

**CONTROVERSY**

# Bank takes best offer in Cheyenne sale

The new owner, Huron Terrace, plans to renovate the rundown buildings.

By Don Murray

*The London Free Press*

The controversial apartment buildings at 95 and 105 Cheyenne Ave. in London sold for \$420,000, records at the Middlesex County registry office show.

The purchaser is listed as Huron Terrace Apartments of Box 143 Arva and the vendor under power of sale as the National Bank.

Lawyer Tom Robson, who acts for the bank, said there was "some interest from other parties" but the bank took the best offer.

The bank took control of the buildings last July after owner Elijah Elieff fell \$400,000 behind in mortgage payments.

A tenants' group, which has been trying to

buy the rundown buildings and convert them into co-op apartments, was prepared to offer \$600,000, community outreach worker Susan Eagle said.

However, she said the housing ministry has not made its decision on whether to support the project. The decision had been promised in mid-October.

The sale to Huron Terrace closed Nov. 16.

Eagle has said the property was appraised by the ministry at \$700,000.

Robson said appraisals should "be taken with a grain of salt" and ones made two years ago "are not reflective of this market now."

Peter Sergautis, a London developer who described himself as the "front man" for a group of silent investors, has said the plan is

to renovate the buildings as a long-term investment.

The new owners will be shouldering an additional \$36,828.04 which has been added to the property's taxes to cover outstanding bills, including weed cutting, various cleanups and a charge under the health protection act.

Jim Logan, the city manager of revenue and tax collector, said \$27,219.41 of that relates to the city's vital services bylaw, enacted because of the long-running Cheyenne situation.

The bylaw enables the city to protect tenants by covering arrears for needed utilities such as gas, water and electricity, then recovering the cost through property taxes.

The cost of the latest Cheyenne problem, a sewage blockage cleared by city crews Nov. 2, hasn't yet appeared on the tax rolls, said Logan.