

**MEMORANDUM**

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

**FROM:** Brendan Mehaffy, Chairperson

**SUBJECT:** **Resolution #2018-61** Disposition of 898 East Delavan, City of Buffalo

**DATE:** September 20, 2018

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DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) acquired the property of 898 East Delavan Avenue, City of Buffalo via City of Buffalo In-Rem. BENLIC listed the property for sale in August 2018 at a price of \$26,000. This property was listed by a third-party realtor as opposed to in-house by BENLIC staff.



BENLIC has performed extensive stabilization repairs to the property totaling over \$85,000. The property has new siding, windows, tear-off roof, and minor stabilization improvements.

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. The BENLIC Real Estate Subcommittee has reviewed all offers and supports disposition of the property to Abdul Khalique.

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

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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:

<b>Offeror</b>	<b>Offer Price</b>	<b>Offer Details:</b>
Abdul Khalique Renovate and Occupy	\$26,786.00	\$142,000 Available Funds. Proposed Investment of \$73,200. Has Renovated Properties Outside of Erie County.

<b>BENLIC Investment</b>	<b>Estimated Cost of Repairs</b>	<b>Lien Value</b>
<b>\$85,597.00</b>	<b>\$131,200.00</b>	<b>\$50,000.00</b>

**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 898 East Delavan, City of Buffalo, NY (SBL# 90.71-2-27) in the amount of \$26,786.00 by an Agreement of Sale of Real Property with offeror, Abdul Khalique, 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 38% of the work cost estimate prepared by BENLIC, \$50,000.00; and be it further,

RESOLVED that the BENLIC Board of Directors authorizes a waiver submitted by the listing broker, Jonathan Kurtz, to increase the minimum commission specified within the BENLIC Brokerage Commission in the amount of \$2,200.00; 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.