

**RESOLUTION AUTHORIZING THE SALE OF CITY PROPERTY
NOT NEEDED FOR PUBLIC USE.**

COUNCIL
following resolution:

offered and moved adoption of the

WHEREAS, the City of Jersey City (hereinafter referred to as the “City”) is the Owner of the following properties; and,

WHEREAS, said properties are not needed for public use; and,

WHEREAS, the City is authorizing to sell any such properties by public sale to the highest bidder pursuant to N.J.S.A. 40A:12-13 et seq; and,

WHEREAS, it is in the best interest of the City that a public auction be held for such properties;

NOW THEREFORE BE IT RESOLVED, by the Municipal Council of the City of Jersey City that:

1. The properties listed below are hereby offered for public sale to the highest bidder at no less than the minimum price set forth herein, subject to the conditions hereinafter as set forth in the terms and conditions of a contract of sale to be executed by the parties, at the **Assembly Chamber, City Hall, 280 Grove Street, Jersey City, New Jersey on Tuesday, March 30, 2010 at 10:00 A.M. in the forenoon.**
2. The sale shall be conducted by the Department of Administration, Real Estate Office of the City of Jersey City or by persons designated by the Business Administrator.
3. The sale shall be made subject to:
 - (a) such state of facts which an accurate survey may disclose;
 - (b) easements and restrictions of records, if any;
 - (c) tenancies, leaseholds, and rights of persons in possession;
 - (d) all federal, state, county and municipal laws, statutes, codes, ordinances, rules and regulations affecting the property, its use and occupation;
 - (e) riparian rights or claims;
 - (f) Certificate of Occupancy issued by the Division of Building.
4. The properties herein described, or any part thereof, are sold “as is” and without any representation or warranty, either expressed or implied, as to their present condition.
 - (a) Prospective purchasers are put on notice that the City’s records as to any code violations may not be accurate or up to date and the City expressly makes no representations as to such violations.
 - (b) Purchasers will be given an opportunity to inspect the property prior to the auction to ascertain the condition of the property.
 - (c) It shall not be grounds to nullify the contract of sale if the purchaser discovers or is notified of any code violations after the sale.

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5. In the event that the State of New Jersey or any upland owner shall have any rights or claims on the land being sold herein by reason of a riparian interest or otherwise are to be paid for and borne by the purchaser, in addition to the sale price which is bid for said property.
6. All prospective purchasers are put on notice to consult the Water and Sewerage Department for existing facilities.
7. The purchase price for such properties shall be paid by any of the following methods:
 - (a) By payment to the City of Jersey City in cash, money order, bank check or certified check the full purchase price immediately after the conclusion of the bidding for a specific property.
 - (b) By payment to the City of Jersey City immediately after the conclusion of the bidding for a specific property twenty (20%) percent of the minimum bid price by cash, money order, bank check or certified check.
 - (c) If the purchaser fails to pay the additional deposit required within ten (10) days from the sale date, the initial deposit will be automatically forfeited.
 - (d) The balance of the purchase price is to be paid by certified check, money order or bank check within two (2) months of the date of Confirmation of Sale.
 - (e) If the purchaser fails to pay the balance of the purchase price within two (2) month time limit, the sale to the purchaser is automatically canceled and the deposit shall be forfeited.
8. Purchaser may at its option arrange for a report on title before closing. Within thirty (30) days after the confirmation of sale by the governing body, purchaser shall notify the City in writing of any defects of title which may render title unmarketable. Marketable title is defined herein to mean title which a title company authorized to do business in the State of New Jersey is willing to insure at regular rates. Upon confirmation of such notice, the City shall refund purchaser's entire purchase price without interest and neither party shall have any further obligation or claim under this contract. If the purchaser fails to notify the City in accordance with this paragraph, purchaser shall be deemed to have waived all objections to title.
9. Upon conveyance of deed and notice of termination:
 - (a) Upon delivery of deed, the purchaser shall be entitled to receive all rents and profits from the property and shall be liable for and make payment to the City for all real property taxes, water and sewerage charges, or other assessments against said properties;
 - (b) The purchaser may not use the property as a residence either for him/herself, until he or she has **both**
 - (I) repaired, altered or improved the property so that it complies with the Jersey City Property Maintenance Code and Construction Code and any applicable State and Federal Codes; and,
 - (II) obtained either a temporary or permanent Certificate of Occupancy by the City of Jersey City Construction Official.

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10. Upon the date of delivery of deed to the purchaser, risk of loss or damages to the property by fire, storm, burglary, vandalism or other casualty shall be assumed by the purchaser, who shall be completely responsible therefore without any claim against the City. The purchaser shall not be released, by reason of any such loss or damage to the property from any obligation hereunder and shall at his/her own expense properly repair and restore same, without limiting the obligations of the purchaser hereunder, the proceeds of any insurance coverage provided by the purchaser, shall be made available to the purchaser for such repair or restoration. Further, from the date of contract of the sale the purchaser shall release the City from and shall covenant and agree that the City shall not be liable for and to indemnify and hold the City harmless against any loss or damage to property or injury to or death defect in the property to be conveyed or, arising from any neglect of the City or any construction or rehabilitation performed on the property prior to the date of delivery of deed.
11. If purchaser fails to pay the purchase price when due or within a time as extended or fails to comply with any term of this contract, the Division of Real Estate may at its option rescind the contract or sue purchaser for any damages accruing or both. The City's failure to exercise any right or power arising out of purchaser's breach of this contract, shall not be deemed a waiver.
12. The highest bid shall be made subject to acceptance or rejection by the governing body, but the acceptance or rejection therefore shall be made not later than the second regular meeting of the governing body following the sale, and if the governing body shall fail or refuse to accept or reject the highest bid as afore said, the said bid shall be deemed to have been rejected. The City also reserves the right to reject all bids where the highest bid is not accepted upon notice to the highest bidder and hearing thereto.
13. **PLEASE TAKE NOTICE** that no employee, agent, officer body or subordinate body has any authority to waive, modify or amend any of the conditions of sale without the express approval of the governing body of the City.
14. No commissions shall be paid to any agent, representative or broker or the successful purchaser of any of the properties listed for sale by the City.
15. The prices set forth as minimum herein are merely upset prices and do not constitute market value or future assessments.

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16. The purchaser shall not assign or transfer the Contract of Sale, or any interest therein without the prior approval of the Municipal Council of the City of Jersey City, and such approval to assign to transfer shall be deemed to be an approval of a subsequent assignment or transfer. Any assignment or transfer without the approval shall be void and shall constitute a default and breach. No assignment of the Contract of Sale or any interest therein shall be made to any person prohibited from purchasing property from the City pursuant to paragraph 19 of this Resolution and Chapter 9 of the Jersey City Code. In the event of approval of an assignment of a Contract of Sale, the assignee of said contract shall comply with all the conditions of sale required under the terms and conditions of the sale.
17. The City or its duly authorized agents and inspectors shall have the right at all reasonable times to enter upon the property and to examine and inspect the property to determine compliance with the Resolution and the Contract of Sale, or to enforce any remedies in the event of default.
18. The City shall execute a Contract of Sale with any successful bidder upon terms and conditions consistent herewith and upon any additional terms and conditions which are necessary to effectuate the purposes herein and to secure the best interests of the City of Jersey City and its citizens, provided that any additional terms and conditions shall not be inconsistent with the terms and conditions of this resolution.
19. Additional Conditions of Sale.
 - (a) No sale shall be made to any person nor shall said person be permitted to bid who, prior to such sale, has purchased the property being sold or any other property from the City and has breached any of the conditions and terms of the purchase of property from the City.
 - (b) No person who was the previous owner of the property to be sold be permitted to bid for said property if the property was acquired by the City by reason of the non-payment of taxes or other municipal charges by such prior owner.
 - (c) No person shall be permitted to bid for any property to be sold by the City if that person is delinquent in the payment of taxes or other municipal charges on any other property which such person shall own in the City.
 - (d) No sale shall be made to any person who owns other property in the City regarding which properties there exists violations of the Property Maintenance Code and/or Uniform Construction Code, which violations have not been corrected at the time of the sale.

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- (e) **PLEASE TAKE NOTICE** all bidders, whether they be the actual prospective purchasers or agents of or representatives of the actual prospective purchasers, shall submit an affidavit, under oath, setting forth the following:
 - (i) That the actual purchaser is not a person who has previously breached a contract for the purchase of property from the City.
 - (ii) That the actual prospective purchaser is not the former owner from whom the City acquired the property to be sold or any other property by reason of the non-payment of taxes or other municipal charges.
 - (iii) That the actual prospective purchaser is not the owner of any other property in the City who is delinquent in the payment of taxes or other municipal charges on said other property.
 - (iv) That the actual prospective purchaser is not the owner of any other properties in the City regarding which there exists Violations of the Property Maintenance Code and/of Uniform Construction Code, which violations have not been corrected at the time of the sale.
 - (v) Such affidavit shall contain the address and block and lot numbers of all the properties the prospective purchaser owns in the City.
- (f) Such affidavit shall be submitted to the officer conducting the sale prior to the commencement of the public auction of the particular parcel in which the prospective bidder is interested. Failure to submit said affidavit shall disqualify a bidder from participating in the public auction.
- (g) No sale to the highest bidder shall be confirmed by the Municipal Council, in the event an investigation and/or inspection reveals that the purchaser is a person who falls within the categories listed in paragraph 19 sub-section (a) through (f).
- (h) In the event a sale is confirmed by the Municipal Council and after the sale has been confirmed by the Municipal Council, it is discovered that the purchaser is a person who falls within the categories set forth in paragraph 19 sub-section (a) through (f) of this resolution, then the purchaser is placed on notice that the said confirmation of sale shall be rescinded by the Municipal Council.

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20. The City of Jersey City conveys this property to buyer so long as buyer rehabilitates the property in compliance with the Uniform Construction Code and the Property Maintenance Code. The buyer shall demonstrate compliance with the Uniform Construction Code and the Property Maintenance Code by obtaining a Certificate of Occupancy from the Construction Official. The Construction Official may issue a temporary Certificate of Occupancy for portions of the building provided such portions are in substantial compliance with code standards. Securing a temporary Certificate of Occupancy shall not however, constitute compliance with the condition of sale. Upon receiving a deed, listed below is the period of time in which a purchaser shall have to repair, alter and improve the property.

1 Unit Building – 360 Days (12 Months)

2-5 Unit Building – 450 Days (15 Months)

6 or More Units or Special Purpose Building – 540 Days (18 Months)

The City Council will not under any circumstances grant an extension of the rehabilitation period listed above.

21. **PLEASE TAKE NOTICE** the buyer shall not sell, convey or otherwise transfer the above described property until the buyer has rehabilitated the property in compliance with the other conditions of sale contained in the resolution. If the buyer (1) fails to make the required repairs within the time allotted in Paragraph 20, (2) sells or attempts to sell the property before making the required repairs, or (3) refuses access to City Officials seeking to inspect the property, title to the property shall automatically revert to and become vested in the City of Jersey City. The City Council shall upon the buyer's completion of all the terms and conditions of sale adopt a resolution stating such fact and shall remove from the deed the restriction against alienation.
22. The City of Jersey City's right of reversion is hereby subordinated to the mortgage of the buyer's lender specifically as follows: A transfer of title to such mortgagee pursuant to the mortgage will not be considered a condition activating the City of Jersey City's right of reversion. The express intent being that prior to reversion of title to the City of Jersey City, the mortgagee shall have the right to assume the obligations and duties of buyer set forth in this deed including the buyer's duty to make the required repairs within the number of days as set forth in the Council resolution authorizing the sale of property at public auction. The assumption of the duties and obligations of the buyer by the mortgagee shall not extend the time period for completion of repairs. The mortgagee's right to assume the duties and obligations of the buyer shall arise upon a default under the mortgage and/or upon a default under the terms and conditions of the City Council resolution authorizing the sale of this property at public auction.
23. All offers to bid shall be in increments of no less than one thousand dollars (\$1,000.00).

SEE RIDER ATTACHED

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