

HIP FUND IMPROVED PROPERTY

SPECIAL CONDITIONS ADDENDUM REGARDING CITY OF MILWAUKEE - OFFER TO PURCHASE

YLP 5/24/2022, CAO DOC 255781

City of Milwaukee (“City”) and the undersigned “Buyer” agree to this **Addendum** regarding Buyer’s Offer to Purchase the property at _____, Milwaukee, WI (“Property”) (the “Offer”) (Buyer dated the Offer as of _____, 20__). This Addendum is effective only if City and Buyer have signed this Addendum, and only if City accepts or accepted Buyer’s Offer.

1. **Defined Terms.** All capitalized terms not specifically defined in this Addendum have the meanings ascribed to them in the Offer.

2. **HIP Fund Improvement.** City used Historic Infrastructure Preservation Funds (“HIP”) under Milwaukee Code of Ordinances (“MCO”) 304-31.5 to improve the Property. Improvements the City made with HIP Funds were:

City’s improving the Property with HIP Funds does not change the “AS IS” nature of City’s conveyance, so the HIP Fund improvements are also conveyed AS IS, WHERE IS.

3. **Project – Preservation and Repair Requirements.** *In addition to Buyer’s duty under the Offer regarding Essential Repairs*, Buyer also agrees to undertake the following repairs (the “Project”):

Buyer agrees to apply for a Certificate of Appropriateness from the City of Milwaukee Historic Preservation Commission for any exterior repairs. General exterior repair guidelines are attached hereto as Exhibit B.

4. **Deed; Restrictive Covenants (Owner Occupancy, No Tax Exemption).** At Closing, Buyer agrees that, *the Deed form attached hereto as EXHIBIT A (rather than the Deed attached to the City’s standard Offer)* shall be used to impose restrictive covenants restricting property-tax exempt status and requiring 5-year owner occupancy.

5. **Counterparts.** This Addendum may be signed in counterparts and facsimile and email signatures are acceptable.

DATED AS OF the date of City’s acceptance of the Offer.

Buyer: Buyer signature: _____ Print name: _____	Buyer: Buyer signature: _____ Print name: _____	City of Milwaukee By: _____ Name Printed: _____ Title: _____
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EXHIBIT A

Document Number

QUIT CLAIM DEED

Name and Return Address:

Tax Key Number: _____

This deed and conveyance are exempt from the Wisconsin Real Estate Transfer Fee. Wis. Stat. 77.25 (2).

Drafted By: City of Milwaukee, Dept. of City Development

Recording Area

THIS QUIT-CLAIM DEED is made as of _____, 20____, by the CITY OF MILWAUKEE (“City”), as Grantor, to _____ (“Grantee”).

1. Conveyance of Property. City conveys and quit-claims to Grantee, on an “AS-IS, WHERE-IS” basis, all of City’s right, title, and interest in and to the real estate described below (the “Property”):

[LEGAL DESCRIPTION], in the City of Milwaukee, Milwaukee County, Wisconsin.

T.I.N.: _____

Property Address: _____, Milwaukee, WI

2. Restrictive Covenant Against Property-Tax Exemption. This conveyance is subject to the following restrictive covenants, the terms and conditions of which were material inducements to City conveying the Property to Grantee, and but for Grantee’s acceptance of same by execution of an Offer to Purchase with City, City would not have conveyed the Property to Grantee. The restrictive covenants are binding on Grantee and Grantee’s successors and assigns, including successor owners of the Property.

A. Tax Exemption Restriction. The Property must be taxable for property-tax purposes and no owner or occupant shall apply for, or seek, or accept, property-tax exemption, whether under Wis. Stat. 70.11 or otherwise, for the Property, or any part thereof. This restriction may only be released by recording against the Property in the Register of Deeds Office a resolution passed by the City’s Common Council by 2/3 vote approving release.

B. Owner Occupancy Restriction. For 5 years from the date of the Deed (the “Effective Period”), Grantee must occupy the Property for Grantee’s primary residential homestead so that the Property will be owner-occupied. The Property shall not be used, or allowed to be used, for non-owner-occupied purposes and shall not be rented or leased to third parties.

Notwithstanding the foregoing, if the Property is a duplex, a 3-unit apartment, or a 4-unit apartment, then the owner-occupancy and no-leasing restrictions shall only apply to one of the units therein such that at least one of the units satisfies the owner-occupancy and no-leasing restrictions.

Also notwithstanding the foregoing, Grantee may, during the Effective Period, convey the Property to another so long as the new owner satisfies the restrictions herein.

If this restrictive covenant is breached in any manner during the Effective Period, Grantee (and/or, where applicable, the new owner who was to owner occupy) shall be liable to City for agreed-upon liquidated damages of **\$25,000**.

THIS IS A SAMPLE DEED. Per the Offer, the actual deed at Closing may contain other restrictions if City-Related Financing is used and that program requires other restrictions.

IN WITNESS WHEREOF, City, as Grantor, signed this Deed as of the date first written above.

<p>STATE OF WISCONSIN)) ss. MILWAUKEE COUNTY)</p> <p>Personally came before me this ___ day of _____, 20__, the City signatory identified, to me personally known, who signed this document on behalf of the City and acknowledged the same.</p> <p>_____ Notary Public, State of Wisconsin</p> <p>Name Printed: _____</p> <p>My commission expires: _____</p>	<p>City: CITY OF MILWAUKEE</p> <p>By _____</p> <p>Print Name: _____ Special Deputy Commissioner Department of City Development</p> <p>MCO 304-49</p>
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EXHIBIT B
GENERAL EXTERIOR REPAIR GUIDELINES

Overall Exterior Improvements:

- All exterior materials must be evaluated, selectively repaired or replaced with like-with-like materials.
- All exterior features must be preserved and restored.
- The original wood clapboard and sawn shingle siding must be selectively repaired, primed and painted.
- All original wood trim including door and window hoods, corner boards, water-table boards and all porch elements shall be repaired and restored to their original condition.
- All original wood interior windows must be retained. Windows in poor condition should be repaired using wood resin epoxies, or must be replaced with wood windows of the same design and proportion.
- Any storm window replacements must be wood, double sash replacements cut to fit the existing openings.
- No additional door or window openings may be installed. Additional door or window openings may be considered on the east elevation of the structure after consultation with and approval of the HPC.
- All new and existing wood siding and trim must be restored, primed and painted.
- Restore masonry as needed with appropriate materials

Roof:

- Solar panels, vents, plumbing stacks or skylights may be considered for installation at the back of the house but must not be visible from the street.

Site:

- The existing walks and berms in the front yard should be retained. Retaining walls are not allowed in the front yard.
- A new garage and additional landscaping may be included if approved by the HPC as to design and materials.