

State of California

# A Guide to Preparing the Chapter 8 Agreement Sale Package

Updated 12/18



**BETTY T. YEE**

California State Controller's Office

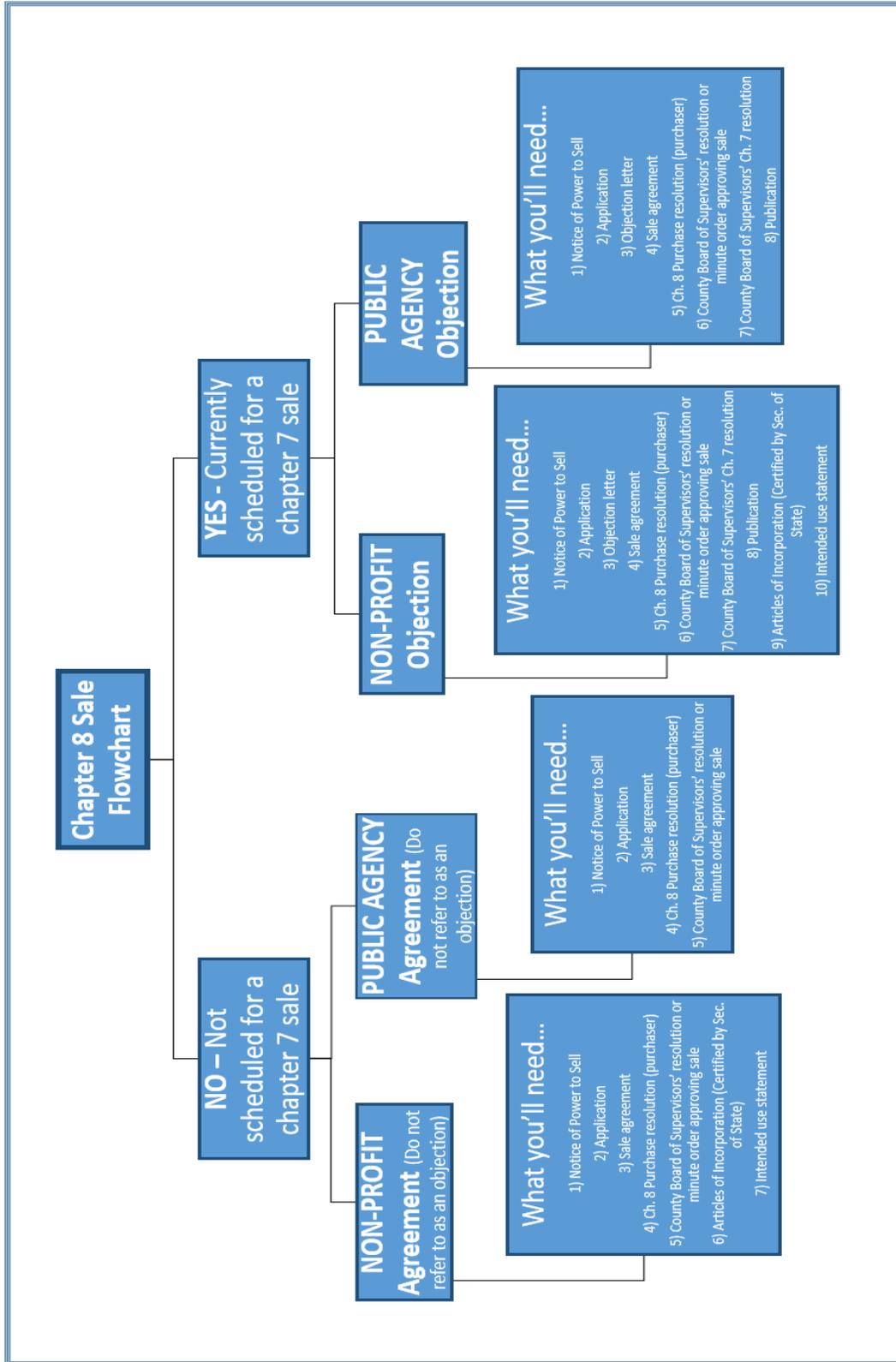
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# Introduction

*A Guide to Prepare the Chapter 8 Agreement Sale Package* is produced by the State Controller's Office, Local Government Programs and Services Division, Property Tax Standards Unit. This guide is intended to be used as a sample for County Tax Collectors to aid in the assembly of documents needed in a Chapter 8 agreement sale package for submittal to the California State Controller's Office for approval. This guide can be used along with the County Tax Sale Procedural Manual, which includes step-by-step procedures on Chapter 8 tax sales.

**NOTICE:** This guide is provided by the State Controller's Office, Property Tax Standards Unit, as a general resource for California's County Tax Collectors. Information contained in this guide is to assist the counties in performing their duties under the law. This publication is intended primarily for County Tax Collectors and does not constitute legal advice.

# Flowchart



# Agreement Sale Checklist

## General Information:

### Checklist – A:

- SCO internal checklist used by staff. It is provided to serve as a reference and aid to assembling required documentation.
- Depending on the type of chapter 8 sale, documents required may vary.

### Checklist – B:

- SCO sample checklist for completing the entire Chapter 8 process. This is a useful tool for tax collectors and staff.

## Sources:

### County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 9: Authorization from the State Controller's Office](#)

### State Controller's Office Sample Form

[SCO 8-17.1](#) – Checklist of Mandatory Requirements (Chapter8)

## Checklist A Sample

### Agreement Sale Checklist 2015

#### Documents required for Chapter 8 Agreement Sales

- \_\_\_\_\_ Notice of Power to Sell (RTC §§3691, 3773)
- \_\_\_\_\_ Application (SCO Form 8-16) (RTC §§ 3695.4, 3695.5)
- \_\_\_\_\_ Objection Letter- Required for objections only (RTC §§3695.4, 3695.5)
- \_\_\_\_\_ Agreement (SCO Form 8-13 or 8-15) (RTC §3795)
- \_\_\_\_\_ County Board of Supervisors Resolution or Minute Order Approving the Sale (RTC §3794.3)
- \_\_\_\_\_ Chapter 7 Tax Sale Resolution – Required for objections only (RTC §3694)
- \_\_\_\_\_ Publication (RTC §3702)

#### Additional Components for Nonprofit

- \_\_\_\_\_ Articles of Incorporation (RTC §§3772.5, 3795.5)
- \_\_\_\_\_ Document listing each parcel and intended use (RTC §§3772.5, 3695.5)

Revised 4/15

## Checklist B Sample

RESOLUTION/AGREEMENT SALE NO. \_\_\_\_\_

DATED \_\_\_\_\_

The following requirements should be fulfilled by the tax collector to lawfully initiate, process, and complete a tax sale by agreement under Division 1, Part 6 of the California Revenue and Taxation Code. Unless otherwise noted, all code section citations are from the California Revenue and Taxation Code. **(Note: Additional details and time lines are located in the County Tax Sale Procedural Manual Chapter II: Chapter 8 Tax Sales.)**

### Agreement Processing:

- Obtain required documents from the purchasing entity.
  - Application to purchase tax defaulted property (SCO 8-16) (§3695.4, §3695.5);
  - An objection letter if the parcel is scheduled for a Chapter 7 Tax Sale (§3695, §3695.4, §3695.5)
  - A Chapter 8 purchase resolution from the purchaser's governing body (§3695);
  - A signed/dated Agreement to Purchase Tax Defaulted Property (§3695.4, §3695); and
  - Other documentation as required by the county (§3795.5).
- If the purchaser is the State or the county, obtain approval of the purchase price from the county board of supervisors and the State Controller. In addition, if the property is within a city's limits, approval from the city is required (§3775). See the State Controller's Office sample form, *Agreement to Purchase Tax Defaulted Property* (SCO 8-13).
- Submit to the State Controller for approval the executed agreement and any other required documents (§3795).
- Following agreement approval from the State Controller and direction from the State Controller the tax collector shall give notice of the agreement (§3796, §3797).
- Mail a copy of the notice to each assessee and party of interest not less than 45 but no more than 60 days prior to the effective date of the agreement (§3799).
- Mail the notice of agreement sale to the IRS (26 U.S. Code §7425).
- Publish and/or post the notice of agreement. The first publication and/or posting shall be started not less than 21 days prior to the effective agreement date (§3798, §3802).
- The agreement becomes effective no sooner than 5:01 pm on the 21<sup>st</sup> day after the first publication of the notice of agreement (§3802).
- Prepare an affidavit showing notice of agreement has been given as prescribed. The affidavit shall be filed in the office of the county tax collector (§3801).

### On or Following Effective Date of Sale:

- Execute a deed to the purchaser once terms for property transfer as outlined in the agreement are met (§3804, §3805).
- Record the deed with the county recorder (the recorder shall record the deed without charge) (§3804).
- Send a conformed copy of the deed to the State Controller (the recorder shall prepare the conformed copy of the deed without charge) (§3804).
- Deposit money received from the sale like tax collection (§3808).
- Transmit a report of sale to the State Controller, auditor, and assessor (§3811).
- Distribute necessary funds prior to determining excess proceeds (§4672-§4673.1).
- Mail the notice of the right to claim excess proceeds to the last known mailing address of parties of interest if the excess proceeds exceed one hundred and fifty dollars (\$150). If the last known address of a party of interest cannot be obtained, the notice shall be published (§4676).
- Distribute the excess proceeds to any parties of interest no sooner than one year following the recordation of the tax collector's deed to the purchaser (§4675).

# Notice of Power to Sell

## General Information:

- An official county document that describes a property and its default status and that the county has the statutory authority to sell the property in order to recoup past taxes due.
- This document is recorded with the county clerk.
- All properties listed in a sale should have a corresponding Notice of Power to Sell to confirm status.
- One notice per parcel must be included for the application to be considered complete.
- Double check the parcel number(s) to ensure accuracy.

## Sources:

### Revenue and Taxation Code

[§3691](#), [§3773](#)

### County Tax Collectors' Reference Manual: Chapter 7000

[Sections 7100-7133](#)

### County Tax Sale Procedural Manual

Chapter I: Chapter 7 Tax Sales, [Section 1: Overview of Chapter 7 Tax Sales](#)

Chapter II: Chapter 8 Tax Sales, [Section 3: Identifying the Purchasing Entity](#)

### State Controller's Office Sample Forms

[SCO 7-01.1](#) – Notice of Power to Sell – Five & Three Year Schedule

[SCO 7-01.2](#) – Notice of Power to Sell – Five Year Schedule by County Ordinance or Resolution

[SCO 7-01.3](#) – Notice of Power to Sell – Three Year Schedule

## Notice of Power to Sell Sample

**RECORDING REQUESTED BY:**  
 LARRY WALKER,  
 AUDITOR-CONTROLLER/  
 TREASURER/TAX COLLECTOR  
 SAN BERNARDINO COUNTY

**WHEN RECORDED RETURN TO:**  
 SAN BERNARDINO COUNTY TAX COLLECTOR  
 172 WEST THIRD STREET, FIRST FLOOR  
 SAN BERNARDINO CA 92415-0360

Electronically Recorded in Official Records, County of San Bernardino 2/03/2014  
 10:00 AM  
 PV



**DENNIS DRAEGER**  
 ASSESSOR - RECORDER - CLERK  
 659 Tax Collector

Doc #: 2014-0045344

Titles: 1 Pages: 1



Fees	.00
Taxes	.00
Other	.00
PAID	.00

NO FEE PER GOVERNMENT CODE 6103

### NOTICE OF POWER TO SELL TAX-DEFAULTED PROPERTY

Which, pursuant to law was declared to be tax-defaulted on 06-30-08  
 for the nonpayment of delinquent taxes in the amount of \$269.16  
 for the Fiscal Year 2007-2008

Default Number 0327-104-14-0-000

Notice is hereby given by the Tax Collector of San Bernardino County that five or more years have elapsed since the duly assessed and legally levied taxes on the property described herein were declared in default and that the property is subject to sale for nonpayment of taxes and will be sold unless the amount required to redeem the property is paid to the Tax Collector of said County before sale. Any parcel remaining unsold may be reoffered within a 90-day period and any new parties of interest shall be notified in accordance with Section 3701. The real property subject to this notice is assessed to

**SEIZED PROPERTY**

and is situated in said County, State of California, described as follows:

0327-104-14-0-000

01 TR NO 1894 ARROW BEAR PARK UNIT NO 2 LOT  
 02 20 BLK 9

0327-103-22-0-000  
 (Assessors Original Parcel Number)

STATE OF CALIFORNIA  
 SAN BERNARDINO COUNTY

EXECUTED ON: FEBRUARY 3, 2014 BY:

*Larry Walker*  
 TAX COLLECTOR

On FEBRUARY 3, 2014, Larry Walker personally proven to me, Dennis Draeger, County Clerk, on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal

*Dennis Draeger*

COUNTY CLERK



# Application

## General Information:

- A standard form issued by the Controller's Office which consolidates pertinent information and serves as official registration as to the purchaser's interest and intention, as required by statute.
- This form is completed by the purchaser and submitted to the tax collector.

## Currently Scheduled for a Chapter 7 Sale

- The application must be filed (dated) prior to the first publication of the notice of intended sale.
- An objection letter is required for the application to be considered valid.
- Double check the parcel number(s) to ensure accuracy.

## NOT Currently Scheduled for a Chapter 7 Sale

- This is NOT an objection. Therefore, no objection letter or objection is required.
- Double check the parcel number(s) to ensure accuracy.

## Multiple Parcels

- One application can be used to purchase multiple parcels.
- Attach an exhibit for the property information when the space provided is insufficient.

## Sources:

### Revenue and Taxation Code

[§3695.4 -§3695.5](#)

### County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8320-8325](#)

### County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 4: Public Agency Purchase Eligibility Review](#)

Chapter II: Chapter 8 Tax Sales, [Section 6: Nonprofit Organization Purchase Eligibility Review](#)

### State Controller's Office Sample Forms

[SCO 8-16](#) – Application

[SCO 8-14](#) – Exhibit A

## Application Sample

This application must be completed by an eligible purchasing entity to commence purchase of tax defaulted property by agreement sale from the county under applicable provisions of the California Revenue and Taxation Code. Complete the following sections and supply supporting documentation accordingly. Prior to purchase approval the county may require the applicant submit additional information or documentation. **Completion of this application does not guarantee purchase approval.**

***For county use only:***

1. Date application received: (date)    2. If applicable, date written objection to Chapter 7 tax sale was received: (date)

**Applicant must complete Sections A through D.**

**A. Purchaser Information**

1. Name of Organization: \_\_\_\_\_
2. Corporate Structure:
- Nonprofit Organization                       Public Agency (**please select type of public agency**)
- A taxing agency, revenue district, or special district
- The State or County

**B. Property Status and Use Information**

1. Is the parcel currently (at the time of application) approved for a Chapter 7 tax sale?
- Yes             No
- If yes, a written objection must be included with the application. If a written objection was submitted to the county prior to application, what is the date of the objection? (date of objection)
2. The purpose of the purchase: (check one box only)
- For low income housing                       To otherwise serve low income persons
- To preserve open space                       To preserve a lien
- For public purpose: (describe public purpose)

**C. Property Information**

Provide the following information. (If more space is needed exhibits may be attached)

1. County where the parcel(s) is located: (county)
2. Assessor's Parcel Number (APN): (list all APNs applying to purchase):

**D. Acknowledgement**

Identification and signature of the purchasing entity's authorized officer:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

# Objection Letter

## General Information:

- A letter or document declaring an objection to certain parcels being sold at a currently scheduled county public auction.
- An objection letter is only required if the parcel(s) in question is currently scheduled for a Chapter 7 sale.
- The objection must be filed (dated) prior to the first publication of the notice of intended sale.
- Double check the parcel number(s) to ensure accuracy.

## Sources:

### Revenue and Taxation Code

[§3695.4 -§3695.5](#)

### County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8232-8233](#)

### County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 4: Public Agency Purchase Eligibility Review](#)

Chapter II: Chapter 8 Tax Sales, [Section 6: Nonprofit Organization Purchase Eligibility Review](#)

## Objection Letter Sample



SAN BERNARDINO MOUNTAINS LAND TRUST  
PROTECTING OUR FOREST. ACQUIRE. RESTORE. PROTECT.

April 22, 2014

Kelly McKee, Tax Sale Supervisor  
Office of Auditor-Controller/ Treasurer-Tax Collector  
County of San Bernardino  
172 West Third Street, 1st Floor  
San Bernardino, CA 92415-0360

RE: 2014 Chapter 8 Tax Sale Request

Dear Ms. McKee,

The SAN BERNARDINO MOUNTAINS LAND TRUST, a charitable 501(c)(3) nonprofit corporation, would like to apply for a Chapter 8 purchase of the tax defaulted parcels listed below that are scheduled for the May 2014 County Tax Sale Auction.

Please accept this letter as our formal request under the Chapter 8 guidelines of the San Bernardino County Tax Code to object to the public auction of the following properties identified below:

<u>Auction Item No.</u>	<u>Assessor Parcel Number:</u>
927	0327-104-14 (0327-103-22)
928	0327-104-27 (0327-103-57)
929	0327-104-30 (0327-103-59)
2153	0447-291-02 - PD
2154	0447-291-03 - PD
2155	0447-291-04 - PD
2156	0447-291-05 - PD

Thank you for your assistance.

Sincerely,

Peter Jorris  
Executive Director  
(909) 867-3536

# Agreement

## General Information:

- Also known as the Agreement Contract or Agreement to Sell Tax–Defaulted Property.
- Agreements must be approved by the board of supervisors.
- Date on the first page of agreement should match date from the County Board of Supervisor Resolution or Minute Order approving the sale.
- A contract between the county and the purchaser.
- This document is a standard format and contains a preamble stating the date of the contract and defining the parties involved.
- The document also outlines the payment conditions, as well as any specific requirements and stipulations of the sale, including purpose and intended use of the property, along with a list of the property involved.
- All signatures required must be present before application will be considered valid.
- Double check the parcel number(s) and purchase price to ensure accuracy.

## Sources

### Revenue and Taxation Code

[§3793](#), [§3795](#)

### County Tax Collectors’ Reference Manual: Chapter 8000

[Sections 8330-8352](#)

### County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 5: Public Agency Application Requirements](#)

Chapter II: Chapter 8 Tax Sales, [Section 7: Nonprofit Organization Application Requirements](#)

### State Controller’s Office Sample Forms

[SCO 8-13](#) – Agreement to Purchase Tax-Defaulted Property (Public Agency)

[SCO 8-14](#) – Exhibit A

[SCO 8-15](#) – Agreement to Purchase Tax-Defaulted Property (Non-Profit)

## Public Agency Agreement Sample

This agreement is made this (day) day of (month), (year) by and between the (county) County Board of Supervisors and (purchasing entity), in accordance with provisions of California law. The County (“*SELLER*”), subject to the State Controller’s approval, does hereby agree to sell to (purchaser) (“*PURCHASER*”) the real property described in Exhibit ‘A’ of this agreement. The real property situated within said county, hereinafter set forth and described in Exhibit ‘A’ of this agreement, is tax defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes.

The *PURCHASER* agrees to pay the sum of \$(price) and which is tendered in the form of (cash/negotiable paper/etc) with this document.

The following is a *sample listing* of terms and conditions, any of which may be included in Chapter 8 Sale Agreements at the discretion of the County. ***This list is not inclusive and pursuant to California Revenue and Taxation Code sections 3795.5 and 3794.3 the board of supervisors may establish conditions of sale.***

Consultation with county counsel is recommended before establishing conditions of sale

In consideration of the mutual promises herein set forth, the parties mutually agree as follows:

- **Approval by the State Controller.** California Revenue and Taxation Code section 3795 requires this agreement to be submitted to and approved by the California State Controller before it becomes final. This agreement is not in effect until the California State Controller’s authorization is received and the noticing process is complete.
- **Purchase and Evidence of Title.** Within 21 days from the effective date of this agreement, the *PURCHASER* agrees to pay a sum sufficient to redeem the delinquent property taxes pursuant to California Revenue and Taxation Code section 3793.1(a) or a reduced price in accordance with section 3793.1(b). The approval and notice process will determine the effective date of the sale and the final purchase price. The *PURCHASER* agrees to pay the amount specified in Exhibit ‘\_\_’ for the properties described in Exhibit ‘A’. Payment shall be in cash or certified funds payable to the (county) County Tax Collector. Upon receipt of said sums by the Tax Collector, the Tax Collector shall execute and record a deed conveying the title to said property to *PURCHASER* and after recordation the deeds will be returned to the purchaser by the County Clerk/Recorder.
- **No Representation.** The *SELLER* makes no representation concerning the condition of title to the subject property. The *SELLER* does not warrant title to the property or make any representations concerning the title. Additionally, the *SELLER* makes no representation concerning the physical condition of the subject property and the *PURCHASER* acknowledges that it is not relying upon any statements or representations of the *SELLER* concerning the subject property and is purchasing the subject property in its ‘as is’ condition.

- Other Expenses: The PURCHASER shall pay the other expenses in addition to the purchase price of the property, including but not limited to: the cost of giving notice of the notice of agreement, the cost of publishing or posting the notice of agreement, the cost of proceeding to obtain a clear title to the property, and the expenses incurred in the payment, compromise, or other method of removal of any liens or adverse claims against the property.
- Intent of Use. The public purpose and specified intent of use set forth by the PURCHASER for the purchased property is as follows:  

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- Jurisdiction Boundaries. If the PURCHASER is a 'district' as defined by Government Code 56036(a) the purchased property must be within their jurisdiction, unless a letter from purchasers' legal counsel stating that either the influence has been extended by the Local Agency Formation Commission (LAFCo) to include the property or the property may be purchased without conflict with sphere of influence parameters.
- Real Property Taxes, Fiscal Year (current)-(current): The purchase price does not include the property taxes for Fiscal Year (current)-(current). The PURCHASER shall be responsible for payment in full of the Fiscal Year (current)-(current) property taxes for the property in addition to the purchase price.
- Treated as a Single Transaction: The SELLER shall sell the property(s) listed in Exhibit '\_\_\_' as a single transaction to the PURCHASER in consideration of the receipt of the payments listed in this agreement.
- Redemption: If any of the properties listed in Exhibit '\_\_\_' are redeemed prior to the effective date of this agreement, this agreement shall be null and void as to that property or properties. Notwithstanding the foregoing, the agreement shall be binding and shall remain in full force and effect with respect to any remaining property (s).
- Void/Incomplete Purchase: This agreement shall become null and void and the right of redemption restored upon the failure of the PURCHASER to comply with the terms and conditions of this agreement prior to the tax deed recordation. The PURCHASER will be required to reimburse the Tax Collector for the costs for producing notice, publication, and actual costs incurred for preparing and conducting the agreement sale if these expenses have already been incurred.

- Indemnity: The PURCHASER shall indemnify the SELLER from and against any and all liability, loss, costs, damages, attorney's fees, and other expenses which the SELLER may sustain or incur by reasons of a challenge to validity of the tax default sale of the property described in Exhibit '\_\_\_'. Pursuant to California Revenue and Taxation Code section 3809, a proceeding based on alleged invalidity or irregularity of any proceeding instituted can only be commenced within one year after the date of execution of the Tax Collector's deed.
- Environmental Condition of Property. The property acquired pursuant to this agreement may contain hazardous wastes, toxic substances, or other substances regulated by federal, state, and local agencies. The SELLER in no way whatsoever assumes any responsibility, implied or otherwise, and makes no representations that the property (s) are in compliance with federal, state, or local laws governing such substances. The SELLER in no way assumes any responsibility, implied or otherwise, for any costs or liability of any kind imposed upon or voluntarily assumed by the PURCHASER or any other owner to remediate, clean up, or otherwise bring into compliance according to federal, state, or local environmental laws property purchased.
- CERCLA. The SELLER and the PURCHASER agree that under United States Code, title 42, section 9601(20,d), the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) expressly excludes local and state governments from clean up liability for properties they acquire as a result of tax delinquencies. Notwithstanding this provision, the PURCHASER shall defend, indemnify, and hold harmless the SELLER, its board of supervisors, officers, claims, actions, liabilities, losses, damages, and costs , including reasonable attorneys' fees, arising out of or resulting from the performance of this agreement, regardless of whether caused in part by a party indemnified hereunder, including but not limited to allegations that the SELLER and/or the SELLER's officers, directors, agents, employees, or volunteers are liable for costs or other charges related to the remediation, clean up, or other work necessary to bring any property purchased under this agreement into compliance with deferral, state, or local environmental laws.

The undersigned hereby agree to the terms and conditions of this agreement and are duly authorized to sign for said agencies.

**Note: If more than one executed copy is required, add the following statement above the signature block:**

This document is being executed in counterpart each of which constitutes an original

ATTEST:

\_\_\_\_\_  
PURCHASER

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD OF SUPERVISORS

By: \_\_\_\_\_

By: \_\_\_\_\_  
DEPUTY

By: \_\_\_\_\_

**Note: If the purchaser is the State or the county and is located within the boundaries of a city, add this signature block:**

Pursuant to the provisions of Revenue and Taxation Code section 3775, the governing body of the City of (city) hereby agrees to the selling price as provided in this agreement.

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_  
DEPUTY

CITY OF

By: \_\_\_\_\_

**Note: If the purchaser is the State or the county, use this signature block for the State Controller:**

Pursuant to the provisions of Revenue and Taxation Code section 3775, the Controller agrees to the selling price hereinbefore set forth and, pursuant to the provisions of section 3795, approves the foregoing agreement this this (day) day of (month), (year) is approved.

BETTY T. YEE, CALIFORNIA STATE CONTROLLER  
By: \_\_\_\_\_

**Note: For agreements with agencies other than the State or the county, use this signature block for the State Controller:**

Pursuant to the provisions of Revenue and Taxation Code section 3795, the Controller approves the foregoing agreement this this (day) day of (month), (year) is approved.

BETTY T. YEE, CALIFORNIA STATE CONTROLLER  
By: \_\_\_\_\_

## Non-profit Agreement Sample

This agreement is made this (day) day of (month), (year) by and between the (county) County Board of Supervisors and (purchasing entity), a nonprofit corporation organized in accordance with provisions of California law. The County (“*SELLER*”), subject to the State Controller’s approval, does hereby agree to sell to the nonprofit corporation (“*PURCHASER*”) the real property described in Exhibit ‘A’ of this agreement.

As set forth in Purchaser’s Articles of Incorporation within Exhibit ‘A’ of this agreement, the PURCHASER is formed for the purpose of either rehabilitating or constructing dwellings and selling to, or otherwise using the property to serve, qualified low-income persons as defined in Health and Safety Code section 50093, or for dedication of that vacant land to public use pursuant to the provisions of Division 1, Part 6, Chapter 8 of the California Revenue and Taxation Code.

The real property situated within said county, hereinafter set forth and described in Exhibit ‘A’ of this agreement, is tax defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes.

The PURCHASER agrees to pay the sum of \$(price) and which is tendered in the form of (cash/negotiable paper/etc) with this document.

The following is a *sample listing* of terms and conditions, any of which may be included in Chapter 8 Sale Agreements at the discretion of the County. ***This list is not inclusive and pursuant to California Revenue and Taxation Code sections 3795.5 and 3794.3, the board of supervisors may establish conditions of sale, including reporting, to ensure maximum benefit to low-income persons.***

Consultation with county counsel is recommended before establishing conditions of sale

In consideration of the mutual promises herein set forth, the parties mutually agree as follows:

- Any violations of the terms and conditions of this agreement shall constitute an event of default.
- **Use by Low Income Persons.** Low income persons are defined in Health and Safety Code section 50093. **The property may not be transferred, sold, leased, rented, or made use of by persons who do not qualify as low income persons as defined by Health and Safety Code section 50093.**
- **Approval by the State Controller.** California Revenue and Taxation Code section 3795 requires this agreement to be submitted to and approved by the California State Controller before it becomes final. This agreement is not in effect until the California State Controller’s authorization is received and the noticing process is complete.

Purchase and Evidence of Title. Within 21 days from the effective date of this agreement, the PURCHASER agrees to pay a sum sufficient to redeem the delinquent property taxes pursuant to California Revenue and Taxation Code section 3793.1(a) or a reduced price in accordance with section 3793.1(b). The approval and notice process will determine the effective date of the sale and the final purchase price. The PURCHASER agrees to pay the amount specified in Exhibit ‘ \_\_\_ ’ for the properties described in Exhibit ‘ \_\_\_ ’. Payment shall be in cash or certified funds payable to the (county) County Tax Collector. Upon receipt of said sums by the Tax Collector, the Tax Collector shall execute and record a deed conveying the title to said property to PURCHASER and after recordation the deeds will be returned to the purchaser by the County Clerk/Recorder.

- Use of Residential Property. In the case of residential property, PURCHASER (the nonprofit organization) shall rehabilitate and sell or rent to, or otherwise use the property to serve, low-income persons. **The property may not be transferred, sold, leased, rented, or made use of by persons who do not qualify as low income persons as defined by Health and Safety Code section 50093.**
- Intent of Use. The public purpose and specified intent of use set forth by the PURCHASER for the purchased property is as follows: \_\_\_\_\_
- Review of Use. The intended use of each property involving a low-income housing project will be reviewed by the appropriate county housing agency and determined, in writing, to be consistent and in compliance with the local jurisdiction’s consolidated plan or community development plan. A detailed list of the intended use for each property will be included as Exhibit ‘ \_\_\_ ’.
- Time to Completion. The PURCHASER agrees to complete the rehabilitation or construction of residential dwellings on the property and sale within a reasonable period of time and the maximum benefit to low-income persons. The reasonable period of time for completion determined by the PURCHASER and the SELLER is specified in Exhibit ‘ \_\_\_ ’.
- Code Compliance. The PURCHASER shall maintain any existing structures and ensure compliance with all applicable county code provisions (e.g., substandard housing, building, and zoning). Within six months of transfer of title, the PURCHASER shall remediate any outstanding code violations and correct and repair any dangerous, unsightly, or blighted condition which reduces the aesthetic and property values in the neighborhood, is offensive to the senses, or is detrimental to the health, safety, and welfare of the public. Within six months of transfer of title, the PURCHASER shall also remove overgrown, diseased, dead, or decayed trees, weeds, or other vegetation, exterior trash, debris, junk, rubbish, graffiti, and abandoned and/or inoperable vehicles. The PURCHASER shall also ensure the property and all building entry points including doorways, windows, or other openings are closed, maintained, or secured to prevent entry by persons or animals. The property shall be fenced if appropriate.

- Contractors. The PURCHASER will ensure that the contractor building or rehabilitating the housing is a licensed general contractor in good standing with the California Contractor State Licensing Board, and a member of the development team. The contractor shall have constructed or rehabilitated, as appropriate to the Chapter 8 request, at least two residential dwellings listing their dates of completion and their complete addresses. The contractor shall not be a member of the board of the nonprofit corporation.
- Manufactured Homes. In the case of manufactured homes, the PURCHASER shall ensure that the manufactured home is attached to a permanent foundation.
- Current Incorporation. The PURCHASER shall be currently incorporated and shall provide a copy of its articles of incorporation filed with the Secretary of State, stating that the organization is incorporated for at least one of the purposes specified in the California Revenue and Taxation Code section 3772.5(b).
- Progress Updates. The PURCHASER shall report back to the (county) Board of Supervisors regarding the progress of the low-income housing project at the following intervals:
  - When building or rehabilitation begins;
  - If rehabilitation or construction of residential dwellings on the property will not be completed by the agreed upon timeline and a modification of the rehabilitation/construction timeline is needed;
  - When the property is leased with documentation that the leasee is qualified for low-income housing;
  - When the property is sold with documentation for the sale of the home including:
    - That the home was sold to a qualified low-income person(s),
    - That the sale price of the house is in compliance with the accepted maximum estimated sales prices established by the United States Department of Housing and Urban Development for low-income household incomes pursuant to Health and Safety Code section 50093.
- Non-discrimination. The PURCHASER shall not discriminate in the selection of low-income persons because of color, race, creed, national origin, religion, gender, sexual orientation, age, or physical or mental handicap in accordance with Title VI of the Civil rights Act of 1964 (42 U.S.C. section 2000D), the Americans with Disabilities Act (42 U.S.C. section 12131 et seq.), and all other applicable laws and regulations prohibiting discrimination. Purchaser shall include this nondiscrimination provision in all contracts for services in the construction, rehabilitation and sale of the property related to this agreement.

- Default: The PURCHASER shall fully comply with the terms and conditions of this agreement. The following shall constitute events of default to the purchase agreement:
  - Any violation of the terms and conditions of this agreement;
  - Transfer and/or lease of the property to a person who does not qualify as a low-income person as defined in Health and Safety Code section 50093;
  - In the event that a petition of bankruptcy shall be filed by or against the PURCHASER, and the petition has not been dismissed or discharged within 180 days of its filing;
  - Failure to maintain the property improvements and the property to the minimum housing standards of the County, to keep the property free from any accumulation of debris, waste materials and/or to maintain all landscaping in a healthy condition;
  - Failure to complete the rehabilitation of construction of the residential dwelling(s) on the property within the reasonable period of time as agreed upon in the purchase agreement.
- Breach: In the event the PURCHASER is in default, the SELLER shall give written notice of default to the PURCHASER specifying the event of default. The PURCHASER must commence to cure, correct, or remedy the default within five days of receipt of notice of default and must fully cure, correct, or remedy the default within 30 days of receipt of notice of default.

If the PURCHASER does not cure the default the PURCHASER shall take one of the following actions:

- Transfer the property to a different Nonprofit Organization that qualifies pursuant to California Revenue and Taxation Code section 3772.5 and that is agreed to by the SELLER;
- Transfer the property to the SELLER at the sole discretion of the SELLER;
- At the sole discretion of the SELLER, the SELLER may permit the PURCHASER to sell the property for costs incurred to a new PURCHASER (including a for-profit entity) that agrees to continue the completion of the rehabilitation or construction of residential dwellings on the property to low-income person as outlined in the Terms and Conditions of the Agreement.

In the event of transfer of the property as a result of inability to fully cure default, the PURCHASER shall relinquish any claim to the property without any compensation or refund. The PURCHASER shall pay any and all costs required to cure a default including the transfer of property.

In addition to any other rights or remedies, the SELLER may institute legal action to cure, correct, or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of the purchase agreement. Such legal action must be instituted in the Superior Court of (county) County.

- No Representation. The SELLER makes no representation concerning the condition of title to the subject property. The SELLER does not warrant title to the property or make any representations concerning the title. Additionally, the SELLER makes no representation concerning the physical condition of the subject property and the PURCHASER acknowledges that it is not relying upon any statements or representations of the SELLER concerning the subject property and is purchasing the subject property in 'as is' condition.
- Other Expenses: The PURCHASER shall pay the other expenses in addition to the purchase price of the property, including but not limited to: the cost of giving notice of the notice of agreement, the cost of publishing or posting the notice of agreement, the cost of proceeding to obtain a clear title to the property, and the expenses incurred in the payment, compromise, or other method of removal of any liens or adverse claims against the property.
- Real Property Taxes, Fiscal Year (current)-(current): The purchase price does not include the property taxes for Fiscal Year (current)-(current). The PURCHASER shall be responsible for payment in full of the Fiscal Year (current)-(current) property taxes for the property in addition to the purchase price.
- Treated as a Single Transaction: The SELLER shall sell the property(s) listed in Exhibit '\_\_\_' as a single transaction to the PURCHASER in consideration of the receipt of the payments listed in this agreement.
- Redemption: If any of the properties listed in Exhibit '\_\_\_' are redeemed prior to the effective date of this agreement, this agreement shall be null and void as to that property. Notwithstanding the foregoing, the agreement shall be binding and shall remain in full force and effect with respect to any remaining property (s).
- Void/Incomplete Purchase: This agreement shall become null and void and the right of redemption restored upon the failure of the PURCHASER to comply with the terms and conditions of this agreement prior to the tax deed recordation. The PURCHASER will be required to reimburse the Tax Collector for the costs for producing notice, publication, and actual costs incurred for preparing and conducting the Chapter 8 agreement sale if these expenses have already been incurred.
- Indemnity: The PURCHASER shall indemnify the SELLER from and against any and all liability, loss, costs, damages, attorney's fees, and other expenses which the SELLER may sustain or incur by reasons of a challenge to validity of the tax default sale of the property described in Exhibit '\_\_\_'. Pursuant to California Revenue and Taxation Code section 3809, a proceeding based on alleged invalidity or irregularity of any proceeding instituted can only be commenced within one year after the date of execution of the Tax Collector's deed.

- **Environmental Condition of Property.** The property acquired pursuant to this agreement may contain hazardous wastes, toxic substances, or other substances regulated by federal, state, and local agencies. The SELLER in no way whatsoever assumes any responsibility, implied or otherwise, and makes no representations that the property(s) are in compliance with federal, state, or local laws governing such substances. The SELLER in no way assumes any responsibility, implied or otherwise, for any costs or liability of any kind imposed upon or voluntarily assumed by the PURCHASER or any other owner to remediate, clean up, or otherwise bring into compliance according to federal, state, or local environmental laws property purchased.
- **CERCLA.** The SELLER and the PURCHASER agree that under United States Code, title 42, section 9601(20,d), the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) expressly excludes local and state governments from clean up liability for properties they acquire as a result of tax delinquencies. Notwithstanding this provision, the PURCHASER shall defend, indemnify, and hold harmless the SELLER, its board of supervisors, officers, claims, actions, liabilities, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this agreement, regardless of whether caused in part by a party indemnified hereunder, including but not limited to allegations that the SELLER and/or the SELLER's officers, directors, agents, employees, or volunteers are liable for costs or other charges related to the remediation, clean up, or other work necessary to bring any property purchased under this agreement into compliance with deferral, state, or local environmental laws.

**This document is being executed in counterpart, each of which constitutes an original.**

ATTEST:

BOARD OF SUPERVISORS:

By \_\_\_\_\_

\_\_\_\_\_

Chairman

\_\_\_\_\_  
A California Corporation

\_\_\_\_\_  
A California Corporation

By \_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President/Vice-President

Pursuant to the provisions of California Revenue and Taxation Code section 3795, the foregoing agreement on this (day) day of (month), (year) is approved.

BETTY T. YEE, CALIFORNIA STATE CONTROLLER

By \_\_\_\_\_

Exhibit A Sample

DESCRIPTION	FIRST YEAR DEFAULTED	DEFAULT NUMBER	PURCHASE PRICE
<b>INTENDED USE</b>			
<b>NOTE: TO BE MADE PART OF EACH CHAPTER 8 AGREEMENT</b>			

# Chapter 8 Purchase Resolution

## General Information:

- An official document submitted by the purchaser that shows the authority to make the purchase has been approved by the governing body of the agency or nonprofit.
- Double check the parcel number(s) and purchase price to ensure accuracy.
- Unless this is an objection to a parcel(s) that is scheduled for a Chapter 7 sale, the purchaser's resolution **SHOULD NOT** include the word "objection."

## Sources:

Revenue and Taxation Code

[§3695](#)

## Chapter 8 Purchase Resolution Sample

### EXCERPT

APRIL 2014 MINUTES – San Bernardino Mountains Land Trust--

#### ITEM 4.E. Approval for Chapter 8 Purchase

### MINUTES

San Bernardino Mountains Land Trust

BOARD OF DIRECTORS MEETING, **Monday April 21, 2014**

Members Present: President Jim Asher, Vice-President Polly Sauer, Executive Director Peter Jorris, Secretary Bill Engs, Treasurer Caren Cassidy, and Projects Manager Kevin Kellems

Members Absent: Amie Bean

Visitor: Erin Smith, prospective volunteer for Outreach

The meeting was called to order by President Asher at 5:10 PM.

1. **APPROVAL OF MINUTES of the March 17, 2014 Board of Directors Meeting.**
2. **FINANCIAL BUSINESS**
3. **CONSENT AGENDA**
4. **LAND ACQUISITION & STAFF REPORT**

#### **E. Chapter 8 Properties**

Jorris proposed that the Land Trust consider filing a County Tax Sale Chapter 8 Request for three Deep Creek lots in Arrowbear. Two of these parcels are located along Highway 18 and the third one is between lots currently owned by the Land Trust.

Projects Manager Kellems reported that the Rose Mine property was also listed for sale at the County tax sale Auction for \$35,100. The 58-acre property is located east of Baldwin Lake along Forest Service Road 2N02 near the Bighorn Mountains Wilderness area.

**Motion to file a Chapter 8 request** for 3 Deep Creek lots (APN's 327-104-14, -27, -30) and the Rose Mine property (APN's 0447-291-02, -03, -04, -05) for a total cost of \$44,900 and to place bids at the August Tax sale auction on the remaining six parcels for a total of \$9,000. M/S/C (Sauer/Cassidy).

4. **CONTINUING BUSINESS**
5. **NEW BUSINESS**
6. **DIRECTOR COMMENTS**

**Next Board of Directors Meeting: Monday May 19, 2014 at 5:00 PM**

The meeting was adjourned at 8:05 PM.

Minutes submitted by Bill Engs and Kevin Kellems

# County Board of Supervisors Resolution or Minute Order

## General Information:

- A copy of the minutes order, resolution or similar official document from a public hearing showing the county board of supervisors has approved the proposed sale.
- Make sure to double check the parcel number(s) and purchase price to ensure accuracy.

## Sources:

Revenue and Taxation Code

[§3794.3](#)

County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8340-8346](#)

County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 8: Requesting Approval from the Board of Supervisors](#)

State Controller's Office Sample Form

[SCO 8-02.2](#) – Request for Approval to Sell Tax Defaulted Property Subject to the Power of Sale (Chapter 8)

## County Board of Supervisors Resolution or Minute Order Sample

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

August 19, 2014

**FROM:** LARRY WALKER, Auditor-Controller/Treasurer/Tax Collector  
Auditor-Controller/Treasurer/Tax Collector

**SUBJECT:** CHAPTER 8 SALE OF TAX-DEFAULTED PROPERTY TO SAN BERNARDINO  
MOUNTAINS LAND TRUST

**RECOMMENDATION(S)**

1. Approve the sale of the tax-defaulted parcels located in Arrow Bear Park within the San Bernardino National Forest, listed on Exhibit "A" of the Agreement, (Agreement No. 14-729) to San Bernardino Mountains Land Trust for the price of \$9,800, plus the cost of notice.
  2. Authorize the Chair of the Board of Supervisors to execute the agreement and return to the Auditor-Controller/Treasurer/Tax Collector for transmittal to the State Controller.
- (Presenter: Larry Walker, Auditor-Controller/Treasurer/Tax Collector, 386-9000)

**BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES**

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

**FINANCIAL IMPACT**

Approval of this item will not result in the use of any additional Discretionary General Funding (Net County Cost). As authorized under California Revenue and Taxation Code §3698 and §3698.5, the minimum sale price of an eligible tax-defaulted parcel shall be an amount equal to, but not less than, the amount required to redeem the property, plus costs associated with the sale, including advertising and recording costs. The sale price of \$9,800, plus the cost of giving notice, will satisfy all taxes, reimburse costs, and be apportioned accordingly.

**BACKGROUND INFORMATION**

Pursuant to California Revenue and Taxation Code §3691, the Tax Collector has the power to sell properties that have been tax-defaulted for five or more years in an effort to return these parcels to active property tax paying status. Chapter 8 of the California Revenue and Taxation Code (§3771, et seq.) authorizes the Tax Collector to offer these tax-defaulted properties to taxing agencies or eligible non-profit organizations for the purpose of public benefit. The San Bernardino Mountains Land Trust has requested a Chapter 8 sale of tax-defaulted parcels, Nos. 0327-104-14-0000, 0327-104-27-0000, and 0327-104-30-0000, for preserving the scenic, wildlife, watershed, and forest open space values of each parcel. All of the parcels are located in Arrow Bear Park within the San Bernardino National Forest and are each approximately 3,000 square feet in size.

Page 1 of 2

cc: ATC-Brown w/agree for Sig  
Contractor c/o Dept w/agree  
ATC-Acct Pay Mgr w/agree  
EBIX/SPO c/o Risk  
ATC-Walker  
CAO-Porter  
File - w/agree  
jr 8/25/14

ITEM 12

Record of Action of the Board of Supervisors  
**APPROVED (CONSENT CALENDAR)**  
COUNTY OF SAN BERNARDINO  
Board of Supervisors

MOTION	<u>  </u>				
	MOVE	AYE	SECOND	AYE	AYE
	1	2	3	4	5

LAURA H. WELCH, CLERK OF THE BOARD  
BY \_\_\_\_\_  
DATED: August 19, 2014

Rev 2-25-14

CHAPTER 8 SALE OF TAX-DEFAULTED PROPERTY TO SAN  
BERNARDINO MOUNTAINS LAND TRUST  
AUGUST 19, 2014  
PAGE 2 OF 2

Pursuant to Chapter 8 of the California Revenue and Taxation Code, taxing agencies or eligible non-profit organizations have the ability to request to purchase a parcel once it has become subject to the Tax Collector's power of sale. For properties currently scheduled for public sale, the request to purchase must be made prior to the first newspaper publication to the general public. The application and intent to purchase are submitted to the Tax Collector and reviewed for eligibility requirements. If eligible, the Tax Collector prepares an agreement for completion by the taxing agency or eligible non-profit organization, including a request for the following documents: mission statement, resolution by the entity's Board authorizing the purchase, and a map or description of the survey area, if applicable. Upon receipt and satisfactory review of these documents, the sale Agreement is presented to the Board of Supervisors for approval.

Upon execution of the Agreement by the Chair of the Board of Supervisors, it is submitted to the State Controller's Office for approval. Once the State Controller's Office has approved the sale Agreement, notification is provided to parties of interest a minimum of 45 days prior to completion of the sale. If the tax-defaulted parcel is not redeemed, the sale is completed and the tax deed is recorded.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Phebe Chu, Deputy County Counsel, 387-5455) on July 18, 2014; Finance (Ginger Porter, Administrative Analyst, 387-4883) on July 14, 2014; and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on July 22, 2014.

8/19/14 #12

# Chapter 7 Tax Sale Resolution

## General Information:

- A copy of the county board of supervisor's resolution approving the Chapter 7 tax-sale.
- This document is only needed when the parcel(s) requested for purchase is currently approved and scheduled for a Chapter 7 tax sale.
- The list of parcels approved must be included showing the parcels in question (see sample)

## Sources:

### Revenue and Taxation Code

[§3694](#), [§3698](#)

### County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8210-8217](#)

### County Tax Sale Procedural Manual

Chapter I: Chapter 7 Tax Sales, [Section 7: Requesting Approval from the Board of Supervisors](#)

Chapter II: Chapter 8 Tax Sales, [Section 5: Public Agency Application Requirements](#)

Chapter II: Chapter 8 Tax Sales, [Section 7: Nonprofit Organization Application Requirements](#)

### State Controller's Office Sample Forms

[SCO 8-02](#) – Request for Approval to Sell Tax Defaulted Property Subject to the Power of Sale (Chapter 7)

[SCO 8-03](#) – Authorization and Report of Sales

## Chapter 7 Tax Sale Resolution Sample

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

February 25, 2014

**FROM:** LARRY WALKER, Auditor- Controller/Treasurer/Tax Collector  
Auditor-Controller/Treasurer/Tax Collector

**SUBJECT:** PUBLIC SALE OF TAX-DEFAULTED PROPERTY – TAX SALE #364

**RECOMMENDATION(S)**

1. Authorize the Auditor-Controller/Treasurer/Tax Collector to sell at public auction the tax-defaulted properties listed on the attached schedule.
2. Authorize the Auditor-Controller/Treasurer/Tax Collector to sell at a reduced minimum bid those properties which have been previously offered for tax sale at least once and did not receive a minimum bid.

(Presenter: Larry Walker, Auditor-Controller/Treasurer/Tax Collector, 386-9000)

**BOARD OF SUPERVISORS COUNTY GOALS AND OBJECTIVES**

Operate in a Fiscally-Responsible and Business-Like Manner.

**FINANCIAL IMPACT**

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The estimated public auction cost of \$150,000 has been included in the Auditor-Controller/Treasurer/Tax Collector's 2013-14 Adopted Budget and will be fully reimbursed through tax sale fees.

**BACKGROUND INFORMATION**

Pursuant to Revenue and Taxation Code Section 3691, the Tax Collector has the power to sell properties that have been tax-defaulted for five or more years, and the ability to sell previously offered tax-defaulted properties at a reduced minimum bid, in an effort to return these properties to property tax paying status. Property tax dollars are used to fund key public services including education, police and fire protection, social and public health services.

Each year the Tax Collector holds a public auction of tax-defaulted properties and the next sale is scheduled to begin May 17, 2014 (Tax Sale #364). This sale will include both newly eligible properties (i.e., those just reaching 5 years defaulted) and previously offered properties, which will now be offered at revised minimum bids. As authorized per the State of California Revenue and Taxation Code Sections 3698 and 3698.5, the minimum price shall be an amount equal to, but not less than, the amount required to redeem the property, plus costs associated with the sale, including advertising and recording costs. Where property or property interest have been

Page 1 of 2

cc: ATC- Walker  
CAO- Porter  
File - ATC w/Attach  
ss 3/6/14

ITEM 14

Record of Action of the Board of Supervisors  
**APPROVED (CONSENT CALENDAR)**  
COUNTY OF SAN BERNARDINO  
Board of Supervisors

MOTION	<u>MOVE</u>	<u>AYE</u>	<u>SECOND</u>	<u>AYE</u>	<u>AYE</u>
	1	2	2	4	6

LAURA H. WELCH, CLERK OF THE BOARD

BY \_\_\_\_\_

DATED: February 25, 2014

600 2-1-13

**PUBLIC SALE OF TAX-DEFAULTED PROPERTY – TAX SALE #364**  
**FEBRUARY 25, 2014**  
**PAGE 2 OF 2**

offered for sale at least once and no acceptable bids have been received, the Tax Collector may, at his or her discretion and with the approval of the Board of Supervisors, offer that property or those interests at the next scheduled sale at a minimum price that the Tax Collector deems appropriate. The official list of properties that have been declared in default and subject to the power of sale under Tax Sale #364 is attached.

Any parcel remaining unsold may be reoffered within a 90-day period and any new parties of interest shall be notified in accordance with Revenue and Taxation Code Section 3701.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Kevin Norris, Deputy County Counsel, 387-5455) on January 27, 2014; Finance (Ginger Porter, Administrative Analyst, 387-4883) on January 24, 2014; and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on February 10, 2014.

2/25/14 #14

A Guide to Prepare the Chapter 8 Agreement Sale Package

ITEM NUMBER	TAX RATE AREA	PARCEL NUMBER	ORIG PARCEL NUMBER	DEFAULT DATE	MINIMUM BID
00863	57060	0315-063-25-0-000	0315-063-25-0-000	06-30-08	1,500.00
00864	57060	0315-064-12-0-000	0315-064-12-0-000	06-30-08	1,500.00
00865	57060	0315-065-33-0-000	0315-065-33-0-000	06-30-08	1,400.00
00867	57016	0315-136-52-0-000	0315-136-52-0-000	06-30-08	5,350.00
00868	57016	0315-138-14-0-000	0315-138-14-0-000	06-30-08	3,750.00
00869	57016	0315-145-05-0-000	0315-145-05-0-000	06-30-08	2,900.00
00870	57016	0315-146-26-0-000	0315-146-26-0-000	06-30-08	4,700.00
00871	57016	0315-146-27-0-000	0315-146-27-0-000	06-30-08	5,000.00
00872	57016	0315-146-28-0-000	0315-146-28-0-000	06-30-08	5,300.00
00873	57016	0315-154-46-0-000	0315-154-46-0-000	06-30-08	20,400.00
00876	57060	0315-394-01-0-000	0315-394-01-0-000	06-30-08	7,800.00
00880	22046	0319-013-14-0-000	0319-013-14-0-000	06-30-08	7,750.00
00882	22002	0319-064-20-0-000	0319-064-20-0-000	06-30-08	7,300.00
00883	22046	0319-081-28-0-000	0319-081-28-0-000	06-30-08	24,450.00
00885	22002	0319-152-78-0-000	0319-152-78-0-000	06-30-08	1,100.00
00886	22001	0319-212-83-0-000	0319-212-83-0-000	06-30-08	42,800.00
00888	22002	0319-521-03-0-000	0319-521-03-0-000	06-30-08	12,850.00
00890	22002	0321-141-03-0-000	0321-141-03-0-000	06-30-08	4,000.00
00891	22002	0321-141-04-0-000	0321-141-04-0-000	06-30-08	4,000.00
00892	22002	0321-211-14-0-000	0321-211-14-0-000	06-30-08	16,100.00
00893	22002	0321-211-15-0-000	0321-211-15-0-000	06-30-08	17,400.00
00894	22002	0321-211-16-0-000	0321-211-16-0-000	06-30-08	16,100.00
00895	22002	0321-211-17-0-000	0321-211-17-0-000	06-30-08	15,350.00
00901	104023	0323-391-37-0-000	0323-391-37-0-000	06-30-08	9,400.00
00902	104023	0323-401-10-0-000	0323-401-10-0-000	06-30-08	5,300.00
00903	105056	0326-132-30-0-000	0326-132-30-0-000	06-30-08	3,150.00
00904	105056	0326-133-13-0-000	0326-133-13-0-000	06-30-08	22,650.00
00907	105056	0326-134-31-0-000	0326-134-31-0-000	06-30-08	8,750.00
00908	105056	0326-134-43-0-000	0326-134-43-0-000	06-30-08	19,000.00
00909	105056	0326-171-03-0-000	0326-171-03-0-000	06-30-08	5,050.00
00910	105056	0326-174-05-0-000	0326-174-05-0-000	06-30-08	2,750.00
00913	105056	0326-201-10-0-000	0326-201-10-0-000	06-30-08	3,400.00
00914	105111	0326-223-13-0-000	0326-223-13-0-000	06-30-08	8,250.00
00915	105002	0327-073-23-0-000	0327-073-23-0-000	06-30-08	2,800.00
00916	105002	0327-073-24-0-000	0327-073-24-0-000	06-30-08	2,800.00
00917	105002	0327-073-48-0-000	0327-073-48-0-000	06-30-08	3,100.00
00918	105002	0327-073-50-0-000	0327-073-50-0-000	06-30-08	3,100.00
00919	105002	0327-073-51-0-000	0327-073-51-0-000	06-30-08	3,250.00
00920	105002	0327-076-08-0-000	0327-076-08-0-000	06-30-08	3,050.00
00921	105002	0327-076-21-0-000	0327-076-21-0-000	06-30-08	2,300.00
00922	105002	0327-076-22-0-000	0327-076-22-0-000	06-30-08	2,300.00
00925	105002	0327-101-27-0-000	0327-101-27-0-000	06-30-08	2,900.00
00926	105002	0327-104-09-0-000	0327-103-12-0-000	06-30-08	6,750.00
00927	105002	0327-104-14-0-000	0327-103-22-0-000	06-30-08	3,200.00
00928	105002	0327-104-27-0-000	0327-103-57-0-000	06-30-07	3,500.00



A Guide to Prepare the Chapter 8 Agreement Sale Package

ITEM NUMBER	TAX RATE AREA	PARCEL NUMBER	ORIG PARCEL NUMBER	DEFAULT DATE	MINIMUM BID
00929	105002	0327-104-30-0-000	0327-103-59-0-000	06-30-08	3,100.00
00932	105002	0327-115-10-0-000	0327-114-49-0-000	06-30-07	3,900.00
00933	105002	0327-115-34-0-000	0327-114-72-0-000	06-30-08	3,000.00
00934	105002	0327-116-23-0-000	0327-114-89-0-000	06-30-08	3,650.00
00935	105002	0327-122-29-0-000	0327-122-29-0-000	06-30-07	4,100.00
00936	105002	0327-131-03-0-000	0327-131-03-0-000	06-30-08	2,850.00
00937	105002	0327-141-13-0-000	0327-141-13-0-000	06-30-08	2,700.00
00938	105002	0327-141-28-0-000	0327-141-28-0-000	06-30-08	2,900.00
00940	105002	0327-172-13-0-000	0327-172-13-0-000	06-30-08	3,000.00
00941	105002	0327-185-03-0-000	0327-185-03-0-000	06-30-08	2,800.00
00942	105002	0327-194-51-0-000	0327-194-51-0-000	06-30-08	2,800.00
00943	105002	0327-194-53-0-000	0327-194-53-0-000	06-30-08	2,700.00
00944	105002	0327-196-14-0-000	0327-196-14-0-000	06-30-08	3,150.00
00945	105002	0327-197-07-0-000	0327-197-07-0-000	06-30-08	2,450.00
00946	105002	0327-197-08-0-000	0327-197-08-0-000	06-30-08	2,450.00
00947	105002	0327-197-58-0-000	0327-197-58-0-000	06-30-07	1,850.00
00948	105002	0327-198-27-0-000	0327-198-27-0-000	06-30-08	2,250.00
00949	105002	0327-253-54-0-000	0327-253-54-0-000	06-30-08	3,400.00
00950	105002	0328-156-01-0-000	0328-156-01-0-000	06-30-08	3,250.00
00951	105002	0328-156-09-0-000	0328-156-09-0-000	06-30-08	3,050.00
00952	105002	0328-157-34-0-000	0328-157-34-0-000	06-30-08	3,250.00
00953	105002	0328-157-35-0-000	0328-157-35-0-000	06-30-08	3,300.00
00955	105027	0328-231-06-0-000	0328-231-06-0-000	06-30-08	5,500.00
00956	105027	0328-241-57-0-000	0328-241-57-0-000	06-30-08	15,800.00
00957	105027	0328-244-03-0-000	0328-244-03-0-000	06-30-08	9,300.00
00958	105027	0328-272-34-0-000	0328-272-34-0-000	06-30-08	3,050.00
00960	105027	0328-311-14-0-000	0328-311-14-0-000	06-30-08	7,850.00
00962	105027	0328-351-31-0-000	0328-351-31-0-000	06-30-08	4,500.00
00963	105017	0329-121-38-0-000	0329-121-38-0-000	06-30-08	56,600.00
00964	105017	0329-221-50-0-000	0329-221-50-0-000	06-30-08	55,700.00
00965	105017	0329-352-05-0-000	0329-352-05-0-000	06-30-08	7,650.00
00966	105122	0330-022-05-0-000	0330-022-05-0-000	06-30-08	3,150.00
00967	105122	0330-023-31-0-000	0330-023-31-0-000	06-30-08	2,900.00
00968	105122	0330-033-06-0-000	0330-033-06-0-000	06-30-08	4,800.00
00969	105122	0330-034-02-0-000	0330-034-02-0-000	06-30-08	2,750.00
00970	105122	0330-036-08-0-000	0330-036-08-0-000	06-30-08	3,150.00
00971	105122	0330-041-37-0-000	0330-041-37-0-000	06-30-08	3,050.00
00972	105122	0330-042-08-0-000	0330-042-08-0-000	06-30-08	2,950.00
00973	105122	0330-051-08-0-000	0330-051-08-0-000	06-30-08	4,750.00
00974	105122	0330-053-19-0-000	0330-053-19-0-000	06-30-08	2,800.00
00975	105122	0330-055-24-0-000	0330-055-24-0-000	06-30-08	2,750.00
00976	105121	0330-062-05-0-000	0330-062-05-0-000	06-30-08	3,400.00
00977	105122	0330-062-14-0-000	0330-062-14-0-000	06-30-08	3,150.00
00978	105122	0330-064-40-0-000	0330-064-40-0-000	06-30-08	2,750.00
00979	105122	0330-065-21-0-000	0330-065-21-0-000	06-30-08	2,850.00

# Publication

## General Information:

- A copy of the notice of intended sale as published in the newspaper with affidavit of publication dates attached.
- This document is only needed when the parcel(s) requested for purchase is currently approved and scheduled for a Chapter 7 tax sale.
- If the publication is large, it is required to only send the specific pages listing the parcels in question (see sample).

## Sources:

Revenue and Taxation Code

[§3702](#)

County Tax Collectors' Reference Manual: Chapter 8000

[Section 8222](#)

County Tax Collectors' Reference Manual: Chapter 9000

[Sections 9500-9504, 9510-9512](#)

County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 15: Publishing/ Posting Notice of Sale](#)

State Controller's Office Sample Form

[SCO 9-02](#) – Affidavit of Posting Notice of (Public Auction/ Sealed Bid) Sale

# Publication Sample

**SAN BERNARDINO COUNTY SUN**

The space for filing stamp only

4030 N GEORGIA BLVD. SAN BERNARDINO, CA 92407  
Telephone (909) 889-9696 / Fax (909) 885-1253  
Visit us @ WWW.LEGALADSTORE.COM

Kelly McKee  
S.B. CO TAX COLLECTOR  
172 W THIRD ST 1ST FLR  
SAN BERNARDINO, CA - 92415-0360

SBS#: 2613620

**PROOF OF PUBLICATION**

(2015.5 C.C.P.)

State of California        )  
County of SAN BERNARDINO    ) ss

Notice Type: TCN - TAX COLLECTOR NOTICE

Ad Description:  
364 Tax Sale Pub

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN BERNARDINO COUNTY SUN, a newspaper published in the English language in the city of SAN BERNARDINO, county of SAN BERNARDINO, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SAN BERNARDINO, State of California, under date 05/20/1952, Case No. 73084. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

04/25/2014, 05/02/2014, 05/09/2014

Executed on: 05/09/2014  
At Riverside, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

*Barbara Coats*  
Signature





# Articles of Incorporation

## General Information:

- Outline of the objectives or purpose of the nonprofit.
- For the purpose of Chapter 8 tax sales, the nonprofit's objectives must be consistent with one or more of the requirements defined in [§3772.5](#).
- This document is required for **NON-PROFITS ONLY**.
- Copy submitted must be certified by the Secretary of State.
- All amendments filed must be included.

## Sources

### Revenue and Taxation Code

[§3772.5](#), [§3795.5](#)

### Corporations Code

[§5130-§5134](#)

### County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8313, 8325, 8344, and 8351](#)

### County Tax Sale Procedural Manual

Chapter II: Chapter 8 Tax Sales, [Section 7: Nonprofit Organization Application Requirements](#)

## Articles of Incorporation Sample

State of California

1972368

SECRETARY OF STATE

CORPORATION DIVISION

COPY

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

*IN WITNESS WHEREOF*, I execute this certificate and affix the Great Seal of the State of California this

JUN 2 5 1996



*Bill Jones*  
Secretary of State

SecState Form CE-107 (Rev. 8/85)

1972368

ENDORSED  
FILED  
In the office of the Secretary of State  
of the State of California

JUN 20 1996

*Bill Jones*  
BILL JONES, Secretary of State

ARTICLES OF INCORPORATION  
OF  
SAN BERNARDINO MOUNTAINS LAND TRUST  
A CALIFORNIA PUBLIC BENEFIT CORPORATION

ONE: The name of this corporation is San Bernardino Mountains Land Trust.

TWO: This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes. The specific purposes for which this corporation is organized include, but are not limited to the preservation of land for scientific, historic, educational, ecological, biological, recreational, water resource, wildlife corridors, wildlife habitat, scenic and open space opportunities..

THREE: The name and address in the State of California of this corporation's initial agent for service of process is Carol J. Pedder, 1149 Scenic Way, Rim Forest, CA 92378.

FOUR: (a) This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

(b) Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (2) by a corporation contributions to which are deductible under Section 170(e)(2) of the Internal Revenue Code.

PAGE TWO OF FOUR

(c) No substantial part of the activities of this corporation shall consist of carrying on propaganda or attempting to influence legislation and the corporation shall not participate or intervene in any political campaigns (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

FIVE: The names and addresses of the persons appointed to act as the initial Directors of this corporation are:

Name	Address
Carol J. Pedder	1149 Scenic Way, P.O. Box 598, Rim Forest, CA 92378
Rebecca Hanson	1198 Yellowstone Dr., P.O. Box 2317, Lake Arrowhead, CA 92352
Hugh Bialecki	26555 Spyglass, P.O. Box 275, Blue Jay, CA 92317
Larry Brown	27526 Cedarwood Dr., P.O. Box 22, Lake Arrowhead, CA 92352
Steve Cumblidge	23075 Cedar Way, P.O. Box 6715, Crestline, CA 92325
John Heitman	22899 Byron Rd., #108, P.O. Box 6149, Crestline, CA 92325
Maureen Mann	21727 Ridge Dr., P.O. Box 9128, Cedarpines Park, CA 92322
Carol Sebastian	2076 Wilderness, P.O. Box 1530, Running Springs, CA 92382
Shelton Douthit	4578 High St., Riverside, CA 92507
Miriam Bentley	23331 Outlook Ln., P.O. Box 4580, Crestline, CA 92325
Peter Jorris	2326 Fox Ln., P.O. Box 4026, Arrowbear, CA 92382

SIX: The property of this corporation is to be used solely for charitable purposes and no part of the net income or assets of the organization shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

On the dissolution or winding up of the corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

PAGE THREE OF FOUR

In the event of a liquidation of this corporation, all corporate assets shall be disposed of in such a manner as may be directed by decree of the superior court for the county in which the corporation has its principal office, on petition therefor by the Attorney General or any person concerned in the dissolution, in a proceeding to which the Attorney General is a party.

In witness whereof, the undersigned, being the initial directors of the San Bernardino Mountains Land Trust hereby adopt these Articles of Incorporation.

<u>Miriam Bentley</u> Miriam Bentley, Director	<u>3-18-96</u> Date
<u>Hugh Kralecki</u> Hugh Kralecki, Director	<u>3-18-96</u> Date
<u>Larry Brown</u> Larry Brown, Director	<u>3-18-96</u> Date
<u>Steve Cumbledge</u> Steve Cumbledge, Director	<u>3-18-96</u> Date
<u>Shelton Douthitt</u> Shelton Douthitt, Director	<u>3-18-96</u> Date
<u>Rebecca Hanson</u> Rebecca Hanson, Director	<u>3/18/96</u> Date
<u>John Heitman</u> John Heitman, Director	<u>3-18-96</u> Date
<u>Peter Jorys</u> Peter Jorys, Director	<u>3/18-96</u> Date
<u>Maureen Mann</u> Maureen Mann, Director	<u>3-18-96</u> Date
<u>Carol J. Pedder</u> Carol J. Pedder, Director	<u>5/18/96</u> Date
<u>Carol Sebastian</u> Carol Sebastian, Director	<u>3-18-96</u> Date

PAGE FOUR OF FOUR

We, the above-named initial directors of this corporation, hereby declare that we are the persons who executed the foregoing Articles of Incorporation, which execution is our act and deed.

<u>Miriam Bentley</u> Miriam Bentley, Director	<u>3-18-96</u> Date
<u>Hugh Blalock</u> Hugh Blalock, Director	<u>3-18-96</u> Date
<u>Larry Brown</u> Larry Brown, Director	<u>3-18-96</u> Date
<u>Steve Cumbledge</u> Steve Cumbledge, Director	<u>3-18-96</u> Date
<u>Sheldon Douthett</u> Sheldon Douthett, Director	<u>3-18-96</u> Date
<u>Rebecca Hanson</u> Rebecca Hanson, Director	<u>3-18-96</u> Date
<u>John Heitman</u> John Heitman, Director	<u>3-18-96</u> Date
<u>Peter Jorris</u> Peter Jorris, Director	<u>3-18-96</u> Date
<u>Maureen Mann</u> Maureen Mann, Director	<u>3-18-96</u> Date
<u>Carol J. Pedder</u> Carol J. Pedder, Director	<u>3/18/96</u> Date
<u>Carol Sebastian</u> Carol Sebastian, Director	<u>3-18-96</u> Date

40541201

# State of California

SECRETARY OF STATE



I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of  1  page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

*IN WITNESS WHEREOF*, I execute this certificate and affix the Great Seal of the State of California this day of

MAR 18 2008

*Bill Jones*

Secretary of State



Secretary Form DS-107 (rev. 1/96)

OSP 06-15524

00541201

RECORDED - FILED  
IN THE OFFICE OF THE  
CLERK OF THE  
SUPERIOR COURT OF CALIFORNIA,  
COUNTY OF SAN BERNARDINO

FEB -8 2000

ALL JONES, SECRETARY OF STATE

**CERTIFICATE OF AMENDMENT  
OF  
ARTICLES OF INCORPORATION**

Peter Jorris and Richard W. Stewart, the undersigned, certify that:

1. We are the president and the treasurer, respectively, of the SAN BERNARDINO MOUNTAINS LAND TRUST, a California corporation.
2. Article Six, paragraph one, of the Articles of Incorporation of this corporation is amended to read as follows:

The property of this corporation is irrevocably dedicated to charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the Revenue and Taxation Code. No part of the net income or assets of the organization shall ever inure to the benefit of any director, officer, or member thereof, or to the benefit of any private person.

3. The foregoing amendment of Article of Incorporation has been duly approved by the board of directors.
4. The corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: February 4, 2000

  
\_\_\_\_\_  
Peter Jorris, President

  
\_\_\_\_\_  
Richard W. Stewart, Treasurer



# Intended Use Statement

## General Information:

- This document is required for **NON-PROFITS ONLY**.
- The non-profit must be incorporated for reasons similar to the public purpose proposed in the intended use statement.
- This document can be an official letter from the purchasing non-profit, or it can be included on the application submitted to the tax collector.

## Sources:

Revenue and Taxation Code

[§3772.5, §3795.5](#)

County Tax Collectors' Reference Manual: Chapter 8000

[Sections 8313, 8325, and 8351](#)

## Intended Use Statement Sample

June 12, 2014

### **Purpose and Intended Use Statement** SAN BERNARDINO MOUNTAINS LAND TRUST 2014 Chapter 8 Request

Per the APPLICATION TO PURCHASE TAX-DEFAULTED PROPERTY submitted by the San Bernardino Mountains Land Trust, the following description of the purpose and intended use applies to the three Chapter 8 parcels listed below:

Assessor Parcel Numbers:

0327-104-14-0000  
0327-104-27-0000  
0327-104-30-0000

These lots are located in the riparian stream corridor of the Deep Creek floodplain, where limited utilities are available. The Land Trust is working to consolidate contiguous lots in this area of the stream basin for open space and habitat conservation purposes. Several Chapter 8 acquisitions have been approved previously by the County for this purpose.

The intended purpose for all the above parcels conforms to the Land Trust's organizational mission, which states:

*The San Bernardino Mountains Land Trust is dedicated to the acquisition of forest open space and wildlife habitat on private land inholdings within the San Bernardino National Forest in order to ensure lasting public benefit of the natural mountain environment.*

The purpose and intended use of these parcels will be for preservation of their scenic, public recreational, wildlife habitat, and open space values. This purpose is also consistent with the goals of the County of San Bernardino's General Plan in respect to wildland areas within the San Bernardino National Forest, where these parcels are located.



Kevin Kellems  
Projects Manager  
(909) 939-0396

# Contact Information

*State Controller's Office  
Local Government Programs and Services Division  
Government Compensation and Property Tax Standards Section  
Post Office Box 942850  
Sacramento, California 94250-5875  
[propertytax@sco.ca.gov](mailto:propertytax@sco.ca.gov)*