Department of City Development

Brian F. O'Connell, AICP Director

Matthew G. Sadowski, AICP Assistant Director / Principal Planner



Room 102 City Hall 730 Washington Ave. Racine, WI 53403 Phone: 262-636-9151 Fax: 262-635-5347

April 21, 2014

Ms. Dorothy Upchurch 2604 Mitchell Street Racine, WI 53403

Dear Ms Upchurch:

On April 17, 2014, the city's Loan Board of Review considered your request that you be allowed to deed the house at 1336 Mound Avenue to the city instead of continuing to make payments on your loan. After reviewing the circumstances, the Loan Board declined your request. The payments that borrowers make on their loans are used to provide loans to other home owners who need to make repairs. If the Board began releasing borrowers from their loans, it would potentially compromise the whole loan program.

However, the Board recognized that yours is a difficult situation and authorized me to make the following offer.

- We recommend that you put the house on the market with a real estate broker. You should list the house for sale in "as is" condition.
- When you have contracted with a broker, the city will modify your loan agreement so that the payoff amount of the loan is no more than one-half the net proceeds of the sale, after broker's commission and other expenses, or the remaining principal of the loan (currently \$23,661.21), whichever is lower.
- When you have contracted with a broker, the city will modify your loan agreement to suspend payments until the property is sold, so you will not owe interest or penalties after that date.
- When you have listed the property with a broker, this department will notify the Landmarks Preservation Commission and other parties interested in the preservation of historically and architecturally significant properties that the property is available for purchase.

This arrangement will provide you with some money from the sale of the property and allow you to clear the debt from the property and your credit record.

Please signify that this arrangement is acceptable to you by signing one copy of this letter and returning it to me in the enclosed envelope.

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I look forward to assisting you with the sale of this property. If you have any questions about the proposed arrangement, please feel free to contact Dora Garcia of the city's Housing Department at 262-636-9280 or by e-mail at dora.garcia@cityofracine.org.

Sincerely yours,

Brian F. O'Connell, AICP Director of City Development

Enclosures – copy of letter and envelope

C: Cecilia Millard

Dora Garcia, Housing Department

File

Please mark the appropriate box, sign this acknowledgement, and mail one copy of the letter to the Housing Department in the enclosed envelope.

Dear Mr. O'Connell:

_____ I accept your proposed modification of the loan agreement for 1336 Mound Avenue. I will select a residential real estate broker to sell the property and provide you with the broker's name and contact information. I authorize the staff of the Racine Housing Department and the broker to communicate regarding the sale.

Or

I do not accept your proposed modification of the loan agreement for 1336 Mound Avenue. I will continue to make monthly principal and interest payments on the loan.

Sign Spehurch 5/6/14