



# **City of Plainfield**

## **Property Auction**

**October 21, 2020**

**11:00 am**

**City Hall**

**515 Watchung Avenue**

**Plainfield, NJ 07060**

## AUCTION LIST

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>COMMENTS</u>	<u>MINIMUM BID</u>
109	63	664 West 4 <sup>th</sup> Street	Vacant Land - 30 x156.49	\$5,000
110	19	207 Spooner Avenue	Vacant Land - 34.67 x 100	\$5,000
110	20	201-05 Spooner Avenue	Vacant Land – 55 x 100	\$5,000
111	2	667-69 South 2 <sup>nd</sup> Street	Vacant Land – 50 x 164.12	\$10,000
111	9	647 South 2 <sup>nd</sup> Street	Vacant Land – 32 x 100.15	\$5,000
113	8	200-02 Spooner Avenue	Vacant Land – 52 x 88	\$5,000
113	9	204 Spooner Avenue	Vacant Land – 34 x 93	\$5,000
116	16	216-18 Grant Avenue	Vacant Land – 45 x 150	\$10,000
128	26	1037-43 West 3 <sup>rd</sup> Street	Two Family House	\$25,000
325	64.01	213-15 Richmond Street	Vacant Land – 60 x 133.9	\$10,000
326	29	543 East 2 <sup>nd</sup> Street	Vacant Land – 43 x 143.5	\$10,000
337	11	264-66 Garfield Avenue	Vacant Land – 44 x 104.75	\$5,000
548	9	953-55 West 4 <sup>th</sup> Street	Commercial Building	\$25,000
554	7	400-04 Grant Avenue	Vacant Land – 75.19 x 76.76	\$5,000
618	14	603-05 Berckman Street	Vacant Land – 38 x 101	\$5,000
770	1	435-37 West 5 <sup>th</sup> Street	Vacant Land – 52.84 x 130.06	\$10,000

Proposed Auction Lists  
 Prepared by Planning Division, January 15, 2020

Block/Lot Street Address Tax Sheet	Lot Dimension Lot Size (sf)	Zone Designation Min. Lot Size (sf)	Recommendation
Block 109, Lot 63 664 West Fourth St. Tax Sheet 131	30x156.49' NEED APPROX.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 110, Lot 19 207 Spooner Ave. Tax Sheet 131	34.67x100' 4,250 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 110, Lot 20 201-05 Spooner Ave. Tax Sheet 131	55x100' 10,404 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant corner lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 111, Lot 2 667-69 South Second St./ 217-219 Muhlenberg Place; Tax Sheet 131	50x164.12' 8,200 sq. ft.	R-4 7,500 one-family 10,000 two-family	Meets zone requirements for a single-family dwelling.
Block 111, Lot 9 647 South Second St Tax Sheet 131	32x100.15' 4,872 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment.
Block 113, Lot 8 200-02 Spooner Ave. Tax Sheet 132	52x88' 7,875 approx.	R-4 7,500 one-family 10,000 two-family	Substandard, vacant corner lot suitable for a single-family dwelling that would require the filing of a variance application with the ZBA. This property size is consistent with the existing neighborhood.
Block 113, Lot 9 204 Spooner Ave. Tax Sheet 132	34x93' 5,796 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.

Proposed Auction Lists  
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Block/Lot Street Address Tax Sheet	Lot Dimension Lot Size (sf)	Zone Designation Min. Lot Size (sf)	Recommendation
Block 116, Lot 16 216-18 Grant Ave. Tax Sheet 132	45x150' 6,420 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 128, Lot 26 1037-43 West Third St. Tax Sheet 136	75 x 100 irr.	R-4 7,500 one-family 10,000 two-family	Substandard vacant corner lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 325, Lot 64.01 213-15 Richmond St. Tax Sheet 7	60x133.9' 7,980 approx.	197 Scattered Site redevelopment Plan	Meets zone requirements for a single-family dwelling
Block 326, Lot 29 543 East Second St. Tax Sheet 7	43x143.5' 6,170 sq. ft.	R-7 5,000 one-family 7,500 two family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 337, Lot 11 264-66 Garfield Ave. Tax Sheet 12	44x104.75' 4,872 approx.	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 548, Lot 9 953-955 West Fourth St. Tax Sheet 127	50 x 150	R-4 7,500 one-family 10,000 two-family	Substandard lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood

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Block 548, Lot 9 953-955 West Fourth St. Tax Sheet 127	50 x 150	R-4 7,500 one-family 10,000 two-family	Substandard lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood
Block 554, Lot 7 400-404 Grant Avenue Tax Sheet 128	75.19X76.79 irr 5,7743 approx	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment.
Block 618 , lot 14 603-05 Berckman St Tax Sheet 34	38 x 101 3,838 sq ft app	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the existing neighborhood.
Block 770, Lot 1 435-437 West Fifth St 501-509 Field Ave	54 x 130 irr. 7,020 app	R-4 7,500 one-family 10,000 two-family	Substandard vacant lot suitable for a single-family dwelling that would require the filing of a variance application with the Zoning Board of Adjustment. This property size is consistent with the neighborhood.

**CITY OF PLAINFIELD  
PUBLIC AUCTION  
CONDITIONS OF SALE**

1. **Acceptance of Bids**

Each bid is subject to the rejection or acceptance by the City Council, and shall be deemed conditionally accepted until such time as the Council may accept the bid which shall occur no later than at its second regular meeting following the auction sale. The City Council reserves the right to reject any or all bids. If no action is taken by the City Council as of such second meeting, all bids will be deemed to be rejected.

2. **Deposit Requirements**

The successful bidder shall be required to deposit 25% of his or her bid with the City at the time of the auction. This amount shall be paid by a certified check, money order or cash. All monies so received will be credited to the total sale price.

(a) Upon the close of bidding the successful bidder shall immediately execute an offer to purchase at his or her bid price, which offer shall include the terms and conditions specified herein. Said offer shall be irrevocable.

(b) The successful high bidder must pay the 25% deposit prior to completion of the auction. If the bidder does not pay the required deposit by the end of the auction, the property shall immediately be re-auctioned for sale.

(c) The deposit made by the bidder is non-refundable. The bidder is not entitled to a refund of this deposit in any case except where the City is unable to convey marketable title, as indicated in Condition of Sale Number 11, or the City Council rejects the offer. The risk of loss is on the bidder.

3. **Taxes**

The City of Plainfield will assess taxes on the subject property as of the date of closing of title.

4. **Certificate of Compliance/Occupancy Requirements**

The successful bidder must obtain a Certificate of Compliance and/or Certificate of Occupancy in accordance with Condition 17, prior to occupancy. All permits are the responsibility of the successful bidder. Vacant land is to be graded and fenced within thirty (30) days of the date of closing.

5. **Fence deposit**

This provision only applies to vacant lots. In addition to other closing costs at the time of closing, the successful bidder shall be required to pay a refundable fence deposit of \$1,000 or \$2,000, as set forth below. This money will be held in escrow by the City without interest as liquidated damages if the purchased property is not developed or fenced within the allotted time frame according to the conditions of sale.

The money held in escrow is based on the following formula:

1. Property size 25 ft. x 100 ft. or less - \$1,000.
2. Property size 25.01 ft. x 100 ft. or more - \$2,000.

The fence deposit shall be forfeited if the following conditions are not satisfied:

- a. All vacant lots must be fenced and graded within thirty (30) days of closing.
- b. Fencing must be constructed in accordance with City Ordinance. In no case should barbed wire or other material dangerous to children be used.
- c. It shall be the continuing responsibility of the said purchaser to maintain the fence and protect the property as herein above set forth so long as the same shall remain vacant.
- d. In cases where the successful bidder has graded and fenced the property or has begun construction and has received a Certificate of Compliance/Occupancy or Occupancy issued by the City within the allotted time frame, the bidder is entitled to the return of the fence deposit being held in escrow after the City has inspected and approved the required improvements or repairs. A written request for refund should be sent to the Director of Administration and Finance by certified mail.

#### **6. Identification and Authorization at Closing**

All bidders must appear in person at the auction and upon becoming the successful bidder must present identifying credentials and complete a certification of identification.

- a. A person bidding on behalf of a corporation, upon becoming the successful bidder, must present a copy of the Certificate of Incorporation and a letter of authorization from the corporation.
- b. A person bidding on behalf of a partnership or using a trade name upon becoming the successful bidder, must submit a copy of the Certificate of Trade Name (partnership) and a letter of authorization from other partner (s).
- c. No other bidder may submit a bid on behalf of another except through an attorney or agent who provides a notarized letter of authorization.

#### **7. Existing tenancies and occupancies**

All sales are subject to present occupancies or tenancies. There is no representation made that any occupant will continue beyond time of closing title or vacate prior to closing. Use and Occupancy Agreements and leases, if any, are available for review and discussion at the Office of the Tax Assessor on business days between the hours of 9:00 a.m. and 4:00 p.m. Call for an appointment at (908)753-3203.

No discussion or review of leases will be allowed at the auction. It shall be the sole responsibility of the successful bidder to terminate any and all existing tenancies or occupancies and to initiate any eviction procedures against present occupants.

It shall be the sole responsibility of the successful bidder/purchaser to initiate any eviction or ejection proceedings against any present tenant(s), squatter(s), or occupants. Anyone bidding upon this property should be aware that under the laws of the State of New Jersey, with respect to residential property, a new owner may only evict a tenant after proper notice has been given in advance, assuming that the tenant is paying rent to the successful bidder and/or has not committed any acts or omissions which give rise to a cause of action for a summary dispossession proceedings, which causes of action for eviction are set forth in N.J.S.A. 2A:18-61.1 et. seq., N.J.S.A. 2A:18-53, 54 et seq. Bidder should consult with their legal counsel as to their rights and responsibilities in this regard. It shall not be the responsibility, nor as a condition of acceptance and approval of the bid, nor shall the closing or passage of title be contingent upon the City evicting any tenant, squatters, or occupants, or causing any action to eject any occupant presently or hereafter residing or occupying any portion of the premises.

#### 8. Payment of Recording fees

Successful bidders shall bear the cost of recording deeds. The settlement agent shall agree in writing that the deed will be sent for recording immediately following the closing without changes or alterations to the content of the deed provided by the City.

#### 9. No Assignments

The successful bidder, prior to closing of title, will not be permitted to assign his bid nor any right, title or interest in the property on which the bid was made.

#### 10. Deed and Closing

The City shall convey only such title as it owns as of the date of the sale. No other representation or assurances as to title, or quality thereof, are either expressed or implied.. Title shall also be subject to the following (the "Permitted Encumbrances"):

- a) Present and future zoning and building regulations, ordinances, restrictions or orders of any federal, state, county or municipal government or of any public authority having jurisdiction thereof, and any amendments and additions thereto;
- b) Present or future assessments for the construction of improvements benefiting the property;
- c) All restrictions, easements or other encumbrances of record;



- d) Any state of facts which an accurate survey may show;
- e) Existing tenancies, rights of persons in possession.

The Premises shall be conveyed by a Bargain and Sale Deed, without covenants, and the City shall only be obligated to convey such title as it may have, which Bidder agrees to accept subject to the Permitted Encumbrances and other conditions set forth in these Conditions.

Title is to close within thirty (30) days after confirmation of the bid by the City Council. Closing shall be held at the office of the Corporation Counsel, 515 Watchung Avenue, Plainfield, N.J. between the hours of 9:00 a.m. and 4:30 p.m. prevailing time, but if the last day for closing title falls on a Saturday, or legal holiday or a day on which City offices are closed, then title shall close on the following business day. The exact date and time of the closing must be confirmed with the Corporation Counsel. **Time is of the essence** with respect to closing of title.

NO POSTPONEMENT OF CLOSING IS PERMITTED UNLESS:

Postponement of closing is allowed only under the following circumstances:

- a. If the City undertakes to cure title defects, the City shall be allowed a reasonable time (not less than sixty (60) days) to clear defects and to close as set forth in condition 12 below.
- b. There is a written request, containing the reasons therefore, made by the bidder within twenty (20) days after the confirmation of the sale by the City Council. The Corporation Counsel may grant a one time postponement, reasonable as to time for good cause, and the finding that the bidder has diligently pursued any applicable approvals, financing or applications as may be required. However, in the case of an occupied building, no such postponement will be granted unless the prospective bidder agrees to reimburse the City at the time of closing for all maintenance, utility, and security costs incurred with regard to the premises between the date which occurs thirty (30) days after bid confirmation and the actual closing date.

**11. Title defects**

Notice of any alleged material defect in title shall be given to the City in writing no later than twenty (20) days after the date of confirmation of the sale by the City Council. Notice is to be given by Certified Mail, Return Receipt Requested to the Corporation Counsel of the City of Plainfield.

If there is a valid Federal encumbrance against the bidder's property, the City, after being timely notified of this defect by the bidder, will endeavor to obtain within a reasonable time after such notification a release or discharge of such lien. If the City is successful in this regard, then part of the consideration to be paid by the bidder for the property shall be in the form of a certified check payable to the United States of America for the amount to be paid for such release or discharge.

Upon notice of any alleged defect in title, the City in its sole option may elect to proceed to clear the title defects within a reasonable time (not less than sixty (60) days), or can cancel the sale

upon ten (10) days notice to the bidder. If the sale is cancelled the liability of the City shall be limited to the refund of deposit monies only, without any liability for costs, expenses, damages or claims.

If the material defects are not cleared within sixty (60) days after notice and the City does not otherwise elect to cancel, the bidder shall have the option to: (1) accept such title as may be able to be conveyed, without reduction of the Purchase Price or any credit, or allowance against the same and without any other liability on the part of the City; or (2) terminate the Agreement within ten (10) days after the expiration of the sixty (60) day period, in which case the Deposit shall be returned to the bidder and the Agreement shall become null and void and without further force and effect or right or remedy in favor of either party against the other.

Failure of the bidder to give such notice within the time stated, shall be deemed conclusive evidence that the bidder accepts the title in its then present condition.

If, for any reason whatsoever, either before or after the delivery of the deed to the successful bidder, the previous owner, or any other person shall successfully reopen the final judgment pursuant to the provisions of N.J.S.A. 54:5-104.67 or any other statute or Rule of Court and shall obtain or reobtain title, the sole liability of the City to the successful bidder shall be the return of the full purchase price with no other costs, liabilities, damages or claims.

## 12. Payment Terms and Adjustments

Payment in full shall be made upon final closing by certified check, cash, bank check or New Jersey attorney trust account check.

At closing, the following shall be adjusted and apportioned pro rata, as of the date of closing:

- (a) All real estate taxes, sewer and water charges, if any.
- (b) All municipal liens and assessments.
- (c) Rents, if any.
- (d) Fuel and other utility charges, if any.

If the property is multi-family dwelling (as defined by the Division of Housing of the New Jersey Department of Community Affairs), the bidder is further required to pay all State inspection fees outstanding as of the date of closing.

Where applicable, the City will adjust for any collected rents in the month of closing, but is not obligated to collect rents.

### City Charges

(a) If the City shall order or have done a title search or abstract for any of the premises prior to the entry of a final judgment, the cost thereof not to exceed \$200.00, shall be added to the successful bidder's purchase. Nothing in this paragraph regarding a title search shall modify or

amend City's obligation to deliver only a bargain and sale deed as set forth in paragraphs (10) and (11) of these Conditions.

(b) The City shall also collect a fee of \$150.00 for preparation of closing documents.

13. **No Representations by City**

The sale is to be made subject to such state of facts as an accurate survey may disclose, existing tenancies, rights of persons in possession, zoning ordinances, easements, environmental or other conditions, encumbrances, liens, covenants and restrictions, codes and ordinances of the City of Plainfield and any present or future assessments for the construction of improvements benefiting the property.

Bidder shall have inspected the Premises and agrees to purchase the Premises as a result of such inspection and not because of or in reliance upon any representations by the City, or any agent of the City. Bidder shall purchase the Premises in its present condition, strictly "AS IS", "WHERE IS". The City has not made nor shall the City be deemed to have made any representations or warranty, express or implied, as to the value, compliance with specifications, use, condition, or any other representations or warranty whatsoever, express or implied, with respect to the Premises, it being agreed that all risks incident thereto are to be borne by the Bidder. No representations of any kind are made by the City of Plainfield as to the condition of the property.

14. **Tax Appeals**

The sale price, as may result from this auction sale, may not be used before any County Board of Taxation, State Board of Tax Appeals or in any other court of this State to challenge the assessment with respect to the subject property nor may same be used as a comparable sale to challenge an assessment with regard to other properties.

15. **No Waiver**

All prospective bidders are put on notice that no employee, agent or officer of the City of Plainfield has authority to waive, modify or amend any of the conditions of sale.

16. **Prior Owners**

If the successful bidder was the sole or part owner of the property at the time the City acquired title by in rem tax foreclosure, said bidder may not reacquire the property directly or indirectly at auction without complying with the following condition: The successful bidder of any property at this auction, by making such bid, thereby agrees to pay the City at closing of title the difference, if any, between the total amount of taxes, plus interest, penalties and costs due at the time the judgment of foreclosure was entered and the amount of the successful bid.

17. **No Work Performed Prior To Closing/Certificate of Compliance/Occupancy**

No work shall be performed on the premises prior to title closing. It is clearly understood by the successful bidder that he/she may not move into the premises and reside therein before or after closing, unless and until a Temporary Certificate of Compliance/Occupancy or a Full Certificate of Compliance/Occupancy from the City has been issued. Prior to the title closing the City Inspection Division shall make an inspection of the premises to determine what violations exist. If there are dangerous or life threatening conditions on the premises, a Temporary Certificate of Compliance/Occupancy will not be issued. This provision does not affect the time requirements for issuance of a full Certificate of Compliance/Occupancy as set forth in Conditions 19, 20, 21 and 22, as applicable.

Should the successful bidder fail to obtain an inspection for the certificate of compliance or temporary certificate of compliance, the closing date will not be adjourned without costs to the bidder. The successful bidder shall remain responsible to secure any and all permits as required by the municipal code for the City of Plainfield. The successful bidder shall remain responsible to secure any and all permits as required by the municipal code for the City of Plainfield.

#### **18. Bidder's Additional Responsibilities**

It is conclusively presumed that a bidder prior to making his or her bid has done the following: (a) checked the exact location, including the correct street address and lot size of the property on the Official Tax Maps which are available at the Tax Assessor's Office; (b) checked the zoning restrictions to ascertain the legal use of the property (this information can be obtained from the Inspections Division, City Hall, Third Floor) and the Division of Planning, Second Floor, City Hall; (c) reviewed the Terms and conditions of Auction as set forth in this document; (d) reviewed the Auction Booklet provided by the City; (e) made a personal inspection of the property, both interior and exterior, prior to bidding; (f) has made an environmental evaluation of the property, and (g) has analyzed, evaluated, and reviewed all construction and rehabilitation costs with a contractor/builder, or engineer, or architect, and legal counsel, for the purpose of determining the capital costs, fixed expenses, carrying charges, and legal requirements as expressed in these Conditions of Sale..

Responsibility for failure to comply with the above mentioned conditions and guidelines will be fully assumed by the bidder. To make an appointment for an inspection, please call the Tax Assessor at (908) 753-3601.

#### **19. Commercial, Industrial, Mixed Use, Multi Family Structures**

If the property is a commercial, industrial, mixed use, or over four (4) family residential property, the successful bidder shall repair, alter and improve said building in accordance with the requirements of the Municipal Code of the City of Plainfield, the Uniform Construction Code of the State of New Jersey and applicable State codes. Information for said requirements may be obtained by inquiry to the Division of Inspections. All repairs, alterations and improvements shall be started no later than sixty (60) days from the date of closing title with the City and shall be fully completed in twelve (12) months from the date of closing. If the bidder requires Board of Adjustment or Planning Board approvals, an extension of up to six (6) months can be requested.

## 20. One to Four Family Structures

If the property is a one to four family residential property, the bidder shall have the responsibility to repair, alter and improve said building in accordance with the requirements of the Municipal Code of the City of Plainfield, the Uniform Construction Code of the State of New Jersey, and applicable State codes. Information for said requirements may be obtained by inquiry to the Director, Division of Inspections. The repairs, alterations and improvements shall be started no later than sixty (60) days from the date of closing title with the City and shall be fully completed six (6) months from the date of closing.

## 21. New Construction

New construction shall commence within sixty (60) days of closing of title and shall be fully completed within twelve (12) months. The builder for good and sufficient cause can apply to the City of Plainfield for an extension of time, which request must be filed in writing with the Director, Division of Inspections no later than thirty (30) days before the expiration period. The City retains the right to accept or reject the request.

A successful bidder will be required to construct on any vacant buildable parcel which is presently vacant or which becomes vacant as a result of demolition, and the property must be in conformance with the City of Plainfield's Zoning Ordinance. In case of lot mergers, the bidder must comply with applicable building and zoning requirements.

## 22. Property Improvements

The successful bidder must either demolish the existing structure or must repair, alter and improve it in accordance with the requirements of the Municipal Code of the City of Plainfield and the Uniform Construction Code of the State of New Jersey. Information for said requirements may be obtained by inquiry from the Building Inspector or Director, Division of Inspections.

Where the successful bidder chooses to demolish the affected structures, the property cleared must be cleared of all debris and cleaned to the satisfaction of the Building Inspector, required environmental and all other permits must be obtained, and the premises graded and fenced within thirty (30) days of closing of title with the City.

## 23. No Merger

**RESERVATION:** None of the provisions which require work to be performed after closing are intended to or shall be merged by reason of any deed from the City of Plainfield transferring title to the property to the bidder or any successor in interest, and any such deed shall not be deemed to effect or impair said provisions and Conditions of Sale. These conditions shall be included on the deed of conveyance. The specific Conditions of Sale that survive closing of title are as follows: 5, 19, 20, 21, 22, 24 28 and 30.

#### **24. Environmental**

There may be environmental clean up required on a site relating to asbestos, soil contamination or other remediation measures. The successful bidder will be fully responsible at its expense for identification of contamination, removal of same, clean up costs and meeting all codes applicable, obtaining all required permits and approvals from Local, State and Federal authorities.

The Bidder shall comply with all rules and regulations of the New Jersey Department of Environmental Protection (DEP) regarding the investigation and/or remediation of areas of environmental concern located at or migrating from the property pursuant to any DEP program including, but not limited to, the Industrial Site Recovery Act (ISRA). The Bidder shall also indemnify and hold the City harmless with respect to all liability related to any environmental matters arising from the sale or ownership of the property. The Bidder shall further release and give up any and all claims and rights it may have against the City with regard to any environmental matters associated with the property.

#### **25. No sale to delinquent taxpayers**

No property shall be sold directly or indirectly to any person who is in arrears of his/her last two (2) quarters of property taxes, including the current quarter, or any other municipal assessment or lien including water and sewer on or against any real property located in the City of Plainfield. The same applies to any corporation or business entity who owes assessments or charges as referenced above. As a condition of closing, all past due charges will have to be current. If said taxes or liens are not current at or before closing, the City shall declare the bid or contract terminated pursuant to Clause No. 26.

#### **26. Breach By Bidder.**

In the event that the successful bidder fails to comply fully with the terms, conditions and requirements of the sale as contained in these Terms and Conditions, this shall be considered, as a material breach of the condition of sale, where upon the City may declare the bid or contract terminated and null and void.

All sums paid by or on behalf of the purchase price by way of deposit or otherwise shall be retained by the City of Plainfield as liquidated damages and the City may thereafter resell the property and/or pursue all other legal or equitable remedies available.

The City of Plainfield shall also have the right to seek a reversion of title where the bidder fails to comply with the Conditions of Sale. This right of reversion shall be included in a clause contained in the deed of conveyance. In order for the City to reacquire the property, an action must be instituted within six (6) months following termination of the period in which all conditions shall have been satisfied. The reversionary right shall be deemed extinguished upon the happening of the following:

1. The issuance of a Certificate of Occupancy and/or a Certificate of Continued Occupancy;

2. The issuance of a Certificate of Completion certifying that the improvements constructed by the bidder have been completed in accordance with the Auction Conditions of Sale.

27. **Removal of properties from Auction List.**

The City of Plainfield reserves the right to strike from the list, subsequent to publication and/or notice, any property or properties listed thereon, as well as adjourning or canceling said auction on or before the date set forth for said auction, despite the fact that these properties appear in the advertisement and the authorizing resolution.

28. **Permit Requirements.** All appropriate permits must be obtained from the appropriate City agency for construction or renovation and all work must be performed in a professional, workman like manner. All fees for permits must be paid and obtained by the bidder.

29. No bid shall be considered from anyone who has previously been selected as the successful bidder on the same property and who, through no fault of the City, failed to close title to that property.

30. **Taxable Status of Properties.**

One of the primary purposes of the City in auctioning surplus properties is to restore said properties to tax paying status for the benefit of the City and its taxpaying residents. As such, any charitable, religious or non-profit organization which is the successful bidder hereby waives any claims to any tax exemption which it may otherwise have, as applied to the property purchased. The successful bidder shall not sell or otherwise transfer title to the premises, or any part thereof, to a non-profit or non-taxable organization which claims tax exempt status as to the property in question for a period of ten (10) years. Such restriction shall be included in the deed,

No successful bidder of the property at this sale shall be granted a tax exemption for the property purchased.

## VARIANCE APPROVAL CONTINGENCY PERIOD

The City's Auction Bid Package identifies properties which are non-conforming (substandard) with respect to the bulk requirements of their particular residential zone. Although the specifications indicate these properties may be suitable for a single family dwelling and that the lot size is consistent with the respective neighborhoods, the City makes no representations or guarantees that approvals will be granted for the construction/development of a single family dwelling.

Accordingly, the successful bidder is granted the opportunity to obtain required bulk variance(s) for the construction/development of a single family residential dwelling. Successful bidders will have sixty (60) days from acceptance of their bid by City Council to make application for bulk variances. Bidders shall then have an additional sixty (60) days to obtain final approvals from the Zoning Board of Adjustment or Planning Board, whichever is appropriate. In the event a bidder's application cannot be heard and decided within this period of time through no fault of the bidder, the City will grant an additional (30) days to obtain such approvals. Once approvals are obtained, bidders must close title within thirty (30) days, it being understood that TIME is OF THE ESSENCE with respect to closing.

In the event a bidder's bulk variance application is denied, the agreement between the City and bidder shall terminate in which case all deposits monies will be returned to the bidder. It is expressly understood that a denial for anything other than a bulk variance(s) to construct a single family home is not a valid basis to terminate the contract and all other provisions of the bid specifications shall be enforced with respect to deposits.

The following terms/definitions shall govern this paragraph:

- a. "Approval(s)" means final approval of bulk variance(s) to construct a single family dwelling by either the Zoning Board of Adjustment or Planning Board of the City of Plainfield with no appeal of said approval having been filed within forty five (45) days of the date of publication of the notice of approval of said decision or by a Court order.
- b. Bidder shall, at its sole cost and expense, promptly and diligently prepare and submit the appropriate application for the Approvals and shall use commercially reasonable means and methods as shall be required in pursuing the Approvals. All monies to be expended relating to the process of obtaining the necessary Approvals including, but not limited to, application fees, escrows, professionals, preparation and production of all plans and other documents, the professionals hired to prepare and process the applications shall be at bidder's sole cost and expense.
- c. Should the Approvals not be obtained by the expiration of the Variance Approval Contingency Period, bidder shall have the right, but not the obligation, to extend the Approvals Contingency Period for an additional thirty (30) days, as long as bidder is diligently pursuing Approvals. Should the Approvals not be obtained by the expiration of the extension period, the bidder or the City may at any time terminate the transaction by delivering a termination notice to the other party. Alternatively, bidder may waive the



benefit of this contingency by written notice to the City, whereupon the parties shall proceed to closing.

- d. If (i) the Approvals are denied or (ii) any appeal is taken against any of the Approvals obtained, bidder may at bidder's option and expense, either terminate this Agreement, or file an appeal or defend against such appeal, as applicable, until the completion of adjudication or the final, non-appealable adjudication of such appeal. In either event, the City shall have the right in its sole and absolute discretion to extend the time period to close or terminate the transaction.

### **NOTICE**

All notices required to be served upon the City pursuant to these Conditions of Sale must be served upon the Offices of the City Clerk and the Corporation Counsel located at 515 Watchung Avenue, Plainfield, New Jersey 07060 via Certified Mail RRR and First Class Mail.