

Office of:

Selectmen
Town Manager
Assistant Town Manager
Treasurer
Tax Collector
Police Department
Fire Department

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TOWN OFFICE 15 School Street Rangeley, Maine 04970 Office of:

Town Manager
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Finance Director
Town Clerk
Code Enforcement Officer
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DISPOSITION OF TAX ACQUIRED AND TOWN-OWNED PROPERTY POLICY

1. Purpose & Authority

The purpose of this Policy is to establish procedures for the efficient and fair management, administration and disposition of town-owned property and property acquired under the tax lien procedures set forth in Title 36 M.R.S.A. §942 and §943, as amended. Nothing in this Policy shall be interpreted to (1) give additional substantive or procedural rights to owners or former owners of property forfeited for non-payment of taxes or (2) to limit the right of the Select Board to waive these guidelines if the Town deems it to be in the Town's best interest to do so.

Property acquired by means of sewer lien foreclosure is not subject to 36 M.R.S.A. §943-C. Outstanding sewer liens are subject to this policy as set forth in paragraph 6(f).

2. Procedure

- 1. The Town Manager and Treasurer shall annually prepare and provide to the Select Board a list identifying all properties acquired due to non-payment of property taxes and foreclosure of tax liens under 36 M.R.S.A. §943. The list will include the property street address, assessed property value, the names of the prior owner(s), the date of automatic foreclosure, the total amount of outstanding taxes, costs, and interest.
- 2. The Town will send a notice, via certified mail with a copy sent regular mail, to the former owner(s) of the property in question that will explain that the municipal tax lien certificate recorded against the property has matured because of the failure to pay the taxes during the redemption period and that the title to the property has automatically vested to the Town of Rangeley. The notice shall also indicate that by virtue of this Policy, the Select Board will give the former property owner(s) an additional 90 days from the date of the notice to pay in full all outstanding taxes, costs, and interest. A copy of this policy shall be included with this notice.
- 3. If the former owner does not bring the account out of arrears within the 90 days, the Town will have the right to dispose of the property. The Select Board, in its discretion, may allow a payment plan.

- 4. The Select Board, acting at their next regular meeting immediately following the 90-day Policy period, will issue quit claim deeds for all properties in which all such outstanding taxes, costs, and interest were paid in full within the 90-day period or thereafter pursuant to a payment plan.
- 5. Any properties not issued a quit claim deed to the prior owner will be brought before the Select Board for a determination of disposition. The Select Board shall determine the method of sale for the properties that are owned or acquired by the Town. Methods may include, but are not limited to, brokerage sale, negotiated sale, or public bid process.
- 6. Under 39 M.R.S.A. §943-C, if the former owner(s) submits a written request within 90 days of the notice set forth in paragraph 2, the Town of Rangeley shall hire a real estate broker to list and sell the property via quit claim deed at the highest price at which the property is able to sell or at the price which the real estate broker anticipates it to sell within six months after the listing, and pay the former owner any proceeds in excess of:
 - a. The sum of all real estate taxes owned on the property,
 - b. Property taxes that would have been assessed on the property during the period following foreclosure when the property is owned by the municipality,
 - c. All accrued interest.
 - d. Fees, including but not limited to, an administrative fee equal to 10% of the property taxes owed, prorated insurance expenses for buildings covered while owned by the Town, and reasonable attorney's fees,
 - e. The cost to the municipality of the lien and foreclosure process, including but not limited to, reasonable attorney's fees, and,
 - f. Unpaid sewer fees, liens, costs and interest imposed by the municipality.

Before receiving proceeds from the sale of the tax acquired property, the former owner(s) will be required to execute a quit claim deed conveying any interest formerly vesting in the property to the Town of Rangeley and shall have no further right to challenge the foreclosure by the Town.

Notice of intent to sell and former owner's written demand included in the Policy as Appendix A.

If the prior owner of record makes full payment of all sums due on the said tax claim, including the amount of tax, interest, and costs, before notice of the public sale is given, the Treasurer shall release title to said real estate to its record owner.

7. If the former owner does not demand the sale process set forth in paragraph 6, the Select Board will determine, in its sole discretion, what disposition should be made of the property based on what is in the best public interest regarding the future use of the property. Options may include, but will not be limited to, retaining ownership of the property, selling the property at auction, selling the property through use of a licensed real estate agent, selling the property by sealed bid, demolishing the property or no action. If the Select Board determines that the Town should retain ownership of the property it shall pay to the former owner(s) the appraised value minus the costs set forth in paragraph 6.

Ethna Thompson, Chairman

Ethan Shaffer, Vice-Chairman

Samantha White

Wondyll Kaissa

James Januace