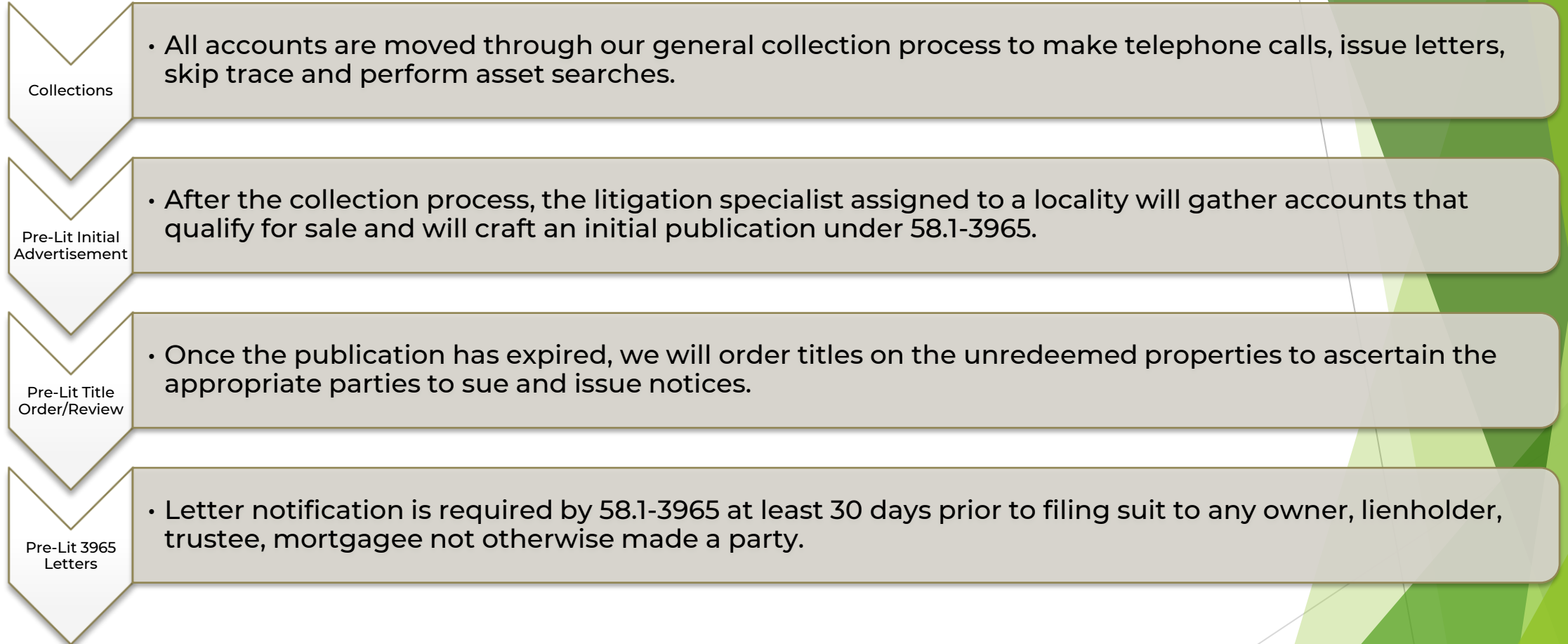




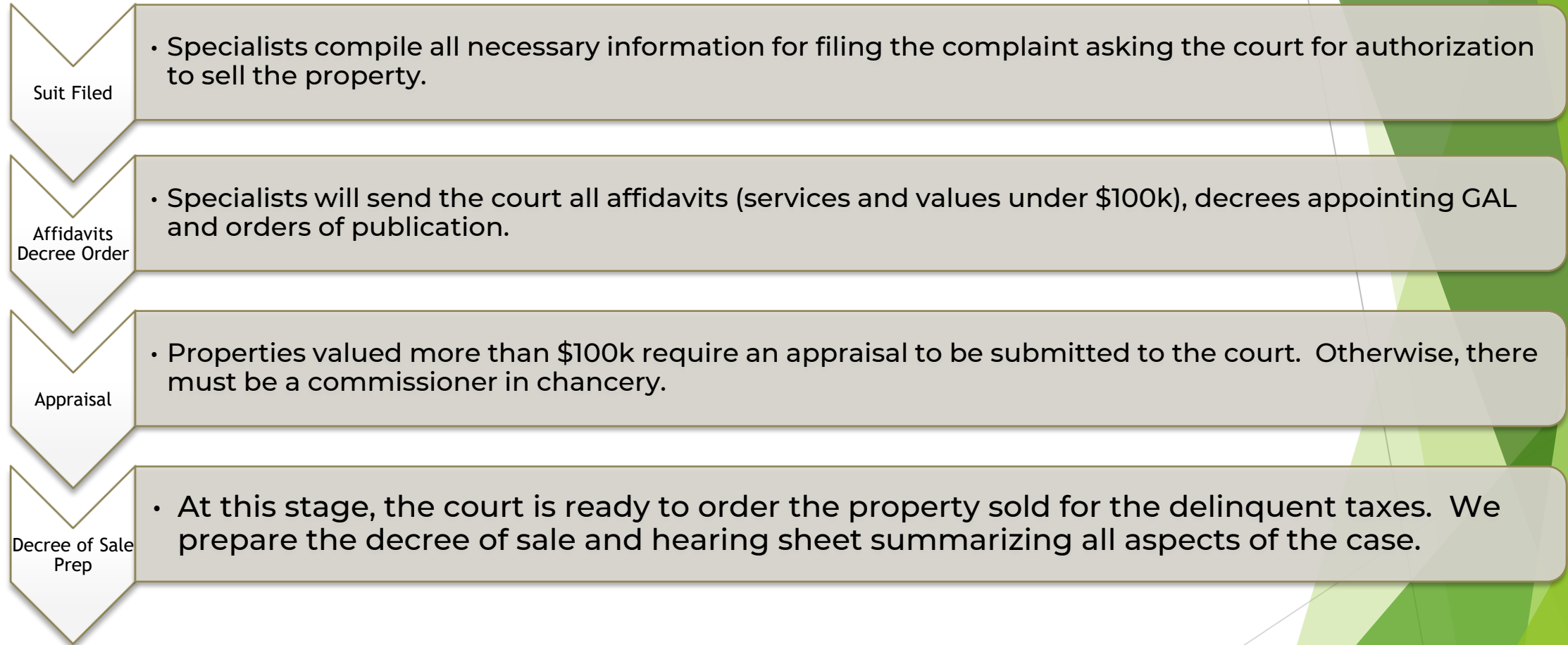
The Litigation Process

tacs

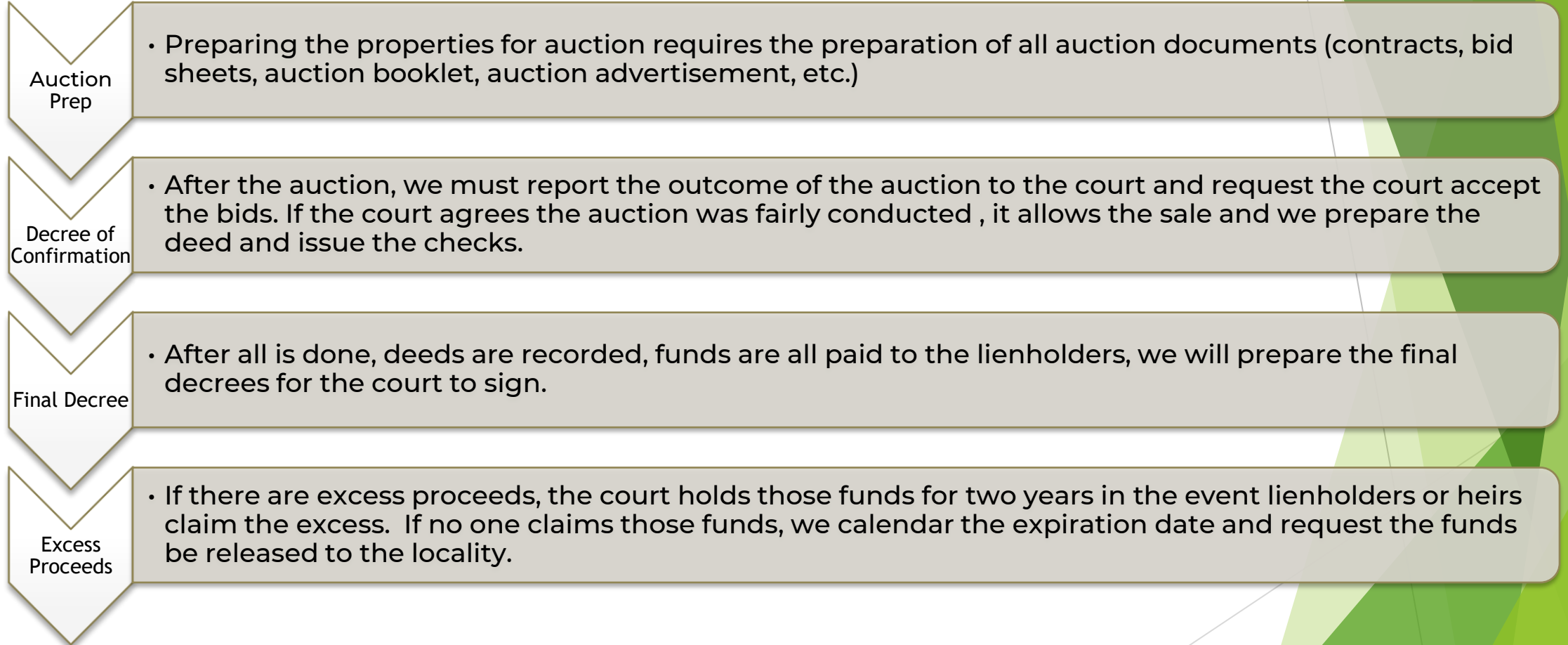
Real Estate Tax Sales Workflow



Real Estate Tax Sales Workflow



Real Estate Tax Sales Workflow



Selecting Accounts for Litigation

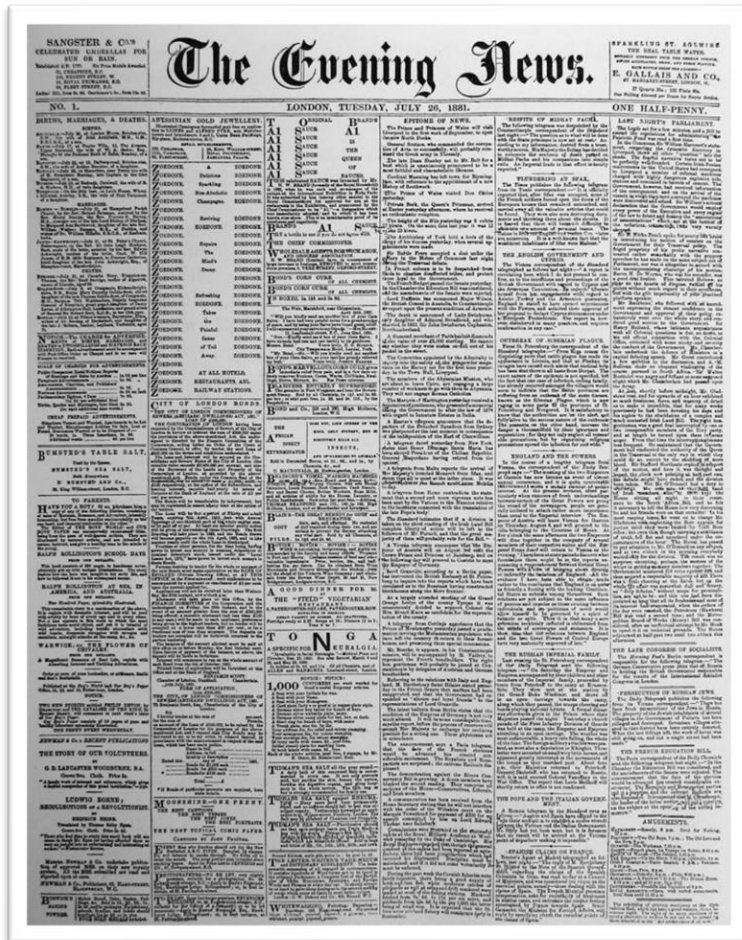
Methodology

- ▶ Varies based upon frequency of turnover
 - ▶ Age of accounts
 - ▶ Balance on accounts
 - ▶ Value of accounts (desirability of properties)
 - ▶ Requested properties/distressed properties

Batching for Litigation

- ▶ Reasons
 - ▶ Limited resources of courts
 - ▶ Availability of title researchers
 - ▶ Staffing considerations
 - ▶ Best results at auctions

Initial Advertisement



- ▶ The Initial Advertisement is the FIRST step in bringing an account through the litigation process.
- ▶ This step comes after general collection attempts have failed to generate payment of the delinquency in full.
- ▶ Assigned accounts are reviewed to confirm they fit the criteria for advertisement:
 - ▶ Age of delinquency meets statutory requirements
 - ▶ Assessed value of the property
- ▶ Properties that are EXCLUDED from the advertisement:
 - ▶ Accounts in active bankruptcy
 - ▶ Accounts that are in a payment plan status

**NOTICE OF DELINQUENT TAXES AND
JUDICIAL SALE OF REAL PROPERTY**

On **June 31, 2024**, or as soon thereafter as may be effected, actions will be commenced under the authority of Virginia Code §58.1-3965, *et seq.*, to begin proceedings to sell the following parcels of real estate for the payment of City of Metropolis delinquent real estate taxes:

<u>Property Owner(s)</u>	<u>Tax Map No.</u>	<u>Account No.</u>	<u>TACS No.</u>
Doe, John and Jane	1234567	789	145632
Kent, Clark	1587926	156	879642
Lane, Lois	87913284	879	841762
Smith, John E.	7654321	258	145492
Smith, John E.	8974563	159	145492

Properties subject to delinquent real estate taxes may be redeemed by paying all accumulated taxes, penalties, interest, costs, and fees. Payments should be made payable to **City of Metropolis** and mailed to **Taxing Authority Consulting Services PC, Post Office Box 31800, Henrico, Virginia, 23294**. Interested bidders and inquiries regarding the above-listed properties should be directed to TACS at (804) 545-2500, taxsales@taxva.com or www.taxva.com or by mail to:

Re: City of Metropolis Delinquent RE Taxes
Taxing Authority Consulting Services, PC
Post Office Box 31800
Henrico, VA 23294

- ▶ The initial advertisement will include the following information:
 - ▶ Date that the litigation process may begin.
 - ▶ Property information:
 - ▶ Owner's Name
 - ▶ Tax Map Number
 - ▶ Account Number
 - ▶ TACS's internal reference number
 - ▶ Contact information for TACS

This advertisement will run once in the newspaper of record. You will experience an increase in taxpayer contact at this time.

The cost of the advertisement will be divided among the properties and added as a litigation cost.

The newspaper will supply a certificate of publication affidavit.

**THE DATE ON THE AD IS NOT THE
SALE DATE.**

Title

Once the initial advertisement has run, we will engage the services of a title examiner, who will perform a search of the land records to provide the necessary information to confirm clear title.

This process can take anywhere from 30-45 days for a basic search, to 100+ days for a complex title. Any number of things can complicate a title- date of last recorded deed, mineral severance, multiple owner, et cetera.

The cost of the title examination will be added as a litigation cost.

- ▶ A title examination provides the following information:
 - ▶ Owner of Record and the chain of title that extends back 60 years:
 - ▶ Deeds
 - ▶ Will and estate information
 - ▶ Recorded instruments that affect the property and its usage:
 - ▶ Easements
 - ▶ Leases
 - ▶ Road maintenance agreements
 - ▶ Recorded plats
 - ▶ Deeds of Trust
 - ▶ Outstanding judgments for owner of record and/or heirs

Property Information

A key part of the title review process is determining the existence and location of the subject property. Land records are compared with property card information to confirm that the property is properly mapped, and that it is being assessed correctly.



- ▶ Legal Description- where does the deed say it's located? Are there metes and bounds to reference?
- ▶ Recorded Plats- When the property was last surveyed, where was it said to be located? Does this match the legal description?
- ▶ Property Card information- does the property card reference deeds and legal descriptions that are in line with what was found during the title search?
- ▶ GIS mapping sites- Does this map match where the legal description indicates that it should be?

Heirs Research

► Resources to locate heirs include:

When the owner of record is deceased, a search must be done to locate any heirs. This can be a lengthy process—some families are well documented, some aren't.

- Skip-tracing programs
- Genealogy databases, such as Ancestry.com and FamilySearch.com
- Obituaries and Findagrave.com
- Documents that may be found in the land records

Arthur L. Reddix
in the 1930 United States Federal Census

Name: Arthur L. Reddix
Birth Year: abt 1908
Gender: Male
Race: Negro (Black)
Birthplace: Virginia
Marital status: Single
Relation to Head of House: Grandson
Home in 1930: Glade Spring, Washington, Virginia, USA
Map of Home: [View Map](#)
Dwelling Number: 95
Family Number: 101
Attended School: No
Able to Read and Write: Yes
Father's Birthplace: Virginia
Mother's Birthplace: Virginia
Able to Speak English: Yes
Occupation: Laborer
Industry: Odd Jobs
Class of Worker: Wage or salary worker
Employment: Yes
Household Members:

Name	Age
Sally Beverly	63
Edna Reddix	23
Arthur L. Reddix	22

Arthur Alexander Reddix 1925
Glade Spring, Washington, Virginia

Edna Reddix
in the U.S., Social Security Death Index, 1925-2014

COMMONWEALTH OF VIRGINIA - CERTIFICATE OF DEATH
DEPARTMENT OF HEALTH, DIVISION OF PUBLIC HEALTH

NAME	SEX	AGE	ADDRESS	RESIDENCE
ARTHUR ALEXANDER REDDIX	M	17	Glade Spring, Washington, Virginia	Glade Spring, Washington, Virginia

The 3965 Letter

- This notice is sent to the owner of record, heirs, lienholders, and Deed of Trust holders, advising them of our intention to initiate litigation on behalf of the county.
- Virginia Code Section 58.1-3965 requires these notices be sent, which is why you may hear them referred to as the 3965 letter.
- The recipient of this letter has 30 days from the date of on the letter to satisfy the delinquency or enter into a payment plan, otherwise we will file suit.
- You may receive contact from heirs that were previously unaware of their ownership interest in the subject property. Please have them contact our office and their ownership interest can be explained to them.

tacs

Taxing Authority Consulting Services, P.C.
Attorneys At Law

March 28, 2024
**NOTICE OF DELINQUENT TAXES
CITY OF METROPOLIS, VIRGINIA**

John E. Smith
111 Main Street
Metropolis, Virginia 12345

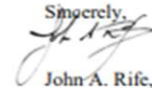
*Re: City of Metropolis Delinquent Real Estate Taxes
Tax Map: 1HH083007 and 1HH083007IMPV
Account: 7322 and 7323
TACS No. 760902
Balance Due: \$30,171.56*

Dear Sir or Madam:

Please be advised that the City of Metropolis has retained our services in the collection of delinquent real estate taxes. Tax records indicate that a delinquency exists on the above-referenced property and a title examination has indicated that you have an ownership interest in the property.

Please take notice that pursuant to Virginia Code §58.1-3965, unless the account is paid in full within thirty days of the date of this Notice, the City of Metropolis will direct this firm to immediately file suit to sell the property. Payment may be remitted in the amount shown above, via check or money order made payable to the **City of Metropolis**, to the following address: **Taxing Authority Consulting Services PC, Attn: Litigation Department (mtb), P.O. Box 31800, Henrico, Virginia 23294-1800**. Virginia Code §58.1- 3965.C, gives the right to request a payment agreement, which may or may not be granted, to pay the delinquent taxes over a period no longer than 72 months. You may contact my office at the phone number shown below to inquire about the outstanding balance due and inform my office of your intentions.

Please disregard this notice if these taxes have been paid in full or if you are now a debtor in a pending bankruptcy. If you are in bankruptcy, please furnish to my office, in writing, the number of the bankruptcy case and the identification of the Court in which it is pending so as to enable us to code the account and avoid further correspondence to you. Should you require further information regarding this property or this matter, please do not hesitate to contact my office.

Sincerely,


John A. Rife, Esq.

JAR:mtb

P.O. Box 31800 • Henrico • Virginia • 23294-1800
Phone (804) 545-2500 • Fax (804) 545-2378

Initial Filing

- We file a Complaint on behalf of the locality and simultaneously file a Memorandum of Lis Pendens (MLP).
- The Complaint serves as a “story telling” document, detailing the ownership of the property, the legal description and the delinquency due. This is filed with the Circuit Court Clerk’s Office.
- The MLP is recorded among the land records and puts any persons on notice of the suit and requires anyone who acquires a subsequent interest in the property to appear and protect their interest.

- ▶ The Complaint includes:
 - ▶ Information on owners and/or their heirs;
 - ▶ Information regarding any financial institution that may have an interest in the subject property (Deeds of Trust, Judgments from financial institutions);
 - ▶ Information of any government entity that may have an interest in the property (IRS, USDA, Commonwealth of Virginia liens);
 - ▶ Includes copies of 3965 correspondence to the owner of record;
 - ▶ Includes a copy of the Certificate of Publication of the Initial Advertisement;
 - ▶ Instruction to the court as to how each respondent is to be served.

Service

- ▶ **Sheriff Service-** for those who reside within the Commonwealth of Virginia. A sheriff's deputy will attempt to locate the respondent at their last known residential address.
- ▶ **Secretary of the Commonwealth-** this is for those individuals who reside outside of the Commonwealth of Virginia. Service is completed through certified mail.
- ▶ **State Corporation Commission-** This is for instances where a business needs to be served but a registered agent or managing partner cannot be located. The SCC will accept service on that business entity's behalf.
- ▶ **Private Process Server-** while rare, it is at times required that a respondent be issued service by a private process server.
- ▶ **Order of Publication-** This is reserved for individuals who are deceased but for whom service is necessary, Parties Unknown, and individuals whose last residential address is unknown. This Order is drafted once all other service has been completed.

The cost for service varies based on type and number of respondents being served. This is added to the delinquency as a litigation cost.

Affidavits, Decrees and Orders

Once service has met the statutory requirements for completion, we move to the next steps in the litigation process.

A number of affidavits, decrees and orders must be filed with the court in order to secure judicial approval to proceed to sale.

- ▶ **Service Affidavits:**
 - ▶ Posted Service Affidavit- a respondent received posted service and we are attesting that they have also received a copy by mail of the items that were served.
 - ▶ Affidavit of Due Diligence- affirming that we have exhausted all efforts to issue service on all respondents
- ▶ **Decree Appointing Guardian Ad Litem-** A local attorney will be appointed to protect the interest of those who may be under a disability.
- ▶ **Order of Publication-** This is a legal advertisement which runs in the local paper and serves as a method of service for unknown heirs, or those whose last known address is unknown.

Affidavits, Decrees and Orders

The cost of the Order of Publication, Guardian Ad Litem's fee and the cost of the appraisal, if needed, are added to the delinquency as litigation costs.

- ▶ Affidavit of Delinquent Real Estate Taxes- confirms the delinquency as of the date of the affidavit. This is executed by the Treasurer's office.
- ▶ Affidavit of the Commissioner of the Revenue- confirms the current assessed value of the subject property as long as the property value is below \$100,000.00. This is completed by the Commissioner of the Revenue or the Real Estate Assessors Office.
 - ▶ Should the value of the property exceed \$100,000, an exterior appraisal will be ordered in lieu of filing the Affidavit of the Commissioner of the Revenue.
- ▶ Certificate of Title- confirms that the title review was completed based on the land records and supporting information available to us.

Decree of Sale

Once the necessary affidavits have been completed, it is now time to ask the judge for permission to move the property toward sale. This is done at a Decree of Sale Hearing.

You may receive calls from respondents who have received a hearing notice believing that the hearing date IS the sale date. This hearing is simply asking for permission to sell, and is not the date of the sale.

▶ What is Filed with the Court?

▶ Notice of Hearing

- ▶ This notice is sent to all respondents with a current mailing address, advising them of the date and time of the hearing.

▶ Motion for Decree of Sale

- ▶ This details the facts- the taxes remain delinquent after our attempts to secure payment.

▶ Case Copies

- ▶ Certificate of Publication of the Order of Publication
- ▶ Copy of the Title Report and Certificate of Title
- ▶ Valuation Document- either the Affidavit of the Commissioner of Revenue or appraisal
- ▶ Affidavit of Delinquent Real Estate Taxes

Auction

Once we have received judicial approval, it's sale time!

The preparation period for a judicial sale can take upwards of 30 days, as time is required for advertisement and notification.

- ▶ When, where and how?
 - ▶ A date, time, and location will be settled upon based on client preference and auctioneer availability.
 - ▶ In-person, online or hybrid sale?
 - ▶ In-person only sales require that interested bidders be present at the sale in order to participate.
 - ▶ Online sales allow for anyone regardless of location to participate in the bidding process. NOTE, not all auctioneers are equipped to facilitate an online sale.
 - ▶ Hybrid sales allow for participation both in person and online.

Auction Advertisement

Once the date, time, location and type of sale have been determined, an advertisement is drafted, which details:

- Date, time and location of sale
- Properties to be auctioned
- Terms of Sale and instructions on how to register for bidding
- Contact information for auctioneer and TACS

This ad will run once a week for two consecutive weeks, and the cost will be divided among the parcels being included in the sale.

NOTICE OF PUBLIC AUCTION SPECIAL COMMISSIONER'S SALE OF REAL ESTATE COUNTY OF BUCHANAN, VIRGINIA

Pursuant to the terms of those certain Decrees of Sale entered in the Circuit Court of County of Buchanan, the undersigned Special Commissioner will offer for sale at a simulcast (with online and in person bidding) public auction the following described real estate at Buchanan Co. Board of Supervisors Meeting Room; 4447 State Creek Road, Grundy Virginia 24614, on February 20, 2024 at 11 AM.

The sale of such property is subject to the terms and conditions below, and any term or conditions which may be subsequently posted or announced by Mitch-Eli Auction Firm ("Auctioneer") and Taxing Authority Consulting Services, PC ("TACS"). Subsequent announcements take precedence over any prior written or verbal terms of sale.

J1	ROGER WAYNE COLEMAN, ET AL	2H-185186 ENLG D	760439	Big Prater Oak Tract FK Lot #13, South Grundy District
J2	ROGER WAYNE COLEMAN, ET AL	2H-185214	760439	Big Prater Oak, South Grundy District
J3	CHRISTINA LYNN BLAKEN, ET AL	2H-088025	760264	Knox Oak Turnpike Hollow AC 100, Knox District
J4	HENRY CECIL HAWKINS, ET AL	2H-099031	760761	1238 Hurley Runyon Road, Vauxant, Little Fox Creek AC 1, Prater District

GENERAL TERMS OF SALE: All sales are subject to confirmation by the Circuit Court. The Special Commissioner has the right to reject any bids determined to be unreasonable in relation to the estimated value of the Property. Any unsold property will be offered for sale again at the next auction, whenever that may be.

Properties are conveyed by Special Warranty Deed, subject to any easements, covenants, agreements, restrictions and any and all rights of record which may affect the property. Properties are offered for sale as-is, where-is, and if-is, with all faults and without any warranty, either expressed or implied. Persons are encouraged to make a visual inspection of the property within the limits of the law and to obtain an independent title search, at their own expense, prior to bidding on any of the properties to determine the suitability of the property for their purposes. It is not guaranteed that the property has a right-of-way or that it is not landlocked. Property is sold in gross and not by the acre. There is no warranty as to the accuracy of any information contained in the GIS system, nor is the information contained therein a legal representation of any of the features of the property which it depicts. We do not provide and do not assist with obtaining title insurance or title to personal property.

The sale of property to the highest bidder is not contingent upon obtaining financing. Financing, if needed, is the sole responsibility of the high bidder. By bidding, parties are entering into a legally binding contract, waive all rescission rights, and understand that their bids are irrevocable and binding. Bidding party, by bidding, represents that they have read, and agree to be bound by, all terms and conditions for this sale. Failure to complete the property purchase will result in forfeiture of any funds paid and may subject the highest bidder to additional damages, which may include expenses and any deficit upon resale.

PAYMENT TERMS: The highest bidder shall make a deposit in the amount of twenty-five percent (25%) or One Thousand Dollars (\$1,000.00), whichever is higher, along with a 10% Buyer's premium, subject to a minimum of \$150, added to the final bid. Bids which are less than One Thousand Dollars (\$1,000.00) shall be paid in full at the time of the auction. Deposits shall not exceed Twenty Thousand Dollars (\$20,000) per parcel. Such sum shall be held by the Special Commissioner and credited towards the purchase price following confirmation of the sale. Subsequent taxes will be prorated from the auction date, and the highest bidder will be responsible for taxes from that date forward.

The balance of the purchase price and recording costs for deed recordation shall be deposited by the highest bidder with the Special Commissioner within fifteen (15) days of confirmation of the sale by the Court.

Terms applicable to In-Person Bidders ONLY: The deposit and buyer's premium are due on the day of the auction. All payments must be made in the form of personal check, cashier's check or money order. **No cash will be accepted.**

Terms applicable to Online Bidders ONLY: All interested parties must register and be approved by the Auctioneer. Registration and bidding are free of charge and are done through the Auctioneer's website, <https://mitchellicom.com>. If any interested bidders are unable to attend for in-person bidding and wish to bid on property, but do not have access to the internet, please contact Mitch-Eli Auction Firm, at (276) 608-4786 for assistance.

The highest bidder will receive their purchase contract and balance due via email following the close of the auction. The contract shall immediately be executed and returned to TACS. **The deposit and buyer's premium must be received in full within seven (7) days following the auction closing (no later than February 27, 2024).** All payments must be made in the form of certified funds, cashier's check, money order or wire transfer. Cash and personal checks will not be accepted. Checks and money orders shall be made payable to County of Buchanan and forwarded to TACS, at the address shown below. Wire transfer instructions will be provided to the highest bidder upon request.

GENERAL TERMS: To qualify as a purchaser at this auction, you may not owe delinquent taxes to County of Buchanan and you may not be a Defendant in any pending delinquent tax matter. Questions concerning the registration and bidding process should be directed to the Auctioneer online at <https://mitchellicom.com>, by email to mark@mitchellicom.com or by phone to Mark Mitchell, at (276) 608-4786. Questions concerning the property subject to sale should be directed to TACS online at www.taxva.com, by email to taxsales@taxva.com, by phone to 804-506-3102, or by writing to the address below.

Taxing Authority Consulting Services, PC
Attn: Tax Sales
P.O. Box 31800
Henrico, Virginia 23294-1800

Auction Notices

Notices of the upcoming sale are provided by USPS, and email to our interested bidders list.

You will receive an increase in call volume once these notices have been mailed.

An information booklet will be drafted, listing each parcel and pertinent information. This booklet will be available on our website as well as being mailed to the client.

▶ Who gets notified by mail?

- ▶ Respondents- Owners, heirs, and lienholders
- ▶ Neighboring parcel owners- using mapping programs, we identify those who own adjoining properties and mail them a notice
- ▶ Interested bidders- those who have inquired about a specific property and have provided a mailing address

▶ Who gets notified by email?

- ▶ Interested bidders that have registered on our website to receive email correspondence about auctions in their selected jurisdiction(s)

TPI and Costs

As part of the sale preparation process, we need to calculate the TOTAL amount due to satisfy the delinquency due at the time of sale. This figure will either serve as a payoff/redemption amount or will be the basis of our post-sale distribution.

We will reach out to the treasurer's office to request what is due through the date of sale prior to the sale, as well as a breakdown of that delinquency. This MAY require proration of current year taxes.

It is crucial that the TPI figure provided is accurate to calculate the correct payoff amount and ensure the post-sale distribution of funds is accurate.

- ▶ Figures included in the total payoff/redemption amount:
 - ▶ Tax, Penalty, and Interest through the date of sale, which may include proration of current year taxes
 - ▶ Litigation costs that have been incurred through the process
 - ▶ Title
 - ▶ Advertisement Costs
 - ▶ Service Fees
 - ▶ Vendor fees (GAL, Appraiser)
 - ▶ Auctioneer's Redemption Fee
 - ▶ Collection Fee

DAY OF SALE



- ▶ There are three main parts of the sale:
 - ▶ Registration- interested bidders will need to register with the auctioneer to be assigned a bidder number. This helps us track who won, and how many attended with the intention of bidding.
 - ▶ The sale- The TACS team will make the necessary announcements regarding terms of sale and the upcoming Decree of Confirmation hearing. Parcels are sold one at a time, according to the order of advertisement. If there are parcels that would be better served as a group, they are offered together as one.
 - ▶ Post-Sale checkout- In person high bidders will meet with the TACS team to execute the purchase contract and pay the amount due at that time.

PURCHASE CONTRACT

**PURCHASER'S ACKNOWLEDGEMENT AND
CONTRACT OF SALE**

At that certain real estate tax sale which closed on August 31, 2024, the undersigned was the highest bidder on the real estate described below, for a bid price of \$ _____.

Case Name: City of Metropolis v. John E. Smith, et al (Case No. CL24-123)

Tax Map Number: 1234566

Account Number: 589

TACS Number: 789456

Buyer's Premium: \$ _____

Bid Deposit: \$ _____

Credit Card Hold: \$(_____)

Total Due Now: \$ _____

I understand that the above-referenced "Total Due Now" is required to be deposited today with the Special Commissioner and that the balance of the high bid and the deed recordation cost will be due within fifteen (15) days after confirmation of this sale by the Circuit Court of the City of Metropolis, Virginia. I understand that in the event my payment is returned or otherwise does not clear within twenty (20) days, this contract of sale may be voided, I may be responsible for damages or costs of resale, and the next highest bidder may be contacted to purchase the property.

I understand that this property is being sold subject to any covenants, easements, agreements, restrictions, reservations, conditions of record, and any claims of persons in possession. I understand that this property may not have a right-of-way to a public road, and I hereby accept this limitation. I understand that I will be notified at the address below of the date the Special Commissioner intends to ask the Court to confirm this sale, and that this Court hearing will be my last opportunity to raise any questions concerning this sale. I understand that this property is offered for sale as-is, with all faults and without any warranty, either expressed or implied, and I confirm that I have satisfied myself as to the property's existence and location prior to the execution of this contract.

I understand that I will be responsible for any real estate taxes on this parcel from the date of sale (August 31, 2024). I further understand that in the event I owe delinquent taxes to or am named as a Defendant in any delinquent tax suit filed by the above-named locality, that this contract shall be voidable and I agree to forfeit any right, title or interest that I may have in the real estate to the next highest bidder as listed in the auction documents.

I understand that if I fail to comply with this Purchaser's Acknowledgement and Contract of Sale, or if the balance of the purchase price is not paid in full within fifteen (15) days of confirmation, I agree to forfeit all amounts paid and pay any charges incurred by the Special Commissioner or the Court in collecting on the delinquent amount, that this real estate may be resold, and that I will be responsible for any deficiency upon resale.

Purchaser's Acknowledgement and Contract of Sale
Page 2

I understand that by bidding, I have entered into a legally binding contract and that I waive all rescission rights. I understand that my bid was immediately binding, irrevocable, and enforceable.

I understand that the former owner(s) of this property may for good cause shown, within ninety (90) days from the entry of the Decree of Confirmation in this matter, petition the Court to have the matter reheard. I understand that title to the property described herein will be taken in the name(s) indicated below and I represent that I have the authority to purchase and title the property in the name(s) shown below.

Signature	Street Address
Name (please print)	City, State, Zip
Telephone	Email Address

Title will be taken in the name of:

Type of Interest: Tenants in Common Tenants by Entirety with ROS Joint Tenants None

CERTIFICATION

It is hereby certified that the above-referenced purchaser has, on this , acknowledged and executed the foregoing Purchaser's Acknowledgment and Contract of Sale. I further certify that the contact information and signature shown above belong to the aforementioned purchaser and are true and correct to the best of my knowledge.

Taxing Authority Consulting Services, PC

- ▶ **In-person high bidder**
 - ▶ The purchase contract will be executed by both the high bidder and TACS.
 - ▶ At the time of execution, the deposit balance and buyer's premium is due. This can be paid by check, certified funds, or money order only- we do not accept cash.

- ▶ **Online high bidder**
 - ▶ The purchase contract will be emailed to the high bidder for their completion. The contract will be executed digitally by both the high bidder and TACS.
 - ▶ Deposit funds and buyer's premium will be forwarded within seven days to TACS, either by mail or by wire.

Decree of Confirmation

- Once the sale has completed, it must be confirmed by the court. This approval will be granted at a Decree of Confirmation hearing. The judge will review the purchase information and ensure all requirements for sale were met.
- This date is typically set within 30 days of the auction but is subject to the availability of the court.
- Once the judge is satisfied that all statutory requirements have been met, the Decree of Confirmation will be entered.

- ▶ What is filed to have a Decree of Confirmation entered?
 - ▶ Notice of Hearing and Motion for Decree of Confirmation
 - ▶ Report of the Special Commissioner- this will describe the auction in more detail- attendance, bidding activity, dates of publication of sale ad
 - ▶ Copy of the Purchaser's Contract
 - ▶ Copy of the Certificate of Publication of the sale advertisement, confirming its run dates

Post Decree of Confirmation

Upon the entering of the Decree of Confirmation, our office will contact the high bidder by mail, advising that the sale was approved and asking for their remaining balance PLUS the deed recording fee. These funds must be received by our office.

Once the balance has been paid, and the check has cleared the bank, we will proceed with distributing the sale funds and getting the deed on record.

Please note- we cannot put the deed to record without the recording fee, regardless of whether the sale balance has been paid.

- ▶ Who gets paid?
 - ▶ The Auctioneer- receives a buyer's premium for their work in preparing the sale.
 - ▶ The Guardian Ad Litem- receives a fee for their work
 - ▶ Recording Fee- calculated based upon the purchase price and assessed value of the property- see Virginia's Deed Calculation website.
 - ▶ TACS- as funds allow, we are compensated for the deed preparation, as well as our collection fee. If we front costs, we are reimbursed at this point.
 - ▶ The Locality- as funds allow, the TPI amount is paid at this time.
 - ▶ Lienholders- as funds allow, lienholders are paid
 - ▶ Excess Funds- If there are remaining funds after all of the above are paid, those funds are forwarded to the court to be held for two years as of the date of confirmation.

Schedule A Scheme of Distribution

BID AMOUNT: \$9,250.00
BUYER'S PREMIUM: \$925.00
DEED RECORDING FEE: \$78.00
TOTAL AMOUNT DUE FROM BUYER: \$10,253.00
TOTAL AMOUNT ON DEPOSIT: \$3,237.50
AMOUNT REMAINING TO BE PAID: \$7,015.50

COSTS OF SALE	
TO: Taxing Authority Consulting Services, PC Post Office Box 31800 Henrico, Virginia 23294 Deed Preparation Fees	\$200.00
TO: County of Botetourt Circuit Court Care of The Honorable Tommy L. Moore P.O. Box 219 Fincastle, Virginia 24090 Deed Recording Fee	\$78.00
TO: County of Botetourt Care of Donna Boothe P.O. Box 100 Fincastle, Virginia 24090 Prepaid Costs	\$863.75
TO: Hyatt B. Shirkey, Esq. 333 Church Avenue. S.W. Roanoke, Virginia 24016 Guardian Ad Litem Fee	\$250.00
TO: Dudley Resources 9601 Gayton Rd, Suite 207 Henrico, Virginia 23238 Buyer's Premium	\$925.00
TOTAL COSTS OF SALE	\$2,316.75
TAX AND COLLECTION FEES	
TO: Taxing Authority Consulting Services, PC Post Office Box 31800 Henrico, Virginia 23294-1800 Attorney Fees	\$1,500.00
TO: County of Botetourt Care Of Donna Boothe P.O. Box 100 Fincastle, Virginia 24090 Tax, Penalty and Interest	\$1,753.87
TOTAL TAX AND COLLECTION FEES	\$3,253.87
LIEN CREDITORS	
TOTAL PAYMENTS TO CREDITORS	\$0.00
Remainder to be held by the Court	\$4,682.38

Nonjudicial Tax Sale

Certain properties may be sold by the Treasurer without going through the litigation process, but only if they meet the criteria laid out in Virginia Code Section 58.1-3975.

This method is:

- Typically, cheaper than litigation
- Faster than the litigation process

- ▶ What qualifies for non-judicial sale?
 - ▶ Any parcel that is assessed at \$10,000 or less, provided that the taxes are delinquent on December 31 following the third anniversary of the date taxes came due.
 - ▶ Any parcel that is assessed at more than \$10,000, but less than \$25,000, provided the taxes are delinquent as spelled above, and:
 - ▶ Parcel is unimproved and measures no more than 1 acre
 - ▶ Is unimproved and is unsuitable for building
 - ▶ Has a structure on it that has been condemned by the local building official
 - ▶ Has been declared a nuisance, or has been declared to be blighted pursuant to the appropriate code section.

Nonjudicial Tax Sale



- ▶ Title is ordered
 - ▶ Instead of a 60-year search, a current owner search is ordered.
 - ▶ Title is reviewed the same way it would be with a judicial property.
 - ▶ Confirm current owner, and or their heirs
 - ▶ Confirm property location
 - ▶ Confirm if there are any lienholders
 - ▶ Confirm whether or not there is a Deed of Trust- the existence of a Deed of Trust can disqualify a property from nonjudicial sale.

Nonjudicial Tax Sale Notice

Notice is mailed to the owner of record by certified mail, and to any heirs and lienholders by regular mail.

This opens a 30-day window for the owner or heir to establish a payment plan or make payment in full before we proceed with taking the property to sale.

As with the initial 3965 letters that are mailed in the judicial process, you may receive contact from heirs who are unsure as to how they acquired an interest. Please forward these calls to us.

tacs

Taxing Authority Consulting Services, P.C.
Attorneys At Law

March 28, 2024

**NOTICE OF DELINQUENT TAXES
VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

Clark Kent
5897 Krypton Way
Metropolis, Virginia 45678

Re: City of Metropolis Delinquent Real Estate Taxes
Record Owner: Clark Kent
Tax Map No. 2HH183015 INST A; Account No. 199-1
TACS No. 760329
Total Amount Due: **\$707.04**

To Whom It May Concern:

Please be advised that the City of Metropolis has retained our firm to collect delinquent real estate taxes owed against the above-referenced parcel. Due to the delinquency of these taxes, penalties, interest, collection fees and costs are now due and payable in addition to the assessed tax amount. Please note that the balance reflected above is only valid through the end of the month in which this notice is dated.

TAKE NOTICE that this property has been selected for sale pursuant to Virginia Code §58.1-3975. This property qualifies for a non-judicial sale for the delinquent taxes owed. Virginia law requires that you pay any associated costs incurred throughout the sale process. These costs may include, but are not limited to: cost of publications, title searches and auctioneer fees.

PLEASE BE ADVISED THAT THIS IS YOUR FINAL NOTICE. Remit the amount shown above, via check or money order made payable to City of Metropolis, to the address provided at the foot of this notice and reference your TACS Number on your payment. You may contact my office at the phone number shown below to inquire about the outstanding balance due and inform my office of your intentions.

Sincerely,



John A. Rife, Esq.

JAR:mbn

P.O. Box 31800 • Henrico • Virginia • 23294-1800
Phone (804) 980-7161 • Fax (804) 545-2378

Nonjudicial Auction Prep

Once an auction date has been established, the preparation mirrors that of the judicial sale; however, there are additional steps that must be taken according to Virginia Code Section 58.1-3975.

- ▶ **Road Frontage Signs-** if a property has road frontage, a sign must be posted advising of the sale date, property information, and terms. This must be in the ground 30 days prior to the sale.
- ▶ **Notice of Sale posted at Courthouse-** a copy of the notice of sale is sent to the clerk's office for posting at the circuit court. This must be posted 30 days prior to the sale.
- ▶ **Auction Advertisement-** the sale ad must run in the local newspaper between 7 and 21 days prior to the sale, but only has to run once.
- ▶ **Auction Notices-** as with the judicial sale, auction notices are mailed to owner, heirs, lienholders, neighboring parcel owners, and interested bidders.

Nonjudicial Auction and Post- Sale



- ▶ Contract is executed by the high bidder and TACS. However instead of a deposit and buyer's premium, the high bidder is paying the TOTAL due, which includes the bid price, buyer's premium AND recording fee.
- ▶ As no court approval is required, once the auction funds have cleared the bank, we may disburse proceeds and issue the deed.
- ▶ Instead of a Special Commissioner's Deed, the bidder receives interest by a Special Warranty Deed.
- ▶ The preparation of the Schedule A-Scheme of Distribution is the same; however, should there be excess funds, they are held by the treasurer's office for two years.

Excess Proceeds

Any funds remaining after the distribution of sale funds will be either held by the court OR the treasurer's office for two years. Once that two-year window is up:

- Judicial sale- an order will be entered by the court which will direct that those funds be sent to the treasurer's office to be forwarded to the general fund.
- Nonjudicial Sale- a letter will be mailed to the treasurer's office advising them that the two-year window has now passed and that those funds are to be forwarded to the general fund.

- ▶ What if an heir/former owner wants their share of the excess funds?
 - ▶ As someone with an ownership interest in the subject property, a former owner or heir may inquire about receiving a portion of these funds, which is based on their ownership percentage in the property at the time of sale.
 - ▶ These individuals will need to consult their own counsel or the court for instruction on how to petition for these funds.
 - ▶ A hearing to determine the percentage of ownership may be necessary for more complex family groups. A local attorney should be able to assist with this.

Nonsuit

Should an account that is in a litigation status be paid in full, we will stop the litigation process and will close out the file.

This is done by filing an Order of Nonsuit and a Release of Lis Pendens.

- Order of Nonsuit- is signed by the judge and instructs the court to close its file as the litigation process has stopped.
- Release of Lis Pendens- is recorded among the land records, releasing the Memorandum of Lis Pendens that was recorded at the initial filing.

For a nonsuit to be filed, the taxes must be brought CURRENT.

If tax years remain outstanding, a nonsuit will not be filed until the delinquency in its entirety has been paid.

Final Decree

Once the sale has been confirmed, funds disbursed and the deed recorded, our final step is to close the matter by filing a Final Decree and Release of Lis Pendens.

Similar to an Order of Nonsuit, a Final Decree is entered, instructing the court to close its file BUT:

- ▶ Only AFTER the judicial sale has been completed.

LITIGATION TIMELINE

Step	Estimated time for completion
Initial Advertisement	30-day response period
Title Order	Varies depending on abstractor availability and current workload
Title Review	Varies depending on complexity- can take as little as an hour or as much as several days
3965 Letters	30-day response period per statute
Issuance of Service	Between 10 and 60 days after filing complaint
Misc. Affidavits	Est. 30 days for completion
Decree of Sale Hearing Prep	Est. 30 days for completion upon scheduling of hearing
Auction Prep	30-60 days from date of Decree of Sale
Decree of Confirmation hearing	Between 6-8 weeks following sale, subject to court availability.

QUESTIONS?

For general questions: questions@taxva.com

For tax sale questions: taxsales@taxva.com

William “Bill” Arney, Real Estate Litigation Manager
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Email: warney@taxva.com

Jessica Knapp, Client Relations Manager
Telephone: 804-612-9178
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