

REPORT ON T3OP – LEASE TO OWN PROGRAM
JOINT COMMITTEE ON REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES

DATE

May 30, 2017

RESPONSIBLE STAFF

Rhonda Szallai, Real Estate Specialist, DCD

HISTORY AND DESCRIPTION

The City of Milwaukee implemented the Lease to Own Program in 2014 in an effort to assist tenants occupying property taken in tax foreclosure to become homeowners. We work with eligible occupants through an application process and financial coaching toward the end goal of homeownership.

REPORT ON PROGRAM

- Lease to Own has been available since 2014.
- Number of properties sold to date is 37.
- Average time to close takes an average of 19 months.
- Maximum amount available to spend on rehabilitation is \$20,000 for each home.
- Average cost to rehabilitate has been \$18,500 in 2015 and 2016.
- If the scope to rehabilitate the property is over \$20,000 we refer the tenant to work with ACTS Housing.
- Active participants - 15.
- Closing in June - 2.
- Waiting for Code Compliance Certificate - 2.
- Active in rehab – 1.
- Contract bidding process for rehab – 5.
- NIDC drafting scope of work for rehab bidding – 4.
- Searching for replacement home – 1.
- Interested tenants for intake into the program - 7.