

INVITATION TO BID

SALE OF REAL PROPERTY FOR RESIDENTIAL DEVELOPMENT



306 NORTH LEE STREET

CONTRACTING AUTHORITY:
CITY OF MOUNT PLEASANT, IOWA
307 E Monroe Street
Mount Pleasant, IA 52641
(319) 385-1470

LEGAL NOTICE

The City of Mount Pleasant, Iowa, is accepting sealed bids on an approximately 0.27 acre parcel of developable residential real property ("Property") located at located at 306 N Lee Street in the City of Mount Pleasant, identified as Parcel No. 420081015300500, and legally described as follows:

"Commencing at a point 135 feet North of the southwest corner of Lot 7, Block 5, Bentley's Addition to the City of Mt. Pleasant, Iowa, thence north on east line of Lee Street, 135 feet, thence easterly 91 feet 4 inches to the line of real estate conveyed to J.D. Trowbridge by T. A Hamilton and wife by deed of record in Book 80, Page 432 of town lot deed records of Henry County, Iowa, thence south on line parallel with Lee Street along west- side of said property conveyed to John Delen by said Hamilton for a distance of 143 feet and 4 inches, thence westerly 88 feet and 10 inches to place of beginning;"

The Property is presently zoned residential.

The property is being sold "as is." No survey has been performed. All inspections must take place prior to bidding. The Property is open for viewing, or appointments may be requested during normal business hours by contacting the Building and Zoning Administrator at (319) 385-1474 or by email to garys@citymtpia.com.

The Property will be sold to the most responsible bidder, as determined by the City Council in its sole discretion, and the City reserves the right to reject any or all bids and to waive any irregularities or informalities. All bids must be cash transactions and may not be conditioned on financing.

Parties interested in bidding on the Property may submit a sealed bid to the City Clerk, at 307 East Monroe Street, Mount Pleasant, Iowa 52641, until 4:00 P.M. on May 27, 2025. Instructions to Bidders and Bid Blanks/Purchase Proposal Application may be obtained from the City Clerk.

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INSTRUCTIONS TO BIDDERS

1. **Description of Property:** The Property to be sold is an approximately 0.27 acre parcel of developable residential real property ("Property") located at 306 North Lee Street in the City of Mount Pleasant, identified as Parcel No. 420081015300500, and legally described as follows:

"Commencing at a point 135 feet North of the southwest corner of Lot 7, Block 5, Bentley's Addition to the City of Mt. Pleasant, Iowa, thence north on east line of Lee Street, 135 feet, thence easterly 91 feet 4 inches to the line of real estate conveyed to J.D. Trowbridge by T. A. Hamilton and wife by deed of record in Book 80, Page 432 of town lot deed records of Henry County, Iowa, thence south on line parallel with Lee Street along west- side of said property conveyed to John Delen by said Hamilton for a distance of 143 feet and 4 inches, thence westerly 88 feet and 10 inches to place of beginning;"

The Property is presently zoned residential No survey has been performed.

2. **Receipt of Bids:** Bids will be received by the City Clerk until 4:00 P.M. on May 27th, 2025. The City Council may consider non-responsive any bid not prepared and submitted in accordance with the provisions hereof and may waive any informalities or reject any and all bids. Any bid may be withdrawn prior to the above scheduled time for the receipt of bids or authorized postponement thereof. Any bid received after the time and date specified shall not be considered. The failure or omission of any bidder to examine any form, instrument, or document shall in no way relieve any bidder from any obligation in respect to a submitted bid.

3. **Notice of Minimum Bid:** The minimum bid for the property described shall be \$3,000.00, any bid less than the minimum will not be considered.

4. **Contents of Bids:** Each bid must be submitted on a fully completed Bid Blank and Purchase Proposal Application containing the full legal name of the person or entity bidding on the Property, with a telephone number, physical address, email address, and signature of an individual with requisite authority to legally bind the bidder; and be submitted in an opaque sealed envelope marked "BID FOR NORTH LEE STREET PROPERTY." No faxed or emailed bids will be accepted. The bid shall include all additional documents required in these Instructions to Bidders. Failure to submit all required bid items may result in the bid being deemed non-responsive.

5. **Duration of Bids; Award of Bid:** Bids shall be considered firm offers to purchase the Property and will be held open for a period of sixty (60) calendar days from the above-referenced deadline for submission. Award of bid shall be to the most responsible bidder, within the City's discretion, as one who can fully and reliably satisfy the terms of the agreement, meet the needs of the community by creating the most civic value, and financially undertake the obligations. If a Purchase Agreement is not negotiated with the City Administrator, executed by the winning bidder, and submitted to the City within fifteen (15) business days of City Council awarding the bid, or if the transaction otherwise fails, the bid will be deemed null and void and the City Council will proceed to award the bid to the next most responsible bidder, reject all bids, or re-let the Property in its discretion. No Purchase Agreement will be binding upon the City until executed by the Mayor following approval and authorization by the City Council following a duly noticed public hearing as prescribed by law.

6. **Condition of Property/Title.** The Property is being sold “as is.” Each bidder may schedule inspections of the Property prior to bidding and shall judge for himself/herself all the circumstances affecting the Property, assuming all patent and latent conditions or defects in connection therewith. Each bidder will be presumed to have inspected the Property and examined title thereto.

7. **Development of Property**

- a. The winning bidder will be required to commence residential development of the Property within twelve (12) months, be fifty percent (50%) completed with eighteen (18) months, and fully completed within twenty-four (24) months of closing on the purchase of the Property.
- b. The winning bidder will be required to construct upon the property one (1) single-family dwelling with an aggregate value as indicated on the Purchase Proposal Application; no assignment of bidder’s developer rights or sale of lots for development by others shall be permitted without the express written consent of the City Council.
- c. The property shall not be sold to a third-party for one year following completion of the development. Strong preference shall be given to bidders proposing owner-occupied single-family dwellings.
- d. The City shall retain a right of reversion within the purchase agreement and deed to secure compliance with the terms of the bid or future purchase agreement.
- e. The bidder shall not allow any mortgages, liens, or other similar debt obligation to encumber the Property while the City holds the aforementioned reversionary interest without the express written consent of the City. The City understands that most bidders will seek construction financing and plans to consent to a construction loan or mortgage to allow construction of a single-family dwelling.

8. **Notice of Special Conditions:** Bidder is notified of the following special conditions of sale, which shall be considered in determining the “responsibility” of bidders:

- a. The bidder shall include with its bid a narrative summary for the bidder’s planned development and use of the Property which includes the type and approximate size of residential dwelling to be constructed upon the Property; bidder’s anticipated timeline for fully completing development of the Property; an estimate of the aggregate value of the Property as fully developed; and a description of any economic development assistance to be sought.
- b. The bidder shall submit with its bid a minimum of three (3) references supporting the bidder’s experience and/or ability to develop residential property in the manner described in bidder’s narrative summary and, if applicable, supporting the bidder’s experience and/or ability to maintain and manage development of single-family dwellings.
- c. The bidder acknowledges preference will be given to bids that propose development of the Property in accordance with applicable laws, rules, and regulations.
- d. The bidder acknowledges the Property will be sold to the most responsible bidder, as determined by the City Council in its sole discretion, and the City reserves the right to reject any or all bids and to waive any irregularities or informalities.

9. **Bidder Questions/Addenda:** Upon the deadline for the submission of bids each bidder will be presumed to have inspected the Property, and the title thereto, and to have received answers to all questions regarding the Property. The failure or omission of any bidder to examine any form, instrument or document shall in no way relieve any bidder from any obligation in respect to a submitted bid. All questions prior to bid award shall be directed in writing to Gary Shahan, Building and Zoning Administrator, at 307 E Monroe Street, Mount Pleasant, Iowa 52641, or by email to garys@citymtpia.com.

Questions must be received at least five (5) days prior to the date fixed for the submission of bids. No response will be made to any bidder individually. Any and all responses and any supplemental instructions will be in the form of written addenda to this Invitation to Bid posted at City Hall three (3) days prior to the date fixed for submission of bids, and may also be obtained from the City Clerk. Failure of any bidder to receive any such addendum shall not relieve such bidder from any obligation under his/her bid as submitted.

10. **Signing Bid:** By signing its bid, bidder acknowledges reading these Instructions and agreeing to the same.

BID BLANK

I, _____, personally, or as authorized representative for and on behalf of the entity named below, submit this bid, and the completed Purchase Proposal Application, and hereby offer to purchase the Property located at 306 N Lee Street in the City of Mount Pleasant, identified as Parcel No. 420081015300500, and legally described as

“Commencing at a point 135 feet North of the southwest corner of Lot 7, Block 5, Bentley's Addition to the City of Mt. Pleasant, Iowa, thence north on east line of Lee Street, 135 feet, thence easterly 91 feet 4 inches to the line of real estate conveyed to J.D. Trowbridge by T. A Hamilton and wife by deed of record in Book 80, Page 432 of town lot deed records of Henry County, Iowa, thence south on line parallel with Lee Street along west- side of said property conveyed to John Delen by said Hamilton for a distance of 143 feet and 4 inches, thence westerly 88 feet and 10 inches to place of beginning;” and make a firm offer in the following amount

\$ _____

This offer shall remain open without modification for a minimum period of sixty (60) days from the date of the deadline for bid submission. I further understand the City Administrator, or designee, will negotiate terms and conditions of Purchase Agreement with the most responsible bidder as determined by the City Council in its sole discretion.

Name/Title (if applicable)

Company

Signature

Date

Address

Telephone

City, State, Zip

Email

Submit bid to:
City Clerk
307 E Monroe Street
Mount Pleasant, Iowa 52641