

Moermond, Marcia (CI-StPaul)

From: Moermond, Marcia (CI-StPaul)
Sent: Tuesday, February 27, 2018 4:06 PM
To: 'jeff chermak'
Cc: 'jay.e.olson@gmail.com'; Magner, Steve (CI-StPaul)
Subject: RE: 521-23 Desnoyer Ave

Mr. Chermak,

The requirement for the taxes to be brought current demonstrates the financial capacity of Mr. Olson to execute the rehabilitation of the property. It is a standard requirement. I note that what you are terming as "pre-payment" is, from the city's perspective, bringing the property taxes current. It is my understanding that you are loaning Mr. Olson the money to execute the rehabilitation by providing a mortgage on another of his properties and that you will be acting as the general contractor/developer for the work on 521-523 Desnoyer Ave.

How an arrangement for payment of property taxes is made for this property is a private matter between you and Mr. Olson, the property owner.

Sincerely, Marcia Moermond

From: jeff chermak [<mailto:chermajf@hotmail.com>]
Sent: Tuesday, February 27, 2018 12:17 PM
To: Moermond, Marcia (CI-StPaul)
Subject: 521-23 Desnoyer Ave

Ms. Moermond

I realize I am not in a position to ask for accommodations. However, my attorney has advised that is in my best interest for tax purposes as well as the ongoing management of the property that the back taxes be paid at closing. Is this a possibility? If I prepay the taxes for Mr Olson then this reduces the purchase price and subsequently the tax basis or depreciable value of the property. I was advised to inquire if this would be acceptable to the city? Thank you for your consideration. I look forward to bringing this property up to the standards of the neighborhood and off the nuisance building list.

Sincerely

Jeff Chermak