

**COUNTY OF LAKE
STATE OF CALIFORNIA
DEPARTMENT OF THE TREASURER – TAX COLLECTOR**

TERMS OF SALE

**ALL POTENTIAL BIDDERS ARE REQUIRED TO
READ AND UNDERSTAND THESE TERMS.**

ALL SALES ARE FINAL. THERE ARE ABSOLUTELY NO REFUNDS.

- The auction will begin at 11:00 a.m. EST (8:00 a.m. PST) on February 19, 2011 and the auction will close at the time shown on each auction item starting on February 23, 2011
- The asset information is being updated daily and will not be finalized until the day of the sale. Please read all due diligence materials and check the spreadsheets for updates.

One single \$5,000 deposit (plus a \$35 processing fee) is required to participate in the Lake County auction. This \$5,000 deposit allows the registered bidder to bid on all Lake County auction assets. Your deposit must be a certified check or wire transfer and received by Bid4Assets no later than 4:00 p.m. EST (1:00 p.m. PST) Wednesday, February 16, 2011.

- **Certified Checks should be sent overnight via a dependable carrier to the following address: `**

**Bid4Assets, Inc.
8757 Georgia Ave, Suite 520
Silver Spring, MD 20910
Payable to: Bid4Assets, Inc. Escrow Account FBO Its Clients
Reference: Name of County and your User Name or User ID**

- **Wire Transfers should be sent to the following account:**

**Bid4Assets, Inc. Escrow Account FBO Its Clients
8757 Georgia Ave, Suite 520
Silver Spring, MD 20910
Bank Name: Wachovia Bank, NA; Bethesda, MD
ABA: 055003201
Account Number: 2000034931282
Reference: Name of County and your User Name or User ID**

- Only a successful bidder has the opportunity to purchase Lake County assets. If the successful bidder defaults, under California State Law, the County cannot resort to the second highest bidder, and will be required to take **appropriate legal action against the bidder who defaults. Failure on the part of the successful bidder to consummate the sale within the specified time shall result in the forfeiture of the deposit made and all rights that the purchaser may have had with respect to the property.**

- Your bid is an **irrevocable offer** to purchase the asset.

- Successful bidders will be required to submit their deed information to Bid4Assets indicating how they want the title to the property to be held (vesting). Title is vested in the name of the actual purchaser. **If title is to be vested differently, we require a notarized letter from the individual for whom you are acting as an agent, stating the manner in which title is to be vested.** The Deed Information form will be provided to the winning bidders and must be completed and submitted to Bid4Assets within 48 hours following the close of the auction. The deed will be mailed to the purchaser after recording, usually within four to six weeks. This deed conveys all right, title, and interest to the property in accordance with the provisions of Revenue and Taxation Code section 3712.

- A California documentary transfer tax will be added to, and collected with, the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.

- The notification of winning bid will include the total purchase price, including documentary transfer tax, with instructions concerning the various payment methods.

- **Payment in full to Bid4Assets by wire transfer or certified check is required no later than 5:00 p.m. EST (2:00 p.m. PST) on February 25, 2011 (within two business days of the close of the auction). No personal checks or credit card payments will be accepted. If the payment policy is not adhered to, the bid deposit will be forfeited to the County and the successful bidder may be banned from future sales for five years.**

- The descriptions provided are based on the Official Records of the County Recorder's Office and are presumed to be correct. The property to be sold may be approximately located from maps provided in the property information section on each auction item at Bid4Assets.com.

- The right of redemption by a former owner/party of interest shall terminate at the close of business (5:00 p.m. PST) on Friday, February 18, 2011, which is the last business day prior to the date of sale. Properties removed from the sale will be so indicated on the Asset Page listing for a specific property.

- **Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. ALL PROPERTIES ARE SOLD AS IS.** (R & T Code 3692.3) The County makes no guarantee, expressed or implied, relative to the title, location or condition of the properties for sale. The County is not liable for the failure of any device that is not owned, operated, and managed by the state or county, that prevents a person from participating in any sale. "Device" includes, but is not limited to, computer hardware, a computer network, a computer software application, and a computer Web site. The County assumes no liability for any other possible liens, encumbrances or easements, recorded or not recorded.

➤ **Any personal property, such as mobile homes without permanent foundation or equipment on the property, is not part of the sale.**

- **Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Treasurer-Tax Collector may still be**

outstanding after the tax sale; in addition, the IRS has the option of redeeming, up until 120 days after the sale, any property on which there is an IRS lien recorded.

- Some properties in some counties may have 1911, 1913 and/or 1915 Improvement Act Bonds, or Mello Roos Bonds, which are noted on the Asset Page listing of the property.
- When property is sold at public auction on which the IRS holds a tax lien, the United States has the right of redemption for 120 days from the date of such sale (26 USC Sec. 7425(d)). The IRS will pay the actual amount paid for the property by the bidder, plus interest at 6% per annum from the date of sale, plus the expenses of sale that exceed any income received from the property (28 USC Sec. 2410(d)).
- If the successful purchaser desires a survey of the property; it will be at the purchaser's own initiative and expense. The County makes no warranty, either expressed or implied, relative to the usability, the ground location, or property lines of the properties. The prospective purchaser must determine the exact location, desirability, and usefulness of the properties.
- The sale of these properties should not, in any way, be equated to real estate sales by licensed salesmen, brokers and realtors. The County Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits or zoning ordinances. **You should inspect the property before investing. The burden is on the purchaser to thoroughly research, before the sale, any matters relevant to his or her decision to purchase, rather than on the county, whose sole interest is the recovery of back taxes.**
- The successful bidder may take possession of the property after the tax deed to purchase has been recorded. Most title companies will not insure title on properties sold at public auction for at least one (1) year after the tax deed has been recorded. Legal action to challenge a tax sale must be commenced within one (1) year of the tax recording date. Occasionally, a quiet title action is necessary if there has been an irregularity in the title prior to the tax sale.

- **ALL SALES ARE FINAL. THERE ARE ABSOLUTELY NO REFUNDS.**

**RULES ARE SUBJECT TO MODIFICATION BETWEEN NOW
AND COMMENCEMENT OF SALE**