Surplus Auctions

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Statute: 35 ILCS 200/21-90

Surplus auctions are sealed bid auctions for properties where the county tax agent took deeds after the original delinquent tax sale and the expiration of the redemption period. These annual auctions involve submitting sealed bids, online or via mail, for properties the County Trustee holds. The property is then deeded to the purchasers to return it to productive use with proceeds going to the taxing districts.

How They Work

- **Delinquent Taxes & Tax Sale:** County Treasurers first hold an annual delinquent tax sale where registered tax buyers bid for unpaid taxes. Delinquent taxes not sold to a tax buyer are placed in the County Trustee Program.
- **Deed Acquisition:** After the redemption period, the agent petitions for a tax deed, and each property is placed into individual trust with the county board acting County Trustee.
- **Surplus Auction:** Trustee properties are then offered in an annual sealed-bid auction (the "Surplus Auction").

County Collector Procedures:

1. Post auction information on county website and the signs provided by JEM.
   Click here for an example of a preauction letter and flyer ☐
   Click here for an example of auction materials ☐
2. Complete a catalog receipt form and return to JEM.
3. Educate unfamiliar staff by providing an auction packet to read and answer their questions.
4. Sell catalogs plus collect catalog money and sealed bids.
5. Return unopened bids to JEM with tracking. Email Kim the tracking information.

JEM Procedures:

1. JEM will schedule the auction and send the preauction packet that contains a letter, pre-sale flyers with the sale date and business cards.
2. JEM provides all the auction materials and mails to county treasurers.
   Click here for an example of a bid packet ☐

3. Once the auction closes and unopened bids are received from the county, JEM processes the results.

    All online bidders will be notified by email if they are the high or low bidder two to seven days from the auction end date. If they are the high bidder, their email will have instructions on how to view terms, sign, and submit contracts, and payment instructions to pay online via ACH or credit card by the stated due date. If payment is not made, we move onto the next highest bidder. All written bidders will be notified by mail if they are the high or low bidder. Low bidders' funds will be returned. This process can take several weeks to make sure an online high bidder makes payment and it reaches the bank.

4. Auction reports are sent to the county and bid results are available online at www.iltaxsale.com. The auction reports and bid results can take up to four weeks to finalize. Once the results are available online, anything that did not sell can be purchased online at www.iltaxsalebids.com for the minimum bid.

    Click here for an example of auction reports ☐