

**Town of Agawam
Sale of Foreclosed Tax Title Properties**

**Terms and Conditions of Auction Sale
February 6, 2008**

1. Prior to the start of the auction, all bidders shall be required to provide verification of their deposit in the amount of Five Thousand Dollars (\$5,000.⁰⁰), in the form of a certified check, bank check or money order, per property, payable to the Town of Agawam (**no personal checks or cash will be accepted**). The successful bidders' checks will be non-refundable. The successful bidders shall pay the balance of the purchase price at the time of the closing by certified check, bank check, money order or attorney's trustee check. Bids shall be made in a minimum of One Thousand Dollar increments, or an amount as specified by the Auctioneer.

2. The properties being offered have been foreclosed by Decree from the Land Court. All properties will be sold "as is". The Town of Agawam ("City"), its Treasurer, employees, representative and/or agents make NO WARRANTIES OR REPRESENTATIONS AS TO THE PROPERTIES, INCLUDING BUT NOT LIMITED TO, THEIR CONDITION, CONSTRUCTION, FITNESS FOR HABITATION OR WHETHER THEY CONFORM TO APPLICABLE STATE OR LOCAL BUILDING AND SANITARY CODES, THE INSURABILITY OR MARKETABILITY OF ANY TITLE OTHER THAN THAT THE TITLE HAS BEEN FORECLOSED UPON BY THE COURT.

3. Any materials or documents concerning this auction prepared or furnished by the City, the Auctioneer, or its employees 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 draw their own conclusions.

4. The properties shall be conveyed subject to any environmental conditions, if any, including but not limited to hazardous waste conditions, which may or may not be in compliance with any applicable laws, policies or regulations.

5. The properties shall be conveyed subject to any tenants or occupants, if any. It will be the responsibility of the successful bidder and not the City to evict any former owner or any person who may be residing or conducting a business on the premises and to remove any personal property.

6. The properties shall be conveyed subject to MGL c. 60, §69A concerning time for vacating a decree of foreclosure.

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

8. Any error, misstatement or omission in the description of the property shall not annul the sale, or be grounds for any abatement or compensation.

9. The Tax Title Custodian reserves the right to reject any bid from any bidder, cancel the sale to any bidder and retain the deposit from any bidder who is not qualified pursuant to the paragraph below.

10. The following person(s) shall not be qualified to be the successful bidder: (1) the prior owner of the property or his/her agent, representative, assign or straw; (2) any person who owes the Town of Agawam any monies in the form of previously incurred real estate taxes, rents, water and sewer charges, motor vehicle excise taxes, personal property taxes, parking tickets or any other indebtedness; (3) any person who failed to close on the purchase of a property at a previous Public Auction, failed to perform in a timely manner any rehabilitation on a property and/or failed to comply with or violated any terms and conditions of sale; (4) any person who was subject to a tax title foreclosure by the City; and (5) 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, housing, building, fire and zoning, as determined by the Town's Code Enforcement Department. 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, who has current code or ordinance violations or has previously failed to comply with Orders issued by any code enforcement department, as determined by the Town's Code Enforcement Department, 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 Tax Title Custodian reserves the right to reject any and all bids at said auction and may adjourn the same if, in his 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 periods as the Tax Title Custodian deems expedient giving notice thereof at the time and place appointed for the sale or for any adjournment thereof.

12. In the event a deposit is received from any person in violation of these Terms and Conditions of Sale, and the deed of transfer has passed, the purchase will on demand re-convey to the Town of Agawam, at no cost and for no consideration, all his/her right, title and interest in the purchased property. If such a violation of these 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. All monies or deposits collected shall be forfeited and applied to any prior real estate taxes, rents, water and sewer charges, motor vehicle excise taxes, personal property taxes, parking tickets or any other indebtedness owed by the purchaser, former owner, agent representative, or straw to the Town of Agawam on any property owned by the purchaser or the aforementioned.

13. The successful bidder shall be required to submit an Affidavit (pursuant to MGL c. 60, §77B) as to qualifications under paragraph 10 and as to the fact s/he is not acting as an agent, representative or straw of any person subject to the provisions of paragraph 10. Also, the successful bidder will be required to submit an Affidavit of Disclosure of Property Owned in the Town of Agawam. Copies of the aforementioned Affidavits are available online at www.posnik.com or by contacting Aaron Posnik & Co., Inc. at (413) 733-5238. Copies will also be available at the Auction.

14. The successful bidder for any residential property constructed prior to 1978 will be required to sign a Lead Paint Notification Waiver and a Property Transfer Notification Certification. Copies of the aforementioned documents are available online at www.posnik.com or by contacting Aaron Posnik & Co., Inc. at (413) 733-5238. Copies will also be available at the Auction.

15. At closing, the successful bidder shall execute a Reverter Deed to the Town, which shall be held in escrow by the City pending satisfaction of any deed restrictions and the Terms and Conditions of Sale.

16. All properties will be sold free and clear of any unpaid real estate taxes or municipal liens assessed prior to foreclosure by the Town. However, the successful bidder is required, pursuant to MGL c. 44, §63A, to make a payment in lieu of taxes (pro forma tax) from the date of the deed transferring title from the Town to the successful bidder to June 30, 2009 (the end of the Fiscal Year plus the next succeeding Fiscal Year). Such tax shall be computed by applying the tax rate for such fiscal year to the sale price.

17. The Town of Agawam will record such deed at the Hampden County Registry of Deeds after the execution thereof and the successful bidder, pursuant to MGL c. 60, §77A, shall pay the expense of such recording.

18. The balance of the purchase price must be paid by certified funds within forty-five (45) days of the auction sale.

19. The right to keep such deposit as liquidated damages shall belong to the City if condition no. 18 is not fulfilled.

20. All conditions, restriction 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 for a term of thirty (30) years after the date of the deed creating them unless released by the City.

21. Each deed from the City conveying a property to a successful bidder shall contain the following restrictions:

- a. The grantee cannot sell the property until any authorized work is completed and approved by the City's Inspection Services Department.
- b. If the grantee violates any term and/or condition of sale, the City reserves the right to record the Reverter Deed thereby conveying the property back to City ownership at no cost and for no consideration. However, this restriction will not be contained in the deed if the successful bidder obtains conventional financing for the purchase of a property.

22. The Tax Title Custodian 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 Tax Title Custodian to sell to the second highest bidder or the third highest bidder in the event of such default.

23. All properties shall be sold subject to a Buyer's Premium of ten percent (10%).

24. These Terms and Conditions are incorporated into the Memorandum of Sale, copies of which are available online at www.posnik.com or by contacting Aaron Posnik & Co., Inc. at (413) 733-5238. Copies will also be available at the Auction. The Tax Title Custodian, in his 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 Memorandum of Sale.