

## *Prior to the Auction...*

### How can I find out what the property is and where it is located?

The Commissioner of State Lands (COSL) office is provided with the property's legal description and tax information upon certification. As a service to prospective buyers, we maintain a link to the tax assessor's property cards online. This can be found under the auction catalog at [www.cosl.org](http://www.cosl.org) and by clicking on the parcel number. Physical addresses may be listed on the property cards maintained by the assessor. It is highly recommended that you further research the property to determine its location and condition. It may be necessary for you to research public information, such as plat maps within the county assessor's office. The State Land Surveyor's Office also maintains a retrieval search online at [www.plat.arkansas.gov](http://www.plat.arkansas.gov).

Ultimately, be certain of what you are bidding on before you bid.

### What are 'interested parties'?

Interested parties are individuals or companies that have a filed and recorded interest in the property at the time of certification. They may hold a lien, mortgage, judgment, or other encumbrance on the subject property. Properly recorded liens and encumbrances are filed with the circuit clerk's office. You will need to do your own research to determine what, if any, liens and encumbrances are filed against the property. You may also consider consulting a local title company or abstractor to perform a title search to be certain. However, funds expended for this type of research are not recoverable.

### Are liens, mortgages, judgments, or other encumbrances extinguished by the tax sale?

The COSL attempts to provide notice to all interested parties that are identified and made known to him. If an interested party receives proper notice of a sale and fails to protect its interest by redemption of the taxes, that interest may be extinguished.

Some liens and assessments such as city liens, improvement district taxes and property owner's fees will most likely transfer with the property and become your responsibility as the new owner.

It is not uncommon for tax delinquent properties to be encumbered by Internal Revenue Service liens. Federal law provides some protection from tax sales to the IRS. Purchasers should contact the IRS for information on how to redeem or satisfy liens held by the agency.

## *Auction Day...*

### How do I register to bid?

Registration begins 30 minutes before each auction at the sale site. There is no fee to register. Simply fill out a numbered bidder registration card and return the completed form to a COSL employee. Keep the opposite half as your bidder number.

### How are properties offered at the auction?

The parcels are offered in sale number order. This is the same order as shown in the catalog and on our website. The minimum bid is the amount of taxes, interest, penalty and costs due as of the sale date. The total purchase price includes the successful bid amount plus the tax due amount as shown in the catalog.

### How do I pay if I am the successful bidder?

The first one hundred dollars of each parcel purchased must be paid in cash. For example, if you were to purchase three properties, you will need to have \$300 in cash. Your remaining balance can be paid by cash, personal check, cashier's check, money order, or by credit card if there is an internet connection available at the sale site. Credit card transactions are subject to a non-refundable processing fee charged by the credit card terminal provider. This fee is figured on a sliding scale based on the amount being charged.

You must pay in full immediately following the auction. There will not be additional time given for purchasers to travel to their bank or retrieve monies elsewhere. Please have your payment ready.



## After the Auction...

### When do I receive a deed to the property I am purchasing?

After paying in full for your purchase, you will receive a Purchaser's Certificate. This document does NOT convey title or ownership to the property. It simply states that you have paid in full for your purchase at the auction. The delinquent owner still maintains the right to redeem the property for 10 business days after the auction.

If the taxes are not paid, a Limited Warranty Deed will be issued to the purchaser. The deed will then be sent to the circuit clerk's office in the county where the property is located to be filed of record. Following recordation, the deed will then be forwarded to the purchaser at the address provided on the deed. This is the only deed the Commissioner of State Lands will issue to the property.

### What is a Limited Warranty Deed?

A Limited Warranty Deed is the deed that the Commissioner of State Lands issues purchasers of tax delinquent property. It is basically the equivalent of a quitclaim deed and only transfers the interest the state held in the property. The COSL does not guarantee usability, accessibility, or existence of the property nor can it guarantee or warrant clear title to the property.

The sale is also subject to a 90 day litigation period beginning after the date of conveyance. During this period, purchasers should not make any major changes or improvements to the property. If the sale is overturned in court, the purchaser will generally be

entitled to a refund in full of the purchase price from the COSL.

In most cases, purchasers of tax delinquent land will be required to obtain a decree of quiet title as a prerequisite to the issuance of title insurance. Purchasers of tax delinquent land should be prepared to incur additional expenses in order to gain clear title to the property. Such additional costs can include attorney fees as well as title and abstracting fees. Purchasers are encouraged to consult attorneys in private practice or title and abstract professionals in order to understand the risks involved.

### What if the parcel I purchased is redeemed?

If a parcel is redeemed, a full refund will be issued to the purchaser, no interest accruing. Please allow a minimum of 30 days for your refund to be processed.

***For additional information about purchasing tax delinquent property from the Arkansas Commissioner of State Lands office, please call 501-324-9422 or find us on the web at [www.cosl.org](http://www.cosl.org).***

John Thurston  
Arkansas Commissioner of State Lands  
109 State Capitol  
Little Rock, AR 72201  
501-324-9422  
[land@cosl.org](mailto:land@cosl.org)

# Q & A

## Purchasing Tax Delinquent Property at Public Auction from the Arkansas Commissioner of State Lands

