



HAYWOOD COUNTY BOARD OF COMMISSIONERS

AGENDA REQUEST

***Must be presented to the County Manager's Office
NO LATER THAN 5 P.M. FRIDAY THE WEEK BEFORE THE MEETING***

DATE OF REQUEST: September 11, 2015

FROM: DBF

MEETING DATE REQUESTED: September 21, 2015

SUBJECT: Sale of County Owned Property

REQUEST: To list County Owned Properties through a Realtor

BACKGROUND: The policy concerning the disposal of foreclosed property was changed earlier in the year. Since that time, we have received only one bid.

At this time, I respectfully request the previous policy be amended allowing the County Manager to enter in to negotiations and agreement with a Realtor(s), that would be similar to Henson Drive, allowing the properties to be listed on MLS. The sale of properties will be subject to NCGS 160A-269 and will be advertised accordingly for upset bids.

IMPLEMENTATION PLAN: County Manager or their designee will complete

FINANCIAL IMPACT STATEMENT: Cost of advertising property bids per NCGS

SUPPORTING ATTACHMENTS: NO
LIST:

PowerPoint Presentation: NO

PERSON MAKING PRESENTATION AT MEETING: DBF

TITLE SWAT

PHONE NUMBER: 356-2605

E-MAIL: dbfrancis@haywoodnc.net

THIS SECTION FOR OFFICE USE ONLY

Received (Date/Time): _____

County Manager / Clerk to the Board Comments: _____

Haywood County Bid Procedures for County Owned Property

1. Information stated herein is subject to change.
2. Acreage amounts are based on Haywood County tax records and may not be accurate.
3. Bidders are encouraged to obtain a survey.
4. Bidders should research the property fully prior to making a bid and should consider retaining an attorney for a title opinion.
5. All properties have a suggested bid amount. Bids under the suggested amount must state in writing why the bid amount is lower than the suggested bid amount or the bid may be rejected.
6. The Board of County Commissioners may reject any or all bids for any lawful reason.

Once County properties have been designated for sale, these procedures are to be followed.

The County Manager or their designee may list all or certain properties with a Realtor to broaden market coverage. The County Manager shall solicit prices from real estate firms with large volume of sales in Haywood County and shall negotiate a lower commission rate. Any offers received from the Realtor, must follow the remainder of this policy.

As per NCGS 160A-269, when a property has been bid on and a written offer is accepted and approved by the Board of County Commissioners the bid is subject to the upset bid process and a Public Notice is posted on our website and in a local newspaper. The winning bidder will be responsible for all advertising costs incurred by Haywood County during the upset bid process. The advertising costs will be added to the purchase price at closing on the property. This includes bids for both non-buildable and buildable lots.

Haywood County makes no representations as to unforeseen encumbrances on the property or exact property boundaries. Properties are sold "as is". The bidder must investigate the property for all liens, judgments, taxes, assessments, or other encumbrances that would attach to the property. Haywood County recommends that you consider retaining an attorney to do the research and provide you with a title opinion. The bidder has the responsibility to verify the property with regard to size, zoning, development potential, structural and mechanical, plumbing integrity, etc., to the extent the bidder is satisfied and understands what is being acquired.

Submitting an Offer

1. A qualified offer or an upset bid for County owned property must be submitted in writing on an Offer to Purchase and Contract form and must include a 5% bid deposit. All properties have a suggested bid amount or listing price. Bids under the suggested amount must state in writing why the bid amount is lower than the suggested bid amount or substantially lower than the listing price. The County Manager may reject and all bids. Please read the entire two-page form, which includes standard provisions.
2. Haywood County conveyances are with a NON-Warranty deed only and may have development restrictions imposed. Read the offer form for any sales conditions.
3. The written offer should be submitted with a five (5%) bid deposit in the form of a cashier's check or money order made payable to: Haywood County. Offers without deposits will not be accepted for consideration.
4. Submit the completed and signed form to the Haywood County Appraisal Office. Initial offers submitted are confidential and will be reviewed by County Manager or designee prior to making a recommendation to the Haywood County Board of Commissioners.
5. One qualified offer is selected by County Manager or designee to be presented to the Board of County Commissioners for review and recommendation. If the Board accepts the recommendation from the County Manager, the offer is subject to the statutory upset bid process. Offer acceptance is not delivered to bidder until action of the Board of County Commissioners by a resolution authorizing the sale. The Board of County Commissioners may reject any or all bids for any lawful reason. Offers may be submitted by mailing the contract and good faith deposit to:

Haywood County Managers Office
David B Francis
215 N Main Street
Waynesville, NC 28786

Upset Bidding Procedures

Haywood County will advertise the Haywood County Board of County Commissioners approved bid to the general public for a period of ten days (counting the day of advertisement) by way of a Public Notice Ad. The ad will run in a local newspaper with general circulation. The ad will state that the County will accept upset bids for a period of ten days beginning the day of advertisement and until the deadline date indicated in the advertisement. The highest qualified upset bid received by the deadline date and time specified, will be considered as an upset bid for purposes of re-advertisement. That highest upset bid will then be advertised with a new upset bid period stated. This procedure of advertisement will be repeated until no upset bids are received. Upset bids received after the time and date due stated in the public notice ad will not be accepted. Upset bids are to be submitted in writing on a County Offer form and will be sealed. Bids will be opened and read at the end of the upset bid period.

Submitting and Bid Calculation for Upset Bid

The upset bid must come in writing on an Offer to Purchase and Contract provided by the County and must include a five (5%) percent bid deposit in the form of a local bank cashier's check or a money order. Upset bids are considered sealed bids and will be opened after deadline time and date stated. Contact with bidders will be made within ten working days after bid deadline to inform bid results and to return bid deposits as necessary.

You may submit your offer by mailing the contract and good faith deposit to:

Haywood County Managers Office
David B Francis
215 N Main Street
Waynesville, NC 28786

Minimum Upset Bid Requirements

As per NCGS160A-269 each upset bid received must raise the advertised bid ten percent (10%) of the first One Thousand dollars and five percent (5%) of the remainder.

An example of this calculation follows:

Advertised Bid = \$100,000

To Calculate Increase

- 10% of \$1,000 = \$100
- 5% of \$99,000 = \$4,950
- **Increase = \$5,050**

Add Increase to Advertised Bid

- \$100,000 + \$5,050 = \$105,050

Minimum Upset Bid = Amount + \$105,050

Upset bidder must bid a minimum of \$105,050 or higher

**COUNTY OF HAYWOOD
OFFER TO PURCHASE AND CONTRACT
(OFFER SUBJECT TO UPSET BID PROCEDURE)**

_____ as Buyer, hereby offers to purchase, and the County of Haywood, a municipal corporation, as Seller, upon the execution hereof as authorized by action of the Haywood County Board of Commissioners, agrees to sell and convey, all of that plat, piece or parcel of land described below, together with improvements, if any, located thereon ("the Property"), upon the following terms and conditions:

- 1. REAL PROPERTY:** Located in the County of Haywood, State of North Carolina, being known as and more particularly described as:

Street address _____, Zip _____

Legal Description _____

- 2. OFFER/PURCHASE PRICE:** The purchase price offered is

\$ _____

and shall be paid as follows:

- (a) \$ _____, representing a 5% deposit paid by _____ (cash,

_____ bank certified check or money order) with the delivery of this

Contract, to be _____

held in escrow by Haywood County, until the sale is closed, at

which time it _____

will be credited to Buyer, or until this Contract is otherwise

terminated and it _____

_____ is disbursed to Buyer.

- (b) \$ _____, the balance of the purchase price in cash at closing. **At closing buyer agrees to pay for all advertising costs incurred by Haywood County during the upset bid process in addition to the purchase price offered in section 2 above.**

3. CONDITIONS: All the Standard Provisions on the REVERSE SIDE HEREOF shall apply

to this Offer and Contract, unless expressly modified by Addendum to this instrument.

4. DURATION OF OFFER: This offer to purchase shall be effective for thirty (30) days

from the date hereof. Following acceptance of this offer and execution by the Seller of the Purchase Contract, the parties shall remain bound hereby for an additional forty-five (45) days and closing shall occur before the expiration of such period.

5. CLOSING: All parties agree to execute any and all documents and papers necessary in connection with closing and transfer of title at a place designated by _____.

The Deed is to be made to _____

_____ and will be a **NON-WARRANTY** Deed.

- 6. POSSESSION:** Possession shall be delivered **immediately upon closing. This offer shall become a binding contract when signed by both Buyer and Seller.**

7. UPSET Bids: This Contract shall be subject to upset bids as provided in NCGS 160A-169.

Buyer: _____ (SEAL)

Address: _____

Phone: _____

Email: _____

Seller: Haywood County

By: _____

Haywood County Receipt of Bid Deposit:

I hereby acknowledge receipt of the earnest money herein set forth and agree to hold and disburse the same in accordance with the terms hereof.

Date: _____

Haywood County

By: _____

for upset bidding set forth in N.C. General Statute 160A-269. In the event this offer is not accepted as a result of a qualifying upset bid being received, the Seller's rejection of any or all offers, the failure to satisfy any of the conditions hereof, or in the event of any breach of this contract by the Seller, then the deposit shall be returned to Buyer.

In the event this offer is accepted and the Buyer fails to close or otherwise breaches this Contract, then the deposit shall be forfeited, but such forfeiture shall not affect any other remedies available to the Seller for such breach.

2. PRORATIONS AND ADJUSTMENTS: Unless otherwise provided, the following items shall be prorated and either adjusted between the parties or paid at closing:

- (a) Ad valorem taxes on real property due for the next fiscal year period, shall be paid by Buyer when closing is held between January 1st and June 30th (reference N.C.G.S. 105-285(d)).
- (b) Ad valorem taxes on personal property, if any, for the entire year shall be paid by Seller.
- (c) Rents, if any, for the Property shall be prorated to the date of closing.

3. FIRE AND OTHER CASUALTY: The risk of loss or damage by fire or other casualty prior to closing shall be upon Seller.

4. SOILS AND ENVIRONMENTAL CONDITIONS: Buyer and Seller acknowledge that the property is to be sold in "as is" condition, that no assurances or warranties are give by Seller as to the condition of the site, including any adverse conditions discoverable by soil studies or other subsurface investigations of the property. Seller and Buyer expressly agree that no environmental studies or investigations have been performed by the Seller incidental to the sale of the property; and that any such studies or investigations to be performed by the Buyer are the sole responsibility of the Buyer; and that the Buyer expressly release and discharges the Seller from any and all responsibility and liability resulting from surface, soils, ground water or other contamination or adverse environmental condition of the site, whatsoever.

5. CONDITIONS:

- (a) The Property must be in substantially the same condition at closing as on the date of this offer, reasonable wear and tear excepted.
- (b) Title will be delivered at closing by **NON-WARRANTY DEED**.

6. NEW LOAN: Buyer shall be responsible for all costs with respect to any new loan obtained by Buyer. Seller shall have no obligation to pay any charge in connection therewith unless specifically set forth in this Contract.

7. CLOSING EXPENSES: Seller agrees to prepare the proper Deed. Buyer shall pay for recorded the Deed and the preparation and recording of all other instruments if any, incidental to closing. **The winning bidder will be responsible for all advertising costs incurred by Haywood County during the upset bid process.**

8. EVIDENCE OF TITLE: Seller agrees to use his best efforts to deliver to Buyer as soon as reasonably possible after the acceptance of this offer, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, Deeds, Notes and Deeds of Trust and easements relating to the Property.

9. ASSIGNMENTS: This contract may not be assigned without the written agreement of all parties, but if assigned by agreements, then this contract shall be binding on the assignee and his heirs and successors.

10. PARTIES: This contract shall be binding upon and shall inure to the benefit of the parties and theirs heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

11. SURVIVAL: If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

12. ENTIRE AGREEMENT: Buyer acknowledges that he has inspected the Property. This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein in writing.

13. OTHER: