

Tax Lien “Year in Review 2015!”

Presented by: **Brian Seidensticker**



Background

- Aerospace Engineer for the U.S. space launch industry (2006 – 2014)
- Co-Founded Tax Sale Resources (TSR) in 2010, creating the industry's first nationwide comprehensive source of tax sale information
- Co-Founded Vision Tax Lien Services (Vision) in 2013, combining industry leading data management with the outside-the-box REO strategy

Year in Review (2015)

- The Lingo
- National Overview
 - At a Glance
 - 4-Year Nationwide Trends
- State Highlights
- Where to next in 2016

The Lingo

- Lien Sales vs Redeemable Deeds vs Deed Sales
 - **Lien Sales** – Lien holder holds interest in the property for the amount of the lien, but does not obtain ownership without further action after the redemption period ends
 - Florida, Arizona, Illinois, etc.
 - **Redeemable Deed Sales** – Shorter redemption periods with the lienholder ending up with a tax deed at the end of the redemption period
 - Texas (non-lien loans), Georgia, South Carolina, etc.
 - **Deed Sales** – Very short, if any redemption period where the buyer obtains near immediate ownership interest in the property through a tax deed
 - FL (deed sales), California, Arkansas, Michigan, etc
- This presentation focuses on Lien and Redeemable Deed sales only

The Lingo

- **Jurisdiction** – The county or municipality holding a sale of liens/deeds
- **Pre-Sale Advertised Lists** – The list of liens advertised by the jurisdiction prior to the auction and is still eligible for redemption
- **Auctioned List** – The list of liens that did not redeem prior to the sale and were available for purchase
- **Liens Sold** – The list of liens that successfully sold at auction
- **Liens Struck-Off** – The list of liens that were available for sale, but did not sell at auction
- **Face Value** – The lien amount sold at auction prior to fees or premium bid amounts

Nation At a Glance

- 49 states have tax sales (most territories also)
- 30 states offer liens or redeemable deeds
- Ground Rules
 - Pre-sale advertised lists
 - Lien and redeemable deed auctions only
 - 891 Jurisdictions in 20 States
 - Approximately 85% of the population represented in the states analyzed
 - 46% of all lien and redeemable deed states

Nation at a Glance

Sale Density

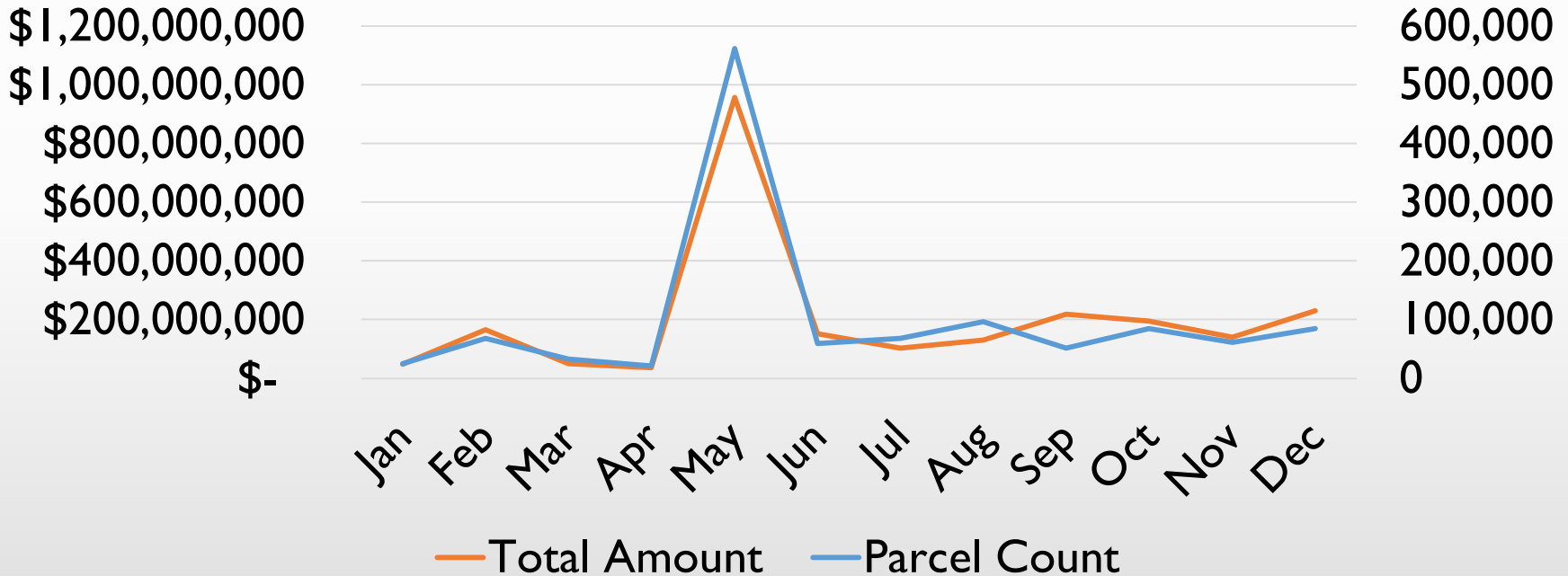
Sales By Month



Nation at a Glance

Product Density (Pre-Sale)

Available Product By Month



May Dominated by Florida

4 Year National Summary

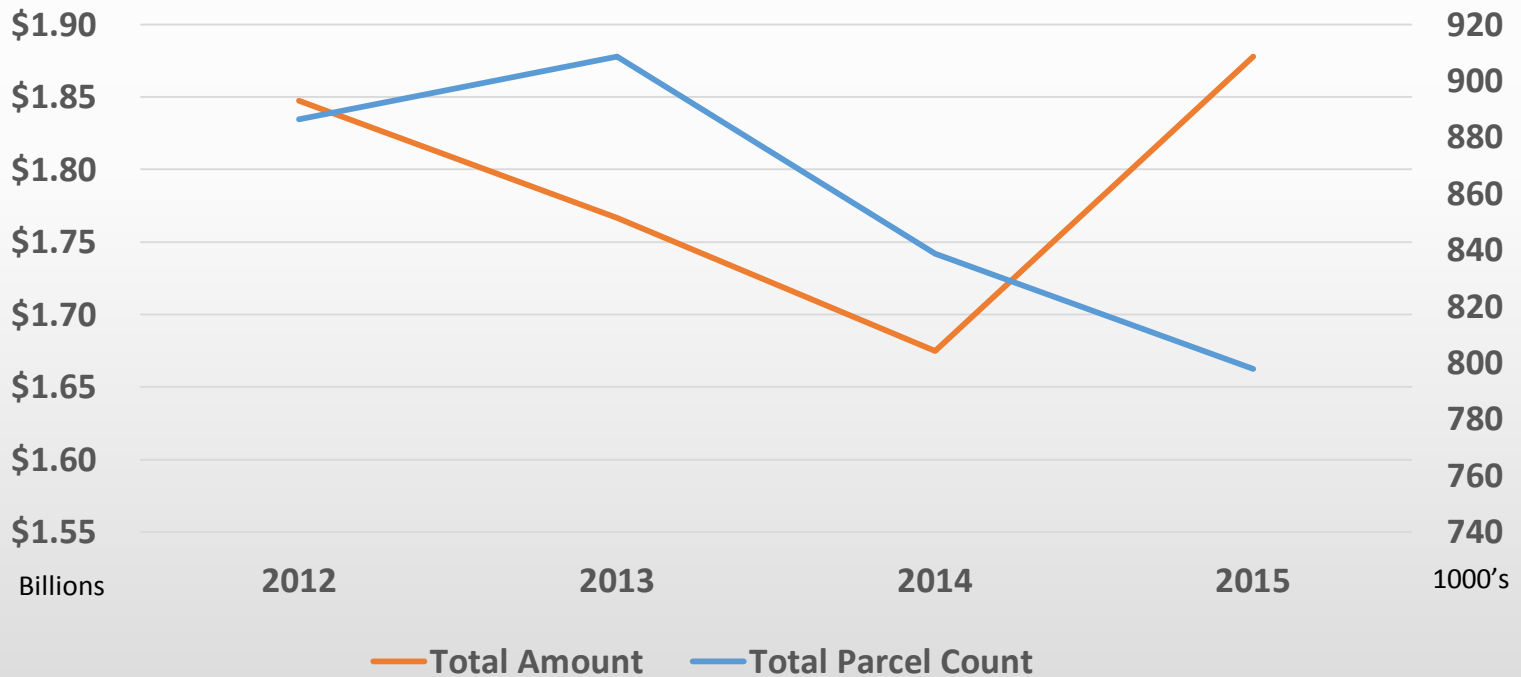
Ground Rules

- Pre-sale advertised lists
- Lien and redeemable deed auctions only
- 550 Jurisdictions in 15 States
- Represents approximately 51% of the population in the states analyzed
 - 25% of all lien and redeemable deed states

National Summary

Total Liens and Sale Amounts

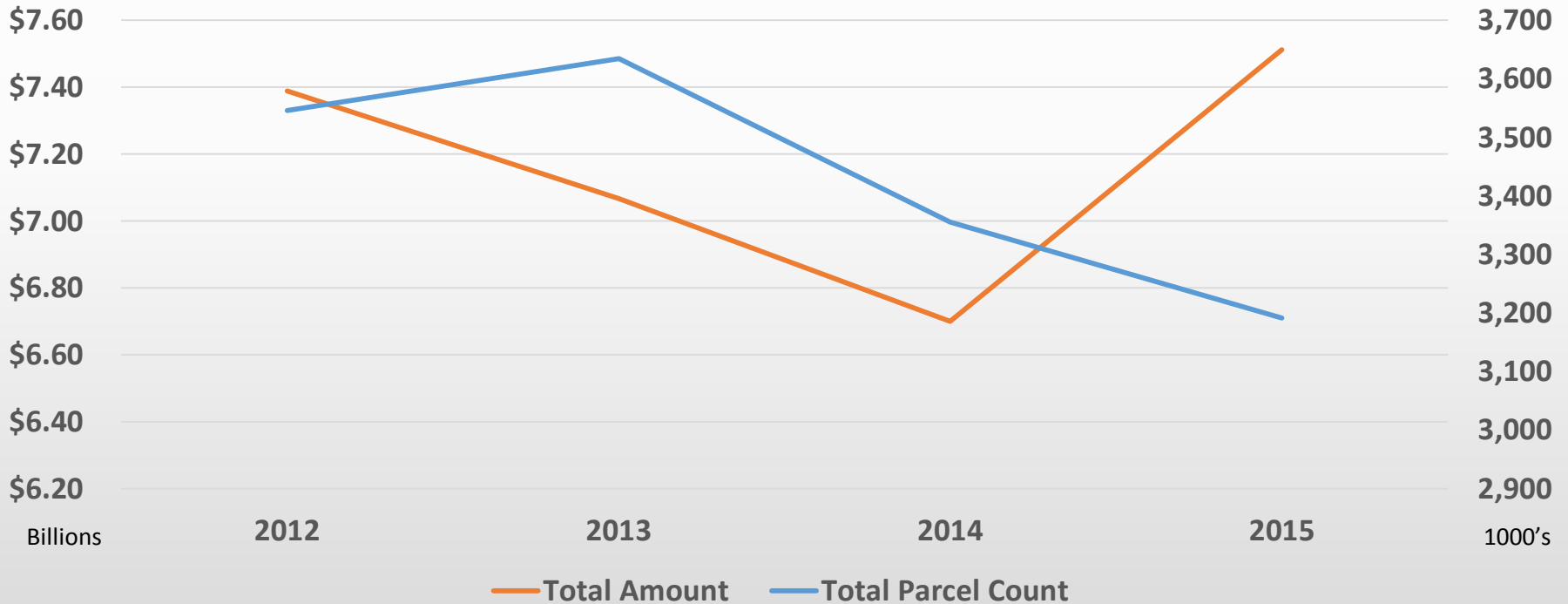
Pre-Sale Dataset 4 Year Summary



National Summary

Adjusted Total Liens and Sale Amounts

Adjusted Pre-Sale 4 Year Summary

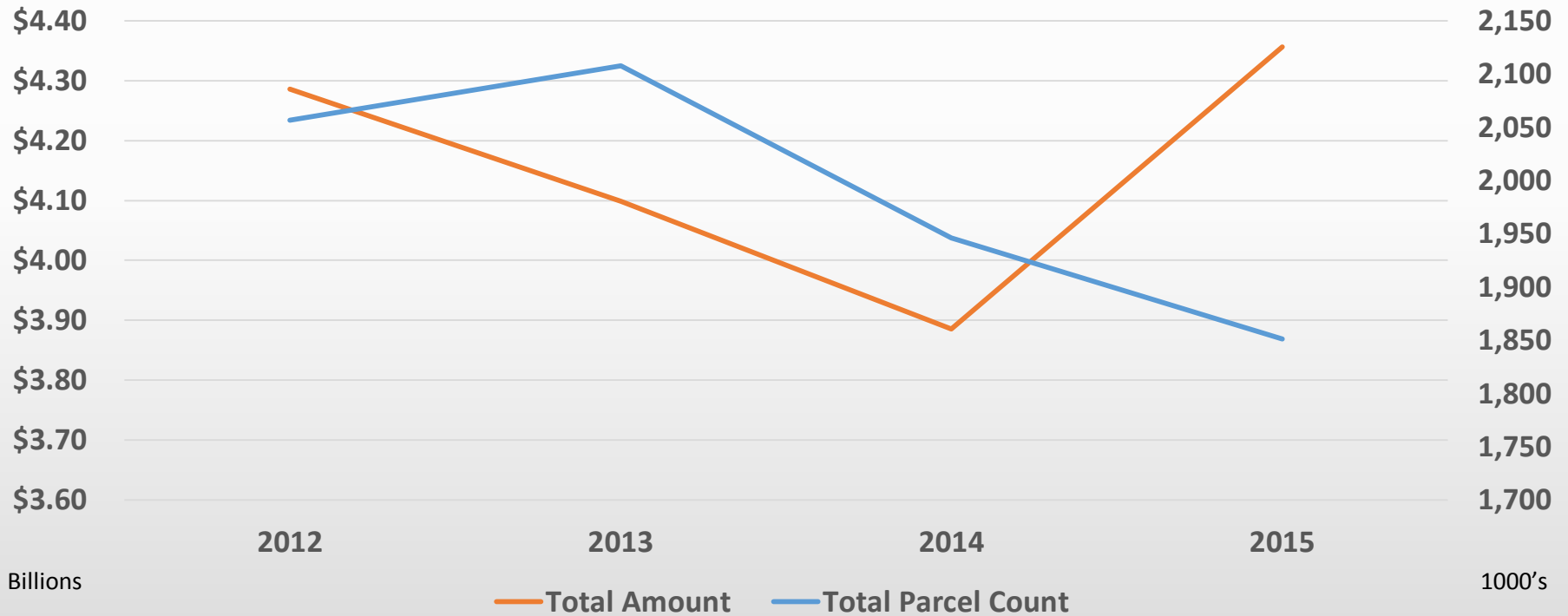


4 Year National Summary Pre-Sale vs Post Sale

- Not every lien that is advertised makes it to sale
- Not every lien that makes it to the sale, actually sells
- We analyzed the results of more than 250 sales in 12 states over the past 4 years to get an unprecedented accurate look at the true size of the tax lien industry
 - Does not include tax deeds

National Summary Post-Sale Adjusted Totals

Post-Sale Adjusted 4 Year Summary



A "First" for the Industry!



Arizona

- Bid Down %
 - 16% starting bid
- No Penalty
- 3 Yr Redemption

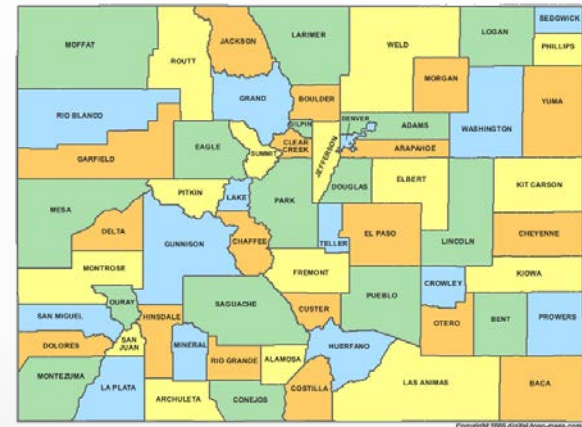


	2013	2014	2015
Average Lien Amount	\$ 1,071.11	\$ 1,494.43	\$ 962.43
Average Bid Down %	5.54	7.21	8.32
Average Premium Bid	\$ -	\$ -	\$ -



Colorado

- **Premium Bid**
 - Prime + 9%
 - No interest on premium
- **No Penalty**
- **3 Yr Redemption**

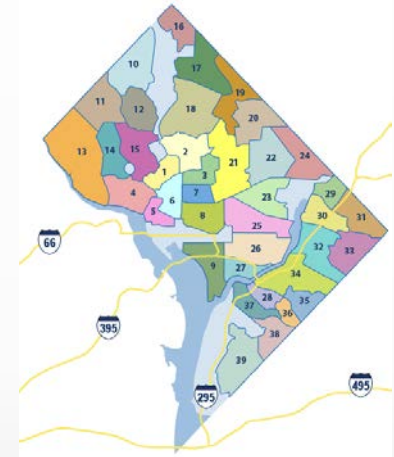


	2013	2014	2015
Average Lien Amount	\$ 2,080.42	\$ 2,138.16	\$ 1,950.23
Average Bid Down %	N/A	N/A	N/A
Average Premium Bid	\$ 2,383	\$ 2,272	\$ 2,099



District of Columbia

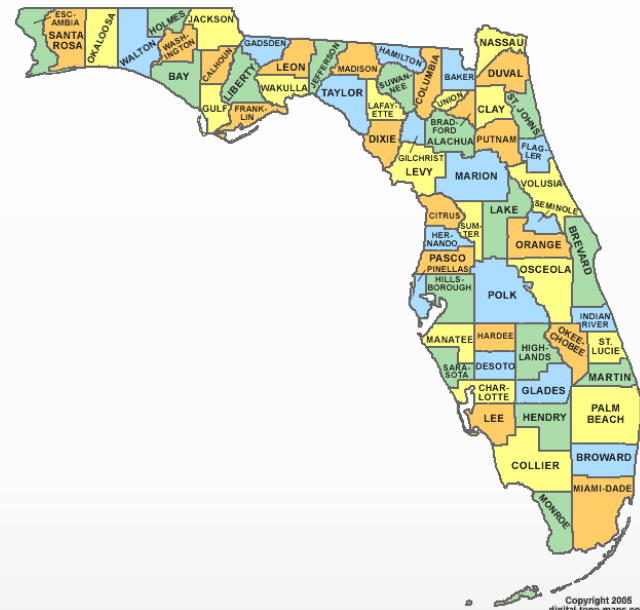
- Premium Bid
 - 1.5% / mo (subject to change)
- No Penalty
- 6 month Redemption



	2013	2014	2015
Average Lien Amount	\$ 7,488.40	\$ 9,613.08	\$ 7,663.95
Average Bid Down %	N/A	N/A	N/A
Average Premium Bid	\$ 18,557	\$ 27,121	\$ 25,601



Florida



- Bid Down %
 - 18% Starting Bid
- 5% Penalty
- 2Yr Redemption

	2013	2014	2015
Average Lien Amount	\$ 1,120.88	\$ 918.29	\$ 1,146.37
Average Bid Down %	6.12	7.00	5.78
Average Premium Bid	\$ -	\$ -	\$ -



Illinois



- **Bid Down %**
 - 18% Starting Bid
 - Annual % is 2x bid amount
- **2 to 2 ½ Yr Redemption**

	2013	2014	2015
Average Lien Amount	\$ 3,013.36	\$ 3,046.44	\$ 2,905.36
Average Bid Down %	5.14	4.79	5.20
Average Premium Bid	\$ -	\$ -	\$ -



Indiana



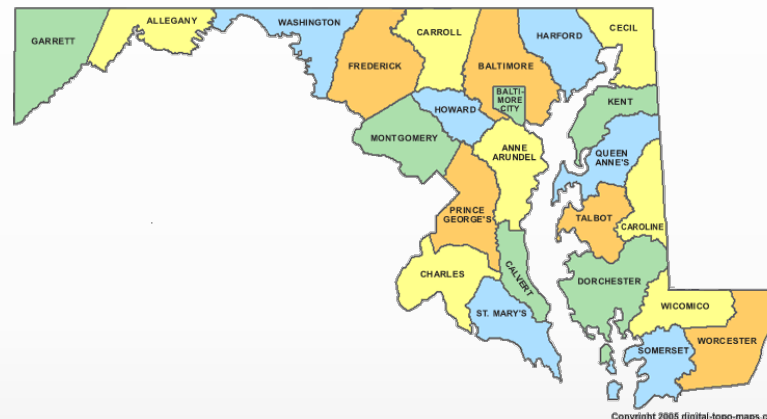
- Premium Bid
- Penalty
 - Face Amount – 10% first 6mo, 15% last 6 mo
 - Premium Amount – 5% (changed in 2015)
- 1 Yr Redemption

	2013	2014	2015
Average Lien Amount	\$ 5,228.64	\$ 4,852.36	\$ 5,948.79
Average Bid Down %	N/A	N/A	N/A
Average Premium Bid	\$ 26,278	\$ 19,239	\$ 11,017



Maryland

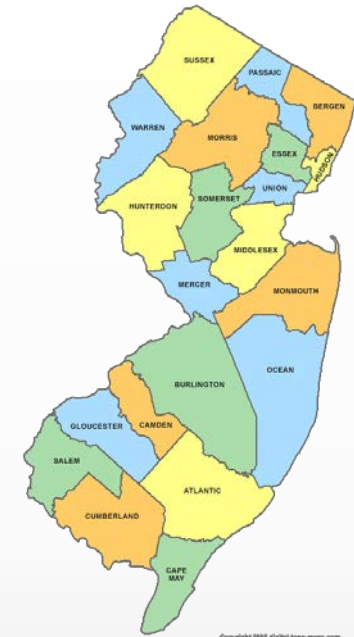
- Premium Bid
 - % Varies by Jurisdiction
- 6-Mo Redemption



	2013	2014	2015
Average Lien Amount	\$ 2,770.64	\$ 2,719.09	\$ 2,843.83
Average Bid Down %	N/A	N/A	N/A
Average Premium Bid	\$ 2,097	\$ 4,255	\$ 5,987



New Jersey



Copyright 2008 digital-nyco-map.com

- Bid Down % & Premium
 - If premium bid, no interest until subs
- Penalty 2-6%
- 2-Yr Redemption

	2013	2014	2015
Average Lien Amount	\$ 2,094.74	\$ 1,895.34	\$ 1,994.78
Average Bid Down %	2.90	2.74	3.57
Average Premium Bid	\$ 7,128	\$ 4,573	\$ 5,259



South Carolina

- **Premium Bid**
 - 3% / qtr (12% Annually)
 - Face amount and premium amount
- **1 Yr Redemption**



Copyright 2015 digitalmap.com

	2013	2014	2015
Average Lien Amount	\$ 2,642.34	\$ 2,032.00	\$ 2,200.65
Average Bid Down %	N/A	N/A	N/A
Average Premium Bid	\$ 23,189	\$ 22,762	\$ 23,537

Enough with the numbers already

- Already tough market is getting tougher
- Available product is decreasing and competition is increasing across the board
- Accurate data and analytics is more important than ever

Where to Next in 2016?

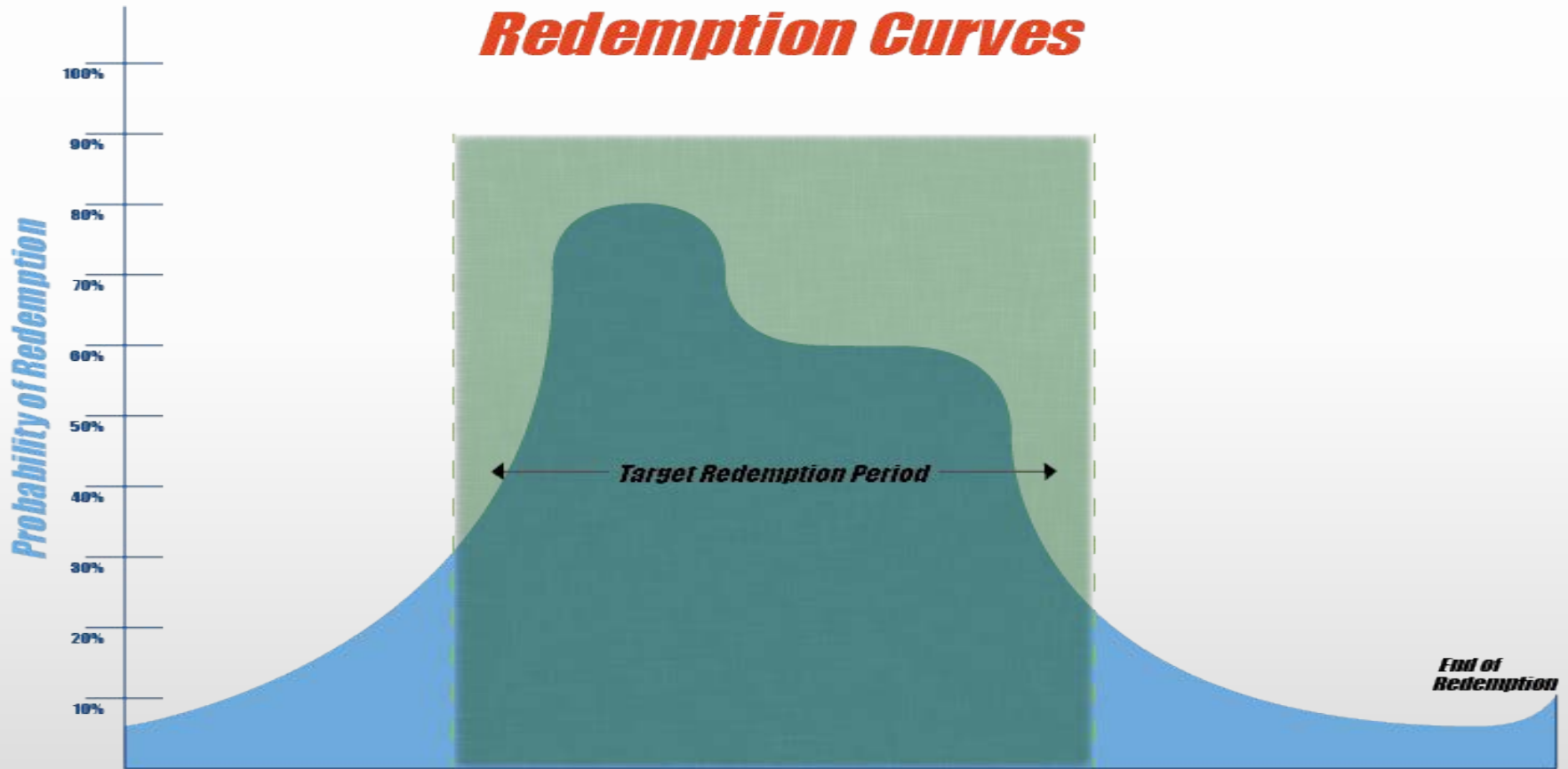
- Imagine.....

- Knowing which liens will redeem and when BEFORE you buy them?
- Knowing what your lien is worth BEFORE you purchase it?
- Knowing the value of your lien(s) as REO if/when it becomes REO?



Where to Next in 2016?

Redemption Curves



Life Span of a Lien

Where to Next in 2016?

- Vision is gathering data to establish property value degradation over lifespan of redemption period and through foreclosure

Questions?





Contact Us



Visit our website:

www.TaxSaleResources.com or www.VisionTLS.com

E-mail:

support@taxsaleresources.com or brian@visiontls.com

Call us:

877.9TAXSALE (982.9725) or 844.249.8857