

Teller County Treasurer's Office  
Cripple Creek, Colorado

**RULES & PROCEDURES FOR THE ONLINE TELLER COUNTY TAX LIEN SALE  
2021**

*\*This document has been substantially revised from past years.\**

*\*Please read carefully\**

**\*IF ANY COMPONENT OF THIS DOCUMENT CONTRADICTS ANY LAW OR STATUTE, THE LAW  
OR STATUTE WILL SUPERSEDE ANY STATEMENT IN THIS DOCUMENT\***

**Chapter 1: General Information**

1.1 The dates and time for the 2021 Tax Lien Sale will be 8:00 AM MDT, November 5, 2021 through 4:00 PM MST, November 8, 2021. Bidding will close on November 8, 2021 in batches of equal number at 2:00 PM MST, at 3:00 PM MST, and at 4:00 PM MST. Note that Daylight Savings Time ends on November 7, 2021.

1.2 The Teller County Treasurer's office uses an online format for its Annual Tax Lien Sale. For 2021, the provider of this online service is SRI, Incorporated.

1.3 Liens available for auction are listed in the *Pikes Peak Courier* newspaper in October, on the Teller County Website ([www.co.teller.co.us](http://www.co.teller.co.us)), and just prior to the auction, on the SRI website ([www.Zeusauction.com](http://www.Zeusauction.com)).

1.4 The Teller County Treasurer's Office has a computer available for public use, from 8:00 AM through 4:30 PM, Monday through Friday.

1.5 Technical questions regarding operation of the auction website should be addressed to SRI, Incorporated. SRI's customer service line is 1-800-800-9588, between the hours of 8:00 AM to 5:00 PM, Eastern Time Zone, Monday through Friday. Support may also be obtained through email at [zeussupport@sriservices.com](mailto:zeussupport@sriservices.com).

1.6 Additionally, SRI, Incorporated offers a demonstration/practice auction on [www.Zeusauction.com](http://www.Zeusauction.com). Teller County strongly recommends that enrolled participants take advantage of this learning opportunity in order to maximize their understanding of this platform.

1.7 For 2021, the Tax Lien Sale Interest will accrue at 9%, per annum, prorated monthly. The State of Colorado establishes this interest rate and there are no opportunities for local variation in interest rate.

## **Chapter 2: Tax Lien and Tax Lien Auction Basics**

2.1 When bidding on an item in this auction, you are **NOT** bidding for ownership of the property. Ownership of a tax lien does **NOT** entitle you to develop, improve, use or even enter the property. Teller County does **NOT** recommend that you make any contact with the property's owner, or even enter the property against which you may own a lien. Such entry is trespassing and illegal.

2.2 A Tax Lien is preeminent above other liens, but the existence of a tax lien does not mean that other liens are extinguished. The property owner, or someone with legitimate financial interest in the property (such as a person who holds a mortgage on the property, among others), has the right to redeem the tax lien right up to the moment when a Treasurer's Deed is issued.

2.3 Like other Tax Lien Auctions, this is a **100% CAVEAT EMPTOR/BUYER BEWARE SALE**. Before bidding on an item, you must fully understand your responsibilities as a buyer and all aspects of what you are bidding upon. Neither the auctioneer nor any component of Teller County Government makes any warranties or representations about the quality, usability, zoning or availability of any utilities or access to said property. Neither the auctioneer nor any component of Teller County Government bears any responsibility for ensuring that participants understand the dynamics and considerations of a tax lien auction and subsequent tax lien ownership.

**2.4 Once a bid is placed on the website, it cannot and will not be lowered, retracted or cancelled for any reason. Your individual decision to place said bid is 100% your responsibility and considered legal and binding, under penalty of law.**

2.5 Teller County strongly recommends that you obtain private legal and financial advice prior to participation in any tax lien auction.

2.6 A holder of an existing Tax Lien Certificate on a specific property (ie Lienholder or Auction Winner) will be offered the chance to purchase subsequent years' liens as a right of first refusal if these subsequent years' taxes are also unpaid by the property owners. This occurs in the following July through August timeframe. This process is called "Endorsement." Endorsed liens will not appear on the following year's auction. If the Tax Lien Certificate Holder fails to endorse, either by her/his own personal decision or by inaction, the subsequent year's lien will be offered to general participants in the auction. Neither a failure to endorse, nor a conscious decision not to endorse will extinguish the existing lienholder's interest in the property at this time.

2.7 Paragraph 2.6, above, involves additional considerations and discussions about the relationships between Senior and Junior Tax Lienholders. Such discussions are outside the scope of this document, but remain relevant in any treasurer's deed process. Please contact the Teller County Treasurer's Office if you have any questions. If you require legal advice on this matter, you must contact an attorney. The Teller County Treasurer's Office will not dispense legal advice under any circumstances.

2.8 Three years from the date of the original sale, if a lien remains unredeemed, the lien's certificate holder may apply for a Treasurer's Deed to the property. For example, liens sold in 2020 are eligible for deed application in 2023. The deed process takes six to eight months to complete, and extensions are possible if there are complex issues related to the property.

2.9 Basic requirements for a Treasurer's Deed are as follow:

2.9.1 Unredeemed lien in excess of three years from original issuance.

2.9.2 All subsequent taxes and special assessments are paid.

2.9.3 Payment of a \$400.00 deposit to initiate the deed process.

2.9.4 Completion of the 6-8 month Treasurer's Deed process

2.10 **BEWARE!** The issuance of a Treasurer's Deed may NOT extinguish other liens that may exist on the subject property. While the Teller County Treasurer's Office's research during the Treasurer's Deed issuance process may reveal many of these additional liens, others may still exist. It is the sole responsibility of the deed requestor to understand what liens may convey with ownership, and to understand that they may now be responsible for these other liens. Should the deed requestor change her/his mind part way through this process, the requestor remains financially responsible for what charges have already accrued as a result of the deed request.

2.11 Approximately 96% of Teller County Liens are redeemed in the first year. Please consider this fact as you make your bids. The vast majority of Teller County Tax Liens will not make it to Treasurer's Deed.

2.12 Interest is paid only on the amount of the basic minimum bid. In the case of Premium Bids (bids that exceed the minimum bid), interest is not payable against any amount in excess of the minimum bid.

2.12 The differences between a Treasurer's Deed and a Warranty Deed are significant, but beyond the scope of this document. It is entirely incumbent upon the participant to understand all aspects of this process.

2.13 **IT BEARS REPEATING! THIS IS A BUYER BEWARE SALE. ALL SUBMITTED BIDS ARE LEGALLY BINDING. ALL SALES ARE FINAL. THERE ARE NO EXCEPTIONS.**

### **Chapter 3: Auction Registration**

3.1 Registration. All potential bidders must register with the auction provider, SRI Incorporated, on the website, [www.Zeusauction.com](http://www.Zeusauction.com), including all past Teller County bidders. Once a bidder has registered for the auction, the bidder will be subject to approval by the Teller County Treasurer's Office and SRI Incorporated. Registration will begin October 27, 2021 at 12:00-noon Mountain Daylight Time and continue through November 6, 2021 at 12:00-noon Mountain Daylight Time. If you register during the sale, we cannot guarantee approval to bid prior to the closing of the auction. Please register early.

3.2 Bidders are responsible for verifying that the information supplied on all registration forms is entered correctly. **The name under which you register on the IRS W9 form will appear on your tax lien certificates of purchase.**

3.3 It is the sole responsibility of the bidder to inform the Teller County Treasurer of any address changes.

3.4 The bidder must complete the W-9 Form online using the secure auction system (Name, Address, Social Security or FEIN Number) and electronically sign the form.

3.5 The bidder must also electronically sign an affidavit stating that they are legally qualified to participate. Teller County Elected Officials, Appointed Officials and Employees, including immediate family and agents are prohibited by state statute from participating in the tax lien auction (C.R.S. 39-11-151).

3.6 Failure to register properly or failure to provide all mandatory information will result in immediate rejection of the bidder.

3.7 The Teller County Treasurer reserves the right to reject a bidder's registration due to history of non-payment, slow payment or rejected payments in any past auction nationwide, not just those auctions in Teller County.

3.8 Selection of Bidder Alias. This has been a problem in the past and will be closely monitored by the Teller County Treasurer. During registration, you will have the opportunity to designate an alias. Other terms for this could be the bidder's "handle," or "avatar name." This is the name that will appear on the auction website, alongside the lien being bid upon, and with the amount that the bidder offered. The Teller County Treasurer reserves the right to reject any registration that is in his judgement to be inappropriate to the auction. Examples of problematic alias names used in the past include the following (this list is not all-inclusive):

3.8.1 Names that suggest a government agency is bidding, such as, "USDA" or "US Land Management Agency."

3.8.2 Names that could be construed as discriminatory to a person's race, gender, sexual identity, religion, creed or color.

3.8.3 Names that make reference to genitalia or a person's intimate areas.

3.8.4 Names that could be used to shape or limit other bidders' behavior in the auction. Examples include "Bidding Closed," "Maximum Bid Reached," "Lien Removed from Sale," or "Bid Exceeds Max Value."

3.8.5 Names that are widely and generally viewed as inappropriate in a business environment. Examples include, "Single Hot Guy," etc.

3.8.6 Names that include vulgarity or abbreviations of vulgarity.

3.8.7 Any alias that in the judgement of the Teller County Treasurer is inappropriate. The Teller County Treasurer's decision on this matter is final and cannot be appealed.

#### **Chapter 4: Auction Process**

4.1 All auctions for tax lien sales have a required minimum bid. The amount is posted on the item is the starting bid. The starting bid includes all taxes, advertising, penalties, interest and costs due to the county as well as the auction fee of \$8.00. The \$8.00 fee that is paid to the auction company is included as part of your tax certificate amount. The first acceptable bid must be for the amount of the starting bid.

4.2 Proxy Bidding. The process of Proxy Bidding includes the system automatically increasing each competitive bid amount by one dollar (\$1.00) increments, until you or the competitive bidder has reached the maximum bid placed for that parcel. You may enter the maximum amount you are willing to bid for an item in the bid box.

4.3 Your Maximum Bid is **confidential** and will be used by our system to increase your bid automatically in case another bidder outbids you. Our system will only bid high enough to outbid the current high-bidder, according to the \$1.00 minimum bid increment. This can be a very nice feature because it allows the system to bid on your behalf so you don't have to constantly monitor an auction.

4.4 Each item will have the closing time for that listing in the parcel information.

4.5 You may bid or track more than one item at a time in the list. You may also click on the title of an item for more information and bid from there.

4.6 You may add an item to your Members Area Watch List without placing a bid. Just check the box and you will be able to view the status of the item quickly, along with the rest of the items you have tracked or bid on, by logging in to the Members Area.

4.7 By placing a bid, you are placing a legally-binding and irrevocable offer to purchase the item at any price up to your maximum bid amount. If your bid is the high bid and accepted by the seller, you are legally obligated to complete the transaction. Failure to complete the transaction is a breach of the User Agreement and may be grounds for legal action by SRI, Incorporated. Additionally, SRI Incorporated will suspend or terminate your user account if payment is not made according to these terms and conditions and we deem such action as appropriate.

## **Chapter 5: Auction Closing**

5.1 Each auction item has its own ending time listed on the bidding form and will end automatically at that time. A bidder should not wait until the last few seconds of the auction to place a bid. Bids are processed in the order that they are received. If a bid is received prior to the close of the auction, but processed after the item closed, the bid will be treated as if it were placed after the item closed and will not be accepted.

5.2 Upon completion of the sale, and all payments have been received, then the sale is balanced, you will receive from the Teller County Treasurer an itemized list of each parcel lien(s) purchased and a copy of the Tax Lien Sale Certificate of Purchase. The Certificate will be issued in statutory form showing the legal description, purchase amount, rate of interest, buyer's name and the date of sale. Certificates will only be issued in the name under which the buyer registered. The original Certificate of Purchase will be held in the Treasurer's vault for safekeeping. Leaving your certificates with the Treasurer has the advantage of receiving payment sooner when redemption is made (the original Certificate must be surrendered to receive your payment) and allows for endorsing without having to find your certificate(s), and mailing or bringing them in to the office.

5.3 Bidding will close on the last day of the sale, in batches of about 200 parcels each, at 2:00pm and 3:00pm with the remaining balance closing at 4:00pm MST.

5.4 It is the bidder's responsibility to initiate the funds per the payment instructions on the auction website at the end of the auction.

## **Chapter 6: Payment**

**6.1 Payment for all winning bids shall be made by electronic check or credit card, Visa, Master Card and Discover. These are the only approved forms of payment.**

6.2 The portal administration fee for using an e-check is \$4.00. The portal administration fee for using a credit card is 2.5% of the total on the invoice, plus \$2.00.

**6.3 AT THE CLOSE OF EACH BATCH, YOU WILL RECEIVE, BY EMAIL, A SUMMARY STATEMENT INDICATING THE AMOUNT OF YOUR SUCCESSFUL PURCHASES. AT THE CONCLUSION OF THE SALE, AND AFTER ALL BATCHES HAVE CLOSED, YOU WILL RECEIVE, AGAIN, BY EMAIL A FINAL PAYMENT INVOICE WHICH WILL INCLUDE ALL OF YOUR SUCCESSFUL PURCHASES FROM EACH BATCH. THIS IS THE ONLY INVOICE YOU WILL RECEIVE! PLEASE INITIATE YOUR PAYMENT, FROM THIS FINAL INVOICE, WITHIN 24 HOURS OF THE CLOSING OF THE SALE.**

**6.4 All payments must be initiated no later than 24 hours from close of the sale.**

6.5 **Non-Payments, slow payments, or payments that are rejected due to lack of funds** or other reasons may result in cancellation of the corresponding bid(s) subject to CRS 39-11-116. **Non-payment, insufficient funds, or slow payment may have the following additional ramifications:**

6.5.1 Bidder will be **blacklisted from ALL future Teller County Government Auctions** to include future Tax Lien Auctions, Future Foreclosure Auctions conducted by the Public Trustee (Over 99% of all foreclosure auctions in the county), and Sheriff Auctions.

6.5.2 Bidder information will be **shared with all 64 County Treasurer's** in the State of Colorado for their consideration and potential exclusion from their Tax Lien, Public Trustee (foreclosure), and Sheriff auctions at their discretion.

6.5.3 Bidder information will be presented to the Colorado 4th Judicial District Attorney for **potential prosecution.**

6.5.4 Bidder information will be shared with SRI, Incorporated, Incorporated for consideration by their clients outside the State of Colorado. **Additionally, SRI, Incorporated, reserves the right to pursue legal action on their own behalf.**

## **Chapter 7: Additional Terms & Conditions**

7.1 The auctioneer reserves the right to withdraw any item at any time prior to the time of sale of such item.

7.2 Should a dispute arise after the auction, the auctioneer's records shall be conclusive.

7.3 By bidding on any item, the bidder shows acceptance of the terms of the auction and of this document.

7.4 Bidder does hereby indemnify and hold harmless Auctioneer and Seller from any and all damages, claims, or liabilities from injuries to persons or property of any type whatsoever, caused before, during, or after the auction.

7.5 Teller County Elected Officials, Appointed Officials and Employees, including immediate family and agents are prohibited by state statute from participating in the tax lien auction (C.R.S. 39-11-151). **All bidders will be required to electronically sign an Affidavit stating they are qualified to legally participate in the auction.** SRI, Inc. is offering a service for buyers to bid through an online auction format. SRI, Inc. may take action against a registered user for their conduct, and reserves the right to exclude any company or individual from access to our services if we determine their action to be inappropriate.

7.6 The Internet being the fragile environment that it is, SRI, Inc. cannot be held responsible for server down time, or your inability to access our site. Notifications sent by email may possibly take longer than expected, and cannot be counted on to inform you of an item's status. In the event of technical problems, we reserve the right to cancel, restart, or extend an auction as the circumstances may dictate. The above stated Terms and Conditions of Auction cannot be altered except in writing by all parties of the contract, or by verbal changes to terms given by Auctioneer at time of auction.