

OFFER TO PURCHASE & SALES AGREEMENT

_____ Offer

THIS OFFER TO PURCHASE, made and entered into this ___ day of _____, 20___, by and between _____, hereinafter referred to as “PURCHASER”, and **Shelby County Government**, hereinafter referred to as “SELLER” or “SCG”; title to be vested in the name of _____.

WITNESSETH:

WHEREAS, SELLER owns certain real property (“Subject Property”) situated and being in the County of Shelby, State of Tennessee, to-wit:

Real Property acquired by Shelby County Government as described in the Chancery Court of Shelby County, Tennessee as follows:

Cause T.R.D. No. _____ Exhibit No. _____ Trustee’s Tax Sale No. _____

Property Address: _____ Tax Parcel No. _____

Property Status: Improved ___ Vacant ___ Type Improvements: _____

WHEREAS, SELLER is desirous of selling Subject Property and PURCHASER is agreeable to purchase Subject Property from SELLER under certain terms and conditions for PURCHASER’S intended use for **enter detailed description in 30 or MORE words**

<u>Proposed Occupancy</u>	<u>Property Rehabilitation</u>	
<i>Choose one (1)</i>	<i>Choose one (1)</i>	
<input type="checkbox"/> Purchaser Occupied <input type="checkbox"/> Rental by Purchaser <input type="checkbox"/> None, will be sold without obtaining occupants <input type="checkbox"/> Vacant land adjacent to Purchaser occupied dwelling <input type="checkbox"/> Vacant land not adjacent to Purchaser occupied dwelling	<input type="checkbox"/> Purchaser intends to rehabilitate the Property Property Rehabilitation Cost Estimate \$ _____ Property Rehabilitation projected date of completion _____	<input type="checkbox"/> Purchaser does not intend to rehabilitate the property <input type="checkbox"/> Property does not require rehabilitation <input type="checkbox"/> Purchaser will sell without rehabilitating the property

WHEREAS, PURCHASER certifies the following:

Initial Below

- 1. PURCHASER is not a current Shelby County Government (“SCG”) employee, elected Shelby County Official or their immediate family member (i.e. spouse or children living at home); 1. _____
- 2. PURCHASER is not a business that is owned or directly affiliated with a current SCG employee or elected Shelby County Official (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 2. _____
- 3. PURCHASER can legally conduct business in Tennessee; 3. _____
- 4. PURCHASER, or any legal entity in which PURCHASER is directly affiliated, has no properties owned in Shelby County that are currently in violation of any county or municipal building and/or zoning code provisions (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 4. _____
- 5. PURCHASER, or any legal entity in which PURCHASER is directly affiliated, is current on property taxes on all properties owned in Shelby County (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 5. _____
- 6. PURCHASER, or any legal entity in which PURCHASER is directly affiliated, has not defaulted on property taxes on any properties owned in Shelby County within the last five (5) years (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 6. _____
- 7. PURCHASER, or any legal entity in which PURCHASER is directly affiliated, has not defaulted on an offer to purchase land from the Shelby County Land Bank within the last year (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 7. _____
- 8. PURCHASER, or any legal entity in which PURCHASER is directly affiliated, purchased no properties from the Shelby County Land bank which are currently not compliance with all requirements of that properties respective offer to purchase agreement entered into with Shelby County Government (this includes, but is not limited to: sole proprietor, partner, or person having a controlling interest in the business); 8. _____
- 9. PURCHASER acknowledges any misrepresentation regarding these qualifications is subject to loss of payment and/or Subject Property and any other legal of equitable remedies. 9. _____

NOW, THEREFORE, IN CONSIDERATION of the premises aforesaid and the terms and conditions recited hereinbelow, and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, PURCHASER does hereby agree to purchase the above described real property in accordance with the following:

1. TERM OF OFFER

The PURCHASER’S offer to purchase shall continue for a period of **Ninety (90)** calendar days from the date hereof or until a different purchaser’s offer to purchase has been deemed accepted by SELLER upon approval of the sale by the Board of County Commissioners of Shelby County, as evidenced by a Board Resolution approving the same and signed by the Shelby County Mayor, whichever comes first.

2. CONSIDERATION

PURCHASER, in consideration of the mutual agreements of SELLER hereinafter set forth, agrees to pay SELLER as the purchase price _____ **DOLLARS (\$ _____)**, of which _____ **DOLLARS (\$ _____)** as a good faith deposit to be paid to SELLER, the receipt of which is hereby acknowledged, with the balance of the purchase price to be paid at the required closing.

SELLER, in consideration of the aforesaid promises of PURCHASER, agrees to deliver to PURCHASER, in accordance with the terms of this Agreement, a Quit Claim Deed conveying all of SELLER’S right, title and interest in and to the Subject Property.

3. PROPERTY CONDITION

PURCHASER agrees to accept the Subject Property in its “**AS IS-WHERE IS**” condition, without representations or warranties of any kind either expressed or implied, by SELLER including but not limited to title, physical or environmental condition, code and/or housing violations, merchantability, or fitness for any use or purpose or any other representations of any kind whatsoever, pursuant to T.C.A. § 67-5-2507.

PURCHASER verifies PURCHASER has performed a due diligence verification of the property, including but not limited to, the value and condition of the property including compliance with building and local authority regulations, and the terms of all encumbrances, rights and interests registered against or in respect of the title.

4. SALES PROCEDURE

PURCHASER and SELLER mutually agree that the sale of the Subject Property shall be processed in accordance with SELLER’S Delinquent Tax Property Sales Procedure pursuant to T.C.A. § 67-5-2507. (See “Delinquent Tax Property Sales Procedure” attached hereto and made a part hereof)

5. ACCEPTANCE OF OFFER TO PURCHASE

This Offer to Purchase shall be deemed accepted by SELLER upon approval of the sale by the Board of County Commissioners of Shelby County, as evidenced by a Board Resolution approving the same and signed by the Shelby County Mayor, and these terms shall serve as the Sales Contract for this conveyance of the Subject Property. Once accepted by SELLER all terms and conditions recited herein shall be binding upon the parties hereto.

6. CLOSING

PURCHASER and SELLER mutually agree that all closing costs for this sale transaction are required to be paid within thirty (30) calendar days of the mailing date of SELLER’S written notice to PURCHASER by U.S. mail confirming SELLER’S acceptance of this Offer to Purchase and requesting PURCHASER to close. Upon receipt of closing costs and all required documentation, the Shelby County Trustee will issue the quit claim deed for the Subject Property which will convey all of Shelby County’s interests in the Subject Property.

7. EXPENSES

PURCHASER agrees to pay all closing costs including but not limited to purchase price, the transfer tax, and the cost of recording the Quit Claim Deed.

PURCHASER may order and secure, at his/her own expense, a title search, property survey, environmental/property assessments, etc., but the time taken to obtain such items shall not be considered sufficient justification to delay the closing date as required in paragraph 6 hereinabove.

If Subject Property is located within a community where a Home Owners Association (“HOA”) or Condominium Owners Association (“COA”) has been established, PURCHASER also agrees to pay all outstanding HOA or COA fees assessed to the Subject Property at closing. Utilities are addressed in Section 9 hereafter.

8. POSSESSION

SELLER shall deliver possession of the Subject Property to PURCHASER upon full payment of the purchase price, estimated transfer tax and Quit Claim Deed recording fee, subject to rights of any existing tenants occupying Subject Property or any governmental regulations or housing provisions that may be applicable.

PURCHASER understands and agrees: (a) SELLER cannot provide an estimate as to the date or recordation of the deed or other title documents in the Land Records, and (b) Among other things, PURCHASER may not be able to refinance or sell the Subject Property, obtain building permits, or demonstrate recorded ownership of and legal title to the Property until the date that the deed or title document is recorded in the Land Records.

9. UTILITIES

PURCHASER must be able to obtain electric, gas, water, and telephone service to the extent necessary for the PURCHASER’s intended use of the Subject Property, and transfer said utility services to PURCHASER’s name within **three (3) business days of closing**. If PURCHASER fails to transfer said utility services to PURCHASER’s name within the stipulated time, PURCHASER agrees to reimburse SELLER for any and all cost incurred as a result of the PURCHASER’s failure to transfer said utilities.

10. ENVIRONMENTAL CONDITIONS

SELLER makes no claim or warranty relative to the environmental condition of Subject Property. Without benefit of a specific environmental assessment, SELLER knows of no Hazardous Substances located on or that have been previously stored, processed or disposed of on or discharged from (including ground water contamination) the Subject Property which cannot be readily investigated by PURCHASER with the various state and federal environmental agencies. As used herein, "**Hazardous Substances**" shall mean and include all hazardous and toxic substances, wastes or materials, any pollutants or contaminants, or any other similar substances, or materials which are included under or regulated by any local, state or federal law, rules or regulations pertaining to environmental regulation, contamination or cleanup (all such laws, rules and regulations being referred to collectively as "**Environmental Laws**"). As used in this section, “SELLER’ shall mean employees of the Shelby County Land Bank. The provisions hereof shall survive the transfer of the Subject Property.

11. INSPECTIONS

During the term of this Offer as described heretofore in Section 1 of this agreement, PURCHASER and its agents shall have the right to enter upon the Property, at PURCHASER’s own expense and at reasonable times with prior notice to and consent of SELLER, undertake a noninvasive and nondestructive due diligence investigation of

the Property to inspect, examine and test the property as the Purchase may reasonably deem necessary as part of Purchaser's acquisition of the Property, and so long as such inspections do not unreasonable interfere with the operations or any current use of the Property. Purchaser shall indemnify and hold Seller harmless from any against all claims, injuries, damages, costs and expenses, including reasonable attorneys fee, arising from any damage to the Property, claims of liens for inspection services, and any third part claims or demand, whether in contract or tort and whether for injury to persons or property, arising out of or related to the exercise of Purchaser's right of entry and activities pursuant thereto. PURCHASER must execute the waiver of Liability attached to this agreement prior to entering the Subject Property.

12. HOLD HARMLESS

PURCHASER shall indemnify, defend, save and hold harmless the SELLER and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages resulting from Subject Property condition or SELLER's negligence. **PURCHASER acknowledges any and all known or unknown environmental liability transfers to PURCHASER.** This indemnification shall survive the closing.

PURCHASER acknowledges that Shelby County Government, being a political subdivision of the State of Tennessee, is governed by the provisions of the Tennessee Governmental Tort Liability Act, Tennessee Code Annotated, sections 29-20-101 et seq., for causes sounding in tort. No contract provision requiring a Tennessee political entity to indemnify or hold harmless the State beyond the liability imposed by law is enforceable because it appropriates public money and nullifies government immunity without the authorization of the Tennessee General Assembly.

SELLER is a governmental entity as defined by Tennessee Code Annotated Section 29-20-101 et seq. and is self-insured for acts of negligence of its officers and employees. The County's liability shall be limited to the provisions of the Tennessee Governmental Tort Liability Act, Tennessee Code Annotated, sections 29-20-101 et seq., for causes sounding in tort, and shall not be responsible for any personal injury, property damage or other loss resulting from the PURCHASER's own negligence in the performance of this Agreement.

The provisions hereof shall survive the transfer of the Subject Property.

13. TERMINATION AND REMEDY

Prior to acceptance of this Offer to Purchase (as described in Section 5), should SELLER not fulfill the terms and conditions of this Agreement as recited herein, then and in that event, PURCHASER may cancel this Agreement by giving SELLER written notice by U.S. mail and in such case the above referenced good faith deposit shall be returned to PURCHASER.

Prior to acceptance of this Offer to Purchase (as described in Section 5), should PURCHASER not fulfill the terms and conditions of this Agreement as recited herein, be found to be in any way ineligible to enter this agreement, including but limited to PURCHASER providing false information in this agreement, and/or fail to provide all closing costs for this sale transaction within thirty (30) calendar days of the mailing date of SELLER'S written notice by U.S. mail confirming SELLER'S acceptance of the Offer to Purchase and requesting PURCHASER to close, then and in any of such events, SELLER may cancel this Agreement by giving PURCHASER written notice by U.S. mail and in such case the above referenced good faith deposit shall be retained by SELLER as liquidated damages; and in which event, PURCHASER 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.

Prior to the recording of the quit claim deed, should SELLER determine the terms and conditions of this Agreement cannot be fulfilled by SELLER, SELLER may cancel this Agreement by giving PURCHASER written notice by U.S. mail and any funds paid by PURCHASER shall be returned to PURCHASER.

14. SEVERABILITY

That if any provision of this Agreement shall be declared invalid, unenforceable, or unconstitutional, the other provisions of this Agreement shall continue in full force and effect.

15. NOTICE OF OPEN RECORDS

PURCHASER understands and acknowledges that SELLER is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to SELLER shall be the property of SELLER and is subject to being divulged as a public record in accordance with the laws of the State of Tennessee.

16. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the State of Tennessee.

17. RISK OF LOSS

In the event of total or partial destruction or damage to the Subject Property caused by flood, fire, other casualty, force majeure or any other cause occurring **prior** to the time of the closing and resulting in damage to the Subject Property, the SELLER shall assume and be responsible for the risk.

In the event of total or partial destruction or damage to the Subject Property caused by flood, fire, other casualty, force majeure or any other cause occurring **after** the closing and resulting in damage to the Subject Property, the PURCHASER shall assume and be responsible for the risk.

18. ENTIRE AGREEMENT

This Agreement and attachments contain the entire understanding among the parties with respect to the sale of the Subject Property and there are no other promises or conditions in any other agreements between the parties, whether oral or written, related to this sale. All covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the respective parties.

IN WITNESS WHEREOF, the undersigned PURCHASER has caused this Offer to Purchase to be executed the day and year first above written.

PURCHASER:

Purchaser's Rep: _____

Purchaser's Rep: _____

Address: _____

Address: _____

City: _____ State: __ Zip: _____

City: _____ State: __ Zip: _____

Phone No.: (____) _____

Phone No.: (____) _____

Email: _____

Email: _____

If a "Bid Off" is necessary, it will be held on the ____ day of _____, 20__ at _____ in the Shelby County Land Bank Office to determine the highest and best offer. A grace period of up to 15 minutes is permissible to allow for unforeseen circumstances of any bidder. Any bidder who is not available (i.e. present at the Bid Off; or represented by a person present at the Bid Off; or represented by written and received bid instructions at the Bid Off) by the end of this grace period shall be disqualified from the "Bid Off".

This Offer to Purchase is hereby received by _____, Delinquent Tax Property Sales _____, in the Shelby County Land Bank on behalf of Shelby County Government for sale processing on this ____ day of _____, 20__.

SHELBY COUNTY LAND BANK DELINQUENT TAX PROPERTY SALES PROCEDURE

1. No Delinquent Tax Property will be made available for sale to current Shelby County Government (“SCG”) employees, elected Shelby County Officials or their immediate family members (i.e. spouse or children living at home).
2. No Landlocked Delinquent Tax Property will be made available for sale to a prospective Purchaser unless that prospective Purchaser owns adjoining property with public roadway access or provides valid written arrangements with an adjoining property owner to establish public roadway access to the property to the Shelby County Land Bank (“SCLB”).
3. No Delinquent Tax Property will be made available for sale to any prospective Purchaser who is **NOT current in the payment of property taxes** due on his/her properties owned in Shelby County.
 - a. If the prospective Purchaser, who has been declared the successful bidder, is **NOT** current in payment of property taxes on his/her/its properties owned in Shelby County, this prospective Purchaser 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 SCG’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 this prospective Purchaser, who has been declared the successful bidder, 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, and his/her/its previously submitted funds for the good faith deposit **shall be forfeited** and applied to this prospective Purchaser’s past due property taxes.
 - b. If a prospective Purchaser, who is **NOT** declared the successful bidder, is subsequently found to be **NOT** current in payment of property taxes on his/her/its properties owned in Shelby County, this prospective Purchaser 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 SCG’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 this prospective Purchaser, who has **NOT** been declared the successful bidder, is unable to bring the payment of these property taxes current within said ten (10) day period and have **NOT** worked out a payment plan acceptable to the Shelby County Trustee’s office, his/her/its previously submitted funds for the good faith deposit **shall be forfeited** and applied to this prospective Purchaser’s past due property taxes.
4. **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. §67-5-27079(b)(8).

5. Once the prospective Purchaser has completed his/her/its **due diligence requirements***, the prospective Purchaser must sign an “Offer to Purchase” (See “Offer to Purchase” Agreement attached hereto and made a part hereof), along with other required **Additional Documents****; and submit payment of the required good faith deposit*** via Certified Funds, Cashier’s Check or Money Orders made payable to **Shelby**

- County Trustee** (personal checks and/or cash **NOT** accepted). The above described good faith deposit shall be nonrefundable, once the prospective Purchaser is declared the successful bidder.
6. Upon the prospective Purchaser’s signing of the “**Offer to Purchase**” and the other required **Additional Documents**, his/her payment of the required good faith deposit will be forwarded to the Shelby County Trustee’s Office for immediate deposit.
 7. In conjunction with the signing of the “**Offer to Purchase**” and the other required **Additional Documents**, the prospective Purchaser and SCLB staffer will set a specific date and time for a “**Bid Off**”, should one be necessary. The prospective Purchaser’s offer to purchase will shortly thereafter be advertised for one (1) day in the “**Daily News**” or for one publication in the “**Tri-State Defender**” identifying the property, disclosing the name of the prospective Purchaser, the price offered and the “**Bid Off**” date and time, as well as soliciting therein the submittal of additional purchase offers equal to or greater than 10% of the prospective Purchaser’s offer within **ten (10) working days** of the initial publication date of the Ad (**working days are based on SCG’s regular work schedule**). No additional offers will be accepted after this ten (10) working day period has expired.
 8. If additional purchase offers are received during the above said ten (10) working day period, a “**Bid Off**” will be held shortly thereafter on the date and time specified in the “**Daily News**” or “**Tri-State Defender**” advertisement at the Shelby County Land Bank office to determine the highest and best offer to purchase the subject property (See “**Bid Off**” Procedure attached hereto and made a part hereof). A grace period of up to 15 minutes is permissible to allow for unforeseen circumstances of any bidder. Any bidder who is not available (**i.e. present at the Bid Off; or represented by a person present at the Bid Off; or represented by written and received bid instructions at the Bid Off**) by the end of this grace period shall be disqualified from the “**Bid Off**”. Upon receipt of the first additional purchase offer, SCLB Staff will notify the prospective Purchaser, who submitted the initial purchase offer, by telephone that the “**Bid Off**” will be necessary and no written notice of the same will be given. At the conclusion of the “**Bid Off**”, the prospective Purchaser, who bids the highest purchase price, will be declared the successful bidder and his/her previously signed “**Offer to Purchase**” will be adjusted to reflect the high bid purchase price and new required good faith deposit***. Within forty-eight (48) hours of the “**Bid Off**” the successful bidder must submit the additional funds to establish the new required good faith deposit via Certified Funds, Cashier’s Check or Money Orders made payable to “**Shelby County Trustee**” (personal checks and/or cash **NOT** accepted). Should the successful bidder fail to submit the additional funds necessary to establish the new required good faith deposit within said forty-eight (48) hour period, his/her/its initially submitted deposit shall be forfeited; and said successful bidder shall be declared ineligible to participate in any Shelby County Land Bank property sales for twelve (12) months from the date of said forfeiture. In this situation, SCLB Staff will contact the second highest bidder by telephone and offer the property to the second highest bidder for the second highest bid purchase price. Upon receipt of the required additional funds, such additional funds will be forwarded to the Shelby County Trustee’s Office for immediate deposit. Following the “**Bid Off**”, SCLB Staff will notify the Shelby County Trustee’s Office of the “**Bid Off**” results and request it to promptly refund the required good faith deposit previously submitted by the unsuccessful bidders.
 9. If no additional purchase offers are received during the above said ten (10) working day period, SCLB Staff will contact the prospective Purchaser, who submitted the initial purchase offer, by telephone to advise this prospective Purchaser that he/she/it has been declared the successful bidder, and no written notice of the same will be given.
 10. Once a prospective Purchaser is declared the successful bidder, the “**Offer to Purchase**”, along with the other required **Additional Documents**, are signed, and the good faith deposit is submitted, SCLB Staff will prepare, schedule, and present a **Resolution** to the County Commission and County Mayor for approval of the sale.
 11. The successful bidder may be required to attend a Shelby County Board of Commissioners Committee Meeting and/or a full Commission Meeting as the Board may need the successful bidder to answer questions concerning the successful bidder’s proposed use and development of the Subject Property. The a Shelby County Board of Commissioners agendas are available at <https://shelbycountyttn.gov/71/Shelby-County-Board-of-Commissioners>.

12. Upon the County Commission’s approval of the sale, SCLB Staff will notify the successful bidder by telephone of the sale approval, confirming the County’s acceptance of his/her Offer to Purchase, and advising the successful bidder that he/she must now close the purchase within **thirty (30) calendar days** of the mailing date of SCLB Staff’s written notice to the successful bidder by U.S. mail confirming the County’s acceptance of this Offer to Purchase, listing the required final payment amount due at closing, and citing the thirty (30) day deadline date to bring in closing funds (balance of the purchase price, estimated transfer tax and recording fee).
13. By the thirty (30) day deadline to bring in closing funds, the successful bidder must submit the required final payment covering the balance of the purchase price, estimated 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)**. After this payment is accepted by the Shelby County Trustee, the successful bidder is given possession (not full ownership) of the Subject Property and the SCLB will provide a letter to Purchaser regarding possession.
14. In the event all closing funds for the Subject Property are not submitted to SCLB within said **thirty (30) calendar days**, SCLB Staff will declare the sale cancelled by giving the successful bidder written notice by U.S. mail and in such case the successful bidder shall **forfeit his/her/its previously submitted good faith deposit as liquidated damages**; and in which event, the successful bidder 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.
15. Upon SCLB receipt of the closing funds for the of the Subject Property purchase, the successful bidder’s required final payment covering the balance of the purchase price, estimated transfer tax and recording fee will be forwarded to the Shelby County Trustee’s Office for immediate deposit.
16. **Upon approval of the closeout of the sale, the Shelby County Trustee’s Office will complete the transaction per the agreement, executing the Quit Claim Deed, recording it with the Shelby County Register’s Office, and, thereafter, mailing the “Original Recorded Quit Claim Deed” to the successful bidder who is now the new owner of the property.**

This completes the County’s DELINQUENT TAX PROPERTY SALES PROCEDURE.

PURCHASER:

Purchaser’s Rep: _____

Date: _____, 20__

* **Due Diligence Requirements:**

All prospective Purchasers of SCLB Delinquent Tax Property **MUST** carry out a **due diligence verification** of the property, 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 Purchaser’s proposed purchase of the property.

Initial here _____ to acknowledge that these Due Diligence Requirements have been completed.

**** Additional Documents:**

All prospective Purchasers 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 an “Offer to Purchase” (See documents attached hereto and made a part hereof).

***** Good Faith Deposit Requirements:**

Property sales up to \$ 1,000.00 - Required Deposit is 100 % of “Offer to Purchase” purchase price amount plus an amount equal to the estimated transfer tax and recording fee.

Property sales from \$ 1,001.00 to \$10,000.00 - Required Deposit is \$ 1,000.00.

Property sales above \$ 10,000.00 - Required Deposit is 10 % of “Offer to Purchase” purchase price amount.

SHELBY COUNTY LAND BANK “BID OFF” PROCEDURE

- A. The **Bid Off** will be held on the Date & Time specified in the **Daily News** or **Tri-State Defender** advertisement, via conference call. A grace period of up to 15 minutes is permissible to allow for unforeseen circumstances of any bidder. Any bidder who is not available (**present at the Bid Off or represented by a person present at the Bid Off**) by the end of this grace period shall be disqualified from the **Bid Off**.
- B. The minimum bid increase amount will be established at the **Bid Off** prior to the start of bidding. The first bid will be from the prospective Purchaser who submitted the initial purchase offer and followed by the prospective Purchasers who submitted purchase offers thereafter within **ten (10) working days** of the initial publication date of the advertisement (**working days are based on SCG’s regular work schedule**) in the order that the purchase offers were received. (**If a bidder passes on his/her time to bid, he/she will not be allowed to continue bidding**) Bidding will continue in this order until the bidding stops, a high bid purchase price is established and a successful bidder is declared.
- C. At the conclusion of the **Bid Off**, the prospective Purchaser, who bids the highest purchase price, will be declared the successful bidder and his/her previously signed **Offer to Purchase** will be adjusted to reflect the high bid purchase price and new required good faith deposit**. Within forty-eight (48) hours of the **Bid Off** the successful bidder must submit the additional funds to establish the new required good faith deposit via Certified Funds, Cashier’s Check or Money Orders **made payable to Shelby County Trustee** (**personal checks and/or cash NOT accepted**). Should the successful bidder fail to submit the additional funds necessary to establish the new required good faith deposit within said forty-eight (48) hour period, his/her initially submitted deposit shall be forfeited; and said successful bidder shall be declared ineligible to participate in any Shelby County Land Bank property sales for twelve (12) months from the date of said forfeiture. In this situation, SCLB Staff will contact the second highest bidder by telephone and offer the Subject Property to the second highest bidder for the second highest bid purchase price. Upon receipt of the required additional funds, such additional funds will be forwarded to the Shelby County Trustee’s Office for immediate deposit. Following the **Bid Off** and the establishment of the successful bidder’s **Offer to Purchase**, SCLB Staff will notify the Shelby County Trustee’s Office of the **Bid Off** results and request it to promptly refund the required good faith deposit previously submitted by the unsuccessful bidders. (Note: Refunds are processed by the Shelby County Trustee’s Office in approximately four to five weeks).
- D. Once a prospective Purchaser is declared the successful bidder, the **Offer to Purchase**, along Additional Documents* attached herein, are signed, and the good faith deposit are submitted, SCLB Staff will proceed in accordance with the SCLB Delinquent Tax Property Sales Procedure.

* **Additional Documents:**

All prospective Purchasers 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 an “Offer to Purchase” (See documents attached hereto and made a part hereof).

** **Good Faith Deposit Requirements:**

Property sales up to \$ 1,000.00 - Required Deposit is 100 % of “Offer to Purchase” purchase price amount plus an amount equal to the estimated transfer tax and recording fee.

Property sales from \$ 1,001.00 to \$10,000.00 - Required Deposit is \$ 1,000.00.

Property sales above \$ 10,000.00 - Required Deposit is 10 % of “Offer to Purchase” purchase price amount.

**WAIVER AND RELEASE OF LIABILITY
AND INDEMNITY AGREEMENT**

I know that entry on Subject Property, Tax Parcel No. _____ and addressed _____, is at my own risk. I assume all risks associated with entry, including but not limited to falls, contact with other people or animals, unknown or undisclosed defects or dangerous conditions on the property or in structures on the property, the effects of weather, including water, freezing temperatures, high heat and/or humidity, the conditions of the paved and unpaved areas of the Subject Property, all such potential risks being known and appreciated by me. **All entrants must sign waiver.** No one under the age of eighteen (18) may sign the waiver.

Waiver: In consideration of being permitted to enter Subject Property, I, for myself, my heirs, personal representatives and assigns, do hereby covenant not to sue and release, waive, and discharge the Shelby County Land Bank and Shelby County, Tennessee, or either of their officers, officials, employees, agents and volunteers from any and all claims or liabilities, including but not limited to personal injury, accidents or illnesses (including death), and property loss arising from, but not limited to, entry to Subject Property.

Indemnification and Hold Harmless: I also agree to indemnify and hold harmless the Shelby County Land Bank and Shelby County, TN, and their officers, officials, employees, agents and volunteers from any and all claims, actions, suits, procedures, costs, expenses, damages and liabilities, including attorney’s fees brought as a result of my involvement in visiting the Subject Property and to reimburse them for any such expenses incurred by them from my entry to the Subject Property.

Severability: The undersigned further expressly agrees that the foregoing waiver of liability and indemnity agreement is intended to be as broad and inclusive as is permitted by the law of the State of Tennessee and that if any portion thereof is held invalid, it is agreed that the balance shall, notwithstanding, continue in full legal force and effect.

IMPORTANT:

THIS DOCUMENT RELIEVES THE SHELBY COUNTY LAND BANK AND SHELBY COUNTY, TENNESSEE AND OTHERS FROM LIABILITY FOR PERSONAL INJURY, WRONGFUL DEATH, AND PROPERTY DAMAGE CAUSED BY NEGLIGENCE.

I HAVE READ THIS WAIVER AND RELEASE OF LIABILITY AND INDEMNITY AGREEMENT, FULLY UNDERSTAND ITS TERMS, AND UNDERSTAND THAT I AM GIVING UP SUBSTANTIAL RIGHTS, INCLUDING MY RIGHT TO SUE. I ACKNOWLEDGE THAT I AM SIGNING THE AGREEMENT FREELY AND VOLUNTARILY, AND INTEND BY MY SIGNATURE TO BE A COMPLETE AND UNCONDITIONAL RELEASE OF ALL LIABILITY TO THE GREATEST EXTENT ALLOWED BY LAW.

PRINT NAME

SIGNATURE

DATE

PRINT NAME

SIGNATURE

DATE

GRATUITY DISCLOSURE FORM

Shelby County Ethics Commission

INSTRUCTIONS: This form is for all persons receiving any Shelby County Government contract, land use approval or financial grant money to report any gratuity that has been given, directly or indirectly, to any elected official, employee or appointee (including their spouses and immediate family members) who is involved in the decision regarding the contract, land use approval, or financial grant of money.

1. **NAME:** _____
2. **DATE OF GRATUITY:** _____
3. **NATURE AND PURPOSE OF THE GRATUITY:** _____
4. **NAME OF THE OFFICIAL, EMPLOYEE, APPOINTEE, OR FAMILY MEMBER WHO RECEIVED THE GRATUITY:**

5. **NAME OF THE PERSON OR ENTITY THAT PROVIDED THE GRATUITY:**

6. **ADDRESS OF THE PERSON OR ENTITY THAT PROVIDED THE GRATUITY:**

7. **DESCRIPTION OF THE GRATUITY:** _____
8. **COST OF THE GRATUITY (If cost is unknown and not reasonably discernible by the person giving the gratuity, then the person giving the gratuity shall report a good faith estimate of the cost of the gratuity.):** _____

The information contained in this Gratuity Disclosure Form, and any supporting documentation or materials referenced herein or submitted herewith, is true and correct to the best of my knowledge, information and belief and affirm that I have not given, directly or indirectly, any gratuity to any elected official, employee or appointee (including spouse and immediate family members) that has not been disclosed and I affirm that I have not violated the provisions of the Shelby County Government Code of Ethics.

Signature

Date

Print Name

PROPERTY USE AND RESPONSIBILITY DISCLOSURE FORM

Prospective Purchaser hereby acknowledges that he/she is aware that the Subject Property is identified as Tax Parcel No. _____ and addressed _____, and that the use and development of this Subject Property may be regulated by the Memphis and Shelby County Unified Development Code and Memphis and Shelby County Zoning Ordinance (or other municipal code of ordinances, be sure to check with that municipality for its regulations regarding the Subject Property). The permitted uses and restrictions may be determined by calling the Land Use and Development Services at (901) 636-6619 or by visiting its website at the following link: <http://www.shelbycountyttn.gov/index.aspx?NID=924>

As published, the purpose of the Department of Housing/Code Enforcement is to protect the public health, safety and welfare in existing buildings used for dwelling purposes. The department administrates and enforces sections of the City of Memphis Code of Ordinances. These ordinances regulate:

- Storage of inoperable or abandoned vehicles on public and private property
- Minimum housing standards for existing dwellings, and environmental conditions which may contribute to deterioration in the community
- Abandoned commercial structures, which may contribute to deterioration in the community

Some of the common complaints reported by citizens include abandoned houses and vehicles, structural defects in dwellings, and appliances or junk stored on property.

Concerned citizens are encouraged to telephone the Mayor's Citizen Service Center (Memphis 311) at (901) 576-6500 to file a complaint regarding unsafe housing conditions or inoperable vehicles.

Potential violations are discovered through citizen complaints, referrals from other agencies, inspector observations in an assigned area and systematic inspections in a target area. Once a complaint is received, an inspector may investigate to determine if there is an ordinance violation. If there is a violation, the inspector may notify the owner verbally or in writing. When there are numerous violations, the owner is mailed a list of violations, and a "Notice of Hearing".

After a violation order is issued for structural or environmental conditions, periodic follow-up inspections are conducted to determine if compliance has been met. Follow-up inspections are done to determine if compliance has been met. Depending on the circumstances and severity, the Department of Housing/Code Enforcement can opt to:

- Give an extension to meet compliance
- Court action
- Issue an order to vacate the premises
- Issue an order not to occupy until repairs are made
- Condemnation

Should the owner fail to comply, court action can be initiated at any time after the first follow-up inspection. The department utilizes the General Sessions Environmental Court to resolve cases where the violator has voluntarily failed to comply.