

NOTICE OF SALE OR LEASE OF OLD WATAUGA HIGH SCHOOL PROPERTY

The Watauga County Board of Commissioners, meeting in a regular session on Monday, August 3, 2009, relative to the property it declared as surplus on April 21, 2009, being the property owned by Watauga County and commonly known as the Old Watauga High School property located on Highway 105 in the Town of Boone, North Carolina, took the following action with regard to the property. The Watauga County Board of Commissioners rejected the bid that it received as being non-conforming to the Notice of Sale from its action on April 21, 2009, and continued to authorize the sale by the negotiated offer, advertisement and upset bid process as provided by NCGS §153-A-176, NCGS §160A-266 and NCGS §160A-269. The property is identified as the Watauga High School property, consisting of 74.641 acres, more or less, as described at Book of Records 1084 at Page 728, Book of Records 1084 at Page 732 and Book of Records 1353 at Page 115 in the Watauga County Register of Deeds Office. The asking price for the property is \$20,000,000.00, and includes the following stipulation with regards to a commission that will be paid by Watauga County to a real estate agent licensed by the State of North Carolina if an offer to purchase is presented to and accepted by Watauga County. Watauga County will pay to the licensed real estate agent who presents an offer to purchase which is accepted by Watauga County, a commission of five percent (5%) of the purchase price at the time of closing of the sale by Watauga County. The offer, if accepted, will then be subjected to the advertisement and upset bid process as provided by NCGS §160A-269. In the event that the accepted offer is upset through the advertisement and bid process of NCGS §160A-269, and the property is sold to a party other than the party who made the initial accepted offer, and the upset bid party which closes on the purchase at the upset bid price is represented by another real estate agent licensed in North Carolina, Watauga County will pay a commission of five percent (5%) of the purchase price at the time of closing of the sale by Watauga County, which commission will be divided equally between the real estate agent who presented the initial accepted offer and the real estate agent for the upset bid purchaser. The payment of the commission is contingent upon the closing of the sale of the property by Watauga County.

The Watauga County Board of Commissioners will also entertain offers to engage in a lease of the property for a period of not less than ten nor more than ninety years and shall act upon such offers in accordance with the terms of sale contained herein. In lieu of the earnest money deposit required for sale, a deposit of \$25,000.00 security deposit shall be required to accompany any such offers for Lease of the property.

The property will be sold in its "as-is, where-is" condition, and the County makes no representations or warranties, either express or implied, concerning the property except as set forth herein. The property shall be sold subject to any and all easements and matters of public record.

Any party interested in purchasing the property shall submit an offer to purchase the property to Deron T. Geouque, County Manager, Watauga County Administration Building, 814 West King Street, Suite 205, Boone, North Carolina, 28607. A deposit of Three Hundred Thousand Dollars (\$300,000.00) in the form of cash, a cashier's check or a certified check, payable to Watauga County, must be

submitted with the offer to purchase the property. The deposit of Three Hundred Thousand Dollars (\$300,000.00) will be refunded to the party if the offer to purchase is not acceptable to the County. When an offer to purchase is made and the County proposes to accept it, the County shall require the offeror party to deposit five percent (5%) of the offeror's bid, with credit for the initial deposit of Three Hundred Thousand Dollars (\$300,000.00), which may be paid by cash, a cashier's check, or a certified check, with terms acceptable to the County in its sole discretion. If the County accepts the offer to purchase the property and the required deposit is made, the County shall publish a notice of the offer as required by NCGS § 160A-269. The notice shall contain a general description of the property, the amount and terms of the offer, and a notice that within ten (10) days any person may raise the bid by not less than ten percent (10%) of the first One Thousand Dollars (\$1,000.00) and five percent (5%) of the remainder. The successful bidder will be required to pay cash at closing. Watauga County reserves the right to withdraw the property from sale at any time and the right to reject any and all offers at any time.

The offer to purchase must meet the following requirements of the County:

1. The successful bidder for the property will have one hundred and fifty (150) days after acceptance and completion of the upset bid process to complete a due diligence inspection of the property.

2. After completion of the due diligence inspection, the successful bidder will be required to make an additional deposit to the County by cash, cashier's check, certified check or letter of credit, the terms of which must be acceptable to the County, in its sole discretion, so that a deposit equal to Five Million Dollars (\$5,000,000.00) will be held by the County, at which time the deposit of Five Million Dollars (\$5,000,000.00) will be non-refundable and immediately dispersed to the County.

3. The closing of the purchase and sale of the property shall be June 30, 2012, with time being of the essence with regard to the closing date.

Additional information about the property and the sale may be obtained by contacting County Manager Deron Geouque, 814 West King Street, Suite 205, Boone, North Carolina 28607, (828)265-8000 (telephone), (828)264-3230 (fax), deron.geouque@watgov.org (email), during regular business hours.