

Terms and Conditions of Sale of Tax Forfeited Lands after May 19, 2017

TERMS OF SALE:

Full payment can be accepted on any property at the time of sale. If the purchase is not paid in full at the time of sale the following options are available:

Unimproved (Vacant Land)

- 1) Sold for \$2,000.00 or less: A one-year contract, with at least a 10% down payment required the day of the sale, with a balance remaining payable in 12 level monthly payments, including interest as prescribed by state statute each calendar year. All additional money due must be paid by personal check or certified funds.
- 2) Sold for more than \$2,000.00: A 10-year contract, with at least a 10% down payment required the day of the sale, with a balance remaining payable in 120 level monthly payments, including interest as prescribed by state statute each calendar year. All additional money due must be paid by personal check or certified funds.

Improved (With Structure)

A 10 year contract, with at least a 10% down payment required the day of the sale, with a balance remaining payable in 120 level monthly payments, including interest as prescribed by state statute each calendar year. All additional money due must be paid by personal check or certified funds.

PROOF OF IDENTIFICATION:

Notary Procedure: At the time of sale, each purchaser must provide proof of identification by supplying a photo identification card (i.e. Driver License).

Power of Attorney Procedure: Any individual buying property from the Tax Forfeited Land section for another individual or group of individuals will not be allowed to sign the required documents unless proof of power of attorney is provided.

Required Signatures:

- **Individuals:** If the property is purchased in more than one name, all parties must be present at the time of sale to sign all documents.
- **Corporations:** If the property is purchased in the name of a corporation an officer of the corporation must be present to sign. Proof of signatory authority will be required.

Failure to follow any of the terms or conditions stated could result in a void of the sale and the parcel re-offered for auction. No exceptions will be made.

INTEREST:

Interest is charged and becomes due with the monthly payment. The rate of interest, as prescribed by Minnesota Statutes, section 279.03, subd. 1a, is charged at the adjusted prime rate, but will not be less than 10% or more than 14%.

Terms and Conditions of Sale of Tax Forfeited Lands after May 19, 2017

PREPAYMENTS:

All contracts allow for prepayment of an installment without penalty. Any prepayment is applied first to interest due, if any, and then to principal. However, if the additional payment is greater than or equal to one monthly installment, we will treat the payment as a reduction in the principal. Please provide instructions with your payment if you prefer the payment be treated as an early payment which will delay your next payment due date as appropriate. There is no penalty for paying the contract in full earlier than stated.

EXTRA FEES AND COSTS: In addition to the purchase price of the property, the following extra fees and costs are due when applicable:

At the time of sale the following fees will be added:

Assurance fee: 3% of the total sale price. This is a surcharge for the state assurance account.

Contract recording fee: \$46.00 if abstract or Torrens; \$92.00 if it is both.

- If the contract has to be recorded on more than one Torrens certificate there is an additional cost of \$20.00 per certificate after the initial recording.

At the time of final payment the following fees will be added:

State deed fee: \$25.00.

State deed recording fee: \$46.00 if abstract or Torrens; \$92.00 if it is both.

- If the state deed has to be recorded on more than one Torrens certificate there is an additional cost of \$20.00 per certificate after the initial recording.

State deed tax:

- 1) A \$1.70 for the purchase of properties up to \$500.
- 2) For properties over \$500: \$.0034 of the total sales price.

Agricultural conservation stamp: \$5.00.

PROHIBITED PURCHASERS OR BIDDERS:

None of the following individuals (either personally or as an agent or attorney for any other person) may bid on and purchase a parcel of tax-forfeited land unless the parcel was owned by the individual before forfeiture: county auditor, county treasurer, county attorney, court administrator of the district court, assessor or supervisor of assessments, land commissioner or assistant land commissioner for tax-forfeited lands, or any deputies or employees of any of the above individuals. A person prohibited from purchasing property under this section must not directly or indirectly have another person purchase it on their behalf for their own benefit or gain.

Prohibited purchasers or bidders also include any person or entity, or entity controlled by such person, that (1) is an owner or taxpayer of real property situated in Ramsey County that has delinquent property taxes, or (2) currently has a contract for purchase of tax-forfeited lands in default for any one of the following reasons or combination of reasons:

- Failure to pay a payment including interest when due;
- Failure to pay property taxes before they become delinquent;
- Failure to insure a property containing a structure during the term of the contract;
- Failure to provide a certificate of code compliance for a substandard structure, as required by the city in which the property is located within the required timeframe;
- Failure to provide a current certificate of occupancy, prior to tenancy, if the property is used as rental property.

Terms and Conditions of Sale of Tax Forfeited Lands after May 19, 2017

- Allowing a lien to attach to the property.

After a winning bid, but prior to closing, a search will be performed to determine if the winning bidder is a prohibited purchaser or bidder, and closing of the sale will not take place until the search verifies the winning bidder is not a prohibited purchaser or bidder. In the event a successful bidder does not complete the closing, or in the event that a winning bid has been awarded to a prohibited bidder or purchaser, the person or entity will forfeit their earnest money, and the sale will be nullified as invalid. The property may be re-offered at a future auction, at the sole discretion of Ramsey County.

FURNISHING OF LABOR OR MATERIALS:

Buyer shall not, during the terms of any contract, cause any material to be delivered or labor to be performed without written notice to Ramsey County and lien waivers obtained. Buyer further agrees to indemnify and hold harmless Ramsey County against all claims for labor and materials or services made against the property covered by any contract and for the cost of enforcing this indemnification including reasonable attorney's fees. The purchaser will indemnify Ramsey County and/or the State of Minnesota for environmental contamination as a result of purchaser's use and occupancy of the property.

NEW LIENS PROHIBITED:

Purchaser shall not create or permit to accrue liens against the property. Any action that results in a lien being attached to the property will constitute a default and shall result in cancellation of the Contract for Purchase of Forfeited Lands contract.

TAXES:

Tax forfeited property that is sold at a public or private sale on or before December 31st of an assessment year shall be placed on the assessment rolls for that year's assessment. [Minnesota Statutes, section 272.02, subd. 38(c)] For example, property sold in 2017 will be assessed as of January 2, 2017 and taxes will be payable in 2018.

ASSESSMENTS:

Assessments at the time of forfeiture and after forfeiture have been listed and may be subject to re-assessment by each respective municipality. Any Pending Assessments not certified to the State at the time of sale could be passed on to the new owner(s).

TITLE:

Once the contract is finalized and recorded in the County Recorder's Office the purchaser will receive the original contract. When the contract is paid in full, and all the terms and conditions set forth in that contract have been satisfied, the purchaser will receive a deed from the State of Minnesota through the Department of Property Records and Revenue. The law provides that this conveyance shall have the force and effect of a patent from the state. The forfeiture does create a break in the chain of title, which must be corrected to secure a marketable title. As other flaws may exist in the title, services of an attorney may be necessary to make the title marketable.

LIENS PRIOR TO FORFEITURE:

Most mortgages and liens, except Federal and State tax liens, are canceled at forfeiture. It is the responsibility of each potential bidder to thoroughly research this information.

Terms and Conditions of Sale of Tax Forfeited Lands after May 19, 2017

INSURANCE:

The purchaser shall carry fire and windstorm insurance on any buildings on the property in an amount equal to the Purchase Price or appraised value, whichever is greater, for the duration of the sale contract. All such insurance policies shall be deposited with the Tax Forfeited Lands Section of the Department of Property Records and Revenue, within sixty (60) days from the Execution Date, and shall contain a clause providing that losses, if any, be made payable to Ramsey County, as additional insured, and to the Purchaser, as their respective interests may appear.

DEFAULT:

Contracts may be canceled if the purchaser defaults for any one of the following reasons or combination of reasons:

- Failure to pay a payment including interest when due;
- Failure to pay property taxes before they become delinquent;
- Failure to insure a property containing a structure during the term of the contract;
- Failure to provide a certificate of code compliance for a substandard structure, as required by the city in which the property is located, within the required timeframe;
- Failure to provide a current certificate of occupancy, prior to tenancy, if the property is used as rental property; or
- Allowing a lien to attach to the property.

PRIOR OWNERS:

If the prior owner is the successful bidder of the property, that person may not purchase that same parcel of property at the sale for a purchase price less than a) the sum of all taxes, special assessments, penalties, interest, and costs due at the time of repurchase, as computed under Minnesota Statutes, section 282.251, plus b) any special assessments for improvements certified as of the date of sale. [Minnesota Statutes, Section 282.01, Subd. 7]

LIABILITY/RESPONSIBILITY AFTER SALE:

The Seller, its employees or agents, has no further responsibility or liability with respect to the condition or management of the property after it has been sold.

OTHER CONDITIONS:

- Sales are subject to existing leases, to building restrictions appearing of record at the time of forfeiture and to easements in effect at the time of forfeiture.
- The county makes no warranty that the land is buildable and may not conform to local building and zoning ordinances. It is your responsibility to contact the city where the land is located for details of building codes or zoning laws.
- All property is sold "As Is."
- Ramsey County is not responsible for locating or determining property lines or boundaries.
- All sales are final and no refunds or exchanges are permitted.
- The minimum bid price or sale price does not represent a basis for future taxes.
- No structure, standing timber products, minerals, sand, gravel, peat, subsoil or topsoil shall be removed from said land, and no structure, whether moved onto the property or constructed as new on the property, shall be added to the land until the full amount of the purchase price has been paid by the Purchaser.

Terms and Conditions of Sale of Tax Forfeited Lands after May 19, 2017

SPECIAL CONDITIONS FOR IMPROVED PROPERTY:

- There are no improved properties available for sale at this time.

CODE COMPLIANCE/HOME INSPECTION REPORT:

If a structure exists on a tax forfeited parcel offered at auction that does not meet the requirements of a code compliance inspection report or home inspection report issued within the past year, then within twelve (12) months of the date of purchase the purchaser, as a condition of a sale on contract, shall file with the Tax Forfeited Lands section of Ramsey County a certificate of code compliance, as required by the city in which the parcel is located. Purchaser must show proof of compliance or the purchaser will be in default of the sale contract. An extension of time may be granted by the County Auditor if the City, in which the structure is located, grants additional time to the Purchaser in order to complete the project.

HOME INSPECTION REPORT REQUIREMENTS:

Correction of the defects described in a Home Inspection Report will require, at a minimum, a building, plumbing, electric, HVAC or warm air ventilation permit, as indicated. All comments describing a visible or assumed deficiency within the report must be addressed within the scope of repair. The structure cannot be occupied or sold until all permits have been finalized and closed-out through the city in which the parcel is located. If the structure is intended to be used as rental property, you must provide this office with a current certificate of occupancy, prior to tenancy, pursuant to the municipal code of the city in which the parcel is located. Failure of the purchaser to comply with the above terms will be a default of the sale contract.

VACANT LAND CONDITIONS:

The buyer understands and agrees that no representations have been made regarding the real property's soil conditions, including but not limited to load bearing, compaction, contamination of any type, buildability or any other conditions, by the Seller, Ramsey County, on behalf of the State of Minnesota, or the Seller's employees or agents. A potential buyer must obtain authorization from Ramsey County to perform soil testing, at their own expense, before purchasing a parcel by completing a Hold Harmless Agreement with the Tax Forfeited Lands section. Once the Buyer has purchased an interest in the property the sale will not be rescinded if soil problems are discovered after the sale.

ADDITIONAL INFORMATION:

If you have additional questions regarding the sale or the terms and conditions of the sale, you may contact the Tax Forfeited Land section at:

Phone: (651) 266-2080

Email: TFL@co.ramsey.mn.us

In Person: 90 W. Plato Blvd., St. Paul, MN