

# CITY OF HARTFORD REAL ESTATE AUCTION

## Terms and Conditions of Sale

1. All prospective bidders must register at the door and show a valid driver's license or other acceptable identification along with social security number or tax identification number. Prospective bidders must also disclose any principals on whose behalf they will be bidding. Failure to show proper identification and disclose principals will result in disqualification from bidding.
2. To be accepted, any bid shall be accompanied by a deposit in the amount of Five Thousand dollars and no/100 (\$5,000.00) in the form of a certified check, bank check or money order, per property, payable to the City of Hartford (no personal checks or cash will be accepted). Prior to the start of the auction, all bidders shall be required to provide verification of their deposit. In addition, a buyer's premium of seven percent (7%) of the total purchase price, per property, shall be paid on the day of the auction. The buyer's premium shall be in the form of certified funds, payable to Auctions International. Any and all deposit checks and buyer's premiums will be non-refundable and successful bidders will be required to execute a purchase and sale agreement, a form of which is attached hereto as Exhibit A prior to the conclusion of the auction.
3. The successful bidders shall pay the balance of the purchase price and the applicable recording fee to the City of Hartford's Finance Department by no later than 10:00 A.M. on Friday, June 25, 2010 by certified check, bank check, money order or attorney's trustee check. The receipt received on the night of the auction must be presented when paying the balance due and all final payments shall be scheduled with the City's Finance Department at least one week prior to the anticipated date of such payment. Bids shall be made in minimum of One Thousand Dollar (\$1,000.00) increments, or an amount as specified by the Auctioneer.
4. Any materials or documents concerning this auction prepared or furnished by the City of Hartford for the Auction are solely for informational purposes. No warranty or representation is made as to the accuracy or completeness of the information. Prospective purchasers should make their own investigations and inspections and draw their own conclusions.
5. All properties will be sold "as is" by quitclaim deed. The City of Hartford, its employees, representatives, and/or agents make no warranties or representations as to the properties, including but not limited to, their condition, construction, zoning compliance, state of title, fitness for habitation or whether they conform to applicable state or local building and sanitary codes.
6. The City of Hartford reserves the right, at its option, to group one or more properties into a single bid sale.
7. The properties shall be conveyed subject to any environmental conditions, including, but not limited to, hazardous waste conditions which may or may not be in compliance with any applicable laws, policies or regulations.
8. The properties shall be conveyed subject to any tenancy, possessory interest and/or lease affecting the property. The successful bidder is responsible for determining the existence and status of any such interests and the applicable legal rights thereto. It will be the responsibility of the successful bidder and not the City of Hartford to evict any former owner or any other person who may be residing or conducting a business on the premises and to remove any personal property.

# CITY OF HARTFORD REAL ESTATE AUCTION

## Terms and Conditions of Sale

9. The properties shall be conveyed subject to the right of redemption, if any, of the United States of America.

10. The City of Hartford reserves the right to reject any bid from any bidder, cancel the sale to any bidder and retain the deposit and buyer's premium from any bidder who:

a. In connection with a previous auction failed to:

1. Close on the purchase of a property;
2. Perform, in a timely manner, any rehabilitation on a property; and/or
3. Comply with or violated any terms and conditions of sale;

b. Was the owner of any property upon which the City foreclosed for failure to pay:

1. Real Estate Taxes; and/or
2. Any other indebtedness; or

c. Has current code or ordinance violations or has previously failed to comply with orders issued by any code enforcement department including, but not limited to, health, housing, building, fire and zoning, as determined by any of the City's code enforcement officials. Any officer, director, stockholder or member who holds ten percent (10%) or more of the outstanding stock of any corporation, limited liability company, trust, partnership, joint venture, or any other business entity, who has current code or ordinance violations or has previously failed to comply with orders issued by any code enforcement department, as determined by any of the City's code enforcement officials, shall cause said corporation, limited liability company, trust, partnership, joint venture, or any other business entity to be subject to the provisions of this paragraph.

11. The City of Hartford reserves the right to reject any and all bids at said auction and may adjourn the same if, in its opinion, no bid is made which approximates the fair market value of the property. Any adjournment thereof may be made from time to time for such period as the City of Hartford deems expedient giving notice thereof at the time and place appointed for the sale or for any adjournment thereof.

12. Sale shall not be made to the prior owner or to an agent, representative or straw of the prior owner.

13. Sale shall not be made to any person who owes the City of Hartford any monies in the form of previously incurred taxes, loans, fines, fees or other funds owed to the City. A corporation, limited liability company, trust, partnership, joint venture, or any other business entity shall be deemed to be a person within the meaning of this paragraph. Any officer, director, stockholder or member who holds ten percent (10%) or more of the outstanding stock of said corporation, limited liability company, trust, partnership, joint venture, or any other business entity, and who owes any monies to the City of Hartford as aforesaid shall cause said corporation, limited liability company, trust, partnership, joint venture, or any other business entity to be subject to the provisions of this paragraph.

# CITY OF HARTFORD REAL ESTATE AUCTION

## Terms and Conditions of Sale

14. In the event a deposit and buyer's premium is received from any person in violation of these Terms and Conditions of Sale, and the deed of transfer has passed, the purchaser will on demand re-convey to the City of Hartford, at no cost and for no consideration, all his/her right, title and interest in the purchased property. If such a violation of these and Terms and Conditions of Sale should be determined to exist prior to the passing of the deed to the property, the sale shall be cancelled and the buyer's premium shall be forfeited. In addition, any and all deposits collected shall be forfeited and applied to any taxes, loans, fines, fees or other funds owed to the City by the purchaser, former owner, agent, representative, or straw to the City of Hartford on any property owned by the purchaser or the aforementioned parties.

15. The Auctioneer will identify each property located in a Local Historic District or National Register District. Prior to exterior renovations to a property in a Local Historic District, the purchaser must submit his/her plans to, and obtain approval from, the Hartford Historical Commission. Properties in a National Register District may also require appropriate review.

16. All properties will be sold free and clear of any unpaid City of Hartford real estate taxes or liens, but shall remain subject to any other title defects or other encumbrances.

17. An annual "payment in lieu of tax" payment will be required of any tax-exempt entity purchasing property at this auction. Such "payment in lieu of tax" will be memorialized in the transfer deed for the property. The "payment in lieu of tax" payment will be calculated as follows:

( Assessed Value Per Thousand) x (Tax Rate) x (Fifty Percent).

18. Upon payment (by certified check, bank check, money order or attorney's trustee check) of the payment in lieu of taxes, if applicable, the balance of the bid amount, recording fees and the buyer's premium by the successful bidder, the City will deliver a Quitclaim Deed transferring title from the City to the successful bidder subject to the terms and conditions as described herein.

19. The City of Hartford will record such deed at the City Clerk's Office after the execution thereof and the successful bidder shall pay the expense of such recording. The City Clerk's Office will return the deed to the buyer in due course following recording. Buyer's ownership of the property commences upon recording of the deed.

20. All conditions, restrictions or covenants announced at the auction for specific properties are to be taken and construed as running with the land and are to be binding upon said grantee, its successors, assignees, grantees and lessees unless released by the City. Concurrence with all applicable federal, state and municipal laws and regulations related to any future remediation, rehabilitation or other development of the property will be the sole responsibility of the buyer, including but not limited to any and all local planning, zoning and building permit requirements.

21. The City of Hartford reserves the right to sell to the second highest bidder in the event that the highest bidder defaults or to the third highest bidder in the event that the second highest bidder defaults. However, this reservation of rights should not be construed as requiring the City of Hartford to sell to the second highest bidder or the third highest bidder in the event of such default.

# CITY OF HARTFORD REAL ESTATE AUCTION

## Terms and Conditions of Sale

22. All properties will be sold subject to a Buyer's Premium of seven percent (7%) of the total purchase price.

23. With respect to the properties identified as 104 Clark Street, 176 Clark Street, 48-50 East Raymond Street, 122-124 Enfield Street, and 708-710 Garden Street, all plans relating to rehabilitation, new construction and site development must be in keeping with the character of the surrounding neighborhood and shall be submitted to the City for review and approval prior to transfer of title. After transfer of title, the timeline for completion of authorized work is as follows:

- a. Any shrub vegetation and litter must be removed within one (1) month of date of transfer of title;
- b. Rehabilitation and landscaping, fencing and paving shall be completed within six (6) months of transfer of title; or
- c. New construction and its accompanying landscaping, fencing and paving shall be completed within two (2) years of transfer to title.

24. With respect to the property identified as 3445-3451 Main Street, all future use shall be limited to commercial only with no sale of alcohol permitted. The quitclaim deed for 3445-3451 Main Street shall contain a deed restriction limiting the property's use as set out in the previous sentence and shall provide for an automatic reversion to the City without any recourse to the Buyer or current owner in the case that such deed restriction is violated at any time for any reason.

25. These Terms and Conditions are incorporated into the Purchase and Sale Agreement, a copy of which is available online at [www.AuctionsInternational.com](http://www.AuctionsInternational.com) or by contacting Auctions International at 1-800-536-1401. Copies will also be available at the Auction. The City of Hartford, in its discretion, may announce additional terms and conditions with respect to the entire auction and/or specific properties at auction at the time of the sale, which terms and conditions are also incorporated into the purchase and sale agreement.

CITY OF HARTFORD

By \_\_\_\_\_  
Eddie A. Perez, its Mayor