

MEMORANDUM

TO: Board of Directors, Buffalo Erie Niagara Land Improvement Corporation

FROM: Brendan Mehaffy, Chairperson

SUBJECT: **Resolution #2018-74** Disposition of 137 Griffith, Village of Sloan

DATE: November 15, 2018

DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) acquired the property of 137 Griffith Street, Village of Sloan via the 2017 Erie County In-Rem Foreclosure Auction. Stabilization improvements were made to the property such as new electrical service, interior demolition, and a complete tear-off roof. BENLIC listed the property for sale in September 2018 at a price of \$40,000.00. 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. The 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:

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

BENLIC Investment	Estimated Cost of Repairs	Lien Value
\$29,489.00	\$65,250.00	\$50,000.00

Offeror	Offer Price	Offer Details :
Robert Smith Jr. Owner Occupant	\$42,000.00 Cash	\$53,036 Available Funds Proposed Investment of \$32,000 Will Perform Rehab Work. Military Contractor
ERZ Real Estate Holdings LLC. Renovate and Resale	\$39,929.00 Cash	\$100,000 Available Funds. Proposed investment of \$50,000. Will Perform Rehab Work.
Eric Corcoran Operate as Rental	\$35,000.00 Cash	\$90,000 Available Funds. Will Perform Rehab Work. Has Completed 1-2 Rehab Projects.

BENLIC Real Estate Subcommittee Members have reviewed all offers and support a disposition by BENLIC Board of Director vote to Robert Smith Jr. with second priority to ERZ Real Estate Holdings, LLC.

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 137 Griffith Street, Village of Sloan, NY (SBL#113.29-1-20) in the amount of \$42,000.00 by an Agreement of Sale of Real Property with offeror, Robert Smith Jr., and in so doing follows the proper procedure for disposal of real property by negotiation as described in the Property Disposition Guidelines of the Corporaion; and be it further,

RESOLVED, that in the event that BENLIC and Robert Smith Jr. are unable to complete the sale of the property, the BENLIC Board of Directors authorizes the disposition of the property of 137 Griffith Street, Village of Sloan, NY (SBL#113.29-1-20) in the amount of \$39,929.00 by an Agreement of Sale with second priority to offeror ERZ Real Estate Holdings LLC., 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 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 76% of the work cost estimate prepared by BENLIC, \$50,000.00; 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.