



| THIS BOX FOR CPED STAFF USE ONLY:   |                 |
|-------------------------------------|-----------------|
| Property Address                    | 123 Main Street |
| Date Received                       |                 |
| Disposition Parcel Number           |                 |
| Land Sale Review Approved           |                 |
| Planning Commission Review Approved |                 |
| Neighborhood Notice Sent            |                 |

**OFFER TO PURCHASE FROM THE CITY OF MINNEAPOLIS  
1-4 UNIT RESIDENTIAL STRUCTURE FOR REHABILITATION**

**Quality Control Checklist**

*Review this checklist of common errors to ensure your offer is complete before submittal.*

- **DO NOT SEND A CHECK** with your Offer. Payment is only collected after City Council approval.
- Good faith deposit is for \$2,000 or 10% of posted purchase price, whichever is more in Section 1.
- The exact name used for deeds and legal contracts is indicated in Section 2.
- Experience as developer or general contractor is documented with a list of addresses indicating completed projects within the last two years in Section 3.
- Experience of sales or leasing team is described and occupancy intentions are clear in Section 4.
- If two signers were indicated in Section 2 (two individuals purchasing together or two business representatives), then both signers must sign Section 5.
- Completed Detailed Development Scope is attached, including line item estimates and detailed description of rehabilitation intentions.
- Completed Project Budget is attached, detailing:
  - Soft costs (include insurance, utilities, maintenance, marketing or leasing fees at a minimum)
  - After-improved market value or sales price of completed property (complete regardless of rental or ownership proposal)
  - Financing sources that will pay for the total development cost.
- Documentation of financing for the total development cost as indicated on the Project Budget is attached. Documentation of a combination of cash, credit, or financing can be submitted.

## 1. PROPERTY INFORMATION

Property address: 123 Main Street Minneapolis, MN ZIP: 55403  
Purchase Price: \$ 30,000.00 Good Faith Deposit\*: \$ 3,000.00

\*The Good Faith Deposit is the greater of 10% of the purchase price or \$2,000. The City will not pay interest on the Good Faith Deposit and it shall not be applied to the Purchase Price. It is collected after offer approval by the Minneapolis City Council.

## 2. PURCHASER INFORMATION

Fill out with the exact name used on legal documents between the City of Minneapolis and yourself.

Complete either section A (for individuals) or section B (for businesses) below.

### A. Individual Purchaser: complete this section if you are purchasing under your personal name.

Purchaser #1 Name: Arturo Gomez Marital Status: Married  
Current Address: 456 Place Blvd. City: Minneapolis State: MN Zip: 55401  
Phone: (612) 555-1345 E-mail: arturofakeemail@gmail.com

Will two individuals be purchasing this property?  Yes  No

If No, you have completed this section. Move on to 3. Purchaser Experience and Qualifications.

If Yes, how do you wish to take title?  Joint Tenants  Tenants in Common

Purchaser #2 Name: Bianca Gomez Marital Status: Married  
Current Address: 456 Place Blvd. City: Minneapolis State: MN Zip: 55401  
Phone: (612) 555-5678 E-mail: biancafakeemail@gmail.com

### B. Business Purchaser: complete this section if you are purchasing as a business.

Business Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Current Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Website: \_\_\_\_\_

Date organized: \_\_\_\_\_ Organization Number: \_\_\_\_\_

Organized and operating under the laws of the State of \_\_\_\_\_ as a (check one below):

- Joint Venture  Non-profit  Limited Liability Company  
 Corporation  Partnership  Federal, State, Local Government  
 Other (Describe "other"): \_\_\_\_\_

Who will be signing documents for your company? (Attach additional page if needed)

Signer #1 Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Signer #2 Name: \_\_\_\_\_ Title: \_\_\_\_\_

List partners, officers, principal members, or investors with an interest of ten percent (10%) or more:

| Name | Title | Description of Interest | % of interest |
|------|-------|-------------------------|---------------|
|      |       |                         | 0%            |
|      |       |                         | 0%            |
|      |       |                         | 0%            |
|      |       |                         | 0%            |

### 3. PURCHASER EXPERIENCE AND QUALIFICATIONS

#### A. Who is your general contractor for this project?

Name of Firm: Really Good Contracting License #: B52856013  
Address: 789 Main Street City: Brooklyn Park State: MN Zip: 55789  
Contact Person: Frankly Good Email: franklygoodfakeemail@gmail.com  
Phone: (651) 555-2874 Website: www.goodcontracting.net

#### B. Describe your or your general contractor's experience rehabilitating existing or constructing new residential structures within the past two (2) years. List completed addresses. Attach additional page if needed.

We have no experience, but our general contractor has rehabilitated four houses within the last two years in Minneapolis. Addresses are 345 Maple Street, 123 Oak Street, 678 Juniper Avenue, and 954 Lilac Lane. Please see the attached before and after pictures.

C. Have you purchased property from the City of Minneapolis before?  Yes  No

D. Are you currently or have you previously been involved in a lawsuit with the City of Minneapolis, one of its departments, or agencies?  Yes  No

E. Do you currently have any defaults, liens, or judgements?  Yes  No

#### F. List addresses of properties that you or your company currently own, have constructed, or have rehabilitated in the City of Minneapolis within the last 2 years. Attach additional page if needed.

None.

### 4. PLAN FOR OCCUPANCY

#### A. When the project is completed, what is your plan for occupancy? (Select one of the options below)

- 1. Live in as my personal home.
- 2. Sell to owner occupants only. Fill out Section B below.
- 3. Sell with no restrictions (sale to owners occupants or investors). Fill out Section B below.
- 4. Rent. Fill out Section C below.

#### B. If you plan to sell the property (option 2 or 3), please provide the following information:

Name of Marketing Agent: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Describe marketing activities and timeline to promote property sale. Attach additional pages if necessary.

#### C. If you plan to lease the property (option 4), please provide the following information:

Anticipated monthly lease rate: \_\_\_\_\_ (Attach description if different units will have different lease rates)

Name of Leasing Company: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Describe your leasing company's experience managing rental property. Detail policies and procedures for tenant screening, maintenance, and resolution of conflicts. Attach additional pages if necessary.

## 5. CERTIFICATION

### A. Purchase Terms

Purchaser agrees to purchase from the City of Minneapolis, a Minnesota municipal corporation (the "City"), upon approval of its City Council and its execution of a Contract, at the price and under the terms set forth, the above described real property including land and improvements. This document is NOT a purchase agreement and the Contract shall be the binding agreement between the two parties.

In submitting this Offer to Purchase, it is understood that the following terms and conditions apply:

- **Right to reject:** The right to reject the Offer to Purchase is reserved by the City. If the Offer to Purchase is rejected, the City shall notify the Purchaser in writing and the notification shall release the City from any and all claims arising from this transaction.
- **Timeline:** If this offer to purchase is accepted, **the Purchaser agrees to execute a Contract in the form prepared by the City within seven (7) days after receipt of said Contract** and close on the property within ninety (90) days of the City Council's acceptance of this Offer, except when a new construction project is proposed and the City Council's acceptance of this Offer occurs between October 15 and January 15, the closing must occur not later than the following April 15. The Purchaser agrees to begin construction or rehabilitation within one (1) month from the date of closing and complete construction within 12 months unless otherwise agreed upon.
- **Improvement Requirements:** The Purchaser agrees to develop the Property in conformity with City, State, and Federal statutes and ordinances, with the Redevelopment Plan/Program if applicable, and with construction plans and specifications approved by the City for the proposed development.

### B. Statement of Non-Collusion

The Purchaser submitting this Offer to Purchase states that:

- They are fully informed respecting the preparation and contents of this Offer to Purchase and of all pertinent circumstances respecting such offer.
- Such offer is genuine and is not a collusive or sham offer, nor does the Purchaser intend to hold said Property as a "speculative" investment.
- The price or prices quoted in this offer are fair and proper and the Purchaser or any of its officers, partners, agents, representatives, owner, or employees has not in any manner, sought to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City, or any person interested in the proposed contract and/or redevelopment.

### C. Privacy Notice

The City of Minneapolis uses the information provided in the Offer to Purchase to review offers for eligibility and selection criteria consistent with City of Minneapolis programs. Certain information provided in the Offer to Purchase may constitute private data on individuals or nonpublic data under the Minnesota Government Data Practices Act. You have the right to refuse to provide such information. You are not legally or otherwise being required to provide the information, as you are not required to participate in City of Minneapolis programs. However, if you do not provide the information your offer may be deemed incomplete. The City may, in its discretion, make the Offer to Purchase, or portions thereof, public for the purpose of soliciting input from the applicable neighborhood organizations and members of the community in order to meet the City's citizen participation goals.

**The Purchaser submitting this Offer to Purchase consents to the release of its Offer to Purchase and waives all claims, if any, under Minnesota Statutes 13.08 against the City of Minneapolis for making information public.**

Notwithstanding the foregoing, you may claim that trade secrets or particularly sensitive financial, personal, or business information submitted under separate confidential cover is nonpublic or private data along with a description of the legal basis for such classification under the Minnesota Government Data Practices Act. The City shall make any final determination as to whether such information is nonpublic or private, but will notify you if the City intends to release such information so that you can be afforded an opportunity (not to exceed five business days) to bring legal action to prevent its disclosure. Overly broad claims of nonpublic or private information that

hinder the City's ability to meet its citizen participation goals will be grounds for rejection of the entire Offer to Purchase as unresponsive.

**D. Certification: All individual(s) or business representatives must sign below.**

The Penalty for False Certification: Section 1001, Title 18, of the US Code, provide a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious, or fraudulent statement or entry in this matter within the jurisdiction of any Department of United States.

**Purchaser #1 Signature**

- I have read the certifications above and am authorized to submit this Offer to Purchase. The information included in this Offer is true and correct to the best of my knowledge and belief. Typing in my name below indicates my signature to the above document and its related attachments.

Arturo Gomez

PRINT NAME

05/23/16

DATE

**Purchaser #2 Signature\***

\*If the Purchaser consists of two or more persons jointly as described in Section 2.A or 2.B of this Offer to Purchase, this statement must be signed by each person.

- I have read the certifications above and am authorized to submit this Offer to Purchase. The information included in this Offer is true and correct to the best of my knowledge and belief. Typing in my name below indicates my signature to the above document and its related attachments.

Bianca Gomez

PRINT NAME

05/23/16

DATE

**Attachments:**

- 1) Detailed Developer Scope for Rehabilitation**
- 2) Project Budget**
- 3) Documentation of Financial Capacity** (Financial capacity documentation is not public.)
- 4) Additional Information** (Applicants have the option to attach additional pages if needed to fully and clearly describe their project proposal.)

Attachment 1: Detailed Developer Scope

The Detailed Developer Scope must describe how the Purchaser will achieve the standards and requirements in the Vacant Housing Recycling Program's Required Rehab Scope, as detailed in the [Vacant Housing Recycling Program Manual](#).

**Date:** 05/23/16  
**Purchaser Name:** Arturo Gomez  
**Contractor Name:** Really Good Contracting  
**Site Address:** 123 Main Street  
**Proposed finished sq ft:** 1,000  
**Number of Units:** Existing: 1 Proposed: 1  
**Number of Bedrooms:** Existing: 2 Proposed: 3  
**Number of Bathrooms:** Existing: 1 Proposed: 2

**SITE WORK**

|                   |             |
|-------------------|-------------|
| Deck              | \$ 1,000.00 |
| Landscaping       | \$ 2,000.00 |
| Grade             | \$ 2,000.00 |
| Drive way/Parking | \$ 1,000.00 |
| Sidewalks         | \$ 500.00   |
| Stoops            | \$ 500.00   |
| Retaining wall    | \$ 0.00     |

Detail description of work:

We plan to repair the existing deck to replace rotted boards, and replace cracked concrete on the driveway, sidewalk, and stoop. We will regrade so water flows away from the house and install some new plants in garden beds.

**EXTERIOR / ROOFING / SIDING**

|                               |              |
|-------------------------------|--------------|
| Roof                          | \$ 8,000.00  |
| Siding/soffit                 | \$ 10,000.00 |
| Painting                      | \$ 4,000.00  |
| Flashing, gutters, downspouts | \$ 1,000.00  |

Detail description of work:

We are replacing the roof with 30 year shingles and the siding with cement board siding. We will paint the wood trim on the house and replace any rotted boards. New aluminum gutters and downspouts.

## GARAGE and ACCESSORY STRUCTURES

Repair existing garage \$ 3,000.00  
New garage \$ \_\_\_\_\_  
Accessory structure repair or removed \$ \_\_\_\_\_

Detail description of work:

We're replacing the doors and lighting on the existing garage.

## FOUNDATIONS, FOOTINGS and STRUCTURAL ELEMENTS

Repairs \$ 15,000.00  
Engineer involved (Check One) Yes  / No

Detail description of work:

We've hired an engineer to assess the foundation and are repairing posts, framing, and cracks in walls per the engineer's recommendations. We are also installing draintile to address moisture issues.

## BASEMENT

Floor \$ \_\_\_\_\_  
Walls \$ \_\_\_\_\_  
Posts/footings \$ \_\_\_\_\_  
Framing repairs \$ \_\_\_\_\_  
Moisture issues \$ \_\_\_\_\_  
Finishing basement \$ 7,500.00

Detail description of work:

We are adding a bedroom and bathroom in the basement after structural repairs are made.

## INTERIOR STAIRS

Repair stairs \$ 500.00  
Replace/install new stairs \$ \_\_\_\_\_

Detail description of work:

We're providing new banisters per code requirements to all stairs.

## INSULATION

|                                     |             |
|-------------------------------------|-------------|
| Rim insulation                      | \$ 500.00   |
| Insulation attic & accessible areas | \$ 1,000.00 |

Detail description of work:

We are blowing in insulation in the attic to R-50 and installing insulation around the basement rim.

## WINDOWS & DOORS

|                                      |             |
|--------------------------------------|-------------|
| Original window repairs              | \$ 5,000.00 |
| New windows                          | \$          |
| Existing interior and exterior doors | \$ 500.00   |

Detail description of work:

We are reglazing and restoring the existing windows and installing new storm windows. We are replacing door hardware.

## INTERIOR and FINISHES

|                       |             |
|-----------------------|-------------|
| Drywall               | \$ 2,000.00 |
| Floors                | \$ 5,000.00 |
| Molding/trim          | \$ 2,000.00 |
| Interior paint        | \$ 4,000.00 |
| Cabinets/counter tops | \$ 5,000.00 |
| Appliances            | \$ 1,500.00 |

|                  |    |
|------------------|----|
| Attic conversion | \$ |
|------------------|----|

Detail description of work:

We are refinishing the wood floors in the house, replacing missing trim, repairing drywall as needed, and painting all walls and ceilings throughout the house. We are installing new cabinets in the kitchen and bathrooms. A new range, refrigerator, and dishwasher will be installed.



## PLUMBING

|                          |             |
|--------------------------|-------------|
| Supply (water) lines     | \$ 2,500.00 |
| Main water supply intake | \$ _____    |
| Sewer line               | \$ 500.00   |
| Water heater             | \$ 500.00   |
| New fixtures             | \$ 750.00   |

### Detail description of work:

We are updating the plumbing to PEX plumbing, replacing the water heater, replacing all plumbing fixtures, and ensuring that the sewer line functions.

## ELECTRICAL

|                            |             |
|----------------------------|-------------|
| Electrical panel           | \$ _____    |
| Electrical updates/repairs | \$ 7,500.00 |
| Exterior/Interior lighting | \$ _____    |

### Detail description of work:

We are rewiring the entire house, including updating the electrical panel, replacing all fixtures both inside and outside of the house, and removing all knob and tube

## MECHANICAL

|                                    |             |
|------------------------------------|-------------|
| Furnace                            | \$ 6,000.00 |
| Air conditioner                    | \$ 2,000.00 |
| Washer/ dryer                      | \$ 1,000.00 |
| Kitchen, Bathroom & Dryer exhausts | \$ 500.00   |

### Detail description of work:

Replace furnace with 95% efficient furnace, install new air conditioning, install new washer/dryer, provide kitchen and bath exhaust.

## ENVIRONMENTAL

|                                |             |
|--------------------------------|-------------|
| Lead paint work and Clearances | \$ 500.00   |
| Asbestos                       | \$ 1,500.00 |
| Radon Test/Mitigation          | \$ 1,500.00 |
| Water damage/Mold              | \$ 0.00     |

### Detail description of work:

Conduct lead clean to clearance assessment with risk assessor, abate suspected asbestos on existing furnace, install passive radon mitigation system.

**Permits** \$ 2,000.00

|  |            |
|--|------------|
| Total of rehab work on house only:             | \$ 93,750  |
| <b>TOTAL ESTIMATED REHAB:</b>                  | \$ 109,250 |
| Total \$ per square foot (for finished house): | \$ 93.75   |

Additional Developer Comments:

**Attachment 2: Project Budget**

A. Fill out the project budget below. For items that will not have a cost leave the field blank. **Items in red are required fields.** Shaded items will fill in automatically, based on information filled out in the Offer to Purchase.

|   |                      |                   |
|---|----------------------|-------------------|
| 1. Acquisition/Purchase Price                               | \$ 30,000.00         |                   |
| 2. Rehabilitation costs (contractor estimate)               | \$ 109,250           |                   |
| 3. Contingency (set aside funds for rehab overruns)         | \$ 6,000.00          | 5% of rehab       |
| 4. Architect and Design Fees                                |                      |                   |
| 5. Environmental Testing                                    | \$ 500.00            |                   |
| 6. Survey   |                      |                   |
| 7. Financing Interest During Construction                   | \$ 1,000.00          |                   |
| 8. Real Estate Taxes  | \$ 500.00            |                   |
| 9. Insurance  | \$ 500.00            |                   |
| 10. Utilities   | \$ 400.00            |                   |
| 11. Property Maintenance                                    |                      |                   |
| 12. Legal Fees  |                      |                   |
| 13. Title, Recording, and Closing Fees                      | \$ 1,500.00          |                   |
| 14. Realtor and Marketing Costs                             |                      | 0% of sales price |
| 15. Green Certification Program Fees                        |                      |                   |
| 16. Other: _____  |                      |                   |
| 17. Other: _____  |                      |                   |
| 18. Other: _____  |                      |                   |
| 19. Other: _____  |                      |                   |
| 20. Developer Fee   |                      | 0% of items 1-19  |
| <b>TOTAL DEVELOPMENT COST (Sum of items 1-20)</b>           | <b>\$ 149,650.00</b> |                   |
| <b>21. Market Value or Sales Price After Rehabilitation</b> | <b>\$ 165,000.00</b> |                   |
| <b>VALUE GAP or (PROCEEDS)</b>                              | <b>-\$ 15,350.00</b> |                   |

B. How will you pay for the total development cost shown above?

|               |   |
|---------------|---|
| \$ 5,000.00   | <b>Cash:</b> attach a bank statement dated within 30 days   |
| \$ 150,000.00 | <b>Credit:</b> attach credit statements dated within 30 days  |
|               | <b>Financing:</b> attach a pre-approval letter that shows the amount approved as well as the name, address, and contact information for your lender |
|               | <b>Net Sale Proceeds:</b> attach a net sale sheet from a realtor for <u>pending</u> property sale   |
| \$ 155,000.00 | <b>TOTAL FINANCING (should equal Total Development Cost)</b>  |