

Tax Delinquent Property Investing Starter Kit

Unlock Your Path to Real Estate Wealth!

This starter kit provides an introduction to tax delinquent property investing, covering the basics of tax liens and tax deed sales, research strategies, legal considerations, and more. Written by experienced investor Ashley Clarie Hill, it aims to help both new and experienced real estate investors tap into this lucrative market while revitalizing communities.

by Ashley Clarie



Foreword by Chris Glinn

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As an experienced real estate investor, I thought I knew just about everything there was to know about distressed properties. I had built a solid portfolio over the years, primarily focused on rehabbing and flipping homes in various markets. But when it came to navigating the complexities of tax delinquent property investing, I quickly realized there was a whole other world I hadn't tapped into—one that required specialized knowledge and a strategic approach. That's when I was fortunate enough to meet Ashley Clarie Hill.

Despite my background in real estate, Ashley opened my eyes to opportunities I had overlooked. Her expertise in tax lien and tax deed investments, along with her deep understanding of the legal frameworks involved, filled in the gaps that were missing from my own strategy. Through her business, **Global Insurance and Tax**, Ashley provided me with the precise knowledge and tools I needed to confidently invest in tax delinquent properties.

What truly impressed me was Ashley's ability to simplify complex processes and break down the details of tax property law in a way that made sense—even for someone without years of experience in tax delinquent property investing. She taught me how to assess tax-delinquent properties effectively, navigate auctions, and handle the legal nuances that come with this unique form of real estate investment.

Through her **Tax House School**, Ashley not only shared her knowledge but also provided valuable coaching that helped me make smarter, more profitable decisions in this niche market. Her insight into how to research properties, avoid potential pitfalls, and leverage tax sales for long-term gains has had a significant impact on my business.

But beyond the technical know-how, Ashley's dedication to community revitalization and affordable housing is what makes her stand out as an investor and mentor. Her nonprofit initiative, **Project Revitalize**, is about more than just making a profit—it's about restoring communities, helping local economies, and creating affordable housing options. Working with her, I've seen firsthand how tax delinquent property investing can not only be financially rewarding but can also have a positive social impact.

The **Tax Delinquent Property Investing Starter Kit** you're about to read is filled with a few of the same insights and strategies that Ashley shared with me, and I can confidently say it will equip you with everything you need to succeed in this often-overlooked niche of real estate. Whether you're a beginner or an experienced investor looking to expand into tax delinquent properties, Ashley's guidance will open new possibilities for you, just as it did for me.

I encourage you to take full advantage of the lessons in this guide. With Ashley's wealth of knowledge and passion for helping others, you'll be well on your way to building a profitable portfolio and making a meaningful impact in the communities you invest in.

— Chris Glinn

About the Author: Ashley Clarie Hill

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Ashley Clarie Hill is a visionary real estate investor who discovered the untapped potential of tax delinquent properties while still a college student searching for affordable off-campus housing. Walking to work through neighborhoods filled with abandoned homes, Ashley saw opportunity where others saw decay. These vacant houses, if restored, could provide much-needed housing for students and families—but they remained neglected.

Motivated by the lack of affordable housing options and the abundance of unoccupied homes, Ashley embarked on a journey of research into the complex world of tax and real estate law. What began as a personal quest for housing soon evolved into a passion for transforming distressed properties into valuable assets. This research led her to unlock a lucrative path, securing housing for herself and her family while generating income and building wealth through tax delinquent property investments.

In 2017, Ashley purchased her first tax-delinquent property over the counter from the state—a four-bedroom, two-bath home in a quiet, tornado-damaged neighborhood. While acquiring the property was a significant milestone, it came with unforeseen challenges. The former owner attempted to reclaim the property through false accusations and legal schemes, even going so far as to accuse Ashley of breaking into the home. Despite these hurdles, and after representing herself in court, Ashley learned valuable lessons in navigating the complexities of tax property law and dealing with the unpredictability of distressed property acquisitions.

Ashley lived rent-free in the home for over two years, investing only \$1,750 in repairs. Ultimately, she allowed the former owner to redeem the property without further payment, but not before securing the return of her initial investment. Although the property was tied up in legal disputes, this experience was a turning point in her real estate journey, demonstrating the importance of both persistence and strategic decision-making.

With over a decade of experience, Ashley has become an expert in acquiring tax delinquent properties at a fraction of their market value. She has revitalized communities by transforming distressed properties, while also making affordable housing more accessible. Her success in tax delinquent property investing has led to the creation of **Project Revitalize**, a nonprofit initiative focused on addressing the financial and housing crises in local communities.

Project Revitalize not only educates individuals on how to invest in tax-delinquent properties but also helps return much-needed funds to local governments for essential services like schools and infrastructure. By ensuring these distressed properties are brought back onto the tax rolls, the initiative helps stabilize local economies and communities. Additionally, **Project Revitalize** tackles housing shortages by bringing Section 8 and affordable, income-based housing options back to the rental market. Ashley's vision is to create communities where the next generation of college students walking to work sees "For Rent" signs on well-maintained homes, not empty, abandoned properties.

Today, Ashley Clarie Hill is a respected authority in tax lien and tax deed investments, as well as the founder of **Tax House School**, where she shares her knowledge through guides, courses, and coaching programs. Her passion lies in empowering new investors to build wealth, overcome obstacles, and contribute to the revitalization of neighborhoods across the country.

Introduction

Welcome to the Tax Delinquent Property Investing Starter Kit. I'm Ashley Clarie Hill, and I'm excited to guide you through the basics of this profitable and often overlooked area of real estate investing. Whether you're completely new to real estate or already familiar with distressed properties, this free guide will give you the foundational knowledge you need to get started in tax delinquent property investing.

My journey into this niche began when I was still a college student, looking for affordable housing options and walking through neighborhoods filled with abandoned homes. It wasn't long before I realized the immense potential in tax delinquent properties—homes that had been left behind but could be acquired at a fraction of their market value. In 2017, I purchased my first tax-delinquent property, and the lessons I learned from that experience inspired me to help others achieve financial success through similar investments.

Since then, I've had the privilege of helping countless individuals unlock the power of tax delinquent property investing. Through my nonprofit initiative, Project Revitalize, and my business, Global Insurance and Tax, I have provided hands-on guidance. I also founded Tax House School to offer education, coaching, and acquisition services for investors like you—people who want to grow their wealth while making a positive impact on local communities.

The purpose of this guide is simple: to demystify tax delinquent property investing and give you actionable steps to get started. You'll learn what tax lien and tax deed properties are, how the auction process works, and the key strategies for identifying and acquiring properties that can transform both your financial future and the communities where they are located.

This guide is packed with essential information that has helped many investors, including experienced real estate professionals, successfully navigate the tax delinquent property market. Whether you're interested in buying your first property or looking to expand your portfolio, the insights here will help you move forward with confidence.

Let's get started!

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Introduction to Tax Delinquent Properties

Tax delinquent properties represent an untapped treasure trove for real estate investors willing to navigate a specialized, lesser-known corner of the market. When property owners fail to pay their property taxes, local governments place a lien on the property. These taxes, which fund essential services like schools, law enforcement, and infrastructure, must be recovered. To recoup these unpaid taxes, local governments can sell either the lien or the deed to the property, depending on the state's laws.

Why Invest in Tax Delinquent Properties?

The unique investment opportunity here is acquiring properties for far less than their market value. Often, these properties are distressed or neglected, but that's where the potential lies for significant profit. Not only do investors get properties at a discount, but they also contribute to revitalizing communities by restoring abandoned homes, getting them back on the tax rolls, and often improving neighborhood safety and aesthetics.

"Tax delinquent properties represent the intersection of financial opportunity and community responsibility. By acquiring these properties, you're not just investing in real estate—you're investing in the economic health of a community."

—Chapter 1, The Basics of Tax Delinquent Property Investing

The Investment Opportunity: Tax Lien vs. Tax Deed Sales

There are two primary types of tax delinquent property sales: tax lien sales and tax deed sales. Understanding the difference between these two types is critical for investors looking to maximize their returns.

Tax Lien Sales

When you purchase a tax lien, you are essentially stepping into the shoes of the government. You are buying the unpaid tax debt, and the property owner has a set redemption period to pay back the taxes, plus interest and penalties. The interest rates on tax liens can be incredibly lucrative—ranging from 12-18%, depending on the state.

If the property owner redeems the property, you receive your initial investment back plus the interest. If they fail to redeem, you may be able to foreclose on the property through legal action, acquiring it for the amount owed in back taxes, which is often a fraction of its true value.

Tax Deed Sales

In contrast, purchasing a tax deed means buying the property itself. This typically happens through an auction, where the highest bidder wins ownership of the property. While this offers a more direct path to ownership, it comes with responsibilities—such as clearing the title, making necessary repairs, and addressing potential legal or environmental issues.

"Tax liens are a low-risk way to get your foot in the door of tax delinquent property investing. With high interest rates and the potential to acquire properties for the cost of unpaid taxes, they offer a safer entry point for first-time investors. Meanwhile, tax deed sales provide immediate ownership but require a more hands-on approach to manage legal issues, repairs, and market value assessments."

—Chapter 2, Grasping the Basics of Tax Lien and Tax Deed Sales

Tax Lien Sales

- Purchase unpaid tax debt
- Property owner has redemption period
- High interest rates (12-18%)
- Potential for property ownership through foreclosure

Tax Deed Sales

- Purchase property directly
- Immediate ownership
- Responsibilities include clearing title and repairs
- More hands-on approach required

The Benefits of Investing in Tax Delinquent Properties

Why should you consider tax delinquent properties over traditional real estate? Here are several key benefits that make this investment strategy stand out:

1. Substantial Discounts

Tax delinquent properties are often sold for a fraction of their market value. This discount is often anywhere from 30-90%, depending on how much back tax is owed and the condition of the property. Even if the property needs repairs, the profit potential remains high.

2. Guaranteed Returns (For Tax Liens)

One of the most attractive aspects of tax lien investing is the potential for guaranteed returns. Even if you don't end up owning the property, you earn interest on your investment when the property owner redeems it. The interest rates on tax liens are far higher than what most savings accounts, CDs, or even some stocks offer—often ranging from 12% to 18% annually.

3. Flexible Investment Opportunities

Whether you want to flip a property for a quick profit, rent it out for passive income, or hold it for future appreciation, tax delinquent properties provide flexible strategies. Some investors even focus on land banking—acquiring vacant lots and holding them for future development or sale when the market heats up.

4. Community Impact

By investing in tax delinquent properties, you're not just making money—you're contributing to the economic health of a community. You're helping restore neglected homes, improve neighborhood aesthetics, and support local public services by bringing properties back onto the tax rolls.

"The true beauty of tax delinquent property investing is that it offers more than just financial rewards. It allows you to be part of something bigger—restoring neighborhoods, revitalizing communities, and giving forgotten properties a second chance."—Chapter 1, The Basics of Tax Delinquent Property Investing

Researching Tax Delinquent Properties: Tools and Strategies

Before you dive into tax delinquent property investing, you need to arm yourself with the right tools and knowledge. Thorough research is the foundation of successful investments. Here are the top tools and strategies you should employ:

1. County Tax Assessor's Website

The county tax assessor's website is your first stop for locating tax delinquent properties. This site provides a database of all properties with unpaid taxes, listing how much is owed, the sale type (lien or deed), and auction details. Some counties even offer maps that highlight tax-delinquent properties, making it easier to visualize potential investments.

2. RealAuction.com

RealAuction.com is a nationwide platform used by many counties, allowing investors to view and participate in tax lien and tax deed auctions remotely. This tool is particularly valuable for remote investors or those interested in larger portfolios across multiple states.

3. Zillow/Redfin

Real estate platforms like Zillow and Redfin help you determine a property's potential value by comparing it to similar properties in the same area ("comps"). You can see current market trends, property price histories, and even get an idea of neighborhood appreciation, helping you assess whether you're truly getting a good deal.

4. GIS Mapping Services

Most counties offer Geographic Information System (GIS) mapping tools. These maps provide detailed data on property boundaries, zoning laws, environmental conditions, flood zones, and even topography. GIS maps allow you to get a clear understanding of the property's surroundings, making it easier to assess risks and rewards.

5. Google Earth

For remote investors or those unable to visit the property in person, Google Earth is an invaluable tool. It allows you to virtually "walk" the property, view the surrounding neighborhood, and assess any visible issues like overgrown lawns, abandoned vehicles, or signs of damage.

"Leveraging digital tools like GIS maps, public databases, and online auction platforms can dramatically reduce the time and effort needed to research properties. Today's investor has more access to information than ever before—meaning fewer surprises and more opportunities for success."—Chapter 6, Conducting Research: Finding Tax Delinquent Properties

The First-Time Investor's Checklist

Getting started with tax delinquent property investing requires careful planning and strategic thinking. Here is a step-by-step guide for first-time investors to ensure a smooth and successful process:

Step 1: Research the Property

The first step is identifying which properties are available for sale. Visit the county tax assessor's office or their online portal to locate properties behind on taxes. Confirm whether the property is listed for lien or deed sale, and review how much is owed.

Step 2: Conduct a Title Search

A title search is essential when purchasing tax delinquent properties. This search helps identify any outstanding liens, judgments, or legal issues tied to the property that could become your responsibility. You can perform a title search yourself through the county recorder's office or hire a title company to handle it.

Step 3: Inspect the Property

Before bidding, inspect the property to assess its condition. Many tax delinquent properties are distressed and may require significant repairs. You can either visit the property in person or use online tools like GIS maps and Google Earth to get a visual assessment.

Step 4: Estimate Repair and Holding Costs

Once you've inspected the property, estimate the repair costs. Factor in not only the cost of materials and labor but also holding costs such as property taxes, insurance, and utilities. Always build a buffer into your budget for unexpected expenses.

Step 5: Understand Redemption Periods

If you're purchasing a tax lien, familiarize yourself with the state's redemption period. This is the period during which the original owner can repay the owed taxes, and until this period expires, you won't fully own the property. Redemption periods vary by state, so make sure you know how long you'll have to wait and whether you'll earn interest during this time or for a bonus can gain possession during this time as you can in states like Alabama.

"A thorough title search is essential before making any bids. Many investors mistakenly assume that all liens are extinguished in a tax sale, only to discover federal liens, utility liens, or even judgments from previous lawsuits still attached to the property. These surprises can lead to costly legal battles and derail your investment."—Chapter 7, Conducting Title Searches

Completing the First-Time Investor's Checklist

1

Research

Identify available properties and review tax information

2

Title Search

Uncover any outstanding liens or legal issues

3

Inspection

Assess property condition in person or virtually

4

Cost Estimation

Calculate repair and holding costs

5

Redemption Period

Understand state-specific rules for property ownership

Avoiding Common Legal Pitfalls: What Every Investor Needs to Know

- 1. Title Issues and Hidden Liens:** One of the biggest misconceptions in tax delinquent investing is that all liens are wiped out after a tax sale. This is not always true. Some liens—especially federal tax liens, environmental liens, or mechanic's liens—can remain on the property even after the sale.
 - **Solution:** Always conduct a title search before bidding on a property. If you discover unresolved liens, you can address them by negotiating with lien holders or filing a quiet title action to clear the title. A quiet title action is a legal proceeding used to resolve ownership disputes or remove encumbrances, ensuring you receive clear title.
 - **Excerpt from the Book:** "It's critical to understand that tax sales don't automatically clear a property of all encumbrances. Federal tax liens, for example, can persist and will need to be resolved before you can claim clear title. Without performing a title search, you could inherit a property tied up in costly legal battles." —Chapter 10, Legal Risks and Mitigation Strategies
- 2. Property Condition and Environmental Hazards:** Tax delinquent properties are often neglected for years, leading to structural damage, outdated systems, or environmental hazards like asbestos or underground storage tanks. Failing to assess the property's condition thoroughly can result in significant repair or clean-up costs.
 - **Solution:** Hire a professional inspector or assess the property yourself before making any bids. Factor these costs into your investment calculation to ensure that the property remains profitable even after necessary repairs.
 - **Excerpt from the Book:** "Many tax delinquent properties have sat vacant for years, deteriorating with time. The biggest mistake investors make is underestimating the cost of repairs—what seems like cosmetic issues can often mask serious structural problems or environmental hazards that could turn a bargain into a nightmare." —Chapter 8, Evaluating Property Condition

Conclusion & Next Steps

Congratulations! You've now taken your first steps into the profitable world of tax delinquent property investing. This guide has provided you with essential insights into understanding tax liens, tax deed sales, and the legal nuances that can help you get started on your journey.

But remember, this is just the beginning. The potential for financial success and community revitalization is enormous when you master the strategies of tax delinquent property investing. You've learned how to research properties, understand the auction process, and avoid common legal pitfalls—but there's so much more to discover.

If you're serious about taking your investing to the next level, gaining an in-depth understanding of how to turn tax delinquent properties into long-term wealth, and avoiding costly mistakes, then it's time to go further.

Pre-Order "Tax Property Investing for Beginners" Today!

This guide only scratches the surface of what tax property investing can offer. My upcoming book, "Tax Property Investing for Beginners," dives deeper into:

- Advanced auction strategies to help you secure the best properties.
- Legal tools and expert advice to ensure you avoid costly mistakes.
- Step-by-step checklists for your first tax property investment.
- Bonus insights into generating income even before you buy your first property.

Why Pre-Order? By pre-ordering "Tax Property Investing for Beginners," you'll not only gain access to a complete roadmap for tax delinquent property success, but you'll also receive exclusive bonuses available ONLY to early supporters:

Bonus #1: "Quick-Start Investor's Toolkit" – A downloadable checklist and workbook to help you assess and acquire your first property with ease.

Bonus #2: Exclusive Access to Ashley's Private Q&A Webinar – Learn advanced investment techniques and get your personal questions answered in an interactive session.

Bonus #3: 25% off coaching and search package services. Act Now! Special Pre-Order Offer Pre-order by 10/15/2024 to unlock these bonuses and start your tax delinquent property investment journey with all the tools and knowledge you need for success. After the deadline, these exclusive bonuses will no longer be available!

Pre-Order Now- GlobalTaxBirmingham.com/taxhouseschool

Testimonials from Successful Investors

Here's what other real estate investors are saying:

"Ashley's insights are a game-changer! The strategies in her guide and coaching sessions helped me build a portfolio of tax delinquent properties in less than a year!" — Chris Glinn,

Real Estate Investor "If you're looking to get into tax property investing, this is the guide to have. Ashley breaks down the process in a way that's easy to follow, even if you're new to the real estate world." — Alex Johnson, First-Time Tax Deed Investor

What Are You Waiting For? Secure Your Copy Today! Don't miss this chance to transform your financial future and make a positive impact on your community. Pre-order your copy of "Tax Property Investing for Beginners" now and take control of your real estate investing success.

Thank you for taking the time to invest in your financial future and for your interest in tax delinquent property investing. Your dedication to learning not only benefits you but also contributes to the revitalization of communities in need. As you embark on your real estate journey, I encourage you to consider how you can further support community development by getting involved with Project Revitalize—a nonprofit initiative that's near and dear to my heart. Project Revitalize focuses on transforming distressed properties into affordable housing, providing local governments with much-needed tax revenue, and stabilizing neighborhoods that have been overlooked.

How You Can Help:

- **Volunteer** your time or expertise to help us restore properties and create affordable housing options.
- **Donate** to support our mission of rebuilding communities and providing safe, income-based housing to those in need.

Every contribution, whether through time, skills, or financial support, helps us make a lasting impact on local neighborhoods. By working together, we can create a brighter future for families and entire communities.

Interested in Getting Involved? Email ashleyh@globaltaxbirmingham.com to learn more about our work, how you can volunteer, or make a donation. Thank you again for your support. Together, we can make a difference—one property, one family, and one community at a time.

Wishing you Blessings and Peace,

Ashley Clarie Hill