

Thorough pre-sale research into a property before bidding is essential to the prudent tax deed investor. Even though due diligence may not uncover everything, going into a sale unprepared is highly risky. Here are some useful resources to consider before bidding on a tax deed property. **Caveat Emptor!**

- 1) County Resources
 - a. The Property Appraiser and Tax Collector websites may document property improvements and market volatility.
 - b. The Clerk of Court Official Records contain data about resolutions, special assessments or utility liens.
 - c. The County Clerk Recording Department and the Tax Deed Sales Department may have useful information.
 - d. Always perform a map-based (GIS) search by parcel number to verify boundary lines.
- 2) Local Ordinances
 - a. Tax Deed statutes preserve the validity of easements and restrictive covenants that control use of the land.
 - b. Contact the city and/or county office the property is located in, and they will be able to direct you to the correct department for your question: planning & zoning, code enforcement, community improvement, etc.
- 3) Association Dues/ Assessments
 - a. Even though HOA and Condo Association liens for past due assessments are extinguished with the tax deed sale, you will be responsible for those dues and assessments from the date of the sale forward, including possibly special assessments. This might be a consideration in your bidding price.
 - b. Sometimes the declaration of condominium and/or HOA bylaws are recorded and can be very helpful in determining which restrictive covenants are actively in place.
- 4) Physical Inspection of the Property
 - a. **DO NOT TRESPASS.** Prior to the tax deed sale this is still the private property of someone else.
 - b. However, it can be beneficial for an investor to drive by the property site prior to bidding on it.
 - i. For example: Is there an access point? Can the property boundaries be verified? Are adjoining owners using it? Is there a tree through the center of the house?
 - c. With commercial property, buyers should be aware as to which improvements will stay with the land, and which will be removed prior to sale.
- 5) Consider having a title/lien search company run a report regarding encumbrances.
 - a. We are happy to provide recommendations upon request

BUT WHAT ABOUT THESE OTHER LIENS

A lien of record held by a municipal or county governmental unit, special district, or community development district that is not paid in full by the surplus shall survive a tax deed sale. § 197.552, Fla. Stat.

In regards to most non-governmental entities, the combined effect of the tax deed statutes is to preserve the validity of covenants that control the use of the property, but extinguish any covenant that creates a lien or requires a grantee to 'expend money for any purpose' for debts that precede the issuance of the tax deed. Both the lien and the grantee's liability for the preexisting debt are extinguished upon the issuance of the tax deed. *A to Z Props., Inc. v. Fairway Palms II Condo. Assoc., Inc.*, 137 So.3d 453 (Fla. 4TH DCA 2014).

BE INFORMED and HAPPY BIDDING!

Call our experienced Customer Service Team for more information