Town of New Perlican

Arrears Sale By-Law

Pursuant to the authority conferred in section 7 of the *Towns and Local Service Districts Act, Chapter T-6.2, 2023* the Town Council of New Perlican has adopted the following regulations on June 19, 2025.

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1. TITLE

1.1 This document will be known and cited as *Arrears Sale By-Law for the Town of New Perlican.*

2. INTERPRETATION/DEFINITION

2.1 **"Council"** shall mean the Town Council of New Perlican.

2.2 **"Employee"** or **"Employees"** shall mean any individual under an employment contract with the Town of New Perlican including all members of staff, volunteers, contractors and members of Council.

2.3 **"Employer"** shall mean the Town of New Perlican as represented by the Town Clerk/Manager or his/her designate.

2.4 **"Supervisor/Manager"** shall mean any individual who is responsible for managing and directing the work of an employee or group of employees.

2.5 **"Town"** shall mean the Town of New Perlican.

3. APPLICATION

This by-law applies to the sale of any real property for which a notice of arrears has confirmed to be served in accordance with the *Towns and Local Service Districts Act of Newfoundland and Labrador* under Section 146 (1) *"Where a real property tax, a water and sewer fee or a local improvement fee is in arrears for 18 months, the Town Clerk shall serve a notice of arrears on the owner, mortgagee, judgement creditor, lienholder or other person having a charge or encumbrance upon or against the real property to which the real property taxes, water and sewer fees or local improvement fees apply."*

4. PROCEDURE

4.1 Resolution

The Town Council shall, by resolution, direct that real property be sold by arrears sale upon confirmation by the Town Clerk that a notice of arrears for the real property was

part, the Town Clerk may immediately, and without further notice, sell the whole or a portion of the remainder of the real property to satisfy the taxes, water and sewer fees and local improvement fees, interest and expenses.

4.3.3 The Town, by a town employee or agent, may bid for and purchase real property being sold to satisfy taxes, water and sewer fees, local improvement fees, interest and other expenses due.

4.4 Further Notice of Arrears Sale

Where, at the time set for an arrears sale, there are no bidders or the Town Clerk fails to sell the real property for the full amount of the arrears of taxes, water and sewer fees, local improvement fees, interest and expenses due, the Town Clerk shall

a) adjourn the arrears sale until a date set by the Town Clerk that is not earlier than one week and not later than two(2) weeks after the date on which the original sale was scheduled;

b) service notice of the date of the arrears sale set under 4.4.1 on a person entitled to notice under 4.2.1;

c) publish a notice in accordance with section 292 that states that the arrears sale was adjourned and the time and place to which the arrears sale is adjourned; and

d) attempt to sell the real property at public auction.

The Town Clerk may sell the real property at the public auction for an amount that can be realized.

4.5 Arrears Sale Set Aside

Where an arrears sale is set aside for an error, irregularity or other cause, the lien on the real property shall not, as a result of the error, irregularity or other cause be discharged but shall continue for the same time as if the date of the setting aside was the date on which the arrears sale took place and the real property may again be sold unless the taxes, water and sewer fees, local improvement fees, interest and expenses against it are paid.

4.6 Proceeds of Arrears Sale

4.6.1 The Town Clerk shall, from money received at an arrears sale, deduct the amount of taxes, water and sewer fees, local improvement fees, interest and expenses owing to the town, at the time of the arrears sale.

4.6.2 Where there is a balance remaining after making the deductions under 4.6.1, the town shall

a) where the balance is less than $200, pay the balance to the former property owner; or

b) where the balance is $200 or more, pay the balance to the former property owner unless an application is made to the Supreme Court within 90 days of the auction by a person claiming entitlement to the balance and if an application is made, pay the balance to the Supreme Court.

4.6.3 Where 4.6.2 (b) applies, the town shall immediately serve written notice on a person entitled to notice under 4.2.1, setting out the amount of the balance and the requirement to apply to the Supreme Court within ninety (90) days of the auction to claim entitlement to the balance or a portion of the balance.

4.6.4 Where the former owner of the real property is unknown or cannot be located and there is a balance remaining after making the deductions under 4.6.1, the town shall pay the balance to the Supreme Court.

4.6.5 Payment of the balance to the Supreme Court under 4.6.2 or 4.6.4 shall have the same effect as payment to the owner, and a judge of the Supreme court, on the application of an interested person, may order the payment out of Supreme Court of the balance or a portion of the balance to the person entitled to it.

4.7 Failure to Pay

Where the purchaser of the real property at an arrears sale fails to immediately,

a) Pay the Town Clerk or the Town's agent the amount of the purchase price of the real property; or

b) Deposit with the Town Clerk an amount equal to the amount of the taxes, water and sewer fees, local improvement fees, interest and expenses of the arrears sale for which the real property has been sold,

the Town Clerk shall immediately re-offer the real property for sale at the public auction.

4.8 Future Assessments

4.8.1 Where the real property has been sold by arrears sale, the real property shall be assessed to the purchaser or the purchaser's executors, administrators or assigns.

4.8.2 Where the town is the purchaser, the real property shall be assessed to the town.

4.9 Vesting of Real Property Following an Arrears Sale

4.9.1 Where real property has been sold by arrears sale, the Town Council shall give to the purchaser a valid conveyance in the name of the Town signed by the Mayor and the Town Clerk or a person appointed by the Town Council and sealed by the Town.

4.9.2 The conveyance referred to in 4.9.1 shall

a) be conclusive evidence that the provisions of this Act with reference to the arrears sale of the real property described in that conveyance have been fully complied with, and everything necessary for the legal perfection of that sale has been performed; and

b) have the effect of vesting the real property in the purchaser, the purchaser's executors, administrators or assigns absolutely free from encumbrances except a claim of the Crown and an easement.

4.10 Review

The Town shall, every 2 years, conduct a review of this By-Law and consider the areas which may be improved.

5. REPEAL OF PREVIOUS BY-LAWS AND AMENDMENTS

5.1 None

6. CAME INTO EFFECT

These Regulations first came into effect on June 19, 2025, through a resolution of Council, # 2025-043

Ivy Piercey

Ivy Piercey, Mayor

Shelly Burrage

Shelly Burrage, Town Clerk/Manager