

**2018 ERIE COUNTY JUDICIAL TAX SALE
RULES GOVERNING SALE**

By participating in the sale, you agree to be bound by these Rules:

1. **TITLE, CONDITION and OCCUPANCY** All properties are sold "as is" with no warranty or guaranties of any kind regardless of statement of condition made from the auction block. Bidders shall rely entirely on their own inspection and information and are responsible for knowing the properties which they are bidding upon. ALL SALES ARE FINAL.

The "As Is" sale includes, but is not limited to environmental conditions such as possible wetlands, storm water drainage matters, underground storage tanks, or hazardous or toxic waste or materials in, on or under the property.

During the auction, information taken from the Erie County Assessment Office will be posted on the projection screen pertaining to the parcel then being sold. Neither the County nor the attorneys or auctioneer make any guaranty or warranty that the information displayed is accurate. **For example, the information may include a photo of a structure that is no longer on the property. In particular, mobile homes are MOVABLE and may not be on the property anymore, despite being in a photograph displayed during the sale.**

As such, Bidders shall *rely entirely on their own inspection and information* and are responsible for knowing the current condition of properties upon which they are bidding.

With the exception of mobile homes without land, no personalty is included in the sale.

The Bureau conducts a limited title search in order to attempt to notify all known holders of mortgages, judgments or liens that, by Order of the Erie County Court of Common Pleas, the property will be offered for sale divested of such mortgages, judgments or liens. These searches occur during the year leading up to the sale, not on the day of the sale. Thus, liens or judgments that are filed after the search, but before the sale, will not receive notice of the sale and such liens may continue as valid liens. For this reason, the Bureau places a "good through" date of March 1, 2018 on its searches. Buyers are warned that if they do not perform "bring down" searches after that date, they could take a property subject to a valid lien. No warranty or guaranty is made regarding the title searches.

Any trailers that are purchased from the sale may have an encumbrance on the trailer's certificate of title and will be sold under and subject to said encumbrance.

Note: land title insurance companies usually will not insure the title of judicially sold property. Buyers should consult legal counsel concerning the title and the advisability of bringing a court action to Quiet Title. The County, its attorneys and representatives make no warranty, guarantee, or representation as to the description of a property, nor will it make any survey on the property.

The Erie County Tax Claim Bureau reserves the right to participate, or not to participate in any post-sale litigation.

The Erie County Tax Claim Bureau will sell subject to existing tenancies and possessors (i.e., renters or others occupying the property). You may have to bring an action for eviction or ejectment to remove any such occupants.

All those participating in the bidding process or who may otherwise be affected thereby and have an interest therein are reminded of the following: the risk of loss due to casualty or other destruction or damage to the premises, and responsibility and liability for any injuries to persons arising out of the condition of the premises will be upon the bidder, effective upon payment of the bid price. **Winning bidders have an insurable interest the moment they pay for the property and need not wait to receive a deed to obtain insurance on the property.**

****** Please Note:** The existence of a Federal Tax Lien creates a 120-day right of redemption in favor of the federal agency. This entitles the federal authorities to purchase the property within 120 days of the sale from the successful bidder at the bid price. Therefore, bidders are cautioned to refrain from improving the premises by improvement or demolition during this redemption period.

2. **PERSONAL CHECKS WILL NOT BE ACCEPTED.** Purchases may only be made by cash, cashier's check or certified check made payable to "MacDonald, Illig, Jones & Britton LLP" or to the winning bidder and then endorsed. If you have a cashiers or certified check in an amount in excess of the purchase price, a refund check will be issued to you for the difference within 14 days of the Sale date.

We plan to have three (3) Intermissions during the course of the sale. All sales under \$5,000 must be paid in full prior to the conclusion of the sale; **with the winning bid amount, transfer taxes, City of Erie administrative fee (if applicable), and recording fees paid PRIOR TO THE CONCLUSION OF THE INTERMISSION FOR THE INTERMISSION PERIOD IMMEDIATELY FOLLOWING THAT PROPERTY'S BID.** Failure to do so will result in the property being placed back in the auction and reoffered for sale during this or the next judicial tax sale. For purchases **over \$5,000**, the high bidder must pay at least \$5,000 or twenty-five (25%) percent of the bid price, whichever is greater, prior to the conclusion of the sale; **with the required winning bid amount, transfer taxes, City of Erie administrative fee (if applicable) and recording fees paid PRIOR TO THE CONCLUSION OF THE INTERMISSION FOR THE INTERMISSION PERIOD IMMEDIATELY FOLLOWING THAT PROPERTY'S BID,** with the balance to be paid within seven (7) days. Said balance payment is to be made at the offices of MacDonald, Illig, Jones & Britton LLP located at 100 State Street, Suite 700, Erie, PA 16507.

*****Failure to make any required payments within the time frame set forth above will result in the property being re-auctioned at this or the next judicial tax sale and may result in a prohibition of bidding on any other properties in the sale, as well as pursuit of the winning bidder for damages resulting from the winning bidder's failure to make the required payment. The payments are non-refundable and all payments made by bidders will be retained as liquidated damages.**

Any failure to pay the required minimum prior to leaving the sale location shall be treated as a breach of contract and the County reserves all rights to pursue the winning bidder for all damages resulting from the winning bidder's failure to make the required minimum payment, including but not limited to the costs and legal fees associated with placing the property in a subsequent sale.

All Prospective bidders will be required to complete and execute an "Affidavit of Bidder" and shall provide the original Affidavit to MacDonald, Illig, Jones & Britton LLP at the time of registration.

BIDDERS WILL BE PROHIBITED FROM BIDDING IF THEY HAVE DELINQUENT TAXES OR OUTSTANDING MUNICIPAL UTILITY BILLS ON ANY OF THEIR OWN PROPERTY IN ERIE COUNTY, AT THE TIME OF THE SALE.

FAILURE TO PROVIDE THE COMPLETED AFFIDAVIT OF BIDDER SHALL BE DEEMED A FAILURE TO CONSUMMATE THE TRANSACTION AND WILL RESULT IN THE PROPERTY BEING RE-AUCTIONED AT THE NEXT JUDICIAL TAX SALE. ALL PAYMENTS MADE BY BIDDERS WILL BE RETAINED AS LIQUIDATED DAMAGES.

3. The auctioneer reserves the right to accept any bids in any increment he feels is in the best interest of the Erie County Tax Claim Bureau. The auctioneer reserves the right to refuse any bid for any reason, from any person, whose actions, conduct or adverse comments are not in the best interest of the Erie County Tax Claim Bureau.
4. "Bid rigging," "pooling" or "collusion" by bidders can be a felony violation and will be treated accordingly.

Under the Pennsylvania Real Estate Tax Sale Law, 72 P.S. § 5860.618, the owner of a property has no right to purchase his or her own property at a judicial tax sale. It is also prohibited for a property owner to use a family member, friend or other "straw" person to circumvent this rule. Any payment made in violation of this provision by or on behalf of any owner will be retained as liquidated damages, the sale voided and the property will be re-auctioned at this or a subsequent judicial sale.

5. Bidders acknowledge responsibility for any personal injury or property damage caused by bidders or their agents, and further agree to hold Chesley Auctioneering, the Erie County Tax Claim Bureau, MacDonald, Illig, Jones & Britton LLP and all their employees or representatives harmless from any personal injury to themselves or their agents and any property damage incurred on the auction premises. The auctioneers and their representatives are acting as agents for the Erie County Tax Claim Bureau only.
6. This Judicial Sale is being held according to the provisions of the Pennsylvania Real Estate Tax Sale Law, 72 P.S. § 5860.101 *et seq.*, and a Petition and Order to hold this sale was filed at the Erie County Court of Common Pleas, Civil Action No. _____-2018, which Petition and Order is available for public inspection in the Erie County Prothonotary's Office. In the event of any conflict between these terms and conditions and the Pennsylvania Real Estate Tax Sale Law, the Real Estate Tax Sale Law shall control.
7. It is anticipated that successful bidders will receive a quit claim deed in approximately three months after the Judicial Tax Sale.

UNTIL SUCH TIME AS THE SUCCESSFUL BIDDER RECEIVES THE QUIT CLAIM DEED CONVEYING TITLE TO THE PROPERTY, THE SUCCESSFUL BIDDER HAS ONLY EQUITABLE OWNERSHIP. IF THE PROPERTY IS OCCUPIED, IT IS THE WINNING BIDDER'S RESPONSIBILITY TO FOLLOW ALL LAWS AND RULES GOVERNING THE

REMOVAL OF OCCUPANTS. If needed, MacDonald, Illig, Jones & Britton LLP will supply a letter confirming the winning bidder's equitable ownership in a given property.

*The County, its attorneys and representatives are not permitted to provide legal advice. If you have any questions regarding this point, you are encouraged to contact your attorney. If you do not have an attorney, you may contact the Lawyer Referral Service of the Erie County Bar Association at (814) 459-4411.

8. A deed recording fee of approximately \$86.00 and \$2.00 for Realty Transfer Tax Statement of Value filing fee will automatically be added to each purchase of real property. The City of Erie, City Engineer administrative fee of \$100.00 will automatically be added where appropriate. Mobile homes, purchased without land, are not subject to the deed recording fee or Realty Transfer Tax Statement of Value filing fee.
9. A real estate transfer tax equal to 2%* of the **computed value** of the property will **automatically be added to each purchase of real property**, and must be paid on the day of sale. The computed value is the **assessed value** of the parcel **multiplied by the common level factor of 1.08**. The transfer tax is NOT based on the bid price. However, if the bid price is more than the assessed value, then the bid price will be used as the value of the property for transfer tax purposes. Mobile homes, purchased without land, are not subject to the real estate transfer tax. (*The transfer tax is 2.5% in the Borough of Edinboro).
10. Successful bidders will take properties free and clear of claims, liens, mortgages, tax claims, charges and estates, except separately taxed ground rents, filed through March 1, 2018.
11. **THE SUCCESSFUL BIDDER IS RESPONSIBLE FOR PAYMENT OF ALL 2019 CALENDAR YEAR REAL ESTATE TAXES, THE 2019-2020 FISCAL YEAR TAXES AND SUBSEQUENTLY LEVIED REAL ESTATE TAXES AND MUNICIPAL CHARGES. THESE TAXES MAY ALREADY HAVE BEEN BILLED AND/OR NEW BILLS MAY NOT BE ISSUED TO THE NEW OWNERS. IT IS THE WINNING BIDDER'S RESPONSIBILITY TO CONTACT THE TAX COLLECTOR TO DETERMINE THE TAX AND MAKE PAYMENT.**
12. The Erie County Tax Claim Bureau reserves the right to withdraw any parcel from the auction at any time and change the minimum bid for any parcel at any time, regardless of any previous advertisements or notices which have been made to the public.
13. Successful bidders agree to cooperate in correcting any errors or other irregularities that may occur after the sale (for example an incorrect deed description or other similar clerical errors).
14. **The minimum bid for all parcels located in Millcreek Township may be changed prior to the sale.**
15. **ALL CELL PHONES MUST BE TURNED OFF UPON ENTRY INTO THE SALE.**
16. **The Judicial Tax Sale proceedings will be monitored via live videotaping.**

*****There will be no pre-registration fee for the 2018 judicial sale. ***There will be a \$20 (cash only) registration fee for those registering at the Bayfront Convention Center on Tuesday, November 13, 2018. Those wishing to pre-register may do so through Monday, November 12, 2018, at MacDonald Illig, Jones & Britton LLP, 100 State Street, Suite 700, Erie, Pennsylvania 16507, Monday-Friday, 8:30 a.m. to 5:00 p.m. Registrants must complete an Affidavit of Bidder form and present a valid driver's license or other valid photo identification at the time of registration. Out-of-town residents may pre-register by e-mailing to jseaman@mijb.com a fully-executed and notarized Affidavit of Bidder form, together with a clear, fully legible copy of the registrant's valid driver's license or other valid photo identification.**