

**13576 Electronic On-Line Auction Service for Disposal of Excess Property –  
Questions and Answers Set 1**

**Q1. Is this a re-occurring contract or a new contract?**

**A1. This is a new contract will be for one year with the possibility of three renewals.**

**Q2. What is the expected value of the land parcels?**

**A2. The value of the parcels will likely vary greatly. Some parcels may be quite nominal, while others may exceed several hundred thousand dollars.**

**Q3. Will there be a designated Title Company conducting all the closings? The RFP states that the vendor will be required to collect and hold all funds. Typically, we utilize an Escrow Agent or Closing Agent to hold the deposit amounts and conduct the closing. Is the State agreeable to this arrangement?**

**A3. There is no designated Title Company. The DOT will issue a State Land Patent upon receipt of all funds. Yes. All funds must be received by the DOT within 45 days of the close of the auction.**

**Q4. What all is going to be on the auction?**

**A4. This auction will include up to, but no more than 15 properties of various sizes and uses around the state of Iowa. The mixture of properties may include uses such as agriculture, residential use, commercial, industrial, recreational, or other. Some properties may include improvements.**

**Q5. Where is the auction going to be held?**

**A5. This will be an electronic auction with bidders submitting their amounts online, so there is no pre-determined location for the public to gather.**

**Q6. Our marketing and advertising costs will vary a great deal based on the locations/types of the property. Do you have any idea if the parcels to be sold might be in the same vicinity in each auction? or if the parcels might be of the same type? It would help to know if we might be able to take advantage of some economies of scale.**

**A6. The DOT will make every effort, but cannot guarantee, that multiple parcels will be sold within a similar vicinity. A majority of the properties will likely be for agricultural use, but the DOT also disposes of many other properties of other various uses around all parts of the state.**

**Q7. Who will be responsible for abstracts being updated and deed preparation for the parcels? Will that be the responsibility of the DOT to provide those items? Will there be a closing agent? or do you anticipate we will be the closing agent because we have a trust account?**

**A7. The DOT prepares a State Land Patent to be delivered to the successful bidder upon receipt of all funds. There is no abstract updated, prepared, retained, or delivered to the buyer. The winning bidder for the contract will have a trust account and coordinate with the DOT to finalize the sale.**

- Q8. Who will be held liable in case of default? If a sale falls through, through no fault of ours, will we be responsible for that purchase? For instance, Buyer wins auction and provides earnest money, but cannot bring balance to closing or chooses not to. Will that parcel be added to another auction? Will we be forced to cover that no sale? We have never had a problem with this in the past and certainly the bidding requirements that have been sent will limit liability, but I just want to know how it would be handled.**
- A8. In the event of a default by a bidder, the DOT will refer to the State's Attorney General's Office for guidance on specific matters such as this. Earnest money received by the auction company from the bidder, may be retained by the DOT in the event of a defaulted sale.**
- Q9. Does the active Trust Account need to be held in the Licensed Iowa Real Estate Broker's name? Or can the active Trust Account be held with an attorney affiliated with the brokerage firm/project team?**
- A9. Yes, the trust account must be in the broker's name. Third party trust accounts will not be permitted.**