

Resolution 28-2015

A RESOLUTION AUTHORIZING THE SALE OF TWO TRACTS OF LAND;
ONE TRACT BEING THE OLD ROY ROAD DEPARTMENT SHOP BUILDING
AND THE OTHER BEING TWO LOTS IN THE TOWN SITE OF BUFFALO;
AND PROVIDING FOR A METHOD OF SALE AND PROVIDING FOR
ADVERTISEMENT IN THE LEWISTOWN NEWS ARGUS

WHEREAS, Fergus County is the legal owner of two tracts of land in Fergus County. One tract of land is known as the old Roy Road Department Shop Building and the other is a two lot tract in the town site of Buffalo. The legal description of these tracts is as follows:

Old Roy Road Department Shop Building: Lot 7 in Block 27 of the Milwaukee Land Company Addition; located At 602 2nd Ave., in the town of Roy, Montana, according to the official plat thereof, on file in the office of the Fergus County Clerk and Recorder

Buffalo lots: Lots 11 and 12 in Block 6 of the Buffalo Original Addition, in the town site of Buffalo, Montana, according to the official plat thereof, on file in the Office of the Fergus County Clerk and Recorder.

WHEREAS, the Board of Commissioners has determined that these two tracts of land are no longer necessary for conducting county business, and it is desirable to sell these tracts with the result being that they become taxable property and earn tax revenue for the county; and

WHEREAS, the Board has determined that the manner in which to sell these tracts is by public auction, and by contracting with United Country Shobe Auction and Realty of Lewistown, Montana to conduct an on-line auction; and

WHEREAS, the Board is cognizant of various statutes which direct county governments in how real property, both tax-deed and non-tax deed

properties are to be sold; and more specifically, such statutes are found in Title 7, Chapter 8, part 23, Montana Code Annotated as to tax deed properties; and as to non-tax deed properties, Title 7, Chapter 8, part 22, Montana Code Annotated; and

WHEREAS, the Board has determined that two of the statutes in Part 22 impose requirements, that because of the specific situation applicable to the Roy property, is not in the best interests of Fergus County, and hinder or impede the orderly and timely sale of such property for the best price possible, and consequently the Board expressly exercises its self-governing powers to avoid the application of these statutes. These specific statutes are:

1. Section 7-8-2214, MCA, requires, with the sale of non-tax deed property, that "no sale shall be made at public auction or to any school district without public auction of any property unless it has been appraised within 3 months prior to the date of the sale." The old Roy Road Department shop building has been appraised as of July 22, 2015, and its appraised value is set at \$15,000.00 to 25,000.00. The closing date of the auction is anticipated to be November 16, 2015, which is not within three months prior to the sale as required by section 7-8-2214. The Board expressly finds that the cost of obtaining another appraisal with a date within 3 months of November 16, 2015 would be counterproductive and require incurring of a needless cost, and consequently is not in the best interests of Fergus County.

2. Section 7-8-2213 MCA, as to the sale of non-tax deed land, states; "a sale may not be made at public auction or to any school district

without public auction for less than 90% of the appraised value." The Board believes that one of the best estimates of the value of a piece of property is by way of an auction, in that an auction shows what a person is willing to pay for a parcel of property. The amount a person is willing to pay for a parcel of property is the central idea in the definition of "appraised value". Consequently, the Board believes that strict application of section 7-8-2213, MCA could be an impediment to selling of the old Roy Road Department shop building at a fair and accurate estimate of its value.

WHEREAS, it is necessary for the Board to fix a minimum auction price for these two tract of land, and then to cause notice to be published in the Lewistown News Argus advertising the sale.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The minimum sales price for the two tracts of land shall be as follows:

Old Roy Road Department Shop Building	\$5000.00
Buffalo lots 11 and 12 in block 6	\$ 200.00

2. The Board, by this resolution, exercises it self-governing powers, and by such self-governing powers declares that application of the two statutes described above shall not apply to the sale of the Old Roy Road Department shop building.

3. The sale of the two properties shall be advertised by publication of a notice in the Lewistown News-Argus, with publication being made twice

with at least 6 days separating the publication dates, and the notice shall include a description of the properties to be sold.

4. Potential purchasers shall be advised of the terms of the action sale, which shall be as follows:

a. The closing date of the on-line auction shall be November 16, 2015.

b. The closing date of the sale shall be within 30 days of the closing date of the auction. The closing agent shall be Realty Title of Lewistown, Montana. Fergus County and the purchaser will equally share closing costs. The successful bidder shall be required to pay earnest money, in the form of cash, check, or bank wire. Earnest money will be held in trust by the closing agent. The amount of earnest money for the Roy property shall be \$1000.00, which shall be due and payable within 24 hours of the close of the auction. The amount of earnest money for the Buffalo lots shall be \$ \$200.00, due and payable within 24 hours of the close of the auction. Earnest money shall be forfeited to Fergus County and the auction company if the purchaser refuses or neglects to close the sale. At closing, the earnest money is applied to the purchase price. At the time of closing of the sale, the full contract price will be due and payable. The contract price will include a 5% buyer's premium which is to be remitted to the auction company.

c. Fergus County shall provide the purchaser with title insurance, warranting clear and merchantable title, except for any exceptions shown in the title insurance policy.

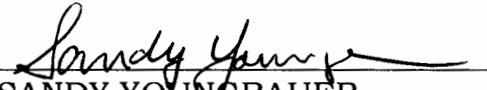
d. Fergus County will prepare and submit to the closing agent a warranty deed for transfer of the property. The purchaser shall be responsible for recording costs.

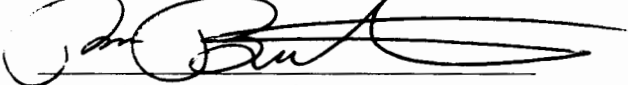
e. Fergus County reserves all mineral rights to the property.

5. The contract between Fergus county and United County Shobe Auction and Realty will include other terms and conditions between such contracting parties, and which are not recited herein as they are not applicable to the sale contact between Fergus County and the purchasers.

PASSED AND APPROVED this 16 day of October, 2015.

BOARD OF COMMISSIONERS:


SANDY YOUNGBAUER


ROSS BUTCHER


CARL SEILSTAD

ATTEST:


RANA WICHMAN, Clerk & Recorder