

TERMS FOR THE SALE OF TAX FORFEITED LAND IN OLMSTED COUNTY, MINNESOTA

CONDITIONS OF SALE

Condition of the Property

- All property is sold in "AS IS" condition.
- Subject to any existing leases, building restrictions, and to easements previously obtained by any governmental subdivision or agency thereof for any public purpose.
- The County does not guarantee that the property is in compliance with all applicable building codes, zoning laws, wetland conservation ordinances or other environmental protection laws or ordinances.
- The purchaser 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, Olmsted County, on behalf of the State of Minnesota, or the Seller's employees or agents. A potential purchaser must obtain authorization from Olmsted County to perform soil testing, at their own expense, before purchasing a parcel by completing a Hold Harmless Agreement provided by the Property Records and Licensing Department. Once the Buyer has purchased an interest in the property the sale will not be rescinded if soil problems are discovered after the sale and the Buyer opted not to perform testing prior to the sale.
- Olmsted County is not responsible for locating or determining property lines or boundaries.

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 and learn which mortgages and liens, if any, may remain in effect following the forfeiture.

Title

- The purchaser will receive a receipt at the time of the sale. The Commissioner of the Department of Revenue will issue a deed from the State of Minnesota after full payment is made. The law provides that this conveyance has the force and effect of a patent from the State. However, services of an attorney may be necessary to make the title marketable. In addition, all mineral rights are permanently reserved to the State of Minnesota.

Effect on Future Valuation

- Appraised value for purposes of the sale does not represent a valuation to determine future taxes which may be owed on the property.

Special Rules for Timberland

- Pursuant to Minn. Stat. Section 282.01, Subd. 4, no standing timber or timber products shall be removed from the land until an amount equal to the appraised value of all such timber or timber products as may have been standing on such lands at the time of purchase has been paid by the purchaser, provided: any parcel of land bearing standing timber or timber products is sold for more than the appraised value, the amount bid in excess of the appraised value must be allocated between the land and the timber in proportion to the respective appraised value thereof. In that case, standing timber or timber products must not be removed from the land until the amount of the excess bid allocated to timber or timber products has been paid in addition to the appraised value of the land.

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.

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.

Private Adjacent Land Owner Sale

- Tax forfeited properties sold at a sale only to adjacent private land owners are subject to the same terms of sale as tax forfeited properties sold at public auction. Adjacent landowners will be notified 30 days prior to the sale. The sale will be conducted through sealed bid. Each bidder must hand deliver their bid, and may only bid once. The tax forfeited properties will be sold to the highest bidder, for that property, at the sale.
- Each parcel not sold at the sale may be purchased after the sale by any adjacent private landowner who pays the basic sale price. The parcel cannot be sold to anyone who is not an adjacent private landowner. The basic sale price cannot be changed unless the parcel is reappraised, republished, and offered for sale again to adjacent private landowners.

TERMS OF SALE

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 equal to the appraised value plus any extra charges for special assessments levied after forfeiture as shown on the list of tax forfeited land. The sale price is not negotiable. All sales are final, and no refunds or exchanges are permitted.

Special Assessments

- If a parcel has special assessment cancelled at forfeiture, as indicated on the list, the proceeds of the sale, less the administrative costs, will be first applied toward the cancelled assessment. The municipality may reassess any remaining balance.
- Any special assessments 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.
- Improvements not yet assessed are the responsibility of the purchaser.

Payment Terms: Cash, Cashier's Check or Certified Check Only

- Sale of \$1,000.00 or less – Full payment at sale to "Olmsted County"
- Sale of \$1,000.00 or more – 10% down with balance due within 3 (three) business days
However, for this type of purchase, Purchaser may only take possession of the parcel and will only be considered the owner of the parcel once full payment has been received by the County.

Extra Fees and Costs: In Addition to The Basic Sale Price

The following extra fees will be collected when the basic sale price is paid in full:

- State Surcharge 3% of the basic sale price
- State Deed Fee \$25.00
- State Deed Tax \$0.0033 for each \$1,000.00 or \$1.65 when the purchase price is \$500 or less
- Recording Fee \$46.00
- May be subject to an administrative fee

Requirements to Complete Purchase

- Provide proof of identification - Driver's License or State Identification Card, US Passport
- Signature Requirements - 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 if power of attorney is not provided.
- Signature Requirements - Power of Attorney: Any individual, business entity, or non-profit organization buying property from the County for another individual or group of individuals will not be allowed to sign the required documents unless proof of power of attorney is provided.
- Signature Requirements - Corporations: If the property is purchased in the name of a corporation, an officer or officers of the corporation must be present to provide proof of signatory authority and to sign on behalf of the corporation.

FOLLOWING THE SALE

Liability/Responsibility After Sale

- The County as 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 to the purchaser.

Taxes

- Tax forfeited property 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.

Parcels Remaining Unsold

- Any parcels not sold at a public sale may be purchased afterwards by paying the basic sale price, and extra fees and costs. The basic sale price cannot be changed until the parcel is reappraised, republished, and again offered at a public sale.

If you have questions about the process, you may contact the Olmsted County Property Tax Supervisor at (507) 328-7637.