

SHELBY COUNTY LAND BANK
DELINQUENT TAX PROPERTY
NOMINAL CONSIDERATION CONVEYANCE PROCEDURE

- A. No Delinquent Tax Property will be made available for a Nominal Consideration Conveyance to current County employees, elected County Officials or their immediate family members (i.e. spouse or children living at home), or to any business's owned by current employees or elected County Officials (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business);
- B. No Delinquent Tax Property will be made available for a Nominal Consideration Conveyance prior to first being marketed for sale for a period of six (6) months on the Land Bank's "For Sale" list.
- C. Only one (1) Request for a Nominal Consideration Conveyance per Delinquent Tax Property will be accepted and processed at a time.
- D. Prior to submitting a Request for a Nominal Consideration Conveyance, the prospective Transferee must submit to Shelby County Land Bank ("SCLB") staff certain informational items (See "**Request for Nominal Consideration Conveyance Advance Information Requirements**" attached hereto and made a part hereof).
- E. No Delinquent Tax Property will be made available for a Nominal Consideration Conveyance to any prospective Transferee who is **NOT** current in the payment of property taxes due on his/her/its properties owned in Shelby County. If the prospective Transferee is **NOT** current in payment of property taxes on his/her/its properties owned in Shelby County, the prospective Transferee will be required to bring the payment of these property taxes current with the Shelby County Trustee's office or work out a payment plan acceptable to the Shelby County Trustee's office, within **ten (10) working days** of SCLB staff notification by telephone, no further notice will be given, written or otherwise (**working days are based on Shelby County Government's regular work schedule**). Proof of payment or payment plan signed by the Shelby County Trustee or a representative of his office, shall be submitted to SCLB staff within said ten (10) days. If the prospective Transferee is unable to bring the payment of these property taxes current within said ten (10) day period and has **NOT** worked out a payment plan acceptable to the Shelby County Trustee's office, the property will be placed immediately back into SCLB's "For Sale" inventory.
- F. **All Delinquent Tax Property shall be sold in its "AS IS-WHERE IS" condition, without representations or warranties of any kind, either expressed or implied as to the title, physical or environmental condition, code and/or housing violations, merchantability, or fitness for any use or purpose or any other representation of any kind whatsoever per T.C.A. § 67-5-2507(b)(8).**
- G. Once the prospective Transferee has completed his/her/its due diligence requirements*, the prospective **Transferee makes an appointment** to meet with SCLB staff and formally initiates the Nominal Consideration Conveyance Process. During this meeting the prospective Transferee is required to sign a "**Request for a Nominal Consideration Conveyance**" (See "**Request for a Nominal Consideration Conveyance Agreement**" attached hereto and made a part hereof), along with other "**Disclosure Documents**" **;
- H. Once a prospective Transferee sign the Request for a Nominal Consideration Conveyance Agreement, along with the other required "Disclosure Documents," SCLB Staff will prepare, schedule and present a **Resolution** to the County Commission for approval of the Nominal Consideration Conveyance and request the Trustee's Office to prepare a **Quit Claim Deed** for use in transferring the subject property to the Transferee.
- I. The Transferee may be required to attend a Shelby County Board of Commissioners Committee Meeting and/or a full Commission Meeting to answer questions concerning the Transferee's proposed use and development of the subject property. In this case, SCLB Staff will contact the Transferee by telephone to give him/her/it advance notice of the meeting(s) that must be attended. In the event this Transferee is unable to attend the scheduled meeting(s), approval of the conveyance will be deferred until such time as the Transferee is able to attend a subsequent meeting or meetings. If the Transferee is unable to schedule attendance within sixty (60) days of the initial meeting request, SCLB Staff will declare the Request for a Nominal Consideration Conveyance Agreement cancelled by giving the Transferee written notice by U.S. mail and in such case the Transferee shall be declared ineligible to participate in any Shelby County Land Bank property sales for twelve (12) months from the date of said Agreement cancellation notice.

- J. Upon the County Commission’s approval of the Nominal Consideration Conveyance, SCLB Staff will notify the Transferee by telephone of the Nominal Consideration Conveyance approval, and advising the Transferee that he/she/it must now close within **thirty (30) calendar days** of the mailing date of SCLB Staff’s written notice to the Transferee by U.S. mail confirming the County’s approval of the Request for Nominal Consideration Conveyance, listing the required final payment amount due at closing, and citing the thirty (30) day closing deadline date. In the event the subject property is not closed within said **thirty (30) calendar days**, SCLB Staff will declare the Nominal Consideration Conveyance cancelled by giving the Transferee written notice by U.S. mail and in such case the Transferee shall be declared ineligible to participate in any Shelby County Land Bank property sales for twelve (12) months from the date of said Contract cancelation notice.
- K. Upon the County Mayor’s approval of the Nominal Consideration Conveyance Resolution, SCLB Staff will route the Quit Claim Deed, prepared by the Trustee’s Office, for execution by the County Mayor.
- L. The Transferee shall **make an appointment** to meet with SCLB staff to close the subject property. At the closing, the Transferee must submit the required final payment covering the balance of the transfer tax and recording fee via Certified Funds, Cashier’s Check or Money Orders made payable to **“Shelby County Trustee” (personal checks and/or cash NOT accepted)**. At the completion of the closing, the Transferee is given possession of the subject property as its new owner.
- M. Upon completion of the closing of this property purchase, the Transferee’s required payment covering the transfer tax and recording fee will be forwarded to the Shelby County Trustee’s Office for immediate deposit. At the same time, SCLB Staff will request the Shelby County Trustee’s Office to proceed with the closeout of the nominal consideration conveyance. Afterwards, the **Trustee’s Office will complete the execution of the Quit Claim Deed and have it recorded in the Shelby County Register’s Office and thereafter mail the “Original Recorded Quit Claim Deed” to the Transferee who is now the new owner of the property.**

This completes the County’s DELINQUENT TAX PROPERTY NOMINAL CONSIDERATION CONVEYANCE PROCEDURE.

TRANSFEE:

Transferee’s Rep: _____

Date: _____, 20____

* **Due Diligence Requirements:**

All prospective Transferees of SCLB Delinquent Tax Property **MUST** carry out a **due diligence verification** of the property prior to meeting with SCLB staff to formally initiate the Request for Nominal Consideration Conveyance, including but not limited to:

- the value and condition of the property including compliance with building and local authority regulations,
- the terms of all encumbrances, rights and interests registered against or in respect of the title, and
- the overall financial suitability of the Transferee’s proposed use of the property.

** **Disclosure Documents:**

All prospective Transferees of Delinquent Tax Property must sign a Waiver and Release of Liability and Indemnity, a Property Use and Responsibility Disclosure Form, and a Gratuity Disclosure Form at the time they sign a Request for a Nominal Consideration Conveyance. **(See documents attached hereto and made a part hereof).**