

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

MEMORANDUM

TO: Board of Directors, Buffalo Erie Niagara Land Improvement Corporation
FROM: Brendan Mehaffy, Chairperson
SUBJECT: **Resolution #2018-34** Disposition of 9194 Lake Shore, Town of Evans
DATE: May 24, 2018

DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) acquired the property of 9194 Lake Shore Road, Town of Evans via the 2017 Erie County In-Rem Foreclosure Auction. BENLIC listed the property for sale in April 2018 at a price of \$38,000. This property was selected for BENLIC in-house sales. BENLIC staff held property showings, collected offers, and fielded property inquiries as opposed to third-party realtors.



BENLIC staff has reviewed all offers on the property including respective Property Purchase Applications. Stabilization improvements were made to the property – new electrical service. Property is being sold under BENLIC’s “Note & Mortgage” program. Therefore, there are no income limit requirements for potential buyers. The purpose of the proposed disposition is congruent with BENLIC’s mission to return property to productive use.

Pursuant to the Property Disposition Guidelines of BENLIC, section 4.2(A), the Corporation may dispose of real property by negotiation. The following offers have been received:

BENLIC Investment	Estimated Cost of Repairs	Lien Value
\$4,953	\$44,400	\$36,408

BENLIC Real Estate Subcommittee Members have reviewed all offers and support a disposition by BENLIC Board of Director vote to Rebecca & Brandon Jones.

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Offeror	Offer Price	Offer Details :
Thomas & Margaret Kulakowski (Owner Occupant)	\$55,100	Cash Offer. 30 Day Close. \$40-\$50k investment.
Rebecca & Brandon Jones (Owner Occupant)	Countered \$55,100 Original \$38,000	Cash Offer. 30 Day Close \$65,000 Investment. Detailed Redevelopment Scope.
Kelly Moser (Redevelop + Resale)	\$40,000	Cash Offer. 30 Day Close. Will Use Outside Contractors for Redevelopment
Carol Bowen (Owner Occupant)	\$38,000	Cash Offer. 30 Day Close. Will be assisted by Developer in Renovations
Joseph Orcutt (Redevelop + Resale)	\$35,000	Cash Offer. 30 Day Close. Repeat BENLIC Buyer. Will Furnish Majority of Labor. Planned Investment of \$50,000
Emmett & Kelly Lonergan (Operate as Rental)	\$25,000	Cash Offer. 30 Day Close. Repeat BENLIC Buyer.
Jerry Byrne (Owner Occupant)	\$24,000	Cash Offer. Planned Investment of \$100,000. Will Furnish Majority of Labor.

ACTION:

The Board of Directors is hereby requested to approve the following resolution:

RESOLVED that the BENLIC Board of Directors authorizes the disposition of the property of 9194 Lake Shore Road, Town of Evans, NY (SBL#234.19-5-14.1) in the amount of \$55,100 by an Agreement of Sale of Real Property with first priority to offeror, Rebecca & Brandon Jones, and in so doing follows the proper procedure for disposal of real property by negotiation as described in the Property Disposition Guidelines of the Corporation; and be it further,

RESOLVED: that the disposition of the property include a Note and Mortgage held by BENLIC to ensure the development of the property in an amount equal to 82% of the work cost estimate prepared by BENLIC, \$36,408; and be it further,

RESOLVED, that in the event that BENLIC and Rebecca & Brandon Jones are unable to complete the sale of the property, the BENLIC Board of Directors authorizes the disposition of the property of 9194 Lake Shore Road, Town of Evans, NY (SBL#234.19-5-14.1) in the amount of \$55,100 by an Agreement of Sale with second priority to offeror Thomas & Margaret Kulakowski, without further Board approval, and in doing so follows the proper procedure for disposal of real property negotiation as described in the Property Disposition Guidelines of the Corporation; and be it further,

RESOLVED, that Executive Director Jocelyn Gordon and BENLIC legal counsel are authorized to take any and all necessary actions and execute the necessary documents to close on the sale of the above-referenced property.