

**TERMS AND CONDITIONS GOVERNING THE
TAX SALE OF JUNE 21, 2010
AND ADJOURNMENT OR ASSIGNMENTS THEREOF**

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The Grundy County Treasurer (hereinafter referred to as Treasurer) holds the annual tax sale on the third Monday in June beginning at 9:00 a.m. until all parcels are offered for sale. If any parcels are not sold, they can be offered again at adjourned sale.

The following information is provided to assist you in purchasing delinquent taxes at tax sale:

1. All prospective bidders must register by 4:30 p.m. on Wednesday, June 16, 2010 in the Treasurer's office. You may, through written notice to the Treasurer, designate an appointee to bid for you in your absence. Each "Registration of Bidder or Assignee" form, W-9 form, and agent authorization form will be reviewed for completion, accuracy, and authenticity. Errors, omissions, or misrepresentations by a tax sale bidder may disqualify the bidder from the sale. Any person placing a bid that has not properly registered for the sale or without proper authorization may be disqualified from the sale. In these instances, all certificates purchased by the disqualified bidder during the sale may be cancelled and reoffered to other properly registered bidders. **REGISTRATION FORMS CAN BE FOUND ON THE GRUNDY COUNTY WEBSITE AT WWW.GRUNDYCOUNTY.ORG UNDER THE TREASURER'S MENU; FORMS.**

All bidders/agents must be 18 years of age or older at the time of the sale. To be authorized to register to bid or to bid at the tax sale, a person, other than an individual, must have a federal tax identification number and either a designation of agent for service of process on file with the Iowa Secretary of State or a verified statement meeting the requirements of Chapter 547 on file with the Grundy County Recorder. Each bidder and authorized agents should be prepared to show proof of identity (i.e. driver's license or birth certificate) upon entering the tax sale. A bidder, who has property registered, is allowed to purchase tax sale certificates under ten multiple buyer names/numbers, but may only bid for one buyer at any given time (this does not apply to the Public Nuisance Tax Sale).

Each entity is required to pay a registration fee of \$25.00 for the annual tax sale at the time of registration.

You may submit a written bid if you cannot attend in person; however, if another bid on the same parcel is received, the tax sale certificate will be issued to a bidder who is

present. In cases where two or more mailed bids are received and the parcel is not sold to a person present during the sale, the mailed bid for the smallest percentage of the parcel will be awarded the certificate. In cases of a tie mailed bid, the mailed bid with the earliest postmark will be awarded the certificate.

In the event that there is more than one bidder interested in the same parcel; the party who is willing to buy for the least interest in the property, no lower than one percent, will become the purchaser. If more than one bidder is interested in the same parcel, for the same interest in the property, we will sell the certificate on a random drawing selection basis.

The courts can set a tax sale certificate of purchase and/or a treasurer's deed aside; if it is determined the tax sale purchaser was ineligible to bid at tax sale. The general rule is a tax sale purchaser should never have an interest or lien in the parcel offered for sale. You should consult with your legal counsel to determine your right to bid and become a tax sale purchaser.

2. **Parcels with delinquent taxes are offered for sale** by item number in numerical sequence by taxing district. You need to know the parcel(s) within each district and the corresponding legal description(s) upon which you intend to bid. Real estate delinquencies will be offered first with mobile home delinquencies to follow. A full listing can be obtained from the Treasurer's office for a fee of \$15 in the days prior to the sale or a copy of the delinquent list is published in the Grundy Register, 601 G Ave, PO Box 245, Grundy Center, IA 50638; (319) 824-6958. The delinquent tax listing can also be found on the Grundy County website at www.grundycounty.org.
3. **Payment is required at the conclusion of the sale.** The amount collected will include all delinquent taxes, special assessment, interest, fees, and a \$20 certificate fee for each certificate issued to you. Payment may be in the form of a personal check, money order, or any form of guaranteed funds. In the event the check is returned to the Treasurer for one reason or another, the certificate will be void.

If a tax sale bidder has at any time defaulted on a bid by failing for any reason to pay any public agency the full value of any bid item, such bidder, to register to bid for a Grundy County Tax sale, is required to post with the Grundy County Treasurer, guaranteed funds in the amount that the bidder anticipates purchasing. In any event, such bidder's purchases at such tax sale shall be restricted to the dollar value of the guaranteed funds posted. Such guarantee of payment shall apply to the bidder so situated and to all agents bidding for such bidder at the tax sale.

4. **Please allow 7 to 10 working days to receive your certificate(s) or purchase list.** It is the purchaser's responsibility to verify that the tax sale certificate(s) or listing received is/are correct for the parcels purchased.
5. **The tax sale certificate of purchase does not convey title to the purchaser.** The titleholder of record or other interested party retains the right to redeem within a specified period of time, depending on the type of tax sale. If the sale remains

unredeemed after this period has expired, the purchaser may begin proceedings to obtain a tax deed to the parcel. The fee for issuance of a Treasurer's tax sale deed is \$25 per parcel.

Redemption is not valid unless received by the Treasurer prior to the close of business on the ninetieth day from the date of completed service. However, if the ninetieth day falls on a Saturday, Sunday, or a holiday, payment of the total redemption amount must be received by the treasurer before the close of business on the first business day following the ninetieth day. The date of postmark of redemption shall not be considered as the day the redemption was received by the treasurer for purposes of the ninety day time period. Service is complete when the certificate holder files the 90-day affidavit with the treasurer.

REGULAR TAX SALE

The 90-day Notice of Right of Redemption may be issued after one year and nine months from the date of sale. (Parcels eligible for regular tax sale have been advertised only once.)

PUBLIC BIDDER SALE

The 90-day Notice of Right of Redemption may be issued nine months from the date of sale. (Parcels eligible for public bidder tax sale have been advertised twice.)

PUBLIC NUISANCE SALE

All delinquent taxes and/or special assessments upon property for which a city within Grundy County has declared by affidavit to be abandoned or a public nuisance shall be offered at the Public Nuisance Tax Sale. The delinquencies will be sold to the certifying city. In order for a private buyer to bid at the Public Nuisance Tax Sale, an executed rehabilitation agreement with the city must be in place and a copy of this agreement provided to the Treasurer's office by 4:30, Wednesday, June 16, 2010.

FAILURE TO OBTAIN DEED - CANCELLATION OF SALE

After three years have elapsed from the time of sale, and the holder of a certificate has not filed an affidavit of service 447.12, the Treasurer will cancel the tax sale from the county system. However, if the filing of affidavit of service is stayed by operation of law, the time period for filing of the affidavit shall not expire until the later of six months after the stay has been lifted or three years from the time of the tax sale. In either instance, the tax sale purchaser is not entitled to a refund.

- 6. A tax sale purchaser may pay subsequent taxes and special assessments** on the same parcel on which s/he holds the tax sale certificate, beginning fourteen days following the date from which an installment becomes delinquent. A sub-list report of delinquent tax amounts can be requested from the tax department of the Treasurer's Office. Sub-list payments not properly reported by the certificate holder at the time of payment will be treated as voluntary payments and will be omitted from redemption calculations. Recorded sub-list payments will accrue interest at the rate of 2% per month from the month of payment to the month of redemption. A subsequent

payment must be received no later than 4:30 p.m. on the last business day of the month to accrue and be added to the amount due under section 447.1. The postmark on a subsequent payment will not be used to determine interest calculation and accrual.

7. A redeemed tax sale will include the following:

- A. The original tax sale amount including the \$20 certificate fee paid by the purchaser at the time of the sale.
- B. Interest in the amount of 2% per month calculated against the original tax sale amount. Each fraction of a month is counted as a whole month.
- C. Subsequent tax payments paid by the purchaser and added to the amount of sale, with interest in the amount of 2% per month. Each fraction of a month is counted as a whole month.
- D. Valid costs incurred by the certificate holder of record and recorded on the Tax Sale Register for action taken toward obtaining a tax deed. Costs not filed with the Treasurer before redemption shall not be collected by the Treasurer. Valid costs are defined in §447.13, Code of Iowa.

To determine whether submitted costs are valid, the Treasurer requires a copy of the newspaper publisher's invoice and a statement from the certificate holder substantiating the reason service was made by publication prior to posting publication costs to the amount necessary to redeem to determine whether publication costs are valid. Costs will not be posted or added to the amount necessary to redeem until the Treasurer receives these copies.

By statute, (§447.12), costs cannot be filed with the Treasurer prior to the filing of the 90 day affidavit with the Treasurer.

8. Redemption of tax sale certificate.

Upon surrender of the tax sale certificate for a redeemed tax sale either in person or by mail, the Treasurer's office will issue a Treasurer's check or e-check for the redemption amount to the tax sale purchaser. The check, if applicable, and a copy of the redemption certificate, which has a breakdown of the total amount of the redemption, to be retained for income tax purposes, will be mailed to the tax sale purchaser within 5 to 10 business days.

If the original certificate of purchase has been lost or destroyed, a duplicate can be obtained from the Treasurer's office at a cost of \$20. Please call (319) 824-3108.

9. The tax sale certificate of purchase is assignable by endorsement of the certificate, payment by the assignee of a \$100 assignment transaction fee, and forwarding the certificate to the Treasurer for posting in the county system. An assignment is not considered valid until posted to the county system by the Treasurer. The terms and conditions set forth in this document apply both to certificates obtained through assignment and for certificates obtained directly through the tax sale.

This document has been prepared to provide general information and guidelines relative to tax sales and tax sale redemptions. It is not an all-inclusive listing of statutory requirements, procedures or policy, nor is it to be construed as a legal opinion. More information is provided in the Code of Iowa Chapters 445, 446, 447, and 448. To protect your interest as a tax sale buyer and to determine your legal rights and remedies, we recommend that you consult with your legal counsel.

Feel free to call my office any time for additional information.

The doctrine of caveat emptor, meaning ‘buyer beware’ applies to this tax sale.