



1406 Fremont Avenue North
Appeals Panel Hearing
Thursday, September 25, 2008

Appeal Received from Aurora Loan Services	August 8, 2008
Director's Order to Demolish Sent	July 25, 2008
Condemned for boards and added to VBR	December 15, 2006

Owner

Aurora Loan Services, 10350 Park Meadows Drive, Littleton, CO 80124, acquired the property through foreclosure.

Aurora Loan Services appealed the Director's Order to Demolish, saying, "We have ordered bids to repair per your specifications, but not all have come in yet (due to the extent). We have also ordered bids to demolish the property. Please grant us an eight week extension to secure and review the remainder of the bids so that we can determine the best course of action to take. Our belief is that this property may alternatively be worth saving."

Masoud Sahar from Oaktree Realty is representing Aurora Loan Services at this hearing.

Structure description

1406 Fremont Ave. N. is a two-family home in the Near North neighborhood. The two-story structure was built in 1900. The building is 2016 square feet, with 1008 being the first floor and 1008 being the second floor and 1008 being the basement. The building sits on a 7281-square-foot lot.

General condition

There are 28 open housing orders at 1406 Fremont Ave. N. The building was condemned for boards on December 15, 2006. The rental license was last paid on April 6, 2005. The water service was shut off September 16, 2005, for nonpayment.

Market analysis

Vacancy Rate: The vacant housing rate in the Near North neighborhood is around 3%, according to the 2000 census. This percentage is probably very out of date at this point. Of the approximately 944 houses on the city's

Vacant Building Registration, 46 are in the Near North neighborhood alone, a neighborhood of approximately 2325 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$138,256 to \$189,424, based on the MEANS catalog square footage estimate.

After Rehab Market Value: We have not received an after-rehab estimate from the CPED staff appraiser.

Assessed Value: The 2008 assessed value of the property is \$76,300. In 2007, the value was \$196,000. That is a decrease in value of \$119,700 in one year.

Cost to Demolish: The estimated cost to demolish the structure is between \$19,100 and \$23,200.

Community impact

The Northside Residents Redevelopment Council and the owners of properties within 350 feet of 1406 Fremont North were mailed a request for a community impact statement. The department received 10 in return. Four said the house has a negative impact on the neighborhood, does not fit the housing needs of the neighborhood and should be demolished. One resident said it's "been trashed to death. This is the only house in truly bad shape in our immediate neighborhood."

Six said the house should be restored and not demolished. One respondent who argued to save the property said "There is a tremendous opportunity here to make this property, a grand old Victorian with great woodwork, location to downtown, and sheer size of the home, into a showcase of the City's commitment to restoring the housing stock. Homes of this kind are rare. I've been inside 1406 Fremont and while there and many challenges, it is a very salvageable house." Most of the residents who argue for rehab stress that it should be returned to a single-family owner-occupied home.

Architectural and historic value/designation

The Preservation and Design Team staff has conducted an historic demolition review of the property. The property's historical integrity are impaired due to past work or current conditions, but the property still exhibits features and design that make the structure worth of rehabilitation. Demolition is okay. The wrecking permits have been signed and returned to Minneapolis Development Review.

Notification summary

The Order to Raze and Remove the Building was sent by certified mail to:

1. Mortgage Electronic Registration System, Inc., P.O. Box 2026, Flint, MI 48501
2. Mortgage Electronic Registration System, 327 Inverness Drive South, Englewood, CO 80112
3. Lehman Brothers Bank, 327 Inverness Drive South, Englewood, CO 80112
4. Aurora Loan Services, 601 5th Ave, PO Box 4000, Scottsbluff, NE 69363
5. Aurora Loan Services, 7933 Telegraph Road, Bloomington, MN 55438
6. Usset and Weingarden P.L.L.P., 4500 Park Glen Road #120, Minneapolis, MN 55416
7. Kimm Pastrana, Century 21 Pastrana, 2929 4th Avenue South #105, Minneapolis, MN 55408
8. Aaron Swenson, 2222 Glenwood Avenue North, Minneapolis, MN 55405

Recommendation

Demolition.