



Republic of the Philippines
Quezon City
Office of the City Treasurer



RULES, REGULATIONS AND CONDUCT OF THE AUCTION SALE

I. WHO MAY PARTICIPATE

1. All Filipinos who are not otherwise disqualified by law to acquire real property in the Philippines;
2. Partnership, Corporation and other legal entities duly registered with the Securities and Exchange Commission, 60% of the capital of which is owned by Filipino citizens and not otherwise disqualified by law to acquire real property in the Philippines;
3. Duly authorized representative of the above-named persons with special power of attorney.

NOTE: Officials and employees of the Philippine government, its agencies instrumentalities and local subdivisions are not allowed to participate in the auction sale.

II. CONDITIONS OF THE SALE

1. The City Treasurer does not warrant the authenticity or validity of the title of the declared owner nor does he guarantee the correctness or accuracy of the description of the property. Successful bidders acquire no better title than that of the registered or declared owner appearing on the title and they will acquire the property together with all its encumbrances like mortgages, leases and the likes existing at the time of purchase in auction. For their own protection, the prospective participants may first ascertain for themselves the existence and the title of the property they may wish to bid before making any bid.
2. Successful bidders shall, upon award, immediately pay the bid price before he can enter his name in an item for bid. Payment shall be made in cash or in manager's check payable to the City Treasurer of the Quezon City for the exact amount of the bid.

In case the highest bidder fails to pay the bid price at the end of the day, the 2nd highest bidder shall be notified in writing as the winning bidder who may pay his bid price within twenty-four (24) hours upon receipt of the written notice otherwise, the property will be considered sold to the city. Highest bidders who default in their payments shall not be allowed to participate in the future auction sales.

3. The City Treasurer reserves the right to revoke any or all awards/sale on the following grounds:
 - a. Upon presentation of the evidence that all taxes and penalties due on the property had been paid when the sale was made; or
 - b. It is found later that the property is tax-exempt by virtue of its being already government-owned or devoted exclusively for religious, and educational purposes;
 - c. It is not taxable under RA 7160 and other related laws.
 - d. Non-payment of the bid price.

In any event, the purchase price shall be returned to the buyer purchaser thereof without interest.

4. At any time before the date fixed for the auction sale, the owner of the real property or person having legal interest therein may stay the proceeding by paying the delinquent tax, interest due thereon and the expenses of sale.

5. Within one (1) year from the date of sale, the delinquent taxpayer or his representative shall have the right to redeem the property. Redemption shall take effect upon payment to the City Treasurer of the total amount of taxes, fees interest or penalties, cost of sale and other related charges from the date of delinquency to the date of sale, plus interest of two (2) percent per month on the purchase price from date of sale to the date of redemption. Such payment shall in validate the certificate of sale issued to the purchaser and shall entitle the owner to a certificate of redemption for the City Treasurer.
6. The City Treasurer or his deputy upon surrender of the certificate of sale previously issued to the winning bidder, shall forthwith return to the latter the entire purchase price paid by him plus interest of two (2) percent per month computed from the date of sale to the date of redemption.
7. From the of the sale until the expiration of the period of the redemption, the delinquent real property shall remain in the possession of the owner or person having legal interest therein who shall be entitled to the income and other fruits thereof.
8. In case the taxpayer fails to redeem the property as herein provided, the City Treasurer shall execute a final deed conveying to the purchaser said property, free from the liens of the delinquent tax, interest due thereon and expenses of sale. The deed shall briefly state the proceeding upon which the validity of sale rests.
9. In case there is no bidder for the real property, or if the highest bid is for an amount insufficient to pay the taxes, fees, interest, or penalties, cost of sale and other related charges, the City Treasurer shall purchase the property in behalf of the City Government to satisfy the claim pursuant to Sec. 262 of the Local Government Code.
10. Within one (1) year from the date of such forfeiture, the taxpayer or any of his representative, may redeem the property by paying to the City Treasurer the full amount of taxes, fees, interest, or penalties, cost of sale and other related charges. If the property is not redeemed as provided herein, the ownership thereof shall be fully vested in the City Government.
11. After the expiration of the right of redemption, the City Treasurer upon the request of winning bidder shall issue the final bill of sale. The winning bidder shall then proceed to the Register of Deeds for the consolidation of the title. Entry fees, annotation fees, capital gains taxes, documentary stamps taxes, transfer taxes and other incidental expenses related to the transfer of the auctioned properties in the names of the winning bidders shall be borne by them.

III. PROCEDURE

1. Registration of Bidders:

All persons interested to participate in the auction sale register with the City Treasurer by giving their names, present address, status, citizenship and other personal circumstances. The City Treasurer may require the presentation of additional credentials or other documents, as he may deem necessary. Upon registration, the participant shall post a cash bond in the amount of FIVE THOUSAND PESOS (P 5,000.00) refundable after the auction, except bonds posted by winning bidders who did not pay the bid price within the time prescribed herein, in which case, such cash bond shall be forfeited in favor of the City. Each of the prospective participants will be given a copy of the Rules, Regulations and Conditions of the auction sale. Those who agree shall sign the acceptance slip provided for the purpose. The names of those who manifested their willingness to abide by the rules will be entered in the list of participants and each will be assigned or given a number by which shall represent himself and by which he shall be called or referred to during the entire proceedings. Only those with assigned numbers may participate in the sale.

2. Conduct of Sale

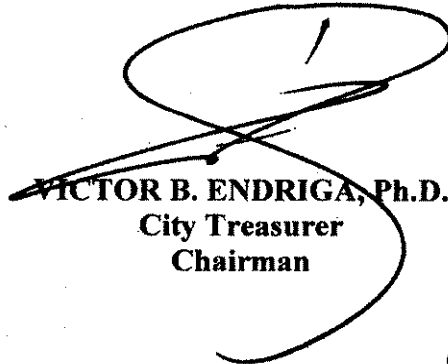
The sale shall be by oral bidding. The City Treasurer or his duly authorized representative conducting the sales, shall auction the entire delinquent property one after the other. Where the land and improvement are covered by two separate declarations and both are delinquent and are declared in the name of one person or are declared in joint ownership, said property shall be auctioned together to avoid their sale to different persons. Where an improvement or improvements could be separated, or are erected on lots that are covered by two separate declarations and all are delinquent, said delinquent property shall be auctioned together for the same purpose.

The bidder who offers to pay the highest price from which the total amount of delinquent taxes, penalties and cost of sale can be satisfied shall be declared the winning bidder and shall be entitled to the award.

Upon payment of the bid price, the successful bidder shall be issued a Certificate of Sale by the City Treasurer. The Certificate of Sale shall in turn be registered by the bidder with the Registry of Deeds. The period of redemption shall begin to run within one year from the date of sale. The person in whose name the property is listed and assessed shall be furnished a copy of the Certificate of Sale.

Committee on Public Auction of Delinquent Real Properties in Quezon City:

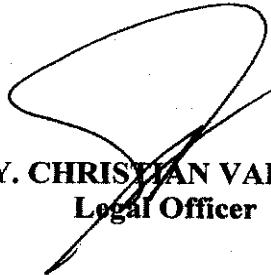
Signed:



VICTOR B. ENDRIGA, Ph.D.
City Treasurer
Chairman



ATTY. VICTORIA LOANZON
Office of the Mayor



ATTY. CHRISTIAN VALENCIA
Legal Officer



MR. JOSE O. CASTRO
OIC-City Assessor's Office

CONFORME: _____

Date: _____