

RULES AND PROCEDURES FOR
PUBLIC AUCTION OF PROPERTIES SUBJECT TO TAX SALE
TOWN OF COVENTRY, VERMONT
(DATE OF TAX SALE)

- 1. SIGN-IN SHEET:** All bidders need to complete the sign-in sheet as soon as they arrive at the sale. Each bidder will be given a bidder number and a copy of the property list.
- 2. MINIMUM BID:** Bidding will start with the minimum bid to satisfy the amounts owed to the Town of Coventry, including taxes, interest, penalties, legal fees, and legal expenses. Each succeeding bid will be in increments of \$100.00 or more. NOTE: the Tax Collector or Auctioneer may change the incremental bidding amount at any time during the bidding process.
- 3. BIDDING PROCESS:** The Collector or the Auctioneer will record each bid. When the Auctioneer announces the property sold, he will state the amount of the final bid and the name of the successful bidder.
- 4. MINIMUM PAYMENT:** ALL successful bidders MUST immediately pay at least the minimum bid owed to the Town of Coventry at the end of the sale. The successful bidder must pay the full amount to the Town of Coventry by (DATE OF SALE) at 4:00 p.m. The Town reserves the right to sell to the second highest bidder in the event that the highest bidder fails to pay the full amount, or to the third highest bidder in the event that the second highest bidder defaults. However, this reservation of rights should not be construed as requiring the Town to sell to the second highest bidder or the third highest bidder in the event of such default.
- 5. UNSOLD PROPERTIES:** Any parcels not sold MAY be offered again immediately following the last property on the list. If there are no bids for those parcels, they will remain delinquent, and subject to sale at the next auction.
- 6. PAYMENT TYPES ACCEPTED:** money order, certified bank check or cashier's check. Any checks must be written to the Town of Coventry. No cash, personal or business checks accepted.
- 7. PROPERTIES WITH LIENS, MORTGAGES AND OTHER ENCUMBRANCES:** The IRS can exercise its right of redemption up to 120 days after sale. If there are other liens, mortgages or encumbrances, you are strongly advised to consult with a competent attorney.
- 8. BUYER BEWARE!** All sales are final. Properties are sold "as is, where is," with no guarantees or warranties, express or implied. It is the responsibility of the buyer to know what is being purchased before a bid is placed. You should inspect the property and search the title and relevant Town, State and other governmental records to prevent unwelcome surprises.

9. CONSUMMATION OF SALE: Failure of the successful bidder to consummate the sale by (DATE OF SALE) at 4:00 p.m. SHALL result in the forfeiture of the initial payment and all rights the successful bidder may have with respect to that property. Any forfeiture of deposit is distributed to the Town's general fund and not applied to delinquent taxes. Upon forfeiture, the tax sale process will be cancelled and the property will remain listed with the original owner. Another sale will be scheduled at the Town's convenience.

10. NO WARRANTIES: The Town of Coventry and its attorney/auctioneer make no representations that the property is free and clear of defects of title, which may include environmental contamination, limitations on habitability, undischarged liens and mortgages, zoning and other land use and regulatory prohibitions. This is not an exhaustive list and buyers are advised to conduct their due diligence prior to bidding.

11. TAXPAYER'S RIGHT OF REDEMPTION: Pursuant to Vermont law, the taxpayer has one year to redeem the property by paying to the Town the amount paid by the successful bidder at the auction, plus monthly interest of 1% on the high bid. Interest on a portion of a month will be calculated on a per diem basis. There may be a delay up to forty-five (45) business days from the time the property owner redeems the property to the time the funds, including interest, are paid to the successful bidder. This delay is solely to allow funds to clear, and no interest will accrue during this period. The successful bidder **WILL NOT** have any right to occupy, convey or otherwise make use of the property until after the one year redemption period has passed and title to the property has transferred to the successful bidder. The Town of Coventry will not be liable to the successful bidder or to any other party for any loss or damage to the property during the redemption period. For other questions, you are strongly advised to contact a competent attorney.

During the redemption period, please be aware that taxes will continue to accrue, including principal, interest, and penalties.

12. PROPERTIES NOT REDEEMED: If the property is not redeemed during the one year redemption period, the delinquent tax collector will issue a Collector's Deed, conveying the title to the property to the high bidder. The purchaser will be required to file a Vermont property transfer tax return, pay the transfer tax, and pay the necessary filing fees when filing the deed with the Coventry Town Clerk for recording. Please be aware that taxes will continue to accrue during the redemption period, and the property will be transferred to the high bidder subject to the Town's lien for delinquent taxes, interest, and penalties.

13. EXCESS PROCEEDS: Any excess sale proceeds will be held by the Town of Coventry in an interest-bearing account during the redemption period.

I acknowledge that I have received and reviewed a copy of the Town of Coventry Rules and Procedures for Public Auction of Properties Subject to Tax Sale.

Date:

Bidder's Signature:

Print Name:

Address:

Email:

Phone: