

## Rules of the Public Auction Sale

1. In the initial round of bidding, no bid will be accepted which is less than the opening price approved by the Board of Supervisors. Parcels for which no bids are received when offered at the opening price may be re-offered at a **reduced** price at the end of the sale at the option of the Tax Collector.
2. Cash in lawful money of the United States or negotiable paper will be accepted; however, the buyer should assure her/himself that the check will be honored.
3. The "Documentary Transfer Tax" based on \$0.55 per \$500 of the sale price must be collected. There is a minimum tax of \$0.55.
4. For all bids \$20,000 or less, the successful bidder must make immediate settlement with the cashier after the sale is completed. If the high bid for any one parcel is **in excess of \$20,000.00**, the sale may be treated as a **deferred payment**. Credit sales require a minimum of \$20,000.00 or 10% of the purchase price for each parcel, **whichever is greater**, to be deposited at the end of the sale, and the balance of the purchase price to be paid in full within 10 days. Failure of the successful bidder to consummate the sale within 10 days shall result in the forfeiture of the deposit and all rights to the property.

### **TITLE CONVEYED BY TAX COLLECTOR - Section 3712 Revenue and Taxation Code - The deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:**

- a. Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of the sale.
- b. The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale under this chapter.
- c. Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the tax-defaulted property, and, where a taxing agency which collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.
- d. Easements of any kind, including prescriptive, constituting servitudes upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.
- e. Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- f. Unpaid assessments under the Improvement Bond Act of 1915 (Division 10, commencing with Section 8500, of the Streets and Highways Code) which are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.
- g. Any federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.

- h. Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, commencing with Section 53311, of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.