



# Kittitas County

## Office of the County Treasurer

Amy Cziske, Treasurer

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### GENERAL INFORMATION ON TAX FORECLOSURE PROCESS

#### NO GUARANTEES

Anyone considering buying property at the Kittitas County Treasurer's Tax Foreclosure Sale should be aware that **THERE ARE RISKS**. When selling parcels, Kittitas County conveys the entirety of the interest that it is legally capable of transferring, unless otherwise noted. However, Kittitas County does not guarantee or provide warranty as to the extent of that interest. Kittitas County makes no guarantees whatsoever on parcels sold at the Treasurer's Tax Foreclosure Sale. The parcels are offered on a "where is" and "as is" basis.

#### TAX FORECLOSURE

What is tax foreclosure?

When property becomes three years delinquent the Treasurer begins foreclosure action. The Treasurer's office files a Certificate of Delinquency with the Kittitas County Superior Court. In addition to taxes and interest, foreclosure costs begin to accrue. Title searches are conducted for each parcel. As required by law, all parties with recorded legal interest are served by certified or registered mail with notice and summons. A notice and summons is also published in the official county newspaper (RCW 84.64.050). The Treasurer receives judgment from the Superior Court foreclosing on the tax liens and authorizing the sale of parcels. All of the parcels being foreclosed on can be redeemed by their owners, or other parties with legal interest, up until the close of business on the day before the sale. The Kittitas County Treasurer's Tax Foreclosure Sale date will be posted on our website 30 days prior to the sale.

Can prior owners redeem their property after it's foreclosed on?

Prior owners have no rights to the property after foreclosure, **UNLESS** they were a minor or legally incompetent. Minors and legal incompetents have the right to redeem anytime within three years from the date of the foreclosure sale. If they do so, they must pay the amount that the property sold for, plus interest on the tax amount. If there were any improvements made by the new owner, those would also be paid for. (RCW 84.64.070)

#### What happens to all of the property liens?

Generally, as real estate taxes are in the first lien position, all other liens on foreclosed property are extinguished, although Kittitas County can make no guarantees that the prior lien holder will honor this extinguishment. The exceptions to this general rule include any Local Improvement Assessments, which remain and become the obligation of the buyer, and Internal Revenue Service liens.

#### What happens to the excess proceeds?

If a parcel is sold at the Tax Foreclosure Auction for more than the amount owing, the surplus money can be claimed by the previous record title owner. This is the party who held the title on the day that the Certificate of Delinquency was filed. They have up to three years from the date of the Tax Foreclosure Auction to make their claim. (RCW 84.64.080). Additionally, it is unlawful for any individual or company to charge compensation or fee in excess of five percent for locating funds held by a county (RCW 63.29.350).

### How to obtain a list of parcels to be sold -

The Certificate of Delinquency is published in the County's official newspaper, the Ellensburg Daily Record. At the time it is filed. The Tax Foreclosure sale is advertised at least three weeks prior to the auction. In addition, a list of foreclosure properties will be maintained and can be accessed via the Internet by visiting the County's website at [co.kittitas.wa.us](http://co.kittitas.wa.us) and selecting the Foreclosure Tab on the Treasurer's web page.

### RESEARCH

Thorough research on all potential purchases is essential. It is important that you complete this research prior to the day of the sale. There are definite risks when buying tax foreclosure and tax title properties. Even County owned surplus sales might present risks. Buying property without doing complete research can result in unwanted and costly surprises. Deeds issued provide the purchaser no guarantees. There can be clouded title or other problems which the County is neither aware of nor responsible for.

### Where is the best place to begin -

In addition to the minimum bid sheet, the Treasurer's and Assessor's Offices will provide as much information as they have available. Title reports, maps, appraisal sheets and tax information are some items that may help the buyer in their research. It is up to the buyer to pursue other resources.

Other possible resources – Questions about building ability, zoning, use restrictions and controls should be looked into prior to any purchase. City and county departments of engineering, building & code and planning are good places to get information.

Title Insurance - Some title companies won't provide title insurance for up to ten years from the date of sale. Policies vary with each title company. If you are planning to build, title insurance may be important to you.

Assessments – Many parcels have local improvements or special assessments for which payment will be due. You will need to check on these and find out what districts or associations service the area of the parcel you are researching. The County Treasurer collects some, but not all, assessments. To avoid expensive surprises, you should be aware of these prior to the sale.

### Local Ordinances -

Some properties may be subject to easements or use restrictions, as well as zoning and other land use controls. All properties that are sold are subject to applicable county and city ordinances. The existence of these is the buyer's responsibility to determine.

Community Association Dues - All properties sold are subject to restrictive covenants, if any, allowing for imposition of community association fees.

Easements - All utility easements and other easements that are three years and older are unaffected by tax foreclosure. Easements are listed on title searches and will be on record at the Kittitas County Auditor's Office.

Physical Inspection of Property - It is strongly recommended that you visit all of the property sites. Look at exactly what is being offered for sale. Is there any access to the parcel? Can you accurately identify property boundaries? Is the parcel being used in some way by neighbors? These are just a few of the questions you may want to look into.

Improvements - If there are improvements on the parcel, you should find out if the improvements go with the land and how they are currently being utilized.