

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

UNITED STATES OF AMERICA,)	
)	Case No. 2:11-cv-513-N-EJL
Plaintiff,)	
)	
vs.)	ORDER
)	
PHILP L. HART,)	
)	
Defendant.)	

INTRODUCTION

Before the Court in the above entitled matter is Defendant Philip L. Hart’s Motion for Extension of Time. (Dkt. 141.) The Government has responded to the Motion. (Dkt. 143.) Given the expedited nature of the relief requested, the Court has issued this Order without a reply brief being filed.

DISCUSSION

On October 27, 2011, the United States of America initiated this action by filing the Complaint seeking to reduce tax assessments to judgment and to foreclose federal tax liens on a parcel of real property located in Kootenai County, Idaho. (Dkt. 1.) The primary subject of the Complaint was Defendant Philip L. Hart who had unpaid federal income tax liabilities spanning several years. The Court entered an order on the United States’ Motion for Partial Summary Judgment. (Dkt. 104.) Thereafter, the parties engaged in lengthy settlement negotiations which ultimately cumulated in a Stipulated Judgment being filed on December 19, 2014. (Dkt. 137.)

In the Stipulated Judgment, the parties agreed on the total balance of the tax liabilities against Mr. Hart (\$586,304.70) and that the property known as 4430 E. Sarah Loop, Athol, Idaho would be sold by the United States. (Dkt. 137.) In accordance with the parties' settlement agreement and joint Motion, this Court entered an Order of Sale for the real property (4430 E. Sarah Loop, Athol, Idaho) which specifically stated at Paragraph 3(h):

The balance of the purchase price is to be paid to the IRS PALS within 21 days after the date the bid is accepted, by a certified or cashier's check payable to the United States District Court for the District of Idaho. If the bidder fails to pay the balance of the purchase price within the required time, the deposit shall be forfeited, and the funds so forfeited shall be paid to the United States for application to defendant Philip L Hart's tax liabilities. In event of such a forfeit, the property or properties for which the deposit was forfeited shall be again offered for sale under the terms and conditions of this Order.

(Dkt. 138, 139.) The property sale took place on October 1, 2015. (Dkt. 141, 143.) Mr. Hart was the highest bidder on the property. Under Paragraph 3(h) of the Order of Sale, the balance of the purchase price was due within 21 days; on October 22, 2015. Mr. Hart failed to pay the balance of the purchase price. Instead, on the last day for making the payment, Mr. Hart filed the instant Motion asking for an additional 45 days, until December 7, 2015, to complete payment of the balance of the sale price. (Dkt. 141.)

In his Motion, Mr. Hart argues the 21 day deadline is "unrealistic" given the "complications in this case" and the "requirements for obtaining...title insurance." (Dkt. 141.) The United States counters that Mr. Hart has not demonstrated his due diligence in obtaining title insurance and points out that the requirements for obtaining title insurance have largely been met in this case. (Dkt. 143.) The United States opposes the requested

45-day extension of time but does not oppose a 21-day extension so long as no further extensions are granted.

Having reviewed the arguments of the parties and the record in this case, the Court will deny the Motion's request for a 45-day continuance. Mr. Hart has requested several extensions of time throughout this case. The Court has accommodated many of those prior requests. This Motion, however, provides no basis for doing so. The terms and deadlines governing the sale of the real property were proposed by the parties. (Dkt. 138.) The Court adopted the same in its Order of Sale. (Dkt. 139.) Mr. Hart was fully aware of the timeframe required for completing the purchase of the property since at least March 24, 2015 when the Motion for Order of Sale, signed by both parties, was submitted to the Court. (Dkt. 138.) Mr. Hart waited until the day the balance was due and owing on the property to file his request for extension of time. (Dkt. 141.) Moreover, the United States has shown that the reasons listed for the difficulty in obtaining title insurance indicate a lack of diligence by Mr. Hart.

Based on the foregoing, the Court finds there is simply no basis upon which to grant Mr. Hart's request for an additional 45 days in which to complete payment. To grant Mr. Hart's Motion would render the terms of the parties' agreement and the Orders of this Court meaningless. In the interest of justice, however, the Court finds a very limited extension of time should be afforded to allow Mr. Hart a final opportunity to complete the purchase of this real property. Therefore, the Court will agree with the position of the United States and allow for a 21-day extension of time starting from the date of the original deadline, October 22, 2015. Mr. Hart shall complete payment of the

balance of the purchase price in accordance with all of the terms and conditions of the Order of Sale on or before November 12, 2015.¹ No further extensions shall be granted. If Mr. Hart fails to comply with all of the terms and conditions of the Order of Sale, the United States is directed to proceed in accordance with the terms of Order of Sale.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that Defendant's Motion (Dkt. 141) is **GRANTED IN PART AND DENIED IN PART**. Defendant shall have until on or before **November 12, 2015** in which to pay the balance of the purchase price and satisfy all applicable terms and conditions of the Order of Sale.

IT IS FURTHER ORDERED that no further extensions will be granted.



DATED: October 28, 2015

A handwritten signature in black ink, appearing to read "Edward J. Lodge". The signature is written in a cursive style and is positioned above a horizontal line.

Edward J. Lodge
United States District Judge

¹ The Order of Sale contains other terms applicable to the purchaser of the property beyond paying the balance of the purchase price and, in particular, terms imposed upon Mr. Hart. *See e.g.* (Dkt. 139 at ¶ 3(i)). Mr. Hart is hereby ordered to satisfy each and every one of the conditions stated in the Order of Sale.