

Title

FREQUENTLY ASKED ^ QUESTIONS

August 2015

Q The land which is being sold is the subject of an on-going In Personam Tax Foreclosure. Can we payoff (redeem) the tax sale certificate through the tax collector?

A **NO**

As explained in our January 2011 FATQ, if your examination of title reveals a privately held tax sale certificate and a lis pendens relating to the foreclosure of that tax sale certificate, the buyer must intervene in the foreclosure action in order to get court approval of the sale. [Simon v. Cronecker, 189 N.J. 304 (2007)]

In this situation, the following requirement must appear on Schedule B-I of the commitment following the entry for the Tax Sale Certificate and lis pendens:

Written confirmation is required from the holder of Tax Sale Certificate No. ___ that (a) the redemption statement prepared by the tax collector is accurate and complete, (b) he/she will accept the payment of the redemption price as set forth in the redemption statement, and (c) he/she will discontinue the foreclosure suit, discharge the notice of *lis pendens*, and cause the Tax Sale Certificate to be discharged of record **or in the alternative**, proof must be provided that the purchaser intervened in the foreclosure action and obtained Court approval for redemption of the certificate.

As always, feel free to address any questions to a member of our underwriting staff.