

LOUISIANA STATUTES GOVERNING ADJUDICATED PROPERTY:

La. R.S. 47:2197. Effect of adjudication

Adjudicated property shall remain assessed in the name of the tax debtor, and if transferred, the new or current owner. The political subdivision shall have no liability with respect to the property resulting solely from the adjudication. No encumbrance against a political subdivision shall affect adjudicated property.

La. R. S. 47: 2201. Ordinance; sale or donation of adjudicated property

A political subdivision may adopt ordinances regarding the public sale or donation of adjudicated property that complies with R.S. 47:2202, 2203, and 2206. A public sale or donation of adjudicated property by a political subdivision may be made by sale or donation of an individual tax parcel, or by sale or donation of multiple tax parcels as a whole.

La. R.S. 47:2202. Minimum bid prices; sale of adjudicated property

A. The governing authority of each political subdivision may elect to set a dollar amount as a minimum bid for the public sale of adjudicated property, which shall be at least the total amount of statutory impositions, governmental liens, and costs of sale. The governing authority of each political subdivision may elect also to require an appraisal of adjudicated property to be sold at public sale. When the political subdivision elects to use the appraised value to establish a bidding floor instead of setting a dollar amount minimum bid as allowed by this Section, the political subdivision shall appoint a licensed appraiser to appraise and value the property. The minimum bid at the first public sale shall be at least two-thirds of the appraised value of the property. If the property fails to sell at the first public sale, the minimum bid at the second sale shall be one-third the appraised value of the property. Alternatively, the governing authority of each political subdivision may elect to sell the adjudicated property at public sale to the highest bidder without setting a minimum bid or requiring an appraisal.

B. Notwithstanding the provisions of Subsection A of this Section, the governing authority of each political subdivision may allow an adjoining landowner to purchase adjudicated property for any price set by the governing authority without public bidding at a public meeting of the governing authority; provided, that the governing authority of an applicable political subdivision determines that the adjoining landowner has maintained the adjudicated property for a period of one year prior to the sale. Such a sale shall be deemed a public sale under the provisions of this Subpart.

La. R.S. 47:2203. Pre-bidding procedures; sale of adjudicated property

A. Initiation by political subdivisions. A political subdivision may provide by ordinance for the sale of adjudicated property at a public sale and may include the date for the sale in the ordinance. However, the date of the sale may be provided by a subsequent ordinance, or the date may be set administratively by the political subdivision.

B. Initiation by persons. (1) Whenever any person desires to initiate the public sale of adjudicated property and the political subdivision desires to sell, the person shall deposit an amount determined by the political subdivision to be sufficient to cover the expenses of the sale, including advertising, appraisals, and other costs associated with the sale.

(2) Should the depositor at the sale fail to be the highest bidder, the money deposited shall be returned to him. However, if no one at the sale bids up to the minimum price provided in this Subpart, then the money shall be retained to pay the expenses of the sale, but any money remaining after the expenses are paid shall be returned to the depositor.

C. Advertisement. A public sale shall be advertised twice in the official journal for the political subdivision, once at least thirty days prior to the date of the public sale, and once no more than seven days prior to the date of the public sale. The advertisement shall provide for the minimum bid, the latest date written bids will be accepted, the time and date of in-person bidding, and any other terms of sale. However, if no minimum bid is set by the governing authority of the political subdivision on the adjudicated property to be sold at the public sale, the advertisement shall include a statement that no minimum bid is set and that the property shall be sold to the highest bidder.

La. R.S. 47:2204. Additional terms of ordinance; sale of adjudicated property

The ordinance allowing for the public sale of adjudicated property may provide that the public sale may be subject to terms and conditions imposed by the political subdivision in the ordinance. The political subdivision may also authorize the sale of adjudicated property at public sale at a price determined by the highest bidder without setting a minimum bid or requiring an appraisal. An ordinance may provide that a subsequent ordinance is required to approve the sale.

La. R.S. 47:2205. Donations of adjudicated property

The governing body of a political subdivision may by ordinance allow the donation of any identified adjudicated property to any person to the extent allowed by the Louisiana Constitution. The donated property can be used only for purposes allowed by the Louisiana Constitution.

La. R.S. 47:2206. Notice; sale or donation of adjudicated property

A. (1) Either the political subdivision or the acquiring person shall send a written notice notifying any tax sale party whose interest the successful bidder or donee intends to be terminated that the party has until the later of the following to redeem the property or otherwise challenge in a court of competent jurisdiction the potential sale or donation:

(a) Sixty days from the date of the notice provided in this Subsection, if five years have elapsed from the filing of the tax sale certificate, or six months after the date of the notice provided for in this Subsection, if five years have not elapsed since the filing of the tax sale certificate.

(b) The filing of the sale or donation transferring the property.

(2) If this notice is given after the expiration of the applicable redemptive period, this notice shall constitute a notice of sale. The sending of this notice shall constitute service of the notice of sale under Article VII,

Section 25 of the Louisiana Constitution. The notice required by this Section shall be sufficient, and it shall not be necessary to determine whether notice of the tax sale or any other notice was given. The written notice shall be sufficient if it is in the following form:

“This is an important legal notice.

Please read it carefully. You will receive no further notice.

[Date]

[Name]

[Address]

[City], [ST] [Zip]

RE: Property: [Property Address]

[Description of Property Abbr]

Parish of _____, State of Louisiana

Tax sale title to the above described property has been sold for failure to pay taxes. You have been identified as a person who may have an interest in this property.

Your interest in the property **will be terminated** if you do not redeem the property by making all required payments to the tax collector listed below or file a lawsuit in accordance with law within [60 days] [6 months] of the date of this notice, or the recording of an act transferring ownership, if later.

[Tax collector name, address, telephone number]”

B. (1) Either the political subdivision or the acquiring person shall cause to be published in the official journal of the political subdivision a notice that any tax sale party whose interest the successful bidder or donee intends to be terminated has, to redeem the property, until the later of:

(a) Sixty days, for property on which a tax sale certificate was filed over five years previous of the first publication, or six months if the tax sale certificate was filed less than five years before the first publication of the notice provided for in this Subsection.

(b) The filing of the sale or donation transferring the property.

(2) The publication shall be sufficient if it is in the following form:

“NOTICE

[Names of Tax Sale Parties]

THIS NOTICE BY PUBLICATION IS NOTIFICATION THAT YOUR RIGHTS OR INTEREST IN THE FOLLOWING DESCRIBED PROPERTY LOCATED IN _____, LOUISIANA MAY BE TERMINATED BY OPERATION OF LAW IF YOU DO NOT TAKE FURTHER ACTION IN ACCORDANCE WITH LAW:

[Brief legal description of property]

Improvements thereon bear Municipal No. _____.

Tax sale title to the above described property has been sold for failure to pay taxes. You have been identified as a person who may have an interest in this property.

Your interest in the property **will be terminated** if you do not redeem the property by making all required payments to the tax collector listed below or file a lawsuit in accordance with law within [60 days] [6 months] of the date of the first publication of this notice, or the recording of an act transferring ownership, if later.

[Tax collector name, address, telephone number]"

C. The political subdivision or acquiring person may file with the recorder of mortgages of the parish in which the property is located a copy of one of the notices that was sent to the tax debtor or the current owner. A transfer, mortgage, lien, privilege, or other encumbrance filed after the filing of the notice shall not affect the property. The recorder of mortgages or recorder of conveyances shall cancel, erase, terminate, or release the acts upon the request of the acquiring person.

La. R.S. 47:2207. Sale or donation of adjudicated property; authentication; form

A. At any time after the expiration of the sixty-day or six-month periods, as applicable, set forth in R.S. 47:2206(A) and (B), and, if applicable, upon the satisfaction of any terms or conditions required in the ordinance authorizing the sale or donation, the acquiring person, or his successors and assigns, may send to the political subdivision a written notice requesting that the political subdivision authenticate a sale or donation. The political subdivision shall authenticate the sale or donation within ten days from the date of the request or as soon thereafter as practical. The acquiring person shall be responsible for filing the sale or donation and payment of all filing fees. The only warranty owed by the political subdivision shall be a warranty against eviction resulting from a prior alienation by the political subdivision. Otherwise, all sales and donations shall be without warranty, either expressed or implied, even as to return or reduction of the purchase price, including without limitation the warranty against redhibitory defects or vices and the warranty that the thing sold is reasonably fit for its ordinary purpose or the acquiring person's intended or particular purpose. These waivers or exclusions of warranties shall be self-operative regardless of whether the waivers or exclusions are contained in the act of sale or donation, and regardless of whether they are clear and unambiguous, and regardless of whether they are brought to the attention of the acquiring person. This provision supersedes the requirements of any other law.

B. The writing constituting the sale shall be sufficient if it is a writing in the following form:

“NON-WARRANTY CASH SALE

STATE OF LOUISIANA

PARISH OF _____

BE IT KNOWN, on the dates written below before the undersigned Notaries Public, duly commissioned and qualified in their respective parishes, personally came and appeared:

[NAME OF POLITICAL SUBDIVISION],

a political subdivision of the State of Louisiana, represented herein by _____,
authorized by virtue of the attached ordinance of [name of governing body for the political subdivision],

referred to as "Seller", who declared that:

Seller sells, without any warranty of title whatsoever, either expressed or implied, even as to the return or reduction of the purchase price, except for the warranty against eviction resulting from a prior alienation by the political subdivision, but with full substitution and subrogation in and to all the rights and actions of warranty which Seller may have, to:

[NAME OF PURCHASER]

a _____, [for individuals, add marital status] whose permanent mailing address is _____, referred to as "Purchaser", all of Seller's right, title and interest in and to the property more fully described on Exhibit "A" attached hereto and made a part hereof, together with all appurtenances thereunto belonging or in any way appertaining, and all buildings and improvements located on the property, if any, collectively referred to as the "Property".

This sale is made and accepted for and in consideration of the sum of _____ (\$ _____) cash, which Purchaser has paid to Seller.

[Purchaser acknowledges that the property is being conveyed subject to any and all conditions and restrictions which may be required or recited in the attached ordinance.]

The _____ ad valorem taxes are to be paid by Purchaser.

THUS DONE AND PASSED by Seller, before me, Notary, and the undersigned competent witnesses, on this _____ day of _____, _____, in the city of _____, Louisiana.

WITNESSES:

SELLER:

[NAME OF POLITICAL SUBDIVISION]

Printed Name:

Printed Name:

Name:

Title:

NOTARY PUBLIC

Printed Name: _____

Notary/Bar Roll No.: _____

THUS DONE AND PASSED by Purchaser, before me, Notary, and the undersigned competent witnesses on this _____ day of _____, _____, in the city of _____, Louisiana.

WITNESSES:

PURCHASER:

[[NAME OF PURCHASER]]

-
Printed Name:

-
Printed Name:

Name:

Title:

NOTARY PUBLIC

Printed Name: _____

Notary/Bar Roll No.: _____

C. The writing constituting the donation shall be sufficient if it is a writing in the following form:

“NON-WARRANTY DONATION

STATE OF LOUISIANA

PARISH OF _____

BE IT KNOWN, on the dates written below before the undersigned Notaries Public, duly commissioned and qualified in their respective parishes, personally came and appeared:

[[NAME OF POLITICAL SUBDIVISION]].

a political subdivision of the State of Louisiana, represented herein by _____, authorized by virtue of the attached Ordinance of [name of governing body for the political subdivision], hereinafter referred to as "Donor", who declared that:

Donor donates and delivers, without any warranty of title whatsoever, either express or implied, except for the warranty against eviction resulting from a prior alienation by the political subdivision, but with full substitution and subrogation in and to all the rights and actions of warranty which Donor may have, to:

[NAME OF DONEE]

a _____, [for individuals, add marital status] whose permanent mailing address is _____, referred to as "Donee", all of the right, title and interest of the Donor in and to the property more fully described on Exhibit "A" attached hereto and made a part hereof, together with all appurtenances thereunto belonging or in any way appertaining, and all buildings and improvements located on the property, if any, collectively referred to as the "Property".

This donation is accepted by Donee.

Donee warrants and acknowledges to and agrees with Donor that Donee is accepting the property subject to any and all conditions and restrictions which may be required or recited in the attached ordinance.

Donor has been advised that the property donated can be used only for the purposes set forth in Article VII, Section 14(B) of the Louisiana Constitution.

The _____ ad valorem taxes are to be paid by Donee.

THUS DONE AND PASSED by Donor, before me, Notary, and the undersigned competent witnesses, on this _____ day of _____, in the city of _____, Louisiana.

DONOR:

WITNESSES:

[NAME OF POLITICAL SUBDIVISION]

-
Printed Name:

-
Printed Name:

Name:

Title:

NOTARY PUBLIC

Printed Name: _____

Notary/Bar Roll No.: _____

THUS DONE AND PASSED by Donee, before me, Notary, and the undersigned competent witnesses, on this _____ day of _____, in the city of _____, Louisiana.

WITNESSES:

DONEE:

[NAME OF DONEE]

-

Printed Name:

-

Printed Name:

Name:

Title:

NOTARY PUBLIC

Printed Name: _____

Notary/Bar Roll No.: _____”

D. The provisions of R.S. 41:1338 shall not apply to the property being sold or donated in accordance with this Section.

E. A certified copy of the sale or donation shall be prima facie evidence of the regularity of all matters dealing with the sale or donation and the validity of the sale or donation.

La. R.S.47:2208. Sale or donation of adjudicated property; affidavit

A. Contemporaneously with or subsequent to the filing of the sale or donation of adjudicated property, the acquiring person, his successors, or assigns, may file with the recorder of mortgages of the parish in which the property is located an affidavit indicating how the tax sale parties whose interest the acquiring person, his successors, or assigns, intends to be terminated were identified, how the address of each tax sale party was obtained, how the written notice was sent, the results of sending the written notice, and the dates of publication. The affidavit may also contain a statement of the interest to which the purchaser or donee takes subject. The recorder of mortgages shall index the affidavit only under the names of the owner filing the affidavit and the tax debtor, as mortgagors. The affidavit shall be sufficient if it is in the following form:

"AFFIDAVIT

UNITED STATES OF AMERICA

BY

STATE OF LOUISIANA

[NAME OF AFFIANT]

PARISH OF

This affidavit shall be indexed under each of the following names as mortgagor:

(a) [Name of owner causing the filing of the affidavit]

(b) [Name of tax debtor]

BE IT KNOWN, on the _____ day of _____ [MONTH], _____ [YEAR],

BEFORE ME, the undersigned notary public, duly qualified in and for the state and parish aforesaid, and in the presence of the undersigned competent witness, PERSONALLY CAME AND APPEARED:

_____ [name of affiant], major domiciliary of the Parish of _____, State of Louisiana ("affiant"), who, after being duly sworn, deposited and stated that on his personal knowledge:

1. Affiant personally examined [name of abstract] [title certificate] [the public records] (the "abstract") affecting the following described immovable property located in the Parish of _____, State of Louisiana (the "property"):

[Legal description of property]

2. A review of the abstract by the Affiant revealed the following persons or entities with an interest in the property, which such interest being listed beside the name:

<u>Name</u>	<u>Interest in property</u>	<u>Recordation information</u>
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3. Affiant reviewed the documents listed in the abstract, the telephone book published by [name of telephone book publisher] for the Parish of _____ dated for use until [date], and utilized all the

resources under [list other examination resources, including Internet search engines, if any], and the search revealed the following last known addresses for the persons listed in Item 2 above:

<u>Name</u>	<u>Address</u>
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4. Affiant reviewed the records of the Louisiana Secretary of State and the secretary of state of the states set forth by the names of the entities listed below, and the search revealed the following addresses for the entities listed in Item 2 above:

<u>Name</u>	<u>State</u>	<u>Address</u>
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5. Affiant caused to be sent a written notice notifying the persons or entities listed in Item 2 above at the addresses listed in Items 3 and 4 above. A sample of the form of the written notice is attached and satisfied R.S. 47:2206(A).

6. The method and results of the notifications set forth in Item 5 above are listed by name and address as follows:

<u>Name</u>	<u>Method</u>	<u>Results</u>
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7. Notification was also published in [journal of general circulation for the political subdivision] on [list dates] [and was posted on the property]. The form of the publication is attached and satisfied R.S. 47:2206(B).

8. Pursuant to R.S. 47:2208(C), the following interests are cancelled, terminated, erased or released, as applicable, only insofar as they affect the Property:

<u>Name of interest holder</u>	<u>Name of instrument</u>	<u>Recordation information</u>
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THUS DONE AND PASSED on the day, month and year set forth above, in the presence of the undersigned competent witness, who have signed their names with affiant, and me, Notary, after reading of the whole.

<u>WITNESSES:</u>	<u>AFFIANT:</u>
_____	_____
<u>Printed Name:</u>	<u>Printed Name:</u>
_____	_____

Printed Name:

NOTARY PUBLIC

Printed Name: _____

Notary/Bar Roll No.: _____”

B. With respect to a sale, the filing of the affidavit provided in Subsection A of this Section shall operate as a cancellation, termination, release, or erasure of record of all statutory impositions of all political subdivisions then due and owing, of all governmental liens, and of all interests, liens, mortgages, privileges, and other encumbrances recorded against the property sold and listed in the affidavit.

C. With respect to a donation, the filing of the affidavit provided for in Subsection A of this Section shall operate as a cancellation, termination, release, or erasure of record of all statutory impositions of the donor political subdivision, and all other interests, liens, mortgages, privileges, and other encumbrances recorded against the property donated and listed in the affidavit, except governmental liens and statutory impositions of political subdivisions other than the donee political subdivision.

D. Upon filing of the affidavit, the recorder of mortgages or the recorder of conveyances shall treat as canceled, terminated, released, or erased, all those liens, privileges, mortgages or other encumbrances canceled, terminated, released or erased under Subsection B or C of this Section, only insofar as they affect the property.

E. The owner filing the affidavit shall be liable to and indemnify the recorder of mortgages, the recorder of conveyances, and any other person relying on the cancellation, termination, release, or erasure by affidavit for any damages that they may suffer as a consequence of such reliance if the recorded affidavit contains materially false or incorrect statements that cause the recorder to incorrectly cancel, terminate, release, or erase any interest listed in the affidavit. The recorder of mortgages and the recorder of conveyances shall not be liable for any damages resulting to any person or entity as a consequence of the cancellation, termination, release, or erasure of any interest in compliance with this Section.

La R.S. 47:Sale or donation to tax debtor

Notwithstanding any provision of law to the contrary, when a tax debtor or an owner participates, directly or indirectly, in a post-adjudication sale or donation during or subsequent to expiration of the redemptive period, it shall be treated as a redemption, and the tax debtor or owner shall be required to pay all taxes and costs in accordance with all laws applicable to redemptions. However, if the property is redeemed, all mortgages, liens, privileges, and other encumbrances affecting the property prior to the sale shall remain in full force and effect with the same validity and priority as if the sale had not occurred.

La. R. S. 47:2210. Liability of owner of adjudicated property

While property remains adjudicated property, the current owner remains liable as owner of the property under applicable law. The political subdivision is not liable solely as owner of the property.

La. R.S. 47:2211. Disposition of proceeds of sale of adjudicated property

Except as otherwise agreed by the holders of the statutory impositions and governmental liens, all proceeds from the sale of adjudicated property after deduction of the costs of the sale shall be paid pro rata to those holders, and any amount in excess of the costs, statutory impositions, and governmental liens shall be paid to the selling political subdivision.