

Bylaw No. 3497/2013

This bylaw establishes the terms and conditions governing property sales by public auction held by The City to dispose of property for tax arrears.

Whereas:

- A. The Municipal Government Act requires that the City offer for sale by public auction any property shown on its tax arrears list, if the tax arrears are not paid.
- B. In accordance with Sections 419 and 436.1 of the *Municipal Government Act*, (the "Act") Council must set the terms and conditions applicable to its tax sales.

COUNCIL OF THE CITY OF RED DEER ENACTS AS FOLLOWS:

1. This bylaw may be referred to as the "Property Tax Sale Bylaw."
2. All sales of property for tax arrears held within the City of Red Deer under sections 418 and 436.09 of the *Act* shall be carried out by Public Auction subject to the following terms and conditions:

Public Auction - Terms and Conditions

All properties offered for sale by Public Auction are viewed externally and an estimate of the market value of each property has been made based on that review. This estimate of market value is used as the reserve bid and it represents the minimum bid that will be accepted at Auction. All sales will be subject to a reserve bid. Reserve bid values will be available 30 days prior to Auction from the City Revenue & Assessment Services department. Purchaser will acquire the property free of encumbrances, subject to those exceptions listed in sections 423 and 436.14 of the *Municipal Government Act*.

The properties will be sold strictly on an "as is, where is" basis. The City of Red Deer makes no representation and gives no warranty as to the adequacy of services, soil conditions, land use districting, building and development conditions, absence or presence of environmental contamination, or the developability of the subject property for any intended use by the Purchaser. If the Land is occupied by a tenant in possession under a lease or rental agreement, the obligation and expense of obtaining vacant possession shall be the Purchaser's.

Only cash sales will be accepted or sales requiring loan funding which does not involve encumbering of the purchased lands and provides for closing funds upon the required closing date in the same manner as a cash sale. Vendor financing or financing using third party mortgages or encumbrances upon the purchased lands, or other similar financing arrangements, cannot be accommodated.

Purchase price payable by non-refundable deposit equal to 10% of purchase price due on Auction Date, with the balance of the purchase price due on closing. Payments by cash, bank draft or certified cheque only. Closing date for all sales will be 60 days after Auction Date, unless otherwise agreed to by the City. Successful bidder agrees to be bound by the Terms and Conditions of the City's Standard Tax Sales Agreement, a copy of which will be included in Bidder's Packages on Auction Date and can be obtained 30 days prior to Auction Date from Revenue & Assessment Services. Purchase price includes all taxes, rates, fees and charges accrued to Closing Date. Purchaser responsible for payment of all taxes, rates, charges, and fees for the property, after Closing Date.

The City of Red Deer may become the owner of any property not sold at the Auction.

In the event that payment of the arrears of taxes and costs is received by The City prior to the Public Auction, the property in question will not be offered for sale. There is no right to pay tax arrears after the property is declared sold.


3. This bylaw comes into force on the date it is passed.


READ FIRST TIME IN OPEN COUNCIL this 15th day of April 2013.

READ SECOND TIME IN OPEN COUNCIL this 29th day of April 2013.

READ THIRD TIME IN OPEN COUNCIL this 29th day of April 2013.

AND SIGNED BY THE MAYOR AND CITY CLERK this 29th day of April 2013.


MAYOR


CITY CLERK