



**ORANGE COUNTY
TAX ASSESSOR-COLLECTOR**

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**STEPS FOR SUBMITTING A BID
ON
TRUST PROPERTY**

WHAT IS TRUST PROPERTY? Property that does not sell at a tax foreclosure “auction” sale is put into the “trust” of a taxing jurisdiction and is so named “*Trust Property*”. The property is now available for purchase through a written bid process. There are two types of bids, sealed bids and open bids.

SEALED BID:

When a property does not sell at a tax foreclosure sale, the public is given an equal opportunity to submit a *sealed* bid for a **period of thirty days** after the date of the tax sale. If the thirty day period has expired then an “open bid” can be submitted (see below). The *Trust Property Listing* reflects what type of bid to submit. **To submit a sealed bid:**

1. Complete a *Bid Submission Form*. One bid per form.
2. Obtain a *Written Statement of Delinquent Taxes* (see section below) and submit with bid.
3. Place both forms in an envelope labeled “Sealed Bid” and submit the sealed envelope to the Orange County Tax Office in person or by mail to the above address.

Bids will be opened at the end of the thirty days. Bidders will be notified of their bidding status and the highest qualifying bidder will be asked to submit the bid amount. Payment must be in cashier’s check or money order **payable to: Linebarger Law Firm**.

OPEN BID:

A property becomes available for open bid when the **sealed bid period expires** (thirty days after the tax sale). To submit an open bid:

1. Complete a *Bid Submission Form*. One bid per form.
2. Obtain a *Written Statement of Delinquent Taxes* (see section below) and submit with bid.
3. Submit both forms **with required payment** to the Orange County Tax Office in person or by mail to the above address. Acceptable forms of payment are cashier’s check or money order **payable to: Linebarger Law Firm**

Bid will go through an approval process (see explanation below). Bidder will be notified once status has been determined.

WRITTEN STATEMENT OF DELINQUENT TAXES:

- All bidders must demonstrate that they do not **owe** any delinquent taxes in Orange County. This is done by obtaining a *Written Statement of Delinquent Taxes* and submitting it with the bid. This statement can be attained by completing a *Request for Written Statement of Taxes* form. The requestor’s notarized signature is required on the form. Forms and notary services are available at no charge in our office. The request will then be processed and a *Written Statement of Taxes* issued.

APPROVAL PROCESS OF BID:

- *Unless* a bid is equal to or greater than the tax sale minimum bid, the bid is required to go through an approval process by all associated entity’s governing bodies. The minimum bid amount can be obtain by contacting the tax office. This process can take several months. ***If the bid is equal to or greater than the tax sale minimum bid***, approval by the governing bodies is *not* necessary. Bids are required to at least cover court cost/fees. This amount can be obtained by contacting the phone numbers listed above.

RIGHT OF REDEMPTION BY FORMER OWNER (Property Tax Code Sec. 34.21)

The former owner of the property has a statutory right to redeem the property from the purchaser for a designated amount of time; however, they must meet very specific redemption requirements in order to do so. We cannot give you any legal advice regarding this matter, except to advise you to seek legal counsel if you are unsure of the redemption period applicable to the property and/or the amounts to which you are entitled upon redemption by the former owner. Copy of the Tax Code available

ALL PHOTOS OF TAX SALE PROPERTIES ARE PROVIDED FOR ADDITIONAL INFORMATIONAL PURPOSES ONLY. PHOTOS &/OR FOR SALE SIGNS MAY NOT FULLY AND/OR COMPLETELY IDENTIFY THE PROPERTY SUBJECT TO THE FORECLOSURE SALE. ALL PROSPECTIVE BIDDERS SHOULD INDEPENDENTLY SATISFY THEMSELVES AS TO THE EXACT PROPERTY TO BE SOLD BY REVIEWING THE INFORMATION CONTAINED IN THE SPECIFIC JUDGEMENT AND THE DEED RECORDS OF ORANGE COUNTY, TX.

Sec. 34.21. Right of Redemption

(a) The owner of real property sold at a tax sale to a purchaser other than a taxing unit that was used as the residence homestead of the owner or that was land designated for agricultural use when the suit or the application for the warrant was filed, or the owner of a mineral interest sold at a tax sale to a purchaser other than a taxing unit, may redeem the property on or before the second anniversary of the date on which the purchaser's deed is filed for record by paying the purchaser the amount the purchaser bid for the property, the amount of the deed recording fee, and the amount paid by the purchaser as taxes, penalties, interest, and costs on the property, plus a redemption premium of 25 percent of the aggregate total if the property is redeemed during the first year of the redemption period or 50 percent of the aggregate total if the property is redeemed during the second year of the redemption period.

(b) If property that was used as the owner's residence homestead or was land designated for agricultural use when the suit or the application for the warrant was filed, or that is a mineral interest, is bid off to a taxing unit under Section 34.01(j) or (p) and has not been resold by the taxing unit, the owner having a right of redemption may redeem the property on or before the second anniversary of the date on which the deed of the taxing unit is filed for record by paying the taxing unit:

- (1) the lesser of the amount of the judgment against the property or the market value of the property as specified in that judgment, plus the amount of the fee for filing the taxing unit's deed and the amount spent by the taxing unit as costs on the property, if the property was judicially foreclosed and bid off to the taxing unit under Section 34.01(j); or**
- (2) the lesser of the amount of taxes, penalties, interest, and costs for which the warrant was issued or the market value of the property as specified in the warrant, plus the amount of the fee for filing the taxing unit's deed and the amount spent by the taxing unit as costs on the property, if the property was seized under Subchapter E, Chapter 33, and bid off to the taxing unit under Section 34.01(p).**

(c) If real property that was used as the owner's residence homestead or was land designated for agricultural use when the suit or the application for the warrant was filed, or that is a mineral interest, has been resold by the taxing unit under Section 34.05, the owner of the property having a right of redemption may redeem the property on or before the second anniversary of the date on which the taxing unit files for record the deed from the sheriff or constable by paying the person who purchased the property from the taxing unit the amount the purchaser paid for the property, the amount of the fee for filing the purchaser's deed for record, the amount paid by the purchaser as taxes, penalties, interest, and costs on the property, plus a redemption premium of 25 percent of the aggregate total if the property is redeemed in the first year of the redemption period or 50 percent of the aggregate total if the property is redeemed in the second year of the redemption period.

(d) If the amount paid by the owner of the property under Subsection (c) is less than the amount of the judgment under which the property was sold, the owner shall pay to the taxing unit to which the property was bid off under Section 34.01 an amount equal to the difference between the amount paid under Subsection (c) and the amount of the judgment. The taxing unit shall issue a receipt for a payment received under this subsection and shall distribute the amount received to each taxing unit that participated in the judgment and sale in an amount proportional to the unit's share of the total

amount of the aggregate judgments of the participating taxing units. The owner of the property shall deliver the receipt received from the taxing unit to the person from whom the property is redeemed.

(e) The owner of real property sold at a tax sale other than property that was used as the residence homestead of the owner or that was land designated for agricultural use when the suit or the application for the warrant was filed, or that is a mineral interest, may redeem the property in the same manner and by paying the same amounts as prescribed by Subsection (a), (b), (c), or (d), as applicable, except that:

- (1) the owner's right of redemption may be exercised not later than the 180th day following the date on which the purchaser's or taxing unit's deed is filed for record; and
- (2) the redemption premium payable by the owner to a purchaser other than a taxing unit may not exceed 25 percent.

(f) If the owner of the real property makes an affidavit that the owner has made diligent search in the county in which the property is located for the purchaser at the tax sale or for the purchaser at resale, and has failed to find the purchaser, that the purchaser is not a resident of the county in which the property is located, that the owner and the purchaser cannot agree on the amount of redemption money due, or that the purchaser refuses to give the owner a quitclaim deed to the property, the owner may redeem the land by paying the required amount as prescribed by this section to the assessor-collector for the county in which the property described has been redeemed. The assessor-collector receiving the payment shall give the owner a signed receipt witnessed by two persons. The receipt, when recorded, is notice to all persons that the property described has been redeemed. The assessor-collector shall on demand pay the money received by the assessor-collector to the purchaser.

(g) In this section:

- (1) "Land designated for agricultural use" means land for which an application for appraisal under Subchapter C or D, Chapter 23, has been finally approved.
- (2) "Costs" includes:
 - (A) the amount reasonably spent by the purchaser for maintaining, preserving, and safekeeping the property, including the cost of:
 - (i) property insurance;
 - (ii) repairs or improvements required by a local ordinance or building code or by a lease of the property in effect on the date of the sale;
 - (iii) discharging a lien imposed by a municipality to secure expenses incurred by the municipality in remedying a health or safety hazard on the property;
 - (iv) dues or assessments for maintenance paid to a property owners' association under a recorded restrictive covenant to which the property is subject; and
 - (v) impact or standby fees imposed under the Local Government Code or Water Code and paid to a political subdivision; and
 - (B) if the purchaser is a taxing unit to which the property is bid off under Section 34.01, personnel and overhead costs reasonably incurred by the purchaser in connection with maintaining, preserving, safekeeping, managing, and reselling the property.
- (3) "Purchaser" includes a taxing unit to which property is bid off under Section 34.01.
- (4) "Residence homestead" has the meaning assigned by Section 11.13.

(h) The right of redemption does not grant or reserve in the former owner of the real property the right to the use or possession of the property, or to receive rents, income, or other benefits from the property while the right of redemption exists.

(i) The owner of property who is entitled to redeem the property under this section may request that the purchaser of the property, or the taxing unit to which the property was bid off, provide that owner a written itemization of all amounts spent by the purchaser or taxing unit in costs on the property. The owner must make the request in writing and send the request to the purchaser at the address shown for the purchaser in the purchaser's deed for the property, or to the business address of the collector for the taxing unit, as applicable. The purchaser or the collector shall itemize all amounts spent on the property in costs and deliver the itemization in writing to the owner not later than the 10th day after the date the written request is received. Delivery of the itemization to the owner may be made by depositing the document in the United States mail, postage prepaid, addressed to the owner at the address provided in the owner's written request. Only those amounts included in the itemization provided to the owner may be allowed as costs for purposes of redemption.

(j) A quitclaim deed to an owner redeeming property under this section is not notice of an unrecorded instrument. The grantee of a quitclaim deed and a successor or assign of the grantee may be a bona fide purchaser in good faith for value under recording laws.

(k) The inclusion of dues and assessments for maintenance paid to a property owners' association within the definition of "costs" under Subsection (g) may not be construed as:

(1) a waiver of any immunity to which a taxing unit may be entitled from a suit or from liability for those dues or assessments; or

(2) authority for a taxing unit to make an expenditure of public funds in violation of Section 50, 51, or 52(a), Article III, or Section 3, Article XI, Texas Constitution.

Amended by 1989 Tex. Laws, p. 3601, ch. 796, Sec. 33; amended by 1991 Tex. Laws, p. 1582, ch. 419, Sec. 1; amended by 1993 Tex. Laws, p. 1561, ch. 349, Sec. 1; amended by 1997 Tex. Laws, p. 2856, ch. 906, Sec. 11; by p. 2900, ch. 914, Sec. 4; and by p. 4247, ch. 1111, Secs. 6 and 8; amended by 1999 Tex. Laws, p. 5109, ch. 1481, Sec. 33; amended by 2001 Tex. Laws, p. 414, ch. 231, Sec. 1 and p. 4830, ch. 1430, Sec. 31; amended by HB 1125, 78th Tex. Leg., 2003, effective January 1, 2004; amended by HB 3419, 78th Tex. Leg., 2003, effective June 18, 2003.

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The Orange County Tax Office cannot give you any legal advice regarding this matter, except to advise you to seek your own legal counsel if you are unsure of the redemption period applicable to the property/or the amounts to which you are entitled upon redemption by the former owner.

**ORANGE COUNTY
TAX ASSESSOR-COLLECTOR'S
REQUEST FOR
WRITTEN STATEMENT OF DELINQUENT TAXES**
for
FOR TRUST PROPERTY

A. Name of requesting person/company to be searched: _____

B. Mailing address: _____

C. List all property now owned by requesting person/company to be searched in ORANGE COUNTY or in ANY CITY OR SCHOOL DISTRICT THAT IS LOCATED AT LEAST IN PART IN ORANGE COUNTY as follows:

<u>Tax Acct. No.</u>	<u>Legal Description</u>	<u>Property Address</u>	<u>Date Acquired</u>
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1)

2)

3)

[Attach additional sheet if needed]

D. List all property formerly owned by you in ORANGE COUNTY or in ANY CITY OR SCHOOL DISTRICT THAT IS LOCATED AT LEAST IN PART IN ORANGE COUNTY as follows:

<u>Tax Acct. No.</u>	<u>Legal Description</u>	<u>Property Address</u>	<u>Date Acquired</u>	<u>Date Sold</u>
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1)

2)

[Attach additional sheet if needed]

I HEREBY REQUEST THAT THE ORANGE COUNTY TAX ASSESSOR-COLLECTOR DELIVER TO ME AT THE ADDRESS SHOWN ABOVE A WRITTEN STATEMENT UNDER TEX. TAX CODE § 34.015 STATING WHETHER THERE ARE ANY DELINQUENT TAXES OWED BY ME TO ORANGE COUNTY OR TO ANY SCHOOL DISTRICT OR MUNICIPALITY HAVING TERRITORY IN ORANGE COUNTY. THE INFORMATION FURNISHED BY ME ON THE FORM ABOVE IS WITHIN MY PERSONAL KNOWLEDGE AND IS TRUE AND CORRECT.

Signature and title, if applicable, of Requesting
Person

SWORN TO AND SUBSCRIBED BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS ____ DAY OF _____, 20____, TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE.

[Notary seal]

NOTARY PUBLIC, State of Texas
Printed Name: _____
Commission expires: _____

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BID SUBMISSION FORM

On TRUST PROPERTY

Note: Please consult instruction sheet on the necessary items required when submitting a bid.

Name of Bidder:	(Please Print)		
Mailing Address:			
Phone Number:	Cell:	Work:	
	Home:		

Property Identification:	Account #:	Suit/ Cause #:
	Legal Description:	
	Location:	

Amount of Bid:	\$		
If accepted, in what name and address should the deed be prepared?	Name:		
	Address:		
Date of Bid:			
Signature of Bidder			

The taxing jurisdictions reserve the right to reject any and all bids. Once action has been taken the bidder will be notified at the mailing address noted above. Also, please note that bidders on trust property must be able to demonstrate that they owe no other delinquent property taxes in Orange County as provided for in section 34.015 of the Texas Property Tax Code.

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**Submit to: Orange County Tax Office
P.O. Box 1568
Orange, TX 77631-1568**