

14-10670: Request of the Director of City Development to accept the offer of Jimmy Wai Lou to purchase 1634 Howe Street, an NSP property.

Address: 1634 Howe Street

Program: NSP-3, renovation

Buyer: Jimmy Wai Lou

List Price: \$44,500.00

Offering Price: \$45,600.00

Closing Date: October 30, 2014

Contingencies:

Buyer's:

- None – cash offer
- Note: Investor buyer

Seller's/City's:

- Buyer agrees to rent to income qualified tenants. Buyer is aware of and agrees to the following restrictions:
 - a. Tenants' household income cannot exceed fifty percent (50%) of Racine County median income as determined by the US. Department of Housing and Urban Development (HUD). Buyer agrees to determine the income of prospective tenants using the methods prescribed by HUD and provide income documentation to the Racine Department of City Development. Income limits are periodically updated by HUD.
 - b. The maximum rent charged cannot exceed "low" HOME program rents for three-bedroom units in Racine as determined by HUD. HOME rents are periodically updated by HUD.
 - c. The restrictions in a. and b., above, apply to both units on the property.
- The restrictions are in effect for fifteen (15) years from closing. This is the "period of affordability". The restrictions run with the property and apply to subsequent owners during the period of affordability. The restrictions will be recorded as a deed restriction/land use restriction on the property.
- Loan Board and Council approval.