

RULES, REGULATIONS AND CONDUCT OF THE PUBLIC AUCTION

To efficiently and effectively implement the public sale of delinquent properties, the following Rules, Regulations and Conditions of the Public Auction is adopted.

I. WHO MAY PARTICIPATE

- a) All Filipino citizens who are not otherwise disqualified by law to acquire real property in the Philippines;
- b) Partnerships, Corporations 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;
- c) Duly authorized representatives 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 EITHER DIRECTLY OR INDIRECTLY IN THE PUBLIC AUCTION.

II. CONDITIONS OF THE SALE

- a) 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 declared owner appearing on the title and they will acquire the property together with all its encumbrances like mortgage, lease and the like, existing at the time of the 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.
- b) Successful bidders shall, upon award, immediately pay the bid price. Payments shall be made in cash or in manager's or cashier's check or personal check payable to the City Treasurer of Marikina for the exact amount of the bid.
- c) The City Treasurer reserves the right to revoke any or all awards / sale on the following grounds:
 - Upon presentation of evidence that all taxes and penalties due the property had been paid when the sale was made; or
 - It is found later that the property is tax exempt by virtue of its being already government owned or devoted exclusively for religious, educational or charitable purposes;
 - It is not liable under RA 7160 and other related laws;
 - Non-payment of the bid price;
 - Upon Certification of the Assessor's Office that a discrepancy in the description, location and / or issuance of the Tax Declaration has been discovered, rectification of which will affect the validity of the sale.



- d) 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, the interest due thereon and the expenses of sale;
- e) Within one (1) year from 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 date of delinquency to the date of sale, plus interest of two (2) percent per month on the purchase price to date of redemption. Such payment shall invalidate the Certificate of Sale issued to the purchaser and shall entitle the owner to a Certificate of Redemption from the City Treasurer;
- f) 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;
- g) From the date of sale until the expiration of the period of redemption, the delinquent real property shall remain in the actual possession of the owner or person having legal interest therein who shall be entitled to the rentals, income and other fruits thereof;
- h) 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 the sale rests. However, in the matter of property registration, the Registry of Deeds is governed by the Property Registration Decree of the Land Registration Authority, wherein the period of redemption begins to run from the date of inscription of the Certificate of Sale;
- i) In case there is no bidder for the real property, or the highest bid is for an amount insufficient to pay the taxes, fees, interests, or penalties, cost of sale and other related charges, the City Treasurer conducting the sale shall purchase the property in behalf of the City Government to satisfy the claim and within two (2) days thereafter shall make a report of his proceedings which shall be reflected upon the records of his office.
- j) 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;
- k) Any expenses incurred by the winning bidder in annotating his Certificate of Sale shall be for his account and will not form part of the redemption cost;
- l) Withdrawal of bid price by the winning bidder for properties redeemed by the owner from the City Government shall be released within one (1) month from redemption without additional interest.

III. PROCEDURE

1. REGISTRATION OF BIDDERS

- 1.1 All persons interested to participate in the Public Auction shall register with the City Treasurer by giving their names, present address, status, citizenship and other personal circumstances.
- 1.2 The City Treasurer may require the presentation of additional credentials or other documents as he may deem necessary.
- 1.3 Each of the prospective participants will be given a copy of the Rules, Regulations and Conditions of the Public Sale and Acceptance Slip.
- 1.4 Those who agree to abide by the rules shall sign the acceptance slip.

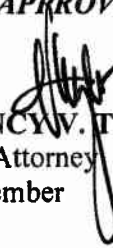
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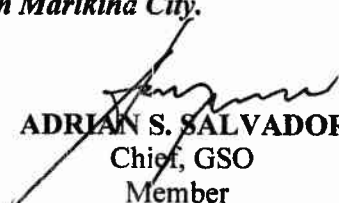
- 1.5 The name of those who manifested their willingness to accede by the rules will be entered in the Roster of Bidders and each will be assigned a number which shall represent him and by which he shall be called or referred to during the entire proceedings.
- 1.6 Only those with assigned number may participate in the Sale.

2. CONDUCT OF SALE


- 2.1 The sales shall be oral bidding.
- 2.2 The City Treasurer, or his duly authorized representatives conducting the sale, shall auction the entire delinquent property one after the other.
- 2.3 Where the land and improvement are covered by two (2) separate declarations and both are delinquent and are declared in the name of one (1) person or are declared in joint ownership, said property would be auctioned together to avoid their sale to different persons.
- 2.4 Where an improvement or improvements that could be separated is or are erected on lots that are covered by two (2) separate declarations and all are delinquent, said delinquent property will be auctioned together for the same purpose.
- 2.5 The bidder who offer to pay the highest price from which the total amount of taxes, penalties and cost of sale are satisfied shall be declared the winning bidder and shall be entitled to an award.
- 2.6 Upon payment of the bid price, the City Treasurer shall issue a Certificate of Sale to the successful bidder.
- 2.7 The Certificate of Sale shall be registered by the bidder with the Registry of Deeds. The period of redemption shall begin to run within one (1) year from the date of sale, pursuant to RA 7160.
- 2.8 The person in whose name the property is listed and assessed shall be furnished a copy of the Certificate of Sale.
- 2.9 Proceeds of the sale in excess of the delinquent tax, the interest thereon and the expenses of sale shall be remitted to the owner of the real property or person having legal interest therein.

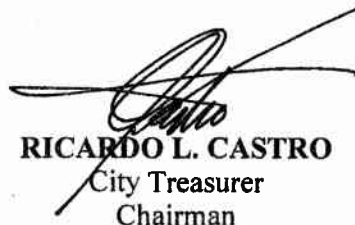
APPROVED on this 9th of November 2007 in Marikina City.


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Member


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City Treasurer
Chairman