PUBLIC SEALED-BID AUCTION

Current walnut orchard on 4.24 acres

LOCATION: North-west corner of Humble Ave. & Archer Ave., Gridley CA.

INFORMATION: **www.dot.ca.gov/property**

MIMIMUM BID: $54,000 **REGISTRATION**: $1,000

ASSESSOR'S DATA: APN 024-260-030 **STATE'S ID**: DD 022751-01-01

AUCTION DATE: **May 30, 2012** **BID OPENING: 1:05 PM**

AUCTION PLACE: Department of Transportation, District 3
703 B Street
1st Floor, Icehouse Room, #175
Marysville, CA 95901

CONTACT: Wendy Bishop, (530) 741-4427
wendy_bishop@dot.ca.gov

The Department Of Transportation makes no representation as to the potential uses of this property. Bidders should check with Butte County Developmental Services at (530) 538-7601 regarding zoning, building restrictions ultimate development, etc.

DATA SHEET

The information contained in these sources is deemed reliable, but accuracy and completeness are not guaranteed. This material is provided merely as a courtesy to the bidders. All bidders are encouraged to make visual inspections prior to submitting sealed bid form. This property is being sold in "as is" condition.

PROPERTY: Access to parcel is from Archer Avenue, located at North-west corner of Humble Avenue and Archer Avenue, Gridley, CA. Parcel is 4.24 acres of improved walnuts; 0.40 acres of which is encumbered with road easement to the center line of Archer Avenue.

LOCATION: Butte County

ZONING: Agriculture/Rural Res.

SHAPE: Rectangular

UTILITIES:

TENANCY: Land is currently leased, lease will terminate upon recording of deed.

REAL ESTATE TAXES: Property is not assessed for taxes while vested in the State. It will, however, be assessed after transfer into private ownership.

ENCUMBRANCES: No preliminary title report was available for inspection and it is assumed there are no adverse easements and encumbrances on the subject parcel.

The sale of this property is subject to all matters of public record and any easement, claim of easements or reservations not of record. Prospective bidders should consult local title companies if more complete information regarding the title of the property is required. The Department does not provide a preliminary title report.

IMPROVEMENTS: Dilapidated barn

REMARKS: This sale is subject to the approval of the California Transportation Commission [CTC]. The awarding bid will be submitted for approval at the CTC's scheduled meeting on July 26, 2012.

MINIMUM BID: $54,000 REGISTRATION FEE: $1,000 TERMS: CASH-45 Day Option

AUCTION DATE: Wednesday, May 30th, 2012 @ 1:05 PM *BIDS ACCEPTED UNTIL 1:00 PM!

OPTION DEPOSIT: 10% of bid less registration fee of $1,000 due June 6th, by 1:00PM

OPTION PERIOD: Balance in full on or before Thursday, July 26th, 2012 at 1:00 PM

TERMS OF OPTION TO PURCHASE AGREEMENT

MINIMUM BID: $54,000

TERMS: **CASH 45-Day Option Period -**The full bid price shall be paid to the Department of Transportation on or before the end of the Option Period, **Thursday, July 26th, 2012 at 1:00 PM.**

BID REGISTRATION: In order to participate in this auction, a registration fee of $1,000 is required with the completion of the Bid Form**.** The registration fee must be by cashier's check, certified check, or money order made payable to the Department of Transportation. The registration fee will be refunded by certified mail to all unsuccessful bidders immediately following the sealed-bid auction. The successful bidder will apply the $1,000 registration fee toward their Option Deposit.

OPTION DEPOSIT: The total Option Deposit represents 10% of the actual bid. The winning bidder will be required to pay the Department of Transportation the difference between the initial registration fee of $1,000 and an amount representing 10% of the winning bid within 5 working days of the auction. Payment of said differences must be received by **Wednesday, June 6th, 2012 by 1:00PM**, or the registration fee of $1,000 is forfeited and the Option will be awarded to the 2nd highest bidder.

OPTION PERIOD: The Option Deposit previously described will be consideration for the 45-day Option Period and will be credited toward the accepted bid. The balance of the accepted bid shall be paid on or before the expiration of the **45-day Option Period, Thursday, July 26th, 2012 at 1:00 PM.** There may be situations wherein the Option holder is unable to complete the terms of this Option within the time allowed for reasons beyond his/her control. Under these circumstances, the State, at its discretion, may elect to extend the Option Period. A charge of 1% of the bid price per month will normally be made for such extensions. This charge **SHALL NOT** be applied toward the purchase price.

FORFEITURE OF DEPOSIT: The Option Deposit may be **non-refundable** in the event that the successful bidder fails to exercise the Option within the 45-Day Option Period or fails to comply with any and all of the terms of the Option, as provided herein.

SECOND HIGHEST BID: In the event the high bidder fails to exercise his/her Option within the Option Period or defaults in the completion of the sale, the State may, at its discretion, offer the parcel to the second highest bidder. If the second highest bidder accepts the Option, the deposit requirements and terms of the "Option to Purchase" agreement shall be the same as stated in this Sales Brochure, except that the Option Period shall commence on the day the Option is awarded by the State.

OPTION AGREEMENT: The Bid Form shall be exercised as the "Option to Purchase Agreement." The successful bidder shall be bound to the terms specified in both the "Terms of Option to Purchase Agreement" and this Sales Brochure. The Option is not assignable or transferable. The sale is subject to approval of the California Transportation Commission (CTC), tentatively scheduled to meet on July 26th, 2012. Title will transfer after the balance of the purchase price is received, CTC approval, and the Director's Deed is recorded.

ESCROW: The successful bidder may open an escrow at bidder's option and expense. If the successful bidder chooses to open an escrow, the escrow officer shall notify the Department of Transportation by letter addressed to: Caltrans, 703 B Street, Marysville, CA 95901, Attn: WENDY BISHOP, Excess Land Sales, within 10 days from the date of the sealed bid opening.

LIMITING CONDITIONS:

(1) The sale under this Option is subject to the approval of the California Transportation Commission [CTC]. If the sale is not approved, the Option Deposit and balance payment will be refunded without interest. The purchaser may take possession when the Director's Deed is recorded.

(2) When the CTC approves the sale and the successful bidder elects to exercise the Option, the Deposit will be credited toward the bid purchase price.

(3) The State reserves the right to reject any and all bids and cancel the sale in part or in its entirety at any time prior to recordation of the Director's Deed. In the event of cancellation of sale and/or rejection of any bids, the respective deposits of money shall be refunded without interest.

(4) An agreement between two or more prospective bidders to set their bid price or not to submit bids against each other, with the purpose of purchasing this parcel or other parcels at a more advantageous price or terms, is prohibited. Where such agreements come to the knowledge of the Department of Transportation, any bids made pursuant to such an agreement will be disqualified.

(5) The property is sold in an "AS IS" condition. Repairs are the responsibility of the successful bidder. The State makes no warranties, oral, written or implied to any of the property's improvements. Condition of all improvements is a risk that the successful bidder must accept. The successful bidder agrees that, as of the close of escrow, the property is acquired in an "AS IS" condition with all faults and conditions then existing on the property, including any hazardous substances or hazardous wastes that may be located on, under, or around the property, whether known or unknown, and the successful bidder assumes all responsibilities for such faults and conditions.

(6) The property is warranted to be free of any liens, court judgments, loans and delinquent or unpaid property taxes. The sale of this property is subject to all matters of public record and any easements, claims of easements, or reservations not of record. The Department of Transportation does not assume any liability for any possible encumbrances on this property. The right, title, and interest in the property to be sold shall not exceed that vested in the State of California, and this sale is subject to all title exceptions and reservation whether or not of record. The successful purchaser may obtain a policy of title insurance at his or her own expense.

(7) The successful bidder shall pay all recording fees; points, repairs, costs, and documentary transfer taxes where applicable.

(8) Should the successful purchaser desire a survey of the property, this may be accomplished by an independent survey at the purchaser's expense. The Department of Transportation makes no warranty relative to the ground locations of property lines other than monumented highway right of way lines.

(9) The subject is currently zoned Agriculture/Rural Res.. It is recommended that all prospective purchasers fully investigate zoning and land-use restrictions with local authorities concerning the potential uses. The Department makes no warranty regarding the zoning or rezoning of any property or land-use determinations. The successful bidder shall be responsible for checking and complying with local codes and ordinances for permitted land uses.

(10) The property is currently exempt from local taxes and will return to tax rolls upon recording of the Deed.

(11) The sale of this excess property is exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA). The environmental determination by Caltrans for the sale of this property does not mean that the buyer may not have to obtain subsequent environmental clearance or prepare an environmental document as required by any local agency. The buyer should also be aware that if the buyer seeks some form of approval/permit for development subsequent to buyer's purchase of this excess property, the local agency may require an environmental document and/or environmental analysis before giving its approval or permit.

(12) This property may be situated within a Special Studies Zone under the Alquist-Priolo Special Studies Zones Act, Sections 2621-2625 of the California Public Resources Code. As such approval of any future construction or development of any structure for human occupancy on this property may be subject to the findings contained in a geologic report prepared by a geologist registered in the State of California.

(13) The information contained herein has been obtained from sources deemed reliable, but accuracy and completeness are not guaranteed.

(14) All State of California, Department of Transportation employees may bid to acquire excess State property except employees who have direct access to information not generally available to the public or who influence the purchase or sale of right of way or other real property.

(15) The successful bidder shall be bound to the terms specified in both the "Terms of Option to Purchase Agreement" and this Brochure.

BID FORM - OPTION TO PURCHASE AGREEMENT

For the purchase of the real property described as DD 022751-01-01 [APN 024-260-030] located in Butte County, the undersigned bidder submits the bid of: _____

($ _____) for the property described above. The registration fee of $1,000 is paid herewith-made payable to the Department of Transportation.

Upon notification from the California Department of Transportation that the undersigned Bidder is the successful Bidder, this "Bid Form" becomes the "Option to Purchase Agreement" and the Bidder hereby agrees to the terms of this Option. **All unsuccessful bidders will be refunded the registration fee following the bid opening.**

The winning bidder will be required to pay to the Department of Transportation the difference between the registration fee of $1,000 and an amount representing 10% of the actual successful bid within 5 business days of the sale. The Department, by 1:00PM on **Wednesday, June 6th, 2012**, must receive payment of said difference or the registration fee of $1,000 will be forfeited and the Option will be awarded to the 2nd highest bidder.

The balance of the purchase price shall be paid to the Department of Transportation for the bidder to exercise this Option on or before **Thursday, July 26th, 2012 by 1:00 PM.**

All provisions of the "Terms of Option to Purchase Agreement" and contents of this Sales Brochure are hereby specifically incorporated by reference into the terms of this Option, and Bidder agrees to perform each of the terms.

Bidder's Consent

I understand that if I fail to complete the transaction as agreed, I forfeit the Registration Fee and/or Option deposit.
I hereby understand and agree that the parcel(s) upon which I bid will be sold "AS-IS". This means that the State of California does not guarantee, warrant or imply any potential for development or uses of said parcel(s). I have done due diligence regarding existing and/or potential use(s) of the parcel(s) and I have investigated, to my own satisfaction, any possible conflicts/problems with zoning and/or development regarding parcels upon which I bid. If I am the successful bidder, I shall hold the State of California harmless regarding the development potential of the parcel(s). Furthermore, I shall release the State from any liability regarding any/all conflicts with local zoning, building, or development requirements.

_____I have received and read these Terms of the Option to Purchase and the Sales Brochure for this auction.

(Please initial)

Vesting Information

The property shall be conveyed by Director's Deed to:

_____

(Please print how title is to be vested)

Check one:

☐Husband and wife as joint tenants ☐Joint Tenants ☐Single Man ☐Single Woman
☐Husband and wife as community property ☐Tenants in common ☐Other
☐A married man/woman as his/her sole and separate property

It is also agreed that all notices and matters arising in connection with this transaction will be given to bidder in person or by certified mail addressed to:

_____

(Please print Name and Address)

It is understood that the Department of Transportation shall record said Director's Deed and the undersigned Bidder agrees to pay the cost of recording and any documentary transfer tax when the final balance is paid. Bidder may take possession of said real property as soon as said Director's Deed has been recorded.

Date:_____Signed:_____Phone #:_____

Date:_____Signed:_____Phone #:_____

(See Terms of Option to Purchase Agreement)

AUCTION INSTRUCTIONS:

1. Remove and complete the Bid Form – Option to Purchase Agreement.

2. Include the registration fee of $1,000 by cashier's check, certified check, or money order made payable to the Department of Transportation. PERSONAL CHECKS WILL NOT BE ACCEPTED.

3. Enclose the Bid Form and the required registration fee of $1,000 in an envelope affixing the cut out address and identification below on the front of the envelope. **Bids must be received on or before 1:00 PM on WEDNESDAY, MAY 30th, 2012. BID opening will be at 1:05 PM.**

3. Your name and mailing address should be shown in the upper left-hand corner of the bid envelope.

4. Envelopes not properly marked or opened prior to the sale may be disqualified.

NOTE: IT IS VERY IMPORTANT THAT THE NOTICE BELOW BE AFFIXED TO THE OUTSIDE OF THE ENVELOPE ENCLOSING THE BID TO ELIMINATE POSSIBLE ACCIDENTAL OPENING OF THE BID ENVELOPE PRIOR TO THE ADVERTISED TIME OF BID OPENING.

Cut out address below and affix to front of envelope.

Department of Transportation, District 3
Right of Way – Excess Land – Wendy Bishop
703 B Street
Marysville, CA 95901

Sealed-Bid Auction [DD-022751-01-01]
Humble & Archer
Wednesday, May 30, 2012
****DO NOT OPEN****