

## INSTRUCTIONS FOR ONLINE AUCTION AND TERMS AND CONDITIONS OF SALE FOR SALE OF STATE LANDS

### Online Auction Sales

The date and time for auction of each parcel is listed at the top of that parcel's Property Data Sheet. Copies of the Property Data Sheets may be obtained at the [Land Sale webpage](#), by e-mail at [min.landsale@state.mn.us](mailto:min.landsale@state.mn.us), or by phone at (651) 259-5432. All state auctions are open to the public.

Surplus land will be available for bid online at the state's official auction website, [Minnbid.org](http://Minnbid.org). Be sure to review the [MinnBid Auction Terms and Conditions](#) before participating.

### Instructions for Online Bids

**General instructions.** To bid on state property you must be registered and be at least 18 years of age. When you register, you will be assigned a bidder number and you are responsible for all bids made under that number.

[Register for an account](#) to ask questions or to bid on properties via the MinnBid site.

**Minimum bid.** The amount of the Minimum Bid for the property is stated on the Property Data Sheet. Bidding starts at the Minimum Bid. The bidding will move up in increments as indicated on the auction page for that specific property.

**Your bid.** The amount of your bid shall not be less than the Minimum Bid amount or your bid will be rejected. Your bid covers the land, marketable timber (if any), improvements (if any), and sale costs. Sale costs are the state's costs for appraisal, survey, publishing, recording fees, and other costs incurred in selling the property and recording documents per Minn. Stat. sec. 92.115, subd. 2. The state deed tax must also be paid by the buyer per Minn. Stat. sec. 92.115, subd. 3 (see *Remaining payments due*, below).

Do not place bids for items you do not intend to purchase. Bidders are responsible for verifying their bid prior to selecting the "Place Bid" button. Once bids are placed, they cannot be altered or changed. Results will be posted after the close of the auction.

**Minimum payment due.** The high bidder must make the minimum payment within ten days from the date of the award. Payment may be made in the form of a money order or cashier's check made payable to "Surplus Services". Cash and personal checks will not be accepted.

**The minimum payment due is 10% of the total bid.**

**Remaining payments due.** The balance of the purchase price and the deed tax must be paid in full within 90 days of the closing date of the auction. No interest is charged during the 90-day period. No contracts for deed are being offered for the DNR properties. The deed tax, collected by the county in which the land is located, is a percentage of the final bid amount/purchase price ( $final\ bid\ amount \times 0.0033 = deed\ tax$ ). This amount is not comprehensive with the purchase price and must be paid by the

buyer per Minn. Stat. sec. 92.115, subd. 3. It is additional to the purchase price and will be collected by the DNR prior to finalizing the sale.

If final payment is not made within 90 days, the Department of Natural Resources may void the sale and reoffer the property at a subsequent sale.

**Failure to perform.** The failure of the high bidder at auction to fulfill the requirements set forth above will result in the following:

1. Automatic default.
2. Termination of any right, title, and interest in the sale parcel.
3. Liability of the high bidder for any and all of the state's sale costs that will not be recovered.

The state's unrecovered costs related to the sale of public land may include but are not limited to: costs for an appraisal, advertising costs, sales and staff costs that are included in the minimum bid amount.

## Terms and Conditions of Sale

**Private improvements.** If the property includes privately-owned improvements, the State assumes no responsibility in the event there may be mortgages, liens, unpaid taxes, or other encumbrances on the improvements. Private improvements have been appraised and the Private Improvement Value is stated in the Property Data Sheet. The Minimum Bid includes the Private Improvement Value.

In the event the successful bidder is the lessee of the property, the successful bidder is not required to pay for improvements made by the lessee in good faith under the terms of the lease, if the lessee complies with the ownership verification requirements of Minnesota Statutes, section 92.06, subd. 4. If the successful bidder is not the (owner) lessee, the successful bidder shall pay the Private Improvement Value to the owner of the improvements within 15 days of the date of the sale.

The payment shall be upon such terms and conditions as the successful bidder and the owner of the improvements may agree upon (Agreement). Such Agreement shall be in writing. The successful bidder shall have an additional 10 days to deliver to the Commissioner of Natural Resources an Affidavit of Compliance, with evidence of the payment, such as a copy of the receipt, bill of sale, Agreement, etc. If the high bidder is not the lessee, lessees have 45 days to vacate the premises.

No person shall remove, damage, or destroy any building or other improvement until an amount equal to the appraised value has been paid. Violation of this provision shall be a gross misdemeanor.

**Patent or quit claim deed.** If the property is trust fund land, the State will convey fee title to the property by a patent upon receipt of the final payment. If the property is acquired land, the State will convey fee title to the property by quit claim deed upon receipt of the final payment. Delivery of a patent or quit claim deed to the purchaser may take up to 90 days following final payment. The purchaser shall be entitled to possession of the property as of the date of the delivery of the patent or quit claim deed.

**Title.** The State will not furnish an abstract of title. Prospective buyers are advised that the State sells the property without warranties. The State is not under any duty or obligation to perform any acts or to pay for any expenses that may be incurred in connection with possible deficiencies of title or encumbrances to the property or improvements.

All properties are sold subject to all railroad, highway, state forest roads, or other easements, any utility licenses issued pursuant to Minnesota Statutes, sec. 84.415, and other restrictions or reservations required by law. All minerals and mineral rights on all properties are reserved to the State.

**Wetlands and marginal Lands.** The existence of non-forested marginal lands or wetlands is stated on the Property Data Sheet. Properties containing non-forested marginal lands or wetlands will have a restrictive covenant placed upon the patent or quit claim deed, as required by Minnesota Statutes, sec. 103F.535, subd. 1. This covenant precludes enrollment of the land in a state funded program providing compensation for conservation of marginal land or wetlands. A Notice of Determination of Marginal Land/Wetland for each property is available upon request.

**Taxes and assessments.** Purchaser shall pay all real estate taxes and special assessments due and payable in the year of sale and thereafter.

**Properties sold As Is.** These properties and improvements are sold AS IS. The State makes no representations or warranties regarding the condition or use of the property or the improvements including, but not limited to, the condition or habitability of any buildings, or the condition of any wells, septic systems, soils, access, or any other thing on site. Prospective bidders are advised to inspect the property, improvements, plat maps, easements, conditions of title, and encroachments in order to insure knowledge of existing conditions.

**Zoning.** All properties are sold subject to local zoning ordinance now or hereafter adopted by units of local government.

**Property boundaries.** Property boundaries shown on any maps provided by the State are for reference only. Interested buyers should consult licensed surveyors to determine legal boundaries. The State is not responsible for locating or determining property lines or boundaries.

**Buildability.** The State makes no representation or warranty that the property is a buildable site under applicable State and local law.

**DNR employees ineligible.** Employees of the Minnesota Department of Natural Resources are prohibited from bidding or purchasing the properties, as provided by Minnesota Statutes, section 92.71.

**Right to reject bids.** The State reserves the right to cancel the sale or reject any and all bids at any time.