

Terms and Conditions of Sale of Tax Forfeited Lands as of October 9, 2015

Full payment can be accepted on any property at the time of sale.

Payment should be made payable to "Ramsey County."

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)

Successful bidders will choose between the following options, if the purchase is not paid in full at the time of sale:

- 1) Option 1: 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.
- 2) Option 2: A 10 year contract, with at least a 10% down payment required the day of the sale, with a balance amortized over 30 years, with level payments on a monthly basis for 120 months, including interest at the rate prescribed by state statute each calendar year, with a balloon on the unpaid balance at the end of 10 years. All additional money due must be paid by personal check or certified funds. A Balloon is the loan balance remaining at the time the loan contract calls for full repayment.

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 provide proof of signatory authority and to sign on behalf of the corporation.

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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%.

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 a note with the 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 payable at the time of purchase). This is a surcharge for the state assurance account.
- **Contract recording fee** of \$46.00 if abstract or torrens, and \$92.00 if it is both.
 - If the contract has to be recording 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** of \$25.00.
- **State deed recording fee** of \$46.00 if abstract or torrens, and \$92.00 if it is both.
 - If the state deed has to be recording 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 minimum due for the purchase of properties up to \$500.
 - 2) For properties over \$500: state deed tax is calculated by multiplying the purchase price times .0034.
- **Agricultural conservation stamp** of \$5.00.

PROHIBITED PURCHASERS:

Minnesota Statutes, section 282.016, paragraph (a) prohibits the following persons, either as an agent or attorney for another person, from purchasing tax forfeited lands offered for public sale in the county for which the person performs duties: county auditor, county treasurer, county attorney, court administrator of the district court, county assessor, supervisor of assessments, deputy or clerk or an employee of such officer, a commissioner of tax-forfeited lands or an assistant to such commissioner. 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.

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

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materials or services made against the property covered by any contract and for the cost of enforcing this indemnification including reasonable attorney's fees.

- Any lien will constitute a default and shall result in cancellation of the Contract for Purchase of Forfeited Lands contract.
- 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.

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 2015 will be assessed as of January 2, 2015 and taxes will be payable in 2016.

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 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:

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.

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:

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

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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 forfeiture, 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.

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.

SPECIAL CONDITIONS FOR IMPROVED PROPERTY:

This auction offers improved properties that are Category II Vacant Buildings all located in the City of St. Paul ("City").

- The Purchaser of a Category II Vacant Building is buying the property subject to the requirements and processes put in place by the City and set out in an informational flyer attached to the Terms and Conditions of Sale Notice as "Attachment A." You are responsible for understanding the requirements expected of you as a purchaser of this type of property. The real property being purchased by the Buyer, including the dwelling, its improvements and fixtures, is being sold "as is."
- 758 Charles Ave: is a duplex in a single-family zoning district and has been a Vacant Building longer than one year, therefore it has lost its legal nonconforming zoning status. It cannot be rehabilitated as a duplex unless Planning Commission approval is obtained. Planning Commission approval requires obtaining neighborhood support and the outcome is uncertain.

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 six 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.

HOME INSPECTION REPORT REQUIREMENTS:

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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