

ORDINANCE NO. _____

An ordinance authorizing and providing for the sale of certain City-owned real property located at 1118 Valencia Street, Unit 208, Los Angeles, CA 90015 (Property) to Caitin Chen (Buyer).

WHEREAS, the Property is part of the Vista Montoya condominiums, which were developed in or about 1983 as part of the Pico Union 1 Redevelopment Project;

WHEREAS, following construction, the former Community Development Agency of the City of Los Angeles (CRA/LA) initiated a program wherein it offered purchase assistance loans from its Low and Moderate Income Housing Fund to low and moderate income homebuyers to acquire condominiums for use as their respective primary residences;

WHEREAS, in or about July of 1984, the original owner of the Property, Raymond Ip (Ip) executed a second mortgage with CRA/LA in the amount of \$34,927 along with a covenant restricting any future sale to low and moderate income homebuyers until the later of June 25, 2015, or the date CRA/LA no longer has a security interest in the Property;

WHEREAS, at the time of death in 1998, IP had paid off his first mortgage on the Property, however, in lieu of paying off the second mortgage, on or about December 17, 1998, his estate deeded the Property back to CRA/LA;

WHEREAS, while CRA/LA renovated the Property in 2009 and paid the applicable homeowners association fees and insurance costs, the Property has remained vacant since 1998;

WHEREAS, in or about May of 2013, the Property was transferred to the Los Angeles Housing and Community Investment Department (HCIDLA) as a part of the former CRA/LA's housing assets;

WHEREAS, the fact that the Property has no remaining sales restrictions has increased its market value, making it unaffordable to low or moderate income homebuyers, thus HCIDLA has opted to sell the Property at market value and to place the sales proceeds back into the City's Low and Moderate Income Housing Fund;

WHEREAS, on April 1, 2014, HCIDLA was authorized to pursue the disposition of the Property with a City-contracted real estate broker (CF 12-0018-S1);

WHEREAS, the Property was listed for sale at its appraised value of \$328,000;

WHEREAS, there was only one bid for the Property, which was from Buyer who offered full appraised value and will be financing the purchase through third party financing; and

WHEREAS, HCIDLA has accepted Buyer's offer and a purchase and sales agreement has been executed.

NOW, THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The Council of the City of Los Angeles hereby confirms that the public interest and necessity requires the sales as indicated herein, because the sales proceeds will be placed back into the City's Low and Moderate Income Housing Fund for use as future loans and/or for projects benefitting low and moderate income households and will eliminate the City's expenditures associated with its continued ownership.

It is hereby ordered that the Property be sold to Buyer, who was selected through a competitive process, for its full-appraised value of \$328,000.

The sale is in conformance with the provisions of Section 385 of the Los Angeles City Charter and Division 7, Chapter 1, Article 4, Section 7.27 of the Los Angeles Administrative Code.

The property consists of:

Location: 1118 Valencia Street, Unit 208, Los Angeles, CA 90015
APN: 5137-024-927

Legal Description:

PARCEL 1:

A CONDOMINIUM COMPRISED OF:

AN UNDIVIDED 2/180TH INTEREST IN AND TO LOT 1 OF TRACT NO. 38357, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1009, PAGES 89 AND 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT UNITS 101 TO 169, 201 TO 269, AND 301 TO 342, INCLUSIVE, AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN RECORDED MAY 3, 1984 AS INSTRUMENT NO. 84-529440, OF OFFICIAL RECORDS.

ALSO EXCEPT FROM THAT PORTION OF LOT 1 NOT INCLUDED WITHIN THE LINES OF LOT 18, BLOCK 2 OF THE CITY CENTER TRACT, AS PER MAP RECORDED IN BOOK 13, PAGE 11 OF MISCELLANEOUS RECORDS, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND BUT

WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN VARIOUS DEEDS OF RECORD, AMONG THEM BEING ONE RECORDED NOVEMBER 14, 1977 AS INSTRUMENT NO. 77-1252454, OF OFFICIAL RECORDS.

PARCEL 2:

UNIT 208 AS SHOWN AND DEFINED ON THE CONDOMINIUM PLAN ABOVE MENTIONED.

PARCEL 3:

AN EXCLUSIVE EASEMENT FOR THE USE AND ENJOYMENT OF PARKING AREAS DESIGNATED AS P-A33 ON THE CONDOMINIUM PLAN REFERRED TO ABOVE.

EXCEPTING AND RESERVING unto the City of Los Angeles all oil, gas, water and mineral rights without, however, the right to surface for the extraction of said oil, gas, water or minerals.

SUBJECT TO covenants, conditions and restrictions, reservations, easements, rights and rights-of-way of record or which are apparent from visual inspection of the real property and excepting and reserving to the City of Los Angeles any interest in the fee to the adjacent streets which would otherwise pass with the conveyance of the above described parcels of land.

ALSO SUBJECT TO the properties being sold in “**AS IS**” condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the properties, and the City has no obligation to correct any condition of the properties, whether known before or after the close of escrow.

Sec. 2. The General Manager of HCIDLA is hereby authorized and directed to execute deeds, contracts or other instruments necessary to effect the sale of the City's interest in 1118 Valencia Street, Unit 208, Los Angeles, CA 90015, as described in Section 1 of this ordinance to Buyer, and the City Clerk of Los Angeles is hereby authorized and directed to attest thereto and to affix the City Seal.

Sec. 3. HCIDLA is authorized to open escrows, issue title transfer instructions, and deliver deeds.

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By _____
MEI MEI CHENG
Deputy City Attorney

Date 9-11-15

File No. _____