

NOTICE OF SALE OF REAL PROPERTY AT PUBLIC AUCTION

IN ACCORDANCE WITH THE PROVISIONS OF SECTION 385 OF THE CITY CHARTER, AND DIVISION 7, CHAPTER 1, ARTICLE 4, OF THE LOS ANGELES ADMINISTRATIVE CODE

NOTICE IS HEREBY GIVEN that the real property(ies) hereinafter described will be offered for sale by the City of Los Angeles to the highest responsible bidder at a public auction to be conducted by the Real Estate Services Division, Department of General Services of the City of Los Angeles at 2:30 p.m. on June 14, 2017 in Room 350, Board of Public Works Hearing Room, 200 North Spring Street, Los Angeles, CA 90012.

The auction will be held pursuant to Ordinance No. _____, ordering the same, adopted by the City Council of said City on _____, and upon the terms and conditions therein and hereinafter specified and in conformity with Section 385 of the City Charter and Division 7, Chapter 1, Article 4, of the Los Angeles Administrative Code.

The minimum price that will be accepted for the property(ies) shall be in the amount of the minimum bid for each said parcel indicated thereof in this Notice. The City of Los Angeles reserves the right to adjust the amount of the minimum bid at any time up to the date of the auction.

Said real property(ies) is/are located within the City of Los Angeles, County of Los Angeles, State of California, and described as follows:

SEE ATTACHED EXHIBIT I “NOTICE OF SALE PROPERTY DESCRIPTION – 2017 SPRING AUCTION”

THE PARCEL(S) MAY BE SUBJECT TO ONE OR MORE OF THE FOLLOWING ITEMS WITH REGARD TO THE DEVELOPMENT OF THE SITE, INCLUDING BUT NOT LIMITED TO: COASTAL COMMISSION, HILLSIDE ORDINANCE (168,159), SLOPE/ DENSITY ORDINANCE, AND/OR ANY PENDING ORDINANCES AFFECTING THE DEVELOPMENT OF THE SITE. POTENTIAL BIDDERS ARE URGED TO INVESTIGATE BUILDING RESTRICTIONS AND GUIDELINES WITH THE APPROPRIATE AGENCIES PRIOR TO THE AUCTION.

BUYERS ARE FURTHER URGED TO INVESTIGATE DEVELOPMENT ISSUES ASSOCIATED WITH THE PROPERTY(IES), INCLUDING BUT NOT LIMITED TO, CONDITIONS & RESTRICTIONS, GEOLOGY, SITE GRADING, STREET ACCESS, DRAINAGE, AVAILABILITY OF SEWER AND OTHER PUBLIC FACILITIES.

All persons interested are invited to attend said auction and bid for the property(ies) intended to be sold. Each parcel will be called by the parcel number, and bids will be called for said parcel. All persons present who have been designated as qualified bidders may orally bid thereon.

Any person wishing to be designated as a qualified bidder must place a deposit with the General Manager of the General Services Department of the City of Los Angeles or his/her representative prior to the commencement of the bidding. Said deposit must be at least ten percent (10%) of the amount specified as the minimum price for each parcel or \$10,000.00 for each parcel, whichever is less, in **CASHIER'S CHECK OR CERTIFIED CHECK** made payable to the City of Los Angeles.

In addition to the deposit noted, **an additional deposit is required from the winning bidder ("Buyer") within 10 working days of the date of the auction to make the total deposit held by the City equal to ten percent (10%) of the purchase price for each parcel.** Said deposit(s) shall constitute a guarantee that in the event the offer of purchase is accepted by the City of Los Angeles, the Buyer making said offer should complete the purchase according to the terms and conditions herein specified. Said deposit shall be accepted, credited, and applied to the account of the purchase price of the subject parcel. In the event said offer to purchase the subject parcel is rejected, the deposit(s) shall be returned to the Buyer.

In the event said offer to purchase is accepted but not completed and failure in that regard is not caused by any act of or omission of the City or any of its representatives, **said deposit(s) shall be retained by the City as liquidated damages for the failure to complete said purchase** and for all costs and expenses incurred for the necessary proceedings incidental to acceptance of the offer. Buyer(s) who do not complete said purchase will be prohibited from bidding in future auctions for a period of one year.

A **supervised open house** will be conducted for each of those parcels that have a residential home. The time(s) and date(s) of the open house are to be announced at a later date.

Said property(ies) is/are available for inspection by bidders prior to the auction. The City urges all bidders to inspect the property(ies) before bidding. By bidding on the parcel, the bidder represents to the City that bidder has in fact inspected the property(ies) to bidder's satisfaction, knows the condition thereof, and based on that knowledge and inspection, is nevertheless ready, willing, and able to purchase the property(ies).

No warranty or representation is made by the City of Los Angeles with respect to location, size, description of improvements, or zone set out in the notice of said property(ies) hereinbefore described; such data being set forth for information only and is not; and shall not be deemed to be a part of the description by, or conditions of, which such property(ies) will be offered for sale or sold. The City makes no representation or warranty whatsoever as to the condition or usability of the property(ies); the presence of any defects, whether apparent or hidden, or the fitness of the property(ies) for use, or its/their fitness for a particular use.

Said property(ies) offered for sale is/are offered in an "AS IS" condition, and all bidders, by bidding on the property(ies), are, by such act, expressly agreeing to purchase the property(ies) in an "AS IS" condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the property(ies), and that the seller has no obligation to correct any condition of the property(ies), whether known before or after the date of the auction.

RELEASE: Effective from and after the Closing, Buyer hereby waives, releases, acquits, and forever discharges Seller, and Seller's agents, officials, officers, boards, employees, contractors, and agents to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or that may arise in the future because of or in any way growing out of or connected with this Agreement and the Property (including without limitation the Condition of the Property). This release includes all liability under any federal, state, or local statute, ordinance, rule, or regulation applicable to the property, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (Title 42 United States Code §§9601-9675), the Resource Conservation and Recovery Act of 1976 (title 42 United States Code §§6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code §§25300-25395.45), and the Hazardous Waste Control Law (Health and Safety Code §§25100-25250.28), BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE §1542 AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS AGREEMENT TO RELEASE SELLER.

Should no acceptable bid be received, or should the sale not be completed for any of the property(ies) described in the Ordinance, the General Manager of the Department of General Services of the City of Los Angeles or his designee, without further order or permission of the Los Angeles City Council, is hereby authorized to

- a) re-offer said property(ies) for sale pursuant to the Ordinance to the second highest bidder, and if second highest bidder fails to complete the sale and/or comply with the conditions of the sale, to the third then fourth highest bidders, upon the same terms and conditions specified in the Notice of Sale, or

- b) declare this Notice of Sale immediately invalid for said property(ies) and, pursuant to Division 7, Chapter 1, Article 4, Section 7.32 of the Los Angeles Administrative Code, cause one or more other Notice of Sale to be published and to conduct one or more other sale auction under the terms and conditions of the new Notice of Sale until property(ies) authorized for sale under the Ordinance is/are sold or otherwise disposed. The provisions of this section shall be effective until the expiration of the Ordinance authorization, if specified in the Ordinance, on the Ordinance expiration date.

Any and all bids may be rejected or the property(ies) withdrawn from sale by the General Manager of Department of General Services or the City Council of the City of Los Angeles, or said sale(s) may be postponed or continued until such time as the sale(s) is/are confirmed by the General Manager of the Department of General Services of the City of Los Angeles.

No sale shall be made or become final unless and until confirmed by the General Manager of the Department of General Services of the City of Los Angeles.

The successful bidder shall pay all escrow and incidental costs associated with the property(ies) purchase transaction(s) including, but not limited to, administration fees, auction fees, survey/environmental disclosure fees, recording fees, documentary transfer taxes, one-half of City of Los Angeles' escrow fees, policy of title insurance, messenger service fees, broker's commission, if any, other real estate transaction taxes, fees, or application, and personal property taxes where applicable. Should a successful bidder desire an independent survey of the property(ies), termite inspection, and any other types of inspections, the bidder may accomplish this by an independent surveyor and/or inspectors at the bidder's expense. The title company and escrow company used for the sale of all these properties shall be at the sole discretion of the City of Los Angeles. Parcel(s) improved with a single-family home will be covered with a home warranty protection plan for one year at the City's expense from the date escrow closes with any service calls paid by the prospective buyer. Home warranty protection coverage information will be made available to the successful bidder, upon request, on or before close of escrow.

The full balance of the parcel(s) purchase price and associated purchase costs shall be paid to the City by the successful bidder on or before a date that is three months after that successful bidder has been notified by the Real Estate Services Division of the Department of General Services that the sale has been confirmed. Provided that if payment is deferred for more than two months after the notice confirming the sale, interest at one percent (1%) per month or fraction thereof shall be charged for each month or fraction thereof in excess of two months. Upon said payment, the City agrees to deliver said purchaser, his/her nominee or assignee(s), the grant deed(s) to the real property(ies) so purchased, together with a standard policy of title insurance issued by a reputable and incorporated title company, showing title to be vested in the purchaser subject to the terms, conditions, and reservations set forth above.

APPROVED AS TO FORM AND LEGALITY:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By _____

By _____

Name: _____

Name: _____

Deputy City Attorney

Deputy

Dated _____

File No. _____

ERIC GARCETTI, Mayor