



Town of Whitefield

Disposition of Tax-Acquired Property Policy

A. GENERAL PROVISIONS

1. The Select Board, in accordance with warrants passed at town meeting, shall determine whether to foreclose on a property. At least 75-60 days prior to the foreclosing date of the tax lien mortgage, the Treasurer will provide the Select Board with a list of pending foreclosures, and the Select Board will determine if foreclosure of any property would not be in the best interest of the Town. The Treasurer shall proceed with the Tax Lien Mortgage Process Pursuant 36 M.R.S. §§ 942, 943 sending the 45-30 days notices. Before the foreclosing date the Treasurer, when so authorized by the Select Board, may waive the foreclosure of a tax lien mortgage by recording a waiver of foreclosure in the registry of deeds in which the tax lien certificate is recorded before the right of redemption therefrom shall have expired.
2. Once the date of the foreclosure of the tax lien mortgage has expired, upon direction of the Select Board, the Treasurer will send a notification by certified mail to the immediate former owner(s) of said property stating the property will be put up for sale. Every reasonable attempt will be made to contact the immediate former owner(s) and documented. The immediate former owner(s) will then have 35 days from the date of the written notification to pay all outstanding property taxes, including the total amount of all delinquent taxes, the total taxes for the current year, plus accrued interest, lien costs and any other cost relating to the property and this process (including, but not limited to insurance and notice costs).
3. Upon receiving the notification, the immediate former owner(s) may, within the 35 days period above, enter into a financial agreement with the Select Board. This agreement will state the amounts to be repaid and the period during which it will be repaid, not to exceed two years. The goal of this agreement is to provide the immediate former owner(s) a means to pay off all existing taxes along with all current taxes. Failure to meet the terms of this agreement will result in sale of the property and the forfeit of all monies paid to date under this agreement.
4. In the event that the property subject to foreclosure was owned by at least one person who was 65 years of age or older on the date the tax lien was recorded and who occupied the property as a homestead pursuant to 36 M.R.S. §681, the Select Board shall follow the procedure for enforcement of liens as set forth in 36 M.R.S §943-C.
5. In the event that the immediate former owner(s) has not repurchased the property or made a financial agreement with the Select Board, the Treasurer shall then prepare an updated list of tax-acquired properties to be presented to the Select Board at the next Select Board meeting. This list shall include the following:
 - a. Legal identification of the property including location within the municipality;
 - b. Assessed value and size of the property;
 - c. The taxes owed, including the current year;
 - d. Report from the Tax Assessor's and/or Administrative Assistant agent concerning occupancy and current state of the property (including but not limited to, current occupancy status and/or commercial use status); and
 - e. Dates of the notification letters sent and the results.

6. All property to be sold must be offered to the general public through published notices. There will be no private, individual or unadvertised sales of tax-acquired property.
7. Immediate former owner(s) of tax acquired property may reclaim the property by paying in full all taxes, including the current year, plus all applicable costs and fees associated with the property at any time until the bid or sales and purchase agreement is accepted by the Town.
8. The Select Board shall retain the right to accept or reject any and all bids or proposals submitted and shall cause the same disclaimer to be noted in any public notice, soliciting bids in accordance with the Policy. Should the Select Board reject all bids, or in the absence of any bids, the property may be offered again for public sale on such terms as the Select Board determine.

B. SELECT BOARD ACTIONS

1. The Select Board shall determine whether the tax-acquired property is to be retained for public use.
2. The Select Board may, if the property is vacated for 60 or more consecutive days, obtain a general liability insurance coverage for the tax-acquired property and secure the property appropriately. Rental fee collected may be applied to the outstanding taxes or costs associated with the property.
3. Withhold action until time certain; or
4. Proceed to dispose of the property in accordance with this Policy.

C. PROCEDURES

1. The Select Board shall determine the method of public sale of the tax-acquired property in a timely manner following formal foreclosure.
2. A notification shall be sent to all abutters notifying them of the property sale.
3. The information on the tax-acquired property for any process shall be available at the Town Office upon advertisement of the sale and shall include the following:
 - a) Legal identification of the property including location within the municipality;
 - b) The taxes and other costs owed to the Town;
 - c) Assessed value and size of the property;
 - d) Report from the Tax Assessor and/or Administrative Assistant concerning occupancy and current state of the property (including but not limited to: current occupancy status and/or commercial use status).
4. Advertising for the sale of tax-acquired property for either process will at a minimum be done by posting in the Town Office and the Town website. Additionally, notice must be published once in local newspapers no later than three weeks before the date of sale.
5. The sale of tax-acquired property shall be subject to any additional terms and conditions of sale that the Select Board may require and the Town Attorney may reasonably advise.
6. The minimum price for any process shall be determined by the Select Board considering all outstanding property taxes, including the total amount of all delinquent taxes plus the total taxed for the current year

plus accrued interest, lien costs and any other costs relating to the property and this process (including but not limited to, insurance, broker or attorney's fees, auction/bid or notice of costs). If the tax-acquired property is sold for a sum that exceeds the determined bid price, the municipality is entitled to retain the entire proceeds. There is no requirement to refund to the former owner(s) any of the "surplus" realized upon the sale.

7. The Select Board shall convey any property sold by Quitclaim Deed.
8. The purchaser of any tax-acquired property shall purchase the tax-acquired property and any improvements thereon on an "as is/where is" basis and shall acknowledge such in writing with the signing of a Town-provided form to that effect. The Town and its officers, agents and employees make no representations or warranties of any kind, express or implied, including, but not limited to, the warranties of fitness, habitability, merchantability, satisfaction of building requirements or use for any particular purpose or otherwise, all of which shall be disclaimed.
9. The purchaser of any tax-acquired property shall be responsible for the removal of any and all occupants and contents of said property, as may otherwise be provided by law, and shall, in writing with the signing of a Town-provided form to that effect, forever defend and indemnify the municipality and its officers, agents and employees from any and all claims arising out the said sale, whether by the occupants of the purchased property, their heirs or assigns or otherwise, or by the owners of any contents therein, whether by the occupants, their heirs or assigns or otherwise.
10. A Purchase and Sale Agreement as well as a Notice and Acknowledgement prepared by the Town Attorney or Administrative Assistant shall be entered into between the municipality and the successful purchaser no later than 30 days from the date of the award of bid and upon successful completion of all terms of sale. Such agreement shall require the buyer to close in full at that time.

D. AUCTION PROCESS

1. Pursuant to 32 M.R.S. § 286 (6), the Town is not required to use a licensed auctioneer for the sale of tax acquired property.
2. The auction shall be advertised to include the following information:
 - a) Notice of date of auction;
 - b) The minimum bid price, if any;
 - c) A deposit at the time of award shall be required in the amount of not less than 10% of the awarded auction bid price. Failure to submit a deposit in the said manner at the time of award shall cause the bid to be rejected and allow the municipality to negotiate with unsuccessful bidders without holding another public auction. The awarded bidder has 30 days from the date of award to comply with the terms of sale in full;
 - d) The auction will be held "With Reserve" in order for the municipality to reserve the right to reject all bids that fail to comply with any minimum bid price or other terms of conditions imposed by the municipality and;
 - e) Should the awarded bidder fail to comply with the terms of sale, the deposit shall be forfeited and the municipality may negotiate with unsuccessful bidders without holding another public auction.

3. Auctions will be held in public at a time and location specified by the Select Board. A potential bidder may be required to complete a bidder's application and disclosure form in order to participate in the auction.
4. The Select Board shall, as a credit to payment, retain the submitted bid price deposit of any successful bidder.
5. The Select Board shall require payment in full from any successful bidder 30 days following the award of the bid. Should the awarded bidder fail to comply with the terms of the sale, the deposit shall be forfeited and the municipality may negotiate with unsuccessful bidders without holding another public auction.

E. SEALED BID PROCESS

1. The Select Board shall solicit sealed bids for sale of the tax-acquired property and shall read aloud all submitted bids at a public meeting.
2. The bid shall be advertised to include the following information:
 - a) Notice of date of bid submission deadline;
 - b) A description of the property to be sold;
 - c) The minimum bid price, if any;
 - d) A certified/return receipt bank check or postal money order, in the amount of not less than 10% of the bid price and a stamped self-addressed envelope shall be included as the deposit on the bid. Failure to submit a required deposit shall cause the bid to be automatically rejected; and
 - e) The date and time by which bids must be received.
3. Bids shall use a form provided by the Town and sealed in a single plain envelope marked only "Tax-Acquired Property Bid" on the exterior and either be hand-delivered to the Town Office or, if mailed, be enclosed within a second envelope.
4. The awarded bidder has 30 days from the date of the award to comply with the terms of the sale in full.
5. Sales by sealed bid must be conducted "With Reserve" in order for the municipality to reserve the right to reject all bids that fail to comply with any minimum bid price or other terms or conditions imposed by the municipality;
6. Should the awarded bidder fail to comply with the terms of the sale, the deposit shall be forfeited and the municipality may negotiate with unsuccessful bidders without holding another public auction.
7. The Select Board shall, as a credit to payment, retain any submitted bid price deposit of any successful bidder, and shall return all other submitted deposits via mail, with the self-addressed stamped envelope submitted with the bid within five business days.

F. REAL ESTATE BROKER OPTION

1. The Select Board may solicit proposals from qualified real estate brokers to sell tax-acquired property, and enter into a contract for such services on terms they deem to be in the best interests of the Town.

2. A request for proposals from real estate brokers shall be published in a newspaper having general circulation in the area.
3. Upon listing a property with a real estate broker, the Town will publish public notices of such listing in a newspaper having general circulation in the area providing notice that the property is available for sale through the designated broker. A similar notice shall be sent to the abutting property owners.
4. In the event a property is not sold by a broker within the agreed to contract period, the Select Board may extend the contract or proceed to offer the property for sale by another method.
5. Signing of a sales and purchase agreement constitutes a binding sale that shall be completed within 30 days.


Original Approval by the Whitefield Board of Selectmen, Date: June 18, 2013



Lester E Sheaffer Jr, Chair

Amended at Select Board Meeting

Date: 4/13/21



Charlene Donahue, Vice-Chair

William McKeen



Lise A. Hanners



Keith Sanborn