

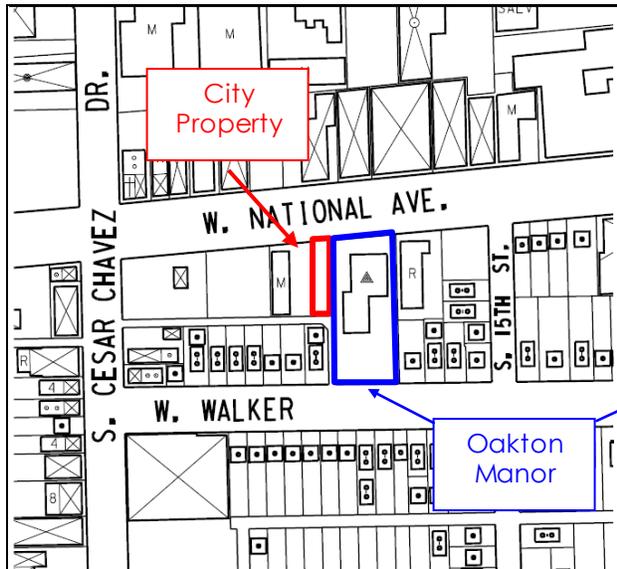
LAND DISPOSITION REPORT COMMON COUNCIL OF THE CITY OF MILWAUKEE

RESPONSIBLE STAFF

Yves LaPierre, Real Estate Section (286-5762)

Property

1537 West National Avenue, a 30'x122', 3,660 SF vacant lot. The lot was acquired in 2002 through In-Rem foreclosure.



BUYER

Cardinal Capital Management, Inc., ("Cardinal"). Cardinal is a Wisconsin corporation that develops and operates supportive housing facilities for mentally challenged residents. Cardinal developed and manages the United House supportive housing facility at 25th and Center Streets.

PROPERTY USE

The property will be combined with the adjoining private property at 1527 West National Avenue for development of a supportive housing facility for residents with mental illness. The facility will have up to 34 units of permanent housing along with related community space and management offices. The service provider will be Our Space, Inc.

The total project costs are estimated to be approximately \$6.1 million. The project will be financed in part through federal housing tax credits from the Wisconsin Housing and Economic Development Authority ("WHEDA"). Tax credit reservations will be awarded on a rolling basis. Additional funding will be provided through conventional funding and grants.

OFFER TERMS AND CONDITIONS

The purchase price is \$3,600. An option fee of \$500.00 must be submitted within 10 days of council approval. Closing will occur once the Department of City Development approves final construction plans and financing is in place, but not later than December 31, 2010. A \$1,000 performance deposit will be required to insure Cardinal's satisfactory completion of this project. Construction will be expected to commence within one month of closing and the Buyer will have nine months to complete construction.

The total option period corresponds to WHEDA's tax credit program to allow for multiple applications for tax credits. The base option is until August 31, 2009 to allow Cardinal time to

submit an application to WHEDA for the federal housing tax credits. Upon award of the tax credit allocation, the option is automatically extended until December 31, 2009. If the Buyer requires additional time beyond December 31st to obtain financing or final plans, the Commissioner of DCD may extend the option for a six-month period upon submission of a \$500 non-refundable renewal fee and a satisfactory progress report on the project. If the project does not receive a 2009 allocation, the base option shall be renewed until March 2010 to allow a 2010 WHEDA application. If the Buyer fails to make any required submissions to WHEDA, the option may be cancelled immediately by the Commissioner.