

## **MUNICIPAL PROPERTY TAX SALE THE CITY OF CALGARY 2021 TAX SALE**

The City of Calgary recognizes the impact COVID-19 has on citizens and local businesses and the need to focus on the well-being of family and neighbours. At this time, like all municipalities in Alberta, The City of Calgary is still legislated by the *Municipal Government Act*, R.S.A. 2000, c. M-26 to hold a tax sale of properties with three years of unpaid property tax. Tax sale is the last option used when other methods of recovering taxes fail.

### **What is a Municipal Property Tax Sale?**

The municipal tax sale is a public auction of the properties located in the City of Calgary for which property taxes remain unpaid after more than one year.

The City of Calgary holds a public auction once per year in order to recover unpaid property taxes. This year's public auction will be held on 2021 September 23 at 10 a.m. at the Municipal Building, 800 Macleod Trail S.E., Calgary, Alberta. The City of Calgary continues to monitor the effects of the pandemic and Administration may change the above-noted date, time or location in order to comply with public health orders and gathering restrictions. Any updates to the date, time or location of the 2021 public auction will be made available at [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax).

The list of the properties being offered at this year's public auction will be updated daily by 10 a.m. at [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax). Properties will be deleted from this list as the tax arrears are paid.

You cannot legally enter onto a property that is advertised for tax sale. This is not a typical property sale. The City of Calgary does not "own" the properties being offered for sale at the public auction and the current registered owner on title or a tenant may still be occupying the property. Entering onto a property advertised for tax sale is considered to be trespassing.

All properties have been viewed externally and an estimate of the fair market value of each property has been made. This estimate of market value is the reserve price, which is the minimum price at which The City of Calgary will be willing to sell the property at the public auction. Reserve prices will be available at [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax) by approximately May 2021.

All sales at the public auction are subject to the terms of the *Municipal Government Act* and the terms and conditions set by The City of Calgary.

### **How to Purchase a Property at the Municipal Property Tax Sale**

If you are interested in purchasing a property at the public auction, review the properties being offered for sale on the morning of the auction. If the property you are intending to purchase is still available, attend the auction to bid on the property.

At the public auction, the auctioneer will explain the bidding process and the terms and conditions. A brief description of each property will be read out, with bids being accepted immediately thereafter. A property is considered sold when the auctioneer declares the property to be sold. If no bids on a

property are received, the auctioneer will declare bids to be closed for that property. Once bids have been declared closed on a property, no further bidding will be accepted in relation to that property.

No terms and conditions of sale will be considered other than those specified by The City of Calgary, therefore, no bid will be accepted where the bidder attempts to attach conditions to the sale.

The successful bidder will be required to sign The City of Calgary's form of Agreement of Purchase and Sale.

The auctioneer, the municipal councillors, the City Manager and officers and employees of The City of Calgary are prohibited from bidding for or buying any parcel of land at the public auction unless section 429(2) of the *Municipal Government Act* applies.

## **How to Remove Your Property from the Municipal Property Tax Sale**

Prior to the public auction, The City of Calgary follows an extensive notification process as set out in the *Municipal Government Act*. Notices are advertised in The Alberta Gazette, the Calgary Herald, online at [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax) and are sent to the registered owner of each property as well as to all parties with a registered interest in the property.

In order to remove a property from the public auction, all of the outstanding property tax arrears must be paid to The City of Calgary **in guaranteed funds BEFORE March 31<sup>st</sup>, 2021**. Tax notifications and or liens will only be discharged once the tax arrears have been paid in full. No party will have any right to pay the tax arrears in respect of a property after it is declared sold at the public auction.

## **Terms and Conditions of Sale**

Every property listed on [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax) with municipal property tax arrears remaining unpaid as of the date of the auction will be offered for sale at the public auction. The full terms and conditions of sale are available online at [www.calgary.ca/propertytax](http://www.calgary.ca/propertytax).

### **(i) Purchase Price, Interest and GST**

The purchase price, plus any applicable GST, must be paid as follows:

(a) 1/3 of the purchase price by way of cash or cheque at the date of public auction, or a minimum payment of \$500.00, whichever is greater; and

(b) the balance of the purchase price, plus any applicable GST, on the Closing Date (no later than 60 days after the date of the public auction).

Interest on any overdue payments will be charged at the Royal Bank of Canada's prime rate plus 3% per annum from the date the payment is due until the full purchase price, plus applicable interest, is received by and unconditionally releasable to The City of Calgary.

GST is payable on all applicable properties sold at the public auction.

### **(ii) Closing**

The Closing Date will be 60 days after the date of the public auction or such earlier date that is mutually agreed to in writing by both parties.

All adjustments for rent or other items commonly adjusted on a sale of real property will be made as of the Closing Date. From and after the Closing Date, the successful bidder will be responsible for the payment of all taxes, rates, levies, charges, assessments, utilities, utility hook-up fees, insurance and other expenses with respect to the property.

The successful bidder will take title to the property subject to those encumbrances listed in section 423(1) and 436.14 of the *Municipal Government Act*, as applicable, and all implied conditions listed in section 61 of the *Land Titles Act*, R.S.A. 2000, c. L-4.

***(iii) As Is, Where Is***

All properties offered for sale at the public auction are being offered on an “as is, where is” basis and The City of Calgary makes no representations and gives no warranty whatsoever with respect to any property being offered for sale at the public auction.

If the relevant property is occupied by a tenant, the successful bidder will be responsible for the obligation and expense of obtaining vacant possession.

The City of Calgary may, after the public auction, become the owner of any property that is not sold at the public auction.



Michael Perkins  
Manager, Tax, Receivable & Payable  
Finance