

# fact sheet



## Sale of Properties for Overdue Rates and Charges

**Moreton Bay Regional Council has a set process for collecting outstanding rates and charges. If a property owner does not respond to rates notices, reminder notices, collection correspondence and claims lodged against them in the Magistrates Court, and if the outstanding rates and charges continue to remain unpaid, judgment will be sought against them. If the rates and charges still continue to remain outstanding, these properties may be considered for “Sale of Land for Overdue Rates and Charges” proceedings, generally held each year.**

The *Local Government Act 2009* and *Local Government Regulation 2012* allow Council to conduct Sale of Land for Overdue Rates and Charges proceedings. The process that Council undertakes is in accordance with the legislation and is detailed below in this fact sheet.

Each year, the Financial Operations Manager recommends to Council that properties meeting the criteria below should be considered for Sale of Land for Overdue Rates and Charges proceedings:

- Residential properties with rates and charges outstanding for 3 years or more; and
- Vacant and commercial land with rates and charges outstanding for 1 year or more where judgment has been obtained.

Council may then resolve to issue a Notice of Intention to Sell the properties, to the registered owners, mortgagees and interested parties.

Council sells the properties according to the following conditions:

- the property is sold “as is”, meaning no building or pest inspection can be undertaken by the potential purchaser;
- No physical viewing of the inside of the property can be carried out; and
- All properties will be sold subject to any mortgage, lien, bill of sale, caveat, judgment, writ or other charge, agreement or process registered against or in any way affecting the land in favour of the Crown or any Crown instrumentality or person representing the Crown.

### How are the properties sold?

The owners of all properties are notified after the Council resolution. The owners have a minimum of three months to clear all rates and charges, prior to the properties being advertised for public auction and being sold.

**Where are the properties advertised for sale?** The properties are advertised in the Courier Mail, on Council’s website and at each affected property.

### Will all properties be sold at auction?

**Please be aware:** Owners of the properties have up until the date of auction to pay their outstanding rates and charges. A list of properties will be available on Council’s website up until the day of the auction. If payment is received prior to the auction, the auctioneer will advise the attendees of any properties that will not be auctioned.

### What happens at the auction? Registering your interest at auction

The auctioneer will require the details of those interested in bidding for the properties before the auction begins.

### What happens if I am successful?

If you are the successful bidder, you will be required to sign a contract of sale. You have until 4pm on the day of the auction to pay the contract price, by bank confirmed electronic funds transfer or bank cheque at Council’s nominated district office.

### What happens after payment is made?

After payment has been made, Council’s Legal Services department will arrange the transfer of ownership forms to be completed. You will be required to lodge these documents at the Queensland titles registry as soon as practicable.

Under section 145 of the *Local Government Regulation 2012*, on lodgement of the transfer documentation, the Registrar of Titles must register the transfer to the purchaser free of all encumbrances.

After all rates and charges have been cleared by the settlement, all other monies owing on the property will be disbursed by Council to the relevant parties, in accordance with the legislation.

After all disbursements have been made, any surplus auction funds will be passed on to the previous owner.

### Responsibilities of the new owner

The successful purchaser is responsible for any eviction of the previous owner or occupier. All costs associated with this process will be incurred by the new owner.