

SHERIFF SALE INFORMATION

To Interested Parties:

Re: Delinquent Ad Valorem Tax Foreclosures and Resales in Galveston County, TX
[This letter shall serve as notice of revision of policies and procedures regarding tax foreclosed properties in Galveston County, Texas, which may be modified at the discretion of the taxing entities. All previous notices should be disregarded]

The law firm of Linebarger, Goggan Blair & Sampson, LLP represents Galveston County and numerous other taxing entities within Galveston County in the collection of delinquent ad valorem taxes and the foreclosure of delinquent tax liens. The purpose of this letter is to provide general information and answer some of the most frequently asked questions about tax foreclosures and the resale of tax foreclosed properties in Galveston County, Texas.

The collection of delinquent ad valorem taxes and the foreclosure of statutory tax liens are governed by statute and procedural rules under Texas law. Texas Property Tax Code Sections 31 through 34, the Texas Property Code and the Texas Rules of Civil Procedure serve as the framework for delinquent tax collections and foreclosures followed by Galveston County. The statutes and rules are available at a number of sites on the Internet, through the Office of the Comptroller of the State of Texas, and at certain public libraries.

Tax sales in Galveston County are conducted on the first Tuesday of each month at 10:00 a.m. in the Commissioner's Court Room located at the Main Courthouse, 722 Moody, Galveston, Texas. Properties to be sold are posted at the Courthouse and at various Galveston County annex buildings throughout the county prior to the sale. Properties are also advertised in the *Galveston County Daily News* on the three successive Mondays preceding the tax sale. Detailed information about the sheriff sale procedures, as well as a listing of properties posted for sheriff sale are available on the Galveston County Sheriff's website at <http://www.co.galveston.tx.us/sheriff/sheriff.htm>.

The auction is open to the public. In order to obtain a bidder number, check in will be required prior to the sale. The minimum bid at sheriff sale is the lesser of: 1) the aggregate amount of all taxes, penalties, interest, costs and fees due and owing to all taxing entities that were a party to the judgment in the tax foreclosure lawsuit; or 2) the adjudged value of the property as set out in the judgment. High-bidders at the sheriff sale must pay the full amount of their bid by 2:00 p.m. on the day of the sale. Full payment must be made by cash or cashier's check or money order, made payable to "Galveston County Sheriffs Office". A separate money order or cashier's check in the amount of \$20.00, payable to Mary Ann Daigle, County Clerk is required at the sale for the recording of the deed. There is no financing or installment plan available for sheriff sale properties. Bids by mail, telephone, facsimile or e-mail are not accepted.

For additional information regarding a sale, contact Laura Honish (409) 766-2312.

As of **October 1, 2003**, the Texas Property Tax Code requires that the successful bidders at sale obtain a Certificate of Eligibility from the Galveston County Tax Office as soon as possible after the sale in order to receive their Sheriff's Deed Under of Order of Sale. A \$10.00 processing fee is assessed at the time of application. Forms are available from the office of Cheryl E. Johnson, Tax Assessor Collector, 722 Moody, Galveston, Texas 77550, by calling (409) 766-2284 or on-line at http://www.co.galveston.tx.us/tax_offices/. Bids by mail, telephone, facsimile or e-mail are not accepted.

Upon the successful bidder's payment of the bid amount and the Certificate of Eligibility obtained, a Sheriff's Tax Sale Deed Under Order of Sale is executed and recorded in the county deed records by the Galveston County Sheriff. Once the deed is recorded, the original recorded deed will be forwarded to the purchaser of the property. *Please note, the Sheriff's Tax Sale Deed Under Order of Sale provides no warranties or guarantees regarding title or claims to the property made the subject of the sale.* Any _____

questions you may have about your rights, duties or obligations pursuant to such an instrument should be directed to your attorney.

Redemption Periods

Redemption periods begin at the date of the recording of the deed. Homestead and agricultural exempt properties may be redeemed within two (2) years. All other properties may be redeemed within six (6) months of sale. Redemption fees are as follows:

Homestead or Ag:	First Year:	Price of Sale + 25%	Second Year:	Price of Sale + 50%
All others:	Six Months:	Price of Sale + 25%		

STRUCK OFF PROPERTIES

Properties offered for sheriff sale but not purchased by third-parties at the sheriff sale are struck off to the taxing entities by operation of law, unless withdrawn from the sale by a taxing entity. A copy of the list of tax foreclosed properties is available at:

621 Linebarger Goggan Blair & Sampson, LLP
– 6th Street North
Texas City, TX 77590

The list, in Excel format, can also be emailed by a request directed to: mark.ciavaglia@publicans.com or contact Judy Fuller at 409 948-3401 X 216. The list is updated periodically. The information contained in the list and information pursuant to updating the list is available as a public record in the deed records of the Galveston County Clerk's Office from 8:00 a.m. to 5:00 p.m., Monday through Friday at 600 – 59th Street, 2nd Floor, Galveston, TX 77551.

Upon your decision to offer to purchase a property within the city limits of the cities of *Dickinson, League City, Santa Fe, Clear Lake Shores, Kemah*, a Bid Form for Tax Foreclosed Property must be completed (a copy of which is attached to this letter). Completed Bid Forms, accompanied by a cashier's check made payable to “**Galveston County**” in an amount equal to ten percent (10%) of the bid amount should be forwarded to:

621 Mark E. Ciavaglia
Linebarger Goggan Blair & Sampson, LLP
– 6th Street North
Texas City, TX 77590.

Tax foreclosed properties located in the cities of *Galveston, La Marque, Hitchcock, Texas City* and the *Bolivar Peninsula* are within the control of Resale Committees created pursuant to Interlocal Agreements between the taxing entities. For information on how sales are conducted through each resale committee, please email mark.ciavaglia@publicans.com for detailed information.

All properties, either at sheriff sale or resale, are sold “AS IS” with regard to title and/or physical condition of the property. All questions regarding any right, duty, liability and/or obligation that may arise pursuant to a sheriff sale or resale should be directed to your attorney. The law firm of Linebarger Goggan represents the taxing entities, thus they cannot provide you legal advice, guidance or information that is equivalent to legal advice. **Bidders or buyers of sheriff sale property or tax foreclosed property are strongly urged to do their own title research before bidding or purchasing property at sheriff sale or resale.**

We often receive inquiries about the sale of “tax lien certificates” or “tax certificates”. Despite what is taught in some real estate investment seminars, Texas law does not allow the *sale* of any such instrument or document by a taxing entity without written consent of the property owner. While some states allow taxing entities to sell tax liens to a third party, Texas law provides that a tax lien can be *transferred* from a

taxing entity to a third party only___ with the written consent of the property owner in the form of an affidavit. This subject is covered within the Tax Code sections cited herein and the taxing entities require strict adherence to the Tax Code.

Please note that due to the voluminous number of inquiries on this topic, all _____
communications regarding sheriff re-sales should be in writing or via e-mail to:

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Mark E. Ciavaglia
Linebarger Goggan Blair & Sampson, LLP
– 6th Street North
Texas City, TX 77590.
mark.ciavaglia@publicans.com

For detailed information and maps of property available for sheriff sales or re-sales, visit the Galveston Central Appraisal District website at www.galvestoncad.org.

Information regarding tax foreclosure lawsuits is available for public inspection between the hours of 8:00 a.m. and 5:00 p.m. at the Galveston County District Clerk's office, 600 – 59th Street, 4th Floor in Galveston. Thank you for your time and interest in this matter.