



**City of Milwaukee  
Department of City Development**

**T3OP:  
TENANT TRANSITION TO OWNERSHIP PROGRAM**

Document List:

- 1) Program summary infographic and requirements
- 2) Former owner letter
- 3) Occupant letter including license terms and questionnaire
- 4) License fee coupon
- 5) Standard residential lease for all tenants
- 6) Participant screening criteria
- 7) T3OP Lease amendment
- 8) Sample scope of work
- 9) Buyer Policies
- 10) Residential Offer to Purchase

Presented by:

The City of Milwaukee

Amy Turim, Real Estate Development Services Manager, Department of City Development

Deborah McCollum-Gathing, Property Manager, Department of City Development

Gregg Hagopian, Assistant City Attorney, City of Milwaukee

Larry Kilmer, Housing Programs Manager, City of Milwaukee



# Step-by-Step: Lease to Own Program

## After tenant completes their Homebuyer Counseling:

Tenants pays \$1  
for the home

Tenant receives up to \$20,000  
in repairs + technical assistance

Tenant pays about  
\$600 in closing costs

START HERE



Tenant & property  
screened &  
approved for  
participation

Tenant &  
homebuyer  
counselor develop  
& work through  
homeownership plan

DCD Tech Specialist  
refines DNS scope  
of work - contractor  
scope & sweat equity  
scope are created

DCD Tech  
Specialist  
bids out  
scope of work

Contract awarded,  
repair work  
completed  
& inspected

Tenant signs  
lease addendum  
specifying  
requirements  
for participation

DCD Tech Specialist  
provides sweat  
equity scope of  
work to tenant

Tenant completes homeownership plan &  
sweat equity work - DCD Tech Specialist  
inspects, approves work & arranges for  
Certificate of Code Compliance

City of Milwaukee  
**TRANSFERS  
OWNERSHIP  
OF PROPERTY  
TO TENANT**



*Congratulations New Homeowner!*





## Step-by-Step: Lease to Own Program

On average, approximately 1/3 of City-owned properties are occupied by tenants who live in the house at the time the City takes ownership. Some of these tenants have the desire and financial ability to purchase the property in which they reside.

The Lease to Own Program will identify and work extensively with qualified tenants to help them to become long-term, sustainable homeowners.

### The tenant and the property are positioned for a successful transition to homeownership if the following conditions are met:

- The City scope of work is less than \$20,000
- Tenant is willing to complete “sweat equity” repair work identified by a technical specialist, such as interior painting
- Tenant successfully completes Homebuyer Counseling within a 24-month period
- Tenant repairs credit to qualify for homeownership
- Tenant stays current with utility bills associated with occupancy of the property (gas, electric, water)
- Tenant must be in full compliance with their lease and current with their rent payments
- Prior to entering the program, lease-option candidates also must pass the customary background checks required for all buyers of City-owned property
- If the property to be acquired is a duplex, and the participant plans to rent out the second unit upon ownership, complete the City of Milwaukee landlord training class ([milwaukee.gov/landlordtraining](http://milwaukee.gov/landlordtraining))
- Enter into a “good neighbor commitment” that encompasses standards of behavior conducive to neighborhood health

CONTACT:

**Rhonda Szallai**

City of Milwaukee DCD - Department of City Development

[rszall@milwaukee.gov](mailto:rszall@milwaukee.gov)

(414) 286-5622

# FORMER OWNER LETTER



Department of City Development  
City Plan Commission  
Redevelopment Authority of the City of Milwaukee  
Neighborhood Improvement Development Corporation

Rocky Marcoux  
Commissioner  
rmarco@milwaukee.gov

Martha L. Brown  
Deputy Commissioner  
mbrown@milwaukee.gov

July 12, 2016

John Doe & Jane Doe  
XXX West Michigan Street  
Milwaukee, WI 53208

Dear Former Owner:

Subject: XXX West Michigan Street; 401-XXX-000-4  
Former Owner Notice

On July 11, 2016, the Milwaukee County Circuit Court granted a property-tax-foreclosure judgment to the City of Milwaukee for the above-parcel (the "Property") thereby terminating your ownership, terminating any lease that may have affected the Property, and making the City the owner. The City is not responsible for any disputes between you and former tenants and the City is not responsible for any security deposit that you may be holding. If you had any tenants, your former tenant(s) may be contacting you about security deposits.

If you intend to apply to the Common Council in an effort to vacate the tax-foreclosure judgment under Milwaukee Code of Ordinances § 304-50, contact the City Treasurer's Office at 414-286-2260.

City staff will inspect the Property to evaluate its condition and to ascertain whether the Property is occupied. The City will change locks on structures. For occupied parcels, current occupants will be notified of the inspection. In the City's sole discretion, occupants (including former owners) may be permitted to remain. Contact us at 414-286-5740 if there are occupants.

Former owners who do not occupy the Property should make arrangements within 10 days of the date of this letter to remove personal property by calling the City's Property Management Office at 414-286-5740 between 8:00 A.M. and 4:45 P.M. Monday-Friday. Removal of fixtures and equipment – including, but not limited to, furnaces, water heaters, lighting, plumbing fixtures, etc. – is prohibited, even if you installed such items. Personal property not removed within 30 days of the date of the City's property-tax-foreclosure judgment shall be deemed abandoned and may be disposed of by City as allowed by law.

Sincerely

Deborah McCollum-Gathing  
Property Manager



# Occupant Letter / License to Occupy



Department of City Development  
City Plan Commission  
Redevelopment Authority of the City of Milwaukee  
Neighborhood Improvement Development Corporation

Rocky Marcoux  
Commissioner  
rmarco@milwaukee.gov

Martha L. Brown  
Deputy Commissioner  
mbrown@milwaukee.gov

July 12, 2016

Occupant  
XXX West Michigan Street  
Milwaukee, WI 53208

Dear Occupant:

Subject: City Tax Foreclosure; Temporary License to Occupants

On July 11, 2016, the Milwaukee County Circuit Court granted the City of Milwaukee a judgment of tax foreclosure under Wis. Stat. § 75.521 against the property at XXX West Michigan Street that you occupy.

This judgment terminated all prior ownership and lease interests in the Property and transferred ownership to the City. **Do not pay any future rent to your former landlord.** Any security deposit you may have paid this landlord did not transfer to the City and the City is not responsible for the deposit.

We will notify you by mail within the next few weeks to schedule an inspection by City Property Management Staff to determine the Property condition and to interview the occupants. After the inspection and interview, the City may offer you a lease. During the inspection, the City Property Management Staff will provide you with information that Wisconsin Statutes require landlords to provide prospective tenants.

Until this inspection and occupant interview, the City grants you this "Temporary License" to occupy the property on an "As Is Basis". A license is a personal right rather than a lease.

You must pay the City a monthly License Fee in the same amount that you paid your former landlord. You are also responsible for all utilities, except as permitted by City staff after the inspection. Send the August, 2016 monthly License Fee by cashier's check or money order payable to "RACM" on or before August 5, 2016 to:

Redevelopment Authority (RACM)  
Attn: Property Manager  
809 North Broadway, 2nd Floor  
Milwaukee, WI 53202-3617

To ensure proper crediting of your account, complete and submit the enclosed coupon. Extra coupons are included for future payments. Parties that do not pay on or before the fifth day of the month are subject to eviction proceedings.

You must also complete the enclosed **Information Check-In Sheet and Occupancy Questionnaire.** This form must be returned to us within seven (7) days at the above address.

Former owners are also required to pay a License Fee if they occupy the Property. Call the City Property Management Office at 414-286-5740 to determine the amount you must pay. You must pay the License Fee even if you intend to apply to vacate the foreclosure judgment. Questions concerning vacation of the tax-foreclosure judgment under Section 304-50, Milwaukee Code of Ordinances, must be directed to the City Treasurer's Office at Room 103, Milwaukee City Hall or at 414-286-2260.



At the time of the inspection by City Property Management Staff, you will either be offered a lease or given notice to vacate. Notwithstanding the foregoing, the City may terminate this License at any time upon notice due to human health, safety or welfare concerns. Because the City acquired the Property by tax foreclosure, the City did not create any existing conditions at the Property. Information on Property conditions may be available from the Department of Neighborhood Services website at:  
<http://city.milwaukee.gov/NeighborhoodServicesSystem>.

**If you move from the Property prior to the City inspection, your keys must be hand-delivered or mailed by certified mail to Property Management Section, Department of City Development, 809 North Broadway, 2nd floor, Milwaukee, WI, 53202. If the keys are lost or missing, you must come to the Property Management Section and fill out a Move-out sheet.**

Personal property that remains on-site after delivery of the keys will be deemed abandoned and the City may dispose of same as allowed by law. You may not remove fixtures and equipment (including, but not limited to, furnaces, water heaters, doors, windows, sinks, toilets, tubs, plumbing fixtures), even if you installed such items.

If you have any questions or have concerns about the Property, contact the City Property Management Office at 414-286-5740. After business hours or on holidays, call 414-286-5100.

Sincerely,



Deborah McCollum-Gathing  
Property Manager

Enclosures

**Questionnaire included  
with  
Occupant Letter**

**INFORMATION CHECK-IN SHEET  
AND  
QUESTIONNAIRE**

**Wis. Stat. § 704.08**

The Milwaukee County Circuit Court granted property-tax foreclosure to the City of Milwaukee ("City") on \_\_\_\_\_, thereby transferring ownership of \_\_\_\_\_, Tax Key No. \_\_\_\_\_ (the "Property") to City. The City believes you may be an occupant of the Property. Please answer the questions in this document and return it within **7 days** to:

Redevelopment Authority of the City of Milwaukee (RACM)  
809 North Broadway, 2nd Floor  
Milwaukee, WI 53202-3617  
Attn: Property Management

1. Name, contact information, and social security number, of person completing form, **the primary occupant**:

Name: \_\_\_\_\_  Mr.  Mrs.  Ms.

Address: \_\_\_\_\_

Apartment or unit number: \_\_\_\_\_  Upper  Lower  Other \_\_\_\_\_

Primary phone: \_\_\_\_\_

Secondary phone: \_\_\_\_\_

Email: \_\_\_\_\_

Social security number: \_\_\_\_\_

2. Names and ages of all persons occupying the Property, and their relationship to primary occupant:

Name \_\_\_\_\_ Age \_\_\_\_\_ Relationship \_\_\_\_\_

3. Occupation and place of employment of primary occupant: \_\_\_\_\_.

4. Annual income of primary occupant: \_\_\_\_\_, and annual income of household (including all adult occupants): \_\_\_\_\_.

5. Number of years occupying at this Property: \_\_\_\_\_.

6. Previous address of primary occupant: \_\_\_\_\_, for how long? \_\_\_\_\_.

7. Please list known problems or defects affecting the Property:

\_\_\_\_\_.

8. Is there an insect or rodent infestation problem at the Property?

\_\_\_\_yes. If "yes," please explain:\_\_\_\_\_.

\_\_\_\_no

9. Are there any pets, animals or reptiles kept at the Property?

\_\_\_\_yes. If "yes," please explain and include type of pet, animal or reptile:\_\_\_\_\_.

\_\_\_\_no

10. Is the Property a residential property?

\_\_\_\_yes

\_\_\_\_no

11. Please list the condition of appliances and systems affecting the Property. Use "E" for excellent, "G" for good, "F" for fair, and "P" for poor. If the Property does not contain a particular item, write "none" in the comment section. In the comment section, note problems and/or repairs needed.

Item	Condition (use E, G, F, P)	Comment, repair needed
Stove and oven		
Microwave		
Refrigerator		
Washer		
Dryer		
Furnace		
Air-conditioner		
Hot water heater		
Electrical		
Plumbing		
Smoke detectors		
Carbon monoxide detectors		

12. Please list the condition of rooms and features affecting the Property. Use "E" for excellent, "G" for good, "F" for fair, and "P" for poor. If the Property does not contain a particular item, write "none" in the comment section. In the comment section, note problems and/or repairs needed.

Item	Condition (use E, G, F, P)	Comment, repair needed
Kitchen		
Living room		
Dining Room		
Bathroom(s)		
Bedroom(s)		
Office or business-use area		
Basement		
Attic		
Garage		
Porch		
Windows		
Yard		

13. How many bedrooms are at the Property:\_\_\_\_\_.

14. How many bathrooms are at the Property:\_\_\_\_\_.

15. If the Property is residential, is the Property a duplex or multi-family residential structure?

\_\_\_yes, it is a duplex or multi-family residential. If yes, how many units:\_\_\_\_\_

\_\_\_no. The Property is a single-family home or single-family unit.

16. If the Property is commercial, what is the commercial or business use:\_\_\_\_\_,  
and what are the hours of operation\_\_\_\_\_.

17. If a legal entity, like a corporation or LLC, is the occupant of the Property, please list the entity name  
\_\_\_\_\_, the type of entity \_\_\_\_\_, and officers, directors,  
and/or members of the entity:

Name:\_\_\_\_\_

Title or position:\_\_\_\_\_

Name:\_\_\_\_\_

Title or position:\_\_\_\_\_

Name:\_\_\_\_\_

Title or position:\_\_\_\_\_

Name:\_\_\_\_\_

Title or position:\_\_\_\_\_

18. Is the Property partly used for residential purposes and partly used for business/commercial purposes?

\_\_\_yes. If yes, explain:\_\_\_\_\_.

\_\_\_no.

19. Prior to the City's tax-foreclosure against the Property,

\_\_\_ the primary occupant was the owner of the Property.

\_\_\_the primary occupant was a tenant of the Property. If you were the tenant, how much per month were you  
paying in rent?\_\_\_\_\_ and what utilities were you paying?\_\_\_\_\_.

20. If, prior to the City's tax-foreclosure, you were a tenant at the Property, are you interested in acquiring the  
Property and becoming the owner?

\_\_\_yes. If you mark yes, please answer item 21 below.

\_\_\_no.

21. If you answered "yes" to item 20, does the City have any outstanding judgment against you or have you lost  
any real estate to tax foreclosure to the City within the last 5 years?

\_\_\_yes. Explain:\_\_\_\_\_.

\_\_\_no.

22. Are you or anyone who occupies the Property with you currently serving in active military duty with any branch of the United States armed services?

\_\_\_\_\_yes. If yes, who?\_\_\_\_\_ Provide additional explanation and indicate whether the person currently serving is in the Army, Navy, Airforce, Marines, Reserves or National Guard

\_\_\_\_\_

\_\_\_\_\_no.

\*\*\* \*\*

The primary occupant and person completing this form represents to City that all information provided is true and correct.

Date:\_\_\_\_\_

Primary occupant signature:\_\_\_\_\_

Primary occupant name printed:\_\_\_\_\_

# LICENSE PAYMENT COUPON

Three months of coupons are provided with the letter to the occupants.  
Payments can be made in person or by mail.  
The coupon assists staff to accurately apply payments received in the mail.

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REDEVELOPMENT AUTHORITY LICENSE FEE COUPON

August, 2016 License Fee / Due by August 5, 2016

Tenant Name: \_\_\_\_\_ Amount: \$ \_\_\_\_\_

Tenant's Address: \_\_\_\_\_ Tenant's Phone No.: \_\_\_\_\_

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**RESIDENTIAL LEASE – CITY “IN REM” PREMISES**

(201030. cao 3/7/14)

**LANDLORD:** City of Milwaukee (“CITY”).

**“TENANT”:**

NAME	DATE OF BIRTH	PRIMARY PHONE	2 <sup>nd</sup> PHONE

The Tenant named above represents to City: that he/she is responsible for all occupants, has authority to act on behalf of, and to bind, all occupants; and that any notice to Tenant is deemed notice to all occupants. **All occupants are bound hereby.**

**“OCCUPANTS”:**

NAME	DATE OF BIRTH	RELATION TO TENANT	PRIMARY PHONE	2 <sup>nd</sup> PHONE
Tenant named above	See above	same	See above	See above

**“EFFECTIVE DATE”** (this is the date of the Lease): \_\_\_\_\_

**“PROPERTY”:**

HOUSE/BLD. NO.	STREET NAME	CITY	ZIP CODE
		Milwaukee	

**“PREMISES”:** Unit No. \_\_\_\_\_ and Description \_\_\_\_\_.

**RENT** per month: \$ \_\_\_\_\_ per month.

\_\_\_ In addition to Rent, outstanding License Fee of \$ \_\_\_\_\_ must be paid by \_\_\_\_\_, 201\_\_.

**1. CITY TAX FORECLOSURE; MCO 304-50 RISK.** City acquired the Property by property-tax foreclosure, terminating all interest in the Property of the former owner and all those claiming through and under the former owner, including tenants. Wis. Stat. § 75.521 (8) and Milwaukee Code of Ordinances (“MCO”) §§ 304-41 and 304-53. CITY owns the Property. Any prior lease that may have affected the Property was terminated by the tax foreclosure. Tenant understands the former owner may seek vacation of the City’s tax-foreclosure judgment (and City

ownership of the Property) under MCO § 304-50 or through the Court. If such vacation is granted by the Court, City ownership of the Property and this Lease shall terminate as of the date of such granting by the Court.

2. **LEASE; MONTH-TO-MONTH.** Tenant leases the Premises on a month-to-month basis per the terms hereof.

3. **RENT.** Tenant shall pay City “Rent” per month in the amount specified above. Rent payments are due on the 1<sup>st</sup> day of each month, and must be received no later than the 5th day of the month. City provided Tenant with Rent coupons that Tenant must complete and submit along with each Rent payment.

Rent shall be paid by cashier’s check or money order (with name and address) payable to the Redevelopment Authority of the City of Milwaukee, and shall be mailed or hand-delivered, along with a coupon, to:

Redevelopment Authority  
Attn: Property Manager  
809 North Broadway – 2<sup>nd</sup> Floor  
Milwaukee, WI 53202-3617.

4. **UTILITIES.** City shall pay water and sewer charges. Tenant is responsible for all telephone, cable, satellite, and internet services and utilities. Tenant shall also pay the following utilities if circled:

Gas                  Electric                  Heating Oil.

5. **USE; COMPLIANCE WITH LAWS; RULES.** Tenant may only use the Premises for residential purposes for the named Tenants and named occupants listed above. All Tenants and occupants must comply with all federal, state and local laws and regulations, concerning occupancy and activities at the Premises. Tenants and occupants must comply with City rules which City may, from time to time establish. Initial City rules are:

- (a) No Tenant or occupant may use the Premises in such manner that unreasonably interferes with use by another occupant of the Property;
- (b) No guest may stay in the Premises for longer than 14 days without City’s prior written consent;
- (c) Tenant must take garbage carts to and from pick-up point;
- (d) Tenant must monthly test smoke and carbon monoxide monitors;
- (e) Tenant must replace light bulbs and keep Premises clean;
- (f) Other than ordinary household cleaners, no hazardous or dangerous chemicals or materials.

If City establishes new rules, City shall provide same to Tenant in writing, and Tenant shall comply with same.

6. **PREMISES CONDITION; MAINTENANCE; REPAIR.** City, having acquired the Premises, by tax foreclosure, did not create undesirable conditions existing prior to City ownership. City reserves all rights under Wis. Stat. §§ 75.06 and 75.14 (4) to avoid spending money to keep the Premises in sanitary or slightly condition or to abate nuisances or undesirable conditions. See, also: Wis. Stat. § 704.07 (1), providing that nothing in § 704.07 (titled “Repairs; untenability”) affects rights under other provisions of the statutes (e.g. § 75.14 (4), etc.); W-3 exemption from City-compliance with Wis. Stat. § 101.122, Wisconsin Rental Unit Energy Efficiency, per Wis. Stat. § 77.25 (4) and 77.255 (exemption from transfer fee and return) and Wis. Admin. Code § Comm. 67.03 (1)(b)1; and Wis. Admin. Code §ATCP 134.01 (7), rental-dwelling units owned and operated by government are exempt from Wis. Admin. Code Ch. ATCP 134, Residential Rental Practices.

Per Wis. Stat. § 704.07 (2)(bm), Tenant acknowledges having received from City prior to entering into this Lease, **CITY DISCLOSURE NOTICE** regarding building or housing code violations. Tenant also received from City for completion a Wis. Stat. § 704.08 **INFORMATION CHECK-IN SHEET AND QUESTIONNAIRE**. Tenant has 7 days from the date that Tenant commences occupancy to complete and return the Check-In Sheet and Questionnaire to City

Tenant is responsible for day-to-day maintenance and repair. This includes light-bulb replacement, cleaning, trash removal, and taking garbage carts to and from pick-up point. City will mow lawn and shovel snow.

Tenant shall promptly notify City of any condition that Tenant deems unsafe, and of any other need for repairs.

If Tenant wishes to have City consider making repairs, call 414-286-5759 (M-F, 8 a.m. to 4:45 p.m.) and after office hours, on weekends, and holidays call 414-286-5100. City may, in its discretion, subject to Wis. Stat. § 75.14 (4), make repairs at City’s expense.

7. **DAMAGE.** Tenant is responsible for damage caused by, or attributable to, willful or negligent acts or omissions by Tenant, or by Tenant guests, invitees, or occupants.

8. **ALTERATIONS.** Tenant may not alter the Premises without City’s prior written consent.

9. **TENANT INSURANCE RECOMMENDED.** Tenant, at its expense, is encouraged to obtain insurance as Tenant deems appropriate, whether renter’s, liability, and/or tenant personal property.

10. **CITY ACCESS, INSPECTIONS & SHOWINGS.** City, its contractors, agents, and brokers, may enter the Premises with at least **12 hours prior notice** (oral or written). During entry, City may (in its discretion), make repairs, inspect, and show the Premises to interested buyers and/or other third parties. Tenant agrees to remove animals from the Premises during City entry and showings. City has the right to enter with no advance notice in case of threat or danger to human safety. Per Wis. Stat. § 704.05(2), if Tenant is absent from the Premises, and

City believes entry is necessary to preserve or protect the Premises, City may enter without notice.

11. **NO ASSIGNMENT; NO SUBLETTING.** Tenant may not convey, transfer, assign or sublet this Lease, any right of Tenant hereunder, or any interest in and to the Premises without City's prior written approval.

12. **BREACH.** Tenant is in breach if Tenant fails to perform Tenant's obligations under this Lease as required, or if Tenant commits waste.

13. **TERMINATION.** City may terminate this Lease upon 28 days prior written notice to Tenant *for any reason*, whether Tenant is in default or not.

City may, per Wis. Stat. § 704.17, terminate on less than 28 days notice for Tenant failure to pay rent, or Tenant breach of Lease, or if Tenant commits waste, or per § 704.19 (2)(a)2, if Tenant surrenders the Premises. If Tenant is absent from the Premises for three consecutive weeks without written notice of such absence to City, City may, in its discretion, deem that Tenant has surrendered and abandoned the Premises. And, under Wis. Stat. § 704.19 (2)(a)1, the parties agree that City may terminate this Lease on less than 28 days notice if City determines the Premises are unsafe for occupants.

Nothing contained herein affects City's other rights under law, including, but not limited to: City building-inspection rights; rights under MCO §§200-11-5 and 200-12.5 to placard and order the closing and discontinuation of occupancy of unsafe structures and units; the right to terminate under Wis. Stat. § 704.17 (1)(c) after notice from law enforcement of an 823.113 nuisance regarding controlled substances or criminal gangs; City rights under Wis. Stat. § 704.27 to recover against Tenant if Tenant remains in possession without City's consent after Lease expiration or termination; and City rights under Wis. Stat. § 799.40 regarding past due rent and eviction.

14. **DEPARTURE AT TERMINATION; KEY RETURN; PERSONAL PROPERTY.** Upon Lease termination, Tenant must: vacate the Premises; remove all Tenant personal property; return all keys to City (to DCD Real Estate Section, 809 North Broadway, 2nd floor) in person or by certified mail; repair any damage attributable to Tenant, occupants, Tenant guests or invitees, or Tenant occupancy or departure; and leave the Premises in broom-clean condition. Tenant shall not remove any fixtures or attached equipment, including, but not limited to, furnace, water heater, doors, windows, sinks, toilets, tubs, plumbing fixtures.

Per Wis. Stat. § 704.05 (5)(bf), this is notice to Tenant that City does not intend to store personal property left behind by Tenant. Per Wis. Stat. § 704.05 (5)(a)1, if Tenant removes from or is evicted from the Premises and leaves personal property, City may presume that Tenant abandoned the personal property and City may dispose of same in any manner the City, in its sole discretion, determines appropriate – provided, however, that per § 704.05 (5)(am), if the personal property left behind is prescription medication or prescription medical equipment, City shall hold same for 7 days from the date on which City discovers same prior to disposal. If Tenant leaves behind a “manufactured home,” a “mobile home,” or a “titled vehicle” as defined

in Wis. Stat. § 704.05 (b)1, prior to disposing of same, City will give notice of intent to dispose per Wis. Stat. § 704.05 (b)(2).

15. **WISCONSIN LAW; 893.80.** Wisconsin law applies. City reserves all rights at law and in equity, including, but not limited to, all rights under Wis. Stat. § 893.80.

16. **SMOKE & CARBON-MONOXIDE DETECTORS.** City provided smoke and carbon-monoxide detectors for the Premises. See Wis. Stat. §§101.145 and 101.149. Tenant acknowledges that all smoke and carbon monoxide detectors on the Premises are working properly as of the date of this Lease. Tenant agrees to test all detectors at least monthly, to not tamper with detectors or batteries, and to promptly give notice to City of any problem concerning any detector. The City shall, within 5 days after receipt of such notice, provide any maintenance necessary to make the detector functional or provide a replacement detector when necessary.

17. **LEAD-BASED PAINT RISK.** Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust, may pose health hazards if not properly managed. Exposure to lead may be harmful – especially to children and pregnant women. As stated in ¶6 above, the City, having acquired by tax foreclosure, did not create undesirable conditions. City provided Tenant the pamphlet, *Protect Your Family from lead in Your Home.*”

18. **NOTICES.** Except as otherwise expressly provided for herein, notices under this Lease shall be in writing and shall be provided to the respective parties by mailing or facsimile. The City may, alternatively, or in addition, post notices to Tenant on the door to the Premises.

<b><u>If to CITY:</u></b>	<b><u>If to TENANT:</u></b>
Deborah McCollum-Gathing Property Manager Department of City Development 809 North Broadway, 2 <sup>nd</sup> Floor Milwaukee, WI 53202 Telephone: (414) 286-5759 Fax: (414) 286-0395	Name _____ Name _____ Address _____ Milwaukee, WI _____ Telephone: _____ Fax: _____

19. **DCD; CITY PROPERTY MANAGER.** When City consent is required hereunder it shall be sought from the City’s Property Manager.

20. **NOTICE OF DOMESTIC ABUSE PROTECTIONS.** City hereby provides notice of Wis. Stat. § 704.14 domestic abuse protections. See **Addendum A** attached.

21. **ENTIRE AGREEMENT; AMENDMENTS.** Tenant has no other interest in the Premises except as a Tenant under this Lease. This Lease is the entire agreement between the parties and all oral statements are of no effect. This Lease may only be amended by written document signed by both City and Tenant.

22. **SEVERABILITY.** Per Wis. Stat. § 704.02, the provisions of this Lease are severable such that the invalidity or unenforceability of a provision does not affect other provisions of the Lease that can be given effect.

23. **SPECIAL CONDITIONS.** [Insert or write any special conditions here]. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, City and Tenant, on behalf of themselves and their respective heirs, successors and authorized assigns, enter this Lease as of the Effective Date specified above.

<b>CITY: City of Milwaukee</b>	<b>TENANT</b>
By: _____ Name Printed: _____ Title: _____  Date of signing: _____	By: _____ Name Printed: _____  By: _____ Name Printed: _____  Date of signing: _____

## **CITY RESIDENTIAL LEASE ADDENDUM "A"**

**704.14 Notice of domestic abuse protections.** A residential rental agreement shall include the following notice in the agreement or in an addendum to the agreement:

### **NOTICE OF DOMESTIC ABUSE PROTECTIONS**

**(1)** As provided in section 106.50 (5m) (dm) of the Wisconsin statutes, a tenant has a defense to an eviction action if the tenant can prove that the landlord knew, or should have known, the tenant is a victim of domestic abuse, sexual assault, or stalking and that the eviction action is based on conduct related to domestic abuse, sexual assault, or stalking committed by either of the following:

**(a)** A person who was not the tenant's invited guest.

**(b)** A person who was the tenant's invited guest, but the tenant has done either of the following:

**1.** Sought an injunction barring the person from the premises.

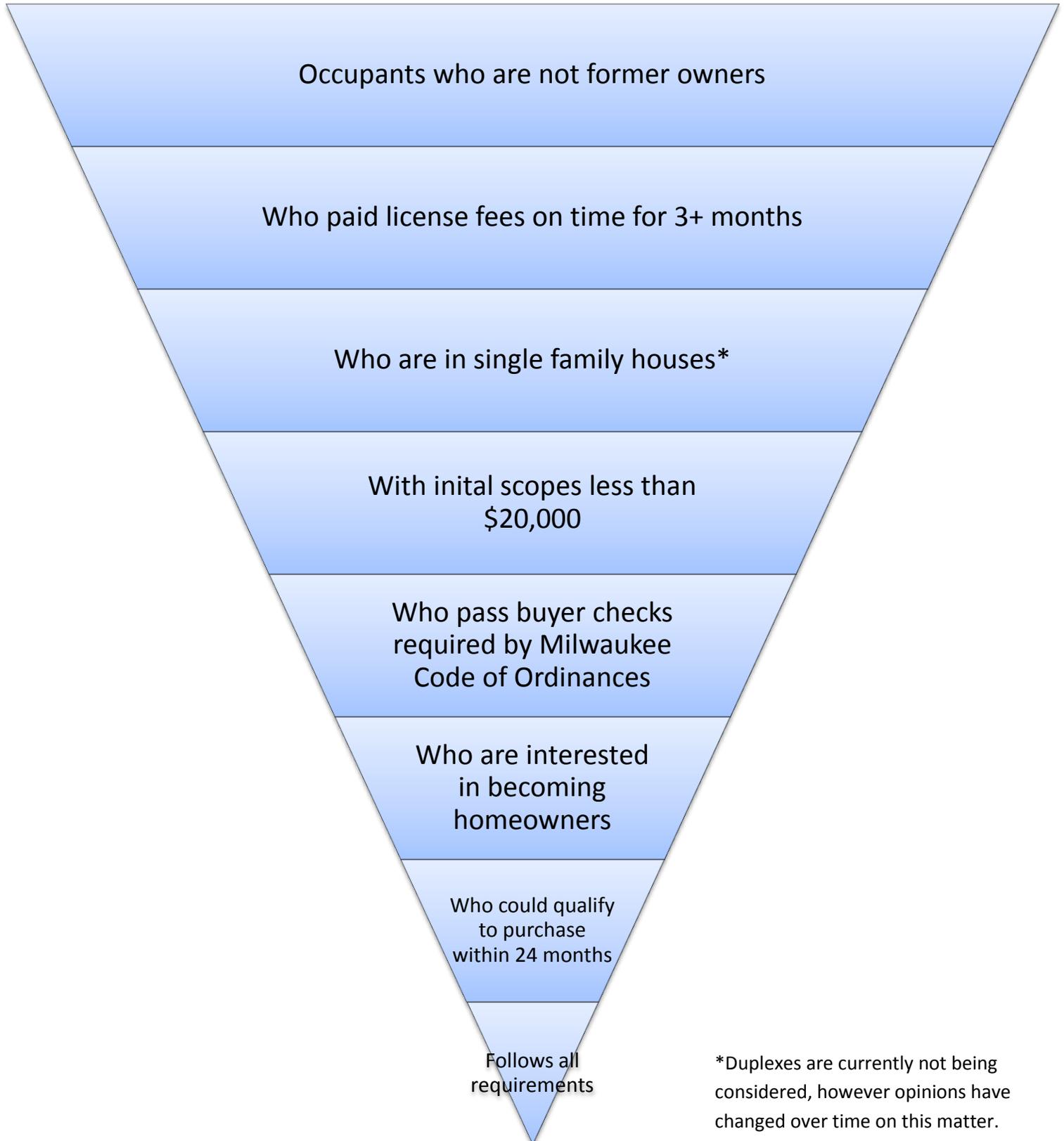
**2.** Provided a written statement to the landlord stating that the person will no longer be an invited guest of the tenant and the tenant has not subsequently invited the person to be the tenant's guest.

**(2)** A tenant who is a victim of domestic abuse, sexual assault, or stalking may have the right to terminate the rental agreement in certain limited situations, as provided in section 704.16 of the Wisconsin statutes. If the tenant has safety concerns, the tenant should contact a local victim service provider or law enforcement agency.

**(3)** A tenant is advised that this notice is only a summary of the tenant's rights and the specific language of the statutes governs in all instances.

# T3OP: TENANT TRANSITION TO OWNERSHIP PROGRAM

## Participant Screening



\*Duplexes are currently not being considered, however opinions have changed over time on this matter.

# T3OP Lease Amendment

## AMENDMENT TO RESIDENTIAL LEASE “Tenant Transition to Ownership (T3OP) / Lease to Own Program” (203018; Updated 8/12/16)

This Amendment (“**Amendment**”) is between **THE CITY OF MILWAUKEE** (“**City**”) as Landlord, and \_\_\_\_\_ (“**Tenant**”) as Tenant. The Effective Date of this Amendment is \_\_\_\_\_, 201\_\_.

### RECITALS

A. City is landlord, and Tenant is tenant, under a Residential Lease (the “**Lease**”), dated \_\_\_\_\_ for the premises (herein and in the Lease called the “**Premises**”) described as follows.

Address: \_\_\_\_\_, Milwaukee  
Unit No.: \_\_\_\_\_  
Description: \_\_\_\_\_

“**Premises**” as that term is used in this Amendment shall mean the land and improvements at the above address, including all dwelling units thereat.

B. The City Department of City Development (“**DCD**”), in response to Common Council Resolution File No. 111511, passed on March 20, 2012, and Resolution File No. 120165, created a “Lease to Own” program<sup>1</sup> (the “**Program**”) for property that the City acquired by property-tax foreclosure, classified under Milwaukee Code of Ordinances (“**MCO**”) 304-49-2-b-1 as habitable neighborhood property, and Tenant wants to participate in the Program so Tenant may, upon compliance with and subject to the terms and conditions contained herein, own the Premises.

C. Under the Program, City prepared a Scope of Work dated \_\_\_\_\_ (attached as **EXHIBIT A**), regarding work and repairs needed and recommended for the Premises (the “**Scope**”). Tenant has reviewed and approved the Scope. *The Scope identifies (i) “Tenant Scope Work” - work and repairs from the Scope to be done by Tenant, and (ii) “City Scope Work” - work and repairs from the Scope to be done by City.* Any Scope work that is not City Scope Work is Tenant Scope Work.

1. Tenant Scope Work, as of the Effective Date hereof, is estimated to cost \$\_\_\_\_\_.
2. City Scope Work, as of the Effective Date hereof, is estimated to cost \$\_\_\_\_\_.

These are only estimates and are subject to change.

D. Under the Program, DCD will provide homebuyer budget and credit counseling for Program participants and develop an Individual Homebuyer Plan (the “**IHP**”) that addresses Tenant performing the **Tenant Scope Work**. Contact information for DCD is as follows. If the contact information changes, DCD will provide Tenant with notice of same.

<sup>1</sup> As opposed to an urban homestead program under Wis. Stat. 66.1013. Per the terms hereof, ownership of the Premises remains in the City until conveyed to Tenant per and subject to the terms hereof.

Rhonda Szallai  
City of Milwaukee -Department of City Development  
809 N. Broadway, 2<sup>nd</sup> Floor  
Milwaukee, WI 53202  
Phone: 414-286-5622  
Email: rszall@milwaukee.gov

E. Under the Program, DCD designated a City-home-rehabilitation agent (“RA”) to provide home repair/maintenance counseling, to manage the contracting for and completion of the City Scope Work, and to review status of Tenant Scope Work. Contact information for the RA is as follows. If the contact information changes, DCD will provide Tenant with notice of same.

Jeff Keen  
City of Milwaukee - Department of City Development  
809 N Broadway, 2<sup>nd</sup> Floor  
Milwaukee, WI 53202  
Phone: 414-286-8604

F. Tenant has been initially screened by the DCD, including City general policies under MCO 304-49-8, and Tenant has been recommended for participation in the Program.

G. City and Tenant wish to, and they hereby do, amend the Lease.

### **AGREEMENT**

1. **Recitals.** The recitals above are hereby agreed to.

2. **Program Participation.** Tenant, by entering this Amendment, agrees to participate in the Program, on the terms and conditions contained herein.

3. **Continuing Lease and Rent Duties.** Tenant understands that the Lease is still in effect, and that Tenant must comply with the Lease as amended hereby. This means, for example and not by way of limitation, that Tenant must continue to faithfully and timely pay all Rent monies due under the Lease and perform all of Tenant’s other obligations under the Lease.

4. **City Cooperation.**

A. Tenant agrees to meet with DCD, and thereafter as required. Tenant agrees to cooperate with DCD and to provide truthful, accurate, and up-to-date information to DCD (including, but not limited to, social security number, employment history, credit, debt, income and asset information, and information about litigation, and court judgments and proceedings) so that DCD may provide meaningful homebuyer, budget and credit counseling to Tenant, and so that DCD may develop an IHP for Tenant and the Premises.

B. Tenant shall adhere to and comply with the IHP, including performance of Tenant Scope Work, home maintenance requirements, and budget parameters.

C. If Tenant fails to cooperate with DCD, or fails to provide truthful or accurate information to DCD as required, or fails to abide by the IHP, City may terminate this Amendment and Tenant’s participation in the Program.

5. **RA Cooperation.**

A. Tenant agrees to meet with RA as required by RA or DCD. Tenant agrees to cooperate with RA and to provide truthful, accurate, and up-to-date information to RA (including, but not limited to, status of Scope work, and home maintenance/repair knowledge and experience) so that RA may provide meaningful home repair/maintenance counseling to Tenant. City shall pay for RA's services.

B. If Tenant fails to cooperate with RA, or fails to provide truthful or accurate information to RA as required, City may terminate this Amendment and Tenant's participation in the Program.

6. **Scope Work Completion.**

A. City shall, at its expense, perform and complete the **City Scope Work**.

B. Tenant shall, at its expense, perform and complete **Tenant Scope Work** (including Scope Work not identified as City Scope Work).

C. All Scope work, whether done by City or Tenant, shall be done in a good and workmanlike manner, and shall be done in accordance with necessary permits and approvals.

D. Contractor selection, management, progress inspections, change orders, and payment approvals for City Scope Work are the responsibility and under the sole discretion of the City.

E. Contractor selection, management, progress inspections, change orders, and payment approvals for Tenant Scope Work are the responsibility of Tenant; providing, however, that Tenant must cooperate with DCD and RA, and adhere to the IHP, regarding these matters.

F. All Scope work must be completed no later than Closing – as defined below.

G. **Lead-safe practice.**

(1) Tenant acknowledges receipt of, and understands, the EPA's "Protect Your Family from Lead in Your Home" brochure, and the "Lead-Safe Home Improvement" printout from the City Health Department, and Tenant agrees to follow lead-safe practices in performing Tenant Scope Work.

(2) Tenant shall complete the 8-hour "Lead Safe Renovator" class, *if required by the Tenant Scope Work*, at \_\_\_\_\_ expense.

7. **Utilities Amendment.** Lease ¶4 shall stay as it is except now beginning on the first day of the first month following the Effective Date of this Amendment, Tenant must pay sewer and water charges.

8. **Maintenance Amendment.** Lease ¶6 shall stay as it is except now Tenant must promptly mow the lawn and shovel the snow.

9. **Alterations Amendment.** Lease ¶8 shall stay as it is except now Tenant must undertake and complete the required Tenant Scope Work.

**10. Reporting on City and Scope Matters.** Periodically, at City's request, Tenant shall promptly report to DCD and RA on the status of IHP and Scope matters.

**11. Compliance with Laws and Program Rules.** Initial City rules for the Program are as follows. Tenant must comply with the rules and with any additional Program rules that the City may, from time to time establish. If City establishes new rules, City shall provide prior written notice of same to Tenant.

A. Tenant must comply with all federal, state and local laws and regulations, concerning its participation in the Program, and activities at and use of the Premises, including Tenant performance of its Scope duties and IHP duties, and obtaining requisite governmental permits for Tenant Scope Work.

B. Tenant must comply with all Tenant duties under the Lease (as amended) and not be in breach of Lease.

C. Tenant must document and report to DCD and RA status and completion of Tenant Scope Work.

D. Tenant must maintain up-to-date financial records and share same with DCD which will help with credit and budget counseling and Tenant's overall financial tracking and awareness.

E. Tenant may not borrow money from a private party, financial institution, or other lender to perform the Tenant Scope Work or Tenant's duties under the Lease or this Amendment. Subject to Tenant's duty to cooperate with DCD and to adhere to the IHP and DCD financial and budgeting advice, Tenant may use a Tenant credit card to pay for materials, supplies and Tenant Scope Work. Notwithstanding the foregoing, however: (i) Tenant may accept gifts of funds from Tenant family or friends so long as there is no Tenant duty to repay; and (ii) Tenant may receive loans from Tenant family or friends less than \$5,000.

F. Tenant may not grant any mortgage or security interest in and to the Premises while the Lease or this Amendment is in effect, or to acquire the Premises at Closing, and Tenant may not allow any materialman or contractor claim, lien or judgment to exist against Tenant or to be asserted against the Premises concerning Tenant Scope Work.

G. Tenant's monthly Rent payments to City shall remain the same as required by the Lease.

**H. ALL SCOPE WORK (TENANT SCOPE WORK AND CITY SCOPE WORK) MUST BE COMPLETED ON OR BEFORE THE TWO-YEAR ANNIVERSARY OF THE DATE OF THIS AMENDMENT.**

**I. A DNS CERTIFICATE OF CODE COMPLIANCE FOR THE PREMISES MUST BE IN PLACE ON OR BEFORE THE TWO-YEAR ANNIVERSARY OF THE DATE OF THIS AMENDMENT, AND ABSENT SUCH, CITY SHALL HAVE NO DUTY TO CLOSE.** Tenant agrees to sign the application for the Certificate of Code Compliance. See ¶16.C. below.

J. The subject property may not contain more than 2 dwelling units. Any conversions from one to two dwelling units, or from two to one dwelling units require City prior written approval and appropriate permits (see subparagraph "A" above).

Does the Scope for the Premises call for conversion? \_\_\_\_ YES. \_\_\_\_ NO.

K. On or before Closing, Tenant must be in compliance with City general buyer policies under MCO 304-49-8.

**12. City, RA, and Scope-Preparer Access; Inspections.** *In addition to any right of access and inspection under the Lease (see Lease ¶10), Tenant shall allow City, RA, and the Scope-preparer entry and access to the Premises with at least **12 hours prior notice** (oral or written). This entry shall be for Program purposes, including, but not limited to: City and RA inspection of Premises and Scope Work; monitoring of IHP performance; DCD preparation of IHP; and performance of City Scope Work by City and its agents and contractors. *Tenant agrees to remove animals from the Premises during these entries.**

**13. Assignment.** *In addition to Lease ¶11 (restrictions on Tenant assignment and subletting), Tenant may not assign, transfer, or convey any of its rights under this Amendment without City's prior written approval.*

**14. Breach.** Tenant is in breach if Tenant fails to perform Tenant's obligations under the Lease, as amended, under the IHP, or concerning the Tenant Scope Work, as required.

**15. Termination.**

A. *In addition to City rights under the Lease, including Lease ¶13, if Tenant breaches any duty under this Amendment or the Program, City may elect to:*

(1) terminate this Amendment, but not the Lease, and terminate Tenant's participation in the Program while retaining Tenant as a tenant under the Lease. Such termination shall be upon 28 days prior written notice from City to Tenant.

(2) as an alternative to subparagraph A above, City may terminate this Amendment, and terminate Tenant's participation in the Program, and terminate Tenant as a tenant under the Lease. Such termination shall be upon 28 days prior written notice from City to Tenant.

B. Notwithstanding anything to the contrary contained herein, if, despite good faith efforts, City or Tenant is unable to complete their respective Scope Work (City Scope Work in the case of City, and Tenant Scope Work in the case of Tenant) due to reasonably determined, and documented, substantial cost overruns beyond the cost originally estimated on **EXHIBIT A**, or due to other unforeseen circumstances that materially interfere with or impede work or completion of same, then, either party may terminate this Amendment and Tenant's participation in the Program upon 20 days prior written notice to the other – providing however that the nonterminating party shall have the right (not the duty), in its discretion, within such 20-day period, to send written notice to the terminating party that the nonterminating party elects to complete the terminating party's remaining work at the nonterminating party's expense.

C. IN THE EVENT OF ANY TERMINATION OF THIS AMENDMENT AND OF TENANT'S PARTICIPATION IN THE PROGRAM, TENANT SHALL NOT BE ENTITLED TO PURCHASE THE PREMISES, AND TENANT SHALL NOT BE ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR ANY TENANT OR OTHER SCOPE WORK PERFORMED.

16. **Closing.**

A. If Tenant satisfies all its obligations under the Lease, this Amendment, the Program, the IHP, and the Scope (including compliance with Program rules), and if a **Certificate of Code Compliance** is issued for the Premises and is dated on or before the **two-year anniversary of the date of this Amendment**, then City shall convey the Premises to Tenant at Closing per and subject to the following.

- (1) Conveyance shall be by Quit-Claim Deed in “AS IS” condition. Per MCO 308-22-2-g, Tenant agrees to waive and hold City harmless from environmental conditions including any undetected or unknown environmental hazard that may be present in or at the Premises. The Deed shall contain a restrictive covenant prohibiting property-tax exemption and requiring owner occupancy for at least 5 years after conveyance.
- (2) City shall obtain and pay for the base policy of title insurance regarding the Closing.
- (3) City and Tenant shall cooperate and execute a Closing Statement, and customary title insurance affidavits concerning the Closing.
- (4) Tenant shall pay City, at Closing, by check, in good funds, \$601, of which \$1 shall be the purchase price that Tenant pays City, and \$600 shall be to cover City administrative costs and Closing expenses.
- (5) No utilities will be prorated. Tenant will have the duty to pay same.
- (6) There will be no property-tax proration as the Premises are tax-exempt under City’s ownership. Tenant shall pay any special assessments or special charges levied or outstanding against the Premises.
- (7) There will be no Wisconsin real estate transfer fee required because the conveyance will be exempt from the fee under Wis. Stat. § 77.25 (2) as a conveyance from the City, and exempt from the return under Wis. Stat. § 77.255 because City is not a lender for the transaction.
- (8) Tenant shall pay the cost of recording the Deed.

B. Closing shall be, in City’s discretion, at the offices of the title insurance company that issued the commitment for the transaction or at the office of the Department of City Development, 809 N. Broadway, 2<sup>nd</sup> Floor, at a date, time and place to be mutually agreed upon by City and Tenant. The date, however, shall be either in the month of issuance of the Certificate of Code Compliance or in the month thereafter. **NOTWITHSTANDING THE FOREGOING, CLOSING MUST OCCUR ON OR BEFORE THE TWO-YEAR ANNIVERSARY OF THE DATE OF THIS AMENDMENT.**

C. **WARNING: IF THE CERTIFICATE OF CODE COMPLIANCE IS DATED AFTER THE TWO-YEAR ANNIVERSARY OF THE DATE OF THIS AMENDMENT, OR IS NOT ISSUED AS REQUIRED BY ¶11.I., THEN THE CITY SHALL HAVE NO DUTY TO CLOSE ON THE DEAL AND NO DUTY TO CONVEY THE PREMISES TO TENANT. THIS AMENDMENT (BUT NOT THE LEASE) SHALL BE DEEMED TERMINATED AND TENANT SHALL NOT**

BE ENTITLED TO PURCHASE THE PREMISES AND SHALL NOT BE ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR ANY TENANT OR OTHER SCOPE WORK PERFORMED.

**17. 2013 WISCONSIN ACT 76.** In recognition of 2013 Wisconsin Act 76:

A. The second sentence of the second paragraph of Lease ¶14 is amended so that City may presume abandonment of personal property left behind by Tenant under Wis. Stat. § 704.05 (5)(a)1, if Tenant removes from or is evicted from the Premises leaving behind personal property.

B. Per Wis. Stat. § 704.14, the Addendum attached hereto as **EXHIBIT B**, Notice of Domestic Abuse Protections, is made part of the Lease.

**18. SPECIAL CONDITIONS.** [Insert or write any special conditions here]. \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**19. COUNTERPARTS.** This Amendment may be signed in one or more counterparts which, when taken together shall constitute one and the same document. Facsimile, PDF and/or email signatures shall be acceptable as originals.

**20. LEASE REMAINS IN EFFECT.** Except as otherwise amended hereby, the Lease remains in effect. The Lease is attached hereto as **EXHIBIT C**.

IN WITNESS WHEREOF, City and Tenant enter this Amendment as of the Effective Date specified above.

CITY: City of Milwaukee	TENANT
By: _____ Name Printed: _____ Title: _____ Date of signing: _____ MCO 304-49-2-b-1 & 304-49-4-a. Common Council Resolution File No. 111511 & 120165.	By: _____ Name Printed: _____  By: _____ Name Printed: _____  Date of signing: _____

**EXHIBIT A**  
**SCOPE OF WORK**

**EXHIBIT B**

**CITY RESIDENTIAL LEASE ADDENDUM**

**Per Wis. Stat. §704.14**

2013 Wisconsin Act 76, effective March 1, 2014

**704.14 Notice of domestic abuse protections.** A residential rental agreement shall include the following notice in the agreement or in an addendum to the agreement:

**NOTICE OF DOMESTIC ABUSE PROTECTIONS**

**(1)** As provided in section 106.50 (5m) (dm) of the Wisconsin statutes, a tenant has a defense to an eviction action if the tenant can prove that the landlord knew, or should have known, the tenant is a victim of domestic abuse, sexual assault, or stalking and that the eviction action is based on conduct related to domestic abuse, sexual assault, or stalking committed by either of the following:

**(a)** A person who was not the tenant's invited guest.

**(b)** A person who was the tenant's invited guest, but the tenant has done either of the following:

**1.** Sought an injunction barring the person from the premises.

**2.** Provided a written statement to the landlord stating that the person will no longer be an invited guest of the tenant and the tenant has not subsequently invited the person to be the tenant's guest.

**(2)** A tenant who is a victim of domestic abuse, sexual assault, or stalking may have the right to terminate the rental agreement in certain limited situations, as provided in section 704.16 of the Wisconsin statutes. If the tenant has safety concerns, the tenant should contact a local victim service provider or law enforcement agency.

**(3)** A tenant is advised that this notice is only a summary of the tenant's rights and the specific language of the statutes governs in all instances.

**EXHIBIT C**  
**COPY OF SIGNED LEASE**

## SAMPLE SCOPE OF WORK CREATED BY REHAB SPECIALIST

<b>SCOPE OF WORK (T3OP)</b>		Date: 4/7/2016		
<b>Tenant Name</b>				
XXXX W Lincoln Ave, Milwaukee, WI				
Rehab Specialist: Jeff Keen				
First inspection date: 4/6/2016      Revise dates: 6/9/16 7/19/16		<b>T3OP</b>		
Both the "Rehabilitation and Technical Specifications and Performance Standard for the City of Milwaukee - February, 2006" and the "NIDC Addendum to Specifications," dated 8/23/07 & 5/13/08, are incorporated into this scope by reference. These items provide an outline of materials requirements & performance expectations. Updated copies can be obtained from NIDC @ 809 N Broadway-3rd Flr.				
Lead Related Work: Any task that disturbs previously painted surface shall be performed by properly certified personnel and follow the State of Wisconsin Department of Health Services Administrative Code <b>Chapter DHS 163</b> regarding the certification for the identification, removal and reduction of lead-based paint hazards (Pb).				
And, if applicable: <input type="radio"/> YES <input checked="" type="radio"/> NO				
Any task that disturbs a previously painted surface requires Milwaukee Health Department notification (Pb-N). Window replacement shall be performed by properly certified personnel and requires a Milwaukee Health Department Permit (Pb-A).				
Miscellaneous: The contractor is responsible to field verify all measurements, the amount of materials needed, and the number of windows in the building. If any item in this scope calls for a certain manufacturer, model number, or approved equivalent of a particular item, and that item is to be substituted, both NIDC and the owner must approve the substitution in writing as a part of the contract.				
Line #	Scope of Work Item	Code	Estimate	Responsibility
3	<b>SITE</b>			
4	Install hand rail <b>and balusters on open side</b> at service steps at alley. <b>Prep and paint both front service step handrails.</b>	CV	\$ 350.00	City
5	Seed east yard	CV	\$ 50.00	Tenant
6	Remove car from unpaved area	CV	\$ -	Tenant
7				
8	<b>EXTERIOR</b>			
9	<b>HOUSE</b>			
10	Tear off and replace roof including all porches. (Do not cut off rafter tails as part of this installation)	CV	\$ 10,000.00	City
11	Scrape and paint all wood surfaces	Pb	\$ 3,800.00	City
12	<b>Replace full length seamless east gutter. Replace seamless gutters for rear enclosed porch.</b>	CV	\$ 950.00	City
13	<b>Replace defective storm window for rear enclosed porch to match.</b>	CV	\$ 180.00	City
14	<b>Install rear entry security door. Tenant to provide door.</b>	CV	\$ 200.00	City
15				
16	<b>INTERIOR</b>			
17	Repair switch at 1st floor south bedroom <b>to operate ceiling fan. Fix pull chain switches on fan/light.</b>	CV	\$ 175.00	City
18				
19	<b>BATH</b>			
20	<del>Repair bath floor – install floor tiles to make impervious</del>		\$ -	City
21	<b>Replace bathroom flooring. Install new underlayment sheathing and sheet vinyl flooring. Do not install vinyl tiles.</b>	CV	\$ 550.00	City
22				
23	<b>KITCHEN</b>			
24	Install plate cover under sink	CV	\$ 10.00	City
25				
26	<b>2nd FLOOR</b>			
27	Install missing plate cover	CV	\$ 10.00	City
28	Install new light fixture at south bedroom. Secure mid bedroom light.	Permit	\$ 200.00	City
29	Replace broken window panes at south bedroom	CV	\$ 200.00	City
30	Repair holes in wall	CV	\$ 200.00	City

## SAMPLE SCOPE OF WORK CREATED BY REHAB SPECIALIST

SCOPE OF WORK (T3OP)		Date: 4/7/2016		
Tenant Name				
XXXX W Lincoln Ave, Milwaukee, WI				
	Install door knob and latching to 2nd floor north room.	CV	\$ 80.00	City
32				
33	<b>STAIR</b>			
34	Secure handrail at top of steps at 2nd floor	CV	\$ 125.00	City
35	Patch holes in wall at rear entrance handrail	CV	\$ 100.00	City
36				
37	<b>BASEMENT</b>			
38	Bring illegal wiring to code - install retain outlets. Secure outlet to wall near laundry tray & convert to GFCI. Correct electrical connections above laundry tray.	CV	\$ 500.00	City
39	Service boiler - restore radiators at 2nd floor to working condition	CV	\$ 600.00	City
40	Install smooth interior vent pipe at dryer	CV	\$ 75.00	City
41	Wrap supply pipe to boiler	CV	\$ 200.00	City
42	Clear path to electrical panel maintain 3' clearance		\$ -	Tenant
43				
44	Bond @ 5% of Total		\$ 925.25	City
45		<b>TOTAL</b>	<b>\$ 19,480.25</b>	
46		City Est	\$19,430.25	
47		Tenant Est	\$50.00	
48	Prepared by:	Date:		
49				
50	Tenant Approval:	Date:		

# CITY OF MILWAUKEE BUYER POLICIES

Offers to Purchase will be rejected from any party (as an individual or as part of an entity) who:

- Is delinquent in the payment of taxes for property in the City of Milwaukee
- Has outstanding judgments from the City or if the City acquired property-tax-foreclosure judgment
- Has outstanding health or building code violations or orders from the City's Health Department or Department of Neighborhood Services that are not actively being abated
- Has been convicted of a felony that causes concern with respect to neighborhood stability, health, safety or welfare
- Has outstanding offers to purchase or uncompleted performance on another City sale except upon approval of Commissioner based on history of performance

Tax and court records will also be checked prior to Closing. If any of these conditions are found to exist, the City will terminate the Offer to Purchase.

**CITY OF MILWAUKEE - OFFER TO PURCHASE  
IMPROVED PROPERTY- 1-4 Residential Units  
For Homeownership or Investor Owner**

The Buyer, \_\_\_\_\_ ("Buyer") offers to purchase from the City of Milwaukee ("Seller") all of the Seller's right, title, and interest in the property at \_\_\_\_\_ ("Property") on the terms and conditions contained herein. For the purposes of this offer (the "Offer"), Seller shall mean the City Real Estate Office of the Department of City Development ("DCD") and not any party from a different City office or department.

1. **Purchase Price.** Buyer offers to purchase the Property for \_\_\_\_\_ Dollars (\$\_\_\_\_\_) ("Purchase Price") to be paid by cashier's check at time of closing, less a credit for Earnest Money and subject to the customary prorations and deductions pursuant Section 15 ("Net Price").

Buyer estimates rehabilitation costs will be \$ \_\_\_\_\_. If Buyer's estimate is less than Seller's Scope of Work, Buyer shall submit its own scope and budget. At Closing pursuant to Section 12, Buyer shall provide at Closing evidence of financing and/or equity to fund the purchase and rehabilitation. If "sweat equity" will be used to reduce costs, please identify activities \_\_\_\_\_

A Rehabilitation Contact may be required by Seller if rehabilitation estimates exceed \$10,000.

2. **Proposed Use.** Property shall be used as:  
(Check One)  owner-occupied  investment property  renovated for resale to owner-occupant  
If first-time home buyer, check here   
If existing homeowner, identify plan for existing residence: \_\_\_\_\_  
Sales for owner occupancy shall be subject to a deed restriction pursuant to Section 13a requiring owner occupancy for a five-year period from the date of the deed.  
Sales for investment property shall be subject to a deed restriction pursuant to Section 13b requiring a holding period of five-years from the date of the deed.

3. **Broker Commission.** Upon closing, Seller agrees to pay the licensed real estate broker identified below ("Broker") a commission of \$\_\_\_\_\_ (6% of the Purchase Price or \$1,500, whichever is greater) except if Buyer and Broker are same party. No brokerage arrangement exists between Seller and the Broker.  
**Broker:** \_\_\_\_\_ (Name and Firm)

4. **Earnest Money.** Earnest Money of \$750.00 shall be submitted by Buyer with this Offer and shall be held by Seller in Broker's Trust Account and shall be transferred to Seller at closing. The Earnest Money shall be credited toward the Purchase Price at time of closing. The Earnest Money is non-refundable except as provided herein.

5. **Buyer Identification and Disclosures.**

Buyer is:  Married  Single person (Identify if  male  female for deed)  
(check as applicable)  Joint Tenants  Tenants in Common  
 Corporation  Partnership  LLC  other \_\_\_\_\_  
Identify corporate officers, partnership or LLC members: \_\_\_\_\_

Buyer certifies that Buyer, and every owner, member, shareholder and partner of Buyer, directly or indirectly, is now and will at closing be in compliance with the following "City General Buyer Policies":

- Not delinquent in the payment of any property tax (real and personal property), special assessment, special charge or special tax to the City of Milwaukee.
- Not a party against whom the City has an outstanding judgment.
- Not have outstanding building or health code violations or orders from the City's Health Department or Department of Neighborhood Services that are not actively being abated.
- Not a party who has been convicted of violating an order of the Health Department or Department of Neighborhood Services within the past year.
- Not been convicted of a felony that causes neighborhood or community concerns with respect to neighborhood stability, health, safety or welfare.
- Not subject to a property tax foreclosure by the City within the past five years.

Seller will reject Offers from parties that violate the City General Buyer Policies and Seller may terminate an accepted Offer if such conditions exist at any time after acceptance of this Offer or at closing.

Seller may reject an Offer from parties with outstanding City of Milwaukee offers or recently purchased property from Seller where improvements or renovations have not been completed.

Buyer certifies that Buyer:

- has  has no outstanding accepted Offers to Purchase with Seller
- has  has not acquired other property from Seller for which all required rehabilitation, repair, improvement or development has not been completed

Buyer certifies that Buyer  is  is not an employee of the City of Milwaukee, Redevelopment Authority, Housing Authority, Milwaukee Economic Development Corporation or Neighborhood Improvement Development Corporation (collectively "City Agencies"). If employed by City Agency, identify department: \_\_\_\_\_ . DCD, HACM and RACM employees must complete and submit with the Offer a DCD Conflict of Interest Form that has been signed by the employee's supervisor and DCD Commissioner.

6. **Acceptance.** Submitted Offer must be signed by all parties of Buyer and acceptance occurs upon signature of the Commissioner of DCD or designee at which time this Offer becomes an agreement binding upon both parties ("Effective Date"). Buyer may withdraw the Offer at any time prior to delivery of the accepted Offer and Broker shall return the Earnest Money to Buyer.
7. **Offer Term.** The Offer shall commence on the Effective Date and be in effect for a period of 45 days ("Expiration Date"). Buyer must satisfy all contingencies and close on or before the Expiration Date pursuant to Section 11 of this Offer. Under limited circumstances, the Offer may be extended by the Commissioner of DCD for up to 30 days ("Extended Date") upon submission by Buyer and Seller acceptance of a written request for such extension including the reasons therefor and a check for \$250.00 in payment of an Extension Fee. If the Offer term is extended, the Extension Fee is non-refundable and shall not be credited toward the Purchase Price.
8. **Duty to Comply with Building Code.** Conveyance shall be subject to all building and health code violations outstanding at Closing, if any. Buyer shall, promptly after Closing, apply to the Department of Neighborhood Services (DNS) for a Certificate of Code Compliance (or Certificate of Occupancy for buildings with a DNS Placard Order or a mixed or multiple dwelling buildings) and bring the Property into compliance with the City of Milwaukee Building Code within ninety days (90) following the date of the Deed, or other time period specified by DNS provided such date is not later than six months following the date of the Deed. The Deed shall include a reversionary clause in the event of a failure to timely achieve such code compliance. Buyer shall pay all fees for the DNS Code Compliance Program.
9. **Roots Program for Owner Occupants.** Buyer elects to participate in the Roots Program:  Yes  No.
10. **Buyer Financing Contingency.** This Offer (Check One ►)  is  is not contingent upon Buyer obtaining financing ("Buyer Contingency"). If yes, this Offer is contingent upon Buyer being able to obtain:
  - first mortgage loan commitment
  - rehabilitation/construction loan commitmentwithin \_\_ days of acceptance of this Offer for not less than \$\_\_\_\_\_ for a term of not less than \_\_\_\_ years with an initial interest rate not to exceed \_\_\_\_\_% per annum with monthly payment not to exceed \$\_\_\_\_\_ for principal and interest. Buyer agrees to pay all customary financing costs (including closing costs, to apply for financing promptly and to provide evidence of application promptly upon request by Seller. If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s) rejection letters or other evidence of unavailability. If Seller notice is not timely given, this Offer shall be null and void.

**11 Property Condition.** Seller shall convey the property in "as is, where-is" condition. Any scope of work or cost estimates provided by Seller are for informational purposes only and the Seller does not warrant the content or conclusions of same. Buyer is encouraged to retain its own consultant to evaluate structure condition and renovation costs in respect of the Property.

Seller has conducted no investigation of the structural condition of the improvements, survey of any encroachments or easement, or of the bearing capacity of the subsoil. The Property may contain lead-based paint if constructed prior to 1978, asbestos and underground storage tanks. Buyer is solely responsible for obtaining any Property investigations at its sole expense. Buyer acknowledges that Seller has no disclosure requirements, as Ch. 709, Wis. Stats. does not apply to this transaction.

**12. Closing.** Closing on this transaction ("Closing") shall take place at the offices of the City Real Estate Office at 809 North Broadway, 2nd Floor, Milwaukee, Wisconsin, or at a title company, or other mutually acceptable place, at a time and date that will be on or before the Expiration Date or Extended Date provided Buyer has satisfied the Buyer Contingency and the following Seller Contingencies: 1) Buyer shall not be in violation of City General Buyer Policies pursuant to Section 5 and 2) Buyer shall submit evidence satisfactory to the Seller of firm financing without contingencies and/or evidence of equity in an amount equal to the Purchase Price plus the Estimated Rehabilitation Costs identified in Section 1 above.

**13. Quit-Claim Deed of Property; AS-IS Sale; Restrictions.** Upon delivery of the Net Price by Buyer, Seller shall convey the Property to Buyer by Quit-Claim deed ("Deed") in "AS-IS, WHERE-IS" condition with all faults and defects, known or unknown, physical or otherwise, and without representation or warranty, express or implied. Such provisions shall bar all tort, warranty, and misrepresentation claims – including any action based on non-disclosure. Buyer shall rely on Buyer's own due diligence and independent investigation and inspection, and shall not rely upon any oral or written statement or representation of Seller or any employee or agent or contractor of Seller. At Closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the Property will become Buyer's.

The Deed shall contain a restriction requiring that the Buyer obtain a Certificate of Code Compliance for the Property pursuant to Section 8, but not later than six months from the date of the Deed or the Property will be subject to reversion of title in favor of Seller or other document to ensure code compliance as determined by the Seller.

- a) The Deed shall contain a restriction for owner occupancy for a five-year period from the date of the deed. Conveyance to a non-owner occupant prior to expiration of the five-year period shall result in liquidated damages due the Seller of 100% of the Purchase Price or \$25,000, whichever is greater, or the Property will be subject to reversion of title in favor of the Seller.
- b) The Deed shall contain a restriction for investment property for a five-year period from the date of the deed. Conveyance prior to expiration of the five-year period shall result in liquidated damages due the Seller of 100% of the Purchase Price or \$50,000, whichever is greater, or the property will be subject to reversion of title in favor of the Seller.

**14. Title Insurance.** Seller shall provide Buyer with a title insurance commitment for the Property, issued by a title insurance company chosen by Seller, in the amount of the Purchase Price if the Purchase price is greater than \$5,000.00. Seller shall pay the base cost of title insurance. Buyer shall be responsible for the cost of any title and gap endorsements and the cost of any title updates incurred after the initial invoice. Seller shall pay its cost of title insurance at closing from the Purchase Price, if sufficient to cover such cost, or by separate check. Provision of title insurance shall not change the "AS-IS/WHERE IS, no warranty or representation" nature of this transaction. No evidence of title shall be provided by Seller if the Purchase Price is less than \$5,000.00.

**15. Legal Possession.** Legal possession of the Property shall be delivered to Buyer at closing. Physical occupancy is subject to the rights of tenants in possession, if any.

16. **Proration.** Property taxes and/or utility bills, if any, shall be pro-rated to the date of closing. Seller shall be responsible only for special assessments of record as of the date this Offer is accepted by Seller. Special assessments that are the responsibility of Seller, but that have not been billed or paid, may be deducted from the Purchase Price at closing and paid by Buyer when due. If the Purchase Price is inadequate to pay such Special Assessments, Seller shall pay such Special Assessment when due. Rent, if any, shall be prorated to the date of closing. Unless otherwise disclosed, Seller holds no security deposits in respect of any tenant now or formerly occupying the Property.
17. **Seller Termination.** Seller may terminate this Offer and return Earnest Money and Extension Fee if Seller is unable to provide marketable title or Seller is unable or unwilling to remove valid objections to title prior to closing. If Property is damaged prior to closing, Seller reserves the right to terminate this Offer and return Earnest Money to Buyer or adjust the Purchase Price. Return of the Earnest Money shall release Seller from any claims arising from this transaction.
18. **Energy Efficiency.** Sale of improved properties that will be used as rental units may be subject to the Wisconsin Department of Commerce "Rental Unit Energy Efficiency Standards," Chapter 67, Wisconsin Administrative Code and Chapter 101.122, Wisconsin Statutes. Buyer is responsible for all costs, expenses and fees for complying with this program.
19. **Transfer Fee or Return.** No real-estate-transfer fee shall be due at closing pursuant to § 77.25(2), Wis. Stats, and no real-estate-transfer return shall be required pursuant to the exemption from returns under § 77.255, Wis. Stats.
20. **Recording Deed.** Promptly after Closing, the Deed shall be recorded by the Seller or other party, such as a title company, as required by Milwaukee Code of Ordinances § 304-49-10. Buyer shall be responsible for the recording fee and shall provide Seller at closing with a check to record the Deed as directed on the closing statement.
21. **Property Recording.** Unless the Property is to be owner-occupied pursuant to Section 2, Buyer shall register the Property with DNS and shall execute at closing the DNS Property Recording Form.
22. **Successors and Assigns.** Once this Offer is accepted by Seller, this Offer binds and inures to the benefit of the parties hereto and their successors and assigns. Buyer may not assign any rights, or obligations under this Offer without the written consent of Seller.
23. **Facsimile and Counterparts.** This Offer may be executed in one or more counterparts which, when taken together, shall constitute one and the same document. Facsimile signatures shall be accepted as originals.
24. **Entire Agreement.** This Offer constitutes the entire agreement between the parties and all prior statements, written or oral, are terminated and of no effect. This Offer may only be amended by a written agreement signed by all the parties hereto.
25. **Severable.** The terms and provisions of this Offer are deemed separable and severable such that the invalidity or unenforceability of any term or provision shall not affect or impair the validity or enforceability of the remaining terms and provisions.
26. **Survival.** The terms, provisions, and agreements herein shall survive Closing and delivery and recording of the Deed.
27. **Notices.** All notices permitted or required hereunder shall be considered given **(i)** upon receipt if hand-delivered by commercial courier or otherwise personally delivered, **(ii)** if sent by facsimile, then the notice must be sent during business hours (i.e. 8:30 A.M to 4:30 P.M., Monday through Friday) on days that Seller's City Hall is open for business, and the notice shall be deemed given when sent as per the following and so long as the notice is successfully sent (i.e. the sender does not receive any error or "busy" or "inability to send" notification), and **(iii)** within two business days of depositing same in the U.S. mail, postage-paid, addressed by name and address to the party intended as follows:

If to Seller:  
Karen Taylor  
Department of City Development  
809 North Broadway, 2nd Floor  
Milwaukee, WI 53201-0324  
Phone: 414-286-5730  
Fax: 414-286-0395

If to Buyer:  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

With Copy to Broker:  
Name \_\_\_\_\_  
Firm \_\_\_\_\_  
Address \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

**28. Remedies.** Except as otherwise provided herein, in the event of breach of this Agreement, the nonbreaching party shall have all rights and remedies available at law and in equity against the breaching party. In the event of breach by Buyer, Seller may elect to retain the Earnest Money as liquidated damages or as partial offset against damages otherwise occasioned by the breach – which, in the latter case, Seller may bring suit for remaining damages.

**29. Special Conditions:** Addendum  is  is not attached.

IN WITNESS WHEREOF, the parties caused this Offer to be entered into and executed as of the date written below.

(x) \_\_\_\_\_  
Buyer's Signature ▲ Print Name Here ► Social Security No. or FEIN ▲ Date ▲

(x) \_\_\_\_\_  
Buyer's Signature ▲ Print Name Here ► Social Security No. or FEIN ▲ Date ▲

**Acceptance by Seller (City of Milwaukee)**

Accepted: \_\_\_\_\_ Date ▲

Rejected: \_\_\_\_\_ Date ▲

