

FREEBORN COUNTY, MINNESOTA
Terms for Sale of Tax forfeiture

CONDITION AND TERMS of the public sale shall be described as follows:

1. **Estimated Market Value Sale – the Initial Price:** all parcels will be offered at public auction and sold to the highest bidder. The basic sale price is the Estimated Market Value price of the parcel as reflected on the list of tax forfeited land. *Please note that the municipality may reinstate special assessments against the property. You should make an inquiry to the municipality regarding any assessments against the property.* (MS §282.005)
2. **Minimum Bid Sale:** The property must not be sold for less than the Initial Price for 30 days after it is initially made available at auction. Minimum bid is described as: the sum of delinquent taxes, special assessments, penalties, interest and costs assigned to the parcel. (MS §282.005)
3. **3rd Sale:** If no bidder is willing to pay the initial price or the minimum bid, the state is deemed to have purchased the property. These parcels will revert back to the process as established in MS §282.01. A new sales price will be established and brought to the County Board for Approval. *Please note that the municipality may reinstate special assessments against the property. You should make an inquiry to the municipality regarding any assessments against the property.*

Extra fees and costs; in addition to the basic sale price, will also be collected at the time of the sale. In order to purchase property, *Purchaser does not have any delinquent taxes on any other property in Freeborn County.* The following extra fees will be collected at the time of sale:

- A state deed fee of \$25.00
- A 3% surcharge of the basic sale price for the state assurance account (MS §284.28 Subd 8)
- A deed filing fee of \$46.00 for abstract property –Torrens property may be higher
- A state deed tax based on .0033% of net sale price (minimum of \$1.65)
- Recording of well certificate \$50.00, if required
- \$300 closing fee, per parcel
- Payment terms: cash/check. Full payment must be received at the time of sale.

SPECIAL ASSESSMENTS: LEVIED BEFORE AND AFTER FORFEITURE: Reassessments of cancelled improvements will be in accordance with Minnesota Statutes, reading in part, as follows:

M.S. §429.071, Subd 4 Reassessment, tax-forfeited land. When a parcel of tax-forfeited land is returned to private ownership and the parcel is benefited by an improvement for which special assessments were canceled because of the forfeiture, the municipality that made the improvement may, upon notice and hearing as provided for the original assessment, make a reassessment or a new assessment as to the parcel in an amount equal to the amount remaining unpaid on the original assessment.

M.S. §435.23 Reassess tax-forfeited land back in private ownership. Any municipality, political subdivision, or other public authority may make a reassessment or new assessment pursuant to Section §429.071, subdivision 4, notwithstanding the original assessment may have been made pursuant to other general or special laws.

Any assessments Certified to the County Auditor after the date of sale and for the coming tax year may appear on the next year's taxes. You must check with the City or Township Clerk of the jurisdiction in which you are purchasing the property in for upcoming year amounts.

RESUMPTION OF TAXATION - Tax Forfeited property purchased by a taxable party that is sold shall be placed on the assessment rolls for that year's assessment and tax will be payable in the following calendar year.

OVER THE COUNTER SALES – Parcels offered and not sold at the two public auctions may be purchased at the Freeborn County Auditor/Treasurer's Office. These parcels will be available after Board Approval of the purchase price.

TITLE: PROOF OF OWNERSHIP - The buyer will receive a receipt at the time of the sale. The Department of Revenue will issue a State Deed, subject to any natural and mineral rights, if any, after full payment is made. Purchaser(s) must pay the applicable deed fees at the time of purchase. The law provides that this conveyance shall have the force and effect of a patent from the State of Minnesota. Tax Forfeiture creates a break in the chain of title and services of an attorney may be necessary to make the title marketable.

BOUNDARIES - Freeborn County is NOT responsible for locating property lines or boundaries on tax forfeited parcels. For all land not in platted subdivision, there are restrictive covenants for marginal lands and wetlands.

ABSTRACT OF TITLE – The State or Freeborn County does not provide an abstract of title.

TORRENS – If property is torrens - see documentation. Services of an attorney may be required. A Petition to the Court will need to be made to obtain a new Certificate of Title in your name.

LIENS - Most Mortgages and liens, except Federal and State tax liens, are canceled and/or unenforceable after forfeiture. It is the responsibility of each potential bidder to thoroughly research this information and learn which mortgages and liens, if any, may remain in effect following the forfeiture.

RIGHTS AFFECTED BY FORFEITURE MS §282.005 Subd 10 -The forfeiture property extinguishes all liens, claims and encumbrances other than:

1. Rights of Interested Parties to surplus proceeds under this section;
2. Rights of redemption provided under federal law;
3. Easements and rights-of-way holders who are not interested parties;
4. Benefits or burdens of any rural covenants filed of record as of the date of forfeiture;
5. Existing leases;
6. Easements obtained by a governmental subdivision or state agency for a public purpose;
7. Building codes and zoning laws,
8. Dedications, declarations, covenants and restrictions;
9. All sales are final with no refunds or exchanges allowed; and
10. The appraised value does not represent a basis for future taxes.

MARGINAL LAND OR WETLANDS –The state deed that is issued for any parcel classified as “Marginal Land or Wetlands” will contain a restrictive covenant stating that the parcel is prohibited from enrolling in any state program of compensation for conservation of marginal land or wetlands. Minnesota law prohibits filling or draining of wetlands, and marginal lands must have a conservation plan to minimize soil erosion. Further questions should be directed to the Soil and Water Conservation Service in your district.

RADON WARNING STATEMENT - The Minnesota Department of Health strongly recommends that ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator. Every buyer of an interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential property is required to provide the buyer with any information on radon test results of the dwelling.

Freeborn County is not aware of any radon testing conducted on residential properties listed in this tax-forfeited land for public sale list. Freeborn County is not aware of radon records, concentration levels or if a radon mitigation system is in place on any of the previously listed parcels for sale.

PROHIBITED PURCHASERS - Minnesota Statutes, section 282.016, paragraph (a) prohibits the following persons, either as an agent or attorney for another person, from purchasing tax forfeited lands offered for public sale in the county for which the person performs duties: county auditor, county treasurer, county attorney, court administrator of the district court, county assessor, supervisor of assessments, deputy or clerk or an employee of such officer, a commissioner of tax forfeited lands or an assistant to such commissioner. A person prohibited from purchasing property under this section must not directly or indirectly have another person purchase it on their behalf for their own benefit or gain.

PRIOR OWNERS - Prior owners may not repurchase that same parcel of property at the sale. Straw buyers or agents are also statutorily prohibited from purchasing at a public sale.

Possible redemption price for a prior owner to include: Purchase price to include the sum of all taxes, special assessments, penalties, interest, and costs due at the time of forfeiture (as computed under Minnesota Statutes, section 282.251) and canceled as a result of forfeiture, plus any special assessments for improvements certified as of the date of sale.

If a prior owner is interested in purchasing a property please contact taxation staff for details before or after the sale.

WASTE AND TIRE DISPOSAL – Freeborn County Environmental Services requires documentation (scale receipts from landfill and/or tire recycling facility) for the disposal of the waste and tires on the property. (Documentation attached).

DISCLAIMER – Freeborn County, nor any political subdivision therein, is in no way warranting title, nor is there any intention to guarantee either expressly or through implication, that there are no easements, restriction or covenants on any property which has forfeited to the State of Minnesota for non-payment of real estate taxes. All purchasers of tax forfeited property should seek the advice of a competent real estate attorney to determine the validity of title received via a state deed. Freeborn County or any political subdivisions do not accept responsibility for errors contained in legal descriptions of tax forfeited properties. These descriptions are for tax purposes only, and are not meant to fully describe actual boundaries of properties. Title taken as is with no warranty as to marketability or condition.

The County does not guarantee that the property is in compliance with all applicable building codes, zoning laws, wetland conservation ordinances or other environmental protection laws or ordinances.

The purchaser understands and agrees that no representations have been made regarding the real property's soil conditions, including but not limited to load bearing, compaction, and contamination of any type, buildability or any other conditions, by the Seller, Freeborn County, on behalf of the State of Minnesota, or the Seller's employees or agents. A potential purchaser must obtain authorization from Freeborn County to perform soil testing, at their own expense, before purchasing a parcel by completing a Hold Harmless Agreement provided by the Freeborn County Auditor Treasurer. Once the Buyer has purchased an interest in the property the sale will not be rescinded if soil problems are discovered after the sale and the Buyer opted not to perform testing prior to the sale.

The County as agent for the State of Minnesota as the “Seller”, its employees or agents, has no further responsibility or liability with respect to the condition or management of the property after it has been sold to the purchaser.

Please contact Freeborn County Auditor/Treasurer's Office with any questions regarding the sale process 507-377-5121, or e-mail katie.smith@co.freeborn.mn.us. The offices are located at Freeborn County Courthouse, 411 South Broadway, Albert Lea, MN 56007.

I acknowledge receipt of a copy of the above document. The Freeborn County Terms for Sale of Tax Forfeited Land in Freeborn County.

Dated: _____, 2025

Buyer

Printed Name

Buyer

Printed Name

TORRENS PROPERTY

Torrens property is land that is registered with the courts (Minnesota Statute Section 508). The Registrar of Titles is directed by the court system in the recording of documents involving Torrens property.

When you purchase registered land (Torrens property) from a Tax-Forfeited sale, you receive a deed from the State (508.67). This deed gets recorded and memorialized on the existing Certificate of Title; you DO NOT have full title at this time. The Certificate of Title does not get canceled and a new one issued in your name until you petition the court to have the Court order the Registrar of Titles to issue the Certificate of Title in your name as fee owner. Alternatively, you may try to get a deed from the former owner, but you will want to make sure that all the mortgages and other liens are satisfied.

If you do not get a deed from the former owner or you do not petition the court, the Certificate of Title will still show the former owner as the fee owner with your deed just memorialized. The former owner cannot do anything to this property (mortgage, sell, etc.) after the tax forfeiture is recorded.

After 10 years from the recording date of the Auditor's Certificate, you may request a Directive from the Examiner of Titles. This is a directive to the Registrar of Titles to cancel the Certificate of Title and issue a new Certificate of Title in your name.

Also, if you purchase a lot or parcel of land which is Torrens property, with the idea that you are going to sell off part of the lot, you may not be able to do that without compliance with municipality ordinances and/or registered land survey (may result in additional expense).

If you have any questions about the Torrens property, you may call the Torrens Department at 507-377-5130.

Examiner of Titles

Daniel L. Kolker
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