



City of Dayton Surplus Property Disposition Auction Guidelines and Application

PROGRAM GOALS AND OBJECTIVES

The City of Dayton Surplus Property Disposition Auction program (“Auction” or “pilot program”) aims to divest the City of some real property that was deemed surplus land by the Dayton City Commission. The City of Dayton has inventory of vacant property, including some viable residential real estate properties with structures acquired through the City of Dayton’s Lot Links programs and other similar programs. The City’s goal is to dispose of these City-owned residential properties to put them into responsible property owners’ hands and bring them back into productive use.

The Department of Planning, Neighborhoods & Development has deemed the properties in this program unsuitable for public use, pursuant to the City of Dayton Revised Code of General Ordinances Section 36.40. The Department Director, along with the City Purchaser, have determined that auctioning surplus properties on GovDeals.com (“GovDeals”) to purchasers in good standing with the City, among other criteria, is the most efficient and cost-effective way to award these properties to the highest and best qualifying bidders. NOTE: Properties with structures will be subject to additional purchase criteria and conditions.

This Guidelines and Application document details the terms and conditions for the pilot program, including auction terms (Section I), the application (Section II), notices (Section III), and additional provisions (Section IV), for the City of Dayton Surplus Property Disposition Auction pilot program. Winning Bidders must comply with all terms and conditions herein, including but not limited to submitting a completed application to the City of Dayton, to qualify for purchase.

By signing this application, Winning Bidder and/or Purchaser understand and agree to all terms, conditions, and guidelines contained herein, including conditions on the Govdeals auction listing.

I. CITY OF DAYTON SURPLUS PROPERTY DISPOSITION AUCTION TERMS

A. DEFINITIONS

Winning Bidder or Applicant – includes the individual or entity that has the highest bid on GovDeals for any particular parcel for sale by the City accurately described and referenced on GovDeals (“Property”). A Winning Bidder still must meet City eligibility requirements to purchase the Property.

Purchaser – A Winning Bidder who the City finds in accord with eligibility requirements after document review.

Affiliated entity – Any corporation, partnership, limited liability company or other form of legal entity in which the partnership or other similar interest is owned or controlled, directly or indirectly, by the applicant.

Administrative costs – fees imposed by GovDeals and \$50.00 (FIFTY DOLLARS AND ZERO CENTS) to the City for County transfer and recording fees.

B. PILOT PROGRAM

This Auction is a pilot program, and its policies and procedures are subject to change or cancellation at any time without cost or detriment to the City.

C. PURCHASE/PURCHASE PRICE

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The residential structures will be sold individually by bid process through GovDeals and listed for approximately 30 days. Minimum bid will be Auditor's 100% assessed value. A \$100.00 (ONE HUNDRED DOLLARS AND ZERO CENTS) deposit is required to bid on any Auction property. Final price to Purchaser includes the winning bid at auction closure plus administrative fees.

The Winning Bidder agrees to purchase the Property from the City for the sum of the winning bid plus administrative fees, payable in full to GovDeals within 5 (five) business days of auction closure.

The City agrees to sell the Property to Winning Bidder, only upon the condition that ALL Auction eligibility requirements have been met. If it is determined that the Winning Bidder does not meet purchase eligibility requirements for the property set forth by the City of Dayton and described herein, the Winning Bidder will be disqualified from Auction purchase and the deposit will NOT be refunded. In event of disqualification, a refund (minus the retained deposit) will be issued by GovDeals in accordance with its terms and in conjunction with the terms, conditions, and guidelines herein. Refer to GovDeals for additional information on payment or refund process.

D. ELIGIBILITY REQUIREMENTS FOR PURCHASE

Purchaser must meet the City's standards for acquiring land from the City of Dayton. Auction Purchaser must meet these eligibility requirements:

- A. Winning Bidder or any affiliated entity of the Winning Bidder must be current on property taxes on all property currently owned and property previously owned and transferred within the last two months;
- B. Winning Bidder or any affiliated entity of the Winning Bidder must be current on all City bills (income tax, water, fines, etc.);
- C. Winning Bidder or any affiliated entity of the Winning Bidder must not have any outstanding property or housing code violations on any property currently owned or owned and transferred within the last two months; and
- D. Winning Bidder or any affiliated entity of the Winning Bidder must be in good standing with the Lot Links program, if applicable.
- E. If the property contains a structure, comply with additional requirements listed below.

E. VERIFICATION AND REQUIRED DOCUMENTATION

Winning Bidder agrees to submit within 10 days of auction closure to the City of Dayton Department of Planning, Neighborhoods, & Development, the required documentation described below.

Winning Bidder will be required to provide the following documentation after auction closure:

- Copy of State-issued identification;
- Current photo(s) taken by the bidder or bidder's agent of the Property being applied for (not from the internet), as proof Winning Bidder has inspected the Property;
- If affiliated with any organization/corporation or other entity, Secretary of State documentation showing proof of legal existence and Winning Bidder's position within organization/corporation;
- City of Dayton Surplus Property Disposition Auction Application, completed and signed;
- Any additional documents required by the City to determine purchase eligibility; and
- For properties with a structure, additional requirements listed in Section F below.

If Winning Bidder owns any real property, within or outside the City limits, they must also provide the following required documentation about said property(ies):

- List all properties owned by applicant, spouse of applicant, and/or any affiliated entity;

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- Acquisition date of each party and/or entity's owned property;
- Occupancy status of each party and/or entity's owned property;
- Verification that party and/or entity's owned property taxes are paid in full;
- Current exterior photos (front & rear) of Winning Bidder's owned property; and
- Contact information for local property manager(s) if the applicant is located outside of Montgomery County, Ohio.

Any Winning Bidder that does not submit the required documents will be automatically disqualified from purchase eligibility for the Auction, no exceptions.

F. ADDITIONAL REQUIREMENTS WHEN PROPERTIES CONTAIN STRUCTURES

- Winning Bidder must
 - Show proof of funds available that the City, in its sole discretion, deems necessary to rehabilitate the structure and property (bank statement, line of credit, loan approval, etc.). The actual funds required vary for each property and will be specified on the Govdeals listing.
 - Agree to complete a full rehab of the property within 12 months from date of transfer and furnish a certificate of occupancy to the City.
- NOTE: Failure to fully renovate the property within the designated 12-month period returns all rights in the property to the City.
- All properties with structures will include site-visit opportunities during the auction period. Site visit coordination will be in the City's sole discretion. While entering the structure is not required to bid, it is strongly advised. All bidders are bidding on AS IS properties and waive any rights associated with the conditions of its structures.



II. CITY OF DAYTON SURPLUS PROPERTY DISPOSITION AUCTION APPLICATION

Property Type:

Parcel No. _____
Address _____
Listing No. _____
Type _____
Planned use of Land _____

Contact Information:

Applicant's Full Name(s) _____
Address _____
City _____ State _____ Zip _____
Phone _____ Alternate Phone _____
E-Mail Address _____
Married? _____ Spouse's Name _____
List corporations/businesses you have been or are currently associated with:

If located outside of Ohio, provide your local property manager's contact information below:

By signing below, I hereby agree to and understand all terms, conditions, and guidelines created by the City for the City of Dayton Surplus Property Disposition Auction pilot program, including Sections I-IV of this Application, and any additional terms included in the auction listing:

Name (Print) _____

Signature _____ Date _____

For Office Use ONLY:

Purchasing, proceed - Yes/No Staff Name: _____
Income Tax current - Yes/No Staff Name: _____
Water bills current - Yes/No Staff Name: _____
PND - Yes/No Staff Name(s): _____

Notes: _____

III. CITY OF DAYTON SURPLUS PROPERTY DISPOSITION AUCTION NOTICES

Please **initial** to indicate that you understand, attest to, and certify the following statements:

FOR ALL PROPERTY

_____ I attest that the information in this application is accurate.

_____ I attest that my property taxes are not in arrears and comply with all other eligibility requirements for the Auction, and I understand my bid will be rejected shall it be determined I am delinquent.

_____ I understand the City of Dayton reserves the right to require additional documentation to determine eligibility status.

_____ I understand that the City can change policies and procedures associated with this pilot program at any time or discontinue the pilot program altogether.

_____ I understand it is my responsibility to verify my plans are in accordance with state, federal, and local law, including but not limited to the City of Dayton Zoning Code, prior to submitting my application.

_____ I understand I have no legal rights in the Property for any reason until I have possession of the deed. If I am found on or to have removed anything from the property prior to possessing the deed, I will be in violation of law and subject to prosecution. Additionally, I will be disqualified from the Auction and forfeit any monies paid.

_____ I understand all property sold through the Auction is sold AS IS condition.

_____ I understand it is my responsibility to determine whether outstanding charges on the Property exist (e.g., delinquent real estate assessments or water, sewer, and storm water charges); all outstanding charges will become the responsibility of the Purchaser, (i.e., new property owner) upon closing.

_____ I understand the Montgomery County Treasurer charges taxes for the previous year. This means, for example, if I take possession of a property on the last day of December, I will be responsible for the tax bill that comes in January even though I did not own the Property during the year billed.

_____ I authorize the City of Dayton's Finance Department to verify whether I am current on all city bills, including income tax, water, fines, etc., and to disclose such status for purposes of processing this application.

FOR PROPERTY WITH STRUCTURES:

_____ I understand all structures on property sold through City of Dayton Surplus Property Disposition Auction are in AS IS condition and waive any rights associated with the property structural conditions.

_____ I understand that the purchase will include a deed restriction requiring full rehab to the structure sufficient to secure a certificate of occupancy and failure to secure a certificate of occupancy within one year of the date of transfer returns property ownership to the City.

_____ I understand I am responsible for obtaining the certificate of occupancy required for the deed restriction to be released by the City of Dayton, prior to living in, transferring, or renting the property.

_____ I understand any and all housing and/or zoning code violations on the Property will be my responsibility to abate once I take ownership, within 12 months of date of transfer.

_____ I understand I am responsible for obtaining all necessary permits for rehabbing structures.

IV. ADDITIONAL PROVISIONS

A. PURCHASE PROVISIONS

1. Closing and Conveyance. The City shall hold a closing within 45 days of bid acceptance by the City. The Purchaser shall have possession of the Property upon delivery of an executed deed from the City. The City will record said deed in Montgomery County, Ohio. The City shall convey the Property to the Purchaser by good and sufficient quitclaim deed, with the City warranting the Property free from encumbrances, except (A) zoning ordinances, (B) building restrictions, (C) taxes and assessments that appear on the tax duplicate for the year of closing, (D) all restrictions and easements of record, and if the property includes a structure E) renovations and rehabilitation conditions on properties including a structure.
2. Quitclaim Deed. The delivery by the City of the quitclaim deed described herein and acceptance by the Purchaser of said deed shall not be deemed to extinguish, waive, or discharge any of the obligations of the City or the Purchaser under this Agreement not stipulated or contained in the deed, nor in any way to prejudice or bar the City in asserting any of its rights hereunder.
3. City's Representations and Warranties. City makes no representations or warranties, express or implied, with respect to the environmental condition of the Property and the surrounding property (including all facilities, improvements, and structures thereon, surface waters thereon or adjacent thereto, or soil and groundwater thereunder); City's operations conducted on the Property; or City's compliance with any environmental health or safety laws.
4. Condition of Property. Purchaser shall accept the Property, including all structures therein, "AS IS, WHERE IS" and shall be responsible for, on and after the closing date, all environmental obligations, liabilities, and costs arising under environmental health or safety laws or at common law, and whether or not accrued or fixed, absolute or contingent, known or unknown, determined or determinable, to the extent that such obligations and liabilities and costs arise from any contaminant, chemical, product, by-product, or any material whatsoever, on, at, to, or from the Property. Purchaser shall hold City harmless from any such claims arising from Purchaser's development or use of the Property.
5. Possession. Purchaser shall not take possession or begin work, in any form, to the Property prior to the Closing Date, unless authorized in writing by the City.

B. GENERAL PROVISIONS

1. Entire Understanding. This Agreement is defined as the City of Dayton Surplus property disposition Auction application, Sections I-IV of this document, and the referenced Govdeals listing. This Agreement represents the entire and integrated agreement between the parties. This Agreement supersedes all prior and contemporaneous communications, representations, understandings, agreements or contracts, whether oral or written, relating to the subject matter of this Agreement.
2. Governing Law and Venue. This Purchase and any related controversy shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles thereof relating to conflicts or choice of laws. Any arbitration, litigation or other legal matter regarding this Agreement or performance by either party must be brought in a court of competent jurisdiction in Montgomery County, Ohio.

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3. Amendment. The parties may amend this Agreement, provided that no such amendment shall be effective unless it is reduced to a writing, which makes specific reference to this Agreement, is executed by a duly authorized representative of each party to this Agreement and, if required or applicable, is approved by the Commission of the City of Dayton, Ohio.
4. Waiver. A waiver by the City of any breach of this Agreement shall be in writing. Any such waiver shall be effective only in the specific instance and for the specific given purpose and shall not affect City's rights to pilot program revocation or any other breach.
5. Relationship. This Agreement is not intended to be, nor shall it be construed, as creating a partnership, joint venture, corporation, or other relationship between the parties with respect to the any activities of the Purchaser.
6. Communications. Any notice, demand, or other communication required under the Agreement by one party to the other party shall be sufficiently given, if it is sent by email or by certified U.S. mail, postage prepaid, return receipt requested or delivered personally

to City: The City of Dayton, Ohio
 Department of Planning, Neighborhoods & Development
 101 W. Third Street
 Dayton, Ohio 45402
 Attn: Surplus Property Disposition
 propertyinfo@daytonohio.gov

to Winning Bidder/Purchaser:
 Applicant Name and Address:

7. Severability. The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any provision of this Agreement void shall in no way affect the validity or enforceability of any other provision of this Agreement. Any void, unenforceable, invalid, or illegal provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular provision.
8. Compliance with Applicable Law. This Agreement does not act as an exemption from any federal, state, or local law. Purchaser shall comply with all applicable laws, including, but not limited to, building code requirements, zoning code compliance, historic preservation requirements, and procedures required by local government entities for ownership and maintenance of vacant or blighted properties.
9. Indemnification. Purchaser shall defend, indemnify, and hold harmless City and its elected officials, officers, employees, and agents from and against all claims, losses, damages, and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, to the extent that such claims, losses, damages, or expenses are caused by or arise out of the Purchaser's non performance of this Agreement and/or the acts, omissions or conduct of Purchaser, and its agents, employees, contractors, subcontractors, and representatives, including Purchaser's failure to comply with federal, state, and local laws, including (as applicable) those relating to the payment of prevailing wages.