

ROGUE REAL ESTATE INVESTOR COLLECTION

7th Edition

Collection includes:

- Rogue Real Estate Investor
- Rogue Tax Sale Investor
 - Tax Lien Certificates
 - Tax Deed Sales
- Rogue REIT Investor



Take control of your financial future, become a Rogue Real Estate Investor!

By Bryan Durdell & Michael Williams

ROGUE REAL ESTATE INVESTOR COLLECTION

By Bryan Rundell and Michael Williams

Published by

Mind Like Water®



Overland Park, Kansas

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ONE

The Truth about Real Estate Investing

*“Some people handle the truth carelessly;
others never touch it at all.” – anonymous*

So, you are thinking of investing in real estate or you own a house and would like to buy some rental property. Does the phrase "caveat emptor" sound familiar? Let the buyer beware! Real estate investing, including owning your own home, is a great way to enjoy a piece of the American Dream, but it comes with a price.

Rarely have I seen a realistic portrayal of both the good and the bad sides of real estate investing. Many late night infomercials and countless books would have you believe that "no money down" and creative financing techniques can take you from rags to riches with little more than the classified advertisements, a phone and a quick appointment to consummate the deal.

On the other hand, friends, family and even the Wall Street gurus will tell you that real estate investing is just not a good idea. It's not a liquid investment. The tax advantages were taken away in 1986. Renters are all low-life, societal rejects who are intent on destroying your property and living in your rental house for free.

As is usually the case, the truth lies somewhere in between. Few people will argue that owning your own home is a bad idea. After all, it is a forced method of investing in a financial instrument that you can see and feel, and the taxes and insurance are even deductible.

What about all the other ways to invest in real estate?

Contrary to what most people think, there are many different ways to invest in real estate:

- If you are a passive investor who desires a low-risk investment with almost no hassles that consistently returns about 15 percent per year, Real Estate Investment Trusts (REITs) might be your ticket.
- If you do not mind doing a little research, making some phone calls and possibly going to an auction, then tax lien certificates might interest you.
- If you are ready to get your hands dirty, but loathe the prospect of dealing with renters, then you might like buying undervalued real estate that you can fix up for a tidy profit.
- Finally, if you have enough courage to deal with renters, consider letting someone else pay down a mortgage and leave you with a handsome nest egg.

As you can see, I've only presented a few options for investing in real estate. It is my opinion that real estate should be an important part of an investor's portfolio. Why? First, land is a

precious commodity that is more or less finite during our lifetime. The population of the world is growing and we will need more land to support the voracious demands of the human species. Second, natural resources such as lumber and building supplies are dwindling. With fewer supplies, prices are rising and existing homes are becoming more valuable. Finally, real estate is one of the few investments where you can use a little of your money and a lot of someone else's money (i.e., a mortgage company) to control a large investment.

Now, let's get back to the truth about real estate investing. As a real estate investor, I have read many books on the subject. I have attended seminars and classes, and I have purchased more than one of the infomercial programs. There is a lot of good information to be learned from these materials; however, most real estate courses come at a hefty price. In the end, nothing works better than learning it on your own.

What are the benefits of real estate investing?

First, you make money through net cash flow, principal or equity, appreciation, and tax advantages. If you choose to be a landlord, your net cash flow is the difference between what you charge for rent and the monthly mortgage payment, including principal, interest, taxes and insurance. Unless you purchase the property at well below market value, it is a good rule of thumb to make at least \$100 per month to offset the occasional repairs, fix-up costs, and move-in/move-out costs.

Equity is the amount of the original purchase price that you are actually paying off each month. The shorter the mortgage term and the lower the interest rate, the more equity you will accumulate.

Appreciation is by far the best part of real estate investing. Time is your friend. By investing in "bread and butter" houses (a term I picked up from Robert Allen [1990]) in good locations, the value of your house will rise each year. The better the location is, given a good economy, the higher the appreciation. In my area of Johnson County, Kansas (a suburb of Kansas City, Missouri), houses have appreciated an average of 7 percent per year for many years. Although that may not sound spectacular to those of you in markets such as Los Angeles, Phoenix, Las Vegas or Miami, it has been very consistent with minimal downturns. As of 2008, these same markets that many investors thought could never go down are experiencing severe corrections.

Finally, tax advantages include the following deductible items: depreciation of the property and other equipment, taxes and insurance, repairs and supplies, mileage, and office supplies used for the property.

That sounds pretty good so far. Are there any disadvantages?

You bet! First, if you buy a house using creative financing or if you buy a repossessed home, you are in for some fun times. Get ready for cleaning, painting, replacing carpeting, removing trash, mowing, raking, repairing plumbing, installing fixtures, replacing furnaces or air conditioners, and whatever else is needed to get the property sold or rented.

I recall a Veteran's Administration (VA) repossessed home that my wife and I bought in January 1996. While fixing it up, we heard several loud creaking sounds that eventually were followed by water spewing from broken copper pipes. Had we not been working when the water pipes thawed, the house would have been flooded. Luckily, the VA paid the plumbing bill because the pipes were apparently frozen when we bought the house.

Next, advertising for and securing a decent renter can be expensive and time consuming. The screening process for renters is often an arduous process of phone calls, screening, and crossing your fingers. If you are not nervous about renting your property, I suggest watching the movie *Pacific Heights*. Regardless of what your lease says, renters have inherent rights and, in the unfortunate event of eviction, you often lose.

Repairs are the Achilles heel of the rental game. After purchasing my first rental property, a continuously clogged sewer line led to installing a new line. Thank you very much – there went all of my annual net cash flow (approximately \$1,200) in one fell swoop.

Finally, if you think that selling a property is as easy as a classified advertisement and a sign in the yard, you are wrong. Once a property has been labeled a rental house, its inherent value is slightly lower than owner-occupied houses. And even in a good market most buyers use a real estate agent. Why not? It's free after all. The seller has to pay the realtor fees, right? In actuality, the fees come from the real estate transaction and it may appear to be free, but really both the buyer and seller are paying the fees.

If I haven't scared you away, then let's get started with the "10 Steps to Getting in the Game."

TWO

10 Steps to Getting in the Game

"If you fail to plan, you plan to fail." – old saying

Step 1: Goals

What are goals? Goals are plans that we intend to achieve. Goals may change throughout our lives as our values change. Although you may not realize it, everyone has goals. For most people, goals are unwritten. Your daily goals may be to wake up on time, make it through work, and spend time with your family or friends.

Short-term goals for a real estate investor may include calling at least five property owners per week or making at least one offer on a property this month. Long-range goals may be to own and operate 10 rental properties, invest in one REIT mutual fund, or attend one foreclosure or tax lien auction. You may aspire to long-term goals such as owning a company, writing a book, or traveling around the world. These goals may seem unattainable, but you can begin by achieving smaller goals.

Stop for a few minutes and think about your long-range goals. Now write them down in the space provided below. Make sure that your goals are specific and measurable. Notice that a column is provided for a date by which you wish to achieve the goal.

Goal	Date to Complete

Now consider your short-term goals. Are they in alignment with your long-term goals? Each short-term goal should be a brick used to build a long-term goal.

The most famous example of a study done on goals was completed on the 1954 graduating class at Yale. The study concluded that the 3 percent of the students who had written goals earned more money than the other 97 percent combined, who either lacked goals or had not formalized them (Zig Ziglar, 1995).

Comedy genius Jim Carrey had one huge goal: to become an actor. He was so convinced he would achieve this that he wrote his goal as a check to himself in the amount of 1 million dollars. As it turned out, he received his first movie role for that amount just before the date on his check. Now that's a goal you can "take to the bank."

I have read many books that stress the importance of formalized goals; however, very few ever get to the heart of the purpose of goals. Stephen Covey's book *The 7 Habits of Highly Effective People* (1990) has a great discussion on creating a personal mission statement. Many businesses, in fact, have mission statements. A personal mission statement simply describes your purpose. Let me share with you part of my personal mission statement:

My mission is to live a complete and satisfying life, loving others and loving myself, inspiring others and challenging myself, giving to others and satisfying myself. My hope is that in some small way my presence makes a positive difference in the world.

I have also identified personal mission statements for various aspects of my life, such as being a father, husband, friend, professional, etc. My goals should always be in alignment with my personal mission statement.

Step 2: Get Your Personal Finances in Order

If you are thinking about any form of hands-on real estate investing, such as buying a home to fix up or purchasing a rental property, you will quickly find out that you must get your personal finances in order.

Check your credit history

Banks and mortgage companies will check your credit history. Wouldn't it be nice to know yourself what's going on? Even if you have excellent credit, the credit bureaus often will have mistakes on your credit profile.

According to the Fair Credit Reporting Act, you may be entitled to receive a free copy of your personal credit report if you have been denied credit, employment or housing in the last 60 days, or if adverse action has been taken against you in the last 60 days. Some state laws require free reports or even a reduced fee for consumers in their states.

You are also entitled to receive a free annual credit file from each of the national credit reporting companies. For more information, call (877) FACTACT or visit <http://www.annualcreditreport.com>.

There are three major credit bureaus to check:

1. Experian (formerly TRW) – <http://www.experian.com>. For only \$15.00 you can check your credit profile and credit score online, print it or save it to your computer. It is quite interesting to see what you've been up to and what the credit bureaus see. You may be able to receive a free copy, so check that first by calling this number: (866) 200-6020.

Otherwise, contact Experian by phone at (888) 397-3742 or by postal mail at 475 Anton Boulevard, Costa Mesa, CA 92626 or 955 American Lane, Schaumburg, IL 60173.

2. Equifax – <http://www.equifax.com>. You can order your personal credit profile plus your FICO (Fair Isaac Corporation) credit score online for a \$15.95 service fee. To use Equifax's self-service line, contact them by phone at (800) 685-1111. A request by postal mail can be sent to Equifax Credit Information Services, Inc., P.O. Box 740241, Atlanta, Georgia 30374.
3. TransUnion – <http://www.transunion.com>. Like its competition, you can order a full credit report, including credit score and debt analysis. To request a copy of your TransUnion credit report by phone, call (800) 888-4213. You may also order your credit report by mailing your request to TransUnion, P.O. Box 2000, Chester, Pennsylvania 19022.

Note: You can also purchase a three-in-one credit report that contains reports from all three credit bureaus for approximately \$30 to \$40. All three credit bureaus now offer monthly credit monitoring as well.

Now, what happens if you find a mistake? Contact the credit bureau by certified letter and explain what the discrepancy is. Be sure to attach a copy of the disputed report. The credit bureau will then respond within approximately 30 days. If the item is a mistake, then the bureau must remove it from your report.

For legitimate problems that remain on your credit report, prepare a typewritten response that you can provide when applying for a loan. For example, if you missed a few payments because of a death, divorce, bad business loan, etc., be honest and explain what happened and why it's not a problem now.

For more advanced methods of achieving superior credit or helping others with credit education, visit <http://www.rogueinvestorcrediteducation.com>.

Set up a personal filing system

I know this sounds a little obsessive, but you won't believe how much the following has helped me to maintain my personal finances over the last 12 years. Purchase several folders and label each according to major categories of expenses or other important information. Place the folders in a file box or cabinet. You will need a separate folder for each account, such as bank accounts, utilities, mortgages, credit cards, tax information, automobile expenses, loans, warranties, investments, etc. Start fresh each year so you will have your personal financial details by year and category.

Instead of looking in a drawer or box, I can look up my utilities in 2000 if I need to. I can check my Visa account for 1998 if someone has a question. Of course, most importantly you will need access to your tax information.

With affordable business and accounting software available, now may be the time to automate.

Calculate your net worth

Next, figure out how much money you have and how much you are in debt. A fancy term for this is called "net worth." Gather your credit reports and your latest statements from banks, creditors and others. The simplest way to think about it is to divide your life into what you own and what you owe:

What You Own (Assets) =
Personal Property + Cash and Savings + Real Estate

What You Owe (Debt or Liabilities) =
Loans + Credit Card Debt + Real Estate Mortgages

Net Worth = What You Own – What You Owe

What you own includes personal property such as available cash on hand, pennies in jars, furniture, jewelry, appliances, electronics, kitchenware, tools, lawnmowers, clothes, blankets, toys, etc. Think about what you have in terms of replacement. In other words, if a fire or natural disaster wiped out your home, what would you lose? You may be surprised. To be fair, you should really use a fair market value or discounted value of what your personal property is worth.

If you have any vehicles, find their “blue book” value. You can visit your public library and ask to see the *Kelley Blue Book*, or you can check online by visiting <http://www.kbb.com>.

Next, look at any and all savings accounts, checking accounts, mutual funds, stocks, bonds and other saving instruments. Find your latest statement and record how much you have saved.

Finally, if you own a house, rental properties, time-shares or any interest in real estate, determine a fair market value using one of the methods shown in Chapter 4. If you only own a percentage, be sure to account for that. For married couples, you will usually include both spouses’ property and calculate one net worth.

Of course, the sobering truth comes when you calculate what you owe. First, go through all of your personal property, including vehicles, and write down all of your loan balances. Now take all of your credit card debt and other credit lines or loans and jot down all of your latest balances. Finally, find out the payoff balance on your house and/or any other real estate.

Here is an example of an easy way to calculate your own net worth using a spreadsheet. You can also do this on paper very easily. First, itemize all of your assets and liabilities in one column. For each item, input the value of what you own (asset) or the value of what you owe (debt or liability) in separate columns. Subtract the assets column from the liabilities column to come up with the net value of each item. Finally, add all of the items in the net value column to come up with your net worth. Notice that some items will be negative (this is especially true with credit card debt).

**Net Worth Example
John and Shelly Heineman**

Item	Assets	Liabilities	Net Value
Cash	\$200	\$0	\$200
Jewelry	\$2,500	\$495	\$2,005
Furniture	\$3,000	\$2,450	\$550
Tools	\$1,000	\$0	\$1,000
Riding Lawnmower	\$2,250	\$925	\$1,325
Motorcycle (Yamaha 850)	\$500	\$0	\$500
Ford Explorer	\$17,750	\$16,950	\$800
Honda Civic LX	\$16,690	\$17,250	-\$560
Dell Laptop	\$1,650	\$0	\$1,650
Kitchenware	\$3,000	\$0	\$3,000
Appliances	\$2,500	\$0	\$2,500
Stereo System	\$5,000	\$0	\$5,000
Visa Account	\$0	\$3,995	-\$3,995
Student Loans	\$0	\$7,269	-\$7,269
MasterCard	\$0	\$2,125	-\$2,125
House	\$132,500	\$95,000	\$37,500
Checking Account	\$525	\$0	\$525
Savings Account	\$2,148	\$0	\$2,148
Company 401(k) Plan	\$5,250	\$0	\$5,250
Net Worth =			\$50,004

Looking over John and Shelly's net worth, it is interesting to note that more than half of their net worth is related to real estate. If you are still renting, you might think twice about it now. Owning your own home is one of the best ways to start building a positive net worth. Imagine combining the net worth of your own home with that of other property and real estate investments.

As long as we are getting our personal finances in order, let's talk about debt. I think everyone reading this knows what debt is, but do you know that there are two types of debt – good debt and bad debt? This is open for debate, but I believe that it is important to distinguish between the two.

Real estate is the best example of good debt that I can think of. In fact, if you are not willing to take on some good debt, then your chances of financial independence will be severely limited. Your only other option is frugality and years of patience. Other types of good debt include student loans, home equity credit lines, supplier credit lines and personal signature loans.

Now, let's talk about bad debt. As you can imagine, the worst type of debt is revolving debt or credit card debt. Credit cards are not inherently bad, but how you use them can be devastating to your ability to succeed financially. In addition to their high interest rates (some as high as 24 percent), credit cards often have annual fees, late charges and credit limit fees. If you are seeking ways to become financially free, pay off your credit card debt. If you have equity in a house, consider obtaining a home equity loan to pay off the credit card debt.

Having said that, you should have at least one major credit card. In today's society, it is almost impossible to live without using a credit card. I use a Visa debit card for groceries, hardware, retail shopping, gasoline, restaurants and just about everything I do. Check with your bank about obtaining a debit card. For personal vacations and certain large purchases, I use a

different credit card. For business, real estate and business travel, I use another card. As a bonus, the Visa card that I use gives me cash back.

Why use a credit card? First, as long as you pay the balance off each month on time, it is like borrowing money for 30 days. Another reason to use a credit card is to establish your credit profile. Purchasing by credit card is also a great way to keep track of your purchases each month. It is especially valuable during tax season to have a nice record of your expenses. Finally, there is actually power in purchasing through a credit card. For example, if you purchase an item using a credit card and a problem arises, and a retailer is not willing to solve the problem through an exchange or by giving you your money back, you can actually call your credit card company and place a dispute. The credit card company will then contact the merchant and they must provide proof to substantiate their claim or you will be given your money back. It's a powerful and free ally.

Auto and personal loans probably rank second on the bad debt list. Automobiles, although necessary, are a depreciating asset and not an investment, except for a few vintage cars. If you are looking to free up cash flow for real estate investing, consider carefully what you are driving. Maybe the SUV is not really necessary for the bad weather that only occurs once or twice a season. Perhaps the extended cab truck is not really necessary to haul lumber once a year, when you can rent a pickup at U-Haul, Home Depot or Lowe's. Remember that the car loan is just one part of the total automobile cost; there are also fees for insurance, inspections, repairs, sales tax and licensing.

Step 3: Consider Your Business Structure

Each and every business has a structure. You have probably seen or heard of businesses that are incorporated. For example, our companies are called Mind Like Water, Inc. and Rogue Investor, LLC. If you are just starting off, you will be working as a sole proprietor. All that means is that you and the business are the same. If you are married, most likely your household (i.e., husband and wife) and the business are the same.

A sole proprietorship is the easiest business entity available. You really don't need to do much of anything except keep track of your profit and loss so it can be included on your personal income tax return. You can even use your own checking account or set up a separate account and fill out paperwork to use a "doing business as" or DBA name. An example would be JBK Real Estate Investing. Notice that you cannot legally use a designator like Inc., Corp., LLC, etc.

Sole proprietorships have one major drawback. Not only does the money flow back and forth from your personal accounts, the liability or risk also flows back and forth. That is why as a business progresses, it is often set up in another structure to limit the personal liability of the owners.

Some small business structures to consider include the following: Subchapter S Corporations, Chapter C Corporations, Limited Liability Companies (LLCs), Limited Liability Partnerships (LLPs), general partnerships, and other structures.

Limited liability companies

For real estate investors, one of the best options is a Limited Liability Company. LLCs are similar to Chapter S corporations, except that they can exist for a defined period of time. Owners receive the tax advantages of a partnership, while also receiving the protection of a corporation. To make it even better, all states except Massachusetts allow an LLC to be formed with one person.

LLCs may be formed for most businesses, except some professional businesses that require licensing for protection of the public. Generally, doctors, lawyers, accountants and other professionals cannot use an LLC to practice. There are some other businesses that are exempt, but as far as real estate investing goes, you've found the jackpot.

Another reason to set up an LLC is that some states and other government agencies require either a U.S. social security number or a federal tax I.D. number to invest in foreclosed properties. With an LLC, even non-U.S. citizens can apply for a federal tax I.D. number.

Summary of LLC benefits:

- Allows for partnerships with limited liability.
- Protects personal assets of owners or members.
- One owner/member allowed in all states, except Massachusetts.
- May not require an annual shareholder meeting, like Chapter C and S corporations.
- Favorable tax status – can be set up and taxed at owner's tax rate (default) or as a company (requires filing other paperwork).

How does an LLC work?

First, decide whether you will be setting up the LLC yourself or whether you will contact an attorney or accountant. If you are planning to do it yourself, then decide where you will set it up. You do not have to set up an LLC in the state that you reside in; however, it may be easier. If you plan on setting it up in another state, you will probably need an agent or representative who lives in that state to act on your behalf. There are companies that will gladly do this for a small fee.

Decide on the structure of the LLC. There are two main types of LLCs. One is called a member-managed LLC and the other is called a manager-based LLC. A member-managed LLC essentially says that all owners ("members" in LLC lingo) are equally responsible for management of the LLC. A manager-based LLC says that certain members (the "managers") are given authority to run the LLC.

The manager-based LLC can get complicated if you offer ownership to others. The U.S. Internal Revenue Service (IRS) and states could perceive the LLC as selling securities, in which case you would fall under U.S. Securities Exchange Commission (SEC) regulations. To avoid this, make sure you only offer membership to a limited group of people, especially people whom you know or have dealt with, and keep the total membership under 35.

Decide on a name. Check your state's requirements. Usually the name must incorporate "LLC," "Limited Liability Company," or some other variation. An example would be Apex Properties, LLC. Check with the state to make sure the name has not been taken, before filling out the paperwork.

To set up an LLC, you really only need to fill out an Articles of Organization; however, you should also have an Operating Agreement that specifies the details of ownership, compensation, voting rights, etc.

After you have set up your LLC, don't forget insurance. You will need to obtain commercial liability insurance to cover losses. Please consult with an insurance agent.

To help you find out more information about setting up a business in a particular state, the following table provides relevant phone numbers and website addresses for all of the states:

State	Phone No.	Website Address
Alabama	334-242-5324	http://www.sos.state.al.us/BusinessServices/Default.aspx
Alaska	907-465-2530	http://www.commerce.state.ak.us/occ/home.htm
Arizona	602-542-3521	http://www.azcc.gov/divisions/corporations/
Arkansas	888-233-0325	http://www.sosweb.state.ar.us
California	916-657-5448	http://www.ss.ca.gov/business/business.htm
Colorado	303-894-2200	http://www.sos.state.co.us/pubs/business/main.htm
Connecticut	860-509-6151	http://www.concord-sots.ct.gov/CONCORD/index.jsp
Delaware	302-739-3073	http://www.state.de.us/corp
District of Columbia	202-442-4432	http://dcra.dc.gov
Florida	850-245-6051	http://www.dos.state.fl.us/doc/index.html
Georgia	404-656-2817	http://www.sos.state.ga.us/corporations
Hawaii	808-586-2727	http://www.businessregistrations.com
Idaho	208-334-2301	http://www.idsos.state.id.us/corp/corindex.htm
Illinois	217-782-6961	http://www.cyberdriveillinois.com/departments/business_services/home.html
Indiana	317-232-6531	http://www.in.gov/sos/business/index.html
Iowa	515-281-5204	http://www.sos.state.ia.us/business
Kansas	785-296-4564	http://www.kssos.org/main.html
Kentucky	502-564-3490	http://sos.ky.gov/business/
Louisiana	225-925-4704	http://www.sos.louisiana.gov/tabid/66/Default.aspx
Maine	207-624-8400	http://www.state.me.us/sos/cec/cec.htm
Maryland	410-767-1184	http://www.dat.state.md.us/sdatweb/charter.html
Massachusetts	617-727-9640	http://www.state.ma.us/sec/cor
Michigan	517-241-6470	http://www.michigan.gov/dleg
Minnesota	800-627-3529	http://www.revisor.leg.state.mn.us/stats/322B
Mississippi	601-359-1633	http://www.sos.state.ms.us/busserv/index.asp
Missouri	573-751-4153	http://www.sos.mo.gov/Default.asp
Montana	406-444-3118	http://sos.state.mt.us/BSB/index.asp
Nebraska	402-471-4079	http://www.sos.state.ne.us/business/corp_serv
Nevada	775-684-5708	http://sos.state.nv.us/business/
New Hampshire	603-271-3244	http://www.state.nh.us/sos/corporate/Forms.html
New Jersey	609-292-9292	http://www.state.nj.us/njbgs/index.html
New Mexico	888-427-5772	http://www.nmprc.state.nm.us
New York	518-474-4752	http://www.dos.state.ny.us
North Carolina	919-807-2225	http://www.secretary.state.nc.us/corporations
North Dakota	800-352-0867	http://www.nd.gov/sos/businessserv/registrations/index.html
Ohio	877-767-6446	http://www.sos.state.oh.us
Oklahoma	405-521-3912	http://www.sos.state.ok.us/forms/FORMS.HTM
Oregon	503-986-2200	http://www.sos.state.or.us/corporation/forms/index.htm
Pennsylvania	888-659-9962	http://www.dos.state.pa.us/dos/site/default.asp
Rhode Island	401-222-3040	http://www3.sec.state.ri.us/divs/corps/index.html
South Carolina	803-734-2158	http://www.scsos.com/forms.htm
South Dakota	605-773-4845	http://www.sdsos.gov/businessservices/corporations.shtm
Tennessee	615-741-2286	http://www.state.tn.us/sos/bus_svc/index.htm
Texas	512-463-5555	http://www.sos.state.tx.us/corp/index.shtml
Utah	877-526-3994	http://corporations.utah.gov/
Vermont	802-828-2386	http://www.sec.state.vt.us/tutor/dobiz/lc/llchome.htm
Virginia	866-722-2551	http://www.state.va.us/scc/division/clk/fee_bus.htm
Washington	360-725-0377	http://www.secstate.wa.gov/corps/
West Virginia	304-558-8000	http://www.wvsos.com/business/services/formindex.htm
Wisconsin	608-261-7577	http://www.wdfr.org/corporations/default.htm
Wyoming	307-777-5333	http://soswy.state.wy.us/corporat/corporat.htm

Contact your state and find out what forms are necessary. An excellent resource for information on LLCs is the Nolo law guide entitled, *Form Your Own Limited Liability Company* (Mancuso, 2007).

Step 4: Purchase Umbrella Liability Insurance

When you first start investing, you may be too busy to deal with a business structure other than a sole proprietorship; therefore, it is important to limit your liability as cheaply as possible. One way is to purchase an umbrella liability policy. Umbrella liability insurance is extremely cheap, usually only a few hundred dollars per year for one million dollars worth of coverage.

Most policies will make you bump up your current limits for your automobiles and house before they will issue an umbrella policy. As you purchase rental units you also will need to inform your insurance company so that each one can be added on your policy.

If you haven't done so already, you should consider consolidating all of your insurance to one company and requesting a discount. That's what I have done. That way you will be dealing with the same company.

Here is why liability insurance is important. What if you purchase a property with a current renter and the next day an ice storm causes one of your tenants to fall and break an arm? The tenant may have the right to sue you for not clearing the walkway. A good umbrella policy, in combination with your property insurance, should cover you. By all means, speak with an insurance specialist and read your policy in depth.

Step 5: Consider the Tax Implications of Everything You Do

You're a business now, so it's time to reap the rewards that Congress has established for business owners. It basically boils down to this: you can offset income by considering all allowable expenses. For some of you, this will be a new way of thinking.

First and foremost, buy one or more blank journal books and keep them in any vehicle that you are going to use to look for, purchase and maintain your real estate investments. Write down the starting date and mileage of your car. This will be the date that it was "put into service." Now, every trip, and I mean every trip, that is related to your real estate business gets recorded. Why? Because you can take a mileage deduction for all mileage related to your real estate business. There is also an automobile deduction, which can be taken instead of mileage, but for now it is easier to just use the standard mileage deduction. This changes, but as of January 1, 2008, the standard mileage rate for business miles driven is 50.5 cents per mile. Be sure to record the following trips:

- Looking for properties.
- Meeting someone to look at a property.
- Visiting a bank or mortgage company.
- Going to the library or bookstore for research material.
- Visiting the courthouse.
- Buying supplies at a hardware store.
- Buying marketing supplies.
- Buying office supplies.
- Meeting with a partner to discuss a real estate venture.

Do not feel guilty about recording even the most mundane real estate activity.

Next, keep track of all receipts related to your real estate business, such as books, office supplies, calculator, computer, hardware, tools, advertising, marketing, professional fees (attorneys, accountants, etc.). An easy way to do this is to set up a separate checking account and use a separate credit card. Be careful, because some items may require keeping track of usage, such as a computer used for both personal and business activities. Your tax specialist or accountant will be able to help you or you can learn it as you go.

Step 6: Marketing

Like any business, you will need to spend some time developing or having someone develop business cards, logos, flyers, advertising copy and even magnetic signs for your car. You may even want to develop a website to showcase properties that you have for sale. If you are lacking in ideas, try reading *Marketing Outrageously* by Jon Spoelstra (2001).

Real estate investing is a business, so you should treat it like one. Once you get started, the best form of marketing will be by word of mouth, so be sure to stand behind everything you say and do.

Step 7: Setting Up Your Business at Home

The final step in becoming a business is to set up an office or area in your home or apartment to use for conducting business. Since you will be placing a lot of phone calls and receiving a lot of responses, make sure that you have an answering machine or voice mail. Depending upon the impact of the phone calls on your family, you might consider getting a separate phone line, mobile phone or both. You will have to judge this on your own, but remember the object is to make money not spend it. Try to balance being frugal with being professional.

Most of you who are reading this already own a computer, but if you don't, the majority of public libraries now offer computers with online access. With the Internet, research is just a few clicks away.

Here is some other office equipment to consider as the need arises: fax machine, scanner or small copier, file cabinets and a desk. One way around some of the added expenses is to use a local mail and copy shop, such as Mail Boxes Etc., UPS Store or FedEx Kinkos. You can even set up a postal mailing address to help eliminate some of the added junk mail or to make sure you are able to separate your business activities from your family life.

Step 8: Buy Your Own Home First

Probably the single most important investment decision you'll ever make is to buy your own home. You've probably heard it before and you may be saying it yourself, "Yeah right, I can barely afford groceries." If you don't buy a house, you'll never feel comfortable enough to use the real estate strategies I'm discussing. If you don't buy a house, you are making someone else rich off of your sweat. If you don't buy a house, you are less likely to build a substantial nest egg. If you don't buy a house, you'll be paying Uncle Sam more in taxes than you have to.

I know that the most common reason for not buying a house is not being able to come up with the down payment. Believe me, it is possible if you set your goals, save, and use some of the information contained in this book. My wife and I were able to buy our first house through a Federal Housing Administration (FHA) first-time homebuyer program with only 3 percent down plus some closing costs. I was then able to borrow against my 401(k) plan at work for the down payment for a near no-money-down proposition.

Owning your own home is not a walk through dreamland. There will be maintenance, painting, stopped toilets, water heaters to replace, air conditioners to fix and even the occasional large expense of a new roof or driveway, but it's your property. There is a sense of pride that comes with owning a piece of the world.

If you are thinking about buying a house, I recommend contacting a good real estate agent who works in the area you are interested in. Have the real estate agent act as your "buyer's agent" and she will be highly motivated to find you a property. You do know what areas you are interested in, right? I hate to use this cliché, but I feel compelled to remind you about the three most important things in real estate: (1) location, (2) location and (3) location. What this really means is finding an area where housing is appreciating (going up in value), with good schools, parks and police. Make sure it is not too far from a metropolitan center or area of employment.

As a side benefit of buying your first house, you will get a quick education in the real estate industry. You will encounter numerous real estate agents and brokers. You will learn how to evaluate a house, make an offer and a counter offer. You will get to sign a contract, and work with a title company, as well as structural and mechanical engineers/inspectors. In other words, you will see the whole real estate industry in action. If you plan on building a house, there is even more to consider, such as architectural plans, soil testing, environmental surveys, general contractors, subcontractors, and "a partridge in a pear tree."

Step 9: Learn the Industry

As I have alluded to, real estate is not unlike any other profession. Each profession has its own set of rules and language that you must learn. If you are old enough to have worked in any industry, you know that there are things you do and say that only apply to where you work.

My first job at age 16 was working as a busboy. Perhaps you have heard some restaurant lingo, like "86ing" something, which means to get rid of it. In the environmental field, where I worked for over 15 years, acronym-speak is so prevalent that you might think another language was being spoken. Here is an example: "In reviewing the Phase I, I noted that most of the BTEX compounds were ND." If you understood that, then you must work in the field. The point is that real estate is the same and you must learn the lingo. I even have a dictionary of real estate terms. Appendix A of this book contains a list of what I believe are some of the most important terms, acronyms and abbreviations.

Spend at least a couple of minutes going through Appendix A. Occasionally we add new real estate definitions on our website at

http://www.roqueinvestor.com/definitions/real_estate_investing_definitions.html.

Make sure you are comfortable with the real estate lingo. Here is a quick assignment for you (hint, the answers are given at the end of this chapter):

1. What is the difference between real estate and real property?
2. What is a deed and how does it differ from a mortgage?
3. The difference between what someone owes on a mortgage and what a property is worth is called what?
4. What does FSBO stand for?
5. What is the MLS?
6. The value of most residential property is determined using the CMA process, which is what?
7. Name at least one method for estimating the value of real estate.
8. Is a fixture, like a ceiling fan, personal property or real property?

9. An agreement between two or more competent and legal parties is called what?
10. A real estate agent who works for a buyer is called what?
11. A real estate agent must work for a _____?
12. Moving a first mortgage to a second mortgage is called what?
13. What is the best type of deed?
14. Oftentimes, one divorcee will use a _____ deed to remove his/her interest in a property.
15. True or false? Contractors are allowed by law to place a lien on a property if the owner fails to pay their fees.
16. Most conventional lenders require at least 20 percent down or PMI must be obtained. What is PMI?
17. What does PITI stand for?
18. What is an ARM?

Step 10: Know Your Investing Options

What are your investing options? First, you have to decide if you want to be a hands-on or hands-off real estate investor. There are obviously benefits and downsides to each one. Many real estate packages focus only on hands-on investing, such as buying and selling houses or investing in rental property. While this is a great way to build a substantial net worth, it may not be what you are looking for. If you are looking for a more passive way to invest in real estate, consider the following options.

Tax lien certificates

Tax liens result when real estate owners fail to pay their property taxes. County and municipal governments rely heavily on tax revenue; and rather than fight with property owners in court, they have devised a revenue collection method that allows them to be paid, results in penalties to property owners, and enables investors to make some serious money. Every state and county is different, but essentially an investor can bid on a tax lien certificate, which allows him or her to have control of the lien. Property owners must pay off the lien holder (investor) with interest or face possible foreclosure.

To make it even better, the interest rates are often high and it is a safe investment that is backed by a local government entity. What kind of returns can you expect? Here is a sampling:

- Nebraska – 14%
- Arizona – 16%
- Florida – 18%
- Illinois – 18% for six months
- Iowa – 24%.

Tax deed sales

Some states and Canadian provinces foreclose on the tax liens and take possession of the property's deed. The deeds are then auctioned off and you can bid on possession of the property. In many cases, you can pick up real estate for 20 to 30 percent of its value. In essence, you are buying into a lot of instant equity. Tax deeds are one of the most exciting and profitable ways to invest in real estate.

For instance, imagine finding a lake front lot in a prestigious community with a nearby golf course and all the amenities. Now consider that the property values for lake front lots in this area are \$90,000 to \$125,000. What if I told you that because the owner failed to pay his taxes

the county took possession of the property and offered it for sale for around \$14,000, which included the minimum bid, taxes and fees? Imagine you have to bid a little bit higher to make sure you win, let's say by roughly \$2,000. This is not a hypothetical example, it is true!

Real estate investment trusts

Briefly, REITs are trusts that pool real estate properties together and allow investors to own a small portion, just like stocks or mutual funds. REITs have some very specific guidelines to follow, such as paying out 95 percent of their profits to their shareholders through distributions. This often results in high dividend yields, with relatively low risk.

REIT dividend payouts are sometimes huge. I purchased a REIT a few days before the company issued its normal dividend, plus a special dividend. In less than one month the 200 shares I purchased paid out 2.6 percent or \$98.50 from my \$3,815.95 initial investment. On an annual basis that's more than a 50 percent return, even taking into account the \$12 trading fee. What's even better is that REITs issue dividends four times per year, not just once. The final icing on the cake is that the stock price has gone up about \$1 per share, so that's an extra \$200 or 5 percent.

Discounted mortgages/notes

Another little known investing option is to invest in mortgages or notes. As you will see in Chapter 5, it is possible to make creative financing arrangements in part by using promissory notes. A promissory note is essentially an IOU or a loan. It has an amount, interest rate and length of term.

A note can be purchased from a homeowner or other investor by simply discounting the note to present value and purchasing the note. This is possible because there is a time value associated with money. In other words, \$1,000 is more valuable today than it is in 20 years. That only makes sense, right? In 20 years, \$1,000 won't buy as much stuff due to inflation.

The opposite is also true. For example, let's say Betty has a \$15,000 note with an interest rate of 9 percent. It is amortized over 10 years. Plugging these numbers into my handy calculator, the present value of the note is \$6,119.06. Therefore, you could explain to Betty that she can either wait or have her money now. Betty, who is elderly and wants nothing more than to go on a cruise, may accept your offer. Meanwhile, you have a wonderful, low-risk investment that yields 9 percent interest and is secured by real estate. You can even use the purchased note to buy other real estate. Of course, you'll use the full value of the note, or \$15,000.

If, however, you are feeling a little more adventurous and would rather see a physical product than a piece of paper, you are ready for hands-on real estate investing. There are essentially three types of property to consider: land, commercial property and residential real estate.

Land

Have you ever caught yourself saying something like, "I should have bought some land there years ago?" This usually happens after you see a new strip mall or housing addition being built on virgin land. Well, it's true that they're not making any more of it, land that is, but be careful if you are thinking about investing in land, especially if you are planning on paying retail prices.

Why? Even if you are good at predictions, you may have to wait 20 to 30 years for land to appreciate to a level that makes it worth your while. In the meantime, you will be paying taxes,

assessments and maintenance fees. You also can't depreciate land; therefore, you might miss out on some lucrative tax advantages.

According to Carleton Sheets (1994), the average annual cost of owning vacant land runs between 15 and 20 percent of what you paid for it. Using a common investing trick called the Rule of 76, your land would need to double in value every four to five years to make it a worthwhile investment.

Now having said that, purchasing land at sharp discounts, such as those found in foreclosures, tax sales or some international locations, can be highly profitable. Imagine paying approximately 10 to 20 percent of the market value of residential lots or acreage. I don't need to imagine.

Commercial property

Commercial property is what I would consider speculative real estate investing. The gains can be substantial and the risks are not for the faint of heart.

Why?

Commercial real estate is tied closely to the business environment. Consider the recent Internet bubble that essentially ended at the turn of the century. At the peak of absurdity, business rents skyrocketed and property owners were smiling all the way to the bank. Now, vacancies have soared again with many companies going out of business. Many commercial property owners are scrambling to find business tenants.

Commercial properties come in all sizes and shapes; and if there's one nice thing about owning commercial real estate it's the lease terms, which are usually a minimum of three to five years. Commercial property leases also require much more of the tenant, such as maintenance and repairs.

With the recent downturn in the economy, it's also a good time to pick up commercial property for very attractive terms. If you are looking for business space, now is also a great time to negotiate inexpensive leases with good terms.

If you are considering commercial property, be sure to do your homework. Read Chapter 10 on managing environmental risk.

Residential real estate

The real "bread and butter" for most real estate investors, including myself, is residential property. Residential properties include single-family homes, duplexes, x-plexes (x = any number) and apartments.

This is the "bread and butter" of investing because we all need to live somewhere, regardless of where we work or whether we are in school. Young, old, poor and wealthy all live in some dwelling that either they or someone else owns.

First, let's distinguish what I consider the two primary types of residential real estate investments. The first type of property is a growth property, or a property that appreciates in value either due to its wonderful location or your sweat equity or both. The second type of property is an income property. An income property may or may not be located in a good location, but the rents provide you with positive cash flow income, similar to a stock dividend.

Again, realize that you don't just sit back and watch the money flow in. You have to work for it occasionally.

You will encounter both types of property. Just like other types of investing, it is a good idea to diversify and own both income and growth properties.

Now, on with the search.

But first, here are the answers to the questions presented earlier in this chapter:

1. Although very similar, real property actually contains a bundle of rights in addition to the real estate. Rights may include mineral, water, air or a number of other things.
2. A deed is a legal document used to transfer real estate. A mortgage is a promise to pay a loan secured by the deed.
3. Equity.
4. For Sale By Owner.
5. The Multiple Listing Service.
6. Competitive Market Analysis uses comparable properties to estimate the value of real estate. It is usually used for single-family homes.
7. Replacement Cost or Income Method.
8. A ceiling fan is personal property until it is attached to the property, at which time it becomes real property.
9. Contract.
10. Buyer's agent.
11. Broker.
12. Subordination.
13. General warranty deed.
14. Quitclaim deed.
15. True. They can place a mechanic's lien on a property.
16. Private mortgage insurance.
17. Principal, Interest, Taxes and Insurance.
18. Adjustable rate mortgage.

THREE

The Search Begins: Looking for and Evaluating Real Estate

*“The business that we love we rise betime,
and go to it with delight.” – Shakespeare*

I consider searching for attractive real estate as fun, and you should as well. It's almost a game or perhaps a puzzle. Every week new listings can be found in the classified section of your local newspaper and in the Multiple Listing Service (MLS). With the proliferation of the Internet, many of these same listings are available online. With all of these options, you may be asking, “Where should I start?”

Search Methods

Online real estate websites

The Internet contains an almost inexhaustible supply of information, and real estate is one industry that is perfectly suited for profiling listings online. After all, the MLS is really just a database of information. This same type of information can be easily presented on dynamically generated websites, which can make your search for real estate even easier.

If you are not familiar with using a search engine or directory, open up your computer's browser, which might be Internet Explorer or Netscape Navigator or AOL's own unique browser. Type in the Web address of one of the major search engines or directories. Here are a few:

- <http://www.google.com>
- <http://www.yahoo.com>
- <http://www.msn.com>
- <http://www.aol.com>
- <http://www.ask.com>
- <http://www.alltheweb.com>
- <http://www.altavista.com>
- <http://dmoz.org>.

There are many others, but start with these. Once you are on the site, use the site directory structure or look for a search box. Type in your request and be as specific as possible. For example, don't expect much out of the term “real estate.” Try a more specific term like “bank foreclosures in Missouri.”

In the meantime, here are a few of my favorite free, online resources for real estate investing:

- <http://www.hud.gov> – U.S. Department of Housing and Urban Development
- <http://www.ginniemae.gov> – Government National Mortgage Association
- <http://www.freddiemac.com> – Federal Home Loan Mortgage Corporation
- <http://www.fanniemae.com> – Federal National Mortgage Association
- <http://www.narei.com> – National Association of Real Estate Investors
- <http://www.realtor.com> or <http://www.realtor.org> –National Association of Realtors
- <http://www.nareit.com> – National Association of Real Estate Investment Trusts
- <http://www.buyowner.com> – for sale by owner properties
- <http://www.forsalebyowner.com> – for sale by owner properties
- <http://www.realestatebook.com> – real estate listings in all states (also available by requesting their free real estate books)
- <http://www foreclosurefreesearch.com> or <http://www foreclosure.com> – foreclosure search engine (fee required).

Newspaper classifieds

The Sunday classified section is still a great place to find real estate. Read through the classified advertisements once or twice and circle potential listings. Look for key phrases such as:

- Owner anxious
- Possible owner/seller financing
- Lease option
- Investment property or investors
- Needs TLC
- Fix up and save
- Needs update, carpet and paint
- Investors
- Good investment
- Duplex, triplex, 4-plex, apartment.

Of course, realtors know all of these phrases too, so be a little cautious. For hands-on investing, you are looking for income properties that will produce positive cash flow and that are in an acceptable location. For growth properties, you are looking for properties that are undervalued and that, with a little painting, new shrubbery and cleaning, could be resold for a profit or rented for a positive cash flow. Growth properties should be located in an area that is appreciating. The following Real Estate Phone-Screening Guide can be used to help with your classified searches:

Real Estate Phone-Screening Guide

<p><u>(Section in Classifieds)</u></p> <p><u>Tape or glue classified advertisement information here, if available.</u></p> <p>_____</p> <p><u>Price</u></p>	<p>Date: _____ Time: _____ Left Message: Y__N__</p> <p>Property Name/Address: _____</p> <p>Directions: _____</p> <p>_____</p> <p>_____</p>
---	--

Owner's Name: _____ Owner's Phone Number: _____

Real Estate Agent's Name: _____ Company: _____
 Agent's Phone Number(s): _____

Property Description: _____

Roof (type, how old?, does it leak?): _____
 Basement/Structural (any water leakage/damage?): _____
 Plumbing (type of water lines, sewer line problems?): _____
 HVAC (type and age of furnace and air conditioner): _____
 Termites: _____

Income/Gross Rents: _____

Mortgage (1st) Type (e.g., FHA, VA, conventional, assumable): _____
 Balance/Amount Owed: _____

Other Mortgages/Liens/Judgments on Property (explain): _____

Seller's Equity: _____

Expenses (note if monthly or annual):
 Taxes: _____ Insurance: _____ Water: _____ Sewer: _____
 Electric: _____ Gas: _____ Heating Oil: _____ Propane: _____
 City Fees: _____ Homes Association: _____ Garbage: _____
 Other: _____

Is the Owner Willing to Help with Financing? _____
 Why is the Owner Selling? _____

Other Information: _____

Note: Refer to the data CD that accompanies this book for a copy of the Real Estate Phone-Screening Guide that you can print and use.

Get a real estate agent working for you

How would you like to call up a professional, like an attorney, and tell him to start working for you; and if you like what he does, you'll have the person on the other side of the table pay his services? Sounds great, right? Well, you can do this with real estate agents.

Find one or more motivated real estate agents and get them working for you. First of all, they can do searches on the MLS database and, given certain criteria, come up with a list of properties that match what you are looking for. You can even request that they help you evaluate a property's value, but be sure to do your own valuation and understand the process.

Of course, the downside here is that once you locate a property, they will be involved in the process and will be paid a commission. This could limit certain types of creative financing, but it could also speed up the paperwork. In addition, they can help with showing up for appraisals and inspections if you are too busy.

Run your own classified advertisement

Classified advertising may not be your first choice, but as you grow in the world of real estate investing, you might try it and see what kind of response you get. Of course, the downside here is that classified advertisements (ads) are not free. The other problem is that it might take two or three ads before you have it pulling the potential sellers that you want.

Here is an example for pulling one type of seller:

I buy all types of houses, any condition considered. Call Mike at 555-1212.

Here is a different approach:

Serious real estate investor has cash. Looking for single family homes. 555-1212.

Remember, access to cash can be through a partner, equity in your house or a good relationship with a bank.

Visit your county courthouse

Depending on where you live, your county courthouse may be a treasure trove of foreclosed properties, upcoming auctions or tax lien properties. Make a phone call or two and at least plan on visiting the courthouse, if for no other reason than your own education.

Call banks, savings and loans, and mortgage companies

Banks and lenders are more than happy to send you their list of foreclosed properties, sometimes called REOs (real estate owned) or nonperforming assets. I recently called a community bank loan officer and he immediately sent me an Excel file showing a list of 13 properties ranging from a \$10,000 bungalow to a \$2,210,000 apartment complex and everything in between.

Treat these properties like any other except that you may be able to negotiate better financing terms directly with the loan officer, who would love nothing more than to get the property off of his balance sheet.

Financial Analysis

Okay, you have found a bunch of potential properties. Before spending your valuable time driving all over looking at them, you should perform a preliminary financial analysis using the following income property screener as a guide. In other words, make sure that the numbers work out and you can make some money.

Income Property Screener

	Monthly Income/Expenses	Amount
1.	Gross Rents	
2.	Other Property Income	
3.	Subtotal (1+2)	
4.	1st Mortgage Principal and Interest (PI)	
5.	2nd Mortgage PI/Seller Financing	
6.	Other Mortgage/Financing PI	
7.	Subtotal (4+5+6)	
8.	Taxes (ask the property owner/agent)	
9.	Insurance (call your own insurance agent)	
10.	Water	
11.	Gas	
12.	Electricity	
13.	Heating Oil/Propane	
14.	Garbage	
15.	Homes Association	
16.	City Fees	
17.	*Property Management (7 to 10% of income)	
18.	**Repairs (actual amount or assume 5 to 10%)	
19.	Supplies (actual amount or assume 1%)	
20.	Miscellaneous (actual amount or assume 1%)	
21.	Subtotal (8+9+10+11+12+13+14+15+16+17+18+19+20)	
TOTAL (3-7-21)		

*Optional if you plan on managing the property. Percentages are based upon gross monthly income.

**Assume 5% if you plan on doing most of the repairs and up to 10% if you will hire out.

Using the Income Property Screener, let's take a look at a property that I recently evaluated. It is a 9-plex located in a suburb of Kansas City.

	Monthly Income/Expenses	Amount
1.	Gross Rents (with all units rented)	\$3,525.00
2.	Other Property Income	\$0.00
3.	Subtotal (1+2)	\$3,525.00
4.	1st Mortgage Principal and Interest (PI)	\$1,076.12
5.	2nd Mortgage PI/Seller Financing	\$308.48
6.	Other Mortgage/Financing PI	\$0.00
7.	Subtotal (4+5+6)	\$1,384.60
8.	Taxes (ask the property owner/agent)	\$185.00
9.	Insurance (call your own insurance agent)	\$140.00
10.	Water	\$150.00
11.	Gas	\$300.00
12.	Electricity	\$175.00
13.	Heating Oil/Propane	\$0.00
14.	Garbage	\$50.00
15.	Homes Association	\$0.00
16.	City Fees	\$0.00
17.	Property Management (for now, I will manage it)	\$0.00
18.	Repairs (assume 10%)	\$353.00
19.	Supplies (assume 1%)	\$35.00
20.	Miscellaneous (assume 1%)	\$35.00
21.	Subtotal (8+9+10+11+12+13+14+15+16+17+18+19+20)	\$1,423.00
TOTAL (3-7-21)		\$717.40

As you can see, I am anticipating a positive cash flow of \$717.40 a month, even after including repairs, supplies and all associated fees. The numbers look good enough for me to set up a meeting to view the property and discuss it with the current owner in more detail. If I were to hire a property management company, the cash flow would drop to \$364.00, which is not quite as enticing, but worthy of consideration.

Now, since this unit is an income producing property with over four units, it is possible to calculate a property value based upon the income (this will be discussed in greater detail in Chapter 4). Using the Cap Rate method and knowing the annual net operating income (NOI) and assuming a high cap rate of 14 percent, the value of the property equals the NOI divided by the cap rate:

$$\text{Value of Property} = \text{NOI} / \text{Cap Rate}$$

$$\text{Value of Property} = \$25,224 / .14 = \$180,171$$

Since the property is priced at \$160,000, that's a potential \$20,000 in equity. To be fair, the property could use some sprucing up, so I'm assuming that the price is in the correct ballpark.

For growth properties, a slightly different tactic is taken. One method is to buy and hold, while the other is to buy low and sell high. Gee, that sounds a lot like stock investing. Anyway, the difference here is that you have to learn to look past an ugly exterior or blemishes and find properties that require simple fixes to improve their value.

One thing to consider that I feel is missing in most real estate books and programs is what happens in between purchasing a property, fixing it up, listing it and eventually selling it. Well, I can tell you one thing that happens is that the mortgage loan has to be paid. It is possible, though unlikely, that you could do all of the above in a matter of 30 to 45 days and not have to make a mortgage payment.

Here is what I recommend. Even if you are planning on selling the property as soon as possible, rent it out for a year or two or set up a lease option with a potential buyer. The idea is to limit your expenses and fix up the property. Ironically, many renters will help fix up a property for you, and the capital gains taxes are much more favorable for long-term investments (investments held more than a year).

The Drive By

For the drive by, make sure you know where you are going. Each city has detailed maps that I recommend you purchase and take with you. Another great alternative is to visit MapQuest at <http://www.mapquest.com> and type in the property's address – you'll be given a detailed map.

The drive by is more for getting the feel of the location and neighborhood than it is to fully evaluate a property. After all, you will only be able to stop and look at the outside. If it is vacant, you can usually peek inside.

Look at the exterior of the property, the drainage, the roof, the yard, the building's integrity and try to notice any expensive problems.

Now, scrutinize the location, including the neighbors and surrounding community. Know what you are getting into before proceeding.

Follow-up

After visiting a property, new questions will arise. Write down all of your questions and call the owner or real estate agent and say that you are still interested in the property and even drove by it the other day. Say that you have a few more questions and ask away.

If you feel comfortable with the response, set up a time to look inside the place.

On-site Visit

Come prepared with a property evaluation sheet for the on-site visit:

Property Evaluation Sheet

Property Name/Type/Address: _____		
Date/Time: _____ Shown By: _____ Phone No.: _____		
General Description: _____		

Unit Number ___ of ___ (Use a separate sheet for each unit, if more than one.)		
Tenant's Name: _____		
Lease Amount and Terms: _____		
Security Deposit: _____ Pet Deposit: _____		
Rental History: _____		
Other Comments (include owner financing details; let the owner/agent talk): _____		

Room/Area/Item	Description	Potential Cost
Front Room		
Kitchen		
Living Room		
Family Room		
Bedroom (1)		
Bedroom (2)		
Bedroom (3)		
Bedroom (4)		
Bathroom (1)		
Bathroom (2)		
Bathroom (3)		
Garage		
Basement/Cellar		
Attic		
HVAC		
Electrical		
Plumbing/Pipes		
Roof		
Exterior/Paint		
Porch/Patio/Deck		

Note: Refer to the data CD that accompanies this book for a copy of the Property Evaluation Sheet that you can print and use.

Use the property evaluation sheet as a guide for going through a property and estimating the cost of repairs and what the owner is willing to fix or negotiate. Be sure to use a separate sheet for each unit if you are evaluating a multi-unit property.

Let's look at a couple of examples: income property investing and growth property investing.

Income property investing example

I am going to walk through a brief financial analysis of a home my wife and I bought in January 1996 and sold in September 1998. The property was located in Belton, Missouri, a suburb of Kansas City. The property is a three-bedroom, two-car garage, split-level home. It is what I consider a "bread and butter" home. However, it is located in a marginal, though not bad, location. We purchased the house as a closed bid with the Missouri Department of Veterans Affairs. The purchase price was \$68,900 and the down payment and fees were only \$1,403.

Net Cash Flow

We were able to rent the property for \$725 per month during the rental period, with the exception of the last month. We received a total of \$21,750 during the rental period, or approximately \$713 per month. During the same period, our expenses (taxes, insurance, interest, repairs, supplies, etc.) totaled \$15,983, or approximately \$524 per month. Therefore, our net cash flow per month was roughly \$189 per month for a total of \$5,767.

Appreciation

After fixing up the property and renting it for over two years, our tenants could no longer pay and we parted ways. Enlisting the services of a local real estate agent, we were able to sell the property in less than 30 days. The gross sales price was \$80,000. If we stop here, like some books would have you do, you would think that we made a fortune on our initial investment of \$1,403.

But let's throw in reality. First, I had to pay the real estate agent fee, mechanical fix-up costs, taxes, and other fees. Our actual sales price was \$73,210 and our cash at closing was \$6,790. Still, that's not bad. The true appreciation on the house was \$4,310 (\$73,210 minus \$68,900).

Equity

As we diligently paid the mortgage each month, a small fraction went directly to paying off the principal. Remember, our sales price was \$68,900 minus the down payment of \$700. Our 30-year loan was for \$68,200. At closing, the actual payoff of the mortgage was \$67,103. Therefore, our equity was \$1,097.

Taxes

The rental tax game is quite interesting. We bought a good "bread and butter" income house fully knowing that it would appreciate in value; yet at the end of each year, the IRS allowed us to depreciate it over a specified period of time (27.5 years) using a particular method that they have approved (modified accelerated cost recovery [MACRs]). Wow, what is the catch here? For one thing, land is not a depreciable item, so only the value of the house can be depreciated. Of course, you are free to come up with a value of the land versus the property.

Any improvements, fixtures, appliances, and certain other items can be depreciated. The other catch is that when you sell the property, the government would like its temporary loan back. In other words, you are taxed on the depreciated property at your tax rate. During the rental period we depreciated a total of \$5,801 in property, appliances, etc. Certain depreciable items, such as the electric range that we bought, were sold as part of the house and therefore the remaining value was reduced to zero, so that these items represented a small tax loss.

The long-term capital gains tax was 20 percent (it is now 15 percent) and ordinary gains are taxed at my personal tax rate. After running the numbers through my tax program, the entire sale resulted in a tax burden of \$1,768. If we consider the deferred taxes saved over the 30.5-month period (\$5,801) and multiply by my tax rate (28 percent), the result is a tax savings of \$1,624 over the period of owning the property. Finally, because I paid back \$1,768, I nearly broke even, but lost \$144.

My advice here is to not rely on tax advantages when evaluating a property. However, once you purchase a property keep all your receipts, monitor your mileage and try to be as tax efficient as possible. Be prepared for April 15th when you sell a rental property.

Labor, Pain and Suffering

The late night programs and books inadvertently, or should I say purposely, forget to tell you about the phone calls on Sunday afternoon complaining about stopped up plumbing or an air conditioner that just went out. The books and programs also fail to mention the late payments, bounced checks, or tenants who purposely lie. The books and programs never talk about the city governments who are now trying to implement fees from landlords. The books and programs also don't mention that my labor is free and not tax deductible.

There is really no way to quantify a number in this category. I'm not including, for example, the extra Roloids and fast food when working on the properties. I am including labor. Your time and my time are worth something. After all, time is really more precious than money.

To quantify this, I am placing a small value of \$10 per hour on my time. I estimate that during the fix-up, management, and selling (fix-up again), my wife and I spent roughly 250 man/woman-hours on the property. Therefore, we lost a potential \$2,420.

Summary

Cash flow + Appreciation + Equity +/- Tax benefits – Your labor, pain, and suffering. For our house the equation results in $\$5,767 + \$4,310 + \$1,097 - \$144 - \$2,420 = \$8,610$. So, with our initial investment of \$1,403, we realized a profit of \$8,610 over a period of two and one half years. Not bad – that's well over a 200 percent increase per year on our initial investment.

Growth property investing example

I mentioned the buy and hold strategy. I still own a rental house that I bought in 1994. The property is a "bread and butter" single-family house located in a great neighborhood with excellent schools in Roeland Park, Kansas, a suburb of Kansas City, Missouri. Without analyzing this property in depth, I bought the property for \$59,110, with only \$1,352.97 down.

Although I have been tempted to sell the property, it continues to provide me positive cash flow of nearly \$150 per month. The cash flow is secondary to the appreciation and current value. Based upon comparables in the near vicinity, I have determined that the property is worth roughly \$110,000. With a current payoff amount of approximately \$48,000, I have about \$62,000 in equity.

As you can see, the buy and hold strategy works quite well when a property is purchased in a good location.

FOUR

Estimating the Value of Real Property

*“Tell me and I’ll forget. Show me, and I may not remember.
Involve me, and I’ll understand.” – Native American saying*

As I have alluded to earlier, there are three methods of estimating the value of real property: replacement cost, income method, and competitive market analysis (CMA). These are discussed below.

Replacement Cost

Replacement cost makes use of the cost of real estate on a per square foot basis to estimate the value of real property. Essentially, the cost to build the property, including purchasing the land. Area builders, contractors and architects can be helpful with this type of estimating.

For example, a rough estimate for replacement cost in the Kansas City area is \$100 per square foot. That would mean a 2,000 square foot house could be built for approximately \$200,000. The cost of the land would be added to that, making the purchase in the neighborhood of \$230,000, assuming a \$30,000 lot. Of course there are certainly areas where the cost would be much more, probably in the \$120 per square foot range; and there are also areas where inexpensive houses are constructed for as little as \$80 per square foot. Also, the price of land has continued to escalate. I have seen lots ranging from \$10,000 to over \$200,000.

Income Method

A second method of evaluating real estate is based upon its ability to generate income, using the equation below. The income method is best used for multi-family dwellings, such as apartments.

$$\text{Gross Rent Multiplier (GRM)} = \text{Selling Price} / \text{Gross Monthly Rents}$$

Capitalization rate is the rate that other investors would be willing to pay for a similar property.

$$\text{Cap Rate} = \text{Net Operating Income} / \text{Value of Property}$$

$$\text{Value of Property} = \text{NOI} / \text{Cap Rate}$$

Cap rates vary from location to location and property to property. In general, a low cap rate ranges from 4 to 9, while a high cap rate varies from 11 to 18. Low cap rates are common

among properties of higher estimated value. High cap rates are common among higher risk properties with lower estimated values.

Competitive Market Analysis

Competitive market analysis (CMA) seeks to understand the marketplace and use that knowledge to estimate a value. CMA is most often used for evaluating land, single-family homes, duplexes, triplexes, and 4-plexes. The CMA process works by finding similar properties or comparables near the property in question. It is also possible with some caution to use properties that are currently listed, but have not sold. It is best to use at least three comparables. Here is an example:

Competitive Market Analysis

For: Jack and Tracy Smith
Property: Single-family home

Prepared by: Michael Williams
Date: July 27, 1998

Address	Subject Property	Comparable 1 7601 Maple	Comparable 2 7249 Oak	Comparable 3 7713 Oak
Area (square ft.)	2135	2200	2100	2300
Living Room	Yes	Yes	Yes	Yes
Dining Room	Yes	Yes	Yes	Yes
Kitchen	Yes	Yes	Yes	Yes
Family Room	Yes	Yes	Yes	Yes
Bedrooms	4	4	4	4
Baths	2.5	2	2	2.5
Basement	Yes	Yes	Yes	Yes
Garage/Carport	2-car attached	1-car attached	2-car attached	2-car attached
Construction	Ranch	Ranch	Split	Split
Lot Size	85' x 105'	80' x 115'	90' x 100'	92' x 105'
Age (years)	5	5.5	4.5	5
Terms of Sale		10% down	20% down	20% down
Days on Market		96	23	38
Date of Sale		11/05/97	05/30/98	06/15/98
Listed Price		\$92,500	\$98,500	\$102,000
Selling Price		\$91,000	\$97,500	\$100,000
Remarks:				
Area Market Conditions: Good				
Estimated Range of Value: \$91,000 to \$100,000				
Estimated Value of Subject Property: \$97,000				

Note: Be sure to check with the county appraiser either by phone or online to see what the county estimates the property is worth. This is a quick estimate that can be accurate in some locations and "completely out of whack" in other locations. A great resource to find county websites, including the appraisal office, is <http://www.naco.org>.

FIVE

Creative Financing: Putting the Deal Together

“A wise man hears one word and understands two.” – Jewish proverb

Well, let's see. You've located a potential property. You conducted a drive by and probably even met with a real estate agent or owner to see the property and discuss any issues that you might have. You're convinced that it's a property to make an offer on. Now what?

It's time to put your “thinking cap” on and come up with some creative financing. Let me say first that there is no right or wrong in creative financing. I've read many books on the subject and I've tried/used several of the methods. The short answer is: use whatever works best for you.

In this chapter, I'll go through some common financing techniques and methods of securing the deal. First, let's review standard financing so you know the difference.

Standard Financing

For those of you who have never purchased property, I'll go through the most common process. Generally, you will contact a mortgage company and tell them who you are and what you are interested in buying. The mortgage company can quote you interest rates and other details, such as points, adjustable-rate mortgages (ARMs), fixed rates, etc. As a homebuyer, you can often choose between three mortgage programs: (1) conventional loans, (2) Federal Housing Administration (FHA) loans or (3) Veterans Affairs (VA) loans.

Conventional loans are the most common type. Conventional loans usually require 20 percent down or a loan to value (LTV) ratio of 80 percent. In other words, the bank will loan you 80 percent of the property's appraised value. Since many people cannot afford 20 percent down, it is possible to finance 90 percent or more using private mortgage insurance (PMI). PMI protects the lender in case you default. Of course, you have to pay a monthly premium for this privilege.

The recent mortgage debacle occurred in part because banks loosened their policies and started allowing 100 percent financing (e.g., 80 percent loan on a 1st mortgage/20 percent loan on a 2nd mortgage), interest only loans and other creative loans; not to mention that credit scores of potential buyers were relaxed. As of 2008, credit has tightened again and loans are becoming more difficult to obtain.

FHA financing was designed by the United States government to make homeowners out of all U.S. citizens. The U.S. government backs FHA mortgages, so banks are completely safe in issuing these loans. FHA loans allow first time homebuyers to get in a property for as little as 3 percent down. Due to the high LTV ratio, these loans also require insurance to protect the

lender and the government. In this case, the insurance is called mortgage insurance premium. FHA loans also have funding limits that are based upon where you live.

To find out about the funding limits in your part of the country, visit <https://entp.hud.gov/idapp/html/hicostlook.cfm>. As an example, using the mortgage calculator for Johnson County, Kansas, the current FHA limit is \$271,050 for a single-family home.

Finally, VA financing is the ultimate no-money-down proposition for homebuyers. However, there is one catch. You have to have served in the U.S. military. If you did serve in the military, then by all means use this program.

Creative Financing

Now that we have gone through standard financing, let's look at creative financing. As I mentioned, there are endless possibilities here. You will have to experiment and see what works for you and what doesn't. Your success may not only depend upon your financial situation, but also on where you live, the type of properties that you are going after and especially the seller. This section is only meant to introduce you to or remind you of some financing possibilities. For more information on creative financing, be sure to refer to the following references:

- *How to Make Money with Real Estate Options* (Lucier, 2005)
- *The Complete Guide to Investing in Undervalued Properties* (Berges, 2005)
- *No Down Payment* (Sheets, 1994)
- *Nothing Down for the 90s* (Allen, 1990)
- *Building Wealth* (Whitney, 1994).

Owner financing

Owner financing works with motivated sellers who are willing to help finance their own property. The simplest form of owner financing involves a seller who owns a property free and clear, but is having trouble selling. You negotiate with the seller to act as a mortgage company and you create a note, purchase money mortgage, or whatever you want to call it. For this to work, you must build credibility.

One method of owner financing is to negotiate a second mortgage with the owner and obtain a new first mortgage from a lender. This method is a little more difficult because the lender will not be in favor of a second mortgage and it may be necessary to work this arrangement outside of the closing.

Wrap-around mortgage

Certain nonstandard lenders or the seller will accept a wrap-around mortgage. A wrap-around mortgage allows you to pay one mortgage to the seller or lender and the seller/lender continues to pay on the existing mortgage. Usually you will need to pay a higher interest rate for the trouble.

For example, using the scenario above, I might offer the seller \$5,000 down plus a wrap-around mortgage for \$50,000. The seller would continue to pay the underlying mortgage of \$20,000. The seller would then earn the difference between my wrap-around mortgage and her existing mortgage. Of course, this will only work as long as the wrap covers her existing mortgage and provides positive cash flow. In all likelihood the property will be sold within a few years.

Be aware that this may not work with mortgages that have a "due on sale" clause.

Assume an existing loan

Certain loans, such as owner-financed loans, VA loans and FHA loans, can be assumed. Conventional loans do not qualify for assumption because of a due-on-sale clause. Owner-financed loans are the easiest to assume because individuals are involved, not banks or mortgage companies. VA and FHA loans can be assumed by qualifying with the mortgage holder. These are called qualified assumptions. Non-qualified assumptions are no longer available.

Recently, many real estate investors have figured out a clever way around the “due on sale” clause. The trick is referred to as “subject to” an existing mortgage. To make this work, you agree to make the existing mortgage payments, but the mortgage remains in the name of the seller and it is still the seller’s obligation. In exchange, you may have the seller deed the property to you using a quit claim deed. This method is not without its fair share of controversy. Some people say that the mortgage company should still be notified any time a deed is exchanged.

Options

Options give you the right to purchase property at a later date for a predetermined amount. Real estate options can be structured as pure options or lease options. A pure option is an agreement between you and the seller. For a flat fee, let’s say 1 percent of the purchase price, you agree to buy the property in X number of days (e.g., 30 or 60 days). During this period of time you might fix the property or simply resell it to someone and pocket the difference. Closings can even be set up to occur on the same day. Of course, the downside is if you can’t resell the property, you could lose your option money.

A lease option allows you to lease a property for a certain amount of time (e.g., one year); at the end of the lease term you have first dibs at buying the property. If you set the price ahead of time, you can use your own sweat equity to make improvements and sell the property right when you acquire it.

Dig deep in your own pockets

Many times it is necessary to come up with money the old-fashioned way – by digging deep in your own pockets. So how do you come up with money to close the deal? Here are some creative ways:

- **Partners**: Find a partner and share in the profits. Have your partner provide the needed cash and you find the property, consummate the deal and manage or sell the property. Obviously you will need to work out the deal with your partner. Be sure to sign an agreement or contract and make it a professional arrangement. Also, be careful not to ruin a relationship with a friend or family member through poor planning or risky ventures.
- **Credit unions**: Credit unions are a great place to borrow money on easy terms. Many large companies, agencies or even communities offer membership to credit unions. Borrowing money from a credit union will likely require collateral, but in the case of a company credit union you may be able to borrow solely based upon your job. If asked about the purpose of the loan, you can say it will be used for a vacation, to pay off debt or whatever you want to say.

- Signature loans: With good credit comes good terms. Banks and other lenders give signature loans to clients who have excellent credit and other accounts at the institution. For example, I have a signature line of credit at TD Waterhouse, which is both a bank and brokerage company.
- Borrow against personal property: A car, boat, motorcycle or other expensive personal property can be used as collateral for loans at banks, credit unions or even from sellers. You can either offer equity to a seller in the form of a loan, which is secured by the personal property, or you can borrow the money from a lender.
- Home equity loans: As discussed earlier, home equity loans are one of the best places to start looking for money. Mortgage companies and banks easily grant home equity loans. In fact, they love these loans. Some home equity lenders will even loan above the appraised value of your house. I have seen advertisements for loan-to-value home equity lines of 125 percent. Be careful not to extend yourself too far. Remember, home equity lines are secured by your personal real estate and if you don't pay them back, a lien can be placed on your property.

Hard money lenders

Also known as private money lenders, these lenders represent individuals with money to loan at a high interest rate. The going rate for hard money is usually around 12 percent to 18 percent; however, some lenders will accept ownership equity in lieu of interest if they like your project.

If you have a large real estate project and a business plan, we may be able to help refer you to a private money lender. Contact us by email at privatemoney@roqueinvestor.com.

Retirement accounts

One way to tap into existing money for a first-time home is to borrow against your 401(k) retirement account. Be sure to check the current rules where you work. Also, make sure to pay yourself back as quickly as possible because while the account is leveraged, you will not be earning interest on that portion. If you have recently quit a job with a retirement plan or if you have money in an Individual Retirement Account (IRA), you may be able to roll over the account into a self-directed real estate IRA (refer to Chapter 12). You can then use this money to purchase real estate through your own IRA. This strategy works well if you don't need to live off of your investments, because all profits and losses run through the IRA, not you.

SIX

Presenting the Deal: The Art of Win-Win

“The Devil is in the details.” – anonymous

I’m sorry to say, but there comes a time when you have to do some good old-fashioned selling. Believe me, I’m not a salesman. I’m a scientist by trade. I was the kid in college who was jealous of the business majors, because I was stuck in a laboratory studying for finals on Friday night.

Anyway, real estate is not about greed. It’s about making a deal that benefits two different parties, and perhaps three if a lender is involved. Whenever possible, contact and deal with the seller or homeowner in person. If a real estate agent is involved, request or demand that you be present when the offer is presented. If you can’t get access to the seller, you will have to sell the proposal to the agent.

By now, you should have a good idea why the seller is selling. Open up by thanking the owner or agent for allowing you to present the offer. Throw in a few icebreakers if you feel the need. Compliment the owner on the property and what he has done with it. Be honest and explain what your goals are with the property.

Now, break out your written offer and go through it briefly with the seller. You may even want to include more than one offer. Make sure that your offer has a time limit for a response. Allow the seller enough time to evaluate your offer, but not too much time to shop it around. I would recommend between one to three days. If special circumstances dictate longer, you will have to be the judge. Essentially, you want to create some urgency. If you are looking at other properties, you may want to casually mention that in a nice manner.

Thank the owner and/or agent and say you are looking forward to working with them.

When in doubt, do not open your mouth any more than you have to. There is an old saying that “the first person to talk loses.” In other words, if this real estate game is like poker, you do not want to be the first to show your hand.

SEVEN

How to Profit from Foreclosures

*“Trouble is only opportunity in work clothes.”
– Henry J. Kaiser*

For any number of reasons, sometimes real estate owners encounter hard times and are forced to relinquish real estate. When this happens, the mortgage holder or lender is forced to take back a property. With VA and FHA loans, the U.S. government is ultimately responsible for purchasing the property back. With conventional loans, a mortgage company or lender is responsible.

The U.S. government and lenders want nothing to do with the properties and would like to resell them as quickly as possible. After all, lenders are in the lending business, not in the real estate investing business. That’s where you come in. You can help them with their problem and help yourself in the process.

Lender REOs (Real Estate Owned)

Banks and other lenders are in the business of lending money, not owning property. However, as hard as they try, a certain percentage of their loans will be delinquent. The process evolves from a homeowner missing a payment or two, to the bank filing a notice of default or lis pendens at the courthouse, to a foreclosure sale.

In some cases, the lender will be outbid at an auction for the property, and that is good news for the lender. In many cases, the deed transfers to the lender, who now seeks buyers through its list of real estate owned property, sometimes referred to as nonperforming assets.

Lender REOs can be found using the following sources:

- The bank – call and ask for their list of foreclosed or REO properties
- Real estate agents – some agents even specialize in foreclosures
- Online foreclosure list services
- Fannie Mae – to search for REOs, visit <http://www.mortgagecontent.net/reoSearchApplication/fanniemae/reoSearch.jsp?p=Resources&s=Fannie+Mae+Owned+Property+Search>.

When evaluating these properties, be sure to do all of your due diligence. If you are interested in a property, discount your offer based upon estimates for fixing up the property. Even though a lender wants to recover its investment, it is sometimes willing to cut its losses if your offer is

reasonable and it is the best the lender can hope for. In essence, you are getting the lender to accept what is referred to as a "short sale." Short sales are also handled before foreclosure on behalf of the seller.

U.S. Veterans Affairs (VA) Foreclosures

When I first began investing in real estate, I stumbled across VA properties but didn't quite understand how a non-veteran could take advantage of them. I was amazed to find that not only does the VA offer foreclosed real estate for sale to homeowners and investors, but in some cases they offer attractive financing with very little down at closing. If you are looking for a way to jump-start your real estate investing career, contact a real estate agent and ask about VA foreclosures, or visit the online list of properties available in your state.

VA properties are offered for sale to the public; however, you must contact a VA-registered real estate broker or agent to view the homes. Just like any home, they will open the house/property for you to see. Should you decide that you are interested in a property, you will need to meet the real estate agent and prepare a VA-approved loan request and purchase offer paperwork.

In purchasing VA properties, the big trick is to quickly view the property and make a decision. Oftentimes the VA will have a short bid time that you have to meet. This makes it nearly impossible to have professionals help you look at plumbing, electrical, roofs and structural elements. All VA homes are sold "as is," so it is important to be as knowledgeable as possible about how much it will cost to fix up a property. You also will need to determine what the interest is in the property. Usually a real estate agent can help you with this, or you can see how many agents have come through the property because they will sign a log indicating they showed it to someone.

Furthermore, it is important to recognize that you may have to outbid several other qualified bidders. The bidding process is generally a closed bid. You will instruct your real estate agent on what your bid is and you will need to include an earnest money deposit of at least \$500. Your agent will include her fee and submit the paperwork. The winning bid is the net amount from a qualified bidder that results in the most money for the VA.

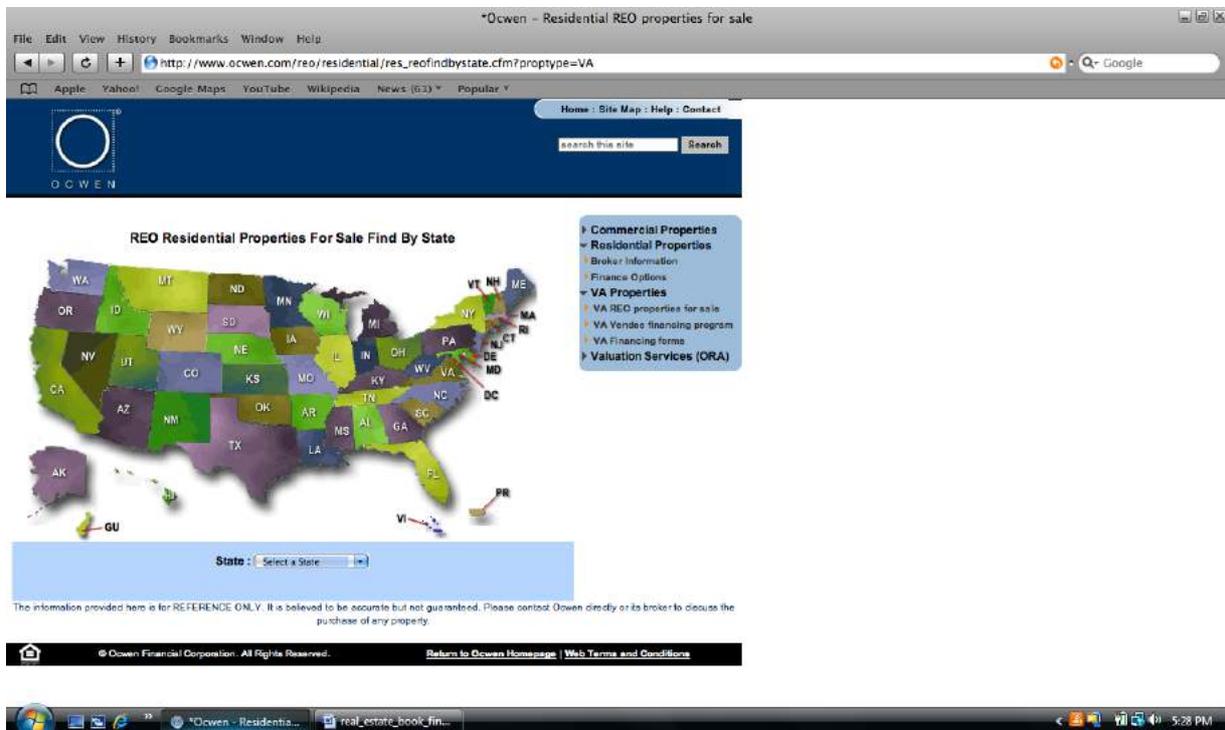
Why do I mention this? Because it is possible to outbid someone, you might consider talking your agent into dropping her fee slightly. The VA will pay up to 6 percent for real estate brokers. I use a real estate broker who is a one-man show specializing in government foreclosed property. Since he is both a broker and an agent, he can reduce his fee and still make a significant commission. In addition, if you are a real estate agent/broker, you can obviously compete much better by doing the paperwork yourself.

The Department of Veterans Affairs has awarded the Property Management Services Contract for managing, marketing, and selling VA-acquired properties throughout the United States and its territories to Ocwen Financial Corporation. The VA began transitioning properties to Ocwen around December 8, 2003.

The following is contact information for Ocwen:

Ocwen Financial Corporation
1661 Worthington Road, Suite 100
West Palm Beach, Florida 33409
Toll free: (800) 523-9479
Email: VAREOSales@ocwen.com
Website: <http://www.ocwen.com>

To view VA property listings for your state, use this direct link to the Ocwen website and, using the map of the United States on that page, click on your state of interest:
http://www.ocwen.com/reo/residential/res_reofindbystate.cfm?proptype=VA



As you should know by now, I live in the Kansas City area, which includes two states: Missouri and Kansas. I check both states. On the Missouri side, I noticed one property worthy of finding out more information.

Example VA Property

The property is located at 11102 E. 67th Street in Kansas City, Missouri and the details are as follows:

Listing Price: \$55,400	Listing Agent: Arline Walker
SQ. Footage: 1,157	Agent E-mail: arlinewalker@yahoo.com
Bedrooms: 3	Phone #: (816) 517-9690
Bathrooms: 1	Fax #: (816) 796-0270
Type: Single Family/Vendee Financing	Simultaneous Offer Close: Midnight 12:00 on 03/23/2008
Property #: 8000560584	Disclosures: p, s, t, l, o
Zip Code: 64133	Get Map:

The screenshot shows a web browser window titled "VA REO Property Details". The address bar displays the URL: http://www.ocwen.com/reo/residential/va_reopropdetails.cfm?LoanNumber=8000560584&stateChosen=MO&propid=1. The page features a search bar and a navigation menu with links like "Home", "Site Map", "Help", and "Contact". The main content area is titled "Property Details" and lists information for a property in Kansas City, MO. The listing includes a photo of a house, a listing price of \$55,400, 3 bedrooms, 1 bathroom, and a type of "Single Family/Vendee Financing". The listing agent is Arline Walker, with contact information provided. A sidebar on the right lists categories such as "Commercial Properties", "Residential Properties", and "VA Properties". The footer contains the text "© Ocwen Financial Corporation. All Rights Reserved." and a link to "Return to Ocwen Homepage | Web Terms and Conditions".

There are a few things of interest that you should notice. First, you must work with the realtor indicated in the listing. Next, the property is offered with vendee financing, which means you can get financing backed by the VA at an attractive interest rate. As of April 1, 2008, the rate is 6 percent.

Finally, be sure to notice the codes or disclosures. These codes will tell you if the property has major issues that you will want to consider before bidding. For example, the property has the following codes: p, s, t, l and o. An explanation of these codes is shown in the following table. Certainly I would start by asking the listing agent how bad the foundation is, what sort of pest problems exist, etc.

VA Codes Disclosures Index

Code	Description
Title	<u>Under Review</u>
D	<u>Property Condemned/Demolition</u>
E	<u>Environmental</u>
F	<u>Flood Zone</u>
H	<u>Home Owners Association</u>
L	<u>Possible Lead Based Paint Problem</u>
M	<u>Possible Mold</u>
N	<u>Non-Conforming Use</u>
O	<u>Possible Structure/Foundation Problems</u>
P	<u>Possible Pest Problem</u>
S	<u>Seller's Disclosure</u>

Code	Description
T	<u>Possible Termite Issues</u>
U	<u>Urea Formaldehyde Foam Insulation (UFFI)</u>
W	<u>Possible Water Damage</u>
Y	<u>No Yard</u>
Z	<u>Zero Lot Line</u>
AC	<u>Possible Air Conditioning Problems</u>
EL	<u>Possible Electrical Problems</u>
HT	<u>Possible Heater Problems</u>
NP	<u>No Parking on Property</u>
PL	<u>Possible Plumbing Problems</u>
RD	<u>Possible Roof Damage</u>
SA	<u>Shared Access Easement</u>
SP	<u>Swimming Pool</u>
ST	<u>Septic Tank</u>
UN	<u>Uninhabitable</u>
WW	<u>Well Water</u>

U.S. Housing and Urban Development (HUD) Homes

Most HUD homes are initially offered on a priority basis to owner-occupant purchasers (people who are buying the home as their primary residence). Following the priority period, unsold properties are then available to all buyers, including investors. To find properties, use the links in the table below for most major cities and U.S. territories. Select cities near where you live or that you are interested in. The HUD database will provide you with information on the address, type of property, list price, as-is value, listing date, deadline for submitting a bid, and whether the property is available to owner-occupants only or all purchasers (including investors). You will also find important notes, such as structural damage, flood zone, settlement, smoke damage, missing electric meter and a host of other things. Finally, be sure to observe the codes, such as LBP, which stands for lead-based paint. The notes and codes are required by disclosure laws and should be looked into, but shouldn't necessarily scare you off. For instance, any house built before 1978 probably contains lead-based paint.

For more information, refer to HUD's investor friendly web page at <http://www.hud.gov/groups/investors.cfm>.

HUD Homes by State (<http://www.hud.gov>)

State	Phone Number	Website
Alabama	(205) 731-2617	http://www.hud.gov/local/index.cfm?state=al
Alaska	(907) 677-9800	http://www.hud.gov/local/index.cfm?state=ak
Arizona – Phoenix	(602) 379-7100	http://www.hud.gov/local/index.cfm?state=az
Arizona – Tucson	(520) 670-6000	

State	Phone Number	Website
California – Fresno	(559) 487-5033	http://www.hud.gov/local/index.cfm?state=ca
California – Los Angeles	(213) 894-8000	
California – Sacramento	(916) 498-5220	
California – San Diego	(619) 557-5305	
California – San Francisco	(415) 489-6400	
California – Santa Ana	(714) 796-5577	
Colorado	(303) 672-5440	http://www.hud.gov/local/index.cfm?state=co
Connecticut	(860) 240-4800	http://www.hud.gov/local/index.cfm?state=ct
Delaware	(302) 573-6300	http://www.hud.gov/local/index.cfm?state=de
District of Columbia	(202) 275-9200	http://www.hud.gov/local/index.cfm?state=dc
Florida – Jacksonville	(904) 232-2627	http://www.hud.gov/local/index.cfm?state=fl
Florida – Miami	(305) 536-4456	
Florida – Orlando	(407) 648-6441	
Florida – Tampa	(813) 228-2026	
Georgia	(404) 331-5001	http://www.hud.gov/local/index.cfm?state=ga
Guam	(671) 472-7251	http://www.hud.gov/local/index.cfm?state=hi
Hawaii	(808) 522-8175	http://www.hud.gov/local/index.cfm?state=hi
Idaho	(208) 334-1990	http://www.hud.gov/local/index.cfm?state=id
Illinois – Chicago	(312) 353-5680	http://www.hud.gov/local/index.cfm?state=il
Illinois – Springfield	(217) 492-4120	
Indiana	(317) 226-6303	http://www.hud.gov/local/index.cfm?state=in
Iowa	(515) 284-4512	http://www.hud.gov/local/index.cfm?state=ia
Kansas	(913) 551-5644	http://www.hud.gov/local/index.cfm?state=ks
Kentucky	(502) 582-5251	http://www.hud.gov/local/index.cfm?state=ky
Louisiana – New Orleans	(504) 589-7201	http://www.hud.gov/local/index.cfm?state=la
Louisiana – Shreveport	(318) 676-3385	
Maine	(207) 945-0467	http://www.hud.gov/local/index.cfm?state=me
Maryland	(410) 962-2520	http://www.hud.gov/local/index.cfm?state=md
Massachusetts	(617) 994-8200	http://www.hud.gov/local/index.cfm?state=ma
Michigan – Detroit	(313) 226-7900	http://www.hud.gov/local/index.cfm?state=mi
Michigan – Grand Rapids	(616) 456-2100	
Michigan – Flint	(810) 766-5112	
Minnesota	(612) 370-3000	http://www.hud.gov/local/index.cfm?state=mn
Mississippi	(601) 965-4757	http://www.hud.gov/local/index.cfm?state=ms
Missouri – Kansas City	(913) 551-5644	http://www.hud.gov/local/index.cfm?state=mo
Missouri – St. Louis	(314) 539-6583	
Montana	(406) 449-5050	http://www.hud.gov/local/index.cfm?state=mt
Nebraska	(402) 492-3100	http://www.hud.gov/local/index.cfm?state=ne
Nevada – Las Vegas	(702) 366-2100	http://www.hud.gov/local/index.cfm?state=nv
Nevada – Reno	(775) 784-5383	
New Hampshire	(603) 666-7510	http://www.hud.gov/local/index.cfm?state=nh
New Jersey – Newark	(973) 622-7900	http://www.hud.gov/local/index.cfm?state=nj
New Jersey – Camden	(856) 757-5081	
New Mexico	(505) 346-6463	http://www.hud.gov/local/index.cfm?state=nm
New York – New York City	(212) 264-8000	http://www.hud.gov/local/index.cfm?state=ny
New York – Albany	(518) 464-4200	
New York – Buffalo	(716) 551-5755	
New York – Syracuse	(315) 477-0616	
North Carolina	(336) 547-4000	http://www.hud.gov/local/index.cfm?state=nc
North Dakota	(701) 239-5136	http://www.hud.gov/local/index.cfm?state=nd
Ohio – Cincinnati	(513) 684-3451	http://www.hud.gov/local/index.cfm?state=oh
Ohio – Cleveland	(216) 522-4058	
Ohio – Columbus	(614) 469-5737	
Oklahoma – Oklahoma City	(405) 609-8509	http://www.hud.gov/local/index.cfm?state=ok
Oklahoma – Tulsa	(918) 581-7434	
Oregon	(503) 326-2561	http://www.hud.gov/local/index.cfm?state=or

State	Phone Number	Website
Pennsylvania – Philadelphia	(215) 656-0500	http://www.hud.gov/local/index.cfm?state=pa
Pennsylvania – Pittsburgh	(412) 644-6428	
Puerto Rico/U.S. Virgin Islands	(787) 766-5400	http://www.hud.gov/local/index.cfm?state=pr-vi
Rhode Island	(401) 277-8300	http://www.hud.gov/local/index.cfm?state=ri
South Carolina	(803) 253-3292	http://www.hud.gov/local/index.cfm?state=sc
South Dakota	(605) 330-4223	http://www.hud.gov/local/index.cfm?state=sd
Tennessee – Knoxville	(865) 545-4384	http://www.hud.gov/local/index.cfm?state=tn
Tennessee – Memphis	(901) 544-3367	
Tennessee – Nashville	(615) 736-5600	
Texas – Dallas	(214) 767-8300	http://www.hud.gov/local/index.cfm?state=tx
Texas – Ft. Worth	(817) 978-5965	
Texas – Houston	(713) 718-3199	
Texas – Lubbock	(806) 472-7265	
Texas – San Antonio	(210) 475-6806	
Utah	(801) 524-6070	http://www.hud.gov/local/index.cfm?state=ut
Vermont	(802) 951-6290	http://www.hud.gov/local/index.cfm?state=vt
Virginia	(800) 842-2610	http://www.hud.gov/local/index.cfm?state=va
Washington – Seattle	(206) 220-5101	http://www.hud.gov/local/index.cfm?state=wa
Washington – Spokane	(509) 353-0674	
West Virginia	(304) 347-7000	http://www.hud.gov/local/index.cfm?state=wy
Wisconsin	(414) 297-3214	http://www.hud.gov/local/index.cfm?state=wi
Wyoming	(307) 261-6250	http://www.hud.gov/local/index.cfm?state=wy

HUD multifamily properties (i.e., apartments) are listed at <http://www.hud.gov/offices/hsg/mfh/pd/mfplist.cfm>.

Federal Deposit Insurance Corporation (FDIC) Foreclosures

The FDIC was established in 1933 to bolster investor confidence in savings. The FDIC is charged with ensuring the stability of America’s financial system. As such, the FDIC ensures most bank deposits up to \$100,000.

The FDIC also liquidates a variety of assets, including loans and real estate. A list of properties available for sale is updated weekly. For more information, visit <http://www2.fdic.gov/drrrore>. You can contact the FDIC at:

Field Operations Branch
1910 Pacific Avenue
Dallas, TX 75201
Toll free phone: (800) 568-9161

U.S. Government Services Agency (GSA)/U.S. Internal Revenue Service (IRS) Redemption Program

What happens when you don’t pay your federal taxes? The IRS may have a legal right to file a tax lien on your real property. Should a bank or other lender foreclose the property, the IRS can choose to exercise its lien rights and try to recover what it is owed. For this process to work, the IRS must have someone guarantee to purchase the property at a minimum bid price. That’s where the GSA comes to the rescue.

The GSA/IRS Redemption Program allows the GSA to assist the IRS in exercising its lien rights and recovering money from the sale of real property. The GSA also is responsible for selling

unused or unneeded federal property, such as federal facility buildings, warehouses, and military installations.

Properties may be sold by sealed bid, public auction or online auction. The winning bid is the highest bid. As a winning bidder, you must purchase the property. For more information, visit <https://propertydisposal.gsa.gov/ResourceCenter/PRHomePage/loadPRHomePage.do>, or contact the GSA at:

GSA Property Disposal Division (9PR)
Attn: IRS Redemption Program
450 Golden Gate Avenue, 4th Floor East
San Francisco, CA 94102-3434
Phone: (202) 501-0084
Toll free phone: (800) 421-7848

Note: Be careful, as many of these GSA properties are from former military bases. These properties probably have serious environmental issues (refer to Chapter 10).

U.S. Department of the Treasury – Internal Revenue Service (IRS)

Some properties are now offered directly from the IRS through public auction or sealed bids. All property is sold for cash (i.e., cashier's check) and the winning bidder is issued a quit claim deed. Anyone with an interest in the property can redeem within 180 days from the sale by paying the purchaser the amount paid plus 20 percent annual interest. The current listing of properties is available at http://www.treas.gov/auctions/irs/cat_Real7.htm.

U.S. Marshals Service

The U.S. Marshals Service is charged with disposing of assets, including real estate, that are seized by federal law enforcement agencies. Visit the Asset Forfeiture Program at <http://www.usmarshals.gov/assets/index.html>. Properties seized by court order are often offered for auction on Bid4Assets at <http://www.bid4assets.com>.

U.S. Small Business Administration (SBA)

Like the Federal Housing Administration or the Veteran's Administration, the SBA guarantees loans to qualified small businesses. This allows businesses to receive favorable interest rates and terms, while allowing banks the confidence to loan money knowing the U.S. government will back the loans. In some cases, businesses forfeit their properties and the SBA takes ownership to pay off the lender. Visit the following web page for a current listing of SBA properties: http://app1.sba.gov/pfsales/dsp_search.html.

U.S. Department of Interior – Bureau of Land Management (BLM)

The Department of Interior's BLM manages federal land primarily in 11 western states. Occasionally, the government will decide that certain parcels of land are no longer in the public's interest and they are offered for sale. Sales may be held by public oral auction or closed bid, usually at the BLM's nearest regional office. For more information, visit <http://www.blm.gov>.

U.S. Department of Agriculture (USDA)

The USDA also maintains a database of residential, multifamily, commercial and farm properties available for sale. For more information, visit <http://www.resales.usda.gov>.

EIGHT

Rental Property Management

“A thick skin is a gift from God.” – Konrad Adenaur

So you negotiated a deal and made it through closing. Now, fear sets in. Can I rent this place? Will I find a good tenant? How much should I ask? You should know most of the answers already, it's just that anxiety often makes us irrational.

Rental property management is not hard if you set the rules ahead of time and follow them.

Advertising

From what I have found, the Sunday classified section is still a good place to run an advertisement. Call your local paper immediately and run an ad. Even if you are fixing up a property, you can still take phone calls and even show the property.

Check out rental property management companies. They often have lists of property that they charge renters for, and are usually more than happy to include your listing for free. Next, buy a For Rent sign at the hardware store and place it in the yard and on the closest busy street.

Lately, I have had excellent results with Craig's List, an online directory of classified listings. Amazingly, you can place an ad on Craig's List for free. Visit <http://www.craigslist.com> and search for your regional location.

Making Appointments

Almost immediately you will receive phone calls. I try to be courteous to everyone and return all phone calls. Establish one or two days a week to show the property and no more. For example, you might say, “If you are interested in seeing the property, I will be showing it Friday night between 6:30 p.m. and 8:00 p.m. and Sunday between 2:00 p.m. and 4:00 p.m.” It is too chaotic to be running over to your unit and showing it every time someone calls.

Showing the Property

Make sure the property is as clean and ready-to-go as possible. Even if you are working on the property, pick it up a little. Be sure to have rental applications and pens. As each person, couple or family arrives, show them the house and spend a few minutes talking to each prospective tenant. You'll be amazed at what you hear.

Ask if they would like to fill out an application or take it with them and fill it out later. I usually indicate that I use a first-come, first-serve basis on qualified tenants. In other words, as I receive applications, I number them starting with "1." My prospective tenant is the first qualified applicant. You may choose to charge an application fee, but I don't. I would rather not eliminate a high quality tenant because of an application fee.

Evaluating Tenants

Once you have a pool of tenants to evaluate, start with the first applicant and apply an impartial screening process. The first criterion I use to screen applicants is whether they are employed and how much they earn. I use the 3x rule. My tenants must make at least three times their rent. Employment must be verified with a phone call. I should tell you that incomplete applications do not count. If an employer's number or a previous landlord's number is missing, then the application is held awaiting completion. In other words, it's put on the bottom of the pile.

As you speak with prospective tenants, relatives, employers, etc., you will hear all kinds of stories. I listen and I feel sorry for some applicants, but I also realize that this is my property and a bad tenant is very hard to get rid of.

Finally, sort your top three winning candidates and call to congratulate the winner. Occasionally, you will be surprised to hear that your first candidate has chosen another place or is no longer interested. In this case, move on to your second candidate.

Section 8 tenants are a special case that you may want to consider. These individuals have been qualified under the HUD Housing Choice Voucher Program to receive government assistance for housing, which would be paid directly to you. If your rent is more than their voucher, the tenant will need to pay the difference to you. Also, your property will have to pass an inspection before you can rent to a section 8 tenant.

Note: As a landlord, you cannot refuse to rent, sell or negotiate with anyone because of race, color, religion, sex, national origin, or mental/physical handicaps. You must abide by the Fair Housing Act requirements. In some states, these requirements only apply to landlords operating a certain number of units (e.g., three or more properties), but to play it safe and do the right thing you should never discriminate in choosing tenants.

Signing the Lease

Set up a time to sign the lease and conduct a walk-through of the property. The walk-through allows both of you to note items that are faulty, missing or broken. Sign two copies of the lease and collect the initial deposits and rent. Always require a money order, cashier's check or cash during the initial signing. Be sure to provide the tenant with a receipt. Inexpensive receipt books are available at office supply stores. After all of this, you are ready to hand over the keys.

Be sure to explain your expectations. Remind the tenant when the rent is due and when it is late. I usually require rents due on the first day of the month and consider them late after the fourth day of the month. Remind the tenant who is responsible for yard maintenance, cleaning gutters, changing furnace filters, etc.

Make sure that you explain your policy on fixing or painting in lieu of rent. I personally don't like to mix the two. In other words, I may allow a tenant to paint or fix something, but I would rather reimburse them for paint or their services instead of taking it off the rent. I know it's the same, but it makes your accounting more difficult to reduce rent and it gives too much incentive for

tenants to come up with unique ways to make improvements instead of paying the full rent. Also, it's a good idea to require all improvements to be approved ahead of time and in writing.

The data CD that accompanies this book has a lease example.

Structuring a Lease

You should always require a minimum of one year for every lease, unless you run into serious difficulty in finding suitable tenants. The reason here is that each move takes a toll on your property and you. Even the best tenants create wear and tear that must be fixed before leasing it again. This often means cleaning, painting, fixing, mowing, etc. Remember the phrase, "A bird in the hand is better than two in a bush." It applies here. If possible, sign longer leases (i.e., 2 to 3 years) and offer a discount. For example, if you are leasing a property for \$725 a month, consider dropping the price to \$700 a month for a 2-year lease. Believe me, it's worth it.

Rental Incentives

You might also consider offering a discount for rent paid on time. Let's say you offer a bonus incentive for your tenants to pay on or before the first day of the month. In exchange, you give them \$10 in credit to be redeemed or reimbursed at the end of the year. This is a powerful incentive. You can play it up that it will be extra Christmas money. This is important to you because you want your money on time. Remember the time value of money. Of course, if you decide to use a property management company, they will have their own policies that will help you get your money on time; however, you will be paying a premium for their help.

Security Deposit

You should always require a security or indemnity deposit. The amount may be dictated by the state or local government that you are in. In Kansas, you are not allowed to accept a deposit for more than one month's rent.

I usually require an odd number that is slightly lower than one month's rent. Again, if the monthly rent is \$725, I might require \$700 for the security deposit. This signals to a tenant that the two are separate, so there is no enticement to skip out the last month and use the last month's rent to pay for it. Some property owners require both a security deposit and the last month's rent or half of the last month's rent. You will have to experiment with this.

Parting Ways/Eviction

If you run into a situation where the tenant's rent is constantly late or they can't pay at all, you may have to part ways. Your first option here should be to work with the tenant and creatively come up with a payment schedule or way to work off the debt. For one of my properties, it became obvious that my tenant could no longer pay the rent. I was patient, but worried that I wouldn't see my money. I met with the tenant and explained that it wasn't working out and that the property must be too expensive.

Since the house needed some painting and a few repairs, I suggested that the tenant provide these services and he agreed. He decided to move out in a month, but in the meantime, the tenant painted the exterior and fixed the woodwork. Believe me, this is more than I would have received with a hostile attitude.

As an incentive for moving out, you can use the security deposit. It may be possible to entice a tenant to leave with the deposit. For example, you could say that it's not working out and that you'll return part of the security deposit if the tenant moves out in a month.

Sometimes your best efforts won't work and you will have to evict a tenant. To start the eviction process, you must visit the county courthouse and fill out paperwork known as a writ of possession. Each county is different, so you will need to ask a lot of questions and follow their procedures.

NINE

Secrets of Selling Property

*“Too much of a good thing is no good.”
– overheard somewhere*

The Price is Right

Don't even think about selling your property unless it is priced right. Refer back to Chapter 4 on estimating the value of real property. Too many homeowners get greedy here and want every last penny they can get from their property. What happens in the long run is that their property stays on the market too long and may even be used by realtors as an example of a property that is overpriced. Remember the time value of money. The time it takes to sell a property is money that you have tied up and could use to make other deals.

I also have alluded to the fact that rental property will likely have to be sold at below market value because of the rental stigma. This is especially true for single-family homes.

The Time is Right

Every year something amazing happens, and you can watch it from your car window or while walking down the street. Every spring trees blossom, flowers bloom, birds chirp and there is a sense of wonder and newness in the air. Something amazing happens in the housing market as well. For sale signs begin popping up like weeds.

By far, spring and early summer are the best times to sell a property. I suppose there are a number of reasons for this. Kids are out of school and parents can move easier. The weather is nice and people are in a buying mood. Lawns and landscapes can be made into beautiful arrangements. The best thing about selling in the spring is that demand is high and properties command higher prices. Take advantage of this annual phenomenon.

As you can probably guess, the best time to buy (in most of North America) is in the middle of winter, when it is cold and dreary. Of course, if you live in, or plan on investing in, places like Phoenix, Arizona or Fort Meyers, Florida, then the opposite may be true. Winter may be the best time to sell and summer may be the best time to buy.

The Property is Right

The objective here is to make a house sellable by spending the least amount of money. It's amazing what I have seen, and what you have probably seen, too. Homeowners and even

investors get caught up in fixing every detail and making a property beautiful when in reality a buyer wants a nice property in a good location and that's about it.

Make small improvements that result in large profits. Here is a quick list of things to do to get your property ready to sell:

- Clean up the inside and outside of your property. Get rid of anything that you don't need. Clean windows, doorknobs, walls and make them bright and shiny. Remove any cobwebs and dust.
- Neatly arrange and reduce the amount of personal property.
- If you are living in the property, get rid of about half of the clothes in your closet and store them somewhere. Closets need to be open and inviting.
- Clean kitchen cupboards and make sure they show plenty of room.
- Clean the basement and garage and remove wetness and mildew. Before applying paint, use a product like Kilz to remove mold.
- Put a fresh coat of paint on the inside and outside. Be sure to use neutral colors (e.g., beige, taupe, off-white, or cream). Depending upon the condition of the paint, you may only need to do a touch up.
- Cut any weeds, tall grass or overgrown shrubs. Plant some inexpensive and blooming flowers.
- Remove stains, odors and dust. Fill your house/property with pleasant odors. If you are living there, a nice home-cooked meal may do the trick; otherwise, use scented candles, incense or some other pleasing aroma. Be careful here. You are looking for a mild and universally appealing aroma.
- Turn all the lights on and use high wattage bulbs. The brighter a house, the cleaner it seems.
- Replace carpeting or steam clean.
- Fix cracks in drywall.
- Fix or install ceiling fans.
- Clean and polish hardwood floors.
- Replace old worn faucets and other inexpensive fixtures.
- Remove old shower curtains and mats.
- Clean or recaulk bathroom tile.

For more information on selling your home, refer to Bruce Hahn's book, *How to Sell Your Home Fast* (1976).

Major improvements are much more risky. The following table, derived from the Chicago Federal Savings and Loan Association (1995), shows what type of cost recovery you can expect from major home expenditures:

Anticipated Cost Recovery of Major Home Expenditures

Improvement	Estimated Cost	Cost Recovery
Deck	\$2,000 to \$4,000	50% to 60%
Re-siding	\$3,000 to \$5,000	70%
Add a full bath	\$1,500 to \$3,000	40% to 70%
Add a garage	\$3,000 to \$5,000	60% to 100%
3rd Bedroom in existing space	\$6,000 to \$8,000	Up to 100%
3rd Bedroom house addition	\$7,500 and up	Up to 100%
4th Bedroom house addition	\$7,500 and up	75% to 100%
Kitchen remodeling	\$3,500 to \$8,000	80% to 100%
Family room addition	\$10,000 to \$20,000	80% to 100%
Fireplace	\$2,500 to \$4,000	Up to 100%
Gutters, soffit, fascia	\$2,500 to \$4,000	30%
Insulation	\$600 to \$1,700	None
Landscaping	\$10 to \$2,000	20% to 50%
New heating/air conditioning	\$1,000 to \$1,500	None (expected)
Patio	\$1,500 to \$2,500	40% to 50%
Repaint exterior	\$1,000 to \$2,000	50% to 80%
Roof replacement	\$3,000 to \$6,000	50%
Storm windows and doors	\$6,000 to \$10,000	25% to 30%
Swimming pool	\$2,500 to \$20,000+	0% to 50%
Home office	\$0 to \$5,000+	50% to 80%

Source: CNN, July 2002

TEN

Managing Environmental Risk

*“A moment’s insight is sometimes worth a life’s experience.”
– Oliver Wendell Holmes*

In most cases, real estate is one of the safest ways to make a high return on your money. However, one of the biggest risks you face when purchasing real estate is environmental problems. Purchase a property with environmental contamination and you could lose money or, worse yet, even go bankrupt.

Why?

If you own a property that has known environmental problems, virtually no one will want to buy it. At a minimum, even if the problems are minor, you likely will only be able to sell the property for 10 or 20 percent of what it is really worth. In many cases you will not even be able to give the property away for free. This is because environmental laws are written so that the current owner is liable for the contamination, regardless of whether he/she caused the contamination or not.

Therefore, if you purchase a property with environmental problems, you are financially liable for cleaning up the contamination to levels that are acceptable to the United States Environmental Protection Agency (USEPA) and, in many cases, state Environmental Protection Agencies. By law, these agencies can also sue you, the property owner, and make you pay for cleanup. For even minor problems, environmental cleanups can cost hundreds of thousands of dollars. Larger environmental problems can drag on for decades and cost millions of dollars to rectify.

For most situations, any environmental problems should be a deal killer for real estate investors.

For foreclosed properties, understanding and avoiding environmental problems takes on even more significance. This is because you are buying properties from people who are not paying their mortgage or, in the case of tax liens or tax deeds, their property taxes. One reason for letting the property go into default is the creation or discovery of environmental problems. After all, if you bought a property and then discovered that the property had environmental problems and you could not sell it, what would you do?

Commercial vs. Residential Properties

By far, one of the easiest ways to avoid environmental problems is to only purchase residential properties. You will probably avoid 75 to 90 percent of all properties that have environmental problems if you never bid on commercial properties. This is because in most cases, individuals

living in residential homes do not have any need to create, store or distribute the type and quantity of hazardous materials that can cause significant environmental contamination.

Also, residential homes are not typically located in industrial areas where nearby commercial businesses are using hazardous substances that could impact the area. Remember how environmental laws are written:

Even if your neighbor causes your property to become contaminated, you could still be held liable for the contamination, especially if it cannot be proven who caused the contamination.

That is one reason why cities and counties have zoning laws and often create areas called industrial parks. In these industrial parks, businesses are kept separate from residential areas so potential environmental impacts to most citizens can be controlled. The environmental laws are also written so levels of contamination in soil, air and water in industrial areas can be higher than residential areas and still be in compliance with the law.

Potential Environmental Problems

The following is a discussion of potential environmental problems to be aware of and to look for when you start researching properties.

Industrial parks

Industrial parks are large tracts of land that have been zoned for commercial operations that are typically involved in manufacturing some type of product. These industrial parks are sometimes located in areas that border residential areas, so watch out. Usually you can determine if a property is near an industrial park just by looking at a county map or driving by the property.

Highways

Although you might not expect it, highways can be a place where environmental problems may be present. Asphalt, deicing compounds and lead from automobile exhaust can pollute soils and groundwater. Roadsides along highways can be potential dump sites for just about anyone looking to get rid of something they don't want. And because drainage channels usually border highways, sometimes flooding can be a problem when drainage channels fill up. In addition, remember that it can be difficult to sell properties near major roadways because no one wants traffic in their backyard. If you are looking at property that is near or on a major highway, make sure you inspect the property bordering the highway to look for signs of dumping, flooding, asphalt/tar, soil staining, excessive trash or any other suspicious looking items.

Landfills

Landfills are everywhere. After all, where do you think your garbage goes when the trash truck comes to your door? Landfills range from municipal landfills that are used for disposing of residential garbage to chemical/hazardous waste landfills that are specially designed to dispose of hazardous waste. Property near any landfill almost always gets a big reduction in market value. Property near a chemical/hazardous waste landfill may not even be sellable. You can usually locate landfills by topographic maps or county maps. Also, there is always a lot of truck traffic near a landfill. Unless you have specialized knowledge, never bid on properties near a landfill.

Gas stations

Any property near a gas station should cause alarm. To avoid explosions, gas stations have underground storage tanks where gasoline or diesel fuel is stored. Unfortunately, many of these underground storage tanks leak, often causing environmental contamination in soils and groundwater that can migrate onto adjacent properties. Gasoline and diesel fuels also contain many hazardous chemicals, and some have been proven to cause cancer. Across the United States and the entire world for that matter, billions of dollars a year are spent cleaning up environmental contamination caused by gas stations. Gas stations are also usually very busy and noisy. Avoid any properties near gas stations.

Dry cleaners

Although at the surface dry cleaners may seem harmless, they can be the cause of very serious environmental problems. Dry cleaners use solvents to clean garments that can migrate great distances in the soil or groundwater. It is not uncommon for dry cleaning solvents to migrate several miles from a dry cleaning business. If the solvents are poured down the drain or dumped on the ground, they can migrate below ground and contaminate the groundwater. Once the groundwater is contaminated, it can migrate thousands of feet away from the dry cleaning business and contaminate large areas of groundwater, potentially affecting many property owners. Wells located within the solvent plume can become polluted and may no longer be used for drinking water.

Hazardous waste sites and disposal areas

Some companies manufacture, store or transport hazardous chemicals. Federal facilities such as military bases may use large quantities of hazardous wastes to manufacture weapons. When these wastes are improperly handled and released to the environment, the area often becomes what is called a hazardous waste site. Hazardous waste sites can be anywhere, but they are most commonly located near military bases, dump sites, landfills, gas stations, dry cleaners or anywhere where significant quantities of hazardous chemicals may have been used.

Hazardous waste sites that are regulated by the USEPA are called CERCLA (also called Superfund) and RCRA sites. CERCLA stands for Comprehensive Environmental Response, Compensation, and Liability Act and governs most hazardous waste sites that are no longer operating facilities. RCRA stands for Resource Conservation and Recovery Act. This law governs facilities that are still operating. State laws also govern hazardous waste sites such as gas stations and many RCRA facilities. Unless you are an expert in environmental cleanups, never buy a property near a hazardous waste site. You could become liable for cleaning up the contamination. Many people have gone bankrupt after buying land or property on or near a hazardous waste site.

Federal facilities, current and formerly owned military bases

Military bases are notorious for their environmental problems. Some military installations manufacture hazardous materials (e.g., ammunition plants) or store them, while other military bases have large maintenance facilities that service aircraft/military equipment or perform weapons testing. Be very careful if you are looking at property near a military base or federal facility. Many of the areas around military bases become Superfund sites that can take decades to clean up. Property values are typically very depressed in these areas.

Airports

Buy property near an airport and you might find yourself with something that will be difficult to sell. Would you want to live near an airport with its noise pollution? Probably not. In addition, aircraft maintenance and fueling can cause environmental contamination due to the quantity of fuel used and the toxic compounds in the fuel.

Wastewater treatment plants and pump stations

Unless you have a septic tank, when you flush your toilet the water eventually goes to a wastewater treatment plant. These plants are undesirable for neighbors because they often smell and spills/leaks of sewage can occur. Pump stations are areas where the sewage is collected and pumped to the wastewater treatment plant. If you can, avoid properties near all these areas.

Refineries, tank farms, tank cleaners and waste oil storage/handling facilities

Just about any business that manufactures, handles or stores petroleum products should be cause for looking elsewhere. Most forms of petroleum contain hazardous chemicals, and petroleum is very flammable and explosive.

Oil wells, well fields, gas and petroleum pipelines

Even in its raw form, crude oil contains hazardous chemicals. Oil drillers can be sloppy in their waste handling practices and may leave large brine pits, open holes and dump sites after they are finished drilling. In addition, many attempted drilling locations are often abandoned when little or no oil or gas is found.

Electrical substations and power grids

Although no one has been able to definitively prove that living near a large magnetic field causes cancer, there is some pretty good evidence that large electrical substations and power grids can cause serious health problems. Also, PCBs, an environmental contaminate that can be expensive to investigate and clean up, were at one time commonly used in transformer oils. Property located adjacent to an electrical station or beneath a large power transmission grid should therefore be avoided.

Mines and quarries

Abandoned and current mines and quarries should be avoided. Mines often contain high concentrations of heavy metals, like lead, mercury and arsenic. At most mines, these naturally occurring metals are concentrated, which is the reason the mine was constructed in the first place. Also, explosives are often used at mines to blast away the top rock. Surface water or groundwater passing through a mine can become contaminated with metals and become overly acidic (called acid mine drainage). Mines also are usually a liability issue since they can collapse or lure children that can become lost and suffocate. Quarries can have similar problems. In addition, quarries often have steep cliffs and deep pools of water that can be a hazard to anyone on the property.

Agricultural areas

Agricultural areas, including pig/chicken farms, pesticide/fertilizer manufacturers, agricultural chemical makers and transporters, and grain storage facilities, have the potential for

environmental contamination that could migrate to adjacent property. These areas are also usually smelly and may have a lot of truck traffic. Every situation is unique, but if it looks like a major agricultural operation is going on next door, make sure you know what it is and understand that property values may be affected.

Fuel oil tanks

In the Northeast, many homes are heated with fuel oil and properties often have buried fuel oil tanks. While this should not be an immediate cause for alarm, make sure you are familiar enough with the local area to know that their presence could at least be a possibility. A leaking fuel oil tank can be costly to fix or remove. Look for soil staining, oil sheens on nearby streams or standing, oily water. In most cases you will not be able to find the tank. When you go to the county assessor, see if you can find out if the property has a fuel oil tank by looking at the county records available for the property.

Septic tanks

Similar to fuel oil tanks, properties having a septic tank should not necessarily be a cause for alarm. Most rural properties have septic tanks and many operate correctly. A faulty septic system is usually easy to spot or, should I say, smell. Look for smells around low spots or in ditches. If you smell sewage and the property is in a rural area, you may have located a septic problem. This may not be a deal killer if the property is a good bargain, but fixing a septic problem can cost thousands of dollars and require approval by the county.

Lead paint

Homes built prior to 1978 may contain lead-based paint. Due to increased lead levels in children who lived at or near homes containing lead-based paint, lead can no longer be added to paint. However, older homes may have lead-based paint chips around home foundations. This is not usually a problem, but be aware that you may have to disclose this to future buyers or renters of the property, especially if they finance the purchase with an FHA or other government loan. If you are renting or owner-financing a home built before 1978, you should have your prospective renter or buyer sign a lead-based paint disclosure form. A seller's disclosure form is available at http://www.hud.gov/offices/lead/library/enforcement/selr_eng.pdf; and a lessor's disclosure form is available at http://www.hud.gov/offices/lead/library/enforcement/lesr_eng.pdf

Asbestos

Asbestos is more common in commercial buildings, but it can be found on older homes or located at dump sites on raw land. Inhaling asbestos fibers has been proven to cause cancer in humans and asbestos cleanups can be very expensive. Look for shingles or insulation that is friable (breaks apart when pulled strongly), old and not flammable. It is rare to find asbestos on a residential property. If you find something that looks suspicious you can have it analyzed for about \$100.

Mold

Mold has gotten a lot of attention lately. Insulation or other building materials that get wet and stay damp for a long time can be an incubator for mold. One variety called toxic black mold, which appears to grow very well in building materials, can cause serious health problems. This environmental problem is sometimes difficult to spot, because even new homes that appear to be properly constructed can develop mold problems that can be hard to rectify. Entire walls may need to be torn out and replaced, and once mold is present in a home it can be difficult to

eliminate. Across America, there are many cases of builders being sued for new homes they built that later developed a mold problem. New homes that enter tax delinquency because they could not be sold and show no other environmental problems are possible candidates for mold contamination. However, mold cases are rare, so it is unlikely you will encounter mold problems in most homes.

Radon

Anywhere where property is built directly onto shale (a common type of bedrock), radon may accumulate in crawl spaces, basements and low areas. Radon gas breathed over a lifetime has been shown to cause cancer. A lot has been made about radon and normally the fear is overblown. To fix a radon problem usually only requires better ventilation. Often all that is needed is a fan or better circulation to keep radon levels down. However, like all environmental problems, you should be aware of everything. Radon contamination is most common in the Midwest, where basements are constructed and shale layers in the subsurface are common.

Private wells

Properties with private wells can be a blessing or a curse. If the well is not contaminated, you have a very cheap water supply. If the well has contamination, you probably will not be able to use it and may need to pay to have it abandoned to avoid future problems. Wells that are located in low spots or are near obvious contamination sources like septic tanks or fuel oil tanks are candidates for being polluted. Also, remember that contamination from other sources like gas stations, dry cleaners, military bases and oil fields can travel many miles underground in what is called a groundwater plume. Groundwater plumes can contaminate all the wells in a large area. Usually if you avoid buying properties near any of the areas mentioned above, your well should be okay.

Flooding

Flooding is a very common environmental problem that can impair or, in some cases, ruin a real estate investment. In most situations, the government does not allow builders to construct homes in any areas that have been designated a flood plain. However, even these areas are chosen based on educated guesses of how large an area will flood every 50 to 100 years, so if a real deluge occurs, all bets can be off. To find evidence of flooding, look for dark staining on structures that appears to end at the same place. Also, look for debris on small trees, again hanging at roughly the same elevation across an area. Find soils that appear cracked and dry, like they have been through many wet and dry cycles. You can also look at topographic maps and find areas where the contour lines are lower in elevation than anywhere else. These maps may also show dotted areas that are wet during periods of the year.

Settlement

When the ground settles after a structure has been built on it, the structure may fail. Repair of settlement problems can be very expensive. Severely cracked basements and foundations are often easy to spot. Look for concrete structures that are cracked or not level. Clay soils settle a lot more than sand or rock. That is because certain clay minerals can shrink or swell, sometimes as much as two times their size from the dry to wet state. This is a large problem in some locations, such as the Midwest.

Special situations

Earthquake zones, steep cliffs or strongly sloping property, heavy rail traffic, unfavorable soil conditions and polluted groundwater represent situations that may be unique to certain areas. This is why it is very important that you have some understanding of the area before you invest. Some areas are just not suitable for investment or their market value is at least impaired because of a factor that may be common knowledge to locals but relatively unknown to outsiders. To find most special situations that could impact the property values, learn the area and talk to locals. If many houses in an area are not selling, it is usually a warning sign that something is wrong. For example, in some parts of Florida the combination of limestone bedrock and a rainy climate can result in occasional sink holes.

Environmental Assessments

After going through this list of items to consider, you should be familiar with most of the common types of environmental problems.

However, like most subjects, environmental issues can get very complicated. When checking for environmental problems, especially on commercial properties, many real estate attorneys advise their clients to have what is called a Phase I Environmental Site Assessment conducted. During a Phase I Environmental Assessment, an environmental professional will do a property search and often visit the site to check for environmental problems.

During the property search, the environmental professional will review what are called Sanborn maps. These maps are really just historical plat maps that show many of the previous owners and uses of the property. They are dated by year and can be found at the courthouse or public library.

If you are reviewing a property and find potential signs of environmental contamination, or suspect the area was once used for something that could have caused environmental contamination, you should probably consult with an expert or avoid the property.

During a Phase I Environmental Assessment, environmental professionals review topographic maps, county maps, and geologic maps, as well as call state professionals familiar with the area, to learn about area groundwater, soil conditions and any nearby contaminated sites. As part of their assessment, they scan for many of the same things discussed above to determine if there is any reason to suspect the property has current environmental contamination or could become contaminated in the future.

After doing the Phase I Environmental Assessment, a report is prepared. If potential environmental problems are found, the buyer either walks away from the real estate deal or he/she may ask the owner of the property to perform a Phase II Environmental Site Assessment. During a Phase II Environmental Assessment, samples of soil and possibly groundwater from the site are often collected and the samples are sent to a laboratory to determine if environmental contaminants above regulatory levels are present on the property.

Working as an environmental professional for over 15 years, I have personally done many Phase I and II investigations. In most cases, I have found that common sense prevails during these investigations. Always remember the following:

If you would not want to live in or near the property for any reason, do not buy it or bid on it.

Look on topographic maps and county maps for nearby undesirable neighbors like landfills or waste sites. Drive by the property to see what the neighbors look like. Any nearby commercial or government properties should be scrutinized carefully. Look for obvious signs of contamination on or near the property using the above guidelines.

ELEVEN

Bankruptcy Issues

*“Patience and fortitude
conquer all things” – Chinese proverb*

In addition to environmental problems, bankruptcy represents one of the biggest risks to real estate investors. The reasons for this are two-fold.

First, bankruptcy is a risk because most real estate investing involves distressed properties and distressed owners. Whether you are buying government foreclosures, bank foreclosures, tax lien certificates, tax deeds or even preforeclosures, chances are you are going to be dealing with individuals in financial hardship. This means in many cases you will be dealing with individuals who are either contemplating bankruptcy or have already filed for bankruptcy.

Second, and this a warning to all real estate investors, a great number of real estate investors and real estate developers file for bankruptcy every year. This is because real estate deals often use financial leverage and when a deal goes south, it can have dire consequences for the investors involved. As a real estate investor you must always evaluate every deal closely, and have enough margin of safety that if conditions change or you miscalculate what you can make on the deal, it will not cause you to file for bankruptcy.

Therefore, given both of these possibilities, every real estate investor should have a working knowledge of bankruptcy and how it could affect real estate deals he or she might make.

In the summer of 2005, a new bankruptcy law went into effect. This bankruptcy law, called the Bankruptcy Abuse Prevention and Consumer Protection Act, radically changed the bankruptcy process. Here is a summary of the new bankruptcy process with an emphasis on the provisions that could affect real estate investors.

Bankruptcy can generally be divided into three main categories: Chapter 7, Chapter 13 and Chapter 11. Chapter 7 and Chapter 13 are reserved for personal bankruptcies and Chapter 11 is reserved for corporate bankruptcy.

Chapter 7 bankruptcies could be called drive-through bankruptcies because the process is quick, usually lasting six months. Chapter 7 is designed for individuals who have lots of unsecured debt (credit card debt is unsecured debt) and very little if any secured debt (secured debt is debt that is backed by collateral such as a house). During the bankruptcy revision of 2005, Congress made it much harder for individuals to declare Chapter 7 bankruptcy. Now to declare a Chapter 7 bankruptcy, individuals must meet the following qualifications: (1) their median household income must be below the average median household income for their state,

and (2) they can only declare a Chapter 7 bankruptcy once every eight years (under the old rules it was once every six years). Usually under a Chapter 7 bankruptcy, all unsecured debt is discharged. Also prior to declaring bankruptcy of any type, credit counseling is required.

Chapter 13 bankruptcies are longer in duration and are largely reserved for individuals who have lots of secured debt. Under the new rules, Chapter 13 bankruptcies are five years in duration (under the old laws three years was more common). Under a Chapter 13 bankruptcy, a payment plan is typically set up and the debtor is required to pay back most of their debts. Again, prior to declaring bankruptcy of any type, credit counseling is required.

Chapter 11 bankruptcies are reserved for corporations and the rules are complicated. Generally, Chapter 11 bankruptcies can go on for years and resolution of all debts is complicated.

For real estate investors desiring to purchase property from an individual involved in bankruptcy, Chapter 7 is the best scenario. The bankruptcy will be resolved quickly and it is unlikely that the individual involved will keep any secured debt (i.e., property) they own. Under Chapter 13, the bankruptcy process will be drawn out and the individual will likely keep any secured debt they own. This means that if you are trying to foreclose on a home involved in a Chapter 13 bankruptcy, you may not win.

Another important consideration for real estate investors who may be contemplating investing in foreclosures or other distressed property is the homestead exemption. All states include homestead exemptions as part of the bankruptcy process, but the range of exemptions allowed between states is huge. The following table includes the homestead exemptions for all 50 states. In a state like Texas, the homestead exemption is unlimited, meaning an individual cannot lose his house in a bankruptcy proceeding, no matter how high the value, as long as the home has been declared the individual's primary residence. Second homes, vacation homes and investment property do not apply, so these types of property are still at risk in a bankruptcy proceeding. In contrast, in Delaware there is no homestead exemption, so the entire value of the homestead is at risk.

State Bankruptcy Exemptions

State	Homestead Exemption Single (\$)	Homestead Exemption Married (\$)	Land Limit
Alabama	5,000	10,000	160 acres – single 320 acres - married
Alaska	67,500	67,500	Unlimited
Arizona	150,000	150,000	Unlimited
Arkansas	Unlimited if head of household	Unlimited	0.25 acre – urban 80 acres – rural
California	\$75,000 for family member living with one or more non-owner family members \$150,000 if 65 years old; or disabled; or 55 years old with an annual gross income of \$15,000 or less if single or \$20,000 or less if married \$50,000 all other persons	\$75,000 for family member living with one or more non-owner family members \$150,000 if 65 years old; or disabled; or 55 years old with an annual gross income of \$15,000 or less if single or \$20,000 or less if married \$50,000 all other persons.	Unlimited
Colorado	45,000	45,000	Unlimited
Connecticut	75,000	75,000	Unlimited

State	Homestead Exemption Single (\$)	Homestead Exemption Married (\$)	Land Limit
Delaware	50,000	50,000	Unlimited
District of Columbia	100% of aggregate interest in residential property	100% of aggregate interest in residential property	Unlimited
Florida	Unlimited	Unlimited	0.5 acre – city 160 acres – rural
Georgia	10,000	20,000	Unlimited
Hawaii	20,000; 30,000 if head of household or 65 years old	20,000; 30,000 if head of household or 65 years old	Unlimited
Idaho	Lesser of 50,000 or total net value	Lesser of 50,000 or total net value	Unlimited
Illinois	15,000	15,000	Unlimited
Indiana	15,000	15,000	Unlimited
Iowa	Unlimited	Unlimited	0.5 acre city 40 acres rural
Kansas	Unlimited	Unlimited	1 acre city 160 acres farming
Kentucky	18,450	18,450	Unlimited
Louisiana	25,000	25,000	5 acres – urban 200 acres - rural
Maine	35,000 or 70,000 with minor dependents	35,000 or 70,000 with minor dependents	Unlimited
Maryland	5,000	5,000	Unlimited
Massachusetts	500,000	500,000	Unlimited
Michigan	30,000 or 45,000 if 65 years old or disabled	30,000 or 45,000 if 65 years old or disabled	1 lot city 40 acres rural
Minnesota	200,000; 500,000 if primarily agricultural	200,000; 500,000 if primarily agricultural	0.5 acre city 160 acres rural
Mississippi	75,000	75,000	160 acres
Missouri	15,000	15,000	Unlimited
Montana	100,000	100,000	Unlimited
Nebraska	60,000	60,000	2 lots – city 160 acres – rural
Nevada	350,000	350,000	Unlimited
New Hampshire	100,000	100,000	Unlimited
New Jersey	0 (no exemption)	0 (no exemption)	None
New Mexico	30,000	60,000	Unlimited
New York	50,000	50,000	Unlimited
North Carolina	10,000	10,000	Unlimited
North Dakota	80,000	80,000	Unlimited
Ohio	5,000	5,000	Unlimited
Oklahoma	Unlimited	Unlimited	Unlimited
Oregon	30,000	39,600	Unlimited
Pennsylvania	0 (no exemption)	0 (no exemption)	None
Rhode Island	200,000	200,000	Unlimited
South Carolina	5,000	10,000	Unlimited
South Dakota	Unlimited	Unlimited	Unlimited
Tennessee	5,000	7,500	Unlimited
Texas	Unlimited	Unlimited	10 acres – city; 200 acres – rural
Utah	20,000 – primary residence 5,000 – other residence	40,000 – primary residence 10,000 – other residence	1 acre – primary residence
Vermont	75,000	75,000	Unlimited
Virginia	5,000 plus 500 per dependent	5,000 plus 500 per dependant	Unlimited

State	Homestead Exemption Single (\$)	Homestead Exemption Married (\$)	Land Limit
Washington	Lesser of 125,000 or total net value of property	Lesser of 125,000 or total net value of property	Unlimited
West Virginia	25,000	25,000	Unlimited
Wisconsin	40,000	40,000	Unlimited
Wyoming	10,000	10,000	Unlimited

Note: Visit http://www.totalbankruptcy.com/bankruptcy_laws_in_your_state.htm for more specific details regarding state homestead exemptions.

During the bankruptcy reform act of 2005, the homestead revisions were tightened at the federal level by capping the amount of the homestead exemption at \$125,000 for any primary residence where the occupant had only lived in the home for 40 months or less. This cracked down on a common practice that had been occurring where high net worth individuals who wanted to protect their assets in a bankruptcy filing were moving to states with high homestead exemptions prior to declaring bankruptcy.

Overall, real estate investors need to remember three things about the bankruptcy process.

First, it will slow down any real estate deal. If you know beforehand that a property is involved in bankruptcy, either plan on being patient or walk away and find another deal. Chapter 7 bankruptcies will be resolved relatively quickly, but Chapter 11 and Chapter 13 bankruptcies can drag on for years.

Second, if the owner lives in a state with an unlimited homestead exemption and has occupied the home for more than 40 months, your chances of foreclosure are less.

Third, vacation homes, second homes and investment property are not considered homesteaded property and will not be protected in a bankruptcy proceeding. This is a double edged sword for real estate investors. If you are attempting to acquire a property that is not homesteaded through the foreclosure process, you will likely get the property. However, if you are the owner of an investment property and are facing bankruptcy, you will likely lose the property.

TWELVE

Tax Implications of Selling Property

“The point to remember is that what the government gives it must first take away.” – John S. Coleman

Whether you're buying and selling foreclosures, holding on to rental properties for an extended period, purchasing tax liens or buying notes, Uncle Sam is anxiously awaiting his cut of the profits. If you're like me, you don't mind paying your fair share, right? Well, how about paying more than you're required. In fact, how would you like to pay a lot more than someone else and receive the same benefits? I wouldn't.

The point is to minimize your tax liability. You are not trying to get by without paying taxes; rather, you just want to make sure that you only pay what is required.

Capital Gains and Depreciation Recovery

First, if you buy and sell property and make a profit, you incur capital gains. Long-term capital gains are generally taxed at a rate lower than your personal income tax rate. That is a bonus and another reason to leave your 9 to 5 job and start a career in real estate.

The IRS considers long-term investments as those lasting over a period of one year. Short-term capital gains are taxed at your normal income tax rate, which could be as high as 35 percent for some taxpayers.

Although the capital gains rate and holding periods seem to fluctuate with changing administrations, the recent tendency has been to keep the rate below your ordinary income tax rate. Before May 6, 2003, the rates were 20 percent for most long-term gains and 10 percent for taxpayers in the 15 percent category. Currently, the long-term capital gains rate is 15 percent for most taxpayers. If you fall into the 10 or 15 percent tax brackets, the capital gains rate is only 5 percent. These favorable capital gains rates are set to expire in 2010 unless reauthorized, so keep that in mind because it could reduce your investment returns more than you realize.

For now, the incentive is simple. Hold on to real estate longer than a year before selling to reduce your tax liability. For foreclosures and properties that you were planning to resell, it will be necessary to rent out the property for at least one year before selling.

Capital gains occur when you buy a property and sell it for more than what you paid for it or the basis of the property. The basis can be affected by expenses, but for simplicity if you bought a property for \$50,000 and sold it a few years later for \$65,000, then you have incurred a capital gain of \$15,000 and it will be taxed at 15 percent. So, you owe Uncle Sam \$2,250.

That's pretty easy so far. Now, how about depreciation? If you depreciate a rental house, then there will come a day of reckoning. In essence, the government has loaned you money and now it's time to pay back your debt. Depreciation recovery is taxed at your tax rate, or 25 percent in most cases.

In our previous example, you may have depreciated the property for a few years. Let's say the depreciation taken is \$5,000. This \$5,000 is recovered and taxed at 25 percent. To summarize, you bought an investment property at \$50,000 and sold it for \$65,000. You depreciated the property so that its new basis is now \$45,000. You owe taxes on \$20,000, but at two different rates as shown below:

**Investment Property Example
Purchase Price = \$50,000**

Purchase Price	Sale Price	Tax Rate	Taxes Due
	Appreciation = \$15,000	15%	\$2,250
Original Basis = \$50,000	Depreciation = \$5,000	25%	\$1,250
	New Basis = \$45,000	Not Applicable	\$0
Total			\$3,500

So are there any ways around paying these taxes? The simple answer is yes.

Self-Directed Individual Retirement Accounts (IRAs) or 401(k)s

Imagine being able to invest in real estate tax free or tax deferred. Well, amazingly you can.

I have to admit that I have only known about true self-directed IRAs for a few years. The problem is that I thought I had a self-directed IRA through my brokerage company. After all, I can buy stocks, mutual funds, bonds and other publicly traded securities. What I didn't realize is that I can also buy any of the following with a true self-directed IRA:

- Real property (i.e., real estate)
- Tax liens
- Tax deeds
- Notes and mortgages
- Businesses
- Partnerships
- Limited liability companies.

So, you can actually buy and sell real estate investments through an IRA. That's right! Maybe I should say that again:

You can buy and sell real estate investments through an IRA.

There are a few items that you can't buy through an IRA and these are included in IRS publication 590 (<http://www.irs.gov/publications/p590/index.html>). In short, you cannot invest your IRA money in collectibles, antiques, coins, stamps, life insurance contracts, metals, gems and alcoholic beverages. You also are not allowed to buy, sell or exchange property or investments to a disqualified person, such as yourself, a spouse, child, father, mother or others who are closely related to you (refer to Publication 590).

Your IRA was designed to give you flexibility; however, it seems that only brokerage companies caught on. They control much of the process and they limit what you can purchase. After all, they don't make any money off of your purchase of a foreclosure or a tax lien certificate.

To make a long story short, you will need to contact another company that is set up to handle a true self-directed IRA. You can find information from these companies on rolling over an existing IRA, qualified retirement plan or setting up a new IRA account. Any purchases or sales will need to be made in the name of the IRA trust account, unless you have the IRA invest in an LLC that you manage and control. Then you can truly realize flexibility. Before setting up an IRA/LLC, be sure to contact a qualified professional or seek legal guidance. The last thing you want to do is accidentally trigger a taxable event.

The following companies are set up to handle true self-directed IRAs:

- The Entrust Group – <http://www.entrustadmin.com>
- Equity Trust Company – <http://www.trustetc.com>
- Fiserv Investment Support Services – <http://www.fiserviss.com>
- PENSCO Trust Company – <http://www.pensco.com>
- Sterling Trust Company – <http://www.sterling-trust.com>.

If you would prefer that a company set up and manage your self-directed IRA and LLC, you may need to contact a self-directed IRA facilitator. For the latest information on self-directed IRA accounts, trustees and facilitators, visit our website at <http://www.selfdirectedIRAaccounts.com>.

Remember, you can set up a traditional IRA and earnings are deferred until retirement. You can also set up a Roth IRA by paying the taxes upfront. Any earnings in a Roth IRA are tax free. That's right. You do not pay taxes on the earnings. The sky is the limit. If you have children, like I do, consider setting up or rolling over an educational IRA. If you've left an employer and have a 401(k) plan, you can roll it over into an IRA.

For small businesses, you should consider setting up either an SEP Plan or a SIMPLE IRA in addition to your standard or Roth IRA. Then you can truly recognize the power of savings and compound interest.

One of the latest and most exciting ways to invest in real estate tax deferred and tax free is through a self-directed, individual 401(k) plan. As the name implies, these plans are designed for individual business owners, but the benefits are even better than IRAs in many cases.

Like-Kind Exchanges (1031 Exchanges)

Many real estate investors are aware of like-kind or 1031 exchanges. Essentially, you can avoid capital gains taxes (not depreciation recovery) by exchanging one property for another of equal or greater value within a given time frame and by an unbiased third party.

In general, the property exchange must occur by an intermediary. The term like-kind means that just about any investment property that you exchange for another investment property will qualify as a like kind, unless one of the properties is located outside of the United States.

The exchanged property must be identified within 45 days and acquired within 180 days to qualify. The exchange can occur between related parties (e.g., father to son), but certain rules apply. The most notable rule is a two-year holding period.

For more information on like-kind exchanges, visit <http://www4.law.cornell.edu/uscode/26/1031.html>.

Owner Financing (Installment Sales)

One simple way to avoid a huge tax bill is to receive payments over time, rather than as a lump sum. This process is referred to as an installment sale. Most real estate investors call it owner financing.

For example, instead of receiving a lump sum payment of \$100,000 for a property, you could structure it so that the buyer pays you in installments. In essence, you would be acting as a mortgage company, so you need to balance the tax implications with the risk associated with financing.

As another example, you may require a down payment of \$10,000, which would be taxable in terms of both recovering depreciation and capital gains taxes. You could then finance the rest over a period of 15 years or any other time frame. You could even create a balloon payment that is due in so many years. An example would be a loan that is amortized over 30 years, but due in seven years. You may decide that in seven years, you'll be retired and the lump sum payment would be okay; however, now you are working and the extra income would be problematic.

Remember, if you structure a deal like this you should seek legal advice and have a reputable title company help with the closing. Also, realize that the loan could be paid off early or the buyer could default and you would then have to foreclose, which is not necessarily the easiest process.

Another strategy is to allow the buyer to obtain outside financing and you provide a second mortgage on your equity. This certainly is appealing to the buyer, but you would be in second position for any foreclosure proceedings.

Trusts

Many real estate investors and even companies are starting to use trusts as part of a strategic plan to not only limit liability, but also to protect their name or business name. This type of trust is referred to as a land trust, title holding trust, or real estate privacy trust. These trusts allow the investor to be the beneficiary of the trust; however, the title is held with the trustee.

Have you ever thought of investing in real estate for your children? A wonderful vehicle by which to do this is a trust, or private annuity trust. These trusts allow you to sell property or deed it to a trust and make your children the trustees and beneficiaries. You then structure the trust so that it pays out in installments. Like IRAs, you must begin receiving payments at age 70 ½. Taxes will then be due only on the installments.

Like most things in life, there are some restrictions that you should be aware of. First, once the trust is established, you are technically not in control. The trust owns and operates the property, and the trustees (presumably, your children) are in charge of it. If you do exert control over the trust, you could be in violation of the trust and lose the tax-deferred status. Trusts also are not simple to set up and will likely require the services of an attorney. Depending upon the amount of taxes owed, you may want to weigh the attorney fees in the decision process.

Another type of trust, called a Charitable Remainder Trust, can be used in a similar manner to defer taxes. In this case, the qualified non-profit or charity assumes control as the trustee and

you receive annuity payments or installments. The installments are taxable, but this may be the perfect way to provide steady income without paying a huge tax bill.

Upon your death, the “remainder” of the trust goes to the charity. What a great way to fund your favorite charity.

For more information on the tax implications of selling your property, Richard Williamson’s book, *Selling Real Estate Without Paying Taxes, A Guide to Capital Gains Tax Alternatives* (2003), is an excellent resource.

THIRTEEN

Summary and Quick Start Guide

“Behold the turtle. He makes progress only when he sticks his neck out.” – James Bryant Conant

Now it's time to get started in real estate investing. Here is a summary of things to remember:

- Real estate investing can and will make you wealthy. The single most important asset that most Americans have is their own home. Why not multiply this effect and own several homes or other types of real estate?
- Only choose houses, condominiums, duplexes, apartments or office buildings that you would be willing to live or work in. If you are investing in residential real estate, think in terms of "bread and butter" houses. A "bread and butter" house is a decent looking, livable house in a good location, with at least three bedrooms. By far, location is more important than the property. Don't kid yourself. You won't make any substantial money on properties bought in neighborhoods in decline.
- There are lucrative methods for investing in real estate other than buying and selling property or rental management. Consider investing in Real Estate Investment Trusts, tax lien certificates, tax deed properties or discounted mortgages.
- Real estate investing is both investing and a small business. Treat it like a small business, not just an investment. Consider your business structure and look into establishing an LLC or other business structure.
- "No money down" techniques can work, but often the properties are extremely run down or in bad areas. Most property owners will require some money down or otherwise the risk is on them. Money talks. Sometimes it's better to put some money down to negotiate a better deal. The object is the best deal.
- Get started buying a repossessed home. Contact your local Veterans Affairs office, HUD office, or several bank REO departments.
- The real estate industry is often wary of anything that strays outside of the norm. In fact, you will know more about real estate investing after reading this book than about 90 percent of the agents you come in contact with.
- There are more or less two types of real estate agents: buyers and sellers. If you are working with an agent to find a house and you have signed a buyer's agency agreement,

then you can say anything in confidence and the agent is required by law to work for your best interest. On the other hand, most of the time you will be calling about properties listed with a seller's agent. A seller's agent is not working for you and is not concerned about your best interests. Therefore, be careful of what you say. In certain circumstances, a dual agency situation may arise. My only advice here is to be careful. An agent cannot properly serve two competing interests. For more information on this, call your state real estate commission.

- Agents are required by law to present any offer to the buyer, even if the agent says "he or she won't sell it for that." Agents also are notorious for trying to quash creative financing arrangements.
- If you are renting a property, develop a comprehensive screening system that is fair, non-prejudicial and protective of your investment. For example, use your monthly rent times a multiplier (e.g., 3x) to screen out candidates. If you are asking \$700 per month, then make sure that your renter is making at least \$2,100 per month. This leaves a portion of their salary for groceries, utilities and other living expenses. Be friendly and respectful to your tenants, but remember that this is a business.
- Always call references, employers and former landlords.
- Remember to think long term. Very few properties will be worth your time or trouble to fix up and sell quickly ("flip," in real estate vernacular). Also, consider that the IRS wants you to hold investments, including real estate, for at least one year. The incentive is a 10 percent decrease in capital gains taxes (from 25 percent to 15 percent for most taxpayers).
- For active participants in real estate (i.e., rental property owners who manage their own properties), lucrative tax advantages are still available.
- Make friends with a handyman or make sure that you can fix plumbing, electrical, heating and air conditioning problems. You want someone who is trustworthy, reasonable with costs, reliable and friendly. Be careful with contractors.
- Make at least \$100 per month positive cash flow per unit. Otherwise, it is not worth your time and effort.
- Break out the classified ads and start calling. You'll never learn until you get in the game.
- Avoid properties with environmental problems.
- Before you sell, make sure you understand the tax implications.

Best wishes as you embark on your career in real estate investing.

READY...FIRE...AIM

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APPENDIX A

Glossary of Real Estate Terms and Definitions

Real Estate Term	Definition
Acre	A unit of area equal to 43,560 square feet used to measure land.
Agent or Real Estate Agent	An individual who works for a real estate broker, but acts as the broker's salesperson to conduct business. A real estate agent helps buy and sell property and in exchange is given a commission from the sale. A real estate agent has a fiduciary responsibility to act in the buyer or seller's best interest depending upon the arrangement.
Amortize	Paying off a loan through a series of equal sized payments. Generally, the initial payments include more interest than principal; toward the end of the amortization period, the payment includes more principal than interest.
ARM	Adjustable Rate Mortgage. A mortgage with an interest rate that fluctuates with the going interest and is based upon a known standard, such as a T-bill.
Assumable	Another individual or entity can acquire the mortgage either with or without qualifying, depending upon the type of loan. Most assumable loans now require the new buyer to qualify. Assumable loans include FHA, VA and owner-financed notes.
Balloon Payment	A mortgage loan under which the final payment is significantly larger than the previous payment. A balloon mortgage is often amortized over a certain number of years (e.g., 15, 20 or 30), but the final payment may be due sooner. For example, it is possible to offer a 7-year balloon mortgage amortized over 20 years.
Blanket Mortgage	A mortgage creating a lien against two or more tracts of real property.
Broker or Real Estate Broker	A real estate broker is an individual who, by law, represents a buyer or seller and has a fiduciary responsibility to act in their best interest. A real estate agent works for a real estate broker. A real estate broker can also be a real estate agent.
Buyer's Agent	A real estate agent who represents the buyer and acts in the buyer's best interest. Generally, the buyer pays nothing for a buyer's agent, but the buyer's agent is paid from the sale. In the case of a buyer and seller's agent, the commission will be split.
Capitalization	In real estate appraisal it is the process of converting income, such as rental income, to a property value.
Capitalization (Cap) Rate	The ratio of income to a property's value.
Cash Flow	The net income from a property or the difference between income and expenses.
CMA	Competitive or Comparable Market Analysis
Commission	The percentage of money earned by a real estate agent/broker. It is negotiable and often depends upon the type of property. Residential homes typically require 7% commission.
Contract	Agreement between competent parties. A real estate contract typically includes an offer, acceptance by the seller and consideration (i.e., earnest money) by the buyer.
Contract For Deed	Also called a Land Contract. A contract under which the seller keeps the title until all payments have been made.
Conventional Mortgage	A mortgage loan that is not backed by a government agency like FHA or VA.

Real Estate Term	Definition
Deed	A legal document used to transfer real estate.
Deed of Trust	A legal document used to transfer real estate to a trustee, like a mortgage. Allows for foreclosure without the necessity of a lawsuit.
Discount Points	A fee charged by lenders that is usually based upon a percentage of the purchase price. For instance, one point is equal to 1% of the purchase price. A point on a \$100,000 loan would cost \$1,000.
Dual Agent/Agency	A real estate broker representing both the buyer and the seller. Even though two real estate agents are involved, if they work for the same broker, a dual agency situation may arise. The real estate agents should advise you when this is the case.
Due Diligence	A buzzword in real estate for doing your homework and evaluating a property. It is also used in real estate when a buyer is evaluating environmental concerns.
Earnest Money	Usually a deposit to purchase real estate that shows you are serious. If the buyer defaults the seller will receive the earnest money. As an investor, it is important to limit the amount you put down and include contingencies in the contract. For example, a contract can be contingent upon obtaining financing at an interest rate below 9%.
Easement	A right to use or access real estate by another entity. Utility companies usually have easements granted by the city. They have the right to access your property to repair or replace a utility.
Encroachment	Real property that extends onto adjacent land owned by someone else.
Escrow	A neutral or unbiased party used to handle a real estate matter. Title companies often act as escrow agents.
Equity	The difference between a property's market value and the loan balance.
Fair Housing Act	Federal law regulating equal opportunity in the sale and rental of real property.
FHA	Federal Housing Administration. A government agency responsible for ensuring that all qualified Americans are able to purchase real estate. FHA guarantees mortgages and operates a number of other programs designed to encourage home ownership.
FICO	FICO is a credit score developed by Fair Isaac Corporation. It is used by many mortgage lenders that use a risk-based system to determine the possibility that the borrower may default on financial obligations to the mortgage lender.
Fixture	Personal property that becomes real property by attachment. An example is a ceiling fan that was once personal property. Once attached to the ceiling, it becomes real property.
FSBO	For Sale By Owner. An owner who is attempting to sell real property without a real estate broker.
General Warranty Deed	A deed that contains promises against any other claims to title on the property. It is the most protective of a potential buyer.
HUD	Housing and Urban Development. A U.S. government agency that operates many different housing programs including the FHA program.
Joint Tenant	Two or more parties who own real property. Upon death, the remaining ownership transfers to the surviving partner(s).
Landlord	A property owner who leases his/her property.
Lease	An agreement to temporarily occupy someone's property.
Legal Description	A means by which others can locate property. It is most often described using the Section, Township and Range method.

Real Estate Term	Definition
Lien	An encumbrance on a property title/deed that must be paid or resolved prior to a sale.
Mechanic's Lien	One of the most common types of liens. It is caused by failure to pay a contractor for services rendered on a property.
MIP	Mortgage Insurance Premium. Insurance required by a lender in case of default. Associated with FHA loans.
MLS	Multiple Listing Service. A database operated by realtors.
Mortgage	A promise to pay that is secured by real estate. It creates a lien against real estate until it is paid.
Personal Property	Property that is not attached to real estate and in the case of a sale is not obligated to remain with the property. Be careful to determine exactly what personal property is and what real property is. For example, a window unit air conditioner is probably not real property, but a central air conditioner is real property.
Phase I	An environmental site assessment for real property that looks for potential environmental hazards, such as lead-based paint, asbestos, radon and nearby chemical plants or gas stations. Phase I environmental site assessments are performed because the owner is liable for environmental cleanups, which can cost thousands to millions of dollars.
PITI	Principal, Interest, Taxes and Insurance.
PMI	Private Mortgage Insurance. Required by most lenders for buyers who put down less than 20% of the purchase price.
Quitclaim Deed	A deed used to release a claim without making any warranties. Divorced parties will often use a quitclaim deed to release claims on property.
Real Estate	Land plus fixtures on the land. It is also referred to as real property.
Real Property	Real estate that contains the associated rights, such as mineral rights.
REITs	Real Estate Investment Trusts. Securities of companies that invest in real estate.
REO	Real Estate Owned. Property foreclosed by and owned by a banker or lender.
Second/Third Mortgage	Subordinate mortgages that are paid after the primary or first mortgage.
Seller's Agent	A real estate agent who represents the seller in a property transaction. The seller's agent has a fiduciary responsibility to act in the seller's best interest.
Subordination	To move a mortgage to a lower position, as in moving a first mortgage to a second mortgage.
Survey	The process of determining the legal boundaries of real estate.
Tax Lien	A lien against property due to unpaid taxes.
Tax Lien Certificates	Certificates purchased by investors that offer certain rights to property with outstanding tax debt.
Tenant in Common	Two or more tenants that own a certain percentage of property, such as a condominium.
Vendee	A buyer of real estate.
Vendor	A seller of real estate.

Some definitions were modified from Jack P. Friedman et al., 2005, *Dictionary of Real Estate Terms*, 6th Edition, Barron's Educational Series, New York, 512 pp.

ROGUE TAX SALE INVESTOR

- ▶ Tax Lien Certificates
- ▶ Tax Deed Sales

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ROGUE TAX SALE INVESTOR

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ONE

Why Should You Read This Book?

*“If a man wants his dreams to come true,
then he must wake up.” – anonymous*

What would you say if we told you that there is a safe and virtually guaranteed way to make 16 to 24 percent return per year on your money that only a few people know about?

What would you say if this investing method could occasionally give you an even greater return on your money, possibly 50 percent to more than 100 percent return on your money per year?

What would you say if we told you that this investing method was sanctioned, encouraged and arranged by the government, and that the government had a very strong motivation to make sure it worked effectively and was as safe as possible?

What would you say if you realized that the safety of this investment was not only monitored by the government, it was actually backed by the most powerful collateral in the world – real property?

Does this sound too good to be true?

It's not.

Tax lien certificates, which are discussed more fully in Chapter 2, are probably one of the safest, most lucrative and undiscovered investing method in the world. Here are the reasons why:

- Tax lien certificates routinely provide an investment return to investors of 16 to 24 percent per year or more.
- In some states, an investor can earn a flat interest rate of 20 to 25 percent. In Texas, investors can earn 25 percent in less than 6 months for most properties, resulting in a whopping 50 percent or more annual return. Other states that offer very high rates of return if the lien or deed is redeemed quickly include Florida, Illinois, Rhode Island, Georgia, Delaware and Indiana.
- In some cases, purchasers of tax lien certificates can walk away with an entire property for only the taxes owed (often pennies on the dollar).
- Compared to most investments, tax lien certificates are relatively safe. This is because state governments issue tax liens and monitor tax lien certificate sales, so if you do your

homework the investment risk is usually low. Tax lien certificates also are backed by the property they are issued against, so that if the defaulter does not pay the tax lien certificate investor all the money and interest due, the defaulter loses the entire property for only the taxes and penalties owed. People get very motivated to pay up if the alternative is to lose their home.

- Tax lien certificates are an undiscovered investing method, because very few books have been written on the subject. If you don't believe me, go to the library and try to find more than one or two books on tax lien certificate investing. You will be lucky if you find any books at all, and almost all tax lien certificate books are extremely outdated. Tax deeds are even more undiscovered. After several years of research, we have never found a book that covers tax deed sales in any detail.

We spent several years researching tax lien certificates and found most books were 5 to 10 years old and very general. This is because tax lien certificates are handled differently by every state and the procedures change. Also, up until now, it was difficult to decipher all the legal language associated with tax lien certificate investing (almost all the rules and procedures were written by lawyers). However, the Internet has changed this, with more information easily available to more people.

When you combine all these factors, tax lien certificates and tax deeds are two of the most lucrative and unique investment methods. They also are one of the safest methods of investing. Add the explosive power of the Internet and now is a great time to start investing in tax lien certificates and tax deeds.

What would you rather do?

- Earn 2 to 5 percent per year on your money by buying savings bonds or CDs,
- Watch your investment dollars go up and down like a yo-yo in the stock market and potentially lose money if the economy or an individual company whose stock you own does poorly, or the CEO lies about the company's financial numbers, or
- Earn 16 to 24 percent per year by investing in a government-controlled system that is backed by someone's entire property if they don't repay?

Tax deeds, which also are discussed in Chapter 2, represent a terrific way to buy real estate for 70 to 90 percent off, or literally pennies on the dollar.

In many states, rather than issuing a lien against a property, the county or municipality forecloses on the lien and the deed (ownership) is auctioned off to investors.

If investing in tax lien certificates and tax deeds sounds intriguing, read on.

TWO

What Are Tax Liens and Tax Deeds?

“Don’t buy the house; buy the neighborhood.” – Russian proverb

County governments are often faced with an interesting problem: some of their property owners do not pay their property tax bills.

Why is this a problem?

County governments depend strongly on tax revenue collected from property owners to operate the county government and pay county employees. In many counties, over 50 percent of the entire county budget comes from collecting property taxes.

This makes addressing delinquent property taxes a high priority for most counties. Fortunately, there is a solution for everyone. This solution provides income for the county, a safe and profitable investment return for the investor, and a little extra time for the person in default to try and come up with the money. It is called a tax lien.

A tax lien is a lien or encumbrance placed on real property for failure to pay taxes. A tax lien is a powerful lien that, in most jurisdictions, takes precedence over mortgage liens and mechanic’s liens. In essence, a tax lien becomes first priority and, if the property is foreclosed, will eliminate a mortgage lien. Generally, Internal Revenue Service (IRS) liens and local government assessments will still remain and could become the investor’s responsibility.

Here is an example of how a tax lien certificate works.

Jerry Latepay gets in some financial trouble and cannot pay his property tax bill. After a few warning letters from the county, he is delinquent. To make Jerry aware of the serious nature of property tax delinquency and start the legal ball rolling, the county places a tax lien on Jerry’s property for the amount of the taxes owed. The tax lien becomes a debt on the property and must be paid off before the property can be sold or legally cleared. In most counties, Jerry Latepay is considered in default the day after his property taxes are not paid. This shows Jerry Latepay how serious the county is when it comes to not paying property taxes.

Once a year the county has a tax lien auction. If Jerry Latepay has not paid his property taxes by the time of the auction, the county includes Jerry’s property in the tax lien auction. To make the tax lien enticing to investors, a state-mandated interest rate, which varies from state to state but is usually in the range of 10 to 24 percent per year, is added to the tax lien. Some states call this a penalty, while other states just refer to it as the interest rate; however, each state has its own procedures. The state then creates what is called a tax lien certificate (also called a

certificate of purchase) to offer to investors at the auction. The tax lien certificate is the physical piece of paper that gives the investor a legal claim to the investment. In most states, the interest rate on the tax lien is what the bidding will start at when investors bid on the tax lien certificate created by Jerry's delinquent tax bill.

At the auction, an investor buys the tax lien certificate issued for Jerry's property. The value of the tax lien certificate is equal to the delinquent taxes owed on the property plus any penalties. When the investor buys the tax lien certificate issued for Jerry's property, he/she is essentially paying off the delinquent property taxes owed to the county. Jerry now owes the tax lien investor all the back taxes owed plus the amount of interest due on the tax lien certificate. Although the rules vary from state to state, in most states interest starts to accrue the day the tax lien certificate is sold. Thus, the longer Jerry waits to pay off the tax lien certificate, the more money the investor earns. In some states, if Jerry waits more than a year to pay, the interest rate increases and the investor makes even more money. After a tax lien certificate is issued, there are two possible outcomes.

In about 95 percent of the cases, Jerry Latepay comes up with the money. This is because Jerry does not want to lose his home or property. Now you can see why tax lien certificates are an ultra safe investment. When Jerry comes up with the money, he pays the county, the county contacts the tax lien certificate investor, and the investor turns in the tax lien certificate issued at the auction. In exchange for redeeming the tax lien certificate, the investor receives all the money he/she invested in the tax lien certificate plus the accrued interest. This process is called redeeming the tax lien certificate. The county where the tax lien certificate was issued handles the entire process.

In less than 5 percent of the cases in most states, Jerry cannot come up with the money to pay the delinquent taxes. In most states this means Jerry will forfeit the entire property to the investor. After following the legal process required by the state and county, the investor forecloses on Jerry's legal ownership of the property and, in return for paying all remaining liens, taxes and penalties due, the investor receives the entire property, often for a fraction of what it is worth. The period of time that Jerry has to pay back the delinquent taxes is called the redemption period, which can range from as short as six months to as long as five years depending on the state.

Talk about a win/win situation. If Jerry Latepay pays off the tax lien, the investor receives his/her original investment plus a high interest rate. If Jerry does not pay off the tax lien, the investor receives the entire property for nothing more than the property taxes due on the property when Jerry forfeits the property. Are you beginning to see why tax liens are a great, unknown investment?

What is a deed? A deed is a document that transfers ownership to property. A tax deed is a special type of deed resulting from nonpayment of taxes.

In many U.S. states and Canadian provinces, Jerry Latepay is given many opportunities to pay his taxes. After multiple warnings, the county puts his property up for sale to investors, often for as little as the taxes, penalties and fees that Jerry owes. At a tax deed auction, the winning bidder receives the deed to Jerry's property. In some cases, Jerry may still have a short time to redeem after the sale; otherwise, the investor becomes the legal owner of the property.

The investor may have to wait a year or so to obtain a marketable title, but the investor may have just bought Jerry's property for a fraction of what it is worth.

THREE

What Every Tax Lien/Tax Deed Investor Should Know

“Knowledge is power.” – Francis Bacon

Now that you have a basic understanding of what tax liens and tax deeds are, and why they represent unique investment opportunities, it is time to delve into what you should know before you invest.

The Benefits of Tax Lien Certificate Investing

We have already discussed some of the benefits of tax lien investing. They can be summarized as follows:

- **Investment return:** Although it varies from state to state, a 16 to 24 percent return is common. In states like Texas, Georgia, Rhode Island, Delaware and Illinois, if the lien or deed gets redeemed early, annual returns of 100 percent or greater are possible. If the property owner never pays the delinquent taxes, the investor may realize profits well in excess of 100 percent by receiving the property for only the amount of the property taxes owed to the county. With interest rates near 50-year lows, tax lien certificates are an incredible bargain.
- **Investment risk:** The investment risk is very low because (1) state and county governments control the tax lien process, (2) property owners risk losing their property if they do not pay their taxes, (3) in most states the investor receives the property if the delinquent owner does not pay the back taxes, and (4) tax lien certificates are not volatile investments. The value of a tax lien certificate does not fluctuate and is not affected by general economic factors like most other investments. In fact, in most cases, the worse the economy performs, the greater the number of tax lien certificates will be issued (more people default on their property taxes and mortgage when the economy does poorly).
- **Investment secrecy:** Few people have ever heard about tax lien certificates. Even fewer people understand how to invest in them. Very little information is available on how to invest in tax lien certificates. Successful investing is almost always about supply and demand. In the United States there are thousands of counties that have tax lien certificate auctions every year. At each auction, hundreds to thousands of tax lien certificates are usually available. Many states have so many tax lien certificates that you can buy the ones that didn't sell at auction by mail (also called over-the-counter sales or

negotiated sales). No one person can cover more than a few counties in a few states per year. This virtually ensures that for the foreseeable future, the supply of tax lien certificates will be much greater than the demand.

The Drawbacks of Tax Lien Certificate Investing

The drawbacks of tax lien investing can be summarized as follows:

- Liquidity: Tax liens are not liquid investments. In some cases you may have your money tied up for several years before you get the principal plus interest back.
- Complexity: Tax lien laws vary from state to state.
- Time: Tax liens require a time commitment to learn the rules of a state and its counties, research properties and attend auctions.

The Benefits of Tax Deed Investing

We also have already discussed some of the benefits of tax deed investing. They can be summarized as follows:

- Obtain property ownership for 50 to 90 percent below market value: Although it varies from state to state, in certain circumstances you can obtain an entire property for only the taxes and penalties owed. In many cases, you can obtain properties for 50 to 90 percent below market value.
- Investment secrecy: If few people have heard about tax lien certificates, even fewer people know anything about tax deed sales. When we started researching tax sales, we found very little information on how to invest in tax lien certificates and no information on how to purchase property at tax deed sales. However, many states have tax deed sales and there are more tax deed sales than tax lien sales. The supply of foreclosed properties almost always exceeds the demand. In the United States there are thousands of counties that have tax deed sales every year. At each auction, hundreds of properties may be available. Many states have so many properties that they have foreclosure lists based on how many years the property has been in foreclosure.

The Drawbacks of Tax Deed Investing

The drawbacks of tax deed investing can be summarized as follows:

- Liquidity: If tax liens certificates are not liquid investments, then tax deeds are even worse. In some cases you will have your money tied up for several years before you can sell the property, because title companies may not issue title insurance on the property until all liens are cleared and it obvious that clear title can be granted. This process can take more than a year.
- Complexity: Tax deed laws vary from state to state.
- Time: Tax deeds sales require a time commitment to learn the rules of a state and its counties, research properties and attend auctions.
- Risk: Purchasing foreclosed property at a tax deed sale definitely has some risk. You must do your homework. Remember, once you buy a tax deed you will own the property,

including all of its potential problems. In addition, title companies sometimes will not issue title insurance for at least the first year on any property bought at a tax deed sale. This means it could be hard to get a loan until it is clear that everything is fine with the property.

- **Capital:** You definitely will need more capital to buy properties at tax deed sales. Although it varies from property to property and from state to state, you will likely need a minimum of \$5,000 to \$10,000 to get started in tax deed investing. Check local rules and regulations.

Investment Strategies

Once you have decided to consider investing in tax liens or tax deeds, you will need to make some decisions. Here are the general steps that you will need to take to be prepared to invest.

Identify your investment objective

Your first step is to decide if your primary objective in investing is to obtain a high investment return or to obtain property ownership. This decision will determine in part the state(s) you choose to focus on. States with low tax lien interest rates or states that only have delinquent property auctions are suited for individuals with the primary objective of obtaining property ownership. States with high tax lien interest rates are suited for individuals primarily seeking a high investment return with a secondary objective of obtaining property ownership.

If your focus is to obtain properties at tax deed sales, you will need more capital. Because you are buying the entire property at tax deed sales, you will need more money and you must pay careful attention to the condition of the property. At a tax deed sale your potential return could be greater, but your potential liability is also greater.

Select a geographical area in which to invest

Next decide what areas you are going to focus on. It is best if you choose the state you live in or at least a state in the region in which you live. You cannot become an expert in every state or even every county in a single state. Laws vary between states and even within a state because each county has its own method of selling tax lien certificates or delinquent properties. In addition, within each county some areas are usually more desirable for investments than others. In most cases, less populated counties usually have less competition.

Determining an area to focus on is especially important when investing in tax deeds. This is because you need to become familiar with local real estate values, development trends, and what locals consider undesirable property.

To help you decide where to start, Chapter 9 includes detailed profiles of all the states. Study this chapter carefully to decide where and how you want to invest. Once you have chosen several areas to focus on, you will need to study the areas and become familiar with local real estate values and development trends. Chapter 4 provides a general summary of how each state handles tax lien certificates or tax deed sales.

Choose a type of property in which to invest

You will next want to determine what types of properties you are going to focus your efforts on. Tax lien certificate and delinquent property sales include raw land, commercial/industrial properties and residential properties. Generally, raw land and commercial/industrial properties

contain the most investment risk and require more expertise. Raw land can sit vacant for years, and may not have water or roads near it. The pool of possible buyers for raw land also is usually small. Commercial/industrial properties may have environmental problems; they also typically require more upfront capital to purchase the tax lien certificate or delinquent property. In addition, commercial/industrial properties require more expertise to determine their potential worth and what improvements may be required to make the property suitable for future use.

Residential properties contain the least investment risk and are usually a good choice for beginning investors. If you own your own home or have a general knowledge of real estate values in the areas you are going to focus your efforts on, you already have some knowledge that will help you understand how to value residential properties that you will bid on.

Decide on a method by which to invest

Your next step is to decide on the primary method by which you want to obtain tax lien certificates or delinquent properties. If you do not mind attending auctions, plan on attending a few tax lien certificate or delinquent property auctions to get your feet wet. Counties typically have one auction per year. If you do not want to attend auctions, you can call the county tax collector or treasurer to find out if any properties that did not sell during the last auction are available “over-the-counter.” This can be a good way to get properties if you are patient and willing to accept the fact that the best properties may be sold at the auction. It is also a good way to ensure you do not overpay for the tax lien certificate or property since you will not have bidders driving the interest rate down or the price up.

Other important factors to consider if you want to try and buy without attending an auction are establishing a relationship with local officials and trying to buy early in the calendar year. A relationship with local officials can help you get information on properties, so that you can make a better decision on whether the available properties are worth your time and effort to visit and evaluate. Buying earlier in the calendar year can save you money if the property is eventually awarded to you. This is because smaller penalties and interest are owed at the beginning of the year; if you are awarded the property, the less you pay up front, the more profit you make.

Evaluate available properties and determine their market value

When you are bidding at a tax deed sale to take ownership of a property, you need to know a great deal about the property before you can make a reasonable bid. You must assess the risks and determine the fair market value. The county appraiser will already have placed a value on the property, but that is only a start. When you are dealing with foreclosed properties all the time, like a county appraiser often does, you tend to become optimistic. A little water damage, some environmental problems, or legal issues with the title don't look so bad when you see similar real estate problems every day.

Your job is to be as thorough and unemotional as you can be when assessing a property. If you can, find out why the property is in foreclosure and make a list of everything good and bad about it. Use the tips in *Rogue Real Estate Investor* to help you along. If you need a second opinion, get one. Hire an independent appraiser, which usually costs around \$300 to \$400. Three or four hundred dollars is nothing if you end up getting a property for 50 percent below market value or more. If the property has title problems or other legal issues, hire a real estate attorney familiar with local laws.

Try to become familiar with the bidding process, and find out who typically shows up at the bids in your selected area. Banks may come to these bids and, at a minimum, some experienced investors also will likely attend. This is where striking up a relationship with the local county officials can be helpful.

Compare prices for similar property in the area. If this property was not in foreclosure, what would it sell for? Use everything you can to estimate the market value of the property. As a rough rule of thumb, you can use the property taxes that were due on the property to assess the market value. The amount of property taxes (PT) is usually equal to a county constant (C) multiplied by the market value (MV) multiplied by the mill levy (M): $PT = C \times MV \times M$. This information can be located from the county assessor's office.

If you have information on the property taxes due, you can work backwards using this formula (property taxes divided by the mill levy and the county constant) to find the market value determined by the county. For example, a property that has property taxes of \$1,000 per year in a county with a county constant of .10 and a mill levy of .10 has a market value as determined by the county of \$100,000.

Narrow your property search and observe the bid process

If you are looking at several properties, you will need to get your tax sale list down to a few properties before the tax deed sale occurs. You will not have time to do detailed research on more than a few properties, and you need to focus your time on the best prospects. The more homework you do, the better you will understand the market value of a property and what amount you should bid. Remember, when you walk away from a tax deed sale, the county does not care anymore. With a tax lien certificate, the county is still involved after the sale; but with a foreclosure sale, the county is done after the tax deed is purchased.

Read some of the detailed county profiles in Chapter 9 and you will understand what we are talking about. Most counties that have tax deed sales have all kinds of disclaimers regarding your potential liability if something is wrong with the property. When in doubt, remember the phrase "Buyer Beware."

When you are ready to go to the auction for the first time, make a decision to wait on the sidelines and observe unless you are very confident. Do not get caught up in a bidding war if you do not know what you are doing. A bank or other commercial enterprise may have interest in the property and not care if they pay something near the market value. Bids can even exceed a county's assessment of the property's market value.

The next chapter provides a quick profile of the way each state handles delinquent property taxes. Chapter 7 will take you through the practical steps to investing in tax liens and tax deeds, as well as strategies for bidding.

FOUR

Quick State Profiles

“One man’s trash is another man’s treasure.” – anonymous

This chapter provides a brief introduction to tax sales in all the states. The first table profiles states that have tax lien certificates sales. For these states, the rating is based on the interest rate, redemption period and general dedication of a state and its counties to the process. States with high interest rates, quick redemption periods, and helpful information to assist investors score high. States with low interest rates, long redemption periods, and limited information to assist investors score low. Five stars is the highest rating for states that offer tax lien certificates.

The second table profiles states that only have tax deed sales (with no right of redemption after the sale). For these states, the ratings are more reflective of how well sales are advertised and how dedicated a state and its counties appear to be to the overall tax deed sale process. Four stars is the highest rating for states that have tax deed sales.

A few states sell tax deeds with a right of redemption. This means that the previous owner or interested party can still redeem after the sale by paying his/her property taxes. The investor then receives a fee or interest rate, making it look and feel like a tax lien certificate. The third table profiles these states. Four stars is the highest rating for these states.

This is only an introduction to the states. Chapter 9 provides more detailed state and county information regarding tax lien and tax deed sales, including links to county websites, contact information, bidding procedures, and example requirements.

Tax Lien Certificate States

State	Interest Rate	Redemption Period	Rating	Notes
Alabama	12% on the minimum bid	3 years	*** Three Stars	Auctions are usually in May. You do not receive interest on a bid that is over 15% of the appraised value.
Arizona	16%	3 years	**** Four Stars	Auctions are held in February. The investor is responsible for foreclosure and for hiring an attorney if the tax lien is not redeemed. Unsold liens are struck off to the state. Tax deed sales are also held.

State	Interest Rate	Redemption Period	Rating	Notes
Colorado	9% plus federal reserve discount rate as of September 1	3 years	*** Three Stars	Auctions occur on or before the second Monday of December, with most scheduled in October and November. Some counties use a round robin process; in other counties, the highest bidder is awarded the tax lien. Premiums on bids are not refundable, nor do they earn interest.
Florida	18%	2 years	**** Four Stars	Auctions are held on or before June 1. The winning bidder pays 10% of the total tax lien at the sale, and the balance within 48 hours after the lien certificate is prepared. Bidding can proceed downward to as low as ¼% and the bidder still receives a minimum of 5% interest. Florida also has favorable tax deed sales.
Illinois	18% every 6 months, or 36% per year; on farmland, 12% every 6 months or 24% per year. These interest rates are considered penalties (flat rate, not an annual rate).	2 – 2 ½ years, depending upon the property classification	**** Four Stars	May need a lawyer as the court is involved. Two types of sales are held: annual tax lien sales for recently delinquent properties (usually held in the fall); and biennial scavenger (tax deed) sales (held in odd years) for properties delinquent two or more years that were not sold at the annual sale. Pre-register 10 days to 1 month before the sale to bid.
Indiana	Flat 10% on the minimum bid if redeemed in less than six months. Flat 15% on the minimum bid if redeemed in more than six months but less than 1 year. Interest on the overbid amount is 10% per annum.	1 year for “A” and “B” properties; 120 days for “C” properties	***** Five Stars	County requirements can be complicated. Auctions are usually held from August through October. If the owner does not redeem the tax lien certificate, you must apply for a tax deed within six months after the redemption period expires or forfeit your money. Counties can also hold tax deed sales, referred to as surplus auctions.
Iowa	24%	21 months	**** Four Stars	Auctions occur on the third Monday in June. By state law, counties can allow bidders to bid on the percentage of the property they will own, making foreclosure more difficult. The bidding process is commonly done by random round robin.

State	Interest Rate	Redemption Period	Rating	Notes
Kentucky	12%	1 year	*** Three Stars	Kentucky parishes do not emphasize their tax certificate sales, and it is difficult to find information on the Internet.
Maryland	6% to 24%, depending upon the county or city	6 months, or as long as the right of redemption has not been barred by foreclosure	**** Four Stars	Auctions are usually held in May or June. Local variations to the tax lien process can be tricky. The high-bid premium is refundable without interest upon redemption of the tax lien certificate.
Mississippi	18%	2 years	**** Four Stars	Bidders can overbid the minimum bid set, but the overbid is not reimbursed upon redemption and no interest is earned on it.
Missouri	10% on the minimum bid	Up to 1 year, depending upon the property classification (1st – 4th offerings)	**** Four Stars	Auctions in every county are held on the fourth Monday in August. Bidders bid on what they would be willing to pay for the property, assuming the owner never redeems. Fourth offerings are tax deeds – there is no redemption period. First class charter counties may conduct tax deed sales instead of tax lien sales.
Montana	10%	2 to 3 years, depending upon the property classification	*** Three Stars	Not a lot of public information on tax lien certificate sales. Counties may conduct tax deed sales of properties not sold at the tax lien sale.
Nebraska	14%	3 years	*** Three Stars	Auctions are held on the first Monday in March. Bidding is by round robin, with bidders proceeding in order based on the bidding number. Tax deed sales may be held at the county's discretion.
Nevada	12%	120 days for vacant land, 2 years for improved land	*** Three Stars	Tax lien sales (called special assessment sales) are infrequent in most counties. Most counties conduct tax deed sales, also called trustee sales. There is a two-year legal challenge period for trustee sales.
New Jersey	18%	5 years	**** Four Stars	Sale rules are complex, with sales being conducted by the municipalities. Once the interest rate goes to 0%, bidding begins on the property taxes owed. The highest "premium" bidder wins. Tax deed sales are also conducted.

State	Interest Rate	Redemption Period	Rating	Notes
New York	10 to 24%, depending upon the county or municipality	Minimum of 2 years	*** Three Stars	Process varies between governing bodies. Big investors can take over sales, and property values can be high. Governing bodies may hold tax lien and/or tax deed sales. Tax lien sales can be closed to the general public.
Ohio	18%	1 to 3 years	** Two Stars	Tax lien sales are only held in counties with a population greater than 200,000 people. Only institutional investors are allowed to participate in the sales. Tax deed sales also can be held.
Oklahoma	8%	2 years	*** Three Stars	Tax lien sales are held the first Monday of October, and may be conducted by a round robin or rotational process. Tax deed sales (resales), which can also be conducted, are held on the second Monday of June.
South Carolina	12% unless alternative method of taxation used; then 8% penalty the first year plus 4% if redeemed during the second year.	1 year unless alternative method of taxation used; then 18 months	** Two Stars	The winning bidder must pay by the end of the sale day, or can be fined up to \$300. The interest is not paid on a prorated basis, but rather on a schedule. The interest paid cannot exceed the minimum bid.
Vermont	12%	1 year	*** Three Stars	Tax collection and sales are handled by the municipalities. Unless otherwise voted, the first constable is automatically the tax collector.
Washington D.C.	18%	6 months	*** Three Stars	Auctions are held the third Tuesday in July. Bidding begins at the amount of delinquent taxes owed – the winning bid is the highest bid. There is no interest on the overbid. Tax deed sales (called bid off sales) are also held.
West Virginia	12%	17 months	*** Three Stars	Properties left over from the lien sale are certified to the State; if not redeemed, they are sold at “second sales.” Buyers at these second sales receive a deed within approximately 90 to 120 days, during which time a property owner can still redeem.

State	Interest Rate	Redemption Period	Rating	Notes
Wyoming	3% minimum penalty fee plus 15% per year for the first year; 18% per year for subsequent years.	4 years	**** Four Stars	Wyoming law prescribes a strict procedure that must be followed in order to properly apply to the Treasurer's Office for a tax deed. It is the burden of the certificate purchaser holder to make sure all the steps are followed properly.

Tax Deed States

State	Rating
Alaska	** Two Stars
California*	*** Three Stars
Idaho	** Two Stars
Kansas	** Two Stars
Maine	** Two Stars
Massachusetts **	*** Three Stars
Michigan	** Two Stars
Minnesota	*** Three Stars
New Hampshire	*** Three Stars
New Mexico	* One Star
North Carolina	*** Three Stars
North Dakota	** Two Stars
Oregon	** Two Stars
Pennsylvania	** Two Stars
Utah	** Two Stars
Virginia	** Two Stars
Washington	** Two Stars
Wisconsin	*** Three Stars

* California is authorized by law to conduct tax lien certificates sales (18% interest rate), but no sales have yet been held.

** Massachusetts is authorized by law to conduct tax lien certificate sales (16% interest rate), but counties hold tax deed sales instead.

Tax Deed States with a Right of Redemption

State	Interest Rate	Redemption Period	Rating	Notes
Arkansas	0%	30 days	*** Three Stars	The State Land Commissioner handles all county tax sale auctions. Mail-in bids are accepted if received 7 days before the sale.
Connecticut	18%	6 months	**** Four Stars	Municipalities handle the sales, so bidding requirements vary. Some municipalities may only offer deeds in bulk purchases, cutting out the small investor.
Delaware	15% to 20%, depending upon the municipality.	60 days or 1 year, depending on the county	** Two Stars	There are only three counties in this state.

State	Interest Rate	Redemption Period	Rating	Notes
Georgia	20% flat interest rate the first year; an additional 10% after the first year.	1 year	**** Four Stars	Georgia is complicated. If redemption does not occur, you must be prepared to pay subsequent taxes and foreclose on the property. Hiring a local attorney if you are serious about investing in this state is a good idea. Auctions occur on the first Tuesday of each month.
Hawaii	12%	1 year	** Two Stars	Hawaii only has five counties. In Kalawao County, tax sales are handled by the State.
Louisiana	12% plus a 5% penalty per year, for a total of 17%	3 years from the date the deed is filed	*** Three Stars	The Sheriff acts as the tax collector for parishes. Buyers may bid for a portion of ownership in some cases.
Rhode Island	10% penalty for the first six months, plus 1% each additional month up to a total of 16% (one year).	1 year	** Two Stars	After one year, the investor automatically is responsible for the property, even before foreclosure.
Tennessee	10%	1 year	** Two Stars	Tax sales must be confirmed by the court.
Texas	Flat 25% the first year, flat 50% the second year: homestead and agricultural properties. Flat 25%: all other properties.	2 years for agricultural and homestead properties; 6 months for all other properties	**** Four Stars	Real property is required by state law to be sold on the first Tuesday of the month.

South Dakota counties do not hold tax lien or tax deed sales. A state law signed in 2006 prohibits the public sale by counties of tax certificates, beginning July 1, 2006. Instead, counties will hold any tax certificates that are issued. This law did not affect any existing tax lien certificate holders.

These tables provide general information about the states that pay the best interest rates on a tax lien certificate or have good county support for tax deed sales, to help you get started investing. You might also want to spend some time researching the tax laws for the states in which you are interested in investing. The following table provides relevant sections of state laws related to tax sales.

State Tax Sale Laws
(including Guam and the Virgin Islands)

<p>Alaska Statutes</p> <p>Title 29 - Municipal Government, Chapter 29.45, Article 02 - Enforcement of Liens, Sections 29.45.290 – 29.45.500</p> <p>Title 43 - Revenue and Taxation, Chapter 43.10 - Enforcement and Collection of Taxes, Sections 43.10.032 – 43.10.060</p>
<p>Code of Alabama</p> <p>Title 40 - Revenue and Taxation, Chapter 10 - Sale of Land, Article 1 - General Provisions, Sections 40-10-1 – 40-10-31; Article 2 - Land Commissioner, Sections 40-10-50 – 40-10-54; Article 3 - Rights and Remedies of Purchasers at Tax Sales, Sections 40-10-70 – 40-10-83; Article 4 - Land Sold for Taxes Not Due at Time of Sale, Sections 40-10-100 – 40-10-105; Article 5 - Redemption of Land Sold for Taxes, Sections 40-10-120 – 40-10-143; Article 6 - Refund of Taxes Paid by Mistake or Error, Sections 40-10-160 – 40-10-166; Article 7 - Sale of Tax Liens, Sections 40-10-180 – 40-10-198</p> <p>Title 40 - Revenue and Taxation, Chapter 29 - Enforcement of Tax Laws, Article 2 - Collections, Sections 40-29-20 – 40-29-34</p>
<p>Arkansas Code</p> <p>Title 26 - Taxation, Subtitle 4 - Collection and Enforcement, Chapter 37 - Sale or Forfeiture of Real Property, Subchapter 1 - General Provisions, Sections 26-37-101 – 26-37-109; Subchapter 2 - Sale of Tax-Delinquent Lands, Sections 26-37-201 – 26-37-214; Subchapter 3 - Redemption of Realty to Be Sold for Taxes, Sections 26-37-301 – 26-37-316</p> <p>Title 26 - Taxation, Subtitle 4 - Collection and Enforcement, Chapter 38 - Confirmation of Tax Sales, Subchapter 1 - General Provisions, Sections 26-38-101 – 26-38-124; Subchapter 2 - Title to Forfeited Lands, Sections 26-38-201 – 26-38-209</p>
<p>Arizona Revised Statutes</p> <p>Title 42 - Taxation, Chapter 18 - Collection and Enforcement, Article 3 - Sale of Tax Lien for Delinquent Taxes, Sections 42-18101 – 42-18127; Article 4 - Redemption of Tax Liens, Sections 42-18151 – 42-18155; Article 5 - Judicial Foreclosure of Right of Redemption, Sections 42-18201 – 42-18208; Article 6 - Administrative Foreclosure of Right of Redemption, Sections 42-18251 – 42-18258; Article 6.1 - Conveyance to State on Failure to Redeem, Sections 42-18261 – 42-18267; Article 7 - Sale of Land Held by State Under Tax Deed, Sections 42-18301 – 42-18304; Article 8 - Abatement of Tax and Removal of Lien, Sections 42-18351 – 42-18353</p>
<p>California Statutes</p> <p>Revenue and Taxation Code, Division 1 - Property Taxation, Part 6 - Tax Sales, Chapters 1, 2, 2.2, 7, 8 and 10; Part 7.5 - Tax Certificates, Chapters 1 – 3</p>
<p>Colorado Revised Statutes</p> <p>Title 39 - Taxation, Property Tax, Collection and Redemption, Article 11 - Sale of Tax Liens, Sections 39-11-101 – 39-11-152; Article 12 - Redemption, Sections 39-12-101 – 39-12-113</p>
<p>General Statutes of Connecticut</p> <p>Title 12 - Taxation, Chapter 205 - Municipal Tax Liens, Sections 12-157 – 12-159b, and 12-171 – 12-195h</p>
<p>Delaware Code</p> <p>Title 9 - Counties, Chapter 87 - Collection of Delinquent Taxes, Subchapter I - General Provisions, Sections 8701 – 8711; Subchapter II - Monition Method of Sale, Sections 8721 – 8733; Subchapter III - Attachment of Land in New Castle County, Sections 8741 – 8761; Subchapter IV - Sale of Land for Delinquent Taxes in Kent and Sussex Counties, Sections 8771 – 8779</p>

District of Columbia Code
Division VIII - General Laws, Title 47 - Taxation, Licensing, Permits, Assessments, and Fees, Chapter 13 - Real Property Tax Sales, Sections 47-1301 – 47-1321
Division VIII - General Laws, Title 47 - Taxation, Licensing, Permits, Assessments, and Fees, Chapter 13A - Revised Real Property Tax Sales, Subchapter I - General Provisions, Sections 47-1330 – 47-1335; Subchapter II - Sale, Sections 47-1340 – 47-1355; Subchapter III - Redemption, Sections 47-1360 – 47-1366; Subchapter IV - Foreclosure, Sections 47-1370 – 47-1385
Florida Statutes
Title 14 - Taxation and Finance, Chapter 197 - Tax Collections, Sales and Liens, Sections 197.402 – 197.602
Georgia Code
Title 48 - Revenue and Taxation, Chapter 3 - Tax Executions, Sections 48-3-1 – 48-3-29; Chapter 4 - Tax Sales, Sections 48-4-1 – 48-4-81
Title 23 - Equity, Sections 23-3-60 – 23-3-72
Hawaii Revised Statutes
Title 14 - Taxation, Chapter 246 - Real Property Tax Law: Liens, Foreclosure, Sections 246-55 – 246-63
Idaho Code
Title 28 - Commercial Transactions, Chapter 22 - Money of Account and Interest, Section 28-22-104
Title 60 - Public Printing and Office Notices, Chapter 1 - Contracts for Printing, Publication of Notices, Section 60-106
Title 63 - Revenue and Taxation, Chapter 10 - Collection of Delinquency on Real, Personal and Operating Property, Sections 63-1001 – 63-1015
Illinois Compiled Statutes
Chapter 35 - Revenue, 35 ILCS 200 - Property Tax Code, Title 7 - Tax Collection, Article 21 - Due Dates, Delinquencies, And Enforcement Of Payments, Division 2 - Enforcement Actions, Sections 21-70 – 21-130; Division 3 - Notice and Publication Provisions, Sections 21-135 – 21-145; Division 3.5 - Judgments and Sales, Sections 21-150 – 21-185; Division 4 - Annual Tax Sale Procedure, Sections 21-190 – 21-255; Division 5 - Scavenger Sales, Procedures, Sections 21-60 – 21-290; Division 6 - Indemnity Fund; Sales In Error, Sections 21-295 – 21-340; Division 7 - Redemption Procedures and Notice Requirements, Sections 21-345 – 21-397; Division 8 - Other Procedures, Sections 21-400 – 21-445
Chapter 35 - Revenue, 35 ILCS 200 - Property Tax Code, Title 7 - Tax Collection, Article 22 - Tax Deeds And Procedures, Sections 22-5 – 22-95
Indiana Code
Title 6 - Taxation, Article 1.1 - Property Taxes, Chapter 24 - Sale of Real Property When Taxes or Special Assessments Become Delinquent, Sections IC 6-1.1-24-1 – IC 6-1.1-24-14; Chapter 25 - Redemption of and Tax Deeds for Real Property Sold for Delinquent Taxes and Special Assessments, Sections IC 6-1.1-25-1 – IC 6-1.1-25-19
Iowa Code
Title X - Financial Resources, Subtitle 2 - Property Taxes, Chapter 446 - Tax Sales, Sections 446.1 – 446.45; Chapter 447 - Redemption of Taxes, Sections 447.1 – 447.14; Chapter 448 - Tax Deeds, Sections 448.1 – 448.17A
Kansas Code
Chapter 79 - Taxation, Article 23 - Sale of Real Estate for Taxes, Sections 79-2301 – 79-2326; Article 24 - Redemption of Real Estate and Remission, Compromise or Respread of Real Estate Taxes, Sections 79-2401 – 79-2432; Article 25 - Conveyance of Land Sold for Taxes, Sections 79-2501 – 79-2514; Article 26 - Floating and Federal Liens, Sections 79-2601 – 79-2619; Article 28 - Judicial Foreclosure and Sale of Real Estate by County, Sections 79-2801 – 79-2812; Article 29 - Miscellaneous Provisions, Sections 79-2901 – 79-2977a

Kentucky Revised Statutes
Title XI - Revenue and Taxation, Chapter 134 - Payment, Collection and Refund of Taxes, Sections 420 – 570
Louisiana Revised Statutes
Title 47 - Revenue and Taxation, Chapter 5 - Tax Sales and Redemptions, Part I - Sales, Sections 2171 – 2194; Part II - Redemptions, Sections 2221 – 2230; Part III - Tax Sales and Redemption of Immovable Property Adjudicated for Taxes for 1974 and Subsequent Years, Sections 2251 – 2262
Louisiana Constitution: Article VII, Section 5 - Tax Sales
Maine Revised Statutes
Title 36 - Taxation, Part 2 - Property Taxes, Chapter 107 - Unincorporated and Unorganized Territories, Subchapter 4 - Delinquent Taxes, Sections 1281 – 1288
Maryland Statutes
Tax - Property, Title 14 - Procedure, Subtitle 8 - Collection, Part III - Tax Sales, Sections 14-808 – 14-863
General Laws of Massachusetts
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Title 68 - Revenue and Taxation, Article 31, Sections 3101 – 3152

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Title 25 - Public Lands, Chapter 275 - County Lands, Public Lands: Management and Disposition of Lands and Resources, Sections 275.020 – 275.318

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Real Estate Tax Sale Law, Article I - Short Title; Definitions, Sections 101 – 102; Article II - Tax Claim Bureau, Sections 201 – 208; Article III - Lien of Taxes, Filing of Tax Returns, Adjudication, Sections 301 – 316; Article IV - Sequestration, Sections 401 – 406; Article V - Discharge of Tax Claims Before Sale, Sections 501 – 506; Article VI - Sale of Property, Upset Sale, Sections 601 – 609, Judicial Sale, Sections 610 – 612.2, Private Sale, Sections 613 – 615, Mandatory Judicial Sale, Section 616, Miscellaneous, Sections 617 – 619.1, Repository for Unsold Property, Sections 625 – 630; Article VII - Property Purchases By Taxing District Prior to This Act, Sections 701 – 705; Article VIII - Repeals and Effective Date, Sections 801 – 803

See also:

- Unseated Land for Taxes, P.L. 192, No. 113, Section 1
- Unseated Lands Selling of For Taxes, P.L. 177, No. 128, Sections 1 – 9
- Lands for Taxes Mode of Selling, P.L. 111, No. 89, Section 1
- Lands Being Sold for Non-Payment of Taxes, P.L. 477, No. 502, Sections 1 – 4
- Surplus Bonds at Tax Sales, Recordation, P.L. 47, No. 32, Sections 1 – 2
- Taxes, Land Taken for Non-Payment of, P.L. 81, No. 53, Section 1
- Validating County Taxes, P.L. 580, No. 310, Section 1
- Tax Claims, Compromise, P.L. 1018, No. 229, Sections 1 – 3
- Real Estate, Redemption After Tax Sale, P.L. 1091, No. 356, Sections 1 – 4
- Municipal Property, Tax On, P.L. 787, No. 213, Sections 1 – 4
- Authorizing Sale of Realty for Tax Claim Judgment, P.L. 1100, No. 386, Sections 1 – 6
- Validating Sales by County Commissioners, P.L. 390, No. 36 Cl. 69, Sections 1 – 2
- Validating Conveyance by Third Class Cities, P.L. 703, No. 168, Cl. 69, Sections 1 – 2
- Validating Title to Certain Real Estate, P.L. 837, No. 387 Cl. 69, Sections 1 – 2
- Validating Tax Claim Bureau Deeds, P.L. 355, No. 119 Cl. 69, Sections 1 – 2
- Sale of Land for Taxes, P.L. 71, No. 43, Section 1
- Lands, Sale of For Taxes, P.L. 131, No. 69, Section 1

Rhode Island General Laws

Title 44 - Taxation, Chapter 44-9 - Tax Sales, Sections 44-9-1 – 44-9-56

South Carolina Code of Laws

Title 12 - Taxation, Chapter 49 - Enforced Collection of Taxes Generally, Article 1 - Liens and Suits Generally, Sections 12-49-10 – 12-49-90

Title 12 - Taxation, Chapter 51 - Alternate Procedure for Collection of Property Taxes, Sections 12-51-40 – 12-51-170

Title 12 - Taxation, Chapter 59 - Forfeited Lands, Article 1 - General Provisions, Sections 12-59-10 – 12-59-130

Title 12 - Taxation, Chapter 59 - Forfeited Lands, Article 3 - Title to Lands Forfeited Prior to December 24, 1887 Renounced, Sections 12-59-310 – 12-59-330

South Dakota Codified Law

Title 10 - Taxation, 23 - Sale Of Real Property For Taxes And Assessments, Sections 10-23-1 – 10-23-33; 24 - Redemption From Tax Sales, Sections 10-24-1 – 10-24-17; 25 - Tax Deeds, Sections 10-25-1 – 10-25-44; 26 - Scavenger Tax Law, Sections 10-26-1 – 10-26-10

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Title 1 - Property Tax Code, Subtitle E - Collections and Delinquency, Chapter 34 - Tax Sales and Redemption, Subchapter A - Tax Sales, Sections 34.01 – 34.08; Subchapter B - Redemption, Sections 34.21 – 34.23
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Title 32 - Taxation and Revenue, Chapter 17 - Fees and Costs, Section 1674; Chapter 133 - Assessment and Collection of Taxes, Sections 4877 – 5263
Code of Virginia
Title 58.1 - Taxation, Chapter 32 - Real Property Tax, Sections 58.1-3340 – 58.1-3345; Chapter 39 - Enforcement, Collection, Refunds, Remedies and Review of Local Taxes, Sections 58.1-3965 – 58.1-3965
Revised Code of Washington
Title 84 - Property Taxes, 84.60 - Lien of taxes, Sections 84.60.010 – 84.60.070; 84.64 - Lien foreclosure, Sections 84.64.040 – 84.64.215; 84.68 - Recovery of taxes paid or property sold for taxes, Sections 84.68.010 – 84.68.150
West Virginia Code
Chapter 11A - Collection and Enforcement of Property Taxes, Article 2 - Delinquency and Methods of Enforcing Payment, Sections 11A-2-1 – 11A-2-19; Article 3 - Sale of Tax Liens and Nonentered, Escheated and Waste and Unappropriated Lands, Parts I - III, Sections 11A-3-1 – 11A-3-74; Article 4 - Remedies Relating to Tax Sales, Sections 11A-4-1 – 11A-4-7
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Wyoming Code
Title 39 - Taxation and Revenue, Chapter 13 - Ad Valorem Taxation, Section 39-13-108 - Enforcement
Guam Government Code
Title 11 - Finance and Taxation, Division 2 - Taxes, Chapter 24 - Real Property Taxes, Article 8 - Tax Sold Property, Sections 24801 – 24828
Virgin Islands Code
Title 33 - Taxation and Finance, Subtitle 2 - Property Taxes, Chapter 89 - Levy and Collection of Taxes, Subchapter III - Attachment and Sale of Property for Nonpayment, Sections 2541 – 2555; Subchapter IV - Right of Redemption, Sections 2581 – 2584; Subchapter V - Assignment or Sale and Transfer of Tax Liens/Privatization of Tax Collection Process, Sections 2591 – 2592

FIVE

What Can You Expect?

“Eighty percent of success is showing up.” – Woody Allen

By now you should have a rough idea of how you might want to play the tax lien market (read about investment strategies in Chapter 3). This chapter provides a case study of tax lien investing, and an outline of the steps to follow when investing in tax liens or tax deeds.

Tax Lien Investing Case Study

The following two examples show the range of what you can expect from tax lien investing, and are intended to help you become prepared for the process.

Example 1: Over-the-counter sale

After visiting the county and deciding that you are interested in real estate in the area, you call the county tax collector or treasurer or visit the county website to find out what properties are still available after last year’s auction. With a little work, you establish a rapport with someone at the county who is knowledgeable about the properties in order to learn more about the location and condition of the properties. One of the properties looks favorable, so you decide to visit it. It is a residential property. The penalties, taxes and interest owed are \$1,804.50, which is within your investment range. The state’s interest rate is 16 percent. Because the property is not being bought at auction, but instead is being sold “over the counter,” you automatically get the full, state-mandated interest rate. You send a check to the county and you receive a tax lien certificate. After 11 months have gone by, you receive a notice from the county tax collector or treasurer that the owner has paid the debt owed and the property has been redeemed. You mail the tax lien certificate in and you get the full amount you invested plus 11 months of interest at 16 percent.

Actual Event: We recently obtained an over-the-counter list for Marion County, Arkansas. After reviewing dozens of properties, we found a lake lot listed for \$8,000. After further research we determined that the lot was worth \$15,000 to \$20,000, so we made a bid of \$9,000. We filled out a bidder’s form and sent in the money. However, prior to us receiving the deed, the owner decided to redeem the property and we received our money back.

In another case, while driving through Colorado we stopped in Castle Rock (Douglas County) and picked up the county’s over-the-counter list. In one afternoon we did the research necessary to purchase two high quality tax liens through the county’s over-the-county process.

Example 2: Public auction

You decide to attend a county auction. To learn about what properties are available, you buy a local newspaper. After checking out the properties, you decide to bid on one of the properties at the auction. At the auction, the bidding in this state starts at 18 percent. The first bid is 18 percent. The next bidder bids 12 percent. Finally, you win the bid at 6 percent. According to state rules you must pay the balance immediately, so you hand a cashier's check to the county treasurer for the full amount right away. After the redemption period expires, you receive a notice in the mail that the county is foreclosing on the property (i.e., the owner did not redeem their taxes). You celebrate, because you have likely received the property for pennies on the dollar. However, you also recognize the complexity of the foreclosure process. You do the smart thing and hire a local lawyer familiar with the foreclosure process in this area. Like most states, the foreclosure requirements are complex, requiring you to publish a notice of foreclosure in the local newspaper and appear in court. You have already made a killing on the property. By hiring a local lawyer you do not have to deal with the judge at the court appearance and you are confident the paperwork will be done correctly. After the foreclosure process is over, you decide that you do not want to keep the property, so you put the property up for sale right away. Because you got the property so cheap, you can put a bargain price on it, sell it quickly and still make plenty of money.

Actual Event: Just prior to the October sale in Travis County, Texas, we spent one day researching properties in preparation for the sale. One lot located on a cul-de-sac in an upscale neighborhood caught our attention. The minimum bid was \$3,700. Based on a comparative analysis of other properties, we estimated the value of the lot at \$15,000. At the sale, bidding started at the minimum bid; after reaching a value of \$4,500 the bidding stopped and we won the bid. In about 30 days, we received the following Constables Deed on the property:



Constable's Deed

STATE OF TEXAS
KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS

Cause Number: GV-203865

WHEREAS, by virtue of a certain Order of Sale issued by the clerk of the 53rd District Court of Travis County, Texas in Cause Number GV-203865 styled TRAVIS COUNTY, ET AL v. DANIEL B. GALLAGHER on a certain Judgment and Decree of Sale rendered in said court; I, Bruce Elfant, Constable for Travis County, Texas, did on August 24, 2004, at 2:00 p.m., in obedience to said Order of Sale, seize and levy upon all estate, right, title, claim and interest which the Defendant had on the date of said Judgment in and to the premises hereinafter described; and on the first Tuesday of October, 2004, the same being on the 5th between the hours of 10:00 a.m. and 4:00 p.m., as prescribed by law, did sell said premises at public auction in the County of Travis, at the west side of the Courthouse thereof, in the City of Austin, Texas, having first given public notice of the time and place of said sale by an advertisement in the English language, published once a week for three consecutive weeks preceding such sale, the first publication appearing not less than twenty days immediately preceding the day of the sale, beginning on September 3, 2004, in The Austin Chronicle, a newspaper published in the County of Travis, stating therein the authority by virtue of which such sale was to be made, the time of levy, the time and place of sale, and a description of the property that was to be sold, together with other information required by law, and by mailing copies of such notice to all defendants as required by law; and

WHEREAS, at said sale, said premises were sold to Rogue Investor LLC for the sum of \$4,500.00, subject to the Defendant's right of redemption, that being the highest bid for same, and said sale being duly conducted; and

WHEREAS, the said Rogue Investor LLC of 7419 Metcalf Ave., # 321, Overland Park, KS 66204, has paid said sum of \$4,500.00, the receipt of which is hereby acknowledged;

WHEREAS, Rogue Investor LLC, having submitted a successful bid, exhibited to me, Bruce Elfant, Constable of Travis County, an unexpired written statement issued by the office of the Travis County Assessor-Collector verifying that 1) there were no delinquent ad valorem taxes owed by Rogue Investor LLC, said purchaser, to the County, and 2) for each school district or municipality having territory in Travis County there are no known or reported delinquent ad valorem taxes owed by Rogue Investor LLC to that school district or municipality.

billing number: 55430

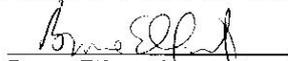
NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That in consideration of the premises in said Judgment and Order of Sale, I, Bruce Elfant, Constable of Travis County, Texas, do grant, sell, and convey unto Rogue Investor LLC all the estate, right, title, interest, and claim which the said defendant(s) had on the date said Judgment was rendered or at any time afterwards, in and to the premises described in said Order of Sale, and further described as follows to-wit:

Lot 4098, Highland Lake Estates, Section 4, Plat No. 51/74, Travis County, Texas and being more particularly described in Volume 6335, Page 500 of the deed records of Travis County, Texas

TO HAVE AND TO HOLD the above described property unto said, Rogue Investor LLC, and his or her assigns forever as fully and absolutely as I, Constable as aforesaid, can convey by virtue of said Judgment and said Order of Sale, subject to the Defendant's right to redeem the same in the manner prescribed by law.

IN TESTIMONY WHEREOF I hereunto set my hand this October 23rd, 2004.

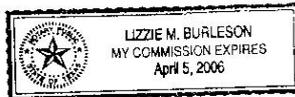

Bruce Elfant, Constable

THE STATE OF TEXAS
COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared Bruce Elfant, Constable of Travis County, Texas, known to me to be the person and official whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS October 23rd, 2004.


Notary Public



Return to:
Rogue Investor LLC
7419 Metcalf Ave., # 321, Overland Park, KS 66204

billing number: 55430

106493-1 128

Tax Lien Investing Process

Earlier chapters of this book have touched on the tax lien investing process. Here are the steps you should follow.

Narrow your search

Narrow your search to one or two states and two to three counties per state. You will not have enough time or knowledge to accomplish much more until you have a lot of experience.

Learn the tax sale specifics

Contact the treasurer's office or the tax collector's office (the specific department varies from state to state) for the county you are interested in, or visit the county website, to find the rules and procedures that govern the county's tax sales, as well as to find a list of the properties available. A few states conduct sales through municipalities, so you will need to contact the county in these states and find out which municipalities handle the tax sales. Chapter 9 provides detailed information for over 100 counties in the country. For links to all the county websites, visit our tax lien certificates website at <http://www.tax-lien-certificates.com> and click on the state you are interested in.

Some counties do not post anything about tax sales on their website. County budgets are not always sufficient to keep up, and many counties are just starting to become computer and Internet efficient. You may need to get a copy of the local newspaper to find out about the properties that are available. Many counties have lists of available properties for sale at upcoming tax lien auctions or tax deed sales. You can usually download these lists for free or purchase them for \$5 to \$50 or more, depending on the county.

You will need to study the local laws and do some research to get ready. Chapter 4 provides the relevant state tax sale laws. These are sometimes difficult to read, but do the best you can. You can also ask the county to tell you what information is important. Once you are familiar with the rules, narrow your focus to fewer than 10 properties.

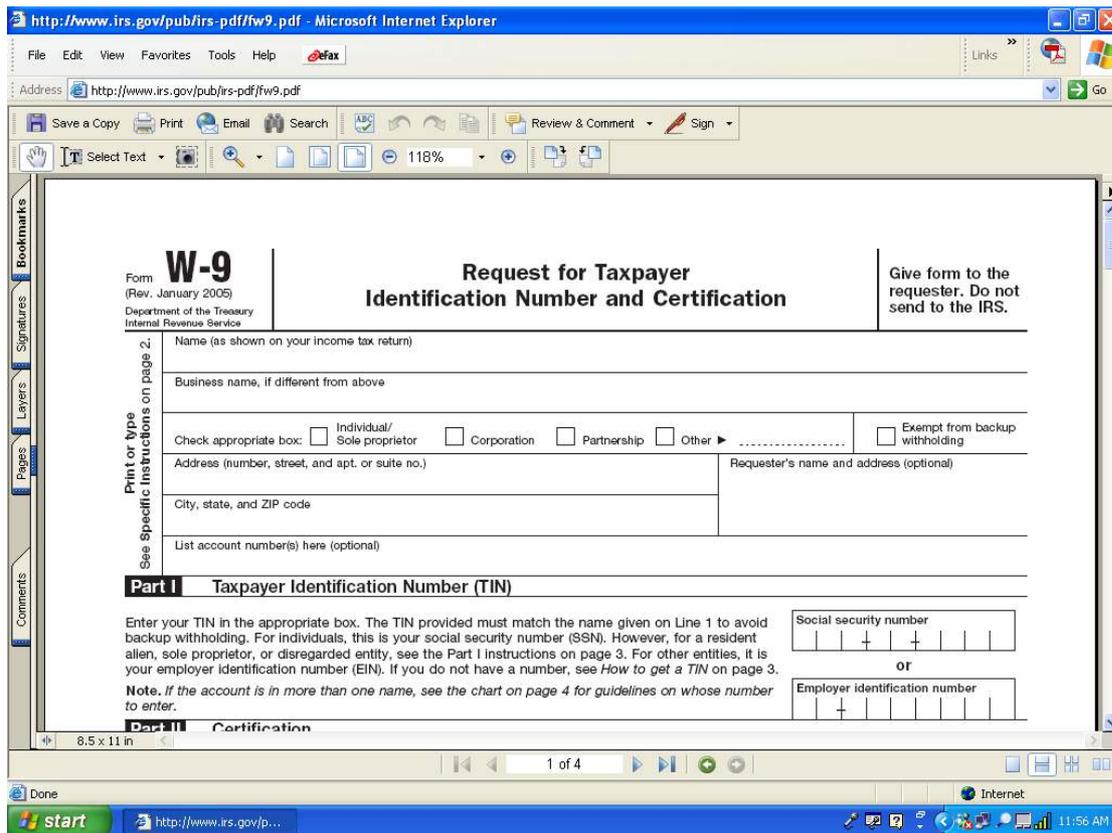
Arrive early for an auction

If you decide to attend an auction, arrive early. You will have to fill out paperwork. At a tax lien sale, you will usually be required to fill out a W-9 form for income tax reporting. The image on the following page shows the beginning of the form. For a copy of the entire form that you can fill out, visit the Internal Revenue Service's website at <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

Depending on the rules of the county, you may need a cashier's check or cash to buy tax liens or tax deeds. You also may have to pay a deposit. Some counties and states require that you register 7 to 10 days in advance, so be sure to check your local rules.

Chapter 9 provides detailed information regarding auction rules and procedures for many counties. Read this information to get a feel for what is required and how the process works. However, before you go to a sale, make sure you contact the county and find out what the current procedures are and where you need to show up. Although this book is updated frequently, things change rapidly in the tax sale business and county websites are constantly being revised.

**You must become an expert in your area and county
to become proficient and avoid unpleasant surprises!**



Follow the rules after a winning bid

Once you have obtained a tax lien certificate or foreclosed property, follow all the local rules. Failure to do so could cause your entire effort to be wasted, since you could lose your investment. This is where knowledge of the local laws becomes very important. Most counties have strict and often complicated rules on posting notices, foreclosing on properties and clearing title to the property if foreclosure is necessary. You also may have to pay subsequent property taxes to maintain your lien status. Generally, these rules favor the owner of the property so that the owner can pay the back taxes and retain the property if possible.

At tax lien certificate sales, less than five percent of all properties with delinquent taxes generally go to foreclosure. However, if a property you own does go to foreclosure, hire an attorney familiar with the local laws to assist you in the foreclosure process. In states selling foreclosed properties at tax deed sales, be very careful. Here you must research the property very carefully and follow the foreclosure process.

There are several key points that should be emphasized and repeated: (1) if possible, it is wise for you to establish a friendly relationship with the county employees to get more information regarding available properties before you waste your time visiting properties that you do not want, and (2) if the property goes to foreclosure, you should hire a local attorney to settle the foreclosure. Do not do it yourself! It is too complicated. Some states will handle the foreclosure process. Under these circumstances, you may not need a lawyer. However, always err on the side of caution, especially until you have gone through the process a few times and know what to expect.

If you decide to keep the property, use your attorney to make sure you have a clear title to the property and help you legally evict the former owners if they are still on the premises. To make

sure you are protected against any future claims to the property, your attorney can quiet the title. To receive a court order that will allow you to get the assistance of the local sheriff, if necessary, to remove the former owners, have your attorney file an unlawful detainer action. In most cases, the property will be vacant by this time and your attorney will only need to assist you with the foreclosure process and make sure you have clear title.

SIX

Possible Problems and How to Avoid Them

“Who dares nothing, need hope for nothing.” – J.C.F. von Schiller

If you think about it, tax lien certificates and tax deed sales are a symptom of something gone awry with the property owner. Usually the reason is plain negligence (someone goes out of town for an extended period) or a lack of money. When someone has been an owner of the property for a long time and real estate values in the area suddenly rise due to development, the tax burden on a person can double or triple over just 5 or 10 years. Rather than sell the property, the owner procrastinates on the decision until it gets serious.

It is also possible that the property is not worth the amount of taxes owed. Environmental contamination may have been discovered on or near the property or, after years of negligence, the structures on the property may be in disarray. The property may be prone to excessive flooding or have building restrictions. Water rights also might be an issue.

The first step in assessing if there is something truly wrong with the property is to compare the assessment of the property's value to similar properties in the area. For every tax lien certificate or tax deed property, you can find an assessment of the property's value by a government agency (usually the county assessor's office). If this assessed value is significantly lower than similar properties in the area, there is probably a problem with the property.

To avoid possible environmental issues, do not buy properties near industrial areas. Do some research in advance and talk to locals to ensure the property is not near any hazardous waste sites. You also can go to the county courthouse and look up the property on Sanborn Maps, which will show the historical uses, if any, of the property. Avoid any areas that were previously used as commercial or industrial sites. In fact, in most cases where you are looking at buying residential property or raw land, do not buy if the property was ever zoned for anything other than agricultural or residential use.

There are other environmental issues you should consider. Avoid any property near a gas station. Gas stations almost always contain underground storage tanks that can leak, potentially contaminating nearby properties. In general, avoid any property with underground storage tanks. Avoid any property near a dry cleaning facility, which uses solvents to clean garments. Many of these solvents are cancer causing and highly mobile, potentially contaminating other properties and groundwater. Other potential problems include asbestos (common in commercial properties more than 20 years old), lead paint (possible in any structures built prior to 1978), and radon (common in areas with basements built in or on top of bedrock). If possible, inspect the property to make sure it is free of debris and does not contain any soil staining, sheens or seeps. Look for water damage and, if possible, survey the local area for drainage ways to

determine if the property has the potential for flooding. For residential property, the chances of a serious environmental problem are low. However, that does not mean you should not check for all of the environmental problems just described. Chapter 10 of *Rogue Real Estate Investor* provides a more detailed discussion of potential environmental problems.

Another possible problem is that a property owner could declare bankruptcy while you are holding the tax lien. This will not ultimately affect your investment, because tax lien investors are secured creditors, meaning that you will get your money or the property. However, receiving your money could be delayed while the initial portion of the bankruptcy proceeds. If you think the property owner is in danger of declaring bankruptcy, and the best way to tell is how much is due relative to the worth of the property, do not bid on the tax lien. Chapter 11 of *Rogue Real Estate Investor* covers bankruptcy issues in more detail.

If you have any uncertainties about a property, do not buy. There are always plenty of tax lien certificates and tax deeds available. Sometimes the best decision is to not get involved.

SEVEN

A Practical Field Guide to Investing in Tax Liens and Tax Deeds

Lucy: "I never get what I really want [for Christmas]."

Charlie Brown: "What is it you want?"

Lucy: "Real estate."

– A Charlie Brown Christmas, Charles Schulz

Introduction

We attend tax sales nearly every month. This chapter provides a hands-on approach to the art of investing in tax liens and tax deeds.

One of the most important steps in investing in tax liens and tax deeds is to evaluate the real property (land or improvement). Even if you are only investing in tax liens, you should be ready to take ownership and assume that you could acquire the property. Remember, on average, less than five percent of tax liens go to foreclosure or deed.

If you are bidding at a tax deed sale, you are actually bidding on the property. Upon winning the bid, the property is yours. As is the case with buying anything, you need to make sure you get what you pay for. This includes your time, energy and effort. After all, you can buy real property through an individual or real estate broker. In fact, if you are not getting a property at a substantial discount to the going rates, then it may not be worth it. There also are larger concerns to consider. In the case of environmental contamination you could get stuck with thousands, if not millions, of dollars of liability if you're not careful. Other problems may not be quite so elaborate, but could result in reducing your return. For example, a land-locked property could require legal costs to force the adjacent owner(s) to provide you with access.

Knowledge is power, so make sure you are prepared ahead of time.

Steps to Investing

Step 0: Know your goals before you invest

Why are you investing? Is it for:

- Income?
- Retirement?
- Building a nest egg?

- Becoming wealthy?
- Freedom?
- Something to do?
- A challenge?

Why do you need to know?

You need to know because your goals will influence the type of deeds or liens that you pursue. For instance, commercial properties may have more risk due to the inherent nature of many businesses, such as improper waste disposal and urban locations. On the other hand, commercial properties may be lucrative if you understand and can manage the risks. If you are only trying to receive a decent return on your money and have no intention of taking ownership of a property, then you will want to orient your investing to tax lien states and properties that will most likely be redeemed.

Be sure to examine your finances closely enough to understand how your tax lien and tax deed investing plays into your overall investing plan. Again, think about how much risk you can handle.

Consider your investing goals in light of the types of properties and locations available. You may be looking for retirement land. If so, ignore all commercial and residential buildings. You may only understand real estate values in a particular region, state or county. If that's the case, bidding outside of your area of expertise will result in higher risk. On the other hand, your county may be too competitive or properties may be scarce and this may force you to become an expert elsewhere.

The point is to know what you want, whether it is land, interest income from a tax lien, or foreclosure potential of residential or commercial properties. All of these factors will influence your potential screening of properties.

Finally, it is highly advisable that you attend at least one tax lien or tax deed auction with no intention of buying. Observe the bidding process and even ask questions after the auction is finished. You will feel much more confident and prepared for your first tax sale.

Step 1: Obtain the list of properties and register

Delinquent property lists are available by contacting the county and finding out how and where they list properties. Some states and counties only work with local newspapers. Other counties publish lists online and even update the lists when properties are redeemed. Some counties will send you a list, but they usually require a fee. The fee is often fairly nominal; however, in some counties in Illinois, the fee can be as high as \$500.

The best approach is to start with a county website and search for the treasurer's or tax collector's office (see Chapter 9 for detailed county information). If a property list is not available online, you may need to call the county. The following are example tax lien certificate sale lists for Nebraska and Colorado.

NEWS-PRESS

OFFICIAL PUBLICATION OF DELINQUENT REAL ESTATE TAXES & SPECIAL IMPROVEMENT TAXES FOR 2002 & PRIOR
Notice of Delinquent Real Estate and Special Improvement Taxes

The following is a list of Lands and Lots to be sold for taxes for the year 2002 and any other delinquent tax, including special assessments, subject to tax sale.

Notice is hereby given that all of the following described land and lots in Otoe County, Nebraska, upon which the taxes for the year 2002 and prior years have not previously been paid, will be offered for sale at the County Treasurer's office of Otoe County, Nebraska, for the taxes for the year 2002, and all delinquent taxes together with the interest and cost thereon to date of sale.

This sale will be held between the hours of 8:00 AM and 4:30 PM on the First Monday of March 2004, being the 1st day of March 2004, and will continue from day to day, Saturdays, Sundays, and legal holidays excepted until all said properties upon which delinquent taxes remain have been sold. The amounts listed are principal amounts only and do not include interest or other costs.

This is not a foreclosure sale of Lands and Lots, but a sale taxes only as required by Section 77-1804 of the Nebraska Revised Statutes.

Dated at Nebraska City, Otoe County, Nebraska this 2nd day of February, A.D. 2004.

Jacqueline A. Smith
 Otoe County Treasurer
 Otoe County, Nebraska

000010000	VILLA 210 OF AMBASSADOR VILLAS F/K/A VALLEY VIEW VILLAS IN S 1/2 LOTS	939.28
000107500	LOTS 9-10 BLK 3 DUNBAR PROPER	383.46
000108000	ALL BLOCK 13 & RR ROW 2.73 AC IN DOUGLAS PROPER	1,187.94
000115500	W 164' OF LOT 15 WEST DOUGLAS DIV	536.74
000118000	W 1/2 LOT 4 WEST DOUGLAS DIV	195.07
000122500	E 1/2 N 1/2 & S 20' W 1/2 N 1/2 OF LOT 13 WEST DOUGLAS DIV	18.02 *
000123000	S 1/2 LOT 13 WEST DOUGLAS DIV	202.38 *
000151000	LOT 2 YOHE-REED ROUNDHOUSE ADMIN SUBDIV PT OF LOTS 1-7 & 17-20 & ALSO	127.64 *
000169500	LOT 3 BLK 1 PALORA PLACE NEBRASKA CITY	1,664.73
000200000	LOT 5 BLK D EDGEWOOD ADD NEBRASKA CITY	182.50
000202000	LOTS 17-18 BLK D EDGEWOOD ADD NEBRASKA CITY	367.38
000205500	E 16.5' N 61' LOT 25 & N 61' LOT 26 BLK D EDGEWOOD ADD NEBRASKA-CI	1,293.48
000207000	LOT 12 BLK A EDGEWOOD ADD NEBRASKA CITY	794.60
000221000	LOT 11 & W 30' LOT 10 BLK B EDGEWOOD ADD NEBRASKA CITY	246.20
000226000	E 35' LOT 14 & ALL LOT 15 BLK B EDGEWOOD ADD NEBRASKA CITY	639.13
000231500	LOT 7 BLK C EDGEWOOD ADD NEBRASKA CITY	139.92
000235500	LOT 1 PETERSEN PLACE REPLAT NEBRASKA CITY	48.95
000236000	LOT 2 PETERSEN PLACE REPLAT NEBRASKA CITY	44.86
000236500	LOT 3 PETERSEN PLACE REPLAT NEBRASKA CITY	84.72 *
000242500	LOT 15 PETERSEN PLACE REPLAT NEBRASKA CITY	86.98 *
000243000	LOT 16 PETERSEN PLACE REPLAT NEBRASKA CITY	86.98 *
000243500	LOT 17 PETERSEN PLACE REPLAT NEBRASKA CITY	34.06 *
000244000	LOT 18 PETERSEN PLACE REPLAT NEBRASKA CITY	37.02 *
000244500	LOT 19 PETERSEN PLACE REPLAT NEBRASKA CITY	44.28 *
000245000	LOT 20 PETERSEN PLACE REPLAT NEBRASKA CITY	91.98 *
000249000	LOT 28 PETERSEN PLACE REPLAT NEBRASKA CITY	82.22 *
000249500	LOT 29 PETERSEN PLACE REPLAT NEBRASKA CITY	81.08 *
000254000	LOT 38 PETERSEN PLACE REPLAT NEBRASKA CITY	76.08 *
000254500	LOT 39 PETERSEN PLACE REPLAT NEBRASKA CITY	985.04
000266500	PART OF 30 ACRE TRACT IN SE 1/4 NE 1/4 17-8-14 (124.7' X 56') - SOUTH	9,088.94
000270500	LOT 2 HOBACK MINOR SUBD IN SOUTH SIDE ADD 1.60 AC NEBRASKA CITY	197.82
000271500	17-8-14 2 TRACTS IN SE 1/4 NE 1/4 .5631 AC SOUTH SIDE ADD	12.26
000281000	16-8-14 A STRIP IN W 1/4 N 1/2 SW 1/4 NW 1/4 (9.5' X 330') SOUTH SIDE ADD	190.04
000290000	OUT LOT 1 LA MASTER'S ADD TO OTOE	698.70
000301000	84' X 130' IN BLK B WAITE'S ADD PALMYRA	75.96
000327000	S 1/2 LOTS 5 & 6 OF LT 1 BLK A SEVENTH ADD (ASSOCIATED WITH-SIMPSON'S	284.12
000406000	7-7-14 TRACT IN NW 1/4 3.242 AC OTOE	858.70
000473000	LOTS 1-3 BLK 1 PANKO'S ADD BURR	189.46
000476500	ALL LOTS 37, 40 & 41 & E 35' LOTS 38, 39 & 42 AND ADJ VAC ALLEY BLK 1	141.74
000478500	E 50' OF LOTS 7-9 & STRIP 27' X 150' VACATED ALLEY BLK 1 DOUGLAS PROP	186.32 *
000482000	LOTS 3 & 4 BLK 1 DUNBAR PROPER	93.58
000533500	LOT 11 BLK 1 PETERSEN PLACE NEBRASKA CITY	2,130.00
000534000	LOT 10 BLK 1 PETERSEN PLACE NEBRASKA CITY	38.95
000544000	LOT 13 CLYMENS REPLAT OF PETERSEN PLACE NEBRASKA CITY	307.74
000545500	LOTS 1 & 2 BLK 1 KNABE'S 2ND ADD TO OTOE	153.87
000550000	LOTS 17-20 BLK 1 LA MASTER'S ADD TO OTOE	93.52
000551000	LOTS 1-5 BLK 1 LA MASTER'S ADD TO OTOE	29.24
000551500	LOTS 6-8 BLK 1 LA MASTER'S ADD TO OTOE	38.54 *
000560000	LOT 13 BLK 1 MAHONEY'S ADD TO PALMYRA	375.90
000568000	S 11' LOT 5 & ALL LOT 8 & N 33' OF LOT 9 BLK 1 TENTH ADD TO SYRACUSE-	1,855.28
000594500	LOTS 5 & 6 BLK 1 GRAY'S 1ST ADDITION TO SYRACUSE	503.23
000601000	N. 51' LOTS 11 & 12 BLK 1 GRAY'S 1ST ADDITION TO SYRACUSE	572.76
000612000	LOTS 3-8 BLK 1 WATHAN'S ADD TO TALMAGE	235.54 *
000636500	1-7-13 2 AC IN SE 1/4 SE 1/4 LESS HWY ROW 1.43 AC ROCK CREEK	274.09
000691500	LOTS 1-3 BLK 2 DOUGLAS PROPER	1,763.86
000729000	W 110' LOT 2 BLK B PARK ROAD TERRACE NEBRASKA CITY	614.38
000730000	8-8-14 P LOT 2 IN NW 1/4 (W 2 AC) OR LOT 1 IN BLK D PARK ROAD TERRACE	113.38
000762500	LOT 3 BLK 2 KNABE'S 2ND ADD TO OTOE	257.52
000764000	LOTS 2-3 BLK 2 KNABE'S ADD TO OTOE	13.16
000776500	LOT 14 BLK 2 MAHONEY'S ADD TO PALMYRA	13.16
000777000	LOT 15 BLK 2 MAHONEY'S ADD TO PALMYRA	2,444.12
000788000	S 1' LOT 4 ALL 5 & 8 N 16' LOT 9 & N 105' S 210' LOT 17 BLK 2 TENTH A	69.06 *
000826500	N 16' OF LOT 13 & ALL LOT 14 BLK 2 TALMAGE	704.52
000866000	2-7-14 W 1/2 NW 1/4 81.09 AC OTOE	1,091.12
000880500	2-8-10 8.65 AC IN S 1/2 NE 1/4 & 2 ACRES IN NE 1/4 SW 1/4 10.65 ACRES S	2,084.60 *
000885000	2-8-11 NW CORNER N 1/2 NW 1/4 10 AC SYRACUSE	1,624.98
000895500	2-8-13 2 TRACTS IN NW 1/4 NW 1/4 6.37 AC LYONS SUBDIV BELMONT	7,494.94
000898000	2-8-13 E 1/2 SW 1/4 80 AC BELMONT	410.10
000927000	LOTS 11-12 BLK 3 DUNBAR PROPER	

**Adams County Treasurer
Tax Lien Sale for 2004 Taxes**

Seq #	Owner Name	Account	Parcel #	Description	#	Total Sale Amt	Bidder #	Premium
						Sale Amount	Actual Value	
1	02 P.R. LLC	R0091546	0182308203018	SUB:ROSE HILL 1ST ADD BLK:2 DES		\$1,163.76	\$160,000	
2	02P.R. LLC	R0092013	0182308404018	SUB:MONAC PARK BLK:1 DESC: PT		\$1,025.22	\$146,400	
3	1649 FLORENCE STREET TRUST	R0095563	0182334421007	DESC: LOTS 38 AND 39 EXC ALLEY E		\$942.57	\$254,360	
4	1681 DALLAS STREET TRUST THE	R0094873	0182334317023	SUB:AURORA SUBD BLK:39 DESC: L		\$658.62	\$175,770	
5	1ST HOUSES COMPANY LLC	R0088331	0182305206010	SUB:OKIES SUBD DESC: PLOT 9		\$833.65	\$113,660	
6	581 E 77TH AVE TRUST THE					\$1,462.68		

Many states only conduct tax sales once a year, so be sure to find out when your state or province is due for its sale. Chapter 9 includes information on the dates of many county sales. You can also refer to the following web page for updated tax sale dates:
<http://www.tax-lien-certificates.com>.

The county treasurer or tax collector will often be responsible for conducting a tax sale, and can inform you about the requirements and what to expect. Spend a few minutes speaking with someone on the phone, or better yet in person.

Find out what requirements are necessary to bid. You may be required to pay in advance. For instance, many counties require a money order or cashier's check for a minimum amount or a percentage of the amount you plan on bidding. The minimum amount may only be \$100 or the minimum amount listed in the bid listing. The remaining amount will be required upon successfully winning the bid. If you don't bid, you will be reimbursed. Again, check the rules and see if a personal check is accepted. Some counties will not accept a personal check or credit card.

As far as registration, plan ahead. Texas now requires registration in advance and a \$10 fee. Some counties, like Coconino in Arizona, require an advanced registration of 7 days. Other counties allow registration even on the day of the bid.

Find out what other requirements are necessary to bid in the state or county. Missouri, for instance, requires that you live in the county or have a representative act as your liaison. In the latter case, you must have a notarized signature from the representative.

Finally, ask a county representative about the sale itself. Here are some questions that you might want to know the answers to:

- Is the bidding held by your office or a professional firm?
- How quickly does the bidding proceed?
- What are the bid increments (e.g., in 1 percent increments or by amounts of \$50)?
- What happened during the last sale?
- How long does the sale last?
- How many people usually show up?
- What areas of the county generate the most interest and the least interest, in terms of bidding, and why?
- When are payments due (e.g., at the end of the day, immediately, in 24 hours)?
- What happens in the case of ties, as when more than one person bids zero interest on a property?

Step 2: Initial screening

Surprisingly enough, an initial screen can be done by looking through the list of properties and searching for key phrases that might identify where the property is located. An example would be a legal description that contains descriptions of certain areas that you recognize.

Recommendation: Before doing any screening, make sure you check for any redemptions.

The property list will contain the name of the individual or company that is the recorded owner, a legal description, the amount of taxes owed and the minimum bid.

Here are two real examples (the names and locations have been altered):

- **Example 1**
43. Smith, Betty A. W½ SW¼ NE¼ SW ¼ 9 6N 5W 5.00 Acres Parcel #123-456-789
1998 Min Bid: \$1040.00 Tax Due: \$321.21
- **Example 2**
51. Parcel # 12-3456-789 Needles, John & Bernice, 1116 NW Maple, Kansas City, MO
64164 26-53-35 Embassy Harbor Edition Lot 33 Blk 5,
2001 taxes owed: \$675.25
2002 taxes owed: \$711.23
Printing fee: \$50.00
Total: \$1,436.48

Using Example 1, we will take you through everything in the listing so that you understand how to read the tax sale listings.

43

The first number is the bid or listing number. This number is used as the bidding number. Most counties will start with the lowest number and move to the highest or last number on the list. During the auction, the lowest numbers will go first and the higher numbers later. Consecutive numbers may be missing if a property owner redeems or pays his/her taxes.

Note: Sometimes the lower numbers will receive more attention towards the beginning of an auction and the higher numbers will receive less attention later in the bidding because individuals are fatigued or they have exceeded their budget.

Smith, Betty A.

The name of the owner is next. This can be significant if you find a landowner or business that you are confident has gone out of business or is financially distraught. You also can look for multiple properties or lots owned by the same individual, so that you can scoop up adjacent properties. When you are viewing plat maps, you may see other landowners with the same name, indicating that a relative might live adjacent to or near a foreclosed property. This is probably not a problem, but you should be aware of it.

W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ 9 6N 5W

Next, you will usually see what is referred to as a legal description. The most common legal description is based upon the Section and Township demarcation, also referred to as the government rectangular survey. A legal description also may be in metes and bounds or lots and blocks. A legal description of real property is defined as a method of locating a parcel using an unbiased demarcation that can be used universally to locate real property. The address to a property, such as your house, is not considered a legal description. Thus, 1305 Maple Street is not a legal description for real property.

The system in the U.S. is shown by lines running east, west, north and south in a grid pattern or checkerboard. Each grid or square on, for example, a county plat map is one mile by one mile or 640 acres. There are six grids by six grids or six miles by six miles in a legal township. Numbers starting from a known baseline and running north to south are called Township (T) numbers. Numbers running east to west are called Range (R) numbers. For those of you counting, the total number of grid cells or sections in a legal plat is 36.

Interestingly, the numbers move from the right to the left, down, then left to right and so on until 36 sections are numbered. This is because original surveyors had to traverse the land and it was not practical to return to the starting side. It made much more sense to traverse across, go down and then go back across.

In our example, the numbers shown as 6N and 5W are referred to as Township 6 North (T6N) and Range 5 West (R5W), respectively. The number 9 located immediately in front of the township and range numbers is the section number. In our example, it is Section 9.

	R5W					
	6	5	4	3	2	1
	7	8	9	10	11	12
T6N	18	17	16	15	14	13
	19	20	21	22	23	24
	30	29	28	27	26	25
	31	32	33	34	35	36

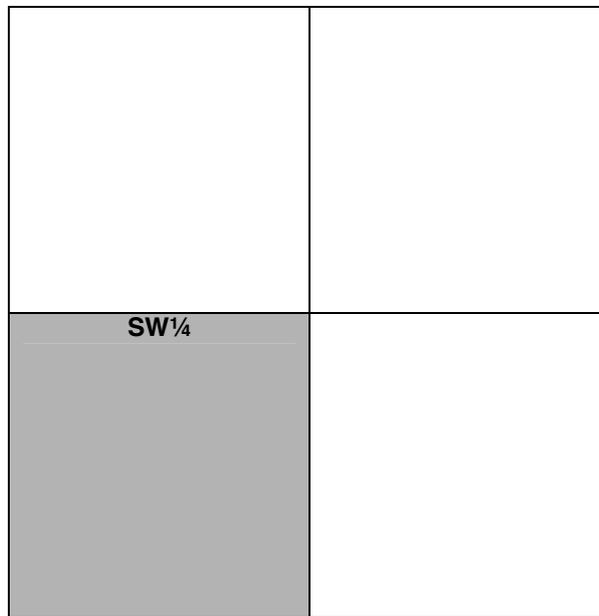
Find Section 9 and imagine it enlarged as presented below.

A Section of Land
(640 acres)
1 mile by 1 mile

NW¹/₄ NW¹/₄ (40 Acres)		NE¹/₄ NW¹/₄ (40 Acres)		NE¹/₄ (160 Acres)			
SW¹/₄ NW¹/₄ (40 Acres)		SE¹/₄ NW¹/₄ (40 Acres)					
NW¹/₄ NW¹/₄ SW¹/₄ (10 Acres)	NE¹/₄ NW¹/₄ SW¹/₄ (10 Acres)	W¹/₂, NE¹/₄ SW¹/₄ (20 Acres)	E¹/₂ NE¹/₄ SW¹/₄ (20 Acres)	W¹/₂ SE¹/₄ (80 Acres)		N¹/₂, NE¹/₄, SE¹/₄ (20 Acres)	
SW¹/₄ NW¹/₄ SW¹/₄ (10 Acres)	SE¹/₄ NW¹/₄ SW¹/₄ (10 Acres)					S¹/₂, NE¹/₄, SE¹/₄ (20 Acres)	
N¹/₂, S¹/₂, SW¹/₄ (40 Acres)				W¹/₂ SE¹/₄ SE¹/₄ (20 Acres)		2.5	2.5
S¹/₂, S¹/₂, SW¹/₄ (40 Acres)						2.5	2.5
						5	5

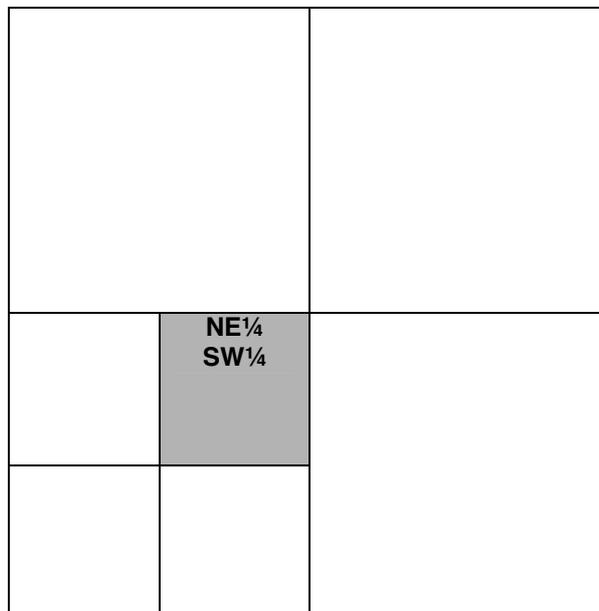
When you read a legal description, start from the right and work towards the left. For example, when looking at the example legal description, start with the southwest quarter of Section 9 and mark it off.

Section 9



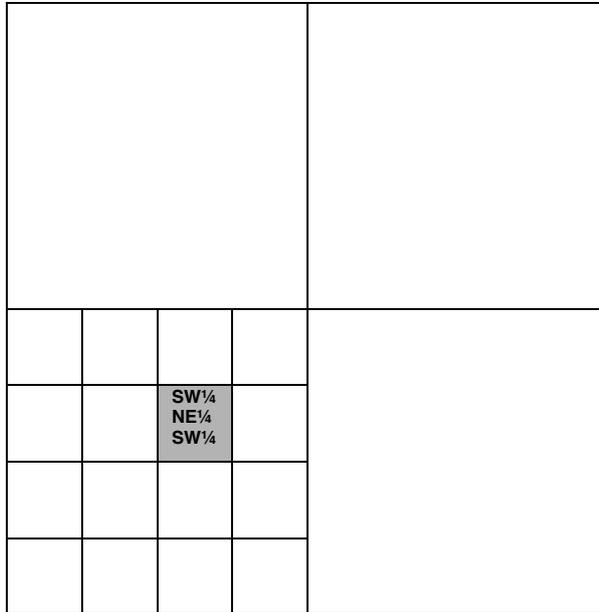
Next, find the northeast quarter of that same quarter, or the northeast quarter of the southwest quarter.

Section 9



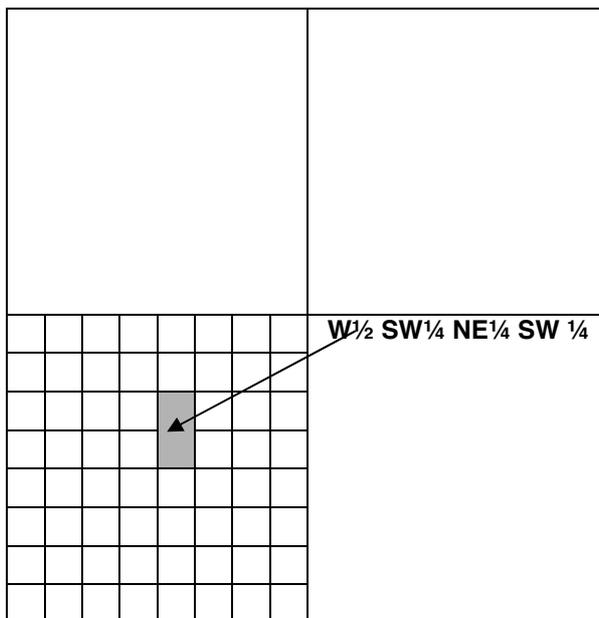
Again, find the southwest quarter of the new quarter you've established as shown below, or the southwest quarter of the northeast quarter of the southwest quarter.

Section 9



Finally, mark off the west half of the newest quarter that you've established and the location should be located as shown below. Thus, we have located the west half of the southwest quarter of the northeast quarter of the southwest quarter of Section 9 in Township 6 North, Range 5 West.

Section 9



The legal description shows that the parcel is 5 acres, which corresponds with what we calculated. Some legal descriptions also will include additional measurements, such as W150', N60' or a descriptor like "part of." In many cases, the land will not be portioned off as neatly and you may be looking for a parcel that is 12.2 acres or 0.83 acres. In the case of lots, you will be given a legal description that only goes as far as narrowing down the search to a neighborhood or housing addition.

When developers buy land and partition it off, they usually create housing additions with names such as Prairie Fields or Pine Ridge Point. Each addition is then divided into lots. An example would be that your house could be lot 24 of the Prairie Fields Addition. These lots must be approved and recorded with the city, county or local municipality. Therefore, you will need to do research with the county to find the lot and block designation that corresponds to the current property address. An example plat map is shown on the following page.

The use of metes and bounds in a legal description involves measurements from a beginning point, such that you could mark it off and create a geometric representation of the property boundary. An example would be "starting at the southwest corner of Main and Highland Street, running south 150 feet, then running west 340 feet, then running north 150 feet and running east 340 feet."

Now, let's get back to our example.

5.00 Acres

The acreage will often be shown immediately following the legal description. For your information, one acre is equal to 43,560 square feet of land or roughly 209 feet by 209 feet. In metric units, one acre is equal to 4,047 square meters or roughly 63 meters by 64 meters.

Parcel #123-456-789

In many cases, a property will have a parcel number, which is used by the state or county as a unique identifier. This number is important to know because it is easier to ask the county assessor for information knowing the parcel number. You also will use this number to search for property information at the county assessor's office using their computer system, or using the assessor's online database if they have one.

1998

Most counties or states will indicate the year(s) the taxes are delinquent. In the case of our example, taxes are delinquent for the year 1998.

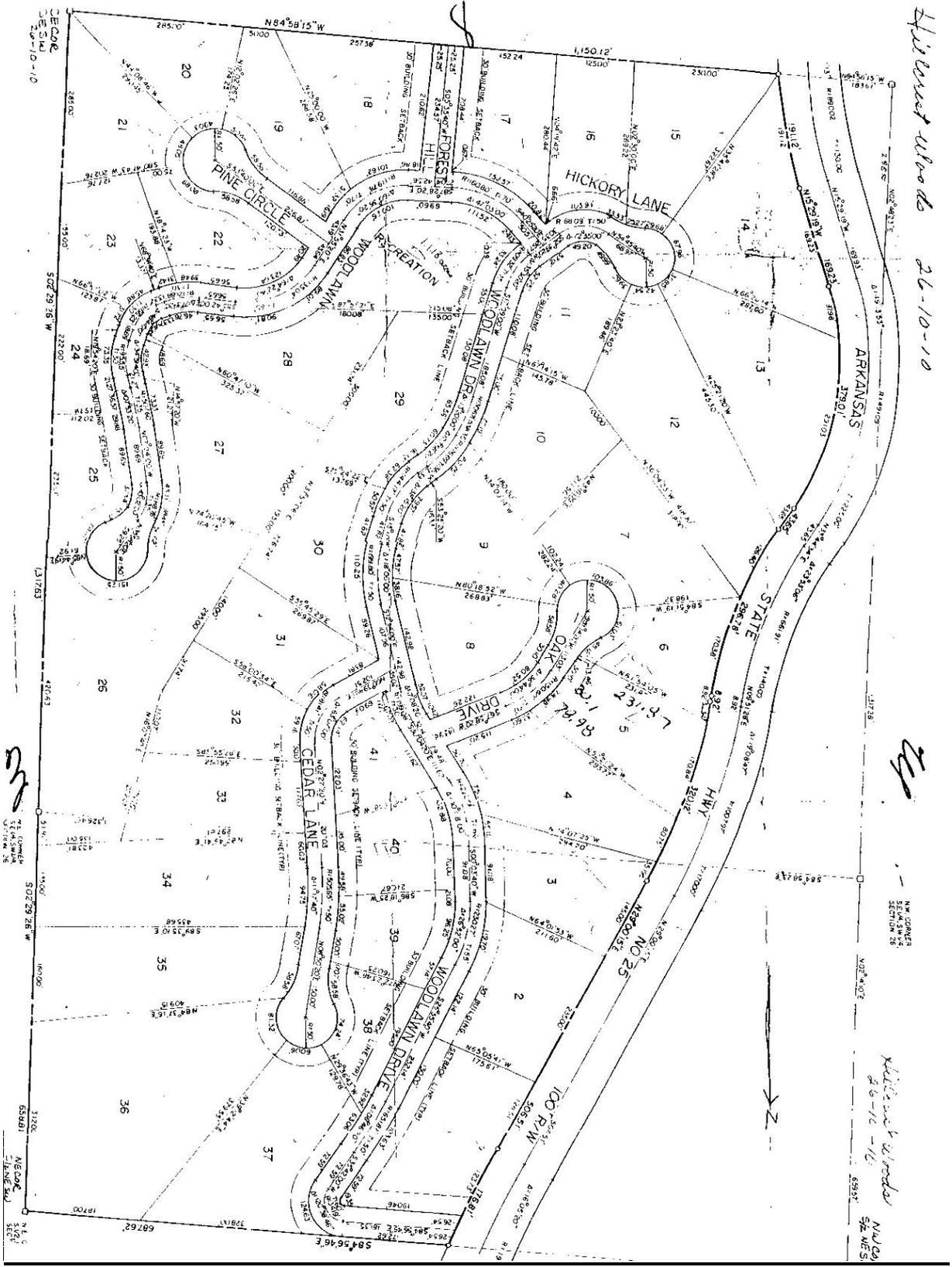
Min Bid: \$1040.00 Tax Due: \$321.21

Be sure to read carefully the rules for bidding for the state and county. In some cases, a total amount will be shown; in other cases, a minimum bid will be shown along with the tax amount due. Although you may only be required to bid the minimum amount, you still may have to pay the winning bid amount plus the taxes due and processing fees.

Woodward 26-10-10

W

Woodward 26-10-10



Step 3: Visit the county assessor

One of the most important steps in evaluating a property is to visit or call the county assessor's office. From our experience, they are usually helpful and friendly. If you are only interested in one or two properties, a phone call is probably fine. If you are really serious about this type of investing, plan on visiting the county assessor's office and doing some research.

The assessor's office will often have a real estate division or a person responsible for real estate. Find out who that person is. Take along your list of properties that you have narrowed down and ask that person to either show you how to look up information by parcel number, or have them look up the properties for you. In many cases, the county assessor's database will be online. You may be able to do much of your research from your own computer.

Find out if the property has any improvements (e.g., a building, utilities, landscaping, curbs and gutters, etc.) or is just land. Also find out the assessor's appraised value for both the land and any improvements. Note the taxes due and how much you may be required to pay should you take possession. If the property is located in a development, you may need to look up the original developer's lot description.

Legal descriptions are not street addresses, but you will often be able to find a street address through the county records. For your purposes a street address is the easiest method of finding a property. Ask the assessor how you can obtain a county plat map or plat booklet. You will need this to do your drive by and locate the property. A street map also may be helpful, and can usually be purchased at a local gas station, drug store, or retail department store such as Wal-Mart.

Note: The county assessor's office is your friend. If you are wondering why a certain development has many properties listed, ask around and you may just find out.

Step 4: Visit the property

Nothing tells the whole truth better than visiting a property. What you thought was a nice property might be the next Hollywood backdrop for a horror film:



On the other hand, a lot that you thought was just another worthless developer's mistake may have a breathtaking view and could be considered a hidden gem. Location is everything in real estate.

Using the plat map or developer's drawing that you obtained, mark off the location of each property that you wish to see on the plat map. Next, obtain a county road map (a standard state road map will not be detailed enough). Again, ask the assessor's office or the local department of transportation for information. If you have online access, MapQuest (<http://www.mapquest.com>) or Yahoo! Maps (<http://maps.yahoo.com>) can be used. If you have a laptop computer, you can purchase Microsoft Streets and Trips to help you locate properties. Also, be sure to download Google Earth for satellite views. Finally, if your tax sale list has addresses, you may be able to take advantage of global positioning system navigation.

One other map of importance is the topographic map. A topographic map shows contour lines of equal elevation, as well as other features like streams, rivers, lakes and some manmade features. By looking at the topographic map of the area, you can ascertain the lay of the land. Closely spaced contour lines represent steep grades, while widely spaced contours depict gentle slopes or nearly flat terrain.

TopoZone (<http://www.topozone.com>) has U.S. Geological Survey (USGS) topographic maps for the entire United States that you can view online for free. TopoZone provides the following USGS scales: 1:100,000, 1:63,360, 1:50,000, 1:30,000, 1:25,000, 1:24,000, and 1:20,000. The scales are unitless, meaning that 1 inch equals 100,000 inches or 1 centimeter equals 100,000 centimeters.

Let's get back to visiting your selected properties. During the site visit or drive by, take note of the following items:

- Overhead utilities or lack thereof
- Underground utilities or lack thereof
- Property accessible or landlocked
- Adjacent property conditions
- Trees, vegetation, landscaping
- Soil/subsurface conditions – sand, clay, shallow bedrock
- Presence of disturbed areas or fill material
- Dead or stressed vegetation
- Discolored soil.

Be sure to drive around the area and note any major industries that might affect the real or perceived value of the property. For example, a nearby landfill, power plant or heavy industrial area could limit the value of the property for residential use.

Next, find similar properties for sale and call the owner or real estate agent/broker and find out the cost and details. Ask him/her about the area and any problems. Ask about the schools, crime, nearby parks, malls and grocery stores.

Note: When visiting a property that has a dwelling, remember that the current property owner may still be living there. You will have to show some discretion and not trespass or loiter in front of the property.

Here are some checklists to help assist you with the drive by. These guides only serve as a starting point. You will need to use your own judgment and evaluate properties based upon area and the type of property.

**Residential Properties
(Houses and Lots)**

Parcel Number and Location _____

Tax Assessed Value

	Description	Value
Land		
Improvements		
Other		
Total		

Drive-By Checklist: Residential

Items of Consideration	Excellent	Good	Fair	Poor	Unknown
Neighbors					
Streets					
Curbs/Gutters					
Location					
Fire Department					
Near Hospital					
Near Park					
Near Police					
School System					
Landscaping					
Roof					
Exterior/Paint					
Porch/Deck/Patio					
Structure					
Heating/Air					
Electricity					
Water					
Sewer					
Cable					
Phone					
Trash Service					
Recreational Value					
Property Access					

Competitive Market Analysis: Residential

	Subject Land	Comparable 1	Comparable 2	Comparable 3
Location/Address				
Area (square feet)				
Bedrooms				
Baths				
Basement				
Garage/Carport				
Construction				
Lot Size				
Age				
Listed Price				
Selling Price				
Remarks				
Area Market Conditions:				
Estimated Range of Value of Similar Properties:				
Estimated Value of Subject Property:				

Drive-By Checklist: Land

Items of Consideration	Excellent	Good	Fair	Poor	Unknown
Neighbors					
Location					
Fire Department					
Nearby Town					
Near Hospital					
Near Police					
School System					
Farming Potential					
Mining/Oil Potential					
Timber Potential					
Natural Resources					
Groundwater					
Surface Water					
Soil					
Topography					
Erosion					
Electricity					
Water					
Sewer					
Cable					
Phone					
Trash Service					
Mineral Value					
Recreational Value					
Land Access					

Competitive Market Analysis: Land*

	Subject Land	Comparable 1	Comparable 2	Comparable 3
Location/Address				
Area (acres)				
Lot Size				
Resource Value				
Listed Price				
Selling Price				
Remarks				
Area Market Conditions:				
Estimated Range of Value of Similar Properties:				
Estimated Value of Subject Property:				

* Market values for land are most easily determined by comparing price per area (usually in terms of acreage). Be sure to compare similar property types. Lots in developed subdivisions will be worth more on a price per area basis than large undeveloped tracks of land.

Drive-By Checklist: Commercial or Industrial

Items of Consideration	Excellent	Good	Fair	Poor	Unknown
Business Neighbors					
Location					
Fire Department					
Nearby Town					
Near Hospital					
Near Police					
Deed Restrictions					
Current Owner					
Current Tenant(s)					
Environmental					
Asbestos					
Mold					
Soil Contamination					
Stressed Vegetation					
Groundwater Contamination					
Surface Water Contamination					
Underground Storage Tanks					
Above Ground Storage Tanks					
Chemicals Stored					
Chemicals Used					
Radioactive Signs					
Groundwater					
Surface Water					
Soil					
Topography					
Erosion					
Electricity					
Water					
Sewer					
Cable					

Items of Consideration	Excellent	Good	Fair	Poor	Unknown
Phone					
Trash Service					
Mineral Value					

Commercial property is often evaluated using the income approach or the replacement value approach. It is often difficult to find comparable properties. You may need to speak with a commercial real estate broker or professional appraiser if you are serious about investing in commercial properties.

Step 5: Check for other liens or problems

After you have narrowed your search to the properties or liens that are worthy of consideration, be sure to visit the county clerk’s office or recorder’s office and ask to see a listing of liens on the properties. Some counties make this process very easy. It may even be computerized so that you can search by the property owner’s last name. Other counties are not as sophisticated and you will have to look through books that list liens by either the property owner’s name or the name of the individual and/or company placing the liens. Oftentimes, the computer system or lien books will be divided into Grantors and Grantees. Be sure to check under both categories.

Why are you doing this?

If you are purchasing a tax lien, then you become a lienholder along with the state or county. You are looking for other liens, encumbrances or restrictions that you could be responsible for paying, or that would limit the value of the property.

In most cases, mortgage liens and mechanic’s liens are erased or extinguished through the process of tax foreclosure. The tax lien generally has superiority. New Mexico’s and Pennsylvania’s state laws may not erase mortgages and other liens, so proceed with caution. IRS liens are not removed, but the federal government has only 120 days to redeem or it loses its rights to foreclosure.

County, state or local government assessments are usually not released, and therefore become the deed holder’s responsibility. An example might be a mandatory assessment for a new sewer line, dredging of a lakefront property, or any number of improvements that the local government makes to the area.

In addition, be sure to check for deed restrictions on the land or property. In other words, find out what can or cannot be done with the property. If it is land, find out what type of improvement (i.e., home or structure) can be built or cannot be built. If you are looking at commercial property, find out how the property is zoned.

Finally, it is always a good idea, especially for tax deeds, to determine if the previous property owner has filed for bankruptcy. Bankruptcy can slow the tax foreclosure process, leaving many of the decisions to the court. You could become one of many creditors waiting in line.

Step 6: Check for last minute redemptions

One frustrating aspect to investing in tax liens and tax deeds is that property owners can pay their property taxes as late as a few minutes before the auction, depending upon the state. You may have dedicated a significant amount of time and research only to find out that your property of choice was redeemed.

There is really nothing you can do about this except to plan on bidding on at least four to five properties, knowing that three or four of these properties could be redeemed. For tax deed auctions, last minute redemptions are higher (roughly 40 to 50 percent will be redeemed) because property owners are about to lose their house or land. For tax liens, the rate is lower (roughly 20 percent).

If you can, make sure you review an updated listing of the properties the day before the auction. Some states/counties provide updated lists online. For others, you will just have to call or wait until the auction starts.

Step 7: Attend the auction

With your wish list of properties in hand, it's now "show time." You should plan on arriving about 30 minutes before the auction starts. This will allow you time to sign in, read the rules, and check for property listings that have been redeemed (they may be listed on a dry erase board or elsewhere). The following photo depicts the Travis County public tax deed auction, held at the Travis County Courthouse in Austin, Texas:



In the case of tax liens and interest rate bids, set a minimum interest rate that you are willing to receive and stick to it. In states like Arizona, the winning bidder will accept the lowest interest rate. Even though the starting bid is 16 percent, the winning bidder may accept only 5 or 6 percent interest. The reason for this approach could be that there is a high likelihood that the property will go to foreclosure and the winning bidder is betting on that. Otherwise, it would make no sense to bid the interest rate down to this level, especially considering all of the work that goes in to preparations.

In Missouri, the winning bidder at a tax lien sale pays the most for the property, so bidding will proceed above the taxes owed. It is important to make sure that you are buying the property at a discount, in case it goes to foreclosure.

Note: Set a maximum property bid or a minimum interest rate bid ahead of time for each property. Do not exceed your predetermined bid or you may regret it. Make your bid reasonable in terms of making a decent return on your money for all of your effort, but also realize that the very nature of auctions is not in your favor. Auctions are designed to encourage you to overspend. Be careful. Avoid the bidding frenzy.

The auction will start with a county or state official reading the rules. Pay close attention to details, such as the bid increments or how much you have to increase or decrease your bid. The official may go over the recently redeemed properties or just note the redeemed properties as the auction proceeds.

What will you see at an auction?

First, although the room may be full, only about 30 to 40 percent of those in attendance will actually bid. That's because many people come in pairs or in groups. Others come just to watch. And others are in too much shock to actually bid.

We have noted a few different types of investors, which are described as follows:

Big-Time Investors

At many auctions, you will notice individuals with deep pockets. They probably represent many other investors, a bank, or a large institution. In the case of tax liens, these individuals will bid down to a certain interest rate or up to a predetermined value. In states like Arizona where the interest rate is bid down, these investors will set a predetermined mark and not go below it. That mark may be 6 percent (as in one recent sale) or it could be as low as 1 percent. In most cases, these big-time investors are looking to buy up as many liens as possible, hoping for decent overall yield or a few properties that are not redeemed. In the case of bidding property values up, they may even have hired local real estate agents to tell them what property will sell for.

Answer to big-time investors: Avoid highly populated counties near large cities. Look to purchase outside of the popular areas, where the big-time investors may not have done their homework. If you have done your due diligence and you find properties that are valuable and could likely go to foreclosure, bid down to zero in certain cases.

Local Investors

Every auction brings out a group of individuals who live or work near property being auctioned. They are very familiar with the area, and know what is valuable and what is not valuable, at least from a local perspective. Local investors will usually come to bid on a select group of properties, if not one or two properties. Usually they are not as concerned about interest rates as they are about acquiring land or nearby property.

Answer to local investors: You may get into a bidding war on one or two properties, so be prepared with multiple properties or liens. In other words, diversify and don't fall in love with only one property. Locals will often have limited investment capital to work with.

High-Return Investors

High-return investors are not as concerned about interest rates as they are about acquiring property. High-return investors will perform research and select a group of properties that are valuable and that could likely go to foreclosure. In the case of tax deeds, the properties are already in foreclosure, so these investors are looking for marketable properties in either great locations or with features that are unique enough to make them easy to sell. High-return

investors must do a lot more homework to determine market values as well as to avoid risk from unforeseen expenses.

Answer to high-return investors: Most high-return investors will have a limited budget. Be patient and wait until the middle to the end of the sale if necessary. Some properties will slip through the cracks or, because of other circumstances, high-return investors may miss a bid. Also, be sure to diversify. This group of investors can only research a limited number of properties. They may have focused on a few areas of the county because of lack of time.

These investor types are a generalization. There will be many different individuals with varying strategies attending the auctions. Some bidders will immediately annoy you. Other bidders will show their hand very quickly. At least a few bidders will try to cheat, but usually the auctioneer or county official will catch on very quickly.

Take notes. This is excellent classroom training. Note any properties that do not receive a bid. Another strategy is to not even plan on bidding during the auction, and to research the leftovers for any gems that slipped through. We have found some valuable properties this way.

Step 8: Purchase the deed or lien

If you are the winning bidder on a parcel, you will need to be prepared to pay the full bid amount for the deed or lien plus any fees and outstanding taxes (refer to Chapter 9 for specific state and county details). County or state officials will explain what you need to do. Some states may require that you sign an affidavit stating that you are not delinquent on any property taxes.

You will then receive a certificate of purchase if it's a tax lien sale. (The following page shows an example of a tax lien certificate issued after a tax sale in Clay County, Missouri.) If it's a tax deed sale, you still may have to wait until a grace period has passed (e.g., 30 days) before you are issued a deed.

Step 9: Manage your liens and deeds

In the case of tax liens, you will hold on to your certificate of purchase until it is redeemed by the property owner. To maintain your lien status, be prepared to pay subsequent years' taxes. When your lien is redeemed, the county will provide you with a check for what you paid plus interest, and sometimes minus a small processing fee.

If the property you hold the lien to is not redeemed during the redemption period, you will then apply for a deed. A final notice must usually be sent to the property owner allowing him/her a certain amount of time (e.g., 90 days) to redeem. Call the county and find out the rules necessary to manage your liens or deeds. For example, you may need to show that there are no other liens on the property.

Many county rules are very strict and you will need to abide by them. Don't miss out on the payoff because of lack of planning or management. Keep track of all of your liens or deeds and the dates to remember.

When a lien is not redeemed during the redemption period, you will likely want to contact a local attorney. He/she can make sure that all procedures are followed for foreclosure, such as notification, clearing the title, eviction or other issues. You may be able to do some of this yourself, but it is best to have it done correctly until you are intimately familiar with the local process.

Clay County Collector's 2004 Certificate of Tax Sale

Cert. No: **2826**
 Parcel: **13-620-00-10-017.00**
 Total Tax, Penalty, Interest, Cost: **\$3,213.05**
 Amount Bid: **\$4,200.00**
 Over/Surplus: **\$ 986.95**
 Amount Underbid: **\$**

State of Missouri
 County of Clay

I, Sandra Reeves, Collector of the County of Clay in the State of Missouri, do hereby certify that the following described Real Estate in said County and State, to wit:

Description	Section	Township	Range
MEADOWBROOK ESTATES LT 23 BLK 20	24	51	33

Assessed To (GRANTOR)	Purchaser (GRANTEE)
KEVIN BUSH	MIND LIKE WATER, INC

Was on the 23rd day of August, 2004, duly sold by me in the manner provided by law, at Public sale, at the Clay County Commission Hearing Room, for the delinquent taxes for the years: **2002 & 2003**, amounting to **\$3,213.05** including penalty thereon, and costs allowed by law to **MIND LIKE WATER, INC** for the sum of **\$4,200.00** being the highest bidder for same.

At any time after the expiration of one year from the date of this sale the above-named purchaser, his heirs or assigns, will upon application and compliance with the provisions of law pertaining thereto, be entitled to a Deed of Conveyance for any real estate herein described, which shall not have been redeemed, provided, that on the failure of the holder of this certificate to take out said deed, as entitled by law, and file the same of record within two years from the date of such sale, then and in that event the amount due such purchaser shall cease to be a lien on such lands so purchased as herein provided.

IN WITNESS WHEREOF, I hereunto set my name and affix my seal at my office in Liberty, Clay County, Missouri, the 23rd day of August, 2004 AD.


 Sandra Reeves, Clay County Collector

For deeds, after any grace periods are over you own the deed, but it is generally not free and clear until a regulatory period has passed. For example, in California there is a one-year period during which an interested party (e.g., a previous owner) can challenge the sale. Most states and counties recommend that no major expenditures be done on the property during this period, in case the sale is overturned. This does not prevent you from using the property, renting it, leasing it with an option to buy, owner financing it or employing many other strategies. It does result in the title not being free and clear during this period.

Again, it always best to consult with a local attorney on any legal strategies if you have any questions.

Finally, don't forget to obtain property insurance immediately upon receiving the deed.

Step 10: Sell

If you haven't already, consult the selling strategies in *Rogue Real Estate Investor*. This is real estate you now own, just like your house, rental home, cabin on the lake, or any other type of real property. A few simple selling strategies can pay off handsomely.

EIGHT

Answers to Some of Your Tax Lien/Tax Deed Questions

“Great things are not done by impulse, but by a series of small things brought together.” – Vincent van Gogh

To find answers to your tax sale investing questions, you will need to become familiar with the counties or municipalities where you are going to purchase tax lien certificates or tax deeds. For example, you will need to know where the tax lien sales are held, how much money you may need, if the county will take checks, and if you need to pre-register. Chapter 9 provides specific information on tax sales for each state, as well as for many of the counties. In the meantime, here are the answers to some of the most commonly asked questions of tax sale investors.

Frequently Asked Questions

Question 1: Can anyone buy tax lien certificates?

Answer: Yes, if you have the money you can buy the certificate. There are a few exceptions to this rule. In many states, if you live in the same state where you are bidding, your own property taxes must be paid in full before you can bid on other properties. In some cases, especially at tax deed sales, large institutions may be the first allowed bidders. And finally, some states require the bidder to have a social security number or federal tax I.D. number.

Question 2: Will I get ownership of the property?

Answer: When you are buying tax lien certificates, less than five percent of all delinquent property owners foreclose. So it is rare that you will need to foreclose on a tax lien certificate. However, if you are buying a tax deed, you will be taking possession of the property and you will get ownership of the property.

Question 3: Is there a limit on the number of tax lien certificates I can buy?

Answer: In most cases you can buy as many certificates as you can afford. There are a few counties that set limits, but those are rare.

Question 4: After I buy a tax lien certificate, when do I get my money back plus interest?

Answer: You will get your money back when the delinquent property owner pays his/her back taxes. This could take a month or several years. If the owner does not pay the back taxes within

the redemption period, you will not get your money back until you foreclose on the property, and then you will get the property (versus your investment plus interest). The average time to get your money back is around six months to a year. Once the property owner realizes that the clock is ticking and the final bill is growing, something usually happens. After the property owner pays the taxes and penalties owed, you will get a check from the county after you send your tax lien certificate back. This is called redeeming your tax lien certificate.

Question 5: What do I do with the tax lien certificate?

Answer: Put it in a safe deposit box or somewhere else safe. If you lose your certificate, it can be a hassle to get a new one. You would need to verify some information to prove you are the owner of the certificate. It is better to make sure you do not lose it.

Question 6: What if I want to own property?

Answer: If your goal is to take property ownership, attend tax deed sales. Less than five percent of all tax lien certificates eventually lead to foreclosure.

Question 7: What happens if the delinquent taxpayer does not pay the back taxes owed on the certificate I hold, and a year goes by?

Answer: You can purchase another tax lien certificate on the same property the next year if you can pay the back taxes due. Otherwise, another bidder can purchase a tax lien certificate on that property. In some states, your tax lien would then be redeemed by the new tax lien investor. If foreclosure were to occur, you would both be owners of the property.

Question 8: Can someone else bid for you at the auction?

Answer: It depends on the state. In some states, you can have someone else act as an agent for you and bid on properties. In other states, you must be there in person to bid.

Question 9: Can I buy tax lien certificates without going to the auction?

Answer: In many states you can. Tax lien certificates that are not sold at the public auction can often be purchased by mail (these are normally called “over-the-counter” or “negotiated” sales lists). Be a little careful doing this, especially if you’ve never seen the property. There are also some counties that are conducting online auctions. Bid4Assets (<http://www.bid4assets.com>) is one company that handles online tax sales for counties.

Question 10: Can I transfer a tax lien certificate to someone else?

Answer: In most states you can transfer a tax lien certificate to anyone you want. There may be a small fee involved. The process is called assignment.

Question 11: What is the best type of property to bid on?

Answer: In most cases, especially for beginners, it is best to bid on residential property, whether it is improved or unimproved. Improved land (e.g., with a house or structure on it) has less risk than unimproved land (vacant land). The latter is more risky, especially in terms of marketability. Commercial property has more risk than residential property and should only be considered by experienced investors. If you are interested in income from the property, then improved land (e.g., with a house you can rent) is your best bet; however, the competition for improved land is usually more fierce and there will be fewer of these properties available.

Question 12: Can you lose money buying tax lien certificates?

Answer: Investing in tax lien certificates is extremely safe. Government entities (e.g., counties, municipalities) handle the sales and liens are backed by real estate, which has been relatively stable in the United States. However, there are a few scenarios where you could lose money. Here are two examples:

You purchase a tax lien certificate during an auction and the interest rate gets bid down to a very low amount. Then the owner of the property pays their back taxes very quickly and the tax lien certificate gets redeemed in less than a month after the auction. When you combine the fees you paid to buy the certificate and travel costs, you could lose some money. You can avoid this problem if you do not get involved in a bidding war. If there are a lot of bidders, go to another sale or wait until the sale is about over and most people have gone home. You can also go to a county where there is less competition. Another alternative is to buy tax lien certificates over the counter, where you will not have any competition.

You did not do your homework and the property you purchased the tax deed to has environmental problems. This situation can be avoided if you focus on residential properties and make sure you drive by the property before you bid. Many states do not want you to have a bad experience, so they will often tell you if a property could have problems. If you are the tax lien certificate holder for this property, in most cases you will not have to foreclose on the property if the owner doesn't redeem the back taxes. You may simply let the lien expire (you would lose your original investment, however).

Question 13: From what I can tell, Fair Market Value (FMV) is determined by the county tax assessor's office and provided for each property in the tax sale list. Is the FMV just the value that it should get on the open market, or are any existing liens/mortgages deducted?

Answer: Fair Market Value is the tax assessor's determination of what a property is worth. Depending on how often the appraiser updates the FMV and how advanced the appraisal department is, the FMV may or may not represent true value. For example, a house that has gone into disrepair because of the owner's neglect could be worth less. On the other hand, we have seen properties that would fetch a much higher price than what the county appraised it at. It's a good starting point, but you should do your own research and verify the number. FMV has nothing to do with mortgages or liens.

Question 14: What happens to the original mortgage on the home when you foreclose on it?

Answer: The mortgage company is like an owner of the property. They receive notification of the taxes due, and can redeem the taxes to avoid foreclosure. If the property goes through tax foreclosure (i.e., to deed), you own the property. However, in some states there is a legal period following foreclosure during which the previous owner (or mortgage company, lien holder, etc.) can challenge the sale. Otherwise, tax foreclosure wipes out the mortgage and most other liens, except federal IRS liens and county or city assessments. In New Mexico, mortgage liens may not be extinguished. In Pennsylvania, mortgage liens are not extinguished on properties sold at the Upset Price Sale. Properties not sold at the Upset Price Sale are auctioned again, free and clear of liens (including the mortgage), at the Judicial Sale.

Question 15: Will I be able to rent property during the period in which the deed sale can be legally challenged?

Answer: Yes, you will be able to rent the property as long as you are the legal deed holder.

Question 16: When can I start the eviction process if the owner does not leave the property?

Answer: Once you have your deed in hand and it has been recorded with the county, you can start the eviction process. Check with the sheriff's office for more details.

Question 17: How can I find out how many bedrooms and bathrooms the house has or what the square footage is?

Answer: This information is available from the county assessor's office. The assessor has to base real estate taxes on the value of the house, which includes the number of bedrooms, square footage, etc. Where we live the county sends out an annual tax appraisal with all of that information, including comparisons to other properties.

Question 18: Once I get the deed to the property, will I be able to take out a loan on that house, or will I have to clear the title first?

Answer: You generally will need to clear title before you can take out a loan. If there is a legal challenge period following foreclosure, during which the previous owner or other interested party can challenge the tax sale, you will normally have to wait for that period to expire before you can clear title. In California, for example, the legal challenge period is one year; in Arkansas it is two years. Usually counties/states advise that you not make any major improvements to the property during this time period.

Question 19: What is the bidding process at tax lien sales?

Answer: In some states you will be bidding the interest rate down (e.g., Illinois, Arizona). The person willing to accept the lowest interest rate is the winning bidder. In other states (e.g., Missouri), bidding begins at the minimum bid set, and the price is bid up. The winning bidder is willing to pay the most amount. These two procedures are combined in New Jersey, where premium bidding (bidding a minimum bid up) begins once the interest rate reaches zero percent. Nebraska has a round robin procedure in which the properties are offered to everyone in turn, and the bidder can either accept a property as it comes up or decline it.

Question 20: Which state has the shortest time period during which owners can redeem their property?

Answer: In Nevada, the redemption period for tax liens is 120 days for vacant land, but two years for improved land. Maryland, another tax lien state, has a redemption period that begins at six months; and in Washington D.C., the redemption period for tax liens is also six months. There are several tax lien states whose redemption periods are one year (see table in Chapter 4 titled "Tax Lien Certificate States"). Texas, a tax deed state with a right of redemption, has a six-month redemption period for most properties.

Question 21: We are interested in tax deed sales, but only have so much money to invest. We do not want to wait a year or two to see if an owner is going to challenge the sale. We were thinking that if we bought property over the counter from last year's sale, then a year of the waiting period has already passed, right?

Answer: Over-the-counter tax deed sales in some states still require the same waiting period even if the property was not sold at the public auction. In other words, the legal challenge period does not start until you buy the deed (e.g., Arkansas).

Question 22: Does the tax lien certificate take precedence over the first mortgage?

Answer: Yes (except in some states like New Mexico and Pennsylvania).

Question 23: How can I find out about any additional pre-existing liens against a tax-defaulted property subject to the power of sale by the county? Does it usually cost money to do a "lien search"?

Answer: You can usually conduct a lien search at the county for free. The information is part of the public record and therefore has to be made available. Visit the county clerk's office and ask to see their recorded liens on real property. Every county is a little different. Some will have computerized information, while others will provide the information in large legal binders.

Question 24: Are tax liens available in Canada?

Answer: Tax liens are not offered to investors in Canada. Canada offers tax deed sales. Most sales are conducted by the most populated municipalities of the various provinces. In a province like Alberta, search for information on, for example, the municipalities of Lethbridge and Edmonton.

Question 25: Do properties usually get bid up to retail levels in California, where I live?

Answer: In densely populated counties in California, properties are sometimes bid up to full retail value. We can't understand why, but if that's the case you are better off finding a less populated area or even bidding in another state. Also, don't forget that you can buy foreclosed properties through banks, mortgage companies, and several federal agencies (e.g., Veterans Affairs, Housing and Urban Development, Internal Revenue Service).

Question 26: What if there are three or four properties that you are interested in, but you can afford only one or two? If the ones that you are less interested in come up for bid first, should you hold out and wait to bid on the prime property, or bid on the first property that comes up?

Answer: We usually prioritize all the properties we are interested in. Sometimes it can be a difficult dilemma. One secret that we have noticed is that the bidding is usually more competitive toward the beginning of an auction and it tails off a little later in the sale. You may have a better chance later in the auction than at the beginning. Of course, you never know what type of excitement a particular property will create. You may have to make this judgment on a case-by-case basis.

Question 27: What should the title search include?

Answer: You will want to find out about all liens or any other encumbrances that are on a property. Tax liens take precedence over mortgage liens (except in some states like New Mexico and Pennsylvania), mechanic's liens and many others. Tax liens do not take precedence over federal IRS liens or special county or government assessments. It is also a good idea to check and see if the property owner has filed for bankruptcy.

Question 28: As a non-U.S. resident (I live in Australia), would I be able to purchase U.S. government tax lien certificates?

Answer: Buying tax liens or tax deeds in the U.S. often requires a social security number or a federal tax I.D. number. One way for nonresidents to work around this is to start a small business, such as a limited liability company (LLC) and receive a federal tax I.D. number. Another method is to obtain an Individual Taxpayer Identification Number (ITIN). According to

the U.S. Internal Revenue Service, federal law requires individuals with U.S. income, regardless of immigration status, to pay U.S. taxes. The ITIN, a nine-digit number that begins with the number 9, was created for use on tax returns for those taxpayers who do not qualify for a social security number. The IRS has issued 7 million ITINs since 1996.

For more information, visit <http://www.irs.gov/newsroom/article/0,,id=112728,00.html>.

Any nonresident or U.S. resident alien who is required to file taxes or who can be claimed as an exemption or dependent on a tax return, and who does not qualify for a social security number, can apply for an ITIN. See Publication 501, "Exemptions, Standard Deduction and Filing Information for Exemption Tests" and Publication 519, "U.S. Tax Guide for Aliens" to determine resident status.

You do not need an ITIN if:

- you are a U.S. citizen,
- you were born in the U.S. and do not have diplomatic immunity,
- you have entered the U.S. on a work VISA, or
- you are entitled to a federally funded benefit (stipend/fellowship/grant).

You are eligible for an ITIN if:

- you have entered the U.S. on a non-work VISA,
- you were born in the U.S. and have diplomatic immunity,
- you have applied for and were denied a social security number, or
- you are an undocumented alien.

You can obtain ITIN application forms, W-7/W-7SP, through IRS offices worldwide:

- 1-800-TAX-FORM (1-800-829-3676)
- <http://www.irs.gov>
- Tax Fax Service at 1-703-368-9694
- IRS kiosks.

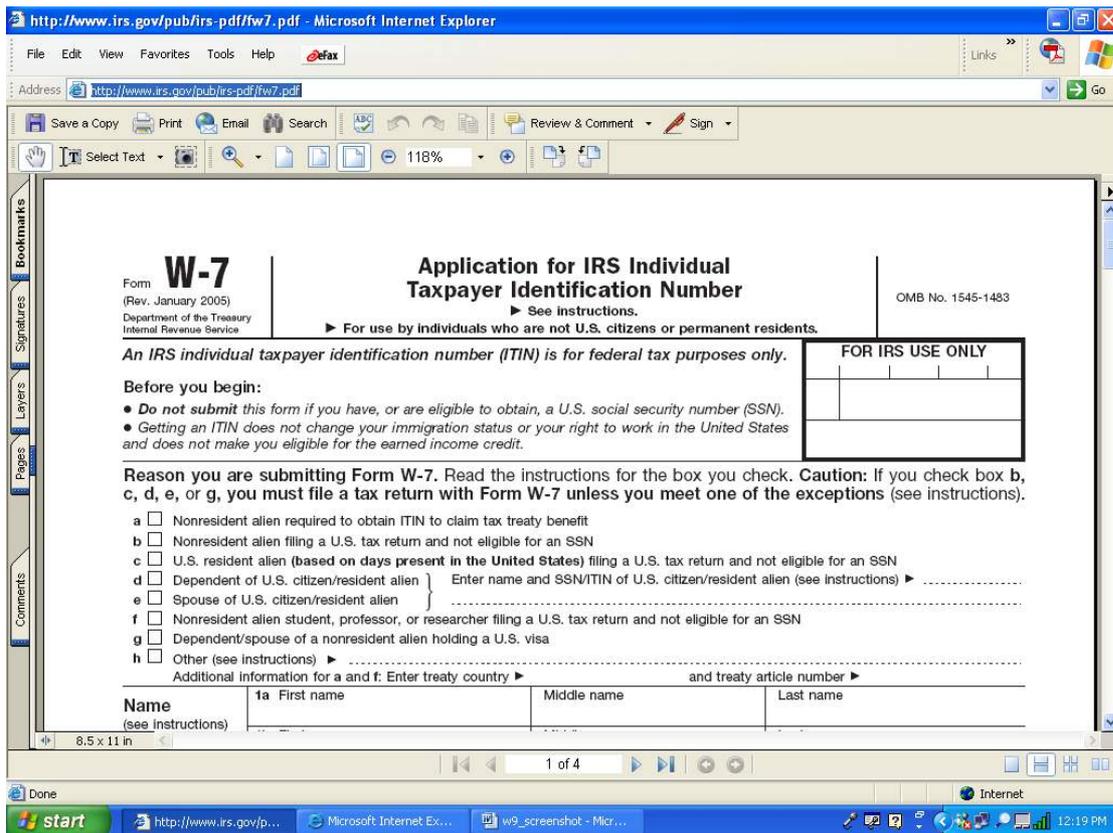
Submit your ITIN forms and supporting documentation to:

- IRS Taxpayer Assistance Centers (TACS),
- certain U.S. consular offices abroad,
- a Certified Acceptance Agent, or
- mail to:
PSPC ITIN Unit
P.O. Box 447
Bensalem, PA 19020
DP N-280

For ITIN Frequently Asked Questions, visit:

<http://www.irs.gov/individuals/article/0,,id=96287,00.html>.

Download Form W-7, Application for IRS ITIN (see below), at <http://www.irs.gov/pub/irs-pdf/fw7.pdf>.



Question 29: I would like to learn more about online tax deed auctions.

Answer: Most tax deed auctions are not online. You have to physically go to the county or location of the auction. What we sometimes recommend is to avoid the battles at the auction and call your local county assessor's office and ask if they have any properties for sale by closed bid or through what is called "over-the-counter" or "negotiated" sales lists. You can usually spend more time researching these properties and feel more comfortable about your bid. Many of these properties will not be desirable, but every now and then a gem or two will slip through.

Several counties in California, Florida, Arizona and a few other states are starting to offer tax deeds online. Visit Bid4Assets, a company that conducts online auctions for many counties, at <http://www.bid4assets.com> to find out more information. You can also look at the county profiles for these (and other) states in Chapter 9 to find out about their online auctions.

Question 30: With regards to Texas, your book seems to indicate that it is not a tax lien state, but rather a tax deed state. However, I'm confused as to how one can earn 25% in six months by buying tax deeds. Please clarify.

Answer: Texas has a unique process. It is a tax deed state, but counties still offer a redemption period (two years for homestead and agricultural property, and six months for other property). If the owner redeems his/her property within this time period, the investor receives a flat 25 percent interest rate, which is in some ways similar to a tax lien certificate. However, if the property is not redeemed, the investor keeps the deed.

Georgia has a similar process. The investor receives a deed with a right of redemption for one year. If the property is redeemed, the investor earns a flat 20% on their investment; otherwise, the investor keeps the property.

Question 31: I contacted my local City Hall and no one seems to know anything about tax sales.

Answer: Sometimes it is frustrating trying to find the right person to contact at a municipality or county. We have called many times and had to go through several people before finding the right person with information about tax liens or tax deeds. You just need to be persistent and find someone in the treasurer's or tax collector's office who deals with real estate. It is also important to speak the same language. For example, some states use the term "tax lien certificates" while others use the term "certificates of purchase." The county profiles in Chapter 9 can help you here.

Question 32: What is a legal challenge period? Does this mean we cannot improve or sell the property right away? What happens if the previous owner successfully challenges the sale? Do we lose the investment and property?

Answer: Some tax deed states have a legal period following the sale during which the previous owner or other interested party can challenge the sale. For example, in California the legal challenge period is one year, and in Arkansas it is two years. Challenging the sale is usually not an easy matter. Remember, the owner and lienholders were provided numerous notices prior to the sale. This legal period is a protection mechanism. It was designed to prevent mishaps, such as improper or no notification by the county, one separated spouse defaulting on a property without the other knowing about it, or an individual who is in the military and out of the country defaulting on a property. A sale can also be challenged if it is not conducted properly and in accordance with state law.

The legal challenge period does not stop you from renting the property, leasing it with an option to buy, selling it by owner financing, or employing many other strategies. Actually, you can still sell the property to anyone who doesn't require clear title. Usually the sticking point is the mortgage company of the buyer. Counties/states advise that you not make any major improvements to the property during the legal challenge period.

In the event that a sale is successfully challenged, you will be reimbursed by the county. You also can fight the challenge, and you may have as good of a chance at winning as the challenging party. Legal advice is necessary at this point.

Question 33: If I buy a property, invest some of my own money in fixing it up and then resell it, what are the tax implications? What can I deduct for my expenses – my time, paint, advertising, traveling, etc.? Is rental income taxed?

Answer: You can deduct any expense that you incur as a result of owning and operating rental property. You will need to read up on this and consult an accountant. Basically, you can deduct mileage (there are two different ways), as well as repairs and improvements (these are different according to the IRS). Cleaning, marketing, office supplies, and books related to your business can be deducted. We recommend getting a tax book and reading up on the real estate portion.

Rental income is taxable income. However, you can deduct mortgage interest, insurance and depreciation to offset the income. Your time is not really deductible unless you set up a separate company and have that company bill you (this is a little tricky, so consult an expert). When you sell the property, you will have to consider appreciation of the property, which is taxed as a capital gain, and depreciation recovery, which is taxed at your normal income tax rate.

Question 34: How and when is the interest applied to tax liens?

Answer: The interest is applied annually in most tax lien states. Texas and Georgia (tax deed states with a right of redemption) have a flat interest rate of 25 percent and 20 percent, respectively. In the case of these two states, the investor receives the full interest rate even if the property taxes are redeemed in one month. Some states apply a minimum interest rate (e.g., between 2 and 5 percent) to protect investors in cases where the taxes are redeemed right away (e.g., two weeks after the sale).

Question 35: I am considering buying a tax lien certificate (to earn approximately 16 percent per year interest) from the county after the auction is completed. The sales list shows single homes that did not pay taxes for one or two years. Should I only buy a lien certificate for a house that is one year late on its taxes?

Answer: If you are only looking to earn interest, then one strategy is to avoid the old tax liens because those properties may go to deed. Properties with only one year's back taxes are much more likely to be redeemed, in which case you will earn your interest.

On the other hand, if you are hoping the property will go to deed, a strategy to use is to look for properties that have been delinquent more than one year in order to reduce the redemption period and how long you will have to wait. For example, in Arizona we bid on a few properties that were delinquent for over one year, so instead of having to wait the full three-year redemption period, we only have to wait two years. In Missouri, properties are classified by how long they have been delinquent, which determines the redemption period. We recently bid on several lots that had been delinquent for more than two years. We will only have to wait the shorter 90-day redemption period for these properties, rather than a full year. Remember, if you are looking to acquire properties in this manner, it will require more work in terms of research and actually looking at the properties.

Question 36: Why is Georgia an especially hard tax lien state to invest in?

Answer: In Georgia, you purchase a tax deed and the owner has a one-year right of redemption period (similar to a tax lien certificate). The interest is a flat fee of 20 percent, regardless of whether the owner redeems in 1 month or 12 months. If the owner does not redeem, then you must initiate foreclosure. It is important to obtain the county's procedures for foreclosure and follow them strictly. It may even be a good idea to hire an attorney to help you with the first one. You need to make sure that there are no IRS liens, special county assessments, deed restrictions, or other fees.

Question 37: In California, what liens are we responsible for after purchasing a tax deed?

Answer: Here is the California information that pertains to your question:

Do liens or encumbrances on Tax Sale properties transfer to the new owner through a Tax sale property purchase? Chapter 7, Section 3712 of the California Revenue and Taxation Code states: The deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:

- a) Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of sale.
- b) The lien for taxes or assessments or other rights of any taxing agency that does not consent to the sale under this chapter.
- c) Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the

tax-defaulted property, and, where a taxing agency that collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.

- d) Easements constituting servitude upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.
- e) Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- f) Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 [commencing with Section 8500] of the Streets and Highways Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) Part 8, or that are being collected through a foreclosure action pursuant to Part 14 (commencing with Section 8830) of Division 10 of the Streets and Highways Code. A sale pursuant to this chapter shall not nullify, eliminate, or reduce the amount of a foreclosure judgment pursuant to Part 14 (commencing with Section 8830) of Division 10 of the Streets and Highways Code.
- g) Any federal Internal Revenue Service liens that, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.
- h) Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 [commencing with Section 53311] of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8, or that are being collected through a foreclosure action pursuant to Section 53356.1 of the Government Code. A sale pursuant to this chapter shall not nullify, eliminate, or reduce the amount of a foreclosure judgment pursuant to Section 53356.1 of the Government Code.

A title search initiated at the prospective purchaser's expense should reveal any liens or encumbrances on a property in the tax sale.

Question 38: Investing in a state you don't live in seems to be quite a challenge. Are there ways to invest without traveling?

Answer: Some states offer "over-the-counter" sales, which would allow you to purchase liens or deeds through the mail. These are liens/deeds that were not purchased at the public auction. Try picking up some over-the-counter lists near where you live and see what is available. There are also a few counties in some states that conduct online auctions.

Finally, you can use a tax lien agent or company to help you invest. Right now, there are not many companies that will do this.

Question 39: If you are only investing in residential property liens, the low dollar amount presents a problem. What kind of tax lien investing can you do that involves higher dollar amounts, like \$25,000?

Answer: You can employ a few different strategies. Focus on obtaining liens that are likely to go to deed, or concentrate on tax deed states. That way you can pick up properties like we do – for 50 to 75 percent below market value.

As far as tax liens go, you will need to make sure that you can buy enough properties to make it worth your while. There are liens at many sales that are in the \$10,000 to \$30,000 range, even for residential properties. We have seen commercial liens for over \$500,000, but buying those

involves a little more risk. You can either buy many liens or focus on picking up the more expensive ones.

Question 40: The counties warn that the IRS has the option of redeeming a property in which they have a recorded lien up to 120 days after the sale at the auction. Is this a lien that would be found when searching the records of the particular property, or is it an unknown until the 120 days run out? Also, if the IRS can redeem the property, does that mean the purchaser loses their money?

Answer: Federal IRS tax liens will be recorded with the county. The lien will appear during a simple title search that you can perform yourself at the courthouse or, in some counties, using an online database. A federal tax lien will appear with any other liens on the property. A good way to determine if you are looking in the right place is to make sure you can find the tax lien associated with the property. Any property in a tax sale will have a tax lien on the property. If you can find the record of the tax lien, then any other liens should be recorded in the same area. Most counties will be happy to assist you in your search for outstanding liens on the property.

We recommend avoiding any properties with IRS liens. However, you should know that the government has 120 days to redeem or pay off the tax lien to maintain their interest in the property. If that occurred, you would receive the amount paid for the property, plus any interest at 6 percent per annum from the date of the sale, plus expenses of the sale that exceed any income received from the property.

Advice from a real estate and/or tax attorney would be important. Here is some information from the IRS: <http://www.irs.gov/businesses/small/article/0,,id=108339,00.html#Notice> and <http://www.irs.gov/pub/irs-pdf/p783.pdf>.

Question 41: At a seminar I attended recently, the ability to roll a 401(k) into a tax lien investment and still retain the tax-deferred status was mentioned. Any idea how that is done?

Answer: You cannot roll over a 401(k) that you are currently participating in with an employer. However, you can roll over a 401(k) from a previous employer into a self-directed IRA or solo 401(k) and invest in tax liens, tax deeds, real estate, mortgage notes and any other type of real estate. A few restrictions apply. You will need to contact a company that actually sets up true self-directed IRAs. For a list of these companies, see Chapter 12 of *Rogue Real Estate Investor*. You also can roll over an IRA (traditional or Roth) to a true self-directed IRA. Be aware that you will have more freedom, but the fees will be higher and unless you set up an LLC to work with your IRA, you will not have enough flexibility to make quick purchases. Visit <http://www.selfdirectediraaccounts.com> for more information.

Question 42: In Polk County, Iowa, is the "Real Estate Regular Sale" a sale of tax liens that did not get purchased at the public auction, or is this a tax deed sale?

Answer: The real estate regular sale, which is held on the third Monday in June, is the sale of new tax lien properties. Immediately following that sale, the real estate public bidder sale is held. This is the sale of properties left over from last year's real estate regular sale. On the same day after those two sales, the county also conducts mobile home regular and mobile home public bidder sales. Finally, the county conducts an adjourned tax lien sale on that day. This is a smaller list of liens that have been held over or suspended for some reason and brought back up for sale. The property lists are advertised in May.

Question 43: I plan to purchase tax liens in a specific county in the near future and have been analyzing the list of properties available. The list can be divided into at least two categories. One list would be those properties that are owned by someone other than the current tenants of the

house. The second list would be those properties that are currently housing the owner. What is your opinion about which type of property is more likely to have the taxes redeemed?

Answer: It is hard to know for sure. Sometimes a company will be more likely to default, especially if they own many properties that show up on a tax sale list. For example, you might see XYZ, LLC on many different liens. This could indicate that the company is struggling and may let the properties go. This is especially true for developers and sometimes real estate investing companies that got a little too ambitious.

As you can imagine, nice houses owned by individuals are probably the least likely to go to foreclosure. That makes sense because no one wants to lose his/her house. On the other hand, sometimes land owned by individuals will go to foreclosure.

You may be able to get additional information that helps you decide by befriending someone knowledgeable at the county.

Question 44: Is it possible to invest in a tax lien for its interest-bearing qualities without the "risk" of becoming a property owner?

Answer: For true tax lien certificates, you do not have to foreclose on the lien; however, your certificate would eventually expire and you would lose any money that you invested. Your best bet is to focus on tax liens that are held on residential houses in above-average neighborhoods.

Question 45: Do you recommend investing in less than ideal neighborhoods?

Answer: It is possible to invest in less than ideal locations. Often the best deals are in those areas. However, you need to be careful. You need to realize that you may have trouble selling the property or you may have to price the property at a discount; therefore, don't pay anything close to retail or market value.

Question 46: What is title insurance? Can you get title insurance after you have purchased a property from a deed sale?

Answer: Title insurance is a protection against finding any liens, clouds, encumbrances or problems with the title or deed. Most mortgage companies will require title insurance for a buyer to obtain a loan. In some states like California, you will have to wait until the legal challenge period following the tax sale is over before you can clear title. In other states without a legal challenge period, you won't have to wait. During the legal challenge period, the previous owner or anyone with an interest in the property can bring suit to challenge the sale. To obtain title insurance, contact a title company (e.g., Chicago Title) or hire an attorney to take care of it. You do not have to have title insurance to sell a property, but you will need the insurance if the buyer has to obtain a mortgage.

In most cases, the deed that you purchase at a tax sale will not be a general warranty deed. You will usually purchase a tax deed, sheriff's deed, limited warranty deed or some form of deed that only provides guarantees since the time the county has owned the property. A quit-claim deed provides no guarantees of any kind. A general warranty deed provides the most protection for a buyer and as such many buyers and lenders will require it. You will need to perform a quiet title action to clear the title. This is usually done by an attorney and it will give you a more marketable title.

Question 47: Is it possible to make money by purchasing over-the-counter properties? What states offer these?

Answer: You can make money purchasing over-the-counter properties, but you have to be careful. It is better to see the property and area before investing. Over-the-counter properties are usually left over from the public auctions. That means that in many cases they were not purchased for some reason. It could be that the lien amount was so low that investors were not interested. It could mean that the property has a problem, which makes it useless. An example would be a strip of land that can't be built upon or that has an easement. It could also mean that not enough investors attended the sale and the leftovers are truly worthy of consideration. You will have to judge this on a case-by-case basis.

Arizona and Florida are great places to begin investing in over-the-counter properties. These states offer both over-the-counter tax liens and over-the-counter tax deeds. In Texas, properties left over from the tax deed sales are placed on "struck off" lists.

There are several states that offer over-the-counter liens, including Nebraska, New Jersey, Iowa and Alabama. Wyoming offers over-the-counter liens, but because all liens are normally purchased during the annual tax sales, there usually are no properties left over.

Several other states offer over-the-counter tax deeds. For example, Arkansas has over-the-counter tax deeds that are called negotiated sales, and Alaska offers over-the-counter properties along with possible financing.

This is not a complete list of all over-the-counter possibilities. You should refer to the state-specific information in Chapter 9 for additional details.

Question 48: I recently attended a seminar where it was stated it is impossible to find the names, addresses and phone numbers for the county officials and that you need this information to invest at tax sales. Is this true?

Answer: You can usually find the names, addresses and phone numbers of county officials simply by visiting the county websites, although some counties do make the information more accessible than others. We provide contact information for many counties in Chapter 9. For counties that are not addressed in this book, visit our tax lien certificates website at <http://www.tax-lien-certificates.com> and click on the state and then the county that you are interested in. Once you are on the county's main website, look for a link to "Departments" or "Elected Officials" or "Services," for example, and you will be able to find the office of the tax collector or treasurer (or similar department). Most county websites provide phone numbers and other contact information.

Question 49: Do you start earning interest on tax liens immediately after purchasing them?

Answer: You will start earning interest immediately after purchasing a tax lien, but you don't actually get your money until the certificate is redeemed. The redemption period is the period during which the owner can redeem the property. If the redemption period expires, you have the option of foreclosing on the property.

Question 50: Utah doesn't sell tax liens, only tax deeds. Are they the same?

Answer: They are not the same. A winning bidder at a public auction in a tax deed state takes possession of the property.

In tax lien states (e.g., Arizona), a county places a lien on a property for the amount of taxes that are owed. A winning bidder at a public auction on the tax lien certificate is only buying the debt on the property that is secured by the real estate. If the property owner pays the delinquent property taxes (plus interest, etc.) within the redemption period, the investor receives his/her

money back for the lien purchased plus interest. If the property owner does not redeem the property during that period, the holder of the tax lien certificate has the right to initiate foreclosure and then take possession of the property.

Question 51: I have been researching tax foreclosed properties in Brevard County, Florida. At this point I have already disregarded 60 percent of the properties listed, and information on the first 8 to 10 properties that I have been checking indicate that almost all of them seem to have serious problems. Is this consistent with your experience?

Answer: As you can imagine, you will find many undesirable properties on a tax sale list. I would say that about 50 to 75 percent of the properties will fall into that category, especially if you are talking about a tax deed sale.

Question 52: I live in Massachusetts and am interested in purchasing tax liens. I noticed for the City of Boston that there is information on their website about purchasing municipal lien certificates. Is a municipal lien certificate the same as a tax lien certificate?

Answer: A Municipal Lien Certificate is issued by the town treasurer and states the amount of property taxes that are assessed against a particular piece of property. Whenever someone buys property or refinances, a Municipal Lien Certificate is routinely recorded along with the new deed or mortgage. By recording a Municipal Lien Certificate, the property owner's liability for unpaid taxes is limited to those listed on the certificate. If the town discovers afterwards that more taxes are owed, the new property owner is not liable for them.

Question 53: How much time would I need to research two to four properties for possible purchase at a tax lien sale? Which is more important: doing a drive by of the properties or researching the properties at the tax assessor's office? I want to spend enough time to make a good purchase, but I also wonder if it is necessary to look into all of the properties when about 95 percent of the tax liens are redeemed anyway? I live in Polk County, Iowa.

Answer: At tax lien sales in Iowa, the county randomly selects a bidder's number, who then has the choice of bidding on the property or passing. To make matters worse, Iowa has a system in which bidders can bid on the percentage of the property they will own should it go to deed. Nebraska's system is similar to Iowa's round robin process. The round robin bidding makes it difficult to plan ahead and do your research because you don't know which properties you will be allowed to bid on.

We highly recommend spending at least half a day at the tax assessor's office, researching as many properties as you can, especially the more expensive properties that you would consider bidding on. Go through the list and mark off any that are not good candidates based upon location, price or other unusual circumstances such as land that is too small to build on.

What we have done in the past is to ignore properties under a certain value, such as anything below \$300. That is because counties will often charge a fee for the certificate, usually around \$10. If you buy a \$100 lien at 24 percent interest and the interest is compounded daily, that's roughly .07 percent per day. What you want to avoid is purchasing a lien and then having someone redeem within a few days. You will make a few cents each day worth of interest, and you will still have to pay the certificate fee. At that rate a \$100 lien would take about 5 months to break even. If you are familiar with buying stocks and paying a brokerage fee, it is similar. Therefore, from an interest rate perspective it is better to bid on more expensive liens.

Now having said that, you may see a few liens that are interesting from the perspective of possible foreclosure. For example, you might see a landowner or business that has many

properties listed, resulting in thousands of dollars of tax burden. It is possible they may not redeem and you could pick up a property for pennies on the dollar.

If you do not have time to research all of the liens, you may not want to bid on any tax liens that are over a certain amount of taxes owed. This is to avoid the risk of holding an expensive lien on a property that is not redeemed and goes to foreclosure, and which you learn (because you did not research the lien up front) has a problem such as environmental contamination. In this case you could always let the tax lien expire without initiating foreclosure. However, you would lose whatever you paid for the tax lien.

Also, remember that the list you are looking at will be reduced by the time the auction is held because some property owners will redeem at the last possible moment.

Question 54: In Texas, when can you take control of a property you bought at a tax deed sale?

Answer: According to Texas law, you can take possession of the property once the deed that you purchased is recorded. Even though the property owner has a right of redemption period (six months for most properties; two years for homestead or agricultural properties), you are legally the owner of the deed/property. Knowing that the owner has a right of redemption, it would not make sense to spend any money on improvements to the property unless they are done to prevent further damage, such as fixing a leaking roof.

Question 55: Regarding self-directed IRAs, my concern is that if I set up an LLC and use my current IRA for the down payment on the LLC, I am assuming that the LLC is now my retirement account. What happens to the positive cash flow and the excess depreciation that I would normally be allowed to deduct from my personal income tax? If I can't distribute the positive cash from my real estate investments except back into the LLC, and can't take the excess depreciation yearly on my taxes, then isn't this a bad idea?

Answer: It is not a bad idea. It is just like many investment choices: there are pros and cons. On the positive side, you will never have to pay capital gains taxes on a self-directed Roth IRA or the taxes will be deferred with a traditional IRA.

Remember, real estate depreciation is a double-edged sword. Outside of an IRA, it is used to offset income. However, you will have to pay it back when you sell the property and you will be taxed at your standard income tax rate, which is likely higher than a capital gains rate. Under the umbrella of an IRA, you will not need to depreciate the property because any income will not be taxed.

Our experience is that you will probably end up having real estate investments both in IRAs and outside IRAs, because there are limits on your yearly IRA contribution. Also, if this is a full-time business, you may want to use your cash flow to live on.

We recommend speaking with one of the IRA custodians listed in Chapter 12 of *Rogue Real Estate Investor*, an attorney and/or a certified public accountant who has actually heard of investing in real estate through a self-directed IRA. The requirements are a little tricky, so you should use caution.

Question 56: If a friend and I want to invest in tax liens and deeds as a partnership, do we have to legally get established as a partnership and have it documented? If so, what steps do we need to take?

Answer: You generally do not have to become a legal partnership; however, it is a good idea to establish a contract between you and your partner. Setting up a company such as an LLC would

help protect you and your partner's personal assets. It would also be easier to purchase assets using a company name and a company tax I.D. number than to use separate social security numbers for two individuals. Check with an attorney or accountant for more information.

Question 57: Our goal is to own property, sell it at a profit or rent it out for recurring income. If we have a limited amount of money now, say \$20,000, where do you suggest we invest it: liens, deeds or over-the-counter liens?

Answer: Tax liens work best for people who are looking for a stable interest rate and a decent return. If you are trying to build wealth, you may want to look into mortgage foreclosures, rental properties or tax deeds. Check with banks or mortgage companies for foreclosure listings. Talk to a real estate agent for Veterans Affairs (VA) and Housing and Urban Development (HUD) listings. Seller-financed houses, which you can purchase for very little money down, can help you build net worth and, if you are careful, can result in positive cash flow each month. Tax deeds are nice in that you can pick up property for a substantial discount; however, you may have to wait a certain amount of time before you can get clear title.

Question 58: Is there any way to determine if a property has a structure on it (e.g., a house or commercial building) from just the legal description that the county provides?

Answer: No. You will have to contact the county assessor to find out if the property has an improvement on it. Occasionally the tax collector will be able to provide that information.

Question 59: I live in Palm Beach County in Florida, which has some of the wealthiest property owners in the nation. Therefore, property tax liens are commonly \$10,000 to \$20,000 or more. Often the bidders are bidding these properties down to .25 percent – yes, that's a period in front of the 25. What is the purpose of this bidding strategy and why would anyone tie up their money for such a low return and a very small chance of owning these properties? What is the foreclosure process in Florida?

Answer: Florida law guarantees tax lien investors a minimum interest rate of 5 percent, except when an interest rate is bid down to zero. Therefore, even though an interest rate is bid down to .25 percent, the investor is guaranteed 5 percent. For some large institutional investors, that may be enough to make money, especially if the lien gets redeemed early. Earning a 5 percent return in one month works out to an annual return of 60 percent.

In Florida, the tax lien holder still has to take the lien to a tax deed sale if the property taxes are not redeemed, and that person could be outbid by someone else for the tax deed. For example, let's say you buy 30 liens at a tax sale and all of them are redeemed except one. That one lien could be a valuable piece of property. After the required time has passed, you now apply for a tax deed. The property will go to a tax deed sale and you will probably attend because you know about the property. Other investors will also be at the sale, and you will have to bid against them. If someone outbids you, you will receive your money back plus interest as the tax lien holder, but the winning bidder will take possession of the property. If no one else bids, you can take possession of the property by default.

Question 60: How do we find county tax sale lists?

Answer: Chapter 9 provides information on tax sales in many counties, including links to tax sale lists online or contact information for requesting a list. If there is a county you are interested in that's not covered in the chapter, visit our tax lien certificates website at <http://www.tax-lien-certificates.com>. Click on the link for the state you are interested in. Once you are on the state page, click on the link for the county you are interested in. You will be taken to a page on the National Association of Counties' website with information on that county. From that page, click

on the link to the county's website. Every site is different, but look for a link to "Departments," "Elected Officials," or "Services," for example, to find the office of the tax collector or treasurer (or similar office). Once you find that page, look for any information regarding "tax defaulted property," "tax sales," etc.

Some counties will not publish their lists online. You may have to call and ask how you can obtain the list. In some cases, the county will mail you the list for a fee. Often the county only publishes the list in the local newspaper. In that case, ask for the name of the newspaper and their phone number. You can then call the newspaper and request that they send you the issue containing the tax sale list.

Question 61: How do I protect myself from making a bad investment at a tax deed sale? I plan to visit the county to research any liens against the property, and to talk with a local realtor. I think a title search would be good, but costly. What about having a property inspection done?

Answer: For tax deed sales, make sure you know the area and property values. Check with the county assessor and see what they have the property appraised at. They are usually a good judge of values because they want their tax money. You can search for liens and assessments with the county – it is public information that is free. Do a drive by of the property and make sure you understand the location, neighbors, etc. You cannot access the property until it is yours, so you won't be able to walk the property or go inside a house. If it is land, check and see whether it can be built on, where the nearest utilities are, etc. Make sure there is no on-site or off-site contamination. Make sure the property is marketable – in other words, can you sell it? You will find that it is too costly to perform a title search on every property that you are thinking about bidding on. You will usually need to bid on several properties before the right one comes along at the right price. Or a property you are interested in could get in a bidding war and become too expensive for you to bid on.

Question 62: If I buy a tax deed, is there still a period during which the taxpayer can redeem the property and get his property back? It seems like too much risk to buy into tax deeds if this is so.

Answer: When you purchase a tax deed, you are the owner. In some states like Texas and Georgia, the properties can be redeemed through a right of redemption process. If redemption occurs, you would receive a flat interest rate on your investment (25 percent and 20 percent, respectively), similar to a tax lien. In most other tax deed states, you own the property and it cannot be redeemed. In a few states, a legal challenge period exists primarily for gross mistakes in the sale process. In California, for example, the challenge period is one year; in Arkansas it is two years. To challenge a sale, the previous owner or entity with an interest in the property must show that the sale was not proper or that they were not notified, etc. This is a legal process, usually involving an attorney and the court. During the challenge period most states/counties recommend that you do not make any major improvements. If the sale is challenged, that does not mean that you automatically lose – your chances may be just as good at winning. If you are forced to relinquish a property, you are entitled to what you paid for it.

Question 63: How does competitive bidding work at a tax lien sale?

Answer: Every state is different. In Florida and Arizona, you bid the interest rate down, starting at the state-mandated interest rate. The winning bidder is the person willing to take the lowest interest rate. In Missouri and Indiana, you bid up the price of the property, starting at the county-set minimum bid. The winning bidder is the person willing to pay the most. Iowa and Nebraska have a round robin process where the interest rate is held constant, but you can only bid on the properties that come up when your turn is called.

Question 64: We have been looking at the San Bernardino County (California) tax deed sale, and have seen many plots of land available. What should we know about investing in land? Also, is it typical to see bids that end up being much higher than the assessed values?

Answer: Land can be a great thing to invest in, but make sure it is marketable. Call a real estate agent and see what land sells for in the area. Find land that is in a nice area or by something that would make it valuable. Look for land near a lake, river, mountainside, golf course, nice neighborhood, etc. In other words, if you buy land make sure there is a reason that someone else will want to buy it from you.

In some parts of the country (California is one of them), properties are being bid up to insane levels. Don't get caught up in this. If the prices are too high, don't buy. There are other sales and other states where you can find better deals. These buyers are speculators. Not too long ago, these same people were buying Internet stocks at prices beyond reason.

Because you live in California you might have a hard time finding good values. We recommend testing a few areas and attending at least one or two public auctions. If you decide California is not a good place right now, try Arizona or Nevada. Be patient. You will have to attend several sales in order to find an area and a way of investing that works best for you. When you do, you will be more than happy.

In California there is a one-year regulatory challenge period that will have to occur before you can clear title. It is also a good idea to hold property for one year to reduce your taxes.

Question 65: In cases where tax lien bidding starts at taxes owed plus fees, penalties and interest, is the interest paid to the tax lien holder determined on this amount or only on the taxes owed?

Answer: You earn interest on the total amount that you pay at the sale, which probably includes taxes owed and fees assessed by the county. You often will have to pay a certificate fee (roughly \$10), which you will not earn interest on. Not all states require this fee, which can vary in amount.

Question 66: If I purchase a tax deed and the owner is still on the property, do I have to evict him/her at my own cost?

Answer: You usually will be responsible for eviction. Contact an attorney and the sheriff's office and make sure everything is done correctly.

Question 67: I am looking at tax lien certificates in Maricopa County, Arizona, and have the following questions. Some properties have liens dating back to 198x, and have many liens opened. Wouldn't the county ask for a foreclosure on those properties? Most of the properties are vacant land, while some are commercial properties. I saw a few properties owned by churches. Are there any special factors I should watch out for if I want to purchase the tax lien certificates for these properties?

Answer: The county won't ask for a foreclosure normally. They just want the tax money. You should know that liens that are that old and have not been purchased are usually not worth anything and should be looked at with much skepticism. On the positive side, if you do find a decent lien and it is over three years old, you should be able to purchase it and take it to foreclosure if you wish.

Make sure you research church properties just like you would any other property. We are not aware of any special concerns related to church properties.

Question 68: What county offices are supposed to know about purchasing tax deeds or liens, location of auctions, specific process, etc.?

Answer: Tax sales are usually handled by the tax collector's office. Some states handle it through the treasurer's office and in some locations the sheriff's office actually handles everything. In Florida, tax liens are handled by the tax collector, while tax deeds are handled by the clerk of the court. In Arizona, tax liens are handled by the treasurer, and tax deeds are handled by the Board of Supervisors. Start with the tax collector's office if the county or municipality has one. They can direct you to the appropriate office if they don't handle the sales.

Question 69: I have been researching tax deed sales for the past seven months, and have decided to start in Georgia. What do I need to be aware of?

Answer: Make sure you pay the next year's taxes so another tax sale investor doesn't purchase a deed on the same property. Georgia's rules are fairly complex. You will have to do a lot of work to foreclose, such as contacting the sheriff's office and advertising. It is a good idea to speak with an attorney to help you with the process until you are comfortable. Of course, you will only have to go through foreclosure if the property owner does not redeem. If the property owner does redeem, you will have to issue a quit claim deed to transfer title back.

Question 70: How can we determine if the property owner has filed for bankruptcy?

Answer: As far as bankruptcy is concerned, you can never be 100 percent sure. A homeowner could file for bankruptcy during the redemption period. If a bankruptcy is filed, you will receive information from the court along with every other creditor. You will likely receive your money back, but it could be tied up for a while.

Question 71: Suppose I hold a tax lien on a property in Florida, and a hurricane blows the house away. Do I still have a guarantee on my lien?

Answer: This is a good question. Even if the house blows away, you will still have a lien on the real estate, which includes both the land and the house. If a property owner rebuilds, he/she would most likely have to pay off the lien before obtaining financing. If the previous owner never pays the back taxes, you can still apply for foreclosure and bid on the property at the tax deed sale. If you are the winning bidder, you would receive ownership to the property. Depending on what you paid originally, the land might still be valuable even without the house. (If you were not the winning bidder, you would receive your investment back.) If the situation looked horrible, you could just let the lien expire and not apply for foreclosure. You would lose the money you invested in the lien, but you would not be liable for the property. This is because you only bought a lien, which is debt, and not the actual property.

Question 72: I will be buying properties in Indiana, where there is a one-year redemption period. I have the following questions. What limit do you recommend bidding up to? Knowing the different interest rates on the minimum bid and overbid amount, and the generally low probability of acquiring a property (5 percent), is it better to spend a given number of dollars on several properties by bidding only a little above the minimum bid to acquire the certificates, or is it better to bid on fewer properties by bidding them up aggressively if needed to acquire them?

Answer: As far as how high to bid, common sense prevails. Find out the county's assessed value for each property and then check that against reality by doing a drive by and calling on some other properties nearby to determine the market value. You will then have to decide your cutoff. We like to keep our bids below 50 percent of the property's market value. Sometimes we will go higher, but usually no more than 75 percent of the market value. The reason is that you have to leave room for expenses such as paying subsequent taxes, fixing problems, paying to

clear a title, paying a realtor to help sell the property, etc. Of course, if the property is redeemed in Indiana then the overbid is not as important. In fact, we know some individuals who overbid in Indiana on purpose. You just need to be careful and protect yourself against those cases where a property is not redeemed and you take ownership.

Your strategy for bidding may depend upon the county. Be careful about investing all of your time on only a few properties. You should always go to a sale with a list of at least 5 to 10 properties to bid on, perhaps more if you have the time and money. Why? That's because last minute redemptions will erase several of your prospects. Also, some properties will be aggressively bid on for whatever reason. You need to have a backup plan in terms of other properties to bid on.

Question 73: I am interested in finding an agent or company that would be able to assist me with the purchase of tax deeds and tax liens. Do you know of anyone that might be able to help?

Answer: Most companies that we were aware of are no longer taking on any more clients. If you are a high net worth individual, we may be able to refer you to a company. Please contact us by email for more information.

Question 74: How much money does one need to get started investing in tax liens or deeds?

Answer: The more money you can set aside toward this type of investing, the greater your potential is for success. Tax liens and even deeds can be purchased for less than \$50 to several thousand dollars. At a typical tax lien sale, most liens go for roughly \$100 to \$2000. Tax deeds may be more expensive depending upon the state. Tax deed sales usually require a little more than \$1,000 to get started (\$5,000 to \$10,000 is better), but sometimes you can pick up lots for relatively little. Don't forget to factor in your travel and business expenses.

Question 75: Because I live in Columbus, Ohio, I was researching tax lien sales in Frank County, and learned that Ohio only sells tax liens in one bundle, all at once, to one investor. That leaves almost everyone out of the game. Are all states like this?

Answer: In Ohio, counties with populations of 200,000 or more can collect delinquent property taxes by selling tax certificates on delinquent properties to private parties by public auction. Tax liens are not sold individually, but are sold in bulk. These sales are not designed for individual investors.

This is not how most sales are conducted in other states, where liens are typically sold individually, so check out the tax sale procedures for other states in your area. You could also invest in tax deeds in Ohio. Properties not sold the first time are offered again at a tax deed sale three weeks later, but are not re-advertised. Properties unsold after two attempts may be forfeited to the State of Ohio. The county auditor, who acts as an agent of the state, conducts Forfeited Land Sales of these properties.

Question 76: Would you recommend that we buy tax liens or deeds online without viewing the property?

Answer: I would not recommend buying tax deeds without viewing the property. Many people buy tax liens without viewing the property, but that is a personal decision based upon risk tolerance. Some states like Iowa and Nebraska make it hard to view lien properties before the sale, because the bidding is done by round robin. In other words, bidders will not know which liens they will have an opportunity to purchase until their bidder number is called.

Question 77: How much does a foreclosure process cost?

Answer: Foreclosing on a property can range from approximately \$1,000 to several thousand dollars, depending upon where you live and any complexities to the foreclosure.

Question 78: What payment method would you recommend, besides cash, at a tax sale?

Answer: You usually will have to ask the county about their payment requirements. Most will gladly accept a money order or cashier's check. Most will not accept checks.

Question 79: Is there any way to purchase a tax deed and then immediately sell the property for a capital gain?

Answer: The quick answer to your question is not really. Even for deeds, many states have a redemption period following the tax sale. We work in Arkansas a lot and they have a 60-day redemption period after the sale. So, you won't even receive the deed for at least 60 days. In addition, most states have a regulatory challenge period (usually one to two years). You can still sell the property during this period, but you can't get clear title. Also, remember that your capital gains tax will be much lower if you hold a property for at least one year.

Question 80: How and when is the interest applied to tax liens? Is it compounded?

Answer: In most tax lien states, the interest is applied annually. Texas and Georgia have a flat interest rate of 25% and 20%, respectively. In those states (and a few others like that), you get the full interest even if the lien is redeemed in one month. Some states have a minimum fee such as 2% or to 5% to protect investors from buying a certificate and having it redeemed two weeks later.

NINE

Detailed State and County Profiles

“A journey of a thousand miles must begin with a single step.” – Chinese proverb

This chapter provides detailed information on tax sales for all 50 states (plus Guam and the Virgin Islands). The information is derived from state statutes, our own experience attending tax sales, conversations with government officials, and other resources. The available information varies widely for each state. Some states are very progressive, actively encouraging tax lien certificate sales or tax deed sales and providing good information. In other states, tax sales are not a priority and little information is available.

Detailed tax sale information for the top 100 counties in the United States by population, as well as some additional counties, also is provided in this chapter. These county “examples” are meant to give you an understanding of what to expect if you were to attend an auction in a particular state. As with the states, some counties are progressive and provide a great deal of information on tax sales on their websites, while others are just the opposite. You may want to look at the information provided by states/counties where you don’t expect to invest, because often the information is relevant across the board (e.g., how to research property before a tax deed sale).

If the county you are interested in is not covered in this chapter, does not have a website, or has a website with little or no tax sale information, you will need to contact the county by phone or mail. Use the example counties in this chapter for the state you are interested in to determine which office holds the tax sales (e.g., tax collector’s or treasurer’s office).

Be patient. After you study the information in this chapter, you will need to become familiar with a few counties and their exact procedures as you prepare to bid on properties. To help you with your research, the following websites provide general tax sale information: <http://www.tax-lien-certificates.com> and <http://www.tax-deed-sales.com>.

Important Note!

Information in this 7th edition of *Rogue Tax Sale Investor* that was derived from a government website may have changed or been removed since our update. Before relying on the state-, county-, or municipality-specific information presented in Chapter 9, we strongly recommend that you visit the relevant web page source (or contact the appropriate government office) to make sure the information is still current. Occasionally we have only provided excerpts from a web page (this is noted). In addition, in most cases we have removed the government's highlighting of text (e.g., bolding, capitalizing).

You may see information in this chapter from a tax sale that has already occurred. We chose to include this information where it is still presented online, because the information will help you understand the tax sale procedure in general for that government office.

Finally, if you copy a URL into your browser, remember that a URL has no punctuation at the end (e.g., period, comma). If a link does not work, it is because the URL has been changed or removed since our update. Visit the home page of the appropriate government office and look for a link to the same information, or contact that office.

Alabama

Tax Lien Sales: Yes – Annual Tax Sale.

Over-the-Counter Tax Lien Sales: Yes – “Sold to State” properties left over from the previous year’s sale, offered for sale by the State of Alabama Revenue Department. Tax liens are issued on properties that have been delinquent for 1 to 3 years.

Tax Deed Sales: No.

Over-the-Counter Tax Deed Sales: Yes – “Sold to State” properties left over from the previous year’s sale, offered for sale by the State of Alabama Revenue Department. Tax deeds are issued on properties that have been delinquent for more than 3 years.

Rating: Three Stars (***)

Interest Rate: 12% on the minimum bid, and up to 15% of the appraised value of the property.

Sale Period: Usually in May, occasionally in June.

Redemption Period: 3 years for tax lien certificates. Property owners get a 10-day grace period after the sale to redeem without paying any interest.

Bidding Process: Sold to the highest bidder with the face amount as the minimum bid. The starting bid is referred to as “tax and cost.” Bidding continues by increasing the amount over the minimum bid, referred to as “plus some amount.” You do not receive interest over 15% of the appraised value; however, you are free to bid above 15% of the appraised value. On the portion above 15%, you will receive your principal back, so you effectively reduce the interest rate earned.

State-Specific Information: The interest rate of 12% per year and the redemption period of 3 years are decent. Compared to the smaller county sales, larger Alabama county sales are generally better for big time investors because a lot of money can be invested.

Jefferson County, Alabama Tax Lien Sale – May 2005

Approximately 15 large investors were present at this sale, and roughly 25 million dollars was placed by wire transfer in the county’s coffers. The auction was held in a courtroom designed for about 30 to 40 people, and it was overflowing into the hallway. Approximately 75 people were in attendance.

Jefferson County adds a unique twist to the bidding by allowing small-time investors to open bidding on a few selected properties. This process started at the beginning of the sale; however, it did not deter the big-time investors from bidding on these properties.

On average, most bids were received at about twice the 15% appraised level or 30% of the appraised value. This results in investors receiving an effective interest rate of about 5 to 7% interest, or about one-half of the 12% interest.

The sale was really designed for investors with deep pockets, allowing millions of dollars to be spent. If you have a minimum of \$100,000 to invest, then this sale is for you; if not, try a smaller county in Alabama.

Alabama County Links: See Alabama Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

BALDWIN COUNTY, ALABAMA

<http://www.co.baldwin.al.us>

REVENUE COMMISSIONER'S OFFICE

http://www.co.baldwin.al.us/PageView.asp?PageType=R&edit_id=4

(1) Tax Sale Information for Baldwin County

http://www.co.baldwin.al.us/Pageview.asp?edit_id=595

- Sales are usually held in May of each year for all unpaid tax properties.
- Properties are advertised in local newspapers, Onlooker, Courier, Baldwin Times, Bulletin, and other Gulf Coast Newspapers, for three weeks usually in May of each year.
- Properties are for sale in the Revenue Commissioner's Office in a public outcry auction, beginning at 10:00 a.m., on or around the end of May of each year. Anyone wishing to purchase must appear in person and if there are bids, property interest goes to the highest bidder.
- In Alabama, purchasers of tax sale properties are purchasing the tax interest only, there is no fee simple title.
- At the time of purchase the buyer is given a paid receipt. After five working days the buyer is issued a certificate of purchase, not a tax deed.
- A tax deed cannot be issued until three years from the date of the tax sale. At that time the purchaser must surrender his certificate to the judge of probate, who in turn, issues a tax deed.
- Any time within the first three years the owners of said property can redeem this property and the redemption money is refunded to the purchasers of the tax lien property. The certificate of sale is then null and void.
- All liens and mortgages take precedent over the tax sale.
- Often law suits are filed if the purchaser has a tax deed and tries physically to take possession of the property. If a minor child or a mentally incompetent person is in the chain of title, the judge always rules in favor of these persons.
- The State of Alabama warns: buyers beware on the purchase of tax title. You are buying tax interest only, not the property.
- No tax deed is insurable for title insurance on resales or mortgages.
- The present rate of interest is 12 percent per year. If the property is redeemed by rightful owner, the principal, plus interest earned at time of redemption, is refunded to the purchase of tax liens.
- Purchasers are required to pay for the property they purchased on the date of the sale.

Tax properties not purchased are returned to the State of Alabama. After these are sent to the state, purchasers wishing to buy tax interest at this time must apply to the State Department of Revenue Ad Valorem Tax Division, Post Office 327210, Montgomery, Alabama 36132-7210. The state will notify you of the amount necessary to purchase the tax lien. The state will only accept certified checks for tax sale purchases.

(2) Staff/Directory

http://www.co.baldwin.al.us/Pageview.asp?edit_id=72

Collections Department
P.O. Box 1549
Bay Minette, AL 36507
Phone: 937-0245
Fax: 580-1858
Administrator of Collections: Karen Jones
Redemptions: Jan Sheffield

CALHOUN COUNTY, ALABAMA

<http://www.calhouncounty.org>

REVENUE COLLECTION DEPARTMENT

<http://www.calhouncounty.org/revenue/collection.html>

All unpaid property is sold at auction in May to the highest bidder. The property is sold with a three year "Right of Redemption".

Failure to pay Property Tax results in the Tax Sale of the property. Property may be redeemed for three years after the date of the sale. Property may be redeemed, for the total taxes and penalties, by certified check only.

April: advertised for sale; May: sale

Karen Roper, Revenue Commissioner
1702 Noble Street, Suite 104 & 106
Anniston, AL 36201
Phone: 256-241-2840
Fax: 256-231-1891
Email: revenue@calhouncounty.org

JEFFERSON COUNTY, ALABAMA

<http://www.jeffcointouch.com>

TAX COLLECTOR'S OFFICE

<http://tc.jeffcointouch.com/taxcollection/HTML/index.asp>

J. T. Smallwood, Tax Collector (Birmingham Office)
Grover Dunn, Assistant Tax Collector (Bessemer Office)
Phone: (205) 325-5500 for the Birmingham Office or (205) 481-4131 for the Bessemer Office

(1) General Tax Sale Information

http://tc.jeffcointouch.com/taxcollection/HTML/intro_taxsales.html

Code of Alabama, Section 40-10 provides for the disposition of property tax liabilities that are not paid in a timely fashion. There are two methods by which you may purchase tax interest in Jefferson County properties: Annual Tax Sale and Sold to State Properties.

(2) Annual Tax Sale

http://tc.jeffcointouch.com/taxcollection/HTML/taxsale_annual.html

As required by Code of Alabama, Section 40-10-15, the Tax Collector conducts a sale (public outcry auction format) in May of each year. For information on the next annual sale, for Birmingham please call (205) 325-5084. For Bessemer Cutoff please call (205) 481-4130 after May 1st and ask for a Tax Sale Information Package.

Annual Tax Sale Frequently Asked Questions

How many parcels are normally offered? Approximately 4000 tax certificates are offered annually. The total face amount of certificates offered is usually around \$2 million.

How is the sale conducted? Tax certificates are auctioned one at a time, in unit number order. They are sold to the highest bidder with the face amount as the minimum bid.

How long before I get a tax deed? If a certificate that you purchase remains unredeemed on the three-year anniversary of the tax sale, you are entitled to a tax deed.

If I buy a tax certificate, do I ever get clear title? Investors typically buy tax certificates to get a 12% return on their investment and usually do not get "clear title" to the property, although it is possible. Please consult your real estate attorney for legal advice.

How do I participate in the annual sale? You must register at the appropriate time. For information on the next annual sale, for Birmingham please call (205) 325-5084. For Bessemer Cutoff please call (205) 481-4130 after May 1st and ask for a Tax Sale Information Package.

(3) Sold to State Properties

http://tc.jeffcointouch.com/taxcollection/HTML/taxsale_soldtostate.html

"Sold to State" properties are parcels that were offered at a past annual tax sale, and were not purchased at that time. As provided by Code Sections 40-10-21 and 40-10-132, the State of Alabama Revenue Department offers for sale tax certificates and tax deeds, which are currently in the possession of the State (usually between 6500 and 8500 items from Jefferson County). You may purchase a complete listing of Jefferson County Sold to State tax parcels via the Internet (http://tc.jeffcointouch.com/taxcollection/HTML/taxsale_buylist.asp) or by calling (205) 325-5084 anytime during business hours (8 a.m. to 5 p.m., Central Time, Monday through Friday). Listings are available in the form of hardcopy, CD or email.

Sold to State Properties Frequently Asked Questions

How many parcels are in a Sold to State status at any given time? Anywhere between 6500 to 8500 Sold to State parcels are available.

How do I purchase certificates from the State of Alabama? You must have the parcel number of the certificate you wish to purchase. Then complete the online State Resale Application (<http://tc.jeffcointouch.com/taxcollection/HTML/redemption.html?who=state>), which is free. The completed form will be electronically sent to the State Department of Revenue. The State Revenue Department will respond to your application by mailing directly to you a price quote letter. You will have twenty days to respond to the price quote by sending in a cashier's check for the stated amount.

How do I know if I will get a certificate or tax deed? Tax deeds are issued on properties that have been delinquent for more than three years.

When will I get a document from the State? Once the State receives your payment, they will begin processing either a tax certificate or a tax deed, whichever is appropriate. Upon completion of that document, they will mail it directly to you, in approximately 6 to 8 weeks.

What do I do with my certificate? Keep it in a safe place. If the property is redeemed, you will be notified to return it to us to get your money back plus interest. If the property is not redeemed prior to the three-year anniversary of the original sale, bring the certificate to our office and exchange it for a tax deed (\$5.00).

What do I do with my tax deed? Record it immediately in the Judge of Probate Office and consult your legal sources regarding possession and use of the property.

(3a) Buy List

http://tc.jeffcointouch.com/taxcollection/HTML/taxsale_buylist.asp

Jefferson County Sold To State property listings are available in hard copy or on CD at the Tax Collector's office for \$25.00. These can be picked up at our office (visit http://tc.jeffcointouch.com/taxcollection/HTML/info_redemption.html).

You may purchase an electronic copy of the list online using a credit card or check. The list will be attached to an email as a Microsoft Excel spreadsheet (approximate file size is 2.0 MB) and sent to you immediately upon payment. Note: Your e-mail must be able to accommodate file attachments. The Sold To State List is not available at this time.

The following fees apply to online transactions: (1) Credit card: \$5 per parcel or transaction, and (2) Electronic check: \$2 per parcel or transaction.

(3b) Apply to Buy a Parcel from the State

<http://tc.jeffcointouch.com/taxcollection/HTML/redemption.html?who=state>

(4) Frequently Asked Questions

<http://tc.jeffcointouch.com/taxcollection/HTML/faqs.html>

At what point will my property be "sold" for taxes? If taxes are not paid the day before the tax sale, they will be included in the sale the next day. The tax sale is usually the third or fourth week of May each year.

How does the tax sale work? Tax certificates on delinquent properties are auctioned to the highest bidder.

Can I pay my taxes after the tax sale? Yes, approximately 30 days after the tax sale you may "redeem" properties sold for taxes.

(5) Contact Information

http://tc.jeffcointouch.com/taxcollection/HTML/intro_currentyear.asp

J. T. Smallwood, Tax Collector
716 Richard Arrington Jr. Boulevard N.
Birmingham, AL 35203
Phone: (205) 325-5500

Grover Dunn, Assistant Tax Collector
P.O. Box 1190
Bessemer, AL 35201-1190
Phone: (205) 481-4131

LEE COUNTY, ALABAMA

<http://www.leeco.us>

REVENUE COMMISSIONER

http://www.leeco.us/rev_com

Oline W. Price, Revenue Commissioner
Email: oprice@leeco.us

(1) Tax Sale Information

http://www.leeco.us/rev_com/real_property/tax_sale_info2.html

Real Estate Dates and Information Leading Up to the Tax Sale for 2006 Tax Year

Schedule up to the Tax Sale is as follows:

Delinquent – January 1
Dummy Delinquent – Notice January 22
Decree of Sale – February 12
Decree of Sale Court Date – March 5
Paper run – March 21 – Pickup on March 15
Paper run – March 28 – Pickup on March 22
Paper run – April 4 – Pickup on March 29
Tax Sale – May 2
Last day to redeem property in this office – May 7

Tax Sale Information for Lee County

Tax sales are held in May of each year for all unpaid tax properties.

Properties are advertised in the local newspaper, The Opelika-Auburn News, for three weeks in March and April of each year.

Properties are for sale at the courthouse in a public outcry auction, usually beginning at 10:00 a.m., on the first Wednesday of May each year. Anyone wishing to purchase must appear in person and if there are bids, property interest goes to the highest bidder.

In Alabama, purchasers of tax sale properties are purchasing the Tax interest only, there is no fee simple title.

According to the Code of Alabama, Section 40-10-11.1. By virtue of a decree I will proceed to sell to the highest bidder all properties contained in the list provided. Terms of the sale are cash, certified funds or check with a bank letter of credit if you are a first-time purchaser. You must be registered in order to purchase property at this sale.

Sales are not perfected until 15 days after sale, at which time a tax certificate will be issued to the purchaser, not a tax deed. Certificates of sale will be available and must be picked up and signed for in person at the courthouse in the property collections department. After obtaining the tax certificate, the purchaser must go to the assessment department to assess the property in their name. The purchaser of the tax certificate is required to pay taxes which are due and payable October 1, for three consecutive years following purchase. Purchaser will be issued a tax deed three years after sale, upon presentation of the original tax certificate and three years tax receipts and payment of a \$5 fee.

Any time within the first three years the owners of said property can redeem this property and the redemption money is refunded to the purchasers of the tax lien property. The certificate of sale is then null and void.

All liens and mortgages take precedent over the tax sale.

The State of Alabama warns: buyers beware on the purchase of tax title. You are buying tax interest only, not the property.

No tax deed is insurable for title insurance on resales or mortgages.

The present rate of interest is 12 percent per year. If the property is redeemed by rightful owner, the principal, plus interest earned at time of redemption, is refunded to the purchase of tax liens.

Tax properties not purchased are returned to the State of Alabama. After these are sent to the state, purchasers wishing to buy tax interest at this time must apply to the State Department of Revenue Ad Valorem Tax Division, Post Office Box 327210, Montgomery, Alabama 36132-7210. The state will notify you of the amount necessary to purchase the tax lien. The state will only accept certified checks for tax sale purchases.

To go to State of Alabama Department of Revenue Property Tax Division web pages, click here:
<http://www.revenue.alabama.gov/advalorem/transcript/transcript.htm>

(2) Contact Information

http://www.leeco.us/rev_com/contacts.html

Lee County Revenue Commissioner Main Office
Lee County Courthouse
215 South 9th Street
Opelika, AL 36801
Phone: 334-737-3655
Toll Free: 800-239-4469
Fax: 334-705-5081

MOBILE COUNTY, ALABAMA

<http://www.mobilecounty.org>

REVENUE COMMISSIONER

<http://www.mobilecopropertytax.com>

(1) Frequently Asked Questions

<http://www.mobilecopropertytax.com/faq.htm>

(2) Tax Sale

<http://www.mobilecopropertytax.com/taxsale.htm>

Marilyn E. Wood, Mobile County Revenue Commissioner
P.O. Drawer 1169
Mobile, AL 36633
Phone: 251-574-8542

1. The annual tax sale is held on the 1st Thursday each June in the Mobile County Courthouse Annex beginning at 10:00 a.m.
2. Available properties are advertised in the Mobile Register (two publications in March and three publications in May).
3. Registration for the sale is the first Thursday of June at 8:00 a.m. Registration numbers are assigned to participants. These numbers are to be flashed to indicate bidding. The highest bidder obtains the property. There is no deposit required for registration.
4. All bids must total at least tax and costs, and are to be made in person; however, a representative can participate.
5. Payment is to be made in full by cashier's check, cash or money order. Visa or MasterCard are accepted. The Revenue Commissioner's Office charges no fee for MasterCard/Visa service; however, your bank may charge a cash advance fee plus interest. Electronic deposits will be accepted; electronic funds must be deposited into the Revenue Commissioner's bank account by the end of the Tax Sale day. There are no financing programs available.
6. A property owner is entitled to withdraw all monies bid over tax and cost in lieu of redeeming a property. However, if later the owner elects to redeem the property, all tax, cost and the accrued interest on the bid amount up to the date of redemption is due.
7. If tax sale property is redeemed by the owner, the purchaser will be notified by letter to bring the tax certificate to the Mobile County Treasurer's Office located at 205 Government Street, 8th Floor. The Tax sale certificate must be processed through the county treasurer's office before monies can be refunded. The Revenue Commissioner's Office cannot process tax certificates for refund and is not responsible for tax certificates sent through the mail.
8. After sales are final, bidders will be issued a receipt for an original tax certificate. This receipt must be presented in person before a certificate is received. Companies participating in the sale must designate an individual to sign and pick up certificates. Successful bidders may pick up tax sale certificates at the Mobile County Revenue Commissioner's Office at 109 Government Street, Mobile, AL usually after the middle of July. No certificates will be mailed.
9. Parcels not sold at auction will be transferred to the State of Alabama. They cannot be purchased over the counter directly from the county.
10. For a fee of \$35.00 (no personal checks accepted) you may obtain a current list of tax lien property by request from:

Larry Doyal, State Land Agent
State of Alabama Department of Revenue
P.O. Box 327210
Ad Valorem Tax Division
Montgomery, AL 36132-7210

11. When you purchase property at the tax sale, you are only acquiring a lien on the property, you do not have clear title to the property. To obtain clear title, you have to complete a complex process required to be in compliance with the law; eventually you would go through Circuit Court. Legal questions would have to be answered by your attorney.

12. To research statutes regarding tax sales, see Title 40, 1975 Revised Code of Alabama.

13. At this time, there is no information available on the Internet concerning tax sales.

14. The interest rate for land redemption is 12% annually and the redemption period is three years from the date of sale.

(3) 2008 Tax Sale Sold to State

<http://www.mobilecopropertytax.com/soldstate.txt>

ROGUE INVESTOR NOTE: See web page for the tax sale list. The 2008 tax sale sold to state list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(4) 2008 Tax Sale Sold to Individual

<http://www.mobilecopropertytax.com/soldindiv.txt>

MORGAN COUNTY, ALABAMA

<http://www.co.morgan.al.us>

REVENUE COMMISSIONER

http://www.co.morgan.al.us/revenue_web/rev_comm_home.htm

(1) Tax Sale

http://www.co.morgan.al.us/revenue_web/tax_sale.htm

Notice of Delinquent Sale, State of Alabama, Morgan County: There are currently no properties available for purchase through our office at this time. Normally our tax sale is held on the first Tuesday in May of each year. By selecting the "Detailed" link below it will take you to properties that were sold to the State.

Under and by virtue of a Decree rendered by the Tax Collector Court of Morgan County, Alabama, at the February term thereof, I will, on Tuesday, 20th day of May 2008, proceed to sell at public outcry, to the highest bidder for cash, before the courthouse door of Morgan County, during the legal hours of sale, the following described parcels of real estate assessed to the following named owners, for the payment of taxes, fees, costs and interest as shown for the 2007 year.

Amanda G. Scott, CPA, Revenue Commissioner
Morgan County

(2) Contact

http://www.co.morgan.al.us/revenue_web/contacts.htm

Amanda G. Scott, Revenue Commissioner
302 Lee Street, NE, Decatur, AL 35602
Mailing address: P.O. Box 696, Decatur, AL 35602
Phone, Collecting Division: 256-351-4692
Fax: 256-351-4699

SHELBY COUNTY, ALABAMA
<http://www.shelbycountyalabama.com>

PROPERTY TAX COMMISSIONER

http://www.shelbycountyalabama.com/Property_Tax_Commissioner.shtml

102 Depot Street (street address)

P.O. Box 1269 (mailing address)

Columbiana, AL 35051

Phone: (205) 670-6900

Fax: (205) 670-6915

Lori Riley, Collection Supervisor / Debbie Smith, Property Tax Administrator

(1) Tax Sale Information

http://www.shelbycountyalabama.com/tax_collections.shtml

- Tax sales are held in May of each year for all unpaid tax properties.
- Properties are advertised in the local newspaper, The Shelby County Reporter, for three weeks in April of each year.
- Properties are for sale in front of courthouse in a public outcry auction, usually beginning at 10:00 a.m., on or around May 15 of each year. Anyone wishing to purchase must appear in person, and if there are bids, property interest goes to the highest bidder.
- In Alabama purchasers of tax sale properties are only purchasing the tax interest only, there is no fee simple title.
- At the time of purchase the buyer is given a paid receipt. After five working days the buyer is issued a certificate of purchase, not a tax deed.
- A tax deed cannot be issued until three years from the date of the tax sale. At that time the purchaser must surrender his certificate to the judge of probate who, in turn, issues a tax deed.
- Any time within the first three years the owners of said property can redeem this property and the redemption money is refunded to the purchasers of the tax lien property. The certificate of sale is then null and void.
- All liens and mortgages take precedent over the tax sale.
- Often law suits are filed if the purchaser has a tax deed and tries physically to take possession of the property. If a minor child or a mentally incompetent person is in the chain of title, the judge always rules in favor of these persons.
- The State of Alabama warns: buyers beware on the purchase of tax title. You are buying tax interest only, not the property.
- No tax deed is insurable for title insurance on resales or mortgages.
- The present rate of interest is 12 percent per year. If the property is redeemed by rightful owner, the principal, plus interest earned at time of redemption, is refunded to the purchase of tax liens.
- Purchasers may pay by certified check or cash the date of the sale.
- Tax properties not purchased are returned to the State of Alabama. After these are sent to the state, purchasers wishing to buy tax interest at this time must apply to the State Department of Revenue Ad Valorem Tax Division, Post Office Box 327210, Montgomery, Alabama 36132-7210. The state will notify you of the amount necessary to purchase the tax lien. The State will only accept certified checks for tax sale purchases.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

XSPAND

<http://www.xspand.com>

(1) Tax Liens for Sale

http://www.xspand.com/investors/tax_liens_sale/index.aspx

Periodically XSPAND may offer investors the ability to buy tax liens through an assignment process. Where available, these tax liens are listed by jurisdiction and can be acquired in some cases at full redemptive value and in others at a discount from full redemptive value.

It is important to note that XSPAND provides no investment, legal or financial advice to potential investors. As with any investment, investors should carefully consider their objectives, risks, expenses and conduct their own due diligence prior to making an offer. Furthermore, investors should be familiar with the laws governing tax certificates in the jurisdictions in which they are interested. XSPAND only represents that the tax lien certificates it sells are valid liens, and makes no representations as to the underlying collateral or overall return on investment, if any. We strongly advise potential investors to perform due diligence to make informed decisions.

To purchase tax liens follow these steps:

1. Once you've determined the jurisdiction(s) in which you have an interest, thoroughly familiarize yourself with the legal requirements in that community.
2. Review our listings and assemble your list of desired Tax Lien ID's. Email your selections, asking price, contact information and interested date of assignment to investor@xspand.com. Please keep in mind that we generally require at least one week to respond to assignment information requests.
3. One of our Asset Managers will review and analyze this list and notify you by email which liens are available and the final assignment price for each. There is the potential that not all of the liens you requested will still be available as interest in assignments of tax certificates can be quite high and liens regularly redeem. Furthermore, in certain jurisdictions, government approval of your assignment offer may be required and allowance should be made as to the turnaround time once an offer has been made.
4. Review this list and contact our Asset Manager to discuss the steps necessary to complete the transaction. In some cases a deposit may be required but in all cases you will need to remit payment by wire transfer or cashier's check once a final agreement has been reached on the terms of the assignment.
5. Upon receipt of funds XSPAND will send you the appropriate tax certificates and/or endorsements.
6. Upon receipt of the assigned certificates you should be aware that you may be required to record your interest with the applicable party in each jurisdiction.

Should you have any questions about our assignment process or the particulars of any tax lien offered, please feel free to contact us at investor@xspand.com. Please again note that XSPAND is not an advisory group and no investment, legal or financial advice will be provided. Should you have an interest in purchasing or viewing our current inventory of available real estate for sale or auction please visit Real Estate for Sale (http://www.xspand.com/investors/realestate_sale/index.aspx) or Real Estate Auctions (http://www.xspand.com/investors/foreclosure_auctions/index.aspx).

(2) Alabama Tax Liens for Sale

http://www.xspand.com/investors/tax_liens_sale/detail.aspx?t=1&j=AL&name=Alabama

ROGUE INVESTOR NOTE: See web page for parcel list, including taxing jurisdiction, lien year, property description, parcel number and location.

(2a) Alabama Tax Lien Sales Frequently Asked Questions

http://www.xspand.com/investors/tax_liens_sale/detail.aspx?t=1&j=AL&name=Alabama

Under what process were the current properties for sale obtained? The particular properties contained in this section of our Investor web page have been acquired primarily through tax certificate foreclosure and, as such, while many may represent attractive values, some special consideration should be given prior to submitting any offer. The properties available for sale are linked on this page by jurisdiction as the property acquisition process for these properties may vary according to the particular laws and procedures of each jurisdiction.

Where can I find a list of properties? The list of properties available for sale from XSPAND's own portfolio of real estate is categorized by state and can be found by clicking on individual state jurisdictions.

How do I contact XSPAND or XSPAND's broker? Contact information appears next to the individual property listings. This information should contain the broker's name, telephone number and email address. You may also contact one of our REO Managers at 800-575-9880 x 3744 or by emailing investor@xspand.com.

If my purchase offer is accepted, what happens next? All of our properties are being sold on an "as is" and "where is" basis with no representations or warranties of any kind, including but not limited to the physical condition, location, zoning, or occupancy of the property. XSPAND does not provide financing for these transactions and expects that a closing will occur within sixty days of our acceptance of an offer. A minimum 10% deposit is required (in some cases more) which is non-refundable upon the execution of a contract. For more information, follow the appropriate link or call the phone number listed for each property.

We strongly advise potential investors to do sufficient due diligence to make informed purchase decisions. XSPAND is not an advisory group and no investment, legal or financial advice will be provided.

Alaska

Tax Lien Sales: No.

Tax Deed Sales: Yes, tax foreclosure land sales.

Over-the-Counter Tax Deed Sales: Yes. Over-the-counter land sales include properties that were offered at a regular borough land auction and were not sold. The properties can also come from repossessed mortgage notes. The purchasing process can be done by mail, and boroughs may provide financing.

Rating: Two Stars (**)

Interest Rate: Not applicable to Alaska's tax deed sales.

Sale Period: Sales can occur throughout the year, depending on the borough.

Redemption Period: No extended right of redemption following the tax deed sale.

Bidding Process: Most boroughs (or municipalities) sell tax foreclosed properties through a "sealed bid sale." The highest qualifying bid is the winning bid. The minimum bid is set by the borough, and is usually set at the appraised value of the property. Properties also may be sold at public auction.

State-Specific Information: State law requires the municipality (or borough) to initiate foreclosure proceedings for non-payment of property taxes. Alaska Statutes Chapter 29.45 also requires the municipality to hold properties for at least a year after the foreclosure judgment is awarded. After this waiting period, any property that has not been redeemed (delinquent taxes, interest and late fees paid) is deeded to the municipality by the Superior Court.

The owner of property that has been foreclosed and deeded to the municipality can repurchase the property simply by paying the delinquent taxes and/or special assessments (plus penalty, interest and administrative costs), and can do so at any time before the foreclosed property is sold. Deeded properties that are not repurchased beforehand may be taken by the municipality for public purpose or sold at public auction. Sales are usually conducted through the Land Management Division or Treasury Division. Some sales are undiscovered because roads are few and distances between sale locations are huge.

Alaska County Links: See Alaska Tax Sales at <http://www.tax-lien-certificates.com>

Detailed Borough/Municipality-Specific Information:

MUNICIPALITY OF ANCHORAGE, ALASKA

<http://www.muni.org>

TREASURY DIVISION

<http://www.muni.org/treasury>

The Treasury Division consists of four sections, including the Property Tax section.

(1) Tax Section – Real Property Tax Information Web Site

http://www.muni.org/treasury/prop_index.cfm

(1a) General Information

http://www.muni.org/treasury/prop_general.cfm

Phone: (907) 343-6650

Fax: (907) 343-6121

Mailing Address

Municipality of Anchorage

Department of Finance

Treasury Division

P.O. Box 196040

Anchorage, AK 99519-6040

Physical Address

632 West 6th Avenue, Suite 330

Anchorage, AK 99501

(1b) Frequently Asked Questions

http://www.muni.org/treasury/prop_faq.cfm

When will my property be foreclosed on if I am delinquent on my real property taxes? On or about March 1st annually, a petition for judgment and decree of foreclosure and sale is filed with the Superior Court concerning real property parcels with unpaid delinquent taxes for the preceding year(s); e.g., property with delinquent 2003 and prior years' taxes are foreclosed following the March 2004 statutory publication and noticing period. Foreclosed property may be redeemed during the one-year redemption period by paying the tax amount(s) along with penalty, interest, and costs due. Properties not redeemed prior to the expiration of redemption period are deeded to the Municipality. Deeded properties that are not repurchased beforehand may be taken by the Municipality for public purpose or sold at public auction. Additional information regarding foreclosure, deed, and sale of foreclosed property may be obtained by contacting the Municipal Real Estate Service Office at (907) 343-7953 or (907) 343-7986.

(1c) Frequently Called Numbers

http://www.muni.org/treasury/prop_freq_num.cfm

Foreclosure Office: Tax Liens/MOA Deeded Property/Tax Deed Auction

Phone: (907) 343-7953 or (907) 343-7986

(1d) Due Dates

http://www.muni.org/treasury/prop_dates.cfm

March of the year following the original tax year: Foreclosure publication in local newspaper of general circulation – Notice of Foreclosure Proceeding is mailed out to the property owner(s) and any lienholder on record by the Municipality of Anchorage's Foreclosure Office on the first day of publication in the local newspaper.

HERITAGE LAND BANK: REAL ESTATE SERVICES OFFICE

<http://www.muni.org/hlb/res.cfm>

Real Estate Services is also responsible for managing foreclosed properties. Real Estate Services forecloses and sells properties delinquent on taxes and assessments.

Real Estate Services Office
Public Works & Permit Center
4700 Elmore Street, First Floor
Anchorage, AK 99501
Phone: (907) 343-7986 or (907) 343-7953

The 2008 List of Properties in Foreclosure

Click on the following link to access the newest list of properties undergoing foreclosure:

http://www.muni.org/iceimages/hlb/Muni_Foreclosure_2008.pdf

Note: Properties in this publication are not currently for sale by the Municipality of Anchorage.

Results of the 2007 Foreclosed Properties Sale: Real Estate Service had a very successful sale of foreclosed properties on July 31, 2007: a large public turn-out, with all properties sold!

The next sale of foreclosed properties will be in 2008. For more information on the foreclosure process, check out this important guide by clicking on the following link:

<http://www.muni.org/iceimages/hlb/4closedPropsGuide.Revised2-1-08.pdf> (Foreclosed Properties Guide).

For more information, call us at 343-7986 or 343-7953. Thank you!

ROGUE INVESTOR NOTE: The 2008 foreclosed parcels list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(1) Foreclosed Properties Guide

<http://www.muni.org/iceimages/hlb/4closedPropsGuide.Revised2-1-08.pdf>

Excerpts from web page:

Foreclosure: Many people do not realize that tax and special assessment foreclosures are not the same as bank foreclosures. In the world of banking, a foreclosure removes the ability of a mortgagor to redeem property when payments haven't been made. In the case of the Municipality, foreclosures are made against property when property taxes or special assessments (such as for road, gas, water or sewer improvements) are not paid. State law requires the Municipality to initiate foreclosure proceedings for non-payment. Alaska Statutes Chapter 29.45 also requires the Municipality to hold properties for at least a year after the foreclosure judgment is awarded. After this waiting period, any property that has not been redeemed (delinquent taxes, interest and late fees paid) is deeded to the Municipality by the Superior Court.

Properties in foreclosure are not available for bid; a property must have been deeded to the Municipality by the court before the sale process can begin, and the sale must first be approved by the Anchorage Assembly. Lists are often made available, say, from the Anchorage Chamber of Commerce or another organization of properties "in foreclosure." This does not mean that they will be deeded to the Municipality; it only means that they usually have a year to redeem. This means that most of these properties listed in such publications will be redeemed and will never be deeded to the Municipality.

Repurchase Rights: The owner of property that has been foreclosed and deeded to the Municipality can repurchase the property simply by paying the delinquent taxes and/or special assessments (plus penalty, interest and administrative costs), and can do so at any time before the foreclosed property is sold.

Sealed Bid Sale: Like most government entities, the Municipality of Anchorage sells foreclosed properties through a "sealed bid sale." Notice of the Sealed Bid Sale is published in a local newspaper following the Anchorage Assembly's approval for the sale. Included in the published notice will be (1) a list of potential properties for sale and minimum bid required, (2) the scheduled sale date, (3) date and

time sealed bids will be accepted, and (4) the date and time of an outcry auction for those properties not receiving an acceptable sealed bid (if any). A copy of the published notice will also be available on the Real Estate Service's web page at www.muni.org/hlb/res.cfm.

Bid Packet Fee \$5.00: A complete bid packet must be prepared for each parcel that you wish to bid on. There is a nominal fee of \$5.00 per bid packet to cover Real Estate Services expenses. Note: No copies of bid packet forms will be accepted – original forms only.

Property Profile Fee \$2.00: There is a \$2.00 fee for each property profile, which contain basic information about the properties slated for sale, and include limited liability reports and any other pertinent information provided by a title company. There will be a property profile available to purchase for each property in the sale, and is considered essential in beginning your research.

Winning Bid: When the sealed bids are opened, they are examined to determine that they meet all qualifications, and the highest qualifying bid is declared the winning bid.

FAIRBANKS NORTH STAR BOROUGH, ALASKA

<http://co.fairbanks.ak.us>

LAND MANAGEMENT DEPARTMENT

<http://co.fairbanks.ak.us/landmanagement>

Director: Paul Costello

Phone: (907) 459-1241

Email: property@co.fairbanks.ak.us

The Land Management Department is also responsible for the annual Tax Foreclosure Program which helps to keep individual property owner's taxes down through the collection of delinquent property taxes.

(1) 2005 Tax Foreclosure Sale

<http://co.fairbanks.ak.us/landmanagement/Foreclosure/2004>

Our annual Tax Foreclosure Sale is scheduled for Saturday, August 16, 2008. This sale will be on properties that are delinquent for the tax year 2005 and prior. It will be held in the Assembly Chambers of the Fairbanks North Star Borough (FNSB) Administrative Office, located at 809 Pioneer Road.

Beginning Monday, June 16, 2008 a current list of properties will be available, along with property information that will include various books with litigation reports, maps and pictures of the property, land size, zoning, assessed value and minimum bid. This information is available for viewing in the Land Management Department located at the FNSB Administrative Office, 809 Pioneer Road, 2nd Floor.

Please review our "2005 Tax Facts"

(<http://co.fairbanks.ak.us/landmanagement/Foreclosure/2004/05TAXFACTS.pdf>) for general information regarding the tax foreclosure property sale. For further information, please come by our office Monday – Friday 8:00 a.m. – 5:00 p.m. or call (907) 459-1241.

Results of the 2004 Tax Foreclosure Sale held Saturday, August 18, 2007

2004 Tax Foreclosed Property Sale Results:

<http://co.fairbanks.ak.us/landmanagement/Foreclosure/2004/2004%20Sales.pdf>

2004 Tax Foreclosed Property Retention:

<http://co.fairbanks.ak.us/landmanagement/Foreclosure/2004/081807propertyretention.pdf>

(2) 2005 Tax Facts (August 16, 2008)

<http://co.fairbanks.ak.us/landmanagement/Foreclosure/2004/05TAXFACTS.pdf>

What is the tax foreclosed property sale? The tax foreclosed property sale is a sale of real properties which have been deeded to the Fairbanks North Star Borough as a result of delinquent real property taxes. The legal procedures for the Fairbanks North Star Borough to acquire tax deeds and hold a tax foreclosed property sale are provided in Alaska Statutes (A.S. 29.45).

When and where will the tax foreclosure sale be held? The tax foreclosed property sale will begin at 9:00 A.M. on Saturday, August 16, 2008. It will be held in the Assembly Chambers of the Fairbanks North Star Borough Administrative Office, located at 809 Pioneer Road.

Who may participate in this sale? Any person who is capable of legally holding title to real property, and free of any delinquent property taxes.

How can property be purchased during this sale? The Tax Foreclosure Sale is two-part: (1) Sealed Bid and (2) Outcry Auction. Bidders submit sealed bids the week prior to the sale. On sale day, the bids are opened and awarded to the highest bidder, then properties that do not receive a sealed bid are offered in the Outcry Auction. The minimum bid is the same for each and consists of back taxes, interest and penalty owed on the property and the administrative costs associated with foreclosure and sale.

How can I submit a Sealed Bid for a property offered during this sale? Bid packets can be picked up at the Department of Land Management, Second Floor, Fairbanks North Star Borough Administrative Office beginning Monday, August 4, 2008. Bids will be accepted beginning at 8:00 A.M. Monday, August 11, 2008 through 5:00 P.M. Friday, August 15, 2008. Detailed instructions on how to submit a bid will be included in the Bid Packet. Mail-in bids will not be accepted. Bid packets must be hand delivered.

How can I obtain a bidder's card for the Outcry Auction portion of the sale? Bidders cards can be purchased at the Department of Land Management, Second Floor, Fairbanks North Star Borough Administrative Office from 8:00 A.M. Monday, August 11, 2008 through 5:00 P.M. Friday, August 15, 2008. The cost of a bidder's card is \$250.00. This amount must be in the form of cash, cashier's check or money order.

What guarantees do I have concerning these properties if I should be a successful bidder? None. The Fairbanks North Star Borough does not guarantee title of any kind for properties purchased at the tax sale. Title insurance may not be available for these properties. If you need to have the title to this property insured, you should consult a title company prior to bidding to determine whether title insurance will be available. Additionally, the Fairbanks North Star Borough does not guarantee the suitability for any particular use whatsoever on any of these properties.

What kind of deed will be issued? A Tax Foreclosure Sale Deed.

How can I find out more information about the properties to be sold? Properties to be sold are located throughout the Borough and include vacant land and properties with improvements. Information regarding the properties, general location, names of former record owners and minimum bid will appear in the Fairbanks Daily News Miner beginning Sunday, June 15, 2008. A list of the properties for sale and detailed property information is available at the Department of Land Management in the Fairbanks North Star Borough Administrative Office. In a sale of this nature, the former record owners have the right to repurchase their property until the close of business (5:00 P.M.) on Friday, August 15, 2008. For the most up-to-date information about available properties contact Tami Sheehan or Dawn Hellickson at the Department of Land Management, 459-1241.

How can I inspect the property? The Borough encourages you, the bidder, to personally inspect these properties before submitting a bid; however, the Borough advises you that there may be people living or conducting business on the property. You should not enter a structure without the occupants' permission. If you are allowed to walk through the structure, please be courteous. If a structure appears abandoned, you should still knock before entering. If the doors are locked and there is no easy way of entering the structure, forced entry is not authorized. If you are unable to fully inspect a property before preparing your

bid, then you may either refuse to bid or you may submit your bid without the inspection. Inspections of these properties are done at your own risk!

What happens if my bid should be the winning sealed bid? You or your representative must be present to accept the winning bid. If no one is present to accept the winning bid, that bid deposit is forfeited, and the person with the second highest qualified bid will have an opportunity to accept the property. Your 25% bid deposit will be credited toward the purchase price. High bidders have three working days (August 20, 2008 at 5:00 P.M.) in which to pay the balance of their bids for the properties. If the balance is not received within the three days, the down payment is forfeited and the property is offered to the next highest bidder.

If I am not the successful bidder, how soon can I get my deposit back? Immediately following the sale, deposits will be returned to low bidders or their representatives (with power of attorney) upon presenting picture identifications. Deposits not claimed at the time of sale may be picked up at the Department of Land Management, Monday through Friday, 8:00 A.M. to 5:00 P.M.

What is a Limited Liability Report issued by a title company? This is a report used by the Fairbanks North Star Borough showing all parties to whom notice is required under A.S. 29.45 prior to foreclosure. These reports reflect parties with a financial or other interest in the property and are available for review; however, it should be understood that they are not to be used for the purpose of closing a transaction that will affect title to said property. It is recommended that potential bidders consult a title officer regarding matters of record which are important to them.

What happens to tax liens which appear against a property? Prior recorded tax liens of the state and federal government remain a lien against the property and are not extinguished by the FNSB's tax foreclosure sale to a third party. If you wish to negotiate with the IRS regarding possible discharge of their liens, contact Jill Pace, Technical Support Advisor, 206-220-5532.

All property is offered for sale "as-is", "where-is" without recourse against the Fairbanks North Star Borough. No representation or warranty, expressed or implied, is made as to the validity of the title, size, dimension, or condition of any property, or its suitability for any use or purpose whatsoever. The Fairbanks North Star Borough accepts no responsibility for personal property on the premises at any time.

FNSB personnel are not allowed to give you legal advice or interpret title documents. The FNSB urges you to consult various professionals, including but not limited to, the US Army Corps of Engineers, Alaska Department of Environmental Conservation, FNSB Community Planning Department, architects, engineers, surveyors, title examiners, or a real estate attorney, before making a decision to bid.

In addition to the above Tax Foreclosure information, the following is a checklist of some things you may want to consider before bidding. This list is not all inclusive. These may or may not apply or cover all aspects that need to be considered on the property you want to bid on.

Checklist

- Have you completely read and understood the information provided in the Tax Foreclosure books (see the FNSB Department of Land Management– 809 Pioneer Road, 2nd Floor, Borough Administrative Building, Fairbanks, Alaska).
- Have you personally inspected the property? Is the parcel suitable for your anticipated use?
- Have you considered what to do with properties that are occupied; i.e., enter into a landlord-tenant agreement or evict? Are you familiar with the eviction process – reference Alaska Landlord Tenant Act guidelines?
- Does the parcel have debris or abandoned vehicles that you wish to remove? If so, have you researched disposal methods; i.e., FNSB Landfill: 459-1482 or Department of Motor Vehicles: 452-1151?
- Are there any easements or other encumbrances on the parcel?
- Does the zoning of the parcel allow the use you anticipate for it? Is the parcel in a flood zone? Are there use restrictions (covenants) for the parcel in which you are interested? The Department of

Community Planning can answer these questions for you. Call them at 459-1260 for more information.

- Does the parcel have adequate access year around for your vehicle? What provisions will be necessary for a driveway?
- Is the parcel affected by wetlands? Contact the U.S. Army Corps of Engineers at 474-2166 for information regarding wetlands.
- Is there possible contamination or has there been illegal activities on the property you wish to bid on? If so, have you checked with the Alaska Department of Environmental Conservation or other professionals; i.e., local law enforcement agencies in this area?
- Is there a draft Prospective Purchaser Agreement with the Alaska Department of Environmental Conservation associated with the property you wish to bid on? If so, have you talked with ADEC so that you fully understand all of their expectations and obligations set forth regarding this property and entered into an agreement with ADEC? Note: The Draft Prospective Purchaser Agreement found in the counter book is not effective until you officially enter into the agreement with ADEC. Furthermore, any prospective purchaser agreement is between you and ADEC. The Borough is not a party to your agreement.

KENAI PENINSULA BOROUGH, ALASKA

<http://www.borough.kenai.ak.us>

LAND MANAGEMENT DIVISION

<http://www.borough.kenai.ak.us/LandManagement/default.htm>

The Kenai Peninsula Borough Land Management Division is responsible for the acquisition, management, and transfer of real property owned by the KPB. Borough land is acquired either through municipal entitlement from the State of Alaska, or by purchase, donation, or tax foreclosure.

The Division conducts annual land sales making Borough land available to individuals for purchase. Typically, both tax foreclosure and municipal entitlement lands are included in the sales.

(1) Land Sales

<http://www.borough.kenai.ak.us/LandManagement/KenaiPeninsulaBoroughLandSales.htm>

Tax Foreclosure Outcry Auction

Tax foreclosed property is sold at public outcry auction. The Tax Foreclosure Sale is held approximately September/October of each year providing there are sufficient parcels. The auction itself is held in the Kenai Peninsula Borough Assembly Chambers at 144 N. Binkley Street Soldotna, Alaska. Advertising in three local newspapers, the Peninsula Clarion, Seward Phoenix Log, and Homer News, begins 30 days prior to the auction, once a week for four weeks. In addition to the local newspapers, advertising may also be present in Anchorage newspapers. Brochures are published in August and are available for pick-up at the Kenai Peninsula Borough Administration Building, other borough agencies, and public buildings. Brochures may also be viewed 30 days prior to the auction on this website. The KPB does not maintain a mailing list due to costs. The bidder does need to be present at the auction or have a representative with power of attorney to bid on their behalf. Bid registration begins at 9:00 a.m. on the day of the auction with the sale commencing at 11:00 a.m. The bidder may not register by mail. Minimum bid amounts are equal to unpaid taxes, penalty, interest and costs. The KPB Assembly fixes these terms of sale via ordinance. Payment can be made by cash, personal check, cashier's check, or money order. Credit cards are currently not accepted. A Tax Foreclosure Quitclaim Deed is used to transfer title.

Results from Previous Year Tax Foreclosure Land Sales

2007: <http://www.borough.kenai.ak.us/LandManagement/TaxForeclosure/2007TXFLOA/2007Results.htm>

2005: <http://www.borough.kenai.ak.us/LandManagement/TaxForeclosure/TXFResults.htm>

2004: http://www.borough.kenai.ak.us/LandManagement/Documents/TaxForeclosure_Results.pdf

(2) Contact Us

http://www.borough.kenai.ak.us/LandManagement/contact_us.htm

Kenai Peninsula Borough
Land Management Division
144 N. Binkley Street
Soldotna, AK 99669
Phone: 907-714-2200
Fax: 907-714-2378
Email: lmweb@borough.kenai.ak.us

KETCHIKAN GATEWAY BOROUGH, ALASKA

<http://www.borough.ketchikan.ak.us>

BOROUGH LAND SALES

<http://www.borough.ketchikan.ak.us/manager/RFP/rfp.htm>

344 Front Street
Ketchikan, Alaska 99901
Phone: 907-228-6625
Fax: 907-247-6625

Results of Land Auction

Updated January 30, 2008: The Ketchikan Gateway Borough conducted a public land auction on May 31, 2007. The results are shown below. If you have questions please contact the Borough Manager's office at (907) 228-6625 or send an email to the KGB Manager's Office at mgr_office@borough.ketchikan.ak.us.

ROGUE INVESTOR NOTE: See web page for results of tax foreclosed properties at the sale.

MATANUSKA-SUSITNA BOROUGH, ALASKA

<http://www.co.mat-su.ak.us>

LAND AND RESOURCE MANAGEMENT DIVISION

<http://www.matsugov.us/LandManagement>

Matanuska-Susitna Borough
350 E. Dahlia Avenue
Palmer, Alaska 99645
Phone: (907) 745-4801

Land and Resource Management Division

Phone: 907-745-9869
Fax: 907-745-9635
Email: lmb@matsugov.us

(1) Tax Foreclosed Properties

<http://www.co.mat-su.ak.us/LandManagement/sales.cfm>

Tax and LID Foreclosure Sale: no tax foreclosure sale offered at this time.

(1a) Tax and Special Assessment Local Improvement District (LID) Foreclosure Sale FAQ's Flyer

<http://www.co.mat-su.ak.us/LandManagement/documents/TaxandSpecialAssessmentLIDForeclosureSaleFAQs.pdf>

Arizona

Tax Lien Sales: Yes.

Over-the-Counter Tax Lien Sales: Yes. Unsold parcels or assignments are “struck off to the state.” These parcels are called State CPs (certificates of purchase). State CPs are purchased at the Treasurer’s Office. The final date for purchasing assignments is January 31. Any remaining assignments are prepared for the tax lien sale in February. If a State CP parcel has current delinquent taxes that are scheduled for the February sale, the investor can pay the current taxes and keep it from going to the annual tax sale. The interest rate for assignments is the current maximum of 16%.

Tax Deed Sales: Yes, conducted by the Board of Supervisors.

Over-the-Counter Tax Deed Sales: Yes.

Rating: Four Stars (****)

Interest Rate: 16%

Sale Period: Tax lien sales are held in February. Tax deed sales can be held any time during the year, but are often in the fall (November and December) or spring (March and April).

Redemption Period: 3 years for tax liens. No extended right of redemption following the tax deed sale.

Bidding Process: All tax lien auctions are by competitive bid, with the winning bidder accepting the lowest interest rate. Some counties are now conducting their tax lien certificate auctions online. Otherwise, all bidders must be present to participate in the auction (no bids by telephone or mail). Bidders must fill out a Bidder Information Card (obtained from the Client Services Department) and request a Taxpayer Identification Number and Form W-9 (obtained from the Client Services Department or the IRS). Tax liens must be paid in full (all taxes, interest and fees) by the end of the next day after the tax lien has been purchased. Over-the-counter liens and deeds can be bought before or after the yearly auction, either in person or through the mail.

State-Specific Information: Arizona is one of the most famous tax lien states because of its 16% annual interest rate; however, tax lien sales can be competitive. Many counties have tax liens and full parcels of land for sale throughout the year. Tax lien sale advertisements usually appear in county newspapers about three weeks prior to the sale. All counties are also required to publish a list online.

Listings of all parcels that are still available after the tax lien sale are often available as a printout or on diskette for \$50 from the Client Services Department at the Treasurer’s Office. Also called assignment purchasing, potential buyers can send a list of the parcels they want to purchase to the Treasurer’s Office, along with a certified check, cashier’s check, or wired money transfer to purchase tax liens that were not sold at auction.

The foreclosure process (going from lien to deed after the redemption period) is a little complicated for investors. You can start foreclosure proceedings three years from the date of the tax sale. Recent changes to the foreclosure process may result in the investor needing to hire an attorney to obtain a judgment deed. Previously, the investor could apply to the court for a deed.

Yavapai County, Arizona Tax Lien Sale – February 2004

My partner and I went to the sale in Yavapai County and were impressed. The sale was fair, the tax liens only got bid down to 6 to 8 percent on average, and there were many properties available. About 10 percent of the liens did not get bid down at all, and went for 16 percent. Overall, speaking with other Rogue Investors who have attended Arizona tax lien sales, this is still an excellent tax lien certificate state. The following is a tax lien bidding strategy to consider in states where the lien interest rate gets bid down.

For raw land in rural areas where the amount of taxes owed per year is small (less than \$100 per year), it is sometimes okay to bid the liens down to 0 percent if you are trying to obtain the deed. This is because you will not earn much interest when the lien amount is small. If you have done your homework and are sure the property does not have environmental problems or other potential issues that could make it hard to sell, a 0 percent bid is fine. We used this strategy successfully at one of the Arizona sales, and we are fairly confident that at least one of our winning bids will go to deed.

Arizona County Links: See Arizona Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

COCONINO COUNTY, ARIZONA

<http://www.coconino.az.gov>

TREASURER'S OFFICE

<http://www.coconino.az.gov/treasurer.aspx?id=548>

110 E. Cherry Avenue
Flagstaff AZ, 86001
Toll free phone: 877-500-1818
Phone: 928-779-6615
Fax: (928)779-6618

The 2008 Internet Tax Lien Certificate Auction has concluded.

(1) Tax Certificate Process

<http://www.coconino.az.gov/uploadedFiles/Treasurer/Tax%20Certificate%20Process-AZ.pdf>

What are tax certificates (Certificates of Purchase)? Tax due dates and delinquency dates are best understood by example. In Arizona, one half of the property taxes become due October 1, and the second half the following March 1. The first half of the taxes become delinquent if not paid by 5:00 p.m. on November 1 (of 2004 for example), and the second half become delinquent at 5:00 p.m. on May 1 (of the following year, 2005). By the following December (2005), the treasurer in every Arizona county prepares a list of the properties with delinquent taxes. The list is published in January or February (2006) and delinquent notices are sent to the homeowners stating that a tax certificate will be auctioned on a specified date if the taxes are not paid.

The tax certificate's face amount consists of the sum of the following: delinquent real estate tax (may include previous years' delinquent taxes, penalties and costs), interest from the date of the delinquency, advertising penalty fee, a charge for the issuance of the tax certificate, and the "Taxpayer Information Fund" fee.

Tax certificates are a high priority lien against property, which means there are very few other claims against a property which would be paid before the tax certificate lien. It even supersedes some IRS liens.

The Auction. The tax certificate auction must take place during the month of February. (Note: tax certificates and the auction of them are governed by Title 42, Chapter 18 of the Arizona Revised Statutes. All requirements mentioned in this document come from Chapter 18 without the legalese).

To make a simplified analogy, think of the purchase of a tax certificate as a loan to the property owner. In return, the investor receives interest on the money loaned.

The tax certificate itself conveys no property rights. It is simply a “loan” carrying an interest rate. However, if the certificate is not redeemed at the end of three years, the certificate holder does have the right to foreclose on the property and take possession after taking all the proper steps.

The county treasurer publishes the delinquent tax list and the auction notice at least one time in a newspaper of general circulation in the county. The publication is at least two weeks but not more than three weeks before the date of sale.

The interest on a certificate ranges from 0 to 16%. Bids are entered with the certificate going to the bidder willing to take the lowest interest rate. Simple interest accrues on a monthly basis. If the certificate carries an interest rate of 12%, then interest will accrue at 1% every month until the certificate is redeemed. If the certificate is not sold, it becomes the property of the state, bears an interest rate of 16%, and may be purchased by visiting the treasurer’s office. Most counties today do not issue paper certificates. The certificate is kept as an electronic file at the treasurer’s office.

Now you own a tax certificate, so what can happen next? When the owner redeems the certificate, they pay the delinquent taxes, interest, and assorted fees and costs, and a check is sent out with a notice to the certificate holder. The certificate can be sold and transferred to another name.

If subsequent taxes become delinquent, the certificate holder may pay those and add them to the existing certificate at the original interest rate after June 1 (after the second half taxes have become delinquent but before they go to auction). Some treasurers interpret the statutes in such a way that they will only allow one Certificate of Purchase to exist on a property at one time. As a result, an individual buying the current year’s certificate must redeem any outstanding certificates as part of the process. Paying “subtaxes” prevents the early redemption of what may be a profitable investment.

After three years, if the delinquent taxes have not been paid, the certificate holder has the right to foreclose on the property for monies owed.

If the certificate holder discovers that they really don’t want to own the subject property (it might have turned out to be an environmental hazard site or a home that has burned down), and ten years pass without the certificate being redeemed or the certificate property being foreclosed, the certificate expires worthless. The entire investment in the certificate is lost. Certificate buyer beware. Know what you are purchasing.

(2) Internet Tax Certificate Auction FAQ

<http://www.coconinotaxsale.com/faq.cfm>

(3) Investing in Tax Liens

http://www.coconino.az.gov/uploadedFiles/Treasurer/Tax%20Lien%20Packet_032008.doc

If you are interested in purchasing a tax lien certificate, please read the following information that is enclosed in this packet very carefully.

1. The Internet Tax Lien Certificate Auction is the means of offering delinquent secured property taxes to participating bidders. The tax lien on the property is sold to an investor bidding the lowest rate of interest. The highest rate of interest bid is not to exceed 16%. There is a \$10.00 processing fee per parcel that is a non-refundable expense to the investor. The investor’s payment for the tax lien purchase at the Internet Tax Lien Certificate Auction must be made via ACH.

2. You are not purchasing property, only a tax lien against the property. A tax lien conveys no rights to the property. You may not trespass or build on the property, nor should you contact the owner directly. The tax lien is simply a “loan” carrying the interest rate of the successful bidder.

3. Delinquent real property parcels on the delinquent parcel list may include personal property that has been attached to the real property parcel. A tax lien sold on a parcel with attached personal property does not include the personal property in the certificate of purchase. The tax lien is secured by the value of the real property only, regardless of the delinquent tax amount paid. Upon foreclosure of the real property, the title to the personal property does not convey to the lien holder.

4. The purchase of a tax lien is a "Buyer Beware" situation. You should verify the exact location of the parcel on a map in the County Assessor's Office, County Recorder's Office or via the County GIS website. You are advised to investigate the property, prior to purchasing the tax lien, to determine whether the property would be of sufficient use or value to you, should you be in a position to obtain a judgment deed at some future date. The type of real property in the county of Coconino varies tremendously. You should be aware that the property to which you may ultimately obtain a judgment deed may be contaminated by toxic matter, subjecting you to costly cleanup or fines. View the property!! If you bid on a parcel at the Internet Tax Lien Certificate Auction, the expectation is that you will have done your research.

5. In Coconino County, the official Tax Lien Certificate Auction is held via the Internet with bidding beginning in January with all bids closing or finalized the third Thursday in February. A public notice along with a delinquent tax parcel list is published in the Arizona Daily Sun, Arizona Newspaper Association and the Tax Lien Sale Certificate Auction site. Contact the Arizona Daily Sun at P.O. Box 1849, Flagstaff, AZ 86002 or call (928) 774-4545 if you wish to obtain a list of the properties that are being offered at the Tax Lien Certificate Auction. The listing will also be available on the Internet at www.azdailysun.com or on the official Coconino County Tax Lien Sale Certificate Auction website at www.coconinotaxsale.com.

6. You can purchase a copy of the tax lien parcel list on CD or hard copy for a fee of \$50.00 plus postage of \$3.00 for the CD and \$10.00 for the hard copy. If purchasing just before the Tax Lien Certificate Auction, this listing will become available at the time it is published in the newspaper. After the Tax Lien Certificate Auction, an updated listing will be available on the Coconino County Treasurer's web site mid-March for tax liens that were left over and become available for over the counter purchase.

7. Every year we receive requests for the names and addresses of our investors. We were informed by the Coconino County Attorney's Office that we cannot restrict this information.

8. Anyone wishing to bid at the annual Tax Lien Certificate Auction must have a bidder number assigned to them. You will keep the same number each year as long as you hold tax liens in Coconino County. You may verify your bidder number with the Coconino County Treasurer's back tax department at (928) 226-6003 or at (928) 779-6615. Bidder numbers are assigned between the 1st of January and the day before the tax lien sale via the Internet Tax Lien Certificate Auction website. The balance of the year, all new bidder numbers will be issued by the Coconino County Treasurer's Office. Forms are included in this packet and on the Coconino County Treasurer's website at www.coconino.az.gov/treasurer.

9. You should notify the Coconino County Treasurer's Office of any change of address to assure your prompt receipt of redemption checks.

10. You will receive a receipt upon payment of purchasing a tax lien indicating the percent rate of interest you purchased the tax lien at and the Certificate of Purchase number. Please keep this for your records as it also becomes your Certificate of Purchase and is the only form of documentation that shows you have purchased the tax lien.

11. Per ARS 42-18151 a real property tax lien may be redeemed by: the owner, the owner's agent, assignee or attorney; or by any person who has a legal or equitable claim in the property, including the holder of a tax lien certificate of a different date has the right to redeem a real property tax lien, which has been sold.

12. Property owners must redeem a tax lien through the County Treasurer's office. When the property is redeemed, the lien is removed and the Certificate of Purchase holder will receive a redemption check for the amount of the certificate purchase plus the rate of interest it was purchased at.

13. If a tax lien has not been redeemed by the homeowner, the certificate of purchase holder must pay the subsequent taxes each year to protect their interest. Subsequent years' tax payments will be accepted on or after June 1st. For example: The 2007 subsequent taxes cannot be paid until June 2008. The County Treasurer's office will mail a notice at the end of May to all tax lien certificate holders showing each certificate held and the subsequent tax amount due. The total amount due has been calculated with interest good through June 30th. If paying the subsequent taxes after this date, you must contact the County Treasurer's office for a new amount because interest is calculated on the 1st of every month. When you are requesting information from the County Treasurer's office for subsequent tax payments, please state that you are an investor and provide your bidder number. Subsequent taxes must be paid by December 31st.

14. Three years from the original date the taxes first go to tax lien sale, you may proceed with a judicial foreclosure if the property taxes have not been redeemed by the homeowner. To start the foreclosure process, you may choose to hire an attorney or opt for the Judicial Foreclosure-Self Help Packet that is provided on the Coconino County Treasurer's web site at www.coconino.az.gov/treasurer. In the event that the decision for foreclosure is rendered in the Plaintiff's favor, the County Treasurer shall issue a Judgment Deed upon receipt of a certified copy of the judgment together with a fee of \$50.00.

ROGUE INVESTOR NOTE: Web page includes link to Bid Card form and to W-9 form.

(4) Bidder Information Card

<http://www.coconino.az.gov/treasurer.aspx?id=6195>

(a) Important Notice: Bidder Number Instructions for all Internet Certificate Auction Participants

As of January 2008, you must register via the Internet Tax Certificate Auction website to obtain a bidder number between the first of January and the day before the official tax lien sale date. Current bidders will maintain their current bidder number and will still register on the Internet Tax Certificate Auction website to be able to participate in bidding. New bidders will be assigned a bidder number at the time of registration. The balance of the year all new bidders will be issued a bidder number by the Coconino County Treasurer's Office.

All bidders must go through the Internet Tax Certificate Auction website to register to bid in the Internet Tax Certificate Auction. The SSN or EIN or TIN you provide must match the name associated with the number.

(b) Important Notice: Bidder Number Instructions for over the counter purchases between the second week in March and the end of December.

As of June 1, 2007 the county treasurer's office will require you to have a W-9 form on file. Please fill out the following forms: Bidder Information Card, W-9 Form.

Please mail to: Coconino County Treasurer, Attn: Tamera, 110 E. Cherry Avenue, Flagstaff, AZ 86001. Or fax to: Coconino County Treasurer, Attn: Tamera at (928) 779-6618.

(5) 2008 Delinquent Tax Sale List

http://www.coconino.az.gov/uploadedFiles/Treasurer/web_monthly_updateckWEBMARCH.htm

ROGUE INVESTOR NOTE: The tax sale list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(6) Purchasing a Certificate

<http://www.coconino.az.gov/treasurer.aspx?id=561>

Bonny K. Lynn, Treasurer
110 E. Cherry
Flagstaff, AZ, 86001
Phone: 877-500-1818 or (928) 779-6615
Fax: (928) 779-6618

The Tax Lien Certificate Sale will be held via the Internet with bidding beginning in January each year. No liens will be sold over the counter between January 1st and March 10th.

If you are interested in purchasing a tax lien over the counter between March 10th and December 31st, from the delinquent tax sale list, follow the steps below:

- Read Investing in Tax Liens (http://www.coconino.az.gov/uploadedFiles/Treasurer/Tax%20Lien%20Packet_032008.doc).
- Provide bidder number or complete and sign bidder information card.
- Total amount due per parcel is listed on the delinquent tax list.
- Payment must be postmarked by the end of the month in which the purchase is made
- Mail all information to the above address.
- For certificates purchased via the Internet Tax Lien Certificate Auction (<http://www.coconinotaxsale.com>) payment must be made via ACH on the payment wizard on the tax sale website.
- For over the counter purchases between mid-March and the end of December, we accept payments in the form of cash, cashier's check, personal check, money order or credit card, unless there are underlying certificates of purchase, which must be bought out by the new investor. We require payment by certified funds when there are underlying certificates.

Research is to be completed by the investor. Buyers must beware.

Parcels with a 00 (zero-zero) in the map portion of the parcel number are improvements only; no land conveys.

Some real property parcels have mobile homes attached, which are not part of the lien. Again, it is the responsibility of the investor to research all parcels. You can contact the office of the Assessor for verification of mobile home status.

Maps are available in the Assessor's office or on this website via the Interactive GIS Mapping Site (<http://gis-map2/ccgisbeta/index.asp>). To purchase a tax lien you must have a bid number assigned via the Internet Auction Registration Process. The only time the Coconino County Treasurer's office will assign bidder numbers is between mid-March and the end of December. You may verify your bid number on the Tax Lien Certificate Auction site during the tax lien sale period and with the Treasurer's back tax department between mid-March and the end of December, at 928-226-6003 or email the Back Tax Department (<http://www.coconino.az.gov/contact/form.aspx?id=141>).

(7) Judicial Foreclosure

http://www.coconino.az.gov/uploadedFiles/Treasurer/Judicial_Foreclosure_Files/The%20Judicial%20Foreclosure%20Packet%20is%20currently%20being%20revised.doc

The Judicial Foreclosure Packet is currently being revised. Please contact the Coconino County Treasurer's Back Tax Department for further information.

(8) Notice of Lien and Certificate Expiration

<http://www.coconino.az.gov/treasurer.aspx?id=566>

COCHISE COUNTY, ARIZONA

<http://www.cochise.az.gov>

TREASURER'S OFFICE

http://www.cochise.az.gov/cochise_treasurer.aspx?id

Marsha Bonham, Treasurer
1415 Melody Lane
P.O. Box 1778
Bisbee, AZ 85603
Phone: (520) 432-8400
Fax: (520) 432-8438
Email: trsweb@cochise.az.gov

(1) Frequently Asked Questions

http://www.cochise.az.gov/cochise_treasurer.aspx?id=54

What happens if real property taxes become delinquent? According to state law, once the delinquency date has passed simple interest starts to accrue at 16% per year prorated monthly. Whether paid on the last day of the month or the first day of the month, 1.333% will be due each month on the amount of tax delinquent. After the May 1 delinquent date, if taxes are not paid before the following January, an additional 5% (minimum \$5.00) penalty is assessed. In February, all delinquent taxes will be offered for sale at the annual Tax Lien Sale. This is a sale of the county lien on delinquent parcels – not a sale of property. Once a property is in the tax lien sale it is considered a “back tax parcel” (http://www.co.cochise.az.us/treasurer/Cochise_Treasurer_Back_Tax.asp). After three years from the date of the tax lien sale, the purchaser of the tax lien can foreclose on the lien and acquire the property.

When is the tax lien sale? Arizona law requires the tax lien sale to be held each February. The Cochise County tax lien sale is the last Thursday of February.

(2) Back Tax

http://www.co.cochise.az.us/treasurer/Cochise_Treasurer_Back_Tax.asp

As of December 31, 2003, by law the Treasurer can no longer process administrative foreclosure for Treasurer deeds. Certificates purchased during the 1999 Tax Lien Sale and after must process Judicial foreclosure for the issuance of Treasurer's deeds.

For the latest up-to-date Back Tax List, select the desired document format below:

- Email Back Tax Department: treasurerbacktax@co.cochise.az.us?subject=Back%20Tax
- Back Tax List (Excel format): <http://www.co.cochise.az.us/treasurer/BKTXLST.xls>
- Back Tax List (web page format): <http://www.co.cochise.az.us/treasurer/BKTXLST.htm>
- Back Tax List (PDF format): <http://www.co.cochise.az.us/treasurer/BKTXLST.pdf>

Click here for an important notice regarding court case #2CA-CV 2005-2009 Ulan et al v. Pima County:
http://www.co.cochise.az.us/treasurer/Tax_Lien_Notice_2CA_CV.asp

(3) Notice of Court Case

http://www.co.cochise.az.us/treasurer/Tax_Lien_Notice_2CA_CV.asp

To: All Investors that Purchase Tax Liens from Cochise County

As of July 1, 2007, the Cochise County Treasurer shall change the calculation of investment interest earned on certificates of purchase due to a court case #2CA-CV 2005-0069 Ulan et al v. Pima County.

Investors will no longer receive interest for the tax lien sale month of February. Interest will begin with the month of March. I regret that this action is necessary; however, according to the attorney and auditor the calculation must be changed.

I appreciate your support of the Cochise County Tax Lien Sale and look forward to your continued support.

Sincerely,

Marsha Bonham
Cochise County Treasurer

ROGUE INVESTOR NOTE: The back tax list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

BOARD OF SUPERVISORS

http://www.cochise.az.gov/cochise_board_supervisors.aspx?id=224

1415 Melody Lane, Building G
Bisbee, AZ 85603
Phone: (520) 432-9200
Fax: (520) 432-5016

ROGUE INVESTOR NOTE: Tax deed sales are usually held in March (sometimes in April).

MARICOPA COUNTY, ARIZONA

<http://www.maricopa.gov>

TREASURER'S OFFICE

<http://treasurer.maricopa.gov>

Charles Hoskins, Treasurer
301 West Jefferson, Suite 100
Phoenix, AZ 85003
Phone: (602) 506-8511, Touchtone: (602) 506-2348
Fax: (602) 506-1102
Email: Treasurer@Mail.Maricopa.Gov

ROGUE INVESTOR NOTE: Contact information is also at <http://treasurer.maricopa.gov/contact.htm>.

(1) Property Tax Calendar (2007-2008)

<http://treasurer.maricopa.gov/taxguide/calendar.htm>

(2) Liens and Research

<http://treasurer.maricopa.gov/research.htm>

Lien tutorial: <http://treasurer.maricopa.gov/research/tutorial/tutorial.htm>
Research material: http://treasurer.maricopa.gov/research/res_mat.htm
Excess proceeds report: <http://treasurer.maricopa.gov/excessproceeds>
CP expiration notices: http://treasurer.maricopa.gov/research/cp_expiration.htm

The Tax Lien Sale provides for the payment of delinquent property taxes by an investor. The tax on the property is auctioned in open competitive bidding based on the least percent of interest to be received by the investor.

Property taxes that are delinquent at the end of December are added to any previously uncollected taxes on a parcel for the Tax Lien Sale. The sale takes place in February of each year. Please read the disclaimer before deciding to bid, and see our lien FAQ page (http://treasurer.maricopa.gov/research/faq_lien.htm) and lien history page (<http://treasurer.maricopa.gov/research/stats.htm>).

(3) Research Material Buying Guide

http://treasurer.maricopa.gov/research/res_mat.htm

Research Material Buying Guide Brochure: <http://treasurer.maricopa.gov/research/ResearchMatl.pdf>

ROGUE INVESTOR NOTE: The brochure contains research materials that can be ordered by the general public. Titles include "Tax Sale Advertising List" and "State CP (Certificates of Purchase) Listing."

(4) CP Expiration Notices

http://treasurer.maricopa.gov/research/cp_expiration.htm

If a tax lien that was purchased on or before August 31, 2002 is not redeemed and the purchaser or the purchaser's heirs or assigns fail to commence an action to foreclose the right of redemption on or before ten years from the date that the lien was purchased, the certificate of purchase or registered certificate expires and the lien is void pursuant to Arizona Revised Statute 42-18208 (<http://www.azleg.state.az.us/FormatDocument.asp?inDoc=/ars/42/18208.htm>).

ROGUE INVESTOR NOTE: See web page for links to Official CP Expiration Notifications.

(5) Frequently Asked Questions

http://treasurer.maricopa.gov/taxguide/faq_gen.htm

What happens if I don't pay my property taxes? Several things occur. Interest is assessed by state law at 16% per annum prorated monthly. If the taxes are not paid in full within 13 months, an advertising fee of 5% or \$5.00, whichever is greater, is assessed and during the sixteenth month the Treasurer's Office offers a tax lien on the property for sale. If the tax lien is not redeemed within three years from the date of sale, the purchaser may initiate foreclosure proceedings.

(6) Tax Lien Sale Guide – Introduction

<http://treasurer.maricopa.gov/research/tutorial/tutorial.htm>

Tax Lien Sale Disclaimer: <http://treasurer.maricopa.gov/research/disclaimer.htm>

Tax Lien Sale FAQ: http://treasurer.maricopa.gov/research/faq_lien.htm

Tax Lien Sale Recommendations: <http://treasurer.maricopa.gov/research/recommendations.htm>

Lien History Statistics: <http://treasurer.maricopa.gov/research/stats.htm>

Tax Lien Sale Brochure (PDF): <http://treasurer.maricopa.gov/research/TaxLienSale.pdf>

Application for Bidder Number (Bidder Information Card):

http://treasurer.maricopa.gov/research/cp_bidder_card.pdf

Arizona Tax Lien Sale Calendar: http://treasurer.maricopa.gov/research/az_calendar.htm

The Tax Lien Sale provides for the payment of delinquent property taxes by an investor. The tax on the property is auctioned in open competitive bidding based on the least percent of interest to be received by the investor.

Property taxes that are delinquent at the end of December are added to any previously uncollected taxes on a parcel for the Tax Lien Sale. The sale takes place in February of each year. Please read the disclaimer (<http://treasurer.maricopa.gov/research/disclaimer.htm>) before deciding to bid, and see the lien FAQ (http://treasurer.maricopa.gov/research/faq_lien.htm) page and lien history (<http://treasurer.maricopa.gov/research/stats.htm>) page.

Parcels whose taxes are subject to sale will be advertised, in January, in a Maricopa County newspaper of general circulation. They are listed by sequence number. Parcels fall into 1 of 2 groups. Each group is sorted by parcel number.

The advertisement appears about three weeks before the auction and is also posted on the Internet. Copies of the newspaper are usually available for purchase at the Treasurer's Office. In addition a CD of those parcels can also be purchased.

The investor is responsible for all research on the parcels available for auction. County maps for research may be obtained by visiting the Maricopa County Assessor's Office. Read our Recommendations (<http://treasurer.maricopa.gov/research/recommendations.htm>) to all bidders.

Pre-Sale Requirements: To be eligible to bid, investors must provide the Treasurer's Office with a completed Bidder Information Card (http://treasurer.maricopa.gov/research/cp_bidder_card.pdf) and Request for Taxpayer Identification Number and Certification (IRS Form W-9, <http://www.irs.gov/pub/irs-pdf/fw9.pdf>, or W-8). A number will be assigned to each bidder for use when purchasing tax liens.

Proxy Bid Procedure: In a live auction, a bidder will lower his bid by one percent increments until he is the only bidder left or until the interest goes below his acceptable minimum level, at which point he would drop out. Proxy bidding is a form of competitive sale in which bidders enter the minimum interest rate that they are willing to accept for each certificate. The auction system acts as an electronic agent, submitting bids on behalf of each bidder. The result of the proxy system is that the electronic agent keeps lowering the bid to submit by one percent increments until you are either the only bidder left (in which case you get the certificate at one percent lower than the previous bid), or until you reach the floor you have set. Zero percent bids will not be treated as proxy bids. They will be awarded at zero.

If you are the only bidder on a given certificate and your minimum rate is greater than zero percent, the electronic agent will submit a bid of 16% on your behalf. In the case of a tie at the winning bid rate, the system awards to one of the tie bidders through a random selection process using a random number generator.

In no case will a bidder be awarded a certificate at a rate lower than his specified minimum acceptable rate.

Certificates that receive no bids will be "struck to the state" at 16%.

The successful bidder will pay the entire amount of taxes, interest, and fees via ACH debit by the end of the next business day. If payment has not been made the parcel(s) may be re-offered.

The sale will continue until all liens are sold or the lack of bidding warrants discontinuing the sale.

Each investor will receive a Final Tax and Unmatured Portfolio Report identifying each parcel for which the investor had acquired a tax lien.

When making an inquiry on a property, use the parcel number located in the left column of the Portfolio.

Bid Interest: Bids must be on the basis of interest income to the bidder:

- The maximum bid is 16% simple interest per annum, prorated monthly. The lowest acceptable bid is 0% per annum.
- The successful (lowest) bid will determine the rate of interest to be paid on the Tax Lien, representing the amount of taxes, interest, fees and charges then due.

Redemption of Liens: If the owner and/or agent redeems the property, the investor receives a payment of what they paid for the lien, less the processing fee, plus the prorated monthly rate of interest that was awarded at the sale.

Deeds: When a property owner fails to redeem the CP prior to the expiration of three years from the date the parcel was first offered at sale, the investor may apply for a court ordered deed to the property (judicial foreclosure). As of December 31, 2003, the Treasurer's Office does not issue Treasurer's deeds on buyer purchased CPs. All buyer foreclosures are judicial.

Assignments: Assignments offer the investor an alternative way to purchase liens on parcels at a time other than the Tax Lien sale.

The unsold parcels "struck off to state" (State CPs) at the Tax Lien sale are available to investors by assignment. Assignments will be available upon completion of all Sale Week transactions.

Assignment purchases may be made in person or by mail. Payment must accompany the request. Available parcels are listed as "STATE CP" on a printout located in the Client Services Department of the Treasurer's Office.

This listing is available for purchase in two forms, printout or diskette, for \$50 each. It lists the tax amount and year involved. The buyer will pay the entire amount of taxes, interest, and fees due at the date of the assignment. Assignment purchases are not allowed during the tax sale auction. Note: If a parcel also has current delinquent taxes in addition to "State CP" taxes, the investor may purchase both after June 1, and prevent the parcel from going to the Tax Lien sale.

Assignment Purchasing: The buyer will submit a list of desired parcels to the Treasurer's Office, along with a cashier's check, money order, certified check, or wire transfer for the approximate total. The submittals will be recorded and processed in the order in which they are received. Should the original payment be in excess of the amount due, a refund will be issued.

Assignment purchases are processed up to the amount received. Parcels not covered by funds on hand must remain available to other buyers. The interest earned on an assignment will be the current statutory maximum (16%).

"Assignment" must be specified to prevent an inadvertent processing of a redemption of a Certificate of Purchase.

Subtax: Subsequent Tax (Subtax) can be added to an existing lien to protect the investor's fiduciary interest. The subtaxing of the current year's taxes onto an existing lien begins June 1 and ends January 31. All remaining taxes go to the Tax Lien Sale in February.

The investor is responsible for the research of the parcel's unpaid taxes. The subtax consists of taxes, interest, and fees dependent on the date the taxes are being paid. There is an additional \$5.00 fee for each purchase submitted for subtax to be applied for each year requested.

The payment procedure for a subtax is the same as for assignments. The interest earned on a subtax is the same as that of the original CP.

Transfer of Certificates of Purchase: If not redeemed, a CP may be transferred by affidavit to another person who has a Bidder Identification Card on file with the Treasurer's Office. There is a \$10.00 transfer fee. The Treasurer's Office must be notified of the transfer for it to be valid. The Treasurer pays the redeemed taxes to the last CP holder on record.

Monthly Activity Statement: An Activity Statement will be sent to each CP buyer listing their redemptions, purchases, and surrenders. Statements will not be sent for those accounts that have not had activity.

ROGUE INVESTOR NOTE: The Maricopa County tax lien sale is usually held the first full week before President's Day in February.

(6a) Tax Lien Sale Disclaimer

<http://treasurer.maricopa.gov/research/disclaimer.htm>

Excerpt from web page:

Pursuant to Arizona Revised Statutes, Section 42-18201, you must hold the certificate for a period of three years from the date of original offering before initiating an action in Superior Court. You are advised to investigate, prior to bidding, to determine whether the property would be of sufficient use or value to you should you be fortunate or unfortunate enough to be in a position to obtain a deed at some future date.

Legal descriptions are obtained from the assessment and tax roll generated by the County Assessor, who, by the way, does not guarantee the descriptions are complete or entirely correct. You are advised to independently verify legal descriptions prior to bidding. Otherwise, difficulties, including obtaining title insurance, may occur in connection with foreclosure.

In the event the Board of Supervisors, by resolution, retroactively cancels a property or corrects the valuation or classification of a property, you may not receive the anticipated interest.

The tax lien you wish to purchase may be rescinded due to a pre-existing stay order from Bankruptcy Court. In that case, only your purchase price will be refunded to you at such time as the existence of the stay order affecting a particular property is made known to the Treasurer.

In the event of bankruptcy proceedings either before or after the sale of the lien, there is no guarantee the purchaser of the tax lien will receive the anticipated interest, or any interest whatsoever. The United States Bankruptcy Court will make that determination.

In the event a property has been split from another property with delinquent taxes, there may be tax liens prior and superior to the one you are purchasing. You are advised to research such genealogy and tax status prior to bidding.

Due to re-platting, conveyances, etc., real estate may have a different legal description and/or different parcel number for different tax years. Once again, you are advised to research the genealogy of a property prior to bidding in order to buy all delinquent taxes under all numbers for that property. So that Maricopa County may report interest received by certificate holders in accordance with Internal Revenue Service regulations, this Office is required by the Federal Government to obtain the tax identification number of the buyer at the time of purchase of the tax lien. Accordingly, please present your properly executed form W-9 to the cashier together with your payment. Pay particular attention to any change in your current business status, such as a new corporation or subchapter "s," etc. Processing of your certificate will not begin until a properly filled out W-9 is received, no exceptions. New regulations implemented by the Federal bureaucracy require us to withhold 31% of the proceeds for non-compliance or incorrect reporting of the tax identification number to the IRS.

You are advised that, pursuant to the laws of the State of Arizona, specifically ARS 42-18116, in the event a person to whom a tax lien has been sold fails to pay the amount due and the sale has closed, the Treasurer may recover the amount bid by civil action in a court of competent jurisdiction.

At the completion of each day, you may submit written requests for parcels already offered and not bid on. The total for these requests will be included in the next session's total.

(6b) 2008 Tax Sale Details

<http://treasurer.maricopa.gov/research/details.htm>

1. The Tax Lien Sale of unpaid 2006 real property taxes will begin on February 1st, 2008. The Treasurer's tax lien auction web site should be available by January 17th, 2008. If you do not have access to a computer, the Treasurer's Office will provide public access computers by appointment at designated locations.

2. To be eligible to bid, you must complete the following steps on the web site:

- a) Complete online registration
- b) Complete IRS Form W-9
- c) Submit a deposit (online via ACH)
- d) Establish a budget
- e) Receive bidder number assignment.

A social security number or tax identification number must be provided for each buyer and must belong to the person listed on the W-9 form. The tax certificate list, redemption checks and 1099 interest earnings will be issued exactly as indicated on your W-9 form. Until the tax sale is complete, no changes will be made to the bidder number issued. A change of name or tax identification number will constitute an assignment and is subject to a service charge for each certificate changed.

3. A deposit of 10% of your expected bids must be made prior to the close of any batch in which you intend to submit bids. A minimum deposit of \$500.00 is required for each bidder. All payments must be made via the Payments Page on the web site. Payments will not be accepted via any other means. There will be no exceptions to these requirements.

4. Bidding starts at 16% and interest is bid down until sold. Bids may be made in 1 percent increments. A "zero" interest bid will get the bidder the certificate with no interest. When your bid is recognized as the low bid on the Results Page, you are obligated to pay for the certificate even if the bid was unintentional.

5. The properties will be auctioned in the order listed in the newspaper. Bidders will be able to begin entering interest rates on the web site beginning the day that the first newspaper advertisement is published. Some items listed in the newspaper and on the web site will not be auctioned due to payments being received after the list was prepared for publication.

6. After the sale, the successful bidders are given a date by which they must pay the balance due via ACH Debit on the Payments Page of the web site. A listing of certificates purchased will be provided to each buyer. A bidder failing to make payment in the specified time will forfeit the deposit, and the certificates will be re-sold.

7. The Treasurer reserves the right to cancel or correct certificates issued in error. Interest payments may be affected by bankruptcies, U.S. Marshal seizures, property taken over by a receiver, etc.

8. Caution: This is not a sale of real property. It is a lien for the amount of delinquent taxes plus interest and other fees. Contact with property owners initiated by certificate owners to encourage payment at any time is not recommended. Contact or behavior of a certificate holder deemed unfair or deceptive may result in criminal prosecution. An "Action to Foreclose" filed in the Superior Court three years from the sale date is the only method to compel payment.

(6c) Frequently Asked Questions Regarding Tax Liens

http://treasurer.maricopa.gov/research/faq_lien.htm

What happens when property taxes become delinquent? Delinquent property taxes accrue interest at an annual rate of 16% simple interest prorated monthly. In addition, when a property tax lien is listed for sale there are advertising fees (\$5.00 or 5%, whichever is greater) plus sale fees.

Are delinquent taxes publicized? The Treasurer's Office must publish the list of delinquent taxes at least once, not more than three weeks before the sale but not less than two weeks. The list is published in a newspaper of general circulation and is selected by the County Board of Supervisors.

What does the newspaper ad contain? The place, date and time of the tax certificate sale. A listing of each parcel showing the parcel number, delinquent tax amount, the property owner's name, and the property's legal description. In addition, each listing includes the Assessor's full cash value of the land, improvements and any personal property associated with the property. The parcels are consecutively numbered for reference during the sale.

Where can I get a list of delinquent taxes? The parcel list will be advertised in the Arizona Business Gazette. The publication date is January 17, 2008. You may also access the list at www.ananews.com approximately one week after the publication date.

You can find a copy of this publication beginning January 17, 2008 at any newsstand; see www.abgnews.com for locations.

The Arizona Business Gazette
P.O. Box 194
Phoenix, AZ 85001-0194
Phone: 602-444-7312

May I obtain a list on CD? Yes, contact the Treasurer's Office at 1-602-506-5850 if interested; the cost is \$25.00 and will be available January 17th, 2008.

What are "tax lien certificates"? They are a first lien on the real estate. Buyers are provided a listing of all certificates purchased.

How does someone acquire a tax lien certificate? At the public auction conducted each February. The auction is called a Tax Lien Certificate Sale.

When is the Tax Sale? The 2008 Tax Sale will be held Friday, February 1st.

Where will the sale be held? The Tax Sale will be conducted completely on the Internet.

When are my bids due? Bids can be submitted on the web site once the Advertised List is published on the Internet, usually in mid January. The advertised list will be divided into several batches. Bids can be withdrawn or altered at any point up to the closing of the batch on the day of the sale.

Who may participate in the Tax Certificate Sale? Anyone. To participate in the sale a bidder must register with the Treasurer's office. A person must visit the office and complete a Bidder Information card. The Office requires your legal name, the name of a contact person, a valid mailing address, current phone number, email address, and Tax ID number. To obtain the card and form, you can come into our office, email us at treasurer@mail.maricopa.gov, or download the bidder form.

Beginning January 11th the registration process may be completed on the Internet via the Tax Sale Web site. A bidder number is assigned for identification purposes during the sale. Bidders are required to make a deposit via ACH Debit on the Tax Sale Web site Payments Page that is 10% of the estimated amount they intend to purchase. The Treasurer's Office requires a minimum deposit of \$500.00. The deposit may be increased any time prior to the close of the auction.

What do I do if I forget my password? Please be careful to remember your password, as it is the key to your access to the Tax Sale Web site. If, however, you forget your password, it may be recovered easily by clicking on the "Forgot your password?" link on the Tax Sale Web site home page. When you provide your matching personal information, a new temporary password will be sent to your registered email address. This password will need to be changed after your next login.

If one bidder wants to purchase for several buyers, how is this handled? It is the responsibility of the bidder to maintain their own accounts.

Will the Treasurer's Office research parcel information for me? No, the bidder must conduct any research surrounding potential purchases. Utilize Parcel Inquiry to research parcel information.

Where may I obtain copies of the Arizona Revised Statutes that pertain to the tax liens? Statutes are available online (Title 42, Chapter 18, beginning with Article 3), and at the Maricopa County Law Library, 101 W. Jefferson Street, Phoenix, AZ 85003, phone 1-602-506-3461.

What is an Internet auction? An auction in which bids are transmitted and received through the Internet using a computer and a web browser.

How does the bidding proceed? Each item is auctioned in the order listed in the publication. The bidding begins at 16% (the maximum rate) and is bid down. The "winning" bidder's number and rate of interest are recorded. Any item not bid upon is "sold" to the State.

What equipment or software do I need to be able to participate? A bidder must have a computer with Internet access and a web browser (recommended: Internet Explorer 5.0 or higher on Windows 98, Me, NT, 2000, or XP; Netscape 7.1 or higher; or Mozilla FireFox 0.8 or higher). If you do not have access to a computer, the Treasurer's Office will supply computers for training and/or bidding by appointment. You can reach the Treasurer's office at (602) 506-8511. Also, many public libraries and other buildings make computers available to the general public.

Who will show me how to use the Internet auction system? Users are encouraged to participate in a Self Demo, Trial Auction or a Guided Demo prior to bidding.

Self Demo: Please click the Demo button on the Tax Sale Web site Home page and follow the instructions. The instructions are designed to lead users through the auction process.

Trial Auction: Please click the Trial Auction button on the Tax Sale Web site Home page. The Trial Auction is a simulation of a real auction, in which bidders practice bidding and, subsequently, viewing auction results.

Guided Demo: Please contact Auction Support to receive a Guided Demo (which is available only after user completes the Self Demo). Auction Support will guide the user through the auction process on the website over the phone at 800-410-3445 x1.

What is a batch? A Batch is an auction subgroup of the Advertised List that serves as a means of organizing tax certificates for the purpose of facilitating bid submission. Each tax certificate in each Batch is auctioned independently of every other tax certificate and arranged in sequential order with a unique auction closing time for each Batch.

What is proxy bidding? In a live auction, a bidder will lower his bid by one percent increments until he is the only bidder left or until the interest goes below his acceptable minimum level, at which point he would drop out. Proxy bidding is a form of competitive sale in which bidders enter the minimum interest rate that they are willing to accept for each certificate. The auction system acts as an electronic agent, submitting bids on behalf of each bidder. The result of the proxy system is that the electronic agent keeps lowering the bid to submit by one percent increments until you are either the only bidder left (in which case you get the certificate at one percent lower than the previous bid), or until you reach the floor you have set. Zero percent bids will not be treated as proxy bids. They will be awarded at zero.

If you are the only bidder on a given certificate and your minimum rate is greater than zero percent, the electronic agent will submit a bid of 16% on your behalf.

In the case of a tie at the winning bid rate, the system awards to one of the tie bidders through a random selection process using a random number generator.

In no case will a bidder be awarded a certificate at a rate lower than his specified minimum acceptable rate.

Certificates that receive no bids will be "struck to the state" at 16%.

When do the bidders have to pay the amount due for their purchases? Bidders will receive an email invoice on February 1st, 2008 indicating the total amount due, if any. All payments must be made via ACH Debit on the Payments Page of the Tax Sale Web site by no later than 5:00 p.m. on February 2nd, 2008. Failure to pay by that date results in the forfeiture of the deposit and makes the certificates available for re-sale.

What is an ACH debit? An ACH debit is an electronic funds transfer from your bank account, initiated by the Treasurer with your prior authorization. Debits entered on the Payments Page of the web site will be submitted immediately for processing. Funds must be drawn from a U.S. financial institution. Some types of money market, brokerage, and/or trust accounts cannot accept ACH debits. Please check with your financial institution prior to initiating payment on the web site. For more information on ACH, please visit the NACHA, the Electronic Payments Association at www.nacha.org.

What happens to my security deposit if I don't win any certificates in the auction? Refund of unused monies to your account will take about 2 weeks to complete. Refunds are issued via ACH debit by the Treasurer 7 to 10 business days after the auction date. You will be notified about your refund by email.

How does the holder of the certificate receive the interest income? The Treasurer remits the principal (face amount of certificate) and the interest earnings if the property taxes are paid by the owner or an agent.

Can interest rates be changed after the bid? If a certificate should be cancelled or reduced, the interest earned will be 10% per year, simple interest or the rate of interest bid at the tax certificate sale, whichever is less on the cancelled or reduced amount. Bankruptcy rulings may also affect interest rates.

Why would a certificate be cancelled or reduced? To correct errors, omissions, or double assessments and when ordered by a court.

Are tax sale certificates transferable? Certificates may be transferred by completing an endorsement form and paying the applicable fees, prior to redemption.

What about tax certificates issued to the state? State held tax certificates may be acquired by individuals after the close of the tax sale. The Treasurer's Office will announce the date(s) these certificates become available on the main page of our website.

What is the "life" of a tax certificate? Certificates are dated as of the date the purchase was made. Ten years later, if the purchaser has taken no additional action to foreclose the tax lien, the lien expires and is voided. No payments will be made to the purchaser. A purchaser may initiate a Judicial Foreclosure action after three years from the initial purchase date.

What is the tax deed process? Any certificate holder including the County may file an "Action to Foreclose" in the Superior Court of Maricopa County three years from the date of the sale.

How do we find out what tax liens were not purchased? The State CP Report will be available for public viewing in our customer service area or you can purchase a CD containing this list for \$50.00 after the sale.

When will the liens not purchased at the sale be available? To be announced at a later date. These purchases will have additional fees included that are non-interest earning and non-refundable.

Are certificates printed? The Office is paperless; this means Certificates are no longer printed. At the end of the sale, you will receive an itemized listing of the certificates you purchased including their costs, via email from Bid Maricopa. Additionally, the Maricopa County Treasurer's Office will send to you, via USPS, an activity report on the third business day of each month when activity has occurred on any of your certificates in the prior month. Finally, an unmatured portfolio will be sent to you at the end of the first week of March, via USPS.

How are we notified when liens have been redeemed? Monthly activity statements will be sent out the third business day of each month to only those buyers that have activity in that month. For those paperless buyers, the Office will process the refund check the same day or following business day. If multiple redemptions occur in the same day, a person may receive one check for various liens. The stub will be itemized with the parcel, CP and dollar amount per lien. The Office has the capability to include 11 redemption amounts per check.

(6d) Tax Lien Sale Recommendations

<http://treasurer.maricopa.gov/research/recommendations.htm>

Important Notice: As a potential investor of tax liens, you are advised to thoroughly research all aspects of property you are interested in to determine its value to you. (See also, Disclaimer: <http://treasurer.maricopa.gov/research/disclaimer.htm>.)

What You Should Do/Know: You should independently verify legal descriptions of properties before bidding. Otherwise, difficulties, including obtaining title insurance, may occur during foreclosure proceedings.

You should research genealogy and tax status of properties before bidding. Maricopa County and the Maricopa County Treasurer make no title warranties on properties at the sale. Neither the County nor the Treasurer warrants title concerning disclosed or undisclosed title problems including any environmental problems.

You should know that on certain parcels, in addition to the ad valorem taxes offered for a tax lien sale, there may be special assessments due that are unknown to the Maricopa County Treasurer.

You should know that in the event the Board of Supervisors retroactively cancels a property or corrects the valuation or classification of a property by resolution, you may not receive the anticipated interest.

You should know that the tax lien which you wish to purchase may be rescinded due to a pre-existing stay order from bankruptcy court. In that case, only your purchase price will be refunded to you at such time as the existence of the stay order affecting a particular property is made known to Maricopa County and the Maricopa County Treasurer.

You should know that in the event of bankruptcy proceedings either before or after the sale of a tax lien, there is no guarantee that the investor of the tax lien will receive the anticipated interest or any interest whatsoever. The United States Bankruptcy Court will make that determination.

Resources: A wide variety of research materials on property tax liens are available to the general public. The Maricopa County Treasurer's Office has computers, and microfiche and microfilm, to research County and Treasurer's Office records. A county borders boundary map is displayed in our customer service area to assist you in determining property locations. Client Service representatives of the Treasurer's Office are available Monday through Friday, between 8:00 a.m. and 5:00 p.m. to assist in answering tax lien questions.

You may obtain general tax information by reviewing this website, as well as the Assessor website at <http://www.maricopa.gov/assessor>. In addition to our website, the Treasurer's Office offers computer dial-up accounts. For additional information regarding these services, please contact our office at (602) 506-8511. To obtain copies of Arizona Revised Statutes, you may visit the Maricopa County Law Library at 101 W. Jefferson Street, Phoenix, AZ, phone: (602) 506-3461, or check out A.L.I.S. (Arizona Legislative Information Services) at <http://www.azleg.state.az.us>.

(6e) Tax Lien Statistics

<http://treasurer.maricopa.gov/research/stats.htm>

Tax Sale History: <http://treasurer.maricopa.gov/research/stats.htm#1>

Liens Sold as of 2/29/2008: <http://treasurer.maricopa.gov/research/stats.htm#2>

Outstanding Sold Liens as of 2/29/2008: <http://treasurer.maricopa.gov/research/stats.htm#3>

Redeemed Sold Liens as of 2/29/2008: <http://treasurer.maricopa.gov/research/stats.htm#4>

State Liens as of 2/29/2008: <http://treasurer.maricopa.gov/research/stats.htm#5>

ROGUE INVESTOR NOTE: Web page also includes tax sale history for sale years 1997 to 2007.

(6f) Application for Bidder Number

http://treasurer.maricopa.gov/research/cp_bidder_card.pdf

All participants in the bidding at the Back Tax Sale must be identified before bidding.

(6g) Arizona Tax Lien Sale Calendar

http://treasurer.maricopa.gov/research/az_calendar.htm

Arizona tax lien sales by county.

BOARD OF SUPERVISORS

<http://www.maricopa.gov/BOS/contact.aspx>

301 W. Jefferson, 10th Floor

Phoenix, AZ 85003

Phone: (602) 506-3416

ROGUE INVESTOR NOTE: Tax deed sales are scheduled when there are enough properties to warrant a sale (no set time of year).

MOHAVE COUNTY, ARIZONA

<http://www.co.mohave.az.us>

TREASURER'S OFFICE

http://legacy.co.mohave.az.us/depts/bos/bos_default.asp

(1) Tax Lien Sale

<http://www.co.mohave.az.us/ContentPage.aspx?id=132&cid=223>

This year's Tax Lien Sale will be held online by Realauction.com: www.mohavetaxsale.com.

The total dollar amount purchased from the 2008 annual tax sale was \$1,405,655.78. Tax liens sold on 3091 parcels.

We are accepting assignment requests as of 8:00 a.m., April 2, 2008.

Download parcels available for assignment:

<http://resource.co.mohave.az.us/File/Treasurer/parcelsavailableforassignment.pdf>

Each year, no further assignments will be accepted after the last Friday in November, until the Tax Lien Sale is complete.

Download Sale Information: <http://resource.co.mohave.az.us/File/Treasurer/taxsaleinstructions.pdf>

We suggest you print the form and read it carefully. Although we are happy to answer inquires, many questions can be answered after reading the form.

Download Assignment Requests: <http://resource.co.mohave.az.us/File/Treasurer/assignmentrequest.pdf>

We suggest you print the form and read it carefully. Although, we are happy to answer inquires, many questions can be answered after reading the form.

Download Judicial Foreclosure Procedures:

<http://resource.co.mohave.az.us/File/Treasurer/QuietTitleInstructionspurchaser.pdf>

Download 2008 Tax Sale Results:

http://resource.co.mohave.az.us/File/Treasurer/2008taxsale_results.pdf

The report is lengthy, about 100 pages. It includes all parcels in the 2008 tax lien sale. Bidder numbers are not included. If a parcel had been bid to 0% or 16% it may be available for assignment request.

Download W9 Form: <http://resource.co.mohave.az.us/File/Treasurer/fw9.pdf>

2008 Tax Sale Parcel List: http://legacy.co.mohave.az.us/depts/treas/tax_sale.asp

For inquires about assignment requests contact our office at 928-753-0737.

Connie Wenerstrom, ext 4279, connie.wenerstrom@co.mohave.az.us

Dolores Valdez, ext 4126, dolores.valdez@co.mohave.az.us

Shondi Dunlap, ext 4132, shondi.dunlap@co.mohave.az.us

ROGUE INVESTOR NOTE: The tax sale list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(2) Judicial Foreclosure Procedures

<http://legacy.co.mohave.az.us/depts/treas/QuietTitleInstructionspurchaser.pdf>

Judicial Foreclosure Right to Redeem Tax Lien Certificate ("Quiet Title Action")

See Arizona Revised Statutes, Title 42, Article 5, Sections 42-18201 through 42-18208 (located online at <http://www.azleg.state.az.us>).

Disclaimer: Treasurer's Office staff cannot give legal advice; however, the following information may be helpful to you in processing a Quiet Title Action through the Mohave County Treasurer's office.

Please reference the parcel number on all documents.

Step A: Lien holder mails a letter of intent to start a "Quiet Title Action." (ARS 42-18202)

- Must be mailed by Certified Mail
- Copy mailed to the Mohave County Treasurer.

Step B: After filing a complaint and summons with Superior Court:

- Copy goes to Treasurer to flag the file in case owner calls to redeem parcel.

Step C: Before going to court for judgment:

1. When submitting an affidavit for execution by the Treasurer's office:

- Requests should be made five working days notice before the court date. Due to recent increased volume of requests we cannot ensure timely completion of the affidavit without sufficient advance notice.
- Can verify only that the information stated in the affidavit is accurate.
- Will indicate on the affidavit the amount of taxes and penalties due at the time the affidavit was completed.
- Cannot ensure timely processed reassignments unless reassignment forms are submitted five days before the Affidavit is submitted to the Treasurer's office (due to increased volume of reassignments). We strongly suggest that you review the tax certificate you are going forward with to ensure commencing the lawsuit in the name of the correct plaintiff to avoid this issue.
- Cannot accept reassignments without payment. All unpaid reassignments will be returned.
- Please include a cover sheet with the Affidavit that indicates the date and time of court, to assist us in timely processing your request.
- The affidavit will be signed by the Treasurer, Chief Deputy Treasurer, or other Deputy Treasurer.
- The Treasurer's office will ensure that the affidavit is notarized.
- The Treasurer's office will not deliver the affidavit to court.

2. When not requesting an affidavit from the Treasurer:

- Please notify Treasurer's office five days before court date, to allow the file to be pulled to provide you with the necessary information on the day of the hearing.
- Call the Treasurer's office the same day of the hearing to inquire whether the property has or has not been redeemed.

Step D: Upon obtaining Order foreclosing the right to redeem:

1. Provide a copy of the Order.
2. Provide \$50 per parcel processing fee to the Treasurer.
3. Upon receipt of both the Treasurer's Deed will be processed.

It is your responsibility to ensure all steps are complete.

BOARD OF SUPERVISORS

http://legacy.co.mohave.az.us/depts/bos/bos_default.asp

(1) Tax Deed Auction

http://legacy.co.mohave.az.us/depts/bos/clerk_bos.asp

Barbara Bracken, Clerk of the Board
700 W. Beale Street
Kingman, AZ 86401
Phone: 928-753-0731

(1a) Registration Form

<http://legacy.co.mohave.az.us/depts/bos/registrationsheet.pdf>

(1b) BOS Land Sale List

<http://legacy.co.mohave.az.us/depts/bos/2008boslandsalelist.pdf>

List of Real Property in Mohave County, Arizona, Held by the State of Arizona by Tax Deed March 18, 2008, Board of Supervisors Auditorium, 700 W. Beale Street, Kingman, Arizona Registration begins at 8:30 A.M., auction begins at 9:30 A.M.

(1c) Auction Information

<http://legacy.co.mohave.az.us/depts/bos/Auctioninfo.pdf>

Notice of Sale by Public Auction of Real Property Held by the State of Arizona by Tax Deed

Notice is hereby given that the Mohave County Board of Supervisors (the "Board") will sell real property located in Mohave County, Arizona, and held by the State of Arizona by Tax Deed at Public Auction to the highest bidder for cash starting at 9:30 A.M. on March 18, 2008, in the Mohave County Board of Supervisors Auditorium, 700 W. Beale Street, Kingman, Arizona, 86401.

Those persons wishing to bid at the Auction are encouraged to arrive between 8:30 A.M. and 9:30 A.M. on the day of the Auction to apply for a bidder number. A List of Real Property in Mohave County, Arizona held by the State of Arizona by Tax Deed (the "List") and an Auction Registration Form can be found on the Mohave County website (www.co.mohave.az.us). In order to expedite receipt of a bidder number, bidders may wish to fill the Registration Form out in advance and bring it with them for submittal to the County on the day of the Auction.

Pursuant to A.R.S. Section 42-18303, the Board may sell the real property on the List for cash to the highest bidder meeting or exceeding the minimum bid amount established by the Board and set forth on the List, and after such sale, the Board will execute and deliver to the purchaser, at the purchaser's cost, a deed conveying the title of the State of Arizona in and to the parcel purchased to the purchaser. The Board reserves the right to accept or reject any bid and/or withdraw any parcel from the Auction, if the Board deems that such action will benefit the public interest.

Bidders are responsible for fully investigating the properties and understanding what they are bidding on prior to bidding. All properties are sold on an "As Is, "Where Is" basis, and each bidder purchases at his or her own risk. All zoning, building, and real estate laws and regulations still apply to the properties, including, but not limited to, minimum lot size requirements, subdivision rules, and sewage and water requirements. No warranties or representations are made by the state or county or any representative of either the state or county as to any of the properties sold, including, but not limited to, any warranties or representations regarding the use, usability, marketability, condition of title, boundaries, or value of any property sold, claims or liens affecting any property sold, the ability of a purchaser to obtain title insurance on any property sold, the availability of water, utilities, irrigation, sewers, access, ingress or egress, street or road improvements or maintenance, zoning, suitability for building, flood plain status, or any physical or environmental characteristics relating to the property. Title insurance companies may require a quiet title action prior to issuing title insurance on any of the properties sold.

All sales are final upon acceptance of the final bid by the Auctioneer. Successful bidders are required to pay for the property purchased in full on the day of the sale. Acceptable forms of payment are cash, cashier's check, personal check with valid State picture identification, or money order for the full amount bid. If any bidder fails to pay the required amount on the day of the sale, such failure will be forwarded to the Board and the County Attorney's Office to pursue all legal action thereon available to the County. No refunds will be made.

Questions regarding this sale should be directed to the Clerk of the Board's Office, P.O. Box 7000, 700 W. Beale Street, Kingman, Arizona 86402, Telephone Number (928) 753-0731.

PIMA COUNTY, ARIZONA

<http://www.pima.gov>

TREASURER'S OFFICE

<http://www.to.pima.gov>

Beth Ford, Treasurer

(1) Contact Information

<http://www.to.pima.gov/contact.html>

Pima County Treasurer's Office
115 North Church Avenue
Tucson, AZ 85701-1199
Phone: (520) 740-8341
Fax: (520) 884-4809
Email: TWebmaster@pima.gov

(2) Frequently Asked Questions

<http://www.to.pima.gov/faq.html>

What happens if my taxes go delinquent? According to state law, once the delinquency date has passed interest starts to accrue at 16% per year prorated monthly. That means you will pay 1.333% on the amount of tax due whether you pay on the last day of the month or the first day of the month. For taxes that are not paid before January of the following year, an additional \$5.00 or 5% penalty is assessed. In February, those delinquent taxes will be offered for sale at our Delinquent Tax Lien Sale. This is a sale of the lien for delinquent taxes, not your property. After three years from the date of the sale, the purchaser of your taxes can foreclose on the lien and acquire your property.

When is the Delinquent Tax Lien Sale? We hold our Delinquent Tax Lien Sale the last week in February. No auction takes place on Tuesday because the Pima County Board of Supervisors meets on that day. The sale usually ends Thursday or early Friday.

ROGUE INVESTOR NOTE: The tax lien sale date is usually the last Monday of February.

(3) Tax Lien Sale Information

http://www.to.pima.gov/tax_lien_sale.html

2008 Tax Lien Sale: http://www.to.pima.gov/resource/2008_Tax_Lien_Sale_Booklet.pdf

Expiring Liens: http://www.to.pima.gov/resource/expiring_liens.pdf

Bankruptcies: <http://www.to.pima.gov/resource/bankruptcies.pdf>

Reassignment Form: http://www.to.pima.gov/resource/reassignment_form.pdf

County Map: <http://www.to.pima.gov/resource/bookmap.pdf>

(3a) 2008 Tax Lien Sale Information

http://www.to.pima.gov/resource/2008_Tax_Lien_Sale_Booklet.pdf

ROGUE INVESTOR NOTE: Table of Contents: Disclaimer, Recommendations, Definition and Procedures of a "Tax Lien Sale," The Deeding Process, Redemption of a Tax Lien Certificate, New Assignment Purchases, Subsequent Tax Purchases, Expiration of Tax Liens, Contact Information.

(3b) Expiring Liens

http://www.to.pima.gov/resource/expiring_liens.pdf

List of the names of lienholders who presently hold liens which will be subject to expiration per Arizona Revised Statutes Section 42-18208 B.

(3c) Bankruptcies

<http://www.to.pima.gov/resource/bankruptcies.pdf>

Parcels flagged as bankruptcies as of January 19, 2007.

BOARD OF SUPERVISORS

<http://www.pima.gov/bos/bos1.html>

130 W. Congress, 11th Floor, Tucson, Arizona 85701
Receptionist phone: (520) 740-8126
Fax: (520) 884-1152

REAL PROPERTY SERVICES (PUBLIC WORKS, DEPARTMENT OF TRANSPORTATION)

<http://www.dot.pima.gov/realprop>

Christina Biggs, Manager
Public Works Center, 201 North Stone Avenue, 6th Floor
Tucson, AZ 85701-1207
Phone: 520-740-6313
Fax: 520-740-6763

(1) Application for Sale of Treasurer Deeded Property at Public Auction

<http://www.dot.pima.gov/realprop/pdfs/ApTreasD.pdf>

PINAL COUNTY, ARIZONA

<http://pinalcounty.az.gov>

TREASURER'S OFFICE

<http://pinalcountyz.gov/Departments/Treasurer/Pages/Home.aspx>

Pinal County Treasurer
31 N. Pinal Street, Building E
Florence, AZ 85232
Phone: 520-509-3555
Toll free: 888-431-1311
Fax: 520-868-9007
Email: CustomerService@co.pinal.az.us

(1) Tax Lien Sale Information

<http://pinalcountyz.gov/Departments/Treasurer/Pages/TaxLienSale.aspx>

Definition: The Pinal County Tax Lien Sale is held in February of each year in compliance with Arizona Revised Statutes Section 42-18112. The sale involves the delinquent taxes for the previous tax year.

It should be understood that the Treasurer is offering for sale and you are purchasing a tax lien on the property only. You have no right to enter upon, build on, or sell this property until you have obtained a deed. The property subject to the tax lien sale for delinquent taxes will be published in the Florence Reminder and Blade-Tribune. A copy of the list may be purchased at the Treasurer's office or by contacting the newspaper office at P.O. Box 910, Florence, Arizona 85232 or call (520) 868-5897. The sale information and all eligible tax liens are also available on the Treasurer's website at <http://pinalcountyz.gov/Departments/Treasurer>.

Bidding Process: The sale will be conducted on the Internet via the Treasurer's website. The tax lien auction will begin at 9:00 a.m. (MST, our server time) on February 21st, 2008 and close at 4:00 p.m. (MST, our server time) on February 21st, 2008.

All parcels will be offered for sale in the order in which they appear in the Florence Reminder and Blade-Tribune. All sales are final. All purchasers are required to deposit \$500 with the Pinal County Treasurer at least 48 hours prior to the sale. Purchasers are required to "Checkout" in order to pay for the parcels successfully bid upon at the conclusion of the sale.

The bidding will begin at sixteen percent (16%) and shall be awarded to the bidder who offers to accept the lowest rate of interest.

Amount of Purchase: The amount in the legal advertisement shows the taxes being offered for sale, as well as the prior year(s)' delinquent taxes, and all interest, fees and penalties now owing on the property. This is the amount you must pay to become a successful bidder. The parcels appearing in the newspaper with an (*) after the total amount include delinquent taxes which are due on a parcel from which the advertised parcel was split. We advise all purchasers to research these parcels prior to the tax sale.

Payment for Certificate: The total purchase amount is expected to be paid at the end of the sale. At the time payment is received, you will be issued a receipt for the purchase of a registered tax lien certificate for each parcel.

Bidder Registration: To become an eligible bidder, you must fill out a bidder information form, a W-9 and have \$500 on deposit with the Treasurer. A bidder number, login and password will be assigned to you upon completing the registration process. It is your responsibility to provide banking information and initiate a deposit for the tax lien sale.

Subsequent Taxes: After the purchase of a tax lien certificate, you may pay, each year, subsequent taxes until redeemed. Subsequent taxes for the current tax year cannot be paid before June 1st, of the succeeding year. Any person paying subsequent taxes, accrued interest and related fees then due upon the real property for which he/she holds a certificate of purchase, shall be given a treasurer receipt for the subsequent taxes paid. The amount paid will be electronically added to the face value of the registered certificate and endorsed by the treasurer as required by law (ARS 42-18121). The county treasurer shall collect a fee of five dollars (\$5.00) from the holder of the certificate (ARS 42-18121).

Redemption of a Tax Lien Certificate: Any time during the period you are holding the tax lien certificate, it is subject to redemption by the property owner, his agent, assignee, attorney, or by any person having a legal or equitable claim therein, including a purchaser of a certificate of a different date (ARS 42-18151/18153). Should the tax lien certificate be redeemed any time prior to deeding, you will receive the purchase amount, less non-refundable fees, plus the rate of interest bid at the time of the sale, not to exceed 16%. If purchased at the tax lien sale, interest will accrue from February 1 and each month thereafter until redeemed (ARS 42-18153). Any portion of a month counts as a whole month (ARS 42-18053).

Deeding Process: In order for you to obtain a deed to the property purchased by a tax lien, you must hold a tax lien certificate for three years from the date the certificate was offered for sale, then bring a foreclosure action in a court of competent jurisdiction within Pinal County to foreclose on your lien (ARS 42-18203/18204).

Know What You Purchase: You are urged to inspect all property before making a bid thereon. Pinal County and the Pinal County Treasurer do not warrant title concerning disclosed or undisclosed title problems including any environmental problems. Bidders should understand that on certain parcels, in addition to the ad valorem taxes offered for a tax lien sale, there may be special district assessments due which will have to be paid current and each subsequent year until paid in full. These parcels may also have city assessments as well as irrigation assessments, unknown to the Treasurer.

If the property on which you are bidding has an older certificate already upon it, you will be sold the oldest certificate available. If there is an older certificate which has been purchased by a previous buyer, you are required to redeem that certificate. Prior certificate amounts redeemed will be added to your new certificate.

Refund Policy: All tax lien certificates purchased are done so with the full knowledge of the purchaser that there could be outstanding legal reasons, unknown by the Treasurer at the time of the sale or

occurring after the sale, that would make the lien unenforceable. Should this occur, the successful bidder may recover the amount he has paid less the non-refundable fees.

If the Treasurer is notified of a bankruptcy after the tax lien has been purchased, you will be notified by the Treasurer who will also advise the bankruptcy court that you are the real party of interest. You will then have to respond to the Bankruptcy Court. A sale of property in bankruptcy unknown to the Treasurer is not in violation of the general stay. In no event will this be considered an illegal sale and the Treasurer is not obligated to repurchase the certificate.

Fee Schedule: A non-refundable purchase fee will be added to each parcel sold. A purchase up to \$400.00 will require a purchase fee of \$5.00; any purchase \$400.00 or over will require a purchase fee of \$10.00 (ARS 11-495 & 42-18116(c)).

Certificate of Purchase fee of \$10.00 is added for each parcel sold and will be included in the certificate amount (ARS 42-18118(d)). Subsequent tax fee is \$5.00 (ARS 42-18121(b)). Resale or Assignment of tax liens is \$10.00 (ARS 42-18122(b)). Court ordered deed fee of \$50.00 will be charged for each parcel (ARS 42-18205).

State Deed Sale: In addition to the tax lien sale described above, the Pinal County Board of Supervisors conducts a sale of parcels of land that have been deeded to the State of Arizona after taxes are seven years old and have not been purchased by an individual (Article 7 ARS 42-18301). For more information concerning these parcels, please contact Mr. Gary Medina, Special Services Administrator, at gary.medina@co.pinal.az.us, by phone at (520) 866-6206, or by mail at P.O. Box 827, Florence, Arizona 85232.

(1a) 2008 Tax Lien Sale Information Booklet

<http://pinalcountyz.gov/Departments/Treasurer/Documents/Downloads/TaxLienBooklet.pdf>

ROGUE INVESTOR NOTE: Table of Contents are Introduction, Definition of a "Tax Lien Sale," Bidder Registration, The Deeding Process, Redemption of a Tax Lien Certificate, Treasurer Contact Information, Refund Policy, Important Bankruptcy Information, Subsequent Taxes, Know What You Purchase, State Deed Sale, Fee Schedule, Internet Auction Procedures.

(1b) On-line Tax Lien Sale Instructions

<http://pinalcountyz.gov/Departments/Treasurer/Documents/Downloads/TaxLienBooklet.pdf>

(2) Certificates Due to Expire

<http://pinalcountyz.gov/Departments/Treasurer/Documents/Downloads/ExpiredCertificates.pdf>

(3) Purchase Available Tax Liens

<http://pinalcountyz.gov/Legacy/Treasurer/TaxSale/Login.aspx>

Tax lien sale date: usually the first week of February

<http://apps.co.pinal.az.us/Treasurer/Search/index.asp?T=TLSale> = Tax Lien Sale

<http://apps.co.pinal.az.us/Treasurer/Search/index.asp?T=TLSearch> = Tax Lien Search

<http://apps.co.pinal.az.us/Treasurer/TaxSale/TaxSaleResults.asp> = Tax Sale Results

Board of Supervisors

<http://pinalcountyz.gov/Departments/BoardofSupervisors/Pages/Home.aspx>

ROGUE INVESTOR NOTE: According to the Treasurer's Office, the Pinal County Board of Supervisors conducts a sale of parcels of land that have been deeded to the State of Arizona after taxes are seven years old and have not been purchased by an individual (Article 7 ARS 42-18301). For more information concerning these parcels, contact Mr. Gary Medina, Special Services Administrator, at gary.medina@co.pinal.az.us, by phone at (520) 866-6206, or by mail at P.O. Box 827, Florence, Arizona 85232.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

REAL AUCTION

<http://www.realauction.com>

(1) List of County Auctions

<http://www.realauction.com/template.cfm?r=LeftMenu/ListCountyauctions>

Arizona online auctions open in January and end during February.

Practice website – Arizona counties, visit <http://www.arizonataxsale.com> (new auction every day)

Coconino County, visit <http://www.coconinotaxsale.com> (now closed)

Mohave County, visit <http://www.mohavetaxsale.com> (now closed)

Yavapai County, visit <http://www.yavapaitaxsale.com> (now closed)

(2) Realnews

<http://www.realauction.com>, left-hand column

Announcements include upcoming tax sale auctions.

(3) Contact Information

<http://www.realauction.com/template.cfm?r=Contactus/Enquiries>

Realauction.com, LLC.

Corporate Headquarters

861 SW 78th Avenue, Suite 102

Plantation, FL 33324

Phone: 954-734-7400

Fax: 954-424-7601

Email: info@realauction.com

Customer support email: customerservice@realauction.com

Arkansas

Tax Lien Sales: No.

Tax Deed Sales: Yes. The State Land Commission handles all county tax sale auctions. Mail-in bids are accepted if received seven days before the sale. If a mail-in bid is received, bidding will start at that amount.

Over-the-Counter Tax Deed Sales: Yes. Tax-defaulted properties that are not purchased at a county's annual tax deed sale will be available on the negotiated sales list 90 days after the sale. These properties may be purchased by mail or in person at the Commissioner of State Lands Office (<http://www.cosl.org>). To purchase, you must submit a sealed bid. The first negotiated sales bid starts a 30-day process during which anyone else can submit a closed bid. The highest bidder wins, but the property owner still has 30 days to redeem. If the property owner redeems, the investor will be refunded his/her money, with no interest.

Rating: Three Stars (***)

Interest Rate: Not applicable to Arkansas' tax deed sales.

Sale Period: Depends on the county. Tax deed sales are conducted throughout the year. Call (501) 324-9222 to find out when sales will be held. Anyone can be placed on a mailing list for a catalog of available properties by contacting the Commissioner of State Lands. The catalog is free. The catalog lists properties for sale, and minimum bid amounts (equal to assessed land value, taxes due and any other fees). Be sure to check the website for the latest redemptions.

Redemption Period: Property owners have a 30-day extended right of redemption following the tax deed sale. If redeemed, the investor receives his/her money back with no interest. If not redeemed, the investor receives a limited warranty deed to the property.

Bidding Process: At tax deed sales, all auctions are by competitive bid. The minimum bid is generally set at the assessed value, which is roughly 20 percent of the appraised value. The bidder is also responsible for back taxes and fees. The winning bidder pays the highest value for the property. Bids can be in person at auction or by mail. If bidding at the auction, you must pay the first \$100 with cash, cashier's check or money order. If bidding by mail, the Commissioner of State Lands must receive the entire bid amount seven days prior to the auction. Properties not sold at auction are offered for sale 90 days after the auction. Properties that did not sell are broken into three categories: S-2 Land Sales (less than one year has elapsed since first offered at auction), S-3 Land Sales (more than one year has elapsed since first offered at auction), and S-4 Land Sales (more than two years have elapsed since first offered at auction). S-4 Land Sales are negotiable, since the county wants to get rid of these properties.

Legal Challenge Period: Arkansas has a two-year litigation period during which the sale can be challenged. For S-4 properties, the litigation period may only be 90 days if the property is classified as a "lot."

State-Specific Information: Arkansas is probably one of the best states for tax deed sales; however, the two-year litigation period makes clearing the title difficult.

Laws Governing the Redemption and Sale of Tax Delinquent Land

§26-37-101. Transfer of tax-delinquent lands.

(a) (1) All lands upon which the taxes have not been paid for two (1) years following the date the taxes were due, October 10, shall be forfeited to the State of Arkansas and transmitted by certification to the Commissioner of State Lands for collection or sale.

(2) No tax-delinquent lands shall be sold at the county level.

(b) The county collector shall hold all tax delinquent lands in the county for two (2) years after the date of delinquency, and if not redeemed by the certification date, which shall be no later than July 1 of the following year, the collector shall transmit it to the state after notice as provided in this chapter indicating all, taxes, penalties, interest, and costs due and the name and last known address of the owner of record of the tax-delinquent land.

(c) Upon receipt of the certification, title to the tax delinquent lands shall vest in the State of Arkansas in care of the Commissioner of State Lands.

§26-37-102. Publication of notice – Fee.

(a) The county collector in each county shall, not less than thirty (30) days nor more than forty (40) days prior to the certification of the land, cause to be published in a newspaper of general circulation in the county:

(1) A list of real property not previously redeemed;

(2) The names of the owners of record;

(3) The amount of the taxes, penalties, interest, and cost necessary to be paid to redeem the property;

(4) The date upon which such period of redemption expires; and

(5) Notice that unless the property is redeemed prior to the expiration of the period of redemption, the lands will be forfeited to the state.

(b) Fees for the publication shall be the same as set forth in § 26-37-108.

§26-37-103. Verification by county assessor.

(a) Prior to certification to the Commissioner of State Lands, the county assessor shall:

(1) Verify the assessment to establish value on all parcels to be certified;

(2) Verify the name and last known address of the owner of record of the tax-delinquent land; and

(3) Determine whether the tax-delinquent land exists;

(b) If the land is found to be nonexistent, the county assessor shall remove the delinquent entry from the assessment rolls.

(c) No tax-delinquent lands shall be certified to the Commissioner of State Lands without the assessor's verification.

§26-37-104. Cost of notices.

All costs of notice shall be added to the costs to be collected from the purchaser or redeemer.

§26-37-105. Collection fee.

The Commissioner shall charge a twenty-five dollar (\$25.00) collection fee against each parcel of tax delinquent land which has been certified to his office.

§26-37-201. Publication of notice – Fee.

(a) The Commissioner of State Lands shall publish a notice of sale of land upon which the ad valorem property taxes have not been paid in a newspaper having general circulation in the county wherein the land is located. The publication fee for the notice shall be the same as set forth in § 26-37-108.

(b) The notice shall:

(1) Contain the assessed value of the land;

(2) Contain the amount of taxes, interest, penalties, and other costs due on the land;

- (3) Contain the legal description of the land;
 - (4) Contain a list of all recorded liens against the land that are known to the Commissioner of State Lands; and
 - (5) Indicate that the land will be sold to the highest bidder if the bid is equal to at least the assessed value of the land as certified to the Commissioner of State Lands.
- (c) The highest bidder shall pay all taxes, interest, penalties, and other costs. Thereafter, all interested parties known to the Commissioner and not previously notified shall receive notice by mail of the sale from the Commissioner.

§26-37-202. Procedure to sell.

- (a) Bidders may bid at the sale or mail their bid to the office of the Commissioner of State Lands. Bids shall be delivered at the appropriate place before the deadline established in the notice of sale.
- (b) If no one bids at least the assessed value, the Commissioner may negotiate a sale. All negotiated sales shall have approval of the Attorney General of the State of Arkansas.
- (c) The Commissioner shall conduct tax-delinquent sales in the county wherein the land is located, unless the Commissioner determines there are not enough parcels of land to justify a sale in one (1) county only. In that case, the Commissioner may hold a tax-delinquent land sale in one (1) location and thereat sell land located in more than one (1) county if the counties wherein the lands are located are adjoining counties.
- (d) The sales shall be conducted on the dates specified in the notices required by this subchapter.
- (e) Unless the owners of record tender all taxes, penalties, interest, and costs due within thirty (30) days after the date of sale, a limited warranty deed will be issued by the Commissioner to the purchaser.

§26-37-203. Conveyance to purchaser – Contest.

- (a) If the tax-delinquent land is not redeemed within the thirty-day period, the Commissioner of State Lands shall issue a limited warranty deed to the land.
- (b)(1) All actions to contest the validity of the conveyance shall be brought within two (2) years after the date of the conveyance or thereafter be barred, except as to causes of actions by persons suffering a mental incapacity, minority, or serving in the United States armed forces during time of war during the two-year period.
- (2) Those persons shall not be allowed to contest the validity of the conveyance after the expiration of two (2) years after the disability is removed or the person reaches majority or the person is released from active duty with the armed forces.
- (c) No deed issued after January 1, 1987, by the Commissioner of State Lands shall be void or voidable on the ground that the county did not strictly comply with the laws governing tax-delinquent land, provided that prior to the issuance of the deed, the Commissioner of State Lands complied with the laws governing the disposition of tax-delinquent land.
- (d) Nothing in this section shall prevent any taxpayer from attacking a deed issued by the Commissioner of State Lands on the ground that taxes have actually been paid.

§26-37-204. Sales set aside.

- (a) In the event the sale is set aside by legal action or if the land is proven to be nonexistent or double assessed, the purchaser shall be entitled to reimbursement of moneys paid.
- (b) The Commissioner of State Lands shall have the authority to set aside any sale. In the event the Commissioner determines that a sale shall be set aside, the purchaser may be entitled to reimbursement of moneys paid to the Commissioner of State Lands.
- (c) In cases where the sales may be set aside by the Commissioner of State Lands or by legal action by the record owner or the heirs or assigns of the record owner, the record owner or the heirs or assigns of the record owner shall pay all back taxes, penalties, interest, and costs charged against the land.

Additional Arkansas Tax Sale Information

Tax deed sales occur in all counties once per year, but the sales are staggered so that every quarter at least 5 or 10 counties have a tax deed sale. The state is also heavily involved in the sales, and their website (<http://www.cosl.org>) is excellent. You can either get a list of the properties available at the sale from the website, or write/call using the contact information below to get a hard copy mailed to you free of charge:

Mark Wilcox, Commissioner of State Lands
109 State Capitol
Little Rock, AR 72201
Phone: (501) 324-9222
Email: <mailto:land@cosl.org>

The following pages on the Commissioner's website provide useful information:

- <http://www.cosl.org/buyer.aspx> = Buyer's Guide
- <http://www.cosl.org/neg.aspx> = Negotiated Sales List
- <http://www.cosl.org/parcelsearch.aspx> = Search Delinquent Property
- <http://www.cosl.org/catalog.aspx> = Auction Catalog

Properties are divided into three categories based on how long they have been in delinquency:

- Class 1 properties have been in delinquency for 4 years and the owner has 2 years left to redeem.
- Class 2 properties have been in delinquency for 5 years and the owner has 1 year left to redeem.
- Class 3 properties have been in delinquency for 6 years and the owner has no time left to redeem. The sale prices for these properties are negotiable, because the state wants to start collecting taxes on these properties as soon as possible.

Cleburne and Van Buren Counties, Arkansas Tax Deed Sales – October 2003

In October 2003, we attended tax deed sales in two Arkansas counties, Cleburne and Van Buren. Here are some actual sales prices for properties sold at the auctions:

- Cabin on a scenic hillside with 11 acres of land sold for \$16,000.
- Lot located on a beautiful lake with trees and lake access did not even sell at the auction. We ran out of time and could not locate the property before the sale. However, when we went to look at it after the sale to see if it was worth bidding on later, we could not believe it. The property could have been purchased for the minimum bid of \$10,000. After doing more research, we learned that lake lots in the same area are selling for \$75,000 to \$100,000.

Arkansas County Links: See Arkansas Tax Sales at <http://www.tax-lien-certificates.com>

California

Tax Lien Sales: The state is authorized to conduct tax lien sales, but no sales have been conducted. At least one county has considered having a tax lien sale.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: Counties are not allowed, by law, to sell properties by any means other than at a public auction.

Rating: Three Stars (***)

Interest Rate: 18% interest rate is authorized, but no tax lien sales have been conducted.

Sale Period: Tax deed sales occur year round.

Redemption Period: No extended right of redemption following the tax deed sale.

Bidding Process: Most counties are conducting their tax deed sales online. State law dictates that the minimum bid for property offered at a public auction tax sale be an amount not less than the total amount necessary to redeem the tax default, plus cost. Except pursuant to Section 3698.5(c) of the California Revenue and Taxation Code, when property interests have been offered at a previous sale and no acceptable bids were received, the Tax Collector may offer that property or property interest at a minimum bid that is less than the amount of the tax default, plus cost. In recent years, properties are often bid beyond their market value. The bidding process at tax deed sales can be very competitive.

Legal Challenge Period: 1 year following the tax sale date.

State-Specific Information: California conducts a great number of tax deed sales, with more than 10,000 individual parcels sold every year. California is an average tax deed sale state. In most cases you will need substantial capital to bid on properties since property values are so high. Be careful not to overbid on properties at highly competitive auctions.

Property Tax Collection Standards and Procedures Information is available on the website of the California State Controller's Office at <http://www.sco.ca.gov/col/taxinfo/tcs/index.shtml>. Counties must notify the State Controller's Office not less than 45 days nor more than 120 days before a proposed sale. As notifications are received, they are posted on the State Controller's website at: <http://www.sco.ca.gov/col/taxinfo/tcs/pubauctions/index.shtml>.

California County Links: See California Tax Sales at <http://www.californiataxdeedsales.com> and <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

ALAMEDA COUNTY, CALIFORNIA

<http://www.acgov.org>

TREASURER – TAX COLLECTOR’S OFFICE

<http://www.acgov.org/treasurer>

Donald White, Treasurer

(1) Property Taxes, Frequently Asked Questions

<http://www.acgov.org/treasurer/faqtaxes.htm>

Property delinquent for the first year shall be declared defaulted for non-payment of taxes. After five years, the Tax Collector has the power to sell tax-defaulted property that is not redeemed.

(2) Tax Collection

<http://www.acgov.org/treasurer/taxcoll.htm>

Prior Year Secured Tax Defaulted Property: The Tax Collector may offer tax-defaulted property, where the taxes remain unpaid for five years or more, for sale through a public auction. This unit provides the following prior year tax services:

- publication of tax defaulted property
- auction sales of tax defaulted property
- sales of tax defaulted property to public agencies
- sealed bid sales of tax defaulted property.

(3) Frequently Asked Questions about Public Internet Auction of Tax Defaulted Land

<http://www.acgov.org/treasurer/defaultfaq.pdf>

Property is sold “As Is” – Inspect thoroughly before you buy!

Why does the county sell tax defaulted property? The primary purpose of a tax sale is to collect taxes that have not been paid by the property owner for at least five years. Under Chapter 7, Part 6, Division 1 of the Revenue and Taxation code, offering the property at public auction achieves this by either selling the property or by forcing payment of the property taxes. If the property is sold, lienholders and the former owner may claim proceeds in excess of the taxes and cost of the sale.

Can I obtain title to a property on the tax sale list by paying the delinquent taxes prior to the sale date? No. Legal title to a tax defaulted property subject to the Tax Collector’s power to sell can be obtained only by becoming the successful bidder at the county tax sale.

Does the county sell tax lien certificates? No counties in California sell tax certificates at this time.

Who is notified of the sale? The law requires the Tax Collector to attempt to notify the current owner, all lienholders and public agencies.

Is the tax publicly advertised? Yes. State law dictates that the legally required notice of a tax sale must be published in a publication within the county three times in successive seven-day intervals before the tax sale.

When does the right to redeem (pay the taxes) a tax defaulted property subject to the power to sell cease? The right ceases at the close of business, 5:00 p.m., on the last business day prior to the sale. There is no extended right of redemption on the State of California as exists in some other states.

How is the minimum bid on a tax sale property determined? State law dictates that the minimum bid on a tax defaulted parcel offered by the Tax Collector at public auction shall be no less than the total amount to redeem the delinquent property taxes plus costs.

Does the county guarantee the property or the ability to develop a property? All property is sold “As Is.” Be an informed bidder. Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. The County makes no guarantee, express or implied, relative to the title, location or condition of the properties for sale. In addition the County assumes no responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances, mining and reclamation regulations, conform to building codes and permits and/or any other applicable regulations or permits. No government entity is liable for damages sustained to property purchased at public auction, including from the time of sale until the recordation of the tax deed to the purchaser. No expressed or implied warranty is given with respect to parcels, and they are sold on an “as is basis.” Bidders are responsible for knowing what they are purchasing. The city planning department can provide zoning, General Plan designation, water source and other information. Examine the County Recorder’s records for any easements on a property. All sales are final.

Do liens or encumbrances on a tax defaulted property transfer to the new owner after purchase of the property at a tax sale? Not all liens are discharged by the sale. Any liens not discharged may be the responsibility of the new owner. Please refer to Revenue and Taxation code section 3712 for a complete explanation of all liens and encumbrances assumed and discharged by the new owner.

How do I find a property I’d like to bid on at the tax sale? Vacant land (which accounts for most properties offered at the tax sale) has no street (situs) address. The County Assessor’s plat maps and map books can determine its approximate geographical location. Improved properties frequently (but not always) will bear a street address, making it easier to determine the general location. Exact boundary lines of a property can be determined only by a survey of the property undertaken at the purchaser’s expense. Assessor’s plat maps may be purchased from the County Assessor’s office.

I am interested in a property, but how do I know if it is still available on the day of the auction? Nothing in the preview list is guaranteed. The right of redemption will be 5:00 p.m. on the last business day before the scheduled auction. The list will be updated as redemptions are made, on a daily basis. It is your responsibility to obtain a current list or check the Bid4Assets website (www.bid4assets.com) for updates.

How can I register as a bidder? Bid4Assets.com will register bidders. Full instructions will be available on the website at <http://www.bid4assets.com>. Parcels require a bidder deposit of 10% of the minimum bid. Bidders are advised to arrange for their deposits early to make sure they are eligible to bid. The Tax Collector’s office will not be registering bidders nor accepting bids and all questions will be directed to Bid4Assets.com.

How does the bidding proceed? All parcels will be sold by Auction ID. Minimum bids will be as stated per parcel and each raise will be in predetermined increments until the close of auction on the stated date and time on the Bid4Assets.com website. For a more detailed explanation of the bidding process, log on to www.bid4assets.com, click on “for buyers” on top of the home page, then click on “How to bid.” You may also bid by proxy if you do not have access to the Internet. More information and instructions are available by calling 1-877-427-7387.

How can a successful bidder pay for a property at the tax sale? Successful bidders must pay through wire transfer via eDeposit as directed on Bid4Assets.com, or by payment in the office in the form of cash or cashier’s check within 72 hours of being advised of successful bid. In addition to the successful bid, the payment must include city and county transfer taxes. Only a successful bidder has the opportunity to purchase County assets. If the successful bidder defaults, under California State Law, the County cannot resort to the second highest bidder and will be required to take appropriate legal action against the bidder who defaults. In addition any bidder which does not complete their purchase by the submission of the appropriate funds will be banned from future County auctions.

If I am the successful bidder how can I hold title (vesting) and how can I take possession of the property? The vesting on the Tax Deed will be as shown on the Deed information form you complete on Bid4Assets.com. The Tax Deed will be mailed to you thirty days from the close of the auction. Once you have the Tax Deed you can proceed to take possession of your property. If there are occupants in the property it is up to the purchaser to commence the eviction process. This is a civil matter and you may

wish to seek private legal advice as the county assumes no responsibility and provides no assistance with this issue.

Is property purchased in a tax sale eligible for insurance? The former owner has one year from the date of recording of the Tax Deed to challenge the validity of the tax sale (Revenue and Taxation code 177, 3725 and 3726). During this one-year challenge period, it may not be possible to obtain a clear title from a title company. Occasionally, a quiet title action is necessary if there has been an irregularity in the title prior to the tax sale. In the event that the former owner is successful at overturning the sale, the sale price would be returned to the purchaser, but any improvements made to the property would not be reimbursed to the person that made them.

What happens to property that does not sell at the tax sale? Can the property be purchased directly from the County? The owner's right to redeem the property revives if not sold. The unsold properties will be offered at subsequent tax sales until redeemed or sold. Properties cannot be purchased directly from the County because the property must be sold at a public auction.

Be sure you want the property before you bid. All sales are final and there are absolutely no refunds. If you default, under California State Law, the County cannot resort to the second highest bidder and will be required to take legal action against you. Failure to consummate the sale within the specified time shall result in the forfeiture of any deposit made and all rights that the purchaser may have had with respect to the property. Failure to consummate the sale will also bar the bidder from participating in future tax sales for Alameda County.

Rules are subject to modification between now and commencement of sale. Property is sold "As Is." Inspect thoroughly before you buy.

(4) 2007 Tax Defaulted Land Auction Results

<http://www.acgov.org/treasurer/results-auction.pdf>

Public auction results – March 21 - 27, 2007.

(5) Contact Information

<http://www.acgov.org/treasurer/contact.htm>

1221 Oak Street, Room 131
Oakland, CA 94612-4685
Phone: (510) 272-6800
Fax: (510) 272-3856

Treasurer-Tax Collector, Donald R. White
Phone: (510) 272-6803
Fax: (510) 268-5377

Prior Year Secured Tax Defaulted Property
Phone: (510) 272-6800
Fax: (510) 272-6807

BUTTE COUNTY, CALIFORNIA

<http://www.buttecounty.net>

TREASURER-TAX COLLECTOR

<http://ttc.buttecounty.net/Default.aspx?tabid=1>

(1) Tax Auctions

<http://ttc.buttecounty.net/Default.aspx?tabid=42>

The Butte County Treasurer-Tax Collector's next Public Auction of Tax-Defaulted Properties is scheduled for June 14 - 17, 2008. It will be conducted online through Bid4Assets, a company that hosts online auctions for government agencies. Click here for a list of auction properties:

<http://ttc.buttecounty.net/Portals/0/2008%20auction%20list%20for%20public.xls%204%207%2008%202.p df>. In mid-May, parcel information, registration and bidding instructions will be available at Bid4Assets.com. We will have a link from this site to our Bid4Assets storefront.

ROGUE INVESTOR NOTE: See web page for links to additional auction resources and information, including parcel look up on Butte County's GIS site, maps provided by the Development Services Department, zoning information, and MapQuest.

(1a) 2008 Auction Parcel List

<http://ttc.buttecounty.net/LinkClick.aspx?link=2008+auction+list+for+public.xls+4+7+08+2.pdf&mid=354>

ROGUE INVESTOR NOTE: The parcel list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(1b) Frequently Asked Tax Auction Questions

<http://ttc.buttecounty.net/Default.aspx?tabid=80>

(1c) Previous Tax Auction Sales Summary

<http://ttc.buttecounty.net/Default.aspx?tabid=56>

Results for June 2002 and June 2006.

(2) Contact Information, Property Tax Division

<http://ttc.buttecounty.net/Default.aspx?tabid=28>

Phone: (530) 538-7701

Fax: (530) 538-6551

Email: taxes@buttecounty.net

(3) Office Location and Hours

<http://ttc.buttecounty.net/Default.aspx?tabid=29>

The Treasurer-Tax Collector's Department is located on the ground floor of the Butte County Administration Building at 25 County Center Drive in Oroville. We are open to the public Monday through Friday from 9:00 a.m. to 5:00 p.m., holidays excluded. Mailing Address: Butte County Treasurer-Tax Collector's Department, 25 County Center Drive, Oroville, CA 95965. Telephone Number: 530-538-7701.

CALAVERAS COUNTY, CALIFORNIA

<http://www.co.calaveras.ca.us>

TAX COLLECTOR

<http://www.co.calaveras.ca.us/departments/taxcollector.asp>

Treasurer - Tax Collector
Government Center
891 Mt. Ranch Road
San Andreas, CA 95249
Phone: (209) 754-6350
Fax: (209) 754-6355
Email: taxcollector@co.calaveras.ca.us

Calaveras County Property Auction – November 8, 2007

Tax Defaulted Property Auction Rules & Important Information:

http://www.co.calaveras.ca.us/departments/taxcollector/public_auction_information_letter_2007.html

Tax Defaulted Property Auction Frequently Asked Questions:

http://www.co.calaveras.ca.us/departments/taxcollector/faq_public_auction_sales1.html

Listing of Properties: http://www.co.calaveras.ca.us/departments/taxcollector/property1_09_2007.html

Required Pre-registration Form:

http://www.co.calaveras.ca.us/departments/taxcollector/auction_reg_form_2007.pdf

CONTRA COSTA COUNTY, CALIFORNIA

<http://www.co.contra-costa.ca.us>

TREASURER-TAX COLLECTOR'S OFFICE

from <http://www.co.contra-costa.ca.us>, click on "Departments" at the top of the page, and then on "Treasurer-Tax Collector"

(1) Public Auction

(1a) Public Auction General Information

http://www.cctax.us/auction_intro.htm

from Treasurer-Tax Collector's home page, mouse over "Services," then over "Public Auction" and then click on "General Information"

The sale of "Tax Defaulted Property Subject to Power of Sale" is conducted by the Contra Costa County Treasurer-Tax Collector pursuant to the provisions of the Revenue and Taxation Code and written authorization of the Board of Supervisors.

(1b) Public Auction Frequently Asked Questions

http://www.cctax.us/auction_faq.htm

from Treasurer-Tax Collector's home page, mouse over "Services," then over "Public Auction" and then click on "FAQ's"

How can I obtain a list of properties to be offered at the tax sale? A list of properties to be offered for sale is available from the Office of the Treasurer Tax Collector at the beginning of January. Remember, because property owners have the right to redeem their property prior to the sale, the final list of parcels to be offered for sale will not be available until the day of the sale. Auction list sales are final. Updated information on properties that remain in the sale is available at the Tax Collector's office or by visiting our web site at (TBD).

Can I mail in or submit a sealed bid for a property in the public auction sale? No. This is an oral public auction requiring your presence, or that of your representative, to verbally bid upon the properties.

Can I obtain a property available at the public auction tax sale by paying the delinquent taxes thereon prior to the tentative tax sale date? No. Legal title to tax-defaulted property subject to power of sale can be obtained through the Treasurer and Tax Collector only by being the successful bidder at the tax sale.

How do I find or see a property I'd like to bid on at the tax sale? Vacant ("unimproved") land (which accounts for most property offered at our tax sales) usually has no address and therefore its approximate geographic location can be determined through the use of County Assessor plat maps. Exact boundary lines of a property can be determined only by a survey of the property initiated at the purchaser's expense. "Improved" properties frequently (but not always) will bear a "situs" (street) address, making it quite simple to assess the location. A "situs" (street) address does not mean there are improvements on the property or that the improvements are on the sale.

Do all properties with an address have a home on them? No. An address does not mean there is or was a structure on the property. It does not guarantee that the address shown in the tax sale list is correct or that the structure is part of the sale.

How soon can I take possession of a property after my purchase at the tax sale? The successful bidder may take possession of a property after the Tax Deed to Purchaser has been recorded.

How is the minimum bid on a tax sale property determined? State law dictates that the minimum bid for property offered at a public auction tax sale be an amount not less than the total amount necessary to redeem the tax default, plus cost. Except pursuant to Section 3698.5(c) of the California Revenue and Taxation Code, when property interests have been offered at a previous sale and no acceptable bids were received, the Tax Collector may offer that property or property interest at a minimum bid that is less than the amount of the tax default, plus cost.

Is a tax sale publicly advertised? Yes. State law dictates that the event of a tax sale must be published three times in successive seven-day intervals before the tax sale date in a newspaper, or newspapers of general circulation within Contra Costa County. All parcels in the next tax sale will be advertised in various local newspapers, the first publication date being not less than 21 days prior to the date of the sale.

When does the right of redemption on a tax-defaulted parcel subject to the power to sell cease? The right of redemption on a tax-defaulted parcel subject to the Tax Collector's power to sell ceases at the close of business on the last business day prior to the date of sale. There is no extended right of redemption in the State of California as does exist in some other states.

How soon may I begin improvement of the property after my purchase? There is a one-year period of time, after the date the tax deed is executed, that a proceeding based on alleged invalidity or irregularity can be commenced, pursuant to Section 3725 of the California Revenue and Taxation Code.

What happens to the properties that do not sell at the auction? Can tax sale properties be purchased directly from the County? If no acceptable bids are received for a property, it will be offered again at intervals of no more than six years until the property is sold, pursuant to Section 3692 of the California Revenue and Taxation Code. Legal title to tax-defaulted property subject to power of sale can be obtained through the Treasurer-Tax Collector only by being the successful bidder at the tax sale. Additionally, pursuant to Section 3698.5(c) of said code, the Tax Collector may re-offer the property at any time for a minimum bid that is set at the discretion of the Tax Collector and approved by the County Board of Supervisors.

Do liens or encumbrances on tax sale properties transfer to the new owner through a tax sale property purchase? Chapter 7, Section 3712 of the California Revenue and Taxation Code states: The deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:

- Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of sale.
- The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale under this chapter.
- Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the tax-defaulted property, and, where a taxing agency which collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.
- Easements constituting servitude upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.
- Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 [commencing with Section 8500] of the Streets and Highways Code) which are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.
- Any federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.
- Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 [commencing with Section 53311] of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.

Note: A title search initiated at the prospective purchaser's expense should reveal any liens or encumbrances on a property in the tax sale.

What guarantees do I have that the property is in good condition and can be used for my purposes? The sale of these properties should not, in any way, be equated to real estate sales by licensed salespeople, brokers or realtors. The Treasurer-Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits or zoning ordinances.

The burden is on the purchaser to thoroughly research, before the sale, any matters relevant to his or her decision to purchase, rather than on the county, whose sole interest is the recovery of back taxes. It is also recommended that bidders consult with the zoning and planning departments of any city within which a particular parcel lies.

What are the conditions of payment for property at the Tax Sale? Property purchased for less than \$50,000 must be paid for in full at the tax sale. The minimum bid must be tendered at time of sale in cash, cashier's check or bank money orders payable to the Contra Costa County Tax Collector. Cash and personal checks will be accepted for amounts over the minimum bid.

If the purchase price is \$50,000.00 or greater, a credit transaction will be accepted. The purchaser must deposit the first \$50,000.00 in cash, cashier's check, or money order, the remainder may be paid with a personal check or put on a credit plan due within 90 days.

The transaction must be completed with 90 days. Failure to complete the transaction in full and on time will result in forfeiture of all deposits.

Purchasers of property at the tax sale must also pay a Documentary Transfer Tax on the amount of the bid. The tax is based on the rate of \$.55 for each \$500.00 or fractional part of each \$500.00 when the bid exceeds \$100.00.

Purchasers of property within the city of Richmond must also pay a City Transfer Tax in addition to the Documentary Transfer Tax. The rate for this city tax is \$7.00 per \$1,000.00 of the purchase price.

How can I determine what use I can make of a Tax Sale property before I purchase it? Consult the zoning and planning departments of any city within which a property lies or the County's Building

Inspection Department for property in unincorporated areas regarding use of the parcel. The County Recorder's records should be consulted for any recorded easements on a property.

How do I obtain information on Tax Lien Certificate Sales? The Contra Costa County Treasurer-Tax Collector does not offer tax lien certificates.

How can I get parcel maps of the properties? Copies of the parcel maps can be purchased from the County Assessor (<http://www.co.contra-costa.ca.us/depart/assr/assr.htm>). The Tax Collector has a limited number of sets of maps for public viewing at the office. Please remember to investigate before you purchase. All sales are final.

Should the successful purchaser desire a survey of the property, it will be at the purchaser's own initiative and expense. No warranty is made by the County, either expressed or implied, relative to the usability, the ground location, or property lines of the properties. The exact location, desirability, and usefulness of the properties must be determined by the prospective purchaser.

The County assumes no liability for any other possible liens, encumbrances or easements, recorded or not recorded. When property is sold at a tax sale on which the IRS holds a tax lien, the United States has the right of redemption for 120 days from the date of such sale (26 USC Sec. 3712[g] and 7425[d]). The IRS will pay the actual amount paid for the property by the bidder, plus interest at 6% per annum from the date of sale, plus the expenses of sale that exceed any income received from the property.

(1c) Public Auction Bidder Registration Information and Form

<http://www.cctax.us/BidderRegistration.pdf>

Excerpts from web page:

Anyone who wishes to bid on property offered for sale must be pre-registered and assigned a bidder card. A registration application form and deposit of \$1,000 is required for each bidder card issued. The registration deposit must be paid by cash, cashier's check or bank-issued money order. Other money orders and checks will not be accepted. Your deposit will be applied to your first purchase at the tax sale. All unused deposits will be refunded by the Treasurer-Tax Collector's Office by mail within two to three weeks after the sale.

You must register in person at the office of the Treasurer-Tax Collector, 625 Court Street, Room 100, Martinez, CA 94553. We will be registering bidders in our office from 8:00 a.m. until 5:00 p.m., Monday through Friday, beginning January 24, 2005 and ending February 11, 2005. You may not register at the sale. We will require valid picture identification at the time of registration (i.e., driver's license, military ID card, passport, California ID card). Expired identification cards/documents will not be accepted.

You must vest the way you register. If you wish to register/vest for someone not present at the tax sale, you must show a notarized power of attorney for each person you are representing. If you wish to register/vest as a public agency, a company, a corporation or a partnership, you will need to provide notarized copies of the document that gives you the authority to register/vest and purchase on their behalf. This documentation might be in the form of a minute order from the board, a board resolution, registration of a partnership or articles of incorporation. Changes in vesting will not be accepted after registration is complete.

You must pay for your purchase immediately at the conclusion of the tax sale.

All sales are final. Even if the successful bidder makes a mistake and bids on the wrong property, the sale will remain final. All sales of property must be paid for immediately. If the property is not paid for immediately, the sale of that parcel will be declared null and void and the property will be re-offered at the next tax auction. No opportunity will be given for any successful bidder to go to the bank prior to completing payment of the sales price. Successful bidders who refuse to pay for the property they have bid on will have the bidder card voided and they will forfeit their right to their registration deposit and may be excluded from future sales. Please read the Official Terms and Conditions before participating in the tax sale. You may also wish to refer to our website for answers to Frequently Asked Questions (FAQ's) under the Service category: Public Auction.

ROGUE INVESTOR NOTE: Web page includes additional information on time and place of tax sale, conditions of payment, tax sale cancellation rights of the Contra Costa County Tax Collector, and investigating before you bid; and includes a bidder registration form.

(1d) Public Auction – Public Auction List

<http://www.cctax.us/listofauction.pdf>

from Treasurer-Tax Collector's home page, mouse over "Services," then over "Public Auction" and then click on "Public Auction List"

Contra Costa County Public Auction

Board of Supervisors Chambers, 651 Pine Street, Room 107, Martinez, CA

Owners have the right to redeem their property until 5 p.m. on the day prior to sale.

(2) Contact Information

from Treasurer-Tax Collector's home page, mouse over "About" and then click on "Contact Information"

County Finance Building

625 Court Street, Room 100

Martinez, CA

Mailing address: P.O. Box 631, Martinez, CA 94553-0063

Phone: (925) 646-4122 for all secured, unsecured and supplemental taxes

DEL NORTE COUNTY, CALIFORNIA

<http://www.co.del-norte.ca.us>

TREASURER-TAX COLLECTOR'S OFFICE

from <http://www.co.del-norte.ca.us>, click on "County Government," then on "County Departments and Agencies" and then on "Tax Collector"

Dawn Langston, Treasurer/Tax Collector

981 H Street, Suite 150, Crescent City, CA 95531

Phone: (707) 464-7283

Fax: (707) 464-7247

Email: taxcollector@co.del-norte.ca.us

(1) Auction of Tax Defaulted Properties

from the Treasurer-Tax Collector's home page, click on "Auction of Tax Defaulted Properties"

The Del Norte County Tax Collector will hold a public Internet auction of Tax-Defaulted Properties on May 3-6, 2008. The auction will be held on the Internet to allow more people the opportunity to bid. Properties to be sold may include residential, commercial and undeveloped land in various locations throughout Del Norte County.

Research Information: <http://www.dnco.org/cf/topic/tax/researchinfo2008.pdf>

Frequently Asked Questions: <http://www.dnco.org/cf/topic/tax/FAQ2008.pdf>

Offline Bid Form: <http://www.dnco.org/downloads/Offline%20Bid%20Form%2008.pdf>

Terms of Sale: <http://www.dnco.org/cf/topic/tax/TOS2008.pdf>

Potential bidders are encouraged to register early. The final date for receipt of deposits is April 29, 2008. Click here for further information on the auction: <http://www.bid4assets.com/storefront/?sfid=411>. Bidders are responsible for understanding the Terms of Sale issued by the Del Norte County Tax Collector as well as Bid4Assets' Terms of Service.

If you are not able to access the Internet, information packets and "Off-Line" bid forms will be available in the Tax Collector's Office.

Photographs may or may not be the actual parcel offered for sale and may include items that are not included in this sale. We urge all bidders to examine the title, location and desirability of the property to their own satisfaction prior to the sale.

ROGUE INVESTOR NOTE: See web page for a list of parcels with maps, photos and minimum bids

(1a) Research Information

<http://www.dnco.org/cf/topic/tax/researchinfo2008.pdf>

ROGUE INVESTOR NOTE: Web page provides contact information for questions related to valuation; official records; zoning, land use and building permits – incorporated and unincorporated areas; and tax sale questions not answered in due diligence.

(1b) Frequently Asked Questions

<http://www.dnco.org/cf/topic/tax/FAQ2008.pdf>

Frequently asked questions about public Internet auction of tax defaulted land. Questions are:

- Why does the county sell tax-defaulted property?
- What laws govern tax sales in California?
- Can I obtain title to a property on the tax sale list by paying the delinquent taxes prior to the tax sale date? Does the county sell tax lien certificates?
- Who is notified of the sale?
- Is the tax sale publicly advertised?
- When does the right to redeem (pay the taxes) a tax-defaulted property subject to the power to sell cease?
- How is the minimum bid on a tax sale property determined?
- Does the county guarantee the property?
- Contaminated/Possible Contaminated Properties?
- Do liens or encumbrances on a tax-defaulted property transfer to the new owner after purchase of the property at a tax sale?
- How do I find a property I'd like to bid on at the tax sale?
- How can I determine what use I can make of a tax sale property before I purchase it?
- How can I find out if a property I am interested in has been withdrawn from the sale (for payment of taxes or any other reason)?
- How can I register as a bidder?
- How does the bidding process proceed?
- How can a successful bidder pay for a property at the tax sale?
- If I am the successful bidder, how can I hold title (vesting)?
- How soon can I take possession of a property after purchase at the tax sale?
- What steps should I take if there are occupants living on the property or personal property left on the premises?
- Is property purchased in a tax sale eligible for title insurance?
- What happens to property that does not sell at the tax sale? Can the property be purchased directly from the county?
- How can I get more information?
- What happens if I am the successful bidder but decide that I don't want the property after all?

(1c) Offline Bid Form

<http://www.dnco.org/downloads/Offline%20Bid%20Form%2008.pdf>

Bid4Assets offline bid form for Internet auction.

(1d) Terms of Sale

<http://www.dnco.org/cf/topic/tax/TOS2008.pdf>

1. The auction will begin at 8:00 a.m. PST (11:00 a.m. EST) on May 3, 2008 and the auction will close at the time shown on each auction item on May 6, 2008.
2. The asset information is being updated daily and will not be finalized until the day of the sale. Please read all due diligence materials and check the spreadsheets for updates.
3. The descriptions provided are based on the Official Records of the County Recorder's Office and are presumed to be correct. The property to be sold may be approximately located from maps provided in the Due Diligence information on each auction item on Bid4Assets.com.
4. The right of the former owner to redeem any parcel is forfeited as of 5:00 p.m. PST on May 2, 2008. Properties removed from the sale will be so indicated on the Asset Page listing for a specific property.
5. Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. All properties are sold as is. The County makes no guarantee, expressed or implied, relative to the title, location, acreage or condition of the properties for sale. The County assumes no liability for any other possible liens, encumbrances or easements, recorded or not recorded.
6. Notice of Contaminated/Possible Contaminated Properties: When we become aware of properties on our sales list that are known or suspected to be contaminated, we will identify these properties and the Lead Agency's name and address where all available information may be reviewed. Do not bid on these properties unless you understand the issues related to contaminated properties. Prior to bidding, you should contact your attorney regarding the possible purchase of contaminated properties.
7. Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Treasurer-Tax Collector may still be outstanding after the tax sale.
8. Some properties in some counties may have 1911, 1913 and/or 1915 Improvement Act Bonds, or Mello Roos Bonds, which are noted on the Asset Page listing of the property.
9. When property is sold at public auction on which the IRS holds a tax lien, the United States has the right of redemption for 120 days from the date of such sale (26 USC Sec. 3712(g) and 7425(d)). The IRS will pay the actual amount paid for the property by the bidder, plus interest at 6% per annum from the date of sale, plus the expenses of sale that exceed any income received from the property.
10. If the successful purchaser desires a survey of the property, it will be at the purchaser's own initiative and expense. The County makes no warranty, either expressed or implied, relative to the usability, the ground location, or property lines of the properties. The prospective purchaser must determine the exact location, desirability, and usefulness of the properties.
11. The sale of these properties should not, in any way, be equated to real estate sales by licensed salesmen, brokers and realtors. The County Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits or zoning ordinances. You should inspect the property before investing. The burden is on the purchaser to thoroughly research, before the sale, any matters relevant to his or her decision to purchase, rather than on the county, whose sole interest is the recovery of back taxes.
12. Your bid is an irrevocable offer to purchase the asset.
13. Successful bidders will be asked to complete a deed information form showing how they want the title to the property to be held (vesting). The Deed Information form will be provided to the winning bidders and must be completed within 48 hours following the close of the auction. The County Recorder will mail the original deed to the purchaser after recording, usually within four to six weeks. This deed conveys all right, title, and interest to the property in accordance with the provisions of Revenue and Taxation Code section 3712.

14. A California documentary transfer tax will be added to, and collected with, the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.

15. The notification of winning bid will include the total purchase price, including documentary transfer tax, with instructions concerning the various payment methods.

16. Unless otherwise noted, payment in full by wire transfer, electronic funds transfer or cashier's check will be required by 5:00 p.m. PST, May 9, 2008, three (3) business days after sale closes. A \$15 processing fee may be required in addition to the winning bid. No personal checks or credit card payments will be accepted. Payments in excess of the total purchase price will be refunded by mail within 30 days. To ensure that a cashier's check payment is received timely, please check with a reliable delivery service. If payment policy is not adhered to, the successful bidder may be banned from future sales.

17. Properties identified on asset description page as being eligible for a credit sale will require a deposit of \$5,000 or 10% of winning bid, whichever is greater, by 5:00 p.m. PST, May 9, 2008, three (3) business days after a subsequent sale closes. The balance will be due, meaning good funds in the Tax Collector's office, within 30 calendar days of the sale date.

18. A single bid deposit (plus a \$15 processing fee) may be required to bid on any and all properties offered for sale by an individual county. If a bid deposit is required, the amount of the deposit will be identified on each county's store front or on the individual asset description. Bid Deposits must be in the form of a wire transfer or cashiers check and must be in the custody of Bid4Assets no later than Tuesday, April 29, 2008 at 4:00 p.m. EST (1:00 p.m. PST). Please contact Bid4Assets directly for instructions and questions pertaining to Bid Deposits.

19. Only a successful bidder has the opportunity to purchase County assets. If the successful bidder defaults, under California State Law, the County cannot resort to the second highest bidder, and will be required to take appropriate legal action against the bidder who defaults. Failure on the part of the successful bidder to consummate the sale within the specified time shall result in the forfeiture of the deposit made and all rights that the purchaser may have had with respect to the property.

20. The successful bidder may take possession of the property after the tax deed to purchase has been recorded. Most title companies will not insure title on properties sold at public auction for at least one (1) year after the tax deed has been recorded. Legal action to challenge a tax sale must be commenced within one (1) year of the tax recording date.

21. All sales are final. There are absolutely no refunds.

Rules are subject to modification between now and commencement of sale.

FRESNO COUNTY, CALIFORNIA

<http://www.co.fresno.ca.us>

AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR'S OFFICE

<http://www.co.fresno.ca.us/0410/default.htm>

Vicki Crow, Fresno County Treasurer
2281 Tulare Street
Hall of Records, Room 105
Fresno, California 93721

Mailing address

P.O. Box 1247
Fresno, California 93715

Phone: (559) 488-3482
Fax: (559) 488-3493
Email: TaxCollectorWebMail@co.fresno.ca.us

TAX COLLECTION UNIT

(within Auditor-Controller/Treasurer-Tax Collector's Office)

<http://www.co.fresno.ca.us/0410/tax.htm>

The Tax Collector is responsible for maintaining tax-defaulted property (secured delinquent) tax records. This includes preparing all required notices of payment due, courtesy notices and required publications, preparing and recording Notices of Power to Sell and releases, and scheduling the actual sale of tax defaulted property and maintaining the appropriate records.

Rolein Hiatt, Chief Accountant/Tax Manager

(1) Tax Sale General Information

<http://www.co.fresno.ca.us/0410/taxsalesGeneralInfo-no%20sale%20pending.htm>

Fresno County's next tax sale is tentatively scheduled for March 4-6, 2008. It will be held on the Internet. The list of properties will be available during the first week of February 2008 at <http://www.bid4assets.com/fresno>.

The Fresno County Auditor-Controller/Treasurer-Tax Collector does not maintain a permanent tax sale mailing list. Our Internet Auction site is hosted by Bid4Assets.com.

Prospective purchasers will be asked to register via the Internet. Each registered bidder will receive an identification number, which the bidder must have in order to participate. All parcels will be sold by asset number and in the order listed. Minimum bids will be as stated per parcel and each raise will be in increments of at least \$100 until sold.

The descriptions given are based on the official records of the Fresno County Assessor-Recorder's Office and are presumed to be correct. The property to be sold may be approximately located from maps available for viewing at the Internet Auction Advertising Service Provider's website address.

The right of the former owner to redeem any parcel is forfeited as of 5:00 p.m. on the last business day prior to the sale.

Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. All properties are sold "As Is." Fresno County makes no guarantee, expressed or implied, relative to the title, location or condition of the properties for sale. All property taxes currently due will be paid from the proceeds of the sale.

Please note: Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Auditor-Controller/Treasurer-Tax Collector may still be outstanding

after the tax sale; in addition, the Internal Revenue Service has the option of redeeming, up until 120 days after the sale, any property on which there is an I.R.S. lien recorded.

The successful bidder may take possession of the property after the tax deed to purchaser has been recorded. Most title companies will not insure title on properties sold at public auction for at least one year after the tax deed has been recorded. Legal action to challenge a tax sale must be commenced within one year of the tax recording date.

All sales are final.

Prior to payment, successful bidders will be asked to complete a "deed slip" showing how they want the property purchased to be conveyed. The deed will be mailed to the purchaser after recording, usually within six to eight weeks. This deed conveys all right, title, and interest to the property in accordance with the provisions of Revenue and Taxation Code section 3712.

A California documentary transfer tax will be added to, and collected with, the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.

Payment in full by cash or cashier's check (made payable to Fresno County Tax Collector) must be made within 5 business days after the conclusion of the online auction. No personal or business checks will be accepted. Payments in excess of the purchase price will be refunded by mail within 30 days.

KERN COUNTY, CALIFORNIA

<http://www.co.kern.ca.us>

TREASURER AND TAX COLLECTOR

<http://www.kcttc.co.kern.ca.us>

Phil Franey, Kern County Treasurer and Tax Collector
1115 Truxtun Avenue
Bakersfield, CA 93301
Phone: (661) 868-3490
Toll-free phone: (800) 552-KERN
Fax: (661) 868-3409

(1) Tax Sales

<http://www.kcttc.co.kern.ca.us/taxsales.cfm>

Our next tax sale is set for August 14-16, 2006 and will feature properties located in Bakersfield, Delano, Taft, Rosamond and California City.

The list of properties will be available about a month prior to our sale.

The Treasurer-Tax Collector is not allowed, by law, to sell properties by any means other than at a public auction. Kern County does not sell tax liens for tax-defaulted properties nor do we maintain a list of contacts for tax sales.

Research before you invest. The sale of these properties should not, in any way, be equated to real estate sales by licensed salesmen, brokers and realtors. The County Treasurer-Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits or zoning ordinances. You should inspect the property before investing. The burden is on the purchaser to thoroughly research, before the sale, any matters relevant to his or her decision to purchase, rather than on the county, whose sole interest is the recovery of back taxes.

It is recommended that bidders consult with the Zoning Department of any city within which a particular parcel lies. Tax-defaulted property will be sold on an "as is" basis.

Should the successful purchaser desire a survey of the property, it will be at the purchaser's own initiative and expense. No warranty is made by the County, either expressed or implied, relative to the usability, the ground location, or property lines of the properties. The exact location, desirability, and usefulness of the properties must be determined by the prospective purchaser.

The County assumes no liability for any other possible liens, encumbrances or easements, recorded or not recorded. When property is sold at public auction on which the IRS holds a tax lien, the United States has the right of redemption for 120 days from the date of such sale (26 USC Sec. 3712[g] and 7425[d]). The IRS will pay the actual amount paid for the property by the bidder, plus interest at 6% per annum from the date of sale, plus the expenses of sale that exceed any income received from the property.

(2) Online Auction: Tax Sale Questions and Answers

<http://www.kcttc.co.kern.ca.us/salefaq.cfm>

Internet Auctions

<http://www.bid4assets.com>

Offline Bidding Instructions: call toll free at (877) 427-7387

Who can place a bid? Only registered Bid4Assets.com members. You must register to bid.

What is an autobid? An auto bid (or proxy) saves you time and money. An auto bid authorizes Bid4Assets to bid \$100 above any competing bid, up to, but not exceeding the maximum dollar amount that you are willing to pay. In other words, your bid will automatically increase only as other bidders participate, up to your specified maximum amount. This enables you to continually bid without having to constantly monitor the auction.

Can I change or cancel a bid? Your bid is an irrevocable offer to purchase the asset.

What is the minimum bid price? That is the minimum dollar amount we are willing to accept for an item to be sold at the auction.

What happens when the auction ends? The winning bidder will receive an Asset Alert stating that the auction has closed, including the asset description and closing bid price. If you are the winning bidder, you will need to either wire funds to us or FedEx a cashier's check made payable to Phil Franey – KCTTC. Our address is: 1115 Truxtun Avenue, Bakersfield, CA 93301. It is your responsibility to complete the sale in accordance with the Terms of Sale in the online Asset Listing.

How do I bid offline? You must contact Bid4Assets.com's Client Services Department at (877) 427-7387. You will be registered to bid and will then receive the Offline Bid Form, either faxed or mailed to you. You will also receive Terms of Service and Additional Terms of Service information.

(3) Online Auction: Tax Sale Brochure

from <http://www.kcttc.co.kern.ca.us/taxsales.cfm>, click on "Tax Sale Brochure"

(4) Tax-Defaulted Property: General Tax Sale Information

<http://www.kcttc.co.kern.ca.us/taxdeflt.cfm>

Note: The Treasurer-Tax Collector does not maintain a permanent tax sale mailing list. If you wish to view our list of tax-defaulted properties, please call Bid4Assets.com at (877) 427-7387 or visit their website at <http://www.bid4assets.com>.

General Information:

- Prospective purchasers will be asked to register via the Internet. Each registered bidder will receive an identification number, which the bidder must have in order to participate. All parcels will be sold by item number and in the order listed. Minimum bids will be as stated per parcel and each raise will be in increments of at least \$100 until sold.
- The descriptions given are based on the official records of the Kern County Assessor-Recorder's Office and are presumed to be correct. The property to be sold may be approximately located

from maps available for viewing at the Internet Auction Advertising Service Provider's website address.

- The right of the former owner to redeem any parcel is forfeited as of 5:00 p.m. on the last business day prior to the sale.
- Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. All properties are sold "as is." The County of Kern makes no guarantee, expressed or implied, relative to the title, location or condition of the properties for sale. All property taxes currently due will be paid from the proceeds of the sale. Please note: Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Treasurer-Tax Collector may still be outstanding after the tax sale; in addition, the I.R.S. has the option of redeeming, up until 120 days after the sale, any property on which there is an I.R.S. lien recorded.
- The successful bidder may take possession of the property after the tax deed to purchaser has been recorded. Most title companies will not insure title on properties sold at public auction for at least one year after the tax deed has been recorded. Legal action to challenge a tax sale must be commenced within one year of the tax recording date.
- All sales are final.
- Prior to payment, successful bidders will be asked to complete a "deed slip" showing how they want the property purchased to be conveyed. The deed will be mailed to the purchaser after recording, usually within four to six weeks. This deed conveys all right, title, and interest to the property in accordance with the provisions of Revenue and Taxation Code section 3712.
- A California documentary transfer tax will be added to, and collected with, the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.
- Payment in full by cash or cashier's check (made payable to Phil Franey, KCTTC) must be made within five business days after the conclusion of the online auction. No personal checks will be accepted. Payments in excess of the purchase price will be refunded by mail within 30 days.

(5) Tax-Defaulted Property: Tax Sale Comparison

<http://www.kcttc.co.kern.ca.us/taxsalestats.cfm>

Tax sale history statistics.

(6) GIS Maps

http://206.169.45.184/imf/imf.jsp?site=kern_pro

(7) Tax-Defaulted Property: Entire List of Tax-Defaulted Properties Subject to Power to Sell

<http://www.kcttc.co.kern.ca.us/ptslst.cfm>

After five years of tax-defaulted status, defaulted properties become subject to the "Power to Sell." These properties may be sold at future Internet auctions, unless redeemed for the full taxes, penalties, and other associated costs. Occasionally, other factors such as a bankruptcy may delay the offering of a property for sale. The listing of tax-defaulted properties displays the owner name of record, the ATN (Assessor Tax Number), and the Amount Owed (approximation).

Power to Sell listing dated April 8, 2008.

(8) Contact Information

<http://www.kcttc.co.kern.ca.us/contact.cfm>

LOS ANGELES COUNTY, CALIFORNIA

<http://lacounty.info>

TREASURER AND TAX COLLECTOR

<http://ttax.co.la.ca.us>

Mark Saladino, Treasurer and Tax Collector
225 N. Hill Street
Los Angeles, CA 90012
Email: info@ttc.lacounty.gov
Phone, Tax Defaulted Property Auctions: (213) 974 - 2045

(1) Public Auction

from <http://ttax.co.la.ca.us>, mouse over "Services" and then over "Public Auction"

(1a) 2008A Tax Sale – General Information

http://ttax.co.la.ca.us/Proptax/auction_intro.htm

The County of Los Angeles Treasurer and Tax Collector sells properties located in Los Angeles County for which property taxes have not been paid for 3 years or more. The Public Auctions are open to the public. The next Public Auction of tax defaulted property will be held on February 11 and 12, 2008 starting at 9:00 a.m. (PST) at the Los Angeles County Fairplex in Pomona, California.

The auction list for the 2008A tax sale of the tax defaulted properties in the County of Los Angeles will be available over the internet only starting on November 20, 2007 and available for sale by telephone or in person starting on December 11, 2007. Bidder registration will be open from 8:00 a.m. to 5:00 p.m. beginning January 7, 2008, and ending January 25, 2008. Prospective bidders are required to pre-register in person. The required registration deposit is \$5,000. Therefore, a \$5,000 deposit in the form of cash, cashier's check, or bank-issued money order payable to the Los Angeles County Tax Collector is required at registration time. No other forms of payment will be accepted. You must register in person and receive your bidder card at the office of the Treasurer and Tax Collector, 225 North Hill Street, Room 130, Los Angeles, California 90012. You may not register at the auction site. We will require valid photo identification at the time of registration (i.e., driver's license, military ID card, Mexican Matricula Consular, passport, California ID card). Please read carefully the Bidder Registration requirements provided in the auction book and on the Treasurer and Tax Collector's website at <http://ttc.lacounty.gov>, as other requirements may apply to persons registering for another person or as a corporation, partnership, trust, etc.

At the time you register, you can increase your initial registration deposit by opening an Auction Trust Account. This will eliminate the need to stand in the cashier's line for the purpose of paying the deposit on property purchased. To open an Auction Trust Account, you must deposit a minimum of \$5,000, in addition to the \$5,000 registration deposit. During the auction, if you are the successful bidder, proceed to the Auction Desk and indicate whether or not you want to pay the minimum amount due or pay the full purchase price of the property. The Auction Operators will give you a Purchase Agreement indicating the amount that will be automatically deducted from your Auction Trust Account. Please note that we cannot apply any funds to your purchase until the Purchase Agreement is signed.

As long as there are sufficient funds in your Auction Trust Account, there will be no need to see the cashier to complete your purchase at the auction site. To set up the Auction Trust Account, contact the Bidder Registration Unit at (213) 974-2040. Only cash, cashier's checks, and bank-issued money orders payable to the Los Angeles County Tax Collector will be accepted for the Auction Trust Accounts.

Please be advised that unused monies in the Auction Trust Account and unused registration deposit will be refunded by mail within 30 days from the date of the sale. No refunds will be issued at the auction.

Date of Auction: February 11 and 12, 2008

Auction Site: Los Angeles County Fairplex, 1101 West McKinley Avenue, Building 8, Pomona, CA 91768

Time: 9:00 a.m.

For information regarding Registration: (213) 974-2040
For information regarding Properties in Auction: (213) 974-2045

(1b) Bid Registration Form

<http://ttax.co.la.ca.us/Proptax/BidderRegistration.pdf>

(1c) Critical Dates

http://ttc.lacounty.gov/Proptax/auction_dates.htm

(1d) How to Purchase List of Properties

http://ttc.lacounty.gov/Proptax/auction_purchaseList.htm

ROGUE INVESTOR NOTE: Includes information on the cost to purchase and how to purchase an auction book, where to purchase assessor's maps, and a link to purchasing the auction list online.

(1e) Remaining Items

<http://ttc.lacounty.gov/Proptax/RemainingItems.asp>

Auction closed.

(1f) List of Parcels Sold

http://ttc.lacounty.gov/Proptax/auction_SoldParcels.htm

List of parcels sold from tax sales dating back to March 2004.

(1g) Terms and Conditions

<http://ttc.lacounty.gov/Proptax/TermsAndCondition.pdf>

ROGUE INVESTOR NOTE: Web page provides information about registration; place, date and time of sale; caution – investigate before you bid; minimum bid; properties in tax sale; bidding information; payment for property purchased at tax sale; forfeited sales; auction trust account; additional taxes/charges on properties purchased at the auction; liens that are not removed by tax sale; title; sale after redemption (erroneous sales); withdrawal of a portion of a parcel that is for sale; contaminated properties; disaster relief; bankruptcy; tax sale cancellation rights of the Los Angeles County Tax Collector; and acknowledgement of terms and conditions.

(1h) Annual Public Auction Tax Sales Frequently Asked Questions

http://ttc.lacounty.gov/Proptax/auction_faq.htm

How can I obtain a list of properties to be offered at the tax sale? A list of properties to be offered for sale is available from the Office of the Treasurer and Tax Collector. Auction list sales are final. The auction list is also available for public inspection during regular business hours at Regional Offices of the County Assessor, District Offices of members of the Board of Supervisors, and certain Los Angeles County Public Libraries. Updated information on properties which remain in the sale is available at the Tax Collector's office or by visiting our website at <http://ttc.lacounty.gov>.

Can I mail in or submit a sealed bid for a property in the public auction sale? No. This is an oral public auction requiring your presence, or that of your representative, to verbally bid upon the properties.

Can I obtain a property available at the public auction tax sale by paying the delinquent taxes thereon prior to the tentative tax sale date? No. Legal title to tax-defaulted property subject to power of sale can be obtained through the Treasurer and Tax Collector only by being the successful bidder at the tax sale.

How do I find or see a property I'd like to bid on at the tax sale? Vacant ("unimproved") land (which accounts for most property offered at our tax sales) usually has no address and therefore its approximate geographic location can be determined through the use of County Assessor platt maps. Exact boundary lines of a property can be determined only by a survey of the property initiated at the purchaser's expense. "Improved" properties frequently (but not always) will bear a "situs" (street) address, making it

quite simple to assess the location. A "situs" (street) address does not mean there are improvements on the property or that the improvements are on the sale.

Do all properties with an address have a home on them? No. An address does not mean there is or was a structure on the property. It does not guarantee that the address shown in the tax sale list is correct or that the structure is part of the sale.

How soon can I take possession of a property after my purchase at the tax sale? The successful bidder may take possession of a property after the Tax Deed to Purchaser has been recorded.

How is the minimum bid on a tax sale property determined? State law dictates that the minimum bid for property offered at a public auction tax sale be an amount not less than the total amount necessary to redeem the tax default, plus cost. Except pursuant to Section 3698.5(c) of the California Revenue and Taxation Code, when property interests have been offered at a previous sale and no acceptable bids were received, the Tax Collector may offer that property or property interest at a minimum bid that is less than the amount of the tax default, plus cost.

Is a tax sale publicly advertised? Yes. State law dictates that the event of a tax sale must be published three times in successive seven-day intervals before the tax sale date in a newspaper, or newspapers of general circulation within Los Angeles County. All parcels in the next tax sale will be advertised in various local newspapers, the first publication date being not less than 21 days prior to the date of the sale.

When does the right of redemption on a tax-defaulted parcel subject to the power to sell cease? The right of redemption on a tax-defaulted parcel subject to the Tax Collector's power to sell ceases at the close of business on the last business day prior to the date of sale. There is no extended right of redemption in the State of California as does exist in some other states.

How soon may I begin improvement of the property after my purchase? There is a one-year period of time, after the date the tax deed is executed, that a proceeding based on alleged invalidity or irregularity can be commenced, pursuant to Section 3725 of the California Revenue and Taxation Code.

What happens to the properties that do not sell at the auction? Can tax sale properties be purchased directly from the County? If no acceptable bids are received for a property, it will be offered again at intervals of no more than six years until the property is sold, pursuant to Section 3692 of the California Revenue and Taxation Code. Legal title to tax-defaulted property subject to power of sale can be obtained through the Treasurer and Tax Collector only by being the successful bidder at the tax sale. Additionally, pursuant to Section 3698.5(c) of said code, the Tax Collector may re-offer the property at any time for a minimum bid that is set at the discretion of the Tax Collector and approved by the County Board of Supervisors.

Please remember to investigate before you purchase. All sales are final.

(2) Additional Auction Information

http://ttc.lacounty.gov/Proptax/auction_info.htm

The Public Auction of Tax Defaulted Parcels will be held on February 11 and 12, 2008 at the Los Angeles County Fair Grounds at the FairPlex in Pomona, California.

Please continue to check this website for updates to the auction including the items indicated below:

List of Properties with Known:

- Special Conditions: i.e., contaminated, possible parking stalls, etc.
- IRS Liens: <http://ttc.lacounty.gov/Proptax/2008A%20IRS%20Lien.pdf>
- Weed Abatement Liens: <http://ttc.lacounty.gov/Proptax/2008A%20Weed%20Abatement%20Liens.pdf>
- Brush Clearance Liens: <http://ttc.lacounty.gov/Proptax/2008A%20Brush%20Clearance%20Liens.pdf>

- CI Bond Disclosure for Parcel #4451-015-065:
<http://ttc.lacounty.gov/Proptax/2008A%20CI%20Bond%20Disclosure%204451015065.pdf>
 - Coastal Commission Group Parcels (removed from tax sale):
<http://ttc.lacounty.gov/Proptax/2008A%20Coastal%20Commission%20Group%20Parcels.pdf>
 - Parcels with Special Circumstances:
<http://ttc.lacounty.gov/Proptax/2008A%20Special%20Circumstances.pdf>
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ORANGE COUNTY, CALIFORNIA

<http://egov.ocgov.com/portal/site/ocgov>

TAX COLLECTOR'S OFFICE

from the county home page, click on "Departments & Agencies" under the header "Channels," then on "Treasurer-Tax Collector," and then on "Tax Collector"

This office is responsible for the sale of property subject to the "power to sell," formerly known as delinquent tax deeded property.

(1) Property Auctions

from the Treasurer-Tax Collector web page, click on "Property Auctions" under the header "Popular Links"

General Information and Bidder's Instructions for the Live Auction Sale of Tax Delinquent Real Property in the County of Orange

Live Auction Sale: March 19, 2008

The Orange County Treasurer-Tax Collector is offering for sale real property located in the County of Orange. This property has become subject to the Tax Collector's Power to Sell due to non-payment of property tax for five or more tax years. The sale of "Tax-Defaulted Property Subject to Power to Sell" is conducted by the County Treasurer-Tax Collector pursuant to the provisions of the Revenue and Taxation Code and the written authorization of the Controller of the State of California. The Orange County Treasurer-Tax Collector does not offer tax lien certificates, sealed bids or over-the-counter sales.

ROGUE INVESTOR NOTE: See web page for information on the following: caution to bidders, time and place of sale, registration, deposit, minimum bids, a list of the properties offered for sale, maps, payment information, title, sale after redemption, possible cause for reversal of tax deed, caution – investigate before you bid, toxic waste properties, liens, and bidder's instructions.

(2) Contact Information

from the Treasurer-Tax Collector web page, click on "Contact Us"

The Treasurer-Tax Collector
12 Civic Center Plaza
Santa Ana, CA 92701
Mailing address: P.O. Box 4515, Santa Ana, CA 92702
Phone: (714) 834-3411
Fax: (714) 834-6229
Email: ttcinfo@ttc.ocgov.com

PLACER COUNTY, CALIFORNIA

<http://www.placer.ca.gov>

TREASURER-TAX COLLECTOR'S OFFICE

<http://www.placer.ca.gov/departments/tax.aspx>

Jenine Windeshausen, Treasurer-Tax Collector
Finance Administration Building
2976 Richardson Drive, 2nd Floor
Auburn, CA 95603
Phone: (530) 889-4120
Fax: (530) 889-4123
Email: taxcollector@placer.ca.gov

(1) Tax Land Sale Information

<http://www.placer.ca.gov/Departments/Tax/LandSale/GeneralInfo.aspx>

(2) Tax Land Sale

<http://www.placer.ca.gov/Departments/Tax/LandSale.aspx>

The next tax-defaulted land sale will be held on May 23, 2008 in the Planning Commission Hearing Room Community Development Resource Center, 3091 County Center Drive, Auburn, CA.

Everything You Ever Wanted To Know About Tax Defaulted Land Sales

Prospective purchasers will be asked to register on the morning of the sale. Registration will include name and mailing address and may require identification as deemed necessary for the processing of auction documents. A \$500.00 refundable deposit is required when you register (cash or cashier's check). Personal checks will not be accepted. Unsuccessful bidders will be refunded their deposit at the conclusion of the sale. Proper ID will be required at that time.

Each registered bidder will receive an identification number, which the bidder must have in order to participate. All parcels will be sold by item number and in the order listed. Minimum bids will be as stated per parcel and each raise will be in increments of at least \$100 until sold.

All sales require full payment, which includes the transfer tax and recording fee. At the tax collector's discretion, purchases over \$5,000 may be paid for on a credit payment plan, but they still require 10 percent of the bid or \$5,000, whichever is greater, deposited at the time of the sale. The balance is payable in lawful money of the United States or negotiable paper, as specified by the tax collector, within a period specified by the tax collector, not to exceed 90 days from the date of the auction, as a condition precedent to the transfer of title to the purchaser. If the balance due is not paid within the period specified, the deposit is forfeited, along with all rights with respect to the property (Section 3693.1).

The descriptions given are based on the official records of the Placer County Assessor's Office and are presumed to be correct. The property to be sold may be approximately located from maps available for viewing in the Treasurer-Tax Collector's Office at 2976 Richardson Drive, 2nd Floor, Auburn, CA 95603. Please contact the Assessor's Office at 2980 Richardson Drive, 2nd Floor, Auburn, CA 95603 (phone: 530-889-4300), if assistance is needed in locating the properties on these maps.

The right of the former owner to redeem any parcel is forfeited on the last business day prior to the sale. Properties removed from the sale may be obtained by calling (530) 889-4120 or by visiting this website. In addition, properties removed from the sale will be announced at the beginning of the sale.

Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. All properties are sold as is. The County of Placer makes no guarantee, expressed or implied, relative to the title, location or condition of the properties for sale. All property taxes currently due will be paid from the proceeds of the sale.

Please note: Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Treasurer-Tax Collector may still be outstanding after the tax sale; in addition, the I.R.S. has the option of redeeming, up until 120 days after the sale, any property on which there is an I.R.S. lien recorded.

The successful bidder may take possession of the property after the tax deed to purchaser has been recorded. Most title companies will not insure title on properties sold at public auction for at least one year after the tax deed has been recorded. Legal action to challenge a tax sale must be commenced within one year of the tax recording date.

All sales are final.

Prior to payment, successful bidders will be asked to complete a "deed slip" showing how they want the property purchased to be conveyed. Title is vested in the name of the actual purchaser. If title is to be vested differently, we require a notarized letter from the individual for whom you are acting as an agent, stating the manner in which title is to be vested. The deed will be mailed to the purchaser after recording, usually within four to six weeks. This deed conveys all rights, title, and interest to the property in accordance with the provisions of Revenue and Taxation Code section 3712 (http://www.placer.ca.gov/Departments/Tax/~media/tax/documents/R_T%203712%20pdf.ashx).

A California documentary transfer tax will be added to, and collected with, the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.

Payment in full by cash, money order or cashier's check will be required at the time of sale. No personal checks will be accepted. Payments in excess of the purchase price will be refunded by mail within 30 days.

The following banks are within close proximity to the sale location:

- Bank of America - 900 High Street, (916) 632-3910
- Golden 1 - 2248 Grass Valley Highway, (877) 465-3361
- Placer Sierra Bank - 949 Lincoln Way, (530) 888-2814
- Umpqua Bank - 11795 Atwood Road, (530) 889-3726
- Union Bank of California - 874 Lincoln Way, (530) 885-3701
- US Bank - 730 High Street, (530) 889-6350
- Washington Mutual - 2520 Grass Valley Highway, (530) 823-6157
- Wells Fargo Bank - 338 Elm Avenue, (530) 885-7502
- West America Bank - 424 Grass Valley Highway, (530) 888-3747
- World Savings - 390 Elm Avenue, (530) 885-1936

Failure on the part of the successful bidder to consummate the sale within the specified time shall result in the forfeiture of the deposit made and all rights that the purchaser may have had with respect to the property.

The Treasurer-Tax Collector's office no longer offers a "Public Auction Information Packet" for a fee. We are pleased to announce that all of the information formerly available in that format is now available online at no cost to potential bidders.

Anyone wishing to monitor the tax-defaulted land sale process will find all the information necessary on our website. When a sale is approved by the Board of Supervisors, the list will be available at: <http://www.placer.ca.gov/Tax/LandSale/Properties.aspx>.

Parcel maps and assessment information can be viewed and downloaded at: <http://www.placer.ca.gov/Assessor/Assessment%20Inquiry.aspx>.

Statewide information on upcoming sales is available at the State Controller's website at: <http://www.sco.ca.gov/col/taxinfo/tcs/index.shtml>.

Please feel free to contact our office in any of the following ways: telephone: 530-889-4120 or 4129, email at taxcollector@placer.ca.gov. Come to our front desk at 2976 Richardson Drive, 2nd Floor, in Auburn, California. Send inquiries in the mail to PO Box 7790, Auburn, CA, 95604.

(3) Frequently Asked Questions

<http://www.placer.ca.gov/Departments/Tax/LandSale/FAQ.aspx>

The following are typical questions and answers and may assist you in understanding our procedures. If you have additional questions, please feel free to call our office at (530) 889-4120 or (530) 889-4129.

What is the date and location of the sale? Please note that the sale location has been changed. It will be held in the new CDRA facility at the DeWitt Center, Auburn.

The next tax-defaulted land sale will be held on May 23, 2008 in the Planning Commission Hearing Room Community Development Resource Center 3091 County Center Drive, Auburn, CA.

When and where is the sale advertised? The sale is advertised in a newspaper published in the county seat (Auburn) approximately three weeks before the sale, as well as on our website at Land Sale (<http://www.placer.ca.gov/Home/Tax/LandSale/Properties.aspx>).

How and when do I register for the tax sale? Registration normally begins at 8:00 a.m. the day of the sale. Registration forms are available in advance at the Treasurer-Tax Collector's office in Auburn, or can be downloaded from our website at Registration Forms (<http://www.placer.ca.gov/Departments/Tax/LandSale/~media/tax/documents/TLS%20Registration%20pdf.ashx>). The completed forms (in triplicate) will not be accepted until the morning of the sale.

What are the payment requirements at the sale? A \$500.00 refundable deposit is required when you register (cash or cashier's check). If a bidder is successful in the purchase of a property, the \$500.00 cash deposit will be applied to the purchase price. Unsuccessful bidders will be refunded their deposit at the conclusion of the sale. All sales require full payment, which includes the transfer tax and recording fee. At the tax collector's discretion, purchases over \$5,000 may be paid for on a credit payment plan, but they still require ten percent of the bid or \$5,000, whichever is greater, deposited at the time of the sale. The balance is payable in lawful money of the United States or negotiable paper, as specified by the tax collector, within a period specified by the tax collector, not to exceed 90 days from the date of the auction, as a condition precedent to the transfer of title to the purchaser. If the balance due is not paid within the period specified, the deposit is forfeited, along with all rights with respect to the property (§3693.1). Personal checks will not be accepted.

What is the bidding process? Public auction. You must be present to bid.

What type of document is issued at the sale? Receipt at time of sale. A tax deed is forwarded to the successful bidder after payment is made in full.

Are there any other expenses in addition to the cost of the lien? Normally, recording fees and transfer tax.

What are the foreclosure and eviction processes and will the county handle these processes for a fee? No, the county does not handle the foreclosure or the eviction process. The property is sold "as is" and buyers assume all ownership responsibilities.

What happens to the properties that are not sold at the Tax Land Sale? The property will be offered at a subsequent sale if not redeemed sooner.

Do you allow individuals to purchase Tax Lien Certificates? The county does not currently sell tax lien certificates.

Do you allow individuals to purchase property at the Tax-Defaulted Land Sale without attending the auction via mail, phone or fax? Can I send a representative to the sale to bid for me? No. The

public auction requires your presence, or that of your notarized representative, to orally bid on the properties.

What if I have questions and cannot find the answers online? Questions can be directed to our office in a variety of ways:

- Telephone: 530-889-4120 or 4129
- Email at taxcollector@placer.ca.gov
- Come to our front desk at 2976 Richardson Drive, 2nd Floor, in Auburn, California.
- Send inquiries in the mail to P.O. Box 7790, Auburn, CA, 95604.

How may I obtain a copy of the statutes regarding tax sales in your jurisdiction? The California State statutes are available at your public library or on the Internet at <http://www.leginfo.ca.gov/calaw.html>.

Do liens or encumbrances on a tax-defaulted property transfer to the new owner after purchase of the property at a tax sale? A tax deed to the purchaser conveys title free of most encumbrances existing before the sale (e.g., Deed of Trust, mechanic's liens, judgments, as well as all prior delinquent taxes). Those encumbrances which continue, primarily liens of special assessments and easements, are described in Section No. 3712 of the Revenue & Taxation Code.

Is there any reason the tax sale may be postponed? Yes, the tax-defaulted land sale may be postponed due to public calamity, illness of staff personnel, inclement weather or other events that may occur on the date of the sale. The right of redemption is automatically extended to the close of business on the last business day prior to the new sale date.

Parcels are sold on an "As Is" basis and Placer County assumes no responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances, conform to building codes and permits or the situs address. No government entity is liable for damages sustained to property purchased at public auction, including from the time of sale until the recordation of the tax deed to the purchaser.

Rules subject to change between now and commencement of sale.

ROGUE INVESTOR NOTE: See web page for directions to the Tax Collector's Office and the Board of Supervisor's Chambers; and addresses and phone numbers of frequently requested County Departments.

(4) Historic Land Sale Results

<http://www.placer.ca.gov/Departments/Tax/LandSale/HistoricLandSaleResults.aspx>

Tax land sale results for sales dating back to 2003.

(5) 2008 Tax Land Sale Properties

<http://www.placer.ca.gov/Departments/Tax/LandSale/Properties.aspx>

Please refresh this screen to ensure you are viewing the latest information.

If you plan to attend the Tax Land Sale, and wish to bid on any of the parcels listed below, please take a moment to print out the registration form (<http://www.placer.ca.gov/Departments/Tax/LandSale/~media/tax/documents/TLS%20Registration%20pdf.ashx>). Please bring three copies of the completed form with you to the sale. This will speed the registration process immensely. Thank you!

ROGUE INVESTOR NOTE: The property list for the May 23, 2008 tax land sale (as of April 7, 2008) is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

RIVERSIDE COUNTY, CALIFORNIA

<http://www.countyofriverside.us>

TREASURER-TAX COLLECTOR'S OFFICE

<http://www.treasurer-tax.co.riverside.ca.us>

Treasurer Paul McDonnell

(1) News and Information

<http://www.treasurer-tax.co.riverside.ca.us/news.html>

Tax Defaulted Auction: Although this office does not sell tax liens, we do sell tax defaulted property at auction. Check out the Tax Sale Information page for more information (http://www.treasurer-tax.co.riverside.ca.us/tax_sale_information.html). We will be posting additional information on the sale and properties being offered as it becomes available.

Special assessments for hazardous weed abatement:

<http://www.treasurer-tax.co.riverside.ca.us/weedabate.html>

(2) Upcoming Tax Sales and Information

http://www.treasurer-tax.co.riverside.ca.us/tax_sale_information.html

Live Auction (Must be present to bid)

March 17, 2008, 9:00 a.m.

Riverside Convention Center

3443 Orange Street, Riverside, CA

Bidder Registration by mail until March 3, 2008

Bidder Registration in person until March 11, 2008

Note: We will not be registering bidders at the sale.

Note: The Treasurer-Tax Collector will be accepting credit bids at the March 17, 2008 tax sale. The purchase price of each parcel of each transaction must be \$50,000.00 or higher, whether it is single parcel or a group bid. The deposit amount for each parcel must be 10 percent of the amount of the bid. The deposit must be in cash or cashier's checks.

(2a) Bidder Instructions

<http://www.treasurer-tax.co.riverside.ca.us/tsinfo-179.pdf>

Excerpts from web page:

2007-2008 Procedural Changes on Bidder Information

Anyone who wishes to bid on property offered for sale must first be registered and assigned a bid card. You may register and receive your bid card at the office of the Treasurer-Tax Collector, 4080 Lemon Street, 4th Floor, Riverside, CA 92501. We will be registering bidders in our office through 4:00 p.m. March 11, 2008. Should you elect to register through the mail, your registration must be postmarked no later than March 3, 2008. You may not register at the sale. We will require valid picture identification at the time of registration and at the tax sale when paying for property purchased (example: Valid Driver License, Valid Military ID card, Valid California ID card). We no longer have escrow accounts. You must pay for your purchase or credit bid immediately upon being awarded the successful bid.

You must vest the way you register. Once registered, we will not accept any changes to vesting. If you wish to register/vest for someone not present at the tax sale, at the time of registering you must show power of attorney for each person you are representing. If you wish to register/vest as a public agency, a company, a corporation or a partnership, you will need to provide notarized copies of the document that gives you the authority to register/vest on their behalf. This documentation might be in the

form of a minute order of the board, a board resolution, and registration of a partnership or articles of incorporation. We will not accept changes in vesting.

Payment in full of the amount bid, plus documentary stamp tax prescribed by County Ordinance #516 or payment of the credit bid deposit, is required to be paid at the time of the sale. All sales will be for cash in lawful money of the United States, certified or cashier's checks made payable to Riverside County Treasurer-Tax Collector in increments of no less than \$100.00 each. No traveler's checks or money orders will be accepted. No cash refunds will be made at the time of sale. All refunds for payments made will be issued by county warrant within sixty (60) days following the date of sale. If you have a credit balance on your receipt that you intend to use on a later purchase, you must go back to the specific cashier who issued that receipt.

All sales are final. Even if the successful bidder makes a mistake and bids on the wrong property, the sale will remain final. All sales of property must be paid for immediately. If the property is not paid for immediately the sale of that parcel will be declared null and void and the property will be re-offered immediately prior to the continuance of the sale on other parcels. No opportunity will be given for any successful bidder to go to the bank prior to completing payment of the sales price. All bidders interested in a particular parcel or parcels are encouraged to stay until they are certain that the property has been paid for in full and will not be re-offered. Should a successful bidder refuse to pay for the property they have bid on, their bid card will be voided and they will forfeit their right to further participate in the sale.

Please see the attached guidelines governing the sale.

Any additional information which may be needed concerning this sale can be obtained by telephoning the Tax Collector's office at (951) 955-3948 or by e-mail at taxsale@co.riverside.ca.us.

Please do not telephone the Riverside Convention Center for information regarding the tax sale. Their building is only a location we are renting in order to conduct the sale. They have no specific information regarding the sale.

If you need further assistance contact the Tax Collector's office at (951) 955-3948.

ROGUE INVESTOR NOTE: See web page for additional information, including examples of vesting on registration card, caution – investigate before you bid, bidding procedure, frequently asked questions, tax rate area numbers and locations for Riverside County, parcel numbering system explanation, assessment number explanation, definitions related to list of properties to be sold, contact information, contiguous parcels offered as group bids, and credit bid information

(2b) Bidder Registration Form

<http://www.treasurer-tax.co.riverside.ca.us/BIDDER%20REGISTRATION%20FORM%20tc179.pdf>

(2c) List of Properties to be Offered For Sale

http://www.treasurer-tax.co.riverside.ca.us/ts179_int.pdf (pdf format)

<http://www.treasurer-tax.co.riverside.ca.us/ts179.xls> (Excel format)

ROGUE INVESTOR NOTE: The property list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(2d) Properties No Longer On Sale

<http://www.treasurer-tax.co.riverside.ca.us/179Parcels.htm>

(2e) Properties Offered in a Group Bid

<http://www.treasurer-tax.co.riverside.ca.us/groups179.html>

ROGUE INVESTOR NOTE: The property list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(2f) Parcel Maps for Properties to be Offered

<http://pic.asrcrkrec.com/Default.aspx>

Please note that the maps are also available for purchase in our office for \$26.50. Please contact our office for additional information

(3) Results from Previous Tax Sales

http://www.treasurer-tax.co.riverside.ca.us/tax_sale_results.html

ROGUE INVESTOR NOTE: See web page for tax sale results covering the period of January 2000 through March 2007.

(4) Inventory of All Tax Defaulted Property

http://www.treasurer-tax.co.riverside.ca.us/Tax_Sale_Inventory.html

This is the entire inventory of parcels subject to the Tax Collectors Power of Sale as of July 1, 2007.

Inventory of Parcels Subject to the Power of Sale (pdf):

<http://www.treasurer-tax.co.riverside.ca.us/PTSINT07.pdf> (file updated October 19, 2007)

Inventory of Parcels Subject to the Power of Sale (Excel):

http://www.treasurer-tax.co.riverside.ca.us/allpts_excel_07.xls (file updated October 19, 2007)

Please note: We will not be taking requests to add properties for the March 2007 auction.

The annual mailing list will notify you of future tax sales and includes the tax sale book for our live auction in March. If you wish to be added to the annual mailing list, send a check or money order in the amount of \$35.00 after July 1, 2007 to:

Paul McDonnell, Treasurer-Tax Collector
P.O. Box 12005
Riverside, CA 92502-2205
Attn: Tax Enforcement Division

(5) Contact

http://www.treasurer-tax.co.riverside.ca.us/contact_us.html

Mailing address: P.O. Box 12005, Riverside, CA 92502-2205

Phone: (951) 955-3900

Fax: (951) 955-3906

Email: ttc@co.riverside.ca.us

SACRAMENTO COUNTY, CALIFORNIA

<http://www.saccounty.net/index.htm>

TAX COLLECTION & BUSINESS LICENSING DIVISION

<http://www.finance.saccounty.net/Tax/Default.asp>

(1) Tax Sale Information

<http://www.finance.saccounty.net/Tax/TaxSale.asp>

Auction list = <http://www.finance.saccounty.net/Tax/PDF/AuctionList.pdf>

Lots = <http://www.finance.saccounty.net/Tax/PDF/Lots.pdf>

Removed items = <http://www.finance.saccounty.net/Tax/PDF/REMOVEDList.pdf>

Postponed items = <http://www.finance.saccounty.net/Tax/PDF/POSTPONED.pdf>

Public auction information = <http://www.finance.saccounty.net/Tax/PDF/AuctionInformation.pdf>

Registration form = <http://www.finance.saccounty.net/Tax/PDF/RegistrationForm.pdf>

Offered list = <http://www.finance.saccounty.net/Tax/PDF/OfferedList.pdf>

ROGUE INVESTOR: See web page for tax sale frequently asked questions. No properties were offered at the February 25, 2008 public auction. The next public auction will be April 28, 2008 at 9:30 a.m., at the Scottish Rite Masonic Center, 6151 H Street, Sacramento, CA 95819.

(2) Contact Information

<http://www.finance.saccounty.net/Tax/Contacts.asp>

700 H Street, Room 1710 (First Floor)
Sacramento, CA 95814
Mailing address: P.O. Box 508, Sacramento, CA 95812-0508

Tax defaulted land

Phone: (916) 874-6621

Email: <http://www.finance.saccounty.net/Tax/SendEmail.asp>

E-subscribe for property tax sale notifications:

http://service.govdelivery.com/service/subscribe.html?code=CASACRAM_53

SAN BERNARDINO COUNTY, CALIFORNIA

<http://www.co.san-bernardino.ca.us>

TAX COLLECTOR

<http://www.mytaxcollector.com/trDefault.aspx>

Tax-defaulted properties may be purchased semi-annually through our office via an Online Auction. The next sale is scheduled for May 19 - 23, 2008.

Tax Sales

(1) Terms and Conditions

http://www.mytaxcollector.com/trTaxSale_TC.aspx

The next tax sale is scheduled for May 19th - 23rd, 2008.

Bids will be accepted beginning May 17th, 2008. Closing times will vary on each parcel between the 19th and 23rd of May, 2008.

This tax sale will be held online at <http://www.bid4assets.com>.

Notice to Parties Concerning Redemption - The right of redemption shall terminate at 5:00 p.m. May 16th, 2008, the last business day prior to the sale. Any remittance sent by mail for redemption of tax-defaulted property must be received in the Tax Collector's office by 5:00 p.m. May 16th, 2008, in the form of cash, cashier's check or bank money order.

Prospective Bidders - A deposit is required prior to bidding on any auction. The deposit must be made a minimum of 3 business days before any bids may be placed. The deposit will be accepted by Bid4assets starting April 21, 2008. Bid4assets must receive all deposits no later than May 13, 2008 in order to participate in this sale. Please plan ahead and allow enough time to make your deposit. The required deposit is \$5,000. A \$15 fee is charged per deposit. The deposit will be accepted via wire transfer or by mailing a certified check or money order to Bid4assets only. All unsuccessful bidders will receive a refund of their deposit plus fee within 7 to 10 business days after the close of all auctions. The deposit for successful bidders will be transferred to the County and credited towards their purchase(s).

Winning bidders who do not perform on all auctions won will forfeit their deposit to the County.

Properties that are subject to sale at public auction for non-payment of property taxes must be offered for sale within four years of the time the property becomes subject to the Tax Collector's power to sell. The Tax Collector is responsible for the administration of these sales.

The purpose of the tax sale is to collect the unpaid taxes and to convey the tax-defaulted property to a responsible owner. These properties are subject to the Tax Collector's power to sell because of defaulted taxes.

The sale of these properties should not, in any way, be equated to real estate sales by licensed salesmen, brokers or realtors. The County Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits or zoning ordinances. You should inspect the property before investing. The burden is on the purchaser to thoroughly research, before the tax sale, any matters relevant to his or her decision to purchase, rather than on the county, whose sole interest is the recovery of back taxes. It is recommended that bidders consult with the Zoning Department of any city within which a particular parcel lies, or the Zoning Section of the County Planning Department for an unincorporated area parcel. Tax defaulted property will be sold on an "as is" basis.

Should the successful purchaser desire a survey of the property, this must be done at the purchaser's expense. No warranty is made by the county, either expressed or implied, relative to usability, the ground location, or property lines of the properties. The prospective purchaser must determine the exact location, desirability, and usefulness of the properties. Refund of any purchase or any payment on a purchase agreement will not be made.

The county assumes no liability for any other possible liens, encumbrances or easements, recorded or not recorded.

The minimum price at which property may be offered for sale shall be an amount not less than the total amount necessary to redeem and the costs of the sale.

The parcels will be sold to the highest bidder.

Settlement Requirements: High Bidder must pay in full within five (5) business days from each auction close. Acceptable forms of payment will be:

- Certified/Cashier's Check/Bank Money Orders (made payable to County of San Bernardino Treasurer-Tax Collector)
- Cash (paid at the San Bernardino County Tax Collector's office)
- Wire Transfer.

Please Note: A documentary transfer tax of \$0.55 will be added for each \$500, or fraction thereof, of the final sales price.

Personal checks, traveler's checks and credit cards will not be accepted.

Title Conveyed: The Tax Deed conveys title to the purchaser free of encumbrances of any kind existing before the sale, except:

- (a) Any lien for installments of taxes and special assessments (such as Weed, Water Stand-By, Demolition and Bond), which installments will become payable upon the secured roll after the time of the sale.
- (b) The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale of the property.
- (c) Liens for special assessments levied upon the property conveyed which were, at the time of the sale, not included in the amount necessary to redeem the tax-defaulted property, and, where a taxing agency which collects its own taxes has consented to the sale, not included in the amount required to redeem from sale to the taxing agency.
- (d) Easements constituting servitudes upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.

(e) Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.

(f) Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 [commencing with Section 8500] of the Streets and Highways Code) which are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of part 8.

(g) Any Federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.

(h) Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 [commencing with Section 53311] of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.

If the property is sold at auction after redemption has been made, or sold in error, a refund of only the purchase price and documentary tax will be made and with the full understanding and agreement of the purchaser that the Tax Collector has no further liability in the matter.

The following information is furnished to the prospective bidder without warranty and is for the convenience and guidance in locating all parcels. All items and descriptions listed are believed to be correct. However, the Tax Collector shall not be held responsible for typographical errors.

As the State law does not provide the Treasurer-Tax Collector with means of refund in the case of such sale at public auction, use caution and investigate before you bid. Do not attempt to purchase property at the auction unless an investigation has been made as to the exact location, desirability and usefulness of the property. Parcels are sold on an "as is" basis and the County in no way assumes any responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances and conformance to building codes and permits. An investigation may reveal that the property is in a street or alley, in a flood control channel or landlocked, and that improvements that may be shown on the tax sale list no longer exist at the time of auction and a lien may have been or will be placed on the property for their removal.

It is the purchaser's responsibility to determine if there are any liens or special assessments. It is suggested the Current Tax Roll, County Treasurer, Cities, Land Use Services and Special Districts be researched before time to purchase. Contact city or county Planning Department for zoning and building restrictions.

The Tax Collector shall resolve any dispute arising on any aspect or transaction of the sale, and his decision shall be final.

Contact information for other county offices:

Assessor
172 West Third Street
San Bernardino, CA 92415-0310
phone: (909) 387-8307

County Clerk and Recorder
222 West Hospitality Lane
San Bernardino, CA 92415-0018
phone: (909) 387-8306

Land Use Services
385 North Arrowhead Avenue
San Bernardino, CA 92415-0182
phone: (909) 387-4044

Transportation/Flood Control
825 East Third Street
San Bernardino, CA 92415-0835
phone: (909) 387-8104

Special Districts
157 West 5th Street
San Bernardino, CA 92415-0450
phone: (909) 387-5940

(2) Current Sale Items

http://www.mytaxcollector.com/trTaxSale_CSI.aspx

Click on the links provided to view parcels in the denoted range.

Click here for a list of parcels no longer eligible for tax sale:

<http://www.mytaxcollector.com/content/TR/TaxSale/CurrentSale/StaticContent/droppedParcelList.htm>.

(3) Previous Sales Results

http://www.mytaxcollector.com/trTaxSale_Results.aspx

Tax sale results for sales dating back to October 2001.

(4) Brochure/Map Order Information

http://www.mytaxcollector.com/trTaxSale_Brochure.aspx

Brochures for the auction will be available through the Tax Collector's office beginning February 27, 2008 at a cost of \$35.00 each. A set of maps for all parcels in the brochure is available for \$75.00. A CD containing both brochure and maps will also be available at a cost of \$110.00. To purchase by mail please send the order form with your check, name and address to the Tax Collector's office and the brochure/maps/CD will be mailed. Because brochures/maps/CDs are mailed UPS, post office boxes are unacceptable addresses.

The property descriptions appearing in the brochure are the County Assessor's brief legal descriptions. In some cases, they have been further abbreviated due to space requirements.

Brochure includes:

- Item Number
- Tax Rate Area
- Parcel Number
- Situs Address (if available)
- Legal Description
- Minimum Bid
- Current Assessee and Mailing Address
- Redemption Amounts
- Assessed Values and Tax Amounts.

Please include the order form with your payment. The brochure/maps/CD will be mailed upon receipt of your payment.

Once payment has been received no refund will be given.

Click here for the order form:

<http://www.mytaxcollector.com/content/TR/TaxSale/CurrentSale/orderForm.pdf>

(5) Contact Information

<http://www.mytaxcollector.com/cuContactUs.aspx>

172 West Third Street, First Floor
San Bernardino, CA 92415-0360
Phone, Tax Collection: (909) 387-8308
Online contact: <http://www.mytaxcollector.com/trFeedback.aspx>

SAN DIEGO COUNTY, CALIFORNIA

<http://www.sdcountry.ca.gov>

TREASURER-TAX COLLECTOR DEPARTMENT

<http://www.sdtreastax.com>

Dan McAllister, Treasurer-Tax Collector

(1) Contact Information

http://www.sdtreastax.com/au_contactus.html

Main Office, County Administration Center
1600 Pacific Highway, Room 162
San Diego, CA 92101
Phone: (619) 236-2424
Fax: (619) 531-6056
Email: taxmantr@co.san-diego.ca.us
Feedback form: http://www.sdtreastax.com/au_feedback.html

(2) Frequently Asked Questions

http://www.sdtreastax.com/ni_faqs.html

Frequently asked questions related to property tax sales (http://www.sdtreastax.com/ni_faqs.html#7):

Where and when will the next public auction tax sale for San Diego County be held? At a location and tentative date and time indicated in our next Public Auction Tax Sale Brochure, this website, and Information line at (619) 531-4862. Typically our sales are held at the end of February at a downtown location.

How can I obtain a list of properties to be offered at the next tax sale? By completing a Tax Sale Mailing List card available through this office for our Public Auction Tax Sale brochure, which is published approximately six to eight weeks prior to a tentative sale date. The cost for the 2005 brochure and diskettes has not yet been established. Brochures will be available for purchase at one of our office locations, or by mail. Also, the information will be available at our website address, which is <http://www.sdtreastax.com>. Copies of the County Assessor's plat maps of the tax sale properties are available for perusal in the Assessor's office, Room 103, approximately six to eight weeks prior to the tentative tax sale date. Individual maps are also available on a self-serve basis.

Can I mail in, or submit, a sealed bid for a property in the public auction tax sale? No. The public auction requires your presence, or that of your representative, to verbally bid upon the properties.

Can I obtain a property available at the public auction tax sale by paying the delinquent taxes thereon prior to the tax sale date? No. Legal title to a tax-defaulted property subject to the Treasurer-Tax Collector's power to sell can be obtained through the Treasurer-Tax Collector only by being the successful bidder at the tax sale.

How do I find or "see" a property I'd like to bid upon at the tax sale? Vacant (unimproved) land (which accounts for most property offered at our tax sales) has no address and therefore its approximate geographic location can only be determined through the use of County Assessor plat maps and perhaps

a map book. Exact boundary lines of a property can be determined only by a survey of the property initiated at the purchaser's expense. "Improved" properties frequently (but not always) will bear a street address, making it easier to locate the property.

ROGUE INVESTOR NOTE: See web page for additional frequently asked questions related to tax sales.

(3) Legal Advertisements

http://www.sdtreastax.com/pts_legal.html

Public notices related to the sale of tax defaulted properties.

(4) Tax Sale Forms

http://sdtreastax.com/pts_forms.html

Form Fill-in Feature. These forms can be filled in on-line and printed out for mailing to the Treasurer-Tax Collector. Click here for instructions on how to complete fill-in forms:

http://www.sdtreastax.com/pts_fillins2.html

Deed Information: http://www.sdtreastax.com/docs/pts_deedinfo_7022.pdf

Tax Sale Mailing List Card: <http://www.sdtreastax.com/docs/maillinglistcard.pdf>

(5) Tax Sale General Information

http://www.sdtreastax.com/pts_info.html

(5a) Right of Redemption

http://sdtreastax.com/pts_info_ror.html

The right of redemption on a parcel ceases at 5:00 p.m. the last business day prior to the sale.

If there is an item number not offered, it means that the item has been redeemed or withdrawn prior to the sale. The term "Redeemed" indicates that all defaulted taxes, penalties, fee(s), and/or costs have been paid in full. The term "Withdrawn" indicates that the parcel will not be offered at sale. Reasons for withdrawing a parcel from sale can include, but are not limited to, an assessee who is the debtor in bankruptcy, unprobated estate, the Treasurer-Tax Collector's determination to sell at another sale, and/or an error in advertising or noticing.

(5b) Terms and Conditions

http://sdtreastax.com/pts_info_tac.html

Properties in San Diego County that are subject to sale at public auction for non payment of property taxes must be offered for sale within four years of the time the property becomes subject to the Treasurer-Tax Collector's power to sell (Revenue and Taxation Code Section 3692). The Treasurer-Tax Collector is responsible for the administration of these sales.

The purpose of the tax sale is to collect the unpaid taxes and to convey the tax-defaulted property to a responsible owner. These properties are subject to the Treasurer-Tax Collector's power to sell because of liens for defaulted taxes. Tax-defaulted properties subject to the Tax collector's power to sell may be purchased from the San Diego County Treasurer-Tax Collector at Public Auction. The San Diego County Treasurer-Tax Collector does not offer tax lien certificates or make over the counter sales.

The minimum price at which property may first be offered for sale per Section 3698.5 of the California Revenue and Taxation Code shall be an amount not less than the total amount necessary to redeem, and the costs of sale.

Where property has been offered for sale at least once and no acceptable bids have been received, the Treasurer-Tax Collector may re-offer that property within 90 days, or at the next scheduled sale at a minimum price that he deems appropriate.

The Tax Deed to Purchaser conveys title free of all encumbrances of any kind existing before the sale with the following exceptions as stated in Section 3712 of the Revenue and Taxation Code:

- (a) Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of the sale.
- (b) The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale under this chapter.
- (c) Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the tax-defaulted property, and, where a taxing agency which collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.
- (d) Easements constituting servitude upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.
- (e) Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- (f) Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) which are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.
- (g) Any federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the Tax Collector has provided proper notice to the Internal Revenue Service before that date.
- (h) Unpaid special taxes under Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with section 53311) of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.

Any such encumbrances have not been researched, nor are they included in the sale notice of this brochure.

Each parcel, or group of parcels, has an item number. Non-timeshare parcels will be sold in item number order. If there is an item number not listed on the Current Year Parcel List, that means that the item has been redeemed or withdrawn prior to the sale. If there is a numerical gap between item numbers, the same holds true. If an item is not sold at the initial time offered, it will be offered again after all of the non-timeshare items have been offered once.

Timeshares are listed separately beginning with Item #2000. They will be offered in item number order after all non-timeshare properties have been offered and re-offered. If a timeshare item is not sold at the initial time offered, it will be offered again after all of the timeshare items have been offered once.

Whatever right, title and/or interest the last assessee holds, as described in the legal description, is the same and only right, title and/or interest that is conveyed at the time the Tax Deed is recorded.

Some properties being offered at this sale are a divided or undivided fractional interest in the property; for example, condominiums. The legal description should be reviewed to determine the property and interest that is to be conveyed by the Tax Deed.

Timeshare Tax Sale Items being offered at public auction tax sale by the San Diego County Treasurer Tax Collector are a deeded interest or "right to use" a particular unit or unit type within the timeshare association for a specified interval of time on an annual, bi-annual or seasonal basis, as described in the legal description of the timeshare interval. It is the tax-defaulted timeshare interval that is being offered for sale at public auction, not the entire building or Timeshare Association.

The property descriptions are the County Assessor's brief legal descriptions. In some cases, they have been further abbreviated due to space requirements. Full and/or complete legal descriptions are available only by researching recorded deeds, and other documents, affecting the property.

A list of properties redeemed or withdrawn prior to the sale will be maintained in room 162, County Administration Center, 1600 Pacific Highway, San Diego, CA 92101. You may also call (619) 531-4862 for sale status updates or visit our "Current Year Parcel List" link at this site:

http://www.sdtreastax.com/pts_currentyear.html.

(5c) Bidder Registration

http://sdtreastax.com/docs/pts_bid_reg.pdf

Registration, Public Auction, Tax Sale No. 7022

(Please Read Carefully)

Anyone wishing to bid on Tax Sale Items being offered on the day of the sale must be registered prior to being allowed to bid. Participants who have pre-registered will be allowed first entry and choice of seating on the day of the sale on a first-come, first-serve basis. Same day registrants must pay a non-refundable registration fee of \$60.00 to register, complete the same requirements as pre-registrants and should arrive early to allow adequate time to register before the sale begins. Same day registrants will not be admitted or seated until after 8:30 a.m., after the pre-registered bidders have had an opportunity to be seated.

Seating is limited. If the number of registrants exceeds room capacity, entry into the sale may be delayed until there is vacant seating available. All seating is on a first-come, first-serve basis based on availability of seating. Entry to the sale will be granted to those with Bidder ID badges, on a priority basis.

How to Pre-Register

1. Complete and have all parties taking title sign the Deed Information Sheet

The Deed Information Sheet is necessary for the completion of a Tax Deed to Purchaser-at-Sale. Additional documentation may be required to show that the party/parties bidding at the sale have the authority to purchase on behalf of the entity to be vested on title to property purchased at the sale.

2. Pay a non-refundable \$30.00 fee for the Bidder Registration Packet

The Bidder Registration Packet includes:

- One Tax Sale Brochure for Public Auction Tax Sale No. 7022
- One Bid Card
- Two Bidder ID Badges
- Frequently Asked Questions Tax Sales Pamphlet.

3. Pay a refundable deposit of \$100.00.

The deposit will be applied to the Bidder's first purchase of Tax Sale Item at the sale. If bidder does not purchase any property at the sale, the unused deposit will be returned within 10 business days after the day of sale.

Only the following forms of payment will be accepted:

- Cash
- Money Order
- Traveler's Check
- Cashier's/Certified Check.

Money Order, Traveler's Check, and/or Cashier's/Certified Check(s) should be made payable to: San Diego County Treasurer-Tax Collector.

Where to Pre-Register

You can pre-register up to 5:00 PM, Friday, February 15, 2008, at any one of our office locations. Pre-registration after February 15, 2008 will only be accepted at our main office located at the County Administration Center, located in Downtown San Diego at 1600 Pacific Highway, Room 162, San Diego, California 92101.

(5d) Bid Cards

http://sdtreastax.com/pts_info_bc.html

An official numbered Bid Card is required to participate in the public auction tax sale. Bidders will only be identified, during the sale, by the number on their Bid Card. Bid Cards are only available with the purchase of a registration packet. Each registration packet contains one Bid Card, two Bidder ID Badges, and one Brochure. Anyone wishing to bid on Tax Sale Items being offered at sale must be registered to bid. Click here for Bidder Registration instruction: http://www.sdtreastax.com/docs/pts_bid_reg.pdf.

(5e) Title Vesting Schedule

<http://www.sdtreastax.com/docs/titlevesting.pdf>

(5f) Payment Information

http://sdtreastax.com/pts_info_pi.html

Do not bid on an item if you do not have cash, or one of the acceptable negotiable forms of payment listed below, with you at the time of bidding. You will not be allowed additional time to obtain funds. Successful bidders will be immediately escorted to the cashier's table to complete the sale.

Acceptable forms of payment: cash, money order, traveler's check, cashier's/certified check.

Unacceptable forms of payment: personal checks, business checks, credit cards.

Mailed or sealed bids cannot be accepted for our public auction sale. You or your agent must be present at the auction to bid on the properties. The right of redemption on a parcel ceases at 5:00 p.m. of the last business day prior to the sale. After each parcel is offered, the successful bidder must pay the full purchase price to the Treasurer-Tax Collector on any high bid item of \$5,000.00 or less. (For high bid items over \$5,000.00, see "Credit Sales" information below.)

The Documentary Stamp Act requires the payment of a "Transfer Tax" at the rate of 55 cents for each \$500.00 of value or fractional part thereof when the bid exceeds \$100.00. The transfer tax will be collected at the time the purchase price is paid in full.

(5g) Credit Sales

http://sdtreastax.com/pts_info_cs.html

If the high bid on an item is more than \$5,000.00, the successful bidder has the option to pay for the property as follows:

A deposit of 10% of the purchase price or \$5,000.00, whichever is greater, must be made at the time of the sale.

For sales between \$5,000.00 and \$50,000.00, a minimum of \$5,000.00 must be deposited.

For sales over \$50,000.00 a minimum of ten percent (10%) of the sale price must be deposited.

The remaining balance of the purchase price is due within 30 days of the auction date, Monday, March 24, 2008. Payment must be in one of the acceptable forms and be received in our office prior to the deadline. Acceptable forms of payment are cash (or wire), money order, traveler's check, or cashier's/certified check. Title to the property will not be transferred until the total bid price plus the

Documentary Transfer Tax is received. All purchases must be paid in full on, or before, Monday, March 24, 2008. If the buyer fails to pay the full amount by 5:00 p.m. on Monday, March 24, 2008, the deposit and all rights to the property are forfeited (Revenue and Taxation Code Section 3693.1).

(5h) Warning – Research Before You Invest

http://sdtreastax.com/pts_info_wrbyi.html

(5i) Deed Information

http://sdtreastax.com/pts_info_di.html

A "Deed Information Sheet" (http://www.sdtreastax.com/docs/pts_deedinfor_7022.pdf) must be completed prior to the purchase of property at the auction. Extra forms will be available at our information table at the tax sale. The information required is necessary for the proper completion of a Tax Deed to Purchaser. Completion of forms beforehand will help speed up the sale.

The San Diego County Treasurer-Tax Collector is encouraging bidders to pre-register for the Public Auction Tax Sale No. 7022 to be held Friday, February 22, 2008 at 9:00 a.m. Bidders wishing to pre-register should have their "Deed Information Sheet" filed in our office no later than 5:00 p.m., Thursday, February 21, 2008.

The successful bidder may take possession of a property after the Tax Deed to Purchaser has been recorded. However, most title companies will not insure the title until one year after the tax sale deed is recorded. Legal action to challenge a tax sale must be brought within one year of the tax sale deed recording date. Therefore, it is not advisable to make any improvements to the property during the first year of ownership.

Note: In the event that a sale is canceled, all payments made will be returned without interest. Any costs incurred by the purchaser during the process will be borne by the purchaser.

(5j) Property Maps

http://sdtreastax.com/pts_info_pm.html

Plat maps on the properties are available in the Assessor's Office, room 103. The maps show the approximate dimensions and general geographical location of the properties. Copies of maps are also offered for sale by the Assessor in Room 103 and on this website by selecting "detail map" for desired parcel(s) and clicking "show Detail Map."

A representative from the Assessor's Office will be available at the Tax Sale to answer questions pertaining to assessment and ownership. Thank you for your interest in participating in the San Diego County's Public Auction Tax Sale.

(5k) Zoning Links – Local Planning and Building Departments

http://sdtreastax.com/pts_info_zl.html

Links to city and county zoning and land use departments.

(5l) Timeshare Associations

http://sdtreastax.com/pts_timeshare.html

Timeshare Tax Sale Items being offered at public auction tax sale by the San Diego County Treasurer-Tax Collector are a deeded interest or "right to use" a particular unit or unit type within the timeshare association for a specified interval of time on an annual, bi-annual or seasonal basis, as described in the legal description of the timeshare interval.

It is the tax-defaulted timeshare interval that is being offered for sale at public auction; not the entire building nor Timeshare Association.

Only those Timeshare Associations located within the county of San Diego with ownership intervals that have been tax-defaulted for five or more years are listed. There are timeshare intervals subject to the Tax

Collector's power to sell in the communities of Carlsbad, Coronado, Del Mar, Escondido, Oceanside, Pacific Beach, Ramona, San Diego and Solana Beach.

ROGUE INVESTOR NOTE: See web page for property listing.

(6) Current Year Parcel List

http://sdtreastax.com/pts_currentyear.html

Public Auction Tax Sale No. 7022
Tax-Defaulted Properties Within San Diego County, State of California

Held on Friday, February 22, 2008 at 9:00 a.m. at the San Diego Convention Center located at 111 W. Harbor Drive, Room 20A, San Diego, CA 92101.

Public Auction Tax Sale 7022 – List of parcels scheduled for sale:

<http://www2.sdcountry.ca.gov/treastax/taxsale/taxsale.asp>

(7) Prior Year Tax Sale Results

http://www.sdtreastax.com/pts_prioryear.html

Prior year sales results, dating from February 1999 to February 2006.

SAN FRANCISCO COUNTY, CALIFORNIA

<http://www.sfgov.org>

OFFICE OF THE TREASURER-TAX COLLECTOR

http://www.sfgov.org/site/treasurer_index.asp

Jose Cisneros, Treasurer

(1) Public Auction of Tax Defaulted Properties

http://www.sfgov.org/site/treasurer_index.asp?id=16318

General Tax Sale Information

The public auction sale of tax-defaulted properties in San Francisco will be conducted at www.Bid4Assets.com on Saturday, April 26, 2008 at 8:00 a.m. (PT) until Tuesday, April 29, 2008 at 12:00 p.m. (PT) as a public auction to the highest bidder for cash in lawful money of the United States or negotiable paper, for not less than the minimum bid as shown on this notice. Parcels receiving no bids, at the tax collector's discretion, will be re-offered at www.Bid4Assets.com at a minimum price appropriate to stimulate competitive bidding. (List of Tax Sale Parcels:

http://www.sfgov.org/site/uploadedfiles/tax/property_zone/AuctionList.pdf)

Notice to Parties of Interest Concerning Redemption – The right of redemption shall terminate at 5:00 p.m. (PT) on April 25th, 2008, the last business day prior to the sale. Any remittance sent by mail for redemption of tax-defaulted property must be received in the Tax Collector's Office by 5:00 p.m. April 25th, 2008, in the form of cash, cashier's check or bank money order.

Prospective Buyers – Only bids submitted via the Internet will be accepted. Bidders interested in offline bidding options should call Bid4Assets at 1-877-427-7387. A deposit of \$5,015 is required prior to bidding on any auction. The deposit must be made no later than April 22, 2008 at 1:00 p.m. (PT) in order to participate in this tax sale. Bidders must register on-line at <https://secure.bid4assets.com/register>. All unsuccessful bidders will receive a refund of their deposit within 10 business days after the close of the auction. The deposit of the successful bidders will be applied to the purchase price. Full payment and deed information indicating how title should be vested is required within 72 hours after the end of the sale. A recording fee of \$10.00 and a California transfer tax will be added to and collected with the purchase price and is calculated at \$2.50 for each \$500 or portion thereof if the entire value or consideration is

more than \$100 but less than or equal to \$250,000. If the entire value or consideration is more than \$250,000 but less than \$1,000,000, the transfer tax will be \$3.40 for each \$500 or portion thereof.

Successful bidders not completing payment may be pursued for collection and will forfeit their deposit to the county.

Inspection of Property

Caution – Investigate before you bid. Physical inspection of the property is strongly recommended. Do not attempt to purchase any property at the auction unless, prior to the auction, an investigation has been made as to the title, exact location, desirability, and usefulness of the properties available. Parcels are sold on an “As Is” basis and the City and County of San Francisco in no way assumes any responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances or conform to building codes and permits.

Bidders are required to conduct any research of due diligence they wish to conduct prior to submitting a bid. A bid is an irrevocable offer to purchase a property. A bid accepted is a binding contract. A bidder is legally and financially responsible for all properties bid upon whether representing one’s self or acting as an agent. The City and County of San Francisco Treasurer and Tax Collector reserves the right to pursue all available legal remedies against a non-paying bidder.

Vacant (unimproved) land may not have an address; therefore, the approximate geographic location can be determined through the use of the County Assessor’s Plat Maps. The City and County of San Francisco does not furnish metes and bounds descriptions, nor does it assume any responsibility for any such descriptions recorded in County records. Exact boundary lines of vacant, “unimproved,” and “improved” properties can only be determined by a survey of the property, initiated at the purchaser’s expense. To determine what use can be made of the property, consult the Planning Department of the City and County of San Francisco for zoning information.

Note: Neither the State of California, nor the City and County of San Francisco, nor any person designated by these two agencies is liable for:

1. Damages sustained to any property purchased at public auction from the time of the sale until the time of recordation of the tax deed to purchaser.
2. The failure of any electronic equipment that may prevent a person from participating in the sale.
3. Known or unknown conditions of any property purchased at public auction, including, but not limited to, errors in the assessor’s records pertaining to improvement of the property.

Contaminated/Possible Contaminated Properties

Parcels offered for sale may contain hazardous wastes, toxic substances, or other substances regulated by federal, state, and local agencies. The City and County of San Francisco, in no way, assumes any responsibility, implied or otherwise, for any costs or liability of any kind imposed upon or voluntarily assumed by a purchaser or any other owner to clean up, or otherwise bring into compliance according to federal, state, or local environmental laws for any parcel purchased. The Tax Collector shall not have any duty to investigate the status of any parcel with regard to contamination by environmentally hazardous materials.

Title to Property Purchased

Title to “Tax Defaulted Property Subject to Power to Sale” does not pass to the purchaser until a tax deed is issued. It is advised that you do not engage in any activity or make any expenditure on any property you may purchase until you have received your tax deed. This includes any attempt to collect rents on improved property and/or dispossess or in any way contact tenants. The San Francisco Treasurer and Tax Collector does not provide the purchaser with a title insurance policy and makes no representations or warranties with respect to the condition of the title.

A tax deed will be prepared by the San Francisco Office of the Treasurer and Tax Collector and will be recorded approximately one month after the sale. After recordation, the deeds will be returned to the

respective purchasers by the San Francisco County Assessor-Recorder's Office. Should title to the property you purchased be recorded incorrectly due to your failure to provide the correct information, it will be your responsibility to correct the title.

Sale After Redemption

Occasionally, a property is sold at auction after redemption has been made by the current owners, or is sold in error. In these cases, a refund of the purchase price will be made with full understanding and agreement of the purchaser that the San Francisco Treasurer and Tax Collector has no further liability in the matter.

All sales are final unless the County Board of Supervisors rules them invalid. If the sale is ruled invalid, the purchase price will be refunded.

General Auction Questions

1. How is the minimum sale price for a tax sale determined? State law dictates that the minimum sale price for a tax-defaulted parcel offered at a public auction shall be no less than the total amount necessary to redeem the parcel plus costs.

2. Can I obtain a property available at the tax sale by paying the delinquent taxes prior to the tax sale date? No. Legal title to tax-defaulted property subject to the tax collector's power to sell can be obtained only by becoming the successful bidder at the county tax sale.

3. How do I find or see a property I would like to bid on at the tax sale? While we try to give all possible assistance in helping prospective purchasers pinpoint a property location, vacant land has no address and must be determined through the use of county assessor plat maps and perhaps, a map book. Exact boundary lines of a property can be determined only by a survey of the property initiated at the purchaser's expense.

4. How can I determine what use I can make of a tax sale property before I purchase it? Consult the San Francisco Planning Department, Zoning Section for land use. Examine the county recorder's records for any recorded easements on a property. You can also order a title search report from a local title insurance company.

5. How soon can I take possession of a property after my purchase at the tax sale? You should consult an attorney. Generally, the successful bidder may take possession of a property after making payment in full and complying with any conditions set forth between the tax collector and the successful bidder.

6. Is the tax sale publicly advertised? The public auction notice is published three times in successive seven-day intervals before the tax sale date, in the San Francisco Chronicle Newspaper, on March 7, March 14 and March 21, 2008.

7. How will title in the deed of the purchaser be vested? Title is vested in the name of the actual purchaser. If title is to be vested differently, we require a notarized letter from the individual for whom you are acting as an agent, stating the manner in which title is to be vested.

8. Do liens or encumbrances on a tax-defaulted property transfer to the new owner after purchase of the property at a tax sale? Pursuant to Section 3712 of the Revenue and Taxation Code, the tax deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:

- Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of the sale.
- The lien for taxes or assessments or other rights of any taxing agency that does not consent to the sale under this chapter.
- Liens for special assessments levied upon the property conveyed which were, at the time of the sale, not included in the amount necessary to redeem the tax-defaulted property.

- Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- Any federal Internal Revenue Service liens that, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.

(2) Contact Information

http://www.sfgov.org/site/treasurer_page.asp?id=13433

http://www.sfgov.org/site/treasurer_page.asp?id=13434

For questions regarding property tax, business tax, collection notices, and/or for general assistance, please contact Taxpayer Assistance.

Taxpayer Assistance, phone: (415) 554-4400

Treasurer, phone: (415) 554-4478

Office Location

City Hall, Room 140

1 Drive Carlton B. Goodlett Place

San Francisco, CA 94102

Business inquiries and payment, please mail to:

San Francisco Tax Collector

P.O. Box 7425

San Francisco, CA 94120

Email: Treasurer.TaxCollector@sfgov.org

SAN JOAQUIN COUNTY, CALIFORNIA

<http://www.co.san-joaquin.ca.us>

TREASURER-TAX COLLECTOR'S OFFICE

<http://www.sigov.org/Treasurer>

Shabbir Khan, Treasurer/Tax Collector

500 E. Main Street, First Floor

Stockton, CA 95202

Mailing address: P.O. Box 2169, Stockton, CA 95201-2169

Phone: (209) 468-2133

Fax: (209) 468-2158

Email: Treasury@co.san-joaquin.ca

(1) Services

<http://www.sigov.org/Treasurer/Services.htm>

The Tax Collection Division conducts the auction of Power to Sell property.

(2) Public Auction Information

<http://www.sigov.org/Treasurer/AuctionPacket07.htm>

San Joaquin County Tax Collector's Public Auction – November 14, 2007

Thank you for your inquiry regarding the San Joaquin County Tax Collector's Public Auction. Attached is a list of properties that will be offered at auction on November 14, 2007 at 10:00 a.m., at the Micke Grove Park Auditorium, 11793 N. Micke Grove Road, Lodi, CA. A \$2.00 parking fee will be due at the gate,

regardless if you are an active bidder or an observer. Registered bidders will be seated first; observers will be seated only if space is available.

The owners of the listed properties have until 5:00 p.m., May 26, 2004 to redeem their defaulted taxes and remove their property from our auction. There is no extended right of redemption in the State of California.

Properties offered at a tax sale are offered on an "As Is" basis. Tax sales are a buyer beware sale. Purchasers are advised to read the information provided and investigate each property you are interested in purchasing before you buy.

Registration: There is no pre-registration. Registration will be conducted at the auction site on the day of the sale. A Driver's License or other type of identification along with evidence of ability to pay is required to register to bid at the auction. A bidder number will be issued at the time of registration and is required to participate at the public auction. If you will be acting as an agent, a notarized letter from the individual for whom you will be bidding, stating the manner in which title is to be vested, is required.

Successful bidders must settle their purchase at the time of the sale or immediately after the auction. Payments must be made in the form of cashier's check or money order. Personal checks will be accepted if accompanied with a letter of credit from your bank. The letter of credit needs to state that the funds are available the day of the sale and at least 10 days after the auction. Cash will not be accepted.

If you require special accommodations at the public auction site, please contact the Redemption Tax Section at (209) 468-2133 two weeks prior to the auction date.

Combination of Parcels: Items grouped in a lot are offered as a grouping. Should one property within a lot be redeemed and the taxes on the remaining property or properties within the lot remain outstanding, the remaining property or properties will be offered at the auction. The minimum bid for the lot is the combined minimum bids for each parcel in the lot. The lots are listed in the comment section of the auction list.

Bidding: Properties will be offered in the order listed. If no bid is received, the parcel will be re-offered at the next auction. If all properties cannot be offered today, the sale will be continued to a date to be announced.

This is an oral public auction requiring verbal bids on the properties. Bidding will be in increments of \$100.00 or higher until the parcel is sold to the highest bidder. Higher increments are acceptable should the bidders wish to expedite the sale. The auctioneer may announce the bids on certain properties be bid in higher increments than \$100.00.

No bid will be accepted for less than the minimum bid amount.

The Assessor's parcel number and the minimum bid will be read before starting the bidding for each item.

Properties not sold will be auctioned at the next tax sale.

Successful Bid: Upon the final bid for each item, the successful bidder will be asked to sign their name and bidder number on a sheet, and will be handed a form with the parcel number printed on it. Prior to paying for the parcel the form must be filled out exactly as you want the purchase deed to be prepared. Also include the address to which the purchase deed should be mailed. Please print clearly.

Payment in Full: No cash will be accepted at the public auction. Successful bidders must settle their purchase at the time of the sale or immediately after the auction. Payments must be made in the form of cashier's check or money order. Personal checks will be accepted if accompanied with a letter of credit from your bank. The letter of credit needs to state that the funds are available the day of the sale and at least 10 days after the auction.

A Documentary transfer tax will be collected in addition to the amount of the bid at the rate of sales price times .0011. On the day of the sale the Fiscal Year 2007-08 Secured Property tax bill will be presented to the new owner. This current year tax bill is not included in the bid price.

Refunds: No refunds will be made at the time of sale. All refunds for overpayments made by cashier's check or money order will be issued by a County warrant within 15 working days following the date of sale.

Receipts: A receipt of payment showing all deeding information will be completed at the time of payment. The receipt should be checked carefully for any errors in the deeding information so that the purchaser may notify the Tax Collector of corrections before the recording of the tax deeds.

Tax Deed: A tax deed will be issued to the purchaser within 60 days of the auction. Should title to the property you purchased be recorded incorrectly due to your failure to provide the correct information, it will be your responsibility to correct the title.

Property Inspection: Research and investigate the property before you buy.

Properties offered at a tax sale are offered on an "As Is" basis. The County in no way assumes any responsibility, implied or otherwise, that the properties are in compliance with zoning ordinances or conform to building codes and permits.

Tax sales are a buyer beware sale. It is the responsibility of the interested bidder to research the parcels they are interested in purchasing before you buy (i.e., Recorder's Office, Planning Department, Environmental Health Department). Refer to Section 3712 of the California Revenue and Taxation Code regarding liens and encumbrances on a property sold at a tax sale.

Code Violations: Code violations may be currently outstanding on the property being offered for sale. The sale of the property through the auction does not postpone or affect any enforcement procedures to bring the property into code compliance.

Please see the frequently asked questions about the auction (<http://www.sjgov.org/Treasurer/AUCTIONFAQ07.htm>).

Contaminated Parcels: Parcels offered for sale may contain hazardous wastes, toxic substances, or other substances regulated by federal, state, and local agencies. The County in no way assumes any responsibility, implied or otherwise, that the parcels are in compliance with federal, state, or local laws governing such substances. The County in no way assumes any responsibility, implied or otherwise, for any costs or liability of any kind imposed upon or voluntarily assumed by a purchaser or any other owner to remediate, clean up, or otherwise bring into compliance according to federal, state, or local environmental laws on any parcel purchased. The Tax Collector shall not have any duty to investigate the status of any parcel with regard to contamination by environmentally hazardous materials. Known contaminated properties are referenced on the auction list and announced at the tax sale prior to being offered.

Encumbrances (Liens on Property): The following is a copy of the Revenue and Taxation Code 3712, Title Conveyed. This section informs you of any encumbrances that are not satisfied at the time of your purchase.

Chapter 7, Section 3712 of the California Revenue and Taxation Code states: The deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:

- (a) Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of the sale.
- (b) The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale under this chapter.
- (c) Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the tax-defaulted

- property, and, where a taxing agency which collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.
- (d) Easements constituting servitudes upon or burdens to the property; water rights, the record title to which is held separately from the title to the property; and restrictions of record.
 - (e) Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
 - (f) Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 [commencing with Section 8500] of the Streets and Highways Code) which are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.
 - (g) Any federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date. Note: A title search initiated at the prospective purchaser's expense should reveal any liens or encumbrances on a property in the tax sale.
 - (h) Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.

Mobile Homes: If a parcel offered for sale has a mobile home on it, the sale is for the real property only and does not include the mobile home. Mobile homes are considered personal property, unless they are on a permanent foundation.

Parcel Maps: Parcel maps are available for inspection and/or purchase prior to the tax sale in the Assessor's Office, 24 S. Hunter Street, Stockton, CA.

Title Insurance: The former assessee or any lienholder has one year from the date of recording of the tax deed to challenge the validity of the tax sale (Revenue and Taxation Code 177 and 3725). During this one-year challenge period, it may not be possible to obtain a guaranty of clear title from a title company. Title companies may not issue their policy of title insurance on property that was purchased through tax-defaulted public auction, unless a quiet title action has been successfully pursued in the courts, or in lieu thereof, quit claim deeds are acquired from the former assessee or every lienholder. To learn more about quiet title actions, you may consult with an attorney experienced in real estate transactions. Sales are final. Legal action will be taken if any successful bid is revoked.

Information regarding State of California County public auctions is available on the State Controller's website: <http://www.sco.ca.gov/col/taxinfo/tcs/pubauctions>. If you have any additional questions, please contact the Redemption Tax Section at (209) 468-2133.

(3) Public Auction Frequently Asked Questions <http://www.sjgov.org/Treasurer/AUCTIONFAQ07.htm>

There will be a \$3.00 parking fee. Individuals not registered to bid may observe only if space is available.

The list is available on our website – see the link at the top of this page (<http://www.sjgov.org/Treasurer/2007%20Auction.htm>). The list is also available through the mail for \$5.00 (P.O. Box 2169, Stockton, CA 95201-2169) or can be picked up in our office for \$5.00 when available.

There is no pre-registration. Registration will begin at 9:00 a.m. on November 14, 2007.

Accepted method of payment is either cashier's check, money orders, and checks with a letter of credit from the bank. No cash will be accepted.

Public Auction How It Works

The following explains the sale of tax-defaulted land by public auction. When secured real property remains tax-defaulted for five years, it becomes subject to the Tax Collector's Power to Sell, and may be sold at public auction. The purpose of offering tax-defaulted property at auction is to collect the unpaid taxes.

San Joaquin holds "In-Person" Public Auctions. For 2007, the auction is planned for November 14, 2007 at the Micke Grove Park Auditorium.

How often are public auctions held? The law requires that a sale be held at least once every four years. San Joaquin County strives to hold auctions once a year.

Are tax sales publicly advertised? Yes. State law dictates that notice of a tax sale must be published once a week for three successive weeks in a newspaper of general circulation published in the county.

How can I obtain a list of properties that will be offered for sale at public auction? The list of available properties can be requested by sending \$5.00 to San Joaquin County Treasurer-Tax Collector, P.O. Box 2169, Stockton, CA 95201-2169. For further information, please call the County Tax Collector's Office, Redemption Division, at (209) 468-2133.

How do I find or see property on which I want to bid at the tax sale? Improved properties frequently will have a "situs" (street) address, making it easier to determine its general location. However, vacant land, which accounts for most properties offered at auction, usually has no address. Parcel maps obtainable through the County Assessor's Office (phone: 209-468-2658) can determine the approximate location of any parcel. Exact boundary lines of a property can be determined only by a survey of the property, initiated at the prospective purchaser's expense.

Who qualifies as a potential bidder at public auction? All bidders must be at least 18 years of age. Bidders must register and receive their Bidder's Packet and Registration Number prior to placing any bids. A picture identification must be presented when registering to bid. If you will be acting as an agent, a notarized letter from the individual for whom you will be bidding, stating the manner in which title is to be vested, is required.

Can I mail in or submit a sealed bid for a property in the auction? No. The public auction requires your presence, or that of your representative, to verbally bid upon the properties.

How is the minimum bid amount determined? When a property first becomes eligible for public auction, the minimum bid cannot be less than the total amount to redeem the property, plus costs associated with offering the parcel for sale. If any property is not sold due to lack of interested bidders, the minimum bid for those particular properties may be reduced at subsequent sales.

How will title to the property be vested? Title will be vested in the name of the actual purchaser present at the sale. If you are acting as an agent, and title is to be vested differently, a letter is required from the individual for whom you are acting as agent, stating the manner in which title is to be vested. A Notary according to California law must acknowledge the signature of the individual.

How soon can I take possession of a property after my purchase at the public auction? The successful bidder may take possession of a property immediately after making payment in full. A tax deed will be issued to the purchaser within 60 days of the auction. However, the validity of the Tax Collector's deed to the purchaser may be challenged within one year after the execution of the deed. In addition, if the property purchased has an IRS lien on it, the Internal Revenue Service has the right to redeem the property from the purchaser, up to 120 days from the date of the sale.

If you have any questions or comments regarding any of the brochures, please write to the San Joaquin County Treasurer-Tax Collector, P.O. Box 2169, Stockton, CA 95201-2169.

ROGUE INVESTOR NOTE: See web page for additional questions and answers.

(4) 2007 Auction List

<http://www.sjgov.org/Treasurer/2007%20Auction.htm>

Updated November 15, 2007.

ROGUE INVESTOR NOTE: A copy of the auction list has been saved to the data CD that accompanies this book (within the file folder "Tax Sale Lists").

SANTA CLARA COUNTY, CALIFORNIA

<http://www.sccgov.org/portal/site/scc>

TAX COLLECTOR'S OFFICE

<http://www.sccgov.org/portal/site/tax>

Martha Williams, Tax Collector
70 West Hedding Street
East Wing, 6th Floor
San Jose, CA 95110
Phone: (408) 808-7900
Email: scctax@tax.sccgov.org

(1) Public Auction of Tax Defaulted Properties

from <http://www.sccgov.org/portal/site/tax>, click on "Auction" under the header "QuickLinks"

Date: Spring 2009 (Tentative)

Time: To be determined

Place: To be determined

To obtain a list of tax defaulted properties, please mail a check or money order in the amount of \$25.00 to our office. Please do not send cash. Your request should include your name, address, phone number and email address for weekly updates. As our next auction is tentatively scheduled for June 2009, the next auction list will be compiled after January 2009.

Thank you for your interest in the Santa Clara County Tax Collector's Public Auction. The following information has been prepared to assist you in the bidding process:

General Information: A physical inspection of the property before bidding is strongly recommended. The Tax Collector cannot guarantee the condition of the property nor assume any responsibility for conformance to codes, permits, easements or zoning ordinances.

It is possible that property sold at the tax auction may not be developable under existing laws. Parcel maps are available in the Assessment Service Unit of the Assessor's Office, 5th floor, 70 West Hedding Street, San Jose, CA 95110 or via their website at www.scc-assessor.org. While all possible assistance is given in locating properties on maps, the exact location, desirability and usefulness of the property must be researched and determined by the prospective purchaser.

Tax defaulted property will be sold on an "As Is" basis. The County assumes no liability for any other possible encumbrances recorded or not recorded. A complete investigation of all encumbrances should be made before attending the tax sale.

All sales are final, unless ruled invalid by the County Board of Supervisors.

The former owner's right to redeem the property ceases at 5:00 p.m. the day prior to the auction date. The former owner has a one-year challenge period to prove that the sale is invalid. This must be done in a court of law. During this one-year challenge period, it may not be possible to obtain a clear title to the property from a title company. In the event that the former owner is successful at overturning the sale, then any improvements done to the property would not be reimbursed.

Please be aware if it is subsequently determined that the Tax Collector should not have sold a specific property, the Board of Supervisors has the authority, under Revenue and Taxation Code Section 3731, to rescind the sale.

Purchased property must be paid for at the time of sale with cash, cashier's check, traveler's checks or money orders made payable to you. If you are the successful bidder you will be required to endorse the check(s) to the Tax Collector. Personal checks will not be accepted. The payment amount will include the full purchase price plus any transfer taxes.

Once the list of delinquent properties is prepared it will have a minimum bid. What we recommend is that you get a cashier's check, traveler's check, or money order made payable to you for the minimum bid of your planned purchase. Then depending on what you are willing to spend, bring your certified funds in high/small increments. This will allow you flexibility in asserting the parcel price. If the certified funds are over the purchase price, the excess funds will be refunded to you by mail in approximately two to three weeks after the purchase date.

As a bidder, you are responsible to know the laws pertaining to tax auctions and the laws pertaining to ownership and the associated liability you will assume as the owner.

Bidder's Instructions: An Auction Clerk will be on hand to answer your questions before the start of the public auction. Please refrain from asking questions during the auction.

Registration will be held between 8:00 a.m. and 10:00 a.m. on June 29, 2005. You will be required to complete a registration form at that time and submit a bidder's security deposit of \$1,000.00. This deposit should be in the form of cash, cashier's check, money order or traveler's checks. No personal checks will be accepted.

The bidder's security deposit will be applied to the purchase price or will be refunded if no purchase occurs.

Please be prepared to present a photo I.D. (driver's license or passport) at the time of registration.

The deed will be prepared in the name of the actual purchaser at the sale. If you wish title to be vested differently, we require a notarized letter from the individual for whom you are acting as agent, stating the manner in which title should be vested. This letter must be presented at the time of registration.

Upon completion of the registration form, you will receive a numbered "bidder card." Please hold this card high so the auctioneer will be able to acknowledge your bid.

The properties will be auctioned in numerical order. Items missing or not offered have either been redeemed or withdrawn prior to the sale.

Payment must be made before the close of the auction. You will be asked to sign a purchase agreement and receipt. Please keep this receipt until you have received your purchaser's deed. You should receive the deed approximately two weeks from the auction date.

ROGUE INVESTOR NOTE: See web page for a sampling of some typical questions asked by prospective bidders.

(2) Bidder Registration Form

In Adobe Acrobat PDF format:

<http://www.sccgov.org/SCC/docs%2FTax%20Collector%20%28DEP%29%2FBRF2007.pdf>

In Microsoft Word format:

<http://www.sccgov.org/SCC/docs%2FTax%20Collector%20%28DEP%29%2FBRF2007.doc>

In Rich Text format:

<http://www.sccgov.org/SCC/docs%2FTax%20Collector%20%28DEP%29%2FBRF2007.rtf>

SANTA CRUZ COUNTY, CALIFORNIA

<http://www.co.santa-cruz.ca.us>

TREASURER -TAX COLLECTOR'S OFFICE

<http://www.co.santa-cruz.ca.us/ttc>

Fred Keeley, Treasurer-Tax Collector
Room 150, County Government Center
Santa Cruz, CA 95060
Phone: (831) 454-2510
Fax: (831) 454-2257
Email: TTC.WEBMAIL@co.santa-cruz.ca.us

(1) General Information

<http://www.co.santa-cruz.ca.us/ttc/giguide.htm>

Office prepares and mails notices of Power to Sell; determines parcels to sell at public auction (<http://www.co.santa-cruz.ca.us/ttc/auction.htm>) and selects dates of the sale; coordinates sale and accounts for proceeds of sale.

(2) Public Auction of Tax Defaulted Properties – Frequently Asked Questions

<http://www.co.santa-cruz.ca.us/ttc/Frequently%20asked%20questions.htm>

Property is sold “As Is” – inspect before you buy.

Why does the County sell tax-defaulted property? When secured real property remains tax-defaulted for five years, it becomes subject to the Tax Collector's Power to Sell, and may be sold at public auction. The purpose of offering tax-defaulted property at auction is to collect the unpaid taxes and to convey title of the property to a responsible owner.

Buyer Beware! It is your responsibility as a bidder to have investigated any parcels that you wish to bid on. No statement is made nor implied as to what use you may put the parcel if you are the successful bidder. See the next item below as to how to determine what use can be made of the property. It is also recommended you physically look at the property to determine its use.

How can I determine what use I can make of a tax sale property before I purchase it? Consult the zoning department of the city in which the property lies or the zoning section of the County Planning Department for a property in an unincorporated area of the county (i.e., not lying within an incorporated city's limits) regarding use of the parcel. In addition, examine the County Recorder's records for any recorded easements on the property. You may wish to consult an attorney at law for a full determination of the property's use potential.

How often are public auctions held? The law requires that a sale be held at least once every four years. In Santa Cruz County auctions are held approximately every other year.

Are tax sales publicly advertised? Yes. State law dictates that notice of a tax sale must be published three times in successive seven-day intervals before the tax sale date, in a newspaper published in and of general circulation within the county.

Can I mail in or submit a sealed bid for a property in a public auction? You can fax a proxy bid via an Offline Bid Form to Bid4Assets, the online auction venue that will be facilitating the sale, prior to the auction open date. Bid4Assets must receive Offline Bid Forms by the date and time the online auction opens in order to ensure bids are posted.

Offline bid forms will be available approximately 30 days prior to the auction open date and may be downloaded from the Bid4Assets web site once the auction is posted online. Please go to www.Bid4Assets.com/TaxSale for sale details.

Can I obtain a property available at the tax sale by paying the delinquent taxes prior to the tax sale date? No. Legal title to a tax-defaulted property subject to the Tax Collector's Power to Sell can be obtained only by becoming the successful bidder during the on-line auction. Paying taxes on such property will only cause its redemption for the assessed owner.

When is the last day the property owner may redeem the tax-defaulted property, to prevent its sale at Auction? The right to redeem a tax-defaulted property subject to the Power to Sell ceases at the close of business (5 p.m.) on the last business day prior to the sale.

How do I find or see property on which I want to bid at the tax sale? While we try to assist prospective purchasers to pin-point a property location, vacant land (which accounts for most properties offered at auction) usually has no address. The approximate location can be determined by the County Assessor's parcel maps. Improved properties frequently (but not always) will bear a situs (street) address, making it easier to determine the general location. Exact boundary lines of a property can be determined only by a survey of the property, initiated at the prospective purchaser's expense.

Who qualifies as a potential bidder at public auction? Anyone who wishes to bid at the online public auction must register with Bid4Assets and submit a pre-bid deposit within the posted deadlines to qualify as a bidder. Detailed instructions on how to submit a pre-bid deposit will be posted on Santa Cruz County's auction web site. Please visit www.Bid4Assets.com/TaxSale for sale details.

How is the minimum bid amount determined? When a property first becomes eligible for public auction, the minimum bid shall not be less than the total amount to redeem the property, plus costs associated with offering the parcel for sale. If any property is not sold due to lack of interested bidders, the minimum bid for those particular properties may be reduced at subsequent sales.

How and when does the successful bidder pay for a property at the tax sale? Settlement Terms will be posted on each auction once the parcels have been posted for sale. Please go to www.Bid4Assets.com/TaxSale for sale details.

Do liens or encumbrances on tax defaulted property transfer to the new owner after the purchase of the property at public auction? Section 3712 of the California Revenue and Taxation Code states:

Title conveyed. The deed conveys title to the purchaser free of all encumbrances of any kind existing before the sale, except:

- Any lien for installments of taxes and special assessments, which installments will become payable upon the secured roll after the time of the sale.
- The lien for taxes or assessments or other rights of any taxing agency which does not consent to the sale under this chapter.
- Liens for special assessments levied upon the property conveyed which were, at the time of the sale under this chapter, not included in the amount necessary to redeem the tax-defaulted property, and, where a taxing agency which collects its own taxes has consented to the sale under this chapter, not included in the amount required to redeem from sale to the taxing agency.
- Easements constituting servitudes upon or burdens to the property: water rights, the record title to which is held separately from the title to the property; and restrictions of record. Unaccepted, recorded, irrevocable offers of dedication of the property to the public or a public entity for a public purpose, and recorded options of any taxing agency to purchase the property or any interest therein for a public purpose.
- Unpaid assessments under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.
- Any federal Internal Revenue Service liens which, pursuant to provisions of federal law, are not discharged by the sale, even though the tax collector has provided proper notice to the Internal Revenue Service before that date.
- Unpaid special taxes under the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code) that are not satisfied as a result of the sale proceeds being applied pursuant to Chapter 1.3 (commencing with Section 4671) of Part 8.

Are there any guarantees which accompany property acquired at public auction? No. All parcels offered at public auction are sold "as is". No warranty is expressed or implied in any manner regarding property sold at the public auction, including, but not limited to, the following example: no claims are made to guarantee access to, or building permits for, any of the parcels involved in the sale. Prior to bidding, it is your responsibility to adequately research properties, so you know what you are buying. Lack of adequate research may result in the purchase of unusable property, with no entitlement to a refund. All sales are final.

How will title to the property be vested? Title will be vested in the name of the actual purchaser. Upon completion of the auction, Bid4Assets will notify all purchasers via email of their winnings. Purchasers will be directed to an online form, or "Deed Wizard," via a link within the congratulatory email that will capture vesting information for each parcel purchased.

If you are acting as an agent, and title is to be vested differently, we require a notarized letter from the individual for whom you are acting as agent, stating the manner in which title is to be vested. This letter must be received by the settlement deadline as detailed in the Deed Wizard form.

How soon can I take possession of a property after my purchase at the online auction? You should consult an attorney. Generally, the successful bidder may take possession of a property after making payment in full and complying with any conditions set forth between the tax collector and the successful bidder. However, the validity of the tax collector's deed to the purchaser may be challenged within one year after the execution of the deed. In addition, if the property purchased has an IRS lien on it, the Internal Revenue Service has the right to redeem the property from the purchaser, up to 120 days from the date of the sale.

(3) 2007 Tax Defaulted Properties Auction

<http://www.co.santa-cruz.ca.us/ttc/Parcel%20List%202007%20Tax%20Sale.pdf>

Results of parcels sold at auction March 12-14, 2007.

VENTURA COUNTY, CALIFORNIA

<http://www.ventura.org>

TREASURER-TAX COLLECTOR'S OFFICE

<http://www.ventura.org/taxcollector>

Lawrence Matheney, Treasurer, Tax Collector, Public Administrator
Email: lawrence.matheney@ventura.org

(1) Contact Information

<http://www.ventura.org/taxcollector/PhoneNum.html>

Ventura County Tax Collector
800 South Victoria Avenue
Ventura, CA 93009-1290
Phone, Public Auction Tax Sales: (805) 654-3741

(2) Public Auction

http://portal.countyofventura.org/portal/page?_pageid=822,1098644&_dad=portal&_schema=PORTAL

Our auctions are held at the Ventura County Government Center, Administration Building, Lower Plaza Assembly Room, 800 South Victoria Avenue, Ventura, CA 93009-1290.

To ask a question via email, click here: taxsaledes@ventura.org

(2a) Auction Book

http://portal.countyofventura.org/portal/page?_pageid=822,1098667&_dad=portal&_schema=PORTAL

An auction book will be available on January 5, 2008. The cost is \$15.00 at our office or \$17.50 by mail. Make your check payable to Lawrence L. Matheney and mail to the Ventura County Tax Collector, 800 S. Victoria Avenue, Ventura, CA 93009-1290. If you have any questions please call 805-654-3741.

(2b) List of Properties for Sale

http://portal.countyofventura.org/pls/portal/docs/PAGE/TAX_COLLECTOR/PUBLIC_AUCTION/PUBLIC%20AUCTION%20LIST%203-12-08.PDF

ROGUE INVESTOR NOTE: The property list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(2c) Terms of Sale

http://portal.countyofventura.org/portal/page?_pageid=822,1098662&_dad=portal&_schema=PORTAL

All lots or parcels of property are to be sold at public auction "as is" and in the order listed. The minimum bid shall be as stated per item number, and each raise in bid shall be not less than \$100.00 per item.

The descriptions as given are based on the official records in the Ventura County Recorder's office and are assumed to be correct; however, prospective purchasers are advised to examine the title and location of the lots or parcels to their own satisfaction prior to the sale. The County of Ventura makes no guarantee, expressed or implied, relative to title, location or condition of the lots or parcels for sale, nor for a clearance by the County of Ventura Planning Department, pursuant to Section 8113-8, Ventura County Ordinance Code regulating the use of non-conforming lots. The purchaser may obtain a policy of title insurance on said properties at their own election and expense. However, it is emphasized that the sales of the respective properties are subject to conditions, restrictions, reservations and easements of record. Please note: Prospective purchasers are advised that some bonds or other assessments which are levied by agencies or offices other than the Treasurer-Tax Collector may still be outstanding after the sale.

Payment by cash, cashier's check, or certified check in the amount of the bid awarded will be required at the time of the awarding of bid or immediately after the sale.

Cash or credit sale. Pursuant to Section 3693.1 of the Revenue and Taxation Code, the Tax Collector may make the sale a cash or credit transaction. "In the event the Tax Collector approves the successful purchaser's request to treat the sale as a credit transaction, \$5,000 or 10 percent of the purchase price, whichever is greater, shall be deposited with the Tax Collector and the balance of the purchase price shall be paid in cash in lawful money of the United States or negotiable paper as specified by the Tax Collector within a period specified by the Tax Collector, not to exceed 90 days from the date of the auction, as a condition precedent to the transfer of title to that successful purchaser. Failure on the part of the successful bidder to consummate the sale within the period specified by the Tax Collector shall result in the forfeiture of the deposit and all rights he or she may have with respect to that property."

The Public Auction is an oral auction and it requires your presence, or that of your representative, to verbally bid upon properties. On the morning of the sale, prospective purchasers will register their name and mailing address and show identification. Each bidder will receive an identification number to be used in the bidding process. If a representative bidder is used, we require a notarized letter from the individual for whom you are acting as an agent, stating the manner in which title is to be vested.

Each successful bidder will receive a receipt which will state the Tax Rate Area and Parcel Number of the property purchased and the amount of his bid. During the auction or immediately thereafter, the successful bidder shall specify in writing how title to the property purchased is to be vested: Husband and Wife as Joint Tenants; As Tenants in Common; A Single Man; A Single Woman; A Married Man/Woman as His/Her Sole and Separate Property; Other (Specify). The purchaser must then present this with full payment to the cashier, who will issue a receipt.

Approximately four weeks after the sale, the deed will be mailed to the successful bidder. This tax deed conveys the right, title and interest in the property to the purchaser. The deed is recorded at the expense

of the County of Ventura. In the case of a credit sale, the deed will not be recorded until the sale is completed. All sales are final.

A California documentary transfer tax will be added to, and collected with, the credit sale deposit or the full purchase price. This tax is calculated at the rate of \$.55 for each \$500.00 or fractional part thereof, if the purchase price exceeds \$100.00.

(2d) Auction Results

http://portal.countyofventura.org/pls/portal/docs/PAGE/TAX_COLLECTOR/PUBLIC_AUCTION/AUCTION%20RESULTS%203-12-08.PDF

Public auction results for March 12, 2008.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

BID4ASSETS

<http://www.bid4assets.com>

(1) County Tax Sales

<http://www.bid4assets.com/help/index.cfm?fuseAction=TaxSale>

Upcoming County auctions are continuously added to the site's calendar. To stay apprised of all upcoming County auctions on Bid4Assets we encourage you to sign-up for our County Tax Sales email alert so we can notify you when new sales are introduced to the site.

(2) Real Estate Storefronts

<http://www.bid4assets.com/marketing/storefrontListing>

Colorado

Tax Lien Sales: Yes.

Over-the-Counter Tax Lien Sales: Yes. Parcels not bid on during the sale are struck off to the county.

Tax Deed Sales: No.

Rating: Three Stars (***)

Interest Rate: The interest is based on the Federal Reserve discount rate as of September 1st plus 9%.

Sale Period: On or before the second Monday of December, according to state law. Most counties conduct their sales in October or November. For a list of tax lien sale dates by county, visit the Colorado Treasurers and Public Trustees' website at <http://www.e-ccta.org/Forms/Tax%20Sales/2007%20Tax%20Sales.htm>.

Redemption Period: 3 years

Bidding Process: The bidding process varies by county. Auctions may be conducted using a round robin process, in which buyers are offered the opportunity to purchase tax liens in rotation. Or the county may set minimum bids, with the winning investor willing to pay the most for a tax lien certificate. Some counties use both bidding processes, depending on the property classification. A premium bid is the amount paid above the total advertised tax lien fee. **Be careful: premiums on bids are not refundable, nor do they earn interest.** Some counties are now conducting their tax sales online.

According to state law (section 39-11-111), the purchase price must be paid in cash. There may also be a small tax lien certificate fee (e.g., \$4). Most counties require funds to be placed on deposit before you bid. During bidding, you cannot exceed your deposit amount. Each buyer must complete a W-9 form, which can be obtained from the IRS.

State-Specific Information: Colorado is a decent state for tax sales. Property ownership because of non-redemption, although rare, can be lucrative because land is often valuable.

Colorado County Links: See Colorado Tax Sales at <http://www.coloradotaxliencertificates.com> and <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

ADAMS COUNTY, COLORADO

<http://www.co.adams.co.us>

TREASURER'S OFFICE

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=19&p=231>

Adams County Building
450 South 4th Avenue
Brighton, Colorado 80601-3193
Phone: 303-654-6160
Fax: 303.654.6171

(1) Tax Lien Sale General Information

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=107&p=259>

No Right Of Possession: It must be understood that the sale and purchase of the tax or special assessment lien at a tax sale does not, as it might under simple sales and purchase agreements, convey the right of possession, use, improvement or access to said property. The buyer is issued a Tax Lien Sale Certificate of Purchase, which is a properly recorded lien.

Treasurer's Deed: In the event the lien remains unredeemed, the certificate holder has the right of paying subsequent years' delinquent taxes (sub-taxing). Sub-taxing normally occurs after the first day of August each year, as redemption interest accrues only as of that date. Three years from the date of the certificate, if the lien remains unredeemed, the certificate holder may apply for a Treasurer's Deed to the property. To be eligible for a Treasurer's Deed, the certificate holder must make application to the Treasurer. The procedural process normally takes 3 to 6 months to accomplish. Extenuation of the time period may occur when there are complex problems related to the property. Deed applications may be made by the certificate holder 3 calendar months prior to the third anniversary date of the certificate, but the endorsement of the current year's taxes and/or special assessments will not accrue interest until the first day of August. When application is made, monies must be deposited to pay all related deed expenses. Prior to deed application all subsequent taxes, special assessment liens and current taxes must be paid and endorsed on the certificate.

If the lien is redeemed, the certificate holder is entitled to interest on the taxes, penalty interest, advertising, and legal charges, which was paid and subsequently endorsed. Liens may be redeemed at anytime prior to the issuance of a Treasurer's Deed.

Premium (or Bonus) Bids: Bonus bids (premiums) are not returned.

Wrongfully Sold Lien: If a lien is wrongfully sold the County must pay the certificate holder the accrued interest. The rate will be 8% per annum for the delinquent tax liens sold this year.

Additional Information: If there are further questions, please call: Tax Lien Sales at 303-654-6376.

(2) Tax Lien Sale Event Information

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=107&p=913>

The 2007 Adams County Tax Lien Sale will be an internet tax sale. Information regarding the internet tax sale will be available on this web site and at www.adamstaxsale.com in mid-August.

To register, participate, and view a listing of available properties for the 2007 Adams County Tax Lien Sale visit www.adamstaxsale.com. Registration for the 2007 Adams County Tax Lien Sale and a list of the properties available will be on-line October 5, 2007. The 2007 Adams County Tax Lien Sale will be November 7th through November 12th.

The 2007 Adams County Mobile Home Tax Sale will be a physical sale on November 27th in the Treasurer's Office at 450 South Fourth Avenue, Third Floor, Brighton, CO.

(3) Tax Lien Sale Internet Auction FAQ

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=107&p=914>

What is an internet lien auction and how is it different from a traditional auction? An internet lien auction is held electronically, over the internet with bids placed on a computer rather than meeting in a large room with everyone calling out their bids.

How do I get started? To register visit www.adamstaxsale.com and click "Register". The step by step wizard will guide you through the registration process.

Will I need special equipment and software? No special equipment or software is needed for the sale. To participate in the auction bidders must have access to the internet. For those without internet access the Treasurer's office will have computers available for use at the Adams County Administration Building, 450 South 4th Avenue, Brighton, Treasurer's Office, third floor.

Is training available for the auction software and how do I get it? On-site training classes will be held at predetermined dates and times. Attendance will be by registration only. Please visit www.adamstaxsale.com/training for a list of available dates and locations.

Telephone support will also be available in October by contacting Realauction's toll free customer support center at 877-361-7325.

How much does it cost to enter the auction? There is no cost to participate in the auction. However, each bidder must place a deposit equal to 10% of the total dollar amount of liens they anticipate winning. For example: If a bidder anticipates winning \$100,000 in tax liens, he/she must deposit \$10,000 with the Adams County Treasurer. Deposits must be submitted on the website (www.adamstaxsale.com) by 5:00 PM MST, November 1, 2007.

When the advertising list for the current year's auction becomes available October 5, 2007 deposits may be submitted on the website.

What happens if I exhaust my deposit while I still have active bids? If your deposit is exhausted while you have active bids any bids remaining will not be placed. Deposits must be authorized on the website (www.adamstaxsale.com) no later than 5:00 PM MST, November 1, 2007.

How do I pay for my security deposit and liens purchased? Security deposits and payments for liens won can be made using the ACH payment wizard on the auction website (www.adamstaxsale.com).

What is a batch? The liens being advertised are sold individually. However, in order to make the bidding process more manageable, liens are divided into groups called "batches" consisting of approximately 500 liens each. Within each batch, contiguous parcels with the same owner may be grouped together and sold as a block. You will still receive individual tax liens for each parcel.

When can I start bidding? You may enter your preliminary bids for all batches on October 5, 2007. This preliminary time prior to the sale is available so you may research properties; select the properties of your choosing and the amount of premium you are willing to pay. You may modify your bids up to the closing day of the sale, November 9, 2007.

When does the auction start and end? The auction officially starts on November 3, 2007, 8:00 a.m. MST. All items in Batch One (1) will end on November 9th, 2006 at 9:00 a.m. MST. Each subsequent batch will end on the hour until 4:00 p.m. MST when the auction officially closes. If you are logged on to your computer on the 9th of November you will immediately know what you have purchased at the end of each hour and may adjust your bids on any future batches.

Can other participants see my bids? No.

How does the bidding work? On the bid screen, each auction participant enters the maximum dollar amount over the lien face amount that they are willing to pay. This dollar amount is referred to as a "premium". Bids must be entered in whole dollars (no cents). To enter a bid at face value, you would enter

a \$0 premium amount. At the closing of each batch, the auction software evaluates all bids and the lien is awarded to the highest bidder provided he or she has a sufficient amount of deposit with the county at that time the bid is closed.

What is proxy bidding? On the bid screen, auction participants enter the maximum premium amount they are willing to pay. At the close of a batch, when the winner is determined, the system will automatically enter bids on your behalf until you are either the highest bidder or the maximum premium dollar amount that you entered has been reached. If you are the winning bidder, the premium amount that you owe will be \$1 greater than the next highest bidder (provided there are no ties).

For example: If a lien face amount is \$500.00 and Bidder A enters a premium amount of \$20 and Bidder B enters a premium amount of \$40, then at the closing of that batch the lien will be awarded to Bidder B and the total amount due will be \$521.00 (face amount of \$500 plus \$21 of premium).

What happens in the case of a tie bid? In the case of a tie bid the winner will be selected at random by the auction software. The process used to select the random winner has been certified by an independent third party.

When do I have to pay for a successful bid and what happens if I don't pay? Funds to cover all winning bids must be authorized on the website by November 12, 2007, 4:00 p.m. MST. If payment is not posted by that time, the lien will be awarded to the next highest bidder. If you fail to pay for liens purchased the county may revoke future bidding privileges (§39-11-116, C.R.S.).

What happens to the leftover deposit money? Any deposit money leftover, not credited toward winning bids, will be returned to the bidder approximately two weeks after the close of the auction.

How do I contact Customer Service? Customer Service will be available starting October 5, 2007.

Customer Service Email Address: customerservice@realauction.com

Website: www.realauction.com

Physical Location: Realauction, 861 SW 78th Avenue, suite 102, Plantation, Florida 33324

Phone: 877- 361-7325

Realauction Office hours: Monday through Friday 8 a.m. – 6 p.m. EST

You may also call the Adams County Treasurer's Office, Ken Sigley, at 303-654-6376. Our office hours are weekdays 8:00 a.m. to 4:30 p.m. MST.

Should I make note of any important dates? Summary of Important Dates - Revised 9/6/2007

Website (www.adamstaxsale.com) Opens for Registration, Deposits & Bidding: 10/05/2007

Deposits Due By: 11/01/2007

Auction Closes: 11/09/2007

Payments for Winning Certificates Due By: 11/12/2007

(4) Tax Lien Sale Presentation

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=107&p=673>

Click here to view the tax lien sale presentation:

http://www.co.adams.co.us/documents/page/tax_lien_sale.pps

(5) Tax Sale List

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=296&p=778>

Tax Sale list will be published in early October 2008.

(6) Mobile Home Tax Lien Sale

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=108&p=265>

(6a) Public Notice

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=108&p=265>

(6b) Payment for Tax Liens

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=108&p=261>

(6c) Redemption Interest

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=108&p=267>

(6d) Sale Procedure

<http://www.co.adams.co.us/index.cfm?d=standard&b=1&c=14&s=108&p=266>

CITY AND COUNTY OF DENVER, COLORADO

<http://www.denvergov.org>

TREASURY DIVISION

<http://www.denvergov.org/Treasury/default.asp>

(1) Tax Lien Sale Frequently Asked Questions

<http://www.denvergov.org/Treasury/410faq800.asp>

When is the Treasurer's annual sale of real estate tax liens for the 2002 tax year? The Annual Public Auction of Real Estate Tax Liens will begin on November 5, 2007 at 8:00 a.m. MST and will close on November 8, 2007 at 5:00 p.m. MST. The auction will be conducted entirely by means of the internet at www.denvertaxsale.com.

(2) Tax Lien Sale Information

<http://www.denvergov.org/PropertyTaxInformation/TaxLienSaleInformation/tabid/425589/Default.aspx>

(2a) Rules for the Treasurer's Annual Sale of Real Estate Tax Liens for Tax Year 2006

<http://www.denvergov.org/PropertyTaxInformation/TaxLienSaleInformation/RulesfortheTreasurersAnnualSale/tabid/425591/Default.aspx>

Location of Public Auction: The Annual Public Auction will be conducted entirely by means of the internet at www.denvertaxsale.com.

Date and Time of Public Auction: Bidding will begin on November 5, 2007 at 8:00 a.m. M.S.T. and will close on November 8, 2007 at 5:00 p.m. M.S.T

Registration/Deposits: Buyers can register and make deposits beginning October 22, 2007 at www.denvertaxsale.com. Registration and deposits may be made until November 7, 2007 at 5:00 p.m. M.S.T. All deposits must be made in electronic funds transfer. Final determination regarding the acceptability of any deposit will be at the discretion of the Treasurer or his employees. Buyers are responsible to ensure the information on their registration is correct since certificates of purchase, redemption checks and refund checks are prepared from this information. Once registration is completed, a bidder number will be issued for bidding.

Computer Workstations: Access to computer workstations for bidding will be available in City and County of Denver, Treasury Division, 144 West Colfax Avenue, McNichols Civic Center Building, Denver, Colorado between October 22, 2007 and November 8, 2007, between the hours of 8:00 a.m. M.D.T./M.S.T. and 5:00 p.m. M.D.T./M.S.T., Monday through Friday. Access will be on a first come first served basis.

Unpaid Tax List and Public Auction: Publication of the unpaid tax list will be in alphabetical order by property owner name. The list will be published in The Denver Post and/or Rocky Mountain News on October 5, 12, and 19. Taxes will be auctioned in parcel identification number order. The list of the unpaid taxes, in parcel identification number order, will be posted (1) at www.denvertaxsale.com beginning October 22, 2007 and (2) near the entrance of the Treasury Division for several days before the public auction. Each parcel will be offered for the amount of taxes, advertising, penalty interest, and fees and will be subject to general bidding.

Bidding: In accordance with §39-11-115 (2) (c) and (d), C.R.S., minimum bids and bid increase increments are as follows:

- Bids will be accepted in the amount of the minimum with the first bid.
- The next bid will be increased by one dollar.

The bidding rules as well as instructions on accessing the public auction and submitting bids will be posted at www.denvertaxsale.com on October 22, 2007.

For bidding purposes, properties will be grouped in batches and sold in 30 minutes increments beginning at 8:00 a.m. M.S.T. on November 8, 2007, and ending at 5:00 p.m. M.S.T. Items in each batch will be identified with a closing time.

Payment transfers that are rejected for any reason, including the lack of funds, may result in cancellation of the corresponding bid(s) and the Treasurer may prohibit a person who fails to pay the amount due from bidding on sales for up to five years under §39-11-116, C.R.S.

It is the bidder's responsibility to know what is purchased. All successful bids are final. No changes in or cancellation of parcels purchased can be made after bidding is closed.

The certificate of purchase issued on a successful bid will show the legal description, purchase amount, and buyer's name (as entered on registration form), interest rate, and date of sale. Buyers will be notified when their certificates are ready to be picked up. The City and County of Denver will keep them if the buyer wishes and provide copies.

Redemption interest is 15% per annum. If parcels are redeemed prior to delivery of certificates, redemption checks will be mailed to buyers and notations made on buyers' lists of purchases.

Employees and officials of the City and County of Denver and members of their families are not allowed to purchase at the Denver Tax Lien Public Auction.

Please Note! Delinquent Real Estate Tax payments must be received in our office by 4:30 p.m. M.D.T., Friday, November 2, 2007. Payments will not be accepted after that time without redemption interest. Payments will not be permitted during the Annual Public Auction of Real Estate Tax Liens.

Any questions regarding the Annual Public Auction should be directed to the Treasury Division, Taxpayer Service Section, 144 West Colfax Avenue, Denver Colorado 80202, (720) 865-7070.

ROGUE INVESTOR NOTE: The auction is run by RealAuction.com. See Private Sector Tax Sale Administrators at the end of the Colorado section.

(2b) Information on the Sale of Delinquent Real Property Tax Liens

<http://www.denvergov.org/PropertyTaxInformation/TaxLienSaleInformation/InformationontheSaleofDelinquentTaxes/tabid/425592/Default.aspx>

The Tax Lien Sale is usually held around the first part of November. Buyers pay the total advertised price consisting of tax, interest to the date of sale and an advertising fee. They also pay a \$4.00 certificate fee plus any premium bid. The person paying the highest amount is issued a Certificate of Purchase. This is a negotiable document representing a recorded lien on the property. It is valid for 15 years. The buyer does not recover the premium paid over the starting amount. The certificate earns interest at the rate stated on the certificate with portions of calendar months considered as whole months.

A buyer list showing certificate numbers, schedule numbers and total paid will be provided to the taxpayer. Buyers are responsible for keeping adequate records. The Treasury Division is responsible for the sale of the tax lien, immediate notification to buyers of redemptions and payment upon surrender of the redeemed certificate. (We will hold your certificate if you wish and provide copies to you.)

The redemption amount paid is the certificate amount (tax, interest, advertising, and fees), plus redemption interest. The annual redemption interest rate for each year's sale is established by adding 9%

to the September 1st Federal Reserve discount rate. One twelfth of this rate accrues for each month or portion thereof. The September 1, 2007 discount rate was 5.75%. The redemption rate for certificates sold in November of 2007 will be 15% or 1.25% per month. Upon redemption, we notify the buyer to return their certificate for payment of the certificate face value plus accrued interest. If we are holding your certificate, a check will be mailed immediately.

Buyers may after July 1st pay the subsequent year's unpaid taxes for endorsement onto their certificates. These payments earn the same rate of interest as does the original sale.

If the property has not been redeemed after three years, the buyer can apply for and receive a Treasurer's Deed to the property. Buyers return their certificates to us and deposit expense money. After a title search, advertising, and notification of all interested parties, a Treasurer's Tax Deed is issued if there has been no redemption.

Erroneous sales are paid interest at the rate of 2% above the discount rate rounded to the nearest full percent but no lower than 8%. The lower redemption interest rate is applicable to discoveries made after May 23, 1988 and can be applied to the entire certificate regardless of when the certificate was purchased.

If you wish to participate in our sale, please notify us that you need a copy of the rules showing the date of the sale and any details. Information will be mailed to you after September 1st. We furnish a copy of the list of parcels for sale at the time of the sale.

The subject of Tax Lien Sales, Deeds, Redemptions, etc., which are administered by County Treasurers, is covered by Colorado Revised Statutes, Title 39, Articles 11, and 12. Any questions should be referred to the Taxpayer Service Unit at (720) 865-7070.

(2c) Tax Lien Sale Announcements: 2007 Public Auction of 2006 Taxes

<http://www.denvergov.org/PropertyTaxInformation/TaxLienSaleInformation/TaxLienSaleAnnouncements/t/abid/425593/Default.aspx>

A lien is what you are buying – not the property. You are given a treasurer's certificate of purchase.

Buyers must have registered and deposited electronic funds transfer in order to make purchases. Make sure names are spelled correctly on your registration. Certificates will show the same information.

Payment transfers that are rejected for any reason, including the lack of funds, may result in cancellation of the corresponding bid(s) and the treasurer may prohibit a person who fails to pay the amount due from bidding on sales for up to five years under §39-11-116, C.R.S.

City employees and their family members (son, daughter, mother, father, grandmother, grandfather, grandchildren, brother, sister, son-in-law, daughter-in-law, mother-in-law, father-in-law, brother-in-law, sister-in-law, domestic partner, and the mother, father, son, daughter, brother, or sister of the domestic partner) are not allowed to buy.

The "ts" on the right in the newspaper indicates an unredeemed sale from a prior year; "partially paid" indicates that either the tax is for the second-half or that there is an additional fee for a service lien or maintenance district payment which is due on the parcel. Note that this may be all that is due on the property.

The interest rate is 15% on this year's certificates. Subsequent years can be endorsed to these certificates at the same rate.

Be sure that you know how to add on subsequent taxes. Do not just pay the taxes. You must bring or send in the certificate to be endorsed to the special accounts unit. Subsequent taxes may be added in July annually.

The earliest you can apply for a deed is November 2010 for the 2006 tax year. The earliest a deed can be issued is three and half (3.5) years from the November tax sale date. The deed fee is \$500.00. Unused deed fees will be refunded.

(2d) Payment of Subsequent Years' Taxes

<http://www.denvergov.org/PropertyTaxInformation/TaxLienSaleInformation/PaymentofSubsequentYearsTaxes/tabid/425594/Default.aspx>

The Colorado Revised Statutes (39-11-119) provide that a holder of a certificate of purchase may pay any subsequent taxes on the property on which the buyer has an unredeemed certificate, and that this payment will be endorsed on the certificate and the tax lien sale book of record in the Treasurer's Office.

The payment is made to protect your certificates and to prevent the property from being sold again at subsequent tax lien sales. Payment is recorded on the certificate and on the tax lien sale book to insure that you will be reimbursed for this additional payment in the event of a redemption. This fee for the endorsement of these payments is \$5.00 per endorsement. This fee will also be recovered on redemptions. Current general property tax payments can be endorsed on to certificates for special assessment if you desire. Delinquent Local Improvement installments may be endorsed on to general tax certificates. Certificates must be brought in, left, and processed in the order they are received.

Subsequent payments of delinquent taxes endorsed on certificates purchased in November 2007 draw interest at the rate of 1.25% per month or fraction thereof (15% per annum), from the date of payment. This interest is computed on a monthly basis to the date of redemption.

In addition to regular taxes, subsequent tax sale certificates may be redeemed and the redemption amount endorsed on your certificates. Tax Sale Certificates from previous sales cannot be redeemed and endorsed on your certificates unless your certificate is on a Special Assessment for a Local Improvement, Delinquent Sanitary Sewer lien, Delinquent Storm Drainage lien and the earlier certificate is a General Certificate. In this case, it is recommended that it be done since a deed on the General Certificate could make the Certificate for special assessment worthless.

This may be done at any time, but accrues interest from date of payment to date of redemption. Buyers wishing to make subsequent tax payments should bring or send their certificates to the following:

Special Accounts Unit
1st Floor, 144 West Colfax Avenue
phone: (720) 865-7000

Treasury will determine the amounts required and will notify buyers so that payment can be made. We will then process the payments and make the necessary entries to the tax lien sale books.

For payment of general taxes, most buyers bring their certificates in during the last two weeks of July. Processing takes several weeks. If redemptions are received during this time, we pull the certificate and mail a check to the tax buyer.

(3) Contact Information

<http://www.denvergov.org/Treasury/410contact.asp>

Treasury Division
McNichols Civic Center Building
144 W. Colfax Avenue
Denver, CO 80202-5391
Phone: (720) 865-7202
General email address for Treasury: treasinfo@ci.denver.co.us
Property Tax Information, Taxpayer Service Unit, phone: (720) 865-7070

DOUGLAS COUNTY, COLORADO

<http://www.douglas.co.us>

TREASURER'S OFFICE

<http://www.douglas.co.us/treasurer>

Sharon Jones, Treasurer
Douglas County Treasurer's Office
100 Third Street, Suite 120
Castle Rock, CO 80104
Phone: (303) 660-7455
Fax: (303) 660-9022
Email: dctreasurer@douglas.co.us

(1) Tax Lien Sale Information

http://www.douglas.co.us/treasurer/Tax_Lien_Sale_Information.html

The Tax Lien Sale will be held on Nov. 13, 2008.
The Tax Lien Sale Seminar will be held on Oct 23, 2008.

Purchasing delinquent tax liens at sale is becoming an increasingly popular form of investment. Here are some facts to help you understand what a tax lien sale investment is, and what it is not:

- When you purchase a tax lien sale certificate on property, you become a lien holder on the property. In essence, you loan funds to the owner to pay taxes.
- You purchase the tax lien, not the property. In Douglas County, eventual transfer of deed has occurred in less than 2 percent of all purchases.
- Investing in tax liens through purchase at tax lien sale is just that –an investment. The purchase can be thought of in terms of a potentially long range C.D. Redemption of the certificate is at a given rate of return, and can occur up until the time a Treasurer's Deed is issued or until 15 years from the date of sale, whichever comes first.
- The State Banking Commission determines the rate of return. The annual interest rate is set at nine points above the federal discount rate as of September 1.

The Treasurer's Office wishes to make it very clear that all sales are made with a "buyer beware" warning. While we make every effort to remove property with bankruptcies, FDIC or RTC connections, we cannot guarantee a property to be buildable or desirable.

(1a) Tax Sale Rules

http://www.douglas.co.us/treasurer/Tax_Sale_Rules.html

Payment of Taxes: Taxes, including interest and penalties, must be paid by noon (12:00 p.m. MST) on the day prior to the tax sale. No payments will be accepted on the day of the sale.

If a tax lien has already been sold on the day of the sale, one month's tax lien interest will be charged in addition to fees and advertising. Payment must be in cash or certified funds.

Once delinquent taxes have been advertised, they must be paid in certified funds.

Form W-9: The IRS now requires County Treasurers to report, on form 1099, interest income earned through tax lien investments. W-9 forms are available (<http://www.douglas.co.us/treasurer/documents/fw9.pdf>), and should be completed prior to registration. If a W-9 is not on file with the Treasurer's office, the Treasurer will withhold 30% of interest earned at the time the tax lien certificate is redeemed.

Deposits: We no longer require funds on deposit to purchase liens at our Tax Lien Sale. All bids must be covered by personal checks. Buyers are responsible for ensuring that the information on the registration form is legible and correct, and that the name given to the registration clerks is the same as that on the

registration form since the certificates of purchase are prepared from this information. Each bidder will bid in the names on the registration forms held by them.

Refunds: Deposited funds in excess of purchases, if any, will be refunded after all post-sale balancing completes or within three business days.

Registration: 7:30 a.m. in Conference Rooms A & B, 100 Third Street, Philip S. Miller Executive Building. For a printable Registration form, please visit http://www.douglas.co.us/treasurer/documents/Tax_Sale_Registration_Form.pdf

Seating: Seating will be on the basis of arrival with no reserved seats. The doors of the sale room (first floor Hearing Room) will open at 7:30 a.m. Bidding will begin promptly at 9:00 a.m.

Sale: A complimentary, updated currently deleted listing will be available in book form the day of the sale. This list will be followed in numerical order as closely as possible during the sale. A currently deleted copy of the newspaper publication will be posted near the entrance to the sale room.

The sale will be conducted as rapidly as possible consistent with the objectives of the sale and fair play to all bidders.

As is expected at auctions, premiums are allowed. Rules of other persons and/or counties will not apply in Douglas County.

A parcel will be subject to open bidding and the taxes will be sold to that person "who shall further pay the largest amount in cash in excess of said taxes, penalty, interest and costs." On taxes of \$500 or less, premium bids will be in \$5.00 increments. On taxes of \$501 and up, premium bids must be in increments of \$10 or more.

The auctioning will fairly provide all bidders present and qualified the opportunity to compete in an open bidding procedure. No parcel will be passed until after further bidding has been refused twice. Parcels not bid on during the sale will be struck off to the County at the conclusion of the Tax Lien Sale (C.R.S. 39-11-108[III]).

The sale position number, tax schedule (parcel) number, and total dollar amount of each parcel will be read only once by the auctioneer. All successful bids are final. No changes in, or cancellations of, parcels will be made after the parcel has been sold.

Pursuant to Colorado state statutes, all Special and Local Improvement District assessments will be listed and sold with any applicable ad valorem taxes.

Once a bidder ceases to purchase – i.e., closes out their account and pays for their purchases, should he/she wish to purchase additional tax liens, they must re-register, using the same bidder number from their original registration to reactivate their account.

Insofar as possible, the day will be used entirely to conduct the Tax Lien Sale. There will be a 15-minute break in the morning and, if necessary, a 45-minute lunch break and 15-minute afternoon break. Should it be necessary, the Tax Lien Sale will be reconvened the following business day.

Anyone desiring to bid on specific parcels other than through the bid process must apply at the Treasurer's office no later than November 2 and must provide proof of legal interest in such property.

Disclaimer: Purchase of a tax lien should be considered, first and foremost, as a loan to the property owner at the specified annual rate of interest with the property as collateral for that loan. It is not within the investor's purview to notify the property owner of the lien or to try to encourage the property owner to redeem the tax lien.

It is the purchaser's responsibility to determine the status of any property offered at tax lien sale. Any purchase of a tax lien is done at the purchaser's own risk. Particular attention should be given to those properties in bankruptcy; under the control of the Resolution Trust Corporation (RTC), the Federal

Deposit Insurance Corporation (FDIC); those affected by the Drug Enforcement Agency (DEA); and any properties which may have a special improvement assessment or may be located in a special district which may be in financial distress. The purchase of a tax lien on these properties could result in a loss of interest. Any applicable federal laws or regulations and/or special concerns regarding any special assessments take precedence over the rights of a tax lien purchaser.

If you have any questions regarding your rights as a purchaser of a tax lien, you should consult an attorney.

Every effort has been made to determine which properties are in conservatorship or receivership of RTC or FDIC. Any properties discovered subsequent to sale which are so owned will be considered an erroneous sale by this office, if prior permission to include in sale has not been received from RTC or FDIC.

In the event of an abatement or tax roll correction on any parcel subsequent to its sale, redemption interest will be based on the reduced statutory rate (C.R.S. 39-12-111).

Douglas County Department of Planning and Community Development encourages potential purchasers to research the status of land, as it may or may not be suitable for development due to zoning restrictions, natural or man-made hazards.

Certificates: The Certificate to be issued on a successful bid will be in the statutory form, showing the lawful rates of interest (for the life of the certificate), the legal description, purchase amount, and buyer's name (as entered on the registration form), and the date of the Tax Lien Sale. Certificates will not be issued in a name other than the name or names on the registration form. The names on the registration forms cannot exceed 40 characters total.

The holder of original tax lien certificates may, if they wish, endorse – i.e., pay taxes for subsequent years, until the certificate is redeemed. Information on subsequent endorsements will be sent out from the Douglas County Treasurer's office in August. Original certificates will be held at the Douglas County Treasurer's office unless otherwise requested by the purchaser. Original certificates not retained by us must be returned to the Douglas County Treasurer's office for endorsement or redemption.

Interest: Interest begins on the date of sale in October/November and June 16th thereafter. The per annum rate of interest for Tax Liens will be set by the State Banking Commissioner on September 1 and that per annum rate will remain fixed at that rate for the life of the Certificate.

Premiums on bids are not refundable nor do they earn interest.

(1b) Tax Sale Proceeding

http://www.douglas.co.us/treasurer/Tax_Sale_Proceedings.html

The tax lien sale begins at 9:00 a.m. and continues until all tax liens are offered. The sale is conducted as an open auction to the highest bidder.

To facilitate the bidding procedure, each tax lien is initially offered in number sequence, for the amount of taxes, interest, and fees. The tax lien is sold to the bidder who pays the largest amount. On taxes of \$500 or less, premium bids will be in increments of \$5.00 on taxes of \$501 and up, premium bids must be in increments of \$10 or more. Premium bids are bids in excess of the taxes, interest, and fees. All premium bids made are at the investor's expense and will not earn interest.

Any parcel not bid on during the sale will be held open for purchase in the Treasurer's office until the following day, after which it will be struck off to the County.

Seating is on the basis of arrival with no reserved seats. The doors of the sale room open at 7:30 a.m.

There will be absolutely no transferring of purchases from one name to another after bidding is made. If you wish to transfer the certificate, assignment can be made after the certificate of purchase is received.

The sale is conducted as rapidly as possible, consistent with the objectives of the sale and fair play to all bidders.

Prohibited Bidders: No County official, employee, immediate family member, or person acting as an agent for same, may participate in the tax lien sale.

(1c) Money Matters

http://www.douglas.co.us/treasurer/Money_Matters.html

We no longer require funds on deposit to purchase liens at our Tax Lien Sale.

- All bids must be covered by certified funds, or personal checks, at the conclusion of the sale or upon investor checkout.
- A bidding number must be obtained before buyer can begin bidding process.
- It is the responsibility of the buyer to monitor purchases and keep track of available funds.
- Upon completion of the Tax Lien Sale or bidder termination, the buyer must proceed to the Treasurer's Office for check out and payment of purchases.
- Failure to pay for purchases and checks returned for insufficient funds will result in the loss of the liens purchased.
- In the event of an abatement or tax roll correction on any parcel subsequent to its sale, redemption interest will be based on the reduced statutory rate. The current interest rate is 8%.

(1d) Pre-Sale Information

http://www.douglas.co.us/treasurer/Pre-Sale_Information.html

- Persons interested in investing in tax liens to be sold should send \$2.00 (postage and handling), along with their name and address in order to be placed on the investors' mailing list. An advertising list is included in the mailing.
- Pre-registration is highly recommended – it will save both the Treasurer's staff and the buyer time on the morning of the sale. In order to pre-register, the buyer will need to fill out a pre-registration form and send it to this office prior to the sale. Click here for a printable Pre-registration form (http://www.douglas.co.us/treasurer/documents/Tax_Sale_Registration.pdf) or one can be obtained from the Treasurer's office upon request.
- The I.R.S. now requires all County Treasurers to report income earned through tax lien investments. Therefore, W-9 forms (<http://www.douglas.co.us/treasurer/documents/fw9.pdf>) will be available at the tax sale and should be completed fully before investors bid.
- Anyone wanting to bid on specific parcels other than through the bid process must apply at the Treasurer's office at least one day prior to the tax sale and must provide proof of legal interest in such property.
- Property tax liens to be sold at sale are generally advertised in October.
- Property tax liens are advertised once a week for three consecutive weeks and will be sold in tax schedule number order.
- Advertisement is made in a general circulation newspaper in Douglas County.
- Updated advertising lists, which record all property taxes paid prior to sale, are available for inspection at the office front counter.

(1e) After the Sale

http://www.douglas.co.us/treasurer/After_The_Sale.html

Subsequent Years' Taxing

After June 15 of each year, all tax lien sale certificate holders have first option to pay any subsequent years' taxes which remain unpaid on properties for which they hold liens. These tax liens are endorsed on the original certificate at the same guaranteed rate of return. Information is mailed to the investor around the first week of August for subsequent payments.

A Treasurer's deed (http://www.douglas.co.us/treasurer/documents/Treasurers_Deed_App.pdf) may be issued three years from the original date of sale on a Certificate of Purchase. Certificate holder must:

- Surrender original certificate
- Complete treasurer's deed application form
- Remit appropriate deed fees

Deed application involvement:

- Property owner of record is notified of deed application and given two weeks to redeem before deed procedures start.
- At this point, if the certificate has not been redeemed, the certificate holder will be notified that a \$500 deposit is required to continue deed application. No interest is earned on the deposit.
- Remittance of \$500 deposit covers:
 1. advertising fees
 2. certified mail fees
 3. title search fee
 4. miscellaneous legal fees
- Current year assessed taxes and any subsequent tax liens should be paid prior to issuance of deed, however, it is recommended that at least the current year assessed taxes be paid. If redemption is made before deed issuance, all redemption money and deposits will be returned to the investor.

(1f) Investor's Guide to the Annual Tax Sale

http://www.douglas.co.us/treasurer/Investors_Guide.html

Location: 100 Third Street, Philip s. Miller Building, Commissioners Hearing Room, Castle Rock, CO

Tax Lien Registration: If you are pre-registered, proceed directly to a check-in station in the Treasurer's Office. If you are not pre-registered, go to Conference Rooms A & B to fill out the registration (http://www.douglas.co.us/treasurer/documents/Tax_Sale_Registration.pdf) and W-9 form (<http://www.douglas.co.us/treasurer/documents/fw9.pdf>). Once completed, take the forms to the registration desk.

When you have completed registration, and received your parcel listing booklet and bidder's number card, you may proceed to the Commissioner's Hearing Room at any time prior to 9:00 a.m. Remember: Your bidder number card is your i.d. as a registered buyer.

Refreshments will be available in Conference Rooms A & B, as well as an updated property listing. The conference room and the Treasurer's office will have public access to computers to research prospective tax lien sale properties.

Tax Lien Auction: Sale begins at 9:00 a.m. Purchases include all taxes, advertising, penalty, and any premiums bid. It is the responsibility of the buyer to monitor purchases and track available funds. Inability to pay for purchase will result in loss of bidder status and liens purchased. Liens not paid for will be re-offered to eligible bidders.

Check-Out at Treasurer's Office, Where You Registered: All registered buyers must return bidder number card to a check-out clerk. Present your bidder number to check-out clerk. You will receive a print-out of your purchases and account balance. Please review carefully, and make payment for said purchases.

(2) Additional Resources

http://www.douglas.co.us/treasurer/Tax_Lien_Sale_Information.html

(2a) Treasurer's Deed Application:

http://www.douglas.co.us/treasurer/documents/Treasurers_Deed_App.pdf

Instructions and forms to apply for a Treasurer's Deed.

(2b) County Held Lien List

http://www.douglas.co.us/treasurer/documents/CountyHeldLiensList1_08.pdf

List of current tax liens not sold at the tax lien sale and struck off to the county. Updated January 2008.

ROGUE INVESTOR NOTE: The county-held lien list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(2c) County Held Assignment Application

http://www.douglas.co.us/treasurer/documents/County_Held_Assign_Request.pdf

Form to apply for assignment of a county held lien.

(2d) Tax Sale Registration Form

http://www.douglas.co.us/treasurer/documents/Tax_Sale_Registration_Form.pdf

Pre-Register for the Tax Lien Sale

(2e) W-9 Form

<http://www.douglas.co.us/treasurer/documents/fw9.pdf>

Printable W-9 form

(2f) Tax Sale Seminar Presentation

http://www.douglas.co.us/treasurer/documents/Tax_Sale_Presentation_2007.swf

Tax Lien Sale Seminar informational presentation

EL PASO COUNTY, COLORADO

<http://www.elpasoco.com>

TREASURER'S OFFICE

<http://trs.elpasoco.com/default.asp>

Real property and manufactured home unpaid taxes are enforced through the annual tax lien sale with the Treasurer becoming the agent through whom the lien is paid.

Sandra Damron, Treasurer
27 E. Vermijo Avenue
Colorado Springs, CO 80903
Phone: (719) 520-6666
Email: trsweb@elpasoco.com

(1) Tax Lien Sale Procedures

<http://trs.elpasoco.com/NR/exeres/EBE390F2-ED28-4177-AAED-E239D648CDB9>

Real property and mobile home delinquent taxes are enforced through the annual tax lien sale.

Please note dates are subject to change.

Date, Time, Location: The sale of El Paso County's unpaid taxes and special assessment liens was held on October 30, 2007 and October 31, 2007. Our next tax lien sale will be held on October 28, 2008 and October 29, 2008. (Dates subject to change.) The sale will be conducted at the following location:

El Paso County Office Building
27 East Vermijo Avenue, 3rd Floor
Colorado Springs, CO 80903

Deposits: All bids must be covered by cash or certified funds made payable to the El Paso County Treasurer. Electronic fund transfers (wires) will be accepted if the money is received in our office two business days before the tax sale. Early deposits are encouraged. Buyer deposits may be mailed to, or made in the Office of the County Treasurer, 27 East Vermijo Avenue, First Floor, Colorado Springs, Colorado 80903. Buyers must indicate in writing whether they Do or Do Not desire to participate in the automatic rotation selling at the time their deposit is made. See "Required Forms" in the "Buyer Information" section. Buyers do not need to be present to participate in the automatic rotation selling. See "Buyer Information" for additional procedures.

Except as stated above for electronic fund transfers, deposits must be received prior to 11 a.m. on October 28, 2008 for inclusion in the automatic rotation selling which will begin promptly at 1 p.m. Once the automatic rotation selling begins no deposits will be allowed until that process is completed. During the automatic rotation selling once a buyer's deposit amount is expended, that bidder number will no longer be considered. If the amount of the lien exceeds the available balance, the bidder number will be skipped. Deposits for open bidding will again be accepted after the conclusion of the automatic rotation selling the afternoon of October 28, 2008 and at 8:30 a.m. on October 29, 2008.

Deposits must be made in the name which will appear on the tax lien certificate. Transfers of deposits or purchases from one account to another will not be permitted during or immediately following the sale.

In the open bidding categories it is the buyers' responsibility to monitor their purchases to avoid overspending. All remaining unexpended funds will be refunded as quickly as possible after the close of the sale.

Seating: Seating for the open bidding portion of the tax sale is limited and reserved for registered buyers. We ask that observers move to the back of the room or outer corridor. Children younger than 16 years old are discouraged from attending. Buyers only need to be registered and have made their deposit to participate in the automatic rotation selling.

Buyer Information: Only one bidder card will be issued per buyer. Each buyer must be registered and have funds on deposit to participate in the sale. Each buyer participating in the open bidding categories must pick up his/her own bidder card on tax sale day. The Treasurer reserves the right to limit buyer numbers issued to any individual or agent. Each buyer is required to complete an Internal Revenue Service form W-9 with name, address, and social security number or federal tax identification number, buyer registration and automatic rotation selling authorization form. See forms below. Bidder numbers for new buyers will be assigned only after the completed forms are submitted with a deposit. Bidder cards are issued on the day of the open bidding sale. If the buyer does not desire to participate in the automatic rotation selling, written notice must be given at the time deposit is made.

Required forms

- IRS Form W-9: <http://trs.elpasoco.com/NR/rdonlyres/D9D4B865-8B68-46BE-87C4-963DA753D152/0/w9.PDF>
- Buyer Registration Form: <http://trs.elpasoco.com/NR/rdonlyres/02649421-8F81-48A9-912E-36305B206038/0/BuyerRegistrationForm.pdf>
- Automatic Rotation Selling Authorization Form: http://trs.elpasoco.com/NR/rdonlyres/03F154E5-DF51-431C-B5CE-10F5A6097BBD/0/ARS_auth_dep_allocation.pdf

Buyers who have purchased tax liens at prior sales do not need to register again. Any changes to existing buyer information must be provided annually. Buyers are responsible to assure that the information on their registration is correct and current. Tax lien sale certificates, refund checks, redemption checks, and 1099 interest forms are prepared from this information. Before leaving the sale all bidder cards must be returned to the Treasurers Office.

Disclaimer: It is the buyers' responsibility to know the quality of the property on which they are paying the taxes and receiving a lien. Buyers must rely entirely on their own information, judgment, and inspection of the property records.

Sale Procedures: Each parcel will be offered in compliance with Title 39, Article 11, of the Colorado Revised Statutes. To facilitate the sale procedure, parcels which are contiguous or contained within one subdivision may be combined and sold as a group.

The base (minimum) amount for each tax lien is comprised of the unpaid ad valorem tax, special assessments, late payment interest, collection fees, advertising cost, and other fees.

The tax liens will be separated into categories to facilitate the sale. The sale will officially commence on October 28, 2008 and conclude on October 29, 2008.

All sales are final.

Automatic Rotation Selling, October 28, 2008 at 1 p.m.

- Category Two will contain the liens for a single property or multiple properties where the total amount of the lien is greater than \$100.00 and less than or equal to \$2,000.00.
- Buyers do not need to be present to participate in the automatic rotation selling. Buyers must be registered and have sufficient funds on deposit by 11 a.m. on October 28, 2008, to be considered. If buyers do not want to participate in the automatic rotation selling, they must so state in writing at the time their deposit is made. Once the sale starts, no deposits will be allowed until after the completion of the rotation selling. At 3:00 p.m., reports which list the liens sold to each buyer will be available. Buyers who do not pick up their reports on that day will receive the reports when they pick up their bidder cards on October 29, 2008. Any reports not picked up by October 29, 2008 at the conclusion of the sale will be mailed out.

Open Bidding, October 29, 2008 at 9 a.m.

- Category One will contain the liens where the total amount of the lien is less than or equal to \$100.00.
- Category Three will contain the liens for a single property or multiple properties where the total lien is greater than \$2,000.00.
- Category Four will contain the liens for properties with alert information. The alert information is a good faith effort to share known information with prospective tax lien sale buyers. It is not all inclusive. The Treasurer and the County are unable to warrant the alert information or lack of alert information. The tax lien sale buyer participates at his or her own risk.

Make sure you know what you are bidding on. All sales are final.

These liens will be offered for general (open) bidding and will be sold to the buyer who pays the largest bonus (premium) bid in excess of the minimum amount.

The sale process is subject to change depending on the number of tax liens available.

For all open bidding the sequence index number and the base (minimal) amount of each parcel or unit will be read only once. All successful bids are final (assuming the buyer has sufficient monies on deposit). No changes in, or cancellation of, parcels purchased can be made after the lien is sold.

The sale will be conducted as rapidly as possible, consistent with the objectives of the sale and in fairness to all buyers. We may recess for lunch at around noon or choose to continue until the sale is concluded.

Any announcement of adjournment or reconvening will be made at the sale.

Rules for General (Open) Bidding: Tax liens will be sold to the person who shall pay in addition to the lien amount a bonus (premium) bid. Bonus (premium) bids are not returned or recovered when a tax lien is redeemed (cured).

Bonus Bids: Minimum bids and bid increase increments are as follows:

- Categories 1 and 4 will not be less than \$1.00 and after reaching \$5.00 will be increased by increments of \$5.00 to \$20.00. After reaching a bonus bid of \$20.00, the amount will be increased by increments of \$20.00.
- Category 3 will start at \$20.00 and increase in increments of \$20.00.

Record of Purchase: A tax lien sale certificate of purchase will be issued for each property and will be in the statutory form stating the property description, purchase amount, rate of interest, buyer name as shown on the registration, and the date of sale. Certificates are assignable; however, no assignments will be permitted until 10 business days after the sale. If delinquent taxes occur in the future, the certificate holder may endorse the amount of delinquent taxes and lawful charges onto his/her certificate until redemption.

Redemption Interest: Interest begins to accrue from the month the certificate is issued. The interest earned is calculated based on the interest rate and the number of months up to and including the month of redemption. There is no compounding. The interest rate for tax lien sale certificates of purchase in 2008 will be determined in September 2008.

Prohibited Buyers: El Paso County officials or employees or their immediate family or agents may not participate in the purchase of liens.

General Information: It must be understood that the sale and purchase of the tax or special assessment lien at a tax lien sale does not, as it might under simple sales and purchase agreements, convey the right of possession, use, improvement, or access to the property. The buyer is issued a tax lien sale certificate of purchase on which he/she is entitled to interest. The lien may be redeemed by the property owner, any person having a legal or equitable claim or by the agent of either party at any time prior to the issuance of a Treasurer's tax deed. A Treasurer's tax deed cannot be issued prior to the third anniversary of the tax lien.

The certificate holder has the right to pay (endorse) subsequent year's taxes and lawful charges once they become officially delinquent. If a certificate holder chooses to endorse, the amount will be added to the existing tax lien. Endorsement information will be mailed to all eligible certificate holders in early July.

If the lien remains unredeemed (not cured) and becomes eligible for a tax deed, the certificate holder must make application to the Treasurer in order to initiate the process. The procedural requirements normally take nine to twelve months to accomplish. An extension of the time period may occur when there are complex problems related to the property. Deed applications may be made four calendar months prior to the third anniversary date of the certificate. When application is made, monies must be deposited to pay all related deed expenses. The deed application processing costs are recoverable if the property is redeemed; however, no redemption interest is earned on deed expenses. Prior to receiving a Treasurer's tax deed, all subsequent taxes, special assessment liens, and current taxes must be paid. El Paso County makes no guarantee for the condition or marketability of any property which is acquired through a Treasurer's tax deed.

Wrongfully Sold Lien: If a lien is wrongfully sold and the County must pay the certificate holder the redemption interest, the rate will be calculated as set forth in Section 39-12-111, Colorado Revised Statutes.

Publication Information: Publication information will be announced at a later date.

The link to the list of unpaid 2007 taxes for the 2008 tax sale will be available beginning October, 2008 on our web site:

The list will be updated periodically for accounts that are paid.

Contact Information: Inquiries may be directed to:

El Paso County Treasurer
P.O. Box 2007
Colorado Springs, CO 80901-2007
Telephone: (719) 520-6666
E-mail: trsweb@elpasoco.com
Web Site: <http://trs.elpasoco.com>

(2) County Held Tax Liens

<http://trs.elpasoco.com/NR/exeres/38AAE623-0C0F-4EFD-9424-E9924FBED363.frameless.htm>

The El Paso County held tax lien list consists of tax liens not purchased by investors at the public auction. These liens are available for assignment by submitting a written request to the El Paso County Treasurer's office. You are advised to research, and if possible, accomplish a site inspection of any parcel(s) prior to submitting an assignment request. It is your responsibility to determine if the property you are requesting the tax lien assignment on is worth your investment.

Parcel numbers beginning with 99000 or 99001 are for severed mineral interests.

Public record property information and parcel maps are available on the Assessor's website at <http://land.elpasoco.com>.

If you have additional questions, you may contact our office at (719) 520-6670.

List of County Held Tax Liens: <http://trs.elpasoco.com/NR/rdonlyres/9C097F6C-055F-47A1-A597-2D1C7DCC6AFD/0/COUNTYHELDTAXLIENS.TXT>

ROGUE INVESTOR NOTE: The list of county held tax liens is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(3) Frequently Asked Questions: Real Property Tax Lien Sale Information

<http://trs.elpasoco.com/faqlien.asp>

How often are tax lien sales held? The auction for real property tax liens is held once a year.

How many property tax liens did you list for sale? (2006 taxes payable in 2007) 3,802

How many parcels are taxed in your county? (2006 taxes payable in 2007) 214,614

How many of the tax liens listed were paid prior to your sale? 1,576

How many liens were sold? 2,023

How many buyers participated in your sale? 409

How many liens remained held by the County? 137 (121 real estate parcels and 16 mineral rights)

What was the total amount of liens sold? \$3,107,231.83

What was the interest rate for liens purchased in 2004? 15%

When will your next tax lien sale be held? Automatic Rotation Selling: 10/28/08; Open Bidding: 10/29/08 (Dates subject to change)

When and where are tax lien sales advertised? To be determined.

May I send a representative to the sale to bid for me? Yes. However, only one bidder card per person present is allowed.

How and when do I register for the tax lien sale? You may pre-register beginning one week prior to, and up to the date of the sale. You may also register the morning of the sale. In order to register you must complete a W-9 (Internal Revenue Service; <http://www.irs.gov/pub/irs-pdf/fw9.pdf>) a Buyer Registration Form (<http://trs.elpasoco.com/NR/rdonlyres/02649421-8F81-48A9-912E-36305B206038/0/BuyerRegistrationForm.pdf>), and Automatic Rotation Selling Authorization and Allocation of Tax Sale Deposit Form (http://trs.elpasoco.com/NR/rdonlyres/03F154E5-DF51-431C-B5CE-10F5A6097BBD/0/ARS_auth_dep_allocation.pdf) and remit your deposit. Only one bidder number per SSN or TIN will be assigned. Buyer numbers will not be assigned until a deposit is made.

What type of payment is required to participate in the sale? All bids must be covered in advance by cash or certified checks made payable to The El Paso County Treasurer. Electronic Fund Transfers (wires) will be accepted if the money is received in our office two business days before the sale.

If the property tax lien is not redeemed (cured) within the three year minimum redemption period, what do I do? You may make application four months prior to the third anniversary date of the certificate for a tax deed. The present processing cost is estimated at three hundred fifty dollars and the processing time window is nine to twelve months.

What do I receive from a tax deed? The issuance of a valid tax deed creates new title to the property. The recipient should establish his/her interest in the property through a suit to quiet title.

Can a tax deed be challenged? Yes, an owner or party of interest may bring an action within five years of the date of issuance to set aside a tax deed. If a person is under legal disability at the time of execution and delivery of a tax deed, such person has the right to make redemption of the property within nine years from the date of the recording.

What governs tax sales in your county? Colorado Revised Statutes, Title 39, Section 10, 11, and 12.

ROGUE INVESTOR NOTE: See web page for additional questions and answers.

(4) Redemption Statistics

<http://trs.elpasoco.com/redmstats.asp>

Redemption statistics for sale dates November 19, 1997 through October 30-31, 2007.

JEFFERSON COUNTY, COLORADO

<http://co.jefferson.co.us>

TREASURER'S OFFICE

<http://www.co.jefferson.co.us/treasurer/index.htm>

Faye Griffin
100 Jefferson County Parkway
Golden, CO 80419
Phone: (303) 271-8330
Email: ckirby@jeffco.us

(1) Frequently Asked Questions

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R24.htm

Do I lose my property if it goes through the tax sale? No, you still have an additional three years before the tax lien sale buyer can apply for a deed to the property. However, the interest rate determined for that year will accrue to the date of payment. After three years from the date of sale, if the tax sale buyer applies for the deed to the property, the owner is notified and given a last chance to pay the taxes.

(2) Important Dates

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R18.htm

July 15: If a lien has been sold for unpaid prior year tax, the tax buyer will be allowed to pay current tax thus adding to that lien certificate. To avoid this, your payment must be received by this date. This is called the endorsement process.

September: Real and personal property taxes that remain unpaid will be listed in a newspaper publication four weeks prior to the tax lien sale and advertised for three consecutive weeks. The first publication is printed mid September.

October: The annual tax lien sale is held in October.

(3) Tax Lien Sale

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R9.htm

Internet Tax Sale, October 25-29, 2007. The sale will be held at www.sri-auctionsonline.com.

Auction Format: The tax lien sale will be held as an Internet auction administered by SRI Incorporated. Tax liens available for bid will be listed on the SRI web site www.sri-auctionsonline.com beginning October 25, 2007 at 9 a.m. Bidding will close hourly in batches of approximately 200 liens per batch. Each page is considered a batch. The first batch (page one) will close at 8 a.m. Mountain Time on October 29, 2007 and continuing closing each hour until 8 p.m. The bidding rules will be posted at least two weeks before the beginning of the actual auction. Two computers will be available for use in the Treasurer main lobby. Questions regarding the operation of the auction should be addressed to SRI at 1-800-800-9588.

Registration: All Bidders must register with both the Jefferson County Treasurer's Office and the auction provider SRI in order to participate in the Tax Lien Sale. Once a bidder has registered with both parties, the Jefferson County Treasurer's Office will inform SRI that the bidder is approved to start bidding; this can take up to 24 hours. Registration will take place from October 15, 2007 through October 23, 2007. Registration closes at 5 p.m. Mountain Time on October 23. No registration will be allowed after October 23, 5:00 p.m. Mountain Time.

Registration with Jefferson County involves a two step process. First, one must fully complete the Registration Process on our secure Web site. This is the only way to register with Jefferson County. Hard copies mailed or faxed to the county will not be accepted as registration.

Fill out the registration form on line, fill out the W-9 form and print it.

Next, you must either mail or fax in the completed W-9 (name, address, social security or employee ID number, sign and date it) form along with your voided check (deposit slips are not accepted) for the account to be charged for all winning bids to:

Jefferson County Treasurer
100 Jefferson County Parkway
Golden, CO 80419
303-271-8359 (fax)

Bidders are responsible for seeing that the information supplied on all registration forms is legible and correct and that the name supplied on these forms is the same since the Certificates of Purchase are prepared from this information. Each Bidder will bid and purchase in the name listed. Bidders must register with the same name when registering with Jefferson County Treasurer and SRI.

Information for registration with SRI can be found on its Web site www.sri-auctionsonline.com. At this page, scroll to the bottom and click on the dates for the Jefferson County tax sale. This link will direct you to a page where you must first become a SRI member if you have not participated in prior tax lien sales. If you are a member from previous years, you may reuse your member Id and must register for the event only.

To become a SRI member, you must create a member ID, a name which will be shown as your buyer name during the tax sale. After entering a member ID and all other requested information and completing the registration, you will receive a password for event registration via email. Once you have this password, you must register for the tax sale event, again entering your member ID and password. For any questions regarding this site, please contact SRI staff directly at 1-800-800-9588.

No one will be allowed to bid until all the registration requirements have been completed and verified.

Payment for all winning bids will be made by automatic withdrawal from the bidder's U.S. checking account to Jefferson County at the conclusion of the auction. This is the only form of payment accepted. Payment transfers that are rejected due to lack of funds or other reasons may result in cancellation of the corresponding bid(s) subject to CRS 39-11-116.

Starting with the 2007 tax lien sale, all tax lien certificates will be kept in safekeeping at our office. With the certificates retained at the Treasurer's office, you will receive your payment faster after the lien is paid. This will allow you to endorse the certificates without having to find them and mail them in to the office. At the end of the sale, you will be emailed a list of the tax lien certificates you have purchased.

Sale: Liens will be offered in three sections: improved property, vacant land and unbuildable strips.

The sequence will be in schedule number order per the three sections mentioned above. Property owners will be able to pay their taxes and avoid having them go to the sale through October 24, 2007. After this date, all properties will be sold.

The tax schedule number and total tax lien dollar amount of each lien will be displayed on the auction site. All successful bids are final. Once a bidder has placed a bid amount, it cannot be lowered or cancelled. No changes in, or cancellation of a purchased lien will be made after a bid has been made on a lien or the item has closed.

Overview: Delinquent real property taxes go to tax lien sale in the fall of each year. At the tax lien sale, investors pay the delinquent amount due on a property, which grants the investor a lien on the property.

The property owner has three years to redeem the tax lien before the investor is eligible to apply for a Treasurer's Deed on the property. In addition to the amount of the delinquent taxes, the property owner pays an interest charge which is credited to the tax lien investor.

The tax lien sale enables the Treasurer's office to collect virtually all tax dollars for each government entity in a timely fashion. Tax liens can also be an excellent addition to an investor's portfolio.

Description: The tax lien sale is the final step in the Treasurer's efforts to collect taxes on real property. A tax lien is placed on each property in the county on January 1 each year and remains until the property taxes are paid. If the property owner does not pay the taxes on their property by late October, the county sells the tax lien at the yearly tax lien sale. The tax lien is auctioned to the highest bidder, who then becomes the tax lien certificate holder.

The tax lien sale allows the taxing authorities to receive their budgeted revenue without having to wait for the delinquent taxes to be collected. It also offers an investment opportunity to the general public, who may purchase tax lien certificates and earn a potentially attractive interest rate.

Colorado Statutes set the interest rate at nine percent above the federal discount rate to member banks on September 1 of each year. Tax certificates sold at the 2006 sale bear an interest rate of 15 percent annually. The initial interest rate holds for the life of the tax lien certificate.

Often, the successful bidder must pay a premium price above the amount of the delinquent taxes in order to purchase the tax lien certificate. The premium is not paid back.

Interest is earned on the face amount of the certificate, which does not include any bidding premium paid, from the date of the sale to the date that the property owner redeems the certificate by paying the delinquent taxes, interest and costs.

The property owner may redeem the property from the tax lien certificate holder at any time, from the day of the sale right up to the day that a tax deed would be issued.

If the property owner does not redeem the property (pay the delinquent taxes), the tax lien certificate holder can pay the required costs and fees and apply for a Treasurer's Deed after three years.

Per Colorado State Statute 39-11-151, county officials and employees may not acquire land by tax sale.

Information about the tax lien sale is presented at the Pre-Sale Seminar held each fall (select the "tax lien seminar" button in the tax lien sale drop box).

ROGUE INVESTOR NOTE: See web page for tax sale statistics.

(4) Tax Lien Seminar

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R10.htm

Faye Griffin, Jefferson County Treasurer, will hold a Tax Lien Sale Seminar at 7:00 p.m. on Thursday, October 4, 2007 in Hearing Room One of the Jefferson County Administration & Courts Building. The seminar is designed for first-time tax lien buyers interested in learning about the potential of this type of investment.

The Administration & Courts Building is located at 100 Jefferson County Parkway in Golden, Colorado (<http://www.co.jefferson.co.us/maps.htm>). Reservations are not required. Seating is on a first-come basis and the doors will open at 6:30 p.m.

The Powerpoint presentation from the 2007 seminar are available below. Please be patient downloading the presentation, as this may take several minutes due to the large file size.

Download Jeffco's Tax Lien Sale Powerpoint presentation:

http://www.co.jefferson.co.us/jeffco/treasurer_uploads/2007_tax_lien_sale.ppt

For further information, contact Charlene Kirby at 303-271-8336, or email Charlene at ckirby@jeffco.us.

(5) View Maps of Tax Lien Properties

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R11.htm

(6) County Held Certificates

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R13.htm

The Creation of County Held Certificates: While almost all of the tax liens are purchased by investors, there are some that are "struck off" (or sold) to the County during each sale. These "county held" certificates tend to be on unbuildable strips or parcels of land of minimal value. These liens are available to anyone, other than county employees or their families, who may wish to purchase them.

Researching County Held Certificates: Purchasing tax lien certificates is a "buyer beware" proposition. We strongly advise that you conduct due diligence in researching a certificate before having it assigned to you. Care should be taken when evaluating these liens. The two-acre lot in Evergreen that looks like a bargain may turn out to be a parcel three feet wide and five miles long running along the side of a road, for example.

The Treasurer's Office maintains a book with copies of all the tax lien certificates held by Jefferson County. You may examine this book at the Treasurer's Office during regular business hours. You may also download a list of the schedule numbers and certificate amounts, as described in the "download list" section below. You will need to research legal descriptions using maps and records available through the Assessor's Office. You may also want to go to the property and see it for yourself before making a decision.

Purchasing County Held Certificates: In order to purchase a county held certificate, you must pay the county the value of the certificate plus a \$4.00 assignment fee. You will be required to sign an affidavit

verifying you understand that merely holding a tax lien certificate does not give you any legal rights to the encumbered property. You will also need to provide the exact name you wish to appear on the certificate, your social security number and correct mailing information. The Treasurer's Office will then submit a resolution to the County commissioners requesting approval of the assignment (or purchase). Upon approval, you may either have the Treasurer's Office hold the certificate in safekeeping, or send it to you via certified mail.

A file listing these certificates can be viewed online by clicking here:

http://www.co.jefferson.co.us/jeffco/treasurer_uploads/county_held_liens1107.txt. The file will be updated from time to time; it does not change very often. Headings that describe the information are contained at the front of the file.

Treasurer's Deeds: Certificates are eligible for a Treasurer's Deed application after the lien has remained unpaid for three years from the date of the original sale. There is a \$400.00 deed application fee and the process takes approximately 6 months.

Download List: As of November 23, 2004, there were 688 county held certificates. The current list can viewed in the Treasurer's Office during regular business hours, and a file listing these certificates can be downloaded.

ROGUE INVESTOR NOTE: The list of county-held certificates is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(7) Tax Lien Sale Registration

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R14.htm

Privacy Notice, and link to Jefferson County registration web page.

(8) List of Properties

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R15.htm

The file available below provides a list of the delinquent properties for the 2006 Tax Lien Sale. Many of the tax bills for the listed properties will be paid before the Tax Lien Sale and will not be offered for bids at the sale. Updates to the list will be provided from time to time and will be available on the Delinquent Properties Update List (http://www.co.jefferson.co.us/treasurer/treasurer_T68_R32.htm).

The list is current as of September 7, 2007 and contains 3,313 liens.

ROGUE INVESTOR NOTE: See web page for additional information. The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(8a) Delinquent Properties Update List

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R32.htm

The Delinquent Properties Update List provides a list of those properties for which the taxes are paid, and the lien removed, between the time that the Delinquent Properties List is published and the tax lien sale takes place.

The current file contains 740 payments and is current as of 10/15/2007.

ROGUE INVESTOR NOTE: See web page for additional information. The update list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(9) Tax Sale Procedures

http://www.co.jefferson.co.us/treasurer/treasurer_T68_R16.htm

Pre-Sale Information

Advertisement of Sale: The list of tax liens available to purchase is advertised in a local newspaper for three consecutive weeks prior to the sale. The list is also available on the Treasurer's web site in a format that can be downloaded into a spreadsheet for analysis. A "condensed list" is posted on the internet site at the beginning of the tax sale. This is the advertised list minus the tax liens that have been paid after the list was published.

What You Will be Purchasing: You are purchasing only the tax lien on the property. This does not give you ownership or legal rights to the property in any way. All buyers are encouraged to research all relevant state statutes relating to tax liens in article 11 of title 39, Colorado Revised Statutes and elsewhere. Most people participate in the tax lien sale because the interest rates are much better than those offered for savings accounts or Certificate of Deposit. Jefferson County has never deeded a house or building of substantial value for unpaid taxes. Individuals wishing to obtain property may wish to contact the Public Trustee regarding foreclosure sales.

Registration: Click here for information regarding registration:
http://www.co.jefferson.co.us/treasurer/treasurer_T68_R14.htm

Rate of Return: The interest rate offered at each year's tax sale is nine points above the Federal discount rate set on September 1st per Colorado State Statute 39-12-103(3). The interest rate you receive on your certificate will remain the same for as long as you hold that certificate. The rate of return for the 2006 certificates sold in 2007 is 15%.

The Sale: The tax lien sale auction will held on the internet be October 25-29, 2007.

Internet Sale Information

To be held as an on-line public auction through <https://www.sri-auctionsonline.com>.

Beginning October 25, 2007 at 9:00 a.m., tax liens will be available for bid on SRI's web site at <https://www.sri-auctionsonline.com>. Bidding will close hourly in batches of approximately 200 liens per batch. The first batch will close at 8:00 a.m. Mountain Daylight Savings Time on October 29, 2007 and continues closing each hour until 8:00 p.m.

Questions regarding the operation of the auction should be addressed to SRI at 1-800-800-9588.

Parcels will be offered in three sections: improved property, vacant land, and unbuildable strips.

The bidding sequence will be in schedule number order per the three sections mentioned above.

Bids for the Internet sale will be accepted on-line through the internet auction only after registering with both the Treasurer's office and SRI. Bidding may be made on-line from any internet terminal through SRI's site:

- You may bid or track more than one item at a time in the list. You may also click on the title of an item for more information and bid from there.
- You may add an item to your Members Area tracking list without placing a bid. Just check the box and you will be able to view the status of the item quickly with the rest of the items you have tracked or bid on by logging into the Members Area.
- Bids will be accepted in the amount of the minimum with the first bid. In other words, a minimum of \$968 will be accepted in that amount. The next bid will be increased to the next even amount that is less than the required increment. All subsequent bids will be increased in the amount of the increment.
- Proxy bidding: You may enter the largest amount you are willing to pay for an item in the bid box. The amount entered must be in an amount that will equal the minimum plus the increment

rounded to the nearest total by using the established increment. The auction system will place the lowest bid necessary for you now, and then will bid on your behalf if someone else bids against you, up to the amount of the bid you placed.

A bidder may increase the amount of the proxy bid any time before the bid is accepted as the final bid. Once a bidder has placed a bid amount, it can not be lowered or cancelled.

All successful bids are final. No changes in, or cancellation of a purchased lien will be made after a bid has been made on a lien or the item has closed.

Bids will be recognized up to the time of closing and the system will display "bidding is closing" and the highest bid received at that time will be the winning bid.

Bidding will be closed in groups of approximately 200 liens per hour for 13 hours on October 29th starting at 8:00 a.m. for the first group. The closing will continue until 8:00 p.m. with a batch closing every hour. Items in each group will be identified with a closing time.

Access to a computer for bidding will be available in the Jefferson County Treasurer's office starting on October 25th between the hours of 8:00 a.m. and 5:00 p.m.

Liens Not Sold at the Sale: Any tax liens not sold at the sale are struck to the county and are, in most cases, available to buy through the Treasurer's Office. To find out more please visit the County Held Certificates web page: http://www.co.jefferson.co.us/treasurer/treasurer_T68_R13.htm.

General Information

The asset you are purchasing is the tax lien, not the property. Every parcel will be offered in compliance with Chapter 39, Article 11, of the Colorado Revised Statutes. Each parcel will be subject to online bidding and will be sold to the person who pays the highest amount, in excess of said taxes, penalty, interest, and costs.

No individual updated publications will be available. However, you may use the Treasurer's automated phone (303-271-8322) to see if an individual schedule number has been paid.

The auctioning will provide all bidders with an opportunity to compete for each parcel. The County Treasurer may change the method of sale at his discretion prior to commencement of the sale.

Caveat Emptor (Buyer Beware): It is the bidders' responsibility to know what they are bidding on. The tax schedule number and total tax lien dollar amount of each parcel will be displayed. All successful bids are final. No changes in, or cancellation of a purchased parcel will be made after a bid has been made on a parcel or the item has closed.

The certificate to be issued on a successful bid will be in the statutory form, showing the lawful rate of interest for the life of the certificate, the legal description, purchase amount, and the buyer's name (as entered on the registration form), and the date of the sale. Certificates will not be issued in a name other than the name or names on the registration form. All certificates may be endorsed (see Endorsement of Tax Liens below) each year until redeemed, and certificates must be returned to the Treasurer's Office for this purpose.

Interest begins in October at the rate set after September 1st per annum. All county redemptions are made per CRS 39-12-111(2) (a) (b) but will be no lower than 8% per annum.

Post-Sale Information

Record of Purchase: Starting with the 2007 tax lien sale, all tax lien certificates will be kept in safekeeping at our office. With the certificates held at Treasurer's office, you will receive your payment faster when the lien is paid. It also allows for endorsing without having to find your certificates and mailing them in to the office. A list of the certificates you purchased will be emailed to you after the sale is completed.

Endorsement of Tax Liens: If the taxes for the following year become delinquent, you will be given the opportunity to pay the taxes and add them onto the certificate(s) you hold. This enables you to pay the delinquent taxes and add them to your existing tax lien certificate of purchase without participating in the tax lien sale. You will receive the same interest rate on the subsequent taxes as you did on the original tax sale purchase. Endorsements are processed in late July. If your certificates are eligible for endorsement you will be notified by mail in July.

Redemption: When the owner pays their back taxes and redeems the tax lien, the Treasurers office will process the redemption and send your payment to you. You will receive a check, which will include the amount of tax you purchased plus the interest that has accrued from the day of sale to the date of redemption. You are not refunded for any premium amount.

The redemption period is three years from the year of the original tax sale. Certificates sold in 2007 are eligible for application of a treasurer's deed in 2010.

OTHER COUNTY INFORMATION

ARAPAHOE COUNTY

<http://www.co.arapahoe.co.us>

Treasurer's Office: <http://www.co.arapahoe.co.us/Departments/TR/index.asp>

Treasurer's Office
Arapahoe County Government, Administration Building
5334 S. Prince Street
Littleton, CO 80166-0001
Phone: 303-795-4550
Email: Treasurer@co.arapahoe.co.us

Real Estate Tax Sale Information:

<http://www.co.arapahoe.co.us/Departments/TR/TaxLien/taxsaleinfo.asp>

2007 Real Estate Publication: <http://www.co.arapahoe.co.us/Departments/TR/TaxLien/taxsale.txt>

Tax Lien Sale Site: <http://www.arapahoetaxsale.com> (run by RealAuction.com)

BOULDER COUNTY

<http://www.bouldercounty.org>

Treasurer's Office: <http://www.bouldercounty.org/treas>

1325 Pearl Street
Boulder, CO 80302
Phone: 303-441-3520
Fax: 303-441-3598
Email: tradmin@bctaxhelp.com

Tax Lien Sale Information: http://www.bouldercounty.org/treas/tax_sale/tax_lien_sale.htm

Tax Sale Questions and Answers: http://www.bouldercounty.org/treas/tax_sale/tsq.htm

Tax Lien Sale email help: [taxlien@bctaxhelp.com?subject=Tax Lien Information](mailto:taxlien@bctaxhelp.com?subject=Tax%20Lien%20Information)

ROGUE INVESTOR NOTE: The tax lien properties list (text file and Excel file versions) is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

LARIMER COUNTY

<http://www.co.larimer.co.us>

Treasurer's Office: <http://www.co.larimer.co.us/treasurer>

200 W. Oak Street, Second Floor
Fort Collins, CO 80521
Mailing address: PO Box 1250, Fort Collins, CO 80522-1250
Phone: (970) 498-7020
Fax: (970) 498-7037
Email: <http://www.co.larimer.co.us/common/mailform.cfm?to=rodenbmj>

County Held Liens: http://www.co.larimer.co.us/treasurer/tre_web_county_held.pdf

Endorsement of Tax Liens: <http://www.co.larimer.co.us/treasurer/endo.htm>

Tax Lien Sale Information: <http://www.co.larimer.co.us/treasurer/taxsale.htm>

Tax Lien Sale Advertising File: ftp://www.larimer.org/tre/Advertising_Files

W-9 Form: http://www.co.larimer.co.us/treasurer/IRS_Form_W9.pdf

Treasurer's Deed Information: <http://www.co.larimer.co.us/treasurer/Deed.htm>

Tax Sales Statewide: <http://www.e-ccta.org/Forms/Tax%20Sales/2007%20Tax%20Sales.htm>

ROGUE INVESTOR NOTE: The county-held liens list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

MESA COUNTY

<http://www.mesacounty.us>

Treasurer: <http://treasurer.mesacounty.us>

P.O. Box 20000
544 Rood Avenue, Room 100
Grand Junction, CO 81502-5027
Phone: (970) 244-1824
Email: mctreas@mesacounty.us

Tax Lien Sale Information: <http://treasurer.mesacounty.us/taxlien.aspx>

PUEBLO COUNTY

<http://www.co.pueblo.co.us>

Treasurer's Office: <http://www.co.pueblo.co.us/treasurer>

215 W. 10th Street, Room # 10
Pueblo, CO 81003
Phone: (719) 583-6015
Phone, Treasurer's Deed Department: (719) 583-6528 or 583-6694
Fax: (719) 583-6526
Email (Treasurer Services Supervisor):
<http://www.co.pueblo.co.us/common/mailform.php?recipient=bonfigli>

Tax Lien Sale Information: <http://www.co.pueblo.co.us/treasurer> (near bottom of page)

Tax Lien Sale Procedures: http://www.co.pueblo.co.us/treasurer/tax_lien_sale_info.php#TopOfPage

Pre-Tax Lien Sale Procedures: http://www.co.pueblo.co.us/treasurer/tax_sale/pre-tax_sale_procedures.pdf

Tax Lien Sale Procedures: http://www.co.pueblo.co.us/treasurer/tax_sale/tax_sale_procedures.pdf

Tax Lien Sale Registration Form: http://www.co.pueblo.co.us/treasurer/tax_sale/tax_sale_registration.pdf

Sale List (paid items removed): http://www.co.pueblo.co.us/treasurer/tax_sale/taxsaleadvert.pdf

Tax Lien Sale Notice (Courtesy of the Pueblo Chieftain, advertised September 29th, October 6th & 13th, 2007): http://www.co.pueblo.co.us/treasurer/tax_sale/tax_lien_sale_2007.pdf

View Map of Tax Lien Sale Properties: http://www.pueblomaps.com/website/tax_sale

ROGUE INVESTOR NOTE: The tax sale list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

WELD COUNTY

<http://www.co.weld.co.us>

Treasurer's Office: <http://www.co.weld.co.us/departments/treasurer/index.html>

Treasurer John Lefebvre, Jr.
1400 N. 17th Avenue
Greeley, CO 80631
Phone: 970-353-3845, ext. 3290
Phone, Tax Information: ext. 3290
Fax: 970-304-6435
Email: jlefebvre@co.weld.co.us

Tax Lien Sale: http://www.co.weld.co.us/departments/treasurer/treasurer_taxsale.html

Internet sale held at <http://www.weldtaxsale.com> by RealAuction.com.

Redemption of Tax Liens: http://www.co.weld.co.us/departments/treasurer/treasurer_redeem.html

Endorsement of Subsequent Tax Years:
http://www.co.weld.co.us/departments/treasurer/treasurer_endorse.html

2007 Tax Sale PowerPoint Presentation:
http://www.co.weld.co.us/departments/treasurer/2007_tax_lien_sale.ppt

Tax Sale Lists:
PDF format: <http://www.co.weld.co.us/departments/treasurer/pdfs/auction%20with%20groupings.pdf>
Excel format: <http://www.co.weld.co.us/departments/treasurer/pdfs/auction.xls>
Text format: <http://www.co.weld.co.us/departments/treasurer/pdfs/auction.txt>

Treasurer's Deed Information: http://www.co.weld.co.us/departments/treasurer/treasurer_deed.html

ROGUE INVESTOR NOTE: The tax sale list (PDF format) is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

PRIVATE SECTOR TAX SALE ADMINISTRATORS

REAL AUCTION

<http://www.realauction.com>

(1) List of County Auctions

<http://www.realauction.com/template.cfm?r=LeftMenu/ListCountyauctions>

Colorado online auction websites open in October and the auctions end in November.

Practice website – Colorado counties, visit <http://www.coloradotaxsale.com> (new auction every day)

Adams County, visit <http://www.adamstaxsale.com> (closed)

Arapahoe County, visit <http://www.arapahoetaxsale.com> (closed)

Denver City & County, visit <http://www.denvertaxsale.com> (closed)

Weld County, visit <http://www.weldtaxsale.com> (closed)

(2) Realnews

<http://www.realauction.com>, left-hand column

Announcements include upcoming tax sale auctions.

(3) Contact Information

<http://www.realauction.com/template.cfm?r=Contactus/Enquiries>

Realauction.com, LLC.

Corporate Headquarters

861 SW 78th Avenue, Suite 102

Plantation, FL 33324

Phone: 954-734-7400

Fax: 954-424-7601

Email: info@realauction.com

Customer support email: customerservice@realauction.com

SRI AUCTIONS ONLINE

<https://www.sri-auctionsonline.com>

ROGUE INVESTOR NOTE: See web page for announcements of upcoming auctions.

(1) About Tax Lien Sales

<https://www.sri-auctionsonline.com/taxlien.html>

(2) Live Auctions

<https://www.sri-auctionsonline.com/index.jsp>

The following auctions are currently in progress. Follow the links to participate online.

Connecticut

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: No

Rating: Four Stars (****)

Interest Rate: 18% (see Redemption Period below).

Sale Period: Varies, depending upon the municipality.

Redemption Period: Six-month extended right of redemption following the tax deed sale, with 18% interest paid to the investor if the property owner redeems.

Bidding Process: All auctions are by competitive bid. Bidding process can be complicated because municipalities within counties handle the sales. Some municipalities may only offer deeds in bulk purchases, cutting out the small investor.

Legal Challenge Period: Within 1 year from the date the collector's deed was recorded or within 2 years from the date of the sale, whichever is longer.

State-Specific Information: A deed is granted to the purchaser after the tax deed sale, but is held unrecorded until after the six-month period of redemption.

Connecticut County Links: See Connecticut Tax Sales at <http://www.tax-lien-certificates.com>

Detailed Municipality-Specific Information: For links to contact information for all Connecticut tax collectors, by city, visit <http://www.ct.gov/opm/lib/opm/IGP/taxcoll/Taxcoll06.doc>.

Comprehensive listing of all websites available for the 169 towns and cities in Connecticut:
<http://www.ct.gov/ctportal/cwp/view.asp?a=843&q=257266>.

CITY OF NORWALK, CONNECTICUT

<http://www.norwalkct.org>

TAX COLLECTOR

<http://www.norwalkct.org/TaxBill/COLPAGE1.htm>

(1) Contact Information

<http://www.norwalkct.org/ALLcontacts.htm>

Lisa Biagiarelli, Tax Collector
Phone: 203-854-7731
Email: lbiagiarelli@norwalkct.org

(2) Tax Sale

<http://www.norwalkct.org/TaxBill/TaxSale.HTM>

Legal Notice – City of Norwalk, Connecticut

Notice of Sale of Real Estate for Taxes

Connecticut General Statutes 12-157 (1949 rev., s.1838; PA 82-141, s. 3, 4; PA 84-146, s. 9; PA 95-228; PA 97-139)

An informational packet about the July 18, 2005 tax sale is available for purchase at the Tax Collector's Office at City Hall for \$15. This packet explains the tax sale process and the bidding process in detail, and provides answers to the questions potential bidders and spectators most frequently ask about tax sales. It also contains a complete list of the properties offered for sale, as well as copies of the relevant state statutes.

Tax Collector of the City of Norwalk, Connecticut: Having made lawful demand for the payment of taxes due me as the Tax Collector of the City of Norwalk, and payment having been neglected and refused, I will sell at public auction the following described properties, separately, to satisfy taxes, interest and all charges accrued thereon.

These amounts due are as of June 15, 2005 only. Additional interest and collection costs will be added prior to the sale. Taxes due on the Grand List of October 1, 2004 will also be added prior to the sale in accordance with CGS 12-163. Minimum bids on remaining properties will be posted after July 8, 2005.

Amount collected to date on tax sale properties: \$2,187,299 or 101.6% of goal

City Hall Tax Sale Board (photo): <http://www.norwalkct.org/TaxBill/Photos/SleBoard.htm>

Tax Collector's Constructive Notice: <http://www.norwalkct.org/TaxBill/txs1constrlgnot62305.pdf>

Final Bid List, July 18, 2005: <http://www.norwalkct.org/TaxBill/Finalbidlist.pdf>

Final Results, July 18, 2005: <http://www.norwalkct.org/TaxBill/txs1705finlrslts722.pdf>

Said sale will take place in the Norwalk Concert Hall, located at the Norwalk City Hall, 125 East Avenue, Norwalk, Connecticut, on Monday, July 18, 2005, beginning at 5:00 p.m. EDT or after registration of all bidders has been completed.

None of the properties being sold is guaranteed buildable under current zoning regulations. All properties are subject to restrictions, covenants, and appurtenances of record that may appear. The City of Norwalk and its officials make no representations, warranties or guarantees concerning the suitability or character of any property offered for tax sale. All properties are subject to additional taxes, interest, fees and other charges authorized by law accruing subsequent to the date of the notice of sale, including jeopardy collection of taxes and charges due on the Grand List of October 1, 2004, as per Connecticut General Statutes 12-163. Such will be added to the amounts indicated above as due and owing.

Potential bidders are advised of the possible existence of environmental contaminants on the properties. Each tax sale property is sold "as is." Potential bidders assume full and complete responsibility for ascertaining the suitability and character of each property, for any and all costs incurred pursuant thereto, and for all costs and/or liability incurred as a consequence of bidding.

Terms of Sale: This is a public auction and property will be sold to the highest bidder on each individual property. The minimum bid on each property will be the amount of taxes, interest, lien and other fees, and costs due as of the date of the sale.

All interested bidders must pre-register and have with them a \$5,000 deposit in cash, bank or certified check or money order payable to the Tax Collector of the City of Norwalk the day of the sale. Minimum bids will be announced by the Tax Collector's Office after July 8, 2005. Bidder registration will begin at 3:00 p.m. EDT on July 18, 2005, in the Norwalk Concert Hall. For successful bidders, the balance of the purchase price is due by 3:00 p.m. EDT on Friday, July 22, 2005, or they shall forfeit the deposit and the right to purchase the property. Bidders must have a separate \$5,000 deposit for each property on which they intend to bid. For those properties with total amounts due less than \$5,000, the deposit amount will

be the amount of the minimum bid, payable in cash, bank or certified check or money order, payable to the Tax Collector of the City of Norwalk.

A Tax Collector's Deed shall be lodged in the office of the Norwalk Town Clerk and shall remain unrecorded for six months from the date of the sale. If the property is not redeemed during the six-month redemption period, then on January 18, 2006, title to the property shall pass to the successful bidder. Note that title passes subject to the redemption rights of the IRS if there are any federal tax liens on the property. Additional information concerning this process may be found in section 12-157 of the Connecticut General Statutes.

This notice hereby constitutes a legal levy of my Tax Collector's warrant(s) on the above described real estate.

Originally Dated at Norwalk, Connecticut, this 25th day of April 2005.

An informational packet about the July 18, 2005 tax sale is available for purchase at the Tax Collector's Office at City Hall for \$15. This packet explains the tax sale process and the bidding process in detail, and provides answers to the questions potential bidders and spectators most frequently ask about tax sales. It also contains a complete list of the properties offered for sale; as well as copies of the relevant state statutes.

ROGUE INVESTOR NOTE: See web page for descriptions and photos of properties for sale. The final bid list has been saved on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

OTHER MUNICIPALITY INFORMATION

BRIDGEPORT TOWN

<http://www.ci.bridgeport.ct.us> = Bridgeport Town website

http://www.ci.bridgeport.ct.us/newdepartments/tax_collector_dep/default.aspx = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online.

BRISTOL TOWN

<http://www.ci.bristol.ct.us> = Bristol Town website

<http://www.ci.bristol.ct.us/content/3478/3667/default.aspx> = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collector's Office, the municipality does not conduct tax deed sales.

DANBURY TOWN

<http://www.ci.danbury.ct.us> = Danbury Town website

<http://www.ci.danbury.ct.us/content/41/180/350/default.aspx> = Tax Collector

The Tax Collector also prepares a listing of tax liens to be sold and several other delinquent real estate accounts which will be prepared for a Tax Sale.

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collector's Office, they do not conduct public auctions for individual bidders. The town has a contract with a company that purchases the liens.

GREENWICH TOWN

<http://www.greenwichct.org/Home/default.asp> = Greenwich Town website

<http://www.greenwichct.org/TaxCollector/TaxCollector.asp> = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collector's Office, they have never had to conduct a sale because all properties end up being redeemed and the sales have been cancelled.

NEW BRITAIN TOWN

<http://www.new-britain.net> = New Britain Town website

http://www.new-britain.net/liv_taxcoll.html = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collector's Office, properties that go to foreclosure are turned over to various private attorneys in the town who conduct public sales.

NEW HAVEN TOWN

<http://www.cityofnewhaven.com> = New Haven Town website

<http://cityofnewhaven.com/TaxCollector/index.asp> = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online.

CITY OF STAMFORD

<http://www.ci.stamford.ct.us> = City of Stamford website

<http://www.ci.stamford.ct.us/content/25/52/131/144/152/default.aspx> = Office of Assessment and Tax Collection

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collection and Assessment Office, public sales are conducted by a private attorney on behalf of the city and can be held at any time of year.

WEST HARTFORD TOWN

<http://www.west-hartford.com> = West Hartford Town website

<http://www.west-hartford.com/TownServices/TownDepartments/FinancialServices/TaxCollect.htm> = Tax Collector

ROGUE INVESTOR NOTE: No information on tax deed sales is available online. According to the Tax Collector's office, sales are not conducted at any set time of year. Usually (99.9 percent of the time), all properties are redeemed before the sale.

Delaware

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: No.

Rating: Two Stars (**)

Interest Rate: 15% – 20% (see Redemption Period below).

Sale Period: Sale dates vary depending on the county.

Redemption Period: In Kent and Sussex counties, there is a 60-day extended right of redemption period following the tax sale. The highest bidder receives their investment back plus 15% interest if the property is redeemed. If for some reason the sale is overturned by the court, the highest bidder will only receive back their bid, but not the 15% interest. In New Castle County, there is a 60-day extended right of redemption period from the date the tax sale is confirmed by the Superior Court (approximately 90 days from the tax sale date). If redeemed during the first 30 days following the tax sale, the investor receives back their bid price. If redeemed after that, the investor receives 15% or 20% interest, depending on whether taxes are owed to the city or county.

Bidding Process: Auctions are by competitive bid. The winning bidder pays the highest value for the property.

State-Specific Information: Delaware only has three counties. In New Castle County, if the court approves the sheriff's sale the investor receives a certificate that entitles him/her to all rights to the property, subject to the right of redemption. In Kent and Sussex counties, the investor receives a deed to the property, subject to the right of redemption.

Delaware County Links: See Delaware Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

KENT COUNTY, DELAWARE

<http://www.co.kent.de.us>

SHERIFF'S OFFICE

<http://co.kent.de.us/Departments/RowOffices/Sheriff/index.htm>

Sheriff James Higdon
Kent County Courthouse
38 The Green
Room 125
Dover, DE 19901
Phone: (302) 736-2161
Fax: (302) 736-2164

Please note that the status on a property listed for sale could change the day before the scheduled sale date. Please call the following numbers for updated status on pending property sales. For mortgage sales: (302) 736-2161; for tax sales: (302) 744-2341.

(1) Procedures for Sheriff Sale

<http://co.kent.de.us/Departments/RowOffices/Sheriff/ssprocedures.htm>

There are three types of Sheriff sales:

Tax Sales: Properties are being sold for nonpayment of county taxes and/or county water and sewer fees for no less than a two-year period. These sales are held approximately every three months.

City or Town Tax Sales: Properties are being sold for non-payment of town taxes. All properties are located within a town or city limits and taxes have not been paid for no less than a two-year period.

Please do your own leg work as to researching the property to make sure there are no hidden liens that you would be responsible for if you are the successful bidder.

These sales are verbal bidding, property going to the highest bidder. No matter what is owed in taxes, the property is going to the highest bidder. The full amount of the bid price is due the day of the sale. Cash, certified check and cashier's check are the only forms of payment that will be accepted. You will be given a couple of hours to go to the bank to secure funds. The original owner of the property has approximately 60 days to pay their delinquent taxes plus 15% of the highest bid to redeem their property. If for some reason the sale is overturned by the court, the highest bidder will only receive back their bid, but no 15%. Within this 60-day period, you will only hear from the office if the property is redeemed or if the sale has been overturned by the court. If you do not hear from this office, proceed to your attorney's office to have your deed prepared. Your deed will be sent over to this office for the Sheriff's signature. At this time a check will be made out for our 1 ½% of the transfer fee.

The signed deed and checks will be returned to your attorney for recording.

Mortgage Foreclosures: Mortgage foreclosures are usually held the first Tuesday or Thursday of every month. Properties are being sold for nonpayment of mortgage. This sale is also verbal bidding, with property going to the highest bidder. The attorney for the mortgage company gives the opening bid, and the bidding starts from there. Prior to the sale, we have no idea where the bidding is going to start or stop. There is no redemption period for this type of sale. If you are the successful bidder, we require 20% of your bid price that day. Payment again is cash, cashier's or certified check. You will be given a couple of hours to go to the bank to secure funds. The balance of your bid is due in approximately 30 days, in the same type of form. After the sale is confirmed by Superior Court, you then go to your attorney to have a deed drawn up. The deed is sent to the Sheriff's Office to be signed by the Sheriff, at which time a check is cut for 1 ½% of the transfer fee. The deed, along with the check for the transfer fee, is returned to your attorney to be recorded. If for some reason the sale is not confirmed by the court, you will be notified.

It is very important for you, the buyer, to research these properties as to whether there are any other mortgages or liens against the property that you could be responsible for if you are the successful bidder. This office does not guarantee clear titles.

Research can be done at the Recorder of Deeds Office, which is located in the O'Brien Building on Federal Street, Dover, and also at the Prothonotary's Office, which is located in the courthouse on the Green.

If you pay your 20% on the day of the sale and do not come back with the balance of the monies on the assigned date, you will forfeit your 20% down payment. If you are the successful bidder and you do not come back with the 20% down payment or you for some reason change your mind about purchasing the property, you will be barred from all future sales.

All sales are advertised in the Dover Post and the Delaware State News on Wednesdays. We have sale packets in this office for the public to come by and pick up. There is also a county website where sales are listed: http://www.co.kent.de.us/sheriff_na.htm.

As of October 1, 2003, a \$2,000 certified check is required at the time your winning bid is accepted. The balance of your 20% may be paid with a personal check.

(2) Future Sheriff Tax Sales

<http://www.co.kent.de.us/Departments/RowOffices/Sheriff>

April 29, 2008 Sheriff Tax Foreclosure Sale:

<http://co.kent.de.us/Departments/RowOffices/Sheriff/documents/SHAPRILTAX2008.pdf>

ROGUE INVESTOR NOTE: The tax sale list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

NEW CASTLE COUNTY, DELAWARE

<http://www.co.new-castle.de.us>

SHERIFF'S OFFICE

<http://www.co.new-castle.de.us/sheriff/home/webpage1.asp>

Sheriff Mike Walsh
Louis L. Redding City/County Building
800 N. French Street, 5th Floor
Wilmington, Delaware 19801
Phone: (302) 395-8450
Fax (302) 395-8460

Auction of real estate: Sheriff sales are held the second Tuesday of every month offering real estate that is being foreclosed upon due to non-payment of mortgage or non-payment of various local government taxes.

Auctions are held in the County Council Chambers on the ground floor of the City County Building, 800 North French Street, Wilmington, DE 19801

Effective with the January 10, 2006 auction: A \$5,000.00 cashier's check payable to the Sheriff of New Castle County is required to enter bidding at the auction. If you do not have cash or a cashier's check, your bid will not be accepted. Your check will only be collected if you are the successful bidder.

Sheriff sales are held at 10 a.m. on the second Tuesday of every month in Council Chambers at 800 North French Street. There is a Fire Marshall limit of 152 persons at the sale, so get there early. Title and lien research on each property is the responsibility of the Bidder. Properties are sold sight unseen, "as is." There is no "walk through" or appraisal for the properties before or after the sale. Sheriff sales are "cash deals." Any Financing for Sheriff sale properties should be arranged prior to the auction, not after; being pre-approved is not sufficient. Sales are final and deposits are non-refundable. Bidders are encouraged to complete the deeding process ASAP. You may have to evict occupants at your own expense.

24 Hour Recording of Stayed Properties: (302) 395-STAY (7829). You must have an Official Sheriff Sale list to use this line.

2008 Sheriff Sale Calendar

Sheriff Sale Results Since July 2001

(1) Sheriff Sale Guidelines

http://www.co.new-castle.de.us/sheriff/home/POS_TBLTOPIC_Attachment_bv.asp?key=64

Sheriff Sale Guidelines, Honorable Michael P. Walsh, New Castle County Sheriff, 800 North French Street, 5th Floor, Wilmington, DE 19802

Sales are held the second Tuesday of every month in the Council Chambers of the City/County Building (not a court house) at 800 N. French Street, Wilmington, DE 19801 at 10:00 a.m. sharp.

The room capacity is 152 people. Get there early.

Open public bidding. If you intend to bid you must have a valid ID (driver's license) and be prepared to pay required amount immediately following your bid (you cannot leave the auction without paying).

Cash/personal checks written on open/established accounts are accepted at sale with valid ID (no starter checks).

Sheriff posters are posted on foreclosed property and many public buildings prior to sale.

Sheriff sales are advertised in the News Journal newspaper the two Thursdays preceding sale date.

Copies of the Sheriff sale list are available for review or purchase (\$10 cash) at the Sheriff's Office.

Tax Foreclosures (VEM)

Entire bid price (100%) is due on date of sale (during the auction).

Your bid does not necessarily wipe away other debts on the property.

You must research the property at the Recorder of Deeds Office, located on the 4th Floor at 800 N. French Street, Wilmington, DE 19801 or <http://www.nccde.org> and Prothonotary of NCC at the Courthouse at 500 King Street, Wilmington, DE 19801.

Mortgage Sales (Lev Fac) and Judgements (Vendex)

10% of your bid is due the day of the sale (during the auction) with the balance due on the first Monday of the month following the sale. The 90% balance of your bid must be paid with a cashier's/certified check.

Failure to pay balance of bid as required will result in forfeiture of the 10% deposit.

Your bid does not necessarily negate other debts on the property.

You must research the property at the Recorder of Deeds Office, located on the 4th Floor at 800 N. French Street, Wilmington, DE 19801 or <http://www.nccde.org> and Prothonotary of NCC at the Courthouse at 500 King Street, Wilmington, DE 19801.

Starting with the January 2006 sale a \$5,000.00 cashier's check made payable to the Sheriff of the NCC will be required to participate in the Sheriff's auction.

All sales can be stopped (stayed) until 10:00 a.m. on sale day. Those received after 9:00 a.m. will be announced by the auctioneer.

All properties are purchased "as is," sight unseen.

Your bids make you responsible for possible liens.

Sale deposits are non-refundable.

Tenants/owners of properties are not automatically evicted from Sheriff sale properties.

Confirmation of sales occurs the Friday after the first Monday of the month after the sale.

Petition for no attempt at redemption of a tax sale is filed by high bidder after expiration of the redemption period (60 days from confirmation date).

Update your official Sheriff sale list with the current stays by dialing (302) 395-STAY (7829).

For further information please call the Sheriff's Office at 302-395-8450 and county website at <http://www.nccde.org>.

SUSSEX COUNTY, DELAWARE

<http://www.sussexcountyde.gov>

SHERIFF'S OFFICE

<http://www.sussexcountyde.gov/departments/index.cfm?id=42>

Sheriff Eric D. Swanson
West Complex Building
P.O. Box 69
Georgetown, DE 19947
Phone (302) 855-7830
Fax (302) 855-7832
Email form: <http://www.sussexcountyde.gov/contact.cfm?id=58&type=1>

This office holds Sheriff's sales for non-payment of taxes, mortgage foreclosures plus all other court orders.

(1) Sheriff Sales

<http://www.sussexcountyde.gov/departments/sheriff/index.cfm?action=sales>

The next Sheriff Sale will be on April 15, 2008 at 9:30 a.m. For the terms of the sale click here: http://www.sussexcountyde.gov/departments/sheriff/index.cfm?action=sales_info.

Past sales: <http://www.sussexcountyde.gov/departments/sheriff/index.cfm?action=sales&showpast=true>

ROGUE INVESTOR NOTE: See web page list of properties for sale and status amount owed. Each list is linked to a web page with more complete details about the property, terms of sale, auction registration, etc.

(2) Sheriff Sale Disclaimer

http://www.sussexcountyde.gov/departments/sheriff/index.cfm?action=sales_info

Sheriff Sale Location and Time: The third Tuesday of every month promptly at 9:30 a.m. (with the exception of Goods & Chattels Sales).

Sussex County Sheriff's Office
Main Conference Room
22215 N. Dupont Boulevard (Route 113 North), Georgetown, DE 19947

Property Notification: Notices posted on foreclosed property and public buildings prior to sale. Advertised in the Sussex Countian and one local newspaper two weeks prior to sale.

Risks to Bidders: Buyer Beware!:

Tax (Monition) Sales: Entire bid amount (100%) is due on date of sale at time of sale. You must research the property at the Recorder of Deeds Office and the Prothonotary's Office located on the Circle in Georgetown. We do not guarantee clear title! The owner has the right to redeem their property any time within 60 days from the day the sale is approved by the Court.

Mortgage Sales: 20% of bid is due the day of sale with the balance due the first Monday of the month following the sale. Failure to pay the balance will result in forfeiture of sale and the 20% deposit. Sale

deposits are non-refundable. You must research the property at the Recorder of Deeds Office and the Prothonotary's Office located in Georgetown. We do not guarantee clear title!

Your bid does not necessarily negate other debts on the property. You must research the property at the Recorder of Deeds Office and the Prothonotary's Office located on the circle in Georgetown.

Terms and Regulations: All sales can be stopped (stayed) until 9:30 a.m. on sale day. All properties are purchased on an "as-is" basis, sight unseen (no trespassing on properties). Your bid makes you responsible for any possible liens.

Tenants/owners of properties are not automatically evicted from Sheriff Sale properties. Confirmation of the sale occurs the first Friday after the first Monday of the following month of sale.

Change of ownership of the property does not occur until a proper deed is recorded.

Terms of Monition Sale (Tax Sale): 100 percent of the purchase money will be demanded on the day of sale: cash, certified check, or cashier's check. Sale subject to confirmation by the Superior Court and subject to the owner's right of redemption pursuant to 9 Del. C., Section 8728. And also subject to a 1 ½ percent Delaware Realty Transfer Tax, ¾ percent to be paid by the seller and ¾ percent to be paid by the purchaser. Also subject to a 1 ½ percent Sussex County Realty Tax, ¾ percent to be paid by the seller and ¾ percent to be paid by the buyer. Any further Transfer Tax is the responsibility of the purchaser. The purchaser will be required to pay the cost of the deed; a \$200.00 deposit will be collected at the time of sale and will be refunded if a proper deed is presented to the Sheriff's Office within 45 days of confirmation. If the purchaser fails to comply with these terms the payment made of the day of sale will be forfeited.

Terms of Levari Facias (Mortgage Sale): 20 percent of the purchase money will be demanded on the day of sale: cash, certified check, or cashier's check. Sale subject to confirmation by the Superior Court, and also subject to a 1 ½ percent Delaware Realty Transfer Tax; ¾ percent to be paid by the seller and ¾ percent to be paid by the purchaser. Also subject to a 1 ½ percent Sussex County Realty Tax; ¾ percent to be paid by the seller and ¾ percent to be paid by the buyer. Any Further Transfer Tax is the responsibility of the purchaser. The purchaser will be required to pay the cost of the deed; a \$200.00 deposit will be collected at the time of sale and will be refunded if a proper deed is presented to the Sheriff's Office within 45 days of confirmation. If the purchaser fails to comply with these terms the percentum paid on the day of sale will be forfeited.

Goods & Chattels Terms of Sale: 100% of the bid amount is due at the time of the sale. Cash, cashier's or certified check is required.

Sheriff Sale Registration Information: All bidders will be required to register prior to the start of the Sheriff Sale. To register you will need a \$4,000.00 deposit. Your deposit must be paid with cash or a cashier's/certified check made payable to the Sheriff of Sussex County. You will also need your driver's license or a valid photo I.D. Both items are required in order to receive a bidder number. You must have this bidder number to place a bid. Your cash/check will be held on deposit until the completion of the sale at which time your cash/check will be refunded if you are not a successful bidder. Same bid number must be returned to Auctioneer/Clerk for return of deposit. The successful bidder's deposit will be applied to the 20% deposit required for the purchase of the property. The remaining amount of the 20% deposit must be paid before 3:00 p.m. the day of sale or you will forfeit your deposit and the property will be resold.

Please make certified check or cashier's check payable to: Sheriff, Sussex County.

Florida

Tax Lien Sales: Yes. These sales are handled by the Tax Collector's Office in most counties.

Over-the-Counter Tax Lien Sales: Yes. Certificates not sold at the tax lien sale are "struck off" to the county. After the tax sale is closed and balanced, these county-held certificates can be purchased in the Tax Collector's Office. Certificates may be purchased by mail or in person, on a first-come, first-serve basis, at the maximum interest rate of 18 percent.

Tax Deed Sales: Yes. These sales are handled by the Clerk of Circuit Court in most counties. Application for a tax deed sale is made at the Tax Collector's Office.

Over-the-Counter Tax Deed Sales: Yes. A property that does not sell at the tax deed sale is placed on the "List of Lands Available for Taxes." After 90 days from the sale date, anyone can purchase property off the "List of Lands Available for Taxes." These sales are handled by the Clerk of Circuit Court in most counties.

Rating: Four Stars (****)

Interest Rate: 18% per year for tax liens. A minimum mandatory fee of 5% (for bids of at least ¼%), even if the tax lien is redeemed early. No extended right of redemption following the tax deed sale.

Sale Period: According to state law, tax lien sales must occur on or before June 1st. Tax lien sales are held in April and May in most counties. Tax deed sales are held throughout the year. Some counties hold tax deed sales every week.

Redemption Period: 2 years for tax liens. No extended right of redemption following the tax deed sale.

Bidding Process: Bidding at tax lien sales is by competitive bid, with the winning bidder accepting the lowest interest rate. Bids go in quarter percentage increments; for example, 17 ¾% followed by 17 ½%. Bidding can proceed downward to as low as ¼% and the bidder still receives a minimum of 5% interest. If the bidder chooses to bid down to zero percent interest, the bidder will not earn the minimum 5%. Tax deeds are offered through competitive bid to the highest bidder. Homestead properties are sold for a minimum bid of one half of their assessed value. Many counties are now conducting their sales online.

State-Specific Information: Florida is probably one of the most famous tax lien states because the interest rate of 18% per year is favorable and, if the property goes to foreclosure, the redemption period of 2 years is short. Florida also has a favorable tax deed process, allowing the investor to obtain a deed to a property without a legal challenge period.

If the tax certificate is not redeemed, the certificate holder cannot institute foreclosure and receive the deed; rather, a public deed sale must occur. The tax deed is sold to the highest bidder. If the tax lien holder is not the highest bidder at the tax deed sale, he/she will receive their investment back with interest.

Florida also has some restrictions regarding the number of lots an individual investor can own without being registered as a developer. An individual who is not a developer is allowed to buy a tax deed for only one lot in a planned subdivision for the purpose of resale (section 498.025[1a], Florida Statutes). A seller of lots in property subdivided or proposed to be subdivided into 50 lots

or more is required to be registered with the Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums, and Mobile Homes. Also, if a certificate holder purchases 5 certificates in subdivision that contains 25 or more lots, and eventually obtained 5 tax deeds, he would be subject to the provisions of section 498.022, Florida Statutes, regarding standards for transacting land sales. Therefore, it is recommended that when purchasing certificates on lots or parcels in a subdivision, the Department of Business and Professional Regulation, Division of Florida Land Sales, Condominiums, and Mobile Homes be contacted at (850) 488-1631.

A listing of Florida tax collectors by county is available on the Florida Tax Collectors website: <http://floridataxcollectors.com>.

Marion County, Florida Tax Deed Sale – June 2005

This was a crazy sale. A group of apparent Haitian drug dealers bought most of the properties at the tax deed sale, held in Ocala, Florida, for market value. There is an area called Rainbow Lake where a bankrupt development is starting to come back to life. At the sale, lots were selling for about \$40,000 to \$50,000, the upper end of market value, with most of the buying in cash. When the sale started, five men entered the room and one of them started bidding. After winning the first bid, the man admitted that he did not have a bidding card. However, instead of removing him from the sale, the county clerk allowed him to obtain his bidding card and buy the property.

This same man then proceeded to buy just about every good property for top dollar, with money being no issue. On one property he actually bid against himself and raised the final bid by \$2,000 unnecessarily. We had heard from another investor that in some areas of Florida, drug dealers use the sale as a money laundering scheme. Since the country accepts cash, and large amounts of property can be purchased with no contracts or questions, it is a simple way to move money from an illegitimate business to a legitimate one. It saddens me that crime can sometimes influence a tax sale. But with thousands of tax sales being conducted every year, one might expect some criminal involvement. When we have been to sales in Florida in the past, competition was tight but the sales were fair.

Citrus County, Florida Tax Deed Sale – June 2004

Held in Inverness, Florida, this was a good sale. There were approximately 10 properties in the sale, all of which were lots that were located in residential areas. A lot we purchased was located across the street from a beautiful lake. Most of the properties stayed in the range of \$5,000 to \$10,000; however, some properties were bid up to market value. Based on our research, Florida's tax deed sales are getting discovered. For better results, stick to unpopulated counties.

Florida County Links: See Florida Tax Sales at <http://www.floridataxliencertificates.com>, <http://www.floridataxdeedsales.com> and <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

BROWARD COUNTY, FLORIDA

<http://www.co.broward.fl.us>

REVENUE COLLECTION DIVISION

<http://www.broward.org/revenue>

Phone: (954) 831-4000

Email: revenue@broward.org

(1) Tax Certificate Frequently Asked Questions

http://www.broward.org/revenue/cert_faqs.htm

Certificate buyers need to be aware that there are inherent risks involved in purchasing tax certificates. Broward County Revenue Collection does not guarantee the condition of any property or title with respect thereto. The risks are borne by the certificate holder. Do your research before investing and purchasing. Please also note: Broward County does not guarantee eventual payment of tax certificates.

What is a Tax Certificate? An interest bearing first lien representing unpaid delinquent real estate property taxes which are offered for sale by Broward County Revenue Collection through competitive bid to pay delinquent taxes. Tax certificates are not "recorded" liens nor are they reported to any credit bureaus. They are a "first" priority lien.

What rights to the property does a certificate owner have? None. You have not purchased property. A tax certificate is an investment. This investment does not convey any rights or ownership to the certificate holder. Please note: Broward County does not guarantee eventual payment of tax certificates.

Does Broward County have a "live" sale or an on-line sale? At this time, Broward County conducts a "live" tax certificate sale.

What are the date, time, and location of your tax sale? Our Tax Certificate Sale takes place every year on or before June 1, in compliance with Florida Statutes (197.432 F.S.). The date, time and location of the Tax Sale will be announced after May 1st. The Tax Sale lasts approximately 5 days, depending on the number of items. Occasionally, there is a second sale in early fall. Please contact our office for information.

What method of payment is accepted? Only cash, cashier's checks, wire transfers, and money orders are accepted. Payments cannot be made online. Payments must be made via wire transfer or in person at the Governmental Center Annex, Room A-100, 115 S. Andrews Avenue, Ft. Lauderdale, Florida during regular business hours of 8:30 a.m. to 5:00 p.m.

Where and when will the auction be advertised and how often? The listing of unpaid taxes is published in the Daily Business Review on or about May 1. The list is published three times in May. The Daily Business Review can be contacted at 633 South Andrews Avenue, Fort Lauderdale, FL 33301, phone: (800) 777-7300 or (954) 468-2600, or via the Internet at <http://www.dailybusinessreview.com>.

How many bidders appear at the auction? There are approximately 150-200 bidders present at the auction.

Is the interest rate always 18% on a tax certificate? Investors bid the interest rate downward, starting at 18%. Bids are accepted in increments of a ¼ of 1%. Certificates are awarded to the buyer who is willing to pay the taxes, interest and associated costs at the lowest rate of interest, which has been ¼ of 1% in the last few years.

When do I register for the tax sale? Buyers may register in person for a buyer number approximately one week prior to the Tax Certificate sale and during the scheduled sale days at Broward County Governmental Center Annex, 115 South Andrews Avenue, Room A-100, Fort Lauderdale, Florida 33301.

What are the buyer requirements? The buyer must complete and file form W-9 "Payer's Request for Taxpayer Identification Number and Certification" for each buyer number assigned as all interest will be

reported to the Internal Revenue Service. A single buyer number will be assigned for each Social Security Number (SSN) or Employer Identification Number (EIN/TIN) provided and must be identical to the name provided on the W-9 form. Original proof of either Social Security Number (SSN) or Employer Identification Number (EIN/TIN) is required. The name on the EIN/TIN document (SS-4) or SSN form must be identical to what is entered on the W-9 form, without exception. For SSNs: The signature on the W-9 must be the signature on the SSN document. For EIN/TINs: The signature on the W-9 must be from an officer of the Corporation or LLC, not an Agent of the Corporation or LLC. The officer must sign and state his/her position with the Corporation or LLC. Click here for a form W-9, pdf file: <http://www.broward.org/revenue/rvi00305.pdf>.

If an agent is acting on behalf of one or more investors, he/she must present an original W-9 form and social security number (SSN) or Employer Identification Number (EIN) for each individual investor. The original SSN card or EIN/TIN document for each individual investor must match the W-9. The Agent's name or signature cannot appear on any documents.

All interest earned will be reported to the IRS on form 1099-int.

A minimum \$1,000.00 deposit is required for each buyer number assigned. The deposit shall be cash, cashier's check, certified check or money order payable to Broward County Revenue Collection. This deposit will be applied to the purchase of tax certificates. If no tax certificates are purchased, the deposit will be refunded approximately 4 - 6 weeks after the completion and balancing of the tax certificate sale. No personal checks, money market account checks or Attorney's Trust account checks will be accepted.

In what order are the properties called? The properties are called in the order they are listed in the advertisement, which is the order they appear on the tax roll. Items designated with an asterisk (*) identify properties with homestead. This order will not be changed.

Is payment in full required on the day of the sale? Payments of not less than ten percent (10%) of the total bid made daily by the bidder are required. This ten percent (10%) may include the original \$1,000.00 cash deposit. This payment must be made each day on the amount of certificates purchased the prior day, non-sale days excluded. This procedure is necessary to ensure the purchaser will pay for the certificates when delivered.

What if timely deposit is not made? If a timely deposit is not made, continued participation in the tax sale will not be authorized until the amount is settled.

What happens when the sale is over? Upon the completion of the tax certificate sale, Broward County Revenue Collection will notify each purchaser when the tax sale electronic listings are ready. This notification will include the balance due and the location where the purchaser can obtain the listing of certificates purchased.

When must the balance be paid? The balance due must be paid within forty eight (48) hours of the mailing of the notice, (exclusive of holidays, Saturdays and Sundays), and must be certified funds. Wire transfers must be received by Broward County Revenue Collection prior to the deadline

What if I don't pay for my certificates? Failure to pay for all certificates awarded will result in forfeiture of all certificates and loss of deposit. Those certificates would be re-auctioned at a later time.

How do I get paid? When a certificate has been redeemed (owner, title company or mortgage company pays the outstanding taxes) to Broward County Revenue Collection, the certificate holder is entitled to the face value plus whatever interest the certificate has earned. Proceeds are remitted weekly to the certificate holder. The certificate holder is never paid directly unless it is from a Bankruptcy Trustee. If that happens, the certificate holder must notify Broward County Revenue Collection when he/she is paid in full and request that the certificate be cancelled.

What is the redemption period of a tax certificate? The property owner can redeem a certificate at any time until the property is sold at a tax deed sale OR until the certificate has expired (7 years after the date of issuance).

Can I pay the taxes and own the property? No. You have not purchased property. A tax certificate is an investment. This investment does not convey any property rights or ownership to the certificate holder. A certificate holder is an investor and the purpose of purchasing certificates is to earn interest on your investment not to get the property.

Can I borrow the keys or make an appointment with Revenue Collection to view the property so that I can look at it before I buy? Revenue Collection is not a Real Estate Agency, does not have the keys to the property and knows nothing about the condition of any property. Do your own research! The Property Appraiser's office and their website have USE codes and maps. Revenue Collection can only tell you about the taxes that are due. Remember: You are trespassing if you go onto the property.

Do liens follow the property? Government liens always follow the property. It is important to research the payment history and type of property before you bid on certificates.

Are tax certificates always a good investment? The following possibilities, though not inclusive, are some of the non-cost recoverable circumstances that could affect the amount of interest you earn on your investment and/or the amount of your investment:

- Owner files bankruptcy (interest could be reduced and/or Trustee will send you \$7 per month, etc.)
- Department of Revenue correction on the taxes
- Court orders the omitting of taxes
- Assessed value on the property by the Property Appraiser may be in error and not subject to retroactive correction when the problem is discovered
- Parcel may have had an assessed structure or wood frame home that is subsequently burned down or condemned
- Parcel may have had a mobile home on it at the time of the tax certificate sale which has been removed or destroyed, leaving the property vacant
- A condo is part of a group of buildings that are later condemned or destroyed.

Does Broward County guarantee payment? Broward County does not guarantee eventual payment of tax certificates. Risks Exist! You must do your research.

Can I contact the property owner and convince him/her to pay? A certificate holder who initiates, or whose agent initiates, contact with the property owner upon which he or she holds a certificate encouraging or demanding payment may be barred by the tax collector from bidding at future tax certificate sales. Unfair or deceptive contact by the holder of a tax certificate to a property owner to obtain payment is an unfair and deceptive trade practice according to law, regardless of whether the tax certificate is redeemed. Such unfair or deceptive contact is actionable under applicable laws prohibiting fraud.

Neither a certificate holder, nor an Agent, can take any action against the property and/or the property owner (direct or indirect) until he or she has held the certificate for twenty-two (22) months. After that period of time, an Application for Tax Deed can be made, which forces the owner to pay the back taxes or the property is sold at a public auction to the highest bidder.

How do I transfer a certificate to another party? Not all certificates can be transferred. Some examples include those properties that have a pending bankruptcy or where a tax deed application has been submitted. If the certificate is eligible for transfer, the seller of the certificate must complete the required paperwork which requires notarization.

The new buyer must be a registered buyer. If the buyer is not a registered buyer, he/she will be required to complete and file form W-9 "Payer's Request for Taxpayer Identification Number and Certification" (TIN) for each buyer number assigned as all interest will be reported to the Internal Revenue Service. A single buyer number will be assigned for each Social Security Number (SSN) or Employer Identification Number (EIN) provided and must be identical to the name provided on the W-9 form. Original proof of either Social Security Number (SSN) or Employer Identification Number (EIN) is required. For TINs: The signature on the W-9 must be from an officer of the Corporation or LLC, not an Agent of the Corporation

or LLC. The officer must sign and state his/her position with the Corporation or LLC. Click here for a W-9 form (pdf form): <http://www.co.broward.fl.us/revenue/rvi00305.pdf>

Any change to a tax certificate will constitute a transfer and will be subject to the appropriate fees and paperwork for each certificate bought under that number. The transfer paperwork must be presented to Broward County Revenue Collection along with the fee of \$2.25 per certificate before the transfer is valid.

Do you have a mailing list for tax certificate information? Beginning in May, the procedures of the tax certificate sale will be available on our website. The sale schedule and other information will be mailed in the middle of May to anyone who has contacted us or who has participated in a previous tax certificate sale.

(2) Tax Deed Application Frequently Asked Questions

http://www.broward.org/revenue/tda_faq.htm#td

Be advised that not all tax certificates are desirable or profitable and, therefore, the tax deeds and properties should be viewed as "Buyer Beware."

What is a Tax Deed Application? Tax Deed application is the action, initiated by a tax certificate holder, which begins the process of selling a property at public auction for the delinquent taxes.

Who/When can I make a Tax Deed Application? Only a certificate holder who has held a tax certificate for a minimum of 22 months is eligible to make a tax deed application with the Revenue Collection Division. This action forces the owner to pay the back taxes or the property would be sold at a public auction to the highest bidder.

I have held my tax certificate for 22 months. How may I obtain the forms to make a Tax Deed Application? Please email taxdeeds@broward.org and the information will be sent to you. Electronically submitting your application will expedite the process

I have held my tax certificate for 22 months. How can I go about purchasing/owning the property? A tax certificate is an investment. The investment does not convey any rights or ownership to the certificate holder. In order to own the property, you'd have to make a tax deed application, attend the tax deed auction and be the highest bidder at the sale.

How is a Tax Deed Application made? At the time of application, the certificate holder (applicant) pays any other outstanding taxes as well as a title search fee and a tax deed application fee. All of the unpaid taxes and fees are then combined with the applicant's certificate, and interest is earned at the rate of 18% per annum. This interest begins accumulating at 1-1/2% per month, beginning the month after the application date.

What happens if the property for which a Tax Deed Application exists is paid (redeemed)? If payment is made to Broward County Revenue Collection by the tax payer (property owner) or the mortgage company, the applicant is reimbursed for their total investment, the accrued interest and the Tax Deed sale process is stopped.

What happens if the property for which a Tax Deed Application exists is not paid (redeemed)? The property will be scheduled for sale at public auction.

Can anyone pay the Delinquent taxes and own the property? No. Payment of delinquent taxes does not give the payee any rights to property. The redemption (payment) of a Tax Deed application is only accepted from someone with a legal interest in the property such as the property owner, his representative, or a mortgage company.

Will the property owner be notified of the impending sale? Yes. An ownership and encumbrance report is obtained. Twenty days prior to auction, notification is sent by Certified mail to the property owner, lien holders, and other parties appearing in the report. Additionally, the Sheriff's office will serve/post a notice of sale on the property. If your mailing address has changed, it is very important to update this information with the Property Appraisers Office. Contact the Property Appraiser for additional information.

Are there additional costs involved? Approximately two months before the tax deed sale, the Tax Deed Applicant must pay additional funds for the cost of advertising, certified mailings and sheriff services or postings. These fees are then added to the total amount due to redeem the Tax Deed application.

How often are Tax Deed Sales held? We schedule Tax Deed sales once a month except for the month of June. The scheduled sale dates are as follows:*

Thursday September 20, 2007
Thursday October 18, 2007
Tuesday November 6, 2007
Thursday December 20, 2007
Wednesday January 23, 2008
Wednesday February 20, 2008
Wednesday March 19, 2008
Wednesday April 23, 2008
Wednesday May 21, 2008
Wednesday July 23, 2008
Wednesday August 20, 2008
Wednesday September 24, 2008
Wednesday October 22, 2008

* Due to scheduling and other statutory requirements, dates are subject to change.

Unless otherwise noted, all sales are conducted in Room 302 of the Governmental Center, 115 S. Andrews Avenue, Ft. Lauderdale.

Please check the Daily Business Review for the most current sale date and time or call our office at 954-468-3428.

Where are the Tax Deed Sales held? Tax Deed sales are currently held in the Governmental Center located at: 115 S. Andrews Avenue, Fort Lauderdale, FL 33301.

Sales will be held in a conference room on the third floor, or other location, as advertised in the Daily Business Review.

What time does the Tax Deed Sale begin? The Tax Deed sale starts at 10:00 A.M. unless otherwise stated in the advertisement.

When and where are the properties to be sold at the Tax Deed Sales advertised? The properties are advertised in the Daily Business Review (Broward Edition), Thursday edition, four weeks prior to the Tax Deed Sale. The advertising includes the property identification number, the tax deed number, name in which assessed and the legal description.

How can a copy of the Daily Business Review be obtained? The Daily Business Review may be purchased at various newsstands throughout Broward County or by contacting them at 633 South Andrews Avenue, Fort Lauderdale, FL 33301; Phone: 954-468-2600; or via the web at www.dailybusinessreview.com.

Are the Tax Deed files available for review? One week prior to a Tax Deed Sale, the working files are available for the public to review at Broward County Revenue Collection, 115 S. Andrews Avenue, Room A-100, Fort Lauderdale, FL 33301. The information contained in the working files should not be utilized as the sole source of research on the property. It is the bidder's responsibility to obtain pertinent legal, lien and title information.

What is the Opening Bid? The opening bid is the amount of back taxes, included in the tax deed application, interest and fees (applicant's investment). If the property has homestead exemption, the opening bid will also include one half (1/2) of the assessed value on the current tax roll. The bid amount may not include all property taxes.

Are all taxes included in the opening bid? The opening bid may not include all unpaid taxes. The successful bidder would be responsible to pay any other real estate or personal property taxes. The tax bills will be supplied by Broward County Revenue Collection.

What should a potential bidder know prior to participating in a Tax Deed Sale? Tax Deed sales are not for the uninformed. It is imperative that anyone interested in participating in the Tax Deed Sale conduct extensive research including a full title and lien search prior to bidding on any properties.

What are the requirements to bid on/purchase property? Do your research! You or a representative must be physically present at the sale to bid on the property. The individual, bidding at the auction, must also be authorized to purchase property on behalf of the entity to be listed on the Tax Deed and provide the required corporate or power of attorney documentation to our office. If bidding on behalf of a trust, LLC or corporation, of which the bidder is not an officer of that entity, the bidder must provide notarized authorization from the entity which allows the bidder to purchase property in that entity's name. The bidder must also provide corporate papers from that entity which reflects the name of the officer providing the notarized authorization. This paperwork must be present at the auction and that same bidder must submit the paperwork to our office when payment is made and documents are signed. These documents must be signed by the actual bidder or the officer of the corporation or LLC. Note: If the bidder does not have the proper authorization, the Tax Deed must be prepared in the name of the bidder only. The bidder would then be required to provide valid photo identification when submitting payment and signing the required documents for the purchase of property.

What if the certificate holder/applicant would like to purchase the property? The certificate holder/ applicant must be present and bid for the property if he/she would want to own the property. He/ she must make the highest bid in order to purchase the property.

What is the successful bidder required to provide immediately? The successful bidder must produce valid photo identification such as a driver's license and also provide us with a telephone number. A nonrefundable cash deposit of \$200 is collected at the time of the sale, and would be forfeited upon default (197.542[2] F.S.).

Is payment in full required the day of the sale? Full payment must be made at the office of Broward County Revenue Collection located at 115 S. Andrews Avenue, Room A-100, Fort Lauderdale, FL no later than 10:00 A.M. the following morning. A separate cashier's check is required for each property purchased. If the payment is not received within the specified time, the deposit and property are forfeited along with the bidder's/entity's privilege to participate in any future tax deed sales (197.542[2] F.S.).

What is the successful bidder required to provide at time of payment? Since there are various forms to be signed by the new owner, and some require notarization, the successful bidder must provide valid photo identification. If the bid was made on behalf of any entity other than the name of the individual bidding, proper documentation must be presented. (i.e. , articles of incorporation, current power of attorney, etc.) When property is purchased at a tax deed sale, this office would collect the full amount bid (which includes the taxes and fees in the application) along with the Recording fees and Doc Stamp fees. At the time of the sale, you would be informed of the total amount due.

If the property would be redeemed prior to this office "issuing" the deed, you will be contacted at the telephone number you provided to us at the sale. If you had already presented your cashier's check, you would then need to come into the office, with your receipts, and retrieve the cashier's check and the \$200 cash deposit.

Is the property sold free and clear of liens? No. Additional property taxes, as well as, liens on the property, may be due and would become the responsibility of the new owner. It is imperative that anyone interested in participating in the Tax Deed sale conduct extensive research including a full title and lien search prior to bidding on any properties. Government liens follow the property. Vacant property may have lot clearing, code and other liens attached to it.

What type of document is issued as a result of the sale? Tax Deed is issued. A tax deed is a form of title given in the event property is sold to satisfy taxes; a tax deed carries no warranties and does not

guarantee clear title. It is to the buyer's advantage to consult a real estate attorney in efforts to obtain clear title.

Once a property is acquired at a Tax Deed Sale, is there a redemption period for the former property owner? The former owner will be allowed to pay the delinquent taxes, and the sale made void until the new deed has been issued. This process takes about 24 hours from the time of sale. In the event that this would happen, the cashier's check along with the deposit would be returned, or a refund issued to the successful bidder.

The property may be redeemed by anyone with a legal interest in the property, such as the owner or mortgage company, until we "issue" the deed which is when we "walk out of our office" to take the paperwork to Broward County Records for recording. Once that happens, the taxes are no longer redeemable.

What happens to the properties that do not sell at the auction? If the Tax Deed Applicant is an individual, and there are no bids at the sale, the applicant is required to accept the property by paying the additional costs of the documentary stamps, recording fees, and ½ the assessed value if the property is homesteaded. This must be made within 24 hours of the auction. If the Tax Deed Applicant is Broward County and there are no bids at the sale, the property is immediately placed on the list of Lands Available for Taxes (L.A.F.T.).

Are all properties inhabitable and/or buildable? No. You must do your research! It is imperative that anyone interested in participating in the tax deed sale conduct extensive research including a full title and lien search prior to bidding on any properties. Otherwise, you could end up with a drainage ditch, a sign, condemned property, a stairwell, a heap of junk, a small strip of nothing, etc.

Can I borrow the keys or make an appointment with Revenue Collection to view the property so that I can look at it before I buy? Revenue Collection is not a Real Estate Agency, does not have the keys to the property and knows nothing about the condition of any property. Do your own research! The Property Appraiser's office and their website have USE codes and maps. Revenue Collection can only tell you about the taxes that are due. Remember: You are trespassing if you go onto the property.

Can Revenue Collection provide pictures of the property, floor plans, size of rooms, etc.? No. Revenue Collection can only tell you about the taxes that are due.

Does Broward County guarantee the sale? Broward County does not guarantee the condition of any property or title with respect thereto. All properties are sold "Buyer Beware."

Do I have the right to immediate possession? Yes. The tax deed makes you the owner.

Will Revenue Collection evict people living on the property and dispose of unwanted junk left there? No. Revenue Collection does not evict people or remove junk; contact the Sheriff's office for eviction.

Will Revenue Collection help me get clear title? No. A tax deed carries no warranties and does not guarantee clear title. It is to the buyer's advantage to consult a real estate attorney in efforts to obtain clear title.

(3) Lands Available for Taxes Frequently Asked Questions

http://www.broward.org/revenue/tda_faq.htm#laft

Be advised that not all properties are desirable and therefore, the properties in Lands Available for Taxes should be viewed as "Buyer Beware." Extensive research is required by the interested party in order to obtain the full amount of liens and/or encumbrances due on these properties and the status of the title.

What is "Lands Available for Taxes" (L.A.F.T.)? Lands available for taxes are properties that have been advertised for tax deed sale at public auction, and no bidders appeared at the public sale to purchase the properties. When this happens, Revenue Collection is required to enter the land on a list

entitled "lands available for taxes" and to notify the Board of County Commissioners and all other persons holding certificates against the folio that the land is available.

Who may purchase properties from L.A.F.T.? Pursuant to 197.502(7), F.S. for the first ninety (90) days that a property is in L.A.F.T., only the County may purchase the property for the opening base bid. After the ninety days have expired, any person or governmental unit may purchase the land for the opening bid, subsequent omitted taxes, plus any accrued interest plus documentary stamps, recording and indexing fees.

Where can I obtain a copy the L.A.F.T. list? The L.A.F.T. list can be viewed or purchased at Broward County Revenue Collection, 115 S. Andrews Avenue, Room A-100, Fort Lauderdale, FL 33301. To view the information on-line, click here: <http://www.broward.org/revenue/rvi00306.pdf>.

How many properties are on the L.A.F.T. list? The number of properties varies; please contact our office at 954-468-3430 for the most current number or view the list on-line.

How can properties be purchased from L.A.F.T.? Extensive research is required by the interested party in order to obtain the full amount of liens due on these properties and the status of the title. After completing the research, reviewing the listing and the corresponding Tax Deed file, a quote informing the interested party of the amount due to purchase the property can be provided by Broward County Revenue Collection.

How many quotes can be requested at one time? A maximum of three quotes can be requested per day per individual/entity.

How long does it take to receive the quote? Quotes are accepted Monday thru Friday and are available within 3-5 business days of the request. To receive your quote via e-mail, please provide your e-mail address at the time the request is submitted.

Note: Due to the possibility of error, omission, and events beyond our control, no warranty or guarantee is expressed or implied as to the accuracy of any given quote. Please use your good judgment and always verify prices before you purchase.

How long is a quote valid? The date will be specified on the bottom of the quote. The deadline is the third Friday of the month to insure that the payment is validated and the paperwork is completed by the last working day of the month. On the first day of the new month, additional interest and fees would be due and a new quote would be required.

Once a quote is given, how is the property purchased? The purchaser must come to Broward County Revenue Collection, 115 South Andrews Avenue, Room A-100, Fort Lauderdale, FL between 8:30 a.m. and 5:00 p.m. with a cashier's check for the total amount of the quote prior to the specified deadline. The purchaser must present valid government issued photo identification (i.e., driver's license, state ID card, passport, etc.). Also, if the property is being purchased in the name of an entity other than the individual, the buyer must present proper documentation (i.e., power of attorney, corporate papers, etc.) that shows that he/she is authorized to sign as purchaser on behalf of the entity.

Will a Tax Deed be issued right away? No. From the time the transaction has been completed at Broward County Revenue Collection, it takes approximately a week for the Tax Deed to be issued.

Is the property sold free and clear of liens? Additional property taxes, as well as liens on the property, may be due and would become the responsibility of the new owner. It is imperative that anyone interested in purchasing from Lands Available for Taxes conduct extensive research including a full title and lien search prior to requesting a quote or purchasing any properties.

How long are items in L.A.F.T.? If the oldest unredeemed tax certificate was sold prior to the year 2000, the property will remain on the L.A.F.T. list for seven years from the date the property was offered at a tax deed sale. All other properties will remain in L.A.F.T. for three years.

What happens to properties that are not purchased from L.A.F.T.? The land shall escheat to Broward County (197.502[8], F.S.). All tax certificates and liens against the property shall be canceled, and Revenue Collection will execute a tax deed vesting title in the Board of County Commissioners. Once an item has escheated to the County, it is no longer available for purchase. Certificate holders have no further opportunity to recover their investment.

(4) Lands Available for Taxes List

<http://www.broward.org/revenue/rvi00306.pdf>

ROGUE INVESTOR NOTE: The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(5) County Held Certificates Frequently Asked Questions

http://www.broward.org/revenue/coheld_faqs.htm#ch

Certificate buyers need to be aware that there are inherent risks involved in purchasing tax certificates. Broward County Revenue Collection does not guarantee the condition of any property or title with respect thereto. The risks are borne by the certificate holder. Do your research before investing and purchasing.

Please also note: Broward County does not guarantee eventual payment of tax certificates.

What is a County Held Certificate? A tax certificate is an interest bearing first lien representing unpaid delinquent real estate property taxes which are offered for sale by Broward County Revenue Collection through competitive bid to pay delinquent taxes. If there are no bids on an item, the applicable tax certificate is issued in the name of Broward County (County-Held) at the highest rate of interest allowed by law (18%). Tax certificates are not recorded liens nor are they reported to any credit bureaus. They are a "first" priority lien.

Why would a certificate not have any bids and be issued in the name of the County? The bidders at the auction obviously felt that it may be a "risky" investment (i.e., the property has a long history of delinquent taxes, it may be encumbered with government liens, a tax deed application already exists, the property is worthless, etc.). Do your research before investing.

Are County Held Certificates available for purchase? Yes. However, the following tax certificates that have been issued to Broward County must remain with Broward County:

- Those representing less than \$100 in delinquent taxes on property that has been granted homestead exemption.
- Parcels upon which an application has been made and has been approved for the Tax Deferred Program.
- Those representing delinquent taxes on a subsurface right.

Click here to view/download the 2005 County Held Certificate Listing (.pdf) -- 39 kb:

http://www.broward.org/revenue/coheld_2005.pdf

Click here to view/download the 2006 County Held Certificate Listing (.pdf) -- 76 kb:

http://www.broward.org/revenue/coheld_2006.pdf

Click here to view/download the 2007 County Held Certificate Listing (.pdf) -- 70kb):

http://www.broward.org/revenue/2007_coheld.pdf

(Requires Adobe Acrobat Reader)

What rights to the property does a certificate owner have? None. You have not purchased property. A tax certificate is an investment. This investment does not convey any rights or ownership to the certificate holder. Please note: Broward County does not guarantee eventual payment of tax certificates.

What is the redemption period of a tax certificate? The property owner can redeem a certificate at any time until the property is sold at a tax deed sale or until the certificate has expired (7 years after the date of issuance).

Can I pay the taxes and own the property? No. You have not purchased property. A tax certificate is an investment. This investment does not convey any property rights or ownership to the certificate holder. A certificate holder is an investor and the purpose of purchasing certificates is to earn interest on your investment not to get the property.

Can I borrow the keys or make an appointment with Revenue Collection to view the property so that I can look at it before I buy? Revenue Collection is not a Real Estate Agency, does not have the keys to the property and knows nothing about the condition of any property. Do your own research! The Property Appraiser's office and their website have USE codes and maps. Revenue Collection can only tell you about the taxes that are due. Remember: You are trespassing if you go onto the property.

Do liens follow the property? Government liens always follow the property. It is important to research the payment history and type of property before you bid on certificates.

Are tax certificates always a good investment? The following possibilities, though not inclusive, are some of the non-cost recoverable circumstances that could affect the amount of interest you earn on your investment and/or the amount of your investment:

- Owner files bankruptcy (interest could be reduced and/or Trustee will send you \$7 per month, etc.).
- Department of Revenue correction on the taxes.
- Court orders omitting of taxes.
- Assessed value on the property by the Property Appraiser may be in error and not subject to retroactive correction when the problem is discovered.
- Parcel may have had an assessed structure or wood frame home that is subsequently burned down, damaged or condemned.
- Parcel may have had a mobile home on it at the time of the tax certificate sale which has been removed or destroyed, leaving the property vacant.
- A condo is part of a group of buildings that are later condemned, damaged or destroyed.

Does Broward County guarantee payment? Broward County does not guarantee eventual payment of tax certificates. Risks exist! You must do your research.

What is the interest rate on County-Held tax certificates? The interest rate is the maximum rate of interest allowed by law: 18%.

Can I purchase a County-Held Certificate and right away make a tax deed application? You can only make a tax deed application if the tax certificate is 2 years old.

Is there a limit to how many I can purchase? No. You can purchase as many certificates as you want. Be sure to do your research for purchasing.

How do I purchase County-Held tax certificates? The following are the steps:

1. Obtain a quote. Review the list of available certificates, research the items and send an e-mail request for quote to countycerts@broward.org. Upon receipt of your e-mail, Revenue Collection will review the records to insure the requested certificates are still available and contact you, via e-mail, advising the amount due to complete the certificate purchase(s). Be sure to list property ID number and certificate number. A "Request to Purchase" form will be provided in the e-mail for you fill out. Note: Amount due is determined by the month in which transfer of certificate is complete, not the month in which the request is submitted.

2. If you have not previously purchased certificates, you must obtain a bidder number from Revenue Collection. To do this complete a W-9 or W-8 form and mail or bring (faxed or e-mailed copies will not accepted as original signatures are required) the completed form along with your original social security

or tax id number to our office at Revenue Collection Division, Delinquent Tax Department, 115 South Andrews Avenue, Room A-100, Fort Lauderdale, FL 33301. Note: Your original documents will be returned.

Buyer numbers will not be issued until the time of the actual purchase.

3. If purchasing in the name of a company, you must provide copies of the articles of incorporation or other document whereby showing that you are authorized to complete the transaction on behalf of the company. The signature on the W-9 form must be from an officer of the corporation and must state his/her position with the corporation or LLC.

4. Return the Purchase form with your payment to our office via mail at Revenue Collection Division, Delinquent Tax Department, 115 South Andrews Avenue, Room A-100, Fort Lauderdale, FL 33301.

How do I pay for the certificates? Payment for the purchase of County Held Certificates is required in the form of cashier's check or money order payable to: Broward County Revenue Collection.

Once I request a quote, how long do I have to purchase it? Certificates will be sold on a first-come, first-served basis to the party whose payment is received first. The quote is only valid until the date given. The amount due changes on the first of every month and, therefore, if payment is not received by the due date given, a new request for quote will be required.

(6) County-Held Certificates List

http://www.broward.org/revenue/coheld_faqs.htm#ch

2005 County Held Certificate Listing: http://www.broward.org/revenue/coheld_2005.pdf

2006 County Held Certificate Listing: http://www.broward.org/revenue/coheld_2006.pdf

2007 County Held Certificate Listing: http://www.broward.org/revenue/2007_coheld.pdf

ROGUE INVESTOR NOTE: The county-held tax certificate lists are available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(7) Office Locations

<http://www.broward.org/revenue/rvi00310.htm>

Governmental Center Annex
115 South Andrews Avenue
Fort Lauderdale, Florida 33301
Phone: (954) 831-4000

CHARLOTTE COUNTY, FLORIDA

<http://www.charlottecountyfl.com>

TAX COLLECTOR'S OFFICE

<http://www.cctaxcol.com>

Vickie Potts, Tax Collector
Phone: (941) 743-1350

(1) Contact Information

<http://www.cctaxcol.com/contactinfo.htm>

Punta Gorda Communications Department
410 Taylor Road
Punta Gorda, FL 33950
Phone: (941) 743-1350
Fax: (941) 637-2276
Email: cctaxinfo@co.charlotte.fl.us

(2) Tax Calendar

<http://www.cctaxcol.com/calendar.htm>

May: List of delinquent real estate taxes advertised once per week for three consecutive weeks prior to tax certificate sale in a local newspaper.

June: Tax certificate sale for delinquent real estate taxes begins on or before June 1st.

(3) Delinquent Real Estate Taxes

<http://www.cctaxcol.com/advalorem.htm#Delinquent>

Real estate taxes become delinquent on April 1st each year. Florida Statutes require the Tax Collector to advertise the delinquent parcels in a local newspaper once a week for three consecutive weeks following the payment deadline. Advertising and collection fees are added to the delinquent taxpayer's bill.

Beginning on or before June 1st, the Tax Collector is required by law to hold a Tax Certificate Sale. The certificates represent liens on all unpaid real estate properties. The sale allows citizens to buy certificates by paying off the owed tax debt. The sale is conducted in reverse auction style with participants bidding downward on interest rates starting at 18%. The certificate is awarded to the lowest bidder.

A tax certificate, when purchased, becomes an enforceable first lien against the real estate. The certificate holder is actually paying the taxes for a property owner in exchange for a competitive bid rate of return on his investment. In order to remove the lien, the property owner must pay the Tax Collector all delinquent taxes plus accrued interest, penalties and advertising fees. The Tax Collector then notifies the certificate holder of any certificates redeemed and a refund check is then issued to the certificate holder.

A tax certificate is valid for seven years from the date of issuance. The holder may apply for a tax deed when two or more years have elapsed since the date of delinquency. If the property owner fails to pay the tax debt, the property tax deed is sold at public auction.

(4) Tax Certificate Sale Brochure

<http://www.cctaxcol.com/images/certsale.pdf>

When do real estate taxes become delinquent? Real estate taxes become delinquent April 1st each year. Example: 2006 taxes become delinquent April 1, 2007. At that time, 3% interest is added to the gross amount.

Are delinquent taxes advertised? Yes. A list of all real property with delinquent taxes is advertised once a week for three consecutive weeks in a local newspaper. The advertisement specifies the place, date, and time of the Tax Certificate Sale.

What is a tax certificate? A tax certificate represents a lien on real property and bears interest at a maximum rate of 18% per year. The cost to purchase a certificate is listed beside each parcel in the delinquent advertisement, and includes gross tax, interest, advertising cost, and the cost of the Tax Certificate Sale.

What is a tax certificate sale? On the advertised day and time, the Tax Collector auctions and sells a tax certificate on each delinquent parcel. Since the taxes on some parcels will have been paid prior to the sale, those parcels that appeared in the newspaper advertisement will be skipped. Bidding begins at 18% and the certificate is sold to the person bidding the lowest annual interest rate.

What if there are no bidders? If there are no bidders for a certificate, it is issued to the County at 18% interest.

How are tax certificates redeemed? In order to clear the tax property of the tax certificate lien, the property owner must pay the amount of the tax certificate plus the rate of interest at which the certificate was sold, calculated from the month of the sale to the month of the redemption with a 5% minimum unless the bid was 0%. If the bid was 0%, there will be no interest accrued. When a tax certificate is redeemed, on or after June 1, a \$6.25 redemption fee is also charged. After redemption, the certificate holder receives the amount invested plus interest. Please note that interest earned is taxable and must be reported to the IRS. Each January, an IRS 1099-INT form is sent to each certificate holder for earnings in the previous year.

What if the certificate is not redeemed? If the certificate is not redeemed within two years from the date the tax became delinquent, the certificate holder may apply for a tax deed, and bring the land to sale at a public auction. Example: 2006 taxes became delinquent April 1, 2007; therefore, a tax deed application may be made after April 1, 2009. A certificate holder who wishes to apply for a tax deed must redeem all the other certificates and pay other fees as mandated by state law.

What happens at the land sale? If the land goes to a public sale, the starting bid is the total amount of the tax deed application. When the property is assessed on the latest tax roll as homestead property, the starting bid also includes one-half of the assessed value of the property as listed on the current year's tax roll. The highest bidder will receive a tax deed from the Clerk of the Circuit Court. This is not the same as a Warranty Deed as more steps may be necessary to obtain a clear title. If there is no action commenced by the former owner within 4 years of the tax deed being issued, then the owner will have clear title to the property. If the applicant is not the highest bidder, he/she will be reimbursed for the total amount paid at the time of the application plus 1 1/2% interest per month from application. Any difference between the highest bid and the amount paid in the application is sent to the property owner by the Clerk of the Circuit Courts office.

The 1999 Legislature amended the process for obtaining tax deeds for real property by holders of tax sale certificates, section 197.502, Florida Statutes, effective May 26, 1999. See Chapter 99-190, Laws of Florida (see Senate Bill 1534, sections 3-5). As described below, portions of this law apply only to property that is on the list of lands available for taxes upon which there are no outstanding tax sale certificates that were issued prior to July 1, 1999 (see Senate Bill 1534, section 8).

This new law changes the start date for determining the 90-day period during which the county may purchase land from the list of lands available for taxes. Under prior law, this 90-day period began the day after the public sale. Under the new law, this 90-day period begins when the land is placed on the list of lands available for taxes. This new law changes the period of time before land will escheat to the county, from seven years from the day the land is offered for public sale to three years from the day the land is offered for public sale. See section 197.502 (8), Florida Statutes (1999).

Can a property owner stop a land sale? Yes. The owner of the property can prevent the loss of the land by paying all accrued taxes, costs, and interest at any time before the tax deed is issued.

What is the life of a tax certificate? The life of a tax certificate is seven years from the date of issuance. If the certificate holder does not apply for a tax deed within the seven years, the certificate is null and void.

Is this a risk free investment? No, although a secure investment in most cases, as with any investment, there is an element of risk. There are three possible risks to consider:

1. If there is a correction to the original taxes levied which would decrease the certificate value or cancel the certificate, the law provides for the portion in error to be refunded to the certificate holder with 8% interest or rate of interest bid, whichever is less, per annum calculated monthly to the date of cancellation or correction.
2. If the property value drops significantly in subsequent tax years, it may cost more to bring the property to sale than the value gained by owning the property.
3. If the landowner enters into bankruptcy, the certificate holder is prevented from enforcing the lien until the bankruptcy is released. In one instance, the bankruptcy court lowered the interest rate and ordered payments to be made over a five year period.

Are the county's certificates available for purchase? Yes, county-held certificates are available for purchase in the Tax Collector's office. When someone buys a county certificate, the lien is transferred to the buyer. The purchase price is the amount of the original certificate plus interest due to the date of purchase, plus \$6.25 administrative fee. The interest rate of the purchased certificate is 18%. Anyone interested in purchasing county certificates should call the Delinquent Tax Department.

How do I become a bidder? Beginning May 1st bidders may register online. A link will be provided from our website at <http://www.cctaxcol.com>. A registration form must be completed online for each bidder, with name, address, phone number, and taxpayer identification or social security number.

For further information regarding the Tax Certificate Sale, please contact the Delinquent Tax Department at (941) 743-1356 or visit us on the web at: <http://www.cctaxcol.com>.

(5) Tax Deed Brochure

<http://www.cctaxcol.com/images/deed.pdf>

Florida Statutes provide that the Clerk of the Circuit Court is responsible for the administration of tax deed sales.

How can a tax certificate be brought to sale? If a certificate is not redeemed within two years from the date the taxes became delinquent; the certificate holder may apply for a tax deed, and bring the land to sale at a public auction. Example 2006 taxes are delinquent April 1, 2007; therefore, a tax deed application may be made after April 1, 2009. A certificate holder who wishes to apply for a tax deed must redeem all other certificates and pay other fees as mandated by state law. For further information on tax certificates contact Charlotte County Tax Collector at 941-743-1356.

What is a tax deed sale? A tax deed sale is the sale of property at public auction for back taxes and fees associated with bringing the property to sale.

How do I purchase a tax deed property at a tax deed sale? All properties are sold at the Punta Gorda Justice Center at a public auction after notice published in the newspaper. Anyone may bid on the property and it is sold to the highest bidder. The total amount of bid, plus recording fees must be received by the Clerk within 24 hours after the sale. Payment must be made by cash, cashier's check or money order only. Please make payable to Clerk of Circuit Court.

How is the starting bid obtained? The starting bid, otherwise called base bid, is calculated from the following charges:

Tax Collectors Fee \$75.00
 Taxes & Interest \$(varies)
 *Ownership & Encumbrance Report \$65.00
 *Clerk's Statutory Fee . . . \$60.00
 *Advertising Charge ... \$ (varies)
 **Postage \$(varies)
 **Sheriff's Fee ... \$20.00 per person served
 Additional Interest ..(1.5% per month figure above)
 1/2 Assessed Value .. \$ (varies) (if Homestead Property)
 Starting Bid = Total of Above
 * These fees are fixed fees for each property
 ** These fees depend on the number of individuals to be notified.

Is the owner of the property sent a notice that the property is being sold? Yes. Florida Statute 197.522 requires the Clerk of the Circuit Court to send a notice to the owner of record and any lienholder of record.

1. The owner is sent a Warning Notice which contains the date and time of the sale, by certified mail.
2. If the owner resides in the State of Florida, the sheriff of the county where the owner resides attempts service of a Warning Notice on the owner.
3. A notice of Application for Tax Deed, which states the date and time of the sale and the amount to redeem the property is mailed along with each Warning Notice.
4. The Notice of Application is published once each week for four consecutive weeks at weekly intervals in a newspaper selected as provided in s.197.402. No tax deed sale shall be held until thirty days after the first publication of the notice.

What happens if I am the high bidder? Once all fees have been paid, a Tax Deed is issued and recorded in the name you request for the property on which you were the high bidder. According to Florida Statute 197.562, "Any person, firm, corporation, or county that is the grantee of any tax deed under this law shall be entitled to the immediate possession of the lands described in the deed."

Can a tax deed sale be stopped? Yes. According to Florida Statute 197.422, tax deed property may be redeemed anytime prior to the recording of the tax deed if all back taxes and fees are paid to the Tax Collector.

Do liens survive the issuance of a tax deed? You may wish to consult your attorney. Florida Statute 197.552 provides, in part, " except as specifically provided in this chapter, no right, interest, restriction, or other covenant shall survive the issuance of a tax deed, except that a lien of record held by a municipal or county government unit, when such lien is not satisfied as of the disbursement of proceeds of sale under the provisions of s.197.582, shall survive the issuance of a tax deed "

Now that I have a tax deed what must I do? There may be additional activities that are necessary in order to obtain marketable title. However, this question cannot be answered by the Tax Collectors Office. You may wish to contact your attorney for further information

What happens when there are no bidders at the county tax deed sale? The property goes on the list of "Lands Available for Taxes" pursuant to Florida Statute 197.502. The 1999 Legislature amended the process for obtaining tax deeds for the real property by holders of tax sale certificates, section 197.502, Florida Statutes, effective May 26, 1999. See Chapter 99-190, Laws of Florida (see Senate Bill 1534, sections 3-5). As described below, portions of this law apply only to property that is on the list of lands available for taxes upon which there are no outstanding tax sale certificates that were issued prior to July 1, 1999 (see Senate Bill 1534, section 8).

This new law changes the start date for determining the 90-day period during which the county may purchase land from the list of lands available for taxes. Under prior law, this 90-day period began the day after the public sale. Under the new law, this 90-day begins when the land is placed on the list of lands available for taxes. This new law changes the period of time before land will escheat to the county, from

seven years from the day the land is offered for public sale to three years from the day the land is offered for public sale. See section 197.502 (8), Florida Statutes (1999).

(6) 2008 Tax Certificate Sale

<http://www.charlottetaxsale.com>

ROGUE INVESTOR NOTE: The Charlotte County tax sale is conducted on the Internet by Real Auction (see Internet Auction Information at the end of the Florida section). Visit this website for Bidding Rules, Training, Registering, and Previewing Items for Sale. Note: The list for the 2008 tax certificate auction will be available early in May of 2008.

(7) Download Forms

<http://www.cctaxcol.com/forms.htm>

Bidder Registration Form for Tax Certificate Sale only: <http://www.cctaxcol.com/private/regis.txt>. Please print, fill out, mail or fax to 941-743-1364.

CLERK OF THE CIRCUIT COURT

http://www.co.charlotte.fl.us/clrkinfo/clerk_default.htm

Barbara Scott, Clerk of the Circuit Court
Charlotte County Justice Center
350 E. Marion Avenue
P.O. Box 511687
Punta Gorda, FL 33951-1687
Phone: (941) 637-2199
Email: CasWeb@co.charlotte.fl.us

(1) Clerk Phone Directory

<http://www.co.charlotte.fl.us/clrkinfo/contactUS/phoneDirectory.htm>

Tax Deeds phone: (941) 637-2130

(2) Tax Deeds

<http://www.co.charlotte.fl.us/clrkinfo/information/taxDeeds.htm>

Remember, this is a Buyer Beware sale! Arrive a few minutes before 9:00 a.m. at Room 3-E at the Justice Center. The bidding for each property will start with the opening bid. There will be no questions answered after the sale begins. All parties are asked to refrain from conversation while a sale is being conducted.

If you are the successful bidder, you must remain for the duration of the sale and then go to the second floor Records Department for the exact total you must pay. Your bid amount and all fees for recording your deed must be paid within 24 hours.

In accordance with Section 197.542(2), F.S., on all Tax Deed Applications made on or after October 1, 2001, the high bidder shall post with the Clerk a non-refundable cash deposit of \$200 at the time of the sale to be applied to the sale price at the time of full payment.

Background Information on Sale of Tax Certificates for Unpaid Taxes (Section 197.432, F.S.)

Taxes become delinquent April 1st of each year. At that time, the Tax Collector begins preparing the tax certificate sale. A tax certificate is sold for all taxes not paid by June 1st. A tax certificate is a tax lien against the property. The certificate holder does not have any rights to the property. If no individual purchases a certificate on a piece of property at the certificate sale, the County assumes the certificate. There are two types of tax certificates: individual and County. The owner or interested party may redeem the certificate at any time by paying to the Tax Collector the delinquent taxes and interest earned by the certificate holder (Section 197.472, F.S.). The tax certificate has a life of seven years (Section 197.482, F.S.).

If a certificate is not redeemed, the certificate holder may force the issue by making application for tax deed. A certificate must be two years old to be eligible for a Tax Deed application. (For county held certificates, the Board of County Commissioners makes application for the Tax Deed.) The application process must begin in the Tax Collector's Office. The Tax Collector prepares the necessary paperwork (which includes the Tax Collector's Certificate and a legal description of the property) and forwards it to the Clerk's Office. The Clerk's Office prepares the legal advertisement for the newspaper, the certified mailing of notices of the pending sale, the civil process to be served by the Sheriff's Office, the calculation of the opening bid, answers questions from the public, and waits for the sale. The owner or interested party may redeem right up until the recording of the Tax Deed.

(3) Tax Deed Frequently Asked Questions

<http://www.co.charlotte.fl.us/clrkinfo/information/taxDeedsFAQ.htm>

What is a tax deed sale? A tax deed sale is a public auction where real estate is sold to recover delinquent property taxes. (This is governed by Chapter 197 of the Florida Statutes, and Administrative Code 12D-13.060, Florida Department of Revenue.)

Who conducts the tax deed sale? A deputy clerk employed by the Clerk of the Circuit Court conducts the sale or public auction in accordance with Section 197.502(5), F.S.

When and where are the tax deed sales held? Tax Deed Sales are generally held every Tuesday and Thursday at 9:00 a.m. except holidays at the Charlotte County Justice Center in Punta Gorda.

Where can information about upcoming sales be obtained? The Tax Deed Sales are advertised in the Sarasota Herald Tribune. The Clerk of the Circuit Court is required by Florida Statutes to advertise each sale once a week for four consecutive weeks prior to the public auction (Section 197.512[1], F.S.) You can purchase copies of the legal ads, which include the opening bids, from the Clerk of the Circuit Court's office at a cost of \$1.00 per page.

What liens or encumbrances survive against a property after it is sold at a tax deed sale?

Governmental liens and judgments survive the issuance of a tax deed and are satisfied to the fullest extent possible with any overbid monies from the sale. Governmental liens, not satisfied in full, survive the issuance of a tax deed and will remain against the property. Records can be researched by clicking here: http://www.co.charlotte.fl.us/browser_detect_OR.htm.

Can the property owners stop the property from being sold for taxes? The property owner or mortgage holder can redeem the property from the Tax Deed Sale by paying the amounts owed to the Tax Collector and the Clerk of the Circuit Court. The total redemption is collected in the office of the Tax Collector. (Many of the properties advertised for the sale will be redeemed and will not be auctioned.)

If I am the successful bidder at the sale, what do I need to do? According to the office policy, as the successful bidder you are asked to remain until the auction is complete and then report to the second floor Records Department. You will be given a slip with the exact calculations for the total amount due. This total will include your bid amount and the fees to record your Tax Deed. The money must be brought back to the Clerk of the Circuit Court's Office within 24 hours of the sale. (Payment can be made by cash, certified funds or a personal check drawn on a local bank.)

What if I am the successful bidder and fail to return with the payment? The property will be re-advertised one time, and must be scheduled for sale within 30 days. Section 197.542(1), F.S. states: "The Clerk may refuse to recognize the bid of any person who has previously bid and refused, for any reason, to honor such bid." Therefore, those individuals would not be allowed to bid at any future Tax Deed Sales.

Do I get a clear title with a tax deed? All properties sold at a Tax Deed Sale qualify under "buyer beware." The purchase of a Tax Deed Sale does not warrant or guarantee clear and marketable title. Note: Most title companies require the property to go through a quiet title lawsuit for the property to be able to have title insurance issued on property bought by Tax Deed Sale.

What are some things that I should know before the sale? In order to participate in the bidding process, you must arrive a few minutes prior to 10:00 a.m. You or your representative must be physically present at the sale in order to bid on the property. It is highly recommended that you research the properties prior to the sale day in order to understand what you are purchasing at the sale. (You should research for liens, zoning, restrictions, etc.)

If I am the successful bidder at a tax deed auction, am I entitled to immediate possession of the property after a tax deed has been issued to me? Section 197.542, F.S. states: "Any person, firm, corporation, or county that is the grantee of any Tax Deed under this law shall be entitled to the immediate possession of the lands described in the Deed. If demand for possession is refused, the purchaser may apply to the Circuit Court for a Writ of Assistance upon five days' notice directed to the person refusing to deliver possession. Upon service of the responsive pleadings, if any, the matter shall proceed as in chancery cases. If the court finds for the applicant, an order shall be issued by the court directing the Sheriff to put the grantee in possession of the lands."

How is the amount of the opening bid determined? If the property is not homestead property, the amount of the opening bid equals the total of unpaid taxes and interest, the Tax Collector's administration fees, the Clerk of the Circuit Court administration fees and expenditure fees required by the Florida Statutes to bring the property to delinquent tax sale. If the property is homestead property, half of the assessed value from the tax roll is added to the above amounts for the total opening bid.

How long does it take to receive the tax deed? You should have your Tax Deed within 7 to 10 days from the sale date.

Where can I obtain information regarding the sale of tax certificates? Tax certificate information can be obtained from the Tax Collector's Office. The phone number for the Tax Collector is 941-743-1356 or 743-1354, or visit their website at <http://www.cctaxcol.com>.

MIAMI-DADE COUNTY, FLORIDA

<http://miamidade.gov>

TAX COLLECTOR

<http://www.miamidade.gov/taxcollector>

(1) Contact Information

<http://www.miamidade.gov/taxcollector/contact.asp>

Fernando Casamayor, Tax Collector
140 W. Flagler Street, Suite 1407
Miami, FL 33130-1575
Phone: (305) 375-5762
Email, Property Taxes: proptax@miamidade.gov

Maresa Cain, Chief
Property Taxes Section
140 W. Flagler Street, Suite 1403
Phone: (305) 375-5452
Email: mcain@miamidade.gov
Fax: (305) 375-4601

(2) Tax Certificate Sales – General Information

http://www.miamidade.gov/taxcollector/property_tax_certificate_sales.asp

Beginning on or before June 1, the Tax Collector is required by law to hold a Tax Certificate Sale. The tax certificate represents a lien on unpaid real estate properties. Interest accrues on the tax certificate from June 1 until the taxes are paid. The amount of the certificate is the sum of the unpaid real estate tax and the non-ad valorem assessments, penalties, advertising costs and fees.

Exceptions: Tax certificates are not sold on parcels with homestead exemption with taxes less than \$100.00

Tax Certificates are not knowingly sold on parcels involved in bankruptcy or litigation. If bankruptcy or litigation occurs after a certificate is issued, the court may determine the amount of interest to be paid. Bankruptcy and litigation may extend the life of a certificate and places an automatic stay on the Tax Deed Application process.

Tax Deed Applications: Any time after two years have elapsed since April 1 of the year of issuance of the tax certificate and before the expiration of seven years from the date of issuance, the tax certificate holder is entitled to submit a tax deed application. The tax deed application must be submitted between the 1st and 10th of the month with required documentation and payment.

Tax deed applications will not be accepted prior to April 1st on tax certificates issued as result of this sale.

The tax deed applicant must pay all fees and the cost of the ownership and encumbrance report pertaining to each tax deed application in accordance with Florida Statutes. Transfer/assignments for tax deed applications must be submitted before the 10th of the previous month to allow for processing and update(s) to monthly reports.

The Applicant is not guaranteed title to the property. This will be determined by the Tax Deed Section of the Miami-Dade Clerk of the Court (<http://www.miami-dadeclerk.com/dadecoc>) upon completion of the tax deed foreclosure sale.

Reports: There are three standard reports produced by the Public Access Unit. Two reports are specific to the upcoming sale, and one report presents ongoing data:

- Advertising file (upcoming sale certificates)
- Delinquent file (upcoming sale certificates)
- Delinquent file (all certificates).

Ad hoc reports may be created depending upon time available and agreement on price. Anyone requesting special programming should contact Public Access as soon as possible to determine a cost and delivery estimate.

Reports are typically available in three to five working days. However, as the Tax Certificate Sale approaches, the Public Access Unit may be able to shorten the production time to as little as one working day. To request a report, contact the Public Access Unit:

- Requests by phone: (305) 596-8148
- Requests by fax: (305) 596-8072.

Each report is available on CD for a price of \$120. MasterCard, Visa, or checks are accepted; no cash, please. Payment is expected at the time of pickup, or prior to mailing.

Delivery options:

- Reports may be picked up at our site (5680 SW 87th Avenue).
- Delivery may be charged to the customer's FedEx account.
- The Public Access Unit can arrange delivery at \$20 for 2-day delivery, or \$30 for priority overnight delivery.

(3) Tax Certificate Sales – General Information

http://www.miamidade.gov/taxcollector/property_tax_certificate_welcome.asp

Dear Tax Certificate Buyer,

Welcome to the 2007 Tax Certificate Sale. Building on the success of our three previous sales, Miami-Dade County will again conduct its annual tax sale via the Internet. Electronic bidding has increased the speed and efficiency of the tax certificate sale and the associated revenue collection. These funds are distributed to the various taxing authorities and used to provide essential services that benefit our communities.

The online tax auction was designed to ensure fairness, while allowing for increased access and competitiveness in the sale of tax certificates. Unlike an in-person sale, the electronic sale offers investors the opportunity to access relevant property information and enter their bids directly on one website. This year sale buyers in a bidder group wishing to transfer and consolidate certificate holdings under one buyer number will be able to request the transfer and pay the appropriate fees electronically using the auction website. Please take a moment to read through the auction procedures available here as well as the auction website. All bidders are required to complete a registration process online and post a deposit in order to participate in the sale.

We appreciate your participation and hope you become a successful bidder. Feel free to contact our office at 305-375-1829, or e-mail us at taxsale@miamidade.gov with any questions.

(4) 2007 Tax Certificate Sale Information

http://www.miamidade.gov/taxcollector/property_tax_certificate_info.asp

Florida Statutes require the Tax Collector to conduct a sale of tax certificates on parcels on which taxes are delinquent for the preceding year on or before June 1 each year.

Delinquent real estate taxes are advertised in a local publication of general circulation once a week for three consecutive (3) weeks before the tax certificate sale. Parcels with unpaid taxes as of April 1, 2007 will be advertised May 3, 10 and 17, 2007. The list will be available on this web site, the Miami-Daily Business Review web site at www.dailybusinessreview.com, as well as our auction web site at www.BidMiamiDade.com.

Below is a list of electronic files that constitute the same list that is published in the local newspaper. All files require that you have Adobe Acrobat Reader installed on your PC; a free download of Adobe Acrobat Reader is available from the software publisher.

Access times for these files will vary depending on your internet connection (cable, ISDN, DSL, or 56KB modem), time of day (amount of internet traffic), internet service provider, and other factors. To test your system, you may want to work with the smallest file first, to get an idea of the processing time, before working with the larger files.

When you click on the link, your system should start Adobe Acrobat Reader and open the file. You should be able to scroll through the file and, if you wish, print. You may also save the file to your system, but remember that the process will require space on your system drive and may take a while.

For each delinquent tax parcel, the newspaper advertisement contains the sequential advertising number, the 13-digit folio number, delinquent tax amount and the property owner's name. To research the folio number, use the following formula [see Rogue Investor note below].

Tax certificates represent a first lien of real estate and bear interest at a maximum rate allowed by law of 18% unless the bidder demands a lower rate. All purchases go to the bidder who will accept the lowest interest rate. Upon redemption, the taxpayer pays the face amount of the certificate together with any accrued interest. However, when a tax certificate is redeemed and the interest earned on the tax certificate is less than 5% of the face amount of the certificate, then a mandatory charge of 5% is collected when redeeming the certificate.

In Florida, real estate taxes become a first lien on January 1 although they are due payable beginning November 1 of that year. If these real estate taxes are not paid on or before March 31 of the following year, they become delinquent April 1.

If there are no bidders for the tax certificate, the certificate is struck off (issued) to Miami-Dade County and is retained in possession of the Tax Collector. Also, a tax certificate representing less than \$100.00 in delinquent taxes on property that has been granted homestead exemption shall be struck off to Miami-Dade County. Any tax certificate struck off to the county shall accrue interest at the maximum rate allowed by law (18%).

County certificates, other than those relating to homestead real estate under \$100.00, can be purchased directly from Tax Collector. The certificates on homestead real estate under \$100.00 can be purchased from the county when the certificates and the accrued interest represent an amount of \$100.00 or more. For each certificate purchased and each omitted year, the Tax Collector shall receive a fee of \$6.25. Payment must be made at the time of purchase for costs incurred.

Individual certificates issued are transferable by endorsement at any time before they are redeemed or a tax deed is executed. A tax certificate transfer form may be obtained from the Tax Collector's office. The assignment must be returned and recorded with the Tax Collector's office. There is a fee of \$2.25 for each transfer.

If necessary, prior to closing the 2007 Tax Certificate Sale, all County held certificates available after the 2007 Tax Certificate Sale batches close will be offered for purchase in one supplemental batch through the Tax Collector's auction website at www.BidMiamiDade.com. The supplemental sale will include items advertised for the 2007 sale that were removed as paid and then subsequently had the payment canceled. The list of available certificates will be posted one week prior to the sale on the auction website. All certificates will be offered in one batch at an interest rate of 18%; if more than one purchaser wishes to buy a particular county held certificate, the auction software will randomly assign the certificate when the batch closes at 10:00 a.m. EDT. Payment for certificates shall be via ACH (Automated Clearinghouse) and payment in full shall be due by 5:00 p.m. EDT the day of the sale.

Any tax certificate can be cancelled if errors, omissions or double assessments are made. An error in assessment results in a change in the face amount of the certificate. In the event an error is discovered, the tax certificate may be cancelled or corrected by the authority of the Department of Revenue. In this case, the corrected portion or the cancellation shall earn interest at the rate of 8% per year, simple interest, or the rate of interest bid at the certificate sale, whichever is less. The interest is calculated from the date the certificate was purchased until the date the refund is ordered.

If, after purchase, a tax certificate becomes involved in a bankruptcy, it is the certificate holder's responsibility to seek legal counsel to protect their investment. During bankruptcy proceedings the court may order the collection stayed until such time as the court enters a final order. While the bankruptcy court generally upholds the validity of the tax certificate, in many cases the court may allow partial payments over time and may reduce the interest rate payable to the certificate holder.

The issuance of a tax certificate on a parcel does not entitle the buyer to the property. The holder of a tax certificate may not directly, through an agent, or otherwise initiate contact with the owner of property upon which he or she holds a tax certificate to encourage or demand payment until two years have elapsed since April 1 of the year of issuance of the tax certificate. The redemption of a tax certificate can only take place at the Tax Collector's Office.

At any time after two years have elapsed since April 1 of the year of issuance of the certificate and before the expiration of the seven years from the date of issue, the individual certificate holder may submit a tax deed application to the Tax Collector. Any certificate holder making application for a tax deed, shall pay the Tax Collector an application fee, a title search fee and all amounts required for redemption or purchase of all other outstanding tax certificates, interest, omitted taxes, and delinquent taxes relating to the real estate. A parcel assessed as homestead property on the current tax roll will have the amount equal to one-half of the current assessed value added to the opening bid. The tax deed is publicly auctioned by the Clerk of the Court and issued to the highest bidder. Pursuant to Florida Statutes 197.502

and 197.542, the tax deed applicant will be required to pay the one-half assessed value on homestead property if there are no other bids in or to retain the tax deed.

ROGUE INVESTOR NOTE: See web page for the formula to research the folio number; and to download the following files: Improvement Liens, Prior Year Taxes, Current Year Taxes – City of Miami, Current Year Taxes – Muni's 02-36, and Current Year Taxes – Unincorporated Dade (1) – (3).

(5) Tax Certificate Sales Procedures

http://www.miamidade.gov/taxcollector/property_tax_certificate_procedures.asp

The Tax Certificate Sale is conducted online as an Internet auction. The web address for the sale is www.BidMiamiDade.com. Bidders will be able to view the parcels and begin submitting bids once the advertised lists of delinquent taxes are published in the Miami Daily Business Review that is scheduled for May 3, 2007.

The Miami-Dade County Tax Certificate Sale begins on June 1, 2007 at 8:00 a.m. EDT. Thereafter, the tax sale will begin each business day until all tax certificates have been offered for sale. Certificates will be sold individually and will be divided in batches of approximately 1,000 to 2,000 available for sale each hour. Batches will close each hour from 9:00 a.m. EDT to 5:00 p.m. EDT.

Public access for computers to access the sale will be at the South Dade Government Center, 2nd Floor Conference Room, 10710 Southwest 211th Street, Miami, Florida. Bidders must call 305-375-1829 if they require the use of a computer.

Registration: All prospective buyers must be registered and be assigned a buyer number before they can enter any bids. Buyer numbers are assigned after a prospective buyer completes the online registration process and IRS Form W-9 at www.BidMiamiDade.com. Bidders who have been assigned a buyer number for a prior year's sale will be assigned that same number provided all registration information including name and taxpayer identification number remain the same as in the County's existing records; if not, a different buyer number may be assigned. Only one bidder number may be assigned to each taxpayer identification number.

Foreign buyers must have an international taxpayer identification number (ITIN) in order to bid. IRS Form W-7 must be completed and filed with the Internal Revenue Service in order to obtain an ITIN.

Deposit Requirement: All bidders will be required to post a deposit prior to the sale that is equal to 10% of their intended purchases with a minimum deposit of five thousand dollars (\$5,000.00) required. Deposits must be submitted electronically via Automated Clearinghouse (ACH) through www.BidMiamiDade.com. Bidders will be limited to purchasing no more than 10 times any deposit received by the Tax Collector. Bidders will be allowed to increase their deposit at any time prior to a batch closing by submitting an additional deposit authorization. Each distinct bidder number will be required to post a separate deposit. It is suggested that prospective bidders check with their financial institutions prior to registering as not all accounts allow for the electronic transfer of funds through ACH.

Training: Training is available to all bidders in several formats prior to the sale. There is a self-demo and daily trial auctions on www.BidMiamiDade.com. A prospective bidder can send an e-mail to lienauktion@grantstreet.com or call (800) 410-3445, extension 1, to schedule a guided phone demonstration. Prospective bidders needing access to computers may call the Miami-Dade County Tax Collector at (305) 375-1829 to schedule use of a computer for training and registration prior to the sale date.

Bidding Procedures: In order to facilitate the online sale process, Miami-Dade County will be grouping the tax sale into batches of approximately 1,000 to 2,000 certificates per batch. Each certificate in the batch will be sold individually and in sequential order as advertised. The batches will be set based on the publication of the advertised list of delinquent taxes. The batches will close hourly beginning at 9:00 a.m. EDT and continuing until 5:00 p.m. EDT each business day until all certificates are sold. After a batch is closed, no new or changed bids will be accepted on certificates contained within that batch. No certificates will be sold out of sequence.

Bidders will be able to begin entering their bids into the system for all certificates and all batches beginning the day that the advertised list of delinquent taxes is published in the newspaper, which is currently scheduled for May 3, 2007.

Florida law provides for a maximum interest rate of 18% and a minimum of 0% (no interest). Bids for each parcel shall be accepted in even and in fractional increments of one-quarter percentage ($\frac{1}{4}\%$) points only. If you wish to bid on a parcel, you must enter your minimum acceptable rate into the input cell on the web site and click the "Submit" button prior to the close of the batch that contains that parcel.

The tax certificate is a lien issued to the lowest bidder who will pay the delinquent tax including interest, cost of sale, advertising and tax collector's commission of 5%. The entered bid is the minimum interest rate the bidder is willing to accept on the certificate and not necessarily the bid at which the certificate will be awarded. For example, if an entered bid is 4.5% and the next lowest bid is 5%, the certificate would be awarded to the bidder with the entered bid of 4.5% but at the winning rate of 4.75%. The bid entered on any certificate can be changed, and/or submitted bids can be withdrawn at any point until the batch containing the certificate is closed. Only bids that are in "Submitted" status at the time of the batch closing will be counted. Bidders will not be able to see competing bids.

Bid carefully. Bidder cancellations will not be allowed or accepted. All sales are final.

Immediately following the closing of each batch, bidders will be able to review the unofficial results of the sale and see the winning bid and bidder on each certificate contained within that batch.

Award of Certificates: After the online sale is completed, the Tax Collector will review the results and balance the sale, confirming all payments have been received and removing any parcels that may have been erroneously included in the sale. Once the results have been verified by the Tax Collector, a final list of certificates will be available at the website. Each winning bidder will receive an email when the list is available, and will be able to log back into the web site, review and print a copy of their purchased certificates. Upon conclusion of the Tax Certificate Sale, the Tax Collector will provide each bidder an Official List Of Certificates awarded to them. The Official List will be signed by the Tax Collector and mailed to the bidders.

Bidders will be required to authorize payment in full electronically via ACH within forty-eight (48) hours after notification of the final results is sent. Failure to make payment as required by the Tax Collector will result in the canceling of certificates issued to the non-paying bidder and the offering of those certificates for sale at a subsequent re-auction sale.

Returned or Canceled Payments: Electronic or ACH payments are conditional payments until honored by the maker's financial institution and must be available for immediate withdrawal. Miami-Dade County Administrative Order 4-86 and Section 68.065, Florida Statutes provides that payment shall be canceled and subject to a fee of five percent (5%) the amount of the returned or canceled payment. Returned or canceled payments may result in the revocation of bidding privileges during the sale and/or a cancellation of any certificates awarded.

Supplemental Sale: If necessary prior to closing the 2007 Tax Certificate Sale, all County held certificates available after the 2007 Tax Certificate Sale batches close will be offered for purchase in one supplemental batch through the Tax Collector's auction website at www.BidMiamiDade.com. The supplemental sale will include items advertised that were removed as paid and then subsequently had the payment canceled. The list of available certificates will be posted one week prior to the sale on the auction website. All certificates will be offered in one batch at an interest rate of 18%; if more than one purchaser wishes to buy a particular county held certificate, the auction software will randomly assign the certificate when the batch closes at 10:00 a.m. EDT. An electronic mail message will be sent notifying the successful bidder of their purchases. Payment for certificates shall be via ACH and payment in full shall be due by 5:00 p.m. EDT the day of the sale. After payment is received and the supplemental sale is balanced the successful bidder will receive an Official Listing of Certificates Purchased signed by the Tax Collector.

(6) Important Points to Remember

http://www.miamidade.gov/taxcollector/property_tax_certificate_points.asp

There are inherent risks involved in purchasing tax certificates. Miami-Dade County does not guarantee the condition of any property or title with respect thereto. All risks are borne by the certificate holder.

Bid carefully, there will be no cancellations for bidder error, all sales are final.

The lowest bid rate accepted and buyer number of the successful bidder will be entered into the tax collection database.

Tax certificates are issued by electronic listing rather than by individual document certificates.

Tax certificates accrue interest from the date of issuance.

Tax certificates have a life of seven years from the date of issuance.

The Miami-Dade Tax Collector's Office has the right to cancel any tax certificate that is improperly issued in accordance with Florida Statutes.

Tax payments will be accepted on advertised items at any time prior to the beginning of the tax certificate sale on June 1, 2007.

(7) Tax Certificate Sales – Frequently Asked Questions

http://www.miamidade.gov/taxcollector/property_tax_certificate_faq.asp

What is an Internet auction? An auction in which bids are transmitted and received through the Internet using a computer and a web browser.

How is it different from an in-person tax sale? Prior to the Internet sale, bidders congregated in a large room and called out their bids to the auctioneer. An Internet sale allows this process to be handled electronically. Each bidder will use a personal ID and password to log on to the website and enter bids for individual tax certificates.

What equipment or software do I need to be able to participate? A bidder must have Internet access and a web browser (recommended: Internet Explorer 5.0 or later version, Mozilla Firebird 0.7 or later, or Netscape 7.1 or later). The Tax Collector will supply computers for training/bidding by appointment only.

Will it cost me anything to participate? There is no actual cost to participate; however, the Tax Collector requires a minimum deposit of \$5,000 or 10% of intended purchases, whichever is greater, to be posted through the auction website.

Who will show me how to use the Internet system? There are three ways to learn how to use the internet system prior to bidding:

- Self Demo – Please click the Demo button on the Home page and follow the instructions. The instructions are designed to lead users through the auction process.
- Trial Auction – Please click the Trial Auction button on the Home page. The Trial Auction is a simulation of a real auction, in which bidders practice bidding and, subsequently, viewing auction results.
- Guided Demo – Please send an email to lienauktion@Grantstreet.com or call (800) 410-3445, extension 1, to receive a guided demo over the phone (which is available only after user completes the Self Demo).

What are the advantages of an Internet tax sale:

If you are a bidder?

- Easy access to underlying property and tax information from multiple public sources.
- Bids can be submitted in the comfort and privacy of the user's home or office.
- An extended time frame during which the bidder can submit and review bids. A bidder does not have to worry about being "heard" by an auctioneer.
- Unofficial results from an auction can be viewed immediately after the auction is over.

For the Tax Collector?

- Substantial savings of time and money.
- Internet platform allows users to bid from any location with an Internet connection, which can help to increase the number of bidders and the level of competition.

How do I get started?

- Register on the website to receive a personal ID and password.
- Review the Self Demo, Trial Auction, and/or Guided Demo.
- Complete and submit online IRS Form W-9.
- Submit security deposit, as required.

What is a batch? Batches are auction subgroups of the Advertised List that serve as a means of organizing tax certificates for the purpose of facilitating bid submission. Each tax certificate in each batch is auctioned independently of every other tax certificate and arranged in sequential order with a unique auction closing time for each batch.

When are batches due? Bids can be submitted on the web site once the Advertised List is published on the Internet, usually in early May. Bids can be withdrawn or altered at any point up to the closing of the batch.

(8) Tax Certificate Sales – More Frequently Asked Questions

http://www.miamidade.gov/taxcollector/property_tax_certificate_faq_2.asp

What is proxy bidding? It is a form of competitive sale in which bidders input the minimum interest rate they are willing to accept for each certificate they would like to purchase. At the close of each batch, the auction system, acting as an electronic agent for each bidder, compares minimum acceptable rates entered by all bidders for each individual certificate. When there is more than one bidder, the final bids consist of the minimum rates entered by all bidders except the winner, whose final bid will be equal to the second lowest minimum rate minus 0.25%, unless there is a bid at 0%, in which case the winner will be awarded at 0%.

In the case of a tie at the winning bid rate, the system awards to one of the tie bidders through a random selection process using a random number generator.

In no case will a bidder be awarded a certificate at a rate lower than his specified minimum acceptable rate.

Certificates that receive no bids will be struck to the county at 18%.

What happens if the delinquent taxes are paid after my bid is submitted but before the batch closes? The tax Collector accepts payments through May 31, 2007, so it is possible that you may have entered a bid for an item that eventually is not offered for sale. The website is updated daily to reflect all payments received. If the payment was received prior to the start of the sale, the certificate is canceled; winning bids on certificates for which taxes have been paid, either before or after a batch closes, will be invalidated and winning bidders will receive a credit to the unused portion of their budget or a refund.

How do I submit my security deposit and pay for certificates purchased? All security deposits and certificate purchases will be paid via ACH (Automated Clearinghouse) debit.

What is an ACH Debit? An ACH debit is an electronic funds transfer from your bank account, initiated by the Tax Collector with your prior authorization. For more information on ACH, please visit the NACHA, the Electronic Payments Association at www.nacha.org.

Funds must be drawn from a U.S. financial institution. Some types of money market, brokerage, and/or trust accounts cannot accept ACH debits. Please check with your financial institution prior to initiating payment on the web site.

When do bidders have to pay the amount due for their purchases? After the last batch closes, the Tax Collector balances and reviews the results of the sale. The Tax Collector sends certified notice to each buyer of awarded certificates on June 9th, 2006. Bidders have 48 hours from the mailing of that notice to pay the remaining balance. Final payment must be authorized on BidMiamiDade.com by no later than 5:00 p.m. on June 13th. Buyers are also sent an electronic version of the letter on the same date.

What happens if I fail to pay the balance within the period indicated? If payment is not received within the specified time frame, all certificates awarded will be canceled and offered for resale and deposit is forfeited.

What happens to my deposit if I don't win any certificates or if my deposit was more than I was awarded? In either case, any unused portion(s) of the deposit will be refunded by check or ACH to your bank account. Refunds sent via ACH should be received on or about June 22, 2006.

(9) 2006 Tax Certificate Sale Results

http://www.miamidade.gov/taxcollector/property_tax_certificate_sale_results.asp

The 2006 Tax Certificate Sale, which was conducted online for the third year in a row, was a continuing success. The County sold over 36,000 tax certificates, collecting an estimated \$162 million in delinquent taxes. Conducting the auction online as opposed to a physical auction results in significant improvements and savings that benefit the County and its taxpayers. The results of the 2006 Tax Certificate Sale are as follows:

- The tax sale process was completed in only three days, compared to a month in 2003.
- In the two years before the online sale, over 8,000 certificates remained unsold, resulting in delayed revenues for taxing authorities and higher interest rates for delinquent taxpayers. In 2006, all available tax certificates were sold (for the third year in a row), and almost all of them at the low interest rate of 0.25%, resulting in more than \$162 million.
- The number of buyers participating in the sale grew to 3,381 from only 134 three years ago.
- In years prior to the electronic tax certificate sale, delinquent tax revenues resulting from the sale were not distributed until July. Sale revenues are now distributed a full month earlier.
- The elimination of previous years' auctioneer fees, room and equipment rental, staff time and overhead resulted in a significant decrease in the cost of running the auction.

The electronic sale has proven a key component in the fulfillment of our mission to promote change and performance excellence.

BIDMIAMIDADE.COM

<http://www.bidmiamidade.com>

Tax certificate online auction website for Miami-Dade County.

For assistance, call Grant Street Group at 800-410-3445, Contact Auction Support at https://www.bidmiamidade.com/main?&unique_id=SAT9JAoBDwEAAEGV6SQ&session=&auction_id=&email_admin_button=go or visit the Tax Collector's homepage at <http://www.miamidade.gov/taxcollector>.

(1) Introduction

<https://www.bidmiamidade.com>, then click on "Introduction"

Learn more about the tax certificate sale.

(2) Frequently Asked Questions

<https://www.bidmiamidade.com>, then click on "FAQ"

Frequently asked questions about the tax certificate sale.

(3) Documentation

<https://www.bidmiamidade.com>, then click on "Documentation"

News, notices, user instructions, and legal documents.

Information

News:

https://www.bidmiamidade.com/main?&unique_id=SAT8mwoBDwEAAH4tK10&session=&auction_id=&view_this=serve_document&document_id=120

Introduction:

https://www.bidmiamidade.com/main?&unique_id=SAT8mwoBDwEAAH4tK10&session=&auction_id=&view_introduction_button=Introduction&is_popup=1&focus=1

Instructions:

https://www.bidmiamidade.com/main?&unique_id=SAT8mwoBDwEAAH4tK10&session=&auction_id=&view_instructions_button=Instructions&is_popup=1&focus=1

FAQ:

https://www.bidmiamidade.com/main?&unique_id=SAT8mwoBDwEAAH4tK10&session=&auction_id=&view_faqs_button=FAQ&is_popup=1&focus=1

ROGUE INVESTOR NOTE: See web page for links to legal documents (disclaimer, user agreement and privacy policy).

CLERK OF COURTS

<http://www.miami-dadeclerk.com/dadecoc>

Harvey Ruvin, Clerk
Miami-Dade County Courthouse
73 West Flagler Street, Suite # 242
Miami, Florida 33130
Phone: (305) 275-1155

(1) Contact Information

http://www.miami-dadeclerk.com/dadecoc/Contact_Us.asp

Clerk of Courts email: recording@miamidade.gov

Tax Collector phone: (305) 270-4916

Mortgage/Foreclosure Department
Metro-Dade Flagler Building
140 West Flagler Street, Suite 1502
Miami, Florida 33130
Phone: (305) 375-5943
Website: <http://www.miami-dadeclerk.com/dadecoc/Mortgage.asp>

(2) Tax Deeds Sales

<http://www.miami-dadeclerk.com/tax-deeds/home.asp>

140 W. Flagler Street, Room 908, Miami, Florida 33130

Effective October 1, 2001, at time of sale a \$200.00 non-refundable cash deposit will be required from the successful bidder pursuant to Florida Statute No. 197.542(2). The deposit shall be applied to the sale price at time of full payment. Full payment will continue to be due, as described in the statute, within 24 hours from time of sale.

Disclaimer: By using this service, in any form, the user agrees to indemnify and hold harmless the Miami-Dade Clerk of Courts and anyone involved in storing, retrieving or displaying this information for any damages of any type that may be caused by retrieving this information over the Internet. To review the complete Miami-Dade County Disclaimer, follow this link: <http://miamidade.gov/info/disclaimer.asp>.

Tax deed sales lists:

- May 8, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=05/08/2008>
- April 24, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=04/24/2008>
- April 16, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=04/16/2008>
- April 10, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=04/10/2008>
- March 20, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=03/20/2008>
- March 12, 2008: <http://www.miami-dadeclerk.com/tax-deeds/tdsales.aspx?SaleDate=03/12/2008>

ROGUE INVESTOR NOTE: The May 8, 2008 and April 24, 2008 lists are available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

CITY OF JACKSONVILLE/DUVAL COUNTY, FLORIDA

<http://www.coj.net>

DUVAL COUNTY TAX COLLECTOR'S OFFICE

<http://www.coj.net/Departments/Tax+Collector/Default.htm>

Mike Hogan, Tax Collector

231 E. Forsyth Street

Jacksonville, FL 32202

Phone: (904)630-1916

Email: <http://www.coj.net/Departments/Tax+Collector/Contact+Us/>

(1) Contact Information

http://apps.coj.net/TC_ContactUs

ROGUE INVESTOR NOTE: Click on link to send an email related to "Delinquent tax bill or tax certificates" or "Tax certificate sale."

(2) Dates to Remember

<http://www.coj.net/Departments/Tax+Collector/Dates+to+Remember.htm>

May: (1) list of delinquent taxes advertised in local newspaper one time, (2) list of delinquent real estate taxes advertised once per week for three consecutive weeks prior to tax certificate sale in a local newspaper.

June: Tax certificate sale for delinquent real estate taxes begins on or before June 1st.

(3) Tax Sale Guidelines and Procedures

<http://www.coj.net/Departments/Tax+Collector/Tax+Sale+Guidelines.htm>

Welcome to the Duval County Tax Certificate Sale Guideline page. The annual tax certificate sale is a public sale of tax liens on delinquent real property taxes. All procedures of this tax sale are in accordance with Florida Statutes. The site of this year's tax sale is: <http://duval.taxsale.com>.

To participate in this sale you must register at this web site. In order to purchase certificates, you must also place a deposit pursuant to the procedures defined. Please remember, you are not bidding in order to purchase the property. A tax certificate is only a lien on the property. It does not convey title to the land. Tax certificates sold through this tax sale must be held two years before a tax deed application can be submitted. Bidding is based upon the amount of annual interest to be earned by the certificate buyer.

A tax certificate may be cancelled if it is learned after the sale that a pre-existing stay order from the Bankruptcy Court was in effect on June 1. In that case, amount paid for the certificate will be refunded. In the event of a bankruptcy proceeding initiated after the sale of the lien, there are no guarantees – the United States Bankruptcy Court judge will determine the amount, if any, the certificate holder will receive.

Although this is an excellent investment and problems are rare, the best attitude for any investor is always "buyer beware." All certificates will be sold online on June 1. Certificates will be awarded to the bidder willing to accept the lowest rate of interest on the investment. If there are multiple bids for the same lowest rate, the winner will be selected through a random, computer-generated process. Place your bids very carefully. It will be the bidders' responsibility to ensure the parcels on which they have bids are the ones wanted. Once a certificate has been awarded, it will not be cancelled due to an error, or change of mind, by the bidder. The bidder will be required to pay for all the certificates they have won.

Full payment for the tax certificates awarded, less the amount held on deposit, must be made within 48 hours of the auction close. Payment must be made by wire transfer in the same manner that you made your deposit.

Pursuant to Florida law if a bidder fails to pay the amount due all bids for that bidder will be cancelled and the bidder's deposit will be forfeited.

Procedures

Bidder Registration: The Duval County Tax Collector's Office is required by the Internal Revenue Service to obtain the tax identification number and a completed W-9 form at the time each buyer registers as a bidder. For individuals, the tax identification number (TIN) is the Social Security Number (SSN). The individual registering must be the actual "owner" of the SSN. (It cannot be a child's name with the parents SSN). For most "non-individuals" (i.e., trust, estates, partnerships, and similar entities), the tax identification number (TIN) is the Employer Identification Number (EIN) for the organization.

Please make sure the TIN you use on the Bidder Information form matches the name shown on your social security card or Employer Identification form. Annually we send 1099's – Interest Income Tax Statements to the registered bidder and the Internal Revenue Service. The information is reported for the name and TIN used at registration.

Deposits: Bidders must place funds on deposit in order to participate in the tax sale. A deposit in the amount of 10% of the total value of certificates you wish to purchase must be received by the dates stated on the tax sale website. For example, if you wish to purchase \$150,000 worth of tax certificates, you must place \$15,000 on deposit. You will be able to place your deposit by wiring the money from your financial institution. You will need to plan early and have your deposit posted according to the instructions on the sale site. If you do not have the funds on deposit you will not be awarded any tax certificates, even though you may have bid on them. If you place \$10,000 on deposit you may be awarded up to \$100,000 worth of certificates. If you win \$100,000 in certificates any bids you placed on other certificates will not be considered. To ensure sufficient time to process them, the deadline for placing deposits will be several days prior to June 1. Check the procedures on this web site for instructions to place a deposit.

Tax Certificate Sale Online and Proxy Bidding: Bidders will be able to register online and then bid from any computer that has access to the internet. Simply go to <http://duval.taxsale.com>, log in and you're ready to go. We will also have computers available in the library as well as our main office that we can make available to bidders. Simply call 904-630-1916, press option four, and make an appointment or send a request to the following e-mail address: taxjax@coj.net.

The online tax certificate sale uses the concept of proxy bidding. Proxy bidding may be a new term to many of you but in fact it has been around for quite some time. The popular auction website, eBay, has used proxy bidding to determine the winner of their auctions.

How does proxy-bidding work? In a live auction, a bidder will lower his bid by quarter percent increments until he is the only bidder left or until the interest goes below his acceptable minimum level, at which point he would drop out. Proxy bidding is a form of competitive sale in which bidders enter the minimum interest rate that they are willing to accept for each certificate. The auction system acts as an electronic agent, submitting bids on behalf of each bidder. The result of the proxy system is that the electronic agent keeps lowering the bid to submit by quarter percent increments until you are either the only bidder left (in which case you get the certificate at a quarter percent lower than the previous bid), or until you reach the floor you have set.

However, please note that zero percent bids are not treated as proxy bids; they are awarded at zero. If you are the only bidder on a given certificate and your minimum rate is greater than zero percent, the electronic agent will submit a bid of 18 percent on your behalf. In the case of a tie at the winning bid rate, the system awards to one of the tie bidders through a random selection process using a random number generator. In no case will a bidder be awarded a certificate at a rate lower than his specified minimum acceptable rate. Certificates that receive no bids will be awarded to the county at 18 percent. In addition, certificates valued at less than \$100 with homestead exemption are awarded to the county and are not available to individual certificate holders.

Amount of Purchase: The amounts printed in the newspaper and listed on this web site represent the certificate amount, which includes the unpaid taxes, assessments, and related costs and charges in accordance with Chapter 197, Florida Statutes.

Payment for Certificates: The total purchase amount less the deposit must be paid within 48 hours of the close of the auction. The exact date and time will be posted on the sale site. Upon full payment of the purchased tax certificates, the certificate holder will be issued a receipt that indicates the tax certificate number, the amount of each certificate purchased, the property identification number and percentage bid.

All sales are final. Pursuant to Chapter 197.432(6), Florida Statutes, if a person to whom a tax certificate(s) have been sold fails to pay the amount due the tax collector will cancel all bids and the bidder's deposit will be forfeited.

Certificate holders cannot contact property owners. The holder of a tax certificate may not directly, through an agent, or otherwise initiate contact with the owner of property upon which he or she holds a tax certificate to encourage or demand payment until two years have elapsed since April 1 of the year of issuance of the tax certificate.

Any holder of a tax certificate who, prior to the date two years after April 1 of the year of issuance of the tax certificate, initiates, or whose agent initiates, contact with the property owner upon which he or she holds a certificate encouraging or demanding payment may be barred by the tax collector from bidding at a tax certificate sale. Unfair or deceptive contact by the holder of a tax certificate to a property owner to obtain payment is an unfair and deceptive trade practice, as referenced in s. 501.204 (1), regardless of whether the tax certificate is redeemed. Such unfair or deceptive contact is actionable under ss. 501.2075-501.211. If the property owner later redeems the certificate in reliance on the deceptive or unfair practice, the unfair or deceptive contact is actionable under applicable laws prohibiting fraud.

Tax Deed Process

For an investor to obtain a Tax Deed to the property the investor must hold the tax lien certificate for a minimum of two (2) years from April 1 the year the certificate was first issued. The selling of a tax deed by

the Duval County Clerk of Circuit Court will result in issuance of a tax deed from a property owner to a tax deed applicant or the highest bidder for the deed.

As an example, a 2005 tax certificate purchased at the tax certificate sale on June 1, 2006, would have to be held until April 1, 2008, before the certificate holder could apply to bring the property to a tax deed sale.

Please note: A Tax Deed is not the same as a warranty deed. It is the certificate holder's responsibility to ensure the legal status of the property. Likewise if it is determined that the process of "quieting title" would need to be done, it is the certificate holder's responsibility to complete it and pay any associated fees.

Redemption of a Tax Certificate: Chapter 197.472(1), Florida Statutes states the following: "Any person may redeem a tax certificate or purchase a county-held certificate at any time after the certificate is issued and before a tax deed is issued or the property is placed on the list of lands available for sale. The person redeeming or purchasing a tax certificate shall pay to the tax collector in the county where the land is situated the face amount of the certificate or the part thereof that the part or interest purchased or redeemed bears to the whole. Upon purchase or redemption being made, the person shall pay all taxes, interest, costs, charges, and omitted taxes, if any, as provided by law upon the part or parts of the certificate so purchased or redeemed."

Should the tax certificate be redeemed any time prior to the issuance of a tax deed, the investor will receive a refund for the purchase amount, plus the rate of interest bid at the time of the sale.

Expiration of Tax Liens: Chapter 197.482(1), Florida Statutes states the following: "After the expiration of 7 years from the date of issuance, which is the date of the first day of the tax certificate sale as advertised under s. 197.432, of a tax certificate, if a tax deed has not been applied for on the property covered by the certificate, and no other administrative or legal proceeding has existed of record, the tax certificate is null and void, and the tax collector shall cancel the tax certificate, noting the date of the cancellation of the tax certificate upon all appropriate records in his or her office."

(4) 2007 Certificate Sale

<http://www.coj.net/Departments/Tax+Collector/2005+Certificate+Sale.htm>

The 2007 Duval County Tax Certificate Sale will be conducted online Friday, June 1, 2007. The Duval County tax certificate sale can be found online at the following web address: <http://duval.taxsale.com>. (Please note: This site will be available through June 2007.)

This web site has all of the information you need to participate. The auction web site contains many research features that have not been provided in prior tax sales.

If you would like detailed information and law references pertaining to the Tax Sale process, please refer to the Tax Sale Guidelines at <http://www.coj.net/Departments/Tax+Collector/Tax+Sale+Guidelines.htm>.

(5) Advertising List

<http://www.coj.net/Departments/Tax+Collector/Advertising+List.htm>

The download file lists those properties that remain unpaid as of April 1st of the current tax year and are advertised in accordance with Florida Statutes. This file contains Real Estate Numbers, Property Descriptions and Tax Amounts (see file layout below).

Note: This file is made available for informational purposes only. Any decision to purchase delinquent tax certificates should involve research in our Tax Department.

* This file has been updated as of May 17, 2007.

ROGUE INVESTOR NOTE: See web page for link to download advertising list, and for file layout information. The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(6) Duval County Tax Deed Application Listing

<http://tc.coj.net/deed>

The Real Estate Department for the Duval County Tax Collector is implementing a new procedure for certificate holders that are filing tax deed applications. Effective immediately, certificate holders will do their own research for delinquent taxes. This information is provided on the Internet at address <http://www.coj.net/tc>. This will show how many tax certificates are outstanding, the certificate holder's name and the amount due. The web site will also show if the property is homesteaded or not. Certificate holders may apply on 50 properties per TIN/SSN at one time. Once the certificate holder decides which certificates are going to be applied on, you can start here to fill in certificate/real estate numbers to get the amount to apply for tax deed. The list, certified check, and all applications must be received in our office by the 1st of the month. If received after the 1st of the month the figures and certified check will have to be resubmitted for the following month. Each application must be complete with the legal description, no exception. If the certificate holder does not have the complete legal for each property a listing of all certificates can be purchased at the cost of \$5.00 per TIN/SSN. This list will provide the legal for each certificate. Homestead properties must be listed on a separate sheet than properties that are not homesteaded. Properties that are homesteaded should not be included in the 50 properties that are being applied on.

(7) Tax Deed Application Help

http://tc.coj.net/deed/Deed_App_Help.htm

(8) Delinquent Real Estate Taxes

<http://www.coj.net/Departments/Tax+Collector/Delinquent+Real+Estate+Taxes.htm>

Real estate taxes become delinquent on April 1st each year. Florida Statutes require the Tax Collector to advertise (<http://www.coj.net/Departments/Tax+Collector/Advertising+List.htm>) the delinquent parcels in a local newspaper once a week for three consecutive weeks following the payment deadline. Advertising and collection fees are added to the delinquent taxpayer's bill.

Beginning on or before June 1st, the Tax Collector is required by law to hold a Tax Certificate Sale. The certificates represent liens on all unpaid real estate properties. The sale allows citizens to buy certificates by paying off the owed tax debt. The sale is conducted in reverse auction style with participants bidding downward on interest rates starting at 18%. The certificate is awarded to the lowest bidder.

A tax certificate, when purchased, becomes an enforceable first lien against the real estate. The certificate holder is actually paying the taxes for a property owner in exchange for a competitive bid rate of return on his investment. In order to remove the lien, the property owner must pay the Tax Collector all delinquent taxes plus accrued interest, penalties and advertising fees. The Tax Collector then notifies the certificate holder of any certificates redeemed and a refund check is then issued to the certificate holder.

A tax certificate is valid for seven years from the date of issuance. The holder may apply for a tax deed (<http://tc.coj.net/deed>) when two or more years have elapsed since the date of delinquency. If the property owner fails to pay the tax debt, the property tax deed is sold at public auction.

CLERK OF COURTS

<http://www.duvalclerk.com/ccWebsite>

(1) Office Locations

<http://www.duvalclerk.com/ccWebsite/clerkOfficeLocations.page>

Duval County Courthouse
330 East Bay Street
Jacksonville, Florida 32202
Phone, Tax Deeds: (904) 630-2059

(2) Tax Deeds

<http://www.duvalclerk.com/ccWebsite/TaxDeeds.department>

General Information: The Clerk of the Circuit Court is responsible for conducting Tax Deed Sales and issuing a Tax Deed from the City of Jacksonville/County of Duval to the successful high bidder at a sale. Chapter 197 of the Florida Statutes governs this.

If you have a question or would like more information, please consult the section on Tax Deed Auctions (below) or contact the Tax Deed Department. Our contact information may be found at the end of this page.

Tax Deed Auctions Information: Tax Deed Auctions are held in Courtroom "A" (room 104) on the first floor of the Duval County Courthouse, and begin promptly at 9:00 a.m. The Clerk's Office will advertise the date for the Tax Deed Auctions in the Financial News and Daily Record. We will also post the date in the Tax Deeds Office and on this website.

A "Tax Deed" is a deed issued by the City of Jacksonville/County of Duval due to a property owner's failure to pay their real estate taxes. This will result in the property owner forfeiting all right by default.

The City of Jacksonville/County of Duval does not guarantee the title to these properties. The deed will be subject to current taxes due. All properties are sold buyer beware. Please note that it is the bidder's responsibility to search the title for any liens that may be recorded against the property. Governmental liens and judgments will survive the Tax Deed sale. Quiet title suits are civil law suits and are not handled by the Tax Deeds Department. Tax Deed files may not be viewed on the day of the Tax Deed auction.

Tax Deed Auction Participation: If you wish to participate in the auction, you must furnish a picture ID (driver's license) for admission to the courtroom. A numbered bid paddle will be assigned to you and must be returned upon leaving the sale. As you announce your bid, hold up your paddle (number facing the auctioneer) so our staff can identify each bidder and record their bid amount. Only audible bids will be accepted and the clerk will acknowledge the higher bid. Your bid must be at least \$100.00 higher than the previous bid to be accepted.

The 2001 Legislature amended the Florida Statutes governing Tax Deed sales (Chapter 2001-201, Laws of Florida, Section 197.502 and 197.512). Therefore, effective January 2002, a \$200.00 non-refundable cash deposit for each high bid will be required at the time of sale to be applied at the time of full payment. Successful bidders are required to make payment to the Clerk of the Court in cash or cashier's check within 24 hours of the auction. Failure to do so will result in being banned from participation in any future auctions and forfeiture of your deposit.

For each parcel you buy, we will need cash or two cashier's checks, both made payable to Jim Fuller, Clerk of the Circuit Court, one in the amount of the Documentary Stamps and Recording, and the other in the amount of the high bid less the \$200.00 deposit.

Property Appraiser's Office: The Internet address of the Property Appraiser is <http://pawwww.coj.net/pub/property>. Copies from the public records are available at a cost of \$1.00 per page.

Other Information: Refer to Chapter 197 of the Florida Statutes for more detailed information on Tax Deed procedures. The statutes can be found in the Law Library on the first floor of the Courthouse.

The auction list is not available via the Internet. To obtain a copy of the current Tax Deed Auction list, please contact the Tax Deed Department.

Office Information:

Our offices are open from 8:00 a.m. - 5:00 p.m., Monday thru Friday excluding holidays, and are located at: Duval County Courthouse, 330 E. Bay Street, Room 304, Jacksonville, FL 32202; phone: (904) 630-2059.

HERNANDO COUNTY, FLORIDA

<http://www.co.hernando.fl.us>

TAX COLLECTOR

<http://www.hernandocounty.us/tc>

Juanita Sikes, Tax Collector

Email: tc@co.hernando.fl.us

(1) Offices

http://www.hernandocounty.us/tc/office_hours_and_locations.htm

Hernando County Government Center

20 North Main Street, Room 112

Brooksville, FL 34601

Phone: (352) 754-4180

Fax: (352) 754-4189

(2) Online Tax Sale

<http://www.hernandotaxsale.com>

ROGUE INVESTOR NOTE: The Hernando County tax sale is conducted on the Internet by Real Auction (see Internet Auction Information at the end of the Florida section). Visit this website for Bidding Rules, Training, Start Here, Registering, and Previewing Items for Sale. Note: The 2007 auction has ended. The list for the 2008 tax certificate auction will be available early in May of 2008.

(3) County Held Certificates

<http://www.hernandocounty.us/reports/BIDCERAUTO.TXT>

ROGUE INVESTOR NOTE: The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

CLERK OF THE CIRCUIT COURT

<http://www.clerk.co.hernando.fl.us>

Karen Nicolai, County Clerk

(1) Locations and Phone Numbers

<http://www.clerk.co.hernando.fl.us/other/Locations.html>

Hernando County Courthouse

20 N. Main Street

Brooksville, Florida 34601

Phone: (352) 754- 4201

Fax: (352) 754-4247

(2) Contact Information

<http://www.clerk.co.hernando.fl.us/contact.asp>

Tax Deed Sales (within Records Management Department)

Room 215

Debby Ellinghuysen

Phone: (352) 540-6768

Fax: (352) 754-4243

Email: debbye@co.hernando.fl.us

(3) Tax Deed Sales

<http://www.clerk.co.hernando.fl.us/Other/Recording.html#taxdeed>

161 E. Jefferson Street (across the street from the Courthouse)

Phone: (352) 540-6782 or 6768.

Please note the mailing address is: 20 N. Main Street, Room # 215, Brooksville, FL 34601.

If you own property in Hernando County, you must pay taxes each year. Ad valorem taxes are levied by the Board of County Commissioners, the Hernando County School Board, Southwest Florida Water Management District and other applicable special districts. The Property Appraiser determines the value of your property against which the taxes are levied and collected by the Tax Collector. If you do not pay your property taxes by the established deadline, they become delinquent. In order for the Tax Collector to collect the monies due for the delinquent taxes, Tax Certificates are sold.

The manner in which delinquent taxes are collected is prescribed by Florida Statutes (Chapter 197) and is briefly described as follows:

Hernando County real estate taxes are due each year November 1, payable through March 31 of the following year, with discounts allowed for early payments and a 3% penalty imposed beginning April 1. Items remaining unpaid by Mid-April are advertised in the local newspaper for three consecutive weeks in May in an effort to notify the property owners of outstanding tax liability.

According to Florida Statutes, on or before the first day of June each year a Tax Certificate sale must be held. This is a public auction where a Tax Certificate is sold to the party who will pay the property owners tax and accept the lowest interest rate when redemption is made. A certificate is an interest-bearing lien and the interest rate varies from 0% to 18%. Certificates are sold on any items remaining unpaid at the time of the sale. Once a certificate is sold, the property owners may redeem the certificate by payment of taxes plus penalty, advertising, fees and interest. If the certificate is not redeemed within a two-year time period, the certificate holder may begin proceedings for a Tax Deed Sale.

Upon application for a Tax Deed by the certificate holder, a tax and title search is done by an abstract company to determine if there are any other outstanding taxes on the property. If there are, the applicant pays these and they become part of the starting bid at the actual Tax Deed sale. Once the search is completed, certification is made to the Clerk of Circuit Court and the application is delivered to the Clerk. The property is then advertised for four consecutive weeks prior to the Tax Deed sale with the applicant paying the advertising cost as part of the opening bid.

When the Clerk receives the application for Tax Deed from the Tax Collector, the Clerk's Office will notify by mail the owner of the property and all interested lien holders of record that the property will be sold at public auction to the highest bidder unless the taxes, plus any applicable fees, are paid before the sale. The minimum bid will include all delinquent and current taxes due, plus all monies paid by the certificate-holder with interest and applicable fees due to the Clerk for performing the sale.

Each time a Tax Deed Sale is scheduled, the Tax Deed Clerk prepares a "Sale List." The list includes information pertaining to the minimum starting bid, the assessed value of the property, the legal description and the last known titleholder of record. The "Sale List" can be viewed, and/or printed for free, by logging onto the Clerk's Website at www.clerk.co.hernando.fl.us; look at the right-side of the web page for "Online Services" section and select the "Tax Deed Sale List." The "Sale List" may also be purchased from the Clerk's office. To receive a copy of any "Tax Deed Sale List" from the Clerk's Office, a fee of \$.15 cents per page (plus postage) must be paid in advance.

The tax deed sale is held by the Clerk of the Circuit Court in the BCC Chambers, 1st floor at the Government Center on the third Monday of the month (unless it falls on a holiday, then it would be the following Monday) and is open to the public. The property is auctioned to the highest bidder. Purchase price is payable at the Clerk's Office upon completion of this sale, payable by cashier's check, money order or cash. If full payment is not received upon completion of the sale, a non-refundable deposit of \$200.00 is required. The remaining balance must be received within 24 hours of sale. There are no exceptions! No personal checks are accepted for the bid amount.

A Tax Deed is a deed from the County to the highest bidder, issued for non-payment of real estate taxes by the property owner who forfeits all rights to the property by this default.

When considering tax deed properties, please be advised that all properties are sold "buyer beware."

Addresses of the property are not provided.

Maps reflecting the legal description of property to be sold:

(a) Subdivision plat maps are available online at the Clerk's Website at www.clerk.co.hernando.fl.us (under "Search our online records," then select "Plats"). They are also available for viewing and/or purchase in the Clerk's Office, Recording Division (161 E. Jefferson Street, across the street from the Court House). These descriptions are identified by a Subdivision name, Block number and Lot number.

(b) Acreage Maps (Metes and Bounds Legal Descriptions: Section, Township, Range) maps are available in the Property Appraiser's office and on their website at www.hernando.floridapa.com.

Governmental liens and judgments survive the issuance of the Tax Deed and may be fully or partially satisfied with any overbid monies from the sale. Liens of governmental units not satisfied in full survive the issuance of the Tax Deed. Should you have any questions concerning what liens and judgments survive the Tax Deed sale, consult an attorney, we cannot advise you. Tax Deeds are not clear titles. Quiet title suits to clear the title of properties are civil law suits and are not handled by the Tax Deed Clerk. Information on this procedure and costs would be available from an Attorney that handles these lawsuits.

A property that does not sell at the Tax Deed Sale is placed on the "List of Lands Available for Taxes." After ninety days from the sale date, anyone can purchase property off the "List of Lands Available for Taxes." To purchase property from the "List of Lands Available for Taxes," one would pay the redemption amount plus any taxes that accrue from the date of the sale. Any properties placed on this "List of Lands Available for Taxes" that are not purchased within seven years from the date they are placed on the list of lands will escheat to the county after seven years (or three years, if the certificate was issued after July 1, 1999).

The "List of Lands Available for Taxes" includes the following information: Clerk File Number; Certificate Number; Property Description and Key Number; Amount to Redeem (excluding accrued taxes and additional interest due to the certificate holder); Deed to Hernando County If Not Sold By Date; Date and Type of Disposition. The "List of Lands Available for Taxes" can be viewed, and/or copied for free, by logging onto the Clerk's Website at www.clerk.co.hernando.fl.us; look on the right-side of the web page for "online services;" below that you will find the link to the "List of Lands Available for Taxes." If you wish to receive a copy of this list, a fee of \$.15 per page plus postage must be paid in advance. The fee can also be charged to a pre-established escrow account.

(4) Tax Deed Sale List and List of Lands Available for Taxes

http://www.clerk.co.hernando.fl.us/Disclaimer_TaxDeedSales.asp

Tax Deed Sale Lists

January 2008 - No Sale

February 1, 2008: <http://www.clerk.co.hernando.fl.us/reports/February08.pdf>

March 2008 - No Sale

April 2008 - No Sale

May 2, 2008: <http://www.clerk.co.hernando.fl.us/reports/May08.pdf>

June 6, 2008: <http://www.clerk.co.hernando.fl.us/reports/June08.pdf>

List of Lands Available for Taxes

February 25, 2008: <http://www.clerk.co.hernando.fl.us/reports/LOLFEB.pdf>

ROGUE INVESTOR NOTE: Visitor must accept the disclaimer before proceeding to the tax deed sale list. The May 2 and June 6, 2008 tax deed lists, and the February 25, 2008 lands available for taxes list are available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(5) Tax Deed Division Frequently Asked Questions

<http://www.clerk.co.hernando.fl.us/Other/RecordingFAQ.html#taxdeed>

What is the date, time and location of the next tax deed sale? The tax deed sale is held by the Clerk of the Circuit Court in the BCC Chambers, 1st floor of the Government Center on the third Monday of the month (unless it falls on a holiday then it would be the following Monday) and is open to the Public. The property is auctioned to the highest bidder. Purchase price is payable at the Clerk's Office upon completion of this sale, payable by cashier's check, money order or cash. If full payment is not received upon completion of the sale, a non-refundable deposit of \$200.00 is required. The remaining balance must be received within 24 hours of sale. There are no exceptions! No personal checks are accepted for the bid amount.

When and where do you advertise the sale? The property is advertised for four consecutive weeks prior to the Tax Deed Sale. Currently we are advertising in the Hernando Section of the St. Petersburg Times.

Can you send me a "sale list" of properties that will be available? The "Sale List" can be viewed on the Clerk's Website at www.clerk.co.hernando.fl.us; look at the right-side of web page for "online services"; under online services, select "tax deed sale list." To receive a copy of any "Tax Deed Sale List," a fee of \$.15 cents per page (plus postage) must be paid in advance.

What form of payment do you accept? Purchase price is payable at the Clerk's Office upon completion of the sale, payable by cashier's check, money order or cash. If full payment is not received upon completion of the sale, a non-refundable cash deposit of \$200.00 is required. The remaining balance must be received within 24 hours of the sale. If the purchaser does not return within the 24-hour period, the \$200.00 deposit is forfeited.

Can I bid without attending? No, the Tax Deed Sale is open to the public and is auctioned (a public outcry) to the highest bidder. You must be present at the sale in order to bid.

If I end up with a property, who handles the quiet title process? Tax Deeds are not clear titles. Quiet title suits to clear the title of properties are Civil lawsuits and are not handled by the Tax Deed Clerk. Information on this procedure and costs would be available from an attorney that handles these types of legal proceedings.

What happens to the properties that are not sold at the auction? A property that does not sell at the Tax Deed Sale is placed on the "List of Lands Available for Taxes." After 90 (ninety) days from the sale date, anyone can purchase property off the "List of Lands Available for Taxes." This applies only if it is a Hernando County-held certificate. If not a Hernando County-held certificate, and there are no bids, it is sold to Applicant/Certificate holder.

What happens to liens that are against the property when sold at a tax deed sale? Governmental liens and judgments survive the issuance of the Tax Deed and may be fully or partially satisfied with any overbid monies from the sale. Liens of government units, not satisfied in full, survive the issuance of the Tax Deed. Should you have any questions concerning other types of liens and judgments which survive the Tax Deed Sale, consult an attorney. We cannot advise you.

HILLSBOROUGH COUNTY, FLORIDA

<http://www.hillsboroughcounty.org>

TAX COLLECTOR'S OFFICE

<http://www.hillstax.org>

(1) Contact Information

from <http://www.hillstax.org>, mouse over "Contact Us"

Email: <http://www.hillstax.org/ContactUs/EmailInformation.htm>

Phone numbers: <http://www.hillstax.org/ContactUs/PhoneNumbers.htm>

Mailing Addresses: <http://www.hillstax.org/ContactUs/MailingAddresses.htm>

Online Comments Form: <http://www.hillstax.org/comments.htm>

Phone, Real Estate Taxes: (813) 635-5200

Email, Property Taxes: taxes@hillstax.org

Address for correspondence, shipping: Doug Belden, Tax Collector, 2506 N. Falkenburg Road, Tampa, Florida 33619

(2) Locations: Downtown (Main) Office

<http://www.hillstax.org/Locations/DowntownBranch1.htm>

601 East Kennedy Boulevard

County Center, 14th Floor

Tampa, Florida 33602

Phone: (813) 635-5200

(3) Property Tax Certificates

<http://www.hillstax.org/tax/proptaxcert.asp>

(3a) Tax Certificate Overview

http://www.hillstax.org/tax/tax_certificate_information.pdf

What are tax certificates? Property taxes become due November 1, and are delinquent if not paid by April 1 of the following year. In March the Tax Collector sends out reminder notices to all unpaid accounts. The Tax Collector prepares a list of delinquent taxes in May to be posted in the newspaper and online. The tax certificate's face amount consists of the sum of the following: delinquent real estate tax (unpaid amount), interest (1.5% per month for April and May on the delinquent amount), Tax Collector's commission (5% on the delinquent amount) and the newspaper's advertising charge (and sale costs or other costs).

Tax certificates are a first lien against property and shall supersede governmental liens.

The auction. On or before June 1 the Tax Collector must start the tax certificate auction (Note: the issuance of tax certificates and the auction process is governed by Chapter 197 of the Florida Statutes).

Tax certificates convey no property rights. They are an interest bearing "lien." Prior to the auction, the list of delinquent properties is advertised once a week for three consecutive weeks.

The interest on a tax certificate ranges from 0 to 18%. Valid bids may be entered between 0 and 18% in 0.25% increments. If the tax certificate is redeemed after June 1 the tax certificate holder is guaranteed a minimum of 5% interest. Zero percent bids will not earn the 5% minimum interest. Bids are entered and awarded to the buyer with the lowest interest rate bid. Simple interest accrues on a monthly basis. If the tax certificate earns an interest rate of 12%, then interest will accrue at the rate of 1% per month until the tax certificate is redeemed.

If there are any delinquent properties that do not receive a bid, those tax certificates are issued to the county at 18%. These county held tax certificates will become available for purchase at a date to be determined by the Tax Collector.

The life of a tax certificate is 7 years. In the event of a bankruptcy filing, the life of a tax certificate may be extended. If no action is taken by the tax certificate holder during the 7 year period, and the taxes remain unpaid, the tax certificate is cancelled due to the Statute of Limitation, which will result in the loss of your investment.

Now you own a tax certificate, so what happens next? In accordance with Florida Statutes, a tax certificate holder shall not contact the owner of the property until two (2) years have elapsed from April 1 of the year of issuance of the tax certificate. Such contact may result in costly legal action.

Upon redemption of the delinquent taxes, the Tax Collector's office will then pay the certificate holder the total taxes due including interest earned.

Certificates can be sold and transferred to another buyer by submitting a completed transfer form along with a transfer fee of \$2.25 per certificate, payable to the Tax Collector.

The holder of a tax certificate may apply for a tax deed after two (2) years have elapsed from April 1 of the year of issuance of the tax certificate.

(3b) Tax Certificate Sale Informational Video

http://www.hillstax.org/tax/Tax%20Cert%20Sale%202008_0001.wmv

(3c) Buyer Deposit and Information

http://www.hillstax.org/tax/buyer_information.htm

The 2008 Tax Certificate Sale will be held online on May 31, 2008 using the latest Internet technology provided by RealAuction.com. Electronic bidding provides numerous benefits to tax certificate investors as well as the citizens of Hillsborough County. Internet auctions not only increase the speed and efficiency of the tax certificate sale, but ensure the prompt and accurate collection of delinquent tax revenue needed to fund vital county services. In addition, it is a convenient way to invest in tax certificates without leaving the comfort of your home or office.

Click here to visit the Official Tax Certificate Auction Website: <http://www.hillsboroughtaxsale.com>.

Buyer deposits will be accepted May 5, 2008 through May 26, 2008 (5:00 p.m. EST).

For details about tax certificates, please view our informational video at: http://www.hillstax.org/tax/Tax_Cert_Web.wmv.

On-site training will be available. Click here for date and location: <http://www.hillsboroughtaxsale.com/training>.

Internet access will be available on the day of the sale at our North Tampa office located at 9309 North Florida Avenue, Suite 111.

In the event we experience technical difficulties with the online tax certificate auction, the tax sale will be held on May 31, 2008 at 10:00 a.m. at our North Tampa location.

(3d) Property Tax Payments – Wire Transfer Instructions

http://www.hillstax.org/tax/wire_instructions_PropTxDep.htm

For your convenience property tax payments may be wired to our banking institution. However, this does not apply to buyer deposits. To wire funds, send the completed Wire Transfer Form (http://www.hillstax.org/Links/wire_instructions.pdf) via e-mail or fax it to (813) 635-5218. Contact your bank directly and provide them with the information included in the wire transfer form. Please allow 24 hours for the wired funds to post to our account. If you require additional information or have questions, please do not hesitate to contact our office at (813) 635-5233.

(3e) Tax Certificate Search by Buyer

http://www.hillstax.org/taxapp/search_by_buyernum.asp

Disclaimer: The following information is provided as a convenience by the Hillsborough County Tax Collector's Office, which is not responsible for any errors or omissions. Please be advised that the amounts due and availability of these items are subject to change at anytime.

County Certificates Available for Purchase Listing (all years):

http://www.hillstax.org/tax/2007_PurchaseListing.pdf

County Certificates Available for Purchase Download (all years):

http://www.hillstax.org/tax/2007_purchaselistings.txt

ROGUE INVESTOR NOTE: The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(3f) Tax Certificate Sale Downloads

http://www.hillstax.org/tax/tax_certificate_downloads.asp

2007 Real Estate Advertising File Download (Zipped ASCII Pipe Delimited.txt File):

http://www.hillstax.org/tax/2007_AdvertisingFileDownload.txt

Advertising File Layout (Adobe Acrobat PDF): http://www.hillstax.org/tax/Advertising_File.pdf

2007 Tax Certificate Sale File Download (ASCII Pipe Delimited.txt File):

<http://www.hillstax.org/tax/2007TaxSaleCertificates.txt>

2006 Tax Certificate Sale File Download (ASCII Pipe Delimited.txt File):

<http://www.hillstax.org/tax/2006TaxSaleCertificates.txt>

2005 Tax Certificate Sale File Download (ASCII Pipe Delimited.txt File):

http://www.hillstax.org/tax/2005_tax_sale_certificates.txt

Tax Certificate Sale File Layout (Adobe Acrobat PDF):

http://www.hillstax.org/tax/2005Tax_Sale_Certificate_File.pdf

ROGUE INVESTOR NOTE: The 2007 real estate advertising list, and the 2007 tax certificate sale list are available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(3g) Tax Deed Overview

<http://www.hillstax.org/tax/taxdeedovervw.asp>

The holder of a tax certificate may apply for a tax deed after 22 months have elapsed from June 1st of the year of issuance of the tax certificate.

Prior to applying for tax deed foreclosure, it may be advisable to check for any existing liens on the property. Florida Statute 197.552 provides that unsatisfied governmental liens shall survive the issuance of a tax deed.

The statute of limitation is seven (7) years on all tax certificates. To apply for a tax deed the applicant shall:

- Submit a signed application
- Pay all amounts required to redeem all outstanding tax certificates not owned by applicant
- Pay current taxes, if due
- Pay a fee of \$125 for a title search
- Pay a \$75 application fee
- Pay a \$60 Clerk of Circuit Court fee.

At a later date, the Clerk of the Circuit Court will advise the applicant of the sale date and additional costs, which the applicant must pay. These costs include the advertising cost, mailing costs, and the Sheriff's fees. In Hillsborough County, the sale will take place approximately two (2) months following this notification. The property will be sold to the highest bidder at a public sale in the Hillsborough County Courthouse auditorium located on the second floor.

For more information, you can visit the Clerk of the Circuit Court's website (http://www.hillsclerk.com/publicweb/Tax_Deed_sales_new.aspx) or contact our office. Taxes email: taxes@hillstax.org; telephone: (813) 635-5200; tax: (813) 612-6707.

(4) Tax File Downloads

http://www.hillstax.org/tax/tax_file_download.asp

(5) Research Tips and Tools

<http://www.hillstax.org/tax/research.htm>

Key information on the delinquent advertisement:

http://www.hillstax.org/tax/Forms/Adv_Sample_2003%20Seminar2.pdf

Understanding a Section, Township, Range Map:

http://www.hillstax.org/tax/Forms/Understanding_Section_Map.pdf

CLERK OF THE CIRCUIT COURT

<http://www.hillsclerk.com/publicweb/Home.aspx>

(1) Tax Deed Sales

http://www.hillsclerk.com/publicweb/Tax_Deed_Sales_New.aspx

The Clerk of the Circuit Court is statutorily responsible for conducting Tax Deed Sales and issuing a tax deed in the name of the county to the successful bidder at a sale. Tax Deed Sales and the issuance of tax deeds are governed by Chapter 197, Florida Statutes.

The procedure involves a Tax Certificate Holder (tax certificates are sold to collect delinquent taxes) applying for a tax deed through the Tax Collector. There is no case filed in court and no court order issued for the Clerk to conduct a tax deed sale.

(1a) Tax Deed Sales and Lands Available for Taxes Information

http://www.hillsclerk.com/publicweb/td_sales_information.aspx

Tax Deed Sales

To view the current sales list and lands available, click here:

<http://www.hillsclerk.com/PublicWeb/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=4011>

These lists contain only the folio numbers for the properties being offered at sale. We do not have information regarding structures (home, office building, warehouse) located on the property. You must do the research to find out what is on the land and also the condition of the land.

You may visit the Property Appraiser's web site (<http://www.hcpafl.org>) or the Tax Collector's web site (<http://www.hillstax.org>) for basic information regarding the listed properties. Be sure to make note of the folio numbers you want to research before leaving our site.

The lists are subject to change. Properties are redeemed daily. Redeemed properties are no longer available for sale by tax deed auction. To hear a listing of redeemed properties by file number and auction date, please call (813) 276-8100, extension 4768, then press 1. You may also contact the Tax Deed Department to determine which properties may have been redeemed prior to the listed auction dates and are no longer available for sale by a tax deed auction.

Lands Available for Taxes

Listing of delinquent tax real estate property that did not sell at auction and is available to be sold for taxes and applicable fees.

Properties for which no bids are received at the auction are placed on our "Lands Available List," if it is a County held certificate. Florida Statutes Chapter 197

(http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=Ch0197/tit0197.htm&StatuteYear=2006&Title=%2D%3E2006%2D%3EChapter%20197) provides the County may, at any time within the first 90 days from the day the property is placed on the list, purchase the property for the opening base bid. After the ninety day period, the property is available for purchase by the public for the base bid plus accrued interest, any taxes due, documentary stamps, and recording and indexing fees.

If the certificate is a non-homestead property, brought to sale by an individual certificate holder (the applicant) and no bids are received, the applicant is issued a Tax Deed for monies already paid to bring the property to sale plus any additional fees due.

On properties that have a homestead classification, ½ of the assessed value is added to the base bid per Florida Statute 197. If the certificate holder fails to pay the one-half value of the homestead, the sale is considered canceled and the property will be advertised for re-sale within 30 days as provided for in F.S. 197.542(2). If, at the subsequent sale, there are no bidders and the certificate holder refuses to pay the monies to cover the homestead, the clerk will place the property on the Lands Available List where it will be available for purchase after 90 days.

This list is subject to change. If you are interested in this list, you may mail a check for \$3.00 (plus a self addressed stamped envelope) to:

Clerk of Circuit Court
Attn: Tax Deed Sales
P.O. Box 1110
Tampa, Florida 33601

You may visit the Property Appraiser's web site (<http://www.hcpafl.org>) or the Tax Collector's web site (<http://www.hillstax.org>) for basic information regarding the listed properties. Be sure to make note of the folio numbers you want to research before leaving our site.

ROGUE INVESTOR NOTE: The tax deed sales list for June 9, 2008 is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(1b) Tax Deed Sales Fees

http://www.hillsclerk.com/publicweb/general_services_fees.aspx

(1c) Tax Deed Sales FAQs

http://www.hillsclerk.com/publicweb/tax_deed_sales_faq.aspx

What are tax deed sales? Tax deed sales deal with the selling of property that is delinquent in taxes. A tax deed sale occurs after an owner of a tax certificate applies to the Tax Collector for a tax deed after the tax certificate has been held for the statutory period.

When and where are these tax deed sales held? Tax deed sales are generally held on Mondays at 10:00 a.m. on the 12th floor, Conference Room A at 501 E. Kennedy Boulevard. Call for verification before attending.

Where can I find out about upcoming sales? The Clerk advertises tax deed sales for four consecutive weeks. The first publication is at least thirty (30) days prior to the date of the sale. We advertise in the following newspapers on a rotating basis: Penny Saver, LaGaceta, Tampa Record, Florida Sentinel and the Gulf Coast Business Review.

If you would like to receive a list of the folio numbers for properties going up for sale, please send a self-addressed stamped envelope plus .15¢ for each list requested.

What are some things that I should know before the sale? There is no pre-registration required in order to participate in the bidding. You or a representative must be physically present at the sale to bid on the property. However, we recommend that you research the properties before you bid. It is very important to understand what you are purchasing at the sale and whether there may be any liens remaining on the property. Tax deed sales are not for the uninformed.

What happens if I am successful in a bid for a property? As of March 28, 2002, if you are the successful bidder for a piece of property:

- You are required to post a \$200.00 nonrefundable deposit at the conclusion of the bidding for the parcel. This requirement is provided for in Florida State Statute Chapter 197.542(2). The deposit must be made in cash or by cashier's check payable to Pat Frank, Clerk of the Circuit Court. If paying by cash, the amount must be exact as we will be unable to provide change. If the \$200.00 deposit is not paid by the successful bidder at the conclusion of a parcel's sale, then the bidding on that parcel will begin again at the base bid amount.
- Payment in full must be made within twenty-four (24) hours from the advertised time of the sale. Payment must be made in cash or by cashier's check payable to Clerk of the Circuit Court. After we have received payment in full for your successful bid, we will prepare and record a Tax Deed which will be mailed to you. If you fail to remit payment within the required time, bids made by you at subsequent auctions may be refused. If full payment is not received for a property bid at auction, it will be re-advertised and placed up for auction at the next scheduled sale.

What happens if a property receives no bids? Properties for which no bids are received at the auction are placed on our "Lands Available List," if it is a County held certificate. Florida Statutes Chapter 197 provides the County may, at any time within the first 90 days from the day the property is placed on the list, purchase the property for the opening base bid. After the ninety-day period, the property is available for purchase by the public for the base bid plus accrued interest, any taxes due, documentary stamps, and recording and indexing fees.

If the certificate is a non-homestead property, brought to sale by an individual certificate holder (the applicant) and no bids are received, the applicant is issued a Tax Deed for monies already paid to bring the property to sale plus any additional fees due.

On properties that have a homestead classification, ½ of the assessed value is added to the base bid per Florida Statute 197. If the certificate holder fails to pay the one-half value of the homestead, the sale is considered canceled and the property will be advertised for re-sale within 30 days as provided for in F.S. 197.542(2). If, at the subsequent sale, there are no bidders and the certificate holder refuses to pay the monies to cover the homestead, the clerk will place the property on the Lands Available List where it will be available for purchase after 90 days.

If you are interested in this list, you may mail a check for \$3.00 (plus a self-addressed, stamped envelope) to:

Clerk of Circuit Court,
Attn: Tax Deed Sales
P.O. Box 1110
Tampa, Florida 33601

Where can I get more information about tax deed research? All of the procedures followed for Tax Deed Sales are governed by the Florida Statutes Chapter 197 and the Florida Administrative Code 12D-13.

You can also get more information from the following offices:

Tax Deed Sales Department
6th Floor, 501 E. Kennedy Boulevard
Tampa, FL 33602
Phone: (813) 276-8100 Ext. 4768

Property Appraiser's Office
County Center, 16th Floor
601 E. Kennedy Boulevard
Tampa, FL 33602
Phone: (813) 272-6100

Tax Collector's Office, Delinquent Tax Department
Phone: (813) 635-5200

(1d) Tax Deed Sales Contact Information

http://www.hillsclerk.com/PublicWeb/Dept_Contacts.aspx#TaxDeedSalesDepartment (click on "Tax Deed Sales Department")

Physical Address

Clerk of Circuit Court
Tax Deed Sales
6th Floor, 501 E. Kennedy Boulevard
Tampa, FL 33602

Mailing Address

Clerk of the Circuit Court
Tax Deed Sales
P.O. Box 1110
Tampa, FL 33601-1110
Phone, Main: (813) 276-8100, ext. 4768

(2) Office Locations

http://www.hillsclerk.com/publicweb/Office_Locations.aspx

Clerk of Circuit Court
George E. Edgecomb Courthouse
800 Twiggs Street
Tampa, FL

Tax Deed Sales
6th Floor
501 E. Kennedy Boulevard
Tampa, FL 33602

ORANGE COUNTY, FLORIDA

<http://www.orangecountyfl.net>

TAX COLLECTOR'S OFFICE

<http://www.octaxcol.com>

Earl Wood, Tax Collector

(1) General Information, Real Estate Taxes

http://www.octaxcol.com/real_estate_taxes.htm

Tax Information: Taxes become delinquent April 1st of each year, at which time a 3% penalty is added to the bill. Advertising costs are also added before the Tax Certificate Sale.

Delinquent Property Taxes: Real Estate taxes become delinquent on April 1st of each year. After real estate taxes have become delinquent, they are advertised in a local newspaper once a week for three consecutive weeks. The advertising and collection cost is added to the delinquent tax bill. On or before June 1st, the Tax Collector must conduct a tax certificate sale for unpaid taxes on each parcel of property. The sale is operated on a competitive bid basis with interest bids beginning at 18% and progressing downward. When a certificate is sold against a piece of property, the successful bidder pays the delinquent taxes on that property and holds a certificate that constitutes a first lien against the property.

To redeem the certificate, the owner of the property must pay the Tax Collector all delinquent taxes plus accrued interest, and advertising cost. The Tax Collector will reimburse the certificate holder all monies due and the property will be free of that tax lien.

If the tax certificate is not redeemed within two years, the certificate holder may file a tax deed application with the Tax Collector. The property owner is notified of this action and, if the taxes are not paid, the Clerk of the Circuit Courts conducts a public auction and sells the property to the highest bidder. In Orange County only Tax Deed Sales are processed through the Orange County Comptroller Office.

(2) Contact Information

<http://www.octaxcol.com/Contact%20Us.htm>

Earl Wood, Tax Collector, email: EKWood@octaxcol.com

Real Estate Taxes, email: Taxes@octaxcol.com

(3) Office Locations

<http://www.octaxcol.com/OfficeLocations.htm>

Main Office

The SunTrust Center
200 South Orange Avenue, Suite 1600
Orlando, Florida 32801
Phone: 407-836-2709
Phone, Delinquent Property Taxes: 407-836-2700

(4) Calendar of Events

<http://www.octaxcol.com/calendar.htm>

April: All unpaid property taxes become delinquent April 1st. At this time, a 3% interest charge is added to the gross amount. Within 45 days, delinquent property taxes will be advertised in a local newspaper and the cost of advertising will be added to the delinquent bill.

May: List of delinquent real estate taxes advertised once per week for three consecutive weeks prior to tax certificate sale in a local newspaper.

June: Tax certificate sale for delinquent real estate taxes begins on or before June 1st.

(5) Tax Sale 2007

<http://www.octaxcol.com/TaxSale/TaxSale2007.htm>

The annual Tax Certificate Sale for prior year delinquent taxes will be held via the Internet on Saturday, May 31. The sale will start at 9:00 a.m. and will run until approximately 4:00 p.m.

Please visit the Orange County Tax Collector's bidding site www.orangetaxsale.com for details. Although you may register any time from May 12th, 2008 through the end of the sale, you are advised to register and bid well in advance of the sale date, since the sale will proceed at a fast pace. All deposits and payments will be made by electronic funds transfer. Bidders are required to complete a W-9 form. The information obtained from the W-9 form will be reported to the IRS on the year-end 1099INT statement.

The delinquent list will be published three consecutive Mondays beginning May 12th, 2008 by the Orlando Sentinel. The other dates are May 19th, and May 26th, 2008. On May 12th, 2008, the delinquent accounts will be posted to the Tax Collector's web site at www.octaxcol.com and to the www.orangetaxsale.com site. The delinquent information will be updated periodically until the sale.

Not all of the items printed in the newspaper will be sold, due to late payments received after the list was prepared for publication. Revenue from the sale pay for the ad valorem property taxes/non-ad valorem assessments, interest, and costs and charges related to the sale.

Tax Collector requires a minimum deposit of \$1,000 or 10% of intended purchases, whichever is greater, to be posted through the auction website.

There will be computers with bid site access available at the Tax Collector's office for those bidders without other access to computers. Use of these computers will be by appointment only. Please call 407-836-2778 to schedule a session.

The advertising list will include the amount of taxes due, as well as interest and the cost of the sale, which represents the face value of the tax certificate. Simple interest for the amount that the certificate was purchased will be calculated. Any bidder has the right to bid on any certificate, as long as the deposit requirement is met. Tax certificates are sold in the order they appear on the tax roll.

The bidder willing to accept the lowest interest rate is awarded the certificate. If there are no bidders for a certificate, it will be struck to the County. Bidding starts at 18% and interest is bid down until there are no lower offers. "No Interest" bids will give the bidder the certificate at 0% interest. Bids shall be accepted in even and fractional increments of .25% points only.

Certificates will be issued in the name of a person or a corporation. After the sale, certificates may be sold and transferred by assignment through the Delinquent Tax Department. A fee of \$2.50 is charged for each certificate transferred. When making inquiries about tax certificates or when requesting an address change, please provide the delinquent tax department with all social security numbers/tax id numbers currently and previously used to buy certificates.

The sale will continue until delivery of all certificates. If a bidder fails to pay for certificates, the deposit will be forfeited and the certificates will be resold by the Tax Collector. Any bidder in default will be barred from future tax certificate sales in Orange County.

Bidders will be notified of certificates purchased and the balance due within 24 hours of the closing of the Internet auction. Balance of payment will be required within 48 hours of e-mail notification. If you do not receive a bill, please contact our tax office immediately at 407-836-2778.

Upon redemption of tax certificates, interest shall be calculated on a monthly basis from the first day of each month beginning June 1st. Certificate holders shall draw no interest during April and May while the mandatory charge is in effect (FS 197.172). Application for tax deed may be made no sooner than two years after the certificate purchase.

Caution: You are hereby informed that this is not a sale of land, but a lien for the amount of delinquent taxes plus interest. Certificates issued will be in effect for a period of seven years, and then canceled by

Act of the 1973 Florida Legislature. Purchasing a tax certificate does not entitle the certificate buyer to enter the property, nor harass the owner in any manner.

Certificate value may be affected by subsequently filed bankruptcy cases.

There is risk to principal and interest with respect to tax certificates if property conditions or the utility changes. This is true when changes are made to correct errors arising from obvious or concealed facts. The Property Appraiser may correct only clerical errors after the tax roll has been certified (Markham v. Friedland, 245 So. 2d 645 [Fla 1971]/ Korash v. Mills, 263 So. 2d 579 [Fla. 1972]).

In a few recent instances, principal and interest were lost to Orange County certificate holders when the land changed from undeveloped status to ineligible for development (e.g., wetlands). Certificates issued prior to the change lost value. Bidders are cautioned to select carefully the parcels bid upon to minimize risk of loss. Timeshare and subsurface parcels will not be specifically identified before the certificate is sold.

ROGUE INVESTOR NOTE: The Orange County tax sale is conducted on the Internet by Real Auction (see Internet Auction Information at the end of the Florida section). Visit this website for Bidding Rules, Training, Start Here, Registering, and Previewing Items for Sale. The list for the 2008 tax certificate auction will be available early in May of 2008.

CLERK OF COURTS

<http://orangeclerk.onetgov.net>

Lydia Gardner, Clerk of Courts

(1) Contact Information

<http://orangeclerk.onetgov.net/operations/contact.shtml>

PALM BEACH COUNTY, FLORIDA

<http://www.pbcgov.com>

TAX COLLECTOR'S OFFICE

<http://www.pbcgov.com/tax>

Ann Gannon, Tax Collector

(1) Office Hours and Location

http://www.pbcgov.com/tax/locations_branches.shtml

Governmental Center
Administration/Occupational License/Real Estate
301 North Olive Avenue, 3rd Floor
West Palm Beach, FL 33401
Tax Services Director: Paschal "Pat" Poston

(2) Contact Information

<http://www.pbcgov.com/tax/contact.shtml>

Mailing address

P.O. Box 3715
West Palm Beach, FL 33402-3715

Property Tax – Real Estate and Tangible
Phone: 561-355-2266
Fax: 561-355-6879

(3) Important Tax Dates

http://www.pbcgov.com/tax/help_taxdates.shtml

April: Within 45 days from April 1st, the list of delinquent personal property taxpayers is advertised. Advertising, interest, and collection costs are added to the delinquent tax notice.

May: List of delinquent real estate taxes advertised for three consecutive weeks prior to tax certificate sale.

June: Tax certificate sale for delinquent real estate taxes begins on or before June 1.

(4) Tax Certificates

http://www.pbcgov.com/tax/services_property_taxcert.shtml

A tax certificate is a tax lien on property created when a third party pays the taxes due. If a third party holds a tax certificate on a property, they do not own that property. To learn more about the tax certificate sale, click here to link to our Tax Certificate Sale website: <https://www.bidpbtc.com/main>.

(5) Tax Deeds

http://www.pbcgov.com/tax/services_property_taxdeeds.shtml

The holder of a tax certificate may apply for a tax deed when two (2) years or more have elapsed since April 1st of the year the certificate was issued.

A tax deed application is made to the Tax Collector's Office. The application initiates the process to force the property to be sold at public auction. The delinquent property owner may retain the property by redeeming the tax deed application any time before the property is sold and the tax deed is issued.

Tax deed sales are conducted by the Clerk & Comptroller, Palm Beach County (<http://www.pbcountyclerk.com>).

(6) Property Tax Forms

http://www.pbcgov.com/tax/services_property_forms.shtml

Request to purchase tax certificates:

http://www.pbcgov.com/tax/forms/property/Tax_Certificate_Request.pdf

Endorsement form: http://www.pbcgov.com/tax/forms/property/Endorsement_Form.pdf

W-9: <http://www.pbcgov.com/tax/forms/property/W-9.pdf>

Application for tax deed DR 512: http://www.pbcgov.com/tax/forms/property/DR_512.pdf

BIDPBTC.COM

<http://www.bidpbtc.com>

Tax certificate online auction website for Orange County.

For assistance, call Grant Street Group at 800-410-3445, contact Auction Support at https://www.bidpbtc.com/main?&unique_id=SAkOHAoBBgEAAG79b-A&session=&auction_id=&email_admin_button=go or visit the Tax Collector's homepage at <http://www.co.palm-beach.fl.us/tax>.

(1) Introduction

<https://www.bidpbtc.com/main>, then click on "Introduction"

Learn more about the tax certificate sale.

(2) Frequently Asked Questions

<https://www.bidpbtc.com/main>, then click on “FAQ”

Frequently asked questions about the tax certificate sale.

(3) Documentation

<https://www.bidpbtc.com/main>, then click on “Documentation”

News, notices, user instructions, and legal documents.

Information

News:

https://www.bidpbtc.com/main?&unique_id=SAkPngoBBgEAAG79cCE&session=&auction_id=&use_this=serve_document&document_id=119

Introduction:

https://www.bidpbtc.com/main?&unique_id=SAkPngoBBgEAAG79cCE&session=&auction_id=&view_introduction_button=Introduction&is_popup=1&focus=1

Instructions:

https://www.bidpbtc.com/main?&unique_id=SAkPngoBBgEAAG79cCE&session=&auction_id=&view_instructions_button=Instructions&is_popup=1&focus=1

FAQ:

https://www.bidpbtc.com/main?&unique_id=SAkPngoBBgEAAG79cCE&session=&auction_id=&view_faq_button=FAQ&is_popup=1&focus=1

ROGUE INVESTOR NOTE: See web page for links to legal documents (disclaimer, user agreement and privacy policy).

(3a) Introduction

https://www.bidpbtc.com/main?&unique_id=SAkPngoBBgEAAG79cCE&session=&auction_id=&view_introduction_button=Introduction&is_popup=1&focus=1

Tax Collector, Palm Beach County
2008 Tax Certificate Sale

1. The Tax Certificate Sale of unpaid 2007 real property taxes will begin at 8:30 a.m. June 1, 2008. The sale will be conducted on the County's tax certificate auction web site, www.BidPBTC.com. Bidders can review the advertised list of unpaid real property taxes and begin to submit bids on the web site starting on May 14, 2008.

Computer terminals are available for public use at 301 N. Olive Avenue, West Palm Beach, Palm Beach County, Florida by appointment. To schedule an appointment, please call (561) 355-3546. In the event that the sale can not be held on the auction web site, a live auction will be held at the time and location listed above.

2. In order to submit bids, the following steps must be taken on www.BidPBTC.com:

- Complete online registration
- Complete IRS Form W-9
- Establish a budget
- Submit a deposit (online via ACH)
- Receive bidder number assignment.

A social security number or tax identification number must be provided for each buyer and must belong to the person listed on the W-9 form. There will be only one bidder number assigned to each Social Security number or Tax I. D. number. The tax certificate list, redemption checks and 1099 interest earnings will be issued exactly as indicated on your W-9 form. Until the tax sale is complete, no changes will be made to

the bidder number issued. A change of name or tax identification number will constitute an assignment and is subject to service charge for each certificate changed.

3. A deposit of 10% of your expected bids must be made prior to the close of any batch in which you intend to submit bids. All payments must be made via ACH on the BidPBTC.com web site. No other form of payment will be accepted.

4. Bidding starts at 18% and interest is bid down until sold. Bids may be made in 1/4 percent increments. A "zero" interest bid will get the bidder the certificate with no interest. When your bid is recognized as the low bid on the Results Page, you are obligated to pay for the certificate even if the bid was unintentional.

5. The certificates will be auctioned in the order listed in the newspaper. The delinquent taxes from prior years will be auctioned first. After the prior years are posted, the 2007 delinquent taxes will be posted. Bidders will be able to begin entering interest rates on the web site beginning the day that the first newspaper advertisement is published. Some items listed in the newspaper and on the web site will not be auctioned due to payments being received after the list was prepared for publication.

6. The payment balance for certificates purchased must be made within 48 hours from the postmark on your notice of amount due. A certificate of ownership and listing of certificates purchased is provided to each buyer. A bidder failing to make payment in the specified time will forfeit the deposit, and the certificates will be re-sold.

7. The Tax Collector reserves the right to cancel or correct certificates issued in error. Interest payments may be affected by bankruptcies, U.S. Marshal seizures, property taken over by a receiver, etc.

8. Caution: This is not a sale of real property. It is a lien for the amount of delinquent taxes plus interest. Contact with property owners initiated by certificate owners to encourage payment at any time is not recommended. Contact or behavior of a certificate holder deemed unfair or deceptive may result in criminal prosecution. A tax deed application is the proper and legal method to compel payment.

We in the Tax Collector's Office are happy to be of service to you. We are available to assist you as needed.

CLERK OF COURTS

<http://www.pbcountyclerk.com>

(1) Locations and Directions

<http://www.pbcountyclerk.com/directions.html>

Main Courthouse, 205 N. Dixie Highway
West Palm Beach, FL 33401
Phone: (561) 355-2996

(2) Telephone and Mail Directory

<http://www.pbcountyclerk.com/directory4.htm>

Tax Deed Sales

Main Courthouse
205 North Dixie Highway
3rd Floor, Room 3.23
West Palm Beach, FL 33401
Mailing address: P.O. Box 484, West Palm Beach, FL 33402
Phone: (561) 355-2962
Toll free: 1-888-760-9209
Email: <mailto:clerkweb@mypalmbeachclerk.com?subject=Tax Deeds>

(3) Tax Deed Sales

<http://www.pbcountyclerk.com/courtservices/tdfc/taxdeed.html>

Amy Stein, Manager

Phone: (561) 355-2962

Email: clerkweb@mypalmbeachclerk.com?subject=Tax_Deeds

Tax deed sales are the auction of property on which tax certificates have been sold by the Tax Collector's office for delinquent real estate taxes. Tax deed sales are held pursuant to Florida Statutes Chapter 197.

The Clerk & Comptroller's office conducts the tax deed sale. Properties scheduled for tax deed sale are published in the Palm Beach Daily Business Review newspaper and are available to search online. View general information and requirements.

Redemption

Property may be redeemed any time prior to the issuance of a tax deed. The redemption amount is listed on the "Notice of Application for Tax Deed" mailed prior to the sale.

Redemptions prior to the date of sale should be done at the Tax Collector's office, 301 North Olive Avenue, Third Floor, West Palm Beach. For redemption on the date of sale, bring full payment to the Clerk & Comptroller's office at 205 N. Dixie Highway, Room 3.2300.

Full payment must be made in cash, a cashier's check drawn upon a U.S. bank, or an attorney's trust account check drawn upon a Florida bank. Payment must be made payable to the Tax Collector. The Clerk will not accept a personal check, third party cashier's check or credit card.

(3a) Frequently Asked Questions

<http://www.pbcountyclerk.com/faqs/civil/taxdeeds.html>

General Information

What is a tax deed sale? A tax deed sale is the auction of property on which tax certificates have been sold by the Tax Collector's Office for delinquent real estate taxes. Tax deed sales are governed by Florida Statutes, Chapter 197.

Where can I find general information about tax deed sales? Online at Tax Deed Sale Information: <http://www.pbcountyclerk.com/courtservices/tdfc/tdsales.html>.

Where can I find out about properties scheduled for tax deed sale?

- Online at Tax Deeds Public Search: http://www.pbcountyclerk.com/ORIS/tax_deed.html
- The Palm Beach Daily Business Review (<http://www.dailybusinessreview.com>) publishes a list in their newspaper. You can call their office at 561-820-2060 for more information.

When and where are tax deed sales conducted?

- Tax deed sales are conducted once a month at 9:00 a.m. on the designated sale day. Sale days can be obtained from the Palm Beach Daily Business Review (<http://www.dailybusinessreview.com>) or online at Tax Deeds Public Search (http://www.pbcountyclerk.com/ORIS/tax_deed.html).
- Sales are held at the main courthouse (<http://www.pbcountyclerk.com/centralmap.html>) located at 205 North Dixie Highway, West Palm Beach, in the dining area on the first floor, Room 1.2406.

What are other useful links to find information about tax deeds?

- Property Appraiser: <http://www.co.palm-beach.fl.us/papa>
- Tax Collector: <http://www.co.palm-beach.fl.us/tax>
- Florida Statutes: <http://www.leg.state.fl.us>

Deposits/Payments

What is the required deposit at the time of the sale? The highest bidder must pay a \$200 cash deposit and present valid identification (e.g., driver's license, etc.) at the time of sale.

When is the full payment due? Full payment must be received within 24 hours of the advertised sales time, or the \$200 cash deposit will be forfeited. Note: The Clerk & Comptroller's office has the right to refuse the future bids of bidders who have forfeited sales.

Redemptions

What is a tax deed redemption? Redemption is the satisfaction of delinquent taxes prior to the issuance of a tax deed.

Where do I go for redemption prior to the date of sale? Tax Collector's Office (<http://www.co.palm-beach.fl.us/tax>), 301 North Olive Avenue, 3rd Floor, West Palm Beach, Florida.

Where do I go for redemption on the date of the tax deed sale? Full payment should be made at the Clerk & Comptroller's office located in the main courthouse (<http://www.pbcountyclerk.com/centralmap.html>) at 205 N. Dixie Highway, Room 3.23.

What form of payment is required for redemption?

- Cash
- Cashier's check from a U.S. bank
- An attorney's trust account check from a Florida bank.

Note: Checks must be payable to the Tax Collector

The following forms of payment are not accepted:

- Personal check
- Credit card
- Third party cashier's check.

(3b) Tax Deeds and Foreclosures Service Charges and Fees

<http://www.pbcountyclerk.com/fee/tdfc.html>

(3c) Tax Deeds Public Search

http://www.pbcountyclerk.com/ORIS/tax_deed.html

(3d) Statement of Claim Form

http://www.pbcountyclerk.com/pdf/soc_form.pdf

(3e) Request for Lands Available Information

http://www.pbcountyclerk.com/pdf/req_lands_available.pdf

(3f) Administrative Policy 93-5

http://www.pbcountyclerk.com/pdf/tax_deed_adm_pol_93-5.pdf

ROGUE INVESTOR NOTE: Memorandum outlining policy regarding the Clerk of Court's ability to refuse to recognize the bid of any person who has previously bid and refused, for any reason, to honor such bid.

PINELLAS COUNTY, FLORIDA

<http://www.pinellascounty.org>

TAX COLLECTOR'S OFFICE

<http://www.taxcollect.com>

Diane Nelson, Tax Collector

(1) Contact Information

<http://www.taxcollect.com/Content.aspx?DeptID=24&CommandID=0&Lang=en>

Phone: (727) 562-3262

Email: taxcollector@taxcollect.com

Mailing address: P.O. Box 1729, Clearwater, FL 33757

(2) Important Dates Calendar of Events

<http://www.taxcollect.com/Content.aspx?ContentID=86&CommandID=2&DeptID=17>

April: Tax Collector will advertise delinquent personal property liens within 45 days from April 1.

May: A list of delinquent real estate taxpayers is advertised in newspaper for three consecutive weeks. The cost of advertising is added to the Delinquent Tax Bill on May 1. Payment of real estate taxes received after May 15 must be in the form of cash or certified funds. Tax certificate sale of Delinquent Real Estate Taxes, begins on or before June 1.

(3) Office Locations

<http://www.taxcollect.com/Content.aspx?DeptID=18&CommandID=0&Lang=en>

Clearwater Courthouse
315 Court Street, 3rd Floor
P.O. Box 1729
Clearwater, FL 33757
Phone: (727) 562-3262

(4) Delinquent Real Estate Taxes

<http://www.taxcollect.com/Content.aspx?ContentID=97&CommandID=2&DeptID=3>

Real estate taxes become delinquent on April 1 of the year following the year of assessment. A 3% mandatory interest is added to the amount due at that time. If the taxes remain unpaid, the delinquent property will be advertised once a week for 3 consecutive weeks prior to the Tax Certificate Sale and the advertising fee will be added to the tax bill.

The Tax Collector is required by law to hold a Tax Certificate Sale on or before June 1 each year. If payment is not received by 5:00 p.m. on the business day immediately preceding the date the tax certificate sale has been advertised to begin, a certificate will be issued and additional charges will accrue.

A tax certificate is an enforceable first lien against the property for unpaid real estate taxes. The sale allows investors to purchase certificates by paying the tax debt. The sale is conducted in a reverse auction style with participants bidding downward on interest rates starting at 18%. The certificate is awarded to the bidder who will pay the taxes, interest and costs and accept the lowest rate of interest. If there are no bidders, the certificate is issued to the County at 18% annual interest.

To redeem the certificate, the property owner, or his representative, must pay the Tax Collector the delinquent taxes plus accrued interest, advertising costs and collection fees. Payment of delinquent taxes must be made with a cashier's check, money order, cash or credit card. The amount due for delinquent taxes is determined by the date received by the Tax Collector and not the postmark. After payment is received and validated, the certificate holder is reimbursed the cost of the certificate plus interest and the lien against the property is removed.

If taxes remain unpaid, the certificate holder may file a tax deed application with the Tax Collector two years after the date of delinquency. The property will be sold at a public auction conducted by the Clerk of the Circuit Court should the property owner fail to pay the tax debt.

For more information about delinquent taxes you may contact us at 727-562-3262.

Results of the 2007 Internet Tax Certificate Sale

Date tax sale started: June 1, 2007

Duration of Sale: 1 day

Number of winning bidders: 26

Weighted average interest rate: 0.30%

Number of certificates issued: 17,804

Value of certificates issued: \$62,203,116.39

(5) Online Tax Sale FAQs

<http://www.taxcollect.com/Content.aspx?ContentID=350&CommandID=2&DeptID=3>

What is an online certificate auction and how is it different from a traditional auction? Instead of meeting in a large room and everyone calling out their bids, each bidder places his/her bid electronically, over the internet with a computer.

What equipment and software will I need? There is no special software or hardware needed for the sale. In order to participate, bidders must have access to the internet. The Tax Collector's office will provide a number of computers for public access to the internet.

Is training available for the auction software and how do I get it? On-site training classes will be held at predetermined dates and times. Attendance is by registration only. Please visit www.pinellastaxsale.com/training for a list of available dates and locations. Telephone support is also available by contacting the Realauction customer support center at 877-361-7325.

What is a Batch? The certificates being advertised are sold individually and in the order they are advertised. However, in order to make the bidding process more manageable, the certificates are divided into groups called "batches" consisting of 2,000 certificates each.

When can I start bidding? You may begin entering your bids for all batches on May 11, 2007 at 9:00 a.m. EDT.

When does the auction start and end? The auction will officially start on June 1, 2007 at 8:00 a.m. EDT.

Bidding on all items in Batch 1 will end on June 1, 2007 at 9:00 a.m. EDT. Each subsequent batch will end every hour until approximately 4:00 p.m.

How much does it cost to enter the auction? There is no auction fee to participate. However, each bidder must place a deposit equal to \$2,000.00 or 10% of the total face value of the certificates they anticipate winning (whichever is larger).

For example: If a bidder anticipates winning \$100,000 in tax certificates, he/she must deposit \$10,000 with the Tax Collector. If the goal is one certificate for \$180, then a deposit of \$2,000.00 is required.

All funds not used on winning bids will be refunded after the auction concludes.

What happens if I exhaust my deposit while I still have active bids? Any bids remaining will not be placed unless additional sufficient funds are deposited with the county to meet the \$2,000.00 / 10% deposit requirement. Deposits can be made at any time during the auction. To win any particular certificate in any batch, the \$2,000.00 / 10% requirement must be met before the batch containing the target certificate closes.

How do I pay for my security deposit and certificates purchased? Security deposits and payments for certificates won can be made using the ACH payment wizard on the auction website.

How do I get started? To register visit www.pinellastaxsale.com and click "Register To Bid". The step by step wizard will painlessly guide you through the registration process.

What are Primary and Secondary Accounts? Your initial registration creates what RealAuction refers to as your "Primary" Account.

Once registered, each bidder may add up to 5000 "Secondary" accounts using the Sub Account Maintenance wizard.

Any bid actions performed on the Primary account will be replicated by all Secondary accounts.

The advantage of Primary/Secondary accounts is that one bidder can easily administer multiple accounts and using sub accounts increases the bidder's chance of winning in the event of a tie. The deposit made by the primary covers all sub accounts under that primary.

Can other participants see my bids? No.

How does the bidding work? Auction participants enter their lowest acceptable bid for a certificate. When a batch ends, each certificate is awarded to the participant with the lowest interest rate bid.

Valid bids may be entered between 0 and 18% in 0.25% increments.

What happens in case of a tie bid? In the case of a tie, the winner will be selected at random by the auction software. The process used to select the random winner has been certified by an independent third party.

When do I have to pay for a successful bid and what happens if I don't? Funds to cover all winning bids must be posted on the website within 48 hours of the close of the auction.

If you fail to pay for certificates purchased, your deposit will be forfeited, your bids canceled, and the County may revoke future bidding privileges.

What happens to leftover deposit money? Any deposit money not credited toward winning bids will be returned to the bidder within two weeks of the close of the auction.

How do I contact Customer Service? For technical support or questions regarding auction procedures including registration, training, bidding or deposits, please use the convenient email form on the website or contact RealAuction Customer Service at:

RealAuction Customer Service
Phone: 877-361-732
Email: customerservice@realauction.com
861 SW 78th Avenue, Suite 102
Plantation, FL 33324

For inquires regarding tax payments or instructions on how to pay your property taxes, please contact:

Pinellas County Tax Collector Main Office
Office hours are weekdays 8:00 a.m. to 5:00 p.m.
Phone: 727-562-3262 (ask for Delinquent Real Estate Department)
315 Court Street
Clearwater, FL 33756

Important Dates

Advertising file publish dates: May 16, May 23 & May 30, 2008
Auction date: Saturday, May 31, 2008
Start Time: 8:00 a.m.
Auction Software Training:

Dates: TBA late April 2008
Times: TBA
Location: Mid-County Service Center ("MCSC")
13025 Starkey Road
Largo, FL 33773

(6) PinellasTaxSale.com

<http://www.pinellastaxsale.com>

ROGUE INVESTOR NOTE: The Pinellas County tax sale is conducted on the Internet by Real Auction (see Private Sector Tax Sale Administrators at the end of the Florida section). Visit this website for Bidding Rules, Training, Start Here, Registering, and Previewing Items for Sale. Note: The list for the 2008 tax certificate auction will be available early in May of 2008.

CLERK OF THE CIRCUIT COURT

<http://www.pinellasclerk.org>

Ken Burke, Clerk of the Circuit Court

(1) Locations and Telephone Numbers

<http://www.pinellasclerk.org/asplinclude2/ASPInclude.asp?pageName=locations.htm>

Clearwater Courthouse
315 Court Street
Clearwater, FL 33756

Official Records: Room 163, phone: (727) 464-4876, email: recording@co.pinellas.fl.us
Recording Services: Room 150, phone: (727) 464-4876, email: recording@co.pinellas.fl.us

(2) Online Contact Form

<http://pubtitled.co.pinellas.fl.us/clerk/emailform/ContactUs.jsp>

(3) Tax Deed Sales Information

<http://www.pinellasclerk.org/asplinclude2/ASPInclude.asp?pageName=taxdeed.htm>

A tax deed sale is a public auction where property is sold to the highest bidder in order to recover delinquent property taxes. The sale or public auction is conducted by a deputy clerk employed by the Clerk of the Circuit Court in accordance with Florida Statutes.

Tax deed sales are held in the main lobby of the Clearwater Courthouse located at 315 Court Street, Clearwater, Florida beginning at 11:00 A.M. The deputy clerk will read the notice of sale and will offer the lands described in the advertised notice for sale to the highest bidder for cash at public auction.

Tax deed sales are published. The Clerk of the Circuit Court advertises in a local newspaper once each week for four consecutive weeks at weekly intervals prior to the public auction.

If you are a successful bidder at the sale:

- You must report to the Tax Deed Department, Room 163 of the Clearwater Courthouse, immediately after the sale. The deputy clerk will calculate the documentary stamps and recording fees that are due in addition to the bid amount.

- Payment in the form of cash, cashier's check or money order is acceptable. Payment for the documentary stamps and recording fees should be separate from the payment for the bid amount. All sales are final. No refunds will be issued.

A cash deposit is required!

If there were other bids, the high bidder is required to post a \$200 nonrefundable cash deposit with the Clerk at the time of the sale. If full payment of the final bid amount, the documentary stamp tax and recording fees is not made within 24 hours of the sale, excluding weekends and holidays, the Clerk will pay all readvertising costs and costs of the sale from the deposit. If full payment is made in accordance with the requirements, the deposit will be applied to the sale price.

The bid amount plus applicable documentary stamp taxes and recording fees are required to be paid in full to the Clerk of the Circuit Court within twenty four (24) hours after the advertised time of sale.

More Important Information

Does a tax deed provide a marketable title? You may wish to research or seek advice on any property you are considering bidding for before the tax deed sale. Generally, when any lands are sold for the nonpayment of taxes, the title may not be a marketable title.

Tax Certificate information can be obtained from the Tax Collector's Office at 315 Court Street, 3rd Floor Clearwater, Florida; telephone: (727) 562-3262.

Information on the property subject to a tax deed sale (including structural information or the physical address of the property) is available in the Property Appraiser's Office at 315 Court Street, 2nd Floor Clearwater, Florida; telephone: (727) 464-3207.

Additional information regarding a tax deed sale is available from the Tax Deed Office at 315 Court Street, Room 163, Clearwater, Florida.

(3a) Tax Deed Sales Online Listing

<http://www.pinellasclerk.org/tributeweb2>

Search tax deed records by sale date or a date range.

Auctions will be held in the main lobby of the Clearwater Courthouse located at 315 Court Street. All sales will begin at 11:00 a.m.

For further information, call (727) 464-3424.

(3b) Tax Deed Certificates Online Search

<http://pubtitled.co.pinellas.fl.us/clerk/taxdeed/certificatelist/DM49Input.jsp>

Search for tax deed status report.

Instructions for browsing tax deed certificates by date of certificate.

(4) Lands Available for Taxes

<http://www.pinellasclerk.org/asplinclude2/ASPInclude.asp?pageName=landsavailable.htm>

Lands available for taxes are properties that have been advertised for sale by the Clerk at public auction, and no bidders appeared at the public sale to purchase the properties. When this happens, the Clerk is required to enter the land on a list called "lands available for taxes" and to notify the Board of County Commissioners and all other persons holding certificates against the land that the land is available.

The listing of lands available for taxes is available online

(<http://pubtitled.co.pinellas.fl.us/clerk/taxdeed/landsavailable/DM68Input.jsp>), or a hard copy of the listing may be purchased in the Recording Services Department, 315 Court Street, Clearwater, Florida 33756. A

parcel of land may be purchased from the listing the Recording Services Department's Tax Deed Section. Payment of the total amount owing on the property must be in the form of cash, cashier's check or money order. Call the Tax Deed Section at 727-464-3424 to schedule an appointment to purchase "lands available for taxes."

Any person may purchase property from the list of lands available for taxes. The county has 90 days after the land is placed on the list to purchase the land for the opening bid, if all outstanding tax sale certificates were issued after July 1, 1999. If any tax sale certificates were sold on or before July 1, 1999, the County has 90 days from the sale date to purchase the land. After the 90 days, any person, the county or governmental unit may purchase the land for the opening bid without further notice or advertising required. "Omitted" taxes plus interest will be added to the minimum bid except when the county or other governmental unit is the purchaser for its' own use.

Information on properties (including structural information or the physical address of the property) listed on the Lands Available for Taxes list is available in the Property Appraiser's Office:

315 Court Street, 2nd Floor
Clearwater, Florida, 33756
(727) 464-3207

or online at the Pinellas County Property Appraisers' Database Search, <http://www.pcpao.org/searchpage.php>. Appraisal information on the property is also available by clicking on the Parcel Number Link from the Clerk's Lands Available For Taxes listing (<http://pubtitled.co.pinellas.fl.us/clerk/taxdeed/landsavailable/DM68Input.jsp>).

More Important Information

"Omitted taxes" are those taxes that have not been extended on the tax roll against a parcel of property after the property has been placed on the listing of lands available for taxes. (Section 197.102[2] Florida Statutes.) "Omitted taxes" are paid plus interest.

It is suggested that you seek advice on any property that you are considering for purchase. There may be liens or encumbrances on the property.

(4a) Lands Available for Taxes Online Listing

<http://pubtitled.co.pinellas.fl.us/clerk/taxdeed/landsavailable/DM68Input.jsp>

PRIVATE SECTOR TAX SALE ADMINISTRATORS

BID4ASSETS

<http://www.bid4assets.com>

(1) Florida Tax Certificate Sales

<http://www.bid4assets.com/help/index.cfm?fuseAction=TaxSaleLiensMain>

Bid4Assets has conducted tax certificate sales in Florida since 2005. Bid4Assets has become one of the leading providers of auction management solutions handling the sales of tax certificates for 12 Florida Counties.

Contact Information

Tax Sale Coordinator
8757 Georgia Avenue, Suite 1330
Silver Spring, MD 20910
Email: county@bid4assets.com

Florida Counties Internet Auction Websites and Sale Dates

Alachua County = May 14 – May 30

<http://alachua.taxsale.com>

Brevard County = May 15 – May 30

<http://brevard.taxsale.com>

Duval County = May 13 – May 30

<http://duval.taxsale.com>

Escambia County = May 8 – May 30

<http://escambia.taxsale.com>

Gilchrist County = May 8 – May 28

<http://gilchrist.taxsale.com>

Santa Rosa County = May 14 – May 30

<http://santarosa.taxsale.com>

Sumter County = May 9 – May 30

<http://sumter.taxsale.com>

Taylor County = May 7 – May 28

<http://taylor.taxsale.com>

Walton County = May 15 – May 30

<http://walton.taxsale.com>

ROGUE INVESTOR NOTE: Bid4Assets also conducts the tax lien sale for Gadsden County.

GRANT STREET GROUP

<http://www.lienauction.com>

LienAuction is the first software built to conduct online tax certificate auctions. Since 2004, Grant Street Group clients have conducted 47 tax certificate sales using LienAuction software - selling nearly 517,000 certificates valued in excess of \$1.4 billion. Grant Street Group developed and now hosts 16 LienAuction sites for sellers in 3 states.

For Bidders

Auctions take place on each seller's custom auction website. Typically, auctions are held annually and bids are accepted over a period of a few days to several weeks.

Information on the format of each sale can be found under "Documentation" on the auction site home page.

An online registration is required before you can enter a live or trial auction, or review a software demo. Registration is simple and free. You can start the process by clicking the "Register" button on any auction home page. Your registration on one LienAuction site is valid for all other auctions hosted by Grant Street Group, so you only need to register one time.

You should review the complete list of sites (<http://www.lienauction.com/sites.html>), which includes when the next auction is scheduled.

(1) Auction Web Sites

<http://www.lienauction.com/sites.html>

Citrus County = May 9 – May 30, 2008

<https://www.bidcitrus.com>

Clay County = May 8 – May 30, 2008

<https://www.bidclay.com>

Highlands County = May 15 – May 31, 2008

<https://www.bidhighlandscounty.com>

Lake County = May 8 – May 30, 2008

<https://www.bidlaketax.com>

Leon County = May 15 – June 1, 2008

<https://www.bidleon.com>

Marion County = May 6 – June 1, 2008

<https://www.bidmarion.com>

Miami-Dade County = May 1 – June 1, 2008

<https://www.bidmiamidade.com>

Okaloosa County = May 7 – June 1, 2008

<https://www.bidokaloosa.com>

Osceola County = May 8 – May 30, 2008

<https://www.bidosceola.com>

Palm Beach County = May 14 – June 1, 2008

<https://www.bidpbtc.com>

Pasco County = May 14 – May 29, 2008

<https://www.bidpasco.com>

St. Lucie County = May 14 – May 30, 2008

<https://www.bidstlucie.com>

Volusia County = May 12 – May 30, 2008

<https://www.bidvolusia.com>

REAL AUCTION

<http://www.realauction.com>

(1) List of County Auctions

<http://www.realauction.com/template.cfm?r=LeftMenu/ListCountyauctions>

Florida online auctions open in May and end as late as June 1. Practice website – Florida counties, visit <http://www.floridataxsale.com>. New auctions every day.

Charlotte County, visit <http://www.charlottetaxsale.com>

Auction Opens: 5/6/08

Auction Ends: 5/30/08

Columbia County, visit <http://www.columbiataxsale.com>
Auction Opens: 5/9/08
Auction Ends: 5/31/08

Flagler County, visit <http://www.flaglertaxsale.com>
Auction Opens: 5/9/08
Auction Ends: 5/30/08

Gadsden County, visit <http://www.gadsdentaxsale.com>
Auction Opens: 5/8/08
Auction Ends: 5/28/08

Hernando County, visit <http://www.hernandotaxsale.com>
Auction Opens: 5/14/08
Auction Ends: 5/30/08

Hillsborough County, visit <http://www.hillsboroughtaxsale.com>
Auction Opens: 5/2/08
Auction Ends: 5/31/08

Lee County, visit <http://www.leetaxsale.com>
Auction Opens: 5/1/08
Auction Ends: 5/30/08

Levy County, visit <http://www.levytaxsale.com>
Auction Opens: 5/15/08
Auction Ends: 5/30/08

Monroe County, visit <http://www.monroetaxsale.com>
Auction Opens: 5/7/08
Auction Ends: 5/31/08

Nassau County, visit <http://www.nassautaxsale.com>
Auction Opens: 5/12/08
Auction Ends: 5/29/08

Orange County, visit <http://www.orangetaxsale.com>
Auction Opens: 5/12/08
Auction Ends: 5/31/08

Pinellas County, visit <http://www.pinellastaxsale.com>
Auction Opens: 5/16/08
Auction Ends: 5/31/08

Polk County, visit <http://www.polktaxsale.com>
Auction Opens: 5/9/08
Auction Ends: 5/30/08

Putnam County, visit <http://www.putnamtaxsale.com>
Auction Opens: 5/1/08
Auction Ends: 5/24/08

Sarasota County, visit <http://www.sarasotacountytaxsale.com>
Auction Opens: TBA
Auction Ends: 6/1/08

Seminole County, visit <http://www.seminoletaxsale.com>
Auction Opens: 5/4/08
Auction Ends: 5/30/08

Suwannee County, visit <http://www.suwanneetaxsale.com>
Auction Opens: 5/13/08
Auction Ends: 5/30/08

(2) Realnews

<http://www.realauction.com>, left-hand column

Announcements include upcoming tax sale auctions.

(3) Contact Information

<http://www.realauction.com/template.cfm?r=Contactus/Enquiries>

Realauction.com, LLC.
Corporate Headquarters
861 SW 78th Avenue, Suite 102
Plantation, FL 33324
Phone: 954-734-7400
Fax: 954-424-7601
Email: info@realauction.com
Customer support email: customerservice@realauction.com

Georgia

Tax Lien Sales: No.

Tax Deed Sales: Yes. Sales are conducted by the Tax Commissioner's Office.

Over-the-Counter Tax Deed Sales: No.

Rating: Four Stars (****)

Interest Rate: 20% flat interest rate the first year; an additional 10% after the first year (see Redemption Period below).

Sale Period: Sales occur on the first Tuesday of the month, by determination of the Tax Commissioner. In most cases, the Tax Commissioner acts as ex-officio sheriff for collecting taxes.

Redemption Period: One-year extended right of redemption period following the tax deed sale. However, the tax deed holder may allow a property owner to redeem after 1 year if he/she chooses. If the taxes are redeemed, the tax deed holder receives a 20% flat interest rate, regardless of when the property is redeemed within the 1-year redemption period. If redeemed within 1 month, the investor still receives 20%, which results in an outstanding annual return of 240%. After the first year, the investor is entitled to an additional 10% interest. Upon redemption, the investor must issue a quit-claim deed to release the tax deed.

Bidding Process: All auctions are by competitive bid, with the property being sold to the highest bidder. The opening bid is the outstanding taxes, penalties, interest, fees and advertising costs.

State-Specific Information: Georgia is a complicated tax deed state because the auctions occur frequently and, although the redemption period is quick, the foreclosure process is not easy. The Tax Commissioner will generally perform a title search and notify all interested parties. This helps eliminate some of the investor's burden.

Georgia law allows the property owner, or anyone with any right, title or interest in the property, to repurchase (redeem) the property. Until the right of redemption has been foreclosed or the title has ripened by prescription, a tax deed has the same force and effect as a lien. When real property is sold at a tax sale, the owner, creditor, or any person having an interest in the property may redeem (repurchase) the property from the holder of the tax deed within 12 months.

The tax deed holder has defeasible title for the first 12 months, and is therefore responsible for paying the next year's taxes. If the tax deed holder fails to pay, another investor can purchase a deed for the taxes owed; therefore, it is best to keep the taxes current.

After 12 months from the date of the tax sale, the purchaser at the tax sale may terminate or foreclose on the owner's right to redeem the property by causing a notice(s) of the foreclosure to be served by certified mail to the owner of record and to all interest holders that appear on the public record. In addition, the notice of foreclosure is to be published in the newspaper in the county in which the property is located, once a week for four consecutive weeks (refer to OCGA 48-4-45 to 48-4-48). A notice must be served by the Sheriff's Office within 15 days, and advertising must occur 30 days after the notice. Acquisition of the property will take a minimum

of approximately 1 year and 45 days. Because the process is complicated, consulting with one's attorney is recommended. Georgia also recommends that the purchaser seek legal advice regarding the petition to quiet the title (OCGA 23-3-60). After this process is fulfilled, the investor has fee simple title to the property.

You cannot take possession of or collect rent during the redemption period or before the property owner's right of redemption has been removed through foreclosure.

According to Georgia state law (OCGA 48-4-48), a title under a tax deed properly executed on or after July 1, 1996, at a valid and legal sale, shall ripen by prescription after 4 years. However, a recent court case may render the ripening by prescription as inapplicable. Consult the county and legal counsel for more information.

Georgia County Links: See Georgia Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

COBB COUNTY, GEORGIA

<http://www.cobbcounty.org>

TAX COMMISSIONER'S OFFICE

<http://www.cobbtax.org/Main/Home.aspx>

Gail Downing, Tax Commissioner
Tori Steele, Chief Clerk

(1) Office Location and Hours

http://www.cobbtax.org/Forms/HtmlFrame.aspx?mode=content/office_location_hours.htm

Main office for the Property Tax Division

736 Whitlock Avenue Suite 100

Marietta, GA 30064

Phone: (770) 528-8600

Fax: (770) 528-8679

(2) Online Contact Form

<http://www.cobbtax.org/Forms/ContactUs.aspx>

PROPERTY TAX DIVISION

(within the Tax Commissioner's Office)

http://www.cobbtax.org/Forms/HtmlFrame.aspx?mode=content/mainpage_taxes.htm

This office collects real/personal property taxes not only for Cobb County but also for the City of Acworth.

For information, call (770) 528-8600.

(1) Delinquent Taxes

http://www.cobbtax.org/Forms/HtmlFrame.aspx?mode=content/Delinquent_Taxes.htm&LMparent=189

All taxes remaining unpaid after the due date are delinquent and are subject to interest and penalties. The Tax Commissioner's Office mails 30-day late notices on all unpaid accounts. Any taxes remaining unpaid at this time are subject to levy and tax sale. A listing of all delinquent taxes may be found in the Cobb County Tax Commissioner's Tax Vault located at 736 Whitlock Avenue, Suite 100 in Marietta. This listing is updated monthly. Terminals are also available for public use in checking unpaid taxes.

The Cobb County Tax Commissioner's Office follows legal procedures prescribed by the Official Code of Georgia Annotated (OCGA) when levying property. We strongly suggest you read those sections of Georgia law which pertain to tax executions and tax sales. OCGA Title 48 - Revenue and Taxation, Chapter 3 - "Tax Executions," and Chapter 4 - "Tax Sales," contain important information that you must be aware of.

Tax Sales: Tax sales are held on the first Tuesday of each month, between the hours of 10:00 a.m. and 4:00 p.m. on the steps of the Superior Court building (except when the first Tuesday of the month falls on a legal holiday, in which case the sale is held the next business day). Properties scheduled for tax sale may be reviewed in the Levy Department of the Tax Commissioner's Office. A listing of the properties may also be found in the Friday edition of the Marietta Daily Journal for a four-week period prior to the sale.

Starting bid lists may be picked up after 12:00 noon the Friday before the sale in the Levy Department. You do not need to pre-register to bid at the tax sale; however, you must be present in order to bid. We do not accept mail, phone, or fax bids. The opening bid for a particular property is the amount of tax due, plus penalties, interest, fi. fa. costs, levy costs, administrative levy fee, certified mail cost, advertising cost, and tax deed recording fee. The property is sold to the highest bidder. We require payment in full upon conclusion of the tax sale. Payment must be in the form of cash, certified check, cashier's check, or money order. If there is any excess after paying taxes, costs, and all expenses of a sale, the tax commissioner or tax collector may file an interpleader action in superior court for the payment of the amount of such excess. Such excess shall be distributed by the superior court to intended parties, including the owner as their interest appears and in the order of priority in which their interest exists (OCGA 48-4-5). Any properties not receiving a bid may be reauctioned that afternoon at 3:00 p.m.

The tax sale purchaser receives a tax deed to the property. However, they cannot take immediate possession of the property, make any improvements to the property, evict any tenants, or move onto the property. Georgia law allows the property owner, or anyone with any right, title or interest in the property to repurchase (redeem) the property. Until the right of redemption has been foreclosed or the title has ripened by prescription, a tax deed has the same force and effect as a lien.

Right of Redemption: When real property is sold at a tax sale, the owner, creditor, or any person having an interest in the property may redeem (repurchase) the property from the holder of the tax deed within 12 months.

The redemption price is the bid amount, plus any taxes paid by the purchaser after the tax sale, plus any special assessments on the property, plus a 20% premium of the amount for the first year or fraction of a year which has elapsed since the date of sale, and a 10% premium for each additional year or fraction of a year thereafter, plus the sheriff and advertisement costs. The tax sale purchaser is responsible for determining the amount payable for redemption. Redemption of the property puts the title conveyed by the tax sale back to the owner of record subject to all liens that existed at the time of the tax sale.

Notice of Foreclosure of Right to Redeem: After 12 months from the date of the tax sale, the purchaser at the tax sale may terminate or foreclose on the owner's right to redeem the property by causing a notice(s) of the foreclosure to be served by certified mail to the owner of record and to all interest holders which appear on the public record. In addition, the notice of foreclosure is to be published in the newspaper in the county in which the property is located once a week for four consecutive weeks.

For more information on Tax Sales, please visit <http://www.cobbtax.org/Forms/pdffiles/taxsales.pdf> to obtain a copy of our "Real Property Tax Sales" booklet.

(2) Real Property Tax Sales Booklet

<http://www.cobbtax.org/Forms/pdffiles/taxsales.pdf>

ROGUE INVESTOR NOTE: This brief publication is designed to answer tax sales questions and provide an insight into the legal framework that gives the authority for conducting a real estate tax sale in the state of Georgia. See web page for the following information: Introduction, Tax Sale Procedures, Fieri Facias (Fi. Fa.), Authority to Sell, 30 Day Notice Before Issuing Fi. Fa., Issuance and Recordation of Fi. Fa., Levy, Pointing Out Privilege, Advertising, 10 Day Notice to Owner, Starting Bids List, Tax Sale, Payment,

Sale Closing, Payment of Excess Funds After the Tax Sale, Right of Redemption and the Amount Payable for Redemption, Notice of Foreclosure of Right to Redeem, After the Right of Redemption is Foreclosed, Ripening of the Tax Deed Title by Prescription – An Alternative Method, Subsequent Tax Sales, and Questions.

(3) Frequently Asked Questions

<http://www.cobbtax.org/Forms/HtmlFrame.aspx?mode=content/faq.htm&LMparent=189>

When does a Fi.Fa. (Tax Lien) go on the property? After the last day of payment of taxes the Tax Commissioner will notify the taxpayer in writing that the taxes are outstanding and unless paid within thirty (30) days, an execution (Fi.Fa.) will be issued in accordance with O.C.G.A. 48-3-3.

When, where and what time is the tax sale? Tax levy sales are held on the first Tuesday of each month. If Tuesday falls on a holiday, the sale will take place on the first Wednesday. The sale is held on the Courthouse steps and starts at 10:00 a.m. Legal hours of tax sales are between 10:00 a.m. and 4:00 p.m.

Further information on tax sales is available on this web site.

When and where do you advertise for the sale? Advertisements can be found each Friday in the Marietta Daily Journal.

DEKALB COUNTY, GEORGIA

<http://www.co.dekalb.ga.us>

TAX COMMISSIONER'S OFFICE

<https://dklbweb.dekalbga.org/taxcommissioner/index.asp>

Claudia G. Lawson, Tax Commissioner
Phone: (404) 298-4000

(1) Location and Hours

<https://dklbweb.dekalbga.org/taxcommissioner/index.asp?pg=Locations>

Property, Mailing Address
DeKalb County Tax Commissioner
Collections Division
P.O. Box 100004
Decatur, GA 30031-7004

Central Office
4380 Memorial Drive, Suite 100
Decatur, GA 30032

(2) Tax Sale General Information

<https://dklbweb.dekalbga.org/taxcommissioner/index.asp?pg=TaxSaleGeneralInformation>

(For specific information consult your attorney.)

A tax lien attaches to the property at its valuation (January 1st; O.C.G.A. 48-2-56). A tax lien against real property is superior to all other liens. The lien is released by paying the tax charged against it. On December 31st (O.C.G.A. 48-3-3) of each year the Tax Commissioner must issue an execution (Fi. Fa.) against all delinquent taxpayers. Executions direct the levying officer to levy on the property. It is the duty of that person to enforce an execution by either collection or levy and sale.

Tax sales are held each month, generally from April through December. Sales are scheduled on the first Tuesday of any given month on the Courthouse steps at 12:00 noon. Notice of the sale is published once

a week for four weeks immediately preceding the sale in the legal organ (newspaper) for the county, which is presently The Champion Newspaper. We do not have a mailing list for our tax sales; however, if you are interested in what properties are being sold, you should obtain a copy of The Champion Newspaper. For more information concerning The Champion Newspaper, please visit their website at www.championnewspaper.com.

Tax sale bidding commences with the total of taxes and costs (levy, recording, advertising and commissions) on each parcel, with the property being sold to the highest bidder. If there are no bidders, the County may enter a bid on the property equal to the starting bid.

While the successful bidder receives a tax deed, he has no immediate control over the property. The taxpayer or any other person having a right, title, interest in, or lien upon the property may redeem it at any time within 12 months from the date of the sale by paying the redemption price. The purchaser is not entitled to rents and/or profits arising from the property during the redemption period.

The redemption price is the amount paid for the tax deed at the tax sale plus any taxes subsequently paid by the tax deed purchaser plus 20% of that amount for the first year or fraction of a year elapsing between the date of the sale and the date of redemption. After the first year following the conclusion of the tax sale, the tax deed purchaser is entitled to an additional 10% for each subsequent year or fraction of a year until redemption.

Twelve months after the date of the sale the purchaser may begin to forever bar the right of redemption by having proper notice served upon the taxpayer, occupant (if any) and upon all persons having recorded any right, title, interest in, or lien on the property in the county where the property is located in accordance with O.C.G.A. 48-4-45 through 48-4-48. Additional fees may be charged for sheriff's service and advertising 30 days after service of notice. Thus a minimum time of one year and forty-five days elapses between acquisition of a tax deed and the right to physical control of the property.

Even though the purchaser receives defeasible title before the redemption period expires, he or she acquires sufficient interest in the property to make a return on the property after January 1st the following year (if still unredeemed) and also to be liable for taxes due on the property the year in which it is sold and subsequent years until redeemed. Current year tax information is available through the DeKalb County Tax Commissioner website at <http://www.co.dekalb.ga.us/taxcommissioner>.

A Georgia Supreme Court Decision (Blizzard v. Moniz, 271 Ga. 50, 518 S.E.2d 407 [1999]) has rendered "ripening by prescription" (O.C.G.A. 48-4-48) inapplicable to tax sale purchases in most cases. The Court determined that actual possession of the property is necessary for a tax deed to convey fee simple title to the property absent the process of barring or foreclosing the right of redemption.

It is important to remember that the worth of a tax title is subject to many factors and that all tax sales are administered under the doctrine of caveat emptor ("Let the buyer beware [or take care]"). To ensure your rights you should consult a knowledgeable real estate attorney.

(3) Conditions of Sale

<https://dklbweb.dekalbga.org/taxcommissioner/ConditionsOfSale.htm>

Sale will be conducted as follows:

- Officer conducting sale will identify each parcel to be sold by the file number.
- Officer will read legal description.
- Officer will call out beginning bid, which consists of original taxes, late payment penalty, interest, Fi. Fa. cost, execution fee and other legal costs and fees as enumerated and allowed under O.C.G.A. 15-16-25 and 19-13-143.
- Officer will accept bids in total dollar amount only.
- Officer will knock down each parcel sold to the best and highest bidder for cash.

Conditions of sale:

- Cash, cashier's or certified check must be paid no later than one hour following conclusion of the sale, at the Office of the Tax Commissioner, Delinquent Collections Division, Suite 100, 4380 Memorial Drive, Decatur, Georgia 30032. Personal checks will not be accepted. Purchaser will be receipted for purchase.
- Tax deed and Fieri Facias will be forwarded to purchaser at address shown on receipt within 30 working days from the date of sale, or at the earliest possible date.
- Cash payments will be accepted in U.S. dollars only.

In the event that any bidder refuses to comply with his bid or fails to tender the required cash payment within one hour following conclusion of sale, resale will take place on same day at 2:00 p.m. or earliest time within the legal hours of sale. The sale officer will reserve the right at second sale to either accept or reject bids from purchaser failing to comply with bids at first sale. Any bidder refusing to comply with his bid may be liable for the bid amount difference between the first and second sale.

Please remember that this is a legal proceeding and all bids entered are binding and the best and highest bid will be collected in full.

ROGUE INVESTOR NOTE: See web page for some additional information.

(4) Basic Property Description

<https://dklbweb.dekalbga.org/taxcommissioner/TaxSaleBrief.asp>

Property lists for May 2008 tax sales as of April 16, 2008.

FULTON COUNTY, GEORGIA

<http://www.co.fulton.ga.us>

TAX COMMISSIONER'S OFFICE

<http://www.fultoncountytaxes.org/fultoniwr>

Arthur E. Ferdinand, Tax Commissioner

(1) Office Locations

http://www.fultoncountytaxes.org/fultoniwr/06_depts_Locations.htm

Fulton County Government Center
141 Pryor Street
Atlanta, GA 30303

(2) Delinquent Taxes Foreclosures

http://www.fultoncountytaxes.org/fultoniwr/11c_depts_property_taxes.htm

All taxes remaining unpaid after the city and county due dates are delinquent and are subject to interest and penalties. The City of Atlanta due date is normally August 15 and the County due date is normally October 15. Interest at the rate of one percent (1%) per month accrues on the 16th of the month after the due date and the 16th of each following month thereafter. A one time ten percent (10%) tax penalty accrues ninety (90) days after the due date, except for homesteaded property where the tax is \$500.00 or less. Additional fees and costs accrue as collection action continues. The Tax Commissioner mails 30-day late notices on all unpaid accounts and any taxes remaining unpaid at this time are subject to levy and foreclosure. A listing of all delinquent taxes are available for public inspection and use in the Tax Commissioner's Tax Record Room at the Downtown location, 141 Pryor Street, SW, Room 1089.

The Fulton County Tax Commissioner's Office follows legal procedures prescribed by the Official Code of Georgia Annotated (O.C.G.A.) when levying property. It is strongly suggested that you read those sections of Georgia law which pertain to tax executions and tax foreclosures. O.C.G.A. Title 48 –

Revenue and Taxation, Chapter 3 – “Tax Executions,” and Chapter 4 – “Tax Sales,” contain important information.

(3) Property Tax Sales

http://www.fultoncountytaxes.org/fultoniwr/11d_depts_property_taxes.htm

Tax Sales are held on the first Tuesday of each month, between the hours of 10:00 a.m. and 4:00 p.m. on the steps of the Fulton County Courthouse, 136 Pryor Street, SW (except when the first Tuesday of the month falls on a legal holiday, in which case the sale is held the next business day). A courtesy listing of properties up for sale is available in the office and may be viewed or downloaded from this website or found in the Friday edition of the Fulton Daily Report, www.dailyreportonline.com, for a four-week period prior to the Tuesday Sale date.

You do not need to pre-register to bid at the tax sale; you must be present at the Sale to bid. Bids by mail, phone, or fax are not accepted. The opening bid for a particular property is the amount of tax due, plus penalties, interest, Fi. Fa. costs, levy costs, administrative levy fee, certified mail cost, advertising costs, and tax deed preparation and recording fee. The property is sold to the highest bidder. Payment is required in full upon conclusion of the tax sale. Payment must be in the form of cash, cashier’s check, or money order. If there are any excess funds after paying taxes, accrued costs, and all expenses of a tax sale, the Tax Commissioner files an Interpleader Action with Superior Court which determines how the excess funds are to be distributed.

The tax sale purchaser receives a tax deed to the property. However, they cannot take immediate possession of the property, make any improvements to the property, evict any tenants, or move onto the property. Georgia law allows the property owner, or anyone with any right, title or interest in the property to repurchase (redeem) the property. Until the right of redemption has been foreclosed or the title has ripened by prescription, a tax deed has the same force and effect as a lien.

Fulton County Tax Commissioner receives many inquiries concerning real estate tax sales. Both Non-Judicial Ex-Officio Tax Sales and Judicial In Rem Tax Foreclosure Sales are conducted each month. This brief publication is designed to answer questions and provide an insight into the legal framework that gives the authority for conducting a real estate tax sale in the state of Georgia.

This information is not intended as a substitute for professional advice or assistance. Prospective purchasers are encouraged to consult an attorney. Keep foremost in mind that it is up to the purchasers at a tax sale to assure themselves of the soundness of the sale and the deed acquired at the sale. No warranties are given or implied and clear title is not contemplated. Our primary concern is the payment of delinquent taxes. The conveying of property, or rights to property, is coincidental.

Applicable references to the Official Code of Georgia are given both as a source of authority and to add to a clear understanding of real estate tax sales in the state of Georgia.

Attention Prospective Non-Judicial Purchasers: You are encouraged to read the following information which will answer most of your questions regarding tax sales. As tax sale purchasers, you are responsible for knowing the law regarding tax sale purchases and should familiarize yourself with all the applicable statutes. You should research each property, perform a site visit and know the property prior to bidding at tax sale.

You are reminded that a tax deed only conveys “defeasible” title to property. To acquire fee simple title to property, a tax deed purchaser must foreclose the right to redeem pursuant to state law.

The legal axiom of caveat emptor, “buyer beware,” applies to tax sales (O.C.G.A. § 9-13-167). Therefore, you are charged with knowledge of the titles of the properties sold and any defects in these titles. The Fulton County Tax Commissioner does not warrant the titles and any title search done for the Tax Commissioner should not be considered an opinion of title to rely on by tax sale purchasers.

The Fulton County Tax Commissioner reserves the right to void any tax sale that is later determined to have conditions which may invalidate a sale. The Tax Commissioner cannot and does not guarantee any expected gain on investment.

Several actions are required by law in preparation for auctioning property. Information folders are kept on these parcels including our title search, tax maps and/or plat, various correspondences, and our Ex-Officio Sheriff's Notice of Service. Our title searches are for our purposes only, and would not serve the needs of the buying public. Keep in mind that it is the purchasers' responsibility to assure themselves of the soundness of the titles of all properties sold at a tax sale.

Questions may arise that are outside of the scope of the duties and responsibilities of the Tax Commissioner. For example, concerns regarding building code requirements, sewer lines, easements, etc. are not handled by the Tax Commissioner. In these cases, the person interested in the property must seek answers in other county and city offices.

An important point that must not be overlooked by the purchaser at a tax sale is that other taxes might be unpaid. If the parcel of land is located in a city that collects their own taxes, the city taxes could be unpaid as well. It is also possible that additional county taxes have become delinquent since proceedings first began on the parcel you are considering.

Can you lose money? Maybe! One can obtain a bad deed or title at a sale, whether from an individual or from a tax sale. It is recommended that those contemplating purchasing property at a tax sale consult an attorney, assure that the title is good, verify the information gathered, read those sections of Georgia law pertaining to tax sales, and attend sales to become familiar with the proceedings.

The buyer at a tax auction is responsible for proper processing of documents concerning the foreclosure of the owner's right to redeem and those documents concerning the right of redemption. The Tax Commissioner's Office prepares and records the Tax Deed and the Real Estate Transfer Tax form after the sale.

(3a) Tax Sale Procedures

http://www.fultoncountytaxes.org/fultoniwr/13a_property_tax_sales.htm

The Fulton County Tax Commissioner's Office follows certain procedures when it levies upon a piece of property. These procedures are prescribed by the Official Code of Georgia Annotated (O.C.G.A.). You will see code sections referenced throughout this information. These references are a starting point for your research and are by no means a complete listing. It is strongly suggested that you read those sections of Georgia law which pertain to Tax Executions and Tax Sales. O.C.G.A. § Title 48 - Revenue and Taxation, Chapter 3 – Tax Executions, and Chapter 4 – Tax Sales, contain important information. Also read and research those Opinions of the Attorney General and Judicial Decisions that are shown after each code section. These opinions and court cases are extremely important and must be taken into consideration when interpreting these laws. Each procedure and reference code section to which you may refer will be explained.

(3b) Fieri Facias (Fi. Fa.)

http://www.fultoncountytaxes.org/fultoniwr/13b_property_tax_sales.htm

A Fi.Fa. (short for fieri facias – a Latin term for “cause it to be done” and also used interchangeably with Tax Execution or Execution) is a tax lien or writ, authorizing the Sheriff or Ex-Officio Sheriff to obtain satisfaction of unpaid taxes by levying on and selling the delinquent taxpayer's property. These documents are recorded on the General Execution Docket (“GED”) of the Clerk of Superior Court (O.C.G.A. § 48-3-1 and 48-3-3).

(3c) Authority to Sell

http://www.fultoncountytaxes.org/fultoniwr/13c_property_tax_sales.htm

The Fulton County Tax Commissioner also serves as Ex-Officio Sheriff of Fulton County. Each Ex-Officio Sheriff or Deputy Sheriff as appointed by the Sheriff has full power to advertise and bring property to sale for the purpose of collecting taxes due the state and county (O.C.G.A. § 48-2-55).

Taxes due the state and county are not only against the owner but also against the property regardless of judgments, mortgages, sales, or encumbrances. Taxes constitute a general lien upon all property of a

taxpayer and the lien attaches on January 1st of each tax year, even though a Fi. fa. has not been issued (O.C.G.A. § 48-2-56 and 48-5-28).

(3d) 30-Day Notice Before Issuing Fi. Fa.

http://www.fultoncountytaxes.org/fultoniwr/13d_property_tax_sales.htm

After the due date for payment of real estate taxes, the Tax Commissioner shall notify the taxpayer in writing that the taxes are outstanding, and unless taxes are paid within thirty (30) days, an execution (Fi. fa.) will be issued (O.C.G.A. § 48-3-3).

(3e) Issuance and Recordation of Fi. Fa.

http://www.fultoncountytaxes.org/fultoniwr/13e_property_tax_sales.htm

At any time after the 30-day notice has elapsed, the Tax Commissioner shall issue an execution (Fi. fa. or tax lien) against the owner and the property. The execution (fi. fa.) is directed “to all and singular sheriffs of this state” (which means Sheriffs or Tax Commissioners who serve as Ex-Officio Sheriffs) and shall direct them to seize and sell the property of the delinquent taxpayer to satisfy the delinquent taxes. The property shall be plainly described on the execution (Fi. fa.). The execution also bears interest at the rate of 1% per month from the date the tax was due. The execution (Fi. fa.) is then recorded on the General Execution Docket (GED) of the Clerk of Superior Court.

(3f) Levy

http://www.fultoncountytaxes.org/fultoniwr/13f_property_tax_sales.htm

When real estate is levied upon, the levy officer who acts as an Ex-Officio Deputy Sheriff is directed by a tax execution to seize and sell the property to satisfy the delinquent taxes. The Ex-Officio Deputy Sheriff must give 20 days’ written notice before advertising to the owner, tenant, holder of the security deed, IRS, Georgia Department of Revenue and Labor and EPD or EPA (if outstanding federal tax liens or state of Georgia liens, EPD or EPA liens exist). This levy notice is delivered by certified mail and if we cannot affect service by certified mail (mail returned unclaimed or undeliverable), this notice is delivered to the owner and/or tenant in person. The levy shall state the owner’s and/or mortgage holder’s name, the tax years delinquent, the principle amount of taxes due, the accrued cost due, and a description of the property to be sold (O.C.G.A. § 48-2-55, 48-3-1, 48-3-6, 48-3-9, 48-3-10, 48-4-3, 48-5-27, 48-5-161, 9-13-13).

(3g) Pointing Out Privilege

http://www.fultoncountytaxes.org/fultoniwr/13g_property_tax_sales.htm

If the property being levied upon is a house and lot, then the Tax Commissioner routinely seizes it all. However, if a larger parcel is being levied, it may not be prudent to sell all of it, and a portion may be set aside for levy purposes. The delinquent taxpayer may select the property to be sold. This is known as the “pointing out privilege.” However, it is at the discretion of the Ex-Officio Deputy Sheriff to levy on additional property whenever it is deemed necessary to secure prompt collection of delinquent taxes (O.C.G.A. § 48-3-4).

(3h) Advertising

http://www.fultoncountytaxes.org/fultoniwr/13h_property_tax_sales.htm

All properties to be auctioned for delinquent taxes are advertised for four (4) consecutive weeks prior to the first Tuesday of the month. These advertisements are placed in the legal section of the Fulton Daily Report under the heading “704 Non-Judicial Tax Sale.” Their website is www.fultonlegals.com. Each advertisement shows the owner’s name, a description of the property to be sold, and the amount of tax due (O.C.G.A. § 9-13-140; 9-13-141, 9-13-142 and 48-2-55).

(3i) 10-Day Notice to Owner

http://www.fultoncountytaxes.org/fultoniwr/13i_property_tax_sales.htm

At least 10 days before a tax sale, the owner is sent written notice by certified mail informing of the impending tax sale (O.C.G.A. § 48-4-1).

(3j) Courtesy Starting Bid List

http://www.fultoncountytaxes.org/fultoniwr/13j_property_tax_sales.htm

Courtesy lists are provided before the auction. A final list of properties for sale and the starting bid prices will be available in the Tax Commissioner's Office on the day of sale.

The courtesy tax sale listings are updated monthly.

Judicial In-Rem Tax Foreclosures:

<http://www.fultoncountytaxes.org/fultoniwr/SalesListings/JudicialIn-RemTaxForeclosures.pdf>

Non-Judicial Tax Sale: <http://www.fultoncountytaxes.org/fultoniwr/SalesListings/Non-JudicialTaxSale.pdf>

(3k) Payment

http://www.fultoncountytaxes.org/fultoniwr/13k_property_tax_sales.htm

Payment is required in full upon conclusion of the tax sale. Payment must be in the form of cash, certified check, cashier's check, or money order. The purchaser must sign a statement attesting to the fact that certain property was purchased for a certain price.

Immediately following the conclusion of the tax sale all purchasers must remit full payment to this office. After all payments are processed, preparation of the Tax Deed and the Real Estate Transfer Tax form will begin. These documents are normally filed/recorded by Friday afternoon following the tax sale.

According to O.C.G.A. § 9-13-170, any person who becomes the purchaser of any real or personal property at any sale made at public outcry who fails or refuses to comply with the terms of the sale when requested to do so, shall be liable for the amount of the purchase money. It shall be the Tax Commissioner's option either to proceed against the purchaser for the full amount of the purchase money or to resell the real or personal property and then proceed against the first purchaser for any deficiency arising from the sale.

(3l) Sale Closing

http://www.fultoncountytaxes.org/fultoniwr/13l_property_tax_sales.htm

After the tax sale, written notices will be sent to the tenant, owner, mortgage company, IRS and the Georgia Department of Revenue and Labor (if applicable) informing them the property was sold. The purchaser's name and address are provided according to (O.C.G.A. § 9-13-160, 9-13-161, 9-13-166, 48-2-55, 48-4-1, 48-4-3, 48-4-4, 48-4-6, 48-4-20).

(4) After the Tax Sale

(4a) Payment of Excess Funds

http://www.fultoncountytaxes.org/fultoniwr/11e_depts_property_taxes.htm

If there are any excess funds after paying taxes, costs, and all expenses of sale, the Tax Commissioner or Tax Collector may file an Interpleader Action in the Superior Court for the payment of the amount of such excess. Such excess shall be distributed by the Superior Court to intended parties, including the owner as their interest appears and in the order of priority in which their interest exists. This is the practice in effect in Fulton County.

(4b) Rights of Redemption and the Amount Payable for Redemption

http://www.fultoncountytaxes.org/fultoniwr/15b_after_tax_sales.htm

When real property is sold at a tax sale, whether to an individual or to Fulton County, the owner, creditor, or any person having an interest in the property may redeem the property from the holder of the tax deed.

After July 1, 2002, the owner, creditor, or any other person with interest in the property, must pay the tax deed purchaser, the amount paid for the property at tax sale, plus 20% premium for the first year or fraction of a year, plus any taxes paid on the property by the purchaser after the sale, plus any special

assessment on the property, and a 10% premium of the amount for each year or fraction of a year, which has elapsed since the date of sale plus costs. A premium of 20% must also be paid when Fulton County is the purchaser (O.C.G.A. § 48-4-42).

The owner, creditor, or any other person with an interest in the property may redeem the property at anytime during the twelve (12) months following the tax sale. The purchaser of the tax deed cannot take actual possession of the property during this time and the tax deed purchaser is not authorized to receive rents or make any improvements to any structure on the property or grade any lot prior to this time.

When the property has been redeemed (all monies due the purchaser paid as prescribed by law), the purchaser shall then issue a quitclaim deed to the owner of the property (as stated on the Fi.fa.) releasing the property from tax deed.

This redemption of the property shall put the title conveyed by the tax sale back to the owner, subject to all liens that existed at the time of the tax sale. If the redemption was made by any creditor of the owner or by any person having any interest in the property, the amount expended by the creditor or the person interested shall constitute a first lien on the property (O.C.G.A. § 48-4-21, 48-4-40, 48-4-41, 48-4-42, 48-4-43, and 48-4-44).

(4c) Notice of Foreclosure Right to Redeem

http://www.fultoncountytaxes.org/fultoniwr/15c_after_tax_sales.htm

After twelve (12) months from the date of tax sale, the purchaser at the tax sale may terminate or foreclose on the owner's right to redeem the property by causing a notice or notices of the foreclosure to be served by certified mail to the owner of record and to all interest holders which appear on the public record. In addition, the notice of foreclosure is to be published in the county in which the property is located, once a week for four (4) consecutive weeks during the six-month period immediately prior to the week of the redemption deadline date specified in the notice.

If the redemption is not made until after the notice has been given, then the cost of serving the notice or notices and publishing the notice shall be added to the redemption price to cover the cost of making the necessary examinations to determine the persons upon whom notice should be served (O.C.G.A. § 48-4-42, 48-4-45 and 48-4-46).

Any questions about this foreclosure process should be referred to an attorney.

(4d) After the Right of Redemption is Foreclosed

http://www.fultoncountytaxes.org/fultoniwr/15d_after_tax_sales.htm

After foreclosing the right of redemption, it is recommended that the purchaser seek legal advice regarding the petition to quiet title in land, pursuant to O.C.G.A. § 23-3-60.

Under the action, the petitioner (tax deed purchaser) makes a request to the court to take jurisdiction over the matter. The court then appoints a Special Master (third party) to examine the petition and exhibits to determine who is entitled to notice. The petitioner will then ask the court to issue a decree establishing his/her title in the land against "all the world" and that all "clouds to petitioner's title to the land be removed" and that said decree be recorded as provided by law."

(4e) Ripening of the Tax Deed Title by Prescription – An Alternative Method

http://www.fultoncountytaxes.org/fultoniwr/15e_after_tax_sales.htm

The term prescription refers to a process whereby, over a period of time a tax deed becomes a fee simple title. This process promotes an alternative method to obtain fee simple title without the legal intricacies of the foreclosure process.

A title under a tax deed properly executed at a valid and legal sale prior to July 1, 1989, shall ripen by prescription after a period of seven (7) years from the date of execution of that deed (O.C.G.A. § 48-4-48).

A title under a tax deed executed on or after July 1, 1989, but before July 1, 1996, shall ripen by prescription after a period of four (4) years from the execution of that deed (O.C.G.A. § 48-4-48).

A title under a tax deed properly executed on or after July 1, 1996, at a valid and legal sale shall ripen by prescription after a period of four (4) years from the recordation of that deed in the land records in the county in which said land is located (O.C.G.A. § 48-4-48).

Notice of foreclosure of the right to redeem is not required in order for the title to ripen by prescription. In order to protect your tax sale investment, subsequent taxes should be paid.

A recent Georgia Supreme Court Decision, [Blizzard v. Moniz, 271 Ga. 50, 518 S.E. 2d 407 (1999)] has rendered "ripening by prescription" (O.C.G.A. §48-5-48) inapplicable to tax sale purchases in most cases. The Court determined that actual possession of the property is necessary for a tax deed to convey fee simple title to the property absent the process of barring or foreclosing the right of redemption.

(4f) Subsequent Tax Sales

http://www.fultoncountytaxes.org/fultoniwr/15f_after_tax_sales.htm

Until the right of redemption has been foreclosed or the title has ripened by prescription, a tax deed has the same force and effect as a lien. Since defeasible title has been conveyed to the tax deed purchaser, liability for subsequent taxes would be the same as any other superior lien holder. If there is a subsequent tax sale of the same parcel, the tax deed purchaser will be listed as the owner along with the defendant in Fi.fa. (record owner) for purposes of levy and sale, despite not having foreclosed the right of redemption or having the tax deed ripen by prescription. Therefore, the tax deed purchaser may wish to consider the best possible avenue to protect their initial tax sale investment.

Important Notice: Repeal of Law – Transfer of Tax Executions

Effective May 22, 2002, the Governor signed House Bill 337 (HB 337), as passed by the General Assembly to repeal O.C.G.A. §48-3-19, which provided for the transfer of tax executions to private third parties.

Important Update Notice – Transfer of Tax Liens

Effective November 12, 2002 per Superior Court Mandamus Order, the Transfer of Tax Liens continues as follows:

Instructions for Transfer of Tax (FiFa) Executions (Window under Mandamus Order dated November 12, 2002): All tax execution transfers take place under a demand and are transferred under the "Caveat Emptor Principle" (buyer beware). Once you become the transferee, you hold the lien and no provision exists for a refund or filing for a refund.

****Guaranteed Payment (cash or bank check) and Completed Request to Transfer must be submitted to and processed by a Delinquent Staff Employee.**

Do not attempt to "pay" cashier without Delinquent Staff review.

Presently, a window exists which allows the transfer of tax executions on demand under a Superior Court Order. General Conditions for transfer are as follows:

- A tax execution must have been Issued and Recorded on the General Execution Docket in the records of the Clerk of Superior Court. The execution must exist to be transferred.
- Guaranteed Payment in the form of cash, bank check or postal money order required. Credit cards, letters of credit, or foreign funds are not accepted.
- Request must be made in person. Transfers cannot be completed by mail or email.

Upon completion of a request to transfer tax liens by a delinquent staff employee and presentation of proper payment, the transfer(s) will be completed.

Upon receipt of the transferred tax execution(s), you must have them entered on the General Execution Docket (G.E.D.) with the Clerk of the Superior Court. Timely recording of the transfer(s) should occur.

Upon your receipt of the properly recorded FiFas back from the Clerk, you then may attempt to collect the tax and, if unsuccessful, you may take the recorded FiFas to the Sheriff's Office for levy and sale. You will be required to follow specific guidelines as set by the Sheriff. This generally requires submission of a Certificate of Title covering a specific minimum period of years, copies of all pertinent deeds, affidavits, or other instruments conveying or affecting ownership, security of any loan, debt, judgment, estate or probate action, pending litigation, bankruptcy, or any other recorded party, interest or event of record. The names and mailing addresses of all owners, and all secured parties of record must be submitted to the Sheriff pursuant to Notice requirements under O.C.G.A. §48-3-9. Failure to provide the Sheriff all information may prevent or invalidate the sale of the property. Once you provide the FiFas and all required information to the Sheriff, a sale can be scheduled. The length of time it takes the Sheriff to schedule a sale can vary. The Sheriff has to have all of the procedures completed and advertised so the sale takes place on the first Tuesday of the sale month. The sale of the property will be to the highest bidder for cash. You may purchase the property at sale. The tax sale purchaser will be given a tax deed.

The owner or any secured party has twelve (12) calendar months after sale to redeem the property from the tax sale purchaser. At any time during the year and (45) days, the owner or secured party may redeem the property. They are required to pay all of the money that the purchaser paid at the sale, plus a premium (applicable to sales after July 1, 2002) of twenty per cent (20%) the first year and ten per cent (10%) each year thereafter.

If the owner or secured parties do not contact the purchaser of sale within these 12 months to redeem the property, you can send him another certified letter, return receipt requested, advising him that you intend to bar his right to redeem the property. He has forty-five (45) days to respond. At the end of the forty-five (45) days, if they have not contacted you and made arrangements to pay during this period, they are usually forever barred from coming back and your having to allow the owner or secured party to redeem. At this point the purchaser (Holder of Tax Deed) can request the Sheriff put him in possession of the property. If you take no action to bar the right of redemption, the Sheriff's deed ripens in four (4) years from date of recording. (O.C.G.A. §48-4-48).

Please read the following paragraph carefully.

Investments in tax fifas and tax delinquent properties are speculative. Even after a tax sale, the property owner and second lien holder have certain rights, including the right of redemption. If you are unfamiliar with the law regarding fifa transfers and tax sale, you are encouraged to seek legal advice. These Instructions only briefly describe the process, and are not to be read or taken as legal advice. Neither Fulton County nor any official or employee of Fulton County, including, without being limited to, the Tax Commissioner and Sheriff, guarantees that any fifa will be satisfied or that any property will be purchased at sale. You are not guaranteed or promised that you will recover your investment or that you will recover any funds in excess of your investment.

If you need to transfer tax liens, download the FiFa Transfer Request Form:

<http://www.fultoncountytaxes.org/fultoniwr/FiFaTransferRequestForm.htm>.

Delinquent Tax Collections continue as follows:

1. Monthly Judicial In Rem Tax Foreclosure Sales.
 - a. The owner (no other party) has sixty (60) days to redeem the property after Tax Sale or he/she loses all rights to the property.
 - b. Sixty (60) days after the sale if not redeemed, the successful bidder receives a Tax Deed and owns the property out right (fee simple).
 - c. A party bids on property at this type of Sale (In Rem) because they want the property. There is no Redemption premium or return on investment.
2. Monthly Non-Judicial Tax Sales (September 2002 and forward).
 - a. The owner or any interested party of record has a year plus a minimum of 45 days after the Tax Sale to redeem the property from the tax deed purchaser.

b. The tax deed purchaser holds "Defeasible Title" and executes a Quit Claim Deed upon payment of redemption monies by the owner or interested party. After July 1, 2002, the premium is 20% the first year or fraction and 10% each year or fraction thereafter. If not redeemed and the tax deed holder does not foreclose and bar the right of redemption after the first year, formerly fee simple title vested after four (4) years after the date of recording of tax deed. A recent Georgia Supreme Court decision may affect the title ripening by prescription and may require a Quiet Title action through Superior Court even after foreclosure and barment to obtain good marketable and insurable title. If you have any questions, consult with your private attorney or private legal advisor. No Tax Commissioner or County employee is authorized to advise on any matter relating to Tax Sales either before or after Sale.

The following courtesy tax sale listings are updated monthly:

Judicial In-Rem Tax Foreclosures: <http://www.fultoncountytaxes.org/fultoniwr/SalesListings/JudicialIn-RemTaxForeclosures.pdf>

Non-Judicial Tax Sale: <http://www.fultoncountytaxes.org/fultoniwr/SalesListings/Non-JudicialTaxSale.pdf>

These listings can only be viewed with Acrobat Reader. Click here to download Acrobat Reader: <http://www.adobe.com/products/acrobat/readstep2.html>.

ROGUE INVESTOR NOTE: The tax sale lists are available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

(5) Overview of an In-Rem Judicial Tax Foreclosure (O.C.G.A. § 48-4-75 through 48-4-81)

http://www.fultoncountytaxes.org/fultoniwr/11f_depts_property_taxes.htm

Ad valorem taxes must be delinquent at least 12 months to be eligible for Judicial In Rem Tax Foreclosure.

A full title search, consisting of 50 years or more pursuant to Georgia Title Standards, is performed to determine the current owner of record and any legally interested parties associated with the property.

Several legal documents pertaining to the foreclosure process, which include the Petition for Judicial In Rem Tax Foreclosure and the Notice to Respondents and All Interested Parties, are filed with the Fulton County Clerk of Superior Court.

An appointed Fulton County Superior Court judge establishes a rule nisi date (hearing date). Notice to all parties is published twice within 30 days of the hearing, in the Fulton County Daily Report.

At the hearing, the judge will query both the owner(s) and/or any legally interested parties, if present, as to their intentions to reclaim the property by paying the tax indebtedness owed to Fulton County. Provided the judge's ruling is in favor of Fulton County, the judge will sign an Order, ordering the property to be sold on the Fulton County Courthouse steps no earlier than 45 days after the hearing.

Notice of the ensuing tax sale is published in the Fulton County Daily Report four consecutive weeks prior to the date of sale.

Judicial In Rem Tax Foreclosure sales occur on the first Tuesday of each month on the Courthouse steps of Fulton County, 136 Pryor Street, Atlanta, Georgia 30303. The legal hours of sale are between 10:00 a.m. and 4:00 p.m. Judicial In Rem Tax Foreclosure sales start promptly at 10:00 a.m.

At sale, the minimum bid listed for each property will consist of delinquent taxes plus any accrued interest, penalties and fees through the date of sale. Payment must be tendered in the form of certified funds, cash or a cashier's check, before 2:00 p.m. the day of sale. In addition, outstanding current ad valorem taxes must be paid at the same time the successful bid is paid.

After the sale, only the current owner of record has 60 calendar days to redeem the property (pay off delinquent taxes plus any accrued interest, penalties and fees). If the current owner of record fails to redeem in the property in 60 days, the owner loses all rights to the property.

Within 30 days after the 60-day redemption period, the bonafide purchaser at sale will be issued a Judicial In Rem Tax deed to the property. The title to the property will be free and clear from all liens, claims and encumbrances.

A Report of the Judicial In Rem Sale will be filed with the Superior Court of Fulton County.

Please Note: All properties sold at the Judicial In Rem Tax Foreclosure sale are under the "Caveat Emptor" (Buyer Beware) principle. Pursuant to state law, tendering bids at public sales or outcries, bidders become personally liable and responsible for such bids. We strongly recommend proper due diligence is performed prior to appearing and attempting to purchase a property at the tax sale. Please govern yourself accordingly.

(6) Sample Letter of Request for Judicial In-Rem Tax Sale Commitment

http://www.fultoncountytaxes.org/fultoniwr/11g_depts_property_taxes.htm

(7) How to Obtain a Paid, Satisfied, and Ordered Cancelled Tax Fi. Fa.

http://www.fultoncountytaxes.org/fultoniwr/11h_depts_property_taxes.htm

A paid tax execution must be recorded after payment.

Upon payment in full of delinquent taxes where a tax Fi.fa (execution) has been issued and recorded on the General Execution Docket in the record of the Clerk of Superior Court, action is required as follows:

1. The Tax Commissioner will provide the original document(s) to the property owner of party who pays the tax. The Clerk of Superior Court will not accept a copy for recording.
2. Should the original document not be in file or cannot be located, an "Alias" Fi.fa document as provided by statute will be prepared and take the place of the original document. It is an original alias document.

A Notice of Instructions if Provided Prior to Recording:

Important Notice: The attached "Original" fifa(s) were recorded on the General Execution Docket located in the Office of the Clerk of Superior Court of Fulton County. The "Original" fifa(s) have been marked Paid, Satisfied, and Ordered Cancelled. They will, however, continue to show as a lien against you and your property until you send or present the "Original" documents to the Clerk of Superior Court for recording. The Clerk will record the cancelled fifa(s) and the General Execution Docket will then show your lien has been paid.

"Do not present or send copies to the Clerk."

To record the Original cancelled fi.fa(s), please follow these guidelines:

1. Write you return address at the top left-hand corner of the Original fi.fa(s).
2. Send the Original fi.fa(s) (copies not accepted) to:

Clerk of Superior Court
Attn: Recording Division
185 Central Avenue SW
Room TG200
Atlanta, Georgia 30303

3. Enclose a check or money order for \$5.00 per fi.fa payable to the Clerk of Superior Court.

You will receive your recorded document(s) back in the mail in 2 to 4 weeks. If you have additional questions about the recording of your cancelled fi.fa(s), please contact the Recording Division of the Clerk of Superior Court at 404-730-5371.

(8) Frequently Asked Property Tax Questions

http://www.fultoncountytaxes.org/fultoniwr/11i_depts_property_taxes.htm

When does a Fi. Fa. (Tax lien) go on the property? After the last day of payment of taxes the Tax Commissioner will notify the taxpayer in writing that the taxes are outstanding and unless taxes are paid within 30 days, an execution (Fi. Fa.) will be issued in accordance with O.C.G.A. Section 48-3-3. At any time after the 30-day notice has elapsed, the Tax Commissioner shall issue an execution (Fi. Fa.) against the owner and the property.

When, where, and what time is the tax levy sale? Tax levy sales are held on the first Tuesday of each month. If that Tuesday falls on a holiday, the sale will take place on the following Wednesday. The sale is held on the Courthouse steps and usually starts at 10:00 a.m. Legal hours of the sale are between 10:00 a.m. and 4:00 p.m.

When and where do you advertise for the sale? Advertisements can be found in the Fulton County Daily Report (<http://www.fcdr.com>) and on the Courthouse steps posting boards.

GWINNETT COUNTY, GEORGIA

<http://www.gwinnettcounty.com>

TAX COMMISSIONER'S OFFICE

<http://www.gwinnetttaxcommissioner.com>

(1) Contact Us

<https://ssl.gwinnetttaxcommissioner.com/contactus/ContactUs.aspx>

Property Tax Department
Gwinnett Justice and Administration Center
75 Langley Drive
Lawrenceville, GA 30045
Phone: 770) 822-8800
Email: Tax@gwinnettcounty.com

(2) Tax Lien and Tax Sale General Information

<https://ssl.gwinnetttaxcommissioner.com/property/information/TaxLienSale.aspx>

The Tax Commissioner is responsible for collection of real and personal property taxes. The Tax Commissioner must issue a tax lien (commonly known as an execution or Fi. Fa.) against all delinquent taxpayers. A tax lien is released only when the delinquent taxes are satisfied in full. The Tax Commissioner will either collect the tax from the taxpayer or levy the property and auction it at a tax sale.

The Tax Commissioner occasionally auctions property at a tax sale for the collection of delinquent taxes. Tax sale proceedings are held according to the official Code of Georgia (Sections 48-4-45 through 48-4-48). Sales are scheduled the first Tuesday of any given month in front of the courthouse. The bidding commences with the total taxes, fees, and interest on each parcel. The tax deed is then sold to the highest bidder. Tax sales are advertised in Thursday's legal advertisement section of the Gwinnett Daily Post. The newspaper ad is run once a week for four weeks prior to the sale. We also advertise on the cable government TV channel. We do not have a mailing list for tax sale information.

The transfer of tax liens and the sale of property with attached tax liens are at the sole discretion of the Tax Commissioner. The decision to transfer liens or to sell properties with tax liens attached has not been made for 2007 or 2008. Once that decision is made it will be posted on this site, or you may contact our Customer Service Center.

To contact Customer Service, please click here:

<https://ssl.gwinnettaxcommissioner.com/contactus/ContactUs.aspx>.

Tax Sale Guide

The following information is for the first time buyers. It is generic information on how to select properties and the rights associated with the tax deed.

Research Properties Before the Tax Sale: One of the first things to consider before investing in tax sale properties is to research the property that you are interested in purchasing. Before a property is advertised to be sold, the Tax Commissioner or other firm must conduct a diligent title search on the property. Following the search we must notify all interested parties or lien holders. This process eliminates much of the burden of the tax sale purchaser. Keep in mind, when a property is sold at a tax sale, all liens are erased once foreclosure is completed; this includes mortgages, liens, and federal tax liens. However, these interest holders are entitled to redeem the property within 12 months of the tax sale (sale of property). It is strongly suggested that all buyers go to see the property in person, review the warranty deed, and review the mapping located in the Tax Assessor's Office.

Redemption Rights: It is your responsibility as a purchaser of a tax sale property to foreclose the right of redemption on that property. Georgia Code Sections 48-4-40 through 48-4-48 outlines the complete process. The following is a condensed version of these codes:

When real property is sold under a tax execution (sold at tax sale), the original taxpayer or any persons having a right, title, interest in, or lien upon the property may redeem the property at any time within 12 months from the date of the purchase at tax sale by paying the redemption price. The property may be redeemed at any time during this period until the tax sale purchaser terminates the right to do so by giving proper legal notice. The 12-month limit does not begin, however, until the tax purchaser pays the amount that he or she bid. The tax purchaser is not prohibited from consenting to redemption after the statutory period has expired, and as a matter of grace granting such a privilege.

Redemption Price: The redemption price to be paid to you, if the original debtor chooses to redeem, is the amount paid for the property at the tax sale, plus 20% of the amount for the first year, or fraction of a year thereafter, elapsing between the sale date and the date the redemption is made and 10% for each year or fraction of the year thereafter, plus any tax paid on the property during this period by the tax purchaser after the sale. If redemption is not made within the 30 days, and after the notice terminating the right to redeem has been properly issued and advertised, there must be added to the redemption price the sheriff's cost of serving notice and the cost of publishing the notice. All amounts comprising the redemption price are paid to you, the tax sale purchaser.

After Redemption Period Has Expired: The tax sale purchaser is to make original notice in accordance with a form shown in the statutes and provide a copy for each person to be served. The purchaser is to deliver these, together with a list of persons to be served, to the sheriff of the county in which the land is located, not less than 45 days before the date set in the notice for termination of the right of redemption. Within 15 days, the sheriff must serve a copy of the notice upon all persons on the list residing in the county and make an entry of such service on the original notice. Leaving a copy of the notice at the residence of any person required to be served is considered sufficient service. If the sheriff makes an entry that he or she has been unable to serve the notice on any person, the purchaser must immediately have it published in the official county newspaper once a week for two consecutive weeks. This constitutes service.

Upon payment of the sheriff's cost, the original notice must be returned to the tax sale purchaser. The notice and entries on it may be recorded on the deed records in the Clerk of Superior Court's Office in the county in which the land is located.

In the event that the property is redeemed by the original debtor or interested parties (mortgage companies, banks, or lien holders, etc.), the tax sale purchaser must make a quitclaim deed (Release of Claim) to the original delinquent taxpayer, reciting, among other things, who paid the redemption money. The redemption of the property gives back to the original delinquent taxpayer the title conveyed by the tax sale, subject to all liens existing at the time of sale.

If the redemption is made by a creditor of the original delinquent taxpayer or other persons having interest in the property, the amount expended by either constitutes a first lien and must be paid prior to any other claims on the property. However, it is necessary that the quitclaim deed have been properly recorded in the Clerk of Superior Court's Office.

The purchaser of a tax sale property may sell the property before the redemption period has expired. However, the person buying from the tax sale purchaser acquires the defeasible (i.e., can be annulled) title of the tax sale purchaser, subject to the right of the original delinquent taxpayer to redeem it within the period prescribed by law (12 months).

As noted above, the purchaser receives only a defeasible title before the redemption period expires. However, the purchaser acquires sufficient interest in the property to render him or her liable for the taxes that become due on it.

No tax sale purchaser is entitled to rents and profits arising from the property during the redemption period. A tax sale purchaser may obtain a court order to enable them to make improvements upon the property in the event the improvement is aimed at the preservation of the value of said property (i.e., a leaking roof that is causing water to damage a home).

A title under a tax deed shall ripen by prescription after a period of four years from the date of execution. However, see your local real estate attorney to inquire about a quiet title action. Notice of foreclosure of the right to redeem property sold at the tax sale shall not be required to have been provided, in order for the title to such property to have ripened.

The information contained within this website is only a broad overview of the tax lien, transfer, and sale procedures and is being provided solely as a public service to the members of the general public. If you need specific information, we suggest you seek legal counsel specializing in real estate transactions.

Hawaii

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: No.

Rating: Two Stars (**)

Interest Rate: 12% (see Redemption Period below).

Sale Period: Varies by county.

Redemption Period: There is a one-year extended right of redemption period following the tax deed sale. State law allows for a 12% per year fee to the investor if the taxes are redeemed.

Bidding Process: At tax deed sales, all auctions are by competitive bid. The winning bidder pays the highest value for the property.

State-Specific Information: Hawaii only has five counties. In contrast to the other four counties, Kalawao County's tax sales are handled by the state, through the State Department of Taxation (<http://www.state.hi.us/tax>), P.O. Box 259, Honolulu, Hawaii 96809-0259, phone: (808) 587-4242.

Hawaii County Links: See Hawaii Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

CITY AND COUNTY OF HONOLULU, HAWAII

<http://www.co.honolulu.hi.us>

TREASURY DIVISION

(within Budget & Fiscal Services Department)

http://www.co.honolulu.hi.us/budget/treasury_division.htm

City Hall (Honolulu Hale)
Division of Treasury
530 South King Street, Room 115
Honolulu, HI 96813
Email: bfstreasmalbox@honolulu.gov

ROGUE INVESTOR NOTE: According to the Division of Treasury, a tax sale is conducted once a year. The next auction is scheduled for May 14, 2009. Notices are published in the Honolulu Star-Bulletin as determined by the office of the State Controller. Real property with outstanding taxes due not paid in full up to the time of sale is auctioned to the highest bidder. The entire bid amount is to be paid in full at the time of sale. An upset price is established by the amount of tax, penalty and interest accrued to the auction date, plus the cost of foreclosure, and other incurred charges. A tax deed is issued to the purchaser within 60 days from the date of the public auction sale. A delinquent taxpayer/owner may redeem the property within one (1) year from the date of sale, or if the deed was not recorded within 60 days after the sale, then one (1) year from the date of recordation. To receive a current foreclosure list, send your request along with a self-addressed stamped envelope to the Division of Treasury, Accounts Receivable Section.

HAWAII COUNTY, HAWAII

<http://www.hawaii-county.com>

REAL PROPERTY TAX DIVISION

http://www.hawaii-county.com/real_property_tax/rpt_main.htm

Wesley Takai, Administrator

East Hawaii

Aupuni Center
101 Pauahi Street, Suite 4
Hilo, HI 96720
Phone: (808) 961-8201
Fax: (808) 961-8415

West Hawaii

75-5706 Kuakini Highway, Suite 112
Kailua-Kona, HI 96740
Phone: (808) 327-3540
Fax: (808) 327-3538

(1) List of Parcels for Tax Sale

http://www.hawaii-county.com/real_property_tax/taxsale.pdf

There is no list available for the next Real Property Tax Sale. We will make the list available on the web site four weeks before the auction. The date of the sale is yet to be determined.

REAL PROPERTY TAX OFFICE

<http://www.hawaiipropertytax.com>

This site was designed to provide quick and easy access to real property tax assessment records and maps for properties located in the County of Hawaii and related general information about real property tax procedures.

(1) Tax Sales Frequently Asked Questions

from <http://www.hawaiipropertytax.com>, click on "Tax Sales FAQs"

What are the date, time and location of the tax sale? Dates, time and location are subject to change with each sale.

When and where are the sales advertised? In the Hawaii Tribune Herald, Honolulu Star-Bulletin, and West Hawaii Today. The first printing is four (4) weeks before the sale and again weekly. You may also find the "Notice of Proposed Sale of Real Property for Failure to Pay Real Property Taxes Due Thereon" at our web sites: <http://hawaiipropertytax.com> – click on "County" at the top right hand corner, then click on "Real Property Tax," then look for "Web Site Link;" click on "Notice of Proposed Sale of Real Property"; or <http://hawaii-county.com> – click on "Real Property Tax," then look for "Web Site Link;" click on "Notice of Proposed Sale of Real Property."

For general information with regard to ownership, values, and size of parcel etc., visit: www.hawaiipropertytax.com on the Web.

How and when do I register for the sale? There is no registration. Live auction.

What type of payment requirements are needed at the sale? Cash, money orders, traveler's checks or cashier's checks. No personal checks. No credit cards.

Is payment in full required on the day of the sale? Yes, immediately following the successful bid.

Does your county offer a financing program? No.

What type of document is issued at the sale? Tax deed.

Once a property is acquired through the sale, is there a redemption period before you can take possession? Yes. One year from the date of the sale.

If there is a redemption period, does the investor earn interest during the redemption period? Yes. 12% is the annual interest rate.

Do you allow investors to invest at the sale without attending the sale (i.e., absentee bidding)? No. Persons bidding at the auction as representatives or agents of others will be required to present notarized documents showing such authorization to bid on behalf of those parties they represent.

Is there a charge for the list of current properties on the tax sale? Yes. The charge is \$1.00 per list.

Do you keep a mailing list? No. A self-addressed, stamped envelope with 2 oz. postage and a charge of \$1.00 is required for each list. Although this office does not keep a mailing list, we will keep your self-addressed, stamped envelope on file for the next tax sale.

KAUAI COUNTY, HAWAII

<http://www.kauai.gov>

REAL PROPERTY TAX DIVISION

(within Department of Finance)

<http://www.kauai.gov/realproperty>

Real Property
4444 Rice Street, Suite 454
Lihue, HI 96766
Phone: (808) 241-6222

(1) Collections

<http://www.kauai.gov/Government/Departments/Finance/RealProperty/Collections/tabid/179/Default.aspx>

Announcements

2008 Tax Sale Instructions – Tuesday, March 25, 2008

2008 Tax Sale Instruction Sheet, read more at

<http://www.kauai.gov/LinkClick.aspx?fileticket=QcLs85suXbw%3d&tabid=179&mid=2192>

(2) 2008 Tax Sale Instruction Sheet

<http://www.kauai.gov/LinkClick.aspx?fileticket=QcLs85suXbw%3d&tabid=179&mid=2192>

County of Kauai

Proposed Sale of Real Property – Date: November 13, 2008

1. All foreign or out-of-state corporations must have complied with Chapter 414-433 thru 414-437 Hawaii Revised Statutes, relating to registration of out-of-state corporations and their acquisition of real property in Hawaii.
2. Persons bidding as representatives or agents of others will be required to present notarized documents showing such authorization to bid on behalf of those parties they represent.
3. Sale must be for an amount equal to or more than the total upset price. The upset price is established by the amount of tax, penalty, and interest accrued to date of the auction, plus the cost and other charges incurred.

4. Real Property with outstanding taxes due not paid in full up to the time of sale is auctioned to the highest bidder. Payment of the full bid amount must be made in cash or cashier's checks drawn on a U.S. bank and made payable to the Director of Finance.

5. A credit memo will be given for any check amount that exceeds bid amount. In such case, credits can also be recorded with sales officials at time of first purchase and excess can be bid on additional lots.

6. Owners have the right to redeem their properties within one (1) year from the date of the sale, or if the deed was not recorded within 60 days after the sale, then one (1) year from the date of recordation. The delinquent taxpayer/owner must pay the purchase price, cost and expenses, the fee for recording the deed, and interest of twelve per cent (12%) per annum to the successful bidder to redeem the property. The owner must make arrangements for redemption directly with the purchaser. HRS. §246-60.

7. Tax deed will be prepared by the County and forwarded to the purchaser for recordation with the Bureau of Conveyances. There is a recording fee that must be paid to the Bureau of Conveyances when recorded by the purchaser.

8. The following recordation information is required:

- a. Identity and address of the recipient of the deed;
- b. The exact full name and marital status of the grantee; that is, in whose name the deed is to be drawn up; and
- c. The tenancy in which the ownership is to be held.

9. Bidders must give clear distinct bids. In closing the sale, the auctioneer will announce the final bid amount "once", "twice", "sold for \$_____".

10. Delinquent taxpayer/owner and others having or claiming to have any right, title or interest in the property must file a claim to any surplus funds.

11. The County Real Property office web-site address is: www.kauaipropertytax.com.

12. The foreclosure list will be made available in October 2008 when the first ad breaks. You may obtain a foreclosure list by visiting the County of Kauai website at www.kauai.hawaii.gov. If you do not have access to the internet, you may request a hard copy by sending your request along with a self-addressed stamped envelope and a check for the copy charge of \$0.50, per page (please call for the total amount) to: County of Kauai, Real Property Tax Collections, 4444 Rice Street, Suite 463, Lihue HI 96766.

13. Each County is responsible for its own tax sale and inquiries:

City and County of Honolulu
Division of Treasury
Delinquent Collection Section
530 South King Street, Room 115
Honolulu, Hawaii 96813

County of Maui
Real Property Tax Division
Service Center, Suite 16
70 E. Kaahumanu Avenue
Kahului Maui, HI 96732

County of Hawaii
Real Property Tax
Aupuni Center
101 Pauahi Street, Suite 4
Hilo, HI 96720

14. For further information, call the Real Property Tax Collection Section at (808) 241-6555.

Idaho

Tax Lien Sales: No

Tax Deed Sales: Yes. If property is not sold or is not bid upon at the public auction, then the county may sell the property without further notice at a public or private sale.

Over-the-Counter Tax Deed Sales: No.

Rating: Two Stars (**)

Interest Rate: Not applicable to Idaho's tax deed sales.

Sale Period: No scheduled sales. Each county handles tax deed sales differently and usually holds delinquent properties until an interested buyer shows up.

Redemption Period: There is no extended right of redemption following the tax deed sale.

Bidding Process: Property is sold to the highest bidder. Some counties are now conducting tax deed sales online. Financing is allowed through a contract with the county, not to exceed a term of 10 years.

Legal Challenge Period: There is a one-year period following the tax sale in which the property may be redeemed if the tax deed process is proven to be irregular.

State-Specific Information: If property taxes on real property become three years delinquent, the county takes title to the property through a process called "tax deed." The County Commissioners control the decisions to sell property acquired through tax deed. The Commissioners set what they deem to be a reasonable minimum bid based on the information provided by the Treasurer and the Assessor and based upon their own inspection of the property and opinion regarding its potential usage and value.

Idaho County Links: See Idaho Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

ADA COUNTY, IDAHO

<http://www.adaweb.net>

TREASURER'S OFFICE

<http://www.adaweb.net/departments/treasurer>

(from <http://www.adaweb.net>, click on "Treasurer" under the header "Elected Offices")

Cecil Ingram, Treasurer
200 West Front Street, Suite 1220
New Ada County Courthouse, 1st Floor
Boise, ID 83702
Mailing address: P.O. Box 2868, Boise, ID 83701-2868
Phone: (208) 287-6800
Fax: (208) 287-6809
Email: propertytaxquestions@adaweb.net

(1) Tax Deed Process

<http://www.adaweb.net/departments/treasurer/TaxDeedProcess.asp>

Tax Deed Process Overview

Idaho Code Sections 63-1003 – 63-1011

About Real Property Tax Delinquencies (63-1003): Any delinquency on real property taxes constitutes a perpetual lien against the property in favor of the county for all taxes, late charges and interest. The lien stands until all delinquent amounts owing are paid in full.

Property tax delinquency takes a top priority over all other liens (" a first and prior perpetual lien"). Tax Lien Certificates are not sold in the State of Idaho. Some states "sell" tax lien certificates to parties willing to pay the tax delinquency, Idaho does not. We do not provide information to investors regarding the laws and practices of other states regarding tax delinquencies.

"Redemption" of the lien(s) occurs when the delinquent property taxes are paid in full.

The Tax Deed Process: On January 1st the Tax Deed Clerk orders a listing of all three-year real property delinquencies and begins working to identify, notify and warn the owner and all "parties in interest" that Ada County will take tax deed to the parcel if the delinquency is not paid.

The taxpayer must pay the third-year delinquency in full to stop the tax deed process. Partial payments will be accepted and applied at any time but will not stop the tax deed action unless the third year delinquency is paid in full.

As soon after January 1st as possible, the date for hearing is set. The tax deed hearing will be held in either January or February of the following year. As soon as the hearing is scheduled the tax deed calendar is created, working backward from the hearing date. The Tax Deed Calendar includes the following events (Idaho Code reference in italics indicates statutory requirement - other steps are policies of the Ada County Treasurer's Office which satisfy statutory requirements of notification and due diligence). Click here for the 2005 Delinquent Tax Deed calendar:

<http://www.adaweb.net/departments/treasurer/documents/TAXDEEDCALENDAR2005.doc>.

- Letter warning of "Pending Issue" date. (At least 2 months prior to Pending Issue.)
- "Bid" letters sent out to title companies, requesting bids for providing title reports on tax deed parcels. The law requires that we notify all parties in interest. The title report lists parties holding recorded legal interest in the property. (2-3 weeks prior to Pending Issue.)
- Guaranteed funds – cash, cashier's check or wire transfer, required to stop notice of pending issue. (15 days prior to Pending Issue.)
- Pending Issue Fee is attached. (5:00 p.m. the night before the notice of Pending Issue is printed; see below.) The law allows the Treasurer's office to attach this fee to recover the costs of the tax deed process so that other taxpayers are not required to bear this burden. (Current Pending Issue fee = \$500.)
- Notice of Pending Issue of Tax Deed mailed to owner and interested parties. (*63-1005(2a) ...such service of notice to be made no more than (5) five months nor less than (2) months before the time set for the tax deed to issue;*)
- Title searches/reports ordered. (As soon as possible after pending issue fee is attached.)
- Guaranteed funds – cash, cashier's check or wire transfer, required to avoid publication of the owner's name in Statesman as having property Pending Issue of Tax Deed. (15 days prior to Publication.)
- Tax deed names, addresses, property descriptions are published in the Idaho Statesman. (1 day a week for 4 weeks.) (*63-1005(2b) ...such publication must be made at least once a week for four (4) consecutive weeks, the last publication of which is to be no more than two (2) months nor less than fourteen (14) days before the time set for the tax deed to issue.*)
- Title search updates ordered to identify any changes since original report provided.
- Guaranteed funds – cash, cashier's check or wire transfer, required to redeem the delinquency and stop Tax Deed action. Absolutely no personal or business checks accepted during this period. (10 days before the hearing.)

- Deadline for recording of Affidavit of Compliance. (63-1005 (8-9), *At least (5) five days before the tax deed shall issue the county treasurer shall make an affidavit of compliance stating that he or she has complied with the conditions of issuance of notice of pending issue...such affidavit shall be delivered to the county recorder to be by such officer entered on the records of his or her office...*)
- Tax deed hearing. (63-1005)
- 2005 Tax Deed Calendar:
<http://www.adaweb.net/departments/treasurer/documents/TAXDEEDCALENDAR2005.doc>

(2) Frequent Questions Regarding the Sale of Ada County Tax Deed Properties

<http://www.adaweb.net/departments/treasurer/OnLineAuction.asp>

Next online auction: May 17 - 20, 2008

Email questions: propertytaxquestions@adaweb.net

Does the taxing authority sell tax lien certificates or deeds? We do not sell tax lien certificates or deeds in Idaho. If property taxes on real property become three years delinquent, the county takes title to the property through a process called "tax deed." This process involves extensive research to make sure that all individuals who are a legal "party in interest" (Idaho Code section 63-1005) are notified of the delinquency and given an opportunity to pay the tax and retain their interest. In Ada County the tax deed hearing is held in January or February of each year. We rarely proceed to tax deed on more than twelve parcels in any year.

How is the tax deed property sold? The County Commissioners control the decisions to sell property acquired through tax deed. Idaho Code section 31-808 outlines the powers and duties of the Board of Commissioners with regard to tax deed sales (see State of Idaho Statutes <http://www3.state.id.us/idstat/TOC/idstTOC.html>).

In Ada County, when tax deed properties are to be sold, the Ada County Commissioners will schedule an on-line auction through Bid4Assets. The Ada County auction is usually held in late May of each year and is scheduled after the annual Tax Deed Hearing which occurs in mid-February. The property will be offered through Bid4Assets, a web based auction site. The Ada County Treasurer will issue a "Certificate of Sale" to the successful bidder. The Certificate of Sale will include the property description, the name and mailing address of the party to whom the property will be deeded and the sale price. The buyer must present payment in full in cash or by cashier's check or bank wire transfer, at the Ada County Treasurer's office by 5:00 p.m. on the day following the sale. A Quit-Claim Deed will be issued and recorded and the original deed will be mailed (certified mail) to the buyer at the mailing address designated on the Certificate of Sale.

When and where are auctions held? How do I find out if an auction is scheduled? The next auction has been scheduled for May 17, 2008 (9:00 a.m. ET) through May 20, 2008 (3:00 p.m. MT). Access to the auction is available on the Internet at Bid4Assets.com. Ten (10) days prior to the sale a notice will appear in the Idaho Statesman legal notices section providing a list of properties to be sold, a legal description and street address for each property, or if no street address, a description of the location stating distance and direction from the nearest city. The legal notice will also list the time, location and terms of sale. Upon request, your name will be placed on our mailing list and a copy of the listing of properties will be sent to you after the public notice appears in the newspaper.

Can I get more detailed information on the properties to be sold? Where? Go to the Ada County Website at www.adaweb.net and click on the "Treasurer" department and scroll to the bottom of the Treasurer's home page. Click the link labeled "Tax Deed Sales" to access frequently asked questions and preview pending auction parcels.

Property information can be found on the "Assessor's" department under "Online Property Information System." Additionally, information can be found at the auction website on www.Bid4Assets.com. Location maps and basic information on individual parcels can also be picked up at the Ada County Treasurer's Office, on the first floor of the Ada County Courthouse at 200 W. Front Street, Boise, ID upon finalization of the auction listing.

How is the minimum bid set? The Commissioners set what they deem to be a reasonable minimum bid based on the information provided by the Treasurer and the Assessor and based upon their own inspection of the property and opinion regarding its potential usage and value. The Treasurer's office submits a minimum bid recommendation to the Commissioners for each property. The recommendation includes an accounting of total taxes owed with penalty and interest, pending issue fees, certifications and special assessments, costs of publication, anticipated recording fees and any other costs incurred in preparing the parcel for sale. The bid recommendation will also include a current market value for the parcel as determined by the Ada County Assessor.

What is the rate of interest on delinquent taxes? Interest on delinquent taxes accrues at 1% per month. There is no statutory interest rate, which applies to parcels taken by the county through the tax deed process. We apply 1% per month when calculating recommended bid requirements.

What is the redemption period for tax deed properties? Property taken through the tax deed process may be redeemed by the owner(s) or other party(ies) holding a recorded legal interest in the property within one year of tax deed issuance or until sold at public auction, whichever comes first. After sale at public auction, there is an additional one-year period in which the property may be redeemed if the tax deed process is proven to be irregular.

What are the rules of sale regarding payment? Terms of sale are determined by the Commissioners, requiring payment in full in cash, by cashier's check or bank wire transfer (guaranteed funds) received no later than 5:00 p.m. on the sale date. If the auction is scheduled for afternoon, we will extend the deadline for payment in full to 5:00 p.m. on the day following the sale date.

What are the rules of sale for "bid-in" properties? This is not applicable in Idaho.

What is the process for getting a deed to the property? Ada County issues a Quit Claim Deed upon the sale of property taken through tax deed. Generally, these properties are not eligible for title insurance for at least one year after purchase. A purchaser could, however, employ an attorney to proceed with Quiet Title action if desired. (See Idaho Code section 63-1005 – One-year possession under tax deed conclusive as to regularity of proceedings.)

Ada County makes no representation or guarantee as to the accessibility, value or usability of the properties to be auctioned.

ROGUE INVESTOR NOTE: See "Private Sector Tax Sale Administrators" at the end of the Idaho section for information related to Bid4Assets.

(3) Pending Sales

<http://www.adaweb.net/departments/treasurer/PendingSales.asp>

Tax deed sale May 17 TO 20, 2008

Click here for publication:

[http://www.adaweb.net/departments/treasurer/documents/NOTICEOFTAXDEEDSALE2008PUBLICATIO
N.doc](http://www.adaweb.net/departments/treasurer/documents/NOTICEOFTAXDEEDSALE2008PUBLICATIO
N.doc)

R6744100023
S1023223440
Bid4Assets

(4) Notice of Tax Deed Sale

[http://www.adaweb.net/departments/treasurer/documents/NOTICEOFTAXDEEDSALE2008PUBLICATIO
N.doc](http://www.adaweb.net/departments/treasurer/documents/NOTICEOFTAXDEEDSALE2008PUBLICATIO
N.doc)

The Board of Ada County Commissioners will sell the following tax deed property at auction, starting at 9:00 a.m. (MDT), Saturday May 17, 2008, and ending May 20, 2008 at 3:00 p.m. (MDT) on the Bid4Assets website at www.bid4assets.com (onsite terminal available in the Ada County Treasurer's office May 20, 2008 from 8:00 a.m. to auction closure only, 200 West Front Street, First Floor, Boise,

Idaho), or offline bid forms and directions available by fax, 509-277-9169, or phone, 1-877-427-7387. Note: pre-registration is required through Bid4Assets by May 7, 2008, in order to participate in the bidding. Terms of Sale will be guaranteed funds: cash, cashier's check or bank wire transfer, due and payable by end of business on the day following the sale date (5:00 p.m. [MDT], 5/21/08).

Properties may be redeemed prior to sale by owner or other party holding secured legal interest in the property. Owner of party in interest must pay all taxes, including the current year (2008) taxes, certifications to the tax roll, late charges, interest, fees and costs, to redeem. Acceptable payment: cash, cashier's checks or bank wire transfer; checks will not be accepted. Any property redeemed prior to May 17, 2008 will be withdrawn from auction. Property will be sold "As Is." Ada County makes no representation as to accessibility or usability of the land and/or structure offered for sale. Eviction of occupant (if any) will be the responsibility of the buyer. Bidders are encouraged to research the properties in advance of the auction, as all sales are final.

The Board of Ada County Commissioners reserves the right to reject any and all bids.

Auxiliary aids or services for persons with disabilities are available upon request. Please call 287-6800 by 5:00 p.m. on 5/15/2008 so that arrangements can be made.

ROGUE INVESTOR NOTE: See web page for the property listed for sale. The list is available on the data CD that accompanies this book (within the file folder "Tax Sale Lists").

BOARD OF COUNTY COMMISSIONERS

<http://www.adaweb.net/departments/commissioners>

(from <http://www.adaweb.net>, click on "Commissioners" under the header "Elected Offices")

(1) Contact Information

<http://www.adaweb.net/departments/commissioners/Contact.asp>

Ada County Courthouse
200 West Front Street
Boise, ID 83702
Phone: (208) 287-7000
Fax: (208) 287-7009
Email: bocc1@adaweb.net

CASSIA COUNTY, IDAHO

<http://www.cassiacounty.org>

TREASURER'S OFFICE

<http://www.cassiacounty.org/treasurer/index.htm>

Gayle Erekson, Treasurer
1459 Overland Avenue
Burley, ID 83318
Phone: (208) 878-7202
Fax: (208) 878-1012
Email: gerekson@cassiacounty.org

BOARD OF COUNTY COMMISSIONERS

<http://www.cassiacounty.org/commissioners/index.htm>

Cassia County Courthouse
1459 Overland Avenue
Burley, ID 83318
Phone: (208) 878-7302
Fax: (208) 878-9109

(1) Real Property Tax Sales

<http://www.cassiacounty.org/commissioners/rpts.htm>

Determination of property: Board of County Commissioners (BoCC) review real property list, and determine what to sell at public auction.

Advertise notice of auction: BoCC have Notice of Auction prepared and published in South Idaho Press in accordance with Idaho Code section 60-106. The notice shall comply with the following:

- Publish not less than 10 days prior to auction.
- Shall contain legal description of property, and next to such description shall place name of delinquent taxpayer.
- Shall contain street address of property.
- If located outside of city limits and does not have a street address, then the description shall also contain the distance and direction of the location of the real property from the closest city.

Property shall be sold to the highest bidder: BoCC may reserve the right to reject any and all bids. BoCC have discretionary authority to reject or accept any bid made for an amount less than total amount of delinquent taxes, late charges, costs and interest.

Purchase process:

- Can be purchased on contract with County.
 - (i) Contract must be recorded.
 - (ii) Term cannot exceed 10 years.
 - (iii) Interest rate not to exceed rate specified by I.C. Section 28-22-104(1).
 - (iv) BoCC has authority to cancel contract if purchaser fails to comply with contract terms and County retains all payments made on contract.
 - (v) Title to all property sold on contract is retained in name of Cassia County until full payment is made by purchaser.
 - (vi) Purchaser shall be responsible for payment of all property taxes during period of contract.
- Sale of property vests all right, title and interest, which was held by Cassia County in the subject property, in the purchaser (including all delinquent taxes which become a lien on the property).
- In addition to the purchase price, the purchaser shall pay all fees required by law for transfer of property.
- If property is not sold, or is not bid upon, at public auction, then County may sell, without further notice, at public or private sale.

Real property exchange – consolidation: When it is in the County's best interests, the BoCC may exchange real property owned by the County for real property of equal value.

Odd-lot property:

- a. Defined: of irregular shape or a remnant and has value primarily to adjoining property owner; and
- b. Not needed for public purposes; and
- c. Is excess to the needs of the County.
- d. May be sold to adjacent property owner:
 - i. Establish Fair Market Value – by licensed appraiser.
 - ii. Written notice of willingness to sell to adjoining land owner.
 - iii. If after 30 days, adjoining landowner does not want, then may sell to interested parties at appraised value.
 - iv. Must publicly advertise in South Idaho Press at least one time.
 - v. Public must be given 15 days to object to sale in writing.
 - vi. BoCC must make final determination regarding sale of odd-lot in open meeting.

Exchange with other public entities: May exchange tax deed and other surplus real property with federal government, State of Idaho, any political subdivision or taxing district, or Idaho Historical Society.

[Items #2 – #8 based on Idaho Code Section 31-808]

Redemption of tax deeded property (I.C. Section 63-1007):

- After issuance of tax deed to County, may be redeemed only by record owner or party in interest, up to the time BoCC has entered into a contract of sale or the property has been transferred by County deed.
- To redeem, have to pay any delinquency including late charges, accrued interest and costs.
- Once payments are made, then County will issue a Redemption Deed.
- Right of Redemption shall expire, if property not earlier sold by County, three years from the date of issuance of the tax deed to the County.

Miscellaneous information:

- Payment may be made by cash, cashier's check or personal check, bankable the day of sale. If payment does not clear on the first attempt, the bid will be disqualified and the property may be awarded to the next highest, responsible bidder.
- Bids may be submitted by mail. The bidder is responsible to assure that a mailed bid is received by the County prior to commencement of the public auction.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

BID4ASSETS

<http://www.bid4assets.com>

(1) County Tax Sales

<http://www.bid4assets.com/help/index.cfm?fuseAction=TaxSale>

Upcoming County auctions are continuously added to the site's calendar. To stay apprised of all upcoming County auctions on Bid4Assets we encourage you to sign-up for our County Tax Sales email alert so we can notify you when new sales are introduced to the site.

(2) Real Estate Storefronts

<http://www.bid4assets.com/marketing/storefrontListing>

Illinois

Tax Lien Sales: Yes, Annual Tax Sale.

Over-the-Counter Tax Lien Sales: Yes. Where there are no bidders on a parcel at the annual tax lien sale, the parcel is sold to the County's trustee at 18%. The County may authorize over-the-counter sales of these certificates.

Tax Deed Sales: Yes, Scavenger Sales. Where there are no bidders on a parcel at the annual tax lien sale, the parcel is sold to the County's trustee at 18%. County certificates that have not been redeemed after 2 ½ years are available for purchase at the County's tax deed sale. Sales are normally conducted during the summer months. Thirty days prior to a sale, a catalog of properties is available at the County Treasurer's Office. In most counties, the sales are conducted by Joseph E. Meyers & Associates, who acts as trustee for the county. To obtain a schedule of county tax deed sales, contact Joseph E. Meyer & Associates at (618) 656-5744. See also Internet Auction Information at the end of the Illinois section.

Over-the-Counter Tax Deed Sales: No.

Rating: Four Stars (****)

Interest Rate: 18% every six months (effective interest rate is 36% per year). On farmland, the interest rate is 12% every six months (effective interest rate is 24% per year). These are flat rates (considered penalties), not annual percentage rates, so the effective rate is actually higher. Because this is a flat rate, you can earn up to 18% (on non-farmland, for example) regardless of whether a lien is redeemed in month one or two, or any time before the six-month period has expired. If redemption occurs within the first month, you would earn an effective interest rate of 216%. After the sixth month, the interest rate accrues again at up to 18% plus the previous interest. Therefore, the 18% interest becomes 36% at the end of month six. In all likelihood, your winning interest rate will be lower. You would take your winning interest (e.g., 6%) and after six months double the interest to 12%. Even if you bid down to 1% at an auction, your effective annual rate could be as high as 12% if redeemed in the first month.

Sale Period: The annual tax lien sale is normally held in the fall, with most counties holding sales in November and December. Scavenger sales are conducted in odd-numbered years.

Redemption Period: 2 to 2 ½ years, depending on the property classification.

Bidding Process: State law requires that bidders be registered at least 10 business days prior to the start of the tax lien sale. All tax lien sales are by competitive bid, with the winning bidder accepting the lowest interest rate. At tax deed sales, the winning bidder offers the most money for the deed.

State-Specific Information: Under Illinois law, the Treasurer's Office is required to conduct two types of real estate tax sales in which delinquent property taxes are sold. The first is the Annual Tax Sale, held once a year, sometime after the second installment. If property taxes for the immediately preceding tax year are delinquent on a parcel, they are offered for sale to tax purchasers at the Annual Tax Sale. The sale might be held any time from the fall of that year to the spring of the following year.

The second is the biennial Scavenger Sale (conducted in odd-numbered years), which offers tax deeds on properties that have delinquencies of two or more years that were not purchased at the annual tax sales.

Illinois is a decent tax lien state because the effective interest rate of 36% per year is very favorable. Some of the larger counties are highly competitive and big-time investors will bid rates down to as low as 1%. This is because they realize that even at 1% the effective annual interest rate could be as high as 12% if the lien is redeemed quickly. If you are looking to acquire a property that is not likely to be redeemed, one strategy is to bid down to zero and shut out the “big-time” investors.

Champaign County, Illinois Tax Lien Sale – November 7, 2003

I occasionally do environmental assessments in Champaign County, so in 2003 I decided to attend their tax sale. Overall, I was not impressed with the sale. As I expected, since the city of Champaign is a college town located near Chicago and is currently a hot real estate area, many professional investors were at the sale. In most cases they bid the interest rate from 18 percent every six months to 1 to 3 percent. Their goal was to bid on a lot of properties, with the hope that a few of the properties would go to deed. However, when properties located in smaller towns around Champaign were offered, less bidding occurred and the winning interest rate was occasionally as high as 10 to 15 percent. This demonstrates what I keep telling all of you tax lien certificate and tax deed investors to do: focus on undiscovered and unpopulated areas. You will have less competition and find many more bargains.

I also noticed something very interesting. None of the investors would bid the interest rate below 1 percent. However, if you have done your research and located properties with a high likelihood that they will go to deed, you do not care about the interest rate. After all, what is the difference between 1 percent and 0 percent, especially if the property goes to deed and you do not get paid any interest at all?

Therefore, at these more popular sales, one strategy is to go through the tax sale list, find properties that look decent by inspecting them, and then evaluate if they are likely to go to deed. Look for properties that have been in tax default for a long time and/or the amount of taxes owed is high while otherwise the property appears in good condition. These properties are the best candidates for going to deed. All you need is one property that goes to deed and you can make 7 to 10 times your money.

Another interesting twist in Illinois is that you, the buyer of the tax lien certificate, must notify the tax delinquent property owner by mail, following state-mandated procedures, if you want to take possession of the property if it goes to deed. The requirement is three separate mailings by the purchaser of the tax lien certificate. What a pain in the neck! However, always remember this requirement if you are investing in Illinois tax lien certificates.

Illinois County Links: See Illinois Tax Sales at <http://www.illinoistaxliencertificates.com> and <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

CHAMPAIGN COUNTY, ILLINOIS

<http://www.co.champaign.il.us>

TREASURER'S OFFICE

<http://www.co.champaign.il.us/treasurer.htm>

(1) Contacts

<http://www.co.champaign.il.us/treas/contacts.htm>

Daniel Welch, Treasurer
Brookens Administrative Center
1776 E. Washington
Urbana, Illinois 61802
Phone: (217) 384-3743
Fax: (217) 384-3777
Email: treasurer@co.champaign.il.us

(2) Tax Sale

<http://www.co.champaign.il.us/treas/taxsale.htm>

The Annual Real Estate and Mobile Home Tax Sale

The annual Tax Sale will be held at Brookens Center Lyle Shields Meeting Room, 1776 E. Washington, Urbana, Illinois, starting at 11:00 a.m. October 24, 2008. Anyone interested in being a tax buyer must complete a Bidder Registration Form (<http://www.co.champaign.il.us/treas/taxsale.pdf>) and return it to the Treasurer's office no later than 10 business days prior to the tax sale (October 9, 2008).

Fees to be added to each real estate parcel purchased at the tax sale:

- \$20.00 indemnity fee
- \$10.00 tax sale automation fee
- \$60.00 interest fee
- \$4.00 County Clerk fee.

Tax Sale Buyer Instructions

Tax Sale Registration Fee: \$500 Tax Sale Registration Fee (must be included with registration form)

This new law (35 ILCS 200/21-200) calls for a Registration Fee of no more than \$500 in counties with a population above 50,000.

The \$500 will be applied to any purchase made at the tax sale.

If the registrant cannot attend the tax sale they may notify the collector no later than 5 business days (October 17, 2008) prior to the sale of any substitute person who will participate in the sale.

If the registrant does not attend the sale, then the deposit is forfeited to the Tax Sale Automation Fund.

If the registrant does attend the sale and attempts, but fails, to purchase any parcels offered for sale, then the deposit must be refunded to the registrant.

Tax Sale Fees (Non-Refundable): \$50 Tax Sale Delinquent List (hard copy or email)

Any request to have the delinquent list mailed must include \$10.00 for postage and handling or pre-paid, pre-addressed mail service envelope.

If you intend to bid at the annual tax sale please complete the Bidder Registration Form (<http://www.co.champaign.il.us/treas/taxsale.pdf>) and return it by October 9, 2008. There is a registration

fee, and if you want delinquent tax information you must pay a \$50 delinquent list fee. Please include your check for \$550 with the registration form if you want the delinquent data or \$500 if you do not want the delinquent data.

Other Buyer Requirements

It is our policy that you leave us a signed check and a telephone number where you can be reached prior to the sale.

Winning bids are final and your payment is non-refundable. Make sure that what you bid on is actually what you want. If you default, by law, Champaign County will pursue collection on winning bids through the courts.

This year's tax sale will be conducted using the "RAMS" (Real-Time Auction Management System), an automated system to track bids and compile data. When we receive your registration and fee, and as soon as it is available, you will receive a paper listing of the current delinquent list or an email containing a digital text file in PDF format. You must have a PDF Reader program installed on your computer in order to open the file. PDF Reader programs are widely available for download on the internet. For further information visit <http://www.iltaxsale.com>.

At the beginning of the sale a training and demonstration session will be conducted to familiarize all buyers with the procedure.

If you have any further questions please call us at 217-384-3743 or email us at treasurer@co.champaign.il.us.

ROGUE INVESTOR NOTE: See Private Sector Tax Sale Administrators at the end of the Illinois section for information related to ILTaxSale.com.

(3) Forms

<http://www.co.champaign.il.us/treas/forms.htm>

Tax Sale Buyer Registration Form: <http://www.co.champaign.il.us/treas/taxsale.pdf>. This form must be received in the Treasurer's Office 10 business days prior to the tax sale.

COUNTY CLERK'S OFFICE

<http://www.co.champaign.il.us/countyclerk> and <http://www.champaigncountyclerk.com>

The County Clerk is responsible for accepting redemptions and issuing tax deeds on unredeemed properties.

(1) Contact Information

<http://www.co.champaign.il.us/countyclerk/contacts.htm>

Mark Shelden
Brookens Administrative Center
1776 E. Washington
Urbana, Illinois 61802
Phone, Real Estate Taxes: (217) 384-3722
Fax: (217) 384-1241
Email: mail@champaigncountyclerk.com

COOK COUNTY, ILLINOIS

<http://www.co.cook.il.us>

TREASURER'S OFFICE

<http://www.cookcountytreasurer.com>

(1) Contact Information

<http://www.cookcountytreasurer.com/contactus.aspx?ntopicid=57>

Cook County Treasurer's Office
118 N. Clark Street, Room 112
Chicago, IL 60602
Phone: 312-443-5100

Online contact form: <http://www.cookcountytreasurer.com/contactus.aspx?ntopicid=225>

(2) Annual Tax Sale Background Information

<http://www.cookcountytreasurer.com/taxdates.aspx?ntopicid=81>

Under Illinois law, the Treasurer's Office is required to conduct two types of tax sales in which delinquent property taxes are sold.

The first is the Annual Tax Sale, held once a year, sometime after the Second Installment. If property taxes for the immediately preceding tax year are delinquent on a parcel, they are offered for sale to tax purchasers at the Annual Tax Sale. The sale might be held any time from the fall of that year to the spring of the following year. Please check this web site periodically for the announcement of the date

Those interested must meet a set of qualifications to participate in the annual tax sale. They must complete registration materials and provide collateral or a bond. The registration materials include rules for the conduct of a tax sale.

The biennial Scavenger Sale (conducted in odd-numbered years) offers taxes on properties that have delinquencies on two or more years that were not purchased at the annual tax sales. In Cook County, the sale has traditionally taken place in the fall or early winter months.

For a complete understanding of the distinctions between these sales and how to proceed to tax deed, read 35 ILCS (Illinois Compiled Statutes) 200/1-1, et. seq. This information can be found in any law library.

(3) Scavenger Tax Sale

<http://www.cookcountytreasurer.com/taxdates.aspx?ntopicid=77>

The next Scavenger Tax Sale will be held in 2005.

ROGUE INVESTOR NOTE: Information on the web page is the same as that on the web page for Annual Tax Sale Background Information.

(4) Tax Bill Schedule for 2005

<http://www.cookcountytreasurer.com/taxdates.aspx?ntopicid=75>

June 26, 2007: Tax Year 2005 Annual Tax Sale ends.

June 5, 2007: Tax Year 2005 Annual Tax Sale begins.

COUNTY CLERK

<http://www.cookctyclerk.com>

(1) Contact Information

<http://www.cookctyclerk.com/sub/contact.asp>

Real Estate & Tax Services
Cook County Building, 4th Floor
118 N. Clark Street
Chicago, IL 60602
Phone: (312) 603-5656
Email: dorr@cookcountygov.com

(2) Real Estate and Tax Services

http://www.cookctyclerk.com/sub/real_estate_taxes.asp

When delinquent or unpaid taxes are sold by the Cook County Treasurer's office, the Clerk's office handles the redemption process, which allows taxpayers to redeem, or pay, their taxes to remove the risk of losing their property. Records for delinquent taxes for prior years (currently defined as tax year 2004 and earlier) are the responsibility of the Clerk's office.

DUPAGE COUNTY, ILLINOIS

<http://www.co.dupage.il.us>

TREASURER'S OFFICE

<http://www.co.dupage.il.us/treasurer/index.cfm>

Gwen Henry, Treasurer
Phone: (630) 407-5900

(1) Contact Information

http://www.co.dupage.il.us/treasurer/generic.cfm?doc_id=136

DuPage County Treasurer's Office
First Floor, South
421 N. County Farm Road
Wheaton, Illinois 60187
Phone, Tax Information: (630) 407-5900
Mailing Address
P.O. Box 787
Wheaton, Illinois 60189-0787
Online contact form: <http://www.co.dupage.il.us/treasurer/treasureremail.cfm>

(2) Tax Sale Information

http://www.co.dupage.il.us/treasurer/generic.cfm?doc_id=1621

The tax sale is held each November in the JTK County Administration Building, 421 N. County Farm Road, Wheaton, Illinois.

A list of delinquent parcels will be published in local newspapers in November. A tax sale list of the delinquent parcels will be available for purchase by registered buyers at a cost that is dependent upon the number of parcels. While more information is contained on the tax sale list than is published in the newspapers, its purchase is not a requirement for attending the tax sale. The tax sale list provided to the taxbuyers is for the sole purpose of the delinquent property tax sale. Use of this information for any other purpose is strictly prohibited. The County Treasurer reserves the right to deny sale of the list to any taxbuyer.

State law requires that bidders be registered at least 10 business days prior to the start of the sale. Registration forms are available in October to prospective taxbuyers, along with a list of requirements for buying at the tax sale and registration fee amounts. A person must attend the sale in order to bid. Payment of purchases (delinquent taxes + interest + costs of \$104.00 per parcel) must be made the day of the sale by cash or cashier's check only.

The bid represents the rate of interest that would be earned by the taxbuyer on the purchase amount during each six months of the redemption period, if the owner redeems the sale. By law, the maximum interest rate bid is 18%. The sale is to the person who bids the lowest percentage of interest. In the last several years the average successful bids ranged from 0% to 3%.

After the tax sale, the taxbuyer is issued a certificate of purchase, which represents a lien on the property. The property owner has a 2- to 2 ½-year redemption period, depending on property classification. If the tax lien is not redeemed by the owner, the taxbuyer must petition the circuit court for a tax deed, after first fulfilling all of the legal requirements. The taxbuyer may also pay all unpaid taxes for the next two subsequent years at a specified time and record the payments against the sale. See Subsequent Tax Payment Information at http://www.co.dupage.il.us/treasurer/generic.cfm?doc_id=3307.

The legal requirements to purchase at the tax sale and procedures that must be followed to obtain a tax deed are outlined in the Illinois Compiled Statutes Chapter 35, Act 200, Article 21, available at public libraries or on the Internet at www.ilga.gov/legislation/ilcs/ilcs.asp. Knowledge regarding procedures and statutory requirements is the taxbuyer's responsibility.

In cases where there are no bidders on a parcel, the County, as Trustee for all taxing bodies, becomes the buyer at 18%. The County's certificates are available for purchase by taxbuyers in the amount that the County paid, along with the 18%. Please direct inquiries concerning purchasing County certificates to the DuPage County Clerk (<http://www.dupageco.org/countyclerk/index.cfm>). There are no forfeitures (unsold parcels) available after the sale for over-the-counter purchases.

The actual tax sale dates, deadlines and more specific information are available on our tax sale instructions page or by contacting our office at 630-407-5900.

(3) Tax Sale Instructions

http://www.co.dupage.il.us/treasurer/generic.cfm?mode=preview&doc_id=1622

Dupage County Annual Tax Sale

www.dupageco.org/treasurer

www.ilga.gov

Illinois Compiled Statutes Chapter 35, Act 200, Article 21

Date: The 2006 annual real estate tax sale will begin on Monday, November 19, 2007. It will continue until all delinquent parcels are sold.

Place: 421 N. County Farm Road, Wheaton, in the auditorium of the JTK County Administration Building.

Time: The tax sale will start promptly at 9:00 a.m. each day and will run until approximately 3:30 p.m. Using an automated tax sale system, we anticipate the sale running for 1 1/2 days.

Registration: Registration forms will be available October 1, 2007. The County Collector must receive completed registration forms at least ten (10) business days prior to the start of the tax sale. Registration forms must be received by our office no later than Thursday, November 1, 2007. Please complete the official registration form and submit it along with 1) a deposit of \$500.00 and 2) an equipment usage fee of \$50. Checks should be made payable to the DuPage County Collector. Your \$500 deposit will be applied toward your purchases. Other forms of registration will not be accepted. Your registration form will be receipted and returned to you with a three-letter buyer code. Each bidder listed on your registration form will use this three-letter code to bid. If you have codes on file with this office, please notify us when you register if you intend to use the same code(s). Existing codes preclude any changes to the Certificate Name on your registration form. If you participate, please verify with our staff on Monday, November 19,

that your three-letter code represents the exact name you wish printed on your sale certificates. Please call 630-407-5912 if you have questions.

If a registered bidder cannot participate in the tax sale, our office must be notified no later than 5 business days prior to the sale, of the name of the substitute person who will participate in the registered bidder's place. Substitutions will not be allowed on the day of the tax sale. If a registered bidder/buyer does not attend the sale, the \$500 deposit is forfeited.

Publication: If a parcel remains unpaid as of October 19, 2007, it will be published in local newspapers the week of October 29, 2007.

Tax Sale List: The tax sale list, available for purchase to registered taxbuyers, is for the sole purpose of the delinquent property tax sale. Use of this information for any other purpose is strictly prohibited. The County Treasurer reserves the right to deny sale of the list to any taxbuyer. The list will include the permanent parcel number, the assessee name, the delinquent tax amount and the state equalized value. It will be available on Wednesday, November 14, 2007. The cost of the list is \$250. The tax sale list will be sent electronically to the email address the buyer has provided on their registration form. If a printed list is preferred, it will be available through our office. Arrangements to receive a printed list should be made with our office by Monday, November 12, 2007, by calling 630-407-5912. Checks to purchase the list should be made payable to the DuPage County Treasurer. The printouts are for the entire county and are not available by township.

Bidding Procedure: This is a lien only sale. The parcels are offered in numeric order by township. Taxbuyers bid on the interest rate. Bidding begins at 18% and the tax lien is awarded to the lowest bidder. This year we will have an automated tax sale and bidding will be done by using a laptop computer, which will be supplied. An explanation of how to bid at the sale using the laptop computer will be presented promptly at 9:00 a.m. the morning of the sale; therefore, it is important to arrive on time that day.

County as Taxbuyer: Whenever a parcel is offered for sale and there are no other bidders, the County of DuPage, as Trustee for all taxing bodies, will bid 18% and become the owner of the certificate. This eliminates forfeitures. After the sale, these certificates can be purchased from the DuPage County Clerk.

Deposits/Payments: Only cash or cashier's checks made payable to the DuPage County Collector are accepted. Personal checks, business checks or other forms of payment will not be accepted.

Taxbuyers pay the tax amount due, interest and a per parcel fee of \$104.00. The statutory fees cover:

\$10.00 for Costs
4.00 for Sales Certificate
20.00 for Tax Sale Indemnity Fund
10.00 for Tax Sale Automation Fund
60.00 for Sale in Error Interest Fund
\$104.00 Total

An audited list by parcel number of each taxbuyer's purchases will be available after 10:00 a.m. on Tuesday, November 20, 2007. The total amount due must be paid by 4:00 p.m. that day. Failure to pay for purchases will result in those purchases being cancelled and the taxbuyers' ineligibility for future participation. Cancellation of any buyer's purchases could extend the tax sale; therefore, please contact our office for information regarding an additional day of tax sale.

Refunds: All checks received will be deposited by the Collector. If the deposits exceed the purchases, the refunds will be made the Wednesday after the tax sale has been completed and balanced.

Seating: There will be no assigned seating at the sale. Taxbuyers are welcome to sit at any available laptop station.

Evidence of Purchase: Several weeks after the tax sale, a Sale Certificate will be issued by the DuPage County Clerk in the name of the registered taxbuyer for each parcel purchased. This Sale Certificate

represents a lien against the property. Please contact that office at 630-407-5500 with any inquiries regarding your certificates.

We look forward to your participation at our annual tax sale. Please refer to Illinois Compiled Statutes, Chapter 35, Act 200, Article 21, or the Illinois General Assembly web page at www.ilga.gov for tax sale information. Knowledge regarding procedures and statutory requirements is the taxbuyer's responsibility.

If you have any questions, please contact our office at 630-407-5910 or visit our website at www.dupageco.org/treasurer.

(4) Subsequent Tax Payment Information

http://www.co.dupage.il.us/treasurer/generic.cfm?doc_id=3307

Pursuant to Illinois Compiled Statutes (Ch. 200/21-355), you may pay subsequent years' unpaid 2006 taxes (sub-tax) on any parcels you have purchased at a previous DuPage County tax sale. We will only accept sub-tax payments after the second installment becomes delinquent. Sub-tax bills become available at 10:00 a.m., Tuesday, September 18, 2007, and must be ordered at least one day in advance. Your bills must be requested by buyer code(s). Please refer to the attached subsequent tax bill order form (<http://www.co.dupage.il.us/emplibrary/SUB%20TAX%20ORDER%20FORM.pdf>) for instructions on ordering sub-tax bills.

Each sub-tax bill has three parts: two receipt portions and one payment coupon. Each part lists the 2006 tax due, penalty and indemnity fee. The buyer code and sales certificate number that corresponds to the sub-tax are also printed on each section of the bill. Verify the sales certificate number against your records. If parcel numbers have changed, we will provide bills for new parcels which are affected by the sale.

Please note that it is the tax buyer's responsibility to check for current tax payments and check for prior year redemptions on each parcel before submitting a sub-tax payment. This office will not refund the sub-tax payment to the tax buyer if the prior year's sale certificate has been redeemed at the County Clerk's Office. Select and total the bills you wish to pay. Please pay the "Total Sub-Tax Due" amount. Submit the sub-tax bills with your check. Do not separate the parts of the bill. You will receive two receipts: one for your records and one that must be filed promptly with the County Clerk along with a request that the sub-tax payment be applied to the prior years' sale. It is the responsibility of the tax buyer to insure the sub tax payment is posted by the County Clerk. Please contact their office at 630-407-5500 for more information. A sub-tax payment will be refunded if it duplicates a prior payment, including another tax buyer's sub-tax payment. Date and time of receipt will always determine the priority of sub-tax payments.

The date that your sub-tax payment is received in our office will be used for computing penalty. On the first of each month, additional penalty of 1.5% per installment must be added to your payment. Please request new sub-tax bills if additional interest becomes due.

Application for judgment is November 16, 2007. The 2006 tax sale begins November 19, 2007. If you have questions regarding the tax sale, please call our office at 630-407-5910.

(5) Local Newspapers

http://www.co.dupage.il.us/treasurer/GENERIC.CFM?DOC_ID=1623

Delinquent 2006 Real Estate Taxes Will Appear the Week of October 29, 2007 in the Following Publications:

ROGUE INVESTOR NOTE: See web page for a list of publications, the publisher and phone number, and the townships published.

COUNTY CLERK'S OFFICE

<http://www.dupageco.org/countyclerk>

Gary King, County Clerk
Jack T. Kneupfer Administration Building
421 N. County Farm Road
Wheaton, IL 60187
Mailing address: P.O. Box 1028, Wheaton, IL 60189
Phone: (630) 407-5500

LAKE COUNTY, ILLINOIS

<http://www.co.lake.il.us>

TREASURER'S OFFICE

<http://www.co.lake.il.us/treasurer>

The staff holds the annual tax sale.

(1) Real Estate Tax Information

<http://www.co.lake.il.us/treasurer/taxinfo/realestatetaxes.asp>

All payments must be received by Friday, November 26th, at 5:00 p.m. to avoid going to tax sale. Those interested in participating in the tax sale must register 10 business days prior to the sale.

(2) Tax Sale Instructions

<http://www.co.lake.il.us/treasurer/taxsale>

Please read carefully (limited seating).

Important: Please read all of the following information carefully before you even consider taking part in the annual tax sale. All statutory references can be found in the Illinois property tax code (35ILCS200).

Remember, you are not buying the property; you are buying a delinquent tax lien on the property. To have any right to this property itself, you will have to follow all the statutory steps and obtain a tax deed from the Circuit Court. You do not have the right to put the tax bill into your name until you have obtained the tax deed.

Lake County will hold the 2007 annual tax sale on Monday, December 1st and Tuesday, December 2nd. This year it will not be held at the Lake County Court House, but at the Lake County Forest Preserve Greenbelt Cultural Center, 1215 Greenbay Road, North Chicago.

If you plan to attend this year's sale, please complete the Application for Delinquent Property Tax Sale (<http://www.co.lake.il.us/elibrary/forms/treasurer/taxsalebuyerregistration.pdf>) (after October 1st but not later than November 13th). This application should be sent to Lake County Collector, 18 N. County Street, Waukegan, Illinois 60085, along with a \$500.00 deposit, which will be applied to your first purchase. If you should attend the sale, but are unable to purchase any taxes, your deposit will be refunded.

An additional fee of \$100.00 will be charged to the buyers interested in obtaining a delinquent tax sale list. Upon completing the application and making payment to the Lake County Collector, Joseph E. Meyer & Associates will contact you via e-mail for the format of the list requested.

The tax sale list that is provided to you should be used for the sole purpose of the delinquent property tax sale. Use of this information for any other purpose is strictly prohibited. The County Treasurer reserves the right to deny sale of the list to anyone violating this rule.

The actual sale system is called "RAMS" and is an automated computer system that will enable each buyer to bid on a parcel electronically. Lap-top computers will be provided to each buyer (a demo can be seen at www.iltaxsale.com).

During the tax sale process, any corrections must be made before a township is ended. A total list of what was bought by a buyer will be available the day after (Wednesday) the sale is completed and payment must be completed by Thursday at 12:00 Noon. New buyers will need to supply at the time of registration a letter of guarantee from their financial institution for the amount they expect to spend.

All tax buyers will be notified when certificates are ready. Certificates must be picked up in person.

Tax Sale Procedures: Some parcels listed for sale may not be offered at the sale for a number of reasons:

- Parcels paid by owner prior to the sale
- Bankruptcy
- Forfeiture
- Municipal owned
- Exempt
- Court orders
- Other reasons required by law.

Parcels are sold to the lowest bidder. They must pay all taxes, interest and statutory costs. The maximum interest is 18%, the lowest is 0%.

Whenever a parcel is offered for sale and there are no other bidders, the County of Lake, as Trustee for all taxing bodies, will bid 18% and become the owner of the certificate. This eliminates forfeitures. After the sale, these certificates can be purchased from the Lake County Clerk.

The building will open the doors to the public at 8:00 a.m. The sale will begin at 9:00 a.m.

General Rule: No smoking in the building at all.

Each day we will try to provide two fifteen-minute breaks. Lunch break will be provided each day. Use of cellular telephones in the Tax Sale room is prohibited. All phones and pagers must be turned off.

Publication Dates: November 13th and 14th (papers will be available in our office the third week of November)

Tax Sale List: available the middle of November – Cost \$100.00

Last Day to Register: November 13th at 5:00 p.m.

Tax Sale: December 1st and 2nd

Location: Lake County Forest Preserve Greenbelt Cultural Center, 1215 Greenbay Road, North Chicago, IL.

Publications:

- Zion Benton News, phone: 847-746-9000, Benton & Zion
- The News Sun, phone: 847-336-7000, Waukegan
- Lakeland News, phone: 847-223-8161, Newport, Antioch, Grant, Lake Villa, Avon, Warren, Wauconda
- Pioneer Press, phone: 847-599-6900, Shields, Libertyville, Fremont, Cuba, Ela, West Deerfield, Vernon, Moraine

If you should have any further questions, please feel free to contact LeAnne Fischer at 847-377-2028 or online at lfischer@co.lake.il.us.

ROGUE INVESTOR NOTE: Information about Joseph E. Meyer & Associates and the website ILTaxSale.com is available at the end of the Illinois section under the header "Private Sector Tax Sale Administrators."

(3) Forms

<http://www.co.lake.il.us/treasurer/forms.asp>

Application For Delinquent Property Tax Sale:

<http://www.co.lake.il.us/elibrary/forms/treasurer/taxsalebuyerregistration.pdf> (PDF format, 21KB)

If you plan to attend this year's sale, please complete the Application for Delinquent Property Tax Sale, (after October 1st but not later than November 15th). Date: 7/25/2007

(4) Contact the Treasurer

<http://www.co.lake.il.us/treasurer/contact.asp>

Robert Skidmore, Treasurer
18 N. County Street
Waukegan, IL 60085
Phone: (847) 377-2323
Email: Treasurer@co.lake.il.us

COUNTY CLERK'S OFFICE

<http://www.co.lake.il.us/cntyclk>

(1) Tax Certificate Program

<http://www.co.lake.il.us/cntyclk/tax/certificate.asp>

In 1981, the County Clerk's Office pioneered an innovative program where the County acts as a tax purchaser to collect delinquent taxes. We have recovered \$15,000,000 through the Tax Certificate Program. Nearly two-thirds or approximately \$10,000,000 has been distributed to the taxing districts, with the remainder retained by the County. The \$15,000,000 has funded many essential programs and activities that would not have been available without the Tax Certificate Program.

(2) Property Tax Redemption

<http://www.co.lake.il.us/cntyclk/tax/redemption.asp>

If the taxes due on a parcel of land are not paid by the statutory deadline, they become delinquent. The County Clerk is responsible for receiving payment of all delinquent taxes. Each December the County Treasurer conducts a sale of the taxes past due and remaining unpaid for property in Lake County. For information on pay-out amounts on sold delinquent taxes call (847) 377-2404.

When taxes become delinquent, property owners do not immediately lose their ownership of the property. Property owners residing on the property have two and a half years in which to redeem their property and protect their interest.

(3) Contact Information

<http://www.co.lake.il.us/cntyclk/contact2.asp>

Willard Helander, County Clerk
18 N. County Street, Room 101
Waukegan, IL 60085
Phone: (847) 377-2400
Fax: (847) 360-3608
Email: cntyclk@co.lake.il.us

MADISON COUNTY, ILLINOIS

<http://www.co.madison.il.us>

TREASURER'S OFFICE

<http://www.co.madison.il.us/Treasurer/Treasurer.shtml>

Fred Bathon, Treasurer

(1) Office Location

http://www.co.madison.il.us/Treas/Treas_of.htm

Treasurer's Office
157 North Main Street, Suite 125
Edwardsville, IL 62025
Email: madcotreas@co.madison.il.us

(2) Important Real Estate Tax Dates and Deadlines

http://www.co.madison.il.us/Treasurer/Treas_RETaxDeadline.shtml

Publication run date: October 18, 2007 (approximate date; October 23, 2006 last year)

Publish in newspapers all taxpayers not fully paid: October 19-25, 2007; not less than 10 days before judgment is signed (approximate date: October 24-30, 2006 last year)

1st buyer list: November 1, 2007 (approximate date)
Final buyer list: November 9, 2007 (approximate date)
Last day to pay at local banks: October 26, 2007 (approximate date; October 27, 2006 last year)

Judgment signed, within 5 business days of sale: November 9, 2007 (approximate date; November 13, 2006 last year)

Last day to pay before taxes are sold at tax sale: November 9, 2007 at 5:00 p.m. (approximate date; November 9, 2006 last year)

Period to redeem taxes before property is sold: Depends on property class. Generally, at least 2 years with option to file extension to 3 years. Contact the County Clerk's office for details.

Tax sale date: November 13, 14, 15, 2007 (November 15, 16, 17, 2006 last year).

(3) Tax Sale Information

http://www.co.madison.il.us/Treasurer/Treas_Taxsale.shtml

(3a) Real Estate Tax Sale General Information

http://www.co.madison.il.us/Treasurer/Treas_Taxsale.shtml

Request for Taxpayer Identification Number and Certification (W-9) [PDF]:

<http://www.co.madison.il.us/Treasurer/PDF/W-9.pdf>

Procedure: The format of the tax sale is an oral auction. You or a representative must attend the sale to participate. The order of the sale is by township, by parcel ID. The Treasurer's Office reads the alternate ID number and judgment amount for each parcel. Bids may begin as high as 18% (semi-annual rate) with the sale going to the lowest bidder. If no bid is received, the parcel is sold to the County's trustee. Last year, taxes on 2,851 parcels were offered for sale. The County's trustee holds a deed auction once each year for those parcels that are not redeemed. For dates and information, contact the office of Joseph E. Meyer, 141 St. Andrews Avenue, P.O. Box 96, Edwardsville, IL 62025, phone: (800) 248-2850, Fax: (618) 656-5094.

Date and Location: The official start date of the Madison County Tax Sale will be Tuesday, November 13, 2007. Only one parcel is sold on the first day in the Treasurer's office. The remainder of the sale will

be held on November 14th and 15th. The sale will begin at 9:00 a.m. each day. The sale will be held in the Administration Building at 157 North Main Street, in Edwardsville, Illinois, in the County Board Room on the second floor. If you want to be an individual buyer and purchase one parcel at 0%, please note it on your registration form.

****New** Registration:** There is a required \$500 registration fee, which must be applied to the amount due on the properties that the registrant has purchased. If the registrant cannot participate in the tax sale, then he or she may notify the Treasurer's Office, not later than 5 business days prior to the sale, of the name of the substitute person who will participate in the tax sale. If the registrant does not attend the sale, then the deposit is forfeited. You must register in writing at least 10 business days before the sale by sending a letter to the Madison County Treasurer's Office, P.O. Box 729, Edwardsville, IL 62025. Please include your address, telephone number, and the name of the person attending. Each person or business attending is required to fill out a W-9 form, Request for Taxpayer Identification Number and Certification when registering. W-9 forms are available in the County Treasurer's or County Clerk's offices or on our website <http://www.co.madison.il.us/treasurer/treasurer.shtml> (select Tax Sale Information).

List of Properties: A tentative listing of available properties (printed report or on disk) is available approximately 2 weeks before the sale for a fee of \$250. This fee includes daily updates that are available to pick up in the Treasurer's Office, identifying additional parcels that have been paid and removed from the sale. A "final" listing of available properties will be available on the Friday morning before the sale, for an additional \$250 fee. This list will be final with the exception of any final adjustments that need to be made at the last minute by our office. You must notify the Treasurer's Office by 4:30 p.m. on the previous Monday if you want to purchase this "final" listing.

Payment: Payment must be made immediately following the sale at the end of each day for the judgment amount (taxes plus penalties and interest) plus fees of \$95 per parcel purchased. Payment is preferred by check. Credit cards are not accepted.

Stamp: The County Clerk requires buyers to purchase a stamp for administrative purposes. Please contact them at (618) 692-6290 or Suite 109.

Advertisement: The Treasurer's Office does not advertise for the sale. Listings of delinquent properties by township, by owner name, are published in area newspapers approximately 4-6 weeks before the sale. Note: The Alternate ID number is used to identify and offer properties during the sale but these are not included in the newspaper listings. The sale is conducted in Parcel ID order. Also, most of these properties are paid prior to the sale.

Foreclosure: The Treasurer's Office does not handle this process. Contact your attorney for additional information.

(3b) Mobile Home Tax Sale General Information

http://www.co.madison.il.us/Treasurer/Treas_MHTaxSale.shtml

ROGUE INVESTOR NOTE: See web page for information on the same topics as provided related to real estate tax sales (http://www.co.madison.il.us/Treasurer/Treas_Taxsale.shtml).

(3c) Tax Sale Newspaper Articles

http://www.co.madison.il.us/Treasurer/Treas_TaxSaleNewspaper.shtml

October 15, 2006 – The Telegraph (PDF):

http://www.co.madison.il.us/Treasurer/PDF/TaxSale_101506_TheTelegraph.pdf

October 16, 2006 – The Telegraph (PDF):

http://www.co.madison.il.us/Treasurer/PDF/TaxSale_101606_TheTelegraph.pdf

COUNTY CLERK'S OFFICE

<http://www.co.madison.il.us/CountyClerk/CountyClerk.shtml>

Honorable Mark A. Von Nida
Madison County Administration Building
157 N. Main Street
Suite 109, P.O. Box 218
Edwardsville, IL 62025-0218
Phone: (618) 296-4482

PRIVATE SECTOR TAX SALE ADMINISTRATORS

ILTAXSALE.COM

<http://www.iltaxsale.com/new/index.php/main>

Illinois online tax sale website: tax deed foreclosed property and assignable tax certificates.

ROGUE INVESTOR NOTE: Web page has a listing of auction dates by county, and includes the minimum bid.

(1) Company

<http://www.iltaxsale.com/new/index.php/main/company>

One of Joseph E. Meyer & Associates` central functions is serving as the Delinquent Tax Agent (trustee for taxing districts) for 78 of 102 counties in Illinois. Properties not purchased by tax buyers at the County Tax Sales are enrolled in the trustee program and managed by Joseph E. Meyer & Associates. After the redemption period expires on delinquent properties, Joseph E. Meyer & Associates obtains tax deeds on behalf of the county and sells the properties at public auction. These auctions are conducted verbally or by sealed bid.

(2) Contact

<http://www.iltaxsale.com/new/index.php/main/contact>

Joseph E. Meyer & Associates
141 Saint Andrews Avenue
Edwardsville, IL 62025
Phone: (618) 656-5744
Email: contact@josephemeyer.com

(3) FAQ

<http://www.iltaxsale.com/new/index.php/main/faq>

Catalogs

When and where are the catalogs available? The catalogs are available approximately 30 days before the date of the auction at the County Treasurer's office or online.

How much do the catalogs cost? The cost of the catalogs will vary from county to county. Generally, catalogs are priced between \$2.00 and \$25.00.

Can I obtain a catalog without going to the Treasurer's office? Yes, you can now purchase them on www.iltaxsale.com.

Auctions

Where are auctions held? The sales are held in the county whose property is being sold and the location will vary from county to county. (Please see our complete list of auction sale dates and locations.)

What is the bidding process? There are two types of auctions that we conduct.

Verbal or Open Auctions: In this process the property is sold to the highest bidder on the day of the sale and while occurring you have the opportunity to raise your bid to the highest level you wish to bid.

Sealed Bid Auction: Only allows you to make one bid on the property. In a sealed bid auction, your first bid must be your best bid.

Can I bid on an item prior to the auction? Yes you may if you are unable to attend the sale. The "absentee bidder form" is available in the front of each catalog or at this website and is only accepted in open or verbal auctions.

Where do I send completed sealed bids to? Sealed bid forms must be completed as shown on the Bidding Instruction page and be accompanied by payment in full, and mailed into the County Treasurer's office.

When will I find out if my bid was the winning amount? All bidders will be notified of their success within a few business days after the close of the sale and following receipt of the information from the County Treasurer.

What payment methods are accepted on the date of the sale? We accept all forms of funds, including cash, cashier's check, money order, bank draft, or personal check. However, if someone has previously issued a check that has been returned for any reason, that party will be required to pay in full with certified funds on the date of the sale.

What amount will I be responsible for paying on the date of the sale? At live auctions, you will be required to pay \$600.00 (plus a 1% auctioneer's fee, as well as a recording fee) or 20% of the final purchase price, whichever is greater. At a sealed bid auction, bidders are required to pay in full the amount of their bid.

When is the balance due if I am not required to pay in full the date of the sale? The remaining balance of your purchase is due within 60 days from the date of the sale.

When will I receive the deed to my newly purchased property? Deeds can be expected approximately 90 days after the balance is paid in full.

General

Why are these properties being sold? The properties are being sold as a result of nonpayment of real estate taxes.

What happens to the properties that do not sell at the auction? There is a small window of time after an auction in which items that did not sell can be purchased outright for the minimum bid of \$600. Otherwise, it will be placed in the next scheduled auction for that county.

If I purchase one of these properties at an auction, will I be responsible for paying any back taxes? No. All items sold through our auctions are free and clear of all back taxes.

When will I be responsible for paying taxes on the property? You will be responsible for paying the taxes beginning January 1 of the year following the auction.

Do I need to conduct a title search on the property? We suggest that all purchasers conduct their own title search after becoming the successful bidder on the property.

Are there any liens on the property that is being sold? Generally, there are no liens upon those properties being sold. We do not guarantee that the property is free and clear of all liens.

What if the property that I purchase is currently occupied? We advise all prospective buyers to discuss such situations with their attorney.

Indiana

Tax Lien Sales: Yes.

Over-the-Counter Tax Lien Sales: No.

Tax Deed Sales: Yes, Surplus Auctions.

Over-the-Counter Tax Deed Sales: No.

Rating: Five Stars (*****)

Interest Rate: Flat 10% interest on the minimum bid if the tax lien is redeemed in less than six months. This means your effective annual interest rate could be as high as 120% if the lien is redeemed in one month or less. Flat 15% interest on the minimum bid if the tax lien is redeemed in more than six months but less than 1 year. Interest on the overbid amount is 10% per annum. Interest on any taxes or assessments paid by the investor after the sale is 10%. If the sale is declared invalid before the deed, the investor receives 6%. If the sale is declared invalid after the deed, the investor receives 10%.

Sale Period: Tax sales must be held between August 1 and October 31.

Redemption Period: 1 year for "A" and "B" properties; 120 days for "C" properties. No extended right of redemption following the tax deed sale.

Bidding Process: All auctions are by competitive bid. The winning bidder pays the most for the tax lien or tax deed.

State-Specific Information: Item numbers at the tax lien sale beginning with "A" were not in the previous year's sale. "B" items were in the previous year's sale but were not sold and still have delinquent taxes. "C" items were identified for redevelopment. If the owner does not redeem the tax lien certificate, you must apply for a tax deed within six months after the redemption period expires or forfeit your money.

The statute governing tax sales affords the County Auditor and County Treasurer options regarding the way in which the tax sale may be conducted. Therefore, the exact procedures by which a tax sale is conducted for properties with delinquent taxes and special assessments may differ from county to county. As of 2007, buyers of tax deeds at surplus auctions will not be issued a deed until any delinquent property taxes are made current on property they currently own.

Indiana County Links: See Indiana Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

INDIANAPOLIS AND MARION COUNTY, INDIANA

<http://www.indygov.org>

TREASURER'S OFFICE

<http://www.indygov.org/eGov/County/Treasurer/home.htm>

Mike Rodman, Treasurer
200 E. Washington Street, Suite 1001
Indianapolis, IN 46204
Phone: (317) 327-4444
TDD: (317) 327-5186
Fax: (317) 327-4440

(1) Tax Sale

<http://www.indygov.org/eGov/County/Treasurer/Sale/home.htm>

The next Tax Sale will be in October 2008. Please check this website in August 2008 for more information.

Note: The Tax Sale item list is not available. It will be available on the Treasurer's web page closer to the date of the sale.

(1a) Introduction

<http://www.indygov.org/eGov/County/Treasurer/Sale/introduction.htm>

The following information and procedures apply to Marion County only. The statute governing tax sales in Indiana (I.C. 6 1.1 24 & I.C. 6 1.1 25) affords the County Auditor and County Treasurer options regarding the manner in which the Tax Sale may be conducted. Therefore, the exact procedures by which a county conducts a tax sale for properties with delinquent taxes and special assessments may differ from county to county.

This public auction or "Tax Sale" of real property is required by Indiana law. While some unfortunate circumstances may exist which result in some properties being offered for sale, it is nonetheless required that all properties with delinquent taxes, penalties, and special assessment liens for unpaid sewer user charges, delinquent weed cutting fees, delinquent solid waste service fees, delinquent storm water fees, delinquent health and hospital liens, and DMD liens as specified by law, be auctioned at the Treasurer's Tax Sale.

The Tax Sale enables the Treasurer to collect the revenue that has been levied for the operation of nearly 50 governmental units and school districts within Marion County. The staffs of the Marion County Treasurer and Marion County Auditor appreciate the attention of prospective bidders and buyers to the procedures governing this Tax Sale. Thank you for your participation. Your comments are welcome.

(1b) General Points of Interest

<http://www.indygov.org/eGov/County/Treasurer/Sale/general.htm>

All dates are tentative at this time.

The sale is to begin as a public auction at 9:00 a.m. Eastern Daylight Time, Thursday, October 18, 2007. (Tax Sale instructions will begin at 8:30 a.m. in the Public Assembly Room and will continue until the sale begins at 9:00 a.m.) All times are Eastern Daylight.

On Thursday, October 18, 2007, the sale will run from 9:00 a.m. to noon, followed by a one-hour lunch break; then it will continue from 1:00 p.m. to 4:00 p.m.

It is unlikely that we will be able to offer all available properties for sale on Thursday, October 18, 2007. If that is the situation, the sale will resume at 9:00 a.m. on Friday, October 19, 2007. The number of parcels left to offer for sale on Friday, October 19, 2007 will determine the need to take a lunch break.

On both Thursday, October 18, 2007, and Friday, October 19, 2007, the sale will be held in the Public Assembly Room (Room 230), 2nd floor of the City-County Building, 200 E. Washington Street, Indianapolis, IN 46204.

The properties remaining unsold at the end of the sale on Friday, October 19, 2007, will again be offered on Wednesday, October 24, 2007, at 9:00 a.m. EDT in Room 260 of the City County Building.

If a parcel is not sold on October 18, 19 or 24, 2007, it will not be offered for sale again.

The "parcel number" identifies a property. There may be an owner and/or address advertised and/or read at the sale, but the parcel number identifies the exact property offered for sale.

Parcels will be offered for sale in Item Number sequence, as identified in newspaper ads. This means that "A" items (item numbers starting with A) will be offered first, followed by "C" items.

At the sale, parcels beginning with "A" will be offered in groups of 25 items at a time, such as items A00001 through A00025. Any bidder may call out an item number within that range. A call for a specific item number such as A00017 is considered a minimum bid for that item. Once the minimum bid is made, that item is auctioned to the highest bidder. If the item called for is no longer in the sale, that fact will be announced, and a call for another item within that group of 25 will be accepted. This procedure will continue until there are no more calls for item numbers within the group being considered. At that time, the next group of 25 item numbers will be offered. After all "A" items have been offered once, this procedure will be repeated for parcels beginning with "C".

After all "A" and "C" items have been offered once, the Treasurer will open up the auction for all available items to be offered on a first-asked, first-offered basis. A call for a specific item is considered a minimum bid for that item. Once the minimum bid is made, that item is auctioned to the highest bidder.

Item numbers beginning with "A" were not in last year's sale. "C" items have been identified by the Metropolitan Development Commission for redevelopment. "C" items that are sold have a maximum redemption period of 120 days rather than the one-year redemption that applies to "A" items.

A complete list of Tax Sale items available for sale will be available in three sources:

1. Newspaper: Properties available for sale will be advertised in The Indianapolis Star and the Court & Commercial Record on the following Wednesdays:
 - September 05, 2007
 - September 12, 2007
 - September 19, 2007
2. CD: The CD will be available in Microsoft Excel and can be purchased from the Treasurer's office on or after September 5th at the cost of \$20.00 per CD. The parcels that appear on the CD will be the same as those that appear in the first newspaper advertisement (September 5, 2007). Updated tax sale lists will not be available on CD.
3. Web page: Beginning on or shortly after Wednesday, September 5th, the Marion County Treasurer's Web page will have the most current list of properties available for sale. The list will be updated daily and will be in the same format as the newspaper listing and the CD. The list can be downloaded.
4. An updated list of Tax Sale items still eligible for sale will be available from the Treasurer each day, beginning Wednesday, September 5th, and each day thereafter until the Tax Sale ends on October 24, 2007. The list will include items available as of 8:00 a.m. on the morning it is printed. There will be a \$3.00 charge per list to cover the cost of printing. Only the Tax Sale Item Number will appear on the list, so it will be necessary to have one of the original listings to be able to obtain other information about those unsold parcels.

On or before Friday, August 31, 2007, the Marion County Auditor will send a letter by Certified Mail to owners of all properties which at that time are eligible for the 2007 Marion County Tax Sale.

Any payment made to the Marion County Treasurer by an owner to withdraw a parcel from the sale or by a successful bidder at the sale must be paid by cash, by any certified check, by any cashier's check or by any official check that is issued by a financial institution. No money orders, personal checks, or business checks will be accepted. (The Treasurer will not accept more than \$7,500.00 in cash from any one bidder, for the period of July 2 through the duration of the sale.)

The Tax Sale buyer's interest in the property is limited to a lien on the purchased property until: 1) the property is redeemed; 2) a Tax Deed is issued; or 3) six (6) months has elapsed after the expiration of the redemption period, whichever occurs first.

There is a one-year period following the sale of each "A" item (120 days for "C" items) during which the delinquent owner, occupant, or person with a substantial property interest of public record may "redeem the property," a term meaning to retain possession by paying all monies owed to the county plus required fees.

Redemption of property purchased in a Tax Sale results in the parcel remaining in the current owner's name.

If a parcel sold in the "A" sale is not redeemed prior to one year from the date of sale (120 days for "C" items), the Tax Sale buyer may present the Tax Certificate to the County Auditor and receive a Tax Deed to the property granting title to the property to the buyer or assignee of the buyer.

A person who wants to redeem a property should contact the Marion County Auditor, Room 841 of the City-County Building, to have an exact calculation of the redemption cost made. That amount must be paid to the County Auditor within one year of the date of sale of an "A" item (120 days for "C" items). The redemption amount will be equal to the minimum bid required by the Treasurer, plus a redemption fee calculated on the minimum bid paid by the successful bidder (percentages listed below), plus 10% per annum interest calculated on the difference between the minimum bid and the amount paid by the successful bidder (referred to as Tax Sale Overbid), plus any taxes, penalties and special assessments paid by the buyer subsequent to the date of sale, plus 10% per annum interest on those subsequent payments. (Note: The redeeming party does not have to repay the overbid amount, but they are required to pay the 10% per annum interest on the overbid amount.) The redemption fee will be calculated in two parts (three parts if taxes are paid subsequent to the Tax Sale):

1. On the minimum bid:
 - a. 110% of the minimum bid if redeemed not more than 6 months after the date of sale;
 - b. 115% of the minimum bid if redeemed more than 6 months but not more than one year after the date of sale.
2. On the difference between the successful bid price and the minimum bid (referred to as Tax Sale Overbid):
 - a. 10% per annum interest from the date of payment to the date of redemption.
3. On any taxes and special assessments paid by the Tax Sale buyer subsequent to the sale:
 - a. 10% per annum interest from the date of payment to the date of redemption.
4. If, before redemption or the execution of a Tax Deed, it is found that the sale is invalid, the Tax Sale buyer is not entitled to a Tax Deed, but shall be entitled to a refund of the purchase price plus 6% per annum interest.

If, after the execution of a Tax Deed, it is found that the deed is invalid pursuant to I.C. 6-1.1-25-12 (<http://www.ai.org/legislative/ic/code/title6/ar1.1/ch25.html#IC6-1.1-25-12>), the Tax Sale buyer is entitled to a lien on the property in the amount of the purchase price, any taxes or special assessments paid subsequent to sale, and any amount due the Tax Sale buyer as an occupying claimant plus interest at 10% per annum.

(1c) Information for Buyers of Properties in This Year's Sale

<http://www.indygov.org/eGov/County/Treasurer/Sale/buyers.htm>

All dates are tentative at this time.

Every Tax Sale buyer will be required to have a bidder number in order to bid on a parcel in the public auction.

Successful bidders are not allowed time to "go to the bank" to secure funds to pay for their purchase(s).

Bid-account bidders will be assigned a white bidder paddle with a bidder number in the range of 100-499. To obtain a bidder number the bidder must pre-register and complete the registration form. The form requests name and address (as they are to appear on the Tax Sale Certificate & W-9), phone number, and Social Security Number (or Federal I.D. number), must attest to information pursuant to IC6-1.1-24-5.3 (<http://www.ai.org/legislative/ic/code/title6/ar1.1/ch24.html#IC6-1.1-24-5.3>). They must establish their account with qualified funds that may be deposited with the Treasurer in Room 1022 of the City-County Building through October 17th or in the Public Assembly Room on the day of the Tax Sale. Payment must be made by cash, by any certified check, by any cashier's check or by any official check that is issued by a financial institution. Qualified checks must be for the exact amount of purchase and made payable to the Marion County Treasurer. No money orders, personal checks, or business checks will be accepted. (The Treasurer will not accept more than \$7,500.00 in cash from any one bidder, for the period of July 1 through the duration of the sale.) Tax Sale purchases will be charged to the bidder's account by presenting the bidder number at the conclusion of each successful bid. If a deposit bidder's balance with the Treasurer becomes too low to make subsequent purchases, the bidder will be required to deposit additional acceptable funds before making additional purchases.

Beginning on or shortly after Wednesday, September 5th, the Marion County Treasurer's Web page will have the most current list of properties available for sale. The list will be updated daily and will be in the same format as the newspaper listing and the CD. The list can be downloaded.

The minimum bid that will be accepted on any property must be equal to all taxes, penalties, and special assessments presently due on the parcel – including the November 10, 2007, property tax installment and service fees (if any) – plus a \$300.00 Administrative Cost.

By written agreement with the Marion County Treasurer, the Marion County Auditor will perform the duties of notification and title search under I.C. 6-1.1-25-4.5 (<http://www.ai.org/legislative/ic/code/title6/ar1.1/ch25.html#IC6-1.1-25-4.5>), and notification and petition to the court for a tax deed under I.C. 6-1.1-25-4.6 (<http://www.ai.org/legislative/ic/code/title6/ar1.1/ch25.html#IC6-1.1-25-4.6>). Certain parcels owned by the same person may be sold, and must be redeemed, together with one or more other parcels.

The Administrative Cost includes an Advertising Fee and Title Search Fee that is charged with each sale and is to enable the Marion County Auditor to secure such a service so that all interested parties of public record may be informed by the Auditor of the impending issuance of a Tax Deed to a different owner. The search remains the property of the County Auditor.

After a minimum bid has been received for a particular item number the bidding will proceed in increments deemed appropriate by the auctioneer based on the number of bidders.

No one should bid in this Tax Sale who does not have the correct type of payment at the time of becoming a successful bidder. A high bidder who fails to immediately pay the bid price in acceptable funds must pay a penalty of 25% of the amount of the bid (subject to prosecution - IC. 6-1.1-24-8 [<http://www.ai.org/legislative/ic/code/title6/ar1.1/ch24.html#IC6-1.1-24-8>]).

All sales are final! There will be no refunds or exchanges. Prospective buyers are urged to research available properties thoroughly to aid in identifying the exact piece of property identified by the parcel number. Research may include, but not necessarily be limited to, a review of:

- liens recorded with the Marion County Recorder;
- plat maps in the appropriate Township Assessor's office;
- orders of the Department of Metropolitan Development concerning demolition orders and unsafe buildings;
- sewer user charges, solid waste service fees, and/or weed cutting charges that have not been certified to the Treasurer by the Department of Public Works; and
- Health & Hospital charges that have not been certified to the Treasurer.

The IRS may claim redemption rights in properties sold which are subject to Federal tax liens pursuant to a right of redemption established under 26 U.S.C. §7425 which is different than that provided under Indiana Statute.

If a successful bidder buys a "pig in a poke," the buyer will get just that.

All bidders: the Treasurer will refund any excess of deposits over purchases when the bidder advises the Treasurer that no more purchases are planned. Such refund will be made by County check within several days of the request to close the account.

Tax Sale buyers run a risk of trespassing if they make a purchase and attempt to enter the premises or exercise any ownership rights during the redemption period which is prior to the time a Tax Deed is issued in the buyer's name.

At the conclusion of each parcel sale, the Treasurer will issue a receipt for the amount paid. (Receipts for bidders will be held by the Treasurer until the bidder closes out his/her account with the Treasurer.)

After 4-6 weeks from the date of sale, the buyer may present the Tax Sale receipt to the Marion County Auditor, Room 841 of the City-County Building, in order to receive a Tax Certificate evidencing the buyer's lien against the property.

While the minimum time to exchange a Tax Certificate for a Tax Deed to an unredeemed property is one year for "A" items (120 days for "C" items), the maximum time for such action is six (6) months after the expiration of the redemption period.

The Tax Sale buyer's lien expires six (6) months after the expiration of the redemption period.

A Tax Sale buyer may pay any taxes, penalties, and/or special assessments which become due on the parcel subsequent to the Tax Sale but before the redemption period expires. Such payments can be made by requesting a bill in person from the Marion County Treasurer. It is the Tax Sale Buyer's responsibility to record any such payment in the Auditor's office if the buyer expects to be reimbursed when the property is redeemed.

If redemption is accomplished, the buyer will be reimbursed for recorded payments of subsequent taxes, penalties, and/or special assessments plus interest at the rate of 10% per annum.

If the parcel is not redeemed and the Tax Sale buyer surrenders the Tax Certificate to receive a Tax Deed, all delinquent taxes, penalties, and/or special assessments which became due subsequent to the Tax Sale must be paid before the Auditor will petition the court to issue a Tax Deed to the Tax Sale buyer.

All buyers who are to receive payments as a result of redemption of property they have purchased will be required to complete Form W9 to give the County Auditor sufficient information to be able to issue and report on Form 1099-INT the amount of interest and redemption fee received.

(1d) W-9 Form

<http://www.irs.gov/pub/irs-pdf/fw9.pdf>

BOARD OF COMMISSIONERS

<http://www.indygov.org/eGov/County/Comm/home.htm>

Room 801, City-County Building
200 E. Washington Street
Indianapolis, IN 46204

(1) County-Owned Surplus Sale

<http://www.indygov.org/eGov/County/Comm/surplus/home.htm>

County-owned surplus property auction

Auction date for 2008: Monday, March 10, 2008

Public Assembly Room, 2nd Floor, Room 260

Registration begins 1:30 p.m. Auction begins 2:00 p.m.

Procedures:

Auction Dates for 2005: April 21, 2005; June 16, 2005; August 18, 2005

Public Assembly Room, 2nd Floor, Room 230

Registration begins 1:30 p.m.

Auction begins 2:00 p.m.

The public is invited and encouraged to conduct a drive-by inspection of any parcel included on the surplus property auction list. Bidders please be aware that some parcels may be landlocked, may be narrow strips only, irregular or may not have street frontage, may have alley access only or may have possible encroachments.

Bidders must register at the door before entering, providing name, address, phone number, and be issued a bidder number.

Once the Auction has been closed, bids may not be withdrawn.

All sales are final. No refunds will be given.

Sale will proceed by sequence of written order of the notice.

Bidding will start at the minimum bid.

All properties that sell for five hundred dollars (\$500.00) or less must be paid in full at the time of the sale in the Public Assembly Room.

All properties that sell for more than five hundred dollars (\$500.00) must have a minimum earnest money deposit of five hundred dollars (\$500.00) at the time of sale. Properties with minimum bids of ten thousand dollars (\$10,000) or more will require a five percent (5%) earnest money deposit at the time of sale. The remaining balance is to be paid in full the following day in Room Number 1045 of the City-County Building between 8:00 a.m. and 12:00 noon.

It is understood that in the event a bidder does not pay the remaining balance by 12:00 noon on the following day of the sale, the earnest money is forfeited by the bidder.

Office of the Marion County Board of Commissioners, County-Owned Property Division, will process the resulting deeds and disclosure forms, including recording.

The bidder submitting the next-to-highest bid shall be considered as an alternate bidder. In the event the highest bidder defaults in presenting monies in full by the required deadline, the alternate bidder's bid will be considered. In this event, payment must be received by the alternate bidder within 48 hours from notice of opportunity to purchase.

Alternate bidders are obligated to their bid.

Payment may only be made by cash, certified check, cashier's check or official check. Certified, cashier's, and official checks must be made payable to the Marion County Treasurer. Do not bid if you do not have the correct type of payment.

If any improvement is occupied, it is without our consent. The County is not responsible for evictions.

The Marion County Board of Commissioners does not warrant that these properties are free and clear of all encumbrances, easements, encroachments, judgments, liens, or right-of-way restrictions. The title transfer is in the form of a Quitclaim Deed. "Once the Auction has been closed, bids may not be withdrawn." All bidders are encouraged to hire a real estate attorney to perform a quiet title action to remove all liens, judgments, etc.

Marion County expressly disclaims any warranties, expressed or implied, as to its merchantability, habitability or fitness for a particular purpose. Any and all such property is to be sold on an "as is" condition, with award to the highest bidder.

The County assumes no responsibility for any changed condition of the property from the date of the auction until delivery of the deed to the purchaser. Purchaser understands that he accepts all risk of loss to the property during that time.

New in 2007: In accordance with new state legislation, Marion County will be reviewing the tax status of all county-owned surplus buyers.

County-owned surplus buyers will not be issued a deed until any delinquent property taxes are made current on property they currently own.

Failure to bring all delinquent property taxes current may result in the voiding of sale of the parcel, application of money rendered to the delinquent taxes, and the resale of that parcel in a subsequent sale.

Information Regarding Demolition Orders: Anyone purchasing property is advised to contact the Marion County Health Department at 221-2150 to determine whether demolition or repair orders have been issued on the property. Demolition and repair orders can be issued after the date of the sale. It is the responsibility of the purchaser to verify whether demolition or repair orders have been issued for the property. The purchaser accepts the property subject to any orders issued by the Marion County Health Department.

Purchaser has no authority to enter the property until he receives the deed to the property. The County will use reasonable efforts to deliver the deed in a timely manner.

All properties are subject to tax assessment in 2008, due and payable in 2009 if obtained before March 1, 2008. If obtained after the March 1, 2008 assessment date, taxes will be due in 2010.

Unlike a common auction, the transaction is not completed with the termination of the bidding. The highest bid will be accepted and will require the Mayor's approval.

The street address being used is not necessarily the legal address. The address used is for reference only. Anyone intending to apply for an improvement location permit will have to verify the correct street address and zoning with the Permits Division (<http://www.indygov.org/Services/permits.htm>) of Planning and Zoning, 604 N. Sherman Drive, Indianapolis, Indiana.

High bidders are responsible for contacting the Township Assessor's Office (<http://www.indygov.org/eGov/County/Assessors>) to verify accuracy of the assessed valuation against the property.

Once the auction has been closed, we will not re-open bidding for the parcels again today.

All sales require approval of the Mayor.

Data given about properties to be auctioned is given as a courtesy and is for information only. The Marion County Board of Commissioners does not guarantee the accuracy of the information given. Each bidder has the responsibility to independently verify or obtain whatever information he or she feels necessary prior to submitting a bid.

How to read property status:

A: First Time in Surplus Sale
B: Offered in Prior Surplus Sale
C: Potential Environmental Contamination Problem

Where to call for questions:

Surplus Properties and Auctions
Marion County-Owned Real Estate
Suite 1041, City County Building
Phone: (317) 327-4030

Demolition and Repair Orders
Marion County Health Department
Health and Hospital Corporation
3838 N. Rural Street
Indianapolis, IN 46205
Phone: (317) 221-2150

Property Taxes
Marion County Treasurer's Office
Suite 1001, City County Building
Phone: (317) 327-4444

Property Tax Deductions
Marion County Auditor's Office
Suite 841, City County Building
Phone: (317) 327-4646

Deeds
Marion County Recorder's Office
Suite 721, City County Building
Phone: (317) 327-4020

Zoning
Department of Metropolitan Development
Suite 1821, City County Building
Phone: (317) 327-5155

Notice: If you previously owned a property which was sold in a tax sale, and you failed to redeem the property before a tax deed was issued to the County, Indiana law limits the circumstances under which you or your agent may now purchase that property at a surplus auction.

No property may be sold to a person who is ineligible under section 36-1-11-16 of the Indiana Code. Section 36-1-11-16 provides:

(A) This section applies to the following:

(1) A person eligible to redeem a tract under IC 6-1.1-25-1 who did not redeem the tract before a deed for the tract was issued to a county under IC 6-1.1-25-4.

(2) A person who is an agent of the person described in subdivisions (1).

(B) A person subject to this section may not purchase, receive, or lease a tract the person was eligible to redeem when the tract is offered in a sale, exchange, or lease under this chapter unless:

(1) The county was issued a deed to the tract under IC 5-1.1-25-4 more than five (5) years before the tract is offered for sale, exchange, or lease under this chapter; or

(2) The person pays the county treasurer an amount equal to the amount required to redeem the tract when the county was issued a deed for the tract under IC 6-1.1-25-4 before the sale, exchange or lease under this chapter is executed by the county.

(C) If a person purchases, receives, or leases a tract that the person was not eligible to purchase receive or lease under this section, the sale, transfer, or lease of the property is VOID and the county retains the interest in the tract it possessed before the sale, transfer or lease of the tract.

Therefore, anyone who is purchasing property previously held by them or by their principal and was forfeited because of delinquent taxes within the last five years must submit payment to the Office of the Marion County Treasurer of all past due amounts no later than 12:00 noon of the following day when the auction payment balance is due.

(2) General Information

<http://www.indygov.org/NR/rdonlyres/B4DC9070-F519-4BFF-8A33-702C94371E46/0/ COUNTYOWNED PROPERTY.pdf>

To Contact Us:

Kevin Vaughn, County-Owned Property Division
200 E. Washington Street, Suite 1041
Indianapolis, IN 46204
Phone: (317) 327-4030

What Is County Owned Surplus Real Estate? After a parcel has gone through the annual tax sale two consecutive years and is not purchased, the county takes a lien on the property. Surplus Auctions are held to sell these parcels. To sell the parcels, the county takes title in Marion County's name by virtue of a tax title deed and removes all the taxes owing. The property is appraised and a minimum bid amount established. When property is purchased from the County, there is no redemption period; the parcel is yours as soon as you receive the recorded deed. The property is conveyed by quitclaim deed, which the county records.

Procedures For Our Auctions: A handout explaining the procedures is available in the office, on the Internet, or in the newspaper when notice of sale is published. This handout gives a detailed explanation of the procedures and payment policies, the county's responsibilities, and the buyer's responsibilities. All properties that sell for \$500.00 or less must be paid in full at the time of the sale.

All properties that sell for more than \$500.00 require a minimum earnest money deposit of \$500.00; properties selling for more than \$10,000 require 5% earnest money deposit at the time of sale. All balances are to be paid in full by noon the following day in room 1001 of the City-County Building.

To Obtain a Listing: A listing of the properties to be offered becomes available approximately one month prior to each sale. The list is available via the Internet, newspaper publication, or in our office:

- **Internet:** <http://www.indygov.org/eGov/County/Comm/surplus>. This site is updated one month prior to each auction. After the sale it will be updated to show which properties were sold.
- **Newspaper:** A legal notice is published in both the Indianapolis Star and the Court & Commercial Record two times prior to the auction. This is a complete listing, including the procedures.
- **In the City-County Building:** The list can be purchased for \$3.00 in room 1041 on the 10th floor of the City-County Building.
- **Reminder Postcard:** Unfortunately we are not able to mail or fax the list of properties available for sale. There is a reminder postcard sent in January to announce sale dates. To be included in our reminder list please contact Kevin Vaughn at 327-4030.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

SRI INCORPORATED

<http://www.sri-taxsale.com>

SRI was created over fifteen years ago, as the vision of James Hughes who saw the potential for assisting county government as a result of a new tax sale law. That vision proved to be 20/20. In those fifteen years, SRI has grown to become the tax sale experts and its name is now synonymous with tax sales.

(1) Contact Information

<http://sri-taxsale.com/contact.asp>

SRI's office is located at 8082 Bash, Indianapolis, Indiana 46250. Or just email us at jhughes@sri-taxsale.com.

(2) Commissioner's Sales

<http://sri-taxsale.com/commissioner.asp>

The natural progression of selling tax reverted properties is to sell the deeds to the properties of which the county obtains ownership. The Indiana General Assembly has recently created new law to allow the sale of certificates by the commissioners. Of course, SRI was active in that legislation and as a result, we are on the formative edge of that process. SRI conducts both deed sales for commissioners as well as the new certificate sales. SRI is the only company in Indiana that has conducted these certificate sales. Again, our expertise in the area of tax sales has led us to an unequalled expertise in the area of commissioners' sales, too.

(3) Online Auctions

<http://sri-taxsale.com/auctions.asp>

An on-line auction is where various items are being offered for sale on the internet. During this type of sale, the highest bidder typically wins. However, different rules apply to different types of sales.

Increasingly, treasurers throughout the country are looking for more effective and efficient ways in conducting public auctions. SRI has found a way to accomplish this task for them. By conducting public tax sale auctions on-line, treasurers are able to quickly place properties back on their tax rolls and collect funds due to the counties. SRI has a website, www.sri-auctionsonline.com where these types of sales are being conducted. In the near future, other public auctions will be conducted on this site.

(3a) SRI-AuctionsOnline.com

<https://www.sri-auctionsonline.com>

Phone: 1-800-800-9588

Answers to frequently asked questions: https://www.sri-auctionsonline.com/help/SRI_Auctions_Q_A.pdf

(4) Indiana Tax Sales

<http://sri-taxsale.com/indiana-taxsale.asp>

We conduct tax sales for many of the counties in Indiana. For information about sales and tax sale dates for Indiana counties click on the following link: <http://sri-taxsale.com/taxsaledates.aspx>. You will also find contact information for the County Sale Director. Choose the county that you are interested in on the map and click on it.

SRI works hard to provide you with as much helpful data as possible. See the links to the left for Indiana tax sale information.

(4a) 2006 Tax Sale Statistics

http://sri-taxsale.com/taxsale_stats_2006.htm

(4b) Frequently Asked Questions

<http://sri-taxsale.com/faq.html>

What is the date and time of the next tax lien sale? Please refer to the Tax Sale Dates link on our web site at <http://www.sri-taxsale.com/taxsaledates.aspx>.

Where and when will the auction/sale be advertised? Please refer to the Free Property Information (<http://sri-taxsale.com/propertyinfo.html>) on another page from our web site. It will list where the auctions will be advertised. However, it will not give an exact advertising date. You can call the individual newspapers and they will be able to give you exact advertising dates by the second or third week in July.

How often do you advertise sales? The tax lien sales are advertised according to the sale dates. They are advertised for three consecutive weeks. Please refer to the Free Property Information web page (<http://sri-taxsale.com/propertyinfo.html>) for approximate dates.

Is it possible to register by mail? Yes, it is possible to register by mail for the counties that we assist. However, you must mail a registration form to our office with the counties that you wish to register to bid at. Please contact our offices for the registration form.

What type of payment is required? Cash or certified funds will be accepted.

What type of bidding process will be used? This is an open auction format. The starting bid is the amount advertised in the local newspapers, the lowest amount that can be accepted by law.

Will the sale be final? Yes, the sale is final. Once the auctioneer says sold, the lien on the property is yours and you are obligated to pay for that lien.

Will other liens be cleared from the property as a result of the sale? Liens will not be removed as a result of the sale. However, if you as the tax lien buyer comply with the laws and acquire a tax deed on the property all liens will be removed with the exception of Federal and State liens.

If a foreclosure is necessary, will the county assist in this matter? Foreclosure is not a provision of the tax sale statutes.

Will I receive a document to verify the purchase? Will it be a deed or a certificate of lien? Yes, you will receive a document to verify the purchase and it will be a tax lien certificate.

Will you allow purchases by mail? No.

When will the list of unsold/unbid-on property be available? For counties that we assist, it will be available approximately thirty (30) minutes following the sale.

Is a current list of available property or liens available? Properties are certified for sales on July 1st. Updates to remove properties will be indicated on each page.

Is a copy of the county rules and state statutes regarding the tax sale available? Yes, follow this link for more information on Indiana Statutes: <http://www.in.gov/legislative/ic/code/title6/ar1.1/ch24.html>.

Other Information:

The redemption period is twelve (12) months. A flat 10% interest penalty is applied to the minimum sale price if the property is redeemed from the sale date through six months, 15% interest penalty is applied to the minimum sale price if the property is redeemed from six months through twelve months, and a 25% interest penalty is applied to the minimum sale price if the property is redeemed greater than twelve months and before a tax deed is issued. In addition, 10% interest per annum is applied on any overbid.

A tax lien purchaser may pay subsequent taxes that become due on a property. Upon redemption, the tax lien purchaser will receive the taxes paid back with 10% interest per annum applied.

Any costs that a tax lien purchaser incurs, and that are reimbursable according to the law, that are filed with the county auditor will be required to be paid upon redemption.

Indiana Code does not allow bulk lien sales on properties.

The holder of a tax sale certificate must acquire a tax deed to the real property within two (2) years after the date of sale. If the tax lien purchaser fails to do so, the lien against the property is terminated (I. C. 6-1.1-25-7[a]).

(4c) Statutes

<http://www.in.gov/legislative/ic/code/title6/ar1.1/ch24.html>

(4d) Tax Sale Glossary

<http://sri-taxsale.com/glossary.pdf>

(4e) Tax Sale Dates and Information

<http://sri-taxsale.com/TaxSaleDates.aspx>

ROGUE INVESTOR NOTE: The web page includes the following information by county: sale date, director, director email, address, city, state, zip, sale location and property information.

(4f) Advertising Information

<http://sri-taxsale.com/propertyinfo.html>

You may obtain a list of the properties available for tax sale approximately five (5) weeks prior to the sale date. These lists will be published in at least one local newspaper. For most counties the information included in the newspaper advertisement is as follows:

- Sale ID#
- Property ID#
- Minimum Sale Price
- Owner Name (Optional)
- Legal Description
- Common Location / Property Address

ROGUE INVESTOR NOTE: The following counties in Indiana are clients of SRI: Bartholomew, Blackford, Brown, Carroll, Clark, Clinton, Dearborn, Delaware, Elkhart, Floyd, Fountain, Fulton, Grant, Greene, Hamilton, Harrison, Hendricks, Howard, Huntington, Jackson, Johnson, Knox, Kosciusko, Lake, LaPorte, Lawrence, Madison, Martin, Miami, Montgomery, Morgan, Orange, Owen, Parke, Porter, Posey, Pulaski, Putnam, Randolph, Ripley, Scott, Shelby, Spencer, Starke, Switzerland, Tipton, Vermillion, Vigo, Washington, and Whitely. See web page for a list of newspapers in which tax sale advertisements are placed, by county.

(4g) Lien Buyer Handout

<http://sri-taxsale.com/handout.pdf>

ROGUE INVESTOR NOTE: See six-page document for the following information: tax sale procedure, tax lien purchaser information, if the owner redeems the property, and penalties for failure to comply with tax sale statutes.

(4h) 137 B Form: Statement of Costs Paid on Tax Sale Property

<http://sri-taxsale.com/137B.pdf>

(4i) Online Tax Sale Registration

<https://www.sri-taxsale.com/registration>

Iowa

Tax Lien Sales: Yes.

Over-the-Counter Tax Lien Sales: Yes. The lists are called Adjourned or Public Bidder Sales Lists. These are liens that are left over from the annual June tax lien sale. There is usually a real estate list and a mobile home list.

Tax Deed Sales: No.

Rating: Four Stars (****)

Interest Rate: 24% per year

Sale Period: All county tax lien sales are held on the same day, during the third week in June.

Redemption Period: 21 months.

Bidding Process: By state law, bidders can bid on the percentage of the property they will own. Thus, when two bidders bid on the same property, they can both end up owning a percentage of the property. In some counties this is becoming more common, so it is possible that you could end up with properties where it would be difficult to foreclose. The bidding process is commonly done by random round robin. If your bidder number is randomly selected, you have an opportunity to bid or pass. Some counties, such as Polk County, will charge a hefty fee to register as a bidder, even if you are only purchasing over-the-counter liens.

State-Specific Information: Iowa is a decent tax lien state because the interest rate of 24% per year is very favorable, the redemption period of 21 months is short, and unsold certificates can be purchased by mail. However, sales can be competitive and more often some bidders are now willing to bid on a percentage of property ownership. The random round robin process is good in that it keeps the interest rate fixed at 24 percent; however, because it is random you will have no idea what liens you will have an opportunity to bid on.

Story County, Iowa Tax Lien Sale – June 2004

Story County is where Iowa State University is located, and overall this appeared to be a good county for tax sales. In general, the sale went well; however, there were about 150 bidders, which is a little more than we like.

In Iowa, as each parcel comes up for bid, a computer is used to randomly select a bidder number and the bidder can either say "sold" or "pass." This process is efficient and does not bid down the interest rate. Every winning bidder gets the 24% interest rate that makes Iowa a great tax lien certificate state. Also, since all sales are on the same day, it is hard for large investors to corner all the sales.

We also learned a little trick at the sale: if you want to win a lot of bids, bring some friends. After the sale is over you can transfer ownership of the certificates for a fee. If your goal is to spend a lot of money, this is a good strategy. Overall, it was a fair sale and we left as owners of several tax lien certificates with a 24 percent interest rate.

Iowa County Links: See Iowa Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

POLK COUNTY, IOWA
<http://www.polkcountyiowa.gov>

TREASURER'S OFFICE

<http://www.polkcountyiowa.gov/treasurer/Default.aspx>

Mary Maloney, Treasurer
Polk County Administration Building
111 Court Avenue, Room #140
Des Moines, IA 50309-2298
Phone: (515) 286-3030
Fax: (515) 286-2225

(1) Property Tax Division

<http://www.polkcountyiowa.gov/treasurer/Default.aspx>

Conducts the annual tax sale for the collection of delinquent taxes.

(1a) General Information

<http://www.polkcountyiowa.gov/treasurer/pages/propertytax.aspx>

Property Tax Division
County Administration Building, Room 154
111 Court Avenue
Des Moines IA, 50309
Phone: 515-286-3060 |
Fax: 515-323-5202
Property Tax Email: propertytax@co.polk.ia.us

(2) Tax Calendar

<http://www.polkcountyiowa.gov/treasurer/pdfs/TaxCalendar.pdf>

October 15: Tax sale buyers may pay subsequent delinquent taxes on properties with outstanding taxes.

April 15: Tax sale buyers may pay subsequent delinquent taxes on properties with outstanding taxes.

June: The Treasurer's Office Annual Tax Sale is held at the Polk County Convention Complex beginning on the third Monday in June (the treasurer may designate a different date for the sale other than the third Monday in June if necessary).

(3) Tax Sale Buyer Information

<http://www.polkcountyiowa.gov/treasurer/pages/TaxSale.aspx>

County Administration Building, Room 154, 111 Court Avenue
Des Moines IA, 50309
Phone: 515-286-3060
Fax: 515-323-5202

Tax Sale Buyer Request for Available Redemption Funds: <http://www2.co.polk.ia.us/breq.php>

Affidavit for Lost or Destroyed Tax Sale Certificate:

<http://www.polkcountyiowa.gov/treasurer/PDFs/DupCertAffidavit.pdf>

Tax Sale Buyer Address Change Request Document:

http://www.polkcountyiowa.gov/treasurer/PDFs/TaxSaleBuyerAddressChangeRequest_.pdf

The Polk County Treasurer is responsible for the administration of the Annual Tax Sale and must offer for sale, in an open competitive bidding process (Iowa Code Chapter 446, <http://coolice.legis.state.ia.us/Cool-ICE/default.asp?category=billinfo&service=iowaCode>), parcels in

which taxes have become delinquent. The purpose of the tax sale is to collect unpaid taxes. The Annual Tax Sale takes place in June of each year at the Polk County Convention Complex (<http://www.iowaeventscenter.com/cc.aspx>).

Below is the 2007 Tax Sale information in a .pdf file, as well as the previous years' tax sale information, provided for reference purposes only:

- 2007 Tax Sale Information: <http://www.polkcountyiowa.gov/treasurer/PDFs/taxSale2007.pdf>
- 2006 Tax Sale Information: <http://www.polkcountyiowa.gov/treasurer/PDFs/taxSale2006.pdf>
- 2005 Tax Sale Information: <http://www.polkcountyiowa.gov/treasurer/PDFs/TaxSale2005.pdf>
- 2004 Tax Sale Information: <http://www.polkcountyiowa.gov/treasurer/PDFs/TaxSale2004.pdf>

Delinquent taxes on a parcel subject to sale will be advertised in June in a Polk County newspaper of general circulation. Properties are listed in parcel number order and have a sequence number for bidding purposes. Copies of the newspaper are available for purchase at the Polk County Treasurer's Office.

In addition, computer reports of delinquent items are available in three formats:

1. Paper report: Paper reports can be picked up in room 155 or mailed through the U.S. Postal Service or UPS regular delivery.
2. Electronic Report Via Treasurer's Website (view only) – Free: Customers may view the computer report from the Treasurer's Office Web Site beginning the first week of May at no cost by selecting one of the links below.
 - Real Estate Public Bidder Sale: <http://www2.co.polk.ia.us/TSPublic.html>
 - Real Estate Regular Sale: <http://www2.co.polk.ia.us/TSRegular.html>
 - Mobile Home Public Bidder Sale: <http://www2.co.polk.ia.us/MHPublic.html>
 - Mobile Home Regular Sale: <http://www2.co.polk.ia.us/MHRegular.html>
3. Electronic Download Report Via Treasurer's Website – Password Access: Customers may download the computer report from the Treasurer's website in a format compatible with most spreadsheet and database programs for a fee. The fee includes unlimited download capability. The Treasurer's Office will assign a user name and password to you upon receipt of your payment. The user name and password number is valid only for the tax sale(s) listed in the table below.

To place an order in one or more of the previously mentioned formats, complete the "Delinquent Tax List Order Form" (<http://www.polkcountyiowa.gov/treasurer/PDFs/TaxListOrderForm2005.pdf>) and return it with your check for the appropriate fee to the Polk County Treasurer's Office. You will receive a user ID, password and the Internet website address from the Treasurer's Office once you have paid for the report.

Submit the request and payment for paper reports or electronic downloadable files to:

Polk County Treasurer
Attn: Tax Administrative Supervisor
111 Court Avenue
Des Moines, IA 50309-2298
Fax: (515) 323-5202
Email: propertytax@co.polk.ia.us

Copying, distributing, or selling the tax sale computer report is prohibited. The investor is responsible for all research on parcels available for auction. The following sites are available that may help an investor research parcels for the tax sale:

- Assessor Link: <http://www.assess.co.polk.ia.us>
- Auditor GIMS Link: <http://www.gis.co.polk.ia.us>
- Recorder's Office Index Search Link: <http://landrecords.polkcountyiowa.gov/resolution>.

Please contact the Cash Management Division of the Polk County Treasurer's Office at (515) 286-3035 for information concerning tax sale redemption funds.

ROGUE INVESTOR NOTE: See web page for a table that provides report format, method of delivery, effective tax sale dates, and cost.

(4) Treasurer's Tax Sale Package for 2007

<http://www.polkcountyiowa.gov/treasurer/PDFs/taxSale2007.pdf>

ROGUE INVESTOR NOTE: The 34-page tax sale package contains the following information: memo from the Treasurer to prospective tax sale bidders; property tax portfolio service; electronic devices prohibited and food/beverage restrictions; registering for the tax sale, bidding at the tax sale, purchasing tax sale certificates, bidder activity report, notification to titleholder of tax sale, reimbursement of a tax sale redemption, payment of subsequent taxes (sub-list), assignment of a tax sale certificate, "90 Day Notice of Right of Redemption" affidavit, statement of costs, tax sale deed, erroneous tax sale or assignment, abandoned property or vacant lots, tax sale publication, tax sale delinquent parcel reports, adjourned tax sales, change of address or telephone number, Americans with Disabilities Act, non-resident aliens and foreign businesses, general information, calendar, W-9 form (Request for Taxpayer Identification Number and Certification), registration of tax sale bidder or assignee form, registration of authorized agent form, authorization to change agent form, direct deposit authorization form, delinquent tax list order form, real estate delinquent tax list – regular sale, 2006 Polk County bidder activity report, tax sale buyer address change request form, and registration check list.

STORY COUNTY, IOWA

<http://www.storycounty.com>

TREASURER'S OFFICE

<http://www.storycounty.com/index.aspx?DN=24,6,1,Documents>

David Jamison, Treasurer
900 6th Street,
Nevada, Iowa 50201
Phone: 515-382-7331
Email: DJamison@storycounty.com

(1) Meet Our Staff

<http://www.storycounty.com/index.aspx?DN=468,24,6,1,Documents>

David Jamison, Treasurer
Phone: (515) 382-7330
Email: treasurer@storycounty.com

Jane Evans, Finance Deputy
Phone: 515-382-7330
Email: jevans@storycounty.com

Jane Evans' knowledge of the tax sale process is extensive.

(2) Tax Sale Packet

<http://www.storycounty.com/index.aspx?DN=464,24,6,1,Documents>

To: 2006 Prospective Tax Sale Bidders
From: David d. Jamison, Story County Treasurer
Subject: 2006 Annual Tax Sale
Date: May 2006

The enclosed packet contains relevant information regarding the 2006 tax sale and tax sale procedures. If you plan on bidding at the 2005 tax sale, please read the information in the "Terms and Conditions Governing the Annual Tax Sale" (revised May 2006).

The tax sale will start promptly at 10:00 a.m. on Monday, June 19, 2006 at Gates Hall, 825 15th Street, Nevada, IA 50201.

Pre-registration is required with a non-refundable \$25.00 registration fee. Please note this major change in registration: if you fill out the form "Authorization to Represent Bidder," no changes will be allowed once the form is turned in. No exceptions.

All necessary forms, which include the "Registration of Bidder," "W-9," and "Authorization to Represent Bidder," if applicable, and the registration fee, payable to the Story County Treasurer, must be properly completed and received in our office by 5:00 p.m. on Tuesday, June 14, 2006. Please use our forms that are provided.

On the day of tax sale, please provide pens/pencils for your use or for your group as our supplies are limited.

A delinquent tax list will be available from our office on Wednesday, May 25th. If you would like a paper report or a copy emailed, please fill out the order form that is provided and return it to our office with your payment of \$25.00. Or you may purchase a copy of the publication by calling the Ames Tribune at (515) 232-2160. The publication date will be Thursday, June 02, 2006.

The real estate information is now available on the Internet and is updated continuously. Log on to one of the websites at: www.storyassessor.org, www.storycounty.com or www.iowatreasurers.org.

If you are on our mailing list for the tax sale packets and you would like for our office to take your name off or if you have any questions or concerns, please contact our office at (515) 382-7330.

(2a) Tax Sale Packet

<http://www.storycounty.com/adx/asp/adxGetMedia.aspx?DocID=464,24,6,1,Documents&MediaID=1456&Filename=TaxSale06.pdf>

ROGUE INVESTOR NOTE: This 19-page document contains the terms and conditions governing the annual tax sale (revised May 2006).

Kansas

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: Possibly. In some counties, offers to purchase properties that did not sell at public auction will be considered and may be accepted upon published notice and court approval.

Rating: Two Stars (**)

Interest Rate: Not applicable to Kansas' tax deed sales.

Sale Period: Auctions occur throughout the year, but they are not regularly scheduled. In fact, one of the most difficult aspects of tax deed investing in Kansas is keeping up with sale dates.

Redemption Period: There is no extended right of redemption following the tax deed sale.

Legal Challenge Period: 1 year.

Bidding Process: The Treasurer's Office or the Sheriff's Office conducts the auctions, with opening bids starting at the amount of taxes owed on the property. The minimum bid is usually equal to back taxes plus interest, fees and costs of the sale. However, in some counties the minimum bid can be less than that. The highest bidder wins the property. You may have a buyer's agent buy properties for you.

State-Specific Information: The winning bidder will be issued a Sheriff's deed after the court confirms the auction (approximately three weeks following the sale).

Kansas County Links: See Kansas Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

JOHNSON COUNTY, KANSAS

<http://www.jocogov.org>

TREASURER'S OFFICE

<http://treasurer.jocogov.org>

Dennis Wilson, Treasurer
111 S. Cherry Street, Suite 1500
Olathe, KS 66061
Phone: (913) 715-2600
Fax: (913) 791-5360

(1) Contact Information

<http://treasurer.jocogov.org/contact.htm>

Phone: (913) 715-2600
Fax: (913) 791-5360
Real estate tax specific questions, email: %20taxinfo@jocogov.org

(2) Frequently Asked Questions

<http://treasurer.jocogov.org/faq.htm>

When would my real estate property be up for tax sale? Real estate property taxes three years delinquent are subject to a tax foreclosure (http://legal.jocogov.org/tax_sale.htm) action and public sale.

(3) Delinquent Taxes

http://treasurer.jocogov.org/delinquent_taxes.htm

Publication of Delinquent Real Estate Taxes: Delinquent real estate taxes not paid within three years are referred to the Legal Department for foreclosure action, thus putting the property in jeopardy of being sold at auction.

Details of Tax Foreclosure Sales may be obtained by requesting a brochure entitled "Johnson County, Kansas, Tax Foreclosure Sale" from the Johnson County Legal Department (<http://legal.jocogov.org>), or go to Tax Foreclosure Sale: http://legal.jocogov.org/tax_sale.htm.

Real Estate taxes that are unpaid August 1st of the current year are published in the official county newspaper (as designated by the Board of County Commissioners) for three consecutive weeks in August in accordance with the provisions of K.S.A. 79-2301 to 79-2323a.

LEGAL DEPARTMENT

<http://legal.jocogov.org>

Johnson County Legal Department
111 S. Cherry Street, Suite 3200
Olathe, KS 66061-3486
Phone: (913) 715-1900
Fax: (913) 715-1873

(1) Staff Directory

<http://legal.jocogov.org/staff.htm>

Mary Martin Buhl, Assistant County Counselor: tax sales

(2) Tax Foreclosure Sale

http://legal.jocogov.org/tax_sale.htm

Disclaimer: This outline is provided by the Johnson County Legal Department for general informational purposes. It is not intended as legal advice or as a complete statement of the law regarding tax foreclosures. The procedures described in this outline are subject to change at any time, dependent upon changes in state law and County policies. It is your responsibility to determine and verify all information that you may need, or upon which you may rely, with respect to any property.

Auction Procedures: County tax auctions are held to collect unpaid real estate taxes. This outline will help you understand the process and the research you will need to do if you are interested in purchasing property at the tax auction.

There may be more than one tax foreclosure in progress at any given time and each one may be at a different stage of the process. Auctions will be set as needed throughout the year.

Several properties may be offered for individual auction at an auction.
The County does not sell tax lien certificates.

You are responsible for researching the properties that interest you to determine whether they are suitable for your use. Some examples of research you may want to do are: determine the location and type of property; check with the city and/or County for zoning and building limitations; check with the County appraiser for assessed value and current tax rates; check with the Department of Records & Tax

Administration for easements and restrictive covenants; and view the property. Additional research may be appropriate. Seek individual legal advice.

A list of the properties, as well as the date, time and location of the auction and registration requirements, will be published prior to the auction in the Kansas City Star and the Olathe Daily News once a week for three weeks. You may also view a list of properties at this website; the list follows this message.

Also, for a nominal fee, listed below, you may obtain a list of the properties at the Johnson County Legal Department. Properties are listed by parcel identification number and by legal description; approximate addresses are listed where available but are not warranted. You may view maps of the properties at this website; the maps follow the list of properties.

Booklets containing lists and maps of the properties are also available at the Johnson County Legal Department for \$8.00 each. Booklets may be purchased in person or by mail. To order the booklet by mail, send your name, address, and money order or cashier's check in the total amount of \$10.00 (which includes postage) to Johnson County Legal Department, 111 S. Cherry Street, Suite 3200, Olathe, KS 66061-3486.

The amount of tax listed for each property in the auction notice is the amount of delinquent taxes owed, plus interest, not the assessed value.

Ownership of the property remains with the current owner(s) until the auction. Therefore, you may not enter the property without the permission of the owner(s).

The current owner(s) may redeem the property at any time prior to the time of auction.

The Auction: Properties are sold at public auction to the highest qualified bidder, as defined by state statute. The County may bid on properties up to the amount of taxes and interest it is owed.

Generally, state law prohibits the following people from buying at the auction:

- those who owe delinquent taxes in Johnson County
- those who have an interest in the property, such as the owners, relatives, or officers of a corporation which owns the property
- those who buy the property with the intent to transfer it to someone who is prohibited from buying at the auction.

Some properties may sell for less than the taxes owed; some may sell for more.

Registration prior to the auction is required. Registration will be held the morning of the auction, as advertised.

All bidders and buyers must execute an affidavit, under oath, that they meet the statutory qualifications for bidding on tax auction property.

Properties will be sold by legal description and by County parcel identification number. Properties are sold "as is." There are no warranties.

All the properties must be paid for by the stated time on the day of the auction. Only cash, a cashier's check, or a money order will be accepted. Personal checks are not accepted.

You may leave the building to obtain the cash, money order, or certified check for payment, but you must return to pay for the property by 4:00 p.m. that day. Payments will be accepted until noon at the auction site. Payments will be accepted from noon to 4:00 p.m. at the Johnson County Sheriff's Civil Division, 125 North Cherry Street, Room 122, Olathe, Kansas.

The buyer must pay the fee for filing the deed with the Department of Records & Tax Administration at the time of the auction.

The buyer will receive a receipt for payment on the day of the auction.

After the Auction: The court will hold a hearing approximately three weeks after the auction to determine whether to confirm the auctions.

Some properties sold at the auction are subject to federal lien. A deed will be issued for those properties after the expiration of the applicable federal redemption period, if the federal agency chooses not to redeem the property.

For properties not subject to a federal lien, the Sheriff will issue a Sheriff's Deed after the court confirms the auction.

All other liens which were of record will be extinguished upon confirmation of the auction; however, covenants, and restrictions and easements of record are not extinguished, and the buyer takes the property subject to those encumbrances.

The buyer is responsible for any taxes and assessments, which are not included in the judgment, including the full amount of taxes assessed against the property for the calendar year in which the auction is held.

The buyer is responsible for taking any necessary legal action to obtain possession of the property, such as by filing an eviction proceeding.

For twelve months after the deed is recorded, a legal challenge may still be made to question the procedures that the County followed. If such a challenge is successful, the property could revert to the original owner, in which case the court would order the purchase price refunded to the buyer.

Upcoming Auctions: The following tax auction, identified by District Court of Johnson County case name and number, is currently pending: Currently, there is no sale scheduled.

Date of Sale: No date is set at this time.

Property List: Currently, there is no list available (auction list is subject to change).

Frequent Questions:

What is the date, time, and location of your tax auctions? Auctions are scheduled when all other tax auction procedures required by law and County policy have been completed. Auction dates, times, and location will be posted on this site as they are set.

When and how are your tax auctions advertised? How can I obtain a list of properties for upcoming auctions? A list of the properties, as well as the date, time and location of the auction and registration requirements, will be published prior to the auction in the Olathe Daily News, once a week for three weeks. Additionally, the list will be advertised in the Kansas City Star and the Johnson County Sun newspapers. A list of the properties and maps for the properties are available for viewing on this web site. Also, you may obtain a booklet of the properties and maps at the Johnson County Legal Department for \$6.00. The booklet may be obtained in person or by mail. To order the booklet by mail, send your name and address to Johnson County Legal Department, 111 S. Cherry Street, Suite 3200, Olathe, KS 66061-3486. Payment is only by check or money order, made payable to Johnson County, Kansas

What payment requirements do you have at the auction? Only cash, a cashier's check, or a money order will be accepted. Personal checks will not be accepted.

Is payment in full required on the day of the auction? Yes. All properties must be paid for by the stated time on the day of the auction.

Does Johnson County offer a financing program? No.

What type of ownership document is issued at the auction? The buyer will receive a receipt for payment on the day of the auction. The court will hold a hearing approximately three weeks after the auction to determine whether to confirm the auctions. For properties not subject to a federal lien, the Sheriff will issue a Sheriff's Deed after the court confirms the auction. Some properties sold at the auctions are subject to a federal lien. A Sheriff's Deed will be issued for those properties upon the expiration of the applicable federal redemption period, if the federal agency chooses not to redeem the property. If the federal agency redeems the property, no deed will be issued and the person with the winning bid at the auction will receive a refund.

Once a property is acquired through a tax auction, is there a redemption period before the purchaser may take possession? No, with this exception: Some properties are subject to federal lien. The federal agency may redeem the property during the applicable federal redemption period. A deed will not be issued by the Sheriff until expiration of the federal redemption period and only if the federal agency does not redeem the property. All properties are subject to the Service Members Civil Relief Act.

Does Johnson County allow investors to purchase at tax auctions without attending the tax auction? Yes, but the investor's agent must register prior to the auction and must attend and bid at the auction. Further, if the investor is the successful bidder, the investor must execute the required affidavit in the allotted time – generally within 48 hours after the auction. All bidders must register prior to the auction. Registration will be held the morning of the auction. The successful bidders and buyers must execute an affidavit, under oath, that they meet the statutory qualifications for bidding on tax auction property. Generally, Kansas law prohibits the following people from buying at the auction: (1) those who owe delinquent taxes in Johnson County, (2) those who have an interest in the property; for example, owners, relatives, or officers of a corporation that owns the property, and (3) those who buy the property with the intent to transfer it to someone who is prohibited from buying.

What happens to properties that do not sell at the auction? May they be purchased directly from Johnson County? In the event all the properties are not sold at an auction, Johnson County will consider all available options and procedures allowed by state law for addressing the unsold properties, including offering those properties again at the next auction. Offers to purchase properties that did not sell at public auction will be considered and may be accepted upon published notice and court approval.

Do you have a mailing list? No.

Does Johnson County sell tax liens? No. Kansas law does not provide for the auction of tax liens.

Will there be a minimum bid? The County may choose to bid in at an amount up to the amount of its lien, thereby setting a minimum bid. However, the County is not required to do so.

Will the properties sell for the amount of taxes owed? They may sell for more; they may sell for less.

What types of properties are in the auctions? All types. Some have buildings or houses; some are vacant; some are very small strips of land. It is the buyer's responsibility to research the property to determine whether it is suitable for the buyer.

SEDGWICK COUNTY, KANSAS

<http://www.sedgwickcounty.org>

TREASURER'S OFFICE

<http://www.sedgwickcounty.org/treasurer/index.cfm>

Ron Estes, Treasurer
525 N. Main
Wichita, KS 67203
Phone: (316) 660-9110
Fax: (316) 383-7113

Sign up to now receive an electronic Tax Foreclosure Auction notification from the County Treasurer. Enter your email address.

Phone, Real Estate Tax: (316) 660-9110

(1) Online Feedback Form

<http://www.sedgwickcounty.org/treasurer/feedback1.html>

Email Ron Estes, Treasurer: restes@sedgwick.gov
Email Linda Kizzire, Chief Deputy Treasurer: lkizzire@sedgwick.gov

(2) General Foreclosure Information

http://www.sedgwickcounty.org/treasurer/general_information.pdf

When a property remains unpaid for a certain length of time, it is selected for foreclosure (sale of property by County to pay back taxes) and is noted on the AB02 screen in the County's mainframe computer system. There is no set date for any property to enter foreclosure.

When a key number is in foreclosure status 0, it means the property has started the foreclosure process and at this stage we can accept payment of the oldest year in full to take the property out of foreclosure. In foreclosure status 1, abstractor's fees have been added and we can still accept payment of the oldest year in full to take the property out of foreclosure. In foreclosure status 2, attorney's fees have been added and we can accept payment of the oldest year in full to take the property out of foreclosure. In foreclosure status 3, court costs are added, the foreclosure case is filed, and within several months the foreclosure sale date is set. In status 3 foreclosure, the Treasurer's Office can only accept certified funds (cash, cashier's check, or money order) for all years due up to 5 p.m. the day before the sale from the taxpayer, lienholder or other vested interest party.

The foreclosure sales are published 30 days before the sale date in the official paper (when a sale date is set, it is in the Derby Daily Reporter, which is available in limited supply on a first-come, first-served basis in this office) and on the Treasurer's website (<http://www.sedgwickcounty.org/treasurer>). Foreclosure sales are properties sold on an "as is" basis and buyers should research the properties very thoroughly before buying (some basic information on this is available in the Treasurer's Office and is published on the Treasurer's website when a sale is scheduled). There are usually four to six sales per year, and they usually occur between May and October, but there is no established or scheduled time until the Foreclosure Attorney sets a sale date.

(3) Delinquent Tax Listing

<http://www.sedgwickcounty.org/treasurer/DelinquentTax/index.html>

Welcome to the Sedgwick County Treasurer's Office delinquent tax listing application. The purpose of this application is to allow you to view a list of all delinquent properties in Sedgwick County.

SHERIFF'S OFFICE

<http://www.sedgwickcounty.org/sheriff>

(1) Sheriff Sales

<http://www.sedgwickcounty.org/sheriff/sales.asp>

The Sedgwick County Sheriff's Office conducts sales of real estate and other items under court order. Mortgage Foreclosure Sales are conducted each Wednesday at 10:00 a.m. in the Courthouse basement conference room. Tax Foreclosure Sales are advertised 30 days in advance of the date of the sale; Personal Property Sales are advertised three weeks in advance of the date of the sale. Both are published in the Derby Daily Reporter or other official paper of record. For information view our Frequently Asked Questions below or contact:

Real Estate Tax Foreclosure Sales

Rachel Hummel
Phone: 316-383-7264
Fax: 316-660-3248

Delena Farmer
Phone: 316-383-7264
Fax: 316-660-3248

Frequently Asked Questions

When and where are Sheriff's sales held? Mortgage Foreclosure Sales are held each Wednesday (except holidays) at 10:00 am sharp in the Sedgwick County Courthouse Basement Cafeteria Conference room. Tax Foreclosure, Personal Property and Surplus Property sales are conducted as the need arises with the location, date and time published in one of the county papers of record.

How can I learn about what properties or items are for sale? Sheriff Sales are subject to change on a day to day basis and we are not able to respond to individual inquiries regarding list of properties or items for sale. Persons interested in bidding on items being sold should subscribe to the Sedgwick County papers of record, "The Derby Daily Reporter" and the "The Sedgwick County Post".

What information is published on items up for sale? The case caption (who vs. whom), district court case number, name of the attorney for the plaintiff issuing the order of sale and the legal description of the property.

Where can I go to obtain information not listed in the publication? If the street address is not listed on the published order, the Sheriff's Office will not have it. Instead, interested parties should contact the County Clerk's office to obtain such information. Information on the amount of judgment, court costs, taxes owed, etc. are available and can be viewed in the open court file which is available through the Clerk of the District Court, Civil Division, which is located on the eleventh floor of the Sedgwick County Courthouse, 525 N. Main, Wichita.

What information do I need to have in order make inquiries on sales being held by the Sedgwick County Sheriff's Office? You must have either the defendant's name or the district court case number in order make inquiries on the status of sales. We are unable to help you if you only have the address.

What form of payment is required when bidding on Sheriff Sales? The full bid amount for a sale item must be paid in cash, certified check or money order at the time of sale. The Sheriff's Office will accept personal checks only with the prior approval in writing of the attorney for the plaintiff listed in the order of sale. The Sheriff's Office will not give "change" from any transaction conducted at a sheriff's sale. Should the amount of the check or cash be over the amount bid, the Sheriff will issue a receipt for the actual amount received and any overage will be paid from the Clerk's office at a later date.

After the sale what happens prior to the Sheriff's Office issuing deed for the property? After the sale the following events occur prior to the issuance of a Sheriff's Deed:

1. After the sale a Return of Service on the Order of Sale is filed by the Sheriff's Office with the Clerk of the District Court.
2. The Clerk of the District Court will send a receipt to the winning bidder.
3. An order confirming the sale will be generated, usually by the plaintiff's attorney and signed by a judge. The orders may contain a redemption period which is generally ninety days in length; although longer and shorter periods of time may be specified by the court. Redemption rights can also be extinguished altogether upon order of the court.
4. Following the receipt of the order confirming the sale, the Sheriff's Office will issue a Certificate of Purchase which states the name, the length of the redemption period, if any, and the amount bid by the winning bidder. These documents will be sent to the plaintiff's attorney unless the winning bidder is a third party, in which case the Certificate of Purchase will be sent directly to them.
5. At the end of the redemption period the buyer will surrender the original copy of the Certificate of Purchase to the Sheriff's Office.
6. Following the receipt of the original copy of the Certificate of Purchase by the Sheriff's Office, a Sheriff's Deed will be issued to the winning bidder.

What happens if the property is redeemed during the redemption period? There will be no Sheriff's deed issued for the property and the Clerk of the District Court will refund the money paid on the date of the sale.

Who should I contact if I have routine questions regarding the processing of Sheriff's Mortgage Foreclosure Sales? The contact points for mortgage foreclosure sales are:

Donita Jarrell, Mortgage Foreclosure Clerk
Phone: 316-660-3875

Sgt. Conrad Jansson, Civil Section Supervisor
Phone: 316-383-7375

WYANDOTTE COUNTY/KANSAS CITY, KANSAS

<http://www.wycokck.org>

TREASURY OFFICE

http://www.wycokck.org/dept.aspx?id=6758&menu_id=1034

Chuck Henry, Director
Revenue/Treasury
Wyandotte County Courthouse
710 N. 7th Street
Kansas City, KS 66101
Phone: (913) 573-2823

REAL ESTATE PROPERTY TAX

(within Treasury Office)

http://www.wycokck.org/dept.aspx?id=6764&menu_id=1034

710 N. Seventh Street, Kansas City, Kansas
8200 State Avenue, Kansas City, Kansas

Delinquent tax sale information:

<http://www.wycokck.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=7294>

This displays the properties currently scheduled to be sold at the next tax sale. It also provides a tentative calendar of tax sale dates and other information about tax sales in Wyandotte County.

DELINQUENT REAL ESTATE PROPERTY TAX OFFICE

(within Real Estate Property Tax Division)

<http://www.wycokck.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=7294>

Wayman Favors, Assistant Counselor

Phone: (913) 573-2817

This office arranges and conducts all Judicial Foreclosure Sales for Wyandotte County and the Unified Government of Wyandotte County/Kansas City, Kansas. This site offers a list of properties selected for sale and an estimated sale date. Select from the Web Page List or PDF File under "List Available" will display the list of properties to be included in the sale.

Note

I = Improvement

V = Vacant Lot

C/V = Commercial Vacant Lot

C/I= Commercial Improvement

Tax Sale # = 314

Status of Property Included =

<http://www.wycokck.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=7296>

Sale Date = December 28, 2006

Certainty of Sale Date =

Tax Sale # = 315

Status of Property Included = April 27, 2007

Sale Date = <http://www.wycokck.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=7298>

Certainty of Sale Date = Definite

Tax Sale # = 316

Status of Property Included =

<http://www.wycokck.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=9902>

Sale Date = July 30, 2007

Certainty of Sale Date =

Updated January 9, 2007

(1) Tax Sale 316

<http://www.wycokck.org/WorkArea/showcontent.aspx?id=9902>

Updated 7/18/2007

Note: You must pre-register in order to participate in the Tax Sale. The Sale is scheduled for July 30, 2007, 10:00 a.m. at City Hall, 701 N. 7th Street. Registration will take place in the Delinquent Real Estate Office between the hours of 9:00 a.m. and 5:00 p.m., beginning July 16, 2007 thru July 20, 2007 and July 23, 2007 thru July 27, 2007. Prior to registration you must obtain a tax clearance from our office, Delinquent Real Estate. The Tax Clearance must be in the name of the individual, group or company bidding on the property.

Note: We sell legal descriptions, not property addresses. Also, any purchases made through the tax sale must be paid by certified check or money order and made payable to Clerk of the District Court. No exceptions made.

PRIVATE SECTOR TAX SALE ADMINISTRATORS

XSPAND

<http://www.xspand.com>

(1) Foreclosure and Real Estate Auctions

http://www.xspand.com/investors/foreclosure_auctions/index.aspx

XSPAND, and many of the governments that it serves, offer investors the ability to bid at public auction on real property that has been acquired through tax certificate foreclosures. The specifics of the auction process and acquisition of real property through auction varies by applicable local and state regulations. For this reason, available properties are listed by jurisdiction.

Auctions may be conducted by XSPAND or by the local government. Depending on the type of auction being conducted and legal requirements, it is possible that other liens or judgments against the property would remain valid and become the responsibility of the new owner. In other cases, all other liens and/or judgments against the property are extinguished. Investors must familiarize themselves with the laws governing the acquisition of real property obtained through a tax lien foreclosure auction in the jurisdiction of interest. It is important to note that XSPAND provides no investment, legal or financial advice to potential investors. As with any investment, investors should carefully consider their objectives, risks, expenses and conduct their own due diligence prior to bidding at auction.

All listed properties are auctioned on an "as is" and "where is" basis with no representations or warranties either general or specific regarding the physical condition, location, use, zoning or occupancy of the property. No entry to the property can be granted to prospective bidders. XSPAND does not provide investors with financing for these transactions nor do we advise investors on how to obtain financing. In some jurisdictions, the winning bidder is required to pay in full on the day of the auction and with certified funds. In other places, a non-refundable down payment or deposit is required immediately after auction with a "closing" scheduled at a later date where the deed and balance of funds change hands. Further detail on payment terms and the acquisition of the property can be found by clicking on the individual jurisdiction of interest.

For more information, follow the appropriate link or call the telephone number listed for each jurisdiction. We strongly suggest that potential investors conduct due diligence and consult with an attorney to make informed purchase decisions.

Should you have an interest in attending or receiving more information on a particular auction, please select the appropriate jurisdiction located on this page. From there you can view the list of parcels scheduled for upcoming auction or you will be directed to websites hosted by our government clients where additional information is available.

ROGUE INVESTOR NOTE: See web page for a list of jurisdictions. They include: New York City, NY; Erie County, NY; Cuyahoga County, OH; Montgomery County, PA (upset sales, judicial sales); Blair County, PA; City of Chester, PA; and Wyandotte County/Kansas City, KS. Also, see frequently asked questions specific to each jurisdiction (available once you have clicked on the jurisdiction).

(1a) Wyandotte County/Kansas City, KS Judicial Foreclosure Sales

http://www.xspand.com/investors/foreclosure_auctions/detail.aspx?t=02&j=07&name=Wyandotte%20County/Kansas%20City%20KS

Judicial foreclosure sales are conducted periodically each year by the Unified Government of Wyandotte County and Kansas City, KS and all questions regarding the Judicial Foreclosure Sale should be directed to the Delinquent Tax Office at 913-573-2817. A listing of these auction properties is available here: http://www.wycokck.org/Dept.aspx?id=7294&menu_id=1034.

(1b) Wyandotte County/Kansas City, KS Judicial Foreclosure Sales FAQs

http://www.xspand.com/investors/foreclosure_auctions/detail.aspx?t=02&j=07&name=Wyandotte%20County/Kansas%20City%20KS

Under what process were the current properties for auction obtained? Real property available at public auction has been subjected to a Judicial Foreclosure action as a result of delinquent real property taxes.

When are property auctions held? Judicial Foreclosure auctions are held every 3-4 months.

Where can I find a list of properties for these auctions? Notice of the upcoming sales, including a list of properties available, can be found at: http://www.wycokck.org/Dept.aspx?id=7294&menu_id=1034.

What will I need to do prior to the auction? The Delinquent Tax Department of the Unified Government determines which properties to make available for sale. All bidders must register with the Delinquent Tax Department prior to the sale. Prior to the auction, you may not enter the property to view the inside though you may perform due diligence from the street. You may want to perform a title search as the Delinquent Tax Department cannot assist in the acquisition of this information.

If I am the highest bidder, what happens next? Properties are sold to the highest bidder. All payments are required, in full, paid by certified funds on the day of the sale. All liens on the property, with the exception of Federal Tax Liens, are removed as a part of the Judicial Foreclosure. The Delinquent Tax Office can assist you with a process that has been set up by the Federal government to potentially remove Federal tax liens and any questions regarding this process should be directed toward the Delinquent Tax Office. We strongly recommend that investors conduct their own due diligence and consult with an attorney prior to purchasing properties.

Who can I speak with if I have questions about an upcoming auction? The auctions are conducted by the Unified Government of Wyandotte County and Kansas City, KS and all questions regarding the Judicial Foreclosure Sale should be directed to the Delinquent Tax Office at 913-573-2817.

Kentucky

Tax Lien Sales: Yes.

Over-the-Counter Tax Lien Sales: Yes. Kentucky law allows any individual or company to purchase taxpayers' delinquent tax bills that have not been previously purchased by the state or sold and recorded in the County Clerk's Office, after the Sheriff's sale.

Tax Deed Sales: No.

Rating: Three Stars (***)

Interest Rate: 12% per year.

Sale Period: Varies, depending on the county.

Redemption Period: 1 year.

Bidding Process: All auctions are by competitive bid, with the winning bidder accepting the lowest interest rate.

State-Specific Information: The Sheriff's Office conducts the annual tax lien sale. Liens that remain unsold may be purchased over the counter through the County Clerk's Office. The buyer receives a "Certificate of Delinquency" from the County Clerk's Office, and has 50 days to give notice to the property owner that he/she has bought the tax bill. The buyer may institute a foreclosure action in court against the property owner for the unpaid debt one year after the creation of the certificate of delinquency. Some buyers may be in no hurry to collect the debt, given the high interest rate charged, and may simply hold the certificate as long as the property owner's equity in the property exceeds the tax debt. The statute of limitations for the certificate of delinquency is 10 years.

Kentucky County Links: See Kentucky Tax Sales at <http://www.tax-lien-certificates.com>

Detailed County-Specific Information:

HARDIN COUNTY, KENTUCKY

<http://www.hcky.org>

SHERIFF'S OFFICE

<http://www.hcky.org/hcso>

100 Public Square, Suite 101
Elizabethtown, KY 42701
Phone: 270-765-5133
Fax: 270-737-4574

(1) Tax Information

<http://www.hcky.org/hcso/Processes/Tax%20Information.pdf>

When does the Sheriff hold the tax sale? The tax sale is held the last working day in April.

JEFFERSON COUNTY, KENTUCKY
(no county website)

SHERIFF'S OFFICE

<http://www.jcsoky.org>

The Sheriff's Office is the primary property tax collector in Jefferson County.

(1) Contact Information

<http://www.jcsoky.org/contacts.htm>

Colonel John Aubrey, Sheriff
531 Court Place, 6th Floor, Louisville, KY 40202
Phone: (502) 574-5400
Toll free: (800) 280-6694

COUNTY CLERK'S OFFICE

<http://www.jeffersoncountyclerk.org>

Bobbie Holsclaw, County Clerk

(1) Contact Information

<http://www.jeffersoncountyclerk.org/contact>

Delinquent Tax Department
527 W. Jefferson Street, Room 100A
Louisville, KY 40202
Phone: (502) 574-6016

(2) Delinquent Real Estate Tax Frequently Asked Questions

<http://www.jeffersoncountyclerk.org/records-documents/deltax.asp>

What is considered a delinquent real estate tax? A tax is considered "delinquent" when the due date of a specific real estate tax assessment has passed and by statute any appeal rights have expired. Jefferson County real estate property tax notices are mailed out in late October or early November by the County Sheriff's Office and are payable to the County Sheriff's Office beginning November 1. They become delinquent on January 1, following their due date and are maintained and collected in the County Sheriff's Office until the May 1st Sheriff's sale. Following the sheriff's sale, delinquent taxes are transferred and maintained at the Jefferson County Clerk's Office, accruing penalty and interest of 1% per month until paid.

Who can lawfully purchase my delinquent tax bill? Kentucky law allows any individual or company to purchase taxpayers' delinquent tax bills that have not been previously purchased by the state or sold and recorded in the Jefferson County Clerk's Office after the Sheriff's sale. The purchase can neither be anticipated nor prevented by the County Clerk.

What happens when someone buys my delinquent tax bill? The tax bill is converted to a "Certificate of Delinquency," which the buyer will receive from the County Clerk's Office as a piece of paper or an electronic record. The buyer has 50 days to give you notice he has bought your tax bill. Payment must be sent directly to the buyer, along with the associated penalties and interest assessed by the buyer. Once you pay the buyer, he will surrender the certificate to you, so that it may be presented to the County Clerk for lien release.

How long do I have to pay the buyer? The buyer may institute a foreclosure action in court against you for the unpaid debt one year after the creation of the certificate of delinquency. However, some buyers may be in no hurry to collect the debt, given the high interest rates charged, and may simply hold the certificate as long as your equity in the property exceeds the tax debt. The statute of limitations for the certificate of delinquency is 10 years.

(3) Procedure for Sale of Current Year Delinquent Taxes (Certificate of Delinquency) to Third Parties

<http://www.jeffersoncountyclerk.org/delinquent-tax>

The following procedure is revised and effective May 29, 2007:

The Jefferson County Clerk's Office (JCCO) receives the official list of current year delinquent taxes from the Sheriff's Office. The list is usually available by the third Monday in May of each year, and can be accessed from our File Transfer Protocol (FTP) site at <ftp://206.196.1.139>. Internet Explorer Version 7 users: follow this link on how to open FTP sites in I.E.v7 (PDF): <http://www.jeffersoncountyclerk.org/voter-info/IE7ftpdownload.pdf>. Once the list is available, you may review the current year delinquent taxes you wish to purchase. When the delinquent tax bills become available for sale, JCCO will publish the sale date on our website at <http://www.JeffersonCountyClerk.org> and in our local newspaper, The Courier-Journal. JCCO will accept your funds and submitted list of specific delinquent tax bills only on the published sale date and thereafter.

Please be advised that the Kentucky Finance and Administration Cabinet (KFAC) has purchased certain certificates of delinquency from the Jefferson County Sheriff, as required by statute (KRS 134.450[1]). These certificates will not be included in the official list of current year (2006) delinquent taxes received from the Sheriff's Office.

If you wish to purchase multiple tax bills, you may go to the FTP site listed above and use the Bill Sale Submission Template that is provided.

Select from the list below for further instructions:

- Remittance of funds: <http://www.jeffersoncountyclerk.org/delinquent-tax/funds.asp>
- FTP instructions: http://www.jeffersoncountyclerk.org/delinquent-tax/ftp_inst.asp
- Open FTP sites using Internet Explorer v7(PDF): <http://www.jeffersoncountyclerk.org/voter-info/IE7ftpdownload.pdf>

If you have any questions related to these procedures, please contact the manager of the Delinquent Tax Department at (502) 574-5061.

KENTON COUNTY, KENTUCKY

<http://www.kentoncounty.org>

COUNTY SHERIFF

http://www.kentoncounty.org/county_officials/county_sheriff/index.html

Chuck Korzenborn
303 Court Street, Suite 409
Covington, KY 41011
Phone: (859) 392-1800
Fax: (859) 431-8951
Email: chuck.korzenborn@kentoncounty.org

(1) Delinquent Property Tax

http://www.kentoncounty.org/county_officials/county_sheriff/delinquet_property_tax.html

The Sheriff's Tax Bill Sale was conducted on April 1, 2008. Due to the total amount of the offers, the bills have been forwarded to the Finance Cabinet. Any questions about how to redeem a bill sold to the State should be directed to the Clerk's Office at 859-392-1650.

Louisiana

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: No.

Rating: Four Stars (****)

Interest Rate: 12% per annum plus a 5% penalty per year, for a total of 17% interest (see Right of Redemption below). However, since the 5% is a penalty, if the lien is redeemed in a month or less, your effective annual interest rate could be over 60%.

Sale Period: On or before the first day of May of the year following the year in which the taxes were assessed, or as soon thereafter as possible.

Right of Redemption: The original owner has up to three years from the date the deed is filed in the Clerk of Court's Office to redeem the property.

Bidding Process: The minimum bid is delinquent taxes, interest, penalties, and costs. The winning bidder receives a deed to the property, subject to the three-year right of redemption. If there is no minimum bid, the tax collector shall bid in the property for the state. However, if property located in a municipality with a population of more than 450,000 persons as of the most recent federal decennial census fails to sell for the minimum required bid at the tax sale, the collector may offer the property for sale at a subsequent sale with no minimum required bid. If the property is divisible and a portion of the property is sufficient to satisfy the amounts owed, the collector must require bids to be for such lesser portion of the property.

State-Specific Information: The Sheriff's Office acts as the tax collector for parishes.

Louisiana Parish Links: See Louisiana Tax Sales at <http://www.tax-lien-certificates.com>

Detailed Parish-Specific Information:

CADDO PARISH, LOUISIANA

<http://www.caddo.org>

SHERIFF'S OFFICE

<http://www.caddosheriff.org>

(1) Contact Information

http://www.caddosheriff.org/New_DeptPhoneList.htm

Sheriff Steve Prator
Caddo Parish Sheriff's Office
505 Travis Street, 7th Floor
Shreveport, Louisiana 71101
Phone: (318) 681-0611
Fax: (318) 681-0888
Email: welcome@caddosheriff.org

Tax Department
Phone: (318) 681-0638
Fax: (318) 681-1179

(2) Frequently Asked Questions

http://www.caddosheriff.org/New_FrequentlyAskedQuestions.htm

Who do I call to get tax information? For tax information contact the Tax Department at (318) 681-0638. The Tax Department is located in the Caddo Parish Courthouse on the first floor. The courthouse is located at 501 Texas Street.

Where is the tax sale held? The tax sale is held in the basement of the Caddo Parish Courthouse in room G-18. To get to room G-18 take the elevators or stairs to the ground floor and then take a right. Go to the end of the hallway and turn right. The door at the end of the hall is room G-18. Click here to find out more information about the tax sale.

TAX DIVISION

(within the Sheriff's Office)

http://www.caddosheriff.org/new_tax.htm

Caddo Parish Courthouse
501 Texas Street Room 101
Shreveport, LA 71101
Phone: (318) 681-0638
Fax: (318) 681-1179
Email: tax@caddosheriff.org

(1) Frequently Asked Questions

http://www.caddosheriff.org/new_tax.htm

Who is responsible for the collection of taxes? In Caddo Parish, the Sheriff is not only concerned with enforcing the law, but has the additional duty of Ex-officio Tax Collector and the responsibility of collecting parish taxes. Any property which has an outstanding balance of base tax, interest or other penalties or costs is subject to being sold at the annual Tax Sale.

What happens if I do not pay my taxes? Any delinquent account – that is, an account reflecting any amount of money due – may be sold at the annual Tax Sale. Your property will be advertised in the official Parish Journal and may be sold at the annual Tax Sale, which is usually in May. The advertisement is usually published in April.

What is the Tax Sale? The Tax Sale is held in Room G18 at the Caddo Parish Courthouse, 501 Texas Street, Shreveport, Louisiana. On the first day of the tax sale, all the unsettled properties that appeared in the newspaper advertising are read aloud. People in the room are considered tax buyers. These buyers have pre-registered with the Sheriff's Office. Tax buyer registration begins before the tax sale. Anyone can register up to the start of and during the sale.

After the reading of a property, buyers bid for a portion of ownership on the property. By law, the Sheriff continues accepting bids until the lowest bid is received in the interest of the actual property owner, which gives the buyer who bid that amount the right to purchase it.

What happens if a property is not sold at the Tax Sale? Any unsold property is adjudicated to Caddo Parish. The Parish then becomes owner of the property.

What if my property is bought by a buyer and I want to get it back? The original owner has up to three years from the date the deed is filed in the Clerk of Court's Office to redeem the property. A redemption is calculated by the Tax Collector. The amount of redemption will include a redemption fee, tax sale fee, interest due the tax buyer, the base taxes and monthly interest.

EAST BATON ROUGE PARISH, LOUISIANA

<http://brgov.com>

SHERIFF'S OFFICE

<http://www.ebrso.org/ebrso.php/home>

Sid J. Gautreaux, III, Sheriff
300 North Boulevard
Baton Rouge, LA 70801
Phone: (225) 389-5000

TAX OFFICE

(within the Civil Office of the Sheriff's Office)

<http://www.ebrso.org/ebrso.php/civil>

Octave Anthaume, Tax Director
Phone: (225) 389-4810
Fax: (225) 389-8586
Email: web_tax@ebrso.org

Maine

Tax Lien Sales: No.

Tax Deed Sales: Yes.

Over-the-Counter Tax Deed Sales: Yes.

Rating: Two Stars (**)

Interest Rate: 8 percent, in a rarely used alternative method for conducting tax sales that allows for a two-year extended right of redemption.

Sale Period: Varies.

Redemption Period: A two-year extended right of redemption is allowed in a rarely used alternative method for conducting tax sales.

Bidding Process: Property is sold to the highest bidder, as much as is necessary to pay the taxes due. If the bidding is for less than the whole, it shall be for a fractional part of the estate, and the bidder who will pay the sum due for the least fractional part shall be the purchaser.

State-Specific Information: The State of Maine is comprised of organized territory and unorganized territory. In organized territory, municipalities collect their own taxes. Properties that are foreclosed on are deeded to the municipality, which can then sell the properties. Maine law allows alternative methods for foreclosure and property disposition. Depending on the municipality, the properties may be sold at a public auction, or sold by sealed bid; or a property may be sold outright to an abutting property owner, or sold back to the original property owner. Title 36, Chapter 105: Cities and Towns, Article 2: Enforcement of Lien on Real Estate, section 941: Civil Action with Special Attachments; Procedures is the method used by almost all municipalities in organized territory. In these municipalities, the tax lien on a property automatically forecloses in 18 months and the property is deeded to the municipality, which then may dispose of it by sale. One of the alternative methods, used rarely, allows for a two-year extended right of redemption following the tax sale, during which the investor can earn 8 percent interest.

In unorganized territory, the Maine Revenue Services, Property Tax Division is responsible for collecting taxes. Properties that are foreclosed on are deeded to the state, and the Unorganized Territory section of the Property Tax Division conducts sales of these tax acquired properties by sealed bid.

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