand-delivered by commercial courier or otherwise personally delivered, **(ii)** if sent by email, then the notice must be sent during business hours (i.e. 8:30 A.M to 4:30 P.M., Monday through Friday) on days that City’s City Hall is open for business, and the notice shall be deemed given when sent as per the following and so long as the notice is successfully sent (i.e. the sender does not receive any error or busy or inability to send notification), and **(iii)** within two business days of depositing same in the U.S. mail, postage-paid, addressed by name and address to the party intended as follows:

IF TO CITY:

Matt Haessly
Department of City Development
809 North Broadway, 2nd Floor
Milwaukee, WI 53201-0324
Phone: 414-286-5730
Email: mhaess@milwaukee.gov

IF TO BUYER:

Caston Love
Cache Investements, LLC
2450 W. Burleigh
Milwaukee, WI 53206
Phone: 414-737-2068
Email: lovecaston@ymail.com

29. Remedies. Except as otherwise provided herein, in the event of breach of this Offer, the non-breaching party shall have all rights and remedies available at law and in equity against the breaching party. In the event of breach by Buyer prior to Closing, City may elect to retain the Earnest Money as liquidated damages or as partial offset against damages otherwise occasioned by the breach – which, in the latter case, City may bring suit for remaining damages and/or specific performance. City retains all rights, including all rights under Wis. Stat. 893.80.

30. Waiver; MCO 308-22-2-g. This Offer is deemed the “waiver” by Buyer required by MCO 308-22-2-g requiring the Buyer to hold the City of Milwaukee harmless from any undetected or unknown environmental hazard that may be present in or on the Property. In the event of Closing and delivery of the Deed pursuant hereto, Buyer agrees to abide by, and be bound by, 308-22-2-g.

31. Special Conditions: NONE.

IN WITNESS WHEREOF, Buyer enters and extends this Offer to City as of the date written below.

Date of Buyer’s Offer: _____	BUYER: Cache Investments, LLC By: _____ Caston Love, Sole Managing Member
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ACCEPTANCE BY CITY OF MILWAUKEE Date Accepted (“Effective Date”): _____ Transmitted to Buyer: _____ Expiration Date: NOVEMBER 26, 2014	CITY: City of Milwaukee By _____ Martha L. Brown, Deputy Commissioner, DCD Common Council Resolution No. _____
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After Recording, Return To:

Cache Investments, LLC
Attn: Caston Love
2450 West Burleigh Street
Milwaukee, WI 53206

Tax Key Numbers:

284-0215-000-0
311-0301-000-7
283-0437-000-0

Exempt From Fee & Return. This Deed and conveyance are exempt from the Wisconsin Real Estate Transfer Fee and Return per Wisconsin Statute 77.25 (2) and 77.255.

Drafted By: City of Milwaukee, Dept. of City Development.

Recording Area

THIS QUIT-CLAIM DEED is made as of this ____ day of _____, 2014 by the **CITY OF MILWAUKEE**, a Wisconsin municipal corporation (“**City**”), as Grantor, to **CACHE INVESTMENTS, LLC**, as “**Grantee.**”

1. Conveyance of Property. City hereby conveys and quit-claims to Grantee, on an “AS-IS, WHERE-IS” basis, with all faults and defects, known or unknown, physical or otherwise, and without representation or warranty, express or implied, all of City’s right, title, and interest, whatsoever, in and to the real estate described (individually and collectively called the “**Property**”) as follows:

Lot 1 in Block 3 of Assessor’s Plat No. 116, being a part of the Southeast 1/4 of Section 7, Town 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.
Address: 1801 W. Keefe, Milwaukee, WI
TIN: 284-0215-000-0

Lot 1 in Block 1 of Barber & Gates’ Subdivision being part of the Northeast 1/4 of Section 18, Town 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.
Address: 3075-77 N. 14th St., Milwaukee, WI
TIN: 311-0301-000-7

Lot 1 in Block 11 of Milwaukee Savings & Investment Association Subdivision No. 2 being part of the Southwest 1/4 of Section 8, Town 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.
Address: 3299 N. 11th St., Milwaukee, WI
TIN: 283-0437-000-0

2. Restrictive Covenant. This conveyance and the Property are subject to the following Restrictive Covenant, which is binding upon Grantee, its heirs, successors and assigns. The terms and conditions of the Restrictive Covenant were material inducements to City conveying the Property to Grantee, and but for Grantee’s acceptance of the terms and conditions by entering into a Purchase and Sale Agreement (“**PASA**”) with City, City would not have conveyed the Property to Grantee.

Tax Exemption Prohibition Restrictive Covenant. The Property must be taxable for property-tax purposes and no owner or occupant of the Property shall apply for, or seek, or accept, property-tax exemption, whether under Wis. Stat. 70.11 or otherwise, for the Property, or any part thereof. This restriction shall be a permanent covenant that runs with the land and may only be released by resolution passed by the City's Common Council by a 2/3 vote (MCO 304-49-12) and recording by Grantor of a Release of Restriction with the Milwaukee County Register of Deeds.

IN WITNESS WHEREOF, City of Milwaukee, as Grantor, has caused this Deed to be executed by its duly authorized signatory as of the date first written above.

CITY OF MILWAUKEE

By _____
Martha L. Brown, Deputy Commissioner
Department of City Development
Conveyance authorized by Resolution File No. _____
adopted by the Common Council of the City of Milwaukee on
_____, 2014.

STATE OF WISCONSIN)
) ss.
MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 2014, Martha L. Brown, the Deputy Commissioner of the Department of City Development of the City of Milwaukee, who, on the City's behalf, executed the foregoing instrument and acknowledged the same.

Notary Public, Milwaukee County, Wisconsin

Name Printed: _____

My commission: _____