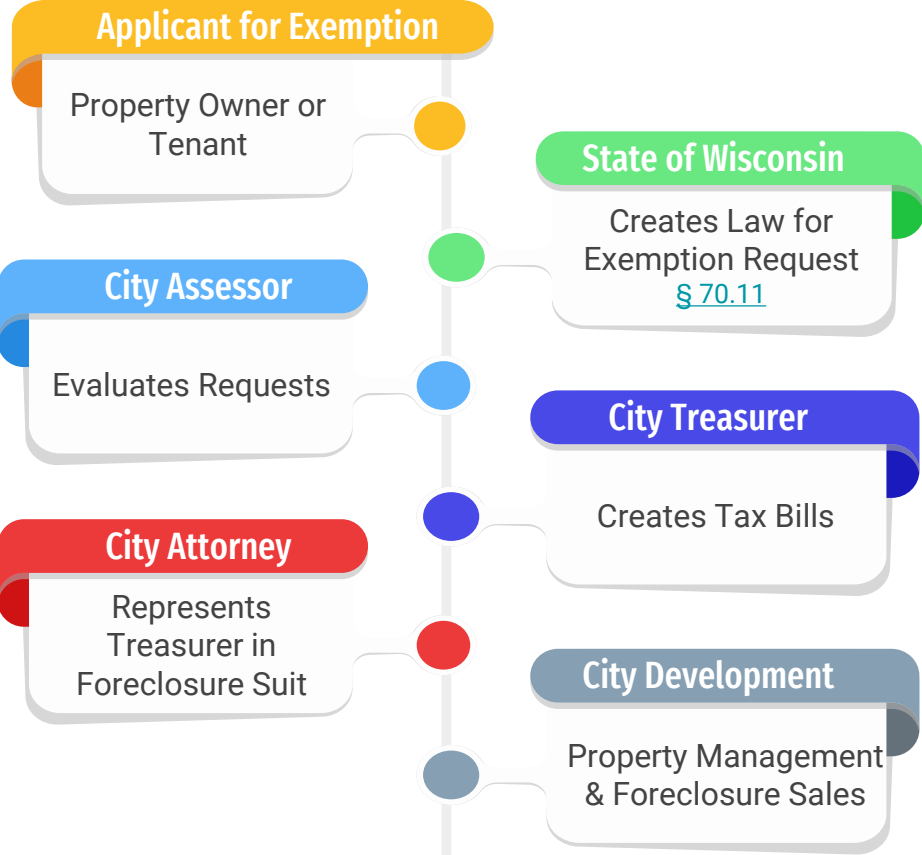


# *In Rem* Foreclosure Processes & Tax Exemption Overview



# Start of the Process for Exemption

## Applicant for Exemption

Property Owner or Tenant

- Initial Application (New Application) provided to the City Assessor's Office
- Due March 1st for year exemption is sought
- Biannual form to be tendered which updates the Department of Revenue of the tax exemption continuation for the parcel
- Process created by State Statute [§ 70.11](#), intended to make City Clerks the recipient of requests, but Milwaukee assigns the responsibility to the Assessor

## State of Wisconsin

Creates Law for Exemption Request  
[§ 70.11](#)

# Applications for Exemption

## City Assessor

Evaluates Applications for  
Exemption

- Process created by State Statute [§ 70.11](#)
- Evaluation under the [Wisconsin State Property Assessment Manual](#)
- Follows standard process and procedures
- Receives biannual reporting forms from all exempt entities
- Investigates entity status if the biannual reporting form is not received, including by mail, phone, certified mail, stopping by and leaving hang tags at the door of the site

# Tax Bills and Foreclosure

- Special Assessments added to tax bills
- Unpaid Water Bills certified to the tax bills
- Has delinquency collection process prior to foreclosure
- Publishes list of delinquent parcels on website for review
- Engages the office of the City Attorney to represent them in the tax foreclosure action
- Manages the Vacation of the In Rem Judgement Process under MCO 304-50 after title is taken
- Includes properties in foreclosure list after 3 years of delinquency (can be after 1 year delinquency if property is vacant)

City Treasurer

Creates Tax Bills

# Foreclosure Suit

## City Attorney

Represents Treasurer in  
Foreclosure Suit

- Files the foreclosure suit on behalf of the Treasurer's Office
- Represents the City/Treasurer at all Court hearings related to the foreclosure
- Provides a list of properties and a signed judgement for the properties acquired in tax foreclosure to the Treasurer and the Department of City Development and other relevant departments

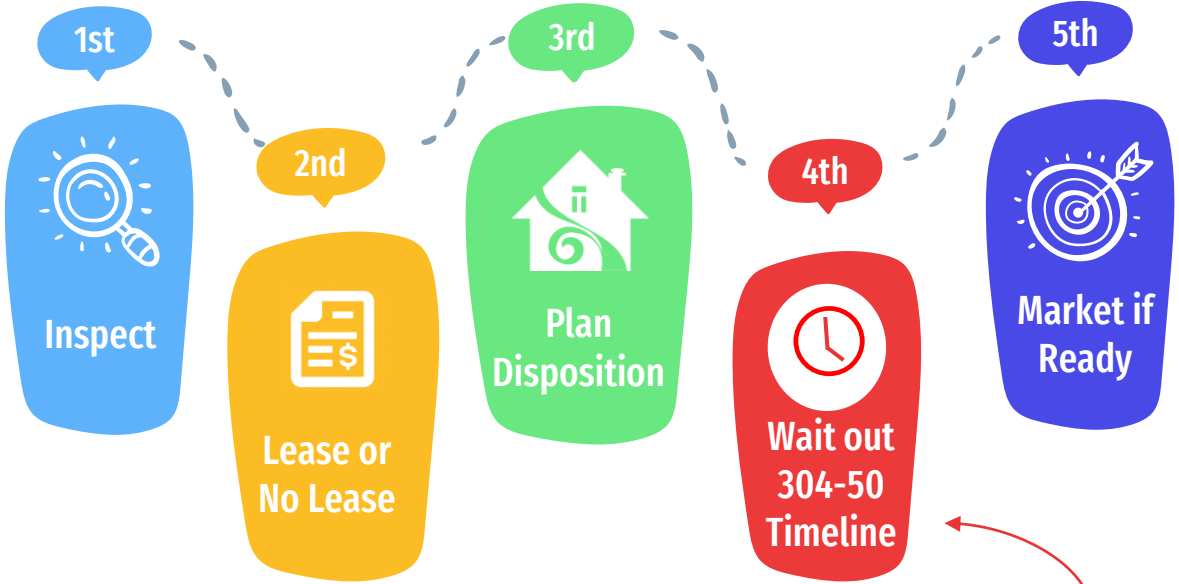
# Property Management and Disposition

- Manages properties acquired in tax foreclosure
- Maintains and/or secures properties acquired
- Creates disposition plans for properties under MCO 304-49
- Markets properties for sale
- Works with former owners to re-acquire properties when appropriate and at its discretion

## City Development

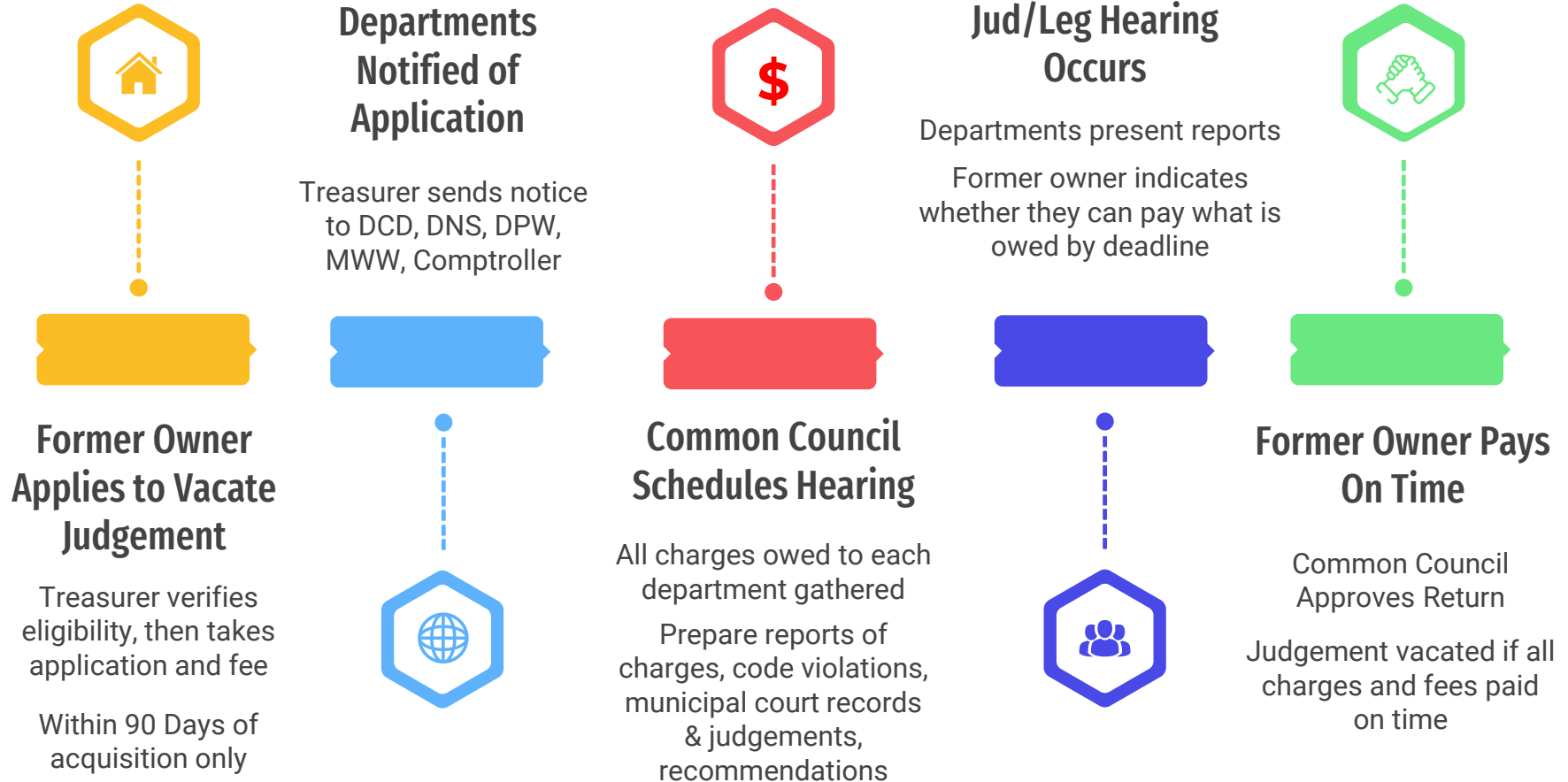
Property Management &  
Foreclosure Sales

# DCD Process for Property Disposition



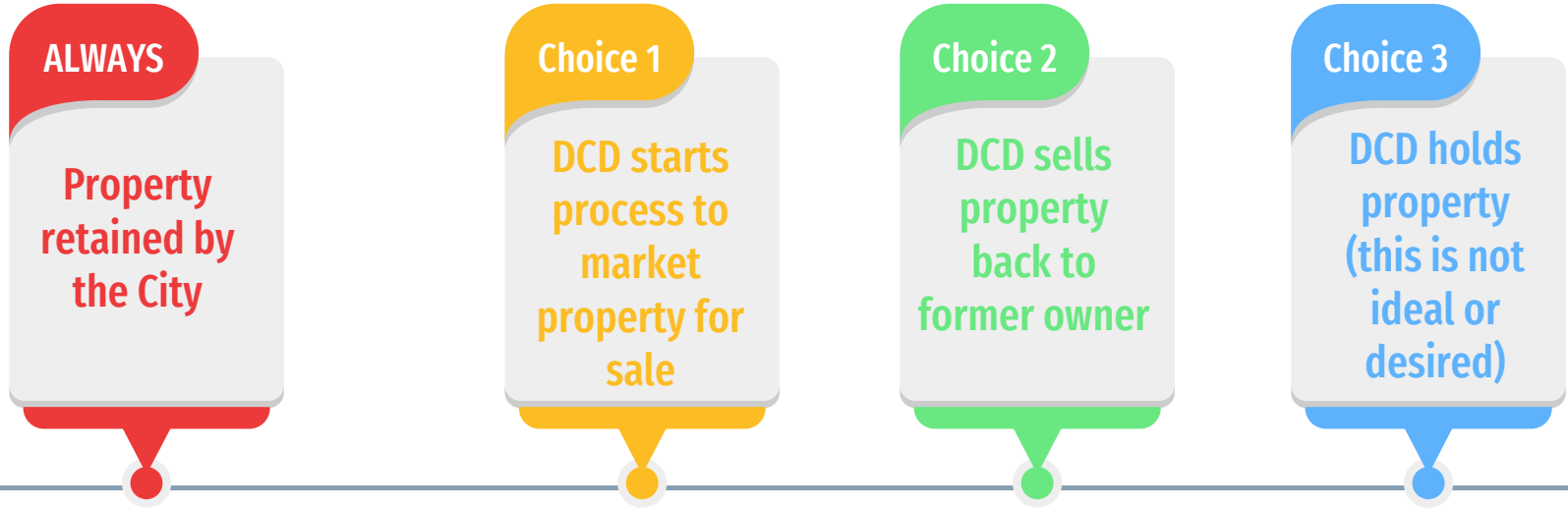
Explained on Next Slide

# Vacation of In Rem Judgement: MCO 304-50





# What if the Former Owner Doesn't Pay On Time?



**ALWAYS**

**Property retained by the City**

**Choice 1**

**DCD starts process to market property for sale**

**Choice 2**

**DCD sells property back to former owner**

**Choice 3**

**DCD holds property (this is not ideal or desired)**

If the former owner does not pay the Treasurer's office in full on time after the MCO 304-50 hearing, the City will always retain ownership of the property

# Former Owner Sales

Taxes, Fees and Expenses Owed

Require special permission from the Common Council

After Council Approval, within 60 Days

Funds

ZND

Price

MCO 304-49

Closing

Residential owner occupant sales back to former owners follow this method, commercial may be different.

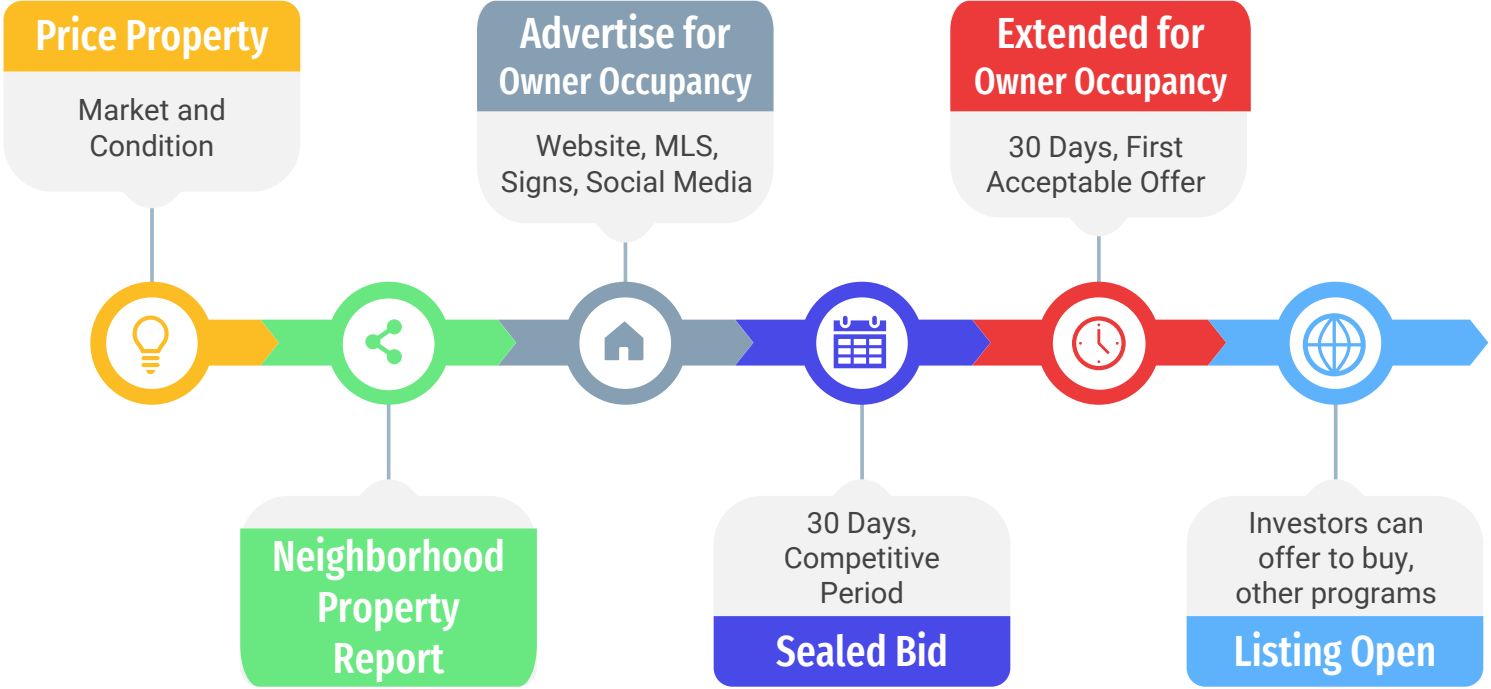
Buyer proves they can afford to buy back

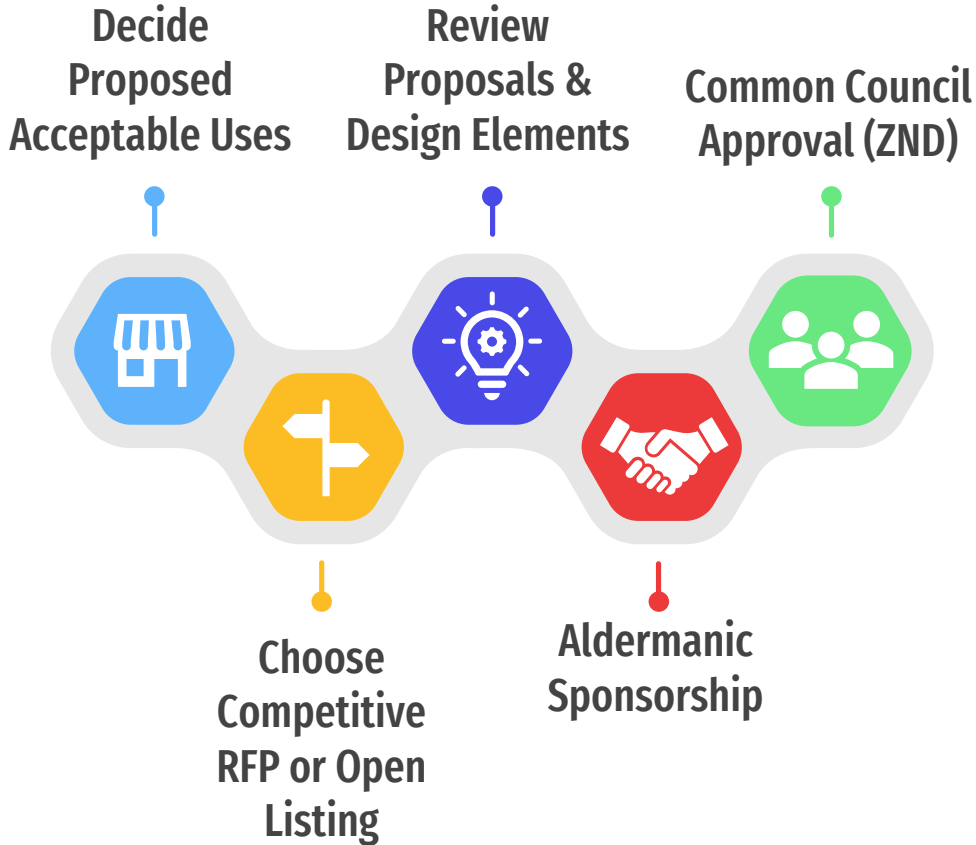
Prohibits sales to someone who lost a property in tax foreclosure within the past 5 years

Sale needs ZND committee & Council approval

Residential owner occupant sales back to former owners follow this method, commercial may be different.

# How does the Department of City Development sell residential property?





# How does the Department of City Development sell Development property?

Development property can be commercial buildings or vacant land for commercial development. 5 or more housing units is considered commercial. Each project is unique, and few follow an established script. Various additional committee approvals may be required, such as RACM, CPC, Library Board, Advisory Committees, etc.

# All Real Estate Sales

Subject to  
MCO 304-49  
Background Check



Proof of Funds &  
Ability to  
Complete Project



Timeline of Expected  
Project Completion



Sold by Quit  
Claim Deed – May  
Have Restrictions  
Based on City  
Financing



DNS Assists with  
Compliance  
Enforcement




Can Be  
Customized as  
Needed for  
Unique  
Circumstances  
and Projects

Must have deed  
restriction prohibiting  
application for tax  
exemption 304-49-13





Thank You



City  
of  
Milwaukee



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