

CITY OF MILWAUKEE

Real Estate Contract for Surplus Vacant Land

1. We The North Avenue Community Development Corporation (hereinafter referred to as Buyer), agree to purchase on the terms set forth herein the following property 3501-3515 W. Burleigh St. located Milwaukee, WI at

Buyer is: married single person corporation other _____

2. The agreed purchase price of the property is \$ 13,500. Buyer has paid \$ 1,000 as earnest money (~~10% of the purchase price or \$1,000 whichever is greater~~) to be applied to the purchase price and agrees to pay the balance in full at the time of closing to Seller.

3. Time is of the essence as to closing. Buyer will be required to submit for approval plans which are compatible in all respects with the surrounding neighborhood context as a condition of closing. This is in addition to existing historic and building codes. It is the buyer's responsibility to obtain a survey, if necessary. Closing will also be contingent upon presentation of firm financing commitments. Buyer(s) will be required to close the sale within ninety (90) days of acceptance, otherwise this offer shall become null and void. Construction must be completed within nine (9) months thereafter, or title may revert to the City. Dependent upon the nature of construction, the Buyer and Seller may negotiate longer deadlines for closing, financing and completion of construction.

4. This offer is is not contingent upon financing:

Buyer has offered to purchase the property for \$ 13,500 and has deposited \$ 1,000 as earnest money. Buyer to pay additional \$ 12,500 in cash at closing. This offer is contingent upon Buyer obtaining a \$ 420,600 First Mortgage Loan; Lot Loan; or a Construction Loan Commitment for not less than \$ _____ for a term of not less than 20 years, with an initial interest rate not to exceed 7.5 % per annum with monthly payment not to exceed \$ 3,235 for principal and interest.

Buyer is aware that the total monthly payment required by lender may require additional funds to be deposited into escrow for property taxes, property insurance and/or flood insurance and private mortgage insurance (PMI). Buyer is aware that, where the principal balance of the loan exceeds 80% of the purchase price of the property, private mortgage insurance will be required by the lender. Such insurance may include a one year premium paid at closing, monthly deposits into Buyer's escrow account for future premiums and other terms and charges normally appropriate for PMI.

For FHA loans, it is expressly agreed that, notwithstanding any other provisions of this contract, the purchaser shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless the seller had delivered to the purchaser a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the property (excluding closing costs) of not less than \$ _____, which the seller hereby agrees to deliver to the purchaser promptly after such appraised value statement is made available to the seller. The purchaser shall, however, have the privilege and option of proceeding with the consummation of the contract without regard to the amount of the appraised valuation made by the Federal Housing Commissioner. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the property. The purchaser should satisfy himself that the price and condition of the property are acceptable.

For VA loans, it is expressly agreed that, notwithstanding any other provision of this contract, the Purchaser shall not incur any penalty by forfeiture of earnest money or otherwise, to be obligated to complete the purchase of the property described herein, if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. The purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the reasonable value established by the Veterans Administration.

5. Buyer is purchasing this lot in an "as is" condition. Seller has done no environmental, geotechnical, soil and groundwater investigation of any kind and assumes no liability for any extraordinary subsurface conditions. Some urban sites may contain demolition rubble and debris if structures once stood on the land. The Seller makes no warranty or representations as to the existence of such conditions. Buyers should budget projects accordingly. Buyer acknowledges that Seller disclosure requirements under Ch. 709, Wis. Stats. do not apply.
6. Should Buyer refuse or otherwise fail to perform in accordance with this contract, Seller may at its own option retain the earnest money deposit as liquidated damages. In the event that this offer is not accepted or merchantable title to said property cannot be delivered by the Seller, the earnest money shall be returned to Buyer. Seller may rescind this contract and return all or a portion of Buyer's earnest money deposit under the following conditions: a) Seller is unable or unwilling to remove valid objections to the title prior to closing; and b) Seller determines that purchaser cannot comply with contract conditions. Refund of the deposit shall release the Seller from any and all claims arising from this transaction.
7. The Buyer discloses that he/she is is not an employee of the City of Milwaukee. Buyer warrants that no officer or employee of the City of Milwaukee will benefit from the purchase of the property.
8. This land is classified as a tax exempt property and will have no real estate tax levy for the year of closing. Existing municipal charges and assessments will be prorated at the time of closing. All assessments or other charges for public improvements and utilities levied after the date of this contract are an expense of the Buyer.
9. The Seller shall convey by Quit Claim Deed for properties under \$5,000 or by Warranty Deed for properties in excess of \$5,000 upon payment of the entire purchase price free and clear of all liens and encumbrances excepting: municipal and zoning ordinances, recorded easements for public utilities serving the property, recorded building and use restrictions and covenants.
10. The effective date of this contract is the date it is signed by the Seller.
11. Legal possession of property shall be delivered to Buyer(s) on date of closing.
12. This contract contains the final and entire agreement between Buyer and Seller and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this contract.
13. Buyer agrees that this contract shall be binding upon their respective heirs, executors, administrators, successors or assigns, but is assignable only by written consent of the Seller.
14. Special Conditions: Attach an Addendum, if applicable.

15. Offers will not be accepted from any buyers: a) who are delinquent on the payment of real estate taxes, special assessments or any other municipal charges for any property a buyer may own in the city of Milwaukee, whether such property is owned individually or in partnership with others and/or under any other name; b) that have outstanding orders to correct code or other violations issued by any enforcement agency for any property a buyer may own in the city of Milwaukee, or have a history of non-compliance with any such agencies, whether such property is owned individually or in partnership with others and/or under any other name; c) that are known to have been convicted of crimes the nature of which can be reasonably assumed to be detrimental to the health and quality of life in neighborhoods including, but not by way of limitation, mortgage fraud, property flipping, drug trafficking, sexual assault and other violent crime; d) whose interest in real estate has been foreclosed upon by the City of Milwaukee for non-payment of taxes, or against whom an in-personam judgment was obtained for same.

16. **Certification of Purchaser:** The Buyer certifies that in affixing his/her signature to this contract, he/she understands all of the terms of this offer including the Reversionary Covenant, addenda attached hereto and made a part hereof, if any, and is in agreement.

North Avenue Community Development Corporation
by: Harmon M. Dansey, President
Buyer(s) signature(s)

3624 W. North Ave., Milwaukee, WI 53208
Buyer(s) address

39-1947664 (414) 871-4793 3/12/03
Social Security Number(s) Telephone No. Date
FEIN

Acceptance by Seller (City of Milwaukee)

Accepted: [Signature] Date 5/13/03

Rejected: _____ Date _____

Binding Acceptance: This offer is binding upon both parties only if a copy of the accepted offer is delivered to Buyer within five (5) business days of receipt by the Seller, or bid opening, whichever applies.