

**ORDINANCE FOR THE RETENTION OR DISPOSITION
OF TAX-ACQUIRED PROPERTY IN THE TOWN OF
CRANBERRY ISLES, MAINE**

This Ordinance has been adopted pursuant to the authority granted to the Town of Cranberry Isles (the “Town”) in 30-A M.R.S.A. Section 3001 et seq. and the Home Rule Power referenced in 30-A M.R.S.A. Section 2101 et seq. The purposes of this Ordinance are to establish a procedure for the retention or sale of tax-acquired property and to provide certain authority to the Selectmen for the sale of such property to its previous owners after foreclosure of a tax lien.

1] (a) Except as provided below, any property that has been acquired by the Town for nonpayment of real estate taxes by virtue of foreclosure of a statutory tax lien pursuant to 36 M.R.S.A. §941 et seq., or by other method or procedure provided pursuant to Maine law, shall be the property of the Inhabitants of the Town of Cranberry Isles held in fee simple.

(b) The Selectmen may take appropriate measures to take full possession of the property, and to rent, insure, manage, maintain and/or improve the same. If the property is rented, the Selectmen may also obtain liability insurance coverage.

(c) The Selectmen may, in their discretion, determine (1) whether to retain the property for present or future, municipal or public use, *or* (2) whether to sell or release the property as provided below. If the Selectmen determine that the property should be retained, they may then bring a court action for the purpose of securing clear title to the property.

2] (Within 60-days of the enactment of this Ordinance or within 60-days of the maturation of the oldest property tax lien that applies to the parcel of real estate, whichever date is later, the person(s) to whom the property was most recently assessed for municipal tax purposes, or his, her, it’s or their (as applicable) heirs, devisees, successors or assigns (collectively the “prior taxpayer”), may petition the Selectmen in writing to allow the prior taxpayer to purchase the property and obtain a municipal release deed. The Selectmen may, in their discretion, allow such petitioner(s) to purchase the property back upon payment of all unpaid taxes, the just value for the current tax year which is not yet assessed, interest, lien charges, attorney fees, maintenance and insurance expenses, any other expense incurred by the Town, and any additional sum that the Selectmen deem reasonably related to the tax lien, property or maintenance of the property. In the event the Selectmen allow the petitioner to repurchase, the Selectmen shall also establish the terms of the repurchase. In the event the petitioner(s) fail to satisfy the terms and conditions of repurchase as established by the Selectmen, the Selectmen may elect in their discretion to extend or amend the terms of repurchase (but not reduce the amount of the repurchase) or proceed with a public sale of the property as provided for below.

3] (a) The Selectmen may, in their discretion, sell any tax-acquired property by public bid. At least thirty (30) days prior to the bid opening date, the Selectmen shall (1) provide written notice of the impending sale to the prior taxpayer, by regular U.S. mail sent to the same address on file with the Town tax collector, (2) post a bid invitation on both Great and Little Cranberry Islands, and (3) publish a bid invitation twice in a newspaper of general circulation in Mount Desert and Ellsworth. However, failure to mail notice to the prior taxpayer shall not invalidate

any sale of the property. The Selectmen may also provide notice to persons the Selectmen feel may have an interest in purchasing the property.

(b) The Selectmen shall determine the form of the notice of and invitation for the public sealed bid sale, as well as bid submission requirements. The form shall (1) contain a description of the property, (2) require a 10% bid deposit in the form of a cashier's or certified check which will be returned to all unsuccessful bidders, (3) specify the date and time when bids must be received at the Town's town office, (4) specify when and where the bids will be opened, (5) state that the Selectmen have full discretion to reject any and all bids, (6) state that the property is being sold "AS IS", and (7) require the successful bidder to agree to indemnify and hold the Town harmless from any and all claim(s) arising out of the taking, ownership or sale of the property, as well as the eviction of any occupants of the property. In addition the Selectmen may in that notice provide for a minimum bid price.

(c) The Selectmen shall notify any successful bidder by mail which notice shall include the form of indemnity and hold harmless agreement, require full payment from the successful bidder within thirty (30) days after the sale, and deliver to the successful bidder a municipal release deed in exchange for the successful bidder's payment of the bid price by wire or certified funds and delivery of the fully executed indemnity and hold harmless agreement referred to above. The Selectmen may, at their discretion, extend any successful bidder's right to purchase for an additional period of twenty (20) days. If that bidder defaults, the Town may retain the bid deposit and the Selectmen may elect to sell the property to the next highest bidder, or, in the event the successful bidder defaults or there is no next highest bidder the Town may (i) elect to retain the property for use by the Town or public, or (ii) re-initiate the procedures provided in this section 3 for a public sale by sealed bid without the requirement of notice to any prior taxpayer.

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