

# Forfeited Properties

Four parcels of Land that were intended to be added to the Hunters Crest common areas were foreclosed on by Hennepin County. The original Developer Sienna Corporation as a result of the real estate bubble bursting in 2008. went bankrupt, Various vendors filed liens and encumbrances on the parcels. Commerce Bank which took over the development elected not to deal with the liens and let the parcels go into foreclosure. This cleared off the liens. The Home Owners Association has a year to clear up the matter before the property can be sold. We will be discussing this over the next few months so the land will be conveyed to the Association with out charge I have attached a map showing the parcels foreclosed on and a letter from our legal counsel.

~~~~~

Roger:

This e-mail follows our prior discussions regarding the possibility of Hunters Crest HOA (the "Association") acquiring tax forfeited parcels, which were supposed to be conveyed to the Association by the project developer, Sienna Corporation. Sienna Corporation is now defunct and never completed the development due to their cessation of operations due to the economic downturn.

As we discussed, some of the forfeited properties have significant past due real estate taxes, which is why they are being tax forfeited. The Association does not own these properties, as they were never formally conveyed to the Association. The Association is not required to acquire the properties through the tax forfeiture process, even though these properties were intended to become part of the Association's common elements. Further, I understand that many of the properties may not be developed due to their natural state (i.e. wetlands, size-too small, or lack of access).

Once forfeited, these properties will be owned by the county. Although there may be benefits of ownership, there are also burdens (i.e. taxes, maintenance liability, etc.). It can be argued that if the properties are owned by the county, then the county is liable to maintain them. Although your governing documents contain provisions to the contrary, it can be argued that it is not equitable for the Association to maintain properties that it does not own and that this was not the intent of the developer or the city.

Finally, the Association could possibly acquire the forfeited properties from the county at a future date, if you felt that it was in the best interests of the owners. However, based on our discussions and the potential liabilities that could potentially be avoided, I did not see an affirmative reason for the Association to acquire these parcels at this time.

**David G. Hellmuth**  
[dhellmuth@hjlawfirm.com](mailto:dhellmuth@hjlawfirm.com)  
8050 West 78th Street  
Edina, MN 55439

