

Purchase Process for Third Parties Holding Prior Year Certificates

1. At least ten (10) business days before the date of sale in your county, any individual or entity holding a certificate of delinquency from a prior year shall submit to the county clerk a separate list of certificates of delinquency they wish to purchase relating to the property for which they hold the prior year certificate of delinquency. This list shall be clearly marked as a prior year certificate of delinquency list. The prior year certificate of delinquency list shall include for each certificate of delinquency:
 - a. The current year's tax bill number;
 - b. The prior year claim's tax bill number;
 - c. The prior year claim's tax year;
 - d. The book and page numbers where the prior year claim is filed, if applicable; and
 - e. The account or parcel identification number if the county uses such a number to identify specific properties.
2. Upon request, the prior year certificate holder seeking to purchase the current year certificate on the same property shall provide the county clerk with a copy of the prior year certificate of delinquency.
3. At the time the prior year certificate of delinquency list is submitted, full payment in a manner acceptable to the county clerk shall be tendered to the county clerk.
4. During the period between the submission of the lists and the clerk's sale, the county clerk shall review the submitted lists to identify multiple purchasers interested in the certificate of delinquency on the same property and, based upon the information submitted, shall determine the individual or entity that holds the prior year claim for the most recent tax year.
5. As an example, if Company A purchased a 2007 tax bill on April 15, 2008 and Company B purchased a 2000 tax bill on August 20, 2008 and both companies wished to purchase the 2008 tax bill, Company A would be awarded the 2008 tax bill because they own the most recent tax year.
6. On the morning of the county clerk's sale, prior to beginning the sale process outlined in the next section, the clerk shall either:
 - a. Sell all certificates of delinquency for which prior year certificate information was presented and verified to the third-party with the most recent tax year claim seeking to purchase the certificate of delinquency; or
 - b. Provide each third-party purchaser seeking to purchase current year certificates of delinquency based on holding a prior year certificate, with a list of the certificates they are eligible to purchase, and a day and time when the third party may return to finalize the transaction.The payment tendered at the time the list was submitted shall be used to satisfy the amount due, and any refunds shall be made for certificates of delinquency not sold in accordance with the list and payment presented.
7. All remaining tax bills will be placed in the pool of liens to be sold by the clerk as described in the next section.

8. Failure of a third party purchaser to properly and timely submit a purchase list or to make payment in full shall result in the loss of purchase priority, and all certificates of delinquency to which the third party purchaser may have had a prior year claim shall be included in the pool of certificates of delinquency that will be sold by the county clerk.

Sale Process for Certificates of Delinquency Not Purchased by Prior Year Certificate Holders

1. **Registration Prior to the Sale** – At least five (5) business days before the date of sale, it is recommended that each individual or entity seeking to participate in the sale register with the county clerk. Each potential purchaser shall complete and sign an information sheet that includes, at a minimum, the purchaser's name, mailing address (physical and P.O. Box) and telephone number. Upon request of the county clerk, a potential purchaser shall also submit an affidavit affirming that the purchaser is not related to any other individual or entity that will be participating in the sale. If the purchaser is an entity, the purchaser shall provide the name of a contact person who can be reached at the address and phone number provided. The county clerk may require additional information as necessary, and may require a deposit from each purchaser submitting a list.
2. **Submission of List of Certificates** - At the same time the information sheet is submitted, the purchaser shall submit a list of certificates of delinquency he, she, or it is interested in purchasing. The list shall include the certificates of delinquency in an order to be determined by the county clerk, be it order of priority for the purchaser, tax bill number, or by some other ordering that will facilitate the sale process. The list shall include:
 - a. The tax bill number;
 - b. The taxpayer name;
 - c. The amount due on the certificate of delinquency; and
 - d. A total amount for all certificates of delinquency included on the list.
3. **Sale Process** - The sale shall be conducted similar to a professional sports draft, with each purchaser having an opportunity to purchase certificates of delinquency in turn through several rounds.
 - a. The order of selection by purchasers shall be determined by a random drawing conducted on the day of the sale. All purchasers seeking to participate in the sale shall be present for the random drawing, and any purchaser who is not present when random drawing is held may be prohibited from participating in the sale. The county clerk may, in his or her discretion, permit a purchaser who was not present for the random drawing, but shows up after the random drawing has been conducted to participate in the sale, provided the purchaser has registered and submitted a list as required by subsections 1. and 2. of this section, and provided that the late arriving purchaser is placed at the bottom of the selection list behind all purchasers who were present for the random drawing.

- b. The purchaser who draws the lowest number during the random drawing shall have the first turn to purchase certificates of delinquency. Thereafter, purchasers will select certificates of delinquency to purchase in order based on the random drawing order from lowest to highest. Purchase rounds shall continue until all certificates of delinquency are sold, or all purchasers have withdrawn from the sale. When a purchaser withdraws from the sale, no other purchaser may take the place of the withdrawing purchaser.
- c. Purchasers shall be permitted to purchase only those certificates of delinquency included on the previously submitted list during the sale, unless and until all other purchasers have withdrawn, in which case any remaining certificates may be sold to any purchaser able and willing to buy them.
- d. The county clerk may impose a time limit on each purchaser during each round, and the county clerk may allow a purchaser to select another bill if the bill selected by the purchaser has been paid or already purchased, so long as the alternative selection can be made within any allotted time limit.
- e. The clerk shall determine how many certificates of delinquency may be purchased by each purchaser during each round based on the following guidelines:
 - i. In counties with 500 or fewer certificates of delinquency to be sold, the certificates of delinquency may be sold in lots of up to 5;
 - ii. In counties with more than 500 and less than 1,000 certificates of delinquency to be sold, the certificates may be sold in lots of up to 10;
 - iii. In counties with at least 1,000 but not more than 2,500 certificates of delinquency to be sold, the certificates may be sold in lots of up to 25;
 - iv. In counties with at least 2,500 but not more than 7,500 certificates of delinquency to be sold, the certificates may be sold in lots of up to 50.
4. A purchaser may opt out of the purchase process at any time prior to completion of the sale.
5. Payment shall be made at the time of the sale, and shall be submitted in the form required by the county clerk.
6. Any questions or controversies regarding the sale shall be addressed by the clerk.