H-3553.1		

## HOUSE BILL 2271

State of Washington 52nd Legislature 1992 Regular Session

By Representatives H. Sommers, Haugen and Winsley

Prefiled 1/9/92. Read first time 01/13/92. Referred to Committee on Local Government.

- 1 AN ACT Relating to the sale of tax foreclosed property; and
- 2 amending RCW 84.64.270 and 84.64.320.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 Sec. 1. RCW 84.64.270 and 1991 c 245 s 30 are each amended to read
- 5 as follows:
- 6 Real property ((heretofore or hereafter)) acquired by any county of
- 7 this state by foreclosure of delinquent taxes may be sold by order of
- 8 the county legislative authority of the county when in the judgment of
- 9 the ((members of the)) county legislative authority ((they deem it
- 10 for)) it is deemed in the best interests of the county to sell the
- 11 ((same)) real property.
- 12 When the legislative authority desires to sell any such property it
- 13 may, if deemed advantageous to the county, combine any or all of the
- 14 several lots and tracts of such property in one or more units, and may

- 1 reserve from sale coal, oil, gas, gravel, minerals, ores, fossils,
- 2 timber, or other resources on or in the lands, and the right to mine
- 3 for and remove the same, and it shall then enter an order on its
- 4 records fixing the unit or units in which the property shall be sold
- 5 and the minimum price for each of such units, and whether the sale will
- 6 be for cash or whether a contract will be offered, and reserving from
- 7 sale such of the resources as it may determine and from which units
- 8 such reservations shall apply, and directing the county treasurer to
- 9 sell such property in the unit or units and at not less than the price
- 10 or prices and subject to such reservations so fixed by the county
- 11 legislative authority((\* PROVIDED, That)). The order shall be subject
- 12 to the approval of the county treasurer if several lots or tracts of
- 13 land are combined in one unit.
- 14 Except in cases where the sale is to be by direct negotiation as
- 15 provided in this chapter, it shall be the duty of the county treasurer
- 16 upon receipt of such order to publish once a week for three consecutive
- 17 weeks a notice of the sale of such property in a newspaper of general
- 18 circulation in the county where the land is situated. The notice shall
- 19 describe the property to be sold, the unit or units, the reservations,
- 20 and the minimum price fixed in the order, together with the time and
- 21 place and terms of sale, in the same manner as foreclosure sales as
- 22 provided by RCW 84.64.080.
- 23 The person making the bid shall state whether he or she will pay
- 24 cash for the amount of his or her bid or accept a real estate contract
- 25 of purchase in accordance with the provisions hereinafter contained.
- 26 The person making the highest bid shall become the purchaser of the
- 27 property. If the highest bidder is a contract bidder the purchaser
- 28 shall be required to pay thirty percent of the total purchase price at
- 29 the time of the sale and shall enter into a contract with the county as
- 30 vendor and the purchaser as vendee which shall obligate and require the

purchaser to pay the balance of the purchase price in ten equal annual 1 2 installments commencing November 1st and each year following the date 3 of the sale, and shall require the purchaser to pay twelve percent 4 interest on all deferred payments, interest to be paid at the time the 5 annual installment is due; and may contain a provision authorizing the 6 purchaser to make payment in full at any time of any balance due on the total purchase price plus accrued interest on such balance. 7 The contract shall contain a provision requiring the purchaser to pay 8 9 before delinquency all subsequent taxes and assessments that may be 10 levied or assessed against the property subsequent to the date of the 11 contract, and shall contain a provision that time is of the essence of 12 the contract and that in event of a failure of the vendee to make 13 payments at the time and in the manner required and to keep and perform 14 the covenants and conditions therein required of him or her that the contract may be forfeited and terminated at the election of the vendor, 15 and that in event of the election all sums theretofore paid by the 16 17 vendee shall be forfeited as liquidated damages for failure to comply 18 with the provisions of the contract; and shall require the vendor to 19 execute and deliver to the vendee a deed of conveyance covering the 20 property upon the payment in full of the purchase price, plus accrued 21 interest((: PROVIDED FURTHER, That)). The county legislative authority may, by order entered in its 22 records, direct the coal, oil, gas, gravel, minerals, ores, timber, or 23 24 other resources sold apart from the land, such sale to be conducted in 25 the manner hereinabove prescribed for the sale of the land((: PROVIDED) FURTHER, That)). Any such reserved minerals or resources not exceeding 26 27 two hundred dollars in value may be sold, when the county legislative authority deems it advisable, either with or without such publication 28 29 of the notice of sale, and in such manner as the county legislative authority may determine will be most beneficial to the county. 30

- 1 **Sec. 2.** RCW 84.64.320 and 1961 c 15 s 84.64.320 are each amended 2 to read as follows:
- The ((board of county commissioners)) county legislative authority 3 4 may dispose of tax foreclosed property ((to any governmental agency for public purposes)) by private negotiation, without a call for bids, for 5 6 not less than the principal amount of the unpaid taxes in any of the 7 following cases: (1) When the sale is to any governmental agency and for public purposes; (2) when the county legislative authority 8 determines that it is not practical to build on the property due to the 9 physical characteristics of the property or legal restrictions on 10 11 construction activities on the property; or (3) when no acceptable bids 12 were received at the attempted public auction of the property and if 13 the property is sold by private negotiation within six months from the

date of the attempted public auction.

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