November 13, 2012
ITEM # I-7

To: **Mayor and Commissioners**

From: **Chuck Shively, Director of Public Works**
Thomas Osborn, Engineering Technician

Subject: **Real estate listing of housing grant property at 1109 W. 1st Str.**

Recommendation: **Provide guidance and recommendation to staff regarding the asking price to list for the property**

Discussion:

The City of Coffeyville entered into a 6 month "Exclusive Right to Sell" agreement with American Homes Realty on April 2, 2012 for the property at 1109 W. 1st Street. That listing has now expired. The agent recommends that we reduce the asking price because there have been no offers on the house. The current listed price is $52,500.00. At that price the balance to the City after closing costs is estimated to be $48,987.50.

City costs for purchase and rehabilitation of the property is $47,787.96. Additional expenses to date for items such as utilities, taxes, insurance, mowing fees, etc. total $1,156.53, bringing the total City expense to date up to $48,944.49. The additional expenses continue to be incurred each month as long as the City owns the house.

Purchase and Rehabilitation	$47,787.96		
Additional Expenses to date	$ 1,156.53		
TOTAL EXPENSES TO DATE		$48,944.49	
Current Listed Price	$52,500.00		
Estimated City Closing Costs	$ 3,512.50		
BALANCE PAYABLE TO CITY		$48,987.50	
TOTAL ESTIMATED CITY PROFIT (LOSS) TO DATE AT CURRENT ASKING PRICE			$43.01

City staff is requesting input and guidance from the City Commission regarding renewal of the listing and what the asking price should be.

Respectfully submitted,

Chuck Shively, Director of Public Works
Thomas Osborn, Engineering Technician