



Milwaukee County

Legislation Text

File #: 11-110, **Version:** 1

From the Manager of Real Estate Services, DTPW, offer to purchase on a County-owned single family house located at 4500 North Lake Drive in the Village of Shorewood, Wisconsin

POLICY ISSUE:

County Board Resolution File No. 11-14 was established by the County Board Chairperson relative to offers-to-purchase on lands under County control.

BACKGROUND:

The Real Estate Division of the Department of Transportation and Public Works received nine Offers to Purchase on a single-family house located at 4500 North Lake Drive in the Village of Shorewood. Milwaukee County acquired the subject property through tax foreclosure proceedings by the County Treasurer. A copy of the recommended primary offer as well as an exhibit depicting the location of the property is attached.

The subject property comprises a 5,887 square foot single-family house with 6 bedrooms, 4 baths, 2 half-baths and an attached 3-car garage. The property has dimensions of 100' X 653' and is located on Lake Michigan. The house has suffered many years of neglect and must be completely renovated inside and out. Several roof leaks have caused widespread interior water damage.

Staff hired an architectural firm to inspect the property for structural soundness and feasibility of renovation. The architects concluded that the property was sound and could be renovated at a cost of around one million dollars. Staff also obtained two appraisals by independent licensed appraisers. One appraiser valued the property in its "as is" condition at \$550,000 and the other at \$600,000. Staff offered the property to the general public in its "as is" condition with an asking price of \$575,000.

The property was listed in the Multiple Listing Service, the County's website, and a real estate sale sign was placed on the property. More than sixty-five real estate agents showed the property, and staff conducted more than a dozen showings.

Due to the condition of the house a buyer obtaining financing was questionable so it was determined that only cash offers should be submitted. Because of the uniqueness of this property and in order to allow all interested parties an equal opportunity, staff developed a structured submittal process and a standard offer to purchase form. Attached is an instruction sheet explaining the submittal process and the offer form that was made available to all those who were interested in purchasing the property. All offers were submitted directly to the County Clerk's office with a submittal deadline of 4:00 PM Wednesday, February 16, 2011.

Cash offers received are as follows:

Thomas & Iphisenia Smith	\$ 861,000
Nannette Gardetto	740,000
Michael Romaris	678,000
Grace Cord	651,000
Jeffrey T. Eimers	501,000
David Quadracci	416,120

Patrick Sinks	301,000
Heino Omdahl	300,000
Asim & Andrea Khan	175,000

RECOMMENDATION:

Staff respectfully requests that the Committee on Economic and Community Development recommend to the County Board of Supervisors acceptance of the above-described offer from Thomas & Iphisenia Smith in the amount of \$861,000 and in the event Mr. & Mrs. Smith do not fulfill the terms of their offer, acceptance of the above-described offer from Nannette Gardetto in the amount of \$740,000 and in the event Ms. Gardetto does not fulfill the terms of her offer, acceptance of the above-described offer from Michael Romaris in the amount of \$678,000 and in the event Mr. Romaris does not fulfill the terms of his offer, acceptance of the above-described offer from Grace Cord in the amount of \$651,000.

FISCAL NOTE:

Sale proceeds less expenses will be deposited in the Sale of Capital Assets Account 5804-4905.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: March 7, 2011
Attachments

cc: Marvin Pratt, County Executive
Supervisor Gerry Broderick, District 3
Supervisor Joseph Rice, District 6
Jack Takerian, Director of Transportation and Public Works
Josh Fudge, Fiscal Mgmt. Analyst - DAS