AN ACT

Authorizing the sale of vacant land located in areas certified as conservation areas in counties of the first class, under a judgment obtained on a tax claim, by the sheriff of the county; providing for the discharge of all liens, mortgages, ground rents, estates and claims against the property by sale; and limiting the right of redemption.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. (a) It is hereby determined and declared as a matter of legislative finding that:

- (1) There exists in counties of the first class in this Commonwealth areas which have become blighted, or are deteriorating and, thus, in serious danger of becoming blighted, because of the unsafe, unsanitary, inadequate or overcrowded condition of the dwellings therein, because of the conditions of vacant lots, or because of inadequate planning of the area, or the excessive land coverage by the building thereon, or the lack of proper light and air and open space, or because of the defective design and arrangement of the buildings thereon, or faulty street or lot layout, or economically or socially undesirable land uses. As a result of these conditions, blighted and deteriorated areas have been conducive to the spread of disease and have been productive of an alarming rise in juvenile delinquency and crime.
- (2) These areas contain numerous empty lots which are generally used for dumping and are breeding places for vermin. These empty lots are detrimental to the health, safety and welfare of the community and result in accelerating the trend toward neighborhood deterioration and blight.
- (3) These vacant lots are generally tax delinquent. Neighboring land owners and others generally refrain from purchasing these lots at tax sales and rehabilitating them (i) because of the necessity of two sales under existing law and (ii) because the prior owner has under existing law an outstanding right to redeem the property and oust the purchaser from possession.
- (b) It is hereby declared to be the policy of the Commonwealth of Pennsylvania to promote the health, safety and welfare of the inhabitants thereof by encouraging neighboring land owners and others to purchase vacant lots at tax sales by authorizing the purchaser at a tax sale, wherever tax delinquencies exist for a period of at least five years, to take title upon such sale free of all tax and municipal claims, liens, mortgages, ground rents, charges and estates and without any right of redemption.

Section 2. Whenever the Planning Commission having jurisdiction in a county determines that any area is blighted or

in serious danger of becoming blighted, it may certify the area as a conservation area. In making its determination, the Planning Commission shall consider the extent to which the following conditions exist:

- (1) Unsafe, unsanitary and overcrowded dwellings;
- (2) Vacant lots, overgrown by weeds and used for dumping grounds;
- (3) A disproportionate number of tax delinquent properties causing the taxes received from the area to be less than the cost of State and municipal services rendered;
- (4) Excessive land coverage by buildings with resulting lack of proper light, air and open space;
- (5) Defective design and arrangement of buildings or faulty street or lot layout;
  - (6) Economically and socially undesirable land uses.
- Section 3. The term "vacant lot" shall mean any piece of ground without any permanent building or structure erected thereon.
- Section 4. (a) When a claimant in any county of the first class has obtained a judgment upon its tax or municipal claim against any vacant lot located in an area which has been certified as a conservation area by the Planning Commission having jurisdiction in the county, and there shall be charged against the property tax delinquencies for a period of at least five years, the claimant may file a petition in the court in which the proceeding is pending, setting forth the facts necessary to establish the right to sell the property, together with a title search or a title insurance policy showing the state of the record and the ownership of the property and of all tax and municipal claims, mortgages, ground rents or other charges on, or estates in, the real property, as shown by the official record of the county in which the real property is situate. The court shall thereupon grant a rule upon all parties shown to be interested, to appear and show cause why a decree should not be made that the property be sold, free and clear of the respective tax and municipal claims, liens, mortgages, ground rents, charges and estates and without any right of redemption after a sale.
- (b) If, upon a hearing, the court is satisfied that (1) service of the rule has been made upon the interested parties in the manner provided for the service of writs of scire facias in section eighteen of the act of May sixteen, one thousand nine hundred twenty-three (Pamphlet Laws 207), for the obtaining of a judgment upon tax and municipal claims, and (2) notice of the rule has been published by the claimant in at least one newspaper of general circulation in the county and in the authorized legal periodical published therein, if any, and (3) the facts stated in the petition are true, it shall order and decree that the property be sold at a subsequent sheriff sale at a time to be fixed thereafter by the court free and clear of all tax and municipal claims, liens, mortgages, ground rents, charges and estates, to the highest bidder at the sale, and the purchaser at the sale shall take and forever thereafter have an absolute title to the property sold, free and discharged of all tax and municipal claims, liens, mortgages, ground rents,

charges and estates of whatsoever kind. The property shall not thereafter be subject to any right of redemption. Notice of the sale shall be published by the claimant in at least one newspaper of general circulation in the county and in the authorized legal periodical published therein, if any.

Section 5. For the purpose of enabling the petitioner in any proceedings to give the notice required, the court may take the testimony of any interested party, or of any other person whom it may have reason to believe has knowledge of the whereabouts of any of the other interested parties.

Section 6. Any claimant shall have the right to bid and become the purchaser of the property at a sale.

Section 7. The deed for the property shall be executed, acknowledged and delivered as in other real estate sales by the sheriff. Upon the delivery of a deed for any property sold under the provisions of this act, the judgment, upon which the sale was had, shall thereupon and forever thereafter be final and conclusive, and the validity thereof shall not be questioned for any cause whatsoever.

Section 8. The costs and the expenses of any sale shall first be paid out of the proceeds. The balance thereof shall be applied first to the payment of tax claims, the oldest thereof having priority, municipal claims shall be next the oldest in point of lien having priority; and any surplus shall be distributed in accordance with law.

Section 9. Notwithstanding any provisions of this act, any person may, at any time prior to the proposed sale, pay all costs of the proceedings, including the cost of the necessary title search or title insurance policy and all tax and municipal claims, penalties an d interest thereon, charged against the property; whereupon, the proceedings on petition shall at once determine.

Section 10. This act shall take effect immediately.