

# CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

## PROPERTY ACQUISITION POLICY

**Section 1. Purpose and Authority.** The purpose of this property acquisition policy (the “Policy”) is to implement Section 2824 (1) (e) of Title Two of Article 9 of the Public Authorities Law (the “Act”), which requires that members of the board of directors of the Chemung County Capital Resource Corporation (the “Corporation”) establish written policies and procedures applicable to the acquisition of real property by the Corporation.

### **Section 2. Definitions.**

1. “Acquire” or “acquisition” shall mean acquisition of title or any other beneficial interest in personal or real property.
2. “Contracting Officer” shall mean the officer or employee of the Corporation who shall be appointed by resolution to be responsible for the acquisition of property.
3. “Property” shall mean personal property in excess of five thousand dollars (\$5,000) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

### **Section 3. Duties.**

1. The Corporation shall maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control.
2. The Corporation shall prepare, not less frequently than annually, a report listing all real property owned in full by the Corporation. Such report shall consist of a list and full description of all real and personal property acquired during such period. The report shall contain the price paid by the Corporation and the name of the seller for all such property acquired by the Corporation during such period.

### **Section 4. Acquisition of Property.**

1. Supervision and Direction. Except as otherwise provided herein, the duly appointed Contracting Officer shall have supervision and direction over the acquisition of the property of the Corporation. The Corporation shall have the right to acquire its property for any valid corporate purpose.
2. Appraisal Report. An independent appraiser shall be hired to provide an opinion of fair market value before the Corporation shall make an offer with respect to the acquisition of the property. The appraiser should have a professional affiliation with a national appraisal organization and must not have an interest in the property (or be retained as an agent to sell the property). The appraisal report shall be in form and substance satisfactory to the Corporation and shall be included in the record of the transaction.

Notwithstanding the foregoing, the preparation of an appraisal report shall not be required where the Corporation is acquiring the property pursuant to a donation, or if the valuation of the property is uncomplicated and the fair market value is determined to be less than \$10,000.

3. Method of Acquisition.

- (a) Voluntary Acquisition. Unless otherwise permitted by applicable law, the Corporation shall acquire property for not more than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other items and conditions as the Corporation and/or Contracting Officer deems proper. The Corporation may execute such documents for the acquisition of title or other interest in property and take such other action as it deems necessary or proper to acquire such property under the provision of the section. Provided, however, the Corporation may acquire property for more than its fair market value, as described in an appraisal report reviewed by the Corporation, upon a finding by the Corporation pursuant to resolution of the corporation that the acquisition of such property at such price is necessary for the Corporation to (x) further its corporate purpose, and/or (y) avoid the expense and delay of condemnation.
- (b) Condemnation: Unless otherwise prohibited by applicable law, the Corporation may acquire property by condemnation. The Corporation shall initiate any condemnation proceedings by resolution of the Corporation and such resolution shall include findings and determinations made by the Corporation in connection with the decision by the Corporation to initiate such condemnation proceedings. Such findings and determinations may include the following: that the owner of the property has not responded to a reasonable offer for the acquisition of the property, that the Corporation has negotiated for a reasonable amount of time with the owner of the property and that the property is necessary to further the corporate purposes of the Corporation.

4. Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the seller of the property and accepted by the Corporation, purporting to transfer title or any other interest in property of the seller to the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of this Policy and all applicable law in so far as concerns title or other interest of any bona fide grantor or transferor who has received valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

5. Insurance. The Corporation must ensure that all insurable real and personal property under its control is insured against physical loss or damage.

Readopted on: 10/31/17