

RCW 36.94.390 Local improvement bonds—Local improvement guaranty fund—Subrogation—Interest—Purchase of real property at foreclosure sales. Whenever there is paid out of a guaranty fund any sum on account of principal or interest upon the local improvement bond, or on account of purchase of certificates of delinquency, the county, as trustee for the fund, shall be subrogated to all rights of the holder of the bonds, or interest coupons, or delinquent assessment installments, so paid; and the proceeds thereof, or of the assessment or assessments underlying the same, shall become a part of the guaranty fund. There shall also be paid into each guaranty fund the interest received from the bank deposits of the fund, as well as any surplus remaining in the local improvement funds guaranteed under this chapter, after the payment of all outstanding bonds payable primarily out of such local improvement funds. As among the several issues of bonds guaranteed by the fund, no preference exists, but defaulted interest coupons and/or bonds shall be purchased out of the fund in the order of their presentation.

The legislative authority of every county operating under the provisions of RCW 36.94.380 through 36.94.400 shall by resolution prescribe appropriate rules for the guaranty fund, not inconsistent with this chapter. So much of the money of a guaranty fund as is necessary and is not required for other purposes under the terms of RCW 36.94.380 through 36.94.400 may, at the discretion of the county legislative authority, be used to purchase property at county tax foreclosure sales or from the county after foreclosure in cases where such property is subject to unpaid local improvement assessments securing bonds guaranteed under this chapter and such purchase is deemed necessary for the purpose of protecting the guaranty fund. In such cases the fund shall be subrogated to all rights of the county. After so acquiring title to real property, the county may lease or resell and convey the property in the manner that county property is authorized to be leased or resold and for such prices and on such terms as may be determined by resolution of the county legislative authority. Any provision of law to the contrary notwithstanding, all proceeds resulting from such resales belong to and shall be paid into the guaranty fund. [1981 c 313 § 8.]

Severability—1981 c 313: See note following RCW 36.94.020.