

CHAPTER 24
LIEN FORECLOSURE

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24.010. Authority to Sell Property for Delinquent Assessments. In addition to other methods provided by State law, this Code or charter for the foreclosure or collection of liens, real property may be sold as hereinafter provided for any assessment, lien, or installment thereof at any time after one year from the date such lien, assessment, or installment becomes due and payable if bonded; otherwise, at any time after 60 days from the time it is entered in the docket. (Ord No. 150-67)

24.020. Director of Finance May Provide List of Delinquent Liens. If any installment on any lien that may have been bonded, as provided by law or the ordinances or charter of the city, is delinquent for a period of one year from the time the same became due and payable or at any time after 60 days from the time the same became due and payable in the event any such lien or assessment has not been bonded, the director of finance may thereafter prepare a list in tabular form, made up from the docket of the city liens, or other lien docket, describing each lien, assessment or installment due on any bonded lien which is so delinquent, the name of the person to whom assessed and a particular description of the property; the amount of the lien or assessment or the amount of the installment due on any bonded lien, and any other facts necessary to be given. (Ord No. 150-67)

24.030. Director of Finance to Collect Unpaid Liens; Procedure for Selling Property to Satisfy Delinquent Liens. Upon completing the list referred to in the preceding section, the director of finance, shall proceed to collect the unpaid liens or assessments named in such list by advertising and selling the lots or tracts in the manner now provided by law for the sale of real property on execution, except as herein otherwise provided, and except that sale may be made at such place within the corporate limits of the city as may be designated in the notice of such sale.

Each piece or tract of land shall be sold separately and for a sum equal to but not exceeding the unpaid lien or assessment or assessments thereon and the interest, penalty, and cost of advertising and sale; and where there shall be more than one bid the land shall be sold to the bidder first offering to take the same for the amount accrued thereon.

A sale of real property under the provisions of this section conveys to the purchaser, subject to redemption as herein provided, all estates, interests, liens or claims therein or thereto of any person whomsoever, together with the rights and appurtenances thereunto belonging, excepting only the lien of the city on such assessments or liens as are not included in the foreclosure proceedings.

No levy upon such lots or parcels of land shall be required except that a notice shall be posted for four consecutive weeks before the sale upon every lot or parcel assessed to an unknown owner.

In such sale the city may include any number of lots or parcels of land upon which it has delinquent assessments or liens, though the same may have been levied upon the same or different ordinance or ordinances. Any number of different assessments or liens may be foreclosed upon the same lot, block, or parcel of land in one proceeding.

In the event there shall be more than one delinquent assessment or lien upon any lot or parcel of land, the various amounts thereof, including accrued interest, penalties, and costs, shall be added together and the total amount thereof shall be deemed to be the amount of the assessments or liens for which such property is to be sold. (Ord No. 150-67)

24.040. Director of Finance's Record of Property Sold. The director of finance shall enter in the list prepared by him in the columns provided for that purpose the date of the sale, the name of the purchaser and the amount paid for each parcel of property sold. (Ord No. 150-67)

24.050. Director of Finance's Receipt for a Payment of Liens Prior to Sale of Property. The director of finance shall give a receipt to each person paying any lien or assessment on the delinquent list provided by SRC 24.020 prior to the sale of the property and such receipt must state separately the lien or assessment, interest and costs collected, and duplicate of the receipt shall be filed in his office. (Ord No. 150-67)

24.060. Property Sold to Satisfy a Delinquent Assessment must Be Paid for in Lawful Money; Exception. Real property when sold for or to satisfy a delinquent assessment or a lien must be sold for lawful money of the United States; provided, however, that in the event no bid is received for the sale of the property, then the city shall be authorized to purchase the property by bidding therefor the amount of the lien or liens and the cost of advertising the sale; and the same may be struck off and sold to the city without the actual payment of any money therefor. Anyone applying or seeking to redeem property so sold must pay or offer to pay the sum necessary in such lawful money, and not otherwise. (Ord No. 150-67)

24.070. Purchaser's Certificate of Sale of Property Sold to Satisfy Delinquent Assessment, Etc. The director of finance after having sold real property upon the list referred to in section 24.020 of this Code, shall make and deliver to the purchaser a certificate of sale of the property so sold, setting forth therein the object for which the sale was made, a description of the property sold, a statement of the amount it sold for, the lien or assessment for which the property was sold, the name of the purchaser, and the fact that the said sale was made subject to redemption within one year from the date of certificate. (Ord No. 150-67)

24.080. Director of Finance to Make Entries in Docket of City Liens; Reoffering the Property for Sale. The director of finance shall, within three days after the sale of any property pursuant to the provisions of SRC 24.030 shall thereupon make proper entries thereof in the docket of city liens or other lien docket. Thereafter no transfer or assignment of any certificate of purchase of real property sold under the provisions of this chapter shall be deemed valid unless an entry of such transfer or assignment has been noted by the director of finance, offered for sale in like manner, but not sooner than three months after the expiration of any sale, except that in the matter of an assessment for the opening, widening, laying out or establishing of a street, proceedings for such sale may be taken immediately. (Ord No. 150-67)

24.090. Redemption of Property Sold for Delinquent Assessment or Lien. The owner or his legal representative, or his successor in interest or any person having a lien by judgment decree or mortgage,

or owner of a tax lien, on any property sold to satisfy a delinquent assessment or lien, may redeem the same upon the conditions provided as follows:

Redemption of any real property sold for a delinquent assessment or lien under the provisions of this chapter may be made by paying to the director of finance, at any time within one year from the date of the certificate of sale provided for in SRC 24.070, at the purchase price and 10 percent thereof as penalty, and interest on the purchase price at the rate of 10 percent per annum, from the date of such certificate. When redemption shall be made by the holder of a tax lien he shall have the right to have such redemption noted upon the record of his liens in like manner and with like effect as hereinafter prescribed; provided, that if redemption is made within three months from the date of sale, the penalty to be paid shall be five percent.

Such redemption shall discharge the property so sold from the effect of such sale, and if made by a lien creditor, the amount paid for the redemption shall thereafter be deemed a part of his judgment, decree, mortgage, or tax lien, as the case may be, and shall bear like interest, and may be enforced and collected as a part thereof. (Ord No. 150-67)

24.100. Execution of Deed to Property Sold for Delinquent Assessment and Not Redeemed.

After the expiration of one year from the date of the certificate of sale as provided for in SRC 24.070, if no redemption shall have been made, the director of finance shall execute to the purchaser, his heirs or assigns, a deed of conveyance, containing a description of the property sold, the date of sale, a statement of the amount bid, the lien or assessment for which the property was sold, the fact that the assessment or lien was unpaid at the time of the sale and that no redemption has been made and need contain no further recital of the proceedings prior to the sale. The effect of such deed shall be to convey to the grantee therein named the legal and equitable title in fees simple, to the real property in such deed described, excepting only the lien of the city on such assessments or liens as are not included in the foreclosure proceedings, and such deed shall be prima facie evidence of title in such grantee, except as above stated, and that all proceedings and acts necessary to make such deed in all respects good and valid have been had and done, and such prima facie evidence shall not be disputed, overcome or rebutted, or the effect thereof avoided, except by satisfactory proof of either:

- (a) Fraud in making the assessment or in the assessment, or in the procuring of the lien;
- (b) Payment of the assessment or lien before sale or redemption after sale;
- (c) That payment or redemption was prevented by fraud of the purchaser; or
- (d) That the property was sold for a lien or assessment for which neither the property nor the owner thereof, at the time of sale, was liable, and that no part of the assessment or lien was assessed or levied upon the property sold.

The grantee named in such deed shall upon delivery thereof be entitled to immediate possession of the real property therein described. (Ord No. 150-67)

24.110. Statute of Limitations on Action to Recover Land Sold for Delinquent Assessment;

Payment into Court upon Filing First Pleading. Every action, suit, or proceeding which may be commenced for the recovery of land which shall have been sold by the director of finance for any assessment or lien or to quiet the title of the former owner, or his successors in interest, against such sale or to set aside such sale, or to remove the cloud thereof, except in cases where the assessment or lien for which the land has been sold was paid before the sale or the land redeemed as provided by law, shall be commenced within one year from the time of recording the deed so executed and not thereafter. And in any such action, suit, or proceeding, whether before or after the issuance of the deed, the party claiming to be the owner as against the party claiming under such sale must tender with his first pleading in such case and pay into the court at that time of filing such pleading the amount of the purchase price for which the lands were sold, together with the penalties prescribed by law at the time of such sale, and of all taxes, assessments or liens levied or made upon or against the land, or any part thereof, which shall have been paid after such sale by the purchaser at such sale, or his heirs or

assigns, together with interest thereon at the rate of 10 percent per annum from the respective times of the payment of such purchase price, taxes, assessments, or liens by such purchaser, or his heirs or assigns, as the case may be, up to the time of the filing of such pleading, to be paid to such purchaser, his heirs, or assigns in case the right or title of such purchaser at such sale shall fail in such action, suit or proceedings. (Ord No. 150-67)

(CHAPTERS 25 TO 29 RESERVED FOR EXPANSION)