

**CITY OF MILWAUKEE  
VACANT LAND OFFER TO PURCHASE**

Vacant Land for Single Family or Duplex Construction

The Buyer, \_\_\_\_\_ ("Buyer") offers to purchase from the City of Milwaukee ("Seller") all of the Seller's right, title, and interest in the vacant lot at \_\_\_\_\_ (DCD Dev. Site # \_\_\_\_\_) ("Property") on the terms and conditions contained herein. For the purposes of this offer, Seller shall mean the City Real Estate Office and not any party from a different City office or department.

**1. Buyer Identification and Disclosures.**

Buyer is (check one):     Married                     Single person (Identify if  he/male  her/female/for deed))  
                                   Joint Tenants     Tenants in Common  
                                   Corporation     Partnership                     other \_\_\_\_\_

Identify corporate officers, partnership or LLC members: \_\_\_\_\_

Buyer certifies that it is not delinquent in the payment of property taxes (real estate and personal property) to the City of Milwaukee as an individual or as a member of a partnership, company or corporation. Buyer further agrees that it shall not be tax delinquent at the time of closing. If Buyer has delinquent property taxes due the City of Milwaukee, Buyer shall be given five days to make full payment or Seller may declare this Offer null and void and retain any Earnest Money as liquidated damages.

Buyer discloses that he/she     is     is not    an employee of the City of Milwaukee, the Redevelopment  
(Check One ▲)

Authority of the City of Milwaukee ("RACM") or the Housing Authority of the City of Milwaukee ("HACM") or related corporations, such as NIDC or MEDC (Collectively "City Employees").

City employees, other than certain DCD and RACM employees, are permitted to purchase City property, but must identify employment as follows: \_\_\_\_\_ (Department & Section). DCD, HACM and RACM employees must complete and submit with the Offer a Conflict of Interest Form that has been signed by the employee's supervisor and DCD Commissioner. Buyer warrants that no officer or employee of the City of Milwaukee will benefit from the purchase of the Property.

Buyer     has     has no    outstanding Offers to Purchase with Seller as of the date hereof.  
(Check One ▲)

Buyer     has     has not    acquired City property in the past on which construction has not been  
(Check One ▲)                    completed

Seller may reject offer from parties that:

- a. have outstanding City offers and/or recently purchased property from Seller where improvements and/or renovations have not been completed.
- b. have been convicted of failure to comply with an order of the Commissioner of Neighborhood Services of the City of Milwaukee within the 12 months preceding submission of this Offer to the City or within the 12 months preceding closing of the sale;
- c. that have been convicted of a felony for a crime that affects neighborhood stability;
- d. has been subject to an In Rem foreclosure or In Personam judgment by the City within the five-year period preceding the date of this Option.

**2. Purchase Price.** The Purchase Price shall be \$\_\_\_\_\_ and shall be paid by cashier's check at time of closing, less a credit for Earnest Money and subject to the customary prorations and deductions pursuant to Section 15 ("Net Price"). Buyer agrees to allocate the Net Price to different accounts for City sale expenses if requested by Seller. No brokerage fee shall be paid by Seller.

3. **Earnest Money.** Earnest Money of \_\_\_\_\_ (10% of the Purchase Price or \$1,000 whichever is greater) in the form of a check shall be submitted by Buyer with this offer. The Earnest Money shall be credited toward the Purchase Price at time of closing. The Earnest Money shall be held by the Seller and is non-refundable except for transactions involving unique house designs pursuant to Section 7 where an offer is withdrawn because of non-conforming plans and where a financing contingency is not satisfied.
4. **Acceptance.** Submitted offer must be signed by all parties of Buyer and acceptance occurs upon signature of the Commissioner of the Department of City Development ("DCD") or the designee of Special Deputy Commissioner at which time ("Effective Date") this Offer becomes an agreement binding upon both parties. Seller shall make good faith effort to respond to this offer in a timely manner. Buyer may withdraw the offer at anytime prior to delivery of the accepted offer and Seller shall return the Earnest Money to Buyer.
5. **Offer Term.** Once accepted, the Offer shall be in effect for a period of 120 days commencing with the Effective Date or until \_\_\_\_\_ ("Expiration Date"). Buyer must satisfy all contingencies and close on or before this date pursuant to Section 11 of this offer. Under limited circumstances, the offer may be extended by the Commissioner of DCD for 30 days ("Extended Date") upon submission by Buyer and Seller acceptance of a written request for such extension including the reasons therefore and a check for \$500.00. If the offer term is extended, the extension fee is non-refundable and shall not be credited toward the Purchase Price.
6. **Proposed Use.** Property shall be use for construction of:  Single-Family  Duplex  
 Estimated project costs (hard construction costs, architectural & contractor fees) are \$ \_\_\_\_\_, which amount shall be not less than \$150,000 except upon approval of Seller.  
 Builder will be \_\_\_\_\_  
 If "sweat equity" will be used to reduce costs, please identify activities \_\_\_\_\_
7. **House Design; Conformance to City Design Standards.** Houses must conform to applicable Zoning Code, City Building Codes and DCD's Residential Design Standards except as authorized by the Commissioner of DCD. Buyer agrees to construct the following house design (check one):  
 DCD Catalog, model name \_\_\_\_\_  
 DCD -approved builder model; model name and approval number \_\_\_\_\_  
 Conforms to DCD's attached Residential Design Standards attached hereto  
 Unique design that shall be submitted for preapproval within thirty (30) days of acceptance of this offer by the Seller.

For designs other than from the DCD Catalog or a DCD-approved builder model, Buyer shall submit scaled preliminary elevations for all facades facing a street or alley and a scaled site plan (collectively "Preliminary Plans") at its sole cost to Seller for approval within 30 days of acceptance of this offer. If Preliminary Plans are not acceptable to Seller, Seller shall provide Buyer with written comments within 15 days of submittal on required changes. Buyer shall be given 15 days from the date of written comments to submit revised Preliminary Plans showing the corrections. If Buyer elects not to revise the plans as required by Seller and terminates this Offer within 45 days of acceptance, Seller shall return the Earnest Money. If Buyer fails to submit corrected Preliminary Plans within 30 days of the written comments and does not terminate this offer, Seller may cancel this offer and retain the Earnest Money as liquidated damages.

8. **Financing Contingency.** This Offer  is  is not contingent upon financing.  
 (Check One ▲)

This Offer is contingent upon Buyer obtaining:  first mortgage loan commitment or  construction loan commitment within \_\_\_ days of acceptance of this Offer for not less than \$\_\_\_\_\_ for a term of not less than \_\_\_\_\_ years with an initial interest rate not to exceed \_\_\_\_\_% per annum with monthly payment not to exceed \$\_\_\_\_\_ for principal and interest. Buyer agrees to pay all customary

financing costs (including closing costs, to apply for financing promptly and to provide evidence of application promptly upon request by Seller. If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s) rejection letters or other evidence of unavailability. Upon receipt of such notice, this Offer is cancelled and Seller shall return all Earnest Money. If Seller notice is not timely given, this Offer shall be null and void and Seller may retain all Earnest Money as liquidated damages.

- 9 Evidence of Financing & Equity.** Buyer hereby submits evidence of equity and/or financing in the amount equal to the estimated construction costs and Purchase Price. Buyer hereby submits a pre-qualification letter from a regulated financial institution in the amount of \$ \_\_\_\_\_ if the offer is contingent on financing.
- 10. Closing.** Closing on this transaction ("Closing") shall take place at the offices of the City Real Estate Office at 809 North Broadway, 2nd Floor, Milwaukee, Wisconsin, or at a mutually acceptable place, at a time and date that will be on or before the Expiration Date or Extended Date provided closing contingencies identified below have been satisfied by Buyer.
- 11. Closing Contingencies.** Closing by Seller is contingent on:
- A) Buyer obtaining a building permit for a DCD-approved design and site plan from the City of Milwaukee Development Center. Final plans submitted for the building permit must match approved preliminary design pursuant to Section 7 of this offer and to the zoning and building codes or the Seller may cancel this Agreement and retain the Earnest Money as liquidated damages. Buyer is solely responsible for making timely application for a building permit (Seller recommends that the permit application be made at least 30 days prior to the expected closing date to allow adequate time for plan review). Seller shall not be responsible for any delays approving final plans caused by Buyer's submittal of final plans that do not conform to Residential Design Standards or pre-approved plans;
  - B) Buyer submission to Seller of a fully executed final construction contract with a licensed contractor showing construction to commence within thirty (30) days following closing; and
  - C) Submission to Seller of a firm financing commitment without contingencies and/or evidence of equity that shows adequate funds to complete construction in the submitted contract.
- If Buyer fails to satisfy Closing Contingencies by Expiration Date or Extended Date, whichever is later, Seller may declare this Offer null and void and retain Earnest Money as liquidated damages.
- 12. Quit-Claim Deed of Property; AS-IS Sale.** Upon submission of the Net Purchase Price by Buyer, Seller shall convey the Property to Buyer by Quit-Claim deed ("Deed") in "AS-IS, WHERE-IS" condition with all faults and defects, known or unknown, physical or otherwise, and without representation or warranty, express or implied. Such provisions shall bar all tort, warranty, and misrepresentation claims – including any action based on non-disclosure. Buyer shall rely on Buyer's own due diligence and independent investigation and inspection, and they shall not rely upon any oral or written statement or representation of Seller or any employee or agent or contractor of City. At Closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the Property will become Buyer's.
- 13. Property Condition.** Seller discloses that the Property may contain old building foundations, demolition debris and other materials not suitable for construction. Without changing the "AS-IS/no warranty or representation" nature of this transaction, Buyer is aware that the Property is or may be affected by adverse geotechnical conditions due to the presence of these materials or due to the bearing capacity of the soil. Seller has conducted no geotechnical investigation of the Property and assumes no liability for any subsurface conditions. Buyer shall include in the construction budget an allowance for extraordinary site excavation, disposal of materials unsuitable for construction and/or additional fill to allow construction. Seller shall not provide a survey of the Property. Buyer is encouraged to undertake a site survey, geotechnical investigation and other due diligence reviews that it deems necessary. Upon written request of Buyer, Seller shall provide Buyer a right of entry to conduct such investigations of the Property upon certain conditions, including submission of a certificate of insurance in amounts specified by Seller

naming the City of Milwaukee as an additional insured. Buyer acknowledges that Seller disclosure requirements under Ch. 709, Wis. Stats. do not apply.

- 14. Title Insurance.** For all transactions with a Purchase Price in excess of \$5,000.00, Seller shall provide Buyer with a title insurance commitment for the Property issued by Chicago Title Insurance Company or other company selected by Seller in the amount of the Purchase Price. The Seller shall pay the base cost of title insurance. Buyer shall be responsible for the cost of any title and gap endorsements and the cost of any title updates incurred after the initial invoice. Seller shall pay its cost of title insurance at closing from the Net Purchase Price if sufficient to cover such cost payment or by separate check. Provision of title insurance shall not change the "AS-IS/no warranty or representation" nature of this transaction.
- 15. Proration.** Property taxes, if any, shall be pro-rated to the date of closing. Seller shall be responsible for special assessments of record as of the date this contract is accepted by Seller. The estimated special assessments that are the responsibility of Seller, but that have not been billed, may be deducted from the Purchase Price at closing and paid by Buyer at such time as the Special Assessments are billed. If the Purchase Price is inadequate to pay the Estimated Special Assessments, Seller shall pay at such time as the Special Assessment is billed.
- 16. Seller Termination.** Seller may terminate this offer and return Buyer's Earnest Money and Extension Fee if Seller is unable to provide marketable title or Seller is unable or unwilling to remove valid objections to title prior to closing.
- 17. Transfer Fee or Return.** No real-estate-transfer fee shall be due at closing pursuant to § 77.25(2), Wis. Stats, and no real-estate-transfer return shall be required pursuant to the exemption from returns under Wis. Stat. § 77.255, Wis. Stats.
- 18. Recording Deed.** The Deed shall be recorded by Seller, a title insurance company or a lender promptly after closing as required by Milwaukee Code of Ordinances § 304-49-13-b. Buyer shall pay the cost of recording the Deed and shall provide Seller at closing with a check, made payable to the Milwaukee County Register of Deeds in the amount needed to record the Deed.
- 19. Environmental Conditions.** Seller shall not provide a Phase I environmental Assessment of the Property and this Offer shall be deemed the "waiver" required by Milwaukee Code of Ordinances §308-22-2-g. Buyer shall, in the event of a Closing and delivery of a Deed pursuant hereto, release, indemnify and hold the Seller, the City of Milwaukee (and its agents, employees, and contractors, and also the Redevelopment Authority of the City of Milwaukee, and its agents, employees and contractors) harmless from and against any loss, expense, damage, or claim (whether based in contract, tort, or otherwise), associated directly or indirectly, with any detected or undetected, known or unknown, environmental, geotechnical, or other physical or nonphysical defect or hazard that may be present in or on, or that may affect, the Property. The foregoing indemnity and hold harmless duty (but not the release duty), however, does not cover personal injury claims for accidents or injuries that occurred on the Property prior to Closing except as otherwise provided by or covered by this Offer.
- 20. Successors and Assigns.** Once this Offer is accepted by Seller, this Offer binds and inures to the benefit of the parties hereto and their successors and assigns. Notwithstanding the foregoing, however, Buyer may only assign its rights and obligations under this Agreement with the prior written consent of the Seller.
- 21. 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 signatures shall be accepted as originals.
- 22. Entire Agreement.** 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.

**23. Severable.** The terms and provisions of this Offer are deemed separable and 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.

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

**25. 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 facsimile, 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 Seller'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 Seller:  
Elaine Miller, Real Estate Manger  
Department of City Development  
809 North Broadway, 2nd Floor  
Milwaukee, WI 53201-0324  
Fax: 414-286-0395  
Phone: 414-286-5730

If to Buyer:  
Buyer's Name \_\_\_\_\_  
Buyer's Address \_\_\_\_\_  
Fax: Buyer's Fax \_\_\_\_\_  
Phone: Buyer's Phone \_\_\_\_\_

**26. Remedies.** Except as otherwise provided herein, in the event of breach of this Agreement, the nonbreaching party shall have all rights and remedies available at law and in equity against the breaching party. In the event of breach by Buyer, Seller 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, Seller may bring suit for remaining damages.

**27. Special Conditions:** Addendum  is  is not attached.  
(Check One ▲)

IN WITNESS WHEREOF, the parties caused this Offer to be entered into and executed as of the date written below.

(x) \_\_\_\_\_  
Buyer's Signature ▲ Print Name Here ►

\_\_\_\_\_  
Social Security No. or FEIN ▲ Date ▲

(x) \_\_\_\_\_  
Buyer's Signature ▲ Print Name Here ►

\_\_\_\_\_  
Social Security No. or FEIN ▲ Date ▲

**Acceptance by Seller (City of Milwaukee)**

Accepted: \_\_\_\_\_

\_\_\_\_\_  
Date ▲

PTS# \_\_\_\_\_

Rejected: \_\_\_\_\_

\_\_\_\_\_  
Date ▲

\*