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FAYETTE COUNTY TREASURER

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May 9, 2023

Prospective Tax Sale Bidders:

Please find enclosed the Terms and Conditions Governing the 2023 Tax Sale.

TAX SALE TIME & DATE: 10:00 AM on Monday, June 19, 2023.

**BIDDERS MUST REGISTER ONLINE AND ALL BIDS WILL BE PLACED ONLINE
BIDDERS DO NOT NEED TO ATTEND THE SALE IN PERSON**

NON-REFUNDABLE BIDDER REGISTRATION FEE: \$43.00

REGISTRATION STEPS: Bidders must register online at www.iowataxauction.com

Registration will open on Monday, May 22, 2023 and close June 15, 2023

Registration process must be completed by 11:59 PM on June 15, 2023

NOTE: Creating an account with Iowa Tax Auction does not register you for the sale. Registration is an additional step that needs to be completed.

Registration Assistance: email: support@iowataxauction.com or call: 877-243-9997

TAX SALE LOCATION: The sale will be held at the Fayette County Courthouse
114 N Vine Street, West Union, Iowa. Bidders do not need
to attend the sale in person. All bids will be placed online.

The delinquent tax list is tentatively scheduled for publication in the *Union Echo Leader* newspaper on June 7th. Registered bidders should be able to review the available parcels on the auction site (www.iowataxauction.com) by June 7th. To request a copy of the published list directly from the newspaper please contact them at (563) 422-3888. A PDF file of the delinquent tax list should be available through the county website by June 7th as well. Please check our website www.fayettedcounty.iowa.gov for the latest details.

Any questions potential bidders have concerning the tax sale process or the properties involved should be resolved before the day of the sale. **All bids placed, whether intentional or not, are the responsibility of the bidder and may not be withdrawn.** All sales are final. Should you have any questions please contact our office.

Sincerely,

Kyle Jacobsen

Kyle Jacobsen

NOTICE TO TAX SALE BIDDERS OF THE TERMS AND CONDITIONS GOVERNING THE 2023 FAYETTE COUNTY TAX SALE

The annual tax sale will be held on Monday, June 19, 2023, beginning at 10:00 a.m. The sale will be held in the Fayette County Courthouse (114 North Vine Street, West Union, Iowa) **HOWEVER, ALL BIDS WILL BE PLACED ONLINE AT www.iowataxauction.com**. If some parcels remain unsold, the tax sale will be adjourned until 10:00 a.m. on Monday, August 14, 2023. Any required adjourned tax sale will be held at the Fayette County Treasurer's Office. A list of parcels with delinquent taxes is tentatively scheduled to be published in the *Union Echo Leader* newspaper on June 7th. Registered bidders should be able to review the available parcels on the auction site (www.iowataxauction.com) by June 7th. A PDF file of the delinquent tax list should be available electronically by June 7th via the county website. Detailed information (assessed value, address, etc.) on the parcels can be found on the Fayette County website (www.fayettecounty.iowa.gov) under the "Real Estate Valuations" link.

REGISTRATION

Important - All bidders must register online at www.iowataxauction.com. No in person, mailed, or e-mailed registrations will be accepted. The bidder registration period will begin on Monday, May 22nd and will end on Thursday, June 15, 2023. All steps in the registration process must be completed by 11:59 PM on June 15th. **Note: creating an account with Iowa Tax Auction does not register you for the sale. Registration for the sale is an additional step. NO late registrations will be accepted.** All bidders must be at least 18 years of age on the day of the sale. For assistance in registering: email support@iowataxauction.com or call 877-243-9997.

A non-refundable bidder registration fee of \$43.00 will be collected by the County to help offset the costs of the tax sale per Section 446.16 of the Code of Iowa. The bidder registration fee will not be assessed against the county or any municipality. The registration fee is valid for the June 2023 sale plus any required adjourned sale. Payment is required at the time of registration via ACH debit. The fee is not refundable for any reason nor is it recoverable through the redemption process.

To be authorized to register to bid or to bid at a tax sale or to own a tax sale certificate, an entity, 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 (Certificate of Existence) or a verified statement meeting the requirements of Chapter 547 (Trade Names) of the Iowa Code on file with the county recorder of the county in which the person wishes to register to bid or to bid at tax sale or of the county where the property that is the subject of the tax sale certificate is located. The entity may be asked to provide proof of existence.

Potential bidders may consult with legal counsel to determine their right to bid or hold a tax sale certificate of purchase. Among others, parties eligible to redeem a parcel from tax sale or that hold a recorded interest in a parcel are prohibited from bidding or purchasing the parcel at the tax sale. Potential bidders may also want to consult their tax advisor for income tax ramifications of purchasing a tax sale certificate. The Treasurer's Office does not provide legal advice.

BIDDING

Parcels will be offered for sale to eligible bidders beginning with a 100% undivided interest. Bidders may bid downward a percentage of undivided interest from 99% to 1% in whole percentage increments. The “bid down” procedure affects the potential ownership interest. For example, if the successful bidder offered a percentage of 80%, and then obtains a tax sale deed, the deed will reflect the 80% undivided interest with the original property owner maintaining a 20% undivided interest. If multiple bidders offer a matching percentage, a random selection process will be used to determine the successful bidder from all interested bidders.

All bids will be placed online. Bids can be uploaded prior to the start of the sale, but will not be applied until the sale opens at 10:00 AM on Monday, June 19, 2023. The auction site can be accessed by going to www.iowataxauction.com. All parcels will be listed in the order they were published.

The plan is to conduct the sale in four batches. Batch 1 will close at 10:30 am, Batch 2 at 11:00 am, Batch 3 at 11:30 am, and Batch 4 at 12:00 noon. Successful bidders will receive an email approximately 5 minutes after the close of each batch identifying the parcels they purchased. An ACH debit for the total amount due will automatically initiate from the account designated for the payment of the bidder registration fee at the conclusion of the entire sale.

A tax sale can be set aside if it is determined that a group of bidders agree not to compete with each other and one of them becomes the tax sale certificate holder. All bids must be in good faith. **All bids placed, whether intentional or not, are the responsibility of the bidder and may not be withdrawn.**

PURCHASING

A Tax Sale Certificate of Purchase will be issued and mailed to the successful bidder. The purchaser in addition to the published amount of delinquent taxes will pay a \$20.00 certificate fee for each parcel. The “bid down” process has no effect on the amount to be paid – the “bid down” affects only the potential ownership interest. The Tax Sale Certificate 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. If the sale remains unredeemed after the statutory period, the purchaser may begin proceedings to obtain a tax sale deed.

In the event the purchaser’s payment is not honored, the purchaser will have five (5) days following notification from the Treasurer to repay with guaranteed funds or the certificates will be canceled. An additional fee will be added for any payment returned due to insufficient funds. Any future payments may also be required to be made in guaranteed funds. If the returned check is not repaid within the five days, the certificates will be canceled and the parcels will be offered at the next adjourned tax sale. The original purchaser will not be allowed to purchase the same parcels at an adjourned tax sale. The Treasurer reserves the right to disqualify the bidder from future sales.

ASSIGNMENT OF CERTIFICATES

Ownership of a tax sale certificate of purchase can be transferred to another party. The original owner needs to complete the assignment portion of the certificate. The certificate along with payment of \$100.00 for the assignment fee needs to be returned to the Treasurer's Office. The Treasurer's Office will then record the assignment information in the county system and return the certificate to the assignee. The assignee should have a completed W-9 form on file with the Treasurer's Office. A certificate cannot be assigned to anyone who has the right to redeem. The assignment fee is not recoverable at the time of redemption. Any correction on a tax sale certificate that is necessitated due to incorrect information submitted on the bidder registration forms will be considered an assignment and subject to the \$100.00 assignment fee.

SUBSEQUENT TAXES

A tax sale certificate holder may pay subsequent taxes and special assessments on the parcel listed on the certificate one month and fourteen days following the date of delinquency (normally November 15 & May 15). The exact date may change if the normal delinquency date falls on a weekend or holiday. The certificate holder is responsible for obtaining subsequent tax information on the parcel. Certificate holders wishing to pay subsequent taxes have the following three options to obtain payment information:

1. **Pay Subsequent Taxes Online** – Unless already registered, certificate holders will need to register at www.iowatreasurers.org by selecting “Tax Sale” at the top of the page, then “Registration”. Once registered, the investor will be able to use the “Log In” button under the “Tax Sale” heading to access the subsequent tax payment system. If necessary, several training videos are located under the “Help” tab. The investor can then select the individual parcels desired and submit payment. There is a processing fee added for each parcel on which taxes are paid online. Due to the way online payments are processed, online subsequent payments are not accepted on the last business day of each month.
2. **Self Lookup Online** – Certificate holders can lookup payment information for each parcel individually online at www.iowatreasurers.org at no cost. Payment can then be submitted by mail. Remember, the payment date is the date the payment is **received** by the treasurer’s office. Postmarks are not used to determine the payment date for subsequent taxes. Subsequent payments mailed in one month, but not received by the treasurer’s office until the next month will be returned for additional interest. The Treasurer’s Office cannot make allowances for any delays caused by the mail delivery system.
3. **Obtain a list of Subsequent Taxes Due from the Treasurer’s Office** – Request for a listing must be in writing. Pursuant to Iowa Code Section 445.5(3), there will be a charge of \$2.00 per parcel for providing the list to the investor.

When making payment by mail or in person, the certificate holder ***must indicate the payment is for subsequent taxes and include the tax sale certificate number***. Failure to do so may result in the amount not being included in the amount necessary to redeem and considered as a payment made on behalf of the property owner.

90-DAY NOTICE OF RIGHT OF REDEMPTION

For parcels sold during the Regular Tax Sale, the 90-Day Notice of Right of Redemption may be served one year and nine months from the date of sale. For parcels sold during the Public Bidder Sale, the notice may be served nine months from the date of sale. For parcels sold during the Public Nuisance Sale, the notice may be served three months from the date of sale. The notice needs to be served on all parties with a recorded interest in the property, anyone in possession, and the City in which the parcel is located. In addition to these parties, notice may be required to be served to other parties to be in compliance with the law. Service must be compliant with the law in effect at the time of the sale. Service is completed when the certificate holder files the Affidavit of Service with the Treasurer's Office. Certain costs incurred by the certificate holder in preparing and or serving the 90-Day Notice may be filed with the affidavit and will be added to the amount necessary to redeem. While attorney fees cannot be added to the redemption amount, it may be prudent to contact one with questions on the tax sale process. The Treasurer's Office does not provide legal advice.

FAILURE TO FILE

The Affidavit of Service of the 90-Day Notice of Right of Redemption, which may qualify the certificate holder to obtain a tax sale deed, needs to be filed with the Treasurer's Office within three years of the date of sale. (One year for parcels sold at the Public Nuisance Sale). If not filed within this time, the tax sale will be canceled and the certificate holder will not be entitled to a refund.

REDEMPTION OF CERTIFICATES

If the Tax Sale is redeemed, the certificate holder will receive the amount paid at the time of purchase, including the \$20.00 certificate fee, interest in the amount of 2% per month (each fraction of a month will be considered a whole month), and any subsequent tax payments properly made, with interest at 2% per month. The Tax Sale Certificate must be returned to our office to receive the redemption amount. If the Affidavit of Service of the 90-Day Notice of Redemption has been filed, appropriately filed costs will also be collected and returned to the certificate holder.

OBTAINING TAX SALE DEED

Once the Affidavit of Service has been filed with the Treasurer's Office, the titleholder or other party of interest has an additional 90 days to redeem. If redemption is not made within this 90-day period, the right to redeem expires and a tax sale deed will be issued. The certificate holder must return the original tax sale certificate along with a payment for the cost of the deed. The Treasurer's Office will require the certificate holder to also send a separate payment for costs of recording the tax sale deed. The Treasurer's Office will then record the document before giving it to the certificate holder.

Once the right to redeem expires, the certificate holder has 90 days to return the certificate of purchase along with the appropriate fees to obtain the tax sale deed. Failure to do so will result in the cancellation of the tax sale. The certificate holder will not be entitled to a refund.

ABANDONED PROPERTY OR VACANT LOTS

The county or cities within the county may purchase or require the assignment of a tax sale certificate for property deemed to be abandoned or a vacant lot. The county or city is required to file a verified statement with the county treasurer which states the property is abandoned or is a vacant lot. For more information, please reference Chapter 446.19A of the Iowa Code. If parcels are eligible for sale under this Chapter, this portion of the sale will be conducted in person rather than online.

PUBLIC NUISANCE PROPERTY

The county or cities within the county may file a verified statement with the county treasurer listing properties that are, or are likely to become, a public nuisance. The delinquent tax publication will identify any parcels to be sold at the public nuisance sale. This portion of the sale will be conducted in person at the Fayette County Courthouse. To be eligible to bid during the public nuisance sale, bidders must enter into a rehabilitation agreement with the county or city where the parcel is located. Bidders registering for the public nuisance tax sale only, will register directly with the Treasurer's Office and pay a \$3.00 registration fee with the exception of the county or any municipality. The county or the city in which the parcel is located may also purchase the tax sale certificates on these parcels. Parcels sold under this section have a shorter redemption period and cannot be sold for less than 100% ownership interest. For more information, please reference Chapter 446.19 B of the Iowa Code. If a public nuisance tax sale is required, it will be conducted in person rather than online.

GENERAL INFORMATION

If it is determined that a parcel was sold in error, the certificate holder will return the certificate of purchase to the Treasurer's Office. The Treasurer's Office will reimburse only the original amount paid. No interest will be paid.

This document provides general information regarding the tax sale process. It is not to be considered legal advice. Bidders may consult with legal counsel to determine legal rights and remedies concerning the tax sale process. Tax Sales are governed by Chapter 446 of the Code of Iowa. Chapters 447 and 448 of the Iowa Code pertain to Tax Sale Redemptions and Tax Sale Deeds. The provisions of this document are severable. If any provision of this document is determined to be contrary to law, the remaining provisions shall remain in full force and effect.

The Treasurer reserves the right to reject any or all bids and to waive irregularities, which appear to be in the best interest of the County. The bidder registration fee for anyone registering solely for an adjourned portion of the 2023 tax sale will be set at \$3.00. Announcements made the day of the sale will supersede these guidelines. The doctrine of "Buyer Beware" applies to the tax sale – All sales are final. Any questions potential bidders have concerning the tax sale process or the properties involved should be resolved before the day of the sale. **All bids placed, whether intentional or not, are the responsibility of the bidder and may not be withdrawn.**