



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512

Memorandum

To: Economic Community Development Commission
From: Jonah Denson
Date: January 22, 2025
Re: Action on offer to purchase 1709 29th St S

List Price: \$285,000; The City to provide a deferred 2nd mortgage of up to \$165,000 which will accrue interest of 3% per annum and will cease to accrue interest at half of the principal value. The City will also provide a forgivable 3rd mortgage of \$25,000 forgiven each year over a 15-year period.

Staff received a total of 7 applications. Buyer’s are numbered in the order of receipt of application.

Order of Receipt	Offer to Purchase	1st Mortgage	Down Payment	Monthly Payment	Front End Ratio 30% or less	Back End Ratio 43% or less	2nd Mortgage	3rd Mortgage
1	\$ 285,000	\$ 55,000	\$ 65,000	\$ 905.39	21%	21%	\$ 165,000	\$ 25,000
2	\$ 285,000	\$107,000	\$ 13,000	\$ 1,230.98	24%	24%	\$ 165,000	\$ 25,000
3	\$ 285,000	\$100,000	\$ 20,000	\$ 1,182.57	21%	21%	\$ 165,000	\$ 25,000
4	\$ 285,000	\$ 90,000	\$ 30,000	\$ 1,137.75	23%	31%	\$ 165,000	\$ 25,000
5	\$ 285,000	\$108,900	\$ 11,100	\$ 1,246.16	29%	43%	\$ 165,000	\$ 25,000
6	\$ 285,000	\$100,000	\$ 20,000	\$ 1,216.05	30%	32%	\$ 165,000	\$ 25,000
7	\$ 285,000	N/A	\$200,000	\$ 836.94	33%	33%	\$ 60,000	\$ 25,000

Offers 1-6 have all been pre-approved for a 30 year fixed rate 1st Mortgage. Down Payment info and Debt Ratios listed above.

Offer 7 has a large cash down payment of \$200,000.00 Would prefer to offer \$200,000 cash for the property, also willing to take out a mortgage with the City to cover the additional \$85,000 in order to offer the full \$285,000 asking price.

Offer 7 will be over the policy threshold of 30% on the front end if a mortgage is needed

