



THE TAX SALE PROCESS

WHAT IS A TAX SALE?



A Tax Sale is for properties that have delinquent real estate taxes owed on them. If a property owner does not pay their real estate taxes, the local tax collector turns them over to the Tax Claim Bureau for collection. The Bureau follows a State mandated process to collect the delinquent tax and if after a period of time the tax is still owed, the Bureau holds a Tax Sale in order to get payment on the back taxes.

WHAT TYPES OF TAX SALES ARE THERE?

There are three types of Tax Sales:

STEP ONE: THE UPSET TAX SALE

The first time a property with a delinquent real estate tax is exposed to tax sale is at the Upset Tax Sale. The Upset Sale is held September of each year. The sale is a public auction and is held at the Monroe County Administrative Center, in Stroudsburg, PA. The minimum bid required to sell the property is back taxes, current taxes and all bureau costs. You buy these properties subject to all liens, encumbrances and mortgages. The Tax Claim Bureau makes no representations about the property, nor do we offer any warranty or guarantee. You buy the property at your own risk.

STEP TWO: THE JUDICIAL TAX SALE

If a property does not sell at the Upset Tax Sale, it is exposed for sale, again at the Judicial Tax Sale. This sale is held in the spring of each year. The sale is a public auction held at the Monroe County Administrative Center in Stroudsburg, PA. Minimum bid is Bureau costs. At this sale all taxes, liens, encumbrances and mortgages are wiped clean from the property. However, Federal and Commonwealth liens may apply. As with the Upset Sale properties, the Tax Claim Bureau makes no representations about the property, nor do we offer any warranty or guarantee. You buy the property at your own risk.

STEP THREE: THE REPOSITORY SALE

If a property does not sell at the Judicial Sale, it goes on the Repository List. The Repository list can be viewed at the Tax Claim Bureau or on our website. Any member of the public can come into the Tax Claim Office and place a minimum bid of \$800, plus fees and purchase a particular property off the Repository List. This is not a public auction. The sale of Repository properties are on a first come, first serve basis. All taxes, liens, encumbrances and mortgages are wiped clean from the property. However, Federal and Commonwealth liens may apply. You must come into the Tax Claim Bureau and fill-out a bid sheet to purchase a Repository property. The Tax Claim Bureau makes no representations about the property, nor do we offer any warranty or guarantee. You buy the property at your own risk.

HOW DO I KNOW WHAT PROPERTIES ARE BEING SOLD?

The properties are listed in the local newspaper one month prior to a Tax Sale. Also, you can come into the office and get a list or visit our website at www.monroecountypa.gov/claim; The list is published on the website one month prior to a Tax Sale. Repository properties are always on the website or a list can be obtained at this office for a copy fee.

HOW DO I REGISTER TO BID AT A TAX SALE?

Anyone interested in bidding at a tax sale must be registered and have a bidders number. You may come in prior to a tax sale and register, or you can register up to the time of sale. However, we strongly recommend pre-registration. You will be required to fill out a bidders card where you will be asked for your name, address and phone number. This information will be used for the Tax Deed should you be the successful bidder on any property. After you register, we will give you a bidders number which you will use at the sale.

WHAT HAPPENS THE DAY OF THE TAX SALE?

Only certified funds (money order, cashiers or certified bank check) are accepted for payment at a tax sale. If you purchased a property or properties at the morning session, you must go to your bank and pay for the property or properties before the afternoon session starts. If you don't pay before the afternoon session, your properties will be put up again for sale in the afternoon session and you will be barred from bidding at this or any other tax sale. If you purchase a property or properties at the afternoon session, sufficient time will be allowed for you to go to your bank and return to pay prior to the close of the office. Properties not paid for at the afternoon session will be re-offered for sale at the end of the day and you will be barred from bidding again at this or any other tax sale.

WHAT HAPPENS AFTER I BUY A PROPERTY AT TAX SALE?

In addition to the purchase price, you will be required to pay the realty transfer tax, recording fees and current taxes due and sign an affidavit. These amounts will be calculated for you by a clerk before you go to your bank for the funds. After you have paid for the properties, we will prepare a tax deed for you and record it in the Recorder of Deeds Office. This process could take up to 45 days since Court approval of the Tax Sale is required. Please be patient and we will send you the recorded Deed as soon as possible.

SOUNDS EASY. WHAT'S THE CATCH?

There is no catch if you know what you're doing. You must ask yourself why is this property being sold for back taxes? If it's a great property, why would someone let it go so cheap? Those are good questions and they should make you think before you purchase a tax sale property. Many properties on the Tax Sale list are unique properties that have special circumstances. Some are wetlands; others are un-buildable lots; a few may be odd shaped or a steep slope. The point is, we urge you to do your homework before you purchase a property. There are quite a few properties on the Tax Sale lists, even some with homes on them, but if you don't do your homework, you might buy something that you can't do anything with. Look at the list prior to the sale and drive out to the property. Don't buy the property at the tax sale, then go look at it.

YOU ARE EXPECTED TO PAY FOR WHAT YOU BUY AT A TAX SALE. YOU CAN'T CHANGE YOUR MIND AFTER THE PROPERTY IS STRUCK DOWN BY THE AUCTIONEER, AND FAILURE TO PAY FOR ANY PROPERTY WILL RESULT IN YOUR NOT BEING ABLE TO BUY ANY OTHER PROPERTY AT THAT SALE OR ANY OTHER SALE. NO REFUND IS GIVEN ON ANY TAX SALE FOR ANY REASON UNLESS BY COURT ORDER.

*Every effort has been made herein to accurately portray the tax sale process.
We reserve the right to change the process at any time prior to or during the sale.
We urge you to contact your attorney prior to buying a property at any tax sale.
No refund is made on any property for any reason unless by court order.*

IMPORTANT NOTICE

In order to protect your rights and interests we urge you to contact a lawyer prior to purchase of any property at any tax sale.