

Lone Star

Texas

CITY OF LONE STAR, TEXAS INVITATION FOR SEALED BIDS

Sealed Bid Auction for the sale of the real property described in the Schedule of this Invitation for Sealed Bids opening will occur publicly at the date, time and place as follows:

- Date: June 4, 2018
- Place: Bids must be received in the office of the City Secretary no later than 11:59 a.m.
- Location: City of Lone Star, City Hall Council Chambers, 201 West Industrial Blvd., Lone Star, TX 75668
- Time: Bid opening begins promptly at 2:00 p.m. CST.
- It is the sole responsibility of responder to have the bid packet at designated location prior to the deadline date and time.

This Invitation for Sealed Bids is subject to, and all bids submitted must be in compliance with the:

- Schedule,
- Special Terms of Sale,
- General Terms of Sale,
- Instructions to Bidders,
- Bid Forms and Acceptance,

all of which are attached hereto and by this reference made a part hereof.

Introduction

The City of Lone Star ("City") is accepting formal bids for sale of real property described below in the Offering in accordance with the Texas Local Government Code.

Bid Deposit: \$500.00 deposit required for the Sale Item. Cashier's check or certified check only which must be made payable to the order of the "City of Lone Star". A Bid Deposit is required for the Sale Item bid. No offer will be accepted without a Bid Deposit in the form and amount indicated above.

Terms: All cash; "As-is/Where-is" with no warranties or guarantees of any kind.

Bid Deposit is due at time of bid submission. Balance of purchase price is due upon closing. It is the intention of the City to sell the Property(ies) based on best value bid that is submitted. The City reserves the right to reject any and/or all bids.

Closing Fees/Costs: The cost of any owner's or lender's policy(ies) of title insurance will be at the Bidder's expense and option. City does not have a recent survey. Any contract, sale or proposal shall be deemed to include the following terms, conditions and provisions whether or not such terms, conditions

and provisions are expressly incorporated therein. If the Bidder objects to any of the following terms, conditions and/or provisions, Bidder must expressly delete the specific terms, provision or condition from its Proposal. The City reserves the right to accept or reject the objections. The Bidder shall pay all costs associated with the purchase and conveyance of the real estate and related improvements and/or property including recordation costs of the deed, title or other expenses incidental to the closing of this transaction and this cost is not to be included in the Bidder's bid response price. Inspection: All Sale properties may be inspected at any time. Due to the restrictions placed on this property, all prospective bidders are encouraged to inspect the property prior to placing a bid. Please refer all questions to Devon Whatley, City Secretary, at (903)656-2311.

Proceeds: The proceeds from this sale shall be paid to the City of Lone Star and shall be paid by the High Bidder in accordance with Instructions to Bidders contained herein.

SCHEDULE

I. The Offering

Property #1: All of that certain lot, tract, or parcel of land being Lot 28, Block 8, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.203 Acres (8858 sqft). (Minimum Bid \$2,250.00).

Property #2: All of that certain lot, tract, or parcel of land being Lot 29, Block 8, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.174 Acres (7583 sqft). (Minimum Bid \$2,250.00).

Property #3: All of that certain lot, tract, or parcel of land being Lot 30, Block 8, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.190 Acres (8294 sqft). (Minimum Bid \$2,250.00).

Property #4: All of that certain lot, tract, or parcel of land being Lot 31, Block 8, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.197 Acres (8577 sqft). (Minimum Bid \$2,250.00).

Property #5: All of that certain lot, tract, or parcel of land being Lot 32, Block 8, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.241 Acres (10485 sqft). (Minimum Bid \$2,250.00).

Property #6: All of that certain lot, tract, or parcel of land being Lot 9, Block 14, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.265 Acres (11550 sqft). (Minimum Bid \$5,000.00).

Property #7: All of that certain lot, tract, or parcel of land being Lot 10, Block 14, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.198 Acres (8608 sqft). (Minimum Bid \$5,500.00).

Property #8: All of that certain lot, tract, or parcel of land being Lot 11, Block 14, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.246 Acres (10700 sqft). (Minimum Bid \$5,500.00).

Property #9: All of that certain lot, tract, or parcel of land being Lot 12, Block 14, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.240 Acres (10436 sqft). (Minimum Bid \$6,000.00).

Property #10: All of that certain lot, tract, or parcel of land being Lot 1, Block 15, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.266 Acres (11578 sqft). (Minimum Bid \$5,500.00).

Property #11: All of that certain lot, tract, or parcel of land being Lot 2, Block 15, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.179 Acres (7800 sqft). (Minimum Bid \$5,500.00).

Property #12: All of that certain lot, tract, or parcel of land being Lot 3, Block 15, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.179 Acres (7800 sqft) (Minimum Bid \$6,000.00).

Property #13: All of that certain lot, tract, or parcel of land being Lot 4, Block 15, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.179 Acres (7800 sqft). (Minimum Bid \$6,000.00).

Property #14: All of that certain lot, tract, or parcel of land being Lot 2, Block 16, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.189 Acres (8250 sqft). (Minimum Bid \$4,500.00).

Property #15: All of that certain lot, tract, or parcel of land being Lot 3, Block 16, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.220 Acres (9600 sqft). (Minimum Bid \$4,500.00).

Property #16: All of that certain lot, tract, or parcel of land being Lot 11, Block 17, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.179 Acres (7800 sqft). (Minimum Bid \$4,000.00).

Property #17: All of that certain lot, tract, or parcel of land being Lot 12, Block 17, Edgemont Subdivision, an addition to the City of Lone Star, situated in the Leander Kidd Survey, A-208, Morris County, Texas, according to the plat of record filed in Volume 1, Page 6, Morris County Plat Records, Morris County, Texas. A lot being approximately 0.179 Acres (7800 sqft). (Minimum Bid \$5,000.00).

See attached Exhibit A map.

II. Access: Access to parcels is by existing right-of-way.

III. Utilities: Utility services are available in the general vicinity and property is in the Lone Star City Limits.

IV. Zoning: The subject parcels are is currently zoned single-family residential.

V. Inspection for Health and Building Codes: **CITY will not conduct or fund the following services:** (1) land survey, (2) testing or pumping septic leach field system, (3) testing, pumping or removal of underground fuel storage tanks, (4) termite inspection, (5) testing for asbestos, (6) testing for lead based paint, (7) title insurance, (8) domestic water quality test and (9) appraisal. If purchaser desires these services, they are to be acquired at the purchaser's expense.

SPECIAL TERMS OF SALE

1. Bid Deposit-Terms Bids to purchase must be on a cash basis only. NO CREDIT TERMS ARE AVAILABLE. We have no information on the availability of private financing or on the suitability of this property for financing. A bid deposit of \$500.00 is required for each parcel. Only cashier's checks or certified checks will be accepted. A BID DEPOSIT MUST ACCOMPANY EACH AND EVERY BID SALE ITEM PURCHASED.

The Pay to the Order of should be made out to: "City of Lone Star." The full balance of the purchase price is payable upon closing. **All bidders offer and agree that their bid is a continuing bid for a period of Ninety (90) calendar days after the date of auction to purchase the described property for the bid price entered into the Offer to Purchase received from the bidder by the City of Lone Star.** The bidder shall be prepared to close within 30 days following the City of Lone Star's bid acceptance.

2. Bid Price

City of Lone Star seeks to obtain fair market value for the property and reserves the right to reject any and all bids. The appraisal report is not available.

3. Prospective Purchasers Agreement Bidder's offers are contingent upon City of Lone Star and the Bidder having entered into a prospective Purchaser Agreement (PPA) on or before the date of closing. This contingency may be omitted at the option of the Offeror. ALL BIDS ARE TO BE RETURNED WITH PURCHASE AGREEMENT COMPLETED AND SIGNED.

GENERAL TERMS OF SALE

1. TERMS – “INVITATION FOR SEALED BIDS.”

The term “Invitation for Sealed Bids” as used herein refers to the foregoing Invitation for Sealed Bids, and its schedule; the Instructions to Bidders; the general terms of sale set forth herein; and the provisions of the Special 3 Terms of Sale, and Bid Form all as may be modified and supplemented by any addenda that may be issued prior to the time fixed in the Invitation for Sealed Bids for the opening of bids or conduction of a public auction.

2. DESCRIPTIONS IN INVITATION FOR SEALED BIDS. The description of the property set forth in the Invitation for Sealed Bids and any other Information provided therein with respect to said property are based on information available to the City and are believed to be correct, but any error or omission, including but not limited to the omission of any information available to the agency having custody over the property and/or any other state agency, shall not constitute grounds or reason for nonperformance of the contract of sale, or claim by purchaser for allowance, refund, or deduction from the purchase price.

3. INSPECTION Bidders are invited, urged, and cautioned to inspect the property to be sold prior to submitting a bid. The failure of any bidder to inspect, or to be fully informed as to the condition of all or any portion of the property offered, will not constitute grounds for any claim or demand for adjustment or withdrawal of a bid after the bid opening or auction.

4. CONDITION OF PROPERTY. **The property is offered for sale and will be sold “As Is” and “Where Is” without representation, warranty, or guaranty as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and no claim for any allowance or deduction upon such grounds will be considered after the bid opening or conclusion of an auction.**

5. ZONING/USE. Verification of the present zoning and determination of permitted uses there under, along with compliance of the property for present or proposed future use, shall be the responsibility of the bidder and the City of Lone Star makes no representation in regards thereto. The City of Lone Star does not guarantee that any zoning information is necessarily accurate or will remain unchanged. Any inaccuracies or changes in the zoning information shall not be cause for adjustment or rescission of any contract resulting from this Invitation for Sealed Bids or Sales Agreement.

If successful Bidder seeks, another use not compatible with current zoning, successful Bidder must comply with City’s zoning process and any zoning amendment shall be at the sole discretion of the City Council.

6. CONTINUING OFFERS. Each bid received shall be deemed a continuing offer after the date of bid opening or auction for 90 calendar days, unless the bid is accepted or rejected by the City of Lone Star before the expiration of the 90 calendar days. If the City of Lone Star desires to accept any bid after the expiration of the 90 calendar days, the consent of the bidder shall be obtained prior to such expiration.

7. POSSESSION. The successful bidder agrees to assume possession of the property as of the date of conveyance.

8. REVOCATION OF BID AND DEFAULT. In the event of revocation of a bid after the opening of bids or conducting of an auction but prior to acceptance, or in the event of revocation of a bid after notice of acceptance, or in the event of any default by the successful bidder in the performance of the contract of sale created by such acceptance, or in the event of failure by the successful bidder to consummate the transaction, **the deposit, together with any payments subsequently made on account, may be forfeited at the option of the City of Lone Star, in which event the bidder shall be relieved from further liability, or without forfeiting the said deposit and payments,** the City of Lone Star may avail itself of any legal or equitable rights which it may have under the bid or contract of sale.

9. CITY OF LONE STAR LIABILITY If this Invitation for Sealed Bids is accepted by the City of Lone Star and: (1) The City fails for any reason to perform its obligations as set forth herein; or (2) Title does not transfer or vest in the Purchaser for any reason although Purchaser is ready, willing, and able to close, the City shall promptly refund to Purchaser all amounts of money Purchaser has paid without interest **whereupon the City shall have no further liability to Purchaser.** Further, the City may rescind its approval at any time subsequent to acceptance and approval and prior to conveyance, if it is reasonably determined by the City that such action is justified in the light of the circumstances then prevailing. Any rescission, pursuant to this paragraph will be without liability on the part of the City other than to return the earnest money deposit, if any, without interest.

10. TITLE EVIDENCE. Any title evidence desired by the successful bidder will be procured by the successful bidder at the sole cost and expense of the successful bidder. The City of Lone Star will, however, cooperate with the successful bidder or his authorized agent in this connection, and will permit examination and inspection of such deeds, abstracts, affidavits of title, or other documents relating to the title of the premises and property involved, as it may have available. It is understood that the City of Lone Star will not be obligated to pay for any expense incurred in connection with title matters or survey of the property.

11. TITLE. If a bid for the purchase of the property is accepted, the City's interest will be conveyed by a **quitclaim deed or deed without warranty** and/or, where appropriate, a bill of sale in conformity with local law and practice.

12. TENDER OF PAYMENT AND DELIVERY OF INSTRUMENT OF CONVEYANCE. The City of Lone Star shall set a sale closing date, said date to be no later than 30 calendar days after acceptance of the bid. On the closing date, the successful bidder shall tender to the City of Lone Star the balance of the purchase price. Only cashier's check, certified check, or money order will be accepted and must be payable to the City of Lone Star. Upon such tender being made by the successful bidder, the City, after recordation, shall deliver to the successful bidder the instrument, or instruments, of conveyance. The City of Lone Star reserves the right to extend the closing date for a reasonable amount of time for purposes of preparing necessary conveyance documents.

13. DELAYED CLOSING. The successful bidder shall pay interest on the outstanding balance of the purchase price if the closing of the sale is delayed, and the delay is caused, directly or indirectly, by the successful bidder's action and not by any action on the part of the City of Lone Star. The interest rate shall be computed based on the yield of 10-year United States Treasury maturities as reported by the Federal Reserve Board in "Federal Reserve Statistical Release H.15" plus 1-1/2% rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance. The City of Lone Star reserves the right to refuse a request for extension of closing.

14. DOCUMENTARY STAMPS AND COST OF RECORDING. The successful bidder shall pay all taxes and fees imposed on this transaction and shall obtain at bidder's own expense and affix to all instruments of conveyance and security documents such revenue and documentary stamps as may be required by federal and local law. All instruments of conveyance and security documents shall be placed on record in the manner prescribed by local recording statutes at the successful bidder's expense.

15. CONTRACT. The Invitation for Sealed Bids, and the bid when accepted by the City of Lone Star, shall constitute an agreement for sale between the successful bidder and the City of Lone Star. Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract. Nor shall the contract, or any interest therein, be transferred or assigned by the successful bidder without consent of the City of Lone Star, and any assignment transaction without such consent shall be void.