

Surplus Land Auction

Closing

Information & Procedures

Winning bidders are required to enter into a purchase contract at the close of the auction. Ten Percent (10%) of the purchase price ("Escrow Deposit") will be collected and deposited into an escrow account held by the Department's designated escrow and closing agent until the closing date.

The sale transaction must be closed within 30 to 60 days of the date of the contract unless good cause exists to delay the closing.

If a buyer wishes to extend the closing date, the buyer must provide documentation and written information showing that good cause warrants delaying the closing to the Right of Way Director within 30 days after the date of the contract. At that time the Director will determine if good cause to delay exists.

If the closing does not take place within 30 to 60 days after the date of the contract, and if the Director determines that good cause to delay does not exist, then the Escrow Deposit money becomes non-refundable.

However, if the Director determines from the information provided by the buyer that good cause to delay does not exist AND the buyer still wishes to purchase the property, the Department may agree to allow the buyer more time to complete the purchase. If more time is allowed, the buyer must provide an additional 7% of the purchase price as security deposit to the Department to be held in escrow until closing, and at such time, the parties will have an additional 30 days after the date of the contract to close.

If the buyer does not provide the additional 7% security deposit within 5 business days after the Department agrees to allow the buyer more time to complete the purchase, the purchase contract is void and the Department may contact the next highest bidder who will then have an opportunity to purchase the property.

If the closing is not completed within the additional 30 days allowed by the Department, all escrow deposit money becomes non-refundable, the contract becomes void and the Department may provide the next highest bidder an opportunity to purchase the property.

The closing will be conducted at the Departments designated title company and the title company will be instructed to record the deed and send it to the Department of Transportation after recording.