

# **TERMS OF SALE**

**2020-01**

## **Public Sales: Basic Sale Price**

All parcels are offered at public auction and sold to the highest bidder. The minimum bid acceptable is the basic sale price which is shown on the list of tax-forfeited land. The basic sale price is equal to the appraised value or the appraised value plus any extra charges for special assessments levied after forfeiture or for hazardous waste control. Bidding will be in increments as determined by Auditor and not less than \$100.

## **Extra Fees and Costs: In Addition to the Basic Sale Price**

A 3% surcharge of the selling price for the state assurance account will be collected at the time of the sale. The following extra fees will be collected when the basic sale price is paid in full: a state deed fee of \$25, a deed filing fee of at least \$46.00, and a state deed tax of 0.33% (0.0033) of the sale price.

If an online bidding system is used, there may be additional fees such as a buyer's premium.

## **Payment Terms: Cash or Contract**

20% of the basic sale price at the time of sale or, if greater, the appraised value of timber with the balance due and payable in four equal annual installments with interest. Parcels that sell for \$1,000.00 or less must be paid for in full at the time of sale. Special assessments must be in full at time of sale.

## **Contract Sales: Installments and Interest**

Installments and interest on all deferred payments are due on the anniversary date of the purchase. The entire unpaid balance of the basic sale price and the accrued interest may be paid any time before the final installment becomes due. The annual interest rate is computed per M.S. 279.03, Subd. 1a. (10% for 2019 but subject to change annually).

## **Special Assessments: Levied Before and After Forfeiture**

The balance of any special assessments which were levied before forfeiture and canceled at forfeiture and which exceed the amount of the basic sale price may be reassessed by the municipality. These special assessments are shown on the list of tax-forfeited land under the column entitled "Assessments Before Forfeiture." Any special assessments which were levied after forfeiture and certified to the county auditor have been added to the appraised value and must be paid by the purchaser as part of the basic sale price. These special assessments are shown on the list of tax-forfeited land with a special line entitled "Specials After Forfeiture."

## **Conditions: Restrictions on the Use of the Properties**

Sales are subject to the following restrictions on the use of the properties:

1. existing leases,
2. easements obtained by a governmental subdivision or state agency for a public purpose,
3. building codes and zoning laws,
4. all sales are final with no refunds or exchanges allowed, and
5. the appraised value does not represent a basis for future taxes.

### **Private Sales: Parcels Not Sold at Public Auction**

Any parcel not sold at a public sale may be purchased after the public sale by paying the basic sale price. The basic sale price cannot be changed until the parcel is reappraised, and again offered at a later public sale. By resolution of the County Board, unsold parcels will be available for 180 days (Wednesday **April 28<sup>th</sup>, 2021, end of business day**) after a land sale and then withdrawn automatically.

### **Title: Proof of Ownership**

The buyer will receive a receipt at the time of the sale. The Minnesota Department of Revenue will issue a state deed after full payment is made. An abstract will not be provided.

### **Prohibited Purchasers**

A 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 for tax-forfeited lands or an assistant to such commissioner, must not become a purchaser, either personally or as an agent or attorney for another person, of the properties offered for sale under the provisions of this chapter in the county for which the person performs duties.

A county auditor may prohibit other persons and entities from becoming a purchaser, either personally or as an agent or attorney for another person or entity, of the properties offered for sale in the following circumstances: (1) the person or entity owns another property within the county for which there are delinquent taxes owing; (2) the person or entity has held a rental license in the county and the license has been revoked within the last five years; or (3) the person or entity has been the vendee of a contract for purchase of a property offered for sale under this chapter, which contract has been canceled within the last five years.

A person prohibited from purchasing property under this section must not directly or indirectly have another person purchase it on behalf of the prohibited purchaser for the prohibited purchaser's benefit or gain.

### **Other**

Lake County is not responsible for location or determining property lines or boundaries. It is Lake County's policy, and in the public interest, to reserve a public easement across lands that are sold or exchanged for land management purposes. Such easements, if they apply, shall be described prior to sale.

Information regarding the purchase of tax forfeited land can be obtained at the Lake County Forestry Department in Two Harbors, or by calling (218) 834-8340. Information and maps of each parcel are available on the county website: [www.co.lake.mn.us/landsales](http://www.co.lake.mn.us/landsales)