

# 84.8% Success Rate on Tax Sales

Presented for AMCTO Zone 1

On October 11, 2023

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You can download this presentation at...

Realtax.ca

Resources For You

84.8% Success Rate on Tax Sales



# The last time you advertised properties for tax sale...

Were you inundated with phone calls and emails?

Did a number of the tax sales fail?

Did you spend thousands of dollars on advertising?



# Here's how you can ...

Drastically reduce the number of phone calls and emails

Reduce or eliminate failed tax sales

Reduce your advertising costs



# Available to every municipality in Ontario

It doesn't matter if you're doing the tax sales yourself, or

Using a law firm, or

Outsourcing to any organization



# 84.8%--Where did that number come from?

In 2022 there were **270** properties featured on OTS (OntarioTaxSales.ca)

## Properties included

- Residential, commercial, industrial, farmland, vacant
- Landlocked
- Scraps remaining from subdivision agreements

Taxes fully recovered on **229** of those properties—84.8%

- Either sold at tax sale, or
- Taxes were paid at the last minute



# A brief history of OTS

Created by the team at Realtax in 2005

We saw two serious problems with tax sales

1. Most tax sales failed—success rate was less than 40%
2. Extremely time-consuming for municipalities



# A brief history of OTS

We tried to figure out why—it wasn't difficult

Advertisements gave little useful information

Advertising was extremely limited in scope

Few people knew how to buy a tax sale property

The solution we came up with was **OTS—OntarioTaxSales.ca**



# Some of the benefits of OTS

1. Eliminate most phone calls and emails
2. Reduce or eliminate failed tax sales
3. No cost to your municipality
4. Available to every municipality in Ontario



# Eliminate most phone calls and emails

Why do you get so many phone calls and emails when you advertise your tax sales?

Most people know nothing about tax sales

In the advertisement they see:

For further information regarding this sale and a copy of the prescribed form of tender contact:

**Terry Smith, Tax Collector (123) 456-7890 [TerrySmith@Anytown.ca](mailto:TerrySmith@Anytown.ca)**

**So they contact you with their questions**



# Eliminate most phone calls and emails

## There will be questions

How do I buy a tax sale property?

Will I get clear title?

How do I find out if there are mortgages on the property?

Where can I get a title search done?

Can I arrange a viewing?

What are accumulated taxes?

Do I have to pay HST?

How much will the land transfer tax be?

How do I submit a tender?

What if there are people living there?

Do you have pictures of the properties?

When will I receive my deposit back if I am not the highest tenderer?

If I buy a property, can the former owner redeem it?

What were the results of yesterday's tax sale?

Why are tax sales cancelled?

Will you contact me if the tax sale is cancelled?

Will you send me a tender package?



# Eliminate most phone calls and emails

What if your ad said this

For further information regarding this sale and a copy of the prescribed form of tender visit **OntarioTaxSales.ca**

People would get their answers from OTS

A true story about a municipality in Muskoka...



# Eliminate most phone calls and emails

On the morning the first ad was published, the Tax Collector recorded a phone message:

“If you’re calling about the tax sales, please visit OntarioTaxSales.ca. For all other matters, please leave a message”

That morning, she had 57 hang-ups in a row

57 people went to OTS to get the info they need, rather than taking up the Tax Collector’s time



# Some of the most time-consuming questions

## How do I buy a tax sale property?

There are detailed instructions on [OntarioTaxSales.ca](http://OntarioTaxSales.ca)

## Will you send me a tender package?

Can be instantly downloaded from OTS 24/7

## Will you contact me if the tax sale is cancelled?

We mark it CANCELLED on OTS and our Facebook page

We mark it CANCELLED in our *InfoPak*

We send out a tweet

We stop selling title searches



# Reduce or eliminate failed tax sales

## Largest pool of potential buyers

OTS has more than *1,000 paid members*

These are people who *want to buy tax sale properties*

They *pay* us because of

Prompt, quality service

Weekly newsletter

Tweets about cancelled sales, tender openings

Discounts on our title searches

Free tender packages



# Reduce advertising costs

Utilize the condensed advertising option under Rule 5 or 13 of the *Municipal Tax Sales Rules*

Publish the full ad in local newspaper for the first week of advertising

Publish a much smaller ad for the second, third and fourth weeks

Smaller ad must include:

“For further information about this matter is available online at...”



# No cost to your municipality

Add the OTS fee onto each property's cancellation price

When the property is sold, or the taxes are paid, you recover our fee

If no valid tenders or bids are received, OTS cancels its invoice for that property



# This is your ad

FORM 6  
SALE OF LAND BY PUBLIC TENDER  
*Municipal Act, 2001*

Ontario Regulation 181/03, Municipal Tax Sale Rules

## SALE OF LAND BY PUBLIC TENDER

### THE CORPORATION OF THE TOWN OF KAPUSKASING

**Take Notice** that tenders are invited for the purchase of the land described below and will be received until 3:00 p.m. local time on October 26, 2023, at the Corporation of the Town of Kapuskasing Civic Centre, 88 Riverside Drive, Kapuskasing Ontario.

The tenders will then be opened in public on the same day as soon as possible after 3:00 p.m. at the Corporation of the Town of Kapuskasing Civic Centre, 88 Riverside Drive, Kapuskasing.

**Description of Land:**

Roll No. 56 66 000 012 05900 0000; 27 OTTAWA ST., KAPUSKASING; PIN 65097-0031 (LT); PCL 6538 SEC CC; LT 2534 PL M255C O'BRIEN; TOWN OF KAPUSKASING; File No. 22-01

According to the last returned assessment roll, the assessed value of the land is \$105,000

**Minimum tender amount: \$41,538.29**

Tenders must be submitted in the prescribed form and must be accompanied by a deposit of at least 20 per cent of the tender amount, which deposit shall be made by way of a certified cheque/bank draft/ money order payable to the municipality.

**Except as follows, the municipality makes no representation regarding the title to the land to be sold, including any interests of the Federal or Provincial Crown that continue to encumber the land after the registration of the tax deed, or any other matters relating to the land to be sold. Responsibility for ascertaining these matters rests with the potential purchasers. The assessed value according to the last returned assessment roll may or may not be representative of the current market value of the property.**

Pursuant to the Prohibition on the Purchase of Residential Property by Non-Canadians Act, S.C. 2022, c. 10, s. 235 (the "Act"), effective January 1, 2023, it is prohibited for a non-Canadian to purchase, directly or indirectly, any residential property, as those terms are defined in the legislation. Contraventions of the Act are punishable by a fine, and offending purchasers may be ordered to sell the residential property.

The municipality assumes no responsibility whatsoever for ensuring bidders/tenderers comply with the Act, and makes no representations regarding same. Prospective bidders/tenderers are solely responsible for ensuring compliance with the Act and are advised to seek legal advice before participating in this sale.

Transfers of properties that contain at least one and not more than six single family residences and are transferred to non-residents of Canada or foreign entities, are subject to the Province's Non-Resident Speculation Tax (NRST).

This sale is governed by the *Municipal Act, 2001* and the Municipal Tax Sales Rules made under that Act. The successful purchaser will be required to pay the amount tendered plus accumulated taxes and any taxes that may be applicable, such as a land transfer tax and HST.

The municipality has no obligation to provide vacant possession to the successful purchaser.

A copy of the prescribed form of tender is available on the website of the Government of Ontario Central Forms Repository under the listing for the Ministry of Municipal Affairs.

For further information regarding this sale and a copy of the prescribed form of tender, visit:

[www.OntarioTaxSales.ca](http://www.OntarioTaxSales.ca)

or if no internet access available, contact:

Gino Gosselin  
Tax Collector  
The Corporation of the Town of Kapuskasing  
88 Riverside Drive  
Kapuskasing ON P5N 1B3  
705-337-4258  
Gino.Gosselin@kapuskasing.ca  
[www.kapuskasing.ca](http://www.kapuskasing.ca)



**This is your ad on OTS**

# It's easy to use OTS

1. Send us an email at [Info@OntarioTaxSales.ca](mailto:Info@OntarioTaxSales.ca)
2. We'll send you a brief 1-page form to fill out for each property
3. Add our fee onto the roll for each property



# Have your properties featured on OntarioTaxSales.ca

1. Drastically reduce the number of phone calls and emails
2. Improved results—84.8% success rate in 2022
3. Reduce advertising costs

***No cost whatsoever to your municipality***



**Thanks for watching!**

**Questions?**

**Info@OntarioTaxSales.ca**

