

CITY OF TORRINGTON TAX COLLECTOR
TAX DEED SALE
Tuesday, November 22, 2022

Bidder Information Package and Rules of Sale

SALE LOCATION:	Torrington City Hall 140 Main St, 2nd Floor Auditorium Torrington, Connecticut 06790
SALE DATE:	Tuesday, November 22, 2022 Bidder Registration Start Time: 9:00 AM Bidder Registration Closing Time: 9:45 AM Sale Commencement: 10 AM

NEW AUCTION RESTRICTIONS DUE TO COVID-19: Until further notice, all attendees must at all times remain six feet apart, where a mask covering, which are recommended but not required, limit contact with shared surfaces, and obey all other COVID-19 safety guidelines posted or announced at the sale. Attendance is forbidden for anyone with fever, cough, fatigue, respiratory distress, or other symptoms.

****Deposits by certified/bank check only – NO CASH even if earlier notices mention it.****

As Authorized by Connecticut General Statute § 12-157 et. seq.

- 1) SUMMARY OVERVIEW OF SALE. This Tax Deed Sale (hereinafter the "Sale") is a public auction of tax delinquent real property conducted by the Tax Collector of the City of Torrington, CT ("Tax Collector") ("City"). Pursuant to statute, a series of Sale notices have been sent to all property owners and to anyone with a recorded lien or other choate encumbrance on the subject properties. A series of notices were also advertised and published in the Litchfield County edition of the Republican American and filed in the land records of the City. Each property is sold separately at the Sale pursuant to the Rules of Sale as included herein. The City seeks to recover all taxes, accrued interest and other costs and fees due, plus the cost of conducting the Sale. Properties will be auctioned by the Tax Collector for the amount of the delinquent tax, accrued interest, lien fees, associated costs and fees of the Sale, and the entire tax amount for the 2021 grand list year. These are not properties owned by the City. These are privately held properties that have delinquent taxes due to the City.

Funds collected at the Sale are applied to pay the taxes and related costs and fees, and to release any tax liens. The Tax Collector prepares a deed to each property in the name of the highest/successful bidder. This deed will remain unrecorded for six (6) months from the date of the sale and will be lodged with the City Clerk. During the redemption period, the property remains the original owner's property and the bidder has no rights to the property (except as

allowed under CGS § 12-157[g]). The highest/successful bidders at the Sale should consult their attorney for an explanation of their rights during the redemption period.

The owner, or any lienholder or encumbrancer, may redeem the property within the six (6) month redemption period by paying the amount of taxes, as increased by interest, costs and fees, that were due on the date of Sale (the minimum bid), plus 18% interest per annum on the highest/successful bid (purchase price). Interest for the first month will accrue at the time the highest/successful bidder pays to the City the full amount of the highest/successful bid (purchase price). If the property is not redeemed within the six (6) month redemption period, the new deed is recorded, and the highest/successful bidder becomes the owner of the property at that time (on or about MAY 23, 2023). Abandoned properties pursuant to CGS § 12-157(f), and as defined in Torrington Code of Ordinances sections 161-4 or 121-1, are subject to a shortened sixty-day redemption period.

If redemption does not occur, and title passes, the new owner takes title free of prior encumbrances, with the possible exception of Internal Revenue Service (IRS) liens, Lakeridge Association liens, and any recorded or unrecorded easements. Please consult an attorney for more details regarding the nature of title that is passed in a Sale.

WARNING:

BIDDERS AND POTENTIAL BIDDERS ARE ADVISED THAT TAX DEED SALE PROPERTIES ARE PRIVATE PROPERTY, AND THAT TRESPASSING ON PRIVATE PROPERTY IS A CRIME. THERE IS ABSOLUTELY NO ALLOWANCE FOR PROPERTY INSPECTIONS OF TAX DEED SALE PROPERTY. YOU MAY NOT TRESPASS ON THESE PRIVATE PROPERTIES AT ANY TIME, EITHER PRIOR TO, OR AFTER THE SALE, EVEN IF YOU ARE THE HIGHEST/SUCCESSFUL BIDDER. THE OWNERS OF THESE PROPERTIES RETAIN ALL OF THEIR RIGHTS TO THEIR PROPERTY AND THE PEACEFUL ENJOYMENT THEREOF, FOR A PERIOD OF SIX (6) MONTHS FROM THE DATE OF THE SALE (UNTIL ON OR ABOUT MAY 23, 2023). ABANDONED PROPERTIES PURSUANT TO CGS § 12-157(f), AND AS DEFINED IN TORRINGTON CODE OF ORDINANCES SECTIONS 161-4 OR 121-1, ARE SUBJECT TO A SHORTENED SIXTY-DAY REDEMPTION PERIOD. YOU MAY BE SUBJECT TO ARREST AND PROSECUTION FOR BREAKING THE LAW IF YOU DO TRESPASS.

- 2) RULES OVERVIEW. The following rules ("Rules") will be applicable to the Sale by auction of those certain parcels of real estate to be sold by the City Tax Collector on Tuesday, November 22, 2022 to collect delinquent taxes as provided by CGS § 12-157 et. seq. For purposes of this Bidder Information Package and Rules of Sale the term, "City" shall include all duly authorized officers and agents of the City of Torrington as the context requires. Rights of purchasers are subject to the limitations, including rights of redemption of the taxpayer and others, as provided in the General Statutes. In the event any property is not redeemed within the time provided by law, any taxes coming due after the date of the Sale will continue to have priority over the rights of the tax sale purchaser and the tax sale purchaser

may have personal liability for some or all such taxes. Prospective bidders are urged to consult with their legal counsel concerning these and other legal implications of purchasing real estate at a tax deed sale.

- 3) RIGHT TO WITHDRAW PROPERTIES. Properties described in legal notices published in advance of the Sale are subject to being withdrawn at any time upon full redemption or for any reason at the discretion of the Tax Collector at any time before a bid is made that is greater than the amount of taxes and other charges due on the day of the sale or a bid in a lesser amount is accepted.
- 4) BIDDER REGISTRATION, BIDDING PROCEDURES AND RESTRICTIONS.
 - a) Persons wishing to bid on any property offered for sale must be in line to register by **9:45 AM** prior to the start of the Sale (10:00 AM) and must register on the form provided by the Tax Collector's office on the day of the Sale. **Such form requires the bidder to provide his/her full name, social security or federal identification number, mailing address, telephone number, and such other information as the Tax Collector has deemed to be in the interest of the efficient administration of her duties, including a copy of a valid current personal identification with photograph (such as a drivers' license) for whoever will take title to the purchased property.** For example, if you would like two people listed on the deed, bring both social security numbers with you. If you would like the deed to be in the name of a corporation or LLC, make sure you know its exact legal name and its federal ID number at the time you register. If you are bidding on behalf of another person, you must also bring a valid written authorization such as a signed power of attorney. Bidders will be assigned bidder numbers upon their registration prior to the start of the Sale.
 - b) **Every bidder must also bring with them a \$4,000.00 deposit in bank treasurer's, cashier's, tellers, or certified check by a recognized bank made payable to: *City of Torrington Tax Collector*. This amount will be required for *EACH PROPERTY* a bidder intends to bid upon ("Deposit"). *****CASH WILL NOT BE ALLOWED***.** Bidders will present their Deposit when they register at the auction and pay it (only) when they are declared the winner to be applied in full to the purchase price of that property. Bidders who do not win will keep their deposits and may use them to bid on other properties. *Please note, the Tax Collector WILL NOT ACCEPT checks co-payable both to you AND to the Tax Collector.* The bid deposit is **NON-REFUNDABLE**. If you are the highest/successful bidder but later decide you do not wish to participate or consummate the amount of your highest/successful bid, the Deposit will not be refunded. This is true for **ALL properties**.**
 - c) The acceptable forms of payment for any bid deposit or payment of sale price for any property purchased at the Sale are checks from a recognized bank: (i) a bank treasurer's check; (ii) cashier's check; (iii) tellers check; or (iv)

certified check. In the event there is a question whether the paying and/or certifying bank on any check is a recognized bank for purposes of the Sale, the Tax Collector shall consider such evidence as is immediately available to her concerning such institution, such as membership in the Federal Reserve System, insurance by the Federal Deposit Insurance Corporation and general reputation for credit worthiness. All instruments shall be made payable or endorsed by the payee to the order of *City of Torrington Tax Collector*. The Tax Collector reserves the right to require proof that the person negotiating any check is the payer of such check (in the case of certified checks) or the holder in due course of such check (in the case of treasurer's or cashier's checks). Notwithstanding the foregoing, all determinations concerning the acceptance of payment in any form for any purpose related to the Sale which is not legal tender shall be within the Tax Collector's sole discretion, and her decision shall be final. Bidders shall complete any reports or returns required by the United States Department of Treasury in connection with the tender of payment in currency or any form deemed to be the equivalent of currency.

- d) The Tax Collector conducting the auction shall, in the case of each sale, identify the property to be sold and announce the amount of taxes, interest and other charges sought to be collected. The Tax Collector shall then open bidding. **Final minimum bid amounts will be announced by the Tax Collector's Office and posted on the Tax Collector's website on Monday, November 21, 2022.** If there is a bid, the Tax Collector shall seek higher bids in such increments as they shall determine in their sole discretion, until there is only one remaining bidder. When there is only one bidder or when the amount of the highest bid is less than the amount of taxes, interest and other charges sought to be collected, the Tax Collector may, at their discretion, declare such bid to be the winning bid. If there are no bids on a property when first offered the Tax Collector may re-offer said property at the conclusion of the Sale.
- e) **No bids less than the minimum will be accepted in the initial round of bidding.** If there are no bids for the minimum announced bid on a property, bids less than the minimum may be accepted at the sole discretion of the Tax Collector. The Tax Collector, and the City, reserves the right to reject any and all bids, sell the property to the City, or take it herself.
- f) **Restrictions:**
 - i) **Current owners may not bid on their own property.**
 - ii) **Lienholders (AKA encumbrancers) may not bid on property in which they have an interest.** (see *Middletown Savings Bank v Bacharach*, 1879; *Goodrich v Kimberly*, 1880). If a winning bidder has any interest in the property on which they bid, including any interest in mortgages, liens or other encumbrances, title to the property will not pass to such bidder as a result of this sale. If it comes to the Tax Collector's attention that a highest/successful bidder has an interest in the property or in an encumbrance on the property, the Tax Collector reserves the right to cancel the sale of same and return any overbid to the winning bidder

without interest. The minimum bid will be RETAINED as a payment of the taxes due on the date of the Sale. **To be clear, if you disregard this warning NOT to bid on property on which you hold an interest, and you are the winning bidder, your bid money will pay the back taxes on the property, but the current owner will still be the owner, and your bid will be void.** It is in your best interest NOT to bid to acquire property if you hold a mortgage, lien or other interest in any property offered at the Sale.

- iii) **Potential Bidders who have outstanding fines, fees or liens owed to the City of Torrington such as, but not limited to, Blight Fines/Liens and Zoning Fines/Liens.**
 - iv) The Collector retains the right to disqualify or to exclude any bidder from this Sale and from future Sales. The Tax Collector reserves the right to adjourn the sale of any or all properties for any reason to a later date to be established by the Tax Collector. All announcements made by the Tax Collector at the Sale location will supersede any prior oral or written statements.
- 5) **PAYMENT IN FULL.** Following the Sale, the highest bidders will be required to make **payment in full of the remaining amount due on the bid price for each property purchased no later than 2 PM on Tuesday, November 29, 2022 or they shall forfeit their deposit and the right to purchase the property. This payment must be made by cash; bank treasurer's, cashier's, tellers, or certified check by a recognized bank made payable to *City of Torrington Tax Collector*. Please note: Office hours are Monday – Wednesday 8:30-4; Thursday 8:30-6:30 and Friday 8:30-12:30.**
- 6) **HIGHEST/SUCCESSFUL BIDDERS.** When someone is declared the highest bidder, he or she submits the deposit to the tax sale staff in the auditorium. Your name and address will be provided to the owner of the property, and to each mortgagee, lienholder, and record encumbrancer of the property. Please note that this is public information, and that the Tax Collector's office is required by state statute to provide this information as described above. The Tax Collector is also required to publish notice of the results of the Sale in the newspaper, including your name and the amount of your highest/successful bid. However, the Tax Collector will not publish your telephone number. **If you change your address or telephone number, you are required to notify the Tax Collector. This is necessary so the Tax Collector can contact you if and when the property is to be redeemed.**
- 7) **UNSUCCESSFUL BIDDERS.** If you are not the highest/successful bidder your deposit is yours to keep, and you may leave the sale at your leisure.
- 8) **NO REPRESENTATIONS. NO WARRANTIES NOT REQUIRED BY LAW.** Neither the Tax Collector nor the City makes any representation or warranty concerning any property offered for sale. In particular, but not exclusively, no representation or warranty is made with respect to any property offered for sale as to title, environmental matters, value, or compliance with any laws, codes, ordinances, or regulation. The risk of loss to any property offered for sale

as the result of fire or other casualty shall be borne by the winning bidder and/or persons entitled to redeem, in accordance with their respective interests, and not by the Tax Collector or the City. While CGS § 12-157(g) states that the winning bidder has an insurable interest in the improvements against risk of loss, the Tax Collector or the City does not guarantee coverage. The making available of information concerning the persons and firms who have abstracted titles to the properties to be sold for purposes of statutory notice shall not constitute a representation or warranty as to the qualifications of such persons or firms or of the accuracy and completeness of the work performed by them. No agreement to offer to the public any policy of title insurance or certificate of opinion of title to any property shall be implied by any person or firm's performance of such services for the Tax Collector or the City or the provision of information concerning such services by the Tax Collector or any official or employee of the City. Any of such persons or firms shall, however, be free to provide, where appropriate and for consideration, such related services, policies of title insurance, certificates, or opinions of title as they choose to provide to members of the interested public consistent with applicable provisions of law.

BIDDER HAS NOT RELIED UPON AND WILL NOT RELY UPON ANY REPRESENTATION OR WARRANTY OF THE CITY, THE TAX COLLECTOR OR HER AGENTS AND ACKNOWLEDGES THAT NO SUCH REPRESENTATIONS HAVE BEEN MADE. BIDDER REPRESENTS THAT IT IS A KNOWLEDGEABLE, EXPERIENCED AND SOPHISTICATED BIDDER FOR REAL ESTATE AT AUCTION AND IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF BIDDER'S CONSULTANTS IN BIDDING FOR ANY PROPERTY BEING SOLD. BIDDER HAS CONDUCTED SUCH INSPECTIONS AND INVESTIGATIONS OF THE INDIVIDUAL PROPERTIES AND TITLE THERETO AS BIDDER DEEMS NECESSARY AND AS ALLOWED BY LAW. BIDDER ACKNOWLEDGES AND AGREES THAT THE TAX COLLECTOR SHALL CONVEY TITLE TO THE HIGHEST/SUCCESSFUL BIDDER BY TAX COLLECTOR'S DEED SUBJECT TO RIGHTS OF REDEMPTION AND ANY ENCUMBRANCES NOT AFFECTED BY THE TAX DEED SALE "AS IS, WHERE IS," WITH ALL FAULTS WITHOUT RECOURSE TO THE TAX COLLECTOR. BIDDER FURTHER ACKNOWLEDGES AND AGREES THAT THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS BY THE CITY, THE TAX COLLECTOR OR ANY OF THEIR AGENTS REGARDING ANY PROPERTY OR THE TAX SALE AUCTION. THE TERMS AND CONDITIONS OF THESE ACKNOWLEDGEMENTS SHALL EXPRESSLY SURVIVE THE SALE AND ANY CLOSING OR OTHER PROCEEDING RELATING TO PROPERTY SOLD OR OFFERED AT THE SALE, NOT MERGE WITH THE PROVISIONS OF ANY CLOSING DOCUMENTS AND SHALL BE INCORPORATED BY REFERENCE INTO THE DEED TO ANY PROPERTY SOLD AT THE SALE. NEITHER THE CITY NOR THE TAX COLLECTOR IS LIABLE OR BOUND IN ANY MANNER BY ANY ORAL OR WRITTEN STATEMENTS OR INFORMATION PERTAINING TO ANY PROPERTY FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. PURCHASER ACKNOWLEDGES THAT HIS/HER/ITS BID REFLECTS THE "AS IS, WHERE IS" NATURE OF THE SALE AND ANY FAULTS, LIABILITIES, DEFECTS OR OTHER ADVERSE MATTERS THAT MAY BE ASSOCIATED WITH ANY PROPERTY SOLD OR OFFERED AT THE SALE. PURCHASER HAS FULLY REVIEWED WITH ITS COUNSEL THESE DISCLAIMERS AND THE LAW GOVERNING TAX DEED AUCTIONS AND UNDERSTANDS THE SIGNIFICANCE AND EFFECT THEREOF.

- 9) PARTIES IN INTEREST – LEGAL ADVICE. Parties already claiming an interest in a property to be sold should seek legal advice concerning the effect of a highest/successful bid for such property.

- 10) FAILURE OF HIGHEST/SUCCESSFUL BIDDER. If the individual or company determined to be the highest/successful bidder for any property does not tender any balance due on the outstanding bid price of such property by the deadline of **2:00 PM, Tuesday, November 29, 2022** such failure will constitute a default of their purchase. In the event of such a default, the Tax Collector reserves the right to then contact the individual or company whose bid was the next highest amount bid on said property. The next highest bidder, if any, may, by agreement with the Tax Collector, tender the amount represented by the next highest bid to the Tax Collector by any method deemed acceptable by Section 5 hereto, no later than **2:00 PM, Monday, December 5, 2022**, and, in doing so, assume all rights and privileges of the defaulted bidder. If the next highest bidder is unable or unwilling to tender the amount represented by the next highest bid at this time the Tax Collector reserves the right to contact the third highest bidder whose bid was the next highest bid amount on said property or any other successively next highest bidder on the subject property for the purpose of sale at such bidder's highest bid price.
- 11) AFTER THE SALE. There is a six (6) month redemption period on each property. You have no rights to the property except as allowed under CGS § 12-157(g). This statute does allow you to have a sufficient insurable interest in the property against fire or other risk and to have a receiver appointed by the Court in case of emergency value protection. Neither the City or the Tax Collector makes any warrant or representation concerning your ability to obtain this coverage.
- 12) PROPERTY REDEMPTION. In order to redeem a property, the delinquent taxpayer/owner, mortgagee, lienholder or other record encumbrancer whose interest in the property has been affected by the Sale, within six (6) months from the date of the Sale, on or before MAY 22, 2023, must pay or tender to the Tax Collector the amount of taxes, accrued interest, and all costs and fees which were due and owing on the day of Sale, together with 18% per annum interest on the winning bid amount. Any redemption amount may include costs incurred by the winning bidder during the redemption period as properly approved according to state statute.
- Within ten days of receipt of the amount in redemption, the Tax Collector shall notify the winning bidder that the property has been redeemed and shall remit to the winning bidder the original winning bid amount along with the interest on such winning bid calculated through the date of redemption.
- 13) OVERBIDS. If the winning bid is for more than the taxes, accrued interest, and costs and fees due on the day of the Sale, the additional amount is considered to be an *overbid*. All winning bid funds are used to redeem all delinquent taxes, interest, and costs and fee, and the overbid is held in escrow by the Tax Collector.

If there is redemption by an owner or interested party within the six (6) month redemption period, the Tax Collector will collect: (a) the amount of the minimum bid that was due on the day of the Sale; and (b) interest at the rate of 1.5%

per month from the day of the Sale on the winning bid amount. The Tax Collector will remit to the winning bidder a Certificate of Satisfaction along the winning bid amount plus all accrued interest on the winning bid amount. If there is no redemption, the Tax Collector remits any *overbid* to the Clerk of the Superior Court for adjudication of the *overbid* to the owner, lienholders, or the State (escheatment).

- 14) ASSIGNMENT OF BIDS. The Tax Collector may consider requests for assignment of a winning bid. Any request for an assignment of a winning bid shall be made in writing to the Tax Collector, which written request shall provide, at minimum: (a) the name of the party receiving the assignment of the bid (the "Assignee"); (b) a narrative showing good cause as to why the assignment is required; and (c) an affidavit from the Assignee that he/she/it is not delinquent in any of its obligations to the City, whether that be tax delinquencies or other non-tax obligations (of any kind).
- 15) NO CONTRACT. Nothing contained in these rules shall be construed to create any contract between the Tax Collector, the City and/or any other person.
- 16) SALE SUBJECT TO ADDITIONAL TAXES. **The aforesaid properties are sold to collect the taxes on the grand list of October 1, 2020 and all previous grand list years not previously assigned by the Tax Collector.** If title passes to the highest/successful bidder they will be responsible for payment in full (including interest) to satisfy the total amount due of all unpaid taxes, fees and costs accruing after the date of the Sale. The total due for all properties includes the **2021 Grand List** taxes pursuant to CGS § 12-163 (Jeopardy Collection).
- 17) SALE SUBJECT TO: The Sale is subject to easements, covenants, and restrictions of record as well as any taxes due to the Lakeridge Association or the IRS.
- 18) WAIVER OF RIGHTS. Neither the Tax Collector nor the City make any warranty or representation as to any interest in the aforesaid premises created or exempted from levy and sale, or rights of the United States of America to redeem, under laws of the United States, and, by acceptance of a Tax Deed, the said winning bidder and grantee agrees that it shall have no claim or cause of action against the Tax Collector or the City by reason of any such interest or rights.
- 19) DECISIONS OF COLLECTOR AND AUCTIONEER ARE FINAL. All decisions of the Tax Collector conducting the Sale are final as to the sale order, the methods of bidding, designation of a winning bidder, disputes among bidders, increments of bidding, and any other matters that may arise before, during or after the Sale.

20) LIST OF PROPERTIES. The total due listed below for all properties includes the entire **2021 Grand List** taxes pursuant to CGS § 12-163 (Jeopardy Collection for the 2021 GL second installment). The following is a list of properties to be sold at Sale:

	<u>UID #</u>	<u>MBL</u>	<u>Taxpayer Name</u>	<u>Property Address</u>	<u>Total Due</u>
1	4785	120/003/006	H & S TORRINGTON ASSOCIATES & HEALY SMITH DEVELOPMENT	RED MTN AVE	\$ 21,419.93

**Total Due Amount is as of NOVEMBER 9, 2022 and includes all collection fees and other fees/costs amounts due. Click on the UID# link for further information as supplied on the Assessor's website.

Notice to
Prospective Bidders:

TRESPASSING

On

PRIVATE

PROPERTY

Is

PROHIBITED