

County of Tehama Office of the Treasurer-Tax Collector Internet Auction of Tax Defaulted Real Property Frequently Asked Questions

October 25 & 26, 2023

PROPERTY IS SOLD "AS IS" INSPECT THOROUGHLY BEFORE YOU BUY!

1. Why does the county sell tax defaulted property?

The primary purpose of a tax sale is to collect taxes that have not been paid by the property owner for at least five years. Offering the property at public auction achieves this by either selling the property or by forcing payment of the property taxes. During those five years, the taxpayer has repeatedly been notified of a "prior year delinquency" and still has the ability to keep the property until the day before the sale by paying taxes in full. If the property is sold, lienholders and the former owner may claim proceeds in excess of the taxes and cost of the sale.

2. <u>Can I obtain title to a property on the tax sale list by paying the delinquent taxes prior to the sale date?</u>

No. Legal title to a tax defaulted property subject to the Tax Collector's power to sell can be obtained only by becoming the successful bidder at the county tax sale. Paying the taxes on such property will only cause it redemption to the current assessed owner.

3. <u>Does the county sell tax lien certificates?</u>

No California counties sell tax certificates at this time.

4. Who is notified of the sale?

The law requires the Tax Collector to attempt to notify the current owner, all lienholders and public agencies.

5. <u>Is the tax publicly advertised?</u>

Yes. The legally required notice of a tax sale is published in a publication within the county three times in successive seven-day intervals before the tax sale.

6. When does the right to redeem (pay the taxes) a tax defaulted property subject to the power to sell cease?

The right to pay the taxes in full to avoid the sale of the property ceases at the close of business, on the last business day prior to the sale. There is no extended right of redemption in the State of California as exists in some other states.

7. How is the minimum bid on a tax sale property determined?

State law dictates that the minimum bid on a tax defaulted parcel offered by the Tax Collector at public auction shall be no less than the total amount to redeem the property plus costs.

8. <u>Does the county guarantee the property or the ability to develop a property?</u>

ALL PROPERTY IS SOLD AS IS! Be an informed bidder. Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. The County makes no guarantee, express or implied, relative to the title, location or condition of the properties for sale. In addition the County assumes no responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances, mining and reclamation regulations, conform to building codes and permits and/or any other applicable regulations or permits. No government entity is liable for damages sustained to property purchased at public auction, including from the time of sale until the recordation of the tax deed to the purchaser. No expressed or implied warranty is given with respect to parcels, and they are sold on an "as is basis".

Bidders are responsible for knowing what they are purchasing. The county or applicable city planning department can provide zoning, General Plan designation, water source and other information. Examine the County Recorder's records for any easements on a property. ALL SALES ARE FINAL!

9. <u>Do liens or encumbrances on a tax defaulted property transfer to the new owner after purchase of the property at a tax sale?</u>

Not all liens are discharged by the sale. Any liens not discharged may be the responsibility of the new owner. Please refer to Revenue and Taxation code section 3712 for a complete explanation of all liens and encumbrances assumed and discharged by the new owner.

10. How do I find a property I'd like to bid on at the tax sale?

Vacant land (which accounts for most properties offered at the tax sale) has no street (situs) address. The County Assessor's plat maps and map books can determine its approximate geographical location. Improved properties frequently (but not always) will bear a street address, making it easier to determine the general location. Exact boundary lines of a property can be determined only by a survey of the property undertaken at the purchaser's expense. Assessor's plat maps may be purchased from the County Assessor's office.

11. <u>I am interested in a property; how do I know if it is still available on the day of the auction?</u>

Nothing in the preview list is guaranteed. The right of redemption will cease at the close of business, on the last business day before the scheduled auction. The list will be updated as redemptions are made, this may be on a daily basis. It is your responsibility to obtain a current list or check the GovEase <u>website</u> for updates.

12. How can I register as a bidder?

Go to www.GovEase.com to register as a bidder. Full instructions will be available on the website www.GovEase.com. If you need help, you may email support@GovEase.com or call 769-208-5050 ext. 2. Parcels require a bidder deposit of \$5,000.00 and a \$35.00 registration fee. Bidders are advised to arrange for their deposits early to make sure they are eligible to bid. The Tax Collector's office will not be registering bidders nor accepting bids and all questions will be directed to GovEase.

13. How does the bidding proceed?

All parcels will be sold by Auction ID. Minimum bids will be as stated per parcel and each raise will be in predetermined increments until the close of auction on the stated date and time on the GovEase website. For a more detailed explanation of the bidding process, log on to www.GovEase.com, click on "Tax Sale Bidder Help" on top of the home page.

14. How can a successful bidder pay for a property at the tax sale?

Successful bidders must pay by through wire transfer or certified checks as directed by GovEase, within 24 hours of being advised of successful bid. In addition to the successful bid, the payment must include county transfer taxes and county recording fees. Only a successful bidder has the opportunity to purchase County assets. If the successful bidder defaults, under California State Law, the County cannot resort to the second highest bidder and will be required to take appropriate legal action against the bidder who defaults. In addition any bidder which does not complete their purchase by the submission of the appropriate funds will forfeit their bid deposit, not take position of the property, and will be banned from future County auctions.

15. <u>If I am the successful bidder how can I hold title (vesting) and how can I take possession of the property?</u>

The vesting on the Tax Deed will be as shown on the Deed information form you complete on www.GovEase.com. The Tax Deed will be mailed to you thirty (30) days from the close of the auction, once you have the Tax Deed you can proceed to take possession of your property. If there are occupants in the property it is up to the purchaser to commence the ejectment/ unlawful detainer process, this is a civil matter and you may wish to seek private legal advice on this matter as the county assumes no responsibility and provides no assistance with this issue.

16. <u>Is property purchased in a tax sale eligible for insurance?</u>

The former owner has one year from the date of recording of the Tax Deed to challenge the validity of the tax sale (Revenue and Taxation code 177, 3725 and 3726). During this one-year challenge period, it may not be possible to obtain a clear title from a title company. Occasionally, a quite title action is necessary if there has been an irregularity in the title prior to the tax sale. In the event that the former owner is successful at overturning the sale, the sale price would be returned to the purchaser, but any improvements made to the property would not be reimbursed to the person that made them.

17. What happens to property that does not sell at the tax sale? Can the property be purchased directly from the County?

The owner's right to redeem the property revives if not sold. The unsold properties will be offered at subsequent tax sales until redeemed or sold. Properties cannot be purchased directly from the County because the property must be sold at a public auction.

Be sure you want the property before you bid. ALL SALES ARE FINAL AND THERE ARE ABSOLUTELY NO REFUNDS. If you default, under California State Law, the County cannot resort to the second highest bidder and will be required to take legal action against you. Failure to consummate the sale within the specified time shall result in the forfeiture of any deposit made and all rights that the purchaser may have had with respect to the property. Failure to consummate the sale will also bar the bidder from participating in future tax sales for Glenn County.

RULES ARE SUBJECT TO MODIFICATION BETWEEN NOW AND COMMENCEMENT OF SALE

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